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Congressional Record

PROCEEDINGS AND DEBATES OF THE 81st CONGRESS, SECOND SESSION

SENATE

WEDNESDAY, MARCH 29, 1950

Rev. F. Norman Van Brunt, assistant minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

We would lift our eyes unto the hills eternal, knowing that our help comes from Thee, O God. We would laud and hallow Thee for Thou art good and hast done us good. We have had at Thy hand bountiful benefits all our days. Thy sunlight has made our path daylight. The dark night has had its star; and when our need was great our night has had its sun.

Remembering Thy past benefits, grant us to rely upon Thy sure mercy as we take up the opportunities of this new day. Help us that in all our ways we might acknowledge Thee, knowing that Thou wilt direct our paths.

"Set our feet on lofty places;
Gird our lives, that they may be
Armored with all Christlike graces
In the fight to keep men free.
Grant us wisdom, grant us courage,
That we fail not man nor Thee."

Amen.

THE JOURNAL

On request of Mr. LONG, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 28, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on March 27, 1950, the President had approved and signed the act (S. 1746) to authorize the transfer to the Attorney General of the United States of a portion of the Vigo plant, formerly the Vigo ordnance plant, near Terre Haute, Ind., for use in connection with the United States penitentiary at Terre Haute.

CALL OF THE ROLL

Mr. LONG. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that I may withdraw the suggestion of the absence of a quorum.

The VICE PRESIDENT. Is there objection?

Mr. MORSE. I object.

The VICE PRESIDENT. Objection is heard.

The legislative clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Millikin
Benton	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Humphrey	Murray
Butler	Hunt	Myers
Byrd	Ives	Neely
Capehart	Jenner	O'Conor
Chapman	Johnson, Colo.	O'Mahoney
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Cordon	Kefauver	Saltonstall
Darby	Kem	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Dworshak	Knowland	Sparkman
Eastland	Langer	Stennis
Ecton	Lehman	Taft
Ellender	Lodge	Taylor
Ferguson	Long	Thomas, Okla.
Flanders	McCarran	Thye
Frear	McCarthy	Tobey
Fulbright	McClellan	Watkins
Gillette	McFarland	Wherry
Graham	McKellar	Wiley
Green	McMahon	Williams
Gurney	Magnuson	Withers
Hayden	Malone	Young
Hendrickson	Martin	

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate on official business, attending the Defense Council and the Defense Chiefs' Meeting at The Hague, Netherlands.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Washington [Mr. CAIN] is absent on official business.

The VICE PRESIDENT. A quorum is present.

Under the unanimous-consent agreement the time from now until 3 o'clock is equally divided, and then from that hour for another hour is equally divided between the Senator from Illinois [Mr. DOUGLAS] and the Senator from Colorado [Mr. JOHNSON].

TRANSACTION OF ROUTINE BUSINESS

Mr. LONG. Mr. President, I ask unanimous consent that Senators may make insertions in the RECORD and present routine business without debate.

Mr. DOUGLAS. Mr. President, I consent to the request provided the total amount of time is limited to not to exceed 5 minutes.

The VICE PRESIDENT. It is difficult to know how many Senators might desire to submit matters for the RECORD within the 5-minute limit. At the most, it does not take many minutes to comply with all requests for insertions in the RECORD.

Is there objection to the request of the Senator from Louisiana that Senators be permitted to insert matters in the RECORD, and conduct other routine business, without debate and without speeches? The Chair hears none, and it is so ordered.

REPORT ON CONTRACTS AND COOPERATIVE AGREEMENTS UNDER RESEARCH AND MARKETING ACT

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report on contracts and cooperative agreements entered into under the Research and Marketing Act, for the fiscal year 1949, which, with the accompanying papers, was referred to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

Resolutions of the General Court of the Commonwealth of Massachusetts, relating to the distribution of surplus foods to the several States and the political subdivisions thereof in proportion to their population and per capita income; to the Committee on Agriculture and Forestry.

(See resolutions printed in full when presented by Mr. SALTONSTALL (for himself and Mr. LODGE) on March 28, 1950, p. 4181, CONGRESSIONAL RECORD.)

A resolution of the General Assembly of the State of Rhode Island, relating to the unification of all counties of Eire; to the Committee on Foreign Relations.

(See resolution printed in full when presented by Mr. GREEN on March 28, 1950, p. 4181, CONGRESSIONAL RECORD.)

A letter in the nature of a petition from the Association for Supervision and Curriculum Development, National Education Association, Washington, D. C., signed by Arno A. Bellack, executive secretary, embodying a resolution adopted by the Association, relating to the formation of an effective world government; to the Committee on Foreign Relations.

Resolutions adopted by the Women's Prospect Republican Club, of Johnstown, Pa., and the T. L. Gilmer Dental Society, of Quincy, Ill., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the Methodist Federation for Social Action, of New York, N. Y., signed by Jack R. McMichael, executive secretary, relating to contributions by the United States to the World

Health Organization, and so forth; to the Committee on Labor and Public Welfare.

A telegram in the nature of a memorial from Warehouse Union Local 26, ILWU, CIO, of Los Angeles, Calif., remonstrating against the enactment of the so-called Mundt-Ferguson-Nixon bill, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

FEDERAL ECONOMY—RESOLUTION OF EXECUTIVE BOARD OF NATIONAL ASSOCIATION OF RETAIL GROCERS

Mr. WILEY. Mr. President, I present for appropriate reference a letter from C. C. Precure, president of the National Association of Retail Grocers, whose general offices are at 360 North Michigan Avenue, Chicago 1, Ill., embodying a resolution adopted earlier this year by the executive board of the association on behalf of sound Federal fiscal policy. I ask unanimous consent that the letter and a short statement prepared by me be printed at this point in the RECORD.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

The letter was referred to the Committee on Expenditures in the Executive Departments, as follows:

NATIONAL ASSOCIATION OF
RETAIL GROCERS,
Chicago, Ill., March 27, 1950.

HON. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: Last January the executive board of the National Association of Retail Grocers met and unanimously adopted a resolution calling for sound Federal fiscal policies. That resolution is stated below.

We believe that the first duty of this Nation is to remain strong and prosperous internally. If this is not done, then our responsibilities both at home and to the world cannot be met.

Fiscal and tax policies are a most important factor in determining the internal strength of the country. We, therefore, urge you to work for the recommendations made in the following resolution:

"Whereas one-quarter of the total earnings of the people are now being taken from them for the support of Government, local, State, and Federal; and

"Whereas our total tax burden is greater today than ever before in our history, even including the years when the United States was fighting the combined might of Germany and Japan; and

"Whereas this tax burden constitutes the most serious threat to the traditional American standard and scale of living; and

"Whereas notwithstanding the highest taxes in our history, we also face a deficit for the current fiscal year of $5,500,000,000 to $6,000,000,000, which is an all-time record for a peacetime deficit; and

"Whereas it has been conclusively demonstrated by the Hoover Commission and the Joint Committee on Reduction of Nonessential Federal Expenditures and indeed is a matter of common knowledge that the Federal Government is wasting billions of dollars annually which could be saved without the impairment of a single essential public service; and

"Whereas Congress and Congress alone is charged with responsibility of finally determining the Nation's fiscal policy: Be it

"*Resolved,* That the National Association of Retail Grocers hereby calls on Congress—

"1. To reduce Federal expenditures by not less than $5,000,000,000 during the next fiscal year;

"2. To reject all requests for higher taxes; and

"3. To review the entire situation with a view to correcting existing tax inequities and, if possible, bringing about an over-all reduction of taxes; further

"*Resolved,* That a copy of this resolution be sent to all Members of Congress."

Respectfully submitted.

C. C. PRECURE, *President.*

The statement by Mr. WILEY is as follows:

STATEMENT BY SENATOR WILEY

I believe that the grocers of America, like other retailers, are more keenly aware of the Federal tax burden than perhaps any other single segment of our population, because the grocers appreciate the fact that the American people today are straining under the heaviest burden of open and hidden taxes in their history.

It is the grocers' lot to have to sell literally hundreds of varied items on which the poor taxpayer is soaked and soaked. For example, as I have previously mentioned, there are 150 hidden taxes on a single loaf of bread. The same holds true for all of the other items on the grocers' shelves.

I join with the National Association in its endorsement of balancing the budget, ending of the peacetime deficit, adoption of the Hoover Commission reports, and reduction of taxes.

UTILIZATION OF FARM CROPS—REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. GILLETTE, from the Committee on Agriculture and Forestry, submitted, pursuant to Senate Resolution 36, Eighty-first Congress, second session, authorizing an investigation relative to expanded uses of farm crops, a report (No. 1374).

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENTS REPORTED FROM COMMITTEE ON PUBLIC WORKS

Mr. CHAVEZ, from the Committee on Public Works, reported five additional amendments to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, heretofore reported by that committee, which were ordered to lie on the table and to be printed.

BILL INTRODUCED

Mr. WHERRY introduced a bill (S. 3319) for the relief of certain Mexican nationals, which was read twice by its title, and referred to the Committee on the Judiciary.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENT

Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

BROADCAST BY SENATOR MYERS TO PEOPLE OF PENNSYLVANIA

[Mr. MYERS asked and obtained leave to have printed in the RECORD a radio broadcast by him to the people of Pennsylvania on March 27, 1950, which appears in the Appendix.]

WELFARE STATE—ADDRESS BY SENATOR HUMPHREY

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an address on the subject The Welfare State, delivered by him at the Harvard Law School Forum, Harvard University, Cambridge, Mass., March 24, 1950, which appears in the Appendix.]

ELECTION OF PRESIDENT AND VICE PRESIDENT—LETTER FROM CHARLES H. PORTER

[Mr. LODGE asked and obtained leave to have printed in the RECORD a letter from Charles H. Porter, professor emeritus of accounting, Massachusetts Institute of Technology, regarding the counting of electoral votes, which appears in the Appendix.]

AMERICAN FOREIGN POLICY—TRIBUTE TO SENATOR BENTON'S RESOLUTION BY GEORGE T. STODDARD

[Mr. BENTON asked and obtained leave to have printed in the RECORD a telegram from George T. Stoddard, president of the University of Illinois and Chairman of the National Commission for UNESCO, commending him on his Senate speech of March 22 regarding our foreign policy and endorsing the resolution submitted by him, which appears in the Appendix.]

MR. ACHESON'S ORDEAL—EDITORIAL FROM THE LONDON TIMES

[Mr. BENTON asked and obtained leave to have printed in the RECORD an editorial entitled "Mr. Acheson's Ordeal," from the London Times of March 28, 1950, which appears in the Appendix.]

DEATH OF FRANCIS T. SPAULDING—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

[Mr. IVES asked and obtained leave to have printed in the RECORD an editorial entitled "Francis T. Spaulding," published in the New York Herald Tribune on Tuesday, March 28, 1950, which appears in the Appendix.]

DEATH OF FRANCIS T. SPAULDING—EDITORIAL FROM THE NEW YORK TIMES

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an editorial entitled "Francis Trow Spaulding," from the New York Times of March 28, 1950, which appears in the Appendix.]

DEATH OF LAURENCE STEINHARDT—EDITORIAL COMMENT

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD editorials on the death of Laurence Steinhardt, from the New York Times and the New York Herald Tribune of March 29, 1950, which appear in the Appendix.]

THE HAT UNION—EDITORIAL FROM THE NEW YORK TIMES

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an editorial entitled "The Hat Union," from the New York Times of March 28, 1950, which appears in the Appendix.]

AMERICAN DAIRY ASSOCIATION AWARD TO THE GREAT ATLANTIC & PACIFIC TEA CO.

[Mr. WILEY asked and obtained leave to have printed in the RECORD the text of a news release describing the dairy award to the Great Atlantic & Pacific Tea Co., which appears in the Appendix.]

COOPERATION IN THE DEVELOPMENT OF PUBLIC POWER—ADDRESS BY SECRETARY OF THE INTERIOR OSCAR L. CHAPMAN

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address on the subject Cooperation in the Development of Public Power, delivered by the Secretary of the Interior, Oscar L. Chapman, at the annual convention of the National Rural Electric Cooperative Association, in Chicago, Ill., March 7, 1950, which appears in the Appendix.]

LETTER FROM JAMES K. KNUDSON TO SENATOR MAGNUSON

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a letter dated March 24, 1950, addressed to him by James K. Knudson, which appears in the Appendix.]

ALASKA'S DEFENSES—ARTICLE BY MARQUIS CHILDS

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an article entitled "Alaska's Defenses," written by Marquis Childs and published in today's Washington Post, which appears in the Appendix.]

LOYALTY HYSTERIA BOON TO UNITED STATES FOES—ARTICLE BY JOHN A. KENNEDY

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "Loyalty Hysteria Boon to United States Foes," written by John A. Kennedy, editor and publisher of the San Diego (Calif.) Journal, and published in that newspaper under date of March 25, 1950, which appears in the Appendix.]

GIRL ON A TRAIN—EDITORIAL FROM THE NEW HAMPSHIRE SUNDAY NEWS

[Mr. TOBEY asked and obtained leave to have printed in the RECORD an editorial entitled "Girl on a Train," published in the New Hampshire Sunday News of March 26, 1950, which appears in the Appendix.]

FAMINE CONDITIONS IN CHINA—LETTER BY SENATOR KNOWLAND

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a letter which I have sent to the Secretary of State, with a copy to the President of the United States, relative to famine conditions in China.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 29, 1950.

Hon. DEAN ACHESON,
State Department,
Washington, D. C.

DEAR MR. SECRETARY: Reports emanating from the Communist-dominated areas of China indicate that more than 40,000,000 people are in the famine areas and that over 10,000,000 are in danger of starvation.

While these famine conditions prevail in various areas of the Communist-dominated mainland of China, reliable reports indicate that the Chinese Communist regime is shipping vital foodstuffs to the Sovet Union in exchange for industrial equipment to replace that looted from Manchuria by the Soviet army of occupation.

Nevertheless the American people always had a sincere and friendly interest in the well being of the people of China.

As you know, we have large quantities of grain and other foodstuffs, a considerable part of which is subject to deterioration if not used within a reasonably short period of time. Other quantities are far in excess of the immediate needs of this country.

I propose that through the Voice of America and other channels we notify the people of China that we are prepared to contribute a substantial amount of foodstuff to relieve the existing famine conditions provided that such food is distributed to all needy Chinese and not merely to those who are actively allied with the Communist regime.

In order that such equitable distribution may take place I further propose that there be a relief commission established similar to that headed by Mr. Herbert Hoover for Belgium relief during World War I. Such distribution in the distressed provinces to be undertaken under supervision of committees on which there would be Chinese as well as American members.

It is my belief that this should be done as a humanitarian move without in any way necessitating the recognition by this Government of the regime in whose area the famine conditions prevail.

It would require, of course that the American relief mission would have guaranties that their personnel and food shipments for the hungry would not be obstructed in carrying out their humanitarian mission. I feel certain that arrangements could be made with the Government of the Republic of China to facilitate the movement of food ships through the blockade in the interest of saving millions from starvation.

I am taking the liberty of sending a copy of this letter to President Truman who is now in Florida.

With best personal regards, I remain,
Sincerely yours,

WILLIAM F. KNOWLAND.

REGULATION OF NATURAL GAS

The Senate resumed the consideration of the bill (S. 1498) to amend the Natural Gas Act, approved June 21, 1938, as amended.

Mr. JOHNSON of Colorado. Mr. President, I yield 15 minutes to the Senator from Arizona.

Mr. McFARLAND. Mr. President, the pending bill has been under consideration for several days, and every phase of it has been discussed by its proponents and opponents. Little can be added at this time with respect to the effect the bill would have upon the gas situation. However, coming as he does from a consumer State, the Senator from Arizona would like to emphasize three reasons why he feels the proposed legislation should be enacted.

The junior Senator from Arizona is a member of the Committee on Interstate and Foreign Commerce, which has filed a favorable report and has recommended the passage of the so-called Kerr bill. He invites attention to the fact, which has been pointed out many times, that the necessity for the bill grows out of the decision by the Supreme Court in what is known as the Interstate case, which was handed down in June 1947. After that decision was rendered by the Supreme Court a difference of opinion arose as to what the law is. I think the resulting confusion could not have been better demonstrated than by the fact that those who have taken the floor of the Senate to discuss S. 1498 have been almost equally divided as to what, in their opinion, was the effect of the decision on the present law.

Because of the confusion which had developed, there was first introduced in the Senate, in the Eightieth Congress, what was known as the Moore-Rizley bill. That bill would have included the pipeline companies which were gatherers; that is, it would have covered the gathering and production by the pipe-line companies. Some of us felt that the Moore-Rizley bill went too far, and for that reason we opposed its adoption and killed it in the last Congress.

There was also introduced in the same Congress what was known as the Priest bill. At that time it seemed to be the unanimous opinion that the Priest bill could have been passed without opposition on the call of the calendar. But those who supported the Moore-Rizley bill were not willing to accept the Priest bill. Therefore, it was not enacted into law.

In the present session of Congress a new bill was introduced, the one which is now under consideration. That bill confines the exemption solely to the producer and the gatherer of gas.

Mr. President, it has been pointed out on the floor of the Senate, as it was during the committee hearings, that the confusion existing with respect to the present law has retarded the development and the expansion of the natural-gas industry. That has been disputed by those who are opposing the pending bill. It is to that point the junior Senator from Arizona wishes to direct his remarks at this time.

The testimony on this measure before the Committee on Interstate and Foreign Commerce showed that approximately 40 percent of the natural gas is produced by companies from wells which yield both oil and gas. The testimony was to the effect that those producers were hesitant about any proposal which would bring their production under the control of the Federal Power Commission because they did not want their oil business controlled. I think it has been clearly demonstrated on the floor of the Senate that there cannot be brought under the jurisdiction of the Federal Power Commission gas produced by a company which also produces oil from the same well without bringing under control of the Commission the production of oil derived from such well. For that reason many of the State officials who testified—I shall not now take time to detail their testimony—said that companies were flaring gas, particularly where the amount of gas produced, as compared to the amount of oil, was small, rather than to have their production of both oil and gas come within the jurisdiction of the Federal Power Commission.

First, however, I desire to point out that the Federal Power Commission has held for 12 long years that the producers and gatherers of gas do not come within the jurisdiction of the Commission. However, that has been complicated and further confusion has been added by the proceedings and decisions in the application of the El Paso Natural Gas Co.

for a permit for the construction of a gas line across the northern part of the State of Arizona into California. I wish to show, by the record in that case, that the law should be clarified. I think the records to which I refer prove, beyond question, that the law should be clarified one way or other other, because, although up to the present time it has been held that the independent gatherers and producers do not come within the jurisdiction of the Federal Power Commission, yet the Commission wrote a letter which has confused the issue, for in the letter the Commission indicates that the independent gatherers and producers do come within its jurisdiction.

In August 1947, the El Paso Natural Gas Co. filed its first application for a permit for the construction of a gas line across the northern part of Arizona. Since that date many applications have been filed, but all of them have resulted from the fact that the Delhi Oil Corp., which was going to supply the gas, did not wish to come within the jurisdiction of the Federal Power Commission. That resulted in the filing on March 9, 1949, of an amended application or a new application by the El Paso Natural Gas Co., in which it is stated that the El Paso Co. has a contract with the Delhi Oil Corp. to furnish the gas. I wish to call attention to the fact that in that contract there was a provision giving the Delhi Corp. the right to cancel its contract if the sale of gas to the El Paso Natural Gas Co., for distribution in northern Arizona and California, would bring that corporation within the jurisdiction of the Federal Power Commission. The corporation asked for a status determination as to whether that contract would bring it within the jurisdiction of the Commission. Under the rules of the Commission, the corporation had a right to ask for such a determination.

Mr. President, the Federal Power Commission first held that the contract would not bring the corporation within its jurisdiction. However, my colleague, the Senator from Arizona [Mr. HAYDEN], wrote a letter to the Commission in regard to the application; and the Commission's reply was most confusing in respect to the opinion of the Commission in regard to the law and the effect of the contract between the El Paso Gas Co. and the Delhi Oil Corp. I shall read a portion of the reply which my colleague received:

> The present operations of the Delhi Oil Corp., so far as we are advised, do not bring it within the jurisdiction of the Commission, but the proposed sale of natural gas by Delhi to the El Paso Co. will be made in interstate commerce and hence will render Delhi subject to regulation under the Natural Gas Act.

Mr. President, let me say here that this part of the letter is most confusing. It indicates that on May 11, 1949, the Federal Power Commission was of the opinion that the independent gatherers and producers did come within its jurisdiction if they made sales to pipe-line companies for the transmission of natural gas outside of the State in which the gas was produced.

I read further from the letter:

> Jurisdictional status of independent producers and gatherers: The Federal Power Commission is of the opinion that it was the intent of the Congress that the control of production or gathering of natural gas should remain a function of the States and that the Natural Gas Act should not provide for regulation of those subjects.
>
> For the purpose of administering the Natural Gas Act, the Commission will construe the exemption contained in section 1 (b), to the effect that the provisions of the act shall not apply to the "production or gathering" of natural gas, as including arm's-length sales of natural gas by independent producers and gatherers, made during the course or upon completion of production and gathering. The Commission, consistent with this construction, will not assert jurisdiction over such producers and gatherers who might be subject to jurisdiction solely because of such sales.

The VICE PRESIDENT. The time of the Senator from Arizona has expired.

Mr. McFARLAND. Mr. President, will the Senator from Colorado yield further time to me?

Mr. JOHNSON of Colorado. I yield 10 minutes additional to the Senator from Arizona.

Mr. McFARLAND. I thank the Senator.

Mr. President, because my time is expiring, I ask unanimous consent that the complete record of this transaction may be printed at this point in the RECORD.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

BEFORE THE FEDERAL POWER COMMISSION—IN THE MATTER OF DELHI OIL CORP.—APPLICATION FOR STATUS DETERMINATION AND DECLARATORY ORDER

Comes now Delhi Oil Corp., a corporation, and respectfully requests a declaratory order as more fully set forth hereinafter and for cause shows:

I

Applicant is a Delaware corporation. Its principal office and post-office address is at 1315 Pacific Avenue, Dallas 1, Tex. Its principal business is the production and sale of petroleum and petroleum products, including natural gas. It owns certain natural gas leases from which it has not heretofore sold, and does not now sell, any gas for transportation in interstate commerce or for resale for any purpose in such commerce. Among the natural gas leases so held by applicant are certain leases, hereinafter identified, located in the Barker Dome natural gas field in San Juan County, N. Mex., and extending north into an adjacent area of said gas field in La Plata County, Colo.

II

Under date of February 4, 1949, applicant entered into a contract for the sale of certain specified quantities of natural gas from its said Barker Dome field gas leases, as specified in said contract, to El Paso Natural Gas Co., a wholly nonaffiliated corporation. A copy of said contract was attached to the application of Delhi in Docket No. G–1168, was made a part thereof, was marked "Exhibit A," therein, and is hereby incorporated by reference for the purposes of the within applicant is informed and believes and therefore alleges that should natural gas be sold by it to El Paso under said contract such gas would be transported by El Paso, or through some subsidiary of El Paso, in interstate commerce for resale for domestic, commercial, industrial and other appropriate uses.

III

In this connection, applicant alleges:

A. That its said contract of February 4, 1949, with El Paso Natural Gas Co. was negotiated between and entered into between two wholly nonaffiliated corporations, neither of which holds or owns, or has ever held or owned, any of the capital stock of the other, which do not now nor have at any time had any common officers or directors, and neither of which now holds or exercises or has at any time held or exercised control of any type or extent over the other, said contract being in all respects an arm's-length bargain between independent corporate entities;

B. That should the contract in question become effective by its terms and should sales of natural gas eventuate thereunder, said sales will be wholly at arm's length, and the sole relationship between the parties to such sales will be that of independent seller and independent buyer, respectively, of the gas sold thereunder; and

C. That all such gas sales by applicant under said contract will be made, as therein specifically appears, upon completion of the operations of the production and the gathering by applicant of the gas so sold, and not otherwise, the point or points where such sales will take place being specifically located by the contract within applicant's aforementioned Barker Dome field gas leases and said sales being specifically required by the contract to be made by applicant before any transportation of any of said gas shall have taken place subsequent to such production and gathering operations.

IV

Applicant makes and files this written application for the purpose of securing from this Commission under section 2.54 of the Commission's general rules, and under the Commision's general practice thereunder, an order to the effect that the Commission will not assert jurisdiction under the Natural Gas Act over applicant in respect of or by reason of any of the sales of gas which applicant may or might make under said contract with El Paso, and to the effect that applicant will not therefore become a "natural-gas company" under said act by reason of or as a result of the making by it of such sales. Since the adoption of said rule, which is now in full force and effect, the Commission has isued numerous such so-called "status determination" orders in respect of divers applicants engaged in the production and gathering of natural gas who would not be or become "natural-gas companies" within the meaning of the Natural Gas Act unless jurisdiction were to be asserted over them as a result of certain sales or projected sales of gas for transportation and resale in interstate commerce, where such sales were made or to be made under the circumstances set forth in said rule.

V

Said rule specifically declares that the Commission will not assert jurisdiction over a producer and gatherer of natural gas solely because of sales made by it (1) at "arm's length," (2) as an independent producer and gather, (3) during the course or upon completion of production and gathering. No other or further specification or requirement is contained or suggested in said rule in such connection. Applicant's proposed sales of gas under the contract here in question will be made by it (1) at "arm's length," (2) as an independent producer and gatherer, (3) upon completion of production and gathering, and not otherwise.

VI

On February 11, 1949, applicant filed an application in tenor similar to the within application. Said application was designated as docket No. G–1168. On March 10, 1949, the Commission isued therein its "Finding upon

application for status determination," in which it outlined the prayer thereof for a status determination and for a declaratory order that "said applicant is not a 'natural-gas company' as defined in the Natural Gas Act, and its proposed acts and operations [as later described in said finding] will not be subject to the jurisdiction of the Commission." Thereupon the Commission made the following findings of fact:

"The application discloses that applicant owns leases covering seven-eighths of all natural-gas deposits below the Dakota Sand under approximately 8,400 acres of land in San Juan County, N. Mex., and La Plata County, Colo.; and that it owns leases covering seven-eighths of all natural-gas deposits lying under approximately 4,000 acres of land in La Plata County, Colo., all of such acreage being in what is commonly known and referred to as the 'Barker Dome' field. Applicant has entered into a contract dated February 4, 1949, with El Paso Natural Gas Co. to sell up to 110,000,000 cubic feet of natural gas per day to El Paso for a term of 25 years from the date of first delivery of gas into the facilities of El Paso and to continue thereafter until terminated by either party. The delivery points for gas under the aforesaid contract are to be before or at the conclusion of applicant's gathering operations and at the outlet side of a metering station or stations constructed or to be constructed by Delhi within the said Barker Dome field. The contract further provides that applicant shall have the right to deliver at the aforesaid delivery points natural gas from any other source or sources other than the acreage covered in the contract.

"El Paso Natural Gas Co. heretofore has been held by the Commission to be a 'natural-gas company' within the meaning of the Natural Gas Act.

"Upon the granting of the application as requested, applicant will not be affiliated directly or indirectly with El Paso Natural Gas Co. by ownership of stock in any natural-gas company or otherwise."

Upon its said finding the Commission thereupon concluded that:

"Upon the foregoing facts which are presented in the application filed herein and pursuant to section 2.54 of the Commission's general rules, the Commission finds:

"The sale as proposed by applicant, Delhi Oil Corp., to El Paso Natural Gas Co. under the contract of February 4, 1949, of natural gas produced in the said Barker Dome field, will be an arm's-length sale of natural gas by an independent producer and gatherer made upon completion of production and gathering and, therefore, the transaction is within the purview of said rule."

VII

Delhi later discovered, however, that on May 11, 1949, the Commission had written a letter to Honorable CARL HAYDEN, United States Senator from Arizona, in which, among other things, it stated:

"The present operations of the Delhi Oil Corp., so far as we are advised, do not bring it within the jurisdiction of the Commission, but the proposed sale of natural gas by Delhi to the El Paso Co. will be made in interstate commerce and hence will render Delhi subject to regulation under the Natural Gas Act. However, at the request of Delhi for a determination of jurisdiction status the Commission entered the enclosed order of March 10."

A copy of said letter is attached hereto, made a part hereof, and marked "Exhibit A."

VIII

Deeming the situation to have been rendered highly uncertain and ambiguous, as a result of said letter to Senator HAYDEN, Delhi, on August 1, 1949, addressed a letter to the Commission, in which it outlined the situation in considerable detail, and requested advice by way of clarification in time for it to act pursuant to its right of cancellation under the contract, which right was then to expire 90 days after July 1, 1949. A copy of said letter is attached hereto, made a part hereof, and marked "Exhibit B." Under date of August 3, 1949, the Commission acknowledged by postal card the receipt of said letter, a copy of which card of acknowledgment is attached hereto, made a part hereof, and marked "Exhibit C."

Thereafter and under date of August 5, 1949, the Commission further advised Delhi as follows:

"Your letter of August 1, 1949, which was acknowledged by card dated August 3, 1949, is being considered by the Commission and a reply will be made to it before the expiration of the 90-day period which you mention."

A copy of such letter being attached hereto, made a part hereof, and marked "Exhibit D."

No further letter of reply has ever been received to either of said letters. On September 27, 1949, however, Delhi received a telegram signed by the secretary of the Commission and reading in part as follows:

"In further reply to your letter of August 1, we suggest that the basic question involved in the legal effect of our order No. 139, our rule 2.54, and our order of March 10, 1949, matters concerning which you no doubt have the advice of counsel. The Commission is unable, in the circumstances, to express a conclusive opinion as to whether you will or will not be subject to regulation under the Natural Gas Act by virtue of proposed sale of natural gas to El Paso."

A copy of said telegram is attached hereto, made a part hereof, and marked "Exhibit E."

IX

As of the date of receipt of such telegram, therefore, three separate, different and seemingly mutually exclusive advices on the subject of such jurisdiction had been received by Delhi directly or indirectly. The first was contained in the Commission's order of March 10, 1949, in Docket No. G-1168. The second was the expression contained in the Commission's letter to Senator HAYDEN of May 11, 1949. The third was contained in said telegram of September 27, 1949, which in effect disclaimed both prior conclusions, and for the first time asserted inability on the part of the Commission to clarify this situation.

Since the situation, therefore, was not and could not reasonably have been deemed by Delhi to have been clarified or even plausibly explained by said several orders and communications, and since the confusion and uncertainty of the situation had been in nowise removed, but on the contrary had been increased by said actions, it was mutually agreed between Delhi and El Paso that Delhi's right to cancel its contract for the reasons hereinbefore outlined would be further extended, in order to allow to El Paso further time to attempt to obtain its certificate under the conditions which thus obtain and to allow Delhi sufficient time to obtain clarifications of its status. Copies of the agreements under which the dates were extended on or before which Delhi was accorded the right so to cancel said contract are attached hereto, made a part hereof, and marked, respectively, "Exhibit F" and "Exhibit G."

X

On October 11, 1949, the Commission issued its "Order granting application to reopen proceedings for the purpose of taking additional evidence and fixing date of hearing," in the matters of the applications of San Juan Pipe Line Co., El Paso Natural Gas Co., and Pacific Gas & Electric Co., Docket Nos. G-1067, G-1177, and G-1195, respectively. Applicant is informed and believes and therefore alleges that one of the necessary and appropriate subjects of testimony in said hearing will be the contract of February 4, 1949, between applicant and El Paso Natural Gas Co., and the potential sale of gas by applicant to El Paso Natural Gas Co. thereunder. Said contract is subject to the right of applicant, at its sole option, to cancel and withdraw from obligation thereunder, for the reason, among others, that it has not been assured by appropriate action of the Commission that it will not become subject to the jurisdiction of the Commission by reason of, or as a result of, any sales of natural gas that it might make to El Paso Natural Gas Co. under said contract.

Wherefore, for the reasons hereinbefore set forth, applicant, deeming inconclusive and inadequate the finding and conclusion contained in the Commission's finding of March 10, 1949, in docket No. G-1168 that the transaction so proposed between it and El Paso Natural Gas Co. is within the purview of rule 2.54 of the Commission's general rules, respectfully prays that the Commission, with or without hearing, make and enter findings herein, consistent with its findings of fact in said finding of March 10, 1949, in said docket No. G-1168, and thereupon conclude and declare, in furtherance of the Commission's said rule 2.54, and in clarification of the situation hereinbefore outlined, that in the proposed operations described in this petition and outlined in such findings of fact, Delhi Oil Corp. will not be construed to be a natural-gas company within the meaning of the Natural Gas Act, and that, consistent with and as specifically set forth in said rule, the Commission will not assert jurisdiction over Delhi Oil Corp. solely because of any sales of natural gas to El Paso Natural Gas Co. under the contract hereinbefore alleged; and that the Commission grant to applicant such other or further relief as the Commission may deem meet in the premises.

Further, applicant respectfully prays, should the Commission for any reason deem a hearing herein appropriate, that it consolidate this matter for hearing with the applications covered by docket Nos. G-1067, G-1177, and G-1195, now set for hearing on January 4, 1950, and set this matter also for hearing on said date.

Respectfully submitted.

DELHI OIL CORP.

THE STATE OF TEXAS,
County of Dallas, ss:

Frank A. Schultz, being first duly sworn, deposes and says that he is vice president of Delhi Oil Corp., the applicant corporation in the above-entitled proceeding; that he has read the foregoing application for status determination and declaratory order, and knows the contents thereof; that the same are true as stated, except as to matters and things, if any, stated on information and belief, and that as to those matters and things he believes them to be true.

FRANK A. SCHULTZ.

EXHIBIT A

FEDERAL POWER COMMISSION,
Washington, May 11, 1949.

Hon. CARL HAYDEN,
United States Senate,
Washington, D. C.

MY DEAR SENATOR HAYDEN: This will reply to your letter received April 14, 1949, concerning a communication to you from the Honorable Clay Simer, a member of the Arizona State Senate. Industry plans for furnishing natural gas to northern Arizona have now been crystallized by the filing on April 15 of an amendment to the application of El Paso Natural Gas Co. This company now proposes to render local service off its proposed transmission line extending

from the San Juan Basin to the Arizona-California border to distributing companies for use in the six cities in Arizona as follows:

	Cubic feet per day
To Winslow	2,879,000
To Flagstaff	2,940,000
To Williams	840,000
To Seligman	210,000
To Prescott	6,460,000
To Kingman	1,680,000

Prior to the filing of this application on March 25, the Commission was advised by a telegram from El Paso and Southern Union Gas Co. that the latter had authority from the Arizona Corporation Commission to distribute gas in the named cities. This is not set forth in the application, nor have the contracts relating thereto been submitted. Such information along with certain other data will have to be furnished to complete the application, and until this is done, hearings thereon cannot be held.

The application by the El Paso company to build the line will supersede the application filed by the San Juan Pipe Line Co. The Arizona Corporation Commission intervened in the San Juan application, and has inquired concerning the El Paso application.

The present operations of the Delhi Oil Corp., so far as we are advised, do not bring it within the jurisdiction of the Commission, but the proposed sale of natural gas by Delhi to the El Paso Co. will be made in interstate commerce and hence will render Delhi subject to regulation under the Natural Gas Act. However, at the request of Delhi for a determination of jurisdiction status the Commission entered the enclosed order on March 10. Section 2.54 of the Commission's General Rules which is referred to in the order reads as follows:

"Jurisdictional status of independent producers and gatherers: The Federal Power Commission is of the opinion that it was the intent of the Congress that the control of production or gathering of natural gas should remain a function of the States and that the Natural Gas Act should not provide for regulation of those subjects.

"For the purpose of administering the Natural Gas Act, the Commission will construe the exemption contained in section 1 (b), to the effect that the provisions of the act shall not apply to the 'production or gathering' of natural gas, as including arm's-length sales of natural gas by independent producers and gatherers, made during the course or upon completion of production and gathering. The Commission, consistent with this construction, will not assert jurisdiction over such producers and gatherers who might be subject to jurisdiction solely because of such sales."

With reference to the validity of the franchises granted by the various northern Arizona cities, this would be a question of local law best answered by an opinion from the attorney general of Arizona.

I trust that the foregoing answers the questions raised in your letter. As soon as this application is set for hearing, you will be advised.

By direction of the Commission.

Sincerely yours,

NELSON LEE SMITH,
Chairman.

EXHIBIT B

DELHI OIL CORP.,
Dallas, Tex., August 1, 1949.

The honorable
The FEDERAL POWER COMMISSION,
Washington, D. C.

DEAR SIR: As the Commission is aware, Delhi Oil Corp. on February 4, 1949, entered into a contract with El Paso Natural Gas Co. under which it undertook to sell natural gas in large quantities over a long period of years from its reserves in northwestern New Mexico for interstate transportation by El Paso (which is a natural gas company under your jurisdiction) across New Mexico and Arizona for delivery to the Pacific Gas & Electric Co. at the Colorado River, from which point the last named company would transport the gas to its extensive California service areas for public consumption. This project represents a portion of an over-all effort on the part of these companies to relieve an imminent and potentially dangerous shortage of fuel in central and northern California. To accomplish this end they propose to expend many millions of dollars, and the effort in question has recently been formally declared by your honorable body to be of import in aid of the public convenience and necessity.

As the Commission is also aware, in its agreement with El Paso, Delhi specifically reserved the right to cancel the contract and withdraw from the arrangement unless it could obtain from your honorable body a status determination having the effect that its operations under the contract would not be construed to be those of a natural-gas company within the meaning of the Natural Gas Act; that the provisions of that act would not apply to such operations, and that the Federal Power Commission would not assert jurisdiction over Delhi solely because of any sales of natural gas that it might make under that contract. The provisions covering this point were carefully drawn and their purpose could hardly admit of misunderstanding. As a gas-producing and gathering company, Delhi has at all times deemed these provisions fundamental to its undertaking to sell and deliver gas to this project.

Prior to the execution of the Delhi-El Paso contract, the Commission had adopted its general rule section 2.54, then and now in full force and effect, in which it is declared that—

"The Federal Power Commission is of the opinion that it was the intent of the Congress that the control of production or gathering of natural gas should remain a function of the States and that the Natural Gas Act should not provide for regulation of those subjects.

"For the purpose of administering the Natural Gas Act, the Commission will construe the exemption contained in section 1 (b), to the effect that the provisions of the act shall not apply to the 'production or gathering' of natural gas, as including arm's length sales of natural gas by independent producers and gatherers, made during the course or upon completion of production and gathering. The Commission, consistent with this construction, will not assert jurisdiction over such producers and gatherers who might be subject to jurisdiction solely because of such sales."

Your records will disclose that on February 11, 1949, Delhi filed a formal application under that rule (Docket No. G–1168) for a status determination and declaratory order that it is not a "natural-gas company" as defined in the act and that its proposed acts and operations under its contract with El Paso would not be subject to the jurisdiction of the Commission. On March 10, 1949, you issued your formal determination in that proceeding, specifically finding that Delhi's proposed sale of gas to El Paso under the contract in question would be "an arm's-length sale of natural gas by an independent producer and gatherer made upon completion of production and gathering," and that "therefore, the transaction is within the purview of said rule."

Delhi naturally assumed that it could rely on the integrity of this assurance that, since its proposed operations would fall "within the purview" of the rule in question, it would not be subjected to an assertion of jurisdiction by the Commission as a result of any sales of gas to El Paso under its contract. However, through the courtesy of a Member of the United States Senate, Delhi has just, for the first time, been afforded an opportunity of seeing a copy of a letter addressed on May 11, 1949, "by direction of the Commission" over the signature of its Chairman to the Honorable CARL HAYDEN, Senator from Arizona, in which, among other things, it is stated:

"The present operations of the Delhi Oil Corp., so far as we are advised, do not bring it within the jurisdiction of the Commission, but the proposed sale of natural gas by Delhi to the El Paso Co. will be made in interstate commerce and hence will render Delhi subject to regulation under the Natural Gas Act. However, at the request of Delhi for a determination of jurisdiction status the Commission entered the order of March 10."

Your letter then quotes the provisions of your general rule, section 2.54, to which we have alluded, and under which your formal status determination respecting Delhi had been made. In the light of this letter, it is obvious that Delhi must now seek—and that, in all fairness, it is entitled to obtain—clarification from your honorable body in respect of what must be termed, at the very least, a highly ambiguous situation. May we respectfully repeat:

(1) Your general rule, section 2.54, declares that, for reasons there carefully set forth, the Commission will not assert jurisdiction over arm's length sales of gas by independent producing and gathering companies which might be subject to jurisdiction solely because of such sales. The rule is now in full force and effect and has been at all times since the execution of the Delhi-El Paso contract of February 4, 1949.

(2) You have formally found (in your order of March 10, 1949, in docket No. G–1168) that the sales of gas by Delhi to El Paso under the contract then before you would be such arm's length sales by an independent producing and gathering company and that the transaction is therefore within the purview of said rule.

(3) You have apparently advised Senator HAYDEN that these very sales under that very contract will render Delhi subject to regulation under the Natural Gas Act.

Obviously, either such sales of gas, if made by Delhi to El Paso, will render Delhi subject to your regulatory jurisdiction, or they will not. If your letter to Senator HAYDEN signifies that jurisdiction is in fact to be asserted over Delhi when it starts to sell gas, regardless of your order of March 10, Delhi clearly faces a wholly new situation, not hitherto foreseeable. On the other hand, if your letter (by its use of the phrase "subject to regulation") indicates a belief that you may pick and choose between companies similarly situated, and actually regulated or not regulate the operations of those which are subject to regulation as you may from time to time see fit, we are not advised that any such discretion has been vested in your honorable body.

In any event, if Delhi is to be subjected to regulation, under any theory, when it commences sales of gas under the contract that was before the Commission when it issued its order of March 10 in relation to those very sales, it is imperative that Delhi be so advised. Delhi now possesses the absolute right to cancel its contract with El Paso Natural Gas Co., which right will persist until 90 days after July 1, 1949. During that period Delhi must determine its appropriate course of action, and it deems it only proper to state that the large financial and other responsibilities which it would have to undertake under the contract in question are such that, if it should now appear that the Commission entertains the opinion that Delhi will subject itself to regulation under the Natural Gas Act if it makes sales pursuant to the contract, Delhi does not propose to make such sales but instead proposes to cancel that instrument.

We recognize that there could have been no intent to mislead Delhi into relying upon your order of March 10, only to have jurisdiction later be asserted on some hitherto unexpressed ground. We therefore believe that the Commission will wish fully and adequately to clarify the situation growing out of its letter to Senator HAYDEN, in the light of its rule 2.54 and its order of March 10 in docket No. G–1168, to the end that Delhi (and any others similarly situated) may be enabled to act with full understanding in the premises. We respectfully request advice on this subject in ample time for us to act pursuant to our right of cancellation under our contract.

Respectfully yours,

DELHI OIL CORP.,
By C. W. MURCHISON,
President.

EXHIBIT C

FEDERAL POWER COMMISSION,
Washington, D. C., August 3, 1949.

Subject: Delhi Oil Corp., Docket No. G–1168.

DEAR SIR: Receipt is hereby acknowledged of your letter dated August 1, 1949, relative to the above-entitled matter.

Very truly yours,

LEON M. FUQUAY,
Secretary.

EXHIBIT D

FEDERAL POWER COMMISSION,
Washington, August 5, 1949.

DELHI OIL CORP.,
Dallas, Tex.

GENTLEMEN: Your letter of August 1, 1949, which was acknowledged by card dated August 3, 1949, is being considered by the Commission and a reply will be made to it before the expiration of the 90-day period which you mention.

Very truly yours,

LEON M. FUQUAY,
Secretary.

EXHIBIT E

WASHINGTON, D. C., *September 27, 1949.*

DELHI OIL CORP.

(Attention C. W. Murchison, President.)

In further reply to your letter of August 1, we suggest that the basic question involved is the legal effect of our order No. 139, our rule 2.54, and our order of March 10, 1949, matters concerning which you no doubt have the advice of counsel. The Commission is unable, in the circumstances, to express a conclusive opinion as to whether you will or will not be subject to regulation under the Natural Gas Act by virtue of proposed sale of natural gas to El Paso. By direction of the Commission. Commissioner Buchanan concurring in part.

LEON M. FUQUAY,
Secretary, Federal Power Commission.

EXHIBIT F

AGREEMENT

Whereas, heretofore, to wit, on or about February 4, 1949, El Paso Natural Gas Co., a Delaware corporation, referred to as "El Paso," entered into a gas purchase contract with Delhi Oil Corp., a Delaware corporation, referred to as "Delhi," and article I, paragraph 3 (a), provides:

"If such certificate shall not have been obtained by El Paso on July 1, 1949, then either party to this agreement shall have the right to cancel the same on giving notice to the other party"; and

Whereas the certificate referred to in said contract was a certificate from the Federal Power Commission authorizing the construction of a pipe line described in said contract and such certificate was not obtained by El Paso on July 1, 1949, and has not yet been obtained by El Paso, and paragraph 5 of article I of said contract provides:

"The termination of this agreement by either party under any of the provisions of article I hereof shall be by written notice to the other party within twenty-five (25) days after the happening of the contingency upon which the right to terminate this agreement is based."

Whereas it is the desire of both El Paso Natural Gas Co. and Delhi Oil Corp. that both El Paso and Delhi shall have the right to terminate said contract of date February 4, 1949, at any time within ninety (90) days after July 1, 1949:

It is, therefore, agreed by and between El Paso and Delhi that either and/or both El Paso and Delhi shall have the right to terminate said gas purchase contract between El Paso and Delhi dated February 4, 1949, by giving written notice to the other party to said contract at any time within ninety (90) days after July 1, 1949, and paragraph 5 of article I on page 10 of said contract of date February 4, 1949, is amended by El Paso and Delhi to the extent that it is necessary to carry into effect the provisions of this agreement.

It is further agreed that no other provisions of said contract of February 4, 1949, shall be changed or amended by this agreement.

Witness our hands this 12th day of July A. D. 1949.

EL PASO NATURAL GAS CO.,
By PAUL KAYSER, *President.*

Attest:
[SEAL] A. C. MARTCH,
Assistant Secretary.

DELHI OIL CORP.,
By C. W. MURCHISON,
President.

Attest:
[SEAL] S. B. PETRIE,
Secretary.

EXHIBIT G

AGREEMENT

Whereas heretofore, to wit, on or about February 4, 1949, El Paso Natural Gas Co., a Delaware corporation, referred to as El Paso, entered into a gas-purchase contract with Delhi Oil Corp., a Delaware corporation, referred to as Delhi, and article I, paragraph 3 (a), provides:

"If such certificate shall not have been obtained by El Paso on July 1, 1949, then either party to this agreement shall have the right to cancel the same on giving notice to the other party."

And whereas the certificate referred to in said contract was a certificate from the Federal Power Commission authorizing the construction of a pipe line described in said contract and such certificate was not obtained by El Paso on July 1, 1949, and has not yet been obtained by El Paso and paragraph 5 of article I of said contract provides:

"The termination of this agreement by either party under any of the provisions of article I hereof shall be by written notice to the other party within 25 days after the happening of the contingency upon which the right to terminate this agreement is based."

And whereas an extension agreement was entered into between El Paso and Delhi on July 12, 1949, in which it was agreed that either and/or both El Paso and Delhi shall have the right to terminate said gas-purchase contract by giving written notice to the other party of said contract at any time within 90 days after July 1, 1949.

Whereas it is the desire of both El Paso and Delhi that they both have the right to terminate said contract of date February 4, 1949, at any time within 6 months after September 28, 1949.

It is therefore agreed by and between El Paso and Delhi that either and/or both El Paso and Delhi shall have the right to terminate said gas-purchase contract between El Paso and Delhi dated February 4, 1949, by giving written notice to the other party to said contract of such termination at any time within 6 months after September 28, 1949, and paragraph 5 of article I on page 10 of said contract of date February 4, 1949, is amended by El Paso and Delhi to the extent that it is necessary to carry into effect the provisions of this agreement.

It is further agreed that no other provisions of said contract of February 4, 1949, shall be changed or amended by this agreement.

Witness our hands this 8th day of September A. D. 1949.

EL PASO NATURAL GAS CO.,
By PAUL KAYSER, *President.*

Attest:
[SEAL] A. J. HARPER, Jr.,
Secretary.

DELHI OIL CORP.,
By C. W. MURCHISON,
President.

Attest:
[SEAL] S. B. PETRIE, *Secretary.*

ARIZONA CORPORATION COMMISSION,
Phoenix, March 20, 1950.

Senator ERNEST W. MCFARLAND,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MCFARLAND: We have been following with interest the progress of the Kerr bill, S. 1498, which would remove independent gas production and gathering from Federal Power Commission jurisdiction.

While the passage of this legislation may have no immediate effect in our State, we feel that the bill is needed to limit the Federal Power Commission to the field in which Congress intended it to operate when the Natural Gas Act was passed. We strongly favor the passage of S. 1498 and we will appreciate greatly your giving consideration to our views when the bill is before the Senate for action.

With best personal regards, we are,

Yours very truly,

WILLIAM T. BROOKS,
Chairman,
W. T. WRIGHT,
Commissioner,
MIT SIMMS,
Commissioner.

Mr. McFARLAND. Mr. President, the record shows that thereafter, on August 1, 1949, the Delhi Oil Corp. asked that the Commission clarify its position in regard to that sale. However, up to this good day that has not been done. The corporation thereafter sent a telegram asking for clarification of its status. I shall read now the telegram which was received in reply by the Delhi Oil Corp.:

In further reply to your letter of August 1, we suggest the basic question involved is the legal effect of our order No. 139, our rule 2.54, and our order for March 10, 1949, matters concerning which you no doubt have the advice of counsel. The Commission is unable in the circumstances to express a conclusive opinion as to whether you will or will not be subject to regulation under the Natural Gas Act by virtue of the proposed sale of natural gas to El Paso. By direction of the Commission. Commissioner Buchanan concurring in part.

Mr. President, in the face of a reply such as that, how can anyone say on the floor of the Senate that confusion as to the law does not exist, and that a clarification of the law would not be beneficial both to consumers and producers of gas?

I believe it has been thoroughly demonstrated by the record that it would be beneficial. It was stated on the floor of the Senate that the contention that gas companies would not sell gas for interstate transportation was a mere threat. It is not a threat. If anyone doubts that there are not two schools of thought as to what should be done with the gas by producing States, I would call their attention to the report of Mr. Leland Olds, issued in 1948, following the Federal Power Commission's investigation of the production of gas. I call attention particularly to chapter 4 of the report, pages 33 to 51, where reference is made to the testimony of various State officials. Mr. Olds cited the substance of their testimony with approval. Various officials of different States stated that the interest of the producing States in natural gas required that the sale of the gas be made to industries within their own borders, and that it should be conserved for the development of industries within their States. There is no threat in it. A State cannot be blamed for wanting to keep its resources within its own borders for development.

Mr. President, there is one other phase of the subject which I wish to discuss briefly. It is what is known as venture capital. The testimony before the committee was to the effect that most gas and oil is produced largely by means of what is known as venture capital. Fear was expressed that if the industries were regulated, as those who oppose the pending bill desire, venture capital would not be available to finance further exploration for gas and oil. The junior Senator from Arizona knows what venture capital will do in the creation and development of an industry within a State. It was the prospector in Arizona, financed by what is known as venture capital—we call it "grubstaking"—who went into the hills, working long hours, to uncover the precious metals by the sweat of his brow, in the hope of discovering a mine which would make the discoverer independent for the remainder of his life. Small-business men in different communities within the State of Arizona helped finance those mines, after the vein of ore had been discovered, when sufficient development works had been done to prove the existence of a quantity of ore, they were frequently purchased by large companies. It was therefore venture capital which has made Arizona the leading copper-producing State. I cannot overemphasize the valuable work of those pioneers who went forth with venture capital to help develop this great industry in my State.

During the emergency period, before World War II, when the Government purchased most of the copper, the price was restricted to allow a profit of but 1 cent a pound. A great many of those who had furnished venture capital felt that that price was insufficient, and they were unwilling to advance further money with which to develop mines in the West. That, coupled with the fact that certain copper-consuming States have come to the Congress, not wanting a reasonable tariff on copper to protect the price, has caused a decrease in the amount of venture capital available for development work.

The VICE PRESIDENT. The time of the Senator from Arizona has again expired.

Mr. JOHNSON of Colorado. I yield the Senator 10 minutes more.

The VICE PRESIDENT. The Senator from Arizona is yielded 10 minutes more.

Mr. McFARLAND. It has caused a fear that the industry would be so restricted that, even if a mine were discovered, its owner would receive the same treatment which Mr. Olds advocates for the gas and oil industry. Because sufficient development capital has not been available in the West, the distinguished Senator from Wyoming joined with other Senators in introducing S. 2105 known as the small mine owners bill, which was designed to create an incentive for further development in the West. The bill failed of passage in the House only a few days ago.

The junior Senator from Arizona is not so familiar with what has happened in the Southwest in regard to gas and oil, but he is not entirely unfamiliar with the problems of those engaged in that business. His father went to the State of Oklahoma in 1891 when the Pottawatomie strip was opened up. He there staked out a claim. The hardy pioneers of that day had to construct their own houses, clear and place in cultivation these undeveloped lands. The first houses, it is true, were crude. The one in which the junior Senator from Arizona was born, constructed by his father, was a one-room log cabin. Hardships prevailed. As gas and oil were discovered in sections of the State of Oklahoma, the pioneers who had taken homesteads hoped that it would be discovered upon their lands. I may add, that those people, including my own father and mother, were God-fearing, God-loving people. They took their children to church and Sunday school, as in our case, first in a wagon, then in what was known as a hack, and later, in what was called "a surrey with fringe on top."

Mr. President, unfortunately, 6 years after the Junior Senator from Arizona's father disposed of this homestead, oil was discovered on the land; but he has no regrets in that regard, because his own State has been good to him. The homestead, Mr. President, was in what was known as Oklahoma Territory, within a half-mile of the Indian Territory line.

In Indian Territory there was another pioneer family which settled near Ada, Okla., on one of the sand-hill farms. The struggle there was not easy. There another boy was born in a one-room log cabin. Those days were not easy days. That boy's mother and father took him to Sunday school and to church, and, Mr. President, I am proud to know that he learned more of the Bible than did the junior Senator from Arizona. The junior Senator from Arizona is one who believes it is a good thing for the people and for the legislators of this great Nation to look to the Bible for guidance in these troubled times.

That young man, Mr. President, contributed what was known as venture capital and was more fortunate than was the junior Senator from the State of Arizona in regard to finances. The junior Senator from Arizona is glad he was, because he helped pay off the mortgage on the home place and contributed that much to making life easier for his mother and father in their declining years.

Mr. President, at Ada, Okla., the junior Senator from Arizona and this young man entered what was then known as East Central State Teachers' College, and they became personal friends both working their way through school. The Indian Territory boy sold magazines, washed dishes, and did many kinds of work to earn sufficient money to get an education. Both boys later attended Oklahoma University. Then World War I came along, and they parted company. After the close of that war the junior Senator from Arizona went to the State of Arizona, and did not hear very much about the boy who was born in the Indian Territory, until the year 1942, when he picked up a magazine in which there was a picture of a man with his hand in the air. The junior Senator from Arizona exclaimed, "That looks like BOB KERR." He read a little more carefully and discovered that it was BOB KERR, who was running for the governorship of the State of Oklahoma, to which position he was elected. He was later elected to the United States Senate, and here two boyhood friends met again in the greatest deliberative body in the world.

Mr. President, this Nation was a private-enterprise nation at that time, and it is a private-enterprise nation today, a nation with a government based on private ownership of property, which has proved to be the best in the world. I defy anyone successfully to contradict that statement.

Mr. President, we should all be proud of our Nation which makes it possible for two country boys, born under the circumstances which I have described, to become Members of the United States Senate to represent their respective States. I do not know of any other nation which affords such opportunities.

The VICE PRESIDENT. The time of the Senator from Arizona has expired.

Mr. JOHNSON of Colorado. Mr. President, I yield five additional minutes to the Senator from Arizona.

Mr. McFARLAND. Mr. President, the point which I wish to make is this: It has been our system of government which has made this Nation what it is today. Regulate? Yes, regulate when necessary, but do not regulate unless and until it is necessary. The junior Senator from Arizona will be one of the first to ask for legislation to regulate the independent producer and gatherer if it is shown that such regulation is necessary. But, Mr. President, unless that time comes, the junior Senator from Arizona will continue to cast his vote with the junior Senator from Oklahoma for nonregulation. It is the duty of the Congress to clarify the law which is now on the statute books. It is absolutely necessary that it be clarified.

There is one further point in regard to the Delhi case to which I invite at-

tention. When the company could not get a clarification of the law, it sold its dedicated reserves to the El Paso Natural Gas Co. I am informed that it sold them at a price which requires the Delhi Corp. to pay more for gas than it would have had to pay under the contract. That is the effect of the confusion which exists with regard to the law. If we are going to have regulation, we must go a step further and regulate the dedicated reserves.

I invite the attention of my colleagues who represent States in which it is said there is too much regulation that they think carefully before they return home and tell their constituents, "Yes; I voted for the regulation of an industry the price of whose product to the consumer has gone down 12 percent in the past 12 years."

Mr. President, this is a two-way road. If we regulate independent producers and gatherers at a time when they are doing a good job, and before it is proved necessary to regulate them, they will join other forces and say to the people in the coal-producing States, and in the States producing other commodities, "We ought to regulate those industries." The next step after complete regulation of industry is nationalization of industry. Let those who say there is too much regulation go back to their States and explain to their constituents why they voted to regulate an industry which has brought down the price of gas to the consumer 12 percent in 12 years. It is a serious matter, Mr. President. It is a matter which Senators cannot explain to their constituents by merely saying, "Well, I protected you. I voted for regulation of the gas industry in the Southwest. But I am going to protect you when efforts are made to regulate your industries."

Mr. President, it does not work that way. I may say to the junior Senator from Texas [Mr. JOHNSON] that one of his constituents came to the northeastern area of my State last year and drilled five or six dry holes trying to produce gas and oil in the State of Arizona. Does anyone think for a moment that he would have come to the State of Arizona and drilled those wells if he knew that all he could get if he hit gas and oil was 6 or 6½ percent on his capital investment?

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The time of the Senator from Arizona has expired.

Mr. JOHNSON of Colorado. Mr. President, I yield two more minutes to the Senator from Arizona.

Mr. McFARLAND. Mr. President I have described the situation as it exists today. The man who came to Arizona to drill for oil and gas is the loser. What can he gain? He can gain nothing, unless he strikes oil or gas in the State of Arizona, and it has not been struck there yet. I should like to say to Senators that if they wish to encourage exploration and development work for gas and oil, they had better think very carefully, or they will have to depend on the Federal Government for money with which to do exploration and developing.

As I said before, if regulation becomes necessary, I will be one of the first to vote for regulation. However, if we are to have an unregulated government, one principle must be adhered to, and that is the principle of not regulating an industry until it is proved absolutely essential to the public interest that it be regulated.

Mr. JOHNSON of Colorado. Mr. President, I yield 5 minutes to the senior Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I do not rise at this time to exhaustively discuss the problems of production, gathering, and distribution of natural gas, because my State is not a producer of natural gas. The State of Iowa is a consuming State. If I lent myself to the occasional bombastic arguments of those who claim that consumers should oppose the bill, and if I thought solely of the political advantages which might come to one who shouts against big industry, and fails to think of the fundamental principles of the American system which are involved, perhaps I could be very easily induced, from a political standpoint and from the standpoint of getting into an emotional campaign, to rise up and criticize the Kerr bill as an ogre which should be struck down by all the knights of the round table of public discussion.

However, I have unreservedly committed my public attitude and my own mind, ever since I have been able to appreciate the American free-enterprise system, to the idea that private enterprise must be private enterprise, and that America has progressed solely because of the stimulus to venture which comes from the rewards of venture. I have been very much in opposition to encroachment upon and stifling of private venture by Government, and I shall continue to hold those principles so long as my voice has anything to say about the American system.

By the same token, Mr. President, I have opposed monopoly, and I have supported, and shall continue to support, reasonable regulation of monopoly in the public interest, whether it be in a municipality, a State, or in the Nation.

I have listened with great care to the debate on the pending measure. I have listened with great care because I am interested in the consumers of natural gas and what will happen to them, or what is threatening them. I have come to some conclusions as a result of the debates and information produced, pro and con, on this bill in the past few days.

I say sincerely—and I trust it will not be taken as sarcastic—that I would be happier if many of those who support the Kerr bill now as a private enterprise measure would join with me more often in opposing Government encroachment on private ventures by other legislation. But be that as it may, there is a principle involved in the pending bill, and I hope that my conclusions have been honestly and unemotionally arrived at, on a basis of principle, and not political expediency.

The bill, S. 1498, to amend the Natural Gas Act which is now before the Senate, involves some very fundamental principles. I have listened to the debates and have read a great deal about the history and operation of this business, and it seems to resolve itself into two primary questions. First, is the gathering and production of natural gas in fact a monopoly or is it about to become a monopoly in the near future; and second, is natural gas a competitive or is it a monopolistic fuel?

Then there is the other broad question of the invasion of Government into private enterprise, which I shall discuss later.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. HICKENLOOPER. I should like 5 minutes more.

Mr. JOHNSON of Colorado. I yield 5 minutes more to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized for five more minutes.

Mr. HICKENLOOPER. Mr. President, on the first question, I have become convinced that the production and gathering of natural gas is not in fact a monopoly. The vast number of independent producers from California through the South and Southwest and as far east as Pennsylvania, certainly is ample evidence that there is no controlled monopoly in the production field. The substantial number of independently owned competitive pipe lines in various parts of the country indicates that transmission in the United States is not a monopoly and the only area in which the claim of monopoly in gas transmission or gas supply can be successfully sustained is in local areas or outlets such as cities and towns. In the case of cities, towns and States where gas is used, local utility commissions such as State commissions or official municipal bodies such as city councils have, almost universally, the authority to regulate the price of the distribution of gas to users. So that in the only field where actual monopoly may exist in the distribution and sale of natural gas, we already have public control.

So far as concerns the second major question, as I see it, the question of competition as a fuel, there are certain inescapable facts.

The evidence produced in this debate seems conclusive on this point. Without any doubt, gas is a vigorous competitor with the two other major sources of fuel, namely, coal and oil. In fact, gas has a unique record as among these three fuels of having gone down constantly in price to the consumer under nonregulation by the Government, whereas both coal and oil have gone up from 100 to 200 percent during the same period of time. In fact, the record seems clear that gas for the ordinary consumer, the individual user, is as cheap today, if not cheaper in some areas, as either coal or oil.

In my own personal experience, I installed an oil burner in my home in Iowa a number of years ago, and today I am paying twice as much for oil as I paid at that time. On the other hand, the price of gas has steadily gone down since that

period and whereas it was much higher then than coal or oil for use in a home, today its cost, in most localities, has been reduced to where it is no more costly and, in many cases less costly, than coal or oil at the present prices.

These facts do not support any theory that gas is a monopolistic operation or that it is engaged in a conspiracy to gouge the public through exorbitant prices. Quite the contrary.

There is another principle which is also very fundamental in this whole proposition and that is the question of the extension of Government bureaucracy and control into the field of free enterprise and venture. I have consistently opposed the unnecessary controls or dictations of Government bureaus and Government officials over the activities of private business and individual enterprise. We have seen Government bureaus and bureaucrats under emergency and crisis fan the hysteria of fear increasingly and for the purpose of extending their power over the lives and the opportunities of our citizens, and while from time to time as abuses become apparent, Government regulation is undoubtedly necessary, nevertheless, that regulation should extend no further than the protection of opportunity in private enterprise and should not go to the point of discouraging vigorous adventure in the development of our resources or our economic system. In too many cases now, Mr. President, the fear of Government discourages individuals in taking a chance on the future so far as new venture is concerned, and in countless cases the hostility of Government agencies toward business and business enterprise prevents their development.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. HICKENLOOPER. Mr. President, if the Senator from Colorado will yield me three more minutes I believe that will be sufficient.

Mr. JOHNSON of Colorado. I yield to the Senator from Iowa three more minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for three more minutes.

Mr. HICKENLOOPER. If I thought that there is a monopoly in fact in the production and gathering of natural gas or if I thought that a conspiracy existed for the purpose of arbitrarily raising the price of natural gas, above a reasonably competitive price based upon sound costs of operation and other factors, then I would vote for regulation of this industry by the Federal Government. And, I say now, that if at any time in the future, the evidence establishes the setting up of a monopoly and the arbitrary fixing of unreasonable prices of gas to the public, I shall insist upon the Government's stepping in and regulating such practices. But that evidence in fact does not exist at this time, Mr. President, and I am convinced that for the Government to move in now and regulate an area of private and independent operation when no necessity therefor has been shown, could only operate to discourage expansion and development in this field.

Under all the circumstances, I am convinced that no case has been made for present Government supervision and control of this particular competitive fuel supply. I am convinced that competition under the American system, the competition of gas with coal and with oil, will prevent exorbitant or unreasonable prices for gas, and that there not only is no need at the present time for Government regulation, but that on the contrary the assumption of control by Government over this important field of private venture would discourage rather than encourage its expansion and development.

In this debate the facts, statistics, and details have been amply developed and I shall not take the time of the Senate longer to repeat what has already been voluminously reported here, but I do conclude, Mr. President, by again warning that invasion by Government into private venture is a step toward the planned state or the planned economy and that such controls are not justified in the economic field when monopoly reaches a point where it arbitrarily fixes unjust and unfair conditions or prices of essential commodities on the public.

It is because of these general principles that I shall support S. 1498.

Mr. DOUGLAS. Mr. President, I yield 20 minutes to the distinguished junior Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. Mr. President, the bill under consideration, S. 1498, to amend the Natural Gas Act, is now reaching the final stages of debate. I have given this bill my careful attention in order to determine how I shall cast my vote.

It is claimed by proponents of the bill, and they seek to establish it positively, that the right to fix the price of gas has been prohibited to the Federal Power Commission because of the wording in the act, as follows:

> That the Federal Power Commission cannot fix or determine the price of gas in the field where produced.

Section 1 of the act was not to apply to "the production or gathering of natural gas."

In the case of Interstate Natural Gas Company against Federal Power Commission it was held that the Federal Power Commission has jurisdiction under section 1 (B) of the Natural Gas Act to regulate such sales when (a) they are in interstate commerce within the meaning of section 1 (B) of the Natural Gas Act and (b) they are not within the clause of section 1 (B) which excepts the production or gathering of natural gas from the Commission's regulatory jurisdiction.

This case has been put into the record and has been argued extensively by other Senators who have debated this subject.

Since that decision the Federal Power Commission entered order 139 attempting to give the Commission's interpretation and opinion with respect to the Interstate Natural Gas Co. case. The order said that it was to make clear the position of the Commission regarding the independent production or gathering of natural gas.

It is true that the Commission at the time of order 139 stated it did not intend to "assert jurisdiction over such producers and gatherers who might be subject to jurisdiction, solely because of such 'arm's-length' sales." Notwithstanding that fact, it is a clear principle of law that the nonuse of a certain power does not destroy that power although it may lull the public into a sense of security that that power does not exist. As a matter of fact, the Federal Power Commission has recently attempted to assert this power when it filed another order, February 9, 1950, "in the matter of Phillips Petroleum Co." docket G–1148.

Mr. President, I am committed to the principle of the individual-enterprise system. I realize that this system has real enemies—private monopoly and public monopoly. Both these monopolies are contrary to the fundamentals of the individual-enterprise system under the Constitution. Our free-enterprise system is not just a happenstance—it has been developed under a Constitution which was designed to protect and promote it, and we must bend every effort to preserve that system.

This legislation speaks about arms-length sales of natural gas made by one producer or gatherer to another producer or gatherer. The report itself uses the word "independent" producer and gatherer of natural gas to describe a person or company which produces or gathers natural gas and sells it at arm's length in interstate commerce but which is not otherwise a natural-gas company as defined in the act, nor affiliated with nor controlling or controlled by such a natural-gas company. While the term "independent" does not appear in the context of the bill it is used on the floor to emphasize that these producers and gatherers are a part of our individual-enterprise system. As such, therefore, it is argued they should not be regulated by the Federal Power Commission.

I have great sympathy with those who are opposed to Federal regulation, but there does come a time when Federal regulation is essential. One of these cases is where there is a State-created monopoly and that monopoly places a burden on interstate commerce and the rights of other States are interfered with.

States' rights are one thing when they affect only the inhabitants of a particular State, and are exercised by that State for the purpose of protecting the rights of its own citizens. But when those regulations interfere with the rights of the citizens of other States, then there is reason for the Federal Government to intervene. That is what I want to talk about today.

Is it a fact that the production of natural gas, and the gathering of that gas, is a free-enterprise system in the States of Oklahoma and Kansas? It would appear that it is not a free enterprise in those two great production States from which Michigan receives most of its gas. It would appear as a matter of fact that the commissions of Oklahoma and Kansas believe that the production of gas in those States is a public utility. Each one of those States has made natural gas a public utility, not only for the regulation

of the production of natural gas, but even for the price fixing of natural gas. The commissions of Oklahoma and Kansas assert the authority to fix the price at which natural gas may be produced and taken from the field in those States.

It has been held by the Oklahoma State Supreme Court that the granting of power to the commission under 52 Oklahoma laws, 1941, section 239, to regulate the taking of natural gas from a common source of supply "so as to prevent waste, protect the interest of the public, and of all those having a right to produce therefrom, and to prevent unreasonable discrimination in favor of one source of supply as against another," includes the power to employ such means as may be reasonably necessary to the accomplishment of the declared purposes and the power to fix the price consideration when found necessary to the attainment of such end. And they have done that.

In that decision the court quoted with approval the language of the Supreme Court of the United States in the Republic Natural Gas Co. case:

> By the industry's very nature, large outlays of capital are required for successful continuing production and marketing. All those factors, however, tend toward monopoly once success has been achieved in a particular field.
>
> These peculiar qualities, moreover, have been reflected in the legal rights relating to the ownership of gas in place, as well as its extraction. They have been adapted to its nature and to that of the competitive struggle regarding it. Only a specialist in this branch of the law, which varies from State to State, can undertake to say with any reliable degree of precision what rights may be in particular situations. These difficulties, intensified by the competitive struggle for the product and the inadequacy of common-law ideas to control it, have forced both the States and the Federal Government to adopt extensive regulatory measures in recent years. This has been necessary both to conserve the public interest in this rapidly depleting natural resource and to secure fair adjustment of private rights in the industry. Rather than being a sacred, untouchable enclave of the common law, the field by its very nature, lends itself especially to governmental intervention for such purposes.

In the same opinion the Oklahoma court made this very informative observation:

> As early as 1920, after the prescribed notice and hearing, the Commission fixed the price of 9 cents per 1,000 cubic feet for gas in the Cushing field. And in 1944, acting specifically in view of the national emergency, the Commission after notice and hearing, authorized the taking of natural gas for the manufacture of carbon black, but fixed the price to be paid for the gas so produced and used. And it was specified that the continued effectiveness of the permit should depend on the maintaining of this fixed price.

The Corporation Commission of the State of Kansas has acted in a similar fashion. In a memorandum opinion dated February 23, 1949, the commission commented on the fluctuation of field prices for natural gas, and made the very significant observation that "a cheap price placed on any commodity depreciates its usefulness." It concluded by putting into effect an order which "fixes a minimum price at the wellhead to be paid by pipe-line companies and purchasers at 8 cents per 1,000 cubic feet until further notice."

It would appear, therefore, that the States of Oklahoma and Kansas claim and assert the right to regulate the price of gas and thereby to fix the price of gas delivered to the householders and industries of Michigan. Oklahoma has fixed the price in one field at 7 cents a thousand cubic feet. Kansas has fixed the price at 8 cents a thousand cubic feet. If the Federal Government does not interfere, these States can fix the price at any amount, and can place such a burden upon interstate commerce that the citizens of the State of Michigan will be prohibited in any way from having a voice in what they shall pay for their gas.

To say to the people of Michigan, "Yes, you can fix the price based upon the elements after the gas arrives in the State of Michigan" is not satisfactory. If the people of Michigan are to have a voice in regard to the price they shall pay for gas, their voice must be heard in establishing the price where the gas is produced.

If the Federal Power Commission is given authority, Michigan can have a voice through her representation in Congress and because the Commissioners are held to be responsive to national interests, not to particular States or sectional interests.

Mr. President, when the Constitution was written, its framers had in mind cases similar to the one we are considering today. Article I, section 8, of the Constitution, gives to Congress the right "to regulate commerce with foreign nations, and among the several States, and with the Indian tribes." Congress alone has the power to occupy, by legislation, the whole field of interstate commerce. Whether the power in any given case is vested exclusively in the Federal Government depends upon the nature of the subject to be regulated.

Consistent with the power of Congress to regulate commerce among the States, the States possess, because they have never surrendered, the power to protect the public health, the public morals, and public safety, by any legislation appropriate to that end which does not encroach upon rights guaranteed by the National Constitution or does not conflict with acts of Congress passed in pursuance of that instrument. However, under the police power, a State cannot draw within its jurisdiction subject matter which has been confided to Congress exclusively by the Constitution.

It is a well-established principle that Congress may circumscribe its regulation of interstate commerce and may occupy a limited field, and that the intent to supersede the exercise by a State of its police power as to matters not covered by the Federal legislation is not to be implied unless the latter, when fairly interpreted, is in actual conflict with the State law.

The principle that under its police power a State may enact local laws in the interest of the welfare of the people, although they affect interstate commerce, and that such laws may stand at least until Congress takes possession of the field under its superior authority to regulate such commerce, has no application where the State passes beyond the exercise of its legitimate authority, and undertakes to regulate interstate commerce by imposing burdens upon it.

The Supreme Court of the United States, in the case of *Illinois Natural Gas Co.* v. *Central Illinois Public Service Co., et al.* (314 U. S. 498), has decided that if a State interferes or places a burden upon commerce, such legislation will be inoperative against national regulation. It is said that—

> A corporation, engaged within a State in the business of piping natural gas and selling it wholesale to distributors, whose supply of gas comes from sources outside of the State and moves in continuous streams from the pipe line of an affiliate at the State border to points where the corporation delivers it to its customers, is subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act of June 21, 1938, and cannot be required by State authority to extend its facilities and make sales in an area already served by another natural-gas company similarly engaged and subject to the act, when no certificate of public convenience and necessity for such proposed extensions and sales has been granted by the Federal Power Commission under section 7 (c) of the statute.

It is clear, then, that any action which places a burden on commerce shall be not tolerated; and it makes no difference whether that burden is by way of a tax or other regulation or by fixing the price.

We have heard a great deal of speculation in this debate. Some of the arguments run like this: "If we pass the Kerr bill, the price of gas is going up to the consumer. If we fail to pass the Kerr bill, the producers and gatherers of natural gas will not produce or gather natural gas under Federal regulation.

Mr. President, I believe it is speculative to say that either of these things will happen. I am trying to look at this picture as it actually exists today. In so doing, we find States such as Oklahoma and Kansas actually fixing the price of gas in their States, and thus taking away from the citizens of States where the gas is to be consumed their voice in the fixing of that price. These are facts. I feel that the time has come, therefore, when Congress should say that so far as the sale of natural gas in interstate commerce is concerned, the people who consume the gas shall have a voice in determining the reasonableness of the price charged for it.

I could speak for hours upon this proposed legislation and I could prophesy at length as to its results. However, for the present I shall be content to cast my vote against this bill, in order that the people of the State of Michigan and of the other gas-consuming States may have a voice in the determination of the regulation of this public utility and monopoly.

The States of Oklahoma and Kansas have themselves taken away the right of the producer and gatherer of gas to be independent, the right to deal at arm's length. In effect, those States now make the contracts. The dealings of the producers and gatherers in Oklahoma and Kansas are controlled by the public utilities commissions of those States. Therefore, we do not see in them true

free enterprise. Where a State-controlled monopoly has been created, free enterprise does not truly operate.

Mr. President, the question now is whether the producing States shall have the power to fix the price of gas and to deprive the consumer States of their voice and protection in respect to such regulation and price fixing.

I, for one, feel that the consumer States must protect their interests. Therefore, I favor Federal regulation which at least will give them a voice in the regulation. For that reason, I oppose this bill.

Mr. DOUGLAS. Mr. President, I yield 10 minutes to the senior Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for 10 minutes.

Mr. O'MAHONEY. Mr. President, on the day before yesterday when I discussed the pending amendment, I suggested to the chairman of the Committee on Interstate and Foreign Commerce, the able Senator from Colorado [Mr. JOHNSON], that in my opinion it was highly desirable that this measure be recommitted to the committee, because even from the point of view of those who are sponsoring the bill, it does not deal with all the problems of jurisdiction and public interest which are presented by the Natural Gas Act. What the small independent producer of natural gas needs more than anything else in order to give him a competitive market is a common-carrier pipe-line system. There is no such common-carrier system now, and the pending bill of course does not pretend to deal with the marketing problems of small independent producers.

The history of litigation under the Natural Gas Act shows that efforts have been made from the very outset to curtail the jurisdiction of the Federal Power Commission. Business interests notably dislike regulation. They are willing enough to exploit the market, but when government, whether it be a State or the United States, is obliged to establish some system of protecting the public welfare, then the business interests that are affected always resent the system. So one of the things that ought to be done with this bill, Mr. President, is to plug the loopholes in the act—all of them. It is alleged, for example, that direct sales for industrial use of natural gas produced in one State and consumer in another, are not subject to regulation. The case of Panhandle Eastern Pipe Line Co. against Public Service Commission of Indiana, which I cited, demonstrated beyond peradventure that a State has the inherent power to regulate gas utility sales direct to consumers, even though made by an intrastate pipe-line carrier. So it seems to me that there ought to be a provision in the law which would clothe the Federal Power Commission with the right to protect the public interest with respect to this field of interstate commerce, involving direct sale when the State, for any reason, has not passed a law which provides such regulation in the public interest.

In the famous case of the Federal Power Commission against Panhandle Eastern Pipe Line Co., decided by the Supreme Court on June 20, 1949, another loophole in the Natural Gas Act appeared. Panhandle Eastern Pipe Line Co., owning some 97,000 acres of producing-gas land, transferred that land, which cost $135,000, and $675,000 in cash in return for all the stock of the newly created Hugoton Production Co., which had a market value of $11,000,000. There, Mr. President, values were made by a corporate manipulation. It ought to be clear that wherever the Federal Power Commission finds that companies providing gas public utility service are divesting themselves of property in that manner, the Federal Power Commission should have the authority in the public interest to regulate such corporate use of the property and the facilities of a natural-gas company. I was in agreement with the minority of the Supreme Court in the Panhandle Eastern case. The minority declared that the decision went far toward scuttling the Gas Act.

There are certain other points which might be discussed. Decisions have been quoted here and statements have been made to the effect that in some States an attempt has been made to establish a price floor below which the price of gas should never go. That is a matter of grave study. I do not at this moment pretend to express an opinion with respect to it, because I recognize that the problem of conservation is involved. But, obviously, when we are dealing with the problem of interstate commerce, which by the Constitution was committed to the care of the Congress of the United States, we should be careful to see that that field is not impeded by improper action in the States.

Finally, it seems to me—and this I have recommended to the proponents of this bill, both privately and publicly—we should, if we complain about the valuations that may be placed upon gas by the regulatory authority, write into the law the standards by which the Federal Power Commission should be guided. Of course, the producer ought to have a fair return for his gas. He ought to have a fair price. He should not be exploited by his Government. What I feel about this bill is, not that he will be exploited by his Government, but that he will most surely be exploited by the forces in our economic system which are promoting a concentration of economic power.

Only this morning, representatives of the Federal Trade Commission were before the Appropriations Committee, testifying with respect to the appropriations and with respect to the work which the Federal Trade Commission has been doing. A chart was presented, which bears out the information which the Joint Committee on the Economic Report has obtained in the field of steel. It bears out the fact that since enactment of the Federal Trade Commission law, the profits of small business have been going downward steadily, but the profits of businesses having assets of $100,000,000 or more, have been going upward, and by reason of that growing gap between the rewards accruing to small business and the profits, the wealth, the strength of the gigantic businesses of the United States, the position of the independent businesses in the economy is becoming constantly in greater jeopardy.

No one would judge from a reading of this bill that it is a bill to protect the independent producer of gas. The name applies only so far as it would release gas producers and gatherers who sell in interstate commerce; that is, it would release such producers so far as they are not affiliated with or part of a pipe line. That is the meaning of the independent in this bill. I speak for the real independent. I speak for the producer—and I do this, not because of any particular situation in the gas industry but only because I know that the studies the committees of Congress have undertaken over many years—particularly the Committee on Small Business, of which the distinguished Senator from Montana [Mr. MURRAY] was for years the chairman, the Temporary National Economic Committee, the Joint Committee on the Economic Report, and many committees of the other House—have produced definite, unassailable testimony that the concentration of economic power is proceeding in the United States, and that combinations, mergers, and the accumulation of tremendous assets are constantly wiping out the small business and the independent.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. DOUGLAS. Mr. President, I yield two more minutes to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator. It has seemed to me to be very necessary to amend the amendment offered by the Senator from Oklahoma, on page 3, line 6, after the word "directors" by inserting the words "or common control," so that if producers should be brought in under a common control of any kind, not now envisaged, they would not be free from the Federal jurisdiction. I believe also, Mr. President, that there might well be added to this amendment, which undertakes to protect against sales between the buyer and the seller, which are not the result of independent bargaining, a provision something like this:

> Or the Commission, after notice and opportunity for hearing, finds that by reason of price-fixing agreement, arrangement, understanding or combination between producers or gatherers or natural gas companies the price or charge demanded or received by producers or gatherers for the transportation or sale of natural gas in interstate commerce has been fixed.

Let us close the door to unfair and oppressive practices and to price fixing all the way down the line as a part of our handling of the problem of interstate commerce. I am opposing this proposed amendment to the Natural Gas Act because I believe it deals only with a fragment of the problem, it will make matters worse instead of better, and it will not be a protection either to the consuming public or to the independence of small producers.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOUGLAS. Mr. President, I yield 7 minutes to the junior Senator from New Jersey [Mr. HENDRICKSON].

The PRESIDING OFFICER. The junior Senator from New Jersey is recognized for 7 minutes.

Mr. HENDRICKSON. Mr. President, in our consideration of S. 1498 we should always keep one fundamental fact in mind—the avowed purpose of the Natural Gas Act.

That purpose is well known.

It was stated by the Supreme Court in the Hope case as follows:

> The primary aim of this legislation was the protection of consumers against exploitation at the hands of natural-gas companies.

There is just as much, probably more, reason today to protect consumers from exploitation as there was in 1938.

This is so because the concentration in the control of gas reserves, which was pointed out by the Federal Trade Commission in its investigation of the natural-gas industry, is probably greater at the present time than it was 12 years ago.

I am aware, Mr. President, that it has been alleged by the proponents of Senate bill 1498 that it was never intended to vest authority in the Federal Power Commission to regulate interstate sales of gas for resale made at the completion of production and gathering, and also that the Federal Power Commission does not have that authority. In other words, I am aware that it is strenuously denied that it was the purpose of the act to subject such sales to regulation.

But the record does not support this denial.

The Supreme Court in addition to pointing out that the act was designed to protect consumers, also pointed out in Panhandle Eastern Pipe Line Co. against the Public Service Commission of Indiana, that this was to be accomplished by delegating to the Federal Power Commission regulatory authority in respect to three things:

> (1) The transportation of natural gas in interstate commerce; (2) its sale in interstate commerce for resale; and (3) natural-gas companies engaged in such transportation or sale.

It is important to note that the only limitations as to jurisdiction over sales are that such sales must be, first, in interstate commerce, and, second, they must be for resale.

There is no limitation as to where the interstate sales are made, whether in the field, from a pipe line, or other place.

The Court, in the Panhandle case, pointed out that the regulatory gap which existed before the National Gas Act was passed related to interstate sales for resale. These sales, the Court said, were beyond the reach of the States.

Now, 12 years after that gap was effectively closed, according to our highest judicial authority, we are asked to open it up again in part and create another hiatus.

The Court was obviously right in holding that the regulatory gap was closed by the Natural Gas Act and that the Federal Power Commission thereunder had full authority to regulate all interstate sales for resale.

The proponents rely on that part of subsection 1 (b) of the act, which provides that the provisions of the act shall not apply "to the production or gathering of natural gas" as the basis for their contention that the act does not and was not intended to apply to interstate sales for resale made in the producing fields. But the legislative history and unanimous judicial authority are opposed to this contention.

Mr. President, I do not hold that the clause relating to production and gathering is without meaning. Quite the contrary is true.

Again I turn to the Supreme Court for a proper exposition.

It was contended in the *Canadian River Gas Company case* (324 U. S. 581) that the production and gathering provision of subsection 1 (b) meant that production and gathering properties must be excluded from the rate base as the Commission had no jurisdiction thereover. The Court rejected this contention, saying:

> That does not mean that the part of subsection 1 (b) which provides that the act shall not apply "to the production or gathering of natural gas" is given no meaning. Certainly that provision precludes the Commission from any control over the activity of producing or gathering natural gas. For example, it makes plain that the Commission has no control over the drilling and spacing of wells and the like.

In other words, the limitation concerning production and gathering relates to the activity of production and gathering, and is not a limitation on interstate sales for resale.

Finally, in the Interstate Natural Gas Co. case, this entire question was put to rest by a unanimous decision of the Supreme Court of the United States.

Before coming to that decision, however, a brief review of the background of the Interstate case may be in order.

The Interstate case was instituted upon complaint of the Public Service Commission of Louisiana. That Commission had attempted to regulate the rates of the company, but was enjoined by a Federal court on the basis that 99.83 percent of its sales were in interstate commerce and beyond the pale of State authority—*Interstate Natural Gas Co., Inc.* v. *Louisiana Public Service Commission* (34 F. Supp. 908 (1940)).

In its appeal from the Federal Power Commission's decision to the Court of Appeals for the Fifth Circuit the Interstate Gas Co. argued that the sales in question were field sales and not the kind of interstate sales covered by the Natural Gas Act. The Court of Appeals made short shrift of this argument, saying:

> It would be difficult to find a case more clearly illustrating the mischief the act was supposed to remedy, more fittingly applying the remedy.

The Supreme Court in a unanimous opinion upheld the Federal Power Commission and the Court of Appeals in respect to their jurisdictional determinations in the Interstate case. It said in respect to the sales made in the field:

> By the time the sales are consummated nothing further in the gathering process remains to be done. We have held that these sales are in interstate commerce. It cannot be doubted that their regulation is predominately a matter of national, as contrasted to local concern. All the gas sold in these transactions is destined for consumption in States other than Louisiana. Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of costs which must be covered by rates charged subsequent purchasers of the gas including the ultimate consumer. It was to avoid such situations that the Natural Gas Act was passed.

So, Mr. President, I submit that it cannot validly be contended at this time that the Congress did not intend to vest in the Federal Power Commission jurisdiction over interstate sales for resale made in the field, or that the Commission does not have such authority.

The courts which have considered the specific and analogous problems are unanimous in their decisions upholding jurisdiction.

They are unanimous in holding that regulation of such sales was part of the congressional purpose of preventing exploitation of consumers of natural gas.

Regulation, however, is not given a free rein. It must not be arbitrary or capricious. It must be exercised in a reasonable way.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DOUGLAS. Mr. President, I yield one more minute to the distinguished Senator from New Jersey.

Mr. HENDRICKSON. I thank the distinguished Senator from Illinois.

Nor can the State confiscate property through the guise of regulation.

Thus, as early as 1886, in the *Railroad Commission cases* (116 U. S. 307), the Supreme Court held that regulation was not without limit, that the power to regulate was not the power to destroy, and that the power to limit charges was not the equivalent of confiscation.

That is still the law today.

In our system of free enterprise we endeavor to regulate utility monopolies, but not destroy them. We recognize that enforced competition in this area is not in the public interest as long, and only as long, as regulation is effective.

Natural gas is distributed by regulated monopolies; it is sold to the distribution companies by pipe-line companies which are also regulated monopolies; it is sold to the pipe lines by producers which as a group, small in number, are rapidly obtaining practical control of gas reserves.

Just as the State commissions could not fix just and reasonable rates for distributors of natural gas when the pipeline rates were not regulated, so the Federal Power Commission will not be able to fix just and reasonable pipe-line rates if the rates of producers of gas are immune to regulation.

> Unreasonable charges exacted at this stage of the interstate movement—

Said the Supreme Court—

> become perpetuated in large part in fixed items of cost which must be covered by rates charged subsequent purchasers of the gas including the ultimate consumer.

Accordingly, in voting on Senate bill 1498, we are really voting on the question of whether or not we want effective

regulation of natural-gas rates to the ultimate consumer.

A vote for Senate bill 1498 is a vote to nullify the Court decisions upholding effective regulation under the Natural Gas Act; a vote against Senate bill 1498 is a vote for the rate provisions of the Natural Gas Act as conceived by the Congress and interpreted by the courts which have passed thereon.

I shall vote for effective regulation.

Mr. McFARLAND. Mr. President, in behalf of the senior Senator from Colorado, I yield 15 minutes to the senior Senator from Texas [Mr. CONNALLY].

Mr. CONNALLY. Mr. President, I shall not occupy much of the time of the Senate. This question has been fully debated, particularly by my colleague [Mr. JOHNSON of Texas], who was chairman of the subcommittee which considered the bill, and by the junior Senator from Oklahoma [Mr. KERR]. So I shall advert only to a few of what I consider the important questions involved and the consequences of our decision on the issues.

Mr. President, what is the history of the Natural Gas Act of 1938? The bill which is now pending is, in effect, a clarification of what Congress meant when it passed the Natural Gas Act of 1938. That act was passed with the distinct understanding that the regulatory power of the Federal Power Commission did not apply to independent producers and gatherers of natural gas. I say that because I participated slightly in the debate on that measure, and I refer to page 9317 of the CONGRESSIONAL RECORD of August 19, 1938, in which I questioned the then Senator from Montana, Mr. Wheeler, who was in charge of the bill, as to whether the bill gave the Federal Power Commission authority to regulate the rates to be charged by independent producers and gatherers of natural gas. He gave absolute assurance that the bill did not carry any such power. But, Mr. President, I was still suspicious, and on that occasion I objected to the consideration of the bill, and it was passed over.

Later I had still another colloquy when the bill came up for consideration the second time, and I was given assurance that it would not apply to sales by independent producers and gatherers of natural gas. That was the understanding in the Senate and in the House of Representatives, and, by unanimous vote of both bodies, the bill was enacted with that understanding. That understanding was as much a part of the bill as was the language written into the statute. The bill was passed with the distinct condition that it would not apply to independent producers or gatherers. All that the pending bill does is to make it clear that the law as passed by Congress is still the law, regardless of any changes of opinion by members of the Federal Power Commission.

What do the courts think about this question? In the Panhandle case, at least, the courts have held that the Commission has no power to regulate the price of gas in the hands of independent producers or gatherers. What else do we have? We have the uniform practice by the Commission for 12 years, to the effect that it does not have jurisdiction in such cases. We have that pronouncement not only in the Commission's decisions, but in a formal communication known as order 139, dated August 15, 1947. After the Supreme Court rendered its decision in the Interstate case, the Federal Power Commission, with one dissent, put into effect Order 139. The order has already been quoted for the RECORD, and I shall not read it in its entirety. I shall quote briefly from the order, as follows:

> It seems appropriate and desirable at this juncture for the Commission to adopt and promulgate the rule contained herein, which is designed to relieve any existing uncertainty—

Remove all uncertainty—

> regarding the Commission's position that it will not seek to assert jurisdiction over the sale of natural gas to interstate pipe lines by independent producers or gatherers.

Mr. President, how could anything be clearer? How could anything be more positive? How can an assurance be stronger than the solemn written order by the Federal Power Commission? Yet opposition to the bill is based upon the change of mind of one, or perhaps two, of the members of the Federal Power Commission.

Mr. President, where are we to look for the law? Are we to look for it in the statutes as passed by Congress, approved by the courts, and observed and practiced for 12 long years? Is that where we are to look for the law? Or are we required to look for the law in the changing mind of a member of a Government bureau? If that were the case it would be in effect saying, "It is not necessary to go to the Congressional Library, or the Law Library, to find out what the law is. Call up a member of the Federal Power Commission and find out whether he has changed his mind or not, and that is the law." That is the theory of the opposition to the bill. According to that theory, we do not need any law digests or any briefs. All we need to know, according to the opponents of the bill, is: What does Mr. Draper think about it? Has he changed his mind since the last session? What do other members of the Federal Power Commission think? Have they changed their minds? What assurance have we that they will not change their minds again?

The Federal Power Commission issued Order 139 and gave its solemn assurance that it would not undertake to control sales of gas by independent producers or gatherers. Now they are trying to do it. A vote against this bill would give the Commission the authority to do it. It would give it the authority to do it, not once, not twice, but a dozen times, if need be. Perhaps we should have some sort of register at which we could look and see what the temperature of the members of the Federal Power Commission is, or some sort of mental gage by which we could determine exactly how far a member's mind is going to change from right to left, or back again.

Mr. President, that is not the American doctrine. That ought not to be the doctrine of the Senate. It ought not to be the doctrine of any lawmaking body. The law is the law as written by Congress, under the constitutional powers vested in it. It is not dependent upon an edict, ukase, or an arbitrary, totalitarian order of some little bureaucrat.

Mr. President, I appeal to Members of the Senate. I have heard the walls of the Senate shaken by oratory denouncing bureaucracy and bureaucrats. A great many of my friends on the other side of the aisle are constantly denouncing bureaucrats and bureaucracy. Any Senator who votes against the pending bill cannot with any consistency make such a charge as that in the future, because opposition to the bill is based upon the theory that determination will not be made in accordance with what the courts have said, or what Congress has said, or what the Federal Power Commission itself has said under oath. For 12 years it has held up its hand and said, "We administer this law, and we have no jurisdiction." But now, because of the physiological, or emotional, or hypercritical contentions of some of the members, they have had a change of mind, and when their minds change, the law changes. Whenever they want the law to change, they simply change their minds, which is quite a convenient thing.

Mr. President, that is bureaucracy gone to seed. Talk about totalitarian power, talk about the edicts of dictators. The power that is asserted by those who oppose the bill is the very essence of all those opprobrious terms.

Mr. President, I lay down the fundamental proposition that the effect of the opposition to the bill is to overrule the courts, because the courts have decided that the Commission has not the power to regulate independent producers or marketers. So the defeat of the bill would mean overruling the courts. It would turn over to the Commission powers which Congress said they did not possess and could not possess. We would be overruling our own action of 12 years ago.

Mr. President, what is the purpose of the opposition? It is said they desire to reduce the price of gas. Reduce whose price? They desire to reduce the price they think they are going to have to pay. Whose gas is being sold? I thought the gas belonged to the person who owned the land on which it was produced. I thought that here in the United States, where we boast of the sanctity of private property, where I hear so much oratory from the opposite side of the aisle about the doctrine of free enterprise, private property belonged to its owner, and that the Government itself could not take his property away from him without adequate compensation, not the adequate compensation fixed by the fellow on the other side of the table who wants to get the property for the least possible price, but according to the rulings of courts and the law which provides that he must get adequate compensation.

Mr. President, a while ago I heard a Senator say, "I want the people of my State who are going to buy natural gas to help fix the price of the gas." They can do that by not buying it or buying it, as they see fit.

Let me illustrate. If the rule proposed is to obtain as to gas, I see no reason why it should not apply to coal. Where is the Senator from Pennsylvania [Mr. MYERS]? Would he favor putting coal under this sort of a condition, when the Commission are going to change their minds whenever they take a notion to? I do not think he would. How about oil? If we are to say what is proposed with regard to gas, at the next session of Congress gentlemen will be demanding that jurisdiction over oil be turned over to the Federal Power Commission, and its price fixed, wherever it may be. I am sure we are not for that at the moment. But if the Federal Power Commission changed its mind, many Senators would change theirs, too. You cannot beat them to the bat. They will go along with the Federal Power Commission so long as it does not adversely affect their interest.

The purpose of the bill is to reduce the price of gas. What about the price? The price to the consumer I understand is $1.25 a 1,000 cubic feet.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. JOHNSON of Colorado. I yield 10 minutes more to the Senator from Texas.

Mr. CONNALLY. I thank the Senator from Colorado. The consumer pays $1.25 a 1,000 cubic feet. How much of the $1.25 goes to the small producer, on his little farm, all he has, which possibly is not paid for? He gets 5 cents. So the opponents of the bill have as their purpose cutting down even that 5 cents, so that the purchasers will get it for 2 cents or 1 cent; and some of them would get it for nothing if they could.

Mr. President, is it any great crime to do what the bill seeks to have done? Let us see. For the past 12 years, under the policy of the Federal Power Commission, the price of natural gas has decreased 12 percent. When a law is operating in the manner the people want it to operate, when it is operating to the benefit of the producer and the independent gatherer, as well as to the benefit of all others, why do Senators want to change it? Why do they want to change a law under whose operation the price of gas has been reduced? Yet Senators say their object in opposing the bill is to reduce the price. The price has already been reduced. The price of gas will continue to be reduced if more gas is produced. It is necessary that there be increased volume in order to secure reduction in price.

The small producer is the one the opponents of the bill are hunting. They have not talked much about the big pipe-line companies. Have we heard Senators denouncing the big companies who are making whatever profit there is to be made out of gas? No, Mr. President. The opponents of the measure want to get the small producer. He has only about a nickel in his pocket, that is, he receives a nickel for a thousand cubic feet of gas, but we are going to cut that nickel in two. We are going to reduce the price the producer receives down to 2 cents, or 1 cent if we can. Why, Mr. President? Because, as one Senator said, "My constituents in my State want to get the gas as cheaply as they can. It does not belong to us; it belongs to somebody else; but we like it, and we want it. Therefore, we will induce the Government to squeeze the small producer out of the picture, and turn the gas over to us at as low a price as possible."

Mr. President, that is not American doctrine. That is not the doctrine of our traditions. That is not the doctrine of our history. It is not the doctrine of our constitutional law. It is not the doctrine of the American system of jurisprudence. No, Mr. President, it is alien doctrine. It is totalitarianism.

Mr. President, we talk about totalitarianism in other countries; in Europe, and in the satellite countries. Oh, we are against totalitarianism; we are against the power of Government to confiscate people's property or to do this, that, and the other. "But, when it comes to our own individual benefit we are for the doctrine," so say the opponents of the bill, "of free enterprise and the right of private property. We want totalitarianism, when our own benefit is involved, so that the Government, through a little bureau which changes its mind whenever it takes a notion to do so, may reach down and squeeze the property of the independent producer and gatherer and turn over the benefits to ourselves."

Mr. President, if such a principle is good for gas, why would it not be good for coal? Yet, has the price of coal been reduced? The price of coal has gone up from point to point to point until, at the end of the strike some days ago, the price of our annual coal supply was increased by a sum in excess of $100,000,000 a year. That increase alone is more than the entire bill for all the natural gas sold in the United States.

The system under which gas is produced has been working well. Why discard it? Consumers have been obtaining cheaper gas with the passage of the years. The producer is satisfied. The independent gatherer is satisfied. Why discard the present system simply to turn over the regulation of gas production to a bureau with an ambulatory mind and an absence of conscience? I do not see why anyone should want to discard something which has worked in the past and which is now working so well and so satisfactorily.

Do Members of the Senate who opposed the bill wish to sanction the doctrine of overruling the courts and the Congress itself, overruling even the Commission in its solemn pronouncement heretofore made?

The opponents of the bill say they want competition. There is competition already between 38 great pipe-line companies. Do they not compete? If they do not compete, what is the trouble with the Federal Power Commission? If those pipe-line companies do not compete what is the matter with the courts and why is the Attorney General not prosecuting them for violation of the antitrust laws? We can have competition, but the kind of competition the opponents of the bill want is that which will so weaken and debilitate the independent producer and the gatherer that they will not be able to resist and will be obliged to succumb.

Mr. President, the production of gas is a very hazardous enterprise. Unless more gas is obtained in the producing areas we are not going to have more gas in the consuming areas. That is fundamental. What incentive is there for an owner of land to drill a gas well, when he is told that if he does not hit gas he will simply be out what it cost him to drill the well, and if he does hit gas he is going to be rewarded by being allowed 6 percent on his original cost, whatever that cost may be. How many banks would lend money on such uncertainties? How many Senators would buy land and devote it to exploration for gas on the basis of any such theory and any such doctrine? No, Mr. President, the invocation of such a doctrine would not result in producing another cubic foot of gas.

If such a theory were a good one, a proper one, we might have the following situation: A man in Iowa might have some nice beef cattle which he was feeding them on Iowa corn. A man in Chicago might say, "I should like to have that beef steer." "But it does not belong to you," someone may say. "It belongs to a man in Iowa." The Chicago man might say, "Yes; but he is going to ship that beef steer to Chicago. It is going to enter interstate commerce, and, therefore, the Government has the right not only to regulate its actual transportation but to regulate its price right down to Iowa, and, Mr. Iowa Cattle Dealer, you must sell your cows, you must sell your steers, not at your price, not at the price the packer is willing to give you, but you must sell your cattle at a price fixed by a bureau in Washington, whose mind changes as it sees fit to change it."

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. CONNALLY. Mr. President, may I have one more minute?

Mr. JOHNSON of Colorado. I yield one more minute to the Senator from Texas.

Mr. CONNALLY. Mr. President, I have not undertaken to discuss the technical aspects of the question, because they have already been quite thoroughly discussed. But I have undertaken to discuss the fundamental thing which the opponents of the bill are advancing, which is: "Away with the opinions of the courts, away with the congressional acts, away with what the Commission has declared this act to mean; away with it all, and turn over to a bureau, a little bureau with four or five bureaucrats"—and I hope Senators who have been denouncing bureaucrats will give heed—"turn over the making of the law to four or five bureaucrats in a governmental bureau. That is what we want. We do not want law. We do not want congressional acts. We want a bureau which we can control. We are opposing the pending bill so the bureau can enable us to obtain cheaper gas, so we

may take away gas from a citizen in another State, so we may take away some of his property and vest it in ourselves."

Senators from coal States, such as Illinois, of course, are against the bill.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. JOHNSON of Colorado. Mr. President, I yield 3 minutes to the Senator from Arkansas [Mr. FULBRIGHT].

Mr. DOUGLAS. It is with the understanding, Mr. President, that any time over the allotted amount shall be withdrawn from the last half hour granted to the Senator from Colorado?

Mr. JOHNSON of Colorado. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I shall not delay the Senate long. This matter has been presented to the Senate very thoroughly. Both viewpoints have been presented to the Senate by the able Senators from Oklahoma [Mr. KERR], Texas [Mr. JOHNSON], Illinois [Mr. DOUGLAS] and other Senators. It is true, of course, that only one side has been presented to the public by the press.

It seems to me that it is a great reflection upon the integrity of our press and our so-called columnists that the arguments and viewpoints of those who favor this bill have been ignored and suppressed.

The issue in this matter is very clear to those who consider it. It is an issue that goes back for a hundred years. It is simply that the majority in their strength seek again to exploit the minority. The big cities of the North seek to take from a small group of relatively poverty-stricken States their natural resources for as little as they can.

By political control of the power of the Government the North seeks to rob the southwest. It is an old pattern. They have done the same thing before by their control of the Interstate Commerce Commission to throttle the development of industry in the South and West. For many decades they levied tribute on the prostrate South by the imposition of high tariffs and their control of the money markets of the Nation.

If one will but consider the pattern of legislation down through the years, it is clear that, while our northern friends are profoundly sympathetic and solicitous of our welfare, they wish to remove our prejudices and reform our morals, but if it is a question of a dollar, that is another matter. They seem to think we are improvident in the South and should not be trusted with money. If we have something to sell, they in their righteousness and on the highest moral principles, can make themselves believe that we should sell at nominal prices for the benefit of the consumer in their great cities.

Yes, Mr. President, the issue is simple and crystal clear—it is whether or not the rich and powerful North and East should have our natural gas at nominal prices set by the commission which they expect to control, or whether they should pay reasonable prices set by the law of supply and demand. The issue is whether the poorest section of our land shall continue to be exploited as it has been exploited throughout our history, in order to enrich the great urban centers which have the power to impose their will.

The PRESIDING OFFICER (Mr. LONG in the chair). The time of the Senator from Arkansas has expired.

Mr. DOUGLAS. Mr. President——

Mr. MAGNUSON. Mr. President, will the Senator yield, to permit me to propound a unanimous-consent request?

Mr. DOUGLAS. I regret that I cannot yield for such a purpose during the present debate.

Mr. MAGNUSON. I wish to have a certain matter placed in the RECORD.

Mr. DOUGLAS. Mr. President, I regret that I cannot yield for that purpose.

I yield now 13 minutes to the Senator from Tennessee [Mr. KEFAUVER].

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 13 minutes.

Mr. KEFAUVER. Mr. President, during the present session of the Congress I think few issues have been so thoroughly debated and considered from all viewpoints as has the question of the meaning of the Natural Gas Act of 1938 and of the bill now pending before the Senate. In connection with this question, both sides have been very fully presented. It is not easy for a Member of the Senate who opposes this measure to do so in the face of the fact that many of our colleagues in the Senate are very sincere and very strenuous in their advocacy of it.

I feel that the arguments against this measure have been very well and very dramatically summarized by the senior Senator from Texas [Mr. CONNALLY], who spoke a few minutes ago.

The first contention of the proponents of the bill is that the Natural Gas Act of 1938 did not put under regulation by the Federal Power Commission the sale by independents of natural gas to pipe lines in interstate commerce; that over a period of years such power of regulation has never been claimed by the Federal Power Commission, and therefore that it either does not exist or exists only in the minds and according to the ideas of certain misguided persons, specifically, so the proponents of the bill claim, former Federal Power Commissioner Leland Olds and a few other misguided souls.

Mr. President, if it be true that under the decisions of the Supreme Court and according to the wording of the Natural Gas Act, the Federal Government does not have the power to regulate such sales in interstate commerce, then I am totally unable to understand why there has been such long and heated debate over this proposition. If the power of the Federal Government to regulate such sales in interstate commerce does not exist, then why has it been necessary for us to be subjected to such long and such serious debate before the vote is taken on a measure whose sponsors say will have no legal force or effect? If it be true, as the proponents of this bill claim, that the Federal Power Commission does not have the power to make such regulations and that the Supreme Court backs up the contention that such regulations cannot be put into effect, then, Mr. President, if the proponents of those arguments are so sure of the correctness of their views, why is it necessary for all this debate to be had here in the Senate?

Mr. President, the oil and gas industry has never been noted for a lack of competent and high-priced legal counsel. I cannot help but feel that if the attorneys for the oil and gas companies really felt that the Federal Government does not possess the power referred to, they would not devote so much time and such strenuous efforts to an attempt to obtain the enactment of such a bill.

It is contended that the enactment of the bill is necessary because a member of the Federal Power Commission has changed his mind. Mr. President, in the statement I shall now make I do not intend to reflect upon any of the officials in the executive departments; but if we are to have 2 or 3 weeks of debate in the Senate every time an official in one of the executive departments changes his mind, then the Senate will have to have night sessions and will be in session practically the entire year, because it frequently happens that officials in the executive departments change their minds.

No, Mr. President, this bill has not been brought forward and this debate has not been carried on for several weeks merely because a member of the Federal Power Commission changed his mind. This bill is before us now because the proponents of the bill and the counsel for the great oil and gas companies know that as the Natural Gas Act now stands, the Federal Power Commission does have the power of regulation; and they also know that the Supreme Court by its unanimous decision in the Interstate case very definitely held that in order to avoid exorbitant charges by a producer in interstate commerce, the Natural Gas Act was passed, the words of the Supreme Court in that respect being that—

> It was to avoid such situations that the Natural Gas Act was passed.

The truth of the matter is that Congress by the enactment of this bill would be giving the oil and gas industry something which that industry very much desires, and something which I am sure that industry recognizes cannot be obtained from the Supreme Court, namely, the ousting of the Federal Power Commission from authority to prevent the making of unreasonable charges for natural gas sold by producers and gatherers to interstate pipe-line companies for resale.

Mr. President, does anyone believe that if the proponents of this measure felt they could go to the Supreme Court and could secure a reversal of the order of the Federal Power Commission, in the event the Commission put into force regulations of that sort, they would take up all this time in the Senate and in the other House of Congress during the many weeks this measure has been debated? I have never seen intelligent men such as the proponents of this bill worry so much about something concerning which they are absolutely sure. They say they are absolutely sure that the Federal Power Commission has no power of reg-

ulation, and that the Supreme Court has said so. If that be so, then it is strange, indeed, that their counsel would go to such pains in drawing up arguments in support of their position, and that they themselves would indulge in such intense and lengthy debate on the floor of the Senate.

Mr. President, I wish to comment briefly upon the proposition, stated by the proponents of this bill on numerous occasions, to the effect that the nonexercise of a claimed power and the failure to use such a power for so long a time indicate that the power does not actually exist. That argument has been made time and time again. However, that question has been settled many times by the Supreme Court of the United States. The leading case, and a very direct case on the subject, was decided in 1941 by the unanimous opinion of the Supreme Court, the case being that of *Interstate Commerce Commission* v. *The Railroad Labor Executives Association* (315 U. S. 374). In that case it was held that the Interstate Commerce Commission has the power, under section 1, paragraph 20, of the Interstate Commerce Act, to impose conditions for the protection of railroad workers when a railroad is ordered to be abandoned. It was contended by the railroad that inasmuch as the Commission had not exercised that power or had not claimed it for 15 years after the passage of that section of the act, and also inasmuch as the Commission in its 1935 and 1936 annual reports asked that Congress give it that power, asserting that the Commission did not have it, therefore the power did not exist.

In its 1935 and 1936 annual reports, the Interstate Commerce Commission had made requests "for further statutory provisions to protect employees from undue financial loss as a consequence of authorized railway abandonments."

The Supreme Court held that notwithstanding the nonexercise of the power and notwithstanding the belief of the Interstate Commerce Commission that it did not have the power, if as a matter of fact the Commission did have the power it could put it into effect by way of regulation. So, Mr. President, that decision seems to be a rather complete answer to that argument which has been put forth by the proponents of this measure.

I think it should be pointed out that, as a matter of fact, the Federal Power Commission is at this time questioning the rates charged by the Phillips Petroleum Co. to the Michigan-Wisconsin Pipe Line Co., and that the Public Service Commission of Wisconsin and the city of Detroit have filed with the Federal Power Commission petitions asking that those rates be regulated, and the Commission has ordered such a regulation. A letter to that effect was put into the RECORD some days ago by the distinguished Senator from Iowa [Mr. GILLETTE].

Mr. President, we come now to another rather interesting argument which has been used in connection with the debate on this measure, namely, the claim that the regulation which the Federal Power Commission proposes to apply in connection with the sales of natural gas in interstate commerce would be confiscatory; in other words, that the property of the producer would be taken without just compensation. Such charges imply that the Supreme Court of the United States, as well as the lower Federal courts, would fail to enforce the fifth and the fourteenth amendments to the Constitution of the United States in cases in which the rates of natural-gas companies are involved. It seems to me that charge is too ridiculous to merit an answer. Moreover, the natural-gas pipe-line companies during the past 10 years, during which their rates have been regulated by the Federal Power Commission, have done very well financially, and are doing so today. Their securities are in great demand; their credit has been so good that they have had no difficulty in financing tremendous expansions of their properties. I refer, of course, to the integrated companies which are under regulation by the Federal Power Commission.

As to the effect which might be had on the financial situation of the 37 large companies in the event the Federal Power Commission should put into operation and effect its regulatory power in certain cases where unreasonable charges are being made, we have some very practical evidence to show just what would happen. It is being claimed here that the power of regulation being asserted would be confiscatory; that the securities would be valueless; that it would be impossible to make a profit; and that prospective investors would be so fearful of Federal regulation that they would not invest their money. Mr. President, as a case in point I cite the Interstate Natural Gas Co. case, decided by the Supreme Court in an opinion dated June 16, 1947. Prior to that time the integrated companies that have their own reserves and also their own pipe lines had taken the position that their sales were not subject to regulation by the Federal Power Commission. They acted on that assumption until the Supreme Court spoke, on June 16, 1947. One would think that when this decision was handed down by the Supreme Court everyone would have been so alarmed about the Federal Government moving to see that fair charges were made, that their securities would have dropped to nothing, that the bottom would have dropped out of the security market of the integrated natural-gas companies. As a matter of fact, I made inquiry this morning of Merrill, Lynch, Pierce, Fenner & Beane as to just what had happened to the stock in the case of all the integrated natural-gas companies. I was informed that the decision did not affect in the least the rising market price of their common stock or of any other stock they may have issued, and that the companies have continued to pay substantially and increasingly large dividends since the decision in the Interstate Natural Gas Co. case.

Let us take the case of the Interstate Natural Gas Co., itself. Its stock, before June 16, 1947, was not supposed to be under regulation by the Federal Power Commission. Afterward, it was supposed to be under such regulation, and by virtue of the Supreme Court decision——

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. DOUGLAS. I yield two more minutes to the Senator from Tennessee.

Mr. KEFAUVER. At the time this stock was issued, it was not sold on the big market, but the figures I have were taken from the Wall Street Journal and the National Association of Security Dealers. On April 1, 1926, when the company was formed, its common stock sold for approximately $5.80 a share. On June 10, 1947, just 6 days before the decision, its common stock was selling for $19.50 a share. On June 13, 1947, 3 days before the decision, it was selling for $19.75. On June 16, the day of the decision, the common stock of the Interstate Natural Gas Co. was selling for $19.75 a share. Since that time, with all the limitations of Federal regulation, which it is known are now imposed, the price of Interstate Natural Gas Co.'s stock has continually risen until today it is selling for $30.50 per share. Furthermore, Mr. President, many entrepreneurs have been happy to get into the pipe-line business, despite alleged confiscatory treatment under regulation by the Federal Power Commission.

Mr. President, I have pending an amendment which I am going to propose in the event the motion to recommit is voted down. The amendment would exempt from regulation all companies producing less than 2,000,000 cubic feet of gas a year, or selling less than $250,000 worth of gas. It would exempt all except the 37 large companies; so there could be no argument about the little fellow if my amendment were adopted.

The PRESIDING OFFICER. The time of the Senator from Tennessee has again expired.

Mr. DOUGLAS. Mr. President, I yield 3 minutes to the junior Senator from Idaho.

Mr. DWORSHAK. Mr. President, I have listened with profound interest to the debate during the past week, especially as it related to the technical and legal aspects of the pending legislation. I have come to the conclusion that the adoption of the Kerr amendment would probably have the effect of giving a monopoly on production of natural gas to large operators. Spokesmen for them have said they object to regulations and controls by the Federal Power Commission, particularly of gas prices at the source, but favor controls at the consumer end of the pipe line. Such a position is untenable, because without some price regulation on production and gathering it would be impossible to regulate consumer prices at the other end.

Proponents of the Kerr amendment contend that private enterprise will be safeguarded by exempting natural gas from regulation. However, it is obvious that free enterprise can be perpetuated only when there is fullest cooperation between those who own natural resources and the Federal regulatory agency.

For several years in Idaho efforts have been made to remove discriminatory

gasoline prices. There has been no voluntary response, and no remedial action has resulted, although Idaho has the reputation for paying the highest gas prices of any State in the Nation.

Mr. President, if major oil companies fail to discharge their responsibilities without a monopoly, it is not difficult to visualize the complete disregard for consumers and the public which might result under a virtual monopoly of natural gas.

I believe that equity and justice should prevail in subjecting industries to Federal regulatory agencies. Those sponsoring the Kerr amendment have vigorously contended that the private generation and distribution of electric power should be supervised by the Federal Power Commission. How can they justify preferential treatment for the natural-gas industry?

Throughout my congressional service I have opposed arbitrary Federal regulation and have favored the basic rights of free enterprise. I oppose the Kerr amendment because I believe the natural-gas industry will enjoy greater security under the Natural Gas Act. Further, I believe that private enterprise will thus be most effective in serving the public interest. Congress has the duty of maintaining a proper balance between the producer and the consumer, with special privileges for neither.

Mr. President, I ask unanimous consent to have inserted in the body of the RECORD following my remarks an article by Ysabel and Robert Rennie, published in the Washington Post of this date, discussing the Kerr bill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KERR NATURAL GAS BILL WOULD EXEMPT A MONOPOLY FROM CONTROL

(By Ysabel and Robert Rennie)

Today the Senate will vote on the Kerr bill to exempt independent gas producers—that is, those not affiliated with interstate pipe lines—from Federal price regulation. A similar measure has already passed the House.

Opponents of the bill say it would add hundreds of millions of dollars a year to the consumer's gas bill. Senator ROBERT S. KERR, of Oklahoma, himself an independent gas producer, retorts that independents have never been regulated, and that his bill would merely continue this hands-off policy.

Eighty-six percent of the Nation's gas reserves are controlled by the so-called independent producers. Independents are simply gas companies which do not operate their own pipe lines; the list includes Phillips Petroleum, Humble (Standard Oil of New Jersey), Magnolia (Socony-Vacuum), Stanolind (Standard Oil of Indiana), Gulf, Tidewater, Sun Oil, Conoco, Sinclair, Texaco, Shell, and Cities Service. Though there are 2,300 independent producers, 10 companies in 1947 sold half of the gas piped out of Texas, Louisiana, Kansas, Arkansas, and Oklahoma.

Under the Natural Gas Act of 1938, the Federal Power Commission has regulated gas pipe lines and producers affiliated with them, but has never set prices for independent producers selling at "arm's length" to interstate pipe lines. In fact, the FPC's Order 139 of August 7, 1947, specifically disclaimed any intention of doing so.

This does not mean that the FPC could not regulate prices. The Supreme Court has ruled that States have no jurisdiction over the price of gas in interstate commerce, but has clearly indicated that the Federal Government does.

By 1948, as more and more northern cities were joined by pipe line to gas fields, prices were rising so rapidly that a majority of the Commission decided some regulation would be necessary. The Kerr bill, by denying the right to fix gas prices, would in effect create a no man's land between Federal and State authority in which neither would have jurisdiction over the price of this natural resource.

Gas and oil producers think natural gas is much underpriced. They point out that for the heat it gives, gas is only a third as expensive as bituminous coal and a fifth as expensive as fuel oil.

It has been said that there are two reasons for everything: a good reason, and the real reason. Let us consider first the good reasons for raising the price of gas.

The producers argue that present low prices discourage exploration for new gas reserves, and encourage such wasteful practices as burning the gas which is a byproduct of oil production. However, gas exploration is merely a byproduct of the search for oil, and the rapid growth in proved gas reserves pretty well explodes that argument. As for waste of gas, that is already being remedied by legislation and by the recent price rises which have taken the price per thousand cubic feet from less than 5 cents in 1947 to as high as 11 cents in 1950.

According to the gas companies, the price of natural gas should be "all that the traffic will bear." In the words of President Vernon F. Taylor of Peerless Oil & Gas Co., gas at the wellhead is worth "what it could be sold for in the western Pennsylvania industrial area, less what it would cost to get it there."

The real reason for the Kerr bill is that producers would like to profit from the growing demand for gas, without fear of regulation by the Federal Government.

If prices remain free to rise, it is entirely probable that gas will eventually cost more than coal, since it is cleaner and more convenient. It is unlikely, however, to rise above the price of fuel oil.

In defending his bill, Senator KERR has said that long-term contracts and competition among independent producers would prevent unreasonable increases in the price of gas.

Nevertheless, contracts have not prevented a rapid rise in the last 3 years, and competition is simply no factor in the gas picture.

A pipe line joins a city with a certain field, or perhaps two or three fields. The producers in those fields are in fact in a monopoly selling position with regard to the pipe line and the city which buys the gas. Once the pipe line is laid, it cannot go elsewhere for gas if the price seems unreasonable.

All other stages of this continuous monopoly are regulated: the pipe line is controlled by the Federal Government, and the city gas company by a public utilities commission. But this control becomes a mockery if the field itself cannot be regulated.

As Chief Justice Vinson said in the interstate case of 1947, "unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of costs which must be covered by rates charged subsequent purchasers of the gas."

The Kerr bill, in our opinion, is a bad bill not because it would raise the price of gas but because it would exempt from regulatory control what is in fact a natural monopoly at all stages of production and distribution.

Gas is both cheaper and cleaner than other fuels. It seems far better to give the benefit to 40,000,000 consumers, and not to a handful of producers who by virtue of a natural monopoly are in a position to exact high prices. This is not a question of economics, it is a question of equity.

Mr. DOUGLAS. Mr. President, I yield 20 minutes to the distinguished junior Senator from Missouri.

Mr. KEM. Mr. President, there is much that I should like to say in the closing hours of this interesting debate upon this important subject.

Many unusual arguments have been advanced by the proponents of the Kerr bill, all of which invite discussion by way of comment or refutation.

For instance, it has been said more than once by an able Senator, speaking for this bill, that "if the Senate refuses to take the responsibility of writing the law, Mr. Mon Wallgren will write the law." I think the distinguished senior Senator from Missouri [Mr. DONNELL] answered this unusual statement conclusively and very neatly when he pointed out that the Federal courts will always be open to determine what is the law.

However, I cannot refrain from mentioning in this connection that when the name of Mr. Mon Wallgren was before the Senate for confirmation as a member of the Federal Power Commission, his name was presented by this same Senator. During the course of a glowing tribute to Mr. Wallgren, my genial friend, this Senator, had this to say:

> The nominee's long and rich experience as a legislator in the House and Senate, and his service as an executive in the office of governor, have taught him where the writing of law ends and where administration of the law begins. I am sure that Mon Wallgren understands the pitfalls and the folly of one-man law—and we shall have no more of that with Mon Wallgren on the Commission.

Now, Mr. President, time will not permit me to explore the many interesting by-paths of discussion opened up by the ingenious arguments of my good friends who are supporting this bill. I want to spend my time in summing up the two principal reasons why I believe Congress should not, by passing the Kerr bill, withdraw from the Federal Power Commission the authority heretofore given the Commission in the Natural Gas Act to regulate the price of natural gas at the well. The two reasons are:

First. If the producer of natural gas elects to avail himself of an interstate public-utility market, he should submit to rate regulation in the public interest.

Second. Some gas-producing States are now exercising, on the State level, authority to raise the price of natural gas at the well.

Under these circumstances, regulation of the rates of natural gas flowing in interstate commerce is both necessary and desirable from the standpoint of consumers in the nonproducing States.

I. IF THE PRODUCER OF NATURAL GAS ELECTS TO AVAIL HIMSELF OF THE PUBLIC-UTILITY MARKET, HE SHOULD SUBMIT TO RATE REGULATION IN THE PUBLIC INTEREST

The purpose of the Kerr bill is to amend the Natural Gas Act so that the price of natural gas in the field may be raised. This has been admitted by the author of the bill with commendable

frankness. My position is that whenever a price adjustment is necessary it should come after a full and open hearing by a lawful regulatory agency. It should not be made possible by the removal of restrictions by Congress. The issue is clearly defined: If the Senate approves this amendment to the Natural Gas Act, it will free from regulation the price which interstate pipe lines pay for gas delivered to them by the producers who are not themselves transporters. On the other hand, if the Senate rejects the amendment, it will be affirming the jurisdiction to regulate such prices, a jurisdiction which the Supreme Court of the United States has held the Natural Gas Act vests in the Federal Power Commission.

At the present time, at least 80 percent of the natural gas in the United States is produced by companies who would come under the definition of "independent" contained in the Kerr bill.

I have said previously, and I repeat, that the pending bill is a piecemeal, special-interest proposal. If enacted, it will confuse the issue of Federal regulation and place an additional burden on millions of household consumers.

I believe the pending measure is an unsound, unfair proposal. Here is why:

More and more families these days are using natural gas to cook their meals and heat their homes. Consumers have long had the benefit of gas manufactured from coal and other products. Natural gas—that is, gas piped directly from nature's great underground storehouse—is rapidly being made available to cities and communities not previously enjoying its advantages. Since the end of World War II, scores of huge pipe lines have fanned out from the vast bubble of gas underlying the old Kansas, Texas, and Oklahoma Dust Bowl, and from other areas.

As a result, millions of American householders and thousands of factories are now being, or soon will be, served with this most convenient of all fuels. Natural gas now costs much less than manufactured gas. It is cleaner and it yields twice as much heat.

In many cities and communities that are being served for the first time with natural gas, gas-burning equipment has been installed at great expense to the consumer. Now, after all this has been done, Congress is being asked to make it possible for the price of natural gas at the well to be pushed up without regard to public interest. The National Institute of Municipal Law Officers estimates the Kerr bill would cost consumers more than $200,000,000 a year.

For 100 years or so it has been recognized that in order to make the free-enterprise system work monopolies must be regulated. Monopolies must be restricted in the public interest.

From the consumers' standpoint, natural gas is a monopoly. This has been illustrated by a familiar example: If one wants to buy a ton of coal, he can choose any one of 50 or so dealers in the telephone directory. But, if he lives in town and wants to buy gas, there is just one place to go. That is the gas company which has constructed a gas line along the public street in front of his home, under a public franchise.

Since the distribution of gas is a monopoly, it should be regulated by public authority in the public interest. It is sometimes said that regulation should be on a State level, but when gas is consumed in one State, regulation by another State does not meet the situation. When the supply of gas is produced in Oklahoma and consumed in Missouri, the regulation must be interstate, the regulation must be by Federal authority.

If the Federal Power Commission is to do an effective job of protecting gas consumers in the non-producing States, it must have the authority to regulate the price paid for gas from the first time it passes into the pipe line until it is sold to the local gas company.

As I stated a few days ago, we have been all over that; we have been through the courts and through the Commission. We learned the hard way that it was impossible effectively to regulate the price of gas unless there were interstate regulation covering both the production in the producing State and the consumption in the consuming State. Regulation is a farce and is entirely futile if that cannot be done, and the producers in the field are free to boost prices as they please.

The producer of natural gas is not compelled to enter the public utility market. He has other outlets for his product. He may sell his gas to a carbon-black plant, or to a chemical plant, or for several uses. He may place it in bottles or other containers and ship it throughout the country. But if the producer decides to sell his gas to a pipe line company, he is entering the public-utility business. If he wants to play the game, he should follow the rules. He should accept the responsibility to the public which becomes his when he sells to a public-utility market.

It is only fair that the gas producer receive a reasonable and just profit for the gas he sells. If a price increase becomes necessary in order to obtain a fair profit or in order to continue the flow of capital into the natural-gas producing business, it should come after full and open hearings before the Federal Power Commission.

We need not lose any sleep over the economic condition of the natural-gas industry. I quoted recently a statement made by Mr. E. DeGolyer, who is frequently a spokesman for the industry.

In November 1948, he said:

> Gas, which only a few short years ago, could not be sold at the wells for 1 cent a thousand cubic feet, is now bringing prices as high as 8 to 15 cents a thousand cubic feet. What other industry has enjoyed such price increases for its product with an ever-increasing demand which should at least assure maintenance of existing price levels for years to come?

That, Mr. President, I think is the reason why, as the distinguished junior Senator from Tennessee [Mr. KEFAUVER] has just pointed out, natural-gas companies are blue chips on the stock market.

It is said that the policies of the Federal Power Commission have been confused and inconsistent. That may be true. This is partially due to the fact that some unwise appointments have been made to the Commission. It may be that certain changes are needed in the law to make the wishes of Congress clear. If this be true, they should be made. But you do not knock out the window pane just because dirt or frost makes it hard to see through. Neither should we scrap regulation of the gas monopoly because of confusion among the members of the Federal Power Commission.

Federal regulation of gas rates has been effective and in the public intrest. Since the passage of the Natural Gas Act in 1938, the Federal Power Commission has obtained refunds of more than $37,000,000 per year, together with reductions that will save consumers untold millions of dollars. This activity in the public interest should continue. It should continue unhampered.

High-pressure politics should not be permitted to influence the welfare of 41,000,000 American gas consumers. We should carry on by reasonable regulation of monopoly to make the free-enterprise system work.

Now I come to my second point.

II. SOME GAS-PRODUCING STATES ARE NOW EXERCISING, ON THE STATE LEVEL, AUTHORITY TO RAISE THE PRICE OF NATURAL GAS AT THE WELL

Some of the gas-producing States are claiming and exercising the very power to fix gas prices in the field which the pending Kerr bill would deny to the Federal Government. Recently the States of Oklahoma and Kansas, through their State regulatory bodies, acted to raise the price of gas sold to pipe lines in the great Guymon-Hugoton field. This field is the actual or potential source of supply of gas for many of the great cities in the country, including Omaha, Minneapolis, St. Paul, Milwaukee, Chicago, and Detroit.

Last January 17, the Supreme Court of Oklahoma confirmed an order of the corporation commission fixing a minimum price for the taking of natural gas from the Guymon-Hugoton field in that State. The commission's order set a bottom price of 7 cents per 1,000 cubic feet of gas, compared to the average gas price there of four and a fraction cents prior to the order. Similarly in Kansas, the Kansas Corporation Commission, on February 23, 1949, acted to fix the minimum price of gas at the wellhead in that part of the Guymon-Hugoton field lying within the State of Kansas.

We have this situation: Proponents of the Kerr bill are opposed to the jurisdiction of a Federal agency to regulate the price of gas. At the same time two States in the producing area have undertaken to regulate the price of gas in the field. There is this important difference. The regulatory bodies in each State raised the price for which gas is to be sold in the field. It is apprehended that a Federal agency might determine that a reasonable price is at a lower level.

It is proper, in my opinion, for Oklahoma and Kansas to regulate the price of gas to be consumed within the State. I challenge the fairness and soundness of a program under which the field price of gas to be transported to other States should be subject solely to the price

action of the producing States. I believe that the consuming States should be represented as well as the producing States, when regulations affecting the price are under consideration. The only pactical way in which this can be done is through a Federal agency. Otherwise, the consumer is at the mercy of prices fixed in other States with interests predominately opposed.

The differences in the point of view in a gas-producing and a gas-consuming State are well illustrated by a statement made in the opinion of the Kansas Corporation Commission to which I have just referred. This statement is: "A cheap price placed on any commodity depreciates its usefulness." This is indeed a unique theory of economics. Is the usefulness of gas in consuming States in any way injured by a low price? Shades of Henry Ford. It has been argued by the proponents of the Kerr bill that its enactment would not result in a price increase because the gas is already under long-term contract for sale at established prices. The decision of the Supreme Court of Oklahoma indicates that when States themselves act to fix the price of gas, existing contracts go out the window.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. DOUGLAS. I yield 3 minutes more to the junior Senator from Missouri.

Mr. KEM. I thank the Senator from Illinois.

The recent decisions in Oklahoma and Kansas are not unique. In the opinion of the Supreme Court in the Oklahoma case reference is made to other times and other occasions in which the State regulatory body in that State has acted to fix the price of gas at the well.

Mr. President, the decisions in Oklahoma and Kansas are important because they squarely raise the issue whether the Federal Government should abdicate the field of regulation, while certain of the producing States are not only claiming but are actually exercising the right to fix prices at the well. If the States are to have the prerogative of raising the price, who except the Federal Government will protect the consuming States to see that the price is fair?

Mr. DOUGLAS. Mr. President, the Kerr bill would exempt from Federal regulation the price of gas sold by nontransporting producers and gatherers to interstate pipe lines for resale in other States. It would thus exempt 70 percent of all the gas which will be sold for interstate transportation in 1952 and, according to the junior Senator from Oklahoma himself, 80 percent of such gas sold in the seven Southwestern States. This percentage will rise still further in the years which follow, since 86 percent of the reserves are held by the nontransporting producers.

Moreover, if we exempt the gas which is now sold by the nontransporting producers and gatherers to the pipe lines for resale across State lines, we are almost certain to find that the gas produced by the pipe lines themselves will also pass out from under regulation, for the price received for gas by the nontransporting producers and gatherers, when freed from regulatory restraints, will be appreciably higher than the regulated price which the Federal Power Commission has approved for the pipe-line companies. There will, therefore, be a drive to end such discrimination against the pipe lines and to amend the law further to provide for their exemption. Even should this fail, however, the same end result will be reached by one of two ways. Companies which are primarily producers and gatherers will divest themselves of their pipe lines, as has happened in the case of the Phillips Petroleum Co., and thus free their gas from price regulation, or companies which are primarily pipe lines, as in the Panhandle case, will divest themselves of their wells and gas reserves to others at a higher price than they could obtain for them under regulated prices.

Mr. President, the Kerr bill is in its present form four-fifths of the old Moore-Rizley bill, but if these two indirect results occur, it will eventually be 100 percent of the Moore-Rizley bill, and the substantial effects planned under the Moore-Rizley bill will have been accomplished by the enactment of the Kerr bill. I hope this Congress will not in this respect make a record worse than that of the Eightieth Congress which at least rejected the Moore-Rizley bill.

In short, therefore, this is a move to take the price of natural gas as it enters interstate pipe lines out from under regulation. There is no doubt that prices would in consequence go up very greatly. The initial price of gas has been steadily rising in the fields. Instead of the 4 to 5 cents of 1944–46, the average price on new contracts rose to 6.4 cents in 1947, 7.2 cents in 1948, and 8.4 cents in 1949. For the first 2 months of 1950 the average of the new contracts is actually 9.9 cents, or about twice as much as it was 5 years ago.

CONTRACT PRICES CAN GO UP, BUT NEVER DOWN

But more important than the initial price are the ways in which these contracts can be revised upward. In fact they are not a protection to the consumer as has been alleged. Members of the Senate may remember that last week, I analyzed 100 new contracts which had been signed between pipe lines and big producers and gatherers since July 1947, which provided in all for an annual volume of 1,300,000,000,000 cubic feet a year or four-sevenths of all the gas which will be bought by pipe lines from nontransporting producers and gatherers in 1952. This list of mine was virtually identical with the list produced by the junior Senator from Oklahoma for the period since July 1, 1947. I take it, therefore, that it can be accepted as valid. I showed that 95 of these 100 contracts had escalator clauses under which the prices were to go up automatically at stated intervals.

Then I showed that 38 had renegotiation clauses under which the prices could be further increased by agreement during the life of the contract. In 6 of these cases, this renegotiation could occur at the end of 5 years, in 23 cases at the end of 10 years, and in 35 cases at the end of 15 years. All these clauses, it should be remembered, would work upward and not downward, since the contracts contain stated minimums.

But far more important were the most-favored-nation clauses of which there were 65 out of the 100. These are the real pay-offs, for under these contracts, the pipe lines agree to raise the price to the gatherer or producer if he pays anyone else in the field a higher price. Let the pipe line raise the price to only one producer in a field, then it has to raise the price to all who have such contracts. And in some cases it is only necessary for some other buyer to pay a higher price for the price to rise.

DEMAND FOR GAS ENABLES PRODUCERS TO CHARGE EXORBITANT PRICES

The truth of the matter is that so great is the demand for natural gas because of its great cheapness in respect to coal and oil as an industrial fuel and its superiority for domestic use because of cleanliness and automatic operation, that pipe lines are being laid frantically down into the Southwest. In the past 2 years more than 18,000 miles of pipe line have been authorized by the Federal Power Commission, at an estimated cost in excess of one and a quarter billion dollars, and those pipe lines are being laid into the southwestern territory. Natural gas will shortly pour into the North Atlantic and New England States, and into the States of the South Atlantic, I may say to my friends of the South, as well as into States of the Middle West such as Michigan, Wisconsin, Minnesota, and Iowa in large volume. It is a sellers' market down in the Southwest, and the big gas and oil men are riding high. The pipe lines are so anxious for natural gas that they will pay extremely high prices for it in order to meet the needs of their consumers, and this is especially the case since they know that they can always pass the costs on to the consumers, whose overtaxed shoulders will have to bear the ultimate burden.

RENEGOTIATION FOR MORE GAS RAISES THE PRICE

But the big producers and gatherers are going even further. When a pipeline company comes back to a big producer to get more gas, it is commonly being told that it can have more gas only at a higher price, and only if it is further provided that the price in the original contract is also upped. This is what happened to the Michigan-Wisconsin pipe line in its dealings with Phillips: In the first place, when Michigan-Wisconsin found that it could not build the pipe line as quickly as expected, Phillips held them up for an increase in the price of gas in exchange for an extension of time. In the second place, when Phillips found that the acreage which they had previously set aside was not sufficient to furnish the gas they had promised to the Michigan-Wisconsin Pipe Line, Phillips required the pipe-line company to pay more for the additional gas to make up the deficiency, with the net result that instead of 5 cents, the Michigan-Wisconsin Pipe Line is paying 8.7 cents, 11 and even 12 cents. This will cost the consumers in Michigan and Wisconsin an extra $5,000,000 a year.

The increased price actually has nothing to do with increased volume of gas going through the pipe line. It is concerned solely with the fact that first the pipe-line company defaulted by 6 months on its construction deadline, and, second, that Phillips had to dedicate more acreage because they had underestimated the reserves contained in the acreage previously assigned to the contract.

In a similar way, the junior Senator from Minnesota pointed out last Wednesday that Northern Natural Gas which serves the Minnesota area was not only paying much more on new contracts negotiated with big southwestern operators, but was being compelled to revise its contracts with Phillips upward from 5¾ cents to more than 10 cents per 1,000 cubic feet, or an increase of 87 percent.

These are merely illustrative incidents, Mr. President, merely the first swallows of spring, which show what will shortly happen everywhere—prices going up in the Midwest, in the Northeast, in the Middle Atlantic and in the South Atlantic States. The effect of the Kerr bill, if it is passed, will be to prevent the Federal Power Commission from stopping these big price boosts, even if they bring, as they will, unreasonable and unconscionable profits to the big gas and oil companies.

INCREASED PROFITS WILL ADD TO ALREADY SWOLLEN PROFITS AT THE EXPENSE OF THE CONSUMERS

That the profits will be enormous can be seen from a study of production costs of seven companies which the Federal Power Commission made in 1947. This showed a cost per 1,000 cubic feet which, after including a 6-percent return on investment and working capital, ranged between 1.64 to 4.39 cents per 1,000 cubic feet. Since operation and maintenance costs ranged between only 10 and 20 percent of total costs and the rest were fixed charges, which do not increase, the big increase in rates which is now occurring and will further occur is almost entirely pure gold to the big operators. No wonder the pressure behind the Kerr bill is as great as it is. For it will make the rich oil men richer still.

This increase to the big, nontransporting producers and gatherers will be passed on by the pipe lines and they will have to increase their rates to distributing companies, and the distributing companies will, of course, have to increase rates to the consumers. As has been developed during the course of the debates—CONGRESSIONAL RECORD, page 3641—eight such increases totaling $2,100,000 have already been granted to pipe-line companies, largely because of the increase in the cost of natural gas. In addition there are five further requested increases before the Commission totaling $8,000,000 and two proposed increases totaling nearly $13,000,000. So that today $23,000,000 of increased rates are being passed on or soon will be passed on to the pipe lines.

If the Commission is stripped of any power to go behind these contracts as the Kerr bill proposes, these increased costs to the pipe lines will have to be passed on to the distributing companies.

These will be a fixed cost item to the pipe lines. In all fairness they should not be requested to absorb all of such costs. They will have to be passed to the distributing companies. Since the distributing companies are already being regulated, their increase in costs will have to be passed on to the consumers, and, since it would be improper for the State utility commissions to disallow such actual costs, it will then be the big companies which will ultimately enrich themselves at the expense of the 40,000,000 consumers at the end of the gas lines.

INCREASED COSTS TO CONSUMERS IF KERR BILL PASSES

These increases will run into enormous sums. On Wednesday last, I pointed out that on the basis of 1948 sales by nontransporting producers and gatherers to interstate pipe lines, a rise of only 5 cents per 1,000 cubic feet would amount to $55,000,000 a year and on increases of 10 cents to no less than $110,000,000. But the volume sold by nontransporting producers in interstate commerce is going up all the time and by 1952 will be at least 1,800,000,000,000 feet. An increase of 5 cents per 1,000 cubic feet, and that is most modest, Mr. President, would give them $90,000,000 a year more and an increase of 10 cents would give them $180,000,000 a year increase. Since the life of the reserves is estimated at 30 times the present yearly rate of production, this would be an Easter present from the Congress of the United States, which we would give to the big gas and oil men, to the nontransporting producers, of from $2,700,000,000 to $5,400,000,000.

All this, moreover, does not take into account the increases which would be obtained on gas previously produced by the pipe-line companies themselves from which they would divest themselves in order to escape regulation, and which would share in the general increase. It also does not include the increases which would be obtained on gas sold for industrial and utility use within the States in which it is produced and which also will surely follow in the wake of the increases on interstate gas.

The actual increases would, therefore, be much greater than those which I have indicated. They might run as high as from three hundred to five hundred million dollars a year or from nine to fifteen billions over the life of the reserves. All this would be almost pure gravy—and make no mistake about it—it would be gravy for the big boys and not for the small independents. It would be added gravy for those who are already making big profits.

GROWING CONCENTRATION IN GAS PRODUCTION

First, it has been established during this debate that in 1952, only 35 producers will sell 72 percent of all natural gas sold in interstate commerce—CONGRESSIONAL RECORD, page 3724—and 12 of those will sell more than half of the total. This is confirmed by the analysis of the 289 contracts submitted by the Senator from Oklahoma [Mr. KERR] which I made yesterday. Let us list these big 12; Phillips, Chicago Corp., Stanolind, Republic, Shell, Humble, Magnolia, Sun, Hagy, Harrington and Marsh, Skelly, Glassell, and Gulf. Of these, three are Standard Oil companies, and others are controlled by such families as Phillips, Pew, Mellon, and the royal house of Netherlands.

A few minutes ago in this Chamber the senior Senator from Texas [Mr. CONNALLY] wept tears over the small producers who, he said, should have the price of their gas unregulated, and whom he asserted we were trying to hold down. Mr. President, the small producer of the Southwest is just a smoke screen behind which the big gas and oil companies—some of them it is true from the Southwest, but the majority with their headquarters in Wall Street—are attempting to hold up the American people for at least one hundred million dollars a year, and probably multiples of that figure.

Further evidence of increased concentration is seen in the fact that the rights to 62½ percent of the oil and gas acreage in the country were owned in 1947 by 33 companies and that their holdings increased by no less than 9 million acres—from 116 to 125 million—in the next year. Furthermore, a list of 80 fields with reserves of 15 trillion cubic feet—a list of all fields but two for which virtually complete figures are available—shows that the vast majority are almost completely controlled by only one company and that in the case of a few others the control was shared by one, two, or three other companies. The other two fields where full facts are available are the big Panhandle and Hugoton fields.

They extend from Texas through Oklahoma over into Kansas. Together they have 42,000,000,000,000 feet of reserves, or about a quarter of the Nation's total. Ten pipe-line companies control a quarter of these reserves and 15 nontransporting producers control another 50 percent—CONGRESSIONAL RECORD, pages 3727–3728. Since the pipe lines will, as I have pointed out, probably divest themselves of their holdings if the Kerr bill becomes law, we may expect still further concentration to occur.

BIG GAS PRODUCERS NOT IMPOVERISHED

If these big companies and individuals were having a hard time making both ends meet, neither I nor the public would begrudge them an increase. I do not like bigness and I would like to diffuse holdings more widely, but I do not want to starve the giants. But as I showed in a table introduced in the RECORD—page 3728—the big oil and gas companies are doing extremely well. In 1947, they earned on their combined oil and gas business an average of 24 percent after taxes on their common stock and surplus and some earnings went up to 30 or 40 percent. So, far from being anemic these oil and gas goliaths are bulging at the middle from being overfed. The Kerr bill would stuff them still further with profits until the money would run out of their ears.

COMPETITION CANNOT PROTECT GAS CONSUMERS

The Kerr bill is aimed to prevent the Federal Power Commission from protecting the public interest against these excessively high prices and profits. There is no reason why this exemption should be granted. As we have repeatedly

pointed out, the very nature of the way gas is distributed makes it a public utility and a natural monopoly like the telephones, and electricity, where competition cannot regulate the price. Once the consumer has installed gas, he cannot change to a different company nor can there be competing gas mains running under city streets, nor can the consumer commonly go to the expense of taking out his gas stove or gas furnace. He is tied to the local gas company. In a simlar fashion, the local gas company is tied to the natural-gas pipe line and, once the connections are made, cannot discontinue buying, even though prices are greatly increased. They have no alternative. The distributing companies must pay "or else."

Finally, once the gathering and transmission lines are laid, the pipe-line companies are tied to the producers and gatherers. If the prices which the pipe-line companies have to pay are greatly increased they cannot pick up their lines and move elsewhere, since these apparently cost between $3,500 and $40,000 a mile, depending on the type of lines involved. Excessive prices charged for gas as it enters the lines must, therefore, be transferred into excessive prices borne by the ultimate consumer at the other end of the line. The quarters and dollars collected unjustly from the small housewives will make still huger the fortunes of the big gas magnates and will enable the handful of oil and gas barons of the Southwest to live in kingly splendor, free from income tax by the unconscionable depletion allowances of 27½ percent of gross revenues granted by an indulgent Federal Government, which the President has wisely asked the Congress to repeal.

It is no answer to say that there may be some initial competition in the choice of where the transmission and gathering lines are laid. So was there in the case of the railroads in their early days. They could put a railroad line through town A, rather than through town B. However, once the railroad was built, the railroads had local shippers at their mercy, and could strangle them by unjust rates. Incidentally, it should be pointed out that the pipe lines have always shown an affinity for the big, rather than the small producers. The gathering lines have generally been laid to the former, and not to the latter; so that it has been the small enterpriser who has been left out in the cold, sitting on his hands.

Nor does the fact that butane and propane, amounting to about one-twentieth of the gas, is shipped North in containers, where it costs four times as much as piped gas, furnish any more of an alternative to the pipe lines which link producer and consumer together than did the fact that in the gay nineties a man could travel from one town to another on a bicycle, furnish any competition with the railroads.

FEDERAL REGULATION ESSENTIAL FOR CONSUMER PROTECTION

Only Federal regulation of the price of gas as it enters the pipe lines can protect the ultimate consumer. This Federal regulation would be fairly exercised. It would give a fair return on prudent investment. It would allow for the cost of unsuccessful drillings on dry holes. It would allocate joint costs fairly, possibly on the basis of comparative B. t. u.; and, as the junior Senator from Missouri has pointed out, any decisions which were made would be subject to court review, and hence could be trusted to be fair to investors and enterprisers. The pipe lines have been regulated, and they have flourished and greatly expanded.

As I have pointed out, in the last few years they have laid 18,000 miles of pipe and have invested $1,250,000,000 of fresh capital. We want the big producers and gatherers to get back all their costs, and a fair profit besides; but we do not want them to get all four feet into the trough.

KERR BILL AIDS BIG COMPANIES, NOT THE PEOPLE

Mr. President, if the States of the Southwest were to propose a severance tax on oil and gas, I would welcome that in the interest of all the people of those States, because it would mean that the money would go to help all the people of those regions and to provide health services, education, and other advances for them.

However, that is not the proposal of the Kerr bill. It is not a bill to help the people of those States generally or the poverty-stricken sections of the populations of the Southwest. On the contrary, it is a bill to help the big oil and gas companies, most of which are not Southwest companies at all, but are big Wall Street companies. This bill is one more step toward helping those big companies drain the southwestern section of our country of its resources, and give very little in return.

FLOODS OF HIGH GAS PRICES ARE THREATENING UNDER KERR BILL

Mr. President, this is the spring of the year; and those who dwell along the lower reaches of the Mississippi, the Ohio, and other rivers are, as always, afraid of the floods moving southward, caused by melting snows and the spring rains. They not only build levees, but they wonder whether the dams on the upper reaches of the rivers will hold back the waters or whether the dams will break and the released flood will sweep down upon them and will carry them to destruction. A man who would dynamite the dams on the upper waters would deserve ill at the hands of our country.

However, Mr. President, the floods of high gas prices are already rising in the Southwest, and promise to rise even higher. Only the dam of Federal regulation can hold them in check. If we dynamite that dam by passing the Kerr bill, then the flood of high prices will sweep westward into California, northward to the Middle West, northeast to the States along both the North Atlantic and the South Atlantic, and even up into New England; and as those floods sweep onward, they will carry away the purchasing power of the many to enrich the few.

Mr. President, the eyes of the Nation are on the Senate this afternoon—the eyes of 12,000,000 housewives who pay for cooking and heating gas with the scanty funds in thin pocketbooks—the families of little people who cannot pay the money which must be paid by those who dine and dance at the Shamrock Hotel in Houston, or to entertain the Duke and Duchess of Windsor on a 120,000-acre ranch in Mexico, but who will watch our votes this afternoon, and will hold us responsible when their gas bills go up. As their representatives, we have a solemn trust not to betray them. Let us not dynamite the dam.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Illinois yield to the Senator from Texas?

Mr. DOUGLAS. I have now completed my speech, so I yield the floor.

Mr. CONNALLY. Mr. President, I resent the Senator's insulting reference to the Duke and Duchess of Windsor. What does that have to do with this case? It is merely a gratuitous insult to my State, and I resent it.

The PRESIDING OFFICER. The Senator from Colorado [Mr. JOHNSON] is recognized.

Mr. JOHNSON of Colorado. Mr. President, I yield 10 minutes to the Senator from Ohio [Mr. BRICKER].

The PRESIDING OFFICER. The Senator from Ohio is recognized for 10 minutes.

Mr. BRICKER. Mr. President, the people of the State of Ohio are vitally interested in the Kerr bill. I am vitally interested in it in their behalf generally, and, in particular, in behalf of the thousands of producers and consumers of natural gas residing in my State.

My State produces annually 50,000,000,000 cubic feet of natural gas, but we consume four times that much. Our industries and our domestic life have been built around the natural-gas industry. For half a century we have been dependent upon the production of natural gas—first, at home; and then in the neighboring States of Pennsylvania and West Virginia; and, finally, from the great supplies, to supplement them, which have been coming in from the Southwest. We want that supply to continue, so that Ohio industries and the people of Ohio may have the benefit of continuing high production of natural gas.

Before the Second World War there were 125,000 connections for natural gas in my State. Today there are 600,000 connections for natural gas in the State, and last year they were increased by 185,000 new connections. That increase has occurred, first of all, because of the fine service rendered by this natural resource, and, in the second place, because of the increasing costs of the competitive fuels.

The total charges paid to the independent producers of natural gas in this country, of which we in my State are the beneficiaries, amount to less than the annual increase which recently has occurred in the price of coal because of the increase in the cost of coal at the mines, and ultimately to the consumers.

Mr. President, if we wish to protect the consumers there is a much more effective

field in which to demonstrate our interest and get results.

There are in Ohio half a million homes which are dependent upon the natural gas industry. Twenty-five percent of the total consumption of natural gas, in Ohio, goes to the industries of the State. It means a great deal to the people of Ohio to have a continuous supply of natural gas. We had a shortage a few short years ago.

In my State the rates for natural gas today are less than they were 10 years ago. The over-all decrease in rates for natural gas has been about 10 percent during that time. Why has that been possible, Mr. President? In the first place, it has been possible because in my State there has been—and there can be in any other State, including Illinois—effective State regulation of natural-gas services. In the great city of Cleveland, the largest metropolitan area of Ohio, the rates are the third lowest of the rates in any of the 25 largest cities in the United States. That is the result of efficient and effective State regulation, with the aid and support, of course, of the Federal Power Commission. However, that situation has not come in the field which now the Federal Power Commission, with the support—and thus far it is questionable support—of the Supreme Court, is invading, but which heretofore had been the field of private operation and private endeavor.

If we stop private enterprise from exploring and prospecting for natural gas, we shall cut down the increasing reserves which have made possible during the past 10 years, and stop the decreasing cost of natural gas to the people of my State and to the industrial centers of the great Central West. The decreased cost of natural gas has come about because of the increased supply. The reserves of natural gas are large today because there has been venture into new fields of production. If we stop that, there will be curtailment of production.

However, now the Federal Power Commission says, "We are going to enter this field, where we have not heretofore exercised any authority under the law."

Mr. President, there is no question in the mind of anyone who has read the Natural Gas Act or has consulted with Senators who were Members of this body when the law was passed some 10 or 12 years ago, that at that time there was no intention on the part of the Members of Congress that the Federal Power Commission should have power and authority in this field of regulation, which it now has determined to enter. All we have to do is read the record to see that.

Now the Power Commission in attempting to invade an entirely new field of regulation, either has been negligent in its duties or has been recreant to its trust for 10 years or it is stepping out where no authority exists under the law. For that reason, if for no other, the Congress ought to enact the pending bill, so as to say to this arbitrary, regulatory authority known as the Power Commission, "You shall not, of your own will, determine the policy in the regulatory field of natural-gas production." It is nothing more or less than administrative piracy on the part of the Federal Power Commission, and I am afraid that some day, as we have seen in instance after instance, it may be sustained by judicial policy making. The Senate and the other House of Congress will be negligent in their duty, unless they say to these arbitrary, regulatory, bureaucratic authorities, "We are going to make the policy of this country, and you must stay out of the policy-making business."

We ought to say to the Supreme Court, "Whenever we want the law changed, we will enact a statute in the Congress of the United States, and we will not ask, we will not expect the Supreme Court of the United States arbitrarily to sustain an enactment of a bureaucratic regulatory body, outside the authority granted by the law and by the Congress."

So, Mr. President, I am interested in a continuing supply of natural gas, which means lower cost. If the Kerr bill is defeated, and if the regulatory authority enters into the field as it now threatens to do, and if it is sustained by the Supreme Court, they will drive the little fellow, the small prospector, into the clutches, into the control, and into the hands of big companies which are producing gas. There can then be, and there likely will be a restriction of supply, and if the supply is restricted, we shall be bound to have increasing costs to the consumer. So I want that great reservoir not only continued but expanded, and that can only be done where there is great reward, since necessarily there is great peril in such ventures. Private industry has accomplished the development of these great reserves because there have been rewards. They were willing to take a chance, and I do not want to see the opportunity for chance-taking destroyed and the supply of gas limited, thereby curtailing the available volume to my State, to our people, and to our industries.

I think that instead of increasing the cost, if we pass the Kerr bill there will be a decrease in cost, and a continual decrease in cost, because of the increased supply, because of the greater volume which will be available.

I think the people of my State will pay less for gas than they are paying today if supply and volume increase. I know they will not, if the small prospector and developer are driven into the hands of the big companies. I hope that industry may well continue to rely upon an adequate supply of gas, which we have produced under the law as it stands. To stop the threatened action of the Federal Power Commission in its greed for more power will be our best assurance for adequate supply and reasonable and fair rates.

Mr. JOHNSON of Colorado. Mr. President, I now yield 10 minutes to the Senator from Colorado [Mr. MILLIKIN].

The PRESIDING OFFICER. The junior Senator from Colorado is recognized for 10 minutes.

Mr. MILLIKIN. Mr. President, I shall vote for the bill, S. 1498, to amend the Natural Gas Act of 1938.

This debate has made it abundantly clear that there are the sharpest differences of informed opinion as to the meaning of the Natural Gas Act of 1938 and its relation, if any, to the independent producer of natural gas. The cleavage in viewpoints attaches also to the administrative and judicial constructions of that act.

These differences and conflicts of opinion, raised by the threat of regulatory intervention, and the enormous importance of the manner in which they may be resolved, impose the duty on Congress to pass clarifying legislation. The Congress made the existing statutory law, has the power to repeal it, and to amend it, and is the last court of appeals as to its proper construction.

The sound development, production, transportation, and distribution of natural gas to the consumers do not admit of jiggling governmental policies determined by the vagaries of viewpoint of those who happen from time to time to be members of the Federal Power Commission.

By its nature, provision for the long term supply of natural gas to the consumer is a long term business requiring long term plans. From this it follows that always consistent with the paramount public welfare, there should be the greatest achievable degree of repose in the law and its interpretation by those administering it.

It has been repeatedly admitted in the debate that at the present time monopoly does not control the production or price to the producer of natural gas.

It is a basic, unalterable conviction with me that the Federal Government should not project regulatory power into any part of our national life where there is the absence of overriding necessity for doing so to preserve the national welfare. The evidence does not show that such necessity exists at this time.

As I would vote, as I am doing here, against intervention where this transcendent need for it does not exist, I would vote for intervention just as heartily if and when the need does exist.

The bill before us maintains the present absence of Federal regulatory power over the independent producer of natural gas. Whenever it can be proved that monopoly at the producing level does exist, or that conniving devices are used at the producer's level to gouge the consumer, and that such practices cannot be thwarted by existing law, I shall favor the extension of Federal regulatory powers to correct those evils.

Another moving principle that is basic with me, arises out of observation and study of, and experience during my mature life before coming to the Senate, with the incentives which are necessary to explore and develop supplies of essential primary products such as oil, gas, and minerals.

The State of Colorado, and our other western mining States, and all States which produce oil and gas in appreciable quantities, have been aided in attaining greater economic stature by careful protection of those incentives. I could produce out of my own files numerous instances illustrating the often bankrupting hazards which surround

the exploration and development of oil, gas, and precious minerals. I know of several cases where more than 100 successive, expensive ventures to find oil and gas and minerals without obtaining a smell of oil or gas, or the discovery of minerals in commercial quantities.

Just recently a gentleman was in my office who told me of eight unsuccessful efforts, each costing over a million dollars, to try to find oil and gas in what was thought to be proven area. It takes large incentives to encourage the assumption of large risks.

As the consumption of natural gas increases, so does the necessity for surrounding the exploration and producing end with the incentives necessary for the development of new reserves and for opening up and developing existing reserves. This is of direct interest to the consumer, and works hand in hand with the similar interest of the producer.

We cannot expect our explorers or producers to accept the enormous risks of the business unless they know that fair profits, considering the risks, will be available if discovery is made and if a market is found.

Strike out that element of incentive, strike out generous reward for risks taken and the consumer will find himself face to face with the unpleasant fact of "no production, no consumption." The economy of the producing States will be depressed and their further progress in the discovery and production of their most important assets will wither and come to an end.

Moreover, we must be very careful not to allow precedents to be built up which by mere process of transference can impose the same production depressants on other types of fuel needed to serve the consumer.

If the independent producers of natural gas allow their teeth to become too long, if they resort to gouging, if they resort to conniving devices to aid their greed, then to protect the paramount public interest we shall have to authorize the intervention of Federal regulatory powers, and at the same time we shall have to work out formulas, spelled out in detail, for the preservation of those incentives to the explorer and the developer, to assure the maintenance of adequate supplies for the consumer. We have not done that. So far, there has not been any need for doing it.

Many of our citizens, too many for my appetite, pant for every opportunity and seize upon every one presented to project the nose of the Federal Government into fields not heretofore occupied by it. In conformity with the pledges which I have made to my constituents and my innermost convictions, I am required to oppose that philosophy, and oppose its new manifestations wherever I find them.

I repeat, there is no need at this time for the extension of Federal regulatory power into the field of independent natural-gas producers. If and when the need is demonstrated, there will be opportunity to assert it, and it will be our duty to assert it and to enact corrective measures which will have my hearty support.

I favor the congressional scrutiny of price developments at the producing end of the business, so that we can move promptly and in an informed way, if need for corrective action should develop. I venture also to suggest to those who are in the producing end of the business that they govern themselves with sensible and farsighted restraints so that such need may never arise.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield.

Mr. CONNALLY. We have heard much said in the debate regarding the public interest. Is it at all in the public interest to do an injustice to a citizen by force of Federal law?

Mr. MILLIKIN. No, it is not; and it is never in the public interest to adopt policies which will deprive the consumer of the opportunity to consume abundantly the natural gas which he wants to consume.

Mr. JOHNSON of Colorado. Mr. President, I yield 2 minutes to the Senator from Indiana [Mr. CAPEHART].

The VICE PRESIDENT. The Senator from Indiana is recognized for 2 minutes.

Mr. CAPEHART. Mr. President, gas is a raw material which is produced by literally thousands of small independent producers. I honestly believe that Congress will be establishing a bad precedent if it should undertake to control the price of any raw material, I care not what it may be, unless, of course, there is a known monopoly in connection with a specific raw material. There is no monopoly in the production of gas, because it is produced by thousands of small producers. I hope it will continue to be produced by thousands of small producers.

I strongly urge that Congress not pass a law regulating the price of a raw material. If it does, we shall regret the day it is done. I am in favor of controlling a monopoly in any commodity which should be controlled, but there is no monopoly in the production of natural gas in the United States. I believe we should be making a grave mistake if we tried to control the price of a raw material. Natural gas certainly is a raw material.

I shall vote for the bill.

Mr. JOHNSON of Colorado. Mr. President, when the Supreme Court rendered the surprise decision in the Interstate Gas case, the Federal Power Commission, by a unanimous vote, urged the immediate enactment by Congress of legislation similar to the Kerr bill "the specific and sole purpose of which was to make entirely clear the exemption of the independent production and gathering of natural gas from the provisions of the Natural Gas Act." But Congress then, as some Senators are suggesting it do today, failed to act.

There was such fear and uncertainty regarding the possible effect of that Supreme Court decision upon the production and gathering of gas in the producing areas that to avoid a national crisis a formal statement of the position of the Commission was issued to restore confidence.

When Congress failed to act in the emergency, this is what the Commission promised the independent gas producers on August 15, 1947, to induce them to continue to produce the badly needed supply of gas:

> The Commission gives its assurance to independent producers and gatherers of natural gas that they can sell at arm's length and deliver such gas to interstate pipe lines and can enter into contracts for such sale without apprehension that in so doing they may become subject to assertions of jurisdiction by the Commission under the Natural Gas Act.

That very necessary declaration by the Federal Power Commission gave full assurance without any reservation. It has never been revoked. It is still in effect. Seemingly that ought to satisfy everyone even now, but there is a catch to it. Chairman Wallgren has not said whether he favors the continuance of this assurance or not, so fear and confusion have returned to the producing areas.

I led the fight in the Interstate and Foreign Commerce Committee against the Moore-Rizley bill in the Eightieth Congress because it was the kind of legislation which the opponents of the pending Kerr-Thomas bill in error have been saying about Senate bill 1498. As has been repeated over and over on this floor, the Kerr-Thomas bill does not change in any degree or in any respect the Natural Gas Act of 1938. It is necessary to enact it to insure the steady production and gathering of gas in the production areas for the benefit of the great consuming areas. Furthermore, two Federal Power Commissioners, unlike their predecessors, are now ready to take the bull by the horns and change the law themselves. If these two members can prevail upon their Chairman, Mon Wallgren, to agree with them, they will change the law. When Commissioners assume such arrogance the Congress must take notice and act in defense of our democratic system of government. The simple question then is, Shall Congress enact legislation or shall 531 elected legislators abdicate and compel Mon Wallgren, Chairman of the Federal Power Commission, appointed to that position by the President, make our natural-gas decision for us?

That might be the easy way out for Senators looking for an easy way out, but it is not democracy. The orderly process of changing laws belongs in Congress and not in any commission. Whether Chairman Wallgren would decide that natural gas ought to be or ought not to be nationalized, I do not know; but I maintain that no one man should have the power to decide to nationalize any commodity in America.

It is a new wrinkle in the American capitalistic system to look upon a commodity as a utility and subject it to Federal regulation. Indeed, it is an innovation in the Senate to propose to regulate a commodity as a utility. Formerly, a utility had to be a service which by its very nature was a monopoly in the public interest, before regulation was imposed upon it. But here we have some of the most conservative Members

of the United States Senate vigorously advocating having the Federal Power Commission designate a commodity a utility and permitting its regulation by them.

A wave of nationalization of industries has swept westward across the Atlantic and now threatens to destroy the free-enterprise system here, as it did in England.

Today we are debating the nationalization of natural gas; tomorrow it will be oil, for oil and gas are Siamese twins. There is little or no real distinction between them. Next it will be coal and its twin—steel. In fact, a committee of Congress recently recommended action looking toward the nationalization of steel. Then corn and wheat and cotton. In principle, there is no difference with respect to any of these basic commodities. There are Senators who advocate nationalization. I differ with them, but honor them and respect their position because they are consistent. But there are Senators who say they are everlastingly opposed to nationalization of American industries, who are fighting this legislation vigorously, the sole purpose of which is to prevent nationalization.

As I see it, much of the present difficulty stems from a fundamental error in the 1938 Natural Gas Act when it failed to make interstate pipe lines transporting natural gas common carriers and then regulating them as common carriers. We should now enact the Kerr-Thomas bill to make it clear that the Congress does not contemplate a nationalization program of basic commodities, but we should not reverse our traditional policy of regulating utilities which in the public interest must be monopolies. Unless Senate bill 1498 is enacted into law now, I doubt that it will be possible ever to regulate the pipe lines as common carriers. If we compel Mon Wallgren to decide this question, and if he decides to nationalize natural gas, we shall discover, as has been discovered in England, that it is impossible to unnationalize the natural-gas industry. If the Kerr-Thomas bill is enacted, the Committee on Interstate and Foreign Commerce will prepare legislation designed to regulate the pipe lines transporting gas as common carriers. That is the best solution to this very muddled problem, as I see it.

I want to protect the consumers of gas as much as does any other Member of this body. One should not be in the United States Senate if he does not have a compelling desire to protect the household users of gas. But I do not believe in deceiving my consumer constituents. The housewife does not expect and does not ask for the confiscation of anyone's property. She believes in the American policy of living and letting live. Tell her the truth. Tell her that only 5 cents out of her gas dollar goes to the producer of the gas—the rest goes to the middlemen—and she will not complain about the producer or the small stipend he receives for his property. Gas is the only commodity which has declined in price to the consumer during the past 12 years. She will appreciate the risks the producer has taken and the enterprise he has shown in making available to her an abundant supply of the cheapest and best fuel known to man. She may have cause to complain about her gas bill, but the producer will not be included in her complaint.

It is rather startling to learn that under the 1938 act, industry burning two-thirds of the gas transported pays only one-third of the total gas bill, while the housewife using only one-third of the gas pays two-thirds of the total gas bill. That is where my proposal to regulate the pipe lines as common carriers makes good sense. Under the 1938 act, neither industrial use of natural gas nor any use of artificial gas is regulated by the Federal Government. That is why I say the Natural Gas Act of 1938 is inadequate.

As chairman of the Senate Committee on Interstate and Foreign Commerce, it was my routine duty to interrogate many of the departments of this Government with respect to their position on Senate bill 1498. Not one department said they were opposed to it. Many said the bill did not affect them.

But Maj. Gen. Patrick W. Timberlake, replying for the National Military Establishment, said:

> The National Military Establishment favors the passage of S. 1498. Enactment of the bill will remove uncertainties now existing as to the extent of the application of the Natural Gas Act and will clarify its terms. Its effect should be to encourage the development of oil and gas resources and thus would be of benefit to the national security.
>
> This report has been coordinated among the departments and boards in the National Military Establishment in accordance with procedures prescribed by the Secretary of Defense.

If I should advocate the passage of Senate bill 1498 for days without end, I could not add to the convincing logic of the National Military Establishment. If it is good for the national defense, it is good for America. General Timberlake knows that the independent producers during the last 10 years drilled 65,000 exploratory wildcat wells as against 100 exploratory wildcat wells which the natural gas companies, under the power of the Federal Power Commission, drilled. That significant fact means something to the National Military Establishment. It has warned them, as it should all Americans.

The National Military Establishment wants us to enact this bill because it is necessary. I want to do what "would be of benefit to the national security." There ought not be one vote against the national security in this body, and there would not be if Senators understood how necessary the Kerr-Thomas bill is to the national security, as stated by the National Military Establishment. That conclusion with respect to this bill has convinced me that it should be enacted, for it will protect the housewife in her supply of natural gas, just as it will provide adequate supplies for the natural defense of this great country.

The VICE PRESIDENT. The hour of 4 o'clock having arrived, under the unanimous-consent agreement debate is terminated, except on amendments as they may be offered.

Mr. McFARLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Millikin
Benton	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Humphrey	Murray
Butler	Hunt	Myers
Byrd	Ives	Neely
Capehart	Jenner	O'Conor
Chapman	Johnson, Colo.	O'Mahoney
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Cordon	Kefauver	Saltonstall
Darby	Kem	Schoeppel
Donnell	Kerr	Smith, Maine
Douglas	Kilgore	Smith, N. J.
Dworshak	Knowland	Sparkman
Eastland	Langer	Stennis
Ecton	Lehman	Taft
Ellender	Lodge	Taylor
Ferguson	Long	Thomas, Okla.
Flanders	McCarran	Thye
Frear	McCarthy	Tobey
Fulbright	McClellan	Watkins
Gillette	McFarland	Wherry
Graham	McKellar	Wiley
Green	McMahon	Williams
Gurney	Magnuson	Withers
Hayden	Malone	Young
Hendrickson	Martin	

The VICE PRESIDENT. A quorum is present.

Mr. DOUGLAS. Mr. President, I move to recommit the bill S. 1498, to the Committee on Interstate and Foreign Commerce.

The VICE PRESIDENT. The Senator from Illinois is recognized for 5 minutes, if he wishes to speak on the motion.

Mr. DOUGLAS. Mr. President, S. 1498 is a bad bill. If it passes, the Federal Power Commission will be unable to protect the public interest by regulating against excessively high prices and profits on gas as it enters interstate pipe lines.

There is no reason why an exemption from regulation should be granted. Gas is as much a public utility as water or electricity. Once gas mains are connected, purchasers have no choice. Gas consumers must buy from distributors, distributors must buy from pipe lines, and pipe lines must buy from producers and gatherers.

The market in the Southwest is now a sellers' market. Prices are going up, and contracts are full of holes. Therefore, if there is no regulation, we can expect a big boost in prices, ultimately at least $100,000,000 a year, and possibly as high as $500,000,000, which would come from the consumers.

I hope very much that the Senate will recommit the bill. I yield the remainder of my time to the senior Senator from Vermont [Mr. AIKEN].

The VICE PRESIDENT. Under the agreement, the Senator cannot yield any portion of his 5 minutes, because the unanimous consent limited the occupation of the time to the Senator making a motion, or the author of an amendment, and to one speech.

Mr. DOUGLAS. Mr. President, I may say to my friends from the Southwest that we of the Middle West and the North not only have no prejudice against the Southwest, but we have great affection

for the Southwest, and if the pending bill were designed to help the people of that region, we would be for it. If this were a measure providing a severance tax to be used for the benefit of the people of the Southwest, we would not oppose it.

But it is a measure to take the big oil and gas companies out from under regulation, and to put the high prices paid by the consumers of the North, not into the pockets of the people of the Southwest, but into the pockets of the big oil and gas groups. That is the issue. The issue is not a sectional one.

The present bill should be returned to the committee, and I urge my colleagues to vote in favor of the motion to recommit.

Mr. JOHNSON of Colorado. Mr. President, I am glad to hear the Senator say that if he thought the bill would help the people of the Southwest he would be glad to have the bill enacted. I assure him that the Kerr-Thomas bill will help the people of the Southwest, as it will help the people of the Northeast and the people of the whole United States, including the national defense, as I stated just a moment ago when I read from the letter of General Timberlake.

Mr. President, the Committee on Interstate and Foreign Commerce has considered the pending bill carefully, tediously, and patiently. We have made every effort possible to draft an acceptable bill, which would accomplish the purpose in mind and still meet the approval of the Congress. We held long hearings during May and June. The report of the hearings covers 522 pages, which Senators will find on their desks today, and which cover the whole waterfront, so far as the bill is concerned. We reported the bill to the Senate on June 24, 1949, and it has been on the calendar since that time for the consideration and advice of the Senate.

Mr. President, the subcommittee of the Committee on Interstate and Foreign Commerce, under the able leadership of the junior Senator from Texas [Mr. JOHNSON], reported the bill to the whole committee by a vote of 5 for and none against, except that the Senator from Pennsylvania [Mr. MYERS] reserved the right to oppose the bill in the whole committee when it came before the committee, and he did so vote. But it was reported by the committee by a vote of 7 to 5. If a vote were had today in the same committee, the vote would stand 8 to 4.

I say again that the committee has explored all the possibilities with respect to the bill. We have considered it thoroughly and completely, and I hope that it will not be recommitted to the committee.

In the Eightieth Congress we had before us in the committee the Moore-Rizley bill, and we had before us with the Moore-Rizley bill the proposal of Representative PRIEST. We gave full consideration in the committee to the Priest proposal and to the Moore-Rizley bill, during the Eightieth Congress. Personally, I was in favor of the Priest proposal, and very much opposed to the Moore-Rizley bill. But I repeat, the committee has explored the proposed legislation completely and fully, and there would be no advantage to the Senate or to the country in sending the bill back to the committee.

Mr. President, the bill now before the Senate is a good bill. It is a good bill for the country, it is a good bill for the Military Establishment, as they themselves have testified, and I hope the bill will be passed without further manipulation.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois [Mr. DOUGLAS] that the bill be recommitted to the Committee on Interstate and Foreign Commerce.

Mr. DOUGLAS and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HILL (when Mr. GEORGE's name was called). The distinguished senior Senator from Georgia [Mr. GEORGE] is absent because of illness. The senior Senator from Georgia and I have a pair on this vote. If the senior Senator from Georgia were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

Mr. MAGNUSON (when his name was called). The distinguished senior Senator from California [Mr. DOWNEY] is absent because of illness. I have a pair with him. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

Mr. MALONE (when his name was called). I have a pair with the senior Senator from Maine [Mr. BREWSTER]. If he were present he would vote "yea." If permitted to vote I would vote "nay." I withhold my vote.

Mr. McMAHON (when his name was called). On this vote I have a pair with the Senator from Utah [Mr. THOMAS]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate on official business, attending the Defense Council and the Defense Chiefs' meeting at The Hague, Netherlands.

I announce further that if present and voting, the Senator from Rhode Island [Mr. LEAHY], and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is necessarily absent, and his pair has been announced previously by the Senator from Nevada [Mr. MALONE].

The Senator from Washington [Mr. CAIN], who is absent on official business, is paired with the Senator from Michigan [Mr. VANDENBERG], who is necessarily absent. If present and voting, the Senator from Washington would vote "nay," and the Senator from Michigan would vote "yea."

The result was announced—yeas 37, nays 45, as follows:

YEAS—37

Aiken	Humphrey	Myers
Benton	Ives	Neely
Chavez	Jenner	O'Conor
Cordon	Kefauver	O'Mahoney
Donnell	Kem	Saltonstall
Douglas	Kilgore	Smith, Maine
Dworshak	Knowland	Smith, N. J.
Ferguson	Langer	Thye
Flanders	Lehman	Tobey
Gillette	Lodge	Wiley
Graham	Morse	Williams
Green	Mundt	
Hendrickson	Murray	

NAYS—45

Anderson	Hayden	Martin
Bricker	Hickenlooper	Maybank
Bridges	Hoey	Millikin
Butler	Holland	Robertson
Byrd	Hunt	Russell
Capehart	Johnson, Colo	Schoeppel
Chapman	Johnson, Tex.	Sparkman
Connally	Johnston, S. C.	Stennis
Darby	Kerr	Taft
Eastland	Long	Taylor
Ecton	McCarran	Thomas, Okla.
Ellender	McCarthy	Watkins
Frear	McClellan	Wherry
Fulbright	McFarland	Withers
Gurney	McKellar	Young

NOT VOTING—14

Brewster	Leahy	Pepper
Cain	Lucas	Thomas, Utah
Downey	McMahon	Tydings
George	Magnuson	Vandenberg
Hill	Malone	

So Mr. DOUGLAS' motion to recommit was rejected.

Mr. KERR. Mr. President, I call up an amendment offered by me on behalf of the senior Senator from Oklahoma [Mr. THOMAS] and myself, in the nature of a substitute for the bill reported by the committee, which is now pending.

The VICE PRESIDENT. Does the Senator from Oklahoma desire that the substitute be read in full?

Mr. KERR. No, Mr. President; I do not.

Mr. WHERRY. Mr. President, the substitute is not long. I should like to have it read at the desk.

The VICE PRESIDENT. Very well. The Secretary will read.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is amended (1) by inserting after the word "but" the words "except as provided in subsequent sections of this act", and (2) by inserting before the period at the end thereof the following: "or to any arm's length sale of natural gas made by one producer or gatherer to another producer or gatherer or made at or prior to the point of delivery of such gas into interstate transmission facilities (of a natural-gas company) or to incidental transportation of natural gas necessary for delivery of such gas to such other producer or gatherer or into interstate transmission facilities (of a natural-gas company): *Provided*, That such arm's length sale and incidental transportation are by a producer or gatherer not otherwise engaged in and not controlled by or controlling a person otherwise engaged in the transportation or sale of natural gas for resale in interstate commerce."

SEC. 2. Section 1 of such act is amended by adding after subsection (b) thereof the following new subsection:

"(c) It shall be the duty of the Commission to assemble and keep current pertinent information relevant to determination of whether, by reason of lack of effective competition among producers or gatherers of natural gas, the flow of natural gas into interstate commerce is being or will be unduly retarded or interfered with or the price of natural gas sold in interstate commerce for resale is being or will be unduly affected. If, at any time, the Commission shall so determine, it shall report to the President and to the Congress its conclusions, together with the data upon which its conclusions are based, and its recommendations, if any, for remedial action."

SEC. 3. Subsection (6) of section 2 of such act is amended by inserting before the first word thereof the following: "Subject to the limitations of section 1 (b),".

SEC. 4. Section 2 of such act is amended by adding at the end thereof the following new subsection:

"(10) A sale shall be deemed to be at 'arm's length' unless (1) it is by a person who is in such relation to the buyer by reason of voting-stock interest, common officers or directors, or other evidence of affiliation, that there is liable to be an absence of independent bargaining between them, or (2) the sale is, in fact, not arrived at by independent bargaining between the buyer and seller."

Mr. KERR. Mr. President——

The VICE PRESIDENT. The junior Senator from Oklahoma is recognized for 5 minutes.

Mr. KERR. The substitute is in spirit identical with the bill reported by the committee. It was worked out with the chairman of the committee and the chairman of the subcommittee and other Senators who had joined in reporting the bill from the committee, with members of the staff of the committee, and with certain staff members of the Federal Power Commission, to do the following two things: First, to make it entirely clear that the bill does not go beyond the Priest bill, which was recommended to the Eightieth Congress by the Federal Power Commission unanimously and by them stated to be in accordance with the President's program. Second, in view of certain criticisms which had been made and fears which had been expressed, section 2 (c) was provided as a new subsection as follows:

(c) It shall be the duty of the Commission to assemble and keep current pertinent information relevant to determination of whether, by reason of lack of effective competition among producers or gatherers of natural gas, the flow of natural gas into interstate commerce is being or will be unduly retarded or interfered with or the price of natural gas sold in interstate commerce for resale is being or will be unduly affected. If, at any time, the Commission shall so determine, it shall report to the President and to the Congress its conclusions, together with the data upon which its conclusions are based, and its recommendations, if any, for remedial action.

That not only was to serve the purpose of allaying the concern which had been expressed by some opponents of the bill, but it was also to remind the Commission, in accordance with the decision of the Supreme Court in the Panhandle Eastern case, that if the Commission felt that additional regulatory authority were needed, it was not only its duty but its privilege to come to Congress and ask for it.

With the exception of that added subsection, there is no difference between the spirit of the amendment now offered as a substitute and the spirit of the language of the bill as rewritten and reported by the Committee on Interstate and Foreign Commerce.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. The Senator from Colorado, under the unanimous-consent agreement, has 5 minutes, if he wishes to use them.

The Chair will state that any Senator who wishes to offer an amendment to the substitute will have to do so before it is voted on; otherwise it will be too late to do so. Amendments are in order to the substitute; but any amendment to the pending amendment will have to be voted on before the vote on the substitute is taken.

Mr. JOHNSON of Colorado. Mr. President, the Senators opposing the amendment should be given 5 minutes. Therefore, I yield 5 minutes to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I thank the Senator from Colorado for his courtesy.

I wish to say that I agree thoroughly with the junior Senator from Oklahoma in that this amendment is identical with the original Kerr proposal in spirit and virtually in letter, and that those who favor the original Kerr proposal should vote for this amendment, and those who oppose the original Kerr proposal should vote against this amendment.

So far as concerns the added clause giving to the Power Commission the ability to make reports, that is pure surplusage, for the Commission already has that power.

The inclusion of this provision would be no more a guarantee of justice than was the action of a certain Roman procurator who, some 1,900 years ago, after condemning a just man to death, washed his hands.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KILGORE. Does the amendment place any limit on the time within which the Commission can make a decision?

Mr. DOUGLAS. Not so far as I understand.

The VICE PRESIDENT. If any Senator wishes to offer an amendment to the substitute, he should do so now.

Mr. KEFAUVER. Mr. President, to the amendment in the nature of a substitute, I offer the amendment which I have at the desk, and I ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On the first page of the substitute amendment, beginning with "(1)" in line 2, it is proposed to strike out over through line 9 on page 3, and insert in lieu thereof the following: "by eliminating the period at the end thereof and adding the following: 'or to any sale of natural gas in interstate commerce at or prior to the conclusion of production or gathering by a person whose total sales of natural gas in interstate commerce individually or in the aggregate with affiliated or contractually related producers do not exceed on an annual basis 2,000,000,000 cubic feet computed at 14.65 pounds per square inch absolute at 60° F. or whose gross revenues from such sales on an annual basis do not exceed $250,000: *Provided,* That neither such person nor any affiliate thereof is a natural-gas company by reason of activities other than the sale of natural gas in interstate commerce at or prior to the conclusion of production or gathering'."

The VICE PRESIDENT. The Senator from Tennessee is recognized for 5 minutes.

Mr. KEFAUVER. Mr. President, if Senators will turn to the RECORD for yesterday, at page 4204 they will see listed the 70 largest natural-gas companies, on the basis of production and revenue. This amendment would leave subject to regulation the companies which sell annually more than $250,000 worth of natural gas or which produce more than 2,000,000,000 cubic feet of natural gas a year. On the basis of 1947 production, the amendment would still leave the Federal Power Commission with the right to regulate 37 companies. Those 37 companies are the very large oil and gas companies, such as, first of all, the Phillips Petroleum Co.; and the thirty-seventh one is the Pure Oil Co. The Federal Power Commission has said, and the record shows, that it is not interested in regulating the sale in interstate commerce of natural gas by the 2,500 or 3,000 small producers. The Commission would never have in mind imposing regulation upon them, in the first place. Many statements and references have been made to the man in overalls, the small producer. This amendment would exempt from regulation all the 2,500 or 3,000 small producers; it would exempt all producers except the 37 very large ones who, by virtue of their large production, have a monopolistic power, if they wish to use it, over the sale of natural gas in interstate commerce and, therefore, over the price of natural gas. The 37 companies to which reference is made sell approximately 60 or 70 percent of the natural gas which is sold in the United States. If the Federal Power Commission has the right to regulate them, it can protect in a fairly equitable way the welfare of consumers.

None of those big companies are now suffering from any lack of profits, at their present rates. The statistics show that the value of their common stock has been rising rapidly and that they have been earning dividends of from 20 to 47 percent on their capital stock and surplus. So the amendment, if adopted, will not put anyone out of business.

As a matter of fact, when regulation has been applied to the integrated companies, it has not affected their earnings or the market value of their stock.

So, Mr. President, this amendment affords an opportunity at least to keep a little check over the companies which,

by virtue of their large size, are in a monopolistic position and can raise prices exorbitantly; and at the same time the amendment, if adopted, will remove the possibility of regulation of "the man in overalls," or the small producers, who are selling less than $250,000 worth of natural gas a year.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I am glad to yield.

Mr. KILGORE. Is it not a fact that the big companies to which the Senator has referred are the owners of the enormous leasehold reserves of natural gas?

Mr. KEFAUVER. The record shows that they own a preponderance of the leasehold reserves of natural gas.

Mr. KILGORE. Is it not also a fact that if the leasehold reserves were divided among all individual operators, the result might be to develop such a situation that prices might increase beyond reason?

Mr. KEFAUVER. That is correct.

Mr. KILGORE. Is it not also true that the companies are dodging the issue of leasehold reserves, and that we leave in the law an opportunity for them to dodge the issue of leasehold reserves by turning over to the small operators the development of the natural-gas reserves?

Mr. KEFAUVER. In answer to the Senator's question, I say the big companies would have to turn over a terrific amount of their reserves to the small companies, those selling less than $250,000 worth of natural gas annually, if the large companies wished to remove themselves from the possibility of being subject to the provisions of this amendment.

Mr. KILGORE. Mr. President, I wonder whether the Senator from Tennessee realizes that a gas-producing company would much prefer to be able to guarantee production at a relative price, based upon consumption, rather than to gamble upon production based upon development. They prefer—and I refer to my good friend, the Senator from Oklahoma—to get rid of the gamble on production.

Mr. KEFAUVER. I think that is true. Let me say that even the integrated companies, whose sales constitute approximately 15 or 16 percent of the natural gas sold in the United States, and which now are regulated, are going through the procedure of selling their reserves to subsidiaries, and then buying the natural gas at so-called arm's length. So, unless an amendment such as this one is adopted, the result will be that they will not be regulated long either.

The VICE PRESIDENT. The Senator's time has expired.

Mr. KILGORE. Mr. President, may I ask a further question?

The VICE PRESIDENT. The Senator's time has expired.

Mr. KEFAUVER. Mr. President, I ask for the yeas and nays on the adoption of my amendment to the amendment in the nature of a substitute.

The VICE PRESIDENT. Under the unanimous-consent agreement, the time on an amendment is allotted specifically to the author of the amendment and to the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, this amendment, now offered to the amendment in the nature of a substitute, is the customary amendment which is brought forward on the floor of the Senate at the last moment. I understand that it came from the printer only this morning.

Mr. KEFAUVER. Mr. President, will the Senator yield to permit a correction?

Mr. JOHNSON of Colorado. Mr. President, I did not have an opportunity to read the amendment prior to today, and therefore I do not know much about it. I have listened very attentively to the analysis made of the amendment by the Senator from Tennessee. As I understand the amendment, those in New England who consume gas had better take several looks at this amendment because, as I understand it, it locks in the producing States the gas produced there by independent companies and does not permit it to cross State lines. That is my understanding of the amendment.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. Mr. President, I decline to yield.

The VICE PRESIDENT. The Senator from Colorado declines to yield.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator cannot take the Senator off the floor to ask a parliamentary inquiry, unless he does it by consent.

Mr. JOHNSON of Colorado. The philosophy of the amendment, I understand, is that if a man is a big gas producer, even though an independent operator, he cannot ship his gas across State lines. What will that do to the big gas producer? It will compel him to keep his gas in the producing areas. I admit I may not understand completely the operation of the amendment, because it is technically drawn and would require considerable study in order to understand it. But I suggest again to Senators representing consuming areas which depend upon producing areas outside their several States, that they had better take a look at this amendment, because it may bring about the very thing the Senators do not want to happen—it may not give them any gas at all.

Mr. KEFAUVER rose.

Mr. KILGORE. Mr. President, will the Senator from Colorado yield for a question only?

The VICE PRESIDENT. Does the Senator from Colorado yield, and if so, to whom?

Mr. JOHNSON of Colorado. I yield to the Senator who is the author of the amendment, if I can yield to anyone.

Mr. KEFAUVER. I merely wanted to ask the distinguished Senator whether he did not know that this amendment had been proposed before the Committee on Interstate and Foreign Commerce; that, many months ago, it was proposed by the Federal Power Commission itself; and does the Senator not know that last week I stated I was going to offer this amendment, and that the amendment was offered yesterday and an explanation placed in the CONGRESSIONAL RECORD, beginning on page 4204? Therefore, does not the Senator think that anyone who has been studying the problem certainly is familiar with the proposal contained in this amendment and with the effect it would have?

Mr. JOHNSON of Colorado. I have been studying the problem and I am not familiar with what the amendment would do. Our committee has never considered it. If it were proposed in the hearings, that is one thing. I do not know that the amendment which was proposed in the hearings was the same as the amendment we now have before us. I have never consented to that language.

Mr. KEFAUVER. Mr. President, will the Senator yield further?

Mr. JOHNSON of Colorado. I do not think I have any time remaining.

The VICE PRESIDENT. The Senator has half a minute.

Mr. JOHNSON of Colorado. Half a minute? I yield to the Senator from West Virginia.

Mr. KILGORE. I wanted to ask the Senator from Colorado whether, in the bill or in any previous amendment there is a complete definition of a producer? I refer to the man who gets the gas out of the ground, who brings it to the surface.

Mr. JOHNSON of Colorado. My understanding is that the act of 1938 defines a producer.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator's time has expired.

The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HILL (when Mr. GEORGE's name was called). On this vote I have a pair with the senior Senator from Georgia [Mr. GEORGE] who is absent because of illness. If present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. MAGNUSON (when his name was called). On this vote I have a pair with the senior Senator from California [Mr. DOWNEY]. If he were present and voting, he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

Mr. McMAHON (when his name was called). On this vote I have a pair with the Senator from Utah [Mr. THOMAS]. If he were present and voting, he would vote "nay." If permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate

on official business, attending the Defense Council and the Defense Chiefs' meeting at The Hague, Netherlands.

I announce further that if present and voting, the Senator from Rhode Island [Mr. LEAHY] and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent. If present and voting, the Senator from Michigan [Mr. VANDENBERG] would vote "nay."

The Senator from Washington [Mr. CAIN] is absent on official business. If present and voting, the Senator from Washington would vote "nay."

The result was announced—yeas 25, nays 58, as follows:

YEAS—25

Aiken	Ives	O'Conor
Benton	Kefauver	O'Mahoney
Donnell	Langer	Smith, N. J.
Douglas	Lehman	Taylor
Ferguson	Lodge	Thye
Graham	Morse	Tobey
Green	Murray	Wiley
Hendrickson	Myers	
Humphrey	Neely	

NAYS—58

Anderson	Hayden	Martin
Bricker	Hickenlooper	Maybank
Bridges	Hoey	Millikin
Butler	Holland	Mundt
Byrd	Hunt	Robertson
Capehart	Jenner	Russell
Chapman	Johnson, Colo.	Saltonstall
Chavez	Johnson, Tex.	Schoeppel
Connally	Johnston, S. C.	Smith, Maine
Cordon	Kem	Sparkman
Darby	Kerr	Stennis
Dworshak	Kilgore	Taft
Eastland	Knowland	Thomas, Okla.
Ecton	Long	Watkins
Ellender	McCarran	Wherry
Flanders	McCarthy	Williams
Frear	McClellan	Withers
Fulbright	McFarland	Young
Gillette	McKellar	
Gurney	Malone	

NOT VOTING—13

Brewster	Leahy	Thomas, Utah
Cain	Lucas	Tydings
Downey	McMahon	Vandenberg
George	Magnuson	
Hill	Pepper	

So, Mr. KEFAUVER's amendment was rejected.

Mr. O'MAHONEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. It is proposed to amend section 4 of the substitute, as follows:

Page 3, line 5, after the word "interest" insert the word "or."

Page 3, line 6, after the word "directors" insert the words "or common control."

Page 3, line 9, strike out the period, insert a comma, and the following language: "or (3) the Commission, after notice and opportunity for hearing, finds that by reason of price-fixing agreement, arrangement, understanding, or combination between producers or gatherers or natural-gas companies the price or charge demanded or received by producers or gatherers for the transportation or sale of natural gas in interstate commerce has been fixed."

Mr. O'MAHONEY. Mr. President, this amendment supplements the language of subsection (c) on page 2 of the amendment which is now before the Senate. The sponsor of the amendment, in presenting the substitute, invited the attention of the Senate to the fact that subsection (b) provides that it shall be the duty of the Commission to assemble and keep current pertinent information relative to the determination of whether, by reason of lack of effective competition among producers or gatherers of natural gas, the flow of natural gas into interstate commerce is being or will be unduly retarded. Then it prescribes that if the Commission shall so find, it shall make a report to the President and to the Congress, leaving utterly unanswered the question of the action which may be taken.

The proposal which I have submitted merely makes it effective. It is designed, as was subsection (c), to provide for investigation as to whether there is any lack of effective competition, and it gives the Commission the power to act, because it provides that no sale at arm's length shall be affected by the provision—

Or (3) the Commission, after notice and opportunity for hearing, finds that by reason of price-fixing agreement, arrangement, understanding, or combination between producers or gatherers of natural-gas companies, the price or charge demanded or received by producers or gatherers for the transportation or sale of natural gas in interstate commerce has been fixed.

The purpose of the provision of section 4, on page 3, is to define an arm's-length sale, which will not be subject to the jurisdiction of the Commission.

I pointed out when I discussed the bill that the definition of an arm's-length sale is not sufficient, because it leaves open the door to monopolistic combinations in production and in gathering.

The experience in the oil industry has been such as to indicate clearly that a larger and larger proportion of reserves are being gathered into the ownership of a very few companies. The amendment which I offer merely provides that if, after due hearing, the Commission shall find that the sellers have, in fact, fixed prices, they shall not be exempt from the operation of the law.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield for a question.

Mr. KILGORE. Has the distinguished Senator from Wyoming considered a situation in which the seller might find himself at the mercy of the purchaser because he does not have a pipe line to transport his product?

Mr. O'MAHONEY. The amendment does not deal with the common-carrier situation. That is another matter altogether.

Mr. KILGORE. Has the distinguished Senator also considered the matter of price fixing by the seller in the event of a declination to purchase the production of the independent producer? May I say, Mr. President——

Mr. O'MAHONEY. Mr. President, the Senator has asked me a question.

Mr. KILGORE. I have gone through this situation in which pipe-line companies refuse to accept——

The VICE PRESIDENT. The time of the Senator from Wyoming has expired.

Mr. KILGORE. Mr. President, I ask unanimous consent that the distinguished Senator from Wyoming may have time to answer my inquiry.

The VICE PRESIDENT. Under the unanimous-consent agreement, 5 minutes on each side on any amendment is all the time which is allowed. The time may be extended by unanimous consent.

Mr. JOHNSON of Colorado. Mr. President, my grandmother told me to beware of amendments offered on the floor of the Senate at the time a bill is about to be voted upon. This measure was introduced on April 4, 1949. The committee gave full consideration to amendments and rewrote the bill in its entirety three times. Now, without the amendment being printed, it is offered on the floor. The amendment may be ever so good, but it is technical. The Senator from Wyoming was fully advised of the unanimous-consent agreement providing for only 5 minutes in which to explain an amendment. The opponents have 5 minutes in which to oppose an amendment. No one can explain or analyze, to my satisfaction, any kind of a technical amendment in 5 minutes.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. JOHNSON of Colorado. I yield for a very brief question.

Mr. O'MAHONEY. Does the Senator believe that an amendment is technical which provides that a price-fixing agreement shall not be exempt?

Mr. JOHNSON of Colorado. My grandmother told me to be careful about questions that lawyers ask. I shall not undertake to reply to the very brilliant and distinguished Senator from Wyoming, who is also a very able lawyer.

Mr. O'MAHONEY. Mr. President, will the Senator yield for another brief question?

Mr. JOHNSON of Colorado. I think not. My time has almost expired. I do not have very much more to say, except that this bill was introduced on April 4——

The VICE PRESIDENT. The Senator has 3 minutes.

Mr. JOHNSON of Colorado. Then I shall be glad to yield to the distinguished Senator from Wyoming.

Mr. O'MAHONEY. The Senator is most gracious. May I not suggest to the Senator that the principle of my amendment has been at the base of all the discussion, at the base of subsection (c) on page 2 of the bill, and I am sure the Senator would not be wrecking his bill if he agreed to take the amendment to conference. Then he would see that it is neither so technical nor so unclear that his grandmother cannot understand it.

Mr. JOHNSON of Colorado. The bill is a very good bill the way it is. Furthermore, Mr. President, the Defense Establishment has read the bill and has approved it. I do not know what it would say with reference to the Senator's amendment. I have not the slightest idea what it would say until we are able to explore the question with those in the Defense Establishment who are affected by it. I think it would be extremely

unwise to accept an amendment of such a technical nature at such a late hour.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. KILGORE. I should like to ask the Senator whether he has considered the possibility of a pipe-line company declining to accept gas and oil for transportation. What should be done in such a case?

Mr. JOHNSON of Colorado. My answer to that question is that I think a pipe-line company should be a common carrier.

Mr. KILGORE. Mr. President, will the Senator yield further?

Mr. JOHNSON of Colorado. I cannot yield. I must answer the Senator's first question before I can yield for another one. I do not want him doubling up on me so rapidly that I may become mixed up. I think pipe lines ought to be common carriers so that anyone who has gas to be transported and has a customer at the other end, can get the necessary transportation. Pipe-line companies should be compelled, as are all common carriers, to accept the commodity and to transport it, if it is possible to transport it.

Mr. President, the committee dealt diligently with this bill. It worked hard on it, over a long period of time. The committee would have welcomed—and I say this on behalf of myself and, I know, on behalf of all the members of the committee—any kind of a suggestion, any amendment, which the very able Senator from Wyoming might have offered. But it should have been offered so that it could be considered and weighed carefully.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY, Mr. LANGER, and other Senators asked for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. MUNDT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. In the substitute it is proposed on line 19, page 2, after the word "shall", to strike out the remainder of the sentence and insert the words "have the authority to promulgate the necessary regulations required to secure remedial action."

The VICE PRESIDENT. The Senator from South Dakota is recognized for 5 minutes.

Mr. MUNDT. Mr. President, the amendment which I have offered proposes to do exactly what the authors of the Kerr substitute have indicated should be done, but for which they have failed to provide a method whereby it could be accomplished. If I understand the somewhat technical language of the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], I believe that he and I are seeking to attain identically the same objective. My language is prepared in nontechnical language. I have taken the substitute amendment of the Senator from Oklahoma [Mr. KERR] and have changed merely the language of it at the point where a remedy is indicated as necessary and where the authors of the substitute amendment merely say that the Federal Power Commission may talk about the kind of action which is required. In my proposed amendment I provide that the Commission can do something effective when they find some action is necessary. I have not added to or subtracted from the authority of the Commission, except in the one particular where the authors of the substitute themselves say they have offered the substitute because the public may find itself the victim of a great disservice if we pass the Kerr bill as originally proposed.

Mr. KEM. Mr. President, will the Senator yield?

Mr. MUNDT. Yes.

Mr. KEM. I should like to ask the Senator from South Dakota if the purpose of his amendment is to give the Commission authority to act in the event they find some action is necessary after assembling all pertinent data.

Mr. MUNDT. That is exactly the purpose of my amendment. May I say to my good friend from Missouri that the amendment is stated in simple Western words. There is not a single technical phrase in the amendment. No one can complain on that ground. I am making my offer of the amendment 30 minutes after the substitute has been offered in the Senate as the proposition the committee proposes to support. Obviously, I could not offer it before the substitute was made, because we could not know under what kind of legislation we would be operating. The authors of the substitute amendment realize that consumers may suffer grave dangers, and all I seek to do is provide that when such dangers or injuries become apparent or imminent, which the authors of the substitute themselves have pointed out is a possibility, such as where the Commission finds that through lack of competition, or because of a working arrangement, the price is unduly marked upward, then the Commission shall have authority to promulgate effective regulation. Thus my amendment simply and plainly empowers the Commission to protect consumers against unfair, unjust, and monopolistic prices if, as, and when they should be exacted from the public. Until and unless such nefarious practices occur my amendment does not enhance the power of the Commission in any way. Specifically my amendment does not extend or expand the Commission's power to regulate oil producers in any additional manner or degree.

I submit that is the crux of debate on this subject. Like many of my colleagues, I do not wish to see the Federal Power Commission regulate prices or profits of oil companies engaged in wildcat drilling, or any similar process of drilling for oil. Once they do engage in interstate commerce, when they have power to fix the price of gas going into pipe lines serving a group of people who have access to no other pipe line, and when they recognize that it may be costly to the consumer, they bring in a substitute, calling attention to what may happen, but fail to offer a remedy. My amendment offers an effective remedy.

I submit that my amendment provides a remedy when circumstances get as serious as the sponsors of the substitute themselves recognized as a possibility, and it limits the authority of the Federal Power Commission to interstate commerce in a situation where that interstate commerce is demonstrated to the satisfaction of the Commission to have worked unjustly to the interests of consumers because of some noncompetitive situation, or because of some monopolistic agreement on price.

I submit, Mr. President, that this amendment provides a remedy for the problem described by Senators who have sponsored the pending bill, but who, although they recognize the problem exists, have offered no remedy by way of giving authority to the Federal Power Commission, except to permit them to talk about the problem and to report it to the President. The substitute amendment offered by the Senator from Oklahoma does not give them any authority whatsoever. However my amendment provides the opportunity for practical action by the Commission, gives them the authority to do the job recognized by the sponsors of the legislation as being a protective task which might well need to be done. I think my amendment is a fair-play amendment which should be adopted.

The VICE PRESIDENT. The Senator from Colorado is recognized for 5 minutes.

Mr. JOHNSON of Colorado. Mr. President, neither the chairman of the committee nor any of the members have seen the amendment, and, so far as I know, none of them have ever heard of it. This is one of those Johnny-come-lately amendments, and while the Senator from South Dakota says it is not technical, I must reply that any amendment to this technical bill must be technical, because we are dealing with an extremely technical matter.

The Natural Gas Act has been before the Supreme Court twice already. If we add to it a lot of amendments on the floor of the Senate I am sure it will have to be taken before the Supreme Court many more times.

As I was able to understand the amendment from the description the Senator gave, it seems to leave the making of decisions to a bureau, and of course that is a very bad thing to do. It seems to me we should write in plain black and white English whatever we are going to provide, so that everybody may know exactly what is contemplated.

I should like to call the attention of the Senator to page 2, lines 18 to 22, of the pending measure, where this language will be found:

> If, at any time, the Commission shall so determine, it shall report to the President and to the Congress its conclusions, together with the data upon which its conclusions are based, and its recommendations, if any, for remedial action.

Mr. President, the committee asked the Commission to suggest language which might take care of the point which the Senator advances, as I understand the Senator's argument. Whether the

bill does or not, I do not know, but I contend that the amendment cannot be given the consideration it deserves on the floor of the Senate with 5 minutes for the proponents and 5 minutes for the opponents.

I will say to the very able Senator from South Dakota, however, that if he will introduce his amendment as a bill, and if it comes to our committee, the committee will give it very serious and very earnest consideration. The Senator may reply, "That will be too late, if the Kerr bill is passed today." I suggest to him that it will not be too late, because he can offer his amendment in the form of a bill, if it has the merit he feels it has, and I am sure the committee will consider it; and if we agree with him as to the merits of the amendment, we can report it, and it will not take very long to have the bill enacted by the Congress.

Mr. TOBEY and Mr. MUNDT addressed the Chair.

The VICE PRESIDENT. Does the Senator from Colorado yield; and if so, to whom?

Mr. JOHNSON of Colorado. I yield first to my colleague on the committee, the Senator from New Hampshire.

Mr. TOBEY. Mr. President, I ask the chairman of the committee whether it is fair to ask him to say whether his grandmother would favor this amendment. [Laughter.]

Mr. JOHNSON of Colorado. I am afraid to say she would, because the Senator from South Dakota said the amendment was not technical, and she referred mostly to technical amendments.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield to the Senator from South Dakota.

Mr. MUNDT. The debate on the pending bill for about 2 weeks has revolved around the question whether the Federal Power Commission needs to have the authority to regulate prices and profits under certain circumstances. I wonder if the Senator would not be willing to accept the amendment and take it to conference, where the conferees can decide on the merits or demerits of the amendment, after due deliberation and after ample opportunity for study.

Mr. JOHNSON of Colorado. Mr. President, if the Senator will introduce the amendment as a bill, we will take it up in the committee and give it most earnest consideration, and expedite its consideration as much as possible.

Mr. MUNDT. That will be a little late, because the bill will then have been passed.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MAGNUSON (when his name was called). On this vote I have a pair with with the senior Senator from California [Mr. DOWNEY] who is absent because of illness. If he were present and permitted to vote he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

Mr. McMAHON (when his name was called). On this vote I have a pair with the senior Senator from Utah [Mr. THOMAS]. If he were present and voting he would vote "nay." If I were permitted to vote I would "yea." I therefore withhold my vote.

The roll call was concluded.

Mr. HILL. On this vote I have a pair with the senior Senator from Georgia [Mr. GEORGE] who is absent because of illness. If he were present and voting he would vote "nay." If permitted to vote I would vote "yea." I withhold my vote.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] is unavoidably detained on official business.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate on official business, attending the Defense Council and the Defense Chiefs' Meeting at The Hague, Netherlands.

I announce further that if present and voting, the Senator from Rhode Island [Mr. LEAHY] and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senator from Washington [Mr. CAIN], who is absent on official business, is paired with the Senator from Michigan [Mr. VANDENBERG] who is necessarily absent. If present and voting, the Senator from Washington would vote "nay" and the Senator from Michigan would vote "yea."

The result was announced—yeas 33, nays 49, as follows:

YEAS—33

Aiken	Hendrickson	Mundt
Benton	Humphrey	Murray
Cordon	Ives	Neely
Donnell	Jenner	O'Conor
Douglas	Kefauver	O'Mahoney
Dworshak	Kem	Saltonstall
Ferguson	Knowland	Smith, N. J.
Flanders	Langer	Thye
Gillette	Lehman	Tobey
Graham	Lodge	Wiley
Green	Morse	Williams

NAYS—49

Anderson	Hickenlooper	Millikin
Bricker	Hoey	Myers
Bridges	Holland	Robertson
Butler	Hunt	Russell
Byrd	Johnson, Colo.	Schoeppel
Capehart	Johnson, Tex.	Smith, Maine
Chapman	Johnston, S. C.	Sparkman
Chavez	Kerr	Stennis
Connally	Kilgore	Taft
Darby	Long	Taylor
Eastland	McCarran	Thomas, Okla.
Ecton	McCarthy	Watkins
Ellender	McClellan	Wherry
Frear	McFarland	Withers
Fulbright	McKellar	Young
Gurney	Malone	
Hayden	Martin	

NOT VOTING—14

Brewster	Leahy	Pepper
Cain	Lucas	Thomas, Utah
Downey	McMahon	Tydings
George	Magnuson	Vandenberg
Hill	Maybank	

So Mr. MUNDT's amendment was rejected.

The VICE PRESIDENT. Are there further amendments to the amendment in the nature of a substitute? If not, the question is on the amendment in the nature of a substitute offered by the junior Senator from Oklahoma [Mr. KERR] on behalf of the senior Senator from Oklahoma [Mr. THOMAS] and himself.

Mr. KERR and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HILL (when Mr. GEORGE's name was called). On this vote I have a pair with the senior Senator from Georgia [Mr. GEORGE] who is absent because of illness. If present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

Mr. MAGNUSON (when his name was called). On this vote I have a pair with the senior Senator from California [Mr. DOWNEY], who is absent because of illness. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

Mr. MALONE (when his name was called). On this vote I have a pair with the senior Senator from Maine [Mr. BREWSTER]. If he were present and voting he would vote "nay." If I were permitted to vote I would vote "yea."

Mr. McMAHON (when his name was called). On this vote I have a pair with the senior Senator from Utah [Mr. THOMAS]. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I therefore withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate on official business, attending the Defense Council and the Defense Chiefs' Meeting at The Hague, Netherlands.

I announce further that if present and voting, the Senator from Rhode Island [Mr. LEAHY], and the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is necessarily absent and his pair has been announced previously by the Senator from Nevada [Mr. MALONE].

The Senator from Washington [Mr. CAIN] who is absent on official business is paired with the Senator from Michigan [Mr. VANDENBERG] who is necessarily absent. If present and voting, the Senator from Washington would vote "yea" and the Senator from Michigan would vote "nay."

The result was announced—yeas 44, nays, 38, as follows:

YEAS—44

Anderson	Hayden	Martin
Bricker	Hickenlooper	Maybank
Bridges	Hoey	Millikin
Butler	Holland	Robertson
Byrd	Hunt	Russell
Capehart	Johnson, Colo.	Schoeppel
Chapman	Johnson, Tex.	Sparkman
Connally	Johnston, S. C.	Stennis
Darby	Kerr	Taft
Eastland	Long	Thomas, Okla.
Ecton	McCarran	Watkins
Ellender	McCarthy	Wherry
Frear	McClellan	Withers
Fulbright	McFarland	Young
Gurney	McKellar	

NAYS—38

Aiken	Humphrey	Myers
Benton	Ives	Neely
Chavez	Jenner	O'Conor
Cordon	Kefauver	O'Mahoney
Donnell	Kem	Saltonstall
Douglas	Kilgore	Smith, Maine
Dworshak	Knowland	Smith, N. J.
Ferguson	Langer	Taylor
Flanders	Lehman	Thye
Gillette	Lodge	Tobey
Graham	Morse	Wiley
Green	Mundt	Williams
Hendrickson	Murray	

NOT VOTING—14

Brewster	Leahy	Pepper
Cain	Lucas	Thomas, Utah
Downey	McMahon	Tydings
George	Magnuson	Vandenberg
Hill	Malone	

So the amendment in the nature of a substitute offered by Mr. KERR for himself and Mr. THOMAS of Oklahoma was agreed to.

The VICE PRESIDENT. The question now is on the committee amendment, as amended by the Kerr-Thomas of Oklahoma amendment in the nature of a substitute. [Putting the question.] The "ayes" seem to have it. The "ayes" have it, and the committee amendment, as amended, is agreed to.

The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. The question now is, Shall the bill pass?

Mr. MYERS, Mr. TOBEY, Mr. LANGER, and other Senators asked for the yeas and nays.

Mr. JOHNSON of Colorado. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Colorado. Has the language of the Senate bill been substituted for the text of the House bill?

The VICE PRESIDENT. No; it has not.

The question now is on the passage of the Senate bill.

Mr. JOHNSON of Colorado. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON of Colorado. Should the legislative procedure to which I have just referred take place before the final passage of the bill?

The VICE PRESIDENT. If the Senate desires to substitute the language of the Senate bill for the text of the House bill, that question will come up after the passage of the Senate bill.

The question now is on the passage of the Senate bill. On this question the yeas and nays have been requested. Obviously the request is sufficiently seconded, and the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HILL (when Mr. GEORGE's name was called). On this vote, I have a pair with the senior Senator from Georgia [Mr. GEORGE], who is absent because of illness. If the Senator from Georgia were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MAGNUSON (when his name was called). On this vote, I have a pair with the senior Senator from California [Mr. DOWNEY], who is absent because of illness. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MALONE (when his name was called). On this vote, I have a pair with the senior Senator from Maine [Mr. BREWSTER]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea."

Mr. MCMAHON (when his name was called). On this vote, I have a pair with the senior Senator from Utah [Mr. THOMAS]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate on official business, attending the Defense Council and the Defense Chiefs' Meeting at The Hague, Netherlands.

I announce further that if present and voting, the Senator from Rhode Island [Mr. LEAHY], and the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER] is necessarily absent and his pair has been announced previously by the Senator from Nevada [Mr. MALONE].

The Senator from Washington [Mr. CAIN] who is absent on official business is paired with the Senator from Michigan [Mr. VANDENBERG] who is necessarily absent. If present and voting, the Senator from Washington would vote "yea" and the Senator from Michigan would vote "nay."

The result was announced—yeas 44, nays 38, as follows:

YEAS—44

Anderson	Ellender	Johnston, S. C.
Bricker	Frear	Kerr
Bridges	Fulbright	Long
Butler	Gurney	McCarran
Byrd	Hayden	McCarthy
Capehart	Hickenlooper	McClellan
Chapman	Hoey	McFarland
Connally	Holland	McKellar
Darby	Hunt	Martin
Eastland	Johnson, Colo.	Maybank
Ecton	Johnson, Tex.	Millikin
Robertson	Stennis	Wherry
Russell	Taft	Withers
Schoeppel	Thomas, Okla.	Young
Sparkman	Watkins	

NAYS—38

Aiken	Humphrey	Myers
Benton	Ives	Neely
Chavez	Jenner	O'Conor
Cordon	Kefauver	O'Mahoney
Donnell	Kem	Saltonstall
Douglas	Kilgore	Smith, Maine
Dworshak	Knowland	Smith, N. J.
Ferguson	Langer	Taylor
Flanders	Lehman	Thye
Gillette	Lodge	Tobey
Graham	Morse	Wiley
Green	Mundt	Williams
Hendrickson	Murray	

NOT VOTING—14

Brewster	Leahy	Pepper
Cain	Lucas	Thomas, Utah
Downey	McMahon	Tydings
George	Magnuson	Vandenberg
Hill	Malone	

So the bill (S. 1498) was passed.

The VICE PRESIDENT. The Chair should have stated to the Senator from Colorado that ordinarily a request to take up a House bill and substitute for the text of that bill the language of a Senate bill is made before the final vote is taken on the Senate bill. However, under the unanimous-consent agreement under which the Senate has been operating, the Senate was required to vote on the question of the final passage of the Senate bill, without regard to the House bill.

Now it will be in order for a request to be made that the Senate take up the House bill, substitute for its text the language of the Senate bill, as amended, then pass the House bill, and then vacate the proceedings by which the Senate bill was passed.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of House bill 1758, to amend the Natural Gas Act approved June 21, 1938, as amended; that all after the enacting clause of the House bill be stricken, and that the text of the Senate bill as amended be substituted in lieu thereof.

The VICE PRESIDENT. Without objection, it is so ordered.

The question now is on the third reading and passage of the House bill, as thus amended.

The bill (H. R. 1758) was ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate insist upon its amendment to the bill, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered; and the Chair appoints the Senator from Colorado [Mr. JOHNSON], the Senator from Arizona [Mr. MCFARLAND], the Senator from Texas [Mr. JOHNSON], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Indiana [Mr. CAPEHART] conferees on the part of the Senate.

Without objection, the proceedings by which Senate bill 1498 was passed will be vacated, and the bill will be indefinitely postponed.

FLOOD CONTROL AND RIVERS AND HARBORS

Mr. DOUGLAS addressed the chair.

The VICE PRESIDENT. For what purpose does the Senator from Illinois rise?

Mr. DOUGLAS. I should like to have the privilege of making a comment or two upon the natural-gas bill which has just been passed, if that is in order.

The VICE PRESIDENT. The bill has already been passed, and the conferees have been appointed.

Mr. DOUGLAS. Nevertheless, I seek recognition for that purpose.

Mr. MYERS. Mr. President, I prefer to move that the Senate proceed to the consideration of another bill, and then I shall be happy to yield to the Senator from Illinois.

Mr. President, I now move that the Senate proceed to the consideration of House bill 5472, Calendar No. 1154, which is the bill making general authorizations for flood control and rivers and harbors.

The VICE PRESIDENT. The clerk read the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Pennsylvania.

Mr. WHERRY. Mr. President, I do not want to debate the motion as to whether the bill shall be made the unfinished business; in fact, it is very agreeable to the junior Senator from Nebraska that that should be done. But I should like to propound a query or two to the distinguished acting majority leader about the program for tomorrow and Friday, because it has been stated here that there might be a possibility of calling the calendar tomorrow. Of course, the acting majority leader knows that there are unanimous-consent agreements, two in number, I believe, which have been entered into in regard to speeches; so, if the acting majority leader can tell us what the program will be on Thursday and Friday, I shall deeply appreciate it. After he has done that, I should like to ask the acting majority leader another question.

Mr. MYERS. Mr. President, by unanimous-consent agreement, the Senator from West Virginia [Mr. NEELY] will have the floor when the Senate convenes tomorrow. Following his remarks, and by unanimous-consent agreement, the Senator from New Hampshire [Mr. BRIDGES] will have the floor. In view of the fact that we have those unanimous-consent agreements, it was thought we would not be able to finish the calendar, and therefore we shall not take it up tomorrow.

I further understand the Senator from New Mexico [Mr. CHAVEZ] assures the Senate there will be no votes on House bill 5472 tomorrow, Thursday. On Friday, of course, we will be operating under a unanimous-consent agreement to consider the displaced-persons bill. So, when we come to the end of Friday's session, the displaced-persons bill will be the order of business, with the further understanding that there will be no votes on Friday, and that the Senate will not begin voting on the displaced-persons bill at least until Monday.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Nebraska?

Mr. MYERS. I am very happy to yield.

Mr. WHERRY. The Senator knows that there is also a conference report on the so-called basing-point bill, S. 1008, which has been here for several weeks. I do not in any way want to throw a wrench into the procedural mechanism. Since a unanimous-consent agreement has been entered into regarding the displaced-persons bill, I should think that not even the conference report would have precedence over it.

Mr. MYERS. That is my understanding.

Mr. WHERRY. But I should like to ask the distinguished acting majority leader whether he can assure Members of the Senate as to what the possibility will be of bringing up the conference report on S. 1008 at the conclusion of consideration of the displaced-persons bill, even though the public-works bill may be the unfinished business? Can the Senator assure the Senate, or can the Senator make any commitments as to whether the conference report will be taken up at the conclusion of the displaced-persons bill?

Mr. MYERS. Mr. President, Senate bill 1008, to which the minority leader refers, was my bill. I introduced it. Other language was substituted on the floor, but I am just as much interested in having the Senate agree to the conference report as is the minority leader or any other Senator. The House has agreed to it. I am quite anxious that the Senate do so, as early as possible. I am unable to give the Senator any assurance that the conference report will be considered by the Senate immediately after the displaced-persons bill is disposed of. I shall make every effort, I may say to the minority leader, to have the conference report on the basing-point bill brought before the Senate for consideration and disposition at the earliest possible moment. Whether we will be able to displace House bill 5472, or whether we should agree to displace it, I cannot at the present moment say, but I assure the Senator we shall certainly endeavor to obtain as expeditious action as possible on the conference report.

Mr. WHERRY. Mr. President, I have just one more question, if the acting majority leader will yield.

Mr. MYERS. I yield.

Mr. WHERRY. As I said in the beginning, I do not wish to debate the pending motion. I am perfectly willing to have the bill of the distinguished chairman of the Committee on Public Works made the unfinished business. I have no objection to a thorough debate on it tomorrow by whoever wants to speak. But I feel that after the displaced-persons bill is out of the way, and regardless of whether the bill we are about to make the unfinished business is still the unfinished business, I certainly feel the time has come when there should be an up-and-down vote on the conference report.

As I said before, I do not in any way want to throw a wrench into the machinery. I hope that by Monday the acting majority leader will be able to see his way clear to call up the conference report as a privileged matter, and that we can have the basing-point legislation settled. Of course, anyone can call it up. Some of us are becoming a little restless that it has not been brought up. But I want to cooperate with the majority. I sincerely hope that by Monday a program can be arranged by unanimous consent, to take effect after the displaced-persons bill has been concluded; and that, even though the bill we are about to make the unfinished business—with which action I am in total agreement—continues to be the unfinished business, the conference report will be brought up as a privileged matter and the Senate will have an opportunity to vote one way or other upon agreeing to it.

Mr. McCARRAN. Mr. President, the conference report on the basing-point bill has been agreed to by the House, and it has been ready for action by the Senate for several days. Is there any reason why it cannot be taken up tomorrow?

Mr. MYERS. There is no reason, I may say to the Senator from Nevada, but I am quite sure its consideration cannot be completed in one day; and, rather than have an interruption of the discussion, it was thought that it should go over, because, if we make it the unfinished business, we will have tomorrow, after the two speeches, for which unanimous consent has been given, have been made, only about 2 hours in the afternoon. There will be quite a lengthy discussion. There is marked difference of opinion on the basing-point bill, and therefore, to have 2 hours on it and then set it aside in order to proceed to the consideration of the displaced-persons bill for 4 or 5 days, we felt would not be the best procedure.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Wyoming?

Mr. MYERS. I yield.

Mr. O'MAHONEY. If I may, I should like to ask the Senator from Nevada a question. Is it at all likely that the debate on the displaced-persons bill will continue from Friday, when by unanimous consent it is taken up, until April 4, when it is to be voted on? Is it not altogether possible that after Friday we may take up the conference report on Senate bill 1008 and dispose of it? It is of course a privileged matter.

Mr. McCARRAN. I am quite certain that the displaced-persons debate will extend into next week. That is sure. There is no specific date fixed in connection with it, as I recall.

Mr. WHERRY. Oh, yes; I may remind the distinguished Senator that there is. Is there not a gentlemen's agreement that the vote will not be had

before Monday, April 3, on the displaced-persons bill?

Mr. O'MAHONEY. There is.

Mr. McCARRAN. I had forgotten the agreement, but if that is the agreement, it would go over to that date.

Mr. MYERS. I do not so understand. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MYERS. Will the Chair state to the Senate the unanimous-consent agreement which was entered into in respect to the displaced-persons legislation?

The VICE PRESIDENT. The unanimous-consent agreement provided that consideration of the displaced-persons bill should be resumed on Friday, March 31, with a limitation on debate; but there is no agreement as to time for voting.

Mr. McCARRAN. That was my recollection. I might have been in error.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MYERS. We would just begin its consideration on Friday; that is all.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MYERS. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. In those circumstances, it seems to me to be clear that after the displaced-persons bill has been taken up, in all probability an effort will be made to obtain consideration of the privileged matter, namely, the conference report. I shall certainly exercise what influence I have to bring that about next week.

Mr. MYERS. I may say to the Senator from Wyoming, it is my understanding that it does not have a higher status than the displaced-persons bill, because we entered into a unanimous-consent agreement to take up the displaced-persons bill, which, as I understand, gives it priority over the conference report on the basing-point legislation.

Mr. O'MAHONEY. Yes.

Mr. MYERS. We are unable to take up the conference report until after the displaced-persons legislation is completed, except by unanimous consent.

Mr. O'MAHONEY. Of course; and if it is taken up, my point is simply this——

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MYERS. I have yielded to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator for yielding. My point is simply that while the displaced-persons bill has priority, in view of the fact that those who are in charge of it have previously been willing to give way in the debate for the consideration of other matters, in all probability there will not be the slightest protest against consideration of the conference report.

Mr. MYERS. That is correct. I now yield to the Senator from West Virginia.

Mr. KILGORE. Mr. President, I may say to the distinguished Senator, we had a gentlemen's agreement to begin voting on Monday on the displaced persons bill, did we not?

Mr. MYERS. The Vice President has just stated the unanimous-consent agreement.

Mr. KILGORE. I understand that; but the agreement to which I refer was not contained in the unanimous-consent agreement. Am I not right? May I ask both the minority leader and the acting majority leader the question on that point?

Mr. WHERRY. Certainly the Vice President's interpretation would have to be accepted as the correct interpretation of the unanimous-consent agreement. As I understand, there was merely a gentlemen's agreement as to voting. My understanding of the agreement was that there would be no votes on Friday or Saturday, if there were a session on Saturday, but that on Monday we would start voting on the displaced-persons bill, if it was possible to get to it. But, regardless of that——

The VICE PRESIDENT. The Chair's recollection is that there was an agreement not to vote before Monday; but that does not involve an agreement to vote Monday.

Mr. WHERRY. Mr. President, in view of the statement made by the distinguished Vice President, and in view of the observation made by the distinguished acting majority leader, I should like to propound to him a further inquiry. In view of the fact that there is not a unanimous-consent agreement to vote on the displaced-persons bill on Monday, why would it not be possible, following the two speeches which are to be made tomorrow under a unanimous-consent agreement, to set aside at that time the unfinished business which we hope to take up in a moment, and then proceed to debate the conference report on S. 1008, the basing-point bill, and conclude consideration of the conference report, which is a privileged matter, before we take up the displaced-persons legislation?

Mr. MYERS. There is great interest in both these bills. We have been considering both the basing-point bill and the displaced-persons bill since the last session, and I believe we should dispose of the displaced-persons bill. After we dispose of it, we can consider whether to bring up the conference report to which reference has been made, which, of course, is privileged. Any Senator can move to bring it up. But I believe, Mr. President, we should first dispose of the displaced-persons bill rather than to interrupt debate to consider the other matter.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MYERS. I yield to the Senator from West Virginia.

Mr. KILGORE. According to the unanimous-consent agreement, we shall, on Friday, debate the displaced-persons bill and the various amendments in their order, and at that time plans can be definitely made. I feel that unless we change the situation by a unanimous-consent agreement, the original plan should be carried out.

Mr. MYERS. Mr. President, let me read, for the benefit of the Senate, the unanimous-consent agreement with reference to the displaced-persons bill:

Ordered, by unanimous consent, That the further consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, be postponed to Friday, March 31, 1950, at the hour of 12 o'clock noon; that beginning at said hour debate upon any amendment that may be pending or that may be proposed shall be limited to 1 hour, except that upon an amendment, in the nature of a substitute, the limitation shall be 2 hours. The time on each amendment, including a substitute, shall be equally divided between those favoring the bill and those opposed thereto and controlled, respectively, by the Senator from Nevada [Mr. McCARRAN] and the Senator from West Virginia [Mr. KILGORE]: *Provided,* That no amendment that is not germane to the subject matter of the said bill shall be received.

As a matter of fact, I should think that when we complete the debate on an amendment we might have a vote on the amendment. But in the agreement there was no understanding that we would actually vote on Monday, although we might very well vote on Monday.

The VICE PRESIDENT. Let the Chair undertake to clarify the situation. In the unanimous-consent agreement there is no time fixed for a vote. There is only a limitation on debate on amendments and on the substitute. The unanimous-consent agreement does not provide that the bill shall be kept continuously before the Senate until it is voted on. Therefore it is the present view of the Chair that the conference report, being a privileged matter, can be brought up. Any Senator who obtains the floor for that purpose—he cannot take another Senator off the floor—when he is recognized, may make a motion to proceed to the consideration of the privileged conference report prior to a vote either on the displaced-persons bill or upon any amendment thereto. Of course the Senate could then go back to the consideration of the displaced-persons bill.

Mr. MYERS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. MYERS. It is my understanding that the only priority the unanimous-consent agreement has is that the displaced-persons bill will be considered on Friday. It has no other priority. The conference report has a higher priority.

The VICE PRESIDENT. The displaced-persons bill must be considered on Friday. The only difference between what happens after that and what happens ordinarily is that there is a limitation of debate on amendments and on the substitute. The Chair does not think the terms of the unanimous-consent agreement would take away the priority of a conference report, which is privileged over pending legislation.

Mr. MYERS. Mr. President, I accept the interpretation of the Presiding Officer. I hope, however, that no Senator will move to take up the conference report before the Senate disposes of the displaced-persons bill. We have been postponing and delaying it just as we have been delaying the consideration of the conference report on the basing-point bill. I hope the Senate will follow the orderly procedure of disposing of the displaced-persons bill and then proceed to the consideration of the conference report.

I now yie'd to the minority leader.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I understand, according to the interpretation of the distinguished Vice President, that all the unanimous-consent agreement means is that the displaced-persons bill will be the unfinished business starting on Friday when the Senate convenes, and that there will be a limitation on debate. Does the distinguished Vice President mean that any subject can be discussed other than the displaced-persons bill, if it has priority?

The VICE PRESIDENT. No. The Chair did not make that statement. The conference report, having a privileged status, would have priority if any Senator obtained the floor and asked that it be considered.

Mr. WHERRY. The unanimous-consent agreement does not wipe out that priority?

The VICE PRESIDENT. Unless a unanimous-consent agreement contains what this agreement does not, a provision for the continuous consideration of the bill, it would not wipe out that priority.

Mr. WHERRY. I agree.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. MYERS. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I think I understand the Chair's ruling. If my understanding is correct, I certainly think the Presiding Officer is correct. To make certain that I understand the ruling, I propound this question: My understanding of the ruling of the Chair is that the unanimous-consent agreement in regard to the displaced-persons bill has the effect of making the displaced-persons bill the continuous order of business of the Senate, subject only to privileged matters, and that, therefore, when we finish the consideration of any privileged matter, such as a conference report, we shall return to the displaced-persons bill, and that bill cannot be set aside except by unanimous consent of the Senate, save and except for a privileged matter.

The VICE PRESIDENT. No; the Chair does not so interpret the unanimous-consent agreement. The Chair's interpretation is that when the Senate resumes the consideration of the displaced-persons bill on Friday it occupies the same status which it occupied before its consideration was suspended, except that there is a limitation on debate.

Mr. MORSE. A parliamentary inquiry.

The VICE PRESIDENT. Any Senator who obtains the floor can move to consider some other bill, and if the majority vote is cast in favor of that motion, of course that would displace the displaced-persons bill or any other bill under consideration at the time.

Mr. MORSE. That was the second parliamentary inquiry which the Senator from Oregon was about to propound. In view of the effect of the unanimous-consent agreement in this particular case, it is the understanding of the Senator from Oregon that if the unanimous-consent agreement were as definite and certain as was the unanimous-consent agreement under which we operated today in regard to the Kerr bill, it could not be set aside by a motion. Therefore, we are in the position in regard to the displaced-persons bill in which we now find ourselves because the language of the unanimous-consent agreement was not sufficiently definite and certain to cover the problem of the necessity of returning to the consideration of the displaced-persons bill except for matters which have preference or priority standing. We thought we were making the displaced-persons bill the continuous business of the Senate, subject only to privileged matters.

The VICE PRESIDENT. The Senator from Oregon has stated correctly the view of the Chair. In the absence of an agreement making it the unfinished business continuously, to the exclusion of other matters, until voted on, it occupies the same status which it previously occupied, except that there is a limitation of debate on the amendments and on the substitute.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MYERS. I yield to the Senator from West Virginia.

Mr. KILGORE. Is it not a fact that there was an agreement, on the request of several Senators on both sides of the aisle, that we would not begin voting until next Monday at 12 o'clock noon?

Mr. HOLLAND. Mr. President——

Mr. KILGORE. I refuse to yield until I receive an answer to my question.

The VICE PRESIDENT. The Senator from Pennsylvania has yielded to the Senator from West Virginia.

Mr. KILGORE. Is it not a fact that although it was agreed that we should start the discussion of the displaced-persons bill on Friday, because of various objections we agreed not to begin voting until Monday at 12 o'clock noon? Was not that a gentlemen's agreement?

Mr. MYERS. The agreement speaks for itself. There may have been some understanding, but whether there was such an understanding or a misunderstanding, the agreement speaks for itself, that we shall begin debate on Friday, but no time is fixed for a vote, although there was a gentleman's agreement that there would be no vote on Friday.

Mr. KILGORE. I agree that it is not an agreement. Was it not an alternative agreement?

The VICE PRESIDENT. The Chair's recollection is that there was a gentlemen's agreement that there would be no vote prior to Monday. That does not mean that there will be a vote on Monday.

Mr. HOLLAND. Mr. President, I well remember that when the unanimous-consent agreement was proposed and agreed to, the majority leader, who was handling it, gave assurance that a vote would not be had on it until Monday. It seems to me that in the interest of orderly procedure the distinguished acting majority leader may well give consideration to asking for an enlargement of the unanimous-consent agreement, in order to carry out the ideas advanced by the distinguished Senator from Oregon, namely, to make the unanimous-consent agreement the continuing order of business until a vote is had after the completion of the limited arguments which are provided for already. It seems to me that the unanimous-consent agreement might well be enlarged to provide also that no vote should be had until Monday, which would certainly carry out the assurance that was given at that time. I suggest that course of action for the consideration of the distinguished acting majority leader.

Mr. MYERS. I yield now to the Senator from Nebraska.

Mr. WHERRY. I should like to ask the distinguished acting majority leader, in the absence of an agreement to vote, as has been so clearly stated by the distinguished occupant of the chair, if the sensible course to follow would not be to expedite privileged matters as they come up. If we had a unanimous-consent agreement to vote at a certain hour, I would not ask to have taken up a privileged matter, because such action would displace the business which the Senate wished to consider, but I feel——

Mr. KILGORE. Mr. President——

Mr. WHERRY. Will the Senator please let me finish my remarks? In the absence of a unanimous-consent agreement fixing a time for a vote at a definite, certain hour, I feel the debate could run on indefinitely. In the absence of an agreement fixing a definite hour for a vote, and because of the indefiniteness of the unanimous-consent agreement, I feel the acting majority leader would expedite the program by having the Senate take up privileged matters as they are reached and speed them.

Mr. MYERS. I believe we should finish consideration of the displaced-persons bill. I would be willing to propound a unanimous-consent agreement, in the way of an extension of the present unanimous-consent agreement, providing for continuous debate on the displaced-persons bill until a vote can be had and the subject disposed of. I believe it would be rather difficult to do it at this late hour, because there are some Senators who will insist upon a quorum call before any such unanimous-consent agreement is entered into, and I would much prefer to do that some other time.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MYERS. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CHAVEZ. Is there not a motion pending before the Senate to take up H. R. 5472? Was not that motion made?

The VICE PRESIDENT. A motion is pending to proceed to the consideration of the bill, and the colloquy has proceeded under the privilege of debating the motion. The question has not yet been put.

Mr. WHERRY. Mr. President, have I the floor or some other Senator yielding to me?

Mr. MYERS. I yield to the Senator from Nebraska.

Mr. WHERRY. I would rather have the floor in my own right, because this is a debatable question.

Mr. MYERS. Will the Senator allow the motion to be put?

Mr. WHERRY. Speaking on the motion is the only way in which I can proceed, because the colloquy we have had has been on the pending motion. I should like to speak in my own time.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield the floor?

Mr. MYERS. I yield the floor.

The VICE PRESIDENT. The Senator from Nebraska is recognized on the motion to proceed to the consideration of H. R. 5472.

Mr. WHERRY. On the motion to take up the bill, I can talk on any subject which comes to mind. I want the record to show that I do not in any way wish to deter or interfere with consideration of the displaced-persons bill. I want the record to show also that the unanimous-consent agreement is so indefinite that debate could be continued indefinitely on the displaced-persons bill. There is no agreement as to a vote on it. In the orderly process of doing the work of the Senate I suggest that first things should come first.

I believe the conference report on basing-point legislation should be brought up at the earliest possible date. I do not suggest that it be brought up for consideration tonight. In fact, I shall agree to the motion of the Senator from New Mexico to make H. R. 5472 the unfinished business. However, I feel that the Senate ought to be advised, because the conference report on basing-point bill is a privileged matter, it ought to be taken up without further delay, regardless of what measure is made the unfinished business.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield to the Senator from New York.

Mr. LEHMAN. My understanding of the agreement entered into sometime ago is the same as that enunciated by the distinguished occupant of the chair, namely, that we were to take up displaced-persons legislation on Friday, and continue its consideration until it was disposed of. However, under a "gentlemen's agreement," it was not to come to a vote until Monday at the earliest or possibly on Saturday, if we had a session on that day. The unanimous-consent agreement provided for a limitation of debate of an hour on each amendment. There are a great many amendments. There is no doubt that to dispose of all amendments, the substitute bill, and the bill itself, will consume a considerable period of time. I wonder whether it would not be wise for the majority and minority leaders to consider an extension of the unanimous-consent agreement by which the displaced-persons bill could be the continuing order of business, with a definite time fixed for a vote on it, perhaps by Wednesday noon, or at some other time which would be agreeable.

Mr. WHERRY. Mr. President, in answer to the question of the distinguished Senator, he has stated what the Senator from Nebraska has already suggested, namely, that a definite and certain time be fixed. I do not wish to interfere with the arrangements of the distinguished acting majority leader, who stated it was too late to act tonight, and, therefore, the proposal was not made.

Mr. President, a vote is pending on the motion to consider House bill 5472, which is in charge of the Senator from New Mexico. I am not objecting to making his bill the unfinished business. But in the absence of a unanimous-consent agreement, it cannot be made certain that displaced-persons legislation is going to be voted on, and the junior Senator from Nebraska is going to insist that privileged matters be brought before the Senate and that they be expedited.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Mexico that the Senate proceed to the consideration of H. R. 5472.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. McFARLAND. Mr. President——

The VICE PRESIDENT. The Senator from Arizona is recognized.

Mr. WHERRY. Mr. President, the Senate is out of order unless Senators take their seats.

Mr. McFARLAND. Mr. President, I have the floor, and I do not yield for a point of order.

The VICE PRESIDENT. The Senator from Arizona has the floor.

Mr. McFARLAND. I was about to move a recess, unless some Senator desires to ask that something be printed in the RECORD.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. IVES. I understand two unanimous-consent requests by Senators to speak tomorrow have already been granted, one by the Senator from West Virginia [Mr. NEELY], I believe, and one by the Senator from New Hampshire [Mr. BRIDGES]. I ask unanimous consent that when the senior Senator from New Hampshire [Mr. BRIDGES] yields the floor I be recognized for a comparatively brief statement on bipartisan foreign policy.

Mr. CHAVEZ. Mr. President, reserving the right to object, the Senate has now adopted a motion to make House bill 5472 the unfinished business. I have been as tolerant as anyone could be about other measures being considered, but House bill 5472 affects every State in the Union, and notwithstanding the fact that I am for the displaced-persons bill, with ideas of my own as to amendments, and so forth, nevertheless, navigation, rivers and harbors, flood control, roads, and things like that, are so important that if they are not considered and acted on there will not be any reason for considering displaced-persons legislation or speeches on anything else.

I shall object to any unanimous-consent agreement to displace House bill 5472 tomorrow, after the unanimous-consent agreements which have already been entered into are complied with. House bill 5472 was reported last October. The Senate has agreed to the amendments, with the exception of a few items with respect to the Columbia River Basin. It affects every State, every river, every harbor, in the whole United States, and I am becoming tired of being tolerant and patient with others. I think our committee deserves a little consideration.

The VICE PRESIDENT. The Chair may state, for the benefit of all Senators, that it is unnecessary for a Senator to obtain unanimous consent to make a speech. When a bill is pending before the Senate any Senator who is recognized and gets the floor can speak on that or any other subject he cares to discuss, unless there is a limitation of debate.

Mr. McFARLAND. Mr. President, I intend to move a recess, and I am not going to yield for any more unanimous-consent requests except requests to place something in the RECORD.

Mr. WHERRY. Mr. President, I make the point that the Senate is out of order, and Senators should take their seats.

The VICE PRESIDENT. If the Senator from Nebraska will advise the Chair how to make them take their seats, he will cooperate with the Senator. Senators will cease conversation and resume their seats.

Mr. WHERRY. Will the Senator from Arizona yield to me? I submit to the distinguished Vice President, with whom I have served so long, that a Senator is out of order if he is not at his own desk, and if he is continually walking around in the aisles.

The VICE PRESIDENT. The Chair announced that several days ago.

Mr. LONG. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. LONG. I ask the Senator from Arizona if he will be so kind as to yield to permit Senators to make short statements at this time. I believe the Senator from Illinois [Mr. DOUGLAS] would like to say a few words respecting the gas bill which has just been passed by the Senate. I should like to say a few words respecting the parliamentary situation in connection with the conference report on the basing-point bill. Unless the Senator yields for those purposes, I shall feel obliged to suggest the absence of a quorum.

Mr. McFARLAND. Mr. President, I do not yield for that purpose.

Mr. LONG. I suggest the absence of a quorum.

Mr. McFARLAND. I do not yield for that purpose.

The VICE PRESIDENT. The Senator from Louisiana cannot suggest the absence of a quorum unless the Senator having the floor yields for that purpose.

RECESS

Mr. McFARLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

Mr. MORSE. I ask for the yeas and nays.

Mr. LONG. I suggest the absence of a quorum.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. As many as favor the request for the yeas and nays will make it known by a show of hands.

Mr. LONG. I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator cannot do that at this time.

The request for the yeas and nays is not sufficiently seconded.

As many as favor the motion to recess will say "aye." Contrary "no." The "ayes" seem to have it.

Mr. MORSE and Mr. DOUGLAS asked for a division.

The VICE PRESIDENT. A division has been asked for. All who favor the motion to recess will stand and remain standing until counted.

Mr. MORSE. A parliamentary inquiry.

The VICE PRESIDENT. The Senate is in the act of dividing at the moment.

Mr. WHERRY. The Senator from Oregon [Mr. MORSE] is standing, and is being counted in favor of a recess.

Mr. MORSE. Then I shall sit down.

The VICE PRESIDENT. Senators will be seated. Senators who oppose the motion to recess will rise. The motion is agreed to.

Thereupon (at 6 o'clock and 14 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 30, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 29, 1950:

UNITED STATES ATTORNEY

John H. Manning, of North Carolina, to be United States attorney for the eastern district of North Carolina. He is now serving in this office under an appointment which expired March 20, 1950.

IN THE NAVY

Capt. George R. Cooper, United States Navy, for temporary appointment to the grade of rear admiral in the Navy.

Vice Adm. Oscar C. Badger, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Commander, Eastern Sea Frontier.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of colonel, subject to qualification therefor as provided by law:

George N. Carroll	Edwin P. Pennebaker, Jr.
Clyde T. Mattison	Wallace M. Nelson
Raymond B. Hurst	Leonard F. Chapman, Jr.
Robert E. Cushman, Jr.	John E. Weber
Arnold F. Johnston	Gallais "E" Matheny
Robert A. Black	Herman Nickerson, Jr.
Gordon E. Hendricks	Richard H. Crockett
Charles W. Shelburne	Wesley M. Platt
Richard G. Weede	George A. Roll
Richard D. Hughes	Floyd R. Moore
Charles O. Bierman	Marshall A. Tyler
Frederick A. Ramsey, Jr.	Marvin H. Floom
William N. McGill	Richard E. Thompson
Kenneth D. Kerby	Willard C. Fiske
Carl A. Laster	Robert C. Walton
Michael S. Currin	Stanley W. Trachta
Leonard K. Davis	Carey A. Randall
Elmer T. Dorsey	Ronald B. Wilde
Earl A. Sneeringer	William S. McCormick
Merlyn D. Holmes	William J. Van Ryzin
Lewis J. Fields	Albert F. Metze
Harvey S. Walseth	Joe C. McHaney
Bruce T. Hemphill	Gould P. Groves
Custis Burton, Jr.	Donn "C" Hart
Clayton O. Totman	Wilmer E. Barnes
Bruno A. Hochmuth	Kenyth A. Damke
Thomas F. Riley	Raymond L. Murray
Frederick P. Henderson	John S. Oldfield
Donald J. Decker	Kenneth A. Jorgensen
Michael Sampas	Alexander B. Swenceski
Frederick E. Leek	Hoyt McMillan
William R. Wendt	Peter J. Negri
Robert A. McGill	Frank P. Hager, Jr.
James M. Clark	Elmer E. Brackett, Jr.
Peter J. Speckman	William T. Fairbourn
Roy L. Kline	

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Robert A. Merchant, Jr.	Alexander R. Benson
Walter L. Eddy, Jr.	John H. Jones
Hugh J. Chapman	John F. Holt
John E. Decher, Jr.	Thomas J. O'Connor
John L. Donnell	Clyde P. Ford
Leyton M. Rogers	

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel for limited duty, subject to qualification therefor as provided by law:

Walter E. Anderson
Lee Moberly

The following-named officers of the Marine Corps for temporary appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

Max R. Read	Roland J. Spritzen
William A. Houston, Jr.	William T. Herring
Homer W. Sharpenberg	Edward S. Dzura
Thomas J. Cross	Francis F. Parry
Henry M. Wellman, Jr.	William P. Pala
William G. Tinsley	Hubert C. Lattimer
Louis E. Hudgins, Jr.	John H. Ellis
John D. Wiggins	Raymond D. Wright
Herman Hansen, Jr.	Wilbert T. Shafer
Elmer G. Glidden, Jr.	Robert J. J. Picardi
Loren D. Everton	Charles H. Brush, Jr.
William C. Chamberlin	William P. Alston
James M. Watkins, Jr.	Allan L. Feldmeier
James A. Donovan, Jr.	Clyde A. Brooks
Robert C. Walker	Arthur C. Lowell
Harold K. Throneson	James M. Johnson
Jack A. Witherspoon	Harry T. Marshall, Jr.
Donald B. Hubbard	Donald R. Kennedy
Michael P. Ryan	Regan Fuller
Gordon H. West	Andrews M. Wilkinson
Armond H. Delalio	Fenlon A. Durand
Harvey A. Feehan	Noel C. Gregory
Bruce Prosser	Roscoe C. Cline, Jr.
Douglas B. Lenardson	Frederick M. Rauschenbach
Harry B. Hooper, Jr.	Hal R. Kolp
Robert W. Greeley	Joseph H. Reinburg
Hensley Williams	Honore G. Dalton
Robert L. Schreier	Walter C. Wells
Arthur E. Holdt	Max H. LaGrone
Nat M. Pace	Anthony Walker
Claude H. Welch	John R. Chaisson
Vance H. Hudgins	Frederick S. Aldridge
Wilson E. Hunt	Harold R. Thorpe
Earl J. Rowse	John C. Jordan, Jr.
Manual Brilliant	William A. Wood
Alexander W. Gentleman	William H. Atkinson
William M. Miller	John S. Dewey
Charles E. McLean, Jr.	John D. Bradbury
	Robert A. Churley
	William H. Junghans, Jr.

The following-named officer of the Marine Corps for permanent appointment to the grade of major for limited duty:

Irving N. Kelly

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Joseph Keller	Raymond E. Wase
Karl T. Keller	Raymond E. Demers
Earl W. Cassidy	Malcolm G. Moncrief, Jr.
Donald C. Mitchell	Otis E. Millenbine
James E. Graaff	Alexander J. Gillis, Jr.
Richard A. Polen	George L. Winneberger, Jr.
George A. Parant	Robert G. Klein
Herbert C. Reed	Gerald J. Maire
Edward W. Turcotte	William W. Eldridge, Jr.
Lloyd B. Dochterman, Jr.	

The following-named officers of the Marine Corps for permanent appointment to the grade of captain for limited duty:

Kenneth A. Walsh
Edwin M. Clements
Reginald M. George

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

George F. Thayer	Charles H. Dean, Jr.
John W. Drury	Joseph S. Bartos, Jr.
Esten C. Carper, Jr.	Kenneth W. Henry
Peter W. Adams	Donald W. Tardif
Roscoe F. Good, Jr.	Robert B. Pohl
Harold D. Fredericks	Robert L. Nelson
Karl D. Morrison	Robert M. Lucy
Edward G. Jernigan	John H. Affleck
William J. Davis	Melvin W. Snow
Thomas E. Dawson	Robert H. Rea
George C. Fox	Richard W. Crowley
Forest J. Hunt	Melvin G. Hector
Donald B. Thomas	Floyd H. Waldrop
Philip D. Shutler	Charles A. Cothran
George W. Allen	Thomas E. Vernon
Michael M. Ameen, Jr.	David A. Strausz
Robert E. Izzo	Boyd B. Sibert, Jr.
Justin H. Wenger	William F. Wagner
Paul R. Uffelman	Baldomero Lopez
Floyd A. Cuff	Jack W. Harris
William A. Reavis	Frank Y. Dill
Thomas H. Galbraith	Martin Pearson
Ezra H. Arkland	Joseph M. Vosmik
David W. Walsh	Edward Y. Holt, Jr.
David A. Lowe	Donald L. Evans, Jr.
Cullen O. Henry	Bonner R. Bell
George A. Bacas	Thomas E. Murphree
William L. Jesse	Jack T. Baker
George C. Kliefoth	Otto L. Marx
Anthony V. Messina	Edgar A. Hollister
Albert F. Belbusti	Jesus R. Flores
Manuel F. Castro	Edmund W. Jaworski
Edward A. Timmes	Francis B. Carlon
Carl H. Strandberg	Donald A. Chiappetti
Parks H. Simpson	Carl R. Dennis
Harold K. Thompson, Jr.	George R. Earnest
James W. Epley	Robert C. Sebilian
Robert E. Steed	Eugene R. Puckett
Robert W. Helding	Jack J. Petska
John A. Buck	Jack Westerman
Jerome N. Pieti	Lloyd L. Seaward
John J. Walsh	Charles J. Schneeman, Jr.
	Philip Hanna, Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant for limited duty:

James B. Darnell	Doyle Grimes
Robert L. Neef	Clifford A. Youngs

The following-named officers (civilian college graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps:

John C. Drenning	Charles V. Jarman
Walter A. Gagne, Jr.	Elliott R. Laine, Jr.
John W. Haggerty III	Thomas G. Snipes

The following-named civilian college graduate for permanent appointment to the grade of second lieutenant in the Marine Corps:

Rodney C. Dench

The following-named officers of the Marine Corps for permanent appointment to the grade of commissioned warrant officer, subject to qualification therefor as provided by law:

Albert H. Battle	Victor T. Garrison
George J. Pelletier	Donald E. Morgan
Frederick J. Bollette, Jr.	Homer D. Lyke
William W. Draper	Chalmers H. Given
	Algie W. Thornton

Robert L. Martin, Jr.
Ralph P. Dempsey
Charles H. Monteith
George B. C. Dangerfield, Jr.
Harold F. Wandron
Howard W. Harrington
Edward B. Hamilton, Jr.
Darrol Lewis
Gilbert D. Schryver
Charles E. Hazen
Joseph A. LeBlanc
Harvey King
William T. Long, Jr.
Dee R. Yancey
Arnold L. Charlton, Jr.
Francis L. Downing
Gerald W. Garrison
William J. Bott
James L. Fountain
Hobart H. Budlong
Raymond E. Streeter
John C. Smith
Frank A. Bartuck
Robert E. Trometter
Andrew L. Heaton
Robert E. Ouellette
Thomas R. Van Fleet
Alex H. Touchton
Raymon A. Clark
Ray N. Herrell
Costanzo Cellucci
Jesse C. Quattlebaum, Jr.
Rebie A. Windsor
Joseph H. Malone
William C. Koch, Jr.
Donald M. Stone
Cecil H. Santrock
Wilfred D. Holdren
Stanley A. Lahendro
Joseph A. Corvi
George W. Kreisheimer
Edward W. Mooney
Talmadge R. Liles
Rupert L. Fogle
Anthony W. Livingston
Medford D. Good
William Dickison
Walter L. Czechowski
Kenneth E. Williams
Willard J. Reid
Walter Pietrzak
Jerome Ross
Louis L. Noe
Harold J. Michael
Fred S. Huneycutt
Willard C. Downs
Matthew A. Propotnik
Obie E. Newcomb, Jr.
Ovel L. Ewing, Jr.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 29, 1950

The House met at 12 o'clock noon.

Dr. Albert E. Cliffe, of Montreal, Canada, offered the following prayer:

O Heavenly Father, great architect of the universe, as we meet today for the opening of this great Congress, do Thou show Thy mighty power among us.

Teach us to know the brotherhood of man. Enable our Nation in this most critical year to lead the world into a world of peace and happiness.

The spirit of Christ lives within every man in this Congress, and as we pray believing that we are now receiving, we thank Thee for having begun to bring to fruition a world of peace and plenty.

Give to our President, our Senate, and our Congress Thy divine guidance in all their deliberations so that every race, every nation, every creed upon this earth may receive life more abundantly.

This we ask in Jesus' name. Amen.

The Journal of the proceedings of yesterday was read and approved.

JOHN SHERMAN COOPER

Mr. MORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MORTON. Mr. Speaker, I would like to commend the Secretary of State for the selection of John Sherman Cooper, of Kentucky, as his special assistant and top adviser in the coming very important conference of foreign ministers to be held in London. Undoubtedly this action on the part of the Secretary had the approval of the President. It was only taken, I am sure, after consultation with the leaders of the Committee on Foreign Relations of the other body and must have had the approval of the members of that important committee on both sides of the aisle.

John Cooper will bring to his task determination and a deep devotion to duty. He will bring to it a keen, brilliant, judicial mind and a character that stands with the highest. He will also bring to it a great patriotism that transcends partisanship. The Nation is fortunate in his selection.

WHITE HOUSE REPAIRS

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, I want to address a question to the committee that is in charge of and has some supervision over and contact with the White House changes and so-called strengthening. I want to protest the fact that everything inside the White House has been gutted. The papers now announce that there are 790,000 souvenir units for disposal, 5,000 of which are large pieces of stone out of which fireplaces and mantelpieces can be made. Many of them are smaller. Apparently they have not even kept from destruction the woodwork of the various rooms to put it back.

I should like to ask the committee whether we are going to have any knowledge at all of what the plan for the new interior of the White House is to be. Are we going to have a Red Room, an East Room, and a Blue Room, or is that all to be destroyed just as everything that is traditional has been removed from this Chamber and from the Chamber at the other end of this building?

What does the administration and those responsible for the work on these Federal buildings which are held in stewardship for oncoming generations propose to do to the President's house?

Mr. Speaker, the newspaper article to which I referred is as follows:

[From the Washington Post of March 28, 1950]

WHITE HOUSE GAVELS MAY GO TO GOVERNORS

President Truman wants each State governor to get a souvenir gavel made from historic wood of the White House.

The President has told the Commission on Renovation of the Executive Mansion about his idea, and Senator EDWARD MARTIN, Republican, of Pennsylvania, a member of the Commission, heartily endorsed it yesterday in a speech to the Senate.

MARTIN added the suggestion that the President, Cabinet officers, and Members of Congress be given similar gavels.

MARTIN said the President's suggestion came to the Commission informally while it was at work on a plan to dispose of the historic materials removed from the White House during remodeling.

He said more than three-quarters of a million pieces of the White House will be available for distribution. He said of the 790,000 souvenir units 5,000 are large pieces of stone and wood suitable for mantelpieces or fireplaces, and the rest are smaller pieces, including timbers, bricks, facing stones, panels suitable for souvenirs and mementos.

MARTIN said one proposal for the distribution is to make it through Members of Congress in proportion to State populations. Recipients would pay packing, handling, and freight charges.

He invited Senators to send suggestions to the Commission for the souvenir distribution.

TRADE WITH IRON-CURTAIN COUNTRIES

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, as the debate on the ECA bill proceeds, I trust the gentleman who has charge of the bill will give the House some information relative to the trade of the ECA countries with Soviet Russia and the iron-curtain countries.

Last year in debate in the other body the distinguished Senator from Nevada brought out the fact, and it was not refuted, that there were eighty-some secret agreements entered into between the ECA countries and the iron-curtain countries under which trade was carried on. It was shown last year beyond a shadow of doubt that much machinery and critical material was going to the iron-curtain countries. Is it still true?

I would hate very much to see materials that we supply to the ECA countries finding its way to Soviet Russia. I hope the committee will be able to give us some information as to how much of the material we sent to the ECA countries finds its way behind the iron curtain.

BIRTHDAY GREETINGS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, this is the birthday of two valued and influential Members of the House, Hon. CHARLES A. EATON and Hon. FRANCES BOLTON. Both have served here for years with ability and distinction.

Their service is actuated only by the single purpose of building a better country and serving faithfully their day and generation.

Both enjoy good health and I am sure we all wish them continued success and may they continue their long and able service.

To both we all, Republicans and Democrats alike, extend our heartiest felicitations and best wishes on their birthday anniversaries.

THE LATE AMBASSADOR LAURENCE A. STEINHARDT

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, our RECORD today would be incomplete if it did not note the untimely death in the line of duty of the Honorable Laurence A. Steinhardt, the United States Ambassador to Canada. He has held some of the most important diplomatic posts in the gift of our country, including the ambassadorships to Russia, to Turkey and to Czechoslovakia, at times when the situation in each of those countries was extremely difficult. He handled those posts with the greatest credit to himself and our country.

I knew Mr. Steinhardt as a lawyer in New York, but also in company with the gentleman from Pennsylvania [Mr. FULTON] and the gentleman from Kentucky [Mr. CHELF] I visited him in Prague in 1947. In Prague at that time, when already the machinations, cabals, and intrigues were going on which ultimately turned Czechoslovakia into an iron-curtain satellite, we found in the United States Embassy an air of courage, determination, and skill in the person of the Ambassador and which inspired his staff that made us extremely proud to be Americans and extremely proud to be Representatives in the Congress.

I extend most profound condolences to the most gracious Mrs. Steinhardt, and to the daughter and family of Ambassador Steinhardt. They may take great comfort from the fact that he served his country well and went to his last reward with the greatest honor and in the service of his country.

OWEN LATTIMORE

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DAVIS of Wisconsin. Mr. Speaker, I am sick and tired of hearing the same old alibi from many of the people who are charged with pro-Communist leanings. When evidence is presented of their actions and utterances in behalf of communism in the past, the alibi frequently is this: "We were young and foolish in those days. We didn't know the score. But now we have grown older and wiser and more American."

Today I want to read a passage from a book called Solution in Asia, by Owen Lattimore. In that book he wrote as follows about the attitude of the people of Asia toward Russia:

> In their eyes * * * the Soviet Union stands for strategic security, economic prosperity, technological process, miraculous medicine, free education, equality of opportunity, and democracy—a powerful combination. The fact that the Soviet Union also stands for democracy is not to be overlooked.

And here is how the publisher of the Lattimore book, Little, Brown & Co., described the book at the time it was published:

> He shows that all the Asiatic peoples are more interested in actual democratic practices, such as the ones they can see in action across the Russian border, than they are in the fine theories of Anglo-Saxon democracies which come coupled with ruthless imperialism.

Lattimore wrote this hymn of devotion to Russia in 1945—only 5 years ago. He was no child at that time. He was 44 years old, and he was old enough to have helped shape the State Department policy which led to the Communist capture of China.

The people of the country are entitled to know how many more Owen Lattimores infest the State Department.

OUR GRANDCHILDREN AND THE NATIONAL DEBT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, when the gentlewoman from Ohio [Mrs. BOLTON], made mention of the fact that we were changing the White House to such an extent that our grandchildren would not know what kind of a White House we have had for the last hundred years, it seems to me we are not only changing the White House, but we are changing everything in this country so that our grandchildren will not know what a grand country we lived in during our lifetime. The way we are spending and squandering the funds of the people of this country today and the debt that we are placing upon our grandchildren expecting them to pay when that debt rightfully is ours to pay now, our grandchildren will rise up in holy horror when they think what their grandparents have done to them. Thanks, I did not vote that way and I am happy about it.

It seems to me when we look at this statement of the Treasury and find out that we are in debt over $256,000,000,000, and are squandering at the rate of $5,000,000,000 or $6,000,000,000 or $7,000,000,000 this year, somebody ought to wake up. The American people should defeat for Congress all those who are voting for these great expenses of Government; those who propose all these bills that cost great sums of money and can be postponed until later; members and departments of Government that want to squander and wreck the Nation.

Oh, we should defeat this administration that has no sense of economy, all they know is squander, wreck, and bankruptcy. Be nifty and thrifty in fifty.

ATTACKS ON SECRETARY OF STATE DEAN ACHESON

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Mr. Speaker, Walter Lippmann, in his column of yesterday in the Washington Post, and other newspapers throughout the country, very truthfully set forth the fact that isolationists in Congress are the ones who are spearheading the attack on Secretary of State Dean Acheson.

Attacks on Secretary of State Dean Acheson and the State Department in the form of extravagant, unsupported, and outrageously untruthful charges are blowing up in the faces of the headline-hunting Member of the other body who, for some weeks past, has been claiming he will prove that there are Communists occupying high and important positions in the State Department. On March 23, in the House of Representatives, I stated there were 17,000 individuals employed in our Department of State. Furthermore, I stated the fact that Conrad E. Snow, Republican of New Hampshire, heads the State Department Loyalty and Security Review Board. Every old State Department employee has been screened for loyalty and every applicant for employment in the State Department, before employment is given him, has his loyalty thoroughly investigated. It is essential that the applicant be passed as being loyal to our institutions before employment is given. Who is Conrad E. Snow? Well, according to Senator STYLES BRIDGES, Republican of New Hampshire, Mr. Snow "is an able and vigilant defender of America against subversive influences." In addition, the top Loyalty Review Board of our Government is headed by Seth Richardson, a Republican of unquestioned loyalty and integrity, who was Assistant Attorney General under President Herbert Hoover.

The gentleman from Illinois [Mr. VELDE] referred to my statement as "utterly ridiculous and absurd." Well, he and other Republicans seek to make political capital of reckless charges that Communists occupy important Government positions and that foreign spies, meaning, of course, Soviet spies, have infiltrated into high Government circles in Washington. They should either fish or cut bait. They should either put up or shut up. They have only themselves to blame now that these reckless charges are blowing up in their faces. The senior Senator from Ohio is reported to have expressed it this way. "I told JOE MCCARTHY," he said, "to keep talking. I don't think he's got anything, but the longer he talks the more people will think he has something." These are the same tactics which were used by Adolf Hitler. In the New York Times of March 23 the senior Senator from Ohio is quoted as follows:

> Senator TAFT, chairman of the Senate Republican Policy Committee, announced that Senator MCCARTHY's party colleagues in the Senate were helping him in his fight. "Mr. MCCARTHY's charges in themselves," Mr. TAFT added, were "not a matter of party policy, and Senator MCCARTHY had not asked that they be made a policy matter. Nevertheless," said Senator TAFT, "Senator MCCARTHY was being supported and the reaction seems to be pretty good on the whole."
>
> This is the first open demonstration by the Republican hierarchy associating itself with Senator MCCARTHY since the investigation opened on March 8.
>
> Mr. TAFT told reporters that he personally had been urging Mr. MCCARTHY to press his prosecution "and if one case didn't work out to bring up another."

SALE OF ARMS TO ARABS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am happy to follow the distinguished gentleman from Ohio [Mr. YOUNG].

Mr. Speaker, I was privileged yesterday to be included in the delegation of some 35 Members of this body who conferred with Secretary of State Dean Acheson especially on the matter of the sale by Great Britain of arms to the Arabs. I wish to congratulate the distinguished genteman from New York [Mr. TAURIELLO] who arranged this historic conference on rendering a large and significant service to the State of Israel and on a masterly presentation. I also would congratulate our colleague who so well carries a name imbedded in our hearts, the gentleman from New York [Mr. ROOSEVELT], on a contribution which particularly impressed me. I was again struck forcibly by the similarity of the son to the father which seems to cover the reasoning processes as well as matters of manner and personality.

I left the office of the Secretary of State with a reassuring sense of how well, with what keen intelligence and with what complete understanding both of countries and of men, Dean Acheson in a perilous and complexly difficult period of international relations is measuring up to the stature of the greatest Secretaries of State in our history. I am sure that the country has long since reached that appraisement of him and that good and loyal Americans the country over pretty generally resent the petty, but vicious sniping of desperate politicians and frustrated souls as that which, whether so intended or merely resorted to with the same disregard for effect as for facts, constitutes the very lowest and most dangerous in subversive conduct.

HOSPITALIZATION FOR VETERANS

Mr. LYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LYLE. Mr. Speaker, on the morning of March 27 I received the following telegram:

Urgent and immediate hospital attention imperative for James Frank Allday, former seabee, 2 years' service South Pacific. Personal funds exhausted. Now home with last stages cancer lungs, liver, and kidney. Hospitalization at United States Navy hospital denied. Base chaplain suggested we contact you for urgent and immediate attention.

I went immediately to see the very able chairman of the Armed Services Committee, the Honorable CARL VINSON. As usual, and in his most gracious and kindly manner, he contacted the Navy and requested immediate attention. During the afternoon of March 27 I was informed by the Navy that they would receive Mr. Allday if I could secure Veterans' Administration certification that the case was urgent. This I did by telephone, and that same afternoon I was advised that Mr. Allday had been admitted to the Navy Hospital at Corpus Christi.

This morning, Mr. Speaker, I received the following telegram:

I regret to inform you that James Frank Allday died March 28, 1950, at United States Naval Hospital, Corpus Christi, Tex.

This man had served his country well in time of war, and having done so, was entitled to proper and adequate care in time of critical illness. Yet with one of the finest of hospitals 12 miles away, a hospital with hundreds of empty beds, he was, through administrative order, denied the care he so desperately needed.

Nor is this an isolated case. It is happening far too often as the results of efforts being made to show an economy that is false. I feel most deeply, Mr. Speaker, that this body will not long tolerate such an attitude.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a release.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. JENKINS addressed the House. His remarks appear in the Appendix.]

TAX EXEMPTION ON FUND-RAISING DINNERS

Mr. COMBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COMBS. Mr. Speaker, the remarks just made by my distinguished colleague, friend, and fellow member of the Committee on Ways and Means, the gentleman from Ohio [Mr. JENKINS] are based on a completely erroneous understanding of the facts.

He has just taken to task the national leadership of the Democratic Party and the Treasury Department in failing to pay excise taxes on the receipts obtained at the Jefferson-Jackson Day dinner held here in Washington a short time ago. And in that connection he has stated that the Republicans were charged excise taxes on the receipts they obtained at a Lincoln Day box supper held here in Washington on the evening of February 6, 1950. Some charges of a similar nature made by others have appeared in the public press in recent days. Since those charges appeared, an inquiry has been made to determine the true facts. My information is that the Treasury Department has not ruled that these fund-raising meetings of the kind mentioned are subject to the excise tax. Under existing law, the only tax that could be levied against the receipts of such a meeting would be under those provisions which tax cabarets. The 20-percent tax on the admission to the meeting held by our friends, the Republicans, to which the gentleman from Ohio refers were not paid as the result of any assessment by the Treasury Department but were turned in voluntarily. No doubt they are entitled to a refund unless they wish to consider these Republican fund-raising meetings a form of amusement. I would remind our Republican friends that their party held a $100-a-plate dinner in New York on June 24, 1949, that netted them $145,000, and a $50-a-plate dinner in Newark, N. J., on January 20, 1950, which netted them $75,000. This information was obtained from the New York Herald Tribune of January 31, 1950, and the New York Times of February 21, 1950. Inquiry at the Treasury Department reveals that no report has been made and no excise taxes paid on these $100-a-plate and $50-a-plate Republican dinners.

Now if the gentleman from Ohio is suggesting that the receipts of these fund-raising dinners should be subject to tax that is another matter. Perhaps they should be. But the fact remains that when the Republicans framed and passed the Knutson tax bill in the Eightieth Congress they did not see fit to tax them. And, as a consequence, they are tax-free under existing law.

I insert below a statement in more detail than I can give in the brief time allotted me under the rules.

A Lincoln Day box supper was held the evening of February 6, 1950, in the Uline Arena in Washington, D. C. It was sponsored and managed by the League of Republican Women of the District of Columbia, in cooperation with the Republican membership of the House of Representatives.

A charge was made for admission of $1 plus 20 percent Federal tax. A box-lunch supper was supplied at an additional charge of $1 to many of those present.

The program for the evening included, in addition to the supper, a period of music by Fred Waring's orchestra, and short speeches by the chairman of the Republican National Committee and a number of Members of the Congress. Dancing followed the speeches. The event was attended by 12,000 to 14,000 people.

Press reports of this event have suggested the question whether amounts collected in connection with it are subject to the admissions tax levied by section 1700 (a) of the Internal Revenue Code.

From the descriptions of the event appearing in the press, it would appear to have been essentially a dinner, followed by political addresses, and therefore neither an admissions tax nor a cabaret tax under section 1700 (e) of the code would be payable.

The following information relating to Republican events similar to the Jefferson-Jackson Day dinner has been obtained from the New York Herald Tribune of January 31, 1950, and the New York Times of February 21, 1950:

First. A $100 dinner was held in New York, N. Y., on June 14, 1949, netting $145,000;

Second. A $50 dinner was held at the Mosque Terrace, Newark, N. J., on January 28, 1950, netting $75,000;

Third. A fund-raising dinner was held at the National Republican Club, New York, N. Y., on February 11, 1950; and

Fourth. A $100 dinner has been planned to take place at New York, N. Y., on May 4, 1950, with the objective of raising $500,000.

Investigation reveals that no returns were filed or taxes paid on the $100 Republican dinner in New York on June 14, 1949, nor the $50 dinner in Newark on January 28, 1950. In paying no tax on the Jefferson-Jackson Day dinners, therefore, the Democrats are not only following the law, but also the example of our Republican friends on similar occasions.

HOSPITALIZATION FOR VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I know the House heard with profound regret the story told by the fine gentleman from Texas [Mr. LYLE] about the refusal of the Veterans' Administration to hospitalize a man who was dying of cancer. The gentleman has done the veterans and the Congress a service in bringing to the attention of the House this sad case.

I warn the House that it is very unwise economy to close the Army and Navy hospitals, to close the Veterans' Administration hospitals, and there will be many tragedies similar to this one if the House does not insist that the 7,800 persons to be eliminated from the Veterans' Administration are not put back on the rolls again to take care of disabled veterans. It is a very cruel thing for us not to take care of the men we sent to war.

THE TAX-REDUCTION BILL OF THE REPUBLICAN EIGHTIETH CONGRESS

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I have listened many times to Members of this body criticize the Republican Eightieth Congress for its tax-reduction bill. The reason back of this criticism has been hard for me to understand. Perhaps I have the answer, Mr. Speaker, in the United States individual income tax return Form 1040 for the year 1949, a copy of which I hold in my hand.

Under item 1 on the first page I find the following:

> Check below whether you or your wife were at the end of your taxable year 65 or over or blind.

This tells me that the aged people 65 or over now get double the exemption they received prior to the bill passed by the Republican Eightieth Congress. It also tells me that those who are blind now get double the exemption they received prior to the passage of the tax-reduction bill of the Republican Eightieth Congress. Do the critics of this tax-reduction bill want the blind taxed and the aged over 65 taxed? If they think the Republican Eightieth Congress was wrong, why do they not introduce a bill to restore the tax on the blind and the aged over 65?

Again, Mr. Speaker, I find on page 3 of this form, under "Tax computation," that the total income of husband and wife can be divided and thus place each in a lower bracket, thereby reducing their tax. In other words, this gives to those in non-community-property States the same privileges enjoyed previously by those in community-property States. Do I understand that the critics of the Republican Eightieth Congress tax-reduction bill wish to change this so everyone will not have the same advantage as those who live in a community-property State? If they do, why do they not introduce a bill to put it back?

Again, Mr. Speaker, I find on this form that the percentage of tax of each individual has been reduced. Do I understand the critics of the Republican Eightieth Congress want to raise this tax? If they do, why have they not introduced a bill to put it back where it was?

Again, Mr. Speaker, in going over this tax return form and from other information I have secured, I find approximately 7,000,000 poor people in the United States do not pay any income tax at all as a result of the law passed by the Republican Eightieth Congress. These people all paid income tax prior to that time. Do the critics of the work of the Republican Congress wish to place these poor people back on the tax rolls? If they do, why is not a bill introduced to accomplish that purpose?

Mr. Speaker, at the same time this was all accomplished by the Republican Eightieth Congress, the budget was balanced; a reduction in the national debt was accomplished and a surplus left in the Treasury. Do I understand that the critics of the Republican Eightieth Congress desire an unbalanced budget, a deficit in the Treasury, and nothing paid on the national debt? Apparently this is what these critics want from the number of bills introduced to increase Government spending.

POOR POTATOES

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I sent the following telegram this morning to the President at the Winter White House, Key West, Fla.:

> I am sending you a small potato of poor quality which is the only kind the American housewife is likely to receive if she has sufficient money to buy any potatoes. I hope this will be an additional reminder of the situation you have tolerated and are permitting to continue in violation of the best interests of the American people either as taxpayers or as consumers.
>
> JOHN W. HESELTON,
> *Member of Congress.*

THE TAKING OF THE CENSUS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I am receiving quite a number of letters from people residing in the agricultural sections of my district stating that they are very much against the idea of having to take time out in order to answer 300 questions in connection with the farm census that is soon to be taken. One man suggested to me that if they insist upon the farmers burning the midnight oil the census takers be equipped with a pair of overalls and work shoes so that they can go out and help the farmers with the hay, the crops, and everything else which the farmers have to do.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Mississippi.

Mr. RANKIN. Instead of making a Gestapo out of the Bureau of the Census its operations should be confined to counting the people of the United States just as the Constitution intended. When I was a member of that committee they undertook then to spread out and do a lot of work of this kind, but I bitterly opposed it.

Mr. EDWIN ARTHUR HALL. I agree with the gentleman. I think this is a pretty serious situation because it is going to take the farmers away from their work. Yes, it is going to make them burn the midnight oil when they should be devoting their time to producing the necessary foods of life for the people of the metropolitan areas of this country.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Pennsylvania.

Mr. RICH. While the farmers are answering all of these questions, why do they not take some of these people out to work on those farms?

Mr. EDWIN ARTHUR HALL. That is what I am proposing. The farmer needs help. His is a back-breaking job. Farm work is the hardest kind of work known to man.

The Government ought to leave the farmers alone. They have tough enough going even when they pursue their work under favorable conditions.

Are they trying through this census to collectivize the American farm? Will they use this census information to annoy and harass the family-size farmer, to push him around, to try to scare him and finally, to take away his independence?

If they are able to pry enough into his personal affairs, they will discourage his initiative, and make him a serf. The greatness of American agriculture will be thrown out the window thereby and we will be following the pattern behind the iron curtain.

SPECIAL ORDER GRANTED

Mr. PICKETT asked and was given permission to address the House today for 20 minutes, following the legislative

program and any special orders heretofore entered.

THE CRAB-CANNING INDUSTRY

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. Mr. Speaker, on the floor of the House the other day I stated that the Russians have opened a new offensive. This new offensive is not against Greece. It is not against Italy. It is not against Poland. This new Russian offensive is directed against the industries and the working people of the United States.

Mr. Speaker, the Soviet Union during the past month shipped into this country 59,000 cases of Russian canned crab. That crab was delivered here to be sold in competition with the products that we of the United States produce. One large cannery in my district has already closed its plant and has notified its workers that it can no longer operate in competition with the slave labor that the Russians employ in the catching and packing of crab.

Russia, I am informed, now has on hand about 450,000 cases of this crab meat. If that crab is shipped into the United States, which undoubtedly it will be unless the State Department acts to prohibit its entry, we will see the crab-canning industry of our Pacific and Atlantic coasts go out of business, canneries close, and thousands of our crab-fishing boats go on the beaches.

Since I first called the attention of the House to these imports of Russian canned crab I have received a score of resolutions of protest from chambers of commerce, city councils, labor unions, service clubs, and veterans' posts.

They and I are of the opinion that we should not be permitting Russia to sell her goods in the United States and thereby strengthen her economy at the expense of American industry and American workers. This is particularly true now at this time when we are being called upon to appropriate billions to prevent Russia from further aggressions in Europe.

It is folly to spend billions to prevent Russian aggressions in Europe and at the same time open our markets to invasion by Soviet Union goods produced with slave labor.

HOSPITAL FACILITIES FOR VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, as chairman of the Committee on Veterans' Affairs, I want to assure the House and the country that I am doing everything to see that hospital facilities are provided to take care of our disabled veterans.

You will remember that an executive order was issued some time ago stopping the construction of hospital facilities that would have provided 16,000 beds. We have a bill pending to restore these facilities, which the Congress has already appropriated for. I am to be recognized on April 24 to bring this bill up under what we call "skip the Rules Committee rule" in order that we may take care of such situations as was described a few moments ago by the distinguished gentleman from Texas [Mr. LYLE]. That is not the only case of its kind. Many such cases have occurred throughout the country.

I want to again assure the Congress and the American people that, so far as I am individually concerned, as chairman of that committee, I will do everything I can to see that hospital facilities are provided.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Louisiana.

Mr. BROOKS. When the hospitals are built, can the gentleman say whether or not we will be able to get nurses and doctors sufficient to staff them? At one time we had a hospital we could not properly staff.

Mr. RANKIN. Yes, I think we will. The fact of the matter is, the hospital facilities are more important than too many doctors.

VETERANS' FACILITIES

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Speaker, the gentleman from Mississippi has just mentioned a bill he is going to present to the House to provide an additional 16,000 beds for the Veterans' Administration. I would like to call the attention of the gentlemen from Mississippi, and any other gentlemen interested, to the fact that a report has come to me from my own district in California that a Navy hospital is being closed in Los Angeles County and taken over by the VA, and that it is intended to move the facilities now located at Birmingham Hospital, in my district, lock, stock, and barrel, into this ex-Navy facility in another congressional district in California. I am very strong for military hospitals being used for veterans' purposes, but it seems to me it would be utterly ridiculous and fantastic to close existing facilities which are now being occupied by the Veterans' Administration and moving the personnel and patients, lock, stock, and barrel, to another site when there is a vast need for additional beds to take care of our veterans in the United States. It seems to me to be wholly without reason.

EXTENSION OF REMARKS

Mr. ALLEN of Illinois asked and was given permission to extend his remarks and include an editorial regarding his late colleague, Mr. Church.

Mr. MASON asked and was given permission to extend his remarks and include an open letter to the Secretary of Agriculture and an article by Raymond Moley.

Mr. WILLIAM L. PFEIFFER asked and was given permission to extend his remarks and include a resolution of the New York State Legislature.

Mr. VAN ZANDT asked and was given permission to extend his remarks and include an editorial from the Altoona (Pa.) Mirror.

Mr. SADLAK asked and was given permission to extend his remarks and include some excerpts.

Mr. FENTON asked and was given permission to extend his remarks and include an editorial.

Mr. CANFIELD asked and was given permission to extend his remarks in three instances and in each to include an editorial.

Mr. ANGELL asked and was given permission to revise and extend the remarks he expects to make in Committee of the Whole today and include extraneous matter.

Mr. RAMSAY asked and was given permission to extend his remarks and include a letter from Hon. Andrew V. Ruckman, director of veterans' education and training, State of West Virginia.

Mr. DOLLINGER asked and was given permission to extend his remarks and include a newspaper article.

Mr. KEOGH asked and was given permission to extend his remarks and include an editorial from the New York Times.

Mr. PRICE asked and was given permission to extend his remarks and to include an editorial.

Mr. HAYS of Ohio asked and was given permission to extend his remarks in two instances and in each to include extraneous material.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks and include an article by Thomas L. Stokes.

Mr. BARTLETT asked and was given permission to extend his remarks and include an editorial.

Mr. FISHER asked and was given permission to extend his remarks.

Mr. GRANAHAN asked and was given permission to extend his remarks and include an editorial from the Philadelphia Evening Post.

Mr. LUCAS asked and was given permission to extend his remarks and include an editorial.

Mr. BROOKS asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. CANNON asked and was given permission to extend his remarks and include an address by Claude Wickard in Chicago recently.

Mr. HOPE asked and was given permission to extend his remarks and include extraneous matter.

Mr. REES asked and was given permission to extend his remarks and include extraneous matter.

Mr. LEFEVRE asked and was given permission to extend his remarks and include a newspaper article.

Mr. LARCADE asked and was given permission to extend his remarks.

Mr. CHESNEY asked and was given permission to extend his remarks and include an article from the Chicago Daily News.

Mr. MADDEN asked and was given permission to extend his remarks and include excerpts and an editorial.

Mr. BIEMILLER asked and was given permission to extend his remarks and include newspaper articles.

Mr. MERROW asked and was given permission to extend his remarks and include an editorial.

Mr. ROONEY asked and was given permission to extend his remarks and include an address delivered by Hon. John Cashmore, president of the Borough of Brooklyn, on March 17, 1950.

CALL OF THE HOUSE

Mr. CANFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 121]

Barden	Holifield	Reed, N. Y.
Baring	Jackson, Wash.	Ribicoff
Bennett, Mich.	Jennings	Rivers
Blatnick	King	Sabath
Bonner	Kruse	Sadowski
Boykin	Kunkel	Sasscer
Buckley, Ill.	McCormack	Shelley
Bulwinkle	Miles	Smathers
Burdick	Monroney	Smith, Ohio
Carroll	Morrison	Smith, Va.
Crawford	Murphy	Staggers
Dawson	Nicholson	Stanley
Douglas	Nixon	Werdel
Fellows	Norton	Wheeler
Gilmer	Patman	Whitaker
Grant	Phillips, Calif.	Wilson, Okla.
Harrison	Plumley	Withrow
Hébert	Powell	Wolcott
Hoffman, Ill.	Rains	Woodhouse

The SPEAKER. On this roll call 374 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HON. FRANCES P. BOLTON AND HON. CHARLES A. EATON

Mr. KEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. KEE. Mr. Speaker, I want to associate myself with the distinguished gentleman from Massachusetts [Mr. MARTIN], former Speaker of the House, in felicitating two of our beloved and distinguished members of the Committee on Foreign Affairs, the gentleman from New Jersey, Dr. EATON, and the gentlewoman from Ohio [Mrs. BOLTON], on the fact that each of them are today celebrating another birthday.

Dr. EATON is former chairman of the Committee on Foreign Affairs and is the oldest member of the committee in point of service. Mrs. BOLTON also ranks high in point of service on the committee. Both rank extremely high in the hearts of all the members of the committee.

I congratulate each of them and wish for them many returns of the day and many years of happiness.

FOREIGN ECONOMIC ASSISTANCE

Mr. KEE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7797) to provide foreign economic assistance.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7797, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. On yesterday when the Committee rose there was pending an amendment offered by the gentleman from Texas [Mr. BURLESON]. Without objection, the Clerk will again read the amendment offered by the gentleman from Texas.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BURLESON: Page 8, line 13, insert after the word "sum" the following: "a. Not less than $750,000,000 shall be available solely for the procurement of agricultural commodities and products thereof produced in the United States, its Territories and possessions: *Provided*, That no part of such funds shall be available for the procurement of any agricultural commodity or product thereof in the United States, its Territories and possessions, with respect to which the Secretary of Agriculture determines that the supply thereof is inadequate to meet the needs of American consumers: *And provided further*, That this subsection shall not prohibit the authorization of any such funds for the procurement of canned agricultural products acquired by the United States in connection with the program for the control and eradication of foot-and-mouth disease conducted pursuant to the provisions of Public Law 8, Eightieth Congress, and b."

Mr. BURLESON. Mr. Chairman, I ask unanimous consent that in line 1 of my amendment the figure "$750,000,000" be changed to "$1,000,000,000."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Chairman, the amendment I offer has the effect of the Vorys plan, but removes objections voiced by many who are concerned with keeping trade under ECA procurement in private trade channels.

By rejecting the Vorys plan for procurement by the ECA directly from the Commodity Credit Corporation, the committee has placed the responsibility where it belongs.

This amendment earmarks $1,000,000,000 for the purchase of food in this country. The question will, of course, be raised that in case there is a shortage of any particular commodity ECA will be prohibited from going outside the United States to satisfy their needs. Picking up some continuity from yesterday's discussion, let me remind you that the estimate of agricultural products needs for ECA-participating nations amounts to $1,645,000,000, and that it is estimated that approximately $1,123,000,000 will be spent for that purpose in the United States.

Incidentally, if that is the policy of ECA, let us help them carry out their intentions by definitely stating it in the act. If, however, there should be a shortage in any particular commodity and the Secretary of Agriculture determines that the supply of such commodities is inadequate to meet the needs of American consumers, then ECA will have approximately $150,000,000 with which to procure such commodities outside the United States. In addition to this sum there is another approximate $300,000,000 reserved in ECA estimates for such purpose, making a total of about $450,000,000. So you see, this requirement only earmarks about half the sum for procurement of agricultural commodities in the United States. Past performances indicate that about one-third of food purchases have been made outside the United States.

I call your attention again to the fact that the Secretary of Agriculture must determine that agricultural commodities in the United States are in adequate supply before funds made available are used for this purpose. This protects the American consumer and keeps the operation within private trade channels in the interest of private enterprise.

One other feature of my amendment will permit the purchase by ECA of the canned meat now held by the United States Government in Mexico as a result of the hoof-and-mouth-disease program, the value of which is estimated to be $60,000,000. That is no small item and, as far as I know, there has been no plan devised for the disposal of this canned meat, and aside from the fact that $60,000,000 is no small item, this meat is a wholesome and healthy product, and those of you who have eaten some of it, and I know there are several who have, can testify to the fact.

Mr. Chairman, there is one other excellent reason why this amendment should be adopted. I have some hesitancy in bringing up the subject, but I think it fundamental. This has to do with the British policy of blocking American participation in trade with the sterling areas. In this morning's Post is an article describing a further advance of the British policy of excluding American products from the sterling areas, which policy has already been applied in a stringent fashion to petroleum products. I do not wish to say anything here which would give reason to believe that I favor raising any trade barriers or that I am an advocate of bilateral trade agreements. That is a thing which we are trying to break down all over the world, but as a modest precaution and in the interest of American business and American agriculture, we

are justified in making this overture to guarantee that the American taxpayer is not out his cold dollars without at least some chance to participate in returns. Someone will tell me that this program is for the recovery of Europe and not designed to aid American business. Conceding that to be the primary aim, and conceding that the benefits to this country and the Western World are not to be measured in dollars and cents against anyone's pocketbook, and that it is the purpose to stem the tide of Russian influence, there is no voice of conscience which suggests to me that we should not apply a little common sense as we go along the way.

The question will be raised, as it was yesterday in connection with the Vorys plan, that we are dumping surpluses in Europe and that the Commies and their sympathizers will use it as an instrument of propaganda. Well, it occurs to me that it is a poor argument for the Communists to point to America and say, "Here is a decadent capitalistic system which is able to overproduce and supply the needy nations of western Europe."

Mr. Chairman, I hope those who originally supported the Vorys plan, including the gentleman from Ohio himself, and those who have a concern that his plan placed the responsibility upon the Commodity Credit Corporation to support the ECA program out of its own appropriation, and who were concerned with removing transaction from private trade channels, will join in supporting this amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TEAGUE. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKETT. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Texas.

Mr. PICKETT. I have always had such high regard for the gentleman's judgment and ability as a legislator that even his offering of the amendment would probably insure my support, but certainly the lucid explanation he has offered and the argument he has made in behalf of it are most convincing. I shall support the gentleman's amendment.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Louisiana.

Mr. BROOKS. ECA tells me that last year there was purchased by ECA-receiving countries 6,000,000 bales of American cotton. Can the gentleman tell me whether that will increase the purchase of American cotton by ECA-receiving countries, and will help in that respect?

Mr. BURLESON. I do not know that it will increase the purchase of cotton, but it will have the effect of discouraging their going into Egypt and buying cotton which should be purchased in this country.

Mr. BROOKS. The gentleman does not believe it will reduce the sale of American cotton below the 6,000,000 bales?

Mr. BURLESON. I cannot answer definitely as to the figure of 6,000,000 bales, but I will say that it will not reduce their spending for cotton in this country, but on the contrary it should increase it.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. MURRAY of Wisconsin. Does the gentleman know any reason why ECA cannot purchase Mexican meat now if they want to?

Mr. BURLESON. I certainly do not.

Mr. MURRAY of Wisconsin. The gentleman does not know any reason why they have not?

Mr. BURLESON. They have not, we know that. I see no reason why they should not take it. We cannot do anything else with it. We cannot bring it into this country. We cannot do anything but dispose of it by this method. It is not a product with which there is anything wrong at all. It is healthy and it is good. I have eaten some of it.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. SMITH of Wisconsin. Will my colleague comment on the charge that ECA makes against his amendment? I am now quoting directly:

> The amendment is undesirable because it would constitute the first departure from the sound principle that ECA appropriations should not be earmarked for particular commodities to promote the interest of a special group of producers.

Mr. BURLESON. The gentleman will recall that such objections have been raised in previous considerations of this subject. The same argument has been made against it. Immediately after the war our agricultural surpluses were depleted; in fact, we did not have a surplus. However, today we have surpluses and we have an investment in those surpluses. There is no reason why some safeguards should not be placed around the activities of ECA in procuring their requirements.

Mr. WORLEY. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Texas.

Mr. WORLEY. Let me first commend the gentleman on the soundness of his amendment.

Mr. BURLESON. May I say to the gentleman that I want to give him credit at this point for having offered an amendment last year which would take care of the canned meat in Mexico owned by this Government.

Mr. WORLEY. The House nearly adopted the amendment last year. Of course, it never made sense to me that with Great Britain, for example, having a fresh-meat ration of 4 or 5 ounces per person per week, and the United States getting at least $60,000,000 worth of good canned beef, the ECA would not and will not transfer that to those people over there. I think the gentleman's amendment would eliminate that difficulty.

Mr. BURLESON. I thank the gentleman very much for his contribution.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. I want to compliment the gentleman on offering this amendment, and assure him that I will support it.

Mr. BURLESON. I thank the gentleman very much.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The gentleman's amendment will actually divide into two parts the fund we are setting aside, because it would put $750,000,000 aside solely for agricultural products.

Mr. BURLESON. One billion dollars. I have changed it.

Mr. FULTON. The gentleman has changed his amendment to $1,000,000,000 from the figure it was yesterday of $750,000,000?

Mr. BURLESON. Yes. I reduced it yesterday with the thought that it might conform better to the cut that was made, but I have decided that it can stand at $1,000,000,000, and there will still remain enough elasticity and enough leeway which will permit ECA to go outside the United States to make its purchases if it should find that it would create a shortage in this country which would cause prices to rise, and which would, of course, place a greater burden on the consumer.

Mr. FULTON. Have you considered that if you separate this fund into two amounts, such as you are doing, there will be administrative costs added?

Mr. BURLESON. I doubt that.

Mr. FULTON. What would you estimate that additional administrative cost would be?

Mr. BURLESON. I doubt if there would be one additional penny more of administrative cost. They are doing the same thing, as you well know, in the purchase of supplies in the various categories. I do not think it would affect it at all. I know that in the ECA sheet, which they have sent up criticizing this amendment, they point up this feature in an effort to influence the action of this Congress.

Mr. FULTON. Will the gentleman answer this question: If the gentleman is willing to set aside a certain portion of this fund so that it shall be earmarked solely, let us say, for agricultural products, are you then willing to have amendments come in and set the rest of the ECA money aside for various products, such as industry products, or fabricated-steel products?

Mr. BURLESON. Of course the gentleman knows that only agricultural commodities are under price supports. If I may say so, and I do not mean to be facetious at all, you know this middle aisle was created, as I understand it, because people on either side of the aisle at one time were divided because of the tariff question. Of course the manufacturers up in Pittsburgh and in your district have been protected for 75 years by the tariff. Today we have support prices on agricultural products. At one time there may have been some reason

for the middle aisle, but I do not know why we have it today, except to receive messages from the President and from the other body.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MULTER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. MULTER. I notice in the gentleman's proposed amendment reference is made to the Aftosa program for controlling hoof-and-mouth disease, and you ask that the purchase of canned beef be included in the products to be purchased under this program.

I believe the gentleman is probably aware that in addition to the canned agricultural products, in order to keep this program moving, the Department of Agriculture must also now buy frozen beef and other products which are not canned. Would you have any objection to striking out of your amendment the word "canned" so that it would simply provide as follows:

Provided, further, That this subsection shall not prohibit the authorization of any such funds for the procurement of agricultural products acquired by the United States in connection with the program for the control and eradication of foot-and-mouth disease.

Mr. BURLESON. Mr. Chairman, I yield to the gentleman from Texas [Mr. WORLEY] who is an expert on the subject.

Mr. WORLEY. The gentleman is greatly mistaken. There is no compulsion on the Department of Agriculture to buy frozen beef.

Mr. MULTER. No, there is not.

Mr. WORLEY. As a matter of fact, there is no compulsion on the part of the Department to buy canned beef.

Mr. MULTER. That is right.

Mr. WORLEY. They very simply go in and in order to alleviate the pressure down there, and in order to sell the product, they have canned it, they have gone in and helped to build these plants to can the meat, but there is no compulsion on them to buy frozen beef.

Mr. MULTER. Then you do not think it would be necessary?

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. COOLEY. There is no reason for the word "canned" in the amendment. After all, if you strike the word "canned" out, if by chance we do own some frozen meat, it could all be treated alike.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. POAGE. I am satisfied with the necessity of putting it in because we now own sixty to eighty million dollars' worth of canned beef. We do not own anything other than canned beef. If we do not put the word "canned" in, there are agencies of the Government who would engage in a little chicanery and buy a lot of fresh meat in the Argentine or Australia, or anywhere else, and if we do not put the word "canned" in there, the minute the Government comes in possession of this meat, it is subject to the ECA.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. RABAUT. I do not want to enter into any controversy about this proposition, but in the Committee on Appropriations we allow, I believe $36,000,000 a year for fighting the hoof-and-mouth disease below the Mexican border. In Mexico, in a certain area south of the line, the disease has been eliminated.

Mr. POAGE. In some sections they never had any disease.

Mr. RABAUT. Whether they had it or not, we are trying to drive it back further as a matter of protection, so that it will be removed from the border. The meat that is produced in the area where there is no hoof-and-mouth disease is not permitted to be imported into the United States?

Mr. POAGE. That is right.

Mr. RABAUT. What happens to that meat?

Mr. POAGE. That meat has been canned. That is this canned meat that we are talking about.

Mr. RABAUT. Are we canning it every day?

Mr. POAGE. We are still canning it.

Mr. RABAUT. We are still buying it?

Mr. POAGE. We are still buying it and we are still canning it. We are piling it up there, and under the present program ECA is not taking it, and it is simply stacked up there. We do not want this amendment to prohibit ECA from buying it.

Mr. RABAUT. If they are going to use meat, why could they not use the fresh meat and avoid the process of canning it?

Mr. POAGE. Because they never shipped fresh meat from Mexico to Europe in any quantities. That never was done because it was not economical, and it is not economical today.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. COOLEY. Is the gentleman certain that we do not own any frozen meat in Mexico?

Mr. POAGE. No. I did not make any such statement. But I am saying that if we were to put this limit on, then we might acquire a lot of frozen or fresh meat.

Mr. COOLEY. But I am wondering if by putting the word "canned" in here it might not force them to put it into cans when it could just as well be shipped under refrigeration or frozen.

Mr. POAGE. Well, they never ship frozen meat from Mexico, anyway.

Mr. COOLEY. Does the gentleman know that within recent weeks ECA has just acquired 4,000 tons of frozen meat in Tampico, and that they now have 2,000 more tons that they intend to acquire in Mexico, in frozen form, to the exclusion of the $60,000,000 worth of canned meat that they have there?

Mr. POAGE. No, but I am delighted to know they have taken meat of some kind out of Mexico.

Mr. BURLESON. I doubt if Mexico has the equipment; they do not have the refrigeration to take care of that situation.

Mr. COOLEY. But our officials have been encouraging the building of frozen plants in Mexico, in both the south and the north areas.

Mr. BURLESON. I think they would need a great deal more equipment than they have to take care of any appreciable volume.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. RABAUT. I want to ask this question now: If we are going to permit the purchase of this beef, and if that is the intention of the gentleman's amendment, I see no reason why we should not permit the purchase of frozen meat in Mexico, rather than putting it through the process of canning and having that added to the expense of the product.

Mr. BURLESON. I will say to my colleague that I doubt if they are equipped for such an operation.

Mr. RABAUT. No one will purchase it if it is not correctly processed.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BURLESON] has again expired.

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. JAVITS. Will the gentleman point out where, aside from the earmarking of a billion dollars for the purpose, his amendment differs from section 112 (b) of the law which is now in effect? I may say that provides that the Administrator shall authorize procurement of any such surplus agricultural commodity only in the United States.

Mr. BURLESON. He may do so. This amendment earmarks $1,000,000,000 which the ECA administrator must use in this country for agricultural commodities if he spends it at all.

Mr. JAVITS. And that is the only difference, really?

Mr. BURLESON. That is the only difference, really, except the precautions placed around it and the utilization of canned meat in Mexico.

Mr. JAVITS. In other words, it is substantially what is in the law today, except you say that he must do it to the tune of $1,000,000,000?

Mr. BURLESON. Yes.

Mr. JAVITS. Has the gentleman checked to see whether they are going to spend less or more than the $1,000,000,000 for items which are marked in surplus?

Mr. BURLESON. The gentleman has made a good point in favor of my amendment, because there is in ECA requirements an estimate of $1,300,000,000 to be spent in the United States. So that, taken together with the spread which they originally reserved, which is the sum of $300,000,000, added to the $150,000,000 would give them $450,000,000 which could be used outside the United States.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BURLESON] has again expired.

Mr. KEE. Mr. Chairman, there are many ways in which legislation can be murdered, many ways in which it can be made ineffective, many ways in which it can be so modified and changed as to destroy its usefulness and its purpose. One of the ways is to load it down with amendments each of which destroys some part of its purpose until finally 90 percent of the legislation becomes ineffective. This is one of those destroying amendments. It is an amendment that is not necessary in the first place; it is not necessary because of the fact that under the legislation as it now stands, that is, under the original act creating the ECA, the Administrator has been purchasing for the past 2 years food and agricultural commodities in the United States to an extent far beyond the amount that he would be required to purchase under this amendment. He has been purchasing and will continue to purchase these commodities. Let me give you a few figures on procurement by the ECA from April 2, 1948, to December 31, 1949. Out of a procurement authorization amounting to $8,200,000,000, the sum of $3,600,000,000 was for food and agricultural commodities; and of this amount $2,657,000,000 was spent by the administrator in the United States.

In the fiscal year 1949 from July 1, 1948, to June 30, 1949, the ECA procured in the United States $1,693,000,000 in food and agricultural products. In the fiscal year 1950, from July 1, 1949, to February 28, 1950, ECA has so far procured in food and agricultural products $886,000,000 and will have procured over a billion dollars' worth before the end of the present fiscal year.

Why are they procuring all this food and agricultural commodities in the United States? In the first place, the present law requires that the purchases be so made. That is the reason I say that this amendment is unnecessary. Section 112, subsection (d) of the original ECA Act starts with a definition of the term "surplus agricultural commodities." It states:

The term "surplus agricultural commodities" as used in this section is defined as any agricultural commodity or product thereof or class, type, or specification thereof produced in the United States which is determined by the Secretary of Agriculture to be in excess of the domestic requirements.

Immediately following, in the next sentence, we find this language:

In providing for the procurement of any such surplus agricultural commodity for transfer by grant to any participating country in accordance with the requirements of such country the Administrator shall insofar as practical and where it is in furtherance of the purposes of this title give effect to the following.

The Administrator shall authorize the procurement of any such surplus agricultural commodity only within the United States.

Mr. Chairman, that is a provision already in the act. So why tie it up with a specific requirement through this amendment earmarking $1,000,000,000 for expenditure for food in the United States and making it necessary to rearrange bookkeeping operations and the administration of this fund so as to meet a requirement which is now in the law?

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. LODGE. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Connecticut.

Mr. LODGE. Mr. Chairman, I would like to point out, in connection with the colloquy between the gentleman from Texas [Mr. BURLESON] and the gentleman from New York [Mr. JAVITS], that the actual amount which has been earmarked by ECA for domestic purchases is not $1,395,500,000 but is $1,122,900,000; that $272,000,000 is for offshore purchases; consequently, if the amendment is agreed to, it means there is only a slack of about $122,000,000 to play with on this matter, which I do not believe is adequate, and I do not believe we should burden the ECA with such a requirement.

Section 112 (a) to which I believe our distinguished chairman referred in the first part of his statement provides pretty much the same thing that the Burleson amendment provides for, insofar as minimizing the drain upon the resources of the United States is concerned. So it would seem to me for those reasons, as well as for the reasons advanced by our distinguished chairman, this amendment should be defeated.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Texas.

Mr. BURLESON. I think the gentleman is juggling figures here rather fast. Yesterday the gentleman made reference to the requirement of $1,122,000,000 when, as a matter of fact, the figure is $1,620,000,000. The estimated purchases within the United States are $1,322,000,000, which leaves approximately $300,000,000 that can be used for purchases outside the United States. Then the leeway that is offered in my amendment also leaves an extra $150,000,000 which, added to the $300,000,000 elasticity also reserved by the ECA, makes a total of $450,000,000 that can be used for purchases outside the United States.

Mr. LODGE. May I point out to the gentleman from Texas that in our report it is stated:

The Economic Cooperation Administration estimates that agricultural imports from all dollar sources financed by program funds during the fiscal year 1951 will total $1,395,500,000. Of this amount the major portion—about $1,122,900,000 worth—will be procured from the United States according to present estimates.

I have no knowledge of the figures which the distinguished gentleman from Texas has given us.

Mr. KEE. The gentleman from Connecticut is absolutely correct. That is the estimate by the ECA. I believe that everyone who knows anything about the operation of the ECA under the distinguished Administrator, Paul Hoffman, knows that his estimates are always followed by deeds. He has never yet made an estimate and said he was going to do something that he has not done to the fullest extent. He has lived up to his pledges in every way.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Louisiana.

Mr. BROOKS. The distinguished gentleman uses the figure $886,000,000 as being the figure for the expenditures to date for the fiscal year 1950 for agricultural products. Could the gentleman tell us what portion of that was spent for agricultural products in the United States, and what portion was spent otherwise?

Mr. KEE. That was spent for food and agricultural products in the United States to date. I am advised by the ECA that it will go beyond $1,000,000,000.

Mr. BROOKS. Does the gentleman have the figures for the amount spent outside of the United States?

Mr. KEE. I do not have those figures.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Arkansas.

Mr. GATHINGS. I just want to get this straight. I understood the gentleman to say there was $1,693,000,000 procured in food and agricultural commodities in the United States in fiscal 1949; am I right in that? That includes food, commencing on the first day of July 1948, concluding the 30th day of June 1949.

Mr. KEE. That figure is April 2, 1948, to December 1949.

Mr. GATHINGS. I took these figures down and I just wanted to be sure now that I have the right figures.

Mr. KEE. Would the gentleman read them again?

Mr. GATHINGS. One billion six hundred and ninety-three million dollars.

Mr. KEE. I think that is substantially correct, according to my figures.

Mr. GATHINGS. For fiscal 1949?

Mr. KEE. Yes.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. KEE. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Connecticut.

Mr. LODGE. I would just like to point out, Mr. Chairman, that if this cut which we made yesterday goes into final operation, certainly agricultural commodities should take their share of the cut. The basic purpose of this program is a recovery program and not a relief program, and to have a leeway of only $122,000,000 in a program which has been already cut, out of which agriculture must bear its just share, seems to me not in the best interest of the program.

Mr. KEE. Mr. Chairman, I will say to the gentleman and to the other members of the committee that I came to this floor this morning expecting to meet an amendment reducing the figure to $750,000,000 from the $1,000,000,000 originally proposed to be tied up. That was the amendment that the gentleman offered yesterday. He had $1,000,000,000 to start with, and when this committee on yesterday cut $250,000,000 out of the authorization, he took it out of his amendment. This morning I find he put the $250,000,000 back in his amendment, again raising it up to $1,000,000,000. Gentlemen, I think this amendment is unnecessary; I think it is crippling. I think we should permit the ECA to go on in the orderly manner that it has conducted its program from the beginning, and I feel sure that everybody will be satisfied. I hope the amendment will be defeated.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from New York.

Mr. JAVITS. Does not the gentleman feel that the amendment, too, has a defect in being discriminatory in favor of agriculture and against everything else which ECA buys?

Mr. KEE. We will have the fruit men, the machine-tool men, and the manufacturers of farm implements all coming in and saying, "You must earmark a certain amount of money for our product." We have been fighting that ever since ECA was established.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Texas.

Mr. BURLESON. The figure of $122,000,000, which the gentleman from Connecticut has given us, applies to the requirements of ECA for commodities now held in surplus by the Commodity Credit Corporation. It does not have anything to do with the over-all requirements in this country.

Mr. LODGE. Mr. Chairman, if the gentleman will yield, that is not what the language says.

Mr. BURLESON. Look at page 39.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Kansas.

Mr. HOPE. Just on that point, for instance the estimate from which the gentleman from Connecticut is quoting does not include tobacco, which is an important agricultural commodity, which has been purchased in large quantities and which is included in the total cited by the gentleman from Texas, but not in the total cited by the gentleman from Connecticut, because it is not held in surplus by the Commodity Credit Corporation. That is your reconciliation of the figures.

Mr. FULTON. The gentleman from Kansas is right. The difference between the figures of the gentleman from Connecticut [Mr. LODGE] and the gentleman from Texas [Mr. BURLESON] is this: The gentleman from Connecticut is referring to products that are now held or are to be purchased, and the figure does not include the quarter of a billion dollars that is to go for tobacco. Tobacco is in a different category than the agricultural products we have been speaking of, so the figures over-all of each of you are correct with the variation pointed out.

The amendment offered by the gentleman from Texas [Mr. BURLESON] might well be called a farm program. If it is a farm program, the Members that are interested in the farmers in this country and in their welfare, certainly should not hang a farm program on as the tail to a world-recovery program.

Let me say this to the farmers of the House: If the Burleson amendment passes, you hang your farm program on this ECA bill and try to solve farm surplus problems within the framework of dumping abroad. As soon as dumping becomes unpopular, and if this program for European aid becomes unpopular and is terminated, so then will the farm program be terminated. You are hanging that program to the tail of a possibly unpopular dog at the present time.

I am saying that as one who is interested in the farmers, for I run a farm in my own district. I believe that you should keep your farm program under the Committee on Agriculture and its distinguished leader, the gentleman from North Carolina [Mr. COOLEY], and under the fine gentleman from Kansas [Mr. HOPE], on our side, and settle the policies of the farm program separately from the dumping abroad. Frame such programs for the benefit of the American farmer and the consumer, but perform this function under the Committee on Agriculture. Do not place these policies under a program that is entirely separate and depends on foreign affairs. If agricultural products are to be forced in this bill and $1,000,000,000 of the money is set aside solely for them, then along will come industrial products and want their little portion set aside. We will be compartmentizing the whole program and will make it so rigid that Mr. Hoffman cannot handle it for the benefit of the countries abroad and for the best protection of our national policy. Such dividing of the fund will mean extra expense and administrative cost to the ECA administration.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. WHITE of California. This is not requiring ECA to buy any particular products, it just says, "If you buy agricultural products, buy American." I certainly see no reason why anybody should object even to the manufacturing people of this country saying, "If you are going to buy something with the dollar the American taxpayer gives away, buy American."

Mr. FULTON. If the gentleman has read the act, he knows that the present law contains a general provision that Europe's actual needs for agricultural commodities in surplus in the United States can be financed by ECA only from United States sources. Already under section 112 (a) of existing law the Administrator must procure within the United States as I have just pointed out, but the Administrator when he procures within the United States must not impair the vital needs of our own people. These requirements are already in the act. The gentleman is entirely correct. Nobody would do that. But this amendment goes further, and it is undesirable because if by reason of existing or anticipated shortages in the United States the Secretary refuses to permit the procurement of a commodity needed in Europe, ECA cannot use any part of this money, that is, the billion dollars mentioned in the amendment offered by the gentleman from Texas, to purchase that commodity outside the United States.

Mr. KEE. Mr. Chairman, I would like to submit a unanimous-consent request to see if we cannot arrange to limit debate on this amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twenty-eight Members are present, a quorum.

Mr. KEE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 25 minutes.

Mr. H. CARL ANDERSEN. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

Mr. H. CARL ANDERSEN. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 25 minutes.

The CHAIRMAN. The question is on the motion. The question was taken; and on a division (demanded by Mr. H. CARL ANDERSEN) there were—ayes 61, noes 59.

Mr. H. CARL ANDERSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. H. CARL ANDERSEN and Mr. KEE.

The committee again divided; and the tellers reported there were—ayes 103, noes 108.

So the motion was rejected.

Mr. POAGE. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I do not want to go into an argument as to the exact figures on the sums which ECA has promised to spend, but I do want to direct attention to the fact that there is a definite promise on the part of both ECA and the Committee on Foreign Affairs that substantially more will be

spent on American agricultural commodities than this amendment requires.

May I call the attention of the House to the fact that the distinguished Chairman of the Committee on Foreign Affairs has just recently suggested that we should not adopt this amendment because, he said, it is not necessary. He said, "The ECA is going to spend this money in the United States anyhow"; yet the figures show that since we have had the ECA they have spent approximately one-third of all they have spent for agricultural products outside of the United States; they bought Canadian wheat at a time when we did not have storage facilities in the United States to take care of our own wheat. They have gone to the Argentine and bought Argentine beef while our Government had $60,000,000 or more invested in meat in Mexico.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. KEE. The figures I gave on the floor showed the amount of food and agricultural commodities that they bought within the United States.

Mr. POAGE. The figures the gentleman gave showed that they purchased $2,600,800,000 worth of food and agricultural products in the United States out of a total of $3,600,000,000 expended during that period of time. That shows, by the gentleman's own figures, that they spent about one-third of it outside of the United States. This is their past record. Right now, with devalued currencies all over Europe, the pressure to buy non-American food is stronger than ever.

However, it makes little difference whether they spent one-third of it or whether they spent 3 percent on non-American commodities. It is just plain common horse sense that your constituents would not have elected you if they had thought that you were going to spend Government money for other than American products where we have American products available, and especially where we have so much of the commodities that we are unable to provide storage facilities to take care of them. I do not come here as a special pleader for agriculture, not at all, but I believe in helping in a way in which it will do the most good to the greatest number. Is there anything un-Christian in trying to help your own at the same time you help foreigners by giving them the people's money? Is it any crime to say we are going to give help for Europe—and I am for it—but is there any crime in saying we should help the people of the United States at the same time when we place no burden on the European recipient of these gifts? I have never been able to understand the argument that our gifts to Europe would be appreciated only if these same gifts became a burden to the American taxpayer. Has not the chairman of the committee told us they are going to spend more money than we asked them to spend in the United States on agricultural commodities? They have not already said they would do it. Now, we are just asking them to tie themselves down, to do what they all say they will do. I do not know that you can make people honest by legislation, but in this case we only try to bind them to tell us the truth about three-quarters of the time; that is what we are asking. We are not asking them to tell us the truth 100 percent of the time; we are just asking Mr. Hoffman to tell us the truth 75 percent of the time. Is that an unreasonable proposition? Mr. Hoffman said he was going to spend this money in this country, was going to spend it for agricultural commodities in the United States. This amendment just asks them to do what they have already said they were going to do.

If that is their intention, why all this hullabaloo? Why this criticism and objection to saying in the law that they shall do what they promise to do? We are just asking them to keep their promises. Unfortunately, we have had promises made at other times that were not kept. We are just asking them to keep 75 percent of their promises; that is all we ask.

We are just asking that you do for your constituents what you as a citizen of your district would do if it were your own problem. If your neighbor's home burned tonight and you were in the average community of the United States, especially a rural community, the other neighbors would be making up something to take care of that destitute family the next morning. If my neighbors came to me on such a mission I would probably say, "Yes; I will make some contribution. You go down to the store where I have credit and you buy the things that are needed down there where I have credit." I do not think that my neighbor, whose home had burned, would feel that my contribution toward restoring his household goods was less worthy because I asked him to trade with a concern where I had credit rather than to have him pick out the concern he wanted to deal with and tell me to make arrangements to finance his need in a store of his choice. This is exactly the way you and I would handle this matter of aid to our neighbor if we were dealing with our own money. Why should we apply a different standard when we deal with the people's money? After all, what is wrong with the typical American approach to the problem of aid to an unfortunate neighbor, anyway?

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. H. CARL ANDERSEN. The gentleman and the House well know that in part of our appropriation bills we even spell out down to $10,000 and $25,000 items just what a certain agency shall or shall not do with the money. Now, what is so sacred about ECA that we cannot put a limitation or a maximum on their expenditures saying they must do this or that? Are they holier or more sacrosanct than anybody else concerned? What is wrong with that?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Chairman, in answer to the question asked by the gentleman from Minnesota, I can see no difference, I can see no reason why ECA should be more sacred or sacrosanct than the agencies which directly serve American citizens. The Department of Agriculture, the Commerce Department, the Labor Department, cannot employ a stenographer without budgeting the salary. They cannot make the smallest investment without including it in their budget. Yet when we come to giving away our money we say: "Oh, it would be wrong if this Government were to tell our European friends and neighbors where we have credit and ask them to go and make the purchases we are to finance in their behalf from those sources which we suggest."

Mr. H. CARL ANDERSEN. The gentleman well stated that there is nothing wrong whatsoever for us to do a little good for our own people at the same time we are helping out the foreigners. I agree with him, and I cannot see why the Committee on Foreign Relations fights an amendment here against which it really has no argument.

Mr. POAGE. I want to go a little further than the gentleman has suggested. Every Member of this House realizes—if they do not the people at home do—that unless we handle these magnificent gifts on the part of our Government in a manner that will enable the American people to continue to have a substantial income, the gifts are going to stop because of sheer inability on the part of the American people to provide funds.

Mr. THOMPSON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas.

Mr. THOMPSON. Does the gentleman remember that in the ECA bill it was written out in fairly simple language that 50 percent of the shipments shall be made in American vessels?

Mr. POAGE. Yes.

Mr. THOMPSON. Does the gentleman also remember that in last year's ECA bill it had to be spelled out in words of very simple spelling so that the ECA would know exactly what it could do and what it could not do and we had to repeat that in the arms-aid-to-Europe measure?

Mr. POAGE. That is exactly right.

Mr. THOMPSON. Is this not a parallel?

Mr. POAGE. It is an exact parallel. I fear it is not only a parallel as to the necessity of spelling out the conditions but that our experience in the past should make it clear that unless we do spell out these limitations, as the gentleman says, in words of very few letters, we may well find ECA following a very unexpected course.

The distinguished chairman of the committee assured us that we never had a promise made by ECA that had not been kept. I am not charging that anybody has misled us, but, unfortunately, I sometimes misunderstand. Last year,

through my inexperience and my inability to correctly understand the things that were promised us I got the impression that ECA was giving us some kind of assurance that as long as there were surplus commodities in the United States, and as long as they were needed elsewhere, all procurement of such commodities would be in the United States and not elsewhere. Surely if this was not promised it should have been. But the President's name was hardly dry on the bill, when they began to buy wheat from Canada while wheat was stacked on the ground in this country, I repeat, stacked on the ground, because we could not afford to build the storage space for it. But we put up the money to buy Canadian wheat when we could not afford the storage for our American wheat. It just does not make sense to me.

Mr. THOMPSON. After the Committee on the Merchant Marine brought out the amendment to which I referred a few moments ago, the ECA authorities told us they welcomed it, that now it was perfectly clear and that there could be no mistake in interpretation whatever. I recommend that this follow along the same line.

Mr. POAGE. I think it is necessary to make it perfectly clear. I am not condemning the ECA but since the misunderstanding has occurred, whether it is through my ignorance or through someone else's fault makes no difference, and inasmuch as a misunderstanding has occurred, it should be made clear. I had understood that we would buy American instead of Canadian wheat. Maybe they did not promise us that. But I understood it that way and most of the people understood it that way. If we pass this amendment, there may be less misunderstanding. Surely if we do not pass it, there is bound to be continued misunderstanding, although the chairman of the Foreign Affairs Committee has surely cleared away much possible misunderstanding with his unequivocal promise that more than a billion dollars will, in any event, be spent for American agricultural commodities.

Mr. COOLEY. When we provided the ECA with funds in an effort to protect our merchant marine, my recollection is that we required at least 50 percent of the goods to be shipped in American ships.

Mr. POAGE. That is right.

Mr. COOLEY. To that extent that is at least some precedent for what the gentleman is saying now.

Mr. POAGE. Oh, yes; there is perfect precedent for it, and every individual Member of this House has a precedent in his own personal business relations. There is not a man or lady in this House who is so ignorant of fundamental business relations as to follow a different policy in private life. Why follow a different one in public life?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it is well in this discussion to get certain fundamental facts in mind with respect to the operations of ECA. It has been said on the floor of this House today that the proposal advanced by the gentleman from Texas [Mr. BURLESON], contemplates a dumping on foreign shores of agricultural commodities. I have heard that statement made repeatedly as an argument against this amendment.

Now, the facts of the matter are very simple, it seems to me. ECA does not purchase agricultural commodities or anything else. ECA is given, under this proposal, merely $3,000,000,000 of money under which they extend dollar credits to the ECA countries, and the ECA countries purchase here or in the rest of the world the products that they themselves designate and need for their economy, and no agricultural products or no industrial products will be purchased with dollar credits thus made available to foreign countries unless those ECA countries need the agricultural products or the industrial products.

With that clearly in mind, if there is anybody on the House Committee on Foreign Affairs that disagrees with that fundamental statement or if it is not accurate, I would like to have them get up and say so right now so that we can clarify the situation. No one has arisen, therefore I assume that I have made a correct basic statement as to the operations of ECA.

Now then, if France or Britain or any other ECA country needs agricultural products, they specify their demands to ECA and ask ECA for dollars with which to buy those agricultural products, and the control that ECA has over the situation is to say to those countries, "You are asking to buy wheat, you are asking to buy cotton, and so forth. We are going to examine those requests carefully, and if we feel you need those items in connection with the upbuilding of your economy," we have the authority and responsibility to either give or to withhold the dollar credits. Thus ECA may exercise control over the purchases.

It is said that those ECA countries have built up requests for agricultural products which will total greatly in excess of $1,000,000,000 that are to be purchased with American money in the fiscal year 1951. Now then, what does that mean? That means that these foreign countries have said to ECA, "We need this amount of tobacco; we need this amount of cotton; we need this amount of wheat" and so on down the line, "will you give us the dollar credits with which to buy them?" And ECA may say "Yes," or it may say "No," or it may say, "Scale your demands" or "Change your demands." Now, under existing law, ECA says they have a right to say to these nations, "If we give you these dollar credits, you must buy in the United States if those commodities are not in short supply in the United States." They say they have that authority under existing law. ECA says these foreign countries intend to buy over $1,000,000,000 of agricultural commodities. Now, what is wrong with the Congress of the United States saying to ECA in effect, "We are telling you not to spend United States dollars or extend dollar credit to these foreign countries with which to buy in other nations agricultural supplies that are in surplus here in the United States"? I fail to see how anybody that is thinking of the welfare of the people of the United States could fail to approve writing into this law a suggestion which the chairman of the committee himself says ECA intends to do anyway.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. The distinguished gentleman from Texas [Mr. POAGE] has called attention to a very vital situation.

He has shown where ECA, acting on the request of Britain—it was not ECA, it was England asking that she be allowed to bolster the economy of Canada by purchasing wheat from Canada at a time when wheat was lying upon the ground here in the United States with no place to store it—permitted Britain to buy that wheat from Canada. What do you have to say about that? The answer is, ECA says, "Well, we had to do it in order to bolster the economy of Canada in the over-all picture of the relationships between England, Canada, and the United States."

I think the distinguished gentleman from Texas [Mr. BURLESON] has offered a good amendment. There is nothing in the amendment, however, as I read it, which will compel ECA to say to Britain or Italy or France or any other ECA country that wants to buy beef, "You must buy the canned beef that is in Mexico." The Burleson amendment does not say that. If Britain says, "We want beef," ECA may suggest to it, "Well, Mr. Britain, we have $60,000,000 worth of good canned beef that the United States owns down in Mexico that we cannot bring into the United States. We ask you to take that beef." Mr. Britain may say, "No; we don't want to eat canned beef. We want fresh beef."

That is a matter of negotiation as between ECA and Britain. There is nothing in this amendment that absolutely compels ECA to deny funds to Britain to buy beef that they need over there provided as a result of the negotiation it is found not to be in the best interests of the program to force them to take beef they do not want, namely, this canned beef in Mexico.

What I have suggested with respect to Britain applies with equal logic and force to the operations with any other ECA nation. So if we adopt the Burleson amendment, all we are in effect saying to ECA is, "In your negotiations with these foreign countries who say they need a billion dollars worth of agricultural products, we ask you and we demand of you in this law that if the United States has surplus agricultural products on hand that are usable and can fill the demands of these countries, you insist in your negotiations with them that they take the money we are going to make available and buy those commodities here in the United States."

As I understand it that is as far as the amendment of the distinguished gentleman from Texas goes. I fail to see where anyone can offer a sound, sensible suggestion in opposition to that proposal, except the argument that the ECA is sacrosanct. Oh, when they come here and ask for things, we must not cross a "t" or dot an "i." I sat on the Deficiency Appropriations Subcommittee of the Committee on Appropriations for 2 years. I heard the testimony with respect to the ECA. I voted for their program. Year after year they have told us that their requests were the bottom dollar requests. They said it last year. They said you cannot take a dollar off these appropriations without injuring the program.

You have heard the same thing today by the chairman, and yet this year, even using a scoop shovel to scoop this money out of the Federal Treasury, they are going to have a surplus of nearly $150,000,000 of unexpended funds. Why, it is nonsense, and silly, to stand here on the floor of the House and say that we cannot evaluate these things and go into the question of the necessity of taxing the American people and sending this money abroad without any strings attached.

It is nonsense to say that this amendment is a crippling amendment.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. CASE of South Dakota. After all, is not the ECA program founded upon the theory of relieving the shortage in dollars and if that is not the case, why should not the money be spent where the dollars are needed?

Mr. KEEFE. Exactly. That is as sound a statement as was ever made. That is exactly the situation.

Mr. Chairman, I am going to vote for the Burleson amendment.

Mr. KEE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes.

Mr. WHITE of California. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

Mr. WHITE of California and Mr. DONDERO objected.

Mr. KEE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. The question is on the motion.

The question was taken; and on a division (demanded by Mr. DONDERO) there were—ayes 97, noes 113.

So the motion was rejected.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. FLOOD. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. COOLEY. I yield.

Mr. FLOOD. Mr. Chairman, I would like to know what procedure I must use to be able to speak against this amendment.

The CHAIRMAN. The gentleman will be recognized when the Chair can do so. The Chair is alternating recognition between the sides.

Mr. COOLEY. Mr. Chairman, this is the amendment which I mentioned day before yesterday. It is an amendment that the gentleman from Texas [Mr. POAGE], the gentleman from Texas [Mr. BURLESON], and I prepared. I am frank to say it was prompted by the VORYS amendment, which had been adopted in the Foreign Affairs Committee, and but for the Vorys amendment perhaps this amendment would not have been presented.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. AUGUST H. ANDRESEN. Is it not a fact that the Committee on Agriculture considered this amendment and we were virtually in unanimous agreement for it?

Mr. COOLEY. We called a special meeting of the Committee on Agriculture, and we did consider very throughly the implications of the VORYS amendment, and in connection with the VORYS amendment we considered the amendment which is now before the House, known as the Burleson amendment. The Committee on Agriculture was unanimous in its opposition to the Vorys amendment, and, for all practical purposes, I think unanimously in favor of this amendment. However, I will say that this amendment was intended to be used as a weapon with which to defeat the Vorys amendment, because we believe that this is a far better proposition than that which was presented by the gentleman from Ohio [Mr. VORYS]. If this amendment is adopted, normal trade channels and relationships will not be disturbed. The ECA can still continue to acquire agricultural commodities in the normal way. It does mean that $1,000,000,000 of the money appropriated shall be available only for use within continental United States, its Territories, or possessions, in the acquisition and procurement of agricultural commodities, of which we have an ample supply in this country.

I, for one, have been very friendly to the ECA, as most of you know. I was on the Herter committee which went to Europe and studied the problem before we embarked upon the Marshall plan. I think that the Marshall plan is not only magnanimous but it has been magnificent in its achievements. I do not believe that ever before in human history has any government embarked upon a program of such magnitude as that which is embraced within the Marshall plan. I think we can justify our support not merely because we are trying to be charitable but we can justify it even on a selfish basis. I think it is an investment in the security of our Nation and in the financial stability of our own economy, and I think it is a contribution to the cause of world peace.

Now, let us come back to the amendment which is before us.

I am compelled to vote for the amendment because of my firm belief in the fact that our ECA missions abroad have lost all sight of the importance of American agriculture. I do not believe that our agricultural attachés at our foreign embassies have a full appreciation of the importance of the agriculture of this Nation. We must sustain a profitable agriculture if we are to maintain our national income, and we must maintain our national income if we are to maintain our place of leadership among the nations of this earth. If I thought that ECA abroad was even being fair to American agriculture I would not feel justified in voting for this amendment, but I actually believe that they have been leaning backward and I think they have yielded a little too much to the program of propaganda which has been spread by Russia throughout the earth in an effort to terrify the people of Europe and cause them to believe that we are trying to run their internal affairs and to use their countries as a dumping ground.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. GROSS. The gentleman speaks of this as being an agricultural amendment. If food products are bought in the United States we provide a market for American labor in processing, handling, and transportation.

Mr. COOLEY. Certainly. Perhaps those of us who are so vitally interested in agriculture and so aware of its importance will probably be accused of being actuated or motivated by some sort of selfish interest, but that is not the cause for this amendment. I think in all fairness we should use our dollars intelligently, and I do not think it is an intelligent use of dollars when ECA will take money from the taxpayers of America and spend it for beef in the Argentine, when we have $60,000,000 worth of beef already bought and paid for now in Mexico which we acquired in connection with the broad program to prevent the spread of hoof-and-mouth disease there.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. KEE. If I understood the gentleman's position yesterday with reference to the Burleson amendment it was that he was using the Burleson amendment as a weapon to defeat the Vorys amendment.

Mr. COOLEY. That is right.

Mr. KEE. The gentleman expected, if the Vorys amendment were not defeated but remained in the bill, to then offer the Burleson amendment to put it in as a substitute for the Vorys amendment.

Mr. COOLEY. Yes.

Mr. KEE. The gentleman would have been satisfied with that. We now have the Vorys amendment out of the bill but the gentleman still is not satisfied and still wants the Burleson amendment.

Mr. COOLEY. I say to my friend in all sincerity that when the Vorys amendment was eliminated I did lose my zeal

for the Burleson amendment. I am not trying now to influence the decision of a single Member of this House in voting for the Burleson amendment. Frankly, I know that the Burleson amendment has many objections; I know that it is objected to by ECA, by agriculture, and perhaps even by the farm organizations. But I do take the floor for this purpose and this purpose alone: To insist that ECA in its operations have some regard for the future welfare of American agriculture. I come back to the proposition that we had better lose 2 or 3 cents a pound on the beef we have in cans in Mexico than to try to save half a cent a pound by buying millions of dollars' worth of beef in the Argentine. That proposition is currently before the committee. Even though we have $60,000,000 worth of beef in cans in Mexico they have recently placed one order for 1,500 tons and a second order for 4,000 tons, and still a third order for 2,000 tons of frozen beef in Mexico; and it appears now that unless something is done they will acquire beef in the Argentine.

The first order for 1,500 tons of frozen beef was negotiated and finally consummated at a price of about 18½ cents per pound. The second order for 4,000 tons was let only after competitive bidding. The lowest bid was received from some source in the Tampico area. ECA placed the third order with the Commodity Credit Corporation to acquire 2,000 tons of frozen beef in Mexico and apparently intended that the 2,000 tons additional should be purchased on competitive bidding. Apparently the Tampico area could furnish frozen beef at a price somewhat below that which the northern part of Mexico could furnish it but suppliers in the northern part of Mexico contend that the Tampico price was too low to be profitable and was so low that suppliers in other parts of Mexico could not compete. While discussions were in progress, although the third order had been sent over by ECA to the CCC, officials of ECA directed officials of CCC to hold the order and to take no action thereon. Thereafter information came to us to the effect that ECA intended to acquire the beef in world markets perhaps from the Argentine at a price slightly below that which it could be acquired in Mexico. I understand that at least a part of the beef to be acquired would be acquired for Greece. Now I wonder, since we have $60,000,000 worth of beef already bought and paid for, why it would not be better for ECA to arrange for the Greeks to have some of this beef even at a substantially lower price than it would be to make the purchase in the Argentine or elsewhere in the world market. The ECA policy certainly in this transaction would appear to be "penny wise and pound foolish." What will we do with this Mexican beef if we are unable to dispose of it in countries to which we are making such great financial contributions and in which we are led to believe there is a great need for this vital food? If ECA is to follow strictly the policy of buying or directing other countries to buy or persuading other countries to buy any place on earth where commodities can be bought cheapest, without regard to any other factor, the conceivable millions of dollars of ECA funds might go behind the iron curtain. Conceivably much of ECA funds might be used in trading with countries which are unfriendly to our Nation and very unfriendly to the Marshall plan.

While, as I have said, I dislike the idea of tying down or earmarking even a part of ECA funds I do feel justified in doing so for the reason that I do not believe that those in charge of the program appreciate fully the fact that we too have problems of our own and that the agricultural surplus problem is actually a problem of great and paramount importance. It seems to me that with dignity and propriety our ECA officials could very easily at least try to persuade ECA countries to purchase American agriculture surplus commodities. I frankly do not believe that we should be too greatly concerned about the views and comments and the programs of propaganda of the enemies of our form of government and of our program to help rehabilitate the shattered economies of other nations. While this amendment might be objectionable it certainly is not as objectionable as was the Vorys amendment. The billion dollars which will be set aside if this amendment is adopted will be used to purchase agriculture commodities in the open market and such commodities will be handled in the normal course of business. If you do not believe that ECA funds should be earmarked then, of course, you will vote against this amendment.

Mr. Chairman, I have been intensely interested in all of the activities of the Economic Cooperation Administration. I was highly honored when I was selected by the distinguished gentleman from Massachusetts, our colleague, JOE MARTIN, who was then Speaker of the House during the Eightieth Congress, as a member of the Select Committee on Foreign Aid. There were 19 members of that committee and you will recall that the committee was appointed pursuant to a resolution which had been introduced by our colleague, the gentleman from Massachusetts, Mr. CHRISTIAN HERTER, and the committee was known as the Herter committee. We visited the countries of Europe which are now participating in this very great program. We also obtained information, of vital importance, from other nations. Much to my surprise and delight our recommendations were in accord with the recommendations of the Harriman committee which had been appointed by the President. All of this was, of course, preliminary to the final approval of the plan which was first suggested by Gen. George Marshall. As a member of the Herter committee, I had an opportunity, at first hand and on the spot, to see and to observe the devastation which had been wrought. Yes, I had an opportunity to discuss situations with people in many countries and in all walks of life. I have consistently supported the ECA program and have at all times believed that it was thoroughly warranted, now that we are coming to the time when we must look forward to the end of all of these great gratuities—yes, to the time when the ECA program will be ended.

In January, soon after this Congress convened, I arranged a conference with officials of ECA, of the Department of Agriculture, of the Department of State, and of the Department of Commerce, and the progress and the prospects of the ECA program were thoroughly discussed and in the month of January I went to the White House and discussed the matter with the President. Following my conference at the White House I indicated that I intended to introduce a resolution the purpose of which would be to provide for the creation and appointment of a committee to be charged with the responsibility of making a survey and a study to determine what should be done by our Government in the economic affairs of the world when we reached the end of the ECA program. The following is a press report which appeared in the News and Observer following the White House conference to which I have referred:

COOLEY TALKS FUTURE TRADE—PRESENTS PLAN TO TRUMAN TO BOOST TRADE WHEN MARSHALL PLAN ENDS

WASHINGTON, January 31.—Chairman HAROLD D. COOLEY, Democrat, North Carolina, of the House Agricultural Committee today visited the White House and told President Truman about his plan for a special committee to study the problem of how to promote foreign trade after the Marshall plan ends.

The Tar Heel said Mr. Truman heard his proposals with sympathy and understanding. He said he told the President about a recent conference held in COOLEY'S office on this problem, with experts from the Agriculture, State, and Commerce Departments and from the Economic Cooperation Administration present.

COOLEY pointed out that the Harriman committee and the Herter committee both played an important part in paving the way for the ECA program. And he suggested that a comparable committee—consisting of top-notch experts from industry, labor, and farm groups as well as the Congress—might perform a valuable function by studying and making recommendations regarding plans for building up United States international trade.

COOLEY has said that he is considering the possibilities of introducing a resolution that would authorize the creation of such a committee. He made it plain today that he will not do this, however, until the President has had time to consider and possibly take action on the suggestion made at today's White House conference.

On February 2, the Greensboro Daily News published the following news article:

COOLEY WANTS ECA POLICY STUDIED

WASHINGTON, February 2.—Representative HAROLD COOLEY said today the United States is losing foreign trade because ECA officials bend backward in administering the program.

He said funds that go to European countries are aiding in building up trade with countries other than the United States.

"Unless this trend is changed, United States trade with European countries will be permanently impaired," COOLEY said.

The chairman of the House Agriculture Committee says he plans to introduce a resolution to set up a committee to study the situation.

Norwegian manufacturers have been notified by their Government that American tobacco purchases during the first half of the

year will be cut 30 percent, COOLEY pointed out.

This cuts tobacco exports, and tends to cultivate in Norway tastes for other than American tobacco.

In that respect, the ECA program is in part defeating its purpose, COOLEY contended.

I merely refer to these conferences and news reports for the purpose of indicating my interest in the problems with which we are now dealing, and to emphasize the fact that I am in accord with Senator ARTHUR VANDENBERG'S recent suggestions concerning the creation and appointment of a committee to effectuate the achievements of the ECA program and to make plans concerning the future. I had planned to introduce the resolution which I have referred to, and as soon as time will permit, I intend to offer a resolution, the purpose of which will be to authorize the creation and the appointment of this important committee.

I have visited with most of our agricultural attachés in our embassies abroad, and I have likewise visited with the officials of most of our ECA missions abroad. I have also discussed the problems of foreign trade with the officials whom I have heretofore referred to and have also had the Director of the Office of Foreign Agricultural Relations and his assistants and associates to appear before our committee to discuss the vital problems involved. After all of these conferences and visits, I must confess that I am very apprehensive about our foreign trade in agricultural commodities. I am equally afraid that the policies now being pursued might result in a permanent impairment of our normal export trade in agricultural commodities. While we are being so generous, we should be a little bit just, and we should, while we are in a position to do so, try to expand our foreign trade. I certainly do not mean that we should use this program for the mere purpose of dumping our agricultural surpluses abroad. I hold to the belief that there is a need, somewhere in the world, for everything that can be produced, both in the fields and factories of America. If we can solve the great problems of distribution, we can easily solve the problems of the world.

It is unfortunate that we have paid so little attention to the many complex problems of world distribution and to the ever-perplexing problems of surpluses here and at home. Yet, I repeat again the words of the gentleman from Texas, who was chairman of my committee when I first came to Congress, Hon. Marvin Jones. He said time and again, "There is out yonder in the world somewhere a man, woman, or child that needs and wants every lock of cotton and every grain of wheat and corn, and every bit of the vital food and fiber that we can produce on the farms and ranches of this Nation."

Mr. Chairman, we must solve this problem of distribution. We need and want markets, and the world needs and wants food. The answer to our problem will not be found in reducing production but rather in wide distribution. I therefore hope that our ECA missions and embassies abroad will try to help us find the true answer so that we can "true deliverance" make of the bountiful supply of the things that we have.

Mr. DONDERO. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I did not intend taking any time on this bill, but after listening to the very able gentleman from Texas [Mr. POAGE] a few moments ago in support of the pending amendment, I feel constrained to say to the Committee that he not only made a very compelling speech, but he also pointed out a very challenging situation; namely, when England took American dollars and bought Canadian wheat with it, while at the same time American wheat was spoiling on the ground because there was not room enough to store it, he said that situation did not make sense. I agree with him thoroughly. We have spent $28,000,000,000 in Europe since the war, mostly to stop the spread of communism. Why spend money in Europe to stop communism and at the same time encourage it here at home? The President not only has belittled the efforts of a committee of Congress in its efforts to expose communism by calling it a red herring, but issued an order denying to the committee the right to see the files of Government employees suspected of disloyalty. Neither does that make sense. Earlier this month I read a letter to the House from a member of the British Parliament who said he doubted whether England could survive five more years of socialism.

He also said:

What an anomaly it is that the people in America, who believe thoroughly in the free-enterprise system, should tax her people to support a Socialist government in England.

That is exactly what we are doing in this ECA or Marshall plan bill before us for three and one-half billion more for foreign aid.

To my mind, neither does that make sense. I have consistently voted against this policy and shall vote against this bill.

There we have three examples. Yesterday an attempt was made to reduce the amount of this bill by a half billion dollars. The amendment was defeated by a few votes. The administration Democrats showed their eagerness to spend American dollars abroad without any thought of the American taxpayer who is being further burdened by this bill. Later after that amendment was defeated by only a few votes, an amendment was offered by the gentleman from South Dakota [Mr. CASE] to reduce the bill by a quarter of a billion dollars, it was finally adopted by the narrow margin of two votes.

May I respectfully ask whether or not we are thinking of our own people and our own country? In sending our dollars abroad and in sending our material abroad, they are gone forever. We might very well take heed of what the member of the British Parliament had to say in his letter, which I read to the House, when he said, "What an anomaly it is for you people in America, believing in the free-enterprise system as they do, to continue to tax their people to support a Socialist government in England."

Mr. Chairman, I am not anti-British. The English people are a gallant people. I respect and admire them. Of course, I do not respect their type and form of government, because I believe it is as dangerous and would wreck this country as certainly as it is wrecking England today. Yet in spite of that, we are quibbling over an amendment, the Burleson amendment, which would help the American people and lighten the load of taxation at least a little on the American taxpayer. This bill proposes to spend all over the world more than $3,000,000,000 of the money of the people of the United States.

How much longer can the United States take the whole world on its lap and nurse it without destroying itself?

Mr. WHITE of California. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. WHITE of California as a substitute for the amendment offered by Mr. BURLESON: Page 8, line 13, insert after the word "sum" the following:

"a. any such sum which shall be spent for agricultural commodities and products thereof, shall be available solely for the procurement of agricultural commodities and products thereof produced in the United States, its Territories, and possessions when such products are available: *Provided,* That no part of such funds shall be available for the procurement of any agricultural commodity or product thereof in the United States, its Territories, and possessions with respect to which the Secretary of Agriculture determines that the supply thereof is inadequate to meet the needs of American consumers: *And provided further,* That this subsection shall not prohibit the authorization of any such funds for the procurement of canned agricultural products acquired by the United States in connection with the program for the control and eradication of foot-and-mouth disease conducted pursuant to the provisions of Public Law 8, Eightieth Congress, and b."

Mr. WHITE of California. Mr. Chairman, I provide in this substitute amendment that any agricultural products which ECA may buy must be American products, as long as such American products are available. It does not provide a $1,000,000,000 limit; it makes no reference to the $1,000,000,000 proposition at all. And, I might say this to the distinguished chairman: He mentioned a moment ago that this amendment would open the way for the people of manufacturing areas to come in and say, "Well, why not earmark for us, too." I welcome them all to come in; I think they should come in. Whenever any give-away dollars of our taxpayers are spent by these nations abroad under ECA, I think they should be forced to buy American products.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. Briefly.

Mr. KEE. Does the gentleman look upon this entire program as a give-away program, with no interest whatever to the United States?

Mr. WHITE of California. Let me answer the gentleman, and this is the last time I will yield to the gentleman, I am

sorry—I felt that the program was entirely necessary and desirable up until it got to the point where the Dutch were dumping vegetables into the ocean, and where production figures in Europe came close to prewar levels. We can only help people so far. The same cause will always produce the same effect.

Mr. KEE. The gentleman does not believe that we are protecting our own national interest in carrying out this program?

Mr. WHITE of California. No; nor in the long run the best interests of the world, if I may say so. The issue is clear. I hope I have made it clear. Are there any questions? Is my amendment clear? It is just a question that if they buy agricultural commodities with these give-away dollars they have to be American as long as our American products are available.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield to the gentleman from Illinois.

Mr. YATES. Is the gentleman's amendment limited exclusively to agricultural products or does it include a requirement upon ECA to make purchases in this country of hardwoods, for instance, or typewriters or other commodities which are in surplus in this country as well?

Mr. WHITE of California. No; but the gentleman can introduce an amendment like that, if he wishes, and I will support it.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield to the gentleman from New York.

Mr. MULTER. Does the gentleman's amendment provide for surplus products only?

Mr. WHITE of California. No. It says that they shall buy them as long as they are available in this country, not necessarily in surplus.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield to the gentleman from Minnesota.

Mr. JUDD. Of course, the gentleman's amendment is strictly an agricultural amendment. Whenever a dollar is spent by ECA in Canada or Mexico or the Argentine it has to come back to the United States to buy something. The gentleman says the ECA countries have to buy agricultural and other products.

Mr. WHITE of California. No, I do not say they have to buy agricultural and other products. I say that if, and I repeat, if they do buy agricultural products they have to buy American, and I welcome the gentleman to put in an amendment protecting the industries in his district in a similar fashion.

Mr. JUDD. But if ECA countries buy American agricultural products and the dollar comes back to the United States directly, it just cuts off that many purchases in America from Canada or Mexico or the Argentine. The ECA dollar has to come back to the United States to buy something American, irrespective of who gets the dollar originally. There is no way a dollar can be detached from the American economy. If it buys American agricultural products, it cannot buy other American products.

Mr. WHITE of California. This is not a Canadian and Mexican relief program. It is for the war-devastated countries. The dollars eventually come here after perhaps a year or several years, but in the meantime our agricultural prices are dropping and the farmers will go bankrupt and the manufacturers will go bankrupt waiting for the Canadian and Mexican dollars to get back to this country.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WHITE of California. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Is it not a fact that the law provided that this money should be spent for food, when needed, in the United States, as long as we had a surplus, and is it not a fact that last fall orders were put out contrary to law to permit the purchase of $175,000,000 of wheat in Canada?

Mr. WHITE of California. That is my understanding. The gentleman is so correct.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in connection with this amendment, I call attention to the sixth report to Congress of the Economic Cooperation Administration, wherein it is demonstrated that approximately a third of the billions of dollars the ECA is authorizing for commodities is being spent for products originating in foreign countries—page 116.

These foreign-produced products include wheat, rye, fats, oils, feed, fertilizer, cotton, iron, steel, lead, textiles, lumber, hides, tractors, tobacco, sugar, dairy products, fruits, vegetables, coffee, and many others.

In Washington, D. C., this week, housewives are paying from 84 to 93 cents a pound for top grade coffee. Yet the ECA, in its fifth report to Congress—page 106—revealed the authorization of $17,600,000 for coffee through June 1949. I was amazed to discover, however, that this expensively-printed 141 page report contained no per unit cost of coffee or any other commodity, nor how much coffee the $17,600,000 bought. Believing the taxpayers have a right to know how much they are paying, per pound, for coffee, I asked ECA. Strangely, I was told that no such figures were available; that it would take a week to compute them. Finally, on January 11, 8 days later, the ECA wrote me that $16,500,000 had been authorized for coffee through November 1949, and that ECA had stopped all coffee authorizations after August 1949. The price paid, per pound, ranged from 15 to 34 cents. The amount of coffee, I was told, totaled 27,227 long tons. Converting that figure into understandable terms, the amount of coffee shipments paid for through ECA, as of October 31, 1949, totaled approximately 61,000,000 pounds.

That is a lot of coffee and a lot of money. ECA authorization of funds for coffee, grown in Latin America, obviously is no help to the American farmer, and the 61,000,000 pounds taken off the world market must have contributed to the coffee fleecing the American housewife took late in 1949, and is still taking. The ECA should never have authorized the purchase of a single pound of coffee.

But this is only one example of ECA betrayal of American consumers, farmers, businessmen, and labor.

I ask, Why are we permitting use of any ECA dollars for the purchase of coffee? You do not feed hungry people, especially children, with coffee, and there ought to be a specific provision in this bill to stop using American dollars for this purpose.

Mr. MULTER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER to the amendment offered by Mr. BURLESON: On line 11 of the amendment strike out "canned."

Mr. MULTER. Mr. Chairman, I am going to leave further discussion of the Burleson amendment to others. I hope that when the time comes to vote on the amendment or the substitute and any other amendments that may be offered, it will be in such form that it will be agreeable to most of the Members of the House.

I am supporting this program, and I am in favor of the authorization in the amount as originally reported by the committee. I hope there will be no crippling amendments adopted which will affect the proper administration of the act. My amendment, however, is to clarify the Burleson amendment or any other that is offered of like tenor. We have been spending millions of dollars on the program for prevention of hoof-and-mouth disease in Mexico.

As part of that program we have bought canned beef and frozen beef in Mexico. Now as part of that program they have erected there large refrigerating plants and slaughter houses with the encouragement of the Department of Agriculture, hoping thereby to make available for export to countries other than our country, beef which is being raised there. Only last week the Mexican authorities made protestations to our Government that unless we help them to dispose of their beef, and by that they mean frozen and fresh beef, as well as canned beef, the whole foot-and-mouth-disease program is likely to collapse. The result will be that the disease will spread across the border again and we will suffer dire loss and great damage to our cattle and beef industry in this country. The proviso in the Burleson amendment, I think, is much too limited. If you strike out the word "canned" before the words "agricultural products" then it will read:

Provided further, That this subsection shall not prohibit the authorization of any such funds for the procurement of agricultural products acquired by the United States in connection with the program for the control and eradication of the foot-and-mouth disease conducted pursuant to the provisions of Public Law 8 of the Eightieth Congress.

That does not apply to Argentina beef or any other beef except Mexican beef. It applies only to beef which is being produced and processed under Public Law

8, which covers the control of the hoof-and-mouth disease in Mexico.

Mr. Chairman, I urge that my amendment be adopted so as to strike out the word "canned" and make the proviso apply to all agricultural products which come under the program.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have asked for this time to see if I could not clear up some of my own thinking as it relates to the ECA. If I am correctly informed, and if I am wrong I hope some member of the committee will correct me; in this ECA pie, whether it is $2,500,000,000 or $3,000,000,000, the United States has little or nothing to say about the division or the size of the slice of pie.

In other words, the recipient nations decide among themselves how much each is going to get. Is that a correct understanding?

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. For an answer to my question; yes.

Mr. JAVITS. The United States does have everything to say about how the pie is divided, how the money is spent, and so on. The mechanics of the program are one thing.

Mr. SCRIVNER. The 17 recipient nations decide among themselves how the money is going to be divided and they say what they want; is that not right?

Mr. JAVITS. If the gentleman wants an answer, I will be glad to answer.

Mr. SCRIVNER. The gentleman can have his own time. The gentleman can tell me whether I am wrong or not.

Mr. JAVITS. I will try to get the gentleman more time. The gentleman is wrong.

Mr. SCRIVNER. No, I cannot yield further, because you are not answering the question.

Let me see if my understanding on this is correct—that these nations, the recipient nations, decide what it is they want to buy with our money; is that correct?

Mr. KEE. They have not the sole right of decision.

Mr. SCRIVNER. Who determines what they are going to buy?

Mr. KEE. It is determined by mutual agreement between the union of these nations and the ECA director.

Mr. SCRIVNER. As I understand it, the ECA director has very little to say about what they are going to get.

Mr. KEE. The ECA director has a great deal to say.

Mr. SCRIVNER. Let us go on to another point.

Mr. KEE. The gentleman evidently does not want an answer to his question.

Mr. SCRIVNER. I have read the debates on the floor of the House, and I have read the reports of the ECA as well as other material, and they do not seem to give the answers that I am getting here. Let me ask another question: If England buys a carload of flour with American dollars, what happens to the flour? Is it given to the hungry people in England?

Mr. KEE. It is sold in England, and the money goes into the counterpart fund.

Mr. SCRIVNER. After it is sold, what happens to that money that England gets for the flour that it has sold to the English people?

Mr. KEE. It goes into the counterpart fund.

Mr. SCRIVNER. In other words, it goes into the English treasury.

Mr. KEE. No; it goes into a special counterpart fund which can only be spent by mutual agreement between this country and England.

Mr. SCRIVNER. But England is one of the primary nations to do the determining.

Mr. KEE. I am trying to tell the gentleman.

Mr. SCRIVNER. I am trying to see if my understanding is correct.

Mr. JUDD. Well, it is wrong.

Mr. SCRIVNER. I am sure the gentleman from Minnesota can do a better job of explaining than the others.

Mr. JUDD. Going back to the first question: No one of those countries can buy anything until the requisition is approved by the American Chief of Mission in that country.

Mr. SCRIVNER. But that country determines what its requisition is going to be?

Mr. JUDD. Certainly that country determines what its requisition is going to be, but the American Mission approves or disapproves, and the country cannot buy unless the American Mission approves. Of course, they make the requisitions as to what they believe they need. We cannot run their country for them, but our mission frequently does and should turn down anything that it believes does not assist recovery of their economy.

Mr. SCRIVNER. I am glad you said "should turn down," because there has not been a great deal of turning down, according to the articles I have read.

Mr. JUDD. May I say a great many things have been turned down. Even after orders have gone in and during the process of delivery there have been cancellations by ECA officials when post-audit examinations indicated that was wise.

Now, to come to your second question about the counterpart funds. ECA goods are sold for the currency of the recipient country and the money goes into the counterpart fund which can be disposed of only by joint agreement between the United States and the country in question. These counterpart funds are used for different purposes. In some cases, where inflation was bad, they just set it aside, because to take the currency out of circulation was the most helpful thing to the economy of the country that could be done at the time.

Mr. SCRIVNER. In other cases did they not use some of those funds to pay their internal debts?

Mr. JUDD. Yes, in some cases, with the approval of ECA. They have used the funds for land reform and various other projects, which it was considered would be most useful to the particular country.

Mr. SCRIVNER. Including, for instance, in Italy the use of those funds to do what we called WPA stuff?

Mr. JUDD. That is right. That is exactly the sort of thing the fund should be used for where there is serious unemployment, because those people have to be taken care of somehow. Italy would have to print more currency to take care of them, unless they could be taken care of from this special fund. The more currency they printed, the more inflation there would be.

Mr. SCRIVNER. Unless the American taxpayer took care of them and helped them pay their debts?

Mr. JUDD. America does not get anything out of the fund in any case.

Mr. SCRIVNER. No. Of course, we do not, because none of those billions will ever be paid.

Mr. JUDD. I was incorrect when I said we did not get anything out of it. For instance, the living expenses of our missions abroad is paid out of them because they can be paid in the currency of Great Britain or France or Italy or the other countries. Again up to 5 percent is supposed to be used for the purchase of strategic materials where available. In the case of Belgium, England, or Holland, for example, which have some colonies with mineral resources, those materials can be purchased with their own currencies out of the counterpart funds and delivered to us.

Mr. SCRIVNER. The gentleman from Iowa [Mr. MARTIN] yesterday gave us the full picture of the strategic material program.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the other day I heard a story which I think is illustrative of the situation here. It seems that two fellows met and one was wearing a button on the lapel of his coat, which had on it the initials "IATK." The other fellow said to him, "My friend, I never saw a button like that. What kind of a lodge or organization is that?" He said, "That is an organization I belong to." The other fellow said, "What does that mean, IATK?" He said, "That means, 'I am thoroughly confused'." The other fellow said, "Well, I can understand part of it. I get the first three letters, they evidently stand for 'I am thoroughly,' but what is the 'K' for?" The other fellow said, "Confused." He said, "Brother, you have 'confused' spelled incorrectly." "Maybe so," he said, "but you don't know how thoroughly confused I am."

I think there is so much confusion as to what these various provisions mean that we ought to be very, very careful about voting for them. As a matter of fact, I cannot vote for the whole bill at all. I have been against it from its very inception, and I am still against it. I think it is wrong in principle. I realize there is some good in it, but I think the bad in it greatly outweighs the good in it. I am very much opposed to it, and I shall vote against the bill. However, I recognize also that it will probably be enacted. If it is, I want it to be just as good as we can get it.

Let me call this to your attention; this is a significant thing, I believe. As long as we keep the purchasing power in the hands of the masses of our people we are

going to have good times in America. That has been illustrated year after year in the last 12 or 15 years. That is why we have such a wonderful national income; the purchasing power has been distributed out to the four corners of the great United States into the hands of the masses of the people. The way to keep that purchasing power is to keep wages high, reasonably high, justifiably high; and to keep the price of farm products high, justifiably high. The way we are doing at the present time and the way we have been doing it for some time is by supporting the prices of farm products, controlling the prices on them. The Commodity Credit Corporation comes in and plays a big part in this. The thing that will destroy that program if it ever is destroyed—and God forbid that it should be—the thing that will destroy it if it is destroyed will be large surpluses. Why should we not earmark this money as provided in the Burleson amendment to take care of the agricultural surpluses in our country? It will help to carry on that program that has meant so much to all of America, meant so much for the economy of our whole Nation and helped the laboring man, helped the farmer, and helped the merchants, and helped everybody. And why should we not give a little thought to the welfare of the goose that lays the golden eggs for us? Unless we do earmark this money I am afraid that America will come up short, and I am afraid that many of these surpluses will continue to be surpluses and that the ECA will go into Canada and other places in the world and buy things that we need to sell in order to get rid of our surpluses here. If we do that, that is if ECA buys in foreign agricultural markets instead of our own, we will be doing it against the American people, against the farmer, and may destroy or at least retard the progress we have made during the past years, through a higher level of agricultural and farm prices.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. AUGUST H. ANDRESEN. I am informed that some people think it is such a good thing, particularly people in the recipient countries, but some in this country, that they want this program to continue after 1952.

Mr. MORRIS. Yes; some people I imagine would like to continue it forever. Those who are for this bill have as much right to their opinion, of course, as I have to mine, and I do not say that just to please, but because I believe it in my heart. I have some Irish in me and I must confess that I do not mind getting into a scrap; in fact, I rather enjoy a good clean scrap, but I always respect the opinions of those who honestly disagree with me. Yes; I am against the bill but I believe this Burleson amendment is a good amendment.

Mr. KEE. Mr. Chairman, in an effort to see if we cannot reach an agreement on closing debate on this amendment, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

Mr. SCRIVNER. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 40 minutes.

Mr. O'HARA of Minnesota. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 40 minutes.

The CHAIRMAN. The question is on the motion.

The question was taken; and on a division (demanded by Mr. BROWN of Ohio) there were—ayes 108, noes 78.

Messrs. TABER, BROWN of Ohio, and EDWIN ARTHUR HALL demanded tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MANSFIELD and Mr. TABER.

The Committee again divided; and the tellers reported that there were—ayes 131, noes 82.

So the motion was agreed to.

Mr. O'SULLIVAN. Mr. Chairman, I ask unanimous consent that the time allotted me be yielded to the gentleman from Utah [Mr. GRANGER] and that I may extend my remarks in the RECORD immediately following those of the gentleman from Utah.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. GRANGER].

Mr. GRANGER. Mr. Chairman, I rise in support of the Burleson amendment for the reason that I think it will do no harm to the ECA program, inasmuch as we have been given the assurance that it is the intention of the administration to buy American. It seems a strange thing to me, however, that every time we try to do something under this program that is beneficial to our own people, we are always met with this sort of an argument, that it would destroy the program. We had a similar experience about a week ago when we were trying to do something to sustain and preserve the mining industry of this country. Many of the people who are for this amendment now, I am sorry to say, were opposed to that bill. We are now appropriating money which will do the very thing for the foreign countries that we were trying to do for our own mines.

This seems to me such a simple proposition that the Committee should accept the Burleson amendment without further controversy. It simply proposes to make sure that the agricultural commodities purchased will be purchased in our own country. I cannot see anything wrong about that. The only thing wrong about the Burleson amendment is that it does not go far enough to suit me.

As has been said here, we have accumulated millions of pounds of canned beef in Mexico. We have all the evidence in the world that it is a good product. If those countries can use it, why should they not use it? After all, they are on the receiving end and our country is the benefactor. We had better look out some of these times if we are going to be magnanimous; we had better keep our country solvent so that we will have something left to be magnanimous with.

So I appeal to the Members not from the standpoint of the farm program but from the standpoint of the taxpayers of the country and for the good of all the segments of our population. As has been pointed out by the gentleman from Iowa, it is not only for the farmers, it is for the businessmen and for labor and for all our people who are paying taxes to further this program.

Mr. Chairman, I think it would be a mistake at this time if we do not take positive action to make sure that these funds are going to be spent for the relief of the world, and I am in favor of that. On the other hand, where it is possible certainly something should be done to ease the burden of the taxpayers of our country.

Mr. O'SULLIVAN. Mr. Chairman, in these few remarks of mine I wish to state for the record that I have supported, with a few exceptions, all phases of this bill, and shall vote for the passage of same. I feel that I am obligated for several very good reasons to so act, among them being that to do so is the most effective way of combatting communism in the cold war which we have had for some time now in Europe and other places. True it is a very large expenditure of money, but if a shooting war can thus be averted it will be a cheap price to pay for peace and will be money well spent. Other reasons are that the Democratic platform approves of such legislation; that in my campaign I promised the people that I would work for and support ECA legislation; and lastly the people in my congressional district who voted the Omaha World-Herald's economy ballots voted almost four to one in favor of adequate Marshall-plan aid.

I want this record to show clearly that I voted against the cutting down of the amount of money originally provided for in the bill.

I also voted against the so-called Vory's amendment, and for the prevailing Fulton-Cooley amendment. To my way of thinking the Vory's amendment was the brain child of frustrated reactionary Republicanism. It was the legislative right cross which follows a straight left. It was the right cross aimed at the jaw of the farmers' price-support program, just as the Cole amendment to the Commodity Credit Corporation's appropriation bill, passed by the House a few days ago, sans COLE of Kansas amendment, was the well-directed, stiff-left punch to the body of the farmers' price-support program. This Cole amendment, in my opinion, would have pillaged the funds of the Commodity Credit Corporation by permitting the grain dealers of our Nation to charge prices for services never rendered, and would have shackled the farm program and brought about its entire destruction and abandonment. The Vory's amendment would have denied the grain dealers the right to serve the Marshall-plan countries in their agricultural purchases made in the United States. These old reactionary Republican one-two punches failed, however,

and free enterprise received its just desserts in both instances.

I shall support the Burleson amendment which requires that Marshall-plan countries must purchase at least a billion dollars worth of agricultural commodities and products in the United States if they are available for purchase under this law. This will help the grain dealers also.

There is another amendment which I shall support and vote for and that is the Fogarty amendment. It is high time that the Government of Great Britain wakes up to the fact that there must be an united Ireland, and that England's bloody, vicious, and depraved hand of oppression must be removed from all of Ireland. This amendment might wake old England up and make her more justice conscious now than she has ever been in the past.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, a few moments ago the gentleman from Kansas [Mr. SCRIVNER] and the gentleman from Minnesota [Mr. JUDD] carried on a discussion concerning the use of what are called counterpart funds.

I was reading some of the testimony of Mr. Kennan before the Committee on Foregin Affairs. In one place I ran across the fact that the British Government had been able to pay off £200,000,000 of its internal debt out of counterpart funds. If one multiplies £200,000,000 by the current rate of exchange it is equivalent to over $500,000,000.

I would have no particular objection if the British Government were to use the counterpart funds for helping rebuild the bombed and burned homes of the British people, but when it comes to paying off the British internal public debt, it seems to me we have at least as much right to pay off our own internal debt as she has. If she can pay off £200,000,000 or $500,000,000 worth of her public debt out of counterpart funds, she probably does not need that money from us, and our taxpayers certainly need to keep it as we here have the biggest public debt in the world.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Illinois.

Mr. MASON. We go in debt more in order to pay their debt.

Mr. HINSHAW. I just cannot understand it at all. I do not see why we should be called upon to pay the internal debt of any foreign country.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Minnesota.

Mr. JUDD. I think the answer is very simple. The British can pay off their internal debt in pounds sterling. They are not getting any dollars from us with which to pay off their debt.

Mr. HINSHAW. No; all they are doing is getting a lot of goods from us for nothing, which they sell to their own people over there. Then they take that money which they get from their own people—called the counterpart fund—and pay off their Government's internal debt.

Mr. JUDD. That is right.

Mr. HINSHAW. I do not argue with the gentleman as to definitions.

Mr. JUDD. It was approved by ECA to help them check inflation and to help them keep their budget in balance so that they would not go into bankruptcy. It does not cost the United States a cent more for the counterpart funds to be used for such a purpose and if that helps the country's economy, it seems to be the proper thing to do.

Mr. HINSHAW. How about them helping us to keep our budget in balance? That is what I would like to see.

Mr. JUDD. But dollars are necessary in our case, and not in the case of Great Britain's internal debt.

Mr. HINSHAW. I think we ought to look at our own budget here a little more. I do not mind giving them the means to get the money to rebuild their homes, but not for them to pay off their own national debt or to meet their budget deficits. We have debts and deficits too, and $500,000,000 amounts to 10 percent of our current deficit.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Chairman, it is the same old story—every time one of the appropriations or authorizations come up for foreign spending—an emergency or crisis immediately comes up, and the Congress is told that unless these funds are made available to the full amount without any reduction, amendment or change, something dire is going to happen.

In the bill under consideration we are told that unless we make available $3,375,000,000, we might precipitate a third world war.

Mr. Chairman, all of this propaganda does not scare me.

I have taken my position in regard to giving away the resources of this country since the beginning of these programs, I have been consistent. I have voted against all of these give away America programs from the inception of UNRRA, and I am of the same opinion now, and as long as I am a Member of this House, unless some one can prove to my satisfaction that I am wrong, I shall continue to do so. Reference to my record will disclose that I have not only voted against these fabulous, outrageous, unprecedented and unbelievable squandering of the money of the overburdened, overtaxed and overregimented taxpayers of this country but I have given my reasons therefor. We are continuing these programs, and to be certain that this will continue beyond the obligated time of the year 1952, there is included in the pending bill a provision for a so-called point 4 program which will assure that we will be able to continue to further give away the resources and substance of these great United States without any thought to the welfare and sustenance of our own people, or to the economy or the impact upon our own country.

Mr. Chairman, I respect the opinion of my colleagues who take an opposite view in regard to this matter, and I do not question their sincerity; however, I am afraid that many of those who visited European and Asiatic countries since the war had not visited these countries before the war, and naturally they came to the conclusion that the conditions which existed after the war were due to the ravages of war, and not due to the fact that these countries were 50 to 100 years behind this country in their appearance, progress, economy and standard of living, nor do they realize that this country does not have the resources to bring the standard of living of the balance of the world to a comparable position with ours, and in my opinion, if we continue to endeavor to do this under the programs now in progress, and inaugurate the point 4 program contained in this legislation, we will wreck and ruin this country beyond any measure of recovery or rehabilitation, and we will weaken our country beyond any hope of defense and will be easy prey to any country which might desire to take us into slavery.

Mr. Chairman, I was one of those who advocated the utilization of our farm surpluses in the programs of so-called relief, and under the ECA program I made every effort to urge and demand that American farm surpluses be used instead of our precious dollars, and, in fact, I was successful in having an amendment adopted in the House to so provide; however the amendment was stricken from the bill in conference with the Senate.

I recall at a meeting held in the office of Senator ELLENDER, of Louisiana, which was attended by Senators and House Members when a demand was made upon one of the administrators of the ECA program for the use of American farm surpluses in the program, notwithstanding the provisions of the bill, we were told that "to do this would displease Russia. That Russia would accuse the United States of dumping its farm surpluses on Europe." Such a position, in my opinion was untenable and unbelievable.

I was always in favor of utilizing our farm surpluses in these programs, and even give the same gratuitously where the need existed, and I maintain this position; however, I also felt that we should take into consideration the needs of our own people.

Recently, when it was disclosed that we had millions of dollars of farm surpluses which had been purchased by the CCC and which were perishable, I introduced bills to distribute this food free to our people; however, since this has not been done, I support the amendment offered on the floor to use these farm surpluses in the ECA program rather than waste same by spoilage and deterioration. It would be sinful to permit this valuable food to waste.

Mr. Chairman, I was astounded to read some of the testimony in the Senate hearings on the legislation under consideration. It seems that the Administrator was unaware of the spending of such sums as $600,000,000 and $800,000,000 appropriated for the ECA?

From an Associated Press article discussing the hearings on the ECA bill at

the latter part of February it was stated that—

The main issue appeared to be ECA's policy of encouraging European imports. ECA Chief Paul Hoffman has upheld this plan as the only way to give Europe a chance to earn dollars and return to a solid recovery base.

Mr. Hoffman concedes that some United States concerns may be pinched or even thrown out of business by stepped-up European competition. He argues, however, that American operators must adjust themselves to the chances and find new ways to meet competition.

Mr. Chairman, I wonder where Mr. Hoffman and his associates will get the money to carry on these give-away programs if American business which pays the taxes is destroyed?

Mr. Chairman, it has been brought out in the argument on this bill that those countries which have not had the benefit of the largess of the ECA have recovered more rapidly than those countries where the money is supposed to have been spent, and I think that it is past time for the peoples of other countries to go to work and help themselves. It will take generations of American taxpayers to pay the cost of these give-away programs, and while it is admitted that as a result of these programs we have inflation in this country, and that some of the money is spent in the United States, and that since I come from an agricultural section of the country my people are enjoying the benefit of some of the purchases made by the ECA in this program.

Such an argument can easily be discounted for the only reason that some of the products of the South were purchased, in my opinion, was because the ECA could not purchase these commodities elsewhere. For instance, all the rice available was purchased from Burma, Siam, and Indochina. Cotton was purchased from Egypt, and other commodities were purchased from England, South America, and other countries.

It will require this generation and future generations to pay taxes to pay for these programs, and while it is true that the South has sold some of its agricultural commodities which could not be purchased elsewhere, we will pay taxes "through the nose" for this small temporary benefit.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. HILL].

(By unanimous consent the time allotted to Mr. ANGELL, Mr. STEFAN and Mr. MASON was given to Mr. HILL.)

Mr. HILL. Mr. Chairman, I have taken this time, although it is getting late in the evening, to draw out, shall I say, with a fine-toothed comb or a pair of pliers, some information that I would like to have on this bill. In section 1 of the supplemental report on page 35, and I call the attention of the members of the committee to this because if the acting chairman cannot answer it, I expect an answer from another member of the Committee. I read:

FOREIGN ECONOMIC ASSISTANCE

The dollars for development of strategic-material sources and purchase of strategic materials will be in addition to the funds drawn for that purpose out of the 5 percent reserve for United States uses from the local currency counterpart funds. The relationship between the dollars to be spent and the dollar equivalents from the counterpart funds is shown in the accompanying table (it should be noted that the dollar total in the table varies slightly from the estimated $20,000,000). In general, the Economic Cooperation Administration explains, dollar funds are used in this program only when dollar-bought equipment is essential to the undertaking or will hasten the increased production that is sought.

Economic Cooperation Administration strategic materials projects, fiscal year 1951

[Dollars and dollar equivalents]

Country (including overseas territory)	Fiscal year 1951 (estimate)		
	Total	5 percent counterpart dollar equivalents	ECA dollars
Total	28,964,000	8,610,000	20,354,000
United Kingdom	11,062,000	2,282,000	8,780,000
France	3,975,000	2,760,000	1,215,000
Greece and Italy	4,323,000	2,968,000	1,355,000
Turkey			
Netherlands	660,000		660,000
Scandinavia and Ireland	3,350,000	500,000	2,850,000
Austria			
Portugal	5,460,000		5,460,000
Germany (Federal Republic)	134,000	100,000	34,000

It is very interesting to inform the House that a few days ago we had a bill before the House, S. 2105, which would have protected our small mines throughout the country. That bill had passed the House twice by a majority vote, and had passed the other body by a majority vote. The other day when we came to vote on that bill, it was defeated by 16 votes. On my right, the Democrats, there are a number of Members who stood up and voted against that bill which would have given us $80,000,000 to protect and keep in operation hundreds of small mines now closed or preparing to close.

The total in this bill is $28,964,000 to do exactly the same thing that we asked you to do the other day for our American metal-mine operators. Strange inconsistency, to say the least.

Now, where is there any common sense to this kind of business?

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HILL. No. I want this gentleman from Montana [Mr. MANSFIELD] to stand up and answer me. He voted for the bill the other day, but I want him to tell me how a Congressman from any mining State can stand up here and defend this action when he would not vote for the bill S. 2105.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. HILL. Certainly, I yield.

Mr. MANSFIELD. I want to say to the gentleman that I am fully in accord with what he had to say about S. 2015. I think this House made a serious mistake when it defeated that bill. I think the blame lies equally on both sides.

Mr. HILL. Well, will the gentleman answer my question?

Mr. MANSFIELD. The gentleman brought up my name——

Mr. HILL. But you are handling the Democratic side at this moment.

Mr. MANSFIELD. As far as the ECA program for Europe is concerned, it is true the amounts mentioned by the gentleman have been requested by ECA for the fiscal year 1951 for the buying of certain strategic materials.

Mr. HILL. It does not say anything about those things. I asked you to tell me how anyone could vote against S. 2105 a few days ago and now support this provision in this bill. That is the question I asked the gentleman.

Mr. MANSFIELD. I want to say, first, that I voted for S. 2105. These figures were justified before the committee some 5 or 6 weeks ago, before S. 2105 was brought up.

Mr. HILL. Oh, S. 2105 was passed once by the Eightieth Congress and vetoed by the President.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield? I have not finished.

Mr. HILL. No. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The difference is that in case of the bill to which the gentleman referred for the miners of this country, you were dealing with American citizens. In this bill you are dealing with foreign citizens. American citizens pay the bill.

Mr. HILL. The gentleman knows that we ought to have some reasonable grounds upon which we can meet the justification for this kind of legislation.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. HOFFMAN of Michigan. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] made the same answer I would have made.

Mr. MARTIN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. MARTIN of Iowa. I want to commend the gentleman for bringing this point up. It is the point that I discussed yesterday with regard to the matter of inconsistency. If I were from a mining State I would hang my head in shame to think that I allowed the House to turn down S. 2105 and then let this ECA legislation slip through, to do the very thing in exploration and development in foreign lands. I know the Harriman Commission said that strategic factors were involved in the Marshall plan, but I maintain, if strategic factors are in there, it is a great deal more strategic to explore, develop, and conserve the materials at home, where you can protect and have them when you need them, than to have projects in foreign fields where our 12 divisions, 80-group air force, and our moth-ball fleet cannot get to them to protect and hold and use after you have them developed. I want to commend the gentleman for bringing this up. Here is a statement from the annual report of ECA for 1949, in which they state flatly that the objectives of ECA in this

field have been to procure an increase in the production of materials through exploration and development in those foreign lands. This statement of policy and purpose appears on page 229 of the report of the Economic Cooperation Administration dated February 14, 1949.

Mr. MANSFIELD. Mr .Chairman, will the gentleman yield?

Mr. HILL. Before I yield again to the gentleman from Montana, let me say that I am not finding fault with the gentleman from Montana. I am finding fault with the Democrats as a whole who support this bill, and then like the other day, when we had a chance to pass a bill that had been twice passed by the House, they changed their votes and we lost a most important bill that really would have helped our mining industry. I have a break-down of that vote showing who it was who defeated it. It was on the Democratic side of this aisle. I will put that in the RECORD in my extension of remarks.

ACTION OF HOUSE OF REPRESENTATIVES ON MINERAL BILL

Senate bill 2105, the minerals bill, was defeated by the House of Representatives. It had been approved by 12 governmental agencies and the Senate Interior and Insular Affairs Committee by unanimous action.

The Democratic leadership decided to put the bill on the floor on October 12, 1949, under suspension of the rules which requires a two-thirds vote. On the first showing 76 voted in favor with 41 against. On a recorded vote there were 176 for and 118 against.

The vote shows Arizona in favor of the bill with two votes; California shows seven Democrats voted for the bill and eight Republicans. Only one Republican voted against it while seven Congressmen were absent. All four Colorado Congressmen voted "yea," as did both Congressmen from the States of Idaho and Montana. Nevada's Congressman was absent. Both of New Mexico's Congressmen voted "yea," but of Oregon's four Republicans, two voted against the bill and two did not vote. Both of Utah's Democrats voted for the bill. Washington's congressional delegation voted as follows: Four for the bill, one against, and 1 absent. Wyoming's Congressman voted for the bill.

Analyzing other States we obtain the following: Alabama, 3 for, 1 against, and 5 not voting; Arkansas, 1 for, 5 against, and 1 not voting; Connecticut, 4 against and 2 not voting; Delaware, 1 against; Florida, 2 for and 3 not voting; Georgia, 2 for, 5 against, and 2 absent; Illinois, 6 for, 12 against, and 8 absent; Indiana, 5 for, 5 against, and 1 absent; Iowa, 3 for, 3 against, and 1 absent; Kansas, 3 for, 2 against, and 1 absent; Kentucky, 5 for, 2 against, and 2 absent; Louisiana, 3 for, 5 against; Maine, 1 for, 1 against, and 1 absent; Maryland, 1 against and 5 absent; Massachusetts, 1 for, 8 against, and 5 absent; Michigan, 9 for, 1 against, and 6 absent; Minnesota, 6 for, 2 against, and 1 absent; Mississippi, 1 for, 6 against, and 1 absent; Missouri, 10 for, 1 against, and 2 absent; Nebraska, 1 for and 3 against; New Hampshire, 1 against and 1 absent; New Jersey, 11 against and 3 absent; New York, 4 for, 15 against, and 26 not voting; North Carolina, 2 for, 7 against, 3 not voting; North Dakota, 2 for; Ohio, 4 for, 11 against, and 7 not voting; Oklahoma, 6 for and 2 not voting; Pennsylvania, 8 for, 11 against, and 13 not voting; Rhode Island, 1 against and 1 not voting; South Carolina, 1 for, 4 against, and 1 not voting; South Dakota, 1 for and 1 against; Tennessee, 2 for and 8 against; Texas, 8 for, 7 against, and 4 not voting; Vermont, 1 for; Virginia, 1 for and 7 against; West Virginia, 3 for and 3 against; Wisconsin, 5 for, 4 against, and 1 not voting.

It will readily be seen that the opposition to the bill was mainly centered in Eastern and Southern States. New Jersey cast no votes for the bill with 11 against; New York cast 15 against; Ohio 11 against; Tennessee 8 against; North Carolina 7 against; Pennsylvania cast 11 against; Illinois 12 against; Massachusetts 8 against; Georgia 5 against; Virginia 7 against; and, of course, Rhode Island, Connecticut, and Delaware cast their votes against the bill. Indiana split its vote, while Mississippi cast 6 votes against the bill.

Following the motion to recommit, the Speaker announced, "the question is on the passage of the bill." A vote was taken and the Speaker announced, "The yeas seemed to have it." But before the Speaker's gavel dropped announcing the passage of the bill, the gentleman from Massachusetts [Mr. HERTER] called for the yeas and nays. The vote was 144 for the bill and 166 against the bill.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield to me?

Mr. HILL. If you have any contribution to make, yes.

Mr. MANSFIELD. I would like to call to the attention of the gentleman and of the House the type of material which is being delivered under the strategic material program, and I would ask the Members to find out just how much of this in competition with particular strategic commodities in our own country.

Mr. HILL. In speaking yesterday the gentleman from Iowa, Congressman MARTIN, said, and I quote:

> In my opinion, it is illogical for Congress to expend large sums to promote an increase in the production of strategic materials abroad through exploration and development when Congress only a few days ago declined to enact into law S. 2105 which had for its purpose the encouragement and promotion of exploration and development within our own country.
>
> The Harriman report based Marshall plan aid on four principal factors, economic, political, humanitarian, and strategic. If the strategic factor is an important factor in Marshall plan aid, I think Congress should give some consideration to the greater strategic value to the production of these materials within our own land rather than such exploration and development in foreign lands far removed from the control of our own mothball fleet, 12 divisions, and 48 air groups.
>
> In my opinion, the successful future defense of America can be built more solidly on the development of our own resources within our own territory and for that reason I do not consider the inclusion of provision for acquiring strategic and critical materials through ECA an efficient and effective program of national defense. I consider it far too expensive to be used as a justification for continued extravagant spending of the ECA program.
>
> Revisions and additions to our stock-pile program have increased the size of the planned cost of our stock-pile program to $3,773,000,000. At the rate of acquisition of these materials during the past year and a half it would require 188 years for us to acquire our entire stock pile from that source.
>
> We have expended approximately $10,000,000,000 to date in Marshall plan aid and this program has produced $31,000,000 of strategic and critical materials now in our stock pile. In other words we have spent $322 in Marshall plan aid for each dollar we have received in strategic and critical materials to date. At that rate if we should plan to acquire our entire stock pile of strategic and critical materials in the value of $3,773,000,000 it would necessitate our spending in Marshall-plan assistance to the world the sum of $1,214,000,000,000. My conclusion is that we should not try to justify ECA expenditures on the ground that this program will give us our stock pile of strategic and critical materials.

Mr. MANSFIELD. I would be delighted to have the gentleman from Iowa answer, if the gentleman will yield to him, because he knows this subject better perhaps than anyone in the House.

Mr. HILL. I yield to the gentleman from Iowa to answer because my opinion is that there is not a single ore that we cannot produce in the mines of our own western States.

Mr. MARTIN of Iowa. The gentleman knows that we have classified now under the heading of strategic and critical about 71 materials.

Mr. MANSFIELD. That is right.

Mr. MARTIN of Iowa. Of that number about 28 can be produced in good quantity within our own land.

Mr. MANSFIELD. That is true.

Mr. MARTIN of Iowa. The reason I was so strong for the bill S. 2105 and why I was so disturbed about its defeat was that we need funds for exploration and development in our own land. It is my firm belief that the immediate expenditure of a reasonable sum for exploration and development within the United States would pay large dividends in our national security through increasing both the number and the amount of strategic and critical materials produced within the United States.

Mr. MANSFIELD. That is right.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

(Mr. O'HARA of Minnesota asked and was given permission to yield the time allotted to him to the gentleman from Colorado [Mr. HILL]).

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield.

Mr. MANSFIELD. I wish to follow this up just a little further. There is not produced, for example, in this country such things as sisal, rubber, and bauxite, and the latter only in small quantities.

Mr. HILL. Let us not mention bauxite.

Mr. MANSFIELD. Sperm oil, rubber, industrial diamonds——

Mr. MARTIN of Iowa. In addition to bauxite, ECA already has made commitments for projects in ECA countries for lead, zinc, copper, and manganese that are highly competitive with our own potential development, and there is no as-

surance that ECA will not expand further their projects in additional materials that we should try first to discover and develop here at home.

Mr. HILL. Mr. Chairman, I decline to yield further to the gentleman from Montana.

Mr. MANSFIELD. Does not the gentleman want the truth?

Mr. HILL. I do not yield for anyone to tell me that there is no bauxite in this country.

Mr. MANSFIELD. I said very little, and the gentleman knows I am right.

Mr. HILL. Mr. Chairman, I decline to yield further.

Mr. Chairman, if you cannot rely on the Foreign Economic Assistance Supplemental Report No. 1, page 35, you certainly cannot rely on any statements made on this floor. I defy any Congressman from a mining State to show me where it says one single word about the type of minerals they are going to buy. And it does not stop at buying it; it says something about supporting and promoting and buying equipment and machinery for those foreign mines.

Mr. Chairman, I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. In answer to the gentleman from Montana, all I have to say is that I presented evidence before this House when the Senate bill was under consideration showing the millions of our dollars spent to develop the lead mines in North Africa, and calling attention to the immense quantity of lead that was coming in here from French Morocco and Yugoslavia to the detriment of our domestic production.

Mr. ANGELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ANGELL. Mr. Chairman, I will vote for the Burleson amendment.

The operations under the Economic Cooperation Administration program have been very disastrous to many of the major industries of the Pacific Northwest and my congressional district in Oregon. I have had rather extensive correspondence with Administrator Hoffman of the ECA, Secretary Brannan of the Department of Agriculture and Chairman of the Board of the Commodity Credit Corporation, and with Dean Acheson, Secretary of State, in an endeavor to secure some modification of the programs as they are being administered by ECA, the Secretary of State, and the Department of Agriculture, as they affect these major industries. I refer particularly to the lumber industry, agriculture, flour milling, and fisheries. The nut industry, which is of considerable importance to us in Oregon, is also adversely affected. The three major industries of Oregon are lumber, agriculture, and fisheries, all of which are vitally affected adversely by ECA operations in cooperation with the Federal agencies that I have mentioned.

The result of the ECA program as it is being administered with respect to these industries is to liquidate our Northwest industries in favor of building up the Marshall plan countries and permitting similar products produced or manufactured there to undermine our own American industries. As a result the export trade for lumber and flour has already been liquidated with thousands of workmen being thrown out of employment and ultimately some of these industries will completely collapse if this program is continued. The end result is the lowering of the standards of living of our people in America in order to bring the level in uniformity with that of the Marshall plan countries. In other words our standard of living is to be lowered and Marshall plan countries to be raised, resulting in a uniform standard with a disastrous result, jeopardizing our own high standards. There seems to be no sound reason why major industries which have existed for decades here in America should be liquidated as is now being done, by the use of American tax dollars under the ECA program and the reciprocal tax program in order to build up the same or similar industries in the Marshall plan countries. Vigorous protests to the ECA and other Federal agencies have resulted in no assurance that any change will be made in the program. If we adopt this bill providing some $2,700,000,000 additional funds to the ECA it will, I fear, permit that agency to completely wreck our Northwest industries.

The Northwest milling industry has enjoyed a heavy export business in flour throughout the years which is essential to round out its domestic business. Long haul freight rates deprive it of much of the market of the middle and eastern portion of the United States. The ECA of the State Department and the Commodity Credit Corporation with the use of Marshall plan dollars and an apparent distinterestedness in protecting American flour producers in their offshore trade have permitted Marshall plan countries to use American dollars to undermine the economy of the American flour millers. They have not only deprived these millers of the foreign markets but they have permitted Canada and other countries benefitting through depreciated currencies and the manipulations of the Marshall plan countries to flood the American markets with imported products, underselling American products which are in oversupply.

The administration has authority under existing laws to protect these American producers but refuses to do so.

Mr. Chairman, not only is the export market for the Pacific Northwest lumber being demoralized and in many cases completely destroyed and the export flour milling industry put on the skids so that the industry is rapidly disintegrating but the Pacific Northwest is also hard hit by the operations of ECA and other Federal agencies with respect to the fishing industry. The fishing industry is a very important one to my State and to the Pacific Northwest and affords employment for a large number of people engaged in that work. During the last 2 years, foreign fishermen sold 50,000,000 pounds of filiets a year in the American market. The canned crab market has been ruined by imports from Russia. Prior to the war these importations amounted to less than 10,000,000 pounds per year. As a result of these foreign importations under-selling the American produced product the industry has been hard hit in my State. It is reported that 15 Oregon boats valued at $300,000 which in the past have fished only for soupfin sharks for oil are forced to quit by reason of the slashing of the prices through foreign importations, soupfin shark livers having dropped in price from $11.50 per pound to $3.50 per pound in 1 year. Nets for catching these fish cost from $6,000 to $10,000 a piece and often are lost at sea. A heavy investment is maintained in the Pacific Northwest in this great industry. The Astoria community in Oregon estimates that income from the local fishing fleet there amounts to $2,100,000 a year. Dog shark livers which made up 40 to 50 percent of the income, by reason of this foreign competition were reduced in price from 80 cents to 10 cents a pound. Canada, according to these fishermen, supplies 80 percent of the imported fillets prepared by workers receiving 33 cents an hour, equivalent in United States money to 73 cents, whereas American workers' wage rate at Astoria is $1.18 per hour. Many of these fishery concerns in my State have been compelled to close down by reason of the State Department, the ECA, the Department of Agriculture, and other Federal agencies of this Administration letting down the bars to unrestricted foreign importations of these fishery products produced under low wage conditions.

Mr. Chairman, in order to present this issue clearly to the committee and to the Congress, I am including in these remarks some of the correspondence with ECA and other Federal agencies and from some of the principal industries to which I have referred, showing the critical situation that exists under ECA and reciprocal trade program operations:

FEBRUARY 23, 1950.

Mr. PAUL G. HOFFMAN,
Administrator, Economic Cooperation Administration, Washington, D. C.

DEAR MR. HOFFMAN: I represent the Third Congressional District of Oregon in the National Congress, which is the area in which the city of Portland is situated and many of my constituents are engaged in the flour-milling industry and all of us in the Northwest, as well as throughout the United States generally, are deeply interested in the critical problem facing these millers by reason of the destruction of their export trade as well as the serious inroads in the domestic trade. The operations of the Federal Government are such that they are materially contributing to this serious problem facing the millers and I am calling it to your attention in the hope that through the activities of your office, which are contributing to the difficulties of millers, you may be able to modify existing programs or put into effect new programs that will give these American millers the opportunity to participate in the export trade of their products which they formerly enjoyed; much of their competition comes from the use of American dollars supplied through ECA and other United States contributions to foreign countries.

What I have said with reference to the flour-milling industry is equally applicable to the lumber industry which is so important in my own district in the Northwest. I have been advised that the Commercial Bulletin of Boston in its last Saturday's report states that the production of Canadian lumber for the year 1949 is estimated

to be 5,250,000,000 board feet of which 31 percent or 1,627,500,000 board feet was exported to the United States. This points up the problem to which I have referred. In reverse, American lumber exporters are finding their export market absorbed by competition from purchases made with American tax dollars and in addition are having the domestic market flooded by importations from abroad. This same program is likewise helping to bring about the unfortunate potato-surplus situation facing us. Importation of Canadian potatoes are underselling the American-grown products resulting in heavy expenditures by the United States in the support program.

I will appreciate it if you will advise me with respect to the problems facing our millers and lumbermen and what remedies you have to suggest.

Sincerely yours,

HOMER D. ANGELL,
Member of Congress.

ECONOMIC COOPERATION ADMINISTRATION,
Washington, D. C., March 16, 1950.

Hon. HOMER D. ANGELL,
House of Representatives,
Washington, D. C.

DEAR MR. ANGELL: This is further in reply to your letter of February 23, 1950, regarding problems of the flour-milling and lumber industries of the Pacific Northwest. You noted in your letter that loss of export markets is a primary cause of the problems of the flour-milling and lumber industries and that operations of the United States Government, including those of ECA, have contributed to the difficulty.

Flour millers in the Pacific Northwest have lost a substantial part of the export business which they enjoyed in recent years. Total United States flour exports have dropped markedly with the percentage of decrease probably being larger in the Pacific Northwest than in other United States areas. Reasons for the heavy decline in exports from the Pacific Northwest include:

1. The Canadian Class II wheat price is substantially lower than the United States market price for wheat. As a consequence, Canadian millers are in a better competitive position than are United States millers with respect to foreign flour markets outside the International Wheat Agreement. The Canadians, therefore, have been selling more flour and United States millers less flour to such markets as the Philippines than was the case in earlier years. The market in the Philippines has always been of principal importance to United States millers in the Pacific Northwest.

2. ECA financed shipments of United States wheat and wheat flour to China ceased with the Communist capture of most of that country. The Pacific Northwest supplied much of the wheat flour which previously had been financed for China.

3. In the years immediately following World War II, Japan imported wheat flour from the United States, much of which was procured in the Pacific Northwest. This, however, was an unusual situation caused by the world scarcity of bread grain. We understand that Japan ceased to procure wheat flour when wheat became freely available.

Each of the three foregoing items is a matter which is not within the control of ECA. Financing by ECA has been involved only in the case of item 2, which pertains to China. There is no prospect in the foreseeable future that we shall finance wheat flour for the mainland of China, since the legislation under which we operate prohibits ECA financial assistance to Communist-held areas. There is a remote possibility that some flour might be financed in the coming months for Formosa, but should this transpire the quantity will be so small that benefits to the Pacific Northwest will be negligible. Korea, the only other country in the Pacific receiving ECA aid, does not require imports of wheat or wheat flour. Hence, in future months ECA financed flour procurement will be confined almost exclusively to European countries. Because of transportation costs, West coast millers have found it difficult to compete in the European market with east coast and Gulf flour. Recently, however, we have noted some interest on the part of European countries in the west coast market.

With respect to item 1, the Philippine Government officially filed its acceptance of the International Wheat Agreement on February 27. The Philippines thereby became eligible for wheat-agreement prices and United States millers can now compete equally with Canadian millers for much of that business. It is probable, however, that Canadian millers may still be able to underbid United States millers on hard spring wheat flour.

We note your statement that much of the competition of Pacific Northwest mills comes from dollars supplied through ECA to foreign countries. As you know, because of the British dollar crisis ECA agreed to finance during this fiscal year $175,000,000 of United Kingdom wheat purchases in Canada. All ECA financed procurement, however, of wheat and wheat flour for other countries has been limited this year to the United States. Within the agreed $175,000,000 for the United Kingdom, procurement totaling $140,000,000 has been authorized to date, $11,200,000 being for wheat flour. Most of the latter was authorized last September and none has been authorized since November. We expect to authorize the balance of $35,000,000 for wheat only.

The problem involved in Canadian exports of potatoes to the United States does not fall within the purview of ECA. The Department of Agriculture and the Department of State are more directly concerned, and we believe any information desired should come directly from those Departments. Reply will be made in a few days to that portion of your letter which pertains to lumber.

Sincerely yours,

WILLIAM FOSTER,
Deputy Administrator.

FEBRUARY 23, 1950.

Hon. DEAN G. ACHESON,
Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: I represent the Third Congressional District of Oregon in the National Congress, which is the area in which the city of Portland is situated and many of my constituents are engaged in the flour-milling industry and all of us in the Northwest, as well as throughout the United States generally, are deeply interested in the critical problem facing these millers by reason of the destruction of their export trade as well as the serious inroads in the domestic trade. The operations of the Federal Government are such that they are materially contributing to this serious problem facing the millers and I am calling it to your attention in the hope that through the activities of your office, which are contributing to the difficulties of millers, you may be able to modify existing programs or put into effect new programs that will give these American millers the opportunity to participate in the export trade of their products which they formerly enjoyed; much of their competition comes from the use of American dollars supplied through ECA and other United States contributions to foreign countries.

What I have said with reference to the flour-milling industry is equally applicable to the lumber industry which is so important in my own district in the Northwest. I have been advised that the Commercial Bulletin of Boston in its last Saturday's report states that the production of Canadian lumber for the year 1949 is estimated to be 5,250,000,000 board feet, of which 31 percent, or 1,627,500,000 board feet was exported to the United States. This points up the problem to which I have referred. In reverse, American lumber exporters are finding their export market absorbed by competition from purchases made with American tax dollars and in addition are having the domestic market flooded by importations from abroad. This same program is likewise helping to bring about the unfortunate potato surplus situation facing us. Importation of Canadian potatoes are underselling the American-grown products resulting in heavy expenditures by the United States in the support program.

I will appreciate it if you will advise me with respect to the problems facing our millers and lumbermen and what remedies you have to suggest.

Sincerely yours,

HOMER D. ANGELL,
Member of Congress.

DEPARTMENT OF STATE,
March 15, 1950.

The Honorable HOMER D. ANGELL,
House of Representatives.

MY DEAR MR. ANGELL: I refer to your letter of February 23, 1950, regarding foreign trade in wheat flour, lumber, and potatoes, with particular reference to Canadian competition.

You state that American producers should have the opportunity to participate in exporting their products, and that much of their competition comes from the use of American dollars supplied through Economic Cooperation Administration and other foreign aid. In this connection I may point out that the Economic Cooperation Administration is expected to carry on its programs as economically as possible, that the participating countries are expected to award contracts to the lowest bidders, which is in any case to their interest, and that United States producers have therefore the same opportunities to compete as producers in Canada and elsewhere.

You refer to a critical problem facing American flour millers by reason of the destruction of their export trade, as well as the serious inroads in the domestic trade. Exports of flour milled wholly of United States wheat averaged 8,000,000 100-pound sacks annually from 1937 to 1941. Due to conditions abroad during the war, United States exports reached high levels, averaging 19,000,000 sacks from 1942 to 1946; and increasing further in 1947 and 1948 to 75,000,000 sacks annually. Exports during the first 9 months of 1949 amounted to 25,000,000 sacks. United States imports of wheat flour and related products, exclusive of quantities imported for milling in bond and export, are limited by quota to the very nominal amount of 40,000 sacks per year.

As to softwood lumber, annual imports average only about 5 percent of production. Imports in 1947 amounted to 1,092,000,000 board feet, in 1948 to 1,652,000,000 board feet, and in 1949 to 1,425,000,000 board feet. Exports have almost equaled imports. In 1947, for example, exports amounted to 968,000,000 board feet, compared with imports of 1,092,000,000 board feet.

You state further that importations of Canadian potatoes are underselling the American-grown product, resulting in heavy expenditures by the United States in the price-support program. It is true that imports of potatoes add to the public expenditures required to maintain a given price-support level. The real difficulty is that the high level of price supports maintained under existing legislation creates a profitable market for imports of Canadian potatoes, despite the existence of a relatively high import duty. These prices were sufficient to attract imports valued at $9,000,000 in 1948 and $13,000,000 in 1949. The value of United

States production in 1948 was $690,000,000; the value of the 1949 crop is not yet available, but the estimated cost of $100,000,000 for the surplus only is many times the value of imports and even had there been no imports whatever the United States would be faced with an acute problem of over-production at present price-support levels. Despite the increase in imports in recent years, the quantity imported in 1949 was only 2.4 percent of production.

Your attention is called to the fact that the value of exports to Canada considerably exceeds that of imports from Canada. Total exports from the United States to Canada in 1948 amounted to $1,900,000,000, compared with imports from Canada of $1,500,000,000. It would certainly be a mistake for this country to take any action which might provoke retaliation on the part of Canada or other nations, or be incompatible with United States foreign trade policy, under which we are cooperating with other nations of the world to bring about the revival and expansion of world trade by reducing barriers and promoting mutual understanding and cooperation in the solution of problems relating to international trade.

Your letter has been referred to the Committee for Reciprocity Information which in turn will bring it to the attention of the interested officers in all of the eight agencies concerned with trade-agreement matters for consideration in possible future negotiations with Canada. I am also sending a copy of your letter and of this reply directly to the Economic Cooperation Administration.

Sincerely yours,

JACK K. MCFALL,
Assistant Secretary
(For the Secretary of State).

FEBRUARY 16, 1950.

CHARLES F. BRANNAN,
Chairman, Commodity Credit Corporation, United States Department of Agriculture, Washington, D. C.

DEAR MR. BRANNAN: A number of flour-milling concerns in the Northwest and particularly in my congressional district, which includes Portland, Oreg., are deeply concerned and aroused over the conditions that exist with reference to the flour exports of the United States and the low percent of the American flour finding export market by reason of the heavy shipment from Australia and Canada with which American flour exporters cannot compete under existing conditions. As a result many of these mills have had to curtail their operations. A notable instance is the Pillsbury mills at Astoria, Oreg., which has run two units, 6,000 hundredweight for over 20 years but now has had to close 1 unit by reason of lack of export business. In view of the fact that the United States is furnishing American dollars for much of the flour that is being purchased from competitors of American flour mills, it would seem to be indefensible that a program is not put into effect that would save the American flour-milling industry.

I will be obliged if you will advise me if the Department of Agriculture and particularly the Commodity Credit Corporation will not meet this problem in a forthright manner and save this great industry.

Sincerely yours,

HOMER D. ANGELL,
Member of Congress.

DEPARTMENT OF AGRICULTURE,
March 22, 1950.

Hon. HOMER D. ANGELL,
House of Representatives.

DEAR MR. ANGELL: This is in reply to your letters of February 16 and 23, pertaining to the difficulties which Pacific Northwest flour millers are having in exporting flour, due to competition from Canadian and Australian exporters, and your suggestion that some program should be put into effect to help the milling industry.

As a solution to this problem, representatives of the flour-milling industry have urged that export subsidies be provided on shipments of wheat and flour outside of the International Wheat Agreement.

It must be recognized that consideration of possible export subsidy payments for wheat and flour is not limited to the Department of Agriculture. The relationship of such a program to United States foreign-trade policies, and the implications it would carry with respect to other commodities, are matters of wide interest and extreme importance.

We note your statement " * * * the United States is furnishing American dollars for much of the flour that is being purchased from competitors of American flour mills. * * *" There is only one case in which the United States is supplying money to any foreign country for the purchase of either wheat or flour outside of the United States during this fiscal year. This pertains to the $175,000,000 which the Economic Cooperation Administration earmarked for the purchase of wheat and flour from Canada for shipment to the United Kingdom. We are informed by the ECA that authorizations totaling $11,200,000 were approved last fall for the purchase of flour in Canada for the British. All the remainder of the appropriation, namely, $163,800,000, will be used for the purchase of Canadian wheat for the United Kingdom. There have been no foreign purchases of wheat or flour by the Army for its areas of responsibility. It is our understanding that no other foreign supply program involving procurement of wheat or flour with United States funds from any source except the United States has been or will be authorized for the current year.

You may be interested in knowing that the ECA has issued procurement authorizations to the British totaling $30,000,000 for the purchase of wheat and flour in the United States during this year, of which $3,406,000, or 11.35 percent, was for flour.

We believe that the chief difficulty which has been experienced by millers in the Northwest, the loss of part of the Philippine market, will be rapidly corrected since the Philippine Commonwealth became a party to the International Wheat Agreement on February 27, 1950.

Sincerely yours,

K. T. HUTCHINSON,
Assistant Secretary.

FEBRUARY 14, 1950.

Mr. M. M. BENIDT,
Commodity Credit Corporation, United States Department of Agriculture, Washington, D. C.

DEAR SIR: Hongkong arrivals in 50-pound bags:

November:	
Australia	332,000
Canada	46,000
United States	98,000
December:	
Australia	72,000
Canada	134,000
United States	55,000

Manila, Cebu, Iloilo arrivals in 50-pound bags:

December:	
Australia	27,221
Canada	352,198
United States	225,495

January arrivals will be forwarded when received.

A subsidy for other than IWA countries or local wheat for export grinding at levels equal to Australian and Canadian seems to be our only salvation.

Due to lack of export business, one unit, 3,000 hundredweight daily, of our Astoria, Oreg., plant was idled last week and the crew of that unit terminated. Astoria had run both units, 6,000 hundredweight, for over 20 years until last week.

Yours very truly,

PILLSBURY MILLS, INC.

DANT & RUSSELL, INC.,
Portland, Oreg., February 17, 1950.

Mr. E. C. PARKER,
Chief, Forest Products Branch, Industry Division, Economic Cooperation Administration, Washington, D. C.

DEAR MR. PARKER: While it appears from previous correspondence that it is probably useless to point out to you the ways in which the British are discriminating against Americans in their lumber purchases, for the sake of the record, we are noting below concerning some of the obvious discriminations against American lumber suppliers in the current British inquiry No. 5 (revised by British Timber Control February 2, 1950).

Item 509 is obviously arranged to favor British Columbia production. This specification allows 25 percent hemlock or balsam, and calls for lengths 8 feet and longer, minimum average 15 feet, 30 percent to be odd lengths. Most American mills are not in a position to supply odd lengths on account of trimmer limitations. In normal times American mills have supplied hundreds of millions of feet to England without this stipulation having been included. The first postwar British inquiries did not require this. Only when it became desirable that the Canadians obtain the entire business were these stipulations included in the schedules.

In item 509A, where it is possible for American mills to compete, no hemlock or balsam is permitted, and the lengths in the merchantable and selected merchantable must be 16 to 32 feet, allowing 10 percent 10 to 15 feet. This means that in order for American mills to compete they must supply unusually long lengths. The Canadians, however, may supply all their short lengths in item 509 and all their long lengths in 509A. They thus have a double advantage.

The same conditions are repeated in items 513 and 513A and in 515 and 515A. In item 518 there is no restriction on lengths, merely different group prices for 41 to 50 feet, 51 to 60 feet, and 61 to 70 feet. It is impossible to average out different suppliers' prices on this basis. The Canadian prices on long timbers have consistently been low. The specification as supplied, however, is unknown to American mills. We definitely feel that the lengths supplied were not a reasonable assortment of all lengths.

While it is difficult to persuade you that these specifications were made up with the above-mentioned aim in view, it is obvious to practical lumbermen that this is the case.

As for the conditions of sale, on previous occasions the British Timber Control denied that the Canadian cartel had an opportunity to negotiate contracts. In each instance, however, just before closing the orders, representatives of this cartel have flown to London. In the current schedule, however, among the terms included, in No. 7 the words appear "when negotiating contracts," and also "when contracts are negotiated." No. 8 states that "buyers do not engage to accept the lowest or any tender." From this it is obvious that American bids will have little consideration.

The British have refused to consider bids from certain ports in the United States of America; for example, Newport and Eureka, and in some instances Coos Bay. These are perfectly satisfactory ports of call for American ships and for many vessels of the Pacific Coast European Conference serving in the same trades as the British, and of size equivalent to those used by the British regularly.

ECA regulations specifically state that 50 percent of ECA products should be moved by American ships; yet no American ships were chartered for the recent British Timber Control purchases, nor, as far as we can find, have ships of other nationalities than British. The result is that we are subsidizing the British merchant marine, as well as providing funds for England to advance the interests of her colonies and dominions. We are being taxed to death to support the British Empire with absolutely nothing given in return, or even an honest opportunity to supply our goods.

As a result, it has reached a point where it is almost impossible to get American mills interested in quoting, as they feel it is hopeless to attempt to compete with the Canadians' depreciated exchange, lower wages, and lower stumpage, unfair manipulations by the British Timber Control, and the failure of the ECA to be of any assistance.

Yours very truly,

R. J. DARLING.

DANT & RUSSELL, INC.,
Portland, Oreg., January 12, 1950.

Representative HOMER ANGELL,
The House of Representatives,
Washington, D. C.

DEAR MR. ANGELL: I am enclosing copy of a letter I have addressed to Mr. Paul M. Green, comptroller of the ECA, in reference to the British Timber Control purchases of lumber. If these purchases were made strictly on the basis of lowest prices f. a. s., there would be no reason to conceal the complete summary from United States bidders.

We feel no further funds should be allocated through the ECA to England or other countries until the American producers, manufacturers, shippers, exporters, and steamship companies are fully safeguarded and assured a square deal. Buyers, manipulations and pricing condition, failures to ship a proper proportion by American ships, the impossibility for American suppliers to compete with depreciated currencies, and the lower wage rates in foreign countries all make it absolutely essential that consideration be given these factors when this ECA money is spent. The ECA people should act like they work for the United States of America instead of the Europeans. At present they are in another world and give no consideration to American interests. The European governments are very much more practical in their approach to these matters. They work in close cooperation with the industries affected, while in the United States of America it is impossible for industry to get information, even months after the business has been closed.

Too much of the ECA business, not only for England, but for Europe and Africa is routed through England and Canada. When in Europe I found that practically all the Italian lumber business financed by the ECA is routed through Price & Pierce, in London, and H. R. MacMillan Export Co., in Vancouver, British Columbia, then purchased in the United States of America. I understand that this is also true of caterpillar tractors and many other commodities. England stands as the middleman between the ECA and the other countries of Europe and Africa. France buys all ECA lumber exclusively through a Mr. Charles, who has a set-up in New York through a relative of his.

We can no longer afford to be taxed to death to provide for countries whose fiscal position is in some cases even better than our own, nor can we continue to bolster up socialistic countries at the expense of our taxpayers. The sooner this is brought to a head, the better.

Yours very truly,

R. J. DARLING.

DANT & RUSSELL, INC.,
Portland Oreg., December 30, 1949.

PAUL M. GREEN,
Comptroller, Economic Cooperation Administration, Washington, D. C.

DEAR SIR: The British Timber Control have just purchased approximately 100,000,000 board feet of lumber financed by the ECA. Only about 5 percent was placed in the United States, the balance in Canada. Our agents in London inform us that the difference between the United States and Canadian rates of exchange, and the difference between the respective rates of freight from the two countries confer on the Canadians an advantage with which the United States exporters have found it impossible to compete.

We understand that 50 percent of ECA products are to be transported by American tonnage; that it is possible to charter from the United States to England at the same cost as from Canada; that the Conference lines maintain the same rates of freight from Canadian west coast ports as from United States west coast ports; that prices f. o. b. usually govern; therefore the arguments mentioned above do not appear valid. The last purchase was not a tender in any sense of the word. The representatives of the Canadian cartel who quoted single prices for their members were present in London during the time this business was being closed, and undoubtedly the awarding to them was by negotiation instead of by clean-cut tender. It appears obvious that the British favor the British Columbia cartel to a point where offers by other responsible British Columbia shippers are not considered. It is becoming increasingly evident that the British are using ECA funds to promote the interests of the British Empire instead of using ECA funds economically, and they purchase specifications intended to limit the suppliers to British Empire countries. They have absolutely no interest in the American taxpayers and will continue to bleed us to death unless they are called to a quick halt.

The preceding order for lumber purchased by the British Timber Control in June of this year was closed under similar conditions, and information I obtained from confidential sources in Europe indicates that prices paid to the Canadian cartel were higher than offers made by American exporters for the same goods. I do not have all the exact prices quoted by Americans, but I do have a copy of the report by the British Timber Control to Mr. Matt Niewenhous of the ECA Forest Products Branch, showing what are apparently average prices quoted by the American suppliers, which seems to confirm this. You can no doubt obtain a copy of this from Mr. Matt Niewenhous.

We are attaching a schedule showing in United States funds the prices paid the Canadians, according to our information, and the prices offered by various American suppliers who submitted low bids, so that you can obtain from them complete information regarding prices, grades, and specifications for comparison. I realize that the information given you is somewhat sketchy, but before payment is made you will know the Canadian prices.

You will no doubt wish to ascertain whether the conditions under which Congress appropriated funds for the ECA have been lived up to, and withhold approval for payment to the British on this order until you have made an investigation and satisfied yourself that this has been done.

We also object to paying the Canadians in American funds. The Canadian exchange is at a substantial discount, and there is no reason why the Canadians should be paid in United States funds any more than Sweden, Poland, and other lumber-supplying countries are paid in American funds. They should be paid in their own currency, and the profit from the transactions should revert to the United States Treasury. It is rumored here that Canadian funds are going to be discounted even further, and there is no doubt that any clever exchange man could find a substantial advantage in paying in Canadian funds instead of in American.

The ECA is making millionaires in Canada, Sweden, and other countries while taxing American industry to death and refusing our United States industry sufficient protection to offset the exchange and labor advantages in foreign countries. We know the ECA was not arranged for the relief of American industry; however, we cannot afford this burden unless it produces business for American industry and agriculture. We realize, of course, that this is something for Congress to consider, and I am taking the matter up with our Senators to try to obtain some protection.

The same complaint applies to the requirement of the 50 percent division of freighting with American shipping. As far as we know, not one single foot of the lumber purchased by the British Timber Control on their last order was carried by American tonnage. An investigation into the freighting of this lumber should also be made to see if the requirements of the law have been met before payment is made.

If I can be of any assistance to you in clarifying any part of the foregoing, I will be glad to do so, and please do not hesitate to call on the writer for any additional information that I might be able to supply.

Yours very truly,

R. J. DARLING.

PORTLAND, OREG., *March 18, 1950.*

Representative HOMER ANGELL,
House of Representatives
Washington, D. C.

MY DEAR REPRESENTATIVE: The economy of Oregon, Washington, and northern California is in extreme jeopardy. An influx of Canadian lumber which is being brought into the United States is going to have severe reactions to be felt within 1 year. The people of these States are in for a depression which may eventually lead the entire country into the dark days of 1930.

Canadian mills have an advantage of $15 per thousand on cargo shipments to the east coast. Their labor costs are one-third less than the American mills. Their freight is $4 to $8 per thousand less on tramp steamers, which the Americans cannot use as they must use American boats. The Canadians also have a 10-percent advantage on exchange of American dollars. This alone amounts to $5 to $6 per thousand feet of lumber.

This problem has to be solved by Congress immediately. Legislation must be devised to protect American labor, capital, and merchant marine.

Next year may be too late. By 1951 most American mills may have to shut down unless Congress acts now. The Canadians have shipped approximately 300 percent more lumber into the United States in 1949 than 1948. Canadian lumber is jamming the docks of New York harbor whereby the price has been depressed $2 to $3 in the past few weeks. The docks there are loaded to capacity and many boats are being forced to discharge cargo in Newark, N. J., and Philadelphia, Pa.

With lumber in the greatest demand since 1946, what is going to happen in the fall and winter of this year when the demand for lumber is going to be far less than at present?

The answer is that the Canadians can lower their prices as much as $15 per thousand or approximately 25 percent less than

the United States mills and still operate profitably. The Canadian mills can operate while the Northwest competitors are idle, while our loggers, millmen, longshoremen, and merchant marine go on relief. We must realize that the day of reckoning in the Northwest is coming soon unless we can curb this threat by legislation now. Anything that depresses the lumber industry in the Northwest will have its reaction on all the people where lumber is the backbone.

Therefore, Representative, we need your immediate help in seeing that favorable legislation is passed to prevent this calamity to the Northwest.

Sincerely yours,

JACOB J. WEINSTEIN.

HEIDNER & CO.,
Tacoma, Wash., March 24, 1950.

The Honorable HOMER D. ANGELL,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR MR. ANGELL: Referring to your letter of January 6 and our letter of December 31 with regard to the purchase of Canadian lumber with ECA funds, we have just received an advice from the Economic Cooperative Administration that they could not restrict purchases to those for the product of American labor and industry. It is, therefore, evident that the only way to correct this situation is to amend the legislation under which the Economic Cooperation Administration operates so that purchases with these funds will be limited to the products of American labor and industry. We feel that in these days of growing unemployment it is vitally necessary to keep the American economy strong in order to be able to pay for the tremendous load that is being placed on it in the way of taxes. First consideration must be given to employment of American labor.

The ineffectiveness of the present operations under the ECA is brought out clearly by the fact that on the recent tender for the British Timber Control, all bids were thrown out and new bids were called for despite the fact that many American exporters had quoted on this business strictly in accordance with the way it was called for. One exporter offered 33,000,000,000 feet for shipment by the end of June. The bids were apparently thrown out because the Canadians were unable to quote for a very large quantity and there was no way that the Timber Control could have prevented placing much of the business with American shippers.

The only way to protect American labor and industry is to amend the ECA legislation making it mandatory to purchase the products of American labor and industry with ECA funds.

We also feel that Congress should insist that ECA funds be used only for puchases made through private trade channels as steady purchases through the regular trade channels throughout the year will have less unfavorable impact on the market than quarterly purchases of 100,000,000 to 130,000,000 feet at one time as are made by the British Timber Control.

We hope that we may count on your support of changes in this ECA legislation.

Very truly yours,

HEIDNER & CO.,
By W. G. HELLAR.

PACIFIC LUMBER EXPORTERS ASSOCIATION,
Seattle, Wash., March 22, 1950.

The Honorable HOMER D. ANGELL,
House of Representatives,
Washington, D. C.

DEAR MR. ANGELL: We are attaching copy of a wire sent to Senator WARREN G. MAGNUSON in connection with the recent tariff increase on American lumber in Australia, and copy of the wire sent to Congressman RUSSELL V. MACK protesting the expenditure of ECA funds for Canadian lumber, as well as the practice of Government purchasing by the British Timber Control.

We sincerely urge your effort in trying to overcome these problems, and we would particularly emphasize efforts on your part to insist on a change in the purchasing practices of the United Kingdom. Other European countries long ago abolished purchasing commissions, and turned the business back to private trade channels. Only the British insist on a purchasing commission, channeling their lumber buying through the British Timber Control. We feel certain if the present purchasing practices of the United Kingdom were changed it would solve most of our difficulties here on the west coast and permit a better distribution of the United Kingdom business amongst American and Canadian mills.

We also feel too much emphasis has been placed on supporting the Canadian buying power in the American market. It is suggested more consideration should be given to the buying power of the citizens of Washington and Oregon, which no doubt nearly equals the buying power of all of Canada.

The lumber, fruit, and flour interests of this country are very insistent that these facts be recognized and that a change in policy of our State Department be made in the expenditure of ECA funds so that more of this money will be spent in this country rather than trying to throw so much support to Canada.

We sincerely urge your support and attention to such a program.

Very truly yours,

PACIFIC LUMBER EXPORTERS ASSOCIATION,
C. W. SPENCE, *President.*

PORTLAND LABOR-MANAGEMENT COMMITTEE,
Portland, Oreg., January 13, 1950.

The Honorable HOMER D. ANGELL,
United States Representative,
House Office Building,
Washington, D. C.

DEAR MR. ANGELL: It is desired to call to your attention the very unsatisfactory condition now existing in the northwestern flour-milling industry and to the trend over the last several months which indicate a further rapid deterioration.

Statistical reports indicate that on a national basis the export of flour has declined about 54 percent during the first 9 months of 1949, and this is of course a serious matter when considered on a Nation-wide basis. However, to the Pacific Northwest this decline is particularly serious because of the fact that it represents so large a percentage of our total business. To intensify the problem, the increase in railroad freight rates has almost completely closed eastern United States markets to Northwest milling products.

As a result of these conditions, the mills in the Northwest are operating at a low percentage of capacity, or indeed closed entirely. The attached exhibit A lists the present operating schedules of such mills from which it will be observed that for the area operation in percentage of mill capacity has fallen from 105.8 percent as of December 1946 to 53.7 percent as of December in 1949. This fall in production necessarily results in loss of employment and this point is graphically presented in a letter from the grain millers' union, exhibit B.

While it may appear that the number of workmen involved, something under 5,000, is not a controlling factor in our employment problem, it must be remembered that in the past this industry has furnished stable year-around employment and as such has acted as an important balance to other industries which are highly seasonable in character. This seasonal feature applies especially to lumbering, food processing, and agriculture, which are at a practical standstill during the winter months and at a time when living costs and need for employment are at peak. Exhibit C illustrates the present condition and the trend of employment in Oregon.

A number of suggestions have been made as a means of relieving this distressed condition, among others:

1. A general export subsidy to apply outside international wheat-agreement countries.

2. Make wheat from Government-owned surpluses available to export millers at a price comparable to that current in Canada and Australia.

That indicated in item 2 would perhaps serve as well as any and be that most easily put into being.

In any event, it cannot be questioned that the case requires some positive treatment in the very near future if the industry is to remain one of consequence in the area.

The exhibits attached, A to I, explain in more detail the points that have been raised, and it is hoped they will convince you that the problem is a real and serious one.

Very truly yours,

PORTLAND LABOR-MANAGEMENT COMMITTEE,
J. L. JENNINGS, *Chairman.*

AMERICAN FEDERATION OF GRAIN MILLERS, A. F. OF L.,
Portland, Oreg., January 12, 1950.

J. L. JENNINGS,
Chairman, Portland Labor Management Committee,
Portland, Oreg.

DEAR MR. JENNINGS: To supplement the information previously submitted to your committee on production records for the grain mill products industry, we are forwarding employment data for the same period and occupation.

The figures below designate employment covering:

Oregon:	
1945	-----
1946	1,865
1947	1,674
1948	1,464
Washington:	
1945	3,103
1946	2,473
1947	2,411
1948	2,347

Based on a 40-hour workweek, the above shows a total of 832,000 man-hours lost for 1948 in comparison with the 1946 estimate for the State of Oregon alone.

While 1949 statistics are not available, it is to be assumed from union records and increased unemployment compensation benefits for both Oregon and Washington that a greater decrease will be shown for last year.

In checking further with individual mills throughout this area, we found that one flour mill by segregating a group of 11 employees records 24,667 hours in 1947, 24,209 hours in 1948, and 21,049 hours in 1949, indicating a 14.4-percent reduction during those years.

Another flour mill reported the below total of man-hours as 704,760 for 1947, 648,036 for 1948, and 602,506 for 1949, with a capacity percentage of 88 for the crop year 1947–48, 83.5 for the crop year 1948–49, and 66 percent for the current crop year to date.

A communication just received from a Washington mill informs us that from July 1945 to July 1946 it operated 5,258 hours, while from July 1948 to July 1949 only 3,259 production hours were utilized.

One of the mills in this immediate vicinity was forced to make a personnel reduction with the exception of a small maintenance crew 2 days ago, and no information could be obtained as to the anticipated resumption of operations.

Trusting this information will assist in providing a more complete scope of the extreme needs for the milling industry in this territory, I am

Very truly yours,

A. L. STEVENS,
Secretary AFGM, Local No. 61.

SEATTLE, *March 21, 1950.*

Hon. RUSSELL V. MACK,
House Office Building,
Washington, D. C.:

We understand Northwest delegation meeting this week. Request you to please submit the following: "Considering the reported progress which has been made by the ECA countries and growing unemployment in this country. We believe the time has been reached when all expenditures should be weighed as to how these affect our own economy as well as drain on our taxpayers. The primary goal of recovery in Europe should not be carried to extent it weakens economy of United States. It is our considered opinion the point has been reached where all expenditures under ECA program should be restricted to products of and from United States. If cost of any scarce product is too high in value to be supplied then confine expenditures to goods in surplus and obtainable at prices where greatest amount of good can be accomplished. Any industry with exportable surplus or need for outlet to maintain low-cost production for domestic consumption should not be penalized by competition from countries with devalued currency or advantages they might have in foreign tonnage freight rates."

We cannot maintain our standard of living, full employment, wage rates encouraged by our Government, and unemployment bounties unless there is an outlet for the goods produced by the industries.

Mr. Hoffman is reported as saying his Agency wishes to protect and promote best interests of lumber industry insofar as they are not inconsistent with the purposes of the ECA program. We see no reason why program and interests of industry could not be synchronized and accomplish the over-all purposes. We feel ECA should insist ERP countries make purchases through private trade channels and not through Government boards such as British timber control where continuing discriminations against American products are working to our detriment. We hope you will endeavor to amend ECA legislation to require that only products of American labor and industry be purchased with ECA funds.

PACIFIC LUMBER EXPORTERS ASSOCIATION,
C. W. SPENCE, *President.*

Production records for Pacific Northwest mills, months of December 1946 to 1949, inclusive

	Percent	Capacity	Production
1949			
		Cwt.	*Cwt.*
Tidewater Mills	59.2	1,086,800	642,894
Washington Int	38.4	457,600	175,772
Oregon Int	59.2	205,400	121,542.85
Total	53.7	1,749,800	940,208.85
1948			
Tidewater Mills	94.2	1,016,600	958,081
Washington Int	67	430,300	288,441.2
Oregon Int	103	191,100	195,991
Total	88.07	1,638,000	1,442,513.2

Production records for Pacific Northwest mills, months of December 1946 to 1949, inclusive—Continued

	Percent	Capacity	Production
1947			
		Cwt.	*Cwt.*
Tidewater Mills	90	975,000	877,793
Washington Int	78.8	408,200	321,781.2
Oregon Int	86.8	166,400	144,524
Total	86.7	1,549,600	1,344,098.2
1946			
Tidewater Mills	103.12	1,098,300	1,132,564
Washington Int	115.36	345,000	397,993
Oregon Int	104.76	224,000	234,670.9
Total	105.88	1,667,300	1,765,227.9

STATE UNEMPLOYMENT
COMPENSATION COMMISSION,
Salem, Oreg., December 2, 1949.

November established another seasonal peak in unemployment compensation for Oregon with payments of $1,933,327—highest on record for any month in the last half of the year. This brought the 1949 total of State benefits to $16,622,325, almost up to the $16,669,748 all-time high for the entire year of 1946. With December payments expected to pass two millions, the 1949 total may be close to $19,000,000, according to the State unemployment compensation commission.

Last month's total was over three times the November 1948, figure and more than was paid out during the entire fourth quarter of 1946 or 1947. Last year November benefits of $535,365 more than doubled in December to reach $1,113,109, but officials do not expect the same rate of increase this year. The seasonal peak usually is reached in February or March.

The Portland office accounted for $830,997 in November benefits or about 43 percent of the total, while the addition of the Oregon City and Hillsboro District would bring the total to $930,388 or more than 48 percent of the checks. Since the beginning of the year $7,817,040 has been distributed to unemployed workers in the metropolitan area, including Multnomah, Columbia, Clackamas and Washington Counties.

Eugene and Lane Counties were second in payments with $124,397 for the month and $1,118,618 so far in 1949. Not far behind was Salem and the Marion-Polk County section with $112,850 for November and $990,596 for the year to date.

Local offices reported 28,342 claimants in the last week of November as compared with 18,610 a year ago. Last year's figure included many veterans' claims, however, while only a few hundred now are being paid under the GI bill. November allowances to former servicemen were $56,486 against $229,567 last year.

Since the 1949–50 benefit year started last July, 74,909 unemployed have filed claims under State law. A year ago 37,440 were on the commission's books, while by June, 1949, the number reached 101,000.

ROSEBURG CHAMBER OF COMMERCE,
Roseburg, Oreg., March 9, 1950.

Hon. HOMER D. ANGELL,
Third District, Oregon,
House Office Building,
Washington, D. C.

DEAR MR. ANGELL: We have been informed that during 1949, more than 300,000,000 board feet of British Columbia lumber was sold and shipped to our east-coast markets and nearly 7,000,000 feet from the same source reached the California market. Our local lumbermen advise us that there is a differential of nearly $11 per 1,000 board feet in costs, favoring the British Columbia producers. They also tell us that nothing can be done to correct this situation because of the attitude of our State Department.

Doubtless, you are better informed in these matters than most of the people in the timber capital of the Nation. We are also assuming that such a situation has your concern equally with ours. We therefore write, not to inform you in the matter, but rather to tell you that we don't like it. We believe something should and can be done about it, even to the extent of a congressional inquiry, or, better still, a complete housecleaning in our State Department.

In this connection, we recall that our Oregon delegation accomplished a magnificent job in the matter of Federal purchasing agencies' discrimination against the use of low-grade lumber in 1949, which resulted very beneficially to our lumber producers and our State as a whole. Hence, we have a measure of confidence that they have the ability to start a program that will result in the correction of a current evil which, if permitted to grow as it has in the last 3 years, will upset the basic economy of this and other States.

We don't know the answer but let us hope it can be found. Naturally, we look to you for leadership and guidance. We would like to learn your views on the matter, whether or not something can be done and what we, in your opinion, can do to cooperate.

Sincerely,

HAROLD J. HICKERSON,
Secretary-Manager, Roseburg Chamber of Commerce.

Mr. Chairman, I have in the past supported the objectives by ECA. However, I am not in favor of including our eyes and giving a blank check to ECA to spend with a lush hand billions of American tax dollars, particularly to liquidate old-established American industries, depriving American workers of employment. American workers with our high wages and standards of living cannot compete with slave labor wages in many Marshall Plan countries. Our industries cannot compete with Marshall Plan nations loaded down with free American tax dollars and protected with debased currencies and cartel and other unfair manipulations. American industries are not only deprived of foreign markets under ECA but their American markets are scuttled under ECA and the State Department operations.

The ECA program if carried through to the end as proposed by the administration will cost the American taxpayers $15,000,000,000 not included in indirect cost of wrecking many American industries. We have spent overseas over $33,000,000,000 since the war ended. We have cut in the pending appropriation bill 25 percent off of the funds needed for projects for river and harbor and other internal improvements. We have an opportunity here to reduce this immense gift to foreign countries under this bill and still care for all ECA worth-while needs. It will leave some money to spend here at home and let our taxpayers get their breath.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. CELLER].

ARAB REFUGEES

Mr. CELLER. Mr. Chairman, I hope the ardors of some of the contestants here may be cooled if instead of talking on the Burleson amendment I use my time to speak briefly on title II of this

act which deals with an appropriation of $27,450,000 under UN auspices for the relief of Arab refugees. I believe this provision should be adopted and I hope it will be adopted without a dissenting vote. I ask this on purely humanitarian grounds. These refugees—there are probably half a million of them—are suffering. They fled from Palestine, although there was no real reason for them to flee, but they had been urged to do so by the emirs and the pashas and the absentee Arab landlords who were serving their selfish purposes in their war of aggression against little Israel. They were worsted in that war. But these fellahin (peasants) are the ones who are now suffering and we must lend a helping hand to them and set an example to the other nations of the earth to do likewise so they may be rescued from their squalor, their poverty, their travail, and their suffering.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield for a question?

Mr. CELLER. I yield.

Mr. WHITE of Idaho. Does the gentleman know that with all these metals coming in here, unless we cut them off and restore the tax rate we are not going to have the money with which to do the things the gentleman wants to do?

Mr. CELLER. That is hardly appropriate to the subject I have been discussing.

Mr. WHITE of Idaho. Money is not connected with it, tax revenue?

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. HARVEY. Can the gentleman inform me how this money that is proposed to be appropriated under title II is made up?

Mr. CELLER. I do not know what the total amount will be. But there should be no objection to this mission of mercy.

ARMS TO THE ARABS

Likewise title III of this bill, which is properly cited as the "Act for International Development," a so-called point 4 of President Truman's program merits approval. It would secure the growth of democratic ways in undernourished and undeveloped areas.

There is hardly an area in the world where the possibilities to attain democracy and a higher standard of living for the inhabitants are more favorable than the countries of the Middle East. It is here, therefore, that the United States can play a great role in hastening this process and in seeing that the process is not misdirected to undemocratic or nefarious ends.

But it is disturbing to find that in a country such as Egypt which, according to a report which appeared in the New York Times on March 19, and I quote, "is in a pitiful social state," a large part of the resources of the country should be spent not on productive purposes but for senseless militarism and wasteful armament. Egypt is a sample on a large scale of similar conditions in Syria, Lebanon, Iraq, and Transjordan. In all these countries there is need for greater expenditure of local resources and for the utilization of outside aid to help its citizens to democracy. Yet, in all these countries, resources are being squandered on an armament program. These resources are not used in the defense of democracy, but are used for one purpose alone: aggression and a war of conquest against a neighbor—Israel.

Most of the arms which are being bought by these countries come directly or indirectly from Great Britain. These arms can be of no possible benefit to either the security of the United States or even of Great Britain.

Democracy, in the Middle East in the sense in which we know it, exists in only one place, Israel.

Backward and underdeveloped countries should be aided, but not by being given swords by Britain. They should be taught, instead, to use the plow. To quote again from the New York Times in this connection:

> Only 6,000,000 acres of land are cultivated in Egypt and of this the royal family owns 10 percent on which they pay no taxes. Forty percent is owned by less than one-half of 1 percent of the population.

It is here where American aid is needed to introduce modern farming methods and a more equitable land-holding system. Instead, we allow the Egyptian authorities to divert attention from the real problems of the country by concentrating on an armament program which, in a country where 80 percent of the population is illiterate, can easily be abused by propaganda to incite to war as the only way out of internal difficulties.

We must support democratic countries and bring democracy to countries where it does not exist. Democracy can live only where the people live in decent conditions; not where the only change from dismal and sordid everyday life is the prospect of a war of adventure. Our role in connection with the armament purchases by the Arab countries should reflect our higher aims.

I repeat, the kernel of democracy in the Near and Middle East lies in Israel and nowhere else. The barometer of peace there—in fact in the world—is democracy. Kill democracy in Israel and peace in the Near and Middle East is crushed.

The Arabs led by its rabble-rousing Effendi and smarting under their defeat by the Israeli are itching for a second round. A second round might kill democracy in Israel. Why then, should Britain ship arms to Arab nations? The answer that those arms are small arms and are sent in pursuance of treaty obligations is just so much hog wash. Britain desires confusion and war between Israelis and Arabs. Her nefarious rule of divide and conquer still prevails.

All armaments shipped to Israel's neighbors must be matched by Israel. She cannot leave to chance and bare knuckles the defense of her land. She has applications pending for purchase of arms from us. If Britain persists in her dangerous course, we must approve these purchase applications so that Israel may not be compelled to fight with her hands tied.

She desperately needs funds to receive and integrate into her economy thousands of refugees coming from all climes. She can ill afford to divert those funds for cannon and tanks.

We must bring strong pressure to bear upon the bedeviled Foreign Minister Bevan to drop his anti-Israel policy—a policy that stems from his desire to create havoc and confusion and then have Britain come in as benefactor. It is the old game of divide and conquer.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. McCARTHY]

Mr. McCARTHY. Mr. Chairman, there are just one or two observations I want to make in the discussion on this bill. We all understand that in the ECA program we are proposing to give $3,000,000,000 worth of American commodities to help the recovery of Europe. It is not a matter of sending them 3,000,000,000 printed dollars and expecting some magic to happen. When we give them $3,000,000,000 we give them title to $3,000,000,000 of American goods. The conception of trade and exchange that has been brought forth here today would discredit a medieval money changer. If Canada gets $100,000,000 from England it is not going to put that $100,000,000 of American money in a can and bury it. It is going to have to send it back to the United States to have it redeemed.

If you want to say that all of the commodities that go into the ECA program come from the farms, that is one thing, but let us not confuse the issue by saying that none of this $3,000,000,000 is going to get back to the United States because all of it must be spent here, as the gentleman from Minnesota [Mr. JUDD], stated earlier in the debate. His statement has been neglected by the Members who have spoken following him.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Montana.

Mr. MANSFIELD. I would like at this time to bring to the attention of the Committee what I tried to bring to the attention of the Members when the gentleman from Colorado had the floor on the matter of strategic materials. Let me tell you what strategic materials ECA is trying to purchase at this time. These are in extremely short supply in the United States as the gentleman from Iowa and the gentleman from Colorado well know.

Rubber, sisal, industrial diamonds, bauxite, of which we have a very small and limited supply in Arkansas, I may say to the gentleman from Colorado, palm oil, of which we have none, graphite, sperm oil, of which we have none and other materials of that type. That indicates, of course, that we are getting materials we do not have, materials that we are in short supply of and that we need very much.

Mr. McCARTHY. The American dollar is the best medium of exchange in the world today. What we are trying to do here is to put that medium of exchange into circulation. If you are going to tie every American loan, it simply means that European recovery will be greatly hampered. If we get this money in circulation, it is possible that there

will be such recovery, that by 1952 we may be able to discontinue this program. If we are going to revert to a single give-away program, and refuse to use modern techniques of finance and exchange, European recovery will be seriously impeded.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I offer an amendment to the substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. BENNETT of Florida to the White substitute: On page 1, line 15, after the word "Congress" strike out the comma, insert a colon and the following: "*Provided, further,* That any agricultural commodities bought by the Economic Cooperation Administration must be purchased from surpluses in the possession of the Commodity Credit Corporation whenever such surpluses exist."

Mr. BENNETT of Florida. Mr. Chairman, admittedly this amendment is very similar to the Vorys amendment in the original bill. However, there is one major difference in it. That is the fact that under the present manner of presentation, the amount of money is $250,000,000 less than it would be under the Vorys amendment.

I am not going to take a lot of time to talk about the basic considerations because the matter has been thoroughly discussed, but I think it should be voted on in this manner because if we come up to the Vorys amendment again, the situation will be different then, by at least the $250,000,000.

I very much favor reducing our surpluses, if we can. I think the people in this country want to use the surpluses as a method of economically carrying out the Marshall plan.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Montana.

Mr. MANSFIELD. I would like to also bring out further, in regard to strategic materials, that the Marshall plan is purchasing in this country such strategic materials as copper, lead, zinc, aluminum, and nonmetallic materials as well as prefabricated articles from the Western Hemisphere.

Mr. SMITH of Wisconsin. Mr. Chairman, I ask unanimous consent that the time allotted to me be yielded to the gentleman from Minnesota [Mr. JUDD].

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. HOFFMAN of Michigan. I object, Mr. Chairman.

Mr. JUDD. Mr. Chairman, when we were considering this bill in the Committee on Foreign Affairs I asked several times exactly the question that has been raised here, whether we should not insist that all these funds be spent in the United States for American products, especially those that were in surplus, and you will find one of the discussions on that on pages 162, 163, and 164 of the hearings. I used, for example, this chart to show what was happening to people in my own area. In prewar years the United Kingdom was importing grain and flour from us at the rate of $56,000,000 a year. In 1949 that had dropped down to $12,000,000 a year. From Canada the United Kingdom, prewar, was buying $58,000,000 worth of grain and flour a year and now it has gone up until last year it amounted to $106,000,000. I said to representatives of ECA, "How can we take American dollars and buy wheat in Canada to relieve her surpluses, when we have even larger surpluses here and do not use our own dollars to buy our own surpluses. That is that is hard to explain to my people." I know the sound economic answers that can be given. I hoped there might be some simpler and plainer answers. The thing that persuaded me to go along with the ECA in not requiring by law that ECA funds for agricultural products be spent in the United States are these other figures which I wish I had time to discuss in detail. This column lists the commodities bought from each off-shore hard-currency country, and the amount spent for each. These figures have been quoted here repeatedly to show how many of our dollars were being spent in Canada and other countries. The figures include the total that we have bought in them since the beginning of the program. The House will remember the Andresen amendment that was put in when we passed the original ECA bill requiring that ECA not buy grain in the United States beyond a certain amount, because we had wheat shortages at that time. It insisted that ECA buy certain products off-shore where possible, and the amount of such purchases in the first year was large. But they are much smaller now. This next column shows that in the last month of last year only one item was bought in Canada as against a dozen or more items bought each month in the prior year. This one commodity ECA is still buying in Canada is wheat at the rate of $10,000,000 a month on the basis of the special contract Britain had with Canada before the ECA was put into operation, and which ECA, of course, had to honor.

So, the main thing that this amendment by itself will do is to help our agricultural industry somewhat, but it will not be at the expense of the recipient countries; it will be at the expense of other parts of the American economy. Every dollar we appropriate for ECA eventually has to buy American goods. When more of them are spent for agricultural products, fewer can be spent for other products, especially manufactured products, which are a very important part of America's exports also, that further hampers the development of a well-rounded world trade which is so essential to our own prosperity and welfare as well as Europe's recovery.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. KEE] to close debate.

Mr. KEE. Mr. Chairman, I feel that I cannot add anything to what has been said in reference to this amendment. As I pointed out in the beginning, the amendment is entirely unnecessary. Under the provisions of the bill the Administrator of the Marshall program is obligated to buy in the United States all food and all agricultural commodities when they are not in short supply. Now, that is already in the act. I have already, during this debate, read to the members of this committee the provisions referred to. This amendment is entirely superfluous; it is not needed to insure that the Administrator will carry out a law already upon the statute books. I ask that this program be not encumbered by this useless and impossible amendment.

Mr. WHITE of California. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from California.

Mr. WHITE of California. I know the gentleman wants the correct facts to prevail in the matter. It has been shown that there has been over $1,000,000,000 spent outside the United States for agricultural commodities since the inception of ECA; is that not correct?

Mr. KEE. I am not familiar with the figures.

Mr. WHITE of California. I can say to the gentleman that that is the figure they gave us in the Committee on Agriculture.

Mr. KEE. You will find that wherever that has been done, wherever purchases have been made of agricultural and food commodities, it has been authorized by the necessities in the case, and justifiably so. Take, for example, the wheat purchases made in Canada. That was explained by the gentleman from Minnesota [Mr. JUDD].

Mr. WHITE of California. I do not think that was an explanation.

Mr. KEE. That purchase of wheat was with the approval of the Secretary of Agriculture at the time the purchases were made. Those purchases were made for the benefit of the farmers and other agricultural people in the United States.

Mr. WHITE of California. I cannot see that.

Mr. KEE. In return for purchases by England of wheat, England agreed to purchase a quantity of other agricultural commodities from the United States. There were also other benefits derived by the United States which made the transaction one of value to this Nation.

Mr. WHITE of California. I hope the gentleman is right.

Mr. KEE. The gentleman is right.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. MULTER] to the amendment offered by the gentleman from Texas [Mr. BURLESON].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT] to the substitute amendment offered by the gentleman from California [Mr. WHITE].

The amendment to the substitute amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from California [Mr. WHITE].

Mr. WHITE of California. Mr. Chairman, I ask unanimous consent that the first paragraph of the substitute amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the first paragraph of the White of California substitute amendment.

The question was taken; and on a division (demanded by Mr. WHITE of California) there were—ayes 16, noes 80.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BURLESON].

The question was taken; and on a division (demanded by Mr. BURLESON) there were—ayes 90, noes 88.

Mr. KEE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BURLESON and Mr. VORYS.

The Committee again divided; and the tellers reported that there were—ayes 119, noes 107.

So the amendment was agreed to.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: On page 11, after line 18, insert the following new subsection (g), revising section 118 by adding thereto the following:

"The President may terminate the provision of assistance under this title to any participating country whenever he determines that the continuance of such assistance is not consistent with the foreign policy of the United States."

Mr. JAVITS. Mr. Chairman, we have a rather odd situation in the ECA with respect to the way in which it can be terminated as to any country. The particular amendment which I have proposed states that it may be terminated by the President whenever he decides that the continuance of assistance to any particular country—which makes it selective—is not consistent with the foreign policy of the United States. I believe that the House will be interested to know that there is no such specific provision now in the European recovery program legislation. There are two ways to terminate it: One is by the Administrator himself in various tests which are prescribed in section 118, among which—and this is the one closest that comes to this particular provision—is when because of changed conditions in any recipient country assistance is no longer consistent with the national interests of the United States; but that is to be accomplished by the Administrator, not by the President; and the Administrator is not charged with the conduct of the general foreign policy of the country, whereas the President is. The only other provision for termination contained in the ECA is in section 122, which permits termination by concurrent resolution of both Houses of Congress. Again, the Congress is not charged directly with the conduct of the foreign policy of the United States.

Why have I offered this amendment at this time? I am sure that the House is well aware of the fact that there will be offered during the course of this debate amendments relating to the unification of Ireland, a proposition with which I am very sympathetic; and others with respect to taking the British to task for continued shipments of arms to the Near East states, especially to Egypt, Iraq, and Jordan, a situation which I have sharply criticized myself and which I feel urgently requires the interposition of American influence to bring about a correction of the British policy which they are pursuing and which I believe is seriously contributing to deterioration of the prospects for peace in the Near East.

All of the amendments of the type I have described will be incorporated by the passage of this amendment giving the President the power to terminate this foreign aid in case its use in any particular country is inconsistent with our foreign policy. By giving him the power to tie the ECA program to America's foreign policy and doing so in so many words as is done in this amendment, it will serve to satisfy the demands of a large group in the country, including myself, who feel that very serious things must be done with respect to policy on the shipment of arms to the Arab States or on unification of Ireland, which the United States is not pursuing in the foreign field in adequate measure.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. SMITH of Wisconsin. In looking at the law itself, it seems to me that the gentleman's amendment is already provided for. I read the following from section 105 (b) (2), subsection 2:

Whenever the Secretary of State believes that any action, proposed action, or failure to act on the part of the Administrator is inconsistent with the foreign-policy objectives of the United States he shall consult with the Administrator and if differences of view are not adjusted by consultation, the matter shall be referred to the President for final decision.

Wherein does the gentleman's amendment differ from the language of the act?

Mr. JAVITS. That is just the point, if my colleague please. What I am trying to do is to state the opinion of the Congress that the President shall tie the ECA aid to any particular country directly to the foreign policy of the United States in an executive way; in other words, without relying on the Administrator or the Secretary of State, but doing it directly; and the reasons why in my view it is urgent that such power be given and that the intention of Congress be expressed on that subject is the reasons that I have just outlined. I was well aware of the section the gentleman has referred to when I first proposed the amendment, but what I am trying to do is to obviate a whole series of amendments which we know will be offered, such as one pertaining to the unification of Ireland, another to the situation in the Near East, the British shipments of arms to the Arab States; to state plainly and categorically the intent of Congress that the President directly shall tie the foreign policy of the United States in with ECA.

Mr. SMITH of Wisconsin. That is what the law already does.

Mr. JAVITS. As I have pointed out, it does not adequately because it leaves it in the hands primarily of the Secretary of State and the Administrator. We are asking now that Congress express its intent that the President tie ECA aid in directly with our foreign policy.

Mr. SMITH of Wisconsin. I think we are quibbling over terms.

Mr. KEE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

Mr. Chairman, the matter covered by the amendment just offered is fully and completely covered by section 105 (d) just read by the gentleman from Wisconsin. The amendment offered by the gentleman from New York is unnecessary and like some of the amendments that have been adopted today it simply encumbers the bill with unnecessary verbiage.

Mr. Chairman, I hope the amendment will be defeated.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in respect to the amendment offered by the gentleman from New York, it seems to me that if the United States wants to be accused of dollar diplomacy in the raw that kind of an amendment is going to make such accusation a valid one. Likewise it seems to me that the ECA program is for the reconstruction of Europe and not for shoving United States foreign policy down the throat of any foreign government.

Mr. Chairman, I would like to read at this time a paragraph from a letter written by a gentleman, an American citizen, who has spent a considerable number of years in England as a businessman from the United States. To those of you who are interested in a first-hand view of an American businessman I quote the following:

I regret to say that the longer I am here, the more doubt there is in my mind about the wisdom of the United States being a continual Santa Claus. Many thinking people in this country consider it would have been better if they had not received Marshall aid as the country would have had to depend on its own resources, and the people would really have gone to work. Our aid has kept the Socialist government in power, and the average man in the street hears little about, and does not appreciate, the sacrifice of the people in the United States in permitting themselves to be taxed so heavily to give so much away. In addition to what the Government has done, the average citizen through Community Chest, Red Cross, and personal gifts has given away a tremendous amount of money, and I sometimes wonder how long even rich America can stand it.

I do think we should cooperate with all peace-loving, well-meaning people, and that we do need allies, but I think we have the right to say to any people, we are willing to help them if they are willing to help themselves by working as hard as we do and by at least using their best efforts to produce the most they can for themselves and not spend so much time on dog racing, horse racing, and gambling.

That is from an American citizen, who, for several years, has been engaged in business in England.

May I say that the distinguished Administrator of this program is a constituent of mine and I regard him and his abilities very highly indeed. I have supported his efforts and I hope to be able to continue to support them on behalf of the welfare of the people of Europe who have been so badly hurt in the last war. But I cannot stand for this business of the people of the United States helping these foreign governments reduce their internal debts and to balance their budgets at the expense of the people of the United States.

This entire bill of $3,000,000,000, pretty nearly, is $3,000,000,000 of the $5,000,000,000 deficit that the United States is suffering at this time. I am willing to give them a reasonable amount of money and go along to help them out, but I want it understood, and I think we all ought to understand, that this $3,000,000,000 is $3,000,000,000 of the United States deficit right here in this bill and these people in foreign countries had better appreciate that while we are going in the red to the extent of $5,000,000,000 they should go along at least by using the funds in those countries, the counterpart funds, for that necessary rehabilitation for which our people are paying the bill and not try to reduce their internal debts and balance their budgets at our expense.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. If we had not been so liberal in our Marshall plan contribution, the people would have gone to work, and these bondholders in the Marshall plan countries would have scaled down their bonds.

Mr. HINSHAW. It seems to me that some of those people might have very well gone to work and worked as hard as we do to make the money to supply them with these funds. I hope they will soon begin to realize that and go to work. A number of countries have done so and they are in excellent shape today. Marshall aid, the ECA, has helped them out, but those are people who really want to work. Some of those people over there apparently do not want to work; they would rather go to football games and dog races and horse races than go back to work.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Iowa.

Mr. GROSS. Before this debate is over with, I wish someone on the Committee on Foreign Affairs would tell us what the foreign policy of the United States is.

Mr. HINSHAW. It would be very interesting to know what the foreign policy is. But I do not think we ought to use dollars meant for relief and rehabilitation to cram our foreign policy down their throats. At the same time I think we have a right to expect them to cooperate by not giving their aid and comfort to their and our potential enemies. That I believe firmly. Anything short of that policy is subversive of our mutual interests and should not be tolerated by our Government.

Mr. MULTER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am one of those who intended to offer an amendment similar to that just offered by the gentleman from New York [Mr. JAVITS]. I do not believe that the language in the present law is sufficient for the purposes intended, and if this amendment carries, we will, at least, move one step closer to accomplishing a very desirable purpose.

In recent weeks we have heard that some of these countries that are being aided by ECA are sending strategic metals to countries behind the iron curtain. Now, that is certainly a violation of our foreign policy. This is one way to stop it.

We know that there are other countries that are sending arms to areas where they ought not to be going. That will only stir up turmoil and strife and make the possibility of an outbreak of war that much greater. This amendment is one way to stop that. I think it is a good amendment and it should prevail. If it does, it will put the burden where it belongs, upon our President, to make sure that those countries which are using our money and our facilites for their own economic recovery will use it for that purpose, and for no other purpose.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. JAVITS. Does the gentleman agree with me, as one who is interested in draftsmanship, that both section 105, to which my colleague referred, and section 118, to which I referred, would bind responsibility and power together and place them directly on the President? When they go through the Secretary of State and the Administrator, they dilute the purpose which I have in mind and which the gentleman has in mind.

Mr. MULTER. I am in entire agreement with the gentleman.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. KEATING. There are a great many of us who feel that under existing law the Administrator and the President have the power and should have acted to cut off aid to those countries that were sending strategic material behind the iron curtain. In my opinion, he has the power now and should exercise it under existing law without any amendment.

Mr. MULTER. Then you should certainly have no objection to saying it again in so many words as this amendment attempts to do and putting the burden upon him explicitly. There is nothing in the statute that says it is the duty of the President. This amendment will make it his duty to see that it is carried out in that way.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. May I point out that the people who are interested in making this the responsibility of the President would be interested to know that west Germany has been authorized by the Allied High Commission to sell Communist China $7,000,000 worth of steel rails, and that the High Commission approved the order 3 months after it turned down Communist China's order for 100,000 tons of rail. The new order is for 15,000 tons, plus a small amount of additional parts, and the Chinese Communists will pay west Germany in dollars. Under this amendment it will be the responsibility of the President if that is done.

Mr. MULTER. Does not the gentleman agree that it is a good thing to try to stop such things by an amendment like this?

Mr. FULTON. I think the amendment should be adopted.

Mr. MULTER. I thank the gentleman.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. SMITH of Wisconsin. He already has the authority to do it under existing law. Has the gentleman read section 105 (b), subsection (2)?

Mr. MULTER. Yes, I have read it, and I say that this makes it more specific. There should be no objection to our putting in a few more words to say exactly what we mean. That is all this amendment does. The gentleman agrees that what we are trying to do is in the law and is the intent of the law. Then he should not object to saying it more explicitly if it can be said more explicitly.

Mr. SMITH of Wisconsin. The gentleman has been talking about this east-west trade and about strategic metals getting into Russia. Great Britain has a 20-year trade treaty with Russia, and all those materials are going in. Where are you going to stop?

Mr. MULTER. Does the gentleman believe Great Britain should use our facilities and our money to send strategic metals to those countries that should not be getting them?

Mr. SMITH of Wisconsin. Then you should stop that practice in this bill.

Mr. MULTER. That is what we are trying to do by this amendment.

Mr. SMITH of Wisconsin. You are not doing it.

Mr. MULTER. Then I suggest the gentleman offer another amendment that will make it even stronger. I think that this amendment strengthens the bill and makes it more likely that we will accomplish the desired purpose.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa.

Mr. GROSS. Are we to understand that under existing law the President has not assumed his moral responsibilities?

Mr. MULTER. We are not talking now about moral responsibilities. We are talking about legal responsibilities and placing them where they belong.

Mr. GROSS. But there is a moral responsibility.

Mr. MULTER. We are talking about putting language into this bill which will accomplish the purpose that apparently everybody thinks should be accomplished.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Chairman, I take the floor at this time merely to interrogate the members of the Committee on Foreign Affairs on one particular item in this ECA bill, which will be found on page 11, beginning on line 12, item (J). This has to do with the Information Division of the ECA. Before discussing it, however, I wish the House to know that I have great admiration for the Director, Mr. Paul Hoffman, and his first assistant, Mr. Foster. When I was a member of the committee making appropriations for ECA, I called attention to this particular information department to both Mr. Hoffman and Mr. Foster because I felt that it in some way duplicates the information program of USIES, known to the membership of the House as the Voice of America. In this bill the item to which I refer states that the Administrator shall utilize such amounts of local currency as may be necessary to give full and continuous publicity to the press, radio, and all other available media, so as to inform the peoples of the participating countries regarding the assistance, purpose, source, and character furnished by the American taxpayer.

I made some inquiry in the Appropriations Committee, and I find that for this purpose the ECA is spending, or requesting, $6,000,000 in block currency and $800,000 in direct appropriations for this very same purpose. The State Department, in the appropriation bill which we will bring before you very soon, is requesting over $34,000,000.

Now, the question which I want to propound to the members of the Committee is, Why should we have two information services? Why should we not concentrate and coordinate our information program? If you want to make the Voice of America effective, emphasis should be placed on coordination in order to bring about effectiveness, because unless that is done we will never be able to evaluate the results of our information efforts.

I am surprised to note upon discussing this matter with many Members of the House that they do not know that we in reality have three information services endeavoring to tell the story about the United States. Here we have the information in the Department of State, costing approximately $34,000,000; the information service in ECA, costing nearly $7,000,000; and the elaborate information service conducted by the army of occupation in the occupied areas. I am sure that there is a large amount of duplication in this program of information which should be coordinated for the sake of efficiency, economy, and effectiveness. Over a period of years I have complained about this duplication in this particular service, and I feel doubly right about my stand on this problem due to the fact that only a few days ago the Honorable WILLIAM BENTON, a Senator from the State of Connecticut, in his maiden speech on the Senate floor, gave a most interesting word picture of the ineffectiveness of the present information program because of lack of coordination and suggested a coordination of all the Marshall-plan countries in one centralized program of spreading the word of democracy in order that the entire world may know of our unselfish efforts to bring peace on earth and good will toward all mankind. Mr. BENTON was at one time Assistant Secretary of State in charge of the information service in the Department of State, and he is well qualified to speak on the effectiveness of coordination of effort due to his great success in the field of publicity and advertising.

So I ask the members of the committee if you can do something here to eliminate this duplication and bring about efficiency, economy, and reach our objective more effectively?

At another time, I plan to take the floor to discuss at some length—should the Marshal plan become a permanent program—of coordinating it with our regular Foreign Service organization, which I find is today very much disturbed because it feels it is handicapped and relegated to a secondary position in the diplomatic world because officials of ECA armed with diplomatic status and armed with billions of dollars, get preferred attention over the chiefs of our regular diplomatic missions abroad. Foreign officials tell me that now instead of dealing diplomatically with our regular Foreign Service officials, they would rather deal with the officials of ECA because of the attraction of American dollars. This problem is a serious one, and is of great concern to our chiefs of missions and their assistants in the foreign fields.

Mr. CANFIELD. Mr. Chairman, if the gentleman will yield, I think that is a very important statement, coming from the gentleman who is a member of the Subcommittee on Appropriations dealing with appropriations for the Department of State.

It is not only important, it is startling. Does the gentleman feel there is a bitterness and a jealousy and misunderstanding between these two American groups that have so much to do with our diplomatic relations abroad?

Mr. STEFAN. I am sure that an effort is made toward coordination and cooperation, but when you lift the curtain and talk to the chiefs of American foreign missions they are frank to tell you that the people in the countries where they are representing the United States would rather talk to a man clothed with diplomatic status, plus American money. All of this should be clear to the chief of the American mission, wherever he may be.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. SMITH of Wisconsin. The gentleman has made a very interesting statement. In line with what you have said regarding the information service, I would like to offer this contribution: I have in my hand a memo prepared by a staff member showing just how the information services overseas are extending. The program for fiscal 1950 called for the expenditure of $6,733,300. For fiscal 1951 it is up to $12,502,950.

Mr. STEFAN. I thank the gentleman for his contribution. That is one reason why I told you that you could not evaluate properly, we cannot have efficiency and effectiveness unless we coordinate this information service in one organization which you have set up in the State Department.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. COOLEY. While we may have offended some of the tender sensibilities of our diplomats abroad by bringing this ECA program into existence, did not Congress do it deliberately, with the idea in mind of keeping it separated from too much diplomatic red tape, and entrusted our business transactions abroad in the hands of businessmen rather than in the hands of top-hat diplomats?

Mr. STEFAN. I disagree with the gentleman. We should not have done anything in any foreign country where we bypass the United States of America, which is represented by one man, the chief of mission.

Mr. COOLEY. That is the trouble now; we have been represented by top-hat diplomats rather than businessmen.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. STEFAN] has expired.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Our experience in Greece is in point. When the relief mission went there Greek officials undertook to deal so completely and so directly with the chief of the relief mission—the man with the money—that clearance of diplomatic and political problems through our Ambassador in Greece failed. We realized that that development was bad and change was made so that matters generally thereafter cleared through the chief of the diplomatic mission. I hope that the Committee on Foreign Affairs will correct the situation that is developing. I have always hoped that our Foreign Service would be our strong first line of defense. We cannot keep that personnel strong and respected throughout the world by permitting our chiefs of diplomatic missions to be relegated to inferior positions.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. JUDD. But is not this the hard fact: That the Congress had so little confidence in the Foreign Service of the United States, and even less in the people who run it from the State Department, that it was unwilling to entrust this enormous project to their control and operation? We did not create that situation; we merely recognize it.

Mr. STEFAN. Then correct your Foreign Service, because confidence is being lost every day.

Mr. JUDD. That will require changes at the top levels. They have done such

a poor job in many respects that Congress lost confidence in them.

Mr. STEFAN. Then let them correct it.

Mr. ROOSEVELT. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. ROOSEVELT. Mr. Chairman, yesterday my good friend and colleague, the gentleman from Wisconsin [Mr. KEEFE], made a speech in which he referred to our ambassador at large, Dr. Philip Jessup, and an organization known as the American Council, Institute of Pacific Relations. The inference, in fact, the very strong implication, of the gentleman from Wisconsin was that the Institute of Pacific Relations is a Communist-front organization and that therefore, Dr. Jessup is, to put it mildly, a Communist sympathizer. The specific words used by the gentleman from Wisconsin, and I refer to page 4233 of the CONGRESSIONAL RECORD of March 28, were these:

> The House Committee on Un-American Activities in its report of December 6, 1947, entitled "Citations"—
>
> And he held up the book Citations—
>
> lists the American Council, Institute of Pacific Relations as a Communist-front organization.

I know that my good friend from Wisconsin as well as the membership do not want any misinformation to remain unclarified in the RECORD; I, therefore, rise to point out that the report of the House Committee on Un-American Activities on December 18, 1948, listing the IPR or Institute of Pacific Relations, did so in what amounted to a direct quote from the famous, and sometimes referred to as infamous, Tenney Commission of California. It is of interest to note that the Tenney Commission of California subsequently struck off of its list the Institute of Pacific Relations. The House Committee on Un-American Activities failed to keep up with the Tenney Committee and to date has failed to strike the IPR from its quoted list of citations.

I believe that the next fact stated by the gentleman from Wisconsin was that this organization received funds from the American People's Fund, another Communist-front organization cited as such by the House Committee on Un-American Activities. Let me tell you just a little about the funds of the IPR, and then ask you to judge for yourselves. Its annual budget from 1942 to 1947 averaged about $150,000. I have the information here if you care to see it.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I will yield in a moment when I have finished with the fund.

Mr. KEEFE. But I wish to ask the gentleman a question in connection with the fund.

Mr. ROOSEVELT. I yield.

Mr. KEEFE. Will the gentleman concede that the American People's Fund——

Mr. ROOSEVELT. The American People's Fund is listed on the Attorney General's list.

Mr. KEEFE. Is listed as a subversive organization by Attorney General Tom Clark. Is not that the fact?

Mr. ROOSEVELT. That is correct. The implication of that is, however, that by contributing funds to another organization, ipso facto, the other organization is a Communist-front organization. If that is not guilt by association, then I just do not know what guilt by association means.

Out of an annual budget of about $150,000, the American people's fund contributed for 5 years an average of about $1,250—less than 1 percent. At the same time the American People's Fund, incidentally, was contributing to the American Red Cross. If guilt by association is going to be the criterion, then, by that standard, the Red Cross itself must be a Communist-front organization. Furthermore, the American People's Fund in that same period of time contributed to the Community Chest Fund of New York City. I know of nobody who tries to impute guilt by association to the community chest.

During this same period of time while the American People's Fund was contributing $1,250 as an annual average for 5 years, the Rockefeller Fund and the Carnegie Fund were together contributing each year an average of about $70,000. I do not observe that they are being accused of being Communist-front organizations through this guilt-by-association process.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ROOSEVELT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, for just a minute I want to go into the kind of people who are connected with this organization.

The chairman of the board at this moment is none other than the highly respected former president of the General Electric Corp., Gerard Swope.

Among the directors are some of the following: Mr. Louis Lapham, president of the American-Hawaiian Steamship Co.; Donald Straus, of the Macy stores; Mr. Charles Gamble, director of the Standard Vacuum Oil Co.; W. R. Herford, president of the International General Electric; Dr. Hugh Borton, who is director of the East Asian Institute of Columbia University, of which General Eisenhower happens to be president. Others happen to be Gen. George Marshall; Mr. Walter Dillingham, president of the Oahu Railroad Co., of Honolulu; and Lincoln C. Brownell, assistant president of the American Banknote Co.

These people have been connected with this institute since its inception many years ago, all during the time Dr. Jessup has been associated with it. I suggest that no one has yet risen, Senator MCCARTHY or anyone else, and made the charge that these eminent leaders of the American business and Hawaiian business world are guilty by association of being Communist sympathizers or pro-Communists.

I think it is unfair, unjust, and, yes, un-American to suggest that Dr. Jessup is anything but one of our prominent and useful statesmen and one of our most loyal Americans.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, with regard to the statement just made by the gentleman from New York [Mr. ROOSEVELT], may I say that the fact that there are on the board of directors and among the high officials of the American Institute of Pacific Relations some very eminent, distinguished, and patriotic Americans, does not change the fact that the organization may still be a Communist front. That is what a front is. Its whole intent and method of operation is to get high-grade people who are completely above suspicion or reproach themselves, but who may be misled into allowing their names and their influence to be used to give respectability and public confidence to the organization while it indoctrinates our people with its philosophy.

Recently a certain man was convicted after trial by jury in our country. A great many Americans, including some relatives of the gentleman from New York and members of the Supreme Court and other high officials of our Government and many prominent citizens, vouched for this individual; they were sure he could not possibly be connected with the Communists, but 12 good men and true, on the basis of the evidence presented in open court, found that he had lied in regard to matters having to do with acts of treason—taking secret American documents and putting them into the hands of people who would forward them to the Soviet Union.

I am not bringing any Communist charge against the IPR, but the fact that these eminent individuals are on its board certainly does not clear it. As a matter of fact, if you will investigate you will find that most of the proleftist American writers on Asia have been at some time during the last decade or so, on the staff or writers of the Institute of Pacific Relations, the organization that first announced and has assiduously spread the utterly false line that the Chinese Communists were not Communists, they were just agrarian reformers leading a spontaneous peasant revolution, not in the least connected with or subservient to the Soviet Union. These included Mr. and Mrs. Edgar Snow, Guenther Stein, Philip Jaffe and Kate Mitchell of Amerasia also, Anna Louise Strong, and on and on. You can go right down the list and you will find that IPR publications were the chief transmission belt by which the Moscow line with regard to the Communists in China was put before the American public, especially the intelligentsia. I make no charge as to their memberships. I have no idea whether they are members of the Communist Party or not, but the fact remains that the IPR was the chief spokesman for pro-Communist forces in

this country with respect to the Communist movement in China.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. ROOSEVELT. Can the gentleman give me the name of anybody on the staff he considers to be pro-Communist?

Mr. JUDD. Well, I just mentioned three or four, and if the gentleman cares to, I can go to my office and get about 20.

Mr. ROOSEVELT. Are they staff members?

Mr. JUDD. They were. Frederick Vanderbilt Field is a member of the Communist Party.

Mr. ROOSEVELT. He is on the board of directors of the American People's Fund. I am not defending them at all; I am talking about IPR at this point.

Mr. JUDD. I will add that the IPR, under new management, has recently had considerable housecleaning.

Mr. ROOSEVELT. That is not housecleaning.

Mr. JUDD. E. C. Carter, who was for years the head, has resigned and there is a new staff, but Frederick Vanderbilt Field is one of the admitted Communists, not just pro-Communist.

Mr. ROOSEVELT. He has nothing to do with the organization.

Mr. JUDD. Why, he was the vice president or the secretary of the Institute of Pacific Relations for years—a trustee and member of the executive committee of eight which ran the outfit.

Mr. RANKIN. Mr. Chairman, it is not my intention at this time to engage in this belated controversy between the gentleman from New York [Mr. ROOSEVELT] and the gentleman from Minnesota [Mr. JUDD] about these Communist front organizations that we have exposed for many years. It is my intention to discuss for a short time the bill before the House, and to give to the Congress the reasons why I cannot support it.

Let me say that if the gentleman from New York [Mr. ROOSEVELT] is really interested, and if the gentleman from Minnesota [Mr. JUDD] is really interested, in the Communist influence in America, they might both investigate the greatest victory that Stalin has won since Yalta, and that was this order wiping out segregation in our armed forces. Nothing has ever crippled the armed forces of America as much as has that crazy order since this Government was organized; and whoever is responsible for it ought to be removed from office at once. I say that advisedly, because in this day and time, when we are threatened with an atomic war, we need the highest possible morale among our armed forces, and that morale has been destroyed by this crazy order.

Let me give you the reasons why I am unable to support this give-away money to European, African, and Asiatic countries. America owes more money today than all the rest of the world put together. Let me repeat that. The United States Government owes more money than all the rest of the world put together. Let me bring that down home to you by showing you what it means to the people of Mississippi. Now, do not get the idea that a few fellows at the top are going to pay the taxes; the taxes come out of the American people. The amount of war debt, the amount of the debt that this Government now owes, that the people of Mississippi will have to pay, will amount to more than six times the assessed valuation of every county in that great State. Now, think of that as applying to your State and to practically every other State in the Union.

What are you going to do? Why not let these foreign governments float their own bonds? Why not let them borrow on their own credit? Why burden the American people for generations to come with these so-called ECA loans or gifts?

It used to be called ERP, you know. Some fellow went down here on the coast to get away from it, to try to get some rest—he had voted for this thing—and he was just settling down going to sleep when a tree frog opened up just outside of his window saying, "Erp, erp, erp." He stayed there 3 days and nights and never closed his eyes. It was ERP at that time, but they changed it to ECA.

What are you doing? You are financing the international bankers; you are financing the international oil interests; you are financing the sale of automobiles and tractors; you are sending tractors, at the expense of the American taxpayers, to countries in Europe, where the average farm is only 15 acres.

Not only that but they are using this money to deal with countries behind the iron curtain.

Congress finds itself in the ridiculous position of financing both sides of the Chinese controversy. A week or two ago you appropriated money for the anti-Communists in southern China or Korea. Do you remember that? Today you are providing money to give to the Socialist government in England, which has already recognized Communist China, and is going to use this money to promote trade inside Communist China. In other words, we are financing both sides in China.

Congress had better wake up and get back on the beam before the American people wake up and realize that they and their children, and their children's children, have been sold into bondage by those internationalists who want to brand us real Americans who, like Washington and Jefferson, put the welfare of our country first as isolationists.

God save our country from destruction at their hands.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is true that I made a statement yesterday, a carefully prepared and carefully documented statement, one of the few times I have ever spoken in the well of this House that I scrupulously followed the manuscript. Some Members called attention to that fact, but I was very careful because I wanted to make no statement I could not document with facts.

The gentleman from New York has attempted to interpose some sort of a defense against the statement I made, but I call your attention to just one thing: In addition to the facts stated by the distinguished gentleman from Minnesota [Mr. JUDD], who knows this situation better than anyone in this House, one fact stands out crystal clear, that the organization which Dr. Jessup headed was a recipient of funds during the last 5 or 6 years from an organization which the gentleman from New York admits is a Communist organization, in fact, the Communist organization that financed most of the Communist organizations in this country.

I say if this Dr. Jessup or any other man in this organization of which he speaks so proudly was willing to accept funds in any amount from a Communist organization denounced by Attorney General Tom Clark as such, even though the amount was comparatively small—I do not know whether the story which the gentleman told is factual or not as to the total amount of contributions received. I know it contributed, and I am taking his word for it as to the amount he has placed in the RECORD. But the fact is that that is exactly how communism has burrowed into many organizations in this country, by furnishing funds to place in that organization one of their men to burrow and to influence the organization in its activities. I do not think the defense of the gentleman from New York in opposition to the factual material which I gave in this RECORD should weigh very heavily with people who respect truth and facts.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. ROOSEVELT. Just to keep the facts straight, the American People's Fund contributed from 1942 to 1947 and has not contributed a dime since 1947, that is for the last 3 years. In other words, all during the time it was contributing not one single person was put on the staff of the American Institute of Pacific Relations as a result of its contributions.

Mr. KEEFE. I do not think the gentleman is in a position to make that statement factually.

Mr. ROOSEVELT. I am.

Mr. KEEFE. I do not think the gentleman knows that to be the fact.

Mr. ROOSEVELT. I just stated it. Are you impugning what I just said? I stated it as a fact.

Mr. KEEFE. I do not think the gentleman is in a position to make the statement that no one was put on the staff since this organization began through its contribution.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. JUDD. Of course, the period 1942 to 1947 was when the American policy pattern was developed which led to China's being given over to the Reds.

Mr. KEEFE. That is right; exactly.

Mr. JUDD. And there was no need of contributions thereafter. The horse had already been stolen.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. RANKIN. Whenever Tom Clark brands an outfit as Communist, you may rest assured it is Communist.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that the amendment be reread. I believe we have all forgotten what it contained.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk again read the amendment.

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 16, noes 128.

So the amendment was rejected.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY:

On page 10, line 4, after the word "particulars", insert the following:

"(1) In subsection (b) after the figure (1) insert the following: 'withholding any assistance under this act, where it appears that any participating country is impairing, in whole or in part, its economic recovery by reason of the expenditure of any portion of its funds, commodities, or services in the maintenance or subsidization of any dependent country, which naturally is, or should be, an integral part of some other participating country, until such time as such participating country shall sever its control of, and refrain further from maintaining or subsidizing such dependent country; (2)' and by renumbering accordingly the subsequent paragraphs of subsection (b)."

On page 10, line 5, strike out the figure "(1)" and insert the figure "(2)."

The CHAIRMAN. The gentleman from Rhode Island is recognized in support of his amendment.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, this is the identical amendment that I offered to this authorization bill just a year ago. You have heard the amendment read. In plain English it means that all funds that shall be appropriated through the authorization of this bill will be withheld from the United Kingdom as long as partition exists in Ireland.

I do not have to remind the membership of this House, or the people of the United States, of the important part that was played in the fight for independence in this great country of ours by men and women of Irish descent. I do not think I have to remind the membership of this House or the people of our country that 10 of the signers of the Declaration of Independence were Irishmen who immigrated here from Ireland; that 15 of the generals in the Revolutionary Army were sons of Irish immigrants. The father of the United States Navy, Commodore Barry, was born in Ireland. The good people from New England well remember that during King Philip's War in 1675, the only country in the world that offered any aid to that section of this country was Ireland. They sent over shiploads of supplies. I do not think I have to recall to you gentlemen the fact that the majority of our teachers in the 1700's came from Ireland. They came because they were not allowed to teach in Ireland because of the penal code. I should add that not many of those teachers, from 1775 to 1784, were at their desks in schools. They were in the field fighting for the cause of freedom and independence in this infant Republic.

I would like to bring to the attention of this House that during the First World War the people in Ireland were given a guaranty by Great Britain that they would have a free election immediately after the war. At that time 200,000 Irishmen were serving in the British Army. That was 40 percent of the eligible males in Ireland between the ages of 18 and 50. What happened? As soon as the war was over an election was held. The issue was, "Shall we be independent of Great Britain?" The people in Ireland voted—in 1918—4 to 1, for complete independence.

So in January of 1919, when Ireland attempted to set up its own constitution and resume her position as a free country, Great Britain, through every effort at her command, with an occupation army of over 250,000, and with the leaders of the Irish independence movement committed to jail in England without any charge and without jury trial, attempted to get the Irish people to rescind that vote. This proved to be impossible. So what happened then? They saw that they could not drive back the Irish in 1920, so they carved out a piece in the northeastern section of Ireland, consisting of six counties. They said to Ireland at that time, "We will let you keep the 26 counties in southern Ireland, but we want to continue our hold on the northeastern section of Ireland, of these six counties." So, from that time on until this day, Great Britain has had a stranglehold upon this northeastern section of Ireland. This is costing Great Britain today in the neighborhood of $150,000,000 a year to subsidize that small portion of Ireland. Why should we as Members of Congress be appropriating this fiscal year of 1950, about a billion dollars in grants to the United Kingdom, while at the same time, directly or indirectly, it is costing Great Britain $150,000,000 a year to subsidize that portion of Ireland? I do not think that we as American citizens, as Americans who remember the cause that Ireland helped us fight for during 1775 to 1780, are going to forget the part the Irishmen played in helping this Republic to gain its independence. I think that the Irish people today are only asking for justice when they are asking that a free election be held in all of Ireland to determine whether or not it shall be one united country. I think we must understand that the division England has imposed on Ireland is not a natural geographic division. There are no mountain barriers. There are neither mountain ranges nor rivers, running north and south or east and west, to justify and sustain the boundaries that have been imposed between the two portions of Ireland. To have drawn a line right across the northern part of Ireland in 1920 would have taken nine counties of Ulster, but Britain knew it could not control the nine counties in Ulster so they seized only six of the nine, and I am sure that if a free election were held now that four and a half of the six counties would vote for a united Ireland.

I am not attempting to do anything in this amendment that is going to cause any harm to Great Britain, not at all; I just want them to be realistic about this situation. I do not think we are going to hurt this bill a bit if this amendment is adopted, because if it is adopted I am sure that within 24 hours the Parliament in England will vote to allow all of Ireland to participate in a special election to determine for themselves their own type of government.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. ROONEY. I wish to commend my distinguished friend the gentleman from Rhode Island for the brilliant statement he is making. I shall support his amendment. I wish to ask him this question: Is it not a fact that today in northern Ireland religious discrimination is practiced more extensively than in any other portion of the world? The Prime Minister of that portion of Ireland, Sir Basil Brooke, became notorious some years ago, in 1935 to be exact, when he made the statement that no Irish Catholic should be given a job in northern Ireland.

Mr. FOGARTY. There is no question about that.

Mr. DAVENPORT. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. DAVENPORT. I also wish to commend the very distinguished gentleman from Rhode Island for his most courageous statement here today on a very, very important and serious problem. We have heard a great deal here about communism. I wish to ask the gentleman if it is not true that the Americans of Irish descent as well as the people of Irish descent all over the world constitute a great bulwark against the spread of communism everywhere?

Mr. FOGARTY. There is no question about what the gentleman says.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. McDONOUGH. In support of the amendment the gentleman has offered I wish to call his attention to the section of the bill on page 4, subparagraph (d) where we seek to encourage the removal of trade barriers $600,000,000 of the funds provided in this bill are authorized to be withheld unless trade barriers are removed. In other words, the amendment the gentleman is offering is in direct line with the purpose and intention of the present bill. Is not that true?

This amendment will remove the partition barrier now existing in Ireland between the six northern counties and the

rest of Ireland imposed by the British, because Britain would have to concede to the terms of this bill if this amendment is adopted.

Why should we allow Britain to have ECA funds while she denies unity and democracy in Ireland. The essence of democracy is the right of free people to govern themselves. The unit of self-determination is the whole nation, not a part of it.

The problem of Ireland was imposed against the overwhelming wishes of a majority of the Irish people. This amendment should be adopted in the best interest of democracy and freedom. Ireland is entitled to freedom and unity and if Britain wants ECA funds from us she should give Ireland her right to unity and freedom.

Mr. FOGARTY. That is correct.

Mr. Chairman, in conclusion may I say that if this amendment is adopted today the House will be letting 25,000,000 men and women of Irish descent all over the world know that this Congress has not forgotten the blood, the sweat, and the tears that were spread upon this continent in its fight for independence in 1775 up until the present time. We will be letting every man and woman in Ireland know that today we have not forgotten the contributions that they have made, that we believe in independence, that we believe in the people governing themselves as they wish and not to be dictated to by some foreign power.

Mr. DAVENPORT. Mr. Chairman, a few months ago the Congress of Industrial Organizations, headed by Phillip Murray, at its annual convention in Cleveland passed a resolution condemning the partition of Ireland, and a little previously the A. F. of L. headed by William Green, passed a similar resolution at their convention in St. Paul, Minn.

I shall read the resolution for you:

Whereas there still exist throughout the world governments that do not recognize the rights of people in regard to their majority right of free self-government; and

Whereas there is a government in Northern Ireland being perpetuated by a foreign power which is breeding bigotry and tends to destroy the unity of a race of people; and

Whereas the Irish people have contributed, over the centuries, more aid to the freedom of oppressed people than any nation in the world; and

Whereas organized labor has always raised its voice to espouse the cause of freedom and the rights of government that is of, for, and by all its people; and

Whereas the partition in Ireland is not a healthy or natural condition; and

Whereas the present government in Great Britain is controlled by the Labor Party: Be it hereby

Resolved, That the American Federation of Labor go on record against the perpetuation of the partition dividing all of the people of Ireland, and call upon the President of these United States, the State Department, and the Congress of the United States to do all in their power to end, once and for all, this unjust condition to the end that the Government of Eire will truly represent all of its people with its natural borders, so that she can take her rightful place among the family of nations.

You will note in the text of the resolution that it condemns partition as unnatural. So well they might. Did Allen, Larkin and O'Brien say "God save the greater part of Ireland?" Did they and Connolly and others die to liberate 26 counties only of the 32. Should the Irish national anthem be, and I have heard it parodied as such, "God Save the Greater Part of Ireland?" The answer to these questions is emphatically no and again no. They died, and men like Tom Barry here fought, to achieve freedom for the 32 counties of Ireland and not for 26 counties leaving six counties in British control.

Why should Ireland be partitioned? In my opinion it is part of classic British policy. We have only to look around the world. Wherever you find British control you find sooner or later partition. India is partitioned, Palestine is partitioned, and Ireland is partitioned. I am not concerned here with India but they have a great deal in common with the Irish. So have the Jews in the State of Israel much in common with the Irish and since American opinion—aye and Irish-American opinion—was such an important factor in bringing about a solution of the Israeli problem why cannot it be organized to help in a solution of the question of Irish partition.

How can such a solution be found? In my opinion it can be achieved only by peaceful methods, by men sitting down around a table as labor and industry do today—men with the will—with the desire to find a solution—and men with the power to negotiate a solution. Our State Department has enough influence with the British to induce them to consider such a proposal. American opinion if properly registered is certainly strong enough in the world for any country to be influenced by it.

And mark you, I do not speak out of animosity to the British. It is true that as a man of Irish descent I am attached to the traditions and ideals of the Irish but that does not mean that I am antagonistic to the British. They were our allies in two wars, they have suffered with us in these wars and it is the policy of our country to maintain friendliness with Great Britain. As a friend we should be entitled to say a word for another friend. Ireland is such a friend and I sincerely believe that with partition removed she would be as friendly to Great Britain as she is to us. I should like nothing better than to see the age-long difficulties between Ireland and England settled, and I firmly believe that the only obstacle remaining to complete amity between the two countries is this partition issue. Tonight we meet to honor the memory of three men who died for Ireland 82 years ago. We cannot forget these old wrongs but their memory would not be so bitter if there were not present injustices to keep bitterness alive.

It would be to the advantage of all three countries, America, Ireland, and Great Britain if partition were settled. Ireland would be enabled to join the Atlantic Pact and in that case all her territory would be available to the Atlantic Pact defense forces. That would help the United States and Great Britain and it would certainly put Ireland in her rightful place—free and undivided. But so long as partition lasts so long must Ireland refrain from being a member of the pact because that pact today guarantees the territorial integrity of each contracting party and England's territory includes the six counties of "Northern Ireland." No reasonable man could expect Ireland to join the pact to guarantee that part of her own territory shall remain in the possession of another country. Still I am not without hope that our administration may see the wisdom of taking steps to settle partition and that then we shall see in the words of Fintan Lalor, an Irish labor leader who died just a century ago in 1849:

Ireland her own and all therein: From the sod to the sky: the soil of Ireland for the people of Ireland to have and to hold from God alone who gave it: to have and to hold for them and their heirs forever, without suit or service, rent or render, faith or fealty to any power under heaven.

Mr. BROOKS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this afternoon in the Senate Appropriations Committee, Gen. Dwight Eisenhower gave testimony as to the state of our defense. For some time many of us have begun to feel that we are slipping in the way of national defense.

No one can study the events of the last few years without being seriously concerned about the future of our country. Overseas, especially, conditions are not good. The cold war against communism is not abating. It is gradually becoming worse. Instead of gaining ground, America has been gradually losing on both major fronts—the east and the west. If this condition continues, I am satisfied that this Nation will have to take some action to show a stiffened opposition. We may yet be compelled to redeploy our troops again in Europe. Should we take such action it would be a radical means of impressing our friends with the fact that we intend to fight communism until it is driven from its aggressive and evil position back into the confines of its own land.

Mr. Chairman, I think it behooves this Congress to put our defenses back in good condition.

Mr. ROONEY. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I am going to support the Fogarty amendment. I happen to be a member of the subcommittee of the House Committee on Appropriations which has been hearing evidence on budget estimates for appropriations covering the very plan now before you, the so-called Marshall plan. I take the liberty to state to you that no official of the ECA from Mr. Paul Hoffman down can dispute any of the statements I am about to make.

Eighteen European nations are entitled to participate in the appropriations under the so-called Marshall plan. The total appropriations so far made amount to $9,700,000,000, of which Great Britain has received nearly $2,250,000,000. This is apart from and in addition to the $3,700,000,000 Britain "borrowed," and I underline, quote, and italicize in large letters the word "borrowed," in 1946 from the United States and in addition to and apart from the other assistance she is to receive under

the military aid program. In other words, as contended by the American League for an Undivided Ireland, Britain has grabbed for herself out of these tremendous appropriations for the European recovery program over 25 percent of the total, leaving the other 17 European nations to share the balance as best they can. This should require some very serious justification. Neither by reference to her size nor her population does it appear that Great Britain is entitled to anything like the proportion of aid she is getting. It is the fact that Britain has been vastly extending her economic deals with Russia and other Soviet dominated countries.

She has been importing vast quantities of corn and wheat from these countries. There has been, however, a reluctance to disclose what England is giving in return to Russia and the other Soviet-controlled countries.

It is casually stated that Britain is merely supplying the Communist-dominated world, in return for her imports of grain with "machinery and implements." What is the "machinery" and what are the "implements," that England is supplying to Russia and the other iron-curtain countries? Do they include materials essential to Russia's war and industrial potential? We know, and I am reading from a pamphlet entitled "Is Britain Playing Straight with the United States?" that they have included Meteor jet aircraft engines; what else do they include? It may be assumed that in return for her exports, Russia has exacted her pound of flesh.

Whatever may be the nature of the goods that England exports to Russia and the other Soviet-dominated countries, they have been produced by Britain with the help of Marshall aid. Accordingly, this Congress is giving money and material to Britain which, in turn, Britain is using to produce goods for Russia.

I am going to point out to you merely one instance of the double dealing of the British with us Americans.

The American High Commission in Germany quite naturally and properly takes steps to prevent the export to Russian-dominated countries of strategic materials. The Communist Chinese Government sought to place orders in Germany for 62,000 tons of steel rails, with the firm of Peter Kloechner, Dusseldorf, and for 25,000 tons with the Vereinigte Stahlwerke. The Allied Commission, on which the United States, British, and French military authorities are represented, refused to give the Germans permission to fill these orders for the Communist government in China in December 1949. The American High Commission, at whose instance this step was taken, requested the OEEC countries not to fulfill this order.

The London Times of February 4, 1950, laconically reports in relation to these orders:

> Rails are not on Britain's prohibited list, and it is understood that British firms have now been invited to tender.

Having been a party to the making of an order forbidding German firms to supply this steel to the Chinese Communist Government on the grounds that it was strategic material, British firms are now free to supply this strategic material to the Chinese Communist Government.

Mr. Chairman, I have merely related one instance of the double dealing of the British.

Now, with regard to dual pricing, Mr. Paul Hoffman, the Administrator of ECA, admits that the only one of the 18 Marshall plan countries which has refused to cooperate to the slightest extent in regard to dual pricing is the United Kingdom.

The British Government extends the practice of dual pricing to many items of raw material which are in short supply in Europe. In the case of coal, she adds 10 to 15 percent on to her domestic price when it is for export. This adds to the production costs of all the European industries which are dependent upon British coal for their production. By this device, British manufacturers are enabled to outcompete any other European manufacturers who depend upon British coal. Britain uses the same system in relation to steel, metals, cement, and so forth. As the result of England's use of this system other countries have had to apply protective measures to prevent the destruction of their industries. And so she starts a vicious economic cycle.

On yesterday the gentleman from Ohio [Mr. VORYS], a member of the Foreign Affairs Committee, made the statement that Britain, the biggest recipient of Marshall plan aid, has made the most trouble in Europe.

For example, the ECA has been forced to hold up funds earmarked for Britain on the oil situation, for the reason that she is using our dollars to run American companies out of business. She must be prevented in her efforts to bring all the oil business under the pound sterling.

We all know that Great Britain has refused to cooperate in the Payments Union which Administrator Hoffman says is vitally necessary. He has said that the Payments Union is a "must" if the Marshall plan is to succeed. I add the further "must" if Britain is to participate in the Marshall plan fund, that she withdraw her troops from Northern Ireland and permit a free and undivided nation such as Ireland was when England was a pup. Let us all stand up and vote for the pending amendment. By doing so you will serve notice upon the British Government that Irish partition must be abolished immediately.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to compliment the gentleman from New York [Mr. ROONEY] upon his very fine statement. It seems to me he points up very well the maladministration and poor allocation of funds under the ECA in the past few years. I want to compliment him because I think he has made the best statement yet in the House of Representatives in this debate as to why we should vote against continuance of this program.

GREAT BRITAIN'S OPPRESSIVE COLONIAL POLICIES

Mr. KLEIN. Mr. Chairman, I move to strike out the last four words and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Chairman, I am going to support this amendment, not only for the reasons given by the genial and distinguished gentleman from Rhode Island [Mr. FOGARTY] who offered the amendment, but for other, and to me equally cogent, reasons of my own. The amendment reads, in part:

> Withholding any assistance under this act, where it appears that any participating country is impairing in whole or in part its economic recovery by reason of the expenditure of any portion of its funds.

Quite obviously, that language is directed at Great Britain, and all of us here know that. I have voted for foreign assistance and rehabilitation legislation in the past, and I am going to vote for this bill, regardless of the fate of the instant amendment. I have opposed punitive language of this kind in the past, believing that the verbal castigations given in this House to several beneficiary countries were sufficient reprimand.

It seems to me today, however, that the time has come when certain countries, and of course I mean most of all Great Britain, should realize that they are jeopardizing invaluable American public opinion and sympathy by pursuing a course of action strongly opposed and condemned by a majority of Americans. Even if you grant the somewhat specious argument that the funds expended by Great Britain in fighting Irishmen or in encouraging the Arabs to fight the Jews are not actually Marshall-plan funds, the fact remains that Great Britain could reduce its own financial strains by abandoning costly imperial adventures which are unpopular among the American taxpayers who must produce money, whether as loans or grants, for foreign assistance.

ARMS FOR THE ARAB STATES

I refer specifically to the sale by Great Britain of arms, munitions, and articles of war, or readily convertible to war purposes, and of details of British military personnel, to the various Arab States which surround Israel. Not even an Englishman can avoid knowing that the ultimate result of such arming of the backward and depressed Arab countries will be another war in the Middle East. We have just finished with one war in that part of the world; and another can break out with terrifying ease. It must be borne in mind that the Arab countries have low living standards and a minimum of religious and political liberties, with consequent unrest of the population. In dictatorial and authoritarian governments, a foreign war is always considered the easiest alternative to domestic rebellion; by whipping up a holy war or crusade the people are made to forget their wretched conditions of living, for a time at least, and the danger of liberal and even revolutionary ideas seeping in and gaining a foothold is passed.

In the Holy Land a modern democratic republic, modeled closely on the

United States Government, has been established by the Jews in Israel. The Republic of Israel was recognized promptly by the United States, and there have been many and repeated and substantial signs of American friendliness to the newest state in the family of nations.

Yet Great Britain is deliberately endangering the safety and economic stability of the Republic of Israel, in defiance of world opinion, by continuing to furnish the means of war to the populous and powerful and jealous Arab nations which surround Israel on every side, embracing a population outnumbering the Israeli, including the Arab part of the Israeli population, 80 to 1. The British claim that they are required by treaty to continue to furnish arms and personnel to the Arab States which they nurtured; but the world remembers that Great Britain failed in its obligations to its protectorate of Palestine, under the Balfour Declaration, for a generation. If it could default on its promises to the Jews, why cannot England default in its promise to the Arabs when keeping the promises may mean war?

THE ARABS BREATHE FIRE

Right now the incendiary Arab press is talking about a second round of war against Israel. If trouble starts in the Middle East, the blame will lie squarely on Great Britain; and I warn this House, Mr. Chairman, most solemnly, that world conflagration can easily start right in Palestine, where the twentieth century is meeting the twelfth century head on. The British Government is gambling with the peace of the world, and using money that should be used for bolstering the British economy for stakes, while borrowing from the United States.

I must remind the House, Mr. Chairman, that when the British imperial adventure in Greece no longer showed promise of a profit, the Labor government was quick to pull out of its Greek responsibilities, leaving the United States to foot the bill and to stand against possible bloody revolution. There can be no question but that much of the present trouble in Greece stems from prewar British support of a Greek dictatorship little less oppressive to the Greek people than the brutal occupation of the Nazis.

PARALLEL WITH IRELAND

Mr. Chairman, the history of the relations of the Government of Great Britain with the people of Ireland, regardless of the party in power in England, is such a clear parallel to the history of British relations with the Jews of Palestine that it cannot be missed. I have repeatedly pointed it out. The main difference is that the Irish suffered longer, and the British were more savage toward their blood brothers close at home.

The British Empire was built on the pound sterling, not on any humanitarian desire to extend the benefits of civilization, so-called; and wherever British merchants have seen a chance of making a profit British guns have followed close to open the way.

There is much in British history and the British character that is admirable; but it is hard for Irishmen or Jews to see it or admit it because of the very unadmirable qualities that have always been exercised against the helpless pawns of British Empire making.

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. Can the gentleman tell me how many troops England is keeping now in Northern Ireland? Does the gentleman believe that most of these troops are kept there with money that is probably sent indirectly from the United States, as the gentleman has pointed out?

Mr. KLEIN. I am certain that if the British are not actually using the funds they are getting under ECA and other United States loans and grants, they are using funds which could and should be used for their own economic strengthening. Therefore, they must not need the money we are sending them. If they recalled those troops, as the gentleman from Rhode Island pointed out, if they let Ireland do as it wants to do and in a democratic way determine its own fate, they would not need this money.

Mrs. ST. GEORGE. Does the gentleman not think it is a little bit hypocritical of us to stand here and frequently talk of freedom-loving nations and our help to them, and yet not allow Ireland to have a free election?

Mr. KLEIN. I agree with the gentlewoman wholeheartedly.

Mr. DAVENPORT. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Pennsylvania.

Mr. DAVENPORT. Would the gentleman from New York agree with me that a strong and really united Ireland within the Atlantic Pact would make a very powerful bastion of democracy on the western outpost of Europe?

Mr. KLEIN. There is no doubt about it.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I want to underwrite fully what the three distinguished gentlemen, Mr. FOGARTY, Mr. ROONEY, and Mr. KLEIN, have had to say. The interests of Ireland, Israel, and the United States are one and inseparable.

Mr. KLEIN. I thank the gentleman.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from California.

Mr. McDONOUGH. With reference to the shipment of arms to the Arabs, the gentleman stated that was being done by Great Britain. The gentleman did not add, and I think it should be added, that it is being done by Great Britain with the consent of the United States.

Mr. KLEIN. I am not so certain about that. If it is, certainly I strongly object to it, and I think most American opinion would object to it.

Mr. McDONOUGH. Does the gentleman know of any objection on the part of the United States up to now to the action that Britain is taking?

Mr. KLEIN. I do not. The Secretary of State must have some reason. If it is a bad reason, I would certainly be opposed to it.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. JAVITS. Is it not a fact the main burden of the complaint with respect to the purchases by the Arab states of arms from Britain is that they are buying them on blocked sterling which they could not otherwise collect while we are helping to sustain the whole economy of Great Britain?

Mr. KLEIN. The gentleman is absolutely correct.

Mr. JAVITS. May I say to the gentleman, too, that the idea of a plebiscite of an all-Irish plebiscite is certainly entirely valid as a means by which the Irish people can express their own will for independence and unification.

Mr. KLEIN. Or in any democratic way—I agree with the gentleman.

Mr. KEE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if the amendment offered by the gentleman from Rhode Island were a separate resolution, I think now that I would perhaps be glad to support it, but it really has no place here and has no germaneness to the purposes of the bill. Therefore, I hope the amendment will not be adopted.

Mr. MARCANTONIO. Mr. Chairman, I support and shall vote for the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

I believe that if we adopt this amendment, that we shall have placed this House of Representatives on record against the partition which Great Britain has imposed on the people of Ireland. What is more, the adoption of this amendment, if it accomplishes nothing else, will serve notice on the rulers of England that the House of Representatives definitely and unequivocally supports Ireland's right to unity.

Ireland's right to an undivided nation has been denied by England's imposition of imperialism and tyranny which we with these Marshall plan funds are supporting.

England's arbitrary partition of Ireland violates the principle of self-determination. There has never been and there can be no doubt as to what constitutes the unit for self-determination in the case of Ireland. Ireland has been accepted as a nation since the time of St. Patrick, over 1,500 years ago. The facts of Ireland's nationhood are uncontrovertible. Ireland is a nation by geography, language, culture, homogeneous people and by tradition. Inhabitants of every part of Ireland call themselves Irish. Consequently, the Irish question must be settled by the majority of all the people of Ireland. Anything else is not democracy, but tyranny and we cannot, if we believe in the democracy we profess, support this British tyranny with the dollars of Americans through this Marshall plan.

Partition was imposed on the people of Ireland by terror. The terror of the Black and Tans will never be forgotten by the Irish people. Here, we aid Great

Britain with Marshall plan funds to perpetuate this partition of the Irish Nation.

The six counties were cut off from the Irish Nation by British force. Here, with Marshall plan dollars we reinforce British power to keep Ireland divided.

Eighty percent of all Ireland's 4,248,165 people want all Ireland to be one nation. Thirty-two counties make up all Ireland. Of these, 30 counties with a population of 3,402,126 or 80 percent, want all Ireland to be one nation. Britain has refused and continues to refuse to recognize the will of an 80-percent majority.

The question before us is: Shall we recognize the right of this majority to establish a united nation, or shall we continue to subsidize with American dollars the British denial of that right? I shall vote for the right of the Irish people to achieve a united Ireland.

This explains my vote in favor of the Fogarty amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The question was taken; and on a division (demanded by Mr. KEE) there were—ayes 94, noes 55.

Mr. KEE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. KEE and Mr. FOGARTY.

The Committee again divided; and the tellers reported there were—ayes 99, noes 66.

So the amendment was agreed to.

Mr. KEE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7797) to provide foreign economic assistance, had come to no resolution thereon.

SPECIAL ORDER GRANTED

Mr. LANE asked and was given permission to address the House today for 10 minutes following the legislative program and any special orders heretofore entered.

FACILITATION OF THE WORK OF THE FOREST SERVICE

Mr. COOLEY submitted the following conference report and statement on the bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes:

LEGISLATIVE RESPONSIBILITY

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, the House will, of course, take out of the bill the amendment that the committee has just adopted, but the overnight effect of the committee's action will be tragic. In other words, I can think of nothing that could amount to so terrible a blow to the whole ECA program as what the committee has just done.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. JUDD. And is it not too bad that at a time when legislative bodies are under attack all around the world, this House should do something that we know will not stand on final vote but will just give ammunition to those who are trying to destroy respect for parliamentary government?

Mr. COX. I agree with the statement the gentleman from Minnesota has just made. The action taken makes this House look ridiculous.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. COOLEY. Does not the gentleman also believe that it will be very glad news to Moscow in the press releases of tomorrow morning?

Mr. COX. Of course. The gentleman expresses the thought I wished to convey. The adoption of the amendment will set every bell in Moscow to ringing tonight.

THE MOUNT UNION COLLEGE CHOIR

Mr. McSWEENEY. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McSWEENEY. Mr. Speaker, may I respectfully call to the attention of the Members of the House the fact that some of the very fine young people from one of the great colleges of Ohio, Mount Union, of Alliance, are here tonight with its choir and are to give a concert at the First Congregational Church at Tenth and G Streets NW., at 8:30 p. m. An added attraction at this concert will be Kay De Witt, the talented and attractive young lady who sings so beautifully with the orchestra at the Capital Theater here in Washington. She, too, attended Mount Union College and will join with this choir tonight. This institute is one of the courageous Christian educational institutions of our country, and the representatives of this institute are here tonight under the capable leadership of Mr. Cecil Stewart. I hope that those of you who may having nothing else on your docket will try to attend and hear these fine young people who come not only from all parts of America, but I find also that there is a Chinese student and representatives from other lands in the group. This institution is trying to impart to all of its students a fine Christian concept of decent citizenship.

FOREIGN ECONOMIC ASSISTANCE

Mr. KEE. Mr. Speaker, I ask unanimous consent to file a supplemental report on the bill (H. R. 7797) to provide foreign economic assistance.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

SURPLUS AGRICULTURAL COMMODITIES

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I want to place in the RECORD now, the text of the section from the omnibus appropriation bill which provides for the removal of surplus agricultural commodities:

> The Department of Agriculture is authorized to pay out of funds made available by section 32 of the act of August 24, 1935 (7 U. S. C. 612 (c)) transportation and handling charges on surplus commodities owned by the Department or any of its instrumentalities or agencies for the purpose of distribution to public welfare agencies.

Next, I wish to place in the RECORD an amendment which I wish to offer to that section:

> At line 21, after the citation (7 U. S. C. 612 (c)), strike out the balance of the sentence and insert "and out of funds made available to the Commodity Credit Corporation transportation and handling charges on surplus commodities owned by the Department or any of its instrumentalities or agencies for the purpose of distribution in the order of priority set forth: First, to school-lunch programs, and the Bureau of Indian Affairs, and Federal, State, and local tax-supported institutions, such as hospitals, orphanages, schools, penal and mental institutions, and public-welfare organizations for the assistance of needy Indians and other needy persons; second, to private welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States; fourth, to intergovernmental or international nonprofit welfare agencies, for assistance to needy persons outside the United States."

You will note that this uses the identical language of the omnibus appropriation bill, provides for payments out of funds made available to the Commodity Credit Corporation and then sets forth four categories of recipients, being those mentioned in the recent conference report as to the disposition of surplus potatoes.

Finally, I submit a further amendment which seeks to combine the language of the conference report on the disposition of surplus potatoes, of section 416 of the Agricultural Act of 1949 and then provides, as has been done in other proposed legislation, for the Secretary to make a determination that such commodities are in ample supply over the necessary reserves and then a provision for the payment out of the equivalent of 6 months' storage charges to cover the cost of transportation, with the proviso suggested by the gentleman from Arkansas [Mr. HAYS] when we last discussed this matter:

> Page 193, line 18, strike out lines 18 through 24 inclusive, and insert "In order to prevent the waste of food commodities acquired through price-support operations which are found to be in danger of loss through deterioration or spoilage before they can be disposed of in normal domestic channels without impairment of the price-support program, the Secretary of Agriculture and the Commodity Credit Corporation are authorized and directed to make available

such commodities as follows in the order of priority set forth: First, to school-lunch programs, and the Bureau of Indian Affairs, and Federal, State, and local tax-supported institutions, such as hospitals, orphanages, schools, penal and mental institutions, and public-welfare organizations for the assistance of needy Indians and other needy persons; second, to private-welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States; fourth, to intergovernmental or international nonprofit welfare agencies, for assistance to needy persons outside the United States. The Secretary of Agriculture shall first determine that such commodities are in ample supply over and above such reserves as may be required and deemed in the public interest. The Secretary of Agriculture and the Corporation shall make any such commodities available at no cost at point of use within the United States or at shipside at port of embarkation. The Secretary and the Corporation may pay as against handling and transportation costs in making delivery up to the equivalent of 6 months' storage costs on any such commodities turned over: *Provided*, That no transportation or handling charges shall be incurred by the Commodity Credit Corporation or Department of Agriculture if in so doing it would lower the total amount of agricultural commodities acquired by any institution or organization through the normal channels of trade and commerce."

IMPORTATION OF FOREIGN-MADE SHOES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include as part of my remarks a letter from the New England Shoe & Leather Association, signed by Maxwell Field, executive vice president, and a letter that association wrote to the Secretary of the Treasury asking for an investigation of the dumping of shoes from a country behind the iron curtain.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I desire to read part of a letter received from Maxwell Field, executive vice president and secretary of the New England Shoe and Leather Association, as follows:

Reliable information indicates that over a million pairs of these low-priced women's shoes will be exported to our country this year. In the month of January alone, 58,000 pairs cleared customs, an amount equal to more than one-half of total imports of 99,000 pairs for the full year 1949. These shoes are being sold at retail by large mail-order, chain-, and department-store companies for $2, $3, and $4 per pair. Comparable American-made shoes now sell for at least $2 more per pair, i. e., the Czech $2 shoe competes with our $4 retailer.

I shall be glad to show the Members on the floor a pair of these Czech shoes which are being dumped in this country from behind the iron curtain.

The letters are as follows:

NEW ENGLAND SHOE & LEATHER ASSOCIATION,
Boston, Mass., March 23, 1950.

Hon. EDITH N. ROGERS,
House Office Building,
Washington, D. C.

DEAR MRS. ROGERS: Our association, in behalf of your constituents, who are both shoe manufacturers and workers, request your cooperation in securing approval of the Treasury Department to an investigation of the dumping of Czechoslovakian-made shoes in violation of the Antidumping Act of 1921. The grounds for this petition are set forth in the enclosed letter addressed to the Honorable John W. Snyder.

Reliable information indicates that over a million pairs of these low-priced women's shoes will be exported to our country this year. In the month of January alone 58,000 pairs cleared customs, an amount equal to more than one-half of total imports of 99,000 pairs for the full year 1949. These shoes are being sold at retail by large mail-order, chain- and department-store companies for $2, $3, and $4 per pair. Comparable American-made shoes now sell for at least $2 more per pair, i. e., the Czech $2 shoe competes with our $4 retailer.

It is exactly these low-priced types which represent a substantial proportion of all New England-made women's shoes, so that these imports endanger New England shoe companies and the rate of employment of many thousands of their workers more seriously than any other region.

Our association wrote the Honorable Dean G. Acheson on February 28, inquiring as to the policy of the State Department, which actually encourages these imports from a country behind the iron curtain with a nationalized shoe industry and a policy of dumping shoes in order to obtain dollar exchange. A copy of this letter is enclosed. Your assistance in establishing the basis for such a policy in the State Department should also prove helpful in curtailing future exports of these shoes.

Our officers and members will greatly appreciate any action you may deem proper in this vital matter. We shall be happy to send you a pair of these Czech shoes or any additional information on your request.

Very truly yours,

MAXWELL FIELD,
Executive Vice President.

NEW ENGLAND SHOE & LEATHER ASSOCIATION,
Boston, Mass., March 9, 1950.

Hon. JOHN W. SNYDER,
Secretary of the Treasury,
Washington, D. C.

DEAR MR. SECRETARY: This letter is written to ask that action be taken under the Antidumping Act of 1921 (42 Stat. 15, 19 U. S. C.), sections 160–171.

The New England Shoe & Leather Association has as its members 268 manufacturers of footwear in the New England States. The association speaks in this matter for all its members who are deeply concerned, as is the entire region, because of the dumping of Czechoslovak shoes in the United States.

Our association, of course, is not in a position to make an investigation of manufacturing costs and selling prices of shoes behind the iron curtain, therefore, we cannot establish in this letter exact figures on the cost of manufacture, the free market price for domestic consumption, or the selling price to importers in other countries of the shoes. We will, however, set forth in this letter the reasons why we believe there is a suspicion of dumping which is the basis of our request that you take suitable action under the Antidumping Act of 1921.

Actually, our association requested of officials of the United States Department of Commerce that information of this nature be obtained as to production costs and retail selling prices of shoes made and sold in Czechoslovakia and we were officially advised that this information could not be obtained.

To prove our claim of suspicion of dumping of these Czechoslovak shoes, in violation of the Antidumping Act, we present the following figures:

CZECHOSLOVAK SHOES TO RETAIL AT $2

One of these shoes is sold to American distributors at a price of $1.20 f. o. b. New York, to retail at $1.95 to $2. This shoe is made of leather upper; imitation leather lining; leather wrap around platforms; outside heels, 14/8 height; composition sole; in cement construction. Using this shoe as an example, we submit the following cost analysis on a per pair basis:

Import duty, 20 percent on $1 value	$0.20
Estimated sales commission of 10 percent	.10
Estimated freight, insurance and packing charges for shipment from Czechoslovakia to New York	.10
Balance to cover all materials, direct labor, overhead, etc	.80

This shoe would require 1¼ to 1½ feet of leather per pair, which is worth on the world market the American equivalent of 41 cents per foot—or a leather upper cost of 56 cents per pair. It is difficult to appraise the exact cost of other materials such as findings, linings, outsole, innersole, platform, sock lining, etc., but a conservative estimate of European costs of these items would be 37 cents per pair.

It will be observed from the above figures, which total $1.33 per pair, that no allowance whatever is made for labor costs, overhead, cartons, or profit. It is, therefore, self-evident that the price of $1.20 can be established in this country only as a result of dumping.

The foregoing shoe has been used as an example, although other types of Czechoslovak shoes at different wholesale prices have been sold to importers in this country. However, it is our opinion that this cost analysis is applicable to these other shoes, and we present below the pertinent facts as to several other shoes, as follows:

CZECHOSLOVAK SHOES TO RETAIL AT $3

This shoe sells to American distributors at $1.60 per pair, f. o. b. New York, to retail at $3 per pair. It is made of all-leather upper, imitation-leather lining, leather sock lining, in fancy patterns, constructed by cemented process, with composition soles.

The United States wholesale price of a comparable shoe is $2.35 to $2.40 per pair, to retail at $4 per pair.

CZECHOSLOVAK SHOES TO RETAIL AT $4

This shoe sells to the American distributor for $2.10, f. o. b. New York, and will retail at $4 per pair. This shoe is made with all-leather materials, including upper, lining, sock lining, and sole.

Comparable United States shoe would wholesale for $3.50 to $3.60 per pair, to retail for $6—but no American manufacturer is actually making such a shoe of all-leather materials.

This is to request that an investigation be made forthwith under section 160 (a) to determine whether the dumping conditions prevail and that if it is found that they do, that appropriate instructions be given to the appraisers so that the dumping duty may be assessed.

Very truly yours,

MAXWELL FIELD,
Executive Vice President.

NEW ENGLAND SHOE & LEATHER ASSOCIATION,
Boston, Mass., February 28, 1950.

Hon. DEAN G. ACHESON,
Secretary of State,
Washington, D. C.

DEAR SIR: Our association would appreciate your advising it of the official policy of the State Department with respect to the importation of footwear from Czechoslovakia.

The shoe industry in that country is a nationalized one, as you know, and is currently exporting to this country well over a million pairs of low-priced women's footwear which are being retailed to the public by the largest mail-order chain store, and department store companies in the country. Retail prices of these shoes are substantially lower than prices for comparable American-made shoes, with the result that our domestic manufacturers consider such importations as being hazardous and representing unfair competition to the American shoe industry.

It has been brought to our attention that the State Department has approved the importation of these shoes by American concerns, and that your Department has set a quota on the total quantity of shoes which can be exported to the United States during the year 1950. If this is true, we would also like you to advise us of the total quantity of this quota, and the basis on which your Department has approved the establishment of such a quota, as well as granting its approval to the importation of these shoes.

Awaiting an early reply, we remain,

Sincerely yours,

MAXWELL FIELD,
Executive Vice President.

EXTENSION OF REMARKS

Mr. LANHAM asked and was given permission to extend his remarks and include an editorial.

Mr. DINGELL asked and was given permission to extend his remarks and include a brilliant article by the editor of the Detroit Jewish News.

Mr. DONOHUE asked and was given permission to extend his remarks and include an editorial.

Mr. WHITE of Idaho asked and was given permission to extend his remarks in two instances and include certain printed matter.

Mr. GARY asked and was given permission to extend his remarks and include a letter written by a veteran in his district.

Mr. MULTER asked and was given permission to extend his remarks in two instances, and include extraneous matter, notwithstanding the fact that the Public Printer estimates that in one instance the cost will be $218.68.

Mr. BUCHANAN asked and was given permission to extend his remarks and include an article from the New York Times magazine section.

Mr. BURKE asked and was given permission to extend his remarks and include a proclamation by the Governor of Ohio on Conservation Week.

Mr. ADDONIZIO asked and was given permission to extend his remarks and include an editorial from the Boston Sunday Post.

Mr. YATES asked and was given permission to extend his remarks in two separate instances and in each to include speeches.

Mr. COOLEY asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and include newspaper reports and other extraneous matter.

Mr. KEE asked and was given permission to extend his remarks and include a statement in reference to the purchase of commodities by ECA.

Mr. JUDD asked and was given permission to extend his remarks and to include extraneous matter.

Mr. JENISON asked and was given permission to extend his remarks and include an editorial.

Mr. JENSEN asked and was given permission to extend his remarks and include a letter addressed to him and his reply.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks and include an article by George Beveridge, and a letter.

Mr. MURDOCK asked and was given permission to extend his remarks.

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. FICKETT] is recognized for 20 minutes.

COTTON AND PEANUT ACREAGE ALLOTMENTS

Mr. PICKETT. Mr. Speaker, Congress has passed legislation to permit adjustment of some inequities in the cotton and peanut acreage allotments and marketing quotas for 1950. It will become law when the President signs it. It is not practical to set forth all of the provisions in detail nor is it possible to give an accurate estimate of what it means by way of increases in cotton and peanut acreage to each farm. The best estimate available is that the over-all national increase will exceed 1,000,000 acres. It has been estimated also that Texas will get approximately half of that increase with the low factor counties receiving the most benefit.

Generally speaking, the legislation provides:

COTTON

First. For reallotment in 1950 of any acreage—frozen acres—allotted to individual farms, which will not be planted on the farm receiving the allotment and which is voluntarily surrendered and transferred by the owner or operator of the farm to the county committee. The acreage surrendered and transferred will be credited to the State and county in determining acreage allotments. The surrendered acreage is to be apportioned to other farms in the same county receiving the allotment to the extent necessary to provide for such farms the allotment authorized under the law. Any acreage remaining after providing for such minimum allotments may be apportioned, in amounts determined by the county committee to be fair and reasonable, to other farms in the same county receiving the allotments which the county committee determines are inadequate and not representative in view of their last production of cotton, and to new farms in the county.

Second. That the minimum farm allotment shall equal the larger of 65 percent of the average acreage planted or regarded as planted—war crops—to cotton during the years 1946, 1947, and 1948, or 45 percent of the highest acreage planted to cotton or regarded as planted to cotton in any one of such years.

Third. No increase provided shall give the farm more than 40 percent of the acreage on the farm tilled annually or in regular rotation.

Fourth. In order for any farm to receive an increased allotment, the owner or operator must apply in writing to the county committee. The application must be filed within a reasonable period of time, but not less than 15 days may be provided for the filing of such application.

Fifth. The additional acreage required to be allotted under this bill is in addition to the present county, State, and national allotments for 1950 crops and the production from such acreage is in addition to the 1950 marketing quota. The additional acreage is not to be taken into account in establishing county, State, and National farm-acreage allotments for 1951 and succeeding years.

Sixth. The allotments authorized are to be a specified percentage of the acreage planted to cotton or regarded as planted to cotton—war crops—during the specified base years. The effect of this provision is to remove any requirement which may have existed heretofore that the aggregate of farm histories of plantings within counties should be adjusted so as to equal the acreages estimated by the Bureau of Agricultural Economics. This will enable farmers, if they are dissatisfied with their allotments, to establish their actual history of plantings during the base years and have the allotments authorized under this resolution based upon the actual histories which may be established.

Seventh. Any farmer who is dissatisfied with his 1950 allotment will have 15 days after the date the bill becomes a law to apply for a review—appeal—of his allotment. It also gives any farmer who receives notice of a change in 1950 allotments, or denial of granting of his application for an adjustment under the provisions of this bill, 15 days within which to have such action reviewed by a review committee. In order that the review section may be understood in the light in which the Congress intends it to be understood, I quote from the conference report the following:

> The Department of Agriculture has indicated that in arriving at the allotments authorized under this joint resolution, it intends to use in the first instance the figures of acreages planted or regarded as planted to cotton on the farm as determined by the State and county committees and used in computing farm-acreage allotments under the current provisions of the Agricultural Adjustment Act of 1938, as amended, including the provisions of Public Laws 272 and 439, Eighty-first Congress. Therefore, any farmer who is dissatisfied with the farm-acreage history which has been established by the county committee, to obtain any correction or adjustment in such farm-acreage history, would have to appeal to a review committee. Many farmers who were dissatisfied with the cotton history established for their farms for the years 1946, 1947, and 1948, or their war-crop history, did not apply for review for the reason that the farm history did not enter into the calculation of the farm allotment except as a limiting factor. Other farmers, who did seek a review to have the correct history established for their farms, were informed that the review committees would not be able to grant any relief, because a correction in the farm history for the farm would not result in any change in the allotment.
>
> Since the allotment provisions of the resolution are based upon cotton and war crop history, the farm history for each of these

years is of controlling importance in arriving at the allotments authorized under the resolution. Therefore, any farmer who believes that his farm history has not been correctly determined by the county committee may obtain a review by the review committee and have such history correctly determined upon proper proof of the facts. Under this resolution, the review committee may, upon such evidence as it deems sufficient to warrant such action, adjust the cotton acreage history for individual farms without regard to any requirement or action by the county committees that individual farm histories in the aggregate were not permitted to exceed the county acreage as determined by the Bureau of Agricultural Economics. In reviewing farm cotton and war crop history, the review committees may consider the matter de novo and are not limited to that evidence or information which was submitted to the county committees and may make adjustments in farm histories and farm allotments even though the county committees by administrative regulation or instructions are precluded from making such adjustments. The committee of conference is informed by the Department of Agriculture that the review committees are authorized under existing regulations to review the farm cotton acreage history determined in connection with the 1950 crop and to make such corrections as are warranted upon the evidence presented to them. In short, it is the intent of the committee that this provision will afford farmers an opportunity to prove the correctness or incorrectness of any data used in connection with the establishment of the farm history or the farm allotments based thereon. It is also the intent of the committee that the department should take appropriate action through the State and local committees to inform farmers of their appeal rights under the provisions of this resolution, so that farmers will have full opportunity to have any inequities in farm allotments eliminated.

Eighth. The legislation will not reduce 1950 acreage allotments already made. It is designed to increase those allocations that are less than the number of acres permitted under its terms.

PEANUTS

The legislation also contains provisions to increase the peanut acreage allotment for Texas growers. The national average of acreage reduction for peanuts for 1950 was approximately 20 percent. The reductions in Alabama and Texas were greater than the national average. In Texas the cut was approximately 30 percent. The provisions of the legislation will result in our State getting an increased allotment of approximately 48,000 acres for 1950 to bring us up to the point where our cut is not greater than the national average reduction. Those additional acres will, of course, be distributed to the counties and the growers in those counties by the State and county committees on the same basis as the regular allotments were made.

ADMINISTRATION

The legislation must necessarily be administered by the Department of Agriculture through the State and county committees. Each grower of cotton and peanuts should handle all details in reference to requests for additional acreage, notices of appeal from the acreage allotment, and the appeal or review of the allotments made through the county committees, the review committee and the administrative agencies established by the law. Local county PMA committees will be able to furnish the procedure with respect to any of the actions referred to above.

POTATOES

The legislation also includes the first steps to take care of the very costly situation relating to price supports for the Irish potato. Among other things, it provides authority for the Secretary of Agriculture to dispose of surplus potatoes as food for human consumption rather than permit their destruction and loss through spoilage, whenever surplus potatoes are not being used more advantageously. Another provision prohibits price support on the 1950 crop of Irish potatoes to producers in areas where marketing orders, imposed by the Secretary pursuant to the law, have been disapproved by the potato producers in such areas. Price supports are limited to potatoes of a grade not lower than U. S. No. 2. Still another provision is to the effect that price support for Irish potatoes in 1951 and succeeding years is prohibited unless marketing quotas are in effect.

NOT THE COMPLETE ANSWER

I recognize, of course, that the legislation is not a complete answer to all the problems confronting the producers of the crops dealt with by its provisions. It is generally recognized that the principle of price support for farm products is inevitably followed by the necessity for some production or marketing control. The initiation of any program of acreage control and marketing quotas always results in severe inequities. That was true when the Agricultural Adjustment Act of 1938 was passed, long before I came to Congress. It was necessary for the Congress then, just as now, to amend the law almost immediately to adjust and correct those inequities.

NEED FOR AMENDMENT OF ACT IN 1938

The situation in 1938 was then considered as bad, if not worse, than the one presently confronting us. The Congress, at that time the Seventy-fifth, passed what it thought was satisfactory legislation, and it became effective February 16, 1938. It immediately became apparent that the law needed to be amended so as to clarify some of its provisions and to provide for more effective administration of it. Legislation was introduced in the Senate on March 15, 1938, and in the House on March 17. The various necessary legislative steps were taken during the latter part of March and the first few days of April. On April 7, 1938, amendments to the law which had been passed on February 16, less than 2 months before, became effective. The amendments were too numerous to mention in detail, but some idea of their importance and their number may be gained by the following: They provided for determining normal yields in connection with marketing quotas; simplified procedure in executing applications for payments; clarified method of determining acreage allotment for corn; provided for claims for refunds of penalties wrongfully collected; exempted marketing of commodities grown for experimentation from penalties; provided for price adjustment payments in cases where cotton was destroyed after harvesting; extended time during which holders of cotton pool participation trust certificates might have become holders and still receive payment; required 1938 conservation payments to be at least 90 percent of rates announced before enactment of the Agricultural Adjustment Act of 1938; authorized 2 percent increase in 1938 flue-cured tobacco quota; and *provided for increased cotton allotment so as to minimize inequities.*

HISTORY OF PRESENT LEGISLATION

Perhaps a brief review of the history of the present law might be enlightening.

As early as March 1949 the Congress passed a law which stated, in effect, that the amount of cotton acreage planted in the year 1949 would not be considered in establishing acreage allotments and marketing quotas in any future years. Subsequently, the House Committee on Agriculture held extensive hearings on legislation proposing, among other things, to establish cotton and peanut acreage allotments and marketing quotas in 1950 and succeeding years if such action should be approved by two-thirds of those voting in a referendum to be held for that purpose. On August 1 the committee reported out its bill. The bill was considered in the House and passed on August 3. It is worthy of note that no serious opposition to the passage was voiced; evidence of the fact that it could not possibly be anticipated, even by members of the committee, that misinterpretation and maladministration of the act would later bring on the trouble we all know developed. Since the Senate had previously passed legislation on the subject July 6, it required only a few days for members of the House and Senate Committees on Agriculture to agree in conference on the contents of the bill to be passed. Accordingly, on August 12, the conference report was adopted in both the House and Senate.

In November 1949, after the State and county committees had figured the allocation of acreage to the counties and the farms in the counties, it then became apparent that gross inequities existed which required immediate adjustment.

When the matter was first brought to my attention in November, I set about to discover just what the difficulty was. Numerous conferences were held with members of various county committees and I discussed the matter with a great many individual farmers in order to ascertain the facts. I attended conferences in different places in Texas in an effort to work out a plan of procedure upon which we could agree to relieve the situation.

MISINTERPRETATION OF ACT OF 1949

It was apparent that a great many of the difficulties were occasioned by failure on the part of the Department of Agriculture to interpret the law as Congress intended it to be interpreted when it was passed. It was not denied that the wrong interpretation had been placed on some features of the act by those in charge of

its administration. It was agreed by some persons in the Department of Agriculture that the interpretation of congressional intent by the informed Congressmen was correct. It was contended by some officials in the Department of Agriculture that the law was so written that they could not change their interpretation of it to agree with ours and they would not revise their interpretation.

EFFORTS TO SOLVE PROBLEMS

To their lasting credit, members of the subcommittee on cotton of the House Agriculture Committee returned to Washington early in December 1949, and worked closely with representatives of the Department of Agriculture and cotton producers in an effort to agree on a solution. I maintained constant communication by telephone and telegraph with Department officials and members of the committee who were in Washington, advising them of our problems in east Texas and making suggestions of ways to solve them.

The House Committee on Agriculture agreed on the principles of amendments to the law even before Congress convened on January 3, 1950. On that date, numerous bills were introduced on the subject, including two of my own. Immediately after Congress convened on January 3, the committee held hearings and reported its bill out on January 12. The House passed it on January 31.

The Senate committee did not commence hearings until February 2. The bill was reported to the floor of the Senate on February 16 and scheduled for action on the 24th. It was debated in the Senate February 24 and 27 and passed on the latter date.

PASSED OVER VIGOROUS OPPOSITION

There was vigorous opposition, both in the House and Senate, to the passage of the legislation. The theory of the opposition seemed to be that it was an effort by the proponents to enrich the pockets of the cotton and peanut growers at the expense of the taxpayers. I, and others who favored the legislation, answered that opposition with the facts: That there was no desire on anybody's part to increase the cost of the price-support program but only to correct injustices; that the increased acreage provided for was necessary to relieve the bad economic effects in cotton and peanut growing areas, on the small-business men in the towns as well as to the growers, caused by misinterpretation of the law; and to restore in part, at least, to the growers an opportunity to work and earn a living which, in many cases, they were being deprived of under the existing situation.

Conferees of the House and Senate first met in an effort to settle the differences in the two bills on March 3. It is my information that some of the Senate conferees not only opposed the House bill but opposed some of the provisions of the Senate bill. It was not until March 15 the conference report was agreed on. The House passed it the next day. The report was scheduled for consideration in the Senate on March 17 but it was decided circumstances made it necessary to postpone action until March 21. When it was brought up for discussion on that day, one of the Senators made a point of order against consideration because of one of the provisions. The point of order was sustained by the presiding officer and that required the conferees to meet again. The differences were soon agreed upon and the House passed the amended conference report on March 23. The Senate adopted it the next day.

SPEEDY ACTION BY THE HOUSE

The above history of the legislation to amend the law clearly indicates the House has acted with the greatest of speed; that it passed the bill far in advance of the planting season and in ample time for the increased allotments to be distributed before planting time.

LEGISLATION PASSED FOLLOWS PATTERN OF HOUSE BILL

The legislation which passed follows more nearly the principles contained in the bill which the House passed rather than the one passed by the Senate insofar as it deals with cotton and peanut acreage allotments. The major difference in the legislation adopted and that which passed the House in January is in the percentages only. In principle, the legislation contains some of the ideas submitted in the two bills which I introduced on January 3; notably the reallocation of the so-called frozen acres and the inclusion of war crops in estimating the increased acreage to which Texas farms are entitled. I argued those matters as forcefully as possible when I appeared before the committee as a witness in the course of the committee's hearings in January. I also insisted that the figures for each farm's allotment should be determined by the county committee based on the history of the farm rather than the BAE figures. I am glad to take note of the fact that in the legislation adopted that idea is brought forward in the review sections of the bill, as noted in paragraphs Nos. 6 and 7, above.

APPRECIATION

I want to express my appreciation to the chairman of the House Committee on Agriculture the gentleman from North Carolina [Mr. COOLEY], and to all other members of the committee and of the House who worked so diligently and interestedly in passing legislation designed to correct the existing inequities.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. PICKETT. I yield to the gentleman from North Carolina.

Mr. COOLEY. I am delighted to have this opportunity to publicly congratulate and commend my distinguished friend upon the very splendid manner in which he has labored in behalf of the farmers of his district, his State, and the Nation. I want to personally thank my friend for his great interest in House Joint Resolution 398, the cotton-peanut resolution, and especially do I desire to thank him for having appeared before our committee in behalf of that measure. As the gentleman knows, the purpose of the resolution was to correct the situation which had resulted in many gross inequities in the cotton-acreage allotments and further inequities which had resulted in the State peanut-acreage allotments for Texas and Alabama. Texas perhaps has more at stake in that resolution than any other State in the Union. The gentleman from Texas who is now addressing the House, was diligent in discovering the inequities and has likewise been diligent and very helpful in trying to correct and to remedy the situation. During the entire time that the gentleman has served in this House he has evidenced a great interest in the welfare of the farmers of this Nation and on every occasion has proven himself to be a real friend of the farmers. Although he is not a member of the House Committee on Agriculture, he has been constantly in communication with me and with other members of that committee and on numerous occasions has been exceedingly helpful and always constructive in his suggestions and in his assistance.

May I express the hope that the President will promptly sign House Joint Resolution 398, to which the gentleman has referred, and in which the gentleman is so intensely interested. In this connection, it might be well to observe, that if the President fails to sign and to approve the resolution it will be too late to prepare, to present, and to secure the passage of other legislation to alleviate the gross inequities which have definitely resulted and which are now causing so much distress.

Mr. PICKETT. I thank the gentleman very much for his remarks commending my efforts and I certainly hope I may deserve all of them. I too, join in the hope that the President will sign the bill speedily.

Mr. COOLEY. May I ask the gentleman if it is not a fact that in the southern part of Texas cotton planting is well under way and unless the bill is signed promptly and goes into effect immediately, it will be too late to pass other legislation to alleviate and remedy the situation which now exists.

Mr. PICKETT. Certainly that is true insofar as the farmers in the valley area of Texas are concerned and as each day passes it becomes true of those who reside on and farm the cotton farms in the other portions of the State.

Mr. COOLEY. The gentleman knows this resolution was introduced on the opening day of the session, January 3. We have worked on the legislation constantly from that time until the present time, and if we meet with a veto, I will ask the gentleman if it is not, in his opinion, impossible for us to pass legislation to remedy the situation?

Mr. PICKETT. Well, it would be very difficult for it to be of any benefit to anybody anywhere in the country if the bill should be vetoed by the President. I certainly hope he will sign it at a very early date.

The legislation will not do all that deserves to be done but it will be of some benefit to many who have been adversely affected by the interpretation of the 1949 act. To say the least, it is the best that could be passed in the face of such serious opposition and is far better than the prospects at times gave us reason to hope for.

FURTHER STUDY

In recognition of the fact that the legislation just passed is a temporary expedient only and that a better solution must be made for 1951 and succeeding years, the committee has already given consideration to the problem. Extensive hearings have been held and serious study is being given to the problems by all of us who recognize the need for improvement in the law and a more equitable adjustment of its application. Solution of the many problems that arise when we attempt to establish a satisfactory long-range farm program is needed. It has not yet been arrived at but I am confident that as experience under the existing law indicates the better methods to be pursued, diligent application to the task will result in considerable improvement. I certainly shall keep the pledge I have made that my efforts will be continued to the end that a more satisfactory solution to the farm problems can be evolved.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 10 minutes.

VETERANS' LEGISLATION

Mr. LANE. Mr. Speaker, we already have a well-integrated program for the care of our veterans, which is the practical result of much experimentation.

It does not seem wise to me that we should curtail or reroute these services less than 5 years after the end of the war in which so many were disabled or weakened by their strenuous service in defense of the Nation.

I would like to point out that, from an administrative viewpoint, there would be duplication and waste in transferring hospital and medical care away from the Veterans' Administration which handles all records concerning the veteran.

There is a definite time limit to many benefits provided under the GI bill of rights. The various programs have largely accomplished their purposes and there is a tapering off in the work-load and the appropriations required to meet it.

Insofar as medical attention is concerned the reverse is true. As the veterans grow older, we may expect the demands for hospitalization and medical attention to increase. And we cannot default on our obligations to ex-servicemen and women under the guise of economy and efficiency, however attractive these word approaches to the problem may be. Too often, the arguments for economy and efficiency have merely succeeded in the transfer of authority and the creation of yet another Government agency. The tendency is for the older agency to hang on to life while the newer one merely complicates the situation.

There are 19,000,000 veterans in the United States. This is a number far larger than the total of those served by the individual hospital systems maintained by the Army, the Navy, and the Public Health Service.

It is proposed to merge the VA, the Army, the Navy, and the Public Health Service hospitals into one United Medical Administration.

I think that the idea of lumping them together shows a lack of proportion. Economy and efficiency can be achieved by cutting back to normal the king-sized facilities of the Army and the Navy in particular, and without interfering with their independent functions.

In view of the present and potential case load, the accent must be on the maintenance if not increase in VA facilities. It is reasonable to assume that the Army and the Navy have more than they need, and it is in such hospitals that retrenchments could be made without prejudice to the needs of military personnel.

In fact, the Hoover report itself has certain reservations. Replying to criticism that veterans might be placed in beds alongside criminals, the report says that hospitals run by the Bureau of Prisons and by the Bureau of Indian Affairs, should be kept out of the proposed United Medical Administration. What determines the line of demarcation anyway? If one special agency needs separate facilities, then all do, if we are to keep the channels clear and avoid confusion.

The veterans constitute a special case because hospitalization in many cases has a direct bearing upon their disability claims under rules as administered by trained VA personnel who are specialists in this type of work. The hospitalized veteran is not merely a sick man, to be treated and cared for by any competent doctor or nurse. All of his dealings with the VA are integrated under one claim number which cannot be interfered with by outsiders unfamiliar with such procedures. Any break in the continuity of processing a claim would result in the further delay, confusion, and waste which the Hoover report seeks to eliminate.

In the years since 1921 when a special agency then called the Veterans' Bureau was set up to handle the unique problems of ex-servicemen, a close and confident relationship has developed between the individual veteran and his agency.

The fact that he is being treated in a hospital restricted to veterans is a psychological factor that gives recognition to the special service he has rendered. Any effort to break this down will be resented and opposed by our large veteran population.

Perhaps there is room for improvement within VA hospitals, but to abandon this system entirely in favor of a new and untried plan that ignores the special treatment to which the veteran is entitled, as a veteran, is not only risky, but shows complete disregard of the veteran's unique status.

It will strike him as a subtle attempt to strip him of all identification and mix him indiscriminately with those who never earned the right to serve in our armed forces.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate my friend from Massachusetts on the very fine and sound speech he is making. May I say that the medical service in the Veterans' Administration has improved materially in the past 2 years. The gentleman will recall we received that information last December, when there was a meeting of the State officers of the American Legion at which my friend from Massachusetts and I were present. They particularly complimented the decided improvement made in the hospitals of the Veterans' Administration and the medical services rendered by the Veterans' Administration in Boston and in other offices throughout Massachusetts. They stated the same improvement prevailed and had occurred throughout the entire country.

Several weeks ago on the floor of the House I stated that the transfer of the hospitals from the Veterans' Administration would be unwise; that it would not be for the benefit of the veterans, and would not, in my opinion, bring about greater efficiency.

I again compliment my distinguished friend on the speech he is making, with which I am in complete agreement.

Mr. LANE. I thank my colleague from Massachusetts. We from Massachusetts know that our majority leader has always interested himself in the affairs of the veterans and has always been a friend of the veterans and a very able and capable spokesman on the floor of the House in reference to matters that would benefit the veterans of our country.

Mr. McSWEENEY. Mr. Speaker, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Ohio.

Mr. McSWEENEY. I join our distinguished leader in paying tribute to the gentleman from Massachusetts. I have gone along with the suggestions of the Hoover Commission, but do we not realize that if those suggestions relative to the Veterans' Bureau were carried out the Corps of Engineers would be taken away from working on the construction of hospitals? We do know that we must keep the Corps of Engineers as a part of what we call our War Establishment. Is it not well for them to continue their work and be occupied while they are still in existence?

Mr. LANE. The gentleman is correct. I thank him sincerely for his contribution.

In the past, when veteran hospitalization was under the Public Health Service and claims were handled by the Bureau of War Risk Insurance, this split in the continuity of administration led to inefficiency.

The Hoover Commission asserts that its program will reduce the drain of doctors away from private practice. At least one member of the Hoover Commission's own task force disagrees with this claim. Dr. Paul R. Hawley, former chief medical director of the VA, in rebuttal, states that the present VA hospital program has brought about the greatest economy in medical manpower of any Government branch furnishing hospitalization.

Again the Hoover Commission says that the present VA hospital-building program is designed to make beds available for non-service-connected cases.

And why not? Thousands of veterans have service-connected disabilities for which they have failed to file claims, or whose claims have not yet been adjudicated. Failure to treat these and other cases brings on total disability, and makes the veteran eligible for a nonservice-connected pension which costs much more than adequate treatment.

From my own experience I know of many cases where veterans have sought my help to secure hospitalization, only to find that there was no room for them. They were told to wait until another veteran died or was discharged before a bed would be available for the applicant.

There have been successive reductions in force, affecting the Veterans' Administration as a whole. But the proponents of false economy are not satisfied. They would undermine the whole program by reducing the sick veteran to an unknown.

Is this necessary, even when consdiered on the ground of economy alone, and forgetting the responsibilities of the Government toward those who made such sacrifices?

Concentration of medical care under one Federal agency could well be the first step toward socialized medicine, but under wraps.

To my way of thinking, we can work for economy and efficiency without jeopardizing the veterans. Full utilization of all Government hospital facilities can be secured by a system of liaison among present agencies.

Greater centralization of power is not the answer.

It is for these reasons that I am opposed to the Hoover recommendations as affecting hospitals under the Veterans' Administration.

I recall that the veterans were the first to suffer in the economy drive after World War I and at the beginning of the depression.

I also remember that scarcely 5 years ago we vowed that "nothing was too good for the veterans." There are many of us who are determined to fulfill that pledge instead of forgetting it.

The mentally ill, the tubercular, and the disabled veterans in our VA hospitals are not going to be pushed around like so many displaced persons by their own Government.

We made a promise to them, and we are obliged to keep it, by providing adequate care for them in hospitals reserved for veterans only.

RESIGNATION FROM HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following communication:

MARCH 29, 1950.

HON. SAM RAYBURN,
Speaker, House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: This is to advise that under date of March 21, 1950, I tendered to the Governor of Texas my resignation as Representative from the Eighteenth Congressional District of Texas in the House of Representatives, to become effective April 3, 1950.

Respectfully,

EUGENE WORLEY.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. NELSON, for 2 days, on account of important business.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Thursday, March 30, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1343. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to amend the act of December 24, 1942, exempting certain real property from taxation in the District of Columbia"; to the Committee on the District of Columbia.

1344. A letter from the Acting Secretary, Department of Agriculture, transmitting separate reports on contracts and cooperative agreements entered into during fiscal year 1949, pursuant to title I, section II, and title II, section 205b, of the Research and Marketing Act of 1946, approved August 14, 1946, Public Law 733, Seventy-ninth Congress; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KEE: Committee on Foreign Affairs. H. R. 7797. A bill to provide foreign economic assistance; without amendment (Rept. No. 1802, pt. 5). Ordered to be printed.

Mr. GOSSETT: Committee on the Judiciary. Senate Joint Resolution 2. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; without amendment (Rept. No. 1858). Referred to the House Calendar.

Mr. COOLEY: Committee of conference. H. R. 5339. A bill to facilitate and simplify the work of the Forest Service, and for other purposes; without amendment (Rept. No. 1859). Ordered to be printed.

Mr. SPENCE. Committee on Banking and Currency. H. R. 7846. A bill to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes; with amendment (Rept. No. 1860). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 55. Concurrent resolution favoring the suspension of deportation of certain aliens; without amendment (Rept. No. 1854). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 58. Concurrent resolution favoring the suspension of deportation of certain aliens; with amendment (Rept. No. 1854). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 62. Concurrent resolution favoring the suspension of deportation of certain aliens; with amendment (Rept. No. 1855). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1305. An act for the relief of Theodore Constantin Trancu and his wife; without amendment (Rept. No. 1856). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7778. A bill for the relief of Miyoko Oishi; with amendment (Rept. No. 1857). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COUDERT:

H. R. 7904. A bill to provide for the establishment of a commission to investigate and make recommendations with respect to the distribution of governmental functions and sources of revenue within the framework of our Federal, State, and local systems of government; to the Committee on Expenditures in the Executive Departments.

By Mr. DENTON:

H. R. 7905. A bill to amend the Clayton Act with respect to the recovery of triple damages under the antitrust laws, and for other purposes; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 7906. A bill to repeal the Federal excise taxes on pistols and revolvers; to the Committee on Ways and Means.

By Mr. HESELTON:

H. R. 7907. A bill to amend the Agricultural Act of 1949; to the Committee on Agriculture.

By Mr. WILLIAMS:

H. R. 7908. A bill to provide for uniforms for employees of the United States Government required by law or regulation to wear them; to the Committee on Post Office and Civil Service.

By Mr. KARST:

H. R. 7909. A bill to amend the act of July 6, 1945, as amended, with respect to automotive-equipment maintenance payments to special-delivery messengers in post offices of the first class, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. BOLTON of Ohio:

H. R. 7910. A bill to authorize the coinage of 50-cent pieces to commemorate the life and accomplishments of Dr. George Washington Carver; to the Committee on Banking and Currency.

By Mr. DINGELL:

H. R. 7911. A bill relating to the tax on alcohol used in the manufacture of nonbeverage products; to the Committee on Ways and Means.

By Mr. GAMBLE:

H. R. 7912. A bill to amend section 22 (a) (general definition) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. KARST:

H. R. 7913. A bill to establish and maintain a Federal fidelity trust fund and a Federal Surety Board to operate a procedure in lieu of surety bonds for all Federal employees who are required by law or regulation to furnish surety bonds; to the Committee on Post Office and Civil Service.

By Mr. MILLER of Maryland:

H. R. 7914. A bill to amend chapter 61 (relating to lotteries) of title 18, United States

Code, to make clear that such chapter does not apply to contests wherein prizes are awarded for the species, size, weight, or quality of fish caught by the contestant; to the Committee on the Judiciary.

By Mr. WERDEL:

H. R. 7915. A bill to provide for the protection of the water rights of water users of the Kings River, Calif.; to the Committee on Public Works.

By Mr. MACY:

H. J. Res. 446. Joint resolution to provide for the establishment of a Commission on the Steel Industry; to the Committee on Rules.

By Mr. LESINSKI:

H. Con. Res. 191. Concurrent resolution authorizing the printing of the committee print entitled "Financing Public School Construction" as a House document and providing for additional copies thereof; to the Committee on House Administration.

By Mr. VINSON:

H. Res. 523. Resolution providing for the consideration of S. 2440, a bill to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Rules.

By Mr. DAWSON:

H. Res. 524. Resolution providing for the expenses of conducting the studies and investigations authorized by rule XI (1) (h) incurred by the Committee on Expenditures in the Executive Departments; to the Committee on House Administration.

By Mr. HAGEN:

H. Res. 525. Resolution authorizing and directing the Committee on Public Lands to conduct a full and complete investigation and study to promote the rehabilitation of the bands of Chippewa Indians in the State of Minnesota, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Arizona, relating to proposed dismemberment of the Veterans' Administration; to the Committee on Veterans' Affairs.

Also, memorial of the Legislature of the State of New York, requesting confirmation of ownership in the States of lands and resources within and beneath navigable waters within the boundaries of the respective States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Rhode Island, requesting the Members of Congress to exert their influence to effect the unification of all the counties of Eire; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Wyoming:

H. R. 7916. A bill to authorize and direct the Secretary of the Interior to execute an oil and gas lease on a certain tract of land in Park County, Wyo.; to the Committee on Public Lands.

By Mrs. BOLTON of Ohio:

H. R. 7917. A bill for the relief of Mrs. Gizella Kezdy-Reich; to the Committee on the Judiciary.

By Mr. BYRNE of New York:

H. R. 7918. A bill for the relief of certain Chinese stewards of the United States Navy; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

H. R. 7919. A bill for the relief of Mrs. Yukiko Yoshii French; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 7920. A bill for the relief of Leland C. Barnard; to the Committee on the Judiciary.

By Mr. JENKINS:

H. R. 7921. A bill for the relief of Eva T. Ross; to the Committee on the Judiciary.

By Mr. McCARTHY:

H. R. 7922. A bill for the relief of William E. Ackerknecht; to the Committee on the Judiciary.

By Mr. MILES:

H. R. 7923. A bill for the relief of George Brander Paloheimo and Eva Leonora Paloheimo; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 7924. A bill for the relief of Akio Esumi; to the Committee on the Judiciary.

H. R. 7925. A bill for the relief of Gerszon Gruszka, Stell Gruszka, and Tamara Gruszka; to the Committee on the Judiciary.

H. R. 7926. A bill for the relief of Robert Francis Symons; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 7927. A bill for the relief of Luisa Monti; to the Committee on the Judiciary.

By Mr. STEFAN:

H. R. 7928. A bill to authorize the sale of certain allotted inherited land on the Winnebago Indian Reservation in Nebraska for the benefit of Alice Greyhair Armell, Charles Greyhair, and Clyde Greyhair; to the Committee on Public Lands.

By Mr. WERDEL:

H. R. 7929. A bill for the relief of Marcus M. Jones; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2030. By Mr. CANFIELD: Telegram from Miss Helen S. Young and 39 other members of Wesley Methodist Church, of Paterson, N. J., protesting against the production of atomic and hydrogen bombs and urging that our Nation take a stand respecting their use for destructive purposes; to the Committee on Armed Services.

2031. By Mr. FORAND: Resolution passed by the general assembly of the State of Rhode Island, memorializing the Members of Congress from Rhode Island to exert their influence to effect the unification of all of the counties in Eire; to the Committee on Foreign Affairs.

2032. By Mr. HESELTON: Resolutions of the general court of the Commonwealth of Massachusetts, memorializing Congres to enact legislation for the distribution of surplus foods to the several States and the political subdivisions thereof in proportion to their population and per capita income; to the Committee on Agriculture.

2033. By Mr. RICH: Petition of American Legion Auxiliary of Glenn Sharrow Post, No. 35, Hughesville, Pa., against compulsory health insurance or any other proposed form of a national health program controlled by the Government; to the Committee on Interstate and Foreign Commerce.

2034. By the SPEAKER: Petition of the president, Women's Prospect Republican Club, Johnstown, Pa., opposing any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

2035. Also, petition of T. L. Gilmer Dental Society, Quincy, Ill., requesting Congress not to enact any legislation containing the principle of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

2036. Also, petition of the secretary, Watermelon Growers and Distributors Association, Gainesville, Fla., protesting the current antitrust suit now pending against the Great Atlantic & Pacific Tea Co., and Atlantic Commission Co., and similar suits against any other business concerns when based on the same principle; to the Committee on the Judiciary.

2037. Also, petition of E. M. Coe and others, requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

THURSDAY, MARCH 30, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, who desirest truth in the inward parts, we would come to Thee in that fear of the Lord which is the beginning of wisdom. Refresh our faith that the tensions of life may not break our spirits. As those whose powers are dedicated to the Nation's weal, make us ever faithful to each challenging duty, loyal to every high claim, responsive to the human needs of this suffering earth.

We thank Thee for every word of truth which has been spoken the wide world through, and for all righteousness which the human conscience has perceived and woven into the social fabric. With Thy benediction may we face the toil of this day with honest dealing and clear thinking, with hatred of all hypocrisy, deceit, and sham, and in the knowledge that all great and noble service in this world is based on gentleness and patience and truth. In the dear Redeemer's name. Amen.

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of Wednesday, March 29, 1950, was dispensed with.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

Mr. WHERRY. Mr. President, I should like to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator may make a parliamentary inquiry, although a roll call has been ordered.

Mr. McFARLAND. Mr. President, I withhold the request for a quorum call.

Mr. WHERRY. Mr. President, it is my understanding that the Senate is operating under a unanimous-consent agreement whereby the Senator from West Virginia [Mr. NEELY] is entitled to the floor. I am wondering if the distinigushed acting majority leader contemplates affording Senators an opportunity for insertions in the RECORD and other routine matters after the quorum call is had. I think that several Senators would like to have such an opportunity.

Mr. McFARLAND. I was going to make such a request.

Mr. President, I renew my suggestion of the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Millikin
Anderson	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Humphrey	Murray
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Robertson
Chapman	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Connally	Kefauver	Schoeppel
Cordon	Kem	Smith, N. J.
Darby	Kerr	Sparkman
Donnell	Kilgore	Stennis
Douglas	Knowland	Taft
Dworshak	Langer	Taylor
Ecton	Lehman	Thomas, Okla.
Ellender	Lodge	Thomas, Utah
Ferguson	Long	Thye
Flanders	McCarran	Tobey
Frear	McCarthy	Watkins
Fulbright	McClellan	Wherry
Gillette	McFarland	Wiley
Gurney	McKellar	Williams
Hayden	McMahon	Withers
Hendrickson	Magnuson	Young
Hickenlooper	Malone	

Mr. McFARLAND. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Mississippi [Mr. EASTLAND] are necessarily absent.

The Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. GREEN], the Senator from Illinois [Mr. LUCAS], the Senator from South Carolina [Mr. MAYBANK], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate on official business, attending the Defense Council and the Defense Chiefs' meeting at The Hague, Netherlands.

Mr. SALTONSTALL. I announce that the senior Senator from Maine [Mr. BREWSTER], the Senator from Pennsylvania [Mr. MARTIN], the junior Senator from Maine [Mrs. SMITH], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

Under the unanimous-consent agreement the Senator from West Virginia [Mr. NEELY] is entitled to the floor. The Chair recognizes the Senator from West Virginia.

Mr. McFARLAND. Mr. President, will the Senator from West Virginia yield to me to make a unanimous-consent request?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Arizona with the understanding that he does not lose the floor?

Mr. NEELY. I yield.

COMMITTEE MEETING DURING SENATE SESSION

Mr. McFARLAND. Mr. President, I ask unanimous consent that the Foreign Relations Committee may meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that routine business may be transacted now, without speeches and without comment.

The VICE PRESIDENT. Without objection, it is so ordered, with the understanding that it does not deprive the Senator from West Virginia of the floor.

INVESTIGATION OF INTERSTATE GAMBLING AND RACKETEERING ACTIVITIES

Mr. KEFAUVER. Mr. President, will the Senator from West Virginia yield to me so I may make a unanimous-consent request?

Mr. NEELY. I yield with the understanding that I shall not lose the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, on last Thursday the Committee on Rules and Administration unanimously reported a resolution which provides that the Committee on the Judiciary be authorized to make an investigation and report in connection with organized crime. I have spoken to the acting majority leader, the Senator from Pennsylvania [Mr. MYERS] about the matter.

Mr. McFARLAND. Mr. President, can this matter not be taken up after Senators have concluded presentation of routine matters?

The VICE PRESIDENT. The unanimous consent applies only to the insertion of matters into the RECORD, the introduction of bills and joint resolutions, and the presentation of petitions and memorials, without debate and without statements.

Mr. KEFAUVER. But, Mr. President, the Senator from West Virginia yielded to me to make a unanimous-consent request.

The VICE PRESIDENT. The Senator from West Virginia yielded so all Senators may have an opportunity to present routine matters for the RECORD, that is, for the transaction of routine business. It is not necessary for the Senator from West Virginia to yield to the Senator from Tennessee in order that the Senator from Tennessee may place something in the RECORD.

Mr. KEFAUVER. Mr. President, I do not want to argue or debate the matter. I simply wish to ask unanimous consent for the consideration of Senate Resolution 202.

Mr. CHAVEZ. Mr. President, I object.

The VICE PRESIDENT. Objection is heard.

Mr. KEFAUVER. I wonder if the Senator from New Mexico would withhold his objection until I make a 30-second explanation.

Mr. CHAVEZ. I am extremely sorry, but I have been waiting 6 months for another matter to be brought before the Senate.

The VICE PRESIDENT. Objection is heard.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

H. R. 6567. A bill to increase the borrowing power of Commodity Credit Corporation; with an amendment (Rept. No. 1375).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3320. A bill for the relief of Leo Waalen Wiczynski; to the Committee on the Judiciary.

By Mr. THYE:

S. 3321. A bill for the relief of Dr. Zena (Zenobia) Symeonides; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 3322. A bill to authorize the sale of certain land held in trust for Valentine Parker under jurisdiction of the Winnebago Indian Reservation; Nebr.; and

S. 3323. A bill to authorize the sale of inherited interests in certain allotted land under the jurisdiction of the Winnebago Indian Agency, Nebraska; to the Committee on Interior and Insular Affairs.

By Mr. MURRAY (for Mr. DOWNEY):

S. 3324. A bill for the relief of Mrs. Maurice Aquino Mayo;

S. 3325. A bill for the relief of Isolde Bexner; and

S. 3326. A bill for the relief of Katsutoshi Matsumoto; to the Committee on the Judiciary.

By Mr. TAFT:

S. 3327. A bill to amend title III of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 to provide for the crediting of certain service performed in the Military and Naval Academies prior to August 24, 1912; to the Committee on Armed Services.

(Mr. BRIDGES (for himself and Mr. GILLETTE) introduced Senate bill 3328, to provide for national recognition of Adelaide Johnson, the sculptor of the Woman's Monument, and for other purposes, which was referred to the Committee on Rules and Administration, and appears under a separate heading.)

By Mr. MORSE:

S. 3329. A bill for the relief of Kiyomi Kitamura; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 3330. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide an order of precedence for lump-sum death payments, and for other purposes; and

S. 3331. A bill to bring employees of county agricultural conservation committees within the purview of the civil-service laws and regulations, the Classification Act of 1949, the Civil Service Retirement Act of May 29, 1930, as amended, and the laws relating to sick and annual leave for Government employees; to the Committee on Post Office and Civil Service.

By Mr. CORDON (for himself and Mr. MORSE):

S. 3332. A bill to provide additional time for presenting certain tort claims against the United States; to the Committee on the Judiciary.

By Mr. CHAVEZ (for Mr. DOWNEY):

S. 3333. A bill to authorize a survey to determine the feasibility and advisability of constructing a multi-purpose tunnel through the Laguna Mountains in San Diego County, Calif.; to the Committee on Public Works.

RECOGNITION OF ADELAIDE JOHNSON

Mr. BRIDGES. Mr. President, on behalf of the Senator from Iowa [Mr. GILLETTE] and myself, I introduce for appropriate reference a bill to provide for the national recognition of a great American, Adelaide Johnson. It would be unseemly, I believe, for me to presume that any mere words I might utter could add in any way to the immeasurable esteem in which Adelaide Johnson is held by the women of the United States and of the world.

Therefore, I send the bill to the desk with the hope that the proper committee will see fit to report it to the Senate while this magnificent woman, now 104 years of age, is with us to know that we appreciate all she has done for this Nation.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3328) to provide for national recognition of Adelaide Johnson, the sculptor of the Woman's Monument, and for other purposes, introduced by Mr. BRIDGES (for himself and Mr. GILLETTE), was read twice by its title, and referred to the Committee on Rules and Administration.

NOMINATION OF THOMAS E. MURRAY TO BE MEMBER OF ATOMIC ENERGY COMMISSION—REPORT OF A COMMITTEE

Mr. McMAHON. Mr. President, as in executive session, from the Joint Committee on Atomic Energy, I report favorably the nomination of Thomas E. Murray, of New York, to be a member of the Atomic Energy Commission for the term expiring June 30, 1950. In connection with the nomination, I ask unanimous consent that a statement showing the qualifications and experience of Mr. Murray, together with other information, be printed in the RECORD.

The VICE PRESIDENT. The nomination will be received and placed on the Executive Calendar, and, without objection, the statement and information presented by the Senator from Connecticut will be printed in the RECORD.

The statement and information is as follows:

THOMAS E. MURRAY

Residence: 686 Park Avenue, New York City.

Born: June 20, 1891, Albany, N. Y.

Parents: Thomas E. Murray and Catherine Bradley Murray.

Education: Our Lady of Victory School, Brooklyn, N. Y.; St. Francis Xavier's Grammar School; St. Francis Xavier's High School, New York City; Yale University, Sheffield Scientific School with bachelor of science degree in mechanical engineering, 1911.

Professional memberships: Professional engineer's license, 1930; member of the American Society of Mechanical Engineers, 1932; fellow of the American Society of Mechanical Engineers, 1947; fellow of the American Institute of Electrical Engineers, 1933.

Honorary degrees: St. John's University, 1937; Georgetown University, 1939; Fordham University, 1940.

Experience: 1907–11, during college course worked during summer with Consolidated Edison Co.; 1911–12, worked as engineer with Consolidated Edison Co.; 1912–15, served in various capacities as research engineer with Metropolitan Engineering Co. founded by his father in 1900; 1915–49, president of Metropolitan Engineering Co. until its merger with Murray Manufacturing Corp. in October 1949; 1932–40, sole Federal receiver of the $500,000,000 properties of the Interborough Rapid Transit. His term of office was not marred by a single serious labor difficulty; 1941, impartial arbitrator in settling the important Bell Aircraft labor controversy; 1942–49, president of Murray Manufacturing Corp., founded in 1942, resigned as president in October 1949; 1943, won a special award from the United States Government for inventing new method of manufacturing shells which saved tons of strategic materials and accounted for 25 percent of all World War II trench mortar shell production; 1946, appointed by President Truman as first impartial chairman of the United Mine Workers welfare and retirement fund; 1947, also served as impartial representative of the 1947 United Mine Workers welfare and retirement fund. Granted approximately 200 patents in electrical and welding research.

Directorships: Director of American Radiator & Standard Sanitary Co., 1930–39; director of Bank of New York and Fifth Avenue Bank, 1933 to date; director and member of finance committee of Chrysler Corp., 1935 to date; trustee, Manhattanville College, 1945 to date.

Family: Married Marie Brady, of Brooklyn, January 4, 1917; 11 children—Thomas E. Murray, Jr., Mrs. Basil Harris, Jr., James B., Mr. D. Bradley, S. J., Paul, Anne, Jane, Frank, Mr. Joseph G., S. J., Peter, and Margot.

THE FEDERAL COMMUNICATIONS COMMISSION—STATEMENT BY SENATOR BRIDGES

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a statement prepared by him on the subject of the Federal Communications Commission, which appears in the Appendix.]

THE BIGGEST SWINDLE IN HISTORY

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "The Biggest Swindle in History," which is to be published in the April 11, 1950, issue of Look magazine, which appears in the Appendix.]

THE BRANNAN PLAN—EXCERPT FROM SPEECH BY GUY GEORGE GABRIELSON

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an excerpt from a speech delivered in Lincoln, Nebr., on March 21, by Hon. Guy George Gabrielson, chairman of the Republican National Committee, which appears in the Appendix.]

STATUS OF THE INDIANS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Are Indians No Longer Wards of the Government?" written by G. E. Lindquist, and printed in the News Letter published in Lawrence, Kans., by the Home Missions Council, which appears in the Appendix.]

THE MISSOURI BASIN—ADDRESS BY HON. WILLIAM E. WARNE

[Mr. GURNEY asked and obtained leave to have printed in the RECORD an address entitled "Missouri Basin: Growth and First Harvest," delivered by William E. Warne, Assistant Secretary of the Interior, at the Farmers' Day Celebration, held at Chamberlain, S. Dak., on February 28, 1950, which appears in the Appendix.]

ADDRESS BY P. S. MARTHAKIS COMMEMORATING GREEK INDEPENDENCE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address delivered on March 22, 1950, by Hon. P. S. Marthakis, a member of the Legislature of the State of Utah, commemorating Greek independence, which appears in the Appendix.]

MIDDLE-INCOME HOUSING—STATEMENT BY TED BALDWIN

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a statement by Ted Baldwin regarding middle-income housing, which appears in the Appendix.]

LOW-COST HOUSING IN IOWA—ARTICLE FROM THE DES MOINES REGISTER

[Mr. HICKENLOOPER asked and obtained leave to have printed in the RECORD an article regarding housing for students, published in the Des Moines Register of February 23, 1950, and another article in reply, published in the same newspaper dated February 28, 1950, which appear in the Appendix.]

PROPAGANDA AFFECTING PROPOSED BASING-POINT LEGISLATION

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the Appendix of the RECORD a copy of a bulletin issued by the National Association of Retail Druggists relating to Senate bill 1008, the so-called basing-point bill, which appears in the Appendix.]

MR. LIPPMANN AND THE LODGE-GOSSETT AMENDMENT—STATEMENT BY JOSEPH E. KALLENBACH

[Mr. LODGE asked and obtained leave to have printed in the RECORD a statement entitled "Mr. Lippmann and the Lodge-Gossett Amendment," by Joseph E. Kallenbach, associate professor of political science at the University of Michigan, which appears in the Appendix.]

THE AWAKENING SOUTH—EDITORIAL FROM THE ANNISTON (ALA.) STAR

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an editorial entitled "The Awakening South," published in the Anniston (Ala.) Star of March 27, 1950, which appears in the Appendix.]

FOREIGN INFORMATION AND EDUCATION PROGRAM—EDITORIAL FROM THE WASHINGTON POST

[Mr. FLANDERS asked and obtained leave to have printed in the RECORD an editorial entitled "Whispering Voice," from the Washington Post of March 30, 1950, which appears in the Appendix.]

POINT 4, CORN, AND MEXICO—EDITORIAL FROM THE DES MOINES REGISTER

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an editorial entitled "Point 4, Corn, and Mexico," published in the Des Moines Register of March 27, 1950, which appears in the Appendix.]

FULTON LEWIS, JR.—ARTICLE BY CHARLES VAN DEVANDER

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD two installments of an article dealing with the career of Fulton Lewis, Jr., written by Charles Van Devander, which appear in the Appendix of the RECORD].

PLIGHT OF JEWS IN COUNTRIES BEHIND THE IRON CURTAIN

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD excerpts from a

report on the plight of Jews in countries behind the iron curtain, issued by the Jewish Labor Committee and delivered at a meeting of the national executive committee of the Jewish Labor Committee on March 12, 1950, which appears in the Appendix.]

SURPLUS FARM PRODUCTS AND ACTIVITIES OF COMMODITY CREDIT CORPORATION—ARTICLE FROM BARRON'S WEEKLY

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article relating to surplus farm products and the activities of the Commodity Credit Corporation from Barron's National Business and Financial Weekly, for March 27, 1950, which appears in the Appendix.]

EDUCATIONAL PROGRAM TO COMBAT COMMUNISM—EDITORIAL COMMENT

[Mr. TOBEY asked and obtained leave to have printed in the RECORD two editorials regarding an educational program in the United States to combat communism, one from the Boston Globe of March 24, 1950, and the other from the Boston Post of March 24, 1950, which appear in the Appendix.]

ACCESSION OF GERMANY TO THE INTERNATIONAL WHEAT AGREEMENT

Mr. BUTLER. Mr. President, I ask unanimous consent to insert in the RECORD at this point an exchange of correspondence I have had with Secretary Brannan regarding the accession of Germany to the International Wheat Agreement, and also to insert a press release by the Department of Agriculture dealing with this subject.

Mr. President, it is perfectly obvious from this material that the net effect of bringing Germany into the agreement is to slice away an annual market for about 20,000,000 bushels of American wheat and to give that market to Canada, Australia, and other countries. That market, I might add, is bought and paid for with American dollars contributed by the taxpayer through the appropriations for occupied areas. Admitting Germany to this agreement is of no possible benefit to the United States.

If the administration is to continually whittle away the foreign market for American wheat, it is no wonder that our wheat surplus grows and grows and that more and more strict controls on the wheat farmer become inevitable.

There being no objection, the correspondence and the press release by the Department of Agriculture were ordered to be printed in the RECORD, as follows:

FEBRUARY 23, 1950.

Hon. CHARLES F. BRANNAN,
Secretary of Agriculture, Department of Agriculture, Washington, D. C.

MY DEAR MR. SECRETARY: I am writing to register a strong protest against including Germany and Japan in the International Wheat Agreement on the proposed basis which will permit other wheat-exporting nations to take away from us a portion of those markets which we now supply practically 100 percent.

This proposal can only mean a net loss in our export sales of wheat. It cannot possibly result in any gain. It seems to be in direct conflict with your virtual promise of 2 years ago, made in connection with consideration of the wheat agreement at that time, that American wheat farmers could be assured of the markets in the zones of military occupation in addition to the markets guaranteed by the wheat agreement. Certainly the proposal seems inconsistent with your general mandate to protect the markets and prosperity of the American farmer and to foster exports of as much surplus wheat as possible.

The German and Japanese economic systems are being supported with American funds given freely as a gift. That means that, in effect, American Government appropriations pay for the wheat shipped to those countries. If we supply the money to buy the wheat, I believe we are entitled to require that the wheat be American wheat, not Canadian or Australian wheat. After all, the Commodity Credit Corporation already has plenty of wheat in storage for this purpose which has already been financed by Federal money.

To give a portion of these markets to Canada and Australia will simply mean putting a double cost on the American taxpayer. It will also mean a greater wheat surplus and more severe acreage allotments next year.

It seems to me that our representative on the International Wheat Council should insist that the entire German and Japanese wheat quotas be allotted to the United States. If that cannot be done, I believe we should reject the admission of those two countries to the wheat agreement and continue to sell them their wheat under the present system by which we can assure our wheat farmers of these markets.

Yours very truly,

HUGH BUTLER,
United States Senator.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., March 27, 1950.

Hon. HUGH BUTLER,
United States Senate.

DEAR SENATOR: Thank you for your letter of February 23, concerning the accession of Germany and Japan to the International Wheat Agreement. In seeking a satisfactory solution to the question of a division among exporting countries of increased quotas resulting from the accession of those countries, we have had in mind some of the considerations expressed in your letter.

As you know, the applications of Germany and Japan for accession to the agreement were submitted to the International Wheat Council in October of 1949. These applications were welcomed by the Council and have had the active support of United States representatives. By action taken on March 15, the application of Germany was accepted by the council but further consideration of the application of Japan was postponed until another meeting to be held not later than July 31, 1950.

The results of the recent meeting of the council in London, including the division of Germany's quota among exporting countries, are summarized in the enclosed press release of March 17, 1950. It should be noted, however, that the question of United States financing of wheat exports to Germany, Japan, or any other country, lies entirely outside of the wheat agreement. The increased quotas received by the United States, Canada, Australia, and France under the agreement will be subject to the usual terms and conditions of trade between the importing and exporting countries concerned

Sincerely yours,

CHARLES F. BRANNAN,
Secretary.

GERMANY ADMITTED TO INTERNATIONAL WHEAT AGREEMENT

The International Wheat Council, by action taken March 15, has accepted Germany's application for membership and has postponed further consideration of Japan's application until June or July. This information was received by the United States Department of Agriculture from the United States representatives at the Council meeting, which has now adjourned.

The Council accepted the application of Germany for accession to the agreement with an annual quota of about 67,000,000 bushels. German participation in the agreement will become effective upon deposit by that country's government of a formal instrument of acceptance with the United States Department of State. However, upon such acceptance, supplies of wheat already shipped by the United States to Germany this year which have not been distributed for consumption will be recorded against this year's quota. These stocks, title to which has been retained by the Commodity Credit Corporation, total about 28,000,000 bushels and will come under the agreement after a price has been established within the terms of the agreement. This arrangement results from an understanding reached between the CCC and the Department of Army early in the year when Germany applied for membership in the International Wheat Agreement.

The total increased quota (approximately 67,000,000 bushels) resulting from the accession of Germany will be assigned to the United States for the 1949–50 year. For the remaining 3 years, the United States quota will be increased by 55,000,000, 47,000,000 and 45,000,000 bushels, respectively, over its present quota.

Canada's quota for the first year will not be increased as a result of Germany's accession, but for the remaining 3 years will be increased over its present quota by 8,000,000 bushels, 16,000,000 bushels, and 18,000,000 bushels, respectively. Likewise, Australia's and France's quotas will not be increased for the first year, but for the three remaining years, Australia's quota will be increased over its present quota by about 3,300,000 bushels, and France's quota will be increased by about 500,000 bushels.

The following table records the unofficial total guaranteed sales of exporting countries as the result of Germany's accession to the agreement, in addition to adjustments in the total guaranteed purchases of various other importing countries thus far in the 1949–50 year. More detailed figures will be available when officially confirmed by the International Wheat Council and will be noted in the Production and Marketing Administration weekly report on sales and purchases.

Adjusted quotas [1]

[In millions of bushels]

	1949–50	1950–51	1951–52	1952–53
United States	235.3	223.5	215.5	213.5
Canada	203.9	211.9	219.9	221.9
Australia	80.3	83.6	83.6	83.6
France	3.3	3.8	3.8	3.8

[1] Tentative unofficial estimate.

Consideration of the application of Japan for accession to the agreement was again postponed until a later meeting of the International Wheat Council to be held before July 31. Some importing countries, including the United Kingdom, are concerned over access to nondollar wheat, of which Australia is the primary source, and, therefore, wished to impose conditions upon Japan's accession which would have specifically limited the amount of Australian wheat Japan could buy. The United States maintained that Council action which would result in the placing of limitations or restrictions on any acceding country is contrary to the spirit of the International Wheat Agreement, and that Japan should be admitted on the same basis as all other acceding countries. Under these circumstances it was not possible for the Council to approve Japan's application at this time.

THE NATURAL-GAS BILL—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement on the subject of

the natural-gas legislation now pending in the Senate-House conference committee. I ask unanimous consent that it be printed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AN APPEAL TO PRESIDENT TRUMAN TO VETO DANGEROUS NATURAL-GAS BILL

Mr. President, I appeal to the President of the United States to veto the natural-gas legislation which the Senate unfortunately passed yesterday and to issue a statement decisively denouncing this legislation. I appeal to him, not on a partisan basis, but on the basis of the welfare of 40,000,000 American consumers of natural gas.

I should like to point out that if, as present evidences indicate, the President chooses to sign the bill (with its inadequate paper safeguards against arbitrary increases in natural-gas rates) he will have left no course for the Republican Party but to point out this plain fact:

DEMOCRATS' PHONY CLAIMS BELIED

The Democratic Party, which for years has bleated about its alleged love for the common man, the poor consumers, the underprotected, underprivileged, will then have been guilty of sponsoring, promoting, adopting, and signing legislation which, according to the National Institute of Municipal Law Offices, can result in increased cost to consumers of more than $200,000,000 per year. In other words, the Democratic Party's sponsorship of this legislation belies the phony, high-sounding claims that have been made through the years as to the alleged love by that party of the great masses. A recent editorial in a great newspaper, the Madison (Wis.) State Journal, very clearly demonstrated the facts besting the Democrats' sham.

WHY SOME REPUBLICANS SUPPORTED KERR BILL

I respect, of course, the convictions of those of my Republican colleagues who chose to support this legislation which exempts independent natural-gas producers from the rules of the Federal Power Commission. I believe that they did so because they have generally opposed what they feel to be unnecessary regulations by the Federal Government. The Democrats on the other hand can have no such claim, because their party has constantly sought to expand the field of Federal regulation, but has made an exception in this striking instance where the consumers' throats will be cut by natural-gate-rate increases.

I appeal to the President, therefore, not as a Republican, but as a Members of the United States Senate, to protect the welfare of the American people by vetoing this unsound, undesirable, unjustified legislation.

NATURAL-GAS BUSINESS IS MONOPOLY

Let me point out that the natural-gas business—a utility—is of necessity a monopoly in any community, and it has consistently been the policy of Congress to regulate monopoly in order to protect the public welfare. Natural gas is quite inexpensive; it is only one-third as expensive as coal, one-fifth as expensive as fuel oil, and that is why it is particularly disadvantageous that the Congress should take action which would make this fuel more expensive. The poor consumer—whenever he has been getting a fair break with an inexpensive item—he soon finds that something happens to zoom up the price of that item. And that is just what is shaping up now, unfortunately.

REPUBLICANS GENERALLY OPPOSED THE BILL

The American people are aware of the fact that the majority of Republicans rightly opposed this legislation just as the majority of Democrats wrongly supported it.

I challenge the Democratic bigwigs of Wisconsin to show where they stand, and if they have such a great love for the consumer, let them protest against the stand of their party and openly urge the President to veto the bill.

WISCONSIN RIGHTLY PROTESTED AGAINST KERR BILL

In casting my vote yesterday against this bill, I believe that I reflected the wishes of the people of Wisconsin.

I ask unanimous consent that there be printed in the body of the CONGRESSIONAL RECORD at this point a listing of some of the municipal officials and organizations who suggested voting against the Kerr bill, in addition to a listing of a few of the national organizations which contacted me in this same behalf.

WE HAVE ENOUGH OF AN INFLATIONARY PROBLEM ALREADY

America has enough of an inflationary problem right now without further complicating the matter for those who can least afford it. We have suffered wave after wave of strikes and industrial unrest brought about in considerable part because wage earners felt that they were falling far behind in the race to keep up with a rising cost of living, and because they felt that their pay checks simply could not enable their families to keep body and soul together, while prices were constantly going up in the market place.

Let not the President of the United States, who has always protested against inflation's ravages, himself add to those ravages by signing this legislation.

LIST OF WISCONSINITES AND OTHERS SUPPORTING SENATOR WILEY'S POSITION

The Honorable Frank Zeidler, mayor of Milwaukee.

The Common Council of Milwaukee.

The Honorable Ferdinand A. Glojek, acting city attorney of West Allis.

The Honorable Willard M. Sonnenberg, mayor of Sheboygan.

The Honorable A. F. Axtell, city manager of Kenosha.

The Honorable Ernest Siewert, mayor of Oshkosh.

The Honorable Edwin Weiss, mayor of Fond du Lac.

The Wisconsin State Industrial Union Council (CIO).

The Congress of Industrial Organizations.

The Milwaukee Women's Club.

Locals of the American Federation of Labor.

Locals of the International Association of Machinists.

The Maritime Trades Council of Duluth-Superior.

The Fond du Lac Commonwealth Reporter stated:

"Companies which could be exempted from regulation * * * account for 80 percent of all natural gas now produced in the United States * * *. The real aim of these changes is to triple natural gas prices in most areas.

"With so much at stake for the ordinary consumer, prudence demands that this legislation * * * be put under the finest microscope, and the initiative in the inquiring ought to come in the Senate."

The Milwaukee Journal in two separate editorials:

"If opponents—of the bill—lose, the defeat will be reflected in the pocketbook of every user of natural gas."

"If the FPC is forbidden to regulate rates at the wellhead on gas sold by independent producers the rates will inevitably go up. The spread of natural gas has removed it from the buyers' market and put it into the sellers' market. The demand for it would inevitably enable the producers to charge what the traffic would bear at the wellhead. That increase would be reflected in pipe-line rates and in rates to consumers, making present control of those rates meaningless."

ADMISSION OF DISPLACED PERSONS INTO THE UNITED STATES

Mr. McCARRAN. Mr. President, I ask unanimous consent to have sundry articles, editorials, statements, and resolutions bearing on the subject of displaced persons printed in the body of the RECORD, at this point in my remarks.

There being no objection, the articles, editorials, statements, and resolutions were ordered to be printed in the RECORD, as follows:

[From the Herald-News of March 15, 1950, Passaic-Clifton, N. J.]

DISPLACED-PERSONS PROGRAM IS SORRY MESS—BADLY MISMANAGED, HIT BY RELIGIOUS RIVALRY, SAYS ALEXANDER

(By Holmes Alexander)

WASHINGTON.—It's a safe bet that the country knows less about the displaced-persons program than about any national matter of comparable importance. The deadlocked Senate debate, which is scheduled to resume on March 31, has divided into a familiar but rather deceptive pattern.

Ranged on one side of the question are a group of midland Republicans and southern Democrats. On the other side are the Fair Deal Democrats and several urban Republicans. This line-up suggests that the issue is clean-cut and obvious. It suggests that reactionary elements are battling it out with enlightened humanitarians, and that all just men ought to side with the latter.

But such would be a gross oversimplification of the matter. The so-called reactionary or McCarran bill calls for the admission of 330,000 DP's and 54,000 expellees. The so-called liberal or Kilgore bill calls for 339,000 plus 54,000 expellees.

The difference in numbers is not large. The McCarran bill favors north European farmers, and the Kilgore bill in general favors middle European farmers. Both in that sense are selective and discriminatory, as any DP bill has to be.

But if the McCarran bill finally gets majority support, as is not impossible, that will not prove that the United States Senate is a reactionary body. It will prove that the Senate has protested—not against DP's but against the mistaken theory and the proven mismanagement of the Displaced Persons Commission.

This Commission, although a creation of the Republican-run Eightieth Congress, is a typical example of pyramided bureaucracy. There is no good reason for its existence anyhow. Both the Immigration Service (Justice Department) and the Consular Service (State Department) have personnel which is sometimes three generations deep in the experience of handling immigration problems. There never was much sense in setting up a new agency to do an old, familiar job.

Mr. Truman and the Eightieth Congress compounded the original error by building the DP Commission on strictly religious lines. The President appointed three Commissioners—one Jewish, one Catholic, one Protestant, all of them social workers. He might just as logically have appointed a tall man, a short man, and a fat man, while disregarding three middle-sized men who happened to be more capable.

One result of the trireligious selection has been to engender rivalry. This is not the sort of statement which Senators make on the floor of the upper Chamber, so the discussion has been driven underground. Since rivalry of any sort breeds ill will and emotional outbursts—and since religion is the touchiest of all human subjects—the DP

problem has become a seething cauldron of race-religion distrust.

Two other ingredients—politics and mismanagement—have been tossed into the pot. Many Senators and Representatives have used the DP bill to cadge themselves votes back home. And hardly a witness has come before the judiciary subcommittees without bringing new evidence of messy, corrupt administration of the DP law.

The real harm, of course, falls upon the DP's themselves and upon the American communities which have taken them in. Most of the resettled DP's are decent, hard-working peopl who are getting a good break after more than their share of hard luck. But the good will which they brought into the country is being chipped away whenever it appears that hundreds of DP's are here under false pretenses. Americans don't like to learn that they've befriended, say, shoe clerks who passed as farmers, or that they gave refuge to slick operators who bribed or chiseled their way past the Commission employees.

Senators will hear many such stories before the debate resumes at the end of the month. The issues of liberalism and conservatism will rise again. But behind these are the issues of honesty and good government.

[From the Herald-News of Passaic-Clifton, N. J., of March 13, 1950]

THE DP BARREL CONTAINS MANY ROTTEN APPLES—ALEXANDER GIVES AN EXAMPLE—ACCUSES REFUGEE AGENCIES OF CONNIVANCE

(By Holmes Alexander)

WASHINGTON.—Mr. K, a European displaced person, now lives in an American city where he is courting an American girl. The girl's father does not question Mr. K's honorable intentions, but he does feel a natural curiosity about the background of the man whom his daughter may marry.

The father recently contacted his Congressman and asked for a report. The Congressman asked the Immigration Service to dig up the facts on Mr. K, and obtained the following information:

1. Mr. K applied for resettlement under the DP Act of 1948. He testified that he was a farmer and was seeking work on an American farm. His application was sponsored by an organization which we'll call Refugee Refuge, Inc. This organization found a job and a house for Mr. K in one of our northern States.

2. Mr. K. was met at the boat by representatives of Refugee Refuge, Inc. Until the present investigation took place, it was presumed that Mr. K was hard at work on his farm job. But not at all. For a year or more he has been living in a crowded city and holding a job in the crowded textile industry. If he ever went near the farm, it was merely on a token visit.

3. Mr. K. is not yet specifically earmarked for deportation, but he soon may be. The Immigration Service expects to deport some 500 fraudulent DP's in the near future.

This is not a sensational story, and is not intended to be. The congressional hearings and the recent Senate debate supplied a good many stories which featured lewdness, dishonesty, and the like. But such side issues tend to distort the true picture. The case of Mr. K., which is minus the sensational aspects, reveals several points which belong in any discussion of the DP program.

It should be noted, first of all, that Mr. K.'s deceit was made possible by the connivance of the organization we have called Refugee Refuge, Inc. That is a made-up name for a real organization, but it would be unfair to suggest that the methods are peculiar to any one group.

The practice of connivance, as the authorities in Washington know, is fairly common to all such groups. Not only that, but trickery, wire-pulling, pressurizing, and carelessness have become almost the rule, rather than the exception, in the procession of DP's. One witness explained the state of affairs as follows:

"You must remember that the job of the International Refugee Organization is to get rid of DP's, as many as possible, as soon as possible, no matter how."

Such a system puts great pressure and temptation upon the groups which sponsor DP's in America. But it does not remove any responsibility. For every Mr. K. who reaches America or remains in America under false pretenses there is a breach of good faith and a loss of good will.

Except for his romantic inclinations, Mr. K.'s case might not have been noticed. How many other persons, much worse than Mr. K., are on the loose? The chances are that we shall never know, for bureaucracy has made its masterpiece of confusion in this DP program. So many records have been falsified, so many officials have been admittedly lax, that there is little hope of unscrambling the unsavory omelet.

The whole situation, with its mystery and stench, gives an unfortunate opportunity to the witch hunters and scaremongers. This brotherhood always does better for itself when specific data is scarce. Sad to say, we may be in for a period when any unsolved crime and any untoward circumstance will be blamed on the luckless DP's. They have already become useful whipping boys for the next two election campaigns.

Much of this can't be helped, but there's no excuse to let the situation worsen. There is still time for the President to get a new broom and sweep out the officials of the Displaced Persons Commission who are responsible for the mess. The soft-hearted American people, having spent a quarter-billion dollars on the program, deserve that much satisfaction for their money.

[From the Indianapolis Star of March 15, 1950]

JENNER'S CHARGES ARE SERIOUS

Before doing anything about liberalizing the displaced persons bill the Senate Judiciary Committee should make a thorough investigation of charges by Senator WILLIAM E. JENNER that criminals, defrauders, murderers, black marketeers, and Communists are being let into the country.

The United States wants useful, intelligent, and loyal citizens from the DP groups now in Europe. We can use their skills and abilities. People who are devoted to liberty and democracy should always be welcomed in this country.

But the United States is not morally obligated to take just anybody in as a citizen. Americans have a right to choose carefully those upon whom the honor of citizenship is conferred. Senator JENNER charged that the screening of DP's under the present law is largely handled by other DP's who have never been in this country. If he is right, that practice should stop immediately. American citizenship and entry to America should be granted only by Americans who know this country's needs and who understand the American way of life.

Senator JENNER charged also that employees of the Displaced Persons Commission have been ordered by their superiors to eliminate all questionable data from reports on DP's applying for entry into the United States. This is the most serious charge he makes. If it is true, there should be a wholesale clean-up of the Commission. Already the American people are suspicious that there are still Communists and fellow travelers working in important Government posts. The Displaced Persons Commission would give such people an unparalleled opportunity to carry out the orders of the Kremlin by admitting Communists and other undesirables to the United States.

[From the Chicago Tribune, Tuesday, March 21, 1950]

TWO HUNDRED DP'S RECEIVE MEDICAL CARE BY COUNTY

The Cook County Board of Commissioners was notified yesterday by Joseph L. Moss, county welfare director, that 200 displaced persons in Chicago had become public charges last year to the extent of receiving free medical treatment in the county hospital.

Moss, who estimated the medical cost to the 200 persons at $21,900, asked the county board to approve a policy of admitting displaced persons to county hospital only if they are emergency cases. He also asked that the county attempt to recover medical costs from welfare agencies or sponsors of the displaced persons.

EIGHT THOUSAND SETTLE IN ILLINOIS

Of an estimated 8,000 displaced persons in Illinois, about 80 percent have settled in Chicago, Moss said. Many who were settled downstate gravitated to Chicago, he said.

Commissioners expressed concern over the county's expenses for displaced persons, admitted to this country under a Federal law, and over the failure of many sponsors to look after their charges properly.

"What good is a sponsor if a person can't go back to him for necessary medical expenses?" asked Mrs. Elizabeth A. Conkey, chairman of the board's welfare committee. Mrs. Conkey called a meeting of her committee tomorrow to consider Moss' plan, which he said was intended to serve as a guide for the welfare department.

THREE HUNDRED TREATED AT HOSPITAL

Moss disclosed that a total of 300 displaced persons were treated in county hospital last year. Bills for 100 of these were paid either by the sponsor or a welfare agency. Later, he said the only agency which his department has been able to collect hospital expenses from is the Jewish Family and Community Service, 231 South Wells Street.

Religious, national, and cultural groups are the chief sponsors of arrivals, finding homes for the displaced persons before they arrive here, Moss told the board members. In some cases, he said, sponsors have suffered financial reverses and are unable to pay the hospital bills of their charges.

Fred K. Hoehler, State director of welfare, said that only one displaced person had become a charge on the State by being committed to a mental hospital.

DP'S AT THE COUNTY HOSPITAL

Joseph L. Moss, county welfare commissioner, is trying to collect $21,900 due the county for treatment received at the county hospital by some 200 displaced persons.

Patients at county hospital are supposed to pay whatever their means permit. Only if they are public charges is treatment free. In the case of displaced persons, it is technically impossible for them to be public charges, because they were admitted to the United States on guaranties of sponsors that they would not become so.

About 300 DP's were admitted to the hospital last year. The charges of 100 were paid by their sponsors, some of whom are individuals and some charitable agencies. The only agency that met its responsibility was the Jewish Family and Community Service. Mr. Moss said that he has had difficulty collecting from many other sponsors.

This financial unreliability of sponsors is a matter for the attention of Congress, which is now considering legislation to admit more displaced persons. Congress was assured that sponsorship would save the taxpayers any expense connected with the admission of DP's. In practice this has been shown to be untrue. Either sponsors should be required to post bonds to cover their responsibilities or the system should be stricken from the law as a mere device to fool the public.

UNITED STATES WELFARE UNITS ACCUSED IN "GIFT" RACKET IN GERMANY

FRANKFURT, July 13.—American and international welfare and charity organizations are deeply involved in multi-million-dollar smuggling operations which support the German black market, an official American Military Government report revealed today.

The part played by these agencies, which import gift packages for needy Germans, is outlined in the first report of the United States customs group, new American supervisory customs and border control agency in Germany.

The report said:

"Some of the largest and most respectable welfare agencies, through their officials, have conspired to bring in large quantities of gift shipments, ranging anywhere from foodstuffs up to restricted and prohibited machinery and other items, duty-free, then have commercial firms or nefarious individuals secure these items direct from the customs warehouses and divert them into commercial and black-market channels."

The report did not name any of the organizations involved. John R. McCarthy, chief of the customs group, also declined to do so, because cases involving the welfare agencies are still under investigation.

Mr. McCarthy said a very low estimate of customs duties and taxes which had been evaded by smuggling into western Germany amounts to $600,000 annually, with the actual worth of the contraband being many times that.

An unofficial countermeasure against the smugglers has been taken by arming the border and customs police in the American zone. This is a step which was taken earlier in the French and British zones.

Running of contraband across German borders "constitutes one of the greatest threats to a revival of the German economy," and "corrective procedures must be adopted immediately," the report said.

ILLINOIS SOCIETY,
SONS OF THE AMERICAN REVOLUTION,
Chicago, March 8, 1950.

Hon. Senator PAT MCCARRAN,
United States Senate,
Washington, D. C.

DEAR SENATOR MCCARRAN: The Illinois Society of the Sons of the American Revolution, as a body of 900 descendants of revolutionary patriots, declares its opposition to H. R. 4567 and any proposed legislation of similar intent.

This bill, leading toward an uncontrolled immigration, and our leniency of the past years is endangering the stability of our country. Do not allow any more aliens to enter our country than those whose faithful intent we can be reasonably sure of.

Let us promote increased governmental efficiency in the executive branch. Let us not neglect such vital issues as immigration, because of present inefficiency in administration. Let us turn the tide on those who would relax all control for their political gain. Encourage all means, whether through existing or new laws if necessary, to reverse this trend. Would you have the American citizen drowned out by the organized cries of a subversive minority?

Respectfully,

JOHN D. RANDALL,
Historian.

COLUMBIA, MO., *March 5, 1950.*

Hon. PAT MCCARRAN,
United States Senate,
Washington, D. C.

DEAR SENATOR MCCARRAN: For several months I have been reading criticisms of your attitude on the displaced-persons legislation. I do not know the contents of the bill. I do not know your reasons, but I do know that I have had three displaced persons families on a farm of mine in Missouri. I am sure that you are justified in carefully screening any displaced persons.

One family came to my farm and stayed only a few hours. They wanted quarters where there were no stairs to climb, and, in fact, this fellow wanted a managerial or a secretarial position. He had the idea that farms in America were so large that he would not be required to do any manual labor. He was a law student from Austria. Of course, I did not give him work and returned him to the parish from which he was sent. Another of these families had lived in a large city in Poland before the war. The husband had been an electrician and a radio repairman. He knew nothing of farming. He had no desire to farm. His constant boast was that everything in Poland and Germany, and, particularly Germany, was superior to America. After staying on the farm a little more than 2 months he drifted into a city, and is now doing part-time work as a radio repairman. He virtually refuses to learn English, and is constantly seeking out persons with whom he can converse in German. The other man and his wife came from Austria. This man knew nothing of farming. In fact, he had been a factory worker in Austria. He is now on a construction job. He was constantly criticizing methods in America and telling how superior everything was in Austria.

My experience with these people, and the information that I have gained from others who have had experience with them, convinces me that they have no place in America. They expect a living without much effort. They expect charity. They seem to regard America only as a relief from their fear of the Russians. I think you are right in opposing the opening of a flood gate which would permit these people to come to America.

Very truly yours,

W. A. BROOKSHIRE.

STATEMENT OF UNITED ACTION COMMITTEE FOR EXPELLEES, CHARLES F. GERHARD, CHAIRMAN, PHILADELPHIA, PA., COOPERATING WITH COMMITTEE FOR CHRISTIAN ACTION IN CENTRAL EUROPE, OTTO B. DURHOLZ, SECRETARY, PATERSON, N. J.

FEBRUARY 1950.

DEAR FRIEND: Many Americans still think that a DP (displaced person) and an expellee are one and the same; that expellees are getting the same medical care, the same supplementary food and clothing rations, and the same immigration privileges as the DP's. In truth, they are not.

Broadly speaking, a DP is a displaced person of any other nationality or racial origin than German. An expellee, on the other hand, is a person only of German origin and for that very reason is automatically, by law, excluded from the above-mentioned forms of aid. The constitution of the IRO (International Refugee Organization) expressly denies aid of any kind to persons of German ethnic origin.

The expellees were ruthlessly evicted from their homes in eastern Germany and other areas and deprived of practically all their possessions. This happened not only without protest from our Government, but was actually sanctioned in principle by a pact agreed to by the United States, Great Britain, and Russia.

We are a group of American citizens who feel it our duty to do whatever possible to right this grievous crime against an innocent people. We offer to those who share our viewpoint the following possibilities to help:

1. Write at once to your Senators urging their support of the McCarran committee bill.

2. Ask friends in other cities to do likewise.

3. Inform yourself fully about the expellees. We shall we glad to furnish additional information based on carefully documented facts.

The act passed by the House, H. R. 4567 (known as the Celler bill) quietly excludes the entire racial group (expellees) which outnumbers other displaced persons and concerns the most United States relatives; then says: "Selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin." * * * In haste, many of our worthy leaders had endorsed the deceit. Shocked, they give approval now to the McCarran committee's real thing (McCarran committee bill, filed January 24–25, 1950). Caution your own Senators and Representatives and urge them to back the McCarran Judiciary Committee bill.

We respectfully solicit your interest and support of our great humanitarian task. Please keep us informed of your action.

CHARLES F. GERHARD.

HOME RE-CONSTRUCTION CO.,
Cleveland, Ohio, March 12, 1950.

The Honorable PATRICK A. MCCARRAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MCCARRAN: If the attached articles are factual, and I see no reason for doubting them, it begins to seem as though instead of increasing the displaced persons quota we should materially reduce it.

After all, since we have stated restrictions covering immigrants, there should be the same application in the case of these people and while all of us may deeply feel sympathy for them, there comes a time when the interest of the common peoples of this country, and which these groups directly affect, should have some consideration.

With unemployment at a peak, with the relief rolls mounting everywhere, with a fictitious industrial prosperity, and with plenty of starvation right in this country, it is time to close the door.

Respectfully yours,

DAVID J. EVANS.

JUDGE RAPS ENTRY OF INCOMPETENTS

"Until the United States establishes facilities for handling incompetent people, we ought not permit admission of more such cases." This was the comment of Municipal Judge Charles A. Vanik, today after hearing David Friedman, 29, a displaced person from Poland, charged with malicious destruction of property.

Friedman came here in September after years in a German concentration camp and lives at 603 East One Hundred and Ninth Street. He was accused of kicking and breaking glass doors on a bookcase in offices of the Jewish Family Service Association at 2073 East Ninth Street. The case was passed to March 22.

Judge Vanik said he would pass his recommendations along to the Displaced Persons Commission in Washington.

COMMUNISTS HOPEFUL TRUMAN WILL SUCCEED IN ADMITTING REFUGEES

(By George Weller)

PRAGUE, CZECHOSLOVAKIA, July 22.—America's proposals for throwing open its doors to Europe's refugees are giving great satisfaction to the Communist parties of eastern Europe.

Nobody wishes more fervently than the Communist and semi-Communist regimes—from Poland to Bulgaria—that President Truman's plea for the transfer of the refugee problem to the United States be fulfilled, and the Stratton bill for the entry of 400,000 displaced persons in 4 years be passed.

The Truman proposals, backed by humanitarian motives, fit perfectly into the program Moscow has been pressing, through all Europe's Communist parties, ever since the war's end.

PROGRAM SIMPLIFIED

Somewhat oversimplified the program can be boiled down to:

1. Get American forces to abandon key bases in Europe and go home for good.

2. Penetrate and break up all independent Socialist parties until they become dependent for existence on Communist tolerance.

3. Drive westward, if possible, across the Atlantic, all floating anti-Soviet or anti-Communist minorities, so as to clear the path for the next surge of communism toward the English Channel.

Displaced persons are about 80 to 85 percent fugitives from Communist regimes. Three-quarters of these speak Germar and the rest speak Slavic tongues. By blood they are mixed.

NUISANCE COMMUNISTS

As long as they remain in central Europe they are a nuisance and even possibly a danger to Communist Parties. Being both German and Slav at once, and profoundly anti-Communist, they can be troublesome to the Comintern's next leap across the Rhine-Danube frontier.

If allowed to settle in Austria, or Germany, rather than to be ushered into the United States, their peculiar double allegiance for Socialist and Centrist Parties is a decided annoyance. So Communist Parties everywhere try to keep them moving westward.

In some ways this Comintern attitude is like the Soviet attitude toward White Russians after World War I. But DP's are somewhat harder to kick around because there is no broken-down nobility among them and there are no doubtful Romanovs. These people are plain and earnest and ready to settle down anywhere and work with their hands.

In spite of their political beliefs, their camps are busy, clean places where everybody is simply trying to get a foothold in ordinary civilian life, and many are succeeding by sheer earnestness and grit. The handful of small war criminals has been eliminated.

RUN THEIR OWN AFFAIRS

Naturally, anti-Communists welcome entrance into the United States as heartily as would three-quarters of Europe's population. But, unlike the Jews who comprise the other 20 percent of Europe's DP's, they have not been filled with dreams of overseas migration to the United States or Palestine, nor have they received special food allowances and guards. They run their own affairs without aid from the United States Army with a minimum of self-pity and political agitation.

The Comintern today is indifferent to displaced Jews, because their total of about 160,000 is not important politically, because their attitudes are Zionist without being either pro- or anti-Communist and because Soviet policy in the Middle East is generally still feeling its way toward replacing Britain as a friend of the Arabs before the United States can do so.

But, with regard to other displaced persons, the policy of Russia and the Balkan Communist governments is now entering a phase of open attack. For example, the Oestereichische Zeitung surnamed Newspaper of the Soviet Army for the Austrian Population, plastered its front page this week with a diatribe "On Austria's shoulders—the displaced persons use up 312,000,000,000 calories."

PORTRAYED AS GLUTTONS

Without stating anywhere that most of these calories were grown by American farmers and paid for by American taxpayers, the Red Army's editorialist explained how, in 1 year, displaced persons devoured 70,000 tons of bread, 6,000 tons of meat, 4,600 tons of fish, and 40,000 tons of potatoes.

This line parallels that used by the Daily Worker in London to push out anti-Soviet Poles by representing them as gluttons.

What is omitted is that these DP's—with the exception of children and welfare cases—work 8 to 10 hours daily for what they have eaten, that except in the case of Jews, it never exceeds 1,550 calories a day and that it is mostly American.

The Russian, Polish, Yugoslav, and Rumanian boards, which visited the DP camps to persuade families to return to their homelands, have mostly ended their work. They picked up few recruits. The Polish sales talk was the most successful because the Warsaw government promised no bed of roses, but hard work and enough to eat.

FIFTY-FOURTH DISTRICT,
JUNIOR OUAM STATE COUNCIL,
Altoona, Pa., March 17, 1950.

Senator PAT MCCARRAN,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR MCCARRAN: Enclosed herewith is a copy of a resolution passed unanimously by officers and delegates of the fifty-fourth State council district, Junior Order United American Mechanics.

A copy of Displaced Persons—Facts Versus Fiction, was read and discussed at our meeting held February 13, 1950, which resulted in the adoption of the resolution. The members were high in their praise for the splendid work you are doing on the Judiciary Committee, and we trust that you will continue this fight against displaced persons, not primarily for the benefit of the Junior Order United American Mechanics, but for the benefit of all patriotic minded American citizens.

We need more level headed representatives in the Senate, and in the House, like yourself, who will legislate for the benefit of their constituents, the American citizens, rather than the citizens of Europe or some other foreign country. May the Lord strengthen you and give you boldness to continue your battle against displaced persons' bills.

Very sincerely yours,

PAUL E. SORGE,
State Chairman, Legislative Committee,
Junior Order United American Mechanics.

P. S.—I have requested from one of the named Representatives in the resolution to have the resolution printed in the CONGRESSIONAL RECORD, but I see he neglected to do so for some unknown reason. Could this be placed in the Appendix of the RECORD, or is it too late now?

Yours,

P. E. SORGE.

Whereas during the past few years bills have been passed by the House of Representatives and the Senate authorizing the immigration of several hundred thousand so-called displaced persons into the United States; and

Whereas these displaced persons were to be brought here on the assumption that they would have jobs waiting for them, but instead, are taking the jobs that rightfully belong to American citizens (4,500,000 of which are unemployed); and

Whereas State officials in Maryland estimate that 40 percent of the DP's had left their sponsoring farms within a week of their arrival, thereby disproving their loyalty to their sponsors and to the United States; and

Whereas several Members of Congress, and of the Senate, are still busy preparing and presenting bills that would permit additional hundreds of thousands of so-called displaced persons to reach our shores, rather than preparing and presenting bills that would benefit the worthy citizens of the United States: Therefore be it

Resolved, That the officers and delegates of the fifty-fourth State council district, Junior Order United American Mechanics, in convention assembled this 13th day of February 1950, go on record as being unanimously opposed to the passage of any bills which would permit any additional displaced persons into the United States; and be it further

Resolved, That a copy of this resolution be sent to Hon. JAMES E. VAN ZANDT, Member of Congress; a copy to Hon. FRANCIS JOHN MYERS, Senator; and a copy to Hon. EDWARD MARTIN, Senator; be it further

Resolved, That a copy be sent to each of the Altoona daily newspapers, and that a copy be spread upon the minutes of the fifty-fourth State council district, Junior Order United American Mechanics.

JOHN S. GOTTSHALL,
National Representative.
ROBERT E. ORBERG,
State Councilor.
P. E. SORGE,
State Legislative Chairman.
H. L. RHOADS,
District Deputy State Councilor.
P. E. CLARK,
District Secretary.

[From the Los Angeles Herald and Express]

VETERAN SPEAKS

I read that 43 refugees are coming to Los Angeles, sponsored by the International Relief Association, and that they have housing and jobs awaiting them.

That is good news, but I am afraid that I do not appreciate it.

I am among hundreds of thousands of veterans who served 5 and 6 years in the armed forces who were promised job protection and security by a grateful Government while the shooting was going on—and now we are living in trailers, in shacks, in garages, and tents. We are walking the streets, vainly looking for jobs. And we read that 43 refugees are coming to this city to good jobs and nice homes.

Do you blame me for being bitter?

I believe that as long as one veteran is without a house to live in and as long as one veteran is unable to find employment we should curb our desire to bring in refugees and give them houses and jobs.

I could give 150 more reasons, but not in 150 words.

M. E. T.

STEUBEN SOCIETY OF AMERICA,
New York, N. Y., March 24, 1950.

Hon. PAT MCCARRAN,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: It was with considerable interest that I followed the debate in the Senate on the displaced-persons' legislation, and I wish to express to you the sincere thanks and appreciation of the members of the Steuben Society of America for the stand taken by you.

It is our sincere hope that the McCarran committee amendments will be voted upon favorably when the displaced-persons' bill comes up for vote.

With kindest regards, I am,

Sincerely yours,

THEO. H. HOFFMANN,
National Chairman.

JOHN T. HOFFMANN UNIT, No. 25,
THE STEUBEN SOCIETY OF AMERICA,
Yonkers, N. Y., March 13, 1950.

Senator PAT MCCARRAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MCCARRAN: The above unit of the Steuben Society of America wishes to express its sincere gratitude and appreciation for your great efforts to effect passage of your displaced-persons bill now before Congress.

We sincerely hope that this bill will be passed, as we are not in favor of any substitute bill. We can assure you of our deepest respect and admiration in this matter.

Very respectfully yours,

CAROL BAESSLER,
Secretary.

ROCKLAND COUNTY COUNCIL,
VETERANS OF FOREIGN WARS
OF UNITED STATES,
Spring Valley, N. Y., March 25, 1950.

Senator PAT MCCARRAN,
State of Nevada, Chairman of the Senate Committee on the Judiciary, Senate of the United States, Washington, D. C.

DEAR SIR: Recently your statement regarding the displaced person, Facts Versus Fiction, was brought before the Rockland County council for their consideration.

The Rockland County council, Veterans of Foreign Wars of the United States, has gone on record as being opposed to H. R. 4567 and have so published the fact in the local newspapers.

Also, the Rockland County council instructed their delegates to bring this information to the attention of the Rockland County Associated Veterans' Council, which is an organization composed of all (nine) the veterans' organizations in the county such as the American Legion, Purple Heart, Jewish War Veterans, Catholic War Veterans, etc.

I have been instructed to write to you to secure more pamphlets. We could use from 50 to 100 if you have them available. If there is any expense to be incurred please bill Wallace B. Schmipf, Quartermaster, Rockland County Council, VFW, Airmont, N. Y.

Please send the pamphlets to Past County Commander Frank Sheridan, Rockland County Council, Veterans of Foreign Wars of the United States, Mountain View Road, Central Nyack, N. Y.

Yours truly,

KENNETH F. HARNIMAN,
Adjutant.

CORRECTION OF THE RECORD—PROCEDURE ON QUORUM CALLS

Mr. MORSE. Mr. President, I should like to have the attention of the Senator from Arizona [Mr. MCFARLAND] to a request I desire to make, because I want to be certain I am in order. I have no desire to proceed out of order. My request involves a desire to do two things: first, to correct the RECORD, and to make a statement to clarify the RECORD in regard to a ruling of the Chair which I think ought to be clarified so that there will not be in the RECORD any misunderstanding of certain action taken last night and no precedent will be established. I think it is perfectly evident that we can clear up this matter.

Mr. MCFARLAND. Mr. President, I understand it is agreeable to the Senator from West Virginia that the Senator from Oregon may take the floor to correct the RECORD.

The VICE PRESIDENT. The Senator from Oregon may correct the RECORD without unanimous consent, but he may make a statement about the other matter to which he referred only by unanimous consent.

Mr. MORSE. Mr. President, that is satisfactory.

Mr. MCFARLAND. I ask unanimous consent that the Senator from Oregon be permitted to make his statement without the Senator from West Virginia losing his right to the floor.

The VICE PRESIDENT. Without objection, it is so ordered, and the Senator from Oregon may proceed.

Mr. MORSE. Mr. President, I should like to make a brief statement about a correction of the RECORD. For the purpose of the correction, I refer to the RECORD for yesterday, March 29, at page 4308, in the third column, beginning with the words immediately following the heading "Recess":

Mr. MCFARLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

Mr. LONG. I suggest the absence of a quorum.

Mr. MORSE. On the suggestion of the absence of a quorum I ask for the yeas and nays.

Mr. President, I never said that. The insertion of that statement at that point is a clear mistake on the part of the reporter.

The Journal shows that my request for yeas and nays was in regard to the motion to take a recess. Of course, it is perfectly obvious that I would not have asked for the yeas and nays in regard to the suggestion of the absence of a quorum. That simply would not make parliamentary sense.

I ask that the RECORD be corrected in regard to this paragraph, in accordance with what the Journal shows, namely, that the junior Senator from Oregon asked for the yeas and nays on the motion of the Senator from Arizona [Mr. MCFARLAND] that the Senate stand in recess.

The VICE PRESIDENT. The correction will be made.

Mr. MORSE. Mr. President, I wish to read further, to clarify this matter:

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. As many as favor the request for the yeas and nays will make it known by a show of hands.

Mr. LONG. I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator cannot do that at this time.

The request for the yeas and nays is not sufficiently seconded.

As many as favor the motion to recess will say "aye." Contrary "no." The "ayes" seem to have it.

Mr. MORSE and Mr. DOUGLAS asked for a division.

The VICE PRESIDENT. A division has been asked for. All who favor the motion to recess will stand and remain standing until counted.

Mr. MORSE. A parliamentary inquiry.

The VICE PRESIDENT. The Senate is in the act of dividing at the moment.

Mr. WHERRY. The Senator from Oregon [Mr. MORSE] is standing, and is being counted in favor of a recess.

Mr. MORSE. Then I shall sit down.

Mr. President, the point I wish to make is that as the RECORD now stands, I think there is great danger that it will be used as a precedent for holding that a quorum cannot be called for when some Member of the Senate moves that the Senate take a recess. In the confusion which existed in the Senate yesterday afternoon, I think a mistaken point of view was left with the Senate. The Vice President is perfectly capable of speaking for himself, of course; but I am satisfied that he did not wish to give the impression that a quorum cannot be called for when some Senator moves that the Senate take a recess. It is my understanding, as I have studied the parliamentary procedure of the Senate, that whenever a motion to take a recess is made, any Member of the Senate has the right to ask for a quorum call, because certainly the Senate itself has a right to be here when any proposed business is submitted to the Senate for action.

It is true that under our rules a Senator has to follow the procedure of being recognized in order to suggest the absence of a quorum; but I submit that the language used yesterday showed that the Senator from Louisiana [Mr. LONG] was recognized, because he said, "I suggest the absence of a quorum," and the Vice President said, "The Senator cannot do that at this time." I submit that as the RECORD now reads, that amounted to recognition of the Senator from Louisiana, and he was in order in making the suggestion of the absence of a quorum at that time.

Mr. President, I speak out of the highest of respect for the Vice President, and I think he knows that I also speak out of love and affection for him. My only purpose in this matter is the good-intentioned purpose and desire to have this matter clarified now, so that in the future in the heat of debate on the floor of the Senate, when one group of Senators wishes to have a quorum of the Senate present to pass judgment on a motion that the Senate take a recess, this language in the RECORD of yesterday will not be cited as a precedent for a ruling that a request for a quorum in connection with a motion to take a recess is not in order. I think it is always in order, provided the Senator suggesting the absence of a quorum is recognized by the Chair in the proper form.

I hope the Vice President will understand my good-intentioned purpose in raising this point, because I think the present wording of the CONGRESSIONAL RECORD of yesterday, at the point I have indicated, should be clarified.

The VICE PRESIDENT. The Chair would like to say that he appreciates the candor of the Senator from Oregon in making his remarks in regard to this matter. There was considerable confusion in the Senate late yesterday afternoon. The Senator from Arizona [Mr. MCFARLAND], in the capacity of acting majority leader, was holding the floor and was yielding to various Senators, as frequently happens in the late afternoon when Senators wish to put various matters in the RECORD or wish to obtain unanimous consent for various routine purposes. However, strictly speaking, that is not in accordance with the rule itself, because, technically, a Senator who has the floor does not have the right to yield for any purpose except to permit another Senator to ask a question of him. However, from time immemorial in the late afternoon when the Senate is about to close its session for the day, the majority leader or the acting majority leader has been in the habit of obtaining the floor for the purpose of making a motion that the Senate take a recess or adjourn, and then has withheld that motion, but at the same time, while holding the floor, has yielded to other Senators who desire to present routine matters. That was the situation yesterday.

A Senator who has the floor cannot be taken from the floor for the purpose of permitting another Senator to make

the point of no quorum, unless the Senator who has the floor yields for that purpose; and technically, when he yields for the purpose, he yields the floor.

The Senator from Arizona was carrying out the usual custom of holding the floor and yielding to Senators. The Senate was in the process of dividing on the question of agreeing to the motion that the Senate take a recess. The Senator from Louisiana [Mr. LONG], without addressing the Chair and being recognized by the Chair for that purpose, suggested the absence of a quorum.

The Chair observed that at that time, under those circumstances, the Senator from Louisiana did not have the right to make the point of no quorum. The Chair did not mean by that, of course, that any Senator cannot make a point of no quorum in connection with any motion or any bill or any vote which is about to be taken by the Senate; but the Chair did not recognize the Senator from Louisiana in the midst of the division on the question of agreeing to the motion that the Senate take a recess. The mere fact that the Chair said that the suggestion of the absence of a quorum could not be made at that time did not indicate, in the Chair's mind, that the Chair had recognized the Senator from Louisiana for the purpose of permitting him to suggest the absence of a quorum.

The Chair recognizes, and has always held, that the right to suggest the absence of a quorum is a fundamental right. A quorum is always supposed to be present or is presumed to be present until a point of order is made that a quorum is not present. The point of no quorum may be withdrawn during the process of the roll call, following the suggestion of the absence of a quorum, provided no announcement has been made by the Chair that a quorum is not present. The absence of a quorum is declared officially only when the announcement is made by the Chair.

The Chair appreciates the action of the Senator from Oregon in calling attention to this matter. The Chair wishes the Senator from Oregon to understand that the circumstances which prevailed here late yesterday afternoon in no way set a precedent in regard to the right of a Senator, when properly recognized, to suggest the absence of a quorum or to make the point that a quorum is not present.

Mr. MORSE. Mr. President, I wish to say to the Vice President that I appreciate very much his explanation. I most respectfully point out to him that, as the RECORD shows, the Senator from Louisiana did suggest the absence of a quorum prior to the request for a division on the question of agreeing to the motion that the Senate take a recess; and it was at that point that the Vice President said:

The Senator cannot do that at this time.

The RECORD would seem to indicate—and my recollection of what happened verifies the RECORD on this point—that at the time when the Vice President made that statement, the "ayes" and "noes" had been called for, and apparently at that time the count was being taken as to the number of hands which had been raised on the request for a roll-call vote. However, it is my understanding that even in the process of the taking of a count of hands raised on a request for a roll-call vote, a Senator is then in a parliamentary position to ask the Presiding Officer to have the roll called in connection with the suggestion of the absence of a quorum at that time. Very often, as a count of the hands raised on a request for an "aye" and "nay" vote is being made, Senators in looking around the Chamber and noting the absence of many Senators determine that they desire to have a quorum present.

It was at that point that the Senator from Louisiana made his suggestion of the absence of a quorum, and it was also at that point that the Vice President said that—

The Senator cannot do that at this time.

It is that point which I wish to have clarified, because I most respectfully say that, in my judgment, under the rules of the Senate, during the counting of the hands raised on a request for the "ayes" and "noes", any Member of the Senate has a right at that time, when there is business pending, to suggest the absence of a quorum. In my opinion, the reply of the Vice President himself to the Senator from Louisiana was a recognition of the Senator from Louisiana, and, therefore, at that point, a quorum call should have been ordered automatically. That is the position of the junior Senator from Oregon.

The VICE PRESIDENT. The Chair would be compelled to disagree with the Senator in that respect. While the Chair is seeking to ascertain whether a sufficient number of hands are raised to order a yea-and-nay vote, he is not required at that moment to recognize a Senator for the purpose of making a point of no quorum. The Chair at that time thought that, during the process of obtaining a consensus of the Senate as to whether it wanted a yea-and-nay vote, he had the right to complete the process. If the process had been completed, and, in that case, there was not a sufficient number of hands, if the Senator from Louisiana, or any other Senator, had sought recognition from the Chair and obtained recognition, he certainly could have made a point of no quorum. But in the process of hand-raising, to determine whether a yea-and-nay vote should be ordered, the Chair, not having recognized the Senator to make a point of no quorum at that time, felt that he was justified in the remark which he made, which he did not regard as a recognition of the Senator for the purpose indicated.

Mr. MORSE. I shall not argue the matter further at this time, because it would not be fair to the Senator from West Virginia. But I wish to serve notice that, at a later date, if an appeal is in order, if this is a ruling of the Chair, I most respectfully will appeal from the decision of the Chair, because I think this ruling is very fundamental to the rights of individual Senators on the floor of the Senate. I think we must be free on the floor of the Senate, when the yeas and nays are requested, and any Senator believes that from the standpoint of his parliamentary advantage or right he wants a quorum call at that time, he is entitled to it as a matter of right. I shall appeal from that ruling of the Chair at the appropriate time.

The VICE PRESIDENT. The Chair would like to say at the moment that an appeal from the ruling of the Chair made yesterday in regard to a matter then pending and which is not pending today would not be in order. The Chair is perfectly willing for the Senate to vote on the propriety of what the Chair did yesterday, but as a matter of parliamentary procedure, an appeal cannot be taken at this time, or at any time in the future, in regard to a procedure which was had yesterday on a point of order.

Mr. MORSE. I am sure we can work out an appropriate procedure for giving the Senate an opportunity to vote on the parliamentary interpretation of the Vice President this morning, because I think the statements of the Vice President this morning will clearly be a precedent unless changed by the Senate.

The VICE PRESIDENT. The Chair is very positive in the belief that no Senator can make a motion or proceed in any other way to seek action on the part of the Senate without being recognized by the Chair; and that is as applicable to a point of no quorum as it is to a motion to adjourn or to recess or to offer an amendment. Every Senator must be recognized by the Chair before he can proceed with a motion or a point of order or anything else. The Chair thinks the Senator from Oregon agrees with that.

Mr. MORSE. I am in complete agreement with that. I simply say I think that was done, in fact, yesterday, as the RECORD shows, when the Presiding Officer carried on a colloquy with the Senator from Louisiana.

ORDER OF BUSINESS

Mr. LONG. Mr. President——

Mr. NEELY. Mr. President, I decline to yield. I have been standing here for about 45 minutes, waiting to proceed.

Mr. BRIDGES. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator cannot make a parliamentary inquiry, unless the Senator from West Virginia yields for that purpose.

Mr. BRIDGES. Mr. President, will the Senator yield for that purpose?

Mr. NEELY. I yield.

Mr. BRIDGES. I thought we were still at that point where we could introduce bills and place matters in the RECORD.

The VICE PRESIDENT. No; that procedure was terminated and the Senator from West Virginia was recognized under unanimous consent given him recently, and he yielded to the Senator from Oregon for the purpose of a statement in regard to the matter which has been under discussion. Does the Senator from West Virginia yield to the Senator from New Hampshire for some routine matter?

Mr. NEELY. I yield.

Mr. BRIDGES. I thank the Senator from West Virginia.

(Mr. BRIDGES submitted a statement prepared by him and an article for printing in the Appendix, which are noted elsewhere in today's RECORD.)

NATURAL GAS ACT—ARTICLE BY MARQUIS CHILDS

Mr. HUMPHREY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Minnesota?

Mr. NEELY. I yield.

Mr. HUMPHREY. Mr. President, I had intended at the close of the session yesterday and following the vote on the natural gas bill, to take the opportunity to pay my respects to the junior Senator from Illinois [Mr. DOUGLAS] for the courageous and brilliant manner in which he led the opposition to the natural gas bill. I wanted to assure him that even though he did not receive a majority of the votes in the Senate of the United States, I believe that the people of the United States know that he acted in the public interest and support his position. I also wanted to assure him that I felt confident that the President of the United States would veto the bill, and I wanted to join in such a request to the President. However, I was unable to make that statement last night in view of the sudden decision of the Senate to recess. I therefore take this occasion to ask unanimous consent to place in the body of the RECORD these remarks and a copy of an article by Marquis Childs which appeared in the March 28 issue of the Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOUGLAS AND THE KERR BILL

(By Marquis Childs)

GAS-MONOPOLY FIGHT

Being a United States Senator is really tough these days if you take your job at all seriously. In an earlier day, some high-falutin oratory got you over the rough places.

But in the face of an issue as that presented by Senator ROBERT KERR's bill to take the independent producers of natural gas out from under Federal regulation, oratory is not enough. It takes hard, thorough, conscientious digging into the facts and figures that spell out certain basic economic relationships in this country.

That hard, thorough, conscientious digging is what Senator PAUL DOUGLAS, of Illinois, has supplied in the controversy now moving toward a climax. His initial speech and the part he is playing in the give and take of debate constitute a remarkable performance.

DOUGLAS has got down to the hardpan of the argument so that no one can fail to see what the realities are if they choose to.

In the background knowledge he has brought to the fore and in the way he marshals it, DOUGLAS makes old-timers think of Senator George Norris at his best. For one thing, DOUGLAS' presentation is completely in the American tradition. It owes nothing to any alien ideology.

The Senator from Illinois went back to the early attempts of State governments to regulate private monopoly in the gas and electric industry. Here, as he pointed out, was none of the vital force of competition which can and does under our system act to bring prices down and give the consumer value and quality.

"This was not," said DOUGLAS, "public ownership. It was an attempt to avoid public ownership by providing for private ownership and operation but with public regulation to protect consumers and also investors. It was not socialism as some may imply, but America's answer to socialism."

In this last there is good American common sense. It is a sound and valid answer to the distorters who cry socialism at every form of Government activity.

But the States found themselves debarred from regulating the sale of natural gas transported from one State to another. Only the Federal Government has the power to regulate interstate commerce. For that reason, as DOUGLAS develops the argument, Congress adopted in 1938 a law giving the Federal Government through the Federal Power Commission authority over the sale and transmission of natural gas.

In the course of the debate the Senator has presented a remarkable array of figures, statistical tables, and supporting data. They show in a way difficult or impossible to refute that the so-called independent producers are for the most part the big oil companies. These companies, which in past years have shown exceedingly generous profits, would be in a position to make an extraordinary killing on the basis of the gas reserves they own and the contracts now in existence, if Congress gives them a go sign.

DOUGLAS has thoroughly analyzed these contracts and he seems to me to knock down one of Senator KERR's chief arguments, which is that they provide for a fixed price over a long period of years. Even if the companies were freed from regulation, that is to say, they could not hike the price. But DOUGLAS points out that most of these contracts have favored-nation clauses providing an increase for the company if it can be shown that a higher price is being paid to another producer.

And, incidentally, throughout the debate the Senator from Illinois has kept away from name calling. He has not felt it necessary to impugn Senator KERR's motives. Consistently he has pounded in facts and figures and always he's come back to the main theme—that the choice is between unreasonable profits for a few producers with drastically increased prices to northern consumers and, on the other hand, reasonable profits and comparatively low prices benefiting millions of citizens.

The vote on the Kerr bill will be closely scanned in a great many States and one reason is because Senator DOUGLAS has contributed so much toward making the issue crystal clear. He got his preparation years ago when the jerry-built utility empire of Samuel Insull was crashing into ruin in Illinois.

They say that PAUL DOUGLAS is running for President, or anyhow Vice President. He puts this aside, sternly saying that all he wants to do is be a good Senator. And that, in my opinion, is one of the best possible ways to run for President.

ADMISSION OF DISPLACED PERSONS TO THE UNITED STATES

The VICE PRESIDENT. The Senator from West Virginia has the floor.

Mr. NEELY. Mr. President, at the conclusion of my address, and not before, I shall gladly yield for any questions which those present may wish to ask.

Mr. President—

Man whose heav'n-erected face the smiles of love adorn—
Man's inhumanity to man makes countless thousands mourn.

To the sad plight of more than a million victims of man's inhumanity to man the sympathetic attention of the Senate is earnestly requested.

The melancholy tragedy of displaced persons which has long been before the Senate was, according to sacred history, first enacted in the land of Egypt more than 3,600 years ago. Since its first visitation, it has distressed many nations, afflicted many races and agonized millions of men, women and children. Presumably, it will continue to scourge humanity until the angel of the Apocalypse, with one foot on land and one on sea, proclaims that time shall be no more.

The victims of this tragedy's first enactment were the children of Israel. After their bondage was ended, it cost 40 years of endeavor, toil and divine assistance to transport them from Egypt to their home in Canaan—a distance of only 300 miles.

Manifestly, relief for the homeless and deliverance for the destitute moved almost as slowly on the way to the Land of Promise in the sixteenth century before Christ as they move on the long, obstructed, weary way through the United States Senate in the twentieth century of the Christian era.

The displaced persons tragedy was next presented in Asia, on the banks of the Euphrates River 586 years before Christ. Again the children of Israel were the victims. Nebuchadnezzar and his army overran Jerusalem, destroyed the temple and carried away the Jewish people to a 70 years' captivity in Babylon.

It is a singular fact that in both these cases, the service of the Almighty was required to solve the displacement problem and provide adequate relief.

Let us remember that Pharaoh and his host, who in Egypt had resisted the repatriation of the Jews, were all supernaturally drowned in the Red Sea; and that Nebuchadnezzar, who was responsible for the second great displacement of the Jews was, in a most extraordinary manner, miraculously and severely punished. He was transformed into a beast of the field, made to dwell with the wild asses, eat grass like the oxen, and suffer the humiliation of having his nails turn to bird's claws and his hair into the feathers of an eagle.

Those who have long, stubbornly, and successfully prevented this country from discharging its full duty to the despoiled, despairing, displaced sufferers of Europe should take warning from these historic examples of the tragic results of opposing humanitarian relief for the distressed victims of oppression who were made in the image of their Creator.

After the end of the Second World War the allied armies, with praiseworthy promptitude, liberated more than 8,000,000 displaced persons in the European theater of operations. Among them were three distinct groups:

First. The homeless, destitute survivors of the Jewish communities of Europe.

Second. The more numerous slave laborers who had been driven from their homes and who, after their long nights of misery and their longer days of agony, were released by the allied armies from Nazi detention camps and labor stockades.

Third. The refugees from the lands overrun by the Communists—lands in

which every enlightened democratic conception of political liberty had been obliterated and every vestige of religious freedom had been destroyed.

The vast majority of these displaced persons had one common, burning, heartfelt desire—and that was to return to their homes.

By the 1st of January 1947 more than 7,000,000 of these victims of misfortune and distress had been repatriated. But in the western zones of occupation of Germany and Austria, and in Italy, there remained more than a million who could not be repatriated. To have returned them to their former homes would have been to deliver them to imprisonment, persecution, and eventual extermination.

Russia unhappily insisted that all persons whom we held to be displaced should be returned to the country of their origin—if necessary by force. The United States led the democratic nations in rejecting this heartless proposal as contrary to humanitarian standards of governmental action. The free peoples of the world then joined in an offer of asylum to the million who, like the Son of God, had no place to lay their head.

The contribution of the United States to the world program was the displaced persons law of the Eightieth Congress. The President reluctantly signed it on the 25th of June 1948. He, at that time, stated that the measure was flagrantly discriminatory and mocked the American tradition of fair play. He called for appropriate liberalizing action by the Congress that was to convene on the 3d of January, 1949.

Not in January 1949 but in January 1950 a bare majority of the Senate Committee on the Judiciary reported amendments to the law which other members of the committee inform us would not only fail to eliminate the restrictive, unfair, and discriminatory provisions of the basic act but would, in fact, add other burdensome requirements to the legislation.

THE DEFINITION OF DISPLACED PERSON

The most injurious new limitation proposed by the committee amendments is the change in the definition of a displaced person.

The present law accepts the definition set forth in the constitution of the International Refugee Organization. It specifically excludes war criminals, ordinary criminals subject to extradition, quislings, traitors, those who aided the enemy, and what the Organization calls persons of German ethnic origin. This last phrase is defined as German nationals, or members of German minorities in other countries who were transferred to Germany or evacuated from it, or who fled from Germany or into it to avoid the Allied armies.

To the International Refugee Organization and to millions of others of good will the term "displaced persons" means, for the purposes of the pending bill, those who, by the Nazis or Fascists, have been forced to leave the country of their nativity; those who have been reduced to slave laborers; and those who have been deported for racial, religious, or political reasons.

The amendments offered by a majority of the members of the committee propose a new definition of the expression "displaced person" which, to the irreparable prejudice of those in the foregoing categories, would make more than 8,000,000 German expellees eligible to share all the benefits of our displaced-persons law. These expellees are persons of so-called German ethnic origin who, after the war was ended, were ousted from the nations which the Nazis had overrun and the peoples of which they had conquered, pauperized, and enslaved. The committee amendments would make these Germans "displaced persons" within the meaning of the law. Thus they would confus the issue between those who suffered immeasurably at the hands of the Nazis and multitudes who benefited greatly by Nazi aggression.

By June 30 of this year the United States will have contributed more than $200,000,000 for the resettlement of displaced persons. If the committee amendments become law, we shall next year and the year after next still be face to face with the problem of these victims of misfortune, and the financial drain upon this country will be increased instead of diminished.

Moreover, the change of definition proposed by the committee amendments would create hopeless complications in existing administrative machinery. According to the present definition, we know who the displaced persons are; they have been registered; facilities have been provided to process them and transport them to their destination. Shall we now begin the registration of 8,000,000 German expellees? Who would care for them? Certainly not the International Refugee Organization, because under its constitution German expellees are not eligible for admission to its refugee facilities. Vast resettlement accommodations would be required. Who would provide them? Additional "holding centers" at various ports would be indispensable. Who would construct them? The International Refugee Organization pays for the transportation of displaced persons from Europe to the United States. But who would pay for the transportation of German expellees? If the law should be amended to include them as displaced persons, the transportation expense would, of course, be paid by the American taxpayers, including our veterans who fought and bled and suffered to prevent the Nazis from conquering the world.

The proposed change in the definition is a delusion and a snare. It would keep the real displaced persons out; it would not bring German expellees in. It has been more accurately than euphemistically described as a double double-cross.

The German expellees are entitled to serious and sympathetic consideration. But they are not entitled to relief under this bill. Fortunately the approach to the solution of their problem is made clear by the proposed substitute amendments. These would leave the definition of displaced persons unchanged and create a joint committee of the Senate and House to investigate the problem of the expellees and report its findings to the Congress.

Any aid that is given to the expellees should be provided by an international organization and not exclusively by the American people.

HOW MANY DISPLACED PERSONS SHALL BE ADMITTED?

A second serious defect in the McCarran amendments lies in the fact that they would reduce the number of International Refugee Organization displaced persons who would be allowed to enter this country. The existing law authorizes the admission of 205,000 displaced persons and 27,372 expellees. The McCarran amendments would authorize the admission of a total of 330,000 persons. But because of the deliberate inclusion of expellees in the category of displaced persons, the amendments would substantially reduce the number of displaced persons who may enter this country under the existing program.

To adopt the committee amendments would be to leave the question of the displaced persons of Europe unsettled. The International Refugee Organization has announced that on June 30, 1950, there will remain, under the existing law, 243,500 displaced persons in Germany, Austria, and Italy. Only 19,000 of these are in the "hospitalized hard core" classification, and ineligible to enter the United States because of ill health. Unhappily, these residual displaced ones are largely in the care of our occupation forces in Europe and until they are resettled, they will continue to be a heavy burden to the American taxpayers.

The substitute amendments provide that the total to be admitted shall be increased to 339,000—the number originally specified in the bill passed by the House. These figures include 10,000 Greek refugees and 5,000 adopted orphans whose admission was recommended by the committee.

If all the visas authorized by this proposal should be utilized, our total population, over a period of 3 years, would be increased by less than a fourth of 1 percent. Many of the immigrants would be settled in rural areas; others would live with sponsoring relatives in the cities. These newcomers would bring us new occupational skills and additional talents. They would create an increased demand for the services and products of our trades and industries. They would help us to make this Nation greater, stronger, and better than it has ever been.

European immigrants in the past have supplied us with innumerable scientific processes, inventions, techniques, and industries. Those who come here under this act will undoubtedly make valuable contributions to the welfare of the American people.

THE ORIGINAL DISCRIMINATORY PROVISIONS

Under existing law a displaced person who arrived in Germany, Austria, or Italy after December 22, 1945, is ineligible to enter the United States. This is the notorious "date-line requirement," which both President Truman and Governor Dewey criticized as a manifest discrimination against Catholics and Jews. The committee amendment, which proposes to liberalize the law by

advancing the "cut-off" date to the 1st of January 1949 is unstintedly approved.

But the date-line discrimination is only one of the detested provisions of preference, priority, and unreasonable numerical limitations which have bewildered, bedeviled, and excluded from immigration to the United States thousands of helpless victims of racial hatred and religious bigotry. The Committee amendments fail to eliminate two of the most indefensible of these provisions.

The first is the limitation that 40 percent of the persons eligible to enter the United States under the law shall come from countries which have been "de facto annexed by a foreign power." This is the so-called Baltic preference clause, which favors a single group on the sole ground of national origin. Its discrimination has proved to be so unjust to the peoples of Poland, Yugoslavia, Hungary, Rumania, and other countries which have not been annexed by a foreign power that both Estonia and Latvia, which the provision favors, have, through their relief organizations in this country, asked that it be eliminated from the law.

The minority report says that this "undesirable provision" works to the "disfavor of Jewish and Catholic groups." This is a masterpiece of understatement. The provision, in reality, repudiates the American tradition of equality. It violates the American tradition of religious liberty. It debases the lofty humanitarianism that America has uniformly practiced for generations and long preached to the world. It should be stricken from the law in accordance with the proposal made by the House.

The original Displaced Persons Act contains a second deplorable discrimination which directs that 30 percent of all immigrants admitted under the law shall have been previously employed in agricultural pursuits. It was evident, even in 1948, that the almost certain consequence of this provision would be a reduction in the total number of 205,000 who were eligible to enter the United States under other language of the law. Exclusively because of the 30-percent clause the Displaced Persons Commission has been compelled to reduce admissions from 16,000 to fewer than 6,000 persons a month. The right of entry has been denied to more than 10,000 unfortunates who, but for this provision, would be eligible in every particular, to come to our shores. The number of excluded ones will increase by 2,000 a month as long as this restriction remains in the law.

This exclusion by indirection of the deserving who survived the horror camps and gas chambers of Europe cannot be justified. It should be discontinued without delay.

The 30-percent preference for agriculturists was summarily eliminated by the House bill. It would be restored by the committee amendments and further burdened by a requirement of proof of 2 years' previous farming experience.

This preference is peculiarly inhuman, because the inability of many of the refugees to qualify under this provision is due to the fact that the countries of their origin denied them the right to own land or obtain training in agriculture.

It has been proved that at the time the present law was enacted only 22 percent of the displaced persons had previously been engaged in agricultural pursuits and that of this number, only 6 percent were of the Jewish race or faith. What possible conclusion—except that of deliberate discrimination against the Jews—can be deduced from the action of the majority of the committee in retaining in their proposed amendments the 30-percent agricultural preference clause?

The House bill contains a specific provision which would forbid discrimination for or against displaced persons on the basis of race, religion, or national origin. The committee substituted for this provision one which merely states that the selection of displaced persons shall be made without discrimination or favoritism on account of religion. Does this provision mean that the committee favors discrimination against displaced persons on the basis of race or national origin? If so, the Senate should emphatically repudiate it, and irrevocably reject it. If this is not the intention of the committee, then the provision of the House bill should be approved.

Let me briefly contrast the mesh of restrictions, priorities and favored categories contained in the proposed committee amendments with the forthright, simple and direct provisions which the committee has embodied in Senate bill No. 1165. Does this measure propose to give priority in immigration to selected victims of the Nazis who spent years in displaced persons camps, or offer asylum to victims of the Communists who fled from eastern Europe to seek political or religious liberty in the west or, in any way, benefit a needy widow, orphan or other unfortunate person?

No; it is for none of these humanitarian purposes. Its object is to satisfy a demand for sheepherders in the West. It proposes to make available special quota immigration visas for 250 sturdy Basque shepherds from Fascist Spain.

My heartfelt sympathy goes out to those members of the committee who are responsible for that part of the report which declares that "unless skilled and competent sheepherders are promptly made available, it will be necessary for the herds to be progressively reduced." If such an emergency exists, relief should be sought among displaced persons who are qualified to care for sheep. Some shepherds have already been admitted; more are available. Unfortunately for them, they have not been trained under the Franco regime. They are merely displaced persons within the meaning of the International Refugee Organization's definition of that expression.

THE ADMINISTRATIVE COMPLEXITIES

Under existing law, responsibility for administration is divided between the Displaced Persons Commission and the consular service of the State Department acting with the Immigration and Naturalization Service.

The Displaced Persons Commission has limited functions. It determines eligibility for the benefits of the Displaced Persons Act, and nothing more. As a result of the preliminary screening by the Commission more than 28 percent of the applicants are rejected. To this extent the burden of the consular service is reduced.

After the Commission has decided that an immigrant is eligible under the Displaced Persons law, he is sent first to the consular service and then to the Immigration and Naturalization Service. These agencies determine whether the displaced person is admissible under the ordinary immigration laws. Eligibility and admissibility must both be determined, but the procedures and the decisions are wholly independent of each other.

The existing allocation of responsibilities was established by mutual agreement of these three responsible agencies, and experience demonstrates that their services have been both effectual and economical.

All this is ignored by the committee amendments, which would exclude the Displaced Persons Commission from responsibility for preliminary screening and have the Immigration and Naturalization Service and the consular service of the State Department make final determinations of both eligibility and admissibility.

These two combined agencies would, by some obscure procedure, reach and render final decisions. Any review by the Board of Immigration Appeals, the Attorney General, or even by the Federal courts appears to be precluded.

The crowning complexity of the committee amendments is contained in the astounding provision that the Displaced Persons Commission, not the consular service or the Immigration and Naturalization Service, be directed to draft and promulgate regulations to implement the law.

The certain result of the adoption of the administrative monstrosities under consideration would be to render the performance of effectual service impossible and virtually prohibit relief under a law that is already restricted beyond all possibility of satisfactory operation.

THE CHARGE OF MALADMINISTRATION

Many who are hostile to the displaced-persons law have again and again charged that there has been a complete break-down in its administration, that there is no adequate screening of applicants, and little or no regard for personal background or political beliefs.

Screaming headlines have declared that vast numbers of persons who wish to enter this country under the 1948 law have used fictitious documents and been guilty of wholesale misrepresentation, perjury, and fraud.

There is not, to my knowledge, any competent evidence to sustain these accusations.

The solution of the problem of improper administration of a law lies not in the reckless cumulation of restrictive provisions, but in a change of its administrators.

The headlong charge of maladministration is completely refuted by the findings of a special subcommittee of the House Committee on the Judiciary which recently investigated in Europe the conduct of the displaced-persons program

and concluded that on the whole the administration of the 1948 act is being conducted in a diligent and satisfactory manner. That excellent report is commended to the favorable consideration of every Member of the Senate.

On the subject of false statements and false documents the subcommittee concluded, after a thorough study of the European operation, that such charges "could be safely classified either as rumor or deliberate misrepresentations intended to serve a definite purpose."

In October 1948 the President explicitly instructed the Displaced Persons Commission that—

> The highest standards of security shall be observed at all times in order to guard against the entry into the United States of persons who may be undesirable from the standpoint of the national security.

The safety measures established for the administration of the displaced persons program are far more rigorous than those contained in any other immigration statute of the United States.

The security protections provided by the general immigration laws consist of an inspection by the investigative staff of the consular officials overseas coupled with a limited inspection upon arrival in the United States.

In the displaced persons program at least seven thorough security investigations and inspections are made by Government agencies, as follows:

First. By virtue of law and Executive order the Displaced Persons Commission maintains a strict supervision of all security service from initial screening to final entry into this country. The Commission has issued ironclad instructions that no one who has ever been a member of the Communist, Nazi, Fascist, or related parties, shall be admissible. This rule is stricter than any comparable provision of our general immigration law. It is scrupulously obeyed.

Second. An intensive field investigation is conducted overseas by the Counter Intelligence Corps of the United States Army. This comprises a careful, on-the-spot, personal investigation involving 21 separate investigative processes for each displaced person.

Third. A special additional investigation is made of any person whose country of origin has been overrun by the Russians.

Fourth. Special laboratories have been established abroad for the examination and analysis of documents relating to eligibility.

Fifth. All displaced persons are examined by the Immigration Service overseas and reexamined upon arrival in the United States. Under this law, the overseas immigration inspector has what he lacks in all other similar immigration matters, namely, the complete file concerning the person under investigation. Thus the immigration inspector and the consul make thorough, independent examinations of the eligibility of every immigrant.

Sixth. No one can be admitted until after he has been checked by the Federal Bureau of Investigation. Last November the Attorney General's office reported that the questionable ones among the more than 120,000 displaced persons who had entered this country would not exceed a twentieth of 1 percent.

Seventh. No one is permitted to enter until after he has been checked and rechecked by the International Refugee Organization, of which Russia is not a member.

Finally, the House has suggested the following additional protection which is included in both the committee and the substitute amendments:

Each applicant for admission would, upon arrival, be required to subscribe to an oath that he has never been a member of the Communist Party or of any organization designated by the Attorney General as communistic, or a member of any movement which is or has been hostile to the United States. An applicant who refused to take this oath would, if abroad, be denied a visa; if he had entered this country, he would be deported.

It is simply to state a Gospel truth to assert that the Government has provided greater protection against violations of the displaced-persons law and more assurances of its strict enforcement than were ever provided in relation to any other immigration law enacted by the Congress.

Every fair-minded patriot should be grateful to the Displaced Persons Commission, the Counter Intelligence Corps of the United States Army, the Immigration and Naturalization Service, the consular service, the Federal Bureau of Investigation, the International Refugee Organization, and to all who have helped them carry on the displaced-persons program for the high degree of perfection achieved in preventing the admission of those who might become a menace to our national security. These loyal, vigilant agencies have more than earned the commendation, "Well done, thou good and faithful servants."

JOB SECURITY AND HOUSING OPPORTUNITIES

The present law provides that there shall be a resettlement plan in the United States before immigration is authorized. More specifically, assurances are required for suitable employment and for safe and sanitary housing as a condition precedent to eligibility for immigration to the United States.

The regulations of the Displaced Persons Commission prohibit the entry into this country of any displaced person without satisfactory advance guaranties that he will be provided employment and safe, sanitary housing, without the displacement of any other person; that he will not become a public charge; and that he will be received on arrival and transported to his new home. Thus the program contains explicit provisions which prevent displaced persons from settling in surplus labor areas or from depriving anyone here of his home.

The Commission has received a profusion of assurances of adequate cooperation by various sources, namely, individual sponsors, relatives and friends, domestic and international voluntary charitable agencies, and State commissions or committees established by the Governors of more than half the States.

Opposition to the liberalization of the law for fear that it might injure labor is without a shadow of justification, as shown by the statements of great labor leaders.

While the House was recently considering liberalizing amendments to the bill, Mr. William Green, president of the American Federation of Labor, declared that—

> The United States should admit a hundred thousand displaced persons a year for 4 years. We feel that this would be both morally and economically sound, and certainly should not have any adverse effect on our economy.

At about the same time, Mr. Philip Murray, president of the Congress of Industrial Organizations, stated that—

> The Congress of Industrial Organizations, at its tenth constitutional convention in November 1948, passed a resolution which endorsed the concepts which subsequently have been incorporated into the McGrath-Neely bill (S. 311) and the Celler bill (H. R. 1344).
>
> We do not think that the alleged economic maladjustments, whether prolonged or corrected, have any bearing upon the question of the admission of displaced persons. Therefore, we endorse wholeheartedly the McGrath-Neely and Celler bills which will permit the entry of 400,000 displaced persons into the United States without the restrictions contained in the Displaced Persons Act of 1948.

On February 17, 1950, the executive council of the American Federation of Labor unanimously urged the enactment of a series of liberalizing amendments to the present law, which are embodied in the House bill and which are, in substance, contained in the substitute amendments now before the Senate.

Facts stated in a report made by the Department of Labor last December conclusively prove that the displaced persons who may be resettled in any particular area are so few that they should be considered entirely negligible from the unemployment point of view.

Any effort to restrict the proposed carefully controlled and limited immigration of displaced persons because of alleged employment scarcity or national housing deficiency should be attributed not to a desire to protect or serve American labor but to the unworthy determination to withhold refuge from the victims of race hatred and religious prejudice.

THE CHARGE OF LOBBYING

It has been repeatedly charged and frequently intimated that the advocates of humanitarian amendments to the displaced-persons law have been unduly influenced by some mysterious, powerful lobby.

> If it were so, it was a grievous fault,
> And grievously hath (not Caesar but) the suffering displaced persons answer'd it.

But here, under leave of Brutus and all the other honorable antireformers, let me tell the story in a different way.

Recently a relevant telegram signed by 10 well-known, outstanding Americans was received by the Members of the Senate. It was in the following language:

> As Americans we are deeply concerned that our country fulfill our moral obligation and international commitment to find new demo-

cratic homelands for the helpless displaced human beings under our care in Europe. Therefore, we respectfully petition the Members of the United States Senate to approve the substitute amendments to the Displaced Persons Act of 1948 presented by Senators FERGUSON, GRAHAM, and KILGORE. It is our sincere and heartfelt conviction that without these amendments it is impossible for us to create a displaced-persons law that will enable our Nation to admit our share of displaced persons in a just, humane, and fair way.

That message was signed by Gen. Lucius D. Clay, Mrs. Franklin D. Roosevelt, James A. Farley, Maj. Gen. William J. Donovan, James F. O'Neil, Judge Joseph Proskauer, James L. Kraft, Mark Ethridge, Fred Lazarus, and Harry Bullis.

Do the honorable antireformers consider all these eminent ones lobbyists?

On February 23, 1950, a joint statement was issued by the National Catholic Welfare Conference, the Federal Council of the Churches of Christ in America, the Synagogue Council of America, and the National Lutheran Council, which contained the following:

We want you to know that throughout America there continues a grave sense of responsibility for helping the displaced persons still homeless in Europe. Many American citizens have dedicated themselves to offering new homes and new opportunities of work in America to displaced persons.

We feel that the substitute amendments most closely reach the objectives which have been recommended by our various groups concerned with the resettlement of displaced persons, and represent an advance toward a workable, just, and humane law.

Do the antireformers consider all these religious organizations lobbies?

Regardless of their politics, the governors of 23 States—including such populous ones as New York, Pennsylvania, Ohio, Indiana, Michigan, Illinois, and California—have appealed to the Congress to liberalize the displaced persons law. Are these illustrious governors lobbyists, seeking to serve some selfish end, or are they in reality the honorable, humanitarian statesmen and patriots which millions believe them to be?

The Democratic platform of 1948—the most authoritative statement of the faith of the true democracy of the Nation—says:

We pledge ourselves to legislation to admit a minimum of 400,000 displaced persons found eligible for United States citizenship without discrimination as to race or religion. We condemn the undemocratic action of the Republican Eightieth Congress in passing an inadequate and bigoted bill for this purpose, which law imposes un-American restrictions based on race and religion upon such admissions.

Is this the pronouncement and pledge of a sinister lobby?

Did the United States Chamber of Commerce attempt to lobby by sending to each Member of the Senate an urgent, written request for favorable action on H. R. 4567, the original House bill?

Shall we spurn the resolutions of the American Federation of Labor and the Congress of Industrial Organizations, and the appeal of the Farm Bureau Federation for favorable consideration of the liberal House bill, on the ground that all these praiseworthy organizations have become lobbies?

Mr. President, when the outstanding associations of religion, American labor, business, and agriculture, and the most distinguished representatives of the clergy, of commerce, of the press, and of the academic and cultural life of America all join in a common plea for the relief of innocent, suffering human beings who are helpless victims of Nazi tyranny, or who are political refugees from the devastating blight of communism, it is time for the Senate to act, and act responsively, instead of evasively hurling charges of lobbying at those who are striving to rescue thousands who, without our aid, will be doomed to perish in despair.

Those whom we have quoted demand a humane displaced persons law. They reject the discriminations of the original act and the committee amendments. They vigorously recommend the humanitarian provisions of the substitute amendments. This recommendation is beneficent and just. It should be unhesitatingly accepted.

THE IMMIGRANTS' CONTRIBUTION TO OUR GENERAL WELFARE

Immigrants have long, generously, and unfailingly contributed their means and brain and brawn to the exalted enterprise of making the United States the greatest Nation in the world. All Americans, except the Indians, are immigrants or descendants of immigrants. Therefore, our traditions, mode of life, political economy, and civil and religious liberties have practically all been brought to us from foreign lands.

The immortal Washington earnestly appealed to his countrymen—

humbly and fervently to beseech the kind author of these blessings to render this country more and more a safe and propitious asylum for the unfortunate of other countries.

The illustrious Jefferson propounded the searching inquiry:

Shall we refuse to the unhappy fugitives from distress that hospitality which the savages of the wilderness extended to our fathers arriving in this land? Shall oppressed humanity find no asylum on this globe?

The wisdom of Washington's admonition, and the implied answer to Jefferson's interrogatory are manifest in the solution of the problem of utilizing atomic energy.

Many non-Jewish scientists rendered great service in solving the riddle of the atom. But it is nevertheless true that without the aid of the profound knowledge and tireless endeavor of the famous Jewish doctors, Albert Einstein, Lisa Meitner, Franz Eugen Simon, Robert Frisch, J. Robert Oppenheimer, and Prof. Rudolf Peierls, we would still be without the atomic bomb. Without the atomic bomb we would, in all probability, have long since been involved in a third world war.

Professor Peierls, who was born in Berlin, fled from German persecution to England in 1933. While Dr. Meitner was investigating the atom, the Nazis expelled her from Berlin University. About the time she made her atomic discoveries she was exiled from Germany because she was a Jewess. The Nazis drove Dr. Frisch from the University of Hamburg and made it necessary for him to seek safety and freedom abroad. But for the Nazi persecution of the Jews, Germany, not the United States, would undoubtedly have become the beneficiary of all that these preeminent scientists had learned about the atom.

A refugee from Mussolini's Fascist dictatorship who escaped penniless from his native country, Enrico Fermi, was entrusted with the dangerous and delicate task of erecting and operating the first plutonium pile at Chicago. His chief associate was a Hungarian refugee, Leo Szilard. Their successful construction and operation of this first pile constitute one of the world's most brilliant achievements in the practical application of theoretical knowledge.

The list does not end with Fermi and Szilard. Samuel Goudsmidt, a Dutch Jewish refugee, Teller, Rabi, Wigner, Weisskopf, and Pauling—all immigrants or refugees—made vital contributions to our stock pile of knowledge of the atom.

It is perhaps too much to believe, but certainly not too much to hope, that our comparatively few but extremely energetic race haters, regardless of their rank or station, will fully realize that these staggering losses of intelligence, invention, and discovery by the Nazis were caused by stupid bigotry and senseless cruelty. If our noisy, reckless little Hitlers cannot, for righteousness' sake, restrain their hatred and their vilification of the racial and religious minorities in our midst, they should, for the selfish purpose of promoting their own welfare and that of their country, forsake their evil ways before their folly afflicts the people of the United States with losses similar to those which the Axis Powers suffered as the result of scourging Jewish genius, Jewish material wealth, and Jewish spiritual blessings from their wicked lands.

At one time our enemies in the last war had within their control most of the brilliant minds which conceived the first atomic bomb. They lost them because of their abominable policy of racial and religious persecution. Not our vast material resources nor our great generals nor our renowned scientists gave us all our leadership in the field of atomic energy. Our grant of asylum and the assurance of freedom to those willing to help bear our burdens, fight our battles, and share our fate rendered possible our absolute supremacy in the atomic field.

If the proposed committee amendments had been in effect, it is doubtful whether any of the refugee scientists who transmuted into reality the fantastic dream of the atom bomb would have been able to enter the United States.

Every hour of our history presents a fresh refutation of the error of the views that we should now repudiate the principle of asylum; that tolerance has ceased to be a virtue; and that humanitarian service is a luxury which the American people can no longer afford.

Mr. President, let me entreat the Senate to accept the substitute amendments as a whole. They do not contain certain provisions which the distinguished Senator McGrath, now Attorney General,

and I included in S. 311 which we introduced more than a year ago; they are, in some particulars, less desirable than the House bill. But they nevertheless propose marked improvements over the committee recommendations. If adopted, they would blot out the most obnoxious features of the 1948 act.

Let us reject the proposed committee amendments which would leave unimpaired most of the present law's discrimination and prejudice and which would diminish the act's effectiveness and increase the hardships of its operation.

Let us, by adopting the substitute amendments, prepare fully to cooperate with all the other nations of good will in relieving distress and providing opportunities for the enjoyment of life by the penniless, persecuted, and deserving displaced persons who now hopefully and prayerfully await the extension of our strong and generous helping hands.

Let us provide an adequate opportunity for our full share of the worthy displaced persons of Europe to come unto us, to the end that they may find prosperity, happiness, and peace for themselves and severally enrich this Nation as it was enriched by the hero of the following story:

At a meeting of school children in New York to celebrate the Fourth of July, one boy, a descendant of native Americans, spoke as follows:

"I am an American. My father belongs to the Sons of the Revolution; my mother belongs to the Colonial Dames; one of my ancestors threw tea overboard in Boston Harbor; another stood his ground with Warren; another hungered with Washington at Valley Forge. My forefathers were of America in the making. They cleared her forests, they commanded her ships. They spoke in her council halls, they died on her battlefields. Dawns reddened and paled; stanch hearts of mine beat faster as each new star was added to the Nation's flag. Keen eyes of mine foresaw this Nation's greater glory, the sweep of her seas, the plenty of her plains, the man-hives in her billion-wired cities. Every drop of blood in me holds a heritage of patriotism. I am proud of my past. I am proud that I am an American."

Then a foreign-born boy arose and said:

"I am an American. My father was an atom of dust; my mother was a straw in the wind to his serene majesty; one of my ancestors died in the mines of Siberia; another was crippled for life by 20 blows of the knout; another was killed defending his home during a massacre of the peasants. The history of my ancestors is a trail of blood to the palace gate of the great white czar. But then a dream came—the dream of America. In the light of liberty's torch, the atom of dust, which was my father, became a man, and the straw in the wind, which was my mother, became a woman for the first time.

"'See,' said my father, pointing to an American flag that fluttered near, 'that glorious banner of stars and stripes is yours. It is the emblem of the promised land. It is, my son, the sublime hope of the humanity of all the world. Live for it. If need be, fight for it. If necessary, die for it.'

"Under the open sky of my new country I swore to obey my father's admonition, and every drop of blood in my veins will keep that vow. I am proud of my future. I am proud that I, too, am an American."

Mr. President, let us, by the adoption of the substitute amendments, prove ourselves worthy of fellowship with this exemplary, patriotic immigrant boy. Thus, let us demonstrate our gratitude to him and pave the way for boys of his nobility, who are languishing in displaced-persons camps, to come here to help him and us fight battles for democracy, win victories for humanity and so fortify our priceless heritage of righteousness, happiness and peace that it will continue to bless us and our posterity forever.

By the final vote, let us—

Throw out the lifeline to danger-fraught men,
Sinking in anguish where we've never been.
Soon will the season of rescue be o'er,
Soon will they drift to eternity's shore.
Haste then, my brothers, no time for delay,
But throw out the lifeline and save them today.

Mr. HUMPHREY. Mr. President, at this moment I wish to pay tribute to the marvelous, moving, stirring, and inspirational address which has just been delivered by our distinguished colleague, the junior Senator from West Virginia [Mr. NEELY]. The Senator from West Virginia has stated the case for the substitute amendments sponsored by himself, the Senator from Michigan [Mr. FERGUSON], the Senator from North Carolina [Mr. GRAHAM], the Senator from West Virginia [Mr. KILGORE], and other Senators, to the displaced-persons bill; and he has done so in a manner which should appeal to all decent, righteous, and fair-minded men and women. I think he has served more or less as a prophet in our midst, and has reiterated the words of the Good Samaritan.

As one of his colleagues and friends, I wish to express my deep gratification and personal tribute for the manner in which he has stated the case and urged the Congress of the United States to live up to its great heritage as a parliamentary institution of a free people.

I hope every Senator will read the remarks of the distinguished junior Senator from West Virginia, and not only will read them but will read them in the spirit of humility, of understanding, and of compassion, because that is the tone in which the address was delivered. His profound understanding of the humanitarian motivation of the so-called displaced persons legislation brings great comfort and joy to my heart, and I know that if his words could be heard by the 150,000,000 Americans whose hearts are good and true, there would be no doubt as to how this proposed legislation would finally be written and sent to the President for his signature.

So, as one of its colleagues, I say again, thank God that we have men of such conviction and of such profound understanding, and I feel it a great honor to serve in a body of men dedicated to the proposition of human freedom, where one of those men is such as our colleague from West Virginia.

ORDER OF BUSINESS

Mr. CHAVEZ and Mr. LEHMAN addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). The Senator from New Mexico.

Mr. CHAVEZ. I ask that amendment A to the bill H. R. 5472 be taken up at this time.

Mr. HUMPHREY and Mr. LEHMAN addressed the Chair.

Mr. LEHMAN. Mr. President, will the Senator yield for half a minute's time?

Mr. CHAVEZ. Mr. President, I said yesterday that this bill has been delayed for 6 months. I have been patient and tolerant. I know that even my good friend from New York is interested in the provisions of this bill, because he has asked that some amendments be considered in connection with the bill, and I insist on the regular order. I do not have in mind anything the Senate may have agreed to heretofore by way of unanimous consent, but I will not yield for any other purpose.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Is it not true that there is the unanimous-consent agreement that the Senator from New Hampshire shall address the Senate?

Mr. BUTLER. That is the understanding.

Mr. CHAVEZ. I understand that, but we cannot wait all day for the Senator. I ask for the regular order.

The PRESIDING OFFICER. Unanimous consent has been granted for the Senator from New Hampshire to address the Senate at this time.

Mr. HUMPHREY. Mr. President, the Senator from New Hampshire does not seem to be present, and while I am most desirous of cooperating with the Senator from New Mexico, I, as the acting majority leader, feel somewhat compelled to follow the unanimous-consent arrangement. May I again inquire of the Chair as to whether it is necessary that we follow the unanimous-consent agreement?

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. The Chair holds that it is necessary. If the Senator from New Hampshire were on the floor, the present occupant of the chair would recognize him.

Mr. McCARTHY, Mr. McCARRAN, and Mr. CHAVEZ addressed the Chair.

Mr. BUTLER. I suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. The junior Senator from Minnesota has the floor.

Mr. HUMPHREY. I suggest that the Senate proceed with the business at hand, which is in charge of the Senator from New Mexico, but I may say that when the Senator from New Hampshire comes in, it appears to me that he should be permitted to have the opportunity of fulfilling his unanimous-consent arrangement to proceed with his remarks.

Mr. CHAVEZ. Mr. President, I do not object to the unanimous-consent agreement but the three or four amendments which have been submitted by the committee could be acted on while we are waiting for the Senator from New Hampshire under the unanimous-consent agreement.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. BUTLER. If we proceed under the unanimous-consent agreement, and

the Senator from New Mexico is allowed to proceed temporarily, am I correct in understanding that the Senator from New Hampshire may take the floor when he arrives?

Mr. CHAVEZ. Certainly.

The PRESIDING OFFICER. The Chair would hold that he can be recognized any time he is on the floor.

Mr. BUTLER. I suggest we allow the the Senator from New Mexico to proceed with the presentation of his amendments.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. CHAVEZ. I ask consideration of amendment A of the committee amendments.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 53, after line 15, it is proposed to add the following:

> The sum of $1,500,000 additional is authorized to be appropriated and expended by the Federal Power Commission for carrying out any examinations and surveys provided for in this act or any other acts of Congress, to be prosecuted by the Federal Power Commission.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. McCARRAN and Mr. McCARTHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. McCARRAN. Mr. President, I ask unanimous consent out of order to insert in the RECORD certain articles, editorials, statements, and resolutions bearing on the subject of displaced persons.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCARTHY. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I have some remarks that will take some considerable time.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. HUMPHREY. Does not the Senator from New Mexico have the floor?

The PRESIDING OFFICER. No. He cannot hold the floor indefinitely.

Mr. HUMPHREY. The Senator from New Mexico has not yet yielded the floor, has he, Mr. President?

The PRESIDING OFFICER. The Senator from New Mexico called up an amendment. The amendment was agreed to, and then the floor was again open.

Mr. HUMPHREY. Mr. President, it was my understanding that the Senator from New Mexico was about to explain the amendment before there was any vote taken on the amendment. It is the intention of the acting majority leader to have a quorum call, before we act on any of these amendments. I believe that is only fair and appropriate.

Mr. CHAVEZ. Then I shall make a motion to reconsider.

The PRESIDING OFFICER. Is there objection to reconsidering the vote by which the committee amendment lettered A was just adopted? The Chair hears none, and it is so ordered.

Mr. McCARTHY. Mr. President, I understand I have the floor, in which case I shall be glad to yield to the Senator from New Mexico to make any remarks he cares to make. The question is, Do I have the floor at this time?

The PRESIDING OFFICER. The Chair recognized the Senator from Wisconsin.

Mr. McCARTHY. I ask unanimous consent to be allowed to yield, so that the Senator from New Mexico may finish his remarks.

The PRESIDING OFFICER. Is there objection to the request?

Mr. HUMPHREY. I object.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. McCARTHY. I am glad to yield.

Mr. HUMPHREY. Mr. President, it was my understanding that the Senator from New Mexico was bringing before the Senate the unfinished business, namely, the bill, H. R. 5472, and that, in connection with the committee amendment lettered A, he desired an opportunity to explain it. In the meantime, the Senator from Wisconsin obtained recognition by the Chair, without the Senator from New Mexico having yielded the floor. I ask for a clarification of the parliamentary situation, because the Senator from New Mexico has not yielded the floor; he is still on his feet; he has not resumed his seat.

The PRESIDING OFFICER. The Chair ordered the amendment stated for the information of the Senate. After the amendment was stated, it was before the Senate, and, there being no one interested, seemingly, or specially, the Chair put the question, and the amendment was agreed to. Thereafter, the vote by which the amendment was agreed to was reconsidered. It is within the province of the Chair to recognize any Senator who seeks recognition, but the Chair holds that a Senator may not take the floor and hold it indefinitely when other Senators seek recognition——

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. That is especially true, when business is being transacted, when amendments are being taken up and considered. The Senator from New Mexico will state the inquiry.

Mr. CHAVEZ. Will the Senator from Wisconsin yield in order that I may propound a parliamentary inquiry?

Mr. McCARTHY. I am very glad to yield.

Mr. CHAVEZ. As I understand, after I called up the amendment, which was read to the Senate, the amendment was subject to discussion.

The PRESIDING OFFICER. That is correct.

Mr. CHAVEZ. Based on that, the Senator from Wisconsin addressed the Chair and received recognition. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HUMPHREY. Mr. President——

Mr. McCARTHY. I may say at this time, I have no desire whatever to prevent the Senator from New Mexico discussing his amendment, and I shall be glad to yield to him, if I can get unanimous consent, so that I shall not thereby lose the floor.

Mr. CHAVEZ. Mr. President, I wish to say, in order to clarify the matter, there are but three or four committee amendments, to which there is no opposition whatever. They are regular committee amendments affecting the pending bill. After they have been acted upon, I should have no objection, whoever gets the floor I think we should make some headway on the program.

Mr. McCARTHY. Then, Mr. President, I ask unanimous consent that I may yield to the Senator from New Mexico, in order that he may present his amendments, and that I may do so without losing the floor.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Reserving the right to object——

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. MORSE. Mr. President, I am sure I find myself in agreement with the Senator from New Mexico on the amendments. Nevertheless, I think it is of great importance that we at all times protect the rights of Members of the Senate, within the precincts of the Senate. The junior Senator from Oregon is greatly disturbed about a tendency he has noted in the Senate to overlook the rights of minorities within the Senate. At a later hour, I shall discuss what I think is a very unfortunate precedent which was established yesterday in regard to the rights of Senators in connection with quorum calls. In order to make certain that my colleagues in the Senate are fully informed as to the contents of these amendments, with which I find myself in agreement, I cannot give my consent to the request of the Senator from Wisconsin, unless we can also have the understanding that he will yield for the purpose of a quorum call at this time.

Mr. HUMPHREY. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Is it not the situation that there is already a unanimous-consent agreement permitting the Senator from New Hampshire [Mr. BRIDGES] to address the Senate, which unanimous-consent agreement is still in effect?

The PRESIDING OFFICER. The Chair understands there is. But the Senator who has the permission is not on the floor and therefore cannot be recognized.

Mr. McCARTHY. Mr. President, before I yield any further, I may say I had discussed the unanimous-consent agreement with the Senator from New Hampshire, and he said he would forfeit his right under the unanimous-consent

agreement, in order that I might address the Senate today upon the matter about which I am going to speak. But I should like——

Mr. CHAVEZ. Mr. President——

Mr. McCARTHY. I should like, of course, to accord the Senator from New Mexico the right to make the remarks which he wants to make. I cannot do that, of course, without unanimous consent, without losing the floor.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from New Mexico?

Mr. McCARTHY. I am glad to yield.

Mr. CHAVEZ. Reserving the right to object—and I think it has gone beyond the right to object now—the Senator from Wisconsin was given the right in his own right to occupy the floor.

Mr. McCARTHY. That is correct.

Mr. CHAVEZ. And he did so. The Senator has a right to discuss any amendment, even if he talks about some other matters, as I understand he intends to do. I also agree with the Senator from Oregon that the rights of the Senator should be protected. All I ask is that, pending that discussion—and the Senator from Wisconsin has agreed—we proceed for at least 4 or 5 minutes with noncontroversial committee amendments to the pending bill, which is now before the Senate, without the Senator from Wisconsin losing the floor.

Mr. MORSE. Reserving the right to object, the Senator from New Mexico says that the amendments are noncontroversial. I am satisfied they are noncontroversial, but none of us can speak for the other Members of the Senate who are not present. There may be a colleague who believes the amendments to be entirely controversial, for aught I know. Therefore, Mr. President, I must hold to my general practice of insisting upon a quorum call before business is transacted in the Senate. Absent Senators were not aware of the fact that these amendments were going to be presented. I think it is only a matter of fairness to them that the absence of a quorum be suggested. Therefore I shall object to the consideration of the amendments until a quorum is present.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield for the suggestion of the absence of a quorum?

Mr. McCARTHY. I shall be glad to yield for that purpose, if by so doing I shall not lose the floor.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ecton	Ives
Anderson	Ellender	Jenner
Bricker	Ferguson	Johnson, Colo.
Bridges	Flanders	Johnson, Tex.
Butler	Frear	Johnston, S. C.
Byrd	Fulbright	Kefauver
Cain	Gillette	Kem
Capehart	Gurney	Kerr
Chapman	Hayden	Kilgore
Chavez	Hendrickson	Knowland
Connally	Hickenlooper	Langer
Cordon	Hill	Lehman
Darby	Hoey	Lodge
Donnell	Holland	Long
Douglas	Humphrey	McCarran
Dworshak	Hunt	McCarthy
McClellan	O'Conor	Thomas, Okla.
McFarland	O'Mahoney	Thomas, Utah
McKellar	Robertson	Thye
McMahon	Russell	Tobey
Magnuson	Saltonstall	Watkins
Malone	Schoeppel	Wherry
Millikin	Smith, N. J.	Wiley
Morse	Sparkman	Williams
Mundt	Stennis	Withers
Murray	Taft	Young
Neely	Taylor	

The PRESIDING OFFICER. A quorum is present.

Mr. McCARTHY. Mr. President, I now ask unanimous consent that I may yield for not to exceed 10 minutes to the Senator from New Mexico to present his amendments, and that thereafter I may yield for a short statement by the Senator from New York, with the understanding that no other matters will be brought up except the committee amendments, and that if the consideration of the committee amendments takes more than 15 minutes, let us say, I may refuse to yield further, and that I shall not yield the floor.

Mr. WHERRY. Mr. President, this is in the nature of a unanimous consent request, and reserving the right to object, I may say that I do not know anything about the amendments the distinguished Senator from New Mexico would like to have adopted. I suppose they are committee amendments which came from the committee, probably after the bill was written up, but inasmuch as we will be asked to act on the amendments, I feel that it would not be in the interest of orderly procedure to try to act on them in a hurry, if that is what will be attempted.

Mr. CHAVEZ. Mr. President——

Mr. WHERRY. I am reserving the right to object.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. WHERRY. While I am in total sympathy with the effort of the Senator from New Mexico to get his bill acted on, inasmuch as 10 minutes is the time to be allotted to the consideration of the amendments, I feel that an objection should be made, and that the Senator from Wisconsin should proceed, and that after the Senator from Wisconsin has concluded, the amendments may be taken up and acted on in an orderly fashion.

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Nebraska object?

Mr. WHERRY. I object.

The PRESIDING OFFICER. The Senator from Nebraska objects. The Senator from Wisconsin is recognized.

Mr. McCARTHY. Mr. President, the senior Senator from New York [Mr. IVES] has indicated that he has a very brief statement which he is interested in getting into the RECORD.

The PRESIDING OFFICER. The Senator from Wisconsin asks unanimous consent that the Senator from New York be permitted to make a brief statement without the Senator from Wisconsin losing the floor.

Mr. WHERRY. I object, for the same reason.

The PRESIDING OFFICER. The Senator from Nebraska objects. The Senator from Wisconsin.

COMMUNISTS IN GOVERNMENT SERVICE

Mr. McCARTHY. Mr. President, for the convenience of the press mainly, I ask unanimous consent to have my entire speech inserted in the RECORD at this time.

Mr. ANDERSON. Mr. President, I am not quite sure that I understood the request.

The PRESIDING OFFICER. Let the Chair state the request. The Senator from Wisconsin asks unanimous consent that his speech, and the Chair presumes he means his written speech, which he has in front of him, be placed in the RECORD at this point. Is there objection?

Mr. ANDERSON. Mr. President, I object. I think he should read his address. I believe objection always has been urged to such procedure as that suggested.

Mr. McCARTHY. Let me make myself clear. I intend to read the address, but members of the press came to me and asked if I would not have it introduced into the RECORD before I started to read it, for their convenience.

The PRESIDING OFFICER. Does the Senator from New Mexico object?

Mr. ANDERSON. I object.

The PRESIDING OFFICER. Objection is heard. The Senator from Wisconsin will proceed.

Mr. McCARTHY. Mr. President, first I should like to pay tribute to 13 people who have been of unlimited help to me in this matter, and without whose night and day work it would not have been possible to assemble the facts which have been assembled to date. If the work is effective in accomplishing what we hope it will, the thanks of the Senate should go to those people, who are my staff.

I shall be glad to yield freely during the speech. However, I crave the indulgence of Senators not to ask me to yield until I have reached the point of presenting certain documentary evidence in the Lattimore case. I believe that questions asked of me before that time would be premature. Therefore, I shall decline to yield until I have presented certain documentary evidence in the Lattimore case.

Mr. President, before going into matters which I think might be of interest to the Senate in the Lattimore, Jessup, Service, and Hanson cases, I thought it might be well to clear the air and record in regard to two matters.

As the Senate knows, there has been considerable criticism by a number of well-meaning people of the naming of names in public before the individuals have had an opportunity to be heard.

It might be well, therefore, to briefly cite the record as to why names have been named in public rather than in private. On the 20th of February, as the Senate will recall, I gave to the Senate in some detail 81 cases of individuals whom I stated the files indicated ranged all the way from being bad security risks to very dangerous individuals.

At that time I pointed out that perhaps some of those individuals would be able

to produce facts to offset the effect of the material in the files and show that they were actually loyal employees. I stated in effect—and while I have not had an opportunity to check the number of times in the record, my office tells me that I did so over a dozen times—that I would consider it extremely improper and unfair to name names in public before the individuals had a chance to appear in executive session.

The leader of the majority [Mr. LUCAS], however, on five separate occasions demanded that the names be publicly named. His first demand was on page 1953 of the RECORD. Again on page 1955, he had this to say:

I want to remain here until he names them. That is what I am interested in.

Again on page 1959, he said:

Will the Senator tell us the name of the man for the RECORD? We are entitled to know who he is. I say this in all seriousness.

Again on page 1963, he said:

The Senator should name names before that committee.

Again on page 1973, he said:

Why does the Senator refuse to divulge names before the Senate?

The very able Senator from Kentucky [Mr. WITHERS] also on almost countless occasions asked me for the names, stating on page 1973:

Does the Senator realize that I, like all others, am curious to know the names? When the Senator gives the cases, the people and the country at large are entitled to know who they are.

At that time, in answer to the urging of the Senator from Illinois and the Senator from Kentucky, I stated that I would not give the names in public unless a majority of the Senate demanded that they be made public, and this is all a matter of record.

After the subcommittee had been appointed and the Senator from Maryland [Mr. TYDINGS] made chairman, he saw me on the floor of the Senate and stated that a public hearing had been scheduled, and asked if I would be ready to appear and testify. At that time I urged that the hearings be in executive session, and reminded him of the statements which I had made on the Senate floor.

He informed me that the first hearings would be public, and that later we would go into executive session. Later I was informed by the press that the Senator from Maryland had made the statement that I could present my cases as I saw fit. I again contacted him and told him that if that were the case, I thought the names should be given in executive session, but was again informed that the first hearings would be public.

I then contacted my colleague, the Senator from Iowa [Mr. HICKENLOOPER] and told him that while I thought this might be good politics for the majority members of the subcommittee because of the position in which it would place me, it was so unfair to some of the individuals who might be able to produce evidence giving them a clean bill of health, that something should be done.

The Senator from Iowa informed me there was nothing that he or the Senator from Massachusetts [Mr. LODGE] could do because the Senator from Maryland had made the announcement that the first hearings would be open, and it was not even brought to a vote, inasmuch as the Senator from Connecticut [Mr. MCMAHON] and the Senator from Rhode Island [Mr. GREEN] so obviously went along with him. I do not like to take the time of the Senate on this point, but so much has been said about it in the press that I think the RECORD should be made absolutely clear.

At the time of the first public hearing, after I had begun to testify, and had already passed out to the members of the press the first case covering Judge Kenyon, the Senator from Maryland [Mr. TYDINGS] then told me that if I cared to we would go into executive session. He, of course, knew full well that to go into executive session, so far as the Kenyon case was concerned, would be meaningless, after I had commenced the case and handed the evidence thereon to the press.

I had tried to make it clear that the Kenyon case was presented as one of a sequence which I had hoped to present the first morning, that is, if I had been allowed to proceed. I felt that it was important, not so much from the standpoint of Judge Kenyon but rather as a typical case, to show the complete incompetence of the loyalty board for the reason that in this case the files contained more than 28 documents showing membership in organizations listed as subversive or Communist front—that regardless of this, the loyalty board never even went through the motions of asking the judge for an explanation as to why she joined these organizations, which the Secretary of State himself had stated were evidence that an employee was a bad security risk.

After being held to the Kenyon case by what I considered rather petty bickering for 2 days during which, according to my staff, I occupied approximately 5 percent of the time, the committee adjourned over the week end and stated that Judge Kenyon would be called as a witness.

The chairman of the committee then magnanimously offered that the other cases which I was prepared to present the first day be given in executive session. I do not condemn or criticize the chairman for this maneuver. It was extremely clever. However, after presenting one case to show how the loyalty board worked, a case which happened to be a lady judge, it would seem unusual in the extreme that the committee retire into executive session to consider the cases of those prominent State Department officials in whose activities the public was so vitally interested.

I might say that, while at the time I felt that the Senator from Illinois was wholly wrong in demanding the names be made public and while I originally was very much disturbed by the very clever maneuvering of the Senator from Maryland [Mr. TYDINGS] in getting the names into public print, I am not too sure that perhaps some good has not been accomplished.

After all, an individual who takes a high Government position must realize that for the good of the country his actions and motives should be subjected to the closest scrutiny. After all, the aims and objectives of the group who have been formulating a rather disastrous far eastern policy should be subjected publicly to a cold and searching light. Therefore, I am not too sure that the Senate majority leader and the chairman of the committee may not have performed a service to the country when one insisted that the names be made public and the other maneuvered those names into the public press.

Incidentally, later today, I intend to discuss those who think we should write off this entire investigation because it might cause some suffering to the families of the betrayers of America, while at the same time forgetting the vast amount of suffering of the families of the hundreds of millions whom they have betrayed.

Again, Mr. President, I am going to take a very brief time to clear the air on another matter, which normally would not be considered of sufficient importance to be referred to, but it has received so much attention by the members of the committee and others that I feel impelled to mention it.

Since my Lincoln Day speech, there has been confusion in the minds of some as to the figures used. At every meeting, or in discussing the matter with the press, I used both the figure 205 and also the figure 57. It might be well briefly to review the situation to which each of those two figures apply, especially so in view of the fact that there have been those who have argued that my use of two different sets of figures proves that my information in regard to bad security risks, fellow travelers, and so forth, is false. As to the 57, I said:

I have in my hand 57 cases of individuals who appear to be either card-carrying members or certainly loyal to the Communist Party.

Now as to the figure 205. I shall first read to the Senate a letter written by the then Secretary of State, Byrnes, at the inception of the so-called loyalty program. This letter was written to Representative SABATH and appeared in the CONGRESSIONAL RECORD on August 1, 1946, on page A4892. The letter, which deals with the number 205, reads as follows:

DEPARTMENT OF STATE,
Washington, July 26, 1946.

DEAR ADOLPH: I have yours of May 24 expressing your concern with respect to certain allegations made on the floor of the House to the effect that "hundreds, if not thousands, of employees have been eliminated from the State Department by the screening committee because of communistic leanings or activities or membership." Such statements are incorrect—

I am reading from Secretary Byrnes' letter. I should point out that at that time Secretary Byrnes was under rather heavy criticism from some of the more left-wing elements who claimed that he was indiscriminately firing people because of their left-wing leanings, and

this letter appeared to be in answer to that. He said:

Such statements are incorrect and do a grave injustice not only to the employees of the Department but to Government employees as a whole, the great majority of whom are loyal American citizens. I therefore welcome this opportunity to answer your specific questions in the order in which they are presented.

(1) Pursuant to executive order, approximately 4,000 employees have been transferred to the Department of State from various war agencies such as the OSS, FEA, OWI, OIAA, etc. Of these 4,000 employees, the case histories of approximately 3,000 have been subjected to a preliminary examination, as a result of which a recommendation against permanent employment has been made in 284 cases—

I believe this is a misprint; I believe it should be 285, but I am not sure—

by the screening committee to which you refer in your letter.

(2) Of the 284 individuals who have been the subject of adverse recommendation as indicated in (1), above, the services of 79 have been terminated.

Senators will understand the Secretary was referring to the board which the President had appointed to screen the State Department employees, and recommend who should be discharged because of their disloyalty or because they were bad risks.

(3) Of the 79 actually separated from the Service, 26 were aliens and therefore under "political disability" with respect to employment in the peacetime operations of the Department. I assume that factor alone could be considered the principal basis for their separation.

(4) With respect to the 79 thus separated, the following break-down is submitted:

Aliens	26
Failure to comply with foreign-service regulations, such as citizenship for 15 years prior to foreign assignment and other reasons disqualifying the individual for service abroad	13
Close connections or involvement with foreign governments or their organs, past records indicating a high degree of security risk, etc	40
Total	79

The Department is equally concerned with disclosing subversive activities or associations of all kinds whether Communist, Nazi, or Fascist, in any employees present or prospective.

(5) Because of the security considerations involved in the mission of the screening committee, I do not feel at liberty to disclose publicly the identity of its membership. This committee, incidentally, has no power or authority to eliminate anyone from employment in the State Department. It simply makes recommendations which the Assistant Secretary for Administration may accept or reject in whole or in part in the light of all the relevant evidence.

I call the Senate's attention to the fact that such is still the situation. The Loyalty Board of the State Department has no power whatsoever to discharge any employees, nor has the Review Loyalty Board of the Civil Service Commission. The Review Loyalty Board of the Civil Service Commission can do what they did in the Service case. They can pick up the ball and say, "We are not satisfied with the clean bill of health you gave this man. Send the case back to the Loyalty Board." Then the Loyalty Board is free to do as it sees fit, unless it is reversed, of course, by the Secretary.

I continue to read Secretary Byrnes' letter:

I hope what I have said above corrects any misapprehensions which you may have entertained as to the Department's personnel policy. Like any other administrative mechanism, it is not perfect. However, I am entirely clear that it has been fair to the Department's employees in its operation. It is my firm intention to see that it remains fair.

Sincerely yours,

JAMES F. BYRNES.

I then pointed out at various meetings, either in speeches or in discussing the matter with members of the press, that out of the first group of 3,000 employees which was less than 20 percent of the total of the 16,000 who were working in the Department, 284 according to the Secretary's letter were found to be dangerous security risks. I called attention to the fact that for some unexplained reason the State Department insisted on keeping 205 of those whom the President's own security board—appointed for that purpose—named as dangerous security risks. I further pointed out that while I did not have the exact figure on the number adversely ruled on by the subsequent screening of the balance of 13,000 employees of the State Department the modus operandi was the same in subsequent cases; namely, first the security board investigating and, apparently, doing a fairly good job of investigating, and then placing its finger upon individuals that are dangerous from the security standpoint and the State Department discharging a few and retaining the rest. Just so there can be no future doubt or mistake about these figures, let me repeat the figure 205 was used in connection with the Secretary of State's letter to the effect that they were not discharged even though the security board labeled them as dangerous security risks.

As I have said previously, I do not know how many of those individuals are still in the State Department. How many of those names appear in the list I gave the Senate committee I do not know, but we can assume that it is that sizeable number.

The figure of 57 referred to what I called individuals who appeared to be either members of the party or certainly loyal thereto.

Since my Lincoln Day speaking tour, during which I made the statement that I had the names of 57 individuals who were either members of or at least loyal to the Communist Party, a great number of phrases have been interchangeably used, such as card-carrying Communist, fellow traveler, disloyal people, and bad-security risk. Which of those phrases is properly applicable to each of the cases I gave the committee, only complete and painstaking investigation will tell.

A new phrase, however, which might well apply to some of the most dangerous individuals in our State Department—that is, from the American point of view—is bad-policy risk.

By "bad-policy risk," I mean individuals who influence or shape official United States policy, which forwards the interests of totalitarian communistic half of the world at the expense of the free God-fearing half of the world. Whether the individual acts thus because of disloyalty or merely because of stupidity is sometimes relatively unimportant.

The question which I feel should concern the Senate and the country infinitely more than the question of whether any of the particular individuals named have actually paid their dues and carry a Communist Party card, is the question of whether or not—either because of design or for any other reason—they are actually devoted to the interests of this the Nation which has given them the high positions which they hold.

The more deeply I delve into this subject, the more I am convinced that two distinct but at the same time interlocking areas of operations are almost completely controlled and dominated by individuals who are more loyal to the ideals and designs of communism than to those of the free, God-fearing half of the world. I refer to the Far Eastern Division of the State Department and to the Voice of America.

Let me make it clear that in referring to those two divisions, I do not include all of the employees. I realize full well that of the thousands of employees in the State Department, all but a small percentage are honest and loyal Americans. But that small percentage can and has been doing almost untold damage. The State Department is the lifework of most of those employees. They have given to it years of service, unquestioned loyalty; and they have served it with great pride.

In the far-flung places of the world, those loyal men and women have spent their lives and exercised all their ingenuity to give to their department and their Government every possible bit of information and advice they consider useful.

Career employees of the State Department, by virtue of their long residence in every foreign country on the globe and their close association and, many times, friendship with citizens and officials of those countries, have had access to, and have reported on, every phase of economic and political affairs in the nations to which they are attached. Those are the real experts of the State Department.

It is a tragedy when we find the advice and experiences of such outstandingly able employees stored in a multitude of steel filing cabinets and disregarded, while the Department of State's closed corporation of untouchables call upon pro-Communist idealists, crackpots, and, to put it mildly, bad security risks to advise them on American diplomatic policy.

Two weeks ago I presented to the foreign relations subcommittee some documentation on a Mr. Owen Lattimore. I referred to Mr. Lattimore at that time as a bad security risk. That was at the public hearing. I should have also referred to him by the additional and more appropriate designation of "bad policy risk."

Subsequently, in executive session, I told the subcommittee that I thought

this man was one of the top Communist agents in this country. Today, I intend to give the Senate some documentation to show that he is a Soviet agent and also that he either is, or at least has been, a member of the Communist Party.

I realize that this is an extremely shocking statement.

The State Department publicly labels this man as its outstanding authority in the Far East. He is also, and I believe rightly so, described as the architect of our far-eastern policy. Therefore, a charge that this man is an agent of Russia and a member of the Communist Party is one that can be made only after the most deep and painstakingly thorough study. If lightly made without adequate proof, it would be irresponsible to a most alarming degree. On the other hand, anyone in the important and responsible position of a Senator who had such information and failed to make it known to the public would be guilty of worse than treason.

Some time ago I worked on the so-called 5-percenter investigation, where I had the honor of serving with the most able Democratic chairman, the Senator from North Carolina [Mr. HOEY], as well as with other members, both Democrats and Republicans, who in my opinion operated in a completely nonpolitical manner. Since that time, certain loyal and disturbed Government employees apparently have felt it their duty to give to me information in regard to individuals and activities which they consider dangerous to this Republic of ours.

The increasing pile of evidence which I have accumulated since that time in regard to individuals holding high positions in our Government—and with apparently not even the remotest sense of loyalty or responsibility to this Nation—has created in me a deep and disturbing fear as to the final result of their activities.

Let us take the case of Owen Lattimore, for example. When his activities first were brought to my attention, the first reaction was, "Why not take this to the President or the Department of Justice?" However, I then recalled two rather famous cases. First, the Hiss case, in which even after a complete exposition of his treasonable acts by the House Un-American Activities Committee, the President shrugged it off with wisecracks, apparently honestly feeling that the only purpose of the committee in exposing traitors high in Government was to hamper him politically. That attitude, the Senate will recall, the President retained even after Hiss' indictment, when the President referred to this as a red herring. This, of course, could mean only one thing to me—namely, that taking a case of the same or even more serious nature to the President would result in the same red-herring treatment.

The next question which occurred to me was, of course, "Why not go to the Justice Department?" While we have a new Attorney General whom I personally like and respect, I could not help but remember that at the time of the Service case, we also had an apparently able Attorney General. It will be recalled that in that case the FBI, after months of painstaking work by scores, or perhaps hundreds of agents, developed what J. Edgar Hoover, the head of the Department, publicly referred to as "a 100-percent airtight case" of espionage and treason.

J. Edgar Hoover, as everyone knows, is not known for overstating his case. I am sure we all agree that he is the ablest law-enforcement officer in this Nation and, I think, in the world. When he stated that after the tremendous amount of labor put into that case, it was a 100 percent airtight case of treason and espionage, I believe most of us would be willing to rely on his judgment on the case.

Strangely, however, after the arrest of six suspects in that case of treason, there was an unusual sequence of events, resulting in a most fantastic finale. The curtain was rung down when a young Department of Justice attorney disposed of Hoover's six 100-percent airtight cases of treason with a statement to the effect that he could cover all of the facts in that case in less than 5 minutes, and then proceeded to assure the court that there was not the slightest indication of disloyalty.

Obviously, with that treatment by the administration of the carefully investigated and developed case which the head of the FBI called a 100-percent-airtight case of treason, I felt that the Department of Justice was not the correct place to take what I consider an even more dangerous case.

The next question is, Where should it be taken? The answer, I think, is inescapable: to the 140,000,000 American people. That is where I have been taking it, and where I shall continue to take the cases of those whom I consider a danger and threat to this Republic.

When I commenced this work, I realized the fact that the odds were greatly against bringing it to the successful conclusion of cleaning out that small but dominant percentage of disloyal, twisted, and, in some cases, perverted thinkers who were rendering futile the Herculean efforts of the vast number of loyal Americans in the State Department who have been even more deeply disturbed than I have been at the way the world is being rapidly delivered to communism.

In discussing this matter with some of my friends before launching upon this project, they pointed out to me the apparent futility of the task, and that the road has been strewn with the political corpses of those who have dared to attempt an exposure of the type of individuals whom I intend to discuss today.

They pointed out to me the obvious fact that those in this Nation who are part of a Communist world-wide conspiracy would stop at nothing in order to attempt to discredit and hamper any effort toward a long-needed housecleaning.

This has been amply proven over the years, and certainly to some additional extent over the past 4 or 5 weeks. In fact, the word has gone out that if only this investigation can be caused to fail, if in this case those who may exert efforts to make it succeed can be sufficiently smeared and discredited, then no one will dare to probe into such devious and smelly passages until it will be too late.

However, over the past few weeks tens of thousands of disturbed American people have written urging that this housecleaning—perhaps I should say rodent-destroying—task be continued. This has given me even greater and renewed confidence in the good common sense and inherent decency of the 140,000,000 people who make up this Nation.

Many of those people have expressed a deep concern for fear that I may quit this fight. I want to assure them now that, in the words of John Paul Jones, "I have just begun to fight."

In connection with the Lattimore case, I have here several documents which might be of some interest. I also have the name of a witness which I am turning over to the Federal Bureau of Investigation. This witness has been used by the Justice Department as a Government witness in another matter. The Department has trusted his veracity and publicly indicated confidence in his truthfulness.

This man will testify substantially as follows:

That he has been a member of the Communist Party for a number of years; that he was high up in Communist circles; that his party work required that he know the members of the party so that he might distinguish between Communists who were subject to party discipline and the loyal fellow travelers over whom the party had no discipline.

He will testify that it was part of his job to have this information—not, Mr. President, as you understood, on every one of the 50,000, or 60,000, or 70,000 Communists in the United States, but on the important ones who were relied upon to do the important work for the party.

He will further testify that Owen Lattimore was known to him to be a member of the Communist Party, a member over whom they had disciplinary powers.

I have before me another document, the original of which is being given to the Federal Bureau of Investigation. I quote the pertinent parts from this affidavit:

> I met and got to know Owen Lattimore in the spring of 1936 in Moscow when he and E. C. Carter were very obviously receiving instructions from the Soviet Government concerning the line which the Institute of Pacific Relations ought to follow. I would be willing to so testify if subpenaed. However, I request that my name be not publicly used at this time, but you do have my permission at this time to quote what I have said and give a copy of this to the Federal Bureau of Investigation.

I have another statement which I had a great deal of difficulty getting. I had no difficulty obtaining the information from this man, but he was extremely reluctant to sign a statement, fearing that his job might be endangered if he did so. He also stated that he had been reading about how the committee was operating and seemed to feel that if he were subpenaed and gave testimony which was damaging to anyone charged with communistic activities or of being bad security risks, and so forth, he would be given too rough a time by the committee. We tried to reassure him as much as possible and finally obtained

this statement. He gave his consent to his name and this statement being given to the FBI. We had to promise him, however, that his name would not be given to the committee. We had to further promise him that in making known the contents of his affidavit it would not be done in such a fashion that he could be identified.

This affidavit ties Owen Lattimore in so closely with John S. Service and the Amerasia case that before giving the contents of the affidavit I feel it necessary to cover the facts in that case. I, therefore, ask unanimous consent to have printed in the RECORD at this point the case of John S. Service as I presented it to the Foreign Relations Subcommittee.

The PRESIDING OFFICER. Is there objection?

There being no objection, the case was ordered to be printed in the RECORD, as follows:

SERVICE

This case is that of John Stewart Service.

This man is a foreign service officer of the Department of State and at the moment is in Calcutta, India, where he is helping determine the all-important policy of our Government toward India.

The name of John Stewart Service is not new to the men in the Government who must pass on a governmental employee's fitness as a security risk.

When Mr. Peurifoy testified before the Senate Appropriations Committee he said that Service had been cleared four different times.

It is my understanding that the number has now risen to five and I earnestly request that this committee ascertain immediately if Service was not considered as a bad security risk by the Loyalty Appeal Board of the Civil Service Commission, in a post audit decision, handed down on March 3 of this year.

I understand that this Board returned the file of Mr. Service to the State Department with the report that they did not feel that they could give him clearance and requested that a new board be appointed for the consideration of this case.

To indicate to the committee the importance of this man's position as a security risk to the Government, I think it should be noted that he is one of the dozen top policy makers in the entire Department of State on far-eastern policy.

He is one of the small, potent group of untouchables who year after year formulate and carry out the plans for the Department of State and its dealings with foreign nations; particularly those in the Far East.

The Communist affiliations of Service are well known.

His background is crystal clear.

He was a friend and associate of Frederick Vanderbilt Field, the Communist chairman of the editorial board of the infamous Amerasia.

Half of the editorial board of this magazine were pro-Communist members of the State Department and the committee is in possession of these names.

On June 6, 1945, the Federal Bureau of Investigation, after an exceedingly painstaking and careful investigation covering months, arrested Philip J. Jaffe, Kate Louise Mitchell, editor and coeditor of Amerasia; Andrew Roth, a lieutenant in the United States Naval Reserve stationed in Washington; Emanuel Sigurd Larsen and John Stewart Service, who were employees of the State Department (this is the same John S. Service to whom I have just referred and who is presently representing the State Department in Calcutta, India); Mark Julius Gayn, a magazine writer of New York City, who is about to leave for Russia. They were arrested on charges of espionage in connection with the theft of the following Government records: 360 classified documents from the State Department, including some top secret and confidential classifications; 163 prepared by ONI; 42 prepared by MID; 58 pepared by OWI; 9 from the files of the War Department.

Some of the important documents picked up by the FBI at the time of the arrest were as follows:

First. One document marked secret and obviously originating in the Navy Department dealt with the schedule and targets for the bombing of Japan. This particular document was known to be in the possession of Philip Jaffe, one of the defendants, during the early spring of 1945 and before the program had been effected. That information in the hands of our enemies could have cost us many precious American lives.

Second. Another document, also marked top secret and likewise originating in the Navy Department, dealt with the disposition of the Japanese fleet subsequent to the major naval battle of October 1944 and gave the location and class of each Japanese warship. What conceivable reason or excuse could there be for these people, or anyone else without authority to have that information in their possession and at the same time claim freedom of the press? That was the excuse they offered. They stole this document for no good purpose.

Third. Another document stolen from the Office of Postal and Telegraph Censorship was a secret report on the Far East and so stamped as to leave no doubt in anybody's mind that the mere possession of it by an unauthorized person was a clear violation of the Espionage Act. This was not an antiquated paper but of current and vital interest to our Government and the Nation's welfare.

Fourth. Another document stolen was from the Office of Military Intelligence and consisted of 22 pages containing information obtained from Japanese prisoners of war.

Fifth. Another stolen document, particularly illuminating and of present great importance to our policy in China, was a lengthy detailed report showing complete disposition of the units in the army of Chiang Kai-shek, where located, how placed, under whose command, naming the units, division by division, and showing their military strength.

Many of the stolen documents bear an imprint which reads as follows:

"This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50 United States Code 31–32, as amended. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law."

Despite the very small circulation of 1,700 copies of this magazine it had a large photocopying department. According to Congressman DONDERO, who sponsored the resolution for the investigation of the grand jury, this department was working through the night, in the small hours of morning, and even on Sundays. It could reproduce the stolen documents—and undoubtedly did—and distribute them into channels to serve subversive purposes, even into clenched fists raised to destroy our Government.

In June 1944 Amerasia commenced attacks upon Joseph C. Grew, who had during his stay in the State Department rather vigorously opposed the clique which favored scuttling Chiang Kai-shek and allowing the Communist element in China to take over.

Larsen, one of the codefendants in this case, subsequently wrote a lengthy report on this matter. I would like to quote briefly from parts of that report:

Behind the now famous State Department espionage case, involving the arrest of six persons of whom I was one, an arrest which shocked the Nation on June 7, 1945, is the story of a highly organized campaign to switch American policy in the Far East from its long vested course to the Soviet line. It is a story which has never been told before in full. Many sensational though little explained developments, such as the General Stilwell affair, the resignation of Under Secretary Joseph C. Grew and Ambassador Patrick Hurley and the emergence of a pro-Soviet bloc in the Far Eastern Division of the State Department, are interlaced with the case of the six, as the episode became known.

It is the mysterious whitewash of the chief actors of the espionage case which the Congress has directed the Hobbs committee to investigate. But from behind that whitewash there emerges the pattern of a major operation performed upon Uncle Sam without his being conscious of it. That operation vitally affects our main ramparts in the Pacific. In consequence of this operation General Marshall was sent on a foredoomed mission to China designed to promote Soviet expansion on our Asiatic frontier. It was a mission which could not but come to grief and which may yet bring untold sorrow to the American people.

How did it happen that the United States began to turn in 1944 upon its loyal ally, the Chiang Kai-shek Government, which had for 7 years fought Japan, and to assume the sponsorship of the rebel Communist regime which collaborated with the Japanese during the period of the Stalin-Hitler Pact? How did it come to pass that Washington since 1944 has been seeking to foist Communist members upon the sole recognized and legitimate government of China, a maneuver equivalent to an attempt by a powerful China to introduce Earl Browder and William Z. Foster into key positions in the United States Government? How did it transpire that our top-ranking military leader, General Marshall, should have promoted an agreement in China under which American officers would be training and equipping rebel Chinese Communist units at the very time when they were ambushing our marines and when Communists the world over were waging a war of nerves upon the United States?

Whose was the hand which forced the sensational resignation of Under Secretary of State Joseph C. Grew and his replacement by Dean Acheson? And was the same hand responsible for driving Ambassador Patrick Hurley into a blind alley and retirement?

In describing the arrest, Larsen had this to say about his arrival at the office of the United States Commissioner:

"There I found myself sitting next to John Stewart Service, a leading figure in the pro-Soviet group in the China Section of the State Department, and to Lt. Andrew Roth, liaison officer between the Office of Naval Intelligence and the State Department, whom I also knew as an adherent of pro-Soviet policies. Both of them were arrested separately the same night in Washington."

Larsen then goes on to describe John Stewart Service, John P. Davies, Jr., and John Carter Vincent as the pro-Soviet group in the China section whose views were reflected by Amerasia and whose members were in close touch with Jaffe and Roth. In connection with this, it will be remembered that John Service, as Stilwell's political adviser, accompanied a highly secret military commission to Yenan. Upon the return of this mission, you will recall that Stilwell demanded that Chiang Kai-shek allow him to equip and arm some 300,000 Communists. Chiang Kai-shek objected on the grounds that this was part of a Soviet plot to build up the rebel forces to the extent that they would control China. Chiang Kai-shek promptly requested the recall of Stilwell and President Roosevelt relieved Stilwell of his command. It was at this time that Service submitted his Report No. 40 to the State Department, which, according to Hurley, was a plan for the removal of support from the

Chiang Kai-shek Government with the end result that the Communists would take over.

The espionage cases apparently had their origin when a British intelligence unit called attention to material being published in Amerasia which was embarrassing its investigations.

Preliminary investigations conducted at that time by OSS disclosed classified State Department material in the possession of Jaffe and Mitchell. The FBI then took over and reported that in the course of its quest it was found that John Stewart Service was in communication from China with Jaffe. The substance of some of Service's confidential messages to the State Department reached the offices of Amerasia in New York before they arrived in Washington. One of the papers found in Jaffe's possession was Document No. 58, one of Service's secret reports entitled: "Generalissimo Chiang Kai-shek—Decline of His Prestige and Criticism of Opposition to His Leadership."

In the course of the FBI investigation Amerasia was revealed as the center of a group of active and enthusiastic Communists or fellow-travelers. To give you a better picture of Amerasia, it perhaps should be mentioned here that Owen Lattimore was formerly an editor of Amerasia, and Frederick Vanderbilt Field, a writer for the Daily Worker, was the magazine head. Mr. Jaffe incidentally was naturalized in 1923 and served as a contributing editor of the Defender, a monthly magazine of International Labor Defense, a Communist organization, in 1933. From 1934 to 1936 he had been a member of the editorial board of China Today, which was a publication of the pro-Soviet American Friends of the Chinese People. At that time he operated under the alias of J. W. Philips. Under the name of J. W. Philips, he presided in 1935 over a banquet at which Earl Browder was a speaker. He also lectured at the Jefferson School of Social Science, an avowed Communist Party institution. He was also a member of the board of directors of the National Council of American Soviet Friendship. The New York Times, subsequent to his arrest, referred to him as an active supporter of pro-Communst and pro-Soviet movements for a number of years.

According to an article in Plain Talk magazine Jaffe has been a liberal contributor to pro-Soviet causes and that on one occasion he reserved two tables at a hotel banquet held to launch a pro-Communist China front in the name of "The fifth floor, 35 East Twelfth Street," which happens to be the national headquarters of the Communist Party.

I realize that this history of Jaffe's activities is unnecessary for most of the Members of this investigating body, but I feel that the record should be complete so that anyone who reads it will understand the background of the individual to whom his four codefendants had been delivering secret State and War Department material. His coeditor, Miss Mitchell, gave a party for John S. Service when he returned from China. Service had previously attended a special press conference held by the Institute of Pacific Relations, in which he supported the position of the Chinese Communists.

Larsen had this to say about his codefendants:

"I knew Jaffe and his group as the editor of a magazine which had almost semi-official standing among the left wingers in the State Department."

The night Kate Mitchell was arrested, she had in her possession, according to Congressman DONDERO, a highly confidential document entitled: "Plan of Battle Operations for Soldiers," a paper of such importance that Army officers were subject to court martial if they lost their copies.

Congressman FRANK FELLOWS, a member of the Committee on the Judiciary which investigated the grand jury which failed to indict Service, wrote a minority report in which he stated:

"The author of the resolution under which this committee assumed jurisdiction stated upon the floor of the House, 'The President authorized the arrest to be made and the arrests were forbidden by the State Department.'"

Under Secretary Joseph C. Grew very urgently insisted upon a prosecution of the six individuals who were picked up by the FBI on charges of conspiracy to commit espionage. He thereupon immediately became a target in a campaign of vilification as the culprit in the case rather than the six who had been picked up by the FBI.

Lieutenant Roth wrote a series of articles for a New York paper and published a book in which he vigorously attacked Grew for his opposition to the Communist sympathizers in the State Department insofar as the far-eastern policy was concerned.

Under Secretary Grew, after a lifetime in the diplomatic service, resigned and President Truman announced that Dean Acheson would take over the post of Under Secretary of State. * * *

"During my conference with Mr. Jaffe in October," Larsen said, "he dropped a remark which one could never forget, 'Well, we've suffered a lot,' he said, 'but, anyhow, we got Grew out!'"

In regard to the legal handling of this case, the following is found in Plain Talk in an article by Larsen:

"While public attention was largely focused upon extraneous issues, the espionage case itself was following a special course behind the scenes. It appeared that Kate Mitchell had an influential uncle in Buffalo, a reputable attorney by the name of James M. Mitchell, former president of the New York State bar association. Mr. Mitchell was a member of a very influential law firm in Buffalo—Kenefick, Cooke, Mitchell, Bass & Letchworth. The New York City correspondents of that law firm include the most redoubtable Col. Joseph M. Hartfield, extremely well known and extremely influential in Government circles in Washington. Colonel Hartfield, who is regarded by some as one of the most powerful political lawyers in the country, made at least four trips to Washington where he called on top officials of the Department of Justice in the matter."

In that connection I would like to quote again from Congressman DONDERO's talk on the House floor, in which he stated:

"I have heretofore charged and reiterate now that the court before whom these cases were brought was not fully informed of the facts. A summary of the court proceedings has been furnished to me, which shows no evidence or exhibit obtained by the Federal Bureau of Investigation presented to the court. Jaffe's counsel told the court that Jaffe had no intention of harming the Government, and United States Attorney Hitchcock told the court there was no element of disloyalty in connection with the case. If that is the fact, may I respectfully ask what purpose did these individuals have in mind in stealing these particular files?

"Had this same thing happened in certain other governments, these people would undoubtedly have been summarily shot, without a trial. Let us not forget we were still at war with Germany and Japan when these files were stolen, and Jaffe, in whose possession they were found had been for more than 10 years a leader and heavy financial supporter of Communist propaganda causes, according to the FBI."

As I stated above, after the grand jury failed to indict Mitchell, Service, and Roth, the House passed a resolution in which it directed the Committee on the Judiciary—

"To make a thorough investigation of all the circumstances with respect to the disposition of the charges of espionage and the possession of documents stolen from secret Government files which were made by the Federal Bureau of Investigation 'against Philip J. Jaffe, Kate L. Mitchell, John Stewart Service, Emmanuel Sigurd Larsen, Andrew Roth, and Mark Gayn,' and to report to the House (or to the Clerk of the House, if the House is not in session) as soon as practicable during the present Congress, the results of its investigation, together with such recommendations as it deems necessary."

This committee then confirmed a report of a theft of a vast number of documents from the State, War, and Navy Departments, which ranged in classification all the way from top secret to confidential. This committee report indicates that a number of the members of the grand jury voted for the indictment of Service and Mitchell on the espionage charges, but that the required number of 12 did not so vote.

It will be noted that the committee was not appointed for the purpose of passing upon the guilt or innocence of the espionage suspects, but was appointed for the purpose of investigating the way that the case was handled and to make recommendations. The committee did not in any way question the theft of the documents. However, it seemed to place a great deal of stress upon the fact that the documents might not be admissible in evidence because of the method of obtaining them.

For example, on page 5, the report states as follows:

"4. Many of the identifiable documents might have had their evidential value destroyed by reason of the possibility of the court's sustaining the defendants' motions attacking the warrants of arrest.

"VI. Judicial decisions require scrupulous care to see that searches and seizures are reasonable. While search and seizure on arrest may be made without a search warrant, yet this is not so unless the warrant of arrest issued after 'probable cause' of guilt had been established by legal evidence."

On page 6, the following statement is made:

"If the warrant for arrest was not issued on 'probable cause' substantiated by facts, the evidence disclosed as a result of the search and seizure incident to the arrest based on such a warrant would be subject to suppression and, therefore, not usable as evidence of the crime for which arrest was made."

While I have not seen any testimony of any of the grand jurors, and do not know where it is available, this would seem to indicate that the committee felt that the grand jury was disturbed, not so much by the question of guilt or innocence of the defendants, but by the question as to whether or not the guilt or innocence could be proven they apparently feel that much of the material would not be admissible because of the method of search and seizure. The following comment will be noted on page 7 of the committee report:

"Most of the items seized at Jaffe's office were typewritten copies. Some of such copies were proved to have been typed in one of the Government departments. It may be fairly inferred that the originals of such copies were never removed but that copies were made at the department or agency where the original reposed."

This makes it very clear that the committee felt making copies of secret documents and then delivering the copies to unauthorized persons placed the crime in a different class from the delivery of the originals. It is rather difficult to understand this reasoning in view of the fact that photostats or

copies of an important secret document would normally be of as much value to an enemy power as the originals. The committee further pointed out that additional reason for not finding the grand jury at fault is because any of the six can still be further prosecuted on the charge of espionage. The majority report makes some excellent recommendations, which the Secretary of State might well read. I especially call his attention to recommendations 1, 2, and 3, on page 9, which read as follows:

"1. That the head of every department and agency of our Government see to it that more—much more—care be exercised in personnel procurement. That all those considered for Government positions in every echelon be investigated so thoroughly as to insure that no one be employed unless absolute certainty has been attained that nothing in background, present attitude, or affiliations raises any reasonable doubt of loyalty and patriotic devotion to the United States of America.

"2. That the watchword and motivating principle of Government employment must be: 'None but the best. For the fewer, the better, unless above question.'

"3. That each and every present employee who fails to measure up to the highest standard should be discharged. No house divided against itself can stand."

One of the members of the six-man committee, Congressman Hancock, was prevented by illness from participating in the report. Two of the members of the committee wrote dissenting opinions, which meant that the decision to absolve the grand jury of responsibility was made by a 3-to-2 decision.

Congressman FELLOWS, in his dissenting opinion, made the following statement:

"Jaffe either took these documents himself or his confederates took them for him. And two of the documents found were 'top secret,' so marked and so designated. I can see no point in arguing that these papers may not have been of much value. The thieves thought they were. The Government agencies so adjudged them. And the facts show that the defendants could have had their choice of any documents they wished; they were given no protection so far as the State Department was concerned."

"This transaction, or rather a series of transactions involved, embraces the unlawful removal of 'top secret,' 'secret,' 'confidential,' and 'restricted' files from the Department of State, in our national Government. This is a very serious offense. In time of war, this is a most serious offense. When war is in progress, or even in time of peace, it is of little or no concern whether the files removed were 'originals' or 'copies,' the fact that information of either or any classification was removed from the secret files in the Department of State and was delivered to any individual, or group of individuals, who had no lawful right to receive the same, is the essence of the offense. When that very secret information was thus unlawfully revealed to others, no matter how the same was imparted to Mr. Jaffe, whether by an original, or by copy, or by any other method, the real damage has been done.

"There should not be any attempt made in the report to either minimize or acquit anyone from the magnitude of the act or acts committed. The report filed appears to be at least an attempt to either minimize or completely justify some of the unlawful acts which were undoubtedly committed.

"All those who participated in any way in the removal, or attempted removal, of these documents from the Department of State—or who copied such reports and thereafter delivered such copies to Mr. Jaffe, or to any other person, not lawfully entitled to receive the same, should be prosecuted, and all these participating, in any degree in the unlawful acts under investigation, should be immediately discharged from their positions in our Government. The report should speak strongly and without any reservation upon that subject.

"The questions here involved are so grave and the offenses so great, that no effort should be made to protect or defend those who so offended, but the report should be made both firm and strong—to speak the truth—but to place the blame where the same rightfully belongs."

This is but a small portion of the pertinent background of service, but certainly, beyond doubt, it forever excludes this man as a security risk by whatever yardstick it is measured.

Again we have a known associate and collaborator with Communists and pro-Communists, a man high in the State Department consorting with admitted espionage agents, and I wish to say to this committee what I said on the floor of the Senate on February 20, 1950:

"When Chiang Kai-shek was fighting our war, the State Department had in China a young man named John S. Service. His task, obviously, was not to work for the communization of China. Strangely, however, he sent official reports back to the State Department urging that we torpedo our ally Chiang Kai-shek and stating, in effect, that communism was the best hope of China.

"Later this man—John Service—was picked up by the Federal Bureau of Investigation for turning over to the Communists secret State Department information. Strangely, however, he was never prosecuted. However, Joseph Grew, the Under Secretary of State, who insisted on his prosecution, was forced to resign. Two days after Grew's successor, Dean Acheson, took over as Under Secretary of State, this man—John Service—who had been picked up by the FBI and who had previously urged that communism was the best hope of China, was not only reinstated in the State Department but promoted. And finally, under Acheson, placed in charge of all placements and promotions."

Mr. Chairman, today this man, John S. Service, is a ranking officer in the policy-making group of "untouchables" on duty in Calcutta, India, one of the most strategically important listening posts in the world today and since the fall of China the most important new front of the cold war.

Five times this man has been investigated as to his loyalty and his acceptance as a security risk to the Nation.

What possible reason could there have been for even a second investigation of his record.

He was not an acceptable security risk under Mr. Acheson's "yardstick of loyalty" the day he entered the Government.

He is not a sound security risk today.

Mr. McCARTHY. In this connection, let me remind the Senate that the material involved in this case, the stolen documents, included the following Government records: 360 classified documents from the State Department, including some top secrets and confidential classification; 163 prepared by ONI, the Office of Naval Intelligence; 42 prepared by MID; 58 prepared by OWI; 9 from the files of the War Department.

It will be recalled that J. Edgar Hoover at the time said this was a "100 percent airtight case against Service, Roth, and their co-defendants." Now here is the affidavit. This affidavit is to the effect that the night before John S. Service, Lt. Andrew Roth and four codefendants in the Amerasia case were arrested, this man was at the home of Owen Lattimore.

He states that he was introduced to John S. Service and Lt. Andrew Roth. He states further that Roth, Lattimore, and Service spent a great deal of time by themselves, discussing certain papers or manuscript. He states that their actions seemed strange at the time, and that at that time Lattimore stated that they were going over a manuscript. He states further that he went into another room in the house on a personal matter and that Roth followed him in and grabbed his—that is, Roth's—brief case, which most likely contained the documents or manuscript.

Then I have another statement gotten under almost the same circumstances, which is being turned over to the Bureau. Again there was great reluctance to sign the paper. In it substantially the same facts are set forth, except this man did not see Roth rush in to grab his brief case. He stated, however, that when he later asked Lattimore for an explanation, Lattimore stated that they had been declassifying secret documents in favor of some friends; that Lattimore further stated that this was a common Washington practice; that Lattimore further stated that Roth and Service were arrested because of a feud they had with some people in Washington. It must have been a rather serious feud with the FBI, I assume.

I have before me the photostat of another document. A copy of this photostat is also being forwarded to the FBI. This is a rather unusual document for a number of reasons. In order that the significance of this document can be fully understood, I beg the indulgence of the Senate while I briefly recite some history which is known to most of the Senators—the history of the official Communist Party line insofar as Chiang Kai-shek was concerned.

From 1931, when Japan seized Manchuria, until 1935, the Communist Party line was anti-Chiang. He was denounced repeatedly as a tool of Japan during that period of time.

In 1935 at the world Communist meeting in Moscow—I believe that was the seventh meeting of the Comintern—the so-called united front, or Trojan-horse policy, was adopted—a policy calling for the Communists to combine with the governments in power and to get into strategic positions so that Moscow could control, or at least exert influence on, the governments in question. At this time, in 1935, as the Senate will recall, Chiang Kai-shek made an agreement with the Chinese Communists.

From 1935 to 1939 the Communist line was pro-Chiang Kai-Shek.

In 1939, after the signing of the Hitler-Stalin Pact and the Stalin-Matsouka Pact, the Communist Party line again became anti-Chiang Kai-shek.

As the Senate will recall, this continued until June 22, 1941, the day Hitler invaded Russia, at which time the Communist Party line again switched and was pro-Chiang Kai-shek.

This continued until 1943. The Senate will recall the Russian victory at Stalingrad in the early spring of 1943, and the reversal in the course of the war at that point, which up until then had been going rather badly against Russia. The Communist Party line again definitely became anti-Chiang Kai-shek.

If any particular day could be said to be the day when the party line changed,

which cannot be tied down to a day, but, if it were possible to fix the day, it would probably be April 26, 1943—the day Stalin broke relations with the exiled government of Poland, which at that time had armed forces fighting with us in Italy. Undoubtedly, history will some day record that April 26, 1943, marked the beginning of World War III—the time Russia decided she was no longer in danger from Hitler and could pick up her temporarily postponed plans for world domination.

I mention this brief history of the shifting official Communist Party line toward Chiang because it is important to understand, and it should be kept in mind in order to grasp the full importance of this document.

This is a letter—there is nothing like a good filing system—dated June 15, 1943, which is when the line had again swung to anti-Chiang Kai-shek. This is a letter from Owen Lattimore, director of Pacific Operations, OWI. The odd thing is that he is writing to his boss in the Government service, telling the story to him, not writing to someone who is working for him.

The first paragraph reads as follows:

> In your capacity as a member of our Personnel Security Committee there are certain things which you ought to know about Chinese personnel. It is a delicate matter for me to tell you about these things because of my recent official connection with Generalissimo Chiang Kai-shek. For that reason I am marking this communication secret.

The reason for marking this document secret becomes abundantly clear as you read through it. In it he directs the recipient of the letter to get rid of all the Chinese in OWI who were loyal to either the Nationalist Government or Wang Ching-wei, who, as the Senate will recall, was the Japanese puppet in China.

He then issues instructions that the personnel be recruited from the shareholders of the New China Daily News, a Chinese Communist paper in New York.

In the letter he condemns the other Chinese papers. He also points out that the Nationalist and Wang Ching-wei group are engaged in handing out carefully colored news and doctored editorial policies and are intensely jealous of and hostile to the New China Daily News which, so to speak, flaunts its sins by being so readable that the Chinese public in America buys it for its own sake.

He even admits that it would be rash to say that there are no Communists connected with the New China Daily News.

He then shrugs this off, however, by saying that these Communists are not "tied to the chariot wheels of Moscow."

Incidentally, at that time the only other New China Daily News was published in the Communist headquarters of Yenan. However, since the Communists have taken over China, there is, as far as I know, at least one New China Daily News in each of the larger Chinese cities which the Communists occupied.

Do Senators get the picture? At that time there was in New York a New China Daily News. There was also one in Yenan, Communist headquarters, and as the Communists took over China they established a new Chinese Daily News in each of the major cities of China.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. ANDERSON. Did the Senator mention the name of Lattimore's boss?

Mr. McCARTHY. No; I did not. I would rather not mention it. I should be glad to let the Senator see the letter, if he wants to see it. I shall tell the Senator why I would rather not mention the name. I do not have any documented material on this particular individual, except that he is mentioned in another affidavit which I shall cite. He is not now employed by the Government. I do not have enough information to decide whether or not he is a loyal American at this time.

Mr. ANDERSON. Is it not true that if Lattimore was working for someone in the Government at that time, it could be found out?

Mr. McCARTHY. The letter is addressed to Mr. Joseph Barnes, Office of War Information, New York, N. Y.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. TOBEY. Would not the regular thing be to insert the entire letter in the RECORD?

Mr. McCARTHY. If the Senator will allow me to proceed as I think I should, I would rather do it in that way. If the Senator from New Hampshire, or any of the other Senators, cares to read the entire letter, I shall be glad to let them do so.

Mr. TOBEY. Is it the Senator's intention to place the entire letter in the RECORD?

Mr. McCARTHY. No; it is not.

Mr. TOBEY. I suggest that that be done. The quotation from it is taken out of context.

Mr. McCARTHY. I shall refuse the Senator's request at this time. The letter is marked "secret," and it is my present intention not to put any secret documents into the RECORD, even though I think they might well be declassified in view of the fact that the purpose of marking it secret was, very obviously, so that the people would not know that Mr. Lattimore was saying, "Fire from the OWI any man who is loyal to Chiang, and hire individuals who are loyal to the Communist government."

Mr. TOBEY. Mr. President, will the Senator yield further?

Mr. McCARTHY. I yield.

Mr. TOBEY. If the letter is marked "secret," I suppose that applies in toto. If the Senator is reading excerpts from the letter, is he not violating his own principle, when the whole letter is marked "secret"?

Mr. McCARTHY. This will become abundantly clear as I proceed. Some of the affidavits in regard to certain individuals cover unusual personal habits, which I feel I should not attempt to make public on the Senate floor to the Nation. I do not intend to read those. I intend to read into the RECORD portions of the affidavits which I think are proper; and regardless of whether any Senator may disagree with me, that is the procedure which I intend to follow. The entire document is being made available to the FBI. I respect the Senator's thought, but I have been living with this problem a long time, and intend to develop each case as I think wise, regardless of whether some other Senator may disagree with me.

Mr. TOBEY. My only thought was that it is wholly inconsistent to take a paper marked secret and pick out certain things without placing the letter in the RECORD in toto.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. McCARTHY. Let me finish the contents of the letter, first. He then goes on to authorize the retention of a Dr. Chi and Mr. Chew Hong. He points out that Chi is loyal to him, Lattimore, and that Chew Hong is loyal to Chi. He then goes on to state that as long as Dr. Chi remains loyal to him—Lattimore—there will be no difficulty with either Chew Hong or Chi.

Perhaps some background on Dr. Chi would be of interest to the Senate.

Before Dr. Chi came to America he was president of Shansi Law College and was also commissioner of education in the Shansi Province.

In America, prior to being in the OWI, Dr. Chi was the editor of the Chinese Daily News in New York, the Chinese Communist daily. Dr. Chi is the father of Ch'ao-ting Chi who now awaits in China for passage to the United States as the official representative of the Chinese Communist government to the United Nations. Ch'ao-ting Chi, in the publication Pacific Affairs, for December 1934, writes an article for his good friend, the editor, Owen Lattimore.

Thus we have the picture of Lattimore using his high office in the OWI to shape the Communist line for China through a Chinese Communist whose son now awaits being seated as a representative of the Chinese Communists in the United Nations; and it is important to point out that Lattimore's maneuver was based upon fraud and misrepresentation in his intended deception of his superior. We have here an excellent example of the far-flung Communist discipline so much insisted upon by Lenin.

In closing the letter he also urges the necessity for exercising pronounced agnosticism when any of our Chinese personnel are attacked—meaning, of course, after they have first gotten rid of those who are loyal to the Nationalists and Wang Ching-wei.

In the last paragraph he again urges the strictest confidence in acting on this letter.

The Senate will recall the date of this letter—June 15, 1943—a time when Chiang Kai-shek was our very badly needed ally in the Pacific; a time when the war was not going too well with us; a time when officially we were committed to all-out cooperation with Chiang Kai-shek. It was at this time that Lattimore sends this highly secret letter in which he twice urges the strictest secrecy be followed in getting rid of any Chinese who are loyal to our ally, Chiang Kai-shek, and the recruiting of personnel

solely from the shareholders of the Communist New China Daily News.

I shall be glad now to yield to the junior Senator from New York.

Mr. LEHMAN. May the junior Senator from New York ask the Senator from Wisconsin whether he has made available to the subcommittee of the Committee on Foreign Relations of the Senate the information and the facts contained in his charges, a part of which, and only a part of which, is submitted here today?

Mr. McCARTHY. The answer is "No".

Mr. LEHMAN. May I ask the Senator from Wisconsin why the answer is "No?" When a committee has been set up by the Senate, of which the Senator of course is a distinguished Member, to investigate charges, why he should be unwilling to submit his facts to the committee created for the sole purpose of investigating these charges? It seems to me that is the place to which charges should be referred for investigation if the charges are made in good faith, rather than to submit in this Chamber certain so-called evidence, selected to suit the purpose of the distinguished Senator, in order to provide a spectacle and a sensation for the press and the galleries. In the way the Senator from Wisconsin has chosen an accused man has no chance to answer. But in the special committee created by the Senate, the greatest legislative and deliberative body in the world, an accused person can make his reply. I should like to have an explanation of this from the distinguished Senator from Wisconsin.

Mr. McCARTHY. The Senator says that a man does not have a chance. There were men in China who did not have a chance because of traitorous acts of certain individuals. Some people shed crocodile tears for the suffering to which the families of traitorous individuals are bound to be subjected. They forget entirely about the families of 400,000,000 people who have been sold into slavery by these same persons who are traitors to this Nation and to 400,000,000 people who thought they could depend upon us, a great and good ally. I shall proceed, regardless of what the Senator from New York thinks or says, to develop these facts in detail before the American people.

I do not intend to discuss the activities of the subcommittee. I have told the subcommittee exactly where they can get the material necessary, and I hope the subcommittee will proceed with their staff, with the money which we gave them, to do the task which I have been trying to do with no staff whatsoever except my own.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. LEHMAN. The Senator says he is developing his case before the American people. I would have no objection to that if he would do more than make unsubstantiated charges.

Mr. McCARTHY. It makes no difference if the Senator has objection.

Mr. LEHMAN. When charges are made against the loyalty of a man he should be given an opportunity to answer those charges in the same forum in which the charges are made. I should like to ask the distinguished Senator why he is so delicate in refusing to yield to the request of the distinguished Senator from New Hampshire [Mr. TOBEY] to give the full text of the information, when the Senator from Wisconsin has no hesitation whatsoever in coming before this body and before the American people and attempting to damn and blacken the reputation of many people who may be innocent.

Mr. McCARTHY. If the Senator would like to know why some of these documents are not being made available to the press, if he will step over here I will show him part of a document which will make very clear to him why it would be completely unfair to make them available. Does the Senator care to step over? [Laughter.]

Mr. LEHMAN. I am delighted to.

The PRESIDING OFFICER. There will be order in the Senate. The Chair admonishes the occupants of the galleries that they are guests of the Senate, and are not permitted to indulge in demonstrations of approval or disapproval.

(Mr. LEHMAN thereupon crossed the Chamber and approached Mr. McCARTHY's desk.)

Mr. LEHMAN. May I see the letter?

Mr. McCARTHY. The Senator may step to my desk and read the letter.

Mr. LEHMAN. I should like to see it. The Senator invited me to come over to read the letter. I am here to read the letter. Will the Senator from Wisconsin let me see the letter?

Mr. McCARTHY. Does the Senator wish to come close enough to read it?

Mr. LEHMAN. I think I would like to read the letter in my own way.

Mr. McCARTHY. Will the Senator come here and see it?

Mr. LEHMAN. I would like to read it in my own way.

Mr. McCARTHY. Will the Senator sit down?

Mr. LEHMAN. May I say, Mr. President——

Mr. McCARTHY. I do not yield further at this time.

The PRESIDING OFFICER. The Senator from Wisconsin declines to yield further.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. McCARTHY. Certainly. I shall be glad to yield at any time, assuming that I have unanimous consent to allow these speeches to be made, rather than questions being asked, without losing the floor.

Mr. McMAHON. In his colloquy with the Senator from New York, the Senator from Wisconsin stated that he intended to discuss in full detail, and in the way he saw fit, the activity of all the traitorous individuals. I should like to ask the Senator from Wisconsin if he includes in that classification Judge Kenyon, Philip Jessup, Mr. Hanson, or Mrs. Brunauer.

Mr. McCARTHY. I shall spend considerable time today on Mr. Jessup, and I hope the Senator will remain in the Chamber. I think the American people will wonder why the Senator from Connecticut did not go into the matters in detail when Mr. Jessup appeared before the committee. I do not wish to be put in the position of getting into a personal argument on the matter in the Senate, because I do not believe this is the proper forum for it, nevertheless I was very much disappointed when I asked of the committee the right to cross-examine Mr. Jessup when he appeared before it. I told the committee that there were certain facts which I could develop through Mr. Jessup. The committee did not even give me the courtesy of an answer to my request. The committee did not even properly examine Mr. Jessup. After Mr. Jessup had finished with his statement all I heard the Senator from Connecticut say was, "I am very happy that you are a constituent of mine."

I might say that when Mr. Hiss had finished his formal presentation—a formal presentation much more colorful and much more appealing than Mr. Jessup's—before the House Un-American Activities Committee, if that committee had followed the same line which the Senator from Connecticut followed in regard to Mr. Jessup, Mr. Hiss undoubtedly still would be determining foreign policy in the State Department.

The Senator from Connecticut asked me another question. He asked me whether or not I intended to include Judge Kenyon in this discussion today. The Senator knows full well why the Kenyon case was presented. The Kenyon case was presented as the first in a sequence of cases. As I said at the time, it was presented, not because Judge Kenyon herself was important, but I knew that as we went through the various cases we would time and time again hear the statement, "Well, he has been cleared by the Loyalty Board." Therefore, I took a typical case to show just what being "cleared by the Loyalty Board" meant. Unfortunately, it happened to be the case of a lady. I took a typical case in order to show just what it meant to be cleared by the Loyalty Board. It was a case in which the board had documentation with respect to 28 organizations which had been declared to be Communist-front organizations. They had not been declared to be Communist-front organizations by McCARTHY, but they had been declared to be Communist-front organizations by the Attorney General, the House Un-American Activities Committee, the California Committee, the Coudert committee. I presented her case to the committee to show that 28 organizations, according to our exhibits, showed her name, and showed that she was a sponsor of the organizations. The committee did not even go through the motions of calling her and asking her, "Judge, why did you join? Were you a dope, or did you join purposely?" That was the importance of the Kenyon case. The Senator knows that. The Senator knows also that I have never accused Judge Kenyon of being a traitor. Whether she joined these organizations, as she said, because she may have been—I do not recall her testimony—I think she said she joined without knowing it, or without knowing something about them. I do not know what she said. However, so far as the Loyalty Board is concerned,

if it did not know why she joined those organizations, it certainly should have found out before giving her a clean bill of health, especially in view of the fact that the Secretary of State had said that membership in even one of those organizations—not 28, but 1—was evidence that an individual was a bad security risk.

Mr. McMAHON. Mr. President, will the Senator yield further?

Mr. McCARTHY. I am glad to yield.

Mr. McMAHON. Will the Senator now answer my question whether he regards Miss Kenyon, Mr. Jessup, Mr. Hanson, or Mrs. Brunauer as traitors to the United States?

Mr. McCARTHY. If the Senator will remain on the floor—and I hope he will remain—he will hear in some detail exactly what I have to say about Jessup. Then the Senator may decide for himself whether Mr. Jessup is merely a stooge, who does not know what he is doing, or whether he has planned what he has done. I intend to come to that next. I do not intend to discuss the Jessup case until I reach it. I shall get to it before the Senate adjourns tonight. So, if the Senator will wait, I shall get to that case.

I intend to discuss the Hanson case. I intend to point out the work Lattimore is doing in connection with Hanson's work. When I have finished, if the Senator has any doubt in his mind as to the facts in these cases, I shall be very glad to have him question me. However, I shall not discuss the Jessup case until I get to it. We have some extremely interesting documents in the Jessup case. Mr. Jessup will have some difficulty explaining some of them.

Mr. McMAHON. Will the Senator yield?

Mr. McCARTHY. I yield.

Mr. McMAHON. As I understand, the Senator does not wish to state at this time his opinion as to whether or not Mr. Jessup is a traitor. With respect to Judge Kenyon, Mr. Hanson, or Mrs. Brunauer, does he care to give a direct answer to the question whether or not they are traitors within the classification which was referred to in the Senator's colloquy with the Senator from New York?

Mr. McCARTHY. If I were in a position to ask a question of the Senator from Connecticut, I would ask him whether he considers Mr. Lattimore a traitor.

Mr. McMAHON. Is that the Senator's answer to my question?

Mr. McCARTHY. The Senator will hear what I have to say about each of these individuals, if he will be patient and sit down.

Mr. McMAHON. I thank the Senator.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. CHAVEZ. If everything which the Senator from Wisconsin has stated about the persons regarding whom the Senator from Connecticut has inquired is true, and if everything he has stated proves interesting to the Senate and to the audience, can the Senator from Wisconsin tell us of what crime the persons are guilty under American law.

Mr. McCARTHY. Of what statutory crime?

Mr. CHAVEZ. Of what crime; yes. Of what crime are they guilty under American law?

Mr. McCARTHY. I shall let the Senate decide that question. I am merely giving the facts as to these individuals. I am not in the Attorney General's office. When I get through I think the Senate will have just as good an idea as I have as to what crime they are guilty of. I have some more documents which shed further light on that subject.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. I wonder whether the Senator from Wisconsin, prior to making his charges public with reference to the cases of Judge Kenyon, Mr. Hanson, Miss Brunauer, and Mr. Jessup, and now Mr. Lattimore, consulted with the Federal Bureau of Investigation, or divulged such information to them as he had in his possession.

Mr. McCARTHY. First let me say none of this information came from the FBI nor from any FBI agent. Let me further say to the Senator from Minnesota that if I had had any correspondence or any conversation with any members of the Federal Bureau of Investigation I do not feel called upon to give it to the Senator. Is that clear? The Federal Bureau of Investigation will have available every speck of evidence that I pick up. I do not flatter myself with the thought that I can do this more efficiently than the FBI. I think they have done an exceedingly fine job. I assume that practically all this evidence must also be in the files of the FBI.

The FBI has not gone over to the Justice Department and insisted upon his prosecution. Let me first say, whether they have done it or not I do not know. But I was brought up on a farm, and an old farmer said to me, "If a cat once drinks scalding water you have difficulty getting him to drink even cold water from then on." If the FBI starts developing a case on a man such as Lattimore, all one has to do is to look back and see what happened in a case such as that of Service, and one cannot be surprised at why they do not insist upon prosecuting Lattimore.

Let me say something about the Service case so the Senator can understand why perhaps the FBI has good reason to leave it to the Justice Department to decide when prosecution shall be started. The Government attorney in the Service case was a young man named Hitchcock. Hitchcock quickly disposed of this case, which the FBI had worked up over months of detailed investigation. The case was worked up by scores of FBI men. This man Hitchcock then got up before the court and said, "I can dispose of this case in less than 5 minutes. There are no indications of disloyalty here." In other words, he could take all of J. Edgar Hoover's work and say, "He has nothing."

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. HUMPHREY. I have this question. I gather from the Senator from Wisconsin that it is his opinion that the information he has now presented to the Senate was undoubtedly already in the files of the FBI, and therefore there was not any particular need for his immediate giving of that information to the FBI.

Mr. McCARTHY. I do not know whether it is there or not. I have a great deal of respect for the FBI. I sincerely hope and assume that they have done a much more competent job of investigating than I have. But on the assumption that they may not have all this information, every scrap of evidence I get is going directly to the FBI. When I say I assume they have it, I do not know. I hope they have it.

Mr. HUMPHREY. Let us assume that the Senator is correct, that the FBI has it. I have high regard for the Federal Bureau of Investigation. I share the high regard in which the Senator holds that agency. I have extremely high regard for the head of the Bureau, J. Edgar Hoover, and I share the high regard in which the Senator from Wisconsin holds him. I should like to ask the Senator if the FBI has the information, or if he assumes it has it because it possesses, as the Senator says in his own words, better investigators than he, would it not be a dereliction of duty on the part of the Director of the Federal Bureau of Investigation, who has taken an oath to uphold the Constitution and to defend it, and to uphold the law of the land, if he were not to reveal or identify a traitor, since we have laws pertaining to traitors? I should like to ask the Senator from Wisconsin if he will give us an answer as to whether or not he believes that the Director of the Federal Bureau of Investigation, Mr. J. Edgar Hoover, has been derelict in his responsibility in the sense that he has not prosecuted what the Senator from Wisconsin calls a top Communist agent, an agent of Russia, who is or has been a member of the Communist Party, thereby making him obviously a traitor?

Mr. McCARTHY. The Senator from Minnesota knows the answer to that question. He knows that the FBI has no power to prosecute. He knows that the only function the FBI has is to gather evidence. He knows that the only individual who can decide whether to prosecute is the Attorney General. He also knows very well that if the Attorney General desired to prosecute one of these men high up in the State Department he would have to obtain the President's consent. Do not load this onto J. Edgar Hoover.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McCARTHY. Not till I have completed my answer. J. Edgar Hoover did a phenomenal job in the Service case, and if the Department of Justice had done an equally good job, Service would not be in the Far East trying to turn the whole business over to Russia. Do not try to hide behind the skirts of the FBI. They have done a phenomenal job. If J. Edgar Hoover had control over the Department of Justice so the cases he prepared would be presented, then we

would have a much cleaner Federal Government.

Mr. HUMPHREY. Mr. President, will the Senator yield for a final question?

Mr. McCARTHY. I am glad to yield.

Mr. HUMPHREY. Am I to understand it, then, the Senator from Wisconsin is saying that the distinguished, patriotic, and devoted American citizen, in the person of J. Edgar Hoover, the head of the FBI, is so anxious for his job that when a top Communist agent, a No. 1 traitor, is disclosed by the records of the FBI, the distinguished Director of the FBI would not resign and make public the information if the evidence is there to substantiate the charge? Does the Senator say that the Director of the FBI would protect the Attorney General and protect the President rather than the United States of America if he had the evidence to substantiate that a man is a traitor?

Mr. McCARTHY. The Senator knows that the Director of the FBI has one job and that is to develop information, develop the case, and make it available to the Attorney General. There is no doubt whatsoever in the mind of the Senator from Minnesota as to that. Mr. Hoover is one of the few men left who are fighting energetically against communism, and there is nothing the Communists would like better than to get J. Edgar Hoover out of his job. I certainly hope the Senator from Minnesota is not urging that he resign. [Laughter in the galleries.] I think that if J. Edgar Hoover were to resign it would be a major catastrophe. So do not ask me those things, Senator. [Laughter in the galleries.]

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. HUMPHREY. Of course, the Senator from Wisconsin did not mean to tell the distinguished Members of the Senate that the junior Senator from Minnesota is suggesting that the patriotic, loyal public servant, J. Edgar Hoover, resign. What the Senator from Wisconsin is trying to do at the moment is to interpret the remarks made by the junior Senator from Minnesota. I should like to ask the Senator from Wisconsin, since he has seen fit to make this public declaration because of his loyalty to the Republic, which loyalty no one can question, whether he believes that J. Edgar Hoover would be less loyal if he had in his records the same information as to an outstanding public enemy, Soviet top-Communist agent. I remind the Senator that he assumes the FBI has the records and as he says better investigators than he is. In other words, does the Senator from Wisconsin feel that the Director of the Federal Bureau of Investigation would be so lacking in intestinal fortitude and patriotic devotion to public duty that he would not resign if he knew that the records of the FBI disclosed a top Soviet agent in the State Department who could not be prosecuted? Am I to assume by the remarks of the Senator from Wisconsin, that the Director of the FBI would be a party to a conspiracy to protect a member of the State Department? Am I to assume that the Senator from Wisconsin is the only man in the Government who has the courage to speak in behalf of the Republic? I shall not indulge in that assumption, Mr. President. I believe that if Mr. Hoover had the information he would be the first to call it to the attention of the people of the United States, and not wait till he could secure a public forum, such as the forum of the United States Senate, to make the charge.

Mr. McCARTHY. The Senator from Minnesota knows full well that the Director of the FBI has no authority whatsoever to call the attention of the public to things which are in his files. In fact, the Senator from Minnesota is one of those who has been urging that the files should not be made available to a committee in executive session. He certainly cannot ask that the files be made available to the world at large. Certainly he cannot say that the fact that Mr. Hoover will not publish the files on the front pages of all the newspapers indicates disloyalty on the part of J. Edgar Hoover. There is something rather contradictory in the Senator's position, that is, that the files should not be made available to Senators such as the Senator from Maryland [Mr. TYDINGS], the Senator from Connecticut [Mr. MCMAHON], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Massachusetts [Mr. LODGE], and the Senator from Rhode Island [Mr. GREEN], but that J. Edgar Hoover is disloyal if he will not make them available to the world at large. I do not question the Senator's sincerity, but I do question the Senator's reasoning power on that point. [Laughter in the galleries.]

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield.

Mr. HUMPHREY. Let me say that the Senator from Minnesota wishes to reciprocate in kind the observations the Senator from Wisconsin has made, in that the Senator from Minnesota does not question the sincerity of the Senator from Wisconsin, but does question the logic of the Senator from Wisconsin and the deductions which have been made by him.

Let us get clear——

Mr. McCARTHY. Mr. President, I ask unanimous consent that, under the rules, I shall not lose the floor by yielding to permit the Senator from Minnesota to make observations.

The PRESIDING OFFICER. The Senator from Wisconsin requests unanimous consent that he not lose the floor when observations are made by other Senators. Is there objection? The Chair hears none.

Mr. HUMPHREY. Mr. President, I wish only to observe, first, that at no time have I said anything as to whether or not the President should open or keep closed the files. That matter is not before the junior Senator from Minnesota. It is before a special committee of the Senate.

Second, I wish to observe that I do not care to have the Senator from Wisconsin twist my remarks, or interpret them in such a manner as to confuse their meaning. The junior Senator from Minnesota holds the Attorney General, Mr. McGrath, and the Director of the FBI, Mr. Hoover, in the highest esteem. The junior Senator from Minnesota believes in them, trusts them, pays tribute to their patriotic, loyal service. It is my position that if J. Edgar Hoover had the information which the Senator from Wisconsin says is available in the files, or which the Senator assumes to be available, Mr. Hoover, because of his patriotic devotion to his country, would have made the information public, would have called it to the attention, first, to the distinguished Attorney General, Mr. McGrath, then the President of the United States, and then to the attention of the people.

In view of the loyal service of Mr. Hoover and of the loyal service of Mr. Richardson, head of the Loyalty Board, does the Senator from Wisconsin believe that either one of them would cover up the record of an alleged traitor—an allegation made on the part of the Senator from Wisconsin? Does the Senator from Wisconsin believe that Mr. McGrath, or Mr. Hoover, or Mr. Richardson would be part of a conspiracy to cover up for a "bad policy risk"—I quote now—"a top Communist agent," "a Soviet agent who is or has been a member of the Communist Party, and an agent of Russia"?

I should like to have the Senator from Wisconsin answer whether he believes that Mr. Richardson and Mr. Hoover would be parties to such a conspiracy to cover up for that kind of a person in the employ of the Government of the United States.

Mr. McCARTHY. Mr. President, let us take up the various questions the Senator from Minnesota has asked.

He has asked about Mr. Richardson. Personally, I do not know him, except I have had an experience at arm's length, without seeing him, during the past several weeks. As the Senator from Minnesota will recall, I made the statement before the committee, under oath, that the John S. Service case had been post-audited by Mr. Richardson's Loyalty Board. I pointed out that Mr. Richardson's Loyalty Board, on March 3, sent that case back to the State Department, saying, "Not only are we dissatisfied with the clean bill of health you gave Service, but we want you to appoint a completely new loyalty board."

Mr. Richardson's top executive officer, when asked by the press whether or not I was telling the truth, said, "No; we have never heard of Service."

The Senator from Minnesota asks me whether Richardson would cover up anything. I know that his top executive, when asked about the facts I gave on Service, said, in effect, "McCARTHY is lying. We never heard of Service."

Then something happened in the State Department. Apparently they became a little worried about the machinery which had been set in motion and about the fact that too many papers had been signed. So the next day they had to admit that I was right, and that on March 3, as I had said, the Review Board sent Service's case back.

So I wrote to Mr. Richardson and said, in effect, "Can you give us an explanation of this? Why does the head of the

Loyalty Board tell the American people a deliberate untruth?" Why they said there was nothing to my case on Service and why they said they had never heard of him, and yet the next day admitted that I was right in every detail.

What do Senators think his answer was? He said, "I had to say this because too many people were asking questions."

So, when the Senator from Minnesota asks me about what Mr. Richardson would cover up, my answer is, "I do not know."

As to J. Edgar Hoover, I think the Senator from Minnesota is doing a thing he certainly should not do, after serious thought, namely, attempting to convince the American people that J. Edgar Hoover condones what is going on in the State Department. It is not his task to approve or disapprove what the State Department does. The Senator from Minnesota knows, and I know, that J. Edgar Hoover has no power whatsoever to hire or fire anyone in the State Department. The Senator from Minnesota knows, and I know, that all J. Edgar Hoover's organization can do is to develop the facts. The Senator knows that if J. Edgar Hoover started making those facts available to the public he would not continue in his job for more than a moment.

Although I am sure the Senator from Minnesota does not want to see the services of Mr. Hoover dispensed with, yet I know there are in this Nation communistic and un-American persons who would like nothing better than to see Mr. Hoover retired to private life.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator from Wisconsin.

Let me say that the observation I am going to make, with the indulgence of the Senator from Wisconsin, is not based upon an attempt to heckle the Senator from Wisconsin.

What difference does it make whether one person thinks Mr. Hoover is doing the right thing or not; or what difference does it make whether Mr. Richardson, who is only one individual, is trying to do certain things or not? I think what we should emphasize is the protection of American rights. If I correctly understand the Senator from Wisconsin, that is all he is trying to do; he would like to have removed from the Government service, no matter where, anyone who would not protect American rights.

The colloquy which has occurred between the Senator from Wisconsin and the Senator from Minnesota has been in regard to whether Mr. Hoover is doing the right thing or whether Mr. Richardson or someone else is doing the right thing. Should not the question be, Is the law being obeyed? After all, Mr. President, should we have a Government based upon what Mr. Hoover thinks or upon what someone else may think or upon what Mr. Richardson or I or the Senator from Wisconsin thinks; or should we have a government of law? Therefore, should not the question be, Have any laws been violated? If so, let us prosecute or punish those who violate them.

We should not take up other matters simply because they are entertaining; we should not engage in colloquy simply because it is entertaining. It might entertain for the moment anyone who is listening, but that does not prove a thing.

Mr. McCARTHY. Mr. President, I wish to thank the Senator from New Mexico for giving the Senator from Minnesota that advice.

The Senator understands that no matter how intelligent or unintelligent a question may be, when a Senator asks a question of me, I try to answer it. I am not accusing the Senator from Minnesota of asking an unintelligent question, but I gather that the Senator from New Mexico is criticizing me for yielding to permit the Senator from Minnesota to make an observation. I say that, rightly or wrongly, I feel that when I discuss a subject so important as this one, I should freely yield. Another Senator may think the Senator from New Mexico is not wisely taking up time. However, so far as I am concerned, I shall give the Senator from New Mexico all the time he wishes.

Mr. CHAVEZ. Very well, and I thank the Senator. In this particular instance, I am not criticizing either the Senator from Wisconsin or the Senator from Minnesota; neither am I trying to heckle the Senator from Wisconsin or to keep him from saying anything about this matter.

Mr. McCARTHY. I know the Senator from New Mexico is not.

Mr. CHAVEZ. My point is, Let us keep the record clear. The only way the American people will get any benefit from it is by a consideration of whether the law is being obeyed, not by a discussion of what the Senator from Wisconsin or I may think about some Government officials. What I think about some Government officials probably could not be said in polite society; and what the Senator from Minnesota thinks about some Government officials probably could not be said in polite society. However, it is basic, if we are to have a government of laws—not a government based on the ideas of the Senator from Wisconsin or of the Senator from Minnesota or of the Director of the FBI or of someone else—that the laws be obeyed. If the laws are obeyed, I think the people of the United States will have a better government.

Mr. McCARTHY. Mr. President, I thank the Senator from New Mexico. Frankly, I feel very strongly that when any Senator rises on this floor and tries to indicate—of course, I may have misinterpreted the remarks of the Senator from Minnesota—that a man with the background of J. Edgar Hoover would condone what is going on, then I think I should make it as clear as possible that Mr. J. Edgar Hoover has no power whatsoever over the situation, no function to approve or disapprove.

Mr. President, I have before me another affidavit.

Mr. ANDERSON. Mr. President, will the Senator yield at this point?

Mr. McCARTHY. I am glad to yield.

Mr. ANDERSON. I have waited until the Senator finished with the letter from Mr. Lattimore, to ask the Senator a question about it, if he does not mind.

Mr. McCARTHY. I may say to the Senator that I am not through with the documentation on Mr. Lattimore.

Mr. ANDERSON. However, the Senator from Wisconsin read from a letter dated June 15, 1943, did he not?

Mr. McCARTHY. That is correct.

Mr. ANDERSON. I believe the Senator fixed as April 26, 1943, the date when the party line changed.

Mr. McCARTHY. Let me make that clear. I say that if we can fix any particular date, I think that would be it. Some persons say the party line commenced to change after the German surrender at Stalingrad. Others say that the time we can more definitely fix for it is the date when Stalin broke relations with the Polish Government-in-exile. However, I would say that April 26, 1943, is about as close as any date we can determine upon.

Mr. ANDERSON. I wished to ask the Senator whether he would make any comment on such papers as have been filed by General Stilwell, for example, about his relationship with Chiang Kai-shek, or by General Marshall and many other persons. I do not believe the Senator would question their loyalty, and I wonder whether he differentiates between them and Mr. Lattimore because of some other history or because of that individual date.

Mr. McCARTHY. I intend to dwell on this letter. I think Lattimore was as much responsible, if not more so, for Stilwell's activities in China as any other one individual. If the Senator will carefully study his record I am sure the Senator will believe that to be the case.

The Senator understands that it is impossible for me, with a limited staff, to present a court case here; but I am sure that if the Senator will sit here and will listen to the material which I am presenting, he will be convinced that the clique of Lattimore, Jessup, and Service has been responsible, almost completely—under Acheson, of course—for what went on in the Far East, although there were other individuals taking part. If the Senator will wait until I have completed my remarks, then if he has any questions, I shall certainly try to answer them. However, I am reasonably certain that when the Senator from New Mexico, for whom I have unlimited respect, sees this evidence, he will quite heartily agree with me.

Mr. President, I have before me an affidavit which is of interest, covering the testimony which will be given by a former general in the Red army, who has indicated his willingness to testify if subpenaed. His testimony will be to the effect that while a general in the Red army, and while at Moscow, he was in close contact with a general, whom he names, who is named in the affidavit, who was one of the top generals in Soviet intelligence. This conversation was in 1935 or 1936. He was discussing with that top man of Russian intelligence the difficulty of getting good intelligence information from Mongolia and the Far East generally.

I may say incidentally this former Russian general states that he gave a statement to a Government investigative agent. Whether that was the State Department, or what investigative agency it was, I frankly do not know. The testimony will be that the thing that particularly disturbed Russian intelligence was that they had difficulty getting Russian agents into the Far East, because of the suspicion of the Japanese and the Chinese at that time. That, Mr. President, you understand, was 1935 or 1936. The testimony will be that the head of the Russian intelligence told this witness, this prospective witness, that they were having excellent success through the Institute of Pacific Relations, which the Soviet Intelligence, through Communists in the United States, had taken over. In connection with this, he particularly mentioned Owen Lattimore and another individual whose name the Senate would recognize, who is not at present connected with our Government. That name is also in the affidavit. The individual has not been connected with the State Department, but did spend some time with Lattimore in the OWI. I am not using his name on the Senate floor today, in view of the fact that he is not in the Government. But the entire affidavit is being turned over to the FBI.

This former Red army general will further testify that, at the time he was in Moscow, the name of Owen Lattimore meant nothing to him, but that it was only after he reached the United States as a fugitive from Soviet persecution, and in the late thirties, that the significance of the Russian Intelligence became apparent to him. His testimony will further be that in the course of visits to other European capitals, he had received approximately the same information about IPR, and also about Lattimore, and the other, named as a Soviet agent in this affidavit.

I have before me another affidavit, which——

Mr. ANDERSON. Mr. President, will the Senator yield at that point?

Mr. McCARTHY. I should like to refer to another affidavit, first, so we may have both of them in mind. I have before me another affidavit, the original of which is being handed to the FBI. This affiant lives in China. While Lattimore was there the affiant was an editor of a newspaper in Tientsin and another in Peking.

He states that Lattimore was a leader in several pro-Russian student uprisings in China. He points out Lattimore's known connection with and control over the magazine Asia, which later became Amerasia. The Senate will recall that one of the editors of Amerasia was arrested and found guilty of conspiracy to steal secret documents from the State Department, the War Department, and the Navy. I refer to Jaffe. There is a rather humorous vein in this affidavit. He points out that Chiang Kai-shek was displeased with Lattimore, who as the Senate will recall, was sent by Roosevelt as an adviser to China. He was sent over there for 6 months. Chiang Kai-shek apparently did not want to hurt Roosevelt's feelings by requesting Lattimore's recall, so he handled this in an oriental fashion. He appointed Lattimore a Chinese official and sent him back to represent him in Washington. [Laughter.]

He points out that the Lattimore crowd was responsible for the indoctrination of Stilwell against Chiang Kai-shek. He will point out in his testimony that this was abundantly clear to anyone who lived in China.

The affidavit of this editor of a Chinese newspaper is I believe valuable principally to show Lattimore's leadership of pro-Russian Chinese student uprisings.

I am glad to yield now to the Senator from New Mexico.

Mr. ANDERSON. Does the Senator mean to convey the impression that the Institute of Pacific Relations, in 1935 and 1936, was under Communist control?

Mr. McCARTHY. Let me explain to the Senator. I was going to cover this later, but I will do it briefly now, and I will cover it more at length later. The IPR was established back in the early twenties by some outstanding men. It took some time for the Communists to gain control of it. There are 50 trustees on the board of the Institute of Pacific Relations, which it will be understood, consists of 10 councils.

Apparently the party has made no great attempt to place men upon that council, and so far as I know, of the 50, they have never had a membership of more than 10, or at most 15. In other words, the party has never had, and it does not even now remotely have control of the board of trustees. There is, however, the executive committee, which consists of 10 individuals. Those are members of the board of trustees, largely who live in and around New York. The party has made a tremendous effort either to get Communists, fellow travelers, or merely deluded liberals on that particular board. Three, four, or five members have been about the most they have had on the board, who actually have done a rather effective job of control.

Mr. ANDERSON. I was wondering whether the Senator could fix the time, because if he would fix the time, for example, as 1935 or 1936, I should be glad to name for him people whom I am quite sure he would never call Communists.

Mr. McCARTHY. Oh, I can give the Senator the names of any number of outstanding men. As I said, on the board of trustees I think there has at all times been a sizable number of outstanding men, and on the executive board there have also been some outstanding men.

Mr. ANDERSON. I was only hoping the Senator might indicate why, if the other 35 or so out of 50 distinguished people were not Communists, it proved that Lattimore was, because he associated with them, the heads of great American universities, prominent editors of newspapers, distinguished citizens of every type. They are not brought into this discussion.

Mr. McCARTHY. Mr. President, I am not pointing out that Mr. Lattimore was a Communist, because he associated with those men on the board of trustees. I am now reading an affidavit from a Red army officer as to what his testimony will be in regard to information which he got from Russian intelligence. This is a part of the entire picture.

One of the recent activities of Lattimore, which I wish to point out to the Senate today, is a recent trip to Point Barrow, Alaska, in May of last year. He had two cameras with him on that trip, as did everyone else who went on the trip. Point Barrow is, as Senators know, the northernmost place in Alaska, and one of the main approaches to the American Continent near the Arctic. It would be interesting to know where the pictures are today which Lattimore took with those two cameras.

I think the committee might also try to investigate, to find out how that trip was arranged. In this connection I understand that in Professor Lattimore's home in Baltimore he has a room devoted to special photographic equipment. Understand, I have never been in the room, but that is my information.

I also discussed Owen Lattimore with Freda Utley who was formerly a member of the British Communist Party. Her husband was picked up by the OGPU and has apparently since died in a Siberian prison camp. She states that while she was not admitted to the secret meetings between the Russian Communist leaders and the IPR delegates, it was common knowledge at the Institute where she worked, in the Russian Council of the Institute, in Moscow, that the Soviet Government was paying a large sum as its contribution to the Institute of Pacific Relations.

In regard to Lattimore, she states that at the time she met him in Moscow in 1936, in her opinion he was not yet a Communist, but that later when she knew him in Baltimore in 1940, he had definitely decided to throw in his lot with the totalitarian enemies of America and of freedom because he has become convinced that the Communists were destined to win.

She states further that a few months after she had gotten to know him in Moscow, she met him in London where he told her that he had almost lost his job as editor of Pacific Affairs because he had published an article by the Trotskyite, Harold Isaacs.

Keeping in mind that Pacific Affairs is a publication for 10 councils, the publication of which Jessup was editor being the publication for the American Council. I should like to call the Senate's attention also to an article by Philip J. Jaffe, entitled "China's Communists Told Me," which appeared in the New Masses of October 12, 1937. It will be recalled that this is the same Philip Jaffe who recently was found guilty of conspiracy to steal secret documents from the State Department and the War and Navy Departments in connection with the Amerasia case.

In this article Jaffe gives considerable detail about his travels in China with T. A. Bisson and Owen Lattimore, giving details as to their stay at the Communist foreign office in Yenan and being greeted on arrival at Yenan, the Communist headquarters, by Agnes Smedley. Miss Smedley, it will be recalled, has been named by General MacArthur's Intelli-

gence Service as "one of the most energetic workers for the Soviet cause in China for the past 20-odd years."

Let me make it clear: I do not claim the distinction of having exposed Lattimore. He has long since been exposed to the State Department. For example, on October 26, 1946, nearly 5 years ago, the Washington Times-Herald in an article entitled "State Department Sends Soviet Sympathizer as Aide," we find the following:

Another Red sympathizer, if not a Communist, Owen Lattimore, has been named Special Economic Adviser to Tokyo.

As the Senate well knows, the American Legion, through its Americanism Commission, for years, has been waging a gallant fight against odds in an attempt to maintain America as a free Nation.

In March of 1949 its subcommittee on subversive activities put out a document entitled "Summary of Trends and Developments Exposing the Communist Conspiracy." In this it listed a number of individuals as "unsuitable and inappropriate for Legion sponsorship." One of the names is Owen Lattimore. Certainly this was known to the State Department when they sent Lattimore to Afghanistan on the point 4 mission. Also the fact-finding committee of the California Legislature on page 199 of its fourth report on un-American activities had the following to say: "Among the Communists and fellow travelers who have been writing books for public schools is Owen Lattimore."

I fear in the case of Lattimore, I may have perhaps placed too much stress on the question of whether or not he has been an espionage agent. In view of his position of tremendous power in the State Department as the "architect" of our far-eastern policy, the more important aspect of his case deals with his aims and what he advocates; whether his aims are American aims or whether they coincide with the aims of Soviet Russia. Therefore, forgetting for the time being any question of membership in the Communist Party or participation in espionage, I would like to deal briefly with what this man himself advocates and what he believes in.

It does not take any counterespionage staff to determine what he stands for. It does not take an investigative group to determine whether he favors communism over our form of democracy. All it takes is a detailed study of his voluminous writings.

We wonder why a man as brilliant as Lattimore would set forth his aims so clearly over a number of years—especially when he now denies those aims so loudly. I suppose, however, if we had the answer to that question, we would also have the answer to why Hitler wrote his Mein Kampf and why Stalin wrote his Principles of Leninism.

He is undoubtedly the most brilliant and scholarly of all the Communist propagandists, and also the most subtle of the evangelists who have deceived the American people about the Chinese Communists.

I might say that if we study him we cannot help but see that here is a brilliant individual. That is what makes him dangerous. If he were merely a dupe, such as are some of the persons he has been using, he would not be so dangerous to the Nation. Nevertheless, no one can read his books carefully without realizing that they are replete with pro-Soviet propaganda; twisted half-truths about America; misinformation about the Chinese Communists; and historical distortions and omissions designed to trick the American public into support of policies advantageous to Moscow.

In a moment I shall give some quotations from Lattimore's books. But first I wish to emphasize the point that the administration's disastrous far-eastern policy reflects point by point Mr. Lattimore's recommendations and advice.

In this connection the Senate will recall that when I gave the name and some facts in the Lattimore case to the Foreign Relations Subcommittee in executive session, the State Department made the following statement:

He [Lattimore] has never been employed by or connected with the State Department, except once. About 5 years ago, and for a period of 4 months only, he was associated with a mission outside the United States.

Once thereafter, on a single day, although not employed or compensated by the State Department, he publicly addressed a group of State Department employees.

On another occasion, although not employed by the State Department, he took part over a period of 2 days in a citizens' round-table conference, in the company of many distinguished Americans who likewise were participating in this discussion.

There was no other contact, association, employment or connection between the State Department and this individual in any manner or form, at any other time, save as mentioned above.

I call attention particularly to the all-incusive language:

There was no other contact, association, employment or connection between the State Department and this individual in any manner or form, at any other time.

For that reason it might be well to give Lattimore's employment and contact with the State Department and other Government agencies.

In 1941 he was appointed by Roosevelt as adviser to Chiang Kai-shek. While I do not have any documentary proof as to why President Roosevelt picked Lattimore for this job, the best information available would indicate that it was largely on the recommendation of Henry Wallace. He remained with Chiang Kai-shek, however, only 6 months and was then sent back by him to the United States.

Shortly after his return to the States, he was put in charge of the Overseas Division in charge of Pacific operations of the OWI.

Incidentally, Mr. President, I had hoped I would have, for the benefit of the Senate today, some of the excerpts from the broadcasts which he beamed out to China and the Pacific. They were really "dillies."

In 1944 he and John Carter Vincent accompanied Henry Wallace on a tour of China, after which Wallace made his report to the State Department, recommending the torpedoing of Chiang Kai-shek.

Incidentally, in this connection the State Department issued a press release—and I have a copy of it in my hand—denying the existence of such a report and stating as follows:

The Department reiterates in the plainest language that it does not have in its files and does not know of the existence of any report of the nature suggested by Mr. JUDD.

This was in answer to a demand by Congressman JUDD that the report be produced from wherever it is and published.

The Senator from Maryland [Mr. O'CONOR] subsequently proved conclusively that the State Department was again mistaken—if that is the correct term—in this connection. The Senator obtained from Wallace a summary of his report and, as will be recalled, made a report to the press.

Upon his return from this trip, Henry Wallace wrote a book entitled "Soviet Asia Mission," in which he pays tribute to Owen Lattimore for his invaluable assistance. He also points out on page 17 that the President—Mr. Roosevelt—"urged me to take Owen Lattimore with me, who, he said, was one of the world's great experts on the problems involving Chinese-Russian relationships."

This would seem to indicate that not only the State Department but the President have looked to Owen Lattimore as their adviser and expert on far-eastern policy.

In 1946 Lattimore headed a special mission to Japan, again to make recommendations to Mr. Truman and the State Department.

In 1949 he attended the Indo-American Conference in New Delhi, India, according to a copy of the Indian News Chronicle. According to this newspaper and the Hindustan Times, our Ambassador to India also took part in this Indo-American Conference. This conference was jointly sponsored by the State Department and the Institute of Pacific Relations.

At the present time Lattimore is in Afghanistan. While the State Department denies he has any connection with it, the following information was obtained from the Library of Congress:

The Afghanistan Government asked the United States in December 1949 to send a preliminary mission to Afghanistan to investigate the possibility of economic development under United Nations technical assistance program. Owen Lattimore was selected to be the head of this mission, which included a Mr. Caustin of the United Kingdom who is a member of the United Nations Secretariat; a Mr. Kirk of Canada, who is with the United Nations Food and Agriculture Organization; and a fourth member, an engineer, whose name is not known. The purpose of this mission was to pick out some key economic projects which might provide the basis for long-term assistance.

In other words, Mr. President, the Afghanistan Government asked this Government to send a preliminary mission there to investigate the possibility of assistance under our point 4 program. That is the program which Hanson is now planning.

For some time he has also served on a State Department lecture panel, his job

being to properly indoctrinate other State Department employees. In this connection I call attention to an editorial written by Frank Waldrop which appeared in the Times-Herald of June 6, 1946.

Whether or not the Secretary of State will ever admit that Lattimore has a desk in the State Department is comparatively unimportant. The fact concerning which there can be no doubt whatsoever is the dominant influence of Mr. Lattimore over the formulation and implementation of the policy which has delivered China to Stalin. One can find in his books the clearest exposition of the theories and views which have been the basis for the administration's disastrous China policy and which are reflected in the white paper. Indeed the reports from its Foreign Service officials in China during the war, as given in the white paper, read like extracts from Lattimore's books. Lattimore's views are followed by the State Department insofar as the Chinese Communists are concerned. These Chinese Communists are represented by Lattimore and his friends in the State Department as "democrats," "liberal agrarian reformers," "progressives not under Moscow's direction," or, more recently, as "detachable from" Soviet Russia. We hear a new term for them every day.

The general drift of the line of propaganda put across by Mr. Lattimore in his writings is clearly shown by the following blurb on his book, Solution in Asia.

This is what the editor says about the book:

He shows that all the Asiatic peoples are more interested in actual democratic practices, such as the ones they can see in action across the Russian border, than they are in the fine theories of Anglo-Saxon democracies which come coupled with ruthless imperialism. * * * He inclines to support American newspapermen who report that the only real democracy in China is found in Communist areas.

Lattimore's admiration for Russian democracy is characterized by the following passage in the same book:

To all of these peoples (along the Russian frontier from Korea and Manchuria past Mongolia, Sinkiang, Afghanistan, and Iran all the way to Turkey) the Russians and the Soviet Union have a greater power of attraction. In their eyes—rather doubtfully in the eyes of the older generation, more and more clearly in the eyes of the younger generation—the Soviet Union stands for strategic security, economic prosperity, technological progress, miraculous medicine, free education, equality of opportunity, and democracy, a powerful combination.

The quotation appears at page 139.

That is Lattimore's description of Communist Russia. In "The Situation in Asia," Lattimore is engaged in "problems of policy," which—

are continuous, and stem out of each other at successive stages, in such a way that even when the same kind of policy is followed or proposed, it must adapt itself in details to the changing situations which it is intended to manage.

I have read from page 216.

To illustrate, Lattimore goes on to say:

American policy at the end of the war sought to slow down the rate of change in Asia and give priority to the political stabilization and economic recovery of Europe. Since then, however, in spite of American policy, the rate of change has been greater in Asia than the rate of recovery in Europe. We should, therefore, recognize the necessity of adapting our policy to the changing realities; and we can only do so by relaxing our pressure on Asia to subordinate its interests to our interests and those of Europe, and by increasing our pressure on Europe to join us in a policy of negotiating compromises on terms acceptable to Asia.

I have read from page 217.

This is a roundabout way of saying that, since the march of communism is irresistible in Asia, American policy should be to leave it alone, and then, through threatening to stop Marshall aid, to force European nations to do the same, that is, to negotiate compromises on terms which are acceptable to the Communists in Asia. In other words, it is a policy of appeasement of communism in Asia, which is to be jointly pursued by all nations under American leadership.

At page 43 Lattimore attacks what he calls "the grandiose and disastrous American attempt to determine the character and outcome of the Chinese Civil War." Does he mean the Marshall mission to China and the policy of forming a Kuomintang-Communist coalition? If so, Lattimore is for it. For he says that "this Marshall policy was a statesmanlike effort to secure for the United States a position of free maneuver." I have read from page 148. He blames the Marshall failure, and here he follows all standard Communist propaganda, on the assertion that "all during the period of his mission, the Kuomintang kept accumulating American supplies and American transportation kept moving Kuomintang troops into north China and Manchuria."

This is Communist propaganda, pure and simple. For it is by now generally known, and documented by the white paper, that no such thing happened, and that General Marshall himself stated in testimony before Congress that a ban was imposed on arms and ammunition shipments to China which was a virtual embargo. Moreover, Lattimore fails to point out that the Soviet troops in Manchuria were systematically preventing Chinese troops from moving into Manchuria, either by sea through the port of Dairen, or overland through the Great Wall pass Shanhaikwan, or by air to Mukden and Chankchun, while the Soviet troops were building up large Chinese Communist forces all over Manchuria. The tragic story is now presented in the document China Presents Her Case to the United Nations, which was laid before the United Nations General Assembly by the Chinese Government, November 25, 1949.

After stating that the Marshall mission "was a statesmanlike effort to secure for the United State a position of free maneuver"—that is, the mission to get the Chiang Kai-shek government to take in the Communists—Lattimore feels that the Truman doctrine is "the first damage to this position of maneuver," and he blames the Eightieth Congress for his assertion that General Marshall, was "blackmailed into destroying what remained of the position of free maneuver in China policy which he himself set up." This blackmail, of course, was the China Aid Act of April 3, 1948—and he makes this abundantly clear—which Lattimore wrongly describes as having been taken out from the money for the Marshall plan for Europe. In other words, he says that the attempt on the part of Congress to give the $125,000,000 aid to Nationalist China was blackmail.

The fundamental thesis of the book is the following statement:

Clearly, the Communist ascendency had become so decisive that it could not be reversed (p. 151).

He goes on to spell out this assumption with some remarkable predictions of subsequent Soviet policies:

We must also abandon the stubbornly lingering delusion that we can somehow maintain footholds by supporting rump territories or rump government somewhere south of the Yangtse, or on the coast, or on the island of Formosa (p. 179).

This is Lattimore saying this should be the policy which should become the State Department policy. He says, "Don't think you can maintain a rump government beyond the Yangtse, don't think you can maintain one on Formosa."

Here he was prepared to write off free China in favor of the Communists, even if the Communists were still on the north of the Yangtse, or when they were controlling only one-third of China.

I might say that I dislike taking up so much time developing these quotations from Lattimore's works, but I think it is such an important part of the entire picture that it should be made a part of the RECORD at this time.

Lattimore's predictions regarding Soviet policy were accurate:

We shall soon have a government in China firmly established in the heart of the land and controlling practically the whole of its fringes. This Government will be recognized de jure and de facto by Russia. The new government of China will claim China's big five position in the United Nations, including the right of veto.

That prediction has not come true as yet, of course.

These lines were written a full year before the Communists took such steps.

Lattimore does not believe that anything should or could be done to arrest the march of communism in China and Asia. However, he is not advocating a policy of appeasement of Communist aggression. He believes that Communist rule is good in itself.

As Senators listen to this, I ask them to keep in mind Dean Acheson's speech before the National Press Club several months ago. This is what Lattimore says:

Throughout Asia today there prevails an atmosphere of hope, not of despair. There is not a single country in Asia in which people feel that we are entering an age of chaos. What they see opening up before them is a limitless horizon of hope—the hope of peaceful constructive activities in free (sic) countries, and peaceful cooperation among free (sic) peoples. There will be disillusionments along the way as these hopes unfold. They should not come from America, or as the result of American policy.

In other words, he says to America, "Keep your hands off."

A great part of Asia's hopes, however, will be fulfilled, and should be fulfilled with American cooperation. We have everything to gain by being on the side of hope (p. 238).

BIPARTISAN FOREIGN POLICY

Mr. McCARTHY. Mr. President, the Senator from New York [Mr. IVES] has requested that I ask unanimous consent to allow him to make a short statement. I now ask that his request to be allowed to make the statement be granted, without my losing the floor.

The PRESIDING OFFICER. Without objection, the request is granted.

Mr. IVES. Mr. President, the Senator from New York thanks the able Senator from Wisconsin for his courtesy.

On March 27 my distinguished colleague, the junior Senator from New York [Mr. LEHMAN], in speaking before the Senate, expressed deep concern over criticism of the Secretary of State, which has been voiced by Members of the Senate. My colleague more than intimated that these attacks upon Mr. Acheson, coming from Republicans as they were, were politically inspired and were calculated to bring the State Department and the foreign policy of the United States into discredit, and by this means to furnish the Republican Party with an issue contrived for the political campaign of 1950. My colleague further stated "in times so fraught with danger the security and the welfare of our country demand somewhat more than normal restraint." My colleague went on "to plead with the gentlemen of the opposition to join with us (Democrats) once again in adjourning politics in the limited yet critically important field of foreign relations." He made a powerful plea for the restoration of the so-called bipartisan foreign policy.

I thoroughly agree with what my colleague from New York said about the importance of bipartisan foreign policy and the necessity of exercising restraint in order to preserve it. But I would point out that the preservation of bipartisan foreign policy demands restraint on the part of Democrats as well as Republicans.

Members of the Democratic Party can hardly expect members of the Republican Party to walk the narrow path of political restraint if that path is to be reserved for Republicans only, leaving the Democrats free to attack without restraint those on the Republican side who have dedicated themselves to the cause of developing a national foreign policy upon a bipartisan basis.

The two Republicans who since 1944 have played the leading roles in making foreign policy bipartisan are the distinguished senior Senator from Michigan [Mr. VANDENBERG] and our former colleague, John Foster Dulles. If today there is a lack of bipartisanship in foreign policy, it is due in no small degree to the absence from active service of these two men. The absence of the senior Senator from Michigan is due to illness from which all of us hope and pray he will speedily recover. The absence of Mr. Dulles is due to the outcome of the political campaign last fall in New York State, in which the present junior Senator from New York was the winner.

Perhaps the example of attack which was set in that New York campaign was the real forerunner of the present controversy over Secretary Acheson. In that campaign Mr. Dulles was the victim of innuendo and misrepresentation through advertising and other media calculated to disclose the so-called devastating facts behind the Dulles myth. It was charged that his participation in foreign policy was not because he was competent, but merely because he was selected by Governor Dewey as the Governor's personal representative. It was stated that Mr. Dulles was in no sense an adviser, and he was pictured as an isolationist, with an affinity for Nazis and Fascist causes.

Isolated and detached sentences from various of Mr. Dulles' writings were torn out of their context in an effort to represent that his major loyalty was to the German I. G. Farben and the other big boys who built up the Nazis. It was alleged that the Nazis were—and are—his clients, although it was a matter of public record that he had given up his law partnership in order to work wholly for public service.

It was further alleged that he had looked with favor upon the rape of Czechoslovakia and that he favored the aggressive wars of the Axis. Attempt was made to identify him with the German American Bund and with such men as Bund Leader Fritz Kuhn, Gerald L. K. Smith, and so forth, because, out of the thousands of persons who had at one time or another been clients of his law firm, one client allegedly had—some time or other—been a member of an organization that had had an association with Kuhn and Smith.

Mr. President, at this point in my remarks I ask unanimous consent to have printed in the RECORD the text of an advertisement appearing in most of the daily newspapers in New York State on Friday, November 4, 4 days before the election, at a time when Mr. Dulles had neither the opportunity nor any chance whatever to make appropriate or adequate reply. It will be noted that this advertisement was sponsored by the New York Democratic State Committee.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

[From the New York Times of November 4, 1949]

LET'S BE FAIR, MR. DULLES

The other day Mr. Dulles predicted that his defeat would end the bipartisan foreign policy. Aside from the insult to Senator VANDENBERG, who was and is the architect of Republican foreign policy, such arrogance shows dangerous delusions of grandeur—with contempt for the plain facts, contempt for the peoples' intelligence.

John Foster Dulles has been in the Senate a scant 4 months. Is bipartisan foreign policy a creation of this short period?

Read this editorial from the Washington Post, October 30, 1949.

"Senator Dulles' threat is ambiguous. Does he mean that if the voters of New York fail to return him to the Senate he will cease to support the bipartisan policy which he has hitherto supported, presumably, out of conviction and patriotism? Or does he mean that he considers his presence in the Senate indispensable to the maintenance of that policy? He would stand revealed as a very poor architect of bipartisanship indeed if the structure were to fall apart just because he was not on hand to shore it up. This kind of campaign extravagance pays scant courtesy either to the integrity of his senatorial colleagues or to the intelligence of the New York voters."

As Al Smith used to say, "Let's look at the record!"

THE DEVASTATING FACTS BEHIND THE DULLES MYTH

Foreign-policy expert?

John Foster Dulles has been an international lawyer all his life. That's his business. Serving his banking, big business, and cartel clients, Mr. Dulles found it expedient to pose in public life as a foreign-affairs expert. When he seeks election to the United States Senate on the basis of his record, it becomes the people's business. Here is the record:

Dulles was taken into foreign-policy confidence in 1944, not because he was the most competent man, but because he was selected by Dewey as his personal representative. He was in no sense an adviser, but rather a representative of the man who was Republican candidate for President. There was a war to be won, and in his desire for unity of the entire country F. D. R. felt that continuity in foreign policy was essential if a Republican were elected President.

His claim to wisdom goes way back to the 1907 Hague Peace Conference. Sounds wonderful. But that year the "expert" was 19 years old and his grandfather was an important American official.

From 1917–19, says Who's Who, he was engaged in wartime activities, especially in connection with reparations. But why didn't he also tell Who's Who that while he was apparently working to bring reparations back for the people of the United States, he made himself solid with the German bankers—so solid that he has been their trusted representative ever since, including the period of World War II? I. G. Farben, the Schroeder banking firm and its affiliates, the other big boys who built up the Nazis were—and are his clients.

Where does his major loyalty lie, for on the eve of World War II, after Munich, after the rape of Czechoslovakia and just before the dastardly attack on Poland, Dulles said:

"There is no reason to believe that any totalitarian states separately or collectively, would attempt to attack the United States. * * * Only hysteria entertains the idea that Germany, Italy, or Japan contemplates war upon us."

Is this the "foresight and wisdom" that qualifies him as expert on foreign policy? Where would we be had we followed this advice?

He even went to the trouble of publishing a book called "War, Peace, and Change," (1940) in which he tried to justify Germans, Japanese, and Italian land grabs—aggressive war—on the ground that they were "dynamic peoples," entitled to expansion. Who profited from that expansion?

At that time he argued in favor of "peaceful change"—that is, the invaded and threatened people were to remain peaceful. What about genuine peaceful change desired by New York State citizens?

And what about his talk in Troy the other day when he raised the question of revolution if the American people continued their forward march via social legislation?

Oh, yes; wasn't America First incorporated in his office, and weren't he and his wife big contributors—through 1941 the year of Pearl Harbor—to this isolationist

group that was supported by other organizations like the German-American Bund, and connected with such men as Bund Leader Fritz Kuhn, Gerald L. K. Smith, etc.

Defender of democracy

Three days after Pearl Harbor, a memorandum over Dulles' signature was sent to the young men in his office, warning them that if they enlisted or entered Government service, there would be no guaranty that they would have their jobs back after the war. War that just plain meanness or did it show a lack of real support for the war effort?

"For democracy is, of course, a luxury. It involves inefficiencies and weaknesses, and it is incompatible with the attainment of a maximum national effort."

That's what Dulles said in his speech before the Foreign Policy Association, March 18, 1930.

He was wrong on at least two counts. Maximum national effort is compatible with democracy—as anybody knows who participated in the national war effort. And democracy is not a luxury. It's a necessity.

In Life magazine in June of 1946 he made a high-sounding statement about the importance of social security.

But how did he feel about the extension of social security when it came up in Congress recently?

And the RECORD shows that he voted "no" three times on raising the minimum wage above 40 cents an hour.

Business prophet or fear merchant?

In the 1948 campaign the Dewey-Dulles prophets predicted collapse of our country's economy unless the reins of Government were turned over to them. You know it didn't happen.

Now, once again the Dewey-Dulles prophets predict calamity. Let's look at the facts now, in November 1949. Business is better than it has ever been. Wages are higher than ever. Farm income is bigger than at any time in our Nation's history. Mortgages are lower than ever. The greatest demand for consumer and durable goods exists today. We are in a period of an abundant, expanding economy, despite all the dire fears of the Dewey-Dulles prophets of disaster. Yes; and with faith in America and America's future, we can go on making this a finer, happier, healthier America.

NOW, LET'S LOOK AT THIS RECORD

Authority on foreign affairs

HERBERT H. LEHMAN, in 1943, was unanimously elected by the representatives of 48 nations to become Director General of the United Nations Relief and Rehabilitation Administration. The lives, hopes, and future of 500,000,000 people depended on UNNRA. All the nations of the free world chose him to administer this vast program. In 16 months UNNRA shipped 18,000,000 tons of essential food, clothing, medical supplies, farm equipment, and lumber to the liberated nations of Europe. This program helped many nations to stem the tide of communism. In this work LEHMAN visited devastated areas, often directly behind the fighting fronts, to be certain that his program was being carried out effectively. He was on intimate terms with the leaders of all the democracies. He mingled with and came to know the plain people of many countries and came to understand their problems and their desires.

Fighter against communism

HERBERT LEHMAN'S vigilance against Red fascism is attested to by no less an expert on communism than United States Attorney John F. X. McGohey. Judge McGohey is the brilliant public servant who conducted the successful prosecution of the 11 Communist leaders just recently. Last week Judge McGohey wired Governor LEHMAN:

"MY DEAR GOVERNOR: Thanks for your gracious compliments on the result of the trial of the 11 Communist leaders. It is, of course, a vindication of your own long fight against the Communists and all subversive groups in this country, as I well know from my own experience during the 10 years I was privileged to serve with you in your administrations as Governor of New York. I send you every good wish for continuation and extension of your distinguished service to our country."

Fighter for a free world

When the Marshall plan was first proposed and met with isolationist and Communist opposition, Lehman was an organizer of a committee of outstanding Americans to work for the passage of this great measure. His efforts on behalf of this committee, while others were silent, helped immeasurably in securing passage of the Marshall plan.

Low-cost housing

His State program cleared the way for housing and slum clearance. He fostered 19 projects—10 in New York City and 9 upstate—to provide living quarters for 60,000 people.

Civil rights

Lehman has fought and will continue to fight against discrimination because of race, color, or creed in civil or political life, in employment, education, union membership and human relations.

Aid to jobless

Millions have been helped by his outstanding unemployment-insurance program, providing weekly checks to wage earners thrown temporarily out of work through no fault of their own.

Public health

During Governor LEHMAN'S four administrations in Albany, bills providing medical and corrective services for crippled children and maternal and child care were passed. At the same time, a greatly expanded State hospital-construction program was launched and many new units were built. In a statement in New York Medicine, the official publication of the Medical Society of the County of New York, October 20, 1949, Governor LEHMAN stated clearly that he believes that every man, woman, and child in the Nation, regardless of economic status, is entitled to full access to adequate medical services. He said further, "I do not favor socialized medicine. I insist, however, that every man, woman, and child in the Nation, regardless of economic status is entitled to full access to adequate medical services. But I am against governmental control of medicine."

Social security

As four times Governor of New York State he pushed through his social-security program, providing old-age pensions, care for dependent and handicapped children, destitute mothers, and the blind. He favors extending social-security benefits.

Economy in government

Without impairing services, Governor LEHMAN decreased income taxes by $90,000,000, and left office with an $80,000,000 surplus in the State treasury, a surplus since wiped out by Dewey although he has tripled the budget and doubled the taxes.

Federal aid to education

As far back as 1936, Lehman caused the legislature to pass bills providing for free transportation for children in private and parochial schools as well as public schools. LEHMAN has placed himself on record as favoring Federal aid to education including transportation and auxiliary services for all school children.

Minimum wages and hours

Governor LEHMAN favors the increase in the minimum wage. Women and children, employees on public works, civil-service employees, and other workers have better pay, shorter hours, and safer working conditions because of LEHMAN'S labor program.

Labor legislation

Reforms adopted under Governor LEHMAN include a State labor-relations act to encourage collective bargaining, and a State board of mediation to prevent and settle labor disputes. "Yellow dog" contracts prohibiting a worker from joining a union were outlawed. LEHMAN favors repeal of the Taft-Hartley law.

Government aid to the farms

Lehman is for the moderate program of flexible benefits for the farmer. As Governor, he rescued the dairy industry from disaster by creating the Federal-State milk-marketing order. His farm program has included development of marketing and research facilities, improved rural roads, and stabilization of the agricultural industry.

"I stand on my record"—HERBERT H. LEHMAN.

Mr. IVES. Mr. President, the record of Mr. Dulles is, I think, well known to many Senators.

It was he who negotiated the understanding with Secretary Hull in August 1944, which resulted in lifting the cause of world organization above partisan politics. Secretary Hull pays tribute to that service in his recently published memoirs.

It was he who, at the invitation of President Roosevelt, became a principal adviser at the San Francisco Conference, and the quality of his service has been testified to by the then Secretary of State Stettinius and by the distinguished senior Senator from Texas who was then chairman of the Foreign Relations Committee.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. IVES. If the Senator from California does not object, the Senator from New York would like to complete his remarks before yielding.

It was he who, at the invitation of President Truman and Secretary Byrnes, served as adviser at the first Council of Foreign Ministers meeting held in London in 1945. Upon returning from this meeting Secretary Byrnes, in his radio report to the Nation of October 5, 1945, paid public tribute to Mr. Dulles as "one of the best informed Americans in the field of foreign relations and a loyal Republican" who, he said, "has been more than an adviser; he has been a partner."

It was Mr. Dulles who served, through successive appointments by President Truman with confirmation by the Senate, as United States Delegate to all of the regular Assemblies of the United Nations, beginning with the first in 1946 and continuing on until the spring of 1949.

It was such service which led the present Deputy Under Secretary of State, Dean Rusk, to express on November 6, 1947, his "great admiration"; which led Secretary Marshall on December 20, 1948, to express his "very deep appreciation for the splendid work you did as a leading member of our delegation" and "your chairmanship during my absence was a source of great satisfaction and reassurance to me"; and which led President Truman to express on November 7,

1948, his "appreciation of the splendid work you are doing in Paris."

It was Mr. Dulles who, at the invitation of Secretary Marshall, attended with him the Moscow Conference in the spring of 1947. And Secretary Marshall, upon his return, in his radio report, said that he had "the invaluable assistance of Mr. Dulles, a distinguished representative of the Republican Party as well as a recognized specialist in foreign relations and in the processes of international negotiations and treaty making." Secretary Marshall also said of this evidence of bipartisanship that it was "of transcendent importance to all our people."

It was Mr. Dulles who, when Mr. Acheson became Secretary of State, accompanied him as adviser to the Paris meeting of the Council of Foreign Ministers held in the spring of 1949, and to whom, following that meeting, Secretary Acheson stated: "It would be very hard to tell you adequately how deeply grateful I am to you for the constructive contribution which you made."

At this point in my remarks I ask to have printed in the RECORD the texts of the statements and remarks from which I have just quoted.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

EXCERPT FROM BROADCAST OF SECRETARY BYRNES, OCTOBER 5, 1945

Regardless of how Americans may differ as to domestic policies, they desire unity in our foreign policies. This unity will be essential in the days ahead of us when we may expect differences in views by various governments as to peace settlements. However, the political party in power cannot expect this unity unless it freely consults representatives of the opposing political party.

Believing this, I request Mr. John Foster Dulles, one of the best-informed Americans in the field of foreign relations and a loyal Republican, to accompany me to London in an advisory capacity. He has been more than adviser; he has been a partner. Between us there have been no secrets. At the council table and in private conference he has participated in the making of all decisions. Our accord serves to show that in foreign affairs Republicans and Democrats can work together and that in vital matters of foreign policy we Americans are united.

EXCERPT FROM BROADCAST OF SECRETARY MARSHALL, APRIL 28, 1947

Finally, I should comment on one aspect of the matter which is of transcendent importance to all our people. While I did not have the benefit, as did Mr. Byrnes, of the presence of the two leading members of the Senate Foreign Relations Committee, I did have the invaluable assistance of Mr. Dulles, a distinguished representative of the Republican Party as well as a recognized specialist in foreign relations and in the processes of international negotiations and treaty-making.

THE HORSESHOE,
Rapidan, Va., March 1, 1947.

Mr. JOHN FOSTER DULLES,
New York, N. Y.

DEAR FOSTER: Not only for General Marshall's sake, but for all of us it is a comfort to know that you have accepted the call to go to Moscow.

Good luck to you, my dear friend, and if you do as well by the General as you did by me, you will render the country a great service.

Cordially,

EDWARD R. STETTINIUS, Jr.

THE SECRETARY OF STATE,
Washington, June 6, 1947.

Mr. JOHN FOSTER DULLES,
New York, N. Y.

DEAR DULLES: Thank you for your letter of June 4. I have not heard any reports of disagreement between us, and of course do not need your assurance to realize the complete falsity of anything of the kind.

It seems that our work at Moscow must have been so closely integrated that the only way of making news is to fabricate stories apparently designed to discredit us both.

I can only assure you that on my part, I am most grateful for the wholehearted assistance and cooperation you gave me at Moscow and are continuing to give me. I have received exactly the same reaction from all members of my staff.

I hope that the next time you are in the city you will drop in to see me. I want to talk to you about the delegation for the Assembly meeting.

Faithfully yours,

G. C. MARSHALL.

NOVEMBER 4, 1947.

Please deliver personally following confidential message from the Secretary to John Foster Dulles:

"I am now arranging for CFM meeting in London commencing November 25. Will you go along as special adviser as in Moscow? I very much hope you feel disposed to help out on this London meeting though I realize that you have had and still are having a long and heavy task with UN Assembly. Your presence in London would be very helpful."

MARSHALL.

UNITED STATES DELEGATION
TO THE GENERAL ASSEMBLY
OF THE UNITED NATIONS,
November 6, 1947.

Hon. JOHN FOSTER DULLES,
United States Representative to the General Assembly of the United Nations, New York, N. Y.

DEAR MR. DULLES: At the risk of appearing presumptuous, I should like to express my great admiration for the remarkably effective manner in which you conducted the Korean and Interim Committee questions through Committee 1. It was a particularly noteworthy success in view of the fact that most of the delegations were originally uninformed about Korea and many had genuine doubts about the constitutionality and political wisdom of organizing the Interim Committee at this time. The large vote in Committee 1 on both these questions was a direct result of your hard work and political sagacity as our representative.

I take the liberty of mentioning this because I am reflecting not only my own views but the expressed opinions of the staff generally who have watched you in this operation.

Cordially yours,

DEAN RUSK.

THE SECRETARY OF STATE,
Washington, November 8, 1947.

Mr. JOHN FOSTER DULLES,
New York, N. Y.

DEAR DULLES: Thanks for your letter of November 5 confirming our oral arrangements for you to be my special adviser at the London Conference.

As I told you over the phone, we are indebted to you for the splendid job you have been doing in the General Assembly and I am most grateful. It is important not to interfere with the culmination of your work there and I believe it would be perfectly all right if your arrival in London should be delayed a few days beyond November 25.

Because of a commitment of several years that I made with Halifax for a degree at Oxford, for which (most confidentially) Bevin invites me formally for a date between the wedding and Molotov, I leave here November 20. Our people here will make all arrangements for you and Mrs. Dulles for the trip, in accordance with your preferences.

I hope that you can come to Washington to talk the conference over with me whenever there is a "let up" in New York.

Faithfully yours,

G. C. MARSHALL.

DEPARTMENT OF STATE,
Washington, December 16, 1947.

Mr. JOHN FOSTER DULLES,
New York, N. Y.

MY DEAR MR. DULLES: In reviewing the accomplishments of the United States delegation to the second regular session of the General Assembly, I should like, on behalf of the Secretary of State and of the Department, to congrautlate you upon the extremely valuable contribution which you made to the work of the delegation.

Your masterful presentation of the United States proposal for the establishment of the interim committee was highly instrumental in mobilizing the overwhelming support which it finally received. The equally striking success of the United States proposals with regard to Korea and the veto was also due in no small measure to your skillful work in both the delegation and the Assembly itself.

I cannot conclude this letter without expressing my belief that your services to the delegation have done much to cement the tradition of a truly nonpartisan American policy in the affairs of the United Nations.

Sincerely yours,

ROBERT A. LOVETT,
Acting Secretary.

DEPARTMENT OF STATE,
Washington, November 17, 1947.

The Honorable JOHN FOSTER DULLES,
New York.

DEAR DULLES: This will confirm your designation as a special adviser to serve with me during the forthcoming session of the Council of Foreign Ministers which will be convened at Lancaster House in London on November 25, 1947.

It will be a real pleasure to have the benefit of your experience and counsel again during one of these meetings.

Faithfully yours,

G. C. MARSHALL.

THE SECRETARY OF STATE,
Washington, Novmber 19, 1947.

Mr. JOHN FOSTER DULLES,
New York, N. Y.

DEAR DULLES: While I will see you soon in London, I want to express now my regret that I could not join with you and the other delegates in the last phases of the Flushing-Lake Success meetings. Also, I wish again to thank you for the very effective manner in which you have carried out your missions. This encourages me in the hope that you will be able to boost us over some of the difficulties in London.

With warm regards to Mrs. Dulles and you and the hope that you have a pleasant trip.

Faithfully yours,

G. C. MARSHALL.

THE WHITE HOUSE,
Washington, D. C., November 7, 1948.
Hon. JOHN FOSTER DULLES,
Paris:

My heartfelt thanks for your message of congratulation. I am happy for this opportunity to express my appreciation of the splendid work you are doing in Paris.

HARRY S. TRUMAN.

THE SECRETARY OF STATE,
Washington, December 20, 1948.
The Honorable JOHN FOSTER DULLES,
New York, N. Y.

DEAR DULLES: Now that the third session of the General Assembly has come to a temporary halt, I send you my very deep appreciation for the splendid work you did as a leading member of our delegation. The resolutions on Greece and Korea alone are a great tribute to your leadership, and your chairmanship during my absence was a source of great satisfaction and reassurance to me.

This brings you every best wish for the season.

Faithfully yours,

G. C. MARSHALL.

THE SECRETARY OF STATE,
Washington, June 24, 1949.
The Honorable JOHN FOSTER DULLES,
New York, N. Y.

DEAR FOSTER: It would be very hard to tell you adequately how deeply grateful I am to you for the constructive contribution which you made to the work of the American delegation to the Council of Foreign Ministers these last 4 weeks.

I knew as we sat together in staff meetings and in the CFM meetings, and as we talked together at luncheon and other times, that, without stint, you were putting all of your large store of experience and wisdom at my disposal, and I knew that I counted heavily on your support. Now that these meetings have gained perspective, my admiration of your part has grown even stronger. No one could have been more helpful. No one could have been a finer friend.

With deep appreciation and warm regards.

Sincerely yours,

DEAN.

Mr. IVES. Mr. President, many of us will remember that it was Mr. Dulles who, when he was with us in the Senate last year, carried his share of the heavy burden of debate to secure the ratification of the North Atlantic Treaty; who helped to fight off what he believed would be crippling amendments to the European recovery appropriation bill; and who, in collaboration with the senior Senator from Michigan, worked out a recasting of the military assistance program which made it acceptable to the Congress and to the administration alike.

And let us not forget that it was this same Mr. Dulles who, when it served Democratic political ends, was sought to be smeared as one whose international experience was a myth; as one who had made no genuine contribution to bipartisan foreign policy and was, in fact, an isolationist; and as one who was sympathetic to, and disloyally working for, Fascist and Nazi causes.

I foresaw, during the course of that campaign, and I then said, that the deliberate partisan effort to injure Mr. Dulles' reputation and to belittle his contribution to bipartisan foreign policy was striking a dangerous blow at the cause of bipartisanship and national unity in foreign policy. In this connection I am constrained to observe that those who sow the wind should not be surprised if they sometimes reap the whirlwind.

Mr. President, at this point in my remarks I ask unanimous consent to have printed in the RECORD an article by David Lawrence. The article appears in today's issue of the Washington Star, and is entitled "Break in Bipartisan Foreign Policy Held Fault of Democrats."

The PRESIDING OFFICER. Is there objection?

Mr. ANDERSON. Reserving the right to object, will the Senator from New York indicate how much longer he will be in presenting his remarks?

Mr. IVES. About 2 minutes; I am practically through.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BREAK IN BIPARTISAN FOREIGN POLICY HELD FAULT OF DEMOCRATS—FIGHT AGAINST DULLES IN SENATE RACE CITED AS TYPICAL "REWARD"

(By David Lawrence)

A lot of holier-than-thou speeches are being made about how the Republicans are upsetting the bipartisan foreign policy, when the truth of the matter is that the Democrats are primarily responsible for destroying the fine spirit of cooperation which once prevailed.

It's all very well for former Secretary Stimson and others with short memories to denounce the Republicans for their attacks on foreign policy, but the principal damage was done last autumn when John Foster Dulles—who, with the exception of Senator VANDENBERG, was the strongest influence in the Senate for bipartisan cooperation—was pilloried by the Democratic Party's wrecking crew in the New York State campaign.

With Senator VANDENBERG in ill health, it was logical that Mr. Dulles would carry the ball for a bipartisan foreign policy at this session. But the heavy guns of the Democratic administration were trained on him just the same. This antagonized the Republicans in Congress, many of whom harbor to this day a bitter resentment against the tactics of the administration.

Mr. Dulles has magnanimously chosen to ignore the episode and strive again for cooperation. Some of the Republicans in the Senate, however, say that it is all very well for a Republican to cooperate and help the Democrats muddle through a difficult situation, but his reward usually is a series of partisan reprisals the moment he runs for office.

CREDIT MINIMIZED

With all due respect to former Governor Lehman, it was far more important for the country to have Mr. Dulles returned to the Senate. The term was only a year, and it would have been a great example of nonpartisanship if the Truman administration had come out in support of the Republican candidate. That would have made sense, because it would have been an example of real patriotism on the part of the administration.

Today the Republicans are aware that whatever credit is due them for their cooperation will be minimized, no matter how much they help, and also that they will have no opportunity to formulate policy, anyhow, for the Republicans were not consulted in the making of far-eastern policy.

The usual cry by the exponents of hush-hush and suppression is that the potential enemy abroad will derive aid and comfort from criticism in foreign-policy matters. This is an exaggeration. People in the foreign offices abroad know that the only time an administration can be removed from office in the United States is when a change in the Presidency occurs. A minority opposition viewpoint is thoroughly understood and has its constructive values.

Any national or international policy that cannot stand the light of constant criticism probably isn't worth defending in the first instance. Prime Minister Attlee and Winston Churchill didn't observe any bipartisan etiquette on foreign policy in their recent campaign.

GOP CAN OVERPLAY

Naturally, if the Republicans overplay their hand by their criticism, they will hurt themselves, and the majority party and administration will be correspondingly strengthened instead of weakened. If the Republicans happen to be right in their criticism, the Democrats will be influenced to change their policies, which is all to the good.

The fight against Secretary of State Acheson arose not because of any personal antagonism against him in the first instance, but because he is symbol of the administration, especially since the President appears to have delegated virtually complete responsibility for the making of foreign policy to his Secretary of State.

In these dispatches last autumn, attention was called to the way the administration was fighting Mr. Dulles, and the prediction was made then that far more than a Republican candidate was being destroyed. This has now come true. Except for a meaningless gesture now and then like the designation of former Senator Cooper, of Kentucky, to accompany the American delegation to London for the forthcoming meeting of the foreign ministers, the days of bipartisan cooperation on foreign policy as carried on heretofore are over.

Republican Senators are no longer to feel muzzled to speak their thoughts in the Senate, and there are signs that the Democrats themselves are considerably relieved, too, to be able to accept the political challenge of their opponents whenever it is flung toward them.

Mr. IVES. Mr. President, I do not suggest, however, that because Democratic partisanship ignored national welfare, the Republicans should follow suit.

I believe, and I know that Mr. Dulles believes, that our present peril from the cold war is as serious as was our peril from the shooting war that ended in 1945. It equally calls for policies that command solid support in the Congress and in the country.

But in these matters a burden of initiative rests upon the administration. It is the President, and the President alone, who, under the Constitution, has the primary responsibility for the current conduct of foreign policy. It lies within his power to draw again into foreign policy making those who meet the tests suggested by Secretary Byrnes and Secretary Marshall, by being loyal Republicans, experienced in international affairs.

During the period that ended with the first session of the Eighty-first Congress, our foreign policies, insofar as there was bipartisan cooperation, commanded respect in the world and solid support here at home. That area of cooperation, I may add, never included, as it should have, the Far East.

It is time to practice again what we have learned, so that our foreign policies

may inspire again the confidence needed to achieve for them united support.

These are critical times which call for patriotism that rises above partisan politics. They call for foreign policies made by the ablest and most experienced men drawn from the stalwart membership of both our major parties. Behind these policies our people and their representatives should be prepared to unite so that the policies can succeed. It is a time for leaders who put aside partisanship and a time for followers who, behind such leaders, will close ranks to meet the grave peril that threatens our Nation from without.

Again, I thank the Senator from Wisconsin.

Mr. KNOWLAND. Mr. President, will the Senator from Wisconsin permit me to ask one question of the Senator from New York? I promise that I shall not take an undue amount of the Senator's time, but I think it is important to clarify the RECORD.

Mr. CHAVEZ. Mr. President, the Senator from Wisconsin has the floor; has he not?

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. CHAVEZ. I object to having any Senator take the time of the Senator from Wisconsin.

The PRESIDING OFFICER. Objection is heard.

Mr. LEHMAN. Mr. President, may I ask the Senator from Wisconsin to yield for a few minutes, to permit me to answer a statement made by my colleague from New York? I would speak for only 3 or 4 minutes.

Mr. CHAVEZ. Mr. President——

Mr. KNOWLAND. Mr. President, I shall object unless I am permitted to ask a question which directly relates to the issue raised by the Senator from New York.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield; and if so, to whom?

Mr. McCARTHY. Mr. President, I think the Senator from New York should have a few minutes to answer. However, I do not wish to delay this discussion indefinitely. It is now 4:30.

Mr. CHAVEZ. Mr. President, I object.

Mr. McCARTHY. Mr. President, inasmuch as objection is made, I cannot yield.

The PRESIDING OFFICER. The Senator from New Mexico objects.

COMMUNISTS IN GOVERNMENT SERVICE

Mr. DONNELL. Mr. President, will the Senator yield, to permit me to ask a few questions?

Mr. McCARTHY. I yield for a question, certainly.

Mr. DONNELL. I should like to ask the Senator, first, briefly, what has been the connection of Mr. Lattimore with the State Department, and over how long a period?

Mr. McCARTHY. First, let me state what his connection is as of now.

Mr. DONNELL. Yes.

Mr. McCARTHY. This is information which I got from the Research Branch of the Library of Congress; I called the State Department, but I could not get this information there. The Library of Congress gave me this information: namely, that the Afghanistan Government asked the United States in December 1949 to send a preliminary mission to Afghanistan to investigate the possibilities of utilizing the point 4 program in that area; that Owen Lattimore was selected to head that delegation; and that he is in that area or has recently returned therefrom.

As to his previous connections, it is, I may say to the Senator, hard to put one's finger upon them. As I told the committee the other day he has a desk in the State Department. He has access to the files. Ever since President Roosevelt labeled Owen Lattimore as the outstanding authority, he has been recognized as the "architect"—that is not my phrase—of our far-eastern policy.

For example, when President Truman called in the press at the time of the Japanese surrender he had on his desk only two books. One of them was Lattimore's book from which I have been quoting.

So it is hard to put one's finger on the exact job he has. However, without any doubt, he has been formulating the policy.

Later I intend to cover in some detail the extent to which Secretary Acheson has followed the Lattimore line.

Mr. DONNELL. Mr. President, do I correctly understand from the Senator that at this very moment Lattimore does have this duty to perform on behalf of the State Department in Afghanistan?

Mr. McCARTHY. I believe he is on his way back.

Mr. DONNELL. At any rate he has been there until a very few hours before the present time; has he?

Mr. McCARTHY. Yes.

Mr. DONNELL. Will the Senator permit me to ask a few more questions?

Mr. McCARTHY. Certainly.

Mr. DONNELL. The Senator from Wisconsin has referred to one Philip Jaffe; has he not?

Mr. McCARTHY. Yes.

Mr. DONNELL. Was Philip Jaffe convicted of a crime?

Mr. McCARTHY. Yes or he pleaded guilty.

Mr. DONNELL. Approximately what was the date of that?

Mr. McCARTHY. That was in 1945.

Mr. DONNELL. So, 4 years before Mr. Lattimore was sent on this mission to Afghanistan, Mr. Jaffe had been convicted, and that was a matter of public knowledge. Is that correct?

Mr. McCARTHY. That is correct; there can be no doubt about it.

Mr. DONNELL. I should like to ask the Senator whether he has observed—I am sure he knows the fact, but I ask whether he has observed—that in the published report of the Special Committee on Un-American Activities, of the House of Representatives, Seventy-eighth Congress, second session, at page 1446 of that document, the committee had this to say—it is not long, and I should like to read it; and I ask the Senator whether he has observed this, and then I shall ask him a further question:

> Throughout its existence in this country the Communist Party has made a specialty of propaganda through publications and periodicals. It would be difficult indeed to compile an absolutely complete list of these publications and periodicals, but the following tabulation presents many of them. In addition to these, there have been thousands of local and shop papers, some of which have been printed and some of which have been mimeographed.

Did the Senator from Wisconsin observe that immediately following that statement by the committee of the House of Representatives, to the effect that the Communist Party has made a speciality of propaganda through publications and periodicals, and stating that, "The following tabulation presents many of them," the very first one that is mentioned is Amerasia? That is correct, is it not?

Mr. McCARTHY. That is correct. Amerasia has long been known as completely controlled by the Communist Party. I do not think there is any one, no matter how partisan, who would deny the fact that Amerasia is an organ of Soviet Russia.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. McCARTHY. Yes.

Mr. DONNELL. Am I correct in understanding that the Senator from Wisconsin in referring to Philip Jaffe referred to the same Philip J. Jaffe, managing editor of the editorial board of Amerasia, listed at page 1446 of the document to which I have referred, as being managing editor and a member of the editorial board of 12 persons, of whom Owen Lattimore is listed, likewise, as being one of those members? Am I correct in that?

Mr. McCARTHY. That is correct. I may say also, for the Senator's benefit, that Far Eastern Survey, the publication of the American Council of the Institute of Pacific Relations, for a long time occupied offices adjoining the official offices of Amerasia; in fact, I understand that in order to get into one office, one went through the other—almost a sort of joint venture.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. McCARTHY. Yes.

Mr. DONNELL. Then, am I correct in understanding from the statement contained in this report of the House committee, from which it appears that the information I have just read about membership on the editorial board of Amerasia came from the issue of August 1938, that the fact that Mr. Jaffe, who was convicted in 1949, was a member of a board of 12, of whom Owen Lattimore was one member, was known from 1938 up until and including the present time and at the time when Mr. Lattimore was sent to Afghanistan on the mission upon which he is engaged; is that correct?

Mr. McCARTHY. The Senator from Missouri is 100 percent correct. I may say that I think he inadvertently stated "1949" when he meant 1945. Jaffe was convicted in 1945.

Mr. DONNELL. In referring to 1949, I was referring to the year which I understood the Senator from Wisconsin to say was the year when Mr. Lattimore was sent to Afghanistan.

Mr. McCARTHY. No; in 1949 he went to New Delhi, India, on a project which was sponsored, apparently jointly, by the State Department and the Institute of Pacific Relations. It was in 1950—a matter of weeks ago—that he went to Afghanistan.

But lest the Senate be misled as to the 1949 project, let me say that I have tried to get the information as to the extent to which the State Department sponsored the meeting in New Delhi. The local newspapers certainly appeared to think it was a State Department project. Our Ambassador over there attended. One of my representatives talked to the members of one labor organization who said they had been invited to send two representatives to this conference, and that while they would not be on the Government pay roll, their air travel would be taken care of through the State Department. So, the only information I can give the Senator as to the sponsoring of that project is that the Indian newspapers all carried it as a State Department IPR project, and apparently either the State Department paid for, or furnished the air travel for the individuals who went there. In 1950, up to this time, until but a few days ago, Lattimore has been in Afghanistan working out the point 4 program.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. McCARTHY. Certainly.

Mr. DONNELL. In whose behalf is it that the Senator understands that Mr. Lattimore is now in Afghanistan working out the point 4 program?

Mr. McCARTHY. All I can say is, the Afghanistan Government asked our State Department to send a man. They said, "We will send Owen Lattimore." I think perhaps the Senator will find that he is on the pay roll of UN; of course, being paid American money.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. McCARTHY. I yield.

Mr. DONNELL. Am I correct in understanding the Senator a few minutes ago to say that the State Department was requested to send a man to Afghanistan on the matter to which he has referred?

Mr. McCARTHY. That is correct.

Mr. DONNELL. And that Mr. Lattimore was sent by someone on that mission? Is that correct?

Mr. McCARTHY. He was picked by the State Department and sent on that mission.

Mr. DONNELL. And that was in the year 1950, was it?

Mr. McCARTHY. That is correct.

Mr. DONNELL. That was 5 years after the conviction of Philip J. Jaffe, to whom reference has been made. Is that correct?

Mr. McCARTHY. That is correct.

Mr. DONNELL. What was the crime of which Mr. Jaffe was convicted and what was his punishment, if the Senator recalls?

Mr. McCARTHY. I frankly do not know what particular crime he was finally accused of, but it was in connection with the theft of documents from the State Department, and from the Office of Naval Intelligence. There were 360 taken from the State Department and, while I do not have the exact figures, a sizable number were taken, from the Office of Naval Intelligence, from Army Intelligence, and one other agency. I should like to give the Senator very briefly a résumé of some of the documents, so he will realize their importance, but I am sorry, I do not have the data before me at the moment.

Mr. DONNELL. Mr. President, while the Senator's assistant is looking for that, may I, with his permission, ask another question?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Missouri for a further question?

Mr. McCARTHY. I am glad to yield.

Mr. DONNELL. May I ask the Senator from Wisconsin has there ever been, so far as he knows, since the publication of the House committee from which I have read—and which, by the way, was printed at the United States Government Printing Office in 1944—has there ever been any serious question raised, so far as the Senator knows, as to the correctness of the conclusion of that committee, that Amerasia was a publication through which the Communist party put forth propaganda? Is there any doubt of that in the Senator's mind?

Mr. McCARTHY. There is no doubt whatever in my mind, and I do not believe there can be any doubt in the mind of any open-minded individual. The Senator is speaking of Amerasia, I take it.

Mr. DONNELL. I am speaking of Amerasia. Has there ever been, so far as the Senator knows, any action taken by any committee of the House of Representatives or of the Senate, setting aside or contradicting the conclusion of the House committee in 1944 that Amerasia, having Jaffe and also Mr. Lattimore on their editorial board of 12, was a Communist publication? Has there ever been any action of any committee of the Congress which set aside that conclusion or denied its validity?

Mr. McCARTHY. None whatever. Merely to give the Senator a better picture of some of the individuals on the board of Amerasia, I may say I have a letter here signed by T. A. Bisson, who was in the State Department, and also on the Amerasia board. The letter is addressed to the head of a Protestant missionary council.

Mr. DONNELL. Will the Senator permit me to interrupt to ask whether that is the same T. A. Bisson who was listed by the House committee in 1946?

Mr. McCARTHY. It is the same Bisson. I shall cover this in more detail later. The letter is a fantastic document if ever there was one. He writes to the head of a Protestant missionary council—and I will give the Senator the letter—advising against giving aid in, to quote, "rehabilitating the Red-ravaged districts." In other words, when the Communists departed and the Protestant missionary group undertook to give the people aid, Bisson wrote saying it was wrong. He ends his letter with a postscript, which sound interesting:

P. S.—I would strongly advise every prospective missionary to China to read Chinese Destinies, by Agnes Smedley.

In case the Senator does not know who Agnes Smedley is, she was the individual about whom MacArthur's intelligence unit issued a document which was placed in the RECORD in which she is branded as the outstanding Soviet agent for over 20 years.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. McCARTHY. I am glad to yield.

Mr. DONNELL. Does the Senator know of any reason why the State Department has found it necessary, in sending a man abroad, if it did send him, on this Afghanistan project, to select a man who was on the editorial board, consisting of 12 members, of a publication which the Congress of the United States, through the House of Representatives, had officially stated was a periodical through which the Communist Party had made a specialty of issuing propaganda?

Mr. McCARTHY. Let me state in this connection that, as the Senator will recall, John Service was arrested. That is the case which Hoover says was a 100-percent airtight case. Joseph Grew, who was then Under Secretary of State, was very vigorous in insisting on the prosecution of Service. Grew resigned. Dean Acheson took over. A few days later, John Service was reinstated. He is the man who was accused of stealing these documents. Subsequently, he was put in charge, so far as I can determine, of personnel, promotions, and placements in the Far East. The man who stole the documents for Amerasia, an outfit which is clearly Communist-controlled, and who was the subject of this espionage case was picked up by Dean Acheson, and was not only reinstated but was placed in the position of controlling placements and promotions of personnel in the Far East. This may explain why men like Lattimore were assigned such important jobs in the East.

Mr. DONNELL. Mr. President, if the Senator will pardon me, are these the documents Jaffe was accused of stealing, or that he did steal?

Mr. McCARTHY. Not of trying to steal, but which he did steal. These are documents which were recovered from the office of Amerasia by the FBI or Naval Intelligence. I think this is the one which was recovered by the FBI—either the FBI or Naval Intelligence. First, there is a document marked "Secret," obviously a document originating in the Navy Department, with the schedule and targets for the bombing of Japan. This particular document was known to be in the possession of Philip Jaffe on one of the days during the early spring of 1945, before the bombing program had been undertaken. That

information, in the hands of our enemies, could cost us many precious lives.

Second, there is another document, also marked "Top Secret," likewise originating in the Navy Department. It dealt with the dispositon of the Japanese fleet subsequent to the major naval battle of October 1944, and gave the class and location of each Japanese warship. What Jaffe wanted that for is a $64 question.

Third, there is another document stolen from the Office of Postal and Telegraph Censorship, a secret report on the Far East, which was so stamped, leaving no doubt in the mind of anyone.

Another document stolen from Military Intelligence consisted of 22 pages; and one of the documents, of considerable interest, which was found in his possession and that apparently reached Jaffe before it reached the State Department, was John Service's report No. 58, a report highly critical of Chiang Kai-shek. Does the Senator follow me? Before that document reached the State Department from Service, he had first mailed it to Philip Jaffe.

Mr. DONNELL. Mr. President, I give assurance that I am going to trespass only a very short time further on the Senator's time, but I should like to ask another question or two.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. McCARTHY. I am glad to yield.

Mr. DONNELL. This is in connection with the query that is in my mind as to why it would be necessary for our Government in selecting a person to go to Afghanistan to restrict itself to a man who had been connected with an organization such as Amerasia, as a member of a board consisting of 12 members, of whom Jaffe, who was convicted in 1945, was one. The further question I have along that line arises from a similar query. I find in the same report of the Committee on Un-American Activities of the House of Representatives, published in 1944, that there is a series of exhibits listed. I should like to ask the Senator a question based thereon. The report says:

> In this section of the report will be found numerous exhibits of Communists and Communist-front organizations. The personnel of these organizations reveals an extensive interlocking directorate with the other organizations that are discussed in these volumes. In his memorandum on the National Federation for Constitutional Liberties, the Attorney General has called attention to the importance of the interlocking directorate in identifying Communist-front organizations.

Then, I point out to the Senator, and will ask him the question in a moment, the fact that among the exhibits that reveal a part of the personnel of these organizations, or, I should say, among those organizations, is the Maryland Association for Democratic Rights.

I want to ask the Senator whether he has noted that at page 1136 of the report of the House of Representatives in 1944, 6 years before Mr. Lattimore was selected to go to Afghanistan, it appears that the Maryland Association for Democratic Rights, listed as an organization under the heading of "Miscellaneous Communist and Communist-front Organizations," included among the sponsors of a certain conference the name of Owen Lattimore. I ask the Senator if he knows why it is necessary that our Government should have any organization acting for or with the consent of our Government to restrict its choice of a man to go on an important diplomatic mission to Afghanistan to someone who is not only connected with a publication such as Amerasia, but is also a member of an organization which is listed among Communist and Communist-front organizations? Can the Senator explain the necessity for our Government, or anyone connected with it, or with its approval, confining itself, in the instance cited, to a man who is connected with such organizations?

Mr. McCARTHY. I can see no conceivable reason for it. There is an excuse for some of these unusual individuals being appointed, I suppose, but the picture has been so clear and it has been painted over so many years that there can be no conceivable reason for this man's being appointed. There are, after all, a vast number of good, intelligent individuals who are not painted with the brush with which Lattimore has been painted, who could do a good job.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. McCARTHY. I yield.

Mr. KNOWLAND. I should like to ask the junior Senator from Wisconsin if he is familiar with the photostat put into the RECORD by the senior Senator from New York [Mr. IVES] which contains a most irresponsible and vicious attack upon Mr. Dulles, then a Senator of the United States and one of the principal architects of our bipartisan policy, and which was signed not by some irresponsible fly-by-night organization, but was signed for the Democratic State committee by Paul Fitzpatrick, chairman?

Mr. McCARTHY. I was aware of that fact.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McCARTHY. I shall yield for a question.

Mr. ANDERSON. In furtherance of the questions raised by the senior Senator from Missouri [Mr. DONNELL], is the Senator from Wisconsin familiar with the fact that the House of Representatives took recognition of some of the publications and appointed a committee to investigate many of the charges made? Is he familiar with the results of the investigations?

Mr. McCARTHY. The results of the investigation of the publications?

Mr. ANDERSON. No; the charges made against hundreds of citizens which resulted in Republicans and Democrats voting unanimously to discredit most of the charges.

Mr. McCARTHY. I am not sure that I understand the import of the Senator's question.

Mr. ANDERSON. I asked the Senator if he is familiar with the fact that the House of Representatives, stirred up by these charges, appointed a committee to look into them, that there was evidence before the House that charges had been preferred by employees of the Department without the faintest consultation with a single member of the committee, and that it resulted in new rules which prohibited them from issuing publications of this character. I wonder if the Senator wants to review the whole procedure of the House of Representatives.

Mr. McCARTHY. So far as I know, there is no Member of the House who has objected to the finding that Amerasia is a mouthpiece for the Communist Party.

Mr. ANDERSON. Is the Senator familiar with the fact that among those listed were many persons who held high political office, men who were even Members of the Congress of the United States, and would it not have been the duty of the House to expel Members who belonged to such organization?

Mr. McCARTHY. The Senator is picking out one of the weakest bits of evidence and asking whether——

Mr. ANDERSON. I was somewhat disturbed by the questions of the Senator from Missouri who had not seen this list and might not be familiar with the fact that the House of Representatives itself has taken some recognition of the situation.

Mr. McCARTHY. I agree with the Senator from Missouri that when we find a person belonging to Communist organizations, then, under no circumstarnces, should they be permitted to represent the United States until we find out why they joined the Communist organization. In connection with Lattimore's connection with Communist-front organizations, I invite attention to the fact that the American Legion has named him as one of the individuals who should, under no circumstances, be sponsored by any Legion group. The California Senate committee also named him as an individual who is writing subversive books for colleges or schools. It is the entire picture which is important. It is not the question of belonging to the Maryland association; it is the entire chain of events.

Mr. ANDERSON. Has the Senator identified Lattimore with employment by the State Department? Was the man from Canada appointed to the State Department?

Mr. McCARTHY. He was appointed by the United Kingdom. Our State Department is not the head of that group. Even if we did not have evidence putting him at work in the State Department, the fact remains that both Roosevelt and Truman considered Lattimore an expert on the Far East. Roosevelt, according to Wallace's book, pointed out that "this man is our greatest expert on Chinese-Russian relations." I believe you can ask almost any school child who the architect of our far-eastern policy is, and he will say, "Owen Lattimore."

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. DONNELL. The distinguished Senator from New Mexico has made inquiry as to whether the Senator from Wisconsin knew of the fact that subsequently to the preparation of the lists from which I read the House of Representatives had taken notice of them and

appointed committees, and that many persons were exonerated, or words to that effect. That may be entirely correct, but is it not a fact that two things are true, first, that the lists which I read are not mere lists which were presented to the committee, but are set forth in a report of the committee, and in this section of the report there will be found various things? Is it not also true that there has been no exoneration of Amerasia? Certainly if everyone else had been exonerated along the lines of the distinguished Senator's question, Jaffe's statement with reference to the charges to which the Senator has referred clearly demonstrates that there has been no exoneration of Amerasia set forth in the official report of the House Committee on Un-American activities.

Mr. McCARTHY. The Senator is 100-percent correct. In that connection, I should like to point out that Frederick Vanderbilt Field, a man who has admitted and proclaimed to the world that he is a Communist, was editor of Amerasia for a considerable period of time.

Mr. DONNELL. May I ask the Senator if he will permit me to invite the attention of the Senate to the fact that at page 1446 of the official report, from which I have read, Frederick Vanderbilt Field is stated to be chairman of the editorial board, according to the issue of March 1943, and that according to the issue of August 1938, Frederick V. Field was shown to be chairman of the editorial board. That is correct, is it not?

Mr. McCARTHY. That is correct. In connection with that I ask unanimous consent to have inserted in the RECORD at this point a brief article entitled "Millionaire Communist—A Case Study of Frederick Vanderbilt Field," published in the May 1949 issue of the magazine Plain Talk.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILLIONAIRE COMMUNIST—A CASE STUDY OF FREDERICK VANDERBILT FIELD

(By Archie Black)

Of the half dozen millionaire Communists in the United States, none provides a more fascinating case history than Frederick Vanderbilt Field. The great-great grandson of Commodore Cornelius Vanderbilt, with an annual income well into the upper brackets, Mr. Field suffers none of the disabilities of a lowly proletarian.

A Vanderbilt without power, Frederick V. Field, as he prefers to be known, has hitched his star to the Communist chariot in pursuit of power. That, too, explains the servility which this Vanderbilt scion has displayed in the presence of Communist commissars. Furthermore, being a mediocre writer, Mr. Field has been able to satisfy his ambition of becoming a columnist in the pages of the Daily Worker. And the Communist movement sets up no barriers for the playboy: his volatile and fickle temperament can find ample expression in the Red pastures. Undoubtedly the analyst of the future will discover other psychological facets in the make-up of a millionaire Communist. As a social phenomenon, the type has hardly been studied.

Sympathy for oppressed peoples all over the world is the theme song for Mr. Field's writings. And it is said that, in general, he tries to practice what he preaches. On the occasions when he seems to revert to type and snub the proletariat, he does so through his eagerness to serve Moscow's higher-ups. An example occurred a few years ago when Earl Browder, then general secretary of the Communist Party, sent word that he was coming to see Field at the latter's office. Field rushed down to meet him. A lame Negro woman was waiting to take the elevator. At the sight of the party's grand sachem, Field became so flustered that he unceremoniously shoved the woman out of the way to make room for Browder, whom he escorted into the elevator.

A tall, slender man in his early forties, Field has a high brow and thin face which give him the air of an intellectual. Though he has never had to do a day's work at any gainful occupation, he works hard and earnestly for a multitude of party causes. Frequently he puts in long hours in his office at 23 West Twenty-sixth Street—a building which serves as headquarters for Communist fronts.

When Frederick Vanderbilt Field invited Whittaker Chambers to luncheon at the Vanderbilt Hotel in New York City in the middle 1930's, to discuss a certain, crucial underground matter, Field was already closely linked to the Communist Party machine. Less than a decade earlier he had graduated from Harvard (class of 1927) where he had had a good academic record and had served, among other leading activities, as president of the Harvard Crimson. When he entered college, classmates of his say, he had little interest in politics. But in the atmosphere of Harvard at the time that Laurence Duggan and Alger Hiss were also students, Field began to be converted to the political left.

After his graduation Field traveled to England to study at the school of economics of London University. Here the lectures of Harold Laski were influential in turning him further toward socalism. His break with his family past became apparent in the presidential campaign of 1928, when, after dallying with the idea of supporting Alfred E. Smith, he publicly endorsed Norman Thomas and became active in the affairs of the American Socialist Party. For a time he acted as secretary to Mr. Thomas. In 1928 he organized the League of First Voters, a group which had its origin in Harvard and which aimed to fight for liberalism and socialism.

During the early thirties Field grew more and more dissatisfied with the slowness of socialism in achieving reforms. Those who were intimate with him at the time report that he was obsessed with the idea of using quick action to get quick results. He viewed the Soviet Union as having succeeded. Like so many who began as Socialists, he turned to the more militant gospel of Stalinism. How large a part in his awakening to the true faith was played by Communist wooing of his ego can only be surmised.

One of Field's first party assignments was to help lead others down the road he had taken. Appropriately, it was the open-road tours to which he was detailed as president. This Communist-controlled travel outfit was designed to show Potemkin villages to visitors in the Soviet Union. That was before the iron curtain descended, but the innocents who took the tours saw only what the Kremlin wanted them to see.

By the time of the Stalin-Hitler pact in 1939, the Vanderbilt heir was an established toiler in the Communist Party vineyard and a willing slave of it fuehrers. He undertook a major role in the Communist task of softening up America with "peace" propaganda, to block our preparedness against the Nazi aggressors. Field served as national secretary and one of the chief financial backers of the American Peace Mobilization (APM) launched in September 1940—the Communist front which flooded the country with the slogan, "The Yanks Are Not Coming." Under his leadership, APM picketed the White House and opposed lend-lease and conscription as a spearhead of the attacks on our democracy.

"On the afternoon of June 21, 1941, he (Frederick V. Field, national secretary) suddenly called off the picket line around the White House," reported Attorney General Francis Biddle in the CONGRESSIONAL RECORD. Hitler had attacked the Soviet Union. No more antidefense propaganda was fed into the APM mimeograph machines. Superpatriotism and dedication to the "people's war against fascism" were the order of the day. And on February 13, 1942, Frederick Vanderbilt Field applied for a commission in the United States Army Military Intelligence.

After an investigation, the Army turned him down. Mr. Field was hurt; he was eager to aid the war effort. Why were his services refused? His stated reason for applying was that the Far East had been his specialty. Actually, so far as is known, he has visited the Orient three times, living there for a year on one occasion.

It is as an authority on the Far East that Field has shone particularly in the varied theaters of Stalinist culture. He has given a lecture course on "The Far East in World Affairs" at the Jefferson School of Social Science—the party-line academy listed as subversive by the Attorney General, and of which Field was one of the organizers. He has written voluminously on Asiatic affairs for the Daily Worker, the New Masses (now Masses and Mainstream) and the highbrow Communist monthly, Political Affairs. Unfailingly these articles are full of diatribes against United States imperialism in the Pacific, against the iniquities of the Chinese Nationalists, and against United States interference with the course of democracy in China as it might be bestowed by the Communists under Mao Tse-tung.

The line Field follows is the same that has been peddled with such success to our State Department and our muddled intellectuals by the fellow-traveler writers and commentators. It is doubtful whether Field's party writings have influenced anyone outside the faithful who read the prescribed party organs. But through his Communist-front activities, he has aided in a more subtle plan to reach the public at large with propaganda designed to keep the United States out of the Orient so that the Soviet Union might have clear sailing there.

Appearing in pamphlets under the imprint of the Institute of Pacific Relations (IPR) [1] Field's party-line views won a wider audience. In 1929, after he left London, Field attended the third biennial conference of the IPR in Kyoto, Japan. He was to play a long and increasingly important role in this organization, leading to its almost complete Stalinization. Field was one of the eight members of the inner circle of the IPR's American Council—the executive committee of its board of trustees.

Field is no longer connected with IPR, which has purged itself of the Stalinist group that misdirected it. But he has a new vehicle for his activities in behalf of a Sovietized Asia. This front, with the high-sounding name of the Committee for a Democratic Far Eastern Policy, has Field and other Communists on its board of directors. The current program of the committee stresses that the United States should give no aid to Nationalist China, but should do business with and aid Communist China, and investigate the "China lobby" in Washington.

A secret directive of the Communist Party of New York State, dated March 1, 1949, and signed by May Miller, assistant organization secretary of the party, ordered all sections and counties of the party to plan action in their communities on the China question,

[1] For two articles analyzing Communist influence in the IPR, see Plain Talk for December 1946 and January 1947.

following a special outline prepared by the committee. Miss Miller's letter to the comrades concluded:

"Any inquiries in relation to further activity can be received by writing to the Committee for a Democratic Far Eastern Policy at 111 West Forty-second Street, New York City."

Typical of Field's current line on China is a 15-page article signed by him which was published in the January 1949 issue of Political Affairs (a magazine "devoted to the theory and practice of Marxism-Leninism"). He rejoices that "under the leadership of the great Communist Party of China and its renowned chairman, Mao Tse-tung, the heroic Chinese people are discharging their duties with honor. The imperialists are being decisively beaten back in China." These are hardly novel sentiments for Field to express. What is new is this undisguised call to United States Communist action:

"It is incumbent on the American people, in the first place the American labor and progressive movements, not to overlook this opportunity to demand an end to all political, military, and financial intervention in China. It is our task, as American Communists, to help mobilize the forces of labor and all anti-imperialists in our country, to deal such further blows at Wall Street, that the Chinese New Democracy may consolidate its victories and move firmly and powerfully on the road toward socialism."

Though most of the millionaire Communist's thunder against the world intrigues of Wall Street is directed to the East, his concern for downtrodden colonial peoples extends also to Latin America and to Africa. He serves as executive vice president of the Council for Pan-American Democracy, which devotes most of its propaganda to opposing "United States imperialism" in Latin America. He has entertained Lombardo Toledano, the leading promoter of the Stalinist line in Latin American labor circles.

The executive secretary for the council is Marion Bachrach, a sister of John Abt, avowed pro-Soviet attorney whose wife, Jessica Smith, edits Soviet Russia Today. All three of them were members of the inner Russia First circle in Washington. It was a circle in which cocktails and the cause often mixed. And Frederick Vanderbilt Field served as a base for this mixture.

On October 21, 1945, for example, a quiet, unreported cocktail party was held at 16 West Twelfth Street, the private home of Mr. Field. About seventy persons were present and each paid $100 for the privilege. The purpose of this exclusive gathering, far from the eyes of the press, was to raise funds for the Communist-controlled Council on African Affairs.

The chief notable was Paul Robeson. At such conclaves he speaks instead of singing. He told the sympathetic guests what was on his mind. He had recently made a tour of Europe for the USO and was distressed by what he had "seen," a distress that earlier had been announced by the Soviet Union. Fascist elements were still permitted to rule, according to Robeson. This was the result of State Department instructions to the American Military Government. Next, he indicted the Catholic Church; his accusation was that it was preaching the same Fascist sermons which, he charged, it had delivered under Hitler.

Later in the evening—the $100 tariff not being satisfactory—an appeal was made for additional funds. This brought in $3,500. A buffet supper was then served; drinks were plentiful. The enlightened guests, clipped for the cause, happily discussed current events. Result: seventy persons, meeting privately, contributed $10,500 for a Stalinist cause. Nobody, not even the neighbors and certainly not the press, knew or knows anything about this meeting which included among the guests Diana Forbes-Robertson and Muriel Draper.

Though Field held no office in the Council on African Affairs, he was evidently assigned by the party to keep an eye on its activities. His wife, Edith C. Field, served as treasurer of the council in 1946, at a time when its chairman, Paul Robeson, issued a call for a "Big Three Unity for Colonial Freedom" rally, held in Madison Square Garden.

The headquarters of the Council are in the four-story building at 23 West Twenty-sixth Street, which was purchased in 1944 by a partnership of Field, Yergan, & Field. It was actually Communist Party property, as subsequent events were to show. Dr. Max Yergan, executive director of the Council, who broke with the party in 1948, bought a one-third share in the building. The rest of the purchase price of $30,000 was supplied by Field and his wife. When the break came between Yergan and the party, the latter employed the law firm of Pressman, Witt, & Cammer. It became obvious that they would protract the proceedings indefinitely, so Yergan settled for $5,000. The majority of the Council, Yergan reported, were in favor of his position, but they resigned in protest against the Communist tactics. The organization was then taken over completely by the Communist Party.

The party building, which owes two-thirds of its purchase price to the Vanderbilt fortune, is listed by Mr. Field in the telephone book as his business address. Among the Communist fronts it houses are the American Committee for Protection of the Foreign Born, which is especially active now in defense of Communist agents who never bothered to take out American citizenship; the Civil Rights Congress; the Veterans of the Abraham Lincoln Brigade; the National Defense Committee, under the aegis of Ferdinand Smith; the Council for Pan-American Democracy, and a district office of the American Labor Party. On the main floor is the elegantly furnished Frederick Vanderbilt Field Library, open to the public.

Sharing Field's interest in some of these causes is his wife, the former Edith Chamberlain Hunter, whom he married in 1937. She studied at the Katherine Branson School in Ross, Calif., as well as in New York and abroad, and was married previously to Phelps Stokes Hunter of Santa Barbara. Field's first marriage, to Elizabeth G. Brown of Duluth in 1929, ended in divorce 6 years later.

Field is a stockholder in other Stalinist enterprises. The Trade Union Service, Inc., of New York owns a number of labor papers, so-called, published for and by party-line trade unions. The law requiring publication of a statement of ownership has revealed that Field, together with Corliss Lamont and others, has a finger in this pie.

When the Wallace campaign cried for funds last summer, the Vanderbilt scion was quick with his checkbook. His contribution was $5,000, the maximum permitted by law.

In 1945, Field was issued credentials to attend the top-secret sessions of the Communist Party at the time of Browder's deposition and Foster's ascension to the throne. A member of the organizing committee of the Jefferson School, and later a trustee, Field has served also as treasurer of the New York Council of American-Soviet Friendship. Journalistically, he has been associate editor of the New Masses, chairman of the editorial board of the pro-Communist Amerasia; legal owner of People's Press, edited and published by Frank L. Palmer, for many years a supporter of the party line.

The Daily Worker sent Field to San Francisco in May 1945, to report on the founding of the United Nations. While there he spoke at a meeting on the United Nations Conference presented by the Communist Political Association of San Francisco.

One of Field's UN columns, Molotov versus Vandenberg at Frisco, contrasted the two delegates and, quite naturally, favored the Soviet representative. He reported:

"Molotov has given the clearest expression to the views of those who believe the United Nations are here forming an international organization for the related purposes of eliminating the danger of future Fascist aggression and promoting democracy. The Michigan Senator is the leader of those elements who conceive the main task of the new organization to be the policing of the Soviet Union and the promotion of reaction."

Frederick Vanderbilt Field conceives his own main task to be that of a Soviet sentry in the United States. Molotovs may come and go, Soviet policies may be exposed as those of a most reactionary police state, one independent nation after another may fall under Stalin's iron heel, even Titos and Dimitrovs may be denounced by the Politburo as capitalist lackeys, but the intellectually adrift millionaire Communist will remain unswervingly loyal to the great Red father in the Kremlin.

Mr. McCARTHY. Incidentally, this man Field is no shrinking violet. Field uses the term "we American Communists." He is the man who created what is known as the American People's Fund, Inc. The sole purpose of the fund is to act as a repository for funds which are to be doled out to such Communist organizations as Field decides to name. There is no secret about it. He proclaims the fact publicly. He is a man with a great deal of money, which incidentally he did not earn, but inherited. No one who is on the board could have any conceivable doubt that the chairman of the board is a self-proclaimed and leading Communist. Actually, of course, Field is not a leader of Communists. The Communists are simply using him for his money. He would like to regard himself as a leader, and he has proclaimed himself as such, and he is the chairman of the editorial board. Therefore Lattimore could have had no doubt as to the nature of the organization.

One of Lattimore's subtle methods is to put his own ideas in the mouths of some hapless Mongol tribesman, or Chinese peasant, who cannot possibly refute Lattimore's assertions, and does not even know what sentiments are being ascribed to him by the learned professor. For instance at page 140 in Solution in Asia, he writes:

> Let us take an Uighur in Sinkiang Province * * * who learns that among his near kinsmen, the Soviet Uzbeks, a poor man's children may attend, free, a school at which they are taught in their own language * * *; that they may go on to the university and become doctors, engineers, anything in the world * * * then he is going to think that the Uzbeks are free and have democracy.

Incidentally, the professor is in error here. Stalin's subjects have had to pay for their high school and college education since 1941.

However, the main point is that this passage is clearly designed to batter down any doubts the reader may have, by confronting him with evidence of Lattimore's unique knowledge of people such as Uighurs and Uzbeks, whose names his audience cannot even pronounce and of whose existence they have never heard.

I certainly never heard of them until I took the trouble to read Lattimore's

books, and I have probably pronounced Uighur incorrectly.

The poor Uighurs are forced to act as a ventriloquist's dummy in Lattimore's writing. When he thinks that it would be advisable to have someone voice his own admiration for the Soviet Union, Lattimore needs only to drag in some Uighur tribesmen who are obviously not in a position to contradict him. Since no one else in America knows any Uighurs, Lattimore can safely ascribe to these nomads the greatest love and respect for Communist Russia. So, for instance, in his 1949 book, The Situation in Asia, he tells us how in 1949, he "ran into" some Uighur pilgrims on their way to Mecca via the Soviet Union, who said to him: "Haven't you heard? The Russians have democracy. They are good to Moslems."

After a perusal of Lattimore's writings, one begins to feel quite sorry for the Uighurs who have no one else to interpret their sentiments, and in all probability have no idea that a professor at Johns Hopkins has been telling the world how much they love communism.

Whereas Marco Polo found, when he returned to Venice from China and central Asia, that his true reports of this strange and unknown world were not believed, Owen Lattimore has been able to convince his readers and lecture audiences that his fantasies or untruths are the truth.

In passage after passage Lattimore slyly slips in big lies and small, always with the air of a detached observer and student of international affairs. In one place he casually refers to "the trend toward increased personal liberty and economic prosperity which has contributed so much to—Russia's—advantages in competing with us" for the favor of the peoples of Asia, as compared with our tardiness in "the evolution of democratic processes." In another place he refers to the grant by Moscow to Mongolia of "independent diplomatic representation and action." All the evidence available contradicts the first statement, and the second is simply not true. But how many Americans can be expected to know how things are in Mongolia?

Mr. President, in view of the fact that the hour is getting late, I ask unanimous consent to insert in the RECORD at this point a further analysis of the writings of Owen Lattimore, so that I may go on to the next case.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In his book, The Situation in Asia, published in 1949, Lattimore has gone even farther in deceiving the American people than in his former writings. Also, something new has been added. Formerly, he urged us to recognize only the superior "power of attraction" of the great and good Soviet Union, and the virtues of the Chinese Communists. Now he is also seeking to awaken our fears. This book of his seeks to convince us that, whether or not we like communism, the Soviet Union and its adherents all over the world are certain to win, so we had better appease them if we want to avoid destruction. For instance, he writes: "clearly the Communist ascendancy had become so decisive that it would not be reversed."

It would seem that Lattimore, and others like him, had only two choices after it became increasingly clear to the American people that they had been deluded concerning the nature and aims of the Soviet Union and the Chinese Communists. They had either to retreat, or advance to the offensive. To retreat would have meant that they would be forced to admit: (a) that the Soviet government is neither peace-loving nor democratic nor "progressive," but a totalitarian tyranny; (b) that the Chinese Communists are not nice liberal agrarian reformers unconnected with Moscow, but very "real" Communists under Moscow's orders. To retreat would have meant that Lattimore and his friends in the State Department must sacrifice their reputations and possibly their jobs since they would have exposed themselves as ignoramuses or liars.

Having once hitched their wagons to the Soviet star, they had either publicly to recant, or convince us that the Communists are destined to win and so force us to give way to them. Lattimore has chosen the latter course.

In The Situation in Asia he tries to maintain his reputation as an objective and scholarly student of world affairs by admitting to a few unpleasant facts about the Soviet Union and the Communists which are by now too well known to be denied; but his main effort is directed toward frightening us into pursuing a policy of appeasement, by demonstrating that we have no hope at all of stopping the triumphant advance of communism because we are much weaker than we know.

Whereas formerly, when the climate of American opinion was favorable to the Soviet Government, Lattimore forebore to mention anything bad in Russia, he now writes: "No propaganda can hide (from Russia's neighbors) the fact that there is good and bad in Russia."

Since his readers must be expected to know that the Soviet satellite countries are not happy under the Communist yoke, and that Yugoslavia has broken with Russia, Lattimore can no longer rely in putting across his propaganda on the complete ignorance of his readers. Instead, he seeks to turn the tables on America by arguing that Stalin's abandonment of persuasion for compulsion in dealing with subject peoples is due to fear of an American attack and the necessity to consolidate the defenses of the Socialist world against imperialist America. He writes: "When under the pressure of a war scare the Russians feel that there is no time to take it easy, to explain and persuade, or to ease the transitional processes from capitalism to socialism in countries like Yugoslavia, Czechoslovakia, Poland, or Outer Mongolia. They sacrifice the federalizing aspects of nominal political voting equality between big and little states in the cominform to what they think is the compelling need for harsh military centralization."

Thus, Lattimore argues, the "Tito crisis broke into the open when in the spring of 1948 * * * we (meaning America) prepared to go onto a war footing."

Lattimore manages even to blame America for Russia's looting of Manchuria. "The Russians," he writes, "were afraid that Manchuria, if its industries were left a going concern, might be turned into an American stronghold on the doorstep of Siberia, so they gutted the factories of Manchuria as they withdrew."

Maybe, Lattimore says, this was a bit hard on the Chinese Communists, who were sure they could hold Manchuria, and were loyal to Russia in all questions of common world policy. But, he remarks, "This ruthless example of the sacrifice of the interests of non-Russian Communists has not diminished the Russian power of attraction in Asia."

In this book, as shown by the above quotation, Lattimore has silently abandoned his former pretense that the Chinese Communists are not real Communists. The admission that they are under Moscow's orders is used instead to frighten us, now that they control all of China. This in turn is used as an argument for appeasement. Briefly his argument runs as follows:

"The Soviet Union is not at the moment in a position to give economic aid to Communist China, so if America will give such aid without asking for anything in return, if we will refrain from using our economic power to force political concessions, we may be able to prevent all Asia joining up with the Soviet Union against us."

One has only to read the published report of Mr. Acheson's speech to the National Press Club last January to see how closely the State Department line follows the Lattimore line.

The first chapters of The Situation in Asia are replete with warnings to America to recognize the limits to our power. He tells us we just have not got what it takes. Russia, he tells us, is stronger than we are largely because of her greater power of attraction, and although the Communist band wagon is not yet completely repaired, anyone who does not jump on it now is a fool, because communism represents progress and is therefore bound to win eventually.

In this book, Lattimore reveals why he is on the side of the Communists. He writes: "To be progressive in politics means to be on the side of that which is going up and against that which is going down."

True, he does not directly assert that he believes this; he says this is Communist theory. But he makes it quite clear that he agrees by telling his readers that when Russians read Stalin's formula for revolution "they are convinced of the farsight and wisdom of their leaders, and have the feeling that their country and their cause are going forward on the tide of history." Stalin's formula, Lattimore continues, "is so electrifyingly exact that it should be studied with cautious respect."

The belief that the Communists are going forward on the tide of history is the keynote of Lattimore's philosophy and teachings. Clearly he is determined to be on the side of the powerful, because, as he tells us, power is the only thing which counts. And since he believes that the Soviets are more powerful than America, he is naturally on the side of the Communists. If, however, America would only stop worrying about moral issues and decide to adopt Communist methods and the Communist philosophy, Lattimore might decide to stick by us.

The issue, Lattimore repeats again and again, "is one of power." Americans are just silly to think that moral issues are important. Besides, we aren't moral anyhow, since everything we do is in our own self-interest. The only reason we do not always act like imperialists is that we sometimes find it more profitable not to do so. The only reason, for instance, that we have behaved better in the Philippines than other Western Powers in their Asiatic colonies is that we just did not need or want Philippine raw materials or sugar.

In case any Americans, inspired by Lattimore's philosophy, should start demanding that we use such power as we have to stop the Communist conquest of Asia, Lattimore hastens to add that there is just one exception to his "power decides" formula. "In China," he warns us, "moral attitudes will take precedence in deciding the future." Since, according to Lattimore, Russia is way ahead of us with respect to moral attitudes in the eyes of Asiatics, we should not imagine that we can win. Our failure so far in China is in fact due to our unmoral attempt to foist a dictatorship on the Chinese people. Soviet Russia has succeeded because she advances by "political infiltration or persuasion which is a moral question."

These totally false arguments are based on an equally false premise, namely, that America did her level best to aid the Chinese National Government and thus prevent the seizure of power by the Communists. The facts are entirely different. But since the State Department has misled the American people in respect to the amount of aid we gave to Chiang Kai-shek's government, Lattimore is here on ground where his ability to tell persuasive untruths has free rein.

Now, Mr. Lattimore is "a great authority" on China. He cannot, therefore, plead ignorance of the true facts. He must know that General Marshall embargoed all arms and ammunition to China in July 1946; that this embargo was not even partially lifted until a year later; and that the first shipment of arms voted for China by the Congress in 1948 did not start arriving until the end of that year. So he must know he is not telling the truth when on page 152 of his book, he writes how much better it would have been "if military aid to the Kuomintang had been suspended," or again, when on page 147 he writes: "All during the period of General Marshall's mission, the Kuomintang kept accumulating American supplies."

Far from giving his readers the facts, he again and again misinforms them about the course and motivation of American policy in China. The incontrovertible facts are that General Marshall was sent to China in December 1945, to try and force the National Government to share power with the Communists. This was the announced purpose of his mission, as shown by President Truman's public statement on December 15, 1945, in which he said that unless and until the Communists were given "fair and equitable representation" in a coalition government, all economic or other aid would be denied to the Chinese Government. Yet Lattimore, far from admitting that United States policy was designed to help the Communists acquire at least equal power with the Nationalists, refers to "American attempts to maintain indirect control (in China) by backing one side against the other in a civil war"; and continues: "The grandiose and disastrous American attempt to determine the character and outcome of the Chinese civil war * * * proved that America does not have the kind of power that can settle Chinese issues" (p. 43).

Further on in his book, Lattimore is indiscreet enough to repeat almost verbatim the charge made by the Chinese Communist radio against America. He writes at page 165:

"It took 3 years and from two to four billion dollars of American money to prove the uselessness of an American attempt to imitate this early Japanese policy in China."

I could cite many other quotations from Lattimore's writings to demonstrate his anti-Americanism. As against his totally unfair and untrue diatribe against America, he insists that Soviet policy "cannot fairly be called Red imperialism." "It certainly," he continues, "establishes a standard with which other nations must compete if they wish to practice a policy of attraction in Asia. Russo-Mongol relations in Asia, like Russo-Czechoslovak relations in Europe, deserve careful and respectful study."

I shall confine myself to mentioning only a few of the most blatant untruths Lattimore has written on other matters. In order to make us believe that Moscow has little or no control over the Chinese Communists, he makes the following false assertion: "The top political and military leadership (of the Chinese Communist Party) is not Moscow trained." Mr. Lattimore, who has been called the best informed American on Asiatic affairs living today, certainly must know this is not true. He is deliberately deceiving his readers. For the Chinese Communists themselves have been proud to acknowledge the fact that almost all of the important leaders of the Chinese Communist Party are Moscow-trained. Among the many names which could be cited are the following:

Chou En-lai, who headed the Communist delegation which negotiated with General Marshall in Chungking in 1946. Chou En-lai was for years the representative of the Communist Party in China's war-torn capitals and acted as a sort of Communist Ambassador. His charming manners—and skill in representing the Communists as democrats is thought to have been largely responsible for General Marshall's falling into the trap set by Moscow.

Today he is Premier and Foreign Minister of the Chinese Communist Government at Peking.

Li Li-san spent 15 years in Moscow before returning in 1945 to his native land with the Russian Red Army, to become the Communist boss of Manchuria, and Stalin's personal watchdog over the Chinese Communist Party.

The Chinese Communist delegate to the San Francisco United Nations Conference in 1945 was Tung Pi-wu, also a Moscow-trained Communist. Subsequently he became head of the Communist government in Peking after it capitulated to the Communists.

Liu Shao-chi, vice chairman of the present Chinese Communist government, is Moscow-trained.

Jen Pi-shih, the economic dictator of Communist China, is Moscow-trained.

Yeh Chien-ying, the present Communist boss of Canton, who was formerly the Communist delegate to the executive headquarters set up by General Marshall in Peiping in 1946 to direct the truce teams which were supposed to stop the civil war, is another famous Communist leader who was trained in Moscow.

Gen. Liu Po-cheng, the Communist boss of southwest China, known as the one-eyed dragon, is yet another Moscow-trained Communist.

Wang Miu, otherwise known as Chen Shao-yu, a most important man in China, was for years the Chinese representative on the executive committee of the Comintern and is Stalin's personal disciple.

Liu Shoa-chi, leading theorist of the Chinese Communist Party, was also Moscow-trained.

Even the Chief of Staff of the Chinese Communist armies, Nich Yung-chun, was trained for his job in Russia.

And if one takes the Chinese Communist leaders, such as Chu Teh, who were not actually trained in Moscow, one usually finds that they were educated in Germany or France by Comintern agents.

Let me mention a few other typical Lattimorisms:

"Greece is a doubtful stronghold because it is a stronghold in which the garrison is besieged by the populace."

In other words, the Greeks wanted to be ruled by a Communist tyranny.

Another:

"Every one of the east European governments, with the exception of Czechoslovakia, had been Fascist or semi-Fascist."

Another untruth. Poland had a predominantly liberal and Socialist government in exile. Nor is it correct to describe Yugoslavia under its monarchy as Fascist. Mihailovitch, murdered by Tito, after leading the Siberian anti-Nazi forces, can by no stretch of the imagination be designated as a Fascist. But Lattimore makes it clear throughout his book that he accepts the Communist definition of a Fascist as identical with a supporter of a capitalist, or free-enterprise system, such as we have in America.

Having done his best, and a very good best it was, to influence American policy along a line which would lead to the defeat of our loyal ally, the Nationalist Government of China, and to the Kremlin's conquest of China, Mr. Lattimore is now busy telling us that it is too late to do anything; that there is no longer anything but a corpse in China for us to support. In a debate against Senator FERGUSON, on the American Forum of the Air in Washington, on May 9, last year, Lattimore said:

"Senator, I think we ought to try to get down to the basic realities of the situation. * * * From the American point of view, what can American policy do in the situation? * * * (we are left) with nothing there to support, so we cannot talk of the interests we would have defended if there were something there for us to support."

In Solution in Asia, Lattimore was intent on proving that the Chinese Communists were independent of Russia. He writes (p. 94): "The Chinese Communists were so isolated * * * that they could not receive arms or any other help from Russia, while the intensity of the fight for survival made it impossible for them to slacken or strengthen their civil-war efforts in accordance with 'directives' from either the Third International or the Soviet government. They were on their own."

The period referred to is the late thirties. Now, Mr. Lattimore reads both Chinese and Russian so, if he is in fact the eminent authority he is represented to be, he must have studied the writings and proclamations of the Chinese Communists. So he cannot plead ignorance of the fact that Mao Tse-tung, the leader of the Chinese Communist Party, was then on record as follows—I quote from the Chinese Handbook on Party Organization:

"According to the constitution of the Chinese Communist Party, all who recognize the constitution and rules and program of the Communist International and the * * * Chinese Communist Party may become party members. * * * The Chinese Communist Party was born with the help of the Communist International; it grew up under the guidance of the Communist International, and the Chinese revolution developed under the guidance of the Communist International. The Chinese Communist Party and its central committee, with the exception of the two short periods, have been loyal to the guidance of the Communist International. * * * To carry out the International line and to be loyal to the executive committee of the Communist International is to guarantee the success of the Chinese revolution."

During this same period when, according to Professor Lattimore, the Chinese Communists were on their own, their representative on the executive committee of the Comintern, Comrade Wang Min, wrote as follows in the December 1937 issue of the Communist International:

"The Chinese Communist Party is guided by the new line of tactics of the Seventh Congress of the Comintern, and the historic report made by Comrade Dimitrov." This historical report I should here explain was the one in which Dimitrov laid down the trojan horse tactic for Communists everywhere in the world. They were instructed at this Comintern Congress to get influence inside the liberal movements everywhere by pretending to be democrats in order to destroy the non-Communist world from within.

Comrade Wang Min, in his article, explained that abandonment of the policy of overthrow of the Kuomintang Government, and the pretense of being disciples of Dr. Sun Yat Sen, was only a tactic, and once Japan was defeated the slogan of a Soviet China would be revived.

Now I am ready to believe that Mr. Jessup and Mr. Acheson were so innocent and ignorant as to be taken in by this transparent stratagem. But I do not believe that Professor Lattimore was just an innocent dupe. Not only does Professor Lattimore pride himself on his scholarship and intimate knowledge of Russian and Chinese affairs, but we

also have direct evidence to show that he himself participated in Moscow in working out the tactics to be pursued in deluding the American and other peoples concerning Moscow's designs and plans.

Mr. McCARTHY. Mr. President, in passing I should like to deal briefly with a rather fantastic bill of goods which Lattimore and his friends are trying to sell to the American people and which they apparently are with some success selling to some few members of the press and radio.

I understand that a national magazine of some prominence has been taken in rather completely and is about to run a picture story on it. A well-known radio commentator really swallowed the story hook, line, and sinker. If he is in the gallery, and would like to take a half gainer to the floor, I shall ask the pages to get out of the way.

Sunday night I heard him very dramatically tell his listeners that this man Lattimore, whom McCARTHY accused of being a Communist, rescued the Living Buddha from Mongolia—the Living Buddha, who escaped from Mongolia a step ahead of the Russians.

The reason for bringing the Living Buddha to Baltimore, where he is now teaching at Johns Hopkins, was to have him available when the time came for Mongolia to start its drive upon Russia. According to this radio commentator—I do not have a transcript of the radio address—the Baltimore Living Buddha is to all Mongolians what the Pope is to all Catholics, and the day will come when all Mongolians will rally around the Living Buddha and wrest Asia from Communist control.

I do not blame him so much for having been taken in, because, after all, very few of us have had any reason to make a detailed study of the politics of Mongolia.

I think this is significant in view of the fact that Lattimore and his friends have been making such a tremendous attempt to foist such a fantastic story on the American people as proof that Lattimore cannot be a Communist.

A number of things should be mentioned, however, one is that if this living Buddha fled from Moscow ahead of the Russians, it must have been about 25 years ago, because Russia has had almost absolute control of Mongolia for approximately that period of time. Also it should be mentioned that living Buddhas actually are not very scarce in Mongolia, in that they are merely priests or ministers of Lamaism.

Normally, I would not want to take the Senate's time with this subject, but I do think that because of the fact that there is apparently an attempt to use this living Buddha as proof that Lattimore is a loyal American, it might be well to give you a very brief picture of just how important to the politics of Asia is the Baltimore living Buddha.

Lamaism is a form of Buddhism believed chiefly by peoples of Tibet and Mongolia, and is a mixture of Buddhism and shamanistic practices.

Lamaism believes in reincarnation. After the death of a Hutuktu, that is, the living Buddha, his spirit is said to reappear in the person of some boy born at the time of his death, and thus comes forth reembodied.

Mr. DONNELL. Mr. President——

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. McCARTHY. I yield.

Mr. DONNELL. I should like, if I may, to have the attention of the Senator from New Mexico to this question. I interrogated the Senator a little while ago in regard to some observations by the House Committee on Un-American Activities in 1944. I call another matter to the attention of the Senator from Wisconsin, and ask him for whatever observations, if any, he sees fit to make upon it. I refer to the hearings before the Senate Subcommittee on Immigration and Naturalization of the Committee on the Judiciary, which occurred in September 1949, and particularly to a part of each of two pages referring to Frederick Vanderbilt Field, to whom the Senator referred. I ask the Senator what comment he will make upon what I shall read.

A question was asked by Mr. Dekom, who is one of the staff of the Senate committee, as follows:

> Are you familiar with the Committee for a Democratic Far Eastern Policy?

The witness, a Mr. Huber, said:

> Yes; I am. That is a Communist front set up to promote the Communists in China and the Far East generally; that is, to propagandize the American people on behalf of communism in Asia. This organization was formed at the home of Frederick Vanderbilt Field, who is an ardent supporter of the Communist Party as well as a writer for its publications. In connection with this organization, I was able to attend a closed meeting of the Committee for a Democratic Far Eastern Policy held in the library of the building at 23 West Twenty-sixth Street, New York, which houses the offices of a number of Communist-front organizations. Paul Robeson has his offices there. The building is owned by Frederick Field. Only known persons were admitted to this meeting, and about 60 were present. Ira Golubilin was the chairman.

Then, at page 580, referring to a meeting held December 3, 1944, he said:

> On December 3, 1944, I attended a party of leading Communist functionaries in this country given at the home of Seymour Copstein, a Communist professor, honoring Alexander Trachtenberg. Trachtenberg is the president of International Publishers, the Communist publishing house in New York City; a member of the national committee of the Communist Party; and on the board of directors of the Jefferson School of Social Science.
>
> There were about 30 people present, and admission was by invitation only. Only old and trusted friends of Trachtenberg were invited. Entertainment was furnished by Richard Dyer-Bennett, who sang and played folk songs of Russia.

Then he gives a list of the guests, saying, "The guests included," and among others is the name of Frederick V. Field. Mr. Lattimore was at one time a member of the Amerasia Board, but I would not say, without reference again to the papers, which I do not have before me, that he was a member at the same time Mr. Field was, but I ask, does the information in this hearing, developed in the testimony before the Senate committee in 1949, indicate to the mind of the Senator that Frederick V. Field possessed the qualifications which the Senator has previously indicated, namely, of "close communistic affiliations"?

Mr. McCARTHY. Field goes beyond that. There can be no doubt about Field. He himself said, "I am one of the leading Communists." He himself said, "My mission is to communize the world." He is deluded by the idea that the Communists consider him as a leader. Actually the Communists in this country consider him as a stooge, whose money they use.

Mr. DONNELL. Without reference to documents, a moment ago I said I was unable to state whether Mr. Field and Mr. Lattimore had been on the board at the same time. I call attention to the fact that on page 1446 of the House hearings it is recited that the editorial board consisted of Field as chairman, Jaffe as managing editor, and several other members, including Mr. Owen Lattimore.

Mr. McCARTHY. I shall develop that point later. Frederick V. Field was also on the board of trustees of the American Council of IRP, as was also Alger Hiss, as was also Owen Lattimore, as was also Philip Jessup.

In 1947 one of the members of the board, one of the good American members, insisted that there be an investigation to determine the extent to which the Communists had taken over control of the American Council of IRP. That was very vigorously opposed. Keep in mind that at that time Frederick V. Field was a member of the board. Hiss was then a member, or was shortly thereafter. Lattimore was a member of the board. One of the men who vigorously protested, and sent a letter over his name, which I have, objecting strenuously to any such investigation, was our Ambassador at Large, Philip Jessup. I intend to go into that later. So this man Field has had many activities. For the information of Senators, I have a photostat of the letter which I shall place in the RECORD later, to show how Field used some of his money. I wish the Senator from Missouri would not ask any questions about that now.

The most important Hutuktu—living Buddha—is the Dalai Lama, who is the temporal head of Tibet. The next in importance is the Panchan Lama, who is technically the spiritual head of Tibet. During recent decades, however, the Panchan Lama was driven out of Tibet by the Dalai Lama, and now the Chinese Communists are using the Panchan Lama as a puppet to regain control in Tibet. The temporal and spiritual head of Tibet is therefore the Dalai Lama, with headquarters in Lahsa, Tibet.

The other important Hutuktu, the Djebtsung Damba Hutuktu, was not reembodied since 1924.

Of the important living Hutuktus, the following are the most prominent: Changchia Hutuktu, Galdan Siretu Hutuktu, Minchur Hutuktu, Chilung Hutuktu, Namuka Hutuktu, Achia Hutuktu, Lakuo Hutuktu, Tsahantarkhan Hutuktu.

A Hutuktu—living Buddha—thus is a religious title. It is not hereditary, but

chosen by the process of reincarnation. It represents the top of a series of religious offices. There are, however, hundreds of Hutuktus existing simultaneously, and there are some who are more important than others. The relative importance is mostly determined by the territory over which each exercises control, and there are Hutuktus who control no territory at all.

The Mongols do not live exclusively in Mongolia. Wherever there are Mongols, they are divided traditionally into leagues—such as Ulanchab League, the Ikhchao League, the Alashan League, and so forth—and the leagues are in turn divided into banners. The Hutuktus—living Buddhas—sometimes are heads of these leagues; these are important. Others are heads of banners; they are less important. Still others only get the title without any territory; they are the least important.

Diluwa Hutuktu—now teaching in Johns Hopkins University—comes from the Mongols in the Chinese Province of Chinghai, with headquarters at Kokonor—Blue Sea.

So far as I know he never was in Mongolia. So it must have been that one of his ancestors escaped ahead of the Communists by fleeing from Mongolia.

The Kokonor Mongols are divided into two leagues and 29 banners. They are a very minor branch of the Mongolian race, because Kokonor is overwhelmingly populated by Mohammedans.

Although Lattimore's Diluwa is a Hutuktu by reason of religious attainment, he is the head of neither a league nor a banner and is a very minor figure, he is not included in any list of living Buddhas, such as the list given above.

Diluwa Hutuktu is primarily a religious teacher, with a handful of disciples, some now in Baltimore, and some in Tibet. He has none in Mongolia.

The whole edifice of Mongolian Government is guided very strictly by the rule of seniority. It is not possible for an individual priest, whatever his rank in the religious hierarchy, to achieve any degree of power and allegiance unless he has followed the trodden path of promotion.

In this connection I have before me an affidavit—this is the affidavit which I asked the able junior Senator from New York [Mr. LEHMAN] to glance at—of an American citizen who, for a considerable period of time, edited several newspapers in China and who knew Lattimore while he was in China.

It deals in complete detail with background facts which explain rather clearly why the Living Buddha and his two friends are in Baltimore. This affidavit is also being turned over to the FBI. I might say that this affidavit certainly does not indicate any great plan to use this Living Buddha to reconquer Asia from the Communists. In fact, I might say it deals with nothing grand of any nature.

We next come to Dr. Philip Jessup who is an important part of this entire picture. Perhaps the kindest thing that can be said about Dr. Jessup is that he was simply an unwitting but very willing stooge of the brilliant Owen Lattimore. Unfortunately, however, the damage which he has done is as great as though he were selling out for 30 pieces of silver.

Mr. Jessup, either knowingly or otherwise, became the very, very valuable tool of the Communists in 1943. In order to fully understand the picture at that time it might be well to again recite some history of the Institute of Pacific Relations.

I now ask unanimous consent to have printed in the RECORD an article entitled "IPR—Tokyo Axis," written by Sheppard Marley, and published in the December 1946 issue of Plain Talk.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Without objection, it is so ordered.

The article is as follows:

IPR—TOKYO AXIS

(By Sheppard Marley)

Some time ago the Institute of Pacific Relations placed the following notice in the personals column of the Saturday Review of Literature:

"Long on curiosity—short on time? IPR popular pamphlets make you a scintillating conversationalist on the Far East. You can defty discuss everything from Australian slang to the problems of China and the Philippines. Send for a list of Institute of Pacific Relations pamphlets today. Box 939–K."

If a reader of this semi-intellectual lonely-hearts column had made a slight error in the box number and written to 938–K instead of the IPR's 939–K, she would have received an answer from the gentleman who inserted the following notice in the same issue: 'Will lady in a quiet castle seek spiritual relaxation through exchange of correspondence with a highly learned gentleman?"

What the IPR copy writer deftly neglected to mention in this prospectus designed for the busy dilettante was that the publications of the Institute of Pacific Relations are likely to make the deft conversationalist sound similar to a Daily Worker editorial, though on a much more genteel level. For the IPR is still another of the respectable moneyed organizations into which fellow travelers have infiltrated and have developed workers in their own image. The peculiar conjuncture of social conditions and psychological ailments which has resulted in the dissemination of Stalinist propaganda by groups supported mainly with capitalist money is a problem for the academicians. Here we merely offer another case study.

The Institute of Pacific Relations came into being in July 1925, in Honolulu, at an international conference of which the chief engineer was Mr. Edward C. Carter, the present executive vice chairman of the American Council of the Institute of Pacific Relations and apparently its most influential officer. The intricate nature of the administrative set-up of the Institute makes it ideal for control by a few well placed persons. Small wonder then that many of its leading and most prolific writers are dependable fellow travelers who faithfully follow the tortuous path Stalin sets—even if they have to slow down around the sharp turns of Soviet policy.

The institute's activity seldom reaches any large section of the public directly, and few persons know that it exists. It is doubtful if 1 out of 1,000 of the parents of boys who fought their way across the Pacific, from Guadalcanal to Okinawa, has ever heard of this organization. Yet in Government circles, including those where America's high policy in the Pacific is determined, the influence of the Institute of Pacific Relations has been enormous and is apparently growing.

During the recent war, the Institute supplied many agencies with experts on the Far East. Four IPR staff members worked for the China section of the UNRRA. Three others did research for MacArthur's headquarters on Japanese reconstruction. William L. Holland was the head of the OWI in China. Owen Lattimore was President Roosevelt's gift to Chiang Kai-shek for a time and President Truman's special adviser to MacArthur as well as Far Eastern head of OWI. The IPR supplied lesser lights to the OWI, OSS, and the State Department. Not all of these workers who joined Government agencies were Communists or fellow travelers. The IPR, however, frequently provided research specialists who were interested mainly in the furthering of Stalin's aims in the Far East.

Many IPR trustees reached positions of considerable importance. In 1941, Lauchlin Currie was President Roosevelt's special emissary to China. William C. Johnstone worked on a special assignment for the State Department. George E. Taylor was director of the OWI's Far Eastern Section and later in the State Department's Office of International Information and Cultural Affairs. Benjamin Kizer, a Spokane lawyer, headed the UNRRA in China.

The Institute's aid to the Government was not limited to supplying experts of varying degrees, for the Government bought 750,000 IPR pamphlets for soldiers in the Pacific and Asiatic theaters. Schools, too, have been influenced by IPR publications, especially the series published jointly with the Webster Co. of St. Louis, designed for a 14-year-old reading level. In three and a half years this series sold over a million copies.

Another way in which the IPR influences public opinion is through the newspapers and periodical press. As the IPR itself does not tire of saying, no one seems to know anything about the Far East. The harried editorial writer is immeasurably pleased, then, when he sees on his desk a neat publicity release and a copy of an article on some aspect of Chinese politics which he can now proceed to discuss as deftly as though he had read the IPR's notice in the Saturday Review of Literature.

Like most associations into which the Communists and fellow travelers have moved, the IPR reveals certain inconsistencies and peculiarities of policy that can be explained only by the ideological affiliations of its most important figures.

Operating more cleverly in IPR than in most groups they have entered, the Communists and their friends have been able to keep the reputation of this outfit pretty clean. But evidence of their work is easily noted when one takes the IPR material in bulk and breaks it down into two types—the controversial and noncontroversial. What has buffaloed most readers of IPR books, pamphlets, and periodicals is that so much of the stuff is of a very scholarly nature, not at all on subjects that arouse the emotions any more readily than do articles on Chinese pottery. Yet in the last decade or so at least two out of every three articles in IPR's two journals—Pacific Affairs, quarterly, and Far Eastern Survey, biweekly—on such hot subjects as Chinese politics, the Soviet Union, and the general political situation in the Far East, with respect to those two countries and the United States, have been written by such staunch defenders of Stalin as T. A. Bisson, Owen Lattimore, Harriet Moore, Laurence Salisbury, and others not too numerous to mention in due time.

It may be claimed that by selecting excerpts and quoting "out of context" any writer can be shown to believe almost anything. This is frequently true. Yet the weight of the evidence that links the IPR to the Communist line is too great to pass off with such platitudes. The writings of the fellow travelers and outright Communists in IPR publications constitute only a small part of the total IPR material—but they constitute its most vital part, and they

deal with the subjects that are most significant for American foreign policy, international relations, and public education.

The IPR's chief method of disclaiming responsibility for what appears under its sponsorship is to include a statement in its publications that the views expressed are those of the writers, not of the IPR or any of its component units. But no one is ever fooled by such disavowals, not even IPR people. Owen Lattimore, who edited the IPR quarterly Pacific Affairs from 1934 to 1941, wrote in a report of the IPR secretariat in 1936: "The fact that there is a printed notice in each number [of Pacific Affairs] specifically declaring that each contributor is personally responsible for his own statements of opinion and that neither the national councils nor the institute as a whole can be held responsible has meant little."

The IPR has often protested that it does not select its writers according to their political beliefs, but because of their scholarship and research ability. One wonders, nevertheless, whether the bulk of the IPR publications would yield an impression any different from the one it does now if it were not being used as a front for Communist propaganda. It could hardly do better work for Stalin even if it had been set up by his agents.

The Institute of Pacific Relations is composed of 10 member bodies from each of the following countries: Australia, Canada, China, France, Netherlands-Netherlands Indies, New Zealand, the Philippines, the United Kingdom, the Soviet Union, and the United States. The Pacific Council, nominally the ruling body, has one representative from each of these national councils. With the members of the Pacific Council scattered over thousands of miles there is little centralized control. Actually the American council is the main unit, and the one most familiar to Americans as well as the one most afflicted with the disease of Stalinist apologetics. Like the parent organization, the American Council is itself a nightmare of administrative complexity. In recent years there has been no meeting of the membership, which now is just below 2,000.

Genuine power in the American Council of the IPR is vested in the executive committee of the board of trustees. Of the eight members of this ruling group, the four most vocal are Communists and fellow travelers. This is what the broad and respectable front of IPR conceals. The big four are Edward C. Carter, Frederick Vanderbilt Field, Harriet L. Moore, and Owen Lattimore. All four, with the recent exception of Field, who has joined the Communist Party, move exclusively on the higher levels of gentility in American academic and political life.

Edward C. Carter, the leading light in the IPR, is not the intellectual type. He has written rather infrequently, but his affiliations are nevertheless enlightening. For many years he was on the board of directors of the American-Russian Institute, which publishes a quarterly dedicated to the scholarly adulation of all that takes place in Stalin's Russia. He has contributed to Soviet Russia Today, a less esoteric market for pro-Soviet articles. In 1938 he signed a statement, published in that magazine, defending the Moscow mock trials. During most of the war years he was a member of the board of directors of Russian War Relief.

The case of Frederick Vanderbilt Field is more obvious. Now a member of the Communist Party, Field is the Daily Worker's special expert on the Far East, and an associate editor of the Communist weekly, New Masses.

Harriet L. Moore has the usual Communist-front connections. She was secretary of the Russian War Relief and a member of the board of directors of the American-Russian Institute, whose publications she edits. She has also been on the editorial board of Amerasia, long a tooter of Stalin's horn among those interested in far eastern affairs. This is the magazine which figured as the focal point in the State Department espionage case, as reported by E. S. Larsen in Plain Talk for October.

Of the four chief policy makers of IPR, Owen Lattimore is the best known and most respected in academic circles. He is now director of the Walter Hines Page School of International Relations at Johns Hopkins University. He too had served his stint on the editorial board of Amerasia, and has defended the Moscow purge trials.

Through his editorship of the quarterly, Pacific Affairs, from 1934 to 1941, Owen Lattimore was able to exert considerable influence in IPR. When he took it over, Pacific Affairs was dull, unknown, and devoted mainly to research and statements apparently carefully pruned to remove the slightest trace of a positive point of view about anything more controversial than the depth of the Sulu Sea. As fascism spread and the threat of war increased, Lattimore published articles that took a forthright stand, but in general he followed the popular front line then in vogue. Pacific Affairs contained contributions generally favorable to Soviet Russia, against America's neutrality policy, and in praise of the Chinese Communists.

Is the IPR a pressure group or a research outfit? The letter from Owen Lattimore to Edward C. Carter, which we are publishing on page 18, a remarkable document in several respects, should settle this question once and for all, although the stream of highly opinionated writing emanating from the IPR for years furnishes a clear-enough answer. Three characteristics stand out in a study of the IPR publications:

First, there is not to be found in its literature any fundamental criticism of the Soviet Union, either of its internal regime or its foreign policy.

Second, there has been abundant and vigorous criticism of the Chinese Government and, especially in recent years, equally strong and prominent espousal of the cause of the Chinese Communists.

Third, there was until Pearl Harbor relatively little criticism on the part of the IPR of Japan's internal regime or its foreign policy.

Indeed, in the light of the accompanying letter from Mr. Lattimore to Mr. Carter and of the additional pieces of evidence as to the IPR's ties with the Japanese imperialists, there is room for a congressional inquiry into this still dark field. In a subsequent article, we shall deal with the first two aspects of the IPR's activity, namely, its pro-Soviet and anti-Chiang Kai-shek stands. Here we shall confine ourselves to five salient features of the strange marriage between the IPR and the Japanese war lords:

1. Owen Lattimore wrote his letter on May 18, 1938, less than 10 months after Japan launched its undeclared war on China and but a few weeks after Hitler's annexation of Austria, events which were regarded in Moscow as the beginnings of World War II. In this missive Mr. Lattimore proposed the dismemberment of China and a settlement with Japan on the basis of "what China is and what Japan is, as of 1939, rather than what either country was as of 1936." The occasion for this communication was a memorandum by a Chinese pro-Communist, Chen Han-seng, who had outlined a study of Chinese foreign policy to cover the period of 1931–39. Mr. Carter, upon the receipt of the extraordinary letter, is on record in a memorandum, dated May 20, 1938, addressed to Miriam Farley of the IPR, as follows: "This morning I have received Owen Lattimore's comment with which, of course, I agree." All that remains to be added on this point is that neither Mr. Lattimore nor Mr. Carter made clear the purpose of the proposed settlement. Was it intended to help Japan retain the vast areas in North China gained by her aggression or to enable the Chinese Communists to extend their domains as they did in 1945?

2. Lattimore's suggestion, with which Mr. Carter agreed, contemplated direct action by the IPR in the political field, something which it has been at pains to deny frequently. As recently as October 24, 1946, Mr. Carter wrote to a critic of his organization: "The IPR is not an action group, and I can assure you it has never set up an action group of any nature whatever." It is obvious from Lattimore's letter that in pressing for terms of settlement the IPR certainly qualified as a pressure group, which is hardly distinguishable from an action group.

Is it possible that Mr. Carter, finding himself on the horns of a dilemma, really had meant to endorse the idea of turning over half of China to the Communists and not to the Japanese? For this is what he wrote on October 24, 1946:

"One of your most fantastically inaccurate statements is the accusation that Mr. Owen Lattimore, back in 1938 and 1939, advocated peace in China by turning over half of China to the Japanese. Mr. Lattimore was far ahead of the vast majority of Americans in recognizing the nature and danger of Japanese aggression—years before our Government and people were fully alive to its menace."

3. In 1936, a Japanese scientific expedition was permitted by the United States to cruise freely in the waters along the Alaska coast, where it took soundings. Around the same time the Japanese tried to establish fisheries rights in the same area. In both of these ventures, it has been charged by Miller Freeman, Pacific-coast publisher and former Navy Intelligence officer, that the Japanese were aided by the chairman of the American Council of the IPR at the time, who was also a member of a special advisory committee on trade and commerce in the Department of State.

4. Upton Close, writer and radio commentator, made the following signed statement: "A few days prior to the Pearl Harbor disaster, Mr. Trammel [of the National Broadcasting Co.] received a letter from E. C. Carter, head of the Institute of Pacific Relations, demanding that I be dropped from the air because I was anti-Japanese."

5. The Japan Council of the IPR served the interests of aggression. A dispatch of December 7, 1945, by Frank Kelley, then in Tokyo as correspondent for the New York Herald Tribune, describes how in Japan the IPR was used as a front for imperialist purposes. Prince Fumimaro Konoye, who was Premier of Japan during much of the crucial period between the renewed war on China in 1937 and the attack upon Pearl Harbor 4½ years later, took a deep interest in his country's IPR chapter. He put his personal trusted aides into the key posts in the Japanese IPR, which was supported largely with funds contributed by the very industrialists who helped the militarists plan and carry out wars of aggression throughout the Pacific area. It was Konoye who had ordered the preparation of a report explaining Japan's need for expansion because of population pressure. This report was read to the IPR international conference of 1936, which was held in Yosemite National Park, in California.

The chief secretary of the Japan Council of the IPR, according to Mr. Kelley in the Herald Tribune, was Tomohiko Ushiba, Konoye's private secretary. Through Ushiba, Prince Konoye kept in touch with Edward C. Carter, then chief of the IPR's international secretariat, so that he could keep watch on American State Department policies. Far-eastern experts, such as abound in the IPR, must surely have known that Prince Konoye was among the leading exponents of Japanese aggression for many years before Pearl Harbor. Yet there is no

evidence that the institute ever took any steps to prevent its use as a front for the dissemination of propaganda in the United States and for the gathering of inside political and military information about this country.

Unlike the pink pills served by Dr. Carter when treating Russia or China, these five points bearing upon the relations between the IPR and the imperialists of Japan cannot be sugar-coated. The responsible directors of the IPR, which is in the nature of a higher educational institution, owe it to the public to probe fully into its baffling ties with the Mikado's servants. Considering the semiofficial status which the IPR has acquired in the policy-making branches of the Federal Government, the Congress owes it to the country to investigate the history of the organization, its obscure foreign links, its unduly complex administrative set-up, and its alliances with pro-Soviet and pro-Communist elements both at home and abroad.

SAN FRANCISCO, CALIF., *May 18, 1938.*

Mr. EDWARD C. CARTER,
New York City.

DEAR CARTER: I have just been reading with great interest Chen Han-seng's memorandum of 27 April attached to your letter of 9 May. As I shall be going with Fred[1] to a regional conference at Seattle at the end of this week and so shall have to miss Holland when he passes through, I am replying directly.

As usual, Chen Han-seng has picked out the really crucial points. The IPR stands to maintain and increase its reputation by presenting the constructive possibilities of a far-eastern settlement. All reactionary estimates of "What is China?" will be based on prewar China and will exclude changes occurring in the course of the war. In pressing for terms of settlement, the IPR is in a better position than any other agency to gage the character and extent of changes occurring during the war; it could and should establish what China is and what Japan is, as of 1939, rather than what either country was as of 1936.

Of course in order to establish the "is" of 1939, the taking-off point must be the "was" up to 1937; but the "was" should be only the taking off point and the major emphasis should be consistently applied to the processes of change in 1937 and 1938 and the levels attained and further trends indicated as of 1939.

Your very sincerely,

OWEN LATTIMORE.

Mr. McCARTHY. This institute consists of the councils of 10 nations having interests in the Pacific. As originally set up it was in no way controlled by the Communist Party. Since its creation it has had on both the board of trustees and the executive committee a very sizable number of outstanding and loyal Americans. Membership on the board of trustees or on the executive committee in no way in and of itself indicates any Communist sympathies or leanings. Apparently the board of trustees was not a prime target for the Communists. Of the 50 members, as far as I know, not more than 10 to 15 at any time were Communists or fellow travelers. However, as far as I know, the board actually never meets, but does its business by having the various members send in their proxies.

The executive committee, however, consists largely of trustees who live in or near New York and is 10 in number. The executive committee in effect controls the institute. The executive committee is a prime target for the Communists. The Communists apparently try to have on the executive committee at least four or five members of the party or fellow travelers upon whom they can depend at all times. This, of course, is not a majority but the committee is made up of busy men and the attendance at meetings apparently is such that even three or four can control the activities of the institute.

Then there is the research advisory committee, the principal function of which is to edit and pass upon the material which goes into the American Council's publication, Far Eastern Survey.

Dr. Jessup was vice chairman of the American Council and chairman of the research advisory committee for some time. Under him the council's biweekly publication, Far Eastern Survey, pioneered the smear campaign against Chiang Kai-shek and the idea that the Communists in China were merely agrarian reformers and really not Communists at all. Of this campaign the former editor of the Daily Worker, Louis Budenz, on March 19, 1949, in an article in Collier's entitled "The Menace in Red China," had this to say:

Most Americans during World War II fell for the Moscow line that the Chinese Communists were not really Communists but agrarian reformers. That is just what Moscow wanted Americans to believe. This deception of United States officials and the public was the result of a planned campaign. I helped to plan it.

The first blast in this campaign was fired in Jessup's publication on July 14, 1943, in an article signed by T. A. Bisson. I think it might be here important to call attention to the record of this man Bisson, who as I recall was allowed to resign from the State Department because of his Communist connections in 1946.

I have here a photostatic copy of a letter to Bisson, which I briefly discussed in answer to a question the Senator from Missouri [Mr. DONNELL] asked. As I have stated, this is a rather fantastic document coming from the man whom Mr. Jessup used to initiate the smear campaign—a rather fantastic document coming from a man high up in the State Department, but not too fantastic, however, when coming from a man who worked under Frederick Vanderbilt Field on Amerasia. This is written to the International Missionary Council, 419 Fourth Avenue, New York City. It reads as follows:

I have just noticed the statement in the Herald Tribune that the National Christian Council is cooperating with the Nanking government in "rehabilitating the Red-ravaged districts." Could you tell me whether this step is approved by the boards at home, or is it taken only on the NCC's initiative: In my opinion, any such collaboration involves great risks for the future of the whole Christian enterprise in the Far East.

In other words, any help to the poor people in the Red-ravaged area, in Bisson's opinion, endangers the Christian endeavor in the Far East.

He further says:

The Nanking government is under fire from many Chinese progressives for its direct tie-up with western imperialism, particularly its reliance upon foreign aid in the anti-Communist campaign.

Mr. President, Senators should keep in mind that at that time Bisson was in the State Department and was an important figure—I beg pardon; he may not have been in the State Department at that time. I am not sure. I do not recall at what dates he was in the Department.

Then Bisson, the writer of this letter, goes on to point out that this missionary group should be careful not to make the mistake of aligning itself "against the great progressive movements of the future in the East."

Mr. President, I ask unanimous consent to have the entire letter printed at this point in the RECORD.

The postscript to the letter is very interesting. In it Bisson says:

I would strongly advise every prospective missionary to China to read "Chinese Destinies," by Agnes Smedley.

Mr. President, in case any Senator does not understand the significance of that reference by Mr. Bisson, I refer now to page A707, Appendix of the CONGRESSIONAL RECORD, volume 95, part 12, which contains a report by the National Military Establishment or, more specifically, by General MacArthur's intelligence unit, which report was inserted in the CONGRESSIONAL RECORD by Representative HAROLD LOVRE. Let me quote briefly from the CONGRESSIONAL RECORD at that point, for it gives a direct quotation from General MacArthur's intelligence unit report. This covers the individual whose book Bisson says all prospective missionaries should study before they will be qualified to become missionaries to China.

The PRESIDING OFFICER. Let the Chair inquire at this time whether the Senator has offered for the RECORD the letter to which he has just referred.

Mr. McCARTHY. I have.

The PRESIDING OFFICER. Without objection, the letter will be incorporated in the RECORD.

The letter is as follows:

FOREIGN POLICY ASSOCIATION, INC.,
New York, November 4, 1933.

Dr. A. L. WARNAHUIS,
International Missionary Council,
New York City.

DEAR DR. WARNAHUIS: I have just noticed the statement in the Herald Tribune that the National Christian Council is cooperating with the Nanking Government in "rehabilitating the Red-ravaged districts." Could you tell me whether this step is approved by the boards at home, or is it taken only on the NCC's initiative? In my opinion, any such collaboration involves great risks for the future of the whole Christian enterprise in the Far East. The Nanking Government is under fire from many Chinese progressives for its direct tie-up with western imperialism, particularly its reliance upon foreign gunboats in the anti-Communist campaign. If, now, the Chinese Christian Church links itself up with the Nanking regime, which maintains its power through a continuous "white terror" against the Chinese workers and peasants, its future will be deeply compromised. Henceforth it will flourish or decline in accordance with the fluctuations in the political fortunes of a regime of capitalist exploitation that is steadily outraging the elementary sense of

[1] Probably Frederick Vanderbilt Field, millionaire Communist.—Editor.

justice of the Chinese masses. Is it wise for the Chinese Christian Church to take sides in a political struggle of this importance? Might it not be the part of statesmanship to maintain a neutrality that would enable the church to succor the victims on both sides of this domestic conflict? In the long run, I feel convinced that the workers and peasants of Asia will throw off the yoke of foreign imperialism and native exploitation, and assume control of their own political destinies. Is the mission enterprise looking ahead toward this future, and laying its plans accordingly?

Frankly, I believe that the whole future of the Christian Church—in the West as well as in the East—is bound up with the answer to this question. In many ways, the modern church has demonstrated its wisest and most forward-looking policies in connection with the youthful churches in Asia. It is for this reason that I question the wisdom of this reported step of the National Christian Council, which, in my opinion, will aline the mission enterprise against the great progressive movements of the future in the East.

Sincerely yours,

T. A. BISSON.

P. S.—I would strongly advise every prospective missionary to China to read Chinese Destinies, by Agnes Smedley.

Mr. McCARTHY. Mr. President, in paragraph (e) of the report of General MacArthur's intelligence unit, we find the following:

Agnes Smedley, American-Soviet spy: This American, Miss Agnes Smedley, has been one of the most energetic workers for the Soviet cause in China for the past twenty-odd years.

The Army intelligence report then goes on to state that much harm has been done by Agnes Smedley—

but perhaps it could be mitigated if she is now exposed for what she is, a spy and agent of the Soviet Government.

So we find that Bisson, who either then or later was a State Department employee, and, incidentally, also was one of the members of the Amerasia editorial board, was urging that all prospective Christian missionaries to China, in order to qualify themselves, should read Agnes Smedley's book. I give this information on Bisson because he is the man whom Jessup used to pioneer the smear campaign against Chiang Kai-shek.

Lest anyone question Jessup's control over Far Eastern Survey, let me call to your attention that the Chinese consul objected strenuously to the Bisson line being carried in the Institute of Pacific Relations publication. He was referred to Jessup, who made the magnanimous offer that he would print his answer to Bisson's letter. However, before printing the Chinese consul's answer, Jessup submitted the letter to Bisson and obtained for publication in the adjoining column Bisson's criticism of the Chinese consul's answer in an obvious attempt to ridicule, twist, and distort the meaning of those loyal Chinese who were backing our ally, Chiang. There can be no question there as to where Jessup stood.

Within a matter of weeks after Jessup's labeling the Chinese Communists as land reformers, the Daily Worker and Isvetzia also took up the line of comparing the Chinese Communists with "Iowa farmers."

Professor Jessup must, therefore, be credited by the American people with having pioneered the smear campaign against Nationalist China and Chiang Kai-shek, and with being the originator of the myth of the "democratic" Chinese Communists.

From that time onward we witnessed the spectacle of this three-horse team of smears and untruths thundering down the stretch—Jessup's publication, Far Eastern Survey, the Daily Worker, and Isvetzia. What an effective job they did can best be demonstrated by the fact that this was the line which the State Department followed in formulating its far-eastern policy, right down to the last comma.

I personally have stated that I thought that Jessup was a well-meaning dupe of the Lattimore crowd. However, I do not think the decision on that point is up to me; but rather, it is up to the Congress and the American people.

In that connection I hold in my hand two photostats which I think may interest the Senate and the American people mightily.

In order to recognize the significance of these two documents, it might be well for me to digress for a minute and give the background of one Frederick Vanderbilt Field.

Of course, Mr. President, I believe it will be unnecessary for me to go into detail in that respect, in view of the fact that we went over that matter in great detail in connection with the questions asked by the Senator from Missouri [Mr. DONNELL]. Suffice it to say that Frederick Vanderbilt Field acknowledges, proclaims, and brags about the fact that he considers himself one of the top Communists in this Nation. In passing, I may state that he also contributed $5,000 to the Wallace campaign in 1948.

Getting back to the photostats of the documents in question, we should keep in mind that Jessup pioneered the fictional idea that the Communists of China were not really Communists at all. He did that in July 1943. That is when the campaign started.

I now hold in my hand two photostats, one being a photostat of a check in the amount of $2,500, signed by Frederick Vanderbilt Field, and made payable to Jessup's organization, the American Council of the Institute of Pacific Relations. This check is dated September 12, 1943, and was cashed by the Institute.

I also hold in my hand another check, signed by the same man, the man who says, "I am the outstanding American Communist"—Frederick Vanderbilt Field. This check is in the amount of $1,000, and was made payable, also, to Jessup's organization, the American Council of the Institute of Pacific Relations. The check is dated November 27, 1942; and this check also was cashed by that Institute.

Incidentally, Mr. President, these checks came, not from Field's own personal account, but from the American People's Fund, Inc., which is a repository created by Frederick Vanderbilt Field for funds for whatever Communist or Communist-front enterprise he saw fit to support. In other words, the American People's Fund, Inc., has no function whatsoever except to act as a bank for funds to be turned over to such Communist enterprises as Field decided to contribute to.

Therefore, we find Jessup in 1943 using his magazine to sell to the American people the identical line followed by Isvetzia, one of Soviet Russia's official papers, and also the line followed by the Daily Worker, which, as everyone knows, is the official Communist newspaper in this country, and at the same time receiving funds to support the publication from a man who publicly proclaimed that he was one of the top Communists in this Nation—Frederick Vanderbilt Field.

Whether Jessup was simply a dupe or whether he was publishing the party line for a fee, I leave to the Senate to determine. However, when we consider that Jessup, using Bisson as the writer, started that campaign to smear; and when we consider that in his publication he followed the Communist Party line right down to the dotting of every "i" and the crossing of every "t"; and then when we consider that he got money for it—$3,500—from the man who says, "I am the outstanding Communist in this Nation," then I leave it to the Senate to decide whether he was a dupe—if so, he must have been an extremely stupid one—or whether he knew what he was doing for a fee.

Lest Jessup say he did not know Field's connections and Field's communism, let me again point out that Field made no secret of the fact that he went all-out in support of communistic Russia. For example, in 1941, he was executive director of the American Peace Mobilization, and led the picket line which picketed the White House and heaped abuse upon the head of the then President Roosevelt, as a warmonger, and used all the foul adjectives in the communistic vocabulary. That picket line was before the White House on the morning of June 22, 1941; and let us keep in mind that Field was the director of the organization and leading that picket line. The Senate will recall that was the day when Hitler invaded Russia. Confusion hit the picket line when the newspaper headlines proclaimed Hitler's invasion of Russia, and by early afternoon all the pickets had quietly slunk away. Then the American Peace Mobilization became the American People's Mobilization, which commenced again to vilify the President, not this time as a warmonger, but this time for his failure to establish a second front quickly enough to relieve Joe Stalin.

In view of that, I do not believe there is anyone who can say that Jessup did not know exactly who Field was when he took from him $3,500 while at the same time publishing the Communist Party line.

I may say that I think the kindest thing we can say about him is that he was a dupe. What I have said so far is that he was a complete dupe. After all, before that time he was simply a professor of international law; and let me say in passing that very little international law originates in China. However, overnight he suddenly became an expert on far-eastern affairs. As I have said, I think the man was such a dupe that he did not know that he was being used by

Owen Lattimore. That is the kindest thing we can say about him. But dupe or knave, certainly he is not the type of person we want shaping our foreign policy.

In fact, a few weeks later, Frederick Vanderbilt Field signed an open letter demanding a second front. Mr. Field, incidentally, was the paid secretary of the Institute of Pacific Relations from 1933 to early 1940, and was one of the trustees until 1947. Field was also named by Chambers as head of a Communist espionage ring.

Thus we find Jessup taking money from a traitor and a Communist to support his magazine which was following the party line to a "t."

I also have before me a photostat of a letter dated March 17, 1947, which is of some interest. This is a letter written by the American Council of the Institute of Pacific Relations, signed by Jessup and others. It expresses vigorous opposition to a proposed investigation of the Institute of Pacific Relations to determine whether or not it was Communist controlled. In other words, Jessup says, "No, let us not have this investigation," and sends a letter over his name to that effect. At that time, incidentally, Frederick Vanderbilt Field was on the board of trustees, and Alger Hiss was either on the board at that time or became a member shortly thereafter.

I do not know whether I pointed out to the Senator the fact, but the magazine Amerasia, about whose Communist line there can be no question, for a period of time had its offices right next to the offices of the Jessup publication for IPR.

I think it might be well at this point to discuss also Jessup's connection with various Communist-front organizations.

The PRESIDING OFFICER. The Chair inquires whether that particular letter was offered for the RECORD.

Mr. McCARTHY. No; it has not been. If any of the Senators care to have it put in the RECORD, I shall be glad to do so.

The PRESIDING OFFICER. The Senator will proceed.

Mr. McCARTHY. I have noted since the beginning of this inquiry, that there are those who contend that membership in Communist front organizations and association with Communists is not a serious matter. There are sincere people who are disturbed because they think this is an attempt to establish guilt by association. They forget that we are dealing here with extremely sensitive positions where the individual has access to top secret material, the disclosure of which might well shove us into or cause us even to lose a war. They forget that it is not a question of guilt by association, but a question of bad security risk by association.

I cannot emphasize too strongly that a naive or gullible person who associates with the wrong people constantly and thereby discloses—perhaps even unknowingly—secret information, has done the country the same damage as the party agent who divulges or obtains the same information, for a fee, or otherwise. Let me repeat, it is not a question of guilt by association, it is a question of bad security risk by association.

For example, if any one of you of the Senate happened to be a bank president and you found that your cashier was traveling with a crowd of crooks, safe crackers and racketeers, you would undoubtedly no longer trust this cashier with the depositors' money. In your mind, it would not be a question of whether he was guilty of some crime, but rather a question of whether you could safely trust him with large sums of money. In such a case you have to give your depositors, instead of the wayward cashier, the benefit of the doubt. Unfortunately, the State Department does not adopt that rule.

When the State Department adopted the rule which provides that those who travel with Communists and join Communist-front organizations are bad security risks, it was apparently done because of the fact that it has been proven over thousands of years that "birds of a feather flock together."

While it is possible occasionally to get a few good citzens on a letterhead of a questionable organization, you can be certain that if anyone associates with such an organization for any length of time, he is in sympathy with its aims. That, gentlemen, is just good every day American horse sense. And keep in mind, it was the Attorney General, and not McCARTHY, who has listed those organizations as Communist-front and subversive because of their aims.

That, Mr. President, is just good, every day, American horse sense. And keep in mind, if you will, it was the Attorney General, it was congressional committees, not the Senator from Wisconsin, who listed those organizations as Communist fronts and subversive because of their aims.

Of course, any American has the complete right to join any front organizations he pleases; but having joined such organizations and having exercised that right, he must necessarily jeopardize the privilege which he has to hold a position in the Federal Government.

In this connection it should be noted that Mr. Jessup was also quite a joiner. Perhaps he was also a dupe in this respect, but it is rather significant that the only organizations that he so prolifically joined were Communist-front organizations. He does not seem to be so prolific in joining any other type of organization, which I believe he should explain.

For example, the American Law Students Association was affiliated with the American Youth Congress according to the testimony of William W. Hinckley, former executive secretary of the American Youth Congress. That is in the hearings of the Special Committee on Un-American Activities, volume 11, page 7039. It was also affiliated with the United Students Peace Committee, of 347 Madison Avenue, New York City, according to an exhibit presented to the Special Committee on Un-American Activities, volume 12, pages 7568, 7569. The United Students Peace Committee was closely interlocked with the American Peace Mobilization, which I recently mentioned in connection with Field and the picketing of President Roosevelt. According to the Daily Worker of February 27, 1937, page 2, the American Law Students Association was affiliated with the American League Against War and Fascism, an organization with an outright treasonable program, which has been cited as a Communist front by the Special Committee on Un-American Activities and Attorney General Biddle.

Jessup was not only a member of this organization but was a sponsor. There is a difference between being a sponsor and merely a member.

In this connection it should be noted that this organization, of which Jessup was a sponsor, the letterhead of which organization bears his name, used the Communist Party print shop, which was known as the Prompt Press, and used union label 209.

In view of the fact that Jessup was the head of a magazine engaged in considerable printing, it is hard to believe that he did not know where this material was being printed. It is hard to believe that he did not know that union No. 209 was the union which was doing the work of the Prompt Press, which is the Communist print shop.

Also, in connection with Communist-front activities, I call your attention to the fact that the National Emergency Conference was held in Washington in 1939 or 1940. Dr. Jessup not merely attended this affair, but was a sponsor of it, and signed the call of the conference which went against registration and fingerprinting of aliens—things which certainly could not adversely affect any alien with intentions of becoming a loyal American citizen.

Mr. President, let it be noted that he sponsored and issued the call for this organization, which meant, and which said, "We are against the registration and fingerprinting of aliens," and that was at a time when all of us expected war momentarily. Registration and fingerprinting obviously, could only be opposed by those aliens who, in those early war days, were engaged in activities in which the FBI and our law enforcement agencies would be interested.

Why Jessup at that time should have so vigorously opposed such a simple matter, it is rather difficult to understand. We know the Communist line at that time was that this type of registration and fingerprinting was an encroachment upon the civil liberties of the individual.

Dr. Jessup's position against the registration and fingerprinting of aliens was enthusiastically supported by the Communist press and by individuals such as Carol King, attorney for Gerhardt Eisler, and Doxey A. Wilkerson, an avowed member of the Communist Party.

This organization later changed its name to the National Emergency Conference for Democratic Rights and was cited as a Communist-front organization by both the House Committee on Appropriations on April 21, 1943, and the Special Committee on Un-American Activities on March 29, 1942, and again by the House Un-American Activities Committee on March 29, 1944.

Jessup was not only a sponsor of the above-mentioned affair, but the letterhead of the National Emergency Conference for Democratic Rights shows that

he was a member of the board of sponsors of this organization, also.

Here is something of considerable interest. I have in my hand a photostat of the New York Times, dated February 16, 1946—a time at which it was becoming rather clear that Russia had already embarked upon world war III and was committed to annihilation of western nonatheistic civilization. In this letter the brilliant Dr. Jessup urges not only that we quit producing atomic bombs but that we eliminate the necessary ingredients which were produced for atomic bombs by—and I quote—"means such as dumping them into the ocean."

It should be recalled that at that time the Russians were already engaged in a race to surpass us in the production of atomic weapons.

Let the Senate and the country decide whether he was so stupidly blind that he did not realize what he was urging or whether he planned it that way. I frankly think that the man was merely stupidly following the Lattimore line—a line which in this case certainly was the line which must have warmed the cockles of Stalin's heart.

In this connection I would like to read to the Senate an editorial from the New York World-Telegram entitled "Who Is Dr. Jessup?"

Dr. Philip C. Jessup, the American spokesman in the current United Nation's debate on Nationalist China's charges against the Soviet Union, is the same Dr. Jessup chosen by the State Department to draft a new American policy for the Far East.

For this reason, his past associations and attitudes have become of general public concern.

Over a period of years, Dr. Jessup held various positions in the Institute of Pacific Relations, including the chairmanships of its American and Pacific councils. In these capacities he was in close association with such well-known left-wingers as Anna Louise Strong, Guenther Stein, Harriet Lucy Moore, E. C. Carter, Theodore A. Bisson, Andrew Grajdanzev, and Frederick Vanderbilt Field.

While the institute's publication, the Far Eastern Survey, was under Dr. Jessup's direction, it began a campaign against Nationalist China. Referring to what it called the two Chinas, it said, in an article signed by Mr. Bisson: "One is now generally called Kuomintang China, the other is called Communist China. However, these are only party labels. To be more descriptive, the one might be called feudal China, the other democratic China."

Let us keep in mind that in July 1943, when this was printed, and also in November 1942, before it was printed, Jessup took sizable checks from a known Communist. This one article in July of 1943 was of course only part of a whole series of like articles.

Thus began the long campaigns to tear down Chiang Kai-shek and present the Chinese Reds to the American people as democrats and simple agrarian reformers. We know them better than that now. But that is due to no contributions by Dr. Jessup.

The Communist-front organizations with which Dr. Jessup has been affiliated or has sponsored include the American-Russian Institute, the National Emergency Conference (organized in 1939 to protest the deportation of aliens who advocated changing our form of government), the National Emergency Conference for Democratic Rights and the Coordinating Committee To Lift the Embargo—on Red Spain.

He was one of 12 signers of a letter in the New York Times, February 16, 1946, urging the United States to suspend the manufacture of atomic bombs, following the appointment of the United Nations Commissions on Atomic Energy.

This letter urged, in order that the discussions on atomic energy control might proceed in an "atmosphere of good faith and confidence," that:

Here is where Jessup urged, and it was while the Communists were exerting every effort to outstrip us in the production of atomic weapons—

1. "The United States at once stop the production of bombs from material currently produced"—this to include the preparation of subassemblies and "all other procedures involved in the fabrication of the bomb."

2. "For 1 year, which would seem to be a reasonable time for the commission to mature its plans and to secure action on them by the governments concerned, we will stop accumulating purified plutonium and uranium-225, which are the essential ingredients of atomic bombs."

The letter to the Times added that any fissionable products developed while keeping the atomic energy plants on a stand-by basis should be dumped in the ocean or returned to their original mixture.

Since the Russians claim they began making bombs in 1947, they might have caught up with us or passed us in atomic bomb production had Dr. Jessup's views prevailed.

Dr. Jessup was a character witness for Alger Hiss at his first perjury trial.

He was the editor of the State Department's white paper on China, which one student of the subject characterized as a "bulky compendium of many truths, some half truths and frequent contradictions of published and acknowledged fact."

Here, at best, we have the picture of a confused liberal feeling his way round in circles and often finding himself in questionable company. Certainly it is not the record of a man who should be chosen to formulate anything of such tremendous potentialities as an American policy for the Far East.

Imagine sending a Dr. Jessup to preside over a conference on far-eastern affairs at Bangkok, when we have a man like Gen. Douglas MacArthur in nearby Tokyo.

Incidentally, I think it is of interest to note that the State Department, apparently upon Jessup's suggestion, chose Bangkok as the place for this all-important conference. Anyone who is at all a student of that area knows that it is the hotbed of Russian espionage activities and that the only sizable hotel in the city is owned by the Russian Government. Just why he said, "Let us go to that area instead of to some area controlled by General MacArthur, such as Tokyo," is not clear.

I read further:

If this is the way American foreign policy is being made, God save us from the Russians.

One interesting insight into Dr. Jessup's lack of sensitivity to disloyalty is shown by his answer to the question of the Senator from Iowa [Mr. HICKENLOOPER] on March 20, last. The Senator asked Jessup if he was of the same opinion now about Hiss as he was at the times last year when, as one of Hiss' character witnesses, he stated that Hiss' reputation for integrity, loyalty, and veracity was good. Dr. Jessup answered the Senator that he saw no reason to alter his statements. One can understand a person standing by his friend on a private basis; but Dr. Jessup, as Ambassador-at-Large, represents the American people. He is supposed to be aware of the dangerous tactic of infiltration as practiced by Stalin's police state. To put it mildly, Jessup's reaction to gross disloyalty seems obtuse. He can say, without qualification and as a most important public official, that he can see no reason whatever to change his opinion about Hiss' veracity, loyalty, and integrity, even though an American jury has convicted him of perjury and what amounts to far-reaching espionage on damning evidence which satisfied the jury and a Federal judge that Hiss, beyond reasonable doubt, was proved to be an underground Communist agent.

In other words, if Jessup today were in charge of the loyalty program he would say, "In my opinion, Hiss still has an outstanding reputation for veracity, integrity, and loyalty, and I see no reason to change my opinion."

This is in the very best Acheson tradition of "not turning one's back" on treason.

The Senate will recall that I presented to the committee the case of one Haldore Hanson, who has been named by the State Department as chief of the Technical Cooperation Projects Staff, which is developing plans for the point 4 program.

It will also recall my mentioning the fact that Owen Lattimore is now in Afghanistan in connection with making a study and submitting recommendations in regard to the application of our point 4 program in that area.

So we find Owen Lattimore again the great planner. This time instead of directing Jessup to pioneer the campaign of villification against Chiang Kai-shek and the deification of the Chinese Communists; this time instead of helping Service and Roth in their theft of secret State, Navy, and Intelligence documents, he is helping Haldore Hanson to plan the point 4 program in that area of the East which has not yet fallen under Communist control.

This is the same Haldore Hanson who in his book "Human Endeavor," on page 349, condemns the right-wing groups in the Chinese Government "for fighting against the democratic revolution by Mao Tse-tung of the Communists." This is the same Haldore Hanson who on the same page complains that anti-Red officials within the Government were making indirect attacks upon the Communists, and that "leaders of the Communist Youth Corps were arrested by military officials at Hangkow."

This is the same Haldore Hanson who was the penniless coeditor of a Communist magazine in Peiping when the Japanese-Chinese war broke out. This is the same Haldore Hanson who in chapter 28 condemns the red-baiting officials in Chungking.

Rather than take the time of the Senate in developing the entire Hanson case, I now ask unanimous consent to have inserted in the RECORD at this point the case of Haldore Hanson as I presented it to the subcommittee of the Senate Foreign Relations Committee.

There being no objection, the case was ordered to be printed in the RECORD, as follows:

The next case is that of Haldore Hanson.

This man occupies one of the most strategically important offices in the entire State Department.

It is my understanding that he joined the Department of State in February 1942, and is recognized in the Department as a specialist and expert on Chinese affairs.

Hanson, now Executive Director of the Secretariat of the Inter-Departmental Committee on Scientific and Cultural Cooperation, will head up a technical cooperation projects staff of the new point 4 program for aid to underdeveloped areas which will have charge of the expenditures of hundreds of millions of dollars of our taxpayers' money over all the world. (Source: Department of State Departmental Announcements 41, dated February 21, 1950.)

The pro-Communist proclivities of Mr. Hanson go back to September 1938.

Hanson was a contributor to Pacific Affairs, the official publication of the Institute of Pacific Relations, whose staff was headed by millionaire Frederick Vanderbilt Field, an admitted Communist. Field has devoted his entire fortune to the Communist cause.

It is important that the committee keep in mind that Mr. Hanson also wrote for the magazine Amerasia, of which Philip Jacob Jaffe was managing editor.

Jaffe was arrested, indicted, and found guilty of having been in illegal possession of several hundred secret documents from the State, Navy, War, and other Government Department files.

Mr. Chairman, I have before me a document entitled "Department of State, Departmental Announcement 41." The heading is "Establishment of the Interim Office for Technical Cooperation and Development." Then in parentheses, by way of explanation of this rather high-sounding name, we find "point 4 program."

The first paragraph of the order reads as follows:

"1. Effective immediately there is established under the direction of the Assistant Secretary for Economic Affairs of the Interim Office for Technical Cooperation and Development (TCD)."

On page 4 we find that the chief of this technical cooperations project staff is one Haldore Hanson.

Paragraph 2 on page 1 sets forth the following responsibilities of Hanson's division:

"The interim office is assigned general responsibility within the Department for (a) securing effective administration of programs involving technical assistance to economically underdeveloped areas and (b) directing the planning in preparation for the technical cooperation and economic development (point 4) program. In carrying out its responsibilities the interim office will rely upon the regional bureaus, Bureau of United Nations Affairs, and other components of economic affairs area for participation in the technical assistance programs as specified below, and upon the central administrative offices of the administrative area for the performance of service functions."

From this it would appear that his division will have a tremendous amount of power and control over the hundreds of millions or billions of dollars which the President proposes to spend under his point 4 program, or what he has referred to as the bold new plan.

Hanson's appointment is not made by the President, but by the State Department and is not subject to any Senate confirmation. Therefore, it would seem rather important to examine the background and the philosophy of this young man.

The State Department Biographical Register gives what would on its face seem to be a chronological story of an increasingly successful young man. It shows that he graduated from college, for example, in 1934 at the age of 22; that he was a teacher in Chinese colleges from 1934 to 1937; and then a press correspondent in China from 1936 to 1939; a staff writer from 1938 to 1942; then in 1942 he got a job in the State Department at $4,600 a year; that in 1944 he was listed as a specialist in Chinese affairs at $5,600; that in 1945 he was made executive assistant to the Assistant Secretary of State at $6,500; that in May of 1948 he was made assistant chief of the area division number 3; that on June 28, 1948 he was made Acting Chief for the Far Eastern Area, Public Affairs Overseas Program Staff; that on November 14, 1948 he was made Executive Director of the Secretariat of the Inter-Departmental Committee on Scientific and Cultural Cooperation. There is certainly nothing unusual about this biography. Nothing there to indicate that this man might be dangerous in the State Department as Chief for the Far Eastern Area, Public Affairs Overseas Program Staff, during a time when the Communists were taking over China. However, much is left out of this biography. It does not show, for example, that this young man was running a Communist magazine in Peiping when the Japanese-Chinese war broke out. It does not show, for example, that he spent several years with the Communist armies in China, writing stories and taking pictures which the Chinese Communists helped him smuggle out of the country. Nor does this biography show that this man, after his return from China, wrote a book—a book which sets forth his pro-Communist answer to the problems of Asia as clearly as Hitler's Mein Kampf set forth his solutions for the problems of Europe.

Nothing that he has said or done since would indicate that he repudiates a single line of that book.

This man clearly believes that the Communists in China stand for everything that is great and good. His is not the picture of a mercenary trying to sell his country out for 30 pieces of silver. In reading his book, you are impressed with the fact that he firmly believes the Communist leaders in China are great and good men and that all of Asia would benefit by being communized.

Take, for example, what he had to say about Mao Tse-tung, the head of the Communist Party at that time and now the Communist ruler of China, and Chu Teh, commander-in-chief of the Eighth Route Communist Army, and according to Life Magazine of January 23, 1950, No. 2 man in prestige to Mao Tse-tung.

In chapter 23, entitled "Political Utopia on Mt. Wut'Al," in describing a meeting with an American Major Carlson, here is what he had to say:

"We stayed up till midnight exchanging notes on guerilla armies, the farm unions, and the progress of the war. I was particularly interested in the Communist leaders whom Carlson had just visited and whom I was about to meet. Mao Tse-tung, the head of the Communist Party, Carlson characterized as 'the most selfless man I ever met, a social dreamer, a genius living 50 years ahead of his time.' And Chu Teh, commander in chief of the Eighth Route Army, was 'the prince of generals, a man with the humility of Lincoln, the tenacity of Grant, and the kindliness of Robert E. Lee.'"

For a man slated as chief of the bureau which may have the job of spending hundreds of millions of dollars throughout the world this indicates, to say the least, a disturbing amount of hero-worship for the No. 1 and No. 2 Communist leaders in the Far East today.

On page 349, he condemns the right wing groups in the Chinese government for "fighting against the democratic revolution as proposed by Mao Tse-tung and the Communists."

On the same page he points out that anti-Red officials within the government were making indirect attacks upon the Communists and that "leaders of the Communist youth corps were arrested by military officers at Hankow. I myself was the victim of one of these incidents and found that local officials were the instigators."

From Hanson's book it appears that the Nationalist Government knew of his close collaboration with the Communist army. For example, on page 350, we find that his passport was seized by the police in Siam when they found that he was traveling from Communist guerrilla territory to the Communist headquarters. He states that the man responsible for this illegal action was Governor Ching Ting-wen—one of the most rabid anti-Red officials in China. The Governor's purpose was merely to suppress news about the Communists.

Before quoting further from this book written by Mr. Hanson, it might be well to give a clearer picture of the job which Secretary Acheson has picked out for him. The State Department document lists some of the duties of his bureau as follows:

1. Developing over-all policies for the program.

2. Formulating general program plans and issuing planning directives.

3. Coordinating specific program plans developed by the regional bureaus and making necessary adjustments.

4. Approving projects, determining action agencies, and allocating funds for United States bilateral programs.

5. Directing negotiations and relationships with intergovernmental agencies and with other United States agencies participating in the coordinated program or otherwise carrying on technical assistance activities.

6. Initiating and developing plans for technical assistance programs for individual countries or groups of countries within their respective regions.

7. Reviewing program proposals affecting their regions which originate from any other source.

8. Negotiating and communicating with foreign governments.

9. Directing State Department personnel assigned abroad to coordinate and give administrative and program support to, bilateral programs.

10. Continuously evaluating programs and projects within regions.

11. Proposing program changes.

12. Initiating instructions to the field carrying out their respsonsibilities and reviewing all other instructions concerned with technical assistance programs.

This gives you some idea of the tremendous powers of the agency in which Mr. Hanson is a top-flight official.

Let us go back to Hanson's writings:

All through the book he shows that not only did he have complete confidence in the Communist leaders but that they also had complete confidence in him. On page 256 he refers to how Communist Generals Nie and Lu Chen-Tsao acted as his couriers, smuggling packets of film and news stories from him with the aid of Communist guerrilla spies into Peiping.

In this connection I might say that he very frankly points out that the Communists do not tolerate anyone who is not completely on their side. Hanson makes it very clear all through the book that he is not only on the Communist side, but that he has the attitude of a hero worshipper for the Chinese Communist leaders.

His respect and liking for the Communist leaders permeates almost every chapter of the book. For example, on page 284 and page 285, he tells about how some ragged waifs whom he had gathered into his sleeping quarters regarded Mao Tse-tung and Chu Teh as "Gods." He then goes on to tell about their favorite Communist General,

Holung, and states that they convinced him that Holung was a very extraordinary man whom they described as "big as a Shantungese, heavy as a restaurant cook but quick as a cat in battle." He then goes on to describe on page 285 how, when he met General Holung, he found him to be much as the hero-worshipping boys had described him. "He is," said Hanson, "a living picture of Rhett Butler from the pages of Gone With the Wind."

This praise of Chinese Communist leaders goes on page after page. On page 278, he describes Communist General P'eng as the most rigid disciplinarian and "the most persistent student of world affairs."

In chapter 26 he speaks with apparently bated breath of the "brain trust" of Communist leaders who were immortalized by Edgar Show in his Red Star Over China.

On page 295 in referring to two other Communist generals, he said: "Should this book ever fall into Communist hands, I must record that those two lonely men made excellent company during my 3 weeks in Yenan."

After describing in complimentary manner this university and the students, on page 296, he says, "Every cadet divides his time between political and military subjects. On the one hand he listens to lectures on Marxian philosophy, the history of the Chinese Revolution, the technique of leading a mass movement; on the other hand he studies guerrilla tactics, the use of military maps, and the organization of a military labor corps."

On page 297 he points out that no tuition is charged at the academy and that each student is supplied with uniform, books, and food, plus a pocket allowance, and then has this to say: "Some recent visitors to Yenan have spread a report that the academies are supported by Russian rubles—a thin piece of gossip. I was told by several Chinese leaders, including Mao Tse-tung, that the largest contributions came from American sympathizers in New York."

On pages 297 and 298 Hanson relates that in talking to one of the Nationalist war lords: "I suggested that he could learn a great deal from the Communists about discipline and integrity of leadership."

On page 303 Hanson has this to say: "My attitude toward Communist China's leaders was a mixture of respect for their personal integrity and a resentment of their suspiciousness. They impressed me as a group of hard-headed, straight-shooting realists."

After an interview with Mao Tse-tung he states, "I left with the feeling that he was the least pretentious man in Yenan and the most admired. He is a completely selfless man."

Following is Hanson's description of how the Reds took over. I quote from page 102:

"Whenever a village was occupied for the first time, the Reds arrested the landlords and tax collectors, held a public tribunal, executed a few and intimidated the others, then redistributed the land as fairly as possible."

In chapter 28, in comparing the Communists to Chiang Kai-shek's troops, Hanson had this to say:

"I left Yenan with only one conviction about the Communists; that they were fighting against the Japanese more wholeheartedly than any other group in China."

He then goes on to condemn "Red-baiting" officials in Chungking.

On page 312 of his book, Hanson quotes a Communist editor as stating as follows:

"Our relationship to the U. S. S. R. is no different than that of the American Communist Party. We respect the work of Russia's leaders and profit by their experience wherever we can, but the problems of China are not the same as those of Russia. We plan our program from a Chinese point of view."

Hanson then adds, "The explanation seemed logical enough to me."

In connection with Hanson's position as Chief of the Technical Cooperation Projects Staff, in charge of Truman's point 4 program, the following on pages 312 and 313 of his book would seem especially significant. He quotes Mao Tse-tung as follows:

China cannot reconstruct its industry and commerce without the aid of British and American capital.

Can there be much doubt as to whether the Communists or the anti-Communist forces in Asia will receive aid under the point 4 program with Hanson in charge?

Gentlemen, here is a man with a mission—a mission to communize the world—a man whose energy and intelligence coupled with a burning all-consuming mission has raised him by his own bootstraps from a penniless operator of a leftist magazine in Peiping in the middle thirties to one of the architects of our foreign policy in the State Department today—a man who, according to State Department announcement No. 41 will be largely in charge of the spending of hundreds of millions of dollars in such areas of the world and for such purposes as he decides.

Gentlemen, if Secretary Acheson gets away with his plan to put this man to a great extent in charge of the proposed point 4 program, it will, in my opinion, lend tremendous impetus to the tempo at which communism is engulfing the world.

On page 32 of his book, Hanson justifies "The Chinese Communists chopping off the heads of landlords—all of which is true," because of hungry farmers. That the farmers are still hungry after the landlords' heads have been removed apparently never occurred to him.

On page 31 he explained that it took him some time to appreciate the appalling problems which the Chinese Communists were attempting to solve."

In chapter 4 of Hanson's book, he presents the stock Communists' arguments for the so-called Stalin-Hitler Pact of 1939.

Secretary Acheson is now putting Hanson in the position to help the Communists solve the appalling problems in other areas of the world with hundreds of millions or billions of American dollars.

The obvious area in which this man will start using American money to help the Communists solve the people's problem will be Indochina and India.

It should be pointed out that this case was brought to the attention of State Department officials as long ago as May 14, 1947. At that time the Honorable Fred Busbey, on the floor of the House, discussed this man's affinity for the Communist cause in China.

Mr. McCARTHY. Mr. President, in my opinion the all important thing to be determined is not so much the question of whether Lattimore was a Russian agent or whether Service was guilty of espionage in the Amerasia case, nor the disloyalty or bad judgment of many of the particular individuals in the group of untouchables determining the far-eastern policy, but rather, to determine to what extent our far-eastern policy has paralleled the Communist Party objectives.

At this point I would like to read a brief of the Communist Party objectives insofar as the Far East is concerned, as laid down by the Asiatic Cominform of May 1949:

1. Conquer China; (2) conquer Hainan, and (3) Formosa (air base to neutralize Ryukyus and Okinawa).

2. Infiltrate and conquer Indochina and Burma.

3. Infiltration and riots in India and Pakistan; Philippines.

4. Infiltration and riots in Japan; wean Japan from United States.

PROPAGANDA

(a) Japan cannot survive without trade with China.

(b) United States taxpayers cannot pay the tax bills to support 88,000,000 Japanese.

(c) Maintain split between Japan and Philippines.

(d) Maintain split between Japan and Australia.

(e) Omit all mention of Japan's deeds in China (1931–45).

5. Prevent Far Eastern Pact (Pacific Alliance) at all costs.

6. Keep Nehru out of Far Eastern Pact.

7. Woo Afghanistan.

8. Self-determination in Sinkiang Province. Future ethnic ties to Soviet Uzbeks, etc.

9. Infiltration, riots in Iran. Get pro-Soviet Ministers appointed.

It should require no comment to cause anyone with even a semiopen mind immediately to recognize the fact that the Lattimore line follows that line practically 100 percent. The important question, of course, is not whether Lattimore follows that line, but whether the State Department actually follows that line.

In connection with the question of whether or not Acheson knows what the party line actually is, I would like to quote to you from a letter written by the Senator from New Hampshire [Mr. BRIDGES] to the Senator from Michigan [Mr. VANDENBERG] in April of 1947.

In that letter the Senator from New Hampshire questions whether the State Department Far Eastern Planning Branch is following two official documents which set forth in detail the Communist objectives in China. He points out those two documents are available at the Library of Congress or at the State Department.

The two documents are as follows:

1. "The Program of the Communist International and its Constitution. Workers Library Publishers. 1928. Third American edition, 1936.

2. "The Revolutionary Movement in the Colonies and Semi-Colonies," adopted as a resolution by the Sixth World Congress of the Comintern, September 1, 1928.

Acheson's answer sheds considerable light perhaps on why he may, without even knowing it, be following the Lattimore Communist line. He points out that his top adviser on Chinese affairs "advises me that he has never even read the two Communist documents under reference. I have never read them myself."

Can anyone imagine a person trying to plan a policy or a campaign against Hitler without having read his Mein Kampf?

So we find the Secretary of State admitting that he and his top advisers in Far Eastern Affairs do not even take the time to acquaint themselves with the Communist aims in that theater.

I can assure him that Lattimore knows what the Communist aims are.

Let us see how much of the party line of the Soviet Agent, Lattimore, has found its way into Secretary Acheson's far-eastern policy.

The Secretary of State made his most important speech on far-eastern policy before the National Press Club on January 12th last. While in that speech he refers to the detachment of the provinces of northern China by the Soviet Union and he somewhat frowns upon this action, he asserts that we must do nothing by way of intervention, such as aid to Chiang on Formosa, which would merit the Chinese wrath that they now have for the Russians.

But the important thing in Mr. Acheson's speech, and the main burden of his argument, is that in the rest of China a democracy has been born. He states that communism is a subtle instrument of Soviet foreign policy, which would "if it could, take from these people what they have won, what we want them to keep and develop which is their own national independence, their own individual independence, their own development of their own resources for their own good, and not as mere tributary states to this great Soviet Union.

Has Acheson the temerity to state that the people of China have won China for themselves? Does Acheson want the Chinese people to keep their present government? Does Acheson really want us to believe that they have won their national independence and their own individual independence?

This is exactly the line that Lattimore wrote in his article, Asia Conquers Asia, in March of this year in which Lattimore refers to Russian communism only as a "hypothetical threat—a card unplayed."

Acheson ended his China policy speech of January 12 with these words. Listen to the mind of Lattimore in the voice of Acheson:

What we conclude, I believe, is that there is a new day which has dawned in Asia. It is a day in which the Asian peoples are on their own and know it and intend to continue on their own. It is a day in which the old relationships between East and West is gone, relationships which at their worst were exploitations and which at their best were paternalism. That relationship is over and the relationship of East and West must now be in the Far East one of mutual respect and mutual helpfulness. We are their friends. Others are their friends.

Let us compare that with the final paragraph in one of Lattimore's latest books, Situation in Asia:

Throughout Asia today there prevails an atmosphere of hope, not of despair.

Acheson says:

What we conclude, I believe, is that there is a new day which has dawned in Asia.

Acheson said:

There is not a single country in Asia in which people feel that we are entering on an age of chaos. What they see opening out before them is a limitless horizon of hope—the hope of peaceful constructive activity in free countries and peaceful cooperation among free peoples. There will be disillusionments along the way as these hopes unfold. They should not come from America, or as the result of American policy. A great part of Asia's hopes, however, will be fulfilled, and should be fulfilled with American cooperation. We have everything to gain by being on the side of hope.

Acheson at the National Press Club said a new day had dawned for Asia. Lattimore, his teacher on oriental affairs, tells of the "limitless horizon of hope in Asia."

Acheson told the Press Club:

It is a day on which the Asian peoples are on their own and know it and intend to continue on their own.

Lattimore had said—

There will be disillusion along the way as these hopes unfold. They should not come from America, or as the result of American policy.

Lattimore wrote that it was China that conquered China. Acheson believes that China has conquered China.

The best authority on China affairs in the Senate is perhaps the junior Senator from California [Mr. KNOWLAND].

I wish to quote his estimation of the grave problem that we are considering. In a speech printed in the Appendix of the CONGRESSIONAL RECORD, at page A2133, he said—and I shall not read the entire speech:

There is one great void in the speech of the Secretary of State dealing with our Asia policy. He treats the islands of Formosa, Hainan, Kinmen, Chosun, and the Pescadores, with their 8,000,000 people under the jurisdiction of the legal government of the Republic of China as though they were ships which had been sunk beneath the waves of the China Sea and the Pacific.

Since Formosa alone has more population than either Australia or Greece, this is hardly realistic. Formosa is closer to the Philippines than the island of Luzon is to the island of Mindanao. It is hardly conceivable that this Government can view with unconcern the moving of international communism off the Asiatic land mass on its first major island-hopping venture.

An American missionary with years of experience in China recently said to me: "Senator, I cannot understand how Chiang Kai-shek can be the No. 1 target in the Far East of international communism and at the same time be the No. 1 target for the Far Eastern Division of our own State Department." From my own observations in China last November and from recent communications from people still there and those who have just returned, I believe that the Republic of China has passed her darkest hour of Dunkerque and Valley Forge. There has been a new rebirth of morale that is of tremendous significance to those who are not so blind that they will not see.

The Benedict Arnolds, the Quislings, and the fair-weather friends have long since departed. The new Cabinet of President Chiang Kai-shek contains many young and able administrators who are men of integrity. * * *

It is not realistic to ignore the fact that the Republic of China has approximately 600,000 men under arms, 300,000 of whom are excellent soldiers. This total number is greater than the combined troop strength of Korea, the Philippine Republic, the United States of Indonesia, Siam, Vietnam, Burma, Australia, New Zealand, Hong Kong, and the United States forces in Japan.

The island of Formosa is not needed by the United States as either an air or naval base. In the friendly hands of the Republic of China, it presents no problem to our own defenses. In the hands of international communism the many Japanese-built air strips and the excellent harbors would drive a wedge into our Pacific defense line that runs from Japan through Okinawa to the Philippines. In unfriendly hands it would be a strategic loss that no competent military, naval, or air commander would or has overlooked.

Does Acheson believe that Mao's conquest of China is the birth of a new day? Does he think that the Chinese people are now "on their own," as he says?

He looks upon the Chiang government with horror and he sees the bright new day for 400,000,000 Chinese.

He was asked by a questioner after his January 12 speech the following question:

You stated that the present trend in Asia is to throw off foreign domination. Is not the present debacle in China the very reverse of this; that is, the allowance of a foreign power to overthrow an existing government?

But Acheson did not answer that very pointed question.

Acheson takes the same position as his grand counselors on far-eastern affairs—Lattimore, Jessup, and Service—he has adopted almost wholly the thesis of Lattimore's article in United Nations World for March 20, "Asia Has Conquered Asia."

But let us take a look at the real record. Let us take a look at a secret document of our Department of State, entitled, "Current Foreign Relations," printed for the month of March 1950, which was not meant for the eyes of the American public, the contents of which the people are entitled to know at this time in view of the astounding position of the Secretary of State.

I read directly from page 10 of this secret document, and I might incidentally commend this document to the attention of the Senator from California [Mr. KNOWLAND]. There is much in it which I believe will shock him also. This, Senators will understand, is not written by the Lattimores and the Jessups and the Services. This is written by some of the loyal people in the State Department who know what is going on, and that undoubtedly is why it is marked "Secret." I read directly from page 10 of the secret document:

Position in Far East, the Communist conquest of the mainland of China and the conclusion of the Soviet-Chinese treaty of alliance constitute the greatest advance which Soviet imperialist expansion has achieved since the war, and this advance is no doubt a major factor behind the attitude of confidence which appears to characterize the current Soviet outlook.

That is the true state of affairs. That is a bit different from Jessup's statement before the committee when he tried to treat what is happening in Asia as a victory for the United States; it is a bit different from his attitude when he condemned me for having in some way interfered with that successful program in the Far East. Mr. President, the true state of affairs as set forth in that document is not meant for the eyes of the public. That is the opinion of the loyal Americans in our Department of State whose voice has been muffled by the small group of intellectuals that has ensnared Acheson's mind.

It was not Chinese democracy under Mao that conquered China, as Acheson, Lattimore, Jessup, and Hanson contend.

Soviet Russia conquered China and an important ally of the conquerors was this small left-wing element in our Department of State.

I should like to point out that this document is a direct contradiction of what Dean Acheson himself has publicly told the people. It is a direct contradiction of everything that Owen Lattimore has said.

This secret document, which is less than a month old, dated March 19, expresses the frank analysis of the situation from the American point of view. I would like to read the frank analysis of the situation from the Russian point of view as contained in a broadcast from Moscow on December 17 last, as follows:

The Chinese people have dumped Chiang Kai-shek into the garbage can of history. The same fate awaits the United States puppets in other countries. Inspired by the grand historical victory of the Chinese people, the people of Indonesia and Vietnam, the Philippines, Southern Korea and Burma are intensifying their national liberation struggle. The democratic movement is gaining ground and strength in Japan where people refuse to be tools in the implementation of the plan cooked up by Wall Street.

It sounds almost like Lattimore in his latest article.

With the triumph of Chinese democracy, the popular liberation movement of the peoples of Asia under the oppression of the imperialists has entered a new and more advanced stage.

The mind of the Soviet Foreign Office is as sharp as steel. The mind of the left-wing crowd in the American State Department is as soft as curdled milk.

The truth, as the Senator from California [Mr. KNOWLAND] has pointed out, is that the only fighting force in the whole of Asia is the army of Chiang Kai-shek.

Acheson on January 12th referred to support of Chiang Kai-shek on Formosa in these terms:

Some silly adventure which some people in this country are urging,

And—

The folly of ill-conceived adventures.

The great mind of the Secretary of State refers to the support of the Nationalist cause as "silly" and "folly," while it still has the best-equipped army of China and is even now on the offensive.

For his benefit let me point out that the most recent battle he led was the battle of Kinmen, an island off the coast of China opposite Formosa. As reported by the New York Herald Tribune:

On October 25, 17,000 Communists with supporting artillery made a night attack on Kinmen. By the twenty-seventh, the three Nationalist armies there, sparked by regiments trained under Sun Li-jen, had annihilated the attackers, of whom 8,000 were captured and 9,000 killed or drowned. The Nationalist air force aided the defenders.

The battle of Kinmen is the largest battle in which the Communists were defeated. For the first time, the new Chinese forces trained on Formosa had a test with the Communists, and came out triumphant.

Another recent battle was the battle of Tengpu Island, in the Chusan group, off the coast south of Shanghai. According to the same source:

On November 3, a somewhat smaller Communist force attacked Tengpu Island (near Tinghai), and on the sixth they were finally destroyed by units of the four armies in the Chusan group.

The reporter of the Herald Tribune commented:

The morale of the Nationalist troops participating was good, and as a result of the battles they captured artillery and small arms which strengthen their position.

The above quotes are from a dispatch by A. Doak Barnett, New York Herald Tribune, December 29, 1946.

We have seen the flow of crocodile tears for the families of those who have been named as the formulators of that policy. The searchlight of truth has finally been thrown upon these men and it is unfortunate, indeed, that their families have suffered from the adverse publicity. But those who shed tears for the families of these people with whom I also sympathize, I say, What kind of tears will you shed for the 400,000,000 people of China, the free leaders of which are now being prepared for liquidation as Mao drinks vodka with Stalin in Moscow?

The left-wing intellectuals are now in the process of actually preparing world tragedy. Can we stop them before it is too late? Can we have done with this business of subversion and degeneration behind high-sounding, phony diplomacy?

The Senate of the United States should take firm hand in its constitutional role of helping now to formulate a real foreign policy for the United States of America.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. HUMPHREY obtained the floor.

Mr. CHAVEZ. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield to the Senator from New Mexico, to permit him to ask a question.

Mr. CHAVEZ. If it is the intention of the Senator from Minnesota to move that the Senate take a recess at this particular time, I ask him to desist for a moment, so that the Senate may transact some business on the pending measure. The amendments I have in mind are not objectionable to Senators on either side, I am sure.

Mr. HUMPHREY. I merely wish to obtain some clarification from the Senator from New Mexico. I understand that he wishes to have the Senate act now on several amendments to which there is no objection, and which have received support from the majority side as well as from the minority side. Therefore I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I call up amendment B to House bill 5472.

The PRESIDING OFFICER. The Chair is advised that amendment A is pending and has not yet been acted upon.

Mr. CHAVEZ. Mr. President, I withdraw amendment A for the moment, and I now call up amendment B.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 25, between lines 14 and 15, it is proposed to insert the following paragraph:

(g) The project for flood protection at Des Arc, Arkansas, substantially in accordance with the report of the Chief of Engineers in House Document Numbered 485, Eighty-first Congress, at an estimated cost of $228,000, in addition to presently authorized work.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CHAVEZ. Mr. President, I call up amendment C, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 48, between lines 16 and 17, it is proposed to insert the following:

Lower Rio Grande Valley, including streams in Starr, Hidalgo, Cameron, and Willacy Counties, Texas, in the interest of flood control and major drainage improvements.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. CONNALLY. I am very glad indeed that the Senator has offered the amendment. It is wholly desirable; and its cost should be very little, if any. It simply calls for a survey and reexamination.

Mr. CHAVEZ. Yes. It was unanimously reported by the committee, and is supported by Senators on both sides of the aisle.

Mr. WHERRY. Mr. President, the amendment calls for a preliminary survey and examination only. Is that correct?

Mr. CHAVEZ. That is correct.

Mr. WHERRY. The amendment does not authorize the project?

Mr. CHAVEZ. That is correct. It authorizes the survey.

Mr. WHERRY. Very well.

Mr. CHAVEZ. It was proposed by the Senator from Oklahoma [Mr. KERR] for the Senator from Texas [Mr. JOHNSON], and it is supported by the Senator from Texas and by the Corps of Engineers, and by the residents of that area.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CHAVEZ. Mr. President, I call up amendment "E."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 18, line 20, it is proposed to delete the figure "1949" and insert in lieu thereof the figure "1950".

On page 67, line 8, it is proposed to delete the figure "1949" and insert in lieu thereof the figure "1950".

Mr. CHAVEZ. Mr. President, the purpose of the amendment is to correct the

reference to the date of the act from 1949 to 1950.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CHAVEZ. Mr. President, I should like to ask the Senator from Nebraska [Mr. WHERRY] whether at this time he is agreeable to letting me explain amendment "A" for the benefit of the Senate.

Mr. WHERRY. Certainly.

Mr. CHAVEZ. Mr. President amendment A is simply an extension of existing authority for the Federal Power Commission to make examinations and studies of power possibilities at projects, in connection with the Corps of Army Engineers. The original authorization was passed in 1938. The funds authorized have almost been exhausted. So an extension of the authorization is needed now for these studies, which go hand in hand with the work of the Corps of Engineers.

The amendment has been recommended by the Bureau of the Budget and has the approval of the entire committee.

The Flood Control Act of 1938—the authorization for this particular item goes as far back as that act of 1938—authorized an appropriation of $1,500,000, to be expended by the Federal Power Commission to investigate, in connection with the Corps of Engineers, the power possibilities of rivers and harbors and flood-control projects. The Flood Control Act of 1944 authorized an additional $1,500,000.

So $3,000,000 has been authorized from 1938 up to the present time, and of that amount $2,594,840 has been appropriated up to and including the fiscal year 1950. With an appropriation for 1951 comparable to that for the past few years, the present authorization will be insufficient for the fiscal year 1952. The committee believes that an additional authorization to carry on this important work should be provided.

It means that possibly there will be, for this particular type of survey throughout the United States, an expenditure of $250,000 a year up to 1954. That is all it means.

The amendment was reported favorably by Senators on both sides of the aisle who were present at that particular time in the committee.

I hope the Senate will agree to the adoption of the amendment.

Mr. WHERRY. Mr. President, I should like to comply with the distinguished Senator's request. I am sure the explanation he has made is very clear, and probably the amendment will meet with the approval of the Senate, now that the explanation is in the RECORD.

However, I ask that the Senator agree to have the amendment go over until the bill is before the Senate tomorrow; and I make a similar request in regard to the amendment relating to the Hawaiian Islands.

Mr. CHAVEZ. Certainly.

Mr. President, I thank the Senator and the Senate for the action which has just been taken. In a few minutes we have done more on this subject than has been done in the past 6 months.

The PRESIDING OFFICER. Does the Senator from New Mexico wish the amendment providing an authorization of $1,500,000 to be the pending question?

Mr. CHAVEZ. I understand that it is now the pending question.

PRODUCTION FOR SENATE COMMITTEE USE OF LOYALTY RECORDS OF GOVERNMENT EMPLOYEES

Mr. HICKENLOOPER. Mr. President, in today's issue of the New York Times there appears a very interesting and, I think, well presented article by Arthur Krock, on the question of congressional authority to subpena or acquire the files of Government departments. I ask unanimous consent that the article may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, I wish to thank the distinguished Senator from Iowa for offering this article for the RECORD. I had already had the same article prepared for publication in the RECORD, together with a short statement by me.

Mr. HICKENLOOPER. Mr. President, if I may, I then withdraw the article, so that the Senator from Nebraska may introduce it, along with his own statement.

Mr. WHERRY. No, Mr. President; it is perfectly agreeable to me, in order to save time, to have the Senator from Iowa introduce it; but I wish to associate myself with the Senator from Iowa in that connection, because I feel that the article clarifies the proposition, with which the Senate is confronted, relative to whether there should be a showdown in regard to how far we should go, and how soon we should do so, in connection with obtaining the files which apparently have been withheld from the committee.

Mr. HICKENLOOPER. Mr. President, I have utterly no personal pride about submitting the article for the RECORD, and I think the Senator from Nebraska should present it.

Mr. WHERRY. Very well.

Mr. President, I ask unanimous consent that the article may be printed in the RECORD, together with brief remarks I have prepared in connection with the same subject.

The PRESIDING OFFICER. Without objection, the order previously entered in connection with the submission of the article by the Senator from Iowa will be rescinded.

Without objection, the remarks submitted by the Senator from Nebraska, and the article, will be printed in the RECORD.

Mr. WHERRY's statement is as follows:

Mr. President, the reasons given by the President for refusing to let the Senate Foreign Relations Committee see the loyalty records of Government employees—even for secret examination—are flimsy and full of holes.

The President has set a dangerous precedent. He has paved the way for him to put an iron curtain around the entire executive branch, a curtain which the people, acting through their Representatives in the Congress, would be barred from piercing.

If his argument is accepted, the most shocking scandals could occur in the executive branch, and the people, through their Congress, would be barred from exposing the facts that would lead to punishment of the wrongdoers.

It is a long-established and generally accepted principle that the President may properly withhold from the Congress certain information, such as his personal correspondence with members of his Cabinet.

The Constitution gives the President the sole duty and responsibility of negotiating with foreign countries; and in connection with those negotiations he may withhold from the Congress information the publication of which he believes to be incompatible with the public interest.

But the Constitution also provides that he can make no treaties or far-reaching agreements with foreign countries without the approval of the Senate.

President Truman in refusing to open loyalty files to Senate inspection is attempting to spread to the entire personnel of the executive branch and their fitness to work for the Government the immunity that he alone has in respect to secrecy for certain of his actions.

Congress created the Federal Bureau of Investigation and appropriates the money for its expenses. Is the creature now to become greater than the creator?

Is the United States Senator, elected by the people, and sworn to uphold the Constitution, less trustworthy in examining the records, the activities, and policies and operations of the FBI, the State Department, or other departments, than are the employees of the FBI or of those departments?

The President has appointed a Loyalty Review Board of 20 private citizens, and now he authorizes them to look at the loyalty records and report to him—not to Congress. Is such a Board more worthy of trust with the records than a duly authorized committee of the United States Senate, a committee carrying out the responsibilities for which they were elected by the people?

Is Congress, the policy-making branch of Government, and controller of the Nation's purse strings, now to be prevented from making the investigations necessary to legislate and appropriate?

President Truman now challenges the principles of representative republican government. His action is intolerable to free people.

By what authority did Mr. Truman issue an Executive order telling Government employees that if their loyalty records are subpenaed by the Congress, they shall ignore the subpenas and give him the subpenas?

By what right does one citizen, and that includes the President, tell another citizen to defy Congress?

The loyalty records of Government employees do not come under any of the court precedents cited by the President.

So, Mr. President, we and our fellow-Americans should not be misled.

We still live in a republic.

It seems to me that the Senate should take every legal means at its disposal to see that the President's shocking, shameful action is thoroughly tested in the courts, which have the duty of interpreting the Constitution.

The American people are greatly disturbed over the failure of the Truman administration to win durable peace. It is nearly 5 years since the explosions of war stopped, and yet there is no tangible peace. Instead, the godless monster of communism is spreading over the world, and we are losing the cold war.

Many of our people believe, and I think rightly so, that the blame for the failure to win lasting peace rests squarely upon the President and his alien-minded advisers in the State Department.

There will be no progress in nailing down the peace until the State Department is cleansed of its alien-minded personnel and until our foreign policy is restored to the principles set forth in the Constitution that

apply to our own people in their daily living, principles on the basis of which America has become great and strong.

Mr. President, these are the vital issues raised by the President in arbitrarily sealing the loyalty records of State Department officials and employees from the scrutiny of the people, through their representatives in the Congress.

Given the facts, all the facts, the people will make the right decisions. Woe be to any who try to rob the people of their liberty.

The article from the New York Times of March 30, 1950, is as follows:

THE COURTS AND THE SECRET FILES IMPASSE

(By Arthur Krock)

WASHINGTON, March 29.—If the Senate pursues its demand for the secret executive files in the loyalty-security cases after the President's order to the heads of the State and Justice Departments and the Chairman of the Civil Service Commission to ignore the Senate's subpenas, its next step could be to summon these executive officers to the bar of the Senate in contempt. If the President should then direct them to ignore this summons, as the text of his letter to Senator TYDINGS strongly indicates he would, the Senate's next step could be an appeal to the courts for a decision as to its powers vis-à-vis those of the President in the circumstances.

Very few persons here believe the Senate will go that far, the general expectation being that, as often before in our history, the legislative body will make angry gestures after its subpenas are ignored and let it go at that. But, if the Senate should take the impasse before the courts, an ancient dispute over coordinate Government powers would be up for adjudication for the first time in our history. Many lawyers and other students of the Constitution would welcome that.

The test would, of course, come to nothing if the courts found lack of jurisdiction, which eminent authorities believe would be the correct finding. And if the courts decided that the Senate had a constitutional right to the files there is no visible basis for the conclusion that the President would accept the decision or could be compelled to do so. But assumption of jurisdiction by the courts and a finding either way would at least contribute something definitive to the record of a controversy that began in Washington's time.

PRIOR "HEAD-ON COLLISIONS"

Several Presidents have ignored congressional subpenas; that was the end of it legally; no Executive aide was cited for contempt. Jackson in 1832 refused to execute a Supreme Court decision (*Worcester* v. *Georgia*); and Franklin D. Roosevelt in 1935 prepared a radio speech to the Nation to the same effect, to be delivered if the Supreme Court held illegal the cancellation of the gold clause in Government contracts. Mr. Truman could come to the same brink of decision if the Senate and the courts took the affirmative steps enumerated above.

But the ancient dispute over powers, in general and in particular, has remained academic and without benefit of judicial enlightenment. Today the news dispatches of this paper carried the following summary of it by Prof. Edward S. Corwin (from the 1948 edition of his book; The President: Office and Powers, New York University Press) which anticipated the current controversy and deserves repetition:

"As the converse of his power to discipline unfit personnel, the President, aided by his pardoning power, is able to spread over them to some uncertain extent the mantle of his own immunity from judicial process and from legislative inquiry, except, of course, in impeachment proceedings against himself. This, however, should not be done for the protection of the persons thus immunized, but only for that of state secrets or what purport to be such; and among these today may ordinarily be classified information bearing on the loyalty (security) of Federal executive personnel. That the power is capable of colliding head-on with Congress' inherent power to investigate all matters as to which it may legislate is obvious. Thus far the adjustment of the two powers to one another has been effected by the give-and-take of the political process, and presumably it must continue to be."

That about sums up the present impasse and the prospect, according to the prevailing Washington view.

JACKSON'S VIEW

Though the first of these head-on collisions was between Washington and Congress, it was Jackson who gave the first expansive view of executive independence. "The Congress, the executive, and the court," he said, "must each for itself be guided by its own opinion of the Constitution. Each public officer who takes an oath to support [it] swears that he will support it as he understands it, and not as it is understood by others. It is as much the duty of the House of Representatives, of the Senate, and of the President to decide upon the constitutionality of any bill or resolution which may be presented to them for passage or approval as it is of the Supreme judges when it may be brought before them for judicial decision. The opinion of the judges has no more authority over Congress than the opinion of Congress has over the judges, and on that point the President is independent of both."

COMPROMISE AFTER JACKSON

This position has been modified by the "give-and-take" mentioned by Professor Corwin, and that was necessary because Jackson and no one else has suggested any other method by which constitutional disputes can be finally settled and orderly government maintained. But neither executive nor legislature has yielded on the substantive point involved in the present case. Hence the current issue remains as new as it is old, being unsettled, and probably insoluble under our system by any legal process enforceable on the executive. Congress might for a while assure compliance from successors by removing a President. But that method is indirect.

GROWING DISPARITY BETWEEN FARM PRICES AND CONSUMER PRICES

Mr. HUMPHREY. Mr. President, in recent months we have all been seriously concerned with the growing disparity between farm prices and consumer prices. This problem is associated with the larger one encompassing the whole area of our price system. Scores of letters have come to my office expressing consumer indignation at the price of coffee, for example, when compared with the cost of producing this essential family commodity. In my own State of Minnesota the problem of gasoline prices has also caused serious concern in our community, particularly since that price, uniform throughout the State, seems to vary widely in comparison with the price of gasoline in adjacent States. Similar complaints dealing with fuel oil have been expressed to me.

The most acute demonstration of this problem, however, remains in the disparity in agriculture between prices paid to farmers and prices which consumers must pay. This is significant not only because of its effect on the cost of living for the American consumer, but also because high prices may lead to the feeling on the part of the American consumer that farm price supports are dangerous to his well-being.

I have therefore been in communication with a number of prominent Minnesota people representing the cooperative, business, labor, agriculture, and consumer movements. From these conversations it became clear to me that there was a need for a conference to be held in our section of the country to explore the ways and means by which this problem could be further investigated and a solution found.

I called such a conference, and requested Commissioner John Carson, of the Federal Trade Commission, to be present and to cooperate with a citizens group. Commissioner Carson brought with him Dr. Corwin Edwards, chief economist of the FTC, and Mr. Joseph Sheehy of the FTC legal staff.

These three gentlemen were most cooperative, and I want to take this opportunity publicly and on the floor of the Senate to thank them for their cooperation and their contribution toward further enlightenment on this problem for the citizens of my State and of the adjacent States.

The conference took place in Minneapolis on March 20, 1950. The chairman of the conference was Mr. William Paulbitske, representing Lodge No. 77 of the International Association of Machinists, St. Paul, Minn., one of the groups which initiated the call for the conference. The secretary was Mr. Harry J. Peterson, executive secretary of the Minnesota Association of Cooperatives, who was himself responsible for much of the planning and organization of the conference.

I ask unanimous consent to have printed at this point in the body of the RECORD a list of the organizations which were invited to attend. This list includes representatives from Minnesota, Wisconsin, North and South Dakota, and Nebraska.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The groups invited to attend included the following organizations: Minnesota Farm Bureau Federation; Minnesota Farmers Union; Minneapolis Chamber of Commerce; St. Paul Association of Commerce; Minneapolis Consumers Interstate Council; League of Women Voters; St. Paul Council for Social Action; American Association of University Women; International Association of Machinists; American Federation of Labor; Minnesota Federation of Labor; State CIO; railroad brotherhoods; School of Business, University of Minnesota; College of Agriculture, University of Minnesota; Macalester College; Land O'Lakes Creameries; Central Livestock Association; Farmers Union Grain Terminal Association; Farmers Union Central Exchange; Midland Cooperative Wholesale; Central Cooperative Wholesale; Group Health Mutual; Mutual Service Cooperative Insurance Co.'s; Minnesota Wool Growers; Ohio Farm Bureau Insurance Co.; Cooperative League of the United States of America; Minnesota Association of Cooperatives.

Mr. HUMPHREY. I also ask unanimous consent to have included in the body of the RECORD a list of the names of individuals and organizational repre-

sentatives who registered for the conference.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

The following individuals and organizational representatives registered for the conference:

Citizens and civic organizations: Mrs. Helen Frink, Mrs. A. N. Satterlee, Barbara Stuhler.

Farm organizations: Ray Brazell, Harry Miller, Roy E. Wiseth, Joe Skalbe, Jr.

Educational institutions: Lyle M. Bender, Helen G. Canoyer, O. B. Jesness, Richard L. Kuzelka, Dorothy Simmons.

Government: Roy A. Bodin, John Carson, Charles W. Stickney.

Labor: Robert W. Aiken, L. J. Covey, Stephen Fischer, Orlin Folwick, Robert L. Gannon, William Gydesen, Rodney Jacobson, William Paulbitske, A. J. Reiser, William Sinnott, J. W. Sperbeck, Mrs. Paul Watters.

Cooperatives: John Brandt, Chris Ellingsen, Frederick S. Gram, Walter Hoffman, Andrew P. Jensen, George W. Jacobson, J. K. Kyle, Walter L. Lassen, George F. T. Mayer, Andrus Norman, D. L. O'Connor, Charles Polich, Frank Paskewitz, Herman G. Pietz, Harry J. Peterson, A. J. Smaby, Glenn W. Thompson, Jerry Voorhis, John B. Vandermyde, Howard Y. Williams, M. D. Zeedies.

News: Dave Douthit, Gene Newhall, Horace S. Ogden, Marie Powell, A. D. Stedman.

Mr. HUMPHREY. Mr. President, one of the significant results of the conference was the adoption of a resolution requesting the Federal Trade Commission to investigate the methods and costs of distributing farm products. I want to endorse that resolution, and ask that it be printed in the RECORD following my remarks and referred to the appropriate committee of the Senate for action. I am convinced that this is a problem which merits our consideration, and I urge its support.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it resolved, That this conference of representatives of organized farmers, organized labor, small business, cooperatives, and consumers hereby petition the Honorable Harry S. Truman, President of the United States, to direct the Federal Trade Commission to investigate the methods and costs of distributing farm produce so that the Congress of the United States may legislate, if necessary, to make certain that the spread in price between producers and consumers of farm products shall be kept as small as possible through the elimination of all unnecessary costs of distribution; and

That the Commission shall be instructed to so organize its investigation that it will hold public hearings at intervals of not more than 3 months and shall make periodic reports to the Congress at intervals of not less than 6 months; and

That the Commission shall organize its investigation so that inquiry shall proceed into costs of distribution of particular farm commodities such as grain, eggs, milk, cattle, etc., and the foodstuffs processed from these raw commodities and so that, as the Commission makes its report to the Congress, the Congress may develop its legislative program associated with the production and distribution of these commodities; and

That the Commission shall have authority to call on all other agencies of government for any assistance such agencies can give so that there shall be no duplication of work; and

That the President shall ask Congress to appropriate $250,000 to the Commission immediately so the investigation may be launched; and

That this conference call on groups of organized farmers, organized labor, small business, cooperatives, and consumer groups in other States to join with us in urging the President and the Congress to act so as to have this work launched immediately; and

That copies of this resolution be forwarded to Hon. Harry S. Truman, President of the United States, to the Senators, and Congressmen from the respective States, and to the Federal Trade Commission.

Upon motion duly made and seconded the resolution presented by the committee was unanimously adopted.

RECESS

Mr. HUMPHREY. I now move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 33 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 31, 1950, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 30, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou, who art the Lord God Almighty, we humbly pray that we may be more sensitive and responsive to the appeals of the higher life and the persuasions of Thy spirit.

May we daily bear witness to our kinship with the Master who went about doing good and who inspired His followers to give their strength to the weak, their sympathy to the sorrowing, their substance to the poor, and their heart to God.

Help us to appropriate by faith the overtures of His friendship and accept the challenge to make a more daring trial of His moral and spiritual principles as we seek to build a nobler civilization.

May Thy name be glorified. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 1758. An act to amend the Natural Gas Act approved June 21, 1938, as amended.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. JOHNSON of Texas, Mr. TOBEY, and Mr. CAPEHART to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 50–19.

ELECTION TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 526) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That GEORGE H. CHRISTOPHER, of Missouri, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Agriculture.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

MARCH 29, 1950.

HON. SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: I hereby resign as a member of the Committee on House Administration.

EARL WILSON.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 527) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That EARL WILSON, of Indiana, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Appropriations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BE NIFTY AND THRIFTY IN FIFTY

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker and Members of the House, do you have faith in the teaching of our forefathers, especially George Washington, when he said, "Keep out of foreign entanglements"? Yet you say to Britain: "Let Ireland alone." You say to others: "Let Israel alone." You tell China what government they should have. You interfere with Greece and her operation. For France, you take sides. You meddle in Spain; and you arm most of those nations, all requiring billions of our taxpayers' money. You have all those countries on our taxpayers' backs.

In the name of America, work through the United Nations. Stop meddling with other governments. By this ECA bill you wreck us. Our taxpayers will crack with all nations on their backs.

THE FEATHER RIVER BASIN

Mr. SCUDDER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Speaker, the Feather River is one of California's most beautiful streams. It flows through a narrow and deep canyon a hundred miles or more, then winds across a broad and flat valley to a point where its waters join those of the Sacramento. This larger stream runs into an arm of the sea. The Feather River is today the greatest untapped stream flowing into the Central Valley. Its swift-flowing waters, if harnessed by man, could provide the people who live in the upper Sacramento Valley with the water needed to transform thirsty land into an empire of agricultural riches. These same waters would turn generators to send thousands of kilowatts of electrical energy humming through transmission lines to run the pumps and serve the myriad other needs of a growing land.

I have today introduced a bill to authorize development of the Feather River Basin. Its main provision is for a dam to impound from 2,500,000 to 3,000,000 acre-feet of water. There would be hydroelectric generating facilities, transmissior lines, and irrigation canals. The bill would direct the Bureau of Reclamation to make detailed studies and cost estimates of the project.

The Feather River development is proposed as an integral part of the great Central Valley project, first authorized by Congress in 1937. It would implement the supply of water for the San Joaquin Valley, which has been allocated water impounded in Shasta Dam Reservoir. This would insure that the lands of both the Sacramento and San Joaquin Valleys would get their proper share of the waters flowing into the great Central Valley.

In urging early consideration of this measure, I would like to say that this type of project, which is self-liquidating under the terms of the reclamation law in effect during the past 48 years, represents an investment in the future of our land. In real value, it will pay for itself many times over in the years to come.

FUND-RAISING DINNERS AND TAXES

Mr. MEYER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. MEYER. Mr. Speaker, the Republican Party last February held a gathering in Uline's Arena in Washington. It was a spontaneous expression of loyalty to American ideals, an affirmation of the faith that in due season there would be a thorough janitorial job done on the mess that has been made of our National Government.

In a forthright way tickets were sold. As some of the program arranged for the evening was classified as entertainment, the Federal tax was paid. Twenty cents on each dollar admission ticket was paid into the Federal Treasury.

It has been officially ruled by the Treasury Department with much torturing of plain meanings, that the $100-a-plate affair held by the Truman party was not entertainment or amusement. No tax, therefore, was due. I am certain that the many who bought their tickets out of a feeling of compulsion would agree that it was not amusing. But it was staged along the lines of any other dinner which included musical entertainment. The Republicans had musical numbers and sought no exemption from the tax merely because they were sandwiched in between speeches. That is the peculiar construction which the Treasury Department in a long and labored opinion placed on the character of the Truman event.

Absurdity was piled upon absurdity when it was declared that the musical numbers of the Truman party were, after all, of brief duration—mere interludes between the speeches—with the whole program leading up to that period of ineffable bliss—the address of the President. Such reasoning is remindful of the young woman's excuse for her illegitimate baby—after all, it was only a small baby.

Mr. Speaker, the President has recently had a lot to say about tax loopholes. His party high command is expert at creating them. It helped greatly in adding upward of a half million dollars to the Truman party bank account. Maybe the Republicans should have chiseled themselves a little loophole. The American Heart Association would have benefited accordingly. That is where the profits from the Republican dinner and entertainment went.

CALL OF THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 122]

Auchincloss	Gilmer	Norton
Barden	Grant	Plumley
Baring	Gwinn	Reed, Ill.
Battle	Hale	Reed, N. Y.
Bennett, Fla.	Hébert	Rivers
Bennett, Mich.	Hoffman, Ill.	Sabath
Blatnik	Jackson, Wash.	Sadowski
Buckley, Ill.	Jennings	Simpson, Ill.
Bulwinkle	Kennedy	Smathers
Burdick	Kruse	Smith, Ohio
Carroll	Kunkel	Staggers
Celler	Lichtenwalter	Stanley
Cooley	McDonough	Wheeler
Crawford	Macy	Whitaker
Dawson	Miles	Withrow
Dingell	Monroney	Wolcott
Douglas	Morrison	Wood
Eaton	Murphy	Worley
Fellows	Nelson	
Fulton	Nixon	

The SPEAKER. On this roll call 373 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. TAURIELLO, Mr. DAVIES of New York, Mr. MEYER, and Mr. GAVIN asked and were given permission to extend their remarks.

Mr. DOLLINGER asked and was given permission to extend his remarks and include an address.

Mr. LANE asked and was given permission to extend his remarks and include extraneous matters.

Mr. PRESTON asked and was given permission to extend his remarks and include a newspaper article.

Mr. MOULDER asked and was given permission to extend his remarks and include a letter from William H. Becker in support of House Concurrent Resolution 64.

Mr. MILLER of Maryland asked and was given permission to extend his remarks and include an editorial.

Mr. GRAHAM asked and was given permission to extend his remarks and include a short editorial.

Mr. MASON asked and was given permission to extend his remarks and include an editorial from the Richmond Times-Dispatch.

Mr. REED of New York (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in three instances.

Mr. KILBURN asked and was given permission to extend his remarks and include a letter.

Mr. PATTERSON asked and was given permission to extend his remarks and include an article.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in two separate instances.

Mr. McCORMACK asked and was given permission to extend his remarks and include an editorial.

Mr. ANGELL asked and was given permission to extend his remarks in two instances and in each to include extraneous matter.

AMENDING THE NATURAL GAS ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is amended (1) by inserting after the word 'but' the words 'except as provided in subsequent sections of this act,' and (2) by inserting before the period at the end thereof the following: 'or to any arm's-length sale of natural gas made by one producer or gatherer to another producer or gatherer or made at or prior to the point of delivery of such gas into interstate transmission facilities (of a natural-gas company) or to incidental transportation of natural gas necessary for delivery of such gas to such other producer or gatherer or into interstate transmission facilities (of a natural-gas company): *Provided*, That such arm's-length sale and incidental transportation are by a producer or gatherer not otherwise engaged in and not controlled by or controlling a person otherwise engaged in the transportation or sale of natural gas for resale in interstate commerce.'

"SEC. 2. Section 1 of such act is amended by adding after subsection (b) thereof the following new subsection:

"'(c) It shall be the duty of the Commission to assemble and keep current pertinent information relevant to determination of whether, by reason of lack of effective competition among producers or gatherers of natural gas, the flow of natural gas into interstate commerce is being or will be unduly retarded or interfered with or the price of natural gas sold in interstate commerce for resale is being or will be unduly affected. If, at any time, the Commission shall so determine, it shall report to the President and to the Congress its conclusions, together with the data upon which its conclusions are based, and its recommendations, if any, for remedial action.'

"SEC. 3. Subsection (6) of section 2 of such act is amended by inserting before the first word thereof the following: 'Subject to the limitations of section 1 (b).'

"SEC. 4. Section 2 of such act is amended by adding at the end thereof the following new subsection:

"'(10) A sale shall be deemed to be at "arm's length" unless (1) it is by a person who is in such relation to the buyer by reason of voting-stock interest, common officers or directors, or other evidence of affiliation, that there is liable to be an absence of independent bargaining between them, or (2) the sale is, in fact, not arrived at by independent bargaining between the buyer and seller.'"

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MARCANTONIO, Mr. BIEMILLER, Mr. CROSSER, and Mr. JAVITS objected.

FOREIGN ECONOMIC ASSISTANCE

Mr. KEE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7797) to provide foreign economic assistance.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7797, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Are there further amendments to section 102?

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 8, line 14, strike out the colon and in lieu thereof insert a period. Strike out the remainder of the paragraph through line 23.

Mr. SMITH of Wisconsin. Mr. Chairman, if you will refer to the bill you will note that I am striking out the proviso section beginning at line 14. This amendment in no way affects the money authorized under this bill; it does, however, strike from the bill the authorization to carry over from the present fiscal year the sum of $150,000,000 to the fiscal year 1951.

I know there are those who feel that in view of the fine administrative record made by Mr. Hoffman, the fact that he has saved this $150,000,000, we ought as a reward, perhaps, and in recognition of that fine service permit him to have this carry-over for use next year.

It is my position, Mr. Chairman, that we have no right to say to the taxpayers of this country that we are going to give the Administrator $150,000,000 more to play with than he has asked for 1951. In considering this matter we must take into consideration, it seems to me, our own fiscal situation. Here we are with a huge debt. We are going to be $6,000,000,000 in the red at the end of this fiscal year. When we consider our total obligations, $150,000,000 is a mighty small amount.

Yesterday a press dispatch from Berlin stated that the ECA is going to ask for the sum of $82,500,000 to be used to assist the unemployed in Berlin. That is, $82,000,000 to be used in the next 4 months to assist the unemployed in that city. What about our own unemployed? We have 5,000,000 unemployed in the United States today. This money can be used to help finance some unemployment compensation which one of these early days we are going to be called upon to approve. Only yesterday before a committee in the other body General Eisenhower stated that we have cut our national defense appropriations a little too deep and it is his idea that Congress will have to appropriate another half billion dollars for national defense. I ask you again, Mr. Chairman, where are we going to get the money?

On yesterday we had another press report from London in which Sir Stafford Cripps made the prediction that in 1950 the Labor Government would be able to reduce its deficit 50 percent. I read from this report:

The forecast, however, was based primarily on the assumption that trade with America, including American purchases of British raw materials, would be sustained.

Even Britain is looking for some economy. They are looking for better days with our help. I am not objecting to that, but I am wondering where is our first responsibility? We have a responsibility to our own American taxpayers.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from New York.

Mr. JAVITS. I would like the gentleman to get the facts clear. If the gentleman will refer to page 33 of the committee report he will find that the total request of the ECA is not for $2,950,000,000 but the total request of the ECA comes to $3,100,000,000. The thing I would like to correct is that this amount which the gentleman is seeking to cut out is requested. Whether we cut it out is another matter, but it is requested as a part of the ECA appropriation for reasons which I will take up in my own time. But I do not want the committee to understand that this is a gift to Mr. Hoffman because he saved that amount of money last year.

Mr. SMITH of Wisconsin. Yes, but it does not affect the program one iota.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. I think the gentleman asked a very pertinent question when he asked, "Where are you going to get the money." One way would be to get it from the mining industry, particularly the nonferrous mining industry. That is one of the biggest taxpayers, and we are cutting off that source of income by destroying the American mining industry. I think the gentleman asked a very pertinent question.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Illinois.

Mr. JONAS. The gentleman made a very effective statement and, as he said, there are about 5,000,000 people out of work presently.

Mr. SMITH of Wisconsin. That is right.

Mr. JONAS. I take it the gentleman is not taking into consideration the recent figures on the June graduating class of institutions of higher learning which shows that there will be another 1,200,000 out of work, so that the total will be 6,200,000 by the 1st of July.

Mr. SMITH of Wisconsin. I thank the gentleman for that contribution.

I want to refer to this news dispatch again from London, and Sir Stafford Cripps. The article goes on to say that—

The document made clear that Britain's economic outlook for this year depends entirely on the expectation that American business will continue along the present general lines of prosperity.

Of course, parenthetically, Mr. Cripps did not take into consideration the Irish Members in this body.

This means primarily a continuation of European-recovery program on a substantial, though reduced, scale.

Now, Mr. Chairman, I submit that my amendment ought to pass because this money, which they are asking to carry over, if denied to them, will not in any way affect this program. There is plenty of cushion in the request that has been made by ECA. I submit that the amendment ought to be adopted.

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I dislike very much to rise in opposition to the amendment offered by my good friend and esteemed colleague the gentleman from Wisconsin [Mr. SMITH]. We all admire him and respect the gentleman from Wisconsin because he has his views, they are honest, and we all know he is trying in his own way to do the right thing.

However, this House has already put into effect a cut amounting to $250,000,000 as it affects this program. If we were to accept the amendment offered by the gentleman from Wisconsin, it would mean a further cut of approximately $150,000,000. This is the $150,000,000 which Mr. Hoffman and the ECA

saved last year—$150,000,000 which they told this Congress that they had saved and which they deducted from their original request for an appropriation of $3,100,000,000.

Now, I think that speaks well for the ECA and that it is good sound business. I think we ought to reward a Federal administrator who will come back to the Congress and show that he has made a saving in the agency over which he has supervision. You know, the cheapest wars to win are those that do not begin, and I think that the Marshall program has been of tremendous significance and importance in helping us in this cold war in which we are now engaged. Most of the Members in this body will recall that when this program was first discussed it was stated, if it was undertaken, that the risk was a calculated one, that the whole program would cost somewhere around $16,000,000,000 or $17,000,000,000, and that very likely it would take 4 years to consummate. We made no promises as to what we would do. We told the people of this country what we thought might be the result and we took that chance—that calculated risk. Had we not engaged in the Marshall program, it is my considered belief that western Europe would be Communist-controlled today. In that event, we would be isolated and the net result would be that we would be spending more billions than this program will cost in our defense.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Ohio.

Mr. McSWEENEY. May I not say that we in the Congress are at fault, sometimes, when we penalize people who try to save. We say they do not need it and we do not give it to them, and they lose incentive of trying to save. I found that true in departmental appropriations, and so forth.

Mr. MANSFIELD. I agree with the gentleman from Ohio. Of course, all the Members are familiar with the Federal agencies which come before us every year with no surpluses. This agency, with a minimum of personnel and under excellent administration, makes a saving based primarily, I believe, on the devaluation of the currencies last year, and we want to take it away.

The gentleman from Wisconsin has mentioned the unemployed in this country and how we should help them. I agree with him wholeheartedly. I think we should look after our own people, but I think also we should not lose sight of the kind of world in which we live and the position this country occupies in the chaotic conditions which are now before us. The issue, in reality, is a peaceful world. That is what we are striving for and that is why we are engaged in this proposal. We are seeking through Marshall aid to insure our own security, to give hope to people, and to create the foundations for a lasting peace for all people throughout the world.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from West Virginia.

Mr. KEE. May I ask the gentleman from Montana if it is not true that it is shown in the testimony before the committee that Mr. Hoffman never doubted that he would be permitted to use the money that was left over, and that he took the $149,000,000 that he had saved into consideration in making the estimates of what would be required to carry on the Marshall plan for the coming year?

Mr. MANSFIELD. The chairman of our committee is correct. He will recall that the original sum was lessened by this saving, and that is the sum now before this body at this time.

Mr. KEE. Was not this matter discussed in the committee, and was it not almost unanimously determined that to cut this from the amount allowed would be a penalty against Mr. Hoffman for saving?

Mr. MANSFIELD. The gentleman is correct.

Mr. KEE. What would be the gentleman's estimate of the result of this action of Congress, if we should cut this amount from the bill, upon the operations in the future of other agencies that must depend upon appropriations to pay their expenses?

Mr. MANSFIELD. The answer to that is obvious. We will not reward good businesslike administration and we will help to perpetuate the using up of all funds available each fiscal year, whether they are needed or not.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. The gentleman from Wisconsin was talking about the funds to be used by ECA in taking care of the unemployed in the Berlin area. I am sure that he and the other Members of this body are aware of the fact that at the present time there is coming into existence a so-called youth movement in the east German state, the Soviet-dominated part of Germany, and that around May 1, according to press reports, there is going to be a big push into the western sector of Berlin. I think it is up to us to do all we can to hold the fort in Berlin and not allow this contemplated push to become a success because, were it to be successful, it might well lead to another world war.

I feel that in the future much of the course of this country's foreign policy as it affects western Europe is going to depend on whether or not we are able to retain our bridgehead in Berlin. We did it last year with the airlift. We intend to do it this year and to keep these Soviet-dominated movements from coming in, breaking up the situation and defeating the bridgehead we have constructed in that part of the world.

I call the attention of the Committee also to the fact that Germany is a tremendously important country and that west Germany comes under the ERP. We have set up there or helped to set up the so-called Federal Republic of west Germany. Although Germany today is, in some respects, the weakest country in all of western Europe, she is potentially the strongest nation. There she is between the Allied Powers and the Soviets, and here we are trying to bring about a cut in an appropriation, with the result that if it is accepted by this body our position in western Europe may well be weakened. I urge this Committee not to uphold the amendment which is now before us.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. WHITE of Idaho. The gentleman was describing some conditions before he started to answer questions. Does he think that the remedy for those conditions is the sacrifice of the domestic mining industry?

Mr. MANSFIELD. Not at all. The gentleman knows that he and I did all we could to get a bill, S. 2107, through this House. I feel we still should try to get that bill through because it means a lot to our own people.

Mr. WHITE of Idaho. Do you not think in the light of present market conditions and the conditions of the country that the mining industry is being sacrificed?

Mr. MANSFIELD. I will repeat what I said yesterday, that a good many of these strategic materials which are coming in are materials which we lack here or are in extremely short supply. These include rubber, sisal, industrial diamonds, palm oil, graphite, sperm oil, cryolite, tantalite, beryl, and so forth.

Mr. WHITE of Idaho. The gentleman represents a great copper-producing district in the State of Montana. Does he know that all the copper brought into this country is coming in from South America and as a result, copper mines are closing up here?

Mr. MANSFIELD. The gentleman knows I am aware of that. He knows also I have been fighting against the lifting of this 2-cent-a-pound excise tax on copper and I will continue that fight against a further suspension of this tax.

Mr. RICH. Mr. Chairman, I move to strike out the last word, and rise in support of the Smith amendment.

Mr. Chairman, I listened with a great deal of interest to the gentleman from Montana and the gentleman from West Virginia explain why this amendment should not be adopted. It seems to me they have made the most ridiculous arguments I have ever heard when one talks about what he wants to do for the people of this country, like the gentleman from Montana, to help the miners in Montana, and yet he is trying to do everything he can to spend all the money he can for all the people in the world, not thinking anything about the people in the United States, especially the taxpayers. It just burns me up when I hear arguments like that.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. GAVIN. I want to call attention to the fact that it is now proposed to close up or curtail activities of 12 hospitals for servicemen and veterans and their dependents as an economy move in order to save $30,000,000. I would like

to see the Members of the House of Representatives be just as much concerned about the welfare of our own people as they are concerned about the welfare of these other people.

Mr. RICH. It is about time that the Congress and the people of America woke up to see what the Congress is doing to them. I tell you they are taking the shirts off the backs of the American people and they are putting all the people all over the world on the backs of the taxpayers of America. If the American people do not wake up, pretty soon they will find out that we do not have any country left, and that we are subservient to some of these countries in Europe. Instead of our helping them, they will be dictating to us. I say it is a deplorable situation. I take my hat off to the gentleman from Wisconsin [Mr. SMITH] for what he is trying to do on this Committee on Foreign Affairs. He is the only member of the Committee on Foreign Affairs that I want to follow at this time on this bill. I think they are more foreign than they are domestic. I think they are more interested in trying to help the people of foreign countries than they are in looking after the people of America.

It certainly ought to be recognized mighty soon by the Congress. If you do not recognize it, pretty soon I hope the people back in your districts will recognize it and leave a lot of you at home where you belong.

It was said here a little while ago that $150,000,000 is only a small amount. It is a dickens of a lot of money to me. I think any one of us would be glad to have a thousand dollars. There would be a lot of people in this country who would like to have a thousand dollars. There are 5,000,000 people out of work in America. You talk about economy and you talk about trying to take care of your own people. We ought to be looking after our own people, instead of trying to help everybody else all over the world. We are not only trying to help everybody all over the world, but this Committee on Foreign Affairs, in my judgment, is meddling in everybody's business all over the world. What did you do yesterday? Why, you tried to interfere with Great Britain in order to help Ireland. What did Ireland do in the war? They refused to help us. They would not even let us land on their shores. Now we are trying to help Britain. I do not want to help Britain. That is nothing but a Socialist government. I do not want to get mixed up in their affairs. I do not want to have anything to do with them as long as they are running a Socialist government over there. I would not give a nickel to run a Socialist government in America. I do not want anything to do with it. You are not only meddling there but you are trying to interfere with Israel. Let the people of Israel alone. Let Spain alone. Let all of those countries alone who want to run their own governments. Let Italy run their affairs, Spain likewise. Instead of that, however, this Foreign Affairs Committee is sticking its nose into everybody's business all over the world. It is about time we stayed at home and looked after our own people or we will not have any country to look after. Certainly you will not have any government we can call free America. You members of the Foreign Affairs Committee do not need to smile at me. I love you all individually and I like your individual smiles, but I do not like the things you are trying to do, and I want you to know it, and I want the American people to know it.

Now, what are we trying to do here? We are trying to save $150,000,000 by the amendment that was offered by the gentleman from Wisconsin [Mr. SMITH].

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RICH] has expired.

Mr. RICH. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. I think Mr. Hoffman did a good job in trying to save $150,000,000 last year, because he did not spend it. Now, you are so anxious to give it away that you want him to have that money, and by giving it to him you say, "You spend it, Mr. Hoffman." Let us give Mr. Hoffman credit for saving that $150,000,000. Let us put it back into the Treasury of the United States. Let us help the taxpayers of this country to the tune of $150,000,000. It is a wonderful thing that Mr. Hoffman tried to do that. I want to give him credit for it. But I want to save that $150,000,000 so that JOHN TABER will not have to work so hard to try to get the money for these appropriation bills that you are going to bring in here next week. You are just going to break us down and tear us to pieces, and you are going to destroy us with your squandering of money in foreign countries. Be wise and economize.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RICH] has again expired.

Mr. VORYS. Mr. Chairman, I just want to give you the arithmetic on this so that you can weigh it in passing on this amendment. I offered a similar amendment in committee, but it was voted down.

On page II–42 of the budget estimate, which was presented to the Appropriations Committee, and was also made available to our committee, is a statement, "Economic Cooperation Administration; Summary: All Participating Countries; Estimated Balance of Payments in Gold and Dollars and all Currencies"; and at the end of the page, after a long calculation, we find that the balance "total gold and dollars" for '50 and '51 is $2,925,000,000. That is the balance of payments proposition on which the Marshall plan has been based from the start; Europe was shy of dollars, could not meet her necessary payments, and that deficit balance is what must be made up for Europe to recover.

The present bill contains authorization for $2,700,000,000 due to the amendment adopted the day before yesterday. It also authorizes guaranties, originally $300,000,000, but a portion of which had been used, so there is new guaranty money in this bill in the amount of $292,000,000. Thus if the pending amendment is adopted we will still have in the bill resources, through guaranties and authorization of $2,992,000,000. You ask, if the dollar need is only $2,925,000,000 what is this carry-over to be used for? You will find this listed on pages 33 and 34 of the report. In addition to the dollar balance needed, the carry-over is to be spent as follows: $40,000,000 for power projects, $45,000,000 for overseas development, $36,000,000 for Greece; technical assistance, $15,000,000; a total of $136,000,000. All of these are nice things but they are not needed on the balance of payments theory. If you add to the $2,925,000,000 which is the estimated balance of payments needed, $15,500,000 for administration, you get $2,940,500,000; and more than that will be made available under this bill if the Smith amendment is adopted.

Just one word about who gets rewarded when a faithful servant has saved money. If somebody found your watch and brought it to you and said: "I have been so honest that I returned your watch. Will you give me the watch as a reward?" You would say, "No." You might give him a tip or something as a reward for his honesty but you would not give him back the watch that belongs to you. In somewhat the same way, while I hail the efficiency of Paul Hoffman in saving $149,100,000 for the American taxpayer, I want the taxpayer to get the benefit of his saving, not ECA. I therefore think that we are not penalizing Paul Hoffman or ECA, but we are simply accepting with thanks his splendid work when we cancel out this carry-over and say, "Fine, that is some money that you saved, Paul; and thanks for letting us put it back in the Treasury."

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. GAVIN. I wish to compliment the gentleman. He referred to the American taxpayer. That is the first time in this debate, this furious scrap that we have had here as to how we are going to spend this money, that I have heard the American taxpayer considered. I am telling you now that unless the American taxpayer is given some consideration in matters of this kind there are many going to hear from him this coming fall.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Minnesota.

Mr. JUDD. Will my good friend from Ohio sponsor an amendment to increase by $150,000,000 the authorization which now stands at $2,700,000,000 so that it will be $2,850,000,000? That is what you would have to do if you want to have the program carried on.

When Mr. Hoffman saved this money he could have returned it to the Treasury and asked for $150,000,000 more new money to meet his needs. Instead he left it as part of the program and reduced accordingly the request for new money, the effect of the Smith amendment is not just to take back what was saved; it cuts the whole appropriation by another $150,000,000.

Mr. VORYS. Will the gentleman take his own time on that?

Mr. JUDD. I asked the gentleman whether he would sponsor such an amendment.

Mr. VORYS. No; I would not, because I think that, based on the figures presented to us, if they will for once use the guaranty provision, which has been largely expanded in the bill before us, the resources in dollars will be available for western Europe which they need, even though the amendment is adopted. It will be a tight fit if that happens; it is even possible that some of the country-aid program might need to be reduced, but when we remember that the country-aid programs in general are based not on any exact estimate of what countries need as in former years but were based on a 25-percent cut—that is where the $2,925,000,000 comes from—if it should become necessary to make the cut 26 or 27 percent instead of 25, I do not believe it would cause the collapse of this effort which I am anxious to have carried through. I just wanted to present, however, the arithmetic of the situation as it appears in the records of our committee.

Mr. JUDD. Does the gentleman believe that if this $150,000,000 were given to Mr. Paul Hoffman and he did not need it for the success of the program, he would go ahead and spend it? Does the gentleman think the taxpayers will lose a dime if we authorize this amount for him to use if needed?

Mr. VORYS. No; I think Paul Hoffman will not spend any money that he does not need.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. JAVITS. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, let us be honest with ourselves. This is nothing but a move to cut this authorization another $150,000,000 and no fancy words can gloss over that fact. I shall therefore address myself to those Members of the House who voted against a cut of $500,000,000. Some of those Members were willing to go along with a cut of $250,000,000. I ask them whether they want to step that up to a cut of $400,000,000, because that is exactly what this amounts to. No one believes that the Committee on Foreign Affairs is giving anybody a perquisite or gift of the $150,000,000 that has been left in the funds. We are doing no such thing. As the gentleman from Minnesota [Mr. JUDD] said, this would have been a bill for $3,100,000,000 if this carryover of $150,000,000 was not in here.

In our committee where this was thoroughly discussed, this very same move failed by a very large vote, and there is a very substantial reason for that. This is the reason: If you will read the committee report on page 33, which was referred to, you will find that in addition to the $2,925,000,000 for country aid programs the request of ECA was for $174,000,000, and that request was absolutely essential and carried certain items which Members are very much interested in, even those who are advocating a cut.

One of the items is $36,000,000 for both the economic and military assistance program in Greece. In view of the fact that Greece has finally won its war against the Communist menace, how many Members of the House want to cut into that essential element of aid to Greece?

Secondly, it includes, and I call this particularly to the attention of the Members, $2,800,000 for ocean freight for relief packages sent to countries receiving assistance on a grant basis. You all know what a help these relief package transmittals have been. I ask the Members whether they want to cut that program out. That is exactly what the Committee would be doing if it adopts the pending amendment.

In addition to that, there is requested $45,000,000 for developments in the overseas territories of these particular nations concerned with this program such as road building, drainage, and the like. These short-term operations are designed to give dollar assistance to the countries affected by ECA. The only way they are ever going to come back is if their territories and colonial possessions are able to supply them with the raw materials that they have to buy in these dollar areas.

This expenditure of $45,000,000 will produce and pay back in recovery at 10 to 1 for every dollar expended. In terms of recovery should they spend that $45,000,000 the return is worth $450,000,000.

Mr. Chairman, if we want to end the European recovery program in 1952 we have to be honest with the program. We cannot cheat the program and we cannot cheat ourselves if we are going to be able to stop it in 1952. So I appeal especially to those members of the committee who defeated the move to cut this $500,000,000 not to be taken in by this new move that is nothing but an action designed to make the cut of $250,000,000, which apparently the Committee desired, into a cut of $400,000,000.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. May I say to the gentleman that I fully appreciate and believe him when he says this program will end in 1952, but he knows and I know there will be some continuation, some form of continuation of this program, is that not a fact?

Mr. JAVITS. I do not believe that there will be a continuation of the European recovery program after 1952. I believe that the United Staes will have to continue to do something in the world of free peoples in respect of the stability of the free world's economy. This we will do, I emphasize, in the interest of our own security and economic well-being. I do not know what that will be, but I do not think it will be an over-all recovery program like this.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is it not true that when they first started this Marshall plan we were given to understand that it would only be for that year, and then later on they said it would terminate the next year, and now they say we will have it for 3 years, and if you put in point 4 of the President's program you will have it for all years? Let me ask the gentleman this: How are the American people going to stand it? This great annual cost. You will have all the foreign countries on the backs of the American people, and the American people will be on their bellies.

Mr. JAVITS. I would like to pay my respects to my colleague, but I think he overlooks one important thing. What a good many of us are trying to do here is to keep us from being isolated; not isolationists. The great danger the United States faces is that we will break the backs of our people and our economy if our defense budget becomes $35,000,000,000 instead of $15,000,000,000. This is exactly what it will cost if you try to isolate the United Staes and try to build a steel fence around it, and then history has always shown we will have a war.

What we who are for this bill are trying to do is to have the country pay expenditures for peace, which will retain the peace, and which will retain the lives of the 10,000,000 who may be killed in a next war. The philosophy the gentleman espouses here, I say with all respect, will cost us many billions of dollars and will eventually lead to a war that will destroy our country and our economy, and not save it.

Mr. RICH. You are not going to save our country in this way. You are going to do it if you do it in an economic way. What this bill is doing is to wreck this country. I am not an isolationist; I am a conservator for America first.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. Can the gentleman point out to us now, after the investments that we have made, where any stability or peace has been restored for the tremendous amounts of money we poured in? When this program was undertaken it was determined that we were going to bring about the integration of these countries; we were going to break down the barriers in these countries; we were going to bring about certain reformation through legislative procedures in these countries. We had a definite object, but all we have done, I might say to my very good and able friend from New York, is to pour money in, but we have not achieved cooperation, integration, breaking down the barriers, certain reformations, and all those things that we talked about to bring about economic stability in the participating countries.

Mr. JAVITS. The first result we had to achieve was to keep the Communists from overrunning Europe, and I am thoroughly convinced, having been there, and the gentleman has been there, that if we had not gone there with the European

recovery program, France, western Germany, Belgium, and Holland would now be Soviet satellites. They would have been completely infiltrated from within and overrun and now be behind the iron curtain. That was the great accomplishment of the first 2 years of this European recovery program, and that was certainly cheap at the price. In the next 2 years we have to devote ourselves to the needed integration. The Committee on Foreign Affairs has, I think, been fair. It has earmarked $600,000,000 in this bill which the European nations cannot get; they cannot get a dollar of it, unless they integrate their markets and their economy exactly as the gentleman says.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BOGGS of Louisiana. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS of Louisiana. Mr. Chairman, the debate which has transpired here in the last few minutes about this amendment illustrates actually that the ones sponsoring these amendments are opposed to the entire ECA program. The assertion has been made that all we would do, if we vote for this amendment, would be to return $150,000,000 to the Treasury of the United States. That just is not true. If you refer to page 11 of the report you will find there a statement by the Administrator in which he says:

> We are asking that this sum of $150,000,000 be carried over into the next fiscal year to help meet the 1950 and 1951 requirements of $3,100,000,000. This leaves as our net request for new funds the sum of $2,950,000,000.

That is just as clear as language can be. All that has really happened here and all that is contemplated is the transfer of $150,000,000 to this year's authorization, thereby reducing this year's authorization by $150,000,000.

This is the first opportunity I have had to speak on this very vital legislation, and I should like to address myself for a few moments to the the central issues involved before the House of Representatives today which is simply whether America is willing to take the measures required to defeat Russian Communism without a third world war. To understand the issue, it seems to me we must examine the opponents of this program.

The principal objection, while it is cloaked in high phrases, comes from the dyed-in-the-wool isolationists in this country. I make my observation not out of partisanship. They are the same men who shaped the policy of the United States from Harding to Pearl Harbor, as the distinguished commentator Walter Lippman, observed several days ago. They are the men who openly oppose and inherently fear cooperation with other people whose ideals and whose institutions are similar to ours. They are the men who voted against fortifying Guam, who voted just a few weeks before Pearl Harbor against arming our merchant ships, who voted just a few months before Pearl Harbor, losing by 1 vote, against extending the draft when the United States of America was more seriously threatened than at any time up until then in our history.

For a few short years after the war there was an effort to overcome isolationism in both parties in our country. No greater contribution has been made to the bipartisan policy of our Government than has been made by the former Secretary of War, Mr. Stimson, and by the great senior statesman from Michigan, Senator VANDENBERG.

Let me say that it is to the eternal credit of the Republican Party that this great program which we are now debating originated in the Eightieth Congress, which was controlled by that party.

I can mention many others. I mention the distinguished and beloved gentleman from New Jersey, Dr. EATON, the distinguished gentlewoman from Ohio [Mrs. BOLTON], and the distinguished gentleman from New York [Mr. WADSWORTH], who stood in this well, at the height of isolationism, and guided to passage the defense measures needed at that critical time in the history of the United States.

I might mention the gentleman from Connecticut [Mr. LODGE], and many others, but I am afraid that they are a minority today in their party. I am afraid they are crying out again in the wilderness. I pay particular tribute to them because, being in the minority in their party, their position is even more difficult than it would be otherwise.

Everyone must understand the elementary problems involved in this situation. We are now at this very moment in a war. It does not involve artillery barrages, marching armies, or aerial bombardments. Yet, in my humble judgment it is as dangerous as total war, and as deadly serious as the shooting war which ended in 1945. The real danger, my colleagues, is that we can lose this war without firing a shot.

I do not question the patriotism and the sincere devotion to our country of the isolationists. It takes a long time for men to understand new forces. It has taken a long time for many Americans to understand the position of power and responsibility which the United States of America now has in the community of nations.

But certainly it is difficult for me to understand how Members, on either side of the aisle, can follow the gentleman from New York [Mr. MARCANTONIO], who is the leading opponent of this measure.

Most of you are familiar with the record of the gentleman from New York. I sat here in the House of Representatives during the Seventy-seventh Congress, during the time when lend-lease legislation was up and during the period of desperate preparation for the war which was upon us. The gentleman from New York voted against lend-lease. He voted against all our efforts to expand the Navy. He voted against our efforts to make the Air Force modern. He voted against our efforts to build a fighting army.

But after that Sunday morning in 1941 when Hitler's legions marched across the Russian frontier, the gentleman from New York became the most vociferous advocate of intervention in Europe. Now the gentleman from New York is opposed to this legislation. He has been opposed to it since its very inception. He opposed the security measures which we adopted here a few weeks ago. He opposed the legislation to extend the Un-American Activities Committee again just a few weeks ago.

I say to you, you sincere isolationists, that the gentleman from New York knows what he is doing. He understands the position which he is taking. But it is very difficult for me to understand how Members on either side of the aisle can follow his devious course at this time in the world's history.

I read his speech of Monday very carefully. His argument is that the program is being used for political purposes. I can assure the gentleman that he is correct in that the program is being used for political purposes, if by that he means to support the free peoples standing against communism all over the world. I must say, however, that it is difficult for me to understand how any Member of this body, regardless of party, who understands the menace of the hour, can give aid and comfort and support to the gentleman from New York [Mr. MARCANTONIO].

That brings me finally to the challenge of the hour. It is a personal challenge; it involves all of us and it involves particularly the Democratic Members of this body who have the responsibility for this Government at this vital hour in the world's history. It is so easy to follow the course of least resistance; it is so easy to write to our constituents, who are genuinely concerned about the state of the Nation's finances, that we have improved the budgetary difficulties by voting against this foreign spending. It is so easy to say that we will spend money only in America.

But is it the wise course? Is it the courageous course? Is it the patriotic course? We must have confidence in those who are charged with the responsibility for the security of our Nation. They are unanimous in their opinions that this program is necessary, not for humanitarian reasons, not to bail out some segment of our own economy, but it is necessary for the security and preservation of the United States of America. Shall we listen to these men or shall we listen to the gentleman from New York [Mr. MARCANTONIO]?

Shall we listen to them, or shall we listen to the isolationist members of the opposition party in this body, who from the period of Harding to Pearl Harbor preached the doctrine of isolationism which lulled this great Nation to sleep and made possible the bloodiest war that mankind has ever known.

Let us not delude ourselves. Fear, uncertainty, tension, lack of confidence, are the very things that the Kremlin wants at this stage. They are an inseparable part of the Soviet drive to impose on other peoples the Red totalitarian way of life—a way of life as different from ours

as evil is different from good, as Christianity is different from atheism.

The history of the last few years demonstrates beyond a doubt that the Russian leaders will not change their conduct until the peoples of the free world convince them that they cannot profit from their present policies. We must press ahead with the Marshall plan, the Atlantic Pact, the projected point 4 program. We must recognize our place in the world and our responsibilities to free men everywhere. And we must have the courage to put the welfare of our country above short-sighted demands of selfish critics.

The Marshall plan is not perfect. Much remains to be done. The reforms contemplated in land and tax laws in many of the countries are still in the making. Political and economic unification must still be attained. But the forces of unification are stronger than at any time in the past. By continuing the program we may achieve unification. To kill or cripple the program means unification under the iron heel of a Godless, anti-Christian, atheistic Russia. It means sickening repetitions of the mock Cardinal Mindszenty trial and the trials of the leaders of Catholicism and Protestantism throughout the satellite countries; it means new forced confessions from American businessmen; it means, in short, the loss of liberty and freedom wherever the blight of the Kremlin is felt. It means a new dark age for civilization. Let us vote down the amendment.

Mr. TABER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have just listened to the typical argument that is made for this bill, to call those who wish to approach it from an honest standpoint and on its merits, names.

Let me say to you that I have personally favored foreign aid, if it was given honestly and it was appropriated on the basis of the needs that were established for those who came before us.

I have had to oppose this bill a great many times, and the appropriations for it, because they were brought here without the slightest idea of what was in them. Perhaps the most disservice that anyone can render to those who wish to have honest foreign aid is to misrepresent this situation.

Let me say that in 1948 the Appropriations Committee came to this floor, and we were subjected to the same kind of attack. We brought in a recommendation for $4,000,000,000, and we were given the same kind of criticism that the gentleman from Louisiana [Mr. BOGGS] has just leveled at those who want an honest approach to this problem. Yet those funds that we then provided carried this program along for 15 months.

In 1949 the Appropriations Committee brought in a bill providing an additional $1,074,000,000, and $3,568,000,000 for the fiscal year 1950, and here we are handed a surplus.

But let me show you just exactly what has happened. In 1949 ECA came before the Congress, and they estimated that the dollar deficit in Austria would be $239,000,000. Today they come before us and say that the deficit for that same period is $169,000,000. They overestimated the amount required by only 50 percent.

They estimated the dollar deficit for France at $1,135,000,000 when they were here a year ago. Presently they estimate the deficit for that same period at $613,000,000.

For Germany they estimated the deficit at $951,000,000. Now they estimate it for the same period at $741,000,000.

They estimated the deficit for Italy at $460,000,000. Now they estimate it at $355,000,000.

For the Netherlands, $342,000,000. Now, $260,000,000. I am not going any further with that.

I submit a table showing in detail the story told last year and that of this year.

Fiscal year 1950

[Millions of dollars]

	Justifications of ECA brought up to committee in—	
	1949	1950
	Dollar deficit	*Dollar deficit*
Austria	239.0	169.5
Belgium	43.9	194.2
Denmark	95.7	86.2
Free Territory of Trieste		13.4
France	1,135.0	613.1
Germany	951.0	741.4
Greece	165.0	156.3
Iceland	9.7	7.0
Ireland	63.1	57.2
Italy	460.1	355.6
Netherlands	342.0	260.7
Norway	137.1	97.1
Portugal		48.3
Sweden	39.7	48.5
Turkey		68.2
United Kingdom	1,048.0	456.1
Total	4,729.3	3,872.8

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. GARY. I would just like to ask the gentleman if he will state the total estimates.

Mr. TABER. Yes. The total estimates of dollar deficits in those countries was $4,729,000,000. The present estimates are $3,872,000,000.

Mr. GARY. In other words, they were overestimated by about a billion dollars.

Mr. TABER. Yes. A 25-percent reduction. In other words, they were 25 percent over and above what they now say they actually will be.

Now, just so you will have the picture of how the thing is going at this time, I would like to call attention to an article appearing in the New York Herald Tribune yesterday, that was called to your attention by the gentleman from Wisconsin [Mr. SMITH].

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. WHITE of Idaho. Reserving the right to object, Mr. Chairman, is the gentleman going to answer any questions?

Mr. TABER. I will answer any question that I can.

Mr. KEE. Mr. Chairman, reserving the right to object, and I will not object to this request, I would like to see if we can arrive at some agreement as to time on this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. H. CARL ANDERSEN. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from New York [Mr. TABER] asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. TABER. The situation is this with reference to Mr. Cripps, he states that the dollar deficit of Great Britain will be cut in half in the fiscal year ending March 31, 1951. That means that instead of the $956,000,000 that they have estimated it to be for this year it will be $486,000,000, or $238,000,000 below the figures carried on page 33 of the committee's select report. That means that for this 1 year alone the need for dollars will be $238,000,000 less for carrying on activities there.

Is there any reason to suppose that the estimates for the next fiscal year are not as much exaggerated as they were a year ago? If I did not feel that I owed a tremendous debt to the people of the United States because of the opportunity that I have had to go over this situation, I would not be here. I believe that if we want to preserve America, if we want to keep the United States in a position where she can help the rest of the world and where we can fight for the liberty of the American people and to try and keep the rest of the world free, we must show some sense and show some integrity in approaching this problem. I believe therefore that we should adopt this amendment.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. KEEFE. Then I understand that the figures which the gentleman has given, namely, the estimates of dollar deficits in the participating countries when totaled represent the total request for funds made by ECA.

Mr. TABER. No; the requests for ECA have been a percentage below the amount of their original estimates, but the deficits have always panned out below the amount of the appropriations.

Mr. KEEFE. Then I understand the gentleman's statement to be that the overestimate of the deficits that have been made in the past can be expected to continue in the future as applied to this bill, and that the cutting of $150,000,000 additional will not hurt the operations of ECA.

Mr. TABER. Absolutely not.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITE of Idaho. The gentleman from Louisiana has spoken about isolationists. I ask the gentleman from New York if George Washington, when

he assumed command of the American troops in the Revolutionary War and when he accepted the Presidency of this country, was not the greatest isolationist of all?

Mr. TABER. Perhaps he was; but it is not a question of isolationism. To my mind the isolationists are those who approach this problem blindly and refuse to analyze it honestly on the basis of need. That is my estimate of the isolationists. They never discuss the issues, they never discuss the need; they say only that this is a psychological situation that demands the appropriation of a certain amount of money.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. VORYS. The gentleman has stated what the Committee on Appropriations did in 1949. The Committee on Foreign Affairs cut the authorization $200,000,000 last year below the request. There was a request for $200,000,000 for future contracting. It was cut off. We now see from the figures the gentleman has quoted that in spite of the cuts in authorization and appropriation there has been recovery over there which has been extremely gratifying to those of us who have been for this plan from the start and have helped to fight it through this Congress in spite of what some people have said in the past few minutes.

Mr. TABER. I think one particular thing should be called to the attention of the committee at this time. We had the representatives of Germany before us. The present limit from a treaty or an agreement standpoint on steel tonnage is 11,000,000 tons. They cannot turn out more than 9,500,000 tons, not because they have not the equipment to do it, not because of any political prohibition, but because they cannot get the orders. That is a situation that has not been properly taken into consideration by the management of this organization.

Frankly, I admire Mr. Hoffman, and I think he has done a pretty good job generally, but I do feel that he is asking for too much money.

Mr. KEE. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 15 minutes.

Mr. PHILLIPS of California. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. The question is on the motion.

The question was taken; and the Chair being in doubt, the Committee divided; and there were—ayes 82, noes 62.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. KEE and Mr. EDWIN ARTHUR HALL.

The Committee again divided; and the tellers reported that there were—ayes 128, noes 80.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I am supporting the move here today to cut $150,000,000 off this ECA program.

I have gone along with foreign aid ever since its inception, but I think the time has come to raise a few questions before we send any more money abroad.

I hope I will not be smeared as a heretic when I say that flood-control works in my district should have priority to American funds over the President's plan to build dikes on the Zuider Zee in Holland.

Mr. Chairman, the homes and factories of the Endicott, Johnson City, Vestal, and Binghamton areas are now being threatened by the rising floodwaters of the Susquehanna and Chenango Rivers.

For several years I have tried to convince this House that we need $4,000,000 to build flood walls to protect these homes and factories of our thousands of triple cities workers from destruction. My pleas have fallen on deaf ears.

But let any Tom, Dick, or Harry come in with a measure such as this one we are now debating and ask for billions of our taxpayers' moneys to be spent in foreign lands, and such a bill goes through like a house afire.

I have always looked upon this Congress as a place where rested a primary consideration for the American people. But we seem lately to have become a debating society in which the glibest talkers for throwing our dollars all over the world hold sway.

When this ECA program first came up it was pictured as a two-edge sword for freedom. One side was described as the blade which would cut to pieces the enemy ideologies threatening our beloved form of government. The other edge was sharpened to aid American industry and eliminate unemployment. We were told that foreign countries would place their orders for goods and services with us and this would be a boon to all.

Such action may have been taken to some extent, but our industries and agriculture have not received enough of these orders.

I have hoped in vain that ECA would be the necessary shot in the arm to the economy of the United States, but it has not done as much for us as was promised.

Although I am constrained to vote for a reduction, I still hesitate to oppose the program completely because, as bad as it has turned out so far, our leaders request it to save the Nation from communism.

There is a growing belief back home that ECA could be operated more efficiently with less funds and more thought of how the program can help America along with the foreign countries. I heartily agree with this contention.

As to unemployment, I can tell you it is growing in the Triple Cities area; and if something is not done soon, there will be hardship among the rank and file of our people.

Of course, a statement like that will find little sympathy among those who are not concerned primarily with what is best for Americans.

But unemployment is worse today than it has been since before the war. I class it as America's No. 1 problem at the present time; and if we cannot do something to stop it, our way of life hangs in the balance.

Let us take a slice of this ECA money and rehabilitate our own unemployed, our needy, our fellow Americans, who ought to have first claim in our hearts.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I rise at this time for only one purpose, and it is not to make any defense of my voting record. The gentleman from Louisiana [Mr. BOGGS] in his speech here a moment ago referred to my voting record. I have sat here patiently very often and listened to similar attacks, but there comes a time when an attack of that nature should be exposed.

The best way I can expose it is by referring to the gentleman's own voting record. He supports this legislation because he believes it will be used to defend the principles of democracy for which our Nation stands, and for which principles he professes great love. On that issue I now deal with the gentleman's voting record. He dealt with mine.

I know of no principle of democracy which is more important and more fundamental than the principle of equality. The gentleman from Louisiana has voted time and time again against every piece of legislation here which would in any manner and even in the slightest degree assert the principle of equality and would lead to the end of discrimination because of race, color, or creed. He voted against every piece of legislation that would establish in these United States the principle of equality, which is the basis of democracy, which he pretends to defend here by his support of this legislation.

Mr. BOGGS of Louisiana. Mr. Chairmain, will the gentleman yield?

Mr. MARCANTONIO. I do not yield. It is unfair to ask me to yield when I have only a minute left, and the gentleman had 10 minutes.

Furthermore, I think the difference between the gentleman's philosophy of government and mine is very well delineated. The gentleman supported very actively what in my opinion constitutes the enslavement of the people who work for a living in the United States when he supported the Taft-Hartley Act.

I submit that the gentleman's record has not been in the interests of the principles of freedom and democracy.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have taken this brief moment only in order to yield to my distinguished colleague the gentleman from Pennsylvania [Mr. GAVIN] so that he may ask a question of the chairman of the committee. I have no desire to attempt to discuss any phase of this bill in 2 minutes' time.

Mr. GAVIN. I regret the chairman of the committee is not here, but I see the ranking minority member is. We have heard about the great need for this $150,000,000 and the dire results of what is going to happen if they do not get this $150,000,000 in the proposed set-up this year. They have not told

you, however, about the hundreds of millions of dollars remaining in the counterpart funds of participating countries unexpended. This $150,000,000 is just a trifle in the over-all picture. I would like to ask my friend and very able colleague how many hundreds of millions of dollars remain unexpended in the counterpart funds in all of the participating countries?

Mr. VORYS. The total deposits are $4,850,000,000, and withdrawals are $2,723,000,000. But you cannot spend counterpart funds for buying wheat in this country or coal in Pennsylvania.

The CHAIRMAN. Does the gentleman from Wisconsin yield, and if so, to whom?

Mr. KEEFE. Mr. Chairman, I believe I have completely yielded what time I had, but I shall attempt to say later what I would like to say when it is worth while making a statement.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. TOWE].

Mr. TOWE. Mr. Chairman, when the war ended I felt we had an obligation to help European nations and I therefore supported all of the programs designed to give economic aid and assistance abroad.

In my opinion we have now reached the limit to which we can go in foreign assistance. The financial condition of our own country is becoming weaker and weaker. The present administration is advocating huge spending programs at home, far beyond our financial capacity. I do not believe that when we are operating our own affairs on a deficit basis that we have any right to further impose a burden on our taxpayers by attempting to finance recovery abroad, and I therefore am opposed to the ECA bill.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Chairman, on last Friday, the gentleman from Wisconsin handling the time in opposition to this bill was good enough to yield 10 minutes to me during general debate, which, on account of five quorum calls, I did not have an opportunity to use. I cannot obtain sufficient time now in debate to say what I would have liked to say last Friday, and I can only say that I am opposed to all parts of this program, a position consistent with the position I have taken heretofore.

Mr. Chairman, much was done during the days of the shooting war for military expediency, much that could never be justified under peacetime conditions. That was understandable, for we had a war to win, and the use of any means at our command was necessary.

I suppose the lend-lease program was the genesis of our foreign aid policy. Under the whiplash of war, we poured unlimited billions everywhere. No waste was, nor could be measured against the necessity of victory for ourselves and our allies. Today the billions of military supplies and other materials that we shipped to Russia are bolstering the Soviet threat against us. But the gamble had to be taken.

Then, postwar, humanitarianism dictated the relief programs we inaugurated. Americans rebel at the prospect of whole nations facing starvation, at the plight of the untold thousands of war orphans, of the crippled and the maimed left in the path of war. And so again American dollars were thrown into the far corners of the world to alleviate human misery. America's bounty was poured into nearly every country in the world because of the emergency nature of the postwar needs.

It is quite true that there was no special obligation demanding that America alone assume the role of the self-appointed savior of mankind, and it is equally true that there was much to cause criticism in the administration of these emergency programs, yet the great heart of our people went out to the sufferers of the world. There was little objection to the foreign-aid programs during and immediately following the war.

Billions thus expended in prosecuting the war effort and in allaying the suffering when hostilities ceased were warranted, and were generously approved.

But the policy of continuing to pour more billions into every troubled spot on the face of the earth cannot be justified.

I pointed out to the House of Representatives in July 1946, when the British "loan" was being considered, we cannot buy the friendship of nations, nor can we mold the world with our money—especially with money that we have not got. That loan cost us nearly $4,000,000,000. It might have helped the British Socialists. Did it help us?

The next step was the so-called Truman doctrine, which had its beginnings in 1947 with the $400,000,000 gift to Greece and Turkey. The administration embarked on a foreign-aid program with far-reaching implications. We then specifically adopted a policy of imperialism. At that time Mr. Truman said:

> I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures. I believe that we must assist free people to work out their own destinies in their own way.

At that time I felt, and so told the House, that the $400,000,000 was appropriated to the President to start America on a dark journey, a dangerous journey, an imperialistic adventure to every plague spot in the world. I do not believe we have either the duty or the right or the strength to attempt to control the political and economic destiny of the rest of the globe.

Subsequent events and subsequent billions thrown into the maelstrom of international politics have served only to point up the ultimate futility of such a program. What, through the years, has our bounty bought us? Only the questionable privilege of spending more and more billions upon ever-widening groups of peoples who now apparently feel that such generosity is their due.

Realistic people do not think of the Marshall plan as a success. Economic Cooperation Administrator Hoffman is frankly and openly disappointed in his efforts to get European nations together on agreements to stabilize currency and trade relations. We are still on a one-way street. Despite the billions we have lavished upon England, for example, Britain's fixed policy is to exclude us from trade. She takes the gift of our dollars, spends them elsewhere—and that without even smiling.

Now when I dared suggest that the Marshall plan was not a howling success, I could hear some friends say, "But the standard of living in Europe is better now than before the war." I dare say. But Congress has no constitutional right to spend the money of our people to improve European comforts. What about our objectives? Has it contained communism? Why it is not even intended to, or how explain our generous help to Yugoslavia, which is Communist in a most vicious form. Has it contained Russia? I wish it had, or could. Has it improved the chance for world peace? If you think so, read the headlines in your daily paper.

But we rush on with an expanding program of foreign aid that now takes over Asia through the recently passed bill providing economic assistance to south Korea and other areas in the Far East. If anyone thinks we can adopt the entire Continent of Asia to build up a barrier against Russia, he is due for some expensive surprises. We would have to multiply our foreign aid if we hoped to accomplish any real effect amongst these teeming millions.

A bill to give economic aid to southern Korea was defeated by one vote in the House on January 19, the first foreign-aid bill to be defeated since I have been a Member of Congress. I like to think that my negative vote was the one that defeated that measure. However, the defeated bill was revised and its name was changed to enlarge its scope from southern Korea to certain areas in the Far East, thereby making it worse, and when it was reintroduced, Congress passed it. It was the same baby, dressed in new clothes.

Among other things included in that legislation is the allocation of $38,000,000 to purchase fertilizer for Korea, which is noted the world over for the natural fertility of its soil.

We cannot hope to maintain a position of strength and security if we are going to dissipate our strength in every troubled spot of the universe.

Today we can witness the full effect of our misguided national generosity in the attitude of nations that have benefited from our foreign-aid programs. When there is the slightest suggestion of curtailment or discontinuance of American aid, they assume the position of an injured party and complain bitterly that they are being mistreated by the United States. We cannot buy their lasting friendship, nor can we count too heavily on their support even while our generosity continues. It is futile to attempt to shape the destinies of the world and all of its peoples with the American purse string.

I think we should stop, before the purse is empty.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, out of the volume of words and considerable thought of the gentleman from Louisiana, he made one statement I think is true when he said that we can lose the war we are now in—he was referring to the cold war—that we can lose this country without firing a shot.

I agree that if some people have their way in representing the people of this country that is what would happen. That is what Stalin and Russia have been waiting for—the financial bankruptcy of this country. If that happens, we could lose without firing a shot. There are some of us here whom you may call isolationists, reactionaries, or what you will, who believe with General Eisenhower, as he stated before a Senate committee yesterday, that the first line of defense of this country is its financial solvency. We want to reduce this bill by $150,000,000, which will make us that much stronger financially. It is not needed, and we should cut this much out of the bill. Everyone knows that the people want a drastic reduction in the money that we are giving away to other countries. I sent out a questionnaire on that particular subject and this morning I received 125 answers, under 3-cent stamps, every one demanding a drastic reduction in the cost of government so far as giving away money to other countries is concerned—with not a vote in the negative. We have a chance here to help reduce the cost of this legislation more drastically by supporting the amendment to reduce it $150,000,000. That would make a total reduction of $400,000,000. I wish you would join with us in making this reduction and give us a chance to vote for this bill on the final roll call by cutting it down to a reasonable figure.

The bill calls for more money than is absolutely necessary. We should not burden our people with greater spending and higher taxes than are necessary.

I urge you to support this amendment which will save for our people $150,000,000.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. VURSELL] has expired.

The Chair recognizes the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I had not expected to talk on this bill because I had hoped that the House was going to leave the amount to be appropriated to the Appropriations Committee. As chairman of the subcommittee handling foreign aid, I want to say that our committee has been engaged for several weeks in hearing evidence as to the needs of the various countries.

It would seem to me that the proper procedure would be for the House to authorize the appropriations as provided in this bill and then let the exact amount of the expenditures be determined by the Appropriations Committee. It if does not report back a figure that is agreeable to the House, then there is ample opportunity to change it at that time.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. JUDD. I want to associate myself wholeheartedly with the gentleman. It seems to me that is precisely the procedure we should follow. It has been demonstrated by the figures stated by the gentleman from New York [Mr. TABER] that if we overestimate the amount needed, it does not do any damage because ECA has not spent more than was actually needed. But if we do not authorize as much as they estimate they need, then they may be caught in an unforeseen crisis where disaster might result.

Mr. GARY. Exactly. However, I arose for the purpose of referring to the figures mentioned by my distinguished colleague from New York [Mr. TABER]. I know that he did not intentionally misinform the House, but I was certain, when I asked him the question, that he was under a misapprehension. He quoted the wrong figure.

The facts are that the estimates of the net dollar position of the various countries for 1949 and 1950, made in the 1949 justifications, was $3,872,800,000.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. KEE].

Mr. KEE. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from Arkansas [Mr. HAYS].

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HAYS of Arkansas. I am sure that the House wants to know exactly what the issue is before we vote upon such an important motion as this, to strike $150,000,000 from the authorization.

There should be no misunderstanding on the point, for it is evident from the language on page 11 of the hearings that the sum was carried into the estimates; in other words, it was Mr. Hoffman's estimate, and here is his statement:

> We are asking that the sum of $150,000,000 be carried over into the next fiscal year to help meet the needs of the 1951 requirements.

That is clear. Now if we add this $150,000,000 to the reduction we will have made it $400,000,000 rather than $250,000,000, provided in the Burleson amendment.

Now let me speak directly to the point raised by the gentleman from Louisiana [Mr. BOGGS]. Every Member of this House who knows me knows that from the very beginning of my service in the Congress I have tried to contribute to the bipartisan foreign policy. I would not have anything happen in the course of this debate to mar the spirit of bipartisanship, and it must not happen. I have previously stood in this well to defend the Republicans when certain words appeared in Democratic documents that reflected upon the Republican participation in foreign policy. I think it was a mistake for any Democrat to do that, and I renounced it. I am not disagreeing with the general thesis of my friend from Louisiana [Mr. BOGGS] as I interpret his plea for a forward-looking policy. But I believe he would agree that the preservation of America's role of leadership in the world must be without thought of partisanship. My own party almost abandoned its support of international cooperation back in 1924, following the First World War, and I renounced that position. Let us, as Democrats and Republicans, stand together without thought of party advantage when the world's peace is involved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin) there were—ayes 93, noes 128.

Mr. SMITH of Wisconsin. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SMITH of Wisconsin and Mr. KEE.

The Committee again divided; and the tellers reported that there were—ayes 103, noes 154.

So the amendment was rejected.

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. YATES: On page 11, after line 18, add the following new subsection:
>
> "The Administrator shall encourage to the greatest extent practicable, consistent with the objectives of this act, and under conditions such that the local currency is not used in a way that would reduce the foreign exchange of the participating countries trade between the United States and each of the participating countries which may be financed for in the currencies of the participating countries with which such trade is sought."

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from West Virginia.

Mr. KEE. With reference to the amendment offered by the gentleman from Illinois, as I understand, this amendment is for the purpose of encouraging trade between the United States and the participating countries, the trade transactions to be paid for in the respective currencies of the participating countries; is that right?

Mr. YATES. The chairman is correct. It is supplemental to the present ECA program by which payment for transactions is made in dollars.

Mr. KEE. I have not had time to study the amendment closely, but that is my idea of what it is intended for, and personally I have no objection. I cannot speak for the entire committee, because the amendment was not presented to the committee.

Mr. YATES. I thank the chairman.

Mr. Chairman, the ECA program was originally set up to rehabilitate the economies of the free nations of Europe, to restore production, and to establish methods for stimulating free trade between such countries among themselves and with the United States. The program has, in great measure, been predicated upon strengthening the monetary

currencies of each of the countries by eradicating the dollar gap. It was basic policy that the lack of dollars by the European countries prevented the normal channels of trade between such countries and our own because it was believed that the exporters of this country—the manufacturers, the farmers, the fishermen—all industries would refuse to accept foreign currencies for the items which they offered for sale. I think perhaps this was true during the first 2 years of the ECA program.

But during the 2 years, the ECA program has achieved much of its original intention. Production has increased and the currencies of the program countries have been stabilized in great measure. ECA is still necessary to continue the progress that has been made in this direction, and I believe the program should be supported. I believe that efforts should still be continued to eradicate the dollar gap because I think it is true that many of our exporters still demand dollars for their products. The best example of that, of course, is the Burleson amendment which insists that exporters of farm products be paid $1,000,000,000 in dollars.

There are many business firms in this country, however, which I believe would be willing to take payment for their products in currencies of the foreign countries rather than insisting upon dollars. The pound, the franc, the lira, the kroner have been very much firmed up during the last 2 years and I feel certain that our businessmen might very well be willing to accept these in payment for their goods so that they, in turn, might use such currencies to purchase items produced in the foreign country. It has been insisted that ECA should end in 1952 and with that I agree. It has been correspondingly suggested that ECA will not have performed its complete function by 1952 and with that I am inclined to agree, also. Therefore, some means must be suggested of permitting European countries to continue to make progress in the development of their economies and open channels of trade upon the expiration of ECA. There are many items which the countries of Europe will require to be allocated to the ECA program in order that our dollars may be used in payment therefor. But, correspondingly, there are many items which are produced by countries that will not be included within the ECA program. Such items might very well be found attractive to businessmen in this country. They should be given the opportunity to sell their products to Europe and accept payment in European currencies so they can, in turn, purchase non-ECA program items.

It is not my intention to cripple the ECA program. I think the amendment I am offering can work as a corollary to the program and give impetus to it in stimulating trade between our country and Europe.

I know that last year it was attempted to sell certain agricultural commodities to foreign purchasers for the currency of that country. The ECA officials at that time felt that it might interfere with the operation of the ECA program and frowned upon it. I understand that there has been a change in their attitude and that they have no objection to sales of items by foreign countries which would not ordinarily be used in attracting American dollars.

As I stated, this is supplementary to the ECA program and I believe necessary. I hope the amendment passes.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Connecticut.

Mr. LODGE. I would just like to point out to the gentleman that under the convertibility feature of the guaranty provision there is an attempt made to encourage by guaranties the sort of thing that I think the gentleman has in mind.

Mr. YATES. Well, the guaranties, of course, are intended to assure payment in American dollars. My amendment proposes to supplement that particular feature of the act. It is to permit American exporters, who want to accept payment in currencies of the participating country, to make purchases in those countries of items that are not included within the dollar program to purchase such items.

Mr. LODGE. The gentleman realizes that that can be done now without the gentleman's amendment.

Mr. YATES. If the gentleman will permit me, I do not believe that is true. I think that there has been some misunderstanding on that point in the past.

Mr. O'HARA of Minnesota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to direct an inquiry to the chairman of the committee, the distinguished gentleman from West Virginia, with reference to the proviso beginning in line 4 of page 11, which would add this sentence:

> The Administrator shall also encourage emigration from participating countries having permanent surplus manpower to areas, particularly underdeveloped and dependent areas, where such manpower can be effectively utilized.

The question I should like to direct to the gentleman or some other member of his committee is, just exactly what is meant by this language? Does it mean that under this program we will be telling the countries of the world where to send their emigrants?

Mr. KEE. I will be very happy to permit the gentleman from Connecticut [Mr. LODGE] to answer the gentleman's question.

Mr. LODGE. It seemed to some of us on the committee that you could not create a free market for 270,000,000 Europeans unless you attempted not only to reduce barriers to trade but also to encourage the free movement of persons. The problem of overpopulation is particularly critical in the case of Italy, where there is an annual population increase of some 450,000 people including an annual increase in the labor force of about 225,000 people. Now there are certain dependent overseas territories, which consist of British, Dutch, French, Belgian, and Portuguese possessions, where many of these people could go, thereby relieving the manpower shortage in those areas and reducing the manpower crisis in the areas I have mentioned.

Mr. O'HARA of Minnesota. I do not want to yield all my time to the gentleman. I hope he is not going to try to take all my time.

Mr. LODGE. I am only trying to answer the question of my good friend from Minnesota.

Mr. O'HARA of Minnesota. I deeply appreciate the courtesy of my distinguished friend, but I should like to ask him another question. Who of those who are handling this program is to decide who is to emigrate and who is not to emigrate?

Mr. LODGE. I shall be glad to answer that question. In the first place, there is the question of who wants to emigrate. No compulsion is contemplated as far as I know. In the second place, there are various other organisms attempting to deal with this problem, one of the most difficult problems existing in the world today. There is the manpower commission of the OEEC; there is the Committee of the Council of Europe; there is the Economic and Social Council of the United Nations; and there is the International Labor Organization. All of these organisms are attempting to deal with this problem because it is a very important problem, not only with respect to the political situation in Europe but also with respect to European recovery.

Mr. O'HARA of Minnesota. Would the gentleman say that this is included here for the purpose of allowing the Administrator to play around and to say—to Italy for example—"Well, if you will agree to certain emigration from your country we will make certain awards based upon that promise"—not necessarily for emigration, but as part of the transaction. Is that the situation?

Mr. LODGE. The point is that Prime Minister De Gaspari is incapable of dealing himself with a problem which calls for emigration. Therefore, the thought is that, since this is an important integral part of European recovery, it is appropriately something to which Mr. Hoffman could give his attention in order to relieve that burden on the Italian economy and thereby relieve the great burden on the American taxpayers.

Mr. O'HARA of Minnesota. It means, then, by indirection, that some of this money will go for some purpose which will permit the Italian Government to use some of its own funds for the emigration of these people?

Mr. LODGE. It means an eventual savings I will say to the gentleman from Minnesota. Last year we had a provision in this bill which called for the chartering of 10 ships to Italy, in order to assist Italy in handling the transportation problem with regard to her emigrants. That provision is still in the act. This is a different proposition and it does not necessarily involve the expenditure of money.

Mr. O'HARA of Minnesota. Where would these people go when they leave Italy to be taken out of this program? Would they go to Africa?

Mr. LODGE. I have attempted to indicate to the gentleman that we specifically mentioned dependent areas. There are other places where they might go. In France, for instance, they are able to absorb a certain number of workers. But there are these vast undeveloped areas in which I believe workers can be useful particularly in connection with projects under the point 4 program.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. O'HARA of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. O'HARA of Minnesota. Mr. Chairman, the answer which has been given to me in the fine language of diplomacy means to me, and at least I may be permitted to draw my own conclusions, that under this program we have now gone into the emigration business, and this program is being used as a buzzer to tell people in Europe where they should go and what they should do. One of the complaints I heard during my trip to Europe was that many people who are the recipients of this program are not too happy about it. I do not mean that all of them are not happy, because they are benefiting by it financially and they are quite happy about that. But it now seems, in playing around with this program, we have come to the point where not only the State Department, but the ECA is going into the business of moving people from one country to some other country and all over the face of the earth.

If that is the purpose of this program, I hope sometime somebody will try honestly to justify to the American taxpayers why their money is being spent for such a purpose.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I am happy to yield to the gentleman.

Mr. LODGE. I would find it difficult, I will say to the gentleman, to justify to the American taxpayers the expenditure of their money in an enterprise of this kind, unless certain helpful conditions were imposed. I believe that this program should have a federalizing influence. We must help these countries to integrate and thereby save the money of the American taxpayers. Demographic problems are an integral part of the whole business of integration.

Mr. O'HARA of Minnesota. Mr. Chairman, I appreciate there are some people in this country who think they know all about all of the answers to all of the problems of every country on the face of the earth. I must confess I am just not equal to it. I appreciate that the gentlemen on the Committee on Foreign Affairs are so endowed with mental attainments and by their associations that they are in a much better position to indulge in that sort of thinking than I am.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LODGE. I would say to the gentleman that I am no match for him when it comes to irony, but I have attempted to answer his questions.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. VORYS. I think this is one of the most constructive and far-seeing things in the bill. The most important export from western Europe for the next few years is going to be people. They are overcrowded. They have about 10,000,000 of these expellee Germans in Germany, and a couple of million in Italy, that are probably permanently unemployed. This strikes at the idea of having them go out, as our forefathers did, to undeveloped and dependent areas, and do some pioneering to help develop the world and get off the backs of the taxpayers in Europe and in the United States. I think it is a swell idea.

Mr. O'HARA of Minnesota. Of course the gentleman from Ohio [Mr. VORYS] and the gentleman from Connecticut [Mr. LODGE] and the gentleman from New York [Mr. JAVITS], I see by his face, may think it is a marvelous idea.

Mr. JAVITS. This was not requested by the Administrator. The committee did this because the Members who traveled abroad saw it was so necessary.

Mr. O'HARA of Minnesota. Well, it is certainly helpful to get all of this before us, because I intend to offer a motion later to strike this from the bill, so that you will all have an opportunity.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. JUDD. May I ask my dear friend from Minnesota whether he felt yesterday that it was inadvisable to put any conditions on the money that is to go to England? For example, the condition that she do certain things with regard to Ireland.

Mr. O'HARA of Minnesota. Let me say to the gentleman I have never been classified as soup Irish. You will have an opportunity later on to find out who the real Irish and who the soup Irish are.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. O'HARA] has again expired.

Mr. KEE. Mr. Chairman, I would like to see if we can arrive at some agreement on closing debate. We have been debating this bill under the 5-minute rule on this same section in title I since Monday morning. I think it is about time we came to an end of the debate.

Mr. Chairman, I ask unanimous consent that all debate on title I of the bill and all amendments thereto close in 20 minutes.

Mr. WHITE of Idaho. Mr. Chairman, reserving the right to object, I have been on this floor 2 days with an amendment which I intended to offer to this section. Members have been granted time and extra time. I cannot stand here representing the people of my State and permit any such request to go through by unanimous consent. I want time on this section, and I propose to get it, if possible. So I must object.

Mr. MILLER of Nebraska. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Nebraska. How many amendments are there on the Clerk's desk to title I?

The CHAIRMAN. The Chair is informed there are six amendments on the Clerk's desk to this title.

Is there objection to the request of the gentleman from West Virginia that all debate on title I and all amendments thereto close in 20 minutes?

Mr. SMITH of Wisconsin. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I move that all debate on title I and all amendments thereto close in 30 minutes.

Mr. WHITE of Idaho. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITE of Idaho. I would like to know if this motion is debatable.

The CHAIRMAN. The motion is not debatable.

Mr. JOHNSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JOHNSON. If there are only 30 minutes allowed, how much time is to be allotted for each amendment?

The CHAIRMAN. The Chair is unable to determine that until the amendments are offered.

The question is on the motion offered by the gentleman from West Virginia [Mr. KEE].

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin) there were—ayes 104, noes 52.

So the motion was agreed to.

Mr. VORYS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. The Chair states that there are six or seven amendments pending. Would it be possible by unanimous consent to have the proponents of those amendments given a chance to explain their amendments and then have time assigned to the opponents so that we can have at least an orderly arrangement? I have no amendment pending and I have not asked for time, but I think it would make for orderly procedure if it could be done.

The CHAIRMAN. The motion of the gentleman from West Virginia has been agreed to by the Committee; the debate has been limited.

Mr. O'HARA of Minnesota. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. O'HARA of Minnesota. Would it be permissible and proper for the Chair to recognize first those Members who have amendments to offer?

The CHAIRMAN. The Chair will undertake so to do and dispose of the amendments as the Committee proceeds with their consideration during this debate.

Mr. DONDERO. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DONDERO. Would that time be taken out of the 30 minutes?

The CHAIRMAN. The time consumed in voting on amendments will not be taken out of the 30 minutes.

Mr. HESELTON. Mr. Chairman, I ask unanimous consent that the time allotted to me be assigned to the gentleman from Minnesota [Mr. JUDD].

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FULTON. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. FULTON moves that the Committee do now rise and that the bill be reported to the House with the enacting clause stricken.

Mr. KEEFE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. Mr. Chairman, I make the point of order against the preferential motion that it is dilatory. The gentleman from Pennsylvania is not opposed to this bill and is not in good faith asking that the enacting clause be stricken out; he is advocating this bill vehemently and is simply taking this means to get 5 minutes time when many others of us have been waiting for 2 days trying to get time, but in vain.

The CHAIRMAN. The Chair would like to inquire of the gentleman from Pennsylvania [Mr. FULTON] if he is opposed to the bill?

Mr. FULTON. In its present form I would be opposed to it.

The CHAIRMAN. The Chair must accept the statement of the gentleman from Pennsylvania.

The Chair overrules the point of order and recognizes the gentleman from Pennsylvania in support of his preferential motion.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from California.

Mr. JOHNSON. Will the gentleman kindly tell us during the next 5 minutes exactly what in this bill he is opposed to so we will get his viewpoint?

Mr. FULTON. I may say to the gentleman that I feel the bill at the present time does not adequately reflect what the Congress should do, and I may further say at this particular time that I am opposed to the bill in this form because I want to get it amended.

One thing I do not like is that on page 3, line 16, under the guaranty provision there is put in specifically a provision that the guaranty is limited so that it does not protect against measures that the foreign country might put into effect, affecting the conversion of currency, such as devaluation. This, of course, means that no businessman will use the guaranty clause. That is one sincere fundamental objection to the bill and is made sincerely, I may say to the gentleman from Wisconsin.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Would the gentleman vote to recommit this bill back to the House Committee on Foreign Affairs if his amendment is not adopted?

Mr. FULTON. I will see the final form of the bill.

Mr. KEEFE. Yes.

Mr. FULTON. That is for the gentleman from Pennsylvania to decide, because the gentleman from Pennsylvania represents a Pennsylvania district. I may say to the gentleman that I have heard him many times on the floor and every time I have credited him with adequate representation of his district. I hope he will give me the same credit.

Mr. KEEFE. I credit the gentleman with representing his district. He does it very well. But he is representing the whole country as well as his district.

Mr. FULTON. The gentleman might be, but I am having a hard time just representing one district.

Mr. Chairman, under the guaranty clause as provided in the bill last year, there was only $8,000,000 worth of guaranties used. That is, business could not see that the guaranty was of any assistance. The reason for that was that under the present practice the guaranty is really no better than the guaranty by the British Government because the British Government will give you convertibility and remit profits in dollars on British investments right now, which are United States owned.

The guaranty provision under ECA is one place where the American businessman is not getting the same deal that foreign businessmen get. The European payments plan is set up with $600,000,000 under this bill, so that business transactions are made easy for the foreign businessmen dealing in other ECA countries, but the bill does not let the American businessman have that same assistance for convertibility. Congress is not giving the American businessman a thing. In fact, under the $300,000,000 guaranty clause now in the bill the American businessman must pay annually in advance a fee equal to one-tenth of 1 percent of the amount available to the holder of the guaranty for conversion during the ensuing year, in cases where the project covered by the guaranty is on a particular program approved by ECA and a part of the cost of which is being financed directly by FCA dollars.

Unless special circumstances exist rendering it desirable in the furtherance of the purposes of the ECA Act, to make a lower charge, in the case of projects no part of the cost of which is being financed directly by ECA—other than under the guaranty—a fee will be payable by the American businessman annually in advance equal to 1 percent of the amount available to the holder of the guaranty for conversion during the ensuing year, plus a stand-by fee of one-quarter of 1 percent of all additional amounts to become available in future years. If the contract covers a period less than 1 year, the fee payable will be prorated on the basis of 365 days in the year. In each case the American businessman must pay a fee.

The American businessman has this right to contract for a guaranty and pays to get something. Therefore he certainly should be able in that succeeding year of the guaranty and for what period he contracts for, to get convertibility without the chance of devaluation by act of the ECA-recipient country wiping out all or a major part of his investments.

The guaranty clause, as written under ECA and in this bill, is a booby trap for the American businessman. Beware of the use of it, as it will be found to be a snare and a delusion. The foreign country by law can bilk the American businessman out of all or part of his long-time capital investment abroad, and the guaranty is worthless. The American businessman has been too smart to be caught in this ECA guaranty trap so far, and I hope he will avoid this pitfall in the future. The Wall Street Journal and Business Week and local chambers of commerce please copy.

Let us look to see what the devaluation of foreign currencies has been. Great Britain devalued 30½ percent in the last year; Ireland the same, Sweden the same, Iceland the same, Denmark the same, Norway the same; Greece devalued 33.2 percent, the Netherlands 30.2, Belgium 12.3, Austria 30 percent. In France the franc went from 36.8 cents to 28.6 cents per franc.

The table follows:

TABLE 1

Country	Value before devaluation (September 1949)	After devaluation	Percentage of devaluation
Great Britain	$4.03 per pound	$2.80 per pound	30.5
Ireland	do	do	30.5
Sweden	27.80 cents per krona	19.30 cents per krona	30.5
Iceland	15.40 cents per krone	10.70 cents per krone	30.5
Denmark	20.80 cents per krone	14.50 cents per krone	30.5
Norway	20.20 cents per krone	14 cents per krone	30.5
Greece	0.01 cent per drachma	0.007 cent per drachma	33.2
Netherlands	37.70 cents per guilder	26.30 cents per guilder	30.2
Belgium	22.80 cents per franc	20 cents per franc	12.3
Austria	10 cents (November 1949) per schilling	7 cents per schilling	30.0
France	0.368 cent per franc	0.286 cent per franc	

After the First World War there were the same devaluations of the franc, the pound, and other currencies.

The table of devaluation after World War I follows:

TABLE 2

Country	Date of stabilization	Value at time of stabilization	Prewar value (December 1913)
France	December 1926	3.9492 cents per franc	19.2077 cents per franc.
United Kingdom	September 1931	388.9261 cents per pound	485.9298 cents per pound.
Belgium	April 1935	16.9430 cents per franc	19.0817 cents per franc.
Greece	April 1932	0.6641 cent per drachma	19.4458 cents per drachma.
Norway	September 1931	22.0737 cents per krone	27.8269 cents per krone.
Denmark	do	18.5875 cents per krone	26.7546 cents per krone.
Sweden	do	23.1140 cents per krona	27.8269 cents per krona.
Austria	October 1931	13.9158 cents per schilling	20.17 cents per schilling.

With 18 devaluations in the 18 years from 1931, the American businessman should realize that devaluation of his long time foreign investments is a practical certainty and is his greatest risk. The ECA Act blithely prevents guaranty even for 1 year against this devaluation and the American businessmen shrewdly will not use the guaranty nor invest at this time under ECA in long-time capital investments abroad, thus depriving the program of $300,000,000 additional private venture capital. And a wise owl is the American businessman, as it can plainly be seen the substantial loss in his capital he would already have lost in the 1 year 1949 under this booby trap of a guaranty.

Therefore, out of the $150,000,000 guaranties authorized under the 1948 ECA Act only $8,000,000 worth of guaranties have been used on all three types of guaranties which ECA is authorized to issue: First, investment; second, forward contracting, and third, informational media. These figures attest the failure of the guaranty programs under ECA to date.

Mr. Chairman, I withdraw my motion.

Mr. KEEFE. I object to this withdrawing of this preferential motion.

Mr. MANSFIELD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MANSFIELD. I would like some light on the present situation. As I understand, the committee agreed to limit debate to 30 minutes. Do the 5 minutes already consumed under the preferential motion come out of the 30 minutes?

The CHAIRMAN. They do not.

Mr. KEEFE. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Well, the gentleman has had at least 2 hours on this floor to debate this thing, and I would like to have just a few minutes to talk about an amendment that I have had lying on the desk that I think is worth while. I cannot yield at this time, but if I get more time I will yield.

Mr. Chairman, we have heard on the floor of this House time and time again the desire expressed for the promotion of trade between this country and the countries of Europe. Now, how many of you know about the situation that has developed as between this country and the country of Morocco? Let me tell you about it. It was fully explored in the House Committee on Foreign Affairs, and they have not seen fit to do anything about it.

We have had a treaty with Morocco since 1836; a treaty that was ratified and confirmed by France under its protectorate over Morocco in 1936. That treaty proclaimed the open-door policy as far as Morocco and its trade with the United States were concerned, and it specified completely that under that treaty there would never be import duties levied beyond 12½ percent.

Following the last war a group of American GI's set up business in Morocco for the purpose of stimulating trade between the United States and Morocco. They did a thiving business, importing textiles and other goods manufactured in the United States, and returning to this country raw materials produced in Morocco, the very thing that you say this program is designed to achieve. Now, what happened? The French nationals who have contracts with American manufacturers, such as radios, refrigerators, and so on, were doing business in Morocco. They did not like these Americans setting up an import business. So, what did they succeed in doing? They got the country of Morocco to issue import embargoes; not raising the tariff duties, but to put up absolute embargo restrictions. And what did they do further? The restrictions were leveled exactly at the goods that were being imported by these Americans and was not leveled at American goods that were being shipped through the medium of French nationals who had contracts with American manufacturers. They have practically put these 31 GI's out of business, and except for the trade that goes through France, they have effectively stopped treaty relations between the United States and the protectorate of Morocco.

Under the treaty it was the obligation of the Secretary of State to protest that action which was aimed at the United States and its nationals. He did so; weakly, may I say. Negotiations were entered into, but the net result of it all was that Secretary Acheson took the position, and did so formally, of approving the action of France that set up this embargo against the importation of American goods.

Now, this is of exceeding importance when you consider this point 4 program. The Secretary of State in a formal answer which he has filed to the suit here in the district court attempting to enjoin him from pursuing that course alleges that as Secretary of State he has the right and the power to abrogate, to modify, and to change any treaty such as entered into with Morocco without bringing it back to the United States Senate for ratification of the proposed abrogation or change.

What does that mean? We are told that treaties are the supreme law of the land, and they cannot be modified or abrogated without action by the United States Senate. If this situation is allowed to prevail and this Congress takes no action to protect its own nationals, it is a mockery, then, to stand here in the well of the House and talk about developing international trade.

Mr. Chairman, I have an amendment at the Clerk's desk that will cure the situation and restate our historic policy with respect to treaty obligations.

The CHAIRMAN. The question is on the motion offered by the gentleman from Pennsylvania [Mr. FULTON].

The motion was rejected.

Mr. JAVITS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JAVITS. Will the parliamentary situation permit a unanimous-consent request that amendments be voted on immediately after their proposal, within the time limitation?

The CHAIRMAN. Such a unanimous-consent request can be submitted, but it may be that some Members will want to express opposition to such amendments, so the Chair will undertake as best he can to recognize Members offering amendments and those opposed to the amendments, and dispose of the amendments as quickly as possible.

Mr. GAVIN. Mr. Chairman, we were on our feet seeking recognition before they offered their amendments. Why should they be given preferred consideration over us? I think they ought to be called in their order in the list of Members to be recognized.

The CHAIRMAN. The Chair will seek not to discriminate against the gentleman from Pennsylvania.

Mr. DONDERO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DONDERO. I believe the Chair in answer to my previous question stated that the time used in reporting amendments would not be taken out of the 30 minutes allowed for debate.

The CHAIRMAN. The time required for reporting amendments and voting on amendments will not be taken out of the 30 minutes allowed for debate.

Mr. CAVALCANTE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CAVALCANTE. Mr. Chairman, yesterday I notified the occupant of the chair that I had an amendment at the desk, and today I notified the occupant of the chair that I had an amendment

there. Will the Chair kindly advise me whether I have been allotted any time at all of the 30 minutes allowed for debate?

The CHAIRMAN. The gentleman's name appears on the list of those to be recognized under the limitation of debate.

The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

By unanimous consent, the time allotted to Mr. DONDERO and Mr. GROSS was given to Mr. GAVIN.

Mr. GAVIN. Mr. Chairman, we have heard these dramatic appeals for this legislation. We have heard them explain why these $3,000,000,000 are necessary. We have seen the vigorous fight that has been made to retain the $150,000,000 which should be returned to the Treasury of the United States.

Now, let us have a little lesson today in simple arithmetic. I have a copy of the hearings before the Committee on Foreign Affairs. If you will turn to page 111 of part I of those hearings you will find the following figures. I want the committee to listen, and particularly the chairman. I would like the chairman to listen so if these facts and figures are not correct, you can proceed to tell us otherwise and the gentleman from Minnesota [Mr. JUDD], who is familiar with foreign exchange, may I ask him to listen carefully, too.

We find the following figures: Status of European local currency counterpart accounts under Public Laws 472, 84, and 389, Eightieth Congress, as of December 31, 1949:

It states the total amount deposited is $1,850,700,000.

Then, under Public Law 84 and 389: balances available for ECA approval, $593,300,000.

Those two together total $5,444,000,000.

Under withdrawal it states, under Public Law 472, $2,723,500,000.

Then, under Public Law 84 and 389, withdrawals, $478,700,000.

That is a total of $3,202,200,000.

Now, we take the $5,444,000,000 deposits and the withdrawals of $3,202,800,000 and we have an unexpended balance in the counterpart funds as of December 31, 1949, of $2,237,200,000. So we have an unexpended amount right now of $2,237,000,000. Yet you are coming here demanding every dime that you can possibly gouge out of the American taxpayers. If anybody wants to dispute the fact that this $2,237,000,000 is unexpended, I would like to hear him.

These are unexpended counterpart funds. Upon inquiry when I was in Europe, I found that the programs of the ECA for use of counterpart funds for highways, waterways, and hydroelectric development, and other projects, have not proceeded fast enough to use up the counterpart funds which are available, and yet you are demanding that the American taxpayers put up millions and billions of dollars more when you have not spent the money set up in these counterpart funds, some $2,000,000,000.

Mr. JUDD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD, to reply to the gentleman and advise him as to the correctness of the things he has described somewhat incompletely, to put it mildly.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Chairman, I wish to reply to the gentleman from New York [Mr. GAVIN] regarding ECA counterpart funds and their use. This is important. There seems to be a prevailing impression that unexpended counterpart funds are unexpended dollar balances made available by the United States. This is not true.

Under the law, there are three types of aid furnished by ECA: Loans, conditional aid, and grant aid. Loans need little explanation here. They are repayable in dollars to the United States. Conditional aid is dollar aid given to certain participating countries on condition that they make grants available in their local currency—not dollars—to other countries. Grant aid is the most commonly known form: grants of United States dollars to partcipating countries.

The law requires that each participating country receiving grant aid must deposit in a special account an amount of its own local currency equivalent to the amount of dollars given in grant aid. These are the counterpart funds, so-called because they are not dollars but the local currency counterpart of dollars. Thus there are no dollars whatever in the counterpart funds. There never have been any. Confusion arises because the counterpart funds are expressed in dollar terms. They could be expressed as pounds, francs, guilders, kroner, or whatever the term is for the local currency of each participating country. For our own statistical convenience the counterpart funds are expressed in dollar terms as "dollar equivalents." But, let me emphasize again: Counterpart fund transactions occur only in local currencies and never in dollars.

The counterpart requirement applies only to grant aid and to the ultimate recipients of conditional aid. It does not apply to dollar amounts loaned. The reasons are these. There is no need for counterpart funds in the case of loans since the obligation to repay in dollars replaces the requirement of local currency deposits. One of the conditions in conditional aid is that the country receiving such dollar aid in turn makes available to other participating countries local currency in the form of drawing rights. Countries using these drawing rights also deposit in special accounts an amount of their own local currency equivalent to the amount of the drawing rights they receive. Of each participating country's counterpart fund 5 percent is reserved for United States use. This portion is in a special account under the control of the United States disbursing officers. These funds are used to defray ECA administrative expenses that can be paid for in local currency, such as rent, supplies, and so forth; and to purchase or develop scarce strategic materials.

The remaining 95 percent of the counterpart funds belong to the participating country. They cannot be used except by agreement with ECA. The funds are used to promote the internal monetary and financial stability of the participating country, to stimulate production in selected fields, to seek and develop new sources of wealth, and otherwise to further the objectives of the European Recovery Program.

The uses of the counterpart funds vary with each country depending on what can best contribute to recovery.

The point to be emphasized is that none of these funds have been spent without ECA approval. Approval has been given only to those projects that further the ERP objectives. If this is kept in mind, it explains the great variance in the use of counterpart funds. For example, counterpart funds have been used for debt retirement in Great Britain and France; for land reclamation in France, Greece, and Austria; for housing in France, Italy, Greece, and Austria; for improvement of roads, railroads, and waterways in Austria, Germany, Greece, Italy, and France. These are only a sampling of the uses to which these funds have been and are being put.

The fact that there are unexpended balances in counterpart funds does not in any way mean that there are unexpended balances of United States dollars in these countries. It is true that if there were no ECA dollars available there would be no unexpended counterpart balances—because there would be no counterpart. The importance of counterpart funds is that they are special local currency funds devoted exclusively to projects designed to make the participating countries progressively less dependent on ECA dollars.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CAVALCANTE].

Mr. CAVALCANTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CAVALCANTE: On page 2, after line 9, insert the following:

"(b) Revising section 103 (a) in the following particular:

"Insert before the period at the end thereof a colon and the following:

"*And provided further*, That such country has filed with the Economic Cooperation Administration (as hereinafter established) an itemized account of its governmental income, expenditures, assets, and indebtedness, together with a statement of its national economic and security requirements."

"And reletter subsections (b), (c), (d), (e), and (f) of section 102 as (c), (d), (e), (f), and (g), respectively."

Mr. CAVALCANTE. Mr. Chairman, my amendment was intended to close the door to a most despicable deception practiced upon a Member of this House who, in good faith, sought honest information from ECA so that this Member might intelligently vote on this type of legislation. However, the time allotted to me is so short that I will not attempt to discuss the amendment. I trust that the chairman of the Committee on Foreign Affairs, who has shut off debate by

his unfortunate motion to that effect, is satisfied. It was ironical to have observed the many Members who had previously spoken on the question for 10 to 15 minutes under unanimous consent were the very first ones to rise in support of the motion that shut off the debate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. CAVALCANTE].

The amendment was rejected.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 3, line 16, strike out the words "other than" and insert the word "including."

Mr. FULTON. Would the chairman advise whether he objects to this correcting amendment on guaranties?

Mr. KEE. I have not heard the amendment reported. I do not know what is in the amendment. Has it been reported?

The CHAIRMAN. The amendment has been reported.

(Without objection, the amendment was again reported.)

Mr. FULTON. Mr. Chairman, this permits the United States businessmen to buy a guaranty, which includes a provision against devaluation of currency by a foreign country.

Mr. KEE. Mr. Chairman, I could not accept that amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. VORYS. Nonconvertibility is taken care of in the first part, on page 3, lines 3 to 9, and part two is to take care of losses other than from unconvertibility. It seems to me that the bill as drafted is correct, rather than to attempt to inject nonconvertibility as a kind of loss that would permit a man to get back all of his money. I think the gentleman's amendment is not needed.

Mr. FULTON. I found that the ECA is not construing the law that way. With the elimination of convertibility in this particular act, the businessman is not protected in his guaranty against devaluation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The amendment was rejected.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: On page 13, after line 12, add the following new section——

The CHAIRMAN (interrupting the reading of the amendment). The Clerk has not read section 103. The amendment cannot be offered at this time.

Mr. JAVITS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JAVITS. I understood that the motion of the gentleman from West Virginia was to limit all debate on title I. If I am incorrect in my understanding, I wish to be corrected.

The CHAIRMAN. The motion of the gentleman from West Virginia, which was agreed to by the committee, limited debate on title I, but the Clerk has read only through section 102. The gentleman may reserve his time until the Clerk reads section 103.

Mr. JAVITS. I will reserve my time, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEEFE: Page 11, line 11, strike out "subsection" and insert in lieu thereof "subsections"; in line 18, strike out the quotation marks; and after line 18 insert the following:

"(k) (1) Treaties between the United States and nations assisted hereunder or their dependencies shall remain in full force unless renegotiated, and ratified by the Senate.

"(2) None of the local currencies required by section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended, to be deposited in local currency accounts, shall be made available for expenditure by any recipient country so long as any dependent area of such a country fails to comply with any treaty between the United States and the said dependent area.

"(3) After July 1950, no assistance herein contemplated shall be used to promote recovery in the French protectorate of Morocco except during such time as the Secretary of State shall certify to the Administrator that the protectorate is complying with its treaties with the United States and has repaid moneys collected from United States citizens in violation of such treaties."

Mr. KEE. Mr. Chairman, I reserve a point of order against the amendment.

Mr. KEEFE. Mr. Chairman, I regret exceedingly that there is not adequate time properly to discuss this amendment. There are many Members of the House who are familiar with the facts that are sought to be reached by this amendment. This matter has been written up editorially in most of the eastern and middle western newspapers, the Christian Science Monitor, the Saturday Evening Post, the New York Times, and so on. There is nothing new about this except that it is a definite attempt to see to it that none of the dependent nations receiving ECA funds shall lock its doors to trade with the United States.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from North Carolina.

Mr. DURHAM. That is on the basis of former trade treaties.

Mr. KEEFE. Exactly; it is on the basis of treaties. All we are asking them to do is to live up to their treaty obligations and not circumvent their treaties by the utilization of a series of embargoes and so on in plain violation of the treaties, to lock Americans out of doing business in those countries. It seems to me it is an amendment that the chairman of the committee ought to accept and put into this law for the protection of our own people.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. RICHARDS. Is it not a fact that the American businessman in Morocco has the same right under this bill that he has in every other Marshall plan country in Europe?

Mr. KEEFE. No; I do not believe that is true. He has not any rights in Morocco in view of the embargo that has been laid down against the importation of any goods except those that are imported from the United States by French nationals under contract with manufacturers in the United States.

Mr. KEE. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill. I have not had time to examine carefully the amendment offered by the gentleman from Wisconsin; I have not had a copy of it. I only heard it as it was read, but it seems to me that it deals with matters entirely foreign to this bill and is not germane either to the bill before us or the title to which it is offered.

The CHAIRMAN. The Chair has examined the text of the amendment and has before him to bill. The bill itself is very broad, relating to bilateral and multilateral agreements between this Nation and other nations. The amendment offered by the gentleman from Wisconsin, therefore, dealing with a subject matter thereunder is, in the opinion of the Chair, germane to the bill.

The point of order is overruled.

Mr. KEE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin.

Mr. Chairman, we have had this matter up in committee for the past 2 years. On March 13, 1950, I wrote a letter to Mr. Miles D. Kennedy, of the American Legion, in reply to one he had addressed to me in reference to this matter in which reply I stated the following:

The exemption from local decrees sometimes enjoyed by Americans in Morocco has rested not on individual rights but on treaty privileges vested in this Government. It is for the Government to choose whether to waive the privileges or to insist upon them. It has chosen to waive the privileges in the instance at hand. I believe its choice has been the proper one. The local decrees which the Americans in question have sought to resist are consistent with the obligations of the suzerain of Morocco, namely, France, to curtail importation of nonessentials—an obligation growing out of the requirement under the European recovery program to conserve dollars. The Americans involved have suffered disadvantage not because they are Americans but because they are merchandisers in lines of goods the importation of which is forbidden by local controls.

I do not believe this Government could properly insist that the French Government should apply controls to conserve dollars on the one hand and on the other hand insist that the controls be rendered ineffective through the exemption of American nationals.

I believe the reasons stated in my letter to Mr. Kennedy are sufficient to justify our opposition to this proposed amendment.

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KEEFE].

The question was taken; and on a division (demanded by Mr. KEEFE) there were—ayes 45, noes 63.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, it is most unfortunate that the gag rule has been applied to this whole title as has been done by the chairman of my committee. I call attention to the effect of it. We are going to be asked within the next 10 minutes to vote on appropriations for Korea in the amount of $100,000,000 and we are going to be asked to vote $94,000,000 for China. We do all this in the course of 30 minutes. This is reckless conduct with the taxpayers' money.

This demonstrates, Mr. Chairman, just how careless we have become in approaching and considering this very serious matter now under consideration. The members of the committee should be fully aware of the recklessness of their conduct.

This Congress, Mr. Chairman, has lost its bearing.

The Democratic majority follows blindly when the administration leaders give the word to spend and spend.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Idaho:

Page 11, after line 10, insert the following paragraph:

"(3) Inserting in lieu of the period at the end of subsection (h) the following: '; but this subsection shall not be construed to authorize expenditures for any nonferrous metal which is produced in the United States (including its Territories and possessions) in quantities sufficient to supply domestic (including defense) needs therefor'."

And in line 11 strike out "(3)" and insert "(4)."

Mr. WHITE of Idaho. Mr. Chairman, this is the only constructive amendment I have heard presented here to protect the great mining industry of the United States, and now I am limited to a minute and a half, due to the parliamentary situation, to protect that great industry. I have not time to even explain the provision of this amendment.

Mr. Chairman, under the strain placed on the credit of our Government by the administration and the Congress in paying the annual interest charge of $5,725,000,000 on the national debt of $256,000,000,000, and financing the economic recovery of foreign countries, through the so-called Marshall plan; and the huge outlays in cash and materials our Government is making to rearm Europe, the Congress must be on the alert to conserve and protect the Government's source of tax income.

Mining is second only to agriculture in importance as our basic industry and source of tax income.

It appears that in their zeal to build up the economies of the European countries, the Economic Cooperation Administration failed to understand or appreciate the importance of our domestic mining industry in our national economy or as a source of Government tax income which is supplying the very money they are spending so lavishly in building up the foreign mining industry that is taking away our home market for the products of the mines of this country.

Today, the countries of Europe have little to sell in the markets of this country except what they can dig out of the ground.

In dealing with this situation and having 5 percent of all money appropriated for ECA earmarked for the procurement of critical materials instead of investing this money in stock-piling rubber, tin, tungsten, quinine, and palm oil which is only obtainable in a large part from foreign countries. Under the Marshall plan, the ECA has gone out with $192,000,000 earmarked of the first ECA appropriation and $192,000,000 earmarked of the second ECA appropriation; and now with another appropriation earmarked in the amount of $100,000,000. This money is being used to make contracts for the procurement of vast quantities of nonferrous metals, particularly copper, lead, zinc, antimony, and mercury, which are the very backbone of our domestic nonferrous mining industry. The ECA is not content with flooding our home market with the metals produced by foreign mines but has set up a huge fund of development money to finance the developing and the equipping of mines in the Marshall-plan countries while our Government is absolutely neglecting the development of American mines.

When you take into consideration the fact that while this program is being carried out by the ECA, the Munitions Board has been spending over $1,000,000,000 of the taxpayers' money to procure strategic metals for stock-piling; 60 percent of this money has been spent to purchase nonferrous metals from foreign sources of production. It is easy to see why metal prices are below the cost of production and mines all over this country are closing down and miners are out of work.

With these metals being bought with our money and pouring into this country from all over the world with the result that the market for the production of our mines has collapsed, our domestic mining industry is placed under a strain it cannot support, and the Federal tax income from this source is bound to decrease and will dry up almost entirely if our Government continues to follow its present policies.

Let me say to the Members of Congress and this Committee of the Whole House on the State of the Union, with every persuasion at my command, I urge that you come to the rescue of our domestic mining industry and vote for the amendment to repeal the provision that earmarks money to purchase foreign-produced nonferrous metals and save our domestic mining industry, and thereby safeguard a large share of the Government's tax income. Surely the Members of the House will be interested to learn how our money is being spent under this critical materials procurement program of the ECA. They have gone into Marshall plan countries and their dependencies and financed both the development of nonferrous mines and bought their output.

Here are some of the things my investigation of the ECA has disclosed.

On March 24, 1949, the ECA entered arrangements to purchase 25,000 tons of Moroccan lead from the Newmont Mining Corp. and St. Joseph Lead Co., at a total value of $7,500,000, which averaged 15 cents per pound, duty free, for stock piling.

On May 2, 1949, ECA made a purchase from American Smelting & Refining of 3,459 tons of Moroccan lead, $1,140,383, as 15 cents per pound, duty free, for stock piling.

The main French company in charge of Moroccan lead products is the Zellidja Co.

A fund of $3,600,000 of development money has been set up to finance the development of the Zellidja Co.'s operation, to be repayable in zinc and lead as they come into production.

Of the 5-percent ECA appropriation earmarked for strategic materials, which amounted to $192,000,000 out of the first ECA appropriation, which has now been increased by another $192,000,000 out of the second ECA appropriation, it is now estimated that when the strategic materials program is completed, as least 75 percent of this earmarked money will have been used to develop and procure nonferrous strategic materials from Marshall plan countries and their dependencies.

It is estimated that one-half of the total money contributed for ECA materials will be expended for the development and production in foreign countries of nonferrous metals.

In a secret transaction 80,000 flasks of mercury were procured from Italy at a good going price at the time.

Central and western Europe are deficient in lead with a sufficiency of zinc.

A smelter in Italy is being built with development funds and it is an electrolyte plant for zinc.

A zinc smelter being built in France with development funds that can possibly smelter lead.

The ECA will be using development money in a number of other places in Marshall plan countries, but the program is not far enough along to report on it yet.

There is a plan being considered to use ECA development money in Jamaica to develop and produce bauxite, as well as talk to perform some exploration work in Surinam—Dutch Guiana.

ECA is now buying 820,000 tons of bauxite from Bintan Island, just off Singapore, which was formerly a Dutch dependency but now it is part of Indonesia, with about $4,400,000 in counterpart money.

The contract by the ECA for the development of bauxite in Jamaica runs into several million dollars.

The ECA is negotiating a transaction to develop and procure nickel in New Caledonia with a French company.

The ECA is also contracting to buy high-grade bauxite from the Island of Bintan, just off Singapore, from a Dutch company.

The ECA is also contracting for the development and purchase of zinc from Norway, and at present is building a mill for the Norwegian company.

Thursday, February 16, 1950, ECA advises they have no arrangements for the development of manganese from Madagascar. However the ECA has bought spot 1,000 tons of graphite produced in Madagascar and followed up by a long-term contract; 17,000 tons, with an advance of development money included in the deal.

The ECA has put up a little in excess of $2,000,000 in counterpart development money.

The ECA acted only as an intermediary. The actual purchase was made with money of Federal Supply Service.

Previously the ECA had bought 31 tons round lot at $2,000 a ton. The ECA acted only as an intermediary. The purchase for the ECA was made by the Federal Supply Service.

Here is the list of the appropriations made for the Munitions Board to finance stock-piling program:

In 1948, $100,000,000 cash; $75,000,000 in purchase authorizations.

In 1949, $300,000,000 cash; $300,000,000 in purchase authorizations.

In 1949, deficiency bill $40,000,000 in cash; $270,000,000 purchase authorizations.

In 1950, $525,000,000 cash; $250,000,000 in purchase authorizations.

Later, $100,000,000 of this money was rescinded for in the military bill.

Mr. KEEFE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KEEFE. Do I understand that the present parliamentary situation is that the Clerk has completed the reading of the bill up to section 103 on page 11?

The CHAIRMAN. The Clerk has read section 102, which ends on line 18, page 11.

Mr. KEEFE. Do I understand that despite the fact that sections 103 and 104 have not been read the acceptance of the motion means that there can be no amendment or no discussion at all on the balance of the title?

The CHAIRMAN. The motion was made to limit debate on title I. That motion was agreed to by the committee. Amendments to section 103 will be in order after the Clerk reads section 103.

Mr. KEEFE. Mr. Chairman, I know I was at least one member of the committee that did not know, when I voted on that question of limitation of debate, that it would extend over and beyond the point which the Clerk had read up to that time. I am now asking whether or not it would be in order at this time to ask unanimous consent that the limitation apply only to that portion of title I which has been read by the Clerk?

The CHAIRMAN. The Chair is unable to advise what objection might be made.

The question is on the amendment offered by the gentleman from Idaho [Mr. WHITE].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Minnesota: On page 11, line 4, after "section 107", strike out the balance of line 4 and all of lines 5, 6, 7, 8, 9, and 10.

Mr. O'HARA of Minnesota. Mr. Chairman, the language my amendment seeks to strike is as follows:

The Administrator shall also encourage emigration from participating countries having permanent surplus manpower to areas, particularly underdeveloped and dependent areas, where such manpower can be effectively utilized.

I think that is a completely fantastic proposal to be added to this measure. To me, that language in its broad implications means that we would spend the money of the American taxpayers in moving people from 17 participating countries to any area on the face of the earth. The distinguished members of the committee with whom I had a colloquy a few moment ago admitted that the Administrator had not made a request for such language as this. If this is not something even beyond the realm of fantasy I do not know what it could be. It seems to me simply that we are becoming officious intermeddlers on the face of the earth, dealing not only with the financial problems of the people of the world but also their emigration problems and all the complications that go with them.

Mr. Chairman, I hope my amendment striking this language will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. O'HARA of Minnesota) there were—ayes 33, noes 73.

So the amendment was rejected.

The Clerk read as follows:

SEC. 103. Any funds appropriated by Public Law 793, Eightieth Congress, for the purposes of the China Aid Act of 1948 and unobligated as of June 30, 1950, or released from obligation thereafter shall be available to the President through June 30, 1951, for use as follows:

(a) Not less than the sum of $40,000,000 for obligation for assistance to be furnished in conformity with the provisions, wherever applicable, of the Economic Cooperation Act of 1948, as amended, in areas of China which the President may deem to be not under Communist domination.

(b) Not to exceed $6,000,000 for allocation to the Secretary of State, to remain available until expended, under such regulations as the Secretary of State may prescribe, using private agencies to the maximum extent practicable, for necessary expenses of tuition, subsistence, and transoceanic passage for selected citizens of China for study or teaching in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State for the purposes, or for research and related academic and technical activities in the United States.

(c) The remaining portion for obligation for assistance in the general area of China in conformity with the provisions, wherever applicable, of the Economic Cooperation Act of 1948, as amended, to accomplish in that area policies and purposes similar to those of the said act.

Mr. WALTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: Page 12, line 13, after the words "United States" strike out the period and substitute a comma and insert "and the Attorney General is hereby authorized and directed to promulgate regulations providing that such selected citizens of China who have been admitted for the purpose of study in the United States, shall be granted permission to accept employment upon application filed with the Commissioner of Immigration and Naturalization."

Mr. WALTER. Mr. Chairman, the purpose of this amendment is to permit the selected citizens of China mentioned in this section to obtain work. We are making available under the provisions of this bill approximately $6,000,000 to help these selected Chinese citizens. Under the regulations under which they came to the United States, they are not permitted to work. This amendment does not change the status of the alien. He remains in the United States in the status of student, but is permitted to obtain whatever employment he can in order to maintain himself while he remains in this country.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield.

Mr. JUDD. I would like to make two comments. One is that we are not here appropriating $6,000,000. We are merely extending the time during which the money which was appropriated the year before last can be used and second, this is a place where we can save money because when these boys are permitted legally to get jobs, even waiting on table, or anything else, then we do not have to be paying for their support, or in the alternative take them back where they will have their heads chopped off.

Mr. WALTER. That is the purpose of the amendment.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. WALTER I yield.

Mr. MANSFIELD. Will the gentleman tell the committee what effect this will have on the present immigration laws? Is it not true that this in nowise gives these people permanent status in this country?

Mr. WALTER. It in nowise alters the status they now have in the United States which is that of student.

Mr. FULTON. Mr. Chairman, will the gentleman yield for a question?

Mr. WALTER. I yield.

Mr. FULTON. Do other students have to get permits? Can they go to work under the present laws?

Mr. WALTER. No; no student is permitted to work. They are here as students and they are not permitted to obtain any employment whatsoever.

Mr. FULTON. Does this then give Chinese students preferential status?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALTER].

The amendment was agreed to.

The Clerk read as follows:

SEC. 104. The Far Eastern Economic Assistance Act of 1950 is hereby amended as follows:

(a) Striking out "June 30, 1951" in subsection (c) of section 3 and inserting in lieu thereof "June 30, 1952."

(b) Striking out the period at the end of subsection (d) of section 3 and inserting in lieu thereof a comma and the following: "and $100,000,000 for the fiscal year ending June 30, 1951."

(c) Striking out "June 30, 1950" in section 4 and inserting in lieu thereof "June 30, 1951."

(d) Adding the following new section:

"SEC. 5. The Congress hereby expresses itself as favoring the creation by the free countries and the free peoples of the Far East of a joint organization, consistent with the Charter of the United Nations, to establish a program of self-help and mutual cooperation designed to develop their economic and social well-being, to safeguard basic rights and liberties and to protect their security and independence."

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: Page 13, after line 12, add the following new section:

"SEC. 105. The President is requested and authorized to appoint a Committee on Foreign Economic Policy which shall consist of the Administrator and such additional members as he may determine to be advisable, all of whom shall be appointed by the President, and selected from among citizens of the United States of broad and varied experience in matters affecting the public interest. The committee shall advise the President and the Congress in regard to (1) economic problems of the countries participating in programs under this title; (2) resources and facilities, public and private, within and without the continental United States available in connection with the solution of such problems and the best means for marshalling them; (3) existing or contemplated agencies, whether private, public, domestic, or international, qualified to deal with such problems; (4) any or all measures which the United States may properly take without jeopardizing the soundness of its domestic economy in support of continuing self-help and mutual cooperation to deal with such problems. Not more than a majority of two of the committee shall be from the same political party. Members of the committee, other than officers or employees of the United States Government, shall receive allowances equivalent to those authorized under subsection (a) of section 107 of the Economic Cooperation Act of 1948, as amended. The President is authorized to reserve from funds appropriated under authority contained in subsection (c) of section 114 of the Economic Cooperation Act of 1948, as amended, such sums as may be necessary to carry out the purposes of this section, and to expend such sums for such purposes."

Mr. JAVITS. Mr. Chairman, this amendment seeks to establish the type of high-level, over-all committee which I believe to be contemplated by the unpartisan declaration of the distinguished Senator from Michigan, Senator VANDENBERG. It is an effort to recreate by action of Congress a committee exactly like the Harriman committee, which functioned before ERP was put into effect, with these two fundamental ideas: First, that it would signal the end of the program, as far as ERP is concerned, in 1952; and, second, that we should not be ostriches and duck our heads into the sand and expect some miracle to happen by 1952, but that we would begin to study the situation with a view to determining what American economic policy should be after that date. Such a determination shall take place on the highest level by the most distinguished public citizens in the United States that the President can appoint, exactly like the Harriman committee functioned. This is intelligent foreign policy. I have discussed this question at greater length in the general debate and shown the essentiality of this action to our national security and economic well-being.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. KEE. I have no objection to this amendment. I think it would be a fine commission.

Mr. JAVITS. I thank the gentleman very much.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. LODGE. I am in sympathy with what the gentleman is trying to accomplish, but will the gentleman be good enough to tell me why this function cannot be assumed by the public advisory board now in existence.

Mr. JAVITS. The reason is that the advisory board deals only with ERP up to 1952. The purpose of this committee is to see what the American foreign economic policy shall be now and for the future. It is not limited to the ERP itself.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. FULTON. This amendment carries out the Vandenberg suggestion?

Mr. JAVITS. It is exactly the reason why I have proposed it. If we are to handle foreign policy in terms of great leadership in the interest of international peace and security which our Nation now has, this is the kind of action which the Congress ought to take.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. VORYS. Mr. Chairman, I rise in opposition to the amendment.

Mr. JUDD. Mr. Chairman, I ask unanimous consent that one-half of my time be allotted to the gentleman from Ohio in opposition to the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VORYS. Mr. Chairman, I think it is very bad timing to attempt to set up in this bill, even before it has passed the House, a skeleton for a future Marshall plan. I think that such sort of planning at this time will injure the successful completion of the third year of the Marshall plan on both sides of the Atlantic. While nothing gives me greater embarrassment than to disagree with our great Senator VANDENBERG, I think if he were here on the Hill and active, and realized the perilous course that the Marshall plan legislation faces, he would not want to have it loaded down with the framework for setting up another Marshall plan.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. GARY. Does not the gentleman think, in addition, that a plan as far-reaching as this should have very careful committee consideration, so that they can work up the details of the commission that is proposed?

Mr. VORYS. Our committee considered this and voted it down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The question was taken; and on a division (demanded by Mr. JAVITS) there were—ayes 21, noes 80.

So the amendment was rejected.

Mr. KEE. Mr. Chairman, I ask unanimous consent to return to page 11, line 19, section 103, to offer a committee amendment with reference to unobligated funds. I want to strike out on that page "and unobligated as of June 30, 1950," and insert in lieu thereof "now unobligated or hereafter released from obligation."

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. SUTTON. Mr. Chairman, I object.

The Clerk read as follows:

TITLE II

SEC. 201. This title may be cited as the "United Nations Palestine Refugee Aid Act of 1950."

Mr. LEMKE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to state to my friends who favor this international ECA bill that they have as much right to differ with me as I have to differ with them. Of course, I am sorry that they have accepted the false slogan—isolation. The slogan of the internationalists—for a profit. They have heard the word isolation so often that they now just repeat it without knowing what it means.

Let us keep the record straight. If to prefer my own country to others, if to refuse to be fleeced—to object to having our Nation bled white—by begging and gold-digging nations is isolation, then I am an isolationist.

If to oppose the depletion of our Nation's natural wealth in order to enrich a few foreign and domestic gangsters at the taxpayers' expense is isolation, then I am an isolationist.

If to look after the welfare of our own people first, rather than play Santa Claus through an international WPA for backward and indolent nations is isolation, than I am an isolationist.

Let us keep the record straight. We, as a people, never were isolationists. We sailed every sea and traveled every land. We shall continue to do so in the future as in the past.

But for 141 years we had the good sense to keep out of other nation's quarrels—other nations' wars. During that 141 years we built the greatest, the

wealthiest and the most prosperous Nation on earth. This was possible because we had sufficient sense to follow the advice of our forefathers and avoid foreign entanglements. In that 141 years, we accumulated enough wealth and enough intelligence to win World Wars I and II, which other nations started and we finished. If that is what you call isolation, then I am an isolationist.

Now we are told by the internationalists that because we avoided foreign entanglements for 141 years, we were a failure. Will you followers of the internationalists, who are unwittingly depleting and destroying our Nation, tell us wherein we failed?

We ask you to compare that record of 141 years with the 33-year record of your internationalists, during which time they involved us into World Wars I and II. The destruction of millions of lives and billions upon billions of dollars of wealth in those two conflicts rests upon the shoulders of the internationalists—not on ours.

Here is the price we paid because we turned the Government over to the internationalists. After our boys won World Wars I and II for them, they threw away the peace and world war III is hovering on the not distant horizon.

Our internationalism in these wars not only cost the lives of over a million and a half—the flower of our youth—but millions are still suffering from casualties and disease. It cost us over $500,000,000,000 and billions more in the depletion of our natural wealth.

I wish to warn you that the step you are about to take is a serious one. You have already depleted our Nation of much of its natural wealth—wealth that is not yours to dissipate but that belongs to future generations. You have all but bankrupted the Nation.

You have plunged it billions of dollars into the red—obligations that your children, your grandchildren and your great grandchildren will have to meet. You have mortgaged the future to the extent of $687,000,000,000.

It cost our taxpayers less than $60,000,000,000 to run our Government for the first 141 years. That is what the internationalists call isolation. Compare this $60,000,000,000 for 141 years with the $812,614,000,000 that the taxpayers have been soaked during the last 33 years that the internationalists have shaped the destiny of our Nation.

Your record of 33 years of internationalism is not one to be proud of but rather ashamed of, when compared with the 141 years in which we had intelligence enough to mind our own business and avoid foreign entanglement and intrigue.

In conclusion, I wish to warn the foreign gold-digging nations that America is waking up and that by 1952 we will put an end to the international gang's control of the United States of America.

Below are the congressional appropriations, as compiled by the Library of Congress, for the 33 years that the internationalists have been in control of our Government:

Congressional appropriations from 1917 to 1950 [1]

Fiscal years:	Amount
1917–20	$54,030,097,471.18
1917–21	58,810,926,981.53
1921–30	42,850,419,796.38
1917–30	96,880,517,267.56
1931–40	82,141,984,580.85
1917–40	179,022,501,848.41
1941–46	473,701,002,049.88
1917–46	652,723,503,898.29
1947–50	159,890,034,727.86
1917–50	812,613,538,626.15

[1] Trust fund appropriations are not included from 1938 to 1950.

Source: 81st Cong. 1st sess., appropriations, budget estimates, etc. S. Doc. No. 125, Washington: U. S. Government Printing Office, 1949, p. 1041.

Mr. JOHNSON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I have also reviewed the last 33 years of our history and because I think I can see by that history that we will have to find some peaceful way to stop these brutal wars I am for the bill we have before us today.

At the end of the First World War we could see, after the airplane was developed, a weapon of war that in the future the world would be smaller, wars would be more destructive and devastating. A few men with vision at that time tried to organize the world for peace. They tried by joint effort to prevent the destructive war we had just gone through. Newton D. Baker, the Secretary of War, was one of those men. The President, Woodrow Wilson, also believed in some kind of international organization to make the peace workable and secure. But by inept political handling on his part, the League of Nations which he advocated did not receive the blessing of the United States.

The disarmament conference of 1922 was a step in trying to bring the world to its senses by reducing big armaments, so strong nations would not be tempted by their military strength to use force to impose their will on others. The Kellogg-Briand Pact also was a step indicating our desire to find a peaceful solution of international frictions. But it was not much more than a pious hope, as it had no power to implement its provisions.

It is my belief that if the big nations had joined together after the first war and determined that they would remain strong and united in their determination to have world peace, that the Second World War could have been prevented.

But we soon turned our backs on those efforts, and the result is that we generated in the First World War the egg that hatched into the Second World War. We went through this devastating war which was many times more brutal and dozens of times more costly than the first one. Again we tried to bring about some type of organism that would bring peace to the world, that would make the human being follow the Prince of Peace instead of following the road of slaughter and ruin and of murder.

We took the initiative in creating the United Nations. It was organized, but it has up to now proved rather weak and ineffectual, although it has done some good and I think has the promise of getting results that may ultimately lead to world stability and peace. We ourselves agreed to some provisions such as the veto, and I am reliably informed that that was merely carrying out what was promised at Yalta, which has proved a road block toward any peaceful settlement of our international differences.

Today, as I look over what we have in this country, we are looking down the road that in the past has led to war.

What do we have here? We have selective service stand-by. We passed selective service in 1940, about a year and a quarter before Pearl Harbor. We have civilian control, a plan to control our civilian economy, the WPB and the OPA of this last war. We are getting our civilian defense ready. We have industrial mobilization. We are decentralizing our records and talking about decentralizing our cities because of fear of raids, and we have a military establishment, the largest we ever dreamed would be in existence in a peacetime era. And we are trying to walk toward the road to peace through our might, our military, our industrial, our political, and our financial strength. I think that might for a while prevent war. But in the long run you must realize that we have to finally come to some type of negotiations where we, with other countries, can sit down and formulate a policy that will resolve the troubles and the differences of the human race in some type of legal mechanism. In the long run peace must come through persuasion and a recognition that law and justice is the only way to solve international disputes. That is why I believe this sort of a bill will give us help. But we cannot forever go on and think that by a mere show of power, mere show of force, we can secure the world peace through the fear and respect for our power and strength.

Therefore, I believe that this type of legislation, costly as it is, is the best type of insurance to bring about that healthy, peaceful world that we are all praying for and looking toward.

We have gone so far now that we are mentioning the identical country that is going to be our enemy. The men are sitting over across the Atlantic Ocean right this very minute and are assigning the missions that will have to be performed when the powder keg blows up. That shows how tense the situation is. That sort of thing may bring temporary peace and security, but cannot be relied upon for the long haul, to make permanent peace.

I hope and I pray that this legislation, which we have been squabbling over and fighting over, will get a large vote, and that it will show the world that we, as the strongest Nation in the world today, are anxiously trying, by spending money and by other efforts, to bring about the type of world that will be peaceful and nonwarlike. That is why I have supported these things. I realize that

America is suffering. I realize that we are paying too high taxes. I realize that these things seem fantastic and absolutely crazy sometimes, but as I look at it, that is the only direction that we can move if we are going to make property, life, and the institutions of America ultimately secure. Nobody can be secure in a world in which war is forever threatened. The only security that we can have is a world that is law abiding, that is peace-minded and determined that it is going to have some way to settle the difficulties of nations.

When the Secretary of State said in my State recently that from now on we were going to have total diplomacy, I was a little shocked. It implied that up to now we had only had 50 percent or some fraction of 100-percent diplomacy. The State Department has a hard role to play. They have done many things that I cannot understand. One of them is what seems to me to be our default in China. In 1946 I was on a visit there with a committee of the House. We were told that the Communists were merely progressives seeking land reforms, lower interest rates, better communications, and so forth. But when the report on China finally came out, we were told that the people trying to destroy the only visible symbol of orderly government in China—Chiang's government—were Communists dominated from the Kremlin.

I do not wish to be too critical or unfair, as I realize that I may not have sufficient facts to have a balanced conclusion on some of these difficulties. But in Trieste, Vienna, Berlin, Korea, and other places, I have seen things that give me much discouragement and which almost look like breeding spots for war.

I think a John Hay or a Henry Stimson and perhaps some new faces in some vital spots in the world could find a way to create situations that would force negotiations and bring to a focus some of the problems now hanging fire.

I am one of those that thinks if we do not solve this peace problem and do not effectively remove the war clouds, nothing else matters much. The progress so far has been slow. This bill is having tough sledding. I shall support it because I think the spending of this money will be good for America and for our children. I hope I am right, but I will probably be dead and gone before we will know whether my hopes will be realized.

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, now that we have put in so much time on these pro forma amendments and discussing trivial issues with unlimited time while the House bypassed my constructive amendment, I am going to inflict 5 minutes on the House to discuss the amendment that you have just turned down.

In the ECA law there is a provision that earmarks 5 percent of all money appropriated for the procurement of strategic materials in short supply in the United States. I am going to read that provision of law to you. It says:

(h) Not less than 5 percent of each special local currency account established pursuant to paragraph (6) of subsection (b) of this section shall be allocated to the use of the United States Government for expenditure for materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources or for other local currency requirements of the United States.

Under that provision of law $192,000,000 was set aside and earmarked for the procurement of strategic materials. That was out of the first appropriation. With this money a big organization under the Strategic Materials Division of the ECA was set up in one of the big new office buildings down here on Pennsylvania Avenue and over half of the earmarked money was set up in a Marshall plan mine-development fund and advances made on contracts not limited to procure such critical material that we do not produce in this country, such as rubber, tin, quinine, palm oil, and metals that are scarce here, but copper, lead, zinc, antimony, mercury, was and is being purchased with Marshall-plan money and brought in wholesale to take the market away from our domestic-mining industry. Out of the second appropriation another $192,000,000 was earmarked and set aside for procurement of strategic materials under this earmarked provision. Under the authorization we are passing here another $100,000,000 will be earmarked and set aside to finance this wholesale nonferrous mining development and procurement program.

You are thinking of strategic materials for use in time of national emergency, of rubber, tin, quinine, palm oil, and things we do not produce in this country, but what are they doing with that money? Of the $1,000,000,000 that was appropriated by this Congress and turned over the the Munitions Board, $600,000,000 went to procure non-ferrous metals, lead, copper, and zinc, in foreign countries, and our mines and our miners and mining committee cannot get the facts for security reasons. Now we have an abundance of copper, zinc, and other minerals that can be produced in this country and ought to be produced in this country, while this foreign-produced metal is pouring in here and destroying our home market for our mining industry, which is a source of great taxable income.

You are going to hear plenty about voting down this constructive amendment. It is the best windfall that ever happened to the Republican Party if this administration destroys our mining industry and discredits this Congress and the ECA which is sponsoring this program. So you can on the Republican side divide the Western Members trying to protect our mining industry talk to us all you want to, and chuckle in glee at what is going on in destroying the great mining industry of this country.

Mr. MILLER of Nebraska. Mr. Chairman, I rise in oposition to the pro forma amendment.

Mr. Chairman, I take this time because I am fearful the chairman of the committee might limit debate on this important section or perhaps on the entire bill. A few minutes ago we limited debate to 30 minutes on six very important amendments, one of which carried $100,000,000 for Korea. At one time this House discussed that subject for 2 days and then turned it down. Then the Korea aid bill was brought back and a little sugar was added in order to pass the measure. This afternoon we disposed of it in 30 minutes, without even 5 minutes being given to that particular subject.

Yesterday, in a 1-minute speech on the floor of the House, I posed the question of how much of the material we were sending to the Marshall-plan countries found its way behind the iron curtain. I was hoping someone could give an answer to that question.

Last year in the other body one of the distinguished Senators brought out the fact that there were some 80 secret agreements between the Marshall-plan countries and the countries behind the iron curtain. Hundreds of millions of dollars of the very things we are supplying to Europe found their way behind the iron curtain. I hope before the debate is through the chairman of the committee, the gentleman from West Virginia, or someone else on the committee, perhaps the gentleman from Connecticut [Mr. LODGE], can supply information as to how much is slipping that way. I am sorry the gentleman from Connecticut is not here. I told him I would refer to him in a few minutes, but I see he has been called away.

I call the attention of the gentleman from Connecticut and the gentleman from West Virginia to the fact that on March 28, on page A2257, the gentleman from Connecticut inserted in the Appendix of the RECORD a speech he made before the Tariff Commission objecting to certain hats, hat bands, and shoes coming into this country from Czechoslovakia. This is what he said:

It is impossible for American industry and labor to compete in markets flooded with goods manufactured in iron-curtain countries with slave labor. Moreover it is not in our national interest.

I agree with the gentleman. He goes on with a very splendid speech. I know too he is a very firm advocate of this bill. Does he realize that this measure will bring to this country more products from the iron-curtain countries? Many speeches were made on the floor of the House to the effect that we must stop communism. We must stop them. But a Member of the other body made a speech about these secret treaties with iron-curtain countries. Ninety of them are secret treaties. You cannot even look at them. You cannot get them out of the State Department. Millions and millions of our dollars are going to those iron-curtain countries. Yes, he admits that there are shoes and hatbands and things like that coming from Czechoslovakia and that is causing unemployment in Connecticut. Bless his heart, he ought to wake up to the fact that we do have some trade with the iron-curtain countries, not only with the European Marshall plan countries, but apparently with Communist Russia. The gentleman from Washington [Mr. MACK] reported yesterday that 43,000 cases of crab meat came from Russia last month, and more to follow. Is that trade stopping communism?

Mr. Chairman, I hope Members on the committee will supply the Members of

the House with some information as to the matériel we are supplying to the Marshall plan countries which eventually finds its way behind the iron curtain. I would also call your attention to the fact the committee report shows these Marshall plan countries now have $2,300,000,000 worth of our money in counterpart funds which they have not yet spent. Why not cut down on this bill? Let them spend some part of the money that they already have and which is earmarked as counterpart money to help in their own recovery. The thing I would like to have answered is how much of the moneys and material supplies going to the Marshall plan countries eventually finds it way behind the iron curtain? I think that is important.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, now that the give-away boys have been at it here on the floor for 3 or 4 days, maybe some of the rest of us can have a word to say in behalf of our own people. With reference to this so-called bipartisan policy, we have trailed along in that policy with the Democrats who have fixed the policy. We have found out where it has taken us and we take the blame for its failure. If there is any credit the Democrats get it.

With reference to this nonpartisan policy, or whatever you want to call it, policy, I wonder if you are going to fall for that once more? A New Deal Republican or two, a yes man for Acheson, is called in and permitted to trail along as a catch-all for the New Deal failures—that is all that amounts to.

We know how the people feel about this giving and getting nothing in return—not even good will. If you keep on the way you have been you are going, going the way, what will you be doing? You will be taking the shirts and shoes and socks off of every person in this country and giving them to people abroad.

What is the answer? The answer is to spend at least part of our money on national defense. If we had spent a fraction of what we have given away on our own national defense, we would be able now to say to the rest of the world, "Go roll your hoops. If you want any trouble, you will get it." And we would have been in a position to deliver. But no, we tried to buy the friendship of other nations, we continued to build up Russia.

And then to top off the whole miserable story we keep in positions of power people who because of their conduct cannot be trusted. To make clear what I mean let me tell you a story.

Once upon a time, a long, long time ago when I was a little boy living near Constantine on the banks of the St. Joe, just when the suckers began to run up the river from Lake Michigan and I wanted to go fishing, mother started on the spring house cleaning.

Being thrifty—but neither poor folks nor rich folks—the floor in the kitchen where we ate—no breakfast nooks in those days—was bare, always scrubbed and clean; but the parlor and the living-room floors were covered—first, with a layer of paper, then with straw and finally—wonder of wonders—with a carpet. No carpet sweepers or vacuum cleaners in those days. Through the fall and winter the broom and the dust rag had to do the job and neither was neglected. My spring-time job was to pull all the tacks out of those carpets, take out and replace the old paper and straw, and believe it or not, beat the carpet until the dust was all out.

Come springtime, with the ice going out and the fish coming up the river, my fancy naturally turned, not to thoughts of love, but to catching suckers, for soft and bony as they were, the farmers would buy them and that gave me a few nickels and dimes—they were hard to come at in those days—to buy a linen fishing line, a few hooks—and neither Shakespeare nor Heddons' Sons, with their fishing tackle, was around in those days—but I needed a line and hooks—so that when the bass, the sun fish, and the blue gills got around, I was ready for real business.

Spring house cleaning is not in style here in Washington. For that matter, they never seem to have a real house cleaning of any kind in Washington.

The recent uproar over Communists in the Federal Government indicates the house-cleaning job has been long neglected.

That there have been Communists in policy-making positions in the Federal Government has been known for the last 10 years, but all efforts to expose them were, until recently, hushed up. The Washington papers—as always—were pro-administration, gave no help. The conviction of Hiss, of Coplon, the statements of several others who admitted they were Communists, settled beyond all arguments the question as to whether there were, or are, Communists in the Federal Government.

But that is not what I wanted to talk to you about.

For more than 10 years it has been known that there were in the executive departments here in Washington individuals whose conduct is abhorrent to the people of our country—our people who are decent, clean minded, God-fearing.

There is no question but that individuals in the employ of the Federal Government in positions where vital secret information was available to them; who stood high in a certain strata of Washington society, were guilty of unmentionable conduct. Peurifoy, Assistant to Secretary of State Dean Acheson, not long ago, before a congressional committee admitted that the State Department recently was forced to discharge 91 such individuals. Testimony before other committees discloses that in at least two other executive departments there still are many other such individuals holding Federal jobs, paid with your tax money.

Last week a resolution was introduced by me which the press characterized as a resolution to inquire into the moral conduct of certain Federal employees. That was not an accurate statement of my purpose though it may have been justified by the wording of the resolution. My purpose was to compel the executive departments to discharge from the public service those individuals who willfully, deliberately, over the years, have disregarded and violated every standard of decency or morality held sacred by the so-called common people of this country. I just want the unmentionables fired out of their Federal jobs. Their guilt has been established.

There are at least two reasons for this. First, such individuals are easy prey for enemy spies and for blackmailers; and, second, as has just been said, our people, the American people, are decent, moral, respectable, God-fearing people and they do not for one moment condone the kind of conduct of which these people are admittedly guilty. There is no place on our pay roll for such people.

Let me close as I began.

Once upon a time, a long, long time ago, at mother's knee, from one of the few books we owned—the Story of the Bible—she read to me of two wicked cities, Sodom and Gomorrah, and how the Lord, because of the utter wickedness of the people of those cities, sent down a pillar of purifying fire which destroyed them.

While the days of miracles may be over, as surely as time moves on, unless we mend our ways and that in more ways than one, this Nation will not long endure.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. MASON. How can we expect any good results from the appropriation of these billions of dollars when they are to be handled by sex perverts and pink playmates of Alger Hiss?

Mr. HOFFMAN of Michigan. Well, I do not know anything about that pervert business. That is beyond me. I never heard that when I was a kid, so I just refer to them as unmentionables. You know what they are. They should not be on the public pay roll. Our Nation should not be permitted to become a Sodom and Gomorrah.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is a familiar technique used by certain people to denounce what they are pleased to call guilt by association. On March 28, I stated some facts with respect to the Institute of Pacific Relations, of which Dr. Philip Jessup was the head for a number of years. I called attention to the fact that the American People's Fund, a Communist organization, had made contributions of money to the Institute of Pacific Relations during Dr. Jessup's tenure as its head. My colleague the gentleman from New York [Mr. ROOSEVELT] yesterday vehemently stated that this was an attempt to prove "guilt by association." He and others of like mind have repeatedly denounced any attempt to establish "guilt by association." At the same time he attempted to establish the innocence of Dr. Jessup by pointing out his association with a large number of distinguished Americans. I may say that

Alger Hiss tried exactly the same technique and attempted to establish his innocence by establishing his friendly association with distinguished Americans. His attempt failed in the face of definite physical proof that could not be explained away.

Likewise, certain facts that cannot be explained away are indicated in the case of Dr. Jessup and the Institute of Pacific Relations. No one will deny that the American Peace Mobilization was one of the worst Communist organizations set up in this country. I am certain that the distinguished gentleman from New York [Mr. ROOSEVELT] will not deny that. It is interesting to note that the Daily Worker for September 3, 1940, carried a list of the prominent officers elected September 2, 1940, to lead the American Peace Mobilization. Here is the list:

The Reverend John B. Thompson, of Oklahoma, was elected chairman.

Reid Robinson, president of the Mine, Metal, and Smelter Workers, CIO.

Paul Robeson, Negro baritone.

Congressman VITO MARCANTONIO, of New York State.

Jack McMichael, chairman of the American Youth Congress.

Theodore Dreiser, novelist.

And—get this, my colleagues—Katherine Terrell, executive secretary of the Institute for Pacific Relations; and Frederick Field, secretary of the Institute for Pacific Relations, were elected vice chairmen.

There you have it—Frederick Field and Katherine Terrell, executive officers of the Institute of Pacific Relations, headed by Philip Jessup, both serving at the same time as vice chairmen of the American Peace Mobilization, the most notorious Communist organization in the country at that time. It is small wonder, then, that the American People's Fund, admitted by Mr. Roosevelt to be the Communist-paying organization in support of Communist activities in America, would be making contributions to the Institute of Pacific Relations, undoubtedly to pay the salaries and expenses of the Communists who were serving that organization in executive secretarial positions.

I have heretofore called attention to the fact that Frederick Vanderbilt Field organized and directed the American People's Fund and is the same Frederick Field that served as secretary of the Institute for Pacific Relations during the period when Dr. Philip Jessup was its head.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

Mr. FULTON objected.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield.

Mr. KEEFE. I just want to make this further inquiry. I ask Dr. Jessup—is he proud of the fact that he headed an organization whose executive secretary was Katherine Terrell, a vice chairman of the American Peace Mobilization, the worst Communist-front set-up in this country?

I ask Dr. Jessup—is he proud of the fact that he headed an organization the secretary of which was Frederick Vanderbilt Field, who was a vice chairman of the American Peace Mobilization and the organizer and director of the American People's Fund, two of the worst Communist organizations ever set up in this country?

Mr. RICH. Now, you know what the Communists are doing around here but you do not know what we are doing around here.

You know whenever it comes Thursday or Friday we put through some of the greatest legislation in this House of Representatives, legislation that no one could ever imagine would be for the benefit of this country. Last week we had a bill dealing with $2,000,000,000 of our agricultural products; this week we have a bill providing $3,100,000,000 to take care of the people in Europe. This now makes about $12,000,000,000 we have given under the Marshall plan. Just remember that every time we give away a billion dollars it means $7 out of every man, woman, and child in America. The trouble of it is you do not give it out of our pockets; we are not thinking of our own pockets. We are not thinking of whose pocket we are taking it from. Just remember that you are taking it from the pockets of our children and grandchildren, for you have already taken everything we have. We do not have anything left, yet you are taking $7,000,000,000 this year out of the pockets of the American taxpayers of future generations, of children who are now coming along. They have to pay the bill that you gentlemen are spending the money for at this time. I am surprised at the way you are trying to do it. In other words, I deem it stealing money from your children. That is just about as far as you can go.

Someone made a remark a while ago that I am an isolationist. Well, I am not an isolationist. I am for trying to help the people of foreign countries, but I want to help them in a way that they are going to help themselves. I do not want to do it all for them. I want to give them a start and give them a hand, but I do not want to do it all. I want to let them go out and work, earn, save and help themselves. I just do not believe in this business of expecting your children's children to take care of the things you are doing for those foreigners.

Mr. Chairman, let me read you what Uncle Sam is doing in the way of joining, and I am quoting someone else's remarks which I am pretty sure are correct:

Uncle Sam the Joiner: It costs the people of the United States $144,629,000 in "dues" for Uncle Sam's membership in 47 international organizations. Of this amount $128,734,000 was actual contributions by the Government to permanent and temporary organizations. The rest was spent in supporting United States missions and delegates to the various international conferences. Last year Uncle Sam sent delegates to 258 conferences involving 6,000 meetings around the globe. Among the various meetings where the United States had representatives were the International Conference on Limnology, the Pan-African Sanitary Conference, the Regional Meeting of European Statisticians, the Far Eastern Phyto-Sanitary Conference, and the International Scientific Commission on Trypanosomiasis Research. The cost of international organizational effort in 1949 was $26,000,000 more than it was in 1948. Ten years ago Congress appropriated only $835,000 for United States participation in 23 international conferences.

Mr. CAVALCANTE. Mr. Chairman, I rise in opposition to the pro forma amendment offered by the gentleman from Pennsylvania.

Mr. Chairman, when this same question was before the House on April 11, 1949—CONGRESSIONAL RECORD, page 4325—I offered an amendment to section 103 as follows:

Provided further, That such country has filed with the Economic Cooperation Administration (as hereinafter established) an itemized account of its governmental income, expenditures, assets, and indebtedness, together with a statement of its national economic and security requirements.

At that time the distinguished chairman of the Committee on Foreign Affairs asked me to yield, and I graciously yielded to him. Here is what he said:

Mr. KEE. I may say to the gentleman from Pennsylvania that it is my understanding that the information the gentleman wishes to be filed under his amendment can be found in the records of the ECA. If I am not correct in that I shall be very glad before the Committee rises to return to this section so that the gentleman can offer his amendment. But, I feel sure the information is already with the ECA and is available.

I accepted the word of the distinguished chairman and I withdrew my amendment. On April 12, the very next day, I wrote a letter to the Administrator of ECA setting forth what had transpired here on the floor, and I ended my letter with this paragraph:

In view of Mr. KEE's clarification, I was pleased to withdraw my proposal. Also, in view of Mr. KEE's statement, I presume that you have an itemized account of governmental income, expenditures, assets, and indebtedness, together with a statement of its national economic and security requirements for the United Kingdom. I would appreciate receiving these figures on the United Kingdom from you at the earliest possible date.

The next day, April 13, 1949, I received this letter from the Administrator:

Dear Mr. CAVALCANTE: This will acknowledge receipt today of your letter of April 12, 1949, in which you request an itemized account of the governmental income, expenditures, assets and indebtedness, together with the statement of its national economic and security requirements for the United Kingdom. Please be assured you will receive a detailed reply in the near future.

On April 20 I received a follow-up letter from the Administrator of ECA which contained two documents. One is entitled: "Economic Survey for 1949" and the other one, "Copy of Statement of Revenue and Expenditure as laid before the House by the Chancellor of the Exchequer when opening the budget."

Mr. HOFFMAN of Michigan. Mr. Chairman will the gentleman yield?

Mr. CAVALCANTE. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. What did he say about the Taft-Hartley Act?

Mr. CAVALCANTE. My dear friend, do not be idiotic.

Mr. HOFFMAN of Michigan. Only as I wish to be understood.

Mr. CAVALCANTE. This is something serious.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CAVALCANTE. I yield to the gentleman from Iowa.

Mr. GROSS. In other words, the gentleman never got an answer to his question from ECA, in the first place.

Mr. CAVALCANTE. That is right. I had asked for reliable information to justify my vote for legislation of this type. But, in return, I was furnished these two documents. The first one has endorsed on its face the following language:

British Information Services, an agency of the Government, 30 Rockefeller Plaza, New York 20, N. Y. This material is filed with the Department of Justice where required registration statement of B. I. S. under 56 Stat. 248–258 as an agency of the British Government is available for inspection. Registration does not imply approval or disapproval of this material by the United States Government.

An unsuspecting American might well be deceived in believing that the document is published by an agency of the United States Government.

The other document has indorsed thereon the following language:

British Information Services an agency of the British Government. Washington Library.

Again an unsuspecting American might well be deceived in believing that the "Washington Library" is one maintained by the United States Government.

I have examined 56 Stat. 248–258 and I find its title to be "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States."

The policy and purposes of the act are stated to be as follows:

It is hereby declared to be the policy and purpose of this act to protect the national defense, internal security, and foreign relations of the United States by requiring public disclosure by persons engaging in propaganda activities and other activities for or on behalf of foreign governments, foreign political parties and other foreign principals so that the Government and the people of the United States may be informed of the identity of such persons and may appraise their statements and actions in the light of their associations and activities.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CAVALCANTE. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CAVALCANTE. Probably when the Director of ECA and this British propaganda agency saw my name and that I was seeking reliable information relative to the true status of British economic and security requirements, they felt justified in responding with the traditional Machiavellian perfidy, deception, treachery and arrogance that the British have employed in the years past when dealing with the Mediterranean races. Honest thought stands aghast that our ECA is a willing tool of this perfidy, deception, treachery and arrogance. If guilt "by association" is justifiable, I impute such guilt in this instance. I recoil at the idea that our Government is aiding and abetting in aggression against the young Republic of Israel; in encouraging the continued partition of Ireland; in the support of a Communist Government in China; and in the expansion and dominance of British wealth and commerce at the expense of the remaining free nations of the world.

It is time that we require all nations that seek our aid to make known to us, truthfully and factually, information upon which this Congress may intelligently determine the need for such aid and whether it will be employed to effectuate the foreign policy of our Government—assuming such foreign policy to be extant.

I offered an amendment today to meet this situation. But the chairman of the committee stifled debate so that I was allowed only a minute and a quarter to discuss the amendment. Surely it was not sufficient to put before the House such important matter.

We want information to show the need of these countries for the aid we give, and my amendment was aimed at that very purpose. When I asked for reliable information, I was fed British propaganda from an agency that is registered under the laws of the United States as a British propaganda agency. I say to the chairman of the Committee on Foreign Affairs that I absolutely do not like the treatment received. I detest the kind of information furnished to me.

The Clerk read as follows:

SEC. 202. The Secretary of State is hereby authorized to make contributions from time to time before July 1, 1951, to the United Nations for the United Nations Relief and Works Agency for Palestine Refugees in the Near East, established under the resolution of the General Assembly of the United Nations of December 8, 1949, in amounts not exceeding in the aggregate $27,450,000, for the purposes set forth in the said resolution.

Mr. HARVEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARVEY: On page 13, line 23, after the period, insert a new sentence as follows:

"*Provided*, That the amount of $27,450,000 shall be reduced by the same proportion as the total of all other contributing nations' contributions to the total of their pledges to the United Nations Relief and Works Agency for Palestine Refugees in the Near East."

Mr. HARVEY. Mr. Chairman, this Committee should know the facts concerning the United Nations Palestine relief. It was my privilege last fall to visit these camps, and I was also in close contact with the Administrator. It was evident that many of the nations that had pledged funds for this function were not contributing as their pledges had indicated. This agency was forced to operate on a hand-to-mouth basis.

We are already putting up about half of all the money that goes into this function and all the other nations combined are putting up the other half.

My amendment, which will strengthen the hand of the Administrator over there, simply states that the other nations will have to come through with their share. If they come through with only 90 percent of their pledges, then our pledge will be reduced proportionately. It will not actually reduce the total amount at all. It will, in fact, strengthen the hands of the Administrator, as was explained to me when I visited these camps.

I think in all fairness that certainly is the action this body should take. I hope the amendment will be agreed to by the Committee.

Mr. MULTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I trust this amendment will not prevail. I am very happy title II has come before the House. It represents part of a principle I have been preaching in the House almost since the first day I came here. That goes back prior to the time of the establishment of the State of Israel. Mind you, there is not a dollar in this title which is being appropriated for the State of Israel or for the people of the State of Israel. This appropriation is for the relief of refugees who are in surrounding Arab territories in and around Israel; none of them are in the State of Israel. Some of them lived there before the hostilities broke out.

This is a program which is absolutely essential to save the lives of those people and to rehabilitate them.

If you were to adopt the amendment which has been offered, so that we would cut down our share of this relief in accordance with or in proportion to what some other country may do, you would not then be strengthening the hands of the Administrator and you would not be strengthening the program. You would be helping to tear it down.

You are dealing here with a human problem. Because some other country which has pledged to contribute its share of dollars to help alleviate this condition should fail in that pledge, is no reason why we should fall down on our pledge. The United Nations has come forth, after a full, complete, and exhaustive study of this subject on the ground, with a request for this appropriation. I have been there twice. I was there in 1948 and again in 1949. I know the conditions as reported by the United Nations. We have agreed to give these $27,450,000 toward this program, and we should give it, no matter what any other country does. If any other country falls down on their pledge, that failure is on their shoulders and on their heads if these people cannot be rehabilitated and given the help that they need.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I am glad to yield to the distinguished chairman who has been striving so valiantly with this bill.

Mr. KEE. Is it not true that last year we appropriated $16,000,000 for this purpose without asking the other countries

to come in at all, but we had their assurance that they would come in, and since then they contributed $17,000,000, which is a million dollars over our appropriation?

Mr. MULTER. That is absolutely so. I am glad our country has always taken the lead in these matters. It does not matter to us what the religion or color or whatever the origin of the people may be, if there is a place where our country can be of help to the poor and the destitute people, if we can help so that they can rebuild their lives, we have always been the first to come forward and help. I am glad that title II has been included in this bill, and I trust it will pass as it has been presented by the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. HARVEY].

The question was taken; and on a division (demanded by Mr. KEE) there were—ayes 49, noes 64.

Mr. HARVEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. KEE and Mr. HARVEY.

The Committee again divided; and the tellers reported that there were—ayes 64, noes 75.

So the amendment was rejected.

The Clerk read as follows:

SEC. 203. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed $27,450,000, to carry out the purposes of this title.

(b) Notwithstanding the provision of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to subsection (a) of this section, to make advances to the Secretary of State, not to exceed in the aggregate $8,000,000, to carry out the provisions of this title. From appropriations authorized under subsection (a) of this section, there shall be repaid to the Reconstruction Finance Corporation, without interest, the advances made by it under authority contained herein. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation in implementation of this section.

SEC. 204. (a) The provisions of sections 301, 302, and 303 of Public Law 402, Eightieth Congress, are hereby made applicable with respect to the United Nations Relief and Works Agency for Palestine Refugees in the Near East to the same extent as they apply with respect to the government of another country: *Provided*, That when reimbursement is made by said Agency, such reimbursement shall be credited to the appropriation, fund, or account utilized for paying the compensation, travel expenses, and allowances of any person assigned hereunder.

(b) Departments and agencies of the United States Government are authorized, with the approval of the Secretary of State, to furnish or procure and furnish supplies, materials, and services to the United Nations Relief and Works Agency for Palestine Refugees in the Near East: *Provided*, That said Agency shall make payments in advance for all costs incident to the furnishing or procurement of such supplies, materials, or services, which payments may be credited to the current applicable appropriation or fund of the department or agency concerned and shall be available for the purposes for which such appropriations and funds are authorized to be used.

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while we are spending money so lavishly in foreign countries, I want to give you a little example of what we are doing right here at home.

I have a telegram from the editor of the Lewiston Morning Tribune, one of the most influential dailies in northern Idaho. Here is what he says about the Orchards irrigation project:

Know you have doing your utmost but hope you realize seriousness and widespread concern here at Orchards irrigation appropriation failure. If money not secured by May 1 am informed new system cannot carry water until spring of 1951. In meantime, water supply for population of 5,000 in jeopardy and hard-pressed district be forced spend $30,000 or more attempting to again patch already dilapidated and inadequate old distribution system. While this distress prevails the $2,250,000 already spent on new system is waste and completion of work be even more costly with contractors departed for other fields.

I hope you will convince committee there neither sense nor economy in its action. After all this not expense item but a loan which be repaid 100 percent by water users.

BUD ALFORD,
Lewiston Morning Tribune.

I have another telegram from the fire chief of that city. It reads as follows:

More than 12,000 homes in Lewiston Orchards needing fire protection. Old system not connected for fire hydrants. Funds needed immediately to finish new water system.

HARVEY BOESEN,
Lewiston Orchards Fire Commissioner.

I have here a third telegram, this one from the Orchards Business Men's Association. They state:

Was informed by irrigation district that contractors are leaving jobs due to insufficient funds. Cannot afford another delay. Lewiston Orchards in very bad condition if money is not available this spring.

ORCHARDS BUSINESS MEN'S ASSOCIATION,
J. W. KNEPPER, *Chairman.*

Here is a project involving one of the finest home districts in one of the best towns in northern Idaho, a district of suburban homes. They are seeking to rehabilitate their old irrigation and domestic water system. We have spent $2,500,000, but additional funds to complete it have been cut off; and this notwithstanding the fact that it is a loan and not a gift, that it will be repaid to the Federal Government, every dollar of it.

An item to finish this project was put in the first deficiency appropriation bill by the Senate, but when the chairman of the House Committee on Appropriations reported the conference report which is the final draft of the bill to the House I was unable to get a copy of it. I went to the desk to get hold of the conference report that I might find out what it contained but was told that they did not have it. It was called up and passed before it was printed. Then when the conference report was called up we heard the chairman of the Committee on Appropriations, following the usual procedure, saying: "I move to recede and concur with amendment No. 28. I move to recede and concur with amendment No. 22 with an amendment;" which is the regular procedure but the Members had no way of knowing what was in the bill. The net result, as we learned afterward, was the item for Lewiston orchards which was stricken out of the bill.

Every dollar of that money will be repaid. Those homes are put in jeopardy through that item's being stricken out by those tactics. But we are spending money lavishly to build roads in Africa, to build a smelter in Italy, and we are building a smelter in France. We are dishing money out to open mines in foreign countries. The products of these mines are flooding this country and putting our own miners out of business, and taking away the tax resources of our own people; yet we cannot get money for projects within the United States, money which will be repaid by the people of the district. But if you were in Italy, Morocco, or in Yugoslavia—where Mr. Tito may be deposed tomorrow and his country taken over by Russia—you could get money. We sent $25,000,000 to Yugoslavia and have agreed to take repayment in nonferrous metals, lead, zinc, and other metals processed in abundance in this country.

When I learn how our taxpayers' money is being spent to take our home market from our domestic mining industry, I am wondering if my colleague the gentleman from Pennsylvania, Congressman RICH, is not about half right with his recent suggestion concerning a psychiatric examination for some of us.

The Clerk read as follows:

TITLE III

SEC. 301. This title may be cited as the "Act for International Development."

SEC. 302. The Congress hereby finds as follows:

(a) The peoples of the United States and other nations have a common interest in the freedom and in the economic and social progress of all peoples. Such progress can further the secure growth of democratic ways of life, the expansion of mutually beneficial commerce, the development of international understanding and good will, and the maintenance of world peace.

(b) The efforts of the peoples living in economically underdeveloped areas of the world to realize their full capabilities and to develop the resources of the lands in which they live can be furthered through the cooperative endeavor of all nations to exchange technical knowledge and skills and to encourage the flow of investment capital.

(c) Technical assistance and capital investment can make maximum contribution to economic development only where there is understanding of the mutual advantages of such assistance and investment and where there is confidence of fair and reasonable treatment and due respect for the legitimate interests of the peoples of the countries to which the assistance is given and in which the investment is made and of the countries from which the assistance and investments are derived. In the case of investment this involves confidence on the part of the people of the underdeveloped areas that investors will conserve as well as develop local resources, will bear a fair share of local taxes and observe local laws, and will negotiate adequate wages and working conditions for local labor. It involves confidence on the part of investors, through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation; that they will be given reasonable opportunity to remit their earnings and withdraw their capital; that they will have reasonable freedom to manage, operate, and control their enterprises; that they will enjoy secu-

rity in the protection of their persons and property, including industrial and intellectual property, and nondiscriminatory treatment in taxation and in the conduct of their business affairs.

(d) Greater production and higher standards of living in the economically underdeveloped areas and international trade between these areas and the economically advanced areas of the world can be promoted through agreements, negotiated through the United Nations and its specialized agencies or otherwise, to establish fair labor standards of wages and working conditions, including the encouragement of collective bargaining between management and labor.

SEC. 303. (a) It is declared to be the policy of the United States to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills and the flow of investment capital to countries which provide conditions under which such technical assistance and capital can effectively and constructively contribute to raising standards of living, creating new sources of wealth, increasing productivity, and expanding purchasing power.

(b) It is further declared to be the policy of the United States that in order to achieve the most effective utilization of the resources of the United States, private and public, which are or may be available for aid in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing requests of foreign governments for aid for such purposes, shall take into consideration (1) whether the assistance applied for is an appropriate part of a program reasonably designed to contribute to the balanced and integrated development of the country or area concerned; (2) whether any works or facilities which may be projected are actually needed in view of similar facilities existing in the area and are otherwise economically sound; and (3) with respect to projects for which capital is requested, whether private capital is available either in the country or elsewhere upon reasonable terms and in sufficient amounts to finance such projects.

SEC. 304. (a) In order to accomplish the purposes of this title, the United States shall participate in multilateral technical cooperation programs carried on by the United Nations, the Organization of American States, and their related organizations, and by other international organizations, wherever practicable.

(b) Within the limits of appropriations made available to carry out the purposes of this title, the President is authorized to make contributions to the United Nations for technical cooperation programs carried on by it and its related organizations which will contribute to accomplishing the purposes of this title as effectively as would participation in comparable programs on a bilateral basis. The President is further authorized to make contributions for technical cooperation programs carried on by the Organization of American States, its related organizations, and by other international organizations.

(c) Agencies of the United States Government on request of international organizations are authorized, upon approval by the President, to furnish services and such facilities as may be necessary in connection therewith, on an advance of funds or reimbursement basis, for such organizations in connection with their technical cooperation programs. Amounts received as reimbursements from such organizations shall be credited, at the option of the appropriate agency, either to the appropriation fund, or account utilized in incurring the obligation, or to an appropriate appropriation, fund, or account currently available for the purposes for which expenditures were made.

SEC. 305. The President is authorized to plan, undertake, administer, and execute bilateral technical cooperation programs carried on by any United States Government agency and, in so doing—

(a) To coordinate and direct existing and new technical cooperation programs.

(b) To assist other interested governments in the formulation of programs for the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas.

(c) To receive, consider, and review reports of joint commissions set up as provided in section 310 of this title.

(d) To utilize the services and facilities of private agencies and persons.

(e) To make, within appropriations made available for the purpose, advances and grants in aid of technical cooperation programs to any person, corporation, or other body of persons, or to any foreign government or foreign government agency.

(f) To make and perform contracts or agreements in respect of technical cooperation programs on behalf of the United States Government with any person, corporation, or other body of persons however designated, whether within or without the United States, or with any foreign government or foreign government agency: *Provided*, That with respect to contracts or agreements which entail commitments for the expenditure of funds appropriated pursuant to the authority of this title, such contracts or agreements, within the limits of appropriations or contract authorizations hereafter made available, may, subject to any future action of the Congress, run for not to exceed 3 years in any one case.

(g) To provide for printing and binding outside the continental limits of the United States, without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111).

(h) To provide for the publication of information made available by the joint commissions referred to in section 310, and from other sources, regarding resources, opportunities for private investment capital, and the need for technical knowledge and skill in each participating country.

SEC. 306. Agreements made by the United States under the authority of this title with other governments and with international organizations shall be registered with the Secretariat of the United Nations in accordance with the provisions of article 102 of the United Nations Charter.

SEC. 307. In carrying out the programs authorized in section 305 of this title—

(a) The participation of private agencies and persons shall be sought wherever practicable.

(b) Due regard shall be given, in reviewing requests for assistance, to the possibilities of achieving satisfactory results from such assistance as evidenced by the desire of the country requesting it (1) to take steps necessary to make effective use of the assistance made available, including the encouragement of the flow of productive local and foreign investment capital where needed for development; and (2) to endeavor to facilitate the development of the colonies, possessions, dependencies, and non-self-governing territories administered by such requesting country so that such areas may make adequate contribution to the effectiveness of the assistance requested.

(c) Assistance shall be made available only where the President determines that the country being assisted—

(1) Pays a fair share of the cost of the program.

(2) Provides all necessary information concerning such program and gives the program full publicity.

(3) Seeks to the maximum extent possible full coordination and integration of technical cooperation programs being carried on in that country.

(4) Endeavors to make effective use of the results of the program.

(5) Cooperates with other countries participating in the program in the mutual exchange of technical knowledge and skills.

SEC. 308. The President is authorized to prescribe such rules and regulations as may be necessary and proper to carry out the provisions of this title.

SEC. 309. The President shall create an advisory board, hereinafter referred to as the "board," which shall advise and consult with the President or such other officer as he may designate to administer the program herein authorized, with respect to general or basic policy matters arising in connection with operation of the program. The board shall consist of not more than 13 members to be appointed by the President, one of whom, by and with the advice and consent of the Senate, shall be appointed by him as chairman The members of the board shall be broadly representative of voluntary agencies and other groups interested in the program, including business, labor, agriculture, public health, and education. All members of the board shall be citizens of the United States; none except the chairman shall be an officer or an employee of the United States (including any agency or instrumentality of the United States) who as such regularly receives compensation for current services. Members of the board, other than the chairman if he is an officer of the United States Government, shall receive out of funds made available for the purposes of this title a per diem allowance of $50 for each day spent away from their homes or regular places of business for the purpose of attendance at meetings of the board or at conferences held upon the call of the chairman, and in necessary travel, and while so engaged they may be paid actual travel expenses and not to exceed $10 per diem in lieu of subsistence and other expenses. The President may appoint such committees in special fields of activity as he may determine to be necessary or desirable to effectuate the purposes of this title. The members of such committees shall receive the same compensation as that provided for members of the board.

SEC. 310. (a) At the request of a foreign country, there may be established a joint commission for economic development to be composed of persons named by the President and persons to be named by the requesting country, and may include representatives of international organizations mutually agreed upon.

(b) The duties of each such joint commission shall be mutually agreed upon, and may include, among other things, examination of the following:

(1) The requesting country's requirements with respect to technical assistance.

(2) The requesting country's resources and potentialities, including mutually advantageous opportunities for utilization of foreign technical knowledge and skills and investment.

(3) Policies which will remove deterrents to and otherwise encourage the introduction, local development, and application of technical skills and the creation and effective utilization of capital, both domestic and foreign; and the implementation of such policies by appropriate measures on the part of the requesting country and the United States, and of other countries when appropriate, and after consultation with them.

(c) Such joint commissions shall prepare studies and reports which they shall transmit to the appropriate authorities of the United States and of the requesting countries. In such reports the joint commissions may include recommendations as to any specific projects which they conclude would contribute to the economic development of the requesting countries.

(d) The costs of each joint commission shall be borne by the United States and the requesting country in the proportion that

may be agreed upon between the President and that country.

SEC. 311. All or part of United States support for and participation in any technical cooperation program carried on under this title shall be terminated by the President—

(a) If he determines that such support and participation no longer contribute effectively to the purposes of this title, are contrary to a resolution adopted by the General Assembly of the United Nations that the continuance of such technical cooperation programs is unnecessary or undesirable, or are not consistent with the foreign policy of the United States.

(b) If a concurrent resolution of both Houses of the Congress directs such termination.

SEC. 312. The President may exercise any power or authority conferred on him by this title through the Secretary of State or through any other officer or employee of the United States Government. To further the purposes of this title, the President is authorized to establish an Institute of International Technical Cooperation and to prescribe its powers, duties, and organization, which shall be consistent with the provisions of this title.

SEC. 313. In order to carry out the purposes of this title—

(a) The President may, by and with the advice and consent of the Senate, appoint one person who shall be compensated at a rate fixed by the President without regard to the Classification Act of 1949 but not in excess of $16,000 per annum.

(b) Officers, employees, agents, and attorneys may be employed for duty within the continental limits of the United States in accordance with the provisions of the civil-service laws and the Classification Act of 1949.

(c) Persons employed for duty outside the continental limits of the United States and employees of the United States Government assigned for such duty shall receive compensation at any of the rates provided for the Foreign Service Reserve and Staff by the Foreign Service Act of 1946 (60 Stat. 999), as amended, together with allowances and benefits which shall not exceed those established thereunder, and may be appointed to any class in the Foreign Service Reserve or Staff in accordance with the provisions of such act.

(d) Alien clerks and employees employed for the purpose of performing functions under this title shall be empolyed in accordance with the provisions of the Foreign Service Act of 1946, as amended.

(e) Officers and employees of the United States Government may be detailed to offices or positions to which no compensation is attached with any foreign government or foreign government agency or with any international organization: *Provided*, That while so detailed any such person shall be considered, for the purpose of preserving his privileges, rights, seniority, or other benefits, an officer or employee of the United States Government and of the United States Government agency from which detailed and shall receive therefrom his regular compensation, which shall be reimbursed to such agency from funds available under this title: *Provided further*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

(f) Experts and consultants or organizations therof may be employed as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and individuals so employed may be compensated at a rate not in excess of $75 per diem.

(g) Such additional civilian personnel may be employed without regard to subsection (a) of section 14 of the Federal Employees Pay Act of 1946 (60 Stat. 219), as amended, as may be necessary to carry out the policies and purposes of this title.

SEC. 314. The President shall transmit to the Congress an annual report of operations under this title.

SEC. 315. (a) In order to carry out the provisions of this title, there shall be made available such funds as are hereafter authorized and appropriated from time to time for the purposes of this title: *Provided, however*, That for the purpose of carrying out the provisions of this title through June 30, 1951, there is hereby authorized to be appropriated a sum not to exceed $45,000,000, including any sums appropriated to carry on the activities of the Institute of Inter-American Affairs, and technical cooperation programs as defined in section 317 herein under the United States Information and Educational Exchange Act of 1948 (62 Stat. 6). Activities provided for under this title may be prosecuted under such appropriations or under authority granted in appropriation acts to enter into contracts pending enactment of such appropriations. Unobligated balances of such appropriations for any fiscal year may, when so specified in the appropriation act concerned, be carried over to any succeeding fiscal year or years. The President may allocate to any United States Government agency any part of any appropriation available for carrying out the purposes of this title. Such funds shall be available for obligation and expenditure for the purposes of this title in accordance with authority granted hereunder or under authority governing the activities of the Government agencies to which such funds are allocated.

(b) Nothing in this title is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any country or countries, or to any international organization.

SEC. 316. If any provision of this title or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of the title and the applicability of such provision to other circumstances or persons shall not be affected thereby.

SEC. 317. As used in this title—

(a) The term "technical cooperation programs" means programs for the international interchange of technical knowledge and skills designed to contribute to the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas. Such activities may include, but need not be limited to, economic, engineering, medical, educational, agricultural, fishery, mineral, and fiscal surveys, demonstration, training, and similar projects that serve the purpose of promoting the development of economic resources and productive capacities of underdeveloped areas. The term "technical cooperation programs" does not include such activities authorized by the United States Information and Educational Exchange Act of 1948 (62 Stat. 6) as are not primarily related to economic development nor activities undertaken now or hereafter pursuant to the International Aviation Facilities Act (62 Stat. 450), nor pursuant to the Philippine Rehabilitation Act of 1946 (60 Stat. 128), as amended, nor pursuant to the Foreign Assistance Act of 1948 (62 Stat. 137), as amended, nor activities undertaken now or hereafter in the administration of areas occupied by the United States armed forces or in Korea by the Economic Cooperation Administration.

(b) The term "United States Government agency" means any department, agency, board, wholly or partly owned corporation, or instrumentality, commission, or independent establishment of the United States Government.

(c) The term "international organization" means any intergovernmental organization and subordinate bodies thereof of which the United States is a member.

Mr. MARTIN of Massachusetts (interrupting the reading of the bill). Mr. Chairman, I believe the gentleman from Massachusetts [Mr. MCCORMACK] desires to submit a consent request.

Mr. MCCORMACK. Mr. Chairman, I ask unanimous consent that further reading of title III be dispensed with, and that it be printed in the RECORD and be open to amendment at any point.

Mr. MARTIN of Massachusetts. With the understanding that a motion to strike the entire title would be permitted, if a Member desired to make such a motion.

Mr. TABER. Mr. Chairman, reserving the right to object, will that mean one motion may be made to strike out the whole title?

Mr. MCCORMACK. Yes. Perfecting amendments may be offered in accordance with the rule.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7797) to provide foreign economic assistance, had come to no resolution thereon.

AMENDING THE NATURAL GAS ACT APPROVED JUNE 21, 1938, AS AMENDED

Mr. LYLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 531, Rept. No. 1863) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, with Senate amendment thereto, be, and the same is hereby taken from the Speaker's table to the end that the Senate amendment be, and the same is hereby, agreed to.

HOUR OF MEETING TOMORROW

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, is it the intention of the leadership to have the rule on the natural-gas bill called up tomorrow morning?

Mr. MCCORMACK. It is.

Mr. MARCANTONIO. Mr. Speaker, then I object.

The SPEAKER. It is not to be called up the first thing in the morning.

Mr. MARCANTONIO. Mr. Speaker, if it is not to be called up the first thing, I will not object.

Mr. MCCORMACK. We are going to continue the consideration of the foreign-aid bill until its completion.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Will the gentleman from Massachusetts tell us what the program is for tomorrow?

Mr. McCORMACK. The foreign-aid bill will be considered. After completion of consideration of that bill we will take up a rule reported by the Rules Committee on the natural-gas matter which provides for the taking of that bill from the Speaker's table to the end that the Senate amendment be agreed to. That will be the next order of business.

Mr. MARTIN of Massachusetts. That will follow the bill we are now considering?

Mr. McCORMACK. Yes. If there is any time remaining opening of the debate on the appropriations bill may take place.

Mr. MARTIN of Massachusetts. I can probably assure the gentleman there will be no time for that on tomorrow.

Mr. McCORMACK. I do not challenge the gentleman's statement, but I state it for the information of the House.

Mr. MARTIN of Massachusetts. I thought the gentleman would like to have an assurance.

Mr. McCORMACK. That is always up to the will of the House.

Mr. MARTIN of Massachusetts. Does the gentleman intend that the House be in session on Saturday?

Mr. McCORMACK. Yes; that is the present intention.

Mr. MARTIN of Massachusetts. What is the program as far as consideration of the appropriation bill is concerned?

Mr. McCORMACK. From the best information I have at present the general debate on the omnibus bill will proceed. How long general debate will continue I cannot state, because that is a matter of agreement.

Mr. MARTIN of Massachusetts. The gentleman understands this is a $30,000,000,000 bill which takes in all departments of the Government and ordinarily the House would have many, many weeks of debate on the separate appropriation bills. Does the gentleman intend to be rather liberal in debate?

Mr. McCORMACK. I am sure the gentleman recognizes I am trying to answer his question affirmatively. Of course, as I stated, there will be general debate. It will be a matter of agreement between the chairman of the Committee on Appropriations and the ranking member of that committee to agree as to general debate. The best information I have is that general debate on the bill itself might proceed for 2 or 3 days.

Mr. MARTIN of Massachusetts. Does the gentleman think that is enough time, for a bill in which the whole country is vitally interested, to give it full consideration?

Mr. McCORMACK. Of course, the gentleman from Massachusetts is not stating what the time will be. That is a matter for the committee itself to determine. As the gentleman did in the Eightieth Congress, quite naturally he looked to his chairman, and naturally he assumed that the chairman had taken it up with the minority Members and that they agreed on time. Any other procedure on the part of any leadership would be most unwise. All I can state is that general debate will start. I do not know how long it will continue, but it will be a matter of agreement.

Mr. MARTIN of Massachusetts. I would like to ask the gentleman from New York [Mr. TABER] if there has been any agreement as to general debate?

Mr. TABER. The only suggestion that has been made to me is that debate be equally divided and that we proceed and find out how much time we would need. That is the only suggestion I have heard.

Mr. McCORMACK. That is my understanding.

Mr. MARTIN of Massachusetts. May I ask the gentleman from Michigan if he can give us some information?

Mr. RABAUT. Mr. Speaker, the agreement sought is to have general debate run along—in other words, sort of unlimited general debate—and then the bill is to be read by chapters, each chapter comprising what formerly was a bill pertaining to certain departments of Government. There are 11 chapters. Previous to reading each chapter, it is planned to have 2 hours of debate on the chapter and confined to the bill. This completed, the chapter will be read under the 5-minute rule. After all chapters are finished in this fashion, the bill is subject to the regular procedure of the House. No one now estimates the length of time for original general debate. If it goes on in a tiresome fashion, there will be some restlessness, naturally, on the part of those sitting here. I hope it is not planned to proceed in a manner so as to use this time as a vehicle for a lengthy vacation period. There seems to be some feeling about that.

Mr. MARTIN of Massachusetts. Does the gentleman plan to have the House go through with the vacation that we are going to start next Thursday?

Mr. RABAUT. There is no ambition to interfere with the plans of the House, but I do not think that this bill, which is a very large appropriation bill amounting to billions of dollars, should be considered at a time when there is no membership here properly to discuss it.

Mr. MARTIN of Massachusetts. I agree with the gentleman.

Mr. RABAUT. I think in justice to those who have spent a lot of time on this bill, that if there is no membership here at the time of consideration, the absence of the membership should be made known by the regular procedure of quorum calls or whatever else is necessary to bring it to the attention of the public, namely, that there is an indifference toward a matter of this proportion. There is a little bit of that in the air right now.

Mr. MARTIN of Massachusetts. Plenty of it, and there is plenty in the air that they want the bill thoroughly considered and every item thoroughly considered. That is in the air, too. But, I would like to know, if I could, what the plans of the Committee on Appropriations are as to the Easter recess. I think the Members of the House should know what the Committee on Appropriations has in mind as to the recess that has been heralded for a long while to begin next Thursday.

Mr. RABAUT. The Committee on Appropriations is very much in agreement with everything the House plans. The only thing is that the Committee on Appropriations does not feel it ought to be sitting here by itself to consider a bill of this size.

Mr. MARTIN of Massachusetts. I agree with that. Perhaps the gentleman from Massachusetts can enlighten us a little bit on that question.

Mr. McCORMACK. It was my idea that the gentleman from Michigan was very enlightening.

Mr. MARTIN of Massachusetts. He was as far as the consideration of the bill is concerned, but there are a lot of people who want to make some plans who would like to have this information.

Mr. McCORMACK. Our plan is to take the recess that has been discussed starting next Thursday and ending April 18. As far as the appropriation bill is concerned, it seems to me the colloquy that has taken place clearly conveys the situation to each Member. There will be general debate on the omnibus bill. It will continue with no time limit being set now. Of course, any time limit has to be set by agreement, we understand that. So the House is advised that there will be no time limit set now on general debate in the Committee of the Whole on the omnibus bill. Then later, I suppose on Monday or Tuesday, some time limit on general debate will be agreed upon.

Mr. MARTIN of Massachusetts. One of our members of the Committee on Foreign Affairs would like to know if a rule is going to be secured so that the ECA appropriation can be taken up in this bill. Does the gentleman from Michigan know about that?

Mr. RABAUT. I am unable to tell the gentleman about that.

ELECTION TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 532) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That WAYNE L. HAYS, of Ohio be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Veterans' Affairs.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON PUBLIC LANDS

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Irrigation and Reclamation of the Committee on Public Lands be permitted to sit on Monday and Tuesday of next week during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

COMMODITY HOLDINGS AND SURPLUS DISPOSAL

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have sent the following telegram to the President:

MARCH 30, 1950.

The PRESIDENT,
Winter White House,
Key West, Fla.

Searching for dried milk and dried eggs but find they are rare commodities in local markets. May I remind you that as of January 31 you had 274,000,000 pounds of dried milk and 75,000,000 pounds of dried eggs in storage threatened with spoilage. Please put an end to this tragic farce.

Again I must advise you that I have not received one direct word from the President to any of the messages I have sent to him. It is increasingly clear to me that he is determined not to do anything and that he will persist in his refusal to make any statement whatever in this connection to the American public.

I now wish to include a copy of a statement made this morning by Hon. Ralph S. Trigg, president of the Commodity Credit Corporation, and Administrator of the Production and Marketing Administration, United States Department of Agriculture, before the House Committee on Agriculture:

I understand that your committee is primarily concerned at this time with the question of surplus disposal, and I am very glad to appear today with testimony on this very important subject. All friends of agriculture are anxious to find ways of meeting the special distribution problems which have brought such severe criticism on the whole farm program. We in the Department of Agriculture want to cooperate with the committee in every possible way. The basic problem of course centers around the Commodity Credit Corporation's holdings of agricultural commodities which have been acquired in carrying out various price-support programs. I therefore think that it is important for us to have a clear understanding of just what these holdings are, before reporting on steps we have already taken to dispose of excess stocks or considering additional action.

As of February 28, 1950, CCC had invested a total of $4,036,175,453 in loans and inventories under price-support operations. Of this total, $2,229,810,015 represented loans advanced to farmers, with storable commodities held as security for the loans. The remainder, $1,806,365,438, represented the cost of commodities to which CCC had taken title, either through purchase or through taking over stored collateral at the end of price-support-loan years. This latter group is the CCC inventory.

While there is a sharp difference in the status of loan and inventory holdings, a quite general tendency has been to lump them together and refer to the whole as "$4,000,000,000 of Government surpluses." Because this can lead to a great deal of confusion, I should like to comment briefly on the essential difference between the two groups of commodity stocks.

The farmers who produced the commodities which have been put up as security against the price-support loans still hold title to these stocks. They are in a position to pay off the loans and redeem their crops at any time. It is true that large percentages of these loan stocks may eventually be surrendered to the Corporation and become part of its inventory, depending on market conditions during the loan year. Until such time, however, CCC can merely hold these stocks as security against its loans. It cannot dispose of them or direct their disposition in any way.

Inventory stocks on the other hand belong to the Government. This then is the group which is subject to disposal plans at this time.

In addition to the distinction between commodities held as loan security and those which are in inventory, another break-down is fundamental in an understanding of surplus-disposal problems. I refer to the difference between storable commodities, which can be kept indefinitely, and the so-called perishables or semiperishables, which must be disposed of in a relatively short time to avoid deterioration or spoilage. The disposal problems for the latter are of course much more immediate and acute.

With this in mind, a look at the breakdown between storables and perishables is revealing. In the first place, commodities held as loan security are obviously in the storable class, and 87 percent of the total investment in this group is accounted for by wheat, corn, cotton, and tobacco.

The complete listing of loan advances is as follows:

Corn, 563,745,949 bushels	$768,551,342
Wheat, 324,825,430 bushels	645,036,238
Cotton, upland, 2,638,022 bales	373,536,838
Tobacco, 355,251,157 pounds	145,833,335
Grain sorghum, 42,161,480 hundredweight	94,978,593
Beans, dry edible, 7,145,415 hundredweight	49,254,351
Flaxseed, 9,079,608 bushels	33,640,325
Barley, 27,314,643 bushels	29,792,917
Soybeans, 10,513,484 bushels	22,171,777
Oats, 29,988,676 bushels	19,985,278
Peanuts, 148,232,342 pounds	14,625,376
Rosin, 178,989,169 pounds	12,190,480
Potatoes, 11,175,385 hundredweight	7,829,373
Rice, 1,536,244 hundredweight	6,585,914
Peas, dry edible, 750,343 hundredweight	2,308,535
Turpentine, 2,981,709 gallons	1,225,187
Rye, 823,371 bushels	989,369
Cotton, American Egyptian, 2,667 bales	772,923
Cottonseed, 7,234 tons	357,775
Lespedeza seed, 1,201,000 pounds	144,089
Total	2,229,810,015

Turning to the commodities which are in inventory, we find a somewhat similar pattern. Of the $1,806,365,438 total cost value of inventory holding on February 28, wheat, corn and other feed grains, and cotton accounted for $1,278,818,849, or 70 percent. The rest—$527,546,589—covers the semiperishable group and some special commodities such as linseed oil and wool, with the semiperishables themselves accounting for less than $300,000,000. This is obviously the area of immediate problems as far as inventory holdings are concerned.

The complete listing of commodities in inventory, with cost values, is as follows:

Cotton, upland, 3,646,272 bales	$613,353,057
Wheat, 144,853,295 bushels	358,042,121
Corn, 167,582,777 bushels	255,733,783
Linseed oil, 421,577,441 pounds	119,549,121
Eggs, dried, 79,317,979 pounds	$101,361,973
Flaxseed, 12,801,153 bushels	81,278,225
Butter, 92,796,753 pounds	57,670,108
Beans, dry edible, 4,665,985 hundredweight	43,025,263
Milk, dried, 294,252,026 pounds	37,532,538
Barley, 25,079,381 bushels	36,064,035
Wool, 35,427,479 pounds	27,683,394
Rosin, 210,837,798 pounds	17,145,215
Cottonseed, 199,478 tons	10,327,809
Oats, 11,255,782 bushels	9,772,260
Cheese, 24,005,653 pounds	8,396,935
Peanuts, farmers' stock, 56,058,463 pounds	5,914,897
Peanuts, shelled, 18,679,120 pounds	2,780,289
Grain sorghum, 2,073,245 hundredweight	5,853,594
Soybeans, 2,005,507 bushels	5,055,644
Prunes, 35,326,345 pounds	3,593,150
Raisins, 9,876,690 pounds	937,061
Turkeys, 3,380,079 pounds	1,366,923
Minor items	3,923,038
Total	1,806,365,438

It will be noted that potatoes, the crop which has posed the most serious current disposal problems, do not show up in this CCC inventory listing. This is because the Government does not buy potatoes to store. It distributes all price-support potato purchases immediately, through whatever diversion outlets are available. The same procedure has been followed with some other crops, principally limited seasonal purchases of fresh vegetables and fruits for immediate school lunch or welfare distribution. Disposal questions for this group are closely related to those for the holdings of nonstorables.

While pointing out that the immediate questions of disposition center in the nonstorable commodities, and that those of this group which are in inventory or under current purchase operations constitute the real surpluses, I do not wish to leave the impression that there are no serious problems with regard to large CCC holdings of cotton, wheat, corn, and other storable crops. A lot of money is tied up in rice-support operations for these crops now, and more undoubtedly will be before we are able to strike a production balance.

The problems with these basic commodities, however, do not involve questions of emergency disposal. The solution lies rather in longer-range steps to adjust production in line with demand. Through acreage allotments and marketing quotas it is possible to make adjustments, at least over a period of years. The effectiveness of these measures, and the time it will take to complete needed adjustments, will of course depend partly on weather and other uncontrollable production and harvesting conditions. It will also depend upon the maintenance of sound legislative authorizations for acreage allotments. If too many exceptions are made—if the adjustment line is bent back too often—the whole program will be jeopardized.

The question of whether or not the CCC holdings of corn, wheat, and other basic commodities are excessive must be judged against the need for reserve stocks. It is generally recognized that the national interest requires maintenance of reserve or carryover supplies which are ample to meet those exigencies which might follow crop failure or sharply increased demand as a result of some emergency development. It also seems obvious that the Government, especially when price-support programs are in effect, has a direct responsibility in seeing that such adequate reserves are available. If the CCC holdings of these storable commodities are simply part of the desirable reserve—acquired under price-support operations and held by the Government—then these holdings certainly should not be regarded as surpluses.

It is our belief that a desirable annual carry-over or reserve of corn would now be from 750,000,000 to 1,000,000,000 bushels. Any time production dropped to the 1947 level, we would need that much to insure continued feeding schedules at our current rates. The present estimate is that the corn carry-over, when the 1950 crop comes in this fall, will be a little over 900,000,000 bushels, including CCC holdings.

A wheat reserve of from three hundred and fifty to five hundred million bushels is desirable. It is now estimated that the carry-over of old wheat this July 1, again including CCC stocks, will be somewhat over 400,000,000.

A cotton carry-over of four or five million bales would probably we regarded as normal. We can expect a carry-over this summer of around 7,000,000 bales. This points to the desirability of some downward adjustment in the cotton reserve.

We are of course concerned about the large amount of funds which must be tied up in carrying out price supports for these basic crops. We know that production adjustments are needed, and that they must be applied realistically to hold reserves at reasonable levels. But we do not feel that the present holdings should be tied up in a bundle and labeled surpluses. They are certainly not surpluses in the sense that we are under pressure to dispose of them in a short period of time, or without regard to costs.

Before reporting on steps that we have already taken to move out excess inventory holdings, chiefly in the perishable group, I would like to emphasize one basic principle which must be observed in disposing of commodities which are taken off the market to support prices. Unless the market strengthens to a point above the price-support level, such commodities obviously cannot be turned back on the market without simply creating new price problems.

If the surplus commodities are to be donated for welfare and related use, safeguards must be followed to see that the donations are used "in addition to" and not "in place of" the quantities of the commodity which would normally be bought by the recipients. If the donations do replace normal purchases, two undesirable results follow: (1) Normal channels of trade are disrupted, with the Government taking their place in the distributive system, and (2) you get no net removal of the surplus commodity from the market, and the Government will have to buy an equivalent quantity all over again in order to support prices.

This fact tends to limit the area in which donations can be used effectively to move out surplus holdings. It is a problem which must be considered in all donation plans. A certain percentage of substitution is often inevitable, and it is not especially serious if held down. Too much substitution, however, nullifies the price-support effort.

As you know, the Department of Agriculture has been contending with surplus distribution problems for a long time. While difficulties have been greater with some commodities—potatoes for instance—than with others, we have on the whole moved substantial quantities of our stocks. I will summarize the main authorities and programs we have used.

Our first efforts are directed at keeping our acquisitions at the lowest possible level. One specific operation is known as our plentiful foods program, under which we take steps to increase the consumption of surplus commodities through normal commercial channels. The merchandising support of the food industry is enlisted to stimulate greater distribution and consumption of foods which are currently in plentiful supply. Attention is centered on selected foods. Lists of such foods are prepared each month by the Production and Marketing Administration in Washington, and then adjusted to meet area and local conditions. These lists, which usually include about 20 items, are used by cooperating groups as a guide in the development of food-information and food-merchandising programs. During the past year, there has been greater consumption of many foods as a result of this promotion. Especially heavy commercial sales have been brought about for limited periods for particular foods such as apples, peaches and pears, eggs, broilers, and pork products.

As an additional measure to move overplentiful foods, so that they will not have to be acquired by CCC in direct price-support operations, special efforts are made to encourage exports in normal trade channels, through subsidies, and to divert commodities into other than normal uses. These activities are financed principally with our so-called section 32 funds. First priority is given to diversion for human consumption.

For those stocks which we must take over in the course of price-support operations, in spite of the effort to increase commercial sales and divert to special uses, several authorities and programs are available to facilitate disposal. These include the following:

(a) CCC holdings are sold whenever possible, if this can be done without interfering with price-support objectives. Every effort is made to handle such sales through normal channels of trade. When this is not possible, special negotiated sales are sometimes arranged. To facilitate sales through normal trade channels, we announce each month price lists of commodities which will be available for both domestic and export sale. This program, which was inaugurated in January, gives full and public information on both price and quantity of commodities which are available. The program is another step in the Corporation's efforts to maximize sales through private trade channels.

Since this sales plan has been in operation for only 2 months, its results cannot be analyzed conclusively. There has been a tendency for prospective buyers to defer purchases in order to determine whether or not sales prices would be reduced for later periods. Export sales so far under this program have included limited quantities of dried eggs, peanuts, beans, barley, and potatoes. Domestic sales have included several million pounds of cheese and butter.

(b) Appropriate commodities are distributed in large volume through what we call the direct distribution program. Outlets for this operation, which has been in effect for a number of years, include school-lunch programs, charitable institutions, and the Bureau of Indian Affairs. These programs of direct distribution to domestic outlets have been very important, both in reducing CCC inventories and in removing surplus perishables under section 32 programs. In the years 1936 through 1949 nearly 12,000,000,000 pounds of surplus commodities were distributed in this way. In 1949 such distribution totaled 393,000,000 pounds of food.

(c) Under Public Law 85, Eighty-first Congress, the Commodity Credit Corporation is authorized to exchange agricultural commodities for strategic and critical materials produced abroad. While we have investigated numerous possibilities, to date only one exchange has been completed. This involved less than 1,000 bales of cotton. Under present conditions, there are major limitations on the opportunities of disposing of surplus commodities under this authority. These have been outlined to the committee previously.

(d) Under section 416 of the Agricultural Act of 1949, CCC is authorized to dispose of its surplus holdings in various ways.

Commodities can be made available to the Munitions Board and other Federal agencies for use in making payments for commodities not produced in the United States. To date it has not been possible to complete any transactions under this authority.

Section 416 also authorizes the donation of surplus commodities, on a priority basis, to school-lunch programs, the Bureau of Indian Affairs, public and private domestic welfare agencies, and private welfare agencies for the relief of needy persons abroad. Potatoes, dried eggs, and dried milk have been made available for distribution through all of these categories.

Welfare agencies have shown little interest in receiving donated potatoes for export, primarily because of the relatively high shipping costs. There has been more interest in dried eggs and dried milk, and it is expected now that orders for several thousand tons of those commodities will be received in the near future.

Donations under section 416 for domestic use have been considerable.

This is a broad summary of the different programs and authorities which have been used to move commodity holdings. In considering how to strengthen and broaden these operations, the present discussions center primarily on the distribution of foods which are donated for human consumption. I therefore feel that it will be helpful to give a somewhat more complete summary of the direct distribution activities I referred to in the listing of program authorities.

Since the beginning of fiscal year 1936, the United States Department of Agriculture has operated a program providing for the donation of surplus agricultural commodities to needy groups within the country. This program—called direct distribution—has been operated under the authority of section 32. The peak year of distribution occurred in 1941, when 2,500,000,000 pounds of surplus foods were distributed to over 14,000,000 people.

During the entire history of the section 32 direct-distribution program, the Federal Government and the States have shared responsibility and costs of distribution. The Federal Government has arranged for and paid the costs incidental to transporting surplus foods—in carload lots—to central receiving points within the various States. States have assumed responsibility for accepting shipments, providing storage and necessary repackaging operations, and delivering foods from the central receiving or storage point to the final recipient.

Before the war, State administration of the direct-distribution program was centered in a single State distributing agency designated by the governor. State appropriations, supplemented by WPA labor, permitted each State to develop a highly centralized and workable system for handling and distributing large quantities of donated foods. Warehousing and personnel were readily available to handle and store large-volume shipments. County and local public-welfare agencies maintained community centers where regular distribution could be made to welfare families—to whom the great bulk of the foods were provided at that time.

This pattern of operation was altered considerably by World War II. There was, first of all, a sharp decrease in the volume and variety of foods available for donation. The number of families receiving public assistance also was greatly reduced, with the result that schools and charitable institutions became the major outlets for surplus commodities. The need for repackaging of food items in family-size containers was eliminated and deliveries to schools and institutions could be made on a monthly or bimonthly basis—far less frequently than to individual family units. As a natural consequence, the centralized agencies for administering the program in most States were abandoned and a variety of local agencies took on the responsibility for distribution. By the end of the war, the Department of Agriculture had operating agreements with some 1,400 different distributing agencies within the various States.

Operation of the direct-distribution program on this modified basis was possible during the war years because of the relatively small volume of commodities made available as surplus. As surplus problems developed after the war's end, the need became apparent for a more centralized and comprehensive system of handling and distribution within the States. The Department accordingly encouraged the strengthening of the States' organizations for administering the direct-distribution program. Centralization was encouraged and States were urged to improve and expand warehouse and storage facilities and to arrange delivery systems that would reach a larger number of eligible recipients.

By the end of fiscal 1949, 36 States had centered responsibility for the intrastate administration of the program in a single agency. The number of individual agencies with which we had to operate was reduced from 1,400 to 85.

Despite the improvements through this centralization, most States do not have adequate facilities to handle a State-wide distribution program for welfare families—certainly not on the basis of the 1941 type of operation. The system of operation in one typical State will illustrate the situation. For storage the State uses space in 12 institutions, warehouses maintained by four county welfare departments, a county hospital, a county board of education storehouse, and four commercial warehouses. Schools and institutions arrange for commercial delivery of their commodities from these points or haul them with their own trucks if they have them. Such a system is effective for schools and institutions, but is entirely inadequate for large-scale distribution to welfare families. States cannot undertake such distribution without considerable expansion in local warehouse facilities, and the provision of repackaging equipment and facilities.

The enactment of section 416 has made possible the distribution of additional supplies of surplus foods to needy groups. Section 416 provisions, however, do not permit the Federal Government to pay that portion of the delivery costs which it now pays under section 32. This has undoubtedly limited distribution of section 416 commodities. While efforts have been made to utilize the same State channels as used for section 32 foods, it has often been necessary to ship commodities directly to local agencies which are assisting needy families.

To insure maximum intrastate distribution at minimum cost to taxpayers, a centralized State agency designated by the governor is most desirable. This would result in the establishment of storage, handling, and delivery systems similar to those available before the war. By utilizing existing storage recources, transportaton facilities such as highway trucks, and personnel of county and local public welfare offices, economies would be such as to make costs of operation far lower than if the Federal Government assumed complete financial and operating responsibility for the program.

States, too, are in better position to determine eligibility of applicant groups, inasmuch as such groups are generally subject to certification and supervision by State agencies. Private welfare agencies, also, can best be certified by State agencies. Moreover, when dealing with both private and public welfare agencies, it is essential that orders for donated foods flow through a central agency as a safeguard against duplication of deliveries.

A central State agency, also, can best arrange for repackaging of donated foods into family size units. Section 416 foods are donated in the original large-sized containers and must be repackaged when distributed to welfare families. Repackaging on a State-wide basis, rather than a local basis, would be certain to reduce costs, and thus increase the distribution of such foods to needy families.

Efficient operation and widest possible distribution are primary objectives of the direct distribution program, and we feel this can be accomplished by a strengthening of State agencies.

We must also constantly bear in mind, of course, that appropriate limitations on distribution of these foods must be maintained so as not to interfere materially with the normal flow of food marketing. Otherwise, the price support effect of the programs would be greatly weakened.

The strengthening of State organizations for the intrastate administration of direct distribution would make it possible to increase distribution of surplus foods to needy groups, particularly welfare families. If the Congress desires to further facilitate program operations for both the Department and cooperating State agencies, it is suggested that legislation also provide the following:

1. Domestic persons and organizations declared to be eligible to receive surplus foods be limited to those groups to which the Secretary of Agriculture determines donations can be made without significant effect upon regular food markets.

2. The Department be authorized to pay transportation, handling, and other necessary costs from the point of location to central carload receiving points within the States, on commodities declared available for donation under section 416 of the Agricultural Act of 1949.

3. The priority used in making commodities available to the various types of domestic organizations be subject to the decision of the Secretary of Agriculture.

Mr. Speaker, there is some extremely significant information in Mr. Trigg's statement but I think the main value of the language is the obvious concession that greater distribution of surplus foods to needy groups can and should be undertaken at once. His emphasis upon the advisability of a central State agency will only partially meet the problem and I submit that until we recognize the ability, integrity, and industry of our local groups to devise satisfactory distribution procedures, such as worked so successfully in Greenfield, Mass., we shall handicap the full development of any such program. I certainly see no objection to giving the Secretary power to determine the amount of donations which can be made to domestic persons and organizations. As I have stated I think the authorization that the Department should pay transportation, handling and other necessary costs to central carload receiving points is a limitation without justification and a serious reflection upon the local groups which I am sure Mr. Trigg does not intend. I certainly find no fault in permitting the Secretary to have some authority over determining the priority among various types of domestic organizations although Mr. Brannan's lack of any kind of affirmative or satisfactory action over the existing program raises a very serious question as to how he would exercise any such power.

You will particularly note the absence of any specific criticism of the provisions of H. R. 7135, H. R. 7136, H. R. 7137, and H. R. 7138 indicates an open mind on the part of the administration and willingness to work out some kind of affirmative legislation promptly.

HON. W. STUART SYMINGTON

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I cannot compliment the President of the United States on his long delay in naming a permanent Chairman of the very important National Security Resources Board. I do, however, wish to compliment him on the reported selection today of W. Stuart Symington, Air Secretary. As the Washington Daily News said editorially today he is a good man for a tough job. It will be up to him to lead in coordinating civilian defense and the marshaling of our country's industries and resources in our preparedness program. He will need the fullest cooperation of the governors of our 48 States and of all the American people. I hope they give such cooperation to Mr. Symington who has done so much to build up our Air Force with his drive and energy. He is a man who gets things done—a stand-up, fighting man.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. PATMAN. I also wish to congratulate the President on making a very fine appointment. I think he is the very best man in the country for the job.

Mr. CANFIELD. I thank the gentleman from Texas.

REQUEST TO ADJOURN OVER

Mr. DAVENPORT. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER pro tempore. The Chair has not recognized the gentleman for that purpose.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. DONDERO], is recognized for 5 minutes.

THE AMERASIA CASES

Mr. DONDERO. Mr. Speaker, I have in my hand an article from the Washington Daily News of March 27, 1950, written by Andy Tulley which states that Robert M. Hitchcock, who was the prosecuting attorney against Kate L. Mitchell and the prosecuting attorney for the Department of Justice in the Amerasia cases, is now a member of the law firm of Kenefick, Cooke, Mitchell, Bass and Letchworth, of Buffalo.

The article also states that James M. Mitchell, the uncle of Kate L. Mitchell, whose case was quashed was a member of that same law firm. In view of this highly unusual situation in this important case involving the theft of secret and confidential documents from State, War, and Navy Departments, and in view of the serious charges involving John Stewart Service, one of the Amerasia defendants whose case is now before a Senate subcommittee. I have introduced today a resolution demanding a complete reopening and reinvestigation of all the circumstances behind and in connection with the Amerasia cases.

VETERANS' HOSPITALS

Mrs. ROGERS of Massachussets. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday Dr. Charles W. Mayo and Dr. Leonard G. Rowntree gave their reasons why the so-called Hoover reorganization bill should not pass insofar as the medical service of the Veterans' Administration is concerned. I agree with them and with the American Legion and many other persons and organizations in feeling that this would be very unwise.

The Congress and the Veterans' Administration have built up a very fine medical service for the veterans. Why should that be torn down now, not merely brick by brick, but demolished entirely?

[From the New York Times of March 30, 1950]

SINGLE HEALTH UNIT FOUGHT BY DOCTORS—MAYO AND LEGION ADVISER HIT HOOVER PROPOSAL TO UNITE UNITED STATES MEDICAL AGENCIES

WASHINGTON, March 29.—A bill to set up a new United Medical Administration that would combine all Government medical facilities under one agency was opposed in testimony today by Dr. Charles W. Mayo, Dr. Leonard G. Rowntree, chief medical adviser of the American Legion, and other witnesses.

They testified at hearings before the House Expenditures Committee on a reorganization bill backed by the Citizens Committee for the Hoover Report.

Dr. Mayo said the bill "attempts to gather under one roof too much for it to hold administratively, economically, or efficiently. I do not believe that H. R. 5182 will be able to attain its objectives, chief among which are to preserve health of all those in the armed services, to perform the functions now delegated to the Public Health Service, and to take over the Veterans' Administration and perform its obligations * * *."

"Should the Veterans' Administration be included in a United Medical Administration * * * with its administrator acting only in the capacity of an adviser on the advisory board to the Administrator of a United Medical Administration, with no representation by a surgeon general of veterans, I doubt that it would be possible to keep the quality or quantity of medical, dental, or nursing personnel necessary to maintain for the veteran a 'medical service second to none.'"

Dr. Mayo is a member of the Mayo Clinic, Rochester, Minn.

"This bill constitutes a breach of faith," Dr. Rowntree said. "It breaks faith with the veteran, with the people of the United States, with the Veterans' Administration, and with the medical profession."

He declared the recommendations of the Hoover Commission "so far as they concern medicine are based on insufficient knowledge of existing needs, are inadequate in scope, unjust in principle, and unsound in the solutions they offer our problem." He contended the bill would make our present medical leaders subservient to political appointees.

George N. Craig, national commander of the Legion, said the bill would make five agencies out of the one existing agency and instead of economy would present additional bills of expense to the Federal Government. He insisted that at no place in the Hoover reports is any definite claim of actual saving made.

Other witnesses included T. O. Kraabel, director, and Dr. H. D. Shapiro, chief medical adviser of the Legion's rehabilitation commission; E. C. Cliff, member of the commission's executive committee; and Edward A. Hayes, past national commander of the Legion.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. REED of Illinois (at the request of Mr. ARENDS), for several days, on account of illness.

To Mr. LOVRE, for 4 days, on account of official business.

To Mr. PACE, for April 3, 4, 5, and 6, on account of health.

EXTENSION OF REMARKS

Mr. ADDONIZIO asked and was given permission to extend his remarks and include an editorial from the National Jewish Welfare Board Circle.

Mr. DAVENPORT asked and was given permission to extend his remarks and include a speech by Philip Murray, of the CIO.

Mr. MULTER asked and was given permission to extend his remarks in two instances, and include extraneous matter.

Mr. KEF asked and was given permission to extend his remarks.

Mr. RABAUT and Mr. HARVEY asked and were given permission to revise and extend their remarks.

Mr. DONOHUE asked and was given permission to extend his remarks and include an editorial.

Mr. SMITH of Kansas asked and was given permission to extend his remarks and include extraneous matter.

Mr. McGREGOR (at the request of Mr. HARVEY) was given permission to extend his remarks and include a questionnaire and the results thereof.

Mr. YATES asked and was given permission to extend his remarks and include two speeches, notwithstanding the fact that they are estimated by the Public Printer to cost $225.50.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks and include a letter.

Mr. GAMBLE asked and was given permission to extend his remarks and include a statement by the Commissioner of Labor Statistics dealing with housing.

Mr. VURSELL asked and was given permission to extend his remarks and include a speech made by him on Monday, March 27, 1950, at the Wardman Park Hotel before the Conference of American Small Business Organizations.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. VAN ZANDT asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. JENISON asked and was given permission to extend his remarks and include an article.

Mr. HOFFMAN of Michigan (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks and include extraneous matter.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 1 minute p. m.), under its previous order, the House adjourned until tomorrow, Friday, March 31, 1950, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1345. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

1346. A letter from the Acting Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to amend the Civil Aeronautics Act of 1938, as amended"; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee on the Judiciary. House Concurrent Resolution 190. Concurrent resolution to provide for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775; without amendment (Rept. No. 1862). Referred to the Committee of the Whole House on the State of the Union.

Mr. LYLE: Committee on Rules. House Resolution 531. Resolution to take from the Speaker's table the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, and agree to the Senate amendment; without amendment (Rept. No. 1863). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 7560. A bill for the relief of Mary Frances Yoshinaga; with amendment (Rept. No. 1861). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL:

H. R. 7930. A bill to amend certain provisions of the Internal Revenue Code to authorize the establishment of special rectifying plants for the receipt, in bond, of distilled spirits, alcohol, and wines for rectification, bottling, and packaging, or for bottling and packaging without rectification; to the Committee on Ways and Means.

By Mr. HERTER:

H. R. 7931. A bill to designate the Veterans' Administration hospital to be constructed on South Huntington Avenue in Boston, Mass., as the Gen. George S. Patton Memorial Hospital in honor of the late Gen. George S. Patton; to the Committee on Veterans' Affairs.

By Mr. LYNCH:

H. R. 7932. A bill to amend section 2883 (d) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress; to the Committee on Ways and Means.

By Mr. TACKETT:

H. R. 7933. A bill to provide for the sale of certain lands acquired by the United States in connection with the construction of the Narrows and Blakely Mountain Dams in the State of Arkansas; to the Committee on Public Works.

By Mr. PHILLIPS of California:

H. R. 7934. A bill to reduce and revise the boundaries of the Joshua Tree National Monument in the State of California, and for other purposes; to the Committee on Public lands.

By Mr. SCUDDER:

H. R. 7935. A bill to authorize the development of the Feather River Basin for irrigation, reclamation, flood control, and other purposes, as an integral part of the Central Valley project, California; to the Committee on Public Lands.

By Mr. HAGEN:

H. R. 7936. A bill to amend the act of July 6, 1945, as amended, with respect to automotive-equipment maintenance payments to special-delivery messengers in post offices of the first class, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PATTERSON:

H. R. 7937. A bill to provide for the payment of sums in lieu of real-property taxes on Government properties transferred to the national industrial reserve; to the Committee on Armed Services.

By Mr. STEED (by request):

H. R. 7938. A bill designating the second Sunday in April as National Daughter's Day; to the Committee on the Judiciary.

By Mr. ANGELL:

H. R. 7939. A bill to provide for additional time for presenting certain tort claims against the United States; to the Committee on the Judiciary.

By Mr. BAILEY:

H. R. 7940. A bill to provide financial assistance for local educational agencies in areas affected by Federal activities, and for other purposes; to the Committee on Education and Labor.

By Mr. WHITTINGTON:

H. R. 7941. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mr. COLE of Kansas:

H. J. Res. 447. Joint resolution giving the consent of Congress to an agreement between the State of Missouri and the State of Kansas establishing a boundary between said States; to the Committee on the Judiciary.

By Mr. DOUGHTON:

H. Con. Res. 192. Concurrent resolution providing for the printing of 1,000 additional copies of hearings relative to revenue revision held before the Committee on Ways and Means during the current session, including an index; to the Committee on House Administration.

By Mr. HAGEN:

H. Res. 528. Resolution to provide funds for expenses of the investigation and study authorized by House Resolution 525; to the Committee on House Administration.

By Mr. DOLLINGER:

H. Res. 529. Resolution favoring the embracing within the Republic of Ireland of all the territory of that country; to the Committee on Foreign Affairs.

By Mr. DONDERO:

H. Res. 530. Resolution to authorize the appointment of a bipartisan committee of the House of Representatives to conduct a reinvestigation of the disposition of the case against certain individuals charged by the Federal Bureau of Investigation with espionage and possession of confidential Government documents; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GOSSETT:

H. R. 7942. A bill for the relief of Mr. and Mrs. Randolph Lee Peterson; to the Committee on the Judiciary.

By Mr. HAND:

H. R. 7943. A bill for the relief of Walter Hanus; to the Committee on the Judiciary.

By Mr. JONES of Alabama:

H. R. 7944. A bill for the relief of Mr. and Mrs. Albert Chandler; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 7945. A bill for the relief of Dr. Zena (Zenobia) Symeonides; to the Committee on the Judiciary.

By Mr. LEMKE:

H. R. 7946. A bill authorizing the Secretary of the Interior to convey certain lands in the State of Minnesota to Signa M. Lodoen and Nels R. Lodoen; to the Committee on Public Lands.

By Mr. MICHENER:

H. R. 7947. A bill for the relief of Palmer-Bee Co.; to the Committee on the Judiciary.

By Mr. MOULDER:

H. R. 7948. A bill for the relief of Paul D. Morefield; to the Committee on the Judiciary.

By Mr. THOMAS:

H. R. 7949. A bill for the relief of Constantinos Papavasiliou; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2038. By Mr. CANFIELD: Resolutions from the Department Council of New Jersey, Jewish War Veterans of the United States, favoring the continuation of Federal rent control until the supply of available homes approximates the demand; to the Committee on Banking and Currency.

2039. By Mr. GROSS: Petition of Thomas C. Teas, chairman, Hoover Commission committee, Junior Chamber of Commerce, Mason City, Iowa, together with 725 other signatures, favoring the adoption of the Hoover Commission Reports for the Reorganization of the Executive Branch of the Government; to the Committee on Expenditures in the Executive Departments.

2040. By Mr. WILLIAM L. PFEIFFER: Petition of Russell H. Droman and 47 other residents of Gasport, N. Y., requesting lower taxes and reduced Government expenditures and rejecting the philosophies of socialism and communism; to the Committee on Ways and Means.

SENATE

FRIDAY, MARCH 31, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, from the tumult of an angry world we seek the sanctuary of Thy presence, not that we may escape the world but that we may turn to the perplexing maze of its baffling problems with strong spirits and quiet minds. As we face ruthless foes without who threaten the precious things we hold nearest our hearts, may we be masters of ourselves, remembering that a nation's worst foes may be those of its own household, and that he that is slow to anger is better than the mighty, and he that ruleth his own spirit than he that taketh a city. Make us worthy to look unashamed into Thy face as we say with full purpose of heart, "We lift our living Nation a single sword to Thee."

In the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of Thursday, March 30, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. MCCARTHY was excused from attendance on the sessions of the Senate today because of a severe cold.

On his own request, and by unanimous consent, Mr. THOMAS of Oklahoma was excused from attendance on the sessions of the Senate during the next week.

On his own request, and by unanimous consent, Mr. FREAR was excused from attendance on the sessions of the Senate on April 3, 4, and 5, 1950.

CALL OF THE ROLL

Mr. MCFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Millikin
Bricker	Hoey	Morse
Bridges	Holland	Mundt
Butler	Humphrey	Murray
Byrd	Hunt	Neely
Cain	Ives	O'Conor
Capehart	Jenner	O'Mahoney
Chavez	Johnson, Colo.	Robertson
Connally	Johnson, Tex.	Russell
Cordon	Kem	Saltonstall
Darby	Kerr	Schoeppel
Donnell	Kilgore	Smith, N. J.
Douglas	Knowland	Sparkman
Dworshak	Langer	Stennis
Eastland	Lehman	Taylor
Ecton	Long	Thomas, Okla.
Ellender	McCarran	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Watkins
Frear	McKellar	Wherry
Gillette	McMahon	Wiley
Gurney	Magnuson	Williams
Hayden	Malone	Withers
Hendrickson	Martin	Young

Mr. MCFARLAND. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. GREEN], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Illinois [Mr. LUCAS], the Senator from Pennsylvania [Mr. MYERS], and the Senator from

Florida [Mr. PEPPER] are absent on public business.

The Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Kentucky [Mr. CHAPMAN] is absent on official business as a representative of the National Defense Department in New York.

The Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. GEORGE], and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Maryland [Mr. TYDINGS] is absent by leave of the Senate on official business, attending the Defense Council and the Defense Chiefs' meeting at The Hague, Netherlands.

Mr. SALTONSTALL. I announce that the senior Senator from Maine [Mr. BREWSTER], the Senator from Massachusets [Mr. LODGE], the junior Senator from Maine [Mrs. SMITH], the Senator from Ohio [Mr. TAFT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Wisconsin [Mr. MCCARTHY] is absent by leave of the Senate because of a severe cold.

The VICE PRESIDENT. A quorum is present.

Under the unanimous-consent agreement previously entered into, the displaced-persons bill becomes the unfinished business automatically, with a limitation of debate.

Mr. MCFARLAND and Mr. MCCARRAN addressed the Chair.

The VICE PRESIDENT. The Senator from Arizona.

Mr. MCFARLAND. Will the Senator from Nevada yield to me in order that I may ask unanimous consent for the transaction of routine business?

Mr. MCCARRAN. I thought the Chair recognized the Senator from Arizona.

The VICE PRESIDENT. The Chair recognized the Senator from Arizona in his capacity as acting majority leader.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to transact routine business without debate and without comment.

The VICE PRESIDENT. Without objection, it is so ordered.

NATIONAL POLICY FOR FEDERAL AID FOR HIGHWAYS

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the American Association of State Highway Officials, and particularly I call the attention of the Senate to the fact that 15 States concur in all these recommendations; namely, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Mississippi, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, and Wisconsin, comprising the Mississippi Valley Conference.

There being no objection, the resolution was referred to the Committee on Public Works and ordered to be printed in the RECORD, as follows:

Whereas the American Association of State Highway Officials has adopted an important and far-reaching statement of national policy on new Federal aid for highways; and

Whereas this national policy will be submitted by the association to the Congress of the United States for its consideration; and

Whereas it is essential that Federal-aid authorizations for highways be enacted well in advance of the actual date of availability of funds, in order that both Federal and State Governments may make the necessary long-range plans well in advance of the actual initiation of the program for which the funds are provided; and

Whereas this national policy is composed of the following eight recommendations:

1. Four authorizations of Federal-aid funds on an annual basis;

System	Proposed	1948 act
Interstate	$210,000,000	0
Primary	270,000,000	$202,500,000
Secondary	180,000,000	135,000,000
Urban	150,000,000	112,500,000
Total	810,000,000	450,000,000

2. That the Federal-aid primary, secondary, and urban allocations be distributed among the States in accordance with the regular formulas and matching basis, as provided in the Federal Aid Highway Acts of 1944 and 1948; that not more than 25 percent of the amount apportioned to each State for the primary and secondary systems may be switched from one system to the other, provided the State highway department makes such request and it is approved by the Commissioner of Public Roads as being in the public interest.

3. That the interstate funds be apportioned on the basis of population of the States and that no State receive less than three-quarters of 1 percent; that the matching ratio be 75 percent Federal funds and 25 percent State funds.

4. That these interstate funds may be utilized at the option of any given State to apply on the principal of general-obligation bonds on toll-free facilities that may be used by such State for the purpose of expediting the improvement of the interstate system of roads.

5. That the provision in the Federal Aid Highway Act requiring the withholding of Federal aid from any State failing to properly maintain a Federal-aid project be amended so that in the case of secondary and urban projects where a county or city has accepted responsibility for maintenance, future Federal-aid funds will be withheld from the county or city failing to maintain rather than from the State as a whole.

6. That a section be added to the proposed Federal-aid highway act authorizing an amount not to exceed $10,000,000 to be utilized by the Bureau of Public Roads, under specific emergency conditions, for the purpose of cooperating with the State highway departments in highway disaster relief on an area basis when an emergency has been declared by a governor of a State and concurred in by the Commissioner of Public Roads, without limitation as to systems, and on a 50–50 matching basis.

7. That a specific appropriation of $100,000,000 be authorized for the purpose of advancing funds to the State highway departments for the acquisition of rights-of-way to be repaid over an extended period of years.

8. That the present one-third limitation on Federal aid for right-of-way purposes be increased to 50 percent; and

Whereas the 15 States, viz, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Mississippi, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, and Wisconsin, comprising the Mississippi Valley Conference, concur in all these recommendations: Therefore be it

Resolved, That the Mississippi Valley Conference of State Highway Departments, in regular session at Chicago, Ill., on March 9, 10, 11, 1950, endorse this Statement of National Policy for Federal Aid for Highways adopted by the American Association of State Highway Officials; and be it further

Resolved, That copies of this resolution be transmitted to the secretary of the American Association of State Highway Officials for presentation at the congressional hearings on national highway legislation; to the Members of Congress representing all States in this conference; to the Bureau of Public Roads; and to the President of the United States.

H. E. FURMAN,
Secretary, Mississippi Valley Conference of State Highway Departments.

Adopted March 11, 1950, at Chicago, Ill.

PROPOSED RETURN TO GOLD STANDARD

Mr. MARTIN. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a statement and a resolution by the Conference of American Small Business Organizations asking for a return to the gold standard.

There being no objection, the statement and resolution were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

BUSINESSMEN SUPPORT RETURN TO GOLD STANDARD

The Conference of American Small Business Organizations today endorsed an immediate return to the gold standard. Meeting in the Nation's Capital, small-business men from all parts of the country adopted a resolution saying that continued use of paper money, irredeemable in gold, would eventually lead this country into communism.

The conference resolution asserted that there was more than enough gold in this country to assure a successful return to the gold standard with all paper money redeemable at $35 an ounce. This is the price the Treasury now pays for newly mined gold. The resolution asserted that foreign countries could get gold for dollars while Americans could not.

The resolution was adopted unanimously by the committee on monetary policy and later adopted by the conference in plenary session. Members of the committee expressed fears that with an unbalanced budget the Government might resort to printing-press money if it did not return to the gold standard. This they said would lead to socialism or communism and ultimately to financial chaos, making worthless all savings accounts, insurance policies, and Government bonds.

The full resolution, as adopted, follows:

"Whereas our country is in peril from the continued use of irredeemable paper money, which Lenin is reported to have said was the most effective way to take over a capitalistic country for communism; and

"Whereas the industry, toil, ingenuity, risk-taking, and thrift of American citizens have been such as to deserve the best form of currency, namely, the gold-coin standard of money with all nongold currency redeemable to the holder thereof in gold; and

"Whereas the evidence of that earning is the $24,000,000,000 now in our Treasury in gold, given up in exchange for dollars which have been used to buy the products of our toil and industry; and

"Whereas that quantity of gold in our Treasury is a higher percentage of gold relative to our total net outstanding currency

plus bank deposits, than experience had found to be necessary in the past when the United States Treasury maintained redeemability to citizens at our gold standard of value; and

"Whereas under our present laws the Treasury may make redeemability good to foreigners, through foreign central banks, at our present standard of value, $35 per ounce of gold, and has been redeeming claims of foreign central banks on our Treasury at that rate (for example sending Italy 116.2 metric tons (over $200,000,000) at $35 per ounce within the past year, and $25,000,000 to Egypt and to other countries); and

"Whereas it is unjust to offer to Americans, whose gold it is, any other standard of value than that by which the Treasury tenders to foreign countries in exchange for dollars; and

"Whereas the alleged emergency under which specie payments were suspended for American citizens on March 6, 1933, no longer exists and was described by the Secretary of the Treasury at that time as 'a suspension for the time being'; and

"Whereas since January 30, 1934, the dollar has been defined as one thirty-fifth of an ounce of gold and the right of the President to change it further expired in 1943 and after consideration by the appropriate committee of the United States Senate such authority was not renewed or extended, thus leaving such standard in existence during the past 16 years, transactions having been based upon that standard by millions of citizens, with the reasonable expectation that in due time convertibility would again prevail: Now, therefore, be it

"Resolved, That the Conference of American Small Business Organizations, meeting at Washington, D. C., expresses itself in support of H. R. 3262 by the Honorable DANIEL A. REED, to put the country back on the gold-coin standard on the basis of $35 per ounce of gold; and be it further

"Resolved, That the chairman of the Conference of American Small Business Organizations and the officers of the conference be instructed to convey this expression to the appropriate committees of the Congress and such other persons in authority as have to do with this subject."

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 3334. A bill to amend the Internal Revenue Code by increasing the excise tax on imported crude petroleum and crude petroleum derivatives; to the Committee on Finance.

By Mr. FERGUSON:

S. 3335. A bill for the relief of Joseph Girardi; to the Committee on the Judiciary.

By Mr. O'MAHONEY (for himself and Mr. BUTLER):

S. 3336. A bill to provide for the organization of a constitutional government by the people of Puerto Rico; to the Committee on Interior and Insular Affairs.

By Mr. FERGUSON:

S. 3337. A bill for the relief of Palmer-Bee Co.; to the Committee on the Judiciary.

REORGANIZATION PLAN NO. 1 OF 1950

Mr. ROBERTSON. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution disapproving of Reorganization Plan No. 1 of 1950.

The purpose of this plan is to take from the Comptroller of the Currency his independent status and his control of national bank examiners and to vest his powers in the Secretary of the Treasury.

All national banks are against the proposed change. The Comptroller does not favor it, and I have good reason to believe that the Secretary of the Treasury is not seeking this additional power.

No economy is involved, since all national banks pay the costs involved in their periodic examinations by the Comptroller. No efficiency is involved unless it be claimed that the indirect control by the President through his Secretary of the Treasury of credit policies of the national banks means greater efficiency for a program of deficit financing. That is not the kind of efficiency in which I believe.

The chairman of the Senate Committee on Expenditures in the Executive Departments, to which the resolution will be referred, has assured me that hearings on the resolution would be conducted promptly.

There being no objection, the resolution (S. Res. 246), submitted by Mr. ROBERTSON, was referred to the Committee on Expenditures in the Executive Departments, as follows:

Resolved, That the Senate does not favor the Reorganization Plan No. 1 of 1950, transmitted to Congress by the President on March 13, 1950.

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed at this point in my remarks a statement of reasons for opposing Reorganization Plan No. 1.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RE REORGANIZATION PLAN NO. 1 OF 1950

REASONS FOR OPPOSING THE REORGANIZATION PLAN

1. For 86 years the Office of the Comptroller has enjoyed, and still does, a semi-independent status.

Other branches, bureaus or divisions of the Treasury Department do not possess this standing. The plan, therefore, primarily would affect the Comptroller.

The Comptroller is appointed by the President with the consent and advice of the Senate. He administers the functions of the office under the general direction of the Secretary of the Treasury. He is accountable to Congress through annual reports and through reports on salaries of all bank examiners. He makes recommendations to Congress concerning legislation affecting national banks. He enjoys a position of prestige on the same plane as the heads of other supervisory authorities, such as the FDIC and the Board of Governors of the Federal Reserve System.

The plan would result in the Secretary of the Treasury absorbing all functions of the office and severing the Comptroller's present direct relationship with Congress.

2. The Comptroller's Office does not constitute, in any way, a burden upon our Federal budget.

One of the principal objectives of the Reorganization Act of 1949 is to reduce expenditures and promote economy to the fullest extent consistent with the efficient operation of the Government. With this sound principle we are all in accord.

At this time, the Comptroller's Office is entirely self-sustaining, dependent in no way upon appropriations made by Congress or funds supplied by the Treasury Department. The expenses of the office are defrayed exclusively by the assessments on national banks for examinations made by it. Therefore, no reduction of Government expenditures would result from the proposed reorganization plan.

3. Under the plan the Secretary of the Treasury could effect transfers of the funds of the Comptroller's Office, as well as records, property and personnel.

The sum paid to the Comptroller by national banks therefore would be subject to this provision. The Secretary of the Treasury would have control of these funds and any unused portion thereof could be appropriated and used by him to carry out other functions of the Department.

4. It would be a step toward the breaking down of our existing dual banking relationship.

This plan might be only the forerunner of still an additional reorganization plan which would transfer either to the Board of Governors or the FDIC the examining, statistical and other functions of the Comptroller, excepting perhaps the chartering national banks.

5. It would place the Comptroller in an inferior position with relation to the heads of other supervisory bodies, such as the FDIC and the Board of Governors of the Federal Reserve System.

6. The Secretary of the Treasury could reassign duties which might seriously interfere with the efficient operation of the Comptroller's functions.

The Secretary of the Treasury, under the plan, would have complete direction and control over the duties now performed by the Comptroller's Office. The Secretary could authorize any other officer, agency, or employee of the Department to handle any of the functions now performed by the Comptroller's Office. This could lead to serious difficulties in the enforcement of the National Bank Act, as the proper administration of national banking laws requires quick decisions by experienced supervisory authorities, whose decisions are final.

The national banks, at this time, have confidence and are satisfied with the splendid past performance of the Comptroller's Office, and certainly do not desire any change which might in any way jeopardize the same.

7. The plan possibly would involve the replacement of the Comptroller by the Secretary of the Treasury on the Board of Directors of the FDIC, unless the Secretary delegates that function specifically to the Comptroller or to some other official.

8. An Administrative Secretary would be appointed who would perform such duties as prescribed by the Secretary, particularly in supervising and directing the policies and the programs of the Department.

This would inject outside interference in the determination and administration of policies and regulations now carried out by the Comptroller and his assistants.

9. The Office of the Comptroller enjoys the confidence of the national banks of the country.

There are approximately 5,000 national banks in this country, representing over 56 percent of all the commercial banking resources of the United States. These banks look to the Comptroller of the Currency as their sponsor in Washington, a Federal official free to speak and act on their behalf and without censor or influence from a superior. While the banks of the country have the highest respect and confidence in our present Secretary of the Treasury, the Honorable John W. Snyder, there is apprehension that some future holder of this office might use his powers and authority in a way not conducive to sound banking or for the general public welfare. It is a matter of law, rather than a matter of personalities. Over the long years of its existence, the Office of the Comptroller has built up a splendid record. It is our belief that nothing should be done which would in any way disturb the present satisfactory operations of national banks and the public confidence in them.

10. The Office of the Comptroller of the Currency should be kept out of politics.

Congress provided that the term of office of the Comptroller should be for 5 years and, therefore, it would not be concurrent with the tenure of office of the Secretary of the Treasury.

Formerly, his appointment was made by the President on the recommendation of the Secretary of the Treasury, to be confirmed by the Senate. In the Banking Act of 1935, this was changed to provide for the appointment of the Comptroller solely by the President, without the recommendation of the Secretary of the Treasury, but with the advice and consent of the Senate.

Apparently, these provisions were made for the purpose of protecting the national banks with a leadership independent of undue influence from other governmental authority. The Comptroller is responsible for momentous decisions which would insure sound operations for the National Banking System. These decisions should be unbiased and final.

Mr. CAPEHART submitted the following resolution (S. Res. 247), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 1, of 1950, transmitted to Congress by the President on March 13, 1950.

ADMISSION OF DISPLACED PERSONS INTO THE UNITED STATES—AMENDMENTS

Mr. McCARRAN submitted 47 amendments intended to be proposed by him to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which were ordered to lie on the table and to be printed.

Mr. WITHERS submitted an amendment intended to be proposed by him to the amendment in the nature of a substitute intended to be proposed by Mr. KILGORE (for himself and other Senators) to House bill 4567, supra, which was ordered to lie on the table and to be printed.

Mr. ROBERTSON submitted an amendment intended to be propsed by him to the amendment in the nature of a substitute intended to be proposed by Mr. KILGORE (for himself and other Senators) to House bill 4567, supra, which was ordered to lie on the table and to be printed.

Mr. ROBERTSON also submitted an amendment intended to be proposed by him to the committee amendment to House bill 4567, supra, which was ordered to lie on the table and to be printed.

CONTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENTS

Mr. ROBERTSON submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. WILEY submitted amendments intended to be proposed by him to House bill 5472, supra, which were ordered to lie on the table and to be printed.

TREND TOWARD SOCIALISM MAY BE HALTED—ADDRESS BY SENATOR CAPEHART

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD a radio address delivered by him on March 19, 1950, which appears in the Appendix.]

WHO ARE "THE PEOPLE"?—EDITORIAL FROM THE INDIANAPOLIS (IND.) STAR

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Who Are 'the People'?" published in the Indianapolis (Ind.) Star on March 21, 1950, which appears in the Appendix.]

APPLICATION OF SOCIAL SECURITY BILL TO WISCONSIN RETIREMENT FUND—STATEMENT BY FREDERICK N. McMILLAN

[Mr. WILEY asked and obtained leave to have printed in the RECORD the statement made by Frederick N. McMillan, executive director of the Wisconsin retirement fund, before the Senate Committee on Finance, on March 23, 1950, regarding House bill 6000, which appears in the Appendix.]

AMERICAN INFORMATION POLICY—LETTER FROM J. EARNEST FISHER

[Mr. SMITH of New Jersey asked and obtained leave to have printed in the RECORD a letter from J. Earnest Fisher regarding the importance of a revised and expanded American information policy, from the Washington Post of March 29, 1950, which appears in the Appendix.]

EFFECT OF TAXES ON WORKERS' INCOMES—EDITORIAL FROM THE PHILADELPHIA DISPATCH

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Taxes Are Hijacking Workers," published in the Philadelphia Dispatch of March 26, 1950, which appears in the Appendix.]

BASING-POINT LEGISLATION—ARTICLE BY W. K. KELSEY

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an article dealing with the proposed basing-point legislation, written by W. K. Kelsey, and published in the Detroit News of October 18, 1949, which appears in the Appendix.]

REDUCTION IN FLOUR CONSUMPTION

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an article entitled "Unhappy Millers," written by Edward Hughes, and published in the Wall Street Journal, which appears in the Appendix.]

CAPEHART IS TOUGH FOE OF ISMS—ARTICLE FROM HAMMOND (IND.) TIMES

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "CAPEHART Is Tough Foe of Isms," written by Harold Cross and published in the Hammond (Ind.) Times on Sunday, March 26, 1950, which appears in the Appendix.]

OPPORTUNITY AND JUSTICE FOR ALL AMERICA—ARTICLE FROM HAMMOND (IND.) TIMES

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "Opportunity and Justice for All America," written by Harold Cross and published in the Hammond (Ind.) Times on Monday, March 27, 1950, which appears in the Appendix.]

STATEHOOD FOR HAWAII AND ALASKA—EDITORIAL FROM THE SALT LAKE TRIBUNE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an editorial relating to statehood for Hawaii and Alaska, published in the Salt Lake Tribune of March 10, 1950, which appears in the Appendix.]

MENTAL-HEALTH PROGRAM

[Mr. MORSE asked and obtained leave to have printed in the RECORD a release by the American Psychiatric Association, regarding appropriations for medical personnel in Veterans' Administration psychiatric hospitals, and an article entitled "Tragedy at Mental Hospital Near Philadelphia," published in the Washington Daily News of March 30, 1950, which appears in the Appendix.]

THE KERR NATURAL-GAS BILL—ARTICLE BY THOMAS L. STOKES

[Mr. KEM asked and obtained leave to have printed in the RECORD an article by Thomas L. Stokes entitled "On 'Special Interests,'" published in the Evening Star of March 31, 1950, which appears in the Appendix.]

RUSSIA'S PORTRAIT OF US MUST NOT HANG ALONE—EDITORIAL FROM THE LOUISVILLE COURIER-JOURNAL

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an editorial entitled "Russia's Portrait of Us Must Not Hang Alone," published in the Louisville Courier-Journal of March 30, 1950, which appears in the Appendix.]

EASTERNERS HAVE A LOT TO LEARN—EDITORIAL FROM BEDFORD TIMES-MAIL

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Easterners Have a Lot To Learn," published in a recent issue of the Bedford (Ind.) Times-Mail, which appears in the Appendix.]

INAUGURAL ADDRESS OF MORRIS FIDANQUE DE CASTRO, GOVERNOR OF THE VIRGIN ISLANDS

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the inaugural address of Morris Fidanque de Castro, Governor of the Virgin Islands, delivered at Charlotte Amalie on Friday, March 24, 1950.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

INAUGURAL ADDRESS OF MORRIS FIDANQUE DE CASTRO, GOVERNOR OF THE VIRGIN ISLANDS, DELIVERED AT THE EMANCIPATION GARDEN, CHARLOTTE AMALIE, MARCH 24, 1950

Mr. Chairman, Mr. Secretary, distinguished guests, fellow citizens of the Virgin Islands—

ACCEPTANCE OF TRUST

The great American statesman, Henry Clay, once stated:

"Government is a trust, and the officers of the Government are trustees; and both the trust and the trustees are created for the benefit of the people."

With deep humility, with keen awareness of the great responsibility which I have just assumed, and conscious of the significance of the oath which I have taken, I accept that trust. I call upon Almighty God to bear witness to my pledge that I shall ever hold it sacred and inviolable.

PRESIDENT HONORS VIRGIN ISLANDS

This day, my friends, is not my day. It is a great day for the people of the Virgin Islands. The President of the United States has not only honored me in calling upon me, as a native, to administer the government of these Virgin Islands. He has honored the people of the Virgin Islands by thus recognizing our ability to govern ourselves. In your name, therefore, I pledge loyalty to President Truman's administration and to the great principles for which our Nation stands. One of my first recommendations as governor will be a request which I shall send to the legislature to rename our airport the

Harry S. Truman Airport in recognition of the benefits which have come to us during his administration.

GOOD GOVERNMENT A COMMUNITY UNDERTAKING

As I said in my statement upon my nomination, I am conscious that my responsibility to administer good government in these islands is greater than that of any of my predecessors, because I am the first Virgin Islander to become your governor. These islands are my home and have been the home of my family for generations. I have shared your problems, your joys, and your sorrows. I am one of you. If I fail, you fail. If I succeed, you succeed. My administration, then, must be a community undertaking, and I plan to make it so.

SUPPORT FROM VIRGIN ISLANDERS

I am grateful for the support which has come to me, during the past few months, from the municipal councils of the Virgin Islands and from various organizations, groups, and individuals here and in the United States. It is encouraging to know that, as I enter today upon these arduous tasks, I have the confidence of a large majority of the people of the Virgin Islands, including most of our new continental American residents. In the days that are ahead we shall undoubtedly have differences on many important issues. I sincerely hope that I may be able to retain the confidence of the people and that when differences arise, as they must, we may be able to discuss them constructively; on the basis of principles rather than on personalities and without distortion of motives. I shall come before you, from time to time, in person or by radio appearances, to keep you advised of progress or lack of progress, and the reasons therefor.

SUPPORT FROM HIGH OFFICIALS AND MEMBERS OF CONGRESS

I am impressed, as I know you are, with the support which has come to me and, through me, to you from high Government officials, Senators, and Congressmen. The increasing interest in the affairs of the Virgin Islands by Members of both Houses of Congress has been amply demonstrated. We must prove ourselves worthy of that reservoir of good will. We can and we will capitalize on that good will and interest only if we demonstrate to the people of the United States that, as good American citizens, we are prepared to do everything that is possible for ourselves and to help ourselves. I shall do my utmost to provide the necessary leadership for such a program of increasing self-dependence.

EXECUTIVE-LEGISLATIVE RELATIONSHIPS

In our classification of the functions of government, we consider the legislature as an institution which formulates the will of the people. Legislation, in our democracy, is the united expression of the judgment of the legislative and the executive branches of the government. In my relationships with the two municipal councils and with the legislative assembly, I shall hope to operate on the principle of giving the legislators all the facts and trusting them to make the decisions, reserving to myself the statutory right of the executive to disapprove such decisions when, in my judgment, the public interest demands such action. I hope that there will be few such occasions. We shall have no insurmountable obstacle to harmonious working relationships if each coordinate branch respects the opinions and clearly delineates the sphere of the activity of the other branch; if we draw, as we must draw, a clear line of demarcation between the function of the legislature to make laws and the function of the executive to execute them. In this spirit, my administration shall offer the fullest cooperation to the legislatures. I shall hope to initiate a policy of regular meetings with them to discuss the legislative programs, to keep me abreast of legislative policies and thinking, and conversely to keep them abreast of executive policies, progress, and thinking.

A PLANNING AGENCY

I consider it extremely important to organize a planning agency for the Virgin Islands. In terms of the practical affairs of our municipal governments, hard pressed with immediate problems, and with a shortage of funds and personnel to meet them, a competent planning agency can be of real help in solving or ameliorating some of these problems. By advance planning, public expenditures can be better held within the financial means of a community. Intelligent planning makes it possible to check on wasteful spending by eliminating duplication of expenditures by several agencies. An active planning agency can make a comprehensive land-use, economic, and social survey. It should be able to develop a modern zoning plan for furthering the rational use of land throughout the islands.

LABOR RELATIONS

I shall continue to advocate measures for the protection of labor, to insure the workingman a living wage, and proper conditions of employment. I believe that we already have the nucleus of such a program in our wage-and-hour legislation, workmen's compensation acts, and labor-relations act. At the same time I shall expect that labor will cooperate by giving a full day's work for a full day's pay and, with the guidance of wise and honest leadership, create confidence in their ability to do their jobs and to earn the highest possible wages consistent with existing economic conditions. I am happy that Secretary Chapman, as Chairman of the Board of Directors of the Virgin Islands Corporation, has tentatively authorized that the wages of agricultural workers of the Corporation be increased to $2.40 per day, subject to review at the Board's meeting to be held in Washington, April 17. This is in keeping with the minimum-wage rates stipulated in the recently enacted Wage and Hour Act for the Municipality of St. Croix. Such recognition of a local policy is very significant and reassuring. As soon as funds become available, we should create a Department of Labor in our government.

COMMERCE AND INDUSTRY

I recognize a serious deficiency in the administration in that it has had no department of commerce to promote the commercial and industrial interests of the islands. Until funds can be made available for the creation of such a department as a regular agency of the government, I shall designate an outstanding and progressive businessman in each municipality to act as my adviser on commercial and industrial relationships and problems. It is essential that business shall have no doubt of the good will and full cooperation of the Governor and the administration as a whole. There must be a unity of purpose between the executive, the legislature, labor, and business. This can be achieved by thoughtful leadership in each branch. I shall do everything within my power to create that better spirit of cooperation and, with full support from all sources, all aimed at the economic stability of the islands, much can be accomplished.

DEPARTMENTAL ORGANIZATION

I plan to send to the Legislative Assembly of the Virgin Islands proposals to establish each department of the government on an organized basis in order to fix their responsibilities and define their functions. The lack of statutory authority for most of our departments has been the source of much confusion and some inefficiency. I shall expect every department of the government to perform its functions at the highest level of efficiency consistent with personnel and fiscal limitations. I shall remind all government officials and employees that they are servants of the people. I shall hold them strictly accountable for orderly, economical, and efficient operation of our public services.

FINANCIAL SITUATION

The financial condition of the two municipalities is a source of grave concern to us all. We must find new sources of revenue in order to maintain our essential services without adversely affecting the economic life of the communities. We must simultaneously reduce our operating expenses, eliminate unnecessary and extravagant expenditures, and bring our budget into balance with our revenue together with such deficit appropriation as Congress may make for the Virgin Islands. I want an outside, impartial, and thoroughly competent agency to examine our tax laws and our departmental operations for the purpose of advising us whether and from what sources we can obtain more revenues, and whether our departments are being operated efficiently and economically. I shall ask the Congress to appropriate funds for such an expert survey and study of our government by an independent agency. I want to obtain as much revenue as we can properly raise to provide necessary funds for efficient operation of our departments and institutions, but I am unwilling to destroy what wealth there is in the community by arbitrary use of the taxing power without expert assurance that we have not arrived at the point of tax saturation. The taxpayers have a right to know and to demand that we shall get a dollar's worth for every dollar spent by the community for its public services. Our newly established public auditor's office will serve as a check, preventing extravagant, unnecessary, and irregular expenditures.

AGRICULTURE

Agriculture has been the base of the economy of the island of St. Croix through all past years and will continue to be at least one of its two greater bases for the future. Neither tourism nor anything else can replace it. In St. Thomas, agriculture has not played an important part in the island's economy. In this island as well as in the island of St. John conditions must be found to encourage more and better production of vegetables, fruits, and livestock. I am counting heavily on the recommendation now before the Congress to provide that the Department of Agriculture will take over the management of the agricultural program on July 1, 1950. Under the Department of Agriculture, and with the cooperation of the Virgin Islands Corporation, an adequate agricultural extension program can be established, a program of forest improvement and management can be undertaken, with necessary research, and the provision of additional technical assistance to our soil-conservation districts. The Virgin Islands Corporation should be given the means to provide the kinds of agricultural credit in the islands not now provided by the Farmers Home Administration, as well as other services and direct aids.

EDUCATION

If the Virgin Islands are to stand as a respectable and respected American community, we must find ways and means of providing better educational facilities. Such facilities cannot exist without an adequate staff of capable teachers; nor without adequate housing; nor without the necessary tools, supplies, and audio-visual aids. Adequate provision for elementary and secondary education is a prime objective of our school program. We must embark on a well-conceived plan to advance the minimum qualification of teachers from high school graduation to not less than 2 years of professional training. However, we must get full return for every dollar expended in the better education of our younger generation as responsible citizens in a democracy, willing and able to work in all fields of endeavor.

HEALTH PROGRAM

Our health program must be focused on the need for enlarging the public health phase through programs in the field of nutrition for the young, and forestalling the effects of the regenerative diseases in the older population; on strengthening the quality of the medical care phase and organizing programs similar to the Blue Cross or Blue Shield plans so that that segment of the people who can pay may contribute to the support of our health facilities; and by emphasizing the salvageability of old people by recognizing that many of our old persons can be effectively treated and returned to society as useful citizens. We will need funds for a sufficient number of physicians and other medical workers to implement this ambitious program.

LAW AND ORDER

We are a law-abiding people. Organized crime does not exist here. We must maintain that record. We must reduce juvenile delinquency by eliminating those economic and social ills which produce it. We must maintain respect for law and order. Our policemen must be properly trained in their indispensable role as preservers of the public peace. My administration will be dedicated to the vigorous and impartial enforcement of law. We must be ever vigilant to keep our surroundings free from unwholesome influences.

PUBLIC WORKS

The $10,000,000 program must be revitalized. I am encouraged by the recent action of the President in transferring to the Department of the Interior the supervision of this program. We must provide the means whereby all city properties within a reasonable distance from sewer, salt water, and potable water lines shall be connected thereto as soon as possible. A revolving fund must be established from which loans may be made at low interest rates for this purpose. We must reshuffle our garbage collection service, after procurement of satisfactory equipment, and diligent enforcement of the sanitary code, so as to recapture our reputation as the cleanest islands in the West Indies.

ELECTRIC ENERGY

My administration will be committed to public ownership and operation of light and power facilities. I believe that, as a long-range measure, public ownership assures reasonable rates, and services which are amenable to comunity needs. There is every reason to believe that power plants will be made available to us in the near future.

SOCIAL WELFARE

We are well on the way to securing the extension to the islands of the entire Federal social security program. We must unite all forces in the islands to make this program work successfully in all its phases including the social insurance, the public assistance, and the child welfare programs. We must provide adequate facilities for the efficient care of children with special problems. We should establish a program to promote profitable use of leisure time among our children and youth, including the development of a good apprenticeship program. We should sponsor a program of community thinking to study ways and means to improve family life, child care and training, and the obligations of the citizens to their community. We must enlist professional studies of problems which confront us in these fields.

HOUSING

We should eliminate from all the islands as rapidly as possible all slum housing, and replace it with adequate housing at rentals within the reach of low-income families. We must also promote the provision of suitable housing for the middle-income group. As a complement to this program, the redevelopment of our communities should be planned. For all these objectives, we will utilize all Federal resources which are available and secure local participation.

PERSONNEL MERIT SYSTEM

We have already established a personnel merit system with the objective of creating a public service in which merit—and merit only—is recognized as the basis for appointment, tenure, and promotion. Our municipal employees stand to gain tremendously through this program. We must have in the public service the best character and capacity of the islands. There must be public recognition of the fact that in our civil service we are purchasing services for which we expect full value. Our public contacts through the public service must be skillful, intelligent, responsible, honest, and impartial. Our insular civil service system is in its infancy. As we advance in experience in this field we will make improvements until the system is functioning in the best interest of both the Government and the employees.

TAX ASSESSMENTS

I have already directed a general review of real property valuations with the view of determining whether present assessed valuations are in conformity with current market prices. In communities within the Virgin Islands where vast areas of land are held in an undeveloped stage by private individuals or concerns, consideration should be given to measures which will hasten the development of such areas for community growth and increased revenues. A critical analysis must be made of other tax laws and a uniform tax code adopted for the islands.

TOURISM

The past 6 months have seen the groundwork laid for the first constructive and professional tourist program which these islands have known. In the tourist industry we must develop an ever expanding economy based on the very real assets which God has given us—perfect climate and natural beauty. I cannot sufficiently stress the importance of a successful tourist program to these islands. I am sure that there are thousands of persons who will wish to come to the Virgin Islands to enjoy our Old World atmosphere, our sunshine, our beaches, and the hospitality of our people. We prefer these real values to any superficial or tawdry ones.

NO DISCRIMINATION

Here in the Virgin Islands we have been accustomed to welcome people of all races and of all nationalities to our shores. We have been accustomed to treat a man as a man, without preference as to race, religion, or nationality. We pride ourselves on being a cultured people. Our culture is based on the recognition and respect of human rights. There is an antidiscrimination law on our statute books. It may need to be strengthened as the occasion arises. But laws of this kind are not worth the paper on which they are written if they are not implemented by proper human relationships. All those who come to our shores are welcome as men and women. We appreciate their contributions to our economy and to our culture. We shall do everything possible to help them live comfortably and harmoniously among us. We must find ways and means of integrating them into our community life. But we do not want any discrimination.

CONGRESSIONAL LEGISLATION

My immediate objectives before the Congress of the United States will be to urge early adoption of a bill to provide a Resident Commissioner in Washington for the Virgin Islands; a bill to return to the Virgin Islands the proceeds of the United States internal-revenue taxes; a bill to provide for the establishment of National Guard units in the Virgin Islands; a bill to transfer the agricultural stations to the Department of Agriculture; and a bill to provide for the full extension of the social-security program to the islands. I shall also seek funds from Congress to provide for harbor dredging in St. Thomas and harbor improvements in St. Croix. Revision of our organic act should also occupy our attention, but I believe that we, in the Virgin Islands, should first decide just what basic reforms we desire in order to present a unified approach to Congress on this important matter. Our people have voted against an elective governor, against a single legislature, and against a single treasury. These important basic reforms should be placed before our people again.

SELF-DEPENDENCE

I cannot emphasize too strongly the importance of self-support and self-dependence. We must make every effort gradually to reduce our dependence on the Federal Government. Our limited economic resources may make this a truly difficult goal and one which may take some time to achieve. In the attainment of this objective, we shall expect that the Federal Government will treat us the same as our brothers on the mainland and in Puerto Rico by making us eligible to receive all social security, educational, health, and welfare grants on the same basis as other American citizens. We shall ask Congress to grant us the simple justice of returning to us the internal-revenue taxes which Puerto Rico has enjoyed over a period of many years. But we must not ask for and expect these benefits without actively supporting in these islands those measures which will bring us closer to the goal of self-support. We need the tourist dollar. We need to cash in on increasing continental interest in business enterprises. We need small industries. We need to produce more food and to import less. We need to provide more and better local handcraft. Visitors to these islands want to take back home distinctive local products. We need credit facilities. Our more prosperous citizens need to have more faith and confidence in the future of these islands, and to express that faith in active political as well as financial participation in local affairs and enterprises. These objectives cannot be accomplished unless our people provide the same degree of efficient and interested service as is offered in other American communities, unless we provide training opportunities for our young people to raise their own standards and those of the community, unless our communities can offer the skills which are necessary for them, and promote opportunities for such skills to be used here rather than elsewhere.

CONCLUSION

As I assume full responsibility today, in my own right, for the affairs of the government of the Virgin Islands, I do so without any delusions or imported notions, but rather with the knowledge of the events and experiences of 30 years of Government service. I have outlined the important objectives of my administration. These objectives cannot be accomplished without good will and without the wholehearted cooperation of all Virgin Islanders, and friends of Virgin Islanders, here and abroad. They cannot be accomlished without hard work and intelligent and painstaking efforts on the part of all our citizens. For my own part, I shall offer my people the leadership which I believe they want. I shall welcome constructive criticisms and suggestions. My office shall be open to all, as before, although I must promptly free myself of burdensome details in order to give more time and energy to thinking and planning. I shall work hard. I shall expect my staff to do likewise and to follow the pace which I shall set. I ask that my people give me understanding and cooperation. On the success of my administration will depend, to a large extent, how much

greater autonomy will be given to the Virgin Islands in the future. In the past few months I have been supported by numerous persons and organizations. I am proud to say of our people that no one has asked me for any political commitment or special favor. I have made commitments to none. My sole commitment is to give to my task all my time, all my energy, all my experience, and whatever skill I may possess, to advance the true interests of and to provide good government for these beautiful islands which are my home. So help me God.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. McFARLAND. Mr. President, I ask unanimous consent that the unanimous-consent agreement entered into with respect to the displaced-persons bill be modified so as to provide that voting on the bill and all amendments be concluded not later than 4 o'clock next Wednesday.

The VICE PRESIDENT. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. As I pointed out heretofore, I shall object to any unanimous-consent agreement which does not provide for at least 5 minutes of explanation on each amendment.

Mr. McFARLAND. That is already provided in the original unanimous-consent agreement.

Mr. WHERRY. Mr. President, reserving the right to object, as I understand, the unfinished business at the present time is the displaced-persons bill. Furthermore, it is my understanding that when the Senate disposes of the displaced-persons bill, it will resume the consideration of the so-called flood-control and rivers and harbors bill. I ask the distinguished acting majority leader if he would consider making a part of his unanimous-consent agreement a provision that, although on the conclusion of the displaced-persons bill, the consideration of the rivers and harbors bill will be resumed, since it is the unfinished business, the conference report on the basing-point bill will be made the unfinished business after the displaced-persons bill has been disposed of.

Mr. McFARLAND. Mr. President, I could not do that without the consent of the senior Senator from New Mexico [Mr. CHAVEZ]. The conference report is a privileged matter, which could be moved to be taken up at any time, and if it were so moved, undoubtedly it would be.

Mr. McCARRAN. Mr. President, to what is the Senator referring? I apologize to the Senator.

Mr. McFARLAND. The minority leader asked the Senator from Arizona to include in the proposed unanimous-consent agreement a request to make the conference report on the basing-point bill the unfinished business following the disposition of the displaced-persons bill.

Mr. McCARRAN. Mr. President, I could not agree to that because I shall move to take up the conference report on the basing-point bill today. The conference report has been pending before the Senate for weeks. It should have been taken up earlier. It is a privileged matter.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. McFARLAND. I yield.

Mr. KNOWLAND. I have read the proposed unanimous-consent agreement, but I am not sure that it covers a point I have in mind on the question of debate immediately preceding the vote on amendments. I understand from reading the agreement that in addition to the debate on the bill there shall be 2 hours of debate on each amendment, but the 2 hours of debate on an amendment might come considerably ahead of the actual vote by the Senate on the amendment. I want to be sure that there is at least a 5-minute explanatory period provided for, before the Senate is called upon to vote on an amendment.

Mr. McFARLAND. Then I modify my request, Mr. President——

The VICE PRESIDENT. The Senator from California is in error in stating that there is provided in the unanimous-consent agreement a 2-hour period of debate on each amendment. The unanimous-consent agreement provides for 1 hour of debate on each amendment, and 2 hours on the substitute.

Mr. KNOWLAND. Mr. President, I stand corrected on that point. But I want to be sure that the point I raised is covered.

Mr. WHERRY. Mr. President, reserving the right to object, if the distinguished Senator from Arizona, who now is acting majority leader, feels that the unanimous-consent request that a vote on the displaced-persons bill be had next Wednesday may be defeated by adding the suggestion of the Senator from Nebraska that after disposition of the displaced-persons bill the conference report on the basing-point bill be made the unfinished business, I withdraw that request, because I do not want in any way to hurt the consideration of the displaced-persons bill or a vote on that bill. But I say to the acting majority leader that I feel that the time has arrived when the conference report on the basing-point bill should be made the unfinished business, because it is privileged, and it has been before the Senate for more than a month.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona [Mr. McFARLAND]?

Mr. McCARRAN. Mr. President, reserving the right to object, I will say that I now understand the Senator from Arizona amends his request for unanimous consent so as to fix an hour on Thursday for the vote. Is that correct?

Mr. McFARLAND. If the Senator objects to Wednesday I will so amend the request if thereby we can secure an agreement. I would prefer to have Thursday set as the day on which to vote, rather than not have any agreement at all. Is that the wish of the Senator from Nevada?

Mr. McCARRAN. If I agree to the request at all, the request should contain a provision that the vote be had on Thursday at some given hour.

Mr. McFARLAND. Mr. President, I so modify my request; to make the day Thursday instead of Wednesday.

Mr. WHERRY. At what hour?

Mr. McFARLAND. At 4 o'clock p. m.

Mr. McCARRAN. Mr. President, I think I have the floor, though I am not certain. Will the Chair please advise me as to that?

The VICE PRESIDENT. The Chair recognized the Senator from Arizona to make a request, and he still has the floor.

Mr. McCARRAN. Very well.

Mr. FERGUSON. Mr. President, reserving the right to object, I should like to obtain some information. If an hour is fixed on Thursday for the vote, will that mean that in the meantime the conference report on the basing-point bill may be taken up and consume all the time, or that the rivers and harbors bill may be taken up? I should like to obtain information on that point.

Mr. McCARRAN. Mr. President, may I be heard on that question for a moment, please?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Nevada? The Senator from Nevada is reserving the right to object, is he?

Mr. McCARRAN. Yes. If the Senator from Arizona will yield to me, I wish to make a brief statement.

I want to be fair with the Senate, and to state exactly what my views are. I desire to get through with the displaced-persons bill as expeditiously as possible. By the provisions of the unanimous-consent agreement under which we are now working, we can discuss amendments to the displaced-persons bill all day long to empty seats and address empty desks, and get no vote on anything, because the gentlemen's agreement, so-called, provides that no vote shall be taken today. That was stated by the majority leader on the floor of the Senate. So those of us who have worked for months on the displaced-persons bill, and who desire to have Members of the Senate present during discussion of the bill, will find ourselves addressing empty seats all day long, with no vote whatever being taken. I do not think that is fair either to the Members of the Senate or to those of us who are interested in either the passage or the defeat of the amendment of the pending bill. That being true, there is before the Senate a privileged matter of the first magnitude, namely, the conference report on the basing-point bill which I propose to try to have brought before the Senate today. It can be debated all day today, and we can consume the day in that manner. Then on Monday the conference report can be laid aside, and we can proceed with consideration of the displaced-persons bill. But the basing-point bill conference report is a privileged matter, which should be considered and disposed of. It has twice been before the Senate, first in the form of the bill, and subsequently as a conference report; and the conference report was returned to a further conference. The House has voted on the report coming from the further conference, and

it has now been before the Senate for several weeks, and should be disposed of.

I should prefer to take up either the basing-point bill conference report or any other measure which is of vital importance, and discuss it today, and then let us proceed to consider the displaced-persons bill at a time when we can vote on the amendments as they come forward, which we cannot do today, under the agreement.

If the program is to be as now appears, I must move, and shall move, that the Senate take up the basing-point bill conference report.

Mr. FERGUSON. Mr. President, reserving the right to object, what the Senator from Nevada has just stated is my reason for rising at this time. If we are going to take up the basing-point bill conference report, its consideration may run along for some time, and it may not be voted on until perhaps Wednesday, for I now see standing on the floor two Senators who will wish to discuss the report, and I suppose they will wish to be heard on it in some detail. Senators on this side of the aisle will also wish to be heard on that subject. So we might find ourselves in such a position that there would be very little debate on the displaced-persons bill.

I agree wholeheartedly with the distinguished Senator from Nevada, the chairman of the committee, that we could find ourselves speaking to empty desks today, because no vote can come today on the amendments to the displaced-persons bill. I think it very important that the bill be discussed in the presence of Senators, so that they may ask questions, and so that there may be a real debate. That is the reason why I raise this point.

Mr. McCARRAN. Mr. President, again asking the Senator from Arizona to yield to me, let me say that I am perfectly willing to agree to have the Senate vote on the displaced-persons bill at an hour certain some day next week. I am perfectly willing to agree to have all the time from Monday of next week until the hour of voting on the displaced-persons bill divided between the proponents and the opponents. My reason for taking that position is that I do not wish to be talking to empty desks when we are considering that subject.

Mr. McFARLAND. Mr. President, in view of the colloquy that has taken place, I wish to revise my unanimous-consent request, so as to provide that beginning Monday, instead of today, the time on the displaced-persons bill be divided between the proponents and the opponents, in the same manner as is provided in the present unanimous-consent agreement; and that all amendments and the bill itself and all motions pertaining thereto be voted upon not later than 4 o'clock on next Thursday.

Mr. WHERRY. Mr. President, reserving the right to object, I should like to suggest to the distinguished acting majority leader that the hour should not be later than 3 o'clock. If it is the desire of the Senator from Arizona to have the time equally divided between 12 o'clock and 4 o'clock, then if the acting majority leader would amend his request so as to provide that the Senate convene at 11 o'clock on Monday, and then provide that the time be equally divided between 11 a. m. and 3 p. m. on Monday, he would accomplish a great deal because several Senators have informed me, as I am sure the Senator from Arizona is aware, that they wish to offer amendments in addition to those presently at the table, and there are about 20 amendments there. Furthermore, many Senators wish to leave the city on the 5:30 p. m. train to spend Easter Sunday with their families.

So it seems to me that the vote should be set for 3 o'clock, and the agreement should provide that the Senate convene at 11 o'clock on Monday morning. There would be no discomfort to Senators by having the Senate convene 1 hour earlier on that day. It is perfectly agreeable to me that commencing Monday, at 12 o'clock, the time be divided equally, as is now provided in the present agreement, with the exception of the point raised by the distinguished Senator from California [Mr. KNOWLAND], namely, that any amendment or motion which might be offered even after the hour of voting has arrived certainly should receive some consideration, and some time should be allotted to discussion of it, after the hour of voting—3 o'clock—arrives.

So I suggest that at least 5 or 10 minutes be allowed for debate on any new amendment—in other words, 5 minutes to each side—in order to provide that opportunity to any Senator who might wish to offer an amendment to the bill after the hour of voting arrives.

Mr. LONG. Mr. President——

Mr. McFARLAND. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, reserving the right to object, there are those of us who are opposed to the conference report on the basing-point bill who would like to have it brought to a vote, preferably next week. However, we would like to debate it for 2 or 3 days. If it comes up today, we could debate it today and one more day following today, or after the displaced-persons bill is acted upon we could debate the conference report on the basing-point bill.

We should like to have time available next week for debate on the conference report. I wonder whether we could arrange for sufficient time today or tomorrow, or else perhaps sometime next week we could proceed with debate on the basing-point-bill conference report.

Mr. McCARRAN. Mr. President, how would it be to amend the displaced-persons bill by making it a displaced-persons conference report? [Laughter.]

Mr. McFARLAND. Mr. President, I am only trying to expedite the business of the Senate. If the unanimous-consent agreement now proposed is entered into, so as to provide for the further proceedings on the displaced-persons bill to commence on Monday, then any business may be transacted today that is brought up. However, if such business is not finished today, we would have to return to consideration of the displaced-persons bill on Monday and continue with it until that bill is finally disposed of.

In order to accommodate the wishes of the Senator from California——

Mr. McCARRAN. Mr. President, if the Senator from Arizona will permit me to do so, I should like to make a suggestion to him: I make the suggestion that some other business be taken up today; and that from the convening of the Senate on Monday until some convenient hour—possibly 3 o'clock on Thursday, which will be satisfactory to me—the time be devoted to the further consideration of the displaced-persons bill; and that the basing-point bill conference report follow that, as a privileged question.

Mr. FERGUSON. Mr. President, reserving the right to object——

Mr. WHERRY. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I make the point of order that the Senate is not in order.

The VICE PRESIDENT. The point of order is well taken.

Mr. FERGUSON. Mr. President, reserving the right to object——

The VICE PRESIDENT. The Senate will be in order. Senators will resume their seats. The Chair will not recognize any Senator until he is at his seat.

Mr. FERGUSON. Mr. President——

Mr. McFARLAND. I yield to the Senator from Michigan.

Mr. FERGUSON. Do I correctly understand that the proposal is that the time from Monday noon be controlled time until on Thursday the hour of voting on the displaced-persons bill is reached?

Mr. McFARLAND. That is correct; that is the proposal.

Mr. FERGUSON. I have no objection, under those circumstances.

Mr. McFARLAND. Mr. President, I again wish to propose the unanimous-consent request in the manner now modified, namely, that the voting begin——

The VICE PRESIDENT. The Chair would like the Senator from Arizona to state the unanimous-consent request as now modified, because the Chair must submit it to the Senate for consideration.

Mr. McFARLAND. Very well. I ask unanimous consent that the unanimous-consent agreement previously entered into in regard to House bill 4567 be modified, so that the debate will begin on Monday at 12 o'clock; otherwise, that the unanimous-consent agreement previously entered into, including the provision as to germaneness, remain in effect; further, that all votes be taken on or before 3 o'clock next Thursday; provided, that if any amendment or motion has not been debated before 3 o'clock, each side shall have 5 minutes to debate it thereafter.

The VICE PRESIDENT. Let the Chair state the request as he understands it. It is that the unanimous-consent agreement heretofore entered into be modified by postponing the further consideration of the displaced-persons bill until Monday next, that the limitation of 1 hour on each amendment and 2 hours on the substitute be retained and

be effective, as is provided in the unanimous-consent agreement heretofore entered into; and that the vote be taken at 3 o'clock—Is it the suggestion that the vote be taken at 3 o'clock, or not later than 3 o'clock?

Mr. McCARRAN. Not later than 3 o'clock.

The VICE PRESIDENT. That the vote be taken not later than 3 o'clock on Thursday next; and that, at the hour of 3 o'clock, any amendment which is offered shall be entitled to 5 minutes' debate on each side.

Mr. McFARLAND. Provided the amendment has not been debated previously.

Mr. KNOWLAND. No, Mr. President.

The VICE PRESIDENT. The Chair will state that raises the question as to the interpretation of the agreement relating to debate.

Mr. McFARLAND. Very well. I withdraw the suggestion as to amendments which have previously been debated.

The VICE PRESIDENT. The fixing of a definite hour for a vote on a bill and all amendments has heretofore been presumed to mean that there would be no votes on either the bill or the amendments prior to that time. Under the unanimous-consent agreement heretofore entered into for an hour's debate on each amendment, any amendment could be offered and debated for an hour, to be voted on at the end of that hour.

Mr. McFARLAND. That is correct.

The VICE PRESIDENT. But if we fix a time for voting at a definite hour on Thursday, or on any other day, with the provision that the bill and all amendments shall be voted on at that time, or thereafter, it may raise the question whether any amendment on which there has been an hour's debate prior to that time can be voted on until that hour arrives.

Mr. McCARRAN. I want that clarified, so we may debate amendments at any time.

Mr. CHAVEZ. Mr. President, I intend to object, anyway; so there is no use prolonging the discussion.

The VICE PRESIDENT. The Senator from New Mexico objects. The Senator from Nevada [Mr. McCARRAN] is recognized.

Mr. FREAR. Mr. President, will the Senator from Nevada yield?

The VICE PRESIDENT. Under the unanimous-consent agreement which is in effect up to this time, the Chair would think that the first committee amendment should be stated, in order that Senators may address themselves to it.

DELIVERED-PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, I submit at this time the conference report on Senate bill 1008, the so-called basing-point bill.

The VICE PRESIDENT. The conference report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "(*except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition*)"; and the House agree to the same.

Amendment numbered 2: That the Senate recede from its disagreement to the amendment of the House numbered 2, and agree to the same with an amendment as follows: Omit the matter proposed to be inserted by the House amendment; and the House agree to the same.

Amendment numbered 3: That the Senate recede from its disagreement to the amendment of the House numbered 3, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: ", *and this may include the maintenance above or below the price of such competitor, of a differential in price which such seller customarily maintains, except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice*"; and the House agree to the same.

Amendment numbered 4: That the Senate recede from its disagreement to the amendment of the House numbered 4 and agree to the same.

PAT MCCARRAN,
HERBERT R. O'CONOR,
ALEXANDER WILEY,
Managers on the Part of the Senate.

EMANUEL CELLER,
FRANCIS E. WALTER,
EARL C. MICHENER,
CLIFFORD P. CASE,
Managers on the Part of the House.

Mr. McCARRAN. I move that the Senate agree to the conference report.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

Mr. SMITH of New Jersey. I object.

Mr. RUSSELL. Mr. President, reserving the right to object——

The VICE PRESIDENT. The Chair hears an objection. The Senator from New Jersey objects.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. RUSSELL. Until this juncture, the Senate is operating under a unanimous-consent agreement which would limit debate to 30 minutes to any individual Senator. I should like to inquire whether, if the Senate should decide to displace the pending business and take up the conference report, that limitation of debate would apply to the conference report.

The VICE PRESIDENT. It would not.

Mr. RUSSELL. The Chair therefore rules that if the conference report should be taken up, it supersedes the displaced-persons bill. Am I correct?

The VICE PRESIDENT. It would temporarily displace it, because of the privileged character of the conference report; but, as soon as the conference report was disposed of, the Senate would automatically return to the displaced-persons bill.

Mr. McFARLAND. Mr. President, I should like to renew the unanimous-consent request.

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Arizona?

Mr. McCARRAN. I yield.

Mr. McFARLAND. I desire to renew the unanimous-consent request. The Senator from New Mexico was under the impression that, if the unanimous-consent request were agreed to, the Senator from Nevada would make a motion with respect to the conference report, but the Senator from Nevada informs me he has no intention of making the motion in the event the unanimous-consent request is agreed to.

Mr. McCARRAN. That is correct.

Mr. CHAVEZ. Mr. President——

The VICE PRESIDENT. The Senator from New Mexico.

Mr. CHAVEZ. Let the Senator from New Mexico speak for himself. The Senator from New Mexico has been most tolerant and patient in awaiting action on H. R. 5472, which is the unfinished business of the Senate. I am going to object to anything, except the privileged matter, which would in any way interfere with a matter which has been delayed in the Senate for 6 months. If the Senator from Nevada will assure the Senate—not the Senator from New Mexico—that the unfinished business, H. R. 5472, will be next in order, I shall not object; otherwise, I shall.

The VICE PRESIDENT. The Chair might state that if the conference report is taken up by unanimous consent or on motion, being privileged, it temporarily sets aside the pending displaced-persons bill, debate on which was by unanimous consent to proceed today.

Mr. CHAVEZ. I understand.

The VICE PRESIDENT. Upon the conclusion of the consideration of the conference report, the Senate would, because of the unanimous-consent agreement, automatically return to the consideration of the displaced-persons bill, which would temporarily suspend consideration of the bill, H. R. 5472, commonly known as the rivers and harbors bill. But immediately upon the conclusion of consideration of the displaced-persons bill, the Senate would resume automatically the consideration of the rivers and harbors and flood control bill.

Mr. CHAVEZ and Mr. WHERRY addressed the Chair.

The VICE PRESIDENT. The Senator from New Mexico.

Mr. CHAVEZ. Mr. President, there is no objection whatever on the part of the Senator from New Mexico to having any privileged matter submitted. There is no objection whatever to taking up the unanimous-consent agreement, so far as the displaced-persons bill is concerned; but anything aside from that will be objected to.

PROPOSED UNANIMOUS-CONSENT AGREEMENT ON DISPLACED-PERSONS BILL

Mr. WHERRY. Mr. President, reserving the right to object, it looks as

though we are getting to an agreement. There are one or two provisions I should like to have clarified, or at least brought to the attention of the acting majority leader, if there is to be a unanimous-consent request. First, the hour to vote should be fixed at 3 o'clock—not on or before, but at 3 o'clock—on any motion, on any amendment which is germane, or on any amendment that may be offered thereafter. It is immaterial to me how the time is divided between Monday and 3 o'clock Thursday, except that it is the sense of those on this side of the aisle that, starting Monday noon, the displaced persons bill should continue to be the pending business continuously until the vote is taken on Thursday afternoon at 3 o'clock. That is my second point. Third, any amendment offered after 3 o'clock—and I have suggested 3 o'clock simply for the convenience of many Senators, and while it is immaterial to me, I think it would be well for the Senate to convene at 11 a. m. on Thursday, that as to any amendment offered after the hour of 3 o'clock, opponents and proponents of the amendment shall be given at least 5 minutes on a side—I think it ought to be 10—in order to explain the amendment.

I think that with those provisions, the Senate would know that voting would begin at a definite time; that the displaced-persons bill would be continuously the pending business, although, of course, other speeches could be made, and that no action could be taken on the amendments or the bill until the time fixed. I do not care how the time may be divided. If the time is divided, it would be necessary for a Senator desiring to speak to obtain the consent of those controlling the time.

Under such an agreement, the distinguished Senator from New Mexico would know when the vote is to be taken. His bill would then be reinstated automatically as the pending business, unless a privileged matter were brought forward afterward.

Mr. CHAVEZ. The Senator from New Mexico is not interested in what happens after next Thursday, or whenever it may be agreed to vote on the displaced-persons bill. The Senator from New Mexico is interested, and every other Senator is interested in the flood control, rivers, and harbors, and navigation bill. I want to know what is going to happen today and tomorrow.

Mr. WHERRY. Mr. President, since the Senator seems to address that question to me, my suggestion is that since the Senate probably will not sit on Saturday, nothing will happen tomorrow. But today, there will be no vote on the displaced-persons bill. It is my judgment that speeches would be in order, and that anything the Senator from New Mexico wanted to take up would be in order. I do not know whether a privileged matter might be called up; but I should think that a privileged matter which could not be concluded today would be taken up. So in my judgment the Senator from New Mexico would be able to proceed with the consideration of his bill today.

Mr. CHAVEZ. And that is what I want.

Mr. NEELY and Mr. McFARLAND addressed the Chair.

The VICE PRESIDENT. The Senator from West Virginia.

Mr. NEELY. Reserving the right to object, let me inquire whether the complicated and confused unanimous-consent request includes a requirement that the Senate vote not only on all the amendments, but also on the bill.

Mr. McCARRAN. Mr. President, if I may answer, I should like to have votes on the amendments and on the substitute as we proceed. I do not like to put over to an hour on Thursday the votes on all amendments, the substitute, and the bill. I should like to debate them and to have votes taken after the debate. That would be my desire.

Mr. NEELY. Mr. President, further reserving the right to object, unless the request provides for the final vote on the displaced-persons bill itself not later than next Thursday night, I shall object. Without this safeguard, delaying operations in this important matter might be continued till doomsday.

The VICE PRESIDENT. The Chair will state that the unanimous-consent request contains the provision that the vote shall be not later than 3 o'clock on Thursday; that thereafter, there shall be 5 minutes of debate, on each side, on each amendment offered.

Mr. WHERRY. Reserving the right to object, I thought I had clarified the issue which has risen, by stating that the minority leader would have to object to the unanimous-consent request unless the hour is fixed at 3 o'clock.

Mr. McFARLAND. Mr. President, the Senator from Arizona was trying to accommodate every Senator, which is a little difficult to do. The Senator from California [Mr. KNOWLAND] wants 5 minutes of debate on each amendment.

Mr. WHERRY. That is all right.

Mr. McFARLAND. The intention of the Senator from Arizona was to ask for unanimous consent that the present unanimous-consent request be modified in the manner in which the Senator from Nevada [Mr. McCARRAN] has stated, that we proceed to debate and vote upon amendments as they may be offered, and vote on all amendments and the bill not later than 3 o'clock next Thursday.

Mr. NEELY. Mr. President, further reserving the right to object, what is the justification for the suggestion of the distinguished minority leader that all amendments offered after 3 o'clock—the hour at which the Senate is supposed to vote—shall be subject to a 5- or 10-minute debate?

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. KNOWLAND. I should like to say to the able Senator from West Virginia that the reason, I think, is very clear. On a number of occasions the situation has arisen that after debate has been concluded and we came to the hour of voting, amendments were offered in rapid-fire order, and not even a 1-minute explanation of the amendments was permitted. The suggestion is merely to give to the Members of the Senate who may have missed some of the debate an opportunity to have a brief explanation of amendments. It will not prolong the debate, and I think it will improve the legislative process. The situation to which I have referred occurred with reference to the housing bill. I think this would be an improvement over that situation.

Mr. NEELY. By what rule could the Senate properly debate amendments to a bill after the final disposition of the measure to which the amendments refer?

The VICE PRESIDENT. As the Chair understands the request, it is that, beginning on Monday, instead of today, the displaced persons bill shall be taken up under the unanimous-consent agreement; that at not later than 3 o'clock on Thursday next the Senate shall vote on all amendments and on the bill itself; that in the meantime, up to the hour of 3 o'clock, amendments can be received in order and an hour's debate can be had on each amendment, 30 minutes on a side; that at the conclusion of the hour, the amendment shall be voted upon; that after 3 o'clock, 5 minutes' debate will be allowed on each side until all amendments are disposed of.

Mr. NEELY. Mr President, when is the final vote on the bill to be taken?

The VICE PRESIDENT. Whenever the amendments are disposed of.

Mr. NEELY. I object.

Mr. McFARLAND. Mr. President, will the Senator withhold his objection?

Mr. NEELY. Mr. President, I shall object to any proposal that would make it possible to debate amendments for the next 6 months and for the same length of time prevent the final vote on the passage of the bill.

The VICE PRESIDENT. If the Senator from West Virginia will give heed to the Chair, the Chair will state that when the hour is fixed to vote on a bill or on amendments, under the universal practice that does not mean that at a particular hour a vote must be had on the bill. Amendments may be offered and voted upon, and when they are all disposed of, then there comes the final vote on the bill. There can be no debate on amendments after the hour fixed for voting unless the agreement provides for it. In this case all amendments not voted upon by the hour of 3 o'clock on Thursday would still be entitled to be offered. That is always the case. If an agreement is entered into providing for 5 minutes' debate on each side on amendments, when all the amendments are disposed of, then there is a vote on the bill.

Mr. NEELY. And if 5,000 amendments should be offered, there would be 5,000 times 5 minutes of additional debate. I object.

The VICE PRESIDENT. There is no way in which to prevent a Senator from offering an amendment to a bill after a time has been fixed to vote upon it, except by unanimous consent.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. RUSSELL. Under the terms of the agreement which is now in effect and which will remain in effect if objection should be made to its modification, the opponents of the bill could offer 5,000 amendments and address themselves to them for 1 hour.

The VICE PRESIDENT. The Chair thinks the Senator's inquiry is pertinent. There being no time fixed for a vote, a Senator could, under that agreement, offer as many amendments as he desired.

Mr. RUSSELL. So the request of the Senator from Arizona is much more definite in bringing the displaced-persons bill to a final conclusion on Thursday than is the existing unanimous-consent agreement which has no time fixed in it for the conclusion of the matter.

Mr. McFARLAND. Mr. President, the Senator from Arizona would like to make one more request. It is important that we expedite the business of the Senate. The only way we can do that is to reach some kind of an agreement on voting. I plead with Senators, let us try to work out an acceptable agreement. Would it be agreeable if the unanimous-consent request contained a provision that all amendments be submitted by 2 o'clock, that the time between 2 and 3 o'clock be equally divided between the proponents and the opponents, and that there be no further debate after 3 o'clock?

Mr. CHAVEZ. Mr. President——

Mr. WHERRY. Mr. President, will the Senator yield? I have asked him to yield for the last half hour.

Mr. McFARLAND. I apologize to the distinguished Senator from Nebraska.

Mr. WHERRY. Mr. President, I should like to refer to the statement made by the distinguished Senator from West Virginia [Mr. NEELY], for whom I have the highest regard. I know what is in his mind, but I want him to understand why the minority leader made the suggestion regarding a 5-minute explanation, on each side, of amendments that might be offered after the voting starts. The distinguished Senator has been in the Senate longer than I have; he has been in both the House and the Senate; and I am sure he knows that the suggestion does not in any way change the present procedure, because all amendments will be voted on, under the unanimous-consent agreement, at 3 o'clock, with this one exception, that if he himself wanted to offer a clarifying amendment, he would have an opportunity to do so after the hour of voting arrived, and in explaining it, it would be limited to 5 minutes. I am satisfied that if the Senator from West Virginia will bear with the Senator from Nebraska, he will agree with me. I made my suggestion in order to comply with the request of several Senators who felt that because of the way we have been operating under unanimous-consent agreements, when an amendment is offered and goes to the desk, as happened in connection with the housing bill, there was no opportunity to know the purport and purpose of the amendment, and Senators had to ask that the Senator who offered the amendment might be granted 5 minutes to explain it. I know how fair the Senator from West Virginia is, and I believe that if he will reflect upon it a moment, he will realize that the request is not out of the ordinary. It is not for the purpose of enabling Senators to continue to offer amendments, so that there might be a delay in voting on the bill.

The minority leader withdrew a request regarding which he was very much concerned, namely, that after action on the displaced persons bill the conference report on the basing point bill should be made the unfinished business. I feel very strongly that that should be done, without further delay. However, I have withdrawn the request in order to help the acting majority leader get a unanimous-consent agreement for a vote on the displaced persons bill.

In order that the acting majority leader may not misunderstand my request, I conclude my remarks with the statement that we on this side of the aisle feel that after Monday noon the only measure which should be considered as pending is the displaced persons bill. I should like to have the acting majority leader listen to this.

Mr. McFARLAND. I am listening.

Mr. WHERRY. That at the hour of 3 o'clock—not before, but at a time fixed and certain—the Senate begin voting on any amendments which are germane to the bill, and on the bill, until the bill is disposed of.

Finally, my suggestion is—and I hope the distinguished Senator from West Virginia will accept the suggestion—that in the event an amendment is submitted after the hour of voting arrives, on each such amendment 5 minutes be allowed to each side, so that proponents and opponents may have an opportunity of making such explanations or statements with respect to it as they may desire.

Mr. NEELY. Mr. President, reserving the right to object, my sole purpose is to make it as certain as possible that the unanimous-consent request, if granted, will not enable those who are opposed to the pending measure indefinitely to prolong the debate on amendments and, by so doing, prevent for days or weeks the final disposition of the displaced-persons bill. I shall not object to a unanimous-consent agreement which includes a provision to the effect that after amendments are offered, regardless of their number, the Senate shall on next Thursday remain in continuous session until the final vote on the passage of the bill shall have been cast.

Mr. McFARLAND obtained the floor.

Mr. CHAVEZ. Mr. President, will the Senator from Arizona yield to the Senator from New Mexico?

Mr. McFARLAND. First I should like to answer the distinguished Senator from West Virginia.

The unanimous-consent agreement with respect to the natural-gas bill contained a similar 5-minute provision, and we disposed of the gas bill within a very short time after we began consideration of amendments. Several amendments were offered, as the Senator will remember, but the 5-minute provision in the unanimous-consent agreement expedited the business of disposing of the natural-gas bill.

Mr. NEELY. That is probably true. But there was no such opposition to the gas bill as there is to the displaced-persons bill.

Mr. McFARLAND. Very well; I shall include the request of the Senator from West Virginia.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. CHAVEZ. I could almost cry in my solicitude that some action be taken on the displaced persons bill. I am on the side of the Senator from West Virginia. However, I wish to assure the Senate that unless some action is taken in the United States with reference to navigation, rivers, harbors, and flood control, we shall have no occasion to worry about displaced persons. All I am asking is that the unfinished business, the consideration of H. R. 5472, be given its place in the Senate. I do not care when the vote on the displaced persons bill is had. I still maintain that our domestic business is extremely important to every Member of the Senate. Irrespective of how anyone interested in displaced persons may vote, there will be no necessity whatsoever for worrying about displaced persons unless we do something for the people of our own country. Legislation with respect to rivers, harbors, and flood protection, which has been made the unfinished business of the Senate, is extremely important, as every Senator knows, regardless of which State he represents.

All I ask is that we proceed in order. Senators are asking for a unanimous consent agreement to vote on the displaced persons bill. Why should we delay further? If the Senate wishes to go ahead with it, all well and good. All I ask is that later we be allowed to proceed and expedite the business of the Senate. As every Senator knows, there is other important business to be considered by the Senate aside from the displaced persons bill.

Mr. McFARLAND. I agree with the Senator from New Mexico, and I believe we have now come to the point where we can reach a unanimous consent agreement and proceed.

Mr. IVES. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. IVES. The Senator from New York would like to inquire whether the unanimous consent agreement could be enlarged to provide that the Senate shall remain in continuous session on Thursday until there is a final vote on the displaced persons bill itself.

Mr. McFARLAND. I was going to include that in the unanimous-consent request.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. CHAVEZ. Would the unanimous-consent request to do some business next week include a provision that the Senate will stay in session today and tomorrow to see if we can take action on H. R. 5472? That may not be so important as the displaced-persons bill, according to the opinions of some. A dam in Minnesota, a flood-control project in the Mississippi Valley, something in

North Adams, Mass., a dam in the State of Wisconsin—there is not a State that has not something in the bill that is important. There is a request for unanimous consent as to what we will do next Thursday, but we are not willing to stay here today and tomorrow to see what we can do for the United States. All I insist on is that we do something for Uncle Sam once in a while.

Mr. McFARLAND. Mr. President, I should like to state the situation as it is today. There has been a gentleman's agreement that we would have no vote today, but we can proceed to a discussion of the rivers and harbors bill. We want to expedite all these bills. We have one unanimous-consent agreement which displaces, unfortunately, I will say, the bill of the distinguished Senator from New Mexico. All we want to do is to expedite business.

I desire to state the unanimous-consent request once more and see if we cannot come to an agreement.

The VICE PRESIDENT. The Senate will be in order so that Senators and the Chair can hear the request.

Mr. McFARLAND. I ask unanimous consent that the unanimous-consent agreement previously entered into with regard to H. R. 4567 be modified in the following manner: That the debate start next Monday at 12 o'clock, instead of today, and that the time be equally divided as provided in the original unanimous-consent agreement; that the present unanimous-consent agreement be further modified to provide that a final vote on the bill, and any amendment not previously disposed of, or on the amendment in the nature of a substitute, be had beginning at the hour of 2 o'clock next Thursday, except with respect to amendments which may be offered after 2 o'clock; that each side have 5 minutes to discuss such amendments; and that the Senate remain in continuous session until all amendments have been voted on and the bill shall be finally disposed of.

Mr. WHERRY. Reserving the right to object——

The VICE PRESIDENT. The Senator from Nebraska.

Mr. WHERRY. I ask the distinguished acting majority leader—and I hope he will comply with the request—that the hour for a vote at 2 o'clock be made as definite and certain as possible, that no amendments be voted on before that time, but that we start voting at 2 o'clock on all amendments or motions which may be offered or made. That will have to be in the unanimous-consent agreement if it is to amount to anything, because otherwise there will be 3 or 4 days when amendments would come up and Senators would not be here, and that would make the proposal very indefinite and impractical.

The VICE PRESIDENT. Let the Chair understand what the Senator is proposing. The request of the Senator was that amendments offered prior to 2 o'clock Thursday may be voted on as offered after an hour's debate.

Mr. McFARLAND. I modified that.

The VICE PRESIDENT. The Senator modified his request so that no amendment could be voted on prior to 2 o'clock, but that thereafter there could be 5 minutes' debate on each side, and the Chair would have to interpret that to mean that the provision for an hour's debate on each amendment would thereby be abrogated, and it would not be effective, because they would be voted on as offered and debated until 2 o'clock arrived. It might be possible that amendments would be offered after 2 o'clock which would have gotten the hour's debate if offered prior to 2 o'clock.

Mr. McFARLAND. I will restate the unanimous-consent request to provide that beginning Monday at 12 o'clock the time be divided equally between the proponents and the opponents of the bill, the proponents' time to be controlled by the senior Senator from Nevada [Mr. McCARRAN] and the opponents' time to be controlled by the senior Senator from West Virginia [Mr. KILGORE]; that the Senate vote upon all amendments and the bill at that hour, except that there be no debate on any amendment or the bill after that hour, with the exception of amendments which may be offered after the hour of 2 o'clock; that each side be given 5 minutes to debate such amendments, and that the Senate remain in continuous session until all amendments and the bill are disposed of.

Mr. CAIN. Mr. President, reserving the right to object——

Mr. CHAVEZ. Mr. President, reserving the right to object, let us get the matter clear. We have before us the pending business. The request of the Senator from Arizona affects what might be anticipated business next week. I am going to object. The Senate agreed to set today as the time for consideration of the displaced persons bill. I shall object to the unanimous-consent request which is now being considered unless we proceed with the pending business, and set an hour this week for a vote on it. It could be voted on this afternoon, because all committee amendments except two have been adopted, and action on the bill is practically complete.

Mr. President, I do not suggest, of course, that the Senator from Arizona or any other Senator who wants to have action taken on the displaced persons bill be carried over until next week is unfair, but it is unfair that a bill which was reported to the Senate last October, and which has now been acted upon up to the point that all committee amendments, except two, have been adopted, should be byplayed around for the benefit of any other bill which it may be desired to consider. If the Senator from Arizona will proceed with the unfinished business, H. R. 5472, and arrange for setting an hour this week when action on it can be taken——

Mr. WHERRY. That cannot be done.

Mr. CHAVEZ. Why not? An attempt is now being made to reach an agreement respecting action on the displaced persons bill. Why not have similar action taken respecting the unfinished business, H. R. 5472?

Mr. WHERRY. I will say to the Senator from New Mexico that I am just as much interested in the rivers and harbors bill of which the Senator from New Mexico is in charge, as is the Senator from New Mexico.

Mr. CHAVEZ. From a dollars-and-cents standpoint, the Senator from Nebraska should be more interested in that bill than the Senator from New Mexico.

Mr. WHERRY. But there are two things in that connection which the Senator from New Mexico should appreciate. First, there are Members of the Senate who are absent today who left with the complete knowledge that there would be no votes taken today in the Senate. That is point No. 1.

Mr. CHAVEZ. Just a moment. They knew of the agreement?

Mr. WHERRY. Certainly.

Mr. CHAVEZ. And who has the right to tell them that there will be no vote?

Mr. WHERRY. On the floor of the Senate a gentleman's agreement was entered into that even though the displaced-persons bill would come up today, there would be no votes taken in the Senate on Friday, which is today. That was the agreement. It was made with the majority leader, and was accepted.

Point No. 2 is that in my judgment the Senate will consider the rivers and harbors bill immediately after the unanimous-consent request is entered into. I think the Senator appreciates that we can expedite action on his bill if there are no controversial amendments. My judgment is that we should proceed to debate the bill and not worry over what may result from entering into the proposed unanimous-consent agreement.

Mr. CHAVEZ. I am just as much worried about the rivers and harbors bill as I am about the displaced-persons bill. I want the Senator from Nebraska to understand that.

Mr. WHERRY. I understand.

Mr. CHAVEZ. I take my stand with the Senator from West Virginia on the subject of displaced persons. But I think it is unfair to the committee which reported the rivers and harbors bill, I think it is unfair to the people of the United States, it is unfair to every State of the Union that there should be byplay with respect to such a bill, which would afford protection against floods on the Mississippi, and would actually produce wealth for the people of the various States affected by it. I feel it is unfair to byplay such a bill in order to take action on the displaced persons bill, simply because it will make headlines. Two years ago many persons lost their lives on the Columbia River in the State of Oregon. Two months ago there was loss of life and great loss of property in the State of Mississippi by reason of floods. There is not a Senator who has not presented some amendment to the rivers and habors bill. Still it seems that some want to delay action on that bill. All I ask is that we take action on it today or tomorrow.

Mr. McFARLAND. May I reply to the distinguished Senator from New Mexico by saying that we can only secure one unanimous-consent agreement at a time. The bill sponsored by the Senator from New Mexico is the unfinished business, and the Senate will proceed to consider it. I will say to the Senator that I will do my best to expedite the disposal of that bill. I shall try to work out a unanimous-consent agreement today, if possible, to expedite that bill. That is the

best I can do. It has been agreed that the Senate shall go ahead with the displaced persons bill. As it looks now we might debate it for 2 or 3 weeks. That would not expedite action on the distinguished Senator's bill. If the Senator will bear with us we will try to work out something that will bring his bill to a vote at any early date.

Mr. CHAVEZ. The Senator from Arizona can say now whether we will work on the rivers and harbors bill today or tomorrow. That can be said without securing a unanimous-consent agreement.

Mr. McFARLAND. I will find out whether Senators want to make any commitment respecting working on Saturday. As I understand, there is an understanding not to have a session on Saturday. I will talk that over with Senators and let the Senator from New Mexico know about it sometime later today. If promises have been made that we not have any votes today or tomorrow, those promises must be respected.

Mr. CHAVEZ. I tried to be a gentleman last October and agreed that another committee consider the bill. By reason of my having been a gentleman, we have been delayed in our consideration of the measure for 6 months.

Mr. McFARLAND. I think the Senator from New Mexico knows that the junior Senator from Arizona has tried to work with him in every way possible. I plead with him to let the unanimous-consent agreement be entered into, because it will expedite the consideration of his measure. Nothing will be gained by defeating the agreement. That would only result in further delaying action on the very bill he is interested in expediting.

Mr. CHAVEZ. The agreement respecting the displaced-persons bill was made not last week or yesterday; the unanimous-consent agreement to take up the displaced-persons bill was entered into some time in the early part of February.

Mr. McFARLAND. Unfortunately that unanimous-consent agreement was not worked out in the manner I think it should have been.

Mr. WHERRY. I agree with the Senator.

Mr. McFARLAND. I am not criticizing anyone. It does not provide for a time for voting. The debate could be prolonged indefinitely. Anyone could offer amendments and debate could continue for 2 weeks.

Mr. CHAVEZ. Then why was not provision made to cover that situation in the agreement?

Mr. President, I object.

Mr. WHERRY. Mr. President, will the Senator reserve his objection?

The VICE PRESIDENT. The Senator from New Mexico objects.

Mr. WHERRY. Mr. President, will the Senator from New Mexico withhold his objection so I may ask him a question?

The VICE PRESIDENT. Does the Senator from New Mexico withhold his objection?

Mr. CHAVEZ. Yes.

Mr. WHERRY. I highly respect the Senator for his courtesy. I believe something might be worked out so a vote can be taken on Monday on the Senator's bill. I cannot guarantee that now, however.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. CORDON. I can guarantee to the Senator that that will not happen.

Mr. WHERRY. Then, Mr. President, that is out. But I should like to say, so the Senate will know that I was not making an unwarranted statement, that the majority leader, as appears on page 3030 of the RECORD of March 8, on the question as to whether there would be any votes in the Senate today or tomorrow, said:

> Mr. LUCAS. There will be no vote on Friday or Saturday.

Mr. CHAVEZ. Will the Senator answer a question?

Mr. WHERRY. Yes.

Mr. CHAVEZ. Is the Senator from Illinois [Mr. LUCAS] a Senator such as the Senator from Nebraska?

Mr. WHERRY. Mr. President, the Senator from Illinois is the majority leader.

Mr. CHAVEZ. But he does not happen to be present at the moment.

Mr. WHERRY. I cannot help that. He gave the assurance that there would be no vote today or tomorrow. He was speaking of the displaced persons bill. I was anxious to join with the Senator from New Mexico to make his bill the unfinished business. We have before us today the displaced persons bill. But the agreement which was reached runs to any vote, no matter whether on the rivers and harbors bill or on the displaced persons bill, and so long as I remain minority leader I shall see to it that we keep faith with agreements we make. I sincerely trust that all Senators will see the situation in the same light. I am as anxious as is the Senator from New Mexico respecting his bill.

I am also interested in a matter which is just as important to me as is the Senator's bill to him. I did not ask that it be brought up, even though it is a privileged matter, today or during the debate on the displaced persons bill. I withheld the request in the interest of orderly procedure. I beg the Senator from New Mexico to let us proceed with the unanimous-consent agreement, enter into it, and then proceed with the Senator's bill. We can debate it all day. We can make up our minds respecting it. That will be the quickest way to expedite the measure.

Mr. CHAVEZ. Mr. President, still reserving the right to object, Mr. President——

The VICE PRESIDENT. The Chair recognizes the Senator from New Mexico.

Mr. CHAVEZ. When the unanimous-consent agreement was entered into 6 weeks ago it was orderly procedure. No one objected to it. It was what should be done. It was an agreement that on this day we would take up the displaced persons bill. Very well. If it was orderly procedure then, and was agreed to, and the Members of the Senate agreed to that situation, why can they not go ahead with the bill? What is the difficulty? If they cannot go ahead, let us proceed with something else in which the people of the United States are interested.

The VICE PRESIDENT. Will the Senator from New Mexico allow the Chair to make a suggestion in the interest of being helpful, if possible?

Mr. CHAVEZ. Certainly. With the greatest of respect and consideration, I say I feel that what the Vice President will say will be in the best interests of the United States, and I shall certainly be glad to have him speak.

The VICE PRESIDENT. The Chair thanks the Senator from New Mexico.

Under the present parliamentary situation, the rivers and harbors bill cannot be voted upon until the displaced-persons bill is out of the way, and the conference report on the basing-point bill, which is privileged, if any Senator moves to take up that measure. So that in the absence of any agreement to the contrary, both measures, the displaced-persons bill and the conference report on the basing-point legislation, must be disposed of before the Senate can resume consideration of the rivers and harbors bill. In the absence of agreement, either of the two measures can be debated indefinitely. The Chair would suggest to the Senator from New Mexico that any agreement that brings a vote closer on the displaced-persons bill is calculated to expedite the consideration of the river and harbor bill.

Mr. CHAVEZ. Mr. President, I am not apologizing either to the Senator from Nebraska or my good friend and neighbor, the Senator from Arizona. I have the greatest respect for the concept of Americanism of the Presiding Officer. His suggestion appeals to me, except I want the Senate to strictly understand that there is other business of the Senate, in addition to the displaced-persons bill, that merits consideration.

Regardless of whether any other Senator thinks so or not, please believe me, Mr. President, House bill 5472 is extremely important to the people of the United States. My purpose now is not simply to have a bill passed. There is no State in the Union that is not interested in House bill 5472, from the standpoint of doing something for itself and its neighbors, for the citizens of the United States. That is the point I am trying to make.

Pollution of the water of the Ohio River is an extremely important matter. Floods on the Ohio River affect practically everyone in the United States. A dam in Arkansas is important to practically everyone in the United States. The Merrimac and the Connecticut Rivers are extremely important to the people of the United States. The Missouri River flowing through the State of my good friend, the Senator from Missouri, is extremely important. Rivers in North Dakota, Massachusetts, Missouri, or elsewhere, are very important.

All I ask is, after having been delayed for 6 months because the 13 members of the Committee on Public Works were gentlemen and were good enough to let the Senate consider other measures, that the Senate now give us our day in court to do something for the United States.

The VICE PRESIDENT. The Chair should have stated to the Senator from New Mexico, and will now do so, that im-

mediately upon the conclusion of the consideration of the displaced persons bill and of the conference report on the basing point bill, automatically, without motion, the Senate will proceed to the further consideration of the river and harbor bill. It will then be the unfinished business, although, of course, it may then be laid aside by unanimous-consent agreement or by a motion for the consideration of a conference report, which is always a privileged matter.

Mr. CHAVEZ. I understand that.

Mr. President, I say these things because I want every Senator to understand that the river and harbor bill is an important matter. I want Senators to be here when that bill is being considered by the Senate. That is all.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Arizona?

Mr. CAIN. Mr. President, reserving the right to object, let me say that the junior Senator from Washington, as a member of the Public Works Committee, wishes to associate himself fully with the observations which have just been made by the chairman of the committee, the distinguished Senator from New Mexico [Mr. CHAVEZ], and further wishes to suggest that he will help the Senator from New Mexico in any conceivable way to bring up again the omnibus river and harbor bill as early as possible.

Mr. CHAVEZ. That bill is now before the Senate. It is the pending question.

Mr. CAIN. My understanding is that we shall begin to debate it as soon as the proposal made by the Senator from Arizona has been disposed of.

Mr. LONG. Mr. President, reserving the right to object, I should like to see opportunity provided for debate on the conference report on the basing-point bill, and to have it debated before a filled Senate Chamber just as the Senator from Nevada would like to see the displaced persons bill debated before a filled Senate Chamber.

I must object until I can see how the proposed agreement would affect the conference report on the basing-point bill. I should like to see the proposed unanimous-consent agreement in writing. Until that time, I must object to it, because I should like to have an opportunity afforded us to dispose of the conference report on the basing-point bill, and first, to have it debated, for the benefit of Senators, in order that they may be sure in their own minds about it and may be fully informed regarding it.

Mr. McCARRAN. Mr. President, reserving the right to object, let me say, as chairman of the conferees on Senate bill 1008, the basing-point bill, that we shall not call up the conference report on it if we arrive at a unanimous-consent agreement in regard to the other bill which has been discussed here for the last hour. We shall not call up the conference report on the basing-point bill until the displaced persons bill is disposed of. I hope it will be disposed of not later than Thursday of next week.

On the other hand, if no unanimous-consent agreement is reached today in regard to a time for disposing of the displaced persons bill, then I propose to call up the conference report on the basing-point bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

Mr. McCARRAN. I should like to know what it is at this time.

Mr. CORDON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CORDON. The distinguished Senator from Nevada has stated that as chairman of the conference committee, he, acting for the Senate conferees, will not call up the conference report on the basing-point bill until immediately following disposition of the displaced-persons bill.

My question is, May not any Member of the Senate call up the conference report at any time he desires to do so?

The VICE PRESIDENT. No Member of the Senate, not even the chairman himself, can call it up automatically. Any Senator may move that the Senate proceed to consider the conference report; and if that motion is carried by a majority vote, it is taken up; and in such case it temporarily displaces until it is disposed of, whatever business was pending theretofore.

Mr. CORDON. My question was unhappily worded. I said, "call up," although, of course, I intended to say "move to bring up."

However, I believe a motion to bring up a conference report may be made at any time by any Member of the Senate.

The VICE PRESIDENT. Yes; at any time when some other Senator does not have the floor.

Mr. CORDON. Mr. President, reserving the right to object to the unanimous-consent request, let me say it was my understanding, from the statements which were made when the unanimous-consent agreement with reference to the displaced-persons bill was made some weeks ago, that that bill would be made the unfinished business when the Senate convened today, and would remain such, by unanimous consent, until action on it was concluded. Relying upon that understanding, I have been preparing certain data with reference to a matter which will come up when the public-works bill is further considered by the Senate. The data are not fully prepared for use this afternoon. They would have been prepared for use this afternoon had this understanding not intervened. I have no objection to a unanimous-consent agreement now to set any time that is satisfactory to the Senate for voting on the displaced-persons bill or on any amendment thereto. The sooner that is done, the better I shall like it.

However, the unanimous-consent agreement now in effect provides that the displaced-persons bill is now the unfinished business. If the consent agreement presently asked for is entered, then the displaced-persons bill will not be the unfinished business now, but the public-works bill will become the unfinished business, but will remain so only for a little while this afternoon, and will again be displaced on Monday.

Mr. President, it seems to me that we who wish to have the public-works bill acted upon by the Senate have a right, and that we are on sound ground in that respect, to suggest and insist that the displaced-persons bill, which now is before the Senate, be debated and disposed of, without being displaced by any other measure, until the vote on it is taken. Unless agreement can be entered to carry out that procedure, I am constrained to object to the unanimous-consent request.

The VICE PRESIDENT. The Senator from Oregon objects to the request.

Mr. McFARLAND. Mr. President, I wish to make a final effort to obtain agreement. Will the Senator from Oregon withhold his objection?

Mr. CORDON. I shall be happy to do so.

Mr. McFARLAND. Mr. President, I wish to make a final effort——

The VICE PRESIDENT. The Senator from Oregon objected to the request as submitted. The Senator from Arizona may submit another unanimous-consent request, without having the Senator from Oregon withhold his objection to the other request.

Mr. McFARLAND. Yes; I am going to submit another request.

I ask unanimous consent that the Senate now proceed to the consideration of the displaced persons bill that the remainder of today, Monday, Tuesday, and Wednesday be divided equally between the proponents and the opponents of the bill; that we begin to vote at not later than 2 o'clock on Thursday upon all amendments to the displaced-persons bill and upon the bill itself except that in the case of each amendment presented after 2 o'clock, the proponents will have 5 minutes and the opponents will have 5 minutes.

Mr. KNOWLAND. Mr. President, reserving the right to object, let me say that suggestion was not quite the one made by the Senator from California, which was based upon the procedure under which the Senate operated in connection with the last bill voted upon, when there was provision for 5 minutes for either side.

That arrangement was that as amendments are called up in rapid-fire order, there be opportunity for a 5-minute explanation by the proponents and a 5-minute explanation by the opponents of each amendment, because the fact of the matter is that, much as we may hope we shall have a full attendance in the Senate during Monday, Tuesday, and Wednesday, yet practical experience indicates that we shall not have; and there may be quite a number of amendments. I believe that in the interest of good, orderly legislative procedure, there should at least be given to the Senators who are on the floor at that time a 5-minute explanation pro and a 5-minute explanation con.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

Mr. LONG. Mr. President, reserving the right to object, if the Senator would simply modify his previous unanimous-consent proposal so as to provide that the vote come on Wednesday, instead of

on Thursday—in other words, dividing the time, with 1 hour for debate on each side on Monday and Tuesday; and providing that on Wednesday there be the arrangement in regard to debate which the Senator formerly proposed in regard to Thursday, namely, 5 minutes for each side, I believe that might work out satisfactorily. That would leave us Thursday to dispose of the conference report on the basing-point bill, and also would afford opportunity to consider the rivers and harbors and flood-control bill, if it is not disposed of today or tomorrow.

Mr. McFARLAND. If that is agreeable to the Senator from Oregon, I shall be willing to modify the request accordingly. Is that agreeable?

Mr. CORDON. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. CORDON. My understanding of the request now proposed by the distinguished Senator from Arizona is that the displaced persons bill will now, by unanimous consent, be the unfinished business and will remain the unfinished business, and that the proceedings indicated in the request will be had next week. I have no objection.

I would object to any request which would substitute for the pending business, which is the displaced persons bill, the public works bill, which then would necessarily become the pending business. I think it will be to the advantage of those who desire an early conclusion of consideration of the displaced persons bill, I know it will be to the advantage of those of us who are interested in the public works bill, if we proceed now to an orderly conclusion of first the one and then the other. I shall not object, if my understanding is correct as to the request of the Senator from Arizona. I should like to have him restate his request, if he will. I do not want to prolong the discussion.

Mr. McCARRAN. Mr. President, may I inquire of the Senator from Oregon whether he has had brought to his attention the full purport of the present unanimous-consent agreement respecting the displaced persons bill?

Mr. CORDON. The Senator from Oregon has just stated his understanding of it. He would be glad to be corrected, if his understanding is erroneous.

Mr. McCARRAN. There is no limit or any day set for voting on the displaced persons bill.

Mr. CORDON. I am fully conversant with that fact, and I want to do anything I can to correct that unanimous-consent agreement by getting finality into it.

Mr. McCARRAN. Very well, that is what we are trying to work out—we are trying to get finality.

Mr. CORDON. I should have no objection to a unanimous-consent agreement which would continue the displaced persons bill as the pending business until it is concluded, and which would provide for a definite time to vote.

Mr. McCARRAN. The thought the Senator from Nevada has is that if the displaced persons bill were taken off the floor today, the rivers and harbors bill would come right in and might be disposed of today, as a matter of fact.

Mr. CORDON. That is the very point to which I first called attention. I want that bill to go over, now, as the agreement was that it should go over, because I expect to debate one major amendment at some length, and I am not prepared to do so today, because my understanding was it would not come up today. I would have been prepared, had I understood that the flood control and river and harbor bill was due to be taken up as the pending business today.

Mr. CHAVEZ. We have known that for 6 weeks.

The VICE PRESIDENT. The Senator from Arizona has been requested to restate the request.

Mr. McFARLAND. Mr. President, I will restate the unanimous-consent request once more, in an effort to come to an understanding. I ask unanimous consent that the bill (H. R. 4567) remain the pending business until disposed of; that, beginning Monday, at the hour of 12 o'clock, the time be divided equally between the proponents and the opponents of the bill; that no amendment may be offered which is not germane; that the Senate proceed to vote upon the bill and all amendments at the hour of 2 o'clock, except that——

Mr. NEELY. Mr. President, that refers to what day?

Mr. McFARLAND. Wednesday. I continue—after the hour of 2 o'clock that as to any amendment which may be offered, as it is called up, each side may debate the amendment for 5 minutes; that is, the proponents and opponents.

Mr. WHERRY. That is correct.

Mr. IVES rose.

Mr. McFARLAND. I continue—and that the Senate remain in continuous session until the bill is finally disposed of.

The VICE PRESIDENT. Does that mean from now until next Wednesday, or merely on Wednesday?

Mr. McFARLAND. On Wednesday.

Mr. McCARRAN. Mr. President, reserving the right to object, does it mean we would proceed to the consideration of the displaced-persons bill today?

Mr. McFARLAND. If anyone wanted to talk on it, yes; if they did not, Senators could talk on something else.

Mr. McCARRAN. What about the time today? I notice the proposal is to divide the time on Monday.

Mr. McFARLAND. It would be anyone's time who wants to talk.

Mr. McCARRAN. Why did the Senator abandon Thursday as the day for the vote? Since some Senators must be absent on Wednesday, why not provide that the vote shall be taken on Thursday?

Mr. McFARLAND. The explanation is that certain Senators wanted to get through with another bill on Thursday.

Mr. LONG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Louisiana?

Mr. McFARLAND. I yield.

Mr. LONG. If we do not control debate today, those of us who want to be heard on the basing-point legislation can say a few words about it today, and make our views known, which would expedite the handling of the basing-point matter possibly on Thursday.

Mr. McFARLAND. That is correct. Then the Senator would have no objection to Thursday; is that correct?

Mr. LONG. That might make it possible for us to conclude consideration of the basing-point matter Thursday for sure, after a few words about the subject today.

Mr. McCARRAN. So far as I know, then, there is no limit today on the displaced-persons bill.

Mr. LONG. And no division of time.

Mr. McFARLAND. That is correct.

The VICE PRESIDENT. Is there objection to the request?

Mr. WHERRY. Reserving the right to object, I compliment the distinguished Senator from Arizona on his working out of this agreement; but I certainly want Senators to understand thoroughly what the proposal is, as I hope they do; and as I should like to be certain that I understand it. First, the displaced-persons legislation is now the pending business, as provided in the earlier unanimous-consent request; today there is no division of time, but starting at noon, Monday, and until the hour of 2 o'clock on Wednesday, the time is to be equally divided between proponents and opponents of the measure, the time to be controlled, as set forth in the original unanimous-consent agreement; after the hour of 2 o'clock shall have arrived, any amendments which have been offered will be subject to 5 minutes' explanation to each side; all amendments must be germane to the subject matter; and the Senate is to remain in continuous session on Wednesday, after the hour of 2 o'clock, until all the amendments and motions and the bill are disposed of.

Mr. McFARLAND. That is the complete unanimous-consent request, except that all amendments offered must be germane.

Mr. WHERRY. I included that.

The VICE PRESIDENT. Is there objection?

Mr. LANGER. Mr. President, reserving the right to object, I may say that during all the time I have been in the Senate I have never before known of a time when two Senators controlled Monday, Tuesday, and Wednesday, during which time no one else could talk, except as they might be permitted to talk, by those controlling the time. It seems to me that is a very long time. Can it not be changed to provide that the time shall run from Tuesday morning, or from 12 o'clock Tuesday?

Mr. McFARLAND. Would there be any objection to that?

Mr. WHERRY. No; that is all right.

Mr. McCARRAN. Mr. President, I think if we go back to our original agreement and make it applicable to Monday, Tuesday, and Wednesday, debate on each amendment will be limited to 1 hour.

The VICE PRESIDENT. Is there objection? The Chair must call attention to the requirement of the rule that there be a quorum call at this time. That will be waived if there is no objection. Is there objection to such a waiver? The Chair hears none, and it is so ordered.

Mr. LONG. Mr. President, do I correctly understand the vote will be on Wednesday?

The VICE PRESIDENT. It will be on Wednesday. Is there objection to the request of the Senator from Arizona [Mr. MCFARLAND]? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

Ordered, by unanimous consent, That the bill (H. R. 4567) to amend the Displaced Persons Act of 1948 remain the pending business until disposed of; that beginning Monday, April 3, 1950, at the hour of 12 o'clock noon the time be equally divided between the proponents and the opponents of the bill and controlled, respectively, by the Senator from Nevada [Mr. MCCARRAN] and the Senator from West Virginia [Mr. KILGORE]; that no amendment or motion may be offered that is not germane; that the Senate proceed to vote upon the bill and all amendments or motions at the hour of 2 o'clock p. m. on Wednesday, April 5, 1950; that after said hour of 2 o'clock p. m., each side shall have not exceeding 5 minutes' debate on any amendment or motion that may be offered as it is called up; and that the Senate remain in continuous session on said day of Wednesday, April 5, until the bill is finally disposed of.

The VICE PRESIDENT. May the Chair ask the Senator from Nevada whether he withdraws his motion to proceed to the consideration of the conference report?

Mr. MCCARRAN. I withdraw the motion.

The VICE PRESIDENT. The motion is withdrawn. The Senator from Nevada.

Mr. CAPEHART. Mr. President, will the Senator yield that I may put something in the RECORD?

Mr. MCCARRAN. Very well; but I shall only hold the floor a minute or so.

Mr. CAPEHART. Very well. I shall wait.

Mr. MCCARRAN. Mr. President, there are three messages from the House, which I ask the Chair to lay before the Senate.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to Senate Concurrent Resolution 48, favoring the suspension of deportation of certain aliens, which were on page 2, strike out lines 21 and 22; on page 4, strike out line 4; on the same page, after line 7, insert "A-4542639, De Caldas, Manuel, or Manuel Caldas or Joe De Caldas"; on the same page 4, after line 12, insert "A-7582526, Denicke, George"; on page 6, after line 4, insert:

A-6971387, Korosi, Alexander.
A-6971388, Korosi, Nina (nee Danenberg).

On page 7, after line 18, insert:

A-7635473, Michael, Joyce.
A-7635472, Michael, Lulu.

And on page 9, strike out line 21.

Mr. MCCARRAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MRS. LORRAINE MALONE

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 507) for the relief of Mrs. Lorraine Malone, which was, on page 1, line 6, to strike out "$5,000" and insert "$3,500".

Mr. WHERRY. Mr. President, will the distinguished Senator give us an explanation?

Mr. MCCARRAN. Mr. President, this is a private relief bill, which concerns the claim of a lady in Gallup, N. Mex., for compensation for personal injuries received as the result of an accident involving a United States Army truck.

As it was reported from the committee, this bill called for the payment of $2,000 to the claimant. By adoption of a floor amendment offered by the sponsor of the bill, the senior Senator from New Mexico [Mr. CHAVEZ], this amount was increased to $5,000 and the bill passed the Senate in that form. The House has amended the bill to provide for the payment of only $3,500, which is $1,500 less than the amount for which the Senate voted but $1,500 more than the amount recommended by the Senate Committee on the Judiciary.

Mr. WHERRY. I thank the Senator for the explanation.

Mr. SPARKMAN. Mr. President, may I inquire of the able chairman of the Judiciary Committee whether the amendment meets with the approval of the Senator from New Mexico [Mr. CHAVEZ]?

Mr. MCCARRAN. I am advised that the senior Senator from New Mexico is willing that the Senate should concur in the House amendment. I so move.

The VICE PRESIDENT. The question is on the motion of the Senator from Nevada.

The motion was agreed to.

EARL B. HOCHWALT

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 738) for the relief of Earl B. Hochwalt, which was, on page 1, to strike out all after line 9, down to and including line 4, on page 2.

Mr. MCCARRAN. I move that the Senate concur in the House amendment.

Mr. WHERRY. Mr. President, is this another private claim?

Mr. MCCARRAN. This is the case of a retired lieutenant colonel in the United States Army who, through error in the finance department, received retirement pay in excess of that to which he was entitled by law.

Mr. WHERRY. Did the House cut the Senate figure?

Mr. MCCARRAN. The total amount of the overpayment made to this claimant was $3,379.18. Of this total, $1,100 had been repaid through deductions from the claimant's retired pay up to the end of March 1950. Thus, under the House amendment, the amount of the obligation from which the claimant will be relieved is approximately $2,300.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. The question is on the motion of the Senator from Nevada.

The motion was agreed to.

PROBLEM OF SECURING COMPETENT EXECUTIVE OFFICERS

Mr. JOHNSON of Texas. Mr. President, there is no more serious problem in the Federal Government today than the problem of securing for public service men of great capacity and unselfish dedication.

With so many pressure groups harassing good officials in their work, it is even more difficult to retain in public office men who prove themselves uncompromising fighters for the public good.

Realizing this, I am sure Senators welcomed, as I did, the heartening news yesterday from Key West, where President Truman announced that three of the finest and ablest young men in public service today are undertaking new and greater challenges.

We are glad, I feel sure, that Secretary Gordon Gray will spend the next few months trying to solve the problems of the dollar gap between this country and our allies abroad. Gordon Gray's talents and capacity are such that I am sure he will be called to public service many times again, even after he assumes the university post at Chapel Hill.

Frank Pace, Jr., is another remarkable young man who, with many other opportunities available to him, unselfishly chose to dedicate his considerable talents to public service. His fine progressive labors already have served the Nation well; I am sure the national security will be further strengthened by his service now at the Pentagon.

I especially believe the Nation will benefit enormously by the elevation of Secretary of the Air Force Stuart Symington to the chairmanship of the National Security Resources Board. Stuart Symington has one of the finest minds in Government service today. His capacity is virtually limitless. His tireless devotion to duty is equaled by few men: exceeded by no man.

Presiding at a most difficult task, Stuart Symington has brought the Air Force to maturity, has successfully pleaded the case for air power before the court of public opinion, and—as much as any one man—helped maintain a realistic balance of military strength to support the cause of freedom in the cold war.

In all that he has done Stuart Symington's personal unselfishness and personal courage has served the Nation and free people everywhere well.

President Truman could not have made a happier decision than to draft Stuart Symington for this new assignment as Chairman of the National Security Resources Board. Stuart Symington has the very rare experience and know-how of a man who has been a success in both private industry and public service. His experience and his personal abilities and personal characteristics make Stuart Symington an ideal choice for this most important role in the defense of freedom.

Mr. President, I believe that, at long last, the job has found the man.

THE CENTRAL EUROPEAN SITUATION

Mr. LANGER. Mr. President, I desire to invite the attention of the Senate to an article which appeared in the Washington Times-Herald of March 17, 1950, in which Winston Churchill is reported to have said that the Allies need German aid.

I ask unanimous consent that the entire article be inserted at this point in my remarks, and I invite particular attention to this paragraph:

Churchill called on the Labor Government—

1. To stop the dismantling of German industries and the trial of Germans for war crimes, and to get western Germany actively into the western European set-up. He implied that this meant limited and strictly controlled German rearmament.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALLIES NEED GERMAN AID, SAYS WINNIE

LONDON, March 16.—Winston Churchill said tonight that Russia has land, air, and submarine forces unmatched by any other power and that America's atom bomb is Europe's only shield against mortal danger.

Even with the A-bomb, Churchill told the House of Commons, Europe cannot be successfully defended from a Russian invasion without the active aid of western Germany.

ARMS FOR GERMANY HINTED

Churchill called on the Labor Government:

1. To stop the dismantling of German industries and the trial of Germans for war crimes, and to get western Germany actively into the western European set-up. He implied that this meant limited and strictly controlled German rearmament.

2. To start building a big force of light aircraft carriers and auxiliary carriers—capable of carrying antisubmarine planes, such as the United States Navy's long-range Neptune fighter.

3. To build "far higher numbers of first-class aircraft" to combat Russia's enormous air force.

DOOR FOR TRUCE OPEN

4. While urgently building up its defenses, and seeking with France to get western Germany into the defense organization, to "leave no door closed to any hope" of reaching a settlement with Russia.

Churchill spoke in debate on the Labor Government's defense appropriations of £780,820,000 ($2,186,296,000) for the fiscal year that starts April 1.

The Conservatives offered no vote of misconfidence against the Government on defense policy.

Mr. LANGER. Mr. President, on Tuesday, March 14, in the Senate Chamber, the junior Senator from Indiana [Mr. JENNER] and the distinguished minority leader [Mr. WHERRY] broke the shocking story of what we continue to be a party to in central Europe.

I refer to the policy of savage destruction of Germany's peacetime industrial capacity, which, up to this very moment, 5 years after the end of the war, our own Government continues to inflict on the German people.

Imagine, Mr. President. Practically all our generals who were leaders in the war have told us time and time again that in order to control Europe the United States must have a friendly Germany. Yet, after 5 years, we still find the policy of savage destruction of Germany's peacetime industrial capacity continuing.

But, Mr. President, I refer more particularly to the disclosure by my two distinguished colleagues that a week ago today members of the Senate Appropriations Committee were so shocked by testimony that was presented in executive session, and by Mr. McCloy's attempt to justify our State Department, that they issued an ultimatum to Mr. McCloy to call the British High Commissioner, General Robertson, and to demand a halt to what is going on until he himself could personally investigate and report back to the committee.

I understand that Mr. McCloy did call General Robertson and has promised a full report.

Yet, Mr. President, in the midst of a shameful silence the American press has almost completely ignored the implications of these facts. I am informed the committee has not yet heard from Mr. McCloy to get his side of the story. This situation has been further bedeviled by the two recent speeches of our Secretary of State who, in the midst of this gathering crisis in Germany and Europe, has seen fit to try to focus the attention of the American people on the Far East.

Mr. President, at this time I invite the attention of every Senator to the story by Dorothy Thompson which was placed in the CONGRESSIONAL RECORD a few days ago by a Member of the House, stating that never since the war ended has the situation been worse in Germany than it is at this time.

I ask unanimous consent to have placed in the RECORD an article which appeared in the press, written by Dorothy Thompson, saying that unless something is done the results will be very disastrous to our occupation of western Germany.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RELATIONS BETWEEN WESTERN GERMANY AND EUROPE AT LOWEST POINT SINCE WAR

(By Dorothy Thompson)

A dispatch from Germany states "United States observers in Bonn and elsewhere in western Germany are surprised and, in some cases alarmed at the bitterness that has been aroused * * *" by the agreement concluded between the French Government and the Saar territory.

It is not the bitterness which is astonishing. It is the astonishment of the allied observers which astonishes. Weeks ago this column warned that the Saar proposals would shake the whole west European structure. This has now happened. Relations between western Germany and Europe are at the lowest point since the war.

This deterioration comes in a critical moment. Unemployment in western Germany has reached 2,000,000—and this figure does not include the large number of the partly employed. Popular discontent is rising, the continued dismantling of industries furnishing an additional focus of discontent, especially among the workers.

CRISIS AIDS COMMUNISTS

The Communists are taking advantage of the triple crisis: Saar, dismantling, unemployment. The currency reform produced a boom, as it brought to a famished market long-hoarded goods and opened employment. But the economic structure is basically undermined by the vast augmentation to the population of penniless expellees from that part of Germany annexed by Poland and from the satellite states. These number 9,000,000, including a disproportionate number of women, children, and aged who must be sustained by the labor of others.

Among displaced workers unemployment is far higher than in the indigenous population. Now, in this threefold crisis, Communist Poland has decided to expel those Germans who survived the earlier purges. This will add another 200,000 to 400,000 unemployed, and further complicate the disastrous housing situation.

Although the Allies are protesting in Warsaw and have said they won't take more than 25,000, it is impossible to throw them back, or to refuse Germans asylum in their own country.

The Franco-Saar agreement can be understood from the viewpoint of the Saarlanders, who, under it, are much more prosperous than other Germans. But the repercussions in Germany are inevitable. The Saar becomes, for 50 years, a colony of France. It leases France its coal mines for that period; integrates its railway system with the French; and puts its foreign affairs, customs, monetary and economic policies under French control.

GERMANY DISMEMBERED

The irony is that there is no limit to which the Adenauer government would not go to achieve economic and political integration of the whole of western Germany with France. But what no German Government could accept—and remain in office—is further dismemberment of the gravely mutilated country. Neither will any truth-loving person swallow the argument that the disposition of the Saar is still left to the peace treaty. The disposition of eastern Germany was left to the peace treaty in the Potsdam agreement—while the expulsion of its population was agreed to. Germany has been dismembered by faits accompli and no one will believe that the British and Americans have permitted France to take an action they intend later to reverse.

Thus, the most prowestern and pro-French Government Germany is ever likely to have, has been slapped in the face and, in the dynamics of democracy, has suffered defeat.

Last week, Secretary of State Acheson said America must mobilize the whole of her diplomacy. At the same time, it was announced that we are bringing pressure on the French to give more freedom to the Bao Dai government of Indochina. Now, what sort of diplomacy is it that permits the French to make a colony in Europe—and to take from an extremely friendly German Government what they had granted Adolf Hitler?

The repeated warnings of the rebirth of German nationalism are really silly. For the German has only three political choices: To become a good European, go Communist, or revive nationalism. And while the Communists are uniting communism with nationalism, the western allies are systematically frustrating Europeanism.

Furthermore, it is a very weak France which is thus cutting ties with a friendly German Government with the consent of the British and Secretary Acheson. Communist east Germany has an army on its feet which is stronger now than the French—five fully equipped divisions to the French two—and while French Communists are preventing the landing of American munitions in French ports.

One only can say that whom the gods would destroy, they first make feeble and then feeble-minded.

Mr. LANGER. What I referred to a moment ago, Mr. President, is typical Acheson strategy, which in tragic pattern can be traced through the whole

network of our international commitments, both during and since the end of the war. Secretary Acheson's philosophy continues to be to lock the barn after the horse is stolen and then invite the thieves to get together to steal some more horses.

Mr. President, this is exactly what is going on at this very minute. For Mr. Acheson is continuing to blame Stalin for his own criminal blunders. While Mr. Acheson was hand in glove with Mr. Stalin, he excused the policies he was pursuing by pleading that they could not be changed because Stalin would not agree. Now, after supposedly breaking with Stalin, he pleads we cannot change our policy because they would play into the hands of Communist propaganda. Meanwhile, Mr. Acheson continues to play the role of Stalin's left hand in Europe by destroying the very economic basis upon which the economic livelihood and the social and political stability of the German people are absolutely dependent, if they are to win their struggle against totalitarianism.

Mr. President, my distinguished colleague the Senator from Indiana [Mr. JENNER] told the Members of the Senate exactly what is going on in the British zone in Germany, with the connivance, indeed the sanction, of our own Department of State. He referred specifically to the wanton destruction of the Reichswerke Salzgitter, located near Brunswick in the British zone.

Mr. President, his charges have been confirmed now by Larry Rue, who, writing in the Times-Herald of March 13, contributed the following additional facts of what is going on at this very moment:

In Brunswick another 15,500 persons will lose their jobs when the dismantling of the Reichswerke Watenstedt is completed. This plant was built shortly before the war to make use of the low-grade ore found in the Brunswick-Hannover district.

Altogether 18,000 people are employed in these works. In 1944 they produced 1,000,000 tons of steel, valued at $75,000,000.

Of the blast furnaces here only 10 are permitted to remain in operation. One is in reserve and the other nine are to be dismantled along with the steel works and rolling mills.

Of the 112,000 inhabitants in the Watenstedt-Salzgitter district, 50,000 workers are on the dole.

The British have given two reasons for the dismantling of these plants. One was that they were uneconomical. The second was the plants were war potentials. The Germans reply that the British have a similar plant at Corby, England, and have submitted proposals that the factories be used on nonwar production.

The mines in the Brunswick area had an output of 5,000,000 tons of raw ore a year. If these works were reactivated, the Germans say, it would mean a saving of $27,000,000 annually, now being spent to purchase foreign ores, which ultimately the American taxpayers are paying for.

One of the installations earmarked for dismantling is a gas pipe line, 3½ miles long, which carries surplus gas, used for smelting in the Watenstedt foundry, to the steel works in Brunswick. France, Yugoslavia, and Greece have all asked for this pipe line.

The Germans have made several counterproposals to save this plant so it could be used for peacetime purposes only. Around these works are good workers' homes.

The good offices of the British have been asked to see that these homes could still be used and the people employed. They proposed that a car shop be established there.

Mr. President, I invite attention to what happened last week, after several Senators had protested on the floor against dismantling of a fertilizer plant in Germany. Bids were let, and a New York outfit was the lowest bidder, at approximately three and a half million dollars—which means three and a half million dollars of our taxpayers' money—for which the lowest bidder was to purchase fertilizer in this country and send it over to Germany. Could anything be more foolish or more absurd?

The article continues:

These proposals, however, have been rejected and dismantling is being completed. Even the foundations are being blown up by dynamite, so no other factories can be rebuilt where the Reichswerke Watenstedt stood before. The factory buildings are torn down piece by piece. Nothing is left standing, except homes for workers who have no jobs.

Mr. President, I want to read into the RECORD, as further evidence, an eyewitness report cabled from Salzgitter within the past few days to prove how vicious a policy we are continuing to support in Germany. I quote from this urgent message from Salzgitter:

"British troops arrived a half hour ago and occupied the administration buildings with roughly 100 men. During the day disturbances had occurred and the workers forcefully entered the offices of the British and threw documents and other material out of the window and burned them in front of the building. The German police had to give the British officers and other foreigners protection and guarded their exit out of the building. Nobody was injured. The British made another attempt to blast (to dynamite) the cockery. The workers removed forcefully the fuses from the charges and a British superviser of the blasting operation was beaten up and chased away. On the No. 5 blast furnace the scaffolds were destroyed and several British automobiles were turned over and damaged. The British troops were again removed at 10:30 to return this morning."

From the above you can see that the conditions at Salzgitter are getting more critical every hour. Immediate intervention from Washington is imperative.

Mr. President, I now wish to read from the Christian Science Monitor of March 13, 1950. Surely no one can challenge an article such as this, which shows exactly how the present senseless policies are playing in the hands of the Communists. I quote:

TROOPS IN CHARGE

Incidents have occurred during the dismantlings with which the German police have been unable to deal. Therefore British troops now are in charge while the remainder of dismantling goes on.

The Soviets and German Communists naturally are using this situation for their propaganda. British troops are described in the Communist press as "carrying on war with tanks and motorized formations on German soil against unarmed, peaceful men who are defending their means of livelihood."

"These troops are not any longer occupation troops, but an invasion army," the Communist Nationale Front declares. Communist trade-unions in the eastern zone talk about solidarity for the struggling workers and demand unity of action against the western occupying powers.

Meanwhile, Mr. President, the following story, contained in the same article by Larry Rue to which I have referred, reveals just how the Allied High Commission continues to treat the new federal German Government:

While the Allied High Commission continues to rebuke the German Government for its inability to combat unemployment, now exceeding the 2,000,000 figure, the Allies are continuing to throw Germans out of jobs by dismantling.

With the dismantling of the modern $500,000,000 Krupp steel works and its shipment to Russia as reparations, Essen has now been reduced to the status of a village.

One-third of its working people are living on the dole. Essen before the war had a population of 667,000, of which 60,000 were employed in the steel works. Many other smaller industries and shops were dependent on this pay roll.

Now there are only from 12,000 to 15,000 steelworkers in Essen. As many as 7,500 of these are still engaged in tearing down factories and buildings, the ultimate result of which will be to decrease opportunity for work.

The last of the great Krupp steel, rolling and fine alloy mills was sent to Russia via Bremerhaven last April, when Russia still was maintaining its blockade of Berlin.

In Essen workers are still busy chopping to pieces the largest steel press in the world. This 15,000-ton press did work before the war for England, France, and Italy, making large forgings which could not be produced elsewhere. Now it is being shipped to Yugoslavia.

Fred M. Gillies, works manager of the Inland Steel Co. works in East Chicago, who recently resigned from his post as chief of production of the steel group here, said Yugoslavia is still far too backward in steel production to utilize this type of press. The only profit it might make out of it is to put it on exhibition for admission fees, he said.

Mr. President, the material I have presented is just a simple illustration of the outrageous policy of destruction which Mr. Acheson and our State Department are continuing to inflict on Germany and the whole of Europe. There is no time to go into this matter in all of its ramifications or to bring home to the Members of the Senate all of the illustrations which could be used to prove the suicidal course we are being compelled to follow because we have a Secretary of State who lacks the moral courage to admit the mistakes he has made and who obviously lacks the integrity to clear the stage for a change in policy by handing in his resignation.

I do want to call to the attention of the Senate one more particular illustration of the insanity of our so-called dismantling program.

This memorandum which I want to incorporate in the record reveals what is going on in the Bergische Stahl Werke in Remscheid in the British Zone.

Mr. President, this plant has never been placed on any dismantling list as a war potential. This plant has been in existence 97 years and is known throughout the world for the quality of its products and the craftsmanship of its workers, who have never designed anything but machines for the production of peacetime goods. This factory has never

in 97 years manufactured one single article to be used for war purposes. As this memorandum reveals, we have been busy not only dismantling, but destroying peacetime industrial potentials, which no one can ever use again.

And, Mr. President, the economic absurdity that is involved in this particular instance of dismantling is revealed in the fact that much of the equipment allocated to France was sold by France to Denmark who in turn sold it to Switzerland. And since neither of these three countries could find any use whatever for the equipment, the owners of this German plant have been assured they can buy back the identical machinery as second-hand equipment from Switzerland. Could anything that is going on in Germany in connection with money being spent by the forces of occupation be more foolish than that? That is what is going on, Mr. President, all over Europe financed by the American taxpayer.

I have a memorandum concerning the question of dismantling of steel foundry II of Bergische Stahl-Industrie K. G., Remscheid. It shows exactly where the dismantled property is being shipped. I ask unanimous consent that it may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. HUNT in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

MEMORANDUM CONCERNING THE QUESTION OF DISMANTLING OF STEEL FOUNDRY II OF BERGISCHE STAHL-INDUSTRIE K. G., REMSCHEID

Dismantling Cind, No. 1335.

Dismantling order, dated May 24, 1948.

Start of dismantling activities, May 31, 1948.

Start of shipments of dismantled goods, November 17, 1949.

Total weight of the material to be dismantled, approximately 3,095 tons.

The object to be dismantled consists of 3 electric arc furnaces with a capacity of 5, 8, and 15 tons, respectively; 283 machine tools and molding machines; 24 annealing and hardening furnaces; 33 cranes; and other foundry equipment.

The material to be dismantled is allocated to—

England—weight 966 tons, representing one 5-ton arc furnace and molding boxes.

Yugoslavia—weight 860 tons, representing cranes, parts of furnaces, and machine tools.

France—weight 870 tons, representing one 15-ton arc furnace as well as machine tools and ladles.

Austria—weight 32 tons, consisting of machine tools.

Greece—weight 34 tons, consisting of testing machines.

Belgium—weight 50 tons, consisting of molding machines and foundry equipment.

Norway—weight 170 tons, consisting of one 8-ton arc furnace, chill molds, etc.

Pakistan—weight 40 tons, consisting of foundry equipment and iron chains for transport purposes.

Denmark—weight 35 tons, consisting of machine tools.

Dispatched so far—

	R/R K loads
To England	39
To Yugoslavia	27
To France	34
To Australia	4
To Greece	1
To Belgium	2
	Tons
At a total weight at	1.530

This means that it has shipped approximately 60 percent of the machine tools, approximately 60 percent of the molding machines, approximately 60 percent of the molding boxes, as well as 5 out of 33 traveling cranes.

Valuation of the object under discussion

	Deutsche-marks
New value ascertained by RDR	3,363,950
Present value ascertained by RDR	1,314,077
New value according to expert opinion of sworn consultant	4,234,014
Present value according to expert opinion of sworn consultant	2,593,158

Hints concerning the dismantling actions and the contemplated use of the dismantled goods:

1. A number of chiefs of foreign RDR missions unmistakenly mentioned that the allocation of the Brussels headquarters for dismantling goods has been made at scrap value and that no other use of the dismantled goods is contemplated.

2. The chief of the French RDR mission in Paris, declared on February 9, 1950, that the 15 tons of arc furnaces allocated to France will be sold to Yugoslavia.

3. Occasional hints of the representatives of the reception nations mentioned that at least part of the material shipped will be cut in the harbor of Emden for scrap.

4. A high value testing machine (for tensile-tests) with all measuring instruments was transported without rolling support to the railroad car by way of fastening the machine head with wire-rope to a truck and dragging it across the floor over a distance of 160 feet.

5. Dismantling of the annealing furnaces was considered impracticable by RDR branch (Colonel Bemfort). Just the same these annealing furnaces lately are being dismantled by way of destroying the brick work and by cutting the remaining iron girders (welding torch) at floor level.

6. The dismantling covers the total equipment of steel foundry II including the mechanical shops although the official dismantling list published in October 1947 stipulated that solely the three arc furnaces were to be dismantled.

The order for the complete total dismantling of steel foundry II was given by the local British resident verbally on May 24, 1948.

REMSCHEID, *February 23, 1950.*

Mr. LANGER. I want to state that the dismantled property is being shipped to Yugoslavia, France, Australia, Greece, Belgium, Norway, Pakistan, England, and to the other countries I have mentioned.

As a further illustration of the economic lunacy that is involved, I want to read into the RECORD a resolution of the workers' council of this German plant, which was issued on February 23, 1950, just 3 weeks ago, and I call especial attention to this resolution so that all of the Senators in this body who claim to be champions of labor and of the underdog will be able to understand how they themselves and their own principles are being betrayed by these policies of Secretary Acheson.

Mr. President, I want to read the resolution because of its great importance to the American people, to the American taxpayers. The resolution is as follows:

RESOLUTION OF THE WORKER'S COUNCIL OF BERGISCHE STAHL-INDUSTRIE, REMSCHEID, CONCERNING DISMANTLING OF STEEL FOUNDRY II

The culminating point of the dismantling action is just behind us after approximately 60 percent of the furnaces, machines, and equipment of steel foundry II have been shipped. In spite of this the worker's council considers it their duty to make herewith for the last time an appeal to the common sense of those offices responsible by drawing their attention to the fact that the working place of 1,200–1,300 men will be destroyed, and that 5,000 inhabitants of the city of Remscheid are losing the base of existence by destroying the above Department of Bergische Stahl-Industrie.

Now, as before, the worker's council does not hesitate to state also in this last hour that it understands the action of the occupying forces concerning the dismantling of plants serving solely the war industry. However, the worker's council decidedly condemns the mischievous destruction of a plant which since decades serves peacetime industry.

The worker's council points out that even a British part has admitted that the reinstallation of the electric furnaces on some other place has to be considered impossible due to the missing switching schemes. Therefore this valuable equipment giving work and bread to a large number of people will be destroyed. With a strange appearance the worker's council takes to knowledge that a rebuilding of the destroyed equipment is not being considered. The manner in which the dismantled equipment is being treated confirms the above remarks of English offices and gives proof of the fact that this dismantling action serves nothing but the destruction of capacity.

THE WORKER'S COUNCIL OF BERGISCHE STAHL-INDUSTRIE,
PAUL MÜLLENBACH.
EWALD MERTEN.

REMSCHEID, *February 23, 1950.*

INDUSTRIEGEWERKSCHAFT METALL F. D. BUNDESGEBIET DEUTSCHLAND, VERWALTUNGSSTELLE, REMSCHEID,

Remscheid, February 24, 1950.

According to our information, the statements of the above resolution prove to be correct; 1,200–1,300 men could find work if steel foundry II, with attached shops, could start operation.

ERICH HOCH,
Labour Union, Metal.

Mr. President, to complete the over-all picture of how we are undermining the economic, the social, and the political morale of the new German Government, I want to read into the RECORD an article from the Christian Science Monitor of Monday, March 13, which shows how our policies are playing directly into the hands of the Communists behind the iron curtain. It is as follows:

DISMANTLING PROTESTED IN BRITISH ZONE

(By J. Emlyn Williams)

BONN, GERMANY.—Policy and sentiment struggle hard for mastery among most west Germans as they contemplate two urgently pressing issues—the treatment of German refugees expelled from Poland and the last dismantlings of war-potential factories in the British zone.

Negotiations for acceptance of a limited number of German refugees from Czechoslovakia and Poland had led to the United States and Britain agreeing to take about 20,000 from the former and 25,000 from the latter country. All these were persons with relatives in west Germany who promised support.

With Czechoslovakia, the agreement hitherto has raised no difficulties. But Poland apparently has taken the opportunity to expel its last remaining Germans from territory east of the Oder-Neisse line—a territory which the United States, Britain, and France refuse to recognize as Polish, though they

have cooperated officially since 1945 in accepting millions of German expellees from there for resettlement in the western zones.

SHARP REPLY BY POLAND

To the recent British note which protested against more than the earlier figure of 25,000 Germans being expelled, Poland now replies that the rest of the Germans are being transferred to the Soviet zone of Germany as the result of an agreement with the provisional government of the German democratic people's republic, which is the highest German authority recognized by Poland. This, of course, is the east German puppet government.

What happens to expelled Germans when they reach that zone, the Polish note added, is not Poland's concern.

On the frontiers of the British and American zones, German refugees have been arriving for days in quite unorganized fashion. Obviously, it is intended that they shall cause confusion and increase the economic difficulties of the west German state.

The British decision not to permit more than a certain number to cross their zonal frontier has been criticized by some German authorities as unduly hard. But it needs little imagination to realize what the consequences for west Germany would be otherwise.

Further, it generally is believed that the Soviet zone's acceptance of thousands of Germans from western Poland will lead very soon to attempts by these same expellees to reach west Germany. This would only increase the distress which already is common in areas like Schleswig-Holstein, parts of lower Saxony, and Bavaria.

In prewar days, 8,000,000 Germans lived in the territory between the Polish frontier of 1939 and the Oder-Neisse line. Today, there are about 125,000 Germans. About the same number, it is reliably estimated, have become Polish citizens, either voluntarily or compulsorily.

LINKED WITH DISMANTLING

Poland wants these Germans moved because there are about 200,000 Poles still in the Soviet Union who are to be transferred to this territory. When that is done, Poland believes it can justify the Oder-Neisse line as its permanent western frontier.

Expellees and dismantling are naturally associated together, since the former require new means of livelihood while the latter in many cases is destroying that very means.

For this reason, it is not surprising that there should be protests against the dismantling of the huge industrial plant at Watenstedt-Salzgitter, in the British zone but very near to the Soviet zone border.

Mr. President, I have called these matters to the attention of my colleagues because this picture is so complicated and has been so deliberately suppressed or misrepresented that the American people and the Members of this Senate do not realize we are engaged in a mad race against time if we are to prevent the ultimate collapse of Germany, and with Germany, what remains of western civilization into the hands of Russia.

In that connection, I repeat that I want every Senator to read the article written by Dorothy Thompson, published in the press this morning. Again I call attention to the speech made by Winston Churchill on the floor of the House of Commons, which I have previously quoted.

This is why I now demand that the shocking story of what is going on that was presented in executive session to the Appropriations Committee of last Friday now be made public. I have not seen the testimony but I have been given to understand that it is so shocking and so outrageous that a goodly portion of it has been stricken from the record at the request of Mr. McCloy himself. This is why I believe that what does remain of that record should now be made public.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. WILEY. Mr. President, I offer an amendment to the pending river and harbor bill for flood protection on the Eau Galle River to be authorized in accordance with the recommendations of the Board of Engineers for Rivers and Harbors made in their report of March 3, 1950. I will not attempt to summarize the four-page report which has been filed by Brig. Gen. J. S. Bragdon of the Board, but I would like to state that it definitely points up the need for flood protection of the residents of the Spring Valley, Wis., area. Floods in the Eau Galle River have caused tremendous damage and, to quote the report:

A lowering of public morale, pollution of water supplies, and the possibility of epidemics.

Three deaths were caused indirectly by floods in this area. A quarter of a million dollars in damage was inflicted by the 1948 flood. In 1942 a million and one-half dollars damage was caused.

Now, Mr. President, we cannot allow this sort of situation to continue. The people of Wisconsin have been most sparing in their requests for flood-control work, as the record will attest.

Had the report from the Corps of Engineers been received by my office earlier, I would naturally have offered this amendment in the Senate Appropriations Committee, but the report has come to my hands from the Department of the Army within a few minutes of noon today.

The Board contemplates construction of a reservoir in the vicinity of Spring Valley, channel enlargement and channel rectification works, all in accordance with the plans of the district engineer.

I respectfully appeal to my colleagues in the Senate to agree to this amendment which, incidentally, assumes the full cooperation of all local officials in providing lands, easements, and rights-of-way, as well as other necessary arrangements.

Mr. President, I ask unanimous consent that the amendment may be printed and lie on the table.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Without objection, the amendment will be received, printed, and will lie on the table.

Mr. WILEY. Mr. President, I offer an additional amendment to provide for merely an investigation by the Corps of Engineers of possible flood control and river and harbor improvements on the Milwaukee River and tributaries in connection with other investigations which have been previously authorized for other States.

This, Mr. President, is not a request for approval of any project but merely for a survey of ways and means of controlling floods along the Milwaukee River. According to a report which I have just received from Major General Pick, Chief of the Corp of Engineers, there has been a considerable amount of community development along the Milwaukee River area on land that was previously vacant. This community development is seriously endangered by inadequate flood protection. General Pick advised me in a letter of February 24 that "floods are frequent in the area with smaller floods occurring almost annually."

Mr. President, I have in my hands a copy of the Wednesday, March 29, Milwaukee Journal. On the very first page there is a very disturbing article on the results of an overflow of the Milwaukee River. A dispatch was filed from Saukville, Wis., stating that—

Acres of water and jagged blocks of ice filled the outskirts of this village Wednesday as overflow from the Milwaukee River drained out of the business district. The jammed floes, which had caused a swirling torrent of water to go over the banks Monday night, remained in place despite dynamiting by the county highway department. Highway 57, east of the river, was still closed Wednesday, but traffic had been resumed on county trunk O to the west.

I respectfully appeal to my colleagues to accept this amendment for a Corps of Engineers investigation of the Milwaukee River and its tributaries.

Mr. President, I ask that the amendment be printed and lie on the table.

The PRESIDING OFFICER. Without objection, the amendment will be received, printed, and will lie on the table.

THE FORTY-NINTH STATE—EDITORIAL FROM COLLIER'S

Mr. CORDON. Mr. President, the House recently passed two statehood bills, one providing for statehood for Alaska and one providing for statehood for Hawaii. Those bills are now pending before the Senate Committee on Interior and Insular Affairs. I know that passage of these two bills will reemphasize to Members of this body the importance of the proposed legislation.

In the April 8 issue of Collier's magazine appeared an editorial entitled "The Forty-ninth State," which summarizes the situation with reference only to Hawaii. I am more familiar with the Hawaiian situation and with the arguments pro and con with reference to the bill providing for statehood for Hawaii than with the Alaskan situation. My attention was struck by the considered character of the editorial. Here will be found summarized the major points in opposition to the statehood bill, and following them a rather carefully considered answer to each of them.

Mr. President, I ask unanimous consent that the editorial may be printed in the RECORD at this point as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FORTY-NINTH STATE

Once, long ago, Americans fought and won a war which freed them from the tyranny of taxation without representation. Yet there are still hundreds of thousands of Americans who are taxed by a Federal Government in which they have no voice. Among them are the people of Hawaii. They've paid that Government more than $1,000,000,000 in the 50 years since the islands became part of the United States.

Today Hawaii's tax bill is greater than that of 11 States—Arizona, Idaho, Montana, Nevada, New Hampshire, New Mexico, North Dakota, South Dakota, Utah, Vermont, and Wyoming. But it hardly gets its money's worth. Its citizens can't cast a vote for President or even choose their own Governor. Their Delegate to the House of Representatives has no vote. They aren't represented in the Senate at all.

Why not? Why the discrimination? Why isn't Hawaii a State? People have been arguing about those questions during most of the island's half century of Territorial history. They have been the cause of numerous statehood investigations and statehood bills in Congress. The investigators turned in favorable reports. Some of the bills came very close to passage. But creation of the forty-ninth State is still around the corner.

You are likely familiar with the most common reasons given for opposing Hawaiian statehood:

The islands are not contiguous to the continental United States.

The natives, we are told, are politically immature.

Statehood would give political equality to the island's large non-Caucasian population, which might vote as a bloc and gain control of the new State.

Hawaii's admission to the Union would increase the disproportionate voting power of small States in the Senate.

The islands are a hotbed of communism.

Well, let's take up those objections in order. First there is the matter of remoteness. Hawaii is closer to San Francisco than San Francisco is to Washington. It is 8 hours from the mainland by air. This air travel is over water rather than land. Is that a valid reason for denying the islanders their well-earned right to vote?

Some Members of Congress would impose on Hawaii a period of political adolescence which, though indefinite, seems unreasonably long. Hawaiians have been Americans since the beginning of the century. Immigration from Europe and Asia has been virtually closed for 18 years. Of the 29 former United States Territories, only one, New Mexico, had to wait longer than Hawaii for statehood. A citizen on the mainland can vote at 21—or at 18, if he lives in Georgia. Isn't a 50-year apprenticeship for Hawaii enough?

The objection to Hawaii's non-Caucasians violates the fundamental principles of our democracy. The fear that they might seize political control for some harmful end shows a sad lack of faith in the freedom and opportunity which make that democracy so blessedly attractive. Under it, Hawaii's yellow- and brown-skinned citizens even now enjoy an equality that might serve as a pattern for the American mainland.

As for the voting strength which the Senate set-up gives to the smaller States, that is a situation which already exists; and if the populous States want to change it, they will have to do so through a constitutional amendment. Their problem will not be solved by denying statehood to Hawaii.

Now, about communism. The comrades are at work in the islands, of course, just as they are here at home. Hawaii is an inviting target for them. The islands are dependent on the outside for many necessities of life. The domestic economy is largely built around the growth and export of sugar and pineapples. The workers in these industries are organized by Harry Bridges' left-wing International Longshoremen's and Warehousemen's Union. In 1946 the ILWU tied up the sugar plantations in a 79-day strike that nearly wrecked them. Last year it called a 6-month strike which paralyzed Hawaii's vital two-way shipping.

Those strikes offered the Communists their big chance, but they weren't able to cash in. And the fact that Hawaii stood up under the heavy blow of the strikes and at the same time stood off the Reds convinces us that communism hasn't made the progress that some opponents of statehood would have us think.

Incidentally, neither these opponents nor anybody else in the Federal Government did much to help the islands when the going was tough. In fact, Washington policy may have made the going a little tougher. During the war the Government was Hawaii's biggest employer. Then, in a postwar burst of admirable, but ill-planned economy, it abolished 12,000 civilian jobs in a little more than a year. The sudden cutting off of 12,000 workers' incomes had a serious effect on Hawaii's whole economy. Largely as a result there are now 33,000 unemployed in a work force of 197,000. Furthermore, Federal authority made no move to invoke the Taft-Hartley law in last year's dock strike, even though the tie-up obviously menaced the islands' health and well-being.

As a result, even though Hawaiian Communists gained no lasting victory, their fellow agitators in China, Japan, and the Philippines have been able to point to the Territory's strikes and unemployment and say, "You see, American capitalism won't work. It is collapsing in a series of crises and break-downs.

We believe that statehood would strengthen Hawaii against these propaganda blows. And certainly our prestige in the Far East, as well as Hawaii, could do with some strengthening right now. The source of that strength is at hand in Hawaii. Already the territory is a model of a harmonious living-together by diverse races and cultures. And its living standard surpasses any that its neighbors enjoy or that Communist blandishments can promise.

We also favor statehood for Alaska, but we think Hawaii has prior claim. It stands on the threshold of the Orient and on the political front line of American democracy. Its citizens today enjoy many advantages that are a part of their American citizenship. If our Government will grant them the full and equal rights inherent in that citizenship, it will correct an old injustice and show the Eastern world a democratic example that might take us far toward the goal of peace and freedom in a most critical theater of the cold war.

MESSAGE FROM THE HOUSE

A mesesage from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to a concurrent resolution (H. Con. Res. 190) to provide for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775, in which it requested the concurrence of the Senate.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 190) to provide for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775, was referred to the Committee on the Judiciary.

AMERICAN FOREIGN POLICY

Mr. MORSE. Mr. President, I wish to take a minute or two to read into the RECORD a press release which I issued this morning in answer to an inquiry I received from a group of college students in California asking me for a statement on my views as to some of the things needed in American foreign policy at the present time. After all, these young people are going to have to live with, and I am afraid, pay for some of the great mistakes which my generation probably is making in the field of foreign relations. I pray to God that they will never have to pay with their precious lives and the possible destruction of our whole system of a free society itself for any mistakes we make.

So I felt that, as one Member of the Senate, in this day in our history which I think is both dark and critical, the best advice I could give those young people would be to make a strong plea for putting into practice a true bipartisan foreign policy. I did so in the following language:

It is my opinion that the best help which students can render to the cause of peace in this critical hour of our Nation's history is to help develop an informed and an enlightened public opinion in support of a sound bipartisan foreign policy.

The forces at work in America today to make our country's foreign policy a partisan issue are performing a disservice to the cause of peace. Both major political parties owe it to the American people to form a coalition at the State Department level in support of a unified bipartisan foreign policy. The Administration owes it to the American people to enter into consultation with bipartisan congressional leaders on foreign policy in advance of any international understanding or agreement with leaders of foreign powers.

However, it is time for the American people to appreciate the fact that we can lose the peace right here in our own country by our own actions if we present the picture to the world of disunity among ourselves on foreign policy. This is a time of crisis and in time of crisis the President of the United States should be supported on foreign policy by all the people of the country if he in turn shows good faith action in cooperating with the leaders of both parties in the carrying out of a bipartisan foreign policy. I believe President Truman has demonstrated that good faith by the recent steps he has taken in appointing Republicans to State Department positions, such as the appointment of former Senator John Cooper to the American Delegation for the London Conference and in consulting with Republican leaders on foreign policy questions.

I shall always reserve the right to criticize and oppose any proposal of the administration on foreign policy that I think cannot be supported by the facts. However, as a Republican who places the welfare of our country and the issue of winning the peace above political expediency or party advantage, I urge the American people to make clear to the leaders of both the Democratic and Republican Parties that they disapprove of the playing of politics with foreign policy issues.

The time has come for the American people to make clear that they want their leaders in the Congress and in the executive branch of Government to get together on a sound bipartisan foreign policy motivated by a patriotic spirit of nonpartisan cooperation in the interests of national security and of the peace of the world.

Mr. President, in addition to the statement I made to those college students this morning, I wish to add a word or two so that we can keep the record straight at least as to the position of the junior Senator from Oregon on foreign policy matters: On February 26, 1950, at Atlantic City I gave what I consider to be my major public address this year on foreign policy. I addressed a convention of some 7,700 school administrators. In that speech I made certain recommendations in regard to what I think is necessary if we are to effectuate a bipartisan foreign policy. I suggested that the President of the United States appoint a Republican Under Secretary of State, so that we can have a coalition of party leaders and party points of view at the State Department level. We must face the fact that in a very large measure foreign policy is determined at the State Department level. It seems to me that the American people have a right to the assurance that Republican points of view and suggestions can be channelized at the State Department level and can be brought to bear upon the formation of foreign policy in advance of any international agreements. I recognize that international agreements of various types under our Constitution, through the powers of the Chief Executive, can be entered into by the President. Since the defeat in New York, in recent months, of one of the distinguished Republican leaders on foreign policy, Mr. John Foster Dulles, the fact is that there is at least a feeling—and I think actually it is more than a feeling—that there has not been in the State Department a channel through which there can be expressed, with significant effect upon the formation of foreign policy, the point of view of the leaders of one of the two great parties of the country.

Of course, a bipartisan foreign policy in words alone is no good, Mr. President. A bipartisan foreign policy put to practice is the only good thing which can come out of this fine, patriotic concept that all of us should work together as a united people behind an all-American foreign policy. We need to demonstrate to the world that we stand ready and willing to do the things necessary to be done in order to defend and enforce the peace against any attack upon it by any totalitarian power—be it Russia or any other.

I think in recent weeks, at least in spirit, there has been a remarkable movement on the part of the administration toward the goal the junior Senator from Oregon had in mind when he made the recommendation for the appointment of an Under Secretary of State from the Republican Party. Mr. President, I am not one to stand on form; I am not a perfectionist in the sense that I shall ever take the position that unless one can have his suggestion carried out completely, in every detail, then credit should not be given at all for steps made in the direction of carrying out what he thinks is a sound suggestion. I think the position the executive branch of our Government has taken in recent weeks, and particularly in recent days, is going to give great assurance to the American people that, once again, in dark hours of crisis, all of us, in both parties, will rise to whatever is the national interest.

Mr. President, I may be wrong in my conclusion; I claim no infallibility in regard to it. However, I assure the Senate that I have the deep conviction that the welfare of my country and the peace of the world are dependent upon the unity of the American people behind a foreign-policy program which makes it possible for us to use the great power we have in the world in holding the lines of freedom during the many years it may take until we shall have penetrated the iron curtains of ignorance and the darkness, instead of light, which are kept over the peoples controlled by the iron-curtain-country dictators.

Therefore, Mr. President, I think it simply would not be decent of me not to recognize that in recent weeks and days the leaders of the opposition party have been taking some steps at the State Department level to try to bring about a procedure which once again would permit us to have the benefit of the situation which existed when Senator Dulles served in the State Department, in both official and unofficial capacities, as a spokesman for the Republican Party and also as a spokesman for all the people of America, regardless of party. I think the steps which have been taken in recent weeks and days to return to that bipartisan procedure and policy are steps which should receive from me commendation, which I now give to the administration.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I decline to yield at this time.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Senator from Oregon declines to yield.

Mr. MORSE. Mr. President, I now wish to commend the administration for taking bipartisan steps which I think at least offer great hope for once again establishing and effectuating a sound bipartisan foreign policy. I particularly wish to commend the administration for the appointment of a former Republican Senator from Kentucky, a distinguished leader in our country, Mr. John Cooper, as one of the American delegates to the forthcoming London conference. Those of us who served with Senator Cooper in the Senate of the United States know much about the great spirit of the man, the wonderful sense of values which have formed his character, his devotion to the spiritual and human values of the democratic way of life. His recognition that, after all, our society of free men stems from the roots of the great religious concepts which motivated the founding fathers of our form of government is a source of inspiration to many Americans. I think John Cooper's recognition that, after all, it is the spiritual values which count, that it is the protecting of the dignity of the individual which forms the very basis of a free society such as ours, is going to exercise tremendous influence in the councils of the world. I, for one, am proud that he has been selected from my party to represent, not my party, Mr. President, but the American people at the London conference.

I also am encouraged, and I wish to commend the administration for the news announcements that it is the apparent intention of the administration to appoint other Republicans to responsible positions in the field of foreign policy. I hope those intentions will be carried out. As I said in my press release this morning, I shall always reserve the right to criticize any ruling which cannot be defended on the facts. It is my duty and obligation as a Member of the Senate, to keep myself free to criticize the administration if I think the facts do not support its course of action, on this great issue of foreign policy. However, I believe this issue of foreign policy is so nonpartisan that we must make it bipartisan and give it united cooperative support. Whenever I find the President of the United States exercising a leadership designed to unite the people of America behind a bipartisan foreign approach to these problems, I am not going to hesitate to support him, simply because I am a member of the party of the opposition. I am happy to learn that in recent days the views of the great ARTHUR VANDENBERG are being given the careful consideration they deserve by the White House. I happen to be one who believes that the hour in which we live is so critical that the American people should understand that if we lose the peace many millions of them, within 30 days after the outbreak of war, most probably will be dead on American soil. Let me make perfectly clear, Mr. President, that the junior Senator from Oregon will never follow any course of appeasement in foreign affairs because of the possibility that in defending the peace we may sometime have to go to war, because I am satisfied that the American people will always be true to their great and rich heritage that the principles of freedom are more precious than life. Once they come to understand that those principles are in danger, then life will become inconsequential, because the patriotic force and impulses of the American people have never yet failed those principles, and I am satisfied the time will never come when such failure will be the record of the American people. But what I am pleading for today, out of the sincerity of my heart, is that the American people shall recognize now, before it is too late, that the present hour is an hour of great testing of American unity. The American people should say to their Government, controlled both by Democrats and Republicans, "Get together now on the facts, whatever those facts may be, and give us a foreign policy that can and will receive the united support of the great majority of the leaders of both parties in the Congress of the United States." A foreign policy which recognizes that the overwhelming majority of the American people want no truck with any strategies, proposals, or partisan attempts to take us back to a theory than we can live unto ourselves alone. We can never again do that, Mr. President. I am sure that the American people want no truck with any strategy or political partisanship which would seek to spread along the Pacific and the Atlantic coasts our own economic iron curtains. We must not forget that we

are a Christian Nation. Unless we are willing to put into practice great Christian principles which I think form the basis of American democracy, the spiritual values which motivated the founders of our country, the future is very dark. Underlying all those values, there is no spiritual tenet more important to the formation of our form of society, Mr. President, than the golden rule that we should do unto others as we would have them do unto us.

Mr. MUNDT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Oregon yield to the Senator from South Dakota?

Mr. MORSE. I am sorry, but I will not yield at this time.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. MORSE. Mr. President, I think putting into practice that unanswerable Christian teaching is one of the great challenges facing the American people today. I happen to believe, Mr. President, that you cannot reconcile by one iota any proposal for a return to isolationism with the Christian teaching of the Golden Rule.

I also believe, Mr. President, that there is no hope for peace in the world if my country should ever return to the unfortunate isolationist doctrine which once characterized the predominant political philosophy of my party in the field of foreign relations. I want it understood throughout my State as I speak here today that I do not want the votes of isolationists in my State because I cannot support their views on foreign policy. They should know that I could not possibly carry out in the Senate of the United States their objectives in the field of foreign policy, because I think those objectives will assure us war if they ever become the foreign policy of America. I think there are times when men must be willing to make whatever political sacrifices may be necessary in order to hold firm to a deep conviction. I could not have one more deep than my belief that a return to isolationism means war. Thus, as I have said on the political platforms of my State, I want to say on the floor of the Senate, because I think my colleagues on my side of the aisle are entitled to know it, that I disassociate myself from any group within my party or any group within the party of the opposition which seeks to carry us back to a program of isolationism.

As a Member of the Senate, I do not intend to let the phrase or the label "isolationism," tacked on to some proposal, blind me to the facts on which that proposal may rest. There is a great tendency in America today for some people to stick on various proposals irrelevant labels, in order to stir up emotional sanctions against the proposals. There are some proposals which deserve the very careful attention of the Senate, to which the sticker or label "isolationist" has been pasted.

I shall look behind the labels. As the courts say, it is the duty of the court to pierce the veil of superficialities and to look at the record and the evidence supporting the theory of the case. So, when I speak out today, Mr. President, against isolationism, I want to make perfectly clear that what I mean is that when it can be demonstrated that some proposal is truly based upon the theory that we should try to live unto ourselves alone and forget the Christian tenet of the Golden Rule, I shall be opposed to that proposal. My opposition will be based on the conviction that the facts will demonstrate that the proposal will lead us down the road to war and not to peace.

I close, Mr. President, by saying that I seriously doubt that since the War Between the States the Republican Party has ever been confronted with a greater challenge than that which it is confronted with today. The Democratic Party, too, has a corresponding challenge. It is a challenge to all, Republicans and Democrats alike, to demonstrate a willingness on our part to cooperate together in finding the facts in the field of foreign policy, and, on the basis of those facts, working out together in a teamwork relationship a nonpartisan or bipartisan foreign policy, whichever we want to call it, that will deserve the united support of all in the Congress and of all the American people.

That is the challenge of both parties; and as a member of the Republican Party, I intend to do what I can to help my party meet that challenge in accordance with the principles which I have laid down in these remarks.

Mr. WILEY. Mr. President, I am sorry that I did not hear all the comment of my distinguished friend from Oregon, but I did hear him say something very fine with regard to a former Senator, John Cooper. I count him one of my dearest friends, resulting from our acquaintanceship when he was a Member of the United States Senate.

I am very happy to join with the Senator from Oregon in expressing appreciation to the President for appointing John Cooper. He is, indeed, a fine Christian gentleman. Last night I happened to be with him, in company with a number of distinguished gentlemen of this city, Democrats and Republicans, and the consensus there was that the President had done the right thing. We may ask why. I suppose the answer is embodied largely in the compliment which was paid to John Cooper by the distinguished Senator from Oregon. John Cooper is a modest man, but when he gets his teeth into something, they are there. He is also a thinker; and if there is anything needed in this period more than anything else, it is straight thinking. Someone has said, "The time for straight thinking is now." I heard John Cooper give an analysis, a day or two ago, of his experience when he served this country on the United Nations. His statements were those of a thinker, one who evaluated not only from a statesman's perspective, but from the perspective of a Christian thinker, his experience with the representatives of the various members of the United Nations.

So, Mr. President, I am very happy to say these few words and to join with all his former associates in congratulating him, congratulating the President, and congratulating the country in having a man of the humble but great character of Mr. Cooper to go abroad and meet the minds of the people of other nations, to evaluate their techniques, and receive a grasp of the problems we are facing.

EXTENSION OF CERTAIN PATENTS HELD BY VETERANS OF WORLD WAR II—CONFERENCE REPORT

Mr. WILEY. Mr. President, I should like to ask the distinguished Senator from Oregon if he will permit me to call up the conference report on House bill 4692, to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II to which he objected the other day. It is a very simple matter. When the bill was before our committee, we provided that veterans should have an extension of patents up to 2 years, if I recall correctly, while they were in the service of their country. The House bill provided twice that length of service, and the Senate conferees finally agreed with the House conferees.

Mr. MORSE. May I say to my good friend from Wisconsin that if it were a matter of accommodating him, it would be a great pleasure for me to accede to his request. I am personally satisfied that what the Senator from Wisconsin says about the conference report is an accurate statement. I am satisfied that it is probably true that if all Senators were present there would be no objection to its consideration. But, Mr. President, there is a certain matter of parliamentary policy from which I shall not deviate, and that is that when I am on the floor of the Senate I shall not permit the Senate to take up a new piece of business without first having a quorum call. I think that is a courtesy which I should want to have extended to me if I were off the floor of the Senate but within the precincts of the Senate. One never knows whether some Senator might differ with the conclusions which the Senator from Wisconsin and I may have reached in regard to this particular conference report.

I hope the Senator from Wisconsin will take no offense whatsoever when I tell him that I must follow that very sound parliamentary procedure, which provides a protection to which we are all entitled. Therefore, if he wants to bring the matter up after a quorum call, I shall be very glad to suggest the absence of a quorum. Previously the Senator stated that he did not want to take the time for a quorum because a Senator had yielded to him, but he now has the floor in his own right, and if he would care to bring up the matter after I suggest the absence of a quorum, I shall be glad to make that suggestion. I await his pleasure.

Mr. WILEY. Mr. President, I understand that the distinguished Senator from Louisiana [Mr. LONG] is scheduled to speak. I sought the floor for an hour and a half. The Senator from Nevada [Mr. MCCARRAN] brought up certain matters in which he was interested, and I tried to get the attention of the Chair, assuming that I would have the same right-of-way as the Senator had, and then our good friend from North Dakota [Mr. LANGER] rose and talked for an hour. I do not think it would be fair to

the other Senators to do so today, but I have assured the House conferees that as soon as possible I would bring up the conference report.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LONG. The Senator realizes that the Senator from Louisiana has no objection to having the matter brought up. The Senator from Oregon feels that he does not want to have it brought up without first having a quorum call.

Mr. WILEY. I assure the Senator from Oregon that I still love him, in spite of his objecting qualities, but I do not wish to call absent Senators back to the floor. I shall try on Monday to obtain the floor, after the quorum call, and I am sure there will be no objection to the conference report.

AMERICAN FOREIGN POLICY

Mr. CAPEHART. Mr. President, I do not claim to be an expert on foreign affairs. I have listened very attentively to the able Senator from Oregon [Mr. MORSE]. I am wondering what the foreign policy of the United States is. I have been a Senator of the United States for approximately 6 years. I have tried to cooperate, and I think I have cooperated. My observation has been that every Senator has cooperated in foreign affairs. However, after listening to the able Senator from Oregon today, I note that he feels the situation is growing worse. My observation over the past 6 years has been that we have had a bipartisan foreign policy and that the Republican Eightieth Congress and every Congress since I have been a Member of the Senate have gone along 100 percent with the administration.

Is it possible that the so-called bipartisan foreign policy is not working? Perhaps what we need is for each Senator, the Senate as a whole, and Congress as a whole, to take a better look and another look, and analyze more carefully the proposals which come before us before we enter into them. It is not my opinion that the situation today is worse. It is not my opinion that we might well have a war at any moment, as the able Senator from Oregon said, which would wipe out, as I recall his statement, many million Americans. I have gone along with the bipartisan foreign policy. I voted for the United Nations, the Atlantic Pact, and for practically all phases of our bipartisan policy.

I should like to propound this question: When is a Senator privileged to speak his mind or to disagree on foreign affairs? What sort of system can we set up? I ask the able Senator from Oregon what system we can set up which would insure a 100-percent bipartisan foreign policy. Does he mean that the senior Senator from Indiana is to have absolutely nothing to say? Does he mean that the senior Senator from Indiana must vote and accept any program respecting international matters without so much as crossing a single "t" or dotting an "i"?

Then who is to present it, and to whom? In other words, some place, somewhere, someone must adopt a policy. It must be adopted either by 1 man, 2 men, 10 men, a hundred men, 500 men, a thousand men, or, in the case of a nation when it holds an election, millions of people. Who is going to do it?

As a duly elected representative of the people of my State, what rights do I have? Is one an isolationist simply because he questions a specific proposal which may come before the United States Senate? Is that being an isolationist? I was under the impression that a man should believe in his principles and be honest and try to represent the people of his State and the Nation. The able Senator from Oregon is always standing on principle, just as he stood on principle a moment or so ago when he said "No, no. You dare not agree to a conference report without a quorum call, so that every one of the 96 Senators may be present." I have no quarrel with that. I have no quarrel whatever with that. That is his principle. He feels that 96 Senators should participate in that particular conference report. My question is, Should not 96 Senators participate in developing our foreign policy?

Mr. MORSE. May I answer the question?

Mr. CAPEHART. No; I do not care to yield.

Mr. MORSE. I thought the Senator was asking me a question.

Mr. CAPEHART. My question is, Should not 96 Senators participate in questions affecting foreign relations? Why should not 96 Senators express their viewpoint? Why should they not argue? I believe they have the right to say: "This is wrong. This is right. I offer this as a substitute. I offer that as a substitute." Why should they not have that right?

Does any American know of a single instance, after Congress has debated a most controversial subject and passed a law, when either political party or any group of people in the Nation have said, "We are going to violate that law. We are not going to obey it"? My observation has been—and my view is borne out by history, if I read it correctly—that when Congress passes a law, it becomes the law of the land, and until it is repealed, nobody questions it, and the President proceeds to administer the law. So I am quite at a loss to understand just what is meant by a so-called bipartisan policy.

I am at a loss to understand why, after many years of enjoying a so-called bipartisan foreign policy in the United States, we find the situation today so critical. Evidently the bipartisan policy has failed. I am just as anxious to solve the problems of the world and have peace as is the able Senator from Oregon, or any other American. I am vitally interested in it. I served in World War I. I have a boy who served in World War II. I know something about war. From reading newspapers, listening to the radio, and listening to Senators make speeches on the floor of the Senate, one would be led to believe that the situation today is worse than it has ever been.

From a newspaper article by one able Senator, and a speech by another, I see building up here and there little clouds in the skies. I see building up some sort of a proposal to be made to the Congress of the United States and the American people of a new foreign policy. I can see it in the making. I have been in the Senate long enough by now to recognize the signs. I can see the little clouds appearing.

The able Senator from Oregon made an excellent speech here today. The senior Senator from Michigan [Mr. VANDENBERG] issued a statement a few days ago. The able Secretary of State is talking about some kind of a new policy. As a Senate, we are going to be asked to go along with that, some of these days, and I expect I shall go along, but I think we all have a right to disagree if in our personal opinion that which is proposed at any time is wrong.

I am fearful some are using the same old scarecrow, crying "isolationism," for what purpose I do not know. I presume when it is not possible to find any other excuse because something fails or fails to work, it is necessary to pick out somebody or some one group and say, "They are to blame for this situation."

Frankly, Mr. President, I do not know who is to blame for the present condition. All I know is that, taking other people's observations and their word for it, evidently our foreign policy has failed. At least, we are about to adopt a new one.

I do not know what the able Senator from Oregon means when he talks about a bipartisan foreign policy. I doubt very much if he knows. If he means that we must take exactly what the Secretary of State and the President send to us, without dotting an "i" or crossing a "t," I am opposed to that. If he means that after the United States Congress has had an opportunity to debate a matter openly and freely, and finally by a majority vote of the Congress has decided what it is going to do, if his thought is that then every Democrat and Republican should get 100 percent behind it, I am 100 percent with him. That is my idea of a bipartisan policy.

Mr. President, I am not unmindful of the fact that in foreign relations we must of necessity arrive at certain conclusions in what might be termed secret conferences. In fact, I suspect I have a better realization of that than many others have. I am not unmindful of that at all. I think it has to be done. But I do not like to see the so-called isolationists—and I do not know who they are—blamed for all the weaknesses of our foreign policy. I do not like to see the United States Congress denied the right to debate any question freely and openly.

Mr. President, I do want peace. I wonder why after 5 years we have been unable to secure peace. I wish to confess frankly and honestly, and I believe that every other Senator, if he were called upon, would have to confess at the moment that he agrees, that I do not know of any effort being made or what efforts are being made to secure a so-called world peace, and to make peace with Germany and Japan.

The able Senator from Oregon says he wants to compliment the administration on doing certain things recently toward reestablishing a bipartisan foreign policy. I think that is what he meant. He

mentioned the appointment of the able former Senator from Kentucky, Mr. Cooper. I agree that Mr. Cooper is an able man, and that it was a fine appointment. I am delighted he was appointed. But if I remember correctly, about a year ago he was appointed to represent the United States in international matters, so there is nothing new in his selection.

I do not know of any Senator who has been consulted about that matter. We would be very happy to sit down with the Secretary of State or any other person or group of persons, and discuss these matters with them.

The point I wish to make, Mr. President, is: What is a bipartisan policy, and how much responsibility does a Senator of the United States have in respect to it? Are we to take it lock, stock, and barrel without a single question, or are we to become partners of the Secretary of State and the President of the United States, and be consulted about these matters in advance as far as possible? Are we to be invited to debate these matters? Are we to be invited to offer suggestions and criticisms?

Talking about bipartisan foreign policy, if I remember correctly, our former able colleague, Mr. Dulles, who was candidate on the Republican ticket for the Senate in New York State, was defeated some time ago by the very persons who are now crying to the high heavens that they want a bipartisan foreign policy. If I remember correctly, some very unkind things were said about this able gentleman, some things that I am certain I would never say in a campaign. So, Mr. President, I am somewhat confused. When I listen to such speeches as we have just listened to by the able Senator from Oregon it certainly does not clear up the situation so far as I am concerned.

I think there is a basis for better cooperation between the Congress and the Secretary of State, and I am hopeful that we will have it. But I do not think we are ever going to have it until we get more cooperation and receive more respect from the President of the United States and the Secretary of State, and more acknowledgment of the responsibility of the respective United States Senators. Until more respect is shown for the office of United States Senator by the President of the United States and by the Secretary of State, I do not think we are going to make as much progress as we should make, and we need to make great progress.

So, Mr. President, as an individual United States Senator, I solicit the cooperation—I put it in that light—I solicit the cooperation of the President of the United States and the Secretary of State, to discuss these matters in advance. But, standing on principle, as the able Senator from Oregon stood a moment ago, I shall reserve the right as a United States Senator, under the Constitution, to oppose or to favor any piece of legislation that comes to this floor, whether it deals with foreign affairs or whether it deals with domestic affairs. As a matter of principle I shall stand as a United States Senator and say I shall oppose that which I think is wrong and approve that which I think is right. That is my idea of a policy. I care not whether it be called a bipartisan policy, isolationism, or internationalism, whatever it may be called, I, as a United States Senator, want the right to vote in that manner which I believe is best for the United States.

Mr. CAIN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). Does the Senator from Indiana yield to the Senator from Washington?

Mr. CAPEHART. I yield.

Mr. CAIN. A few days ago the State Department issued a volume consisting of 726 pages, the title of which was "Postwar Foreign Policy Preparation." I wonder if the Senator from Indiana, a Republican Senator, has ever seen that volume?

Mr. CAPEHART. I have not; no.

Mr. CAIN. I ask the Senator from Indiana if he knows of any Republican Senator whose advise was requested in preparing this volume of 726 pages?

Mr. CAPEHART. I certainly do not.

Mr. CAIN. I raise the question because I think the Senator from Indiana has made a very valid criticism of a prevailing so-called bipartisan foreign policy. The volume consists of plans which were prepared to accommodate the foreign policy needs after the war was over, and so far as I have been able to determine no Republican in the Senate had anything to do with the consultations heading in the direction of preparing plans for our joint future.

Mr. CAPEHART. Mr. President, I have absolutely no knowledge that any Republican Senator participated at all in the consultations or the plans to which the Senator from Washington has referred.

DELIVERED - PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES—CONFERENCE REPORT

Mr. LONG. Mr. President, Senate bill 1008 has always been a very bad bill from its original introduction to the present date. The question has always been merely a matter of degree. As this bill now comes to us from conference it is not quite but almost as bad as it has ever been in any stage of its legislative history. It now represents a list of smooth platitudes, disarming in language but completely destructive of much of our body of antitrust laws. Its faults are: First, it permits endless price discriminations by manufacturers and processors in favor of large retailers and against their smaller competitors; Second, it legalizes the tools which the monopolies have used so effectively over the past 70 years in eliminating price competition in major industries, such as steel, cement, paper, and many others; third, it confuses the present body of antitrust laws by creating new exceptions, provisos, and possible loopholes; and fourth, it delays antitrust action by making necessary long years of tedious compilation of evidence and difficult litigation to regain the ground we will lose by the passage of S. 1008.

Make no mistake about it, Mr. President, the cement trust, which has been found guilty of conspiracy, collusion, and pricing piracy, for the last 50 years, has placed its stamp of approval on S. 1008. The steel trust, which is just as guilty of the same practices, has also given its approval to this bill. The same can be said of the paper trust, the oil trust, and many others.

Now, Mr. President, these great advocates of so-called clarification of the law—and I am speaking of the great trusts—in reality prefer confusion. They are relying most strongly upon the fact that this monopolistic basing-point system is difficult to understand and difficult to explain. Therefore, in the effort to meet this issue, I shall attempt to isolate certain phases of this monopolistic proposed legislation in order that it may be understood by sections.

At this time I shall attempt to show how S. 1008 in its present condition would leave the independent retailers and wholesalers of America, whether they be grocery stores, filling stations, drug stores, drygoods stores, or any others, completely at the mercy of the manufacturers and the large chain operators. Let me give a few illustrations of what I have in mind. As every Senator is well aware, in every State and every sizable city of America we have independent merchants in day-to-day competition with chain stores and other large competitors. If the independent merchant is able to obtain his commodities at a price substantially comparable to the cost of goods to the large operators, then the independent merchant has a fair chance to compete. No tears will be shed for him, and no Congress or State legislature will show him great sympathy if he is driven out of business by superior efficiency and better merchandising methods on the part of the large concern. But the Congress of the United States has wisely seen fit to protect him against unfair price discriminations in favor of the large concerns which make it impossible for the independent merchant to compete, no matter how efficient he may be.

Senators will recall that during the last depression there was a great clamor to save the independent merchants from destruction by the large concerns. At that time we had antitrust laws designed to protect small business. They were the Sherman Antitrust Act, outlawing conspiracies and monopolistic practices in restraint of trade, which had been passed in 1890; and the Federal Trade Commission Act, as well as the Clayton Antitrust Act, both passed 24 years later—in 1914—in an effort to strengthen the Sherman Antitrust Act. Notwithstanding those acts, Congress found that loopholes made them virtually useless for the protection of the independent retailers of the Nation. Congress found that the large chain operators, such as the Atlantic & Pacific Tea Co. and Sears, Roebuck, to mention but two, were given large discounts which were not being accorded to their independent competitors. For example, the committee report of the House of Representatives in 1936, Report No. 2287, relating to the Robinson-Patman Act, contains the statement, on page 4, that from 1927 through 1933, Goodyear Tire & Rubber

Co. was granting to Sears, Roebuck & Co. discounts ranging anywhere from 32 percent up to 55 percent on automobile tires. Those discounts were not being accorded to the independent retailers of automobile tires. The Commission also made the statement, on page 3, quoting from the Federal Trade Commission Report on the Chain Store:

> The ability of the chain store to obtain its goods at lower cost than independents and of large chains to obtain goods at lower cost than small chains is an outstanding feature of the growth and development of chain-store merchandising. These lower costs have frequently found expression in the form of special discounts, concessions, or collateral privileges which were not available to smaller purchasers.

On the same page of that report, Mr. President, the House Judiciary Committee made this statement:

> Your committee is of the opinion that the evidence is overwhelming that price discrimination practices exist to such an extent that the survival of independent merchants, manufacturers, and other businessmen is seriously imperiled and that remedial legislation is necessary.

Mr. President, what was the principal shortcoming of the antitrust laws at that time? Again I quote from the House report, reading from page 7:

> The Commission Act created the Federal Trade Commission and was designed to outlaw all unfair methods of competition from interstate commerce. The Clayton Act addressed itself, in section 2 thereof, to the problem of price discrimination by providing—
>
> That it shall be unlawful for any person engaged in commerce in the course of such commerce either directly or indirectly to discriminate in price between different purchasers of commodities * * * where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce.

I continue to quote from the House report:

> This legislation represented the hope of the Congress at that time. The Clayton Act, however, contained the following provisos:
>
> *Provided,* That nothing herein contained shall prevent discrimination in price between purchasers of commodities on account of differences in the grade, quality, or quantity of the commodity sold, or that makes only due allowance for differences in the cost of selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition.

I repeat the last line of that proviso for emphasis, Mr. President:

> discrimination in price in the same or different communities made in good faith to meet competition.

There was the worst loophole. I continue to quote from the committee report, regarding the loopholes in the Clayton Act:

> *And provided further,* That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade.

This last proviso was not viewed as a loophole at all by the committee, as we notice from examining the committee report, because the committee recommended that this provision permitting sellers to select their own customers be retained in the exact, same language. The loopholes were contained in the proviso to which I have first referred: First, there was no limitation on the extent to which quantity discounts could be made; second, that there was no limitation upon discriminations in price made in good faith to meet competition. Either of these provisos, in my humble opinion, would have been enough to completely subvert the purpose of the section insofar as a small-business man was concerned.

Mr. President, I digress here to point out that if we leave the door wide open in regard to quantity discounts, the large concerns can gain identically the same advantages, by means of large-scale purchasing, that they can gain by good-faith discriminations made in their favor because of their great purchasing power. Likewise, if we leave the door open in regard to discriminations made in good faith to meet competition, although we do not leave the door open in regard to discounts because of quantity, yet discounts because of quantity can be made on the basis that they are made in good faith to meet competition. Therefore, each of those two loopholes included the other, to all intents and purposes.

What did the House Judiciary Committee think of these provisos, Mr. President? I quote the House committee's language, reading from page 7 of the House report:

> These provisos have so materially weakened section 2 of that act, which this bill proposes to amend, as to render it inadequate, if not almost a nullity.

That is what the House Judiciary Committee thought of the good-faith defense. So the House committee proposed to tighten up section 2 (a) of the Clayton Act. In the first place, it limited the allowances on quantity discounts and tied them to the actual economies that could be effected by mass production or mass deliveries. In the second place, it broadened the definition of "injury to competition" to make it clear that protection was extended to an individual competitor who was being injured or driven out of business by unfair discriminations, regardless of whether his destruction might mean an injury to competition in a broad general sense. There, again, we find a complete difference of philosophy between the Judiciary Committee of the House of Representatives of the Seventy-fourth Congress and the Judiciary Committee today. I shall discuss this matter in greater detail later. But third, and most important of all, the House committee tightened up on the so-called good-faith defense. On page 16 of the same House report we find a discussion of the term "meeting competition," and we find the following House committee language:

> This proviso represents a contraction of an exemption now contained in section 2 of the Clayton Act which permits discriminations without limit where made in good faith to meet competition. It should be noted that while the seller is permitted to meet local competition, it does not permit him to cut local prices until his competitor has first offered lower prices, and then he can go no further than to meet those prices. If he goes further, he must do so likewise with all his other customers—

Mr. President, let me repeat those words for emphasis. Here the House committee of the Seventy-fourth Congress is saying that if a seller in cutting prices to meet competition in good faith, goes further, in price cutting, than to meet the prices of his competitor, he must do likewise with all his customers—

> or make himself liable to all of the penalties of the act, including treble damages. In other words, the proviso permits the seller to meet the price actually previously offered by a local competitor. It permits him to go no further.

This section was further interpreted by the Congress to mean that the good-faith defense, after the Robinson-Patman Act, was only a relative defense, and that where the actual injury to competition could be shown, even a discrimination made in good faith would not be permitted unless other customers in the same community were given the same consideration.

This act also closed loopholes in the use of brokerage, service, and advertising allowances, and it expressly defined the word "price" in order to make clear that freight absorption and freight allowances amounted to a discrimination in price when made by the seller. That will be discussed in another connection. I am sure all Senators will recall the desperate plight of small business, especially the independent retailers, at the time when the Robinson-Patman Act was passed in 1936. They were being destroyed by the chain stores in every section of the country. Many manufacturers had no desire to discriminate in favor of the large purchasers; but by virtue of the large buying power and the economic coercion of the large merchandisers, the suppliers were frequently compelled to make such discriminations against their will. In many cases these manufacturers were acting in complete good faith. They were competing to get business, and they had no excuse to offer their larger customers for refusing to make large price discriminations. Again I quote from the House report of the Seventy-fourth Congress:

> Of the 26 tobacco manufacturers interviewed, 16 admitted that price preferences were given by means of extra discounts, rebates, or other allowances. Where threats or coercive measures to force discounts and allowances were employed, some of the manufacturers yielded rather than risk the consequences of their failure to meet the demands of these powerful buying organizations.

The Robinson-Patman Act put an end to much of this yielding to such pressure when it outlawed such price discriminations where the effect would be to substantially injure a competitor of the purchaser. How has the independent merchant fared since 1936? The best evidence that I have available is a study recently published by the National City Bank of New York in its regular weekly releases. This study shows that the 100 largest retailers of America were doing 15 percent of the retail business of the Nation 10 years ago in 1939. Although

business conditions have improved, purchasing power of the dollar has gone down, and there is more money today in circulation, which accounts for greater business on the part of all retailers, nevertheless those same 100 large concerns are still doing 15 percent of the Nation's business. Apparently the smaller retailers have been able to hold their own, thanks to our antitrust laws.

But it would be ridiculous, Mr. President, to think that the independent tire dealers of the United States could hold their own if they had to pay twice as much for their tires as the Sears-Roebuck Co. It would be just as ridiculous to think that the independent grocery store operators could hold their own against the Atlantic & Pacific Tea Co. or the Kroger or Safeway chain stores if the independent retailers had to pay 10 or 15 percent more for their commodities than their large chain competitors. It would be equally absurd to think that the small-town druggist could hold his own against the Walgreen chain if he had to pay 20 or 25 percent more for his drugs and medicines than his chain-store competitor. Of course, we know that there are still discriminations made in favor of large concerns. Large concerns are able to buy on the markets at the most favorable time. They are able to buy at distant markets when the price is somewhat higher at local markets. They are able to effect savings on mass deliveries and mass production. They are even free to manufacture their own commodities; and, in addition, let us face the fact that they are still receiving illegal discounts. Nevertheless, the law has not permitted them to receive illegal discounts without restraint; and the limitations upon the favoritism to be shown large concerns have enabled the independent merchant by virtue of his own thrift, economy, and the savings to be effected by his own prudent management, to successfully stay in business. It will be a simple matter for the large concerns to obtain great unjustified preferences if S. 1008 becomes law. Wherever manufacturers and suppliers are making unjustified discounts in favor of the chain stores and the large purchasers, there will always be other manufacturers ready to make similar discounts. To be sure that this is anticipated, let me quote from the report on the bill, S. 1008, report No. 1422, which is now before the Senate. From this report, made in the first session of this Congress, I quote from page 5:

> Competition is a contest between sellers for the business of a buyer.

I may say, Mr. President, that nothing is said in this report about competition being also among buyers, the retailers, to obtain commodities upon terms sufficiently favorable to enable them to compete with their competitors. But I proceed with the quotation from the report on the basing-point bill:

> Competition is a contest between sellers for the business of a buyer. In such a contest one seller gets the order while other sellers lose the order. That is competition. The seller who did not get the order may feel injured, but that does not mean that competition has been injured. In any competitive economy we cannot avoid injury to some of the competitors. The law does not, and under the free-enterprise system it cannot, guarantee businessmen against loss. That businessmen lose money or even go bankrupt does not necessarily mean that competition has been injured. "Competition," Mr. Justice Holmes observed, "is worth what it cost."

Mr. President, in the Seventy-fourth Congress when the Robinson-Patman Act was passed in 1936, where were the people who had the same thinking as the House conferees or the Senate conferees now have on Senate bill 1008? So far as I am able to determine, when that great piece of antitrust legislation was enacted, none of them objected to such legislation. At that time the independent merchant was clamoring to be saved from being driven out of business by the chain operators. He did not feel so safe and secure as he does today. He was well represented here in Congress at that time. He was watching Congress, asking for help and relief. No one rose then to say, as the House conferees of this Congress reported back to their group—and again I quote their language:

> That businessmen lose money or even go bankrupt does not necessarily mean that competition has been injured.

No, Mr. President, at that time the Seventy-fourth Congress of the United States wisely recognized that competition had been injured when businessmen, no matter how small, were permitted to be driven out of business, one by one, by ruthless, unfair price discriminations, until they were all gone. That, Mr. President, was the attitude of the Seventy-fourth Congress, which passed legislation designed to protect each individual businessman. Again I refer to the language of the House report of the Seventy-fourth Congress. According to the report, it was felt that competition had been injured when an individual competitor was permitted to be driven bankrupt by unfair price discriminations, when small-business men by the hundreds of thousands were afforded no protection by law. On page 8 of the House report, there will be found a broadening of the definition and classification of purchasers. I wish to quote the language of the House report:

> Subparagraph (1) permits price differentials depending solely upon whether the purchaser buys, "for resale to wholesalers, to retailers, or to consumers, or for use in further manufacture," and makes specific provision for the classification of customers in those several categories. This exemption is contained by implication in present section 2 of the Clayton Act.

Then, Mr. President, the report goes on to say that the provision should be broadened, so that the definition of injury to competition would include not only injury to competition, in a broad generic sense, such as the House conferees propose in their report to the House, but that it should include the injury to the individual competitor, recognizing that when progressive injury to great numbers of small independent competitors is permitted over a period of time, competition has been injured.

Mr. President, in order that Members of the Senate may have the benefit of the wisdom of this House report, I ask unanimous consent at this time that the report of the House committee considering the Robinson-Patman Act be printed in its entirety at this point in my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[H. Rept. No. 2287, 74th Cong., 2d sess.]

PROHIBITION OF PRICE DISCRIMINATIONS

The Committee on the Judiciary, to whom was referred the bill (H. R. 8442) which amends section 2 of the act of October 15, 1914, entitled "An act to supplement existing law against unlawful restraints and monopolies and for other purposes," report the same back favorably to the House with amendments with the recommendation that, as so amended, it do pass.

The committee amendments are as follows:

Strike out all after the enacting clause and insert in lieu of the language stricken out, the following:

"That section 2 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), is amended to read as follows:

"'SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality, whether either or any of the purchases involved in such discrimination are in commerce, where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof, or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or receives the benefit of such discrimination, or with customers of either of them; and that it shall also be unlawful for any person, whether in commerce or not, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality where in any section or community and in any line of commerce such discrimination may substantially lessen competition in commerce among either sellers or buyers or their competitors or may restrain trade or tend to create a monopoly in commerce or any line thereof; all subject to the following provisions:

"'(1) That nothing herein contained shall prevent or require differentials as between purchasers depending solely upon whether they purchase for resale to wholesalers, to retailers, or to consumers, or for use in further manufacture; for the purpose of such classification of customers as wholesalers or jobbers, or retailers, the character of the selling of the purchaser and not the buying shall determine the classification, and any purchaser who, directly or indirectly, through a subsidiary or affiliated concern or broker, does both a wholesale and retail business shall, irrespective of quantity purchased, be classified (1) as a wholesaler on purchases for sale to retail dealers only, not owned or controlled, directly or indirectly, by the purchaser; and (2) as a retailer on purchases for sale to consumers.

"'(2) That nothing herein contained shall prevent or require differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: *Provided, however,*

That the Federal Trade Commission, after due investigation and hearing to all interested parties, following insofar as applicable the procedure and subject to the recourse of the courts, provided in section 11 of this act, may issue an order fixing and establishing quantity limits and revising the same as it finds necessary, as to particular commodities or classes of commodities, and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established.

"'(3) That nothing herein contained shall prevent price changes from time to time wherein response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

"'(4) That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona-fide transactions and not in restraint of trade.

"'(5) That the word "price" as used in this section 2, shall be construed to mean the amount received by the vendor after deducting actual freight or cost of other transportation, if any, allowed or defrayed by the vendor.

"'(b) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"'(c) That it shall be unlawful for any person to discriminate in favor of one purchaser against another purchaser or purchasers of a commodity bought for resale, with or without processing, by contracting to furnish or furnishing, or by contributing to the furnishing of, any services or facilities connected with the processing, handling, sale, or offering for sale of such commodity so purchased upon terms not accorded to all purchasers on proportionally equal terms.

"'(d) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless such payment or consideration is available on proportionally equal terms to all other customers competing in the distribution of such products or commodities.

"'(e) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That nothing herein contained shall prevent a seller rebutting the prima facie case thus made by showing that his lower price to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor.

"'(f) Nothing in this section shall prevent a cooperative association from returning to its members, or a cooperative wholesale association from returning to its constituent retailer members, the whole or any part of the net earnings resulting from its trading operations, in proportion to their purchases or sales from, to, or through such association.'"

Amend the title so as to read:

"To amend section 2 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes."

STATEMENT

The purpose of this proposed legislation is to restore, so far as possible, equality of opportunity in business by strengthening antitrust laws and by protecting trade and commerce against unfair trade practices and unlawful price discrimination, and also against restraint and monopoly for the better protection of consumers, workers, and independent producers, manufacturers, merchants, and other businessmen.

To accomplish its purpose, the bill amends and strengthens the Clayton Act by prohibiting discriminations in price between purchasers where such discriminations cannot be shown to be justified by differences in the cost of manufacture, sale, or delivery resulting from different methods or quantities in which such commodities are to such purchasers sold and delivered. It also prohibits brokerage allowances except for services rendered, and advertising and other service allowances unless such allowances or services are made available to all purchasers on proportionally equal terms. It strikes at the basing-point method of sale, which lessens competition and tends to create a monopoly.

In the consideration of this bill, your committee has also had before it H. R. 4995, H. R. 5062, and H. R. 10486, all dealing with price discrimination and related subjects. Extensive public hearings have been held, both during this and the last session of Congress. It has also had the benefit of hearings conducted by a committee of the House on the investigation of the American Retail Federation and large-scale buying and selling. Your committee has also had the results of the Federal Trade Commission's several investigations and reports, including its investigation of the chain-store problem. (S. Doc. No. 4, 74th Cong., 1st sess.) Other sources of material for study of this legislation include the NRA codes and NRA code authority hearings; also studies of independent students and economists.

Your committee is of the opinion that the evidence is overwhelming that price discrimination practices exist to such an extent that the survival of independent merchants, manufacturers, and other businessmen is seriously imperiled and that remedial legislation is necessary.

On page 24 of the final report of the Federal Trade Commission report on the Chain-Store Investigation (S. Doc. No. 4, 74th Cong., 1st sess.) the following statement appears:

"As shown elsewhere, the ability of the chain store to obtain its goods at lower cost than independents and of large chains to obtain goods at lower cost than small chains is an outstanding feature of the growth and development of chain-store merchandising. These lower costs have frequently found expression in the form of special discounts, concessions, or collateral privilges which were not available to smaller purchasers. * * *

"A vivid idea of the enormous bargaining power embodied in chain-store purchases may be gained from the fact that the Great Atlantic & Pacific Tea Co. makes purchases of merchandise amounting to over $800,000,000 annually and other large chains make purchases in proportionate amounts.

"There were interviews with 129 manufacturers in the grocery group, 76 of which admitted that preferential treatment in some form was given. Thirty-three of the manufacturers interviewed stated positively that threats and coercion had been used by chain-store companies to obtain preferential treatment."

The report continues on page 26:

"There were 88 manufacturers interviewed in the drug group, 36 of which admitted that price preferences are given to chains. * * *

"Of the 26 tobacco manufacturers interviewed, 16 admitted that price preferences were given by means of extra discounts, rebates, or other allowances. Where threats or coercive measures to force discounts and allowances were employed, some of the manufactures yielded rather than risk the consequences of their failure to meet the demands of these powerful buying organizations."

The granting of preferences is not confined to any one line of industry or distribution. In entering its cease-and-desist order in the matter of Goodyear Tire & Rubber Co., Docket 2116, recently, the Federal Trade Commission in summarizing its findings of facts stated:

"Pursuant to the terms of these several tire contracts between respondent—Goodyear Tire & Rubber Co.—and Sears, Roebuck & Co., respondent has sold tires to Sears, Roebuck & Co. at prices substantially lower than it sold tires of comparable grade and quality to independent retail tire dealers. This difference in sales price has averaged, on four popular sizes of tire casings, from 32 to 40 percent in 1927; from 33 to 55 percent in 1928; from 35 to 45 percent in 1929; from 36 to 46 percent in 1939; from 35 to 50 percent in 1931; from 38 to 48 percent in 1932; from 35 to 53 percent in 1933. The average gross discrimination on these four sizes for the entire period of time from May 1926 to December 1931, was approximately 40 percent. On other sizes the gross discrimination over the entire period varied from 32 to 42 percent.

"The net average sales price discrimination remaining after deductions has been made from the dealer prices for discounts and allowances and transportation, over the entire period, varied from 29 to 40 percent on eight sizes of tires. The total aggregate net discrimination, after making such allowances, amounted to approximately $41,000,000, or approximately 26 percent of the net sales price to independent dealers on a volume of business comparable to the volume sold to Sears, Roebuck & Co."

The Commission further found as a fact that such discriminatory prices were not made to Sears, Roebuck & Co. in good faith to meet competition; and also that the Goodyear Tire & Rubber Co. concealed the prices and terms at which it was selling tires to Sears, Roebuck & Co. from its own sales organization and from the trade generally, and at no time did it offer to its own dealers prices on Goodyear brands of tires which were comparable to prices at which respondent was selling tires of equal or comparable quality to Sears, Roebuck & Co.

In 1932 the Economists Committee on Antitrust Policy made its report. This report was signed by over 125 leading American economists representing 45 American colleges and universities located in 24 States and the District of Columbia. Their statement respecting antitrust policy was published in the American Economic Review (vol. 22 (1932), p. 467). The statement is as follows, to wit:

"The undersigned as independent students of the subject believe that the weakening of the Sherman Antitrust Act would involve

consequences of a radical nature, inconsistent with the very principles of private industry. The widening and extension of the realm of public price fixing in industry and commerce resulting from such action must impose an impossible burden upon governmental agencies of control and irreparable injury to the political and social, as well as economic, interests of the whole people. Without entering in detail into the reasons for these views, we respectfully urge the adoption of an antitrust plank in the platform of the party embodying the following propositions and principles:

"1. Opposition to the amendment of the existing antitrust laws in any manner that would weaken them as agencies for preserving the policy of free markets for industrial products whereby individual and small corporate enterprise may be assured unhindered opportunity to demonstrate through efficiency, service, and low prices to the public, its right to survival in business.

"2. Reaffirmation of the essential principle of fair competition in all lines of industry not given over to public price control through commissions; recognition that unless there be such public protection the policy of free markets is essential to the interests of the great mass of people—the consumers, workers, and multitudes of independent businessmen.

"3. Rejection of the assertion made by those seeking to break down the Sherman Act that it makes necessary the development of excessive capacity and wasteful overproduction, and the equally false assertion that this was one of the causes of the present industrial depression. On the contrary, the most competent economic opinion, as well in Europe as in this country, can be cited in support of the view that a strong contributing cause of the unparalleled severity of the present depression was the greatly increased extent of monopolistic control of commodity prices which stimulated financial speculation in the security markets. There is growing doubt whether the capitalistic system, whose basic assumption is free markets and a free price system, can continue to work with an ever-widening range of prices fixed or manipulated by monopolies.

"4. Recognition of the antitrust-law legislation has been frequently violated with impunity, and has been inadequately enforced throughout much of the period since its inception; this has resulted in the control of large areas of the industrial field by great combinations and by monopolistic practices having neither legal nor economic justification.

"5. Pledge, for the party, of a genuine and effective enforcement of existing laws aimed to secure regulated competition, with needed publicity in large corporation affairs, and to this end such changes in administrative practices as are needed to correct well-recognized evils and to redress the injured right of citizens in their business relations.

"6. Pledge of further legislation to remedy widespread evils manifestly resulting from the abuse of the corporate fiction, and from the enormous excesses of the holding-company device.

"NAMES OF SIGNERS

"Arizona: University of Arizona, E. J. Brown.

"California: Mills College, Glenn E. Hoover; Occidental College, Arthur G. Coons, John Parke Young; Pomona College, George S. Burgess, Kenneth Duncan; Stanford University, M. K. Bennett, Eliot Jones, Holbrook Working; University of California (Los Angeles), J. C. Clendenin, Constanine Fannunzio, N. S. Noble, George W. Robins, Marvel N. Stockwell, Gordon S. Watkins.

"Colorado: State Agriculture College, D. N. Donaldson, L. A. Moorehouse.

"Connecticut: Trinity College, G. A. Kleene; Wesleyan College, Clyde Olin Fisher; Yale University, Winthrop M. Daniels, Clive Day, James Harvey Rogers.

"District of Columbia: The Brookings Institution, C. O. Hardy.

"Georgia: Emory University, L. E. Campbell, T. J. Canley, M. G. Evans.

"Illinois: Rawleigh Foundation, H. R. Mohat, W. J. Rawleigh; University of Chicago, Paul H. Douglas, S. E. Leland, H. A. Millis, S. H. Nerlove, Henry Schultz, Jacob Viner, Chester W. Wright; University of Illinois, E. L. Bogart, David Kinley, N. A. Weston.

"Indiana: Indiana State Teachers College, Waldo F. Mitchell.

"Iowa: Iowa State College, A. G. Black.

"Massachusetts: Amherst College, Willard L. Thorp; Massachusetts Institute of Technology, Carroll W. Doten.

"Michigan: University of Michigan, H. L. Caverly, Z. C. Dickinson, M. Elliott, Howard Ellis, Max Handman, W. A. Paton, Shorey Peterson, I. L. Sharfman, Fred M. Taylor, V. P. Timoshenka, Leonard Watkins.

"Minnesota: University of Minnesota, Ralph Cassady, George Filipetti, Frederick B. Garver, Alvin H. Hansen, E. A. Heilmar, Arthur W. Marget, Bruce D. Mudgett, Emerson P. Schmidt, J. Warren Stehman.

"Missouri: Washington University, I. Lippincott.

"New Hampshire: Dartmouth College, William A. Carter.

"New Jersey: Dana College, William L. Nunn; Princeton University, J. Douglas Brown, Denzel C. Cline, Frank T. DeVyver, Frank H. Dixon, Harold W. Dodds, Frank A. Fetter, Frank W. Fetter, Leslie T. Fournier, Stanley E. Howard.

"New Jersey: Princeton University, George F. Luthringer, A. M. McIsaac, George M. Modlin, Vernon Mund, James G. Smith, Raymond C. Whittlesey.

"New York: Brooklyn Law School, Henry Ward Beer; University of Buffalo, Shaw Livermore, Thomas L. Norton, Charles S. Tippetts; Columbia University, James C. Bonbright, John Bates Clark, Reavis Cox; New York University, Willard E. Atkins, Lewis H. Haney, Walter E. Spahr; New York City, John Bauer, James E. Pope; Union College, W. W. Bennett.

"Ohio: Ohio State University, M. B. Hammond, F. E. Held, C. C. Huntington, Virgil Willit.

"Oklahoma: University of Oklahoma, Arthur B. Adams, Frederick L. Ryan.

"Pennsylvania: Bucknell University, A. B. Biscoe; Haverford College, Don C. Barrett, John G. Herndon, Jr., Frank D. Watson; University of Pitsburgh, A. E. Boer, Prentice Dean, George McCabe, Francis Tyson; Swarthmore College, Robert C. Brooks, Herbert F. Fraser; Washington and Jefferson College, M. C. Watersdorf.

"Texas: University of Texas, George W. Stocking.

"Virginia: University of Virginia, A. J. Barlow, Abraham Berglund, E. A. Kincaid, T. R. Snavely, G. T. Staines.

"Washington: University of Washington, S. J. Coon, T. S. McMahon, H. H. Preston, H. E. Smith.

"West Virginia: West Virginia University, Arnold W. Johnson, Louis A. Rufener, E. H. Vickers.

"Wisconsin: Lawrence College, M. M. Bober, W. A. McConagha; Public Service Commission, E. W. Morehouse; University of Wisconsin, John R. Commons."

Attention is also directed to the unequivocal pronouncement contained in the Democratic national platform of 1932 as follows:

"We advocate strengthening and impartial enforcement of the antitrust laws to prevent monopoly and unfair trade practices, and revision thereof for the better protection of labor and the small producer and distributor."

More than 20 years' experience and observation with respect to the operation of the Clayton Act, together with new methods of trade and industrial organization that have since developed, have convinced your committee of the shortcomings of existing legislation, and of the need for strengthening existing laws and of fitting them more perfectly to the methods and needs of today. This your committee has striven to do with a careful regard to the preservation of full freedom and sound and honest business methods in all its necessary and proper operations; but with a firm resolve not to permit the desire of privilege to masquerade under the claim of right. It has been our effort to disturb nothing that is essential.

Its guiding ideal is the preservation of equality of opportunity as far as possible to all who are usefully employed in the service of distribution and production, taking into consideration their ability and equipment to serve the producing and consuming public with efficiency and the protection of the public from a threat of monopoly or oppression in the production and manufacture of the things it needs and the distribution of the same fairly and honestly without employment of unfair trade practices and unlawful price discrimination.

EXISTING LAW

The basic Federal antitrust law is the Sherman Act, enacted July 2, 1890. This law was intended to preserve the competitive system as our economic order by maintaining the natural flow of trade and freedom of competition in interstate commerce. To accomplish its purposes, the act outlawed from interstate commerce any concerted industrial action in undue restraint of interstate commerce and also the misuse of such commerce to create or maintain private monopoly.

Experience established the fact that the Sherman Act alone was inadequate to accomplish its purpose and that additional legislation was required to reach and prevent unfair methods of competition. President Wilson in 1914 sent a special message to Congress on January 20, expressing his stern opposition to monopolies and to oppressive monopolistic practices, and recommended the enactment of supplemental legislation. Consequently, and acting in accord with the President's recommendation, Congress enacted the Federal Trade Commission Act on September 26, 1914, and shortly thereafter on October 15, 1914, enacted the Clayton Act. These acts have been in effect for over 21 years. Together with the Sherman Act, they constitute the existing legislative plan at this time.

The Commission Act created the Federal Trade Commission and was designed to outlaw all unfair methods of competition from interstate commerce. The Clayton Act addressed itself, in section 2 thereof, to the problem of price discrimination by providing "that it shall be unlawful for any person engaged in commerce in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities * * * where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce."

This legislation represented the hope of the Congress at that time. The Clayton Act, however, contained the following provisos:

"Provided, That nothing herein contained shall prevent discrimination in price between purchasers of commodities on account of differences in the grade, quality, or quantity of the commodity sold, or that makes only due allowance for differences in the cost of selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition: *And provided further,* That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade."

These provisos have so materially weakened section 2 of that act, which this bill proposes to amend, as to render it inadequate, if not almost a nullity. Some of the difficulties of enforcement of this section as it stands are pointed out in the Annual Report of the Federal Trade Commission above referred to, at pages 63 and following.

ANALYSIS OF THE BILL

I. General object

The object of the bill, briefly stated, is to amend section 2 of the Clayton Act so as to suppress more effectually discriminations between customers of the same seller not supported by sound economic differences in their business positions or in the cost of serving them. Such discriminations are sometimes effected directly in prices, including terms of sale, and sometimes by separate allowances to favored customers for purported services or other considerations which are unjustly discriminatory in their result against other customers. The bill is accordingly drawn in six lettered subsections, of which the first four—(a), (b) (c), and (d)—contain substantive measures directed at the more prevalent forms of discrimination, while the fifth—(e)—and the sixth—(f)—contain added precautionary provisions.

II. Definitions

The special definitions of section 1 of the Clayton Act will apply without repetition to the terms concerned where they appear in this bill, since it is designed to become by amendment a part of that act.

III. Price discriminations

Section 2 (a) attacks directly the problem of price discrimination. Like present section 2 of the Clayton Act, it contains a general prohibition against such price discrimination, from which certain exceptions are then carved.

Section 2 (a) attaches to competitive relations between a given seller and his several customers. It concerns discrimination between customers of the same seller. It has nothing to do with fixing prices nor does it require the maintenance of any relationship in prices charged by a competing seller.

Discriminations in excess of sound economic differences between the customers concerned, in the treatment accorded them, involve generally an element of loss, whether only of the necessary minimum of profits or of actual costs, that must be recouped from the business of customers not granted them. When granted by a given seller to his customers in other States, and denied to those within the State, they involve the use of that interstate commerce to the burden and injury of the later. When granted to customers within the State and denied to those beyond, they involve conversely a direct resulting burden upon his interstate commerce with the latter. Both are within the proper and well-recognized power of Congress to suppress; and the following clause, contained in the opening portion of section 2 (a): "where either or any of the purchases involved in such discrimination are in commerce" * * * is of first importance in extending the protection of this bill against the full evil of price discrimination, whether immediately in interstate or intrastate commerce, wherever it is of such a character as tends directly to burden or affect interstate commerce.

The next important clause governing the jurisdictional scope of the bill is as follows:

"Where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or receives the benefit of such discrimination, or with customers of either of them." * * *

This provision accomplishes a substantial broadening of a similar clause now contained in section 2 of the Clayton Act. The existing law has in practice been too restrictive in requiring a showing of general injury to competitive conditions in the line of commerce concerned, whereas the more immediately important concern is in injury to the competitor victimized by the discrimination. Only through such injury in fact can the larger, general injury result. Through this broadening of the jurisdiction of the act, a more effective suppression of such injuries is possible and the more effective protection of the public interest at the same time is achieved.

The specific exemptions carved from section 2 (a) are more particularly explained as follows:

Classification of Purchasers

Subparagraph (1) permits price differentials depending solely upon whether the purchaser buys "for resale to wholesalers, to retailers, or to consumers, or for use in further manufacture," and makes specific provision for the classification of customers in those several categories. This exemption is contained by implication in present section 2 of the Clayton Act, since it places no limit upon quantity differentials of any kind nor upon differentials not affecting general competition. Since added restrictions are here imposed in these respects, a separate clause safeguarding differentials between different classes of purchasers becomes necessary. Such differentials, so long as equal treatment is required within the class, do not give rise to the competitive evils at which the bill is aimed; while to suppress such differentials would produce an unwarranted disturbance of existing habits of trade.

It should be noted that there is nothing in this exemption to prevent consumers when buying cooperatively or otherwise in quantities characteristic of retailers or retailers when buying in quantities characteristic of wholesalers from being accorded the same prices as those dealers respectively so long as their prices are respectively justified within their own class on the basis of differences in cost as required by subparagraph (2) noted below.

Wholesalers frequently find it necessary to supplement existing stock by additional purchases in smaller quantities and the above exemption, subparagraph (1), permits wholesalers to be accorded wholesale prices on these smaller purchases as incident to his business without the seller having to accord them at the same time on the whole body of purchases in similar quantities on sales direct to retailers. This protects the usefulness of the wholesaler in serving retailers dependent upon him for the source of supply.

Differentials between purchasers in each classification as set forth in the above exemption must, of course, be justified by differences in cost as provided by subparagraph (2) below.

Whether retailers acting cooperatively in their purchasing activities will be classified as wholesalers or retailers will depend naturally upon whether their cooperative organization functions as a separate entity taking title and reselling it to its retailer members, or merely as representing them severally in their dealings direct with the selling source of supply, but in either case there is nothing in the bill that requires prices accorded retailers to be higher than those accorded wholesalers or vice versa.

Cost Differentials

Subsection (2) permits "differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered."

This proviso is of great importance, for while it leaves trade and industry free from any restriction or impediment to the adoption and use of more economic processes of manufacture, methods of sale, and modes of delivery, wheresoever they may be employed in streams of production or distribution; it also limits the use of quantity price differentials to the sphere of actual cost differences. Otherwise, such differentials would become instruments of favor and privilege and weapons of competitive oppression.

In the above exemption the phrase "which make only due allowance," is carried over from the present act, but as coupled with the remainder of the clause, is here extended to limit quantity differentials to differences in the cost of manufacture, sale, and delivery as provided in said subsection (2). It marks the zone within which differentials may be granted.

The bill neither requires nor compels the granting of discriminations or differentials of any sort, and the words "or require" are expressly inserted in both the above subparagraphs to make that clear. It leaves any who wish to do so entirely free to sell to all at the same price regardless of differences in cost, or to grant any differentials not in excess of such differences. It does not require the differential, if granted, to be the arithmetical equivalent of the difference. It is sufficient that it does not exceed it.

The following clause from subparagraph (2) should be noted: "Resulting from differing methods or quantities in which such commodities are to such purchasers sold or delivered."

This limits the differences in cost which may justify price differentials strictly to those actual differences traceable to the particular buyer for and against whom the discrimination is granted, to the different methods of serving them, and to the different quantities in which they buy.

But such differentials whether they arise in operating or overhead cost must, as is plainly stated in the phrase quoted above, be those resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered.

This, in its plain meaning, permits differences in overhead where they can actually be shown as between the customers or classes of customers concerned, but it precludes differentials based on the imputation of overhead to particular customers, or the exemption of others from it, where such overhead represents facilities or activities inseparable from the seller's business as a whole and not attributable to the business of particular customers or of the particular customers concerned in the discrimination. It leaves open as a question of fact in each case whether the differences in cost urged in justification of a price differential—whether of operating or of overhead costs—is one kind or the other. That is, whether or not it answers the above requirements as to differences resulting from differing methods or quantities in which such commodities are to such purchasers sold or delivered.

Quantity Limits

The proviso contained in subparagraph (2) permits the Federal Trade Commission to fix, as to particular commodities, quantity limits beyond which quantity-price differentials shall not be permitted, even when supported by cost differences of the character authorized earlier in the paragraph. This proviso rests upon the principle that where even an admitted economy is of a character that is possible only to a very few units of overshadowing size in a particular trade or industry, it may become in their hands an instrument that lessens competition and that tends to create a monopoly; and that in forbidding its use and foregoing its benefits the public is merely insuring its freedom from monopoly control.

A similar limitation has been applied without challenge for nearly half a century in the field of transportation in refusing to extend freight-rate differentials beyond the car-lot

quantity. To apply such a blanket limitation to quantity-price differentials in the commodity field seems at present unwarranted, since similar protection may not now be needed with reference to all commodities, nor as to some may it ever be needed, depending, as it does upon such questions of fact as the distribution of business in the given line among large and small competitors, and the degree to which peculiar economies are technically possible only to those competitors of overshadowing size. The above proviso commits to the Federal Trade Commission the power to act in the premises as and when the need arises, and to act appropriately to the nature of the need, after possessing itself of all pertinent information. It is not designed to confer upon the Commission carte blanche authority to regulate quantity discounts without rule or guide, but only to permit it to fix limits in quantities for which quantity-price differentials may be granted, guided by the principle long recognized in antitrust-law administration; that the economies of mere size do not justify the risk of monopoly.

Market Price Changes

Subparagraph (3) exempts price changes "in response to changing conditions affecting the market for or the marketability of the goods concerned, such as, but not limited to, actual or imminent deteriorations of perishable goods, obsolescence of seasonal goods, distress sales under court process or sales in good faith in discontinuance of business in the goods concerned." While it is not believed that the principal prohibitions of section 2 (a) apply in any case to such price changes, nor has such construction ever been suggested or contended for under present section 2, this specific exemption is included as an added precaution to safeguard the ready disposition of goods characterized by fluid market conditions.

Selection of Customers

Subparagraph (4) embodies an exception retained from the present act, permitting the seller to select his customers in bona fide transactions and not in restraint of trade.

Definition of Price

Subparagraph (5) defines the word "price" as used in the bill in the following words:

"(5) That the word 'price' as used in this section 2 shall be construed to mean the amount received by the vendor after deducting actual freight or cost of other transportation, if any, allowed or defrayed by the vendor."

This paragraph defines the word "price" as used in this bill in terms of the amount realized by the seller as distinguished from the amount paid by the buyer. The true price received by the seller being the amount left after deducting actual freight or cost of other transportation allowed or defrayed by the vendor.

An increasing number of industries in recent years have adopted what is known as the basing point, multiple basing point, and delivered price systems under which delivered prices only are quoted by manufacturers and sellers dealing in certain commodities. Under these systems, each manufacturer defrays the actual transportation costs and charges either the railroad freight from some arbitrary point or an average zone freight rate. The result is identical delivered prices at any given destination.

There are various results of these systems:

The manufacturers refuse to quote prices f. o. b. their manufacturing plants. They charge freight at the railroad rates and then often delivery is made by waterway or highway. They thus obtain the benefit of what has been spent on public works to the exclusion of purchasers and the public.

Each manufacturer ships his product beyond other competitors' plants, frequently throughout the country, and allows competitors to enter his local territory without offering any price concession to hold his own high net return area. Each maintains base prices high enough so that he may defray the cost of distant shipments. The public pays the cross-finding bill.

Either the manufacturer who sells f. o. b. his plant charges distant customers a higher price than local customers when he leaves the former to pay the transportation costs or the basing-point manufacturer charges his local customers a higher price than distant customers when he pays freight charges to deliver goods to his distant customers and accepts from them a substantially lower net rate.

The former obtains the same monetary consideration from all alike. The latter accepts from many distant buyers a less monetary return or true price, than from local customers whom he sacrifices to join with competitors in avoiding price discrimination.

As illustrative of the way basing-point methods of sale actually operate, and as affording good opportunity for study of the effects of this system, there is presented below two examples, one taken from the cement industry and one from the steel industry:

The Iowa State Highway Commission on December 5, 1929, received bids for 2,000,000 barrels of cement to be delivered at 44 different destinations in the State of Iowa, to be used in building cement highways. There were 20 bidders, consisting of 15 well-known cement-manufacturing companies and 5 cement dealers. As high as 14 and as low as 6 companies submitted bids on furnishing the amount of cement designated for the 44 different destinations. Those who bid quoted identical delivered prices for each destination for which they made bids, with the exception of one company located at LaSalle, Ill., which company quoted 5 cents a barrel less than the basing-point formula price on 3 bids, and quoted higher than the basing-point formula price on 10 bids, ranging from 2 to 17 cents per barrel.

The first three destinations were located nearest the mill at LaSalle. The other 10 locations were on destinations in territory adjacent to the mills at Mason City and Gilmore City, Iowa. The basing-point formula price used by bidders was the base price at Mason City, at that time $1.30 per barrel, plus railroad freight from Mason City to the destination where the cement was to be delivered. The companies bidding outside of the mills at Mason City were located in the following cities and towns:

Gilmore City, Des Moines, Valley Junction, and Davenport, Iowa; Dixon and LaSalle, Ill.; Buffington, Ind.; Louisville and Superior, Nebr.; Hannibal, Sugar Lake, and St. Louis, Mo.; Bonner Springs, Mildred, and Humboldt, Kans.

Regardless of the location of the mill, all bids except that of the Marquette Cement Manufacturing Co. at LaSalle, Ill., were identical and all quoted delivered prices. A check up on this entire transaction by the Federal Trade Commission revealed the fact that each company bid exactly the same amount, except the Marquette company. The bids were not only identical but in each instance were the exact amount of the basing-point price at Mason City plus the railroad freight from Mason City to destination. The result was that no company except the Mason City Mills received the same net or true price for the cement sold at these destinations. The system therefore has resulted both in price fixing and in price discrimination. It has destroyed competition and has created in effect a cement monopoly throughout that area.

The following facts are illustrative of the results of the basing-point system in the iron and steel industry. The facts herewith submitted are contained in the November 1934 report of the Federal Trade Commission to the President, with respect to the basing-point system in the iron and steel industry. There were 61 bidders scattered throughout the entire United States, extending from the Atlantic to the Pacific Oceans, that submitted individual bids on lots 354, 355, 356, and 357 of schedule No. 2840, United States Navy drawings on July 20, 1934. The bids were lump-sum bids. For lot 354 there were 37 bidders, of whom 23 bid $4,321.28; 8 bid $3,341.29; and 1 bid $4,365.23. On lot 355 there were also 37 bidders, on which 36 bid $5,289.69; and 1 bid $5,301.57. On lot 356 there were 54 bidders, of whom 52 bid $50,079.15; 1 bid $50,087.27; and 1 bid $50,088.94. On lot 357 there were 58 bidders, of whom 55 bid $43,571.20; one bid $43,572.64; 1 bid $43,591.20; and 1 bid $43,481.38.

The names of the companies bidding, the amount of their bids on each lot number, the shipping points of the successful bidders, and the delivery points, together with items and units of each of said lots of schedule 2840, United States Navy drawings, July 20, 1934, together with Executive orders, form of bids, together with specifications and itemized form for estimates on each item for each of the said lots 354, 355, 356, and 357, are all set out in said report of the Federal Trade Commission beginning on page 45 and following.

It should be further noted that under the basing-point system as applied in the iron and steel industry, there is practically no competition, that price quotations are with very few exceptions delivered prices, and are fixed by the base price on a multiple base system rather than a single base point system and that in each instance every mill or factory or bidder receives a different net price, or true price, for a product sold at different destinations.

It should also be noted that this system of price discrimination has resulted in the building up of a practical monopoly in the iron and steel industry. In addition thereto, it should also be noted that the largest cement manufacturing corporation in the United States, to wit, the Universal Atlas Cement Co., was organized by the United States Steel Corporation which owns and controls over one-half of the iron and steel industry in the United States. With both the cement and steel industries controlled by practical monopolies and the largest operator in both the iron and steel industry and the cement industry owned and controlled by the same interests, we cannot expect real competitive conditions between the iron and steel industry and the cement industry, to say nothing of expecting competitive conditions in those industries separately.

The matter of the basing-point system in both of these lines of industry has been the subject of careful study for some years by the Federal Trade Commission. The following is quoted from the report of the Federal Trade Commission to the President with respect to the basing-point system in the iron and steel industry, dated November 1934:

"In economics, as in medicine, diagnosis is fundamental. The diagnosis which the Commission makes is that the basing-point system not only permits and encourages price fixing, but that it is price fixing.

"It is price fixing so absolute that purchasing agencies of the Federal Government are reduced to a position of such helplessness that they literally place each bid in a separate capsule, shake them up, and draw one out of a hat. It is price fixing so rigid that violations of the delivered price are actually penalized at the rate of $10 per ton even on sales to the Federal Government, while fines have been assessed on sales of as little as a fraction of a ton. It is price fixing so self-centered that as the Commission pointed out in its former report, the advantages bestowed by nature on particular sections or communities have been nullified.

"Not only that, but the immense sums invested by Government in improving the gifts of nature and by private industry in the faith that natural advantages and their improvements would accrue to the benefit of the buyers, fabricators, and consumers of steel as well as the producers, have been in effect largely appropriated by the producers. The basing-point system with its supporting formula in essence withholds the gifts of nature from consuming classes and monopolizes them in the hands of the producers and sellers of iron and steel. Only aims of a blindly selfish character can account for the arbitrary abnormalities and flagrant fictions which are inherent in this basing-point system.

"The necessary implication of statements by leaders of the industry is that the basing-point system in steel is a price-fixing system. As an instrument of price fixing, it has the sanction of the code whose provisions make its operation more definite and certain without in any degree lessening its inequities. The inequities of the system, whether for producer, fabricator, or consumer, arise fundamentally out of this fact, that it depends upon artificial and wholly arbitrary arrangements in the making of price, rather than upon competition automatically and impersonally working out into a price accurately reflecting a balancing of supply and demand forces. * * *

"Generally speaking, when a price-fixing combination is successful in raising prices, consumption will decrease. The process of holding for a fixed price in the face of decreasing consumption means reduced employment and reduced income for labor. If consumption continues to decrease, a price-fixing system calls for still higher prices in order to protect profits and thus a new cycle of reduced consumption is initiated.

"It is a most significant fact that the steel industry was able to show satisfactory profits for the first 6 months of 1934 without operating to more than half its producing capacity. * * *

"The situation involves social and economic consequences of far-reaching and fundamental import. If the capitalistic system does not function as a competitive economy there will be increasing question whether it can or should endure. The real friends of capitalism are those who insist upon preserving its competitive character."

The above quotations will be found in said Federal Trade Commission's Report on pages 35 and following, with respect to the basing-point system in the iron and steel industry, November 1934.

It would seem that the basing-point method of selling commodities clearly results in unlawful price discrimination, that it results in the lessening of competition, and that it tends to create a monopoly. In effect, this provision of the bill is designed to put an end to price discrimination through the medium of the basing-point or delivered-price system of selling commodities. It will require the use of the f. o. b. method of sale.

IV. Brokerage

Section (b) deals with the abuse of the brokerage function for purposes of oppressive discrimination. The true broker serves either as representative of the seller to find him market outlets, or as representative of the buyer to find him sources of supply. In either case he discharges functions which must otherwise be performed by the parties themselves through their own selling or buying departments, with their respective attendant costs. Which method is chosen depends presumptively upon which is found more economical in the particular case; but whichever method is chosen, its cost is the necessary and natural cost of a business function which cannot be escaped. It is for this reason that, when free of the coercive influence of mass buying power, discounts in lieu of brokerage are not usually accorded to buyers who deal with the seller direct since such sales must bear instead their appropriate share of the seller's own selling cost.

Among the prevalent modes of discrimination at which this bill is directed is the practice of certain large buyers to demand the allowance of brokerage direct to them upon their purchases, or its payment to an employee, agent, or corporate subsidiary whom they set up in the guise of a broker, and through whom they demand that sales to them be made. But the positions of buyer and seller are by nature adverse, and it is a contradiction in terms incompatible with his natural function for an intermediary to claim to be rendering services for the seller when he is acting in fact for or under the control of the buyer, and no seller can be expected to pay such an intermediary so controlled for such services unless compelled to do so by coercive influences in compromise of his natural interest. Whether employed by the buyer in good faith to find a source of supply, or by the seller to find a market, the broker so employed discharges a sound economic function and is entitled to appropriate compensation by the one in whose interest he so serves. But to permit its payment or allowance where no such service is rendered, where in fact, if a "broker," so labeled, enters the picture at all, it is one whom the buyer points out to the seller, rather than one who bring the buyer to the seller, would render the section a nullity. The relation of the broker to his client is a fiduciary one. To collect from a client for services rendered in the interest of a party adverse to him, is a violation of that relationship; and to protect those who deal in the streams of commerce against breaches of faith in its relations of trust, is to foster confidence in its processes and promote its wholesomeness and volume.

Section (b) permits the payment of compensation by a seller to his broker or agent for services actually rendered in his behalf. Likewise by a buyer to his broker or agent for services in connection with the purchase of goods actually rendered in his behalf; but it prohibits the direct or indirect payment of brokerage except for such services rendered. It prohibits its allowance by the buyer direct to the seller, or by the seller direct to the buyer; and it prohibits its payment by either to an agent or intermediary acting in fact for or in behalf, or subject to the direct or indirect control, of the other.

V. Service allowances

Still another favored medium for the granting of oppressive discriminations is found in the practice of large buyer customers to demand, and of their sellers to grant, special allowances in purported payment of advertising and other sales-promotional services, which the customer agrees to render with reference to the seller's products, or sometimes with reference to his business generally. Such an allowance becomes unjust when the service is not rendered as agreed and paid for, or when, if rendered, the payment is grossly in excess of its value, or when in any case the customer is deriving from it equal benefit to his own business and is thus enabled to shift to his vendor substantial portions of his own advertising cost, while his smaller competitor, unable to command such allowances, cannot do so.

Sections (c) and (d) of the bill address this evil by prohibiting the granting of such allowances, either in the form of services or facilities themselves furnished by the seller to the buyer, or in the form of payment for such services or facilities when undertaken by the buyer, except when accorded or made available to all competing customers on proportionally equal terms.

The phrase "proportionally equal terms" is designed to prevent the limitation of such allowances to single customers on the ground that they alone can furnish the services or facilities or other consideration in the quantities specified. Where a competitor can furnish them in less quantity, but of the same relative value, he seems entitled, and this clause is designed to accord him, the right to a similar allowance commensurate with those facilities. To illustrate: Where, as was revealed in the hearings earlier referred to in this report, a manufacturer grants to a particular chain distributor an advertising allowance of a stated amount per month per store in which the former's goods are sold, a competing customer with a smaller number of stores, but equally able to furnish the same service per store, and under conditions of the same value to the seller, would be entitled to a similar allowance on that basis.

It should be noted, however, that there is nothing in this section or elsewhere in the bill to limit or restrict the widespread custom of manufacturers and others selling sources of supply to engage and pay for exhibit space at trade association exhibitions, or for advertising space in trade-association publications, nor to limit the freedom of newspaper or periodical advertising generally, so long as not employed in ways calculated to defeat the purposes of this bill.

VI. Procedure

Section (e) down to the proviso merely lays down directions with reference to procedure including a statement with respect to burden of proof.

Meeting Competition

This proviso represents a contraction of an exemption now contained in section 2 of the Clayton Act which permits discriminations without limit where made in good faith to meet competition. It should be noted that while the seller is permitted to meet local competition, it does not permit him to cut local prices until his competitor has first offered lower prices, and then he can go no further than to meet those prices. It he goes further, he must do so likewise with all his other customers, or make himself liable to all of the penalties of the act, including treble damages. In other words, the proviso permits the seller to meet the price actually previously offered by a local competitor. It permits him to go no further.

VII. Cooperatives

Section (f) affirms the right of cooperatives to distribute their net earnings resulting from their trading operations among their members on a patronage basis in proportion to their purchases or sales from, to, or through such cooperative association. While the bill contains elsewhere no provision either express or implied to the contrary, this section is added as a precautionary reservation in a spirit of encouragement to the cooperative movement.

CONCLUSION

In conclusion, your committee wishes to correct some important misapprehensions, and even misrepresentations, that have been broadly urged with regard to the probable effect of this bill. There is nothing in it to penalize, shackle, or discourage efficiency, or to reward inefficiency. There is nothing in it to fix prices, or enable the fixation of prices; nor to limit the freedom of price movements in response to changing market conditions.

Any physical economies that are to be found in mass buying and distribution, whether by corporate chain, voluntary chain, mail-order house, department store, or by the cooperative grouping of producers, wholesalers, retailers, or distributors—and whether those economies are from more orderly processes of manufacture, or from the elimination of unnecessary salesmen, unnecessary travel expense, unnecessary warehousing, unnecessary truck or other forms of delivery, or other such causes—none of them are in the remotest degree disturbed by this bill. Nor does it in any way infringe the seller's freedom to give a part or all of the benefit

of the saving so effected to others with whom he deals, whether in higher prices paid to the producer from whom he buys his raw materials, or in higher wages to those who labor in production or handling of his goods, or in lower prices to the customer, including the ultimate consumer who buys them.

It is not believed that the restoration of equality of opportunity in business will increase prices to consumers. Unfair trade practices and monopolistic methods which in the end destroy competition, restrain trade, and create monopoly have never in all history resulted in benefit to the public interest. On the contrary, for the most part, they have been symbolic of lower wages, longer hours, lower prices paid producers, coercion of independent manufacturers, domination of that field of industry, and in the end high prices to consumers and large profits to the owners.

It is the design and intent of this bill to strengthen existing antitrust laws, prevent unfair-price discriminations, and preserve competition in interstate commerce. It is believed to be in the interest of producer, consumer, and distributor. No business institution need have any fear of this legislation if it will conduct its business honestly and without the use of unfair trade practices, and unjust price discriminations.

In compliance with clause 2a of rule XIII there is printed below, first a comparison of the bill as introduced with existing law, and second a comparison of the committee amendment with existing law. Present law is in roman, matter proposed to be omitted in black brackets, and new matter in italics.

H. R. 8442 AS ORIGINALLY INTRODUCED

"SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price *or terms of sale* between different purchasers of commodities [which] *of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce, and where such* commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States: [where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce;] *Provided,* That nothing herein contained shall prevent [discrimination] *differentials* in [price] *prices as* between purchasers [of commodities on account of differences in the grade, quality, or quantity of the commodity sold, or] *depending solely upon whether they purchase for resale to wholesalers, to retailers, or to consumers, or for use in further manufacture; nor differentials* [that makes] *which make* only due allowance for differences in the cost of [selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition] *manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: And provided further,* That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade.

"(b) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation to an agent, representative, or other intermediary in connection with the sale or purchase of goods, wares, or merchandise, where such intermediary is acting therein for or in behalf or is subject to the direct or indirect control, of any party to such purchase and sale transaction other than the person by whom such compensation is so granted or paid.

"(c) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless—

"(1) such payment or consideration is offered on proportionally equal terms to all other customers competing in the distribution of such products or commodities; or unless

"(2) the business, identity, or interest of such customer are in no way publicly associated, by name, reference, allusion, proximity, or otherwise, with or in the furnishing of such services or facilities, and the consideration paid therefor does not exceed the fair value of such services or facilities in the localities where furnished.

"(d) For purposes of suit under section 4 of this act, the measure of damage from any violation of this section shall, in the absence of proof of greater damage, be presumed to be the unit amount of the prohibited discrimination, payment, or grant concerned, multiplied by—

"(1) the volume of business involved in such violation in case the plaintiff shall be in competition with the grantor therein in the distribution of the products or commodities concerned; and

"(2) the volume of plaintiff's business in the respective products and commodities, and for the period of time concerned in such violation, in case the plaintiff shall be in competition with the grantee therein, or, in cases under paragraph (b) of this section, in competition with the intermediary or with the person for or under whose control such intermediary shall act therein."

COMMITTEE AMENDMENT TO H. R. 8442

"SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities [which] *of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce where such* commodities are sold for use, consumption, or resale within the United States or any Territory thereof, or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, *and* where the effect of such discrimination may be [to] substantially to lessen competition or tend to create a monopoly in any line of commerce, [: *Provided,* That nothing herein contained shall prevent discrimination in price between purchasers of commodities on account of differences in the grade, quality, or quantity of the commodity sold, or that makes only due allowance for differences in the cost of selling or transportation, or discrimination in price in the same or different communities made in good faith to meet competition: *And provided further,*] *or to injure, destroy, or prevent competition with any person who either grants or receives the benefit of such discrimination, or with customers of either of them; and that it shall also be unlawful for any person, whether in commerce or not, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality where in any section or community and in any line of commerce such discrimination may substantially lessen competition in commerce among either sellers or buyers or their competitors or may restrain trade or tend to create a monopoly in commerce or any line thereof; all subject to the following provisions:*

"(1) That nothing herein contained shall prevent or require differentials as between purchasers depending solely upon whether they purchase for resale to wholesalers, to retailers, or to consumers, or for use in further manufacturer; for the purpose of such classification of customers as wholesalers or jobbers, or retailers, the character of the selling of the purchaser and not the buying shall determine the classification, and any purchaser who, directly or indirectly, through a subsidiary or affiliated concern or broker, does both a wholesale and retail business shall, irrespective of quantity purchased, be classified (1) as a wholesaler on purchases for sale to retail dealers only, not owned or controlled, directly or indirectly, by the purchaser; and (2) as a retailer on purchases for sale to consumers.

"(2) That nothing herein contained shall prevent or require differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: Provided, however, That the Federal Trade Commission, after due investigation and hearing to all interested parties, following insofar as applicable the procedure and subject to the recourse of the courts, provided in section 11 of this act, may issue an order fixing and establishing quantity limits and revising the same as it finds necessary, as to particular commodities or classes of commodities, and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established.

"(3) That nothing herein contained shall prevent price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

"(4) That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona-fide transactions and not in restraint of trade.

"(5) That the word 'price', as used in this section 2, shall be constructed to mean the amount received by the vendor after deducting actual freight or cost of other transportation, if any, allowed or defrayed by the vendor.

"(b) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchasqe of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"(c) That it shall be unlawful for any person to discriminate in favor of one purchaser against another purchaser or purchasers of a commodity bought for resale, with or without processing, by contracting to furnish or furnishing, or by contributing to the furnishing of, any services or facilities connected with the processing, handling, sale, or offering for sale of such commodity so purchased upon terms not accorded to all purchasers on proportionally equal terms.

"(d) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as a compen-

sation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless such payment or consideration is available on proportionally equal terms to all other customers competing in the distribution of such products or commodities.

"(e) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discriminaiton: Provided, however, That nothing herein contained shall prevent a seller rebutting the prima facie case thus made by showing that his lower price to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor.

"(f) Nothing in this section shall prevent a cooperative association from returning to its members, or a cooperative wholesale association from returning to its constituent retailer members, the whole or any part of the net earnings resulting from its trading operations, in proportion to their purchases or sales from, to, or through such association."

Mr. LONG. Mr. President, the bill, which is now the Robinson-Patman Act, after having been passed by the House, went to the United States Senate, and although there were certain amendments added in the effort to further strengthen the act, the philosophy and the language were somewhat the same, and evidenced the same intent. At this point I should like to read particularly from page 4 of the Senate report, discussing the same weaknesses which existed in the antitrust legislation as of 1936, when the Robinson-Patman Act was passed to tighten up on this so-called good-faith defense. Quoting from page 4:

The weakness of present section 2 lies principally in the fact that: (1) It places no limit upon differentials permissible on account of differences in quantity; and (2) it permits discriminations to meet competition and thus tends to substitute the remedies of retaliation for those of law, with destructive consequences to the central object of the bill.

At that point the Senate committee of the Seventy-fourth Congress was speaking of the Clayton Act, section 2. There, Mr. President, it will be noted that the Senate Judiciary Committee pointed out most clearly that this "good faith" defense which is now proposed to be restored as a part of our antitrust laws was the principal weakness of section 2 of the Clayton Act. I may state that section 2 of the Clayton Act is one of the strongest parts of our entire antitrust-law structure. Quoting further from the same 1936 Senate report:

Liberty to meet competition which can be met only by price cuts at the expense of customers elsewhere is in its unmasked effect the liberty to destroy competition.

Mr. President, no one heard the Judiciary Committee of the Seventy-fourth Congress talking about Justice Holmes, saying "competition is competition." Oh, no. The Senate committee of the Seventy-fourth Congress in 1936 said that liberty to cut prices to favor the big competitor is liberty to destroy competition.

Let me quote further, Mr. President:

* * * liberty to destroy competition by selling locally below cost, a weapon progressively more destructive in the hands of the more powerful, and most deadly to the competitor of limited resources, whatever his merit and efficiency. While the bill as now reported closes these dangerous loopholes, it leaves the fields of competition free and open to the most efficient, and thus in fact protects them the more securely against inundations of mere power and size.

Mr. President, I ask unanimous consent that this report be printed in its entirety at this point in the RECORD, for the benefit of Senators.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[S. Rept. No. 1502, 74th Cong., 2d sess.]

TO AMEND ANTITRUST ACT

The Committee on the Judiciary, having had under consideration the bill (S. 3154) to amend section 2 of the act of October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", report the same back with the recommendation that the bill be amended as follows, and that, as so amended, it do pass.

Amendment: Beginning with the words "SEC. 2", in line 3, page 2, of the printed bill, strike out all thereafter, and insert, in lieu of the language stricken out, the following:

"SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price or terms of sale between different purchasers of commodities of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce, where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or receives the benefit of such discrimination, or with customers of either of them: *Provided*, That nothing herein contained shall prevent differentials in prices as between purchasers depending solely upon whether they purchase for resale to wholesalers, to retailers, or to consumers, or for use in further manufacture; nor differentials which make only due allowance for differences in the cost, other than brokerage, of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: *Provided, however*, That the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade.

"(b) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction, or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"(c) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless—

"(1) such payment or consideration is offered on proportionally equal terms to all other customers competing in the distribution of such products or commodities; or unless

"(2) the business, identity, or interests of such customer are in no way publicly associated, by name, reference, allusion, proximity, or otherwise, with or in the furnishing of such services or facilities, and the consideration paid therefor does not exceed the fair value of such services or facilities in the localities where furnished.

"(d) For purposes of suit under section 4 of this Act, the measure of damages for any violation of this section shall, where the fact of damage is shown, and in the absence of proof of greater damage, be presumed to be the pecuniary amount or equivalent of the prohibited discrimination, payment, or grant involved in such violation; limited, however—

"(1) Under subsections (a) and (b) above, by the volume of plaintiff's business in the goods concerned, and for the period of time concerned, in such violation;

"(2) Under subsection (c) above, to the amount or share, or its pecuniary equivalent, to which plaintiff would have been entitled if the payment concerned in such violation had been made or offered in accordance with paragraph (1) of said subsection (c)."

In its consideration of this bill, the committee has had the benefit not only of the diligent studies of its own members, but of the record of hearings on a similar bill (H. R. 8442) before the Committee on the Judiciary of the House of Representatives, also of the hearings before a special committee of the House on Investigation of the American Retail Federation, and of the report of the Federal Trade Commission on its chain-store investigation (S. Doc. No. 4, 74th Cong., 1st sess.). These have developed so fully the facts, trade and industrial, pertinent to the objects of the bill, together with representations of all interested parties for or against its specific provisions, that this committee has felt able to reach its decision without the delays of further hearings.

The Clayton Act of October 15, 1914, addresses itself in section 2, which this bill proposes to amend, to the problem of price discriminations. It represented the hope of that time, in the words of the House committee report (H. Rept. 627; 63d Cong., 2d sess.) that it would go far to bring about the desired objects of readjustment "with as few, as slight, as easy, and simple changes as the object sought will admit of."

More than 20 years' experience and observation with respect to its operation, together with new features of trade and industria

organization that have since developed, have convinced us of its shortcomings, and of the need to strengthen its provisions and fit them more perfectly to the needs of today. This your committee has striven to do, with a careful regard to the preservation of full freedom for sound and wholesome business in all its necessary and proper operations, but with a firm resolve not to permit the desire for privilege to masquerade under the claim of right. Again in the words of the earlier House report:

"Nothing essential has been disturbed, nothing torn up by the roots, no parts rent asunder, which can be left in wholesome combination."

Your committee, in its deliberations, has held steadily as its guiding ideal the preservation of equal opportunity to all usefully employed in the service of distribution comportably with their ability and equipment to serve the producing and consuming public with real efficiency, and the preservation to that public of its freedom from threat of monopoly or oppression in obtaining its needs and disposing of its products.

The aptitude of the means here chosen to that end will more fully appear from the following:

ANALYSIS OF THE BILL

I. General object

The bill proposes to amend section 2 of the Clayton Act so as to suppress more effectually discriminations between customers of the same seller not supported by sound economic differences in their business position or in the cost of serving them. Such discriminations are sometimes effected directly in prices or terms of sale, and sometimes by separate allowances to favored customers for purported services or other considerations which are unjustly discriminatory in their result against other customers. The bill is accordingly drawn in four subsections, of which the first three contain substantive measures directed at the more prevalent forms of discrimination, while the fourth is designed to facilitate private remedies in damages to persons immediately and actually injured by its violations.

II. Definitions

The special definitions of section 1 of the Clayton Act will apply without repetition to the terms concerned where they appear in this bill, since it is designed to become by amendment a part of that act. Thus the term "commerce", as used herein, becomes by force of those definitions interstate and foreign commerce of the United States and commerce in and between its various possessions.

III. Discriminations in prices and terms

Section 2 (a) attacks directly the problem of discrimination in prices and terms of sale. Like present section 2 of the Clayton Act it contains a general prohibition against such discriminations, from which certain specified exemptions are then carved, thus throwing upon any who claim the benefit of those exceptions the burden of showing that their case falls within them. This feature represents no new departure. The changes lie rather in the exceptions themselves, and in the spheres of commerce to which the protection of the bill is extended.

The weakness of present section 2 lies principally in the fact that: (1) It places no limit upon differentials permissible on account of differences in quantity; and (2) it permits discriminations to meet competition, and thus tends to substitute the remedies of retaliation for those of law, with destructive consequences to the central object of the bill. Liberty to meet competition which can be met only by price cuts at the expense of customers elsewhere, is in its unmasked effect the liberty to destroy competition by selling locally below cost, a weapon progressively the more destructive in the hands of the more powerful, and most deadly to the competitor of limited resources, whatever his merit and efficiency. While the bill as now reported closes these dangerous loopholes, it leaves the fields of competition free and open to the most efficient, and thus in fact protects them the more securely against inundations of mere power and size.

Specific phrases of section 2 (a), as now reported, may be noted as follows:

One:

"Where either or any of the purchases involved in such discrimination are in commerce."

Section 2 (a) attaches to competitive relations between a given seller and his several customers, and this clause is designed to extend its scope to discriminations between interstate and intrastate customers, as well as between those purely interstate. Discriminations in excess of sound economic differences involve generally an element of loss, whether only of the necessary minimum of profits or of actual costs, that must be recouped from the business of customers not granted them. When granted by a given seller to his customers in other States, and denied to those within the State, they involve the use of that interstate commerce to the burden and injury of the latter. When granted to those within the State and denied to those beyond, they involve conversely a directly resulting burden upon interstate commerce with the latter. Both are within the proper and well-recognized power of Congress to suppress.

Two:

"Where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States."

This clause is retained from the present act.

Three:

"Where the effect of such discrimination may be substantially to lessen competition or tend a create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or receives the benefit of such discrimination, or with customers of either of them."

This clause represents a recommended addition to the bill as referred to your committee. It tends to exclude from the bill otherwise harmless violations of its letter, but accomplishes a substantial broadening of a similar clause now contained in section 2 of the Clayton Act. The latter has in practice been too restrictive in requiring a showing of general injury to competitive conditions in the line of commerce concerned, whereas the more immediately important concern is in injury to the competitor victimized by the discrimination. Only through such injuries, in fact, can the larger general injury result, and to catch the weed in the seed will keep it from coming to flower.

Four:

"Provided, That nothing herein contained shall prevent differentials in prices as between purchasers depending solely upon whether they purchase for resale to wholesalers, to retailers, or to consumers, or for use in further manufacture."

Although not specifically so provided, the present section 2 of the Clayton Act also permits these differentials, since it places no limit upon quantity differentials of any kind; nor upon any differentials not affecting general competition. Since added restrictions are here imposed in these respects, a separate clause safeguarding differentials between different classes of purchasers becomes necessary. Such differentials, so long as equal treatment is required within the class, do not give rise to the competitive evils at which the bill is aimed, while to suppress them would produce an unwarranted disturbance of existing habits of trade.

Five:

"Nor differentials which make only due allowance for differences in the cost, other than brokerage, of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered."

In this clause the words "other than brokerage" are added by recommendation of the committee, and are required to harmonize this subsection with subsection (b) considered below, which deals directly with the question of brokerage.

This proviso is of greatest importance, for while it leaves trade and industry free from any restriction or impediment to the adoption and use of more economic processes, and to the translation of appropriate shares of any savings so effected up and down the stream of distribution to the original producer and to the ultimate consumer, it also strictly limits the use of quantity price differences to that sphere, since beyond it they become instruments of favor and privilege and weapons of competitive oppression. Certain of its constituent phrases should be further noted as follows:

"(a) '* * * which makes only due allowance'."

This phrase is carried over from the present act, but, as coupled with the remainder of the clause, is here extended to limit quantity differentials, as well as those on account of selling and transportation costs. It marks the zone within which differentials may be granted. The bill neither requires nor compels the granting of discriminations or differentials of any sort. It leaves any who wish to do so entirely free to sell to all at the same price regardless of differences in cost, or to grant any differentials not in excess of such differences. It does not require the differential, if granted, to be the arithmetical equivalent of the difference. It is sufficient that it does not exceed it.

"(b) '* * * resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered * * *'."

This limits the differences in cost which may be honored in support of price differentials, to those marginal differences demonstrable as between the particular customers concerned in the discrimination. It is designed, among other things, to preclude the grant of a discrimination to a particular customer equal to the whole saving in cost resulting to the seller's entire volume of business as augmented by that customer's patronage; to preclude also differentials based on allocated or imputed, as distinguished from actual, differences in cost, representing particular facilities or departments which the favored customer may not have immediately utilized, but with which the seller cannot dispense in the general conduct of his business.

It is designed, in short, to leave the test of a permissible differential upon the question: If the more favored customer were sold in the same quantities and by the same methods of sale and delivery as the customer not so favored, how much more per unit would it actually cost the seller to do so, his other business remaining the same? The particular words "resulting from" and "to such purchasers," as here used, are deemed competent to narrow the permitted differentials to those limits, and it seems eminently fair and just that they should be so limited. No particular customer should be permitted distinctively to claim the benefit, nor required distinctively to bear the burden, of the immediate use or nonuse of facilities which the seller must maintain for his business generally.

Six:

"Provided, however, That the Federal Trade Commission may, after due investigation and

hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established."

This proviso is added by recommendation of your committee. It is designed to enable, when necessary, the determination of quantity limits as to various commodities, beyond which quantity price differentials shall not be permitted even though supported by differences in cost. It rests upon the principle that where even an admitted economy is of a character that is possible only to a very few units of overshadowing size in a particular trade or industry, it may become in their hands nonetheless the food upon which monopoly feeds, a proboscis through which it saps the lifeblood of its competitors; and that in forbidding its use and foregoing its benefits the public is but paying a willing price for its freedom from monopoly control. A similar limitation has been applied without challenge for nearly half a century in the field of transportation, in refusing to extend freight rate differentials beyond the car-lot quantity.

To apply such a blanket limitation to quantity price differentials in the commodity field seems at present unwarranted, since similar protection may not now be needed with reference to all commodities, nor as to some may it ever be needed, depending as it does upon such questions of fact as the distribution of business in the given line among large and small competitors, and the degree to which peculiar economies are technically possible only to those competitors of overshadowing size. The above proviso commits to the Federal Trade Commission the power to act in the premises as and when the need arises, and to act appropriately to the nature of the need after possessing itself of all pertinent information.

Seven:

"*And, provided further,* That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade."

This proviso is retained from the present act.

IV. Brokerage

In section (b) the phrases "or any allowance or discount in lieu thereof" and "either to the other party to such transaction" are added by your committee's recommendation. As so revised, this section forbids the payment or allowance of brokerage, either to the other principal party, or to an intermediary acting in fact for or under the control of the other principal party, to the purchase and sale transaction.

Among the prevalent modes of discrimination at which this bill is directed, is the practice of certain large buyers to demand the allowance of brokerage direct to them upon their purchases, or its payment to an employee, agent, or corporate subsidiary whom they set up in the guise of a broker, and through whom they demand that sales to them be made. Whether employed by the buyer in good faith to find a source of supply, or by the seller to find a market, the broker so employed discharges a sound economic function and is entitled to appropriate compensation by the one in whose interest he so serves. But to permit its payment or allowance where no such service is rendered, where in fact, if a "broker," so labeled, enters the picture at all, it is one whom the buyer points out to the seller, rather than one who brings the buyer to the seller, is but to permit the corruption of this function to the purposes of competitive discrimination. The relation of the broker to his client is a fiduciary one. To collect from a client for services rendered in the interest of a party adverse to him, is a violation of that relationship; and to protect those who deal in the streams of commerce against breaches of faith in its relations of trust, is to foster confidence in its processes and promote its wholesomeness and volume.

V. Service allowances

Still another favored medium for the granting of oppressive discriminations is found in the practice of large buyer customers to demand, and of their sellers to grant, special allowances in purported payment of advertising and other sales promotional services, which the customer agrees to render with reference to the seller's products, or sometimes with reference to his business generally. Such an allowance becomes unjust when the service is not rendered as agreed and paid for, or when, if rendered, the payment is grossly in excess of its value, or when in any case the customer is deriving from it equal benefit to his own business and is thus enabled to shift to his vendor substantial portions of his own advertising cost, while his smaller competitor, unable to command such allowances, cannot do so.

Section 2 (c) of the bill addresses this evil by prohibiting the granting of such allowances unless made available to all other customers of the seller concerned on proportionately equal terms, or unless in the rendition of such services the customer's own business is kept out of the picture. The first of these conditions is designed to rob this practice generally of its discriminatory character, and the second to leave open a legitimate field for the use of customer services as mere employees or agents in local advertising, in lieu of salaried representatives sent it from without, or of other local personnel strangers to the seller's acquaintance. The frequency with which limited advertising appropriations admit of their expenditure only in selected communities makes it important both to the seller and to the local community to preserve this freedom so long as it is properly protected against discriminatory use.

The phrase "proportionally equal terms," used in clause 1 of section (c), is designed to prevent the limitation of such allowances to single customers on the ground that they alone can furnish the services or facilities in the quantity specified. Where a competitor can furnish them in less quantity, but of the same relative value, he seems entitled, and this clause is designed to accord him, the right to a similar allowance commensurate with those facilities. To illustrate: Where, as was revealed in the hearings earlier referred to in this report, a manufacturer grants to a particular chain distributor an advertising allowance of a stated amount per month per store in which the former's goods are sold, a competing customer with a smaller number of stores, but equally able to furnish the same service per store, and under conditions of the same value to the seller, would be entitled to a similar allowance on that basis.

VI. Measure of damages

Section (d) represents a revision, approved by your committee, of the corresponding part of the bill as referred. It states a presumptive rule for the measurement of damages in private suits for violation, which are authorized by section 4 of the Clayton Act. As the practices against which this bill is directed are injurious, not only to the public interest but as well to the private parties victimized by them; as, in fact, they work their public injury only through their power to damage private competitors, your committee feels strongly that every reasonable facility should be afforded the latter to enable them to recover the damages they have suffered, and thus also to induce their active vigilance in enforcing the act, relieving the Government correspondingly of the burden of its cost. Private remedies in damages for violations of antitrust law have been authorized since its first enactment, but their use has been much impeded, due partly to the speculative character of damages based on loss of business and to the limited facilities of private parties for obtaining evidence of a kind to satisfy the narrower requirements of the common law to which such suits were unknown.

The measure of damages provided in section (d) is the amount of the forbidden discrimination or allowance found to have been granted, limited, however, to the volume of the plaintiff's business in the goods concerned, or to the amount which he would have received had the allowance been granted to all on the equal basis which the bill requires. The underlying principle of the bill is the suppression of unjust discriminations, and it seems both fair and just, and in harmony with that principle, to enable those victimized by its violation to restore themselves, through the recovery of damages, to the equal position which they would have occupied had the violation not been committed. Confronting the intending violator, as it also does, with the prospect that he will be liable to restore to others in damages tomorrow the discrimination which he grants to some today, it robs such arrangements of their business advantage, and so may well be expected to serve as a wholesome and self-enforcing deterrent against violations of the principle of equal treatment which the bill as a whole exemplifies.

Mr. LONG. In order that the RECORD may be complete at this point, I ask unanimous consent that the conference report on the Robinson-Patman bill be printed in the RECORD to complete the legislative history of that bill.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[S. Doc. No. 267, 74th Cong., 2d sess.]

PROHIBITION OF PRICE DISCRIMINATION

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 8442) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 2 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, as amended (U. S. C., title 15, sec. 13), is amended to read as follows:

"'SEC. 2. (a) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality, where either or any of the purchases involved in such discrimination are in commerce, where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the

jurisdiction of the United States, and where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them: *Provided*, That nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which such commodities are to such purchasers sold or delivered: *Provided, however*, That the Federal Trade Commission may, after due investigation and hearing to all interested parties, fix and establish quantity limits, and revise the same as it finds necessary, as to particular commodities or classes of commodities, where it finds that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce; and the foregoing shall then not be construed to permit differentials based on differences in quantities greater than those so fixed and established: *And provided further*, That nothing herein contained shall prevent persons engaged in selling goods, wares, or merchandise in commerce from selecting their own customers in bona fide transactions and not in restraint of trade: *And provided further*, That nothing herein contained shall prevent price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

"'(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however*, That nothing herein contained shall prevent a seller rebutting the prima facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor.

"'(c) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchase of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

"'(d) That it shall be unlawful for any person engaged in commerce to pay or contract for the payment of anything of value to or for the benefit of a customer of such person in the course of such commerce as compensation or in consideration for any services or facilities furnished by or through such customer in connection with the processing, handling, sale, or offering for sale of any products or commodities manufactured, sold, or offered for sale by such person, unless such payment or consideration is available on proportionally equal terms to all other customers competing in the distribution of such products or commodities.

"'(e) That it shall be unlawful for any person to discriminate in favor of one purchaser against another purchaser or purchasers of a commodity bought for resale, with or without processing, by contracting to furnish or furnishing, or by contributing to the furnishing of, any services or facilities connected with the processing, handling, sale, or offering for sale of such commodity so purchased upon terms not accorded to all purchasers on proportionally equal terms.

"'(f) That it shall be unlawful for any person engaged in commerce, in the course of such commerce, knowingly to induce or receive a discrimination in price which is prohibited by this section.'

"SEC. 2. That nothing herein contained shall affect rights of action arising, or litigation pending, or orders of the Federal Trade Commission issued and in effect or pending on review, based on section 2 of said act of October 15, 1914, prior to the effective date of this amendatory act: *Provided*, That where, prior to the effective date of this amendatory act, the Federal Trade Commission has issued an order requiring any person to cease and desist from a violation of section 2 of said act of October 15, 1914, and such order is pending on review or is in effect, either as issued or as affirmed or modified by a court of competent jurisdiction, and the Commission shall have reason to believe that such person has committed, used or carried on, since the effective date of this amendatory act, or is committing, using or carrying on, any act, practice or method in violation of any of the provisions of said section 2 as amended by this act, it may reopen such original proceeding and may issue and serve upon such person its complaint, supplementary to the original complaint, stating its charges in that respect. Thereupon the same proceedings shall be had upon such supplementary complaint as provided in section 11 of said act of October 15, 1914. If upon such hearing the Commission shall be of the opinion that any act, practice, or method charged in said supplementary complaint has been committed, used, or carried on since the effective date of this amendatory act, or is being committed, used or carried on, in violation of said section 2 as amended by this act, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and serve upon such person its order modifying or amending its original order to include any additional violations of law so found. Thereafter the provisions of section 11 of said act of October 15, 1914, as to review and enforcement of orders of the Commission shall in all things apply to such modified or amended order. If upon review as provided in said section 11 the court shall set aside such modified or amended order, the original order shall not be affected thereby, but it shall be and remain in force and effect as fully and to the same extent as if such supplementary proceedings had not been taken.

"SEC. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance, or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity; to sell, or contract to sell, goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or eliminating a competitor in such part of the United States; or to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor.

"Any person violating any of the provisions of this section shall, upon conviction thereof, be fined not more than $5,000 or imprisoned not more than 1 year, or both.

"SEC. 4. Nothing in this act shall prevent a cooperative association from returning to its members, producers, or consumers the whole or any part of the net earnings or surplus resulting from its trading operations, in proportion to their purchases or sales from, to, or through the association."

And the Senate agree to the same.

FREDERICK VAN NUYS,
GEO. MCGILL,
WM. E. BORAH,
WARREN R. AUSTIN,
Managers on the Part of the Senate.

HUBERT UTTERBACK,
JNO. E. MILLER,
CHARLES F. MCLAUGHLIN,
U. S. GUYER,
JOHN M. ROBSION,
Managers on the Part of the House.

Mr. LONG. Mr. President, it has been very unfortunate that Senate bill 1008 has never been subjected to adequate committee hearings. I am sure it will be recalled that a bill was introduced providing for a 2-year moratorium on pricing practices, so that certain businessmen who had been charged and had been found guilty of monopolistic practices might have time to adjust themselves to the new competitive pricing situation. When that bill had been reported from the committee to the Senate, without previous notice and without hearings, a substitute was offered by the Senator from Wyoming [Mr. O'MAHONEY] and at that time it was proposed that we pass a law to change the antitrust laws for all time in the future, as a permanent remedy, rather than to follow a piecemeal program for 2 years.

With very little consideration and debate, save only for amendments offered by the Senator from Tennessee [Mr. KEFAUVER] designed to protect small-business men against the same unfair discriminations which I am discussing today, the bill was rushed through the Senate without a yea-and-nay vote. Thereafter the bill went to the House of Representatives, and the Judiciary Committee of the House held rushed hearings, permitting only two or three witnesses to appear before them. I think the Senator from Wyoming was permitted to testify. A representative of the Antitrust Division of the Department of Justice, Mr. Bergson, was also permitted to come before the committee and testify. He testified that the Department of Justice had no objection to the bill.

There was a peculiar situation, Mr. President. The bill did not purport to take from the Department of Justice any of its rights to prosecute antitrust violations. The Department of Justice prosecutes violations under the Sherman Antitrust Act, and it comes into the picture under the Clayton and Federal Trade Commission Acts only when the Federal Trade Commission has prosecuted unfair practices and discriminations and the subject goes before the Supreme Court on appeal. The Department of Justice was not being stripped of its powers. It was the Federal Trade Commission which was being stripped of

power. So the Assistant Attorney General graciously went before the House committee and explained that, as the assistant in charge of the Antitrust Division of the Justice Department he had no objection to the Federal Trade Commission, another agency of Government, being stripped of its powers to protect small competitors.

Then, Mr. President, the bill, with practically no further consideration, was rushed to the floor of the House of Representatives. When it reached the floor Representative PATMAN, the chairman of the Small Business Committee, who had been one of the authors of the Robinson-Patman law to protect the small-business people of America, conducted hearings of his own, giving an opportunity to small-business men to voice their objections to this piece of monopolistic legislation.

I hold in my hand, Mr. President, a copy of those hearings. They were called rump hearings because they were held by a committee which did not have the bill before it. They were rushed hearings, because there was very little time, so anxious were the Steel Trust, the Oil Trust, and other trusts to rush the bill through Congress. The small-business men's objections related to the good-faith defense.

When the bill reached the floor of the House of Representatives a motion was made to strike the so-called Kefauver amendments, which were designed to protect the small-business people of America. At that time a Representative from Colorado, Mr. CARROLL, offered amendments of the same general nature as the Kefauver amendments, except that they were much more carefully drawn and much more protective, because they had received greater consideration before they were offered.

At the time Representative CARROLL offered his amendment to strengthen the Kefauver amendments, he had in his hand a letter from the Senator from Tennessee himself, stating that the amendments proposed by Representative CARROLL went much further toward protecting small-business men and were much more carefully written than were the amendments offered by the Senator from Tennessee.

The House, at that time, rather than to strike the Kefauver amendments designed to protect small-business men, adopted the Carroll amendments which were even more carefully drawn to protect the small-business man.

The bill came back to the Senate. The junior Senator from Louisiana at that time made a speech saying that it was still a bad bill, but that it would be better so far as the people of America were concerned, to go ahead and agree to the bill as passed by the House, because it contained the Carroll amendments to protect the independent retailers of America.

It will be recalled that the junior Senator from Louisiana stated that he wanted to move to agree to the House amendments, because he felt that without them it would be still worse legislation if it were permitted to go to conference. Unfortunately, the junior Senator from Louisiana did not get an opportunity to move to agree to the House amendments, because, prior to that time, the Senator from Nevada [Mr. MCCARRAN] succeeded in obtaining an agreement of the Senate to send the bill to conference without permitting a vote on the motion to agree to the House amendments.

We now see the bill back on the floor of the Senate, with every harm anticipated by the Senator from Louisiana now in the bill. We see that by section 3 the so-called good-faith defense has been restored. It means nothing more than that two wrongs make a right.

Let me explain it, briefly, Mr. President. Under this great loophole bill, Senate bill 1008, it would be illegal for a large distributor of canned goods and other grocery commodities, such as General Foods, acting alone, to discriminate in price in favor of the Safeway chain stores. But, on the other hand, if he can find any of his competitors who would be willing to do the same thing, it would be completely legal for him to discriminate, world without end, although it would result in small independent merchants who were trying to compete with the chain being driven out of business.

That is simply to say that although it is illegal and wrong for a great manufacturer of commodities to discriminate to the destruction of some of his customers, acting alone, it is completely legal to discriminate in that fashion if he has a "dancing partner" or if anyone else is willing to commit the same discrimination in favor of large concerns.

Is it any wonder, Mr. President, that the small-business men of America are sending their representatives here, as fast as they wake up to the situation, asking for some protection?

I hold in my hand a copy of a letter which has been sent to every Member of the United States Senate. The letter is signed by the National Association of Retail Druggists, George H. Frates, Washington representative; National Farmers Union, James G. Patton, president; National Congress of Petroleum Retailers, Inc., Rankin Peck, president; National Federation of Independent Business, George J. Burger, vice president; International Association of Machinists, George Nelson, Washington representative; Cooperative League of U. S. A., Wallace J. Campbell, director of Washington office. The letter points out the objections of these small business organizations to the basing-point bill.

Mr. President, I ask that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO OPEN MINDS ON S. 1008, THE BASING-POINT BILL

MARCH 30, 1950.

DEAR SENATOR: The supporters of S. 1008 have stated over and over again that the purpose of the bill is merely that a seller can be sure that he may absorb freight and that he may charge a delivered price.

The opponents have stated, and still state, that this is a sham argument, that everybody knows a seller may absorb freight, which simply means reduce his price, and that he may charge a delivered price—provided that he does not violate the antitrust laws, particularly the Robinson-Patman Act in regard to price discrimination and lessening competition.

But, say the bill's supporters, there are certain dicta of the Supreme Court in the Cement case, which, although they do not hold to the contrary and in any event are not necessary to the decision, create a doubt. And meanwhile Big Steel and Big Cement, those loyal and obedient followers of the antitrust laws, pretend that they are bound by this sham doubt, and they refused to reduce their prices to the South and the West—all for the purpose of putting the squeeze on the small fabricators and buyers so that they too will come out favoring S. 1008.

Now, if the supporters of S. 1008 are sincere that the purpose of the bill is what they say it is, we would like to know why the bill does not consist of just one sentence saying that, but saying no more. We are not supporting or agreeing even to a single sentence, inasmuch as we do not believe any bill is necessary to legalize freight absorption or delivered pricing, and we believe that the real supporters of the bill have something else in mind. However, we are suggesting to you that you ask the supporters of the bill, the following questions:

1. Why doesn't S. 1008 simply consist of a single sentence as follows?—"The absorption of freight or the charging of a delivered price in any sale, shall not, in and of itself, constitute a violation of any law of the United States."

2 Why does S. 1008 go much further by amending the Robinson-Patman Act and the Federal Trade Commission Act all over the lot—so that the courts will be occupied another 20 years construing these laws, while Big Steel and Big Cement again run riot in maintaining identical delivered prices by all so-called competitors?

3. Why does S. 1008 have to get into the Standard Oil of Indiana case which raises an issue not peculiar to freight absorption at all but relates to all pricing affected by the Robinson-Patman Act?

4. Why does S. 1008 in section 3, have to go out of its way to add more difficulties to the Government's burden of proof—not only in freight absorption cases, but in all Robinson-Patman Act cases?

5. Why does S. 1008 have to legalize the zoning system, and incidentally something far beyond the zoning system, as it does in the first part of section 2, a provision which has sneaked into the bill and which has hardly even been debated?

6. Why does S. 1008, also in section 2, have to contain a provision protecting customary price differentials—in effect a "grandfather's clause"—legalizing present discriminations even if illegal?

7. Why—unless small business is being sacrificed to big steel and big cement, and unless the South and the West are being sacrificed to a small portion of the great State of Pennsylvania and other producing areas.

Sincerely yours,

The National Association of Retail Druggists, George H. Frates, Washington Representative; National Farmers Union, James G. Patton, President; National Congress of Petroleum Retailers, Inc., Rankin Peck, President; National Federation of Independent Business, George J. Burger, Vice President; International Association of Machinists, George Nelson, Washington Representative; Cooperative League of U. S. A., Wallace J. Campbell, Director of Washington Office.

Mr. LONG. Mr. President, in order that we may have a fuller understanding of objections by independent retailers of America to the proposed basing-point legislation, I turn to page 21 of the hearings which were conducted by the Small

Business Committee of the House of Representatives. On pages 21 through 28 I find the statement of George H. Frates, representing the National Association of Retail Druggists. I ask unanimous consent to have the statement of Mr. Frates before the committee printed at this point in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF GEORGE H. FRATES, WASHINGTON REPRESENTATIVE OF THE NATIONAL ASSOCIATION OF RETAIL DRUGGISTS, WASHINGTON, D. C.

Mr. FRATES. My name is George H. Frates. I am the Washington representative of the National Association of Retail Druggists, located at 1163 National Press Building, Washington, D. C. Our organization comprises over 34,000 small independent retail pharmacists, practicing their profession in every State of the Union and in the District of Columbia. We appear before you today to show why the Robinson-Patman Act should be kept inviolate.

When President Franklin D. Roosevelt placed his signature on the Robinson-Patman antidiscrimination bill, June 20, 1938, it represented the final stroke in an outstanding victory for the small independent retail druggists of the Nation as contrasted to the chain stores and other groups clothed in financial security. It was hailed as a striking victory against monopoly as expressed by the Congress of the United States, the people's representatives. Now, almost 13 years after the enactment of the Robinson-Patman Act, we must again appear before the Congress in defense of that legislation and again affirm our belief in and support of the RP law.

The National Association of Retail Druggists vigorously opposes S. 1008 because we believe the bill would emasculate the original intent of Congress, when it passed the Robinson-Patman law. Small business does not oppose big business, merely because the latter is large. However, we want big business to play by the same set of rules required of small business. With no attempt at being facetious, may we remark that if big business gives its favorite customer an elephant, then little business wants an elephant also—a little one, but it must be an elephant, with no substitution in quality pound for pound.

The Robinson-Patman Act clarifies a situation not noticeable in other antitrust laws and sets forth specifically the terms and conditions upon which price differentials, quantity, discounts and rebates, of one kind or another are legitimate.

As we see it, the Robinson-Patman Act poses two questions: (1) Does it unduly restrain competition? (2) Is it fair as between individual competitors?

The Robinson-Patman Act does not prohibit price differentials per se; rather it permits the granting and receiving of quantity discounts and similar allowances provided they are limited to actual savings in cost of manufacturing, selling, or delivering. Moreover, the provisions of the act are available on an equitable basis to all firms dealing under like conditions.

Executive secretary and general manager of the National Association of Retail Druggists John W. Dargavel was one of the first national leaders to recognize that the small independent retailer was due for an economic slaughtering unless Congress did something to permit independent operators to conduct honest, upright, worthy businesses and to support themselves and their families from the fair earnings of such enterprises.

The history of the enactment of the Robinson-Patman Act reveals that from its inception powerful opposition appeared to delay and stifle the bill. Upon close scrutiny almost every argument used against the bill proved to be a web of fabrications. That is, unless it was thought legitimate to use dishonest, deceptive, and discriminatory methods in business practice. By control of many of the large daily newspapers of the country through advertising manipulations; by insinuating propagandists in the women's clubs; by decree to chain store employees; by pamphlet, publication, circular, they sought to hoodwink the public into the belief that the Robinson-Patman bill would inaugurate an era of distinct hardship upon the public.

Time and experience have proved beyond the question of a reasonable doubt that monopoly does not like the Robinson-Patman Act. The only business—big or little—that is handicapped by the effectuation of the act is that one that finds it impossible to operate on a fair and honest basis.

In our opinion, freight absorption, calculated to stifle competition, is a subterfuge of the worst kind unless it can justify the discrimination on a cost basis. Here the burden of proof is, and should be, on the respondent.

May we illustrate how the Robinson-Patman Act puts a decided restriction on that method of purchase indulged in by some chain stores and other large buyers, known as listing before the enactment of the law. For example, the purchasing agent at headquarters negotiates with the manufacturer for the goods which the branch stores of the chain handle and prices are agreed upon between them. The merchandise was then entered into the official list which in turn became an authority to the district or local branch store managers to buy them from the manufacturer at the price quoted in the list. It will be noted that the headquarters' agent bought nothing.

He merely granted the manufacturer an opportunity to sell to the several branch stores at the list prices. To all intents and purposes this modus operandi was in reality a brokerage service. Paragraph (C) of section (2) of the Robinson-Patman law now prohibits such actions.

It will be readily seen that if the list prices include the cost of delivery to the branch stores, a discrimination at once appears between these delivered prices to the branches of the chain, and prices to other buyers from the manufacturer who are sold f. o. b. factory. This is quite as illegal for the manufacturer who grants as for the chain which receives this discrimination.

Years of experience and observation with respect to the operation of the Robinson-Patman Act have convinced us that the legislation preserves equal opportunity to all usefully employed in the service of distribution and protects the consuming public with real efficiency and the preservation of that public of its freedom from threat of monopoly or oppressions in obtaining its needs and dispensing of its products. The act suppresses more effectually discrimination between customers of the same seller not supported by sound economic differences in their business position or in the cost of servicing them. Such discriminations are sometimes effected directly in prices or terms of sale, and sometimes by separate allowances to favorite customers for purported services or other considerations which are unjustly discriminatory in their result against other customers. The road to monopoly is strewn with wrecks of independent business. It would, therefore, seem good policy on the part of Congress to consider carefully whether the hurried action on this bill is in the public interest. No public hearings were held on S. 1008. No opportunity has been granted to those who oppose this bill to make their wishes known to Congress with the single exception of the opportunity granted by the House Select Small Business Committee at this hearing.

Monopoly in the field of distribution develops when big business is able to get concessions that are not available to all retailers, and to continue this practice long enough to wear down the reserves of the independent retailers. Antimonopoly laws ironically prevent these little retailers from taking any joint action in their own defense; consequently big business has been able to enjoy more and more of the ill-gotten fruits of discrimination. Big business is able to subdue competition by working on one sector at a time. Competition is subdued and independents who survive are on the brink of bankruptcy. They become so in debt to big-business-controlled sources of supply that they are deprived of any independence of thought or action. Unless the entire distributional system of the Nation is to be revolutionized and the little independent units that now comprise the greater part of it eliminated, we must get back on a sound, fair, economic basis. Laws must be amended to eliminate, instead of fostering, discriminatory practices.

Small independent retail druggists of the Nation worked hard to promote the passage of the Robinson-Patman Act. It has given them a fighting chance with big business.

The basing point may or may not be of vital importance to our industry, but when an attempt to settle a squabble belonging to the cement and steel giants, and so forth, takes place and the result weakens the protective legislation for the small retailer, then we feel like innocent bystanders on whom there has been dumped an avalanche of steel and cement.

Page 2, beginning on line 9, of S. 1008 states:

"That it shall not be an unlawful discrimination in price for a seller, acting independently—

"(a) To quote or sell at delivered prices if such prices are identical at different points or if differences between such prices are not such that their effect upon competition may be that prohibited by this section."

The report which accompanies S. 1008 says that the Federal Trade Commission has publicly stated that a showing by a seller of meeting competition "in good faith" should be a full defense to a charge of price discrimination. "Good faith" is susceptible to many meanings.

S. 1008, the Capehart-O'Mahoney bill, is really appeasement—appeasement of big business, because it was slapped down in the basing-point decision of the Supreme Court. We can readily understand how big business is concerned but we oppose any action which weakens the Robinson-Patman Act.

We call attention to the fact that S. 1008, as amended, and reported by the House Judiciary Committee, permitted no opportunity for opponents of the basing-point legislation to be heard in open meeting. Proponents of the legislation have been heard at various times during the past year. S. 1008 is designed as permanent legislation which expert opinions on the bill indicate will effectively upset many issues previously decided by the Congress. Should this come to pass, it may be expected that a series of litigations on the Federal Trade Commission's Act of 1914 and the Clayton Act, as amended by the Robinson-Patman Act, will be in the offing.

Protests from small independent retail druggists from all over the country have reached us opposing S. 1008.

The CHAIRMAN. Would you like to ask some questions, Mr. HALLECK?

Mr. HALLECK. Not at the moment.

The CHAIRMAN. Mr. KEOGH?

Mr. KEOGH. No questions.

Mr. BURTON. No questions.

Mr. HALLECK. I got here a little late, but I was interested in the statement made on page 5 in which you say:

"The basing point may or may not be of vital importance to our industry."

I take it that as a matter of direct concern in the basing-point controversy that simply means you are not particularly concerned with that but you are concerned with any weakening of the Robinson-Patman Act?

Mr. FRATES. That is correct, exactly, Mr. HALLECK.

Mr. HALLECK. And if the legislation that might finally be enacted preserved the provisions of the Robinson-Patman Act, so far as you know, you would have no quarrel with the legislation?

Mr. FRATES. That is correct, sir, if it did not interfere with the Robinson-Patman Act, we would not be here making our presentation.

The CHAIRMAN. Mr. Kaufman?

Mr. KAUFMAN. Without asking for any qualification on that, you still reserve, I presume, the rights to examine the effect of the basing-point system on the total economy and, therefore, its effect upon you indirectly. Is that not right?

Mr. FRATES. That is correct. It is like throwing a rock into a pool. The rock hits in the middle of the pool but the ripples finally affect us as independent retail druggists if it interferes with the Robinson-Patman Act.

Mr. KAUFMAN. You are acquainted with the fact that the Supreme Court did declare that the basing-point system was "a handy instrument" of monopoly?

Mr. FRATES. That is my understanding.

Mr. KAUFMAN. When you come here today you are not coming to speak for or against the basing point, but only for protection of the Robinson-Patman Act?

Mr. FRATES. That is correct. The basing point or the zone system will not materially affect our independent retail druggists unless it vitally affects the Robinson-Patman Act.

Mr. KAUFMAN. Correct.

May I ask him other questions, Mr. Chairman?

The CHAIRMAN. Surely, go ahead.

Mr. KAUFMAN. You spoke of many protests that have been received from retail druggists. Have you any evidence of that, or could you give us any idea of the number or the variety?

Mr. FRATES. Yes, sir; we have had protests from all over the United States from our National Association of Retail Druggists members. From Massachusetts, from California, from Chattanooga——

The CHAIRMAN. Just read them out.

Mr. FRATES. Sir?

The CHAIRMAN. Just read out where they are from.

Mr. FRATES. All of them?

The CHAIRMAN. Yes.

Mr. FRATES. Billings, Mont.; Chattanooga, Tenn.; Monroe, Ga.; Haverhill, Mass.; San Diego, Calif.; Long Beach, Calif.; New Jersey; Kentucky; Montana; San Francisco; Minnesota; South Carolina; New York; Tennessee; Washington; Colorado; Oklahoma City; Illinois; New York; California; Arkansas; North Dakota; Massachusetts; Colorado——

The CHAIRMAN. You have probably covered about half of them, I would say, Mr. Frates?

Mr. FRATES. Yes.

The CHAIRMAN. You have gotten them from practically every State in the Union?

Mr. FRATES. Yes, sir.

The CHAIRMAN. And they are protests against any change in this law?

Mr. FRATES. That is correct.

Mr. KEOGH. You mean by "this law" the Robinson-Patman Act?

The CHAIRMAN. Yes. They are not testifying on the basing point as such. They have not investigated that phase of the legislation if I understand them correctly.

Mr. FRATES. That is correct, sir.

Mr. KAUFMAN. You are acquainted with the Kefauver amendment in respect to this bill?

Mr. FRATES. Yes, sir.

Mr. KAUFMAN. And as it passed the Senate it contained the Kefauver amendment.

Mr. FRATES. Yes, sir.

Mr. KAUFMAN. And what happened in the House Judiciary Committee?

Mr. FRATES. It eliminated the amendment, the House Judiciary Committee.

Mr. KAUFMAN. Do you consider that elimination a benefit to you?

Mr. FRATES. No; the opposite is true.

Mr. KAUFMAN. Will you explain that?

Mr. FRATES. At least the Kefauver amendment offered some protection, as we understand it, to our people, and they were eliminated in their entirety in the Judiciary Committee, and then it went right back to the fact that the legislation proposed in S. 1008 is detrimental to the Robinson-Patman Act and as a result affects our independent operation.

Mr. KAUFMAN. In other words, the Kefauver amendment was designed to preserve the present burden of proof as it now exists in the present Robinson-Patman Act; is that correct?

Mr. FRATES. That is correct.

Mr. KAUFMAN. And by striking it out the present burden of proof is changed, is that correct?

Mr. FRATES. Similar to the operation before the enactment of the Robinson-Patman Act.

Mr. KAUFMAN. So that if the Kefauver amendment is left out, is it your understanding that it would be impossible for the Federal Trade Commission to show that competition among the retailers would be diminished?

Mr. FRATES. As I understand it, it just reverses the process of making the respondent responsible for his actions.

Mr. KAUFMAN. Is it your understanding in general that the amendments made by this bill to the Robinson-Patman Act change the burden of proof?

Mr. FRATES. Yes, sir.

Mr. KAUFMAN. So it would become difficult, in many cases, perhaps impossible, for the Federal Trade Commission to prove a case even though it might have had one before?

Mr. FRATES. We think it is almost fantastic.

Mr. KAUFMAN. I notice you testified in regard to the inception of the Robinson-Patman Act in 1936. Do you know whether or not that was sponsored by any particular political party, or what kind of support did it get in that Congress?

Mr. FRATES. No; it was bipartisan.

Mr. KAUFMAN. As a matter of fact, was the vote almost overwhelming, almost unanimous?

Mr. FRATES. As I recall, the vote in the House was something like 290 to 16.

The CHAIRMAN. That is correct.

Mr. KAUFMAN. And in the Senate?

Mr. FRATES. Just a few scattering votes against the enactment of the Robinson-Patman Act there. As we understand, it showed a crying need of the independent retailers and small-business men for such legislation.

Mr. KAUFMAN. Can you think of any reason why the Robinson-Patman Act should be particularly singled out for attack in a bill which apparently is designed, at least on the face of it is supposed to be designed for some other purpose?

Mr. FRATES. I can only give you my own thinking in the matter, sir. I am inclined to believe personally that the basing-point decisions—Steel, Cement cases, and the like of that—did not directly have the intention of hurting the Robinson-Patman Act but the repercussions were such that this legislation was enacted which vitally stabs the heart out of the Robinson-Patman Act.

Mr. KAUFMAN. Affecting all businesses?

Mr. FRATES. Yes.

Mr. KAUFMAN. And not just steel and cement?

Mr. FRATES. Regardless of whether independent operators around the corner, or whether Pittsburgh steel or portland cement.

Mr. KAUFMAN. Now, is it not true that under the Robinson-Patman Act treble damage action could be brought in case of violation?

Mr. FRATES. Yes.

Mr. KAUFMAN. And is it not true that the treble-damage action has been the thorn in the side of violators of the antitrust laws?

Mr. FRATES. It has been an absolute deterrent.

Mr. KAUFMAN. And would not that be a very special reason for picking on the Robinson-Patman Act?

Mr. FRATES. If you remove that threat, then you give big business a Roman holiday in my opinion.

Mr. KAUFMAN. And coming to that, of course, we do not have treble-damage action under the Federal Trade Commission Act?

Mr. FRATES. No; we do not.

Mr. KAUFMAN. It is also amended in this bill but amended more mildly, is it not?

Mr. FRATES. That is my understanding, sir.

Mr. KAUFMAN. Now, supposing a change were necessary in the Robinson-Patman Act, you are a reasonable person, supposing changes were necessary, do you think we have had sufficient time to consider and deliberate on such changes?

Mr. FRATES. No; because we would suggest to the Congress that they strengthen the Robinson-Patman Act, but we surely would not do it in the limited space of time this bill has appeared on the calendar.

Mr. KAUFMAN. As a matter of fact, there have been no hearings at all on this bill, have there, any public hearings?

Mr. FRATES. Not to my knowledge unless the proponents of the measure had some hearings in the Senate.

Mr. KAUFMAN. There were no hearings. I may say that.

Mr. FRATES. I called your attention to the fact in my statement that this is the first time small retailing has had a chance to appear before the Congress.

The CHAIRMAN. It is strange to me that the Supreme Court rendered the same decisions in 1945 in the Staley and the Corn Products cases, and we did not hear a chirp from anybody. But 3 years or 4 years later, when they made the same decision in the Cement and Steel cases, they made a noise to hear around the world, and there was no demand for any legislation until it stepped on the toes of Big Steel and Big Cement, although the decisions first were rendered by the Supreme Court in 1945, 4 years ago.

And if, after 4 years, if we have not had anything come up that is detrimental to the general welfare, it occurs to me that we can well afford to go along until something does spring up to threaten the general welfare before taking any action, hasty or otherwise.

Are you through, Mr. Kaufman?

Mr. KAUFMAN. Yes.

The CHAIRMAN. Mr. HALLECK?

Mr. HALLECK. Reference was made in Mr. Kaufman's interrogation to the so-called Kefauver amendments which, I understand, are not included in the bill reported by the Judiciary Committee. Do I understand from that, if those amendments were included in the legislation as finally enacted, you would feel that the Robinson-Patman provisions were adequately protected?

Mr. FRATES. To the degree that they would modify the impact of S. 1008; yes, sir, Mr. HALLECK.

Mr. KAUFMAN. Would that be enough to satisfy you?

Mr. FRATES. No; we do not want the Robinson-Patman Act touched in any of its provisions. We want it strengthened, if anything.

Mr. HALLECK. Suppose there were some language in this legislation if it should come to the House to be enacted that specifically provided nothing contained in this legislation should in any way interfere with the provisions of the Robinson-Patman Act?

Mr. FRATES. We would have to explore it and study it, Mr. HALLECK, and know exactly what the phraseology meant.

The CHAIRMAN. Thank you very kindly, Mr. Frates.

Mr. LONG. Mr. President, I turn to the statement of Mr. W. A. Quinlan, general counsel, United States Wholesale Grocers' Association, Associated Retail Bakers of America, and the National Candy Wholesalers Association, Inc., which appears at page 9 of the hearings, and I ask unanimous consent to have Mr. Quinlan's statement printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF W. A. QUINLAN, GENERAL COUNSEL, UNITED STATES WHOLESALE GROCERS' ASSOCIATION, ASSOCIATED RETAIL BAKERS OF AMERICA, AND THE NATIONAL CANDY WHOLESALERS ASSOCIATION, INC.

Mr. QUINLAN. Thank you. I am William A. Quinlan, a member of the bar of the District of Columbia, appearing here as general counsel of three national associations of as many industries, each of which is composed of small independent businesses. These organizations are the Associated Retail Bakers of America, the National Candy Wholesalers Association, Inc., and the United States Wholesale Grocers' Association, Inc. They have no connection with each other, but their interests and views on the matter before you coincide, and this statement is on behalf of each of them.

We are grateful, Mr. Chairman, to you and your committee for this oportunity to be heard. It is not the first occasion, and we hope it will not be the last, for your committee to provide a forum not otherwise available for these and other small businesses to make their problems, grievances, needs, or recommendations known to the Congress.

To make our position perfectly clear at the outset—we believe that the bill S. 1008 should be denied a rule, and that if and when it is called up without a rule it should be voted down by the House or recommitted to the Committee on the Judiciary.

The CHAIRMAN. Might I interrupt you there, Mr. Quinlan?

Mr. QUINLAN. Yes, sir.

The CHAIRMAN. I have requested the chairman of the Committee on Rules to hold up consideration of the application for a rule on this bill until we have sufficient time to develop the testimony in opposition to it; that testimony has not been developed elsewhere.

Without criticizing any committee, we are just developing the testimony in opposition to it.

I do not know how long the rule will be held up for that purpose, but if it comes up before we have finished our hearings here in opposition, why, I expect to ask the Committee on Rules to continue to hold it up until we finish our hearings.

Mr. QUINLAN. Likewise, Mr. Chairman, nothing I say here is intended to imply any criticism of any committee or Member of Congress, but we were very much pleased to note that action on your part.

The CHAIRMAN. Proceed.

Mr. QUINLAN. S. 1008 is a bad bill belatedly substituted on the floor of the Senate, dealing with statutes in which every word is vital and any slightest change in which should have the benefit of exhaustive study and criticism by the Congress and industry and their legal counsel, but passed by the Senate and amended and reported by the House Committee on the Judiciary without such study and criticism.

We do not question the ability or purpose of the members of the Senate or the House committee who voted for this bill, but we do not hesitate to say that no bill amending the Federal Trade Commission Act or the Robinson-Patman Act should be passed so hastily and with so little study and opportunity for criticism not only of its objectives but of its precise language.

The Federal Trade Commission Act was enacted in 1914, last amended in 1938. The Robinson-Patman Act was enacted in 1936, amended in one respect in 1938. Both are magna cartas of American free enterprise and fair competition, vitally beneficial to the public welfare and to all business, but especially small business and any American who wants a fair opportunity to start a small business.

The existing body of law under these statutes is the product of their language and of thousands of Commission and court decisions construing and applying that language to the practices of industry. And while the language of these statutes is short, the practices affected are multitudinous, reaching into every recess of the economy, so that virtually each word of the basic provisions has a far more than ordinary legislative significance, and there should be no change in any word unless there is clear and compelling reason for the change.

As to the Robinson-Patman Act, for example—in which, we are especially interested—judges, lawyers, and legal scholars for more than a decade have studied and interpreted its every word and phrase in relation to the practicabilities of commerce as a part of the process by which it has become a living and effective document.

Now this bill, without any need or reason that we have been able to ascertain, would throw away the charts and compasses of the businessman and his lawyer, if it did not do worse by kicking out the front teeth of the Robinson-Patman Act and its protection for small business against the predatory competition of chain stores and others whose superior economic power and oppressive buying practices would otherwise destroy small business and produce monopoly.

The bill is a bull in a china shop.

The original demand for new legislation came from industries using uniform industry-wide basing-point pricing systems, because of the decisions in the Cement and Rigid Steel Conduit cases. But as we see it, this bill does not alter the legal status of uniform industry-wide basing-point pricing. Who, then, wants the bill?

If any one does, we assume he will come forward here. But it appears to us that the bill, without meeting any substantial need or request from those industries disturbed by the Cement and Rigid Steel decisions, meritorious or otherwise, would simply make gratuitous and haphazard changes in the present law which should please none and displease most.

In their campaign for new legislation those who would like to remove the "cloud" on their uniform industry-wide basing-point pricing systems have had support from some who like ourselves have no interest in such systems but who are concerned that dicta in the Cement case may presage an ultimate agreement by the courts with the contention of at least one member of the Federal Trade Commission's employed staff that the term "price" as used in the Robinson-Patman Act means the so-called mill net, or in other words, that it is per se a price discrimination for a seller to charge a uniform delivered price to competing customers when delivery or shipping costs differ. But while we have been interested in that possibility, it now seems too remote and nebulous to call for new legislation at this time. We think the courts read the newspapers. They will not adopt the impracticable mill net idea in ignorance of its repercussions on the economy. Certainly any remote possibility that they might is no warrant for a premature rehashing of the provisions of the Robinson-Patman Act.

And even if it were, the bill S. 1008 would do a poor job in that respect, in addition to seemingly pointless, and in any event ambiguous and dangerous, changes in the act.

With the hope that they may be helpful in your deliberations, I would like to submit some more specific criticisms of the bill, section by section.

Section 1 (addition to sec. 5 (a) of the Federal Trade Commission Act): This says that it shall not be an unfair method of competition or an unfair or deceptive act or practice "to quote or sell at delivered prices." But the right to sell at delivered prices has never been in question.

The thing that was involved in the Cement and Rigid Steel Conduit cases was concerted industry-wide use of the highly artificial basing-point method of establishing uniform delivered prices which the courts found by its nature eliminated competition and was in unreasonable restraint of trade. So far as we know, the proponents of this bill do not offer it for the purpose of legitimatizing that practice, and we cannot see that it would.

It is a reported purpose of the bill to bar the so-called mill net contention, the idea that "price" in the Robinson-Patman Act means the mill net, so that a seller commits a price discrimination when he sells at a uniform delivered price to competing customers despite differences in delivery or shipping costs. We have said that that contention on the part of one Government lawyer or a few of them is not sufficient warrant for a hasty rewriting of the statutes.

But even if it were, this portion of the bill seems to do nothing about it. It says it shall not be an unfair method of competition or an unfair or deceptive act or practice "to quote or sell at delivered prices." It doesn't say at uniform delivered prices to competing customers.

We have never heard anyone contend that it is unlawful to sell at delivered prices, nor is there any conceivable basis for such a contention.

Further, the mill net contention as such has to do with the Robinson-Patman Act, whereas this provision of the bill is an amendment to the Federal Trade Commission Act.

Therefore this provision of the bill seems meaningless. Yet the courts must strive to give some meaning to any change which the Congress may make in the statutes. Persons charged with unlawful practices most certainly would argue that this change must mean something, and there is no way of knowing what significance it might ultimately be given in the rash of litigation that would follow enactment of the bill.

This section of the bill also says that it is not an unfair method of competition or an unfair or deceptive act or practice to absorb freight. But that is a broad phrase of apparently unknown effect.

Neither bit of language is clarified by the proviso.

Section 2 (addition to sec. 2 (2) of the Clayton Act): This says that it shall not be an unlawful discrimination to quote or sell at delivered prices if such prices are identical at different delivery points. But suppose they are identical at some different delivery points, and not at all delivery points, when deliveries are made at all such points to competing buyers? Suppose, for example, that three competing purchasers buy as of three different delivery points; the seller charges an identical price at different delivery points but only two of them; can he

lawfully discriminate against the purchaser at the third?

If the intent is merely to provide that it is not an unlawful price discrimination to quote or sell at an identical price to all competing customers even though at different delivery points, perhaps the courts would read that intent into the amendment, and perhaps they would not. If that is the intent the question might well be raised, Why does the bill not say so?

The bill says that it shall not be an unlawful discrimination to quote or sell at delivered prices if differences between such prices are not such that their effect upon competition may be that prohibited by this section. The effect to which reference is intended apparently is an effect which, in the language of the present statute, may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them, but that is not certain. Does an effect upon competition * * * prohibited by this section instead have reference to all the other provisions and proviscs of the section?

Is this intended, for example, to modify the present proviso allowing differentials making only due allowance for differences in costs?

Since the statute even now provides that a discrimination is not unlawful unless "the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of [Interstate] commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them," what could be the purpose of providing redundantly that discriminations are not unlawful if they "are not such that their effect upon competition may be that prohibited by this section"? The change seems meaningless, yet, again, the courts would have to strive to give it meaning.

Again, we do not know at this time what might be the ultimate interpretation of this language.

The amendment to section 2 (a) says that it shall not be unlawful discrimination "to absorb freight" when that is "to meet the equally low price of a competitor in good faith," but again, there is no way of knowing what would be the ultimate interpretation of this broad phase "to absorb freight"; nor can we determine the actual intent of those who wrote it into the bill or the need for it in this connection.

Section 2 (b) of the act already provides that a seller may rebut a prima facie case of unlawful price discrimination "by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor," regardless of whether he does it on the theory of "absorbing freight" or no theory at all. Then what is the purpose of writing a similar provision into section 2 (a)? If the change is not redundant its purpose (although what of the then inconsistent proviso remaining in section 2 (b)?) must be to shift the burden of proof and require counsel in support of a Commission comcomplaint or plaintiff in a civil action to show the absence of this excuse of meeting competition, despite the fact that this involves information peculiarly within the knowledge of the seller charged and placing upon others a burden of negative proof would gravely weaken if not emasculate the act.

The bill also says, as to the language "to absorb freight to meet the equally low price of a competitor in good faith," that "this may include the maintenance above or below the price of such competitor, of a differential in price which such seller customarily maintains." This goes far beyond "clarification" of the act, introducing new substance and new language of apparently unknown effect. Apart from difficulty of determination of "a differential in price with such seller customarily maintains," it offers serious threat to the purposes and effectiveness of the act and would to an unknown extent permit the compounding of price discriminations to the injury of competition.

The elimination from the bill as passed by the Senate of the language "(except where the effect of such absorption of freight will be to substantially lessen competition)" probably would make meeting competition a complete defense regardless of injury to competition and to the small buyers whom the Robinson-Patman Act was especially designed to protect from unfair and oppressive discrimination.

Section 3 (amendment of sec. 2 (b) of the Clayton Act): This appears to make wholly unnecessary changes in section 2 (b) of the act, the effects of which are uncertain. For example, there is again the ambiguous new language "the effect of which upon competition may be that prohibited by the preceding subsection."

Again, the elimination from the bill as passed by the Senate of the language "(other than a discrimination which will substantially lessen competition)" probably would make meeting competition a complete defense regardless of injury to competition and to the small buyers whom the Robinson-Patman Act was especially designed to protect from unfair and oppressive discrimination.

Section 4: There appears to be no need for the definitions provided in this section and they promise only further confusion.

As previously stated, we are vigorously opposed to any legislation which might alter the basic purposes of the provisions outlawing price discrimination or weaken their effectiveness; we regard the Robinson-Patman Act as a vital protection against unfair and destructve discrimination, and do not want it weakened in any way; for that reason we are opposed to the bill S. 1008.

Thank you very much, Mr. Chairman, and members of the committee, for your courteous consideration of our views.

The CHAIRMAN. Thank you, Mr. Quinlan.

Mr. Smith, would you like to supplement your statement before we interrogate these witnesses?

Mr. SMITH. No; thank you just the same.

The CHAIRMAN. I would like to ask Mr. Rowe how many States have passed what are known as "junior R.-P. Acts."

Mr. ROWE. I do not know, Mr. PATMAN. You mean small Patman Acts of the States?

The CHAIRMAN. Yes, sir. And a couple of years, in that time, 19 different States have passed them. I know that. But I did not keep up with this after that. They were to take care of the intrastate part.

Mr. ROWE. I knew of that, but I have not kept up with it.

The CHAIRMAN. Anyway, it was a popular law all over the country?

Mr. ROWE. Yes, sir.

The CHAIRMAN. Any questions, Mr. KEOGH?

Mr. KEOGH. No.

The CHAIRMAN. Mr. HILL?

Mr. HILL. I would like to ask the gentleman: Did you appear before the Senate when they were considering this legislation and give the same testimony you have given us, or about the same, Mr. Quinlan?

Mr. QUINLAN. There was no opportunity, sir, because no hearings were held on this measure. I did appear before the Senate Committee on Interstate and Foreign Commerce with respect to the bills then pending and offered criticisms of many other provisions, some similar and some dissimilar which appeared to us also to weaken the Robinson-Patman Act.

When that committee was discharged and the matter was referred to the Senate Committee on the Judiciary, I do not remember the situation as to hearings, but we filed a number of memoranda indicating to the committee our detailed criticisms of the measure then pending.

This bill which now bears the number S. 1008 was substituted on the floor of the Senate for the measure which had been reported out, and no public hearings were held. It happened in the space of a day, and we had no opportunity to even register criticisms in writing.

When it came over to the House, I filed a detailed memorandum with the chairman of the subcommittee handling the bill which in substance expressed all of these points I have just indicated to you.

Mr. HILL. Then the House Judiciary Committee has those points?

Mr. QUINLAN. No hearings were held. The memorandum was sent to the chairman of the subcommittee, but I noticed 5 days later the Journal of Commerce quoted the chairman as having said he had received no criticisms from industry; so I assume that our written memorandum had not reached his attention.

Mr. HILL. Thank you.

The CHAIRMAN. Mr. MANSFIELD, do you have any questions?

Mr. MANSFIELD. No questions.

The CHAIRMAN. Mr. RIEHLMAN?

Mr. RIEHLMAN. No questions.

The CHAIRMAN. Mr. EVINS?

Mr. EVINS. Is the conclusion of your testimony in substance, Mr. Quinlan, that the language is ambiguous; that it weakens the basic act, and is not necessary or desirable?

Mr. QUINLAN. That is correct, sir. And, speaking generally, I cannot see that the bill would accomplish anything that anyone wants, and yet it would do as you have just said—endanger the provisions of the Robinson-Patman Act.

Mr. EVINS. May I state, Mr. Chairman, I think the gentleman has given a very excellent statement. He has gone to the heart of the matter which the committee has before it.

The CHAIRMAN. Mr. BURTON, would you care to ask any questions?

Mr. BURTON. May I ask Mr. Quinlan whether he is opposed to basing-point pricing—that is, absorption of freight by the shipper—or whether he is merely interested in protection against discrimination?

Mr. QUINLAN. Mr. Congressman, I would like to say, very respectfully, first, I do not like the term "freight absorption" because it is a very loose term that has very many meanings.

With respect to the basing-point method of pricing, the industries for which I am appearing here today have no interest. They do not sell according to that method and they do not, to any substantial extent, buy from other sellers who sell according to that method. In other words, I do not intend to imply any position on the merits of the basing-point system.

But, again, I would like to point out that the bill does not seem to do anything even for the people who want something done with respect to that method of pricing, and yet it does something in which we are very much interested; it endangers the basic provisions against price discrimination.

Mr. Chairman, in answer to your previous question, if I may, I might mention that I have before me here the Commerce Clearinghouse Trade Regulation Law Reporting Service; and, without having looked at all of the provisions of these State statutes, I notice that the reporter lists 26 States as having enacted anti-price-discrimination statutes.

The CHAIRMAN. Similar to the national act we are now discussing?

Mr. QUINLAN. The degree of similarity, Mr. Chairman, I do not know, but it is my recollection that many, if not most of them, are quite similar.

The CHAIRMAN. Twenty-six States?

Mr. QUINLAN. Twenty-six are listed as having anti-price-discrimination statutes.

The CHAIRMAN. Mr. Kaufman, counsel for the committee, would you like to ask any questions?

Mr. KAUFMAN. I would like to if we have time.

The CHAIRMAN. Go right ahead.

Mr. KAUFMAN. I would just like to get the record straight on the basing-point aspect of the bill.

As I understand from your testimony, you recognize that this bill was introduced as a result of the basing-point decision in the Cement case. That is correct; is it not?

Mr. QUINLAN. In one sense, as a result of that, but in another sense as a result of a great deal of confusion, misunderstanding, and emotionalism. It is hard to ascribe the bill to any particular circumstance. That was the first occurrence which gave rise to the interest in legislation of this kind.

Mr. KAUFMAN. And you understand, of course, there is a great deal of sentiment, emotional and otherwise, which has arisen as a result of that basing-point decision. There is no doubt about that?

Mr. QUINLAN. No question about that whatever.

Mr. KAUFMAN. But in trying to reach a remedy in this bill they sail into the Robinson-Patman Act. That is your point; is it not?

Mr. QUINLAN. Yes, sir; necessarily so.

Mr. KAUFMAN. And the people whom you represent throughout this entire Nation are not interested in the basing-point system one way or another; is that correct?

Mr. QUINLAN. That is right, sir, except if legislation dealing with that system impinges upon the purposes and effectiveness of this act. Then our interest becomes very acute.

Mr. KAUFMAN. Right. So the picture you have really drawn for us is that you wholesale grocers of the country and the other people whom you represent are innocent bystanders who in the past have been depending upon the Robinson-Patman Act and now find in this bill they are going to be hurt if it passes. Is that the picture?

Mr. QUINLAN. That is right, sir.

Mr. KAUFMAN. So that when you come to us and you have no interest in the basing-point situation as such directly, in a sense would you think it fair for us to conclude for our purposes that in at least that sense you come to us as a neutral witness, neutral so far as the basing-point issue is concerned?

Mr. QUINLAN. I think that is a very fair statement.

Mr. KAUFMAN. Is it fair then for us to assume that your sole motive for coming here is the protection which you feel has been given to you by the Robinson-Patman Act?

Mr. QUINLAN. That is right, sir.

Mr. KAUFMAN. Now you have referred before to the lack of opportunity you have had to be heard by other committees. And, if I understand correctly, the Senate bill passed in about 24 hours or so; is that correct?

Mr. QUINLAN. Well, the exact number of hours I do not recall, but the circumstance was that another bill under this same number had been favorably reported by the Senate Committee on the Judiciary, and in the course of consideration of that bill on the floor this bill was substituted under that number and passed by the Senate.

Mr. KAUFMAN. Right. Well, the prior bill was entirely different from this bill?

Mr. QUINLAN. Quite different.

Mr. KAUFMAN. Entirely, was it not?

Mr. QUINLAN. Yes, sir.

Mr. KAUFMAN. This bill is completely a new bill?

Mr. QUINLAN. It dealt in general with the same subject matter, but the thing of vital importance here is the precise wording as I have indicated, and the wording was not the same.

Mr. KAUFMAN. Right. And this bill is a proposed permanent amendment to the antitrust laws, is it not?

Mr. QUINLAN. That is correct.

Mr. KAUFMAN. Whereas the prior bill was simply a moratorium bill, is that correct?

Mr. QUINLAN. As I recall, the bill reported out by the Senate committee was a moratorium bill. I am a little fuzzy on that at the moment. There was so many bills.

Mr. KAUFMAN. I believe that is correct.

Were you active at all when the Robinson-Patman Act was passed, or was that Mr. Rowe entirely?

Mr. QUINLAN. I personally was not. At that time I was not general counsel of Mr. Rowe's association.

Mr. KAUFMAN. Perhaps Mr. Rowe could tell us.

Mr. Rowe, have you any estimate of how much time was taken in debate on the passing of the Robinson-Patman Act? Was it done within 24 hours?

Mr. ROWE. No. The bill went before the Senate and the House, and then went through hearings in both, extensive hearings. And then there was meeting of the conference committee. The whole matter lasted over two sessions of Congress. The bill was introduced in 1935 and it was not passed and signed until 1936, June 1936, a whole year.

Mr. QUINLAN. I might say in that connection that I had occasion in a hearing before the Interstate Commerce Commission to read every word of all the reports and all the debate in the Senate and House on this measure, and it took me a good number of days just to finish that job of reading the record on that measure. So it was not a hasty proposition by any means.

Mr. KAUFMAN. Would you say that one of your main objections to the present bill is the speed with which it is being considered?

Mr. QUINLAN. Yes, sir. We would object in any event to a hasty rewriting of the act because of the vital importance of each word in the act. And I think that the faults we have to find with the measure in its present form confirm the danger of haste in attempting to amend the statute.

Mr. KAUFMAN. In that connection, I pick up your statement in respect to one of the amendments proposed, and it states:

"It shall not be an unlawful discrimination for the seller acting independently to quote or sell at delivered prices if such prices are identical at different delivery points."

Do you remember that language?

Mr. QUINLAN. That is the language of the bill.

Mr. KAUFMAN. Yes.

Mr. QUINLAN. One of the items we have just criticized.

Mr. KAUFMAN. That is right, which you discussed in your testimony.

Mr. QUINLAN. Yes, sir.

Mr. KAUFMAN. Now, as I understand your testimony, this would make it possible, or at least be a possible construction, that a manufacturer or producer could pick out two purchasers and sell them at identical prices and not charge the same price to a third, or a fourth, or a fifth, is that correct?

Mr. QUINLAN. I do not know that would be the case. In fact I think it is likely that would not be the construction, but we do object to leaving the road open to such a construction.

Mr. KAUFMAN. The road is left open to that construction, is it not?

Mr. QUINLAN. Certainly the language should be clear and more definite than that particular language is.

Mr. KAUFMAN. Have you a copy of the act before you by any chance?

Mr. QUINLAN. The act itself?

Mr. KAUFMAN. A copy of the bill, rather.

Mr. QUINLAN. Yes, sir.

Mr. KAUFMAN. Referring to page 2 of the bill, lines 11 and 12—do you have that?

Mr. QUINLAN. Yes, sir.

Mr. KAUFMAN. Do you note any restriction whatever imposed by the bill on the wording which I quoted a moment ago?

The CHAIRMAN. In other words [reading]: "that it shall not be an unlawful discrimination in price for a seller, acting independently, to quote or sell at delivered prices if such prices are identical at different delivered points."

And legally there would be a period there, I believe you agree?

Mr. QUINLAN. Yes, sir.

Mr. KAUFMAN. So there is no limitation of any kind, is there, in the bill on this language? It may be inadvertent on the part of the draftsman, but I am asking you if in your opinion as a lawyer that is a correct statement.

Mr. QUINLAN. I am not certain I clearly understand your question yet.

The CHAIRMAN. Mr. Kaufman, since we are going to have experts on the basing point, and this relates to the basing point about which he is not testifying in particular, suppose we wait for them.

Mr. KAUFMAN. You have made other references to the shifting of the burden of proof. And in your opinion would such a shifting of proof mean the Federal Trade Commission would be expected to prove facts which are peculiarly within the knowledge of defendant or respondent? Do you think that would interfere with the enforcement of the Robinson-Patman Act?

Mr. QUINLAN. We consider that change particularly vital. I think that would be an extremely serious blow to the effectiveness of this act, and where that came from I have no idea.

Mr. KAUFMAN. Although I know you are not primarily interested in the basing-point system, if the burden of proof would change, would that not also make it very difficult to prove collusion in the use of the basing-point system?

Mr. QUINLAN. I do not know that that has any bearing on the question of collusion, Mr. Kaufman. I doubt that it does. But it certainly is vital to the things in which we are interested, the prohibition of unlawful price discrimination.

If the burden were placed upon complaining parties of showing an absence of the excuse of meeting competition, it certainly would be difficult and in many instances impossible to make a case where a case should be made. That is a matter which is peculiarly within the knowledge of the seller. If the seller has that excuse the burden should rest upon him to show it.

Mr. KAUFMAN. I have some further questions, Mr. Chairman, but I can reserve them.

The CHAIRMAN. Mr Dalmas is a member of our staff and has charge of arranging these hearings. Would you like to ask any questions?

Mr. DALMAS. No questions, thank you.

Mr. LONG. Mr. President, I turn to the statement of Mr. Harold O. Smith, Jr., executive vice president, United States Wholesale Grocers' Association, which appears at page 3 of the record of the hearings, and to the statement of Mr. R. H. Rowe, vice president and secretary, United States Wholesale Grocers' Association, which appears at page 4 of the same committee hearings, and I ask that their statements be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF HAROLD O. SMITH, JR., EXECUTIVE VICE PRESIDENT, UNITED STATES WHOLESALE GROCERS' ASSOCIATION

Mr. SMITH. Thank you, Mr. Chairman.

I am Harold O. Smith, Jr., executive vice president of the United States Wholesale Grocers' Association, with headquarters in Washington, D. C.

Mr. Chairman, I would like to, before we get into the testimony, supplement slightly the reference that you made to this association to identify the testimony and the viewpoints to be expressed.

Primarily, that the wholesale grocers of the United States are pretty well represented in every congressional district in considerable numbers. A recent survey by the Curtis Publishing Co., a study that was made this year, indicates that the wholesale grocer as an average puts in about 14 percent of his time in civic matters. He takes a very prominent part in the matters of the community, whether it happens to be war bonds, Community Chest, Red Cross, or many other things of a civic nature. In other words, he is a very civic-minded individual. The wholesale grocer represents a group of retail grocers numbering anywhere from, say, 500 to several thousand whom he serves regularly every week, and therefore he has an opportunity to reflect what is to the best interest of the independent retailer, whether he be a retail grocer or other merchant in the community.

So the scope of the coverage of what we feel affects the independent merchant, I believe, is rather broad in what we have in the way of testimony to offer.

I would like, however, in view of the fact that I know your committee is entering here on a most important and most timely undertaking, to give you the benefit of the various qualified experience that we have available. Mr. R. H. Rowe, who is secretary and vice president of the association, and has been with us for 30 years, is well qualified through long years of experience along this line through the fact that he was very close to the picture at the time of the Robinson-Patman Act, or the Robinson-Patman bill, which later became the Robinson-Patman Act.

Mr. William A. Quinlan is general counsel for the association and I would like to have him give some views on the legal aspects since he is highly qualified along those lines.

So, with your permission, Mr. Chairman, I would like to introduce Mr. R. H. Rowe.

The CHAIRMAN. Thank you.

Mr. Rowe was here when he commenced the campaign for the passage of the act. I worked with him all during that time, 1935 and 1936.

STATEMENT OF R. H. ROWE, VICE PRESIDENT AND SECRETARY, UNITED STATES WHOLESALE GROCERS' ASSOCIATION

Mr. ROWE. Mr. Chairman and gentlemen of the committee, my name is R. H. Rowe. I am vice president and secretary of the United States Wholesale Grocers' Association, a national trade organization of wholesale food and grocery distributors, with headquarters in Washington, D. C.

Our opposition to S. 1008 as approved by the House Judiciary Committee is that its language jeopardizes the effectiveness of the Robinson-Patman Act in its provisions against price discriminations in favor of chain stores and other large buyers.

This proposed legislation has had many quirks and turns, advances and backing-ups, and changes of authorship and phraseology in its course so far. It really originated in the investigation conducted by the Capehart committee, a subcommittee of the Senate Commerce Committee, on basing-point practices and court decisions applicable thereto. Its avowed purpose was clarification of the rights of sellers and shippers in interstate commerce.

Senator EDWIN C. JOHNSON introduced S. 236, the original clarification bill. A revised clarification bill was later introduced by Senators JOHNSON and CAPEHART. Senator FRANCIS J. MYERS introduced S. 1008, not for permanent legislation but for moratorium or stopgap purposes. Then all these bills were transfered to the Senate Judiciary Committee. Then Senator JOSEPH C. O'MAHONEY offered a substitute bill on the floor of the Senate. This substitute which passed the Senate dropped the moratorium feature and reverted to permanent legislation. It was in effect a new bill. The bill as passed by the Senate went to a subcommittee of the House Judiciary Committee which further amended it. As so amended it was approved by the full Judiciary Committee and reported to the House.

So we now have before us what might be called, because of its many changes and fingers in the pie, the Capehart-Johnson-Myers-O'Mahoney measure.

In order to explain our position, and our interest in this legislation, it is necessary that we review the circumstances connected with the origin and passage of the Robinson-Patman Act, which we believe is endangered.

And this will supplement the statement already made by the chairman.

In the years prior to 1935, complaints and protests against price and other discriminations granted by food and grocery manufacturers to big mass buying organizations, had reached vast proportions—in effect, amounted to a national trade scandal.

In order to do something about this situation, our association in the spring of 1935 drafted proposals to amend the Clayton Act, designed to eliminate discriminations in price, quantity discounts and brokerage and advertising allowances. These proposals were approved by our annual convention held May 21–23, 1935.

At that time the NRA codes were still on the books. We were never satisfied with the trade practice rules in the grocery codes. They were not specific enough and did not go far enough in their application to price and other discriminations. Moreover, the codes were practically inoperative from lack of enforcement. Then on May 27, 1935, the Supreme Court declared unconstitutional the National Industrial Recovery Act and the codes framed under it, leaving reliance only on the Clayton Act. The Clayton Act had never been effective in preventing the discriminations that were working havoc in our trade.

At that time also, Congressman WRIGHT PATMAN, of Texas, under House resolution, was chairman of a committee investigating the American Retail Federation, also large-scale buying and selling, including the discriminatory practices which we sought to have banned.

We submitted to Congressman PATMAN our proposals for amending the Clayton Act. He agreed with their principles and objectives and on June 11, 1935, introduced a bill embodying them. A similar bill was introduced in the Senate on June 26, 1935, by the late Senator Joseph T. Robinson, then Senate majority leader. The measure after a number of amendments was enacted at the next session of Congress and was approved by the President on June 19, 1936.

The Robinson-Patman bill passed the House by a huge bipartisan majority of 290 to 16. It passed the Senate with only a few dissenting voices.

It seems tragic to us, Mr. Chairman, that now after 14 years, we should be compelled to make this fight all over again; that representatives of small business should be under the duty and necessity of appearing before another committee headed by you, again considering big-scale buying and selling and changes in the antitrust laws boomed to the front of congressional attention by representatives of big-scale buying and selling. Eternal vigilance is also the price of protection of the antitrust laws. We believe, Mr. Chairman, that you and the House Small Business Committee are the foremost exemplars of that vigilance.

The investigation of large-scale buying and selling methods that the Patman committee conducted in 1935 prior to and after the introduction of the Robinson-Patman bill disclosed that the Great Atlantic & Pacific Tea Co. alone was receiving annually from its manufacturer-suppliers $6,000,000 in advertising allowances and off-the-invoice quantity discounts and $2,000,000 as brokerage fees, making a total of $8,000,000 in concessions that either were not available to the individual food distributor or available in very much less amounts.

A list of the names of manufacturers together with the amount of their discounts and allowances to A. & P. appeared in the record of the Patman committee hearings. It had wide circulation. It rocked the grocery trade and industry from center to circumference. Many distributors who had been assured by certain manufacturers that they were getting as low a price and as favorable treatment in discounts and allowances as A. & P. or anyone else, were shocked and disgusted. Members of our organization who had been receiving a modicum of such concessions declared their willingness to forego any advantages that had been obtained in order that the entire iniquitous system might be broken up.

Trade reaction to the list was thus immediate and emphatic, and proved very effective in securing the enactment of the Robinson-Patman bill.

The investigation also revealed that most other large buying concerns in the grocery and other fields were receiving discriminatory discounts and allowances in varying amounts and ratios, while the small buyer was left holding an empty bag.

How could the individual merchant compete against concession piled on concession—brokerage fees piled on special quantity discounts and that aggregation heaped on advertising allowances? He was stayed in his tracks. He was defeated in the competitive fight before he started. No amount of good management and efficiency of operation could overcome such handicap.

The Robinson-Patman Act stopped this flood of concessions to the big buyer as against the average buyer and in doing so it also affords protection to manufacturers against the coercive discount and concession demands of big buying organizations.

The acts permits price differentials but only as related to saving in cost to the seller and freedom from injury to competition. It is with respect to these provisions that we believe S. 1008 with its ambiguous changes in the law upsets the apple cart and invites the return of the discrimination tide and the submergence of small business.

It is insisted in some quarters that under the restrictions of the Robinson-Patman Act we have "soft competition" which is declared to be terrible and that without those restrictions we would have "hard competition" which is said to be very desirable.

But competition and competitive methods can go to extremes. The Big Five meat packers went to extremes. They were rapidly establishing a vertical monopoly in the handling of meat and other food products. The Government and the courts called a halt and the hard competition of the packers was ended.

We subscribe to the maxim, "Competition is the life of trade," but carried to extremes and with unfair methods, it can mean the death of the small trader. We think that the competitive race should begin on an even basis; that the small horses should not be compelled to go from the starting post, while

the big horses get the gun from advanced positions.

It seems ironical to us that, with all the furore and concern in the present Congress over the rapid encroachment of monopolies and investigations planned to ascertain their extent, a substitute bill on delivered pricing should pop up in the Senate and be quickly passed and then hurried through the House Judiciary Committee without benefit of open public hearings—a bill that would jeopardize the law that affords the greatest protection the small-business man has against monopoly and the aggressions and oppressions of monopolistic practices.

After the passage of the Robinson-Patman Act all sorts of schemes and devices were attempted to evade it, but in every case they were knocked down by the Federal Trade Commisison and the courts. The Robinson-Patman Act has been through the mill of court adjudication and stood every test.

We have the impression that this very fact is the prime cause of these proposals to change the antitrust laws: First, attempted evasion and when that doesn't work, effort to change the laws to legalize the evasion.

Seemingly we have come to the pass that when the antitrust laws as interpreted by the courts in line with their objectives crack down sharply on any section of trade and industry, that section sets up a cry and an effort to have itself freed from such interpretation.

This striving to obtain hard competition seems to us to be nothing more than an attempt to soften the antitrust laws and let monopolistic practices flourish unrestrained. Such whittling-down process can only result in final destruction of the antitrust laws, the triumph of monopolies and the extinction of small business.

In these circumstances, it seems highly important that Congress stop and take another look at the view-panel of this situation, lest it be found that its fumbling and hopskotching with the control knobs, instead of bringing the avowed clarification, has resulted in tuning the welfare of small business completely out of the picture.

Mr. Chairman, that concludes my testimony.

I have a resolution here passed by our last annual convention held at St. Louis on the Robinson-Patman Act and its protection. That resolution was passed on the day, June 1, that the O'Mahoney substitute passed the Senate. And this resolution was passed without the convention knowing of such action in the Senate. I will be glad to read it if you desire.

The CHAIRMAN. Suppose you put it in the RECORD, Mr. Rowe. It is the endorsing act, I presume?

Mr. ROWE. Endorsing and supporting the Robinson-Patman Act.

The CHAIRMAN. Suppose you read the resolved part.

Mr. ROWE. Yes, sir. [Reading:]

"*Resolved*, That we strenuously oppose any moratorium bill, permanent delivered pricing measure, amendment or revision of existing antitrust laws that would in any way weaken or emasculate the Robinson-Patman Act or that may be construed to do so, because of intentional or unintentional use of language that goes too far, or does not go far enough; and be it further

"*Resolved*, That we caution wholesale grocers against efforts to kill the Robinson-Patman Act which may be presented in seemingly harmless proposals but which on analysis reveal their intent to destroy; and be it further

"*Resolved*, That we call on all wholesale grocers to urge their Congressmen and Senators to defeat any and all such measures."

(The resolution is as follows:)

"ROBINSON-PATMAN ACT

"Whereas delivered pricing moratorium bills now pending in Congress contain serious defects, jeopardizing, as they do, the provisions of the Robinson-Patman Act against price discriminations and other unfair practices, and

"Whereas other bills, investigations, and movements are under way in Congress to amend, revise, or codify the autitrust laws, and

"Whereas such efforts offer opportunity to opponents of the Robinson-Patman Act to nullify the protection it affords to independent business against the encroachments and aggressions of big mass buying organizations: Therefore be it

"*Resolved*, That we strenuously oppose any moratorium bill, permanent delivered pricing measure, amendment, or revision of existing antitrust laws that would in any way weaken or emasculate the Robinson-Patman Act, or that may be construed to do so, because of intentional or unintentional use of language that goes too far, or does not go far enough; and be it further

"*Resolved*, That we caution wholesale grocers against efforts to kill the Robinson-Patman Act which may be presented in seemingly harmless proposals but which on analysis reveal their intent to destroy; and be it further

"*Resolved*, That we call on all wholesale grocers to urge their Congressmen and Senators to defeat any and all such measures."

The CHAIRMAN. Would any member of the committee like to interrogate Mr. Rowe before Mr. Quinlan proceeds?

Mr. HALLECK. First of all Mr. Chairman, as you indicated the meeting was called by the chairman of the committee, and with that I have no quarrel.

Speaking only for myself, however, I do not know as I would want to indulge in the criticism of another committee of the House of Representatives. I am jealous of the prerogatives of the Small Business Committee, and likewise very proud of its work and effort through the years to protect the interests of small business. And as one of the originators of the Small Business Committee, I am sure you understand that.

I just might say, also, Mr. Rowe, I was here when the Robinson-Patman Act was adopted. The chairman, Mr. PATMAN, will recall my discussing the matter with him many, many times, and my active support of that legislation. I have never deviated from my support of that legislation. Likewise, insofar as this freight absorption question is concerned, I have been disturbed at its implications to many small businesses and to many communities. And I would be less than frank if I did not say that I thought some legislative attention should be paid to the matter.

I was very much interested in your statement and in your continuing support of the Robinson-Patman Act and its purposes, and I am still supporting it.

Possibly Mr. Quinlan is to testify as to the specific things in this proposed legislation that will destroy the provisions of the Robinson-Patman Act. But it occurs to me, Mr. Chairman, that that is the significant important thing. If there is anything in the legislation that is proposed that can be established as being in violation of the provisions of the Robinson-Patman Act, it would seem to me that should be the thing that we should have.

The CHAIRMAN. Would you like to ask any questions, Mr. HALLECK?

Mr. HALLECK. No.

It is expected, Mr. Rowe, that the specific language in this proposed legislation that is contravention of the Robinson-Patman Act will be pointed out by Mr. Quinlan?

Mr. ROWE. Yes; Mr. Quinlan will be prepared to do so. My statement was in the nature of a general statement and review of the whole situation as bearing on our interests.

Mr. HALLECK. As I understand it—I know I am right about it—the Robinson-Patman Act requires there be no discrimination in respect to prices given by any seller to a purchaser that cannot be justified in some real differential in the cost of providing the service or delivering the goods, something of that sort. And it would also seem to me if you operate under a freight-absorption principle, it still could have the same price to the independent fellow or the local fellow in any community that you would give to the man doing the larger business.

Mr. ROWE. As I said, Mr. HALLECK, Mr. Quinlan has prepared a most excellent statement going int the specific objections.

The CHAIRMAN. Suppose we hear from Mr. Quinlan, then, on that point, and we can interrogate later.

Mr. LONG. Mr. President, I turn to the statement of Mr. George J. Burger, vice president, National Federation of Independent Business, Inc., Washington, D. C., at page 225 of the hearings, and I ask that his statement be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF GEORGE J. BURGER, VICE PRESIDENT, NATIONAL FEDERATION OF INDEPENDENT BUSINESS, INC., WASHINGTON, D. C.

Mr. BURGER. I am George J. Burger, vice president, National Federation of Independent Business, Inc., Bond Building, Washington 5, D. C. The federation is a nonprofit organization representing independent and small-business men, and professional men, from all parts of the country in all lines of endeavor. It is supported solely by membership fees secured from these independent and small-business men and professional people. It has the largest individual membership of any business organization in the Nation.

The position of the federation on all issues is determined by direct vote of the entire membership through its publication, the Mandate.

In our mandate No. 153 we queried our membership as follows: (1) Are you for or against any manufacturer paying freight charges to local or distant markets in the United States when such practice is for the purpose of creating monopoly? And (2) are you for or against agreements between manufacturers to pay transportation charges to local or distant markets in the United States for the purpose of making industry-wide price-fixing arrangements? Both of these questions have particular application to the issue of basing-point legislation now before the Congress, which you are now considering.

It is interesting, and significant, to note that in face of all the confusing publicity current over the Nation at the time this vote was taken, our independent and small business and professional membership voted 75 percent against on issue No. 1, above, and 68 percent against on issue No. 2, above. It is also interesting, and significant, to note that our membership has consistently voted in favor of enforcement of our antitrust laws, and for the strenthening of these laws, for the protection and preservation of free, competitive enterprise—and so independent and small business—in our Nation.

Frankly, we of the federation do not agree—we have never agreed—that there is any need for this bill to legalize freight absorptions and delivered pricing. As stated clearly in our testimony of December 8, 1948, before the Trade Policies Subcommittee of

the Senate Interstate and Foreign Commerce Committee, we see nothing in any antitrust laws, or in any court decisions on any of the antitrust laws, that makes either of these pricing practices illegal, provided they are not used collusively or with the intent or effect of discriminating against and injuring businesses.

However, we will not object to the passage of legislation declaring that these pricing practices are not, and have not been made illegal, subject to the qualifications cited below, if the Congress finds itself convinced that honest confusion does exist over recent antitrust decisions in the fields of cement and steel.

We do not here criticize any person for being confused on these matters, but we do say that very likely the confusions that do exist result from the operations of certain interests who would like to invalidate these decisions to permit a return to the monopolistic pricing systems and practices which have been condemned. We do not ask you to take our word for this. Rather do we refer you to the remarks made on the Senate floor, May 31, by Senator WAYNE MORSE, Oregon (CONGRESSIONAL RECORD, May 31, 1949, pp. 7025–7032). It is significant to note that not one Member of the United States Senate took issue with Senator MORSE on these matters. We refer you also to a statement made recently before the Senate Judiciary Committee by Mr. Otis Brubaker, of the Congress of Industrial Organizations.

We will not object to the passage of such legislation provided that:

1. It in no way infringes on and in no way impairs either the antitrust laws themselves or any court decisions reached under these laws, the effect of which has been and is, to preserve the independent, competitive business system of our Nation and to beget simple justice and fair play in trade relations for independent and small business.

We refer here specifically to the Sherman Act, the Federal Trade Commission Act, the Clayton Act, and the Robinson-Patman Act. The integrity of these laws, and the integrity of hard-won decisions which have been reached under them, must be protected and preserved if we are to maintain freedom of opportunity in our Nation; if we are to maintain a free, democratic country.

2. It in no way beclouds the antitrust laws mentioned above and in no way confuses the court decisions that have been reached on these laws. To pass any act that would have either, or both, of these effects would have the same practical result as passing legislation which would overturn these laws and decisions. We do not ask you to take our word for this charge. Rather, we refer you to remarks made on the Senate floor, May 31, by Senator WILLIAM LANGER, North Dakota (CONGRESSIONAL RECORD, May 31, 1949, pp. 7023–7025). Commenting on S. 1008 and some of the terms used therein, the Senator said:

"The antitrust statutes represent an established body of laws which the Congress framed with infinite pains in choosing exact words to convey congressional intent. Through the years of judicial interpretation, these words have come to have definite meanings which are understood by both business and the legal profession. It is like throwing sand into the gear box to force new words and phrases into this carefully developed body of law without giving a clue to their intended meanings."

In this connection, we call your attention to testimony given before the Trades Policies Subcommittee of the Senate Interstate and Foreign Commerce Committee by Federal Trade Commission Commissioner Ewin L. Davis and former Federal Trade Commission Chairman Robert E. Freer, June 2, 1948 (Study of Methods of Competition in Commerce and Impact of Legislation and Government Regulations on American Consumers, hearings before a subcommittee of the Committee on Interstate and Foreign Commerce, United States Senate, 80th Cong., 2d sess., on S. Res. 241, June 2 and 4, 1948).

Replying to questioning by Senator HOMER CAPEHART, Indiana, Mr. Davis explained the former United States Attorneys General Mitchell and Daugherty had made some determined efforts to clarify antitrust laws for business so as to establish a set of exact guides. He stated that these efforts were dropped when more confusion than clarification promised to ensue (pp. 25 and 26). Mr. Freer recalled for Senator CAPEHART that former United States Attorney General Donovan had made similar efforts to clarify antitrust law; but again the effort was dropped because the clarifications promised only additional confusion (p. 22).

We hold that Congress cannot be too cautious about tampering with the antitrust laws. We recall for you how some of our most highly placed Congressmen erred seriously in their judgments on the Reed-Bulwinkle bill. Prior to the time the Congress passed this measure, the sponsors of the bill were questioned about the effect the measure might have on certain important Justice Department antitrust suits then in process against the railroads. In testimony before this House Small Business Committee last year, Mr. Arne Wiprud—formerly United States Assistant Attorney General—said that the bill's sponsors assured questioners that the measure would not in the least affect these suits. Mr. Wiprud continued:

"Late in September of this year, counsel for the defendants (the railroads) urged upon the Federal court at Lincoln, Nebr., * * * that the Reed-Bulwinkle Act struck at the heart of the Government case. In his rebuttal, Government counsel read the statement of Senator Reed. The court's comment was 'The court does not need to consider the comparatively nonsensical statement of Senator Reed that Public Law 662 does not affect the case. That is not even entitled to respect.' And the court also observed that the Senator's statement was merely designed to get votes for the legislation."

If, because of the stated qualifications in our partial endorsement of "clarifying" legislation, we are regarded as overly cautious, we have only this to say:

We are more than worried over the trend evident in past Congresses, and to some extent in the present Congress, to give antitrust exemptions to giant industrial combinations. We refer specifically to the action of the Seventy-ninth Congress in the matter of insurance and the action of the Eightieth Congress in the matter of the railroads. In both of these cases the Congress effectively overturned existing antitrust law for the benefit of business combinations that were under antitrust attack. In doing so, we are convinced after study, the Congress effectively legislated against freedom of economic opportunity, and against independent and small business.

If any doubt exists about the effect of the railroad antitrust exemption legislation, we are prepared to place your committee in contact with one independent businessman who alleges that over a period of years he has been deprived of his rights to economic opportunity by an alleged coterie of private industrialists working allegedly in collusion with various agencies of Government. This businessman has offered written evidence to us to prove his charges. He says he is prepared to disclose just how the Reed-Bulwinkle bill has further deprived him of his legitimate economic rights to compete in an open and fair market.

Gentlemen, we are shocked over the changes that have been written into present antitrust law, and the changes that have been made in some hard-won, significant, antitrust decisions by the House Judiciary Committee during its capsulated consideration of the so-called O'Mahoney basing-point bill, S. 1008. We are astounded, to put it mildly, over the speed with which the committee reversed decisions which it had taken the United States Senate almost 10 months to arrive at. We firmly believe that these changes will deprive independent and small business of certain key antitrust protections without which they cannot prosper or even have a fair chance to succeed. And we firmly believe that in acting as it has—knowingly or not—the House Judiciary Committee has not only opened the way for an overturning of our antitrust laws, but has prepared to sacrifice independent and small business, free competitive enterprise if you will, on the altar of big, monopoly business. Let us show you the reasoning behind this charge.

In the first place the committee eliminated the so-called Kefauver amendments to the O'Mahoney bill. These amendments would have sustained the rule of the United States Seventh Circuit Court of Appeals in the Detroit Standard case. Here the court ruled that "good faith" meeting of a competitor's price is not a justification for a price discrimination that cannot be sustained by proof of savings from economies in manufacture, sale, or delivery, if the price discrimination results in unfair competitive injuries to some dealers in favor of others, if it results in a substantial lessening of competition.

We call your attention to the fact that these Kefauver amendments were accepted by the Senate and by the sponsor of the present basing-point bill, Senator JOSEPH C. O'MAHONEY, Wyoming, after the need for them had been carefully explained on the Senate floor by Senators ESTES KEFAUVER, Tennessee, a former distinguished member of this House Small Business Committee, and RUSSELL B. LONG, Louisiana (CONGRESSIONAL RECORD, June 1, 1949, pp. 7064–7092). During the course of this debate, Senator O'MAHONEY (who in the beginning did not accept the reasoning of Senators KEFAUVER and LONG readily) admitted several times that these amendments were needed to preserve the seventh circuit ruling on "good faith," and so protect the rights of independent and small business to fair competitive opportunity.

In this case Standard was accused of discriminating unfairly in price between various of its dealers. What happened was that Standard had allowed a few of its dealers in the area a price much lower than that it gave its other outlets. The price to the favored few was such that the unfavored dealers declared they were prevented from competing and that they were being forced out of business. When challenged by the Federal Trade Commission, Standard declared that it had offered the price to the favored few in order to meet competition from other suppliers. It said that it had done so in "good faith." As indicated above, the court declared this defense was inadequate for the requirements of the Clayton Act, as amended by the Robinson-Patman Act, because unfair price discrimination between the favored and the unfavored had been involved.

This decision of the seventh circuit court afforded relief from unfair price discrimination to dealers in the Detroit area, relief to which they were entitled by every norm of fair play and by the terms of the Robinson-Patman Act, but which they wouldn't have received had the court interpreted the Robinson-Patman provision of the Clayton Act as provided in the House Judiciary approved version of the O'Mahoney bill. We do not ask you to take our word on this. Rather, we refer you to remarks on the Senate floor,

by Senator JOSEPH C. O'MAHONEY (CONGRESSIONAL RECORD, June 1, 1949, pp. 7067–7068), and by Senator CHARLES TOBEY, New Hampshire (CONGRESSIONAL RECORD, June 1, 1949, p. 7071). Statements by both of these gentlemen, as well as by Senators KEFAUVER, LONG, and HUBERT HUMPHREY, Minnesota, without contradiction from Senator HERBERT O'CONOR, Maryland, the floor manager of the earlier moratorium bill for which the O'MAHONEY measure substituted.

Let us illustrate our point:

Let us suppose there is a supplier, A, who is dealing with the public through B, C, D, and E. B is a larger, more important outlet than either C, D, or E. This may be because he has been in business longer than his competitors, or it may be because he is a more efficient businessman. Now, B is enjoying a better buying price than either C, D, or E. But the differential is one that is justified under the Robinson-Patman amendment to the Clayton Act due to economies effected in costs of manufacture, sale, and delivery. Let us suppose the price to B is $5 and the price to C, D, and E is $10 (the figures are used merely for illustration).

Now, along comes supplier Z looking for a place in the market. He offers B a price of $2.50. To hold the account, A meets the $2.50 price. But since there is no competition for the business of C, D, and E, no price adjustments are made for them.

With the exceptionally favorable buying price he now enjoys, B is able to undersell C, D, and E to the point, perhaps, where they are driven out of business—they are prevented from competing with B for any share of the market.

Now, under the O'Mahoney bill as passed by the House Judiciary Committee these outlets—C, D, and E—would have no recourse to law for protection, for A could easily demonstrate that in allowing B the more favorable price he had merely been meeting competition from Z. Because of this, the economic opportunity that C, D, and E supposedly enjoy under our system of life would become nothing more than an idle dream—pleasant but meaningless. And in this way competition would become self-destructive.

But those who agree with the House Judiciary Committee, and the House Judiciary report on its action on the O'Mahoney bill (defining the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices, Union Calendar No. 353, 81st Cong., 1st sess., H. Rept. No. 869), contend that retention of the Kefauver amendments would make effective competition impossible, at least under the circumstances cited above. Because the House Judiciary cites such eminent figures as Senator O'Mahoney, United States Assistant Attorney General Herbert Bergson, and Federal Trade Commissioners Davis, Ayres, and Ferguson, in support of its action, the situation is approached with caution.

However, we are almost forced to observe that even if the Kefauver amendments were retained, A could meet the $2.50 price offered to B by Z if at the same time he lowered his price to C, D, and E, so as to create a differential that would reflect only the economies made in costs of manufacture, sale, and delivery to B. In this way economic opportunity would not be foreclosed to any of the participants—yet competition would be met. The Robinson-Patman amendment to the Clayton Act permits such meeting of competition.

It might be argued that such a procedure as that outlined immediately above might for all practical purposes prevent A from meeting Z's offer in the case of B, that the specified conditions would be economically impossible of attainment. However, against this it could be argued that if the price finally allowed B were such that it foreclosed competition, than A would be faced with the problem of supplying the entire market served by B, C, D, and E at the price allowed B—or, possibly, with B in a monopolistic position A would raise his price to the consumers who would have to pay, or else. In any event, it is observed that if the final O'Mahoney bill is approved by the Congress in the form approved by the House Judiciary, then the C's, D's, and E's of this illustration and their customers would be placed in the position of effectively subsidizing the preferentials allowed to B by A. And the C's, D's, and E's would be placed in the position of helping B to put themselves out of business and of helping B to deprive themselves of the right to compete.

As we recall it, a somewhat similar situation was found to be present in the dealings of the Atlantic & Pacific Grocery Co. in its dealing through its subsidiary Atlantic Commission Co. In a decision rendered on a Justice Department antitrust suit brought against A. & P. in the Federal District Court at Danville, Ill., Federal Judge Walter C. Lindley condemned this practice in no uncertain terms.

If a supplier can justify a price differential—a price differential that is not justifiable by economics of manufacture, sale, and delivery—on the grounds that he is meeting competition in good faith despite the fact that in doing so he may be discriminating most unfairly between his dealers, then the way would be opened for the justification of a whole host of unfair price discrimination with which the Robinson-Patman amendment to the Clayton Act was enacted to cope.

We wonder what would have happened in the famous Federal Trade Commission Goodyear-Sears case, where it was shown that Goodyear had given Sears a $41,000,000 preferential over its independent distributors, where the effect of this discrimination had been to injure severely Goodyear independents and independents representing all other manufacturers, had Goodyear been able to use the "good faith" defense as provided in the House Judiciary version of the O'Mahoney basing-point bill. Certainly Goodyear was at that time in an excellent position to prove that it had given these preferentials to Sears in order to meet competition for the account from another major manufacturer.

In the second place, the House Judiciary Committee changed the rule of the United States Supreme Court in the Morton Salt case. Here the Court held that it is sufficient for the Federal Trade Commission to establish a "reasonable possibility" that a price discrimination has unfairly injured competition in order to prove a violation of the Clayton Act. The House Judiciary would change this rule to one of "reasonable probability," depriving independent and small business of the benefits of the Court's decisions in future price discrimination cases.

For full understanding of this matter let us see just what the Court had to say on this point of "reasonable possibility." It said:

The Commission here went much further in receiving evidence than the statute requires. It heard testimony from many witnesses in various parts of the country to show that they had suffered actual financial losses on account of respondent's discriminatory prices. Experts were offered to prove the tendency of injury from such prices. The evidence covers about 2,000 pages, largely devoted to this single issue—injury to competition. It would greatly handicap effective enforcement of the act to require testimony to show that which we believe to be self-evident, namely, that there is a "reasonable possibility" that competition may be adversely affected by a practice under which manufacturers and producers sell their goods to some customers substantially cheaper than they sell like goods to the competitors of these customers. This showing in itself is sufficient to justify our conclusion that the Commission's findings of injury to competition were adequately supported by evidence.

Let us emphasize here that the Court stated the Commission had taken upward of 2,000 pages of testimony in this case, that it had heard testimony from many witnesses in various parts of the country, that it had offered experts to prove the tendency of injury from such prices in order to prove the "reasonable possibility" that competition had been injured. The Court rules that having established this "reasonable possibility," the Commission had done enough to sustain its charge.

Had the Court ruled that the Commission had to establish reasonable probability instead of reasonable possibility, it is entirely likely that the task confronting the Commission would have been much greater than it was. Had this been the case, then it is entirely likely that the Commission either would have lost the case—and so failed to bring needed relief to independents—or might still be seeking the required proof for its allegations—and so still be in the position of not having remedied the conditions which were unfairly injuring independents. Certainly with the tendencies shown in past Congresses not to appropriate adequate funds for the Federal Trade Commission investigative arms this move by the House Judiciary to make the Commission's work more difficult is no less than amazing.

We will admit that there is seemingly sound argument in favor of the reasonable-probability rule. However, in face of the everyday realities of the situation—where independent and small business needs protection today, not in the never-never land of 10 years from now—we believe that this argument does not stand up. If the function of the Federal Trade Commission is to afford relief to businessmen from unfair-price discriminations, then the Commission must be given the means to, and permitted to, secure this relief where it is clearly needed. If the Federal Trade Commission is to enforce the Robinson-Patman Act, than it must be permitted to enforce it—not barred from enforcing it.

In the third place, the House Judiciary Committee has amended section 2d of the Clayton Act, as amended by the Robinson-Patman Act, to provide that so-called good faith meeting of a competitor's price is adequate defense against Federal Trade Commission price-discrimination charges nothwithstanding the possible unfairly injurious effect on competition. We do not deny that in so amending the law the committee is logically following its action in eliminating the Kefauver amendments. For its consistency, the committee is to be commended. But from the standpoint of the effect of its recommended changes will likely have on small business, we are far from praising the committee's action.

Let us illustrate our point: In the tire field today independent dealers are in everyday competition with one another, and with mass distributors, chains, and oil company outlets, with department stores with rubber manufacturer-owned and controlled stores—many times an independent will be in competition with a store owned and operated by his own supplier—and with manufacturers selling direct to the consumer. Conditions in the tire field are chaotic. Due to the tremendous price advantages the mass distributors, chains, oil firms, company stores, and manufacturers selling direct have over the dealers, many independents are being driven to the wall.

The Federal Trade Commission is presently trying to bring some justice and fair play into this situation. It is studying the condition with a view toward using section 2b of the Clayton Act for the elimination of the unfair price inequalities that are driving independents to the wall. Under the Clayton Act

as how written and interpreted there is hope that some good will come of this action. Unless some good does come, there is strong probability that the system of independent distribution in the tire field may go by the board. If this occurs, then there is probability that some of the smaller manufacturers who depend on independents for their distribution will also go by the board. And unless some good does come of this, there is strong likelihood that there will be little economic opportunity for new little fellows in the tire field.

The CHAIRMAN. You think, then, the action by the House Judiciary Committee is harmful to independent merchants and local dealers; is that right?

Mr. BURGER. Exactly.

The CHAIRMAN. You do not look with favor upon passage of this bill, or a bill of this nature, without full and complete hearings to make sure that you know what you are doing?

Mr. BURGER. Exactly.

The CHAIRMAN. Proceed, please.

Mr. BURGER. Now comes the Judiciary Committee with an amendment to this section 2b, providing that firms may justify price discriminations on grounds that they have been made in "good faith" to meet an equally low price from a competitor, notwithstanding the effect of these discriminations on competition. What is to prevent the tire manufacturers from showing the court or the Commission that the price to mass distributor A, which is causing havoc among independents, has been made and maintained to meet competition in "good faith" from a competitor? Would this not pull the rug out from under the Commission? And if it were to, then what could we expect to happen to tire independents?

In all this I am not forgetting that the Nation's grocers have for a long time sought action by the Federal Trade Commission under section 2b as a solution to the price discrimination problem that is, and has been, injuring them. I want it known plainly that in commenting on the proposed changes in section 2b of the Clayton Act, I am concerned over the possible effects on tire men—but at the same time I am equally concerned over the possible effects on all independent and small-business men in all lines of effort.

And so, present conditions in the tire field would continue. Present conditions in the retail grocery field would continue. The Federal Trade Commission would have to stand by helpless. And people who are now independents in the tire, the grocery, and other fields would, if they were fortunate, go to work selling tires, bread, and the whole host of other items, for chains, mass distributors, oil companies, and for manufacturer-owned stores. Then will come United States Supreme Court Justice Douglas' "nation of clerks."

On the basis of these three changes in the Robinson-Patman amendment to the Clayton Act we found the charge made earlier that the House Judiciary Committee has prepared to sacrifice independent business, and our antitrust laws themselves, on the altar of big, monopoly business.

Please remember that, according to such responsible and authoritative sources as the Senator from North Dakota, Mr. WILLIAM LANGER, and the former United States Assistant Attorney General Wendel Berge, the reason why we have the business concentration, the monopoly problem—and so the independent and small-business problem—that we have in this Nation today is solely because for the past 50 years our antitrust laws have not been sincerely and adequately enforced. Are we, then, if we are sincerely interested—and is there a Congressman who will say that he is not sincerely interested—in the welfare of independent and small business, the preservation and promotion of the free, competitive enterprise system, to step back gingerly when these laws are enforced and quickly move to emasculate them? Are we to cry out warnings against the devil, and later go to bed with him?

What this country needs today is more—not less—economic opportunity. It needs more fair chance for the laboring and white-collar workers to raise themselves from the status of employees to the status of employers. It needs more fair chance for the independent and small-business people to exercise their glorious God-given skills to serve the people, and serve the people better. It needs more independent business units, competing fairly with one another, in more decentralized locations. It needs more independent, competing businesses—more producers and more wholesalers, jobbers, salesmen, and delivery drivers, using more shoe leather, gasoline, tires, railroad and air-line tickets, and more and better food and clothes and entertainment to consume the products of industry and keep our economic machinery functioning. It needs more independents with a stake in this great land, and with this stake a deeper spiritual appreciation of that for which our flag flies. It needs all these to solve our pressing problems, to keep our Nation safe and intact, to keep it solvent, a going, prosperous, happy bulwark of democracy, and the democratic way of life under God the world over. It needs all these to keep every last citizen who wants to work at work. This is what we of the federation stand for.

Before bringing this testimony to an end, I should like to call your attention to a recent study (Technology and Size, Proceedings of the American Economic Review, vol. XXXVIII, No. 2, May 1948) of our business structure, made by Mr. John Blair, of the Federal Trade Commission. In this study Mr. Blair points out clearly that advances in power, machinery, transportation, and other fields have set the stage for a decentralization from monster producing combines and units to smaller, dispersed producing units. He argues forcefully that this change would be accompanied by a switch from concentrated economic control to widespread independent ownership and control, with little, if any, loss of efficiency of operation. But, he warns, this change to decentralized, independent ownership and control will never be realized fully if the monopoly controls over American business are not broken. It is interesting, and not a little bit disturbing, to observe that Mr. Blair, a man who has long been close to antitrust enforcement is not too hopeful that we will have the needed antitrust enforcement.

In view of what has happened in the House Judiciary Committee we see he is on firm ground.

Gentlemen, a vote by the Congress in favor of the O'Mahoney bill as passed by the House Judiciary Committee will be a vote against the expansion of economic opportunity this Nation needs. It will be a vote against independent and small business, and a vote to break down our antitrust structure.

A vote for the bill as passed by the Senate (and minus any change in the "reasonable possibility" rule) will be a vote for the expansion of economic opportunity this Nation needs. It will be a vote for independent and small business, and for the protection of our antitrust laws, to reinsert the Kefauver amendment with whatever strengthening additions are necessary. However, I wish to make clear that if the bill is so enacted it would only serve to open up the courts for the purpose of litigating all over again all of the issues that have been passed upon by the courts in any number of hard-won cases; then, the new law would serve no purpose at all except help big business become bigger and to make monopoly the rule of the day.

The issues are clear and only Congress can decide them.

Just one final word, Mr. Chairman, and that is just this: Small business is very much disturbed. We have looked to both political parties to carry out their pledges on all-out vigorous enforcement of the antitrust laws. It is our hope and trust we will not be misled, but a year from today, if we are, then, small business will have to take the bull by the horns, if necessary, to protect themselves in a political party, even of their own making, that the white-collar workers and small business is going to be recognized as a part of our economy.

The CHAIRMAN. Thank you very kindly, Mr. Burger. We appreciate your testimony, and it will be considered by the committee and Members of the House; and I will have it inserted in the CONGRESSIONAL RECORD.

Mr. DALMAS. Mr. Chairman, in our study of the basing-point system and its effects on our economy, we have prepared material relating to specific States in our Union as well as several of the departments of the Federal Government. Several of those studies are included as a part of this record.

Mr. LONG. Mr. President, it has been said that the Justice Department of the United States has no objection to the proposed basing-point legislation. As I have already pointed out, I see no strong reason why the Justice Department should object. It is not the Justice Department which would be deprived of any powers. It is the Federal Trade Commission which would be stripped of its power to protect the small-business men of America and the right to proceed against monopolistic pricing practices, which, as has been stated in debate in the Senate, the basing-point system would encourage.

I should like to refer to a letter written by Mr. Peyton Ford, assistant to the Attorney General of the United States, parts of which were read some time ago by the junior Senator from Maryland [Mr. O'CONOR]. The letter refers to the pending legislation. I should like to read a paragraph in the letter which was not read to the Senate by the junior Senator from Maryland. Although the Justice Department stated in the letter that they did not object to the legislation, they said:

> Accordingly, while this Department has never urged the necessity or desirability of legislation with respect to the pricing practices to which this bill is directed, we have no objection to the enactment of sections 1, 2, and 3 in their present form.

Therefore, Mr. President, those who rely upon the statement of the Justice Department are merely relying on a statement by an agency which is not being deprived of any power. The pending legislation concerns another agency of Government, which would be deprived of its power to protect the small-business men and the competition in America. The Justice Department, in effect, says that it is not urging the necessity for the proposed legislation—that it considers no legislation at all to be necessary or desirable—but voices no objection to it. It simply takes a neutral stand in the matter.

In order that the RECORD may be complete in this respect, I ask unanimous consent that the letter written by Mr. Peyton Ford be inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
Washington, January 13, 1950.

HON. HERBERT R. O'CONOR,
Committee on the Judiciary,
United States Senate,
Washington, D. C.

MY DEAR SENATOR O'CONOR: In accordance with your request I am submitting our comments on S. 1008 as amended pursuant to the Report of the Conferees.

Section 1 provides that sale at delivered prices or absorption of freight in the absence of "any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice" shall not constitute an unfair method of competition or an unfair or deceptive act or practice under the Federal Trade Commission Act.

Section 2 A provides that sale at delivered prices or freight absorption, within certain limits, shall not constitute an unlawful discrimination under section 2 (a) of the Clayton Act, unless the effect may be to substantially lessen competition. Section 2 B provides further that freight absorption to meet competition in good faith is not permissible "where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition."

Section 3 provides that acts of freight absorption or price discrimination undertaken in good faith, and in the absence of any "combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice" shall not be a violation of the Clayton Act.

Except for the provision of section 2 (B), relating to the defense of good-faith competition, sections 1 and 2, as we interpret them, merely declare that delivered prices and freight absorption are not unlawful per se, and in so providing merely reaffirm existing law. While this provision, rejecting the defense of good-faith competition where its effect will be to substantially lessen competition, appears both undesirable and somewhat inconsistent with section 3, permitting this defense without a similar qualification, the matter is one of legislative policy for the Congress to determine.

Accordingly, while this Department has never urged the necessity or desirability of legislation with respect to the pricing practices to which this bill is directed, we have no objection to the enactment of sections 1, 2, and 3 in their present form.

Section 4 defines the word "price," and the terms "delivered price," "absorb freight," and "the effect may be" as used in the proposed act. We have no objection to the definitions of the first three. The definition of the term "the effect may be" (sec. 4 (d)), however, in our opinion may well be construed as imposing an evidentiary burden that may go beyond the present requirements of the Clayton and Federal Trade Commission Acts and create an almost impossible burden of proof by requiring positive evidence of facts not yet in existence, and may be interpreted as applying to other provisions of the Clayton Act in addition to those involved in the bill.

In the debates in the Senate and House it was suggested by some that section 4 (D) is not intended to change the law as it now exists but is intended merely to carry out the evidentiary requirements of the Administrative Procedure Act. In view of the plain language of the subsection and other aspects of the legislative history, however, we have grave doubts that statements of the various committees that have reported on the bill or individual expressions of specific Members of Congress can provide adequate assurance that the courts will so interpret it. The Supreme Court has time and again applied as a rule of statutory construction, the doctrine that Congress will not be presumed to have intended to pass a meaningless act. (*United States* v. *Bowen* (100 U. S. 508, 513 (1880)); *Bate Refrigerating Co.* v. *Sulzberger* (157 U. S. 1, 45 (1895)); *United States* v. *American Trucking Association* (310 U. S. 534, 543 (1940)); *Gemsco* v. *Walling* (324 U. S. 244, 260 (1945)); *Ex Parte Collett* (337 U. S. 55, 61, 71 (1949)).)

In view of these considerations there is real danger that the courts will interpret this provision as imposing upon the Federal Trade Commission a greater burden of proof than exists under present law. Nor will any new legislative history at this time to the effect that no such result was intended, remove that danger, particularly since the House of Representatives has already acted upon the conference report. At the very minimum, if the bill should be enacted in its present form, extensive litigation and a substantial period of uncertainty appear inevitable before the issue can be finally resolved.

In view of these considerations and in the very strong belief that the problems raised by section 4–D as it now stands cannot be adequately resolved except by the use of different terminology from that presently contained in it, I recommend that section 4–D of the bill be amended to read as follows:

"D. The term 'the effect may be' shall mean that there is reasonable probability of the specified effect."

Yours sincerely,

PEYTON FORD,
The Assistant to the Attorney General.

Mr. LONG. Mr. President, the National Congress of Petroleum Retailers did not enter the fight on this monopolistic legislation for the same reason that other independent retail merchants of America joined the fight. The National Congress of Petroleum Retailers has a special interest in defeating this legislation. In the city of Detroit, the Standard Oil Co. and the major oil companies have been pursuing a very vicious pricing practice, which is almost historic in the oil and gas business insofar as gasoline station operators are concerned. This has been a practice whereby the major oil companies have sold gasoline to some filling stations at one price and to competing filling stations at a different price. The effect of the practice has been to drive a great number of independent gasoline operators out of business. The effect also has been so to depress the business of merchandising gasoline that in many cases it was almost impossible for independent merchants to continue in business.

I understand that the major oil companies of America own 75 percent of the gasoline stations in the United States, and that they constructed only 4 percent, having acquired the other 71 percent either by buying out the independent operators, or by purchasing their stations at mortgage foreclosure sales.

It is easy enough to understand how that can be done, when we realize that a seller of gasoline can make an agreement with a filling station operator that he will drop the price of gas to that operator by 2 or 3 cents, and that saving will be passed on to the public. Over a period of time anyone competing with the favored gasoline station would be driven out of business, or find himself at such a great disadvantage that he would have to find some form of redress.

The Independent Petroleum Retailers have been fighting that practice. In the city of Detroit we found that the Standard Oil Co. of Indiana, as well as the other major oil companies, were pursuing a similar practice. In that case the Standard Oil Co. had merely designated certain favored chains of gasoline stations as being jobbers, and had refused to designate the independent merchants as jobbers, or give them the same consideration. The Robinson-Patman Act permits the Federal Trade Commission to inquire into jobber discounts, or any other kind of a discount that is allowed to certain classes of competitors, in order to see whether they are justified.

The independent retailers joined together, filed a law suit in the Federal court, and won their suit, in a case that is not approved by Mr. Bergson, who is the Assistant in charge of the Antitrust Division of the Department of Justice. By virtue of Mr. Bergson's disapproval of the opinion of Judge Minton, who since has been advanced to the United States Supreme Court, the Department of Justice, based on Mr. Bergson's judgment, saw fit to decline even to defend the case before the United States Supreme Court. So that case is being defended on behalf of the Independent Petroleum Retailers of America by a Mr. Cyrus Austin, who previously was an attorney with the Federal Trade Commission, and now, in his capacity as a private practitioner of law, is pursuing the same case which he originally won in the circuit court of appeals in the State of Michigan.

Mr. President, I should like at this point to insert in the RECORD a letter from Mr. Cyrus Austin, who is fighting the case today for the independent petroleum retailers. Mr. Austin is very much interested in the proposed legislation we are discussing, because he knows that so far as protecting the independent petroleum retailers in a case he is presently fighting is concerned, there will be no hope if the legislation we are now considering is enacted, because of the so-called good-faith defense, the defense which means that two wrongs make a right, that although one seller cannot discriminate, acting alone, in favor of certain of his buyers, he is completely free to discriminate all he desires if someone else will make a similar discrimination in favor of certain buyers. Therefore Mr. Austin has written me, and I am sure he has written other Senators as well as Members of the House of Representatives, urging them to defeat this piece of legislation, knowing that the failure to defeat it will amount to deciding the Standard Oil of Indiana case against the Petroleum Retailers of America, and in favor of the great oil concerns, such as the Standard Oil of Indiana, the Texas Co., Gulf, and others. Therefore, Mr. President, I ask unanimous consent to have printed at this point in the RECORD, the letter from Mr. Cyrus Austin addressed to me, explaining the vicious nature of Senate bill 1008, and its destructive effect on small-business men of America.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *March 20, 1950.*

The Honorable RUSSELL B. LONG,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I understand that the conference report on the above bill is to be considered by the Senate this week. The declared purpose of S. 1008 is to permit delivered prices and freight absorption. Yet by far the most important and far-reaching section of the bill is section 3, which has nothing to do with delivered prices or freight absorption.

Section 3, if enacted into law, would weaken and largely nullify the Robinson-Patman Act. The proponents of the bill are saying as little about that section as possible. The attempt is being made to pass this bill as a clarification of the law as to delivered prices and freight absorption, before Congress awakens to an understanding of the true significance of section 3. That attempt has already succeeded in the House, and I am writing to explain briefly why it should fail in the Senate.

Section 3 amends the Robinson-Patman Act to provide, in effect, that if a seller encounters competition in selling to one customer, and meets his competitor's price to that customer, he may then charge a higher and discriminatory price to his other customers and will have a complete defense against a charge of unlawful price discrimination.

Section 2 of the original Clayton Act contained a proviso making meeting competition in good faith a complete defense to a seller charged with discriminating in price. Prior to 1936 the Federal Trade Commission had found that this proviso was one of the principal loopholes in the act preventing effective enforcement. The House Judiciary Committee reported:

"These provisos have so materially weakened section 2 of that act, which this bill proposes to amend, as to render it inadequate, if not almost a nullity." (H. Rept. 2287, 74th Cong., 2d sess.)

Section 3 of the present bill is nothing more nor less than an attempt to restore this same old defense which Congress struck out in passing the Robinson-Patman Act in 1936.

In the FTC-Standard Oil case, now pending for decision by the Supreme Court, the Standard Oil Co. has contended that section 2 (b) of the Robinson-Patman Act (which sec. 3 of S. 1008 would amend) still makes meeting competition an absolute justification for price discrimination. The FTC denied this contention, and the Court of Appeals for the Seventh Circuit unanimously affirmed. Not content to await the decision of the Supreme Court, the interests behind this bill are trying to get the law changed to overrule the Commission and the court of appeals. If the Supreme Court should reverse, which I do not anticipate, there would be no need for section 3, but it would then be vitally important to amend the present law to preserve the intent of Congress in enacting the Robinson-Patman Act.

Of course, suppliers of goods usually have to meet competition in selling to large buyers. The purpose of the Robinson-Patman Act was to prevent chain stores and other large purchasers from using their buying power to demand and obtain preferential prices not available to their smaller competitors. If section 3 is made law there will be nothing to prevent large buyers from obtaining an unfair competitive advantage over their smaller competitors, because a manufacturer who supplies them can almost always show that other suppliers were willing to give them an equally low price in order to get their business. This would mean that price competition among suppliers would be only for the business of large buyers and the small independent dealer would have no protection under the law.

I submit that it would be illogical and unreasonable to make a seller's interest in meeting his own competition in selling to large purchasers the sole test of his right to discriminate against smaller purchasers. Section 3 says that if a seller can show that his lower price to a large purchaser was made in good faith to meet competition he does not have to justify his higher price, regardless of the injury to the customers who have to pay it. Such an amendment would defeat the purposes of the Robinson-Patman Act.

When a supplier of goods finds that his competitor is cutting prices to take away a customer, he has an adequate remedy without discriminating in price against his other customers. If his competitor is violating the law he can sue for triple damages or get an injunction. If his competitor is not violating the law, but is merely underselling him, then that is normal price competition and the remedy is to meet the competitor's price without discrimination. If he does not wish to do that he can and should lose the customer. But the dealer whose own supplier discriminates against him has no remedy except what the law gives him, and if section 3 of this bill is enacted he will have no remedy at all.

Very sincerely yours,

CYRUS AUSTIN,
Attorney for National Congress of Petroleum Retailers, Inc.

Mr. LONG. Mr. President, I have an analysis of this piece of legislation by a former member of the Federal Trade Commission. I am certain that the present occupant of the chair, as well as other Senators, will be pleased to know that the letter is from a former Republican member of the Federal Trade Commission, Mr. Robert Elliott Freer. Mr. Freer was formerly Chairman of the Commission. At present he is a private practitioner of law. The opinion is written by Mr. Freer to Mr. Rankin P. Peck, president, National Congress of Petroleum Retailers, analyzing the vicious nature of Senate bill 1008, and explaining what it means. The opinion is one which should carry some weight. It is an analysis which should be carefully considered by Senators. Here we find a former Republican member and former Chairman of the Federal Trade Commission explaining the harmful effect of Senate bill 1008 in a very scholarly opinion.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. SCHOEPPEL. Does the letter purport to cover the conference report on Senate bill 1008?

Mr. LONG. Yes; it does. The letter is an analysis of Senate bill 1008 as it presently stands, allowing for the very small, fractional improvement made by the conferees. It is interesting to note that the former Chairman of the Federal Trade Commission, presently a private practitioner of law, analyzes section 3 of the bill in exactly the same manner as does Mr. Cyrus Austin, who is pleading the case for the independent petroleum retailers of America before the United States Supreme Court. I read from page 2 of the letter from former Commissioner Freer, as follows:

Section 3 apparently would legislatively reverse not only the decision of the United States Court of Appeals in the *Standard Oil of Indiana case* (173 Fed. (2d) 210), but also the considered judgment of the Seventy-fourth Congress regarding the effect of meeting competition in good faith as a defense to a charge of discrimination injuring competition. In the Standard Oil case, if Standard had only reduced its price in good faith to meet the equally low price of another major oil company the result would have been competition. Standard, however, gave unjustified quantity discounts to four customers and not to several hundred other competing customers. The defense was that other oil companies either had offered to meet or would have met the demands of these four favored customers for a "jobber classification" and a lower price. The good faith of such a meeting of a lower price might have been a defense, despite the resulting injurious discrimination, under the good faith proviso of old section 2 of the Clayton Act prior to the 1936 Robinson-Patman amendments; Congress, however, deliberately changed that proviso's status to a procedural status by the Robinson-Patman Act.

Mr. President, at this point I ask unanimous consent to have printed in the body of the RECORD the complete analysis of Senate bill 1008 by former Commissioner Robert E. Freer.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *March 8, 1950.*

Mr. RANKIN P. PECK,
President, National Congress of Petroleum Retailers, Detroit, Mich.

DEAR MR. PECK: In response to your request, the following brief analysis is submitted of the provisions and probable effects of S. 1008 in the form in which the second conference committee will report it,[1] as indicated by an announcement[2] of the conferee's agreement published in the daily Digest in the CONGRESSIONAL RECORD of March 2, 1950:

SECTION 1

Intended apparently to be a legislative declaration of that which the Federal Trade Commission states the present law to be, section 1 would amend section 5 of the Federal Trade Commission Act so as to legislatively declare the right of sellers to absorb freight in the absence of conspiracy or collusive agreement. The question is whether such legislative declaration is necessary. No decision of the Commission challenges that right, nor can freight absorption, competitively employed, logically be challenged as

[1] A comprehensive analysis of S. 1008 as reported by the first conference committee (and still applicable except as to sec. 4 D) pp. 609–615 of the CONGRESSIONAL RECORD of January 19, 1950.

[2] The announcement reads as follows:

"Pricing practices: In late session yesterday, the conferees on S. 1008 to define application of FTC Act and Clayton Act to certain pricing practices, legalizing the basing-point system in the absence of conspiracy to lessen competition, agreed to file a second conference report on the differences between the House and Senate passed versions of the bill, the first conference report having been recommitted by the Senate on January 20, 1950. The second conference report, as approved by conferees last night, reaffirms the action of the first conference committee except in the case of House Amendment No. 4, an amendment to section 4 (d) of the bill, to which the Senate conferees receded, accepting the House amendment. The report is not expected to come up in the House until after March 13, with the House acting on the report first."

an unfair method of competition under section 5 of the Federal Trade Commission Act. In denying a motion to modify count II of the order in the *Rigid Steel Conduit Case* (D. 4452), the Commission, on July 12, 1949, specifically stated that that order did not prohibit independent as distinguished from collusive use of freight absorption.

While sections 2, 3, and 4 of S. 1008 would amend the Clayton (Robinson-Patman) Act, their inclusion in S. 1008, along with section 1, which would amend the FTC Act, might tend to add to rather than to dissipate any confusion existing as to the status of freight absorption under the latter act.

Additional construction of the new law by FTC and the courts would be required before the Commission could speak with the assurance it did in its previous statements, as to the legality of individual use of freight absorption under the FTC Act and the illegality thereunder of industry-wide employment of freight absorption (or other geographic system) as a means of matching delivered prices to all customers at any given destination.

SECTION 2

Section 2 (a) would exempt from possible challenge under the Clayton Act the limited-zone method of delivered pricing as well as the one-zone or so-called postage-stamp method.

Dicta in the late Chief Justice Stone's opinion in the *Staley case* (324 U. S. at p. 751) indicates that the postage-stamp method may be exempt without necessity of this amendment.

The test applied by FTC under the Robinson-Patman Act to geographic pricing is injury to competition. In the *Cement case* (333 U. S. 683) it was destruction of competition between sellers; in the *Staley case* (324 U. S. 746) the injury was to those buyers paying "phantom freight" charges. Section 2 B would exempt from challenge under the Clayton freight absorption employed to meet the equally low price of a competitor. What has been said about section 1 and section 2 A is applicable here also. If freight absorption is neither collusively employed as a device for eliminating price competition among sellers, nor systematically used to the injury of mill-side purchasers in competition with their more distant competitors, it is not subject to challenge under the Robinson-Patman Act.

SECTION 3

Section 3 apparently would legislatively reverse not only the decision of the United States Court of Appeals in the *Standard Oil of Indiana case* (173 Fed. (2d) 210), but also the considered judgment of the Seventy-fourth Congress regarding the effect of meeting competition in good faith as a defense to a charge of discrimination injuring competition. In the Standard Oil case, if Standard had only reduced its price in good faith to meet the equally low price of another major oil company the result would have been competition. Standard, however, gave unjustified quantity discounts to four customers and not to several hundred other competing customers. The defense was that other oil companies either had offered to meet or would have met the demands of these four favored customers for a "jobber classification" and a lower price. The good faith of such a meeting of a lower price might have been a defense, despite the resulting injurious discrimination, under the good faith proviso of old section 2 of the Clayton Act prior to the 1936 Robinson-Patman amendments; Congress, however, deliberately changed that proviso's status to a procedural status by the Robinson-Patman Act.

Section 2 B did not provide that such good faith lower price would justify an injurious discrimination only that it might serve to rebut the prima facie case made by a mere showing of price differences. Section 3, despite the Carrol amendment, not only might restore this defect in enforcement of the old section 2, but also might add even more difficulties of enforcement than existed in the administration of old section 2. For example, predatory price cutting, a tool of monopoly rather than that of healthy competition, is presently hard to reach because it is defended as a defensive meeting of local competition; under section 3, it might become almost impossible.

SECTION 4

Sections 4 A, B, and C provide definitions of some but not all of the new terms employed in sections 1, 2, and 3, and are of importance in appraising the changes wrought in the law by use, in those sections, of the terms which are here defined.

Section 4 D provides a definition meriting somewhat greater consideration since it would reverse the United States Supreme Court's decision in the *Morton Salt case* (334 U. S. 37) which interpreted the phrase "effect may be" in the act as meaning "a reasonable possibility." Section 4 D's definition is that this phrase shall mean "reasonable probability" of the specified effect.

In practice, the FTC has neither employed the "reasonable possibility" interpretation nor indicated any disposition to do so. Adoption of section 4 D, therefore, appears to be a matter of legislative discretion, depending on whether Congress deems it necessary to take positive steps to prevent "possible" rather than "probable" FTC implementation of this Supreme Court interpretation of the term "effect may be."

To fully appraise the changes in substantive law which S. 1008 would produce there is submitted the following brief recitation of the decisions which led to its introduction:

Geographical pricing

Uniform Delivered Pricing Systems

In any industry where transportation charges are of real importance, some systematic method of equalizing transportation costs must be employed in determining the laid-down cost of the product to the customer so as to enable each seller to be able to match exactly his delivered price quotation to a distant customer with those of all his competitors. The key to this geographic price-matching problem under the FTC Act is "collusion." Various systems found to have been collusively used are: 1. Single basing point, involving both phantom freight and systematic freight absorption, e. g., the *United States Steel* (*Pittsburgh plus*) (U. S. Court of Appeals (3d), Oct. 5, 1948) and *Rigid Steel Conduit cases* (168 Fed. (2d) 175); 2. Multiple basing point, likewise involving both phantom freight and systematic freight absorption, e. g., the *Cement case* (33 U. S. 683); 3. Freight equalization, involving systematic freight absorption and similar to the multiple basing point except that technically no phantom freight is involved, since every mill is a base, e. g., *Milk and Ice Cream Can* (152 Fed. (2d) 478) and *Bond Crown & Cork cases* (176 Fed. (2d) 974); 4. Zone pricing, another variation of the multiple basing point used "to obviate any natural advantage of location from price determination," e. g., *Fort Howard Paper* (156 Fed. (2d) 899) (crepe paper) case.

In all of these cases the evidence before FTC has been held by the courts to have established collusion in the maintenance of such geographic pricing systems contrary to section 5 of the FTC act. None of the cases forbids individual or competitive employment of freight absorption. It is the fixing of prices by collusion which is held to be per se illegal, not the means (system) employed in the particular case, despite intimations in some of the cases that those particular systems were so complex as to warrant a doubt that they could have been employed at all in the absence of the established collusion among the sellers.

The Robinson-Patman Act has sometimes been used by FTC along with section 5 of the FTC Act in basing-point cases. Geographic pricing under the various basing-point systems generally means that customers in different localities are charged different prices which are systematically related to the distance from the controlling base but which bear no relation to the distance from the seller's mill. If these price differences are not shown to injure competition, they do not violate the Robinson-Patman Act. If they do injure competition they are illegal unless justified by the seller. And here it is that the perverse relationship which his price differences bear to his freight costs militates against the seller's successfully claiming that these price differences are not illegal discriminations because justified by differences in cost of delivery (one of the statutory justifications).

Price Discrimination

Just as collusion is the key to the problem under the FTC Act, injury to competition is the key to the price discrimination problem under the Robinson-Patman Act.

Section 2a of the Robinson-Patman amendment to the Clayton Act provides, in pertinent part, "That it shall be unlawful for any person * * * to discriminate in price between purchasers of commodities of like grade and quality * * * where the effect of such discrimination may be to substantially lessen competition," excepting, however, by its proviso, "differentials which make only due allowance for differences in the cost of manufacture, sale or delivery." This condemns price differences not justified by cost differences where the effect is to suppress competition among sellers or to injure competition among competing customers of the discriminating seller. Section 2b recites that a prima facie case is made by the mere showing of a "discrimination in price." but, in its proviso, states that a seller may rebut such a prima facie case "by showing that his lower price * * * was made in good faith to meet an equally low price of a competitor." In several cases, the Commission has found against this defense on the facts. In the Cement case, for example, collusion to avoid competition negatived the good faith of the multiple basing point system of matched prices as a meeting of competition (333 U. S. 683). In the Staley case, the matching of single basing point prices also failed to meet the good faith test (324 U. S. 746, 757). In Standard Oil of Indiana, however, the proof of injury to several hundred retailers of Standard's Red Crown gasoline resulting from Standard's subsidized discrimination practiced through its four so-called wholesalers (all of whom sold Standard's Red Crown gasoline at retail in competition, not with Standard, but with Standard's several hundred other retailers), was considered to counterbalance Standard's defense of good faith meeting competition of other sellers. Section 2b being held to be merely procedural, and not to provide a substantive defense, served only to offset the Commission's prima facie case; and since it did not outweigh the proof of injury to competition, no finding of either good faith or lack of it was found necessary in the case.

As stated by Representative Utterback, "a discrimination is more than a mere difference * * * some relationship * * * between the parties to the discrimination * * * entitles them to equal treatment." The FTC, therefore, proceeds against a sellers' difference in price as an illegal discrimination only where its investigation indicates competition between his buyers or their customers and a reasonable possibility of injury thereto, or where, as in count II in the Cement case, it finds the discrimination to be of collusive origin and to result in injury to competition among sellers. Under FTC policy as a practical matter there must

be more than a reasonable possibility of injury to some level of competition before the Commission will take action.

CONCLUSION

Instead of clarifying the law, enactment of S. 1008 may have the opposite effect. Price fixing is seldom accomplished by formal agreement signed and sealed in the blood. The agreement usually is shown to have existed by reasonable inferences drawn from all the surrounding facts and circumstances, rather than by the introduction in evidence of a written agreement to fix prices. The nub of the controversy over the recent court decisions appears to be whether FTC and the Federal courts should continue to be able to draw a reasonable inference of the collusive agreement to fix prices from the other facts established by direct evidence, such as for example the collective efforts of the industry to maintain its price structure. In the Cement case these were summarized by the Supreme Court at page 710 of its opinion, to include "boycotts; discharge of uncooperative employees; organized opposition to * * * new cement plants; selling cement in a recalcitrant price cutter's sales territory at a price so low that the recalcitrant was forced to adhere to the established basing-point prices; discouraging the shipment of cement by truck or barge; and preparing and distributing freight-rate books which provided respondents with similar figures to use as actual or phantom freight factors, thus guaranteeing that their delivered prices (base prices plus freight factors) would be identical on all sales whether made to individual purchasers under open bids or to governmental agencies under sealed bids."

The Federal Trade Commission has not issued orders against anyone solely or even primarily on the basis of his individually quoting or selling at a price identical to or matched with that of a competitor. In cases where orders have issued they ran against matched prices maintained by collusion and generally were based on some direct evidence of the collusion as well as upon reasonable inferences drawn from the collective efforts of the industry members to effectuate certain programs such as those cited by the Supreme Court in the Cement case.

Whatever the feeling of businessmen generally may be as to whether collusion may continue to be inferred from direct evidence of such collective activities, a part of the business community do not urge S. 1008 on that ground, but on the ground that its enactment would legalize the kind of basing-point selling found illegal as collusive price fixing and in which the injuriously discriminatory geographic prices had the effect of suppressing price competition among sellers.

No case holds freight absorption illegal under the FTC Act in the absence of collusion. Nor can any hold it illegal under the Robinson-Patman Act in the absence of a showing of unjustified injury to competition. Section 1 of S. 1008 in legislatively declaring the legality of freight-absorption attempts to safeguard against a return of the Cement-case type of freight absorption maintained by conspiracy.

As pointed out earlier, the results of litigation to test the adequacy or inadequacy of the section 1 safeguard would have to be predicted to appraise the real effectiveness of this effort to safeguard the public against a return of collusive geographic pricing. Delay and uncertainty in the interim, which is predictable, would handicap FTC in enforcement of its orders against continued use of geographic pricing involving freight absorption, previously found to have been maintained by collusion contrary to section 5 and/or to have resulted in unjustified discriminations destructive of competition contrary to the Robinson-Patman Act.

S. 1008 would legislatively reverse not only several decisions of the United States Supreme and other Federal courts but also, insofar as its amendment of the section 2B—"good faith"—proviso of the Robinson-Patman Act is concerned, the considered judgment and deliberate action of the Seventy-fourth Congress taken after full hearings in both Houses held following submission to the Congress of FTC's chain-store investigation (S. Doc. No. 4, 74th Cong., 1st sess.) showing the destructive effect on competition of price discrimination in favor of large buyers. Such a legislative reversal should be based on a showing of real need for the change rather than the showing of confusion regarding what new pricing methods may legally be substituted for those collusive and injurious geographic systems held illegal in the cases evoking the bill.

Very truly yours,

ROBERT ELLIOTT FREER.

Mr. LONG. Mr. President, it will be further noted in connection with the analysis by former Commissioner Freer that he was of the considered opinion that Senate bill 1008 would in no case improve upon the antitrust laws; that it would in no case clarify the anitrust laws; but that section by section, line by line, it would add confusion to the antitrust laws. It was Mr. Freer's judgment that many of those most interested in Senate bill 1008 preferred confusion to clarity, because certainly the steel companies and the cement companies would like nothing more than what they have had for the past 14 years. I hasten to explain that I think the Robinson-Patman Act was passed with the express intention, as the committee report shows, of outlawing the basing-point pricing system. It took 14 years of litigation by the Federal Trade Commission, it took 50,000 pages of exhibits and 49,000 pages of testimony finally to obtain a decision by the United States Supreme Court that the basing-point pricing system which was outlawed in 1936 could not be any longer pursued by the Cement Trust and the Steel Trust and the others. Certainly, those people would like a little more confusion in the law. As confusing as it may seem to some Senators who have not studied it, it is pretty clear to the Steel Trust and to the Cement Trust that the old basing-point pricing system can no longer be used.

Mr. President, at the time the Robinson-Patman Act was passed in 1936 that act had the support of the leading economists of the United States. The committee reports took notice of that fact, and the committee reports emphasized that the various economists recommended the Robinson-Patman Act in 1936, and undoubtedly the support of the leading economists of the Nation must have had something to do with the fact that the Robinson-Patman Act was passed without ever a yea-and-nay vote having occurred on the bill itself or on any amendment thereto, when that measure was before the United States Senate.

In battling this basing-point bill I am pleased to say that in seeking to retain the Robinson-Patman Act, in seeking to retain the full force of our antitrust legislation, those of us who are opposed to Senate bill 1008 also have the support of the leading economists of the Nation. I have here a letter signed by many economists, whom I believe to be most outstanding in the United States, including the president of the American Economic Association and several past presidents of that association. These outstanding economists of the United States have assured me that they could have found a great number of other outstanding economists who would have joined them in signing this letter had they had a little more time to consult with the others. Nevertheless, Mr. President, I am certain that those who have seen fit to sign this letter showing their disapproval of Senate bill 1008, should have considerable weight with Senators in considering the proposed legislation. Therefore I ask unanimous consent that the letter from the leading economists of the United States disapproving Senate bill 1008 in its present form, be incorporated in the RECORD as a part of my remarks at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

We undersigned economists, fully sharing the conviction of the Congress that the traditional American policy of maintaining a free and competitive economy should be preserved, urge that legislation facilitating the use of basing-point or freight-equalization systems of pricing, in particular the bill S. 1008 now pending before the Senate, be rejected.

We are convinced that such systems have been employed as a means of effecting the sort of collusive price fixing that is condemned by the Sherman Act. We believe that they have promoted the suppression of competition and resulted in serious economic waste.

It has been said that the proposed bill would clarify the law. We do not believe this to be the case. Some of its supporters contend that it would legalize basing-point pricing; others insist that it would not. These interpretations of the bill's provisions are so inconsistent as to make it certain that its enactment would occasion far more confusion than may now exist. Another decade of litigation would be required to remove the uncertainties that these provisions would create. In the meantime, collusive pricing practices now outlawed by the courts would be reinstituted, and others would go unchecked.

The bill would seriously weaken the antitrust laws and hinder their enforcement. It would impose upon the Government, in the case of industries long habituated to monopolistic systems of delivered pricing, a well-nigh impossible burden of proof. It would permit the issuance of an order terminating an agreement to employing a basing-point system, but it would prevent the issuance of an order enjoining the continued use of the system itself.

The bill would go far toward emasculating the Robinson-Patman Act by restoring the good-faith defense of the old Clayton Act, thus enabling a seller to justify any price discrimination, no matter how destructive of competition, by showing that his discriminatory price was adopted to meet the price of a competitor. This defense would serve to bolster the systematic matching of delivered prices under basing-point systems. But it would not be confined to such cases; it could be offered in justification of every form of price discrimination that is now prohibited by law.

Believing in the superiority of a system of free enterprise and fearing that freedom will be endangered as competition is restrained,

we appeal to all Members of the Senate to vote against the bill, S. 1008, or any other bill which could be so interpreted as to legalize the basing-point system of pricing.

Gardner Ackley, University of Michigan; Edward L. Allen, American University; Richard M. Alt, Johns Hopkins University; James W. Angell, Columbia University; George Leland Bach, Carnegie Institute of Technology; Edgar S. Bagley, Kansas State College; Roland W. Bartlett, University of Illinois; Roy Blough, University of Chicago; Walter N. Breckenridge, Colby College; Yale Brozen, Northwestern University; John Buttrick, Northwestern University; William A. Carter, Dartmouth College; C. L. Christenson, Indiana University; Philip H. Coombs, Amherst College; James F. Corbett, New York City School System; John M. Crawford, Carnegie Institute of Technology; Kenneth J. Curran, Princeton University; Charles R. Dean, Rutgers University; Marshall E. Dimock, Bethel, Vt.; John F. Duffy, Jr., Denison University; Durward H. Dyche, Wake Forest Colege; Howard L. Ellis, University of California; Frank Whitson Fetter, Northwestern University; Milton Friedman, University of Chicago; David L. Gass, Williams College; Betti C. Goldwasser, Washington, D. C.; Bernard F. Haley, Stanford University; Milton Hammer, Milton Hammer & Associates; Albert G. Hart, Columbia University; Edward R. Hawkins, Johns Hopkins University; Charles H. Hession, Brooklyn College; Henry G. Hilken, Washington, D. C.; Simeon Hutner, Princeton, N. J.; Martin V. Jones, Chicago, Ill.; Richard A. Kahn, University of Miami; William F. Kennedy, University of California; Robert R. Kibrick, New York Sun; Frank J. Kottke, University of North Carolina; Frank H. Knight, University of Chicago; Ben W. Lewis, Oberlin College; Clarence D. Long, Johns Hopkins University; Arthur F. Lucas, Clark University; Friedrich H. Lutz, Princeton University; Fritz Machlup, Johns Hopkins University; Edward S. Mason, Harvard University; John W. May, Washington and Jefferson College; John W. McBride, Washington, D. C.; S. Sterling McMillan, Western Reserve University; John Perry Miller, Yale University; Carey P. Modlin, Jr., Princeton University; Julius L. Okum, Arlington, Va.; Alfred L. Oxenfeldt, Hofstra College; Shorey Peterson, University of Michigan; Roy A. Prewitt, Washington, D. C.; Lloyd G. Reynolds, Yale University; I. Lyman Singer, S. J. Tilden High School; Caleb A. Smith, Wilmington College; Richard E. Speagle, New York State Banking Department; Joseph J. Spengler, Duke University; George A. Steiner, University of Illinois; George J. Stigler, Columbia University; George W. Stocking, Vanderbilt University; Herbert E. Striner, Syracuse University; Myrick H. Sublette, University of Virginia; Carl F. Taeusch, St. Louis University; Richard B. Tennant, Yale University; Daniel C. Vandermeulen, Claremont Men's College; Myron W. Watkins, New York University; Clair Wilcox, Swarthmore College; Edward R. Willett, Northeastern University; John W. Wright, Washington, D. C.; Floyd A. Bond, Pomona College; Miriam K. Chamberlain, Connecticut College; A. G. Papandreou, University of Minnesota; Floyd L. Vaughan, University of Oklahoma; Jacob Viner, Princeton University.

Mr. O'MAHONEY. Mr. President, will the Senator from Louisiana be good enough to yield to me?

Mr. LONG. I shall be glad to yield to the Senator from Wyoming, but I ask unanimous consent that the interruption appear at the close of my remarks.

Mr. O'MAHONEY. Well, Mr. President, the Senator can dispose of that as he pleases. I am very sorry that matters affecting other committee work have prevented my being on the floor during the Senator's discussion. I am told that in the course of his earlier remarks he made the statement that the bill which now is designated as S. 1008 was rushed through the Senate by the Steel Trust, the Cement Trust, and the Oil Trust.

Mr. LONG. If I made such a statement, it was inadvertent. I assure the Senator I do not feel that the Steel Trust, the Oil Trust, or the Cement Trust, or any other trust rushed the bill through the United States Senate. I do feel that the bill was rushed.

Mr. O'MAHONEY. I am very happy indeed to have the Senator make that statement, because, as the author of the bill which was substituted upon the floor, I feel that I can assure the Senator and all who may be interested that neither the Steel Trust, nor the Cement Trust, nor, indeed, the Oil Trust, had anything in the world to do with that bill or with the Senator's point of view with respect to it.

Neither, in my judgment, was the bill rushed through. The bill which was on the floor, for which it was offered as a substitute, had been the result of weeks and months, I may say, of discussion. That bill was a moratorium measure. It was a bill which undertook to suspend for a time the operation of the law with respect to certain practices which the Federal Trade Commission—all the members of the Federal Trade Commission with whom I had personally talked—had assured me over and over again, and had assured the committees of Congress, were not in violation of law. All in the world the Senator from Wyoming sought to do was to state in a congressional enactment the interpretation of the law which was placed upon that law by the Federal Trade Commission and, I may say also, by the Department of Justice.

I did not introduce the bill as a substitute until after I had consulted everybody in the Federal Trade Commission who could be expected to have any views to contribute toward an understanding of the problem, and the representatives of the Antitrust Division of the Department of Justice; and when I presented it, Mr. President, I was confident that it represented the views of all the persons who, though utterly devoted to the enforcement of the antitrust laws, wanted to make a clear declaration to the business of the United States that misinterpretations which were being placed upon the law actually were misinterpretations.

Mr. President, the Senator from Louisiana has been very kind to allow this interruption. I thank him for it. Later, next week, when we go into this matter in greater detail, I shall endeavor to the best of my poor ability to persuade the Senator that he can support this bill in full confidence that when it becomes the law—as it undoubtedly will, in my opinion—it will not do injustice to any competitive enterprise, and it will release for development many projects which now are, I must say, unhappily being held back by reason of doubt and confusion over one of the most complex and technical measures which has ever been presented upon this floor.

Only the other day, Mr. President, an amendment which I offered to another bill—an amendment designed only to prevent price fixing—was rejected upon this floor by Senators who said it was technical. If my memory serves me correctly, the Senator from Louisiana was one of those who objected to that amendment of mine, which, in regard to the Natural Gas Act, would have closed the door to price fixing, one of the fundamental antitrust violations.

Mr. LONG. Mr. President, in answer to the Senator from Wyoming, who has covered several points in his interrogatory and in his statement, I should like to point out, in the first place, in regard to the Natural Gas Act, that I feel that the antitrust laws against price fixing and conspiracy, as they affect interstate commerce, should be enforced just as strictly against those in the gas business as against the steel manufacturers or the cement trust or any other trust in the United States.

However, it sems to me something of a hiatus that the great, distinguished Senator from Wyoming, who so long has been a leader in advocacy of antitrust legislation, and who opposed so vigorously the little gas bill which affected the sales of $100,000,000 worth of gas a year, today would be supporting proposed legislation which would make it more simple and easier for the true monopolies of America to go back to a price-fixing system which the Senator from Wyoming himself has long recommended be outlawed. In this connection I am not talking about little concerns which, when all of them are put together, may have annual sales of $100,000,000, but I am talking about the billion-dollar concerns, those who declare dividends of hundreds of millions of dollars at one time, the real monopolies of America.

The Senator from Wyoming had the impression that I stated that this bill was rushed through by the Steel Trust and the Cement Trust. I do not believe I made such a statement; and if the Senator from Wyoming will check the RECORD tomorrow, I believe he will find that I did not make such a statement.

I believe I did state that this bill had the approval of the Steel Trust and that it meets with the approval of the Cement Trust. If that is not true, I should like to know why steel manufacturers, cement manufacturers, and paper manufacturers come to the junior Senator from Louisiana and ask him to support this bill or at least not to oppose it.

So far as concerns the question of whether the bill was rushed through the Senate, I made no objection to it at the time; but when the substitute was offered by the distinguished senior Senator from Wyoming, although he may have discussed it with many outstanding Members of the United States Senate, it

had not been studied by the junior Senator from Louisiana; and the junior Senator from Louisiana was on the floor seeking recognition at the time of the confusion which occurred when this bill was passed by the Senate by a voice vote. At that time the junior Senator from Louisiana had grave doubts about this proposed legislation. If I correctly recall, I believe that the distinguished junior Senator from Ohio [Mr. BRICKER] was in the chair at that time. In the confusion which existed at that time, with so many Senators clamoring "Vote! Vote!" and with the junior Senator from Louisiana addressing the Chair, seeking recognition, I can well understand how the distinguished junior Senator from Ohio probably did not hear or did not see the junior Senator from Louisiana seeking recognition.

However, certainly at the time when that bill was passed—and every Senator who was present at that time probably will recall that situation—there was complete confusion on the floor of the Senate.

I may further say that another United States Senator had told me he wished to make a speech in opposition to this proposed legislation, and I had assured him that he would be given notice before final action on the bill. That Senator was in his office at the time when the bill was rushed through, with the Senator from Louisiana seeking recognition in order to be able to assure that particular Senator that he would have a chance to voice his objections to the proposed legislation.

Mr. O'MAHONEY. Mr. President, will the Senator permit me to make a remark at this point?

Mr. LONG. I ask the distinguished senior Senator from Wyoming to wait long enough to enable me to answer his statement and interrogatory.

Mr. President, the senior Senator from Wyoming stated that this bill was approved by the Federal Trade Commission. I have been told by certain persons connected with the Federal Trade Commission that they did go along with this proposed legislation and did more or less give it their tacit approval; but the same persons, with whom I have discussed this matter, told me that they said they agreed to this bill—I am not speaking of the Commissioners at this time, but of certain attorneys connected with the Commission—because they felt it would be better to go along with the substitute which presently is before us, rather than to have to take something a great deal worse, which they felt would be the case under the 2-year moratorium bill to which the substitute was offered.

However, so far as the bill is concerned, I should like to read at this point a copy of a letter which the distinguished junior Senator from Tennessee [Mr. KEFAUVER] received from the Federal Trade Commission, expressing the opinion of all the Commissioners as of January 18, 1950, with the exception of Mr. Lowell Mason. Here is the letter setting forth the position of the Commission at this time—although, of course, I may state that this letter also relates to the bill at the time when section 4–D was a part of it. Nevertheless the Commission said——

Mr. O'MAHONEY. Mr. President, will the Senator permit me to interrupt him at this point?

Mr. LONG. I should like to read the letter first.

Mr. O'MAHONEY. I simply wish to compliment the Senator on his statement of clarification just now, namely, that the letter was written before section 4–D was corrected.

The Senator will recall that during the last session of the Congress, I personally spoke against the conference report because of my disagreement with the definition contained in section 4–D, as it was reported by the conference committee. However, that defect has been corrected. The bill satisfied me when that defect was corrected; and I hope the bill will satisfy even the members of the Commission who signed the letter to which the Senator from Louisiana has been referring.

I merely wish to thank the Senator for permitting me to interrupt him; and I should like to make this additional remark: He has spoken of the confusion which he says existed upon the floor of the Senate at the time when the bill was passed. Mr. President, it did not sound like confusion to me, because Senator after Senator was rising on this floor to tell the Senator from Wyoming what an excellent bill was being passed.

The Senator from Louisiana did come on the floor later and did say that if there had been a yea-and-nay vote, a vote permitting him to register his vote, he would have voted against the bill.

Mr. LONG. Mr. President, I believe many Senators at that time were in favor of this proposed legislation without fully understanding it, and who will oppose it when they find out fully what the bill will do.

I should like to read a paragraph of the letter stating the position of the Federal Trade Commission on this bill. The letter shows that even as of January 18, 1950, the Federal Trade Commission was against more than merely section 4–D of the bill; and that the Commission was against this bill—period. The Commission have found other objections to it, as well.

I read now from the second paragraph of that letter:

> The Federal Trade Commission believes that S. 1008 in the form in which it was reported from the conference will greatly weaken, if not destroy, the effectiveness of section 2 of the Clayton Act as amended, as well as jeopardize and probably similarly affect other sections of that act. Two features of the bill are of paramount importance in this conclusion: (1) the definition of "the effect may be" contained in section 4–D of the bill and (2) the conflict between sections 2–B and 3 of the bill upon the issue of whether or not meeting the equally low price of a competitor in good faith shall constitute a complete defense to charges of price discrimination.

Mr. President, it is reasonably clear that the objections to section 4–D have now been removed by the conference committee, but the objections to section 3, on the ground that it would create the defense of meeting competition in good faith, when made to a charge of price discrimination, are still present.

In order that Senators may judge whether or not the Commission was against the entire bill or only against section 4–D at this time I ask unanimous consent that the letter of the Federal Trade Commission, addressed to the Senator from Tennessee [Mr. KEFAUVER], be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 18, 1950.

HON. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR KEFAUVER: This is in further response to your letter of January 11, 1950, and the request therein for an analysis of S. 1008 as reported by the conference committee, and a statement of the Commission's position with respect to the bill in its present form.

The Federal Trade Commission believes that S. 1008 in the form in which it was reported from conference will greatly weaken, if not destroy, the effectiveness of section 2 of the Clayton Act, as amended, as well as jeopardize and probably similarly affect other sections of that act. Two features of the bill are of a paramount importance in this conclusion: (1) The definition of "the effect may be" contained in section 4–D of the bill; and (2) the conflict between sections 2–B and 3 of the bill upon the issue of whether or not meeting the equally low price of a competitor in good faith shall constitute a complete defense to charges of price discrimination.

As introduced by Senator O'MAHONEY, section 4–D of the bill defined "the effect may be" as meaning a showing of reasonable probability of the specified effect. For more than 20 years the courts consistently interpreted "may be," as used in the Clayton Act, as meaning reasonable probability. This interpretation expressed a declared intent of the Congress to use the Clayton Act to curb monopolistic practices in their incipiency. This definition was changed during debate in the Senate, but the original version was restored by the Committee on the Judiciary of the House. It is believed that this definition was intended to make sure that the meaning of "reasonable probability" should continue and to settle any doubts raised by the use of the term "reasonable possibility" in the decision of the Supreme Court in *Federal Trade Commission* v. *Morton Salt Company.*

The bill as reported by the conference committee provides, however, that the term "the effect may be" shall mean that there is reliable, probative, and substantial evidence of the specified effect. This definition requires evidence of an effect which cannot be obtained until after the effect has appeared. It therefore amounts to a provision that the words "may be" shall be read as "is." The definition would therefore no longer rest upon the standard of reasonable probability, and the Commission would not be able to proceed against a price discrimination because of its probable effects, or even its certain future effects, but could only proceed after the effects had actually occurred.

It has been said that the conference committee definition of "may be" was intended to affirm the standards of proof set forth in the Administrative Procedure Act. This purpose could have been accomplished by defining the term as a reasonable probability determined from reliable, probative, and substantial evidence, though this would have been repetitious of the standard presently applicable.

The conference committee's definition of "the effect may be" applies directly to the

language of section 2 of the Clayton Act. The defined term also appears, however, in section 3 of the Clayton Act, prohibiting exclusive-dealing and tying contracts, and also in section 7, prohibiting corporations from acquiring the stock of other corporations when the effect may be substantially to lessen competition. Similarly, the defined term appears in the bill to amend section 7 of the Clayton Act which has been passed by the House, and which the President has just recommended that the Congress enact. Since it is unlikely that the courts would give one meaning to the term in one section of the statute and a quite different meaning in other sections of the same statute, the enactment of section 4–D of the bill would destroy the test of reasonable probability in section 2 of the Clayton Act and would seriously jeopardize, if not destroy, it in other sections of that act.

The principal question raised by the bill in its original form was whether or not meeting an equally low price of a competitor in good faith shall be a substantive defense to charges of illegal price discrimination. As introduced, the bill answered this question in the affirmative; as passed by the Senate this question was answered in the negative; as reported by the Committee on the Judiciary of the House it was answered in the affirmative; as passed by the House it was answered in the negative; as reported by the conference committee, the bill does not meet, but only confuses, the issue.

Section 2–B of the bill provides that it shall not be an unlawful price discrimination "to absorb freight to meet the equally low price of a competitor in good faith (except where such absorption of freight would be such that its effect upon competition will be to substantially lessen competition), * * * ." Section 3 of the bill, which relates to any form of discrimination in price, provides:

"That a seller may justify a discrimination by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

Thus, section 2–B of the bill invites the institution of proceedings when injury to competition results from freight absorption, while section 3 provides that the establishment of "good faith" in meeting an equally low price of a competitor shall be a complete defense to the charge of illegal price discrimination. The two sections point in opposite directions, and, taken together, can only create confusion as to the legality of freight absorption.

Turning to the sections of the bill other than those just discussed, they do not accomplish any presently important public purpose. Section 1 of the bill is apparently intended to be declaratory of existing law and to write into statutory form what the Commission has repeatedly said is the meaning of the present statute. Section 2–A of the bill declares that postage-stamp pricing is not to be regarded as unlawful price discrimination. There has never been a case in which this Commission or the courts have found the use of this type of pricing to constitute illegal discrimination in price. Section 4–A defines the word "price"; section 4–B defines the term "delivered price"; and section 4–C defines the term "absorb freight." None of these definitions is seriously controversial or represents any departure from existing law.

It seems clear that any new statutory language, however innocent or intended to be simply declaratory of existing law, will nevertheless entail long delays and much litigation, with all the attendant uncertainties, before it is interpreted by the courts with finality. These inevitable costs appear warranted only when they are outweighed by countervailing public advantages. Whether or not there was need for clarification of these matters at the time the bill was introduced, the Commission believes that the passage of time and the march of events has greatly reduced any public uncertainty as to the meaning of the law thus sought to be defined. A substantial contribution was made by the decision of the United States Court of Appeals for the Fourth Circuit on August 22, 1949, in *Bond Crown & Cork Co. v. Federal Trade Commission*. To the results of new legislation must be added the destructive effects of section 4–D upon the effectiveness of the Clayton Act as amended. There must also be added the fact that the only important substantive issue raised by the bill in its original form had to do with the status to be given a defense based upon good faith in meeting an equally low price of a competitor in a proceeding charging unlawful discrimination in price, and the fact that the bill as reported from conference confuses without solving this question. It is therefore believed that the over-all effect of the bill will be seriously destructive.

For the reasons stated, the Commission is of the opinion that S. 1008 as reported by the conference committee will seriously weaken the Clayton Act.

The above does not reflect the views of Mr. Mason.

By direction of the Commission, and with personal regards, I am

Sincerely yours,

LOWELL B. MASON,
Acting Chairman.

(Carbon copies to Senator PAT MCCARRAN, Senator RUSSELL B. LONG.)

JANUARY 18, 1950.

N. B.—The Commission has not yet had an opportunity of ascertaining from the Bureau of the Budget whether its position in this matter is in accord with the legislative program of the President.

LOWELL B. MASON,
Acting Chairman.

Mr. LONG. Mr. President, in fairness and in order to complete this picture, I ask unanimous consent that the independent views of Commissioner Mason, who has steadily advocated such legislation as Senate bill 1008, also be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JANUARY 19, 1950.

Re S. 1008.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR: As I noted in the letter to you transmitting the Commission's report that my own views were not in accord with the majority, I beg leave to present herewith my own evaluation of the conference report version of S. 1008.

Assuming as I do, that it is the legislative intent to make clear that the law shall not be construed so as to prohibit a concern from selling its products at delivered prices, nor for such a company to absorb freight to meet equally low prices of a competitor in good faith, and that it is desired to preserve the right of an individual seller to meet at the buyer's place of business competitive prices in good faith, it is my judgment that S. 1008, read in the light of its legislative history, will accomplish those purposes, and I am prepared to endorse the bill's objectives and to recommend its passage with an amendment of section 4–D as hereinafter suggested.

Those who would avoid the strong guiding hand of Congress upon our shoulders claim that there is no need for Congress to concern itself with our actions because the Court in the Bond Crown & Cork Co. case upheld the right of an individual seller to absorb freight, and that therefore such a practice was not unlawful; hence no present legislation was required.

As far as the Crown & Cork Co. case is concerned, a close examination of the Court's opinion will disclose that the Court said that the practice of freight equalization individually followed was not in issue, and the decision of the Court was limited to passing upon the question as to whether or not there had been conspiracy among the respondents to use the basing-point system. In considering the practice of freight equalization, the Court said:

"It should be noted in this connection, however, that the question in this case is, not whether such practice may be enjoined as constituting of itself an unfair trade practice, but whether it may be considered along with the other facts and circumstances to which we have adverted as tending to establish the conspiracy and combination in restraint of trade, which is the only charge in the complaint."

The Court further held:

"We need not decide, however, whether the freight equalization practice here involved constitutes of itself an unfair trade practice or whether it may be condemned as systematic price discrimination in violation of section 2 of the Clayton Act as amended by the Robinson-Patman Act, * * * as was held of the multiple basing-point system in the Cement Institute case, as those questions are not before us. The practice unquestionably constitutes evidence to be considered, along with other facts and circumstances, as tending to establish the conspiracy charge; and that was the only purpose for which it was considered by the Commission."

It is apparent from the above that the Court in the Bond Crown & Cork Co. case did not pass upon the question of individual freight absorption or delivered prices independently arrived at, which are the subject matter of S. 1008. For this reason, in my judgment this case does not clarify the existing confusion. The Court left open the question as to what its holding would have been had the Commission attempted to prohibit the individual use of a freight equalization system by each particular respondent.

It is to be noted that there are cases pending in the Commission in which the independent use of freight absorption is challenged as being unlawful. It would be impossible, as well as improper, for me to forecast what our decision will be in these pending cases. However, you should be advised that the Commission some time ago authorized the filing and is presently prosecuting before it the following complaints which, if sustained, will condemn the independent, nonconspiratorial use of freight absorption: Docket No. 4878, Chain Institute, Inc., et al.; Docket No. 5253, National Lead Co. et al.; Docket No. 5483, Clay Products Association, Inc., et al.; Docket No. 5502, Corn Products Refining Co. et al.

The complaints in the above cases each contain a second count charging the individual respondents with unlawful price discrimination because of differences in net prices received after deductions of actual freight costs. These differences in net prices accruing to each individual seller, thus attacked as being unlawful, are inherent in any independent system of freight absorption, freight equalization, uniform delivered prices or basing-point quotations. You will recall that count II of the Conduit case (affirmed by an equally divided Supreme Court) held nonconspiratorial freight absorption to be an illegal unfair method of competition.

Last June we advised the House Committee on the Judiciary that all of the Commissioners believe that on balance it is preferable to make the good faith meeting of a competitor's equally low price a full defense. No action has been taken by the Commission to change this view. The letter sent you yesterday over my signature indicates that the majority of the Commission take exception to the results of the amendments offered to sections 2 and 3. (These are the Kefauver amendments in the Senate, the Carroll amendments in the House, and the conference committee's compromise thereof.) While I agree it would have been preferable if these amendments had not been offered, I do not believe that they move in opposite directions.

The amendment to section 2 refers to good faith competition which will not substantially lessen competition. The amendment in section 3 refers to good faith competition that is not monopolistic or oppressive. These are relatively similar terms. In any event, however, it is not necessary that these restrictions be identical because section 2 refers to what is required for the Commission to prove its case, while section 3 relates to what is required for a respondent to affirmatively prove his defense if the Commission has made out a case. These amendments in sections 2 and 3 of the act appear to be adequate safeguards.

In section 4–D I would prefer the House version which defines the words "effect may be" as meaning reasonable probability.

In my judgment, it can hardly be denied that there is at the present time widespread confusion as to the legality of the use of delivered prices by one seller, independent of conspiracy, the absorption of part or all of the transportation costs and the meeting of lower competitive prices, and that this confusion should be dispelled by legislative action. With the above amendment, S. 1008 seems to be adequate to accomplish this purpose.

Sincerely yours,

LOWELL B. MASON.

(Copies to Senator PAT MCCARRAN and Senator RUSSELL B. LONG.)

JANUARY 19, 1950.

N. B.—I have not yet had an opportunity of ascertaining from the Bureau of the Budget whether my position in this matter is in accord with the legislative program of the President.

LOWELL B. MASON, *Acting Chairman.*

Mr. LONG. Mr. President, it will be seen from a study of the conference report on the Robinson-Patman Act that that report was expressly designed to outlaw the basing-price system. It will be noted that at that time the word "price" was defined to be what we consider to be the mill net return of a seller; and that if freight were allowed, it was contemplated by that act that the price would be the price of the commodity at the mill, less any amount of freight the seller might himself pay or allow to a purchaser. It was the purpose completely to outlaw the basing-point system. There were many objections to the system, one being that it prevented the economic distribution of industries throughout the country in that it permitted the concentration of industries at disadvantageous locations. Another objection to it was that it caused a great amount of uneconomic and unnecesary cross hauling. Another objection was that it denied the consumer the benefit of price competition, because in essence this was a pricing system of a monopolistic nature, which involved all sellers arriving at the same price.

The Senator from Wyoming [Mr. O'MAHONEY] a few minutes ago spoke of the amendment which he had proposed to the gas bill, designed to prevent the small gas producers from coming to an agreement of any kind whereby they would all fix the price and agree to uphold and maintain a monopolistic price-fixing system. He wanted to prevent collusion on the part of the small gas producers in the United States. But, Mr. President, he evidences no such solicitude for the public interest today, when he supports a bill which legalizes the very tools by which monopolistic price fixing had been accomplished under the basing-point system.

As I say, one of the suspicious things about this bill is that the steel people and the cement people have been willing to support it. The Senator from Wyoming did not think as well of the basing-point pricing system, or of the idea of freight absorption, 10 years ago, as he does today. At that time he conducted very thorough and very fair hearings as chairman of the Temporary National Economic Committee. That group, after hearings, recommended that the basing-point system be completely outlawed. At that time they recognized that certain kinds of delivered prices and the system worked out by the basing-point industries eliminated price competition among themselves, and made it so difficult to ascertain exactly how prices were being fixed, or to prove the monopolistic nature of the price fixing, that the system was contrary to the national interest. They therefore reached the conclusion and recommendation found on page 33 of the final hearings, as follows:

THE BASING-POINT SYSTEM

Extensive hearings on basing-point systems showed that they are used in many industries as an effective device for eliminating price competition.

During the last 20 years basing-point systems and variations of such systems, known technically as "zone pricing systems" and "freight equalization systems," have spread widely in American industry. Many of the products of important industries are priced by basing point or analogous systems, such as iron and steel, pig iron, cement, lime, lumber and lumber products, brick, asphalt shingles and roofing, window glass, white lead, metal lath, building tile, floor tile, gypsum plaster, bolts, nuts and rivets, cast-iron soil pipe, range boilers, valves and fittings, sewer pipe, power cable, paper, salt, sugar, corn derivatives, industrial alcohol, linseed oil, fertilizer, and others.

The elimination of such systems under existing law would involve a costly process of prosecuting separately and individually many industries, and place a heavy burden upon antitrust enforcement appropriations.

We therefore recommend that the Congress enact legislation declaring such pricing systems to be illegal.

I digress there for a moment, Mr. President, to point out that the systems were illegal already. They have been illegal since 1936. Here is a recommendation that was made in 1940. What was the effect of the recommendation? It was that we should not merely outlaw the basing-point price system, but that we should make industry go to straight f. o. b. pricing. I quote further from the report:

Because such systems have resulted in uneconomic and often wasteful location of plant equipment—

I might say there that one of the results was that the South, the West, and New England did not get the industries they should have had, by reason of their economic situation—

Because such systems have resulted in uneconomic and often wasteful location of plant equipment, it is recognized by this committee that the abolition of basing-point systems should provide for a brief period of time for industries to divest themselves of this monopolistic practice.

The committee is not impressed with the argument that a legislative outlawing of basing point systems will cause disturbances in the rearrangement of business through a restoration of competitive conditions in industries now employing basing-point systems. Such disturbances may be costly to those who have been practicing monopoly. But the long-run gain to the public interest by a restoration of competition in many important industries is clearly more advantageous.

It is noted there, in brackets, that this recommendation was approved without objection. It will be noted, Mr. President, that this recommendation was for the elimination of all such pricing systems, whether they be called basing-point systems, zone-pricing systems, or a trade-equalization system.

It is also interesting to note the statement of the senior Senator from Wyoming at the time of the Cement Institute case, in which, contrary to his recommendation of legislatively outlawing freight absorption and freight equalization and zone pricing, and because of the failure of Congress to act, the Federal Trade Commission, after 14 years, had finally succeeded in bringing the cement group to the bar of justice. The Senator from Wyoming released a statement saying that it was a good thing for the national economy, to see that the steel companies had finally agreed to f. o. b. pricing. The Senator from Wyoming, as reported on page 11343 of the CONGRESSIONAL RECORD OF August 12, 1949, where the junior Senator from Louisiana quoted his statement of July 8, 1948:

I fear that United States Steel is merely trying to lay the basis for a demand that Congress change the antitrust law under which the Supreme Court found that a multiple-basing-point delivered-price system for the purpose of suppressing competition is prohibited.

Then, a few days later, on July 11, 1948, the Senator from Wyoming made the following statement in a press release concerning the declaration by United States Steel that that group would go to an f. o. b. pricing system, which, of course, is clearly legal under the law. The Senator said:

It is not inconceivable that at the very same time they abandon the basing-point system they will actually raise their mill prices in order to reap the fullest possible advantage of the present seller's market.

The Senator further said:

It would be a characteristic monopolistic move to endeavor to create the impression

that such price increases were caused by the abandonment of an innocent system, whereas the fact is the Supreme Court has ruled against the system only so far as it is used collusively to suppress competition.

So I know that at heart the senior Senator from Wyoming and the junior Senator from Louisiana desires the same thing. We desire to assure free competition in the United States. We desire that this monopolistic basing-point system shall not be pursued any further. It was the opinion of the senior Senator from Wyoming 10 years ago that about the only way it could be done would be by strengthening the antitrust laws. But we found the antitrust laws strong enough at that time, and the costly, tedious process of prosecution and proving under the law, which the Senator said would be too great a burden on the antitrust enforcement agencies, was pursued because Congress had failed to act. Now that the courts have acted, as the Senator from Wyoming himself anticipated, could happen, the Steel Trust and the Cement Trust and the others come before Congress asking us to give them certain latitude, to permit them to go back to the same illegal pricing system that they had used before. Unfortunately, if those interests get the kind of law they want today, permitting freight absorption and certain types of independent action, although it may appear to be independent and may appear to be in good faith, we might have to go through another 14 years of litigation in order finally to stop the kind of practices which were outlawed by the decision in the Cement Institute case.

Mr. President, I heard the Senator from Wyoming make the statement today that industry was being retarded and its development being held back, because of the uncertainty as to the law. I do not have the letter with me at the moment, but I am informed that 37 of the 55 major cement companies of America have stated already to the Federal Trade Commisison that they are absorbing freight, and that they will absorb freight whenever they see fit, in meeting competition. They understand the law exactly as we understand it, that they can absorb freight, they can make discriminations in their prices, in order to meet competition and in order to get business, but they are forbidden by law and the decision of the Supreme Court to absorb freight in such a way that the effect will be to eliminate competition in the cement industry. That is what the basing-point system amounts to.

Furthermore, contrary to what has been stated, that such alleged confusion has held back development, I can, I believe, prove to the satisfaction of anyone who would like to study it, that the basing-point decision in the Cement Institute case has actually promoted development within the United States, and I now propose to dwell on that subject for a few moments.

PLANT DISPERSAL SINCE THE CEMENT DECISION

An excellent illustration of the tendency of industry in our heavy, basic commodities to disperse throughout the country is well documented by what has happened in the cement industry. Following the Cement decision on April 26, 1948, the productive capacity of the cement industry has greatly increased. It has not reduced, it has increased. The new plants which have been built, are building, or are in the planning stages are situated at points removed from the concentrated productive areas in existence prior to the Cement decision. The cement industry has also increased the capacity of many existing plants, and by far the greater part of these additions and improvements have been made on plants in what may be aptly described as deficient areas. In other words, the productive capacity of the cement industry is now, without dislocation or hardship, being widely dispersed in areas close to the points of consumption.

The saving in freight by having ample supplies of this heavy, basic commodity close to the point of consumption will materially aid in reducing prices and thereby increasing consumption. The pattern of cement consumption is a very definite one. In areas in which there are plentiful supplies close to the point of consumption, the use of cement has materially increased. In the deficit areas, the use of cement has lagged because of the expense involved in transporting this commodity long distances on the basis of high all-rail freight charges.

This dispersal through construction of cement plants at the outlying points of demand for cement has come about because of one controlling factor. That factor has been the elimination in the industry of the multiple-basing-point system. While that system was in force, there was no incentive for cement companies to build additional facilities anywhere else than at the old plant locations. The outlawing of the basing-point system by the Supreme Court, which required that the industry go on a competitive basis, has had a salutary effect upon the whole industry and has benefited the consumer and taxpayer beyond calculation.

The Bureau of Mines' Minerals Yearbook of 1948, reprint, page 22, sets forth the estimated surplus or deficiency of local supply of portland cement in cement-producing States, 1947–48, in barrels. In most of the States listed in this table as surplus-producing States, the supply and demand is fairly well in balance. However, only 8 of the States listed individually indicate a surplus production. Five of the Rocky Mountain States listed in the group have a surplus so small that it is hardly worthy of mention. This is likewise true of Oregon and Washington, which are lisited together. All other States of our Union either have a deficit in production or no production at all. The outstanding surplus-producing State was the State of Pennsylvania, which in the year 1948 had shipments from mills of 38,255,543 barrels and an estimated consumption of 12,480,244 barrels, or a surplus production of 25,775,299 barrels, which undoubtedly is caused by the high productive capacity in the Lehigh Valley area of this State. Significantly, there has been no recorded expansion of facilities in this concentrated producing area since the Cement decision outlawing the basing-point system.

The cement industry has not been hurt by plant dispersal since existing plants, even in the concentrated areas, have had ample business and will continue to have ample business for a long time to come. This country is growing both in population and in improvements and additions to our public works program. The Joint Committee on the Economic Report has recently issued a report on Highways and the Nation's Economy. No one can deny that the increased use of motor transportation whets the demand of our people for better and safer highways. Every State in the Union has recognized this need, and programs inaugurated by the States and supported by the Federal Government are beyond the dreams any of us would have had with respect to our whole system of highways 20 or 25 years ago. The cost of cement is one of the most important factors in our expanding good-roads movement. The cost of cement must be reasonable; the supplies must be plentiful, and these supplies must be close to the points of consumption.

The cry of local monopoly is without foundation. There is no commodity manufactured in these United States that by any stretch of the imagination can have a local market to itself unless the manufacturer of such product is willing to keep his prices at reasonable levels. The minute the price of any commodity in any locality is artificially increased, the manufacturer of this commodity finds his market drying up. The process of drying up a market for any particular manufacturer can happen in two ways: First, through resistance of the buyer, who utilizes some other product or material, and second, through invasion of the territory by outside manufacturers at a lower price level.

It is important to have competition in our basic industries as well as competition in all segments of our trade and commerce. We cannot afford, in this country, to go down the road of artificial prices such as will be permitted under the terms of Senate bill 1008. It makes little difference to the consumer that prices which are artificially constructed are so constructed independently by one concern controlling the market or that such artificial prices are the result of conspiracy and collusion. The result is the same: The consumer pays too much for the article, and the manufacturer or manufacturers effectively control a market, tend to create a monopoly, and restrain trade, which automatically lessens competition.

In Senate Report No. 597, Sixty-third Congress, it is apparent that one of the objectives sought by the passage of the Federal Trade Commission Act was to retard at least the price fixers in industry, because the report, in retrospect, says: "Such a commission would have at least kept within limited bounds the activities of a multitude of price-fixing

associations in different branches of business, which, together with the great trusts, have been potent causes of the present high cost of living." That will be found at page 44, Congress and the Monopoly Problem, 50 Years of Antitrust Development, 1900–1950. House Small Business Committee. But, as we know, it has required a long and difficult proceeding to eliminate price fixing in a single industry. The Cement case, from the time of its institution by the Federal Trade Commission until the decision of the Supreme Court, covered a period of approximately 12 years. One of the great questions posed by the legislation presently under consideration is how many years would be involved in litigation attempting to construe the provisions of this bill should it become law.

Senate bill 1008 will permit the cement industry to return to the basing-point system. It is a pious assertion that Senate bill 1008 has certain language which requires members of an industry to act independently, because artificial pricing systems may be utilized in many ways by independent action of each member of an industry. As has often been pointed out in hearings before the Congress, the United States Steel Corp. and the Standard Oil Co. of New Jersey effectively control the price in the steel and oil industries. Various members of the steel industry have testified before congressional committees, as is pointed out in the report of the Joint Committee on the Economic Report, under the title "1949 Steel Price Increases," that they dare not depart from United States Steel prices. Significantly, the strongest member of the cement industry, Universal Atlas Cement Co., is a subsidiary of the United States Steel Corp. I do not feel that any member of the cement industry, large or small, particularly under the permission granted by Senate bill 1008, would dare act, pricewise, in a manner to offend the Universal Atlas Co., and thereby offend the United States Steel Corp.

If it is our intention to travel the road of monopoly, of artificial pricing, of restraint of trade, of price discrimination, and of the elimination of competition in trade and commerce, then of course we should support Senate bill 1008. If, on the other hand, it is our purpose to strengthen our antitrust laws, to aid in the enforcement of such laws, to keep competition alive in this country, to promote the development of areas removed from the presently congested and concentrated industrial areas, to help the small-business interests of this country, to strengthen the consumer's dollar, and to aid in the maintenance of our free-enterprise system, then we should vote to kill the conference report on Senate bill 1008.

There is an old saying that one cannot carry water on both shoulders. In my opinion, this applies to our present situation. We cannot, on the one hand, preach of aid to small business and strengthening of our antitrust laws, and on the other hand, enact legislation which will weaken the antitrust laws and effectively scuttle the small-business interests of this country. We have not tried to lay stress upon the consumer aspect and the consumer's interests, in our consideration of Senate bill 1008, but the consumer and the taxpayer in the final analysis are the ones most concerned with this legislation. It is purely and simply a question of whether the Congress of the United States intends to foster the monopoly interests of this country or whether, in truth, we are antimonopolists and intend to act in a manner which will assure maintenance of our free-enterprise system and bring to our trade and industry a full measure of competition.

The question of plant dispersal has received a lot of consideration by the Congress. The Congress has passed the National Security Act of 1947, which set up the National Security Resources Board, with an injunction to make our national defense secure. Our national defense can be secure only to the extent that every arm of our industry is strong and prepared to meet any emergency. One of the major problems before the NSRB in carrying out the direction of Congress is to see that our plants, both large and small, are properly located and properly equipped to produce rapidly and efficiently in an emergency the things that are necessary to our country in a defense which must be as total as the total war in which we may some day be engaged. The elimination of artificial pricing systems and the bringing of the competitive forces of our country into full play in our basic industries will lend great impetus to the defense program in a natural and orderly manner.

As we have seen by one illustration, the cement industry is building new plants and increasing facilities in sections of our country where they are most needed. If we do not here bless the use of artificial pricing systems by the passage of S. 1008, I am sure that this movement will continue not only in the cement industry but in a great many other industries. All industry may well follow a natural path of preparation by way of dispersal, particularly in new plant development in preparation for any eventuality. Our industry, which is a part and parcel of our American life, should heed the warning signs of an atomic age even without prompting by the Government.

According to my best information, there were only two new cement plants built in the 25 years prior to the Supreme Court decision, as I shall demonstrate on a map later. Of course, there were improvements and enlargements of existing facilities, but as long as the multiple-basing-point system could be utilized to force consumers to pay additional transportation costs, there was no necessity for the building of new plants in new areas closer to the points of consumption. Since the Supreme Court decision, as the map will show, there have been a great many new plants built and many more planned or under construction. It is well to point out that not only do artificial pricing systems tend to restrict the supply of important basic commodities, but such systems also tend to freeze a good part of the production in areas of high concentration of productive capacity.

Mr. President, at this point I should like to place in the RECORD a list of new plant facilities and plant expansions which have occurred since the decision in the Cement Institute case in 1948. This analysis shows that there have been either new plants built or expanded facilities provided in the following States: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Missouri, Montana, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, and Washington. It is interesting to note that some States are receiving two cement plants, whereas, according to my best information, for 25 years prior to the decision of the Supreme Court in the Cement Institute case, only two new cement plants were built in the entire United States.

Mr. President, I ask unanimous consent to insert in the RECORD a list of new plant facilities and plant expansions which have been built or proposed in the United States since the decision in the Cement Institute case.

Ther being no objection, the statement was ordered to be printed in the RECORD, as follows:

Item No.	State	Company	Data on new plants and improvements on existing installations, 1949 and 1950 to date
1	Alabama	The Ideal Cement Co	To increase capacity of Mobile plant.
2	Alaska	Alaska Portland Cement Co	New $2,500,000 plant proposed—1,500 barrels daily.
3	Arizona	Arizona Portland Cement Co	New $3,976,000 plant at Rillito—2,000 barrels daily.
4	Arkansas	Ideal Cement Co	Plans to double capacity at Okay plant.
5	California	Riverside Portland Cement Co	Increase in capacity at Oro Grande plant to 3,500,000 barrels completed.
6	do	California Portland Cement Co	Improvements and general rehabilitation of the Colton plant.
7	do	Whitewater Portland Cement Co., Samuel A. Guiberson, Jr., of Dallas, president.	Has let contracts for construction of a $15,000,000 plant near Palm Springs.
8	do	Southwest Portland Cement Co	Increasing capacity at its Victorville plant.
9	do	Calaveras Cement Co	Continued program of plant expansion and improvement at San Andreas. New 360-foot kiln has brought plant capacity up to 7,500 barrels per day—80 percent increase.
10	do	The Santa Cruz Portland Cement Co	At Davenport, has completed installation of a third Lepol combined rotary- and grate type kiln.
11	Colorado	Ideal Cement Co	Has built new 4,000-barrel-a-day plant adjacent to old plant at Portland.

Item No.	State	Company	Data on new plants and improvements on existing installations, 1949 and 1950 to date
12	Florida [1]	Florida Portland Cement (now General Cement Co.).	Nearly completed expansion program. New kiln at Tampa in operation. Production increased about 1,250,000 barrels annually.
13	do	Lehigh Portland Cement Co	Has purchased 9,500 acres of coquina shell property near Flagler Beach; plans to build a new plant there.
14	Idaho	Lewiston Area Development Association, Inc	Announced a $4,000,000 plant will be constructed in that area; capacity 3,000 barrels daily.
15	Illinois	General Portland Cement Co	$4,000,000 new plant in Chicago.
16	Indiana	Medusa Portland Cement Co	Improvement program for Dixon plant; new crushing and raw grinding. Expanded facilities at Oglesby in 1948. In 1948, completed 3-year $1,500,000 improvement program at Speed. No comment on increase in capacity.
16a	do	Lehigh Portland Cement Co	
16b	do	Marquette Portland Cement Co	
17	do	Louisville Cement Co	
18	Iowa	Dewey Portland Cement Co	Improvements at Davenport plant to increase production 40 percent. New kiln.
19	do	Northwestern States Portland Cement Co	Spending $1,000,000 for improvements at Mason City plant, but does not plan expansion because of basing-point uncertainty. This plant, of course, is the one which has so zealously tried to put the State-owned South Dakota cement plant out of business. Presumably, if we reject the bill, Northwestern will assume that its chances of success in this venture are reduced.
20	Kansas	Monarch Cement Co	Has almost completed a $1,500,000 modernization program at Humboldt plant. New equipment includes 700,000-barrel-a-year kiln.
21	do	Universal-Atlas Cement Co	Plans modernization of Independence plant.
22	Louisiana	Lone Star Cement Corp	Completed $1,000,000 improvements which boosted capacity 50 percent to 6,400 barrels per day, 2,200,000 a year.
23	Michigan	Huron Portland Cement Co	Expansion of Alpena plant to make it world's largest. Completed late in 1948. Finish-grinding capacity increased to 24,000 barrels a day.
24	Missouri	Missouri Portland Cement Co	Modernization plan has progressed. New facilities in operation at Fort Bellefontaine (St. Louis) quarry, and new 6,000-barrel wet-process plant at Prospect Hill (St. Louis) nearing completion.
25	do	Alpha Portland Cement Co	Reported to have completed $500,000 modernization program at plant near St. Louis.
26	Montana	Ideal Cement Co	Has installed new kiln at Trident plant in Bozeman as part of $750,000 expansion program there. New facilities will add 1,000 barrels a day to present 3,000-barrel capacity.
27	do	Permanente Cement Co	Has purchased 498 acres of cement-bearing materials as site for new cement plant near Helena.
28	North Carolina		Representative Ed R. Hanford, Alamance County, chairman of State Portland Cement Study Commission, authorized by 1949 general assembly, recently conferred with Governor Scott, of North Carolina, on plans for constructing State cement plant. Hanford believes State highway commission could utilize its own funds to build plant, a report states (Rock Products, September 1949, p. 51). Local businessmen and industrialists backing the project "to help curb local shortages."
29	North Dakota		State legislature grants $25,000 for survey to establish cement plant.
30	Ohio	Diamond Portland Cement Co	Completed improvements increasing capacity Middle Branch plant 50 percent.
31	do	Universal-Atlas Cement Co	Plans modernization of Osborn plant.
32	Oklahoma	Dewey Cement Co	$1,445,000 expansion program at Bartlesville plant under way. Highways committee of Oklahoma State Legislative Council recommended to the council that a report be prepared "on the possibility of the State making its own cement for highway construction to beat the shortage" (Pit and Quarry, January 1949, p. 84).
33	do	Ideal Cement Co	To increase capacity at Ada plant.
34	Oregon	Permanente Cement Co	Has purchased 5-acre tract in Portland, only for distributive purposes, adjacent to leased property.
35	Pennsylvania	Penn-Dixie Cement Corp	Plans improvements at West Winfield plant.
36	do	Medusa Portland Cement Co	Improvements at York and Wampum plants—part of multi-million-dollar program.
37	Puerto Rico	Ponce Cement Corp	Plans to increase capacity to 10,000,000 sacks annually (2,500,000 barrels).
38	do	Puerto Rico Cement Corp	Plans to increase capacity.
39	South Carolina	Carolina Giant Cement Co	At Harleyville, began operation in December 1948, with capacity of 800,000 barrels. First cement plant in Carolinas, "and is expected to help alleviate shortages in that area." (Pit and Quarry, January 1949, p. 90.)
40	South Dakota		The legislature has authorized sale of $1,500,000 in bonds for doubling capacity of State-owned cement plant. Present capacity is 2,000 barrels a day. Program calls for new 11-foot kiln, 375 feet long, new storage silos and others.
41	Tennessee	Signal Mountain Portland Cement Co	Plans to increase capacity at Chattanooga plant.
42	Texas	Tex-Mex Cement Co	Resumed construction on new $6,000,000 plant at Corpus Christi, a 4,000-barrel wet-process plant.
43	do	Trinity Portland Cement Co. (now General Cement Co.).	New kiln installed at Fort Worth plant. Production increased about 1,250,000 barrels a year. Also plans expansion of Waco plant.
44	do	Southwestern Portland Cement Co	Has near completion its improvement program at El Paso. Major changes in rock transportation and raw-grinding departments.
45	do	Lone Star Cement Co	Plans to increase capacity 20 to 25 percent at New Orleans.
46	do	do	New plant near Sweetwater.
47	do	Ideal Cement Co	Plans to double capacity at Houston plant.
48	Utah	do	At Devils Slide, new 4,000-barrel-a-day plant. Completed late in 1948, cost about $7,000,000. (Pit and Quarry, January 1949, p. 89.)
49	Virginia	Lone Star Cement Co	1,700 barrels daily. Plans to build new plant near Roanoke.
50	do	Universal-Atlas Cement Corp	Capacity unknown (near Roanoke).
51	Washington	Olympic Portland Cement Co	Completed improvement program, but no increase in 3,000-barrel capacity at Bellingham.
52	do	Spokane Portland Cement Co	Improvement at Irvin plant, 8 miles east of Spokane. No increase in capacity (Pit and Quarry, September 1949, p. 97).
53	do	Lehigh Portland Cement Co	Has $1,000,000 expansion program under way at Metaline Falls, which will double present capacity of 2,000 barrels daily. New kiln and expansion on quarry, grinding, coal preparation, storage, and other departments have been added. Annual capacity will be 1,200,000 barrels.

[1] Florida last year had to import cement from Belgium, which was priced substantially above domestic prices. Quoting from Pit and Quarry, January 1949, p. 77:
"In Florida, destination of some of the Belgium cement, supplies of domestic brands have been sharply reduced because of the recent change-over to f. o. b. pricing, which has resulted in price increases on shipments from out-of-State mills. Florida now has only 1 cement plant operating—that of the Tampa Portland Cement Co., a General Portland Cement subsidiary."

Mr. LONG. Mr. President, in order that Senators may have a clearer understanding of the industries which are most strongly supporting the enactment of S. 1008, and in order that they may have some background of the issues involved in the bill, I ask unanimous consent to have printed in the RECORD at this point chapter 3, entitled "Three Case Histories: Steel, Cement, Corn Products," from a book entitled "The Basing-Point System," written by Dr. Fritz Machlup, of the Johns Hopkins University. I believe that if Senators would read the history provided in chapter 3, which briefly sets forth the history of the basing-point pricing system to eliminate price competition in these three major industries, they would be much better able to understand the issues involved and the reasons why the steel, cement, and corn-products industries are so strongly supporting S. 1008.

There being no objection, the chapter referred to was ordered to be printed in the RECORD, as follows:

THREE CASE HISTORIES: STEEL, CEMENT, CORN PRODUCTS

Basing-point cartels have existed probably in more than 20 industries in the United

States. Detailed information has become available only on those which became court cases. Short narratives of a few case histories may provide a plastic background for the economic analysis of the basing-point system. For such a historical review we select three basing-point cartels: steel, cement, and corn products.

BASING-POINT PRICING IN STEEL

The steel industry is no doubt the most important of the industries which have used the basing-point system of pricing, and it was probably the first to introduce it. Some of the high lights of the history of the basing-point system in the steel industry deserve to be recounted here.

The pioneers and the promoters

It is not possible to state with certainty when the basing-point system of pricing was first used. Significant inferences were drawn from the fact that 1901 was the year of the formation of the United States Steel Corp.—a merger of some 200 establishments in the steel industry—and was also the year in which geographic pricing schemes resulting in identical delivered price quotations were introduced for several steel products. These inferences were obviously resented by officials of the company, and testimony was offered to the effect that there had been much earlier uses of the basing-point system. According to this testimony, steel beams were sold on a Pittsburgh-plus basis as early as 1880, when the first steel beam association was formed by the producers.[1] The practice was extended, in the late 1890's to steel plates, shapes, bars, sheets, tin plates, and wire. For a short time during 1895, as a part of a price-fixing scheme, steel rails were quoted on a Pittsburgh basis.[2] The Bessemer billet pools of 1896 and 1900 based their prices on Pittsburgh.[3] Wire nails were quoted on the same basis under the guidance of the Wire Nail Association in 1895.[4] Thus there is little doubt that the basing-point system of pricing had grown out of cooperative or collusive activities of pools and trade associations before it received its almost universal application under the leadership of the merger-born United States Steel Corp.

Twelve major combinations were formed between 1898 and 1900, culminating in 1901 with the "combination of combinations."[5] But just what role these mergers played in the general application of the basing-point system is somewhat controversial. One writer, for example, states with great emphasis that the "evolution of the economic forces impinging upon competitive practices seems more important than the birth of a dominating corporation."[6] But even that writer concedes that the trend was reinforced by the formation of the giant corporation "with its own pecuniary interest in the perfection of such a pricing method," and that "the power of the United States Steel Corp. was behind these [price] agreements, and under its influence the Pittsburgh-plus method of quoting prices was rapidly extended."[7] In the opinion of the Supreme Court it was one of the purposes of the formation of the "combination of combinations" to "accomplish permanently what those [constituent] combinations had demonstrated could be accomplished temporarily, and thereby monopolize and restrain trade."[8]

"Pittsburgh plus" under formal agreements

Although the single basing-point method had been used successfully for several steel products—for wire and wire products since 1899, for sheet and light plate since 1900, and for boiler and tank plates since the beginning of 1901—a trial was given to the zone-pricing system. From 1901 to 1903 most of the steel products were sold under a zone-price system, dividing the country into 17 zones; in each zone uniform delivered prices were quoted "based upon the Pittsburgh price plus the average freight to all points in the zone."[9] After 1903, however, when certain disadvantages of this system had become apparent, the exact railroad-freight charge from Pittsburgh to each particular destination point was added to the Pittsburgh price. That is to say, the single basing-point system of pricing was made general practice. The delivered price was computed as the sum of (1) the base price of the particular product, (2) the extras for particular specifications,[10] and (3) the railroad freight from Pittsburgh to the destination.

In the first years of its general application, the basing-point system was used in conjunction with well-publicized pools, price agreements, and understandings. The institution of the "Gary Dinners" from 1906 to 1911 was not kept secret; indeed, the speeches were often reprinted in the Iron Age, the organ of the iron and steel industry; and it was common knowledge that a special committee dealt with the problems of the determination and maintenance of prices.[11] After 1911, more discretion was exercised in these matters—probably because antitrust proceedings against the United States Steel Corp. were started in 1911—and the appearance was given of a system working automatically with no collusive activities.

Products covered and products exempted

More than 50 products or groups of products were included in the scheme.[12] There were two noteworthy exceptions. Steel rails for railroads were exempted from the basing-point practice after the railroad companies reached an understanding with the steel producers in 1908. The resistance of the railroads to the application of the system to their own purchases is easily comprehensible. They refused to pay for more than the necessary transportation costs incurred for shipping the rails. They understood the implications of the pricing scheme and as the chief customers of the product, buying about 90 percent of the total output of rails, they were in a position to prevail.

The other product that was excluded from the basing-point system—for a third of a century—was pig iron. Pig iron for sale, so-called merchant pig iron, is a heavy and cheap product which cannot stand high freight charges and thus is not shipped over long distances. The merchant furnaces have only a small percentage of the total pig-iron capacity of the industry,[13] but since they produce all of the pig iron that is sold in the market, the fully integrated companies were not able to dictate the price. With more than 40 independent producers of merchant pig iron and no large firm among them to dominate the market, the introduction of the basing-point system could not be accomplished by voluntary agreement. Large steel producers attempted but failed to bring pig

[1] Frank A. Fetter, the Masquerade of Monopoly (New York: Harcourt, Brace, and Co., 1931), p. 147.

[2] United States before the Federal Trade Commission in the matter of the United States Steel Corp., docket No. 760, brief in support of the complaint (1924), p. 19.

[3] Ibid, p. 50.

[4] C. E. Edgerton, the Wire Nail Association of 1895–96, Political Science Quarterly, vol. 12 (1897), p. 246.

[5] *United States* v. *U. S. Steel Corporation* (251 U. S. 417, 438, 439 (1920)).

[6] Melvin G. De Chazeau in Carroll R. Daugherty, Melvin G. De Chazeau, and Samuel B. Stratton, The Economics of the Iron and Steel Industry (New York: McGraw-Hill Book Co., 1937), p. 534.

[7] Ibid., pp. 537 and 539. The company in 1901 produced 65.7 percent of all steel ingots produced in the United States.

[8] *United States* v. *U. S. Steel Corporation* (251 U. S. 438, 439 (1920)). The quoted statement had appeared first in the minority opinion of the circuit court in 1915 and was approvingly reproduced by the Supreme Court. The Court nevertheless denied the Government's plea for dissolution of the company. The chief reason for the denial was that the "combination of combinations" had not achieved a monopoly "in and of itself," as was proved by the fact that the company had still to resort to price-fixing agreements with the remaining competitors in order to accomplish effective restraints. The Court did nothing about these agreements in restraint of trade, because the prosecution had not alleged conspiracy but had confined its charges to monopoly and restraint attempted through corporate mergers.

[9] Burns, op. cit., p. 283; also Fetter, op. cit., p. 149.

[10] The extra is "a special addition (or sometimes a deduction) for quantities or specifications (i. e., size, gage, chemical composition, physical characteristics, inspection, etc.) other than the standard quantities and specifications to which the base price applies." Daugherty, De Chazeau, and Stratton, op cit., p. 208.

[11] Daugherty, De Chazeau, and Stratton, op. cit., p. 540.

[12] According to the NRA Code there are 54 products of the industry, which are grouped by classes (based on the United States Census of Manufactures) as follows:

	Products
Pig iron and ferro alloys	9
Unrolled steel	2
Semifinished rolled products	3
Finished rolled products	21
Manufactures from rolling mill products	19

Professor De Chazeau (op. cit., pp. 45–46) distinguishes, for purposes of analysis of the industry's distribution system, four major classes of steel products (apart from merchant pig iron): Semifinished steel (e. g., ingots, blooms, billets, slabs, sheet, and tinplate bars); finished rolled steel (e. g., wire rods, skelp, certain sheets, especially galvanized sheets); finished rolled products (e. g., plates, shapes, bars, sheets, strip); further-finished steel (e. g., tubes and pipe, wire and wire products, tin plate).

[13] In 1929, the fully integrated companies (from pig iron to the finished steel product) had 86 percent of the pig-iron capacity, 91 percent of the steel-making capacity, and 82 percent of the finished hot-rolled product capacity in the United States. This left 14 percent of the pig-iron capacity to the merchant furnaces, which sold their product chiefly to the semiintegrated companies. For detailed data see Daugherty, De Chazeau, and Stratton, op. cit., p. 21, from where the following tabulation of the distribution of capacity is taken:

	Number of companies	Number of establishments	Capacity for—		
			Pig iron	Steel	Finished hot-rolled products
			Per cent	*Per cent*	*Per cent*
Fully integrated	22	69	86	91	82
Semi-integrated	56	168	------	9	8
Nonintegrated	94	97	------	------	10
Merchant furnace	41	55	14	------	------
Total	213	389	100	100	100

iron into the basing-point system practiced by the entire industry. They succeeded at last with Government help. The regulations of the Code of Fair Competition under the NRA in 1933 forced the application of the pricing practice to pig iron. For several years after the NRA, pig iron continued to be sold under the basing-point system.

Exceptions not of particular groups of products but rather of particular destinations seem to have been permitted, at certain times at least. One of the destinations was Detroit, the location of the Ford Co. and other automobile producers, who were consumers of vast quantities of steel. It appears that "arbitrary delivered prices to Detroit, Mich.," were accepted by the industry as legitimate deviations from the basing-point practice of pricing.[14] Another exception refers to a part of the output in plates, shapes, and bars produced in the Alabama mills of the United States Steel Corp., which, from 1908 on, was sold on a Birmingham-plus basis. This made it possible to claim that the actual pricing plan "was not a single but a dual * * * basing-point system."[15] The bulk of steel sales, however, were on the Pittsburgh basis.

Observance without formal agreements

Apart from the few exceptions, the observance of the Pittsburgh-plus system in the pricing of tonnage steel was amazingly strict. Only two serious breaks were reported for the first 20 years of its operation, one in 1909, the other in 1911–12, when underutilized Chicago steel mills tried to establish Chicago as a separate basing point. Energetic action by the United States Steel Corp. succeeded in restoring the rule of Pittsburgh plus within 60 days in the one case, within 6 months in the other.[16] During the First World War, in 1917, the War Industries Board ordered a Chicago base for pricing steel, but after 10 months this order was rescinded by the Board upon suggestion of one of its members, Mr. Gary, president of the United States Steel Corp.[17] With this exception, the single or dual basing-point system operated perfectly and without any break or challenge from 1912 to 1920. The mutual understanding among the competitors was perfect—no evidence that any formal price agreements existed during this period was detected. During this entire period the antitrust suit of the Government against the United States Steel Corp. was pending, ending in 1920 with the dismissal of the suit. The suit had charged monopolization through merger, but had not included any charges of conspiracy or price fixing. In any event, the circuit court had found in 1915 "that the iron and steel trade in the various products of the steel corporation is and has been open, competitive, and uncontrolled, and that all engaged therein have free will control in selling at their own prices."[18] Likewise, proving again that even the keenest legal minds may be singularly ill-adapted for understanding economic relationships, the Supreme Court in 1920 found that "since 1911 no act in violation of law can be established" against the corporation.[19]

The end of the single basing-point system

In 1920 Chicago mills, suffering from underutilized capacity, again broke away from the Pittsburgh-plus and established Chicago base prices for plates, shapes, and bars. In the same year the Federal Trade Commission, having received protests of western steel consumers, began investigations and, in 1921, issued a complaint against the United States Steel Corp. Hearings were held before the Federal Trade Commission and testimony from several protesting consumer organizations and, regarding the price theory involved, testimony from three economists was received.[20] In July 1924 the Federal Trade Commission issued an order to the corporation and its subsidiaries to cease and desist from the Pittsburgh-plus practice. In the language of the Commission, the firms were ordered to cease and desist "from quoting for sale or selling * * * their said rolled-steel products upon any other basing point than that where the products are manufactured or from which they are shipped."[21]

Although the United States Steel Corp. did not admit the validity of the order, it filed a statement of compliance promising to obey the order "insofar as it is practicable to do so." The effect was an increase in the number of basing points, transforming the pricing practice from a single basing-point system definitely into a multiple basing-point system. Always anxious to stress the "natural evolution" of the basing-point system, the corporation stated that the order of the Federal Trade Commission merely "accelerated" the establishment of additional basing points.[22] In any case, immediate results upon delivered prices of steel—sharp reductions, especially in points west and south of Pittsburgh—were remarkable, even where the newly announced base prices substantially exceeded the Pittsburgh base prices. The "overnight effects" were strongly felt and welcomed by midwestern and northern fabricators, but particularly in the Birmingham and Duluth districts.[23]

The multiple-basing-point system: Under the multiple-basing-point system of pricing, delivered prices for any consuming point are calculated by ascertaining the cheapest combination of base price plus railroad freight charge. If all basing points had the same base prices, the "applicable basing point" would be always the one closest to the destination. Where differentials exist between prices at different basing points, the "applicable basing point" is the one for which the sum of base price and freight charge is the smallest. As a rule, although not always, the announcement of additional basing points reduces delivered prices to some consumers, but the main features of the pricing scheme are the same under the multiple-basing-point system as under the single basing-point system: Prices continue to be based in many instances upon an "other basing point than that where the products are manufactured"—which is in violation of the Commission's order; there continue to be non-basing-point mills computing delivered prices which include freight charges that no one incurred; competition continues to take the form of incurring unnecessary freight costs rather than reducing prices to consumers; and, last but not least, it continues to be true that any competitor knows in advance the delivered price which all others will charge to any particular consumer in the country.

Nevertheless, the Federal Trade Commission made no attempts to enforce its order. Even the announcement of new basing points proceeded only slowly. The Commission's order did not apply to steel producers other than the subsidiaries of the United States Steel Corp. and, apart from the Bethlehem Steel Co., which in 1927 announced a few additional basing points in the East,[24] there was hardly any competitive increase in basing points.[25]

Enforcement of the system by NRA

The great depression brought some defection from the industry's pricing system. Secret price concessions disturbed the scheme of identical delivered prices. This outbreak of price competition was stopped through the use of governmental power in 1932, delegated to the large steel producers on the theory of industrial self-government under the National Industrial Recovery Act.

The regulations of the NRA code of fair competition restored the rule of the basing-point system of pricing and probably made it more absolute than it had ever been. The officers of the Iron and Steel Institute became officers of the Code Authority, empowered to administer, adjudicate, and enforce the provisions of the code.[26] All the hitherto secret and quasi-voluntary rules of price making in the industry became now public and compulsory. Compliance was ensured because the code authority could enforce its regulations and determinations by means of prohibitive fines. Price concessions, such as the failure to collect the higher railroad freight where cheaper water transportation was actually used, were punishable. Producers were to be fined at the rate of $10 per ton for selling at prices which were at variance with those calculated on the basis of the

[14] The phrase "arbitrary delivered prices to Detroit, Mich.," is quoted from an announcement of the Republic Steel Corp. listing the "basing points announced to August 1 1938."

[15] *U. S. Steel Corporation et al.* v. *Federal Trade Commission*, in the U. S. Circuit Court of Appeals, brief for the respondent (Federal Trade Commission, July 10, 1948), pp. 6, 7.

[16] Daugherty, De Chazeau, and Stratton (op. cit., p. 540).

[17] Fetter, (op. cit., p. 15).

[18] *United States* v. *U. S. Steel Corporation* (223 Fed. 82 (1915)).

[19] *United States* v. *U. S. Steel Corporation* (251 U. S. 417, 451 (1920)).

[20] Fetter, op. cit., p. 158. The three economists were Profs. Frank A. Fetter, of Princeton; John R. Commons, of Wisconsin; and William Z. Ripley, of Harvard. All three strongly criticized the economic theories which counsel for the United States Steel Corp. had presented.

[21] United States before the Federal Trade Commission in the matter of United States Steel Corp. Docket No. 760, Order to cease and desist.

[22] United States Steel Corp., TNEC Papers, vol. III, The Basing-Point Method of Quoting Delivered Prices in the Steel Industry (New York, 1940), p. 18. Published also as exhibit No. 1418 in Hearings before the Temporary National Economic Committee, pt. 27 (Washington, 1940), p. 14631. The corporation stressed the previous existence of the Birmingham and Chicago bases and other temporary deviations from the Pittsburgh-plus.

[23] Fetter, op. cit., pp. 158–160.

[24] Fetter (op. cit., p. 162).

[25] When a new basing point was established it usually did not apply to all steel products but only to those specifically named. By 1934, under the NRA code, the maximum number of basing points for any one steel product was 11; there were still steel products sold on the basis of a single basing point; the average number of basing points for 32 different steel products was 4.6. See Federal Trade Commission, the Practices of the Steel Industry under the code (Washington, 1934), p. 17.

For a significant evaluation the number of basing points for particular products should be compared with the number of points of actual production, or the percentage of total capacity located at basing points (i. e., within the switching limits of the railroad terminal from which freight is calculated) should be stated. For example, in 1934, located at basing points were mills representing the following percentages of the total capacity of the country: for sheets, 6.3 percent; plates, 24.7 percent; hot-rolled strip, 11.8 percent; cold-rolled strip, 21.8 percent; tin plate, 10.6 percent; of any steel product the highest was for sheet and tin-plate bars, 33.5 percent (which means that 63.5 percent of the productive capacity in these bars was not located at basing points). See Daugherty, De Chazeau, and Stratton (op. cit., p. 710).

[26] Daugherty, De Chazeau, and Stratton (op. cit., p. 1080). See also Hearings before the TNEC, pt. 27, p. 14232 ff.

correct base price, the correct extras, and the correct freight charges from the applicable basing point to the point of destination. Correct freight charges in this context does not mean actually incurred charges or even charges that would be incurred if the product were actually shipped from the basing point; instead, it means the freight charges approved and published by the Iron and Steel Institute. A special committee of traffic managers had been set up to aid in the calculation and compilation of the freight rates to be used. This official freight tariff together with the book of extras was a safeguard against errors in the computation of the identical prices for all specifications and all destinations.[27]

Continued observance of the rules

When the NRA was declared unconstitutional in 1935, and the period of official self-government of industry was thus ended, the pricing practice of the steel industry continued in undisturbed and effective operation. The formal rules for the determination and maintenance of steel prices had to be abandoned or, more correctly, to be made informal, just as they had been before the NRA. The apparatus of combination, no longer legalized, had to go underground again. But the codification of the industry's pricing rules under the NRA was undoubtedly a most valuable aid to their general observance in the years after NRA's passing.[28]

During 1938 there was another slight increase in the number of basing points in the eastern United States. The new basing points were announced by Bethlehem Steel Corp., and the new base prices reduced the prices of some products in the territories concerned. I have learned from reliable quarters that this action was related to an expectation of an antitrust prosecution and a congressional investigation.[29]

All through the years—before and after the NRA days—the steel industry maintained the fiction that the basing-point system was perfectly legal as long as its observance was not based on agreement. The United States Steel Corp. had complied only with the first paragraph of the 1924 order of the Federal Trade Commission, forbidding Pittsburgh-plus pricing. It continually ignored the rest of the order, particularly the prohibition from pricing upon any other basing point than that where the products are manufactured or from which they are shipped. Yet, for 14 years after the issuance of the order, no action was taken either by the corporation to appeal the order or by the Commission to enforce it.

Court action and inaction

In March 1938, an amendment to the Federal Trade Commission Act provided that every order of the Commission should become final, and its violations punishable, unless a petition for review was filed in the circuit court of appeals. This new provision of the law forced the United States Steel Corp. to file, in May 1938, a petition for review, asking the court to set aside the 1924 order of the Federal Trade Commission.

Neither the corporation nor the Commission was anxious to press the decision of the case. The Commission had started its case against the cement industry and it appeared possible that a decision of this case would provide a basis for settlement of the steel case.[30] The case was therefore delayed by agreement of the parties. The beginning of World War II was another reason for agreeing to repeated extensions. Minor moves were made between 1943 and 1945. In 1946, apparently as a result of Supreme Court decisions in the basing-point cases of the glucose (corn derivatives) industry,[31] the United States Steel Corp. filed a petition for a clarification of the order under review, by which the issues in question were substantially narrowed.

The United States Steel Corp. had interpreted the decisions in the glucose cases as condemning as an unlawful discrimination any methods of pricing under which, as under the single basing-point system, "delivered prices are artificially * * * increased" by the inclusion of phantom freight charges.[32] According to this narrow interpretation, it would remain lawful to use a system under which delivered prices are reduced through freight absorption, such reductions being "made in good faith to meet competition." The corporation asked the court to modify the order of the Federal Trade Commission in such manner as to eliminate any prohibitions of the practice of freight absorption, that is, in the words of the corporation, the practice "of reducing delivered prices in good faith to meet competition."[33]

The answer to this came indirectly through the Supreme Court decision of the second Cement case in April 1948. The Court condemned systematic freight absorption along with systematic phantom freight charges under a collusive scheme as unlawful discrimination in violation of the Clayton Act and as unfair competition in violation of the Federal Trade Commission Act.

Discontinuance of the system, temporary or permanent

It was only the United States Steel Corp. and its steel-producing subsidiaries which were ordered by the Federal Trade Commission in 1924 to cease and desist from using the basing-point system of pricing. In 1947 the Commission issued a complaint against the American Iron and Steel Institute and 101 firms in the steel industry. The complaint charged the firms with having followed "a planned common and cooperative course of action in their * * * use of basing-point practices" and having engaged in "combination, agreements, and understandings" which have restrained competition and "constitute unfair methods of competition" in violation of the Federal Trade Commission Act.

In the middle of 1948, after the Supreme Court decision of the Cement case and a circuit court decision of the so-called Rigid Steel Conduit case,[34] both condemning the basing-point system as unlawful, the steel industry was expecting another cease-and-desist order of the Federal Trade Commission as well as a circuit court decision confirming the 1924 order.

The industry did not give up its legal battle against the Federal Trade Commission and continued to insist before the Commission as well as before the court that its basing-point system was lawful.[35] At the same time, however, it discontinued using the basing-point system and started selling steel on an f. o. b. mill basis, explaining this action by pointing to the fact that the system had been declared unlawful.

This decision of the steel industry apparently was part of a grand strategy for taking the case to Congress to obtain special legislation. The chief plan was to make the f. o. b. mill pricing system highly unpopular and influence press and public opinion against it. "It is * * * likely that steel customers after they see such a system will try to get legislation to make the multiple-basing-point system in steel legal," stated an editorial writer in the trade journal of the steel industry.[36] The steel customers were to be mobilized, first of all, by an increase in delivered prices which the steel producers blamed on the f. o. b. mill price system—alleged to be compulsory—while, in reality, most of it was due to a concealed price increase by the industry. A very simple trick was used for this purpose. Under the basing-point system, with freights absorbed on shipments to distant destinations, the average mill net price realized from all sales is always below the base price announced by a basing-point mill. If the transition from the basing-point to the uniform f. o. b. mill system of pricing were to be made without increasing the average mill net price, this average mill net price would have to become the uniform f. o. b. mill price. To set the f. o. b. mill price, instead, at the level of the former base price was to raise prices quite deliberately and was by no means a necessary consequence of the transition to the uniform f. o. b. mill price system. It was an attempt to deceive the consumers by telling them that freight absorption was unlawful and that delivered prices were therefore necessarily higher than before. No wonder that irate consumers wrote letters to editors, Congressmen, and Senators, complaining about the new system which made them pay prices higher than before and higher than competitors served by nearby mills were paying.

Price increases, price differences between competitors buying their steel from mills of different distance, threats to move plants to another location more favored by the new system, stories of a costly and wasteful relocation of entire industries, and similar news items are preparing public opinion for the campaign. If Congress is willing, the steel industry will return to the pricing system which, thanks to the slowness with which the mills of the courts are grinding, it had been using for almost half a century.

BASING-POINT PRICING IN CEMENT

As a case history in basing-point pricing, the cement industry is second only to the steel industry—second certainly in chronological sequence and also in its importance in the American economy. The influence of economic theorizing upon juridical judgment was probably more significant in the cement case than it was in steel.

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[27] Daugherty, De Chazeau, and Stratton, in the summary of their findings on the operations under the code, say: "In all its actions, it appears that the code authority directed its efforts solely to the perfection of its price controls" (op. cit., p. 1095), and "price stabilization, insofar as it may be attained through price control, was probably more adequately provided for in the code than at any other time in the history of steel industry" (op. cit., pp. 1079–80).

[28] Certain commercial resolutions of the board of directors of the Iron and Steel Institute were submitted by the Federal Trade Commission to the Temporary National Economic Committee as evidence that the rules of the NRA Code had been continued in effect and from time to time even supplemented and amended. Hearings before the TNEC, part 27 (Washington, 1941), pp. 14232 ff. and 14434–36.

[29] It will be understood that this statement cannot be documented.

[30] *U. S. Steel Corporation* v. *Federal Trade Commission*, in the U. S. Circuit Court of Appeals, brief for the respondent (Federal Trade Commission, July 1948), pp. 3–4.

[31] See below, p. 88.

[32] *U. S. Steel Corporation* v. *Federal Trade Commission*, in the Circuit Court of Appeals, Brief for Petitioners, pp. 32–33.

[33] Ibid., p. 86.

[34] *Triangle Conduit & Cable Co.* v. *Federal Trade Commission* (168 F. 2d 175 (1948)).

[35] In October 1948, United States Steel Corp. consented to the entry by the circuit court of appeals of a "decree of affirmance and enforcement" of the cease-and-desist order issued by the Federal Trade Commission in July 1924. The Corporation consented to the termination of this case, which was begun in April 1921, partly in view of the other proceedings still pending before the Federal Trade Commission.

[36] The Iron Age, July 1, 1948, p. 119.

Introduction of the system

There is testimony in the case to the effect that "up until the end of 1902" cement producers sold at f. o. b. mill prices.[37] It is a matter of record that the Association of American Portland Cement Manufacturers was formed in the latter part of 1902. It is known that in 1901 the United States Steel Corp. had acquired with the Illinois Steel Co. two cement plants.[38] And it is established that the cement department of this subsidiary of the United States Steel Corp. participated in the association meetings, discussing plans to "give stability to the market" and "where necessary to stop competition." [39] This combination of facts suggests a very simple explanation of the ways and means by which the basing-point system of pricing was introduced in the cement industry. It also reflects upon the credulity of learned men who later wrote scholarly discourses about the possibility of the system having emerged from the "natural evolution" of competitive forces.

Cartelization aided by concentration

There is nothing "natural" in developments of this type, unless one chooses to call cartelization—that is, combination in restraint of trade—a natural evolution, something that "just happens" or "grows" under the compulsion of impersonal forces.

As in other industries, cartelization in the cement industry was effectively aided by concentration. Agreements, understandings, and especially observance of understandings, are difficult to achieve in an industry which consists of a large number of independent small firms. Occasional or periodic disaffection of members can hardly be avoided in such industries. Mergers are the most reliable cure in these situations; the cure was applied to the cement industry until the degree of concentration was high enough to secure "leadership" and safe followership. The merger-born Universal Atlas Cement Co.—a subsidiary of the United States Steel Corp.—became the largest firm in the industry, and in 1937 the five largest firms controlled over 39 percent of the total capacity of the industry.[40] Some of the mergers had come about when larger companies acquired small firms that had been too independent in their price quotations and undercut the basing-point prices of the leaders.[41]

Besides mergers, a considerable degree of community of interest—common ownership—and interlocking directorates increased the "potential power of coordination" among the members of the industry, which "would substantially facilitate any common purpose or effort." [42]

Bogus patent license agreements

Although cement producers cannot claim the credit of having invented the basing-point system of pricing, they exhibited much originality in couching some of the early agreements in the form of license contracts under fictitious patent claims. The Association of Licensed Cement Manufacturers, active from 1907 to 1911, had articles of agreement which bound the members to observe certain agreed prices calculated by use of the basing-point system.[43]

These bogus patent claims were disallowed by the district court in 1910, and by the circuit court in 1912, and the Association was dissolved. Other trade associations of the cement industry, however, continued to promote effectively the cooperative and concerted actions on prices. The Association of American Portland Cement Manufacturers, whose name was shortened (about 1915) to Portland Cement Association, was always busily concerned with the establishment of uniform and noncompetitive sales and marketing policies.[44] Its work was paralleled by regional trade associations, of which the Cement Manufacturers' Protective Association, representing the cement producers in the northeastern United States from 1916 to 1924, was most prominent as the principal defendant in the first cement case, one of the earlier court cases concerned with the basing-point system of pricing.

The first cement case

In 1921 and 1923, the Justice Department obtained judgments against two price-fixing trade associations in other industries. The Supreme Court found that the activities of the Hardwood Lumber Association [45] and of the Linseed Oil Association [46] constituted unlawful restraints of trade. The former was a basing-point price cartel, the latter a zone-price cartel. Both were so-called open-price associations, in which members cooperated by announcing the prices they would quote and maintain until after further notice; by reporting sales, sales prices, and the way they were calculated; and by calculating them consistently through adding fixed freight rates or fixed zone differentials, respectively, to the fixed base prices.[47] The Supreme Court stated that the "open competition plan" was "essentially, simply an expansion of the gentlemen's agreement of former days, skillfully devised to evade the law." [48] On the basis of these opinions a District Court in 1923 decided that the Cement Manufacturers' Protective Association was also an unlawful combination in restraint of trade.

In its appeal to the Supreme Court, the Cement Association attempted to prove that the uniformity of delivered prices was merely the result of perfect competition, that the method of calculating delivered prices had been an established trade practice before the organization of the trade association, and that all freight rates furnished by the association to its members were the actual rates between actual points of shipment and delivery.[49] The Government failed to correct this garbled presentation of facts, did not use any economists to testify on the economic issues of the case, and did not submit either any direct evidence of collusive actions of the members of the association or any arguments to show that the observance of the basing-point system indicated the presence of concerted action.

The Supreme Court was persuaded by the garbled facts and by the weight of the economic argument presented by the defense. One economist, appearing as witness for the trade association,[50] had testified about the classical theory of the uniform market price and extended the theory (without opposition) to the basing-point system of identical delivered prices. The opinion of the Supreme Court then stated that "a great volume of testimony was also given by distinguished economists in support of the thesis that in the case of a standardized product sold wholesale to fully informed professional buyers, as were the dealers in cement, uniformity of price will inevitably result from active, free, and unrestrained competition." [51] The Court concluded that the use of basing-point systems was "the natural result of the development of the business without certain defined geographical areas. * * * The basing point is an essential element in making a delivered price, since selling by any particular manufacturer at the lowest of the delivered prices computed from several basing points is a necessary procedure in competing in the sale of cement." [52] The Court held that the activities of the Cement Association had been legal, inasmuch as the Government had not charged that there had been an agreement to utilize the basing-point system as a means of fixing prices. The Court said: "But here the Government does not rely upon agreement or understanding, and this record wholly fails to establish, either directly or by inference, any concerted action other than that involved in the gathering and dissemination of pertinent information with respect to the sale and distribution of cement." [53]

Thus, in 1925, the multiple-basing-point system in the cement industry was in effect sanctioned by the Supreme Court. That the decision rested largely on unrefuted misrepresentations did not change the fact that it had far-reaching, perhaps irreparable consequences upon industrial price making in the American economy.[54]

Code of ethics in cement

In 1929 the Cement Institute, another collective instrument of the cement industry, became active. Its members agreed on a code of ethics "for the government of the members." One of the articles stated that it was among the code's principles "to approve and encourage sound and fair trade practices in business and to condemn and prevent bad and unfair practices. To that end competition should be open and constructive, not secret and destructive." [55] Price competition

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[37] United States before the Federal Trade Commission in the matter of the Cement Institute et al., Docket No. 3167; brief in support of the complaint, 1941, pt. II, p. 82.

[38] In 1906 the Universal Portland Cement Co. was incorporated as a separate subsidiary of the United States Steel Corp. The latter expanded its holdings in the cement industry substantially in 1929, when it acquired also the Atlas Portland Cement Co., and merged it, in 1930, with Universal. (See Fetter, op. cit., p. 239.)

[39] United States before the Federal Trade Commission in the matter of the Cement Institute et al., Docket No. 3167; brief in support of the complaint, pt. II, p. 14.

[40] Ibid., p. 2.

[41] Burns, op. cit., p. 356.

[42] United States before the Federal Trade Commission in the matter of the Cement Institute et al.; brief in support of the complaint, pt. II, p. 3.

[43] Ibid., p. 8. It was only many years later that the conclusion of cartel arrangements in the form of patent license agreements became fashionable.

[44] Ibid., p. 7.

[45] *Hardwood Lumber Association* v. *United States* (257 U. S. 377 (1921)).

[46] *United States* v. *American Linseed Oil Co. et al.* (262 U. S. 371 (1923)).

[47] Fetter, op. cit., pp. 221–30.

[48] *Hardwood Lumber Association* v. *United States* (257 U. S. 377, 411 (1921)).

[49] Fetter, op. cit., pp. 237–38.

[50] Prof. Thomas S. Adams of Yale University.

[51] *Cement Manufacturers' Protective Association* v. *United States* (268 U. S. 588, 605, 606 (1925)). The plural number in the reference to the distinguished economists was one of the obvious errors of fact that appeared in the Court opinion. I suspect that Justice Stone, who delivered the Court's opinion, mistook the quotation from 17 economic authorities on price theory which Adams gave in support of his thesis for testimony of these distinguished economists.

[52] 268 U. S. 588, 598.

[53] 268 U. S. 588, 606.

[54] Trade Associations mushroomed in the country. The Federal Trade Commission published in 1929 a report on Open Price Associations, covering over 1,100 associations. As Professor Fetter points out, the "dissemination of information" by trade associations in conjunction with a pricing scheme such as the basing-point system engenders concerted action of competitors. Op. cit., p. 242.

[55] The Cement Institute Code of Ethics. Federal Trade Commission Ex. 138–N–V. Docket No. 3167. Reproduced as appendix B of the brief on behalf of the Cement Institute.

was obviously condemned as "bad and unfair," while the basing-point system of quoting identical delivered prices was the "sound and fair" trade practices "approved and encouraged" by the members of the institute. Practically all producers of cement in the United States belonged to the institute; to be exact, the members possessed 98 percent of the total productive capacity in the country.

Among the significant provisions of the code of ethics were condemnations of any practices by which sellers might enable customers to circumvent the pricing scheme of the basing-point system. No seller must permit truck deliveries, since this might reduce the destination cost to the buyer. No seller must permit diversion of carload shipments of cement to destinations for which the delivered price should be higher than at the destination first ordered.

The Cement Institute maintained a freight rate service, publishing and distributing freight rate books for the use of its members. Officially, in the defense of the second cement case, it was contended that the books were merely designed to give members accurate information about freight costs. But, first of all, the members could rarely learn from the books their actual freight costs inasmuch as the listed freight charges were not from the points of shipment but from the established basing points to the destination points for which the particular basing point was to be applied. And secondly, the listed freight charges were not always accurate even between basing points and destinations, but had to be used by members even if they knew that certain freight rates had been changed. The real objective of the books was to enable all competitors to use the identical rates in calculating the delivered prices which they were supposed to quote. This was especially conspicuous in instances where cheaper means of transportation, such as water transportation, were available, but nevertheless only the railroad rates listed in the book were to be used for making price quotations. For sales to the Government, which paid to the railroads reduced land-grant rates that could not be reliably figured out in advance, the rules of the institute provided for the use of arbitrary (though approximate) rates in the calculation of the so-called destination cost of cement. These rates were not only not accurate but often had the result that parts of the savings due to the cheaper land-grant rates were transferred from the Government to the cement producers.[56] This refined treatment of the freight factor to be used in bidding for Government contracts was developed only in the latter part of the NRA period.

The NRA code

When the NRA was established in 1933, the trustees of the Cement Institute became the Code Authority of the cement industry. In the 2 preceding years there had been occasional breaches of the pricing rules and of the Code of Ethics by order-hungry producers under the pressure of the depression. The Code of Fair Competition now took over where the Code of Ethics had left off, but the enforcement power of the Government was obviously stronger than that of an informal cartel that had to rely on ethics and moral suasion (i. e., intimidation) backed by the financial strength of the leaders.

Many of the earlier practices of the industry were perfected under the NRA code. For example, an obligatory waiting period of 5 days before any announced changes in base prices would become effective was now reinforced by sanctions. And an elaborate system of filing and exchanging the delivered price quotations of the firms was developed. During the code period, cement producers "filed and exchanged among themselves information as to the correct delivered price quotations for some 60,000 destinations. The basing-point system works efficiently enough without this refinement of cooperative exchange of the final figure in the basing-point formula." [57] But this practice of mutually checking the results of the "independent" price calculations was obviously designed to safeguard against mistakes and make sure that there could be no exceptions to the identity of the prices quoted by the competing firms.

Other significant NRA code provisions were designed to prevent the making of price quotations if the point of delivery was not definitely specified, to prevent diversion of shipments from one destination to another, and to prevent any portion of cement delivered for any particular construction job from being switched to another. When too much cement had been ordered for a certain job, the excess order had to be canceled; and buyers had to agree in advance that they would pay any difference in price if they were to use any unused portions of a shipment at a different place.[58]

The compendium

The NRA passed away in May 1935 but the Code of Fair Competition was continued on a voluntary basis. In December 1935 the Cement Institute published a so-called Compendium of Established Terms and Marketing Methods, codifying the established rules and trade practices of the industry. They were largely the same as they had been in the Code of Ethics and in the Code of Fair Competition. In other words, the multiple basing-point system continued in force, all delivered prices to be calculated from the base price set for the governing basing point and the freight factor set for the destination point. Thus, price competition continued to be absent in the calculation of delivered prices. And that price competition was absent also in the determination of base prices is well illustrated by the fact that base prices remained rigid from January 1933 to June 1938.[59]

As in the previous codes, the cement producers were also barred from competing through different ways of wrapping and shipping their product or through making different charges or allowances for cement bags. (It was against the rules of the Compendium, for example, to grant allowances for cloth sacks when they were not returned in good order.) And as before—indeed, since 1904—quality competition was excluded through the adoption of standardized minimum specifications and the practice of not accepting specifications calling for better qualities.[60]

The number of basing points remained fairly stable. During 1921–31 there were 69 basing points in the United States; at some of the basing points several mills were located. In 1930, of 166 mills in operation 80 were non-basing-point mills.[61] In 1937, there were 79 basing-point mills and 86 non-basing-point mills; there were eight additional basing points, at which no mills were located.[62]

It will be noted that the number of basing points for cement was much greater than for steel. This did not indicate a higher degree of competition in cement, but was merely the consequence of the fact that cement weighs so much more than steel in relation to its value. The high weight per dollar, or the low value per ton, makes it impossible to ship cement over as long distances as steel. This necessitates a larger number of basing points. Incidentally, while the multiple-basing-point system was used for cement shipments in most of the United States, a zone-price system was practiced in certain parts of California.

The second cement case

In 1937, the Federal Trade Commission issued a complaint against the Cement Institute and 74 cement companies. After years of proceedings, which included much testimony as to the facts as well as to the economic issues involved—this time a number of academic economists were called as expert witnesses [63]—the Commission in July 1943, issued a cease-and-desist order.

The Cement Institute and the companies appealed (i. e., "petitioned for review") to the circuit court of appeals, which in 1946 decreed to "set aside" the cease-and-desist order of the Federal Trade Commission.[64] The Commission appealed to the Supreme Court, which in April 1948, reversed the judgment of the circuit court and sustained the Commission's order.[65]

There had been two counts in the complaint of the Commission. The first charged unfair competition in violation of the Federal Trade Commission Act; the other, systematic price discrimination injurious to competition in violation of the Clayton Act. The unfair competition in this case consisted in conduct which restrained competition in the sale of cement through combinations, understandings, and agreements to employ a muliple basing-point system of pricing. In the words of the Supreme Court, "conduct tending to restrain trade is an unfair method of competition even though the selfsame conduct may also violate the Sherman Act." [66] The price discrimination charged in the second count consisted in the varying mill net prices received from different sales through the collection of freight differentials bearing "no relation to the actual cost of delivery," with the general effect that competition was substantially lessened. On both counts the Commission was sustained.

The Court contrasted the old cement case, decided in 1925, with the present one. Although the trade practices in question may have been the same, the issues were different. In the former case the Government had neither charged nor proved agreements or collusion; now the Commission charged and proved "the existence of a combination among respondents to employ the basing-point system for the purpose of selling at identical prices." [67] Moreover, under the Federal Trade Commission Act a practice may constitute unfair competition either because it "restrains free competition or is an incipient menace to it." Apart from the

[56] United States before Federal Trade Commission in the Matter of the Cement Institute et al. Brief in support of the complaint, pt. II, pp. 140–156.

[57] *Aetna Portland Cement Company* v. *Federal Trade Commission*, in the circuit court of appeals, brief for the respondent (Federal Trade Commission, 1946), p. 219.

[58] United States before the Federal Trade Commission, in the Matter of the Cement Institute, Docket No. 3167, findings as to the facts, order of July 17, 1943, p. 80.

[59] Ibid., p. 98.

[60] United States before the Federal Trade Commission, in the Matter of the Cement Institute et al. Docket No. 3167. Brief in support of the complaint, pt. II, pp. 414–22.

[61] Burns, op. cit., 319.

[62] United States before the Federal Trade Commission, in the Matter of the Cement Institute et al. Docket No. 3167. Brief in support of the complaint, pt. II, p. 36.

[63] See below.

[64] *Aetna Portland Cement Company* v. *Federal Trade Commission* (157 F. 2d 533 (1946)).

[65] *Federal Trade Commission* v. *The Cement Institute* (333 U. S. 683 (1948), 68 S. Ct. 793).

[66] 333 U. S. 683 (1948), 68 S. Ct. 793, 800. In other words, the conduct may at the some time violate the Federal Trade Commission Act and the Sherman Act.

[67] 333 U. S. 683 (1948), 68 S. Ct. 793, 807.

sufficiency of the evidence of the existence of understandings to reduce competition, "it is enough to warrant a finding of a 'combination' within the meaning of the Sherman Act if there is evidence that persons, with knowledge that concerted action was contemplated and invited, give adherence to and then participate in a scheme." [68]

The Court rejected the contention that price discrimination inherent in systematic freight absorptions is lawful as a price reduction "made in good faith to meet an equally low price of a competitor." This provision of section 2 (b) of the Clayton Act, as amended, bears, according to the Court, only on "individual competitive situations, rather than upon a general system of competition." The discriminations under the pricing system of the cement industry "substantially lessened competition" and "were not made in good faith to meet a competitor's price." [69]

Strategic retreat

On July 1, 1948, the Universal Atlas Cement Co. made the following announcement:

"Universal Atlas Cement Co. is abandoning on July 7 next the method of selling cement which it has used continuously for more than 40 years; namely, sales in the markets served by it at delivered prices as low as those quoted by any competitor. This step is made necessary by the recent decision of the United States Supreme Court sustaining a cease-and-desist order of the Federal Trade Commission against Universal Atlas and 73 other members of the cement industry. The order becomes effective on July 9, 1948. Accordingly, on July 7, Universal Atlas will adopt the method of selling cement at prices f. o. b. the shipping point, or, if the customer so desires, at delivered prices which reflect full transportation charges from shipping point to destination." [70]

Cement producers used the transition from basing-point pricing to f. o. b. mill pricing as an excuse for raising prices. This was possible because at the existing prices demand had been in excess of the existing producing capacity of the industry. Producers had, largely for political reasons, failed to raise prices to a competitive level, preferring to allocate their output arbitrarily through longer delivery terms. The forced abandonment of the basing-point system was then a welcome pretext for an increase in prices by making the previous base prices, instead of the average mill nets, into f. o. b. mill prices, thus suddenly shifting the previously absorbed freight charges to the consumers. In this respect, as in many others, the cement industry followed the example of the steel industry. This strategic way of complying with the Court decision was apparently designed not only to improve the sales receipts of the industry during the boom period, but also to incite customers to exert pressure upon Congress in favor of special legislation legalizing the basing-point system—so that it could be reintroduced in time to keep prices from receding when demand should shrink in a future period of stagnation.

BASING-POINT PRICING IN CORN PRODUCTS

Many of the industries in the United States which have used the basing-point system of pricing are more important than the corn products industry; more important in their contribution to the national product as well as in their strategic position in the economy. Nevertheless, this industry deserves a place in an historical account of the basing-point system. Its chief claim to fame is the valor and determination with which it has kept up its brave fight against the law of the land. It fought one bout after another against the United States; no sooner had it lost one than it renewed its persistent efforts to beat the antitrust laws. As some members of the industry put it, they "have been investigated and harassed by the Government" for many years, and they exclaim angrily: "There should be some end to litigation." [71]

Products of the industry

While few people know what corn products or corn derivatives really are, we may venture the guess that at least one of the products, in processed form, means more to every child than any other commodity sold under the basing-point system: There is hardly any sort of candy made in the United States that does not contain corn sirup as the chief sweetening ingredient. In addition, corn sirup is an important ingredient in jellies and jams.

The products of the industry are generally divided in the following categories: Corn sirups (or glucose), corn sugars, dextrines, starches, and corn oils.[72] How numerous and varied the uses of these products are is told by some of their producers in a legal document in a form more suitable for the information of a wider public than the tribunal of the Government to which it was addressed. They state in a document filed with the Federal Trade Commission [73] that—

"We find:

"Corn sirup in your baby's formula, in your canned fruit, and on your waffles.

"Dextrose in your bread, in your canned peaches, in your ice cream.

"Corn starch in your laundry, in your desserts, in your books.

"Corn oil on your salads, in your soap, in your shortbread.

"Corn feeds for dairy and poultry farms.

"Steepwater in the manufacture of penicillin and bakers' yeast.

"Dextrine in adhesives and plastics."

In the beginning was merger

Back in 1890 there was price competition in the industry. There were 23 different producers of starch and 7 of glucose. The merger movement then started and the number of independent competitors declined rapidly. The National Starch Manufacturing Co., a holding company, acquired control of almost 80 percent of the starch business, and the Glucose Sugar Refining Co. achieved a similar combination in the glucose industry. Both these companies as well as several still independent producers in the two industries were combined in 1902 in the Corn Products Co. Its successor, the Corn Products Refining Co., continued the mergers and succeeded in doing a perfect job in the glucose business; in 1906 it controlled 100 percent of it.[74]

New firms, however, entered the industry. When the Corn Products Refining Co. acquired one of the new companies, the Government in 1913 brought a suit under the Sherman Act. It obtained, in 1915, an interlocutory decree effecting a dissolution of the newest combination. In the final decree, in 1919, the Corn Products Refining Co. was declared to be a combination in restraint of trade and directed to dispose of certain of its properties.[75] The control it had achieved was nevertheless sufficient to allow it to dominate the markets for most of its products.[76]

Then came trade associations

When further combination through merger had been stopped by the Government, combination through agreements and trade associations was resorted to. The first trade association which the corn products producers organized was the Corn Derivatives Institute. After many years of fruitful activity in promoting the members' mutual interests in the sale of corn products, the institute and its members found themselves prosecuted for conspiracy to restrain trade and fix prices. In 1932, a consent decree dissolved the Corn Derivatives Institute and enjoined the members from continuing the combination and conspiracy.

Four new trade associations took the place of the dissolved one: the Corn Refiners Statistical Bureau, the Starch Manufacturers' Association, the Corn Oil Producers' Association, and the Syrup Mixers' Society. These associations maintained common headquarters and a common secretariat, and the membership lists were largely the same.

The role of the trade associations in the cooperative activities of the industry was probably not very different from that of other trade associations in industries producing standardized products. In this instance the Federal Trade Commission charged that the members met together at frequent intervals to discuss market conditions and prices; distributed daily sales reports and frequent reports on production, shipments, inventories, and current and future price quotations; agreed on credit terms, trade discounts, extra charges, allowances, and rules for booking advance orders; and maintained the common freight-rate service so useful in the calculation of identical delivered prices under the basing-point system.[77]

Single basing-point pricing

The basing-point system was employed only for the pricing of bulk goods, while packaged corn derivatives were sold largely under a zone-price system. It appears that for each of the bulk goods only a single basing point was in use, mostly Chicago. For example, refined corn oil (in bulk, not packaged) was quoted uniformly by all producers at delivered prices which were calculated by adding to a fixed quotation f. o. b. Chicago the rail freight from Chicago to the destination. Thus a producer not located at Chicago either absorbed some freight or collected "phantom freight," according as the freight from the actual point of shipment to the destination was higher or lower, respectively, than the freight from Chicago.

In order to prevent deviations from the correct delivered prices, producers, and distributors refused to quote or sell corn products at f. o. b. mill prices. They also refused to permit deliveries to buyers' trucks or to calculate delivered prices by adding truck or

[68] 333 U. S. 683 (1948), 68 S. Ct. 793, 811.

[69] 333 U. S. 683 (1948), 68 S. Ct. 793, 815.

[70] The United States Steel Quarterly (U. S. Steel Corp.), August 1948, p. 7.

[71] Motion to dismiss complaint, in the matter of Corn Products Refining Co. et al., before the Federal Trade Commission, Docket No. 5502, September 1948, pp. 4 and 6.

[72] From an enumeration by the Federal Trade Commission, contained in Docket No. 5502, we may take the following list of corn derivatives: Glucose, corn sirup unrefined, pearl starch, gloss starch, powdered starch, thin boiling starch, thick boiling starch, molding starch, cube starch, grits, refined grits, dextrine, dextrose, corn sugar, refined corn oil, unrefined corn oil, soapstock, refined corn sirup, mixed corn sirup, maple-flavored corn sirup. The following byproducts are listed by the Commission in Docket No. 3800: Gluten feed, corn oil, corn oil cake, and corn oil meal.

[73] Motion to dismiss complaint, In the Matter of Corn Products Refining Co. et al., before the Federal Trade Commission, Docket No. 5502, September 1948, p. 9.

[74] United States before Federal Trade Commission, in the matter of Corn Products Refining Co. et al., Docket No. 5502. Complaint, June 20, 1947.

[75] Ibid.

[76] In November 1922 the Federal Trade Commission issued a complaint, charging that Corn Products Refining Co. was unduly hindering competition in the table-sirup industry by dominating the market for glucose and table sirup, arbitrarily fixing prices, and pursuing practices having potentially the effect of ruining and eliminating its competitors. See Federal Trade Commission, Docket No. 927. This complaint was ordered dismissed on May 9, 1925.

[77] Federal Trade Commission, complaint, Docket No. 5502.

water-carrier rates that would result in lower quotations.[78]

Combined basing point and zone pricing

For the distribution of packaged corn products—a business of which Corn Products Refining Co., reportedly did 90 percent or more of the total—the country was divided into eight territories. For seven of these territories uniform zone prices, with slight differentials between them, were fixed. In one zone the single basing-point system was applied even to packaged products.

No official reason was given for the use of different pricing methods for bulk and packaged goods. But the explanation seems to be fairly simple. Packaged goods are destined largely for retail distribution through stores, and producers usually find it to their advantage to avoid competition among retailers and to insist on resale-price maintenance (which is legal for branded articles). Resale-price maintenance can be practiced only where prices are uniform throughout a larger territory, instead of varying from place to place according to their distance from an arbitrary basing point. Thus the use of zone prices seems preferable for the packaged business.

That a basing-point system was used for bulk deliveries and a zone-price system for most of the business in packaged goods is not of much relevance to the main points at issue: that the pricing systems involve a "identical delivered prices" regardless of the location of the mill from common and cooperative course of action enabling all competitors to which the products are shipped; and that these price identities in the face of freight differences involve price discrimination in favor of customers who are far away, and against customers who are nearby the producing mill, a discrimination inherent in this scheme to reduce competition.

Other forms of discrimination

The belief of the corn products industry in the advantages of discriminatory pricing seems to be strong. For not only geographic discrimination was commonly practiced in this industry but also discrimination in favor of large buyers. The latter type of discrimination was carried out by two methods. For deliveries in large containers, practicable only for large users of the products, price differentials were applied which were far in excess of the cost differentials. That is to say, buyers who took delivery in smaller containers had to pay prices which exceeded those for delivery in larger containers by amounts not commensurate with any cost differentials attributable to the differences in the size of the shipment. Another way of favoring large customers was through a discriminatory booking of advance orders in anticipation of price increases. Under this practice large firms went on paying lower prices long after small firms had to pay increased prices for corn derivatives.

All these forms of price discrimination were systematically practiced by all sellers in the industry. They were not due to occasional concessions made under pressure or under unusual circumstances; they were customary trade practices regularly observed by the industry.[79]

[78] Ibid.

[79] In addition to the discrimination through "container differentials" and "order entry differentials," the Corn Products Refining Co. practiced a third form of discrimination in favor of large customers: service discrimination. It spent substantial sums of money advertising the products of its biggest customers. See United States before the Federal Trade Commission in the matter of Corn Products Refining Co., brief of counsel for the Federal Trade Commission, July 30, 1941, Docket No. 3633.

Government action against the cartel

After preliminary investigations of their selling practices, the Federal Trade Commission in October 1938, issued a complaint against Corn Products Refining Co. and its sales subsidiary. This was followed in June 1939, by complaints against several other firms in the corn products industry. Hearings were held and, beginning in September 1940, a series of cease-and-desist orders was issued, ordering the firms to cease and desist from practicing price discrimination in the forms described.[80]

Two of the firms took the case to the circuit court of appeals. In a decision handed down in July 1944, the petition of Corn Product Refining Co. was denied, its pricing practices condemned as unlawful, and the order of the Federal Trade Commission confirmed.[81] The other petitioner, however, fared better. The A. E. Staley Manufacturing Co. had presented a defense not considered in the other case. Impressed by the fact that Staley "merely followed the system and practices which had been established by their competitors," the court held that the discrimination practiced by Staley was a case permitted by the excepting provisions of Section 2 (b) of the Clayton Act, as amended, of a "lower price * * * made in good faith to meet an equally low price of a competitor." The Commission's cease-and-desist order was therefore set aside.[82]

Supreme Court decisions condemn the system

Both cases were taken to the Supreme Court; Corn Products Refining Co. appealed the one case, the Federal Trade Commission the other. In April 1945, the Supreme Court decided both cases in favor of the Federal Trade Commission.

In the Corn Products case the Supreme Court sided with the circuit court in condemning all discriminatory practices: those inherent in the basing-point system as well as those involved in the advance booking of orders, volume discounts, and advertising allowances. The Court held that the price differentials under the basing-point system bear no relation to the differences in the actual cost of delivery and, therefore, are "systematic discriminations" prohibited by paragraph 2 (a) of the Clayton Act whenever they have the effect of reducing competition substantially.[83] In the Staley case the Court held that the excepting provision in paragraph 2 (b) "does not concern itself with pricing systems," but only with "individual competitive situations." Thus, the judgment of the circuit court was reversed and the Commission's order sustained.[84]

[80] The following orders were issued: Anheuser-Busch, Inc., September 25, 1940, Docket No. 3798; Penick and Ford, Ltd., November 29, 1940, Docket No. 3802; Union Starch & Refining Co., December 11, 1940, Docket No. 3804; American Maize-Products Co., March 15, 1941, Docket No. 3805; The Hubinger Co., April 3, 1941, Docket No. 3801; Clinton Co. and Clinton Sales Co., March 17, 1942, Docket No. 3800; Corn Products Refining Co. and Corn Products Sales Co., Inc., March 16, 1942, Docket No. 3633; A. E. Staley Manufacturing Co. and The Staley Sales Corp., June 10, 1942, Docket No. 3803.

[81] *Corn Products Refining Co.* v. *Federal Trade Commission* (144 F. 2d 211, 215 (1941)). On the price discrimination inherent in the basing-point system the judgment had this to say: "Systematic price discrimination is irreconcilable with free, active competition. It is not the kind of price competition found in a truly competitive market."

[82] *A. E. Staley Manufacturing Co.* v. *Federal Trade Commission* (144 F. 2d 221 (1944)).

[83] *Corn Products Refining Co.* v. *Federal Trade Commission* (324 U. S. 726 (1945)).

[84] *Federal Trade Commission* v. *A. E. Staley Manufacturing Co.* (324 U. S. 746 (1945)).

Another round

Even this did not finish the resistance of the dauntless industry. It is true, the four trade associations which had performed services helpful in insuring observance of the basing-point rules were dissolved in September 1946. But a basing-point system, once it is well established in industry, can do without an administrative cartel organ and continue indefinitely in effective operation. It is true, the individual firms had filed reports of compliance with the cease-and-desist orders of the Federal Trade Commission, promising to abandon the system of basing their delivered prices upon a designated basing point. But they continued to quote delivered prices designed (as they put it) to meet the price of a competitor, which probably meant in practice that they changed to a multiple or plenary basing-point system of quoting identical delivered prices. The chief difference in the operation of the basing-point system by the members of the industry before and after the Supreme Court decisions appears to lie in the way in which they later explained their pricing method. Instead of following the pricing system of their competitors—which had been declared unlawful—they now quoted a lower price to meet an equally low price of a competitor.[85]

The Federal Trade Commission found it necessary in June 1947, to proceed with a new complaint against 19 firms, producers, and distributors in the corn products industry, including the two which had lost their fight before the Supreme Court. The Commission's complaint charged, among other things, that the industry was still quoting identical delivered prices computed under the basing-point system. The respondents denied the charges, admitting only the discriminatory price reductions to meet competition. In a motion to dismiss the complaint, eight of the respondent firms argued that the Commission was trying to impose a policy being questioned by Congress.[86] Thus, the effort of the Commission to enforce the law, as enacted by Congress in 1914 and explicitly confirmed by the Supreme Court in a series of decisions, was called an imposition of a policy questioned by Congress. The reference was to the inquiry by the Senate Subcommittee on Trade Policies, which was preparing for hearings on a possible need for changing the law.

Mr. LONG. Mr. President, I should like to refer briefly to one other factor. The basing-point pricing system has always used rail transportation. There have been several reasons for that. One reason is found in the interlocking directorships and connections between the steel industry, cement industry, and the railroads. Another reason has been that in order to get together on a monopolistic pricing program, which involves delivered prices, the major industries of steel and cement needed to be able to determine at all times exactly what the freight rate would be, so that they could arrive at identical delivered prices. Because published rates were not at all times available on water transportation, in order to be able to arrive at the same delivered price these industries chose to use rail transportation. When an industry found that an order had been accepted in which rail freight was involved, but

[85] Answer of Respondents Corn Product Refining Co. and Corn Product Sales Co. to the complaint of the Federal Trade Commission, Docket No. 5502, September 1947.

[86] Motion to Dismiss complaint, Docket No. 5502, September 20, 1948.

where, fortunately, it was possible to ship by water, the industry obtained substantial saving by shipping by water. However, it did not give the consumer the advantage of the saving. Rather the seller pocketed a substantial additional profit. As long as the basing-point pricing system has been used in major industries it held back development of our waterways and water-borne commerce. I should like briefly to refer to what has been happening in the inland navigation business since the basing-point decision.

Mr. President, I have here a copy of Iron Age, the national metal-working weekly. I turn to page 91 in the issue of August 25, 1949, and on that page, under the heading "Uses barges 50 percent more," speaking of the producers of steel, the article reads:

> One producer is reported to have increased his river shipments 50 percent over 1947. The largest single shipment of steel products ever moved over the Tennessee River—4,000 tons of 22-inch pipe from Pittsburgh—passed through the port of Chattanooga last July 29 en route to Harriman, Tenn., for use on a natural-gas pipe-line job. The 7-barge shipment was the first of some 40 to 50 barge loads scheduled to make the 1,497-mile trip.
>
> At a recent Chattanooga Chamber of Commerce dinner, W. J. Sheehan, TVA transportation economist, stated that over 8,000 tons of iron and steel products had moved over the Tennessee River in the last several months, as compared to 1,000 tons for all of 1948.

Think of that, Mr. President, eight times as much steel moving by water in that area in a few months as had moved in the whole previous year. I continue to quote:

> He added that such shipments this year are expected to reach about 50,000 tons—

In other words, about 50 times as much water transportation—

> and result in transportation-cost savings of about $500,000 over rail-freight rates.

Mr. President, there is a brief table here comparing the rail rate with the barge rate between Pittsburgh, Chicago, and various other ports on the waterways, and I ask unanimous consent that the table may be included in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparative freight rate

[Per net ton]

From—	To—	Rail	Barge
Pittsburgh	Memphis	$18.26	$3.29
Do	New Orleans	20.68	5.51
Do	Houston	20.92	7.42
Do	Chattanooga	17.82	5.30
Chicago	Memphis	13.86	2.65
Do	New Orleans	17.82	4.45
Do	Houston	17.66	6.04
Do	Chattanooga	17.60	5.30

Mr. LONG. Mr. President, defeat of S. 1008 will help the consumer to have the benefit of all the great savings of water transportation which he has been so long denied.

Mr. President, I yield the floor.

GOING ON THE OFFENSIVE IN THE COLD WAR

Mr. FLANDERS. Mr. President, it is my purpose on this floor approximately once a week to give a series of observations and suggestions for going on the offensive in the cold war and winning it. I realize that we are at this moment very much disturbed by serious charges which have been made against our State Department. There is danger that the necessary consideration of these charges may divert us from our main task of defending western civilization. We may be sure that it will not divert the Kremlin from attacking it. Realizing this, I am continuing today the program which I have laid out for myself, which program will be kept completely free of personal or political attacks on the Secretary of State.

I recognize, however, that our State Department itself, and our President, must cooperate if unjustified, personal, and purely political attacks are to be fended off. Self-help is as important here as it is in the Marshall plan. In this respect I join myself wholeheartedly with the senior Senator from New Jersey [Mr. SMITH] in the address which he gave on this floor last Monday afternoon. It is in the interest of the country, it is in the interest of the administration, and it is in the interest of public relations between the State Department and the citizens of this country, that there be no grounds given for the suspicion that the State Department is being protected against a thorough examination of the charges being made against it. That suspicion can be removed only if the committee itself, in strict confidence and secrecy, is given access to all the available information on anyone against whom serious charges are made. If the committee then is not satisfied that the charges are worthy of investigation, no harm is done to the individual, and the important confidences of the FBI are not violated. If the information is such that public investigation seems to be necessary, it can be carried on in such ways that the confidential information is used as a lead but not publicly divulged. Only thus can the good name of the State Department be clearly maintained. If the committee does not feel it has the power to proceed in this manner, it should come back to the Senate and ask for it.

I strongly hope that the President and his advisers will see the danger that lies in hiding behind this curtain of secrecy when it is possible to lift that curtain enough and in such ways as to effect a thorough investigation while removing all danger of abuse of confidence. The history of the Hiss case is clear in the public memory, and will not be forgotten. The administration will be well advised not to forget it either. Otherwise it will be very difficult to take the State Department out of politics.

Mr. President, let us now return to the discussion of our foreign policy on the Senate floor to which this address is a contribution. The letter of the Senator from Michigan [Mr. VANDENBERG] to Paul Hoffman contained the proposal that an unpartisan body should be formed to examine and develop our foreign policy. That proposal has met with general approval. It is not to be expected that it would be put into operation in the few days that have elapsed since it was proposed. Meanwhile the purposes of such a group can be furthered by general discussion of our foreign policy on the floor of the Senate and it is for that purpose that I am pursuing this afternoon certain lines of thought which have, I believe, great practical value.

Let us first take a global view of this problem of the cold war. We find the world divided into three groups of approximately the same population. On the outside there are about 700,000,000 people who are free, for the present at least, of danger from Communist infiltration and capture. The backbone of this group consists of North and South America and of western Europe.

There is another 700,000,000 who are the immediate objective of the Politburo's program of propaganda, infiltration, and political overthrow. While this continuously has to be guarded against in cases of certain nations of western Europe, the heavy assault on human freedom is being made in Asia. The freedoms of Indochina, Siam, Burma, India, Pakistan, and Malaysia are being assaulted. The attack moves on day and night, week in and week out, month in and month out, year after year. There is no let-up. There is no truce.

The third 700,000,000 is to be found within the iron curtain stretching all the way from Czechoslovakia to China. This group again can be divided into three parts composed in the exterior zone of the captured and enslaved satellites. Then within that circle comes the Russian people themselves and as a center of these concentric circles there is the Politburo, entrenched within the Kremlin and drawing its power and its support from its countrymen and from the enslaved nations which surround it.

Each of these sectors presents problems of its own which we must analyze, face, and meet. Today I wish to make a few suggestions, not entirely my own, looking toward taking the offensive in that part of the world's population which is at the moment the objective of the Kremlin's campaign of subversion and subjection. The suggestions therefore relate to Indochina, Siam, Burma, India, Pakistan, and Malaysia.

I said, Mr. President, that the suggestions were not entirely my own. The general problem and the general lines of meeting it should be clear to anyone who has given thought to the conditions which we face. No unusual intelligence is required. No experience outside the range of what a United States Senator can be expected to possess needs to be applied to the problem. What does need to be applied is a determination to analyze and to act. The analysis is short and simple. The Kremlin, using the camouflage of Marxism, is successfully appealing to the minds and hearts of men in this vast area. We can and will and must make counter appeals which will be the stronger and the more effective in that they will confine themselves to the truth. Now all this is what any Senator can know and can believe. For the details of positive action, it is worth while to listen to some who have witnessed our losing battle by visiting the field of battle itself. I wish therefore, Mr. President, to read to this body letters which I have received

from one of America's greatest citizens, Dr. Arthur E. Morgan, a great engineer and a great educator.

In telephone conversation with him after his return from India I was disturbed to learn from him that the college libraries and the reading rooms of India and Pakistan are loaded with Communist literature. It is read with interest but with some skepticism. One might say, it is read almost reluctantly, owing to the fact that there is no corresponding material available to present the cause and the advantages of freedom and democracy. The young people of India are being slowly pulled into the Soviet orbit. They would readily subject themselves to influences on our side but none are offered them.

Being disturbed by the situation reported by Dr. Morgan, I asked him to write me some definite suggestions. He replied as follows in a letter dated March 4:

DEAR SENATOR FLANDERS: You ask for suggestions as to what can be done to overcome the intensive Communist propaganda in the libraries of Indian universities. The bulletin you send, Low Income Families and Economic Stability, seems to me to be excellent. Of course, no single publication can serve to counteract a year-in and year-out barrage of propaganda. I think that subscriptions to a number of representative American magazines which students could browse in would be very helpful. Because of the dollar shortage there are few American magazines in the university libraries, and I was told repeatedly that these were eagerly read.

Enclosed is a suggested list of magazines which might be used for that purpose. Concerning some of them I feel fairly certain. Where I have put a question mark after the name, it should be looked up and checked. I think that a couple of labor-union papers would be desirable, but I am not well enough acquainted with that field to suggest a choice.

I should think that from 50 to 500 subscriptions to each would be desirable. (Technical magazines would need fewer.)

If I can be of any further service, please let me know. I had mentioned this subject at the State Department shortly after my return.

He suggested a list of magazines for university and college libraries to give the students a representative picture of American life. This included general magazines, women's magazines, educational magazines, publications relating to nature and out-of-doors, engineering and technical, youth, agriculture, and health. I will not read this list to the Senate, but ask unanimous consent that it be inserted in the RECORD at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Suggested list of magazines for Indian university and college libraries, to give Indian students a representative picture of American life. Where there is a question mark after the name, I am not well enough acquainted with the periodical to have a good judgment, and it should be looked up.

General reading: Saturday Evening Post, Harper's, Better Homes and Gardens, National Geographic magazine, Scientific American, Science News Letter, The Rotarian, The Kiwanian, Common Ground (New York), Survey magazine (New York).

Women's magazines: Ladies Home Journal, Women's Day (New York), Woman's National magazine (Negro) (Chicago) (?).

Educational: Parent's magazine (New York) (?), National Parent-Teacher (Chicago) (?), Progressive Education (New York), School and Society (New York).

Nature and out-of-doors: American Forests (Washington, D. C.), the Living Wilderness (Washington, D. C.), Nature magazine (Washington, D. C.).

Engineering and technology: Popular Science Monthly (?), American Machinist, Journal of Engineering Education (Pittsburgh), Engineering News Record, Engineering and Mining Journal.

For youth: Open Road magazine (Boston) (?), American Girl (New York) (?).

Miscellaneous: Asia and the Americas (New York).

Agriculture: National 4-H Club News (Chicago) (?), Electricity on the Farm (New York) (?), Farm Journal (Philadelphia), Prairie Farmer (Chicago) (?), Ohio Farm Bureau News (Columbus), Cooperative Digest (Ithaca, N. Y.) (?), Progressive Farmer (Birmingham), Capper's Farmer (Topeka).

Rural life: Community Service News (Yellow Springs, Ohio).

Health: Hygeia (Chicago).

These are suggestive of periodicals that probably would be of interest, and which would give students a fairly good cross section of American life. Perhaps two labor papers should be included, but I am not sufficiently acquainted with them to know which to choose.

To accompany letter to Senator FLANDERS of March 4, 1950.

ARTHUR E. MORGAN.
YELLOW SPRINGS, OHIO.

Mr. FLANDERS. Mr. President, in a later communication dated March 12 he wrote as follows:

Following my letter about literature for India, I believe that one of the most effective and persuasive pieces of literature, which would be recognized as not being political propaganda, would be the Sears, Roebuck or Montgomery Ward catalog. These tell a phase of the American story that political arguments do not. A thousand of these catalogs distributed in school, college, and university libraries would have very wide reading. It might take 2,000 copies to go around. Perhaps the companies may have left-overs from older editions which would do just as well.

Along with these, which I did not mention specifically last time, should be evidences of ethical and spiritual quality in America. In talking with some well-educated Indians, as well as with students, one would repeatedly get the comment, as much matter of fact as though he were saying that the sun rises in the morning, "Of course, America is a materialist country." As a matter of fact, I think there is much more spiritual life in America than in India. The annual reports of some of our foundations, some magazines like the Christian Century, reports like "The Causes of Industrial Peace," and a variety of pamphlets on efforts to better the conditions of life over the world, would help. It might be well to have a few hundred identical scrap books made up, each one including the literature and appeals of undertakings to increase human well-being over the world. Such undertakings are extremely varied, as you know from appeals which come to your desk. For Indians to realize how much of this goes on in America would be an eye-opener to them. Of course, they might try to get into the procession.

These are additional ideas that have come to me on thinking the matter over further.

I have been very much encouraged by conversations with our colleague, the junior Senator from North Carolina [Mr. GRAHAM], who, it will be remembered, spent many months in Malaysia in his successful attempt to compose the differences between the Government of Holland and the natives of that rich and teeming region. I am sure from what he has told me that the Senator from North Carolina would corroborate the lavishness with which the Kremlin pours out its literature in an area like this, and the paucity of the literature of freedom and democracy. The Kremlin is winning this war in this area by our default. We are letting it win.

Going on the offensive in this area, in accordance with this proposal, will take some money. All the operations necessary or advisable in connection with such proposals will take a great deal of money. In the final analysis, however, such appropriations will be small, as compared with those required for prosecuting a hot war or even for preparing for one.

The cold war can be fought judiciously from the fiscal standpoint, but it cannot be fought parsimoniously. A few millions applied to the particular undertaking which I am describing this afternoon can have far-reaching results.

I feel that I have reason to believe that such an undertaking as this will find sympathetic response in the Department of State. From the discourse to which we listened the other day from the junior Senator from Connecticut, I know it would have been so regarded while he held the position which Assistant Secretary Barrett now holds.

Nevertheless, there is no harm if the initiative comes from this body. Much good might come if the initiative is supplied by us, since it would indicate a determination on our part to undertake one of the steps needed for winning the cold war. It would be an evidence of a solidifying of the resources and might of this country, whether in the administrative or in the legislative branch of the Government or among the people themselves, in support of a positive campaign. It would be an evidence of unity, rather than of division.

Mr. President, without offering any floor resolutions, I commend this particular undertaking to the careful consideration of our Committee on Foreign Relations.

WHO SABOTAGES THE STATE DEPARTMENT?—THE SO-CALLED BIPARTISAN POLICY AND MR. TRUMAN

Mr. MALONE. Mr. President, press reports indicate that President Harry Truman, down in Florida, having the fun to which he is entitled, took time out to give the impression that he was hysterical for a few minutes about the "sabotaging of our bipartisan foreign policy." That seems strange, coming from Mr. Truman.

There is no bipartisan foreign policy, Mr. President. There never has been a bipartisan foreign policy. There has been a Truman-Acheson policy, decided upon and settled in every instance before the Republicans of the Senate were informed as to what was under consideration.

The Truman-Acheson State Department policy has been an utter failure from beginning to end. Now, after all the damage is done, after our State Department has sunk to the depths, Mr. Truman is looking around for a Republican to blame. He is not going to get away with it. The American people are not going to be fooled.

In one breath the administration speaks of a so-called bipartisan foreign policy; and in the next breath they attempt to give some substance to the idea by giving an appointment to our good friend, John Sherman Cooper. Their timing is a little off. The appointment is a sop that fools no one. Is there anyone who believes that Mr. Cooper will have any authority whatsoever?

The President has good cause, I suppose, to get hysterical. I hope he will realize that it is time to clean house.

Mr. President, just what is this so-called bipartisan foreign policy as practiced by the President and the Secretary of State? It is a mythical thing, a will-o'-the-wisp.

Let us see what the State Department itself said it was. Willard L. Thorp, Assistant Secretary of State, in his testimony before the Ways and Means Committee on extension of the Trade Agreements Act, on January 24, 1949, said:

> The trade-agreements program is an integral part of our over-all program for world economic recovery.

Mr. President, in case anyone has forgotten what is meant by the 1934 Trade Agreements Act, let me say that it transfers to the State Department, to the executive branch of the Government the constitutional responsibility of the Congress of the United States to lower tariffs and import fees—providing for their lowering by as much as 75 percent, at will, after perfunctory hearings—and to regulate the economy of the United States of America. Not only the constitutional authority of the Congress, but the constitutional responsibility of Congress have been transferred by act of Congress to the State Department.

I read further from the testimony of Mr. Thorp before the House Ways and Means Committee:

> The European recovery program—

In other words, Mr. President, the ECA, formerly known as the Marshall plan—

> extends immediate assistance on a short-term basis to put the European countries back on their feet. As a part of this program we have asked them, and they have agreed, to follow certain fundamental policies. The basic principle of the European-recovery program as stated in the OEEC programs and as reaffirmed in the bilateral agreements between the participating countries and ourselves, they will increase production, put their financial houses in order, and expand their trade with each other and with the rest of the world.
>
> So far as the United States has it in its power to do so, it must support and encourage these three objectives. They are fundamentals of economic recovery.
>
> Obviously we cannot urge countries to adopt policies directed toward economic health if we do not pursue the same objectives ourselves.
>
> The International Trade Organization, upon which Congress will soon be asked to take favorable action, provides a long-term mechanism by which all countries' commercial policies, in the broadest sense of the term, may be tested and guided into conformity with a pattern which will maximize trade and minimize political friction arising out of national-trade measures which may be harmful to other countries' legitimate expectations.

Now, Mr. President, comes the tip-off on the bipartisan foreign policy:

> Each part of this program is important. Each contributes to an effective and consistent whole.

There we have the three-part "free trade" program. I have just quoted verbatim from the testimony of Mr. Thorp, and he there listed the separate parts of the three-part program: The 1934 Trade Agreements Act, which put into the hands of an industrially inexperienced State Department the right to determine and to say what industries and workingmen in this country will survive and what industries and workingmen in this country will be sacrificed on the altar of one economic world; second, the ECA, or the Marshall plan, which makes up the trade-balance deficits of the 16 Marshall-plan countries, until such a division of our markets can be consummated through the 1934 Trade Agreements Act; and third, the International Trade Organization, which is designed to make such a division permanent.

There we have the picture from the State Department itself. I say it is not a bipartisan foreign policy, Mr. President; it could not in any case possibly be a bipartisan foreign policy until the foreign policy stops at the water's edge. It cannot possibly be a bipartisan policy until the regulation of the national economy is completely separated from it.

Those who support this dangerous policy turn their backs on American industry, which means the American workingmen and investors, Mr. President. Those who support this policy are lining up with those who would eliminate the floor under wages and investments in this country. The policy has already resulted in closing many mines, mills, and processing plants, and reducing the production of many others.

All of this in the face of more than 6,000,000 unemployed and more than 12,000,000 partially unemployed.

Mr. President, only recently the testimony of Mr. Acheson and Mr. Hoffman was that we must seek for further products to import into this country; we must reduce our exports and inrease our imports; and then we shall have tutors, they say, to teach the unemployed workers—while the number of unemployed is growing larger every day—new jobs, and tutors to teach the industrialists who have just lost the investors' money how to create new industries. However, they have not said what industries will be sacrificed on the altar of the "one economic world" and what industries will be allowed, through the good graces of a State Department, to be continued.

Mr. President, the difference between the two major parties is plain and clear.

The Democratic Party is in favor of the three-part free-trade program as outlined by Mr. Thorp, of the State Department—and it is just as I have outlined it; namely, the 1934 Trade Agreements Act, as extended; the ECA; and the International Trade Organization. That is the policy of the Democratic Party, so often reaffirmed. The first two parts are in operation, and the third part, the ITO, is on the President's "must" list for immediate legislation.

On the other hand, the Republican Party believes in a definite "floor under wages and investments," as specifically set forth in the 1950 Republican platform. The Republican Party now has in its platform a plank which says, in effect, that world trade shall be developed on a basis of "fair and reasonable" competition and that products of underpaid foreign labor shall not be admitted to this country on terms which endanger the living standards of the American workingman or the American farmer or threaten serious injury to a domestic industry.

Mr. President, I submit that the two parties are diametrically opposed in principle and cannot be reconciled through a bipartisan policy or any other subterfuge.

DANGER OF COMMUNISM IN HAWAII IF STATEHOOD IS GRANTED

Mr. BUTLER. Mr. President, I am placing in the RECORD the text of a short letter which I received recently from a very distinguished citizen of Hawaii. This letter points out very clearly the danger of communism in the islands if Hawaii should be granted statehood.

The letter reads as follows:

HONOLULU, HAWAII, *March 27, 1950.*

DEAR SENATOR BUTLER: Front page of Star-Bulletin of 25th you will note our friend, Jack Hall, wants statehood. He is Harry Bridges' stooge here. Harry claims credit for electing FARRINGTON. Every Commie here is for statehood. Hall is the man who wrote a scurrilous letter about Judge Rice after the judge had enjoined Hall's mob from violence here. Hall is the leading Communist here. * * * He says, "We yearn for statehood" in his harangues to ILWU. Hall recently swore he was not a Communist. This was to beat the Taft-Hartley law. Would not say he had not been. "The leopard can't change his spots." What the Commies want here is to elect our judges.

Truly.

Mr. President, that is the end of the letter, which is signed by a very prominent citizen of Hawaii who has lived there for at least 40 or 50 years.

Mr. President, I also want to quote a very short clipping from the Honolulu Star-Bulletin of March 25, 1950, which states that the Hawaii Statehood Commission has solicited the assistance of Jack Hall, the Communist leader of the International Longshoreman's Warehouse Union in Hawaii, in presenting their case for statehood. It reads:,

ILWU MAY APPEAL TO SENATE COMMITTEE FOR HAWAII STATEHOOD

> The ILWU may make direct representations for Hawaii statehood to the Senate Interior and Insular Affairs Committee, Regional Director Jack W. Hall said this morning.
>
> In answer to a letter from Samuel Wilder King, chairman of the Hawaii Statehood Commission, Mr. Hall said "We probably will be represented directly if the Senate committee permits direct testimony."

Mr. King asked the ILWU to make its position on statehood known to the Senate committee.

"The result will be a great lift to our statehood struggle," Mr. King wrote.

Mr. President, I am making these insertions for the purpose of informing Members of the Senate with respect to a situation which I think is of great interest to Members of this body.

BIPARTISAN FOREIGN POLICY

Mr. BRIDGES. Mr. President, today, several distinguished Senators have had something to say in the Senate about our bipartisan foreign policy. I want to say just a personal word. Yesterday I was surprised, amazed, and shocked to find that the President of the United States, vacationing at the naval base in Key West, Fla., had attacked me as a saboteur of the bipartisan foreign policy This is a strong, intemperate charge, as President Truman well knows. It is a confused attack. It is interesting to note that continually over the years, I have been viciously abused by Soviet officials and the Communist press and radio throughout the world. I have been attacked as an enemy of Soviet Russia and of Russian communism.

For example, only 6 months ago the Associated Press reported from Paris that Andrei Vishinsky, Deputy Soviet Foreign Minister, had denounced me as an enemy of Russia. Vishinsky singled out the Secretary of Defense, the Secretary of the Army, an Air Force general, and the senior Senator from New Hampshire, and branded us enemies of Russia. Vishinsky did not attack President Truman on this occasion nor did Vishinsky attack the administration. He attacked the individuals whom I have listed.

This is a rather confused situation, Mr. President. President Truman charges I am a saboteur of American foreign policy which presumably is aimed at Russia. Vishinsky, on the other hand, charges I am one of the top leaders in this country who is an enemy of Russia and all the Communist program.

Mr. President, let me ask what is a bipartisan foreign policy? I have heard various words abused in years past. One of the most abused and misunderstood words is the word "liberal." I should like sometime to talk to the Senate about all these "do gooders" and self-seekers—these fellow travelers—in this country who have adopted the cloak of liberalism. Today I desire to speak briefly about the bipartisan foreign policy. Mr. President, what is a bipartisan foreign policy? I will tell you what it is. It is a policy which is discussed by both political parties; it is a policy developed by both political parties; it is a policy agreed to by both political parties; it is a policy for which both parties accept responsibility.

Mr. President, we have not had such a policy in the United States of America—certainly not in the recent past.

Mr. Truman wants me, as a Republican United States Senator, to share the responsibility for the loss of China. President Truman wants the Republican Party to share the responsibility of turning 450,000,000 Chinese and half of Asia over to Stalin. I do not propose to accept that responsibility. Mr. Truman charges that I sabotaged a bipartisan foreign policy. I am convinced that no Republican who can call himself a Republican helped frame the China foreign policy—the policy which has lost us China and has given Stalin and the Communists a grip on China. If any Republican is responsible for it and had a part in framing it, I hope he will stand up and admit it. I should like to know about the Republicans who had a part in it.

The President of the United States knows that the only thing I want to sabotage is the enemies of the United States. Who are they? They are the appeasers; they are the subversives; they are the incompetents; they are the homosexuals, who threaten the security of this country and the peace of the world.

President Truman was in the United States Senate, and he has a pretty good memory. He remembers when I was one of the two or three Republican Senators who recognized the Axis powers as a threat to the peace of the world. I wanted to stop Hitler because he planned to enslave the world. I want to stop Stalin because he plans to enslave the world. President Truman knows, because he was a Member of the United States Senate, that I was right about Hitler, and President Truman knows today that I am right about Stalin.

Mr. President, back in those days there was but a small group in the United States Senate, only a small group within my party, and only a small group within the Democratic Party, who took a forthright, nonpartisan stand on some of those great issues. I can go back to 1937, when I proposed in the Senate and before committees of the Senate the passage of a resolution prohibiting shipments to Japan of scrap iron, steel, and other war materials. I was opposed by the Administration, whose position was "We cannot offend a great friendly power."

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Nevada for a question?

Mr. BRIDGES. I yield.

Mr. MALONE. I should like to ask the distinguished Senator from New Hampshire whether he recalls that the junior Senator from Nevada, on January 24, on the floor of the Senate, listed 95 trade treaties made by the 16 Marshall plan countries, treaties wherein they had agreed to ship to Russia and its satellite nations everything from tool steel to ball bearings, electrical equipment, heavy machinery of all kinds, construction and farm machinery, locomotives—practically everything that they need to make war upon the United States of America and to consolidate their gains in eastern Europe and in China.

Does the distinguished Senator recall that at that time the junior Senator from Nevada expressed the opinion that we had improved upon the technique that we had when we furnished Japan the material for war, material such as oil and scrap iron, that we had arranged to pay for the manufacture of the stuff sent to Russia, thus saving them the trouble? Does the distinguished Senator remember that statement?

Mr. BRIDGES. I remember it very well.

Mr. MALONE. Then I should like to ask the distinguished Senator from New Hampshire whether he agrees with the junior Senator from Nevada that we should make up our minds as to which side of the so-called cold war we are on.

Mr. BRIDGES. I certainly do.

President Truman knows my record. He was a friend of mine and a colleague of mine for many years in the Senate. He knows I have been consistent. He knows I have always placed the welfare of my country above partisan political advantage, and he knows I do it today.

The President of the United States also knows he can count on me to support a sound, genuine bipartisan policy having for its purpose the security of the United States and the peace of the world. I mean a genuine, sound policy. He knows that I have always supported efforts of this kind. But I want that policy to be truly bipartisan. I want my party to be considered in its development, not left to learn about it through the press and radio after it is being put into effect.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. BRIDGES. I will certainly yield.

Mr. MALONE. I should like to ask the distinguished Senator from New Hampshire if he believes there can be a bipartisan foreign policy unless that policy stops at the water's edge. In other words, is it possible to have a bipartisan foreign policy which includes the regulation of the national economy by the State Department, bound to the foreign policy through the regulation of imports by the State Department? The Senator will remember that the Congress of the United States transferred to the executive department their constitutional responsibility to regulate the national economy through the regulation of imports.

Mr. BRIDGES. No. I have before me some excerpts from a speech made by a high-grade, outstanding Democrat of this country, Bernard Baruch. Let me read what he said; it is very enlightening:

> The United States is staggering from crisis to crisis with the initiative left to the enemy. To end the cold war we must have a general staff for peace headed by a man of the stature of Gen. George C. Marshall.
>
> What is needed is a nonpartisan group which will stay on the job until the cold war is won—a group which would sit in continuous deliberation on the whole of the peace-waging, serving as a central point of decision, weighing all the many commitments pressed upon us, guiding the best disposition of our strained resources, determining where in the world we are to fight a mere holding action, and where we can achieve a decisive break-through, and at what effort.
>
> The United States today is spreading itself too thin and is unable to achieve decision anywhere. The serious defeat suffered by the United States in China has stirred a good deal of public discussion of whether

we are losing the cold war. Certainly there is sufficient reason to feel that what has been done so far is inadequate.

Mr. President, there is a man whose life has been wrapped up in this question, and he is a member of the President's own party. He is tremendously disturbed, as the Senator will see.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. BRIDGES. Certainly.

Mr. MALONE. I should like to ask the distinguished Senator from New Hampshire if he believes such a policy can be arranged, so long as the Secretary of State says, through his Assistant Secretary of State, Mr. Thorpe, that the three things must be bound together—the regulation of the national economy through the 1934 Trade Agreements Act, through the indiscriminate lowering of tariff and import fees; the ECA or the Marshall plan that makes up the trade balance deficits in cash and industrial goods each year, and then the ITO, that great organization of 58 nations, to which we turn over the authority to regulate tariffs and import fees of its member nations and to fix quotas of production. So long as it is said that all those things are dependent upon each other, and that is our foreign policy, how can we have a bipartisan policy?

Mr. BRIDGES. I should think it would be very doubtful. To begin with, this country must remain strong at home. It must be strong not only militarily, economically, and morally, but our economy and our future must be directed toward maintaining the national security. The Senator has hit a very vital point. There is no good in having a policy to save the world unless our first consideration is to conserve the strength of America.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. BRIDGES. Certainly.

Mr. MALONE. I believe the distinguished Senator from New Hampshire has again emphasized the most vital point, because, whatever our policy may be, we are unable to enforce it unless we are economically strong. As everyone knows, our productive capacity and our endurance in a violent upheaval such as warfare are the things that win wars. With this policy advocated by the State Department, that we level our standing of living through the 3-part free-trade program, it is impossible to have such an economy. I want to invite the Senator's attention, as I invited the Senate's attention a few moments ago, to the fact that the two political parties are absolutely diametrically opposed in that particular matter. The Democratic Party is on record as approving the three part free-trade program just as the Secretary of State outlined in such plain words; and the Republican Party is on record in its 1950 platform that we believe in the promotion of foreign trade the basis of a fair and reasonable competitive basis, meaning the imposition of an import fee to make up the differential in cost between this country and competitive nations, which is due mostly to the difference in the standards of living. This would be flexible in accordance with this bill introduced by the junior Senator from Nevada, so that it can be successfully administered. The last sentence in that particular paragraph of the platform says that we believe we must remain economically strong, just as the distinguished Senator has stated. We believe that, do we not?

Mr. BRIDGES. Certainly.

Mr. MALONE. How can it be reconciled in a bipartisan manner with a party which believes exactly the opposite?

Mr. BRIDGES. I think the Republican Party, when it made a fight for the peril-point amendment this year, in which the distinguished Senator from Nevada played an active part, made a very great contribution to the economic life of the United States, and I believe the day will come when labor and the general population will begin to appreciate the fact that if the peril-point amendment had been accepted this Nation would be better off.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. BRIDGES. I yield.

Mr. MALONE. Labor now recognizes it. For example, in my own State of Nevada, not only did the Republican Party of the State of Nevada pass such a resolution as I have just outlined, asking for the substitution of the flexible import fee for the 1934 Trade Agreements Act as extended, in the same manner as the junior Senator from Nevada offered in an amendment as a substitute for the Trade Agreements Act on September 13, 1949, but it went further and asked for the defeat of the international trade organization which would make free trade permanent and would average the standard of living of the world. It was followed by the Farm Bureau of the State of Nevada in a similar resolution. Then the labor unions in the State of Nevada followed, saying, in so many words, that the policy of free trade in the 1934 Trade Agreements Act is "removing the floor under wages and investments."

I say further to the distinguished Senator from New Hampshire that the national organization of the Republican Party followed with a resolution meaning exactly the same thing, and then asked that the United States of America remain economically strong as a safeguard to our safety and welfare.

I should like to ask the distinguished Senator, if he agrees to that—and I know he does agree—how can we have a bipartisan policy without a change in direction and definite right-about-face on the part of the Democratic Party?

Mr. BRIDGES. We shall have to have a definite right-about-face all along the line.

Mr. MALONE. On the part of the Democratic Party?

Mr. BRIDGES. Absolutely.

Mr. President, as I have stated, the President of the United States knows my record. I served with him in the Senate. He is a friend and a colleague of many years' standing. He knows that on any genuine, sound bipartisan effort, absolutely sound and bipartisan, which has for its purpose the security of the United States and the peace of the world, I shall support such bipartisan effort.

Since 1937, Mr. President, my record clearly shows that I voted for sound administration policies in foreign affairs. Just as consistently, I have voted against unsound policies and have denounced them.

Apparently, from Mr. Truman's statement of yesterday, he wants the Republican Party to share the responsibility for losing the cold war and the peace. That is only one of the conclusions which can be drawn from his statement. I shall continue to denounce unsound policies, I shall continue to denounce lack of policy, and I shall continue to denounce incompetence in the planning of a policy. I cannot live with my conscience otherwise, no matter what the President of the United States may say. I believe the President will recognize that.

Mr. President, I am ready for a showdown on the bipartisan foreign policy. I think that if we study the history of bipartisanship in the Senate, it will be seen that a group of us have been cooperating on sound American policy. I believe the cooperation of the group on this side of the aisle through the years will compare very favorably with the record on the other side of the aisle.

I recall, for instance, that when we voted for the Neutrality Act of 1937, which outstanding men and world leaders now say gave the green light to Hitler, there were only six men in the United States Senate, of whom only two are in the Senate today, and the Senator from New Hampshire happens to be one of them, who had the courage and foresight to stand up and vote against the act. When we passed the Neutrality Act we gave the green light to Hitler, so that he could move forward with his legions.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. BRIDGES. I yield.

Mr. MALONE. I should like to ask the Senator another question. First I should like to read a paragraph and ask the Senator if he recognizes it. This is from President Truman's acceptance speech at Philadelphia on July 15, 1948, which was published in the Washington Post on July 16. I read from the President's acceptance speech, as follows:

> I have said time and time again foreign policy should be a policy of the whole Nation, and not the policy of one party or the other. Partisanship should stop at the water's edge, and I shall continue to preach that throughout this whole campaign.

Does the Senator remember that quotation?

Mr. BRIDGES. I remember it.

Mr. MALONE. I should like to ask the distinguished Senator from New Hampshire one other question. Does he remember what happened immediately after Mr. Truman assumed the Presidency of the United States in his own right? Does he remember the distinguished Senator from Michigan [Mr. VANDENBERG] lamenting for a half hour on the floor of the Senate that the Democrats had blown the bipartisan policy out of the water?

Mr. BRIDGES. I certainly do. I remember in the Eightieth Congress, after cooperation by the Republican Party for many years, and certainly on the Committee on Foreign Relations, which was

headed by the distinguished Senator from Michigan [Mr. VANDENBERG], the first act of this Democratic Congress was to change the ratio in the Committee on Foreign Relations from 7 to 6, to 8 to 5, thereby throwing the committee under complete partisan control.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. BRIDGES. I do.

Mr. MALONE. I should like to have the opportunity to say that in 1947, and certainly early in 1948, after the junior Senator from Nevada had had an opportunity to analyze the so-called bipartisan foreign policy, and to realize that it included the program already outlined in some detail by the Senator from Nevada, and in detail by Mr. Thorpe, as quoted today in my earlier statement, that the three parts of the program were dependent upon each other, and that it was impossible consistently to be in favor of one without being in favor of all three, the junior Senator from Nevada parted company completely and forever with any such bipartisan policy, and still stands in the same position. I agree with the distinguished Senator from New Hampshire that if we had an administration which would call in a selected group, not one or two Senators, but representative Republicans on this side of the aisle, and let them report back to our organization what was suggested, so that we could agree on a bipartisan policy before being made public, if it could be agreed upon first, I believe, as the distinguished Senator from New Hampshire has said, there would be no trouble about it. However, I see no likelihood of that coming about. If a temporary success in any particular part of our foreign policy is bad, it is regarded as a great victory for the Democratic Party. If disaster results, such as the distinguished Senator has already outlined, as in the case of our losing half of Asia and now being in a fair way of losing the rest of it, a few Republicans are selected to take the blame. Does the Senator from New Hampshire agree with that outline?

Mr. BRIDGES. I certainly do. The point I wish to make is that I consider the statement which the President of the United States made yesterday, while vacationing in Key West, absolutely in bad taste. I do not believe, knowing him as I do, that he was aware of all the implications of some of the remarks he was reported to have made.

I served with the President on several committees when he was in the Senate, and I believe that if he will reflect on what he said, in fairness to what we are considering, which is the over-all security of the United States and the peace of the world, he will realize that the way to reach these objectives is not by way of the approach which he made, but by genuine cooperative effort to obtain a bipartisan foreign policy. This may be achieved only when the minority is consulted in the making of it, when the minority is consulted in its development, and when the minority is consulted in putting it into effect. In turn, the minority must share the responsibility of its effect.

Mr. President, I hope that rather than proceed as he has seemed to proceed in the past, the President will reconsider some of his statements, and make a genuine attempt to secure an over-all bipartisan foreign policy.

I merely desired to tell the President, the Senate, and the American public, that we have not had such a policy in the past, because the consideration it should have had has not been given the minority. Nor do I as one Republican, and I believe a great majority of my party agree, want to share in the responsibility of a policy which has resulted in Russia obtaining one-third of the area of the earth, the last great disaster being the fiasco in China. Let us be fair in our approach to this great problem. I am ready to cooperate. What about the President of the United States?

EXECUTIVE SESSION

Mr. SPARKMAN. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. LONG in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. Reports of committees are in order. If there be no reports of committees, the clerk will state the nomination on the Executive Calendar.

ATOMIC ENERGY COMMISSION

The legislative clerk read the nomination of Thomas E. Murray, of New York, to be a member of the Atomic Energy Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and the President will be immediately notified.

RECESS TO MONDAY

Mr. SPARKMAN. I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 8 minutes p. m.) the Senate took a recess until Monday, April 3, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 31 (legislative day of March 29), 1950:

IN THE ARMY

Maj. Gen. Walter Duncan Love, O11506, Dental Corps, United States Army, for appointment as Assistant to the Surgeon General, United States Army, under the provisions of section 10, National Defense Act, as amended, and title V, Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Arthur Raymond Gaines, O6261, Medical Corps, United States Army.

Brig. Gen. Leonard Dudley Heaton, O16960, Army of the United States (colonel, Medical Corps, United States Army).

To be brigadier generals

Col. Maxwell Gordon Keeler, O6620, Medical Corps, United States Army.

Col. James Patrick Cooney, O17338, Medical Corps, United States Army.

IN THE ARMY

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officers for appointment, by transfer, in the Judge Advocate General's Corps, Regular Army of the United States:

Maj. Richard Walsh Fitch, Jr., O52064, Medical Service Corps, United States Army.

Maj. Anthony Jackson Race, O52163, United States Army.

PROMOTION IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) have been examined for physical fitness and found physically qualified for promotion. All others are subject to physical examination required by law:

To be majors

×Charles Edwards Branson, O30805.
×Wilson Harold Kayko, O38841.
×Aaron Peter Ross, O51794.
×Allen Templeton Samuel, Jr., O40049.
Hilwert Schuyler Streeter, O20300.
×William Barret Sullivan, O20352.

To be majors, Veterinary Corps

×Charles Wilbur Gollehon, O30918.
×David Samuel Hasson, O22884.
×Herbert Franklin Sibert, O30922.

To be majors, Medical Service Corps

×Louis Emery Mudgett, O31069.
×Barj Aaron Rustigian, O31068.

To be captains, Medical Service Corps

Theodore Edwin Blakeslee, O56970.
×Douglas Charles Chitwood, O56248.
×Paul Ambrose DuMond, O37607.
James Lee Fink, O37604.
×Edward James Hanna, O37610.
×Dan George Kadrovach, O37613.
×Edward James Keating, O37611.
×John Eugene Mathis, O56251.
×Clarence Horace Piercy, Jr., O37603.
×Joseph Peter Salvo, O56246.
×Charles Robert Smith, O37608.
×John Franklin Waters 2d, O37605.
×Norman Ernest Wood, Jr., O37596.
×John Henry Wrigley, O41161.

To be lieutenant colonels, chaplains

×Robert Joseph Hearn, O51131.
×Charles Wesley Lovin, O51132.
×Robert Leland Schock, O22757.

To be major, chaplains

×Wilber Kenneth Anderson, O43126.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be first lieutenants

Bernard William Abrams, O50736.
Joseph John Addison, O50704.
Richard Herman Allen, O50603.
Merlin Willard Anderson, O50584.
Robert Jacob Baer, O50684.
Harry Polk Ball, O50672.
Hugh James Bartley, O50521.
Calvin Leland Bass, O50761.

Roger Redmond Bate, O50583.
Earle LeRoy Bathurst, Jr., O50776.
Arthur Andrew Becker, O50591.
Thomas Edward Benson, O50691.
Ralph Harold Beuhler, O50729.
Theodore Chester Bielicki, O50625.
Shelton Brant Biles, Jr., O50598.
George Earl Bland, O50821.
Junius Jay Bleiman, O50581.
Frank Coulter Boerger, O50579.
Philip Thomas Boerger, O50618.
Otis Evan Brannon, Jr., O50783.
William Donald Brown, O50828.
Jean Prosper Burner, O50722.
Donovan Finley Burton, O50622.
James Lee Bushnell, O50697.
Paul Charles Callan, O50833.
William Albert Carpenter, Jr., O50813.
Jerome Boris Christine, O50597.
Willis Howell Clark, O50686.
William Fortune Coghill, O50753.
Robert Bernard Coleman, O50852.
William Edmond Conger, Jr., O50858.
William Lamble Cooper, O50866.
James Christopher Cosgrove, O50763.
William Bernard Cronin, O50787.
Stanley Warfield Crosby, Jr., O50845.
John Edward Culin, O50654.
Paul J. Curry, O50629.
Robert Thornton Curtis, O50634.
Glenn Woodward Davis, O50873.
Bernard Figueredo de Gil, Jr., O50794.
John Delistraty, O50706.
Donald Marvin Dexter, Jr., O50834.
Robert Francis Draper, O50857.
Jack Van Dunham, O50668.
Richard Earl Dunlap, O50715.
Gordon James Duquemin, O50784.
James Eugene Edington, O50734.
James Betts Egger, O50595.
Henry Everett Emerson, O50868.
Robert Bruce Fahs, O50824.
John Carter Faith, O50590.
Thomas Long Flattery, O50811.
Stuart Gregory Force, O50769.
James Franklin Fraser, O50589.
Herschel Everett Fuson, O50719.
John Griffin Gaddie, O50710.
Bernard Jay Gardner, O50679.
Robert Miller Garvin, O50712.
Albert John Geraci, O50786.
John Love Gerrity, O50648.
David Welty Gibson, O50830.
Warren Robert Gossett, O50676.
William Douglas Grant, O50716.
Bernard Michael Greenberg, O50602.
Edwin Borchard Greene, O50623.
Harold Walter Grossman, O50677.
Alexander Meigs Haig, Jr., O50790.
Raymond Richard Hails, Jr., O50641.
Robert Haldane, O50742.
Milton Leland Haskin, O50637.
Kenneth Martin Hatch, O50640.
Wayne Otis Hauck, Jr., O50807.
George LeRoy Haugen, O50643.
Thomas Francis Hayes, O50800.
Rolland Valentine Heiser, O50738.
George Duane Heisser, O50805.
William Sylvester Henry, Jr., O50814.
Dandridge Featherston Hering, O50696.
Henry Wiliam Hill, O50755.
Bennet Norman Hollander, O50693.
John Elwood Hoover, O50620.
Richard Motley Hutchinson, Jr., O50822.
Julius Frederick Ickler, O50667.
Carroll Christian Jacobson, Jr., O50612.
Leon Joseph Jacques, Jr., O50861.
James Allen Johnson, O50638.
Wilber Glenn Jones, Jr., O50863.
Peter Karter, O50592.
James Byron Kennedy, O50607.
Robert James Kennedy, O50610.
Graham Gunther Kent, O50859.
Robert Adair King, O50797.
Willis Hickam Knipe, O50829.
Robert Joshua Koch, O50874.
Donald Warren Krause, O50872.
Robert Peter Lane, O50705.
Wells Brendel Lange, O50767.
John William Lauterbach, Jr., O50727.
Melvin Vernon LeBlanc, O50690.
Alexander Lemberes, O50754.
George Levenback, O50689.
Selby Francis Little, Jr., O50860.
Richard Alan Littlestone, O50653.
Walter Patrick Lukens, O50801.
George Anthony Lynn, O50593.
Henry Tomlinson MacGill, O50808.
Arnold William Mahlum, O50751.
Robert Anthony Mahowald, O50796.
LeRoy Emil Majeske, O50733.
Charles Stuart Todd Mallett, O50819.
George Aloysius Maloney, O50862.
Martin Michael Maloney, O50758.
John Wayne Mastin, O50582.
James Philip Mattern, O50713.
Richard Freeman McAdoo, O50609.
Robert Ewing McCord, O50803.
John Warwick McCullough, Jr., O50867.
Oliver Louis McDougell, O50812.
William Gabriel McGee, O50855.
Robert James McNeil, O50756.
Harrison Franklyn Meadows 3d, O50839.
John More Miller, O50692.
Robert Miller Montague, Jr., O50578.
Charles Augustus Munford, Jr., O50838.
John DuBose Naill, Jr., O50818.
William Wallace Nairn 3d, O50720.
Wallace Eugene Nickel, O50695.
Robert Lynn Ozier, O50768.
Henry Cantzon Paul, O50725.
John Guilford Paules, O50681.
Robert DeWayne Peckham, O50740.
Tom Judson Perkins, O50781.
Milum Davis Perry, Jr., O50594.
Louis Rachmeler, O50666.
John Richard Rantz, O50826.
Kermit Dean Reel, O50682.
John Brooks Reese, O50596.
Hal Clyde Richardson, Jr., O50662.
James Russell Robinson, Jr., O50588.
Thomas Edmund Rogers, O50785.
Melvin Alfred Rosen, O50580.
Norman Robert Rosen, O50600.
Carl Kamp Russell, O50777.
Norman Junior Salisbury, O50802.
Howard Leroy Sargent, Jr., O50586.
Donald Verner Schnepf, O50698.
William Jackson Schuder, O50611.
Richard Henry Sforzini, O50624.
Robert Warren Short, O50871.
James Emerson Smith, Jr., O50798.
William Smith, O50717.
Ira Warren Snyder, Jr., O50759.
Theodore Solomon Spiker, O50774.
Sam David Starobin, O50601.
Richard Joseph Steinborn, O50616.
Donald Harry Steininger, O50599.
Marvin Henry Stock, O50633.
Gordon Malin Strong, O50835.
John Joseph Sullivan, O50627.
William Michael Sullivan, O50750.
James Bernard Tatum, O50846.
Harold Stan Tavzel, O50780.
Frank Leonard Taylor, O50730.
Jack Mathew Thompson, O50608.
Gerald Ross Toomer, O50707.
Albert Archer Van Petten, O50674.
Wallace Francis Veaudry, O50820.
William Loyd Webb, Jr., O50652.
Carlton Juan Wellborn, Jr., O50665.
William Irvine West, O50732.
Meade David Wildrick, Jr., O50827.
VanCourt Wilkins, O56768.
Joseph John Williams, O50810.
William Dawes Williams, Jr., O50877.

The following-named officers for promotion in the Regular Army of the United States under the provisions of section 107 of the Army-Navy Nurses Act of 1947. All officers are subject to physical examination required by law.

To be captains, Army Nurse Corps

Anna Marie Bisignano, N763.
Mary Jean Carsey, N1429.
Dorothy Ellen Crist, N935.
Irene Irma Desrosiers, N1593.
Mary Norma Donato, N767.
Maxine Helen Fell, N1425.
Barbara Mae Hogan, N1433.
Johanna Helen Jakubaitis, A1431.
Nancy Crary Kermott, N1685.
Carolyn Bergeron Rahm, N1684.
Lucile Standley, N1679.
Sylvia Mildred Stivlen, N1432.

To be first lieutenants, Army Nurse Corps

Margaret Burk Beavers, N1629.
Therese Evelyn Daley, N1527.
Alma Elizabeth Guinn, N1628.
Zita Josephine Ierino, N1190.
Pearl Idell Jank, N1631.
Ruth Margaret Leahy, N1528.
Roberta Whitehouse Smith, N1526.

To be captains, Women's Medical Specialist Corps

Marcel Binning, M10011.
Betty Jane Snyder, M10085.

CONFIRMATION

Executive nomination confirmed by the Senate March 31 (legislative day of March 29), 1950:

ATOMIC ENERGY COMMISSION

Thomas E. Murray to be a member of the Atomic Energy Commission for the term expiring June 30, 1950.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 31, 1950

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Let us pray. O Thou God of all majesty and mercy before whom the angels bow and the archangels veil their faces, Thou art high and holy, and yet hast Thou respect unto the lowly and the humble. Thou art great in Thy goodness and good in Thy greatness. We know that to turn away from Thee is to fail, but that to abide in Thee is to stand fast forever.

Grant that in the assurance of Thy greatness and Thy goodness we may find our joy and peace. Make us equal to every task, and may it be the goal of all our aspirations to fashion our life into the likeness of our blessed Lord and to serve our generation in accordance with Thy holy will.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

BIRTHDAY GREETINGS TO HON. JAMES M. COX

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, today marks the eightieth anniversary of the birth of one of America's elder statesmen, the Honorable James M. Cox, of Ohio.

Three times he was elected by the people of Ohio to serve them as Governor. Previously he represented the Third Congressional District in this House of Representatives. In 1920 he was the nominee of the Democratic Party for the Presidency.

I had the honor and pleasure of serving as Lieutenant Governor when James M. Cox was Governor of Ohio. While

we were of opposite political faith, we were good friends and that friendship has continued during the ensuing 30 years. Governor Cox earned and deserved the respect of the people of Ohio. He was a great and able executive. As a newspaper editor and publisher he has had few equals. He is recognized by all as one of Ohio's greatest citizens.

I am sure that every Member of this Congress joins with me in extending best wishes and congratulations to Governor Cox on this, his eightieth birthday. The applause I hear is not for my feeble words, but instead is in tribute to one of our great Americans, James M. Cox, a former Member of this body. It is the prayer of each and every one of us here today that divine providence will permit Ohio's "grand old man" to remain with us for many years to come; and that he may enjoy good health and great happiness in the "sunset days" of his long and useful life.

Mr. BREEN. Mr. Speaker, today is certainly a fitting occasion to pay tribute to one of America's outstanding citizen-statesmen—a gentleman of national and international thinking. This day, March 31, marks the birthday of a statesman who served as Governor of the State of Ohio for three terms and who was the Democratic standard bearer for the Presidency of the United States in 1920.

We of the Third District of Ohio would like to claim Gov. James M. Cox, a native-born son, as our own. However, his vision, constructive thinking, and guidance have expanded far beyond the limits of Butler, Preble, and Montgomery Counties and have made him a citizen of all 48 States and a citizen whose genial charm and solid helpfulness leave a glorious imprint upon the history book of our Nation.

PERMISSION TO ADDRESS THE HOUSE

Mr. TALLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

[Mr. TALLE addressed the House. His remarks appear in the Appendix.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include an article by N. S. Haseltine appearing in the Washington Post of today.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

[Mrs. ROGERS of Massachusetts addressed the House. Her remarks appear in the Appendix.]

THE FARM CENSUS

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a portion of a letter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, William the Conqueror was a piker with his doomsday book of a thousand years ago compared to Fair Dealers and their farm census of 1950.

The farmers of America are hearing a lot about this census now. Congress will soon hear more about it.

Just this morning I received the following letter from a farmer's wife, which is typical of the reaction throughout the country:

My husband is planning to take time off this week to answer his questions; 342 separate and distinct questions, some with 4 parts, prior to our visit from the census taker. One question is, "How many cantaloups did you raise last year?" We have had our wheat acreage measured twice in the last 3 weeks, and we've been told that an aerial view of our farm is to be taken this spring, so we're not to try to overplant our wheat allotment. It seems powerfully close to regimentation, and I don't like it.

Mr. Speaker, farmers have not seen any regimentation yet. Wait until they get the Brannan plan. The present 81 pages devotes 15 to 18 pages to penalties for violations of regulations and restrictions.

PERMISSION TO ADDRESS THE HOUSE

Mr. MACK of Washington, Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

[Mr. MACK of Washington addressed the House. His remarks appear in the Appendix.]

FLOOD CONTROL AND RIVERS AND HARBORS APPROPRIATIONS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, the appropriation bill will be the next one to be considered by the House, so I understand. I think it is appropriate to say something in reference to that measure at the present time.

This bill brings about a reduction of 4 percent in the over-all total of the budget recommendations for appropriations. On the other hand it reduces flood control and rivers and harbors appropriations by some 25 percent under budget estimates. Certain flood control and rivers and harbors projects are reduced as much as 30 and 33 percent and others are completely eliminated. On the other hand, reclamation projects in the bill are cut only 7 percent, so I am told.

Now, Mr. Speaker, there should be reductions below the budget estimate; but in making these reductions, it seems to me it is fair to make cuts uniform for all projects of a like nature. I hope the House will think about these inequalities in the intervening time and be prepared to make these reductions uniform and fair in the future.

BE NIFTY AND THRIFTY IN FIFTY

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, if our form of government is to survive, we must do three things: First, stop our ruthless spending; second, look to balancing the budget; and, third, listen to our taxpayers who want relief.

We can meet these aims if we do these eight things: First, eliminate Government waste; second, consolidate functions of Government; third, stop subsidies that injure our economy; fourth, protect the rights of minorities; fifth, develop a foreign policy for peace, not war; sixth, stop undermining American living standards in the name of world trade; seventh, safeguard liberty and freedom against socialism and any other ism except old-fashioned Americanism; and eighth, be nifty and thrifty in fifty.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include excerpts from an address delivered by General Eisenhower.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

[Mr. HAYS of Arkansas addressed the House. His remarks appear in the Appendix.]

COMMUNISTS IN GOVERNMENT

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, if the press and the radio are accurate, the President yesterday condemned three public servants for their activities or their efforts to expose Communists in the administration. I understood the press and the radio to say that he charged that those gentlemen who were chosen by the people of three States as their Representatives were aiding Joe Stalin. So, comes the query: Is it better to harbor and encourage, retain Communists in the State or any other Department, or is it better to expose them? That is one question that is raised by the President's statement, and it merits consideration.

PATRIOTS' DAY

Mr. BRYSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 190.

The Clerk read the concurrent resolution, as follows:

Whereas the 19th day of April 1775 witnessed the first military engagement between the American Colonists and British troops, and the fighting that then occurred

at Concord and Lexington, in Massachusetts, formed the prologue to the mighty drama of the Revolution and determined the character of its first campaign; and

Whereas the significance of April 19 in the history of our country is not to be measured by the extent of the military forces that engaged in local battle in 1775, but by the direction and strength of the intangible forces then set in motion which in due course established the United States of America; and

Whereas a frequent recurrence to the events out of which this Nation arose, and a better understanding of the principles upon which our forefathers grounded their independence cannot fail to stimulate and renew that high sense of patriotism which has ever been the glory of our country; and

Whereas each such dramatic struggle onward in the process of world civilization has been marked by a ceremonial indicating the formal and official conclusion thereof, the first Commander in Chief and General of the Continental Army purposely selected the 19th of April as the date for a peace proclamation which he read to assembled troops on April 19, 1783: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That there is hereby established a commission to be known as the Patriots' Day Celebration Commission (hereinafter referred to as the "Commission") and to be composed of eight Commissioners, as follows: Three Members of the Senate to be appointed by the Vice President and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The Commissioners shall serve without compensation and shall select a Chairman from among their number.

SEC. 2. It shall be the duty of the Commission to prepare and carry out a comprehensive plan for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775. In the preparation of such plans, the Commission shall cooperate with the Commonwealth of Massachusetts and its cities and towns in order that there may be proper coordination and correlation of plans for such observance and celebration.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, and I am not going to object, this just gives official recognition to a great patriotic day and does not cost the Government any money?

Mr. BRYSON. The gentleman is correct.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. RICH asked and was given permission to extend his remarks and include an editorial.

Mr. LANE asked and was given permission to extend his remarks and include a resolution.

Mr. PRICE asked and was given permission to extend his remarks and include three articles appearing in the New York World-Telegram.

Mr. JACOBS asked and was given permission to extend his remarks and include three editorials.

Mr. BOLLING asked and was given permission to extend his remarks and include an editorial appearing in the Washington Post.

Mr. MULTER asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. COUDERT asked and was given permission to extend his remarks and include a newspaper article.

CALL OF THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 123]

Bailey	Hébert	Norton
Barden	Hedrick	O'Neill
Baring	Hoffman, Ill.	Powell
Battle	Howell	Reed, Ill.
Bennett, Fla.	James	Reed, N. Y.
Buckley, Ill.	Jennings	Ribicoff
Bulwinkle	Kelley, Pa.	Rivers
Burdick	Kruse	Roosevelt
Carroll	Kunkel	Sabath
Celler	Lesinski	Sadowski
Chesney	Lichtenwalter	Smathers
Crawford	Lovre	Smith, Ohio
Doughton	McGregor	Staggers
Douglas	Macy	Stanley
Eaton	Magee	Towe
Fellows	Miles	Wheeler
Gilmer	Monroney	Whitaker
Goodwin	Morrison	Willis
Grant	Murphy	Withrow
Hale	Nelson	Wolcott
Hall, Leonard W.	Nixon	Wood
	Norrell	Woodhouse

The SPEAKER. On this roll call 366 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FOREIGN ECONOMIC ASSISTANCE

Mr. KEE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7797) to provide foreign economic assistance.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7797, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Before rising on yesterday the Committee agreed that the further reading of title III be dispensed with and that that title be open to amendment at any point.

Are there amendments to title III?

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 15, line 13, strike out all of title III.

Mr. SMITH of Wisconsin. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Chairman, I call the attention of those who are interested in this title to the views of the gentleman from Illinois [Mr. CHIPERFIELD] and myself, which are contrary to the views expressed by the majority members of the committee.

This title, Mr. Chairman, would chart a new policy for this country in international affairs. It seems to me this program would just chart a world-wide WPA.

We know that the program arises as a result of the inaugural address of President Truman in 1949, in which he advocated a bold, new program for the development of the backward areas all over the world.

I think it is not so bold as it is dangerous, because it is indefinite, uncertain, and nobody knows where it will lead.

Title III of the bill would establish an Institute of International Technical Cooperation—just another governmental agency to dissipate American taxpayers' dollars. The proposal is to underwrite part of the cost of economic development abroad. This scheme would use tax dollars through governmental grants for so-called technical assistance.

This program is an effort to promote the President's idea of a bold new program announced in his inaugural address of January 20, 1949. He did not realize, or his ghost writer did not tell him, that the idea was not a new one; in fact, it was 5 years old. He was only parroting the words of a notorious character in the international world. Who was he? Just a minute while I read excerpts from a book entitled "Tehran: Our Path in War and Peace." Now, before I give you the author's name I will read several paragraphs from the book:

> America can underwrite a gigantic program of the industrialization of Africa, to be launched immediately. * * * It must initiate a general and steady rise in the standard of life of the African peoples. * * *
>
> What is clearly demanded by the situation is that the United States take the lead in proposing a common program of economic development of the Latin-American countries. * * * For Latin America (such a program) opens the door for an immense leap ahead in progress. * * *
>
> For the United States especially it contributes a large part of the answer to that all-important question as to whether we shall be able to keep our national economy in operation. * * *
>
> The Government can do it if free enterprise fails to meet the challenge and bogs down on the job.
>
> Our Government can create a series of giant industrial development corporations, each in partnership with some other government or group of governments, and set them to work upon large-scale plans of railroad and highway building, agricultural and industrial development, and all-around modernization in all the devastated and undeveloped areas of the world. America has the skilled technicians capable of producing the

plans for such projects, sufficient to get them under way, within a 6-month period of time after a decision is made.

And, Mr. Chairman, who made those statements, and who was the author? None other than Earl Browder, then officially the head of the American branch of the Communist Party.

Nowhere in this bill is the term technical assistance spelled out, nor is there a showing anywhere that technical knowledge is not available to other nations or areas. If we probe deep enough, it is easy to see that making technical assistance available to other nations actually means paying the bill for them, or paying for the services of technical advisers.

WHERE WILL THE MONEY GO?

Who will receive the direct benefits of the subsidy to which the American taxpayer will be committed if this title III remains in the bill? The answer will be: Undeveloped areas. But by what standard? What is an undeveloped area? Will it extend to areas where visionary idealists anticipate the opportunity for adding tangibles and intangibles of human welfare? Underdeveloped areas of the world would seem to rule out possible inhabitants on other planets, so we are safe there. The point is that no relevant limitations as to where this money will go are contained in title III which we are considering.

HOW MUCH WILL IT COST?

One looks in vain for any definite indication in this title as to the size of this undertaking in terms of dollars. These global planners sugar-coat the pill by saying, "The value of the program should be measured in human terms, not in dollars." Have you heard that platitude before? Be careful when proponents of world-wide economic planning propose that its accounts be considered in nondollar terms. The sky will certainly be the limit. And do not forget that the first authorization and appropriation is only a starter—just a foot in the door. Remember, this is to be an international organization and you can bet that ways and means to spend our money will be devised. One witness before the committee observed: "Are we shooting at another five billion, six billion, eight billion, or ten billion a year, out of the American taxpayers?" Are we going to make a down-payment on something without knowing what the final cost is to be? Think it over.

WHO WILL DO THE SPENDING?

The answer to that question is not clear in the language of the bill. It is clear enough, though, who will pay the undefined amount of money whose outlay is involved in this title—the American public.

Who will spend the money? Here the answer is less clear.

Section 303 (b) refers to the applications for aid as being reviewed by agencies of this Government. Section 305 refers to bilateral undertakings to be carried on by any United States Government agency. Section 313 refers in detail to the employment of persons to carry out the provisions of the title.

But section 304 (a) says:

The United States shall participate in multilateral technical-cooperation programs carried on by the United Nations and the Organization of American States and their related organizations, and by other international organizations.

Under what limitations? None whatever. The section in question says that such participation shall take place "wherever practicable." Section 304 (b) authorizes the President to effect such participation whenever that mode of operation will "contribute as effectively as would participation in comparable programs on a bilateral basis."

One does not have to be an expert to detect that the language contains no administrative standard whatever. It requires the Executive only to measure one guess against another.

Following out the same course, section 304 (b) authorize "contribution to the United Nations for technical-cooperation programs carried on by it and its related organizations."

A like authorization as to contributions to the Organization of American States and other international organizations is added. What are the limitations? None whatever, except "the limits of appropriations made available to carry out the purposes of this act."

In other words, every cent to be appropriated under the authorization, limitless in years and limitless in amount after the first year, might be turned over to international organizations to spend.

EVALUATING THE PURPOSES

As to the proposition to present to the peoples of the world that know-how, it should not be forgotten that the gift will not be free—at least from the standpoint of the American taxpayer. The gift aspect will be a distinguishing feature of the assistance proferred in this undertaking as against technical assistance which the receiving governments could obtain for themselves by paying for it. A second distinguishing aspect will be that the technical assistance will be parceled out on a basis of global planning by governmental and international organizations. The effort will be on a government-to-government basis and on an agency-to-agency basis. This is public planning on the grand scale, and the American taxpayer will be expected to pay the bill in the hope that by increasing economic well-being across the globe he will also be helping to found a more stable peace.

That is a profoundly worth-while hope. It is so estimable an objective that the means to it deserve better than uncritical examination. For even in the wildest dreams of world planners the role that governments and international agencies can play will be small in comparison to the role that capital itself can play if given the opportunity. Title III itself contains a pale reflection of this thought in its references to investment and trade.

The legislation here proposed relates to the development of areas which are economically lagging. Economic development is another name for investment, but with this distinction: Investment necessarily means development for the sake of profit. And profit is a touchy subject.

Profit is, of course, the increment in what is produced by an economic undertaking as against what is put into the undertaking. It is the measure that shows whether the investment was sound. Keeping books is economically the only way of making sense. When the assumptions of an investment prove correct, the books show a balance. That is profit. In the Marxian folklore, profit is something sinister. In the attitude of the governments of many economically laggard countries, profit is likewise sometimes regarded as evil, depending on who gets it.

CONCLUSIONS

The proposal contained in this legislation has a worthy objective: the encouragement of higher standards of living and greater economic efficiency among the economically underdeveloped nations.

It is when one examines the premises of action that doubts arise concerning title III.

It contains no administrative standards for selecting the areas to be helped or the type of help to be given.

It gives no hint of the duration of the effort or the cost involved. In that sense, it is not a program at all. It is merely a statement of a hope.

It involves the dubious proposal of spending the money through international agencies which will not be accountable for the results achieved and which are inadequately prepared for the functions to be thrust upon them.

It is at best equivocal in its relation to the encouragement of international investment.

It is harmful in its implications respecting the development of international trade.

In brief, it fails to justify the claims made on its behalf.

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Members of this House will recall that in the President's inaugural address four points were stressed. The point 4 program—title III of this act—which the gentleman from Wisconsin is endeavoring to have stricken is one of the four vital points of the over-all plan of American foreign policy intended to achieve our goals of continuing peace, freedom, and prosperity.

Point 4 in the President's address reads as follows:

We must embark on a bold new program for making the benefits of the scientific advances and our industrial progress available for the improvement and growth of undeveloped areas. We should make available to peace-loving peoples the benefits of our store of technical knowledge in order to help them realize their aspirations for a better life, and in cooperation with other nations we should foster capital investment in areas needing development. Our aim should be to help free peoples of the world through their own efforts to produce more food, more clothing, more materials for housing, and more economical power to lighten their burden.

The gentleman from Wisconsin has made the statement that this is a new policy. I do not think it is a new policy. It is not a new program, because we have for a number of years had what I think is the most important part of our foreign policy in operation in the Latin-American States. The membership of this House as well as the membership of the other body last year unanimously, without a single dissenting vote, provided for a continuation of that program for 5 years and authorized an appropriation of $35,000,000 to carry out its objectives. It is not, therefore, a new program or policy; and it is not a world-wide WPA, because the cooperative program in Latin America has been one means by which other nations have joined with us on a bilateral basis, and their own contributions have helped to bring about their own betterment and to achieve great prestige and respect for us in that area.

The gentleman mentioned a book about Tehran. I did not hear about that until he appeared in the well of this House today. I believe the genesis of this program goes not to Tehran, but goes back to the program which this country has had in effect for so many years in Latin America. This program is based on 10 years of solid experience with the technical assistance program in Central and South America. With this experience the United States is now fully prepared to go ahead with the same kind of technical assistance activities in other parts of the world where, as in southeast Asia, they are desperately needed to counteract the advances of communism.

May I say in response to the question as to what is an undeveloped area, that it embraces most of the world lying in the southern part of the globe. The regions of southeast Asia, India, Iran, most of Africa, areas where people have to live on approximately 2,000 calories a day, which is hardly enough to live on, areas where people do not have enough to eat or enough to clothe themselves, whose life expectancy is about half of what ours is, areas which are ripe for communism if something is not done. I hope something will be done on a cooperative basis. I hope we will follow the wishes of the gentleman from Massachusetts [Mr. HERTER], a distinguished student of our foreign affairs and our foreign policy, who has done so much to bring about the bill which we have before us at the present time. As I understand it, this measure represents a compromise between the bill he originally introduced and the bill which was recommended by the State Department.

Mr. POTTER. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Michigan.

Mr. POTTER. Under the technical assistance feature of this point 4 program, what is to keep Red China from applying for this technical assistance through a United Nations organization, which will be paying 70 percent or more of the bill?

Mr. MANSFIELD. I may say to the gentleman from Michigan that we have not recognized Red China and I hope that we do not recognize Communist China. I hope it does not achieve a seat in the United Nations. If those assumptions are correct, there will be no aid given to Red China.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Chairman, may I say to the gentleman from Michigan that at the present time we have in effect what might be called a point 4 program, a cooperative program, on the Island of Formosa, in the form of the so-called Chinese-American Joint Rural Reconstruction Commission, which is doing fine work in raising the living standards over there and it has been very effective.

Mr. POTTER. Is that part of the United Nations or a bilateral agreement?

Mr. MANSFIELD. A bilateral agreement.

Mr. POTTER. Is it not true that we have had much more value for our money, and much more success in our program where it has been through bilateral agreements between the United States and the participating country than we have through the United Nations? If the gentleman will let me observe further, I think it is a disservice to the United Nations itself to put on it responsibilities which they have not been able to handle successfully. I hope the United Nations will operate with increased efficiency as time goes on, but, in my opinion, we are doing a great disservice to the United Nations by putting responsibilities on it which might be embarrassing, such as Bulgaria, for example, might apply to one of the agencies of the United Nations for technical assistance. It could prove very embarrassing to us to have that happen. If Bulgaria will come and apply to us, through a bilateral agreement, I would have no compunction about it. I think some American technicians over there might be ambassadors of good will. However, I do not like Bulgaria applying to the UN and using that as a means of propaganda in their own country because we would have no control over it.

Mr. MANSFIELD. There is a great deal of merit in what the gentleman says. As far as this program is concerned, it would be not only on a bilateral—that is on country-to-country—basis but also through the UN as well where we have certain agencies which we think may be of some benefit in carrying out programs of this sort. However, that will be discussed more fully as we go along. The idea is to bulwark as much as we can these people who at the present time could be and in some instances are easy prey to communism, so that we can prop them up and in that way bring about a betterment of their standards so that in the end they will be on our side and not on the side of communism.

Mr. POTTER. Does the gentleman agree we would be much more successful and that we can anticipate much more success by bilateral agreements than we can by applications through UN agencies?

Mr. MANSFIELD. I may say to the gentleman from Michigan that has been the procedure to date. We have been more successful in our bilateral programs, and, as far as this kind of a program is concerned, we have our activities in Latin America to back up that statement.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from New York.

Mr. KEATING. Is it not a fact that under the wording of title III as it is now drawn, if we were to agree to it, there would be no assurances to us that the funds would be used on a bilateral basis rather than being turned over to the United Nations? In other words, there is no line of demarcation, is there, in the language as to how much shall be used in each manner?

Mr. MANSFIELD. I will say to the gentleman from New York that, as I recall, there is some language in here to that effect, and I wish the gentleman from Connecticut [Mr. LODGE], who was instrumental in putting in that language, would give us an explanation of it.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from New York.

Mr. JAVITS. On page 19, line 3, the standard is set forth as being "will contribute to accomplishing the purposes of this title as effectively as would participation in comparable programs on a bilateral basis." In other words, the objective must be fully and readily attainable. I would like to point out one other amendment which the gentleman from Connecticut will introduce, which I think is of the greatest importance in this bill, and that is an amendment that provides that the President shall not give aid under this bill unless—and I refer to page 26, line 6—it is consistent with the foreign policy of the United States. The gentleman from Connecticut ties it down accurately and exactly with respect to all such countries as Bulgaria, Communist China, and other areas which we are not recognizing and which are behind the iron curtain.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Minnesota.

Mr. JUDD. Furthermore, we included, beginning on page 26, a provision that the President must terminate this program if a concurrent resolution of both Houses of Congress directs such termination, so control of the program is still left in our hands. And on page 18, line 19, there is language which I shall offer an amendment to change, striking out the language "United States shall participate in multilateral technical cooperation programs" and insert in lieu thereof "President is authorized on behalf of the United States to."

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. JUDD. Mr. Chairman, I ask unanimous consent that the gentleman

be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. In section 304 (b) it now reads that he is authorized to, and an amendment will be submitted to that effect for 304 (a) also, the idea being that wherever a program can be done as well and at no greater cost through an international organization, then the President would make contributions to it to do the particular job, and I am sure the House will agree to the amendment.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Connecticut.

Mr. LODGE. I would like to say in connection with this whole matter, I had felt that the stress should be on the bilateral rather than on the multilateral arrangements because of the fact that we have had such dire experience with UNRRA and I thought we had such relatively successful experience with the Marshall plan. I do think that this language is very helpful. It is not quite as strong as I should have liked it to be. As far as the question of our foreign policy is concerned, what I was attempting to express there with the help of my colleague the gentleman from New York [Mr. JAVITS] was that it should be made impossible, or at least, there should be language which would indicate our intention that none of the dollars of the American taxpayers should be spent on any international program for the development of underdeveloped areas behind the iron curtain or dependent areas of iron-curtain countries.

Mr. MANSFIELD. I am quite sure that the gentleman from Connecticut [Mr. LODGE] and the gentleman from New York [Mr. JAVITS] have answered the questions that have been raised by my good friend the gentleman from Michigan, as to how this matter shall be administered and how it will work out. Of course, the House must still work its will on this measure, and it is my hope that the fundamental precepts behind this particular measure will be taken into consideration. This is necessary, if we are going to get any kind of help from those people whom we might have to depend on some day in the underdeveloped areas of the world. I would like to also say that the $45,000,000 as requested in this appropriation may be misunderstood, because approximately $10,000,000 of that has already been authorized; $7,000,000 under the Inter-American Cooperation Act and the rest through other acts.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from West Virginia.

Mr. KEE. It has not only been authorized, it has already been appropriated.

Mr. MANSFIELD. That is right, but the inter-American cooperation appropriation was for a 5-year period at a $7,000,000 a year rate.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from New York.

Mr. KEATING. I appreciate the remarks of the gentleman from New York and the gentleman from Connecticut and the gentleman from Montana in an effort to clarify this question, but it seems to me it still is perfectly clear that there is in title III as now worded no line of demarcation as to how much of those funds shall be used on a bilateral basis and how much shall be turned over to the United Nations, the only factor being that the President of the United States will be authorized to turn over to the United Nations as much or all of the $45,000,000 as he may think will equally effectively enable us to participate in these programs and which are consistent with our foreign policy.

To my way of thinking, in the present complicated and perhaps difficult situation of our foreign policy, it is not sufficiently clear to me what our foreign policy is in these underdeveloped areas to enable me to be willing to allow the President to have such a sweeping power, while I might go along on a bilateral basis.

Mr. MANSFIELD. The gentleman is correct in regard to yielding discretion to the President. I think the gentleman from Massachusetts [Mr. HERTER] in his bill had that same discretionary proviso. However, it is my understanding, and I think the gentleman from Ohio [Mr. VORYS] may be able to back me up on this, that as far as participation in the UN is concerned it would depend upon the proportion already agreed upon in previous activities covering these organizations like the Food and Agricultural Organization, UNESCO, and so forth.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS:

On page 28, after line 17, insert the following:

"SEC. 314. No citizen or resident of the United States, whether or not now in the employ of the Government, may be employed or assigned to duties by the Government under this act until such individual has been investigated by the Federal Bureau of Investigation and a report thereon has been made to the Secretary of State: *Provided, however,* That any present employee of the Government, pending the report as to such employee by the Federal Bureau of Investigation, may be employed or assigned to duties under this act for the period of 6 months from the date of its enactment. This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate."

Renumber the later sections of the bill.

Mr. KEE. Mr. Chairman, I make the point of order that the amendment is improper at this point. We are discussing the amendment already offered by the gentleman from Wisconsin to strike out the title.

The CHAIRMAN. The Chair is ready to rule. The title is considered as having been read and any perfecting amendment is in order before voting on the amendment of the gentleman from Wisconsin [Mr. SMITH] to strike the entire title.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. If I can just get in one thought, I will be glad to yield to the gentleman later.

Mr. GAVIN. We want a chance to say something, too; that is why I have asked the gentleman to yield.

Mr. VORYS. Mr. Chairman, I am sorry I cannot yield to the gentleman.

Mr. Chairman, I have been trying to say for the past few minutes what the situation is here on the floor. Under the unanimous-consent agreement of yesterday there is an amendment pending to strike out title III. That amendment, under the rules of the House as I understand them, will not be acted upon until perfecting amendments have been disposed of—so long as there are any amendments pending to perfect title III.

Therefore, all of the discussion with reference to perfecting amendments should come ahead of whether the motion of the gentleman from Wisconsin [Mr. SMITH] should prevail or not, and at any time discussion will be in order on the whole general propositon raised by his amendment.

Now, as I understand it there are a number of perfecting amendments to be offered. The amendment I have offered is to put in a loyalty check on personnel. I have taken the precise language from the Smith-Mundt bill, which was passed in the Eightieth Congress. The loyalty check in that act received great attention in both Houses and in conference. I think it is in effective form, and I doubt that there will be any objection to putting it into this bill.

The Smith-Mundt Act, enacted by the Eightieth Congress, Public Law 402, covers much of the same ground as this bill. For instance, under "Objectives," there is this provision which I quote:

To cooperate with other nations in (a) the interchange of persons, knowledges and skills, (b) the rendering of technical and other services.

I call the attention of the House to the hearings on this present bill. When I asked Mr. Webb, the Under Secretary of State, if he would point out anything in this proposed legislation which could not be done under existing law, he did not point out anything. So let us relax and let us realize that what we are talking about from now on this afternoon is not terribly new or terribly bold and that whether this title stays in or not, we are going to continue with a great deal of important technical assistance.

I want to call the attention of the committee to this fact: in the Foreign Assistance Act, which we are considering now, there is a total of $63,280,482 for technical assistance. Of the whole business, $63,000,000—only $31,000,000 is new stuff. As has been pointed out, in title III, of the $45,000,000 there is a reauthorization of $10,000,000 of technical assistance which we are now successfully rendering under other legislation.

In the first title, ECA, there is $15,000,000 of technical assistance for Europe and its dependencies. In the Korean-aid section there is $2,779,000 of technical assistance. So we are going to have a great deal of technical assistance go on whether or not this title stays in. At a later time I will ask the indulgence

of the committee to offer another perfecting amendment bearing on the point which came up a few moments ago which is to limit the total contribution under this title to United Nations and its related organizations to 40 percent of the total. But that is not up now. I merely wanted to bring up this amendment, which is a perfecting amendment, and I do not want to take up more of the time of the committee.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. HOPE. I would like to ask the gentleman if the statement he has just made as to the authority which already exists for carrying out a program of this kind applies to that part which may be carried out through the United Nations.

Mr. VORYS. All I say is that when I asked Under Secretary of State Webb he could not point out anything that was proposed that could not be carried out under existing law.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired.

Mr. GAVIN. Mr. Chairman, I rise in support of the Smith amendment, and I ask unanimous consent that I may be permitted to continue for an additional 5 minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. CAVALCANTE. Mr. Chairman, reserving the right to object, will the gentleman who had the floor yield for a unanimous-consent request?

Mr. GAVIN. I will be glad to yield.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. GAVIN] that he be permitted to proceed for five additional minutes and to revise and extend his remarks?

There was no objection.

Mr. CAVALCANTE. Mr. Chairman, I ask unanimous consent that the time of any member of the Committee on Foreign Affairs on any amendment offered to or on a question arising on H. R. 7797 be limited to 5 minutes and no more, and the motion pro forma shall not be made to circumvent such limitation.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. CAVALCANTE]?

Mr. FULTON. Mr. Chairman, I object.

The CHAIRMAN. The gentleman fram Pennsylvania [Mr. GAVIN] is recognized for 10 minutes.

Mr. GAVIN. Mr. Chairman, this Smith amendment should be adopted. The time is now to start sloughing off on these programs of spending, and let the participating countries of the ECA work just a bit harder.

This is just another give-away program. It is time to give relief to the tax-weary American taxpayers, who, I warn you, have reached a point of utter exhaustion. And again I might say to my colleagues that the ECA dead line in 1952, in my personal opinion, is merely a gesture. It is wishful thinking to believe that the economic stability will have been restored in those European countries, or elsewhere, by that dead line. When 1952 arrives, I predict that the program being offered here today, the point 4 program, will be the vehicle to take the place of the ECA. This kind of a program if adopted will be expanded and expanded and could readily require several billions of dollars a year. There is no termination date on it. The program will be developed in the next year or two, and then by 1952 requests will be made to spend three or four billion dollars to carry out the projects that have been worked up. If when 1952 arrives and the ax falls on the spending of the ECA program, the Communist threat will be the theme song for the continuation of some kind of a program for world-wide spending.

In my opinion, it would have been sounder judgment to go a bit easier on the American taxpayer now rather than try for world coverage so that when and if further help should be needed consideration might be given to the matter. But if the ECA advocates continue to gouge the American people and wreck the industrial life and economy of this Nation they will rue the day for their unsound judgment.

The American taxpayer is the only one who has not been heard or even thought about in this furious scrap to devise ways and means to spend his money. They have been patient in this gigantic program of spending over the last several years, but I warn you that they have now reached the breaking point and are now asking for relief from this tremendous burden of taxation. I feel certain that when you return to your districts you will find that the thinking of your people on these spending programs has reversed itself, or at least that they will have their say in the next general election, and you will hear from them at that time.

The American people were of the opinion that the ECA program would bring peace and stability to a war-torn world and were willing to put the cash on the barrel head for results. We have poured out billions and billions of dollars. You all know the results; they are practically nil as far as world peace and stability are concerned. When the ECA program was undertaken, these countries were to cooperate with us, integrate their economic life, tear down existing barriers, bring about through legislative procedure certain necessary reforms in these countries; but to date little or no progress has been made in this direction. All they do is take what we pour in and do little or nothing to effect the reforms necessary to bring about stability and recovery. While we are pouring in our money for the industrial rehabilitation of the devastated countries, our allies continue industrial dismantling of the remaining industries of these countries, taking away the livelihood of the people and frustrating the recovery efforts in these countries. ECA has fulfilled its essential objectives; the major problem now remaining is the integration of the separate and conflicting European economies into a single system. Little or no progress has been made in this direction anywhere.

The question is: How long can the economy of this country stand this terrific drain? How long can our finances and our resources stand up under it? This is problematical. If we desire to wreck the economy of our Nation, reduce the living standards of our people, bankrupt the country, we will continue to run hog wild on these spending programs. If, however, we use sound judgment we shall proceed cautiously and carefully on this point 4 program and not accept everything that is thrust and thrown at us.

Let me reiterate, in conclusion, what I have said before, that if we are suddenly precipitated into an emergency or catapulted into another cataclysm of war, no bankrupt country has ever won a war.

The Smith amendment should be adopted.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. CAVALCANTE. Mr. Chairman, reserving the right to object, I should like to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CAVALCANTE. Is the gentleman who now has the floor and is requesting unanimous consent a member of the Committee on Foreign Affairs?

The CHAIRMAN. That is not a parliamentary inquiry, but for the gentleman's information the Chair may say that he is not a member of the Foreign Affairs Committee.

Mr. CAVALCANTE. If the gentleman is not, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, in the hope that I might be able to correct an erroneous impression which seems to be prevalent, and in the further hope that I might be helpful to the Members of the House, I have obtained accurate information concerning the activities and operations of the Commodity Credit Corporation, and I desire to bring this information to your attention and to the attention of the country.

Erroneous and irresponsible propaganda, streaming headlines, and loud assertions over the radio to the effect that the Commodity Credit Corporation has been wasting and squandering the taxpayers' money and has been destroying vital foods probably prompted the members of the Committee on Foreign Affairs to approve the proposals of the gentleman from Ohio [Mr. VORYS]. It is easy to understand how the public might be misled by such erroneous information, and I can, of course, understand how perhaps some Members of Congress, not familiar with the facts, might likewise be misled. As I have heretofore stated during the course of this debate, the gentlemen from Texas [Mr. BURLESON and Mr. POAGE] and I, together, discussed and prepared the Burleson amendment, primarily for the purpose of defeating the Vorys amend-

ment, which was adopted in committee, and further for the purpose of providing a vehicle which would enable the House to work its will upon the suggestion that a part of the ECA appropriation be earmarked for the purchase of agricultural commodities. It was definitely an instrument which we intended to use in defeating the Vorys amendment. After the Vorys amendment was defeated, I very frankly admitted that I was not anxious to influence anyone's judgment concerning the merits of the Burleson amendment, which I actually helped to prepare. To keep faith with the position which the gentlemen from Texas [Mr. BURLESON and Mr. POAGE] and I had taken, and to keep faith with some of the members of my own committee, all of whom voted with us in defeating the Vorys amendment, I felt that I should at least vote for the amendment offered by my colleague from Texas. I did vote for the amendment, and I frankly do not believe that it was or is a bad amendment. I do realize, however, as I stated at the time, that it has some of the objections which could be leveled at the Vorys amendment. I was and I am frankly of the opinion that the Burleson amendment is much better than the Vorys amendment and is much to be preferred. If the House rejects the Burleson amendment, I shall not be grieved. Every Member of the House will have an opportunity to vote on the proposition when the roll is called.

Realizing that a lot of misinformation has come out through the press and radio to the people of this Nation, and appreciating the value of truth, I have obtained from officials of the CCC accurate information and true facts concerning the financial activities and operations of that corporation. In possession of the information which I have obtained and which I will in a moment submit, you will be in a better position to vote with intelligence on the proposition which is involved in the Burleson amendment when a roll call is demanded in the House. The information which I am about to submit will also be of great value to you when discussing the operations of the CCC with your constituents when you return home.

STATEMENT ON COST OF CCC ACTIVITIES

On the floor of the House on March 28, 1950, Congressman VORYS made the following statement—page 4250, CONGRESSIONAL RECORD:

> In a letter by Assistant Budget Director Lawton, in February 1949, he pointed out that the Commodity Credit Corporation had sustained a net loss since its organization up to then of $3,890,891,170. But that they were able to show a surplus in their statement by including as income the appropriations received from the Congress.

The foregoing assertion is apparently based on statements made by Senator WILLIAMS in the Senate on March 29, 1949—page 3382, CONGRESSIONAL RECORD—in which he referred to—

First. Statements put out by the Department that there had been a gain of about $189,000,000 on price support and export operations of CCC from 1933 through June 30, 1948.

Second. Correspondence with the Bureau of the Budget in which the Bureau of the Budget stated the net loss sustained by the Commodity Credit Corporation from its organization on October 17, 1933, through December 31, 1948, was $2,146,930,367.

Third. Statement by the Bureau of the Budget that the CCC loss does not include $1,743,960,803 mentioned in a previous letter as expenditures under section 32.

Fourth. A total loss to the taxpayers of $3,880,891,170 which was obtained by combining the CCC net loss and the section 32 expenditures.

The foregoing presentation and the figure of $3,880,891,170 are completely misleading in the following respects:

First. The section 32 expenditures of $1,743,960,803 did not represent funds spent by the Commodity Credit Corporation as Senator WILLIAMS asserted and the gentleman from Ohio, Congressman VORYS, repeated. Rather, this figure represented various programs carried out by the Department of Agriculture under the separate legislative authority known as section 32. Programs carried out with these funds, which are appropriated in an amount equivalent to 30 percent of the custom receipts, include surplus removal programs, direct distribution of food to welfare institutions, diversion programs, new uses, the food-stamp program, export subsidy programs on cotton, wheat, dried fruits, and so forth, and, during several of the years in question, the entire school-lunch program was carried out with such funds. Thus, first of all, the expenditures referred to were not CCC operations, and the addition of such expenditures to any CCC figures is completely erroneous and misleading.

Second. Now let us look at the $2,146,930,367 referred to as net loss of CCC on December 31, 1948. We are considering today the cost of price-support activities. So the first thing we need to remember is that the CCC was authorized and directed to carry out other activities during the war period. One of these activities was the wartime consumer subsidy program designed to hold down the price of agricultural commodities in keeping with OPA ceiling prices to consumers. To do this job the Commodity Credit Corporation paid out $2,102,979,821. Let me repeat, in the figure of $2,146,930,367 referred to as net loss of CCC, there is $2,102,979,821 of wartime consumer subsidy costs. This subsidy figure represents only the actual dollar outlay for such subsidies and does not include the administrative expense of making such payments nor the interest paid to the Treasury by the Commodity Credit Corporation on its deficit arising out of such payments. The figure for interest alone in connection with these subsidies has been estimated to be in excess of $20,000,000.

Let me now give you the specific figures on the cost of price support which are available each month in the reports of the Commodity Credit Corporation. As previously indicated in the statements of the Department referred to above, the net result of Commodity Credit Corporation price support and export operations from 1933 through June 30, 1948, was a gain of approximately $189,000,000. This figure represents realized gains and losses on commodities acquired and disposed of, but does not include this $2,000,000,000 of wartime consumer subsidy costs or administrative and interest expense in the net amount of $74,000,000.

Now I want to bring you up to a current date, February 28, 1950. To that date CCC had sustained a net loss under the price support program on commodities acquired and disposed of in the amount of $495,800,000,000. This covers the entire period from 1933 through February 28, 1950. I will insert the entire table, but some of the more significant figures are these: On the basic commodities there has been a net gain of $60,000,000 from 1933 through February 28, 1950. The more significant losses are $355,400,000 on potatoes, $90,400,000 on wool, and $60,200,000 on peanuts. In summary, the Corporation has had losses of $713,000,000 on some commodities offset by gains of $217,200,000 on others, which results in a net program loss on price-support activities of $495,800,000. When we consider the tremendous benefits to farmers and the country as a whole, which has been accomplished by price support over the years since 1933 at a cost of $495,800,000, and realizing that $355,400,000 of this amount was lost on potatoes alone, it is quite a different story from the $3,880,000,000 which was represented here on the floor of the House a few days ago as being the losses charged off by CCC. In fairness to the Budget Bureau, let me say that the manner in which the figures furnished by it were requested appears to have led to the confusion on this matter.

Let us take a look at price support from another viewpoint. Since 1933, price support has been extended on 43,000,000 bales of cotton, over 1,000,000,000 pounds of tobacco, almost 2,000,000,000 bushels of corn, and about 2,500,000,000 bushels of wheat. However, the total quantities under loans and in inventory today only amount to 6,300,000 bales of cotton, 365,000,000 pounds of tobacco, 731,000,000 bushels of corn, and 470,000,000 bushels of wheat. Thus, the quantities on hand today, which for the most part represent desirable reserves, are mighty small in relation to the total which has been supported. The great benefit to farmers and the Nation from the support of prices on these tremendous quantities over the 17 years since 1933 has been accomplished at little cost to the taxpayer.

As I said before, the net result is a profit of $60,000,000 on the basics. On cotton there is a gain of $206,000,000, and on tobacco a gain of $5,300,000. On corn, the loss is only $46,800,000, on wheat, $43,500,000, on peanuts, $60,200,000, and slightly less than $1,000,000 on rice. The total amount invested in the price support of all commodities since 1933 has been over $10,000,000,000, and the loss to date has been less than 5 cents out of each dollar used. From the taxpayer's standpoint it is the 5 cents and not the dollar which is the cost of price support.

DEPARTMENT OF AGRICULTURE,
PRODCUTION AND MARKETING ADMINISTRATION,
COMMODITY CREDIT CORPORATION.

Cumulative net results[1] of price-support operations by commodities, 1933–Feb. 28, 1950

[In millions of dollars]

COMMODITIES ON WHICH THERE WERE NET GAINS	
Cotton, upland	206.0
Tobacco	5.3
Soybeans	4.8
Other	1.1
Total	217.2
COMMODITIES ON WHICH THERE WERE NET LOSSES	
Potatoes, Irish	355.4
Wool	90.4
Peanuts	60.2
Corn	46.8
Wheat	43.5
Eggs	39.2
Hemp and hemp fiber	21.5
Sugar beets	16.5
Grain sorghums	12.5
Prunes	8.5
Raisins	6.6
Other	11.9
Total	713.0
Net loss	495.8

[1] Realized gains and losses, excluding general income and expense.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. So if you take the final figures of a net loss to date of only $495,000,000 and subtract the cost of the potato program, $335,000,000 this corporation has lost only $140,000,000 in 17 years of operation. Yet the country had been led to believe that through this agency we have been wasting and squandering money. The country has been led by the press and radio to believe that we have in excess of $4,000,000,000 tied up in perishable assets which are now deteriorating or are being destroyed and wasted.

Even yesterday I had telegrams and other communications asking me when the Government was going to stop destroying food. This was due to the erroneous impression that had gone out through the press and the radio.

Yesterday I called my committee together and had the officials of the Commodity Credit Corporation present with their books and records. I had announced that it was going to be an open meeting and a truth meeting, a meeting at which we were going to try to find the true facts with regard to the financial operations of this agency. Believe me or not, when we announced it was going to be a truth meeting and we were going into the books and records of the Commodity Credit Corporation, not one single representative of the American press came into the committee room, nor was there a single radio commentator present. All of this shows that the farmers of this Nation are finding it very difficult to get the true facts to the public in America. If the consumers of America knew and understand the picture and could appreciate the great value of this program, they would not be besieging Congress to destroy it.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I hope the gentleman will give his statement to the press, because it is quite detailed and it is important. I know it would not be possible for them to take it down the way the gentleman has given it to us.

Mr. COOLEY. The gentleman agrees with me that there was no representative of the press or radio there when we had the records there and when we were searching for the facts. Here is a record which I will put up against the RFC or any other governmental agency. It handled over $10,000,000,000 in wartime and peacetime and in depression and in prosperity and it has come out with a nominal loss of $140,000,000 excluding the potato program.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. VORYS. The gentleman referred to the figures which I gave to the committee the other day, and the gentleman is correct in his figures, or somebody is. As to the source of those figures, I got them from the CONGRESSIONAL RECORD. I am very happy to have this explanation. However, I find in the Washington Post today a reference to the proceedings, I think, before the gentleman's committee, in which it is said that Ralph S. Trigg, head of the Commodity Credit Corporation, which runs the price program, told Congress yesterday that on February 28 the total was $4,336,175,453 invested in farm-price supports. Was that the figure that was brought out?

Mr. COOLEY. I am sure that is the correct figure. However, that was the investment that we had in loans on good collateral on cotton, corn, wheat, and other commodities.

Mr. VORYS. Yes; the article here describes what the articles are and he says this should be safeguarded.

Mr. COOLEY. All right. Now, why is it, let me ask the gentleman, that the press and radio of this country cannot tell the truth about the financial operations of this Corporation, rather than to mislead, befuddle, and confuse the public into believing that we are wasting and squandering money.

Mr. VORYS. I wonder if this can be true, that is in the Washington Post this morning.

Mr. COOLEY. It probably is. But they do not go far enough in telling the story. They are still saying to the public that the Corporation has $4,000,000,000 invested in commodities, most of which are likely to perish. That propaganda has gone so far that here we have an organization called the Association for the Abolition of Farm Price Supports, Inc. Its slogan is "You are the victim of the farm price-support program."

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that the gentleman from North Carolina may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. COOLEY. Mr. Chairman, I appreciate this opportunity. This thing is not only of vital importance to the farmers, but it is of vital importance to consumers and to the people of the Nation. If you break down and destroy this farm program, and if you throw 8,000,000 bales of cotton on the market, and all this wheat, corn, butter, and other commodities that we are holding off the market in an effort to market it profitably at a later date, you will break down and destroy the economy of this country.

When you destroy the farm economy, inevitably you will destroy the general economy of America.

I know the city Members of the Congress realize and understand the importance of this program. I know they know something about the true facts, otherwise you could not expect Members from cities like Detroit, Chicago, New York, Boston, or Philadelphia to vote for this program. Yet they have voted for it. They do not have to go back to their city district and apologize. You do not have to go back to the city districts and say, "Yes, I joined the selfish, greedy farm bloc and voted for price supports"; all you need to do is to go back and say, "I am trying to uphold the economy of America so that America can move on and can maintain its place among the nations of the world and can pay its debts."

Mr. WHITE of California. Mr. Chairman, will the gentlemen yield?

Mr. COOLEY. I yield.

Mr. WHITE of California. In reference to the newspaper clipping which the gentleman from Ohio [Mr. VORYS] is quoting, it would be just as sensible for the Washington Post reporter to write up an item about the RFC and say that every dime the RFC has loaned to business against good collateral has been put out in normal circumstances.

Mr. COOLEY. I will put the record of the CCC alongside the record of the RFC any day of the week and guarantee that agriculture will come out better.

Mr. VORYS. Will the gentleman tell us whether these are accurate figures. All I know is what I saw in the paper. I am quoting:

> Trigg's disclosures were made in urging the House Agriculture Committee to go slow about adopting new giveaway programs to dispose of farm surpluses. Such programs he said should be safeguarded to see that they are used in addition to and not in place of commodities that would normally be purchased by the recipients.

Mr. WHITE of California. That is a small matter.

Mr. VORYS. Is that about right?

Mr. COOLEY. I suppose so.

Mr. VORYS. So that the Committee on Agriculture and the CCC and nobody in the Government has a single suggestion about using this surplus to feed the

hungry people. I just wanted to get that in the RECORD.

Mr. COOLEY. The gentleman does not understand law. I wish the gentleman would go back and read the act of 1949, which I hope the gentleman voted for, and which was passed by the Congress. We gave broad authority to the Secretary of Agriculture to give away perishable commodities so that the human family might consume them, and so that we would not witness the horrible spectacle of seeing vital food deteriorate while there are hungry people in this country or in the world.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. KEATING. In the figures which the gentleman has given us showing the loss over this period of close to a half billion dollars, the gentleman also would want to make it clear, I feel sure, that there are two other factors which should enter into the picture. One, these goods that are now on hand among the $4,000,000,000 that our Government is holding, and which are likely to deteriorate and be worth nothing; and second, the fact that from the Commodity Credit Corporation to foreign countries have gone large amounts which have tended to make the Commodity Credit Corporation a going concern. Are those not both factors?

Mr. WHITE of California. Will the gentleman yield to me to answer that question?

Mr. COOLEY. I yield to the gentleman.

Mr. WHITE of California. What would have happened in the so-called winning of the peace if those commodities had not been available? Suppose they were not available in the United States and ECA dollars had been put over there, it would have been a terrific inflationary thing all over the world. The price structure in this country would have gone much higher than it did.

Mr. KEATING. I am not criticizing the gentleman. I am trying to help the gentleman from North Carolina [Mr. COOLEY] to acquaint this House with the true facts, which I know he wants to do.

Mr. COOLEY. Of course, the facts are that the Commodity Credit Corporation has made money on some commodities and has lost money on other commodities, but through 17 years of operation it has only lost, exclusive of potatoes, $140,000,000.

Mr. KEATING. The gentleman looks upon that as a creditable performance, does he not?

Mr. COOLEY. Certainly.

Mr. KEATING. Then I ask the gentleman, if this present farm program is such a success, why are we asked to come in here with the Brannan plan that does something different?

Mr. COOLEY. Oh, I have not brought the Brannan plan up. I take great pride in the program which we now have. It can truly be called a nonpartisan farm program. Perhaps no member of Congress has made a greater contribution to the building of this worthwhile program than my distinguished friend the gentleman from Kansas, CLIFFORD HOPE. He and I know that at least for the past 16 years the members of the Committee on Agriculture have worked and labored, without regard to partisan politics, in the interest and in the welfare of the farmers of this Nation. We do have a program broad enough to embrace all of American agriculture. It is a program of many parts and parcels and it did not come into being by the mere passage of a single law. This program has served well the needs of our Nation, both in times of war and in times of peace. But all of the friends of agriculture know that it is not perfect. No Member of Congress wants to continue a program as costly as the program of potatoes has been and, yet, no intelligent person would want to wreck or destroy the good parts of the program which we now have. I shall despise the day when partisan politics lifts its ugly head again in our committee room and I shall not like the person who seeks to destroy the program which we have.

The transition period from a wartime economy to a peacetime economy has visited terrific impacts on our agriculture. It appears that the whole pattern of American agriculture must undergo drastic changes. Unfortunately, many critics of our program do not understand its implications. They do not know its virtues and they seem to despise all of its faults. This government sustained great losses in taking industry through the transition period and when compared with those losses, the losses which have resulted from the farm program appear to be negligible. But for the present farm program, including the price support program, this country would have gone into an economic tailspin and we would now be in the very depths of a gigantic depression. If we are to meet our obligations and to pay our debts, we must maintain farm income and we must maintain fair, yes, even high wages. If commodity prices and wages decline, our national income will be impaired in exact ratio. With declining prices and wages we will have declining revenue with which to pay for the cost of government and with which to pay our national debts. If you impair the income of agriculture, you will destroy the purchasing power upon which industry depends. The Nation depends upon agriculture, yes, the livelihoods of all of our people. All the professions and vocations and avocations of life must ultimately depend upon the products of the good earth. Agriculture, labor, and industry must all pull together if we are to weather the storm and to save the institutions of freedom.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. This is a new amendment?

Mr. JAVITS. It is a new amendment. It is a perfecting amendment.

The CHAIRMAN. There is pending an amendment which will have to be disposed of first.

Mr. SHORT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, after the storm abates, the lightning stops and the thunder ceases to roll and peal, after the mariner has been tossed helplessly and almost hopelessly upon the sea, I think it is time for us to pause and look at our compass and see where we are. Let us get back to this bill.

The gentleman from Montana [Mr. MANSFIELD] is a fine man, a student, a scholar, and a gentleman. I admire his enthusiasm and high idealism.

I am sorry that the vicissitudes of fortune through which most of us pass cause us to loss some of the enthusiasm and idealism as we grow older, but I think most of us in this body have lived long enough to have learned a few lessons. I hope I am not so hard-hearted or so minus the milk of human kindness that I am not sympathetic to the needs of others. I wonder how many Members of this body tithe? Have you given $10 of your first $100 to church and school and to the poor and distressed? You ought to give $20—not one-tenth, but one-fifth. Of course, it is harder to cough up your own dough than it is to be liberal with the other guy's money.

I think we ought to examine our own minds and hearts today. It is easy to say, "yes, yes," and give away the substance of others who work hard, earn, and save. The middle class in this country is being liquidated today; make no mistake about it, not only their earnings, but their savings, particularly the old people who have laid away a nest-egg, with the purchasing power of the dollar cut in two. You are going to have to face that thing, because you and I are going to grow old.

I think in spite of the professional uplifters and moral reformers—and God knows, the greatest reform we need here is to reform the reformers—and I am addressing myself particularly to the ladies here on both sides of this aisle. I have christened little babies, I have married young people, and buried old ones, and I like to help those who are in need, and I help a lot of you gentlemen who do not need any help.

We are going out to uplift and save all the world. Well, I do not know; I have seen a lot of this world. I think it is too big, and I think there are too many people in it for America with all of her natural resources, her scientific skills, her inventive genius, her technological know-how, to really accomplish. I cannot flatter myself to that extent; I cannot feel that I am that important, to save all the world—I just cannot do it. Who could be such an egotist? Maybe you can flatter yourself up to foster democracy and impose something outside upon people who cannot understand or comprehend or appreciate. Why, it has got to come from within, not without.

Pray tell me, Mr. Chairman, what nation in all this world's history has been so considerate and kind and generous as the United States of America. Our American Red Cross has taken aid and succor to all the distressed peoples in this world. The Rockefeller Foundation has built schools and hospitals and asylums in every country on this globe. Our Christian missionaries, thousands of them from every Christian denomination, Protestant and Catholic alike—yes, I even include the Jews—have taken

light to the heathen. I do not care where the aid is needed, whether it is a typhoon in Japan, or an earthquake in Chile, in South America, there is no point so distant or so far away that America and the American people have not gladly and willingly taken aid.

Mr. JAVITS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

Mr. CAVALCANTE. Mr. Chairman, reserving the right to object, is the gentleman a member of the Committee on Foreign Affairs?

Mr. SHORT. I am not, I may say to my friend from Uniontown.

Mr. CAVALCANTE. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SHORT. I thank the gentleman from New York [Mr. JAVITS]. He is one individual with whom you can disagree and still like.

Mr. Chairman, I was never more serious in my life than I am now. I feel very much right at this moment as Hamlet felt:

O, that this too, too solid flesh would melt,
Thaw, and resolve itself into a dew!
Or that the Everlasting had not fix'd
His canon 'gainst self-slaughter!
The time is out of joint: O cursed spite.
That ever I was born to set it right!

Mr. Chairman, even the hillbilly down in the Ozarks can understand that language. We may have hayseed in our hair, but we do not have cobwebs in our brain. We think straight. You feel it, and I feel it.

Mr. Chairman, my people are old-fashioned. There are a lot of things that are old that I cherish and love. You talk about the New Deal and the Fair Deal. You want change. I know you have got to have change to make progress. But, Mr. Chairman, do not mistake change for progress because often change can be for the bad as well as for the good.

I come from old-fashioned people. The Ten Commandments were written in the horse-and-buggy age, but they are as true today as when Moses gave them. Two plus two equals four now as it did in the days of Archimedes.

Times and men change, but there are certain truths that are eternal and unalterable. You cannot as the head of your family, you cannot as the head of your corporation or business, you cannot as the head of any government—local, State, or national—continue to spend more than you take in without getting into serious difficulties. You cannot dance without paying the fiddler. Your chickens will come home to roost.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. Does the gentleman intend to support this bill, and if he does not intend to support it, why is he against it?

Mr. SHORT. I am sure it is due to the little mind of my friend from Missouri who questions my stand on this legislation. Of course, I am against it. There are a hundred reasons which time will not permit me to enumerate.

Mr. CHRISTOPHER. That is what I wanted the gentleman to say.

Mr. SHORT. I have said that. I vote as I talk, and I talk as I vote. And I will welcome my colleague to come to any town in my district. He has already invaded the district. Perhaps I will return the compliment. I will welcome him to a debate on this issue. Naturally I do not want him to bask in my sunshine. I do not care to build him up. Of course, I am against it because I love the United States as much as Winston Churchill loves Great Britain or Joe Stalin loves Soviet Russia. So, may I say to the gentleman from Missouri, do not tear into me on that. I know his motive.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. JAVITS. Mr. Chairman, I rise in opposition to the amendment.

Mr. REDDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. REDDEN. Is there any limit on the number of times a member of a committee can be recognized on one bill?

The CHAIRMAN. As long as the gentleman arises in opposition to the amendment, or offers an amendment to the bill, he is entitled to recognition.

Mr. REDDEN. There is no limit on the number of times he can be recognized?

The CHAIRMAN. As long as he is in order, no.

Mr. JAVITS. Mr. Chairman, I am sure the gentleman will have bills from the committee of which he is a member and will endeavor to defend them to the best of his ability on the floor just as we do.

Mr. Chairman, the reason I sought the floor after my good friend, the gentleman from Missouri [Mr. SHORT] was through, is because there is no more lovable voice in this Congress than that of the gentleman from Missouri [Mr. SHORT], and there could be no more kindly exponent of a particular point of view that he espouses, and so he is most pleasant to take issue with on that point of view.

I would just like to ask my friend and colleague, who is a very seasoned and fine debater with whom I have debated before, one question. It is perfectly true that the United States has no design to run the world. As a matter of fact, the role of world leadership is distasteful to the American people, even though with 150,000,000 people we are probably the most powerful on earth. But, I ask the gentleman if Japan with a population of about 90,000,000, was afraid to conspire to run the world, or whether Germany, with a population of about 80,000,000 people, was afraid to conspire to run the world, or whether the Soviet Union with a population, who number about 180,000,000 is afraid to conspire to run the world? On the contrary the Soviet Union thought nothing whatever of helping and bringing into being a Communist leadership in China, a vast country of 400,000,000 people. So, I believe my friends, what we are developing here is not the fact that our people want to run the world—we know they do not. What we are developing here is how to stop others from running the world, who design to do so, who desire to do so, who are planning and scheming every day to do so.

From what I hear, one of the main objections made against title III, is the fact that the President claims to have thought it up—as a matter of fact he did not as has been explained—but even that is no objection, for this reason. We are asking the President and the Secretary of State to have a strong foreign policy, so when they come out with a measure which is one of the type a strong foreign policy should be, shall we oppose it just because they are not of our party or because we do not agree with other things they do, or shall we be for it if it is good for the Nation? That, I think, is the only test for this program, is it good for the country, and I think that must be answered decisively in the affirmative, for this reason: It is the only thing that has been brought up on this floor which will arm us in our challenge against communism with a powerful economic weapon in areas where there is little but hunger and despair, a perfect breeding ground for communism.

We know what the Communists are doing, they are going into these underdeveloped areas and telling the people that their only hope for improvement is to adopt their Communist doctrines and philosophy. What we must do if we are to meet that challenge successfully is to go into the same areas and say, "We will show you with technical skills how to deliver for yourselves the very goods which the Communists only promise." That argument is completely decisive. We can win everywhere, but we cannot win if we default, and we cannot win if we do not make the effort. That is all this bill is about.

For any Member to say, "This is a $45,000,000 program"—really it is only $35,000,000, as has been explained—"but it will be more millions a few years hence," does not make real sense. What are we, children? If we do not like it, if it is $60,000,000 next year instead of $45,000,000, we can vote it down. It has to come back here any time any money is required or any additional authority is required.

I urge the Members to think very carefully before they decide in a moment of opposition to the President or just general disinterestedness or because they are tired of foreign policy programs. I ask them to think over—what is any Member proposing in his own heart, what is he proposing as a counteraction to the whole Communist campaign which is counseling peoples in the undeveloped countries that communism is their only hope, their only way out. What is every Member proposing in order to counter that whole march of Communist ideology? If he does not have anything else to propose, here is an inexpensive and valid program which we know that people in the underdeveloped areas want, and I will tell you how we know that.

In Latin America this program of technical assistance has been working now since 1943. Since 1943 this is what has happened. Whereas the United States began by spending about $6,000,000 a year and the Latin-American countries spent only $700,000, by 1950 the United States is spending $5,000,000 and the Latin-American countries almost $13,000,000. That is what they think about it. That is what they think about a program of democratic cooperation on technical assistance between themselves and the United States, exactly what is contained in this bill.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New York.

Mr. COUDERT. The gentleman has pointed out that for the entire Latin-American area, which I assume includes all of Central and South America with all its population, we have been spending only $5,000,000 a year for this kind of program. Does not the gentleman think that to authorize nine times that much at one fell swoop is going pretty far?

Mr. JAVITS. I might say to my colleague, whom I admire and respect, that that is a very superficial point for this reason: The total expenditure in Latin America is $18,000,000, the expense is being shared there now and will be elsewhere, too. In addition to that, you are dealing with 120,000,000 people in South and Central America. We are talking now in this bill of dealing in terms of several hundred million people in southeast Asia, Africa, the Middle East, and other parts of the world, and it must cost more.

Mr. SUTTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had no intention to speak on this bill, but the gentleman from New York has asked for affirmative action on the part of those of us who oppose this point-4 legislation, and my affirmative action in answer to his statement is this: Let us get America back on a sound basis, balance our budget, and quit this deficit spending. With the debt we now have and the condition the world is in today, some country has to be on a sound basis. I say it should be America. This is not an issue between democracy and communism, this point-4 legislation. If it were, I along with some of the other advocates of eliminating this from the bill, would be among the first to be for it.

There is no one in America who hates communism any more than I do.

My answer to communism is this: build America up strong. Let us have a strong Army, a strong Navy, a strong Air Corps, and a strong Reserve Corps, then tell Russia to go straight to hades. If she will not go there, then let us send her there. I am one of those who is willing to go back and do my part to send communism there, because I love America and her democracy.

I cannot reconcile a vote to send $45,000,000 to those countries that just a few years ago, some 6 or 7 years, were plunging bayonets into the bellies of my comrades and yours. I cannot tax the mothers, sweethearts, and wives of those boys who are now lying in foreign soil, to make them pay for this debt which we are trying to put on them. This is serious to me, and I have too much conscience to vote to send this money over there to build up the countries which, within a few years, will come back and kill more American boys. I cannot reconcile a vote to send to these undeveloped countries of the world billions for new projects when here in the United States in our omnibus appropriations bill there is not one dime for new projects in our own country.

I cannot reconcile a vote to send $45,000,000 over there to assure big business that it will succeed, when we cut 25 percent off of every project in rivers and harbors in the United States, and all other projects in America that are so direly needed.

I cannot reconcile such things as that. Why do we not come back to logic and common sense.

Mr. TACKETT. Mr. Chairman, will the gentleman yield?

Mr. SUTTON. I yield to my colleague.

Mr. TACKETT. The gentleman further realizes, too, that we made an appropriation here to allow lobbying to go on in this country in an effort to sell our people a bill of goods?

Mr. SUTTON. Yes.

Mr. TACKETT. The gentleman further realizes that we have spent a tremendous sum of money to those who have formulated the Marshall plan. They have gotten most of it. No one has ever denied that charge.

Mr. SUTTON. Mr. Chairman, I agree with our great majority leader that communism is bad. It is no good. I am in favor of fighting it in every way. But I think the best way we can fight communism is to have a strong America and to have a democracy of the people so that the rest of the world will see that we are strong and also see that we mean business.

If we continue to spend the taxpayers money, that we do not have, and continue to go in debt we are not fighting communism.

Communism is the result of governments overspending beyond the reach of its peoples, taking the moneys away from them, then you have the government going into socialism.

When the people have no money the government has to take over; socialism.

From socialism, countries go right into communism and that is almost without exception.

Mr. Chairman, I hate communism, I detest socialism and I love Americanism.

Let us not take a chance of bankrupting America.

Let us be Americans and build America great so that the world will follow our leadership of being Governments "of the people, by the people and for the people."

I hope that title III is taken out of this bill so that I might vote for ECA, but I can't vote for any bill to develop the world at the American taxpayers' expense.

Mr. MILLER of Nebraska. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of Nebraska to the Vorys amendment: On page 28, after section 314, by adding after the last word "Senate" and the period "And provided no homosexual shall be employed."

Mr. MILLER of Nebraska. Mr. Chairman, I realize that I am discussing a very delicate subject I cannot lay the bones bare like I could before medical colleagues. I would like to strip the fetid, stinking flesh off of this skeleton of homosexuality and tell my colleagues of the House some of the facts of nature. I cannot expose all the putrid facts as it would offend the sensibilities of some of you. It will be necessary to skirt some of the edges, and I use certain Latin terms to describe some of these individuals. Make no mistake several thousand, according to police records, are now employed by the Federal Government.

I offer this amendment to the Vorys amendment in good faith. Recently the spotlight of publicity has been focused not only upon the State Department but upon the Department of Commerce because of homosexuals being employed in these and other departments of Government. Recently Mr. Peurifoy, of the State Department, said he had allowed 91 individuals in the State Department to resign because they were homosexuals. Now they are like birds of a feather, they flock together. Where did they go?

You must know what a homosexual is. It is amazing that in the Capital City of Washington we are plagued with such a large group of those individuals. Washington attracts many lovely folks. The sex crimes in the city are many.

In the Eightieth Congress I was the author of the sex pervert bill that passed this Congress and is now a law in the District of Columbia. It can confine some of these people in St. Elizabeths Hospital for treatment. They are the sex perverts. Some of them are more to be pitied than condemned, because in many it is a pathological condition, very much like the kleptomaniac who must go out and steal, he has that urge; or like the pyromaniac, who goes to bed and wakes up in the middle of the night with an urge to go out and set a fire. He does that. Some of these homosexuals are in that class. Remember there were 91 of them dismissed in the State Department. That is a small percentage of those employed in Government. We learned 2 years ago that there were around 4,000 homosexuals in the District. The Police Department the other day said there were between five and six thousand in Washington who are active and that 75 percent were in Government employment. There are places in Washington where they gather for the purpose of sex orgies, where they worship at the cesspool and flesh pots of iniquity. There is a restaurant downtown where you will find male prostitutes. They solicit business for other male customers. They are pimps and undesirable characters. You will find odd words in the vocabulary of the homosexual. There are many types such as the necrophalia, fettichism, pygmalionism, fellatios, cunnilinguist, sodomatic, pederasty, saphism, sadism, and masochist. Indeed, there are many

methods of practices among the homosexuals. You will find those people using the words as, "He is a fish. He is a bulldicker. He is mamma and he is papa, and punk, and pimp." Yes; in one of our prominent restaurants rug parties and sex orgies go on. Some of those people have been in the State Department, and I understand some of them are now in the other departments. The 91 who were permitted to resign have gone some place, and, like birds of a feather, they flock together. Those people like to be known to each other. They have signs used on streetcars and in public places to call attention to others of like mind. Their rug and fairy parties are elaborate.

So I offer this amendment, and when the time comes for voting upon it, I hope that no one will object. I sometimes wonder how many of these homosexuals have had a part in shaping our foreign policy. How many have been in sensitive positions and subject to blackmail. It is a known fact that homosexuality goes back to the Orientals, long before the time of Confucius; that the Russians are strong believers in homosexuality, and that those same people are able to get into the State Department and get somebody in their embrace, and once they are in their embrace, fearing blackmail, will make them go to any extent. Perhaps if all the facts were known these same homosexuals have been used by the Communists.

I realize that there is some physical danger to anyone exposing all of the details and nastiness of homosexuality, because some of these people are dangerous. They will go to any limit. These homosexuals have strong emotions. They are not to be trusted and when blackmail threatens they are a dangerous group.

The Army at one time gave these individuals a dishonorable discharge and later changed the type of discharge. They are not knowingly kept in Army service. They should not be employed in Government. I trust both sides of the aisle will support the amendment.

Mr. CHATHAM. Mr. Chairman, I move to strike out the last word.

Mr. CHATHAM. Mr. Chairman, I speak especially in support of title III. I have been in business all my life, and I know something about the American business system. I think I know something about technological skills, I think I know something about business knowledge, and I think I know about improvements. The American way of life is founded on the American business system. There are three classes of producers throughout the world: The miner, the farmer, and the manufacturer. We have built up the American system through technical knowledge and through technical skills. There is no earthly reason why we cannot help other countries whether they be backward areas or not—these western European countries, for instance, by giving them our technical skills.

I think this is the most forward-looking piece of legislation that has been before this Congress, certainly in my time. I am against spending money, of course, but the whole ECA program has proved out in western Europe. If we can make western Europe and other backward areas of the world prosperous, or more prosperous, we can work better for peace and prosperity in this country. We can never be strong unless we are prosperous. Our world can never be strong unless our world is prosperous. We cannot live by ourselves any more than we can keep disease away from our shores if we have an impoverished world around us.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mr. McSWEENEY. Did we not as a young Nation receive most of our technical skills from people who came from countries abroad?

Mr. CHATHAM. We did; we received them from people who came from Europe, but we improved upon them through hard work and education.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mr. GROSS. Technical skill will not do it all. What good does it do to improve their methods without land reform in these backward countries that are held back through the stranglehold of imperialism?

Mr. CHATHAM. I am not speaking of that point because I do not believe I can go into it; I am speaking of point 4 as suggested by the President.

Mr. GROSS. The gentleman well knows who controls the land in Africa. The gentleman well knows that the natives of Africa do not own the land. The gentleman well knows the situation in India, China, and in all the backward countries of the world.

Mr. CHATHAM. I would say that in Indonesia the land is going back to the natives. There will be land reform gradually all over the world.

Mr. GROSS. That is the hope.

Mr. CHATHAM. Nobody controlled the land in this country at one time.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mr. JUDD. Is it not true that you cannot reasonably expect these people to get their own land until they are sufficiently developed agriculturally, educationally, medically, and in many other ways, so that they can handle and manage it successfully? This program is to help them prepare themselves and develop their society so they can take over the management of their own economy and their government.

Mr. CHATHAM. That is quite true, sir.

Mr. HERTER. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield to the gentleman from Massachusetts.

Mr. HERTER. Is it not true that recently in Persia, where a private group of engineers were sent to give technical assistance, one of the things they were able to realize, one of the things which apparently the Persian Government is accepting, is land reform and all the by-products of land reform as part of their economic development?

Mr. CHATHAM. I understand that is so, but this goes far beyond land reform. If people have the skills and the money they can buy the land; if you have money you can buy land.

The whole point of this thing is that it is an effort to share our technical skills. If we are willing to share those skills with the rest of the world, the rest of the world will buy more things from America. To the extent that we can bring up the standard of living of people in other parts of the world, just to that extent will we be developing markets for our own products; just to that extent will we be making friends and allies all over the world, and we need allies.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mr. COOLEY. And they will be better customers of ours.

Mr. CHATHAM. The gentleman is absolutely right. If we could build up the standard of living in western Europe, with its 278,000,000 people, to the standard of living in the United States we would be able to double our production in this country because they would buy our products. This applies all over the world just to the extent that we can improve the standard of living of backward people through sharing with them our industrial know-how and technical skills and creating a desire on their part for the things we have.

I think the President's point-4 program as carried in title III of this bill is most important and will be a powerful factor in building up business, peace, and prosperity. I have been called a Republican many times. I am proud of the fact I am for American business; I am proud to be associated with it. I hope that you Republicans especially will join with us in putting over this program.

Mrs. ST. GEORGE. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in opposition to title III being included in this bill. I am not opposed necessarily to title III. I simply do not see that it has any part in the present legislation.

Section 301 reads:

> This title may be cited as the "Act for international development."

That is exactly what it should be. It should be a separate act. There is far too much in title III to have it simply tacked on to an ECA bill that most of us are committed to vote for.

It seems to me that that may be very smart politics, but I would prefer to have the time to go over title III as a separate entity. I am sure that the members of the Committee on Foreign Affairs have already done that. I am equally sure that they will agree that the rest of the House has certainly not had time to give this the study it needs.

I shall vote for the ECA bill because I feel that the majority of our people and of the Congress are committed to do that very thing. We have put our hand to the plow and we have got to go on. It is a moral obligation to us and to the rest of the world. But I do not like seeing this title III brought in. It is the same old story. We are always

asked to take the rough with the smooth, but it gets rougher and rougher as time goes on.

ECA has got to be seen through to its logical end. Where that end is I do not know. I am not one of those who believes that ECA has been a howling success. I do not believe that ECA has stopped communism. The latest news from France and Italy certainly would not lead one to believe that communism had been stopped in either of those countries. Someone may say, "If we had not had this program, it would have been far worse." How do you know? You have the program. Communism is still very strong in Italy, where only the other day a small town was taken over by force by the Communists. Communism is still strong in France, where a strike was called to prevent the unloading of war material sent from the United States.

No; communism has not been stopped in western Europe and in Germany, where we are spending a great deal of money, although that is being soft-pedaled; conditions are not good. They are getting worse. Unemployment in Berlin is costing the American taxpayers a great deal and will cost a great deal more.

So before we embark upon another program to save the world, before we embark upon business all over the world, we should stop and consider. While I agree with my good colleague from North Carolina that this may indeed stimulate business in our country, that it may indeed be a good thing for the world and for the business of the world and for these backward people, if it is so good, why can it not stand on its own merits? Why can it not be debated as a separate piece of legislation, and not tacked on to the ECA program, which we are all committed to, and which we have got to pass at this session of the Congress? That I know we must do, because the people of the world expect it of us, because we have given our word, and we will not break our word to them.

I am very much opposed to title III being included in H. R. 7797.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word and ask unanimous consent to revise and extend my remarks and proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Chairman, unlike my neighbor, the illustrious gentleman from the Ozarks, who lives in the next district south of mine, I am going to support this legislation.

It has been said here on the floor that this is just a give-away program. I do not look at it that way. This is an investment in the peace of the world. This is an investment in the reconstruction of the war-torn nations of the world. It is an investment in our own security. It is an insurance policy against the encroachment of communism on the democratic nations of the world. And, if that is a give-away program, then a give-away program is a very, very good investment, and I am in favor of it.

Another gentleman wants to know how long our economy can stand this. I do not know just what he means by "this" but I am going to suppose he means this piece of legislation. All right. What is wrong with our economy at the present time? I will admit that we have invested some billions of dollars in the stability of the world, but they have not been wasted and they have not endangered the strength of our economy. Our economy is good at the present time, and we have got to spend money to make money. You absolutely cannot do it in any other way.

Now, I do want to talk for just a few of these 10 minutes about the agricultural situation, a thing which I do think I know something about. Of course, the Commodity Credit Corporation has some food in storage. The way the wheat lands of Kansas and Oklahoma and Texas are blowing clear down into the State of Georgia, we may well be glad by the first day of September that the Commodity Credit Corporation has got 7 or 8 months' food for the United States in storage in the warehouses of the United States. I do not think it is a bad thing to have, and I do not think it is anything to worry about. Drought in the Midwest is 5 years overdue right now, and if you do not believe that, ask these gentlemen who come from Kansas. It has been raining from time to time in several of the past years in Kansas and wetting the dust bowl down a little, but we have no guaranty that it will continue to do that. Dust storms have been blowing in the wheat country for weeks now. That food in storage is a blessing, and it is not a curse.

The gentleman from Missouri, from the Ozarks, the illustrious gentleman who is my neighbor down there, wanted to know what country in the history of the world had ever been as generous as the United States. I do not think any country in the history of the world has ever been as generous as the United States, and I am glad of that and I am proud of it. But, how has Providence treated the United States, whether that be because of that generosity or not? Have any of our cities ever been bombed? Not a one. Have the fields of our country been torn up and our women and children killed by either World War I or World War II? They have not. Is it not possible that the wings of the angels have hovered over this country in return for our generosity?

Oh, I heard an old, tight hillbilly one time pray a prayer that I do not want to ever hear prayed again in these United States; the kind of a prayer that I want to raise my voice against here today. This old man said, "God bless me and my wife, my son John and his wife, we four and no more. Amen."

Are we going to take that attitude nationally? I hope this Congress never falls so low.

I would give more heed to the advice of my friend from Missouri if I had not checked the CONGRESSIONAL RECORD to see how he voted before Pearl Harbor. He voted against selective service in this House less than 90 days before Pearl Harbor was bombed, and that bill carried in this House by only 1 vote. Suppose there had been one more man in this House who voted as he voted, what might have happened to the United States?

He voted not only against selective service but against every measure that was proposed in this House during that time that would strengthen the military force of the United States. He probably thought he was voting for the good of his people and the good of his Nation. I am not impugning his motives. But I do reserve the right to question his judgment, and I still question it.

The world has not changed so very much in 2,000 years. I tell you that Jesus Christ himself could have preached the fatherhood of God for 10,000 years and nobody would have molested Him, but He chose to preach the brotherhood of man. He told the scribes and Pharisees that they could not commit wrongs and then atone for their misdeeds by making a prayer on the street corner. He told the rulers of His nation that the mite that the widow cast into the contribution plate was worth more in the sight of God than all the alms they had ever given. As a result of that doctrine, they nailed Him to the cross and raised Him up on Golgotha.

I tell you it was not popular 2,000 years ago to take note of the backward regions of the world, and there are places where it still is not popular to do that.

I am going to support this legislation with title III in it, and I hope it carries.

Mr. COX. Mr. Chairman, I move to strike out the paragraph.

Mr. Chairman, I should like, in the main, to address my remarks to that stubborn, tough-minded group of this House otherwise referred to as the conservatives, to which it is said that I belong. It is the group that takes pride in the fact that it scorns consideration of party interests when it comes to dealing with questions affecting national security.

Mr. Chairman, I am glad I have always found it possible to express my honest convictions on questions affecting the good of my country. I do that uniformly, Mr. Chairman, and without the slightest fear of punishment or the least hope of reward. I must say, however, that I am pleased whenever I find myself in accord with the views of the President.

His recommendation as President is entitled to a persuasive influence. I must say, though, Mr. Chairman, that I am not and never have been a worshiper of power. I do, however, have a deep regard for courageous speech and valor.

This title III of this bill, which deals with point 4 of the President's program, has been given a great deal of unfavorable publicity, and that is due to the fact that point 4 as originally reported in a bill brought out by the Committee on Banking and Currency of the House was presented in bad form and was properly subject to all of the criticisms directed against it. So, Mr. Chairman, our doubts and our fears as to the soundness of point 4 incorporated in this bill as title III are based upon what we know to have been the defects of the bill in which the point was originally incorporated. There is nothing bad about title III in this bill. There is nothing bad in the President's point 4 recommendation. The trouble

with reference to it has been due to the fact that the agency of the Government which drafted the first bill and which has committed the blunder of undertaking to make friends for the pending measure does not stand in high favor with the people of America. It can have no persuasive effect upon me to argue that a department of the Government which once enjoyed the confidence and esteem and affection of all the people but now in bad repute, and temporarily so, may we hope, favors the adoption of this measure. I am thoroughly unimpressed by the fact that this particular agency of Government is in favor of the bill, and I say this with much regret. I sincerely want restored my confidence and admiration for this Department of the Government.

I would remind my friends on the minority side of this Chamber that title III of this bill was written by one of their own outstanding members, a gentleman who is a member of the House Committee on Rules, where the bill originally reported by the Committee on Banking and Currency was stopped.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. CHELF. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. COX. The committee reporting that bill, I felt at the time, was willing to give consideration to the objections raised by the Committee on Rules and it was agreeable to them that they take back the bill for further consideration. That, however, was something that took place last fall just before the Congress adjourned. The committee was not able to get back to it prior to adjournment. It is my information that at the beginning of the present session the Committee on Banking and Currency did return to the consideration of the measure but that the Committee on Foreign Affairs dealing with these questions affecting our foreign relations, came along with ECA and saw fit to incorporate point 4 in the bill now before us.

This member of the Rules Committee, largely responsible for the stopping of the bill in the Rules Committee last fall, offered a bill dealing with the same question. He collaborated with the Foreign Affairs Committee and is partly responsible for the writing of this title III.

Now, Mr. Chairman, title III undertakes to do two things. First, it undertakes to encourage domestic capital to venture into foreign fields. It then seeks to set up a fund to finance technical assistance to be rendered the so-called backward countries. There is nothing revolutionary in this title.

As to the technical assistance, I must confess I believe the amount stated in the bill is excessive, that it could well be cut in half, but I am prepared to go along in support of the title, even though this committee should not see fit to reduce the appropriation.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield.

Mr. COOLEY. Is there any reason why the gentleman should hesitate to give the name of the member of the Rules Committee to whom he has referred?

Mr. COX. I refer to the distinguished gentleman from Massachusetts [Mr. HERTER], and I want to say to this House there is not a cleaner minded or a better informed man who is a Member of this House.

Mr. COOLEY. I would like to point out that the gentleman from Massachusetts [Mr. HERTER] was chairman of the Special Committee on Foreign Aid, which preceded the Marshall plan.

Mr. COX. That is very true, and as such he performed a valuable service to the country.

Mr. Chairman, the other part of title III, which is to encourage domestic capital to venture into foreign fields, amounts to just this: Our Government proposes to vouch for the good faith of the foreign countries where capital is invested. That is all it does. It involves only the possible loss of money on the part of the Government, but I would say it is nothing more than giving a natural expression of faith in the purpose of the foreign governments to line up to their solemn commitments.

Mr. Chairman, as has been remarked time and again, this Marshall plan is not a give-away program. We are simply undertaking to throw up a dike to hold up the flood waters of Russian communism which are rushing down upon us. The investment of that money does not pay off in dollars, but in things more precious than money. While the recipient powers are the first direct beneficiaries, we in the end benefit as greatly as they. It is an investment that we are making in national security and world peace. We cannot, we dare not, turn back. It must be known to all informed people that unless we help reconstruct western Europe and hold the line against the further spread of Russian power we shall not be able to maintain world peace; that world peace will be lost and our freedom alike surrendered.

Mr. Chairman, I appeal to my friends; I appeal to my conservative friends; I appeal to the membership of this body with whom I so constantly associate myself, men on both sides of the aisle; I appeal to them not to be influenced, not to be controlled by their far-taken opinions as regards title III, but to return to the question and give it their renewed consideration; and that I say with the hope that they may find it possible to give this section of the bill and the bill as a whole their support.

Mr. HERTER. Mr. Chairman, I move to strike out the last word.

Mr. HERTER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, reserving the right to object, I should like to know from those in charge of this bill whether there will be an attempt to shut off debate here in about an hour on such matter. I am asking the gentleman from Ohio, and I am asking the gentleman from West Virginia. Are you going to shut off debate very soon?

Mr. KEE. I do not expect to shut off debate. I am going to give the House the opportunity in a short time, however, to close debate if they wish to.

Mr. HOFFMAN of Michigan. That is what I expected.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for five additional minutes. Is there objection?

Mr. TACKETT. Mr. Chairman, I object.

Mr. HERTER. I am sorry that the gentleman has objected to my request for additional time, because I did not want to impose on the House more than once on this subject.

Mr. MILLS. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended five additional minutes.

Mr. SUTTON. Mr. Chairman, I object.

Mr. HERTER. Mr. Chairman, I regret extremely that this objection has been made, only because I had hoped to talk for a few minutes on the general subject matter of title III; and I had hoped at the same time to be able to dispose of my arguments on two amendments that I have at the desk.

At the outset I should like to thank my very good friend the distinguished gentleman from Georgia for his extremely kind remarks. I think, however, that he has been a little extravagant in attributing authorship of this title to me. It is true that I did object last fall to a piecemeal approach to this title III. I objected to that section that came from the Committee on Banking and Currency, and had hoped that we would be able to approach all phases of this bill at one time. It is also true that I objected to the State Department bill as it originally was filed with the Committee on Foreign Affairs dealing with this subject, for the reason that I felt it was extremely hazy; that it intended to perform certain functions without making it clear how they could be performed. I insisted on a new draft, and part of that new draft is incorporated in this bill.

But to get to the substance of the matter itself, I am sorry that some Members have seen fit to stand here and say that this measure is entirely divorced from the question of our relationship with Russia. In my opinion, that just is not so. This bill has a very direct relationship to an exceedingly serious situation in which this country finds itself in the whole world picture.

We have certain military strength, we have certain economic strength, but over at least two-thirds of the world's surface there are nations the population of which are infinitely greater than ours, whose territory is infinitely greater than ours, but whose state of development has been very laggard in comparison with ours. It is in those countries particularly today, and I am not talking about western Europe, that there is a ferment, which any of you who are familiar with

the world situation can easily recognize is a ferment of the very deepest concern. There are revolutionary movements today at work in every corner of the world. Those revolutionary movements are fighting to capture the minds of man for the purpose of changing the entire social order in those states. In those cases what the individuals are striving for seems well justified from the point of view of our standards. It is obviously impossible for us to try to apply any kind of Marshall plan to the whole world. We are not strong enough. We could not do it if we tried to do so. But there are certain things we can do.

As the gentleman from North Carolina [Mr. CHATHAM] pointed out a short time ago, there are certain things we can do that will be of very definite value to us in this struggle that is going on. The world knows that we have certain technical skills. Some of those technical skills can travel only through the medium of private investment because they are inextricably tied in with the processes of private enterprise. Others can be conveyed through the skills that have been developed through governmental agencies. In the latter category I am thinking particularly of agriculture, of health, of education, of many of the skills which we have found we have been able to impart to our own people through governmental agencies.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Tennessee.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. HERTER. I thank the gentleman.

This bill as it is drafted in the first section tries to set up certain standards by a declaration of the Congress of the United States as to the conditions under which private-capital investment might move with greater freedom than it has moved heretofore. There has been a very discouraging picture over the world in the last 10 years from the point of view of the treatment of private capital, from the point of view of the treatment of private investments, from the point of view of the treatment of individuals who have been trying to help in those nations. This is a trend which must be reversed if we are to be successful in this operation. But if you have followed our relations with the other nations of the world during the past 50 years you will know that we have already made some very great contributions through technical assistance of one kind or another. There is no way of writing into legislation exactly what kind of technical assistance can be most effective to meet a given situation. This is one reason for the rather loose drafting of this bill.

As my time is limited I am not going to go at length into the merits of this bill itself except to repeat once more that in my considered judgment—I fully respect those who disagree with me—that granting of technical assistance by ourselves can make a very real contribution in the areas of the world where today we need friendship, where today we are in a rival position against the Communist indoctrinization with respect to the capturing of these people's minds. From that point of view I consider it of the utmost importance.

One of the amendments that I have at the desk deals with the cutting of the amount of money that is made available in this bill; $45,000,000 is made available for technical assistance in this bill. Actually only $35,000,000 of that is new money because, as has been explained here on the floor of the House, seven millions are today already available for the Institute of Inter-American Affairs, and $3,000,000 through the Smith-Mundt Act and other authorized pieces of legislation. My amendment would cut the $35,000,000 down to $15,000,000; in other words, it is a cut of $20,000,000. I am offering that amendment as a friend of this legislation, and I am doing it for two reasons.

In the first place, I think that the amount of money that has been asked for is excessive in itself; in the second place, I feel that the program we are now discussing is not a single-year program. It is a program that has got to carry on for a considerable period of time, because this struggle we are in is not one that is going to end tomorrow, and we will be awfully fortunate if it ends in the lifetime of any Member here present. I think with $15,000,000 of new money over and above the $10,000,000 which is already available, that this first year's extension of technical aid can be very much more effectively screened and can probably be carried on with better technical help, technical experts, than if there were a larger sum of money, and we felt we had to scatter ourselves all over the lot and had to hurry in the selection of what might be unqualified personnel. That is one of the amendments that I am offering. As I say, I offer it as a friend of this legislation, because I think it would be better performed with a smaller sum this year than with the larger.

The second amendment is a technical perfection. In the bill as it now reads there is one new position provided for at $16,000 a year, a position for an individual to be confirmed by the Senate. It does not say in the bill, however, that this individual will be the one who will control this program. My amendment merely makes it clear that that individual would control the program. I feel that that is an item of very great importance because if there is to be a proper coordination of the types of technical assistance that is today being rendered under various existing authorizations, then under this authorization clearly some individual who is freed from other duties must be held responsible. That individual should also, in my opinion, be confirmed by the Senate, and that is provided for in this legislation.

I have taken this time to speak of those two amendments because in the event that debate will be shut off at a later time, with other amendments pending at the desk, I would not have that opportunity.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, no one will deny, that we are living in one of the most critical, if not the most critical period of human history. We of the western world, who call ourselves the free world, comprise about six or seven hundred million people. The Soviets with their conquests in eastern Europe and in Asia now have 800,000,000 on their side or at least under their control. Suppose the European recovery program succeeds even better than anybody has a right to expect, all it does is to restore or maintain a rather uneasy balance between those two worlds locked in sharp conflict. Now, which way is the balance going to shift in the long run? That depends on which way the remaining 800,000,000 people of the world go, those who are on the fence. They live in India, Burma, Indochina, Siam, Malay, Indonesia, the Philippines, Japan and Korea. Their immediate future, to a great degree, is in our hands. But our long-term future, Mr. Chairman, is in their hands. If they are able to go with us and the free peoples of the west, as they overwhelmingly desire, then I am dead sure we can hang on until this tyrannical, inhuman regime in Russia collapses from its own immorality and cruelties; but if these undecided millions, in despair because they see little understanding of their problems by ourselves, and the western free nations, and less encouragement and hope of assistance, are compelled to resign themselves to being taken into the Communist camp, then, Mr. Chairman, the Soviet-dominated peoples will outnumber us two to one and they can outwork, undereat, outlast—and they will outbreed—any white men that ever lived.

This program of aid to underdeveloped areas by technical assistance and capital investment is not a matter of charity. It is a matter involving the very survival of the kind of society that you and I were born and brought up in and that I want my children to have a chance to grow up in, too.

In title I we are authorizing almost $3,000,000,000 for strengthening the North Atlantic community—the United States, Canada, and the western European countries. This title III authorizes only a little over 1 percent as much for half the people of the world—the half whose course in the future can determine, in my opinion, whether we save or lose the three billion put into Europe.

Last year the Town Meeting of the Air team took a trip around the world, during which it made about 12 broadcasts each from a different country. In its first broadcast after returning to American soil last October, Brooks Emeny, the distinguished, scholarly head of the Foreign Policy Association, said this:

> Sixty percent of the people of the world live in Asia. It is in this area that the final verdict as to whether we shall have a free world will be decided.

I was glad to hear him say that. Many of you have heard me say it so many times that it has become like an old, scratchy record. But no one can laugh off Brooks Emeny. It is indeed our own future that is at stake in what happens in these undeveloped areas in the world, and this program is a belated attempt to help determine what happens so that it will be in the interests of freedom and security and peace and prosperity for ourselves.

All the bill does, in addition to providing encouragement to private investment and that should be the most important result of the bill—is to enlarge and extend technical assistance programs that are already in operation in some areas. The pioneer effort was in Latin America—the Institute of Inter-American Affairs successfully developed under Nelson Rockefeller. A second effort was instituted under the Smith-Mundt bill which the Eightieth Congress passed. A third was the Joint Commission on Rural Reconstruction in China, which was a point 4 program for free China which I introduced in title IV of the original ECA Act of 1948.

When Paul Hoffman was before us—and this appears on page 429 of the hearings—I asked him what his estimate was of the value, the advisability, and the practicability of that program which was the forerunner of the point 4 program in this bill. He replied:

I can give my estimation this way: I think if we had had that type of program operating for 5 years the Communists would not be in China today. When that program was operated, the whole attitude of the people changed, the only real resistance to the march of the Communists from the civilian population came in the areas where there had been some work done by the JCRR in helping the people to a better living condition.

It is still operating most successfully in Formosa. It costs only about $700,000 to carry on in several provinces of China a program affecting directly many millions of people, helping them get better seeds, better fertilization, better tools, better irrigation, reduction of rents, better crops, better education, better health, and out of all that comes better local government, greater self reliance, and better understanding of the way people have moved ahead in the free democratic world.

The amount of money that is authorized in this bill, $45,000,000 for Latin America and all the rest of the world except the ECA countries, is infinitesimal compared to the stakes we are playing for. I have some grave misgivings about some features of it—three main ones—the program will have complications and difficulties. One question is whether we should put the major emphasis on bilateral programs, programs agreed upon between the United States and individual countries, or on multilateral programs through various international organizations. I asked Mr. Hoffman about that. May I quote from page 431 of the hearings?

Mr. JUDD. How much of this point 4 work should be done through the United Nations agencies, such as WHO, and how much should be done through bilateral agreements between the United States and the recipient countries. While you have an OEEC arrangement, your program (ECA) is carried on between the United States and individual countries, is that not right?

Mr. HOFFMAN. Yes.

Mr. JUDD. What has been your experience?

Mr. HOFFMAN. I would say the fewer agencies we have between us and the people we are trying to get to do things, the better off we are. In other cases where there is an existing organization in the United Nations I would think it could carry a part of the work.

Then the chairman [Mr. KEE] interrogated him:

Mr. KEE. Is it your view that the point 4 program could be carried on more successfully under the direction of the United States with the assistance of the United Nations organizations, than under the United Nations with the aid of the United States?

Mr. HOFFMAN. I do not believe I ought to express a view. All I can say is this, that as far as the ECA is concerned, I am certain that the results that we have gotten have been much enhanced by the fact that this was a United States agency and that we have been able to operate as a United States agency assigning to other agencies a part of the job that they could do.

Mr. JUDD. That was more desirable from our standpoint. Do you or do you not think that the recipient countries believe it was also more desirable from their standpoint?

Mr. HOFFMAN. I am sure.

As far as I am concerned, I am convinced that as long as we are in a cold war it is more desirable and valuable to do it on a bilateral basis, especially if the UN organizations that might do it have Communist members which could use the organization to get Communist workers into these countries under such auspices. That does not apply to WHO and FAO.

A second question is whether the emphasis should be on handling the problem through Government agencies or private agencies—business firms, philanthropic foundations, and so forth. Which is the more effective, more efficient way? I wish you would read the testimony of Mr. Rockefeller on this point, especially on pages 92 to 96. He said both are necessary, providing each does the thing it can do best—providing goods and services, distributing, processing goods can best be done by private enterprise; public utilities—roads, ports, irrigation, electrification, and so forth, usually best handled by governments; public health, education, public assistance do best handled by our Government in cooperation with their government, with private philanthropic organizations helping.

A third question is that of personnel. In general private organizations, such as educational groups, have the highest quality personnel and best administration. UNRRA was a notorious scandal. Yet World Health Organization has as high-grade physicians and technical proficiency as can be asked for.

I certainly would not want the United States to put in half or more of the money and then have Trygve Lie appointing any of the personnel. But such questions are the problems to be solved. They are the challenge we face, not an excuse for doing nothing. However great the difficulties involved in this whole proposal, our difficulties will be greater if we do nothing at all and face a world with the balance of power tipped overwhelmingly in favor of the Soviets. So I beg you, my colleagues, to give this a trial—only one percent of what we are giving to Europe, to give these people in the underdeveloped areas a better chance to gain a better and a more decent life, become strong enough to gain or retain their independence, and help defend their freedom and ours.

Mr. KEE. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 1 hour and 15 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, I object.

Mr. KEE. Mr. Chairman, I move that all debate on this title and all amendments thereto close in 1 hour and 15 minutes.

The motion was agreed to.

Mr. BURNSIDE. Mr. Chairman, I have just a small amount of time to go into three or four things that I think are very essential.

I was one of the Members who went out to the Pacific area to examine some of these problems that vitally affect our military, but I want to speak in this short time on profits to the people of southeast Asia, profit for the American housewife, profit for the American farmer, and profit for the American businessman in this particular title III.

I remember quite well seeing 1,000,000 people in the city of Calcutta who did not have any homes. They were driven out of their homes on account of malaria. You know very well if you have people full of malaria they cannot do the right type of job as an ally for us. It is good common business sense to believe that if they were in good health they would be of greater help to us.

As far as the American housewife is concerned, I introduced a bill in regard to coffee. How will that affect us? The price of coffee went up some 40 cents a pound. How will this bill affect the coffee price? The State Department sent an expert down to Guatemala, and that expert was able to double the coffee production in Guatemala. The same thing could be done in southeast Asia. They would get double or treble the production and cut out this amount of money that the American housewife has to pay for coffee in the United States.

As to the American farmer, let us take one example from South America.

ROTENONE IN PERU

United States need for insecticides led to import of rotenone, long used by natives as a fish poison. During the war, South America was our sole source of supply. United States and Peruvian scientists at Tingo Maria experiment station have developed a process for extracting rotenone concentrate from roots, thus improving on the inefficient method of exporting bulky roots. The process is now in a pilot plant stage, and United States commercial firms are strongly interested in the outcome.

COFFEE PRODUCTION IN GUATEMALA

The testimony of Assistant Secretary Thorp—page 14 of hearings on H. R. 5715—is slightly misleading. Coffee

production has not been doubled in Guatemala, but as a result of the work of one American horticulturist, the prospect is that in the future, production can be more than doubled. The explanation is given below.

Since 1943, Dr. William Cowgill, a Department of Agriculture horticulturist—doctor of philosophy from the University of Maryland—has been working in Guatemala. He has working with him right now three Guatemalans whom he is training.

When Dr. Cowgill first went to Guatemala, his studies were devoted to finding out where improvements could be made in coffee production. He found in studying the coffee trees that a great many in any given plantation were drones—very poor producers; and that a smaller number were noble trees—very abundant producers. His studies showed that 75 percent of the coffee crop was being produced by 15 percent of the trees—the noble trees.

The problem was to find out how to propagate the noble trees so that they could gradually replace the drones.

Dr. Cowgill and his associates have worked out a method of propagating these noble trees, by selecting individual trees that are good producers, improving their quality, and propagating them through seed methods.

About 7 years is required to get coffee trees into full production. There are at present no commercial nurseries set up to grow and propagate commercially the new trees and make them available to coffee planters. Thus, the increase in production has not materialized as yet, but the basis on which the increase can be made is now known and proved.

The prospects of increase are great, and can come about when, first, the new trees are made available commercially; second, sufficient time has passed for new trees to reach their full bearing capacity.

All this has been done at a cost of from $10,000 to $12,000 annually—the cost of Dr. Cowgill's salary and necessary expenses of travel, and so forth. In addition to coffee work, Dr. Cowgill has been working on quinine production. His work in this field is included in the annual cost given above.

COFFEE IN THE PHILIPPINES—HISTORICAL BACKGROUND

The coffee tree is indigenous to Ethiopia. From there its propagation spread to Arabia, India, Ceylon, Java, Martinique, Surinam, Brazil, Mexico, and the Philippines.

Coffee, classified as "coffee arabica," was first imported into the Philippines by the Spanish settlers in 1770. This variety was planted and grew well in the provinces of Bukidnon, Misamis, and Lanao in the island of Mindanao.

From the early stages of coffee culture in the Philippines as a back-yard crop for home consumption, it had been developed, through extensive tests since the latter part of the eighteenth century, to a commercial scale at the outbreak of World War II.

The improved varieties of coffee which resulted from these constant experiments showed their adaptability to the soil and climate of Batangas, Rizal, Cavite, Tayabas—now named Quezon—the mountain provinces, the Bicol region, and occidental Misamis.

TECHNICAL DATA

Variety test: Of the nine varieties of coffee tested in the Lanao station, Excelsa, Liberica, and Dybowskii coffee were the three highest yielders, giving to the hectare a computed yield of 651.94 kilograms, 312.15 kilograms, and 244.72 kilograms of clean coffee, respectively.

The different varieties of coffee grown at Lanao have been classified in the order of their enumeration as to quality and flavor of the roasted coffee: Excelsa, producing small berries; Liberian, big berries; Liberian, small berries; Excelsa, producing big berries; Robusta; Uganda; Congo; Quillow; Dybowskii; Abeocuta.

Hybridization experiment: The hybrids between Liberian crossed with Excelsa and Robusta crossed with Excelsa continued to make good growth in permanent field.

Acclimatization test: There were introduced 13 strains of Arabian coffee, but so far only the strain Mocha, from Puerto Rico, has been transplanted in the orchard and showed marked adaptability to the soil, altitude, and climate of Baguio.

STATISTICAL DATA

Production of coffee in the Philippines

Year	Area planted (in hectares)	Production (kilos)	Value (pesos)
1929	1,197	1,301,400	926,300
1930	1,207	1,367,000	943,700
1931	1,243	1,408,000	864,450
1932	1,295	1,089,690	635,580
1933	1,447	1,013,250	544,070
1934	1,430	1,024,450	478,360
1935	1,501	700,100	395,390
1936	1,503	744,970	417,950
1937	1,548	930,950	514,770
1938	1,557	954,020	519,960
1939	7,093	1,969,365	678,011
1947	9,500	4,370,000	----------
1948	9,100	3,880,000	----------
1949	9,170	3,800,000	----------

Statistics compiled by the Departments of Agriculture and Commerce for the crop years ending June 30, 1940, 1941, and 1942, were destroyed during the war.

Philippine imports of coffee

	1939 [1]		1940 [2]		1945 [2]		1946 [3]		1947 [3]		1948 [3]		1949 [3]	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
RAW OR GREEN COFFEE	*Kilos*	*Pesos*	*Kilos*	*Pesos*	*Kilos*	*Pesos*	*Kilos*	*Pesos*	*Kilos*	*Pesos*	*Kilos*	*Pesos*	*Kilos*	*Pesos*
Dutch East Indies	3,068,878	619,629	3,439,869	670,986	----------	----------	2,680	2,248	----------	----------	----------	----------	----------	----------
United States and Territories	1,276,632	625,550	1,774,303	750,105	----------	----------	16,466	15,724	----------	----------	----------	----------	----------	----------
Brazil	1,820,954	531,456	----------	----------	874,953	669,476	60,186	48,947	----------	----------	----------	----------	----------	----------
China	----------	----------	5,262	474	----------	----------	3	2	----------	----------	----------	----------	----------	----------
Costa Rica	----------	----------	----------	----------	76	73	11,662	13,843	----------	----------	----------	----------	----------	----------
Mexico	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Hawaii	----------	----------	----------	----------	----------	----------	53,068	51,050	----------	----------	----------	----------	----------	----------
British East Indies	8,020	1,274	----------	----------	----------	----------	150	156	----------	----------	----------	----------	----------	----------
Malaya	----------	----------	21,675	3,282	----------	----------	2,342	956	----------	----------	----------	----------	----------	----------
Guatemala	----------	----------	----------	----------	70	70	----------	----------	----------	----------	----------	----------	----------	----------
Dominican Republic	----------	----------	22,950	6,150	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
India	----------	----------	18,227	5,100	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Arabia	----------	----------	5,309	3,834	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Aden	1,917	1,106	1,888	1,388	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Italian Africa	3,776	2,419	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Japan	21	5	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Total raw or green coffee	6,180,198	1,781,439	5,289,483	1,441,319	875,099	669,619	146,557	132,926	3,481,619	2,791,926	6,609,051	4,454,156	5,495,666	4,164,644
ROASTED OR PREPARED COFFEE														
United States and Territories	217,995	223,522	289,355	236,876	1,297,746	1,037,063	2,761,863	2,678,147	----------	----------	----------	----------	----------	----------
Japan	87	24	283	162	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Mexico	----------	----------	6	10	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Australia	6	4	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Hong Kong	12	12	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
Dutch East Indies	10	4	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------	----------
China	----------	----------	----------	----------	----------	----------	2,850	276	----------	----------	----------	----------	----------	----------
Total roasted or prepared coffee	218,110	223,566	289,644	237,048	1,297,746	1,037,063	2,764,713	2,678,423	5,655,464	8,396,792	5,357,478	8,909,260	3,946,956	6,543,180
Total coffee	6,398,308	2,005,005	5,579,127	1,678,367	2,172,845	1,706,682	2,911,270	2,811,349	9,137,083	11,188,718	11,966,529	13,363,416	9,442,622	10,707,824

Source: [1] Yearbook of Philippine Statistics, 1940. [2] Yearbook of Philippine Statistics, 1946. [3] Under Secretary Camus' letter to embassy dated Mar. 9, 1950.

POINT 4 PROGRAM IN INDONESIA

One of the major objectives of the point 4 program is, of course, to increase productivity in underdeveloped areas thereby tending to raise the standard of living of the populations thereof. Indonesia presents one of the outstanding illustrations of where this will be most effective not only in accomplishing this purpose but also in creating those conditions which are least conducive to the infiltration of communism. Point 4 can be of invaluable assistance to Indonesia in accelerating the improvement of public health, food production and distribution, transportation, and in rebuilding the sources of economic wealth which can make Indonesia an important factor in world economy and a stabilizing influence to Asian political and economic dislocations.

Obviously, if by our technical assistance, we are able to increase food productivity in Indonesia and improve health and general economic conditions, we will thereby contribute to the stability of the Government which will be the most important factor in denying this area to Communist imperialism.

Indonesia is at the beginning of a process of stabilization. Formidable economic, political, and administrative problems remain to be solved. The economy, dislocated by the Japanese occupation and the ensuing Indonesian-Dutch difficulties, requires rehabilitation. The leadership of the Indonesian Government has fully demonstrated in the past its ability to suppress Communist rebellion. It has popular support. While the new Government has attacked its problems with determination, lack of sufficient technically competent and experienced personnel has hampered its efforts. The Indonesian Government is favorably disposed toward the West and looks to the Western World, and to the United States particularly, for economic and technical aid. As a vigorous, newly independent nation, Indonesia is, with western help, in a position to play a leading role in southeast Asia. I need not belabor the point of the tremendous influence that our point 4 assistance will have in strengthening that Government in improving the productive capacities of the peoples of Indonesia and in ensuring their continued orientation toward the western democracies.

As in all of Southeast Asia, agriculture provides the basis for the Indonesian economy. Agricultural production accounts for about 75 percent of the national income and about 70 percent of the value of Indonesia's exports. Native agricultural techniques are primitive. Point 4 is intended to enable the Indonesian Government to have access to such of the world's best experience and technological knowledge as may be needed to embark upon sound programs of expanded agricultural development. This does not mean any measures of direct relief. The government will be given guidance and assistance to eventually expand agricultural production to raise the nutritional level of the people, improve their conditions, and promote general economic development in the area. If we can succeed in doing this, we have made available the best insurance possible against communism in the Far East.

There is prevalent in Indonesia on a wide scale tuberculosis, dysentery, malaria, and other tropical diseases. Of these, malaria is the most important public-health problem. The incidence of these debilitating diseases is high, affecting the productive capacity of labor. In relation to the size of the population, medical facilities and doctors are grossly inadequate to cope with the high incidence of disease despite steps which have been taken in the past to set up a public-health service. At present the ratio of doctors to inhabitants is approximately 1 to each 70,000 persons. Point 4 assistance will be extremely useful in assisting these people in combatting the ravages of these diseases.

At this point, I include the following article:

President Truman's program of aid for underdeveloped countries has had a hard time catching on. It was first proposed as point 4 of his inaugural message in January 1949. Now gradually, point 4 is gaining recognition as one of the best answers available to the riddle of how to promote world peace and counter Russian Communist propaganda among the more backward peoples.

The battle to get point 4 enabling legislation before Congress has been long and bitter. It has been necessary to reconcile the conflicting views of the United States Chamber of Commerce and Americans for Democratic Action, of Representatives CHRISTIAN A. HERTER, Republican, of Massachusetts; JACOB K. JAVITS, Republican, New York; and HELEN GAHAGAN DOUGLAS, Democrat, California.

The final bill introduced by the House Foreign Affairs Committee chairman, JOHN KEE, Democrat, West Virginia, represents a compromise. It is called an act for international development. Or for short, the AID bill—get it?

If passed it will authorize the President to make contributions for technical assistance to underdeveloped countries through the United Nations, the World Health Organization, Food and Agriculture Organizations, the Organization of American States—successor to the Pan American Union—or other international bodies.

United States Government agencies, like the Agriculture Department, Public Health Service or Reclamation Bureau would be authorized to furnish assistance on request from these international organizations, after approval by the President.

It is expected about 40 percent of the point 4 program will be in this form of assistance through international organizations.

The other 60 percent would be direct aid, furnished to the underdeveloped country by the United States, after the signing of a bilateral agreement between the two countries.

If the assistance could not be furnished by Government employees, the President would be authorized to make contracts with any person or corporation to do the actual work. These private contracts could run for not over 3 years. They would have to be limited by funds appropriated by Congress for this purpose.

For first-year operations of all these point 4 programs, $45,000,000 has been requested. This assistance would be made available only on request of a foreign government. The country receiving the aid would have to agree to pay a fair share of the cost. What constitutes a fair share is up to the President.

The Kee bill provides that agreements made with underdeveloped countries may specify that the United States Government or private American investors will preserve as well as develop the resources to which they are given access, observe local laws, pay a fair share of local taxes, and negotiate adequate wage and working conditions for the native labor they employ.

On the other hand, the countries receiving investment aid would have to guarantee no confiscation of property without just compensation. American investors would also have to be guaranteed convertibility of their earnings, freedom to manage their properties, nondiscriminatory taxation, and assurances of physical security.

Mr. MULTER. Mr. Chairman, I regret that the committee has seen fit to close the debate at this point, with the result that the Members who still desire to express themselves in connection with the pending title now have less than 2 minutes allotted to them for that purpose. I will use my brief time to compliment the distinguished chairman of the Agriculture Committee, the gentleman from North Carolina [Mr. COOLEY], for the very fine presentation he made here a few moments ago. He has cleared up a great deal of the misinformation that has been given to us with reference to the operation of the Commodity Credit Corporation. I was one of the city Members who attended before the truth-seeking session of the Agriculture Committee in order to learn more about the operation of the price-support program and exactly how it is benefiting the American people as well as the farmers. The American consumers are indeed indebted to the gentleman from North Carolina [Mr. COOLEY] and his hard-working associates on his committee. I join with him in the hope that the press and radio of the country will widely disseminate the facts which he has so clearly and forcefully set before us.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, the members of the Committee on Foreign Affairs, who have charge of this bill on the floor, are consistent at least in one thing. They are mighty liberal with our citizens' dollars. They are mighty liberal with their advice to us. But while they are extending so much aid to people in other countries they refuse to let the peoples' representatives who oppose the bill have even 5 minutes to discuss the issue. Their case must certainly be weak if it will not stand discussion. The gentleman from Georgia [Mr. COX] said that communism was rushing down upon us and that this bill and similar legislation would help to stop that. I am wondering whether the fight by the Administration against communism is making progress when three representatives of three great States, Wisconsin, Nebraska, and New Hampshire, elected by their people, make an effort in the other body to expose communism, are criticized by the President of the United States. Speaking with all the authority of his office, the President charges that those three gentlemen, representing the people of three great States, are assets of the Kremlin. He named one of those gentlemen and said

he "was the greatest asset of the Kremlin." What do you think of that kind of a statement? Has the President again lost his temper?

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, the Members of this House know of my interest in the foreign-aid program. I want to vote for this point 4 provision, but let me say that I do not see how I can vote for a new program that will set up another agency with employees all over the world. It is my understanding that the gentleman from Massachusetts [Mr. HERTER] has offered or will offer an amendment to this bill to put the administration of the point 4 program under the direction of the President to be administered by the State Department or other existing agencies of Government. At the present time in Austria we have four agencies operating, the Army, the State Department, ECA, and GARIOA. This duplication of agencies results in a duplication of employees; and instead of the funds being used for relief as intended, it will be used as salaries for additional employees scattered throughout the world. I hope the bill will be amended in such way that it will be administered through existing agencies.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. HAYS of Arkansas. We have great confidence in the gentleman; we know how diligently he has studied this problem as head of the Appropriations subcommittee which will deal with it. His objection, I believe, runs to the administrative feature, but will he not agree that the objective of title III is good and sound and that it has vast significance in its peace and security features?

Mr. GARY. I agree that it is a desirable program and I want to vote for it; but the setting up of an additional agency to administer it would influence me tremendously to vote against it.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, we, in America, are vitally interested in the development of Asia, particularly southeastern Asia. Here is the area of greatest potential for the consumption of American-made goods. If we can bring about peace in that area and stabilization of governments there then there is open to us the greatest market in all the world. We have laid the foundation for this in our relations with the Philippines. The work that we have done in assisting a valiant ally to regain her economy there has been of tremendous value in enhancing the reputation of this country in Asia. The Philippines have become our bastion of defense in that far-flung line and form the forefront of defense for this country in the cold war against the countries behind the iron curtain. But what we have done in the Philippines has merely been a beginning. It is far from complete. It must be continued; the Philippine Government must be made stable and their economy helped further by this country. This should go hand in hand with the development that can take place in that section of the world. The gentleman from Minnesota [Mr. JUDD] has just told us it can out-consume any other area of like size in the world.

The future of the world lies in the Pacific basin, and this section of the bill will be the entering wedge that will allow us to meet our moral obligations toward the world irrespective of the material benefits it will have on our own economy.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. HARDY].

Mr. HARDY. Mr. Chairman, in view of the shortness of the time allotted, I ask unanimous consent to yield my time to the distinguished Speaker of the House.

Mr. HOFFMAN of Michigan. I object.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY. Mr. Chairman, I have previously supported this foreign-aid program, and I expect to support this bill.

Because the brief time allotted to each of us will not permit adequate discussion of the matter, I shall extend my remarks; but at the moment I wish to call the attention of the House to the fact that out of the experience of my visit to Europe and the Near East last fall it is my opinion that their greatest need is not dollars, but our technical know-how and knowledge of our way of life, and the fact that our way of life does not represent the easy way. I believe that too often our thinking has been confused, that dollars alone will achieve the results we want in the easy way. The greatest achievement, the greatest gift we can give to the world is the bringing of young men and women to our country to receive their education here, go back home and take that knowledge and that philosophy with them.

In connection with my remarks I would like to cite two examples which will set forth explicitly a demonstration of my contention.

In the first instance, Mrs. Harvey and I had the privilege of having in our home an exchange student from Brazil, for a year. He was brought here under the auspices of the Institution of Inter-American Affairs. This young man who spent the year with us and others who came with him and at later periods, have been a minor investment in terms of dollars, but will prove to be a rich one for many years to come. His technical knowledge and understanding of our way of life should, and I think will, be a great force for improvement for his own country, as well as providing a close and lasting friendship for the United States.

In the second instance, it was my privilege, this past fall, to visit the Near East, including Egypt. At a dinner one evening in Cairo, given by the officials of that country, I found two Egyptian officials of similar interests to my own.

They were associated with the agricultural phase of the Egyptian Government. One was a graduate of North Carolina College of Agriculture and the other the Arizona College of Agriculture. Both had returned to their country approximately 10 years ago, with the technical knowledge they had acquired in the field of agriculture, and an understanding of our methods of agricultural education. During the intervening 10 years they had been adapting our program to their conditions.

Egypt is primarily an agricultural country. The farmers live in villages, of which there are some 4,000 scattered 800 miles up and down the Nile River. These men had at the beginning of their program a few villages for demonstration purposes and had achieved remarkable success with their efforts.

It was my privilege also to visit one of these villages, and there I saw the marks of progress that had come within the decade. There was nothing of the paternalistic approach in their plan, but rather by demonstration—copied from our system—helping these people to help themselves. Their comment was to the effect that although their progress might seem slow, and that it might take 30 years to reach all of the villages, they could also point out to me that there had been more progress in agriculture in their country, within that period, than had occured in the past several centuries.

The point of my story is, that, the greatest benefit that we could have given to this country was not dollars, but a wise investment in education. The cost of the education of these two Egyptians in proportion to the incalculable return to their country is evidence of my statement.

In closing may I again reiterate that the President's point 4 program while worth while, cannot achieve the desired results unless it is accompanied with proper educational advantages to the leaders of the countries we are hoping to help.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska [Mr. MILLER] to the amendment offered by the gentleman from Ohio [Mr. VORYS].

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the amendment be again read for the information of the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk again read the Miller of Nebraska amendment.

The question was taken; and on a division (demanded by Mr. KEE) there were—ayes 52, noes 46.

Mr. KEE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. KEE and Mr. MILLER of Nebraska.

The Committee again divided; and the tellers reported that there were—ayes 66, noes 76.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent that the Vorys amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk again read the Vorys amendment.

Mr. KEE. Mr. Chairman, I am willing to accept that amendment.

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 83, noes 35.

So the amendment was agreed to.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: Page 17, after line 15, add a new subsection as follows:

"SEC. 6. The Congress hereby expresses itself as believing that principles of the Bill of Rights and the Atlantic Charter should govern in dependent areas of colonial powers and that none of the funds made available in this act should be expended in a manner that will aid colonial exploitation or absentee ownership or will expand control of the areas or their resources by the controlling nations."

Mr. GROSS. Mr. Chairman, this amendment is in understandable English, and I am not going to belabor the point. It simply provides that any funds expended under this act shall in no way be used to further the exploitation of the people that is now being practiced in practically every backward area of the world. I do not believe there can be serious disagreement with the proposition that none of these funds should be used to further the interests of those governments that are today practicing colonial imperialism.

I should like to address a question to the chairman of the Foreign Affairs Committee. Is he in favor of the so-called bipartisan foreign policy?

Mr. KEE. I do not believe that at this time there is any such thing as a bipartisan foreign policy.

Mr. GROSS. I am glad to have this admission, and there must not be a bipartisan foreign policy, because I notice that in the creation of this new board of 13 members—this new board that is being created, when we have a mandate from the people to get rid of some of the boards, bureaus, and commissions around here—there is no restriction whatever as to partisan politics. They may all be Democrats, members of one party.

Mr. KEE. I do not know where the gentleman gets his authority for that statement.

Mr. GROSS. It is unrestricted in the bill. Does not the gentleman believe there ought to be some qualification as to political affiliations to give membership to those of divergent political belief?

Mr. KEE. Mr. Chairman, I will answer the gentleman on my own time.

The CHAIRMAN. The gentleman from West Virginia [Mr. KEE] is recognized.

Mr. KEE. Section 9 specifies generally the interest that should be represented on the board. It is understood that the members will be chosen on the basis of their interest in the program and without reference to political consideration.

Mr. GROSS. That is right.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. KEE].

Mr. KEE. Section 9 specifies generally the interests that should be represented on the board. It is understood that the members will be chosen on the basis of their interest in the program and without reference to political consideration.

Mr. GROSS. That is right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 22, noes 72.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I arise to support the point 4 program. Expanding, aggressive, world communism is more than rhetoric, more than alphabetical symbols forming words. We repeat these words, these sounds over and over again until they almost lose their meaning. But meaning they have—ominous meaning. Whatever I say in this Chamber today will have the same sound regardless of the words I choose. But, gentlemen, let us take the cotton from our ears and listen and heed and act before it is too late—and truly it is late—dangerously late.

While we talk and debate and quibble, communism and its ambitious diabolical leaders are acting, moving, marching on. The civilized world, the freedom loving, the free, have got to act rather than talk, move boldly and promptly to save 1,400,000,000 human beings from being engulfed by a philosophy which, if unchecked here and now, will drag down to black night all that man has been striving for these centuries.

We can win this battle against darkness. We have the weapons right here in our hands and they are not the weapons of war. They are the weapons of light, of experience, of knowledge, the tangible results of a successful struggle against the wilderness in our own vast continent.

We have in our hands to use for the benefit of all mankind the fruits of the most advanced industrial civilization that has been evolved in the world's long history. Let us not forget that for the moment we are not talking about the people of Russia and the United States alone. We are talking primarily about nearly a billion and a half of other human beings who are now stirring as men have never stirred and moved before. Whether the world will become authoritarian or free will depend upon these human beings and the world we help them make for themselves—and ourselves. These are the peoples. This is the area of our work. Is there anyone here so lacking in faith and courage and confidence to believe that with all the advantages at our disposal we cannot win this battle for civilization?

Point 4 will be the spark to light men's hopes throughout the world, and who dares deny that when we pass this legislation in this House it will be the turning point in the battle to save civilization?

We know the facts. We know the figures. They have been dinned into our ears repeatedly here and elsewhere. Peoples over vast stretches of the world are rising up, determined to get out from under the yoke of their abysmal poverty, their ignorance, their wretched despair. One way or the other they will go. Either they will fulfill man's natural destiny or they will be captured by all the falseness of communism. In these underdeveloped areas, that ideology will prevail that can deliver the goods. Who doubts? Who here doubts that we can deliver the goods, not only materially but spiritually? Freedom of men and democratic processes can and will flourish in every part of the world if we bring to these peoples the industrial, social, economic, knowledge, and experience we possess. This legislation does not involve great expenditures of money, great gifts of capital, but simply the beginnings of technical assistance with which they will be able to improve their own standards of living and develop their own free political institutions.

Point 4 will unlock the door of the vast store of technical competence of our own country and of the other industrialized countries. It will make available by one bold stroke our boundless knowledge in the fields where they are lacking—in education, health, resource development, agriculture, and help them begin to understand the complex problems of industrial organization and human relations. As you so well know, we propose to do this directly ourselves and through the machinery of the United Nations and its specialized agencies: The Food and Agriculture Organization, the World Health Organization, and the International Labor Organization.

The great statesmanship in point 4 is that it will provide a medium through which all groups—management, labor, farmers, educators, doctors, civic groups—can work together toward a great common objective. Economic development is dependent upon the combined efforts of all these groups. We cannot expect investors to invest their funds unless there is a skilled-labor force to make their investment productive. Workers and farmers cannot be expected to work toward the new goals unless they get a fair share in return for their labor in increased productivity.

I would like particularly to emphasize, gentlemen, the labor aspects of point 4. We know that workers are the first target of totalitarian attack, for the totalitarians know full well that if they can control and manipulate the workers they have the powerful strategic organization to create the chaos which must precede their assumption of power. This has been the pattern in the totalitarian march throughout the world. Hitler's labor front, Mussolini's cooperate state, and more recently the pattern was repeated in Czechoslovakia, where the Communists first captured and subverted the trade unions to seize control of that unfortunate country. We must not let this be repeated in the underdeveloped areas of the world.

We must make sure that the benefits of economic development become available to all the people in these lands, and

that is the nub and the purpose and the objective of point 4. Raising the standards of living and working, enhancing the dignity of human beings, and promoting economic and social freedom are the fundamental reasons for the point 4 program. That is why I want to emphasize the labor aspects of point 4: To protect the people from exploitation and to see to it that they obtain their fair share of increased productivity. To win this battle, it must be our determined purpose that the wealth that will result from the development of national resources through the mobilization of human intelligence and experience is used to raise the conditions of life and labor of the masses of the people.

It is clear that there are two major elements involved: First, to train workers in the skills necessary to increase their productivity which our employers and workers, as well as the Labor Department and the International Labor Organization, can provide. Second, and no less important, to help workers, employers, and governments of the underdeveloped countries to improve labor standards so that the benefits will seep right down through to all the people. Just as building new industry requires new skills, so does the expansion of an economy require new techniques of industrial relations and new social concepts. And it must be and will be our purpose to see that this is done; that the progress made toward industrializing less developed areas will confer on all of the people greater rewards for their labor, better working conditions, and greater happiness. That is the way we will win this battle against totalitarians.

American industry, American labor, and experts within our Government can help the less developed areas to raise their productivity through on-the-job training in modern industrial techniques, through apprenticeship training, through the development of effective employment service organization, through their experience with the problems of labor legislation, industrial health and safety, labor statistics, the employment of women, and in the crucial problem of industrial relations.

Just as there are techniques and principles of good industrial organization, so there are good techniques and principles in labor organization. First of all, labor organizations must be free, democratic, and responsible. We have learned a great deal about union organization in the United States in the many years that working people here have been joined together for collective bargaining, and we can transmit our own experiences as a foundation for the solutions of the needs of these people.

If the people of these countries that the Soviet's eye so longingly and determinedly are without education, without health, without decent standards of living, we do not have to conjecture who will win the battle.

We have governed ourselves in these United States longer than any other people on earth. We are neither new nor inexperienced. We know what it is to want what the poor peoples of Asia and Africa and Latin America want. We know that men, if they are given the proper opportunity, will always move toward freedom; that the desire for freedom is the natural law of life. We know that if the great stirrings of mankind are freed, the world will move toward us.

Point 4 is an important key to the hopes of men, the hope of the world, the hope of our way of life. God grant, gentlemen, that we will be wise enough to speed it on its way.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, I have asked for this time in order to ask the chairman of the committee a question. Mr. Chairman, I would like to get action on the resolutions seeking the unification of Ireland, and there are five such resolutions in the Committee on Foreign Affairs now condemning partition. One by the gentleman from Rhode Island [Mr. FOGARTY] who is the author of the successful amendment here, one by the gentleman from Montana [Mr. MANSFIELD], one by the gentleman from Massachusetts [Mr. LANE], one by the gentleman from New York [Mr. DOLLINGER], and one introduced by me.

May I ask the chairman's intention with respect to these resolutions now pending before the Committee on Foreign Affairs; without reference to what may occur in the House on this matter.

Mr. KEE. Within 10 days after the passage of this bill, and I hope it will be passed, I shall call a meeting of the Committee on Foreign Affairs and give a hearing upon these five resolutions which I hold in my hand, with a view to the committee reporting out one of them.

Mr. JAVITS. I thank the gentleman.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. KEATING. That is very encouraging to me, since I have today introduced a similar resolution. I appreciate the statement of the chairman that he will give immediate hearing to these resolutions and I assume that my resolution will also be included.

Mr. KEE. Yes.

Mr. JAVITS. Mr. Chairman, may I say it is very gratifying to all those who are interested in this question, including myself, to get action in every quarter.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MARCANTONIO. I think we might as well be honest with ourselves. You are now laying the foundation for rejecting the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY] with reference to Ireland which was adopted last Wednesday.

Mr. JAVITS. I had yielded only for a question. The gentleman's comment is not convincing because the gentleman is against the whole European recovery program. One who takes the position that he is against this bill for continuing the European recovery program and therefore against the Fogarty amendment which is now in it, does not seem to me to be trying to help the Fogarty amendment.

I am seeking action to help the purposes of the gentleman from Rhode Island [Mr. FOGARTY] by asking for hearings on my resolution and the others which have been put in.

Mr. MARCANTONIO. Well, that is the truth.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut [Mr. LODGE].

Mr. LODGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LODGE: On page 18, line 19, strike out the word "shall" and insert the words "is authorized to."

Mr. LODGE. Mr. Chairman, the purpose of this amendment is to make it permissive rather than mandatory for the President of the United States, through the Administrator, to contribute part of these funds to multilateral technical programs. This matter has already been discussed on the floor and other language has been pointed out—section 304 b—in which it is stated that it must be shown that these programs can be handled as effectively by international organizations as on a bilateral basis, in order that we should contribute. In a sense, this is a sort of clarifying amendment, the main purpose of which is to make it completely clear that there is no compulsion to contribute to these programs. It leaves the question of contributions to the discretion of the President and provides him with the necessary authority.

Mr. KEE. Mr. Chairman, I find nothing objectionable in this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. LODGE].

The amendment was agreed to.

Mr. MILLER of Nebraska. Mr. Chairman, my objection to title III is that it seems to me that we as a country will be sticking our noses into the business of other people all over the world. It is true the amount of this fund is small—$47,000,000. However, I would call your attention to an editorial by Peter Edison, the stalking horse of the New Deal, in which he states that, of course, spending this money would be cheaper than putting people on relief. He refers to a world-wide WPA. He cites another gentleman by the name of Anderson and a Rosenbaugh, who is a top Socialist, who say the amount ought to be $260,000,000,000. So do not fool yourselves when you vote for this small amount in title III. You have just started to spend. It is a scheme to take up where the Marshall plan leaves off. It will cost billions later on. So I ask you to take some note of the economy of this country and the situation we are in; that we owe more money than all of the other countries of the world put together. You are placing a tax burden on the people that they cannot stand. Just remember that they will be back next year and, instead of $47,000,000, it will be up into the billions of dollars.

Mr. POTTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. POTTER: On page 18, line 18, strike out all of section 304.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. POTTER. I yield.

Mr. WILLIAMS. Mr. Chairman, I ask unanimous consent that the time allotted to me be added to the time of the gentleman from Michigan [Mr. POTTER].

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The gentleman from Michigan [Mr. POTTER] is recognized in support of his amendment.

Mr. POTTER. Mr. Chairman, this amendment to strike out section 304 is not a crippling amendment. I hope to be able to support this legislation. However, all through the debate on this bill with reference to point 4, title III, no one has been able to explain to the House why we should have multilateral agreements in the technical aid section of this title. As a matter of fact, they have been apologetic in trying to explain the position of having multilateral agreements in comparison with bilateral agreements. If our history has taught us anything it has taught us that we have been most successful in operating our bilateral agreements. We cannot vaunt that much pride in our multilateral agreements.

The purpose of this title, as I understand, is to promote American good will and instill democratic processes in the so-called backward areas, in opposition to Communist influences. That being the case, I feel certain that we would have much better results if we would do away with the alternative of entering into multilateral agreements. This would leave all agreements entered into between the United States and a foreign nation entirely between the two countries involved.

The gentleman from Minnesota [Mr. JUDD] quoted from the hearings before the House Foreign Affairs Committee his colloquy with Mr. Hoffman, Administrator of ECA. Mr. Hoffman stated that bilateral agreements were much more effective than multilateral agreements. This being the case, no one here has been able to justify the reason for this technical assistance going through the United Nations. No one knows, for example, whether Bulgaria, which is behind the iron curtain, would be granted assistance should she make application through the United Nations, an agency to which we contribute 70 percent of the cost; and if she were granted assistance we have no assurance that American technicians would be on the Commission.

We know how Russia works; we know that they will use this provision to embarrass the United States. How Members who are in favor of a strong point 4 program, and it is a long-range program, from which we want to get the best results, would want to put the United States in an embarrassing position in the infancy of a program of this kind, is beyond me.

This is not a crippling amendment. I say that it will add to the strength of the point 4 program; certainly, it will not hinder the program one iota. There may be some objection to by-passing the United Nations, but we have done that before; and I say to the membership that if we want to maintain a strong United Nations, it is not fair to that organization to throw onto it authority and responsibility they are not able to handle and which might be embarrassing to them.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VORYS. Mr. Chairman, I offer a substitute for the Potter amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS as a substitute for the Potter amendment: Strike out the amendment, and on page 19, line 5, insert after the period the following: "Contributions to technical cooperation programs carried on by the United Nations and its related organizations shall not exceed 40 percent of the total contributions pledged for such programs."

Mr. VORYS. Mr. Chairman, the Potter amendment would cut out all possible collaboration with the United Nations and its related organizations. That would be a great mistake. On the other hand, it seems to me that one thing that is fuzzy about the whole program is the definition as to what the relation should be between our own program and the United Nations program. I have offered this amendment, therefore, which provides that we shall not subscribe more than 40 percent of the total. At present our contribution to the United Nations itself is 39.89 percent, and 35.61 percent to the whole United Nations group of agencies. The average is around 36 percent. To put in a limitation of 40 percent defining what the relationship shall be between the United Nations participation and our bilateral agreements would be wise. I hope the committee will adopt the substitute and not adopt the Potter amendment.

I think we should go along with the United Nations program but that we should set a limit. This is a permanent program. I was up at the United Nations the day their technical assistance program passed by a unanimous vote, and it was most impressive. It would be dismaying all over the world if we should withdraw entirely from that. On the other hand, we should set limits on it; and the limits to set for a permanent program are those that I have suggested in line with the sort of contribution we have been making to the United Nations itself and its related organizations.

I hope the substitute amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by Mr. VORYS as a substitute for the amendment offered by Mr. POTTER.

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 46, noes 67.

So the substitute amendment was rejected.

Mr. BYRNES of Wisconsin. Mr. Chairman, I rise in support of the Potter amendment.

Mr. Chairman, the pending legislation to me is most troublesome. It is troublesome primarily because of the inclusion of title III in the bill. I do not believe that title III should come before us tied in with another going program to which we are already committed.

I supported ECA in the Eightieth Congress; I voted for ECA last year. I think the program, with all its faults, is a necessary one, but I have voted in the last few days to cut down wherever possible the amount to be spent on this program. However necessary the program may be it is certainly essential that we economize and cut the cost of it to the bone.

Point 4 is entirely out of place in this bill. It is a completely new program. I will certainly vote for the amendment offered by my colleague from Wisconsin [Mr. SMITH] to strike this program out of the bill. In fact, Mr. Chairman, I cannot support this legislation as long as title III remains in the bill.

But if you are going to adopt title III of this bill you certainly should remove that phase of it which has to do with embarking upon a program of multilateral action. I can see great merit in the proposition of rendering technical assistance to these other countries and the argument of the gentleman from Massachusetts [Mr. HERTER] finds a very receptive place in my mind. However, I do not think that program can work satisfactorily on a multilateral basis. Suspicion concerning this phase has been voiced by the gentleman from Minnesota [Mr. JUDD], who cited the statement of Mr. Hoffman that the closer we can come to dealing with these countries direct the better we are going to be.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. POTTER].

The question was taken; and on a division (demanded by Mr. POTTER) there were—ayes 48, noes 79.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I do not know where this $45,000,000 will be spent, or for what purpose. If somebody had a bucket of clear spring water here that was fit to drink and somebody came along and dumped half a gallon of what my good friend from Virginia [Mr. SMITH] referred to as hogwash the other day, I would not drink the water thus adulterated. But, I know this, that in Asia and in China where we had full sway diplomatically, that our diplomatic policy is a shambles. It is the most ghastly debacle that all history records. I am not going to be a party to voting $45,000,000 out of the pockets of my people to be handled by the sort of people who made a wreck out of our policy in Asia. I am getting hundreds of letters from my constituents, and I have about 460,000 of them. They want expenditures cut; they want taxes reduced. I know this, there is but one thing certain about this proposed title III, which embraces point 4 that if we vote this $45,000,000, it will be gone forever, and I have no assurance that it will do any good at all. I also know we have a staggering debt of $260,000,000,000. I am convinced that if this Nation survives, we are going to have to save and husband our resources, and our manpower for our own necessary self-defense. I

take no stock whatever in the President's excited scare words sent to us the other day from his sunny playground down in Florida that if we do not vote this money we will have another war. It may be we are going to have one anyhow, and lest we be not prepared should it come, I am for taking the advice of General Eisenhower and build more war planes and begin to get ready to take care of ourselves. Because if war comes I know that nobody from Europe will be here and I know that there will be nobody here from Asia or any other part of the world. We will have to fight and pay for our own defense.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, I have wrestled with the problem of whether I should at this time support title III, the point 4 program, and I have decided that I cannot do so, although I have favored nearly all of the foreign aid programs which have been before us, as essential measures to preserve our own security. My reasons are twofold: In the first place, it seems to me that this proposal has not been thoroughly digested to the point where it should be made a part of this bill. We are told by the public press that in the hearings before the Senate Foreign Relations Committee very serious questions have been raised by members of both political parties during the last 24 hours about the possible extent of this proposed program. It is new and should be considered in separate legislation. To take action on it at this time is therefore premature. I am in sympathy with the general objectives sought. I hope that a program may be produced later to which I can conscientiously lend my support, but I do not feel I can do it now. Secondly, it seems to me we cannot launch into new programs at this time, meritorious as they may be intrinsically in the present precarious state of our Federal finances unless we are certain that their importance to our national security and well-being is so great that the cost cannot be considered. Certainly, at the least, a heavy burden of proof must rest upon those who advocate a new spending program. I am not satisfied that this burden has been sustained in this case.

I ask the Members to read the review of the plans of the Department of State for the first year of this program, which will indicate clearly the elaborate character of the matters they have in mind. I do not point this out to criticize, but rather to show the vast extent of new projects envisioned in the minds of those who will be called upon to administer the program. As the committee report shows, the plans include surveys, studies, scientific research, experimental work, demonstration and training, and joint management operations in the following fields: General economic development; agriculture and forestry; fisheries; reclamation, hydroelectric power, and flood control; mineral resources; industry; labor, including activities in the field of labor organization and labor-management relations; transportation; health; education; social security and social services; general statistics; public administration; finance; housing; communications; hydrographic and geodetic surveys; and weather forecasting.

This is a large order. Some of the matters dealt with, such as flood control, labor problems, health, education, social security, housing, and others, are very serious problems here at home, which should and do engage our earnest attention. I entertain great doubt whether we are prepared as yet to launch out into all corners of the globe to try to solve all of these difficult problems for others until we have come closer to our goal of meeting our responsibilities on the home front.

I do not want to appear unsympathetic to the plight of the millions in the underdeveloped areas of the world. I have seen with my own eyes the suffering, disease, want, and degredation in remote corners of the world. I have been, at times, heartsick when I viewed these sights. I have, in a modest way, given of my substance to help alleviate such conditions. My heart would tell me to vote for this program a hundredfold. But I must not, nor can any of us, forget the representative capacity in which we serve. It is not our money we are asked to put up. It is the fruit of the toil and sacrifices of all our people. I wish it were possible for us to help everyone everywhere. But there must be some limit.

As I have said, it may develop that it is within our capacity to do more than we are doing. Certainly I do not think we can engage in any such elaborate plans as seem to fall within the scope of the activities which I have enumerated. The very fact that it is intended to project our Government into such experiments throughout the world seems to me the very best evidence that this plan has not yet received the study and consideration which it merits before we are asked to legislate.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. COUDERT. Mr. Chairman, I would like to associate myself with the gentleman from New York [Mr. KEATING] and those who are opposing title III, because it is here at the wrong time; it is improperly joined in this bill. It should be considered separately in a bill of its own. If I had any confidence in the good faith or competence of our administration, I might feel differently about it. However, with its demonstrated incompetence and lack of good faith in its dealings with Congress, this administration cannot be trusted to administer a program of this kind of a permanent character until the House has had a full and deliberate opportunity to consider a proper bill with adequate safeguards.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I rise in support of title III of the bill and in opposition to any reduction in the proposed authorizations for the implementation of this program.

Mr. Chairman, I will use the time allotted to me to make some comparisons of cost which may be of interest to the Members of the House.

Mr. Chairman, it is estimated that the total cost of World War II will prove to be $1,300,000,000,000. The $45,000,000 annual cost of point 4 would pay for 65 minutes of that war. We spent enough on World War II to support the point 4 program for 30,000 years. One year of our present defense program would support point 4 for 250 years. The annual expenditure proposed for point 4 would support our present defense program for less than 1½ days.

Until we make effective a new approach to the defense program we shall have to continue and perhaps increase these enormous expenditures. The application of point 4 is a reasonable approach to the reduction of our present necessary expenditures for national defense.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. HESELTON].

(Mr. CANFIELD asked and was given permission to yield the time allotted to him to Mr. HESELTON.)

Mr. HESELTON. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. HERTER] for the purpose of offering an amendment.

Mr. HERTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HERTER: In section 315 (a), line 1 on page 29, strike out "$45,000,000" and insert "$25,000,000."

Mr. HESELTON. Mr. Chairman, I wonder if the gentleman from Massachusetts will give a brief explanation of his amendment.

Mr. HERTER. Mr. Chairman, this is the amendment I spoke about earlier in the afternoon to cut the amount of the authorization from $45,000,000 to $25,000,000. Actually, as the Members know, the figure of $45,000,000 which appears in the bill is not quite a correct figure, because $10,000,000 has already been authorized for the Institute of Inter-American Affairs and through the instrumentality of the Smith-Mundt bill.

I am offering this amendment as a friend of the bill, because I am firmly convinced that with this amount of money a better job can be done during the coming year than if the larger amount were appropriated. I think it is a reasonable saving, and I think that with the amount of money here provided, $25,000,000, the immediate needs can be met.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Georgia.

Mr. COX. May I make the observation that the acceptance of this amendment will not hurt this bill and will improve the chance of title III being supported by the House. The hearings before the Committee on Rules developed the fact that $25,000,000 would meet the needs of the moment. I hope the amendment will be accepted, and then that the gentleman may find it agreeable to go along and support the bill.

Mr. HERTER. I appreciate the gentleman's contribution. I think the

amendment is very simple in nature. I hope the members of the committee will accept it.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I am glad to yield to the gentleman.

Mr. FULTON. I understand the chambers of commerce of the country are for the point 4 program. How would your amendment affect the position which they have taken? Is it in derogation of that position, or do you think it will assist their position?

Mr. HERTER. I do not think the chambers of commerce have ever taken any position on any given amount of money. The chambers of commerce and the National Foreign Trade Council, which has studied this bill, studied particularly the provisions which had to do with the encouragement of private investments in the foreign field. It is only on that phase of the bill that they have taken any position.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I am glad to yield to the gentleman.

Mr. VORYS. If the gentleman's amendment is adopted, there will still be $43,000,000 in this foreign assistance bill for technical assistance. I think that is a pretty good starter for this year.

Mr. HERTER. I agree with the gentleman.

Mr. HESELTON. I believe this amendment is a prerequisite if we are to have any legislation before us which will be satisfactory. I do not think anyone can deny that the authorization reported by the committee is excessive and could not be wisely used in fiscal 1951. We should be realistic. Even though this is a constructive approach toward the solution of this problem, nothing would be gained and much might be lost by overextending ourselves. I hope the amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. HERTER].

The question was taken; and on a division (demanded by Mr. KEE) there were—ayes 117, noes 78.

So the amendment was agreed to.

Mr. KEE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEE: On page 29, line 1, after "$45,000,000", strike out the word "including" and insert the words "in addition thereto."

Mr. KEE. Mr. Chairman, this follows the amendment which has just been adopted.

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order. The gentleman has no further time in which to speak on his amendment.

Mr. KEE. I simply wanted to explain that this follows the amendment which was just adopted.

Mr. KEATING. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. KEATING. The amendment now offered by the gentleman from West Virginia [Mr. KEE] would simply undo what we have just done here. We have therefore passed upon the amendment, and it is not in order.

Mr. PRIEST. Mr. Chairman, the gentleman is not stating a point of order.

The CHAIRMAN. That is not a point of order. That is a matter for the Committee to determine.

Mr. FULTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FULTON. Is this offered as a committee amendment?

The CHAIRMAN. That is not a parliamentary inquiry.

The question is on the amendment offered by the gentleman from West Virginia [Mr. KEE].

Mr. VORYS. Mr. Chairman, a point of order. Does the Chair overrule the point of order that this amendment brings up again the matter which has just been passed upon? As I understand the amendment, that is what it does.

The CHAIRMAN. The Chair overrules the point of order. That is a matter for the Committee to determine.

The question is on the amendment.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 89, noes 126.

Mr. KEE. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. KEE and Mr. VORYS.

The Committee again divided; and the tellers reported that there were—ayes 95, noes 137.

So the amendment was rejected.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 19, line 5, insert after the period the following: "Contributions to technical cooperation programs carried on by the United Nations and its related organizations shall not exceed 39 percent of the total contributions pledged for such programs."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 110, noes 111.

Mr. VORYS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. KEE and Mr. VORYS.

The Committee again divided; and the tellers reported that there were—ayes 137, noes 146.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Most of you the other day heard of General Eisenhower's statement that we must add probably $650,000,000 to the budget that is coming before us next week for the purpose of providing our Nation with a modern 48-group air force. I had hoped that we would show a little sanity on this ECA bill and reduce this authorization at least to a point justified by the recovery in Europe. Unless we do cut the amount carried in this bill down to $2,000,000,000, how can we possibly hope to keep from going into the red next year? We hear many pious expressions for economy and here is one place you can justify by your vote that desire for a balanced budget.

I do not see how we can disregard telegrams such as came this morning from my Governor, Luther Youngdahl, of Minnesota, saying that he opposed wholeheartedly the slash of $75,000,000 in the hospital construction program. What are you people who are voting for everything in this bill going to do when amendments come on the floor next week to our omnibus appropriation bill for this and for that affecting our own country and further unbalancing our budget? I leave it to your conscience. How can you be so liberal with other nations and at the same time vote against very much needed projects for our own people's welfare? It is going to be very difficult for some of you to reconcile your actions of today with those decisions ahead of us tomorrow.

General Eisenhower tells Congress we need more modern planes. Would it not be wise to cut this ECA program to $2,000,000,000 and then invest the $750,000,000 savings into added security for our own shores? I personally cannot vote for the present measure, taking into consideration the grave condition of our national finances. Our primary responsibility here is to look after our own first, then others, if the means are available to do so.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. CASE].

Mr. HERTER. Mr. Chairman, will the gentleman yield?

Mr. CASE of New Jersey. I yield to the gentleman from Massachusetts.

Mr. HERTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HERTER:

On page 26, in line 12, after "other" add "existing", and strike out section 313 (a) and insert the following:

"SEC. 313. (a) The President shall appoint, by and with the advice and consent of the Senate, a person who, under the direction of the President or such other officer as he may designate pursuant to section 312 hereof to exercise the powers conferred upon him by this title, shall be responsible for planning, implementing and managing the programs authorized in this title. He shall be compensated at a rate fixed by the President without regard to the Classification Act of 1949 but not in excess of $16,000 per annum."

Mr. HERTER. Mr. Chairman, this is the amendment I discussed earlier and that was discussed by the gentleman from Virginia [Mr. GARY]. I understand it is acceptable to the committee. It merely clarifies the line of responsibility in the operation of this program. It does not change anything else. It makes it clear where the responsibility shall rest.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. CASE of New Jersey. I yield to the gentleman from Virginia.

Mr. GARY. It also makes it clear that the administration of the program shall

be under the existing agencies rather than under a brand new agency to be set up all over the world.

Mr. HERTER. That is correct.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. CASE of New Jersey. I yield to the gentleman from Pennsylvania.

Mr. FULTON. This does not set up extra personnel or make more jobs?

Mr. HERTER. It does not. It leaves the jobs exactly as they stand, with the exception of one new job, to pay $16,000, the appointee to be confirmed by the Senate. That is in both the bill and my amendment.

Mr. KEE. Mr. Chairman, while I cannot speak for the committee, I will say that this is satisfactory to the chairman.

The CHAIRMAN. Without objection, the amendment is agreed to.

Mr. MARCANTONIO. I object, Mr. Chairman.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, I have asked for this time to make some brief comments on two amendments which have been adopted in the Committee of the Whole and which will probably be voted on separately in the House after the Committee rises. I refer to the Fulton-Cooley amendment, which strikes out the so-called Vorys amendment and the Burleson amendment.

I believe both the Vorys amendment and the Burleson amendment have a tendency to confuse the farm program and the ECA program. I think these programs should be kept entirely separate and each should stand on its own feet. I was against the Vorys amendment in the Committee of the Whole because it sought to impose the ECA program on the farm program to the detriment of the farm program. The effect of the Burleson amendment is to impose the farm program on the ECA bill to the detriment of that program. I oppose it for that and other reasons.

When the vote was taken on the Burleson amendment in the Committee of the Whole I was unavoidably absent. Had I been present I would have voted against it.

The major farm organizations of this country oppose the Burleson amendment. They do not want farm legislation mixed up with ECA legislation. I have in my hand a telegram from Mr. Albert S. Goss, master of the National Grange, reading as follows:

WASHINGTON, D. C., *March 30, 1950.*

Hon. CLIFFORD R. HOPE,

House Office Building, Washington, D. C.:

We have consistently asked that no restrictions be placed on ECA that would hamper them in accomplishing the maximum recovery of western Europe. This was the major reason why we opposed the Vorys amendemnt. The Burleson amendment is subject to the same objection and we hope it will be rejected.

ALBERT S. GOSS,
Master, the National Grange.

I have also a wire from John H. Davis, Executive Secretary of the National Association of Farmer Cooperatives, which reads as follows:

WASHINGTON, *D. C., March 30, 1950.*

CLIFFORD R. HOPE,

House Office Building:

Believe Burleson amendment to ECA bill may act as ceiling on purchase of farm products may stimulate undesirable competition among commodity groups for ECA financing, and disrupt established relations with lesser commodity groups. Urge rejection on House vote.

JOHN H. DAVIS,
Executive Secretary, National Council of Farmer Cooperatives.

I do not have direct word from the American Farm Bureau Federation or the National Farmers Union but am reliably informed that both organizations oppose the Burleson amendment and in a previous communication all four of the great farm organizations have expressed their opposition to the Vorys amendment.

I urge that when these matters come before the House that your vote for the Fulton-Cooley amendment which repeals the Vorys amendment and against the Burleson amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, in a few minutes we are going to vote on what I believe to be one of the most important measures to come before the House in the postwar period.

We can fumble the ball all over the lot on domestic issues and we can come back in a year, or two, or three, and salvage the damage that we do.

But if we fumble the ball now on this bill, the keystone of our foreign policy, then this Congress might be largely responsible for turning the pages of history back for about a thousand years.

I think that is what it adds up to. I beg of you and implore you not to wreck this ECA program which is successfully keeping the iron curtain from spreading across western Europe.

If the program is working, and no one here has challenged that it is not working, then do not tear it up by putting on six wheels or eight wheels or tearing it down two wheels. Leave the program as it is for it is working.

I beg of you not to try to make this an agricultural relief program by incorporating the Burleson plan. The farmers I have talked to and the farm leaders do not want that. They want to sell their agricultural products for dollars, and not have them used as a gift to foreign nations.

They want to be able to go again into the foreign market on the basis of the merit of their sales and not pour surplus farm commodities down on European nations, perhaps against their desires, when those nations might need the tools of production more than they need the commodities themselves.

I beg of you to kill the Irish amendment. It is bad public policy to use our aid as a bludgeon to force a friendly nation to alter its domestic policies.

We must face criticism of the rest of the world if Congress puts that in. I wish the parliamentary situation were such that the cut of $250,000,000 would be restored to the bill. It is unwise to run out of money short of the goal by only a few miles.

Let us vote all the way for a program which is beating back the tide of communism and keeping it behind that iron curtain. Let us not undo a program that has been unusually successful by overloading it with unwise and restrictive amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. STEFAN].

(By unanimous consent, the time allotted to Mr. STEFAN was given to Mr. PLUMLEY.)

Mr. PLUMLEY. Mr. Chairman, it is with some diffidence and admitted complete unpreparedness I stand here to differ so completely with my very good friend, the distinguished gentleman who has preceded me. But I do wish it to be distinctly known, and I wish the RECORD to show, that I disagree with him absolutely with respect to so many particulars I cannot afford to take your time to generalize further. I disagree.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Chairman, in these closing minutes of debate I want to call to the attention of the House what would have happened to this world if there had not been a Marshall plan. I do not think there is any question about it. We in the Western Hemisphere would be standing alone now; communism would be master of Europe with all the tragic consequences. The United States and the ECA participating countries of Europe together produced 88 percent of the steel, 76 percent of the electric power, 80 percent of the coal, 95 percent of the automobiles, and 90 percent of the petroleum of the world. We really and truly control the world if Europe continues to be a going concern. There is no question about that. But the danger now before us and Europe is what is going to happen to the rest of the world in the future. That is the reason I think it would be tragic to turn down title 3 of the bill. I think it is one of the most important parts of this bill. Just think of it. Less than 1 percent of what we are doing in the next fiscal year in Europe under the Marshall plan will be the first-year cost of this point 4 program. It can be reasonably expected that the sum we will spend in ECA next year would finance point 4 for 75 or 100 years.

Somebody said a little while ago that this program might eventually cost billions. That is absurd. If we used all of the technicians available in the United States we could not spend over $50,000,000 a year on this program. If we spent that much, it would prove to be a wise investment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. MARTIN].

STRATEGIC AND CRITICAL MATERIALS

Mr. MARTIN of Iowa. Mr. Chairman, while ECA legislation is before Congress it is very timely to set before Congress some enlightening statements of the policies adopted and followed by ECA

in the field of exploration and development in foreign lands of the production of strategic and critical materials. In the main, these policies will be helpful to our national defense only to the extent that purely strategic materials are actually acquired and delivered to our stock pile and they should not be used to secure stock-pile materials that are highly competitive with our own mining industry or the production of which may be developed within our own land with the encouragement and assistance of our Federal Government. It is my sincere hope that a national policy may be soon established that will give our domestic mining industry consideration equal to that which the ECA policy included in the legislation now before Congress gives to the exploration and development of foreign production of strategic and critical materials.

In their discussion of the magnitude of possible imports of strategic materials, the report of the Harriman commission dated November 7, 1947, states at page 273:

With comparatively small increases in production, which in most cases would require reaching but not exceeding wartime peak outputs, strategic mineral raw materials valued at approximately $2,231,000,000 annually could be made available.

I know that Congress will be interested in the information that commitments for strategic materials projects under our ECA program already made and projects commitments estimated through June 30, 1951, come to a total of $68,917,000. This investment in projects has been applied only to 15 strategic and critical materials, but the striking thing to me is that 67½ percent of the estimated cost of all commitments made and planned from July 1948 to June 30, 1951, is for lead, zinc, bauxite, copper, and manganese. Less than one-third of the funds are spread among the following additional items: Cobalt, kyanite, diamonds, chrome, nickel, columbite, tantalite, pyrites, graphite, and fluorospar, and no commitments whatever have been entered into or planned to June 30, 1951, for any of the other 56 items on the strategic and critical materials list compiled by the Munitions Board. Anyone familiar with those 56 items will recognize at once that they include strategic and critical items that are most essential to our defense and that are not competitive with our own domestic mining industry.

I am quoting below several extracts from the special analysis series of ECA entitled "The Strategic Materials Program," dated February 1950:

INTERAGENCY RELATIONSHIPS

The scope of the term "deficiency materials" as used in the ECA Act is broader than the strategic and critical materials concept of the stock-piling program authorized by Public Law 520 (79th Cong.). For present purposes, however, formal implementation of ECA responsibility is limited to the commodities currently on the Munitions Board stock-pile list.

ECA consults the Munitions Board regarding its interest in strategic materials available through purchases or development, and is guided by its recommendations.

PROCEDURES

The activity of ECA with respect to strategic materials has proceeded along two courses, (1) the acquisition of commodities for the stock pile by purchase with 5-percent counterpart funds, and (2) the provision of ECA dollar and 5-percent counterpart funds for approved projects to increase the production and supply of strategic materials.

PROJECTS

The output and availability of strategic materials will be substantially increased through development and exploration projects financed by ECA with dollars and 5-percent counterpart funds. Increasing use of counterpart funds is planned for the current fiscal year and fiscal year 1951.

In addition to increasing the strategic material reserves of the United States stock pile, the economies of the participating countries will benefit when these projects are completed. The increased output will tend to make the countries more self-supporting and less dependent on outside supplies. It will also reduce the current drain on United States resources. In some cases the increased output will produce an exportable surplus which will earn dollars for the governments of the participation countries. For all of these reasons, ECA is placing increased emphasis on developmental projects.

The two lead projects call for repayment from the increased output of the mines of the amounts advanced. One, a $3,600,000 commitment for the development of lead and zinc properties in French Morocco, calls for deliveries in repayment of the advance, plus 4 percent interest, to begin not later than January 1, 1951, and to be completed by July 1, 1957. The other, an agreement signed by ECA and the Government of Sweden, will make $350,000 available at 2½ percent interest to finance proposed production increases at four lead mines. In addition to promising materials for the stock pile, both projects when completed will increase supplies for the participating countries and reduce the strain on the domestic resources of the United States.

The fifth project, for exploration, is to provide assistance to the United Kingdom for an extensive survey of mineral and other resources in the British territories in Africa. A million and a half ECA dollars will be provided to pay the salaries of 58 American geologists and topographical experts for about 3 years. In return for this assistance the United Kingdom will make available to the United States Government all technical information obtained from the survey and give United States private enterprises access to mineral resources discovered as a result of the survey for 5 years after the termination of ECA. The survey should be of value in opening up some of the British overseas areas for economic development and colonization, and adding to the world's supply not only of stock-pile materials but other commodities as well.

To evaluate the opportunities for contributing to strategic materials supplies through the development of resources in the overseas territories of the participating countries, ECA officials recently made an extensive reconnaissance trip. This survey, made in company with representatives of the governments concerned and the Department of State, included most of the important mineral districts of British East Africa, Northern and Southern Rhodesia, and French Equatorial Africa. Considerable information was gathered regarding pending and possible new proposals. The various local governments were also acquainted with the provisions under which ECA assistance can be obtained and they were provided with a list of the materials most urgently needed.

PROBLEMS

The paucity of good mines and prospects which can be worked profitably without subsidies, and lack of an assured long-term market for output during the period of amortization, are the most important obstacles to the progress of the program. Also influential in retarding investment are the heavy tax burdens in some of the participating countries and the fear of excessive interference and perhaps nationalization or expropriation.

Ocean transportation has created a problem in acquiring strategic materials. The amended ECA Act requires at least 50 percent of shipments to the United States after April 3, 1949, to be transported in United States flag vessels. A few shipping firms have been persuaded to accept 5 percent counterpart funds in lieu of dollars for shipping charges. The remaining dollar requirement for ocean transportation has been partially bridged by the Federal Supply Service which has been willing, in the case of high priority commodities to make dollars available for this purpose. The 50–50 shipping rule does, however, make the use of 5 percent counterpart funds for purchases dependent on the continued availability of FSS dollars for ocean transportation. Nonavailability of dollars to pay dollar shipping charges is in some cases limiting ECA negotiations for strategic materials.

The importance of capable personnel to handle all aspects of the negotiations and make technical on-the-spot investigations promptly has been emphasized by the course of negotiations to date. Full use has been made of the mineral attachés of the Department of State where available, but the necessity of maintaining negotiations simultaneously in so many widely scattered locations and the stimulation of interest in other worth-while projects has increased the difficulty.

Considerable effort has been expended in fostering a better understanding of the program and in publicizing to possible investors abroad and at home the types and terms of assistance which ECA is in a position to make. On numerous occasions, ECA has attempted to interest American mining companies in the development of foreign resources. In spite of broader guaranty arrangements and favorable terms of financial aid, only a few companies have shown interest in assuming the risks involved.

The House Select Committee on Foreign Aid in its Preliminary Report No. 10, dated November 25, 1947, contains the following statements:

We are dependent upon imports not only for metals and minerals which we do not produce in any appreciable quantity, such as flake graphite, quartz crystals, industrial diamonds, and tin, but also for nearly all of our present commercial needs of minerals like chromite, manganese, asbestos, mercury, platinum, tungsten, and antimony, for all of which we have a 4-year supply or less at the prewar rate of use. A sound conservation policy, in terms of national defense, would indicate the necessity of heavy imports of all minerals—fluorspar, copper, zinc, cadmium, lead, bauxite, and vanadium—in order to preserve and lengthen the life of our own high-grade reserves.

A. THE EXTENT OF IMPORTS OF NONFERROUS METALS

With the exception of aluminum and molybdenum, the United States is currently an importer of every major nonferrous metal. * * *

Production of aluminum in the United States at present is running 5,000 to 10,000 tons a month in excess of domestic requirements and this is available for export to

Europe. Domestic production is almost at capacity, so that the quantity available for export could not be expanded substantially without reducing the quantity available to United States consumers. * * *

B. THE NEEDS FOR NATIONAL DEFENSE

The conclusion is that a nation whose economy is primarily commercial in character must be able to depend upon "commercial reserves" in large availability, either through a combination of domestic reserves capable of quick and easy production at a stepped-up rate, and stock piles of imported reserves adequate for a war of several years' duration; or, alternatively, absolutely secure control, not only of sea access to foreign reserves, and their rail transportation to ports, but also of their procurement and production. The net conclusion is that without stock piles of those ores which are in critically short supply in terms of commercial reserves, there is no secure reliance for a nation bent upon guaranteeing its own survival by reasonable foresight.

There is a second difficulty in dependence upon low-grade reserves or substitution which needs to be recognized. It arises from the political pressure of domestic producers to block imports and to continue the drain on domestic reserves, even at uneconomic prices and costs. High tariffs have marked the mineral policy of this country in the period since 1930. The same resistance of domestic mining interests applies to the importation of stock piles that would overhang the market. It therefore needs to be met by the strongest arguments for national defense, supplemented by the fact that such imports constitute one of the few relatively painless ways of accepting payment for loans which we are making to countries that are either themselves producers of these minerals (such as Greece and Turkey) or which have colonies which are heavy producers. It must also be met by keeping our own mineral reserves in a state of readiness for national defense by adequate developmental programs.

C. BUILDING A UNITED STATES STOCK PILE OF STRATEGIC MATERIALS

* * * If, therefore, consumption continues at a high rate, it is clear that stock piles can be accumulated only by importing metals. With proper safeguards, such imports need not in any way impede the maintenance of a healthy domestic mining industry which would be available for any future emergency. * * *

Provided that necessary safeguards are established, there is no question that in the mineral field, at least American capital is available to take over or supplement European investments in many colonial areas. United States capital is already heavily invested in Rhodesian copper, Canadian nickel and aluminum, and Surinam bauxite. New lead-zinc deposits in Morocco are being developed in part with American capital. Given a stable government, American capital would probably undertake the reequipment of the important lead-zinc deposits in Burma. It is difficult to measure in terms of dollars just how far this might go, since the willingness of capital to invest in these areas depends not only on the political factors, but also on the economic values of the individual deposits. As a guess, however, in the nonferrous field alone, it is probable that American capital could be found to the extent of $300,000,000 or $400,000,000.

APPENDIX A

EXCESS MATERIALS AVAILABLE FOR STOCK PILING FROM THE 16 COUNTRIES OF WESTERN EUROPE (CEEC)

The production of strategic metals and minerals in western Europe is considerably less than the over-all requirement of that area, so that little can be expected along this line if the area involved is limited to western Europe itself. If, however, the area is widened to include the colonial territories controlled by the countries in western Europe, a very respectable total can be shown. * * *

In the case of Tanganyika and Burma, it would be necessary to build plant almost from scratch, the first area being one in which a large new deposit has recently been developed, the second being one where the former producing facilities were destroyed by the Japanese. It would obviously encourage private investors to provide the facilities to equip these two properties if they had the assurance of a long-term outlet.

The question of price, as well as tonnage, is of paramount importance, and it would be necessary to work out a formula whereby, in crediting the value of strategic materials either as interest or principal against advances, the United States would establish some minimum price for each material, with some provision for fluctuation in line with market trends generally.

It may be that the aggregate amount indicated in this tabulation of approximately $136,000,000 a year will seem relatively small. This total is for excess materials to go into stock pile only. It would seem foolish to channel the entire import of these strategic materials from the areas named into the field of repayment of any advances for assistance given, because by so doing the current dollar credits which are being earned through normal commercial activities would be reduced and the unfavorable balances of western Europe further increased. No attempt has been made to assess the current dollar value of these commercial imports from the areas affected, but it must be in the region of $250,000,000 to $300,000,000, the principal items being tin from the Far East; nickel, copper, lead, and zinc from Canada; manganese, chrome ore, and asbestos from South Africa; manganese and mica from India; cobalt and tin from Belgian Congo; and manganese from the gold coast.

The State Department submitted to Congress December 19, 1947, an Outline of a European Recovery Program, in which the following statement appears at pages 52, 53, and 54:

RAW MATERIALS EXPECTED TO BE IN LONG-TERM SHORT SUPPLY IN THE UNITED STATES

The United States has few or no domestic sources of certain raw materials, such as tin, industrial diamonds, natural rubber, and quinine, and has inadequate resources in other raw materials, such as manganese, chromium, copper, lead, and zinc. The United States has used substantial quantities of certain of these materials in furnishing assistance to Europe during the postwar period and it will use further quantities in furnishing assistance under the recommended program of European economic recovery. United States reserves of exhaustible natural resources are declining. It is proper that in partial return for the very considerable assistance provided them by the United States, the participating countries should give reasonable help in replenishing stocks of materials expected to be long-term short supply in the United States.

Not all of the participating countries themselves possess sources of such materials. Some among them do, however, have resources of this nature either within their own territory or that of their colonies, territories, or dependencies. In some instances present production and availability is at maximum levels without satisfying commercial demands. In other instances it appears that, under an aggressive plan of exploration, development and expansion of productive facilities, or by other actions, additional supplies could be produced or made available.

The program of European economic recovery should, therefore, provide for arrangements along the following lines. The administering agency should be authorized to help increase production. Procurement by the United States for stock-piling purposes of a fair proportion of available quantities of the materials desired by the United States should be facilitated by participating countries concerned, after taking due regard of requirements for the domestic usage and export requirements of the source country.

Therefore, (a) the administering agency should be authorized to use funds appropriated under the program to finance procurement of equipment and services required from the United States to help increase the production of such materials, (b) the local currency equivalents of grants-in-aid should be available for the financing of local currency costs in expanding the production of such materials, and (c) bilateral agreements entered into with these participating countries within whose territory, colonies, or dependencies such materials may be available, should contain provisions for facilitation of procurement for stock-piling purposes by the United States, on reasonable terms, of a fair proportion of availabilities of specified materials, after taking due regard of the reasonable requirement for domestic usage and commercial export of the source country. Such procurements would be effected through the use of funds appropriated expressly for the purchase of materials for stock-piling.

As a further possible step, in appropriate circumstances, loans made by the United States administering agency might contain a provision specifying that, in the event circumstances make the probability of repayment of the loan in dollars at its maturity date doubtful, the participating country may tender or the United States Government may require delivery of materials expected to be in long-term short supply in the United States, and available for the purpose to the participating country after taking due regard of its reasonable requirements for domestic usage and commercial export, in such amounts and at such times as are mutually agreed at the time as being equitable in full or partial fulfillment of the loan obligation.

The Economic Cooperation Administration in its report on Recovery Progress and United States Aid, dated February 14, 1949, made the following statements which appear on pages 229, 230, and 231:

In accordance with the provisions of the Economic Cooperation Act concerning materials in which United States resources are deficient or potentially deficient, the objectives of the ECA in this field have been: to promote an increase in the production of materials through exploration and development; to further the transfer of materials to the United States by purchase or otherwise; and to obtain for the United States schedules of future availabilities and increased production as well as equal rights of access to the development of such materials.

1. FACTORS AFFECTING SUPPLIES FROM PARTICIPATING COUNTRIES

In spite of its utmost efforts to accomplish these objectives, the ECA is not satisfied with the progress made by the end of 1948. The principal reasons for unsatisfactory results, it is believed, have been: (a) the lack of adequate and long-term purchasing power in any United States Government agency; (b) limited number of materials in which ERP areas as a whole have net surpluses, actual or potential; (c) lack of inventories on hand in

participating countries available for purchase; (d) time required to work out development projects; and (e) reluctance of producers, both American and foreign, to contribute to a large supply of materials that may overhang their future markets.

Despite these difficulties, four purchase agreements were executed prior to the end of 1948. All were purchases with local currency counterpart funds, in a total amount equivalent to $21,600,000. There were in addition a number of transactions pending, involving exploration and development as well as purchases, which were in varying stages of progress at the end of 1948.

The Bureau of Federal Supply (BFS) of the Treasury Department is designated by the Strategic and Critical Materials Stock-Piling Act of July 23, 1946, as the Government agency to purchase strategic materials, and a limited amount of dollar funds have been appropriated for use by it for that purpose. The ECA has worked closely with and assisted the BFS in locating materials and arranging for their purchase. In some transactions, payment will be made partly with BFS dollars and partly with ECA counterpart funds. While ECA dollars are not available for straight purchase transactions, the use of ECA dollars is contemplated for exploration and development of production, with repayment in materials to be delivered to the BFS out of future production.

ECA activities in the strategic materials field are legally confined to the participating countries and their dependencies and China. This excludes such important sources as the British Dominions, Burma, and independent countries in Latin America and the Middle East. Southern Rhodesia has not yet acceded to the United Kingdom bilateral agreement.

Moreover, strategic materials possibilities in participating countries and their dependencies have distinct limits. These areas have actual or potential net surpluses of tropical and semitropical vegetable products, limited for practical purposes only by expectancy of market requirements. In the mineral field, however, where because of depletion the strategic interests of the United States are most vital, these areas as a group have net surpluses, based on known facts, only of tin, cobalt, diamonds, flake graphite, tungsten, mercury, antimony, bauxite, phlogopite, and possibly columbite, tantalite and corundum. In non-stock-pile items there are also fluorspar and potash. As a group the participating countries and their dependencies do not have net surpluses of petroleum, copper, lead, iron, zinc, nickel, vanadium, strategic muscovite mica, asbestos, beryl, bismuth, cadmium, zircon, barite, molybdenum, platinum, kyanite, chromite, and manganese. In the last three items there is a normal flow to the United States from dependent areas but this is due to geography and does not represent a net surplus for the group. In consonance with the spirit of the Economic Cooperation Act, it has been necessary to harmonize United States interests in strategic materials with the basic aims of the act. It would not be sound, for example, to take for stock-piling purposes materials which are urgently needed by the participating countries for recovery, thereby forcing them to dip into outside areas for their needs. In addition to increasing net transportation costs, such a course would only redistribute the trade patterns in scarce materials without necessarily adding to the total United States share of world supplies.

With respect to use of the 5-percent portion of the counterpart funds for exploration, development, and purchase, there is an important limiting factor. Any substantial transfer of materials by a participating country to the United States without payment in dollars would necessitate a recalculation of the country's requirements and additional aid to compensate for its decreased dollar earnings. Moreover, 5-percent counterpart funds are available in sizable amounts in only three of the significant sources of materials within the ERP group of countries, namely, the overseas dependencies of the United Kingdom, France, and the Netherlands. The amount of counterpart funds in Belgium is very limited and none are available in Portugal and Turkey because these countries have received no grant assistance.

In order to stimulate interest on the part of American companies in exploration and development operations, the ECA has expressed a willingness to make loans of 5-percent counterpart funds, to be repaid in production if gained.

In the opinion of the ECA it is indispensable for an effective program to increase the supply of strategic materials to the United States that there be adequate purchasing power vested in an agency authorized to place, anywhere in the world, procurement contracts continuing over a period of time sufficient at least to permit producers to amortize their investments at reasonable rates.

2. ECA OPERATIONS

The act calls for the negotiation of future schedules of minimum availabilities from ERP countries, of materials in which the United States is deficient or potentially deficient, either in percentages of production or in absolute quantities. The ECA, working with other Government agencies, has been unable thus far to determine what such schedules should be in the case of various materials produced within a participating country or its dependent territories. In order to proceed with negotiations for the purchase of deliveries of material out of increased production, it is necessary to establish quantitative goals. At the ECA's request, interdepartmental investigations are being conducted, under the auspices of the National Security Resources Board, seeking to determine future United States stock-pile requirements and the quantities that should be requested from participating countries. When this information is received, negotiations for the schedules of minimum availabilities can be started.

In order to learn the problems at first hand, to achieve some early results, and to review policies and objectives with the ECA missions, a temporary mission to Europe was organized by the ECA in mid-August 1948 consisting of the Director of the Strategic Materials Division, the Director of the Bureau of Federal Supply, a mining consultant, a transportation consultant and a member of the legal staff. This mission visited the Office of the Special Representative in Paris and the ECA missions in London, Paris, and The Hague. In each case, an investigation was made into various procurement and development possibilities in each country, in consultation with both government officials and private producers. Purchasers of rubber and sisal were arranged in the United Kingdom, and negotiations initiated toward expansion of Gold Coast manganese production. In the Netherlands, groundwork was laid for subsequent purchases of bauxite and quinidine. In France negotiation was begun toward the production and procurement of a substantial quantity of Madagascar flake graphite. Also, initial steps were taken in procuring an inventory of lead concentrate for the United States stock pile and expanding North African manganese production. With the cooperation of the United Kingdom Government and other governments concerned, arrangements were made for the purchase of chrysotile and amosite in non-ERP territory. Opportunities for American capital participation were disclosed in French North African lead mining, French Cameroon tin mining, French Congo lead-zinc mining, New Caledonian nickel development, nickel development in Celebes, and in aluminum production in Sumatra.

On pages 232 to 236 there appears their review of possible sources of strategic materials and I am including their discussion of some of the materials listed there that are competitive with our own present potential domestic production:

REVIEW OF POSSIBLE SOURCES OF STRATEGIC MATERIALS

Aluminum: Surplus production of aluminum ingot exists in Norway and may provide an opportunity to use 5 percent counterpart funds, if this can be done without dislocating trade.

Bauxite: This material is produced in the Netherlands East Indies, Gold Coast, Italy, France, British Guiana, and Surinam. There are undeveloped deposits in Malaya, Jamaica, Nyasaland and on islands off the coast of French Guinea. The European material is not suitable for American plants as presently constituted. The ECA is arranging for deliveries to the BFS, to be financed with 5 percent counterpart funds from the NEI and Surinam. Projects for development of the Jamaica and French Guinea deposits are under consideration. A proposal to dredge a channel for ocean-going ships to reach some of the British Guiana deposits is being studied. Production from British Guiana and Surinam goes principally to the United States and Canada. A large portion of the Canadian metal flows to the United States.

Copper: Although northern Rhodesia and the Belgian Congo are among the world's more important copper areas, their total supply is required for European needs. There is a relatively small deposit in Turkey, and discovery is reported in Uganda with cobalt associated with the copper. The last is said to be large but of low grade and remote from transportation facilities. Expansion programs are contemplated in Northern Rhodesia and the Congo. The ECA is trying to advance the Rhodesian project into the 1949 program of the United Kingdom, and with Commerce Department cooperation has expedited delivery of necessary equipment to the Congo producer.

Iron: Some high-grade iron ore is now being exported from Sweden and Algeria to the United States. The North African high-grade deposit is small. Lateritic iron ore carrying approximately 50 percent iron is available in Celebes and New Caledonia, but no market has been found in the United States. The ECA is also investigating a high-grade deposit in Norway.

Lead: Lead is mined in Morocco, northern Rhodesia, Italy, Greece, Turkey, France, and French Congo, the Bizone, Austria, Sweden, and Norway. Production, however, is not equivalent to European requirements. A recent discovery in Tanganyika is being developed, and a discovery has been reported in Greenland but the Greenland deposit is icebound until next summer. Attempts are now being made to expand production in Italy, Greece, Turkey, Bizone, France, Morocco, and Austria. An expansion is programed for northern Rhodesia. A counterpart loan is being negotiated by the ECA to explore a promising deposit in Algeria.

Manganese: The most important source of manganese in ERP territory is in the Gold Coast. Other production exists in Morocco and the Belgian Congo. Undeveloped deposits occur in Turkey. Gold Coast production, of which the United States normally receives about 40 percent, is being maintained to the full capacity of the existent plant under current labor conditions. The Gold Coast producer has offered 200,000 tons of intermediate-grade material which although not acceptable for stock-pile purposes can be utilized by United States industry. The ECA together with other interested Government agencies is studying the feasibility and desirability of financing construction of additional plant facilities in the Gold Coast. Efforts are being made to expand

Morocco production and to investigate the Turkish deposits. The ECA is also investigating the Belgian Congo deposit.

Mercury: Italy is one of the world's two largest producers. There is substantial stock on hand in Italy and a considerable expansion of production is possible. However, the United States stock-pile position is comfortable enough to make the BFS unwilling to pay even ocean freight. The ECA is currently negotiating to purchase and ship a large quantity with counterpart funds if a satisfactory price can be reached.

Zinc: Zinc ore is produced in northern Rhodesia, Morocco, the Bizone, Austria, Italy, France, Portugal, the Belgian Congo, Sweden, and Norway. However, none of this is produced in surplus over European needs. Zinc smelting is done in Belgium, United Kingdom, France, Bizone, Italy, and Norway, the ore coming from Australia, Newfoundland, and Latin America, chiefly Mexico. Some surplus of metal occasionally comes to the United States from Belgium and Norway. The ECA is studying possibilities of production expansion of zinc ore in Austria, Bizone, and Italy. Expansion programs are projected by the producer in northern Rhodesia and the Belgian Congo.

The sixth report to Congress of the Economic Cooperation Administration for the quarter ended September 30, 1949, contains at pages 60 and 61 the following discussion of the deficiency materials program:

Purchases of materials by ECA for stockpiling purposes were limited during the quarter to 21,280 long tons of rubber in the United Kingdom at a cost, in local currency counterpart funds, equivalent to $7,978,900 and 9,000 kilograms of beryl in Norway at a cost equivalent to $3,300. By September 30, expenditures involved in completed purchase transactions were $43,200,000 in the equivalent of counterpart funds. Additional counterpart has been set aside to cover possible depreciation of local currencies during the life of the purchase contracts. Further, $21,000,000 in dollar funds had been committed for the procurement of deficiency materials and for development projects, of which $19,000,000 were to be financed by the Bureau of Federal Supply and the balance by ECA. In addition to rubber and beryl, the commodities purchased include sisal, industrial diamonds, quinidine, graphite, tantalite, palm oil, sperm oil, platinum, mica, and lead.

Completed contracts also call for the advancement of funds to producers of cobalt, kyanite, and graphite for the procurement of facilities to make increased output possible.

As the supply of "Shelf goods" in the participation countries is depleted, the acquisition of needed materials with the use of counterpart funds becomes more difficult. Surplus materials are not available in some countries where counterpart funds exist, and in others the foreign governments are reluctant to commit current output to ECA because of the impact on their anticipated dollar earnings.

In September arrangements were concluded for assistance to the United Kingdom in the exploration and survey of mineral and other resources in British overseas territories, chiefly Africa. A million and a half ECA dollars will be provided to pay the salaries of 58 American experts for about 3 years. In return for this assistance, the United Kingdom will make available to the United States Government the information gained during the survey and will also consult with this Government on the feasibility of development for mining or other purposes of any mineral deposits found during the exploration. The survey should be of value in opening up some of the British overseas areas for economic development and colonization, and adding to the world's supply not only of stock-piling materials but other commodities as well.

In September, ECA officials began a tour of East, South, and West Africa to examine various deposits and properties, and determine whether production of scarce materials could be increased so as to provide an exportable surplus to augment the United States stock pile and also produce greater dollar revenues for these countries.

At the end of the quarter, ECA had almost completed negotiations for the purchase with counterpart funds of a large amount of bauxite from the Netherlands East Indies and quantities of industrial diamonds in the Netherlands, and cryolite in Greenland.

Negotiations were also virtually concluded for the financing of development projects calling for stepped-up production of chromite in Turkey, lead and zinc in North Africa and Sweden, and bauxite in Jamaica, with repayment in materials.

In general, progress in launching development projects in the ERP countries and their overseas territories has been slower than anticipated owing to such problems as the method of channeling funds to the recipient company, terms of repayment, interest rates on money to be advanced, security requirements, fixing of a formula for determination of the value of metals turned over to the United States stock pile in repayment of advances, and the stipulation that 50 percent of the materials purchased be moved in American-flag vessels.

Emphasis has been placed by ECA in attempting to interest private American capital in exploration and development possibilities. Although some American companies have shown interest—as in Jamaican bauxite and African manganese and lead—the response has been disappointing, owing to the various risks involved and the limited number of good opportunities known at present. Some producers have been reluctant to increase their output in the absence of reasonable assurances that there will be a market for a substantial portion of the added production. ECA is unable, of course, to provide such assurance. A further deterrent is said to be the provision of the United States income-tax laws which requires majority ownership by American citizens in a foreign corporation before they can claim credit for foreign taxes paid.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I realize that probably no minds will be changed at this late hour in the debate. In the 7½ years I have been here, this is the first time I have ever spoken directly to those of my own party, but I do want to say two things to you: First, we Republicans, more than anybody else, have criticized the administration because it has usually tried to handle problems at home and abroad by Government programs of one sort or another instead of giving opportunity and enouragement to private business to do the job. Are we now to oppose title III, almost the first step that it has taken in the direction we say we want?

Second, we, more than anybody else, have criticized this administration because it has had no effective program in China and Asia—and no one more than I. This is almost the first move it has made in the direction of trying to develop a program that makes sense out in that part of the earth where half of its people live. Are we to oppose what we ourselves have been calling for just because we do not have full confidence it will be well administered?

This is not an expensive short-range commodity program; it is an inexpensive long-range training and development program. As I said earlier, I have some doubts about some aspects of it. But that is not an adequate reason for doing nothing. Of course, there are difficulties: but if by default we allow half of the people of the world to be pulled behind the iron curtain, look at the danger in that. Believe me, the Communists have a program for those people. It is a phony and will not solve their problems, but at least it promises them something. Surely we cannot vote for no program at all for half the world. I cannot believe, if we stop to think about it, that we will reject the first major effort that has been made in the direction that we ourselves pioneered in the Eightieth Congress and have been asking the present administration for. So I urge that when we come to vote, we not strike out title III. There are risks if we make this effort to help the people of Asia and other underdeveloped areas stay free and on our side; but there are far greater risks if we make no effort whatsoever. The cost is insignificant, relatively; I do not see how it could do any harm; and the possibilities of long-range good are greater than in anything I see that our country is doing or can do.

I hope we will vote against the motion to strike out title III.

Mr. HAYS of Arkansas. Mr. Chairman, the remarks of the gentleman from Minnesota are in the spirit of the bipartisan foreign policy and constitute one of the most forceful arguments that could be advanced for its retention. The bipartisan policy needs no official formulation. It places obligations upon both the responsible party in power and the minority party in the opposition role.

It is predicated upon the idea that in the perils of the postwar period with the threatened aggressions in Europe and the Far East, there is a supreme need for utilizing the resources of both parties. The foreign policy of the United States is evolving. It should contemplate participation by Republicans and that participation does not imply that their political loyalties are diminished. They act as Republicans as well as Americans. There are evidences that the administration seeks more substantial participation by the minority and this is desirable. Cooperation between party leaders in avoiding cleavages in foreign policy during this crucial period does not anticipate agreement upon details, nor preclude the minority from vigorously pursuing a critical course as in the China decisions. When, however, the most vigorous critic of the Far East policies the gentleman from Minnesota [Mr. JUDD] speaks earnestly of the need for undertaking the plans advanced by the administration in the point 4 title, we have a perfect demonstration of the workability of the bipartisanship idea.

Point 4 is, as both friend and critic say, a bold step—fraught with some dangers of waste and of misinterpretation abroad. It is not altogether a new

idea, however. For decades American business interests and American missionaries have extended in limited areas of Asia and Africa many types of technical services. But their resources have always been painfully limited. This proposal is only a modest supplement to many types of endeavor, but considering the vast needs of troubled people in the Orient, a refusal to extend this assistance would be tragic. It will be of tremendous benefit in stabilizing social and economic conditions. Millions of people still outside the Communist sphere look hopefully to us.

It was really a form of point 4 assistance which brought the Philippines to their present relative firm position in the East. Where the farm peoples of India and other far-eastern nations have had an opportunity to apply the lessons of American agriculture, the results have been amazing. In due time a soundly planned point 4 program for the agriculture of the Far East will do for its people what the Extension Service has done for American agriculture. It must be done just as in the South American countries through the governments of the underdeveloped areas. But if cooperatively executed such plans may provide the beginning of a stabilizing process in the world that will lead to permanent peace.

Mr. BOGGS of Louisiana. Mr. Chairman, I subscribe to the remarks made by the gentleman from Minnesota, and ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS of Louisiana. Mr. Chairman, there seem to be a great many misconceptions about title III, this bill to aid in international development. This should not be, because the idea and the essential facts about it are all very simple. In the next 5 minutes I want to make five basic points.

First, this bill does not authorize a world-wide WPA, or anything like it. It does just two things: It puts the Congress of the United States on record that the development of the underdeveloped areas of the world is important to the people of the United States and the other free peoples of the world; and it authorizes the United States Government to go ahead with a program of technical assistance, a program to help the people of these areas to develop their own countries by making available to them the skills and expert knowledge of American industries, engineers, farmers, teachers, and businessmen.

Second, this is not a big-money program, and it never will be a big-money program. Let me quote what the Secretary of State said in testifying on this measure before the Senate Foreign Relations Committee yesterday morning—Thursday:

> By its very nature this is not and never will be a big-money enterprise.
>
> It is cooperative, which means that a considerable part of the expense should be borne by the countries with which we work. It involves salaries and expenses of people—not vast purchases of machinery and raw materials.
>
> Its objective is to show other people how to meet their own needs, not to attempt to meet those needs ourselves. For this reason the cost of technical cooperation will always be modest, compared with the cost of other types of foreign-aid programs.

Third, even though the cost of the program will never greatly exceed the sum asked for in this authorization bill, it can have the deepest and most far-reaching effect on the peace of the underdeveloped areas of the world. As this House knows, we have had 10 years of experience in this kind of expert help to our neighbors in the Americas. This work has shown us in scores and hundreds of cases how one American doctor or one American with the skill and knowledge of a county agent can materially improve the lives of hundreds and thousands of people by giving them the advantage of his modern knowledge. The people of South and Central America whom we have been helping in this way have shown their recognition of the value of this kind of cooperative self-help program by raising its share of the total cost of each year's program which they have contributed from about a tenth of the amount which the United States contributed in the first year to nearly three times the amount which the United States is contributing this year.

Fourth, funds authorized for this program will be a direct investment in the future prosperity of America. Everyone on this floor knows that the export trade of the United States accounts for the margin of difference between full employment for the American farmer and the American labor and desperate unemployment—the difference for the American businessman between operating in the black and operating in the red. Our country has a great and a growing productive capacity. To maintain this healthy condition, we must have great and growing markets abroad. You who live in the States through which run the Mississippi River and its tributaries, the Ohio, the Arkansas, and all the rest, know the products of the farms and industries which go abroad. Coming from New Orleans, the great port at the mouth of that river system. I am perhaps more conscious than some of you of the immense increases in those exports to the great continent to the south of us which have been made possible by the economic development of its countries in the last decade. I know, too, the important part which the work of the Institute of Inter-American Affairs and our other technical assistance work has played in that development and in the creation of this enormously greater market for American goods. I am confident that the extension of this kind of expert help to other underdeveloped areas of the world will bring with it the same kind of economic development and growth in the markets for American goods. The welfare of the American economy demands that we undertake this program at once.

Finally, this program is truly vital to the security of the United States. President Truman, in a message to the chairman of the Foreign Affairs Committee has said:

> Our armed forces can afford us a measure of defense, but real security for our Nation and all the rest of mankind can come only from building the kind of world where men can live together in peace.

The people of these underdeveloped areas, in southeastern Asia and southern Asia, in Indonesia, in the Near East, in Africa, are in the throes of a great awakening. They are demanding a better life than they have now. They know that all they need is expert assistance and advice. They will get this advice and assistance wherever they can. Now, if there is anyone on this floor who thinks that the Soviet Union and the Cominform are not straining for the opportunity to become the advisers of these people, I would like to see him stand up and oppose this bill. But for the rest of us who know that the great weapon of the United States, greater than the atom bomb, greater than the H-bomb, is to give performance where the Russians and Communists give only promises, I will expect to see you stand up in favor of this bill. There has been a great deal of talk on both sides of this floor about the need to take positive steps to oppose communism in Asia. Now is the chance to act.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. PACE].

(Mr. POAGE and Mr. WAGNER asked and were given permission to yield the time allotted to them to Mr. PACE.)

Mr. PACE. Mr. Chairman, I desire to join with the gentleman from Kansas [Mr. HOPE] in asking that you give your support to the amendment offered by the gentleman from Pennsylvania [Mr. FULTON], and the gentleman from North Carolina [Mr. COOLEY], striking out the Vorys amendment; and that, at the same time you reconsider your vote in adopting the Burleson amendment. Both of these amendments sought to fix definitely and tie the hands of the ECA administration with regard to the purchase of farm commodities. I hope both will be stricken from the bill, because neither of them serves a useful purpose, but each of them will, in my judgment, place the farm groups in a very bad position and make them looked upon as rather grasping and greedy in connection with some other program.

Mr. COOLEY. Mr. Chairman, will the gentleman yield for a correction?

Mr. PACE. I yield.

Mr. COOLEY. The gentleman does not mean that he would like to see the Fulton-Cooley amendment defeated, but the Vorys amendment.

Mr. PACE. I want to say clearly that we should support the Fulton-Cooley amendment which struck out the Vorys amendment, and I should like to see the Burleson amendment defeated.

Since the Burleson amendment was adopted I have made some investigation. First of all, I contacted all of the great farm organizations. Mr. John Davis of the Farm Co-op has assured me that his organization is opposed to the Vorys and the Burleson amendments.

Mr. Goss, master of the National Grange, has assured me that his organization is opposed to the Vorys and the Burleson amendments.

The National Farmers Union through both Mr. Patton and Russel Smith, its legislative representative, have asked for the defeat of both the Vorys and the Burleson amendments.

Mr. Allen Kline, whose organization's board of directors are now in session in Chicago, has authorized me to state that his organization is opposed to the Vorys and the Burleson amendments. The unanimous views of these organizations should be significant.

Mr. Chairman, I have gone further; I have contacted a man in whom I have complete confidence, Mr. FitzGerald, in the office of ECA. I presume most of you understand that Mr. FitzGerald is the man in Mr. Hoffman's office who handles the purchase of all agricultural commodities. I have confidence in his assurances and his promises. I have worked with him for years. I have here in writing the assurance which Mr. FitzGerald authorizes me to give you. Here is the statement of Mr. FitzGerald:

Certainly, no one would approve any expenditure by ECA for any purpose unless needed. It is my judgment that Europe will need over a billion dollars' worth of American agricultural commodities in the fiscal year 1951.

I give you my assurance that if this need develops as now anticipated, at least $1,000,000,000 or more of agricultural commodities will be purchased in the United States.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield.

Mr. BURLESON. Then, I presume the opinion of the farm group leaders to whom the gentleman has referred, and Mr. FitzGerald's opinion have changed the gentleman's opinion with reference to my amendment.

Mr. PACE. It certainly has. It has convinced me, if the gentleman from Texas will permit, and I say this with all kindness to the gentleman from Texas, that there is no need for his amendment and the only possible result will be to put the agricultural interests of this Nation in a badly misunderstood position and will fortify the unfair charges which have been made that we are attempting to use the ECA program as a dumping ground for agricultural commodities. I think the fear is real, and I trust, in light of these assurances and in view of the fact that there exists no need for the amendment, that it will be the will of the House to strike both the Vorys amendment and the Burleson amendment which have the same general purpose.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. PACE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I want to thank the gentleman for his statesmanlike statement because if you tie the agricultural program to the tail of a world recovery program and do not let it stand on its own feet, when the world recovery program is over so is the agricultural program.

Mr. PACE. The gentleman is exactly right. I might add in conclusion that I have never had an opportunity to visit the countries of Europe. I wish I had. But I have done the best I could to confer with those who have made those visits and they tell me that one of the principal troubles with the ECA program today is that the people in Europe think we have so much, that we are simply using the program to dispose of our surpluses, that it is not costing us therefore very much, and their appreciation is not as high as it otherwise should be.

I hope you will let the ECA program stand on its own feet and not seek to make it a dumping ground for agricultural products.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

(Messrs. THOMPSON, COMBS, MANSFIELD, COOLEY, ALBERT, and BUCHANAN asked and were given permission to yield the time allotted to them to Mr. RAYBURN.)

Mr. RAYBURN. Mr. Chairman, I was very much gratified to hear the statement of the distinguished gentleman from Kansas as to what he thought the effect of this Burleson amendment might be and following that the very able statement made by the gentleman from Georgia [Mr. PACE], because I have been deeply troubled ever since that amendment was adopted day before yesterday. I have been unable to conceive how the amendment would help agriculture in the long run or how it would help the European recovery program either in the immediate future or in the distant future. So after listening to these two men, who are deep students of agriculture, who are friends of the agricultural people, make these considered statements, I feel the amendment offered by my devoted and dear friend from Texas will be defeated.

Mr. Chairman, just a word about title III in this bill. Some of you have heard me say before, but I do not tire of repeating a tragic fact, and that is, in my opinion, the people living in the democracies of this world today are living in the most dangerous era in which they have ever lived.

I do not know what kind of a world we live in, and I do not think anybody else that lives in any other democracy on the face of the earth knows, either. Nobody, at least no Democrat, can penetrate the mind of a dictator. Nobody can pierce the stony heart of people who deny liberty and who destroy democracy wherever they have the power.

There are many backward peoples in this world. We were at one time. When our forefathers came into these wildernesses and opened these prairies, they were in danger. The story of their felling the trees, fighting back the enemy, and making this country fit for us to live in, is one of the most romantic in all recorded history.

Do we want friends in the world? Do we need friends in the world? Suppose the democracies of Europe had not been able to hold back the hordes of Hitler, where would we have been? Suppose the democracies of Europe do not stand up, and they are folded within the iron curtain, where will the next war be fought? Unless we have some place for a footing upon the continent of Europe, it must be fought in the Western Hemisphere. We do not want that.

When we consider the amount of money we have expended in recent years, what is asked for in title III of this bill is a paltry sum. I think it is worth while for us to take a chance and try to see what we can do. It cannot hurt. It might bring some people out and give them economic strength so that in the years to come when we need friends—God knows, we need them in every quarter of the world, and in some quarters we have but few—they will have strength to go with their courage and can stand up with us to make this world a decent place in which to live.

So I do trust that, when the vote comes on striking out title III, those who are inclined to vote for it will hesitate, remembering that the people who are underprivileged today are easy prey to any kind of nostrum or any kind of doctrine that will tell them to change their condition. That is what Russia is doing in every quarter of the earth. Hungry people, cold people, ill-clothed and ill-housed people are targets for any kind of ism that might come along. Why should not a man, with his wife and his children hungry, vote for a change? It is our duty to ourselves first and then to them that we make our allies in this world, our friends in trade and in commerce, and help them get on their feet so they can stand awhile, so that should war come they can occupy the territory and wait for us to get there.

I think I know more about this situation than the average American citizen—not you, of course—because I have been in contact with more people who know this picture the world around than the average American citizen. I say to you that we cannot as humanitarians, we cannot in our own selfish interest, fail to do the things this bill proposes, that is, to fix ourselves better so that we may protect ourselves against all enemies, foreign and domestic.

The CHAIRMAN. All time has expired.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 23, after line 2, insert the following:

"(6) Is not likely to give aid or comfort to any country or people sponsoring or likely to sponsor an attack upon this Government or any attempt to undermine it."

Mr. MULTER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Chairman, again we have heard the charge made that the President's point 4 is communistic doctrine. Again we have heard the charge made that to enact that part of the President's point 4 program which is contained within title 3 of this bill is another communistic advance.

I am certain that it is no such thing and that the charge is just a smoke screen. If those who make the charge are serious about it my amendment will eliminate their fears. If their charges are made in good faith they will support this amendment. But even without this amendment no one need fear that there is any Communist doctrine in any part of this bill.

Permit me to read to you a short editorial from the New York Herald Tribune of March 28, 1950:

WORDS, BOMBS, AND ENTERPRISE

Enactment of the point 4 program is overdue. The powerful conception underlying it has been permitted to gather cobwebs in the recesses of Congressmen's minds. Their concentration on the negative aspects of our struggle with world communism has made them overlook the grand chance lying at their fingertips to offer to the underdeveloped countries of the world something more than the dubious encouragement of words or the necessary but defensive shelter of bombs. By promptly enacting the program of technical aid for the development of impoverished nations they can illustrate the promise of democracy in the tangible ways which alone can carry meaning and hope to people who have never known it.

It is almost incomprehensible that the point 4 program has fallen to such a low level of congressional priority and public interest. Almost, but not quite. The program would cost $45,000,000, and the justifiable concern of Congress with Federal economy has led some Congressmen to forget the true principle of economy—getting the most for every dollar spent on indispensable functions. A constructive foreign economic policy is as indispensable as any function which this Nation must perform.

The keynote of the point 4 program is its constructive character. Under it, the United States would share its management skills, its technical genius, its organizing experience in public health, agricultural improvement and industrial development with lands which must either leap over decades of slow economic evolution or leap into the despotic protectionism of Russia.

If the point 4 program were a shrewdly refurbished WPA for the world, congressional opposition to it would be praiseworthy. The fact i that the program is admirably consistent with the worthiest traditions of American enterprise. The leading role would be played by private capital. Utmost reliance would be placed on private technicians and managers. Government's role would be enabling, not controlling. The legislation now before Congress is heavy with encouragement and protection for private investors. Doubtless there is room for disagreement over precise terms. The obligation of Congress is to modify that legislation, if necessary, to make the program conform still more closely to the capacity and ideals of American enterprise and American democracy. Congress cannot reject the program without rejecting its responsibility to fight against communism by working for democracy.

Since the accusation of guilt by association seems to be the order of the day, I, for one, am proud to plead guilty of associating with all of the supporters of this program on both sides of the aisle, and in both Houses of Congress, as well as with all of those fine, upstanding American citizens who are urging support thereof.

I listened with considerable amusement to the oration by the fine gentleman from Missouri [Mr. SHORT]. It is really too bad that instead of the theme he used in opposition to this title, that he had not instead taken as his theme either "I am my brother's keeper" or "Do unto others as you would have them do unto you." If he had I am sure we would all have been very much impressed by his great oratorical ability.

I agree with him that he alone can do nothing about these great problems confronting the world. I am sure he will agree with me that I alone can do just as little. What we are doing by this bill, however, is urging that he and I and all of us unite, because in unison we can accomplish much for others.

So, too, if this Nation unites with other nations of good will we can do much to remedy the ills of the world. This bill is a step in that direction.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. JONAS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JONAS. Mr. Chairman, Mr. BOGGS, a distinguished Member of the House from the State of Louisiana, took it upon himself to express his opinion the other day about those Members who did not concur in his views with legislation now being debated on the floor of the House, and which relates to the foreign-aid program and ECA. The distinguished gentleman made it obvious that, in his opinion, any Member who did not subscribe wholeheartedly to the ECA program, sponsored by the administration, stamped himself as an isolationist.

Let me point out to the gentleman from Louisiana that I am unalterably opposed to many phases of the legislation wrapped up and labeled as a bill for foreign aid and ECA relief. By doing that, I contend I am displaying a higher degree of patriotism and regard for my country than he or any one of the supporters of the legislation under consideration. If opposing legislation that contemplates squandering and giving away billions to Europe and broken and disorganized segments of China, is isolationism, then I plead guilty; but, by the same token, I may say that every Member who supports such legislation is an avowed internationalist.

I have no apologies to make for my position on this important legislation. I presume the word "isolationism" is to carry with it the implication that may be taken as a reflection on the patriotism of the individual who is so labeled.

I am not informed of the historical background of the distinguished Member from Louisiana; however, I do know that my forebears who came to this country about 100 years ago did not hesitate to make known their stand on loyalty and patriotism when the country of their adoption was in danger of being disrupted and destroyed by internal insurrections and rebellion. At that time my ancestors shouldered guns to protect the flag of the United States. They fought to keep it flying high, and not to have it pulled down and supplanted by a symbol denoting rebellion and disunion. These forebears fought to keep the Union intact, and to strike from the limbs of the black man the shackles of slavery and involuntary servitude which relegated him to a degraded state, earmarked "chattels," in which status he could be bartered and sold by his owners at will on any convenient auction block.

For the foregoing reasons I can look upon the motives behind ECA legislation unbiasedly and dispassionately. I know in my own heart how I feel about my country, and I do not propose to harp upon collateral matters, including the convenient and overworked reference to communism, in order to give countenance to or bolster up any real or imaginary defense against attacks on my Americanism or patriotism.

The intent and purpose of ECA legislation as originally conceived and promulgated was most commendable. The legislation was directed toward specific activities dealing in equations of human misery and suffering. The United States did a splendid job in appropriating money to alleviate a situation superinduced by World War II. The backlash of that war brought to the people of Europe an era of suffering and devastation never before equaled in the history of civilization. Giving to the sick, the poor, the starving, the unsheltered and the unclothed, and the displaced and persecuted populace of Europe, was not only a commendable performance, but a humane and sympathetic deed that will go down in history as an example of man's humanity to man.

If the present legislation contemplated such laudable objective for the future welfare of the people of the world, as it did at its inception, I would support it wholeheartedly—but neither in substance nor in form does the present pending legislation warrant such interpretations. Today, foreign aid to Europe has disintegrated to the extent that presently it is being exploited for commercial gains and political spoils. Men in high positions and in the forefront of political favor with the present administration are wangling fat commissions out of ECA transactions which run into millions. The international bankers and certain brokers are having a field day at the expense of the taxpayers.

Big business is not against the present ECA, because financially it, too, has a foot in the door. No loyal American, in my opinion, is adverse to supporting a cause that will tend to stop the spread of communism in Europe and China, or curb and check communistic leaders in their drive for more territorial gains and dictatorial powers. Therefore, any sound argument or competent evidence bearing on the expansion or holding in check the present march of communism, should commend itself to all the people of our country.

But the difficulty lies in that those who profess to be most alarmed and concerned about communism do not practice what they preach. We are told that ECA will stop the spread of communism and its leaders from aggression against little countries. Let us examine the facts.

What little countries are free from communistic taint today? Virtually every country in Europe today has dominion exercised over it by rulers or groups committed to communistic or socialistic philosophies. Since the first ECA legislation was voted, Russia has extended her empire from Berlin to Shanghai and from the North Pole to India. China, in spite of the billions that we poured into that country, to help the Nationalists repel the communistic hordes, is completely under the rule and power of Soviet Russia.

Under the present ECA legislation we are still sufficiently gullible to agree to pour additional millions into a segment of the empire of China, known as Korea. It is urged that a continuation of the ECA plan is assurance of ultimate world peace, and thereby stop bloody and destructive wars. If there was any evidence to back up this argument, there would be merit to these assertions, but unfortunately the facts point clearly to a contrary situation. If distributing money under the ECA plan would provide so much as implied proof of ultimate peace throughout the world, I would gladly support any legislation designed to bring about this lofty purpose. But a review of events shows that much of this is double-talk.

We are presently living and moving in an atmosphere of war hysteria. The appropriations for defense and war material for 1950 is the biggest in peacetime history. We are spending billions developing weapons of destruction, including the atom bomb. The world is still in a state of unrest, uncertainty and upheaval; I do not urge that the United States should let down one minute in its activities dealing with adequate military preparations. We cannot trust Stalin of Russia, or anybody else, for that matter, among the nations of Europe. They are all looking out for themselves.

England pretends to side with us in our fight to prevent Russian aggression and the spread of communism, and then turns about and signs a 30-year trade treaty with the Chinese Communists, who are a byproduct of Russian despotism.

Much-needed war materials and machinery and supplies of various classifications furnished to European countries are openly or surreptitiously finding their way into the Russian market—and all this takes place at the very hour when we are spending billions to curb communism and stop Stalin from further ravishing and enslaving those countries in Europe not yet under communistic rule.

After pouring billions into the European and Asiatic coffers with an eye, as the internationalists say, to improving conditions and assuring the countries of Europe not yet under Soviet control that they may safely strive for self-government and the preservation of personal freedom, we find that about one-half of the countries whom we financed are seething and teeming with internal rebellion and political disturbances. This is true in Belgium, France, Italy, and not excepting China and parts of the Holy Land. Not a single nation, when assured autonomy, patterned its government after that of the United States. Their governments now are neither democracies nor republics. None of the countries or nations, big and small, are ruled by individuals or groups whose concept of freedom and democracy is reflected in the principles of self-government and freedom, but in the philosophy of socialism or communism, both of which prevent government from remaining in the hands of the people.

The ECA legislation contains a provision for financing a program to exploit undeveloped areas, regardless of where the same may be located. The money necessary for this purpose is to be taken from the American taxpayers, no matter how badly we need our taxpayers' money at home. Have not we sufficient problems here right at home, unsolved and hanging fire, to plague us without resorting to unbalanced and ephemeral schemes of throwing money away on something that is highly speculative, and in the final analysis will avail us nothing?

I challenge the tax squanderers and their allies, the international bankers and their satellite brokers, if it is not a fact that in many sectors of the United States extricating taxes from the people has just about reached the saturation point? Consequently, the revenue to be obtained from taxes in such areas is definitely fixed, and the authorities have no further means available for levying or collecting additional taxes.

In some instances this condition works a real hardship upon the people, especially in large metropolitan areas. Chicago, my home city, is the victim of Government-inflicted restrictions dealing with onerous and unjust taxes. People in Chicago are paying the greater part of the $3,767,000,000-plus which Uncle Sam took out of Illinois in the form of income taxes in 1949, and pays the greater part of the State sales and gas taxes called for by local legislation. Regardless of all of this, Chicago is in a bad fix financially. It has taxed about everything that can be taxed under the guise of home rule, and yet it does not meet budget requirements.

The FBI, in a recent report, noted that Chicago, among all large cities in the United States, has had the sharpest uptrend in crime during the past year. I answer that charge by saying if this is true, it is due to the fact that we need at least 2,000 additional policemen because the city presently is woefully understaffed with police officers because there are no funds available to pay for additional men to be added to the force. This is why crime is on the increase in Chicago.

We need 45 or 50 new schools to take care of the educational demands of the thousands of children who are presently denied the opportunity, or are compelled to carry on in school houses that are antiquated, and with facilities that are entirely inadequate. All of this may be attributed to the fact that Chicago has not the funds to build new schools or to pay the teachers' salaries necessary to staff them.

Chicago was caricatured the other day in the public press and labeled as the "Holey city" because its streets and boulevards are pock-marked and shot through with unsightly holes and depressions. Why? Because we do not have the money to repair our streets. It is also true that many highways throughout the State are in a dilapidated condition and sadly in need of repairs.

State institutions are woefully lacking in space and requirements necessary to take care of the underprivileged and unfortunates. We lack hospital space, both private and public, to take care of the sick and indigent.

All of the foregoing is not attributable to the lack of civic pride or interest in the city of Chicago by the people who inhabit it, but is definitely due to the lack of funds which cannot be procured by additional local taxation. If the proportionate share of the $3,000,000,000 that ECA collects from Chicago, and which will be given away to Europeans and Asiatics and every other Hottentot with his hand out, were retained in the United States, it would prevent the taking of about $50 from the pockets of every man, woman, and child in Chicago, and thus make available $100,000,000 to finance the projects which Chicago so badly needs right now.

We are called upon to pay for the mistakes of world power politics and to finance the pet projects of internationalists, Communists, Socialists, and one-worlders, who, if called upon to expend their personal funds, would not finance a peanut stand. England is in the forefront by helping to dictate our foreign policies, amply assisted by the local gentry, who are getting this country deeper and deeper in debt, without any relief in sight for the already overburdened taxpayer who must earn every dollar of the taxes demanded through the sweat of his brow.

England not so long ago shipped arms to the Arabs and supplied them with war materials to fire on the Israelites in Palestine. When the United States protested and gave England to understand that there would be no more ECA funds unless she refrained from doing what she was accused of doing and comply with the mandate of the United Nations, a stop was put to these underground tactics, and within a short time thereafter the Israelites defeated the Arabs and proceeded to organize and activate their country. Now they are saddled with thousands of refugee Arabs as war prisoners and cannot afford to care for or transport them out of the country. England is originally to blame for this condition but proceeds to shift the burden to us, and under the ECA legislation we agree to spend $27,000,000 to take over and care for the Arab prisoners. I do not attribute any blame to the Israelites for taking the position that they are taking. That country is doing a fine job whipping itself into shape as a self-sustaining nation. It has established a line of credit and is working to build a nation that can provide and care for millions of people of the Jewish race. Fundamentally, the Arab problem is not their problem, or ours, but should be laid in the lap of England.

We are pressured by the administration to close 12 veterans hospitals as an economic measure, and at the same time

give away billions to foreigners and Asiatics. We cut appropriations for flood control 25 percent as an economy measure. This appropriation contemplates improvements that stop the ravages of disastrous floods and thereby assures the saving of lives and property of untold value. We deny the American people the opportunity to obtain decent homes and housing because of lack of funds. Consequently, scores of innocent men, women, and children have met with death in flash fires that consume their inadequate and makeshift homes due to the lack of better accommodations, and due to the fact that they were compelled to live in firetraps.

At the same time the international money gougers are plucking at their heartstrings because the Chinese in Korea have not a modern and up-to-date water system, and some people in Europe must put up with overcrowded living quarters. Hence, the appropriation of billions for their relief, including expenditures on peanut farms in Africa and financing of other private experiments. At the same time many people at home are unemployed; their demands go unanswered and their needs are neglected. The wage earner must spend every last dollar to live and exist and is taxed and taxed to the extent that 60 days out of every 300 in the year he works exclusively for the tax collector. The net result of this international set-up will ultimately spell our economic ruin.

On the important question of whether we should continue to spend billions in Europe, as is outlined in the pending legislation, there are two schools of thought. I have allied myself with those who believe that it is not too late to save the United States from moral and financial bankruptcy due to our promiscuous spending and squandering of our natural resources, as well as our current income. Those who are not in accord with this line of reasoning might give serious consideration to the statement made by Nicolai Lenin before he died. He said, "Some day we shall force the United States to spend itself into destruction." Nicolai Lenin is dead, but his prophecy goes marching on.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin) there were—ayes 131, noes 171.

Mr. SMITH of Wisconsin. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SMITH of Wisconsin and Mr. RICHARDS.

The Committee again divided; and the tellers reported that there were—ayes 141, noes 189.

So the amendment was rejected.

Mr. ZABLOCKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ZABLOCKI: On page 16, line 11, after the word "interest", insert the following: "As well as for the religious, cultural, and moral standards and customs."

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. ZABLOCKI) there were—ayes 51, noes 97.

So the amendment was rejected.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 31, after line 10, insert the following:

"Title IV, section 401. No money under any of the previous titles of this bill, or any of the acts amended by this bill, shall be granted, lent, or used directly or indirectly, and no assistance provided for, shall be made available to, for, or in any country which violates any provisions of the Charter of the United Nations, or directly or indirectly engages in acts of aggression as determined by proclamation of the President of the United States of America, or by the United Nations, so long as such acts continue, nor to, for, or in any country which directly or indirectly sells, gives, or ships any material to any country to which American nationals cannot obtain licenses for the sale, gift, or shipment of similar materials unless the consent of the President shall have first been obtained."

Mr. RANKIN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Mr. Chairman, I make the point of order that the amendment is not germane to the bill.

The CHAIRMAN. The gentleman from New York offers an amendment, which has just been read, and the gentleman from Mississippi makes the point of order that the amendment is not germane to the bill.

The language of the amendment relates to a title of the bill.

The point of order is overruled.

Mr. MULTER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Chairman, the purpose of this amendment is to put in stronger language the purpose and intent of the Congress that none of the moneys authorized by this bill, or by any of the laws amended by it shall get behind the iron curtain. It makes clearer that no country getting aid under this bill shall use its own money to acquire products of any kind that may be sent behind the iron curtain. It is specifically aimed at keeping strategic materials away from Soviet Russia and her satellites. Many of the Members, during the course of the debate, have said that they were opposed to this bill because countries receiving Marshall-plan aid, while not using that aid directly to send strategic materials behind the iron curtain, accomplished the same result by using their own funds for that purpose, and the deficits in their own budgets thereby created are made up by Marshall-plan aid. This amendment would put a stop to that.

The amendment also accomplishes one further purpose. We have heard a great deal about British arms being sent into Egypt; arms that are not necessary for the internal security of Egypt; arms that can be only used, because of their type, size, and caliber, for offensive warfare. Jet-propelled planes and the like are not needed for the internal security of any country.

On Thursday, March 23, 1950, Gen. Dwight D. Eisenhower said:

When even one major power, surreptitiously or flagrantly, builds and maintains a military machine beyond the recognized needs of reasonable security, a war of aggression is a constant threat to peaceful nations. At the very least, these armaments become the gangster's gun—a notice that might and might alone shall serve as judge and jury and sheriff in the settling of international dispute. That is the only realistic interpretation, since no government otherwise would squander its revenue or exhaust its economy on so sterile an enterprise. It is clear that international disarmament is essential to a stable, enduring peace.

Those words are particularly applicable to the situation in Egypt and the sooner we put a stop to the shipment of arms to Egypt the more likely we are to have peace in that part of the world. This amendment will put a stop to that kind of activity.

You will note that there is no attempt here to hamstring the administration of the program. There is no attempt to put the Administrator in the position of passing upon what our national security requires. That problem is one for the President and this amendment keeps the responsibility in the hands of the President and solely in his hands. Under the law as it exists, the only time such a matter is presented to the President for his determination is when there is a difference of opinion between the State Department and the Administrator. If they are in agreement as to what should be done, the matter never gets to the attention of the President.

Those of my colleagues who are urging opposition to this bill on the ground that it will aid our enemies or our potential enemies can eliminate that objection by supporting this amendment.

This amendment in substance is the same as that which I offered 2 years ago, and is substantially the same as my bill H. R. 1769, which I introduced on January 24, 1949.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

THIS EXPENDITURE OF $3,500,000,000 IS TOO MUCH

Mr. REES. Mr. Chairman, earlier in the week I called attention to the fact that this authorization for the expenditure of $3,500,000,000 is in addition to approximately $10,000,000,000 already expended under the so-called Marshall plan. It is in addition to $33,000,000,000 overseas expenditures since the close of hostilities. I am not on this occasion, criticizing those past expenditures, under the Marshall plan. Undoubtedly, a considerable amount of good has been accomplished in rehabilitating war-devastated countries by reason of that expenditure.

I would like to say further, that if it is shown there is need of funds to buy food or clothing, or medical supplies for people who are suffering, I would not have

objection to expenditure required to alleviate that situation.

Let me point out a few facts. The billions of dollars in this bill are not itemized except in general terms. Some Members have suggested that as much as one third of the fund may be used for agricultural products, including more than two hundred million for tobacco. The remainder goes for heavy machinery and various kinds of equipment for building plants, and for building reservoirs in those countries. It goes only to certain countries included in the program. The share of funds for food, clothing, and supplies, does not go direct to the people who use them, as many of our people think. The funds go to the governments of those countries who buy the products with the funds and then sell the products to the citizens at a market price. The foreign countries put the money in a so-called counterpart fund.

Right here, seems to be an interesting situation. The foreign countries under this legislation, have at the present time, $2,500,000,000 of counterpart funds in their possession. So you have this amount of $3,500,000,000 allocating today together with the two and a half already in their possession of ECA funds, being a total of $6,000,000,000 for foreign assistance. Incidentally, members of this great committee have told us in the last few days crop production in countries being assisted under this legislation, was greater last year than any year prior to the war. They also say production is almost on par with other years. Let me say again. Very little of this assistance goes to help starving people of the world. Those people do not get much out of this program.

As I said at the outset, I would not have objection to the expenditure of funds that go direct to the relief of needy people, but we also have needy people in America. You might think of that, too.

Mr. Chairman, $3,500,000,000 is a tremendous amount of money to be expended under policies laid down by the officials in the State Department. Of course, you have a different agency but it will be required to operate in conjunction with the Department of State. Strange no one seems to be willing to consider loaning, instead of giving part of the funds used for permanent improvements in those countries.

Of course, there would be no objection, as I have said before, to this expenditure, or more if doing so would prevent another world catastrophe. We have spent billions already trying to do that. More than $1,000,000,000 was spent only recently to buy arms for other countries. More will be spent in the future.

It is claimed huge expenditures will help prevent spread of communism abroad. We might consider saving part of it to help prevent spread of it in America.

Mr. Chairman, this is too much of an expenditure, with too much guesswork as to how it will be spent. Do you realize our country is in greater debt than all other countries in the world combined.

The already, overburdened and overtaxed taxpayers of this country should not, under the circumstances, be burdened with this further obligation of $3,500,000,000. It is too much.

Mr. HAYS of Arkansas. Mr. Chairman, I ask unanimous consent to extend my remarks following the last statement by the gentleman from Minnesota [Mr. JUDD].

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7797) to provide foreign economic assistance, pursuant to House Resolution 518, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. KEE. Mr. Speaker, I demand a separate vote on the Burleson amendment, also on what is known as the Fogarty amendment.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. VORYS. Mr. Speaker, I demand a separate vote on the Fulton amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. FULTON: Page 5, line 15, insert a period after the letter "(b)" and delete the remainder of page 5, all of pages 6 and 7, and extending through line 3 on page 8, and insert in lieu thereof the following:

"(3) Renumbering subsections (e), (f), (g), (h), (i), (j), and (k), as (c), (d), (e), (f), (g), (h), and (i), respectively.

"(4) Adding a new subsection (j) to read as follows: 'Notwithstanding any other provision of law wherever wheat or wheat flour is procured under this title for transfer to countries which are parties to the International Wheat Agreement of 1949 and credited to their guaranteed purchase thereunder, the President, acting through the Commodity Credit Corporation, is authorized to make available, or cause to be made available, such wheat or wheat flour at the applicable price provided in that agreement.'

"(5) Renumbering subsection (l) as (k) and striking out the following therefrom: '(other than commodities procured by or in the possession of the Commodity Credit Corporation pursuant to price-support programs required by law)'."

Page 8, line 4, redesignate subsection (e) as (d).

Page 8, line 12, strike out "$1,950,000,000" and insert in lieu thereof "$2,700,000,000."

Page 10, line 4, redesignate subsection (f) as (e).

The SPEAKER. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 254, noes 38.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. BURLESON: Page 8, line 13, insert after the word "sum" the following: "a. Not less than $1,000,000,000 shall be available solely for the procurement of agricultural commodities and products thereof produced in the United States, its Territories and possessions: *Provided*, That no part of such funds shall be available for the procurement of any agricultural commodity or product thereof in the United States, its Territories and possessions, with respect to which the Secretary of Agriculture determines that the supply thereof is inadequate to meet the needs of American consumers: *And provided further*, That this subsection shall not prohibit the authorization of any such funds for the procurement of canned agricultural products acquired by the United States in connection with the program for the control and eradication of foot-and-mouth disease conducted pursuant to the provisions of Public Law 8, Eightieth Congress, and b."

The SPEAKER. The question is on the amendment.

Mr. BURLESON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. AUGUST H. ANDRESEN) there were—ayes 70, noes 198.

So the amendment was rejected.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY:

On page 10, line 4, after the word "particulars", insert the following:

"(1) In subsection (b) after the figure (1) insert the following: 'withholding any assistance under this act, where it appears that any participating country is impairing, in whole or in part, its economic recovery by reason of the expenditure of any portion of its funds, commodities, or services in the maintenance or subsidization of any dependent country, which naturally is, or should be, an integral part of some other participating country, until such time as such participating country shall sever its control of, and refrain further from maintaining or subsidizing such dependent country; (2)' and by renumbering accordingly the subsequent paragraphs of subsection (b)."

On page 10, line 5, strike out the figure "(1)" and insert the figure "(2)."

The SPEAKER. The question is on the amendment.

Mr. O'HARA of Minnesota. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. O'HARA of Minnesota) there were—ayes 60, noes 226.

Mr. ROONEY. Mr. Speaker, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SMITH of Wisconsin. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SMITH of Wisconsin. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SMITH of Wisconsin moves to recommit the bill H. R. 7797 to the Committee on Foreign Affairs with instructions to report the bill back forthwith with instructions to strike out title III.

The SPEAKER. The question is on the motion to recommit.

Mr. SMITH of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 150, nays 220, not voting 61, as follows:

[Roll No. 124]

YEAS—150

Abernethy	Hall,	Phillips, Tenn.
Allen, Calif.	Edwin Arthur	Pickett
Allen, Ill.	Hall,	Plumley
Allen, La.	Leonard W.	Potter
Andersen,	Halleck	Rankin
H. Carl	Hand	Reed, Ill.
Anderson, Calif.	Harden	Rees
Andresen,	Hare	Regan
August H.	Harrison	Rich
Arends	Hill	Rogers, Mass.
Barrett, Wyo.	Hoeven	Sadlak
Bates, Mass.	Hoffman, Mich.	St. George
Beall	Holmes	Sanborn
Bennett, Mich.	Horan	Saylor
Bishop	Jenison	Scott, Hardie
Blackney	Jenkins	Scrivner
Boggs, Del.	Jennings	Scudder
Bramblett	Jensen	Shafer
Brehm	Jonas	Short
Brown, Ohio	Kearney	Simpson, Ill.
Byrnes, Wis.	Kearns	Simpson, Pa.
Case, S. Dak.	Keating	Smith, Kans.
Chiperfield	Keefe	Smith, Va.
Clevenger	Kilday	Smith, Wis.
Cole, Kans.	Larcade	Stefan
Cole, N. Y.	Latham	Stockman
Colmer	LeCompte	Sutton
Coudert	LeFevre	Taber
Cunningham	Lemke	Tackett
Curtis	Lucas	Talle
Dague	McConnell	Taylor
Davis, Ga.	McCulloch	Teague
Davis, Wis.	McMillan, S. C.	Tollefson
D'Ewart	McMillen, Ill.	Van Zandt
Dolliver	Mack, Wash.	Velde
Dondero	Marcantonio	Vursell
Ellsworth	Martin, Iowa	Wadsworth
Elston	Martin, Mass.	Weichel
Engel, Mich.	Mason	Werdel
Fenton	Meyer	White, Calif.
Fisher	Michener	White, Idaho
Gamble	Miller, Md.	Whitten
Gathings	Miller, Nebr.	Wigglesworth
Gavin	Morris	Williams
Gillette	Murray, Tenn.	Willis
Golden	Murray, Wis.	Wilson, Ind.
Goodwin	Nicholson	Wilson, Tex.
Gossett	O'Hara, Minn.	Winstead
Graham	Passman	Withrow
Gross	Patterson	Woodruff
Gwinn	Philbin	
Hagen	Phillips, Calif.	

NAYS—220

Abbitt	Brooks	Clemente
Addonizio	Brown, Ga.	Combs
Albert	Bryson	Cooley
Andrews	Buchanan	Cooper
Aspinall	Buckley, N. Y.	Corbett
Auchincloss	Burke	Cotton
Baring	Burleson	Cox
Barrett, Pa.	Burnside	Crook
Bates, Ky.	Burton	Crosser
Beckworth	Byrne, N. Y.	Davenport
Bentsen	Camp	Davies, N. Y.
Biemiller	Canfield	Davis, Tenn.
Blatnik	Cannon	Deane
Boggs, La.	Carlyle	DeGraffenried
Bolling	Carnahan	Delaney
Bolton, Md.	Case, N. J.	Denton
Bolton, Ohio	Chatham	Dingell
Bonner	Chelf	Dollinger
Bosone	Christopher	Donohue
Breen	Chudoff	Doyle
Durham	Karsten	Patman
Eberharter	Kean	Patten
Elliott	Kee	Perkins
Engle, Calif.	Kelly, N. Y.	Peterson
Evins	Kennedy	Pfeifer,
Fallon	Keogh	Joseph L.
Feighan	Kerr	Poage
Fernandez	Kilburn	Polk
Flood	King	Poulson
Fogarty	Kirwan	Preston
Forand	Klein	Price
Ford	Lane	Priest
Frazier	Lanham	Quinn
Fugate	Lesinski	Rabaut
Fulton	Lind	Rains
Furcolo	Linehan	Ramsay
Garmatz	Lodge	Redden
Gary	Lyle	Rhodes
Gordon	Lynch	Richards
Gore	McCarthy	Rodino
Gorski	McCormack	Rogers, Fla.
Granahan	McDonough	Rooney
Granger	McGrath	Roosevelt
Green	McGuire	Sasscer
Gregory	McKinnon	Scott,
Hardy	McSweeney	Hugh D., Jr.
Harris	Mack, Ill.	Secrest
Hart	Madden	Shelley
Harvey	Magee	Sikes
Havenner	Mahon	Sims
Hays, Ark.	Mansfield	Spence
Hays, Ohio	Marsalis	Steed
Heffernan	Marshall	Sullivan
Heller	Merrow	Tauriello
Herlong	Miller, Calif.	Thomas
Herter	Mills	Thompson
Heselton	Mitchell	Thornberry
Hinshaw	Monroney	Trimble
Hobbs	Morgan	Underwood
Holifield	Morrison	Vinson
Hope	Morton	Vorys
Howell	Moulder	Wagner
Huber	Multer	Walsh
Irving	Murdock	Whittington
Jackson, Calif.	Noland	Wickersham
Jackson, Wash.	Norblad	Widnall
Jacobs	Norrell	Wier
Javits	O'Brien, Ill.	Wilson, Okla.
Johnson	O'Brien, Mich.	Wolverton
Jones, Ala.	O'Hara, Ill.	Woodhouse
Jones, Mo.	O'Neill	Worley
Jones, N. C.	O'Sullivan	Yates
Judd	O'Toole	Young
Karst	Pace	Zablocki

NOT VOTING—61

Angell	Hale	Powell
Bailey	Hébert	Reed, N. Y.
Barden	Hedrick	Ribicoff
Battle	Hoffman, Ill.	Riehlman
Bennett, Fla.	Hull	Rivers
Boykin	James	Sabath
Buckley, Ill.	Kelley, Pa.	Sadowski
Bulwinkle	Kruse	Sheppard
Burdick	Kunkel	Smathers
Carroll	Lichtenwalter	Smith, Ohio
Cavalcante	Lovre	Staggers
Celler	McGregor	Stanley
Chesney	Macy	Stigler
Crawford	Miles	Towe
Dawson	Murphy	Walter
Doughton	Nelson	Welch
Douglas	Nixon	Wheeler
Eaton	Norton	Whitaker
Fellows	O'Konski	Wolcott
Gilmer	Pfeiffer,	Wood
Grant	William L.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Smith of Ohio for, with Mr. Eaton against.

Mr. Lichtenwalter for, with Mr. Carroll against.

Mr. Crawford for, with Mr. Hale against.

Mr. Reed of New York for, with Mrs. Douglas against.

Mr. Hoffman of Illinois for, with Mr. William L. Pfeiffer against.

Mr. Riehlman for, with Mr. Kelley of Pennsylvania against.

Mr. Macy for, with Mr. Kruse against.

Mr. Lovre for, with Mr. Murphy against.

Mr. Towe for, with Mr. Welch against.

Mr. O'Konski for, with Mr. Battle against.

Mr. Burdick for, with Mr. Celler against.

Mr. Wheeler for, with Mr. Staggers against.

Mr. Wood for, with Mr. Chesney against.

Mr. Angell for, with Mr. Buckley of Illinois against.

Mr. Hull for, with Mr. Bennett of Florida against.

Mr. James for, with Mr. Hébert against.

Mr. McGregor for, with Mr. Hedrick against.

Mr. Cavalcante for, with Mr. Whitaker against.

Mr. Sadowski for, with Mr. Walter against.

Mr. Powell for, with Mr. Dawson against.

Mr. Stanley for, with Mr. Bailey against.

Mr. Rivers for, with Mr. Ribicoff against.

Until further notice:

Mr. Smathers with Mr. Nelson.

Mr. Sheppard with Mr. Kunkel.

Mr. Stigler with Mr. Nixon.

Mr. Gilmer with Mr. Wolcott.

Mr. Miles with Mr. Fellows.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. SMITH of Wisconsin. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Before the vote is taken, the Chair desires to announce that the resolution from the Committee on Rules taking up the so-called gas bill and concurring in the Senate amendment will be considered immediately following the roll call.

Mr. CROSSER. How much time is allotted for that, Mr. Speaker?

The SPEAKER. Under the rule, it is 1 hour.

The question was taken; and there were—yeas 287, nays 86, not voting 58, as follows:

[Roll No. 125]

YEAS—287

Abbitt	Combs	Granahan
Addonizio	Cooley	Granger
Albert	Cooper	Green
Allen, Calif.	Corbett	Gregory
Anderson, Calif.	Cotton	Hall,
Andrews	Coudert	Edwin Arthur
Arends	Cox	Hall,
Aspinall	Crook	Leonard W.
Auchincloss	Crosser	Halleck
Baring	Cunningham	Hardy
Barrett, Pa.	Dague	Hare
Bates, Ky.	Davenport	Harris
Bates, Mass.	Davies, N. Y.	Harrison
Beall	Davis, Ga.	Hart
Beckworth	Davis, Tenn.	Harvey
Bentsen	Deane	Havenner
Biemiller	DeGraffenried	Hays, Ark.
Blackney	Delaney	Hays, Ohio
Blatnik	Denton	Heffernan
Boggs, Del.	Dingell	Heller
Boggs, La.	Dollinger	Herlong
Bolling	Dolliver	Herter
Bolton, Md.	Donohue	Heselton
Bolton, Ohio	Doyle	Hinshaw
Bonner	Durham	Hobbs
Bosone	Eberharter	Holifield
Boykin	Elliott	Holmes
Breen	Elston	Hope
Brooks	Engel, Mich.	Horan
Brown, Ga.	Engle, Calif.	Howell
Bryson	Evins	Huber
Buchanan	Fallon	Irving
Buckley, N. Y.	Feighan	Jackson, Calif.
Burke	Fernandez	Jackson, Wash.
Burleson	Fisher	Jacobs
Burnside	Flood	Javits
Burton	Fogarty	Johnson
Byrne, N. Y.	Forand	Jones, Ala.
Camp	Ford	Jones, Mo.
Canfield	Frazier	Jones, N. C.
Cannon	Fugate	Judd
Carlyle	Fulton	Karst
Carnahan	Furcolo	Karsten
Case, N. J.	Gamble	Kean
Chatham	Garmatz	Kearney
Chelf	Gary	Kearns
Christopher	Gathings	Keating
Chudoff	Goodwin	Kee
Clemente	Gordon	Kelly, N. Y.
Cole, Kans.	Gore	Kennedy
Cole, N. Y.	Gorski	Keogh
Colmer	Gossett	Kerr

Kilburn	Morton	Sadlak
Kilday	Moulder	St. George
King	Multer	Sasscer
Kirwan	Murdock	Saylor
Klein	Murray, Tenn.	Scott, Hardie
Lane	Nicholson	Scott,
Lanham	Noland	Hugh D., Jr.
Latham	Norblad	Scudder
LeCompte	Norrell	Shelley
LeFevre	O'Brien, Ill.	Sheppard
Lesinski	O'Brien, Mich.	Sims
Lind	O'Hara, Ill.	Smith, Va.
Linehan	O'Neill	Spence
Lodge	O'Sullivan	Steed
Lucas	O'Toole	Stigler
Lyle	Pace	Sullivan
Lynch	Patman	Talle
McCarthy	Patten	Tauriello
McConnell	Patterson	Taylor
McCormack	Perkins	Teague
McDonough	Peterson	Thomas
McGrath	Pfeifer,	Thompson
McGuire	Joseph L.	Thornberry
McKinnon	Philbin	Tollefson
McMillan, S. C.	Pickett	Trimble
McMillen, Ill.	Plumley	Underwood
McSweeney	Poage	Van Zandt
Mack, Ill.	Polk	Vinson
Mack, Wash.	Poulson	Vorys
Madden	Preston	Wadsworth
Magee	Price	Wagner
Mahon	Priest	Walsh
Mansfield	Quinn	Whittington
Marsalis	Rabaut	Wickersham
Marshall	Rains	Widnall
Martin, Mass.	Ramsay	Wier
Merrow	Redden	Wigglesworth
Michener	Regan	Wilson, Okla.
Miller, Calif.	Rhodes	Wilson, Tex.
Miller, Md.	Richards	Wolverton
Mills	Rodino	Woodhouse
Mitchell	Rogers, Fla.	Worley
Monroney	Rogers, Mass.	Yates
Morgan	Rooney	Young
Morrison	Roosevelt	Zablocki

NAYS—86

Abernethy	Hand	Sanborn
Allen, Ill.	Harden	Scrivner
Allen, La.	Hill	Secrest
Andersen,	Hoeven	Shafer
H. Carl	Hoffman, Mich.	Short
Andresen,	Jenison	Sikes
August H.	Jenkins	Simpson, Ill.
Barrett, Wyo.	Jennings	Simpson, Pa.
Bennett, Mich.	Jensen	Smith, Kans.
Bishop	Jonas	Smith, Wis.
Bramblett	Keefe	Stefan
Brehm	Lafcade	Stockman
Brown, Ohio	Lemke	Sutton
Byrnes, Wis.	McCulloch	Taber
Case, S. Dak.	Marcantonio	Tackett
Chiperfield	Martin, Iowa	Velde
Clevenger	Mason	Vursell
Curtis	Meyer	Weichel
Davis, Wis.	Miller, Nebr.	Werdel
D'Ewart	Morris	White, Calif.
Dondero	Murray, Wis.	White, Idaho
Ellsworth	O'Hara, Minn.	Whitten
Fenton	Passman	Williams
Gavin	Phillips, Calif.	Willis
Gillette	Phillips, Tenn.	Wilson, Ind.
Golden	Potter	Winstead
Graham	Rankin	Withrow
Gross	Reed, Ill.	Woodruff
Gwinn	Rees	
Hagen	Rich	

NOT VOTING—58

Angell	Hébert	Reed, N. Y.
Bailey	Hedrick	Ribicoff
Barden	Hoffman, Ill.	Riehlman
Battle	Hull	Rivers
Bennett, Fla.	James	Sabath
Buckley, Ill.	Kelley, Pa.	Sadowski
Bulwinkle	Kruse	Smathers
Burdick	Kunkel	Smith, Ohio
Carroll	Lichtenwalter	Staggers
Cavalcante	Lovre	Stanley
Celler	McGregor	Towe
Chesney	Macy	Walter
Crawford	Miles	Welch
Dawson	Murphy	Wheeler
Doughton	Nelson	Whitaker
Douglas	Nixon	Wolcott
Eaton	Norton	Wood
Fellows	O'Konski	
Gilmer	Pfeiffer,	
Grant	William L.	
Hale	Powell	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Angell for, with Mr. Wheeler against.

Mr. Eaton for, with Mr. Smith of Ohio against.

Mr. Hale for, with Mr. Crawford against.

Mr. Carroll for, with Mr. Hull against.

Mr. Battle for, with Mr. Hoffman of Illinois against.

Mr. James for, with Mr. Macy against.

Mr. Celler for, with Mr. Wood against.

Mr. Lichtenwalter for, with Mr. Sadowski against.

Mr. Riehlman for, with Mr. O'Konski against.

Mr. Kelley of Pennsylvania for, with Mr. Reed of New York against.

Mr. Stanley for, with Mr. Towe against.

Mr. Gilmer for, with Mr. Burdick against.

Mr. Dawson for, with Mr. McGregor against.

Mr. Hébert for, with Mr. Lovre against.

Mr. Walter for, with Mr. Powell against.

Mr. Ribicoff for, with Mr. Cavalcante against.

Until further notice:

Mr. Welch with Mr. Kunkel.

Mr. Whitaker with Mr. Fellows.

Mrs. Douglas with Mr. Wolcott.

Mr. Bailey with Mr. Nelson.

Mr. Chesney with Mr. Nixon.

Mr. SIKES changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. KEE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM APRIL 6, 1950, TO APRIL 18, 1950

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Con. Res. 193) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives, (the Senate concurring), That when the House adjourns on Thursday, April 6, 1950, it stand adjourned until 12 o'clock meridian, Tuesday, April 18, 1950.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

LIQUIDATION OF TRUSTS—STATE RURAL REHABILITATION CORPORATIONS

Mr. COOLEY submitted a conference report and statement on the bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes.

AMENDING THE NATURAL GAS ACT APPROVED JUNE 21, 1938, AS AMENDED

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 531 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution the bill (H. R. 1758) to amend the Natural Gas Act approved June 21, 1938, as amended, with Senate amendment thereto, be, and the same is hereby taken from the Speaker's table to the end that the Senate amendment be, and the same is hereby, agreed to.

Mr. LYLE. Mr. Speaker, certain members of the Rules Committee have instructed me to ask for the unanimous consent of the House for an additional 1 hour in which to discuss this measure. I now make that unanimous-consent request.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. TACKETT. Mr. Speaker, I object.

Mr. LYLE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, while the procedure under this resolution is not unusual it becomes necessary in the face of the objections to the request by the gentleman from Arkansas [Mr. HARRIS] to take from the Speaker's table H. R. 1758 and to agree to the Senate amendments.

H. R. 1758 was passed by this House after several hours of debate last fall. After many hours of full and complete debate it passed the Senate. The amendments of the Senate do not in any degree change the basic principle of this bill. In fact, the only change of consequence is to improve the bill by providing for a continuing study of the problem of production, sale, and use of gas by the Federal Power Commission.

No purpose could be served—none at all—in sending the bill to conference.

Mr. Speaker, not 25 Members of this body would vote against this resolution or this bill if the Members of this body individually had the time to study the issue. It is simple, fair, and in the tradition of the American system of free enterprise.

Unfortunately, no measure that I can remember has ever been so falsely and maliciously and deliberately misrepresented.

In the very short time that I shall take, I can, I am sure, dispel much of the artificial fog that has been thrown up in an effort to cover up the real issue. Time does not permit, nor is it necessary, I am sure, for me to argue at length. I shall make categoric statements. I can and I do back them up. I know the issues involved. I know this legislation, its history and intent. I know the gas industry and all of its phases. I have no interest other than that of a legislator and approach this matter with entire objectivity.

The measure passed by the House and Senate does not change the intent of the original Natural Gas Act as it was passed in 1938 and subsequently amended.

This measure does not affect the legal authority of the Federal Power Commission as it has existed during the past 12 years.

This measure does not take away any power or authority that has ever been granted the Federal Power Commission by statute.

This measure will not result in any new philosophy in the relationship of

the Federal Government to the producer or users of natural gas.

This measure does not exempt any company or individual that is presently subject to the regulation of the Federal Power Commission by statute.

This measure does not grant new freedom to the producers and gatherers of natural gas.

This measure does not affect the price of natural gas sold by independent producers.

This measure does not have as its intent nor as its purpose the increase of cost of gas to the consumer.

This measure will not result—and I state this advisedly—will not result in an increase in cost of gas to the consumer.

Why then, Mr. Speaker, am I here asking this body to approve this legislation? I am here because a creature of this body, the Federal Power Commission, through some of its members, has threatened to change the law of the land without benefit of Congress and to extend its authority and operation and its control in direct contravention of the statutory law. This Congress has the sole authority under the Constitution to make the laws of this land. With you, I am jealous of that right and with you I fight to protect it against the insidious encroachment of any board, bureau, or official.

I am here because the courts of this land have recommended that the Congress state clearly the authority of the Federal Power Commission. I am here because the Federal Power Commission itself, in writing, requested similar legislation with the O. K. of the President of the United States. I am here because you and I know that we cannot long retain our system of government unless we protect the dignity and power and authority of the legislative body.

Mr. Speaker, this measure does one thing and one thing only—it says in clear and unmistakable language that the provisions of the Natural Gas Act of 1938 which specifically exempt the independent producers and gatherers of gas from the control and regulation of the Federal Power Commission meant what it said.

It was the intent of Congress then; it is the intent of Congress now. It was and has been the law and will remain the law until changed by Congress.

Mr. Speaker, this issue is as simple as I have stated it. I would not mislead this body. The most unfortunate thing, Mr. Speaker, about this entire measure is the good, sound-thinking people who have been mislead by lies and misrepresentations that have been deliberately planted by paid propagandists, as vicious and unscrupulous and as untrustworthy as those writing for any Russian news agency. It is always sad and disillusioning to see good men fall for false bait and to see them in all sincerity take on the responsibility of repeating the misinformation and false conclusions that have been maliciously and cunningly planted in their minds.

Sir, no one can deny, who will take the trouble to read this legislation, that it but reiterates and affirms that which has been the law of the land for 12 years, and under that law, during the past 12 years, the cost of natural gas to the consumer has gone down 12 percent while the cost of coal was going up 200 percent.

Who then, Mr. Speaker, could question the soundness of a law that has brought cheap fuel to millions of consumers?

I say to you with all of the sincerity that I have, with a lifetime of study of this problem, that the passage of this measure will permit the industry to continue to supply millions of more people at rates considerably below that which they are today.

It not only will not increase the cost to the consumer but it will reduce the cost to the consumer.

The House has passed upon this issue favorably, as has the Senate. Let us now send it to the President's desk for his signature.

Mr. Speaker, I sincerely want, and hope that I have, the respect of this body. I hope that the members believe me. But if they do not, then I sincerely request that they talk with and listen to the great Speaker of the House, who in all of his many years of glorious service has had but one thing to offer to the American people—that is, clean, honest service and a mind dedicated to the public interest. Or, if they do not care to listen to him, then the able minority leader who served with such distinction as Speaker of this House, or to the able majority leader or majority whip or the minority whip, or to the able gentleman from Arkansas [Mr. HARRIS].

This measure is fair; it is right, it is in the American tradition and it can but result in good for all of the people involved.

Mr. LYLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may desire.

Mr. YATES. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, under the terms of this rule we are asked to approve an amendment which has been added by the other body. Is it in order to request that that amendment, which has not been read to the House, be read at this time?

The SPEAKER. It may be done by unanimous consent.

Mr. YATES. Mr. Speaker, I ask unanimous consent that the amendment added by the other body be read to the House at this time.

The SPEAKER. That will come out of the time of the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. I yield for that purpose, Mr. Speaker.

The SPEAKER. Is there obection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is amended (1) by inserting after the word 'but' the words 'except as provided in subsequent sections of this act,' and (2) by inserting before the period at the end thereof the following: 'or to any arm's length sale of natural gas made by one producer or gatherer to another producer or gatherer or made at or prior to the point of delivery of such gas into interstate transmission facilities (of a natural-gas company) or to incidental transportation of natural gas necessary for delivery of such gas to such other producer or gatherer or into interstate transmission facilities (of a natural-gas company): *Provided*, That such arm's length sale and incidental transportation are by a producer or gatherer not otherwise engaged in and not controlled by or controlling a person otherwise engaged in the transportation or sale of natural gas for resale in interstate commerce.'

"SEC. 2. Section 1 of such act is amended by adding after subsection (b) thereof the following new subsection:

"'(c) It shall be the duty of the Commission to assemble and keep current pertinent information relevant to determination of whether, by reason of lack of effective competition among producers or gatherers of natural gas, the flow of natural gas into interstate commerce is being or will be unduly retarded or interfered with or the price of natural gas sold in interstate commerce for resale is being or will be unduly affected. If, at any time, the Commission shall so determine, it shall report to the President and to the Congress its conclusions, together with the data upon which its conclusions are based, and its recommendations, if any, for remedial action.'

"SEC. 3. Subsection (6) of section 2 of such act is amended by inserting before the first word thereof the following: 'Subject to the limitations of section 1 (b).'

"SEC. 4. Section 2 of such act is amended by adding at the end thereof the following new subsection:

"'(10) A sale shall be deemed to be at "arm's length" unless (1) it is by a person who is in such relation to the buyer by reason of voting-stock interest, common officers or directors, or other evidence of affiliation, that there is liable to be an absence of independent bargaining between them, or (2) the sale is, in fact, not arrived at by independent bargaining between the buyer and seller.'"

Mr. ALLEN of Illinois. Mr. Speaker, it is rather difficult to follow my good friend from Texas [Mr. LYLE], because when he makes a presentation it is so clear, so sound, so logical it leaves little for the rest of us to say. I concur in everything he said. This resolution provides to take the bill H. R. 1758 from the Speaker's table and concur in the Senate amendments. The other method, of course, would be to appoint conferees and have a conference between the House and the other body.

As you have listened here to the amendments of the other body, I know you will all agree there is little change in those amendments from the original bill which we passed here last year by a vote, I believe, 183 to 131.

I say these amendments are merely to clarify the bill which we passed last fall. Of course you know just recently the other body passed this bill by a fairly large vote.

This bill would ban the price-fixing of gas down at the source. If it is not enacted the situation would be comparable to the people of Texas saying to the shoe merchants and manufacturers of Massachusetts, for example, "We would like to fix the price of shoes. We think we are paying too much. We think some commission in Washington should

fix the price of the thing that you produce." For one, I believe in free private enterprise, free competition, not price fixing.

This only affects the independent producers. In other words, the Federal Power Commission will have control and they will still regulate your National Gas Association, or anyone affiliated with the National Gas Association.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. DONDERO. I come from the industrial area of Detroit, Mich. We use a great deal of gas, both in industry and for domestic consumption. Will this change made by the other body increase the cost of gas to our people and to our industries in Michigan?

Mr. ALLEN of Illinois. In answer to the gentleman from Michigan, may I say it is really an oddity, but the facts are clear, that during the past 10 years the price of gas has decreased. It is the only commodity I can think of where that has happened. While coal and oil have increased, as well as everything else that the gentleman probably buys, the fact is undisputed that during the past 10 years the price of gas has come down and these people, upon whose judgment I rely, contend that in the event of the passage of this bill it will be an incentive to sell more gas and that therefore the production being greater, it is only logical that the price of gas would come down.

Mr. DONDERO. Then the answer to my question is that it is your opinion gas in Michigan and other States far removed from the gas fields will not cost more to the consumer?

Mr. ALLEN of Illinois. My opinion is that that is the case, because I rely upon the judgment of certain people. That is my authority for saying that; and also the additional fact that it is clear they will sell more gas and naturally with a larger production the inclination will be for the prices to come down.

I yield to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. I challenge that statement that this is not going to affect the price of gas. You can stake your lives on it, that if this goes through, and I hope it does not, it is going to raise the price of gas in Detroit and in every other consumer area because just as sure as God made green apples, when you permit Texas and Oklahoma utilities commissions to regulate the basic rates for the consumer in Michigan, New York, or elsewhere, they are going to raise it and not lower it.

Standard of New Jersey and of Indiana and Phillips and all the rest of them will see to that.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MICHENER. To boil it all down, then, is this not what it means? That under existing law if the Federal Power Commission has the authority to fix prices, then the Congress has something to say about it. If this bill is passed, if this resolution is agreed to, the rate which we pay for gas in Michigan and every other State in the Union will be fixed by the State where the gas comes from. I challenge anyone to deny that.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. HARRIS. I should like to challenge the statement made by the gentleman from Michigan [Mr. MICHENER]. I wish the gentleman would listen to me. The States do not at this time have any authority, nor have they exerted any authority whatsoever, over the rates of gas by producers and gatherers. There has been only one attempt, and that was in the case of the Oklahoma situation, which is presently in the Supreme Court of the United States. Throughout the history of the industry, no State at any time has controlled the rates at the well-head and the gatherers.

Mr. MICHENER. I went along with the gentleman when this matter was before the Congress before.

Mr. HARRIS. And I appreciate it.

Mr. MICHENER. I gave the matter some consideration. I listened to what the gentleman said, and I believed it. My later investigation has convinced me that there is a difference between wholesale prices and, second, between retail prices of gas, and where the price is fixed in the State where produced and the place where sold. I am convinced—I may be wrong—I never attempt to speak with finality on any subject, but when I find I am wrong in my own mind I do not hesitate to change. I agreed with the gentleman when this bill was before us. I disagree with him today, and I shall vote against this resolution. I do not like to have the producers in oil States fix the price in the consuming States.

Mr. HARRIS. Mr. Speaker, will the gentleman yield for one further observation?

Mr. ALLEN of Illinois. I yield.

Mr. HARRIS. I should like to say that the States do control the distributing end, and the rates with reference to the distributors. The Federal Power Commission controls the wholesale rate for resale.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. YATES. With reference to the prices that the gentleman has been talking about, I have here some statistics that were brought out in the debate in the other body. In 1944 the weighted average price at the well-head in the Southwest was 4.3 cents per thousand cubic feet. In 1946 the weighted average cost had risen to 5.2 cents. In 1947 it was 6.4 cents. For 1948 the weighted average rate for new contracts was increased to 7.2 cents. In 1949 it was 8.4 cents, and the first 2 months of 1950 the average of the new contracts was 9.9 cents. In face of that, how do you say that prices have not gone up?

Mr. ALLEN of Illinois. I do not know where the gentleman got those figures, but I have taken the word of the whip on the majority side, the gentleman from Arkansas [Mr. HARRIS] and others.

Mr. HARRIS. The consumer has paid less than they paid in 1945.

Mr. ALLEN of Illinois. I cannot yield any further. I do not have the time.

In conclusion, Mr. Speaker, I would say this: We have had quite a fuel crisis this last year. The people in New England know the situation. We do not know when we will have another one. As far as I am concerned, I want to see any uncertainty and confusion taken away from the people who are distributing gas, especially when they are reducing prices. As they extend out more and more, the price is going down. So I particularly want to call attention to the fact that we are safeguarding the consumers and the people of this Nation in regard to another coal crisis, if we take away this confusion and uncertainty by passing this resolution.

In conclusion, Mr. Speaker, I think that the Members here who want their constituents to have an ample supply of gas should eliminate these uncertainties; that is the least Members representing such districts can do in order for their constituents to obtain the desired gas.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I am against this bill.

Mr. Speaker, it is my hope that the House will not agree to consider the Kerr bill which passed the Senate last Wednesday and is now before us. We should not take H. R. 1758 from the Speaker's desk and we should not accept the Senate amendment.

This bill is in violation of the Democratic platform because it is not in behalf of the welfare of the American people. It will prevent the Federal Power Commission from fixing the price on gas delivered to pipe lines for interstate transportation by so-called independent producers. These so-called independent producers include some of the largest oil companies in the United States. If this bill becomes a law it will mean that American consumers will shell out more than $100,000,000 a year above what they are now paying and this money will go into the pocketbooks of a very few corporations—the chief beneficiaries of this bill.

The choice, in the Kerr bill, is between exorbitant profits for a few producers with drastically increased prices to northern and western consumers and, if defeated, reasonable profits for producers and comparatively low prices benefiting millions of American consumers.

Let us defeat this bill, while there is still time, so that the best interests of the American people may be served.

Mr. LYLE. Mr. Speaker, I yield 6 minutes to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, this legislation calls for the amendment of the Natural Gas Act which was passed in 1938. If enacted into law, it will create an unregulated monopoly on the production and price of natural gas to the consuming public throughout the country.

When our Government turns over our natural resources, without restrictions, to a monopoly, it will be a serious step toward jeopardizing free enterprise generally. The sponsors of this legislation admit that the distribution of electric power should be supervised by the Federal Power Commission. Electric power and natural gas are synonymous. This bill aims to make an exception of the natural-gas industry. Opponents of this bill, both in the House and in the other body, conservatively estimate that its enactment would cost the gas consumers of this country over $100,000,000 a year.

Radio commentators and newspapers throughout our land have in the last few days conveyed the facts about this legislation to the American public. I have in my hand a news item from the Chicago Sun Times of yesterday, March 30, deploring the bill's passage in the other body on Wednesday of this week. In this article, Benjamin Adamowski, Chicago corporation counsel, estimated that if the Kerr bill becomes a law, Chicago gas rates probably would rise at least $4,000,000 a year. A similar yardstick can be used in measuring the annual public blunder this legislation would inflict to every gas-consuming city, town, village, hamlet, and farm throughout America.

Sponsors of this bill say that regulation exemption would only apply to independent gas producers who are not now regulated under the Gas Act and that this bill would merely continue a hands-off policy. Now who are those so-called independent gas producers who are so anxious to be released from Federal price regulation? Eighty percent of the Nation's gas reserves are controlled by the so-called independent producers. Independent gas companies are simply companies which do not operate their own pipe lines. That list includes Phillips Petroleum, Humble—which is the Standard Oil of New Jersey; Magnolia—Socony-Vacuum; Stanolind—Standard Oil of Indiana; Gulf, Tide Water, Sun Oil, Conoco, Sinclair, Texaco, Shell, and Cities Service. Ten companies in 1947 sold half of the gas piped out of Texas, Louisiana, Kansas, Arkansas, and Oklahoma. The price of gas per thousand cubic feet has already more than doubled in 3 years. It has increased from less than 5 cents in 1947 to as high as 11 cents in 1950. The sole and only reason for the Kerr bill is that producers would like to profit from the growing demand for gas without fear of regulation from the Federal Government.

A gas company controlling a pipe line to a city or to a certain area throughout the country has a complete transportation monopoly of gas to that certain locality. Once a pipe line is laid, a city or a community cannot go elsewhere for gas and must pay the price regardless of the unreasonable heights a gas monopoly may demand of the consumer if our Federal Government loses its regulation thereof.

The construction and operation of gas pipe lines are controlled by the Federal Government; the gas company of a city is regulated by a public utilities commission; why is it that the gas monopolies now want to be rendered free without restriction on the price of gas at its point of origin?

This rule should be defeated, not simply because it would raise the price of gas, but because it would exempt from regulatory control what is, in fact, a natural monopoly of the distribution of a public natural resource in which every citizen of our country has an ownership. I believe the Members of this Congress now should come to the rescue of over 40,000,000 gas consumers instead of giving to the gas monopoly authority to raise prices at will.

In November 1948 Mr. E. De Golyer, who is frequently a spokesman for gas industry, said:

> Gas, which only a few years ago could not be sold at the wells for 1 cent a thousand cubic feet, is now bringing prices as high as 8 to 15 cents a thousand cubic feet. What other industry has enjoyed such a price increase for its product with an ever-increasing demand which should at least insure maintenance of existing price levels for years to come?

Why is it that natural-gas companies stock has increased in great strides and today are blue chips on the stock market? It is contended that under the 1938 act, so-called independent companies were exempt from Federal regulation. If their contention is true, why has so much time been taken up by Congress with the so-called Kerr bill? I believe that if the attorneys for the oil and gas companies really felt that the Federal Government did not possess this power of regulation, they and the oil lobbies would not spend so much time and money toward the enactment of this bill. This bill is before us now because the proponents of the bill and the lawyers for the great oil and gas companies know that as the Natural Gas Act now stands, the Federal Power Commission does have the power of regulation. And these attorneys also know that the Supreme Court, by its unanimous decision in the Interstate Gas case, very definitely held that in order to avoid exorbitant charges by a producer in interstate commerce, was the reason the Natural Gas Act was passed.

This bill is a kindred bill and has the same monopolistic potentialities as the Moore-Rizley bill which was before the Eightieth Congress, and every Member on the floor knows that the consumers in America rose up in such opposition to the Moore-Rizley bill that even the Eightieth Congress refused it as being "too hot to handle." Is the Eighty-first Congress going to go on record as inaugurating an unrestricted gas monopoly which the Eightieth Congress refused and tossed out the window?

The sponsors of this bill are shedding crocodile tears over small independent producers who they say should be unregulated. I have already narrated the names of a few independent gas producers which included subsidiaries of Standard Oil of Indiana and Standard Oil of New Jersey and others of similar magnitude.

Mr. Speaker, the small independent producer is merely incidental in gas production capacity and is serving as a smoke screen to hide the big gas and oil producers. If this bill is enacted into law the merriment of the small producer out in the fields will be but ripple compared with the white-capped waves of jubilation in the board of directors offices of the big oil and gas companies on LaSalle and Wall Streets.

How and why a special-interest bill laden with so much political dynamite has succeeded in passing both Houses and is now at the conference committee threshhold is more than I can understand.

The American people have become aroused and are demanding the defeat of this rule.

Mr. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Missouri.

Mr. SULLIVAN. Mr. Speaker, I, too, oppose this bill. The gentleman from Indiana has made a very fine speech.

This bill to amend the Natural Gas Act brings to my mind the flying saucer: A silvery, disk-shaped object flying at high speed, powered by invisible forces, and leaving a faint trail of vapor.

This "flying saucer" bill has sped through the House and Senate powered by invisible forces and leaving a trail of gas that smells heavily of oil.

It presents to the big oil companies on a silver platter the opportunity to charge whatever the traffic will bear for the natural gas now flowing through the pipe lines in ever-increasing quantities to the consumers in the large cities.

Whole communities have been changed over from the use of artificial gas to complete use of natural gas.

If this amendment becomes the law, there will be no regulation at the entrance to the pipe line of the price of gas for resale in interstate commerce. The consumer thousands of miles away from the producing field will be at the mercy of the producer.

Should the producing States undertake to regulate the price, then the people of consuming States would be at the mercy of regulatory bodies of producing States. And the experience with the price-fixing commissions of Oklahoma and Kansas has been that they fix the prices on an upward scale. Only Federal regulation of the price of gas in interstate commerce can bring the producing States and consumming States into proper balance on a public utility.

The proponents of this bill frankly admit the producers of natural gas are prospering. They admit just as frankly that the real object of preventing Federal regulation is to permit the producer to charge as much as possible. Yet they also say that they are doing the housewife a favor by this bill. The favor is hard to understand when it will result in a cost of millions of dollars annually to the consumer and all of the poor.

This "flying saucer" bill sped through the House last year. It was reported from the Committee on Interstate and Foreign Commerce on July 19, 1949; House Report filed July 28, 1949, and rule was granted same day. On August 5 this bill was brought up under limited debate and passed the House August 5, 1949, by a vote of 183 to 131, a Friday afternoon. This highly controversial

bill was brought up on a Friday, which is not the usual practice. It may easily be seen from the close vote that there was no widespread demand for its passage.

The passage of this flying saucer bill scarcely made a ripple in the news. But those of us who opposed it set about the task of arousing the public to the threat to their living costs contained in this legislation. The press and radio and magazines took it up and the consuming public now know what it means. The vote in the Senate confirms this statement, 44–38, passed by a mere six votes on March 29, 1950.

This flying saucer legislation sped back to the House. Unanimous consent to agree to amendments was objected to. Rules Committee met almost immediately, granted a rule for limited debate and once again on a Friday afternoon we are considering the proposal which will permit imposing an even heavier burden on the helpless and unprotected consumer.

The impact of this legislation will not be felt immediately. But when the escalator clauses in the bill get to working and advantage is taken of the unilateral agreements, then will the weight of the increased burden come upon the consumer.

I long labored under the delusion that this legislative body of our democratic Government must, of necessity, by its very nature move ponderously and slowly.

But the speed of this flying saucer legislation through the Congress has removed that delusion. Jato tied to it. Jato, that is used to help a heavily loaded plane get off the ground, when it needs superpower.

Now, I hope we can pass some legislation beneficial to the consumer with the same high speed.

Let us show the same rush in passing legislation relieving the taxpayers from their burdens. Let us have some action on those bills. It is later than we think.

From the very first minute I realized that the amendments to the Natural Gas Act would mean increased and unnecessary cost to the consumer. I opposed it. I still oppose it and will continue my opposition.

Mr. MADDEN. Mr. Speaker, I thank the gentleman for his observation.

The SPEAKER pro tempore (Mr. COOPER). The time of the gentleman from Indiana has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 8 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I trust that we can have a little light on this measure as well as heat.

First, may I say that a bill similar to this, except the opponents of this bill say it went much further, was passed in the Eightieth Congress. It did not come to passage in the other body.

This bill is almost identical with a bill introduced by the gentleman from Tennessee [Mr. PRIEST] in 1947 which was approved by the unanimous vote of the Federal Power Commission. It was approved by the Department of Defense. It was said by the Commission to be in line with the President's program.

In this Congress, the Eighty-first Congress, that bill was introduced by the gentleman from Arkansas [Mr. HARRIS]. It was reported by the great Committee on Interstate and Foreign Commerce on which it was my privilege to serve some years ago. The bill was passed by the House of Representatives and went to the other body where an amendment has been put on, that again may I say quite respectfully from the standpoint of the opponents of the measure should make the bill better rather than worse.

What is the situation that is now before us? Simply this: Shall we adopt the amendment that was agreed to in the other body and be done with this matter or shall it go on to conference? I say that under the circumstances certainly there is no reason that I can see why anyone who supported the bill before should not support it now.

Now, what are the circumstances back of this legislation? In 1938 legislation for the regulation of the transportation of gas in interstate pipe lines was introduced and brought to passage. I was on the committee at the time. I am making these brief remarks here because of the participation I had in that debate at that time. Here is what I said in connection with that legislation:

> In the past few years the interstate transportation of gas in large pipe lines at high pressure had been growing by leaps and bounds. Gas is brought from the producing areas in these pipe lines and sold at the city gates to the public utilities which distribute the gas to the consumers. It is obvious the distribution of the gas by the local distributing company is subject to State regulation and the interests of the consumers are protected by State regulation. However, the transportation of gas in interstate commerce in the pipe lines and its sale to the distributing companies for resale is not subject to State regulation, and as a result we have had a situation under which the price charged the distributing company at the city gate has been fixed wholly by the judgment, discretion, or action of the interstate company. It is charged that in many cases that price is excessive. This bill seeks to regulate those prices.

That is the reason I supported the legislation. Now, then, specifically the question is, Shall the Federal Power Commission extend its control to the production and gathering of gas? May I say at that point that if such control could be so extended, might it not as logically be said that the production and gathering of oil shall be controlled by the Commission as a public utility? Might it as well not be said that the production of coal in the mines shall be controlled by the Federal Power Commission as a matter of controlling a public utility?

The bill that we passed in 1938 specifically exempted by its terms the production and gathering of gas, written in after careful consideration.

A specific question was put to the great chairman of our committee, Mr. Lea, of California, who voluntarily retired from this body a year or so ago. He was asked specifically if it was designed to apply to the production and gathering of gas, and he said this: "The bill does not apply to the production and gathering of gas."

The Commission, may it be understood, has in the 12 years that this law has been on the books never asserted the right to control the production and the distribution of gas. No one ever thought they had any such power under the legislation. I do not think they have now, but as sometimes happens, there was a case in the Supreme Court a few years back, and there were certain words used in the opinion that were outside of the necessities of the decision that seemed to indicate the possibility that the Commission might have the power to invade this entirely local field, or such field as has heretofore been said by the Congress to be local, and assert the right to control the production and gathering of the gas. That is the situation that gave rise to the introduction of legislation similar to this in the Eightieth Congress. It is the situation that has given rise to the introduction of this legislation in this Congress, yes, to the adoption of the legislation by the House and the adoption of the legislation with one amendment that I have already referred to by the Members of the other body.

Now then, I have beyond all of that, may I say, Mr. Speaker, a deep conviction, as I am sure all of you who have served with me know, that if, for instance, the right to regulate the production and gathering of gas at the source is to be invested in the Federal Power Commission, the Congress of the United States ought to make that decision. That power should be granted by the Congress of the United States. It is quite obvious it could not be obtained from any other source rightfully, and to attempt to apply the statute in a way that I say strains the statute is, in my opinion, not the way that the affairs of government should be administered.

The gas is produced and gathered at the source, even as oil is produced or coal is produced. Then a pipe-line company buys it at arm's length from competing producers and puts it into the pipe lines. If it goes across State lines it is then in interstate commerce.

Until we passed the act of 1938 there was no power anywhere to regulate the price to be charged for that gas moving in interstate commerce, so to fill that gap, and that gap only, the Congress enacted this legislation.

Carried with that is the right in the Federal Power Commission to control the price of gas at the city gate, to see to it that the city is not charged too much for the gas. Then the matter of fixing the rate to the consumer as he pays it to the distributing company becomes a matter of local regulation. That is all there is to this whole business.

I say again, the Federal Power Commission never asserted this right. As a matter of fact, it specifically disclaimed it in 1947. The Court has not specifically held that it has the right. So I say again, it is simply a matter of clarification and a definite delineation of what was obviously the purpose and intent of the Congress of the United States.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I take this time to ask some Member, perhaps the

gentleman from Texas, why in the State of Iowa gas to industrial consumers costs 57 cents per 2,500 cubic feet while residential consumers pay more than $4 per 2,500 cubic feet.

Mr. LYLE. That is because the Iowa State commission is permitting it and not the Federal Power Commission. The Federal Power Commission has not a thing in the world to do with what they charge those consumers in Iowa. The producer in Texas is not getting more than a cent and a half to 5 cents a thousand cubic feet for the gas for which the people of Iowa are paying the rates the gentleman has stated. The Iowa State commission is responsible.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. YATES. As a matter of fact, you have two schedules of rates. You have one for your industrial consumers and one for your domestic consumers, the home users. You have regulation by two agencies. You have regulation not only by the Iowa State Public Utilities Commission but also by the Federal Power Commission. What this seeks to do is take away whatever power the Federal Power Commission now has to curb the rise in rates in the flow of natural gas in the producing States. In addition, if this power is taken away, the price will go even higher than it is now.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman is in error. He is wrong, I know honestly and sincerely, but he is just as wrong as he can be.

Mr. GROSS. In what respect?

Mr. HARRIS. The Federal Power Commission does not in any way regulate or control the rates to industrial users. Therefore, you have cheaper gas. The Federal Power Commission does not and never has controlled or regulated the rates on gas at the well or the gathering point, but it controls it for resale for wholesale purposes.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remaining time to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, in the 3 minutes allotted to me I could not hope to present this body with what I believe to be the hidden dangers and pitfalls in this legislation. I said it was poor and questionable legislation when it was here last summer. I say it is bad and dangerous legislation this afternoon.

Under the circumstances when it is brought onto the floor with a "jato takeoff" to be voted upon with no real study, I defy any of the Members to say that he has seen these Senate amendments or to say that he knows what is in them.

In two particular instances there has been language eliminated by the other body which can carry tremendous implications. There is a new study body set up here for some reason—no one knows why. No one has discussed these amendments and I doubt if anyone will, or can. I suggest when you are asked to consider this thing at 20 minutes past 6 and have it rammed down our throats, we had better stop, look, and listen, and consider what is going to happen.

Why all this pressure for instant action? Must we yield our right to the usual conference and then a report with a full statement of reasons for agreeing or disagreeing to amendments? We have just finished a long session on a difficult bill. Yet we are faced now with a vote within a few minutes which will surely have far-reaching effects. To say the least, these are strange tactics if the proponents of this bill are as confident as they appear to be that the amendments are meritorious and that the bill in its final form can pass on its merits.

The vote on August 5, 1949, was 183 to 131. If the vote this evening lessens the margin, the President will have one of the most difficult decisions he has ever had before him. I understand he has signed the peanut-cotton bill this afternoon. That will be bad enough when the consumers get the bill for that. But it will truly be peanuts compared to the blackjacking they will get if he approves this bill.

I want to call your attention to a witness I think will not be disputed by any proponent of this bill, the Wall Street Journal. The Wall Street Journal recently declared that the Panhandle East Pipe Line Co.—that is going into New England, into New York, New Jersey, and all the Northeast and into the Midwest—"is going to ask for an increase of between 5 and 6 cents per thousand cubic feet. Based on the company's 1948 sales for resale deliveries, this will mean approximately $8,000,000 a year."

None of us think that they are going to absorb that. They are not in the business of philanthropy. You know, and I know that the 40,000,000 consumers of this natural gas in our communities are going to be made to pay the bill. To vote for this rule this afternoon is a vote to increase the gas bill of each and every consumer in the country. That is the only interpretation they are going to put on such a vote and they will be eternally right.

The cost of field gas has gone up and not down. From 1944, when it was 4.3 cents per thousand cubic feet, in the first 2 months of 1950 the average of new contracts was 9.9 cents. Do you think that 100-percent increase is going to be absorbed by these 35 giants in this field? Do not be under any illusions. The people who want this are the people who are making generous profits now and are going to further profit enormously by it. They are going to raid the pocketbooks of the American consumers. Do not make any mistake about it. A vote for the rule will clear the way for that outrageous raid. You can only join in that with your eyes wide open fully conscious of the consequences.

Mr. KEEFE. Mr. Speaker, I associate myself with the remarks just made by the distinguished gentleman from Massachusetts. He is 100 percent right, and we ought to defeat this resolution.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Two hundred and forty-nine Members are present, a quorum.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. CROSSER].

STOP THE GRAB OF NATURAL RESOURCES BY OIL AND GAS INTERESTS

Kerr Gas Bill

Mr. CROSSER. Mr. Speaker, if it were not for the gravity of this situation, I would yield back the 5 minutes that have been allotted to me for this discussion. To have so little time allotted for the discussion of a question of such tremendous importance and of such tragic concern to the American people constitutes a travesty on justice.

Involved in this measure before the House today is as serious a question as has confronted the American people for generations. It is proposed that we permit the bounty of the Creator, which He has placed here for the benefit of His children, for the use of all the people, to be grabbed by a special-privilege few; a very, very small number, to be utilized for their special advantage. My friends, such high-handed tactics must not, and cannot, be ignored by us. I feel that I must protest as vigorously as possible.

People have warned us that powerful interests and influential persons who are involved will make wholly futile any protest or opposition by me.

Friends have commented on the denial of the Interstate Commerce Committee's usual privilege of considering the Kerr bill before it was rushed to a vote in the House with practically no opportunity for explanation. As to the lack of observance of official amenities and official niceties, let me say real men do not allow themselves to be disturbed. The cause, however, is highly important to all of the American people, calls for courage, and justifies great sacrifice. I say therefore that clad in the armor of a righteous cause, the humblest citizen in the land is greater than all of the hosts of error. And now, my friends, while we have only 3 or 4 minutes to say a few words, let us speak those words earnestly and most emphatically.

Members of the House of Representatives, the wrath of the American people will rise to plague those who have served so earnestly in assisting the minions of privilege, who have been skulking for many moons in the shadows of the Capitol, frantically striving to secure for their employers the prize which they so greatly covet.

The American people, sooner or later, will discover the true nature of this situation. I shall not indulge in meaningless squabble about the so-called independents' willingness to be regulated by so-called State authority. It is strange how they really love and crave the iron hand of State regulation. Inexorable logic and principle give the clear and unanswerable solution to the problem presented by the maze of logical inconsistencies advanced to support the claim of the great oil and gas companies to operate without interference by real regulatory authority.

From the American Government, representing the American people, were derived the titles to all the privately owned lands and their natural resources

within the territorial limits of the United States. Since the United States is the source of all ownership of land and its resources within its territorial limits, it is then by every principle of logic and justice the proper authority to regulate the use and terms for the use of land and its resources when necessary.

Now, to discuss this obnoxious measure more in detail. The proposed amendments to the Natural Gas Act, now before us in the form of the Kerr bill, are fraught with the gravest consequences to the people of our Nation. With the most earnest conviction, I say to you that these allegedly innocuous amendments, if they become law, will perpetrate a most outrageous injustice on the American people.

An important, in fact the most important principle of political economy is involved in this bill. The question is whether or not we shall permit a small handful of persons, a very small group indeed, to grab, to seize the resources of the earth, for its selfish interests, its special benefit, and in utter disregard of the welfare and rights of the great mass of citizens, of substantially all the people of this country. Shall we permit these individuals to appropriate for their own benefit a great natural resource, not an atom of which was created by their physical labor or their intellectual efforts? No! Let our answer be an emphatic "No!" Let us not surrender to this pressure group our birthright. No man of real stature will ever willingly yield a cause so sacred, so all-important, so meaningful to the welfare of the Nation as the cause which would be involved in such a surrender.

This bill would exempt from Federal regulation all sales of natural gas, by so-called independent producers and collectors to interstate pipe-line companies for the purpose of resale. The advocates of the bill tell us in a very innocent way that it is merely a clarifying amendment for the benefit of the Federal Power Commission. Its purpose, they say, is to set the Commission straight in its thinking as to the intent of the Congress 12 years ago when it passed the Natural Gas Act.

My friends, Congress passed the Natural Gas Act in 1938 because it recognized the urgent necessity for Federal regulation of natural gas in interstate commerce for the protection of consumers from rapacious and merciless exploitation. Section 1 (a) of the act reads:

> It is hereby declared that the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest.

The proposed legislation would nullify the Federal Power Commission's authority with respect to field sales of natural gas in interstate commerce by so-called independent producers. The Commission would be deprived of authority over the charges for gas at the point where it enters into an interstate pipe line. This would make futile any effort of the Commission to regulate the price of gas to the ultimate consumers.

If the field prices collected by the large independent producers are freed from Federal regulation, there is no doubt that the price of natural gas to the ultimate consumer will rise. Such rise has already occurred to a great extent. Had it not been for the regulatory powers of the Federal Power Commission, the prices paid by the public would be far higher than they are today.

Because of the execution in recent years of new contracts, there has been a substantial increase in the average prices paid for gas at the well. Current prices at the well mouth, under new contracts, are double the average price of 1947, and they are still going up. It has been estimated by competent authority that a 5-cent increase per thousand cubic feet in the average 1947 price of gas purchased from independent producers would, on the basis of the expected 1952 volume of consumption, increase the gas bills of the people of the United States by $132,000,000 in that year, and even more in subsequent years.

Proponents of this bill have tried to argue that consumers are already protected from increases in the field price of gas by existing contracts between the independent producers and the interstate transmission lines. What they fail to mention, however, is the fact that nearly all contracts contain a number of clauses which make it possible to increase the price of gas during the life of the contract, which is usually from 20 to 25 years. Most contracts contain so-called escalator clauses which specify that gas prices in the field must rise at fixed intervals. A large proportion of contracts also contain so-called most-favored-nation clauses, which provide that if the contracting pipe-line company pays to any other supplier of gas in the field a higher price, then the price specified in such contracts will automatically rise to said higher level. Furthermore, should a pipe-line company wish to increase its supply of gas, it usually has to negotiate a new contract at a higher price. These clauses in gas-purchase contracts are of recent origin. They point to higher field prices in the future which inevitably can only mean higher costs for natural gas all along the line to the ultimate consumer.

Nor can we rely, my friends, upon competitive forces as a regulator of the field prices of natural gas. The bulk of gas purchased by interstate pipe lines is controlled by a relatively few so-called independent producers, which are mostly the big oil companies. In 1947, 62.5 percent (116,235,819 acres) of all the oil and gas acreage in the United States was held in lease and fee by 33 large oil companies, and 53 percent of the United States total was owned or controlled by 14 of the aforesaid 33 companies. An analysis of recent gas purchase contracts shows that the first 10 out of a total of 133 producers contracted to furnish more than half of the annual total of almost 2,000,000,000,000 cubic feet of gas covered by these agreements.

The dependence of interstate gas pipe lines upon gas purchased from independent producers is growing constantly. In 1947, these so-called independents furnished 58 percent of the total requirements of the interstate pipe lines. By 1952 these independents will be called upon to furnish up to 70 percent of the total of such requirements. Thus, the interstate gas lines are finding themselves more and more at the mercy of the so-called independent producers.

The tremendous increase in the volume of gas consumption, coupled with price increases, has swelled the profits of these independents beyond expectation. The proposed legislation would further increase their profits at the expense of the some 40,000,000 consumers of natural gas in this country.

The following table shows the income available for common stock as a percent of common stock and surplus of 21 large oil and gas companies from 1946 to 1948. Each company shows a tremendous increase in its profits over the 3-year period.

Income available for common stock as percent of common stock and surplus of oil and gas companies selling large volumes of natural gas to interstate pipe lines

Company	1946	1947	1948
Barnsdall Oil Co	17.8	25.6	31.6
The Chicago Corp	10.4	11.9	[1] 21.0
Continental Oil Co	12.8	18.4	25.8
Gulf Oil Corp	12.0	17.6	20.0
Humble Oil & Refining Co	14.7	22.2	27.7
Ohio Oil Co	15.0	20.9	28.4
Phillips Petroleum Co	8.9	11.9	18.7
Plymouth Oil Co	17.6	28.7	37.9
Pure Oil Co	12.1	13.8	23.6
Republic Natural Gas Co	18.6	26.0	[1] 27.4
Shamrock Oil & Gas Co	18.5	28.9	[1] 41.8
Seaboard Oil Co. of Delaware	19.3	31.0	29.6
Shell Union Oil Corp	11.6	19.5	29.5
Sinclair Oil Co	8.9	14.1	21.2
Skelly Oil Co	13.3	22.3	30.4
Sun Oil Co	9.1	13.2	19.4
Superior Oil Co	6.3	14.7	[1] 31.9
The Texas Co	10.5	12.3	17.4
Tidewater-Associated Oil Co	11.2	15.4	18.0
Union Oil Co. of California	5.7	10.7	16.3
Warren Petroleum Corp.	6.6	27.0	[1] 28.2

[1] 1948 earnings were estimated based on data reported by Moody's Financial Service.

Source: Hearings before a subcommittee of the Committee on Interstate and Foreign Commerce, United States Senate, 81st Cong., 1st sess., on S. 1498, a bill to amend the Natural Gas Act, approved June 21, 1938, as amended.—May 17, 18, 24, 26, and 31, and June 7 and 8, 1949, p. 366.

The drive to amend the Natural Gas Act is fostered by the big oil companies who demand freedom from Federal regulation. These companies desire Congress to grant them the right of unregulated, uncontrolled profits, notwithstanding the fact that they are participants in rendering a public-utility service.

On the other side of the scale are more than 40,000,000 people of the Nation, who now receive natural-gas utility service. It is essential that their rights be protected and that no legislation be enacted which would result in unreasonable prices for this very necessary service.

Natural gas is a wonderful resource of nature which has come into great demand since World War II. It is one of the bounties furnished by the Creator for the benefit of all the people who are His creatures, His children. We must not permit its great value, created in large measure by the demand of the people themselves, to be appropriated by

monopolies through unreasonable, unjust charges. Reason and justice require that the sales of natural gas to interstate pipe lines for ultimate public consumption be subject to Federal regulation in order to make certain that independent producers receive no more than reasonable prices to meet their legitimate costs, including the market rate of interest on the capital prudently invested in plant and equipment. In the supplying of natural gas to a utility market these producers are not entitled to exact "what the traffic will bear," for the public is itself entitled to the benefits which this great natural resource offers after paying the reasonable costs of labor, including just wages of management and capital required to make it available.

My friends, the issue presented on this ominous occasion is whether or not we shall make a living reality of Jefferson's famous saying "Equal rights for all, special privileges for none." The supporters of the oil and gas companies' cause chirp about free enterprise and individual initiative, and yet if their proposition were carried to its logical conclusion, it would be absolutely impossible for real individual initiative to develop, or for genuinely free enterprise to exist. When we give a great part of the natural resources of our country to a few people to do with as they like, it is as clear as sunlight that others, however capable, but without such resources, cannot compete with the possessors of special privilege.

When gigantic companies are allowed to take possession of great natural resources without proper official control and regulation as to what may be charged the people for what they consume, it is easy to see that such companies will be able to demand and collect excessive prices and to make enormous profits because of a monopolistic control of what the public needs. The question clearly is whether the birthright of the people is to be lost without receiving in exchange even the trifle mentioned in the Bible as "a mess of pottage," or if we, as trustees of our children and children's children, are to muster the courage needed to face special privilege in its worst form, a monopoly of gigantic proportions. Surely, we would not be willing to surrender weakly. Let us in thunderous tones send on to generations yet unborn the message: "We have not failed you! We here today, as trustees of the benefits provided for you by the Creator, have stood up and fearlessly defied the enemy, and have struggled courageously for the sacred cause of justice!"

Mr. DINGELL. Mr. Speaker, will the gentleman yield for an observation?

Mr. CROSSER. I yield.

Mr. DINGELL. I just want to say this to my friends in the House, that Leland Olds, of the Federal Power Commission, was crucified for trying to protect the rights of the people; and I say further that Texas and Oklahoma horse thieves were hanged for lesser crimes than this resolution seeks to legalize.

Let me say further as an observation that the consumers may as well be in hell without a fan if they look to the Texas Public Utilities Commission and the Oklahoma Utilities Commission for the regulation of their rates at the well.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. CROSSER. I yield very briefly.

Mr. PLUMLEY. A lot of the Members of this House do not know that when my father left this House years ago he said: "If my boy ever comes down here, which he ought to know enough not to do, but if he ever does, he should see Old Man CROSSER." So the gentleman from Ohio has been my father-in-law. I rise from the other side of the aisle to suggest to some of you folks something that you ought to remember. I do not know whether you are going to thank me for it or not, for the fact is much as I would like to help out my friend from Ohio I shall vote for the bill. If I were allowed more time I might say more. The bill will be passed, I am sure. I could say a lot about how it came here. Nevertheless, I shall vote for it.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. LYLE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, yesterday I objected to action that would have ratified this bill, and then I appeared before the Committee on Rules to oppose this resolution and I begged that committee to at least hold up action on this resolution so as to afford the opponents of this legislation an opportunity to be heard.

You may not realize it, but we are called upon to agree to a most unusual procedure. Ordinarily, a bill of this kind would be sent to conference.

Question No. 1: Why is it not being sent to conference? It is not being sent to conference because they are afraid that public opinion is becoming so aroused that this bill would never get through the Senate in the form of a conference report. This maneuver is to by-pass a conference; this maneuver is intended to by-pass the resentment that public opinion is generating and which is being felt in the Senate.

Why the hurry? Why bring this up here at such a late hour after we have been hard at it all day on an important piece of legislation? They do not want the force of public opinion felt on this bill; they want to get it out of the way and get it out of the way fast before the resentment of the American people makes itself felt, and it will be felt by the membership of this House and particularly by the membership of the Senate.

I do not think it is necessary for me to belabor the fact that this bill is going to cost the consumers of this country over $100,000,000.

Mr. CROSSER. It will cost them $130,000,000.

Mr. MARCANTONIO. And another thing, since when—and I challenge any committee chairman present here on the floor of the House to deny what I am about to say—since when is an application made to recede and concur in a Senate amendment without first convening the committee that has had that bill and having that committee determine by a majority whether or not that action is to be taken? I want the chairman of any committee to contradict the statement I am making. Never did the committee which has jurisdiction over this bill meet and agree to this kind of action.

What a Congress. First it is the Steel Trust that is given more profits with the basing-point bill, now it is the oil outfit with a gas bill, then next week it will be the tidelands oil bill. They said the Eightieth Congress was bad. It is obvious that the Eighty-first has certainly caught up with it.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. LYLE. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. BIEMILLER].

(Mr. BIEMILLER asked and was given permission to revise and extend his remarks and include the minority report on the pending bill by members of the Committee on Interstate and Foreign Commerce.)

Mr. BIEMILLER. Mr. Speaker, I rise today in indignant protest.

I regard the natural-gas legislation now before us as one of the greatest consumer gouges ever proposed to a Congress of the United States.

The consumers of my home State of Wisconsin will be among the principal victims of the multi-billion-dollar special-interest legislation.

This bill does not make sense in any but the most narrow and selfish terms. It is a rejection of statesmanship, not for cheap and petty politics, but for some of the most expensive politics in which this body could indulge.

The proponents of this measure say it is designed to free the so-called independent producers and gatherers of natural gas from the control of the Federal Power Commission.

Now, most of these producers are not really independent in the usual sense of that word. At least 70 percent of the total natural-gas production is in the hands of such companies as Standard of New Jersey, Standard of New York, Standard of Indiana, Gulf, Shell, Sinclair, Phillips, Texas, and Cities Service. They are independent because they sell to pipe-line companies but are not affiliated with them. That is the beginning and end of their independence.

The 24 big producers of this type seeking what they term "relief" from proposed regulation, and, needless to add, not distressed companies in need of succor from the consumer in the form of higher prices.

Their total assets were $14,000,000,000 in 1948 and their profits averaged 24 percent after taxes. They are the benefactors of the 27½-percent depletion allowance, regarded by many as a major tax loophole. They have already doubled and sometimes tripled prices since 1945. The price increases which they seek, if FPC control is removed, will bring them another $130,000,000 to $550,000,000 annually.

Under their announced plans, such freedom will cost consumers a total of $4,000,000,000 to $16,000,000,000 during the next 30 years.

All this is possible because there is not sufficient competition among natural-gas producers to hold the price at reasonable levels. The bill's proponents will say there are 2,300 natural-gas producers who sell to interstate pipe-line companies. That is true. It is equally true that 3 percent of their number make 70 percent of the sales.

There has been a long and revealing debate on the version of this bill approved in the other body. That same debate has provoked an ever-growing flood of consumer interest and protest against this measure. If we had another few days before considering this resolution, you would be amazed at the protests which would roll into your offices.

I think there is now no alternative but to dispose of the bill on its demerits and get on to the real business of this Congress.

Let us review just what this bill does and what end results its passage will have.

The measure removes the so-called independent producers of natural gas from the control of the Federal Power Commission. It seeks to reverse by legislation a 1947 decision by the Supreme Court in the interstate case that sections of the Natural Gas Act of 1938 give the FPC power to regulate the prices of such producers. It seeks to do so at the time the FPC is proceeding for the first time to prevent an exorbitant increase in natural-gas prices. It seems to do so at the very time the FPC is considering the effort of the Phillips Co.—hardly the picture of a small, independent producer—to approximately double contract rates with the Michigan-Wisconsin Pipe Line Co.

Just to pin all this down to one clear example—let us look at the situation I know best, the case of the Michigan-Wisconsin Pipe Line's contract with Phillips. In 1945, the Michigan-Wisconsin entered into a contract with Phillips at a price of 5 cents per 1,000 cubic feet. Then pipe-line construction began. Shortly afterward the contracts were renegotiated and additional contracts signed increasing the minimum price to 8.5 cents, with some gas selling at 10 and 11 cents. Unless the FPC steps in to end this kind of accelerating-rate increase, consumers will be helpless. Wisconsin is served by one pipe line belonging to the Michigan-Wisconsin. Once having converted to natural gas there is only one pipe line to which a consumer can look. And in turn, the owners of the pipe line have committed themselves to a single field of supply by construction of their line, in this case the Phillips field. If the FPC cannot control the price of gas at the wellhead, no one can. The pipe line will pass added costs on to the helpless consumer right along with the gas.

If the FPC is told by Congress that it cannot move to offset this exorbitant increase it will cost the natural-gas consumers of Wisconsin $5,000,000 more in the first year of operation and ultimately much more than that.

Now there are a good many other arguments on this subject, but they all come back to this central situation. If the FPC cannot control the producers of gas, nobody can. And there is every indication that the producers are in urgent need of control to prevent unreasonable increases in the price of natural gas. Natural gas is exactly the same as water or electricity for the consumer. It should be regulated as such.

And let us not pretend that such regulation will cripple or damage small, struggling companies. This bill to remove regulation is rather designed to help big companies. Consider these estimates of the percentages of business to be done by concerns in 1952:

Phillips, 12½ percent; the Chicago Corp., 7 percent; Standard Oil of Indiana, 6 percent; Republic, 4 percent; Shell, 3½ percent; Humble and Magnolia, both Standard subsidiaries, 3½ percent each; Sun Oil, 3 percent, and so on. The first 12 companies will sell 50 percent of all the gas; the first 35 companies 72 percent. All the rest will get 28 percent, those truly small producers in whose name the 35 push this bill.

I might add that the immense reserves of natural gas in this country are even more concentrated than the 1952 production estimates I have just cited.

Now I am not criticizing the biggest natural-gas producers just because they are the biggest. I am questioning their continuing attempt to take ever more and more profits. For instance, the Phillips concern which is jacking up Wisconsin prices reported almost $73,000,000 profit last year. And others made similar or greater sums.

The situation in summary is this: The natural gas producers are not suffering, are, on the other hand, making higher profits than are generally permitted other natural monopoly utilities in this country.

Natural gas is a public utility. The ridiculous comparison made by the gentleman from Indiana simply will not stand up. Gas is not like oil, gas is not like coal. In oil and coal you have competing outlets to the consumer. You have competition. To the consumer there is no competition in natural gas. There is one pipe line comes into a metropolitan community—one and only one. That pipe line has to buy its gas from the people in Oklahoma and Texas and the other areas that produce gas. It is at that point that we want the Federal Power Commission to have regulatory powers, and we make no bones about that. That is exactly what we are after. We do not want to see an exorbitant rise in profits.

I repeat that we have these huge groups, 35 companies out of 2,300, handling 72 percent of the natural gas production in this country—35 out of 2,300. They are the ones who are supposed to be the poor little independents. In our committee, in the House and on the Senate side, amendments were offered in good faith to exempt practically 95 percent of the producers of natural gas, these really little, small independents. Those amendments were turned down. Why, I ask you? Because here you have the 35 big giants who are trying to hide behind the honest small producer. But why were those amendments turned down? Because these big companies are not content with their 24-percent profit. They want to boost their profits.

Under a Supreme Court opinion, the 1938 Natural Gas Act gives the Federal Power Commission power to regulate the producers' rates when they get too far out of line. They have begun to get too far out of line and the FPC is acting to protect the consumer.

It is now proposed that Congress step in and take the power away from the FPC so the consumer will have no protection from the big natural-gas producers.

In those terms, it is easy to see where congressional duty lies. We must leave intact the FPC's authority to save the consumers of this country between $4,000,000,000 and $16,000,000,000 in the next 30 years.

It was correctly said of the cooperative housing measure the other day that it will be a live issue this fall. I think most of you will find that passage of this bill will give you an issue that is not only live, but extremely warm. This is a bad piece of legislation which should be turned down here and now.

I am proud that last July along with some of my colleagues on the Interstate and Foreign Commerce Committee I signed a minority report urging this bill be defeated. I insert the report at this point:

MINORITY VIEWS

The bill which the majority report represents as a simple clarifying amendment to the Natural Gas Act approved June 21, 1938, as amended, is in actual effect upon the public interest a matter of grave consequence. The proposed legislation, by exempting from Federal regulation sales of natural gas by producers and gatherers at arm's length to purchasing natural-gas companies for transportation and subsequent sale in interstate commerce, would create a serious gap in State and Federal regulation of gas-utility service.

The drive to amend the Natural Gas Act in this fashion is fostered by the big oil companies who demand freedom from Federal regulation, knowing full well that under the Constitution their interstate sales in the gas fields cannot be regulated by the States. These companies desire Congress to grant them the right of unlimited profits though they are participants in rendering a public-utility service.

On the other side of the scale are the more than 40,000,000 people of the Nation who now receive natural-gas utility service. It is essential that their rights be protected and that no legislation be enacted which would result in unreasonable prices for this necessary utility service.

It will be our aim in this report to analyze the effect of the proposed legislation upon the public interest and to show why we should be opposed to its enactment.

THE ORIGINAL INTENT OF CONGRESS

The majority contends that it was the intent of Congress when it enacted the Natural Gas Act in 1938 to exclude arm's-length sales of natural gas by independent producers and gatherers to interstate pipe-line companies from regulation. They urge that the exclusory clause in section 1 (b) of the act, reading "but shall not apply * * * to the production or gathering of natural gas," was broad enough to provide for such exemption.

This clause has been interpreted by the courts[1] as relating to the physical activity

[1] *Canadian River Gas Company* v. *Federal Power Commission* (324 U. S. 581).

of production and gathering. This would include the acquisition of leaseholds, exploration work, drilling of wells, well spacing, oil-gas ratios, allowable production, location of gathering system, waste of gas, the correlative rights of landowners and royalty interests, and related activities. Most of these activities are subject to regulation by the States for they are intrastate functions. The record shows that the Federal Power Commission has never asserted that it had any jurisdiction whatsoever respecting the physical activities of production and gathering. There is no intention on the part of those of us who oppose this bill to change this situation in any way. The bill would not serve to clarify or strengthen the present exemption from the act of the physical activity of production and gathering, nor is such legislation necessary.

The courts have specifically held that the exemption provided by the exclusory clause does not include sales in interstate commerce. The Court of Appeals for the Fifth Circuit in the Intrastate case [2] said:

"We think that petitioner's difficulty in construction and interpretation arises out of the fact that, treating unlike things as alike, it tries to read the exception with respect to production or gathering as an exception with respect to sales. There is no warrant in the act for so doing."

This interpretation clearly follows the views of the House Committee on Interstate and Foreign Commerce in reporting the bill which became the Natural Gas Act of 1938.[3] We then said:

"The States have, of course, for many years regulated sales of natural gas to consumers in intrastate transactions. The States have also been able to regulate sales to consumers even though such sales are in interstate commerce, such sales being considered local in character and in the absence of congressional prohibition subject to State regulation. (See *Pennsylvania Gas Co.* v. *Public Service Commission* (1920), 252 U. S. 23.) There is no intention in enacting the present legislation to disturb the States in their exercise of such jurisdiction. However, in the case of sales for resale or so-called wholesale sales, in interstate commerce (for example, sales by producing companies to distributing companies) the legal situation is different. Such transactions have been considered to be not local in character and, even in the absence of congressional action, not subject to State regulation (see *Missouri* v. *Kansas Gas Co.* ((1924), 265 U. S. 298), and *Public Utilities Commission* v. *Attleboro Steam & Electric Co.* ((1927), 273 U. S. 83)). The basic purpose of the present legislation is to occupy this field in which the Supreme Court has held that the States may not act."

It is clear that in 1938 Congress intended to subject to regulation all sales in interstate commerce for resale which were beyond the reach of the States, and thus to close the gap in regulation. As stated by Representative WOLVERTON during the 1937 debate [4] on the bill which became the Natural Gas Act:

"It is, therefore, the purpose of this legislation to close the gap now existing between Federal and State regulation and control and confer upon the Federal Power Commission the right, duty, and authority to exercise such regulatory power in fixing a fair and reasonable rate for gas that is a part of interstate commerce. It seeks to give similar power to regulate and control interstate commerce in gas as now exists in State regulatory bodies with respect to transactions entirely within the States."

Representative WOLVERTON had previously pointed out that jurisdiction over such rates, coming within the field of interstate commerce, "is denied entirely to the State regulatory bodies and lodged completely in the Federal Congress."

NONEXERCISE OF REGULATORY POWER BY COMMISSION

The supporters of the bill lay stress upon past administrative practices and actions of the Federal Power Commission as supporting their opinion that clarifying legislation is necessary to end the confusion and uncertainty which is alleged to prevail in the minds of independent producers and gatherers.

The supporters of the bill cite the Columbian Fuel Corp. decision by the Commission in 1940 (2 FPC 200) as indicating that sales of natural gas as an incident to and immediately upon completion of production and gathering were not intended by Congress to be subject to regulation. Not only was that opinion not unanimous, but the majority was not certain that the question of its jurisdiction had been finally decided, for it said:

"Further experience with the administration of the Natural Gas Act may reveal that the initial sales of large quantities of natural gas which eventually flows in interstate commerce are by producing or gathering companies which, through affiliation, field agreement, or dominant position in the field, are able to maintain an unreasonable price despite the appearance of competition. Under such circumstances, the Commission will decide whether it can assume jurisdiction over arbitrary field prices under the present act or should report the facts to Congress with recommendations for such broadening of the act and provision of additional machinery as may appear necessary to close this gap in effective regulation of the natural-gas industry."

The supporters of the bill cite the action of the Commission in recommending in June 1947 enactment of legislation which would have exempted these producer sales; its adoption of order No. 139 in August of that year; and the subsequent realinement of Commission membership whereby the majority of the Commission now opposes the exemption of such sales, as a basis for Congress resolving the differences in favor of the proponents of the bill. But the courts have spoken. The Commission's authority is not in question, although some have not accepted the question as decided and seek to have legislation expressly enacted for the purpose of nullifying the interpretation of the act by the Supreme Court in the Interstate case.

Great stress has been laid upon the fact that during the 11 years since enactment of the Natural Gas Act, the Commission has not subjected independent producers and gatherers to regulation with respect to their arm's length sales of natural gas, and that, in spite of this, all has gone well with the Commission's efforts to protect the rate payers so far. But this is a specious argument that completely ignores the significant change which the record shows has taken place in the natural-gas situation within the last 2 years.

Back in 1947, during the consideration of amendments to the Natural Gas Act, all the information bearing on the subject was not available as it is today. The Federal Power Commission's reports on its natural-gas investigation (FPC Docket No. G-580) were not available. In fact, the Commission repeatedly urged that no legislation be enacted until it had reported to Congress the results of that investigation. When the Priest bill (H. R. 4099) was finally proposed as a substitute for the more drastic Moore-Rizley bill (H. A. 4051), many believed that the results and recommendations of the investigation would support the conclusion that competition among producers in the future, as it had in the past, would maintain field prices at reasonable levels. It was that same belief that persuaded the majority of the Commission to adopt order No. 139.

When the Commission's G-580 reports were received by Congress early in 1948, there appeared a division among the Commissioners. Commissioners Draper and Olds held that jurisdiction over sales by producers should be retained by the Commission. Commissioners Smith and Wimberly took the position that such jurisdiction did not exist and in fact was unnecessary. These respective positions were maintained before the Senate Interstate and Foreign Commerce Committee in February 1948 and have continued to the present.

Congress has before it, in both the House and Senate, a comprehensive record consisting of reports and testimony on proposed amendments to the Natural Gas Act. There is available in considerable detail, current statistics and information on the natural-gas industry and future trends. The record shows that under present conditions in the industry large producers are in such a dominant position and are so powerful as to require the exercise of jurisdiction over producer sales if the public interest is to be properly protected. For that reason, we do not consider it necessary to dwell further on past history of the legislative intent or the administrative actions of the Federal Power Commission. At this point it matters little who was right and who was wrong in interpreting the Natural Gas Act.

The real issue for Congress to decide is whether or not regulation of the sales of natural gas by producers to purchasers for transportation and sale in interstate commerce for ultimate public consumption is in the public interest. The issue is of vast importance as a matter of principle.

PROTECTION OF CONSUMERS

The plain intent of the Natural Gas Act is to protect consumers of natural gas from exploitation at the hands of the natural-gas companies. This was the conclusion of the United States Supreme Court in passing upon a case in which the legislative history of the act had been fully presented by the Hope Natural Gas Co. and the Federal Power Commission.[5]

Congress itself had made its position clear when it declared in unambiguous language in section 1 (a) of the act "that the business of transporting and selling natural gas for ultimate distribution to the public is affected with the public interest and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest."

It would be contrary to the expressed purpose of the act to exempt one class of interstate sales from regulation, thus destroying the regulatory safeguards enacted by the Seventy-fifth Congress for the protection of consumers of natural gas. For, as emphasized by the United States Supreme Court in its unanimous opinion in the Interstate case, supra, the power to regulate this class of interstate sales is indispensable to the purpose of the Natural Gas Act and for the protection of the public. In that opinion, referring to wholesale sales in interstate commerce at the conclusion of production and gathering, the Court said:

"It cannot be doubted that their regulation is predominantly a matter of national, as contrasted with local, concern * * *. Unreasonable charges exacted at this stage of the interstate movement become perpetuated in large part in fixed items of cost which must be covered by rates charged subsequent

[2] *Interstate Natural Gas Co., Inc.* v. *Federal Power Commission* (156 F. 2d 949). See also *Interstate Natural Gas Company, Inc.* v. *Federal Power Commission* (331 U. S. 682); *Peoples Natural Gas Co.* v. *Federal Power Commission* (127 F. 2d 153, certiorari denied, 317 U. S. 700).

[3] H. Rept. No. 709 (H. R. 6586), 75th Cong., 1st sess.

[4] CONGRESSIONAL RECORD, vol. 81, pt. 6, p. 6723.

[5] *Federal Power Commission* v. *Hope Natural Gas Co.* (320 U. S. 591).

purchasers of gas including the ultimate consumers. It was to avoid such situations that the Natural Gas Act was passed."

The contention of the majority that the company involved was, in terms of other transportation and sales, a natural-gas company, is irrelevant to the issue. The language of the Supreme Court runs to a principle of general applicability. Whether the wholesale marketing in interstate commerce at the conclusion of production and gathering was by a corporation which was only a producer and gatherer or by a producer and gatherer which was also a pipe-line company, the regulation of that sale would be "predominantly a matter of national, as contrasted with local, concern" and "unreasonable charges exacted at this stage of the interstate movement" would inevitably "become perpetuated in large part in fixed items of costs which must be covered by rates charged subsequent purchasers of gas including the ultimate consumers."

The proposed legislation would sacrifice this very important regulatory principle to the demands of the oil industry for unrestricted profits on their sale of a limited natural resource in interstate commerce to utility markets. If a majority of Congress is willing to turn loose, for exploitation, wholesale quantities of natural gas by independent producers who by 1952 will control at least 70 percent of the total supply of interstate pipe lines, they should not hesitate to grant the same exemption from regulation to the interstate pipe-line companies and their affiliated producing companies which will control only 30 percent of the total.

But, as the record before this committee so clearly shows, the latter is reserved for another day, because the proponents admit that the Congress would not swallow in one gulp the whole legislative program of the oil and gas industry. Instead, the program in the Eighty-first Congress calls for amending the Natural Gas Act in piecemeal fashion, with the oil industry's proposal obtaining the inside track.

These legislative proposals are in direct conflict with the purposes of the Natural Gas Act. If this important regulatory principle is sacrificed, it will reduce the ostensible protection which the remaining regulation offers the consuming public to what is little better than a fraud.

PROTECTION OF CONSUMERS AGAINST MONOPOLY PRICES MUST NOT BE IMPAIRED

The evidence of concentration of ownership of the country's gas reserves in the hands of a few oil and gas companies emphasizes the importance of preserving the full regulatory controls set up in the Natural Gas Act. For, if the prices charged by large independent producers are freed from regulation by enactment of the proposed amendments to the Natural Gas Act, such concentration of control as the record reveals will lead inevitably to monopoly prices for the gas supplies required by expanding interstate pipe lines.

The greater portion of the Nation's gas reserves (86 percent) is controlled by the so-called independent producer and by 1952 such producers will be supplying at least 70 percent of interstate pipe-line gas. In that year, however, more than two-thirds of this "independent" gas supply will come from 35 of the 2,300 producers making sales to interstate pipe lines. In 1947 10 producers sold approximately one-half of all the gas supplied to such pipe lines by the five southwestern States of Texas, Louisiana, Kansas, Arkansas, and Oklahoma, in which 85 percent of the gas reserves are located.

These figures reflect the concentration of ownership of natural-gas acreage. Thus, more than three-quarters of the acreage in the great Panhandle and Hugoton fields of Texas, Oklahoma, and Kansas, representing one-quarter of the country's entire reserves of natural gas, is controlled by 25 companies while 10 of these companies control three-fifths of the acreage. Taking the country as a whole, 33 oil companies held in lease or fee five-eighths of the total oil and gas acreage, with more than half the acreage in the hands of 20 companies.

In the face of this situation, it is clear that the majority can place no dependence upon free competition among producers to assure reasonable prices. In fact, the proponents of this legislation have failed to establish the existence of such competition, for the evidence reveals that the effective competition today is between buyers seeking natural-gas supplies from producers rather than between producers seeking a market. For example, Mr. B. H. Hardey, an independent oil and gas operator, under examination by Representative HALE,[6] testified that there is active competition between competing pipeline companies to get the gas "and sometimes the prices on individual contracts are boosted up as a result of that competition."

Similar testimony is to be found in the record of the Senate committee hearings on S. 1498. A forceful statement of how competition between buyers is bidding up the field price of gas in the Carthage, Tex., field is found in the testimony of Mr. E. Buddrus, president of Panhandle Eastern Pipe Line Co., in the House hearings on H. R. 2185 (p. 270), during the first session of the Eightieth Congress.

If the pipe-line company finds that it is being held up for too high a price, it cannot, for example, move its line from the Gulf coast fields of Texas and Louisiana, to the fields of Kansas, Oklahoma, or Wyoming, but is forced to continue to buy gas in the general area where it first secured its gas supply. It cannot go shopping around elsewhere for cheaper gas. The freedom of purchasing from many competing dealers available to purchasers of coal or oil, for example, is very much restricted if not completely absent in the case of natural-gas companies.

Consumers at one end of the pipe line are wholly dependent for their gas supply on producers at the other end of the line, perhaps a thousand or more miles away. Because of that relationship and the tying down of a pipe-line company to a particular supply area, competitive forces are weak and monopoly forces strong, thus governmental regulation is required for protection of the public.

Since the dominant position of a few large producers in the ownership of gas reserves enables them to charge what the traffic will bear, regulation of the subsequent transportation and sale by the Federal and State commissions would be rendered wholly ineffective if the bill is enacted. The monopoly prices which producers would be able to charge under such conditions would result in fantastic profits from the sale of a limited natural resource. The insatiable desire for higher and higher profits, in fact, provides the mainspring for these efforts of the oil and gas industry to avoid or destroy governmental regulation which would in any way limit such swollen profits.

RECORD REVEALS SHARP INCREASE IN FIELD PRICES

The record shows that the field prices which prevailed during the years 1939–47 were, in general, determined when there was actual competition among producers and that they closely approximated the reasonable cost level which the Commission has determined in rate cases for gas produced by interstate pipe lines from their own reserves. During that period the prices paid independent producers in the southwestern area remained remarkably stable. Since 1947, however, the rapidly expanding pipe-line market has given those who dominate the country's gas reserves their opportunity and field prices have increased at a rapid rate.

An excellent portrayal of this changed situation is found in the comments of E. DeGolyer, a leading geologist and director of Republic Natural Gas Co., a large independent producer, who said in November 1948:

"Gas, which only a few short years ago, could not be sold at the wells for 1 cent a thousand cubic feet, is now, bringing prices as high as 8 to 15 cents a thousand cubic feet. What other industry has enjoyed such price increases for its product with an ever-increasing demand which should at least assure maintenance of existing price levels for years to come?"

This general view of the rapid upward trend of natural-gas field prices was described by Mr. E. Buddrus in the hearing on H. R. 2185 before this committee in April 1947. He said that up to the last few years before the war there was a normal demand for natural gas and the "pipe-line boys" were buying it for 3, 4, or maybe 5 cents. He continued: "Since that time the expansion program has been going on and that price is going from 5 to 6, to 7 or 8 cents at the mouth of the well."[7] Similarly, Mr. O. C. Bailey, chairman of the Arkansas Oil and Gas Commission, testified in the hearings on the present bill that, since the long distance pipe lines have come in and have been bidding for gas, the price of sweet gas has increased to around 8 cents at the wellhead.

Testimony before the Senate committee considering S. 1498 (81st Cong.) is to the effect that the price of gas at the wellhead would continue to increase. Thus, Jeff A. Robertson, chairman of the Kansas Corporation Commission testified:

"The cost of gas is steadily rising. I am familiar with asking prices at the wellhead of 10, 11, and 12 cents per thousand cubic feet by various producers."

The prices named in recent contracts for purchase of gas reflect these large increases in field prices. Current prices are more than twice the average well-mouth price of 1947. But there is evidence that prices will not stop there for these same contracts contain escalator clauses providing for automatic price increases in the future. They also contain renegotiation clauses which require the pipeline company to pay the current field price but not less than the contract price after a period of years has elapsed. Furthermore, many of the new contracts contain so-called favored-nation clauses requiring an increase in the contract price should the pipe-line company pay a higher price to another producer, or some other purchaser within the same district offer a higher price for gas.

These clauses in gas-purchase contracts are of recent origin. They point to higher field prices in the future which can only mean higher costs for natural gas all along the line to the ultimate consumer.

The recent sharp upward trend in field prices serves to emphasize the need for regulation of interstate sales by independent producers. In view of this new situation no significance should be attached to the fact that the Commission has not hitherto found it necessary to exercise jurisdiction over such sales.

INCREASED COST OF GAS TO CONSUMER WILL RESULT FROM LEGISLATION

We believe that enactment of the proposed legislation would, over the years, seriously affect the cost of gas to the consumer. The producers clearly evince the desire to bring the field price of gas to a level where this cost, plus the cost of transportation, would approach the price of other fuels on an equivalent heat-value basis at the market end of the pipe line.

The record shows that if the gas consumers had been charged in 1947 on a comparative heating-value basis with oil they would

[6] House hearings on H. R. 79 and H. R. 1758, 81st Cong., 1st sess., p. 51.

[7] House hearings on H. R. 2185, 80th Cong., 1st sess., p. 264.

have paid an additional $500,000,000 for natural gas. A 5-cent increase in the average price of gas purchased from independent producers on the basis of 1947 consumption would have amounted to $65,000,000. On the basis of estimated purchases in 1952 the increase would be $132,500,000, annually, as such purchases will double during this 5-year period.

Specific evidence is available that increases in field prices will increase the cost of gas to the consumer. During the last 2 years the Oklahoma Corporation Commission and the Kansas Corporation Commission have entered orders fixing the minimum wellhead prices of 7 and 8 cents, respectively, per thousand cubic feet for natural gas taken from the Hugoton field. Several interstate pipe-line companies would have their cost of purchased gas increased twofold by this action.

The pipe-line companies are contesting the actions of the two State commissions in the courts on constitutional and other grounds. They are contending, among other things, that the orders will force an increase in the price of gas to the consumers in the two producing States, as well as in other States. As expressed by one company, in its protest and petition to intervene—"the action of the (Kansas Commission) * * * would automatically force an increase in the price of gas to the ultimate consumer in Kansas, and in other States."

The order of the Kansas Commission has already resulted in an increase in rates to the Nebraska industrial customers of one pipe-line company. The increase in the price of gas in the Hugoton field by the two State commissions will add an additional $8,000,000 a year to the cost of gas to these pipe-line companies. The gas companies claim that these increases would be passed on to the consumers.

Thus it is clear that these field prices are matters of national, rather than local interest, requiring Federal regulation to protect millions of consumers in the States dependent upon large imports of gas for the maintenance of this essential utility service.

The majority, apparently recognizing that the price increase possibility cannot be ignored, cite the fact that the average price paid by interstate pipe lines to independent producers in the southwestern-producing States is about 4.6 cents per thousand cubic feet, while the domestic consumer in the District of Columbia now pays about $1.51 per thousand cubic feet, implying that the field price is only a minor factor in the cost of gas to the ultimate consumer. The comparison is not representative. For, when all utility sales of natural gas are considered, the field price represents a significant portion of the 34-cent average cost of gas to the ultimate consumer. In fact, the field prices being currently asked in the Southwest would represent more than 25 percent of that figure and approximately 50 percent of the combined average price charged utility industrial customers.

The majority speaks of vague fears having been expressed that sometime in the future a situation might conceivably arise when it would be desirable for the Commission to exercise this authority and indicates that the situation could be met at that time by appropriate action by Congress.

But the record is clear that the time for action is now at hand. The current field-price situation demands regulatory attention. Requests for rate increases by pipeline companies because of the increased cost of gas in the field are inevitable. The sponsors of the legislation readily admit their interest in higher field prices.[8] Surely it would be folly for Congress to enact this legislation exempting these sales from regulation and then turn around and pass new legislation which would give the Commission the same jurisdiction it now has.

SMALL PRODUCERS COULD BE EXEMPTED WITHOUT SACRIFICE OF PUBLIC INTEREST

The Federal Power Commission, in its report on H. R. 1758, indicated "that no occasion would ever arise to regulate the small producer." At the hearings a representative of the Commission stated that "by rule or statute or otherwise" it would be feasible "to fix a maximum amount of sales in interstate commerce before jurisdiction would attach." This would relieve the small independent producer of all regulatory requirements. The fact that a relatively few major oil and gas companies control the greater portion of the country's gas reserves and make most of the sales of natural gas to interstate pipe lines suggests that such exemption of small producers would not adversely affect the public interest.

Subsequent to the hearings, at the request of the chairman of this committee, language was drafted which would exempt from Federal regulation small producers and gatherers whose total annual sales in interstate commerce are less than 2,000,000,000 cubic feet and the Commission reported favorably thereon. We attach the draft of this language as exhibit A to this report.

It appears that the language proposed in exhibit A would exempt from regulation 97 percent, or approximately 2,230 of the 2,300 producers and gatherers of natural gas making sales to interstate pipe-line companies and yet would leave subject to regulation more than 70 percent of the gas sold by so-called independent producers to natural-gas companies. Further, it appears that such classification would be constitutional as similar classifications and exemptions have been upheld under the rule laid down by the United States Supreme Court in *Wilson* v. *Neb.* (243 U. S. 332).

We are convinced that the enactment of this proposed language in lieu of the bill reported by the majority would make certain that dominant producing interests, primarily the major oil companies of the Nation, would not be able to assert their monopolistic position in the control of gas reserves to the detriment of the public interests. At the same time it would relieve from regulation the little well owners for whom Speaker RAYBURN evinced concern in opposing the enactment of H. R. 4051 (Moore-Rizley bill) in the Eightieth Congress, when he indicated a desire to vote for that part of the bill "that will really give relief to these little well owners and take them out of interstate commerce."

CONCLUSION

The bill recommended by the majority would nullify the Federal Power Commission's authority with respect to field sales of natural gas in interstate commerce by producers and gatherers, thus eliminating regulation which the Congress and the courts have recognized as essential for the protection of consumers from exploitation. The bill is one segment of the over-all plan of the oil and gas industry, embodied in the Moore-Rizley bill of the Eightieth Congress, designed to destroy effective Federal regulation of interstate commerce in natural gas.

The bill, by freeing a large segment of the industry from regulation, would benefit primarily a few large corporations which, because of their monopolistic control of gas reserves in the Southwestern States, would have almost unfettered power to fix the price of gas entering interstate transmission lines.

As the price of gas entering the pipe lines is a determinative factor in the price at the market end of the line, the bill, if enacted, would destroy protection which the act affords the consumer.

The rapid increase in field prices of natural gas, which can be expected to continue and which competition is unable to control, requires the continuation of the power to regulate interstate sales of natural gas by independent producers and gatherers.

There is no doubt that, over the years, enactment of the bill would increase the cost of gas to the ultimate consumer by many millions of dollars. It is likewise indisputable that the objective of the proponents is higher prices. It is unquestionably for this reason that the cities which originally were numbered among the most vigorous supporters of the bill which became the Natural Gas Act are now, through the National Institute of Municipal Law Officers, opposed to this bill.

Natural gas is a wonderful resource of nature which has come into great demand since World War II. It was given to us by our Creator for the benefit of all of our citizens. We must not permit its great value, created in large measure by the demand of the people themselves, to be appropriated by monopolies through inflated profits. Reason and justice require that the sales of natural gas to interstate pipe lines for ultimate public consumption be subject to Federal regulation in order to assure that independent producers and gatherers ask no more than reasonable prices to meet their legitimate costs, including the market rate of interest upon the capital prudently invested in plant and equipment. In the supplying of natural gas to a utility market these producers and gatherers are not entitled to exact "what the traffic will bear," for the consuming public is itself entitled to the benefits which this great natural resource offers after paying the reasonable costs of labor and capital required to make it available for use.

For all of the reasons herein set forth we recommend that H. R. 1758 be rejected by the vote of the House and be not enacted into law, and further recommend that any amendment relating to the authority of the Federal Power Commission over sales in interstate commerce by producers and gatherers of natural gas shall be in accordance with the amendment proposed in the draft attached hereto as exhibit A.

By such action the Congress can dispose of the differences that now exist and at the same time assure the consumers of natural-gas protection against unreasonable rates.

ROBERT CROSSER.
GEORGE G. SADOWSKI.
JOHN B. SULLIVAN.
ANDREW J. BIEMILLER.
ARTHUR G. KLEIN.
NEIL J. LINEHAN.

EXHIBIT A

AMENDMENT TO H. R. 1758, EIGHTY-FIRST CONGRESS

On page 1, line 1, strike out all after the enacting clause and insert the following:

"That subsection (b) of section 1 of the Natural Gas Act, approved June 21, 1938, is hereby amended by eliminating the period at the end thereof, and adding the following: 'or to any sale of natural gas in interstate commerce at or prior to the conclusion of production or gathering by a person whose total sales of natural gas in interstate commerce individually or in the aggregate with affiliated producers and gatherers do not exceed on an annual basis 2,000,000,000 cubic feet computed at 14.65 pounds per square inch absolute at 60 degrees Fahrenheit provided such person is neither a natural-gas company by reason of other activities nor affiliated with a natural-gas company.'"

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[8] During hearings on S. 1498, introduced by Senator KERR as the companion bill of H. R. 1758, Commissioner Olds stated, in part: "Turning now to the trend in field prices, I believe the chief proponents of S. 1498 are interested in higher field prices of natural gas." Senator KERR interjected at this point with the remark: "That will be admitted." (Hearings on S. 1498, a bill to amend the Natural Gas Act, 81st Cong., 1st sess.)

Mr. LYLE. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. PRIEST].

Mr. PRIEST. Mr. Speaker, because several references have been made throughout the debate in this Chamber last year and in the other body to the Priest bill, references showing that the Priest bill of 1947 is rather largely the same as the bill now pending with the exception of the Senate amendment providing for continuation of a study, I want to take a few minutes to point out one or two important considerations in connection with this bill.

Reference was made by my colleague, the gentleman from Massachusetts [Mr. HESELTON], I believe it was, to the Rizley bill that was before the Eightieth Congress. The Rizley bill was before the Committee on Interstate and Foreign Commerce for quite a while. Extensive hearings were held. I was not for that bill; I thought it went too far. At that time the Federal Power Commission came before the Committee on Interstate and Foreign Commerce. They came to my office and requested me to introduce a bill as a substitute for the Moore-Rizley bill. That request came also from the White House.

In a letter to the then chairman of the Committee on Interstate and Foreign Commerce, the gentleman from New Jersey [Mr. WOLVERTON] the Federal Trade Commissioner said this:

> This is in response to your request of July 9 for an early comment by the Commission regarding H. R. 4099, a bill introduced by Congressman PRIEST, of Tennessee.
>
> The Federal Power Commission urges the enactment of this bill at this time to make it perfectly clear that independent producers and gatherers of natural gas are exempt from the provisions of the Natural Gas Act and the jurisdiction of this Commission.
>
> The enactment of this bill would dispel the uncertainty regarding the status of such independent producers and gatherers which has been created following the recent decision of the Supreme Court in the Interstate case. Such action by the Congress now should dispose of this important and noncontroversial matter.

The last paragraph of the letter reads:

> I am authorized to state that the position of the Commission in this matter is fully in accord with the legislative program of the President.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not a fact that the bill that passed the House last August, H. R. 1758, and the amendment that was passed by the Senate and sent over here, which is before the House at this time, is exactly the same thing and has for its purpose the exemption of independent producers and gatherers of natural gas where the sales are at arm's length.

Mr. PRIEST. Exactly, and that is the law as it has been in effect since 1938. This makes no change whatsoever. It says that a law which has been in effect for 12 years, during which time the retail price of natural gas has declined 12 percent, shall continue to operate on that same basis.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. PRIEST. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. Is it not a fact that if a driller were drilling for oil and found gas, that he would inadvertently find himself in the public-utility business?

Mr. PRIEST. Assuming that the Commission has the jurisdiction which some claim it does, but which the law does not give it, and which was made perfectly clear in all of the legislative history of the act.

The SPEAKER. The time of the gentelman from Tennessee has expired.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. YOUNG. Mr. Speaker, passage of this bill would over the years cost the consumers of this Nation billions of dollars. I assert this is a billion-dollar steal. I voted against this bill in the last session. I oppose this resolution today.

Natural gas is a wonderful resource of nature. The Almighty has given this to us for the benefit and general welfare of all of our citizens. Let us not permit this great natural resource so important to so many of our people to be appropriated by monopolies through inflated profits. Reason, justice, common sense, and the general public welfare require that the sales of this precious product of nature to interstate pipe lines for public consumption be subject to Federal regulation to insure protection for the consumers and assure that independent producers secure reasonable prices and make reasonable profits. I oppose this resolution as a billion-dollar steal. I am certain in my own mind if this resolution is adopted our consumers will pay "through the nose" to the extent of $100,000,000 each year. We should not barter away this bounty of nature given us by God to a favored few.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Speaker, I submit the following reasons why the Kerr bill should be rejected:

First. The United States Supreme Court has held in the Interstate Natural Gas case that it was not the original intent of Congress to exempt interstate sales of natural gas by independent producers.

Second. The United States Supreme Court has also held that States may not regulate interstate sales for resale—*Missouri* v. *Kansas Gas Co.* (265 U. S. 298 (1924)); *Public Utilities Commission* v. *Attleboro Steam & Electric Co.* (273 U. S. 83 (1927)).

Third. Regulation of initial sales of gas in the field is necessary if the price to the consumer is to be kept down. Unreasonable charges exacted at the interstate movement become perpetuated in large part in fixed items of cost which must be covered by rates charged subsequent purchasers, including consumers.

Fourth. Independent producers control 86 percent of the gas reserves of the Nation, and sell 70 percent of the interstate pipe line gas; thus the largest part of this limited resource would be exempted from effective regulation by the Government through the FPC.

Fifth. Protection of natural resources for the benefit of the whole Nation is important to our national defense. Seven States—Texas, Oklahoma, Kansas, Arizona, Louisiana, Mississippi and Arkansas—control 88.8 percent of the gas reserves of the Nation; it should not be left to the discretion of this small minority of States to decide what disposition of gas is in the best interest of the Nation as a whole.

Sixth. Competition among independent natural-gas producers is almost nonexistent, since 72 percent of the gas sold to pipe lines comes from the 35 largest producers.

Seventh. Competition is stifled because once pipe lines are laid to a field, it is too expensive to tear them up and lay new ones even though gas might be obtained more cheaply elsewhere.

Eighth. Prices of gas will go up because long-term contracts do not bind producers to a fixed price. The majority of contracts contain escalator clauses, favored-nation clauses, renegotiation clauses, and cancellation clauses. It is estimated that the increased cost to consumers will be about $200,000,000 a year.

Ninth. Gas is in short supply, the total reserves being limited, and this being the cleanest and most convenient of all fuels. Since demand outruns supply the producers are able to get an exorbitant return on their investment and operative expenses, unless controlled. Consumers, as well as producers, are entitled to share the economies of using natural gas, and should not be compelled to pay more simply because oil and coal cost more.

Tenth. Passage of the Kerr bill would result in preferential treatment of independent producers as compared with pipe-line companies who produce gas. The pipe lines are and would be limited to a 6-percent return on actual cost, while the independents have been earning and would continue to earn from 15 to 30 percent on investment and surplus. There is no rational basis for making this distinction in view of the fact that the commodity each type of producer sells is the same and should have the same value.

Eleventh. The bill, if passed, would take away jurisdiction which the FPC already has and give it to utilities commissions of seven States which control the gas reserves of the country. Recently the utilities commissions of the States of Kansas and Oklahoma have taken it upon themselves to grant price increases to producers selling gas in interstate commerce.

The legislation is against the public interest in that it would remove governmental jurisdiction by FPC which already exists.

Mr. LYLE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, with my long record in this House of Representatives, starting way back, being a

member of the subcommittee that wrote the Federal Power Commission Act, being a member of the subcommittee that wrote the Federal Trade Commission Act, and being the author of the Securities Act of 1933, of the Stock Exchange Regulation Act of 1934, and of the Utilities Holding Company Act of 1935, I do not think I could be accused of having any great desire to serve the interests over the people.

If I felt as my distinguished and beloved friend from Ohio [Mr. CROSSER] has indicated he feels, that the Federal Government should own and control all the natural resources of this country, then my position on this and much other legislation would certainly be changed.

We have been going along the other line for more than a century and a half, and our country has grown to be the greatest and the most prosperous country in the history of the world.

The difference between this amendment and the bill we passed in the House is simply this, practically nothing more or nothing less: As a concession to some people who said they wanted to carry on this thing and not make this final, the Senate amendment in which we are seeking to concur today, in addition to the bill that passed the House, says, "We are going to pass this legislation but we want to carry on the study to see whether or not in passing this legislation we have done the proper thing."

In being for this bill, as I was when it originally passed the House and as I am now in favoring concurring in the Senate amendment, I have some pretty good company. The Federal Military Establishment was asked about this bill, and this is the guts of what they said, after all elements of the Department of Defense has studied it:

> Enactment of the bill will remove uncertainties now existing as to the extent of the application of the Natural Gas Act and will clarify its terms. Its effect should be to encourage the development of oil and gas resources and thus would be of benefit to the national security.

That is what our whole Military Establishment says about this legislation.

This bill simply says that the little fellow, who goes out and strikes some gas, is not going to be hauled up to Washington and tried before the Federal Power Commission, and that the independents in gathering, not in the transportation in interstate pipe lines or anything of the sort, shall not be placed under regulations that they would be in interstate commerce.

In my opinion—and I state this to you deliberately; I would not deceive you; you know that—this will not raise the price of natural gas to any consumer in the United States 1 red penny. I think this thing should be gotten out of the way. We should concur in this Senate amendment and then have this study and see where we go from there.

Mr. PRICE. Mr. Speaker, I am opposed to the so-called Kerr bill, H. R. 1758, to amend the Natural Gas Act, in any form. It is strictly an effort on the part of operators to avoid regulation by the Federal Power Commission to permit them to increase rates.

Eventually this legislation will mean that the gas bill for Illinois users of natural gas will be increased over $4,500,000 annually. It means that in the neighboring State of Missouri the users of this fuel will have more than $3,500,000 added to their annual bill.

I think it is the duty of Congress to protect the consuming public from such raids on their pocketbooks. It has been an age-old fight on the part of Government to protect the public from overcharges in all public-utility fields. We have made some progress, but if Congress falls into this trap, it will indicate a high degree of negligence on the part of those charged with protecting the public interest.

I sincerely hope my colleagues in the House this afternoon will be able to see this and that they will vote against this measure. I voted against this legislation in the Eightieth Congress. I voted against it in the first session of the present Congress, and I will vote against it again today. The House has the opportunity to kill this bill today, and I trust my colleagues will act wisely.

Mr. KARST. Mr. Speaker, I wish to go on record as vigorously opposing the Kerr amendment to the Natural Gas Act, and to express my reasons for this objection.

As I see it, this bill, which amends the Natural Gas Act, will exempt natural-gas producers from Federal regulations, thus permitting the producers to set their own prices for their product. This can only mean an eventual increase in cost to consumers, among whom will be the people I represent. If such a measure is allowed to become effective, not only will my constituents suffer, but the same ill effects will be felt by consumers all over the country. And who will benefit? Only those States and localities where the natural gas is produced, which at best will bring increased revenue to only some three or four States.

I understand if this bill is passed, the cost per thousand cubic feet may be increased by as much as 5 cents, resulting in an increase of $5,000,000 per year from the pockets of our people in the State of Missouri alone. However, the revenue derived by our State from this increased cost to the consumers of natural gas will be nil, the bulk of the increase going, of course, to the localities where the gas is produced or where the well heads exist.

In conclusion, may I state that I opposed a similar House bill when it was before me on the floor of the House in the last session, and I will continue to oppose the passage of this bill now. I feel that as Members of the House of Representatives, elected by the people to represent the people of their districts, all Representatives of all States other than the producers of natural gas, should vigorously oppose this bill and join me in killing this amendment that will eliminate such utilities from the jurisdiction of the Federal Power Commission in their operations and in their charges.

Mr. TAYLOR. Mr. Speaker, I wish to call the attention of the House to a telegram which I have received from an eminent engineer, Dr. Roland F. Beers, on this very subject which we are now debating.

His learned views concerning this legislation could well be considered by the membership of the House:

Hon. DEAN P. TAYLOR,
House of Representatives,
Washington, D. C.:

Enactment of the Kerr-Thomas bill will inevitably result in discovery and development of new gas reserves, lower prices to consumers, and adequate supplies to support the rapidly expanding demand. Under Federal regulation there would be no incentive to exploration and development and therefore a shortage of supply would follow. Natural competition of other fuels will automatically regulate consumer prices to the lowest levels consistent with a healthy fuel economy for our Nation.

ROLAND F. BEERS,
Head, Department of Fuel Resources, Rensselaer Polytechnic Institute, Troy, N. Y.

Mr. KARSTEN. Mr. Speaker, this legislation would take from the Federal Power Commission the authority to regulate the initial sale of gas from the producer to the pipe-line company. Under this bill any Federal regulation of natural gas would be ineffective. The inevitable result is an increase in the price of natural gas.

I opposed this legislation in the House when the natural-gas bill was considered last summer. It was apparent then, as well as now, that this is not legislation for the 24,000,000 consumers of natural gas, but rather a bill to promote the gas business. The hearings brought out that there are some thirty-odd companies which produce about 86 percent of the gas sent over interstate pipe lines. This bill will mean huge profits for them at the expense of the consumers and industrial users of gas.

The people of my city feel that gas rates are high enough now but if this bill passes there will be further increases in their monthly gas bills. In fact, it has been estimated that this bill would take $200,000,000 annually from the pockets of the American consumers. In Missouri alone the increase in gas costs might initially amount to more than $3,000,000 annually if this bill becomes law.

In the St. Louis area there are thousands of families who will be adversely affected by this legislation. There are thousands of industries which now rely on natural gas. They are all opposed to this bill.

I have studied the legislation for over a year and my conclusion is that this is a fight between the people of our country and a handful of wealthy oil and gas companies. I hope the people will win. They will win if we defeat this bill.

Mr. O'SULLIVAN. Mr. Speaker, as I have stated on other occasions when this bill was being considered by the Eighty-first Congress, I am unalterably opposed to the passage of this legislation, H. R. 1758. It is a selfishly bad bill. Regardless of what the claims of others more trusting may be, as to its pretended merits, the only purpose which it will serve in fact really is to increase the earnings of superlatively unjust and greedy men. The big financial institutions of the Nation in New York, Boston, Pittsburgh, and Chicago, and avaricious men will be permitted to raise the price

of gas at the well site, and perhaps by Texas, Oklahoma, and Kansas, and other State authorities, and thus increase the cost of natural gas to the pipe lines and thus to the consumers of the Nation. Anyone who knows anything knows that you should not permit these alleged small gas gatherers, and by the way one of the subsidiaries of the Standard Oil Co. and every other big oil producer, are among these small gas gatherers, to be removed from even the threatened regulatory authority of the Federal Power Commission. Like the removal of rent control the price to the pipe-line companies will be increased by these so-called small gas gatherers at the well site and the cost to the consumer will be increased not to the same extent but perhaps manyfold.

It is said that the Senate amendment provides for a study board to be set up after the law is passed, to determine whether a mistake was being made in releasing the alleged small, independent gas gatherers from the yet undetermined control of the Federal Power Commission. It occurs to me that if there is such apparent doubt about this matter the bill should not become law first, but on the contrary the study should be made first by the board.

The same people who own the large coal mines are interested also in oil as a fuel, and natural gas as a fuel, and private electric power which also in some instances has a fuel value and is a substitute for coal, oil, and gas in generating steam, and one of the for-sure thoughts behind the people outside of this House who schemed up this legislation is to render natural gas noncompetitive with coal, oil, and electric current as far as possible. It is indeed disheartening to realize that a great drive was made to have cities and people convert to natural gas and scrap their gas-manufacturing plant. When all these cities and people are now entirely at the mercy of natural-gas suppliers, this trick is taken out of the old gas bag and the price to the consumers will be raised as sure as God made little green apples. Already Omaha, Nebr., is facing an increase in gas rates by its natural-gas server.

Nebraska, my State, is a consumer State and I cannot go along with this bill and shall vote against this proposed resolution.

It might be interesting to some people to know that gas pipe-line companies transmitting gas in interstate commerce may act as producers, wholesalers, retailers, and common carriers. No outsider can make them carry gas in their lines even though they have the right in most States to exercise one of the rights of sovereignty, to wit, eminent domain. Someone in the interests of the people should make them confine their activities to that of common carriers alone, and I shall introduce a bill next week in this House to do that very thing. Let us make these pipe-line companies common carriers in interstate commerce only just like transportation companies, such as railroads, trucking lines, bus companies, and other interstate carriers.

Mr. YATES. Mr. Speaker, I am sorry to leave the leadership of my party on this most important issue, but I must. This is one bill on which I am convinced the leadership is completely wrong and I shall oppose this bill.

I subscribe completely to the remarks just made by my friend the gentleman from Massachusetts [Mr. HESELTON]. Why this unseemly haste in forcing this bill to a vote before this House, with no opportunity to debate it thoroughly? The bill is one of the greatest importance to the millions of consumers in the Nation, and here under this rule we are given no opportunity to even discuss its provisions.

As a matter of fact it is a different bill than the one approved by the House last year. Provisions have been changed, new ones have been added. The other body thought the changes of sufficient significance to demand a conference and appoint conferees to negotiate and iron out the differences in the bill. Yet, without more ado, we are requested to give approval to such changes without even considering them and if I had not demanded that the Senate amendment be read, we would have not even known what we were voting upon. Is this the manner in which the greatest deliberative body in the world should operate?

The gentleman from Texas [Mr. LYLE] referred to the need for this bill and stated that the Federal Power Commission had usurped the functions of the Congress. How ironical, how paradoxical it is, then, that he rises to support the Senate amendment which grants additional powers to the Federal Power Commission. But you will notice that the grant of power he approves are not those which can be used to restrain the predatory practices of the big producers he is so worried about.

The bill we now have before us is not the bill we passed last year. This one is worse. It confuses and confounds the supervisory jurisdiction of the Power Commission and the Federal Trade Commission. Do you know which one has the job of preventing monopolistic practices in the gas industry? I do not, nor does anyone here. This bill tries to give it to the Power Commission, but does not quite succeed, and nobody knows what the new section means. We are acting in haste; we will surely repent in leisure.

Mr. Speaker, this is a special interest bill. It will take millions of dollars from the pockets of the consumers and give it to the industries already making enormous profits. It goes against the principles of the Democratic Party, it goes against our campaign pledges. I urge as vehemently as I can that it be defeated.

The SPEAKER. The question is on the resolution.

Mr. BIEMILLER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 176, nays 174, answered "present" 2, not voting 79, as follows:

[Roll No. 126]

YEAS—176

Abernethy	Anderson, Calif.	Beall
Albert	Andrews	Beckworth
Allen, Calif.	Arends	Bentsen
Allen, Ill.	Barrett, Wyo.	Blackney
Allen, La.	Bates, Ky.	Boggs, La.
Bolton, Ohio	Hill	Priest
Bonner	Hinshaw	Rains
Boykin	Hoffman, Mich.	Rankin
Bramblett	Hope	Reed, Ill
Brehm	Horan	Rees
Brooks	Jenison	Regan
Brown, Ga.	Jenkins	Rich
Brown, Ohio	Jennings	Richards
Burleson	Jensen	Rogers, Fla.
Byrnes, Wis.	Jones, Ala.	Rogers, Mass.
Camp	Jones, Mo.	Sanborn
Carlyle	Jones, N. C.	Scott, Hardie
Chatham	Kearns	Scott,
Clevenger	Kerr	Hugh D., Jr.
Cole, Kans.	Kilburn	Scrivner
Cole, N. Y.	Kilday	Scudder
Colmer	Larcade	Secrest
Combs	Latham	Shafer
Cooley	LeFevre	Sheppard
Cooper	Lucas	Short
Cotton	Lyle	Sikes
Cox	McConnell	Simpson, Ill.
Curtis	McCormack	Simpson, Pa.
Dague	McCulloch	Smith, Kans.
Davis, Tenn.	McKinnon	Smith, Va.
Deane	McMillan, S. C.	Steed
DeGraffenried	McMillen, Ill.	Stigler
D'Ewart	Mahon	Stockman
Dolliver	Martin, Iowa	Sutton
Elliott	Martin, Mass.	Tackett
Ellsworth	Merrow	Taylor
Fernandez	Meyer	Teague
Fisher	Miller, Md.	Thomas
Frazier	Miller, Nebr.	Thompson
Fugate	Mills	Thornberry
Gamble	Monroney	Trimble
Gathings	Morris	Underwood
Gavin	Morrison	Vinson
Gillette	Moulder	Vorys
Goodwin	Murdock	Vursell
Gore	Murray, Tenn.	Wadsworth
Gossett	Nicholson	Weichel
Graham	Norrell	Werdel
Gregory	O'Hara, Minn.	Whitten
Gwinn	Pace	Whittington
Hall,	Passman	Wickersham
Leonard W.	Patman	Williams
Halleck	Patten	Willis
Hardy	Peterson	Wilson, Ind.
Hare	Phillips, Calif.	Wilson, Okla.
Harris	Pickett	Wilson, Tex.
Harrison	Plumley	Winstead
Hays, Ark	Poage	Worley
Herlong	Poulson	
Herter	Preston	

NAYS—174

Addonizio	Fallon	Kennedy
Andersen,	Feighan	Keogh
H. Carl	Fenton	King
Aspinall	Flood	Kirwan
Auchincloss	Fogarty	Klein
Barrett, Pa.	Forand	Lane
Bates, Mass.	Ford	Lanham
Bennett, Mich.	Fulton	LeCompte
Biemiller	Furcolo	Lemke
Bishop	Garmatz	Lesinski
Blatnik	Gary	Lind
Bolling	Golden	Linehan
Bolton, Md.	Gordon	Lodge
Bosone	Gorski	McCarthy
Breen	Granahan	McDonough
Bryson	Granger	McGrath
Buchanan	Green	McGuire
Buckley, N. Y.	Gross	McSweeney
Burke	Hagen	Mack, Ill.
Burnside	Hand	Mack, Wash.
Burton	Harden	Madden
Canfield	Hart	Magee
Cannon	Harvey	Mansfield
Carnahan	Havenner	Marcantonio
Case, N. J.	Hays, Ohio	Marsalis
Case, S. Dak.	Heffernan	Michener
Chelf	Heller	Miller, Calif
Christopher	Heselton	Mitchell
Chudoff	Hobbs	Morgan
Clemente	Hoeven	Morton
Corbett	Holifield	Multer
Crook	Holmes	Murray, Wis.
Crosser	Howell	Noland
Cunningham	Huber	O'Brien, Ill.
Davenport	Irving	O'Brien, Mich.
Davies, N. Y.	Jackson, Wash.	O'Hara, Ill.
Davis, Ga.	Jacobs	O'Neill
Davis, Wis.	Javits	O'Sullivan
Delaney	Johnson	O'Toole
Denton	Jonas	Patterson
Dingell	Judd	Perkins
Dollinger	Karst	Pfeifer,
Dondero	Karsten	Joseph L.
Donohue	Kean	Philbin
Doyle	Kearney	Phillips, Tenn.
Eberharter	Keating	Polk
Elston	Keefe	Potter
Engel, Mich.	Kelly, N. Y.	Price

Quinn	Sims	Wagner
Rabaut	Smith, Wis.	Walsh
Ramsay	Spence	White, Calif.
Rhodes	Stefan	Widnall
Rodino	Sullivan	Wier
Rooney	Taber	Withrow
Roosevelt	Talle	Woodhouse
Sadlak	Tauriello	Yates
St. George	Tollefson	Young
Saylor	Van Zandt	Zablocki
Shelley	Velde	

ANSWERED "PRESENT"—2

Jackson, Calif. Wigglesworth

NOT VOTING—79

Abbitt	Fellows	O'Konski
Andresen, August H.	Gilmer	Pfeiffer, William L.
Angell	Grant	Powell
Bailey	Hale	Redden
Barden	Hall, Edwin Arthur	Reed, N. Y.
Baring	Hébert	Ribicoff
Battle	Hedrick	Riehlman
Bennett, Fla.	Hoffman, Ill.	Rivers
Boggs, Del.	Hull	Sabath
Buckley, Ill.	James	Sadowski
Bulwinkle	Kee	Sasscer
Burdick	Kelley, Pa.	Smathers
Byrne, N. Y.	Kruse	Smith, Ohio
Carroll	Kunkel	Staggers
Cavalcante	Lichtenwalter	Stanley
Celler	Lovre	Towe
Chesney	Lynch	Walter
Chiperfield	McGregor	Welch
Coudert	Macy	Wheeler
Crawford	Marshall	Whitaker
Dawson	Mason	White, Idaho
Doughton	Miles	Wolcott
Douglas	Murphy	Wolverton
Durham	Nelson	Wood
Eaton	Nixon	Woodruff
Engle, Calif.	Norblad	
Evins	Norton	

Messrs. WILSON of Indiana, SHAFER, LATHAM, and MOULDER changed their votes from "nay" to "yea."

Mr. WIGGLESWORTH. Mr. Speaker, I have a live pair with the gentleman from South Carolina, Mr. RIVERS. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. JACKSON of California. Mr. Speaker, I have a live pair with the gentleman from California, Mr. ENGLE. If he were present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The SPEAKER. On this roll call the yeas are 176 and the nays are 174, with 2 present.

Mr. MARCANTONIO. Mr. Speaker, I ask for a recapitulation.

The SPEAKER. The Chair will announce that on recapitulation votes cannot be changed.

The Clerk will call the names of those voting in the affirmative.

The Clerk called the names of those voting "yea."

The SPEAKER. Is there any Member voting "yea" who is incorrectly recorded? [After a pause.] The Chair hears none.

The Clerk will call the names of those recorded as voting "nay."

The Clerk called the names of those voting "nay."

The SPEAKER. Is there any Member voting "nay" who is incorrectly recorded? [After a pause.] The Chair hears none.

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Walter for, with Mr. Carroll against.

Mr. Jackson of California for, with Mr. Engle of California against.

Mr. James for, with Mr. William L. Pfeiffer against.

Mr. Reed of New York for, with Mr. Mason against.

Mr. Gilmer for, with Mr. Welch against.

Mr. Wheeler for, with Mr. Chesney against.

Mr. Bennett of Florida for, with Mr. O'Konski against.

Mr. Battle for, with Mr. Buckley of Illinois against.

Mr. Whitaker for, with Mr. Kruse against.

Mr. Stanley for, with Mr. Staggers against.

Mr. Rivers for, with Mr. Wigglesworth against.

Mr. Redden for, with Mr. Ribicoff against.

Mr. Hébert for, with Mr. Hull against.

Mr. Macy for, with Mr. Dawson against.

Mr. Grant for, with Mr. Burdick against.

Mr. Wood for, with Mrs. Douglas against.

Mr. Abbitt for, with Mr. Celler against.

Mr. Durham for, with Mr. Kelley of Pennsylvania against.

Mr. Evins for, with Mr. Murphy against.

Until further notice:

Mr. Baring with Mr. Angell.

Mr. Powell with Mr. Boggs of Delaware.

Mrs. Norton with Mr. Crawford.

Mr. Hedrick with Mr. Smith of Ohio.

Mr. Bailey with Mr. Towe.

Mr. Barden with Mr. Woodruff.

Mr. Kee with Mr. Riehlman.

Mr. Sabath with Mr. Wolverton.

Mr. Lynch with Mr. Hoffman of Illinois.

Mr. White of Idaho with Mr. Edwin Arthur Hall.

Mr. Sadowski with Mr. Eaton.

Mr. Miles with Mr. Chiperfield.

Mr. Doughton with Mr. Kunkel.

Mr. Sasscer with Mr. H. Carl Andersen.

Mr. Marshall with Mr. Coudert.

Mr. Cavalcante with Mr. Hale.

Mr. Byrne of New York with Mr. McGregor.

Mr. Smathers with Mr. Lichtenwalter.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to inquire as to the program for next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Will the gentleman from Tennessee tell the House what we may expect for next week?

Mr. PRIEST. Monday is Consent Calendar day. Following the Consent Calendar on Monday, general debate will begin on H. R. 7786, the general appropriation bill for 1950.

On Tuesday, the Private Calendar will be called; and following the Private Calendar general debate will be resumed on the general appropriation bill. That will carry on through Wednesday.

Thursday has previously been designated as Pan-American Day. After the ceremonies incident to Pan-American Day have been concluded, general debate will continue on the general appropriation bill.

Mr. MARTIN of Massachusetts. Is the gentleman going to ask unanimous consent that we adjourn over until Monday?

Mr. PRIEST. I am.

ADJOURNMENT OVER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 10 minutes on Monday and Wednesday next, following the legislative program and any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks and include a statement from the Veterans' Administration.

Mr. McCORMACK asked and was given permission to extend his remarks and include a letter with an enclosure from William Green.

Mr. MARTIN of Iowa asked and was given permission to revise and extend his remarks and include extraneous material.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. JENNINGS asked and was given permission to extend his remarks.

Mr. PATTERSON asked and was given permission to extend his remarks and include newspaper articles.

Mr. VAN ZANDT asked and was given permission to extend his remarks and include an item appearing in the Wall Street Journal.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include two newspaper articles.

Mr. ELLIOTT asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. ADDONIZIO asked and was given permission to extend his remarks and include an editorial.

Mr. TAURIELLO asked and was given permission to extend his remarks in two instances, in one to include a résumé of a meeting held with the Secretary of State, a list of Members who attended, and a letter, and in the other an editorial.

Mr. LYLE. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks in the RECORD at the proper place on the resolution just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KARST asked and was given permission to extend his remarks and include an excerpt from a St. Louis newspaper.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances and include statements and excerpts.

Mr. MULTER asked and was given permission to revise and extend his remarks made in Committee of the Whole on the bill H. R. 7797 and include an editorial.

Mr. KLEIN asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. McDONOUGH asked and was given permission to extend his remarks and include a statement by Mr. Vicente Villamin.

Mr. HOPE asked and was given permission to extend the remarks he made in Committee of the Whole by including two telegrams, and further to extend his remarks in the Appendix of the RECORD.

Mr. JAVITS asked and was given permission to extend his remarks and include extraneous material.

Mr. TAYLOR asked and was given permission to extend his remarks and to include a telegram.

Mr. LODGE asked and was given permission to extend his remarks in three instances and include extraneous material.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. HEDRICK, for an indefinite period, on account of official business.

To Mr. CHESNEY, for an indefinite period, on account of official business.

To Mr. COUDERT, for week of April 3, on account of illness of a member of family.

To Mr. HULL, for 14 days, on account of illness in family.

To Mr. ANGELL (at the request of Mr. MARTIN of Massachusetts), on account of illness in family.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 29 minutes p. m.), under its previous order, the House adjourned until Monday, April 3, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1347. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 3, 1950, submitting a report, together with accompanying papers and an illustration, on a review of reports on Shilshole Bay, Seattle, Wash., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 19, 1945 (H. Doc. No. 536); to the Committee on Public Works and ordered to be printed, with one illustration.

1348. A letter from the Secretary of the Interior, transmitting a report on the initial stage of the North Fork Kings River development, recommending authorization for construction as a part of the North Fork Kings unit, Kings River division, Central Valley project, California (H. Doc. No. 537); to the Committee on Public Lands and ordered to be printed.

1349. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated January 30, 1950, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Atlantic City, N. J., made under the provisions of section 2 of the River and Harbors Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 538); to the Committee on Public Works and ordered to be printed with illustrations.

1350. A letter from the Secretary, Department of Agriculture, transmitting a draft of a proposed bill entitled "A bill to authorize the conveyance to the city of Miles City, State of Montana, certain lands in Custer County, Mont., and for other purposes"; to the Committee on Public Lands.

1351. A letter from the Attorney General of the United States, transmitting drafts of two proposed bills entitled "A bill to prohibit transportation of gambling devices in interstate and foreign commerce" and "A bill to prohibit transmission of certain gambling information in interstate and foreign commerce by communications facilities"; to the Committee on Interstate and Foreign Commerce.

1352. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Virgin Islands Company for the fiscal year ended June 30, 1949, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 539); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1353. A letter from the Acting Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to provide for sundry administrative matters affecting the Department of Defense, and for other purposes"; to the Committee on Armed Services.

1354. A letter from the Chairman, Munitions Board, transmitting the Second Annual Report on the National Industrial Reserve, pursuant to section 12 of the National Industrial Reserve Act of 1948, Public Law 883, Eightieth Congress; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTINGTON: Committee on Public Works. H. R. 7219. A bill to authorize acquisition by the Administrator of General Services of certain land and the improvements thereon in the District of Columbia; with amendment (Rept. No. 1864). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee of conference. S. 930. An act to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes; (Rept. No. 1865). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 7950. A bill to provide for the acquisition of a site and preparation of plans and specifications for a new postal building in the Piedmont district, in Portland, Oreg., and for other purposes; to the Committee on Public Works.

By Mr. CLEMENTE:

H. R. 7951. A bill to establish an Armed Forces College and an Air Force Academy; to the Committee on Armed Services.

By Mr. AUGUST H. ANDRESEN:

H. R. 7952. A bill to extend until July 1, 1952, import-control powers with respect to fats and oils and rice and rice products; to the Committee on Banking and Currency.

By Mr. COUDERT:

H. R. 7953. A bill to provide for the acquisition and preservation of certain historic property north of Washington Square in New York City, and for other purposes; to the Committee on Public Lands.

By Mr. JONAS:

H. R. 7954. A bill to authorize the commercial operation of certain vessels on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. PACE:

H. R. 7955. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and the Agricultural Adjustment Act (of 1933), as amended and as reenacted by the Agricultural Marketing Agreement Act of 1937; to the Committee on Agriculture.

By Mr. VURSELL:

H. R. 7956. A bill to provide for posthumous award of the Military Order of the Purple Heart in the case of certain individuals who served in wars prior to World War II; to the Committee on Armed Services.

By Mr. KENNEDY:

H. R. 7957. A bill to provide for the utilization as a national cemetery of surplus Army Department-owned military real property at Fort Devens, Mass.; to the Committee on Public Lands.

By Mr. KEE:

H. R. 7958. A bill to extend certain privileges to representatives of member states on the Council of the Organization of American States; to the Committee on Foreign Affairs.

By Mr. MULTER:

H. J. Res. 448. Joint resolution to establish a Joint Committee on International Economic Development; to the Committee on Rules.

By Mr. KEATING:

H. Res. 533. Resolution to encourage a peaceful, prosperous, and united Ireland, but without imposing any particular form of political or economic association upon its people; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to aid in securing the return of abducted Greek children to their native land; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FALLON:

H. R. 7959. A bill for the relief of Ulo Breiman; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 7960. A bill for the relief of Ai-Shen Miles Lee; to the Committee on the Judiciary.

H. R. 7961. A bill for the relief of Chiyoko Yano; to the Committee on the Judiciary.

By Mr. HEFFERNAN:

H. R. 7962. A bill for the relief of Mrs. Jadwiga Danuta Kantor; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7963. A bill for the relief of Pearl Monczyk; to the Committee on the Judiciary.

H. R. 7964. A bill for the relief of the estate of Francis A. Waldron; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7965. A bill for the relief of Emanuele Lo Castro; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 7966. A bill to amend the act entitled "An act to incorporate the trustees of the Presbyterian congregation of Georgetown," approved March 28, 1806; to the Committee on the District of Columbia.

By Mr. O'KONSKI:

H. R. 7967. A bill for the relief of Mrs. Mook Myong Boon Schandorff; to the Committee on the Judiciary.

H. R. 7968. A bill for the relief of Mrs. Zenaida A. Shengelia; to the Committee on the Judiciary.

H. R. 7969. A bill for the relief of Mrs. Helina W. Czuajewski Visger; to the Committee on the Judiciary.

H. R. 7970. A bill for the relief of Regina Watanabe (Mrs. Regina Anderson); to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 7971. A bill for the relief of Cesare Buia, Gabriella Buia, and Daniela Buia; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 7972. A bill for the relief of Joseph Girardi; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 7973. A bill for the relief of John Cardillo and Philip Cardillo; to the Committee on the Judiciary.

H. R. 7974. A bill for the relief of Jacob Reder and Erna Marcelina Frenkel Reder; to to the Committee on the Judiciary.

By Mr. WERDEL:

H. R. 7975. A bill to provide for the admission of Misses Janet and Daisy Wong to the United States; to the Committee on the Judiciary.

By Mrs. WOODHOUSE:

H. R. 7976. A bill for the relief of Lillian M. Lanphear Collier; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2041. By Mr. GOODWIN: Resolution of the Board of Aldermen of the City of Somerville, Mass., approving the liberalization of social-security benefits; to the Committee on Ways and Means.

2042. Also, resolution of the Board of Aldermen of the City of Somerville, Mass., favoring Federal legislation to aid education which will not exclude parochial-school children; to the Committee on Education and Labor.

2043. By Mr. PHILLIPS of Tenneseee: Petition of the Corporation of Sevierville, Sevierville, Tenn., requesting that April 11, 1951, and every 50 years thereafter be designated as a legal holiday and named Half-Century Day; to the Committee on the Judiciary.

SENATE

MONDAY, APRIL 3, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer.

Almighty God, maker of all things, judge of all men, solemnize our hearts with reverential, penitential awe as in these holy days over which is the shadow of a cross we follow the wounded footsteps of man's best man, of love's best love. Teach us anew, as we look on Him in whose face Thy glory is revealed, the pretense of pride, the hollowness of ambition, the vanity of power, the deceit of riches, the disillusionment of fame. In the set and steadfast face of that servant of all, who rides on to die, may we see anew the might of love, the royalty of self-giving, the majesty of meekness. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of Friday, March 31, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hawks, one of his secretaries, and he announced that on March 31, 1950, the President had approved and signed the following acts:

S. 609. An act for the relief of Mrs. Bertie Grace Chan Leong;

S. 1543. An act to authorize the disposal of withdrawn public tracts too small to be classed as a farm unit under the Reclamation Act; and

S. 3084. An act authorizing the erection of a monument to the memory of Henry Milton Brainard at Cape Arago Light Station in Coos County, Oreg.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1758) to amend the Natural Gas Act approved June 21. 1938, as amended.

The message also announced that the House had passed a bill (H. R. 7797) to provide foreign economic assistance, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 193) providing for adjournment of the House until April 18, 1950, in which it requested the concurrence of the Senate.

COMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. MCFARLAND, and by unanimous consent, the Committee on Expenditures in the Executive Departments was authorized to hold hearings at any time during this week and next week during the sessions of the Senate.

On request of Mr. MCFARLAND, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

CALL OF THE ROLL

Mr. MCFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gillette	Langer
Anderson	Green	Lehman
Brewster	Gurney	Lodge
Bricker	Hayden	Long
Butler	Hendrickson	McCarran
Byrd	Hickenlooper	McClellan
Cain	Hill	McFarland
Capehart	Hoey	McKellar
Chavez	Holland	McMahon
Connally	Humphrey	Magnuson
Cordon	Hunt	Malone
Darby	Ives	Martin
Donnell	Jenner	Maybank
Douglas	Johnson, Colo.	Millikin
Dworshak	Johnson, Tex.	Mundt
Eastland	Johnston, S. C.	Murray
Ecton	Kefauver	O'Conor
Ellender	Kem	O'Mahoney
Ferguson	Kerr	Robertson
Flanders	Kilgore	Russell
George	Knowland	Saltonstall
Schoeppel	Taylor	Wiley
Smith, Maine	Thomas, Utah	Williams
Smith, N. J.	Thye	Withers
Sparkman	Tydings	Young
Stennis	Watkins	
Taft	Wherry	

Mr. MCFARLAND. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from North Carolina [Mr. GRAHAM], the Senator from Pennsylvania [Mr. MYERS], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Illinois [Mr. LUCAS] is unavoidably detained on official business.

Mr. SALTONSTALL. I announce that the senior Senator from New Hampshire [Mr. BRIDGES], the junior Senator from New Hampshire [Mr. TOBEY], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Wisconsin [Mr. MCCARTHY] is absent because of a temporary illness.

The Senator from Oregon [Mr. MORSE] is detained on official business.

The VICE PRESIDENT. A quorum is present.

EASTER RECESS

The VICE PRESIDENT laid before the Senate a concurrent resolution (H. Con. Res. 193), which was read, as follows:

Resolved, etc., That when the House adjourns on Thursday, April 6, 1950, it stand adjourned until 12 o'clock meridian Tuesday, April 18, 1950.

Mr. MCFARLAND. Mr. President, I move that the Senate concur in the House concurrent resolution.

Mr. WHERRY. Mr. President, will the acting majority leader tell us——

The VICE PRESIDENT. The concurrent resolution is not debatable. It is a concurrent resolution providing for a House recess.

Mr. WHERRY. Does it provide only for a House recess?

The VICE PRESIDENT. It does.

Mr. WHERRY. It has nothing to do with the Senate?

The VICE PRESIDENT. Not a thing in the world, except that the Senate has to agree to it.

Mr. WHERRY. Mr. President, will the acting majority leader yield for a question?

The VICE PRESIDENT. The concurrent resolution is not debatable.

Mr. WHERRY. I have no objection to the consideration of the concurrent resolution.

The VICE PRESIDENT. Without objection, the concurrent resolution is agreed to.

Mr. WHERRY. Mr. President, will the acting majority leader yield?

Mr. MCFARLAND. If I have the floor.

Mr. WHERRY. Mr. President, I should like to ask a question about the vacation over Easter, and I ask unanimous consent that I may address a question to the acting majority leader.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. WHERRY. I should like to ask the acting majority leader what the plans are for the Senate. We now know what the plans are for the House. What are the plans for the Senate over Easter?

Mr. McFARLAND. Mr. President, I regret very much that I am unable to answer the question. The majority leader the Senator from Illinois [Mr. LUCAS] is in the city, and will be on the floor of the Senate shortly, and he will probably make the announcement.

Mr. WHERRY. I hope that the acting majority leader will get some commitment from the majority leader, because it is only 3 days to Thursday, and whether the Senate is to take a recess from Thursday to Tuesday or from Friday to Monday, or whatever it is to be, I think Senators should be advised so that they may make their plans accordingly. I hope the acting majority leader will advise the majority leader so that we may be able to know what his intentions are.

Mr. McFARLAND. The acting majority leader will advise the majority leader at the request of the minority leader.

Mr. WHERRY. And I hope that when the announcement is made it will be a positive commitment about an Easter recess.

COTTON AND PEANUT ACREAGE ALLOTMENT—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 540)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and referred to the Committee on Agriculture and Forestry.

(For President's message, see today's proceedings of the House of Representatives on pp. 4607–4608.)

Mr. AIKEN subsequently said: Will the Senator yield to me?

Mr. McCARRAN. Mr. President, who has the floor?

The VICE PRESIDENT. Either the Senator from Nevada or the Senator from West Virginia, whichever one wants it.

Mr. McCARRAN. I yield 5 minutes to the Senator from Vermont.

The VICE PRESIDENT. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, I thank the Senator from Nevada for giving me this brief opportunity to comment on the message which has just been received from the President relative to his signing House Joint Resolution 398.

In his message the President has set forth clearly and convincingly many reasons why he should not have signed House Joint Resolution 398. However, that is not what I wish to comment on. I call the attention of Senators to the following sentence appearing in the middle of page 2 of the President's message:

> I again urge the Congress to authorize a system of production payments for potatoes (and other perishable commodities) so that unavoidable surpluses can be sold to consumers and used, instead of taken off the market and largely wasted.

It is apparent that because of President Truman's unfamiliarity with agricultural legislation he was unaware of the fact that on October 31, 1949, he signed a piece of legislation which repealed the provision of the 1948 Agricultral Act which would have taken effect on January 1, 1950, providing for a system of production payments for potatoes and other perishable commodities. I am sure the President must have been unaware of the fact that when he signed that bill on October 31 he was repealing the very provision he is asking for today. When, on January 4, he came before the joint session of the Congress and urged that Congress make provision of law for production payments I admit that I was considerably puzzled. I am even more puzzled when he repeats the request today, because at the time he signed the bill repealing this provision of the law I thought, of course, he must be opposed to production payments on perishable commodities. However, his interest seems to be in getting the unavoidable surpluses into the hands of consumers at a lower cost. I hope the President will familiarize himself with those provisions of the law now in existence which permit the Secretary of Agriculture to put surplus perishable commodities upon the market for whatever price he can get for them. There is no restriction whatever against that, Mr. President. The Secretary of Agriculture could put upon the open market all the potatoes, or part of the potatoes, which are in surplus today, so that the consumers could benefit from lower prices. If carefully handled, that would probably be preferable to letting them be destroyed. I should like at this point to read what the law says on this matter:

> The Corporation—
>
> Referring to the Commodity Credit Corporation—
>
> shall not sell any basic agricultural commodity or storable nonbasic commodity at less than 5 percent above the current support price for such commodity, plus reasonable carrying charges. The foregoing restrictions shall not apply to * * * (D) sales of commodities which have substantially deteriorated in quality or as to which there is a danger of less or waste through deterioration or spoilage.

The President apparently is unaware of the fact that the Secretary of Agriculture and the Commodity Credit Corporation can put on the market these potatoes and any other Government-owned perishables at any time they see fit, at whatever price they can get.

I hope the President will take notice that the Secretary does have the authority, under the law, and that he will instruct the Secretary to make surplus perishable commodities available to the people of this country. Besides potatoes, there would be butter, prunes, and many other perishable commodities which might as well be put before the consumers at reasonable prices. That is why I am at this time inviting the attention of the Senate and of the President to the existing law.

INVESTIGATION OF SUBVERSIVE ACTIVITIES IN THE FEDERAL GOVERNMENT

Mr. KILGORE. Mr. President, I yield 5 minutes to the Senator from Massachusetts [Mr. LODGE].

The VICE PRESIDENT. The Chair recognizes the Senator from Massachusetts.

Mr. LODGE. Mr. President, ordinarily it would be inappropriate for a Senator who sits in a judicial capacity on a subcommittee to express conclusions before the subcommittee's studies are finished. But the repercussions from the present investigation into disloyalty charges are such that it would not be right for me to disregard the mounting damage which is being inflicted on the position of the United States abroad and on the respect here at home for the justice and efficacy of our institutions.

I therefore submit now my opinion that the present method of making public charges against individuals before a congressional committee has proved itself a very defective way of promoting loyalty, since it often besmirches the character of innocent persons, weakens the position of the United States before the world, fails to find the really dangerous individuals, and, by putting the spotlight on others, can actually increase the security of the real Communist ringleaders. Added to all these weaknesses is the refusal to make the files available. Although justifiable in the case of the FBI files, it is disappointing that the State Department and Civil Service Commission files are also withheld. In view of the notice which these proceedings have had, this is regrettable in three ways: For the State Department, for the country, and for those individuals who are thus denied the chance to be comprehensively cleared by the same body before which they were accused.

Because the present method is so obviously unsatisfactory, I suggest that confidential investigations be made by a trained commission of 12 members, 4 to be appointed by the President, 4 by the Senate, 4 by the House, and the whole membership to be equally divided between the two parties. This would provide a check by each branch of Government and by both parties and would in all ways do a better job. I herewith introduce a bill to set up such a commission. The bill contains strong criminal penalties for violation of confidence. This method of selecting membership received the unanimous support of Congress 3 years ago and has since proved itself workable and nonpolitical.

Mr. President, it cannot be stressed too often that the sole purpose of all loyalty investigations must be to ferret out disloyal persons. It must never allow itself to be used to carry out some hidden purpose of creating a political result here at home, regardless of whether or not such a result injures the country. If such a purpose exists, it merits unreserved condemnation. We are dealing here with the foreign relations of the United States, which means all the men, women, and children of America. In such a life-and-death responsibility, there must be no politics. Mistakes have been made in the past, and they must be ruthlessly corrected.

All we can learn so far shows clearly that none of the current charges have been proven, and that everything that we know about J. Edgar Hoover and others specifically charged with insuring loyalty is such as to inspire confidence. Americans must stand together before the world menace of communism. Dangerous days are in the offing. All we need to do is to read today's newspaper stories about the prospects in Germany. Mr. President, we must look ahead.

The VICE PRESIDENT. The bill will be received and properly referred.

The bill (S. 3338) to provide for the establishment of a commission to investigate charges of disloyalty in the State Department, introduced by Mr. LODGE, was read twice by its title, and referred to the Committee on Foreign Relations.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

The VICE PRESIDENT. Under the unanimous consent agreement, from now until 2 o'clock on Wednesday the time is equally divided between those who favor and those who oppose the pending displaced persons bill. The time is controlled by the Senator from West Virginia [Mr. KILGORE] and the Senator from Nevada [Mr. MCCARRAN], respectively.

The Chair recognizes the Senator from West Virginia.

Several Senators addressed the Chair.

The VICE PRESIDENT. The Chair can recognize no Senator except the Senator from West Virginia [Mr. KILGORE] and the Senator from Nevada [Mr. MCCARRAN], who, under the unanimous-consent agreement, will have to yield to any Senator who wishes to be recognized for any purpose.

Mr. MCCARRAN. Mr. President, I think the orderly way would be to have the first amendment read.

The VICE PRESIDENT. The first amendment is automatically pending.

TRANSACTION OF ROUTINE BUSINESS

Mr. THYE. Mr. President, I wish to ask the senior Senator from West Virginia to yield 2 minutes to me, to permit me to read a brief statement.

Mr. KILGORE. Mr. President, I do not wish to yield under such circumstances, for that might cause me to lose the floor. So at the present time I do not yield as the Senator has requested, although I shall hope to be able to yield later.

The VICE PRESIDENT. Would the two Senators who have charge of the time be agreeable to having the Chair recognize Senators at this time for the purpose of permitting them to introduce bills and other measures, submit petitions, and present other routine matters for the RECORD, as is usually permitted at the beginning of a day's session, with the time so required to be charged equally to both sides?

Mr. KILGORE. Mr. President, I shall be glad to have that done, provided unanimous consent is given for that purpose; and in that connection I shall be glad to yield to the majority leader, to permit him to make such a motion at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. LUCAS. Mr. President, I make such a motion.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to.

Mr. LUCAS. Mr. President, I wish it understood that my motion includes the reservation that such matters be submitted without speeches.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred, as indicated:

AMENDMENT OF UNITED STATES CODE RELATING TO CRIMES AND CRIMINAL PROCEDURE

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

LAW-ENFORCEMENT PROBLEMS RELATING TO ORGANIZED CRIME

A letter from the Attorney General, transmitting drafts of proposed legislation to prohibit the shipment of gambling devices into or out of any State where the possession or use of such devices is illegal, and making interstate use of telephone, telegraph, or radio facilities for dissemination of horse-race results for illegal purposes a Federal crime (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

CONVEYANCE OF CERTAIN LANDS TO CITY OF MILES CITY, MONT.

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to authorize the conveyance to the city of Miles City, State of Montana, certain lands in Custer County, Mont., and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to amend the Civil Aeronautics Act of 1938, as amended (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

AUDIT REPORT ON THE VIRGIN ISLANDS COMPANY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on The Virgin Islands Company, for the fiscal year ended June 30, 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT ON NATIONAL INDUSTRIAL RESERVE

A letter from the Chairman of the Munitions Board, Washington, D. C., transmitting, pursuant to law, a report on the National Industrial Reserve, dated April 1, 1950 (with an accompanying report); to the Committee on Armed Services.

REPORT OF NAVY CLUB

A letter from the national commandant and the national shipswriter, of the Navy Club of the United States of America, of Rockford, Ill., transmitting, pursuant to law, a report of the club for the calendar year 1949 (with accompanying papers); to the Committee on Armed Services.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Foreign Relations:

"Senate Joint Resolution 2

"Joint resolution relative to the return of abducted Greek children

"Whereas reliable sources report that large numbers of Greek children have been abducted and are presently being detained in Russian satellite states; and

"Whereas the fate of these children, like that of other persons detained behind the 'iron curtain' against their will, is of concern to all freedom-loving peoples; and

"Whereas it is meet and proper that the Legislature of the State of California should express, on behalf of the people of this State, their interest in and concern for such Greek children: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Congress of the United States be and it hereby is urged to request the United Nations, by appropriate resolution, to aid in securing the return of such abducted Greek children to their native land; and be it further

"*Resolved*, That the Congress of the United States be, and it hereby is, urged to take such other and further action on behalf of said Greek children as may be meet and proper in the circumstances; and be it further

"*Resolved*, That the Secretary of the senate be, and he hereby is, directed to transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the State, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 4

"Joint resolution relative to memorializing the President and the Senate of the Congress of the United States in relation to H. R. 163, authorizing Sacramento Valley irrigation canals as part of the Central Valley project in California

"Whereas in 1949, at the first session of the Eighty-first Congress of the United States, a bill, H. R. 163, was introduced in the House of Representatives by Congressmen CLAIR ENGLE and HUBERT SCUDDER, of California, authorizing the inclusion in the Central Valley project of two new irrigation features, one called the Tehama-Colusa conduit and the other the Chico Canal; and

"Whereas H. R. 163 has been passed by the House of Representatives and sent to the Senate for approval and is now pending in the Senate Committee on Interior and Insular Affairs; and

"Whereas there exists at the present time in the Sacramento Valley, in Tehama, Glenn, Colusa, and Butte Counties, about 250,000 acres of high-quality land devoted mainly to dry-farm production of barley and wheat which could be transformed by irrigation from the two projects provided for in H. R. 163 into highly productive land devoted to intensive and diversified types of farming; and

"Whereas it has always been intended that the Central Valley project should serve the water requirements of both the Sacramento and San Joaquin Valleys, despite the fact that initially the primary objective was to transfer water from the Sacramento River to the San Joaquin Valley where it was desperately needed; and

"Whereas due to greater agricultural and domestic demands and the postwar increase of population causing a serious lowering of the underground water table there is now a greater need for irrigation and replenishment of the subterraneous water reservoir in the areas of Sacramento Valley not immediately served by the Sacramento River; and

"Whereas the utilization of the water of the Sacramento River for the purposes contemplated by H. R. 163 will not affect or jeopardize any of the other features of the Central Valley project; and

"Whereas the California Legislature, as early as 1941, recognized that the Central Valley project, originally a State project, should include an irrigation system such as is contemplated by H. R. 163; and

"Whereas the economic feasibility of the works contemplated by H. R. 163 cannot be questioned; and

"Whereas H. R. 163 has the unqualified endorsement of the governor, the legislature, and the division of water resources of the department of public works of the State of California, of county officials, irrigation committees and districts, and the farmers of the region to be affected, and in addition has been recommended and approved by the Secretary of the Interior and the Commissioner of Reclamation: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the legislature of the State of California respectfully memorializes and urges the Senate Committee on Interior and Insular Affairs, the Senate, and the President of the United States to give favorable consideration to H. R. 163 at the earliest possible time in order that this legislation, so vital to the interests of the people of the State of California and of the Nation, may be put into effect without delay; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the chairman of the Senate Committee on Interior and Insular Affairs, and to each Senator and Representative from California in the Congress of the United States."

A letter in the nature of a petition from the Butch Leibach Auxiliary to Post No. 4018, Veterans of Foreign Wars of the United States, of Plentywood, Mont., signed by Evalyn Nikolaisen, legislative chairman, praying for the enactment of House bill 4617, to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children; to the Committee on Finance.

Resolutions adopted by the Hawaii Farm Bureau Federation, of Honolulu, and the Volcano Farm Bureau Center, of Hawaii National Park, of Volcano, both in the Territory of Hawaii, favoring the reappointment of Ingram M. Stainback as Governor of Hawaii; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Ferndale (Pa.) Woman's Christian Temperance Union, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

The petition of Jack Webster and sundry other students of the Cleburne Rural High School, of Cleburne, Kans., relating to industrial strikes, and so forth; ordered to lie on the table.

FEDERAL AID TO EDUCATION—RESOLUTION OF BOARD OF ALDERMEN OF SOMERVILLE, MASS.

Mr. SALTONSTALL. Mr. President, on behalf of the junior Senator from Massachusetts [Mr. LODGE] and myself, I submit for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Board of Aldermen of the City of Somerville, Mass., relating to Federal aid to education.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare and ordered to be printed in the RECORD, as follows:

Resolved, That the members of the Board of Aldermen of the City of Somerville record themselves as favoring Federal legislation to aid education which will not exclude parochial-school children, and denounces the action of organizations opposing such benefits as discriminatory and un-American; and be it further

Resolved, That we express our wholehearted approval of the granting of such auxiliary school services as lunches, health examinations, and bus rides for the safety and health of the children attending parochial schools as well as all benefits considered essential to the benefits of all school children in all schools; and be it further

Resolved, That copies of these resolutions be forwarded to our United States Senators from Massachusetts and to the congressional Members representing our city in the Congress of these United States.

STATEHOOD FOR ALASKA AND HAWAII

Mr. BUTLER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, an editorial from the Sitka, Alaska, Sentinel of March 24, 1950, and one from the New York Times of Sunday, March 13, 1950, relating to bills providing statehood for Alaska and Hawaii, now pending before the Committee on Interior and Insular Affairs.

There being no objection, the editorials were referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

[From the Sitka (Alaska) Sentinel]

Hawaii has elected delegates to a constitutional convention and are keeping up a constant battle to get their statehood bill passed by the Senate. A majority of Alaskans have come to the conclusion after the slight margin by which their statehood bill carried that Senate action will either be deferred, killing the bill, or that it has little or no chance of passing.

A drive should be made to change the statehood legislation to be more advantageous to the Territory, giving them more control over Government lands.

Evidently the legislation discussed during the past 2 years for statehood and the actual bill which was finally introduced into Congress have little in common. Copies of the enabling act have as yet not reached the majority of Alaskans, in fact the original plans were changed by the proponents from town to town and division to division, until the understanding of one person is not that of a resident living in a different part of the Territory.

If the Senate Interior and Public Lands committee can be persuaded to rewrite the statehood bill so that it will pass the higher chamber, we will without doubt receive statehood.

[From the New York Times]

PREREQUISITES OF STATEHOOD

To the EDITOR OF THE NEW YORK TIMES:

In your editorial of March 2 you dismiss very lightly the vote of the House of Representatives to admit Alaska to statehood, though her population is only about 100,000.

As a matter of fact, the provision in the Constitution for equal representation in the Senate of small and large units was the subject of heated discussion in the Constitutional Convention between the larger and smaller States.

The original 13 were sovereign States, and the smaller States contended that as such they were entitled to equal representation with the larger, and the present provision was finally adopted as a compromise to insure the ratification of the Constitution by both small and large States.

In the last 50 years, only three States have been admitted, Oklahoma in 1907 with 2,000,000 population, New Mexico with 360,000, and Arizona with 204,000. In the previous 50 years—1850 to 1900—six States with less than 100,000 were admitted. But the total population was only 23,000,000 in 1850, 31,000,000 in 1860, and in 1900, 76,000,000.

Even in the case of Hawaii, passing over the heterogeneous character of her population and the ease of a Communist infiltration (assuming it doesn't at present exist), it is a bit disingenuous for your editorial of March 7 to class Manhattan Island with Hawaii as noncontiguous territory.

Manhattan, moreover, has a much larger population than Hawaii, and while it elects Representatives to the House of Representatives, it cannot elect its own Senators, and even in its many local matters it is in many ways subject to control from Washington and Albany. Yet its interest in national and international affairs is at least as distinctive and important as Hawaii's, and those interests do not always accord with the interests of other sections of the country.

Hawaii and Alaska already have, under their Territorial organization, the right to elect their own legislatures and a Representative in Congress, who has all the privileges of membership except a vote. To these should be added by legislation the power to elect their own governor, and perhaps a representative in the Senate, with full power to introduce legislation and all other powers of a Senator except a vote. It is hard to see that it has immediate need for more.

For statehood Hawaii as well as Alaska should wait until the Constitution can be so amended that new States may elect both Senators and Representatives with voting power in the ratio that their population bears to the average population of the other States. To admit them now would be equivalent to depriving the remaining 150,000,000 of our citizens of much of their voice in the affairs of the Nation.

The four new Senators, or even one of them, might readily prevent the ratification of a treaty upon which might depend the fate of the country and indeed of the world.

MICHAEL SCHAAP.

NEW YORK, *March 9, 1950.*

SOCIALIZED MEDICINE—RESOLUTION OF AMERICAN PROTESTANT HOSPITAL ASSOCIATION, CHICAGO, ILL.

Mr. O'CONOR. Mr. President, from time to time it has seemed pertinent for me to bring to the attention of the Senate resolutions and statements issued by various important groups opposing any form of socialized medicine.

Today a resolution has reached me from the American Protestant Hospital Association concerning formal action taken with regard to such a proposal, which is, it seems to me, particularly important, inasmuch as it reflects the considered opinion of a national group whose influence in the field of health is of major importance. In fact, along with the American Hospital Association and the Catholic Hospital Association, it is one of the big three in the field of hospital facilities.

While expressing its deep interest in the provision of adequate health services

for all the people of our Nation, the resolution recalls that most of the great hospital and other charitable institutions have come into being through the voluntary support of philanthropically minded men and women and cites the experience of Government plans for individual health care in other countries in the matter of uncontrollable demands upon hospitals, doctors, and other health resources, without the possibility of reasonable check and with resulting excessive cost to their people through taxation.

It was because of my personal convictions to the same effect as expressed in the resolution of the American Protestant Hospital Association that I joined with the distinguished Senator from Alabama [Mr. HILL] and other Senators in the introduction of Senate bill 1456, which would provide for a plan of voluntary health insurance in conjunction with voluntary prepayment plans already established throughout the country and in further cooperation with State and local programs for providing care for indigents.

The two vital considerations that enter into any discussion of socialized medicine are first, the question of maintenance of free American institutions, and protection of the rights of individuals to choose their own methods of care; and, secondly, the admittedly huge costs that would be entailed, costs that I am convinced would be prohibitive in the present unbalanced condition of our Federal financing.

I ask unanimous consent, therefore, that the resolution be printed in the CONGRESSIONAL RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

AMERICAN PROTESTANT HOSPITAL ASSOCIATION RESOLUTION ADOPTED, CHICAGO, MARCH 3, 1950

Whereas the American Protestant Hospital Association has just completed its twenty-ninth annual convention; and

Whereas for the first time in the history of Protestantism in America the several Protestant church denominations of our country have combined their common interests in the field of Christian eleemosynary service to the aged, the orphaned, and the sick in full realization of the brotherhood of man and the fatherhood of God; be it

Resolved, That the convention convey its thanks to the representatives of the Protestant denominations that have assisted in making this initial effort an enjoyable and profitable conference; and be it further

Resolved, That the American Protestant Hospital Association by rising vote expresses its appreciation to Dr. L. B. Benson for the fine leadership that he has given us during his term of office; to Dr. and Mrs. Albert Hahn for their faithful and untiring efforts in the planning and promotion of the convention program and to our officers and committees and those participating in the program for their part in contributing to the enrichment of our experience and the enlargement of our knowledge. To Dr. M. T. MacEachern, president-elect, we desire to pledge our affection and loyalty and to assure him of our sincere desire to cooperate with him in his plans for the next association year; and

Whereas the American Protestant Hospital Association has over the past years maintained friendly, cooperative and cordial relationship with those other organizations so closely allied in interest to our own, to-wit: The American Hospital Association, the Catholic Hospital Association, the American College of Surgeons, the American Medical Association, and the American College of Hospital Administrators, and other allied organizations; be it

Resolved, That the American Protestant Hospital Association convey to each of these organizations its appreciation of these friendly relationships and expresses the hope that we may continue working together for the common good; and

Whereas the American Protestant Hospital Association is deeply interested in providing adequate health service for all the men, women, and children of our Nation; and

Whereas most of our great hospitals and other charitable institutions have been brought into being through the voluntary support of philanthropically minded men and women; and

Whereas the large majority of American families have the resources to pay for adequate medical and hospital care; and

Whereas local Government and local hospitals and the medical profession have always recognized their responsibility to those unable to care for themselves; and

Whereas it has been demonstrated by experience that government plans for individual health care in other countries have produced uncontrollable demands upon hospitals, doctors, and other health resources without the possibility of reasonable check and with resulting excessive cost to their people through taxation; and

Whereas medical-hospital related individual health services in this country are now the best in the world, a system which has developed according to the best traditions of the American character; be it

Resolved, That the American Protestant Hospital Association reemphasize its approval of the action of its officers and representatives in their efforts to develop and extend the voluntary prepayment plans such as the Blue Cross and Blue Shield plan for providing health care and authorize them to continue in their cooperation with other organizations and governmental departments providing care for indigents;

Resolved further, That the American Protestant Hospital Association restate its opposition to any system of compulsory health insurance which deprives the individual of free choice and free exercise of his own personal initiative in providing for his health care; be it further

Resolved, That a copy of this resolution be sent to each Member of the Senate of the United States, and to each Member of the House of Representatives; be it further

Resolved, That a commission be appointed by the president of the American Protestant Hospital Association and concurred by the trustees, to draft an expanded statement of the position of the American Protestant Hospital Association for publication and distribution.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 118. A bill for the relief of Clemente Sabin Dopico; without amendment (Rept. No. 1379);

S. 290. A bill for the relief of Maria Franzia; without amendment (Rept. No. 1380);

S. 304. A bill for the relief of Salomon Henri Laifer; with an amendment (Rept. No. 1381);

S. 381. A bill for the relief of Low Way Hong; with an amendment (Rept. No. 1382);

S. 395. A bill for the relief of Dorothea Singer; without amendment (Rept. No. 1383);

S. 404. A bill for the relief of Emma L. Jackson; without amendment (Rept. No. 1384);

S. 583. A bill conferring jurisdiction upon the United States District Court for the Eastern District of Pennsylvania to hear, determine, and render judgment upon the claims of the estate of Archangelo Straneri; with an amendment (Rept. No. 1385);

S. 764. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.; with an amendment (Rept. No. 1386);

S. 765. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Kirkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust; with an amendment (Rept. No. 1387);

S. 766. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.; with an amendment (Rept. No. 1388);

S. 861. A bill for the relief of Chen-Kya Hahn; with an amendment (Rept. No. 1389);

S. 891. A bill for the relief of Ronald Clive Jack; with an amendment (Rept. No. 1390);

S. 1143. A bill for the relief of Vit Komarek; without amendment (Rept. No. 1391);

S. 1214. A bill for the relief of Mrs. Marie Gulbenkian; with an amendment (Rept. No. 1392);

S. 1419. A bill for the relief of Wilhemus Johannes Marie Van Der Kooy; without amendment (Rept. No. 1393);

S. 1452. A bill for the relief of Dr. Juan A. Queralt Balleste; with an amendment (Rept. No. 1394);

S. 1491. A bill for the relief of Rudolf Meinhard and Irene Hallinger; with an amendment (Rept. No. 1395);

S. 1506. A bill for the relief of Andre Lan; with an amendment (Rept. No. 1396);

S. 1551. A bill for the relief of Jose Augusto Pereira; with an amendment (Rept. No. 1397);

S. 1561. A bill for the relief of Anton Bos; without amendment (Rept. No. 1398);

S. 1573. A bill for the relief of Anastacia Roshani; with an amendment (Rept. No. 1399);

S. 1672. A bill for the relief of Efrosini Abad; with an amendment (Rept. No. 1400);

S. 1693. A bill for the relief of Karin Margareta Hellen and Olof Christer Hellen; without amendment (Rept. No. 1401);

S. 1753. A bill for the relief of Zora Krizan, also known as Zorardo Krizanova; without amendment (Rept. No. 1402);

S. 1802. A bill for the relief of Anastasios Kollias; with an amendment (Rept. No. 1403);

S. 1856. A bill for the relief of Sisters Maria Rita Rossi, Maria Domenica Paone, Rachele Orlando, Assunta Roselli, Rosa Innocenti, and Maria Mancinelli; with an amendment (Rept. No. 1404);

S. 1869. A bill for the relief of Marcantonio Doria d'Angri and his wife, Sonia Stampa Doria d'Angri; with an amendment (Rept. No. 1405);

S. 2108. A bill for the relief of Italo Vespa de Chellis; with an amendment (Rept. No. 1406);

S. 2265. A bill for the relief of Marina George Papadopoulos; without amendment (Rept. No. 1407);

S. 2714. A bill for the relief of Thomas Pfeiffer; with an amendment (Rept. No. 1408);

S. 3012. A bill for the relief of Mrs. Osa J. Petty; without amendment (Rept. No. 1409);

S. 3090. A bill for the relief of Lt. (jg) Charles W. Ireland, Supply Corps, United States Navy, and for other purposes; without amendment (Rept. No. 1410);

H. R. 597. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of J. T. Melson against the United States; with amendments (Rept. No. 1411);

H. R. 1026. A bill for the relief of the estate of Susie Lee Spencer; with an amendment (Rept. No. 1412);

H. R. 1487. A bill for the relief of Lt. (sg) Giacomo Falco; without amendment (Rept. No. 1413);

H. R. 1862. A bill for the relief of Mrs. Walter K. Miyamoto (formerly Miyoko Takahashi); with amendments (Rept. No. 1414);

H. R. 2351. A bill for the relief of Aileen L. Sherwood; with an amendment (Rept. No. 1415);

H. R. 2591. A bill for the relief of Giovanna Parisi, Michelina Vailetta, Yolanda Altieri, Generosa Tamburi, Carolina Picciano, and Giovanna Turtur; without amendment (Rept. No. 1416);

H. R. 2854. A bill for the relief of Wade H. Noland; with an amendment (Rept. No. 1417);

H. R. 3010. A bill for the relief of Walter E. Parks; without amendment (Rept. No. 1418);

H. R. 3462. A bill for the relief of Walter J. O'Toole; without amendment (Rept. No. 1419);

H. R. 3924. A bill for the relief of Dr. T. F. Harrison; without amendment (Rept. No. 1420);

H. R. 4342. A bill for the relief of J. R. Holden, R. C. Biggadike, and John Hoffman; without amendment (Rept. No. 1421);

H. R. 4720. A bill for the relief of Stella Avner; with an amendment (Rept. No. 1422);

H. R. 5341. A bill for the relief of Joseph W. Greer; without amendment (Rept. No. 1423);

H. R. 5704. A bill for the relief of Janis Shimada; without amendment (Rept. No. 1424);

H. R. 6003. A bill for the relief of Beulah L. White, widow of John E. White; without amendment (Rept. No. 1425);

H. R. 6093. A bill for the relief of Masami Hiroya and Aiko Hiroya; without amendment (Rept. No. 1426);

H. R. 6282. A bill for the relief of Mrs. Eivor Anne-Britt Jedlund; without amendment (Rept. No. 1427);

H. R. 6283. A bill for the relief of Johny Nielsen; without amendment (Rept. No. 1428);

H. R. 6345. A bill for the relief of Mrs. Raymond Schaffer, Jr.; without amendment (Rept. No. 1429);

H. R. 6656. A bill for the relief of Peter Michael El-Hini; without amendment (Rept. No. 1430); and

H. Con. Res. 190. Concurrent resolution to provide for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775; without amendment (Rept. No. 1431).

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 6695. A bill for the relief of Edgar F. Russell; Lillian V. Russell, his wife; and Bessie R. Ward; without amendment (Rept. No. 1377); and

H. R. 6696. A bill for the relief of Lawrence B. Williams and his wife, Viva Craig Williams; without amendment (Rept. No. 1378).

By Mr. LANGER, from the Committee on the Judiciary:

S. 356. A bill for the relief of Hugo Geiger; without amendment (Rept. No. 1376).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. LODGE introduced Senate bill 3338, to provide for the establishment of a commission to investigate charges of disloyalty in the State Department, which was referrred to the Committee on Foreign Relations, and appears under a separate heading.)

(Mr. TAFT introduced Senate bill 3339, to amend the Labor Management Relations Act, 1947, and for other purposes, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. LEHMAN:

S. 3340. A bill for the relief of Sara-Feiga Ruszniewska;

S. 3341. A bill for the relief of Paddy Keng Wing Chow; and

S. 3342 A bill for the relief of Mr. and Mrs. Michel Speelman; to the Committee on the Judiciary.

(Mr. LANGER introduced Senate bill 3343, to provide for election of postmasters by the people, which was referred to the Committee on Post Office and Civil Service, and appears under a separate heading.)

By Mr. YOUNG:

S. 3344 A bill for the relief of Walter L. Monson; to the Committee on Finance.

By Mr. McMAHON:

S. 3345. A bill for the relief of Humayag Dildilian and his family; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3346. A bill for the relief of Carmencita von Plettenberg and Erich Paysen; to the Committee on the Judiciary.

By Mr. HUNT:

S. 3347. A bill to regulate the height, exterior design, and construction of private and semipublic buildings in the Georgetown area of the National Capital; to the Committee on the District of Columbia.

By Mr. JOHNSON of Colorado:

S. 3348. A bill for the relief of Kue Hin Wong; to the Committee on the Judiciary.

By Mr. HENDRICKSON (for himself and Mr. KEFAUVER):

S. 3349. A bill to amend the Architects' Registration Act for the District of Columbia in order to safeguard life, health, and property, and to promote the public welfare; to the Committee on the District of Columbia.

AMENDMENT OF LABOR-MANAGEMENT RELATIONS ACT OF 1947

Mr. TAFT. Mr. President, I introduce for appropriate reference a bill to amend the Labor-Management Relations Act of 1947, and for other purposes, to carry out my ideas of what should be done in that field.

The bill (S. 3339) to amend the Labor-Management Relations Act, 1947, and for other purposes, introduced by Mr. TAFT, was read twice by its title, and referred to the Committee on Labor and Public Welfare.

ELECTION OF POSTMASTERS

Mr. LANGER. Mr. President, I introduce for appropriate reference a bill to provide for election of postmasters by the people. It should convince the public at large that if the bill is passed, it will prevent the concentration of power in Washington.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3343) to provide for election of postmasters by the people, introduced by Mr. LANGER, was read twice by its title, and referred to the Committee on Post Office and Civil Service.

Mr. LANGER subsequently said: Mr. President, I desire to refer for just a moment in the bill which I introduced this morning, dealing with the matter of an editorial which appeared in the Washington Star on Saturday, which stated that the Committee on Post Office and Civil Service apparently had done something entirely wrong in refusing to report a bill which provided that 22,000 postmasters could be appointed hereafter by the Postmaster General—which of course would mean the President—without confirmation by the Senate, and which intimated that the action of the committee was inspired by the fact that Senators had something to say about the postmasters, which was classified as patronage.

Mr. President, from all over the Northwest, in which I live, cries have come in to take the power away from Washington and to place it back in the hands of the people, where it belongs. Manifestly, if the President, through the Postmaster General, is going to overturn a precedent which has stood for over a century, and which has always required that postmasters shall be confirmed by the Senate, some good reason ought to be shown for it; and certainly no such good reason was shown to our committee. But, in order to do away forever with the cry that members of the committee were trying to retain patronage, this morning I introduced a bill providing that the Postmaster General shall lay down rules and regulations under which the patrons of the post office shall elect the postmaster out of the three highest applicants certified by the Committee on Post Office and Civil Service.

For one, I say it is time that we took from Washington a centralization of power whereby it is possible for Washington bureaucrats to go into every village and hamlet and there name the postmaster; who in many instances is the very last person the people of the particular municipality would select for postmaster. I can cite numerous instances, and shall do so later, when the bill is reported, wherein acting postmasters have been appointed for periods of 1, 2, or 3 years, wherein veterans' preference has been entirely ignored and politicians placed in charge by the Postmaster General—I say at the request of the President, or of the Democratic National Committee, or of the Republican National Committee.

REORGANIZATION PLAN NO. 12 OF 1950

Mr. TAFT submitted the following resolution (S. Res. 248), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 12 of 1950 transmitted to Congress by the President on March 13, 1950.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENT

Mr. CAIN submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

ADMISSION OF DISPLACED PERSONS INTO THE UNITED STATES—AMENDMENTS

Mr. CAIN submitted amendments intended to be proposed by him to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which were ordered to lie on the table and to be printed.

Mr. CAIN also submitted amendments intended to be proposed by him to the amendment in the nature of a substitute intended to be proposed by Mr. KILGORE (for himself and other Senators) to House bill 4567, supra, which were ordered to lie on the table and to be printed.

Mr. KNOWLAND submitted amendments intended to be proposed by him to House bill 4567, supra, which were ordered to lie on the table and to be printed.

Mr. JENNER submitted an amendment intended to be proposed by him to the amendment in the nature of a substitute intended to be proposed by Mr. KILGORE (for himself and other Senators) to House bill 4567, supra, which was ordered to lie on the table and to be printed.

Mr. WITHERS submitted an amendment intended to be proposed by him to the amendment in the nature of a substitute intended to be proposed by Mr. KILGORE (for himself and other Senators) to House bill 4567, supra, which was ordered to lie on the table and to be printed.

Mr. McCARRAN submitted 14 amendments intended to be proposed by him to House bill 4567, supra, which were ordered to lie on the table and to be printed.

EXTENSION OF OLD-AGE AND SURVIVORS INSURANCE SYSTEM—AMENDMENTS

Mr. LEHMAN. Mr. President, on behalf of myself, the Senator from Montana [Mr. MURRAY], and the Senator from Minnesota [Mr. HUMPHREY], I submit for appropriate reference, amendments intended to be proposed by us to the bill (H. R. 6000) to extend and improve the Federal Old-Age and Survivors Insurance System, to amend the public-assistance and child-welfare provisions of the Social Security Act, and for other purposes.

The amendment would expand the scope of the pension provisions to a more realistic level.

I ask unanimous consent of the Senate to have printed the text of the amendments, which is very brief, and an explanatory statement by me in the body of the RECORD at this point.

The VICE PRESIDENT. The amendments will be received, printed, and referred to the Committee on Finance, and, without objection, the amendments and explanatory statement will be printed in the RECORD.

The amendments and explanatory statement are as follows:

AMENDMENT INTENDED TO BE PROPOSED BY MR. LEHMAN, MR. MURRAY, AND MR. HUMPHREY TO H. R. 6000

1. On page 64, in subsection (b) of section 215, delete the words "10 percent of the next $200 of such wage" and insert in lieu thereof the words "15 percent of the next $300 of such wage".

2. On page 64, in clause (2) of the subsection (a) of section 215, delete the words "one-half of".

3. In title I of the bill (amending title II of the Social Security Act) substitute "$4,800" for "$3,600" wherever the latter occurs.

4. In title II of the bill (amending the Internal Revenue Code) substitute "$4,800" for "$3,600" wherever the latter occurs.

STATEMENT BY SENATOR HERBERT H. LEHMAN IN REGARD TO AMENDMENTS TO INCREASE OLD-AGE AND OTHER PENSIONS UNDER SOCIAL SECURITY (H. R. 6000)

In association with Senator MURRAY and Senator HUMPHREY, I am today submitting amendments to the pending social-security bill, H. R. 6000, to increase the insurance benefits to retired persons, widows and orphans. The amendment would increase insurance benefits an additional $10 to $20 a month per insured worker on the average. For example, under my amendment an average industrial worker earning $200 a month who had contributed 20 years under the insurance system would receive a retirement benefit of $117 a month for himself and his wife instead of $99 as provided in H. R. 6000.

If the amendment I have offered is enacted into law, it will not only be of great help to thousands of families in the State of New York but to millions of families throughout the entire Nation. Over 325,000 individuals are now receiving insurance benefits in New York State and over 2,800,000 in the Nation. Thousands of additional persons will become eligible for insurance benefits each year by H. R. 6000 and every one of these persons would benefit by the passage of the amendment.

H. R. 6000 increases the insurance benefits above the grossly inadequate amounts now being paid. However, the improvements made by the pending bill do not go far enough in my opinion, to meet the needs of our people. The hearings now being held by the Senate Committee on Finance have indicated both the need for further increases in the insurance benefits and the overwhelming support of numerous groups for further increases.

Representatives of the American Federation of Labor, the Congress of Industrial Organizations, and employer and insurance organizations have testified before the committee in favor of some further increases. While there has been a difference of opinion as to how these increases should be made and how much they should be, it is important to note that all of these organizations agree that further increases in H. R. 6000 are essential.

I believe that the principle of contributory social insurance with benefits related to prior earnings and to the length of time an insured individual has contributed to the system is a sound American way of meeting the problem. Differential benefits based on wages are a reward for productive effort and are consistent with the economic philosophy of our incentive economy.

Under our social insurance system, an individual earns the right to a benefit related to his own contribution to production. I believe that this principle should be further emphasized by assuring more adequate differentials to the middle-income earners who form the backbone of our incentive economy. In my opinion the benefits provided in H. R. 6000 do not provide sufficiently for differentials between various contributors. If we wish to retain a truly American plan of contributory insurance we must assure those who earn more—and contribute more—a more realistic and more adequate benefit.

The following table shows how the amendments which I am introducing would increase insurance benefits for various illustrative cases.

The following tables show that the percentage of wages compensated under H. R. 6000 for a man with 20 years of contributions varies from 55 to only 19 percent. Under my amendment a more realistic variation would be achieved from 60 to 28.5 percent. It should be noted that under my proposed amendment there is still sufficient room for private supplementation of these benefits.

Benefit amounts and percentage replacement of wage under H. R. 6000 and proposed amendment

A. BENEFITS FOR RETIRED SINGLE MAN

Average monthly wage	H. R. 6000		Proposed amendment	
	Benefit amount	Benefit as percent of wage	Benefit amount	Benefit as percent of wage
	5 years of coverage			
$100	$51.30	51.3	$52.50	52.5
$200	61.50	30.8	68.30	34.2
$300	71.80	23.9	84.00	28.0
$400	71.80	18.0	99.80	25.0
	20 years of coverage			
$100	$55.00	55.0	$60.00	60.0
$200	66.00	33.0	78.00	39.0
$300	77.00	25.7	96.00	32.0
$400	77.00	19.3	114.00	28.5

B. BENEFITS FOR RETIRED MAN AND WIFE

	5 years of coverage			
$100	$77.00	77.0	$78.80	78.8
$200	92.30	46.2	102.50	51.3
$300	107.70	35.9	126.00	42.0
$400	107.70	26.9	149.70	37.4
	20 years of coverage			
$100	$80.00	80.0	$80.00	80.0
$200	99.00	49.5	117.00	58.5
$300	115.50	38.5	144.00	48.0
$400	115.50	28.9	150.00	37.5

Section 1 of the amendment increases the maximum amount of wages on which benefits are based from $3,600 a year to $4,800 a year, and increases the basic benefit in relation to monthly wages above $100. H. R. 6000 provides for a basic benefit amounting to 50 percent of the first $100 of average monthly wage and 10 percent of the next $200 whereas the amendment provides for a basic benefit amounting to 50 percent of the first $100 and 15 percent of the next $300.

Section 2 of the amendment would change the annual increment in the benefit formula—that is, the amount by which the basic benefit is increased for each year of coverage—from one-half of 1 percent to the full 1 percent as is provided in existing law.

Section 3 of the amendment would merely provide for crediting wages up to $4,800 a year rather than $3,600 as in H. R. 6000; this is necessary to carry out the purpose of section 1. Similarly, section 4 of the amendment would make the contribution provisions applicable to wages of $4,800 a year rather than $3,600.

HOUSE BILL PLACED ON CALENDAR

The bill (H. R. 7797) to provide foreign economic assistance, was read twice by its title, and ordered to be placed on the calendar.

JOHN JOSEPH McKAY

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 212) for the relief of John Joseph McKay, which

was to strike out all after the enacting clause and insert:

That in the administration of the immigration laws the Attorney General is authorized and directed to record John Joseph McKay, of Deer Lodge, Mont., as having entered the United States on April 5, 1947, for permanent residence, upon payment by him of the required visa fee and head tax.

SEC. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the quota for Portugal of the first year that such quota number is available.

Mr. McCARRAN. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

JACKSON RILEY HOLLAND

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2084) for the relief of Jackson Riley Holland, which were, in line 4, after "laws," insert "the alien"; in line 7, after "the", insert "natural-born," and to strike out all after "Holland" in line 8 down to and including "immigrant" in line 10.

Mr. McCARRAN. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Charles Fahy, of New Mexico, to be a judge of the United States Court of Appeals for the District of Columbia Circuit;

William Lee Knous, of Colorado, to be United States district judge for the district of Colorado, vice John Foster Symes, retiring;

Burnita Shelton Matthews, of the District of Columbia, to be United States district judge for the District of Columbia. (She is now serving under a recess appointment.)

Irving R. Kaufman, of New York, to be United States district judge for the southern district of New York. (He is now serving under a recess appointment.)

Allan K. Grim, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania. (He is now serving under a recess appointment.)

Irving H. Saypol, of New York, to be United States attorney for the southern district of New York, vice John F. X. McGohey, elevated; and

William A. Carroll, of New York, to be United States marshal for the southern district of New York, vice James E. Mulcahy, resigned.

By Mr. JENNER, from the Committee on the Judiciary:

William E. Steckler, of Indiana, to be United States district judge for the southern district of Indiana, vice Robert C. Baltzell, retired.

REORGANIZATION PLANS OF 1950

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD memorandums compiled by the staff of the Senate Committee on Expenditures in the Executive Departments on the 21 reorganization plans submitted to Congress by the President on March 13, 1950, which appear in the Appendix.]

THE DAIRY INDUSTRY IN NEW YORK—ADDRESS BY SENATOR LEHMAN

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an address delivered by him before the Northeastern Dairy Conference, meeting in their fifteenth annual session, which appears in the Appendix.]

A PROGRAM FOR THE REPUBLICAN PARTY—ADDRESS BY GUY G. GABRIELSON, REPUBLICAN NATIONAL CHAIRMAN

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address by Mr. Guy G. Gabrielson, chairman of the Republican National Committee, at a conference of midwestern and Rocky Mountain Republican State chairmen, at Salt Lake City, Utah, March 31, 1950, which appears in the Appendix.]

DISPLACED PERSONS — NEWSPAPER COMMENT

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD an article entitled "I Have Found Freedom," published in the Holyoke (Mass.) Transcript-Telegram of November 26, 1949; an article entitled "German Refugees Are Glad They Are Far From Munich," published in the Fall River (Mass.) Herald-News of June 10, 1949, and an editorial entitled "Displaced Persons," published in the North Adams (Mass.) Transcript on May 25, 1949, which appear in the Appendix.]

BLOW TO REORGANIZATION—EDITORIAL FROM THE EVENING STAR

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Blow to Reorganization," published in the Washington Evening Star, April 1, 1950, which appears in the Appendix.]

PENNSYLVANIA STILL OIL STATE—EDITORIAL FROM THE OIL CITY DERRICK

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Pennsylvania Still Oil State," published in the Oil City (Pa.) Derrick of March 31, which appears in the Appendix.]

CHANGE IN METHOD OF ELECTING PRESIDENT AND VICE PRESIDENT—ARTICLE BY BLANCHARD RANDALL

[Mr. TAFT asked and obtained leave to have printed in the RECORD an article entitled "Some Observations and Comments on the Proposed Amendment to the Constitution of the United States To Change the Method of Electing a President and a Vice President," by Blanchard Randall, which appears in the Appendix.]

MORTGAGES FOR COOPERATIVE HOUSING—ARTICLE FROM THE WALL STREET JOURNAL

[Mr. BRICKER asked and obtained leave to have printed in the RECORD an article entitled, "FHA Says It Will Insure Mortgages for Cooperative Housing," published in the Wall Street Journal, March 30, 1950, which appears in the Appendix.]

CONFUSION RESULTING FROM ATTACKS ON THE GOVERNMENT—BIPARTISAN FOREIGN POLICY

Mr. THYE. Mr. President, I ask unanimous consent that I be permitted to make a 2-minute statement in connection with the insertion of an article which appeared in yesterday's Star.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an article by Mr. Constantine Brown which appeared in the Washington Star of Sunday, April 2, under the heading "Attacks on Government Leave Public Confused."

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THYE. Mr. President, judging by the letters I have received from my own constituents, I have found Mr. Brown's analysis the best I have seen. It points up the uncertainties in the average citizen's thinking as to what is happening to us in this critical period, and it shows the need for a positive attitude in the highest levels of our Government to reassure our people and restore their confidence.

I shall not discuss in detail the various factors that are contributing to the unsettled state of the public mind, except to mention two. One is the current investigation by the subcommittee of the Senate Committee on Foreign Relations. I believe that public fears as to the possible presence of subversive elements in our State Department will not be allayed unless the subcommittee has an opportunity to examine the secret loyalty files. It seems to me the President should have enough confidence in the distinguished members of this committee, of both parties, to permit them to examine these files in executive session, if necessary in the Department of Justice itself, or at any place the President may suggest.

I believe that such a confidential inspection of the files, and a considered and responsible report by the subcommittee, would do much to allay the fear and uncertainty which now exist.

Let me touch upon another point also. I have a strong conviction that we must restore a workable bipartisan foreign policy in which our beloved and distinguished colleague, the senior Senator from Michigan [Mr. VANDENBERG], has been such an ardent and able leader in the past. We cannot find the answers to our complex foreign policies without this reasonable, united approach. Such a policy does not mean that we may not vigorously debate and test the issues here. It means that we must confine ourselves to issues, and must eliminate personalities and partisanship. In this connection, I was very much disappointed, Mr. President, that no Republican was invited to participate in the current defense discussions by signers of the North Atlantic Treaty.

Mr. President, the American people are eager to make any sacrifice to win the peace. Their elected representatives and leaders have a solemn obligation to help create the spirit and the atmosphere in which confidence and understanding are developed. They cannot be present where there is secrecy. They do not grow out of unnecessary and bickering partisanship. Charges and countercharges do not produce them.

Our great need is for a leadership that speaks for the common aspirations and the common devotion of our people.

EXHIBIT 1

[From the Washington Star of April 2, 1950]

ATTACKS ON GOVERNMENT LEAVE PUBLIC CONFUSED—ANALYST SAYS MAN IN STREET NOW WONDERS WHETHER OUR FAILURE TO ACHIEVE PEACE ISN'T FAULT OF FEDERAL OFFICIALS

(By Constantine Brown)

The mail of Senators and Representatives has been heavy in the last few weeks.

Citizens who write to their lawmakers show puzzlement and concern over what is going on in Washington. They cannot understand the contradictions, the charges, and countercharges which are flying between the executive and legislative branches of the Government.

The confusion which exists today in the minds of many Americans is not hard to understand. They hear that the Government—and particularly the most sensitive branches of the administration—is packed with persons who either are of questionable loyalty or perverts.

They hear from the lips of the Secretary of Defense the statement—echoed by the Commander in Chief—that at no time during peace have we been better prepared militarily then we are today. Then they hear men of high caliber and great responsibility—such as Air Force Secretary Symington and General Eisenhower—state publicly that our defense forces are below the safe point.

In the last few weeks they have heard over the radio and read in the papers charges by Senator MCCARTHY that the State Department is filled with disloyal characters and persons who, in some cases, are outright agents of Russia.

PERVERTS POOR RISKS

The public does not know much about the complexities of the work of the Federal Bureau of Investigation and wonders why this agency, which is more trusted than any other in the Government, does not "go after those guys." What the public does not know is that the FBI merely investigates and puts all the evidence received in secret files which cannot be made available unless the President orders it. It cannot go after any one in a loyalty case unless it receives the green light from the Chief Executive.

The trial of Alger Hiss showed clearly that the FBI knew all about him for years before his Communist connections were uncovered by an investigation of the House Committee on Un-American Activities. But it had to keep silent until an actual case was developed in the law courts and the evidence gathered by the G-men had to be presented in court.

The unexpectedly large number of perverts dismissed from the State Department also worries the public, it appears from the mail which the lawmakers are receiving daily. Such persons are the worst kind of security risk.

After VE-day American intelligence officers discovered the secret files of German espionage headquarters, which had been headed by Admiral Canaris. This German officer, who was tortured before being executed in 1944 for his part in the attempt to assassinate Hitler, was considered by the heads of American, British, and French intelligence to be the ablest worker in the field of espionage.

Admiral Canaris' files showed that he had carefully catalogued all the homosexuals in Government positions in enemy countries. Opposite their names were notations as to whether they were addicted to narcotics or alcohol, vices which often accompany sexual perversion.

All such persons potentially are prime material as espionage agents. Once enmeshed in any kind of espionage they cannot get out for fear of being exposed. The Soviet intelligence system, which for many years was patterned after the German system, is believed to have accurate files of perverts in the American Government and has used them successfully for a number of years. As a matter of fact, the Nazi and Russian espionage systems worked together in the United States until June 1941 when Hitler attacked Russia.

PUBLIC BLAMES POLICIES

The average citizen went on a spree of optimism after World War II. He wants to have explained to him how it happened that after vast sacrifices in lives and money to win spectacularly the most devastating war in history, we appear actually to have lost it.

He knows that we are now on the defensive. He sees that the United Nations, on which American citizenry placed all its hopes for lasting peace, now is running on three cylinders. He is being told that the Soviet leaders are waging a successful cold war all over the world and that Americans do not like any kind of war. He still fails to understand why, after contributing so lavishly to victory against the Axis, we are faced with the possibility of another war with Russia.

The American man-in-the-street also knows that we have not been stingy, either during the war or after its end, in handing over our wealth to our allies.

Many Americans have come to the conclusion that our policies are wrong. Even moderately shrewd horse traders certainly would have managed to obtain a peace which lasted as long as that between World Wars I and II. And since policies are made by men it has become increasingly clear that those entrusted with making them for the United States must have made some tragic blunders.

The Hiss case apparently has made a deep impression on the people. Hiss, who was convicted of perjury, was an important policy planner in the State Department. He did not make policies; those are made by the President and Secretary of State. But the planners, who generally remain out of the limelight, are the digestive tract of the policy makers. They draft and present briefs to the men who make policy, and since they are specialists in particular fields, the Secretary of State, who often has only a perfunctory knowledge of details, is guided in accordance with the briefing he receives from his planners.

The most typical example of how specialists influence the thinking of policy makers is to be found in China. Secretaries of State Byrnes, Marshall, and Acheson were guided by the briefing of their far-eastern experts. They had been told that the Chinese Communists were nothing but agrarian reformers, who had nothing in common with Moscow.

This contention of the planners seemed correct to Mr. Acheson's predecessors. They knew that the shrewd Stalin had made light of the Chinese Communists, both at Yalta and Potsdam, comparing them to American Communists in their inefficiency as party workers. Moreover, the Soviet dictator had assured President Roosevelt at Yalta that he was willing to help Chiang Kai-shek and pretended to keep his word by signing a treaty of friendship with the Nationalist leader a few months later.

CHINA'S CASE REVIEWED

The far-eastern planners assured their politically minded superiors that during the days of global democracy (which, by courtesy, included Russia until the cold war started) America would not be true to its Jeffersonian principles if it continued to support the venal archaic Nationalist regime. Friends of these planners on the radio and in the press took up this cry and kept harping on the stupidity of supporting Chiang's decadent regime.

Some top policy makers, including President Truman himself, may have had misgivings about that policy at a time when parts of China, at least, could have been saved from Moscow's domination. But they preferred to listen to the planners with devastating results for our security in the Pacific.

A similar situation existed before we befogged our policy in China, with respect to some parts of Europe. It was not until late 1946 that the planners began to suspect that Russia might not be entirely on the level and might seek some unwarranted territorial aggrandisement. Up to that time all of our peace plans were made with superb confidence, which was characteristic of some State Department official who were transferred from wartime agencies, that Russia would play ball to the end.

There were plenty of indications that the Russian leopard had not changed his spots. The advice from wiser men was discarded as coming from reactionaries who had the wrong slant on the New World and wanted to create trouble with the heroes of Stalingrad. Even the devious tricks of the Soviet leaders, particularly after the love feasts at Tehran, Yalta, and Potsdam, were not taken as evidence that the U. S. S. R.'s leaders like to stretch the written agreement.

BLANKET INDICTMENT UNFAIR

Human beings make events. And the human beings who conducted the foreign affairs of the United States during and since the war have failed not only their fellow citizens but also the rest of the peace-hungry world as well.

These are facts which have permeated the minds of many Americans who still cannot understand what makes our officials act as they do. The American people won them a full victory. All they had to do was transform that military feat into a lasting peace. Why did they blunder when they had most of the trumps?

To the average American it seems incredible that it was sheer stupidity that cost us the fruits of victory and that we now must gird ourselves to face a ruthless and unscrupulous enemy. In the light of what has been disclosed in recent months, there is a growing suspicion that we have been the victims of something more than carelessness on the part of those who organized our diplomacy during and after the war.

It is cruelly unfair, of course, to blanket in the general indictment the many honest and responsible men who have spent the best years of their lives in the service of the State Department, working hard to live up to the new responsibility which they know America has to shoulder.

Unfortunately, the public makes no distinction, once it is convinced that something definitely has gone wrong. And today the man in the street, who has more direct contact with his Congressman than he has with officials of the executive branch, wants to know what has happened to get us into the present critical situation, who is responsible for the predicament and why has the big broom not been applied to those Government departments where incompetents, freaks, and disloyal persons still hold forth.

"CLEAN" MUNDT BILL—EDITORIAL FROM THE WASHINGTON POST

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial which appeared in the Washington Post this morning entitled "'Clean' Mundt Bill." I call the attention of Senators to the fact that it argues in favor of the minority report which I filed.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

"CLEAN" MUNDT BILL

The new version of the Mundt Communist registration bill reported out by the Senate Judiciary Committee has been cleaned up in several particulars. Even after the lavish applications of soap it has had, however, it still entails sweeping and arbitrary invasions of American liberties unwarranted by the acknowledged threat of subversion. Furthermore, it is dangerous on another count. Although its announced purpose is to force the Communists to operate in the open, its probable effect would be quite the opposite.

Like its predecessor, the new Mundt bill would set up a three-man Subversive Activities Control Board with tremendous powers to decide, without any definite criteria, whether groups were Communist political organizations or Communist-front organizations. All such organizations would be required to register with the Attorney General and maintain accurate lists of their membership; in the case of Communist political organizations the names of members would be made public.

The bill would, of course, prohibit members of Communist organizations from holding any Government job. In addition, it would deny use of the mails or radio broadcasting facilities to any registered group unless the material were plainly marked as coming from a Communist source. It would make it illegal for any member of a Communist political organization to apply for or use a passport. Finally, it would make it a crime for anyone knowingly to conspire or agree with any other persons to perform any act which would substantially contribute to the establishment within the United States of a totalitarian dictatorship. Curiously enough, under a new provision of the bill, membership in a Communist organization is not to be construed as a violation of this provision.

Many of the objections to this procedure are obvious. A Government board would have well-nigh absolute powers to tell private American citizens what groups they could join without inerasable stigma. The criminal provisions are so vague as to open the door to great abuse. What, precisely, is any act which would substantially contribute to the establishment of dictatorship? Could it be, to use a far-fetched example, the one-party system in the South? Moreover, as the Department of Justice has pointed out in a letter to Chairman WOOD of the House Un-American Activities Committee:

"A world of difference exists, from the standpoint of sound policy and constitutional validity, between making, as the bill would, membership in an organization designated by the Attorney General a felony, and recognizing such membership, as does the employee loyalty program under Executive Order 9835, as merely one piece of evidence pointing to possible disloyalty. The bill would brand the member of a listed organization a felon, no matter how innocent his membership; the loyalty program enables the member to respond to charges against him and to show, in a manner consistent with American concepts of justice and fairness, that his membership is innocent and does not reflect upon his loyalty."

Although the bill goes to great lengths to avoid the formal outlawing of the Communist Party, for practical purposes it would accomplish just that. It would make membership in Communist organizations without registration a crime. This is not the traditional American approach, which requires the commission of an overt act of subversion before a person can be adjudged guilty of subversion. It is reminiscent of the thought control which used to arouse such mirth among Americans when it was introduced in prewar Japan.

In another category the Mundt bill is of dubious constitutionality. If the conviction of the 11 Communists under the Smith Act, which makes it a crime to advocate the overthrow of the Government by force or violence, is upheld in the forthcoming court test, then membership in the Communist Party will per se be evidence of such advocacy. In that case registration under the Mundt bill would amount to compulsory self-incrimination.

If the Mundt bill actually would accomplish the purpose of forcing the Communists into the open and protecting the integrity of the Government, that would be one thing. But should anyone in this day and age be deluded that the really dangerous Communists are those who go by that name and hold party cards Surely the Kremlin's masterminds are persons who shun party meetings and even are known as anti-Communists. The restrictive features of the Mundt bill would only serve to push beneath the surface the visible portion of the Communist Party, which, like an iceberg, is six-sevenths submerged anyway. In this it would make inordinately more difficult the work of the FBI.

WHAT THE REPUBLICAN PARTY STANDS FOR—STATEMENT BY SENATOR SMITH OF MAINE

Mr. BREWSTER. Mr. President, on somewhat rare occasions when our presiding officer descends from Mount Olympus to discuss mundane affairs he has asked, "What does the Republican Party stand for?" I therefore ask unanimous consent for the insertion in the RECORD at this point of a 100-word statement of Republican aims and policies, prepared primarily by my distinguished colleague, the junior Senator from Maine [Mrs. SMITH].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The national Republican senatorial and congressional committees, with the Republican National Committee concurring, tonight made public a 99-word, 10-point digest of the statement of Republican principles and objectives which was adopted February 6, 1950, supplementing the 1948 Republican platform. The digest was prepared at the direction of Senator OWEN BREWSTER, of Maine, chairman of the Republican senatorial committee, and Representative LEONARD W. HALL, of New York, chairman of the republican congressional committee, with the cooperation of Guy G. Gabrielson, chairman of the Republican National Committee. It grew out of a suggestion by Senator MARGARET CHASE SMITH, of Maine, who was consulted in its preparation. The three GOP committees intend to use the digest in campaign material during 1950, and it is expected that Republican candidates will incorporate it into their campaign pamphlets.

The digest follows:

"DIGEST OF STATEMENT OF REPUBLICAN PRINCIPLES AND OBJECTIVES, SUPPLEMENTING 1948 REPUBLICAN PLATFORM, ADOPTED FEBRUARY 6, 1950

"The Republican Party stands for—

"1. Reducing taxes.

"2. Balancing budget.

"3. Eliminating Government waste, especially along lines of Hoover Commission reports.

"4. Fighting communism here instead of condoning it.

"5. Providing fair market prices on farm products aided by price supports—cooperative marketing, soil conservation, reclamation, rural electrification—no Brannan plan.

"6. Continuing and improving Taft-Hartley law to protect public from excessive power of labor and management.

"7. Developing an adequate social security system that does not limit opportunity nor discourage initiative and saving.

"8. Protecting rights of veterans and minorities.

"9. Developing a united American foreign policy for peace—world trade without undermining American living standards.

"10. Safeguard liberty against socialism."

PROPOSED INCREASE IN BORROWING POWER OF THE COMMODITY CREDIT CORPORATION

The VICE PRESIDENT. Are there any further routine matters?

Mr. MCCARRAN. Mr. President, if there are no further routine matters, I desire to yield 2 minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I deem it very urgent that the Senate act as soon as possible on the bill, H. R. 6567, an act to increase the borrowing power of the Commodity Credit Corporation. As we were just advised, the House will recess on April 6 and will remain in recess until the 18th, and if the bill should be passed this week, it means that the Senate and House will have to go into conference. I should like to propose a unanimous-consent agreement that at 4 o'clock today, the pending measure be set aside and that the Senate proceed to the consideration of H. R. 6567.

Mr. KILGORE. I object.

The VICE PRESIDENT. Objection is heard.

Mr. ELLENDER. Mr. President, I desire to propose another unanimous-consent agreement relative to the same measure. I ask unanimous consent that tomorrow at 4 o'clock the pending measure be set aside and that the Senate proceed to the consideration of H. R. 6567.

Mr. KILGORE. I object.

The VICE PRESIDENT. Objection is heard.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. KILGORE. Mr. President, I yield 25 minutes to the senior Senator from New Jersey [Mr. SMITH].

The VICE PRESIDENT. The senior Senator from New Jersey is recognized for 25 minutes.

Mr. SMITH of New Jersey. Mr. President, in speaking on the displaced persons bill, I want to sum up the situation in which we find ourselves. There are

before us the bill and the committee report, which we are now considering, with amendments. I am a member of a group offering a substitute bill, which will come up later in the debate. I want to point out in connection with the first three amendments which we are taking up together, that my whole approach to this subject of the definition of displaced persons is based on my conception of the responsibility of the United States for the displaced-persons problem as it presents itself to us through our responsibilities in Germany, in the western sphere, where we have established displaced-persons camps.

As I see the problem, if we confuse that particular responsibility with any extraneous circumstances or conditions in Europe, we are apt to get away from the main objective.

I shall continue, Mr. President, with my prepared remarks. I do not know whether, in connection with my remarks, there will be questions, but I request that I be not interrupted until I conclude my prepared statement. Then, if there is time for questions, I shall be glad to answer them.

Mr. President, my remarks at this time are directed to the first three committee amendments to House bill 4567, running from page 1, line 3, to page 5, line 12. These committee amendments would entirely change the definitions of displaced person and eligible displaced person. That is why I am opposing these amendments in the committee report.

As I shall seek to show, in my judgment these amendments would completely change the nature of the displaced-persons program and make it impossible for the United States to fulfill its international obligation and its moral commitment toward the original group of displaced persons. It was that original group of displaced persons that first started us to think in terms of legislation in connection with the problem. I shall also seek to show that this change would raise false hopes in the minds of millions of so-called ethnic Germans—hopes which would be almost completely frustrated under the terms of the bill itself. I therefore hope the Senate will reject the amendments. The other problem involved is a worthy one, but, in my judgment, it has nothing to do with the displaced-persons problem.

Before I discuss this matter in detail, I should like to point out that I have taken a keen interest in the problem of European displaced persons for 3 years past. Early in 1947 I supported ratification of the Constitution of the International Refugee Organization as an arm of the United Nations, and I had an active part in the selection of my esteemed friend, the Honorable William Hallam Tuck, to head the Preparatory Commission, known as PCIRO, in July 1947. As all Senators know, he was later elected Director General of the IRO itself when that organization was fully established. He gave splendid leadership in the early days of this great international humanitarian movement. I may say, Mr. President, that it was a matter of great regret to me when Mr. Tuck saw fit to retire, for he had laid a great foundation for the work.

In order that we may have clearly in mind the nature of the movement to resettle the displaced persons, and particularly the obligation of the United States, let me review in a few words the origin and history of this problem.

It is estimated that some 8,000,000 eastern Europeans were uprooted from their homes in the course of World War II. I like to think of that figure of 8,000,000, because we got approximately 7,000,000 persons back, which left the figure approximately 1,000,000 persons to deal with in the western zone of Germany where we felt the responsibility and where our occupation facilities took care of them. Most of these were liberated in Germany by the advance of the Allied armies in 1945. During 1945 and 1946 the vast majority of these uprooted people, for the most part inmates of Nazi slave-labor camps and concentration camps, had been returned to their countries of origin through the agency of the Allied armies, with the help of other relief agencies. That is where our responsibility lay as an occupying power.

But this rapid process of repatriation came to a halt in 1947, when the communization of all eastern Europe had deprived most of the remaining DP's of any desire to return to their homelands. At the beginning of 1948 some 837,000 DP's remained in western Germany, western Austria, and Italy.

It was our policy not to return any refugee to his country of origin against his will, and I am sure all Senators will agree that no other policy would have been in accord with our traditional American beliefs.

Therefore, Mr. President, these 837,000 displaced persons remained at the start of 1948 under the jurisdiction of the international refugee organization.

About 611,000 of them were being cared for in displaced persons camps. Since the end of hostilities they had been first under the care of the Allied forces, then of UNRRA and other interim agencies, and finally from July 1, 1947, when the IRO Preparatory Commission began operations, these people were all under the care of that body and its successor, the IRO itself.

Mr. President, this has necessarily been a very costly operation. The direct cost to the United States in contributions to the IRO alone during the present fiscal year has been $70,448,000. Of the total some $350,000,000 which the IRO expects to have spent by June 30 of this year, by far the largest part has been contributed by the United States. I want to emphasize that figure of $70,448,000. It illustrates the load which has been on us annually for some time, except as it is reduced by taking persons out of the camps and resettling them.

From the facts I have thus far mentioned, I think it is clear that the overwhelming majority of the DP's could not be repatriated, that is, sent back to their homes, because of the conditions of tyranny and oppression prevailing in their homelands; and further, that it would have served no conceivable purpose to maintain them permanently in IRO camps, largely at the expense of the American taxpayer. There were two approaches, therefore—repatriation, so far as we could get them to go back, or to leave them in these camps, where we had to pay for them. We had a problem we had to meet. And let me observe here that in the summer of 1947, when this very problem was before Congress, I had the privilege as a member of the Foreign Relations Committee of visiting several of these IRO camps in Germany with Mr. Tuck, the director, and members of General Clay's staff. I may say I talked the matter over fully with General Clay. It was at that time that I received a most encouraging impression of the character of these DP's and of their allegiance to democracy through sad experience with Hitlerism. The camps were governed democratically by the DP's themselves, and I found them for the most part industrious, self-reliant, courageous people who had suffered untold misfortunates at the hands of the Nazis.

These were people who had the courage not to go back to their homes and accept the jurisdiction being put over them there. Consequently, they had to accept the position of being homeless, displaced persons, with the hope that some disposition might be made for them in areas of the world where democratic principles prevailed.

Since we could neither repatriate all these people nor forever support them in the unproductive and makeshift setting of the camps, the question then arose whether there was any hope that they could be established in the German economy. This theoretical possibility was discarded for two reasons—first, because these people were non-Germans whose sufferings at the hands of the Germans made it almost certain that their resettlement in Germany would cause great friction for a long time—settling them in Germany did not seem to be a possibility; and, second, because western Germany was already greatly overpopulated by an influx of millions of German-speaking refugees from the east.

For these reasons it was unanimously agreed by the IRO countries, including the United States, that the only fair and workable solution was resettlement in any part of the world where we could place these unfortunate people. To be sure, the IRO has constantly encouraged the absorption of DP's in the German, Austrian, and Italian economies despite all the obstacles, and has likewise cooperated in the voluntary repatriation of all DP's who freely chose to return to their homelands.

Mr. EASTLAND. Mr. President——

The PRESIDING OFFICER (Mr. O'CONOR in the chair). Does the Senator from New Jersey yield to the Senator from Mississippi?

Mr. SMITH of New Jersey. I have requested, because of the limited time, that I be permitted to finish my prepared statement. I shall be glad to yield if there is time after I conclude.

In the 2 years ending June 30, 1949, the IRO repatriated 64,893 of its charges and expects to return another 15,000 in

the current fiscal year. These are figures which have come from the State Department and the IRO organization. But it was clear from the beginning that the vast majority would have to be resettled in the countries affiliated with the IRO or in other countries outside of Europe.

At this point in my remarks I ask unanimous consent to have inserted a statement which I made in my original report to the Committee on Foreign Relations on my return from Europe in 1947, what appears on pages 2 and 3 of my report, under the heading "Fundamental facts and conclusions as to the displaced-persons problem," in which I sum up in 8 paragraphs the situation in which we found ourselves at that stage of the development of our work. I do not think I need read this, but I want it in the RECORD to show clearly how this whole matter was developed.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

FUNDAMENTAL FACTS AND CONCLUSIONS AS TO THE DISPLACED-PERSONS PROBLEM

From the reports of the subcommittee of the Senate Judiciary Committee and of the subcommittee of the House Committee on Foreign Affairs, and from the testimony of the Secretary of State and the then Secretary of War and their assistants and advisers engaged directly on the displaced-persons problem, and from my own observations, the following basic facts and conclusions appear to be inescapable:

1. Nearly 8,000,000 displaced persons were forcibly brought by the Nazi armies into Germany and fell into the hands of the advancing armies of the western Allies. Along with them were some refugees, particularly from the Baltic countries, who fled before the advancing Russians. Since the end of 1945 probably close to 200,000 persons, primarily Jews, fleeing from the eastern countries of Europe, for the most part after the Kielce pogrom, have also been received by our armies. They have been given the same status of displaced persons by our armies as those who were brought forcibly into Germany and Austria during the war by the Nazis.

2. Seven million of the displaced persons so coming into our hands have voluntarily returned to their native countries, for the most part French, Belgians, Dutch, and Russians, with a substantial number of Poles.

3. There remain about 1,000,000 displaced persons in the western zones of Germany and Austria and in Italy who have been taken over by the American, British, and French Armies. There is a wide range of skills and professions found among these people. In the main, they are of sturdy stock, decent life, and of a character to make a contribution to the citizenry of any country. There are some examples to the contrary. There has been an opportunity for some to work in the local economy and remain out of camp. But for the great majority this has not been practicable, with the return of German prisoners of war and the influx of millions of Germans expelled from the eastern areas into a shattered economy.

4. In origin these displaced persons are almost entirely from the Baltic countries now occupied by Russia, from that part of old Poland which is east of the Curzon Line and now held by Russia, from that part of old Poland which lies west of the Curzon Line, and from Yugoslavia. By religion, the largest single element, probably 60 percent, are Catholics, something over 20 percent are Jews, and the remainder are Protestants and Greek Orthodox. In number, by country of origin, former residents of old Poland predominate. Former residents of the Baltic countries of Lithuania, Latvia, and Estonia constitute the next largest group; and former residents of Yugoslavia, the next. Most of these persons are in the American zones and are under our ultimate governmental authority. What disposition is to be made of these people? That is, for us, the displaced-persons question.

5. These displaced persons will not willingly return to their eastern areas, with their changed governments and economic systems to which they are opposed or fear. We will never return them forcibly. That would be an unthinkable departure from American traditions.

6. It is not an economically practicable nor a humanly decent solution of the situation for us to turn these victims of the Germans, in the aggregate, back to the Germans against their will.

7. It is not a tolerable solution of the problem for us to continue to maintain these displaced persons in a segregated life in the camps in the western zones of Germany indefinitely at the expense of the American taxpayer. They do not want support; they want an opportunity to earn a living and rebuild their lives.

8. The only solution of the problem which will remove the obstacle to a German peace settlement and the constant source of friction in Germany and with other countries constituted by the continued presence of these displaced persons in Germany, which will remove the present and prospective burden on the American taxpayer and which will give these uprooted victims of the war a chance to rebuild their lives, is the resettlement of from 800,000 to 1,000,000 of these people in countries which may be willing to receive them.

Mr. SMITH of New Jersey. Mr. President, it was because of the situation that I have outlined that Congress enacted the Displaced Persons Act of 1948. We were a member of the International Refugee Organization and the leading contributor to its expenses. We agreed that resettlement was the only fair and workable solution for these unfortunate people. We felt an obligation to absorb into our own national life a fair share of them, consistent with what our vast economy could reasonably bear.

In spite of the hampering restrictions of that law, we have come a long way toward fulfillment of our goal. I supported that legislation, but I felt it was too narrow in its scope in order to meet the problem of dealing with our responsibilities. That is why I opposed the legislation as it now is, and favor the amendment that is being proposed at the present time.

As of February 17, 1950, a total of 134,563 displaced persons had arrived or were en route to the United States under the act. Under the new totals provided for by the House bill and the Kilgore substitute—which is the bill introduced in place of the amended bill presented by the committee, and of which I think the present occupant of the chair [Mr. O'CONOR] was one of the sponsors—we would admit about 160,000 more before the end of June 1951, to reach a total of 295,000 IRO displaced persons. In other words, we are almost at midpoint in the total program for IRO displaced persons to which the Kilgore substitute would commit us.

We have heard the question raised, Mr. President, as to whether this total of 295,000 IRO displaced persons is not too much. Let me examine that question for a moment. The total of 295,000 is 95,000 more than our commitment under the present law. But it is reliably estimated that, if the present act is not amended and the whole American program comes to a dead stop on June 30 of this year, there will remain in the care of the IRO on that date at least 250,000 displaced persons, a large proportion of whom might well be in our camps in Germany, where we might have the responsibility of dealing with the problem. Thus the Kilgore substitute, like the House bill, calls upon the United States to face the prospect that these 250,000 refugees will be left stranded in European camps at our taxpayers' expense—and I desire to emphasize that—and to accept less than two-fifths of that remainder, which is all the bills calls for, provided, of course, that many can qualify for admission under the terms of the bill.

It has even been stated on this floor, in order to support the contention that we have done more than our fair share for DP's, that the United States has admitted more of these people than all the other countries in the world put together. I cannot possibly understand how any such statement could be arrived at. The total of IRO displaced persons—I repeat, IRO displaced persons—resettled in countries other than the United States, as of the end of 1949, is 598,400. Up to that date the United States, both under the President's Executive order of 1945 and under the present law, had admitted 160,100 or 22 percent of the total.

I realize tht figures are boring, but I am merely getting these figures in to show why it is I cannot understand how it can be claimed that we admitted more of these people than all the other countries put together. Actually, according to my figures, it was 22 percent of the total.

The statement that we shall have admitted 549,000 displaced persons by the end of June 1950, is entirely mystifying to me, but I am sure that it does not refer to the displaced persons under jurisdiction of the IRO, who are our primary responsibility. The confusion of the true displaced persons with other groups who do not come under the package we recognize as our IRO responsibility, would seem to me not to meet the responsibility we are undertaking, which is to take care of the problem right in Germany, where we have these camps.

To be sure, it can be fairly said that we have admitted more of these than any other single country, but in view of our fortunate position in the world I am sure Senators will agree that that is as it should be. That might be what is meant that we have admitted more than any other "single" country.

I repeat, Mr. President, we are roughly at the midpoint in our effort to do our share in solving the IRO displaced-persons problem. The job it half done. At this critical moment the committee bill proposes to the Senate a redefinition of the term "displaced person" which would

have the effect of stopping the IRO program in its tracks.

Mr. President, it is a complicated situation, and people become confused when we talk about the IRO program and the over-all so-called displaced-persons program. The IRO is the official displaced-persons program, which grew out of the problem we had in Germany and in the displaced-persons camps, but I cannot agree to any amendments to the program we have accomplished that might confuse what that program is.

I am fully aware that this proposal is offered with the argument that we should do something for another worthy group, the German-speaking expellees or Volksdeutsche. I sympathize entirely with the idea of doing something for that group, and I would like to point out in passing that the Kilgore substitute—representing the point of view of those of us who are opposing the committee bill—expressly calls for the admission of 54,477 of these people, separately from and in addition to the IRO group, and is the only legislation before us which makes any provision for the transportation of expellees to the United States. It seemed wise to those who were working on this legislation in the House to admit this number of this group for very special reasons. In addition it authorizes American representatives to take part in an international conference to find a sound solution to this whole problem. I want to emphasize that. I think the problem needs to be faced, but the problem is a different one from the DP problem, and we only confuse ourselves if we mix them up together.

Mr. President, let me state in more detail why the proposed redefinition of "displaced person" in the committee bill is entirely inappropriate.

First of all, by the statement of the Senator from Nevada [Mr. McCARRAN] himself, the ethnic Germans who would be included under his definition number between 8,000,000 and 10,000,000. I repeat, between 8,000,000 and 10,000,000 persons. They represent all the German-speaking communities which resided in non-German Europe before the war. To include this group among those to be considered for eligibility as displaced persons, in a program with an over-all ceiling of approximately 200,000 more admissions, would be a completely inadequate approach to the problem of the ethnic Germans itself. It would raise false hopes among all of this tremendous group—hopes which can never be fulfilled.

Secondly, to handle the processing of this group—by contrast with the IRO organizations in which other nations besides ourselves are helping to solve the DP problem—we would have to set up an entirely new and very expensive American organization in Germany. Since these people are not a concern of the IRO, all the work of registering, housing, feeding, and a thousand other details which the IRO attends to for the people under their care, would fall on the shoulders of the United States alone. And we must bear in mind that the ethnic German group is about seven times as large as the IRO displaced persons group was at its very peak.

Third, the cost of shipping to bring ethnic Germans to the United States must be borne entirely by our own taxpayers. I may say at that point that the IRO is taking care of shipping to the United States of the regular, official IRO displaced persons. The IRO pays for shipping for its own displaced persons, which means that this cost is shared by us with other nations. We will have no such cooperation in resettlement of ethnic Germans.

Fourth, this proposal would disrupt the efforts now in progress to settle these ethnic Germans firmly in Germany among people of their own language and their own culture. It is true that western Germany is greatly overpopulated, but there is reasonable hope that a significant proportion of the ethnic Germans can find a permanent home in Germany. To promise them all an equal chance to come to the United States would be to jeopardize this hope.

Lastly, Mr. President—and this is the crux of this particular phase of the matter—the inclusion of this tremendous group in competition with some 250,000 or 350,000 IRO displaced persons would virtually bring the original displaced persons program to a halt. For every IRO displaced person applying for emigration, applications could be expected from about 30 ethnic Germans. As soon as the flow of processing of ethnic Germans began, it is obvious that the number of IRO displaced persons admitted to this country would be negligible.

To sum up, Mr. President, the committee amendment on the definition of "displaced person" asks us to turn our back on the original obligation we as a nation assumed toward the European displaced persons. It gives very little help to the ethnic Germans for whom it is supposedly drawn. It ignores our moral undertaking as a leading member of the IRO. It defies the concept of international cooperation and makes a mockery of our pledge to support and strengthen the United Nations, of which the IRO is a creature. If it is adopted, it will utterly destroy the remainder of our program for IRO displaced persons.

Mr. President, we have a right to be proud of our action on behalf of displaced persons. It is in line with all our best American traditions. Let us not destroy this great humanitarian program, which has contributed so much to our own human resources and to international peace, by confusing it with a completely unworkable and entirely new obligation toward a group which, however worthy and—I repeat, they are a most worthy group—is so large that its inclusion here would be entirely inappropriate and disastrous.

I simply maintain it is a totally different problem. It must be dealt with, and probably should be dealt with, by the United Nations, with us, but that is not a problem that should be confused with the immediate problem before us.

Mr. President, I hope the Senate will reject the committee amendments changing the definition of displaced persons.

The PRESIDING OFFICER. The Senator from Nevada [Mr. McCARRAN].

Mr. CAIN. Mr. President, I wonder if the Senator from New Jersey has time remaining during which I may pose to him a question or two.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired. Unless further time is yielded to the Senator from New Jersey he cannot yield to the Senator from Washington for questions.

Mr. KILGORE. Mr. President, I will yield five more minutes to the Senator from New Jersey if he desires to use them for the purpose of answering questions.

Mr. SMITH of New Jersey. I am glad to have that additional time allotted to me for that purpose.

Mr. KILGORE. Mr. President, what was the request of the Senator from Washington?

Mr. CAIN. My purpose is to pose several questions to the Senator from New Jersey directed to the very fine presentation he has just made.

Mr. KILGORE. Very well; I yield 5 minutes to the Senator from New Jersey.

Mr. CAIN. Mr. President, I should like to say to the distinguished Senator from New Jersey that he has, to my mind, given the best explanation and the best definition of the character of the task which the United States undertook to assume several years ago when we first approved and passed the Displaced Persons Act.

The Senator from New Jersey has pointed out that as a direct result of enemy action between the years particularly of 1941 and 1945 there were millions of human beings who were ruthlessly moved from one part of Europe to another, and in fact at the end of the war approximately eight to nine million such persons were situated somewhere in the area of our American responsibility in Italy, Austria, and Germany. The Senator went on to add that all but something less than 1,000,000 of those persons were repatriated to their own homeland, without too much trouble. The residue, or roughly about 1,000,000 such persons we and other free nations have been attempting to provide with a haven. The Senator from New Jersey has told us that our fundamental purpose is to provide for this residue which was so badly disrupted and hurt by enemy action.

I was exceedingly impressed by the way in which the Senator from New Jersey has carefully explained what our American undertaking and responsibility and assignment and obligation was. But it is, sir, against the Senator's explanation that I find it difficult to reconcile one item. Would the Senator explain why, against his definition of what America sought to do, we find it necessary to recommend presently a cut-off date of January 1, 1949? I ask that question for several reasons, one of which is, I have been given to understand that admission to our American displaced-persons camps was cut off some time in early April of 1947, and that displaced persons were not to be registered after that same date in 1947. Therefore, logic indicates to me that if the Senate accepts the proposed cut-off date of January 1, 1949, we shall be providing assistance for some persons who probably were not even in

Germany or Austria or Italy in 1947. The Senator would help my thinking materially in trying to reconcile our objective with our present recommendation that we permit people to characterize themselves as being displaced persons more than 4 years after the last shot was fired in anger on the continent of Europe.

Mr. SMITH of New Jersey. I appreciate the distinguished Senator's question, and it is very relevant, because to be entirely consistent we should take the April 1947 date as the wind up of the package, the tying up of the package for which we are responsible. The distinguished Senator will remember that in the special session of Congress in the summer, I think, of 1947 or 1948, whatever it was the President called us back, I tried to get the date changed from 1945 to 1947 on the very basis of the argument now made.

Mr. CAIN. I recall that very vividly, and I recall likewise that no Member of the Senate at that time recommended a cut-off date later than April of 1947.

Mr. SMITH of New Jersey. That is correct.

Mr. CAIN. Yet now each of the several bills before us includes a date a year and 8 months beyond the one the Senator from New Jersey and many other fine Senators were attempting to fix two short years ago.

Mr. SMITH of New Jersey. Well, we are dealing with a bill that comes to us from the House, and the House bill, and also the bill reported from the Committee on the Judiciary, make the date 1949. I am advised that not to exceed 35,000 so-called DP's, or people without homes, are included within that period between 1947 and 1949, if we stick to this package idea. The Senator from Washington understands what I mean by the package idea.

Mr. CAIN. Is that to say that we are going to include 35,000 whom we do not characterize actually as being displaced persons?

Mr. SMITH of New Jersey. If I had been asked to draft this legislation, I will be perfectly honest with the Senator and say I would have stuck to the April 1947 date, because there would then be no controversy over the point we are trying to make.

Mr. CAIN. None whatever.

Mr. SMITH of New Jersey. But there has been a feeling that people who have had practically the same environment and experience between these dates, and they have been carefully screened, amount to about 35,000. There is no difference between the House bill and the committee bill respecting them. I thought that possibly in trying to change the bill for pure consistency we might be making a mistake. But personally I think the sound position would be the one the Senator from Washington is making, and we ought to have made our package tied up as of April 1947.

So I have no quarrel with him, if he wishes to submit an amendment to make the date April 21, 1947, so as to make it perfectly consistent. If the Senator offers such an amendment, it will be very difficult for me not to support it. I think that is where all of us have our responsibility.

Mr. CAIN. Mr. President, I should like to say to the Senator from New Jersey that I have submitted an amendment, which is to be printed and lie on the table, providing that April 21, 1947, shall be the cut-off date. I submit that amendment for very logical reasons, partly because when we debated this matter in the special session to which the Senator from New Jersey has addressed himself no Member of the Senate had any cut-off date later than April 21, 1947, to suggest.

Mr. SMITH of New Jersey. I thank the Senator.

The PRESIDING OFFICER. The time yielded the Senator from New Jersey has expired.

The Senator from Nevada is recognized.

Mr. McCARRAN. Mr. President, I yield 10 minutes to the Senator from Washington [Mr. CAIN].

Mr. CAIN. Mr. President, as used to be said in the Navy, and still is, "Hear this." If it were possible, I should like to have the words, "Hear this" printed in capital letters in the RECORD at this point.

Mr. President, the Supreme Court of the United States has recently ruled that an alien is entitled to American citizenship, even though that alien has stated that he could not or would not contribute anything to be used solely and directly in furtherance of armed conflict. This decision means but one thing, namely, that any alien or immigrant or displaced person—for they are one and the same thing after they have come to this country—can determine whether he or she wishes to fight for the United States in the event of an armed conflict or of war. The Supreme Court case in which the decision was rendered is *Cohnstaedt* v. *Immigration and Naturalization Service* (No. 373, October term, 1949), decided February 20, 1950. The Court based its decision on the earlier case of *Girouard* v. *United States* (328 U. S. 61), decided April 22, 1946.

I want to believe, Mr. President, that the Senate will promptly agree to so amend the naturalization oath, which must be taken by every alien before he is admitted to American citizenship, that it will require every alien who seeks our citizenship to pledge him or herself to bear arms on behalf of the United States when required by law.

Mr. President, earlier today I submitted an amendment to the pending displaced-persons bill, to be printed and lie on the table. The amendment amends the naturalization oath simply by adding a single sentence. The amendment reads: "That I will bear arms on behalf of the United States when required by law."

This amendment, Mr. President, needs no further word of explanation. Everyone in the world can understand its meaning and the obvious reasons why it has been submitted. I think a vast majority of all American citizens will urge the adoption of the amendment.

Every alien who seeks American citizenship certainly does so because of his or her desire to flee from tyranny, oppression, and suffering. Such aliens want to come to this country because it is free and safe and secure. These aliens know that American citizenship will provide them with an opportunity which does not presently exist anywhere else on the face of the earth. It must be, Mr. President, that every such alien will be determined, once he or she has become an American citizen, to fight with those of us who are native-born Americans to preserve freedom and opportunity and security. Should there be aliens who seek to take advantage of everything we in this country so freely offer to them, without being willing to fight for America should that need arise, those persons, few in number though they may be, should be denied admission to the United States.

I have no desire, Mr. President, to criticize the Supreme Court of the United States; but the Court has rendered a decision which many an American will feel is adverse to the future welfare and security of America. Because of the Supreme Court's decision, an alien who becomes an American citizen is entitled to say what he will or will not do in time of trouble, strife, or bloodshed. To my mind, at least, no alien who is worthy of being protected and helped by the United States could possibly resist or resent the amendment I have offered. The only kind of aliens whom we welcome as naturalized American citizens are those who will express their appreciation and their gratefulness to America by being willing to fight and die when and where required for America in the event of an armed conflict.

Mr. President, I think the adoption of the amendment will say to all aliens everywhere, that America is willing to help those in trouble overseas who are just as willing to help America; and its adoption will say plainly to the American people that the Congress has no intention of being foolhardy or careless in its admitted desire to provide shelter and protection to those who presently suffer in lands across the seas.

Mr. President, I was not personally aware of the recent action taken on this question by the Supreme Court. That action was called to my attention by a typical American citizen who happens to be a constituent of mine in the city of Tacoma, Wash., whose name I had previously not heard of, and whom I have personally never met. By way of appreciation for his drawing to my attention a step which I think should be taken, I ask unanimous consent that his letter in its entirety may be printed in the RECORD at this point in my remarks, where it can be read and understood by Americans generally.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TACOMA, WASH., *February 21, 1950.*

Senator HARRY P. CAIN,
Senate Office Building,
Washington, D. C.

DEAR SIR: I see by the morning paper that the Supreme Court of the United States has ruled that an alien is entitled to citizenship even though the alien has stated that he could not "contribute anything to be used

solely and directly in furtherance of armed conflict." The naturalization law requires that an alien, before he can become a citizen, must, under oath, before the naturalization court, swear that he will "support and defend the Constitution and laws of the United States of America against all enemies, foreign and domestic * * *." (8 USCA 735.) It appears the Supreme Court has construed the words "support and defend" to mean something entirely different than the definitions of the words themselves suggest. I could go along with the Supreme Court when they ruled a noncombatant could become a citizen for he was at least supporting the defensive forces, but this present ruling is an insult to my discharge button, and the service it represents.

I suggest that a resolution defining the terms "support and defend" as being a willingness to aid this country in time of war or national emergency, be introduced in Congress and its passage urged. It appears that the only way to prevent further prostitution of the oath of allegiance to the United States by the Supreme Court, is for Congress to tell the Court, and the people just what those words mean.

Yours very truly,

GEORGE S. DAILEY.

Mr. CAIN. Mr. President, when the letter was received from my constituent, drawing my attention to what he thought was not a good thing recently done by the Supreme Court, I sent his letter to Mr. Peyton Ford, the assistant to the Attorney General of the United States. Mr. Ford has stated, in response, as the opinion of the Attorney General, and for himself, that the Attorney General's office made arguments against the recent action taken by the Supreme Court, and that the office of the Attorney General thinks it would be in the future best interests of the United States to so amend the prevailing naturalization oath that any alien who comes to us for the many kinds of assistance and protection we can give will say in his oath of allegiance, in effect, "If the time comes when the country to which I come, seeking protection, has need of me to fight to continue that protection and security and care, I, as a former alien, out of my gratefulness for my citizenship, will be among the first to be willing to fight, if the law so requires."

Mr. KILGORE. Mr. President, if the Senator will yield for a question, let me inquire whether the Senator thinks that instead of offering that amendment to the displaced-persons law, it should be offered to the oath of allegiance required to be taken by all immigrants, rather than be restricted to a certain group of immigrants.

Mr. CAIN. Mr. President, I could not possibly agree more sincerely or more completely with the observation just made by the Senator from West Virginia. If my amendment is agreed to it will change the naturalization oath which is provided for by the Nationality Act of 1940, and this oath is taken by all immigrants.

Mr. President, in order that the RECORD may be as clear and as concrete as possible, I ask unanimous consent that the letter under date of March 16, 1950, received by me from Mr. Peyton Ford, the assistant to the Attorney General, may be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ASSISTANT TO
THE ATTORNEY GENERAL,
Washington, March 16, 1950.

Hon. HARRY P. CAIN,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CAIN: Your letter of March 4, with enclosed letter of February 21 to you from Mr. George S. Dailey, of Tacoma, Wash., to Attorney General McGrath has been referred to me for reply.

Mr. Dailey is correct in his understanding of the ruling by the Supreme Court in the naturalization case in which it was decided that an alien, who stated he would not contribute anything to be used solely and directly in furtherance of armed conflict, is not debarred on that account from naturalization as a citizen. The case to which he refers is *Cohnstaedt* v. *Immigration and Naturalization Service*, No. 373, October term, 1949, decided February 20, 1950. The Court based its decision on the earlier case of *Girouard* v. *United States* (328 U. S. 61), decided April 22, 1946.

Inasmuch as both of these decisions result from the Court's interpretation of the Nationality Act of 1940, and particularly section 335 of that act, 8 U. S. C. 735, Congress could, by appropriate legislation, amend the act so as to impose prerequisites for citizenship not included within the language of existing law, as construed by the Supreme Court. The Department of Justice took the opposite view in both of these cases, and argued that the present provisions of the Nationality Act of 1940 should be construed as barring from citizenship those who decline, on account of religious reasons, to give aid to the Military Establishment, but our views were rejected. The matter is now one for congressional consideration and decision.

I am returning Mr. Dailey's letter herewith.

Sincerely yours,

PEYTON FORD,
The Assistant to the Attorney General.

Mr. CAIN. Mr. President, finally, I ask unanimous consent to have printed at this point in the RECORD the text of the amendment which I have submitted to the displaced-persons bill; and in that connection, I point out that the words "bear arms on behalf of the United States when required by law," as those words appear twice in the amendment constitute the only change which the amendment would make in the present naturalization oath.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 19, after line 14, insert a new section, as follows:

"SEC. 14. Subsections (a) and (b) of section 335 of the Nationality Act of 1940 (54 Stat. 1157; U. S. C., title 8, sec. 735 (a) and (b)) are amended to read as follows:

"'(a) A person who has petitioned for naturalization shall, before being admitted to citizenship, take an oath in open court (1) to support the Constitution of the United States; (2) to renounce and abjure absolutely and entirely all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which the petitioner was before a subject or citizen; (3) to support and defend the Constitution and the laws of the United States against all enemies, foreign and domestic; (4) to bear true faith and allegiance to the same; and (5) to bear arms on behalf of the United States when required by law: *Provided*, That in the case of the naturalization of a child under the provisions of section 315 or 316 the naturalization court may waive the taking of such oath if in the opinion of the court the child is too young to understand its meaning.

"'(b) The oath prescribed by subsection (a) of this section which the petitioner for naturalization is required to take shall be in the following form:

"'I hereby declare, on oath, that I absolutely and entirely renounce and abjure all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which I have heretofore been a subject or citizen; that I will support and defend the Constitution and laws of the United States of America against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I will bear arms on behalf of the United States when required by law; and that I take this obligation freely, without any mental reservation or purpose of evasion: So help me God. In acknowledgment whereof I have hereunto affixed my signature.'"

Mr. KILGORE. Mr. President, I yield 20 minutes to the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. SALTONSTALL. Mr. President, I am one of the sponsors of the so-called Kilgore substitute. I want today to speak briefly to the subject of the basic definition of a displaced person, and the differences between the definition in the committee amendment and the definition in the Kilgore substitute, and how they compare with the present law.

When the present law was under discussion, and finally was passed, its purpose we generally felt to be the United States attempt to do its fair share toward offering a home to men, women, and children who were under the International Refugee Organization. This Organization had previously been approved unanimously by the Senate. It was clear that it could not go on indefinitely without a tremendous drain on the pocketbooks of the American taxpayers, and that it could not go on without hurting human beings who had no place to call home and who were truly refugees from persecution. The definition which was adopted, and which is at present in the law, is the exact one that is contained in Annex L of the IRO constitution. When this definition was passed in the Senate, the principal argument concerned the date on which the displaced persons had to be in the camps in order to be included as displaced persons. The date in the bill as finally passed was set as December 22, 1945. At that time I favored a later date in 1947, but the amendment which I and other Senators sponsored was turned down. Both the committee amendment and the Kilgore substitute now change the date to January 1, 1949, but the Kilgore substitute continues the language of the present law whereas the committee amendment deletes the provision in the present law that a displaced person means one so defined in the IRO, and substitutes a new definition which includes not only the displaced persons for which the IRO has been given responsibility, but also some 8,000,000 expellees who are not the concern of any international body. This definition clearly dilutes the availability of the authorized number of visas to the displaced persons

who come under the IRO definition. It changes almost completely the original intent of the Congress as regards the whole displaced-persons organization.

To sum up briefly, the Kilgore substitute continues the present definition of a DP, merely changing the date. The committee amendment also changes the date but completely redefines a DP by including 8,000,000 expellees or refugees of German ethnic origin.

This latter group is now the subject of a special provision in section 12 of the DP Act. Furthermore, several specific amendments are pending to enlarge the benefits of the law as they relate to this specific group. The proposal contained in the Kilgore substitute will enlarge and, in my judgment, improve the degree and manner of treatment of this group to the extent that it will make possible the immigration of about 54,000 people under conditions and arrangements as closely comparable to those available to DP's as it has been possible to devise. The proposed committee definition on the other hand will make special provisions for 8,000,000 of these people and in addition include them in the general scope of the act.

In substance, Mr. President, the issue is simply this: Shall we continue the present definition of a DP in order to make it possible to terminate the International Refugee Organization by March 31, 1951, as we have definitely stated to other nations in that Organization we intend to do, or shall we, by redefining a DP, include in that definition some 8,000,000 more people and thus make it impossible to end the IRO by March 31 next year? If the IRO ends and the DP's have not been settled, in the American zones they will become dependent upon us as taxpayers and we will not have accomplished what we are trying to do. Originally we set out to take care of these DP's as soon as we possibly could. We have several times changed the date as to who should be included in the group. The Kilgore substitute further extends that date, but it does not redefine who is a DP beyond that change in time.

I have great sympathy for the German ethnic group. I believe that they may well deserve consideration in a separate bill and receive in this way special treatment, but I am opposed to adopting the committee amendment which in substance will make it impossible for us to carry through our original intention. We would thus be fooling the German ethnics into believing that many more of them may come into the country than the provisions of the committee amendment really permit. For instance, the committee bill will authorize the admission of 330,000 persons. Of this number, 290,000 visas are available jointly for IRO DP's and expellees, 40,000 for other persons, plus 54,744 for expellees. Thus while the present law authorizes 205,000 visas for IRO DP's alone and the House bill approves 302,000, the committee bill, in fact, cuts back the number of IRO DP's below even the present law. Thus cut-back comes by diluting the total number of visas available to IRO DP's by including expellees in the total number.

The Kilgore substitute specifically admits the 54,744 German ethnics and gives them the same travel allowance as DP's. On the other hand, the committee amendment admits the 54,744 expellees and at the same time dilutes the DP's with the balance of approximately 8,000,000 German ethnics but gives no travel allowance to the 54,744.

The solution of the DP problem is one to which the United States is very positively committed. We are members of the IRO. The contribution by our Treasury to the IRO is most substantial. In fact, of the amount that is actually spent, the contribution is over 50 percent and has amounted in total to well over $200,000,000. There is pending before Congress an item of over $25,000,000 to complete the life of IRO by next March. The Senate Committee on Appropriations has a letter from the State Department in which that Department definitely commits itself to end our membership in the IRO next March. It is perfectly clear if the committee amendment is adopted this cannot be done. If the IRO stops then, it is clear to me that we will assume the full burden of the DP's who are left in our zone. In passing the present DP law, Congress reaffirmed the policy of the United States by limiting the applicability of its provisions to the DP's who are the concern of the IRO. The definition contained in the present law used the language of the IRO constitution in order to solve the problem for which the IRO was created. If this new definition is now adopted that will be defeated. The program upon which the Government has been working for several years with resulting outlays of money and effort will not be accomplished if the expellee group is now included in the general class to be known as eligible DP's. I repeat, the expellee problem can very well be the subject of separate consideration and sympathetic appeal.

Furthermore, the present pipe line admitting DP's will obviously have to be slowed down if this committee amendment becomes law, in order to get the proper assurances for expellees and in order to get them processed under the law. Surely a suggestion of such sympathetic appeal and of such magnitude can properly be treated as a distinct problem in order that Congress may make whatever provision it deems necessary and do so without backing away from its accepted responsibility as a member of the IRO. We cannot afford to confuse these two separate problems and thus permit one to defeat or impair the other.

The Kilgore amendment provides, in addition, for calling an international conference to deal with this important problem on a broader basis. Such a suggestion may provide a solution that will be much more effective for the expellees and less costly for our taxpayers. Outside of the interference of this amendment with our foreign policy and the international undertaking that we are trying to carry out, there are practical considerations that it seems to me must be taken into consideration if the committee amendment is adopted. The DP's who are and have been the concern of the IRO have undergone registration and other identifying processes. Some of these have now been pending for several years. There has been much criticism on the floor of the Senate that some ineligible persons have been able to get visas because of the lack of information or because of false information as to date of entry, background, and other similar considerations.

If the present definition is adopted it will make eligible some 8,000,000 people who have not been the subject of international care and control, who have not been registered and recorded by military and international agents and about whose background we have little or no information. In many instances their presence in the pertinent areas is of such duration that their general behavior and record are not those upon which our agents can predicate judgment with the same certainty that they have been able to exercise by watching people who have been under international supervision for a number of years. If there is criticism of our present admission of DP's and their ability to get into this country, certainly the increase of some 8,000,000 new persons will increase those problems many thousandfold. That does not require any imagination on our part to conceive. If we are to deal with this large mass of people about whom so little is known and seek to bring them within the committee definition of eligible DP's with its dateline and other requirements, we shall have to rely more than ever upon their own statements as to who they are, where they came from, and why, and at what time. To make it necessary for the processing officers to throw cases of that kind into the same category with the DP's is bound to bring about confusion, a general slowing down in the whole process and run into adverse critical appraisal of the operation.

The Kilgore substitute bill puts sufficiently few new people into the DP category to make it entirely possible to process them easily and quickly.

Mr. KILGORE. Mr. President, will the Senator yield at that point for just one question?

Mr. SALTONSTALL. I yield.

Mr. KILGORE. Is it not a fact that under the present act, in which the IRO definition is used, which is carried into the substitute, we are dealing with a registered group as opposed to an unregistered group of the 8,000,000 who might be taken in, if the definition were changed?

Mr. SALTONSTALL. The Senator is absolutely correct. That is the point I wish to make as clearly as I can, because the entire criticism, as I see it, by Senators on the Senate floor, has been that there is a lack of information about those coming in, and if we should do what is undertaken to be provided in the McCarran bill, or the committee bill, those hazards will be increased.

Mr. KILGORE. Is it not a further fact that in dealing with the registered persons, we are to a great extent dealing with people whose records we can get, whereas, if we get into the question of the so-called Deutschesvolk, we shall be

dealing with a people all of whose records are behind the iron curtain, and utterly inaccessible?

Mr. SALTONSTALL. That is correct, so far as I know.

Mr. CAIN. Mr. President, will the Senator yield for one question on this particular point?

Mr. SALTONSTALL. I yield to the Senator from Washington.

Mr. CAIN. It seems to me to be a fact that if the Senate adopts the cut-off date of January 1, 1949, which is included in either the committee bill or the substitute, it will provide for taking care of displaced persons who, as of this time, have not been registered as such by anyone. That seems to me to be so because I have been told that the registration files as to entries into American displaced-persons camps were closed as of some date in April 1947.

Mr. SALTONSTALL. I would answer the Senator from Washington in the same way in which the Senator from New Jersey [Mr. SMITH] answered him. I, personally, 2 years ago, approved the April 1947 date. I spoke for it, but it was defeated. The committee and the Kilgore substitute bring out a new date. I believe January 1, 1949, is a fairer date, and I am willing to accept it. I did approve the other date, and I think there is something in what the Senator has said.

Mr. CAIN. I raise the point sincerely, for two reasons: First, it seems to me that the 1947 date is both realistic and fair. Second, I have been trying, without very much success, to get an answer which satisfies me as to why that date should not be included, when many other persons have come into the area of our influence.

Mr. SALTONSTALL. I think the organization for examination and inspection of those displaced persons is much better than it was, and, undoubtedly, less harm will be done by letting them in. It will be more humane and a little more fair.

Mr. CAIN. We all seek to see that no harm is done to this Nation, and that fairness is provided for those persons across the seas.

Mr. SALTONSTALL. Mr. President, I should like to make one other point. If the committee definition becomes law, we will then put the so-called expellees into two categories. We will put them into the category that they are now in under section 12 of the law, which will permit approximately 54,000 to be admitted, and we will define them as DP's. These expellees can then apply directly to the Displaced Persons Commission under one section and directly to the American consul under the other. They can then sit back and await the results of whichever will process them more rapidly or advantageously. The resulting confusion between the American consul's office and the Displaced Persons Commission will be constant. Will the consul make the preliminary investigation? Will the Displaced Persons Commission do it? Will the mere circumstance of which section a particular person would apply under determine the kind of procedure to be adopted in his case? Furthermore, the same person may apply under one section in one area and under another section in another area with further confusion possible.

The debate on the floor of the Senate confirms me in the belief that the great majority of the Senate want to clear up this confusion on admission. We want in this body to make certain that we get the best possible people as future citizens. We want to make it possible to give them the closest scrutiny that we can before we admit them to become citizens in these troublesome days. This particular provision probably more than any other will add to the administrative difficulties and make the law more unmanageable.

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). The time of the Senator has expired.

Mr. KILGORE. Mr. President, I yield five more minutes to the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator from West Virginia.

Mr. President, I have joined with others of my colleagues in the Kilgore substitute because I believe that it is a fair, practical method of admission and will help to end one of the most distressing human problems that has arisen out of World War II. In 1948 I joined in some amendments on this subject which were defeated. I believed then that there should be some further changes made that were not finally adopted. In 1949 I filed with other Senators certain amendments. If we keep to our course, we have hopes that this problem may be ended a year from now. If we further complicate this problem by adding 8,000,000 more people it becomes a problem which will not permit us to complete our first objective and merely confuses it with another good objective which may be the subject of proper consideration by our country in the days to come. To the extent the separate although kindred problems are to be met by Congress we should meet them, but, unmistakably, we should not confuse them to the detriment of each other. We should further remove rather than increase the administrative burdens and complexities which have already been created.

I urge that committee amendment No. 3, contained in the language of the committee bill on pages 3 and 4 and the first half of page 5, be defeated, and that that part of the Kilgore substitute which is applicable be adopted. Put it another way round. I want to see the Kilgore substitute adopted. I have been addressing my remarks specifically to that portion of the committee amendment on pages 3, 4, and 5 which I believe should in any circumstances be defeated, even though the Kilgore substitute might not be passed.

I also hope that whatever action Congress wishes to take with respect to the expellees may be done by a separate provision, in the manner and to the extent contemplated by section 9 of the substitute bill. This action will materially liberalize and improve section 12 of the present law relating to expellees of German ethnic origin. If, in the opinion of the Congress, this is not sufficient for these expellees, then a separate law, after careful consideration, should be passed. I also refer the Senate, Mr. President, most respectfully, to section 12 of the Kilgore substitute, which provides a method by which an international conference can be held on this subject.

Mr. President, as there has been much debate and difference of opinion on the question of inspection and methods of screening of DP's, I should like to insert at the conclusion of my remarks a memorandum that I requested of the Displaced Persons Commission on this problem. I insert it because it gives briefly, and I think clearly, what the Displaced Persons Commission, the Immigration Office, and the American consul are now doing. Perhaps in every instance these steps may not be covered as thoroughly as they should be covered, but at least it gives us an idea in a few words, and in one place, what our authorities in Europe and in the United States are trying to accomplish.

Mr. President, I ask unanimous consent to insert at this point in the RECORD a memorandum on the screening of displaced persons, which was given to me by the Displaced Persons Commission, at my request. It specifically takes up in order the 11 steps which a displaced person must go through before he can be admitted into this country. It gives in detail the number of American officials a displaced person must see personally, the amount of paper work he must do, and additional American officials he can see if there is any doubt as to his being admitted.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON SCREENING OF DISPLACED PERSONS

The so-called screening procedure with respect to displaced persons is as follows:

First step: An American decides to sponsor a displaced person's entry into the United States. In 75 percent of all the cases received thus far, the American sponsor specifies a particular displaced person by name, thereby himself selecting the displaced person he wants. In the vast majority of the rest of the cases, the American sponsor either specifically designates an American voluntary church organization or his own State Displaced Persons Commission to name the displaced person for him. In the remainder of the cases, the displaced persons are named by American selection of the Displaced Persons Commission.

Second step: The name so chosen is given to the Displaced Persons Commission, either in the United States or Europe, for processing.

Third step: The Displaced Persons Commisssion requests the International Refugee Organization to provide whatever information it may have on these individuals who have already been named, and particularly for a certification as to this status under IRO constitution and for a certification of what its records indicate as to the person's movements. Since its beginning in July 1947, the IRO has been under the direction of an American. The IRO constitution was ratified by the Senate on March 25, 1947, by a unanimous voice of the Senate. It is important to remember that the IRO is so anathema to the Soviet Union that the Soviets are not members of the IRO and in fact constantly attack the IRO.

Fourth step: After the IRO submits its information to the Displaced Persons Commission, an American selector reviews the evidence. The evidence from IRO is purely prima facie, and the Displaced Persons Commission can and does go behind it. If there be any doubts still unresolved, the American selector interviews the displaced persons in question. All of this is directed to a preliminary determination of eligibility. This is purely preliminary, to determine whether the person is disqualified at that step, or whether the case is to be sent to the Counter Intelligence Corps for investigation. A determination of preliminary eligibility is merely a determination that the case is prima facie worthy of investigation and further processing. At this step, 29 percent of all cases are disqualified by the Commission, even before investigation by the Counter Intelligence Corps.

Fifth step: The Counter Intelligence Corps of the United States Army investigates each displaced person. This involves a thorough personal interview of each displaced person by a trained American intelligence agent, plus a neighborhood check by a trained American intelligence agent. This is done in each case. At the same time the case is checked against the central files and records of the Federal Bureau of Investigation. The Counter Intelligence Corps then submits to the Displaced Persons Commission a report of its findings on security, criminality, and eligibility.

The Counter Intelligence Corps findings on security, if derogatory to the displaced person, are accepted as conclusive by the Displaced Persons Commission. Where the Counter Intelligence Corps finds eligibility data in conflict with information supplied by the IRO, the Displaced Persons Commission accepts the Counter Intelligence Corps findings. Here, as in the preceding one, the IRO's information is not conclusive upon the Displaced Persons Commission.

The attached letter of February 21, 1950, from the deputy director of the Intelligence Division of the Headquarters of the European Command of the United States Army, says, in part:

1. "It is felt that the CIC investigation is as thorough as possible under existing conditions."

2. "CIC never closes a case on an individual as long as unexplored leads exist."

3. "CIC has never accepted IRO documentation of an individual, forwarded to them for investigation by the Displaced Persons Commission, as being a true portrayal of facts."

Sixth step: An American case analyst, on the Commission's staff, then reviews the whole file, including the report of the CIC's interview. If he determines that another interview is necessary, he conducts one. If the file shows no need for a further investigation, the American case analyst prepares and signs a report as to whether the person is an eligible displaced person. If he so determines, the case along with the entire file is submitted to the consul without recommendation. If not, he stops the case.

Seventh step: The displaced person is then given a thorough medical examination by the United States Public Health Service, before the case reaches the vice consul for interview. Any medical evidence that would disqualify is immediately reported and would close the case.

Eighth step: Only after all these previous steps does the case come before the consul, who interviews each displaced person. If the consul finds favorably under the law, he issues and signs a visa. He can and does deny visas on the regular exclusion grounds of the immigration laws and upon fraudulently established eligibility under the Displaced Persons Act.

Ninth step: Each displaced person is interviewed by an immigrant inspector in Europe, who endorses the visa if the displaced person is admissible under the law, otherwise he excludes such immigrant. If the inspector finds that eligibility has been established by fraud, he can exclude the displaced person under the law.

Tenth step: Upon arrival in the United States, each displaced person is again examined by the United States Public Health Service. Again any adverse medical evidence disqualifies the person and subjects him to exclusion.

Eleventh step: The displaced person is again examined by another immigrant inspector, who has complete authority to exclude the displaced person under the law, including medical grounds certified by the United States Public Health Service. Even though a displaced person is cleared in Europe, new information affecting his admissibility is sent ahead by cable resulting in his possible exclusion on arrival. At this step also, a displaced person may be excluded by the immigrant inspector if the displaced person's eligibility was established by fraud. Even after admission to the United States, if excludability is shown, he can be deported at any time within 5 years of his entry. On some grounds, such as subversive activity, he can be deported without regard to date of entry.

Thus, before leaving Europe, the displaced persons are regularly interviewed by at least four American officials. At least two of these interviews, those by the Counter Intelligence Corps of the United States Army and by the United States Public Health Service, take place before the displaced person reaches the consul. In addition, where necessary, there are two further interviews before the case reaches the consul, one by the Commission's selector and the other by the Commission's case analyst, each of whom is an American official.

Mr. KILGORE. Mr. President, I yield 25 minutes to the junior Senator from New York.

Mr. LEHMAN. Mr. President, I intend to speak plainly. I think I owe it to my colleagues, my constituents, and my country to describe, in the simple language of fact, why I oppose with all my strength the amendments to the Displaced Persons Act reported out by the eminent chairman of the Judiciary Committee, Mr. McCARRAN. I shall try to explain how these amendments, far from liberalizing or strengthening the displaced-persons program, actually pervert and destroy it.

The problem of the displaced persons has been with us in a legislative sense, for 5 years. For five long years we have been wrestling with this problem, studying it, investigating it, debating it, and appropriating money for its solution. But for most of the displaced persons, the problem is a much older one. Some of them have known it for 10 and 15 years. For 15 years, Mr. President, some of these Europeans have been uprooted, persecuted, tortured, and oppressed. Children have been born and have grown up in this half world of hopelessness, fear, and hate.

Mr. President, we are not dealing in this legislation with potatoes, natural gas, oleomargarine, or rivers and harbors. We are dealing with human souls. We cannot weigh this legislation as if the displaced persons were surplus cotton or grain which can be indefinitely stored in bins or warehouses. Human beings are perishable. Human beings cannot be dumped into the ocean or destroyed because they are surplus.

We are deciding the fate of people, people who are living in camps, in huts, barracks, and shelters, in lands which are completely alien to them. We are dealing with people who have no homeland, who have no country to which they can return, or in which they can stay. We are dealing with people who have no racial or national affinity with the lands in which they are quartered, and who are tolerated in those lands only because these people are under the protecting care of the United States and the other Western Powers. We are dealing with people who are tragic casualties of the cataclysm which has shaken the entire world to its very foundations.

But we did not and are not enacting this legislation merely because these people are poor, or hungry, or without shelter, or unemployed, although most of them are in that condition. It is not because of these factors that we are asked to liberalize our displaced-persons law. Rather it is because we have an established obligation to these particular displaced persons. We accepted and subscribed to this obligation in good faith 5 years ago. It is an obligation we must honor today.

Mr. President, we are all concerned today with the mounting cost of government, and with the heavy tax burden under which we labor. Yet we have been and are continuing to help support these individuals in the displaced-persons camps, in the various bivouacs and quarters where they are now located, through our contributions to the International Refugee Organization.

The United States has been contributing about 60 percent of the budget of this organization. Between July 1, 1947, and June 30, 1950, the IRO will have spent over $300,500,000 in carrying out its mission. For the fiscal year 1949–50 the budget of the IRO was $122,863,000, of which the United States contributed $70,447,000. We will be required to contribute a comparable amount during all the time the IRO continues in operation, which means during all the time the displaced-persons problem remains unsolved.

Unless we take the necessary steps to help solve this problem through the admission into our country of a proper number of these people—these people who are now the concern of the IRO—we will be forced to keep on making these heavy appropriations and expenditures. These people whose productive energies could be an economic asset to our country will continue to constitute, instead, an oppressive liability.

Mr. President, of course our first and dominating concern must be the security and welfare of our own country. But it ill befits the supporters of the McCarran amendments to imply that those of us who do not share their extravagant alarm at the displaced-persons program are unmindful of the security of this Nation. Can it be thought for a moment that the 18 sponsors of the substitute bill, including Members from both sides of this House without party distinction, are less zealous and less anxious about national security than the distinguished senior Senator from Nevada or the senior Senator from Mississippi?

Can it be assumed that Gen. Lucius Clay, Mrs. Eleanor Roosevelt, Mr. Philip Murray, and Mr. William Green are any less patriotic or less concerned about our national security?

I have here the names of the Governors of the 23 States of the Union who have endorsed either the substitute bill or the House bill, which, of course, is similar in all major respects to the substitute measure. I should like especially to read a statement made on March 3, 1950, by the Governor of my own State, Gov. Thomas E. Dewey, in regard to this bill:

The bill introduced by Senators KILGORE and FERGUSON is a desirable bill. It eliminates the unfair 40-percent priority for persons from annexed territories. It eliminates the discriminatory 30-percent preference to agriculturalists. It bars discrimination against any applicant because of race, religion, or national origin. I should like to restate emphatically my strong view that the Kilgore-Ferguson bill should become law.

Would the supporters of the McCarran bill say that Governor Dewey is unconcerned with the security of the United States against subversion and infiltration? Could it be said that any of the 23 Governors who are supporting this measure are so unconcerned?

Mr. President, I ask the consent of the Senate to print the names of these 23 Governors and their States at this point in my remarks.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

Alabama: James Folsom.
Arkansas: Sidney McMath.
Colorado: William Lee Knous.
Illinois: A. E. Stevenson.
Indiana: Henry Schricker.
Kansas: Frank Carlson.
Kentucky: Earl Clements.
Louisiana: Earl K. Long.
Maryland: William Preston Lane, Jr.
Michigan: Gene Mennen Williams.
Minnesota: Luther W. Youngdahl.
Montana: John W. Bonner.
New Jersey: Alfred E. Driscoll.
New York: Thomas E. Dewey.
North Carolina: William Kerr Scott.
Ohio: Frank J. Lausche.
Oklahoma: Roy J. Turner.
Oregon: Douglas McKay.
Pennsylvania: James H. Duff.
Rhode Island: John O. Pastore.
Vermont: Ernest W. Gibson.
Washington: Arthur B. Langlie.
West Virginia: Okey L. Patteson.

Mr. LEHMAN. Mr. President, I have seen the statements of the National Grange and of the American Farm Bureau Federation and of the United States Chamber of Commerce, of 21 religious organizations, of 14 women's organizations, of 17 labor organizations, of three veterans' organizations, of 22 social, civic, welfare, and other organizations.

All these organizations are supporting the principles of the minority substitute as against the principles of the committee bill. I ask unanimous consent to print the names of these organizations at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

RELIGIOUS ORGANIZATIONS

American Friends Service Committee.
American Unitarian Association.
Congregational Christian Churches; Council for Social Action.
Disciples of Christ; International Convention.
Federal Council of Churches of Christ in America.
Friends Committee on National Legislation.
Home Missions Council of North America.
Knights of Columbus.
Mennonite Central Committee.
National Catholic Rural Life Conference.
National Catholic Welfare Conference.
National Lutheran Council.
Northern Baptist Convention.
Presbyterian Church, U. S. A.
Presbyterian Church in the United States.
Protestant Episcopal Church: General Convention.
Southern Baptist Convention.
Synagogue Council of America.
Unitarian Service Committee.
World Alliance for International Friendship through Churches.
YMCA—International Board.

WOMEN'S ORGANIZATIONS

American Association of University Women.
Catholic Daughters of America.
Hadassah.
League of Women Voters.
National Council of Catholic Women.
National Council of Jewish Women.
National Federation of Business and Professional Women's Clubs.
National Federation of Congregational Christian Women.
United Council of Church Women.
Women's American Art.
Women's Auxiliary of the Protestant Episcopal Church.
Women's Division of the Methodist Church.
Women's International League for Peace and Freedom (United States section).
YWCA—National Board.

LABOR ORGANIZATIONS

American Federation of Labor.
Congress of Industrial Organizations.
Amalgamated Clothing Workers of America, CIO.
Brotherhood of Railway Clerks, AFL.
Hotel and Restaurant Employees International Alliance and Bartenders International League of America, AFL.
Industrial Union of Marine and Shipbuilding Workers of America, CIO.
International Ladies' Garment Workers Union, AFL.
International Longshoremen Association, AFL.
International Printing Pressmen and Assistants Union of North America, AFL.
Jewish Labor Committee.
National Maritime Union of America, CIO.
National Women's Trade Union League.
Oil Workers International Union, CIO.
United Automobile, Aircraft-Agricultural Implement Workers of America, CIO.
United Brotherhood of Carpenters and Joiners of America, AFL.
United Cement, Lime, and Gypsum Workers International Union, AFL.
United Hatters, Caps, and Millinery Workers International Union, AFL.

VETERANS' ORGANIZATIONS

American Veterans Committee.
Catholic War Veterans.
Jewish War Veterans.

SOCIAL, CIVIC, WELFARE, AND OTHER ORGANIZATIONS

American Association of Social Workers.
American Association for the United Nations.
American Civil Liberties Union.
American Council for Judaism.
American Council of Voluntary Agencies for Foreign Service: Committee on Displaced Persons.
American Farm Bureau Federation.
Americans for Democratic Action.
American Federation of International Institutes.
American Jewish Committee.
B'nai B'rith.
Common Council for American Unity.
Council of Jewish Federations and Welfare Funds.
Hebrew Sheltering and Immigrant Aid Society.
International Social Service.
International Refugee and Relief Committee.
National Community Relations Advisory Council.
National Congress of Parents and Teachers: Board of Managers.
National Federation of Settlements.
National Social Welfare Assembly: International Committee.
United States Chamber of Commerce.
Polish American Congress.
National Grange.

Mr. LEHMAN. Mr. President, having submitted the names of more than 200 organizations, representing every shade of thought in religious faith, labor, philosophy, and civic attitude, I ask whether these great organizations can be considered to be unmindful of the interests and the welfare of the United States.

No, Mr. President, the fact of the matter is that all these organizations, representing every aspect and facet of American life, representing business and labor, and every kind of organization, Catholics, Jews, and Protestants, are pledged to the support of the principles of the substitute bill—the principle of expanding and liberalizing the displaced-persons program.

Mr. President, when the Displaced Persons Act was approved in 1948, President Truman said he signed it "with great reluctance." He stated that there were aspects of this legislation which "form a pattern of discrimination and intolerance wholly inconsistent with the American sense of justice." That became one of the issues in the presidential and congressional election of 1948. The people expressed their will. Their will was to oppose that discriminatory law.

Mr. President, if that law was discriminatory, what are we to think of this committee bill? The committee bill not only repeats and continues the provisions which the President of the United States labeled as discriminatory, but deepens and crystallizes those discriminations. I refer, among other provisions, to committee amendments Nos. 12, 18, 19, and 24; I refer also, and of course, to the complete negation of the purpose of the Displaced Persons Act in committee amendments 1, 2, and 3. These have been and will be discussed at greater length by other Members of the Senate.

But, Mr. President, I should like to cite a few facts which have a bearing on certain rumors and allegations which have been floating through the corridors and back Chambers of the Senate, although they have not been mentioned in debate. I would like to report to the Senate on the percentage of various nationalities and religions included among those properly called displaced persons. I am referring now to those for whom responsibility is acknowledged by the International Refugee Organization. Of the total number of actual displaced persons who are still in Europe, and in the Near and Far East, as of January of this year,

47 percent are Polish, 18 percent Baltic, 9 percent Yugoslav, 4 percent Russian, 4 percent Czechoslovak, and 18 percent of varied nationalities.

Analyzed by religious faiths, 41 percent are Catholic, 27 percent are Protestant and Orthodox Catholic, 8 percent are Jewish, and 24 percent are either unknown or other faiths.

The largest single group of displaced persons remaining in Europe today are Catholic. The Protestants are the next largest. Persons of Jewish faith now represent a very small percentage of the remaining displaced persons. They number less than 35,000. Most of the Jews formerly in the displaced-persons camps have gone to Israel.

Israel, incidentally, has taken a very large percentage of the so-called hard-core cases, the individuals who, because of age or physical disability, are not considered desirable immigrants. These are the people who could not be self-supporting and productive. But the little state of Israel announced only last week plans for the resettlement of every Jewish hard-core case in Europe, about 4,000 of them, involving about 9,000 people, who are to be brought to Israel and rehabilitated as far as possible. This will remove from Europe almost half the hard-core cases in the displaced-persons category.

Mr. President, I have been referring to the general aspects of displaced-persons legislation. I should like to speak now on the specific legislation before the Senate. Much as I disapprove of the present displaced-persons law, I would vastly prefer to have no amendments, to see no legislation enacted, than to approve the eviscerating amendments the committee has here reported.

Mr. President, I have heard members of the committee say that there is really not much difference between the McCarran bill and the substitute insofar as liberalization of the present law is concerned. It has been stated in the press and on this floor by proponents of the McCarran bill that all the objections to the original Displaced Persons Act have been met in the committee bill.

Mr. President, with all due respect to those who made such statements, I should like to say with as much emphasis as I can that if the McCarran bill purports to be a liberalization of the present Displaced Persons Act, it is a total delusion. In this connection I should like to say that an editorial published in the Saturday edition of the New York Times analyzes better than I could the differences between the McCarran bill and the substitute measure. I ask unanimous consent that the editorial I have referred to be inserted in my remarks at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ACTION IN SIGHT

The fact that the Senate is nearing a show-down on amendments to the Displaced Persons Act of 1948 is cause for encouragement. For the enemies of liberalizing the measure have been engaged for many months in what amounts to a filibuster, and, to paraphrase JOHNSON, a filibuster is the last refuge of a politician who hasn't got the votes.

It was on June 2, 1949, that the House approved H. R. 4567, a bill which is not perfect, but which would make it possible for the United States to do its part effectively in helping the world wind up the existing DP problem. The principal features of this bill are an increase in the total number of admissible DP's and the elimination of certain arbitrary and highly restrictive provisions of the present law that have already seriously crippled its operation. As it has emerged from Senator MCCARRAN'S Judiciary Committee, the bill is almost unrecognizable—so much so that an impressive minority of the committee headed by Senator KILGORE are backing a substitute which strongly resembles H. R. 4567. If the Senate should pass the Kilgore proposals, there would be no difficulty in reconciling them with the original House bill. All friends of decent, responsible, workable DP legislation ought to support the Kilgore substitute in the Senate.

The first real test, however, is expected to come on one of Senator MCCARRAN'S pet schemes—a redefinition of the term "displaced person" which would in effect include the 8,000,000 German expellees, or Volksdeutsche. Adoption of this amendment would utterly wreck the existing DP program. While the IRO, which does not recognize the Volksdeutsche, is nearing the end of its existence, the proposed amendment would vastly complicate the DP problem by diluting the existing IRO list of a few hundred thousand DP's with the names of millions of so-called "ethnic Germans." To bring the latter en masse under DP legislation would cause hopeless confusion and administrative and financial difficulties beyond description. As it is, a considerable number of them are covered, in an orderly and practicable manner, in both the House and the Kilgore bill; but if anything is to be done about them on a really large scale, Senator MCCARRAN has, as usual, proposed the worst possible method.

Mr. LEHMAN. Mr. President, the McCarran bill not only breathes its dislike and distaste for displaced persons—for those generally recognized as displaced persons—but breathes its distaste for the Displaced Persons Commission. The United States Constitution proscribes bills of attainder. The McCarran bill is, in a sense, a bill of attainder against the Displaced Persons Commission, an American Government agency created by American law.

Much of the so-called evidence introduced into the hearings of the special Senate subcommittee deals with alleged maladministration on the part of the Displaced Persons Commission. If the Displaced Persons Commission has, in fact, violated its trust and misadministered the law, it is up to the executive branch of the Government to rectify that situation. All that the Congress can or should do is to strengthen the law. The proved loopholes in the law, its actual administrative weaknesses as shown by experience, are all taken care of in the substitute measure.

Mr. President, yesterday, I heard over the radio a debate on this displaced-persons legislation. One of the participants in that debate was Mr. Ugo Carusi, chairman of the Displaced Persons Commission.

Mr. Carusi said—and I hope I am quoting him with substantial accuracy—that if the allegations about maladministration of the displaced-persons program are true, then the remedy is in removing the members of the Displaced Persons Commission, including Mr. Carusi. Mr. Carusi, however, disputes the charges that have been made and his assertions seem very convincing to me. But, in any case, the point is well taken. If the law is not being well administered, the administrators should be brought to account. The remedy is not in taking the necessary powers away from the Displaced Persons Commission.

Section 9 of the committee bill, Mr. President, which is committee amendment No. 25, gives to the Immigration and Naturalization Service and to the American Foreign Service the authority to determine eligibility under the Displaced Persons Act. This would, in effect, deprive the Displaced Persons Commission of its major function, in Europe. This section of the McCarran bill goes on to provide—

That the final determination of eligibility of applicants both under this act and under the general immigration laws of the United States shall be made exclusively by the Immigration and Naturalization Service and the American Foreign Service, both acting through persons who are citizens of the United States and who have had not less than 3 years' experience in the Immigration and Naturalization Service or in the American Foreign Service.

I have read a considerable amount of law, Mr. President, but I do not recall ever having read a law quite like this. Under these terms, Congress would not only tell the executive branch of the Government what to do, but how to do it, who is to do it, and what shall be the qualifications of the persons who are to do it.

Of course, Mr. President, all this administrative confusion reflected in the McCarran bill is due to the lack of understanding of the proper distinction between eligibility and admissibility. I think that is a confusion which exists widely, even in the Senate.

The Displaced Persons Commission has been given authority by law and by administrative regulation to determine which of the displaced persons in Europe are eligible to be disregarded as displaced persons under the terms of the law. The Displaced Persons Commission decides and should decide whether an applicant for the privileges of the Displaced Persons Act satisfies the dateline requirements and whether he satisfies the requirements as to national origin and circumstances of displacement. That is the only field in which the Displaced Persons Commission has the final word. This is all that comes under the heading of eligibility.

All the other factors which go into the decision of whether a displaced person should be admitted to the United States come under the heading of admissibility. These include such factors as moral character, health, whether the applicant is a security risk, his political background, and his likelihood of becoming a public charge.

In most of these matters the Displaced Persons Commission has the right to reject an applicant. And if he is rejected, neither the consular service nor the Immigration Service sees the applicant, because he has already been rejected.

But if the Displaced Persons Commission approves an application, the Immigration and Naturalization Service and the Foreign Service still have the final and complete veto power, on the basis of all the criteria of admissibility, including those contained in the Displaced Persons Act.

The regular immigration laws of the United States contain 20 or more grounds for barring a would-be immigrant from entering the United States. The Displaced Persons Act contains additional grounds. For any one of these reasons or for any combination of them, an immigration inspector or a consular officer of the United States can refuse to approve the application of a displaced person. The Displaced Persons Commission has no power or authority to overrule the consular service or the Immigration Service in these fields.

In cases where it can be shown, or where there is ground for reasonable belief that a displaced person has utilized fraudulent documents to obtain certification as a displaced person, the consular and Immigration Services have not only the full right but the duty to deny admittance.

I should like to emphasize again and again that these two branches of the Federal Government retain under the Displaced Persons Act all the power they possess under the normal immigration laws of the United States, plus additional powers granted them solely under the Displaced Persons Act.

The substitute bill retains and enhances these powers. The Ferguson-O'Conor amendment, which I shall support as a refinement to the Kilgore substitute, makes this even clearer than it is now.

There is no question in my mind that the Immigration Service and the consular service should have the final and absolute power to determine the admissibility of any displaced person into the United States. These services should be able—and are able—to reject any applicant who is a security risk. These services should have all the information they need or can obtain to aid them in determining whether an applicant is a security risk.

Mr. President, in connection with this confusion about eligibility and admissibility, one of the strangest confusions concerns the functions of the IRO. It has been charged that the IRO selects displaced persons for admission into the United States. This is a completely unfactual allegation. The IRO merely certifies certain individuals as being displaced persons under the definition of section 2 of the present Displaced Persons Act. It is the only organization which can so certify. In doing this the IRO serves the same function as a witness in a court proceeding. The witness identifies the individual in question. Whether that identification is upheld is a matter for court decision in the light of all the facts. The IRO is certainly a qualified and expert witness in this regard. But the IRO does not and cannot certify a person as an eligible displaced person. That is the function of the Displaced Persons Commission and the IRO certainly cannot influence in one way or another the admissibility of a person. That is the function of the consular service and the Immigration and Naturalization Service.

The IRO no more selects persons for admission into the United States than a parish priest in Italy, in certifying the birth and nationality of a would-be immigrant under the Italian quota, selects that individual for admission into the United States. Actually the great majority of the nominations of individuals for consideration as eligible displaced persons are made by American citizens and American voluntary organizations.

I should like to point out that today on the average 330 out of every 1,000 applications received by the Displaced Persons Commission, including the certifications by the IRO, are eventually rejected by the United States Government agencies. Of these, 322 are rejected by the Displaced Persons Commission, 6 are rejected by the United States consuls, and 2 are rejected by the immigration inspectors. Long before the cases reach the consular and immigration services, almost all the poor security risks have already been rejected.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The time of the Senator from New York has expired.

Mr. LEHMAN. Mr. President, may I ask the Senator from Tennessee [Mr. KEFAUVER] whether I may have 10 minutes more?

Mr. KEFAUVER. Mr. President, if I have the right to yield any time to the distinguished Senator from New York I shall be happy to do so. Under the unanimous-consent agreement the time is controlled by the Senator from Nevada and the Senator from West Virginia.

Will it be agreeable for me to assume, on behalf of the Senator from West Virginia, the prerogative of yielding 5 minutes additional time to the Senator from New York?

The PRESIDING OFFICER. Is there objection to such yielding of time by the Senator from Tennessee, acting in behalf of the Senator from West Virginia, in his absence? The Chair hears no objection, and 5 minutes additional time is granted the Senator from New York.

Mr. LEHMAN. Mr. President, I shall have to cut my remarks short, of course, if I am granted only 5 minutes additional. Under such circumstances I would ask to have my prepared remarks printed in full in the RECORD.

The PRESIDING OFFICER. Without objection——

Mr. KEFAUVER. Mr. President, if there is no objection, I shall be willing to yield 10 minutes additional time to the distinguished Senator from New York.

The PRESIDING OFFICER. The Chair assumed that the Senator from Tennessee would try to find the Senator from West Virginia while the additional 5 minutes already granted the Senator from New York were being used. The Chair will appreciate it if that course is followed.

Mr. O'CONOR. Mr. President, I am authorized by the Senator from West Virginia to yield 10 minutes additional time to the Senator from New York.

The PRESIDING OFFICER. That solves the problem. The Senator from New York is recognized for 10 minutes additional.

Mr. KEFAUVER. That is quite satisfactory, Mr. President, and relieves me of the responsibility of acting in this connection.

Mr. LEHMAN. Mr. President, if the procedure proposed by the McCarran bill were to be approved, the power to reject would be taken out of the hands of the Displaced Persons Commission. The resultant load on the State Department and on the Immigration and Naturalization Service would, I believe, destroy the effectiveness of the security screening by those services.

Mr. President, there is a fable, by the French writer LaFontaine, about a man who decided that he would do a number of good deeds to help his neighbors. In each case, however, although he started out to do a good deed, he found himself mainly involved in protecting his own interests. Soon he became so obsessed with protecting his own rights that he lost sight of the fact that he was trying to do good deeds, and his neighbors came to hate him more cordially than if he had never started with his project in the first place.

I suggest, Mr. President, that there is somewhat of a parallel between that fable and our consideration of the displaced-persons problem. We started to carry out a humanitarian purpose. We started to discharge an international obligation. However, we have so hedged our undertaking with conditions that some of us have lost sight of our original objective.

No other subject in recent years has been so thoroughly studied, investigated, and reviewed. However, while the House committee was studying ways and means of remedying the discriminations in the Displaced Persons Act of 1948, as well as the means of perfecting it generally, the special subcommittee of the Senate Judiciary Committee was working from an entirely different angle, and was looking under every rock and bush for evidence to show that the displaced-persons law was not discriminatory enough.

The Senate Judiciary Subcommittee held more than 40 hearings on displaced-persons legislation. There reached my desk last Thursday more than 1,200 pages of testimony. Even that printed volume was incomplete. Some of the hearings referred to on the cover of that record are not included in it.

In my own judgment, the testimony given before the subcommittee, when taken as a whole, does not support the charges which have been made on this floor against the displaced-persons program. For every charge, the record contains an answer. It would be useless to engage in refuting one statement or another.

It seems to me that the McCarran bill and the substitute, when taken side by

side, tell the story. If we are to settle the displaced-persons problem once and for all, if we are to honor our international obligations, if we are to do what we set out to do, what we promised the people of America we would do—to liberalize the displaced-persons law—there can be no question of what our action will be when we vote on these amendments.

Let me remind the Senate that what we have before us is legislation for displaced persons—not for any displaced persons, not for persons who happen to be displaced anywhere in the world, but for the displaced persons, for the displaced persons defined in the IRO constitution, for the ones whom we are supporting, and to whose support we are pledged. Unless we cling to this definition, we are lost. If we abandon this definition, and cut ourselves loose from it, we shall find ourselves in deep waters indeed. So far as the displaced-persons program is concerned, we shall then have scuttled it.

Under the McCarran definition, a true displaced person would have little chance, if any, of ever entering the United States. Mr. President, I should like to submit to the judgment of every Member of this body and of every American citizen what the effect of such legislation would be on our international relations. In my own opinion, its effect would be to feed the fires of Communist propaganda in Europe more than would be done by any other single thing we could do. Its effect would be to renege on our pledged word and to make the pledged faith of the United States a mockery throughout the world.

However, I do not need to express merely my own opinion. I can quote the words of the Secretary of State of the United States, who, in response to a letter which I wrote to him, has written to me as follows:

MARCH 31, 1950.

The Honorable HERBERT H. LEHMAN,
United States Senate.

MY DEAR SENATOR LEHMAN: I have received your letter of March 27, 1950, requesting my opinion as to the impact on our prestige and general relations abroad of alternate proposals now under consideration by the Senate to amend the Displaced Persons Act of 1948.

Since 1945 the reduction of the numbers of refugees and displaced persons in central Europe has been an important element of United States foreign policy. Their continuing presence in central Europe delays the restoration of peace and order in that area which is a primary objective of the United States. I therefore welcome the opportunity which your letter affords to stress once more that the United States has a common objective with other peace-loving nations to resolve this problem at the earliest possible moment. Moreover we have accepted the responsibilities of leadership among the free democracies to give support to the forces alined against totalitarian regimes. Included among the refugees and displaced persons are those who have made great personal sacrifices in this struggle and have been forced to flee in search of asylum where freedom of self-expression and the dignity of the individual are respected. To meet these responsibilities, it is essential that we do our part in receiving an appropriate number of refugees and displaced persons in the light of comparable action by other governments.

It is the judgment of the Department of State that H. R. 4567 and the substitute measure sponsored by 18 Members of the Senate referred to in your letter go further toward meeting the requirements of these considerations than other measures now before the Senate.

Sincerely yours,

DEAN ACHESON.

Mr. KILGORE. Mr. President, will the Senator yield for a question at this point?

Mr. LEHMAN. I yield.

Mr. KILGORE. Is it not a fact that we are now laboring to strengthen our international position by means of the use of our money, and in every other way we can, looking toward a better understanding with the nations that are friendly to us?

Mr. LEHMAN. The Senator is absolutely correct. Let me add that I know what our Government has been doing to strengthen our relations with the democracies of western Europe. I was there when Russia and the satellite countries wanted to force these poor, unfortunate people to go back behind the iron curtain. We in UNRRA and those in the United Nations fought against that; and in concert with the other democracies, the United States worked wholeheartedly in the effort to give asylum and safety to these people.

Mr. KILGORE. Does the Senator agree that the program, as envisaged from the international viewpoint, took into consideration the definition and the registration of certain types of persons by an international organizations known as the International Refugee Organization, of which the United States is one of the participating parties, and of which the nations which are friendly to us and to our theory are the other participating parties? Is not that correct?

Mr. LEHMAN. That is correct.

Mr. KILGORE. Therefore, if we repudiate the agreement, on the basis of which the International Refugee Organization was set up, and on the basis of which its constitution and bylaws were adopted, we shall be going back on the nations who have lived up to its bylaws and who are carrying out the obligations they have assumed under those bylaws and under the same definition; is that correct?

Mr. LEHMAN. The distinguished Senator from West Virginia is absolutely correct.

Mr. KILGORE. Therefore, we would be introducing a disturbing factor into the international picture, and it would serve to upset the State Department's activities looking toward international cooperation; is that correct?

Mr. LEHMAN. That is absolutely correct.

Mr. President, let me add, in further answer to the Senator's question, that it is an amazing thing, which is not well understood, that neither Russia, nor, so far as I know, any of the satellite countries, are members of the IRO. The IRO is composed of the liberty-loving, democratic nations.

Mr. President, I know that testimonials and statements in favor of or against any proposition are always subject to some discount. I do not expect that the Senate will be swayed one way or the other by them. I think the Senate will make its decision on the basis of the facts, as they are adduced from all the credible and established evidence.

Yet, I can think of no better way to conclude my remarks this afternoon than to quote the remarks of an Army officer who spent many months in direct contact with displaced persons, an officer whose job it was to know and to observe the displaced persons.

The PRESIDING OFFICER. The time of the Senator from New York has again expired.

Mr. KILGORE. Mr. President, does the Senator from New York desire to have further time granted to him?

Mr. LEHMAN. Yes; perhaps a half minute or a minute more.

Mr. KILGORE. Mr. President, I yield to the Senator from New York whatever further time he requires to conclude his remarks.

Mr. LEHMAN. I thank the Senator.

Mr. President, Lt. Col. Jerry M. Sage, of the United States Army, formerly attached to the European command, wrote as follows in the New York Herald Tribune of March 3, 1949:

If I were asked to point out the community which I considered the least susceptible to and the most thoroughly indoctrinated against nazism, fascism, and communism, I would not take you to the isolated 100-percent American small town in the Midwest. I would take you to a DP center in our zone of Germany.

Mr. President, there is so much more that could be said. Many of my colleagues have pointed out, and will point out in the course of this debate, additional factors calling for the adoption of the substitute bill and the rejection of the McCarran amendments. This is not a political issue. It is not a technical issue. It is a humanitarian issue. It is an issue where righteousness in all its vigor stands clearly in support of the substitute measure.

Mr. KILGORE. Mr. President, I have been trying to proceed in an orderly manner with the various committee amendments, but at this time, I desire to accommodate the Senator from California, who has a specific question which will come up further in the bill, which he would like to discuss. Inasmuch as it will be inconvenient for him to discuss it at a later hour, I therefore yield 15 minutes to the Senator from California [Mr. KNOWLAND].

The PRESIDING OFFICER. The Senator from California is recognized for 15 minutes.

Mr. KNOWLAND. Mr. President, I wanted to discuss the special case of the so-called White Russian refugees who are now on the island of Samar, in the Philippines. I recall—and I think it important that the Senate recognize the fact—that most of these people originally were driven from Russia at the time of the Bolshevik revolution of 1917. Some of them had been identified with the old czarist regime. Some had been identified with the liberal government of Alexander Kerensky. Some had been identified with the various non-Communist

leaders who fought during the Russian civil war. All of them felt that their lives would be in danger if they remained in Russia; and, of course, many of those who remained behind were liquidated, or are still in Siberia, in the salt mines or elsewhere. These people went into various cities of China, not only Shanghai, but Tientsin, Peking, and into many other communities. There, starting from scratch, because most of them came out with only the clothes on their backs and what few possessions they could carry with them, they began once again to build their lives and to raise their families.

During the Chinese Communist revolution, which has more recently taken place, they realized once again that if they fell into the hands of the Chinese Communist forces it would not be unlikely that the Soviet Union would request of the Chinese Communist Government that they be turned over to the Russian Government, to be taken back, either to be liquidated or put into concentration camps. Therefore, once again, after having rebuilt their lives, they were force to flee for safety.

I think we might commend the Government of the Republic of the Philippines in that, during the emergency situation when there was no other place to which these people might go, it provided within the Philippines, on the island of Samar and a neighboring area, a camp for them.

Last November and December, when I was in the Far East, I flew from Manila to the island of Samar to visit the camp. I found the caliber of the people to be very high. Not only had they done much to improve the rather inadequate living quarters which were available to them, but they were keeping up their spirits and were endeavoring to educate their children and to provide normal community facilities. They had their own police force, they had their own fire department, they had their own schools, they had their own training centers in which to teach the boys who were older trades of various kinds. Many of these White Russians, over the years, have lived in the State of California, as well as in other States of the Union, and I have found them to be excellent citizens. I may say by way of passing that no one needs to convince them that communism is not the proper way of life.

Mr. KILGORE. Mr. President, will the Senator yield for a moment?

Mr. KNOWLAND. I yield.

Mr. KILGORE. The Senator is doubtless aware of the fact that there are two definitions of the term "White Russian." One affects a certain part of Russia only; the other affects a group which was opposed, and has been opposed since the revolution, to the Soviet government. I wanted the Senator to clarify his use of the term "White Russian." I think I understand what he means by it.

Mr. KNOWLAND. I thank the Senator. The question he raises is a very natural one, and one which, of course, should be clarified. I use the term in the broad sense of being not a Communist Russian, rather than as merely being from that small area in Russia called White Russia. I use it in its broad application and meaning, as denoting a non-Communist Russian who was driven from his country, regardless of the geographical area from which he was driven. Does that clarify the situation?

Mr. KILGORE. If I may say so to the Senator, those to whom the Senator refers constitute the same group that we went into Russia and Siberia to help, at the end of World War I. They are the descendents or the followers of the same group we and other nations went into Russia to assist.

Mr. KNOWLAND. That is correct, though substantially it may be even a little broader than that, because in the first phases of the Russian revolution there were undoubtedly many Russians who thought communism would turn out to be much better than it did, and when they once had the opportunity of seeing the police-state method in operation, doing away with their freedom of religion, even in later years, they turned and tried to get from under the totalitarian state which had been created.

Mr. President, I believe the committee inadvertently stated something in its report, on page 2, paragraph (2), which it did not intend, about halfway down the page. It reads:

(2) Four thousand displaced persons who were in Shanghai, China. It is the information of the committee that the persons sought to be embraced who are presently in Shanghai could not practicably be removed because of the Communist domination of China and that most of those persons who have succeeded in leaving China have been resettled.

As I have said, I think information may have gotten to the committee inadvertently which caused it to include that paragraph; whereas, if the cold facts were available to them, they would agree that a change was needed. The fact of the matter is that about 5,000 were originally moved, not only from Shanghai alone, because that would be too narrow a definition, but also from Tientsin, Peking, and certain other cities. Some of them have been originally, prior to the Russian revolution, in China, at Harbin and in other places in Manchuria, as employees of the Chinese Eastern Railway and other Russian or partially owned Russian enterprises in the country. So, as the Communist tide in China increased, they kept being pushed down until it finally was true that most of them ended up in the pocket of Shanghai, and had to be evacuated. About 5,000 of them were evacuated, largely with the help of IRO, and through the assistance of our own State Department in urging that prompt action be taken. They were evacuated both by ship and plane to the Philippines, where, through the good offices of the Philippine Government, the camp to which I have referred was made available to them.

Mr. President, on my visit to the camp I could help being impressed with the fact that these people were living under conditions which were not meant to be permanent. Most of the places wherein they dwelt were canvas tents; and the canvas was not very good. I happened to be there shortly after a heavy rain—and they have heavy rains in that part of the tropical Philippines—and in the tents there were many holes. The bedding and clothing in many of the tents were soaked through, because of the rain. The IRO officials there, I think, were doing the best they could with what they had. They told me that some fresh canvas was coming in, so that the worst of the tents could be taken care of. The few permanent buildings were structures which had formerly been an American naval establishment, I believe, buildings of the temporary character we are accustomed to see in American Army camps. They had fixed those up to serve as hospitals. White Russian women were acting as nurses. They had doctors who were helping these people. There was a fine group of children who were attending the schools which had been set up for the education of the children.

I may later wish to modify the amendment which I offered this morning, in order that we may be sure that these people on the Island of Samar have some consideration. The amendment reads as follows:

On page 4, line 21, immediately after the word "resettled", insert a semicolon and the following: "or (5) on July 1, 1948 or on the effective date of this act, as amended, resided in China as a displaced person or refugee, as defined in annex I (except par. 1 (b) of sec. A of pt. I thereof) of the constitution of the International Refugee Organization."

On page 10, lines 8 and 9, strike out the words "three hundred and twenty thousand" and insert in lieu thereof the words "three hundred and twenty-four thousand."

On page 10, line 24, immediately following the word "Act", insert a semicolon and the following: "and (5) not more than four thousand visas shall be issued to eligible displaced persons who are eligible displaced persons as defined in subsection (b) (5) of section 2 of this act."

The amendment on page 10, lines 8 and 9, is designed to take care of the approximately 4,000 White Russians who are still in the Philippines, in the temporary camp.

Mr. President, I have several communications which I should like to read and have made a part of my remarks, because I think they will give a better understanding to the Senate and to the Nation of the problem which is faced by these persons. One communication is a cablegram addressed to me as follows:

Hon. Senator KNOWLAND,
Washington, D. C.:

January 25, 1950, Senate Judiciary Committee report stated "Most of those persons who succeeded in leaving China have been resettled" is incorrect. Out of 5,500 evacuated from Shanghai to Samar only 2,300 resettled up to date and 3,200 still remain in camp. Three thousand eagerly await their chance immigrate United States of America to join their parents, children, relative, and close friend.

BOLOGOFF.

I also have, Mr. President, a very interesting letter which was personally handed to me by a committee when I was at the camp on the Island of Samar, and I should like to read it to the Senate. It reads as follows:

TUBABAO, *November 1949.*

Hon. WILLIAM F. KNOWLAND,
United States Senate.

MY DEAR SENATOR: We live in an incredibly hard time. * * * At present all moral

principles have been shattered, humanitarian ideas have at least partly lost their hold, and no great truth is held in proper esteem. It is frightening to live in the world where man becomes a tool valued only on the basis of his youth and strength, where people over 45 are regarded as a waste, where elderly people are deprived of their sole joy, the companionship of their families.

Unfortunately we were more than mere witnesses of this new world order when a mission that came to this camp selected for their country not people but working power in the form of our flourishing youth, but at the same time deprived them of the right to take along their fathers and mothers.

We, the mothers of naturalized American citizens, and we the mothers of wives of American citizens, derived our strength for struggle from the thought that beyond the ocean there is a country to whom we gave honest citizens, our children, whom we have brought up, and our grandchildren born already upon American soil. In this land family is still held as something sacred and the name of mother is holy. For years we have been living in hope of being reunited with our children to help them in their homes and to take part in the upbringing of our grandchildren. Having completed all necessary legal preliminaries we were patiently waiting for our turn to receive immigration visas when suddenly the Red tornado which broke out over China carried us away to the almost equatorial isle of Tubabao.

We have been assured that our stay here will be only a short one and that it would be only a brief stop-over on our way to the United States. We readily believed as we were convinced that we shall not be forgotten and lost as even the GI prayer book contained a prayer for mothers.

Alas, it is over 9 months that we have been not really living but existing somehow under the burning sun in tents devoid of minimum comfort receiving only inadequate food. We live on an island where during the war an American soldier would be permitted to remain only for a short time to avoid complete loss of health. But the soldiers were young men of the age of our children, but we are women whose lives are drawing to the end.

During the 9 months of our residence in this part of the world only 70 to 80 immigration visas were granted against the total of 5,000 people living in this camp. Where shall we find the strength to hope and to wait. This letter ought to be written with the blood and tears rather than upon a typewriter. We hope that the cry of our hearts in pain would reach your heart.

In the name of your mother we beg you, help us to unite with our children.

MOTHERS ON TUBABAO ISLAND.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KNOWLAND. I wonder if the Senator from West Virginia will give me 5 minutes additional time.

Mr. KILGORE. I yield five additional minutes to the Senator from California.

Mr. KNOWLAND. Mr. President, the letter which I have just read lists, with their signatures, the persons mentioned; and I should like to have printed in the RECORD their names, and those of their children who are now American citizens, living in this country, and who will be glad to welcome their parents into their homes and to assist them so that they shall not present a problem. I hope each Member of the Senate will go over this list, because, while not all of the 48 States are referred to, I think it will be found to contain references to many States of the Union. I see Oklahoma City, Okla.; Cleveland, Ohio; Indiana, California, Nevada, the State of Washington, and many others. The sons, grandsons, and granddaughters of these people are citizens of the United States.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

F. P. Romanenko; daughter, Mrs. Spooner, Ocean Side, Calif.

Z. P. Churilina; daughter, G. Churilina, San Francisco, Calif.

K. Urina; daughter, Mrs. Roy G. Fairfield, Wiscasset, Maine.

V. P. Baranoff; daughter, Mrs. Raymond Curtis, Tucson, Ariz.

E. M. Vlasoff; daughter, Mrs. Henry Ladie, Graham, Wash.

T. S. Bogomiagkova; daughter, Mrs. A. Safaros, Troy, N. Y.

E. Lukashik; daughter, Mrs. E. Cochrum, Fresno, Calif.

M. M. Koolikoff; two daughters, Mrs. G. W. Smith, Grants Pass, Oreg.; Mrs. P. A. Lashkoff, San Francisco, Calif.

E. Krupin; two daughters, H. N. Loukianoff, O. N. Zoubrilin, San Francisco, Calif.

A. A. Verhovsky; son, A. A. Verhovsky, San Francisco, Calif.

Z. Pavlovsky; daughter, Helen Musser, White Plains, N. Y.

A. N. Skorniakoff; daughter, Mrs. Julia Goodwin, Rocky Ford, Colo.

M. G. Pavlovska; daughter, Mrs. F. B. Griffiths, Newport News, Va.

H. L. Tretiakoff; daughter, Mrs. L. Rusher, Oklahoma City.

M. P. Sokoloff; son, Michael Sokoloff, New York, N. Y.

M. Wunder; two daughters and son, Mrs. C. E. Watrt, Cleveland, Ohio.

L. Ryl.

E. F. Voropaeva; son, Victor Voropaeff, San Francisco, Calif.

A. A. Shick; daughter, M. Caro, San Francisco, Calif.

E. P. Jiejin; daughter, C. B. Ward, Abilene, Tex.

K. A. Baranoff; daughter, Margarett Miller, Brooklyn, N. Y.

F. S. Martiniuk; daughter, L. Rasmussen, Corpus Christi, Tex.

G. R. Dedulin; daughter, Mrs. W. W. Cockran, Klamath Falls, Oreg.

V. Lavroff; daughter, Mrs. Gene R. Edwards, Columbia City, Ind.

B. Matchougovskaya; daughter, Mrs. N. S. Solovieff, San Francisco, Calif.

V. A. Zadorojnaya; daughter, Sokolik, San Francisco, Calif.

Zolotareva; daughter, Mrs. A. M. Chrisler, Arcadia, Calif.

A. F. Polushin; son, V. E. Polushin, Brooklyn, N. Y.

Nina Kudriasheva; son, Gus. Constontino, Brooklyn, N. Y.

E. V. Kouznetsova; daughters, Mrs. N. Boucher, Washington, D. C.; N. A. Woodward, Washington, D. C.

M. P. Fedina; daughter, Vera Adams, Reno, Nev.

E. S. Pavlichenko; daughter, O. E. Crostwaite, San Francisco, Calif.

V. V. Matkovsky; daughter, V. C. Matkovsky, San Francisco, Calif.

M. F. Ykousheva; daughter, Mrs. R. Townsend, San Francisco, Calif.

P. G. Mihailoff; son, V. V. Mihailoff, Seattle, Wash.

M. G. Shuisky; son, G. P. Shuisky, Oakland, Calif.

A. Ermolaeff; daughter, Ksenia Dimitri, New York City, N. Y.

K. Promptoff; son, V. Promptoff, Berkeley, Calif.

L. S. Fionina; daughter, Mrs. F. S. Hudson, Wyoming, N. Y.

A. Ustimenko; daughter, Mrs. T. E. Sumwalt, Hartford City, Ind.

M. Sokolovskaya; daughter, B. G. Hodge, Parris Island, S. C.

Z. Maysheff; daughter, Mrs. Rogers, San Francisco, Calif.

I. A. Doohovnikoff; daughter, Max L. Garrison, Wichita, Kans.

M. Shulepova; daughter, Mrs. T. Disharoon, Godman Air Force Base, Fort Knox, Ky.

A. Ivanovska; son, R. M. Ivanovski, Ithaca, N. Y.

S. M. Kohlmakoff; daughter, Olga Kohl, Paducah, Ky.

T. D. Belitsky; daughter, Mrs. Richard Winters, Cherry Point, N. C.

E. F. Zrojevsky.

D. M. Markoff; son, A. Markoff, St. Bruno, Calif.

A. Ankoudinova; daughter, Mrs. N. Boen, Muskogee, Okla.

P. G. Medvedeff-Beer; daughter Mrs. Helen Walker, New York.

M. Poletaeva; daughter, M. Woolworth, Hood, Tex.

A. Andreeff; daughter, Mrs. J. K. Dixon, Camp Pendleton, Calif.

L. W. Ryl; daughter, Mrs. J. E. Balles, Chicago, Ill.

N. Reuter; daughter, Mrs. Malcolm Riddle, Alexandria, Va.

L. Geystor; daughter, Mrs. F. A. Young, Portsmouth, Va.

E. Sheveleff; granddaughter, Mrs. Nolan Lee, Chattanooga, Tenn.

Olga A. Morosoff; son, Boris Morosoff, Lakewood, N. J.

V. V. Sapelkin; daughter, Mrs. G. Skidelsky, New York, N. Y.

M. C. Bialokoz; daughter, O. V. Miram, San Francisco, Calif.

O. V. Klinghardt; daughter, Mrs. A. Karzenslein, Astoria, Oreg.

Z. V. Skoblina-Pinaeff; daughter, V. Skoblina, San Francisco, Calif.

A. V. Pistruilova; son, Mr. V. I. Pistruilova, San Francisco, Calif.

O. P. Agafonoff; son, E. V. Agafonoff, Oakland, Calif.

M. Merdiniantz; son, George Merdiniantz, San Francisco, Calif.

A. N. Lisina; daughter, Mrs. Vera Lawrence, Monterey, Calif.

Z. E. Kosih; son, Nickolay Kosih, United States Fort Dix, N. J.

A. P. Pastoohoff; son, P. M. Pastoohoff, San Francisco, Calif.

Marlys Chernyh; daughter, A. R. Smith, Petersburg, Va.

E. M. Boiko; daughter, Anna Milkay, Bothel, Wash.

M. K. Agafonoff; daughter, Xenia Shimanovsky, San Francisco, Calif.

V. Maslovsky; son, V. A. Maslovsky, Seattle, Wash.

A. K. Zitynskaya; daughter, Mrs. N. Ruskin, North Hollywood, Calif.

M. K. Dashitsky; daughter, H. Jeavons, Vermilion, Ohio.

P. M. Vasilenko; daughter, Mrs. R. H. Gamble, Portland, Oreg.

V. K. Mamaeva; daughter, E. A. Yan, Homestead, Pa.

I. A. Radina; daughter, V. A. Martin-Postovsky, Oakland, Calif.

Aprelkova; daughter, Mrs. J. Welschmeyer, Oakland, Calif.

L. Orloff; daughter, L. F. Bradley, Paramount, Calif.

E. Y. Petrikina; daughter, Mrs. J. T. Sommers, North Hollywood, Calif.

Kostulskaya; three daughters, E. P. Lindenmuth, Washington, D. C.; W. Illis, Jongstown, Ohio; L. R. Landenwitch, Detroit, Mich.

V. Bimnitskaya; daughter, N. Stanley, Jackson, Ariz.

E. Feldger; daughter, R. T. Parker, Hutchinson, Kans.

I. K. Bagranuk; daughter, Mrs. L. H. Boynton, West Sterling, Mass.

O. M. Zung; daughter, Mrs. Herman, Gettysburg, Pa.

P. D. Maltzell; daughter, Mrs. C. Volk, San Francisco, Calif.

B. D. Grosheva; daughter, Mrs. O. J. Smith, Waukegan, Ill.

A. A. Holkina; daughter, L. Bengen, Brooklyn, N. Y.

A. P. Rogova; daughter, Mrs. J. Muttart, Seattle, Wash.

V. V. Daniel; two daughters, Mrs. C. Lieusay, Ventura, Calif.; Mrs. J. Holtz, Norfolk, Va.

A. T. Botova; daughter, Mrs. V. J. De Laren, Kansas, City, Mo.

M. P. Zyrianova; daughter, K. V. Wright, San Francisco, Calif.

V. D. Yakovleff; daughter, Mrs. H. P. Young, Trenton, N. J.

H. P. Voronoff; son, Mr. N. N. Voronoff, San Francisco, Calif.

H. Reinbach; daughter, Mrs. A. Perry, San Francisco, Calif.

A. K. Polovneff; daughter, Mrs. L. Atkinson, Cantil, Calif.

M. Y. Zamiatina; daughter, Mrs. I. Rovunds, New Mexico.

M. Babaiantz; daughter, Mrs. N. Tchakalian, San Francisco, Calif.

M. Kriloff; daughter, Mrs. A. Bessette, Poultney, Vt.

V. J. Miram; son, A. V. Miram, San Francisco, Calif.

M. F. Slesarenko; daughter, Mrs. B. Horton, Stradford, Okla.

A. A. Bechkova; daughter, Mrs. T. Wenger, Corpus Christi, Tex.

Mr. KNOWLAND. Mr. President, because of the limitation of time, I also ask to have printed in the body of the RECORD, as a part of my remarks, a letter dated February 27, 1950, signed by G. K. Bologoff, leader of the Russian national group in the camp on the island of Samar, which I think will explain the weakness in the bill as it came from the House of Representatives and as reported by the committee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TUBABAO, SAMAR, PHILIPPINES,
February 27, 1950.

Hon. Senator WILLIAM F. KNOWLAND,
United States Senate, Washington, D. C.

DEAR SENATOR KNOWLAND: Many thanks for your letter of February 7, enclosing the amendments you intend to propose to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948. I wish you would know how we all here at Samar, appreciate your efforts to help us to be admitted to America.

Comparing your amendments and those proposed by the Committee on the Judiciary, which I received but a few days ago, with the original bill, I noticed that the amendment by the Committee on the Judiciary excluded our group entirely, while your amendment may not include a considerable part of the refugees which are still here.

The stipulation of the original bill that "A number of immigration visas not to exceed 4,000 may be issued * * * to displaced persons or refugees as defined in annex I (except par. 1 (b) of sec. A of pt. I thereof) of the constitution of the International Refugee Organization * * *" though seemingly somewhat vague, did well cover the situation, for although not being displaced persons, all of us were considered refugees before the outbreak of the Second World War for reasons of political opinion.

There were among us people of several categories, i. e.—

1. Persons who emigrated to China during the period from October 1917 to January 1, 1925.

2. Persons who were not able to leave Russia at the time of the evacuation of the white armies, but have succeeded in escaping during the subsequent years. Among these was a very large group of refugees who crossed the border into the Sinkiang Province of China between 1927 and 1935. About 250 of them are now in our camp.

3. Persons who emigrated after October 1917 to different countries of Europe and Asia and came to China at different times up to the outbreak of the Second World War.

4. Persons who were already settled in Manchuria prior to 1917, being mostly employed by the Chinese Eastern Railway, and who left Manchuria because of fear of persecution by the Communists.

5. Children, grandchildren, and lawful spouses of persons mentioned in 1 to 5.

The provisions of the amendments qualifying as displaced persons only those of us who "emigrated to China in the period from October 1917 to January 1, 1925," would have the effect that many of the persons mentioned under 2 and most of those under 3 and 4 would not be covered by the amended bill on account of one of the following reasons:

(a) As having left Russia (though definitely for political reasons) after January 1, 1925.

(b) As having initially emigrated not to China but to some country of Europe or Asia.

(c) As having been settled in China before October 1917.

Owing to the fact that out of the 5,472 persons evacuated to the island of Samar from Shanghai, some 2,300 have already left the camp to countries of permanent resettlement, I cannot give you the exact statistical data as to how many of the remaining, say 3,200 persons, would be adversely affected by the amendments. However, the approximate number is about 300 persons, or nearly 10 percent of the whole number of refugees who are still awaiting their resettlement.

I would highly appreciate your taking into consideration the facts as outlined above, and trust the Senate may find it possible to have the bill worded in such a way as to enable all the Samar refugees to have an equal chance for being admitted into the United States.

Sincerely yours,
G. K. BOLOGOFF,
Leader, Russian National Group,
UNEC, Tubabao, Samar.

Mr. KNOWLAND. I thank the Senator from West Virginia.

Mr. KILGORE. Mr. President, I yield 15 minutes to the Senator from Maryland [Mr. O'CONOR].

The PRESIDING OFFICER. The Senator from Maryland is recognized for 15 minutes.

Mr. O'CONOR. Mr. President, as we enter into the final discussion leading to decisive action on the pending matter, it is desirable to evaluate the merits of the issues involved. One of the most important of these issues is that of the definition of a displaced person. A basic requirement to any effective, fair, and workable displaced persons law is the definition of a displaced person, together with the establishment of a cut-off date which would clearly and for all time remove any question of discrimination. How must we determine the definition of a displaced person whom we want to be considered as eligible for the benefits of this great humanitarian program?

From the very outset, we have recognized that the problem of the displaced person is one requiring international consideration and agreement for its ultimate solution. The United States did not seek to solve this problem without the active cooperation and partnership of other nations of good will which, like us, were in a position to offer a haven to these homeless and oppressed people. When the problem of the displaced persons was first considered within the structure of the United Nations, the American delegation made it clear that an international organization was necessary, and that all nations should contribute to its support, morally, financially, and by actually opening their doors to a fair share of these people.

The only real objection to the establishment of an international organization to deal with this problem came from the representatives of the Soviet Union and one of her satellites. This opposition sought to brand the displaced persons as war criminals, traitors and collaborators. Their only solution to the problem of millions of uprooted people was forcible repatriation.

Despite the unyielding position of the Soviet representatives on this question, the western nations, in no small measure aided by the forceful stand taken by the United States delegation, drew up the constitution of the International Refugee Organization. To say that perfection was attained would be highly inaccurate. But the liberty-loving nations stood together and accepted this constitution as a means of initiating the activities necessary to solve the problem of those displaced persons who could not, with safety to their lives and liberties, return to their native lands.

It is significant to note that today the International Refugee Organization is supported solely by those nations which have been forced to group themselves together for purposes of common security against the threat of the latest world aggressor.

I cite a list of the member nations of the International Refugee Organization: Australia, Belgium, Canada, China, Denmark, the Dominican Republic, France, Guatemala, Iceland, Luxemburg, Netherlands, New Zealand, Norway, the United Kingdom, the United States of America, and Venezuela.

If we depart, at this late stage of this humanitarian undertaking, from unwavering support of the International Refugee Organization, we shall defeat our own enlightened self-interest. In so doing we shall serve notice on the other nations who have stood with us in the fight to make the International Refugee Organization a workable organization that we feel we have made a mistake in projecting this world-wide effort to provide homes and gainful employment to deserving human beings.

We must not lose sight of the fact that those unfortunate victims of totalitarian aggression who are still in the displaced persons camps and assembly centers of Germany, Austria, and Italy are looking to us to lead the way to a solution of their urgent problem, and we must not take from them what little hope they have left of once more regaining a normal way of life in a country where their basic freedoms will be guaranteed.

The first question before us for decision is the definition of a displaced person. Mr. President, the definition goes to the very heart of the legislation for whether or not we will have a workable and effective displaced persons program, designed to solve the problem for all

time, will depend almost entirely upon how we define a displaced person.

Under the terms of the existing statute, the definition of a displaced person is identical with that contained in the constitution of the IRO. The committee bill would substitute a new definition, which would include not only the displaced persons for whom the IRO now has responsibility, but also approximately 8,000,000 expellees. Under IRO procedures, displaced persons are cared for in IRO camps and staging areas prior to their departure for various countries of resettlement. Their transportation is paid by the Organization from points of departure in Europe to points of debarkation in the United States. All of the expenses entailed in this operation are paid for by the IRO.

Thus, if we accept the definition contained in the committee bill, the United States will be required to establish camps and staging areas in various parts of Germany and Austria, at tremendous expense, in order to arrange for the admission of these persons to this country. In addition, all transportation costs from Europe, to the United States will have to be paid for by this Government. Finally, there are only a limited number of visas available for displaced persons. If expellees are to be included as displaced persons, the number of visas available will be watered down considerably, since every expellee admitted to the United States as a displaced person will result in the admission of one less IRO displaced person.

The substitute bill, Mr. President, provides for a fund to take care of these expenses, so only the substitute bill would make adequate and realistic provision for these persons.

We are not unmindful that there are other groups of persons, innocent victims of a world upset by the uprooting of whole populations. In fact, we are fully mindful of the problem of the expellees and refugees of German ethnic origin. As evidence of the careful and studied attention in this matter, I invite your consideration of section 12 of the substitute bill. The basic purpose of this section is to demonstrate our humanitarian concern for the plight of these expellees and refugees of German ethnic origin.

The language of this section clearly shows that we are taking the proper means of making possible the entry into the United States of a number of these victims of world chaos, and under conditions and procedures which exactly parallel those which now apply to the displaced persons under the care of the International Refugee Organization. It is fair to state that unless the conditions outlined in section 12 of the substitute bill are applied to the expellees, they will continue to suffer from neglect, and the misunderstanding which now attends this matter will in no measure be diminished.

I strongly urge continuing support of the original definition of displaced persons as contained in the Displaced Persons Act of 1948 with the cut-off date for eligibility changed from December 22, 1945, to January 1, 1949. I urge this because only by our continuing support of this definition can we bring about the early termination of the displaced-persons problem. This end can be attained with success before June 30, 1951. I need hardly inform any Member of the Senate that the successful termination of the International Refugee Organization will mean a considerable reduction in the appropriation of tax moneys. This will be a welcome relief to the already overburdened taxpayer. This should give us added encouragement in arriving at a decision of definitions which will be based solely on the merits of the issues involved.

Measurable progress toward completion of our pledge has been made through the instrumentality of IRO. Extensive records have been assembled of those persons who have come under their jurisdiction, but only of that group. If we were at this late date, suddenly, and divorced from other cooperating nations, to undertake an entirely different undertaking, it would not only disrupt the original plan but would necessitate an entirely new set-up with resulting delays, confusion, and untold expense.

It is worth repeating that registration records are available only for IRO subjects. The large group of German ethnics, deserving as they are, should be treated separately and distinctly, rather than to commingle two essentially different elements which cannot be handled through one instrumentality.

All the successive steps through established facilities—the processing centers, resettlement centers, and holding centers—have been arranged and have been functioning for this extended period, and have no relation to the German ethnic group. It would be disruptive and revolutionary to change this machinery overnight. It would delay indefinitely the termination of IRO which target date is now in the foreseeable future.

In preferring to concentrate on IRO cases, rather than to inaugurate a new plan at this late date, we need not forego any of the security provisions which it is deemed advisable to adopt to exclude undesirables from this country. We can follow the definition of displaced persons as hitherto accepted by the large group of nations associated in this international undertaking, and still affix any conditions to their entry to this country which the Congress may deem proper. In other words, we need not weaken any of our restrictions under the regular immigration laws, but, on the contrary, may and should establish additional safeguards to protect the interests of our country.

As a matter of fact, I express the hope that the Senate will adopt and write into the law ironclad provisions that United States officials must have the final decision as to who is admitted to our country and that every possible screening requirement be followed to exclude those who are unworthy of entry.

I favor the admittance of a sizable number of German ethnics. However, their problem is a different one from the displaced-persons group, as handled by the nations associated together in this undertaking. It would be a disservice to the deserving German ethnics to confuse their cases with those of the other group. Yet it would be inconsistent to exclude their members simply because we have embarked several years ago on the displaced-persons program.

The wiser course to pursue would be to admit the 54,744, as provided in the Kilgore substitute, as a separate undertaking and through careful selections. Meanwhile this country should join in a continuing survey and thoroughgoing study with other nations to arrive at a long-range plan for the handling of this involved problem. By this means alone will there be a final solution. For us to take a lone stab at this question will not produce satisfactory results.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. O'CONOR. I prefer not to yield at this time, and I ask the Senator to be good enough to allow me to continue. I shall be glad to yield at the end of my remarks.

If the problem of resettling the original groups of displaced persons in the camps and assembly centers of Europe was deserving of the concerted study and attention given to it by the nations of good will throughout the world—and I am convinced that it was—then surely the fate of these 8,000,000 expellees of German ethnic origin is of similar urgency, and similarly deserving of the combined assistance of all the nations hitherto concerned.

Only through such an approach can there be avoided the disruption of the current progress and procedures by which the displaced-persons problem as we have known it since the end of the war would be cleared up completely and promptly.

Only with the assistance of the various nations concerned in the present displaced-persons program could we hope to arrive finally at any solution of the expellee problem which would be more than a gesture. With all the sympathy in the world for these people who have been unjustly and sometimes violently displaced from their homes by the ruthless tactics of totalitarian conquest, one must be realistic.. The fact must be faced that the job is too big for the United States to handle alone. Likewise, it is too complicated to be attacked overnight. Particularly must these considerations be kept in mind when it is realized that a decision to merge the two problems, as the definition in the committee bill proposes to do, would accomplish little more than to upset the present progress toward final settlement of the displaced-persons problem of the past few years.

Mr. President, for the reasons which I have stated, I endorse wholeheartedly the so-called Kilgore substitute bill, and shall vote for its adoption.

CALL OF THE ROLL

Mr. KILGORE. Mr. President, the Senator from Nevada [Mr. McCARRAN] suggests that a quorum call be had at this time, with the time to be charged equally to both sides. Therefore, Mr. President, I suggest the absence of a quorum, and request that the time necessary for the call be charged equally to each side.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KILGORE. Mr. President, may I ask the distinguished Senator from Nevada [Mr. McCARRAN] if he is willing to join with me in asking unanimous consent that the order for a quorum call be rescinded and that the further proceedings under the call be suspended?

Mr. McCARRAN. I am willing that the further proceedings under the quorum call be dispensed with.

Mr. KILGORE. Mr. President, I make that request.

The PRESIDING OFFICER (Mr. GEORGE in the chair). Is there objection? The Chair hears none, and the order for the quorum call will be rescinded and further proceedings under the call will be suspended.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. McCARRAN. Mr. President, I now yield 15 minutes to the Senator from Washington [Mr. CAIN].

Mr. CAIN. Mr. President, as every Member of the Senate knows, the suggested cut-off date for the registration of displaced persons in the several bills which are before us, is January 1, 1949. Earlier in the day I sent to the desk, in order that it might be printed and lie on the table, an amendment which would change the cut-off date from January 1, 1949, to April 21, 1947.

Mr. President, the cut-off date in the present displaced persons law is December 22, 1945, which, as all of us know, represents a date some 7 months after the fighting war was over in Europe, and is the very same cut-off date which was used in the administration of the Presidential directive. The cut-off date of April 21, 1947, which I am advocating in my amendment, is the very same date which was advocated on the floor of the Senate by the Senator from New Jersey [Mr. SMITH], the Senator from Michigan [Mr. FERGUSON], the former Senator from Rhode Island, Mr. McGrath, who is presently the distinguished Attorney General of the United States, and by many other Senators when the prevailing law on the subject of displaced persons was being debated at considerable length on the floor of the United States Senate. This is the same date, sir, which was contained in the Administration displaced persons bill which was proposed in the Senate by the former Senator from Rhode Island, Mr. McGrath, and the junior Senator from West Virginia [Mr. NEELY] in the bill S. 311.

Mr. President, until the committee bill was reported to the floor of the Senate, and until the substitute for the committee bill was reported to the floor of the Senate, I know of no Member of this body who was advocating a cut-off date later than April 21, 1947.

I wish to impress upon the Senate the definite relationship between the cut-off date in our displaced-persons legislation and the security risk to the Nation. Rather than to make assertions on the basis of what I consider to be my own considered knowledge of the subject, I would rather invite the attention of the Senate to excerpts from the testimony which was given before the Senate Committee on the Judiciary by intelligence officers of our Federal Government, immigration officials, and others who have had first-hand knowledge of the situation abroad in recent years.

First, let me quote from the testimony given in January of this year by a witness who was formerly a director of certain phases of Army intelligence work in Germany, and who has an intimate knowledge of security problems in connection with displaced persons. I take him to be a reliable witness and an important member of our Defense and Military Establishment. I quote from his testimony the following:

We became convinced with adequate evidence that deliberate attempts were being made by the Soviet Government, by the Polish Government, not only to infiltrate the military installations of Berlin and Germany, but to send people much farther, to the United States, to South America, and to Canada, under the guise of being displaced persons or being political refugees.

Question. Colonel, may I ask you this question? Inviting your attention specifically to the date December 22, 1945, how did the flow of these penetration agents come in volume after that approximate time compared to before?

The WITNESS. I can answer that quickly. It was definitely on the rise on that date because I returned to the United States in the following February of 1946 for a rather extended leave of absence to which all officers were entitled and was recalled because of the heavy increase in attempted penetration of American installations and because certain things had been discovered in the displaced-persons camps in Berlin which needed immediate attention and correction.

Question. To what extent is there present infiltration of Communists as from the east to the west?

The WITNESS. That is a matter I cannot answer except to say it is still of considerable volume.

Question. May I make an observation and ask for your appraisal on the basis of knowledge of the situation from the standpoint of penetration of agents? Under the existing law we have a cut-off date for eligibility of displaced persons. That cut-off date is December 22, 1945, the date prior to which displaced persons must have been in the occupied areas in order to gain eligibility under the law. Do you have any appraisal on the basis of your experience from the standpoint of security as to what would be the probable result if that cut-off date were advanced nearer to the present day?

The WITNESS. I should like to say I know nothing about immigration laws but I do know that since the date you mentioned, December 22, 1945, and the present date there has elapsed a good many years in which time a lot of people have come from behind the iron curtain who definitely are agents of communism and these people are, despite our contempt for them, intelligent, clever and fanatic in their belief in communism. There would be no doubt in my mind that as many as possible of such people would attempt to be admitted to the United States under the liberalized laws.

Question. Would there be a greater or lesser security risk to this country if the eligibility date were advanced?

The WITNESS. There would be a far greater risk because in the intervening years many of those people have established themselves in western Germany, have built up friendships with Americans, which is part of their jobs, and have pretty well established themselves. Undoubtedly it would be impossible to check their antecedents prior to their coming over the border.

If we limit it to December 1945, it makes our work much easier at the moment. If we set it a year ahead, it makes it that much tougher. If we set it 5 years ahead, it makes it five times as tough, maybe 50 times as tough because hundreds and hundreds of thousands have come in since then.

Mr. President, now let me quote from the testimony given on February 15 of this year by Mr. Almanza Tripp, who is the officer in charge of the immigration detail stationed in Europe to examine displaced persons:

Question. Now, May I ask you this: the present law provides a cut-off date of December 22, 1945, for eligibility in the general category of displaced persons, does it not?

Mr. TRIPP. It does.

Question. In your opinion, would the security risk to the United States of America be greater or less if that cut-off date were advanced closer to the present day?

Mr. TRIPP. Well, obviously, by extending the date, or making it possible for persons who live behind the iron curtain to go to the United States in comparatively large numbers—if a large number of persons who lived under Communist domination are permitted to come here—it would seem to follow that there would be an increase in the security risk.

Question. Now, may I ask you this question on that same point:

On the basis of your observation and experience and information, would you say that the infiltration of Communist agents, the penetration of Communist agents, was greater or less after December 22, 1945?

Mr. TRIPP. There is no way for me to know whether it was greater or less, but there was a much greater opportunity for infiltration.

Question. Do you mean after December 22, 1945?

Mr. TRIPP. That is right.

Here is the testimony, Mr. President, of Mr. Louis G. Craig, given on February 16 of this year to the committee. Mr. Craig is a selector for the Displaced Persons Commission in Germany.

Question. Mr. Craig, the present law provides a cut-off date of December 22, 1945. In your opinion, on the basis of your experience as an employee of the Displaced Persons Commission, if that cut-off date were advanced, would the security risk to this Government and to the people of the United States be increased or decreased?

Mr. CRAIG. I would have to reply to that that the security risk would be increased because of the vast number of individuals coming in from behind the iron curtain into Germany and into Austria.

Finally, Mr. President, here is the testimony given on February 15, 1950, by Frank Benjamin Vaughan, Jr., of the Displaced Persons Commission in Germany:

Question. Mr. Vaughan, I would like to ask you at this time the same question I asked Mr. Tripp earlier today. The present law, as you know, provides a cut-off date of December 22, 1945, for eligibility. If that cut-off date were advanced, would the security risk to the United States Government be greater or less?

Mr. VAUGHAN. It would be greater.

Question. You are saying that on the basis of your observations and experience as an employee of the Displaced Persons Commission?

Mr. VAUGHAN. Yes.

Question. If the investigating process were made more completely and more detailed, would it be more hazardous?

Mr. VAUGHAN. Still the same problem would be there. The difficulty of obtaining information on these people before the date of entry would still exist.

Mr. President, I think it unlikely that the Senate will care to ignore that testimony of those intelligence officers, immigration officials, and officials of the Displaced Persons Commisson, with reference to perhaps the most vital of all the bills which are pending in the Senate.

Mr. President, observe, if you will, that the cut-off date which is contained in my amendment is 1 year and 4 months later than the cut-off date contained in the present law. In my opinion, the only justification for extending the cut-off date as far as April 21, 1947, is because it was upon that date that the displaced-persons camps were closed to new arrivals, except in extreme hardship cases, and, further, because by April 21, 1947, there had been a complete registration of all displaced persons. In fact, Mr. President, so far as I know, not a single so-called displaced person has ever been registered in Austria, in Italy, or in Germany since April 21, 1947. Yet we are being requested to countenance and approve a cut-off date of January 1, 1949, which covers a vacuum period of approximately 1 year and 8 months during which no one was either registered in or permitted to enter a displaced-persons camp on the other side of the water.

Mr. President, let me warn the Senate or perhaps "warn" is not the correct word; let me say, instead, that I wish to direct the attention of the Senate to the fact that if the cut-off date is extended beyond April 21, 1947, we shall not only be jeopardizing unnecessarily—at least, I feel this very deeply—the security of our Nation, but we shall be setting a precedent which inevitably will result in the inundation of this country by a flood of aliens, because already there is on foot a movement to extend the cut-off date from January 1, 1949, to January 1, 1950.

Mr. President, where are we going to stop? When are we going to draw the line? Our displaced-persons legislation was initially conceived to afford relief to those persons who had been displaced by the war or shortly thereafter. However, today, some 5 years after the war has been concluded, at least in its fighting sense, the occupied areas are being infiltrated at the rate of approximately 10,000 persons a day. I say quite candidly, Mr. President, that by extending the cut-off date to January 1, 1949, we will be abandoning our principle of embracing persons who were displaced persons as a result of the war, and will start on a road which will eventually embrace tens of millions of peoples who are storming our portals for admission. We will, in addition, be flying in the face of the warnings of those who are engaged in the day-by-day operation of our displaced-persons program, and will be further opening the door to the infiltration of those who would destroy us.

Mr. President, in conclusion, I should like to remind myself and other Senators of the very splendid presentation made this morning by the senior Senator from New Jersey [Mr. SMITH]. In that presentation the Senator from New Jersey said, in substance, "I want first to advise the Senate what the Senate's objective was when we originally passed the displaced persons legislation." He said the objective was both clear and very simple, that what we sought to provide was a refuge, a haven, with care and attention for approximately 1,000,000 people who were left in Europe as displaced persons in 1945 at the end of the war.

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. McCARRAN. Mr. President, I yield one more minute to the Senator, in which to conclude.

The PRESIDING OFFICER. The Senator from Washington is recognized for one more minute.

Mr. CAIN. I appreciate the kindness of the Senator from Nevada. In the additional minute allotted to me, I should merely like to say that the Senator from New Jersey this morning agreed with me, or at least I think the record made by him will give evidence of my own feeling, that it is simply impossible to reconcile the definition of our objective, namely, to provide care for those displaced persons who had been injured as a result of enemy action in the last war with the recommended cut-off date of January 1, 1949, which obviously would cover a number of people who were not living in Austria, Germany, or Italy, or even present in those countries, during the war, or for several years thereafter. I would only urge my colleagues to consider the advisability of selecting for the cut-off a date beyond which no individual was permitted to enter a displaced persons camp or to register as a displaced person.

Mr. McCARRAN. Mr. President, I yield 45 minutes to the Senator from North Dakota [Mr. LANGER], and I have an understanding with the Senator from West Virginia [Mr. KILGORE], although he is not presently on the floor, that he will yield 15 minutes to the Senator, giving him 1 hour.

Mr. THYE. Mr. President, as acting minority leader, I have been informed that the Senator from West Virginia intended to yield 15 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 1 hour.

DELIVERED - PRICE SYSTEMS AND FREIGHT - ABSORPTION PRACTICES—CONFERENCE REPORT

Mr. LANGER. Mr. President, coming to the matter of the basing-point legislation, it happened that when the bill was before our committee I alone disagreed with the other 12 members of the committee. At that time I prepared and filed minority views. Those views have been carefully considered by other Members, and I am delighted that Senators on the other side of the aisle have taken up the battle to prevent the bill, as reported, from becoming the law of the land. Already, Mr. President, numerous amendments have been adopted in conference, with the result that, because of the fact that I filed minority views, at least some good has been accomplished for the common people. However, the bill, as reported, is still unsatisfactory. It is not a bill which appeals to me. If the conference report is adopted, it will not be a bill that appeals to me as being in the best interest of the common people of the United States.

Mr. President, when the farmers in North Dakota tried to free themselves from the yoke imposed upon them by the eastern moneyed interests, they always found themselves opposed at every step of the way by some kind of inspired propaganda campaign. I saw many of those campaigns in the days when we tried to obtain cheaper insurance and interest rates for our crops and our money. But I do not think I have ever seen the kind of bald-faced, absolutely shameless campaign of deceit, misrepresentation, and falsification, that all of us have witnessed in connection with the bill, S. 1008.

If the consequences of the adoption of the conference report were not so serious, I could point out how ludicrous this propaganda campaign has become. Those who have tried to ram this bill down our throats have made so many, so varied, and so farfetched predictions as to what the dire results would be if we did not adopt it, they have not noticed that they even contradicted each other. All along we have seen a parade of masqueraded characters, telling us "I'm a small-business man, this bill is essential to my survival." Or, "I'm a union man, my union will be ruined, unless you pass this measure." Or, "I'm a college professor, and my study of economics tells me that without this bill, we will have local monopolies, and all industry will have to move to Pittsburgh." But when we looked under their masks, and took off their false beards, the voices were those of the big corporations in the steel and cement industries. That is who they were, that is who they are. Behind some of the other characters lurked the voices of the railroads who have all this time fattened on the enforced rail shipment under the basing-point system. For instance, one unsuspecting wheat miller said, well, he had never heard of the basing-point system, and he was not particularly concerned about freight absorption, but the Association of American Railroads had suggested he testify because he liked to keep his m. i. t. rates, would he not?

Why all the masquerading? Is it because the presidents of the steel and cement companies know full well that if they appear to come out for this bill too openly, many people will sit up and take notice, and wonder whether it is not going to cost them money? "Since when do the presidents of billion-dollar corporations express such heartfelt concern for the welfare of small business?" they will wonder. So the steel and cement masters figured it would be much better to send the small-business men themselves. They cannot very well refuse to make the trip, because they pretty much depend on regular supplies of steel and cement. They must have them. And

steel and cement have been hard to obtain for some time. Furthermore, it also looks much better if a local small-business men says he fears local monopoly will develop. After all, there are quite a few persons who might think it would be quite incongruous for such a big monopoly as United States Steel to be concerned that little ones might grow up in its own image.

Characteristic of the bland disregard of logic and consistently which the proponents of this measure have displayed is the double talk about the geographic dislocations which the bill would cause. According to their statements just about every plant and industry in the United States would have to tear down, pack up, and move somewhere else. Here is what the propagandists told the workers in Pittsburgh: "If this bill fails to pass, yours will become a ghost town; all your factories will have to close down because we will no longer be able to compete everywhere."

Watch this one closely, because it is really a very neat sleight of hand. Here is what they told the people in New England, the South and the West: "If you want to continue to make things from steel or use cement for construction, unless this bill passes you will all have to move to Pittsburgh." Of course, if all these predictions were true simultaneously, we should find all the steel fabricators converging on Pittsburgh and find there nothing but a ghost town, because the steel industry would have moved to where the fabricators came from and would there have established themselves little local monopolies.

What a sham. How naive do these propagandists think the people are?

But that is not all. This campaign has also brought forth two of the strangest organizations which ever graced the file clerk's list of lobby registrations—although reluctantly. The first one of these by right of independent birth was the National Competition Committee. This group tried to be a full-fledged Nation-wide grass-roots movement from the day it was conceived out of the clandestine union of steel and cement in Pittsburgh. It rotted on the vine when exposed to the light of a bit of publicity. The St. Louis Post-Dispatch revealed its tie-up with a Pittsburgh public-relations firm, Ketchum, Inc., to which it paid a retainer, the stately sum of $11,000 a month, not including expenses. Since when, Mr. President, has it become necessary to pay $11,000 a month to a lobbyist in order to get a bill passed in the United States Senate?

According to the contract, Ketchum was to stir up the people of the grass roots so that they would wander up to Washington to demand the clarification of the businessman's natural right to absorb freight. Eight chapters had sprung up in Dallas, Tulsa, Dayton, Cincinnati, Houston, Cleveland, and, of course, Pittsburgh. But apparently Ketchum, Inc., felt that the publicity they received as a result of their grass-root-planting activities might embarrass some of their reputable clients and let go of the lucrative retainer of $11,000 a month.

The second of these organizations, the so-called Council for the Clarification of Pricing Practices, had a longer and in some respects even more interesting history. In one sense, this group resembles the creature of this very body. But take a look down the list of the members of this group and see whether they do not sound familiar. Especially note the name of the registrant, the member of a law firm which receives $1,500 a month from its clients. A paltry sum, to be sure, when compared to the munificent compensation of Ketchum, Inc. There is a reason that the names of the Council for the Clarification of Pricing Practices sound so familiar. They are merely the same people whom we earlier found as members of the Capehart committee's advisory committee of the Senate Committee on Interstate and Foreign Commerce.

Here is a list of the 13 members of the council, according to the Congressional Quarterly:

Walter L. Couse, president, Walter L. Couse & Co., Detroit, construction contractor.

Roy C. Ingersoll, Ingersoll Steel & Disk Division, Borg-Warner Corp., Chicago.

Charles W. Everett, Downing Box Co., Milwaukee.

James R. McCarthy, dean, College of Foreign and Domestic Commerce, University of Notre Dame, Indiana.

Nathaniel H. Engle, director, College of Economics and Business, University of Washington, Seattle.

William Schoenberg, president, United Cement, Lime, and Gypsum Workers International Union, AFL.

Also two former presidents of the United States Chamber of Commerce:

Earl O. Shreve and Albert W. Hawkes, formerly a Senator from New Jersey.

Frank A. Kemp, president, Great Western Sugar Co., Denver.

Roland Rodman, Anderson-Prichard Oil Co., Oklahoma City.

Frederick A. Virkus, chairman, Conference of American Small Business Organizations.

H. W. Fraser, president, Order of Railway Conductors of America, independent.

Lee W. Minton, president, Glass Bottle Blowers Association of the United States and Canada, AFL.

The first five men on this list had been members also of the Capehart advisory committee. Probably their activities varied little from one organization to the next. Senator Hawkes, now a member of this group, had been a member of the original Capehart committee when he was in the Senate.

Look at these names again, closely. Two of these men are college professors. I wonder whether it occurs to other Senators to raise the question, Since when college salaries have advanced sufficiently to permit teachers to contribute any sizable part of the $1,500-a-month retainer to Simon? Is this perhaps merely another instance of figureheads, letterheads, and masquerade?

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. LONG. I understood the Senator to mention the name "Simon." Was the Senator speaking of Mr. William Simon?

Mr. LANGER. Yes.

Mr. LONG. What connection did he have with the Committee for Clarification of the Antitrust Laws?

Mr. LANGER. Mr. President, I regret that I cannot yield any further, because of the limitation of time.

At least now that these 13 men have joined this group, they have shed the mantle of impartiality which covered them while they were members of the Capehart committee's advisory committee.

So that Senators may know what a pernicious system these masquerading lobbyists are trying to perpetuate, let me tell you the story of what happened in my neighboring State of South Dakota.

I am from North Dakota. The State of South Dakota joins North Dakota, so that we in North Dakota are pretty familiar with what takes place in our neighboring State. The people of South Dakota believe in private enterprise just as firmly as do the people in the other States of this country. My two colleagues from that State would no more vote for socialism in this Nation than would the South Dakota delegation in the other body. Yet in 1919 the South Dakota Legislature voted to go into the cement business. This body of American citizens authorized the establishment of a State Cement Commission with power to construct and operate a cement plant within the State. The people of South Dakota took that action, because they thought it would help the development of their State by providing cheaper cement for the building of their highways and public buildings and for private city and farm construction. They had plenty of good raw materials close at hand. They were tired of being at the mercy of the eastern cement trust. No other cement plant existed in South Dakota at that time. One mill had operated long and successfully at Yankton, but a member of the trust had bought it. What did they do with it? They closed it down.

The people of South Dakota wanted a local source of cement which would sell this basic commodity to them at reasonable prices and supply it in adequate quantities. The nearest cement mill to South Dakota at that time was 175 miles away, and transportation costs for this distance bulked heavily in the price South Dakotans had to pay for cement.

The story of what the cement trust did to harass the people of my neighboring State and to obstruct their attempts to obtain for themselves a source of cement is typical. It is typical of the treatment we have received every time we have wanted something without first begging on our knees for it from the eastern managers. It is typical of the treatment which we have long experienced in our part of the country and in the South at the hands of all eastern-controlled trusts. We have felt this oppression from the railroads, the

power and utility interests, and all the other financial bigwigs in Wall Street.

Imagine their consternation at the action of the people of South Dakota: "They are going to build their own cement plant. They will no longer permit us to control their prices and production."

So they went to work and figured out what to do about it. What did they decide? Very simple. They tried to put the plant out of business. First, they established a punitive basing point at Rapid City, where the plant was located. That action meant that cement manufacturers—and the closest plants were located in Iowa, Missouri, and Minnesota—quoted delivered prices at Rapid City much lower than the sum of the base prices at their own plants plus freight costs. It also meant that the management of the South Dakota plant had no choice in setting its own price, and thus lost the competitive advantage of proximity to the local market. As the plant's manager explained to the Federal Trade Commission:

> We have had very little choice in the naming or making of a mill base-price. Our competitors shortly after this mill started operation in the early part of 1920, put out quotations to the cement trade, quoting our base as $1.70 per barrel. This price we felt forced to accept.

In other words, the monopolists tried to put the State plant out of business.

In spite of this outside oppression, the plant continued in operation. Its costs were low, and the people of the State liked to patronize their own mill. The Cement Trust did not like that, of course. They decided more drastic action was called for. In 1929 they reduced the price in the Rapid City plant's territory by 20 cents a barrel. According to a Federal Trade Commission report, it is highly unusual that outside mills thus make the prices within the territory of another cement plant. But this was not a usual situation. That the South Dakota State cement plant deserved special treatment by the Cement Trust was again illustrated in 1930. In that year the cement companies decided to raise their prices 25 cents a barrel. They made one exception, however. They did not raise the price for the Rapid City basing point. By leaving the South Dakota price undisturbed at the lower level they continued their attempts to drive this plant out of business. In spite of these methods, the plant continued in operation.

Since the price-cutting maneuver did not prove successful, members of the trust also tried to persuade the management of the South Dakota plant to come in and join the club. They desperately wanted them to behave and adhere to the basing-point system. That, too, proved not an easy job, because of the determination of the State officials. As one cement manager wrote to another about the difficulties he encountered in this effort:

> Warner (a cement-company executive) further said that the industry as a whole hesitates to take this matter up with the South Dakota officials because their experience in the past has been that the Governor of South Dakota broadcasts anything that is told to the officials of the cement plant and makes the statement that the Cement Trust are trying to control their mill.

Thus by stealth and continued dumping of cheap cement into the territory of the South Dakota plant the cement interests of the East tried to take their toll from the builders and farmers of my neighboring State. What they actually tried to do, of course, was not to sell cement cheaply but, on the contrary, to force the South Dakota plant to come into the exclusive club and adhere to the rules of the game. They wanted them to play along with the basing-point system and adhere to the prices which were set at much higher levels by the other cement producers. The manager of Lehigh Portland Cement Co.'s Mason City, Iowa, plant, which was the closest cement producer to South Dakoa, testified to the partial success of his attempts to force the State plant to come up to the trust-made prices. He said in the Federal Trade Commission's investigation of the cement basing-point system:

> As time went on we found that the secret-price concessions gradually began to clear up and we did begin to get a considerable volume of business at our published prices.

The entire behavior of the Cement Trust members in using the club of the basing-point system in retaliation to the attempt of the people of South Dakota to supply their own cement, led the Federal Trade Commission to conclude in its 1932 study of cement basing-point pricing:

> It is difficult to draw any other conclusion from this situation than that in these practices there was a purpose to injure in the public eye or to crush entirely a State-owned and State-operated cement plant.

In order to understand what we are trying to do in North Dakota, it is important to visualize what happens when these same destructive techniques are used by the Cement Trust against privately owned independent cement plants. These private mills would not have the paramount purpose of selling cement cheaply to the farmers, contractors, and road builders. They are in business to make money. How long could they withstand the onslaught of the organized Cement Trust with its huge financial resources? Or, how long would they want to retain their independence to sell at prices they set themselves?

First, the Cement Trust, as in the South Dakota case, would establish a punitive basing point at the private plant, and would thus deprive it of its geographic advantage both in its relation to supply of raw materials and the proximity to its market. If the plant's cost were cheap enough to permit it to continue in business even at the low price, the trust would cut prices further to the point where the private mill could no longer afford to remain in business. Remember the unequal match in this battle. The independent plant has only the limited resources of its owners. Its antagonist, however, can well afford a few losses in one location. Profits at his other mills, plus his enormous financial staying power, permit him to carry on the fight until the independent has been forced out of business, or until he gives up the fight and agrees to abide by the trust-made basing-point system. The purpose of this procedure is to insure that no cement plant will quote prices lower than the high prices set by the eastern corporations, that no plant will give secret discounts from published prices, and thus offer real competition to the elaborately cartelized cement market. The vice president of the Lehigh Cement Corp., in hearings before the FTC, was asked the question:

> Then what happened, by quoting your prices from a base at the mills of your competitors, what was accomplished?

His answer was:

> After that happened there was a gradual change in the situation. * * * Prior to that action competitors were able to make prices in certain territories secretly * * * but with our quotations made publicly those competitors very quickly found that they could no longer get business at varying prices, but must take the price covered by our published quotations.
>
> As time went on we found that the secret price concessions gradually began to clear up and we did begin to get a considerable volume of business at our published prices.

That is the testimony of the vice president of the Lehigh Cement Corp. That is a case history of a number of instances in which a cement producer started out as an independent to serve the people of his area at lower prices made possible by sound economic location with respect to his raw materials. By the destructive tactics of the cement trust he is forced into line. He has no choice but to quote the high cement prices decreed by the cartel and to refrain from passing along to his customers the economies which his location would permit.

Is it any wonder that the people of North Dakota, the farmers, the contractors, and those who would like to further construction of all kinds in my State, have taken matters into their own hands? Is it any wonder that they have decided that the only way in which they can assure for themselves a reasonably priced ample supply of cement, is through construction of our own, State-owned cement plant? The tactics used by the cement trust in oppressing any privately owned independent in the industry leave us no choice. If that is socialism, it is socialism strictly made by the cartels and monopolists themselves.

I might add at this point that the South Dakota plant, out of its earnings, has not only retired its bonds, but is now paying money into the State treasury.

After this look at the history of the South Dakota plant, we can only wonder, What is in store for the people of my State?

In the same year, 1919, in which South Dakota authorized the initial step in the construction of its cement plant, the people of North Dakota amended their constitution to permit authorization of a $5,000,000 bond issue for the same purpose. Until last year, however, the legislature has never enacted legislation to begin construction of the plant.

In 1949, under the same impulse which prompted the South Dakota management to project a doubling of their plant's capacity, Republican legislative leaders in North Dakota suddenly made an about-face. They had opposed the authority for the plant. But last year four Republican State leaders jointly introduced a measure in the first days of the legislative session to provide $25,000 for a survey of the feasibility of erecting a cement plant in our State and for a referendum on the bond issue. They were willing to leave it to the people, to the taxpayers, on a referendum.

Let me quote from a report in the Bismarck Capital of January 14, 1949, which attempts to explain why my Republican friends suddenly thought North Dakota would benefit from construction of its own cement plant:

> The ROC leaders, senators Morgan, Flatt, Braun, and Bridston, explained their change of heart as the result of the new Federal regulation, eliminating the base-point system of pricing * * * with the construction of a plant within the State it is estimated that within a few years the cost would be saved in freight charges alone.

Those four Republican leaders are four reactionaries, Mr. President. Not by the greatest stretch of the imagination would the citizens of North Dakota believe that the four are liberal in any way, shape, or manner.

I agree with my Republican friends in their reported analysis of the importance of the basing-point system. All these years we have had to be satisfied with the cement that producers outside our State condescended to let us have, and at the price they chose to fix for us. As a result, while in 1948 South Dakota ranked eighth among the States in per capita consumption of cement, North Dakota ranked twenty-second. South Dakota had 354 miles of concrete highways, North Dakota only 70. The average maintenance costs of these roads in South Dakota amounted to only $48.13 in that year compared with a national average of $109.84. For North Dakota these maintenance costs in 1949 amounted to the staggering average of $553.50. That is 5 times the national average for 1948, and 10 times the cost of South Dakota.

All during the war, when cement was generally in pretty tight supply, South Dakota had plenty to fill her needs. But North Dakota had very little.

I should like to quote from an editorial in the Berthold (N. Dak.) Tribune for January 20, 1949, to illustrate the effects which the dearth of cement has had on construction in my State:

> The proposition to build a State-owned cement plant has been brought up again at this session of the State legislature, this time by a bill introduced by ROC members. As this project has been favored in the past by the NPL, maybe it can be put across this session.
>
> This is a measure that seems to meet with general approval.

I may say that the State of North Dakota is not composed of radical citizens. In World War I the State of North Dakota led every other State in the Union in the per capita purchase of Liberty bonds. In World War II, North Dakota again led the Nation 3 to 1 in the per capita purchase of war bonds. But I say, Mr. President, when private industry does not take care of what it is supposed to take care of, then it is the duty of the Government to step in and to protect the people.

The editorial continues:

> The shortage of cement is holding up the construction of many buildings in the State, particularly where the contractor is not a "big shot" with a "pull," and many a job in small towns and on farms is held up for lack of cement.
>
> Every year thousands of bushels of grain are destroyed in old wooden elevator fires and these elevators would be replaced with fireproof concrete structures if cement were readily available.

As this editorial points out, all groups in the State have suffered from the lack of cement. But it has hit farmers especially hard.

Two months later, on March 6, the Fargo Forum carried a report indicating that the supply situation had not improved, and that the outlook was dark. Let me quote the first few paragraphs:

> Cement supply no better. And may be less, this year.
>
> The cement supply situation, serious last year, is going to be no better, if as good this year.
>
> That's the word from the Fargo-Moorhead contractors and building suppliers, as they approach the 1949 construction season. Huge demands last year made it impossible to supply all the wants and the result was that cement mills put all areas on an allocation basis.
>
> Fargo-Moorhead handlers have been informed that last year's allotments probably will be continued, but what develops in the way of highway and industrial construction is going to determine largely how much will be available for other types of buildings—homes, for instance.
>
> Users who have contracts or definite understanding with local distributors will be in the best position to obtain cement, but there is no guaranty that all orders will be filled, the dealers said.
>
> Shortage of cement was what held up the Island Park area paving project until late last fall, with the result that only a small portion of the paving was laid.
>
> John B. Jardine, of the Concrete Sectional Culvert Co., said some cement companies had already allocated all their cement for the year—

Mind you, Mr. President, this was on March 6—

> and users have been put on limited supply. Other companies are supplying cement on a month-to-month basis.
>
> "I have not found that there will be any more cement than last year and apparently the only relief would come in lesser demand," Jardine said.

Of course, lesser demand would be a cure. Shall we permit the Cement Trust to tell us that we shall not have new highways, new buildings in our cities and on our farms, that we shall continue to lose grain through fires in old wooden elevators, that we shall not replace washed-out bridges but drive our cars right through the rivers, the way our forefathers drove their teams through them before bridges had ever been built?

In addition to the extreme shortage, of course, there is also the factor of price. We in North Dakota are now paying almost $1 more per barrel for cement than the people of South Dakota are paying. I particularly want my distinguished friend, the Senator from Louisiana [Mr. LONG], who has been with us and done good work in leading the fight, to know that in North Dakota we are paying almost $1 more per barrel for cement than the people of South Dakota are paying. That is by reason of the fact that the people of South Dakota have their own State cement plant. Of course, whenever anyone advocates the State going into business, he is promptly charged with being a Socialist.

To meet the needs of our State and county roads, we would have to spend $25,000,000 a year, plus annual outlays of almost $7,000,000 for maintenance. The total expenditure required over a 10-year period would be more than $300,000,000. With costs of this size, it is obvious that any lowering in the price of cement would constitute a sizable saving for the taxpayers of North Dakota. On the basis of prices paid for cement during 1949 by contractors on Federal-aid-to-highway projects, the people of North Dakota could save $100,000 a year at South Dakota prices if they undertook to bring their roads up to the estimated level of requirements. That saving would be on roads alone—it would not include additional possible savings on miscellaneous construction projects where every time a contractor or farmer pays out over $4 for a barrel of cement, he knows that in South Dakota, he would have to pay closer to $3.

All these years, Mr. President, the people of North Dakota have been the victims of the basing-point system. All these years North Dakota has been an unsafe place for a locally owned cement plant. It has been unsafe, because, as the experience of our neighbors to the south has shown, we, too, would have felt the full onslaught of the entrenched Cement Trust. This trust would have put any small private plant out of business through punitive bases, through dumping, or it would have forced such a plant into their price-fixing scheme.

Apparently the realization of the new freedom from predatory price discrimination which the Supreme Court has granted us with the Cement decision, came to some of the Republican leaders of North Dakota before it has come to some of my colleagues here in the Senate. They saw that with the basing-point system thrown into the ashcan, where it properly belongs, we could now have a cement plant in North Dakota. However, here in Washington some of my colleagues, including some of the members of the other party, because they are somewhat removed from the everyday problems back home, are still trying to tell us that enactment of this bill is necessary to dispel this synthetic confusion that its supporters have fabricated.

Of course, Mr. President, we have not finally enacted our State bill, either. Both houses of our legislature passed it by overwhelming votes, but Governor Aandahl has vetoed it. Nevertheless, the people of North Dakota still want their cement plant. They are going to have an initiative in November; and I have

no doubt that they will approve the project, because they realize that the hazards of a private plant are so great as to make it entirely too insecure a proposition.

Mr. President, I want every Senator to realize that by our vote on this bill, we shall determine whether we shall return to the Cement Trust the club with which to bludgeon the local plant into submission to trust policies. By our vote, we shall decide whether the as-yet-unborn cement plant of the people of North Dakota shall have a fair chance to survive and to fill their desperate needs for this basic building material. For all these years the Cement Trust has saddled us with high prices, and consequently has denied the people the cement they have needed and wanted. For all these years the threat of reprisal by means of the basing-point club has scared us from taking the necessary steps to help ourselves.

The basing-point system has long been with us, ever since the turn of the century, as a matter of fact, when United States Steel was first put together into the beginnings of its present giant form. It is such an ingenious and complex scheme, although so simple in its actual operation, that few students of economics have been able to explore all its vicissitudes and ill results. Out in my part of the country we have always known that the economic odds were against us, but it took the Government lawyers in Washington some time to pull together the evidence and prove their case so that it would stand up in court. In 1924 the Federal Trade Commission caught on to the single-basing-point system, the old Pittsburgh plus, as it was then called, and said to the steel industry that it should stop it. Reluctantly, but hastily, United States Steel shifted to a multiple-basing-point system, little less deleterious, but apparently, for the time being, at least, legal.

The next attack on the system came with the findings of the Temporary National Economic Committee. The committee's final report condemned the system in no uncertain terms, and recommended that it be abolished through legislation. Since that proposal did not carry statutory weight, industry was only mildly perturbed.

The trusts began to take more serious notice, however, when, during the middle forties, the Federal Trade Commission began its serious onslaught on basing points in one industry after another, first in the glucose and corn-products cases, and then in the now famous Cement case. In each instance the Supreme Court upheld the Federal Trade Commission's case. Industry reaction did not become voluble and violent until the Supreme Court outlawed the multiple basing point on April 26, 1948, because it agreed with the FTC that the cement manufacturers had conspired to fix prices. This came too close for comfort to the heart of the steel citadel. Not only did this decision forbode what might be in store for the basing-point system in steel, which the Federal Trade Commission had even then under investigation, but it already involved United States Steel through its subsidiary, Universal Atlas Cement, the largest cement producer in the world.

Reactions came promptly, and continued in an unending stream. In an interview on the very next day after the cement decision, Mr. Irving S. Olds, chairman of the board of United States Steel—as reported in the New York Journal of Commerce of April 28—declared that industry now faced two alternatives, either to seek remedial legislation or to educate the Supreme Court. Just think of the brazenness of that statement, Mr. President.

Two points in the strategy to be used by United States Steel and its colleagues became clear quite quickly. First, it obviously decided to take the approach of seeking remedial legislation, apparently deemed a simpler method than the education of the Supreme Court. Second, it decided to carry on a behind-the-scenes campaign and let others speak its piece for it. This campaign took several forms. They all had one purpose, however, and that was to broaden the support for legislation to set aside the Supreme Court's decision in the Cement case. Yet all through the shenanigans that followed, the big steel corporations remained discreetly in the background, and never once acknowledged their intimate connection with the strange school of fish which they themselves had spawned, which swarmed up the Potomac to Washington.

Presumably, they realized that the people might be a bit suspicious of any proposal the steel trust supported, because not infrequently in the past the interests of Big Steel and those of the people were somewhat at odds with each other.

So instead of besieging Washington themselves, they sent forth a legion of small-business men, labor representatives, and general citizens to bewail the Supreme Court's decision in the Cement case, and to call for what they euphemistically called clarification of the antitrust laws. Since, at first glance, the Cement decision really appeared quite clear in its effect on the basing-point system—namely, it outlawed it, as used in the cement industry—there immediately appeared a need to find something unclear, so that it could be clarified. So the steel and cement boys put their heads together; and when they came out of the huddle, up came a cloud of fog. They started to blow, and they kept on blowing until they had beclouded the whole issue of the Cement decision to the extent that even the smartest lawyer, if he listened to them, could no longer tell what the Supreme Court had said.

They spread that campaign of misrepresentation to the press, to their customers, to their workers, and to their friends at the chamber of commerce meetings. In fact, I think a little of it may have entered the Halls of Congress.

What happened? The customers of the steel corporations did not have much choice. Steel was hard to get; therefore, when the corporation told them that unless laws were enacted to upset the Cement decision, they could not get steel anymore, the small fabricators became worried. We know what happens when a small-business man becomes worried. He writes, wires, or calls his Congressman. They did just that. This is what one steel executive wrote to his customers, for instance, it is a letter from Ben Moreell, president of Jones & Laughlin:

> We urge our customers and all others interested in the welfare of the country to give serious consideration to this matter. We believe that all will conclude, as we have, that prompt action by the Congress is essential if we are to continue to have the vigorous competition in this country which has been so fundamental to our national development.

What competition in steel, we might ask?

Mr. E. T. Weir, president of the National Steel Co., wrote a letter to his customers, too. That letter was a month later than the Moreell letter, and there Mr. Weir sounds a great deal more urgent. He told them that the Cement decision would have the effect of localizing steel production and fabrication in a few districts; and he continued—in a slightly breathless fashion, which must have sent his customers hurrying aboard the next plane to Washington—as follows:

> There is no time to be lost. The quicker action is taken, the quicker relief can be secured. A great deal of work must be done. Since the type of Congress we had during the 1930's refused to do what the Supreme Court had done, there is every reason to expect that the type of Congress to be elected in November will reverse the Court.

Apparently Mr. Weir thought the Eightieth Congress would be more likely to do his bidding than the Eighty-first, which was yet to be elected. So he wanted action taken within the 2 months following his appeal in September of 1948.

To appeal to their employees, the steel managers used a somewhat different approach. According to testimony by Otis Brubaker, research director of the United Steelworkers, CIO, the propagandists for the basing-point system have extended the propaganda offensive into the mills and factories, as well as in the public press and radio.

I quote further:

> Some managements have carried this campaign directly to their employees through their collective-bargaining agencies. A number of our own local unions have received appeals from their employers for support in this controversy. Some few smaller and less experienced locals have acquiesced to these requests either out of respect for their employers or because they have been sold a bill of goods and have joined their companies in fearing the effects of price competition on their particular companies. Most of our locals, however, apprised the union's international officers of these requests or asked if the international had investigated the matter and had taken a position. Some of these management statements to the local unions in their plants have threatened plant shut-downs, lay-offs, and curtailment of operations. Is it any wonder that many local union members have been concerned?

Just in case either or both these appeals should fail, the industry adopted another, more drastic method of arousing feelings against the cement decision. This trick was a good one, and it fooled a multitude of people, and the ones whom it did not fool, did not dare speak

up, because if they did, they might henceforth lose their supply of steel.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. LANGER. I wonder if I might have 15 minutes more.

Mr. KILGORE. Mr. President, may I inquire whether, thus far, the time yielded to the Senator from North Dakota by the Senator from Nevada has expired?

The VICE PRESIDENT. The Senator from North Dakota has had 45 minutes yielded him by the Senator from Nevada, 15 by the Senator from West Virginia.

Mr. KILGORE. I decline to yield any more time, then, much as I regret not yielding to my friend the Senator from North Dakota.

The VICE PRESIDENT. The Senator declines to yield any further time.

Mr. LANGER. I may say, Mr. President, that is the very thing I feared at the time the unanimous consent was asked. So, the next time unanimous consent is requested, I am going to object. We got caught a little while ago, at the time of the discussion concerning the farm bill.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. McFARLAND. Mr. President, will the Senator from West Virginia yield for a unanimous-consent request?

The VICE PRESIDENT. No one can ask anything, unless either the Senator from Nevada or the Senator from West Virginia yields to him.

Mr. McFARLAND. Mr. President, will the Senator from West Virginia yield for a unanimous-consent request to make an insertion in the RECORD?

Mr. KILGORE. Not unless it is charged against both sides.

The VICE PRESIDENT. Does the Senator from West Virginia yield time to the Senator from North Dakota?

Mr. KILGORE. Mr. President, what is the question?

The VICE PRESIDENT. Does the Senator yield some time to anyone?

Mr. KILGORE. I decline to yield any time.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. KILGORE. I yield for a question only.

Mr. LUCAS. Who is going to speak next?

Mr. KILGORE. I do not know.

Mr. BREWSTER. Mr. President, is it impossible to insert any matter in the RECORD?

Mr. LUCAS. I move that the Senate recess.

The VICE PRESIDENT. It is impossible for the Chair to recognize anyone who desires time, except those to whom one of the two Senators yields. While the Senate is in session, the time is within their control.

Mr. KILGORE. Mr. President, may I request, for the RECORD, a statement of the amount of time charged to each side up to this time?

The VICE PRESIDENT. Up to the present time, the Senator from Nevada has used or yielded 104 minutes; the Senator from West Virginia, 174 minutes.

Mr. KILGORE. I thank the Chair.

Mr. LUCAS. Mr. President——

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. KILGORE. I yield to the majority leader.

The VICE PRESIDENT. Inasmuch as the two Senators involved under the unanimous-consent agreement control the time when the Senate is in session, it seems to the Chair necessary that any Senator who wants to put anything in the RECORD or say anything or make a motion has to be yielded to by one or the other of the two Senators. It is a rather peculiar situation, but that seems to be the import of the unanimous-consent agreement.

Mr. LUCAS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Illinois?

Mr. KILGORE. I yield to the majority leader for a question or a motion.

Mr. LUCAS. I move that the Senate stand in recess until tomorrow at 12 o'clock.

The VICE PRESIDENT. The Senator from Illinois moves that the Senate stand in recess until 12 o'clock tomorrow. It is not a debatable motion. It is not a request for unanimous consent; it is a motion to recess.

Mr. THYE. Mr. President, I should like to have the majority leader withhold his motion for just a moment. It is only a quarter to five, and I have been asked to act as minority leader in the absence of the minority leader. It merely seems to me the day is still young, or the evening is long, and we have some very important legislation before us. There is the Commodity Credit Corporation bill, and we have been pleading all along that we might have an opportunity to consider it.

Mr. KILGORE. Mr. President, a point of order.

The VICE PRESIDENT. The Chair would suggest that the time of adjournment today has no relationship to that legislation or any other legislation. The Senate has agreed to vote at 2 o'clock next Wednesday on the pending bill. The unanimous-consent agreement makes it the continuing business until that hour. So that the question as to how long the session will run today would have no effect upon when any other legislation would come before the Senate.

Mr. LUCAS. Mr. President, we tried to get a unanimous-consent agreement to vote tomorrow upon the bill the Senator is talking about, and I think it was objected to by the Senator from West Virginia [Mr. KILGORE].

The VICE PRESIDENT. The motion of the Senator from Illinois is that the Senate recess until 12 o'clock tomorrow.

Mr. KEFAUVER. Mr. President, will the Senator from Illinois withhold his motion?

Mr. LUCAS. I withhold the motion.

Mr. KILGORE. I decline to yield any further.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate stand in recess until 12 o'clock tomorrow.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 4, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 3 (legislative day of March 29), 1950):

DEPARTMENT OF THE ARMY

Frank Pace, Jr., of Arkansas, to be Secretary of the Army.

NATIONAL SECURITY RESOURCES BOARD

W. Stuart Symington, of Missouri, to be Chairman of the National Security Resources Board.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the Public Health Service:

To be senior surgeon (equivalent to the Army rank of lieutenant colonel), effective date of acceptance:

Hugh B. Cottrell

To be surgeons (equivalent to the Army rank of major), effective date of acceptance:

James A. Finger
William A. Miller
Sidney Olansky

To be senior assistant surgeons (equivalent to the Army rank of captain), effective date of acceptance:

Robert C. Partenheimer
Alexandra Symonds

To be scientist (equivalent to the Army rank of major), effective date of acceptance:

Simon Kinsman

To be senior assistant veterinarians (equivalent to the Army rank of captain), effective date of acceptance:

Herbert G. Stoenner
Ernest S. Tierkel
Lauri Luoto
John F. Winn

To be assistant veterinarian (equivalent to the Army rank of first lieutenant), effective date of acceptance:

Harry Rubin

IN THE NAVY

Vice Adm. Arthur D. Struble, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as commander, Seventh Fleet.

Ensign William T. Roos, Supply Corps, United States Navy, for permanent appointment to the grade of ensign in the line.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 3, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we have entered upon Holy Week, commemorating days whose sacred significance our finite minds cannot comprehend. May we contemplate their meaning with a humble spirit and a contrite heart.

We thank Thee for the King, who on Palm Sunday proclaimed His sovereignty over the spirit of man and unto whom we must give our allegiance.

Fill us with gratitude for the great Prophet who, during the succeeding days,

revealed the eternal truth of God. Inspire us with such a love of Thy truth that we shall come to know the truth of Thy love.

We praise Thee for the High Priest who on Good Friday laid upon the altar the acceptable sacrifice of His own life. Help us to understand that "we never choose the better part until we set the cross up in the heart."

Grant that on Easter Sunday we may share the glorious resurrection of our King, our Prophet, our High Priest, rising with Him in newness of life to build that blessed highway where men and nations shall walk together in His spirit.

To Thy name we give all the glory. Amen.

The Journal of the proceedings of Friday, March 31, 1950, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed a bill and joint resolution of the House of the following titles:

On March 27, 1950:

H. R. 7207. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1950, and for other purposes.

On March 31, 1950:

H. J. Res. 398. Joint resolution relating to cotton and peanut acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, and to price support for potatoes.

MESSAGE FROM THE SENATE

A message from the Senate announced that the Senate agrees to the amendments of the House to bills and a concurrent resolution of the Senate of the following titles:

S. 507. An act for the relief of Mrs. Lorraine Malone;

S. 738. An act for the relief of Earl B. Hochwalt; and

S. Con. Res. 48. Concurrent resolution favoring the suspension of deportation of certain aliens.

SPECIAL ORDER GRANTED

Mr. MANSFIELD asked and was given permission to address the House today for 30 minutes following the legislative program and any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. DOLLINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. DOLLINGER addressed the House. His remarks appear in the Appendix.]

FRANK PACE, JR.

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain quotations.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS of Arkansas. Mr. Speaker, I rise to pay a short tribute to a distinguished young man, a product of my district, Hon. Frank Pace, Jr., who has recently been honored by the President by appointment as Secretary of the Army.

Mr. TRIMBLE. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Arkansas.

Mr. TRIMBLE. I desire to join my colleague in his tribute, because both parents of Frank Pace were born in my district, in the hills of the Ozark country. The State and the Nation are honored by the appointment of Frank Pace, Jr., to the position of Secretary of the Army.

Mr. HAYS of Arkansas. The gentleman would agree, I am sure, that he will make a great Secretary. He was a great soldier. He was just 6 years old when I was mustered out of the Army after a brief and inconspicuous service in the First World War, and the present Army is a greater Army. As an old soldier I salute him and predict a great career for him in the public service.

Mr. DEANE. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from North Carolina.

Mr. DEANE. I join with the gentleman from Arkansas in paying tribute to Mr. Frank Pace, Jr. I have great admiration for him. No young man in Government service has made more progress nor had a greater rise in the Government and he has done a great job.

Mr. HAYS of Arkansas. Mr. Speaker, I too have watched his advancement with pride. Our fathers before us were friends though often antagonists in courtroom battles of western Arkansas.

I know the Members of the House wish him well in his new office. Under leave to extend my remarks, I include the following excerpts from newspaper articles.

Jim Lucas in the Washington Daily News:

Frank Pace, who will be the new Secretary of the Army, is one Arkansas boy who came to Washington to stay.

At 37, with a year as director of a $40,000,000,000 budget behind him, he's one of the youngest men in top-drawer officialdom. There's nothing he likes better. Frank Pace, who lives at 5024 Macomb Street NW., frankly enjoys it and sees no reason to pretend otherwise. When President Truman moves him up another notch—as he's done several times recently—Mr. Pace is greatly honored and tickled pink. Back in Little Rock, he recalls, other boys used to dream of becoming cowboys or engineers. Frank Pace says he dreamed of working for the Government.

WASHINGTON CURIO

That makes him a Washington curio. The majority of his colleagues look on Federal service as a stepping stone to something better. Most of them place a time limit on their stay here. Frank Pace says he's limited only by his health and the Government's need of him. His health is good. And President Truman apparently thinks he's a mighty handy man to have around. Mr. Pace sometimes talks about the terrific toll a Government job takes on a man, but he says he's not talking about himself.

He says there's a tremendous satisfaction in devoting your life to the public. He's inclined to use such phrases as "democracy at the crossroads," then check himself in embarrassment. But he adds, "I really mean it." A congenial man, the slender 6-footer instinctively likes people and wants others to share his enthusiasm. He thinks more young men and women should follow his lead.

John A. Giles in the Washington Sunday Star:

The new Army Secretary talks rapidly and earnestly and is always saying parenthetically that he must hurry along to get all his facts across and round out his ideas. He has an informal feet-on-the-desk manner and impresses one pretty much as an honest country boy selling some prize eggs at a crossroads store. Two years at fashionable Hill Preparatory School at Pottstown, Pa., four at Princeton, and 3 years at Harvard Law School have left him with no discernible affectation.

One of the most amazing things about Mr. Pace is the inability to find anyone in Government circles who has anything harsh to say about him, to admit that he has any shortcomings. Apparently his willingness to consult fully with them over budget matters and then make a fair and factual presentation to the President even when he disagrees—in sharp contrast to some of the star chamber proceedings at the Bureau in the past—have convinced almost everybody that he's tops.

PERMISSION TO ADDRESS THE HOUSE

Mr. DAGUE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a letter written to the Administrator of Veterans' Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. DAGUE addressed the House. His remarks appear in the Appendix.]

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

[Mr. PLUMLEY addressed the House. His remarks appear in the Appendix.]

PATRIOTS' DAY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a resolution.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I want to express to the Speaker of the House, Mr. RAYBURN, and the House leaders, Mr. MCCORMACK and Mr. MARTIN of Massachusetts, my appreciation for the passage of House Concurrent Resolution No. 190 by the House of Representatives last Friday.

This resolution gives further official recognition to the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day, by the

appointment of a Patriots' Day Celebration Commission to be composed of three Members of the United States Senate and five Members of the House of Representatives.

To the people of Concord and Lexington, in my congressional district, as well as all of our Massachusetts citizenry, Patriots' Day, April 19, has always meant a great deal. For many years it has been celebrated as a holiday in Massachusetts. Every school child has thrilled to the history lessons bearing upon those memontous days of 1775, when the Massachusetts countryside was aroused by the midnight ride of Paul Revere and the farmers and shopkeepers of Concord and Lexington left their daily pursuits to meet the British redcoats and turn them back.

Recognized as the very beginning of our long and successful struggle for independence, it is fitting and significant that a century and three-quarters later Congress should join with the Commonwealth of Massachusetts in commemorating that epochal engagement.

I believe the language used in the report upon the resolution as it came from the Committee on the Judiciary expresses adequately the purpose of this commemoration. The report said:

> The resolute spirit of those few who participated in that epochal engagement epitomized the character of generations of Americans who followed after and brought this Nation to its pinnacle of prestige in the modern world. Lest we forget how sorely needed is this quality of defiance to tyranny and oppression, we believe it highly desirable that the Commission authorized by the measure have time to formulate adequate plans.

In these present days, so fraught with peril from enemies from within, it is necessary and significant to point to the heroism and selfless patriotism of those citizens turned soldier for a day. Their accomplishments have always been a guide to later defenders of our country and will never be forgotten.

It is also fitting and proper that the United States Marine Band has been authorized by resolution to take part in this observance and celebration.

I want to thank my colleague the gentleman from South Carolina [Mr. BRYSON], the chairman of the subcommittee of the Committee on the Judiciary, for his gracious interest in this matter, and the gentlemen from Massachusetts [Mr. THOMAS LANE and Mr. ANGIER GOODWIN] for their efforts. To him and his committee, and to the members of the full Judiciary Committee, the people of Massachusetts owe a vote of thanks.

Following is a copy of the resolution:

> Whereas the 19th day of April 1775 witnessed the first military engagement between the American colonists and British troops, and the fighting that then occurred at Concord and Lexington, in Massachusetts, formed the prologue to the mighty drama of the Revolution and determined the character of its first campaign; and
>
> Whereas the significance of April 19 in the history of our country is not to be measured by the extent of the military forces that engaged in local battle in 1775, but by the direction and strength of the intangible forces then set in motion which in due course established the United States of America; and
>
> Whereas a frequent recurrence to the events out of which this Nation arose, and a better understanding of the principles upon which our forefathers grounded their independence cannot fail to stimulate and renew that high sense of patriotism which has ever been the glory of our country; and
>
> Whereas each such dramatic struggle onward in the process of world civilization has been marked by a ceremonial indicating the formal and official conclusion thereof, the first Commander in Chief and General of the Continental Army purposely selected the 19th of April as the date for a peace proclamation which he read to assembled troops on April 19, 1783: Therefore be it
>
> *Resolved by the House of Representatives (the Senate concurring)*, That there is hereby established a commission to be known as the Patriots' Day Celebration Commission (hereinafter referred to as the "Commission") and to be composed of eight Commissioners, as follows: Three Members of the Senate to be appointed by the Vice President and five Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The Commissioners shall serve without compensation and shall select a chairman from among their number.
>
> SEC. 2. It shall be the duty of the Commission to prepare and carry out a comprehensive plan for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775. In the preparation of such plans, the Commission shall cooperate with the Commonwealth of Massachusetts and its cities and towns in order that there may be proper coordination and correlation of plans for such observance and celebration.

LODGE-GOSSETT RESOLUTION

Mr. MACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain correspondence and editorials.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MACY. Mr. Speaker, earlier this year the Washington Post took me severely to task for some comments that I made on intimidation of the press by Judge Kaufman at the first Hiss trial. I responded in a letter, standing my ground, which the Washington Post published in full.

Somewhat more recently, in fact, on March 8, the Washington Post ran an editorial entitled "Minority President," in which they said that "Senator TAFT finds himself in strange company in fighting the Lodge-Gossett resolution." The editorial goes on to make a great to-do about the danger of electing a minority President. I was compelled to enter the lists again by writing the Washington Post, but only after an interchange of letters with the editor did they publish portions of my letter interlarded with their own comments.

I am against the Lodge-Gossett resolution and all its works.

To prove my contention, I might say that under this suggested innovation, Bryan would have been elected President in 1896, whilst McKinley was out away ahead in the popular vote.

I am spreading the above-mentioned correspondence and editorials in the Appendix of the RECORD, with some additional remarks of my own.

DRIED EGGS

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, this morning I was able to locate a can of dried eggs. It was some job to find those dried eggs in the Washington markets. They are a scarce commodity. I then sent the following wire to the President at Key West:

> The PRESIDENT,
> *Winter White House,*
> *Key West, Fla:*
>
> At long last located can dried eggs. Forwarded it with reminder of 79,000,000 pounds in storage all in danger of spoilage. Recommend having these scrambled. They will be no more scrambled than mess you are tolerating in not taking remedial action to dispose of these wholesome surplus foods.

The total loss to the taxpayers on carrying charges for these perishable-food commodities amounts now to $3,630,000. How the President can ignore this indefensible waste of the taxpayers' money is beyond my comprehension. But my mail indicates that hundreds of people are learning the facts every day. Once they become sufficiently aroused I am sure he will hear from them in no uncertain terms. And the day of reckoning will surely come.

NATURAL GAS BILL

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, when the Democrat leadership of the House rammed down our throats late Friday night the bill to make big gas bigger at the expense of every natural-gas consumer, we were told that it would not increase gas bills, and I quote the phrase of our distinguished Speaker, "one red penny." I now understand that is true—until after the next election.

It is still not too late to hope that this damage can be undone. Despite rumors to the contrary, it seems inconceivable that the President will sign this measure which will surely rise to haunt him at every whistle stop he makes on his forthcoming political tour. Here in truth and in fact is a bill for the interests and against the people.

I have today wired the President at his sunny retreat urging a veto of this grab by a handful of Democratic campaign contributors. I urge all my colleagues of both parties who share my convictions to join in this crusade to prevent a sell-out of the natural-gas consumers of the land.

NO. 81, SPENDING CONGRESS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, 1 week ago Friday you gave $2,000,000,000 to the Commodity Credit Corporation to buy the farmers' crops and store them. Last Friday you gave ECA $3,100,000,000 to give to foreign countries. Where will you get the money? This week we have Good Friday. May we ask all to go to church and ask for divine guidance. We need it badly.

In the meantime, you will consider in this body the greatest appropriation bill ever to come before the Congress for the departments of the Government, $29,000,000,000. Where will you get the money? Here is where we can get out the ax and cut this appropriation to the bone. Save the overburdened taxpayers and balance the budget. Be wise and economize.

WHITE HOUSE MEMENTOS

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Speaker, as a member of the White House Commission, I speak now in answer to the numerous requests from Members of the Congress for material declared surplus and to be made available for distribution to interested persons throughout the Nation. The Members of Congress within the next two weeks will receive a written questionnaire from the Commission indicating the character and type of material which will be available for distribution. You will have an opportunity to list all of the organizations and individuals that might be interested in receiving a memento from this great historic building.

I am calling this to your attention today for fear that Members may not realize the importance of that communication when it reaches their office.

You may get it during the time that the House is in recess and every Member should instruct his staff to preserve that communication in order that you may participate with your constituents and your great organizations in your district in receiving suitable mementos which will be available as a result of the renovation of the White House.

LABOR-MANAGEMENT RELATIONS

Mr. O'SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Speaker, I have introduced today in the House of Representatives a bill patterned after the Convict Made Goods Act, to prohibit the transportation in interstate commerce of any goods, wares or merchandise manufactured, produced or mined by any person, firm or corporation during the period of time when any such person, firm of corporation, refuses to bargain collectively, fairly, and in good faith, with its employees, or indulges in any unfair labor practices.

A companion bill will be introduced in the other body.

The need for such legislation becomes quite apparent when one views the conduct of Wilson & Co., meat packers, toward their packing house workers. This company is the sole and only major packing house which has refused to enter into any work contract with the proper accredited union in their plants and by their uncalled-for stubbornness in this regard they have created intense ill will among their employees, which soon may result in a strike and not only to the great damage and injury to this large meat packing concern, but also to its employees as well, and the communities where plants are located, but also to persons marketing livestock for slaughter and marketing other farm products.

It is indeed regrettable that this large business institution which has won such a coveted place for its products in the market places of the world and at the tables of the Nation, should persist in their senseless coal baron-like attitude toward their workers. This law may cause them to stop and ponder over their unwise and un-American course of conduct, and also cause them to resolve to desist in their senseless manner of dealing with labor unions.

HON. STUART SYMINGTON, CHAIRMAN OF NATIONAL SECURITY RESOURCES BOARD

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, the announcement over the week end indicates that Secretary of Air Stuart Symington is leaving the position of Secretary of Air for the position of chairman of the National Security Resources Board.

Mr. Symington has made an enviable record as head of the Air Force. In his short term the Air Force has thrown off its swaddling clothes, so to speak, and has assumed its proper position in the defense of the Nation. He has shown rare courage and outstanding leadership. The imprint of his personality and his ability will long remain with the Air Force and will remain as a permanent contribution to the defense of our Nation.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend the gentleman from Mississippi.

Mr. RANKIN. If Mr. Symington had been in that position 9 years ago the Pearl Harbor disaster never would have happened.

Mr. BROOKS. I thank the gentleman.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield to the distinguished majority leader.

Mr. McCORMACK. I agree with everything my friend from Louisiana has said. Stuart Symington is one of the outstanding Americans of this era. We are thankful that he is continuing in public service in the very responsible position that he fills. We all have confidence in the ability, the integrity, and the judgment of this distinguished American, who I am very proud to call a friend of mine.

Mr. BROOKS. He has done an outstanding job which the American people will not forget.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. KEEFE. I agree fully in what the distinguished gentleman from Louisiana has said about Stuart Symington. I consider him to be an outstanding public servant. I believe that in the tremendously important job that lies ahead, in his assignment he will render the same distinguished character of service that he has rendered as head of the Air Force of the United States Department of Defense.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. SIKES. I concur in all that has been said about Stuart Symington's value as a public servant. In my mind he long has clearly been one of the ablest and soundest men that we have in Government. As Secretary of the Air Force he has done a magnificent job in building the Air Force to its present level of effectiveness, and personally, I dislike to see him leave that all-important task. I realize that his talents are needed in the position where he is going, and I admire his unselfish decision to serve where the President feels he can be of most value to the Nation. I join in wishing him the best of success.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. BROOKS. I yield.

Mr. MAHON. Mr. Speaker, I wish to join with others in paying tribute to the remarkable record made by Stuart Symington as Secretary of the Air Force. He has done a wonderful job. He has made an incalculable contribution to the security and welfare of this Nation. When I first heard that he was about to take this job as Chairman of the National Security Resources Board I was disappointed. I still regret to see Mr. Symington leave the Air Force but the job to which he is going is of such transcendant importance to the people of the United States and the world I rejoice to see it filled by a man of Mr. Symington's caliber. A real job is overdue by the Chairman of the National Security Resources Board. Stuart Symington, administrator and patriot extraordinary, will get the job done.

The SPEAKER. The time of the gentleman from Louisiana [Mr. BROOKS] has expired.

SPECIAL ORDER GRANTED

Mr. MITCHELL asked and was given permission to address the House for 15 minutes on Wednesday next, following the legislative program and any special orders heretofore entered.

HON. FRANK PACE, JR.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GATHINGS. Mr. Speaker, last Thursday the President nominated Frank Pace, Jr., of Little Rock, Ark., to the office of Secretary of the Army. Mr. Pace now joins the ranks with such illustrious Arkansans as Augustus H. Garland, Albert Pike, John W. Snyder, Leslie Biffle, John R. Steelman, and many others.

Frank Pace has made a phenomenal climb up the governmental ladder since he first came to Washington as a major with the Air Transport Command. When he retired to inactive duty, he went to work as a special assistant in the Attorney General's office. He lost no time in making known his abilities. In 1946, Postmaster General Hannegan made him his executive assistant. Two years later he stepped into the Bureau of the Budget as assistant to the Director. Mr. Pace was named Director of the Budget on January 7, 1949. He has made an excellent record in the Government and as a young man we can expect many years of outstanding public service from Frank Pace.

Mr. Speaker, our Government has benefited from the noble services of many "Arkansawers." August H. Garland served as Attorney General in the Cabinet of President Cleveland. Today, with the addition of Frank Pace, Arkansas would have two native sons in the President's inner circle, the other being the Honorable John W. Snyder, Secretary of the Treasury. The distinguished Secretary of the Senate and presidential confidant, Les Biffle, hails from Piggott, Ark., and Dr. John R. Steelman, the Assistant to the President, is another outstanding Arkansan.

There are many prominent Arkansans in important positions of the Federal Government today, but they are too numerous to mention at this time. We are proud of the records made by our fellow Arkansans in the past and the records they are making now. I am most pleased and happy that the President saw fit to nominate Frank Pace to this important position.

Frank Pace has ascended the heights to success through merit and tireless effort. His choice is symbolic of the opportunities enjoyed by Americans under the system of government which recognizes, ability, energy, and perseverance. The President's selection is an inspiration to the American youth.

UNPARTISAN ORGANIZATION ON FOREIGN POLICY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I understand the President wants some sort of an unpartisan instead of a bipartisan organization in foreign policy. He evidently thinks he can find some Republicans to lend their names to his program, take the blame for his failures.

If any Republicans are inclined to go along with that suggestion, I think they ought to look over the CONGRESSIONAL RECORD of last Friday.

The Gentleman from Nebraska, Dr. MILLER, offered an amendment that the administration should not employ any homosexuals in the administration of this Marshall plan to help spend that $3,000,000,000. The House would not take that amendment. It seemed to think that those fellows might be all right or could be taken care of in some other way.

Then along came another amendment that the Republicans should have some part in the administration of the plan and, lo and behold, the majority turned that down.

So the Republicans ought to know where in the opinion of the administration they stand. A certain group, the homosexuals, are eligible for jobs but another group, Republicans, are not to be assured of a part in the carrying out of the Marshall plan, the expenditure of the $3,000,000,000.

That is bad business and no one should fall for it.

The SPEAKER. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

THE RANKIN POLICY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, the Washington Post, and its radio Red network, have been taking me to task and accusing the distinguished Senator at the other end of the Capitol [Mr. MCCARTHY] of following the policy laid down by RANKIN in the House. I want to say that what we were trying to do in the Committee on Un-American Activities was to protect this country from her enemies at home and abroad.

They are also attacking me because they say that I cast the deciding vote the other day that knocked $250,000,000 from the foreign-waste bill. If I am responsible for the adoption of that amendment then I ought to be congratulated, for it saved my salary for a period of more than 20,000 years.

Mr. Speaker, I yield back the balance of my time.

HON. STUART SYMINGTON

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I endorse fully the remarks my colleagues, the gentleman from Louisiana [Mr. BROOKS], the gentleman from Texas [Mr. MAHON], and the others have made about Mr. Symington.

It has been my pleasure to have been in close contact with Mr. Symington's work as Secretary of the Air Force, and in his previous assignments in the Federal Government. I think everyone in Congress shares the opinion I have of him and they will agree with me when I say, W. Stuart Symington represents the highest type of public official.

The Air Force loses a great leader as the result of Mr. Symington's new assignment as Chairman of the National Security Resources Board, but the Air Force with the Nation as a whole will profits by the tact and determination Mr. Symington will take into his new position.

I regard Mr. Symington as the best possible selection President Truman could have made for the chairmanship of the National Security Resources Board. His experience, as a successful industrialist before entering Government service, then as Surplus Property Administrator and his appointments in the Defense Establishment, is, in my opinion, the kind of background needed for a man charged with the heavy responsibility of planning for military, industrial, and civilian mobilization for war.

The Congress shares the President's confidence in Mr. Symington's ability. I personally feel that he will continue to justify the great confidence we all have in him.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair respectfully suggests that we have a message from the President.

Mr. TABER. We ought to have a quorum to hear it.

The SPEAKER. Evidently a quorum is not present.

Mr. MCCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 127]

Allen, Ill.	Donohue	Kee
Angell	Douglas	Kelly, N. Y.
Bailey	Doyle	Keogh
Barden	Eaton	Kunkel
Barrett, Pa.	Gavin	Lane
Battle	Gilmer	Lanham
Bennett, Fla.	Gordon	Latham
Biemiller	Granahan	Lichtenwalter
Bolton, Ohio	Grant	Linehan
Buchanan	Green	Lyle
Buckley, Ill.	Gregory	Lynch
Buckley, N. Y.	Hall,	McConnell
Bulwinkle	Leonard W.	Mason
Burnside	Hand	Miles
Byrne, N. Y.	Hare	Miller, Md.
Carlyle	Hart	Monroney
Carroll	Hays, Ohio	Morrison
Case, S. Dak.	Hedrick	Multer
Chesney	Heffernan	Murphy
Chudoff	Heller	Nixon
Clemente	Hobbs	Norton
Combs	Hoffman, Ill.	O'Brien, Ill.
Coudert	Hull	O'Brien, Mich.
Dawson	Jackson, Calif.	O'Konski
Dingell	Javits	Pace

Patman	Sabath	Tollefson
Pfeifer, Joseph L.	Sadowski	Towe
	St. George	Underwood
Pfeiffer, William L.	Sasscer	Walsh
	Scott, Hugh D., Jr.	Welch
Philbin		Wheeler
Powell	Shelley	Whitaker
Ramsey	Sims	White, Idaho
Redden	Smathers	Widnall
Reed, Ill.	Smith, Ohio	Willis
Reed, N. Y.	Staggers	Wolcott
Ribicoff	Sutton	Wood
Rivers	Taylor	Woodhouse

The SPEAKER. On this roll call 321 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AGRICULTURAL PROGRAM — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 540)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on Agriculture and ordered printed:

To the Congress of the United States:

On March 31, 1950, I approved House Joint Resolution 398, "relating to cotton- and peanut-acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, and to price supports for potatoes."

I approved this measure with reluctance, because it contains some provisions which seem to me to be definitely undesirable, and its other provisions merely undertake to alleviate defects in the existing farm program temporarily, without correcting those defects. Moreover, even this temporary relief, which is urgently needed, will require additional expenditures of public funds and increase the likelihood of future difficulties for the farm program.

One part of the bill, that relating to potatoes, is a step in the right direction for the long run. While it would do little or nothing to remedy for this year's crop the defects in the potato price-support program, it does hold out hope of improving this program for subsequent years. However, if each step made in improving the farm program in one place is to be accompanied by a step backward in another place, we will fail to make the advances in that program which are necessary if it is to retain the approval of the American people.

This joint resolution furnishes additional grounds for the charges that the present farm program is costly and piles up unmanageable surpluses at the same time that it maintains artificially high prices for agricultural commodities. What is needed is for the Congress to approach this problem with a view to correcting the fundamental shortcomings in the present farm program rather than patching it up with makeshift legislation.

In spite of the shortcomings of the present joint resolution, I have decided that the urgent need for the relief which it will give to cotton producers, and the promise which it holds out for making some improvement in the potato program, outweigh the defects of the measure.

The principal relief provided is in the form of additional cotton acreage allotments. The cotton acreage allotment system was revised by the Congress last year. In that legislation, against the advice of the Secretary of Agriculture, the Congress adopted an allotment system based primarily upon the farmer's acreage of crop land. The legislation provided in detail the method by which allotments were to be made. Just as the Secretary of Agriculture had warned, this legislation has had grossly inequitable results. Some cotton farmers were required to make little or no reduction in cotton acreage to comply with their allotments, other cotton farmers were required to reduce their acreage by as much as 80 percent. The present joint resolution merely provides additional cotton acreage allotments for this year to alleviate the hardship in those cases where the reductions have been inequitably severe. It does not remedy the basic defect in the present system of determining cotton acreage allotments. Indeed, in one respect it makes it even worse. It provides, in effect, that cotton acreage which is surrendered by one farmer and reallotted, even though it is not planted by any farmer, must continue in future years to be allotted to that same county and State. This provision is obviously not necessary to relieve present inequities and it is clearly unfair to areas where cotton farmers are being severely restricted in their plantings, and favors areas making little or no contribution to the reduction of cotton production.

I urge the Congress to revise the permanent laws regarding the cotton-acreage allotments and marketing quotas. Such legislation should provide for allotments to be based primarily upon each farmer's past planting history. Furthermore, it should give ample latitude to farmer-elected local committeemen, so that they may alleviate inequities among their neighbors and make adjustments for local conditions. These principles are generally in effect for all major crops but cotton, and experience has demonstrated their superiority to those embodied in the cotton legislation enacted last year, from which farmers are now seeking relief.

Sections 3, 4, and 5 of House Joint Resolution 398 deal with Irish potatoes. The most important of these is section 5, which provides that no price support shall be granted to potatoes for the crop year 1951 and later years unless marketing quotas are in effect. Since no marketing quotas for potatoes are permitted by present law, this section amounts to a policy declaration by the Congress that it intends to enact better price-support legislation for potatoes than we now have. With this purpose I am in hearty accord.

Successive Secretaries of Agriculture have been urging the Congress for several years to enact better legislation regarding potatoes, in order to bring supplies into line with demand, to provide better distribution of surplus potatoes, and to reduce the cost of the program to the Government. To amend present law to provide for effective marketing quotas would be a substantial improvement over the present situation. It would not, however, in my judgment, be all that is necessary. I again urge the Congress to authorize a system of production payments for potatoes—and other perishable commodities—so that unavoidable surpluses can be sold to consumers and used, instead of taken off the market and largely wasted.

Sections 6 and 7 of the joint resolution deal with peanuts. Section 7 is designed to provide some relief for the peanut farmers in several States (particularly Alabama and Texas) whose acreage was cut especially severely under present law. I believe that the peanut farmers of the States affected should have such relief, and that is one of the reasons which led me to approve the joint resolution.

Section 6, however, is another matter. This section would permit the planting of peanuts to be increased substantially above the acreage allotments now established. The peanuts produced on these extra acres would not be eligible for price support, but would, instead, be sold for crushing, and the farmer would receive only what the resulting peanut oil would bring on the market. The domestic two-price system for peanuts thus established is subject to serious objections.

First, under present conditions, the production of peanuts for oil is unprofitable for the growers and is an uneconomic and wasteful use of agricultural resources. During the war and right afterward, when fats and oils were in seriously short supply, we needed peanut oil badly. Now that supplies of soybeans and other more economical sources of edible fats and oils are again sufficient, it would be foolish to go on using good land to produce peanuts for oil which would not yield a profit to the growers. I believe that peanut farmers will realize that it would not be to their own best interest to expand their plantings of peanuts greatly. Consequently, I do not expect large additional amounts of peanuts to be produced for oil as a result of this section. Nevertheless, this provision represents a breach in the integrity of the quota system upon which the support-price program depends. If it should be taken as a precedent for other crops, the whole support-price program might be endangered.

Second, the administrative difficulties of operating this two-price system for peanuts will be very great. In order to prevent the diversion of peanuts produced on the excess acres to the higher of the two price outlets, an extensive system of inspection, identification, and supervision will have to be developed. Administrative difficulties should not stand in the way of desirable programs, but in this case a complicated, costly, and annoying administrative network will be required for a very dubious purpose.

Above and beyond these specific objections to section 6, it may have very unfortunate implications for future years and other crops. If farmers do produce large quantities of peanuts for oil at no profit, there will inevitably be pressures for supporting the price of peanut oil in the future, which would only complicate matters further. Even more serious, of these special provisions for peanuts

were to be regarded as a precedent, it may be urged that similar provisions should be enacted for other crops, regardless of the disruption that could result to domestic and world markets. I believe it would be a very serious mistake for us to embark on such a course, and I do not regard this peanut provision as anything but a temporary aberration from proper legislation.

We face no small task in providing a system of agricultural legislation which will serve the needs of farmers for a fair income and will, at the same time, serve the needs of consumers for ample supplies of foods, fibers, and other crops at reasonable prices, and the needs of the whole Nation for a growing, expanding economy, and a healthy world trade. During the present postwar transition period, our agricultural legislation is necessarily costly, but we obviously cannot afford to add to those costs for purposes which will not contribute to the real, long-run interests of farmers or the Nation.

I urge the Congress to proceed to consider fundamental improvements in our agricultural legislation to make it more efficient, less costly, and more conducive to abundant production of farm crops, yielding a fair return to farmers, and selling at prices consumers can afford.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 3, 1950.*

RECREFERENCE OF BILL

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on the Post Office and Civil Service be discharged from further consideration of the bill (H. R. 7913) to establish and maintain a Federal fidelity trust fund and a Federal Surety Board to operate a procedure in lieu of surety bonds for all Federal employees who are required by law or regulation to furnish surety bonds, and that the bill be rereferred to the Committee on Expenditures in the Executive Departments.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is the bill?

Mr. MURRAY of Tennessee. This is a bill which was referred to the Committee on the Post Office and Civil Service but which should have been referred to the Committee on Expenditures in the Executive Departments.

It was introduced by the gentleman from Missouri [Mr. KARST] to establish and maintain a fidelity trust fund for all Federal employees.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ORLAND RECLAMATION PROJECT

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a resolution passed by the Committee on Public Lands concerning reclamation.

The Speaker. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I insert at this point in the RECORD a resolution which was adopted by the Public Lands Committee of the House on March 29, 1950, and two acts relating to this procedure, concerning the expenditure of rehabilitation and betterment costs on certain reclamation projects. This resolution approves the findings of the Secretary of the Interior on this contract as outlined in his letter to both the Senate Committee on Interior and Insular Affairs and to the Public Lands Committee of the House of Representatives.

On October 7, 1949, the President approved an act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects, and on March 3, this year, an act was approved amending that act to a slight degree, whereby it becomes possible for the above-named committees to express their approval of the determination by the Secretary of the Interior of the terms of a contract for the repayment of rehabilitation and betterment costs on reclamation projects.

The two acts referred to and the resolution which was adopted on March 29, 1950, by the Public Lands Committee of the House are as follows:

Resolution concerning the expenditure of rehabilitation and betterment funds on the Orland project, California

Whereas the act of October 7, 1949 (Public Law 335, 81st Cong., 1st sess.), as amended by the act of March 3, 1950 (Public Law 451, 81st Cong., 2d sess.) provides that expenditure of funds specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws shall be made only after the organizations shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior; and

Whereas the determination of the Secretary of the Interior does not become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives or on a date prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval; and

Whereas in a letter dated March 16, 1950, the Secretary of the Interior submitted to the Committee on Public Lands his findings relating to the return of rehabilitation and betterment funds to be expended on the Orland project, California; and

Whereas the Committee on Public Lands has, in session with a quorum present, this day approved the findings of the Secretary of the Interior in these premises: Now, therefore, be it

Resolved, That the Committee on Public Lands give notice in writing to the Secretary of the Interior of its approval of his determination in these premises.

COMMITTEE ON PUBLIC LANDS,
J. HARDIN PETERSON,
Chairman.

Adopted this 29th day of March 1950.

[Public Law 335—81st Cong.]
[Ch. 650—1st sess.]
H. R. 1694

An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects.

Be it enacted, etc., That expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations, and which shall, to the fullest practicable extent, be scheduled for return with their construction charge installments or otherwise scheduled as he shall determine. No such determination of the Secretary of the Interior shall become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives. The term "rehabilitation and betterment," as used in this act, shall mean maintenance, including replacements, which cannot be financed currently, as otherwise contemplated by the Federal reclamation laws in the case of operation and maintenance costs, but shall not include construction, the costs of which are returnable, in whole or in part, through "construction charges" as that term is defined in section 2 (d) of the Reclamation Project Act of 1939 (53 Stat. 1187). Such rehabilitation and betterment work may be performed by contract, by force account, or, notwithstanding any other law and subject only to such reasonable terms and conditions as the Secretary of the Interior shall deem appropriate for the protection of the United States, by contract entered into with the organization concerned whereby such organization shall perform such work.

SEC. 2. This act shall be deemed a supplement to the Federal reclamation laws.

Approved October 7, 1949.

[Public Law 451—81st Cong.]
[Ch. 47—2d sess.]
H. R. 7220

An act to expedite the rehabilitation of Federal reclamation projects in certain cases

Be it enacted, etc., That the second sentence of the act entitled "An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects," approved October 7, 1949, is amended by striking out the period at the end thereof and inserting a semicolon and the following: "except that, any such determination may become effective prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval: *Provided,* That when Congress is not in session the Secretary's determination, if accompanied by a finding by the Secretary that substantial hardship to the water users concerned or substantial further injury to the project works will result, shall become effective when the chairman and ranking minority member of each such committee shall file with the Secretary their written approval of said findings."

Approved March 3, 1950.

FACILITATION OF THE WORK OF THE FOREST SERVICE

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is this conference report?

Mr. COOLEY. This is a conference report on the forestry bill. It is unanimous.

Mr. MARTIN of Massachusetts. Has the gentleman from North Carolina advised the gentleman from Kansas [Mr. HOPE] that he was going to call it up?

Mr. COOLEY. The gentleman from Utah [Mr. GRANGER], the author of the bill, has tried to communicate with the gentleman from Kansas [Mr. HOPE]. The gentleman from Kansas signed the conference report.

Mr. MARTIN of Massachusetts. I cannot let this come up until the gentleman from Kansas is here.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, I may say to the gentleman from Massachusetts [Mr. MARTIN] that I know nothing about this.

Mr. COOLEY. Mr. Speaker, I withdraw my request for the time being.

THE CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the calendar.

CERTAIN BENEFITS FOR ANNUITANTS

The Clerk called the bill (H. R. 4295) to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948.

Mr. TRIMBLE. Mr. Speaker, this is an important bill, a meritorious bill. However, it involves in the neighborhood of $165,000,000, and I believe this is too much to allow to pass by unanimous consent; it should be debated. I therefore ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

PROVIDING FOR CONSTRUCTION OF CERTAIN VETERANS' ADMINISTRATION HOSPITALS

The Clerk called the bill (H. R. 5965) to provide for the construction of certain Veterans' Administration Hospitals, and for other purposes.

Mr. RANKIN. Mr. Speaker, in view of the fact that I am to be recognized on the 24th to call up this bill in the House, I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

PROVIDING FOR THE SETTLEMENT OF CERTAIN PARTS OF ALASKA BY WAR VETERANS

The Clerk called the bill (H. R. 4424) to provide for the settlement of certain parts of Alaska by war veterans.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EDUCATION OR TRAINING OF VETERANS

The Clerk called the bill (S. 2596) relating to education or training of veterans under title II of the Servicemen's Readjustment Act, Public Law 346, Seventy-eighth Congress, June 22, 1944.

Mr. DEANE. Mr. Speaker, I understand a rule is being granted on this bill and for that reason I ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CIVIL GOVERNMENT FOR GUAM

The Clerk called the bill (H. R. 4499) to provide a civil government for Guam, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENDING CERTAIN VETERANS' BENEFITS TO DEPENDENT HUSBANDS AND WIDOWERS OF FEMALE VETERANS

The Clerk called the bill (H. R. 6561) to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. YOUNG. Mr. Speaker, reserving the right to object, it seems to me that this bill is lacking in merit and the cost of the bill, if put into effect, would be very considerable. Therefore, I object. I do not believe a young man who is not a veteran, who never wore the uniform of his country in time of war, should receive GI benefits upon marrying a Wac who, of course, by reason of her service is entitled to these benefits.

The SPEAKER. This requires three objections.

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that it be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, reserving the right to object, the gentleman does not seem to know what he is talking about.

Mr. YOUNG. The gentleman does know what he is talking about.

Mr. RANKIN. The gentleman does not know what he is talking about. He has interfered with this measure several times. If we cannot get it through at this time by unanimous consent, I am going to ask for recognition under suspension of the rules.

This measure applies to only a small number of veterans. The bill was unanimously passed on and reported by the Committee on Veterans' Affairs, and it is endorsed by every leading veterans' organization in America. I hope no one will object to it because it ought to pass and if we do not get it passed in this way I am going to ask the Speaker to recognize me under suspension of the rules.

Mr. MARTIN of Massachusetts. What is the bill about?

Mr. RANKIN. It is a bill reading:

That as used in those provisions of laws administered by the Veterans' Administration relating to compensation, pension, retirement pay, and subsistence allowance the terms "wife" and "dependent" shall include a dependent husband, and the term "widow" shall include a widower whenever his condition is such that, if his deceased wife were living, he would be dependent upon her for support.

The gentleman from Ohio laughs at that, but it is not a laughing matter. When a woman in the recent war gave her services and comes home disabled and her husband is sick or disabled they should be taken care of. The present laws on the subject are not uniform. This would establish a uniform rule. If the gentleman wants any further information, he will get the information provided in the report of the committee.

Mr. YOUNG. The gentleman does not want any further information.

Mr. RANKIN. I was talking to the gentleman who was asking for information. I was not talking to the gentleman from Ohio. This bill ought to pass, and I am going to object to its being passed over without prejudice.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. YOUNG. Mr. Speaker, I object.

Mr. RANKIN. Mr. Speaker, a point of order. The question before the House is the gentleman's request that this bill be passed over, for the fourth time, and I have objected to his unanimous-consent request.

Mr. YOUNG. I will match my 37 months of service in World War II with the brief service of the gentleman from Mississippi in World War I.

Mr. RANKIN. Mr. Speaker, I am willing to admit that the gentleman from Ohio won the last war.

I now demand the regular order.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. YOUNG. Mr. Speaker, I make objection to its consideration.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That as used in those provisions of laws administered by the Veterans' Administration relating to compensation, pension, retirement pay, and subsistence allowance the terms "wife" and "dependent" shall include a dependent husband, and the term "widow" shall include a widower whenever his condition is such that, if his deceased wife were living, he would be dependent upon her for support: *Provided*, That benefits hereunder shall not be allowed a widower who has remarried, and where benefits are properly discontinued by reason of remarriage, they shall not thereafter be recommenced.

SEC. 2. This act shall take effect on the first day of the second calendar month next succeeding its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERISHABLE AGRICULTURAL COMMODITIES ACT

The Clerk called the bill (H. R. 5511) to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, I would like to have some explanation of the bill.

Mr. COOLEY. Mr. Speaker, the bill merely provides for an increase in license fees which are provided for in the Perishable Agricultural Commodities Act from $10 to $15. This bill was unanimously reported by the Committee on Agriculture of the House, it is approved by the United States Fresh Fruit and Vegetable Association and the National League of Wholesale Fresh Fruit and Vegetable Distributors, the two organizations which are directly affected by this act.

We have letters from these organizations and from the Department of Agriculture. The real situation is that it was originally intended that these fees should be sufficient in amount to defray the cost of administering the act, but in the last 2 years there has been a deficit. In 1948 there was a shortage of $28,000 and in 1949 a shortage of $40,000. By increasing the fees, we understand that the amount to be derived will be more than sufficient to defray the expenses involved.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. CUNNINGHAM. Mr. Speaker, further reserving the right to object, this will not cost the Federal Government any money, will it?

Mr. COOLEY. No. It is an effort to save the Federal Government some money.

This bill will increase the license fees from $10 to $15 a year and establish a PACA fund which is designed to cover the cost of administration of the act.

The Perishable Agricultural Commodities Act was adopted in 1930 to provide for the regulation of interstate commerce in perishable agricultural commodities. It provides for the licensing of all dealers and handlers of such commodities and for the administrative adjudication of complaints arising between shippers and licensees.

From the enactment of the act in 1930 until June 30, 1947, license fees and penalties collected and deposited in the Treasury of the United States as miscellaneous receipts, exceeded appropriations for the administration of the act by more than $600,000. However, for the fiscal year ended June 30, 1948, there was collected approximately $28,000 less than appropriations for carrying out the act. It was estimated that collections were about $40,000 less than appropriations for the fiscal year 1949.

It is believed that the funds which are derived from annual license fees authorized under this measure should be adequate to meet the costs of administering the act and that if the funds so derived are made available for that purpose, it will be unnecessary for any additional money to be appropriated for the effective administration of the act.

The bill has the approval of the United Fresh Fruit and Vegetable Association and the National League of Wholesale Fresh Fruit and Vegetable Distributors. These two organizations represent almost all the persons directly affected by the act and who would be required to pay the increased fees.

Letters from those organizations approving the bill and a letter from the Department of Agriculture approving the measure, are included in the report accompanying the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Perishable Agricultural Commodities Act, 1930 (7 U. S. C., sec. 499a and the following), is amended as follows:

Section 3 (b) of said act is amended to read as follows:

"Any person desiring any such license shall make application to the Secretary. The Secretary may by regulation prescribe the information to be contained in such application. Upon the filing of the application, and annually thereafter, the applicant shall pay a fee of $15, which shall be deposited in the Treasury of the United States as a special fund, without fiscal-year limitation, to be designated as the 'PACA fund,' which shall be available for all expenses necessary to the administration of this act, the act to prevent the destruction or dumping of farm produce, approved March 3, 1927 (7 U. S. C. 491–497), and the Export Apple and Pear Act, approved June 10, 1933 (7 U. S. C. 581–589): *Provided*, That financial statements prescribed by the Director of the Bureau of the Budget for the last completed fiscal year, and as estimated for the current and ensuing fiscal years, shall be included in the budget as submitted to the Congress annually."

SEC. 2. Section 4 (a) of said act is amended to read as follows: "Whenever an applicant has paid the prescribed fee the Secretary, except as provided elsewhere in this act, shall issue to such applicant a license, which shall entitle the licensee to do business as a commission merchant and/or dealer and/or broker unless and until it is suspended or revoked by the Secretary in accordance with the provisions of this act, or is automatically suspended under section 7 (d) of this act, but said license shall automatically terminate on any anniversary date thereof unless the annual fee has been paid: *Provided*, That notice of the necessity of paying the annual fee shall be mailed at least 30 days before the anniversary date: *Provided, further*, That if the annual fee is not paid by the anniversary date the licensee may obtain a renewal of that license at any time within 30 days by paying a fee of $20, which shall be deposited in the PACA fund provided for by section 3 (b)."

SEC. 3. Section 15 of said act is amended to read as follows: "The Secretary may make such rules, regulations, and orders as may be necessary to carry out the provisions of this act, and may cooperate with any department or agency of the Government, any State, Territory, District, or possession, or department, agency, or political subdivision thereof, or any person; and shall have the power to appoint, remove, and fix the compensation of such officers and employees not in conflict with existing law, and make such expenditures for rent outside the District of Columbia, printing, binding, telegrams, telephones, lawbooks, books of reference, publications, furniture, stationery, office equipment, travel, and other supplies and expenses, including reporting services, as shall be necessary to the administration of this act in the District of Columbia and elsewhere, from the PACA fund provided for by section 3 (b) and any supplements to such fund, and as may be appropriated for by Congress; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for such purposes. This act shall not abrogate nor nullify any other statute, whether State or Federal, dealing with the same subjects of this act, but it is intended that all such statutes shall remain in full force and effect except insofar only as they are inconsistent herewith or repugnant hereto."

SEC. 4. Add a new provision as follows:

"SEC. 19. Any unexpended balances of appropriations for the current fiscal year, and any subsequent appropriations, made to carry out the acts referred to in section 3 (b) hereof, may be deposited in the PACA fund."

With the following committee amendments:

Page 2, line 4, strike out "PACA" and insert "Perishable Agricultural Commodities Act."

Page 3, line 6, strike out "PACA" and insert "Perishable Agricultural Commodities Act."

Page 3, line 23, strike out "PACA" and insert "Perishable Agricultural Commodities Act."

Page 4, line 13, strike out "PACA" and insert "Perishable Agricultural Commodities Act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE VETERANS' PREFERENCE ACT

The Clerk called the bill (H. R. 7185) to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DOLLINGER, Mr. KLEIN, and Mr. MARCANTONIO objected.

AMENDING FOREIGN AGENTS REGISTRATION ACT OF 1938

The Clerk called the bill (H. R. 4336) to amend section 2 (a) and section 7 of the Foreign Agents Registration Act of 1938, as amended, to make failure of registration a continuing offense, and to continue the obligation of officers, directors, and persons acting as such, to comply with the act despite dissolution of a foreign agent.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 2 (a) of the Foreign Agents Registration Act of 1938, entitled "An act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes," approved June 8, 1938, as amended (56 Stat. 248), is amended to read as follows:

"SEC. 2. (a) No person shall act as an agent of a foreign principal unless he has filed with the Attorney General a true and complete registration statement and supplements thereto as required by this section 2 (a) and section 2 (b) hereof or unless he is exempt from registration under the provisions of this act. Except as hereinafter provided, every person who is an agent of a foreign principal on the effective date of this act shall, within 10 days thereafter and every person who becomes an agent of a foreign principal after the effective date of this act shall, within 10 days thereafter, file with the Attorney General, in duplicate, a registration statement, under oath, on a form prescribed by the Attorney General, of which one copy shall be transmitted promptly by the Attorney General to the Secretary of State for such comment, if any, as the Secretary of State may desire to make from the point of view of the foreign relations of the United States. Failure of the Attorney General so to transmit such copy shall not be a bar to prosecution under this act. The obligation

of an agent of a foreign principal to file a registration statement shall, after the tenth day of his becoming or acting as such agent, continue from day to day, and discontinuance of such activity shall not relieve such agent from his obligation to file a registration statement for the period during which he acted within the United States as an agent of a foreign principal. The registration statement shall include the following, which shall be regarded as material for the purposes of this act:".

SEC. 2. Section 7 of such act is amended to read as follows:

"SEC. 7. Each officer, or person performing the functions of an officer, and each director, or person performing the functions of a director, of an agent of a foreign principal which is not an individual shall be under obligation to cause such agent to execute and file a registration statement and supplements thereto as and when such filing is required under sections 2 (a) and 2 (b) hereof and shall also be under obligation to cause such agent to comply with all the requirements of sections 4 (a), 4 (b), and 5 and all other requirements of this act. Dissolution of any organization acting as an agent of a foreign principal shall not relieve any officer, or person performing the functions of an officer, or any director, or person performing the functions of a director, from complying with the provisions of this section. In case of failure of any such agent of a foreign principal to comply with any of the requirements of this act, each of its officers, or persons performing the functions of officers, and each of its directors, or persons performing the functions of directors, shall be subject to prosecution therefor."

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I am very glad to see this bill pass, because the original legislation was one of those bills that was recommended by a special committee of which I was chairman, back 15 years ago, investigating communism, nazism, and fascism; and, I might say, it is the only special committee investigating subversive activities in America in the last three or four decades that has recommended legislation which was finally enacted into law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICERS' RETIREMENT BENEFITS TO CERTAIN ENLISTED MEN

The Clerk called the bill (S. 2559) to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WILSON of Oklahoma. Mr. Speaker, reserving the right to object, and I shall not object, I would like to make a brief statement. The purpose of S. 2559 is to authorize the extension of certain officers' retirement benefits to enlisted men who served during World War II, were given battlefield promotions to officer grade, and who are incapacitated by reason of enemy action. It will extend to them certain benefits of retirement, and it is a very worthy bill. I would like to state that the Committee on Armed Services, in considering my companion bill, H. R. 6276, stated that my bill was approved but due to parliamentary procedure, it was necessary to consider the Senate bill. A clarifying and perfecting amendment is brought in by reason of the fact that subsequent to the passage of this legislation in the Senate, the Career Compensation Act was passed last fall as Public Law 351; and this amendment will give the option to the people eligible under these conditions to elect the appropriate mode of retirement. Such eligible persons would have the same option to come under the Career Compensation Act as any other person who was retired prior to its enactment.

I withdraw my reservation of objection, Mr. Speaker.

Mr. BROOKS. Mr. Speaker, further reserving the right to object, I want to say that the able and distinguished gentleman from Oklahoma has been very diligent in pursuing the merits of this bill. He was very helpful in cooperating with the subcommittee of which I was chairman. The committee wanted to report his bill, but due to the parliamentary situation, it was not able to do so. The gentleman from Oklahoma is certainly entitled to great credit and praise for his able efforts in steering this bill through the House.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person who while serving on active duty as an enlisted man in the Army of the United States at any time during the period between December 7, 1941, and September 2, 1945—

(1) was appointed or recommended by his commanding officer or superior military authority for a battlefield appointment as a commissioned officer in the Army of the United States;

(2) while performing the duties of a commissioned officer, was injured in line of duty incident to combat with the enemy;

and who, subsequent to being so injured as a result of that appointment or recommendation was ordered to active duty as a commissioned officer in the Army of the United States, or the Air Force of the United States, shall, if he is found by an Army or an Air Force retiring board to be incapacitated for active service and to have sustained such incapacity as the result of the injury which was incurred by him in line of duty incident to combat with the enemy while he was performing the duties of a commissioned officer and if the finding of the retiring board is approved by the President, be entitled to receive the same retirement benefits to which he would be entitled under the provisions of section 5 of the act of April 3, 1939, as amended, if he had been serving as a commissioned officer in the Army of the United States at the time he incurred such injury.

SEC. 2. No additional or back pay or allowances for any period prior to the date of enactment hereof shall accrue to any person solely by reason of the enactment of this act.

With the following committee amendment:

Page 2, line 9, after the comma, strike out down to and including the word "injury" on line 20 and insert "shall be considered to have been serving on active duty as a commissioned officer when so injured, for the purpose of determining entitlement to physical disability retirement benefits in effect at the time he was relieved from active duty: *Provided*, That the provisions of section 411 of the Career Compensation Act of 1949 (Public Law 351, 81st Cong.) shall apply to persons qualified for retirement benefits under this act: *Provided further*, That nothing contained in this act shall preclude persons entitled to retirement benefits under the provisions of this act from computing their retirement pay in accordance with the disability retirement laws in effect prior to the effective date of the Career Compensation Act of 1949."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAMP JOSEPH T. ROBINSON

The Clerk called the bill (H. R. 3783) authorizing the transfer of part of Camp Joseph T. Robinson to the State of Arkansas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., that the Secretary of National Defense be, and he is hereby, authorized to transfer to the State of Arkansas that part of Camp Joseph T. Robinson that was licensed by the Secretary of the Army to the Military Department of the State of Arkansas on the twenty-fifth day of March 1947, consisting of 34,000 acres, more or less, and particularly described in the afore-mentioned license, copies thereof being on file in the offices of the Chief of the National Guard Bureau, the Chief of Engineers, and the Adjutant General of the State of Arkansas, together with all buildings, improvements thereon, and all appurtenances and utilities belonging or appertaining thereto, including water line from Little Rock to Camp Joseph T. Robinson, Ark., and to execute and deliver in the name of the United States in its behalf any and all contracts, conveyances, or other instruments as may be necessary to effectuate the said transfer.

SEC. 2. Such conveyance shall contain a provision that said property shall be used primarily for training of the National Guard and for other military purposes, and that if the State of Arkansas shall cease to use the property so conveyed for the purposes intended, then title thereto shall immediately revert to the United States.

SEC. 3. Such conveyance shall contain the further provision that whenever the Congress of the United States shall declare a state of war or other national emergency, or the President declares a state of emergency to exist, and upon the determination by the Secretary of National Defense that the property so conveyed is useful or necessary for military, air, or naval purposes, or in the interest of national defense, the United States shall have a right to reenter upon such property and use the same or any part thereof for the duration of such state of war or other national emergency and upon the cessation thereof plus 6 months said property is to revert to the State of Arkansas in substantially as good condition as it was at the date of entry.

With the following committee amendments:

Page 1, line 3, strike out "National Defense" and insert "the Army."

Page 2, line 8, after "transfer", insert a colon and the following: "*Provided*, That there shall be excluded from the conveyance hereinabove provided for, the following-described lands: The west half of the east half of the northwest quarter of section 1; the west half of the west half of section 1; the

east half of section 2; and a portion of the west half of section 2 described as follows: Beginning at the northeast corner of the northwest quarter of section 2; thence west one hundred and eighty feet to the intersection of Sixty-second Street (Old Remount or Batesville Road) and Maryland Avenue; thence in a south southwesterly direction to a point nine hundred feet west of the southeast corner of the southwest quarter of section [illegible] (the intersection of New York Avenue and the reservation boundary); thence east to the southeast corner of the southwest quarter of section 2; thence along the north-south center line of section 2 to the point of beginning. All in township 2 north, range 12 west, containing approximately five hundred seventy-one and three-tenths acres, more or less: *And provided further*, That there shall be reserved to the United States all minerals, including oil and gas, in the lands authorized for conveyance by this section."

Page 3, line 9, after "United States", change the period to a comma and insert "and, in addition, all improvements made by the State of Arkansas during its occupancy shall vest in the United States without payment of compensation therefor."

Page 3, line 20, after "have", strike out "a right to reenter upon such property and use the same or any part thereof" and insert "the right, without obligation to make payment of any kind, to reenter upon the property and use the same or any part thereof, including any and all improvements made by the State of Arkansas."

Page 4, line 3, after "Arkansas", strike out "in substantially as good condition as it was at the date of entry" and insert a colon and the following: *"Provided, however*, That the United States shall have no obligation to restore the property in any way, but the Secretary of the Army may, if he deems it in the best interests of the United States, convey to the State of Arkansas all or any of the improvements made by the United States during its occupancy of the property."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETROCESSION OF CERTAIN LAND TO MASSACHUSETTS

The Clerk called the bill (H. R. 4433) to make retrocession to the Commonwealth of Massachusetts over certain land in Shirley, Mass.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States hereby makes retrocession to the Commonwealth of Massachusetts of jurisdiction over the following-described land:

All of that piece or parcel of land which was ceded to the United States by chapter 456 of the acts of 1921 of the General Court of the Commonwealth of Massachusetts and which lies within the location of a certain highway in said town of Shirley running from the Shirley depot of the Boston & Maine Railroad to that part of said Shirley known as Mitchelville, a plan whereof is recorded in the Middlesex South District Registry of Deeds of 1947 as plan No. 1600, in book 7209, at page 69, or which lies within that part of Front Street Extended in said Shirley which runs from said highway to the entrance gate of that part of Fort Devens formerly known as Lovell General Hospital North, and which piece or parcel of land is bounded and more particularly described as follows:

Beginning at a concrete bound shown as transit point station numbered 68 on a plan numbered 6101–208 and entitled "Construction Division, War Department, Washington, D. C., Camp Devens, Massachusetts Boundary Map," dated May 27, 1920, and running south sixty-nine degrees thirty-one minutes thirty seconds west, three hundred and sixty-one and twenty-one one-hundredths feet to station numbered 69, thence running south twenty degrees ten minutes no seconds east, sixteen and eighty-five one-hundredths feet to station numbered seventy, thence running south seventy-eight degrees fifty-eight minutes no seconds east, one hundred and eighty-six feet to station numbered 71, thence running south seven degrees forty-eight minutes thirty seconds west, fourteen and eighty-eight one-hundredths feet to station numbered 72, thence running north eighty-one degrees fifty-five minutes thirty seconds west, two hundred eighty-two and fifty-five one-hundredths feet to station numbered 73, thence running north forty-four degrees thirty-six minutes no seconds east, eighty-nine and six one-hundredths feet to station numbered 74, thence running north sixty-nine degrees forty-eight minutes thirty seconds east, three hundred and thirty-three and seventy-seven one-hundredths feet to station numbered 75, hence running north sixty-seven degrees twenty-three minutes thirty seconds east, one thousand four hundred and four and twenty-four one-hundredths feet to station numbered 76, thence running south five degrees fifty minutes no seconds west, thirty-seven and fifty-three one-hundredths feet to station numbered 77, thence running north sixty-seven degrees twenty-three minutes thirty seconds east, four hundred and sixty-two feet to station numbered 78, thence running south three degrees eleven minutes thirty seconds east, seventy-one and four one-hundredths feet more or less to the southerly side line of the location of said highway running from the Shirley depot to Mitchelville, as shown on said plan numbered 1600, thence running south sixty-seven degrees twenty-three minutes thirty seconds west, one thousand seven hundred and eighty-three and thirty-eight one-hundredths feet more or less by said southerly side line of the location of said highway to a point on course 67–68 as shown on said plan numbered 6101–208, thence running north twenty-two degrees eleven minutes no seconds west, fifty-four and sixty-six one-hundredths feet more or less to station numbered 68 and the point of beginning, covered by a certain grant from the Secretary of War to the Commonwealth of Massachusetts, dated August 12, 1941, authorized by the act of Congress approved July 5, 1884 (23 Stat. 104).

SEC. 2. This retrocession of jurisdiction shall take effect upon acceptance by the Commonwealth of Massachusetts.

With the following committee amendment:

Page 3, line 6, strike out "hence" and insert "thence."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TWO ROCK UNION SCHOOL DISTRICT

The Clerk called the bill (H. R. 4732) to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California, in Sonoma County, Calif., and to furnish said school district water free of charge.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to convey to the Two Rock Union School District, a political subdivision of the State of California, without consideration, certain lands and premises in the ownership of the United States of America, said lands and premises being described as follows: Being a portion of the Rancho Laguna de San Antonio or Bojorques Rancho and also a portion of that seven and two one-hundredths-acre tract described as parcel 1 of tract 3–A awarded to the United States of America under Case Numbered 4527, in the District Court of the United States in and for the Northern District of California, Northern Division, a certified copy of which judgment is recorded in book 572, Official Records, page 52, Sonoma County Records, and being more further described as follows: Commencing at a point in the center of Spring Hill Road, said point being at the southeast corner of the Two Rock Cemetery as shown in that certain deed recorded in book 64 of deeds, page 137, Sonoma County Records, said point of commencement also being north twenty-six degrees thirty minutes west one thousand seven hundred fifty-four and twenty-eight one-hundredths feet from the southwest corner of special location numbered 4 of the Bojorques Rancho; thence from said point of commencement south twenty-six degrees thirty minutes east two hundred ninety-one and twenty one-hundredths feet to the point of beginning of the parcel to be described; thence south eighty-nine degrees fifty minutes west thirty-five and eighty-three one-hundredths feet to a point on the westerly line of Spring Hill Road; thence continuing south eighty-nine degrees fifty minutes west four hundred ninety-two and ninety-seven one-hundredths feet along a fence line to a point; thence leaving said fence line south twenty-six degrees thirty minutes east four hundred ninety-two and ninety-seven one-hundredths feet to a point; thence north eighty-nine degrees fifty minutes east four hundred ninety-two and ninety-seven one-hundredths feet to a point on the said westerly line of Spring Hill Road; thence continuing north eighty-nine degrees fifty minutes east thirty-five and eighty-three one-hundredths feet to a point in the aforesaid center of Spring Hill Road; thence along the aforesaid center of Spring Hill Road, north twenty-six degrees thirty minutes west four hundred ninety-two and ninety-seven one-hundredths feet to the point of beginning. Containing five and thirty-six one-hundredths acres, more or less, of which thirty-six one-hundredths acre, more or less, is now used for road purposes.

SEC. 2. It shall be made a condition of the deed of conveyance that the tract of land so conveyed shall be maintained by such school district only for school or other educational purposes. If such school district ceases to use such tract for such purposes or attempts to alienate all or any part of such tract, title thereto shall revert to the United States. The deed shall reserve to the United States the interests in fissionable material as provided in Executive Order 9908, December 5, 1947.

SEC. 3. The Secretary of the Army is hereby authorized and directed to furnish to the Two Rock Union School District, Sonoma County, Calif., water free of charge from the water supply of the Two Rock Ranch Army Base located partly in Marin County and partly in Sonoma County, State of California.

With the following commitee amendments:

Page 2, line 2, strike out "parcel 1" and insert "parcels 3 and 4."

Strike out sections 2 and 3 and insert in lieu thereof the following:

"SEC. 2. The deed of conveyance shall provide that relocation of the existing security fence occasioned by the conveyance shall be made by the Two Rock Union School District without cost to the United States: *Provided further*, That the tract of land so conveyed shall be maintained by such school district

only for school or other educational purposes. If such school district ceases to use such tract for such purposes or attempts to alienate all or any part of such tract purposes or attempts to alienate all or any part of said tract, title thereto shall revert to the United States. The deed shall reserve to the United States the interests in fissionable material as provided in Executive Order 9908, December 5, 1947.

"SEC. 3. The Secretary of the Army is authorized to furnish to the Two Rock Union School District, Sonoma County, Calif., water from the water supply of the Two Rock Army base in Marin and Sonoma Counties, Calif., within such limitations and under such conditions as he shall prescribe, and the school district shall reimburse the United States therefor at a rate not to exceed the actual cost of furnishing the service."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REDUCING RESIDENCE QUALIFICATION IN DIVORCE PROCEEDINGS IN HAWAII

The Clerk called the bill (H. R. 175) to amend the Hawaiian Organic Act so as to reduce the residence qualification in divorce proceedings from 2 years to 1 year.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, this bill reduces the residence requirement in divorce proceedings in Hawaii from 2 years to 1 year. I would feel much better if it increased it from 2 years to 3 years. There are too many divorces being granted in the United States and there is too much opportunity under loose laws for them. I am very sorry to see the Hawaiian Legislature request the Congress to amend its organic act in this respect. Frankly, I think it is about time in order to preserve family life in Hawaii, and in America that the laws of the several States be tightened against divorce rather than liberalized. I am not going to ask unanimous consent that this bill be passed over without prejudice. I object to its consideration, because I am against it in conscience.

PERMITTING WOMEN TO SERVE ON JURIES IN HAWAII

The Clerk called the bill (H. R. 176) to amend section 83 of the Hawaiian Organic Act to provide that women may serve on juries in the Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of section 83 of the Hawaiian Organic Act (U. S. C., 1490 ed., title 48, sec. 635) is amended—

(a) By inserting after "all juries shall hereafter be constituted without reference to the race or place of nativity of the jurors" a comma and the following "or to their sex"; and

(b) By striking out the word "male."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF ADJUTANT GENERAL OF HAWAII

The Clerk called the bill (H. R. 179) to provide for the appointment of the adjutant general of the Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 66 of the act of June 3, 1916 (39 Stat. 166, 199; 32 U. S. C., sec. 12), is amended by inserting after the word "Territories" in the proviso thereof a comma and the phrase "except the Territory of Hawaii,", and that section 80 of the act of April 30, 1900 (31 Stat. 141, 156; 48 U. S. C., sec. 546), as amended, is amended by inserting the words "the adjutant general" after the word "attorney-general."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESSEES UNDER HOMESTEAD LEASES, HAWAII

The Clerk call the bill (H. R. 5984) to approve Joint Resolution 12 enacted by the Legislature of the Territory of Hawaii in the regular session of 1949, relating to the granting of land patents in fee simple to certain lessees under homestead leases.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Joint Resolution 12 enacted by the Legislature of the Territory of Hawaii in the regular session of 1949 and entitled "Joint resolution directing the Commissioner of Public Lands to grant land patents in fee simple to certain lessees under homestead leases of 999 years and repealing sections 4566 to 4588, both inclusive, of the Revised Laws of Hawaii 1945," is hereby approved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING TIME LIMITS FOR AWARD OF CERTAIN DECORATIONS

The Clerk called the bill (H. R. 6825) to extend the time limits for the award of certain decorations, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, may we have an explanation of this bill?

Mr. ANDERSON of California. This bill seeks to extend the time limits for the award of certain medals and decorations by the United States Armed Forces. It does not include any decorations by foreign governments, and no White House aides are included in the legislation.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, any decoration, or device in lieu of decoration, heretofore authorized by act of Congress, Executive order or by the Secretary of Defense, the respective Secretaries of the Army, Navy, or Air Force, or in any other manner may be awarded at any time not later than 2 years subsequent to the date of the approval of this Act for any act or service that was performed between December 7, 1941, and September 2, 1945: *Provided*, That the written recommendation for the award of the decoration, or device in lieu of decoration, for such act or service be made not later than 1 year subsequent to the date of approval of this act.

SEC. 2. The act of June 26, 1946 (60 Stat. 309), is hereby repealed.

With the following committee amendment:

Page 1, line 5, strike out all after the words "authorized by" down to and including "manner" in line 7, and insert in lieu thereof the following: "act of Congress to be awarded to any person for any act or service performed while on active duty in the military or naval forces of the United States or while serving with such forces."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks and include an article on the state of Europe by Roscoe Drummond.

Mr. PASSMAN asked and was given permission to extend his remarks and include a table of figures.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in two instances.

Mr. BARTLETT asked and was given permission to extend his remarks and include a letter.

Mr. CROOK asked and was given permission to extend his remarks and include an excerpt from the CIO Union News of Indianapolis, Ind.

Mr. EVINS asked and was given permission to extend his remarks and include an editorial.

Mr. TAURIELLO asked and was given permission to extend his remarks and include a letter and a resolution received from the American Protestant Hospital Association.

Mr. CELLER asked and was given permission to extend his remarks in two instances.

Mr. YOUNG asked and was given permission to extend his remarks in two instances, in one to include an editorial, in the other to include a short statement of the secretary of state of Ohio.

Mr. WOODRUFF asked and was given permission to extend his remarks and include an article appearing in the Reader's Digest.

Mr. STEFAN asked and was given permission to extend his remarks in two instances and include newspaper editorials and articles.

Mr. H. CARL ANDERSEN asked and was given permission to extend his remarks and include an editorial appearing in the Deseret News of Salt Lake City relating to an address on farm legislation by his colleague, Mr. LOVRE.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include an article by Walter Johnson entitled "Country Lawyer."

Mr. COLE of Kansas asked and was given permission to extend his remarks and include a letter.

Mr. WIGGLESWORTH asked and was given permission to revise and extend his remarks on the omnibus appropriation bill and include tabular matter.

Mr. HOPE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. WEICHEL asked and was given permission to extend his remarks and include extraneous matter.

Mr. HILL asked and was given permission to extend his remarks and include newspaper articles.

Mr. RIEHLMAN asked and was given permission to extend his remarks and include a speech made by Mr. LOVRE at Salt Lake City on the farm program.

Mr. HESELTON asked and was given permission to extend his remarks and include extraneous material.

Mr. RICH asked and was given permission to extend his remarks and include an article entitled "Unfair Attack."

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in four instances, in each to include extraneous matter.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks and to include extraneous matter.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two instances.

Mr. BROOKS asked and was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. JACOBS asked and was given permission to extend his remarks in the RECORD and include a newspaper article from the Washington Post.

Mr. MITCHELL asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include extraneous material.

Mr. LARCADE asked and was given permission to extend his remarks and include an article from the Washington Post and from the Marine News of New York.

Mr. WERDEL asked and was given permission to extend his remarks and include an editorial.

Mr. SADLAK asked and was given permission to extend his remarks and include an editorial.

Mr. McCORMACK asked and was given permission to extend his remarks in two separate instances and in each to include an article.

Mr. SHAFER asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. FLOOD asked and was given permission to extend his remarks and include a speech by Mr. WALTER, at Easton, Pa., on Friday, March 31, before the Veterans of Foreign Wars.

Mr. FURCOLO asked and was given permission to extend his remarks.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 193. Concurrent resolution providing for adjournment of the House until April 18, 1950.

CALL OF THE HOUSE

Mr. CANFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 128]

Allen, Ill	Hall, Leonard W.	Pfeifer, Joseph L.
Andrews	Hand	Pfeiffer, William L.
Angell	Hare	Philbin
Bailey	Hart	Plumley
Barden	Hays, Ohio	Powell
Barrett, Pa.	Hébert	Ramsay
Battle	Hedrick	Redden
Bennett, Fla.	Heffernan	Reed, Ill.
Biemiller	Heller	Reed, N. Y.
Bolling	Hobbs	Ribicoff
Bosone	Hoffman, Ill.	Rivers
Buchanan	Hull	Sabath
Buckley, Ill.	Jackson, Calif.	St. George
Buckley, N. Y.	Javits	Sasscer
Bulwinkle	Kee	Scott, Hugh D. Jr.
Burdick	Kelly, N. Y.	Shelley
Burnside	Keogh	Short
Carlyle	Kunkel	Simpson, Pa.
Carroll	Lane	Sims
Case, S. Dak.	Lanham	Smathers
Cavalcante	Latham	Smith, Ohio
Celler	Lichtenwalter	Staggers
Chesney	Linehan	Sutton
Chudoff	Lyle	Taylor
Clement	Lynch	Tollefson
Combs	McConnell	Towe
Coudert	McDonough	Wadsworth
Davenport	Mason	Wagner
Davies, N. Y.	Miles	Walsh
Dawson	Miller, Md.	Welch
Dingell	Monroney	Wheeler
Donohue	Morgan	Whitaker
Douglas	Multer	White, Idaho
Doyle	Murphy	Wickersham
Gavin	Nixon	Widnall
Gilmer	Norton	Willis
Gordon	O'Brien, Ill.	Wolcott
Gossett	O'Brien, Mich.	Wood
Granahan	O'Konski	
Grant	Pace	
Green	Patman	
Gwinn		

The SPEAKER. On this roll call 310 Members answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL APPROPRIATION BILL, 1951

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes; and pending that I ask unanimous consent that time for general debate be equally divided, one-half to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself; that debate be confined to the bill; and that following the reading of the first chapter of the bill, not to exceed 2 hours general debate be had before the reading of each subsequent chapter, one-half to be controlled by the chairman and one-half by the ranking minority member of the subcommittee in charge of the chapter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object. There has been a great deal of confusion on both sides of the aisle as to the amount of general debate and also as to what are the plans for considering the bill. I understand the request is that we continue indefinitely, one-half of the time to be controlled by the gentleman from Missouri [Mr. CANNON] and the other half by the gentleman from New York [Mr. TABER].

Mr. CANNON. Mr. Speaker, there is no disposition on the part of the committee to restrict any Member who wishes to debate this bill. We will not close general debate as long as anybody wants to talk.

Mr. MARTIN of Massachusetts. On either side?

Mr. CANNON. On either side.

Mr. MARTIN of Massachusetts. I think that is quite fair.

Mr. CANNON. So far as we are concerned, general debate is unlimited.

Mr. MARTIN of Massachusetts. I appreciate the views of the gentleman from Missouri. I want to say that general debate on appropriation bills is historic. It is the only opportunity a great many Members have to express themselves on different subjects. There was a rumor we were going to try to close debate today or tomorrow and try to read the bill by next Thursday. Of course, it is impossible to finish the bill by that time, and I am delighted with the assurance of the gentleman from Missouri that we are to have unlimited debate.

Mr. CANNON. Mr. Speaker, speaking for this side of the House, I have only had a request for 15 minutes under general debate. Whenever there is nobody to debate, of course, we will proceed to read the bill.

Mr. MARTIN of Massachusetts. Well, there might a Democrat or two who will want to speak after we get through.

Mr. CANNON. Either Democrat or Republican who desires to speak will be afforded that opportunity, and no limitation will be placed upon him as long as he talks about the bill.

I may say, however, that the idea of taking up time which should be devoted to the discussion of the appropriation bill with a discussion of extraneous matters, or on subjects, which have no germaneness or relevancy to the bill, is one of the evils which we seek to cure by bringing in all appropriations in a single bill. The attention of the House and the country should be centered on this one bill. If anyone desires to discuss something foreign to the bill, let him speak in the morning or secure a special order and take all the time he needs. This bill is too important to be sidetracked by some Member's whim. We should have full debate on this bill. We want all the information we can get on it. If anybody wants to talk about it, he is perfectly free to talk about it as long as he likes, but if he is not interested in the bill and wants to talk about something else, let him select some more opportune time rather than detract from the consideration of the pending bill.

Mr. MARTIN of Massachusetts. The quorum call a few moments ago disclosed the fact that 303 Members are here. Does not the gentleman from Missouri believe we should have the full member-

ship present when we vote on this most important bill?

Mr. CANNON. I am not the keeper of the conscience of other Members of the House. If they want to stay away, that is their prerogative and that is for them to decide. If they want to represent their constituents by remaining away from the sessions of the House, it is not incumbent upon me to raise any objection.

But I give notice now that if general debate is concluded we will read the bill for amendment. The House will proceed to business as long as the Committee on Appropriations has a bill on the floor.

Mr. MARTIN of Massachusetts. The gentleman realizes that both he and I are members of the economy bloc, and I appreciate the good work he has already done.

Mr. CANNON. I welcome the gentleman's cooperation. And I trust we will have the assistance of the gentleman in economizing on this bill by defending it against proposals to increase it.

Mr. MARTIN of Massachusetts. Both of us being in the so-called economy bloc, we will naturally want the largest possible attendance of Members when we vote on the bill. When we have a large number of Members present the views which I hold are more likely to prevail.

Mr. CANNON. If the gentleman will have his Members present, I assure him we will have our Members present.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, what is the gentleman's proposal about debate on this measure?

Mr. CANNON. To continue general debate indefinitely, one-half of the time to be controlled by the gentleman from New York and one-half by myself.

Mr. RANKIN. When you finish general debate is it the gentleman's intention to take the bill up under the 5-minute rule?

Mr. CANNON. At the conclusion of general debate we will read the first chapter. There will be not to exceed 2 hours of general debate on each subsequent chapter, following which we will read the chapter under the 5-minute rule, as we have done heretofore under the rules of the House, and under control of the committee responsible for the chapter.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, I want to get this clear. As I understand, we are to proceed with general debate, and anything that has anything to do with the entire bill will be in order under the general debate.

Mr. CANNON. The gentleman is correct.

Mr. MICHENER. Debate on the bill may run for days.

Mr. CANNON. As long as anybody wants to talk on it.

Mr. MICHENER. At the conclusion of that general debate, chapter 1 may be debated for another 2 hours?

Mr. CANNON. Chapter 1 consists of one item only, an item which requires no general debate. At the conclusion of general debate we will read the first chapter and then have not to exceed 2 hours of general debate on the second chapter. We will then proceed to read the chapter for amendment.

Mr. MICHENER. That will be repeated on every chapter?

Mr. CANNON. On every subsequent chapter.

Mr. MICHENER. Then the chapter will be read under the 5-minute rule and all amendments thereto will be disposed of before the succeeding chapter is debated for 2 hours?

Mr. CANNON. Exactly.

Mr. MICHENER. I thank the gentleman.

Mr. KEEFE. Reserving the right to object, Mr. Speaker, I should like to get this clear if I can. The gentleman has said that he will proceed with unlimited debate, and that he does not want to restrict anyone in the matter of general debate, except that the debate shall be confined to the bill. But then the unanimous-consent request further provides that one-half of this unlimited time shall be controlled by the gentleman from Missouri and one-half by the gentleman from New York. The gentleman from Missouri has indicated that he has had requests for only 15 minutes of that time. I am unable to understand just how this division of an unlimited, unnamed amount of time is to be made.

Suppose the gentleman from Missouri has no further request for time after 30 minutes. Are we to understand that that will be the extent of time available to the other side?

Mr. CANNON. In such event, I shall be glad to yield any portion of my time to either side of the aisle. I shall be especially glad to yield to the gentleman from Wisconsin. It will be a pleasure to yield the gentleman all the time he desires.

Mr. KEEFE. I am very happy to hear the gentleman say that because I would like at least an hour to discuss some features of this bill in general debate which cannot be discussed without at least that much time, in order that Members may have as much information as possible on the subject.

Mr. CANNON. The gentleman shall have time without restriction.

Mr. KEEFE. I thank the gentleman.

Mr. JENSEN. Mr. Speaker, reserving the right to object, are we to understand that the gentleman from Missouri, the chairman of the Committee on Appropriations, intends to make a point of order against any Member speaking out of order? How is the gentleman going to determine whether or not a Member is speaking out order when there is something like $27,000,000,000 involved in this appropriation which certainly covers most of the business of America.

If the gentleman is going to make a point of order against a Member talking about the economy of our Nation and the problems of the people, surely debate is going to be badly limited and we will not be doing justice to the American people who ought to have full information.

Mr. CANNON. That would be for the Chair to determine.

Mr. JENSEN. Of course, Mr. Speaker, I will not object, except to say that I trust and am sure the majority of the Members of the House hope that the chairman of the full committee, the gentleman from Missouri [Mr. CANNON] will not make points of order against Members on the ground that they are speaking out of order when so much is involved in this bill. I think we should have the greatest leeway to discuss these things.

The SPEAKER. The Chair would think that this appropriation bill actually being 11 bills in one, and covering everything in the Government, a Member speaking on the bill would have a rather wide range.

Mr. JENSEN. I thank the Speaker. I was hoping the Speaker would say just that.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CALL OF THE HOUSE

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A qorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 129]

Allen, Ill.	Grant	O'Konski
Anderson, Calif.	Green	Pace
Andrews	Gregory	Patman
Angell	Hall, Leonard W.	Pfeifer, Joseph L.
Bailey	Hand	Pfeiffer, William L.
Barden	Hart	Philbin
Barrett, Pa.	Hays, Ohio	Plumley
Battle	Hébert	Powell
Bennett, Fla.	Heffernan	Ramsay
Biemiller	Heller	Redden
Bolling	Hobbs	Reed, Ill.
Buchanan	Hoffman, Ill.	Reed, N. Y.
Buckley, Ill.	Holifield	Regan
Buckley, N. Y.	Hull	Ribicoff
Bulwinkle	Jackson, Calif.	Rivers
Burdick	Javits	Sabath
Byrne, N. Y.	Kee	St. George
Carlyle	Kelly, N. Y.	Sasscer
Carroll	Keogh	Scott, Hardie
Case, S. Dak.	Kunkel	Scott, Hugh D., Jr.
Cavalcante	Lane	Short
Celler	Lanham	Simpson, Pa.
Chesney	Latham	Sims
Chiperfield	Lichtenwalter	Smathers
Chudoff	Linehan	Smith, Ohio
Clemente	Lyle	Sutton
Combs	Lynch	Taylor
Coudert	McGonnell	Teague
Cox	McDonough	Towe
Davenport	Mason	Wagner
Davis, Wis.	Miles	Walsh
Dawson	Miller, Md.	Welch
Dingell	Mitchell	Wheeler
Donohue	Monroney	Whitaker
Douglas	Morgan	White, Idaho
Doyle	Morton	Widnall
Elliott	Multer	Wolcott
Engel, Mich.	Murphy	Wolverton
Gavin	Nixon	Wood
Gilmer	Norton	Woodhouse
Gordon	O'Brien, Ill.	
Gossett	O'Brien, Mich.	
Granahan		

The SPEAKER. On this roll call 306 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL APPROPRIATION BILL, 1951

The SPEAKER. The question is on the motion offered by the gentleman

from Missouri [Mr. CANNON] that the House resolve itself into the Committee of the Whole.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7786, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON. Mr. Chairman, we have called the roll this morning three times in 2 hours. It is to be regretted that a deliberate and carefully organized filibuster is under way on this particular bill. The time of the House is valuable, and especially so just at this time. Not only should we be proceeding with the business of the House and conserving the time of the House but we should have some regard for the taxpayers whose money we are wasting in this filibuster. It costs the taxpayers over $75,000 a day to run the House 5 days a week. That means thousands of dollars for every hour we waste in unnecessary roll calls and dilatory tactics in which the gentlemen on that side of the aisle are indulging this afternoon.

I might add that the further effect of this filibuster is to keep the House here longer this summer. There is no reason why we should not go ahead and pass this bill and get away from here before June 30 and go home and learn what the people are thinking. Partisan tactics like this not only delay the proceedings of the House and interfere with the consideration of this bill but also delay adjournment next June.

I trust we may have a little cooperation from the other side of the aisle in transacting the business of the House and the Nation. It is to be regretted that it will go out to the people of the United States tomorrow that there was a deliberate program here this afternoon to obstruct the orderly consideration under the rules of the House of one of the important bills of this session of Congress.

Mr. Chairman, we submit to the House today the largest peacetime appropriation bill in the history of the Nation—the largest in the history of any nation since time began. It is indissolubly associated with the welfare and prosperity of the people, and the security and preservation of our form of Government. And it comes at a critical period in national postwar adjustment and international relations.

The bill, with an amendment providing for foreign aid which will be offered by direction of the committee, and the tabulation of permanent and indefinite appropriations in the report, sets out in full, and in understandable terms, the total proposed expenditures of the United States Government for the fiscal year of 1951. Taken in connection with the latest authoritative estimate of the national income for 1951, and the daily Treasury report on the public debt, we have a comprehensive picture which shows at a glance the financial condition of the Federal Government; whether the Nation is living within its income; the effect of any amendment; of any proposed increase or decrease in appropriations, and the impact of such increase or decrease on Treasury balances and the national credit.

For more than a century we have been passing appropriation bills and spending money without reference to any definite central fiscal program, without any specific knowledge of their ultimate effect on national finances or national solvency. But in this bill the Nation is brought face to face with its fiscal problems and to that extent is in a better position to make its choice between unlimited appropriations and deficit spending.

In one respect, Mr. Chairman, this bill may be said to be not only an appropriation bill, but a tax bill as well. There was a time when we drafted the appropriation bills on the basis of the amount of revenue we had to spend. We shaped the coat to the material available. But we have long since ceased to consider appropriations from the point of view of what we have to spend. We now make the appropriations and spend the money and taxes must be levied to conform to the appropriation bills and to supply the money we have already spent.

We now shape the coat according to the latest fashion or caprice, and when the cloth is insufficient, we simply borrow more material, as a matter of course.

Contrary to the intentions of the founders of our Government—and in contravention of every rule of sound business procedure—the House by multiplying authorizations and increasing appropriations has made the Committee on Ways and Means a mere port of call and I am today asking the members of that great committee to cooperate with us in opposing increases in the appropriations carried in this particular bill and in discouraging the enactment of further bills authorizing new and expanded appropriations when we do not have enough money to finance the authorizations already on the statute books.

This bill is, in effect, both an appropriation bill and a tax bill. If you make appropriations here, you must levy taxes to provide the money. By your action on this bill you decide whether we must increase taxes or whether we may lower them. To reduce taxes you must first reduce expenditures. I hope the Members will have this in mind when amendments are offered to increase items in this bill.

This bill is the composite product of the work of 45 men, and a dozen subcommittees, with the most efficient staff ever mobilized on appropriations. I want to take this opportunity to pay tribute to the 12 chairmen and the members of their committees who wrote this bill, whose names appear at the head of each section of the report.

I might say equal credit is due members on both sides of the table, and here in the House, to Members on both sides of the aisle. This is not a political bill. The unanimity with which every subcommittee reported the respective chapters of the bill, with possibly one or two exceptions, indicates the unity of purpose and the hearty cooperation of all members of the subcommittees, regardless of party affiliation, and the care and diligence with which they have worked to bring out the best bill possible. They have worked indefatigably since the beginning of the session. They have held long and exhaustive hearings, considering budget estimates, analyzing the justifications, examining the representatives of spending agencies, and all others who desired to be heard. And the chapters are carried in the bill before you represent their considered and, with few exceptions, their unanimous judgment. I want to take advantage of this opportunity to call to the attention of the Congress and the country their industry and patient cooperation in presenting here what they collectively consider the best bill which can be written under current limitations The various chapters are incorporated in the bill just as the subcommittees wrote them without change or modification in any respect or in any particular.

The bill before you proposes appropriations in the total amount of $27,266,403,664. Expenditures from that amount during the succeeding fiscal year are estimated to total $23,423,832,918. Such expenditures will be augmented by expenditures from prior appropriations to the extent of $7,079,776,516, making an expenditure total for the coming year 1951 of $41,459,268,346.

The estimated receipts of the Government, as of March 15, 1950, as informally reviewed by the staff of the Joint Committee on Internal Revenue Taxation amount to $37,300,000,000. The net result, therefore, indicates a deficit of $4,159,268,346.

The committee has effected appropriation reductions by a total of $1,385,377,504. Expressed in terms of expenditure, the reduction is $979,489,060.

A notable feature of the bill is the reduction of appropriations for 1951 below the appropriations for the current year. Heretofore, the budget estimates have been the criterion by which we judged the degree of retrenchment. The subcommittees were urged to keep the appropriations below the estimates, but, in formulating this bill the appropriations for the current year were made the target, and subcommittees were urged to keep appropriations under those of the fiscal year 1950, a new objective in appropriations, and with such success that the pending bill is not only $1,385,377,504 below the 1951 estimates, but it is $832,014,180 below the 1950 appropriations.

But this is not the full measure of the economies effected by the bill. To this saving must be added the new obligations incurred by mandatory legislation, enacted in the last session of Congress. By passing fifteen different pay and travel acts, by increasing Federal Security, Veterans' Administration, Fair Labor Standards obligations of the Government, and other laws requiring direct appropriations and contract authority involving increases in expenditures, the Congress has arbitrarily increased the mandatory appropriations, above what we had to provide last year, $2,350,700,000, statutory requirements over which the Committee on Appropriations has no option or control. When this sum is added to the amount this bill cuts from the 1950 appropriations, it will be seen that the

pending bill is $3,182,714,180 less than the amounts carried in the annual appropriation bill for 1950, a record never before equaled in the fiscal history of the Republic.

But even with these exceptional savings, the bill is still $4,159,268,346 in excess of the national revenues for the fiscal year, and there is a natural desire throughout the country for a balanced budget. The country demands that we keep appropriations within the revenues and that is a very natural and timely request of the Congress.

This, however, is not a peacetime budget; the country is at war, both technically and in fact. No treaty of peace has been signed. Although we have made every effort and every possible concession to bring about a formal agreement for the usual treaty marking the close of hostilities, a treaty of peace is as far away today, if not farther, than it was in 1945, 5 years ago, when the last gun was fired. We have no choice, therefore, except to maintain an alert state of preparedness, a readiness for any eventuality; and we are actually spending every day in this cold war more than we spent per day in the Civil War, in the Spanish-American War, and in the First World War combined. If permanent peace were assured; if there were no threats of attack and invasion from abroad, we could balance the budget very easily; we could cut taxes in half; we could make substantial reductions in the national debt; but, paraphrasing a very famous statesman: "Gentlemen cry Peace! Peace! when there is no peace. The next gale that sweeps from the north may bring to our ears the clash of resounding arms." This is a war budget, and no war budget was ever balanced by this or any other nation. We cannot balance this budget. It would be the height of folly to attempt it under present international conditions. But while we cannot economize at the expense of national safety and national defense, we can and we must make corresponding reductions in reducible domestic expenditures.

The acid test in passing on demands for domestic expenditures is not whether the money would be well spent—the invariable plea for every sort of appropriation and authorization offered on this floor—the test is not whether the money will be well spent, whether there is need for the expenditure. The question in this national crisis is: Can we do without it? And if that question can be answered in the affirmative on any proposal for expenditure here, the proposal should be rejected. That is the only thing to be considered in writing or amending this bill: Can we dispense with the appropriation under consideration either temporarily or permanently? If we can, it has no place in this bill; if it is in the bill it ought to be taken out.

Mr. Chairman, a circular letter has been issued by an organization registered under the Antilobby Act, known as the Council of State Chambers of Commerce, in which it is charged that this bill was "poorly and hurriedly drawn." In view of the fact that the circular letter has been sent to all Members of Congress and distributed to the press let us examine into the facts, if any, supporting this statement. Is there any basis for such statement? This bill was written by the same men who wrote these reports last year. We had the same subchairmen this year we had last year. We had the same committee personnel this year we had last year and the same committee staff and there was no such charge last year. The men who wrote this bill, the chairmen of these subcommittees, are all able and experienced men. They have served here for many years. They have been very carefully screened before they were assigned to the Committee on Appropriations, and the committee screened them even more carefully. I think you cannot find in the House men better prepared and better qualified to write this bill. Why should men with more experience and a better knowledge of the subject this year write a poorer bill this year than last year? Why, it is absurd. The charge is made with deliberate propaganda intent and is without any basis of fact whatever.

Then this circular says the bill and report were hurriedly done. Last year was organization year. We were late in getting started. We started our first hearings on January 26. But this year, with organization intact, we began hearings on January 5. What is hurried about that, Mr. Chairman? Nobody suggested that last year the bill was hurriedly prepared. The truth about the matter is we have given more time to the hearings than usual. We have heard more people than heretofore. Not only were all subcommittees in session longer but the whole committee met to consider this bill on Monday morning at 10 o'clock, prepared to give 4 days to the reports from subcommittees. We announced we would begin Monday morning and report the bill Thursday night.

But the subcommittees had so thoroughly processed the bill and there was such general agreement on both sides of the table in the subcommittees that when we met no one had any amendments to offer.

On each chapter, in turn, the chairman and the ranking minority member of the committee reporting the chapter were called upon. There was no limitation placed upon time. They were free to talk as long as they liked and any other member of the committee who desired time was recognized.

After debate was concluded and there was no one asking to be recognized, the question was asked on each chapter: Is there anyone who desires to offer any amendment at any point in this chapter? And we did not leave the chapter as long as anyone desired to offer amendments.

Mr. Chairman, what is hurried about that?

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield for a correction?

Mr. CANNON. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. The gentleman said there were no amendments offered. They were a few, very few I admit.

Mr. CANNON. I accept the gentleman's statement.

Mr. CANFIELD. I offered one, too.

Mr. CANNON. I did not say no amendments were offered. I said that the chapter remained open as long as anyone desired to offer amendments.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman recalls I offered an amendment and it was for the rescission of funds heretofore appropriated, a rescission which we should have adopted.

Mr. CANNON. That is not in contravention of what I said. I did not say no amendments were offered. I said that no chapter was closed as long as anyone desired to offer an amendment.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman just said that there were no amendments offered.

Mr. CANNON. No; I did not say that. I said that no chapter was closed as long as anyone desired to offer an amendment.

Mr. JENSEN. The gentleman said that afterwards. Will the gentleman permit the reporter to read his words back?

Mr. CANNON. May I ask the gentleman, if he desired to offer an amendment anywhere in the bill which he was not given an opportunity to offer?

Mr. JENSEN. Absolutely. But, the gentleman said that no amendments were offered, and I offered three of them. If the gentleman will permit the reporter to read back his language, he will find that he said no amendments were offered.

Mr. CANNON. I am not certain whether I made that statement or did not make the statement, but whether it was made or not made is wholly inconsequential. The question here is, Was the bill considered hurriedly? Was anyone denied an opportunity to debate or amend this bill anywhere? I now submit that question to anybody on the floor. Did anybody desire to offer an amendment which he did not have an opportunity to offer?

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. Would the distinguished gentleman from Missouri ask the gentleman from Iowa [Mr. JENSEN], which amendment he claims to have offered which he was not given the opportunity to offer in the full committee?

Mr. JENSEN. The gentleman knows I did not make any such statement.

Mr. ROONEY. The gentleman made the statement just now when he said "absolutely" in answer to a question of the gentleman from Missouri.

Mr. JENSEN. I did not say the gentleman did not give me a chance to offer an amendment.

Mr. ROONEY. I want the RECORD to be straight on this, because no amendment sought to be offered in the full Appropriations Committee was refused consideration by the chairman of the committee. That is the record.

Mr. JENSEN. All right. Now, the gentleman from Missouri's—the chairman of the full committee—first statement was that no amendments were offered. Finally the gentleman from New Mexico rose and corrected him, and he said he stood corrected, and if you will take the time to let the reporter read the words of the gentleman from Missouri I will leave it to the House.

Mr. ROONEY. The gentleman is now graciously admitting that no amendment offered by him was refused consideration. Is that not the fact?

Mr. JENSEN. The gentleman from Missouri said that after the gentleman from New Mexico had called his hand.

Mr. ROONEY. Well, let us say it now, I will ask the gentleman.

Mr. JENSEN. Say what?

Mr. ROONEY. Will the gentleman now admit that he was not refused consideration to offer any amendment?

Mr. JENSEN. Why, I never contended that I had been refused.

Mr. ROONEY. I thank the gentleman.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I think the record should show that so far as the Federal Security Agency and the Labor Department sections of this bill are concerned, that the gentleman from Rhode Island [Mr. FOGARTY] who was in charge of the bill as chairman of the subcommittee, made a statement of about a minute and a half before the full committee, and the gentleman from Wisconsin made no statement with respect to that bill before the full committee and indicated in a statement to the full committee that he reserved the right to make a statement on the floor and to offer amendments on the floor; is that not true?

Mr. CANNON. The gentleman's statement is wholly beside the point.

Mr. KEEFE. As usual.

Mr. CANNON. The statement was made there that the consideration of this bill was hurried. Now, I ask if there is anyone who can give any instance at any time, anywhere, in the subcommittee, or in the full committee, where he was not afforded an opportunity to talk if he wished to talk, to debate if he wished to debate, or to offer an amendment if he wished to offer an amendment.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. JENSEN. Will the gentleman also make that statement regarding the first committee meeting of the first session of the Eighty-first Congress when he presided; when there were several amendments offered by your side of the aisle and the minority had amendments to offer, we stood up and tried our level best, the gentleman from New York and I did, to offer amendments, but got no recognition from the gentleman. He would not even look our way.

Mr. ROONEY. May I inquire if the gentleman from Iowa was present that day?

Mr. JENSEN. The gentleman knows very well that I was present.

Mr. CANNON. The gentleman is so anxious to get away from the point before the House.

Mr. JENSEN. If the gentleman will stay with the facts, I will not ask him questions.

Mr. CANNON. The charge is made here that consideration of this bill was hurried. I asked anyone here who desired at any time to interrogate a witness or to debate the bill or to offer an amendment if he was denied the opportunity to say so. And no one can cite any such instance. In other words, the charge is absolutely without foundation. If this bill was rammed through as they charge, where was it rammed through? When was it rammed through, and who rammed it through? The circular is a canard.

It throws a little light on this scurrilous letter when it is noted that the gentleman whose name is signed to it was particularly exuberant when the Eightieth Congress convened. Thirty or forty people from the outside had been brought down to investigate the Government. He was so enthusiastic that he gave an elaborate dinner for them at one of the famous hostelries down town. I have not heard that he has provided a dinner for any of the Appropriations Committee or for any party fishermen in this session. In other words, this circular is pure propaganda. The bill was not hurriedly considered, and statements to that effect are without foundation of fact and for political effect.

He does grudgingly make one concession. He says, after about four pages of unsupported abuse:

> The committee deserves credit for initiating the single or omnibus appropriation bill. This form of bill makes good sense to the layman. It enables him to see at a glance where over-all Federal spending policies and objectives are taking us.

In justice to the United States Chambers of Commerce, which might be erroneously confused with the organization distributing this circular, let me say that there is no relation between the two. On the contrary, the United States Chamber of Commerce in its daily letter, says:

> A significant test of the willingness of the Congress to economize is before you in H. R. 7786, the first consolidated appropriation bill. The board of directors of the Chamber of Commerce of the United States realize the nature of the difficulties faced by the Committee on Appropriations. The board feels that the Committee on Appropriations has made a meritorious beginning. It recommends that the House employ its best endeavors to enforce further reduction in the measure under consideration.

The printed transcripts of the hearings on this bill were made available and distributed to the press and the members of the committee and the House and the public in general much earlier than ever before. Never before were the printed hearings available to the press and the public as early as this year. So everyone has had ample opportunity to familiarize himself with the proceedings of the committee as hearings progressed.

Mr ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. Is it not a fact that the press and radio have had a better opportunity, as a result of the way in which the hearings were released this year, to digest and report to the Republic on the items contained in the appropriation bill?

Mr. CANNON. That is true. There has been no previous instance in the history of the appropriation bills in which the proceedings of the committee were available so soon and in such detail.

However, it has had one untoward effect. As a result of this unrestricted publicity, the agencies affected, the organized groups of interest, and the professional lobbyists have been clamoring against practically every reduction in the estimates, and are even urging increases in the bill over and above the budget estimates. I think there is hardly a reduction made by the committee in this bill in the estimates in which there have not been some interested lobbys, somewhere, protesting against the reduction. Never before has there been such pressure on the committee and here in the House against savings recommended by the committee.

The press and radio over the country daily carry reports of amendments which they say will be offered to increase amounts throughout this bill. In view of these intemperate assaults on the bill and announced intentions of increasing it, when it is already over $4,000,000,000 above the national income, I feel warranted in speaking a little more plainly than under other cricumstances. The balance sheet of the Nation is anything but favorable. As a matter of fact if the United States were a private enterprise, any bank cashier or any man in the country would refuse to lend the Government another dime—if he did not bring proceedings to throw it into bankruptcy. The expenditures for the current year, and for the coming year are billions of dollars in excess of the national income. We carry a staggering public debt, unparalleled in history, of more than a quarter of a trillion dollars, a sum so large as to be utterly incomprehensible to the finite mind of man. And we are increasing it by huge sums every year. Why, the interest on the public debt alone is more than all the expenditures of the Government for all purposes in 1933. At the same time—and this is one of the alarming features—our national income is decreasing. Collections of Federal excise taxes dropped more than 12 percent in February as compared with the corresponding month a year ago.

From the start of the fiscal year July 1 to March 1, which is the latest figure available, collections totaled $25,101,625,577, or a drop in national income of $657,676,007 from the corresponding figure of last year.

Corporation income-tax payments for the first 8 months of the fiscal year totaled $17,933,807,743, or a decline of $480,114,129 for the same period a year ago.

Totals on income-tax payments up to March 15 are not yet available. But the

press carries forecasts of a drop in revenues variously estimated at something between a billion and a billion and a half dollars below the message estimates—money we thought we were going to get when we were projecting our fiscal program for the coming year last January.

It is said to be anywhere from a billion to a billion and a half dollars below what we anticipated. There seems to be general agreement that the revenue cannot, under most favorable circumstances, be less than three-quarters of a billion below the January figure. In addition to this steady and drastic decline in revenues, it is now proposed to reduce excise taxes. We are told a bill is on the drafting board which will reduce the Federal income from this source in an amount approximately a billion dollars annually. I am not discussing the merits of tax reduction or the merits of discontinuing excise taxes, but I do say that when you figure the financial picture and the fiscal status of the Government, not only is the national income from every source declining, but it is now proposed to further reduce it by reducing the taxes which are already bringing in an inadequate amount to take care of the appropriations carried in this bill. In short, we are carrying a national debt so vast that no one can predict when it will be paid. So acute is the situation that unforeseen national catastrophe might mean repudiation. How are we to pay it, when at the most prosperous time in the history of the Nation, with wages higher than ever before, with business paying larger dividends than ever before, with people generally more prosperous than they ever have been, instead of decreasing the debt, we are increasing it. When can we expect to pay it?

I want to appeal to the House not to increase this bill. A single increase in any item would be an unfortunate precedent. May I plead with the Members of the House to close ranks and oppose any increase anywhere in any item in this bill.

To be continually living beyond our means indicates not only a deplorable lack of business acumen, but a still more deplorable lack of moral fiber and stamina; a state of irresponsibility characteristic of the aborigine, consuming tomorrow's food today, without thought of the consequences.

I realize the strong appeal of amendments to increase appropriations for national defense. Nothing could be more important than adequate protection of the Nation. That takes first priority. But the best national defense lies in national solvency. You cannot win a war without money. You cannot avoid a war without money. Insolvency invites attack, and it is more important to avoid a war than to win a war. We must stay solvent, as well as strong in armament and in military might. The two go together. We cannot attain national security by bankrupting the country.

In this connection, let me say that there is always the possibility that we can be stronger with less expenditure for armaments than we are making today. It has been claimed by some of our critics, and I submit it for the consideration of the House when they take up the study of this bill, that there is more waste in the 71 percent of the bill devoted to war, past wars, and future, than anywhere else in the bill. Whether that is true would have to be demonstrated. I do not vouch for such statement, but I do say that there is always a possibility that a better allocation of the money provided in the bill may contribute to the solution of the problem of adequate defense.

On the other hand, there are those who insist that there should be still further reductions in the budget estimates and that the bill should be amended, in detail and as a whole, to reduce the amount of the appropriations carried in the bill, to reduce expenditures for the fiscal year 1951. With this school of thought I take no issue. If there are items in the bill which can be reduced without reducing provisions for any service below the minimum actually required, it should be reduced. Let them take it up on this floor.

But, I do take issue emphatically, however, with all proposals for blind, blanket cuts; on any proposal for a percentage cut in the bill or a cross section cut in the bill. If such amendments should be agreed to, provisions must be made for effecting such cuts. Either the responsibility for allocation of such reductions must be delegated to the President or the bill must be recommitted to the Committee on Appropriations with instructions. The latter is impractical. The several chapters of the bill vary in susceptibility to reduction. Some provide for services less imperative than others. Some for services which could not be cut at all if the Government is to continue to function effectively. There is no logical method of determining the respective percentage to be taken from the several respective chapters on a percentage or lump-sum reductions. On the other hand to delegate to the President the authority to allocate the reductions would be for Congress and the legislative branch of the Government to abdicate and transfer its constitutional powers to the executive branch of the Government which is in contravention of every tenet of the Constitution which specifically provides that the representatives of the people in Congress assembled shall control the purse strings of the Nation. To attempt to provide otherwise is subversive of the basic principles on which our Government is founded.

Let me say again, Mr. Chairman, that I favor cutting this bill where it can be consistently shown it can be cut; where it can be constructively reduced without injury to the service.

I am more concerned with amendments which propose to increase the bill than with amendments that seek to reduce the bill. We must conserve every dollar, every penny. In this national emergency we cannot afford to waste one dime. Our principal trouble today is debt. We cannot cure it by more debt. Deficit spending does not remedy anything. It merely postpones the inevitable reckoning to a less propitious date, to a more evil day. The longer postponed, the greater the escapable evil, snowballing, mushrooming, and skyrocketing with every passing hour.

I trust the committee will have the cooperation of Members on both sides of the aisle in passing a bill which will secure maximum results with the least possible expenditure.

The CHAIRMAN. The gentleman has consumed 55 minutes.

Mr. CANNON. Mr. Chairman, I now yield 5 minutes to the gentleman from Texas [Mr. WORLEY].

Mr. WORLEY. Mr. Chairman, for the last time I rise as a Member of the House to address the Chair and my colleagues. I dislike farewells, but for the past several days I have devoted a good bit of thought to just what I should say at this moment. I thought of stating my views on such ponderous and complex themes as world conditions, the H-bomb, taxes, tariffs, and the farm program. I thought of pointing with pride and viewing with alarm. But finally, I concluded, that after all, my views on these problems were not of such great importance or consequence because my votes on these and other matters are a thing of the past. They have been recorded.

On many, many occasions, Mr. Chairman, during the past 10 years, I have felt discouraged. I have, on those depressing occasions, and especially during those grave wartime days, thought that I would be happy to see the day come when I would leave this service. But strangely enough, when the time has actually arrived to leave the House, those memories have faded, and in their stead I remember only the most pleasant associations I have had with each of you.

This job has been most fascinating. The associations made, the genuine fellowships enjoyed, and the pleasure derived from rendering public service have all added to the extreme sense of satisfaction I feel. I am and have always been most grateful for the confidence placed in me by my people back home and by my colleagues. I have been given every consideration and cooperation from men on both sides of the aisle and in turn have tried to extend the same to all of you.

It seems to me that the problems of a Congressman have developed more rapidly in the past 10 years than ever before. Before I became a Member of this body, I thought about all my Congressman had to do was answer that letter I wrote him in regard to a rural route or post-office application. It did not occur to me then that perhaps thousands of other constituents were also writing him about something equally or perhaps more important. The Congressman of today is looked to for practically everything under the sun. He must have knowledge of taxes, tariffs, farm problems, military needs, human rights, business and labor legislation, in addition to scientific information on guided missiles and sonic devices. We are well aware that many men spend their lives studying a single subject whereas Members of Congress must be somewhat of an authority on all these, and many more when they are called upon to vote on the measure involved. In my opinion, it is virtually impossible for the average Member to be as well informed on these and a score of other matters as he would like to be. The

reason for that is simply because there are not enough hours in the day to discharge the multitude of demands made upon us and still devote the desired time to legislative measures before the House. Certainly I have found that to be true. While the recent reorganization bill was a step in the right direction it still is not the answer. The number of requests from the people will no doubt increase rather than decrease, as the years go on. If a Member meets those requests, he must necessarily have more help of the proper kind if he is to properly discharge his greater responsibilities as a voting Member.

Certainly no one among us has attained or is likely to attain any financial security through his pay as a Congressman. I also know that from my own experience. While the pay scale sounds big to the people back home, it is difficult for them to realize the extraordinary demands constantly made upon men in public life which are never made upon those in private life, not to mention campaign expenses. We all have known men who have made great personal sacrifices to remain in the House—some have come here strong in health and comfortable of purse and dedicated themselves to this service. We have seen their savings fade away to such a point that when the end has come, their survivors had nothing but the anticipated death benefit granted by Congress. While the responsibilities of this office cannot be measured in dollars and cents, I do feel that greater remuneration would at least in some degree compensate for the responsibilities involved. In my opinion, the time is fast approaching, if indeed it is not already here, when only those with independent means can afford to serve in the Congress. As I see it, such a result would be the very antithesis of democracy.

And so, Mr. Speaker RAYBURN, in conclusion I would like to express my deep appreciation to you, not only as one of the ablest servants this country has ever known, but also as a friend who has never been too busy to give of his sound and generous counsel; to my colleagues in the Texas delegation; to the distinguished majority leader, JOHN MCCORMACK; to the majority whip, PERCY PRIEST, with whom I entered Congress; to my fellow Democrats; to the able leadership on the Republican side of the aisle, Minority Leader JOE MARTIN, to CHARLEY HALLECK and LES ARENDS, and all the other Members of the Republican Party; to Lew Deschler and to the staff and employees of the House, whose diligence makes our tasks easier; to the members of my committee with whom I have enjoyed working; to the personnel in my office, without whose loyalty and help I could never have properly served my constituency, and to the people of the Eighteenth Congressional District, who have placed their trust in me, I am deeply grateful. The votes of confidence from them have made it possible for me to serve them and my country to the best of my ability and to serve with you, which has been the greatest honor of my life. I have never known a more conscientious, harder working, or finer group of people. So long as the people of this country send such representation to Congress I have no fear for our democratic processes and institutions. God bless you all.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. Mr. Chairman, Judge WORLEY is now leaving the House. He is leaving a host of friends on both sides of the aisle. I doubt if within my memory we have had the pleasure of serving with a more popular Member than he.

He has a distinguished legislative record. We all know that. He has rendered outstanding service to the people of his great district and to the people of the entire Nation.

Judge WORLEY, we wish you the best of everything. We know that you will have a great judicial record. May the Lord bless you and always take good care of you. We hate to see you go, but we are still with you in spirit and in feeling.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, the district which Mr. WORLEY represents once included the district I represent. We have worked closely together through the years. I rise to join the chairman of the Texas delegation [Mr. THOMAS] in paying a word of tribute to our friend who is retiring from this body. He has performed a great service to the Nation and to the pepole of our State.

His record reflects credit upon his family, his friends, his district, and the Nation. He is made of the right kind of material. He is typically Texan all the way through to the very marrow of his bones. He carries with him to this high post on the court an innate and unfailing sense of fairness which will serve the Nation well in the days to come.

Mr. Chairman, I could not refrain from paying this tribute to my close personal friend and to one of the most popular men, as our colleague from Texas [Mr. THOMAS] has said, who has ever served here in the House of Representatives in my time.

Mr. LECOMPTE. Mr. Chairman, if the gentleman will yield.

Mr. Chairman, I am filled with conflicting emotions at this moment as we say farewell to our colleague GENE WORLEY. I am supremely happy that he is to go on the important bench of the Court of Customs and Patent Appeals and I also feel a note of sadness realizing that we are not to have the benefit of his services in the Congress after today.

May I say that I became acquainted with Mr. WORLEY early in his congressional career due to the fact that I have a number of friends living at Amarillo, Tex., who are likewise close friends of Judge WORLEY. It fell to our lot to be conferees, representing the House, in one of the most difficult problems and sharpest controversies that I have experienced in 12 years in Congress. The other body and the House were in sharp disagreement in 1944 over legislation for a soldier voting plan, and for weeks the House and Senate conferees met daily in a long-drawn-out effort to reconcile our differences. In the end a compromise was agreed upon and approved by both bodies that I think was fairly satisfactory. When one serves for many weeks wrestling with a difficult problem he becomes well acquainted with his fellow conferees and he learns of their character. GENE WORLEY is a man of noble character. I was with him when this Government sent a delegation, appointed by the President, by the President pro tempore of the Senate, and by the Speaker of the House, to assist in launching the new government of the Republic of the Philippines. I doubt if anyone in Congress has had more intimate relations with GENE WORLEY than have I, and I think I can say truly that he personifies the soul of honor. He will make a fine member of the court along with our former colleague Judge Noble Johnson, and with my very good and close friend and splendid public servant, Judge Ambrose O'Connell. Probably no one in Congress is more intimately acquainted with Judge O'Connell than I am since he grew up in Iowa only a short distance from my home.

Judge WORLEY has gone up in the world because of his own ability, and I predict that he will go even higher. I am truly happy over his elevation to the judgeship and yet there is a lingering note of sadness that he will not be with us again.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. HARRIS. I should also like to join with our distinguished colleagues from Texas, and the other Members of this body in paying a well-deserved and high tribute to our friend GENE WORLEY, who is leaving the Congress, and going to the bench, entering what I am sure will be another distinguished career.

He and I, with other colleagues, came here at the same time in the Seventy-seventh Congress. I have had the very great pleasure of intimate and personal association with him, resulting in warm and lasting friendships. He has demonstrated great character and ability and served his country well. As he has served here in Congress I know he will continue to serve well his country on the bench. Judge WORLEY, as you leave us and enter your new career on the bench, I wish you continued success and good luck.

Mr. MAHON. I thank the gentleman.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. FOGARTY. I, too, want to add my small word of tribute this afternoon to our esteemed colleague, GENE WORLEY of Texas. I, too, came to the Congress in January of 1941 with him. I have found him to be one of the outstanding Members of the House for the past 10 years, and although I am sorry to see him go, I know he is going into a job for which he is well qualified. He is deserving of the security which the job he is

going to promises for himself and his family.

Mr. MAHON. I thank the gentleman.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. PRIEST. Mr. Chairman, I also came to the Congress with GENE WORLEY. It was not very long after that Congress was in session in January 1941, that I came to appreciate the earnest seriousness with which GENE WORLEY approached the work of legislating in this body.

You may recall that in February of 1941 we had the original lend-lease bill before the House. At that time both of us being freshmen, GENE and I were sitting back somewhat bewildered but attempting in our own way to study that bill, and to appreciate some of the significance of the step we were about to take in international affairs. From that very moment I have appreciated the counsel and assistance in my legislative work which I have always received from GENE WORLEY. Certainly we shall miss him greatly in this body. I am sure he has the good wishes of every Member on both sides for his continued success in the judicial post which he soon will assume.

Mr. MAHON. I thank the gentleman.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield.

Mr. MAHON. I yield.

Mr. COLE of New York. In order that there may be some expression from the minority members of this body, I take this opportunity to rise to join with the others who have expressed their gratification for the distinction which has come to our colleague.

Having served with him for over 10 years, those of us who have been associated with him know the quality of mind he has and the character that he possesses. We feel honored to think that he has been selected for this position of great responsibility.

As a matter of fact, it is my observation that men who are appointed to public office, whether judicial or administrative in the executive department, if they have served a period of apprenticeship as Members of this body, perform the responsibility of their office with a degree of far greater capacity, success, and effectiveness than those who were appointed from other fields of endeavor.

I am sure I speak the sentiment of every member of the minority party in wishing—I still, out of habit, will call him Representative GENE WORLEY, even though we may call him Judge—but to wish for him the very best of success in his new endeavor. It must be a matter of great pride and satisfaction to him to realize, as he must, that he takes with him the close affection and great admiration of his colleagues for that is the testimonial of a decade of constant, conscientious, and constructive public service.

Mr. MAHON. Mr. Chairman, I thank the gentleman.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. CHELF. Mr. Chairman, as a youngster in my teens I heard a little poem that I think just fits the great character and sunny disposition of our very dear friend, GENE WORLEY. Fact is, the author must have had Genial GENE in mind as he penned these lines:

Making friends is a lot of fun,
Shaking hands with everyone;
Hearing what each has to say
As we meet them day by day.

Swapping smiles and trading cheer
Makes us happy while we're here
'Cause all the joy of life depends
Just on the art of making friends.

GENE WORLEY is a friend. He has been my friend. I know that he has been the friend of every Member of this body, regardless of his politics. In addition, GENE is a gentleman of the old Chesterfield vintage—a man of splendid background and wide experience. He is well versed in the law and he has that judicial temperament so vitally necessary to make a good judge. GENE will give a sympathetic hearing and an understanding heart to those who appear before him. The President is to be congratulated upon his wisdom in making this appointment, GENE, and the people of the great district he has so ably represented are to be congratulated upon this recognition. He will make a splendid jurist. GENE, in the words of the Book of Books, "May your leaf never wither and whatsoever you do, may it prosper." Good luck, and come back to see us when you can.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. FERNANDEZ. Mr. Chairman, all Members of Congress on both sides of the aisle will agree with me that the gentleman from Texas [Mr. WORLEY] has proven himself one of the finest, most conscientious Members of Congress. Coming from a district just across the line from my State, I made his acquaintance very early during my first term in 1943. Since then I have learned to love and admire him; his good wife and mine are close friends; and I am proud to call him a friend. We will miss him here, but we applaud his elevation to the judiciary which he richly deserves, and where because of his training and temperament he will serve with distinction. On this occasion I say to Judge WORLEY—

I touch my heart as the Easterners do;
May the love of Allah abide with you;
Wherever you come, wherever you go;
May the beautiful palms of Allah grow.
Through days of labor and nights of rest,
May the love of Allah keep you blest.
I touch my heart as the Easterners do;
May the love of Allah abide with you.

Mr. MAHON. I thank the gentleman.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. GATHINGS. Mr. Chairman, it has been my distinct privilege and pleasure to serve on the Committee on Agriculture with Hon. GENE WORLEY, of Texas, for many years. I want to say that he has endeared himself with the membership of the committee by his attentiveness and devotion to his duty. His pleasing smile will be greatly missed when he assumes his new duties as a member of the judiciary. He is able, he is friendly, he has a very fine record as a member of the Committee on Agriculture, and as a Member of this House.

I wish him Godspeed in his new work.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield?

Mr. WHITTEN. I want to join with other Members who have paid this tribute to a splendid Member of the House of Representatives. I am sure that all would like to join in paying this tribute today to GENE WORLEY. He has been a very very able Member of Congress; a conscientious workman on the Committee on Agriculture; but in paying tribute to him we cannot help but have feelings of sorrow at his leaving the House, although we are glad to know that his duties in his new position will keep him here in Washington. We know that he has a splendid record in the Congress; that he is possessed of a sterling character; that he understands the problems of people; that he is well informed in the law, and we can see that he will carry to the judiciary a basis for a sound and fine record which he leaves in this House.

We wish him the very best, and we know that GENE WORLEY will do his best to make his record there a splendid one, as he has made it here in this House.

Mr. MAHON. I thank the gentleman.

Mr. RAYBURN. Will the gentleman yield?

Mr. MAHON. I yield to the distinguished Speaker of the House.

Mr. RAYBURN. I would not take a moment except for the fact that ever since I have known GENE WORLEY there has been a deep attachment between us. For himself alone, I can say that I have not seen a man, a young man, come to this House with more sterling qualities of character or more promise from the native ability that is his. If he had chose to stay here he could one day have been at the top, because he has character and a lovely personality and plenty of ability.

The thing that moved me closest to him, of course, was the fact that he came to my home town to choose his wife, a lady of great charm and ability. Her father and mother, Mr. and Mrs. Morgan Spivy, great people, still live there. She comes from the right kind of stock, and so does GENE WORLEY, because I know the families on both sides. GENE has now taken the name of Worley very high, and in my opinion will take it higher; but he and Ann have done me the honor to name a son, Sam Rayburn Worley, and the son will really cap the climax and do the job for the name.

EUGENE WORLEY A FINE REPRESENTATIVE

Mr. JOHNSON. Mr. Chairman, I am sorry to see my friend GENE WORLEY leave the House of Representatives. One of the most vivid impressions that I have of the Seventy-eighth Congress was the debate on the soldier vote bill.

GENE WORLEY was in charge of the bill. He was in a tough spot because there was a very violent disagreement as to what kind of a bill should be passed and the division was more pronounced in his party than in the minority party. His conduct at that time stamped him in my

mind as having a judicial temperament. He was scrupulously fair to the divergent groups and was considerate to those who differed with him. They were given as much time to present their views as those who agreed with the chairman of the committee.

Mr. WORLEY exemplified the tolerance and understanding that marks a good legislator as well as the good judge. He was a fine companion and it has been a privilege to come to know him as a competitor in our gymnasium and on the golf course. He has a happy and congenial family and in every way has measured up to the responsibilities of a father and a husband.

Though we have lost a good legislator I am glad that he will continue in the public service. He will prove to be a fine judge and I think the President is to be congratulated on appointing him. GENE WORLEY is a fine example of the opportunity that Congress offers to its Members of making lasting friends. All I hope is that my friend will continue to enjoy good health, as that is all he needs to make a fine record on the bench.

Mr. THORNBERRY. Mr. Chairman, I am happy to join with my colleagues in paying tribute today to Congressman EUGENE WORLEY.

While I have not had the privilege of serving in this body with GENE for as many years as some of you have had, I have had the genuine pleasure of being his close personal friend for many years. GENE and I were classmates in the University of Texas, both of us having received our legal education in the Law School of that great university. It was there that I also came to know his fine wife, Ann, prior to the time that GENE was fortunate enough to persuade her to marry him.

Later on, it was my privilege to join him in the Texas Legislature when he had already completed one term in the house of representatives of that legislature. The two of us had the opportunity of serving together two terms in that body at the end of which he was chosen by his neighbors and friends to represent them further here. Both of us served in the Navy during World War II. It was, of course, a high privilege for me to join him again here last year.

As those of you who know GENE have found, he is a generous and loyal friend. While I regret to lose the benefit of his association and counsel here, I am happy for him and his wonderful family that he has been chosen for a position of great trust and responsibility. I have no doubt that EUGENE WORLEY will make a great jurist and will reflect credit on his country.

As he leaves here, all of us wish for him and his family the best in life.

Mr. H. CARL ANDERSEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-one Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 130]

Allen, Ill	Hand	Patman
Allen, La.	Hart	Pfeifer,
Angell	Hays, Ohio	Joseph L.
Barden	Hébert	Pfeiffer,
Barrett, Pa.	Heffernan	William L
Battle	Heller	Philbin
Bennett, Fla.	Herlong	Powell
Bentsen	Herter	Rains
Biemiller	Hinshaw	Redden
Blatnik	Hobbs	Reed, Ill.
Bonner	Hoffman, Ill.	Reed, N. Y.
Bosone	Holifield	Ribicoff
Boykin	Hull	Richards
Buchanan	Jackson, Calif.	Rivers
Buckley, Ill.	Javits	Roosevelt
Buckley, N. Y.	Kee	Sabath
Bulwinkle	Kelly, N. Y.	Sadowski
Burke	Keogh	St. George
Byrne, N. Y.	King	Sasscer
Carlyle	Kirwan	Scott,
Case, S. Dak.	Kunkel	Hugh D., Jr.
Celler	Lane	Shelley
Chesney	Lanham	Short
Chudoff	Latham	Sims
Clemente	Lesinski	Smathers
Combs	Lichtenwalter	Smith, Ohio
Coudert	Linehan	Smith, Va.
Davenport	Lucas	Sutton
Dawson	Lyle	Taylor
Dingell	Lynch	Teague
Donohue	McCarthy	Towe
Douglas	McConnell	Wagner
Doyle	McDonough	Walsh
Durham	McMillen, Ill.	Welch
Engle, Calif.	Mason	Wheeler
Fellows	Miles	Whitaker
Fisher	Miller, Md.	White, Idaho
Fogarty	Monroney	Widnall
Frazier	Morgan	Willis
Gavin	Morton	Winstead
Gilmer	Multer	Withrow
Gordon	Murphy	Wolcott
Granahan	Nixon	Wolverton
Granger	Norton	Wood
Grant	O'Brien, Ill.	
Green	O'Brien, Mich.	
Hall,	O'Konski	
Leonard W.	Pace	

Accordingly the Committee rose; and Mr. KILDAY having assumed the chair as Speaker pro tempore, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7786, and finding itself without a quorum, he directed the roll to be called, when 295 Members answered to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from New York [Mr. TABER] is recognized for 30 minutes.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. JOHNSON. Mr. Chairman, I ask unanimous consent that I may extend my remarks at the close of the remarks with reference to the gentleman from Texas [Mr. WORLEY].

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TABER. Mr. Chairman, this bill comes before the committee with direct appropriations out of the General Treasury of $27,266,000,000, and with indirect or permanent appropriations, made in some other way than in this bill for the departments that are covered by it, of $11,592,000,000. In other words, it provides that there will be taken out of the Treasury of the United States $38,859,000,000. It carries cuts in the direct appropriations of $1,385,000,000. I will not at this time go into the total of those cuts; I intend to speak about that later. Some departments are cut as much as they should be; others are not. Generally through the bill, the items of administrative expenses are altogether too liberal, and there is too much provision for unnecessary personnel. I am thankful for the cut that has been made, but I want to see other cuts made and as the bill progresses and is read I hope to be able to point out different items where I believe savings can be made of very substantial amounts.

We were handicapped as we approached the consideration of this bill, first because of the fact that it was a new method of doing things and we were having the whole thing at once, all the items were to go in one bill. We were further handicapped by two new approaches to the fiscal affairs of the Government on the part of the Budget. The United States Code, section 582 of title 31, under "Money and Finance," provides:

> There shall be submitted in the annual budget following every estimate for a general or lump-sum appropriation, except public buildings or public works constructed under contract, a statement showing in parallel columns first the number of persons, if any, intended to be employed, and the rates of compensation to each; and the amounts contemplated to be expended for each of any other objects or classes of expenditures specified or contemplated in the estimate shall include a statement of estimated unit cost of any construction work proposed to be done; and, second, the number of persons, if any, employed, and the rate of compensation paid each, and the amount expended for each other object or class of expenditures, and the actual unit cost of any construction work done out of the appropriation corresponding to the estimate so submitted during the completed fiscal year next preceding the period for which the estimate is submitted. Other notes shall not be submitted following an estimate embraced in the annual budget other than such as shall suggest changes in form or order of arrangement of estimates and appropriations and reasons for such changes.

Then there is another provision, title 5, section 674:

> The estimates of expenditures and appropriations set forth in the budget to be transmitted by the President to the Congress on the first day of the next ensuing regular session shall conform to the classification herein provided, and the rates of salary and the compensation schedules shall not become effective until the first day of the fiscal year estimated for such budget.

That requires certain things in the nature of information to be furnished with the budget; in other words, I have here the budget for the fiscal year 1950. I turn to the heading "Secretary of Agriculture." We are given the details of all the employees in the form that has been known for years as green sheets. The budget deliberately failed to comply with the law in that it did not give us any of the information that the law requires and we need. Now all that is omitted, and the committee when it goes to work on these situations is unable to follow

the thing through in the way that it used to. In other words, we used to be able to tell by looking at the page in the budget just how many increases in salary had been made and just how the pay roll was made up. Now they came before us this year without any information such as that, and when you ask them for it and get it, it is given in a way that is entirely different from the way it had been given in the past. It was not full enough so that it would enable the committee to get at the picture of the employment in the different agencies of the Government as we used to. The failure to submit this information was, in my opinion, a direct and deliberate violation of the law on the part of the budget.

The minority as best it could tried to get that information where it might be available. Unless it is in the budget and available to the committee when witnesses first come before us it is absolutely impossible for the facts to be brought out so that we can catch these different agencies and bureaucrats on the things they have done, how they have used the hot money they have left the 1st of June to raise salaries, how they have used different items for the doing of various things that it was not contemplated should be done when the money was appropriated.

Then we have a performance budget against the project budget and that tends to cover the thing up a little more so that it makes it much more difficult for the Appropriations Committee to get at just what is involved and to keep track of what is going on.

I want to go over these bills a little bit in detail—I am not going to take a long time now—and call attention to a few facts that seem to me should be brought to your attention.

The legislative branch bill was cut moderately well. There are some items for administrative expenses that possibly can still be reduced. Frankly, I believe that almost everywhere the picture is about the same. The independent offices bill was cut probably a larger amount than any other bill. In a great many ways the items were very satisfactory.

There are a couple of items I wonder whether they are real savings or whether they are going to turn out to be ephemeral. There is one item for the Veterans' Administration. The amount provided for veterans' pensions amounts to about $100,000,000. Those are not exact figures. I will not try to give them now. Another item for the veterans' training is about the same amount. But I do not know enough about that chapter and the justifications and all that sort of thing, so that I would want to say that was not an actual savings. But we have to pay whatever it figures out anyway, and most every year the Veterans' Administration comes back for more money.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. At this point in the RECORD I would like to ask the gentleman, and also the gentleman from Missouri, a question. In view of the letters that Members of Congress are receiving with respect to action of the Veterans' Administration in the curtailment of hospital services alleged to be in process of curtailment, especially in the psychiatric end of hospitalization for veterans, can the gentleman state now whether or not the Committee on Appropriations has ever cut any request for those purposes that have been made either by the Bureau of the Budget or the Veterans' Administration.

Mr. TABER. Well now, I can say this with reference to the hospital picture: The Independent Offices Committee, when it brought in its report a year ago, carried a provision stating that they had not cut the funds necessary for the care of the sick and the disabled veterans 1 penny, and that they did not expect the Administrator of Veterans' Affairs to contract his services at all. Now I will say this, that they gave the full amount asked for that purpose by the Administrator of Veterans' Affairs. I will say this that on two occasions since that appearance before the Independent Offices Committee the Administrator of Veterans' Affairs has been before the Committee on Appropriations: At one time he came before the Deficiency subcommittee, as I remember it, and another time before the Independent Offices Committee on a deficiency item. There was nothing in the deficiency estimates or nothing in the testimony of the Administrator with reference to any shortage of funds with reference to the hospitals that are provided for the care of veterans.

Mr. KEEFE. Will the gentleman yield to ask the chairman of the Committee on Appropriations a question? I would like to ask the chairman of the Committee on Appropriations if he concurs in the statement that has been made by the gentleman from New York with respect to the actions of the Committee on Appropriations in giving to the Veterans' Administration every dollar that was recommended by the Bureau of the Budget and the head of the Veterans' Administration for hospitalization purposes?

Mr. CANNON. Unfortunately I was in conference and I did not hear the statement of the gentleman, but from what the gentleman says I take it for granted that it related to curtailment of hospital services.

Mr. KEEFE. That is right.

Mr. CANNON. The bill does not cut the estimate for hospital services.

Mr. KEEFE. And the committee has not cut the hospital service?

Mr. CANNON. There is no retrenchment for hospital services.

Mr. KEEFE. I mean in the bill last year; not this year but last year.

Mr. CANNON. The committee never cut an appropriation for hospital service in any bill either this year or last year.

Mr. KEEFE. Then the record should be clear that the protests received as to the actions of the Veterans' Administration in curtailing services in hospitals to veterans is not the result of any action on the part of the Committee on Appropriations in failing to make funds available in an amount that represents their demands, or requests that have been made to the Congress by the Bureau of the Budget or the Administrator of Veterans' Affairs for those services?

Mr. CANNON. I am not familiar with the correspondence which the gentleman has received, but I will say again that we have not cut the funds for hospital service in this bill or in any former bill.

Mr. KEEFE. I would like to get this clear because I know that many Members of Congress are receiving letters from all over the country with respect to this very situation, and I want to make it clear, if I can, in the RECORD. May I say to my friend from New York, that if there is any deficiency it does not result from any action that has been taken either by the Committee on Appropriations or action by the Congress itself in not providing every dollar of funds that has been requested.

Mr. RABAUT. Would it not be a little bit more orderly if we saw something of that letter? Nobody knows anything about it.

Mr. KEEFE. If the gentleman has not received the letter, he is one of the few Members of Congress who have not.

Mr. TABER. There was a statement, and I will repeat it, in the report of the Independent Offices Committee last year when their bill came in indicating that they had not cut the amount required to take care of the sick and disabled in the hospitals, that they had no intention of cutting it, and they expected the Administrator of Veterans' Affairs to see that the funds were used for that purpose. That statement was right in the report. It is true also that in the bill we are now presenting there is no cut in the hospital picture.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mrs. ROGERS of Massachusetts. General Gray admits that he did not ask for this necesasry money for the personnel in the hospitals. He admits that some mistake was made. I am reliably told that he is going to ask for more money, I think in a deficiency bill in the Senate, to provide more personnel for the hospitals. They have been cut too much, but it was not the fault of the Congress in any way, he has stated to me and to others.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Carrying on a little further the statement that was made about Veterans Administrator Gray, in the past 10 days the delegation from Kansas had occasion to talk to him about this very situation. During the course of that conference Administrator Gray admitted that any lack of service or personnel for veterans in our hospitals was not due to any shortcoming of Congress but was his own fault for not keeping his finger more closely on the funds granted him for fiscal 1950, which were $566,666,400 for the care of these patients in our hospitals. That was exactly the amount he asked for, that was exactly the amount the House of Representatives gave him, and it was exactly what the Senate gave him, so that he knew at

least 19 months before exactly how much money he was going to have to care for the veterans in our hospitals during fiscal 1950.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I wonder if the gentleman can tell the House whether or not the item in the budget for fiscal 1950 to cover the 16,000 Veterans' Administration beds cut back by the President is in the 1951 budget now under consideration?

Mr. TABER. There has never been a time when the President could not have proceeded with the construction of those hospitals for which the funds were provided.

Mr. VAN ZANDT. Do I correctly understand the gentleman to say, then, that the money is there but the President has not taken advantage of it.

Mr. TABER. That is so.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I know that in certain parts of Pennsylvania the hospital service has been drastically curtailed; in fact, it is quite critical. I have that from the highest source outside of the Administrator himself. What I should like to know is, does the gentleman from New York think the situation will be corrected so that this curtailment will not last any considerable length of time? This is a severe blow to the necessary services.

Mr. TABER. I will give the gentleman as good a picture of it as I can.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. WIER. I want to make this statement, because the answers that were given to the gentleman from Wisconsin just do not make sense. Within my district is Fort Snelling, the Twin Cities hospital. It has recently closed 200 beds and released 100 professional employees. Whose responsibility is that, ours or Gray's?

Mr. TABER. The only way the Congress has in any satisfactory manner, to find out how much money is required for the operation of these hospitals and for the proper care of the veterans is to get that information from the Administrator of Veterans' Affairs and his staff. I just want to say this: We do not have before us any budget estimate for the care of veterans in hospitals in the nature of a deficiency estimate at the present time. That is the reason I conferred with the clerk of the committee just now. I wanted to be sure I made that statement correctly.

If we are to proceed to do anything about any deficiency item we would naturally expect to have a budget estimate from the Department. It is almost impossible to handle that kind of a situation without that being made available to you. There is no deficiency bill in the other body at this time and there is none that the House has considered or had any hearings on. There are some estimates, but none that have been marked "urgent" and none relating to the care of veterans in hospitals.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mrs. ROGERS of Massachusetts. I am reliably told that word has gone out to doctors and some of the other personnel in the hospitals to hold the cots in abeyance until a survey has been made. I understand that most of the survey has been made, and I am reliably told that General Gray will ask for a deficiency appropriation in order to cover the personnel back or keep them in the Veterans' Administration offices and hospitals.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SCRIVNER. As recently as last week I made a personal check with the Bureau of the Budget and as of that time the Veterans' Administrator had not yet made any request of the Bureau of the Budget for any deficiency appropriation for the operation of hospitals for the fiscal year 1950.

Mr. TABER. I have checked as of today, and there is nothing of that kind hanging before the Congress at this time.

I will now go down through the items in the bill. With reference to the Department of Labor, I believe that administrative expenses there could be cut and should be cut. I believe they have more money than they need.

The Federal Security Agency, too, I think, has more money for administrative expenses than it needs.

The General Services Administration has more money than it needs, beyond doubt.

The Housing and Home Finance Agency has been cut some, but it could still stand more of a cut on the administrative expenses.

The Department of Agriculture has become in one way or another a very large agency. At the present time the direct and indirect appropriations of funds runs something like this, without the losses of the Commodity Credit Corporation, if any. There are $764,000,000 in direct appropriations; $126,000,000 in permanent appropriations; $21,000,000 in trust funds; $520,000,000 in loan authorizations; $20,000,000 in operating expenses of the Commodity Credit Corporation; amounting in all to $1,451,000,000. In addition to that there will be whatever losses the Commodity Credit Corporation reports and are certified by the Treasury Department indicating that we would have to make an appropriation to make that Corporation good.

If the losses on the 1st of July run up to a very large figure, the amount is likely to be for Agriculture something in the nature of $2,500,000,000.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. VURSELL. The gentleman from New York has brought out that he believes there should be substantial reductions made in the administrative departments of the Government. To be practical about it, how can we get at it? Would it be possible to make a cut in each department of the unnecessary employees over a certain amount, and leave it to the department to absorb this cut in the various departments? Everyone knows there is waste in government where politics comes in, and whether it is a Republican or a Democratic administration, the big bureaucracy has a heyday. It ought to be stopped somewhere along the line and in my judgment that is where we ought to come in. I do not know what is the proper approach but I think an approach should be made and it should be backed by the Members on both sides for economy in government.

Mr. TABER. Those who know best about where the savings can be accomplished are members of the subcommittees who have served on each bill. I hope that as these chapters are read, wherever there is an item of administrative expense or anything else that has not been cut fairly and sufficiently, that an effort will be made by someone to reduce it.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself 10 additional minutes.

I hope that we will be able to cut the bill down.

I am not going to take much longer at this time, but just to show you how serious Federal expenditures are, the cost of the budget that we have before us and the incidents that go with it, will run in the neighborhood of forty-one or forty-two billion dollars. That means $285 for each man, woman, and child in the United States. It means almost as much as the income of lots of these families, perhaps it means more than the income of lots of these families. When you get to that point you are at a point where the people of the United States must begin to wake up and to realize how much it means to them to see that the expenditures of the Government are kept within bounds and that we are able to come somewhere near balancing our budget and keeping the Nation right-side up.

Mr. VURSELL. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. VURSELL. The gentleman has served on the Committee on Appropriations either as chairman or ranking minority member for many years. The question I wish to ask him is this: From the gentleman's long years of experience, taking into consideration that we are employing in the Federal department today about 2,000,000 people, does the gentleman believe that if we should cut out the useless and unnecessary employees in every department of the Government, we would be able to reduce this budget by a billion dollars and still not hurt the efficiency or the economy or the administration of the Government in any way?

Mr. TABER. The total personnel cost in this budget is right around $7,000,000,000. In my opinion we could come very close to a billion dollars in reductions of personnel without in the slightest degree impairing the efficiency of the Government.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. H. CARL ANDERSEN. The gentleman from New York and also the gentleman from Missouri have been discussing the bad shape of our national finances. I presume the gentleman from New York noticed the item in the press either yesterday or this morning to the effect that the net-income returns are falling about $1,000,000,000 less than anticipated by the administration; in other words, we are going to have a deficit in this fiscal year of at least $6,000,000,000 rather than the $5,000,000,000 many have assumed it would be. In the opinion of the gentleman from New York, would it not have been good business had that information been available last Friday when only 86 Members of this House, including the gentleman from New York and the gentleman from Minnesota now speaking, saw fit to vote against that $3,096,000,000 bill? If we do not vote against some of these expenditures, how are we ever going to balance the budget?

Mr. TABER. We are never going to balance the budget unless we make it our business to see that funds are not appropriated unless they are absolutely necessary to keep this country going.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. FORD. The gentleman is familiar with the legislation passed by the House and the Senate last session setting up the General Services Administration as recommended by the Hoover Commission. Can the gentleman tell me whether or not in fiscal year 1951 we are going to see material savings as the result of the passage of that legislation, savings promised to us by the Hoover Commission and the people who sponsored the legislation? And if so, can the gentleman refer me to information that will prove the point?

Mr. TABER. Frankly, it is set up here as $861,000,000 appropriations. I cannot turn to the amount for last year, but my recollection is that the amount this year is larger than the amount made available last year.

Mr. PHILLIPS of California. If the gentleman will yield I will give him the figures.

Mr. TABER. I yield to the gentleman from California.

Mr. PHILLIPS of California. The request was for $300,000,000 more for this year than for last, but that is not quite a comparable figure, because in that figure there are items assigned to the General Services Administration which had not been assigned to the agencies which it took over.

Mr. FORD. Leaving aside those additional functions that have been given to General Services Administration, would the gentleman say there had been any saving?

Mr. PHILLIPS of California. A money savings?

Mr. FORD. Yes.

Mr. PHILLIPS of California. There has not been any money savings. The intention was to create the saving by proper administration of the supplies and the items that come under the new agency and to believe that they will in the future produce a saving.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I say to the gentleman from Michigan that the Hoover Commission when created by the Congress was directed to do two specific and principal things. One was to find ways and means of obtaining greater economy in the conduct of our public affairs, and the other was to find ways and means of obtaining greater efficiency in the handling of those affairs. The Office of General Services was set up for two reasons, if I remember correctly. One was to give a better administration of various agencies of the Government and to put them into one organization as it were, and the other was to relieve the President of some of the personal responsibilities that have been placed upon him as a result of the agencies being made independent under the law which are now in the Office of General Services, so that there will only be one man reporting to him instead of a dozen or so.

The study of the Hoover Commission, to the best of my memory, demonstrated that by the creation of the Office of General Services we would have more efficient and a better streamlined organization that would save a great deal of time for the President over a period of time if properly administered as planned and as recommended and should bring savings of about 20 percent on the previous cost of all of the various organizations that would be included under that office, bearing in mind, of course, that historically the Government continues to cost more and more and more. I hope we can reach the place where we may reverse that trend, but it has been the historic record of most requirements that it is pretty difficult over a long period of years to cut the cost of that particular department of Government.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

Mr. BROWN of Ohio. I hope that explains the situation as I see it to the gentleman. I am not sure that there are savings reflected by this appropriation bill, but I believe the gentleman from New York and the gentleman from California are correct. It is rather difficult to get an accurate view of it at this time because all of the recommendations of the Hoover Commission which surrounded the Office of General Services have not been put into effect as yet.

Mr. FORD. It is not the fault of the Congress those recommendations have not been put into effect.

Mr. BROWN of Ohio. I agree with the gentleman, yet I must say that the Congress of necessity should give some leeway—some time—for this new organization to get into operation and under way.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Along the same line and in reference to this economy matter, is it not the purpose of plan 18 to transfer certain employees who have to do with Government buildings from, for example, the postal department over into General Services?

Mr. TABER. That is true.

Mr. HOFFMAN of Michigan. Let us go one step further. There is also in contemplation at least the plan that when those postal employees go over into General Services they are going to take with them the higher rate of pay which the postal employees have over and above those employees who were in General Services. That is true, is it not?

Mr. BROWN of Ohio. Is the gentleman asking me or the gentleman from New York?

Mr. HOFFMAN of Michigan. Well, anybody that knows the answer.

Mr. BROWN of Ohio. There is some cut, but that is my understanding of it, because of the fact that they had held a higher pay rate.

Mr. HOFFMAN of Michigan. And certain group advantages.

Mr. BROWN of Ohio. The gentleman asked me a question. Now let me answer.

Mr. HOFFMAN of Michigan. Well, I am not going to listen to the gentleman take all week to do it.

Mr. BROWN of Ohio. I do not think the gentleman controls the floor.

Mr. HOFFMAN of Michigan. Here is the proposition—I do not care how much the gentleman talks, but here is what they propose to do. The postal employees have certain vested rights, they say, in pensions, retirement pay, or whatever it is, so when they go over into General Services they are going to be bracketed in there at the same rate of pay that they get in the postal service, which is higher than employees in the General Services are going to get for the same kind of work. Well, I can see the justice in giving those who go out of the Postal Department into General Services the same rate of pay when they move over there, but what I cannot see is this: General Services employees get a longer vacation with pay and sick leave than do the fellows in the postal service, so when the postal-service fellows go over they will not only take over their higher schedule of pay, but they will also get the advantage of the longer leave of the General Services. Do you not see it is heads I win and tails I lose? Now, there is no economy in that, and there is no use pretending there is.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

Mr. BROWN of Ohio. Mr. Chairman, if the gentleman will yield, I have just listened to the gentleman from Michigan and his speech, or dissertation, or whatever you want to call it—address or something of that sort. Of course, one of the arguments we have and one of the things you are up against is whether you are going to take away from the men in the custodial service of the Post Office Department the rates of pay that they now have, and as I understand this plan, as I understand the recommendation, it

is simply this: That in order that you do not continue that practice, where in many instances the custodial employees of the Post Office Department are receiving more compensation than the postmaster, who is responsible for the post office in which he works, that you should transfer all custodial services over into the Office of General Services, making one general supervision of custodial services. But you are transferring men now in the post-office service at the same rate of pay, and they will continue to receive that until someone else is appointed, and then they come in under a lower rate of pay to fill the vacancy as these men go. If the gentleman from Michigan would have his way, he would keep them all in the Post Office Department at the higher pay and never correct the inequities and inequalities that now exist, and all the Hoover Commission tried to do was to correct that situation.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. Mention was made a few minutes ago of the bill that passed the House authorizing $3,096,000,000 for various forms of foreign aid. Included in that is an amount for fiscal advisers for these foreign governments, and a number of the governments in the Marshall plan have come close to balancing their budget. I believe we were told in the hearings that Britain has balanced its budget.

Mr. TABER. They paid a billion dollars, pretty near, on their debt, as the result of what they have gotten from us.

Mr. VORYS. What I wanted to ask the gentleman was this: Since the subcommittee is studying here in more detail the $15,500,000 for personnel for the ECA, does the gentleman know how much of that is being spent for advisers to tell these other countries how to balance their budgets?

Mr. TABER. There is a very considerable amount that is being spent for advisers, business advisers, and governmental advisers. Just exactly what the figure is I could not tell offhand. I do not have it in my head. We will have the detail of that when the item for the ECA and other activities comes up.

Mr. VORYS. Will the gentleman attempt to find out whether we could secure the services of any of those experts to advise us on how to balance our budget here?

Mr. TABER. I hope that would be better than they have been in other places.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Can it not be said for the benefit of the gentleman from Michigan that Mr. Jess Larson, the Administrator of the General Services Administration, is at least taking an inventory, and he has recently discovered among other things that the Government has stock-piled fluorescent bulbs sufficient to last the Government for the next 100 years.

Mr. TABER. The gentleman has been very persuasive, I will say. He has persuaded the Committee on Appropriations to recommend $836,000,000 as against $680,000,000 for the same activity last year. He must be a good man.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I wonder if the gentleman will comment on this new idea of bringing all appropriations here in a one-package bill?

Mr. TABER. I am afraid it takes away the sense of responsibility the individual subcommittees have to cut. Perhaps they will break in; perhaps they will get that same idea we tried to inspire in them 2 years ago and 3 years ago. But while there have been cuts here, they have not been as deep as I should like to see and they have not been as general as I should like to see them.

Mr. VAN ZANDT. Is it not possible to cover a lot of items with this one-package idea that the average Member of Congress cannot find time to study?

Mr. TABER. Frankly, it is harder for a Member of Congress to have the whole of it in one package than it is to have it in 10 or 12.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. ROONEY. Is it not easier to see how much it is all going to cost under the package bill?

Mr. TABER. It is easier to see what the over-all governmental cost is. That cost runs about $285 a head for every man, woman, and child in the United States.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield for a brief observation?

Mr. TABER. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. The gentleman from Ohio made a real contribution to this House when he mentioned that there was not going to be any wholesale cutting of the small-salaried people in the jobs of elevator operator, janitor, and other custodial jobs in any department. It seems to me when we start economizing we ought to begin in the upper brackets and cut some of the swivel-chair executives down there in the various departments. I cannot go along with trying to cut the little fellow.

Mr. TABER. Mr. Chairman, I yield such time as he may require to the gentleman from Nebraska [Mr. STEFAN].

HOW SAFE IS AMERICA?

Mr. STEFAN. Mr. Chairman, I am glad to have this opportunity to address my fellow Members concerning certain of the many problems today confronting our country which is involved in a world-wide cold war with those whose ideologies are repugnant to our people who cherish our democratic way of life.

I ask this question: How safe is America?

After 2 months of hearings on the bill making appropriations for the Departments of State, Justice, and Commerce, and also sitting in as a member of the Central Appropriations Committee reviewing the figures and reports of other subcommittees for all appropriations of Government during the next fiscal year, I cannot agree with the feelings of some of the Members that the United States is entirely safe in case an emergency should arise.

Let us look at some of the facts that were developed during our hearings.

Much has been said in the past and will be said in the future concerning our people in Government. I have been a Member of Congress some 16 years, and during that period of time I have found that the vast majority of our Government employees are sincere, loyal, and hard-working individuals. They feel the responsibility which is theirs and perform their appointed tasks diligently without thought of favor.

Two years ago our committee was able to bring to the attention of the Congress some security risks in the Department of State. As a result, Congress wrote a provision in the bill giving the Secretary of State the power to remove from service any employee who, in his opinion, was a menace to the safety of the United States.

Again, this year, during the hearings covering the Department of Commerce, the security situation gave our committee concern, with the result that a provision was written into the Commerce bill giving the Secretary of Commerce the same power to remove any employee, as had previously been given to the Secretary of State.

The Members of Congress may rest assured that our committee has carefully analyzed the problems of all agencies coming before it and has not hesitated to thoroughly look into any problem which would reflect against a strong and secure United States.

Apropos to my previous statement that I have faith in the loyalty of our hard-working Government employees, I want to point out that during Director Hoover's testimony before our committee in connection with the appropriation for the FBI, he pointed out that more than 2,000,000 loyalty forms had been processed by the FBI. From this number, field investigations were opened in 11,403 instances. Less than four-tenths of 1 percent of the employees submitting loyalty forms were subject to investigations. Our committee wholeheartedly agreed with Mr. Hoover in his statement that this program, which has resulted in cleaning out certain types of individuals in the Government service, is well worth while.

The undesirable Government employee who today is being rooted out is dangerous but not our greatest danger. I feel that a greater danger faces our country today from the activities of the subversives who are endeavoring by every means to overcome our present democratic way of life. We cannot afford to overlook the brutal truth that today we are involved in a cold war which threatens the very future of our Nation.

None are so blind as those who will not see that we must not be lulled into a false sense of security which would permit our enemies from within to accomplish what foreign aggressors from without have failed to do through the

tragedy of two great wars during our generation.

I am not low nor have I been an alarmist. I do not wish to alarm or frighten our people against a nonexistent enemy. I do feel, however, that I would be remiss in my responsibility to the citizens of this Nation if I failed to bring to their attention the very real danger which we face today. I also feel that at the same time we should put on notice those elements who are opposed to our way of life that we are aware of their conniving treachery and that we are fully capable of maintaining and will maintain a free and democratic United States.

Let us look into the record of the hearings before our committee concerning the dangers facing us today.

Mr. Hoover, during his testimony, advised our committee that the work in the internal-security field has increased tremendously; that, as a matter of fact, it is heavier now than it was at the peak of World War II. The cessation of hostilities increased rather than decreased the investigative burdens in this particular field.

The orbit of Communist control has extended from one-seventh of the world's population in 1917 to one-third of the world's population at this time. We have seen country after country fall under control of this menace until, at the present time, the United States stands as the strongest bulwark against the expansion of this ideology on a world-wide basis.

This growth is reflected in our country today. Communists have intensified their program. Their underground activities have increased proportionately.

I ask again, How safe are we? Mr. Hoover pointed out to our committee that, allied with the Communist Party in its subversive activities are a number of infiltrated Communist-front groups and certain foreign-nationality groups which are a constant menace to our way of life. Certain foreign countries are endeavoring to infiltrate our country for the purpose of securing confidential information about secret operations to which they have no right.

Our committee was advised that investigations of such groups and individuals are of a continuing nature. It was pointed out that the experiences of World War II, which brought about the downfall of entire nations through fifth-column activities, did not occur overnight. Such activity develops over a long period of years.

This is the activity which is taking place in our country today. We must be ever alert to combat these tactics.

What is the extent of communism in our country today? Mr. Hoover advised us that the Communist Party of the United States, which follows the Moscow line for the overthrow of our Government by force and violence, has a membership of approximately 54,174 persons. They spread throughout the length and breadth of our land. They can be counted in every State in the Union. They are the problems of all who cherish our present way of life. Let us not be misled by the numerical strength alone of these traitors. They possess a fanatic loyalty to their masters abroad. They have boasted that for every member of the party they have 10 willing and subservient stooges to carry on the program of the party. This means that our potential fifth column numbers approximately 540,000 persons who support the Communist philosophy.

Again, I say, be alert, be aware, and do not permit ourselves to nurture false hope that a real and pressing danger does not exist.

The Communists use every known artifice to gain their ends.

Those who are desirous of entering our country to carry on their nefarious plots find many avenues of approach open to them.

For example, during our hearings we were advised by representatives of the Immigration and Naturalization Service that there are an estimated three to three and one-half million aliens in our country today.

The justifications of the Immigration Service points out that large numbers of aliens and stowaways on vessels coming to the United States are successful in landing illegally in this country.

We were advised that such illegal entrants into our country constituted a major segment of the problem of the Immigration Service.

Further, I wish to point out that our borders, both to the north and to the south, are unfenced. It is known to all that the traffic across these borders is very heavy, making it possible for those having subversive inclinations to enter our country by these routes. Thousands of aliens enter our country illegally from Mexico. It was stated that it is simply impossible to guard the Rio Grande River in such a manner that persons could not illegally enter our country. During the fiscal year 1949 alone 289,400 persons who had entered our country illegally from Mexico were apprehended. The heavy traffic across our northern and southern borders makes possible illegal entry of those who may seek to destroy our democracy.

In connection with our displaced-persons program our committee was advised that even though investigations are conducted concerning these unfortunates some would get by the Immigration Service on forged documents, regardless of how meticulous the Immigration Service is in its investigative procedures. Advice had previously been received by the chairman of our committee from competent people connected with CIC and the IRO in Europe that the investigation of these people as to their subversive background is utterly ridiculous; that there is not a question of doubt but that one or thousands of them could come into this country who had been active members of the Communist Party behind the iron curtain.

Further, there are many aliens in our country today who have been determined to be undesirable and are subject to deportation but who cannot be deported, since it is impossible to secure travel documents for them. Many of these individuals are from the iron-curtain countries.

During our hearings, Mr. Kelly of the Immigration and Naturalization Service stated that they had between 3,500 and 4,000 such cases at that time. These people, these undesirables, are free among our people today. They are not in detention quarters but are released either on bond or on parole. The Immigration and Naturalization Service has stated that they endeavor to keep them located; however, they are free to go where they please.

Of those under deportation still in our country, there are approximately 100 free on bond, who are subversives. It is a shameful travesty of justice that these subversives, faithful to a foreign ideology which would destroy our way of life are free to roam our country spewing their venom of hate for all to see and to hear. How safe are we when such events as these can and do occur in our everyday life?

Another group of aliens from eastern Europe arrived in this country en route to South American countries, for which they had secured visas. They appear to be people of considerable means.

They made no move to continue their passages, their visas expired, and the limited number of days which were granted to them by the Immigration Service also expired. They were released on bond and they report to the Immigration Service at stated periods. Our committee was advised that we now have these people on our hands whether we like it or not, and that there is a good possibility that they will not now be accepted by the South American countries to which they were destined.

Turning again to another phase of this matter, you know that under the Foreign Agents Registration Act those agencies and individuals representing foreign countries must register with the Department of Justice.

At the close of the last fiscal year every iron curtain country had agents registered under this law. It is interesting to note that Earl Browder, whose background is known to all, was registered as an agent of the Soviet Union.

These representatives are free to travel about our country at will. We can rest assured that our representatives in their countries have no such freedom of movement.

We ask ourselves, are there other such groups active throughout our country today? The answer is yes; the foreign intelligence services through their networks are exceedingly active. Their objectives are: Information on atomic research, radar, jet propulsion, guided missiles, the securing of topographical maps of our coastal lines, our airports and military landing fields, data on biological warfare, and our industrial and military resources, among others. These groups are ever alert to secure any and all data to be forwarded to their homelands. They are endeavoring day and night to secure our know-how and to find wherein we may be vulnerable.

Again I say, our enemies are ever alert. I wonder how many of my colleagues are aware of the fact that representatives of foreign embassies in Washington carefully scrutinize, review, and index every page of our appropriations hearings. This is a must, and they are among the first to secure copies

of the hearings so that they can keep currently abreast of developments in our various branches of Government activity. They do not let to chance the securing of information which may be of importance to their governments.

The many matters which I have mentioned here today are those which I feel are of paramount importance to each and every one of us. Too often we are lulled into complacency, feeling that no real danger is being faced by our country during these critical days. I have mentioned but a few of the facts secured through our hearings, which show that the danger from subversive forces is real.

I, for one, am thoroughly aware of the dangers we face during our present cold war. We must lend our every effort to continue a strong internal defense. We must be constantly alert to render ineffective the efforts of the subversives in our midst. We cannot be penny-wise and pound-foolish. Keeping strong our agency that bears the responsibility for our internal security, is the best insurance the people of the United States can buy.

It is for this reason that your committee has approved the full amount of the budget estimate submitted to the Congress for the activities of the Federal Bureau of Investigation.

Mr. Hoover, during the presentation of his testimony, pointed out that the increase in funds requested by his Bureau, if approved, would permit increased coverage of investigative matters in the internal security field.

He advised your committee that the Communist Party has increased its activities among front groups. It has revived its drive to expand the united front program. One of the great dangers of communism is the ability of its espousers to infiltrate and corrupt various spheres of American life.

The Communist Party has endeavored to exploit youths, veterans, civil rights, foreign nationality groups, educational and many other groups.

They have developed one of the greatest propaganda machines that civilization has ever known.

Mr. Hoover further advised your committee that in the light of developments during the past year, the Communist Party has become increasingly security conscious. They are developing an underground apparatus and are decentralizing their operations. This decentralization has almost tripled the number of Communist Party clubs.

These developments have made more difficult the continued coverage of party activities. Mr. Hoover feels that with the additional men requested, an increased coverage which he deems absolutely essential can be had.

Your committee has no hesitancy in reposing its faith in Mr. Hoover and the FBI.

All of us in this Chamber remember the dark days of the early thirties when no home appeared safe. During those days crime was rampant; the kidnaper was collecting tremendous sums from families whose loved ones had been kidnaped. The extortionist was waxing rich by plying his criminal activities; the bank robber became so bold that no banker could be sure his institution would not be prey of these vultures.

In the face of this increasing criminal menace, a series of so-called crime bills were passed by Congress, the enforcement brunt falling upon the shoulders of Mr. Hoover and the men of the FBI.

They measured up to the task. Bank robbery and extortion became unprofitable pursuits. The kidnaper found that he was to spend his remaining days in prison. In only two kidnaping cases throughout the years has the FBI failed in solving the crime. These two are still under investigation.

Through the years which followed, additional tasks were assigned to the FBI and in every instance the job was well done. The back of the vicious criminal had been broken. Through the war period and up to the present time, the FBI, although having many additional duties assigned to it, has continued to investigate violations of the law without fear or favor.

When the war clouds gathered in the late thirties, the FBI was designated by the late President Roosevelt as the coordinating agency for the internal security of our country.

The manner in which Mr. Hoover and his staff performed their duties during that critical period is history.

The sneak attack on Pearl Harbor found the FBI prepared. Prior to that time, Mr. Hoover, fearing eventual war, had quietly compiled information on those whose ideologies were not those of our country so that at a moment's notice they could be taken into custody if the safety of our country was in jeopardy.

Immediately after Pearl Harbor, the men of the FBI took into custody some 16,000 potentially dangerous enemy aliens thereby removing the threat of sabotage in those critically dark days. Throughout the war period, the FBI continued its excellent work. A monument to its efficiency is the fact that there was not one single case of foreign-inspired sabotage during the entire war period. Foreign espionage rings were controlled—these spies ending up in our prisons. It can be told now that also during that critical period of our country's history, men of the FBI served with distinction throughout the Western Hemisphere.

During the cold war which has followed the shooting war, the FBI has continued to bear the coordinating responsibility for the internal security of our Nation.

Our committee has been advised of the developments of subversion in our country and of the steps taken by the FBI to overcome these activities. Mr. Hoover is acutely aware of the dangerous situation now confronting us and his every effort and resource are being expended to nullify the efforts of those who wish to destroy our way of life. He and his Bureau have been pilloried by the Communist and his stooges who have stopped at nothing in order to shake the country's faith in this organization. The charges of Gestapo, of secret police, and of national police have ben voiced long and loud by many of those whose questionable activities have been uncovered by the FBI.

Those who know Mr. Hoover know how repugnant to him is a national police. He has long advocated against such a police. He has refused to be named the investigator, prosecutor, and judge, which would be a forerunner of a police state. He has stated publicly that his is the responsibility to secure the facts through impartial investigation and that the prosecution and judgment are for the prosecutor and the courts. We need never fear any abuse of power by Mr. Hoover and the FBI.

His service is a monument to a man's devotion to his countrymen and I, for one, feel a great sense of security knowing that the ever watchful FBI is guarding the internal security of our country.

I am sure you will agree with me that our danger today is real. There are many loopholes through which the subversive and his clan can enter our country for the purpose of corrupting our way of life. We must be vigilant. We must insure our continued internal security against these elements. Approval of the pending appropriation request for the FBI is a step in that direction. I so recommend its approval.

UNITED STATES FOREIGN POLICY

Our hearings for appropriations for the Department of State contained considerable matter regarding the foreign policy of the United States Government. It was my privilege to ask a half a dozen witnesses from the Department of State to explain our foreign policy. One excellent explanation was given by Assistant Secretary Howland Sargeant and is already printed in the hearings, and I recommend the reading thereof.

However, since the hearings were held, I have had another explanation from Mr. Nelson T. Johnson of the Far Eastern Commission. I had previously discussed with Mr. Johnson the difficulty which seems to beset many people who try to define United States foreign policy. It is Mr. Johnson's thought that the constantly reiterated statement that the United States has no foreign policy is based upon a widely prevalent tendency to confuse policy with action. It is enlightening to note that Mr. Johnson and other members of the Department of State feel that the United States has pursued a very definite policy in its relation with the outside world. Mr. Johnson tells me that our policy is to promote and maintain by every means at our disposal the spiritual and material interests of the Nation and its people at home and abroad. Mr. Johnson's argument is that hundreds of individual and separate actions are taken every day by the United States Government pursuant to that policy. Such actions are taken by many agencies of the United States Government, chiefly, however by the Department of State which is the executive department principally charged with the field of foreign relations. It is the feeling of Mr. Johnson that while such actions must be in line with policy, they must be distinguished from policy.

On the subject of policy, Mr. Johnson tells me this policy is based upon certain principles which set forth our national ideals and desires in the field of foreign relations. He states that these prin-

ciples are important because they have been fed into the minds of our people by teachers, parents, and by their political leaders, and that it is at all times necessary when an agency of the United States Government takes action in the foreign field that it coordinate or aline action with these principles. When action fails to conform to these well-known principles, the Government begins to hear at once from the people whose support it seeks, for these principles have now become a part of the national thinking in regard to how, when, and why Government should act at home and abroad to promote and maintain the Nation's spiritual and material interests.

Because of the great importance to our people who are confused as to what the foreign policy of the United States is today, it should be important to state that these principles are older than the United States Government and that they go back to the first State paper issued under the authority of the United States of America to explain actions which we intended to take to promote our spiritual and material happiness and security and to achieve our independence as a Nation. Because of this importance and because of so much confusion, I am including a compilation of 14 of these fundamental principles which it seems must inform United States action in foreign affairs if such actions are to be supported by the American people. Mr. Johnson has compiled this list of Fundamental Principles Underlying United States Foreign Policy, and I include it as part of my remarks in order to complete this statement on United States foreign policy:

FUNDAMENTAL PRINCIPLES UNDERLYING UNITED STATES FOREIGN POLICY

1. The right of a people to determine for themselves how they shall be governed. (self-determination): This principle is set down in the second paragraph of the Declaration of Independence.

2. Good-neighbor policy: In his Farewell Address, Washington put it this way: "Observe good faith and justice toward all nations. Cultivate peace and harmony with all."

3. Avoid inveterate antipathies against particular nations and passionate attachment for others: In his Farewell Address, Washington said: "The Nation which indulges toward another an habitual hatred or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. * * *

"So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest * * * gives to ambitious, corrupted, or deluded citizens (who devote themselves to the favorite nation) facility to betray or sacrifice the interests of their own country without odium, sometimes even with popularity, gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion."

4. Noninvolvement in the affairs of other nations: In his Farewell Address, Washington said it this way:

"The great rule of conduct for us in regard to foreign relations is, in extending our commercial relations to have with them as little political connection as possible."

This principle is closely related to the next.

5. Nonintervention in the domestic or foreign affairs of other nations: Washington said in his farewell address: "It must be unwise in us to implicate ourselves by artificial ties in the 'ordinary' vicissitudes of her politics or the 'ordinary' combinations and collisions of her friendships or enmities."

Note here the emphasis President Washington laid upon the word "ordinary". This principle has been enunciated again and again by United States Presidents and Secretaries of State in successive administrations from Washington's down to the present.

6. The open door or equality of opportunity and nondiscrimination in international trade: President Washington said it this way in his Farewell Address: "Our commercial policy should hold an equal and impartial hand, neither seeking nor granting exclusive favors or preferences; * * * constantly keeping in view that 'tis folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character."

7. No permanent alliances: In his Farewell Address, President Washington said:

"It is our true policy to steer clear of permanent alliances with any portion of the foreign world, so far, I mean as we are now at liberty to do it. * * *

"Taking care always to keep ourselves by suitable establishments on a respectable defensive position, we may safely trust to temporary alliances for extraordinary emergencies."

8. Right of expatriation: By the act of July 27, 1868, Congress had this to say:

"SEC. 1999. Whereas the right of expatriation is a natural and inherent right of all people, indispensable to the enjoyment of the rights of life, liberty, and the pursuit of happiness * * * any declaration, instruction, opinion, order, or decision of any officer of the United States which denies, restricts, impairs, or questions the right of expatriation, is declared inconsistent with the fundamental principles of the Republic."

9. Security for ourselves along our boundaries: The emergence of this principle and the way it has been acted upon by successive administrations receives emphasis from the expansion of the United States control and jurisdiction over the continental lands westward from the Original Thirteen States until the Pacific Ocean was reached. It was this principle that moved Thomas Jefferson to send Lewis and Clark out upon the journey of exploration of the Northwest, and to declare that the United States would view with concern the transfer of New Orleans from Spain to France; the acquisition of the Northwest Territory in 1787; Tennessee in 1796; the Louisiana Purchase, 1803; West Florida, 1810; the rectification of the boundary between Canada and the United States, 1842; the annexation of Texas, 1845; California, 1848; the Gadsden Purchase, 1853; and so on.

10. Noninterference with and noncontrol by any European power over the affairs of governments of former colonies in this hemisphere, that have declared their independence and maintained it: President Monroe stated this principle in his message to Congress of December 2, 1823. He was disturbed about rumored movements on the part of European countries in trying to encourage resumption by Spain of control over former colonies.

11. Noncolonization by any European power within this hemisphere: President Monroe, disturbed over the activities of the Russians along the northwest coast of this continent stated this principle in his message to Congress of December 2, 1823.

12. Nonextension to this hemisphere by European powers of governmental systems hostile to our system of democratic government: President Monroe stated this principle in his message to Congress of December 2, 1823.

This principle has been appealed to in recent years, when we have been disturbed over rumored attempts by Nazi or Fascist organizations to extend their systems to this hemisphere.

13. Freedom of the seas: A principle of international law for which we have stood time and time again.

14. The freedom of men and women to travel upon their legitimate and innocent occasions without unnecessary or unreasonable let or hindrances: This is a principle that is suffering through ever-increasing restrictions upon travel.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. KEEFE. I notice the gentleman from Nebraska has brought into the Well of the House one portion of the bill now before us. I know the distinguished gentleman who is now about to address us has also read and examined the Budget, which is a printed document of great size, which is submitted to the Congress each year and referred to the Committee on Appropriations. As a matter of fact, is it not true that in the Budget which is submitted to the Congress, and then referred to the Committee on Appropriations, anyone can see there a one-package bill and determine from examining the Budget itself just exactly what the President's estimates of expenditures are and what the revenues will be. Is that not true?

Mr. STEFAN. That is correct.

Mr. ROONEY. Mr. Chairman, will the gentleman from Nebraska yield?

Mr. STEFAN. I yield.

Mr. ROONEY. I just want to make this observation in answer to the statement or question of the gentleman from Wisconsin, that while the budget estimate shows what the President and his Bureau of the Budget requests, it does not show the action of the Appropriation Committee of Congress which can only be shown at one time by a one-package appropriation bill.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Can the gentleman tell me why, from among the personnel who served the United States in the armed services, more persons were not selected to handle our affairs of state abroad; men whose loyalty cannot be doubted? I cannot understand this hasty selection of persons, some of whom have spent comparatively few years in the United States and who have been citizens of the United States only a short time. Can the gentleman answer those questions?

Mr. STEFAN. I cannot; I am sorry.

Mr. PHILLIPS of California Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from California.

Mr. PHILLIPS of California. I rose to ask the gentleman before, and now, if it was his intention to include with his

remarks the list that he now has upon the table top in front of him.

Mr. STEFAN. I did not intend to include that with my remarks. I have it here for the information of every Member of the House. I understand, however, that another Member of the House is going to talk about this subject and he will undoubtedly include them with his remarks.

Mr. PHILLIPS of California. I would like to say as one Member of the House that it should be included so that it will be obtainable, because we have found at home a rising tide of interest in this subject and we dislike to talk in generalities. It seems to me we have reached a point in the discussion where we should be able to give specific information and anything the gentleman can supply will be very helpful.

Mr. STEFAN. I thank the gentleman. I wish to say to the members of the committee, I know it is very hard for all of you to go through these hearings on all of these bills, but I assure you that I personally know that every volume of this appropriation bill, which contains more than 70 percent of our requests for running our Government during the next fiscal year, is today being indexed page by page, and item by item, by the very efficient staffs of the legations, the embassies and the consulates of foreign governments whose staffs have been increased 100 percent, especially those representing countries behind the iron curtain. The employment in the Russian delegation in the United Nations, when the Assembly is in session, always increases from 50 to over 100, and I notice that the number of representatives of foreign governments who are presently in a diplomatic status in the District of Columbia, have increased over 100 percent. It is a very important problem, and if we are, as the chairman says, nearing a hot war, beware, America.

Mr. ROONEY. Mr. Chairman, will the gentleman from Nebraska yield?

Mr. STEFAN. I yield to the gentleman from New York.

Mr. ROONEY. Is it not the fact that as a result of this situation which the distinguished gentleman from Nebraska describes, it becomes necessary for the subcommittees on appropriations to hear a great deal of the pertinent testimony off the record?

Mr. STEFAN. I thank the gentleman. I will say that in making up my brief statement on this warning to America, I took into consideration many of the statements that were told to us off the record, and for reasons of security. When you take the floor, there are so many things that you do not dare to talk about. The gentleman will agree with me that the situation is alarming, will he not?

Mr. ROONEY. I certainly do. I will say to the gentleman from Nebraska that he is entitled to the commendation of this House for the presentation he has made here this afternoon. In my estimation, my distinguished friend, the gentleman from Nebraska, KARL STEFAN, is one of the ablest, if not the ablest, Member of the House Committee on Appropriations, and I heartily agree with what he has said here this afternoon.

Mr. STEFAN. I deeply appreciate the commendation of my subcommittee chairman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman knows my opinion of his ability and his loyalty and his anxiety to rid the country of Communists and subversive persons, and to have a Foreign Service that is the finest and most loyal in the world.

Mr. STEFAN. I thank the gentlewoman.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, had come to no resolution thereon.

FACILITATION OF THE WORK OF THE FOREST SERVICE

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1859)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 and agree to the same.

HAROLD D. COOLEY,
STEPHEN PACE,
W. K. GRANGER,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

ALLEN J. ELLENDER,
CLYDE R. HOEY,
SPESSARD L. HOLLAND,
GEORGE D. AIKEN,
EDWARD J. THYE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Except for minor and clarifying amendments, the differences between the bill as it passed the House and the bill as agreed to by the committee of conference and reported herewith, are set out below.

SECTION 12

Section 12, as it passed the House, was in the form of direct authority for the Secretary of Agriculture to use part of the grazing fees paid for the use of national forest lands for making certain range improvements on such lands. The money set aside for this purpose would have constituted a special fund which would have been available, without fiscal year limitation, for the purposes authorized in the section.

The principal effect of the Senate amendment is to require that the funds provided for must be appropriated by Congress. The Senate amendment also establishes a definite charge per animal-month as the measure of the authorization for such purposes. The purposes for which the funds may be used are exactly the same as those provided in the House bill.

SECTION 18

This is a new section added to the bill in the Senate. It provides specific statutory recognition of, and authority for, grazing advisory boards. Such boards have been employed for many years by the Forest Service as a medium of cooperation between the Service and the permittees using the grazing lands. There are approximately 800 such advisory boards at the present time and, under the terms of the amendment, each existing board will continue to be recognized by the Department of Agriculture until replaced by a board, or boards, constituted and elected as provided in the amendment. The boards have no administrative function or authority other than that of advising the Secretary of Agriculture on local range management as provided in this section. An important provision of the section is that which seeks to safeguard the recreational values of the range lands by providing that the State game commission or the corresponding public body of the State in which the advisory board is located may designate a representative to be a member of each board to advise on wildlife problems.

SECTION 19

This is also a new section added by the Senate. It authorizes the Secretary of Agriculture to issue permits for the grazing of livestock on the national forests for periods not exceeding 10 years and renewals thereof. It has long been the practice of the Forest Service to issue such 10-year permits, but the authority to issue permits other than on an annual basis was recently challenged by a court decision. The purpose of the amendment is to give specific statutory authority for an established practice.

HAROLD D. COOLEY,
STEPHEN PACE,
W. K. GRANGER,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

RURAL REHABILITATION CORPORATION TRUST LIQUIDATION ACT

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (S. 930) to provide for the liquidation of the trusts under the transfer agreement with State rural rehabilitation cor-

porations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1865)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Rural Rehabilitation Corporation Trust Liquidation Act.'

"SEC. 2. (a) The Secretary of Agriculture (hereinafter referred to as the 'Secretary') is hereby authorized and directed to take such action as may be appropriate and necessary to liquidate, as expeditiously as possible but within 3 years from the effective date of this Act, trusts under the transfer agreements with the several State rural rehabilitation corporations, and is hereby authorized and directed to negotiate with responsible officials to that end.

"(b) The Secretary, insofar as is necessary to protect the interests of the United States and the corporations shall proceed forthwith to the conversion to cash of investments constituting the trust assets by sale of real and personal properties, and by collection of loans and accounts receivable according to the tenor of such obligations.

"(c) An application for the return of such properties may be made to the Secretary by the State rural rehabilitation corporation pursuant to appropriate resolution of its board of directors. The application shall contain a covenant, binding upon the applicant when accepted by the Secretary on behalf of the United States, that the applicant will abide by the determinations and apportionments of the Secretary provided for in this Act and the payments made by the Secretary pursuant to this Act, that the returned assets and the income therefrom will be used only for such of the rural rehabilitation purposes permissible under the corporation's charter as may from time to time be agreed upon by the applicant and the Secretary; and that not to exceed 3 per centum of the book value of the corporation's assets will be expended by the applicant for administrative purposes during any year, without the approval of the Secretary of Agriculture. If the rural rehabilitation corporation of any State has been dissolved and is not revived or reincorporated or, for any other reason, is unable to make such application or to accept and administer such properties, the application and subsequent agreements (conforming to the second sentence of this subsection) may be made by such other agency or official of that State as may be designated by the State legislature. The Secretary may transfer the trust funds or properties of such corporation to such successor agency or official if adequate provisions are made by the State legislature for holding the United States and the Secretary free from liability by virtue of the transfer to such successor agency or official.

"(d) Except as hereinafter provided, upon receipt of appropriate application meeting the requirements of this Act, the Secretary shall do all things necessary to return to each such applicant all right, title, and interest of the United States in and to all cash, real and personal property, or the proceeds thereof, held on the date of the approval of this Act by the Secretary as trustee for the account of such State corporation, except that the Secretary may deduct from the funds of each such State corporation the expenses incident to completion of such transfer: *Provided*, That such transfer shall, insofar as possible, be accomplished in a manner consistent with the provisions of the trust agreement with each State rural rehabilitation corporation.

"(e) In the event no application is made, as provided for in this Act, within 3 years from the effective date hereof or upon receipt of a disclaimer or release of interest under the trust transfer agreement by any State through its legislature, the Secretary shall cause all proceeds from assets held under or for the account of the transfer agreement with that State to be covered into miscellaneous receipts in the United States Treasury.

"(f) The Secretary is authorized to enter into agreements with any State rural rehabilitation corporation or other State agency or official having jurisdiction of the trust assets which have been returned pursuant to application made therefor under section 2 (c) hereof, and upon such terms and conditions and for such periods of time as may be mutually agreeable, to accept, administer, expend, and use in such State all or any part of such trust assets or any other funds of such State rural rehabilitation corporation or State agency, which are transferred to the Secretary for carrying out the purposes of titles I and II of the Bankhead-Jones Farm Tenant Act and in accordance with the applicable provisions of title IV thereof as now or hereafter amended. Funds appropriated for the administration of said Act shall also be available for carrying out such agreements.

"SEC. 3. The provisions of this Act shall apply also to all properties and assets of State rural rehabilitation corporations held by Federal agencies other than the Department of Agriculture under the provisions of Executive Order Numbered 9070, or otherwise. For the purposes of this Act the assets of other corporations, derived through the use of Federal Emergency Relief Administration funds, and made available to them through State rural rehabilitation corporations or otherwise acquired by them for rural rehabilitation purposes, shall be considered as a part of the trust property of the State rural rehabilitation corporations in their respective States.

"SEC. 4. For the purposes of this Act, the Secretary shall have the power to—

"(a) employ on a contract basis (without regard to the provisions of the civil-service laws or the Classification Act of 1923, as amended, but the contract shall in each case specify what civil service and related laws, if any, shall be applicable to the employment after it has been made) such appraisers, accountants, attorneys, and other personnel as he may deem necessary, in the District of Columbia and elsewhere, to aid in the liquidation and transfer of the properties and assets pursuant to this Act, and in the entering into of agreements with the corporations, or other agencies or officials designated pursuant to section 2 (c) hereof, regarding the rural rehabilitation purposes for which the property and assets shall thereafter be used by them, and in determining that such agreed purposes are being carried out. The fees, salaries, and expenses of such appraisers, accountants, attorneys, and other personnel shall be equitably apportioned by the Secretary among the respective corporations and the amount so determined to be applicable to each such corporation shall be paid by the Secretary from the trust fund of such corporation until the trust is liquidated, and thereafter by the corporation or other agency or official designated pursuant to section 2 (c) hereof. Attorneys so employed, and their fees and expenses, shall be subject to the approval and under the supervision of the Solicitor of the Department of Agriculture;

"(b) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision;

"(c) make such rules and regulations and such delegations of authority as he deems necessary to carry out the purposes of this Act.

"SEC. 5. None of the properties or assets held on the date of the approval of this Act by the Secretary as trustee pursuant to trust agreements with the various State rural rehabilitation corporations may be used by the Secretary for any purpose after the effective date of this Act, except for the purposes authorized under section 2 (d) of this Act, and for loans made prior to July 1, 1949, and to be repaid in full no later than May 1, 1952, but otherwise consistent with the provisions of title II of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. A. 1007), where necessary to supplement credit already extended to borrowers from corporation trust funds.

"SEC. 6. (a) The determination of the Secretary with respect to the assets to be returned to each State rural rehabilitation corporation or other agency or official designated pursuant to section 2 (c) hereof including, but not limited to interests in properties held jointly for such corporation and the United States, the partition of real property, the expenses incident to each transfer, the liabilities applicable to such properties, and all other phases of the transfer shall be final and conclusive upon each State rural rehabilitation corporation or such successor agency or official designated pursuant to section 2 (c) hereof, and upon all officers and agencies of the United States.

"(b) The Secretary shall be saved harmless against any personal liability he may incur in carrying out the provisions of this Act.

"SEC. 7. Section 2 (f) of the Act of August 14, 1946 (60 Stat. 1062), is hereby repealed."

And the House agree to the same.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
CLIFFORD R. HOPE,
Managers on the Part of the House.

ALLEN J. ELLENDER,
CLYDE R. HOEY,
CLINTON P. ANDERSON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 930) to provide for the liquidation of trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

The bill S. 930, and a companion bill, H. R. 2392, were identical at the time they were introduced in the respective Houses. S. 930 was adopted by the Senate without

substantial change from its original form, whereas H. R. 2392 was amended in committee and the committee amendments were adopted by the House. Upon the adoption by the House of H. R. 2392, the Senate bill (S. 930) was taken from the Speaker's table, the language of the House bill (H. R. 2392, as amended) was substituted for the language of the Senate bill and S. 930 was thereupon adopted by the House. The bill before the committee of conference, therefore, was S. 930, as amended by substitution of the House language for the entire text of S. 930 as it had passed the Senate. In agreeing to the amendment recommended herewith, the committee of conference has accepted the 3-year option period provided in the House bill. It has left unchanged the right of the States to demand the return of the trust assets during this 3-year period and the provisions as to the manner in which those assets are to be used upon their return to the respective States.

In the matter of the disposal of trust assets other than those returned outright to the States, the amendment agreed to by the committee of conference strikes out that provision of the House bill which, in the absence of an application for a return of the trust assets, would have placed such assets in a revolving fund to be used within the State for purposes of the Bankhead-Jones Farm Tenant Act, and includes a new provision, appearing as section 2 (f) of the conference report, which is in the nature of a compromise between the Senate and House provisions. This section authorizes the Secretary of Agriculture to enter into agreement with any State rural rehabilitation corporation, or other State agency having official jurisdiction of the trust assets which have been returned pursuant to the provisions of this act, for the administration of such funds by the Secretary, together with any other funds which may be transferred to the Secretary by the respective States, for carrying out within the State the general purposes of titles I, II, and IV of the Bankhead-Jones Farm Tenant Act. This will permit States which want to have these funds administered by the Federal Government to provide by agreement a program very similar to that in effect in the past.

In the bill as adopted by the House, there were the following two methods of disposing of these funds: (1) Return to the States upon proper demand (identical with the provisions of the Senate bill); (2) upon waiver by a State or failure to assert its claim within the time limitation, the placing of such funds in a special revolving fund to be used for the general purposes of titles I, II, and IV of the Bankhead-Jones Farm Tenant Act within the respective States.

The conference amendment reported herewith authorizes disposition of the funds under the following alternatives: (1) Outright return to the States (the same as provided by both the House and Senate bills); (2) the return of title in the assets to the States with authority for the Secretary of Agriculture and the States to make a new agreement for the administration by him of such assets; (3) the covering of such assets into the miscellaneous receipts of the Treasury if, upon the expiration of the 3-year period, the State has not exercised its option to claim the assets and have them administered under either of the two provisions described above.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
CLIFFORD R. HOPE,
Managers on the Part of the House.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOPE. Will the gentleman explain the differences between the conference report and the House version of the bill?

Mr. COOLEY. Actually, no very important changes were made in the House bill. The only very substantial change is with regard to the disposal of trust assets. The bill now provides for an outright rate of the assets of the several corporations. It provides a 3-year period within which the State corporations may make application for a rate of such assets pursuant to the trust agreement. In the event no application for a rate of the trust assets is filed within 3 years, the House bill provided that such assets would be placed in a revolving fund to be used within the State for purposes of the Bankhead-Jones Farm Tenant Act. The conference report, which is in the nature of a compromise between this provision and a provision in the Senate bill which provided that such assets would under such circumstances revert to the Treasury authorizes the Secretary of Agriculture to enter into an agreement with any State rural rehabilitation corporation or other State agency having official jurisdiction of the trust assets which have been returned pursuant to the provisions of the act and for the administration of such funds by the Secretary, together with any other funds which may be transferred to the Secretary by such corporations or other agencies, to be used in carrying out within the State the general purposes of titles 1, 2, and 4 of the Bankhead-Jones Farm Tenant Act. This will permit States which want to have these funds administered by the Federal Government to provide by agreement a program very similar to that which has been in effect in the past or such other program as may be agreed upon and which might be compatible with the letter and spirit of the law. The statement of the managers on the part of the House, which has just been read, clearly indicates that the changes are not too important. I might observe, however, that such changes as have been made, I am certain, will meet with the approval of the officials of the Farmers Home Administration.

Mr. HOPE. There is a further provision, is there not, that if the funds are not claimed in either way by the States they will go into the General Treasury of the United States?

Mr. COOLEY. That is right.

Mr. HOPE. I thank the gentleman.

Mr. COOLEY. Mr. Speaker, the committee of the conference has agreed on a bill to provide for the liquidation of the trusts under the transfer agreements between the Secretary of Agriculture and the various State rural rehabilitation corporations. The conference report (H. Rept. No. 1865) on the bill (S. 930) has been signed by the managers of the bill for the House and Senate and has been published in the CONGRESSIONAL RECORD for March 31, 1950.

This bill, which originated in the House as H. R. 2392, was debated at length here in the House on March 1 and 2, and was passed. As will be seen from the conference report, only one significant change was made in the bill by the conference committee. That was the deletion of the revolving fund provision of section 2 (e) and the substitution for it of section 2 (f) as a compromise between the provisions of the House and Senate bills.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LIQUIDATION OF STATE RURAL REHABILITATION CORPORATION TRUST ASSETS

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, the addition of a new section 2 (f) was discussed in the House debates and was requested by numerous members of both Houses and the Administrator of the Farmers Home Administration in order that the bill might provide authority for the Secretary to contract with the State rural rehabilitation corporations or other State agencies or officials having jurisdiction of the corporate assets, hereinafter referred to as the "corporations" unless otherwise indicated, for the administration of all or a part of the corporate assets by the Farmers Home Administration.

While it is anticipated that some corporations may desire to have all of their assets returned to them for administration, it is anticipated that others will prefer to have all of their assets, except such as may be needed for their administrative expenses, administered by the Secretary through the Farmers Home Administration under section 2 (f) contracts, and that still others may prefer to have a part of their assets returned to them for use in carrying out particular projects, defraying their administrative expenses, et cetera, and to have the remainder of their assets administered under such section 2 (f) contracts. The bill permits such combination methods to be used.

Agreements entered into under section 2 (f) would provide for administration of the transferred assets by the Secretary upon such terms and conditions and for such periods of time as were mutually agreeable to the Secretary and the corporations. Agreement upon the rules and regulations governing the administration of the transferred assets would enable the corporations through their officials or designated representatives to keep abreast of the administration of their assets, should enable them to answer inquiries of State officials vested with authority to inquire into the administration of such assets, and should avoid any accounting problems with which the Secretary might otherwise be confronted at the termination of the agreements. The agreements could provide for administration of the transferred assets in the name of the United States and for use of its service agencies as at present, if that is considered desirable.

Agreements could be entered into under section 2 (f) for the purpose of permitting the Secretary to use corporation assets for the purposes of titles I and II of the Bankhead-Jones Farm Tenant Act, as amended, and for other purposes for which they were previously used by the Secretary, if they were transferred to him for those purposes. The agreements could also contain such other provisions as are deemed necessary, so long as they are consistent with the provisions of the bill.

Agreements entered into under section 2 (f) could permit the Secretary to use a reasonable percentage of the transferred assets for expenses of administration thereof, or any amounts appropriated by Congress for that purpose. Expenditures for such costs of administration should be kept reasonable, consistent with the services required to be performed. Since the administrative functions under section 2 (f) contracts will be substantially the same as they were under the trust agreements, it would seem that such expenditures by the Secretary could be kept within the rate heretofore charged by the Secretary against the trust assets in connection with his administration thereof through the Farmers Home Administration, except for the cost of special personnel employed under section 4 (a) to aid the Secretary in liquidating the trusts, returning the trust assets to the corporations or States, entering into contracts under section 2 (f), and so forth. There would seem to be no good reason why Congress should make appropriations for administration of such assets, but that is a matter for consideration in connection with annual Department of Agriculture appropriation acts.

The entering into of agreements under section 2 (f) would be entirely optional with the Secretary and each corporation or other State agency or official having jurisdiction of the corporate assets, and at the termination of the original agreement or last renewal thereof, the assets then remaining of those transferred to the Secretary for administration, would be returned to the corporation or other State agency or official having jurisdiction thereof, in the same manner and to the same extent as if the 2 (f) agreement had never been entered into.

EXTENSION OF REMARKS

Mr. KLEIN asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. TAURIELLO asked and was given permission to extend his remarks and include an article from the Buffalo Courier.

Mr. FLOOD asked and was given permission to extend his remarks and include an address.

Mr. CARNAHAN asked and was given permission to extend his remarks and include extraneous matter.

Mr. VELDE asked and was given permission to extend his remarks and to include an editorial.

Mr. JENISON asked and was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. FOULSON (at the request of Mr. H. CARL ANDERSEN) was given permission to extend his remarks in two instances, and to include an editorial.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include an editorial from today's Washington News.

Mr. JUDD asked and was given permission to extend his remarks in three instances and to include extraneous matter.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD.

The SPEAKER. Under previous order of the House, the gentleman from Montana [Mr. MANSFIELD] is recognized for 30 minutes.

MORE EFFICIENT WORK FOR MARSHALL PLAN MONEY

Mr. MANSFIELD. Mr. Speaker, we are now at the halfway point of the Marshall plan. In the past 2 years some $9,000,000,000 has been spent under this program for foreign aid—mostly for European recovery. It is proposed to spend several billion more before the program is completed.

The principle lying behind this program is certainly a splendid one. The countries of Europe whose economies were shattered at the end of the war needed help. They had to repair their cities. It was necessary for them to rebuild factories and put their farmers back on their feet. But in a world where the United States was the only country with goods to sell, the nations of Europe had no dollars with which to buy. The Marshall plan came as a timely solution.

Any plan that has been so costly and has been designed to achieve so much should, it seems to me, be looked at pretty carefully to see if the money is producing the desired results. Every Member of Congress, and every American, has a duty that goes beyond furnishing dollars. He owes it to himself to be satisfied that our dollars are spent in the wisest possible way. It is just as important that the countries being helped are rebuilding in the same fashion.

The main object of the Marshall plan is not charity. In originally passing the act, the Congress intended that European countries should be helped to use their own powers. The intention was to serve the American taxpayer, as well as less fortunate Europeans. Since the program began, its administrators have emphasized again and again that self-help was their first desire. Mr. Hoffman and Mr. Harriman, for example, have told us that they are doing their best to see that when the program ends in 1952 the 16 European countries will have healthy, expanding economies.

All this implies one thing. The countries who could not rebuild because they did not have dollars must have some ability to earn dollars in the future. Unless they do, the whole idea of foreign assistance will degenerate into the worst kind of charity. It will become an endless dole, of no real help to either the giver or receiver. Our main interest then, should be centered on whether or not the nations of Europe have been helped—and are helping themselves—to generate dollars now and for the future.

There are only a few ways for European nations to earn dollars. One is through imports received by the United States. By this system, goods have to be made and sold to us before dollars can go abroad. And dollars must go abroad before they can come back to us in payment for our manufactured goods.

As we all know so well, this situation raises a problem for Europeans and Americans alike. Most foreign goods sent into our markets—or even into markets outside of this country in which we sell goods—cannot be sold without competing with our domestic manufacturers. Increasing the volume of the goods they sell in competition with us, means that Marshall-plan countries have to take the time to carefully study American tastes and preferences. They must make market surveys, open outlets, and compete with a country whose middle name is salesmanship.

It seems that these trade difficulties are being straightened out in the best way possible. No matter what the solution turns out to be, however, most European imports into the United States will not earn dollars without causing a good deal of painful readjustment. But there is one other way for these countries to get dollars. It is a way that will not hurt anyone in the United States while it is helping everyone in Europe.

I am talking about travel, or tourism, or whatever word suits your fancy to describe Americans going abroad. Every dollar they leave behind overseas will make the Marshall-plan area healthier. Every one of those dollars means more business for us because they must all eventually come back here to be spent. Every dollar taken abroad by an American tourist is the equivalent of one paid for goods imported into the United States. But in the case of the foreign-travel dollar, no threat is offered to American industry.

It is apparent that travel is important to the future health of Europe, but I do not think most of us realize just how important it is. In 1948, 210,000 Americans visited Marshall plan Europe. They spent $103,000,000, or 19 percent of all the dollars the area was able to generate. Last year, 280,000 Americans went abroad to these same countries. They spent $164,000,000, or 32 percent of all the dollars these countries were able to earn for themselves.

Consider the significance of these facts. Although the number of our people going to Europe increased by approximately a third, the amount of money they spent was more than half again the 1948 figure. This is an interesting trend. It shows that Americans stayed abroad longer on the average and that the Europeans had more to sell to them. But the figures show something much more important at a time when we are interested in the ability of the area to generate dollars.

Almost one-third of all the dollars earned by Marshall plan Europe last year was obtained from American travelers.

Actually the greatest dollar generator Europe has at present is its tourist industry. There is evidence to show that the possibilities of the industry have only been scratched. We can see how in 12 short months alone, the dollars earned by this industry jumped by 50 percent. It is estimated by Marshall-plan officials

that by 1952, $800,000,000 will be spent by Americans in Europe. Projecting the figures into the future, we can see that the day is not far away when this industry can be earning sums that will not only keep the Marshall-plan nations healthy but will be helping us get back the money we are now putting into foreign recovery. Mr. Harriman himself has testified before a Senate committee that in time the annual amount spent by Americans traveling abroad could run as high as $1,600,000,000.

The expansion of travel—and, therefore, the growth of Europe's most important dollar producer—depends on two physical conditions. It is pretty apparent that the urge to travel is very strong in this country. This is now particularly true among the large middle-income group, which has discovered that time and expense are no longer barriers to dreams. What these people want is enough reasonable transportation facilities to carry them across, or over, the Atlantic. And, like all people on vacations, they want their needs and wishes fulfilled once they are abroad.

The first condition does not really fall in the province of the Marshall plan. More and more passage space is being made available by commercial steamship and air lines. Competition and enlarged facilities are also both helping to lower these rates. Prospective travelers are finding that getting to and from Marshall-plan Europe is becoming easier all the time.

The second condition, however, that having to do with the European travel plant and facilities, comes very directly within the interests of ECA. Attracting the tourist abroad in the first place, and keeping him happy once he is there, is the definite responsibility of foreign countries in need of American dollars. In the same fashion it should be the concern of the Marshall-plan administrators, now trying to improve Europe's ability to earn dollars.

To develop the tourist industry to some proportion of its potential calls for many efforts on the part of foreign countries. The travel plant of Europe might well be regeared to cater to American needs and tastes. Among the most important requirements in this category are modern, comfortable, efficiently run hotels—the kind to which our citizens are used when traveling in this country.

Some idea of the role hotels play in the American travelers' plans can be realized from the fact that last year the average tourist planned to visit three foreign countries, one of which was almost always England. However, many of the travelers changed their plans and spent only 2 or 3 days in that country. They did not like the accommodations, the food, or the service. Because England was backward in these respects she lost a large number of American dollars.

Going beyond England to the Continent, the same neglect of the travel plant prevails. Generally there is nothing for the traveler to choose but the expensive, over-luxurious type of hotel, or the small establishment lacking both privacy and comfort. I do not mean to imply that Europeans should change their customs. But if they want to attract a continuous and ever-growing stream of tourists to their borders they would be smart to give the American the kind of accommodations he prefers.

Much of the neglect of tourism can be laid to the short-sightedness of Marshall-plan countries. Many of them are spending hundreds of millions of our dollars on projects or industries that could not possibly measure up to the tourist industry as future dollars earners. In the latest studies made by these countries of their Marshall-plan programs, most of them do not even mention tourism as a dollar-producing industry. Only one—Italy—has asked for counterpart funds to be released for hotel building, modernizing, and other aspects of tourist promotion. That was in 1948 and has done little good. Many pilgrims going to Rome for the holy year will sleep in tents because the Italians have found out that a hotel takes 3 years or more to build.

Going beyond Europe to the Middle East, the same kind of lethargy is to be found on the part of foreign governments. A few years ago, for example, Turkey was considered to have tremendous tourist possibilities. Today the visitor who is attracted to Istanbul—the principal city—is lucky to get a halfway comfortable hotel room there. Yet many millions of Marshall-plan dollars, in direct aid and counterpart funds, have been spent in Turkey. It is questionable whether they have gone for projects that will help Turkey earn dollars in the future.

It may well be asked how foreign countries receiving Marshall-plan aid can go about doing something to help themselves earn more tourist dollars in the future. The answers to that are simple. They can make it easier for travelers to come to their country. They can make it easier for them to see things when they get there. They can modernize and expand their tourist plant.

For the latter purpose, counterpart funds might easily be used. Counterpart funds, as you know, are made up of payments in local currency for American goods. These are kept in the country and spent at the discretion of its government, with the consent of Marshall-plan officials, for local projects. It has been remarked that the most tempting project for many local governments is a reduction of their own national debts. This would, of course, represent a double contribution to a foreign country by American taxpayers and violate as well the whole two-way concept of the Marshall plan. Moreover, there is a strong legal reason for Marshall-plan countries to pay more attention to tourism. All the basic Marshall-plan agreements between the United States and other nations contain the following clause:

> The Government of ———— will cooperate with the Government of the United States of America in facilitating and encouraging the promotion and development of travel by citizens of the United States of America to and within participating countries.

The wording is explicit and the intent is plain. When Congress drew up the Marshall plan it saw the potentialities of tourism as a dollar earner. Its foresight has been proven. Now it is long past time for the countries being helped by our money to see the same truth and start some concrete plans and projects.

There is another question we might well ask ourselves with an appropriation bill for more Marshall-plan money soon to come before the House. Have those who administer the ECA done all they might have for tourism, specifically, in the light of the fact that it is Europe's greatest dollar producer?

Any honest answer to that question would have to hedge a good bit. Since July 1948 the Marshall plan has utilized a part of the Department of Commerce which had been previously designed and set up to encourage travel abroad. Under the difficulties of double command, spending only token funds compared to the sums given for other Marshall-plan purposes, the chief of this branch has done a commendable job indeed. But there is always the possibility that his actions would have been carried out if ECA had not existed at all.

Examining individual actions of the Marshall plan in promoting tourism gives the same fuzzy impression. Some months ago, for example, a number of foreign tourist experts and hotel men were brought here at the expense of the United States Government. The purpose of the trip was to acquaint them with American methods and desires. It comes naturally to mind that perhaps working a plan like this the other way round would have been more productive for all concerned.

Then, too, many projects that Marshall-plan officials claim to be encouraging tourism in foreign countries are open to different interpretation. Roads, for example, though helpful to a country's internal economy, are not serving tourists who will not go to that country because there is not a good place for them to stay.

It seems plain that the heart of this matter may have been missed altogether. There may be some excuse for foreign countries overlooking the fact that tourism as a dollar producer has no equal, though it would be a hard excuse for most of us to understand. It is even more difficult to conceive of any plausible reason for Marshall-plan officials to fail to bring this fact to a foreign nation's attention.

When we are spending for the purpose of helping other peoples in the world earn dollars, it would seem to be our simple duty to suggest that counterpart funds, at least, be used to build up the one industry that can earn more dollars for these peoples than all other methods combined.

My feeling for the principles of the Marshall plan is very strong. I do not see how any country like ours could face such need and not respond as we have done. But believing in the principles makes me even more critical about the practices. I think they should be just as perfect as thought and hard work can make them.

The truth about the Marshall plan is as simple as this. Unless it helps the nations of Europe to stand on their own feet, it will have failed. Those nations will have a hard time of it, indeed, if

their capacity to earn dollars is not improved. The one industry that is now earning the largest number of dollars—and which has the best chance to increase those earnings—is now being neglected. Something should be done to change this state of affairs.

My own desire is to see that countries now receiving help from us should do all in their power to put their tourist industries on an efficient basis. Marshall-plan officials responsible for strengthening the dollar-producing industries of Europe should not forget the most important one of all.

Without these actions the countries of Europe may well pass by a main chance to advance the welfare of the world. And the officials of the ECA will have failed to carry out the express wish of the American people.

[From the New York Times]

BRITAIN ONLY A WAY STATION FOR UNITED STATES TOURISTS ON ROAD TO A GAYER PARIS, MEMBER OF PARLIAMENT COMPLAINS

(By Clifton Daniel)

LONDON, March 10.—Britain was depicted in the House of Commons today as a place where American tourists stay for a day or two on their way to Paris "to enjoy themselves."

How to make American visitors happier—and more liberal in their spending—was the subject under discussion. It was the first topic considered by the new Parliament after the serious business of debating the Labor Government's legislative program.

The members apparently had been eavesdropping on American visitors or reading their minds. Edward Carson, Conservative, who initiated the debate, said that Britain needed more middle-class hotels and more imagination by hotel managements if it was to compete on equal terms with France and other countries.

Travel facilities, he added, are inadequate and expensive.

M. J. Lewis, the Labor member who described Britain as a way station on the high road to high times in Paris, declared that hundreds of thousands of tourists' dollars were being lost because of the rigamorale involved in buying goods without the heavy British purchase tax.

Also, said Mr. Lewis, visitors who went into hotels expecting to have a 5-shilling meal found that they had to pay £3 for a 10-shilling bottle of wine, plus music charges and house charges.

Because of the restrictions, Mr. Lewis declared, American visitors who might have remained here for many weeks departed after a few days for countries without restrictions.

William Teeling, member for the resort town of Brighton, recounted that on a recent visit to a hotel in Oxford he had been denied note paper in the evening and special cutlery in the morning, and could not get service in his room.

Replying to the complaints, Horace Bottomley, Secretary for Overseas Trade, assured the House that the Government was fully aware of the importance of tourist business, one of the highest dollar-earning industries in the country.

"We are aware of the need to attract the right kind of tourists," Mr. Bottomley said, "We want to get at the middle classes, who are now traveling more than before, and if we can appeal to them in any connection we shall do so."

He said the Government was doing all it could to show tourists that there were many places outside London where they could stay, and to release hotel accommodation. He also said it was considering a system of temporary hotels used in Sweden and the use of houseboats on the Thames for visitors.

[From the Christian Science Monitor, Boston, Mass., of April 1, 1950]

EUROPE LOOKS TO UNITED STATES AT PATTERN FOR HOTELS

(By Stafford Derby)

NEW YORK.—Motels on the storied islands of the Aegean Sea, cool shower baths in Tuscan inns to wash away the dust of Italian byways, and ice water served for breakfast with no eyebrow raising in Parisian pensions may be in the offing for American tourists.

These possibilities are the result of a recent study of the hotel and tourist industry by 14 hotelmen from Greece, Italy, France, and Portugal here under the auspices of the Economic Cooperation Administration.

A 6-week tour took the overseas hotelmen to the Williamsburg restoration in Virginia, the boardwalk at Atlantic City, the Pocono Mountains of Pennsylvania, the noted hostelries in Saratoga Springs, N. Y., and Sturbridge, Mass., and ended in the sky-piercing giants of this city. Three points were emphasized by travelers at a round-table discussion:

IMPROVEMENTS SEEN

First, more middle-income Americans should enjoy travel abroad.

Second, improvement of overseas hotels and inns by introducing important incidentals to meet the habits of American travelers could be accommodated at once. Long-range mechanical equipment improvements would have to wait.

Third, American leadership in the back half of the hotel with its standards of cleanliness—even the air is cleaned—would be followed in modernization from Athens to Paris.

The group was here as part of the drive to bring more American dollars to the Marshall-plan countries through tourism.

BOON TO TOURISM

At the end of their education trip they were sure that what they had seen, learned, and inspected would bolster the entire tourist industry in their countries and, what was more—would attract return visits.

Lucien Serre, director of hotels in Paris, Cannes, and Biarritz, said:

"We've learned a lot about the way the average American eats and lives while traveling. We'll keep our French atmosphere, but we also will be prepared to serve a glass of ice water for breakfast without surprise.

"Motels and motor courts can fit into our country-inn arrangements very nicely. We can build cottages near the inns and attract the motorist."

AIM TO BOOST TRAVEL

"Next year is the two thousandth anniversary of Paris. We will be ready to take care of our guests this year so that they and their friends will want to return for that great celebration in 1951."

The French hotel director explained that "in 1949, tourism brought $350,000,000 into France. By 1952 we aim for a $500,000,000 total."

All around the table heads nodded at the 1952 figure—that was the official goal of Marshall-plan aid and the time when Marshall-plan countries needed to be strongest in dollars.

An observer from the Greek Government was a member of this group—second such to visit America. He was Capt. Tryfon P. Constantinidis, coordinator and inspector of the Greek tourist department.

HIGH LIVING STANDARDS

His broad impression from the trip betrayed his military training—he is an officer in the Greek Navy. "Organization for a direct aim—much as you did in the assault into Normandy—that is what we must learn."

As for the American middle-income group, the Greek officer was impressed by the high standard of living enjoyed.

"Here your American middle-income individuals live like the best. In Europe you can find no such standard. Here your farmer can hope to have $500 and go abroad. At home this would be impossible."

He had seen women manage and supervise in the American hotels. "This is something new to us," said the Greek official. "But the way they help in the hotel business is something to think about."

SEA HIGHWAYS

His sea-girt homeland with its 120 islands was enthusiastically seen by Captain Constantinidis as a proper place for an adaptation of the motels of America.

Highways which are the feeders for such combination hotels and motor courts in the United States are practically nonexistent in Greece, he admitted.

But sea lanes. This was another matter. The classic blue of the sky over Hellas almost swept into the conference room at the Hotel Roosevelt, as the captain drew word-pictures of modern living accommodations on the islands, with picturesque sailboats the accepted mode of travel.

The Italians who were in the group included Dr. Ignazio Gardella, of Milan, an architect.

BETTER VENTILATION

Ventilation and shower baths caught his eye. Explaining that custom had required all bathrooms to be outside rooms in Italy, he believed now that with proper artificial ventilation they could be placed inside and thus be attached to many rooms.

Serafino Stoppini, hotel manager in Siena, also favored the ventilation systems seen in the American hotels—particularly in the kitchens, and storerooms.

Spiros J. Damigos, of Athens, said: "We have come to see what the American tourist expects when he goes abroad. We must go back and arrange things to make him comfortable. Now that we know better, I think we can."

Other members of the group were: France, Jacques Gauthier, and Pierre Lafon, both from Paris; Greece, George Canellos, Takis P. Caradontis, and Dimitri C. Liacopoulos, all from Athens; Italy, Dr. Costantino Gallia, of Milan, and Riccardo Zucchi, of Venice; and Portugal, Jorge Barralho, of Lisbon.

(Mr. MANSFIELD asked and was given permission to revise and extend his remarks, and include some newspaper articles.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SHELLEY (at the request of Mr. HAVENNER), for an indefinite period, on account of illness.

To Mr. WELCH, for an indefinite period, on account of official business.

To Mr. WAGNER, for an indefinite period, on account of illness.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 1758. An act to amend the Natural Gas Act approved June 21, 1938, as amended.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 507. An act for the relief of Mrs. Lorraine Malone; and

S. 738. An act for the relief of Earl B. Hochwalt.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 4, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1355. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to amend title 18 of the United States Code, entitled 'Crimes and Criminal Procedure,' to provide basic authority for certain activities of the United States Secret Service, and for other purposes"; to the Committee on the Judiciary.

1356. A letter from the Under Secretary of State, transmitting a draft of a bill entitled "A bill to authorize the carrying out of the provisions of articles 12 and 23 of the treaty of February 3, 1944, between the United States and Mexico, by authorizing the acquisition of certain properties of the Imperial irrigation district of California, situated in the vicinity of Andrade, Calif., and for other purposes"; to the Committee on Foreign Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Wyoming:

H. R. 7977. A bill to authorize the city of Buffalo, Wyo., to make additional uses of certain lands, and for other purposes; to the Committee of Public Lands.

By Mr. HARRIS:

H. R. 7978. A bill to provide compensation under the veterans' laws and regulations for a child whose legal adoption by a veteran of World War II was not completed before the service-connected death of such veteran; to the Committee on Veterans' Affairs.

By Mr. JOHNSON:

H. R. 7979. A bill to authorize the development of the Feather River Basin for irrigation, flood control, and other purposes, as an integral part of the Central Valley project, California; to the Committee on Public Lands.

By Mr. LOVRE:

H. R. 7980. A bill to establish a United States Air Force Academy in the First District of South Dakota; to the Committee on Armed Services.

By Mr. MANSFIELD:

H. R. 7981. A bill to authorize the sale of certain land to the town of St. Ignatius, Mont., for municipal airport purposes; to the Committee on Public Lands.

By Mr. MARSALIS:

H. R. 7982. A bill to abolish the Wheeler National Monument, in the State of Colorado, and to provide for the administration of the lands contained therein as a part of the national forest within which such national monument is situated, and for other purposes; to the Committee on Public Lands.

By Mr. O'SULLIVAN:

H. R. 7983. A bill to prohibit the transportation or importation of any goods, wares, or merchandise manufactured, produced, or mined by any person, firm, or corporation who has refused to bargain collectively, fairly, and in good faith with employees or who indulges in any unfair labor practices; prohibition against same; penalty for violating the act; and exceptions to the scope of the act; to the Committee on Education and Labor.

By Mr. PETERSON:

H. R. 7984. A bill to authorize the conveyance to the city of Miles City, State of Montana, certain lands in Custer County, Mont., and for other purposes; to the Committee on Public Lands.

By Mr. SABATH:

H. R. 7985. A bill providing for an increase in salary for an employee of the House of Representatives; to the Committee on House Administration.

By Mr. SCUDDER:

H. R. 7986. A bill to authorize the preliminary examination and survey of reclamation district No. 768, Humboldt County, Calif.; to the Committee on Public Works.

By Mr. ANGELL:

H. R. 7987. A bill to provide for the acquisition of a site and preparation of plans and specifications for a new postal building in the Montavilla district, in Portland, Oreg., and for other purposes; to the Committee on Public Works.

H. R. 7988. A bill to provide for the acquisition of a site and preparation of plans and specifications for a new postal building in the Rose City Park district, in Portland, Oreg., and for other purposes; to the Committee on Public Works.

By Mr. FORD (by request):

H. R. 7989. A bill to authorize the Administrator of Veterans' Affairs to institute a program to assist in the rehabilitation of veterans suffering from neuropsychiatric diseases by means of conservation work on public lands; to the Committee on Veterans' Affairs.

By Mr. CELLER:

H. R. 7990. A bill to incorporate the American Society of International Law, and for other purposes; to the Committee on the Judicary.

By Mr. STANLEY:

H. Res. 534. Resolution providing for additional compensation for certain employees of the House of Representatives; to the Committee on House Administration.

By Mr. MARCANTONIO:

H. Res. 535. Resolution for the relief of Mrs. Elizabeth Bowers Lawrence Hebard; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred, as follows:

By Mr. LUCAS:

H. R. 7991. A bill for the relief of D. C. Hall Motor Transportation; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 7992. A bill for the relief of Daniel M. Templin; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

2044. By the SPEAKER: Petition of the City Council of Cincinnati, Ohio, with reference to restoring $1,000,000 cut in executive budget for the West Fork Reservoir; to the Committee on Appropriations.

2045. Also, petition of C. G. Roseberry, city clerk, Long Beach, Calif., requesting Congress to enact House bill 4258 in order that amounts paid for admissions to certain publicly owned recreation facilities may be exempt from the Federal admissions tax; to the Committee on Ways and Means.

2046. Also, petition of J. M. Schneider and others, St. Petersburg, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

2047. By Mr. LECOMPTE: Petition of the Progressive Chautauqua Literary Circle, of Creston, Iowa, expressing opposition to any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, APRIL 4, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in the holy pilgrimage of this sacred week we fain would join devout multitudes treading the way of sorrow, as we lift our eyes to a green hill outside a city wall and to a lone cross against the sky, a cross so old and yet so new. As crusaders in the holy cause of human freedom may we conquer by that sign which forever is the inspiring symbol of joy through sorrow, strength out of weakness, triumph out of failure, song through sacrifice, gain through loss, and life through death.

O Thou whose nature is unbroken serenity, in these disturbing times make us quiet before Thee, quiet enough to see the paths our feet must tread, quiet enough to hear Thy voice, quiet enough to realize that in Thy will is our peace. We ask it in the name of Him who said, "My peace I give unto you," even in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of Monday, April 3, 1950, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 2559) to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 176. An act to amend section 83 of the Hawaiian Organic Act to provide that women may serve on juries in the Territory of Hawaii;

H. R. 179. An act to provide for the appointment of the adjutant general of the Territory of Hawaii;

H. R. 3783. An act authorizing the transfer of part of Camp Joseph T. Robinson to the State of Arkansas;

H. R. 4386. An act to amend section 2 (a) and section 7 of the Foreign Agents Registration Act of 1938, as amended, to make failure of registration a continuing offense, and to continue the obligation of officers, directors, and persons acting as such, to comply with the act despite dissolution of a foreign agent;

H. R. 4433. An act to make retrocession to the Commonwealth of Massachusetts over certain land in Shirley, Mass.;

H. R. 4732. An act to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California, in Sonoma County, Calif., and to furnish said school district water free of charge;

H. R. 5511. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities;

H. R. 5984. An act to approve Joint Resolution 12 enacted by the Legislature of the Territory of Hawaii in the regular session of 1949, relating to the granting of land patents in fee simple to certain lessees under homestead leases;

H. R. 6561. An act to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans; and

H. R. 6825. An act to extend the time limits for the award of certain decorations, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 507. An act for the relief of Mrs. Lorraine Malone;

S. 738. An act for the relief of Earl B. Hochwalt; and

H. R. 1758. An act to amend the Natural Gas Act approved June 21, 1938, as amended.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	McMahon
Anderson	Hickenlooper	Magnuson
Brewster	Hill	Malone
Bricker	Hoey	Martin
Bridges	Holland	Maybank
Butler	Humphrey	Millikin
Cain	Hunt	Morse
Capehart	Ives	Mundt
Chavez	Jenner	Murray
Connally	Johnson, Colo.	Myers
Cordon	Johnson, Tex.	Neely
Darby	Johnston, S. C.	O'Conor
Donnell	Kefauver	O'Mahoney
Douglas	Kem	Robertson
Dworshak	Kerr	Russell
Eastland	Kilgore	Saltonstall
Ecton	Knowland	Schoeppel
Ellender	Langer	Smith, Maine
Ferguson	Lehman	Smith, N. J.
Flanders	Lodge	Sparkman
George	Long	Stennis
Gillette	Lucas	Taft
Graham	McCarran	Taylor
Green	McClellan	Thomas, Utah
Gurney	McFarland	Thye
Hayden	McKellar	Tydings
Watkins	Wiley	Withers
Wherry	Williams	Young

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

Mr. SALTONSTALL. I announce that the Senator from Wisconsin [Mr. MCCARTHY] is absent because of a temporary illness.

The Senator from New Hampshire [Mr. TOBEY] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. YOUNG was excused from attendance on the sessions of the Senate for 1 week, commencing tomorrow.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Under the unanimous-consent agreement, the Chair will recognize either the Senator from Nevada [Mr. MCCARRAN] or the Senator from West Virginia [Mr. KILGORE].

Mr. MCCARRAN. Mr. President, I understand the majority leader wishes to make the general request for the transaction of routine business, and I have no objection.

Mr. LUCAS. I thank the Senator. I ask unanimous consent that Senators be permitted to submit petitions and memorials, introduce bills and joint resolutions, and present other routine matters for the RECORD, without debate and without speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SESSIONS OF THE SENATE

Mr. TYDINGS. Mr. President, the subcommittee of the Committee on Foreign Relations conducting the loyalty investigation has scheduled meetings for Wednesday and Thursday. I rather think we will conclude the meetings by 12:30 o'clock each day, but I should like to have unanimous consent that the subcommittee may sit during the sessions of the Senate, so that if we get a witness on the stand we can finish with his testimony before concluding the hearing.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. HOLLAND subsequently said: Mr. President, I ask unanimous consent that the Committee on Foreign Relations be permitted to meet this afternoon during the session of the Senate.

Mr. WHERRY. Does that request relate to the subcommittee of the Committee on Foreign Relations which is conducting an investigation?

Mr. HOLLAND. The request came to me from the clerk of the committee, and relates to the full committee.

Mr. WHERRY. I do not object to unanimous consent being granted to the full Foreign Relations Committee to meet this afternoon during the session of the Senate. My question was, however, whether the request related to the subcommittee conducting the investigation. I should like very much to find out if that is what the Senator has in mind. My understanding is that consent has already been granted that the subcommittee conducting the investigation may meet tomorrow and the next day, during the sessions of the Senate. I did not know that any meeting of the full committee was contemplated. I am sure the Senator's request must relate to the full Committee on Foreign Relations relating to some other matter than the investigation.

Mr. HOLLAND. It is with that understanding I make the request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

The VICE PRESIDENT laid before the Senate a letter signed by the Secretary of the Treasury, the Secretary of Labor, and the Federal Security Administrator, members of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting, pursuant to law, a report of the Board, for the fiscal year ended June 30, 1949, which, with the accompanying report, was referred to the Committee on Finance.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the City Council of the City of Long Beach, Calif., favoring the enactment of House bill 7258, to amend the Internal Revenue Code so as to provide for exemption from tax on admissions to swimming pools, bathing beaches, and public parks operated by the United States, and to provide for exemptions from penalties for past offenses, which was referred to the Committee on Finance.

CONCURRENT RESOLUTIONS OF NEW YORK LEGISLATURE

Mr. IVES. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the body of the RECORD, at the conclusion of these very brief remarks, three concurrent resolutions adopted by the Legislature of the State of New York, two of which memorialize Congress to pass legislation to bring to the attention of certain countries the world-wide revulsion at the forcible detention of 28,000 children from their homes in Greece to countries alien to their nature, custom, and birthright, and to return to the several States excess amounts collected by the Federal Government for administration costs of the employment insurance and employment service programs, and the other concurrent resolution favors appropriate action by the Interstate Commerce Commission

to require the installation and maintenance of certain safety equipment on the Long Island Railroad, which I think should be appropriately referred to a committee of the Senate.

The VICE PRESIDENT. The concurrent resolutions will be received and appropriately referred, and, under the rule, printed in the RECORD.

The concurrent resolutions were referred, as follows:

To the Committee on Foreign Relations:

"Senate Resolution 102

"Concurrent resolution of the senate and assembly memorializing Congress to enact appropriate legislation to bring to the attention of various countries the world-wide revulsion at the forcible detention of 28,000 children from their homes in Greece to countries alien to their nature, custom, and birthright

"Whereas the abduction of approximately 28,000 children from their homes in Greece and their forcible detention in countries alien to their nature, customs, and birthright has profoundly shocked the civilized world; and

"Whereas the countries of Yugoslavia, Bulgaria, Rumania, Poland, Hungary, Czechoslovakia, and the Soviet occupation zone in Germany have ignored unanimous resolutions adopted by the United Nations General Assembly on November 27, 1948, and on November 17, 1949, and refused to cooperate in securing the release of these children and their return to the arms and hearts of their parents, and the comfort and security of their homes; and

"Whereas forcible detention of these children and the attempted severance of all their ties of family, home, and country is tantamount to the horrible crime of genocide, and an abominable crime against humanity: Now, therefore, be it

"Resolved (if the assembly concur), That the Congress of the United States is hereby respectfully memorialized to take appropriate steps and to enact such legislation and adopt such measures as may be necessary and expedient to bring to the attention of the afore-mentioned countries the feeling of world-wide revulsion at this infamous crime and to demand the liberation of these children and their prompt repatriation; and it is further

"Resolved (if the assembly concur), That copies of this resolution be transmitted to the President of the United States, the Secretary of State of the United States, the Secretary of the Senate and the Clerk of the House of Representatives of the United States, and to each Member of Congress duly elected from the State of New York and that the latter be urged to do all in their power to accomplish the purpose of this resolution.

"By order of the senate:

"WILLIAM S. KING,
"Secretary.

"In assembly March 22, 1950. Concurred in without amendment.

"By order of assembly:

"ANSLEY B. BORKOWSKI,
"Clerk."

To the Committee on Finance:

"Senate Resolution 129

"Concurrent resolution of the senate and assembly, memoralizing the Congress of the United States to enact legislation returning to the several States excess amounts collected by the Federal Government for administration costs of the employment insurance and employment service programs

"Whereas under existing law, the several States of the Union bear the responsibility for the administration of the unemployment insurance and employment service programs; and

"Whereas the Federal Government levies a pay-roll tax of three-tenths of 1 percent on employers of eight or more persons to pay the administrative cost of such programs by the States; and

"Whereas, each State has no control over the amount it receives for the administration of such program and must accept whatever amount is allowed to it by the Federal Government; and

"Whereas, since the inception of unemployment insurance and employment service program, the Federal Government has collected from the employers of this State for the administration of this program $150,000,000 more than has been returned to the State for this purpose and the amounts so returned to the State of New York have been consistently and grossly inadequate; and

"Whereas it was never intended that the Federal Government should divert the proceeds of this tax for its own general purposes, which it has done to the extent of $1,000,000,000; and

"Whereas, the continued inadequacy of operating moneys and personnel makes the detection of improper and fraudulent benefit claims exceedingly difficult and impedes efforts to cope with tax evasions; and

"Whereas the failure to make adequate moneys available for efficient administration, to the extent that it weakens control over disbursements from the unemployment insurance fund, jeopardizes the effectiveness and stability of the entire program and brings it into disrepute: Now, therefore, be it

"Resolved (if the assembly concur), That the Congress of the United States be and hereby is respectfully memorialized to enact legislation which will—

"1. Earmark the taxes collected under the Federal Unemployment Tax Act to assure adequate funds for administration by each State of the unemployment insurance and employment service program;

"2. Transfer any excess over the amounts allocated by the Federal administrative agencies to the States for use in the unemployment insurance and employment service program with full responsibility resting on each State for the proper use thereof free from Federal control;

"3. Make reasonable provisions assuring all States equitable participation in such allotment; and be it further

"Resolved (if the assembly concur), That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, the chairman of the Committee on Ways and Means of the House of Representatives, the chairman of the Committee on Appropriations of the House of Representatives, the chairman of the Finance Committee of the Senate of the United States, the chairman of the Committee on Appropriations of the Senate of the United States, and each Member of the Congress duly elected from the State of New York.

"By order of the senate,

"WILLIAM S. KING,
"Secretary.

"In assembly March 22, 1950. Concurred in without amendment.

"By order of assembly,

"ANSLEY B. BORKOWSKI,
"Clerk."

To the Committee on Interstate and Foreign Commerce:

"Senate Resolution 149

"Concurrent resolution of the senate and assembly urging appropriate action by the Interstate Commerce Commission of the United States to require the installation and maintenance of certain safety equipment on the Long Island Railroad

"Whereas a disastrous and unnecessary collision of two trains occurred on the line of the Long Island Railroad at a point in the village of Rockville Centre in Nassau County, on the 17th day of February 1950, resulting in one of the most serious train wrecks in the history of railroad operation in this State and a heavy toll of killed and injured; and

"Whereas this needless destruction of human life and maiming of innocent victims has shocked the people of this State with knowledge of the deficiencies which bring about or contribute to the happening of such tragedies; and

"Whereas the immediate cause of the collision of said trains was the failure of the engineer in charge to obey a danger signal, and such railroad was not equipped with any automatic train control or tripping device designed to bring the trains to a stop on failing to obey the danger signal, and the presence of such equipment on such railroad would probably have averted the wreck; and

"Whereas the Interstate Commerce Commission of the United States has been invested with the sole and exclusive jurisdiction to order and enforce the installation of such automatic equipment on interstate carriers, such as the Long Island Railroad; and

"Whereas there is good cause to believe that this division of said railroad was formerly so equipped and the equipment removed by permission of said Interstate Commerce Commission: Now, therefore, be it

"Resolved (if the assembly concur), That the Legislature of the State of New York hereby calls the attention of the Interstate Commerce Commission of the United States to the lack of such safety equipment on said Long Island Railroad, and earnestly urges the Commission with all convenient speed to reconsider the decision permitting removal of such equipment and to initiate proceedings to compel the installation and maintenance of such safety equipment on such railroad, and to investigate and take such other incidental action in the premises as it may find appropriate; and be it further

"Resolved (if the assembly concur), That a copy of this resolution be transmitted forthwith to each member of the United States Interstate Commerce Commission and to the Representatives in Congress of the State of New York.

"By order of the senate:

"WILLIAM S. KING,
"Secretary.

"In assembly March 22, 1950. Concurred in without amendment.

"By order of assembly,

"ANSLEY B. BORKOWSKI,
"Clerk."

AMENDMENT OF DISPLACED PERSONS ACT—RESOLUTION OF NEW JERSEY COMMISSION ON DISPLACED PERSONS

Mr. HENDRICKSON. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD a resolution adopted by the New Jersey Commission on Displaced Persons. The resolution is pertinent to the pending business before the Senate, in that it clearly indicates New Jersey's official position on the displaced-persons issue.

There being no objection, the resolution was ordered to lie on the table, and to be printed in the RECORD, as follows:

Whereas there is now pending before the United States Senate a proposed revision to the Displaced Persons Act, and whereas the New Jersey Commission on Displaced Persons has previously stated its stand in liberalization of such act, which stand has also been supported by Governor Driscoll: Therefore be it

Resolved, That the New Jersey commission restate its stand in favor of such liberalization and urge the adoption by the Senate of the bill already passed by the House of

Representatives, and furthermore, that it commend our two United States Senators, H. ALEXANDER SMITH and ROBERT C. HENDRICKSON for the stand they have taken in such liberalization, and that we express to the Members of Congress from New Jersey, appreciation of the support they have already given to this bill; be it further

Resolved, That copies of this resolution be sent to our two United States Senators and to the New Jersey Members of the House of Representatives.

WILLIAM R. WARD,
Chairman.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEELY:

S. 3350. A bill to amend the minimum-wage law by extending the application of minimum-wage orders to men, and for other purposes; to the Committee on the District of Columbia.

By Mr. LUCAS:

S. 3351. A bill for the relief of Jorma Haakon-Romppanen; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 3352. A bill to amend section 284 of the United States Code relating to disqualifications of former officers and employees in matters connected with their former duties; to the Committee on the Judiciary.

By Mr. MURRAY (for Mr. PEPPER):

S. 3353. A bill for the relief of the estate of Mary Penn; to the Committee on the Judiciary.

S. 3354. A bill to provide for the acquisition of a site and the erection thereon of a Federal building in St. Petersburg, Fla.; to the Committee on Public Works.

By Mr. McMAHON:

S. 3355. A bill for the relief of Mr. and Mrs. William M. Gordon, Sr.; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 3356. A bill to provide for sundry administrative matters affecting the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. JOHNSON of Colorado (by request):

S. 3357. A bill to prohibit transportation of gambling devices in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

(Mr. JOHNSON of Colorado (by request) also introduced Senate bill 3358, to prohibit transmission of certain gambling information in interstate and foreign commerce by communications facilities, which was referred to the Committee on Interstate and Foreign Commerce, and appears under a separate heading.)

RESTRICTION OF TRANSMISSION OF CERTAIN GAMBLING INFORMATION

Mr. JOHNSON of Colorado. Mr. President, by request, I introduce for appropriate reference a bill providing for restrictions on the transmission of gambling information in interstate commerce, which was transmitted to the Senate yesterday by the Attorney General of the United States, J. Howard McGrath. This bill was developed by the Nation-wide crime conference which was held in Washington in January.

Gambling information ought to be restricted but there is a border line between gambling information and legitimate news. Many Americans get a great thrill out of the on-the-spot broadcasting or televising of races, basketball, football, and baseball games. Nonbetting fans have rights also.

I assure everyone interested that the Committee on Interstate and Foreign Commerce, to which this matter has been referred, will give everyone desiring to be heard a full opportunity to express his views. The bill will be given a searching scrutiny by us.

The bill (S. 3358) to prohibit transmission of certain gambling information in interstate and foreign commerce by communications facilities, introduced by Mr. JOHNSON of Colorado (by request), was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

INVESTIGATION OF TRANSMISSION OF CERTAIN GAMBLING INFORMATION

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 249), which was referred to the Committee on Interstate and Foreign Commerce:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of (1) the transmission of gambling information in interstate and foreign commerce by communications facilities; (2) the transportation of gambling devices in interstate and foreign commerce; and (3) the extent to which organized crime utilizes such interstate facilities by bribery, corruption, racketeering, malfeasance and misfeasance contrary to the public interest and the general welfare, and in violation of the laws of the United States. Such investigation shall include, but shall not be limited to, a determination of: (a) the adequacy and effectiveness of existing Federal statutes relating to crimes in interstate commerce; (b) the extent of the use of interstate commerce which results in violation of the laws of the several States; (c) the extent to which organized crime utilizing such interstate facilities may hamper, obstruct, or corrupt the enforcement of local, State and Federal laws; (d) the extent to which syndicates engaged in organized crime, vice, and rackets control the facilities of interstate commerce; (e) the need for the enactment of legislative proposals recommended to the Congress on April 3, 1950, by the Attorney General of the United States in which he advocates the prohibition of the interstate transportation of gambling devices, and the prohibition of the interstate transmission of gambling information by means of communications facilities, which legislative proposals have been formally referred to the Committee on Interstate and Foreign Commerce for consideration. Nothing contained herein shall authorize (1) the recommendation of any change in the laws of the several States relative to gambling, or (2) any possible interference with the rights of the several States to prohibit, legalize, or in any way regulate gambling within their borders; for the purposes of this resolution, the term "State" shall include the District of Columbia or any Territory or possession of the United States.

SEC. 2. The committee shall report its findings, and recommend such legislation as it may deem advisable to the Senate at the earliest practicable date.

SEC. 3. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized, during the sessions, recesses, and adjourned periods of the Eighty-first Congress, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADMISSION OF DISPLACED PERSONS INTO THE UNITED STATES—AMENDMENTS

Mr. LANGER submitted amendments intended to be proposed by him to the amendment in the nature of a substitute intended to be proposed by Mr. KILGORE (for himself and other Senators) to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which were ordered to lie on the table and to be printed.

Mr. IVES (for himself and Mr. MYERS) submitted amendments intended to be proposed by them, jointly, to the so-called Kilgore substitute to House bill 4567, supra, which were ordered to lie on the table and to be printed.

AMENDMENT OF TARIFF ACT OF 1930—AMENDMENTS

Mr. CAIN submitted amendments intended to be proposed by him to the bill (H. R. 5226) to amend paragraph 207 of the Tariff Act of 1930, which were referred to the Committee on Finance and ordered to be printed.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENT

Mr. LONG submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred, or ordered to be placed on the calendar, as indicated:

H. R. 176. An act to amend section 83 of the Hawaiian Organic Act to provide that women may serve on juries in the Territory of Hawaii;

H. R. 179. An act to provide for the appointment of the adjutant general of the Territory of Hawaii; and

H. R. 5984. An act to approve Joint Resolution 12 enacted by the Legislature of the Territory of Hawaii in the regular session of 1949, relating to the granting of land patents in fee simple to certain lessees under homestead leases; to the Committee on Interior and Insular Affairs.

H. R. 3783. An act authorizing the transfer of part of Camp Joseph T. Robinson to the State of Arkansas;

H. R. 4433. An act to make retrocession to the Commonwealth of Massachusetts over certain land in Shirley, Mass.; and

H. R. 4732. An act to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California, in Sonoma County, Calif., and to furnish said school district water free of charge; to the Committee on Armed Services.

H. R. 4386. An act to amend section 2 (a) and section 7 of the Foreign Agents Registration Act of 1938, as amended, to make failure of registration a continuing offense, and to continue the obligation of officers, directors, and persons acting as such, to comply with the act despite dissolution of a foreign agent; to the Committee on the Judiciary.

H. R. 6561. An act to extend certain veterans' benefits to or on behalf of dependent husbands and widowers of female veterans; to the Committee on Finance.

H. R. 5511. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, relating to practices in the marketing of perishable agricultural commodities; and

H. R. 6825. An act to extend the time limits for the award of certain decorations, and for other purposes; ordered to be placed on the calendar.

NOTICE OF HEARING ON NOMINATION OF GREGORY F. NOONAN TO BE DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, April 12, 1950, at 10.30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Gregory F. Noonan, of New York, to be United States district judge for the southern district of New York. Judge Noonan is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman; the Senator from Mississippi [Mr. EASTLAND]; and the Senator from Missouri [Mr. DONNELL].

NOTICE OF HEARING ON NOMINATION OF SIDNEY SUGARMAN TO BE DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, April 12, 1950, at 10.30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Sidney Sugarman, of New York to be United States district judge for the southern district of New York. Judge Sugarman is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman; the Senator from Mississippi [Mr. EASTLAND]; and the Senator from Missouri [Mr. DONNELL].

ADDRESS BY SENATOR TAFT AT THE MAINE REPUBLICAN STATE CONVENTION

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an address by Senator TAFT at the Republican State convention, in Portland, Maine, March 31, 1950, which appears in the Appendix.]

REPLY BY SENATOR TAFT TO PRESIDENT TRUMAN'S ATTACK ON SENATE INVESTIGATION

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD the reply by Senator TAFT to President Truman's attack on the Senate investigation, issued March 31, 1950, which appears in the Appendix.]

STATEHOOD FOR HAWAII AND ALASKA—EDITORIAL COMMENT

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD certain editorial comment on the subject of statehood for Hawaii and Alaska, which appears in the Appendix.]

OUR FOREIGN POLICY—EDITORIAL FROM THE TIMES-HERALD

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an editorial entitled "Truman's Pride, It Goeth Before Whose Fall?" published in the Washington Times-Herald of today, which appears in the Appendix.]

TRIBUTE TO SENATOR LUCAS BY MAC LOWRY

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD an article entitled "Senator LUCAS, Plain Speaking Man and a Natural Leader," written by Mac Lowry, and published in the Dayton (Ohio) Daily News, which appears in the Appendix.]

GOVERNMENT GRADS GET JUICY JOBS—ARTICLE BY SENATOR BUTLER

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Government Grads Get Juicy Jobs," written by me, and published in the last issue of the American magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOVERNMENT GRADS GET JUICY JOBS

(By HUGH BUTLER, United States Senator from Nebraska)

(How to make a lot of money: Go to work for Uncle Sam, learn the ropes, make friends, then "graduate" and hire out at a fat fee to a private business which wants inside contacts in Washington. This old gradism invites skulduggery, says Senator BUTLER, and must be stopped before it undermines confidence in our Government.)

A few months ago there was a great public outcry when Senate investigators uncovered facts about Washington's 5-percenter fix-it men. In coming weeks you'll hear another great outcry as Senate investigators expose to light Washington's lobbyists.

Both of these investigations are worth while, but they don't even touch a situation that is giving us increasing concern. I'm referring to the old grads of Government who go out and get fancy fees and salaries for representing private firms before the very same agencies they used to dominate, and with which they still have pull or influence. Many of these are ex-New Dealers now seeking to feather their nests.

There is, of course, nothing wrong with a Government official putting his experience to work in private industry at a higher salary, any more than it is wrong for the Federal Government to hire industrial experts from private industry.

There is a real danger, however, in the temptations that exist for abuses that would undermine the public's confidence in our Government. The situation offers an invitation to skulduggery. Already there have been instances which, on the face of them, have caused enough concern to justify congressional investigations. I believe it important that Congress erect curbs which will make the possibility of any improper practices impossible.

In recent years we have had a great increase in the number of alumni coming back to the Government to roost. Among them we have some big-name admirals and generals who used to buy armament but are now on the selling side with inside contracts. We have the Reconstruction Finance Corporation examiner, E. Merl Young, who joined in recommending a $10,000,000 loan to the house-building firm Lustron, when the records showed it was a pretty poor risk, and then quitting to work as vice president of Lustron at twice his Government salary.

Likewise, it is reported that a former official, Thomas Corcoran, who was a confidant and adviser of President Roosevelt, collected a $100,000 fee for introducing the industrialist, Henry Kaiser, to key people inside Government. We have another former official, the oilman, James A. Moffett (who has been in and out of Government in various capacities), being awarded a $1,150,000 fee for using his influence on Government officials to swing an international oil deal. (That award is still being fought in the courts.)

This whole business of the activities of former officeholders badly needs airing. I propose to do it, in detail, here.

A few of these ex-officeholders are actually registered as lobbyists. Others hold top jobs with corporations that feel in need of a man with "inside contacts" in Washington. But most of them are simply expensive lawyers who hire out to private clients. Some of them start with a fee as high as $10,000. In Washington the average lawyer makes $14,000 a year, which is twice the national average. Most of the city's highest-priced lawyers are ex-Government officials.

The problem of the old grads has reached serious proportions only in the last few years, because it is only in recent years that the Federal Government has become so gigantic and so powerful in our everyday lives.

Federal officials today spend tens of billions of dollars, and they take tens of billions away from us in taxes. They let contracts for multi-million-dollar projects; they issue tremendously valuable franchises and licenses; they police entire industries; they make vast tax refunds and loans; they control the supply of scarce goods.

When a company hires an old grad who knows the ropes around a Government agency having power to benefit the company, it can often gain a tremendous advantage over its competitors. Recently a housing contractor in my State complained that the big loans made by Federal housing agencies for housing developments continually go to companies which have ex-housing officials on their payrolls. The small-business man who can't afford these high-priced men, he said, is left out more and more from Government contracts.

The old grad not only has friends still in office, but in many instances those friends are indebted to him for their jobs. Charles R. Denny quit the chairmanship of the Federal Communications Commission for a reported $50,000-a-year job as general counsel for the National Broadcasting Co., which is policed by FCC. He still has good friends, however, on the Commission, which makes many decisions affecting the destiny of NBC.

I am not implying that in this instance there was anything improper. Mr. Denny is a widely admired young man. But I do feel that, in general, situations such as this should be avoided. It is the possibilities in the situation that disturb me.

Even before an official leaves the Government, the public's interest may become threatened. Being only human, the official who begins toying with the idea of quitting and getting private employment may be tempted to woo possible employers with his decisions.

Furthermore, an ex-official can give his clients an unfair advantage just by his intimate knowledge of the inner workings of his old agency. Here in Washington there is a quip that the Bureau of Internal Revenue offers a free postgraduate course for training "tax experts." If you want to make a fortune as a tax expert for big corporations or millionaires, the first thing you should do is spend a year or two inside the Bureau. This practice is not in itself reprehensible. But it can be the source of abuse which in the long run could cost the Government millions of dollars in revenue and create serious

inequities in tax treatment that would bring resentment against the Government.

A former high official of the Treasury, G. C. Hanna, recently stated: "A constant stream of employees of the Treasury Department, including the Bureau of Internal Revenue, leave the service, only to appear next day as the representatives of interests adverse to the Government * * *. Most of the prominent tax lawyers and accountants in Washington * * * are former Treasury employees."

A tax expert schooled inside the Bureau, Mr. Hanna pointed out, knows exactly how each key official there approaches every angle of a tax case, and often prepares his own case accordingly. He knows, for example, which officials take a tolerant view toward claims of "depreciation" and which take a stern view.

It's not just the small-fry lawyers and accountants who quit Internal Revenue to set themselves up as tax experts. One of the most famous Washington law firms doing a big tax business is Wenchel, Tannenbaum & Nunan. The Wenchel of that firm used to be chief counsel of the Bureau of Internal Revenue. The Nunan is Joe Nunan, Jr., the former Commissioner, himself. They left the Government together.

One of the most disturbing centers of old gradism has been in the Reconstruction Finance Corporation, which loans millions of dollars to private companies. A Senate investigation found that in RFC more than a dozen first-ranking officials had quit to take jobs with companies that had borrowed large sums. Frequently these officials, while still at RFC, had played an important part in authorizing the loans for their future employers. Their actions were perfectly legal under our present laws. But in some of the cases the circumstances were, to my mind, highly disturbing.

As manager of Boston's RFC agency, John Hagerty strongly urged that a $9,000,000 loan be granted to the Waltham Watch Co. His letter of recommendation was 25 pages long. During the negotiations Hagerty also contended that Waltham needed to get in some "hard-boiled realists" to run the show. Specifically, he thought they should spend $40,000 for a competent president.

While the loan was still pending, Waltham invited him to take the presidency. He notified both Waltham and RFC he would accept, provided the loan went through. It did, at $6,000,000. In a few days Hagerty, who was getting $10,000 at RFC, quit to go to Waltham at a starting salary of $30,000, with promise of substantial raises. He took along his No. 1 aide at the Boston agency.

In another case, Sterling Foster, Chief of RFC's Loan Operations Division, recommended a $450,000 loan to the Plywood-Plastics Corp., of Hampton, S. C., after an on-the-spot inspection. Mr. Foster was without any notable experience as an industrial manager, but at a congressional hearing it was disclosed that after the loan went through, he turned up as president of Plywood-Plastics in a deal that promised to pay him $30,000 to $40,000 a year. (At RFC he had been getting $10,330.)

I do not think—and am not suggesting—that Mr. Hagerty and Mr. Foster got their jobs as payment for helping clear the loans, but I believe their hiring was certainly contrary to public interest. Theoretically, at least, they would be in a position to be helpful if and when their companies needed further RFC financing.

The most serious of the RFC deals, to my mind, involves the four RFC men who joined the top management of the Baltimore & Ohio railroad when it was $80,000,000 in debt to RFC (Uncle Sam). Stewart McDonald went in as director and chairman, Russel L. Snodgrass went as vice president, Cassius M. Clay went as solicitor, and F. L. Baukhages went as executive assistant in charge of finance.

Not long after they joined the B. & O., the expiration date of the RFC's $80,000,000 loan approached. The railroad's management decided upon a strategy that would permit the company to escape paying or reducing the loan at that time. The officials decided to reorganize in the courts. But to persuade the courts that they were in a desperate fix, they needed a letter from the RFC demanding that the B. & O. pay up.

The record of congressional hearings shows that Mr. Snodgrass admitted composing two drafts of such a letter, which he sent to his old colleagues back at RFC. Using these drafts as a basis, they, in turn, prepared a letter on RFC stationery, and sent it back to him. Later this letter was used in court as a basis for winning a reorganization.

As a result of such maneuvers as this, Mr. Clay quit as the B. & O.'s solicitor rather than take part in them. The upshot of the maneuvers, as Mr. Clay pointed out to Senate investigators, is this: "The RFC is left holding the bag of a frozen loan of $80,000,000, which does not mature until 1965." Since the reorganization, this debt to the RFC has been only slightly reduced.

The significance to me of the B. & O. story is this: Of all the railroads borrowing from RFC, the B. & O. is the only important one I know of that has not promptly liquidated or greatly reduced its debt. Yet, when we questioned an RFC official about the ethics of permitting the RFC's old grads to take jobs with borrowers, he was blind to any danger in this admittedly legal practice. To people in RFC it is just a case, apparently, of "local boy makes good."

After my eyes were opened by the RFC situation I began looking around the Government for other evidences of old gradism. In many places I found evidence justifying public concern. We should watch particularly for situations that may develop in the regulatory agencies charged with policing private enterprises, such as the Securities Exchange Commission.

In 1933, when the Utility Holding Company Act was passed, the giant holding company, United Corporation, was ordered to reorganize. Today, 17 years later, United is still going through the motions of trying to "comply," under the Securities and Exchange Commission's supervision. How can you account for this 17-year delay in complying? Has it anything to do with the fact that two of United's top executives are former top officials of SEC? These are questions which should be answered in the public interest.

A few weeks ago our Senate Banking and Currency Committee was considering the nomination of Edward McCormick to be an SEC Commissioner. Mr. McCormick has made a career of the SEC, has been around 15 years. For the committee's enlightenment, Senator DOUGLAS asked him to name some of the former SEC Commissioners and top officials who now appear before SEC in behalf of private clients.

Within a few minutes McCormick had named nine of them.

McCormick confirmed that these ex-leaders of SEC not only appear formally but also confer very often informally with their old colleagues on cases involving their private clients.

Probably the agency most afflicted in its operations by desertions to private industry is the Federal Communications Commission, which regulates the television and radio industry. This industry is now going through a period of convulsive change, with companies rising and declining as a result of decisions FCC has to make. FCC's Commissioners seem to be lured into private jobs in the communications industry faster than they can be broken in. Paul Porter, former FCC Chairman, for example, now is actively pressing the cases of powerful private clients before the Commission.

Two years ago at a convention of industry and Government officials at the seaside resort, Atlantic City, it was reported that FCC Chairman Denny, who was attending, was dickering with NBC people about a job. Four days later he confirmed that he was going to NBC. A Washington newspaper announced: "We think it regrettable that he is to join one of the corporations which until now it has been his business to regulate."

Another radio commissioner who became an old grad, Harold A. Lafount, set himself up as a radio adviser and counsel in Washington. His ability in getting FCC approval for stations he represented—and in helping get the FCC to overlook some activities involving one of his clients—became the subject of a senatorial investigation.

I will mention just two of the other regulatory agencies where there have been conspicuous examples of alumni coming back to roost:

The Civil Aeronautics Board: When James M. Landis, formerly dean of Harvard Law School, failed to be reappointed CAB Chairman last year, he and two other men formed the law firm Landis, Gewirtz & Maclay. Mr. Gewirtz had been executive assistant to Landis at CAB, and Mr. Maclay had been general counsel at CAB. The firm has been representing private aviation groups before CAB.

The Maritime Commission: Bon Geaslin used to be general counsel for the Maritime Commission. Now he is a registered lobbyist for the Waterman Steamship Corp., which is involved in many transactions that come under the Commission's scrutiny.

In the regular United States departments under Cabinet-rank secretaries, the situations I've encountered that offer the most possibilities for abuse occur in the Agriculture Department, or more particularly in its Sugar Branch.

During 1947, at about the time the present Sugar Act was being acted upon by Congress, Robert Shields quit his job as Solicitor of the Department of Agriculture and went to work for the United States Beet Sugar Association at a reputed salary of $40,000. He took along with him another official of the Department, H. B. Boyd. Mr. Shields is credited with taking an active part in drafting the Sugar Act, which was very favorable to the sugar interests.

Today, Old Grads Shields and Boyd are still registered lobbyists for the beet-sugar interests. Two successive heads of the Sugar Branch of the Department of Agriculture, incidentally, have gone to work for the great California-Hawaiian Sugar Refining Co. One of the men, Earl Wilson, is reportedly drawing $50,000 a year.

I am not suggesting there was anything illegal or even unethical in the actions of any of these men. But I don't believe the situation is healthy or in the public interest.

Many of the big brass of the Army, Navy, and Air Force are following the example of civilian bureaucrats in leaving their service niches for private jobs where they undoubtedly could, if they wished, be influential in swinging armament contracts to their new employers or effecting policy decisions of vital interest to their employers.

Maj. Gen. Oliver P. Echols left the War Department's General Staff to become a lobbyist for the Aircraft Manufacturers Association. Last April he had a chance to go on the board of directors of Northrup Aircraft, Inc., which seeks defense contracts. Therefore, he announced he was turning over his aircraft industries lobbying job to Admiral DeWitt Clinton Ramsey. Admiral Ramsey was commander in chief of the Pacific fleet, and used to be Chief of the Naval Bureau of Aeronautics. There is, of course, nothing reprehensible in a former high officer becoming a lobbyist for airplane manufacturers, but it is a situation that could easily be abused.

One of the great air commanders of World War II was Lieut. Gen. Ira Eaker. He quit as deputy commander of the Army Air Forces to go to the Hughes Tool Co., of Houston, Tex., owned by the famed plane manufacturer, Howard Hughes. One newspaper at the time said: "He will be sorely missed in the high counsels of security."

Here are three other examples of high armed-force officials going to civilian jobs where they could conceivably use their influence or inside knowledge to advantage:

Gen. Harry Ingles, former chief signal officer, is now a top executive of RCA, which manufacturers a large amount of Signal Corps equipment.

Maj. Gen. William N. Porter former Chief of the Chemical Warfare Service, went to work for the Chemical Construction Co.

Admiral Andrew F. Carter, who was head of the Army-Navy Petroleum Board and who made surveys of the oil situation in Arabia for the Government, has left the Navy to work for a subsidiary of the Arabian American Oil Co., which sells oil to the Navy.

Some of my own congressional colleagues have gone over to the "other side" by becoming lobbyists. At present, some 36 former Congressmen are lobbying. They include some distinguished men. Clifton A. Woodrum quit the House to become a registered lobbyist for fertilizer interests at a reported salary of $36,000. Robert Ramspeck, House majority whip, quit to become a $25,000-a-year lobbyist for the Air Transport Association.

Many of the Congressmen who voluntarily quit Congress did so before the general pay raises went into effect for Government officials. The raises eliminate at least some of the glaring inequities of Government pay scales.

The larger problem is what to do about the far more numerous "old grads" of executive agencies and departments. At present, we have very little protection against the constant temptation to put their influence to work against the best interests of the Government and its people.

It is true that the United States Code forbids an ex-employee to press a claim against the Government for 2 years after leaving, on any matter that was pending while he was still there. However, this law applies to claims only—and claims that had been pending while he was still in office. The law is too narrow and weak to do much good.

A few agencies and departments have administrative rules against ex-employees representing private clients before them for periods ranging from 6 months to 2 years. But since these are administrative rules, they can easily be set aside.

Some stringent curbs, I feel, are needed. But what? It is difficult to draw a line that will not hinder the legitimate rights of Federal officials to capitalize on their best talents if they choose to leave the Government. Nor is it fair to penalize those businessmen who often, at great financial sacrifice, have served the Government temporarily. On their return to private enterprise they should not be handicapped by their service. But, on the other hand, we cannot have our national purposes perverted by swarms of ex-officials cashing in on their inside dope, inside contacts, and inside influence.

Senator FULBRIGHT has introduced a bill that would prevent the RFC situations from arising again. It would, in brief, require that any company getting an RFC loan guartee not to hire for 5 years any RFC officials who had acted on its loan or any comparable loan.

Other Senators have announced that they feel there should likewise be some sort of "decontamination period" of at least 2 years for ex-SEC officials who want to come back before SEC with private clients.

I, personally, would like to see a general law that would bar for at least 2 years any Government officials who leave office from representing private clients before the Government agency where they have worked.

I believe it may be necessary to make variations to fit the situation in each agency and department. But I also feel that a comprehensive, across-the-board attack should be made on this dangerous practice. I also believe it should be made a criminal offense for any ex-Government official to obtain private employment by representing that he can wield influence over former associates.

Forbidding this practice, I believe, is just one approach to the correction of the present dangers and to the prevention of abuses in the future. The other and more constructive approach is to set up an Office of Technical Services in the Department of Commerce. This would be a clearing house where businessmen, large and small, can quickly get all the information they need on the Government's technological, scientific, and engineering programs, without resorting to an old grad. Such a proposal is now before Congress.

By such a two-pronged approach, we can strike a mighty blow for clean and efficient government in America.

Mr. BUTLER. Mr. President, immediately following the article which I have just had printed in the RECORD, I ask unanimous consent that there be printed a copy of a bill I have introduced today to take care of the situation mentioned in the article, which, by the way, is the same as the contents of a bill which the Senate acted on favorably at the last session.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 284 of title 18 of the United States Code is amended to read as follows:

"SEC. 284. Disqualifications of former officers and employees in matters connected with their former office or employment.

"Whoever, having been an officer (including a commissioned officer) or employee in the executive branch of the Government and having been separated from his office or employment, within 2 years from the date of separation acts as counsel, attorney, or agent (other than for the United States or any department or agency thereof) in relation to any proceeding or other matter before the department or agency in which he held office or was employed or assigned to duty or in relation to any proceeding to which such department or agency is a party; or

"Whoever, having held office as a Member of Congress or as an officer or employee of the Congress or of either House thereof and having been separated from his office or employment, within 2 years from the date of separation acts as counsel, attorney, or agent (other than for the United States or any department or agency thereof) in relation to any legislation, investigation, or other matter before the Senate or House of Representatives or any committee thereof (including a joint committee)—

"Shall be fined not more than $10,000 or imprisoned not more than 1 year, or both.

"The provisions of this section and of section 190 of the Revised Statutes shall not apply to any person who is separated from office at the expiration of the term for which he shall have been appointed or elected or who is involuntarily separated from his office or position other than by removal for cause on charges of misconduct or delinquency."

SEC. 2. The fourth item in the analysis at the beginning of chapter 15 of title 18 of the United States Code is amended to read as follows:

"284. Disqualification of former officers and employees in matters connected with their former office or employment."

SEC. 3. The amendments made by this act shall apply only with respect to officers and employees who are separated from their offices or employment subsequent to the date of enactment of this act.

Mr. BUTLER. Mr. President, in connection with the two items which I have had printed in the RECORD, I ask unanimous consent that there be printed a statement prepared by me on the same subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LEGISLATION TO PREVENT FORMER GOVERNMENT OFFICIALS FROM SELLING THEIR INFLUENCE

I am introducing a bill designed to prevent former Government officials from accepting employment as agents or representatives for any private group in connection with proceedings or other matters which are pending before the agencies where such officials were formerly employed.

This bill is designed to hit at what I consider one of the greatest problems in the operation of the Federal Government today. I refer to the widespread practice of Government officials resigning their Government positions so as to sell their influence with their former agencies to business firms, organized lobbies, and other persons or groups with a monetary interest in the decisions that must be made by those agencies.

Mr. President, on several previous occasions I have called the attention of the Senate to this perplexing problem. I have cited numerous examples of this practice, and I have showed that it is a practice which pervades many agencies and bureaus of the Federal Government, not just one.

From my own experience, I know that a great many people are convinced that these former Government officials exercise an entirely unwarranted influence over the decisions made by their former agencies. That belief has shaken the confidence of thousands of people in the fairness and the impartiality of those decisions, and I am afraid has made many people come to feel that their Government is no longer a servant of all the people but is rather the servant of those special interests which can afford to hire the influence of former New Deal officials.

Recently I wrote an article for the American magazine which went into this problem in some detail, which named names and gave facts relating to the activity of a considerable number of such former officials. In that article I did not pretend to cover the whole field or to list more than a small proportion of those who have hired out to private interests. I did give a total of 29 such former officials, both military and civilian, and I might say that to date not a single one of the facts I gave in that article has been challenged. Possibly some of the persons named in the article might deny that they were selling influence, but none of the specific facts I gave as to names, former official positions, and present terms of employment has been challenged.

This is a situation which I believe the Congress must face up to frankly. I do not believe we can go on much longer without attempting to enact some safeguards to prevent this practice from being abused. In my article I said "I believe it important that Congress erect curbs that will make any improper practices impossible." I have now prepared a bill which I am introducing which is designed to attack this problem.

In essence, my bill simply provides that former Federal officials shall be prohibited from representing within a 2-year period any private group or interest before their former agencies in connection with any matter or proceeding that is to be determined by those former agencies. It provides criminal sanctions for violations of this prohibition.

In drafting this bill, I have endeavored to be moderate and to recognize the realities that we face. I do not want to prohibit any man from finding employment in the field of his own experience merely because he formerly served in the Government. I believe any such provision might be considered too severe and might prevent enactment of this legislation. I also feel that it may be too late to do anything about those who have already resigned from their Government positions and taken employment with outside interests.

For those reasons, I have suggested in my bill two major exemptions. The bill would not apply to those who have already left the Government service before the date of enactment. It also would not apply to those whose terms of appointment or election have expired, or to those whose separation from the Government service is involuntary. There is a third exemption, and that is for officers and employees of the judicial branch of the Government. Aside from these exemptions, the bill is designed to cover everybody, including Senators, Members of Congress, and congressional employees, and to cover every proceeding, claim, piece of pending legislation or other matter that might come up for decision or consideration by any such former department, agency, bureau, congressional committee, or other branch of the Government.

I do not contend that my bill is now in perfect form, and I very much hope that the committee will consider some of the implications very seriously and will hold hearings on it before passing on it. For example, it may be that the exemptions I have provided are too broad. I have tried to be fair and reasonable in drafting this bill. With respect to the exemption for those whose terms have expired and who are not reappointed, I have followed the general formula set forth in a bill passed by the Senate last year and now pending in the House committee, S. 1973, relating to the Federal Communications Commission. That bill prohibited members of the Commission from resigning to accept such employment, but permitted them to represent private firms at the expiration of their terms. In other words, it recognized that Commissioners whose terms had expired must naturally find employment of some sort and left that much of a loophole. My bill follows the same general idea for both administrative officials and Members of Congress whose terms have expired. It may be that that is too much of an exemption, and if the committee feels that the restriction should be still tighter on those whose terms have expired, I personally would be entirely willing to go along with a stricter provision.

STATEHOOD FOR HAWAII—EDITORIAL FROM COLLIER'S MAGAZINE

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "The Forty-ninth State," from the current issue of Collier's magazine, under date of April 8, 1950, dealing with the admission of Hawaii to statehood.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE FORTY-NINTH STATE

Once, long ago, Americans fought and won a war which freed them from the tyranny of taxation without representation. Yet there are still hundreds of thousands of Americans who are taxed by a Federal Government in which they have no voice. Among them are the people of Hawaii. They've paid that Government more than $1,000,000,000 in the 50 years since the islands became part of the United States.

Today Hawaii's tax bill is greater than that of 11 States—Arizona, Idaho, Montana, Nevada, New Hampshire, New Mexico, North Dakota, South Dakota, Utah, Vermont, and Wyoming. But it hardly gets its money's worth. Its citizens can't cast a vote for President or even choose their own governor. Their delegate to the House of Representatives has no vote. They aren't represented in the Senate at all.

Why not? Why the discrimination? Why isn't Hawaii a State? People have been arguing about those questions during most of the islands' half century of territorial history. They have been the cause of numerous statehood investigations and statehood bills in Congress. The investigators turned in favorable reports. Some of the bills came very close to passage. But creation of the forty-ninth State is still around the corner.

You are likely familiar with the most common reasons given for opposing Hawaiian statehood:

The islands are not contiguous to the continental United States.

The natives, we are told, are politically immature.

Statehood would give political equality to the island's large non-Caucasian population, which might vote as a bloc and gain control of the new State.

Hawaii's admission to the Union would increase the disproportionate voting power of small States in the Senate.

The islands are a hot bed of communism.

Well, let's take up those objections in order. First there is the matter of remoteness. Hawaii is closer to San Francisco than San Francisco is to Washington. It is 8 hours from the mainland by air. This air travel is over water rather than land. Is that a valid reason for denying the islanders their well-earned right to vote?

Some Members of Congress would impose on Hawaii a period of political adolescence which, though indefinite, seems unreasonably long. Hawaiians have been Americans since the beginning of the century. Immigration from Europe and Asia has been virtually closed for 18 years. Of the 29 former United States Territories, only 1, New Mexico, had to wait longer than Hawaii for statehood. A citizen on the mainland can vote at 21 or at 18, if he lives in Georgia. Isn't a 50-year apprenticeship for Hawaii enough?

The objection to Hawaii's non-Caucasians violates the fundamental principles of our democracy. The fear that they might seize political control for some harmful end shows a sad lack of faith in the freedom and opportunity which make that democracy so blessedly attractive. Under it, Hawaii's yellow- and brown-skinned citizens even now enjoy an equality that might serve as a pattern for the American mainland.

As for the voting strength which the Senate set-up gives to the smaller States, that is a situation which already exists; and if the populous States want to change it, they will have to do so through a constitutional amendment. Their problem will not be solved by denying statehood to Hawaii.

Now, about communism. The comrades are at work in the islands, of course, just as they are here at home. Hawaii is an inviting target for them. The islands are dependent on the outside for many necessities of life. The domestic economy is largely built around the growth and export of sugar and pineapples. The workers in these industries are organized by Harry Bridges' left-wing International Longshoremen's and Warehousemen's Union. In 1946 the ILWU tied up the sugar plantations in a 79-day strike that nearly wrecked them. Last year it called a 6-month strike which paralyzed Hawaii's vital two-way shipping.

Those strikes offered the Communists their big chance, but they weren't able to cash in. And the fact that Hawaii stood up under the heavy blow of the strikes and at the same time stood off the Reds convinces us that communism hasn't made the progress that some opponents of statehood would have us think.

Incidentally, neither these opponents nor anybody else in the Federal Government did much to help the islands when the going was tough. In fact, Washington policy may have made the going a little tougher. During the war the Government was Hawaii's biggest employer. Then, in a postwar burst of admirable but ill-planned economy, it abolished 12,000 civilian jobs in a little more than a year. The sudden cutting off of 12,000 workers' incomes had a serious effect on Hawaii's whole economy. Largely as a result there are now 33,000 unemployed in a work force of 197,000. Furthermore, Federal authority made no move to invoke the Taft-Hartley law in last year's dock strike, even though the tie-up obviously menaced the island's health and well-being.

As a result, even though Hawaiian Communists gained no lasting victory, their fellow agitators in China, Japan and the Philippines have been able to point to the Territory's strikes and unemployment and say, "You see, American capitalism won't work. It is collapsing in a series of crises and break-downs."

We believe that statehood would strengthen Hawaii against these propaganda blows. And certainly our prestige in the Far East, as well as Hawaii, could do with some strengthening right now. The source of that strength is at hand in Hawaii. Already the Territory is a model of a harmonious living-together by diverse races and cultures. And its living standard surpasses any that its neighbors enjoy or that Communist blandishments can promise.

We also favor statehood for Alaska, but we think Hawaii has prior claim. It stands on the threshold of the Orient and on the political front line of American democracy. Its citizens today enjoy many advantages that are a part of their American citizenship. If our Government will grant them the full and equal rights inherent in that citizenship, it will correct an old injustice and show the eastern world a democratic example that might take us far toward the goal of peace and freedom in a most critical theater of the cold war.

MEMORIAL FORESTS LIVING REMEMBRANCES OF OUR HEROIC DEAD—STATEMENT BY SENATOR WILEY

Mr. WILEY. Mr. President, I send to the desk a statement on the subject of memorial forests in Wisconsin and elsewhere. I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WISCONSIN'S GREAT RECORD OF MEMORIAL FORESTS

One of the very fine things that has been performed by my State to which I should like to invite attention is the great job that has been done in the field of memorial forests. The idea behind these forests is, of course, to create in the great outdoors a living remembrance of noble Wisconsinites and Americans whose deeds are a source of inspiration to young and old of the Badger State. Right now there are over 256 community forests of all kinds in Wisconsin registered with the State Conservation Department which in turn provides trees free of charge for such enterprises. These community forests embrace an acreage of 45,000 acres, a figure which grows with each passing year.

On the shorelands of Lake Superior, in the Brule River Valley, is one such forest, a 160 acre tract set aside to the memory of Maj.

Richard Bong of Poplar, Wis., America's ace of aces in World War II. In Ashland County by act of the county board, there is a memorial forest of 160 acres also, 4 miles south of the city of Ashland in honor of the county's war dead of two world wars.

Even in the metropolitan areas of my State, in Milwaukee County, there is the Milton C. Potter School Forest owned by the Board of School Directors of Milwaukee city and dedicated in June 1949 in honor of one of our truly great citizens and one of my dear friends, the superintendent emeritus of Milwaukee Public Schools, Milton C. Potter, whose vigor and civic enterprise have been undiminished by the years.

Adjacent to my home county there is a 200-acre tract in Eau Claire County acquired by the Eau Claire Rod and Gun Club for reforestation.

In Langlade County, there is a 2,200-acre forest tract acquired by the town of Peck—the largest unit of its kind owned by a town government in the State, accordingly to information furnished by Mr. F. B. Trenk, extension forester.

It has been customary to speak of our country as if it were entirely wasteful and prodigal of its resources, but I think that through the means of memorial forests, not only are we preserving the great patriotic memories of noble Americans—living and gone—but through these forests we are acting for erosion control, water conservation, improved conditions for wildlife as well as enjoyment and relaxation for this generation and generations to come.

FOREST INVENTORY PROJECT

This memorial forest idea is but one of the ways by which the State of Wisconsin has, I am proud to say, pioneered in the field of conservation. Recently there was gathered at Port Edwards, Wis., a distinguished gathering of leaders brought together by the Forest Inventory Steering Committee which had been set up by the Wisconsin Conservation Commission. The purpose of this steering committee was to plan for inventory of Wisconsin forests, so as to take the guesswork out of future planning by the State's wood-using industries as well as to provide a basis for more effective forest management practices through the cooperation of private industries, the State government, county units, labor unions, agricultural sources. A 3-year forest inventory of the Badgar State's timber assets is planned provided that we can secure minimum cooperation from the Great Lakes Forest Experiment Station. This cooperative work between private individuals, State, county, and Federal Governments, is the sort of practice that we need more of, if America is to be truly a trustee of her magnificent forest resources which she had previously so much abused.

Among the distinguished individuals who participated in this plan for inventory of Wisconsin forests were the following: J. W. Macon, Consolidated Water Power Co.; S. W. Welsh, Wisconsin Conservation Department; G. R. Gevorkiantz, Lake States Forest Experiment Station; Albert W. Sump, United States Forest Service; M. N. Taylor, Trees for Tomorrow; F. G. Kilp, chairman, Nekoosa-Edwards Paper Co.; F. G. Wilson, Wisconsin Conservation Department; F. B. Trenk, University of Wisconsin; Harold S. Crosby, Forest Industries Information Committee; R. N. Cunningham and E. L. Demmon, Lake States Forest Experiment Station; William Meharg, Wisconsin Conservation Department; Raymond J. Penn, University of Wisconsin; H. F. MacFarlane and George Corrigan, State Forest Advisory Committee.

I wish that more States of the Union would follow Wisconsin's example, because I want to see all those Americans who will come after us enjoy prosperous wood-using industries, but far more important because I want to see future generations of sportsmen, wildlife enthusiasts, hikers, canoeists, nature enthusiasts, enjoy America's great scenic attractions in the great out of doors. Through the means of an efficient forest-management program, through broad-visioned programs like Trees for Tomorrow, we are showing that this Nation can without dictation, without being ordered to do so, conserve the resources with which it has been blessed.

A ONE-MAN GOVERNMENT—EDITORIAL BY EDGAR HOWARD

Mr. WHERRY. Mr. President, for many years Edgar Howard was a Democratic Member of the House of Representatives from Nebraska. He is a man of very high reputation and is highly respected by the people of Nebraska. He is general manager of the Columbus Daily Telegram.

Over his signature in the Daily Telegram Mr. Howard has published an editorial entitled "A One-Man Government." It takes issue with the action of President Truman in withholding the Government employees' loyalty files from the Senate.

In view of the gravity of the issues raised by the President, I ask unanimous consent to insert the editorial in the RECORD, at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A ONE-MAN GOVERNMENT

Dictator Stalin is the one governmental voice in Russia.

The Government of the United States is a three-voice Government—the Congress, the President, and the Supreme Court.

But one day last week President Truman decided that a government with one voice would be better. So he issued orders to certain governmental functionaries to refuse to obey a summons to appear before the Senate and produce the public files in their possession.

Once upon a time there was in France a king whose voice was, in his opinion, the one supreme voice in France. He went as far as to make the remarkable declaration that, touching affairs of state, "I am the state."

Today Dictator Stalin is in theory, and in fact, in position to say, and he says it boldly, that in all matters of government "I am the state."

Will the action of President Truman in practically defying the right of the Senate, a coordinate branch of the Government of the United States, to perform its constitutional function, win the approval of the people of the Republic? Will it win approval of the Democratic Party? If it should win such approval it would be equivalent to rejecting the views of Thomas Jefferson and his colleagues who laid the foundation upon which the American Republic has so long and so securely rested. And before the present-day leaders of the Republican Party give approval to the Truman decree it might be well for them to remember that Abraham Lincoln, the founder of their party, never faltered in approval of the Jeffersonian type of Government—the type which provided a Government with three separate branches.

It is not reasonable to estimate that any national political party will have the audacity to applaud a decree by our President so clearly antagonistic to the plain provisions of the Constitution of the free Republic of the United States.

EDGAR HOWARD.

INVESTIGATION OF INTERSTATE GAMBLING AND RACKETEERING ACTIVITIES

Mr. KEFAUVER. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution 202.

The VICE PRESIDENT. The Chair cannot consider that request at this time, because under the unanimous-consent agreement the displaced-persons legislation is the continuing business until finished. The request of the Senator from Illinois [Mr. LUCAS] that Senators be permitted to introduce bills and submit matters for the RECORD did not include consideration of any other legislation. Therefore the Chair cannot, under the present subsidiary unanimous-consent agreement, entertain requests for consideration of measures.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KEFAUVER. Cannot the resolution be considered if there is no objection to it? We have a deadline within which to make a report, and I was anxious at least to present it to the Senate.

The VICE PRESIDENT. The Senator might ask unanimous consent under another heading, or at some other time, for consideration of the resolution; but the Senator from Illinois did not include the consideration of any other measure in the unanimous-consent request which was granted by the Senate.

PROPOSED GRANT OF RIGHT TO PUERTO RICO TO DRAFT A CONSTITUTION

Mr. LEHMAN. Mr. President, on Friday last, the Senator from Wyoming [Mr. O'MAHONEY], the distinguished chairman of the Committee on Interior and Insular Affairs, introduced a bill which would grant to the island of Puerto Rico the right to draft a constitution, and for other purposes. I am very much interested in that legislation and have prepared a statement outlining my basis for interest in the proposal of the Senator from Wyoming. I ask unanimous consent of the Senate to print this statement in the body of the RECORD as a part of my remarks at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, there has been introduced into the Senate by the distinguished senior Senator from Wyoming and chairman of the Interior Committee a measure which is quite unprecedented in our legislative history—a measure to permit the people of Puerto Rico to draft a constitution and enter into a new relationship with the United States. This proposal, however, is based on a very ancient principle, that of mutual consent and desire—the principle that the will of the people is and must be the law of the land.

In the case of Puerto Rico the 2,000,000 inhabitants of that island have been governed for many years by direct acts of Congress. In the past 20 years, an increasing amount of autonomy has been granted to Puerto Rico. The high point of that trend was reached 2 years ago when Congress voted to permit

Puerto Rico to elect its own governor and other executive officials.

Now the people of Puerto Rico, through their duly elected representatives, ask that they be permitted to draft a constitution based on the present organic act—the laws now governing the relationship between Puerto Rico and the United States—but giving the Puerto Ricans a greater amount of autonomy and providing greater flexibility in the application of Federal laws to Puerto Rico.

As I understand it, the Puerto Ricans are not now asking for statehood. They do not expect Congress to grant them two Senators and seven Representatives in the Congress. But they do wish to gain a greater degree of self-government.

The fact of the matter is that Puerto Rico is unalterably a part of the economic life of the United States. The fact of the matter is that Puerto Rico is unalterably a part of the political life of the United States, too. It seems to me that we can recognize these facts by sanctioning the drafting of this new kind of constitution.

Under the terms of the O'Mahoney bill, as I understand them, the economic relations between Puerto Rico and the mainland of the United States would remain virtually as is. Puerto Ricans would be given a greater right than they now have to regulate their own daily lives. In the last analysis, Congress would still retain the sovereign authority. But that authority would be delegated to the people of Puerto Rico insofar as the governing of the local affairs of the people is concerned.

Mr. President, what I have said up to now is based on my assumption that in asking for this right, the Government and the leaders of Puerto Rico are carrying out a clear mandate of the people of Puerto Rico. The duly elected officials of Puerto Rico say so. The legislation before us declares, under its own terms, that this arrangement, or whatever arrangement is made, must be and will be an expression of the will of the Puerto Rican people. I assert as an article of my own personal faith that no arrangement and no settlement of the political status of Puerto Rico is possible which does not fully reflect the fundamental will and aspiration of the Puerto Rican people. This will be the chief standard by which I personally will examine the projected constitution of Puerto Rico and indeed the whole proposition that is now presented to the Senate. The constitution must also be accepted, after it is finally formulated, by the Congress of the United States. At least the Congress must refrain from vetoing it.

Mr. President, I have not had an opportunity to study the O'Mahoney bill in all its details and legislative implications. I assume there will be hearings before the Interior Committee. All groups and factions in Puerto Rico and in the United States will have an opportunity to present their views. It may be that some details of this proposal would not have my support after I have heard all of the arguments pro and con. But I wish to say that I regard this proposal as a great forward step, a fresh and ingenious contribution to our thinking on the whole subject of the relationship between Puerto Rico and the United States.

Mr. President, I commend to the attention and the study of the Senate this interesting and ground-breaking proposal. I trust that the Senate may have time to consider this legislation after the Interior Committee has acted upon it.

EASTER RECESS AND LEGISLATIVE PROGRAM

Mr. WHERRY. Mr. President, I ask unanimous consent that I may propound an inquiry of the majority leader.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. WHERRY. I should like to ask the distinguished majority leader if, in connection with the business being transacted under the unanimous-consent agreement, he has made an announcement relative to what, if any, vacation of the Senate there may be during the Easter time, and what days may be included?

Mr. LUCAS. Mr. President, I had intended to advise the Senate with respect to the query propounded by the minority leader, the Senator from Nebraska. I now advise the Senate that we will probably—and I say "probably"—take a recess from Thursday of this week over to Monday. In other words, we will respect and honor Good Friday. I doubt, however, if we can go any further than that by reason of the tremendous amount of work that is before the Senate at the present time. I regret that the Senate cannot take the same kind of vacation the House is taking, but it seems to me, after talking with a number of Senators on this side of the aisle, that we must proceed with all convenient speed and try to get through our legislative program as fast as possible. The Senator from Illinois and all other Senators, I am sure, would like to adjourn the Congress as speedily as possible. Certainly no one wants Congress to remain in session, if we can help it, until October 19, as we did last year. On the other hand, there are certain things we must do before we adjourn.

Mr. CHAVEZ. Mr. President, will the Senator from Illinois yield to me?

Mr. LUCAS. I yield.

Mr. CHAVEZ. Of course, the Senator from Illinois has in mind the important bill which is the unfinished business—the rivers and harbors and flood-control measure.

Mr. LUCAS. That is one of the bills I have in mind.

Mr. SALTONSTALL. Mr. President on page 28 of the calendar, Order No. 1431 is House Concurrent Resolution 190, to provide for observance and celebration of the one hundred and seventy-fifth anniversary of Patriots Day for the commemoration of the events which took place on April 19, 1775. I have talked with the Senator from New Mexico, and I know that he does not want to let anything interfere with the prompt disposition of the flood control and rivers and harbors bill. I have also talked with the Senator from Nevada [Mr. McCARRAN], the chairman of the Judiciary Committee, in regard to the possibility of bringing up House Concurrent Resolution 190, because there is no use in bringing it up at all if it is not brought up before April 19.

Mr. McCARRAN. Mr. President, I do not know whether the time for that purpose will be charged to me or not; but if the concurrent resolution can be considered and disposed of within 10 minutes, I shall yield that much time. However, unanimous consent for that purpose is required.

The VICE PRESIDENT. The Senator might do so when the morning hour is concluded; but under the unanimous consent given for the consideration of certain matters during the morning hour, such a matter is not now in order. At the conclusion of the morning hour, if the Senator from Massachusetts wishes to ask the Senator from Nevada to yield for that purpose, that will be in order.

FIRST ANNIVERSARY OF SIGNING OF NORTH ATLANTIC TREATY

Mr. CONNALLY. Mr. President, are we still in the morning hour?

The VICE PRESIDENT. Yes; the Senate is still in the morning hour.

Mr. CONNALLY. I ask unanimous consent that I may be permitted to make a brief statement about an important matter.

The VICE PRESIDENT. Is there objection?

Mr. McCARRAN. Mr. President, will the time for that purpose be charged to either side?

The VICE PRESIDENT. Whatever time is required will be charged to both sides equally, the Chair supposes.

Mr. CONNALLY. The matter to which I wish to refer does not relate to the displaced-persons bill.

The VICE PRESIDENT. It there objection to the request of the Senator from Texas? The Chair hears none, and the Senator may proceed.

Mr. CONNALLY. Mr. President, I wish to make a statement with respect to the North Atlantic Treaty.

During the last session of the Congress, I had the privilege, as chairman of the Senate Foreign Relations Committee, to present to the Senate for its approval the North Atlantic Treaty. I was convinced at that time that the treaty was a great forward step in our eternal quest for world peace. I still think so today.

Just 1 year has elapsed since the North Atlantic Treaty was signed on April 4, 1949. That was a timely move on the part of the 12 signatory nations because it served notice that the peoples of the North Atlantic community who have worked hard to repair the damage wrought by the last war would work even harder to prevent another war from starting. That is the purpose of the treaty—to stop war before it starts, by making clear to any potential aggressor that an attack on any of the signatory nations would be considered as an attack on all, and that consequently he would be confronted with such a combined potential of force as to make it unwise and unprofitable to attack any of the treaty nations.

The worth of the treaty has not diminished during the year past. Today, just as a year ago, it serves as a most powerful deterrent to war, and hence a positive influence for peace. It is helping to achieve the primary purpose of the United Nations—the maintenance of international peace and security.

During the past year gratifying progress has been made. The machinery for the implementation of the North Atlantic Treaty has been set up. Agreement has been reached on a strategic concept for

the North Atlantic area. New courage and new confidence have been born in western Europe as a result of the teamwork inspired by the pact.

But we in the North Atlantic community still have a most difficult task ahead of us. We must continue to develop our collective defensive capacity and unite our means for defense, so that if our efforts for peace are not respected, we shall be able to insure that the fruits of our labors since World War II shall not be destroyed by an aggressor.

We must work not only to build our defensive strength, but to revitalize the confidence and will of free peoples throughout the world. If we keep this goal ever before us, we can exert such a moral force on the side of peace that even the strongest aggressor will shrink from the folly of plunging the world into another great war.

I thank the Senator.

Mr. SMITH of New Jersey. Mr. President, I should like to obtain unanimous consent to speak for 2 minutes on the subject on which the Senator from Texas [Mr. CONNALLY] has just spoken, namely, the first anniversary of the signing of the North Atlantic Pact.

The VICE PRESIDENT. Is there objection?

Mr. McCARRAN. I am willing to have that done, provided that, similarly, the time required for that purpose be charged equally to each side.

The VICE PRESIDENT. It will be charged to the Senate, no doubt.

Is there objection to the request of the Senator from New Jersey? Without objection, the Senator from New Jersey may proceed.

Mr. SMITH of New Jersey. Mr. President, as a member of the Foreign Relations Committee, I am happy to join with the distinguished chairman, the senior Senator from Texas [Mr. CONNALLY], in calling attention to the first anniversary of the North Atlantic Treaty. We can all be grateful that this treaty was entered into and ratified last year, in light of the increasingly serious world situation. This treaty was made possible by the effective functioning of our bipartisan foreign policy and by many mutual conferences by the party leaders on both sides of the aisle in developing the principles that went into this mutual assistance pact. Because 12 freedom-loving nations, including the United States, realized that the United Nations organization was not yet in a position to deal effectively with the threat of aggressive Soviet communism, they banded together under the terms of the United Nations Charter to carry out a plan for their collective defense. These 12 freedom-loving nations represent 350,000,000 people.

In the minds of all of us, the military defense features of this pact stand foremost; but as we celebrate this first anniversary, it seems to me appropriate to put the spotlight on another provision of this treaty which is most important, and which it seems to me we are now in a position to carry out to the fullest degree possible. The other provision in the treaty to which I refer is article 2, which I quote:

> The parties will contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being. They will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them.

Mr. President, the aims and purposes of article 2 can well be described as political, social, and moral, as distinguished from the purely defensive aims of other provisions of the treaty.

I think all of us will agree, in restudying the terms of the treaty and in appreciating the conditions under which it was promulgated, that it offers almost unlimited possibilities for cooperation among these 12 freedom-loving and peace-loving nations of the Atlantic community. We must explore these possibilities even more energetically than we have in the past year. This is especially true because many of our people are looking for new instruments and new machinery for strengthening the peace. These new searchings are most commendable, but we must be careful that they do not bypass the instruments and machinery which we already have available, and which definitely should be used—such as the North Atlantic Pact.

Under this treaty we are developing the machinery for joint defense, and that is a vitally necessary thing. However, we should push ahead energetically to create the political, economic, social, and moral bonds which the treaty itself suggests, and which can make of this Atlantic community the most powerful and effective force for peace the world has ever seen.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. SMITH of New Jersey. I am glad to yield.

Mr. CONNALLY. I think it worthy of attention by the Senator from New Jersey and by the Senate as a whole that there has just been held at The Hague a conference of the 12 North Atlantic Pact nations with reference to implementing and carrying out the program of defense of the pact against totalitarian invasion, or invasion by an aggressor. I understand that the meeting was very successful, and that particular tasks and duties were tentatively, at least, assigned to the respective nations involved in the treaty.

Mr. SMITH of New Jersey. I thank the Senator from Texas for adding that word, which is most relevant to calling attention to the first anniversary of the signing of the North Atlantic Pact. The fact that this meeting has been held is most important.

The VICE PRESIDENT. Is there any further routine matter?

Mr. McMAHON. Mr. President, I ask unanimous consent to address the Senate for 1 minute on the subject on which the distinguished Senators have just spoken.

The VICE PRESIDENT. Is there objection?

Mr. McCARRAN. Mr. President, under the same conditions, and with the understanding that it is not to be charged to either side, I do not object.

The VICE PRESIDENT. That is the understanding.

Mr. McMAHON. Mr. President, 1 year ago today, the foreign ministers of our neighbor governments in the North Atlantic community gathered here in Washington for the formal signing of a very important international agreement. It was an agreement to pool their individual efforts and resources for the preservation of peace and security in the North Atlantic area.

That ceremony was the outcome of 10 months of exploring the best means toward a common defense. The North Atlantic Treaty is a practical working out of the right of individual and collective self-defense recognized in article 51 of the United Nations Charter. Its signatories have recognized that an attack against one of them is an attack against all. They have pledged themselves to a program of self-help and mutual aid to protect their community against armed aggression.

The treaty is a vital expression of our relationship with the free nations of the North Atlantic area and of our intention to act decisively to preserve world peace. It stands as a profound deterrent to any would-be adventurer in military aggression. We trust that it will serve as an effective damper to any nation entertaining ideas of bargain-basement conquest.

In the year that the treaty has been in effect the sense of insecurity that pervaded western Europe and hampered the recovery effort there has lessened. The muscle put into the treaty by the mutual-defense-assistance program has measurably contributed to the strength and confidence of the democratically minded nations that make up the community.

On this first birthday of the treaty, I believe, we can take hope from the results of its first year of operation. We now have additional concrete evidence that international collaboration can be a realistic instrument of peace.

Mr. President, I am sincerely hopeful that the meeting of Foreign Ministers, which is to take place in London during the month of May, may bring forth programs to advance the cause of peace that may be placed before the next meeting of the United Nations.

I am particularly hopeful that we shall see new determination for the successful control of weapons of mass destruction emerge from the conference which can be translated into support in the United Nations General Assembly, and which, eventually, I trust, may be adopted for the sake of mankind as the program of the world.

Mr. TYDINGS. Mr. President, I ask unanimous consent to proceed for 3 minutes on this subject.

The VICE PRESIDENT. Is there objection?

Mr. McCARRAN. With the understanding that it is on the same conditions, I have no objection.

The VICE PRESIDENT. The Chair suggests that Senators who have control of the time under the pending business may yield to Senators for the purpose of speeches on any subject, if they wish to do so. So long as the present so-called routine morning hour is in progress, Senators cannot speak except by unanimous consent. Is there objection to the request of the Senator from Maryland?

Mr. McCARRAN. If it is not charged to either side, I do not object.

The VICE PRESIDENT. It is charged to both sides.

Mr. TYDINGS. Mr. President, inasmuch as our distinguished chairman of the Senate Foreign Relations Committee, the Senator from Texas, has brought up this matter on the anniversary of its birth, it may not be inappropriate for me to make a brief comment, because I have just returned from The Hague, The Netherlands, where the Defense Committee was meeting, which was attended by the Defense Ministers and the Defense Chiefs of Staff of the countries associated in this great enterprise.

We are not yet out of the woods. The war is too recent. The countries of Europe have been occupied and devastated too recently for them to undertake the degree of preparedness which I feel sure each of them would like to embrace. However, in the meeting which I had the privilege of attending, one could not help noting the cooperation, the willingness to assume tasks, and the comprehension that we must all stand together, which was prevalent in all the remarks and in all the actions of that council.

The North Atlantic security area is one great area devoted to democracy, to justice, and to peace. I am sure that all the defense ministers who attend the conference, as well as the military personnel, want peace. I am certain that none of them want war. What they have done and are doing is to promote the cause of peace in this time and age when force is so decisive in the affairs of nations and men. Therefore, plans are constantly being promulgated and undertaken and carried out which bind and link the whole democratic North Atlantic community into one solid front for peace.

The present peace is one which is built partly on diplomacy and partly on the ability of any nation successfully to resist aggression. It is necessary that these countries cooperate. Their willingness to cooperate in my opinion is constantly increasing. There is a mutuality of respect for each other which is very heartening. The economies of these countries are not such that they can do instantly what they would like to do, but there is a willingness on the part of all of them to undertake a very onerous burden in the interest of keeping the North Atlantic security area intact, and so strong that no country will dare attack it without fear of victorious retaliation.

Those of us who are appropriating money under the Marshall plan and are furnishing arms to increase the strength of our neighbors across the sea, in my judgment are serving the cause of democracy, of peace, and of humanity. Not to do it is to expose our western European neighbors to possible attack and engulfment by communism. As this country, great with all its power and might, throws its will and resources, within reason, in with the resources and wills of our European neighbors, a reservoir of strength is constructed which challenges all who would attempt to make aggression in the North Atlantic area.

Everyone who came away from the conference came away encouraged. There is new hope, there is a new, growing feeling of confidence, a new will to resist, a new strengthening of democratic ties, a broadening of international cooperation; and, as one who was privileged to sit in the conference, I believe we are on the road to success, and have made phenomenal strides toward the common objective of peace with justice and dignity to all mankind.

The VICE PRESIDENT. The morning hour and routine business having now been concluded, the Chair recognizes the Senator from Nevada.

OBSERVANCE AND CELEBRATION OF THE ONE HUNDRED AND SEVENTY-FIFTH ANNIVERSARY OF PATRIOTS DAY

Mr. McCARRAN. Mr. President, I understood the Presiding Officer to rule that when the morning hour had been concluded I might yield to the Senator from Massachusetts [Mr. SALTONSTALL] to request unanimous consent to take up a bill. I now yield 5 minutes to the Senator from Massachusetts, if he can make his request within that time.

Mr. SALTONSTALL. Mr. President, I appreciate what the Senator has done. I should like to bring up for consideration from the Senate Calendar Order No. 1431, House Concurrent Resolution 190, which is the resolution to which I called attention a few minutes ago. The resolution is, of course, of no value unless it is agreed to very shortly, because April 19 will arrive week after next. I have talked to the Senator from New Mexico [Mr. CHAVEZ] and I believe he feels that no other matter should be taken up prior to the consideration of the rivers and harbors bill. I would ask, Mr. President, whether the Senator from New Mexico would feel that this resolution could be acted on at this time. I do not think it will take any debate whatsoever. I know that my colleague from Massachusetts is present, and that he feels the same way I feel about it.

The VICE PRESIDENT. The Senator from Massachusetts asks unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of the resolution which the clerk will now read.

The LEGISLATIVE CLERK. A concurrent resolution (H. Con. Res. 190) to provide for observance and celebration of the one hundred and seventy-fifth anniversary of Patriots Day for the commemoration of the events that took place on April 19, 1775.

The VICE PRESIDENT. Is there objection to the consideration of the resolution?

Mr. CHAVEZ. Reserving the right to object, I may say that I should like to accommodate the Senator from Massachusetts. I know that the resolution is most worthy, but, as I have stated before, over and over again, House bill 5472 has been pending since last October. I know that if it had not been for the unanimous-consent agreement we would be ready to vote on the displaced-persons bill at this time. I have objected to a request of the Senator from Tennessee [Mr. KEFAUVER] and of other Senators, and I personally think that House bill 5472 is just as important as is the resolution. Besides, if we can only conclude the pending business we can finish the consideration of House bill 5472 by the time the resolution would take effect, on the 19th of April. I object.

The VICE PRESIDENT. Objection is heard.

Mr. McCARRAN. Mr. President, I yield 40 minutes to the Senator from Indiana [Mr. JENNER].

The VICE PRESIDENT. The Senator from Indiana is recognized for 40 minutes.

UNITED STATES FOREIGN POLICY

Mr. JENNER. Mr. President, on March 14 I read into the RECORD the shocking story of what this administration is continuing to do to drive Germany into the hands of Russia.

In making these charges, I also claimed that what we were continuing to be a party to, in Germany, was part of the over-all plan of our Department of State and its pro-Communist sympathizers, to sell America out to Russia, all over the world.

Mr. President, the State Department's blind insistence upon a continuation of its present policies in Germany, and its despicable covering up of what all our so-called peace-loving allies are continuing to do in Germany, while the American taxpayer underwrites their actions, cannot be construed in any other way than a continuing sell-out of the American people on the international scene.

Is it not significant, Mr. President, that my charge that the American people are continuing to be forced to finance the wanton destruction of the peacetime industrial potential of Germany, has never been denied by the Secretary of State, and that not once has he taken the American people into his confidence and pleaded for their support in calling a halt to "this economic madness." Indeed, to the contrary, Mr. Acheson continues to support officially this pro-Communist betrayal of the American people.

I believe that a Secretary of State who has the effrontery to lead the American people into Communist booby traps all over the world, and then has the additional effrontery to insist that the basic instincts of the American people, and their common horse sense, cannot be

trusted to get them out of the predicament in which he has gotten them; such a Secretary of State, I repeat, ought to have the decency to admit the role that he has played.

Mr. President, on March 27, 1950, Walter Lippmann admitted the impasse should be resolved when he wrote:

Mr. Acheson is unable to carry the burden. He has inherited a foreign situation which is deteriorating, and demands a review and revision of many of the basic policies of the postwar period.

He is himself vulnerable in that if he changes his position at all, he will be attacked as an appeaser; and if he adheres rigidly to his position, the situation abroad will deteriorate still more.

If Mr. Acheson feels himself powerless, by reason of personal commitments he already has made, to remedy the disastrous policies which continue in operation up to this very moment, he ought to have the integrity to recognize he has become a criminal liability and should resign.

Mr. President, on March 15, Secretary Acheson is supposed, finally, to have told Russia off in the Far East.

Yet, on the very next day, in typical Acheson fashion, our Secretary of State immediately reversed himself and invited Mr. Stalin to get together with him and try to work out a new understanding.

Is it not tragic, Mr. President, to find that what Mr. Acheson has been, and continues to be, and the role he has played in designing our disastrous foreign policy now speak so loudly that neither the Russians nor the American people themselves can hear what he is saying, or would believe it if they could?

The truth is, Mr. President, that the senseless destruction of peacetime industrial potential in Germany that continues to go on while I speak is part and parcel of Mr. Acheson's foreign policies, and continue to constitute a part of what he is now pleased to call his "total diplomacy."

The fact that he has sought to cover up his betrayal of American interests in the Far East by calling for what amounts to a Truman doctrine for Asia only adds to the frightening confusion, especially when analyzed against the background of Mr. Acheson's over-all concept of American foreign policy, which has been in operation long before Mr. Acheson took his present position.

On February 7, 1947, the United States News carried the following story which I want to read into the RECORD for the serious consideration of my colleagues:

During Mr. Byrnes' tenure Mr. Acheson's principal contribution was a codification of American foreign policy, the first in many years.

This was largely written by the Under Secretary, outlining in detail the United States policy toward every nation and area.

In preparing the document Mr. Acheson acquired what some had complained that he lacked—a knowledge of the minutiae of international dealings.

The brochure is, of course, top secret. Only two copies of it exist. One is kept in a State Department vault, the other by the Army's Chief of Staff, so that military and diplomatic policy may be integrated.

As former Chief of Staff, General Marshall, of course, was kept up-to-the-minute on foreign policy everywhere.

He is now familiarizing himself with developments during his year in China, mostly by a study of Mr. Acheson's book.

While the Secretary digs into his job and prepares to attend the Foreign Ministers meeting in Moscow in March, Mr. Acheson is largely running the Department on the basis of his own guidebook.

Mr. President, the full significance of this story for a long time has been lost on the Members of this body.

But the fact is that this story not only has not been denied, but, to my knowledge, the two copies of this top-secret document of American foreign policy drafted by Dean Acheson have not been seen by any Member of this body.

Yet, Mr. President, according to the New York Times on January 28, 1949, just 2 years after this United States News story was published, Secretary of State Acheson's brother, Prof. Edward C. Acheson, a professor of foreign relations at George Washington University, who served in the United States embassy in China during the war, and who was President Truman's personal representative on an economic mission to Germany, predicted:

In a few weeks we will have to write off China as a 100 percent loss, and it is only a matter of time when we will have to do the same thing regarding Greece.

Then the New York Times went on to state:

He predicted that substantially the same thing would happen in the recovery of western Germany.

Then, Mr. President, the New York Times further quoted Professor Acheson directly when it said:

In Germany, our military will continue their occupation duties, but we will find it necessary to abandon the inferior Nazi-type controlled economy which General Clay has been operating there.

We cannot expect the world to believe we are spreading democratic concepts when we employ in Germany the same kind of system the Nazis used with far more efficiency than we have demonstrated.

Mr. President, these facts take on a new and terrifying significance in the light of Secretary Acheson's latest so-called warning to the Russians, which lays a groundwork for the extension of the Truman doctrine in the orient, for he is now advocating that we assume the additional burden of financing the extension of the Truman doctrine to the Orient, when his own brother, who has been on the inside of this codification of American foreign policy for which the Secretary is responsible, warned that the Truman doctrine was leading to bankruptcy and disaster, even in Europe. In other words, this latest outbreak by the Secretary of State is merely a plea for us to follow him further into the Communist booby-trap in which we already find ourselves.

As proof of this, Mr. President, I want to quote from the editorial which appeared in the New York Times on March 17, 1950, which commented on Mr. Acheson's plea for his so-called seven-point peace offensive. Because my time is limited, I ask unanimous consent that the excerpt from the editorial be printed in the RECORD at this point.

There being no objection, the excerpt from the editorial was ordered to be printed in the RECORD, as follows:

Hope of progress in this direction not being bright, Mr. Acheson faces the grim alternative.

This can be only a continuation of the "cold war," in which we must wage "total diplomacy" until an honorable and trustworthy settlement can be reached.

We cannot use Soviet methods of totalitarian diplomacy, but we can use programs of our own to build and strengthen a free world in which our way of life can flourish.

This is the purpose of the Truman doctrine, the European recovery program, the North Atlantic Pact, and Rio Pact, the military-assistance program, the point 4 program for developing underdeveloped areas and our championship of a world order based upon the United Nations.

Heretofore these programs have been of primary aid to western Europe.

Now, Mr. Acheson proposes to extend them to Asiatic nations as well, wherever they can be made effective within the limits of our resources.

Recognizing that Asia is undergoing a revolution, he calls upon the forces of both freedom and nationalism in Asia to join in the struggle of the free world against Soviet imperialism and colonialism, and promises whatever aid we can give, either military or economic, as the case may warrant.

Mr. JENNER. Mr. President, Mr. Acheson recommends our extending to the Far East the very policies we have been pursuing in Europe which have played right into Stalin's hands, and which have created such a favorable climate for the spread of communism, that on March 15, 1950, one of the chief architects of our bipartisan foreign policy, none other than Mr. Harold Stassen himself, pleaded for a top level peace conference with or without the Russians, as a means of stopping "America's tragic loss in the cold war."

Mr. Walter Lippmann also warned us, on March 21, 1950, of where Mr. Acheson's "total diplomacy" will lead, as follows:

We have become so overextended, we have promised so much more than we can fulfill, we have demanded so much more than we can enforce, we have used words that are so much bigger than our deeds; now we are in the backwash and reaction, which is always painful and embarrassing, of being forced to live internationally within our means. * * *

The budget of our foreign commitments has become gravely unbalanced, and if we are not able to take the decisions which will balance it, events which we shall not control will do that in spite of us.

Mr. President, I refer to these warnings because the record shows that we are losing the cold war. But Secretary Acheson has not yet told the American people why. Instead, he continues to double talk out of both sides of his mouth at the same time. It is here that the warning of Dean Acheson's own brother concerning what is going to happen in Germany proves a shocking case-in-point.

Is it not shocking, Mr. President, that Secretary Acheson's recent outburst of verbal finger-pointing at Russia in Asia is in itself the sheerest hypocrisy? In the first place, on March 9, in an article by Neal Stanford, published in the Christian Science Monitor, it is revealed

that Secretary Acheson had already paved the way for recognition of Communist China. Because of my limited time, I ask unanimous consent that the excerpt from the article be printed in the RECORD at this point, as part of my remarks.

There being no objection, the excerpt from the article was ordered to be printed in the RECORD, as follows:

The Secretary's March 8 statement, in answer to UN Secretary General Trygve Lie, discloses that the United States will vote against any attempt to unseat Nationalist China representatives in the United Nations, because Washington still recognizes the Nationalist Government as the government of China.

It will, at the same time, accept any parliamentary decisions of UN organs on this question, so that if a majority on any UN body voted to replace delegates of Nationalist China with delegates of Communist China, so be it.

Mr. JENNER. Indeed, Mr. President, even the London Times of March 16, 1950, commented on Secretary Acheson's so-called warning to Russia, by saying his speech had laid the solid foundations for recognizing Communist China by the United States.

Mr. President, it is obvious that this administration has been laying the groundwork for at least a tacit recognition of the Communist conquest of China. However, what is even more hypocritical, the Secretary of State's speech on communism in Asia has served also as a smoke screen to cover up the tragic fact of what is happening in Europe. For the Secretary of State, while he was calling our attention to the Orient and blaming Russia for the ills of the world, was at the same time continuing to preside over the grave-digging operation for western civilization by refusing to call a halt to these insane policies we are continuing to carry out in Germany.

Mr. President, the whole country has been assured time and again of our so-called good intentions toward Germany. Nowhere has this double talk been more clearly stated than in the Journal of Commerce of Friday, April 8, 1949, when Mr. Paul Hoffman himself assured the American people that—

The United States Government has taken the position that a self-supporting Germany is vitally important not only if we are to reduce the cost of the occupation to the American taxpayers but also to speed the reconstruction of western Europe as well.

Every government in western Europe has recognized the elementary fact that genuine economic recovery is not possible without German recovery, that this traditional market which has been a source of raw materials and an outlet for manufactured goods would drag down Europe and the rest of the world with it if it were left to stagnate in misery and impoverishment, hunger, and unemployment.

Yet the warnings of what our policies in Germany are continuing to do are rising on every hand. On March 16, 1950, the day following Mr. Acheson's supposed anti-Communist outburst, Dorothy Thompson wrote an article which appeared in the Washington Evening Star, and I ask unanimous consent that it be printed in the RECORD at this point as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Last week Secretary of State Acheson said America must mobilize the whole of her diplomacy. Relations between western Germany and Europe are at the lowest point since the war.

This deterioration comes in a critical moment.

Unemployment in western Germany has reached two million—and this figure does not include the large number of the partly employed.

Popular discontent is rising, the continued dismantling of industries furnishing an additional focus of discontent, especially among workers.

The Communists are taking advantage of the triple crisis: Saar, dismantling, unemployment.

The currency reform produced a boom, as it brought to a famished market long-hoarded goods and opened employment.

But the economic structure is basically undermined by the vast augmentation to the population of penniless expellees from that part of Germany annexed by Poland and from the satellite states.

These number nine million, including a disproportionate number of women, children, and aged who must be sustained by the labor of others.

Among displaced workers unemployment is far higher than in the indigenous population.

Now, in this threefold crisis, Communist Poland has decided to expel those Germans who survived the earlier purges.

This will add another 200,000 to 400,000 unemployed, and further complicate the disastrous housing situation.

Mr. JENNER. Mr. President, in addition, the gravity of the situation we confront has so aroused Winston Churchill, that, according to a United Press dispatch from London, Churchill issued a warning, which I ask to have printed in the RECORD at this point, as part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The decision to form a front in Europe against a possible further invasion by Soviet Russia and its satellite states is at once grave for us, and also imperative.

I find it necessary to say—speaking personally, and giving my own opinion—that this long front cannot be successfully defended without the active aid of western Germany.

Britain and France must stand together, primarily united in Europe.

United—they will be strong enough to extend their hands to Germany.

Germany is at present disarmed and forbidden to keep any military forces, but on her eastern frontier lies the enormous military array of the Soviet and its satellite states far exceeding in troops, armor and air power all that the other allies have got.

We are unable to offer any assurance to the Germans that they may not be overrun by a Soviet or satellite's invasion.

This mighty mass of the Russian Army and their satellites lies like a fearful cloud on the German people and the Allies cannot give them any protection.

Their homes, cities and villages might be overrun by an eastern deluge, and no doubt all Germans who have been prominent in resisting communism or working for reconciliation with the western democracies would pay the final forfeit.

We have no guaranty to give except to engage in a general war which, after wrecking what is left of European civilization, would end, no doubt, ultimately in the defeat of the Soviets, but which might begin in the Communist enslavement of western Germany, and not only western Germany.

I say without hesitation, the effective defense of the European frontiers cannot be achieved if the German contribution is excluded from the thoughts of those who are responsible.

Mr. JENNER. Mr. President, in addition, a United Press dispatch from Paris on the same day reveals how terribly concerned the French are over the present German and European situation by saying:

General Charles DeGaulle said the Atlantic and military-aid pacts gave France responsibilities far beyond any practical aid she has been offered.

We have heard much of the fact that today is the anniversary of the Atlantic Pact.

The pacts rob France of all strategic control of her own defenses.

De Gaulle ruled out any likelihood of a coalition government, including his right-wing rally of the French people.

He advocated close cooperation between France and Germany in building a united Europe.

He said he was firmly convinced that the future of the world depends on the two countries working together.

Indeed, Mr. President, on March 15 Secretary Acheson himself suggested that we need a peace treaty with Germany.

Yet again, Mr. President, the hypocrisy of our Secretary of State is thrown into bold relief by the fact that the Secretary already knew that the idea of a peace treaty with Germany had been rejected.

In a New York Times dispatch of February 18, 1950, by the Associated Press, it was revealed that—

The United States was reported about ready today to advise the western allies to put off a proposed declaration terminating the state of war with Germany.

The Senate and Justice Department are winding up a 4-month study of the proposal, advanced by the British.

Informed officials said there would be exchanges of views with the British and French this month and forecast that the United States would propose shelving the idea for the time being.

For one thing, they say it would mean that Congress would have to concur and also revise or reenact a mass of domestic legislation based on continued existence of a state of war.

More than 200 statutes still have this emergency basis and will be automatically repealed when Congress votes that the war is legally over, the study disclosed.

Officials reported the United States study found that—

1. Keeping western occupation tropos in Germany would not be affected.

There is no state of war with Austria, where troops are still retained.

2. Politically, Germans would be pleased, and the effect of a separate peace treaty between Russia and East Germany would be offset in part.

Foreign investment in Germany might be encouraged by removing some of the existing uncertainties, and it might be easier to admit the Bonn government into international agencies.

3. Disadvantages for the occupation would be largely technical.

Domestically, all sorts of legal complications would result from repealing the state of war, and further studies of the effects may be needed.

Senators will see there is no peace with Germany because it interferes with 200 wartime-powers statutes on the domestic scene, which affect the domestic economy of the United States. What an excuse.

In addition, Mr. President, even this study of the proposed draft for a peace treaty completely ignores the political reality which is continuing to develop in central Europe. It ignores the fact that Germany has been completely excluded from participating in a determination of its own future.

On March 20, 1950, Mr. Walter Lippmann pointed out the complete unreality of Mr. Acheson's approach to this problem by saying:

Of Secretary Acheson's seven points to "relax tension," the first is fundamental to all others.

This was his call for peace treaties with Germany, Austria, and Japan, and most particularly Germany.

The paramount issue of the cold war is and always has been the future of Germany.

We should not attempt now—it is much too late—to negotiate with the Russians about Germany.

We should invite the Germans to propose a German settlement dealing with unification, armed forces and police, guaranties against aggression, evacuation, and their own neutralization agreements on which the four powers might then try to agree, which, if they did agree, could then be subject to plebiscite of the German nation.

The practical advantages of such a policy are, I believe, very great indeed.

The greatest of all the advantages would be that a German settlement which the Germans believed they had themselves made would have a moral force among Germans in the future that no imposed settlement can ever have.

Mr. President, it is perfectly obvious that unless the United States Senate now directly intervenes and forces a change, there will be nothing to stop a debacle in Germany, and a Communist triumph in Europe, which will make what has happened in the Orient look like a church picnic.

Because we are now confronting such a terrifying prospect, and because it is obvious that our Secretary of State will not intervene until it is too late to salvage western Europe, I feel it my duty to arouse my colleagues in this body to the fact that we continue to be led around with rings in our noses, by men who either have been parties to, or the victims of, the most gigantic swindle of the American people in history.

At this very moment, and at our own expense, our own State Department and its representatives are continuing to give aid and comfort to the enemy. They are paralyzing any hope of restoring stability to democratic processes in Germany. They are destroying the last hope of winning the enormous potential of German workers to the cause of our competitive-enterprise system. And they are guaranteeing the collapse of any genuine reintegration of Europe on the economic, the political, and the military level, as a bulwark against expanding Communist aggression.

Mr. President, I have been reliably informed that additional proof of these tragic facts was given to the Senate Appropriations Committee Friday, March 10, 1950, not only in the evidence presented by Mr. McCloy, our High Commissioner for Germany, but in the shocking disclosures which Mr. McCloy tried to cover up concerning the role he, himself, is continuing to play as a representative of the State Department policies.

Mr. President, this evidence was presented, and Mr. McCloy's attempt to explain and justify what is going on is so shocking that I believe it is a criminal disservice to withhold this information from the Members of the Senate, and the American people. I have not seen the evidence, but I do not believe I am violating a confidence when I say that I have learned that Mr. McCloy admitted he could see no difference between dismantling and wanton destruction; and when asked by what possible authority he had the right to agree in the name of the American people to wanton destruction, he admitted he did not know where he had the authority.

Think of it, Mr. President. Such an admission only exposes as the most sordid hypocrisy all of the glib assurances by our State Department and our ECA officials that Germany's peacetime industrial potential would be used only to make a maximum contribution to the recovery of German and European economic life.

I understand also, Mr. President, that Mr. McCloy attempted to justify the so-called Petersburg Agreement of November 22, 1949, by assuring us that a final settlement of this dismantling program had been agreed upon, and that Chancellor Adenauer had been very grateful for the concessions that had been made. This piece of testimony completely misrepresents the predicament which the German Government was forced into in its desperate attempt to salvage a half-loaf rather than none.

I have always understood, Mr. President, that a democratic government was one which represented its peoples' interests and reflected their desires. The kind of a democratic government which we are supposed to be supporting in Germany can exist only so long as it enjoys the political support of its citizenry, particularly the support of the workingman. Yet what Mr. McCloy has admitted is that by forcing this Petersburg Agreement on the new German Government, it forced Chancellor Adenauer to fly in the face of German public opinion and to flout the rising tide of protest of the German trade-unions, which had reached its peak just a few weeks before the Petersburg Agreement was drafted.

I want to read into the RECORD, Mr. President, a copy of this protest of October 22, 1949, which was issued by the head of the German Miners' Union, Mr. August Schmidt.

Mind you, Mr. President, Mr. Schmidt is speaking for the largest single trade-union on the European Continent, and I ask the attention particularly of my colleagues in the Senate, who pride themselves on being the champions of American labor, to this protest. I ask unanimous consent that it may be printed in full in the RECORD at this point.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen of the press, I have called you together here because it seems to me necessary, in view of present developments in the dismantling problem, to make absolutely clear to the German people and to world opinion what the standpoint of the German Miners' Union is.

The German Miners' Union has up till now imposed upon itself a restraint in this question which has been misunderstood by many. It did this because it firmly hoped that reason would in the end prevail. It saw this hope strengthened by the clear attitude taken by the American trade-unions, who have called dismantling economic and political folly. Further, the German Miners' Union has closely followed the efforts of the American Senate, the majority of whose Members agree that it is absurd to give, with one hand, the money of the American taxpayer to the European countries for their economic reconstruction, and with the other hand to endanger this economic reconstruction by destroying plants which are important for peacetime production.

The German Miners' Union now has the impression, however, that in spite of all well-intentioned forces, which at bottom represent the overwhelming majority of people in the nations concerned, a minority of men holding office, whose actions are still under the influence of war psychoses, are attempting with all the power at their disposition to rush dismantling to its completion at any cost and to ignore the appeal of the German Bundestag.

For this reason the German Miners' Union feels called upon to make the following statement:

1. The only honest yardstick to be used for dismantling is that a factory may only be dismantled when the question whether it can be usefully employed in peacetime production has to be answered definitely in the negative.

2. All dismantling of other plants is in the conviction of the miners' union incompatible with the principles of international law.

One must come to this conclusion on the basis of international law as understood until now; one could furthermore point to the decisions of the Nuremberg military tribunals, which have the avowed intention of creating valid precedents for the future and by which similar actions committed by Germans during the war were stigmatized as plunder and pillage.

3. The miners' union is of the opinion that no decent German should take any further part in dismantling work. It regards as not merely illegal but as positively indecent the exercise of pressure backed by force on German workers, or the exploitation of their present economic plight to force them into participation in the work of dismantling. The miners' union appeals to the conscience of every decent German not to yield to such pressure.

The German miners' union believes it has the moral right to make the above statements, for no one can reproach the German miners with unwillingness to do their share in the work of European reconstruction even under the hardest living conditions in the first years after the war. Precisely because the German miners have made this contribution, their self-respect demands that they should not allow themselves to be misused for purposes which go directly against the ideal they have been working for, namely, European peace and European reconstruction.

S. SCHMIDT.

Mr. JENNER. Yet, Mr. President, the testimony which would reveal the shock-

ing state of affairs that are developing in Germany, as a result of the policies to which we are directly, or indirectly a party, continues to be withheld from the Members of the Senate and the American people. Indeed, this evidence continues to be denied by Mr. McCloy, himself. On March 20, in a special dispatch to the New York Times from Berlin, we learn of an interview with Mr. McCloy. The dispatch reveals that—

Asked whether he endorsed Senator KENNETH WHERRY's statement that British dismantlings in Germany represented a calculated political move, Mr. McCloy answered that he had not read Mr. WHERRY's charge, but did not believe that was the case.

A report on the situation at the former Hermann Goering Works in Watenstedt-Salzbitter will be prepared and forwarded to Washington, he added.

The Senator from Nebraska is on the floor. I should like to ask him if he received a report from Mr. McCloy in this regard.

Mr. WHERRY. Mr. President, I ask unanimous consent that I may be permitted to answer the Senator's question.

Mr. JENNER. Mr. President, I ask unanimous consent that the Senator from Nebraska may be permitted to answer my question, and that I do not lose the floor thereby. I think this is the proper place where such an answer be given.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. I am glad to give the information requested by the distinguished Senator from Indiana, who is making a very forceful address on the feature of our policy in Germany respecting dismantling. I concur with the Senator's statement that it is a very serious matter, since that activity provides fertile ground for communistic activities. That fact is beyond dispute.

The transcript of the testimony of Mr. McCloy before the Appropriations Committee, that is, the questions and his answers, is still a secret document, and of course I cannot release that transcript. I cannot quote from it. But I do want to state that a moratorium was agreed to by Mr. McCloy and the junior Senator from Nebraska before the Appropriations Committee, during which there would be no further dismantling or demolition of the Salzgitter plant until Mr. McCloy returned to Germany, looked the situation over, and made a report to the Appropriations Committee and to the junior Senator from Nebraska.

I should like to say to the distinguished Senator from Indiana that I have received a communication from a Mr. Henry A. Byroade, Director of the Bureau of German Affairs, dated March 22, 1950, who stated, "I have just received the following message from Mr. McCloy which he has asked me to pass on to you immediately." I am sure that is the message to which the Senator from Indiana refers. I do have the letter, and because I think it contains general information, and has nothing to do with the secrecy which has been imposed upon the testimony of Mr. McCloy, I shall be glad to introduce the letter into the RECORD at this point.

Mr. President, I ask unanimous consent that at this point in the RECORD this communication be printed as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
BUREAU OF GERMAN AFFAIRS,
March 22, 1950.

The Honorable KENNETH S. WHERRY,
United States Senate.

DEAR SENATOR WHERRY: I have just received the following message from Mr. McCloy, which he has asked me to pass on to you immediately:

"I had a private session with the other two High Commissioners during which we carefully considered the disorders re dismantling and demolition at Salzgitter. I find that thus far no demolition of blast furnaces has occurred, although several have been removed for reparations. A small charge was placed in one blast furnace to remove a cold-steel slug, but this demolition was not made to destroy the blast furnace. No foundations or buildings which can be converted to peacetime use are destroyed, and the Germans are given every opportunity to put forward proposals for their use. In certain exceptional cases where foundations were designed specifically to hold the heavier war machines the reinforced concrete foundation is neutralized. No gas furnaces have been blown up with the exception of cokery No. 2. The demolition of this plant was agreed to by the German land government. Demolitions have been used only in cases where dismantling is not practicable. The land minister president has been made aware of this and has expressed satisfaction.

"I should like to point out the Salzgitter plant is an enormous installation, built specifically for wartime production. It is doubtful whether the Germans themselves could utilize all of the buildings in this enormous plant for peacetime use. However, no building capable of conversion has been destroyed with exception of cokery No. 2, the destruction of which was agreed to by the land minister president."

Mr. McCloy also wished me to assure you that he will be glad to supply any further information which you may desire.

Sincerely yours,

HENRY A. BYROADE,
Director, Bureau of German Affairs.

Mr. JENNER. I thank the distinguished Senator from Nebraska.

Mr. President, my time is about up. Yet I wish to say that just 3 days later it was revealed in the Washington Evening Star that the evidence with which Mr. McCloy had been confronted in the executive meeting of the Senate Appropriations Committee had been so shocking and so incontrovertible that Mr. McCloy had directly intervened with the British high commission.

I quote from the Washington Evening Star:

The British high commission promised today in Berlin to give full consideration to a German plan now being drafted to convert the former Hermann Goering steel works to peaceful industries.

The high commission reported explosive demolitions at the plant at Watenstedt-Salzgitter had been temporarily postponed.

Note the word "temporarily," Mr. President.

It is obvious, Mr. President, that if this evidence could frighten our policy makers, together with the British, into such action in just this one specific case, the evidence of what is being done in the over-all picture, when presented to the American people, would arouse them to such indignation they would compel Secretary Acheson's resignation tomorrow.

Mr. President, I do not intend to let this matter drop here. I intend to see it through. That is why I demand that this evidence be made public. My demand that the evidence be made public is moved by a tremendous sense of urgency, since it is obvious that those who are engaged in this senseless process of destruction that is playing directly into the hands of Russia know they are engaged in a mad race against time. Every hour that we delay in exposing this outrage and calling it to a halt brings the hour of Communist triumph that much closer.

I plead, in all solemnity, that this shocking evidence that was presented to the Senate Appropriations Committee on Friday, March 10, 1950, by the High Commissioner of Germany, Mr. McCloy, be made available to the Members of the Senate and the American people before it is too late.

Mr. President, how long do we think we can keep Germany from going communistic? The Germans cannot build ships for trade, because they are not allowed to build a ship which will go over 12½ knots. What do we think the people in Hamburg think each morning when they look out on their docks and see them idle? Mr. McCloy says that the Germans are producing only a little more than 8,000,000 tons of steel this year, whereas they used to produce vastly more; and even today, with their present facilities, they could produce about 15,000,000 tons of steel a year. They are limited to 11,000,000 tons annually, but they are producing only 8,000,000 tons, because under the Marshall plan we have built steel mills in the Netherlands and in Luxemburg, and I saw the $56,000,000 steel plant we built at the edge of Paris.

Ten percent of the German people are unemployed today. Over a thousand Germans a day are pouring into western Germany. We are spending nearly a billion dollars a year in Germany, and yet we stand by and see the peaceful industries of Germany being destroyed and dynamited and the German people being thrown out of employment; and next to them stands Russia, saying, "If you will come with us, we will stop this madness."

Mr. President, I ask the American people and the Senate, how long do we think we can keep Germany from going communistic, if we follow such a senseless policy?

I say again that when Germany goes into the Communist orbit, it will make what happened in the Far East look like a tea party.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum, with the understanding the time be charged equally to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER (Mr. LEHMAN in the chair). Is there objection to the request?

Mr. McCARRAN. I do not think the majority leader is available. I think probably the unanimous-consent agreement might be requested after the quorum call is completed. Therefore, I think the quorum call should continue. A few minutes more will not do any harm.

The PRESIDING OFFICER. Has the Chair heard any objection?

Mr. HOLLAND. Mr. President, I withdraw the request, in view of the statement made by the Senator from Nevada.

The legislative clerk resumed the calling of the roll.

Mr. HOLLAND. Mr. President, I renew my request for unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Does the Senator object?

Mr. WHERRY. No.

The PRESIDING OFFICER. The Chair having heard no objection, it is so ordered.

Mr. LUCAS. Mr. President, it is my understanding from the able Senator from Nevada and the able Senator from West Virginia that there are no other Senators who desire to speak on the displaced-persons bill.

Mr. McCARRAN. Today.

Mr. LUCAS. Today.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. IVES. The Senator from New York would like to be heard for a few minutes when opportunity is afforded him.

Mr. LUCAS. I may say I was called from luncheon, and I was told there were no more speakers on the bill. I was going to say, if we could not proceed with the pending bill, that the Senator from New Mexico, who has been trying to get the Senate to consider——

Mr. KILGORE. Will the Senator yield at that point?

Mr. LUCAS. I yield.

Mr. KILGORE. I think the Senator misunderstood. I said we had two speakers who wanted to speak briefly, and who were ready, but who were not on the floor. I did not see the Senator from New York. Their addresses will probably take not more than 25 minutes. They desire to discuss the pending bill. The other Senator, the Senator from Minnesota [Mr. THYE], is now on the floor.

Mr. LUCAS. I was misinformed as to the situation. I certainly want every Senator who desires to speak on the displaced-persons bill to have an opportunity of doing so.

Mr. WHERRY. I would say so.

Mr. THYE. Mr. President, I should like to be heard on the displaced-persons bill this afternoon. I am sorry I was detained by a long-distance telephone call which kept me from getting on the floor to answer the quorum call.

Mr. LUCAS. Senators apparently have plenty of time, and I am sure the Senator can get whatever time he desires. Aside from the Senator from Minnesota and the Senator from New York, it seems that no other Senator desires to speak this afternoon.

Mr. THYE. Mr. President, if I may be heard at this time, I should like to speak on the displaced-persons bill, if I may be yielded the time for it.

Mr. KILGORE. I yield 15 minutes to the Senator from Minnesota [Mr. THYE].

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from New Mexico?

Mr. LUCAS. If I have the floor, I am glad to yield.

Mr. CHAVEZ. There is no objection whatever on the part of the Senator from New Mexico to any Senators who desire to speak on the displaced-persons bill having an opportunity to do so, whether it takes 5 minutes, 10 minutes, a half hour, or 3 hours. But when Senators desiring to speak are not on the floor, I do object. The bill H. R. 5472, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, is ready for consideration at a time when nothing else is being done. If Senators wish to proceed with the consideration of the displaced-persons bill, I say, let them proceed.

Mr. THYE. Mr. President——

The PRESIDING OFFICER. Has the Senator from West Virginia yielded time to the Senator from Minnesota?

Mr. KILGORE. I yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 15 minutes.

Mr. THYE. Mr. President, I wish to speak only very briefly in support of the amendment which is being offered in the nature of a substitute to H. R. 4567.

It seems to me that H. R. 4567, as passed by the House, is a marked improvement in many particulars over the existing act. The Senate committee changes would still further improve the act in certain respects. Yet each of these proposals falls short of the most effective goal that we can reach, and each has some weaknesses that we should avoid, if possible.

Consequently, after very careful consideration and study, I am convinced that the substitute measure is superior in concept to either of these other major proposals before us. If adopted, it would give greater promise of effectiveness than the others. It would be in accordance with what I am personally convinced is the desire of an overwhelming majority of our people who have given thought to this question. It would give us a more liberal, more workable, more humane Displaced Persons Act.

In joining as a sponsor of the substitute bill I feel that I am representing the thinking on this subject of our Minnesota people who have taken a place of leadership both in their attitude and in their effective practical work for the resettlement of displaced persons.

Our distinguished governor, Luther W. Youngdahl, has just written me as follows:

> We have substantial evidence that the resettlement of displaced persons in Minnesota has been a very successful venture for our State.
>
> Up to April 1, 1950, 3,799 immigrant displaced persons had been resettled in Minnesota. Of this number, only about 5 have to date presented major health problems. There have been 10 or 12 other minor problems involving temporary illness, unemployment, or unsatisfactory placement. These problem situations have been referred to the voluntary agencies engaged in our State's resettlement program, and adjustments have been promptly made by the agencies concerned.
>
> Our positive belief in the success of the resettlement program is supported by the unanimity of favorable reports recently received from Minnesota resettlement agencies.
>
> We have learned that the success of resettlement depends upon achieving a cooperative relationship among the various agencies and the citizenry of the State. I am pleased by the complete cooperation which we have had in Minnesota to put across this humanitarian project.
>
> The displaced-persons program has given us many benefits and among these has been this fine opportunity to work together for a great cause and to thus learn to know and respect one another more. From that standpoint alone, I believe the program has been worth while.
>
> The numbers that have come so far have been warmly received. I am in receipt of letters from Minnesotans praising the work and attitude of displaced persons and offering to provide additional help. The newspapers and radio have also done much to insure the success of the work by providing favorable publicity.
>
> To us in Minnesota the displaced-persons program has become an outstanding example of team work for democracy. We are held together in this purpose by a great idea—the high American ideal of justice, liberty under law, and personal freedom.

That is a letter I received from Governor Youngdahl.

My own home community of Northfield—surrounding a college town of 5,000 persons—has been singled out as typifying the spirit of our State in the resettlement of displaced persons. Because some have felt that the displaced persons cannot be integrated into our American life, and that they create an employment problem, I should like to quote just a paragraph from a letter I have recently received from the chairman of the Northfield Resettlement Committee. I met with that committee last December, and was given a personal report on the displaced-persons situation in the community of Northfield. I also met many of the displaced persons personally, and noted where they were employed, the type of service they were rendering on farms, in businesses, and in private homes. So it is not exactly a question with which I have not come in personal relation and contact. I have seen them in operation, first hand, so to speak.

It is because some persons have felt that displaced persons cannot be integrated into our American life without creating an unemployment problem that I should like to quote this paragraph from the letter which I have recently received from the chairman of the Northfield Resettlement Committee, the committee with which I met last fall. The letter states:

> We have, to date, resettled almost 80 former DP's in the Northfield area. Of this number, 36 are located on farms; the remainder in a variety of positions in the city. It is expected, on the basis of further assurances for housing and jobs sent in and now continuing to be filled, that the total number arriving here will exceed 100. I am happy to be able to state that, with a few minor exceptions, the resettlement work has progressed smoothly, from the point of view of the employers, the new immigrants, and the community as a whole. In general, harmonious employer-employee relations exist and a genuine effort is being made by the former DP's to do satisfactory work, even in positions that are beneath their qualifications and abilities. Twenty-one children from the families are attending the local public schools. For most of them, the language barrier has already disappeared and there is great promise that these youngsters will, in time, make a better-than-average contribution to our American culture.

Mr. President, I believe that the substitute bill, with certain amendments, would be more representative of the collective best judgment on all sides of the question as opinion has crystallized in connection with the many complex factors involved. I refer particularly to the important provisions to define a displaced person, to clarify the status of expellees and to help them, to eliminate discriminatory features, to continue the present division of administrative responsibility among the Displaced Persons Commission, the Consular Service, and the Foreign Service. Among amendments I think would be desirable would be one to authorize suitable grants to provide transportation for displaced persons from the ports of debarkation to the places of resettlement.

One phase of this entire legislation over which I have been much concerned relates to the grave problems presented by so-called expellees, or refugees, from various countries behind the iron curtain who have been uprooted because they happen to have German blood. The committee amendments would appear to improve the status of expellees so far as their entrance into this country as displaced persons is concerned, but I have come to the conclusion that the substitute measure deals more realistically and effectively with this matter by, first, assuring admission of 54,744 expellees; second, making provision for their ocean transportation; third, providing a priority for German and Austrian orphan children; and, fourth, calling for an international conference to deal with this vital problem on a broader basis than is possible in this legislation.

To place the expellees in the same category as displaced persons does not solve either the problem of the expellees or of the displaced persons. Restoring the definition of a displaced person to that provided by the International Refugee Organization, as the substitute bill would do, is the better procedure and, in fact, more consistent with our obligations to the agency which we have so generously supported and whose activities are to terminate in July.

The minority views on this bill have very clearly stated that those who have made a study of the expellee problem are agreed that the committee's proposal to define expellees on the same basis as displaced persons is not the remedy to this urgent problem.

The substitute bill is the only one giving realistic help to the expellees, but it, likewise, is not the solution to the problem.

Whatever final details the pending displaced-persons bill may contain, it is certain that we must be prepared to deal sympathetically and effectively with refugees of German blood, who make up the bulk of the huge expellee group. We must also recognize how serious is the economic and social impact of these millions of expellees who have been forced into western Germany. If we are to accomplish and achieve permanent world peace, we must find a way to settle this disturbing factor. We may even find that the expellee and refugee problem, now so acute in western Germany and to a lesser extent in Austria and Italy, will have its counterpart in other areas.

No international agency has undertaken to deal with this problem, and it is obvious that the burden of its solution cannot be, and ought not to be, borne entirely by the American people. Our own careful study of this situation is desirable, but the sponsors of the substitute measure before us suggest that the solution be placed on a much broader, yes, a world-wide basis, as being likely to be more effective for the expellees, and, as the minority report states, "less costly for the American taxpayer." Consequently, representatives of our Government would be authorized under the substitute bill to participate in a conference between affected nations for the purpose of studying and making recommendations providing for a satisfactory solution of the entire expellee problem.

This problem is of such urgency that upon passage of this legislation the President should invite the nations interested to consider the over-all expellee problem, or else direct our representatives to initiate such an international conference through the medium of the United Nations.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. THYE. Indeed, I am very happy to yield.

Mr. KILGORE. Is it not the Senator's opinion that the question of expellees is a question which should receive complete study in itself at an international level, just as the original question of displaced persons was studied on an international level, and that it is an entirely different type of problem?

Mr. THYE. Mr. President, I can answer the very able Senator in control of the time by saying that he is entirely right. When we were on the European Continent last fall, I visited several displaced persons camps, and I came away with a very strong conviction that we had not studied the question as deeply and sincerely as we rightfully should have studied it. For that reason I joined as a cosponsor of the substitute measure, because I feel it deals with the problem realistically, and I believe we can go further and do a better job with the substitute measure. I thank the Senator for raising the question.

The PRESIDING OFFICER (Mr. KEFAUVER in the chair). The time of the Senator has expired.

Mr. KILGORE. Mr. President, I extend the time of the Senator to the time necessary for him to complete his remarks.

Mr. THYE. Mr. President, I thank the Senator. I should like to repeat one paragraph:

This problem is of such urgency that upon passage of this legislation the President should invite the nations interested to consider the over-all expellee problem, or else direct our representatives to initiate such an international conference through the medium of the United Nations.

When I was in Europe last fall, I took occasion to visit several displaced persons camps. I came away from each of these camps with a deep sense of gratefulness that our own loved ones in this country had been spared such horror and tragedy. For that reason, also, I have been most anxious to aid in enactment of legislation that would give maximum assistance to these unfortunate people.

We have a legal and moral commitment in this matter. Has the United States taken its fair share of displaced persons? The statistics will answer the question. Since the end of the war, and up to January 1, there were 767,500 displaced persons resettled in new countries. Of this number, the United States has taken only 169,100. The bill before us proposes to increase that total number to 339,000.

The American Federation of Labor has stated our obligation in these eloquent words:

> We believe the United States should be willing to assume its fair share of the responsibility of all free nations to provide a new homeland for those shattered families who can call no land their own.

A compelling obligation rests upon us to adopt a measure that will enable our country to do its full part, in an enlightened and humane manner, in helping tragic victims of war and displacement to reestablish themselves in happy and normal environments. I believe that the amendment offered in the nature of a substitute to the Displaced Persons bill will accomplish this high objective.

Mr. KILGORE. Mr. President, I yield 15 minutes to the Senator from New York.

Mr. IVES. Mr. President, on January 25 the Committee on the Judiciary reported favorably, with amendments, H. R. 4567, an act to amend the Displaced Persons Act of 1948.

In its present form this bill is disappointing. I had hoped that we might

have before us a piece of progressive legislation which, by enabling us to solve this problem once and for all, would have removed from the already sagging shoulders of American taxpayers the tremendous financial burden incurred by our participation in the International Refugee Organization. Instead we have before us a bill which will not only fail to accomplish this objective, but will also make virtually impossible any solution of the problem in the foreseeable future. On its face, the pending bill may appear to be an improvement over the existing law. But this appearance only masks the bill's truly unsatisfactory nature, and its basic inadequacies.

Before considering the major weaknesses and failures of the pending bill, and in all fairness, I would state that I heartily endorse those provisions changing the cut-off date from 1945 to 1949, and eliminating in-camp priority. In addition, I rejoice in the committee amendment authorizing the admission of 10,000 Greeks and 5,000 adopted orphans.

It is my intention to address my remarks solely to the two most dangerous provisions of the pending bill: The proposed new definition of a displaced person, and the unwarranted preferences for Balts and farmers. I feel it unnecessary to consider any other provisions of the bill, for they have been admirably treated in the report setting forth minority views, report No. 1237, part 2, as expressed by a majority of the members of the committee on February 14. It is my privilege to associate myself wholeheartedly with the views and proposals of that report.

Under the terms of the present law the definition of a displaced person is identical with that in the constitution of the IRO. The pending bill would delete this provision and substitute a new statutory definition which would include not only the DP's for whom the IRO has been liable, but also approximately 8,000,000 expellees who are not now the concern of any international organization.

Let us examine the effect of the proposed new definition.

Together with other nations the United States joined the IRO to assist in the care, support, and resettlement of millions of victims of totalitarian aggression. By June 30, 1950, this Government will have contributed well in excess of $200,000,000 to that organization. On the same date there will remain in Germany, Austria, and Italy approximately 243,500 displaced persons, the majority of whom will be in the United States area of control in Germany.

I am informed that roughly 141,000 unissued visas will be available under existing law on May 1 of this year. It thus appears that, if we leave unaltered the definition of the existing law, we can do our part in liquidating the problem by taking more than one-half of those who remain. But if the committee's definition is adopted, the residue of the available visas will be diluted by approximately 8,000,000 ethnic Germans for whom the IRO is not responsible.

In this connection, Mr. President, I should like to associate my remarks with those of the distinguished senior Senator from Minnesota [Mr. THYE], who just spoke. I concur wholly in his observations regarding the expellee program.

Every expellee who would be accepted for admission to the United States would mean one less IRO displaced person. The problem we hoped to solve by spending over $200,000,000 would be left without solution.

We should not forget that under the terms of the IRO constitution persons of German ethnic origin are expressly excluded from IRO benefits. If, however, we accept the committee's displaced-person definition, the United States must establish camps, processing centers, and staging areas in Germany and Austria to arrange for the admission of these persons to this country.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. IVES. I ask the able Senator from Massachusetts to permit me to finish my remarks, in view of the fact that I am speaking on an allotted-time basis. At the conclusion of my remarks I shall be very happy to yield to the able Senator from Massachusetts.

On top of this, our Government will have to pay all transportation costs to points of debarkation to the United States. As we have learned from IRO experience, the expense of such a program would be tremendous.

The fact of the matter is that the whole displaced-persons program has arisen from this Nation's obligation to the United Nations and the IRO. The IRO itself is largely a result of the unstinting efforts and the generous financial support of this Government. To accept, therefore, the definition of a displaced person as provided by the pending bill is, in effect, calously to repudiate the international obligation we have assumed in the IRO. Moreover, the acceptance of such a definition would represent for us a departure from an international commitment which, by June 30, 1950, will have cost the American taxpayers $212,000,000. At a time when Members on both sides of the Senate are deploring mounting governmental expenditures, the inconsistency of such a move should be apparent.

I realize that in taking this position I may incur the risk of appearing indifferent to the plight of the expellees. I think I explained my attitude very fully when I said that I concurred wholly with the sentiment expressed by the distinguished senior Senator from Minnesota [Mr. THYE]. Let me make it abundantly clear that such is definitely not the case. I am not indifferent to the plight of the expellees. It is simply that the original idea inspiring the displaced-persons program was to extend humanitarian assistance to those unfortunates who were the victims of totalitarian aggression. The expellee problem—so serious and so urgent as it is—is something else again. And temporarily—only temporarily—this problem would be met by section 9 of the substitute amendment which would strengthen and improve section 12 of the existing statute.

At this point I should like to point out that although both the committee bill and the substitute amendment authorize the admission of 54,744 ethnic Germans, it is the substitute bill, and the substitute bill alone, which provides for the advance of funds to finance the transportation of these persons from their place of residence in Europe to the port of entry in the United States. I repeat, the committee bill contains no such provision.

Certainly I am not proposing that we abandon the expellees. Despite the fact that among the expellees are probably a small number of former Nazis or Nazi sympathizers, by and large an overwhelming percentage of them would make upstanding citizens.

The same charitable impulses which motivated the enactment of the original Displaced Persons Act of 1948 should be allowed to operate in legislation which would relieve the misery of the expellees.

Until such legislation comes before us, however, let us not compound confusion. Let us not commit the error of aborting our efforts in the attempt to accomplish too much with too little.

The committee bill retains the preferences of the present law requiring that 40 percent of the visas issued go to persons from de facto areas, the so-called Balts, and 30 percent to farmers. As I have stated, these preferences are wholly discriminating. It is well known that neither Jews nor Catholics come in any substantial number from the Baltic areas. And as a result of Nazi ghetto practices only a small number of Jews can qualify as farmers.

It should be borne in mind also that the Baltic preference could easily result in the scuttling of the whole program. If this arbitrary preference is retained, 40 percent, or 4 out of every 10 visas issued, must be issued to persons in this group. If no Balts were remaining, or if no assurances were available for those who do remain, the program apparently would simply bog down if the letter of the law were to be observed.

These preferences, when taken together with the definition of the displaced person contained in the committee bill, are wholly inequitable and unrealistic.

As I have indicated, it is estimated that there will be 141,000 visas remaining for all displaced persons, including expellees. Inasmuch as the bill is silent with respect to the number of visas to be assigned to each group, it can be assumed, for illustration only, that 70,500 would be allotted to the IRO displaced persons, and an equal number to the expellees. In view of the fact that none of the expellees are in the Baltic areas, it would appear that the 40-percent Balt preference would come out of the 70,500 visas for IRO displaced persons and not out of the 70,500 visas which would be available for expellees. Actually, therefore, the 40-percent preference, instead of being based on 141,000, would be applicable only to the displaced-persons allotment of 70,500, thereby leaving only 42,300 for the displaced persons themselves.

With respect to the preference for farmers, although the present law requires an exclusive allocation of 30 percent, actually only 20 percent of the displaced persons are farmers. Accordingly, this preference would operate largely to the benefit of the expellees and to the detriment of the displaced persons.

The issue before us is really a very sharp one. Are we going to solve the displaced-persons problem now? Or are we going to find that we shall have spent more than $200,000,000 in a fruitless effort to undertake one of the greatest humanitarian ventures in our history? Upon what we do hang the hopes and very lives of hapless men, women, and children who have been patiently awaiting the opportunity to begin life anew.

Our great country has a glorious tradition as the haven for the oppsessed of the world. It is a tradition of equality for all—regardless of race, religion, or national origin.

Let us finish one task before we begin another. Let us solve the displaced-persons problem before we attempt to solve the expellee problem. And let us not sully our great humanitarian record by permitting to become law a prejudice-laden piece of legislation which sets up qualifications based upon occupation and place of origin.

For these reasons, I urge, as strongly as possible, the adoption of the substitute amendment to H. R. 4567 which carries out the proposals of the minority views—Report No. 1237, part 2.

Mr. President, I have in my possession several news clippings from recent issues of various New York State newspapers. In my opinion these representative news accounts of the settlement of displaced persons in different areas of New York State are a significant indication of the over-all success with which the displaced-persons program has operated thus far.

Because I think that these articles should be brought to the attention of the Senate, I ask unanimous consent that they be inserted at this point in my remarks in the body of the RECORD.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

[From the Astoria (N. Y.) Long Island Press of January 26, 1950]

THIRTY-FIVE THOUSAND TWO HUNDRED AND THREE DP'S SETTLE IN STATE

Settlement of 35,203 displaced persons in New York State "has had no appreciable impact upon our labor market," says State Industrial Commissioner Edward Corsi.

The number of new residents, settled here in the 14-month period ended January 13, was given in a report by the State Commission on Displaced Persons, which Corsi heads.

It said the immigrants had increased the State's labor force by one-fourth of 1 percent.

An estimated 19,000 of the State's new settlers have found jobs, and most of the others—about 43 percent—are housewives, students, children, or others not desiring employment, the report said.

The report said a more effective distribution of the new arrivals within the State now is occurring, with about 25 percent of them choosing upstate and rural areas. Previously, 85 percent stayed in New York City.

Of the larger upstate cities, Buffalo received 524 displaced persons in the 12 months ended October 30, 1949; Rochester, 477; Albany, 139; Syracuse, 164, and Utica, 121.

Yonkers got 247.

"The new arrivals have brought a wide range of skills and abilities which should prove valuable," the report said.

[From the Ogdensburg (N. Y.) Journal of January 5, 1950]

DISPLACED PERSON SPEAKS AT FINAL UNION SERVICE

Rev. John Mark, displaced person and native of Armenia, will address a united congregation of city Protestants Sunday evening in the First Baptist Church, through an interpreter, Rev. John Karenko, a graduate of the Eastern Baptist Seminary.

Rev. Mr. Mark, whose father suffered martyrdom for the Christian faith, attended schools in Tarsus, Asia Minor. He fled to Russia to escape persecution, but was banished by the Russians to Siberia for 5 years and 7 months.

Upon his return to Russia he was again ordered out of the country and spent 5 years in Germany as a DP. Through the sponsorship of the Baptists he was brought to America to do missionary work among the Slavs of New York State, and is now serving in the capacity of appointed missionary of the American Baptist Home Missionary Society.

This event will be the final in a series of special nightly week of prayer services being conducted this week in the local Protestant churches.

[From the New York (N. Y.) Times of June 8, 1949]

GIRL REFUGEE SAVES BABY-SITTING MONEY TO PAY DEBT FOR PASSAGE AND NEW DREAM

So far as the Hebrew Sheltering and Immigrant Aid Society is concerned, Dinah Room, is not down on their books as owing them money. But Dinah, a German-Jewish war orphan, not yet 17, sees it differently.

Yesterday, the first anniversary of her arrival in the United States, Dinah came to the society's headquarters at 425 Lafayette Street with a $5 bill, saved from her earnings as a baby sitter, the first installment of her debt for passage here.

An A student at Seward Park High School, Dinah received the day off from classes to celebrate. In honor of the occasion, she had hoped to apply for her first citizenship papers, but, a society official told her she must wait until she is 18.

This last year has been a hectic one, according to Dinah, who has had few years that were not. Becoming an orphan in 1941 when her parents were shot by the Nazis in Danzig, she was forced to work in a German torpedo factory. In 1945 her right leg was mangled as she ran in the dark during an air raid and stepped on a land mine.

To a 13-year-old with only one dream left, to become a ballet dancer, the possible loss of a leg was heartbreaking. She pleaded with a German nurse, who falsified the records to spare the child an amputation.

A course of X-ray therapy, offered to her free at Manhattan General Hospital, has almost completely healed her leg but the ballerina dream has had to be abandoned.

"What now I want most is to be an actress," Dinah said, "like Ingrid Bergman." Her hazel eyes shone. "My mother was a dancer and an actress. I was too when I was very little." Until she learns more English and can join a drama group, she is being completely practical. Besides her work as a baby sitter, she has done a little translating—she speaks seven languages—and typed letters in Polish.

Dinah's foster mother, Mrs. Benjamin Shickman, of 127 East Seventh Street, explained how the youngster was brought to this country. Mrs. Shickman's son, Sol, now a radio officer in the merchant marine, met Dinah in 1946 in Gdynia among 200 war orphans about to be sent to children's homes in France. He told his mother about her and a 2-year correspondence started. The family filed affidavits through the immigrant society that led at last to her arrival here, a real home and now a new dream.

[From the Brooklyn (N. Y.) Tablet of December 31, 1949]

SAYS 400,000 DP'S WON'T HURT UNITED STATES—MONSIGNOR SWANSTROM HAS NO FEARS OF DANGER TO ECONOMIC LIFE

WASHINGTON, December 27.—"The United States can successfully resettle 400,000 displaced persons without in any way placing in jeopardy our economic position."

This conclusion was advanced by Msgr. Edward E. Swanstrom, executive director of War Relief Services—National Catholic Welfare Conference, in an extensive report prepared for a special House Judiciary subcommittee dealing with resettlement of displaced persons in the United States.

The present United States law allows 205,000 DP's to be admitted up to June 30, 1950, but the Senate is scheduled to consider next month a liberalized law increasing the number and extending the time limit.

The nine-man subcommittee, headed by Representative FRANCIS E. WALTER, of Pennsylvania, made a tour of displaced-persons camps in Germany, Austria, and Italy and studied the DP problem first-hand. The investigation was authorized last June by a House resolution.

Returning to this country, the subcommittee called for reports from a dozen voluntary religious, nationality, and patriotic agencies working in behalf of DP's on their activities, recommendations, and conclusions.

Since War Relief Services has resettled more than 40,000 of the 105,000 DP's admitted to this country, the subcommittee pointed out that Monsignor Swanstrom's report is considered the most thorough in dealing with the resettlement problem.

REVEALS DETAILED STUDY

In his report, Monsignor Swanstrom broke down the country into six principal areas, detailing employment, housing, and other conditions facing DP's in each one, the number of refugees admitted, and other pertinent data.

The Monsignor bracketed Connecticut, Delaware, Maine, Massachusetts, New York, New Jersey, New Hampshire, Pennsylvania, Rhode Island, and Vermont in area I. He outlined the following prevailing conditions:

Housing is adequate. While the majority of population in the area is employed and adverse economic conditions may diminish employment, the DP's generally have taken over jobs abandoned by Americans—such as tailors, garment workers, furniture workers, woodworkers, domestics, and similar trades.

Nationality groups may easily contact DP's, pointing out availability of information, education, citizenship, and other benefits to encourage the refugees to assimilate themselves in their new communities. He said a total of 40,592 DP's have been settled in area I.

In area II, the Monsignor bracketed the following States: Indiana, Kentucky, Maryland, Michigan, Ohio, Virginia, West Virginia, Illinois, Iowa, Minnesota, Wisconsin, and Michigan and the District of Columbia, saying that a total of 14,740 refugees have been resettled in the area.

He detailed: Employment offered in the States generally is as farm hands, dairy farmers, cattlemen, and similar occupations; wages are excellent and housing conditions are good.

The report placed the following States in area III: Colorado, Kansas, Nebraska, New Mexico, North Dakota, Wyoming, and South Dakota, where a total of 1,316 DP's have been resettled. The Monsignor reported: Jobs are open for tradesmen, carpenters, masons, nurses, beauticians, shoemakers, and butchers and said there is a ready availability for skilled workers; housing is at a minimum, but DP's are encouraged to build their own homes.

SOUTH NEEDS WORKERS

The Monsignor placed in area IV: Alabama, Arkansas, Florida, Georgia, Louisiana, Oklahoma, South Carolina, and Tennessee, where a total of 2,861 DP's have been resettled. He reported: Because of the large northward urban movement, the labor supply in the area decidedly has diminished; employment is available to DP's either as tenant farmers or on a share-crop basis; wages are low compared with northern conditions, but housing is satisfactory, generally on large plantations and small farms.

In conclusion his report, Monsignor Swanstrom stated that the DP's with their skills, trades, and cultures will benefit the Nation economically and socially, and that the Nation also should be motivated by human charity in extending aid to the refugees.

"The displaced persons who have resettled in the United States," Monsignor Swanstrom stated, "have sold the program to the American people by their willingness, honesty, and devotion."

[From the Niagara Falls (N. Y.) Gazette of June 8, 1949]

SAYS UNITED STATES DP'S TO HIKE INCOME BY $200,000,000

Government officials estimate that the 205,000 displaced persons entering our country this year will increase the country's income by $200,000,000 per year," Dr. Charles R. Osborne, New England director of Church World service, declared yesterday afternoon at a meeting of the local Committee on Settlement of Displaced Persons at the offices of the Council of Social Agencies.

"Instead of taking away jobs from our citizens, the resettled Europeans are adding jobs because of their peculiar skills," Dr. Osborne affirmed. "When a clothing manufacturer is fortunate enough to secure one of the many tailors who are willing to come here, he will be able to add from 10 to 15 more workers who have lesser skills and abilities. The displaced person does not want charity, only a chance."

Dr. Osborne also commented on the recent action of his agency to simplify the securing of displaced people, blanket assurance for employment and housing facilities may now be given by responsible individuals, hospitals, churches, and other institutions. Not as much detailed information is needed now, he said, to complete assurance forms.

Churches in this region are urged to speed the formation of parish committees which will canvass resources for work and housing in order to permit religious groups to sponsor displaced families. Clergymen were urged yesterday to give special attention this month toward meeting the need of homes for uprooted people in our communities.

Dr. George Bost, Lewiston, reported that assurances for five displaced persons already have been secured in his town. Others at the meeting also reported progress. The Rev. Charles A. Engvall presided. The group will meet again on June 28, at 4 p. m.

[From the Plattsburg (N. Y.) Press-Republican of January 20, 1950]

FORTY DP'S ATTEND OPENING CLASSES IN CITIZENSHIP—ADDITIONAL ENROLLEES TO BE PRESENT AT COURSE NEXT WEDNESDAY NIGHT

The first of a series of classes in citizenship and Americanism was held Wednesday at PHS. Forty persons, all displaced persons, attended. Through the efforts of Superintendent of Schools Carl G. Sorenson, a class will be conducted. George Carroll has been selected to teach this group and the classes will continue during the rest of the school year and will be resumed in the fall.

The class took on a very unusual problem when it was found that three distinct nationalities were in the group. Poles, Lithuanians, and Latvians. It was necessary to select one student from each group to translate for his respective countrymen. It was found that some of the DP's had only been in the country for 1 month.

At a meeting of the Kiwanis Club yesterday Maj. John Hudson with Mrs. Speare made an appeal for volunteers to transport the DP's to the class. There was a generous response. The club under its president, Maurice Devereaux, has assured Major Hudson that starting next Wednesday night a fleet of suburban busses will be put into operation to take care of this situation.

The Salvation Army will play host to about 100 of the DP's next Wednesday night in the form of a house party. The children of these folks will be entertained while the parents are in class and at the conclusion of the class they will enjoy the balance of the evening in traditional games familiar to these folks from Europe. Refreshments will be served by the Women's Home League under the direction of Mrs. Hudson and Mrs. Sarah Tyrell. The social part of the program will continue on the last Wednesday of each month and will be held for the entire family of these newcomers to our country.

[From the Massena (N. Y.) Observer of January 5, 1950]

CITIZENSHIP SCHOOL ENROLLS 24 PEOPLE

Enrollment in the Americanization school Tuesday night reached 24, "far exceeding our expectations," reported Gerald Hugaboom, director of the adult education program for Massena.

Registration was held at 7 p. m. in room 314 on the third floor of the high school.

"The students will be divided into two separate groups," said Mr. Hugaboom, "an advanced group and an elementary group."

Mr. Hugaboom also said that another teacher would probably be added to care for the second class.

Miss Bernice McCabe, elementary teacher of the Massena Public School system, is presently in charge of one class.

The school comes under the adult education program in Massena, supervised by Mr. Hugaboom. Purpose of the school is to prepare people in the area for citizenship and teach them to read, spell, and write the American language and to teach them the mechanics of government. About eight displaced persons in the area have registered for the course.

The advanced group will meet Tuesday and Thursday nights at the high school, reported Mr. Hugaboom. The elementary group will be notified of their meeting time at a future date.

This is the first Americanization class to be formed in Massena in nearly 5 years.

[From the Lyons (N. Y.) Republican of June 2, 1949]

DISPLACED PERSONS URGED AS GOOD HELP FOR COUNTY FARMS

Can you use farm labor? Have you jobs on your farm that need to be filled?

The New York State Resettlement Committee, Division of Welfare of the National Lutheran Council, through its chairman, the Reverend John M. Joslyn, 424 Cannon Street, Syracuse 5, working in cooperation with the State council of churches, is appealing to all farmers of the State to aid in placing some of Europe's finest citizens from the Baltic countries of Latvia, Estonia, and Lithuania in jobs and homes. Many of these people are excellent farmers. It is understood that these people are not to take the place of our American people, for no American may be displaced from job or housing in the interest of a displaced person.

Under the Displaced Persons Act of 1948, 205,000 will be allowed to enter the United States in an effort to reestablish them in a new home and give them a chance to start life anew in a democracy. These delayed Pilgrims are asking for a chance to start anew in a free land where they can forget the tortures of Nazi- and Russian-dominated rulers.

Every person allowed to enter is thoroughly investigated, given rigid physical examinations, political convictions, and potential capacity for self-maintenance studied, all of this by the United States immigration authorities and the efforts of all the major religious groups. Jewish, Catholic, and Protestant organizations have offices in America and Europe which were put in operation to aid in bringing these people to our country.

If a farmer of Wayne County has a job to fill, a spare room, or any unused quarters, where a family or an individual can make a new start in life, they are asked to communicate with the Reverend Henry T. McKnight, 15 High Street, Lyons, N. Y., county chairman, and he will forward the necessary information that will start a new life for some worthy person of the battle-scarred countries of Europe.

They must have a job waiting for them and they must have a place to live before they can be brought over here.

[From the Patchogue (N. Y.) Advance of October 6, 1949]

FAR-WANDERING DP'S SETTLE IN PATCHOGUE—YOUNG ESTONIANS MAKE HIT IN FRESHMAN CLASS

Current celebrities of the Patchogue High School freshman class are two round-faced, blond young Estonian refugees who arrived in the United States early last month with a shipload of displaced persons from Germany.

They are Miss Analus Jogise, daughter of Mr. and Mrs. Karl Jogise, of 72 Baker Street; and Arno Raag, son of Mr. and Mrs. Arnold Raag, of 113 Cedar Avenue.

The two youngsters speak a little English, and understand a lot more, but are still having a little difficulty in mastering the American idiom. Analus was recently a guest of honor at a party given by the girls of her class.

Both families fled from Estonia in 1944 when the small Baltic country was overrun by the Russians. They were transported to Danzig in German ships, and lived in various sections of Germany until the country was fully occupied by the Allied troops.

Thereafter, they were inmates of a number of camps for displaced persons. Despite their migratory existence during the past few years, the two children were able to keep up their studies, for Estonian schools were set up in each of the DP camps in which they lived.

Their fathers have obtained employment in Suffolk, and both Analus and Arno look forward to a long stay in Patchogue. Both of them say they like what they have seen of the school and the village so far.

[From the Woodhaven (N. Y.) Leader-Observer of October 13, 1949]

WOODHAVEN FAMILY SPENT YEARS IN GERMAN DP CAMP

A Lithuanian couple and their son, burdened by a store of bitter memories of dreams and loved ones torn apart, have come to Woodhaven to pick up threads of their once-happy lives.

So far as is known, John and Helen Zukas and their 9-year-old son, John, Jr., comprise Woodhaven's first family of displaced persons. They have been residing at the home of Dr. G. J. Rencher, 8551 Forest Parkway, since September 26.

Mr. and Mrs. Zukas lived a quiet life in their nation's capital, Kaunas, until the beginning of World War II. John Zukas was a professor of organ music at the Kaunas Music Conservatory. His wife taught biology in high school.

From 1940, shortly after John, Jr., was born, until 1944, the Zukas family lived in fear beneath the shadow of the Red army. Then followed a harrowing journey with horse and cart and on foot to Insterborg, in Germany. From there they went to a DP camp in the French zone, where they spent 5 years. On August 20 they sailed from Bremen for the United States.

Mr. Zukas is an inteligent, quiet man, of slight build. He hopes to make use of his teaching experience and musical background and has brought with him to this country a document attesting to his undeniable gifts as a musician and signed by Marcel Dupre, head of the organ department of the National Conservatory of Paris.

In order to more rapidly learn the ways of Americans, Mr. and Mrs. Zukas are taking an English course two evenings each week. Both, as well as their son, already speak German, Polish, Lithuanian, French, and Russian. John, Jr., is soon to begin in the third grade at Public School 97. Greatest symbol of the life which lies ahead for them are their first papers for citizenship, which they took out upon arrival.

The Zukases are quick to express their thanks to all who have aided them in the new land. Setting foot on American soil, their only intimate tie here was with Mrs. Anna Shidkus, of 105-56 Eighty-ninth Street, Mr. Zukas' aunt. Now, in addition to her, they have found friends in their employer, Mr. Rencher and his family, and among the priests and members of a Lithuanian Roman Catholic church in Brooklyn.

[From the Rye (N. Y.) Chronicle of January 19, 1950]

DELAYED PILGRIMS

(By Rev. S. Carson Wasson)

(EDITOR'S NOTE.—Opportunity for the finest type of Christian service is afforded our residents through the resettlement plan for displaced persons in which all the churches and other agencies are cooperating. This Sunday most of the Rye churches will stress the DP resettlement program. We are devoting our editorial space today exclusively to this subject, which is presented by the Reverend S. Carson Wasson, pastor of the Rye Presbyterian Church. We asked Mr. Wasson to write the editorial because he knows through actual contact the conditions existing in the Balkan countries now under such oppression, having visited many of them when he went abroad 2 years ago to attend meetings of the World Council of Churches.)

More than 100,000 new neighbors, all former DP's (i. e., displaced persons, although we might better say, "Delayed Pilgrims") have arrived in the United States under the terms of the United States Displaced Persons Act of 1948. According to a recent survey by the New York Times, these DP's have rapidly become self-sufficient and independent. Perhaps as many as 25 of these individuals have found haven in Rye. They are like normal people anywhere in all ways save one, they have no home. At least they were homeless until large-hearted Americans took them in.

Today there are 14,000,000 refugees in Europe. Eight hundred thousand of them are registered with IRO (International Refugee Organization, an arm of the United Nations). Of these, the law will allow 205,000 DP's to enter our country before the act expires on June 30, 1950. The majority are Poles, Lithuanians, and Latvians. They are freedom-loving people. The suffering they have endured under totalitarian rule has reinforced their devotion to democratic ideals.

I have seen the refugee camps in Europe. Most of them are in Germany, Austria, and Italy. Despite crowding and the crude means of living, the health record of these camps compares favorably with any normal community. Before being granted a visa to this country these homeless people are thrice screened by three agencies, the IRO, the American consular service, and the United States immigration authorities. Each DP must undergo from 16 to 32 tests, physical and psychiatric, as well as examinations by the Allied military and intelligence service to weed out any who hold undesirable political views.

The churches of this country, as one would expect, have taken a leading interest in resettling the DP's working through Church World Service, the National Catholic Welfare Conference, the Hebrew Immigrant Aid Society, and other agencies.

While most of these people already know English, or received lessons while waiting in the European camps, the Rye Board of Education is providing evening English classes for foreign-born adults.

This Sunday, January 22, most of our Rye churches will stress the DP resettlement program and members of the congregations will be urged to undertake assurances, that is, a promise to sponsor a DP. The Rye Playhouse next week, on Wednesday and Thursday, will show an Italian-made film called Shoe Shine, which shows the shattering problem of what is happening to the youth of present-day Europe.

These DP's need our help. But we need them, too. Their skills, their devotion to democracy and religion, won through hardship and suffering, and their industriousness are all assets we can use. I know, because we have taken a DP into our home.

If you own a farm and need farm hands or tenant workers, if you own a large house and need gardeners, cooks, or domestic servants, if you own a business and need carpenters, mechanics, secretarial workers, or unskilled laborers, if you are connected with an institution and need porters, nurses' aids, technicians, gardeners, clerical workers, house parents, cooks, or chauffeurs, then a DP is anxiously waiting for your sponsorship. Contact any of the Rye ministers.

[From the Fayetteville (N. Y.) Eagle-Bulletin of January 19, 1950]

SEVEN NATIONALITIES AMONG FIRST CLASS FOR NONCITIZENS

Seven nationalities were represented among the 11 displaced persons attending the first class for noncitizens conducted as part of the adult-education program in Fayetteville High School Monday evening.

The displaced persons were from Ukraine, Russia, Netherlands, Poland, Latvia, Germany, and Yugoslavia. Other nations will be represented as the class becomes larger. Some of the pupils do not speak or understand any English while others have a slight command of the language.

The class is organized so the pupils may take out citizenship papers in the near future and consists mainly of a course in English and citizenship under direction of Mrs. Katherine Maybee, of the high-school faculty. The course is devised to teach something about the United States as well as the English language.

The school is especially anxious to reach all these people and would appreciate having them contacted regarding this class. The group meets from 7:30 to 9:30 p. m. every Monday evening in room 204 at Fayetteville High School.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. IVES. I yield to the able Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from New York one question. He has spoken about the expellees representing a different problem than that of the displaced persons. I spoke on the same subject yesterday, and I agree 100 percent with what the Senator has said. My question is this: Since the committee amendment permits the expellees, approximately 8,000,000 in number, to be cataloged as displaced persons, would not the present law be better than the committee amendment, if it were to be adopted? In other words, would it not be better to leave the law as it is now than to change the law by changing the date, as would be done if the committee amendment were adopted?

Mr. IVES. In reply to the able Senator from Massachusetts I point out that I fully concur with the purport of his question. If we are going to solve the displaced-persons problem as a displaced-persons problem, the present law is far better for that purpose, deficient though it may be, than the committee bill to which the Senator refers.

Mr. SALTONSTALL. Will the Senator yield for one more question?

Mr. IVES. I yield.

Mr. SALTONSTALL. In the opinion of the Senator from New York, is not the whole nub of the problem, so far as concerns the difference between the committee amendment and the Kilgore substitute, contained in the description of what is a displaced person?

Mr. IVES. In the judgment of the Senator from New York the whole question revolves around the definition of a so-called displaced person.

Mr. CAIN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. NEELY in the chair). The time of the Senator from New York has expired.

Mr. HOLLAND. I suggest the absence of a quorum.

Mr. KILGORE. The understanding, to which the Senator from Nevada [Mr. MCCARRAN] agrees, is that the time taken for the call of a quorum is to be charged equally to both sides.

The PRESIDING OFFICER. Is there objection to the time occupied by the calling of the roll being charged equally to both sides in the pending debate? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ecton	Hunt
Anderson	Ellender	Ives
Brewster	Ferguson	Jenner
Bricker	Flanders	Johnson, Colo.
Bridges	George	Johnson, Tex.
Butler	Gillette	Johnston, S. C.
Cain	Graham	Kefauver
Capehart	Green	Kem
Chavez	Gurney	Kerr
Connally	Hayden	Kilgore
Cordon	Hendrickson	Knowland
Darby	Hickenlooper	Langer
Donnell	Hill	Lehman
Douglas	Hoey	Lodge
Dworshak	Holland	Long
Eastland	Humphrey	Lucas

McCarran	Murray	Stennis
McClellan	Myers	Taft
McFarland	Neely	Taylor
McKellar	O'Conor	Thomas, Utah
McMahon	O'Mahoney	Thye
Magnuson	Robertson	Tydings
Malone	Russell	Watkins
Martin	Saltonstall	Wherry
Maybank	Schoeppel	Wiley
Millikin	Smith, Maine	Williams
Morse	Smith, N J.	Withers
Mundt	Sparkman	Young

The PRESIDING OFFICER. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3946) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills:

S. 212. An act for the relief of John Joseph McKay; and

S. 2084. An act for the relief of Jackson Riley Holland.

LEGISLATIVE PROGRAM

Mr. LUCAS. Mr. President, will the Senator from Nevada yield me 2 minutes?

Mr. McCARRAN. I yield.

Mr. LUCAS. It is my understanding that none of the opponents or proponents of the bill we are now discussing wish to talk further on it this afternoon. It is now 20 minutes of 3, and I hope the Senators will permit me to take up a bill which has been on the calendar for a very long time. My distinguished friend, the Senator from New Mexico [Mr. CHAVEZ], is chairman of the Public Works Committee, which last year reported the bill H. R. 5472, Calendar No. 1154. The Senate came close to having the bill considered during the first half of the Eighty-first Congress. It is my understanding that during the last 2 weeks while I was absent there was brief debate on the bill. Under the unanimous-consent agreement which was entered into, it is now my understanding that it will take another unanimous-consent agreement in order to take up for consideration H. R. 5472 for the remainder of the afternoon. I ask unanimous consent that the business before the Senate be temporarily laid aside and that the Senate proceed to the consideration, for the remainder of the afternoon, of H. R. 5472.

The PRESIDING OFFICER. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request?

Mr. LONG and Mr. KILGORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. LONG. Mr. President, reserving the right to object, I should like to inquire whether, in the event the request is granted, it would then be in order for someone to proceed to displace the bill for a privileged matter.

Mr. WHERRY. It certainly would be.

Mr. LUCAS. That is a parliamentary inquiry, I presume, which the Senator from Louisiana is addressing to the Chair.

Mr. LONG. It is a parliamentary inquiry, which I am addressing to the Chair.

The PRESIDING OFFICER. As the Chair understood, the request of the Senator from Illinois was that the rest of the day be devoted to the consideration of the bill which is to be discussed by the Senator from New Mexico.

Mr. LONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. LONG. Do I correctly understand that if the unanimous-consent request is granted, the rivers and harbors bill, H. R. 5472, will then be the pending business, and that it cannot be displaced except by unanimous consent to take up a privileged matter?

The PRESIDING OFFICER. During the rest of the afternoon; that is true.

Mr. LONG. I do not object.

Mr. McCARRAN. I understand, however, that if the pending business is displaced, it can only be displaced, to be taken up again tomorrow at noon.

Mr. LUCAS. That is correct. I may say to the Senator, I am not attempting by this unanimous-consent agreement to interfere with consideration of the displaced-persons bill tomorrow. In other words, when the Senate reconvenes tomorrow, we will proceed to the consideration of the displaced-persons bill from 12 o'clock until 2, and we will then start voting on the bill.

Mr. McCARRAN. The Senator from West Virginia reminds me the Senate is to convene at 11 o'clock.

Mr. KILGORE. My understanding was that the consideration was to be from 11 o'clock to 2.

Mr. LUCAS. I am mistaken. If that is the situation, I shall at the appropriate time move that the Senate recess until 11 o'clock.

Mr. KEFAUVER. Mr. President, reserving the right to object, if the matter referred to is brought up, I wonder whether the distinguished majority leader will ask for some small amount of time in which to consider a resolution I have been trying for some time to have taken up.

Mr. LUCAS. Mr. President, there is so much chatter in the rear of the Chamber that I could not quite understand the Senator from Tennessee.

The PRESIDING OFFICER. The Senate will be in order.

Mr. KEFAUVER. I wonder whether the majority leader will include in his unanimous-consent request, a request that some small part of the afternoon be devoted to the consideration of Senate Resolution 202, to investigate gambling and racketeering activities, which I have been trying to have considered for the past 2 weeks or 10 days.

Mr. LUCAS. I should like to advise the able Senator from Tennessee that the Policy Committee is just about to consider the resolution which the Senator is now discussing. It is my understanding that the Attorney General of the United States has sent us two bills dealing, partially at least, with what the Senator from Tennessee seeks to deal with in his resolution. We were just discussing it in the Policy Committee a few minutes ago when I was called to the floor. We were going to request the able Senator from Tennessee to appear before the committee, that we might discuss it with him. I hope he will defer a request of this kind until we may have a further opportunity to talk with him about the whole situation.

Mr. KEFAUVER. Mr. President, if the Senator will yield further, I may say that during the absence of the majority leader last week I took the matter up with the acting majority leader, the Senator from Pennsylvania [Mr. MYERS], and I thought it had been worked out at that time, so that, at the end of last week, the resolution could be brought up. Of course I should be very happy to appear before the Policy Committee. But the resolution has been deferred and delayed so long, that I am anxious to get it considered, so that the appropriate committee can get started, if it is to proceed.

Mr. LUCAS. It should be definitely understood that I am not opposing some type of investigation similar to what the Senator suggests. The only point involved now, in view of what the Attorney General has said about the crime situation throughout the country, and in view of the fact that he has sent us two bills, which the Vice President has seen fit to refer to the Committee on Interstate and Foreign Commerce, is that we were discussing just a moment ago the advisability of having two committees doing practically the same thing. That is why we wanted to confer with the Senator from Tennessee and get his view as to how much further his resolution goes than the proposal contained in the two bills sent us by the Attorney General, which are now pending before the Committee on Interstate and Foreign Commerce.

Mr. KEFAUVER. Mr. President, if the Senator will yield further, this discussion would, of course, be very useful, and I wonder whether, upon the understanding that it would not take more than 15 or 20 minutes for discussion, if a vote is not reached by that time——

Mr. LUCAS. Mr. President, I am sure the Senator from Tennessee cannot obtain unanimous consent, because the Senator from New Mexico has been objecting to all such requests. Of course, the Senator from Tennessee has a right to object to the Senator's request, if he so desires, but what the Senator from Illinois is trying to do is to get along as speedily as possible with certain measures that are of vital importance to the country as a whole.

I do not say that the Senator's resolution is not important, but it provides for an investigation. There is a bill which has been pending before the Senate for a great length of time, and it seems to me we should be able to proceed with

diligence and dispatch to try to get some of the business out of the way.

Mr. McCARRAN. Mr. President, I yielded 2 minutes. I did not want to interrupt the Senator from Illinois, but I do not want the colloquy to be extended beyond the 2 minutes' time which was yielded.

Mr. LUCAS. Mr. President, I ask unanimous consent that the time be charged to the Senate as a whole.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HENDRICKSON. Mr. President, reserving the right to object, I had hoped this afternoon to make a brief address, not to exceed 10 minutes, on the pending business. I understood from the distinguished Senator from West Virginia [Mr. KILGORE] that I could have that much time. I want to be heard on the displaced-persons bill. I do not want to object, but I should like to suggest to the distinguished Senator from Illinois that I be permitted, at the close of the day, to have 10 minutes, not to be charged to either the Senator from Nevada [Mr. McCARRAN] or the Senator from West Virginia [Mr. KILGORE]. If that can be done, I shall not object.

Mr. LUCAS. That is perfectly all right with me.

Mr. HENDRICKSON. Not to exceed 12 minutes.

Mr. CHAVEZ. Mr. President, I am not trying to compromise with any Senator. We should either proceed directly, by orderly procedure, or we should not proceed at all. The unfinished business is the rivers and harbors bill. Under the unanimous-consent agreement, we must proceed. If the Senator from Nevada [Mr. McCARRAN] wants to go ahead with the displaced-persons bill, well and good. I ask for the regular order.

Mr. LUCAS. Mr. President, I rose only for the purpose of trying to bring a measure before the Senate, on the theory that no other Senator desired to speak upon the displaced-persons bill. I came from lunch approximately an hour and a half ago on that same theory, but I found there were two speakers. I now discover that there is another speaker. Certainly I would not want to cut off the Senator from Nevada or any other Senator who desired to speak upon the measure, because of its great importance to this Nation and to other nations of the world. I thought there was no other business to be transacted this afternoon. I now withdraw my request, and I shall be glad to listen to the Senator from New Jersey [Mr. HENDRICKSON].

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. KILGORE. Mr. President, I yield 10 minutes to the Senator from New Jersey [Mr. HENDRICKSON].

Mr. HENDRICKSON. Mr. President, the pages of the CONGRESSIONAL RECORD, the committee records, and, I dare say, the files of every Member of this body, are so abundant with testimony for and against House bill 4567, the substitutes and amendments, that there may be little purpose to be served by my observations.

But, regardless of the purpose to be served, regardless of the effect of my remarks upon either the proponents or opponents of the proposed legislation, I feel a definite obligation, yes, a solemn obligation, to speak for those who at the very beginning gave the displaced-persons program such vigorous impetus under almost overwhelming odds.

I shall not belabor long the events of those days when a displaced-persons program was not an issue, but an absolute must on the agenda of our Military Establishment. Mere necessity at the outset dictated that until these millions of homeless and suffering people were provided the bare essentials of life, food, shelter, and clothing, our victorious armies would be so encumbered that the task of maintaining their costly gains could never hope to succeed.

Mr. President, though I have tried to forget in the intervening years those horrible memories of want, misery, and despair, they still haunt me. Over 8,000,000 of these unfortunate victims of tyranny and oppression were virtually blocking every highway and byway of Germany and middle Europe as the war ended, but the more than 2,000,000 who were our charges as we entered Austria in those now historic days of 1945 will ever make me wonder how men, women, and children can endure such mental anguish and physical suffering and yet survive. But survive they did, and with a vigorous, ambitious desire to become once again productive members of a free society.

Had I the eloquence and power of speech to bring these shocking scenes before the Senate today as they confronted us then, daily, weekly, and on through the early months of the occupation, I should certainly do so; but since no words can portray this awful picture of suffering humanity, I shall not even try.

Nevertheless, Mr. President, I shall, with all the sincerity I possess, try to make those experiences register today to the end that a program fostered and promoted first out of necessity and later in good faith in cooperation with many nations of the world, may be yet consummated according to the best American traditions of integrity in our dealings with other nations, and humanitarianism in our dealings with all people.

Mr. President, the debates on House bill 4567 and its related substitutes and amendments have stressed many collateral issues. Indeed some of these issues have consumed more time, more effort, and at times have been more confusing, than the basic issue itself.

So, Mr. President, in the same spirit in which one of the greatest preceptors in our constitutional procedures once so eloquently brought this deliberative body back to relevant considerations, I repeat the admonition of Mr. Webster in his reply to Hayne. Said he:

> When the mariner has been tossed for many days in thick weather, and on an unknown sea, he naturally avails himself of the first pause in the storm, the earliest glance of the sun to take his latitude and ascertain how far the elements have driven him from his true course. Let us imitate this prudence and before we float farther on the waves of this debate refer to the point from which we departed that we may at least be able to conjecture where we now are.

With this historic admonition to guide us, let us see where we now are.

Mr. President, I have briefly touched upon the early history of the displaced-persons program. Its subsequent history is better known to many of my colleagues in this body than it is to me, but this much I do know, that in respect to the problem, we have a firm commitment, not alone to the United Nations, but to free men the world over. It is a solemn obligation from which there is no escape, for it is both legal and moral in its nature.

Thus, in its broader aspects, there is little to be gained by debate, but, Mr. President, over and above our external obligations, solemn as they may be in respect to our own record of performance, there is to me an ever greater obligation internally, for I am convinced beyond any question of doubt that our people—the American people—are overwhelmingly of the opinion that specific performance of this obligation is so definitely a part of the things of God, that the avoidance of such a solemn contract with the United Nations and the world at large could bring only dishonor upon our way of life and our integrity as a Nation. So much, then, for the basic philosophy at issue here.

But what of the collateral issues which might well lead us to forget our true bearings? Chief among them, throughout these extensive debates, has been the charge of fraud and false documentation.

On this score let me say at the outset, from close personal observation of those earlier days of the program, that I would not deny for a moment that fraud and false documentation have been practiced in some cases. In such a situation it could not be otherwise.

Although I have the greatest respect for every Member of this distinguished body, I cannot help wonder if there is one among us who, when confronted by false imprisonment, torture, and death at the hands of tyrants and gangsters, could resist the temptation to procure false identifications to gain a brief respite from the ways of tyranny and the threat of death.

Think upon this seriously, my fellow Senators, and ask yourselves if this is the kind of fraud that we condemn.

Lest I be misunderstood, however, let me say that I neither approve nor condone fraud or falsification in any form. I am only saying "Let him that is without guilt, cast the first stone."

Moreover, let us not forget that in any worthy endeavor the isolated cases of wrongdoing are always cited by those in opposition to that endeavor as the basic reasons for its complete repudiation.

But, Mr. President, I am convinced from a careful study of the entire record which has been made available to me on this issue that, all-in-all, a good job has been done; that a good job is being done, and that with the discriminatory features of the present law eliminated, a

much better job will be done in the future.

Mr. President, I am one of those Senators who joined with the distinguished senior Senator from West Virginia in sponsoring the substitute amendment to the pending legislation. I did so because my study of the subject made it apparent that it alone fulfilled the obligation assumed by this Nation in joining with other countries in forming and staffing the International Refugee Organization. While I am fully aware of the problem posed by the expellees, I submit that they constitute an entirely different problem which cannot and should not be confused with the matter with which we are now dealing. In addition, I feel strongly that certain provisions of the present displaced-persons law are neither just nor workable.

To my mind, only the Kilgore substitute meets the needs of the situation. For that reason, I shall continue to support it with all my heart and with all the power at my command.

In closing, Mr. President, I deem it a privilege to quote from the remarks of one of the greatest authorities on this subject, a man whose integrity and patriotism mark him as one of our foremost leaders; a man under whom I was privileged to serve.

Gen. Lucius Clay said:

> Considering the conditions under which these people lived, their behavior was most creditable.
>
> The Department of the Army consistently supported legislation to permit resettlement in the United States, believing that displaced persons would make good citizens. The Army can be proud of its role in the care and protection of displaced persons and it can be sure of their gratitude.

May I reiterate a previous observation at this time? Let us not be diverted by collateral issues; let us not be swayed by impassioned charges and countercharges; rather let us call once again on the generous and humane instincts of the American people in fulfilling our legal and moral commitment.

I thank the distinguished Senator from West Virginia [Mr. KILGORE].

CONFIRMATIONS OF NOMINATIONS ON THE EXECUTIVE CALENDAR

Mr. HOLLAND. Mr. President, unless other Senators are prepared to speak on the subject matter on which the time of debate is controlled by the Senator from Nevada [Mr. MCCARRAN] and the Senator from West Virginia [Mr. KILGORE], I ask that the Senate, as in executive session, consider the nominations on the Executive Calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. That can be done under a unanimous-consent agreement, can it?

The PRESIDING OFFICER. That is correct.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senate, as in executive session, take up the nominations on the Executive Calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the legislative clerk will state the first nomination on the Executive Calendar.

UNITED STATES COURT OF APPEALS

The legislative clerk read the nomination of Charles Fahy, of New Mexico, to be judge of the United States Court of Appeals for the District of Columbia Circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGES

The legislative clerk read the nomination of William Lee Knous, to be United States district judge for the District of Colorado.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Burnita Shelton Matthews to be United States District Court judge for the District of Columbia.

Mr. MCCARRAN. Mr. President, there has just been read the name of one of America's greatest women, who has been nominated and approved by the Committee on the Judiciary to be judge of the United States District Court for the District of Columbia. We have heard much in these later days of equal rights for women. However, when equal rights for women are demonstrated, as they are in this instance, and one of the outstanding women of America is elevated to the bench, it seems to me to be a proper time to say that it is a glorious hour in the civilization in which we live when woman is taking her place in the judicial circles and judicial councils of America.

This lady, a graduate of the National University School of Law, is an outstanding lawyer, a capable lady, who is now serving on the bench under an interim appointment. As chairman of the Committee on the Judiciary, I take advantage of the occasion to congratulate the President of the United States and the Senate for the appointment of Mrs. Burnita Shelton Matthews, and I hope for her immediate confirmation.

Mr. STENNIS. Mr. President, I take particular pride in addressing myself to the confirmation of Mrs. Burnita Shelton Matthews. Mrs. Matthews is a native of Mississippi, who has had a distinguished career at the District of Columbia bar. I take pride in the fact that she is a lady of very fine ability, which has been demonstrated in the active practice of law. The appointment comes to her not merely as a gesture to her sex, but is based upon her very fine and proven ability, her excellent character, her very high integrity, her judicial poise, and her very fine measure of judicial discretion. She has been serving already for a few months, and has attracted the favorable attention of the District of Columbia bar and attorneys who came before the bench on which she presides. I predict for her a brilliant and outstanding career as a jurist under our great system. She will be true to its great traditions, and at same time capable and willing to live and devote her time to the problems which beset her generation. I think her record will prove that she will be a very worthy member of the trial bench, that she will earn and deserve promotion, and I look forward to the day when she will, perhaps, become a worthy member of the Supreme Court of the United States.

Mr. MALONE. Mr. President, it gives me great pleasure to join in the recommendation that we confirm the nomination of Mrs. Burnita Shelton Matthews to the position which she now holds. She will be a credit to the bar and to the women of America. As early as 1949 women representatives of the bar of Nevada recommended her appointment to this position, even before the position was created. The legal profession has attracted more women than any other profession and it is high time that the Federal judiciary had more of the feminine sex included in its ranks.

It gives me great pleasure at this time to join in recommending confirmation of her nomination.

Mr. President, I submit for the RECORD at this point a letter dated March 30, 1949, received from Miss Felice Cohn, a distinguished member of the bar in my State of Nevada—recommending the Honorable Burnita Shelton Matthews for the high position of Federal district judge for the District of Columbia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

RENO, NEV., *March 30, 1949.*

HON. GEORGE MALONE,
United States Senator from Nevada,
United States Senate Building,
Washington, D. C.

DEAR SENATOR MALONE: Senate bill 52, which is now pending before your Judiciary Committee, provides for the appointment of two new judges for the District of Columbia.

I am greatly interested in having one of these appointments go to a woman, and that woman Mrs. Burnita Shelton Matthews. I am not going to tell you of her qualifications as you have doubtless received many lists of same, but I am going to tell you that I have been personally acquainted and associated with Mrs. Matthews for over 20 years, and know her to have all the experience and ability necessary to fill such a position with dignity and understanding, all of which will redound to the credit of women in all particulars.

I do not hesitate to ask this assistance of you, as I know your attitude to women in public life, and your appreciation of their qualifications for any office they may aspire to fill.

With personal regards to yourself and Ruth.

Sincerely yours,

FELICE COHN.

Mr. MALONE. Mr. President, the Honorable Burnita Shelton Matthews is the first woman to sit in the Federal trial court of general jurisdiction.

Mr. President, the junior Senator from Nevada wishes her success in her new responsibilities.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William E. Steckler to be United States district judge for the southern district of Indiana.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Irving R. Kaufman to be United States district judge for the southern district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Allan K. Grim to be United States district judge for the eastern district of Pennsylvania.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Irving H. Saypol to be United States attorney for the southern district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. LEHMAN. Mr. President, I have noted on the Executive Calendar the nominations of three of my constituents, who are residents of the city of New York. They are the Honorable Irving R. Kaufman, Irving H. Saypol, and William A. Carroll. The Honorable Irving R. Kaufman is now serving under a recess appointment as a judge of the United States District Court for the Southern District of New York. Mr. Irving H. Saypol is now serving as acting United States attorney for the southern district of New York. Mr. William A. Carroll has been nominated for the office of United States marshal for the southern district of New York. I have known Judge Kaufman and District Attorney Saypol for a great many years. They are men of great ability and high character. I am certain that they will serve with great credit to themselves and to their country. I have also been acquainted with Mr. Carroll, who is a newcomer in the political field. He is a man of high character, and is greatly respected in the community in which he lives.

Mr. President, I am sure these three men will be worthy of the trust which has been placed in them by the President of the United States, and I have taken great pleasure in supporting these fine men and voting for their confirmation.

Mr. WILEY. Mr. President, I send to the desk a statement on the confirmation by the Senate of two outstanding attorneys at law for important posts in New York, Judge Kaufman and Mr. Saypol. I ask unanimous consent that the statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

Mr. President, a few moments ago, I was delighted to be on hand as the Senate confirmed the Honorable Irving Kaufman, of New York, to be the United States district judge for the southern district of New York and Mr. Irving H. Saypol to be the United States attorney for the southern district of New York. These two nominations had been reported out unanimously by the Judiciary Committee yesterday, and I am most pleased that the Senate has seen fit to act unanimously upon them so expeditiously.

I should like to say just a brief word for the RECORD, because it was my pleasure to participate in the subcommittee of the Judiciary Committee on Mr. Saypol and because it was also my pleasure to be on hand for the subcommittee on Judge Kaufman.

Taking the latter instance first, Judge Kaufman received the unqualified endorsement of the New York City bar, the New York State bar, as well as the endorsements of the American bar and of many splendid practitioners of the law who had enthusiastically communicated both formally and informally with the Judiciary Committee and its members endorsing his exemplary qualifications. There was not the slightest doubt I am sure, in the minds of the members of the committee on both sides of the aisle that we have in Judge Kaufman a strong jurist who will grace the bench with dignity, competence, and ability, and who will be a source of pride to his State and Nation.

A lone, anonymous letter in opposition had come to the Judiciary Committee but this hate missive was so baseless, so unwarranted, and unjustified that with a mere routine check, the committee was able to dismiss it completely. I am glad that the committee acted so promptly in setting aside this anonymous missive into the oblivion that it deserved; because, as I stated, and as my colleagues concurred, if we were to ever begin giving credence to anonymous hate messages, we would find that practically every individual sent to the Senate for confirmation would become the subject of smear attacks against him. I am sorry that for even so much as a few hours, there might have been even the slightest indication that the Judiciary Committee was giving any consideration to this anonymous letter writer who did not have the guts to come forward openly and present his wild and completely unjustified assertions.

The position of United States district judge in that particular district cannot be underestimated in its crucial significance. And that is why I am glad that Judge Kaufman will now fill this high post. I congratulate the Department of Justice on his selection, and I congratulate my colleagues on their wisdom in acting so promptly.

I should like to add a note of sincere felicitation too on the confirmation of Mr. Saypol who came very highly recommended after having compiled a splendid record in his practice before the New York bar and as acting United States attorney. A single individual testified in opposition to his confirmation, but the Judiciary Committee did not feel that his comments bore any weight.

We hear so much complaint of unqualified appointments for other posts these days that I am happy to make it a matter of record that I am sure that the Senate is well satisfied with these two appointments and to give praise where it is rightly due.

UNITED STATES MARSHAL

The legislative clerk read the nomination of William A. Carroll to be United States marshal for the southern district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Without objection, the President will be immediately notified of all confirmations of today.

Mr. HOLLAND. Mr. President, I ask unanimous consent that we now return to the consideration of legislative business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senate now take up the omnibus rivers and harbors bill—H. R. 5472—which is in charge of the senior Senator from New Mexico [Mr. CHAVEZ], and that it be the order of business until the conclusion of the session this afternoon.

Mr. WHERRY. Mr. President, I should like to inquire about what happens to the time which is allotted under the unanimous-consent agreement on the displaced-persons legislation, if the proposed unanimous-consent request is approved and we proceed to a discussion of the omnibus rivers and harbors bill?

The PRESIDING OFFICER. If unanimous consent is granted, it will mean that all the time allotted to the Senator from Nevada [Mr. MCCARRAN] and the Senator from West Virginia [Mr. KILGORE] will have elapsed for this day.

Mr. WHERRY. That will leave the allotment of time up to this moment, when the time is added up for each side, as it is now, will it not?

The PRESIDING OFFICER. That is true.

Mr. WHERRY. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. There is a privileged matter before the Senate, in the nature of a conference report on the so-called basing-point bill. It has been on the calendar since March 15. Nearly 3 weeks have elapsed since the House acted favorably on that conference report. If the omnibus bill is taken up for consideration under the unanimous-consent agreement, is not the conference report on the basing-point bill still a privileged matter?

The PRESIDING OFFICER. It would not be under the present request, because the request specifically states that, if it is granted, it is to operate for the remainder of the day.

Mr. WHERRY. If the privileged matter, which should have been taken up 3 weeks ago, is to be excluded from consideration, and another measure is to be taken up, as would result if the unanimous-consent request were granted, I shall then object to the request.

Mr. HOLLAND. Mr. President, I hope the Senator will withhold his objection for a moment.

The PRESIDING OFFICER. Does the Senator from Nebraska withhold his objection?

Mr. WHERRY. I shall be glad to.

Mr. HOLLAND. It is my understanding that the Senator from New Mexico does not expect to bring up this afternoon any of the highly controversial amendments, which will take considerable time for debate, but he does wish to dispose of a number of amendments which have been offered by individual Senators and which he believes will not prove to be controversial. It is my understanding that the Senator from New Mexico, if such amendments prove to be controversial, does not wish to insist upon them. He simply wishes to clear the deck and get his bill ready, so that when he can call it up again after the disposition of the displaced-persons bill, and the disposition of any other matter that may be taken up, in the discretion of the Senate, whether privileged or otherwise,

he will be down to the relatively few issues which are controversial and will call for extended debate.

Mr. CHAVEZ. Mr. President, will the Senator from Nebraska yield to me?

Mr. WHERRY. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator from Florida has stated the issue correctly. The rivers and harbors and flood-control bill has been pending, as I have stated over and over again, for 6 months. The bill has practically been passed by the Senate, with the exception of two committee amendments and the adoption of some controversial matters which affect the Columbia River Basin. All I desire now is that, while the Senate is waiting to take action on the displaced-persons bill, under the unanimous-consent agreement relating to that bill, while the Senate has nothing to do until action is taken on the displaced-persons bill, we may see if the Senate cannot at least complete action on the committee amendments to the rivers and harbors bill, plus a few noncontroversial matters of surveys in every State of the Union. That is all we ask for.

Mr. WHERRY. I deeply respect the observations made by my colleague and good friend from New Mexico, but I submit, Mr. President, that if there are noncontroversial amendments it will require very little time to get through with them any time the bill is taken up. I shall not object to the river and harbor bill being made the pending business if there are to be no votes on the bill this afternoon.

Mr. CHAVEZ. What about the committee amendments?

Mr. WHERRY. My reason for my statement is that many Senators have relied upon the unanimous-consent agreement to mean that there will be no vote on anything until the displaced-persons legislation has been disposed of. That is the meaning of the unanimous-consent agreement. If it will please the distinguished Senator from New Mexico to have the river and harbor bill made the unfinished business for the remainder of the afternoon, but with no votes to be taken in connection with it, I have no objection.

Mr. CHAVEZ. It is the unfinished business.

Mr. WHERRY. It is not unless the Senator secures unanimous consent to make it the unfinished business.

Mr. HOLLAND. Mr. President, I wonder if this countersuggestion might meet the views of the distinguished minority leader, namely, if we could now proceed to the consideration of House bill 5472, and take up the amendments which the Senator from New Mexico believes are not controversial, with the understanding that if any Senator objects when the vote on the amendments believed to be noncontroversial comes up, such amendments will go over and be placed in the category of controversial amendments for later consideration.

Mr. WHERRY. Mr. President, I appreciate the suggestion made by the distinguished Senator from Florida. Several Senators, however, will not be on the floor when the amendments are offered. I do not want to assume the responsibility of deciding which amendment is controversial and which is not. If the distinguished Senator from New Mexico wants to make his presentation, and the Senate then proceed to consider the bill and debate it, and Senators make any arguments they wish to make on it, I have no objection to having it taken up for that purpose, but I am sure the distinguished Senator from Florida will agree with me that if Senators are not present to say for themselves which amendments they consider to be controversial and which they consider to be noncontroversial, the situation would be a very difficult one. So, I simply make the request that no votes be had on the bill, or on amendments to the bill, this afternoon. It is perfectly agreeable to me that we take up the bill for discussion. I shall be very glad to do that, if it will be an accommodation to the Senator from New Mexico.

Mr. CHAVEZ. Of course it will be an accommodation to me, and I thank the Senator from Nebraska for being so kind. Nevertheless, the flood-control bill has already practically been passed by the Senate of the United States, with the exception of two committee amendments, plus some 10 or 12 survey amendments which have been submitted by the committee, and which will not cost one penny. The controversial amendments are some 40 or 45 amendments which have been submitted from the floor, and are now at the desk. It is not my purpose to take up any of those amendments today, because I know they are controversial, and I know that some Senators would like to be present when they are being discussed. But in view of the fact that the Senate now has nothing whatsoever to do, because under the unanimous-consent agreement we cannot vote on the displaced-persons bill until tomorrow afternoon, I feel the Senate should proceed with the rivers and harbors bill. Senators have run out of speeches on the displaced-persons bill. So why displace the rivers and harbors bill simply because Senators have run out of speeches on the displaced-persons bill? All I ask is that we may be permitted to present to the Senate this afternoon two little committee amendments which were unanimously recommended by committee members of both parties, plus a few little survey amendments, so we can at least make that much headway while we are killing time, with nothing to do. Nothing of a controversial nature on which any Senator will have to vote will be brought up for disposition this afternoon.

Mr. President, I am trying to be fair. The bill has practically been passed by the Senate, and that was true as far back as last October. It is a shame that when a committee of the United States Senate is trying to create wealth so that displaced persons can be taken care of, the Senate cannot take up the rivers and harbors bill, even when it has nothing to do, because, 6 weeks ago, the Senate made a mistake and decided that Wednesday would be the day on which to vote on the displaced-persons legislation.

I hope the Senate has learned a lesson. I hope it will not in the future enter into any unanimous-consent agreement and thereby kill valuable time in the Senate and keep the Senate from considering other matters of importance. Every river and harbor in the United States is affected by the rivers and harbors bill. The bill has to do with floods which occur all over the United States—in Pennsylvania, in New England, in Oregon, in Mississippi, or in Arkansas. Developments of many kinds which will actually create wealth and protect property and protect life, are involved in the bill. Yet we are told that we cannot take a few minutes this afternoon to consider the bill, when the Senate has nothing else to do.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. HOLLAND. Mr. President, I think perhaps the distinguished minority leader has not considered the fact that the offer which he made really does not at all permit the Senator from New Mexico to dispose of the noncontroversial amendments he wishes to dispose of, because under the suggestion made by the Senator from Nebraska no more than one amendment could be offered. After one amendment is offered, no other amendment or amendments can be offered. The one amendment that is offered for adoption becomes then the pending question until it has been disposed of by vote.

I express the warm hope, Mr. President, that the Senator from Nebraska will decide that he and any other Senators on either side of the aisle who may have any objection at all to any of the amendments which we believe to be noncontroversial perfecting amendments will be perfectly well protected when I tell him and assure him that no vote will be taken if only one Senator objects to a vote being had on that one matter. But I now call to the attention of the Senator that his offer means that it would be useless to take up the measure because the first amendment offered would become the pending question, and until it was disposed of it would not be possible to offer in sequence the other amendments, all of which we believe to be entirely noncontroversial.

I hope the Senator will feel that he and any Senator who has objection to any of the controversial amendments are fully protected by the suggestion which I have made. I, therefore, renew my request for unanimous consent in the belief that the distinguished Senator from Nebraska will not want to put himself in the position of holding up any longer consideration of this very vital measure which has been pending since last year, it having been reported from the committee in October of last year, and which the Senator from New Mexico has been trying to get up for consideration since that time. I want to say, that the Senator from New Mexico has been patient and tolerant and considerate. So far as I am concerned, I believe the distinguished minority leader does not at all have to strain himself to agree to the consideration of these little amendments which we believe are wholly noncontroversial and with the assurance that any one of them which is objected to by only

one Senator will not be called up for vote.

I renew my request for unanimous consent.

Mr. WHERRY. Mr. President, I wish to make it very plain that several Senators who are not on the floor, and I am not sure a quorum call would get them here, would be the ones to determine what is and what is not a controversial amendment to the bill. I am just as much interested in the bill as is the Senator from New Mexico. I am just as anxious that the necessary appropriations be made as he is. There is not a Senator on this floor who, following the assurance that the rivers and harbors and flood-control bill would not come up for voting this afternoon, would expect the Senate to change its program and to vote on that bill at this hour of the day, in the last hour and a half of the session today. I do not wish to be responsible for determining which amendments might be considered controversial, in connection with the assurance I have given certain Senators that votes on controversial amendments on the rivers and harbors and flood-control bill would not be taken in the Senate today. It is only fair that I stand by the assurance I have given.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LUCAS. Would it help the Senator from Nebraska if I assured him that in the case of any amendments which we might adopt this afternoon under the proposed arrangement, if later they were considered by any Senator, now absent, to be controversial, and if such Senator desired that the votes on such amendments be reconsidered, I would go along with the request to have them reconsidered, and even would move that the votes on such amendments be reconsidered, even though they might be adopted at this time?

Mr. WHERRY. Mr. President, I thank the Senator from Illinois; but, of course, any Senator has that right, in any event, within 24 hours after votes are taken; within that period, any Senator can file a motion to reconsider.

I hope my position is not misunderstood. It seems to me if there had been proper distribution of the time in connection with consideration of the displaced-persons bill under the unanimous-consent agreement, there would not be this impasse at this time, when we find that inasmuch as both sides wish to reserve their time, so as to be able to discuss the displaced-persons bill tomorrow, we are now in the predicament that neither side wishes to use time now, inasmuch as any time taken now would to that extent decrease the time available tomorrow for debate on the bill. So the entire difficulty at present is over the question of what Senators will speak today on the displaced-persons bill and what Senators will reserve time to speak tomorrow on the bill.

Mr. President, any action displacing the displaced-persons bill should be taken by orderly procedure. I submit that there are privileged matters awaiting action by the Senate. If we are to displace the displaced-persons bill, certainly the first thing we should consider thereafter is the conference report on the basing-point bill, which has been awaiting action by the Senate, one way or the other, for 3 weeks. No Senator who is fair will disagree with that statement.

I agree with the Senator that the rivers-and-harbors and flood-control bill is an important measure, and I have no objection to having debate on it occur today and to having action on that measure expedited, so as to have it finally disposed of as quickly as possible. With that in view, I agreed the other day to let it be made the unfinished business, without the necessity of having a motion to that effect adopted; and the other evening I agreed to let the noncontroversial amendments, which were offered after the bill was reported, be acted upon.

The only thing which could be gained today in regard to noncontroversial amendments to that bill would be very little, because such amendments would be adopted without debate, in any event. If any Senator wishes to debate and discuss the bill today, I shall have no objection to that course, and I shall have no objection to having the rivers-and-harbors and flood-control bill made the pending business for this afternoon, just so long as the Senator will assure me that votes on that bill will not be taken this afternoon. What could be fairer than that?

If the amendments are not controversial, they will not take any time to dispose of when they are brought up. If some of the amendments are controversial, I do not wish to undertake the responsibility of determining which amendments are controversial and which ones are not controversial, after Senators on this side of the aisle, at least, have been assured that there will not be votes on other matters until the displaced-persons bill is finally acted on tomorrow afternoon, following 2 o'clock.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CHAVEZ. I assure the Senator that if he will agree to the unanimous-consent proposal, we shall gain more in 6 minutes after that agreement is reached than we have gained in the last 10 days or number of weeks, so far as either the displaced-persons bill or the rivers-and-harbors and flood-control bill is concerned.

Mr. WHERRY. In answer to the Senator, I say that if we had taken up the conference report on the basing-point bill 3 weeks ago, we would be away ahead of where we are now.

Mr. CHAVEZ. I do not know whether the Senator from Nebraska would worry about $250,000,000 for the Missouri River Valley, to be authorized under the rivers-and-harbors and flood-control bill, more than he would worry about the conference report on the basing-point bill.

Mr. WHERRY. Mr. President, the Senator from Nebraska has been very much concerned about the authorizations carried in the rivers and habors bill, and has been concerned about that just as much as has any other Member of the Senate, including any member of the Public Works Committee or any member of the Appropriations Committee. When the time comes to discuss the rivers and harbors bill, so far as I am concerned, the support which will then be given to that bill by the Senator from Nebraska will be given as enthusiastically as will the support given to it by any other Member of the Senate.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. CAIN. I should like to point out to the Senator from Nebraska that all but two of the amendments to the omnibus rivers and harbors bill have previously been adopted by the Senate. It should be pointed out that, so far as I know, all the members of the Public Works Committee—8 Democrats and 5 Republicans—are in favor of the two remaining committee amendments. If I correctly understand what our chairman, the distinguished Senator from New Mexico [Mr. CHAVEZ] has in mind, it is merely to take advantage of the present time lag to clear the rivers and harbors bill, so that when the displaced-persons bill is finally disposed of, we can devote all our time and thought to debating the controversial amendments to the rivers and harbors bill.

Knowing that the Senator from Nebraska wishes to be very fair, I would urge him to permit the Senator from New Mexico to bring up these amendments.

Mr. WHERRY. Mr. President, I deeply appreciate the suggestion of my distinguished colleague; but certainly I am going to keep faith with the group of Senators who are depending upon me to protect them when they are not on the floor, insofar as the taking of votes on the omnibus rivers and harbors bill is concerned. If the distinguished Senator from New Mexico will request unanimous consent that the bill be discussed at this time, so that the various points of merit regarding it may be argued today, I shall have no objection to such an arrangement; but I ask that votes not be taken on the bill this afternoon.

There is no reason why arguments cannot be made this afternoon on controversial amendments, just so long as votes on them are not taken today.

That is my position, I say to my distinguished colleague, the chairman of the committee, for whom I have as much respect as I have for any other Member of the Senate.

However, Mr. President, under the circumstances, I object to the request.

The PRESIDING OFFICER. Objection is heard.

Mr. LUCAS. Mr. President, I simply wish to call the attention of the Senate to the fact that what I proposed to do a moment ago certainly could not affect the position of any Senator with respect to this bill. In other words, of course, any Senator has a right within 24 hours following a vote to move that the vote be reconsidered, whether it be a vote on an amendment or a vote on a bill. I advised the Senator from Nebraska that I would be glad to lead the fight to reconsider such votes, and I said there would be no question about it.

Mr. President, the controversial amendments to the rivers and harbors bill are not proposed to be voted on this afternoon.

I regret that it will be necessary for the Senate to take a recess at 3:30 this afternoon, but apparently we must do so.

I understand that if we were to request unanimous consent to take up the conference report on the basing-point bill, that would be agreeable to the Senator from Nebraska. Am I correct about that?

Mr. WHERRY. Mr. President, if the distinguished majority leader can obtain unanimous consent for a vote on the conference report on the basing-point bill either on Thursday or next week, that will be perfectly agreeable to me. In fact, I am willing to agree to a unanimous-consent request to take up any other proposed legislation, aside from the omnibus rivers and harbors bill. But as to that particular bill, in view of the fact that many Senators have today asked me whether the bill would be taken up today, and in view of the fact that I told them it would not be taken up today, I must not violate the word I have given them. Therefore, I cannot agree that any amendments to the bill be taken up at this time, inasmuch as I do not know what amendments they may be interested in.

Mr. LUCAS. I appreciate the Senator's position.

Mr. WHERRY. Certainly.

Mr. LUCAS. My point is that I understand it would be agreeable to the Senator from Nebraska to have the conference report on the basing-point bill taken up at this time.

Mr. WHERRY. No; I say it is a privileged matter. If we are to take up any other measure at this time, the orderly procedure will be for us to take up the conference report on the basing-point bill. The assurance I have given to other Senators is that as to this particular omnibus rivers and harbors bill, there will not be any votes in the Senate this afternoon.

Mr. LUCAS. I understand that the Senator from Nebraska would not object to a unanimous-consent request that the conference report on the basing-point bill be taken up by the Senate this afternoon.

Mr. WHERRY. The reason for that is that no Senator has asked me to protect him in respect to votes on the conference report on the basing-point bill, but Senators have made such requests of me in regard to the omnibus rivers and harbors bill.

Mr. LUCAS. In other words, regardless of how many Senators are now present, I understand that the Senator from Nebraska is ready to vote on the conference report on the basing-point bill this afternoon, but is not ready to vote this afternoon on the rivers and harbors bill.

Mr. President, I shall move that the Senate take a recess, under the circumstances.

Mr. McFARLAND. Mr. President, will the Senator yield to permit me to propound a parliamentary inquiry?

Mr. LUCAS. I yield.

Mr. McFARLAND. Mr. President, the situation in which the Senate now finds itself is a rather unusual one. I should like to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McFARLAND. Inasmuch as both the proponents and the opponents of the displaced-persons bill state that they have no further speeches to make today on that bill, could any Senator be recognized by the Chair to speak upon any subject which he wished to discuss, and could such Senator proceed to do so, without affecting the present unanimous-consent agreement?

The VICE PRESIDENT. Will the Senator restate the parliamentary inquiry, please?

Mr. McFARLAND. Yes. The parliamentary situation seems to be that neither the proponents nor the opponents of the displaced-persons bill care to yield any further time this afternoon to permit other Senators to speak on the bill today.

If the Senate does not wish to take a recess at this time, and if some Senator rose and addressed the Chair, could the Chair recognize him to speak on any subject he might desire to discuss, even the displaced-persons bill, without affecting the unanimous-consent agreement?

The VICE PRESIDENT. The unanimous-consent agreement provides that the displaced-persons bill shall continue to be the pending business until it is disposed of tomorrow, and that the time shall be controlled by the Senator from West Virginia and the Senator from Nevada, respectively.

Mr. McFARLAND. But if both those Senators state that they do not wish to speak on the bill this afternoon, or to yield time to other Senators to permit them to speak on the bill this afternoon, is it necessary for the Senate to take a recess?

The VICE PRESIDENT. Nevertheless, unless the unanimous-consent agreement is modified, the Chair feels that he must recognize either of those two Senators, to permit them to yield to any Senator, if they wish to do so; and if they do not wish to yield to other Senators, the Chair does not think any other Senator can substitute for them in regard to the control of the time.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Chair is trying to answer one parliamentary inquiry.

Mr. McFARLAND. Mr. President, the question I was trying to ask is this: Suppose neither the Senator from West Virginia nor the Senator from Nevada rises and addresses the Chair during the remainder of this afternoon. Under such circumstances, is it necessary for the Senate to take a recess; or can the Chair recognize any other Senator to speak on any subject he may wish to discuss?

The VICE PRESIDENT. The Chair does not believe he can recognize any other Senator, so long as the unanimous-consent agreement is in force making the displaced persons the continuous business of the Senate until it is disposed of, unless the unanimous-consent agreement under which the Senate is operating is modified to the extent that the Chair may recognize some Senator other than the Senator from Nevada or the Senator from West Virginia.

Mr. LUCAS. Mr. President, another parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Assuming that neither one of the Senators controlling the time should yield to the Senator from Illinois to move a recess, what would be the parliamentary situation under those circumstances?

The VICE PRESIDENT. The Chair would hold that the Senate would not have to remain in session perpetually because a Senator could not be recognized for the purpose of moving a recess.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I would certainly agree to a unanimous-consent request, if the majority leader cared to make it, that the remainder of the time this afternoon be used for some purpose other than consideration of the displaced-persons bill. If it is agreeable to those controlling the time to allow Senators to speak on other matters they may wish to bring up, it would be entirely agreeable to me.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LUCAS. I think I have the floor. I do not know, under the parliamentary situation, just who has the floor, but, on the theory I have the floor, I yield to the Senator from Arkansas.

Mr. McCLELLAN. I thank the able majority leader. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCLELLAN. If the two Senators who have control of the time under the unanimous-consent agreement should both openly waive the right to control the time for the remainder of the day, could not the Senate proceed, with the right in any Senator to address the Senate who is able to obtain recognition?

The VICE PRESIDENT. If the two Senators in control of the time yield the time for the remainder of the day, certainly the Chair would be in a position to recognize some other Senator.

Mr. McCLELLAN. That would seem to me to be the proper solution.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CHAVEZ. Suppose the Senator from Nevada and the Senator from West Virginia should waive all rights under the unanimous-consent agreement for the remainder of the afternoon, and that the pending business were displaced; would not the pending business be resumed, if that eventuality should arise, following the discussion of H. R. 5472?

The VICE PRESIDENT. Regardless of what happens between now and 2 o'clock tomorrow, the displaced-persons bill will be voted on following that, at 2 o'clock, together with amendments. If the two Senators in control of the time desire to waive it for the remainder of

the day, the Chair will then be free to recognize other Senators.

Mr. LUCAS. Mr. President, will the Senators waive the time?

The VICE PRESIDENT. Do the Senators from Nevada and West Virginia waive their right to control the time from now until the Senate takes a recess?

(Mr. McCARRAN and Mr. KILGORE conferred.)

The VICE PRESIDENT. This ought to be regarded as a notable historic event, when the Senate has run out of something to say. [Laughter.]

Mr. McCARRAN and Mr. FERGUSON addressed the Chair.

The VICE PRESIDENT. The Senator from Nevada.

Mr. McCARRAN. I believe the Senator from West Virginia would join with me in saying that no time should be charged against either side for the remainder of the day, and that the Senate could proceed to whatever might be the order of business, as directed by the Senate itself, from now on to the end of today's session, without time being charged either to the Senator from West Virginia or to the Senator from Nevada.

Mr. KILGORE and Mr. CHAVEZ addressed the Chair.

The VICE PRESIDENT. The Senator from West Virginia.

Mr. KILGORE. I would go along on that basis, myself.

The VICE PRESIDENT. The two Senators who have control of the time are willing to yield the remainder of the time for today, without affecting their rights tomorrow on the displaced-persons bill, for the consideration of anything else the Senate may desire to take up.

Mr. McCARRAN. That is, the time, as now computed, to remain as it is.

The VICE PRESIDENT. It would be either charged equally against the Senators, or not charged against either. It would not make any difference, however, in the long run.

Mr. McCARRAN. It would not be charged against either?

Mr. CHAVEZ. Mr. President, I think, under the rules, the Senator from Nevada and the Senator from West Virginia would have a right to make the waiver, but I do not think they have a right to attach a condition to the waiver. To impose as a condition that the time shall not be charged against them, I think would be a violation of the rules of the Senate.

The VICE PRESIDENT. The question as to whether the time is charged against them is an academic one. When the Senate meets tomorrow, for 3 hours they will still have control of the time. At 2 o'clock the Senate will begin voting on amendments, from which time there will be 5 minutes on each side on every amendment offered; so that whatever happens today will not affect that situation, anyway.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CHAVEZ. Under the unanimous-consent agreement, it was decided that the Senators should control the time until 2 o'clock tomorrow, at which time the Senate would start voting on the pending bill. Under that agreement, is it necessary for the Senator from Nevada and the Senator from West Virginia to get unanimous consent before they can waive or set aside the agreement?

The VICE PRESIDENT. They can waive their control of the time for the remainder of the day, but that does not necessarily suspend the consideration of the displaced-persons bill for the rest of the day.

Mr. WHERRY and Mr. FERGUSON addressed the Chair.

The VICE PRESIDENT. The Chair thinks it would be necessary to suspend consideration of that bill temporarily for the rest of the day, in order to consider another bill, but it is not necessary to do that in order that a Senator may speak on some other bill.

Mr. CHAVEZ. But, under the agreement, would it be necessary, in order to consider other legislation or other business, for Senators to obtain unanimous consent?

The VICE PRESIDENT. It would take unanimous consent to lay aside the bill temporarily to consider another bill.

Mr. ELLENDER and Mr. FERGUSON addressed the Chair.

The VICE PRESIDENT. The Senator from Louisiana.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the pending measure be temporarily set aside, so that we may consider the conference report on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes.

The VICE PRESIDENT. Is there objection?

Mr. KILGORE. Mr. President, I note the words "temporarily set aside." Does that mean it is to be temporarily set aside for this afternoon?

Mr. ELLENDER. Yes; for the purpose of taking up the conference report, and nothing else.

Mr. KILGORE. Could not the expression "temporarily set aside" be construed to be operative tomorrow?

Mr. ELLENDER. I can assure the Senator that all I want is sufficient time in which to take up the conference report on Senate bill 930.

Mr. KILGORE. May I not suggest that the Senator use the words "temporarily set aside this afternoon"?

Mr. ELLENDER. "This afternoon?" I will amend the request.

The VICE PRESIDENT. If an agreement is entered into to lay aside the pending subject temporarily, in order to take up a conference report, any Senator, at any time, may call for the regular order, whereupon the Senate would automatically return to the consideration of the displaced-persons bill. Is there objection to the request of the Senator from Louisiana?

Mr. CHAVEZ. Mr. President, is it necessary to have unanimous consent to take up the conference report?

The VICE PRESIDENT. It is necessary, in view of the unanimous-consent agreement under which the Senate is operating.

Mr. CHAVEZ. I object.

The VICE PRESIDENT. Objection is heard.

RECESS

Mr. LUCAS. Mr. President, it is very apparent that we cannot transact any more business this afternoon. We have been trying now for a little over an hour to get some small piece of business considered. It is now a quarter to 4. I move that the Senate stand in recess until 11 o'clock tomorrow.

The motion was agreed to; and (at 3 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, April 5, 1950, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 4 (legislative day of March 29), 1950:

UNITED STATES COURT OF APPEALS

Hon. Charles Fahy to be a judge of the United States Court of Appeals for the District of Columbia Circuit.

UNITED STATES DISTRICT JUDGES

Hon. Irving R. Kaufman to be United States district judge for the southern district of New York.

William Lee Knous to be United States district judge for the district of Colorado.

Hon. Burnita Shelton Matthews to be United States district judge for the District of Columbia.

William E. Steckler to be United States district judge for the southern district of Indiana.

Hon. Allan K. Grim to be United States district judge for the eastern district of Pennsylvania.

UNITED STATES ATTORNEY

Irving H. Saypol to be United States attorney for the southern district of New York.

UNITED STATES MARSHAL

William A. Carroll to be United States marshal for the southern district of New York.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 4, 1950

The House met at 12 o'clock noon.

Rev. Hugh E. Kemper, First Moravian Church, Easton, Pa., offered the following prayer:

Our Heavenly Father, we approach Thy throne of grace, mercy, and truth with deep humility in our hearts, coming before Thee asking that Thou bless us in our work, that we may promote peace and good will on earth. During this holy week we are particularly thankful for the sacrifice of Thy Son, Jesus Christ, through whose blood we are saved.

We ask that Thy blessing may rest upon this Nation of ours and upon those who guide its destiny. Wilt Thou aid them and bless them and comfort them.

In Jesus' name we ask it. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 212. An act for the relief of John Joseph McKay; and

S. 2084. An act for the relief of Jackson Riley Holland.

REREFERENCE OF BILL

Mr. CELLER. Mr. Speaker, by direction of the Committee on the Judiciary, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the bill (H. R. 2058) to amend section 207 of the Legislative Reorganization Act of 1946 so as to authorize payment of claims arising from correction of military or naval records, and that the same be rereferred to the Committee on Armed Services. Past practice indicated the procedure that these bills were always considered by the Committee on Armed Services.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EIGHTY-FOURTH BIRTHDAY OF HON. ADOLPH SABATH

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, our distinguished colleague, the gentleman from Illinois, Mr. ADOLPH SABATH, celebrates this day his eighty-fourth birthday.

It is not for his age that we pay tribute to our distinguished colleague, but for his years of unremitting service. It is truly amazing that a man of his age can continue to exemplify and display such nimbleness of wit, such rare intelligence, and such good, solid common sense.

He has been a decided asset to this Chamber these many years. Throughout many a struggle he has stood firm as a rock, holding unflinchingly to his principles, stanch defender of the dignity of man and zealous guardian of the inherent rights of our citizenry.

We honor him today as a man 84 years young. I recall the lines of the poem by the famous Robert Browning called Rabbi Ben Ezra saying:

Grow old along with me!
The best is yet to be,
The last of life, for which the first was made;
Our times are in His hand
Who saith, "A whole I planned,
Youth shows but half; trust God: see all, nor be afraid!"

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the distinguished minority leader.

Mr. MARTIN of Massachusetts. I wish to join with the distinguished gentleman from New York in tendering my congratulations to the distinguished gentleman from Illinois [Mr. SABATH] on his birthday. All of us have a feeling of love and affection for the oldest Member of the House. To him on his birthday we extend our sincere wishes for many years of health and happiness.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I, too, join with the gentleman from New York in his tribute and expression of good wishes to the dean of the House, the chairman of the Committee on Rules, ADOLPH SABATH, on this, his eighty-fourth birthday.

I have had the pleasure and the honor of serving on the Committee on Rules with and under the chairmanship of the gentleman from Illinois [Mr. SABATH] for a number of years. We have not always agreed on all matters political, or on all means and methods of parliamentary procedure, but it has been a great experience, a great pleasure, to work and serve with him. I have learned to appreciate the fact that he is an opponent worthy of any man's steel when it comes to debate and political sagacity.

ADOLPH SABATH is an unusual character. When he passes on, which I hope may not come for many years, the mold would be broken. There was never but one ADOLPH SABATH in all the world and in all the Congresses. He is a man unlike any other we have ever known. We love him even though we disagree with him at times. I pray that ADOLPH SABATH will be spared to serve with us in this House for many sessions to come.

I, too, extend my personal greetings and congratulations to him on this his natal day. May his health remain good, his wit sharp, and his great abilities unimpaired, is my wish for him today.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Illinois [Mr. YATES].

Mr. YATES. I, too, wish to join with the gentleman from New York in paying tribute to A. J. SABATH on his eighty-fourth birthday. As long as I can remember, coming from the city of Chicago as I do, the name of Congressman A. J. SABATH has been identified with championing the rights of the people. He has long been acclaimed as a fighter for all the things that are good and great in government. He has fought throughout the years for liberal and progressive legislation.

Unlike the two gentlemen who preceded me I have found myself in agreement with everything that Congressman SABATH has fought for. He has been a firm supporter of public housing, civil rights, all legislation looking to freedom for the people, economic and political freedom.

I want to wish him on behalf of my colleagues from Chicago and the State of Illinois long life and continued activity in the interest and on behalf of the people of the city of Chicago whom he represents, and the people of the Nation. I offer my congratulations and best wishes for continuing the good fight.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, I wish to join in congratulating Judge SABATH on his eighty-fourth birthday and to say to my colleague from New York that as a relatively new Member in the House, Mr. SABATH is an inspiration by showing us all how to fight for what we consider to be right and yet to draw from this full years and long life. I wish for Judge SABATH many more years of continued happiness.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Ohio [Mr. McSWEENEY].

Mr. McSWEENEY. Mr. Speaker, I, too, have the honor of serving on a committee with Mr. SABATH, and I appreciate Mr. CELLER's yielding to me so that I may say a word about my chairman. I feel that he is the embodiment of everything that is good, everything that is great in this country and about which Horatio Alger wrote and which charmed me as a boy. Born abroad, Mr. SABATH came to this country at an early age, by his own ingenuity and hard work he has achieved what he is today—a great, kindly hearted statesman who loves his fellow man and serves him with all his fine strength and ability.

I think that too often we forget the fact that he is surely a devoted husband. His interest now is helping his wife, who is very ill at the present time. That is the reason he is away from Congress.

I am glad to join others in this House today in paying tribute to a great man on his eighty-fourth birthday. As he enters this Indian summer of his life I hope that he may "reap such sheaves of happiness that all his summers past will seem fruitless beside the autumn."

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Illinois [Mr. ALLEN], the ranking member of the Committee on Rules.

Mr. ALLEN of Illinois. Mr. Speaker, it is not often this House has occasion to pause in its deliberations to pay tribute to a young man, unless perhaps it has been one who on the field of battle has distinguished himself. We are apt to forget that there is a valor as necessary on the field of peace as that which nerves a soldier's arm in battle.

For more than 43 years the young man to whom I refer has battled here for causes and principles he felt were essential to the welfare of his country and his fellow man.

Today this young man, Judge SABATH, reaches his eighty-fourth milestone. The years have diminished neither his loyalties nor his outstanding legislative effectiveness.

We honor ourselves in paying this tribute to this splendid American and invaluable friend.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. McCORMACK], the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, our distinguished friend [Mr. SABATH] is one of the most unusual persons I have ever met. There is only one of his type; I have never met another. He exemplifies to the fullest extent possible the opportunities under a government of laws and not a government of men: born abroad, coming to this country, elected

by the people after taking advantage of our great institutions and our fundamental law, elected to this body and serving 44 years here, yet never wavering in his progressive outlook in the interest of the people. I can truly say that ADOLPH SABATH is an institution. He may be 84 years so far as the passage of time is concerned, but he is still a youth, he has a fine, noble, and understanding outlook on life. I am very glad to extend to him and to Mrs. Sabath, who has been an inspiration and a guide to him, my congratulations on this, his eighty-fourth birthday. May God in His infinite wisdom bless him for many, many years to come.

Mr. CELLER. Mr. Speaker, I yield to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I, too, wish my kindly, able colleague, Mr. SABATH, a very happy birthday. I have always admired his youthfulness, I have always admired his fine spirit. All of us respect and admire a fighter and Judge SABATH is a great fighter. Judge SABATH has always fought for what he believed was right. He has always fought for the people of his State and district. He has been helpful to me personally, I know, whenever I have appeared before the Rules Committee. I do not know what we would do without Members like Judge SABATH. He is an inspiration to all of us. I join in wishing his family happiness also on this, Judge SABATH'S birthday.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Utah.

Mr. GRANGER. Mr. Speaker, I desire to join the gentleman from New York in paying tribute to this great American. He is, and has been a great fighter for the humanitarian principles he advocated during his long service in the House of Representatives. In all of the time I have served in this House I have never known ADOLPH SABATH to substitute expediency, political or otherwise, for that of principle. He himself is almost an institution and we all love him and congratulate him on his eighty-fourth birthday.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Speaker, I join with all of my colleagues in the fine tribute they are paying here today to one of the most courageous, one of the most sincere men who has ever served in this House, the Honorable ADOLPH SABATH. He came to Congress the year after I was born and has been here continuously ever since. He has served in this House longer continuously than any other man. The finest speech I could make here today would be to say that I agree 100 percent with all the fine remarks that have been made about him by my colleagues.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, the world would be a poor place if there were no sentiment in life. Certainly there can be no more appropriate sentiment expressed here than our praise of this beloved man who has labored with us so long and so faithfully and so eminently.

Judge SABATH is a living exemplification of Darwin's theory of survival of the fittest. He is the last and the best. He is the only Member of the present House who was here when I first served at the desk. I was glad to hear the gentleman from New York [Mr. CELLER] quote those favorite lines from Browning:

> Grow old along with me!
> The best is yet to be.

I am certain that in Judge SABATH'S life and career the last is the best. Certainly today he is more influential, more benevolent, more helpful than ever before in his long and useful life.

He is 84 years old today, and I am certain the Members of the House join with me in the hope he will live to be 184.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from New York [Mr. TAURIELLO].

Mr. TAURIELLO. Mr. Speaker, I, too, wish to join my distinguished colleague from New York in paying compliment and praise to the distinguished gentleman from Illinois, Congressman SABATH. All through the years we read of these men in high positions and public life, and we draw therefrom certain pictures of them. Sometimes we are disappointed; sometimes the picture that we draw is a true one. Congressman SABATH to me is everything I have formed in my own mind. He is a man of deep convictions, courageous, always willing and anxious to serve not only his constituency but to serve the best interests of this country. I join my distinguished colleagues and all the other Members in extending our best wishes on the eighty-fourth birthday to our distinguished colleague from Illinois and sincerely hope the good Lord will continue to give him good health so that he may be with us and serve his country for many, many more years. He is truly an elder statesman.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I rise at this moment to add my humble voice in tribute to this grand young man. In my youth I read, I think, every Horatio Alger story. I never thought I would meet in the flesh the real Horatio Alger hero. In my opinion Judge SABATH is just that. He rose in the traditional American way from humble beginnings to the very top. He has long been an inspiration to his colleagues. He is all that a fine gentleman should be. I join the membership of the House in wishing him long life, good health, and much happiness.

Mr. CELLER. Mr. Speaker, I yield to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, as I listened here today to these younger men say, "I remember him when I was a boy," you may be surprised that a man of my age can almost say that. Many, many years ago, as I picked up the CONGRESSIONAL RECORD to use it for instruction in the classroom, one name stood out 40 years ago prominently in that CONGRESSIONAL RECORD, and the name was ADOLPH SABATH. I was delighted when I came here 14 years ago that I should meet the man in person. It has been a richer life for me to have met him in person. May he have many more such anniversaries as he has today and many more years of service in this body.

Mr. CELLER. Mr. Speaker, I yield to our distinguished Speaker, the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, it has been my privilege to know ADOLPH SABATH well ever since I came to this House. Born in a foreign country, he came early to this country. I know that every day of his life he is deeply grateful to the land which has done so much for him and given him a great opportunity.

Mr. SABATH has served longer continuously in the House than any other man. His vigor and his patriotism is an inspiration to us all. He is a lovely character, a real patriot—a friend to man. I am glad I know him.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in eulogy of Judge SABATH.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOLLINGER. Mr. Speaker, today, my friend and colleague, the Honorable ADOLPH J. SABATH, has attained the venerable age of 84 years. I am pleased to have this opportunity to extend to him my hearty congratulations.

As dean of the House of Representatives, he is our inspiration and we receive from him the guidance and counsel we seek.

Congressman SABATH'S record of achievements is remarkable. As a judge in his State of Illinois, he instituted the juvenile court and parole system, and brilliantly discharged his judicial duties. He has held high positions in the affairs of our Nation, and has never failed to fulfill the trusts placed in him. He was elected to Congress in 1906 and has been reelected 21 times. He is now in his forty-fourth year of continuous service in this House. As chairman of the Committee on Rules, he renders invaluable service to us and to the people of our country.

We are fortunate to have the benefit of his association, friendship, and wisdom. We cannot praise him too highly, and he richly deserves all the honor we can show him.

I am happy to join with my colleagues in wishing him many more years of continued success, health, and happiness.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 536) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That CARROLL D. KEARNS, of Pennsylvania, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on the District of Columbia.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JAPANESE TEXTILES

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, I was shocked and amazed to learn from the report of the American Cotton Manufacturers Institute that there is an ever-increasing volume of Japanese textiles coming into our country and being disposed of in competition with our own textiles. How anyone could justify such a situation is beyond my understanding.

It is necessary that proper safeguards be taken in the interest of our American textile industry. Grave thought should be given to the ever-increasing imports of cotton goods from Japan, where the textile worker receives 10 cents an hour—while in our own country the average hourly textile wage is more than 10 times that amount.

Surely we cannot afford to impair our own industrial security and reduce our high standards of living as we seek to help those in foreign countries. I quote from the convention's report:

> Congress cannot refuse us some protection unless it is ready to admit that textile employees must face drastically lower wages which we as manufacturers surely do not want, and unless they are willing to waive protection for us, thereby bringing chaos in one of our most important industries, and incidentally one which is, indeed, essential for the defense of the country.

It would seem that more than one of the low-wage substandard countries are looking our way with the hope of sending their goods here for sale.

I call upon you, my colleagues, to gird your loins for a fight to the finish against this influx of foreign-made textiles.

ANTIUNION LEGISLATIVE PLANS

Mr. RAMSAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RAMSAY. Mr. Speaker, the United States News and World Report, in its issue for March 31, published an interesting statement by a Member of the other body from Ohio who desires to become President of the United States. This statement outlines the gentleman's future plans to destroy labor unions by legislation.

This publication quotes the gentleman as saying:

> With injunctions you can seize the mines; then we ought to have the right to seize the labor unions, too. Of course we can pass a law to break up Nation-wide bargaining. That's under consideration. It would have to provide that bargaining be on a regional basis.

I should like to point out that this would amount to establishment of company unions. I continue to quote the gentleman, as reported by the United States News and World Report:

> And you would have to draft a provision—a sort of Sherman Act—to prevent employers and labor from conspiring together to demand the same wage and other terms. Maybe that would be a solution to recurring difficulty of strikes.

Mr. Speaker, unless I am in error in my estimation of the feelings of workingmen these proposed inhibitions against labor and the denial of the peaceful bargain procedures of national unions would cause great disturbance. It would, in my opinion, result in the greatest disturbances the labor world has ever known—strikes and lock-outs would become general, particularly in the steel and coal industrial areas. Maybe the gentleman who represents Ohio in the other body desires this.

God protect America from ever having to experience such policies in reference to labor. They would surely bring discord and hatred as the prevailing reaction of our working people.

SPECIAL ORDERS GRANTED

Mr. LANE asked and was given permission to address the House for 20 minutes today, following the legislative program and any special orders heretofore entered.

Mr. DAVENPORT asked and was given permission to address the House for 10 minutes tomorrow, following the legislative program and any special orders heretofore entered.

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 5 minutes today, following the legislative program and any special orders heretofore entered.

IMPORTS WRECKING AMERICAN INDUSTRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the able gentleman from South Carolina, Judge BRYSON, spoke of the great competition from importation of textiles from Japan. Before the war I warned about the importation of textiles from Japan. Now they are importing woolens as well as cotton goods. I warned against the importation from Czechoslovakia of boots and shoes. Today they are allowing boots and shoes to come in from Czechoslovakia. I had a letter from the hat industry saying that that industry may go out of existence because of foreign competition. I have fought to save the watch industry for America and Americans.

Mr. Speaker, it seems as if the Government does not care about our industries. It is much more interested in developing the industries of Japan and Czechoslovakia and of other countries behind the iron curtain than it is in protecting our own industries and our own labor. It is extremely difficult for both management and labor today to compete with other countries. We spend hours and hours talking about other countries and helping them, but what do we do for our own country?

HOUSING LEGISLATION

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, the construction of homes and apartments is being seriously curtailed and hampered by the lack of action by the conferees who are attempting to resolve differences between the House and Senate versions of the housing legislation. We who live in the North have a short enough construction season without having additional impediments placed in the path of progress. The home construction industry in western Michigan and elsewhere can and will build a tremendous number of low-cost homes this spring, summer, and fall, but the builders need immediate action on the FHA extension legislation in order to construct the still badly needed homes for veterans and others.

Title I of FHA is particularly important to us in Michigan. We have thousands who need to convert from coal to gas and oil heating units. Title II loans must be expanded now, not hindered. Six hundred and eight apartment loans are still vital.

I am reliably informed that the home-building industry is at a standstill. Homes cannot be started and as a result carpenters, plumbers, bricklayers, and all others who build homes are forced into idleness. The lack of new home starts is regrettable, but the unnecessary unemployment is worse. We need more homes, especially low-cost homes, and we also need the jobs. I strongly urge that the leadership speed up the House and Senate conferees so that road block can be broken. The necessary action on FHA is long overdue. The administration is solely to blame for the serious situation existing today. Some relief can come if we act promptly. The House and Senate cannot and should not recess over Easter or at any other time until the important legislation is finally enacted.

I notice that the distinguished chairman of the House Committee on Banking and Currency, one of the conferees, is on the floor. Could he tell the House when the conferees will probably bring back a conference report?

Mr. SPENCE. We have very lively hopes that that may be accomplished before the House recesses over Eastertime.

CONTINUED BRITISH ARMS SALES TO EGYPT, JORDAN, AND IRAQ

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, a real campaign is being waged by the State Department to reassure the American people that broad-scale shipments of heavy arms like jet fighter aircraft, tanks and gunboats by Great Britain to the

Near East Arab states, notably Egypt, Jordan, and Iraq, is not an incitement to a renewal of the Arab-Israeli war. Last night the Federal Security Administrator, as an administration spokesman, gave this assurance in New York; the Secretary of State had given it before.

Millions of Americans are, however, distinctly not reassured so long as the arms race in the Near East continues unabated which is by now practically admitted. Armistice between the Near East Arab states and Israel, not peace, remains the order of the day and fulminations in these states promising a renewal of the Palestine war are heard daily.

The Secretary of State, in his letter to me of January 12, 1950, said on this subject that information available to the State Department does not indicate any serious preparation for a renewal of the Palestine conflict. He continued:

Should such information be received the United States Government would be quick to use all its influence in an attempt to prevent such a tragic eventuality both inside the United Nations and outside.

These words indicate that we are following a policy of drift in the Near East, a policy which had such tragic results in the Far East. A policy of drift means drifting along with British policy. The British are undoubtedly serving what they consider—though so mistakenly—to be their own national interests in the Near East, but we should serve ours by demanding peace before arms.

SURPLUS FOOD COMMODITIES

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my remarks and include therewith a letter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have been trying to locate some dried beans and dried peas. If anybody knows where I can get them in fair amounts, I would appreciate his advice.

However, I have sent the President at Key West the following telegram:

Am now shopping for other food commodities which are stored by Federal Government in gigantic amounts at indefensible expense to taxpayers. Will forward another item to you as soon as I can locate it. Total waste in money to date $3,690,000. Will you not please do what your message yesterday clearly indicated you can and should do to remedy this situation.

I now want to make available a letter I have received from Don A. Tuttle, farm director, Station WHAI, Greenfield, Mass., outlining graphically the entirely successful effort to distribute surplus potatoes to needy people in that town. I call your attention to the fact that these five tons of potatoes were handled without one cent of expense to the town. The intelligence, initiative and integrity of the fine, public spirited Americans in our communities can be counted on to handle these problems successfully if we will but realize that all the brains in America are not concentrated here in Washington. I wish I could believe that this experience would penetrate the misty, befogged, and stupid spots in this gigantic, inefficient, wasteful bureaucracy which rides rampant over the real best interests of the American citizen and taxpayer. But, as I have said before, every day more Americans are going to know more and more about the indefensible and shocking waste of their money and their food. And when enough of them know these facts, someone in the executive department is going to pay for it and pay dearly. The American people are not unintelligent in spite of the opinion to the contrary in our executive department, and they resent being considered as or treated as "suckers."

The letter follows:

WHAI,
Greenfield, Mass., March 7, 1950.

Congressman JOHN W. HESELTON,
House Office Building,
Washington, D. C.

DEAR SIR: I have missed our daily conversations between Washington and Greenfield. They brought me for the first time in contact with our Congressman from Greenfield and vicinity. I certainly want to thank you for your splendid help and boost. I must admit that at times during our fight for some surplus potatoes I was about ready to toss in the towel. However, due to the friendly spirit of the people here in Greenfield, and through your hearty cooperation, we kept things going here and seem now to have everything under control.

The real purpose of this letter is to let you know that the first 5 tons of potatoes has been exhausted and that another order has been put through. To our critics who said that there was no need I think this is sufficient answer. That 5 tons of potatoes was exhausted in exactly 10 days. I want to commend Capt. Joseph Woods of our local Salvation Army without whose cooperation this entire undertaking would have fallen through. He assisted us in every way possible and is continuing to do so. His organization distributed the entire 5 tons of potatoes and has taken the responsibility of seeing that these potatoes went to the right people. This aspect of the project I can assure you is being handled very discreetly. No one person is receiving potatoes unless his minister or the welfare board or the Veterans Service leader says he is in the category of needing this help. The reason the welfare board here in Greenfield did not want to accept distribution and responsibility was the fact that they thought it was going to be too much of a headache and that incidentally is a quote from one of the members, and also that they were afraid it was going to cost the town money and they would be accused of wild spending. It's not costing the town one cent as the Salvation Army is transporting, storing and distributing these surplus potatoes free of charge. I knew you would be interested to know that the Greenfield plan is underway and doing nicely. There is a definite need and as I stated the first shipment of 5 tons of potatoes has been exhausted.

I understand that Springfield is forming plans for similar action. They have been in contact with me and seem to be well on the way toward action.

Thanks again, Mr. HESELTON, for your encouragement and help and I hope I can thank you personally next time you are in Greenfield.

Sincerely,

DON A. TUTTLE,
Farm Director WHAI.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

HOMOSEXUALS IN GOVERNMENT EMPLOY

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, yesterday a taxicab driver told me that the homosexuals had quite a celebration on Saturday and Sunday nights. They were celebrating the green light they thought they received from this House because the House turned down the amendment which would have prohibited them from employment with ECA.

That action was taken by almost a straight party vote. It was a small vote, 77 to 66, I do not blame all of the Democrats here today, some of you were not here to vote. I know you who did vote will rejoice with them in their celebration. You gave them the go ahead signal for Federal employment. You did it by almost a straight Democratic vote. Mr. Peurifoy testified there were only 91 whom he dismissed in the State Department. The police department say there are about 7,000 in Washington and about 75 percent of them on the Federal pay roll. Not long ago the police raided a house and got about 60 of them in all kinds of orgies. But I think the Democratic majority in the House who voted on a straight party line would want to know about this celebration, because you like to spread joy and sunshine and by your vote did bring joy to the homosexuals now employed in Government work.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, a young boy one time called an old lady a hoodlum. She said she did not know what a hoodlum was, but she did not think that boy was paying her a compliment. I am just a little like that old lady. I do not know what homosexuals are but I never saw anybody get as much free advertising in the Congress of the United States in all of my life. I do not see any sense in it.

The SPEAKER. The time of the gentleman from Missouri has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I feel confident that we, as Members of this House of Representatives, condemn Communists. Our intense desire and determination is to support the continuation

of Americanism, to preserve democracy for the sons and daughters of this country, and offer it to any and all who seek its better way of life.

If there be among us any who would seek to degrade, overthrow, or destroy our Government, let him be accused, given a fair trial, and proved guilty or innocent, and punished or freed. But I say to you let there be employed much care and caution when an accusation is made. Let us be sure we are right.

Communist, spy, traitor. These are strong words, destructive words, malignant words, words not to be hurled freely and promiscuously. To accuse an innocent person of a crime so hideous as that of being a foreign spy or traitor to one's government just because that particular person happens to be a political enemy, a business enemy, or a social enemy, is to employ the handiwork of the devil.

During this Easter season our thoughts are with our dear Lord and Saviour Jesus Christ as He faced the greatest sacrifice since the beginning of time, and we are reminded of the accusations that were flung at Him, and the cry, "Crucify Him," still rings in our ears.

Let us not in our lack of foresight point our fingers at anyone and accuse him of wrongdoing until we have positive proof our accusations are true and in the interest of goodness and justice.

My colleagues, I ask you to join with me in the search of our consciences, seek Divine guidance, and proceed with great caution to legislate, investigate, and navigate this beloved Ship of State into the peaceful waters of trust, brotherhood, and truth.

We have one of the most efficient and best-trained investigators in the world in the FBI. I feel that all matters such as these should be turned over to them. If any of you feel it is not efficient, please help to make it so; and if you feel they need more personnel for the sake of America and the world, let us, as Members of Congress, give them additional personnel.

Let us attack communism and obliterate it from our country, but let us do so with truth.

HOMOSEXUALS IN GOVERNMENT EMPLOY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, the gentleman from Missouri [Mr. CHRISTOPHER] seems to be critical of the fact that certain groups are getting a lot of unfavorable free advertising. Well, may I say to the gentleman you have had these unmentionable individuals in the departments; it is your fault, you have been in control of the executive departments here for 13 or 15 years. For the last 10 years practically everybody in Washington knew about all this disreputable, dirty, nasty bunch on the Federal pay roll which is now, at last, being exposed, getting what the gentleman calls free advertising. Now the gentleman objects to their being exposed. If he wants to take them home and live with them, all right; but you have no right——

Mr. CHRISTOPHER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. You have no right, I say, to keep those dirty, nasty people on the Federal pay roll, and use the dollars of decent citizens to pay them. Maybe the gentleman likes them; I do not; neither do my people.

Mr. CHRISTOPHER. I should like to ask the gentleman a question: Can you tell me what a homosexual is?

Mr. HOFFMAN of Michigan. The term needs no definition—I will not dirty my mouth by defining it.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3946) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study, with a Senate amendment and concur in the Senate amendment.

The Clerk read the title of the bill and the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the National Advisory Committee for Aeronautics (hereinafter referred to as the NACA) is authorized to grant to any professional employee of demonstrated ability, who has served not less than 1 year in the NACA, a leave or leaves of absence from his regularly designated duties for the purpose of allowing such employee to carry on graduate study or research in institutions of learning accredited as such by the laws of any State.

"SEC. 2. Leaves of absence may be granted under authority of this act only for such graduate research or study as will contribute materially to the more effective functioning of the NACA.

"SEC. 3. Leave or leaves of absence which may be granted to any employee under authority of this act shall not exceed a total of 1 year.

"SEC. 4. Tuition and other incidental academic expenses shall be borne by the employee.

"SEC. 5. Any leave of absence granted under the provisions of this act shall be without loss of salary or compensation to the employee and shall not be deducted from any leave of absence with pay authorized by any other law. Any such employee shall make a definite statement, in writing, that he will return to and, unless involuntarily separated, will remain in the service of the NACA for a period of 6 months if the period for which he is granted such leave of absence does not exceed 12 weeks, or for a period of 1 year if the period of leave exceeds 12 weeks. Any employee who does not fulfill any such commitment shall be required to reimburse the Government for the amount of leave granted under this act.

"SEC. 6. The total of the sums expended pursuant to this act, including all sums expended for the payment of salaries or compensation to employees on leave, shall not exceed $50,000 in any fiscal year."

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. JACKSON of Washington asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. PRICE asked and was given permission to extend his remarks and include an editorial.

Mr. YATES asked and was given permission to extend his remarks and include an editorial appearing in the Saturday Review of Literature.

Mr. GRANGER asked and was given permission to extend his remarks and include a proclamation.

Mr. ADDONIZIO asked and was given permission to extend his remarks and include an editorial from the East Orange Record.

Mr. RODINO asked and was given permission to extend his remarks in three instances and include extraneous material.

Mr. HART asked and was given permission to extend his remarks in two instances and include a eulogy of the late Honorable Schuyler Otis Bland and a eulogy of the Honorable MARY T. NORTON.

Mr. McGRATH asked and was given permission to extend his remarks.

Mr. BOLTON of Maryland asked and was given permission to extend his remarks in three instances.

Mr. FURCOLO asked and was given permission to extend his remarks and include an address by Thomas Hennessey.

Mr. LARCADE asked and was given permission to extend his remarks and include an editorial entitled "Benefits From Waterways" published in the Washington Post of this date.

Mr. MULTER asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HOLIFIELD asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. MURPHY (at the request of Mr. CAVALCANTE) was given permission to extend his remarks and include an address by the Honorable James A. Farley.

Mr. RANKIN asked and was given permission to extend his remarks and include a short newspaper article, and to revise and extend the remarks he expects to make later today and include excerpts from the CONGRESSIONAL RECORD and from a statement he made before a Senate committee.

Mr. McCORMACK asked and was given permission to extend his remarks and include an article, notwithstanding the fact that the cost as estimated by the Public Printer will be $205.

Mr. TAURIELLO asked and was given permission to extend his remarks in two instances and include three editorials.

Mr. LANE asked and was given permission to extend his remarks in two instances and to include extraneous matter.

Mr. JENKINS asked and was given permission to revise and extend the remarks he expects to make in Committee

of the Whole this afternoon and include certain tables.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. POULSON asked and was given permission to extend his remarks and include an article on Sporadic Income by Mr. George T. Altman and Mr. Richard L. Rykoff, tax attorneys, of Los Angeles.

Mr. GOODWIN asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. ELLSWORTH asked and was given permission to extend his remarks and include a statement on forestry.

Mr. RIEHLMAN asked and was given permission to extend his remarks.

Mr. MACY asked and was given permission to extend his remarks in the RECORD and include an article by the distinguished Father Gillis, which appeared in the Catholic Virginian.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the Appendix of the RECORD.

Mr. WILSON of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. THORNBERRY asked and was given permission to extend his remarks in the permanent RECORD following the remarks of Mr. WHITTEN on the retirement of the gentleman from Texas, Mr. WORLEY.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks.

Mr. GREEN asked and was given permission to extend his remarks and include a statement.

Mr. GATHINGS asked and was given permission to extend his remarks and include an address.

Mr. HARVEY asked and was given permission to extend his remarks in two instances and include editorials.

THE PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the calendar.

PATRICK CRONIN

The Clerk called the bill (H. R. 5709) for the relief of Patrick Cronin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Patrick Cronin, as of November 20, 1943, at New York City, the date and place he entered the United States. Upon enactment of this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the Irish quota of the first year that the Irish quota is hereafter available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the folowing: "That the Attorney General is directed to cancel, forthwith, any outstanding warrant of arrest, order and warrant of deportation, and bond in the case of Patrick Cronin of New York, N. Y., and is directed not to issue any such further warrants or order in the case of such alien insofar as any such further warrants or order are based upon the same grounds as the warrants or order required by this act to be canceled.

"SEC. 2. That, in the administration of the immigration and naturalization laws, the said Patrick Cronin shall be held and considered to have been lawfully admitted to the United States for permanent residence on November 20, 1943, the date of his last entry to the United States, upon payment by him of the required head tax and visa fee, provided he is not otherwise deportable than on the ground that after admission as a seaman he has remained in the United States for a longer time than permitted by the Immigration Act of 1924, and regulations made thereunder, and on the ground that at the time of entry he was inadmissible under the third category of section 3 of the Immigration Act of 1917, as amended (8 U. S. C. 136 (e)), and the eleventh category of section 3 of that act by reason of conviction of or admission of the commission of one or more crimes heretofore revealed to the Department of Justice.

"SEC. 3. That, upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Ireland."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARTHUR O. FISHER

The Clerk called the bill (S. 44) for the relief of Arthur O. Fisher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Arthur O. Fisher, of New York City, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 16, 1947, the date of his last entry into the United States, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Czechoslovakia.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PRIMITIVO URCELAY-RUIZ

The Clerk called the bill (S. 46) for the relief of Primitivo Urcelay-Ruiz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General of the United States be, and is hereby, authorized and directed to cancel deportation proceedings in the case of Primitivo Urcelay-Ruiz, of central Nevada, legally admitted as a contract laborer, but who has remained in the United States longer than permitted by law and regulations and that this alien shall be considered as having been admitted for permanent entry as of the date of his actual entry on the payment of the visa fee of $10 and a head tax of $8.

Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Spanish quota for the first year that the said Spanish quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. COL. CHARLES H. BONESTEEL

The Clerk called the bill (S. 2911) to authorize the President to appoint Lt. Col. Charles H. Bonesteel as Executive Director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the existing provisions of law or any rules or regulations issued thereunder, the President, acting by and with the advice and consent of the Senate, is authorized to appoint Lt. Col. Charles H. Bonesteel, an officer in the Army of the United States, as Executive Director of the European Coordinating Committee and Lieutenant Colonel Bonesteel's appointment to, acceptance of, and service as such Executive Director of the European Coordinating Committee shall in no way affect any status, office, rank, or grade he may occupy or hold in the Army of the United States or any component thereof, or any emolument, perquisite, right, privilege, eligibility for promotion, or benefit incident to or arising out of any such status, office, rank, or grade: *Provided*, That so long as he remains Executive Director of the European Coordinating Committee, Lieutenant Colonel Bonesteel shall retain the rank and grade of lieutenant colonel which he now holds in the Army of the United States, but during such time shall receive the salary and allowances as Executive Director of the European Coordinating Committee as one of the persons authorized to be employed under section 406 (c) of the Mutual Defense Assistance Act of 1949, payable from funds made available by law for the Department of State, in lieu of his military pay and allowances.

SEC. 2. In the performance of his duties as Executive Director of the European Coordinating Committee, Lieutenant Colonel Bonesteel shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were in no way connected with the Department of Defense or the Army of the United States or any component thereof.

With the following committee amendments:

Page 2, line 7, after the word "grade" insert a colon and strike out the balance of the line and all of lines 8 to 17, inclusive, and insert the following: "*Provided*, That Lieutenant Colonel Bonesteel shall hold the position of Executive Director of the European Coordinating Committee for a period of not to exceed 3 years, but during such time shall receive the salary and allowances as Executive Director of the European Coordinating Committee as one of the persons authorized to be employed under section 406 (e) of the Mutual Defense Assistance Act of 1949, payable from funds made available by law for the Department of State, in lieu of his military pay and allowances."

Page 3, after line 9, insert the following section:

"SEC. 3. All periods of service performed by Lieutenant Colonel Bonesteel pursuant to the authority of this act shall be credited as active service in the Army of the United States for pay, promotion, and all other purposes."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Clerk called House Concurrent Resolution 181 favoring the grant of status of permanent residence to certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress favoring the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948 (62 Stat. 1011; 50 App. U. S. C. 1953):

A-6357782, Augenblick, Samuel.
A-6903814, Doblhoff, Anne Marie.
A-6704251, Graciola, Mercita (Sister) (Genowefa Suwala).
A-6704683, Grula, Stanislawa (Sister Mercita Laetissima).
A-6704208, Humiline, Mercita (Sister) (Stanislawa Bil).
A-6704660, Jachimowicz, Stefania.
A-6897992, Leoke, Pilvi Laine.
A-6817383, Rosu, George G.
A-6704264, Rygiel, Anna Teresa.
A-6496579, Sigray, Margit.
A-6654358, Solomianski, Elia.
A-6662193, Solomianski, Lipe.
A-6654357, Solomianski, Sima.
A-6837200, Szucs, Miklos Joseph, or Doctor Miklos Szucs Nicolson.
A-6819195, Szukovathy, George.
A-6886879, Taffet, Isidore (or Izydor).
A-6881778, Weinberg, Josef.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MRS. MARIE Y. MUELLER

The Clerk called the bill (S. 866) for the relief of Mrs. Marie Y. Mueller.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

FILIP NICOLA LAZAREVICH

The Clerk called the bill (H. R. 1627) for the relief of Filip Nicola Lazarevich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and deportation laws the Attorney General is hereby authorized and directed to cancel the warrants of arrest and deportation heretofore issued against Filip Nicola Lazarevich of Dearborn, Mich., on the ground that he admits having committed a felony or other crime or misdemeanor involving moral turpitude prior to entry into the United States, to wit, perjury; and that hereafter he shall not again be subject to deportation for any offense heretofore committed in connection with his endeavor to be and remain in the United States. For the purposes of the immigration and naturalization laws, such alien shall be deemed to have been lawfully admitted to the United States for permanent residence as of May 23, 1938, the date on which he was admitted to the United States at the port of New York on a quota immigration visa.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN MICHAEL ANCKER RASMUSSEN

The Clerk called the bill (H. R. 3464) to record the lawful admission for permanent residence of alien John Michael Ancker Rasmussen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General is authorized and directed to record the lawful admission for permanent residence of the alien John Michael Ancker Rasmussen, of Brede, Denmark, as of the 22d of July 1948, the date on which he entered the United States temporarily as a visitor, if he is otherwise admissible under the provisions of the immigration laws. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Denmark quota for the first year such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIE GULBENKIAN

The Clerk called the bill (H. R. 3771) for the relief of Mrs. Marie Gulbenkian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Mrs. Marie Gulbenkian shall be considered to have been lawfully admitted for permanent residence as of the date of her last entry into the United States.

The Secretary of State is directed to instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that said quota is available.

With the following committee amendments:

Page 1, line 6, insert "May 27, 1949."
Page 1, line 7, after the word "States" insert "upon payment of the visa fee and head tax."
Page 1, line 9, strike out "appropriate."
Page 1, line 10, after the word "for" insert "Turkey for."

The committee amendments were agreed to.

Mr. WALTER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 1, line 6, strike out "May 27, 1949" and insert "May 27, 1947."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YOSHIKO MATSUMURA

The Clerk called the bill (H. R. 6364) for the relief of Yoshiko Matsumura.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of law relating to racial ineligibility and the provisions of the law relating to prerequisites to the issuance of a visitor's visa, Yoshiko Matsumura, the fiancée of Masumi Kinjo, an honorably discharged veteran of World War II, shall, if otherwise admissible under the immigration laws, be deemed eligible for a visitor's visa for the purpose of contracting marriage with said Masumi Kinjo: *Provided*, That said marriage shall be contracted within a period of 90 days after the arrival of Yoshiko Matsumura in the United States: *Provided further*, That upon the contracting of the marriage aforesaid within the period of 90 days after the arrival of Yoshiko Matsumura in the United States, the Attorney General is authorized and directed to adjust the status of Yoshiko Matsumura to that of a permanent resident of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Yoshiko Matsumura, the Japanese fiancée of Masumi Kinjo, a citizen of the United States and an honorably discharged veteran of World War II, and that Yoshiko Matsumura may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Yoshiko Matsumura is coming to the United States with a bona fide intention of being married to said Masumi Kinjo, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Yoshiko Matsumura, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after entry of said Yoshiko Matsumura, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Yoshiko Matsumura as of the date of her entry into the United States, upon the payment by her of the required visa fees and head taxes."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JODEENE LEHRMAN

The Clerk called the bill (H. R. 6485) for the relief of Jodeene Lehrman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Richard L. Lehrman, now sergeant, United States Army, 36741982, and his wife, Phyllis Schnarr Lehrman, are hereby declared to be the natural parents of the infant Jodeene Lehrman.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That, solely for the purpose of section 4 (a) and section 9 of the Immigration Act of 1924, Jodeene Lehrman shall be considered the alien natural-born child of her adoptive parents, Sergeant and Mrs. Richard L. Lehrman, United States citizens."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. YOUNG JA KIM

The Clerk called the bill (H. R. 7072) for the relief of Mrs. Young Ja Kim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission to the United States persons who are ineligible to citizenship, shall not apply to Mrs. Young Ja Kim, a native of Korea, the wife of James Kim, a citizen of the United States and an honorably discharged veteran of World War II, and that, if otherwise admissible under the immigration laws, she shall be granted admission into the United States as a nonquota immigrant for permanent residence upon application hereafter filed.

With the following committee amendment:

Page 1, line 9, after the comma, strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ISAMU TARASAWA

The Clerk called the bill (H. R. 7082) for the relief of Mrs. Isamu Tarasawa.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission to the United States persons who are ineligible to citizenship, shall not apply to Mrs. Isamu Tarasawa, a native of Japan and the wife of Isamu Tarasawa, a citizen of the United States and presently serving in Japan as a civilian employee with the United States Army, and that, if otherwise admissible under the immigration laws, she shall be granted admission into the United States as a nonquota immigrant for permanent residence upon application hereafter filed.

With the following committee amendment:

Page 1, line 10, after the first comma, strike out the balance of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. KARRY WAKEFIELD

The Clerk called the bill (H. R. 7092) for the relief of Mrs. Karry Wakefield.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provisions of law excluding from admission into the United States persons of races ineligible for citizenship, Mrs. Karry Wakefield, Japanese wife of Harry Wakefield, a citizen of the United States and a member of the armed services, shall be admitted to the United States for permanent residence upon application herewith filed and without presenting an immigration visa or other travel documents, if she is otherwise admissible under the immigration laws.

With the following committee amendment:

Strike out all after the enacting clause and insert "That in the administration of the immigration laws the provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission to the United States aliens who are ineligible to citizenship, shall not hereafter apply to Mrs. Karry Wakefield, the wife of Harry Wakefield, a citizen of the United States and a member of the United States armed forces."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIA SALOME HOLLAND

The Clerk called the bill (H. R. 7096) for the relief of Mrs. Maria Salome Holland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mrs. Maria Salome Holland, widow of Technical Sgt. Cecil F. Holland, who died in a Japanese prisoner-of-war camp in 1942, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her entry into the United States for a temporary stay. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for the Philippines for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOSHIKO ONO

The Clerk called the bill (H. R. 7173) for the relief of Toshiko Ono.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Toshiko Ono, the Japanese fiancée of John E. Williams, a citizen of the United States and an honorably discharged veteran of World War II: *Provided,* That in the event the marriage between the above-named parties does not occur within 3 months after the enactment of this act, the said Toshiko Ono shall be required to depart from the United States and upon failure to do shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the enactment of this act, the Attorney General is authorized and directed to record the lawful admission for permanent residence of Toshiko Ono as of the date of her entry into the United States, upon the payment by her of the required fees and head tax, if she is found to be otherwise admissible under the immigration laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MITSUKO YANO KINGMAN AND WILLIAM LEO KINGMAN, JR.

The Clerk called the bill (H. R. 7175) for the relief of Mitsuko Yano Kingman and William Leo Kingman, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of law excluding persons of races ineligible to citizenship from admission to the United States, Mitsuko Yano Kingman and William Leo Kingman, Jr., who are the legal wife and child, respectively, of William Leo Kingman, a United States citizen and a sergeant in the United States Air Force, may be admitted to the United States for permanent residence upon meeting all the other requirements of the immigration laws.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That in the administration of the immigration laws the provisions of section 13 (c) of the Immigration Act of 1924, as amended, which exclude from admission to the United States aliens who are ineligible to citizenship, shall not hereafter apply to Mitsuko Yano Kingman and William Leo Kingman, Jr., the legal wife and child, respectively, of William Leo Kingman, a United States citizen and a sergeant in the United States Air Force."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CORRINA ARENA

The Clerk called the bill (H. R. 1175) for the relief of Mrs. Corrina Arena.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the late Pfc Virgil A. Arena, who died of service-incurred disease on August 25, 1942, while serving in the Army of the United States, shall be held and considered to have had in effect at the time of his death national service life insurance in the amount of $10,000. The Administrator of Veterans' Affairs shall pay such insurance to Mrs. Corrina Arena, of North Bergen, N. J., mother of the said Virgil A. Arena. Although the said Virgil A. Arena stated before his death (and the statement was later corroborated by the adjutant of the station to which he was assigned for duty) that he had applied for such insurance in that amount, no such application and no such insurance policy has been located.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCES L. MARSHALL

The Clerk called the bill (H. R. 1482) for the relief of Mrs. Frances L. Marshall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frances L. Marshall, Cambridge, Mass., the sum of $1,000. The payment of such sum shall be in full settlement of all claims of the said Frances L. Marshall against the United States on account of personal injuries sustained on August 27, 1943, when the motor vehicle in which she was riding as a passenger was struck in the rear by a United States Army truck of the First Service Command from Boston: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on

account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$1,000" and insert "$537."

Page 1, line 9, after the word "injuries" insert "medical and hospital expenses."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. A. H. HILL

The Clerk called the bill (H. R. 1626) for the relief of Mrs. A. H. Hill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. A. H. Hill, of Rome, Ga., the sum of $920. The payment of such sum shall be in full settlement of all claims of the said Mrs. Hill against the United States arising out of the seizure of her automobile on October 13, 1947, by Federal investigators on a charge that it was being used in violation of the laws of the United States. Although the District Court of the United States for the Northern District of Georgia directed a verdict in favor of the said Mrs. Hill in a condemnation proceeding following such seizure and ordered the release of the automobile to her, it had been destroyed in a fire while stored pending such proceeding: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. H. BOLLING

The Clerk called the bill (H. R. 2264) for the relief of C. H. Bolling.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. H. Bolling, Pierce City, Mo., the sum of $2,500. The payment of such sum represents reimbursement for the payment of an equal amount to the United States by the said C. H. Bolling on account of the forfeiture of a bond given for the appearance of one James Thomas Bolling in the United States District Court for the Southern District of California in connection with the case of United States against James Thomas Bolling. The said James Thomas Bolling was present in court within a short time after such payment was made: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delievred to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIFFORD E. MOAK

The Clerk called the bill (H. R. 3527) for the relief of Gifford E. Moak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $25,000 to Gifford E. Moak, of Worcester, N. Y., in full settlement of all claims against the United States for the death of his wife and three children sustained as a result of an accident involving a United States Army plane while being flown from Istres, France, to Udine, Italy, on January 27, 1948: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11, after "1948," insert the following: "for the expenses incurred in connection with the burial of such four deceased persons, and for the loss or destruction of personal property belonging to Mrs. Moak and carried in the same plane."

The committee amendment was agreed to.

Mr. DOLLIVER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLLIVER: On page 1, line 5, strike out "$25,000" and insert "$18,931.09."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. KEARNEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEARNEY. Mr. Speaker, the facts in H. R. 3527 are as follows:

Chief Warrant Officer Gifford E. Moak was stationed in the Free Territory of Trieste, Italy, during January 1948. By order of his superior officers it was arranged that his wife, Roselind E. Moak, and his 3 children, Gifford E. Moak, Jr., Mary J. Moak, and Verna Moak were to join him at his station. They sailed from New York and on January 25, 1948, Mrs. Moak talked with her husband at Frankfort, Germany and advised him that she and the children would be flown to Udine on January 26. Some time during the day of January 28, Mr. Moak was informed that his family was lost in flight from Istres, France, and on January 30 was advised the plane had been found, but was demolished and that his wife and 3 children killed.

The report of the Judiciary Committee (1832) states this matter in detail and was reported out of committee by unanimous vote fixing the damages in the amount of $25,000. This figure was in opposition to the request of the Department of the Army that the amount be fixed at $18,931.09. The committee felt the full amount should be allowed.

There is not much that one can say in matters of this sort, but it seems to me that the sum of $25,000 was little enough in the way of compensation to Mr. Moak for the loss of his wife and 3 children. I deeply regret that it was seen fit to agree to the amount as requested by the Army instead of allowing the original amount of $25,000 as reported out by the Judiciary Committee.

MRS. NELLIE K. MARLOWE

The Clerk called the bill (H. R. 4309) for the relief of Mrs. Nellie K. Marlowe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Nellie K. Marlowe, Los Angeles, Calif., the sum of $4,440. The payment of this sum shall be in full settlement of all claims of the said Mrs. Nellie K. Marlowe against the United States for medical and hospital expenses incurred in the year 1947 for Capt. Helen Marlowe, United States Marine Corps, serial No. O32656, daughter of the said Mrs. Nellie K. Marlowe, due to a lack of Navy Department facilities for providing required medical and hospital treatment and care: *Provided*, That no part of any sum appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim satisfied by the payment of such sum, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH LASAGNA

The Clerk called the bill (H. R. 4410) for the relief of Joseph Lasagna.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to Joseph Lasagna, of Salt Lake City, Utah, in full settlement of all claims against the United States for personal injuries, and all expenses incident thereto, sustained as a result of an accident at the Clearfield Naval Supply Depot, Clearfield, Utah, on July 25, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwith-

standing. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FISHER CONTRACTING CO.

The Clerk called the bill (H. R. 4959) to reimburse the Fisher Contracting Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the District Court of the United States for the District of Arizona to hear, determine, and render findings of fact as to the amount of loss, if any, sustained by Fisher Contracting Co., of Phoenix, Ariz., under Reclamation Bureau contract numbered I2r-15535 arising out of or attributable to the alleged failure of the Government to supply materials as provided for in said district.

SEC. 2. The court shall cause such findings to be certified to the Secretary of the Treasury, who is hereby authorized and directed to pay, out of any money not otherwise appropriated, the amount set forth in said findings to the Fisher Contracting Co.

With the following committee amendment:

Page 1, line 10, after "contract" insert a colon and the following: "*Provided, however,* That no allowance shall be made for any loss sustained on account of the pouring of concrete during the period between June 1, 1946, and September 30, 1946, if the court shall find that Fisher Contracting Co. requested and was granted permission to perform such work during said period for the convenience of the company."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. NATHALIE E. COBB

The Clerk called the bill (H. R. 5126) for the relief of Mrs. Nathalie E. Cobb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Nathalie E. Cobb, New Orleans, La., (widow of Lt. Comdr. Otto C. Cobb, United States Coast Guard Reserve), a sum equal to the amount of the pay and allowances owed her husband plus the 6 months' death gratuity provided for widows of persons who die while serving on active duty with the armed forces of the United States, both of which claims have been established as a result of the correction of the military records of her husband pursuant to the provisions of section 207 of the Legislative Reorganization Act of 1946. The payment of such sum shall be in full settlement of all claims of the said Mrs. Nathalie E. Cobb against the United States for such pay and allowances and for such gratuity: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. R. SPRINGMAN

The Clerk called the bill (H. R. 5295) for the relief of C. R. Springman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. R. Springman, of Brownsville, Tex., the sum of $11,038.40. Such sum represents reimbursement for excessive duties paid by the said C. R. Springman as a result of the erroneous appraisal of the value of certain chewing gum imported by him from Mexico: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILCOX ELECTRIC CO., INC.

The Clerk called the bill (H. R. 5564) for the relief of Wilcox Electric Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Wilcox Electric Co., Inc., of Kansas City, Mo., the sum of $104,121.52. The payment of such sum shall be in full settlement of all claims under War Department Contract No. W-36-039-sc-3765, dated November 13, 1943, as amended, which claims are based upon additional costs incurred as the result of changes in packing requirements for military communication equipment furnished under terms of said contract. No part of the amount appropriated in this act, in excess of 10 percent thereof, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $25,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUISE M. KOCH

The Clerk called the bill (H. R. 6585) for the relief of Louise M. Koch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louise M. Koch, of Highland, Ill., the sum of $25,000, in full settlement of all claims against the United States, on account of personal injuries, pain and suffering, and loss of earnings sustained, and medical and hospital expenses incurred by her as a result of an accident, involving an Army vehicle, which occurred on November 23, 1946, in Frankfurt, Germany: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$25,000" and insert "$11,973.67".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KAREN R. McANDREWS

The Clerk called the bill (H. R. 6994) for the relief of Karen R. McAndrews.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Karen R. McAndrews, of Washington, D. C., the sum of $10,000, in full settlement of all claims against the United States for personal injuries and loss of earnings sustained and medical and hospital expenses incurred as the result of being severely wounded by the explosion of a hand grenade which was detonated by a soldier of the Army of the United States, in Munich, Germany, on July 25, 1948: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$10,000" and insert "$25,000".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAROLINE M. NEWMARK AND MELVILLE MORITZ

The Clerk called the bill (H. R. 1814) for the relief of Caroline M. Newmark and Melville Moritz.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LOUIS NADASDI

The Clerk called the bill (H. R. 1855) for the relief of Louis Nadasdi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not

otherwise appropriated, to Louis Nadasdi, clerk in charge of station E, Cleveland, Ohio, the sum of $100. Such sum represents refund of payment by said Louis Nadasdi as proceeds of a stolen money order, No. 79912, issued for $100 at A. P. O. 729 Br., Seattle, Wash., which money order was cashed by said Louis Nadasdi on March 16, 1945. The said Louis Nadasdi has otherwise served, having made no other mistake in 22 years of postal service.

With the following committee amendment:

At the end of bill add: ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FREDERICK C. COWELL

The Clerk called the bill (H. R. 1863) for the relief of Frederick C. Cowell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frederick C. Cowell, Waipahu, Oahu, T. H., the sum of $475, in full settlement of his claim against the United States on account of damages to the sea wall on his property at Ewa Beach, Oahu, T. H., as a result of Army activity: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any one agent or agency, or by any one attorney or firm of attorneys, on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLADYS J. SENYOHL

The Clerk called the bill (H. R. 2234) for the relief of Gladys J. Senyohl.

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EDWIN F. SHOCKLEY

The Clerk called the bill (H. R. 4141) for the relief of Edwin F. Shockley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin F. Shockley, Hemet, Calif., the sum of $30,000. The payment of such sum shall be in full settlement of all claims of the said Edwin F. Shockley against the United States for personal injuries sustained on November 10, 1943, when a collision occurred between the Army plane in which he and his pilot were flying and a Navy plane, at Ryan School of Aeronautics at Hemet, Calif., while he was acting as flying instructor: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment.

Page 1, line 6, strike out "$30,000" and insert "$5,000".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LONNIE M. ABERNATHY

The Clerk called the bill (H. R. 4996) for the relief of Lonnie M. Abernathy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lonnie M. Abernathy, of Oklahoma City, Okla., the sum of $129.50. Such sum represents the amount which is equitably due the said Lonnie M. Abernathy from the United States for the loss of a well on his farm in Jackson County, Okla., in August 1947, which caved in as a result of seepage from the Altus Canal, W. C. Austin project of the Bureau of Reclamation, Department of the Interior. The United States was precluded from making administrative settlement of such claim by reason of purchase contract No. 164—298 between the United States and the said Lonnie M. Abernathy, which provided that payment of the purchase price of the land on which such project is situated was to include full payment for damages arising out of the construction, operation, and maintenance of such project: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. H. CORRIGAN

The Clerk called the bill (H. R. 6934) for the relief of E. H. Corrigan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. H. Corrigan, of Laredo, Tex., the sum of $384.90. Such sum represents reimbursement for overassessment of duties in connection with the importation of fish roe covered by consumption entry No. 3994, dated January 15, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. G. MORRIS

The Clerk called the bill (H. R. 6991) for the relief of E. G. Morris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. G. Morris, of Bryn Adda, Dolgelley, Merioneth, North Wales, Great Britain, the sum of $11,970 in full settlement of all claims against the United States for service aboard the steamship *Taiyuan* and on account of his subsequent restraint and detention by the Japanese Government during World War II: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BETSY SULLIVAN

The Clerk called the bill (H. R. 6329) for the relief of Betsy Sullivan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Betsy Sullivan shall be considered the natural-born daughter of Captain and Mrs. Clarke Sullivan, Jr., of the United States Army, who is presently stationed in Tokyo, Japan.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, solely for the purpose of section 4 (a) and section 9 of the Immigration Act of 1924, and notwithstanding any provisions excluding from admission to the United States persons of races ineligible to citizenship, Betsy Sullivan, a minor half-Japanese child, shall be considered the alien natural-born child of Captain and Mrs. Clarke Sullivan, Jr., citizens of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 55) favoring the suspension of deportation of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6097022, Alexander, Leonora Fajardo.

A-3059032, Ali, Usman, or Usman John Ali or John Ali or Resman Ali.

A-6438024, Arce Y Castro, Jose Alfonso Villa, or Jose Villa Arce.

A-5403438, Arce, Maria Elena Villa (nee Celic).

A-1847610, Ardito, Maria Rose (nee Maria Rose Ferraris).

A-6153593, Ancheta, Cresenciana (nee Luna, formerly Cala).

A-6261665, Apostolopoulos, Virginia, or Virginia Socrates Apostolopoulos or Virginia Leondaridou (maiden name).

A-6857751, Armendariz, Antonio.

A-6357750, Armendariz, Samuel.

A-5730169, Atwood, Amalie Lena (nee Knauer or Amalie Lena Kasper).

A-5669130, Bertone, Domenico.

A-7766712, Bethel, Verona Malissa Smith.

A-1250900, Boksh, Khuda or Kuda, or Khuda Bakesh or Bokah Normahand or Bokar Noor Morawed.

A-5975651, Bon, Chon, or Chu Bond or Chin Band.

A-5122763, Bourelos, Peter or Panagiotis.

A-5673753, Buchreiter, Wilheim, or Wilheim Buchveiter.

A-5242746, Buzan, Roko Josip, or Joseph Buzan.

A-6001952, Caldeira, Antonio Pedro.

A-5869650, Caltagirone, Angelo Amente.

A-9764548, Candiano, Carmelo.

A-6190180, Cardenas-Valdes, Ernesto.

A-1513767, Chung, Jackson, or Benedict Chung or Chia-Shan Chung.

A-5914483, Chung, Su Min Yang.

A-3803515, Conti, Vincent, or Vincenzo Conti.

A-5783561, Creque, Renold Valiston.

A-5664119, Crisalli, Saverio, or Sam Crisalli or Samuel Crisalli.

A-6881280, De Badilla, Abigail Salazar, or Abigail Salazar-Medina or Abigail Salazar-Valenzuela.

A-5545483, Debs, Elias Joseph, or Elias Jose Debs.

A-6242286, De Guevara, Laura Violeta Carrasco (nee Carrasco).

A-6242287, Guevara, Teodoro Ivan.

A-3135984, De Perez, Maria Lazara Del Rosario Nares or Rosa Nares De Perez or Rosa N. Perez or Rosa Nares.

A-5953936, Donovan, Anghela Belin.

A-3794795, Dukarm, Caspar Michael, or Caspar Dukram or Casper Duckerm.

A-4286237, Dukarm, Elizabeth Marie, or Elisabeth Dukarm or Elizabeth Duckerm (nee Reisinger or Risinger).

A-7768969, Edbom, Yvonne Marie.

A-5755170, Fermo, Libero Valerio, or Larry Libero Fermo or Larry L. Fermo.

A-5334443, Fisher, Janet Stobie (nee Foster, formerly Derane).

A-6363975, Garbi, Elena, or Helen Garbi.

A-6325053, Garbi, Florica, or Mary Garbi.

A-6424158, Garcia, Jose.

A-6424153, Garcia, Juan Manuel.

A-6479673, Garcia-Tunon, Maria Lourdes (alias Maria Lourdes Gil-Borges).

A-6461623, Garcia-Tunon, Diana Maria.

A-5916590, Georgelis, Pantelis.

A-4175824, Gerda, Juraj John, or George John Sable.

A-6919777, Godley, Noel Francis.

A-6238513, Gomez-Franco, Evangelina Alicia.

A-3662017, Gonatas, Panagiotis, or Panagis Gonatas or Panagis Gonatos or Pete Gonatas or Pete Gonatos.

A-1382931, Goureghian, Zakar.

A-4823242, Grabovszky, Ferinand, or Fred Grabovsky.

A-6608775, Guerrero, Dolores, or Dolores Guerrero-Hughes and Dolores Sanchez.

A-2568024, Harmon, Beatrice Grace (nee Vatcher formerly Chatterton).

A-6213708, Hernandez, Josephine.

A-1418418, Hoogeveen, Henry Peter.

A-7768282, Horasanciyan, Hacik (alias Horasan).

A-5765062, Horlick, David Richard.

A-6587152, Jackson, Susana, or Susana Bohn.

A-7556562, Jaquillard, Lilavati, or Lillavati Tankha or Lilavati Dass Verma.

A-2776290, Kahn, Akram, or Mohamed Akram or John Elk or Chief Running Elk.

A-3961261, Karistinos, Michael John, or Michael John Karystinos or Mike Karis.

A-6051253, Kondaks, Della, or Della Epaminondou or Ayton.

A-2898989, Kouvakas, George.

A-2632458, Kouvoutsakis, Nicholas Polychronis, or Nick Ponis Kouboutsakis or Nick Couvoutsakis or Kouvoutsakis.

A-6151550, Lazaga, Robert David.

A-6151557, Lazaga, Leon Maria.

A-6151559, Lazaga, Mario Gregory.

A-6151543, Lazaga, Leon Keene, Jr.

A-5249490, Lindemann, Alexander Maria.

A-5249489, Lindemann, Margit or Grete or Margrete (nee Liebermann).

A-7731189, Lo, Chien-Pen, or Lo Chien-Pen.

A-6008939, Lo, Lucy Ju-Yung Chu.

A-3936200, Marchwinski, Waladslaw, or Roy Benson.

A-3669827, Mark, Ho, or Charles Mark.

A-6716138, Martin, Stanley Valentine, or Stanley Valentine Martine.

A-5263015, McShane, Maria, or Mary Dorothea, formerly Veasin or Visn (nee Schakohl).

A-6261591, Michalitsis, Stergiana (nee Stamboule).

A-4179719, Montecalvo, Michele.

A-6861484, Montoya-Juarez, Gregorio, or Gregorio Martinez-Juarez.

A-9769751, Le Moullec, Guillaume.

A-6145873, Murphy, Josefina Balgos.

A-3076753, Navarrete, Guillermo.

A-6171193, Nazon, Maurice Louis.

A-5278106, Neuland, August Peter Waldemar.

A-6344097, Nicolaides, Petros Louisos, or Petros Louisos Brotsis (also known as Peter Louis Brotsis).

A-6005189, Nielsen, Maria Galindo (nee Maria Galindo-Jimeno).

A-5449793, Novo, Antonio Felicio.

A-7054952, Ochoa, Diana.

A-5626245, Oyama, Yaichiro, or Joe Oyama.

A-3790446, Paananen, Helvi Irja (nee Mustaniemi, alias Aili Anderson).

A-6261582, Pappadina, Ourania.

A-5187918, Pattison, Clyde Russell.

A-4331862, Petersen, Kaj Valdemar.

A-6261578, Petkanas, Malamati (nee Masura or Massoura).

A-9670818, Pilostomos, Costas, or Constantinos Pilostomos.

A-5040625, Pinchot, Alexandra, or Alexandra Penchaszadeh.

A-6350819, Rahimi, Bahram, or Bahram Rahimi Nassimi, or Henry Moore.

A-5013124, Reisinger, Elena, or Elene or Ilona or Elien Reisinger (nee Goldmann).

A-6460330, Roberts, Joseph Edward.

A-4746492, Rodriguez, Luz Zamora, or Lucy Zamora Ramirez.

A-5880782, Rogers, Alphaeus Albear.

A-3624174, Romanovich, Xenia or Senka or Xenia or Senka Romanowitz (nee Gurgula Sowa).

A-5707236, Russo, Giovanni Guiseppe, or Giovanni Guiseppe Russi.

A-5171391, Saglimbene, Catino, or Agitano Seglimbene or Roberto or Robert Sessa.

A-4435453, Schauer, Solomon, or Sam Schauer.

A-2686911, Schultz, Anton, or Tony Schmidt.

A-5123434, Sibilio, Leonardo.

A-4174214, Singh, Labn.

A-6329548, Sletner, Doris Lydia.

A-6233014, Spirakis, Angeliki Pantelis (nee Moschouris).

A-4848232, Staudte, Albert George.

A-1704725, Steiner, Eugen.

A-1704797, Steiner, Alzbeta (nee Sedlakova, also known as Alzbeta Stein).

A-6064606, Suarez, Carlos Jesus, or Carlos Jess Suarez.

A-3243346, Sun, Yun Pei.

A-5400331, Tjoitis, Nicolaos A.

A-5887881, Tortora-Silvi, Vicente, or Vicente Silvi.

A-6345253, Tsuyas, Lefkothea, or Gargatsuya (nee Alexiou).

A-6339279, Valdes-Rodriguez, Julian Evelio, or Evelio Valdes Rodriguez.

A-3492573, Varchola, Jan, or John Varhola.

A-5155933, Weir, Edward, or Edward Weia or John Wilson or "Scotty."

A-2260781, Zauner, Frank.

Mr. WALTER. Mr. Speaker, I offer two amendments and ask unanimous consent that they be considered together.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. WALTER:

Page 4, after line 19, insert "A-5371149, Horngacher, Hedwig Magdalena or Sister Mary Blanka Horngacher."

Page 8, lines 10 and 11, strike out: "A-6339279, Valdes-Rodriguez, Julian Evelio, or Evelio Valdes Rodriguez."

The amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 58) favoring the suspension of deportation of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6492271, Alcantar, Raymundo.

A-3721543, Almida, Leandro or Leandro Rodriguez Almida or Leandro Armeida.

A-6495123, Alvarez, Maria Arias or Maria Arias.

A-6261669, Anastasiadou, Theodora or Theodora Anastasiandes.

A-5988380, Arias-Preciado, Cipriano.

A-6846914, Atilano, Juana or Juana Atilano de la Rosa.

A-5839718, Bacica, Sime Fran or Sam Frank Bacica.

A-5109817, Barreira, Joao Domingues.

A-6546518, Bartley, Anthony Charles.

A-5333848, Beinner, Leah or Leah or Lillian Stein or Leie Staigrud.

A-1650494, Bouza y Franco, Luciano or Luciano Bouza Franco or Luciano Boyza Franco or Luciano Bouza or Bonza.

A-4739891, Cackowski, Joseph John.

A-6200602, Callaghan, June (nee Tipping).

A-5587493, Carlson, Charles Eglert or Charles Karlson.

A-6852439, Cervantes, Feliciano Zavala or Antonio Zavala Cervantes or Feliciano Cervantes-Zavala or Antonio Cervantes.

A-6767387, Chaghlassian, Hagop.

A-6339958, Chesimard, Paule Bertrand (nee Saffache).

A-9530561, Choi, Juam or Choi Jum or Chan Choy or Chui Cham.
A-3536893, Chu, Philip Mei.
A-3536891, Chu, Esther Li Tang.
A-5549658, Cioch, John or Jan.
A-6006860, Clarke, Alton Hiott Alva.
A-6261654, Coukos, Maria (nee Varberidou).
A-2907854, Cox, Thomas or Tom Cox.
A-5796775, Critikos, Anthony Alexander.
A-6038532, Czaplicki, Dominika (nee Lojewska).
A-5207949, Dagnino, Giuseppe.
A-3296513, DaSilva, Manuel Henr!ques.
A-5340066, Davidian, Azneve or Azneve Yeghazarian or Egazarian or Azneve Kuderian.
A-5570904, De Gonzalez, Rafaela Lozoya.
A-6852437, De La Rosa, Eleno or Eleno De La Rosa-Cervantes or Elano De La Rosa.
A-4359977, De Meo, Raffaele Joseph or Ralph (or Joe) de Meo.
A-7759673, Donohue, Alicia Margarita (nee Barrales).
A-6212825, Dornhelm, Kurt or Kenneth Dorn.
A-9559586, Emcken, Carl Christian.
A-5280548, Evanoff, George Demo.
A-6160996, Evans, Leslie Anthony or Leslie Anthony Legg.
A-6712268, Fagundes, Helio Avelar or Helio Da Silva.
A-3878487, Falkner, Mabel (nee Cowan).
A-6445935, Firth-Hand, John Frederick.
A-5627404, Floris, Theodore (alias Gust Panos).
A-6719403, Freeman, Terence (alias Terence Maduro).
A-6261624, Georgiades, Kalliroe George (nee Kalliroe Kakoutis).
A-5341034, Goes, Jacinto or Jacinto De Goes or Jesse Goes.
A-5244395, Halkias, Michael Thomas.
A-6706836, Hanson, James Alfred or James A. Hanson or James Hanson.
A-9671376, Heckman, Anders August.
A-7538664, Hernandez, Jr., Alfred William or Alfredo Guillermo Del Corazon De Jesus or Hernandez Y Sariol or Alfred Hernandez, Jr.
A-6572460, Hernandez-Navarro, Jose.
A-6808530, Janczewski, Marian or Marian Jackowski, or Jancio Grom.
A-5452645, Jenkins, Edward or Isidore Dubrofsky.
A-6142586, Jensen, Pascuala Aguinaldo.
A-7595300, Junghans, Carl Friedrich Walter.
A-6207397, Kaufman, Ray nee Radowitz or Ray Radowitz Kaufman.
A-3184268, Konstantinos, Constantinos Psarelles or Gust Psarelis.
A-6261607, Koukoltsios, Constantine.
A-5587049, Lahm, Ludwig or Ludvig Lahm or Louis Lahm.
A-6834450, Lapadat, Julian.
A-9686520, Lau, Chik or Chick or Lau Kan.
A-6091756, Lau, Chok, also known as Harry Chok or Harry Chok Lau.
A-6301469, Lau, Lai Yung Wong also known as Lau Wong Yung Lai or Lai Yong (Yung) Wong or Wong Lae Yung or Daisy Wong.
A-4693214, Lau, Wai Chuen Lillian.
A-6262000, Lind, Egil Frode or Frode Lind or E. Frode Lind.
A-6727225, Lind, Signe Marie or Signe Marie Soerlie or Sorlie.
A-5722312, Lopez, Alejo or Alejo Lopez Lopez or Jose Guvarra.
A-5100890, Lorenz, Agnes (nee De Freitas).
A-1443403, Luciano, Carlo.
A-6844307, Magallanes-Perez, Julio.
A-5247053, Mancuso, Francesco.
A-5688547, Manning, Raymond Fred or Raymond Frederick Leaford Manning or Raymond or Ray Frederick Manning.
A-5128723, Marrale, Antonino or Antonio Marrale.
A-6208487, Masongsong, Buenaventura Garcia.
A-6208562, Masongsong, Luisa Lopez or Maria Luisa Lopez Masongsong, or Maris Luisa Moreno.
A-9695404, Mercier, Louis Lucien.
A-5156871, Mielke, Willy Paul or William Paul Mielke.
A-6783385, Mitchell, Pamela Lillian.
A-6783386, Mitchell, Peter John.
A-4335098, Molaro, Luigi.
A-5069586, Moldenhauer, Christian Henry (alias Christ Moldenhauer).
A-4341326, Monarez-Granados, Alfredo or Alfred Monje.
A-6701884, McCornack, Vera Noelle.
A-5678670, Nicholoff, Petra (nee Stoyanoff).
A-9695884, Olsen, Erling Stoltenberg.
A-6171443, Palmer, Chrysanthe or Chrysanthe Coulouvari (nee Menti).
A-6827646, Papamanolakis, Aristides or Aristides Demitrios Papamanolakis.
A-6245751, Paul, Evdoxia or Evdoxia Sitapolous, Evdoxia Sotopoulou.
A-5894675, Prado-Ruiz, Ramon or Ramon Prado or Raymond Prado.
A-5665013, Racanelli, Michelangelo (Michael Angelo) or Michael Angelo Ragnelle.
A-6844310, Rivera-Marquez, Andres or Andres Marquez-Rivera.
A-7735232, Rivera-Ortiz, Jose Jesus Pedro or Pedro Rivera-Ortiz.
A-6752701, Robiolle, Jean (John) Georges.
A-5149179, Rosellini, Guido (alias James Roll).
A-6245749, Saragiotis, Despina (nee Despina Ioannis Demarelis).
A-6248901, Savrides, Sophia (nee Sophia Kritharides).
A-1802003, Schraps, Paul Kurt.
A-6432281, Shang, Ting Lin.
A-3652526, Shang, Lily Wen Shun Tang (nee Wen Shun Tang or T'ang or Talitha).
A-5226632, Shee, Tom or Tom Tiu Gook.
A-5974147, Shimizu, Teisuki Taro or Taro Smeesu or Frank Shimizer or William Smeesu or William Sato or William T. Smeesu.
A-6287437, Slater, Gerald Frederick.
A-6138457, Snook, Eugene Mayton.
A-5728144, Sobek, Tomas Juraj or Thomas George Sobek.
A-4687618, Soong, Ts An or Tsau A. Soong.
A-7580708, Soong, Ji Ing or Ji Ing Woo Soong (nee Woojih Iung).
A-6393393, Soto, Apolonio.
A-3316850, Soto, Dolores.
A-6295806, Soto-Arvizu, Jorge or Juan Carrion-Gonzalez.
A-6661483, Soto-Patino, Felisiano or Feliciano Patino-Soto.
A-5897131, Sucic, Ferdinand.
A-3309754, Sutcliffe, Daisy Elizabeth (nee Sewell).
A-4860775, Ting, Johannes, or John Ting.
A-3659501, Torrisi, Pietra Giovanna.
A-3356915, Tsao, Makepeace Uho.
A-6887120, Tsembeli, Nicholas John.
A-6605104, Ungar, Theodore.
A-6103963, Urrutia, Elmer, or Elmer Urrutia Y Herrera or Elmer Urrutia Herrera.
A-5279822, Valdes, Maria Luisa (nee Gutierrez or Luisa M. Valdes or Valdis nee Maria Luisa Gutierrez or Maria Luisa Valdes or Guiterrez or Gutierrez or Luisa Maria Valdes or Maria L. Valdes or Maria L. Vda De Valdes or Maria Luisa Gutierrez Vda De Valdes or Ma Luisa Gutierrez Valdis, and others).
A-6595198, Valladaves, Roberto Ignacio.
A-9042913, Vallianos, Georgios or George Vallianos.
A-5194404, Vasquez, Adolfo Duarte or Adolfo Vasquez.
A-3101808, Vasu, George Elay.
A-6844271, Vega, Eusebio.
A-6844272, Vega, Ramon.
A-6403040, Velasquez-Rapia, Jesus.
A-3868924, Vrahnas, George Andrew (alias Harry Panos).
A-6357987, Vrakas, Galliroe Constentine or Kalliroy Vrakas or Mangas (nee Zahariadou).
A-6064645, Watters, Luz Costales or Luz Abraham or Luz Costales.
A-6063022, Weidmann, Emilia Santos or Emilfa Santos.
A-5554370, Yager, Henry or Hyman Yager and Henry William Yager.
A-6274068, Yang, Ju Chin.
A-5202493, Young, Kenneth Chung Kuen or Yeung Pak Chi or Kai Chong Yeung.
A-6677869, Ziebell, Detlev Guenter.
A-6453741, Ziemak, Marian Cybulski.

With the following committee amendments:

On page 2, line 5, strike out the registration number and the name "A-6546518, Bartley, Anthony Charles."

On page 5, lines 17, 18, and 19, strike out the registration number and the name "A-5688547, Manning, Raymond Fred or Raymond Frederick Leaford Manning, or Raymond or Ray Frederick Manning."

On page 5, after line 23, insert the registration number and name "A-1364379, McLaughlin, Bridget."

On page 7, after line 20, insert the registration number and name "A-6810463, Solan, Julius or Julius Seidner."

On page 8, after line 6, insert the registration number and name "A-6396120, Stefanini, Mario."

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 62) that the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

There being no objection, the Clerk read the concurrent resolution as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6201169, Abadi, Simon Ezra.
A-1029369, Abdullah, Abdi or Akbar Mohamed or Abdi Mohamed.
A-6245562, Agarwal, Friederecka or Frederecka Beatrice Maria nee Saela or Freda Moyea.
A-2329081, Aleci, Giuseppe.
A-3007951, Ali, Tahir or Tahir Ullah or Tiah Ali or Tiah Ullah.
A-5356203, Andreadis, Stamatios or Stamatc: John Andreadis or Steve Andrews.
A-5479649, Arkell, Marjorie Elaine.
A-3260444, Avgoustis, Nicholas Stelianos or Nicholas Stelianou Avgoustis.
A-5421256, Baer, Hans.
A-3722049, Baros, Nicholas or Nicholas Barus.
A-5262324, Bavas, Athanasios (alias Thomas Bavas).
A-5214140, Belli, Otello Manlio or Mario Belli.
A-3083903, Benavides, Alfonso.
A-5856332, Bevilacqua, Theresa Mary (nee Falzone or Falzono, nickname Tessie).
A-6791526, Bireescu, Alexander Stefan.
A-6264002, Bizimis, Angeline.
A-6303931, Blythe, David Wardhough.
A-3747440, Bonventre, Francesco or Frank.
A-6246094, Bopipas, Dimitroula.

A-5630271, Borges, Antonio Augusto Da Silva or Antonio Borges.
A-9799665, Boutacoff, Alexis Alexander.
A-5949003, Bye, Rolf Ole.
A-1830412, Calvo, Francesco.
A-3998388, Cardenas, Arcadio or Alcadio Cardenas.
A-7026401, Carner, Ariel.
A-6857770, Castellanos-Ybarra, Joaquin or Jesus Reyes-Mendoza.
A-6032675, Castellanos, Maria Trinidad Reyes de or Trinidad Reyes de Castellanos.
A-4137847, Chang, Young Chi Sin Yueng or Chi Sin Yeung Chang.
A-2587813, Chen, Chia-You.
A-5768484, Chuan-Te Liu, Barry.
A-6626018, Cobos, Ruben or Ruben Cebos or Ruben Cobos Astorga.
A-3686305, Cordaro, Calogero or Charles Cordaro.
A-7563142, Crocker, Julie or Juliette.
A-4197279, Da Cunha, Constantino.
A-9703142, Daley, Roy Augustus.
A-5884972, Deinum, Henry Jacob or Hank J. Deinum.
A-6303162, De Leon-Garza, Feliciano.
A-3559094, De Morales, Gregoria Salazar or Gregoria Salazar.
A-5389310, Doesseckle, Thomas Francis or Frank Doeseckle.
A-5444981, Doherty, Rose Frances formerly Anslow (nee Firminger).
A-5079142, Dryer, Ben.
A-7515284, Fang, Sheng Chung.
A-5335908, Fennell, Betty Elizabeth (nee Levy or Levee or Bety Marks).
A-5825680, Flessas, George Anastasiou.
A-6209443, Flores-Palacios, Raimundo.
A-6204212, De Flores, Maria Lopez.
A-6281370, Franco, Samuel.
A-4812082, Frangiskatos, Speros or Spiridon.
A-6141195, Franquelli, Leandro Antonio Basilio or Leandro Franquelli.
A-5390484, Gallardo, John Ernest.
A-6125122, Garcia-Ledesma, Isaias.
A-6774172, Giles, Stephen Duffy.
A-6870309, Godley, Eric Clive.
A-1620146, Gomez, Josefa or Josephine Gomez or Josefa Abascal de Gomez.
A-3466704, Gonzalez, Roberto Lorenzo or Robert Lawrence Gonzalez.
A-2260872, Gowzeles, Constantinos or Gusor Gust.
A-5820732, Green, David.
A-3507405, Gruszka, Herman or Raymond Grand (alias Harry Grand).
A-1653505, Gulkis, Pauline (nee Pessie Shergick or Pessie Shaw).
A-2965670, Gustavson, Helge Waldemar or Helge Gustafsson.
A-6248289, Gutlohn, Victoria Veronica Susanna.
A-6180925, Hesse, William or Willem Hesse.
A-6018694, Heyligers, Louis Aron.
A-6140385, Hinds, Humphrey John.
A-3657461, Hochberg, Betty or Beila or Betty Smoke or Betty Lahnes or Esther Robert.
A-5807798, Hofmo, Emil Lie or Lee E. Hofmo.
A-2631184, Hoque, Shamsul or Abdul Kholek.
A-5685262, Jacinto, Jose Pereira or Joe Pereira or Joseph Perera.
A-3262256, Joest, Otto or William Graak.
A-5702119, Karol, Charles Walter Barton or Charles Walter Bartoszewski or Charles W. Bartoszewski or Charles Walter Bradley or Bailey.
A-6261611, Kavathas, Evanthia (nee Evanthia Thomaidou).
A-6049268, Kehrhahn, Alicia Antonietta or Alicia de Aspiazu (nee Alicia Antonietta Aguilera Murillo).
A-5662102, Keller, Hermann Friedrich or Herman Frederick Keller.
A-3295447, Kipper, Aleksander.
A-3894155, Korkos, Lambros Spiros or James Korkos.
A-6232433, Kozlowski, Peregrina Rodriguez de or Peggy Rodriguez or Peggy Valadez.
A-3850163, Krasnopolsky, Jacob or Jack Krasner or Jack Krasnoff.
A-3319669, Krohn, Erwin Gustav.
A-6142511, Kuebitz, Hermann Wilhelm.
A-5792616, Lacobazzi, Vitonicola (alias Vito Nicola Yacobazzi).
A-1051733, Lamble, Thomas Bentley.
A-5074647, Laskody, John or Laskodi or Joan Laskodi.
A-5380491, Latousakis, Michael or Massis Lacis.
A-3738980, Lau, Chong Sui or Sui Lau Chong or Cheung Gim Fay or Chong Kim Fei or Cheung Jung Ming or Cheung Shim Lau.
A-7618223, Leung, Paul Yung Tung or Yung Tung Leung.
A-7618224, Leung, Peter Fung Tung or Woon Tung Leung.
A-2956578, Licata, Salvatore.
A-5500662, Lira-Barcenas, Alberto.
A-5500663, De Lira, Paula Jimenez.
A-6961069, Lira-Jimenez, Victor.
A-9179138, Ludvik, Josef.
A-5365957, Lykiardopoulos, Gerasimos or Jerry Poulos.
A-6378855, Magnani, Margherita (nee Giovanella).
A-6404238, Manobbio, Aura (nee Aura Peraza).
A-5074629, Martinez y Rodriguez, Gervasio or Gervasio Martinez.
A-6264869, Martinez-Torres, Francisco or Enrique Martinez.
A-2291044, Mavris, Isidoros Markos or Isidor Marko Mavris.
A-3571216, Mazzei, Charles or Carmine.
A-6249255, Melisakis, Maria N.
A-3529277, Mesaros, Stafan or John Gabor or Steve Demko.
A-5259895, Meza, Agnes (nee Agnes Naomi Lightbourne).
A-1785711, Mielke, Wolfdietrich Reinhard Julius Fritz or Wolfdietrich Mielke or George Wolf or Wolfdietrich Mielke or George Wolf.
A-5693852, Mihalos, Nicolas or Nick M. Mike or Nicholas M. Mick.
A-9730962, Mikalsen, Einar Edvin Hendry or Einar E. H. Mikalsen.
A-6772023, Molina, Augustine, Jr., or Augustin Molina.
A-5166673, Monache, Eugenio Delle (alias Raffaelo Orcini or Ralph Orsini).
A-5728143, Monok, Janos or John Monok.
A-3759224, Morin, Giuseppe.
A-5265514, Mourao, Manuel Vaz.
A-6359966, Neumann, Joan (formerly Joan Weller Greer Shephard or Joan Weller Greer Hope-Johnson).
A-5774953, Nevarez-Alarcon, Nolberta or Norberta Nevarez-Alarcon.
A-1115513, Orav, Paul.
A-6301813, Ortega-Duarte, Jorge or George Ortega-Duarte or George D. Ortega.
A-6330435, Owens, Francis Henry or Frank Owens.
A-5635369, Paradosso, Eugenio or Jimmie Paradosso Penna or Jimmie Parodosso.
A-2889365, Pereira, Antonio Jose.
A-5821654, Perez, Ivy Gomez or Rose Perez or Ivy Duchesne Gomez or Ivy Gaston.
A-1879601, Perl, Eugene Jacob or Jacob Perl.
A-5064255, Perugino, Guiseppe.
A-6423807, Pirzio-Biroli, Giacomo.
A-4957358, Racey, Lawrence William or Lawence William Rase.
A-5407879, Ramirez, Jose Luis or Jose Ramirez or Luis Ramirez.
A-7044230, Rey, Joaquin Israel Trujillo.
A-7050671, Rey, Daisi Trujillo or Daisy.
A-6366413, Ribes, Elise (nee Fontenelle).
A-6459421, Ridgway, Jacqueline Marie Householder or Jacqueline Marie Householder (maiden name).
A-6372752, Ripley, Ronald Edward or Ronand Edward Page.
A-6372754, Ripley, Mervyn Keith or Mervyn Keith Page Ripley or Mervyn Keith Page.
A-6279244, Risteigen, Inga.
A-6279243, Risteigen, Gunhild.
A-6698873, Rodriguez-Esquivel, Juan or Ernest Gutierrez or Ernest Castro Gutierrez or Ernesto Gutierrez, or Ernesto Castro Gutierrez.
A-5129758, Salvemini, Giacomo or Jack Salvemini or Domenico Americo Sforza.
A-5796096, Santoya, Francisca Cruz or Francisca Cruz or Francisca Mata.
A-4209125, Sarafis, Christos Alexander.
A-3851318, Schiavi, Angelo.
A-5688544, Schmidt, Hilda Rose or Hilda Rose Manning or Hilda Rose Jackson.
A-5601137, Schmitt, Vilma (nee Zold).
A-4809719, Schnee, Rose or Rose Shapiro or Rose Meyer.
A-5257484, Serra, Juan Mari or Juan Mari.
A-4242776, Siebert, Walter Heinrich August or Walter Henry Siebert.
A-5377193, Siegel, Freida Rosalie (nee Rascha Fradel Siegel).
A-5610957, Silberman, Frank or Traian Lazar Zoladz or Frank Caberman.
A-5056181, Simoncic, Martin or John Weber.
A-2741589, Sofikitis, George Michael or Mike Sofikitis.
A-2518842, Sague, Abdul.
A-5886907, Simkunas, Antanas.
A-4541327, Solis-Ayerdi de Sanchez, Dolores or Dolores Solis de Sanchez or Dolores Solis de Vara.
A-6390856, Sourcin, Alice Paquerette.
A-2856317, Spanos, Petros.
A-6929710, Sparrow, Florence Blanche (nee Cann).
A-6018628, Starosciak, Sophia Jadwiga (alias Zofia Starosciak, alias Zofja Starosciak).
A-1868401, Susan, Ferencz or Frank Susan.
A-5059057, Sutlovich, Frank Rudolph.
A-5374797, Szasz, Gustav.
A-3685757, Tamberg, Harry John (alias Harry J. Tamberg, alias John Tamawots, alias John or Johannes Tanawots or Tamawots).
A-6805580, Tauber, Laszlo Nandor or Leslie Ferdinand Tauber.
A-9705985, Theocharides, Theocharis.
A-5427501, Thorne, Sidney Alphonso, or Sidney Durant.
A-3889128, Tieger, Mary (nee Weinstein or Glassman, nee Borochovitz or Berkowitz).
A-7759520, Tokcaer, Mursit Muradurresit.
A-3362361, Tom, Kim Fong or Tom Kim Fong.
A-5948146, Trpchevich, Traiche George (alias Nick George alias Mike George Trpchevich).
A-5908905, Vasquez, Santos.
A-1165476, Vassallo, Damiano.
A-9741750, Vatouios, Theochares Stamatios or Theocharis S. Vatouios or Harry Vatouios.
A-6136671, Vega-Munoz, Luis.
A-5817962, Verhelst, Alfons or Alfons August Verhelst or Alphonse Vereist.
A-6402296, Vidal, Jose or Llecha.
A-5949830, Wright, Thomas William.
A-5569145, Ybarra, Jose Martin.
A-5227047, Yuhas, Jan or John Yuhas.
A-2156893, Zech, Ludwig.
A-3460791, Zizzo, Antonino or Antonio Rizzo.

With the following committee amendment:

Page 9, strike out lines 5 and 6.

The committee amendment was agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

THEODORE CONSTANTIN TRANCU AND HIS WIFE

The Clerk called the bill (S. 1305) for the relief of Theodore Constantin Trancu and his wife.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Theodore Constantin Trancu and

his wife, Anne Denise, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of their last entry into the United States upon payment of the required head taxes and visa fees.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct appropriate numbers from the nonpreference category of the proper immigration quota or quotas.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIYOKO OISHI

The Clerk called the bill (H. R. 7778) for the relief of Miyoko Oishi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any provision of law excluding from the United States persons or races ineligible to citizenship, Miyoko Oishi shall be admitted to the United States for permanent residence, upon application hereafter filed, if she is otherwise admissible under the immigration laws.

With the following committee amendment:

Page 1, strike out all after the enacting clause, and insert "That the provisions of section 13 (c) of the Immigration Act of 1924, as amended, relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Miyoko Oishi, the Japanese fiancée of Sergeant Eugene D. Walls, a citizen of the United States, and that the said Miyoko Oishi may be eligible for a nonquota immigration visa if she is found otherwise admissible under the immigration laws: *Provided*, That the administrative authorities find that marriage between the above-named parties occurred within 3 months immediately succeeding the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY FRANCES YOSHINAGA

The Clerk called the bill (H. R. 7560) for the relief of Mary Frances Yoshinaga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mary Frances Yoshinaga, the foster daughter of Mr. and Mrs. James F. Austen, Jr., shall be held and considered to be the natural-born alien child of Mr. and Mrs. James F. Austen, Jr., who are citizens of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, solely for the purpose of section 4 (a) and section 9 of the Immigration Act of 1924, as amended, and notwithstanding any provisions excluding from admission to the United States persons of races ineligible to citizenship, Mary Frances Yoshinaga, a minor half-Japanese child, shall be considered the alien natural-born child of Sergeant and Mrs. James F. Austen, citizens of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. KILBURN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. WALTER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 131]

Barrett, Pa.	Heffernan	Patman
Bennett, Fla.	Heller	Pfeifer, Joseph L.
Bentsen	Herlong	Pfeiffer, William L.
Biemiller	Hoffman, Ill.	Philbin
Blackney	Hull	Powell
Boykin	Jackson, Calif.	Redden
Buchanan	Jennings	Reed, Ill.
Buckley, Ill.	Johnson	Reed, N. Y.
Buckley, N. Y.	Kee	Ribicoff
Bulwinkle	Kelly, N. Y.	Rivers
Byrne, N. Y.	Kennedy	Sabath
Carlyle	Kunkel	Scott, Hardie
Carroll	Lanham	Short
Case, S. Dak.	Larcade	Smathers
Chatham	Lesinski	Smith, Ohio
Chesney	Linehan	Sutton
Chudoff	Lyle	Taylor
Clemente	Lynch	Towe
Combs	McCarthy	Wadsworth
Cooley	McDonough	Walsh
Coudert	Mason	Welch
Dawson	Miles	Wheeler
Dingell	Monroney	Whitaker
Donohue	Morgan	White, Idaho
Douglas	Murphy	Withrow
Doyle	Nixon	Wood
Gavin	Norton	Woodhouse
Gilmer	O'Brien, Ill.	
Gordon	O'Brien, Mich.	
Hall, Leonard W.	O'Hara, Ill.	
Hand	O'Konski	
	Pace	

The SPEAKER. On this roll call 340 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL APPROPRIATION BILL, 1951

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7786, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Missouri [Mr. CANNON] had consumed 1 hour and 17 minutes, and the gentleman from New York [Mr. TABER] had consumed 1 hour and 15 minutes.

Mr. CANNON. Mr. Chairman, I yield 1 hour to the gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Chairman, I have a few comments, mainly of a general nature, to offer on this 1951 military budget.

The first is to pay tribute, sincerely, to this able Subcommittee on the Defense Establishment.

As usual, the gentleman from Texas [Mr. MAHON], the gentleman from California [Mr. SHEPPARD], the gentleman from Florida [Mr. SIKES], the gentleman from Michigan [Mr. ENGEL], and the gentleman from Vermont [Mr. PLUMLEY] have done a magnificent job on the most complicated and most important budget program of our Government.

Each of them has again earned, as they have each year, the praise and the deep appreciation of the House of Representatives and of all Americans for their splendid national defense work.

I congratulate the distinguished subcommittee chairman from Texas, and I congratulate the patriotic, hard-working Members on his subcommittee. All of us are greatly indebted to you gentlemen.

Now, members of the committee, let us get to some of the bedrock defense questions that influence this budget.

Let us take a moment on this highly publicized economy in national defense.

Now, I have not been one who blindly praises the Secretary of Defense. The fact is, I have voiced criticism of the Secretary now and then for various things he has or has not done. I will continue to do so in the future when it appears that the Department can benefit from counsel or guidance from the Congress in reaching policy decisions on national defense matters.

But the Secretary has fully earned credit in a specific area pertinent to this debate, and I believe in giving credit where credit is due.

There can be no doubt that Secretary Johnson, his comptroller, his management committee, and the three military Departments deserve the commendation of the entire Nation for having carried out so successfully the drive in the Department of Defense, as contrasted, I may say, to other branches of the Government, to squeeze the fat out of public expenditures.

Secretary Johnson's report of March 2 makes it evident that he is producing savings—very substantial savings—in the administration of the defense program. This is a great public service, especially in view of the general condition of the Federal budget. And it conforms fully to one of the objectives of the Congress as reflected in the amendments of last August to the Unification Act.

Mr. Johnson's report shows that about one and one-half billion dollars less were spent for national defense than were requested in 1950 by the President and would have normally been provided in supplemental requests. A little over $2,000,000,000 less were spent than the Congress authorized. In quick summary the picture looks about like this:

Requested in the President's 1950 budget	$14,218,000,000
Supplemental items (civilian pay increase, higher freight and passenger rates, Berlin airlift costs, etc.) absorbed by the Department of Defense	257,000,000
Theoretical budget total, 1950	14,475,000,000
Direct savings in appropriated funds	207,063,000
Reductions in armed forces (mainly in items of procurement)	434,494,000
Cost decreases	134,917,000
Savings and reductions (mixed)	815,619,000
Air Force funds placed in reserve by the President	735,754,000

Now, it appears to me that of the over $2,000,000,000 of unexpended funds provided for national defense by the Congress, about a third, or in the vicinity of $600,000,000, can properly be claimed as direct savings to the taxpayer without injury to the national defense. This is saving at a rate considerably higher than Secretary Johnson promised the Armed Services Committee a year ago when he asked for "authority, direction, and control" over the armed services, and he is, in my opinion, entitled to full credit and the compliments of the Nation for it. In the accomplishment of this fine piece of work, some 163,000 civilian employees have been released from the employ of the Department, and a large number of Service installations has been closed or put in an inactive status.

Here in Washington and vicinity, the number of civilian employees has declined from 29,758 to 28,421, a reduction of 1,337. This means that while there was an over-all reduction of 17.4 percent in civilian personnel—from 905,000 to 748,000 as of January 31—the Washington reduction was only 4.5 percent.

This over-all civilian personnel reduction is a great achievement. I fail to understand why the field employees can be reduced by four times the ratio of reduction in Washington. If it can be done in the field, surely it can be done here. I am utterly convinced that this phase of the economy drive has not received the attention it is due. As usual, we are reducing Federal employment in outlying areas but have shied away from applying the pressure to the Nation's Capital where, in my opinion, it should be first applied.

Now, let us give attention to some other points in this economy program.

I want to mention the recent reductions in the effectiveness of the armed forces, especially since these reductions have been widely confused with economies under unification.

A close examination of Mr. Johnson's report shows clearly evident reductions in the armed forces in an amount of about $435,000,000. Added to that is the $736,000,000 in funds appropriated last year to raise the Air Force from 48 to 58 groups which funds were placed in reserve by the President. This makes reductions in the amount of over $1,100,000,000 in the present or potential fighting effectiveness of the armed forces.

So what does it add up to?

It adds up to reductions in an amount of about $1,500,000,000 in the fighting capabilities of the armed forces—reductions, administrative cut-backs, not economies under unification.

I want to state emphatically that, in my judgment, Mr. Johnson's economy scalpel has not only carved away some service fat but has cut—deeply in some areas—into sinew and muscle of the armed services.

The Secretary is to be commended in glowing terms for cutting off the fat. But his economy program has also impaired the fighting effectiveness of the armed forces, and for this the Secretary is not, in my opinion, to be commended.

I regret deeply that in his zeal for economy, Secretary Johnson has weakened the national security in very important respects. And what has been his answer to that charge?

He answered only a few weeks ago in a speech delivered in the city of Washington that the Joint Chiefs of Staff have approved the existing budget—and, therefore, the inference was drawn that the Nation's military leaders are content with the funds requested of the Congress.

But, members of the Committee, in that very address the Secretary contradicted himself. He went on to say that the Joint Chiefs of Staff had requested $20,000,000,000 for national defense. This, in itself, answers the assertion that the Joint Chiefs of Staff are content with the existing national defense budget.

And let me say one thing more about this.

It is an open secret in Washington that the Secretary actually requested a considerably smaller budget for 1951 than was decided upon by the President. It follows, then, that the Secretary, if he had his way, would provide many billions less than the Joint Chiefs of Staff deem to be the minimum required for national security, and considerably less than the President himself considers necessary.

There are issues in this matter of reductions in the armed forces that go to the core of our system of government. They touch the very heart of our representative processes.

I say that until and unless the Constitution of the United States is amended to relieve the Congress of the United States of its responsibilities to provide for the common defense, to raise and support a navy, to provide and maintain an army, the Congress cannot—and, so far as I am concerned, must not—sit idly by and leave to administrative whimsy how small a national defense this Nation will have.

There are some who conceive that the role of the Congress is limited to imposing monetary ceilings on the armed forces—that the Congress has no control, and should have none, over how small the armed forces become.

I deny that categorically.

I say that to the extent that the Congress accedes to that concept, to that extent the Congress unconstitutionally delegates its responsibilities to the executive branch of the Government.

I say that when the armed forces are reduced by others than the Congress, and without prior consultation with the appropriate agencies of the Congress, the American people are thereby deprived of their Constitution-derived control, through their Congress, over the size and type of national defense they want their Government to maintain.

In our scheme of government the Commander in Chief commands the forces placed at his disposal by the Congress; it is not his prerogative under the Constitution to determine the size of those forces. It is the duty of the Department of Defense—which is a creature of the Congress—to request the Congress to provide the armed might that it believes the security of the Nation requires. It is the responsibility of the Congress to decide whether the forces shall be larger or smaller than requested.

Let us get this clear.

The President does not provide the armed forces. That is the function of the Congress. The Congress provides the forces; the President commands them, as Commander in Chief. If we ever get this principle of our Government distorted, our whole fabric of government will be in jeopardy.

But here we have a new concept. It holds that the executive department shall decide how small the armed forces shall be—not the Congress.

It concedes that the Congress can impose ceilings on military strength. But, the idea goes, the Congress cannot establish a floor.

The Appropriations Committee is to be complimented for its searching inquiries of the Secretary of Defense on this point in the hearings of last January.

However, it is not enough merely to point to the problem, important as the problem is a principle of government.

The more important thing is to prevent such unilateral action in the future. For this purpose I introduced a bill on March 6 which would limit the authority of the Secretary of Defense to withhold funds appropriated by the Congress to 5 percent of any particular item. If it is desirable or necessary to withhold more than that, the bill would require consultation with the Committees on Appropriations of the Senate and House of Representatives prior to the taking of such action.

The Armed Services Committee will act on that bill at an early date. When it reports the bill, I am hopeful that the House will support it without a dissenting vote and thereby nail down the important principle that the Congress and not the Executive will determine the size of the national defense program to be supported and maintained by this Nation.

Let me call to your attention another point on these reductions.

A new thought is being germinated in Washington these days. It is that by reducing the armed forces we are, by some magical process, growing in strength and becoming militarily more effective.

This is one of the most remarkable ideas I have ever encountered.

It is plausible, of course, that the Army is more efficient today, for immediate combat purposes, than it was a year ago, and despite personnel reductions.

But the Army is much less effective—its fighting potential is lower—today than it was supposed to be on this date under congressional plans of a year ago. Its potential is weaker now, and this is the result of administrative cuts into the muscle of the armed forces.

The same is true of the Air Force. It is far less effective today than the Congress intended it to be today through the appropriation last year for 58 groups; and this is the result of the President refusing to spend $735,750,000 appropriated by the Congress and by Mr. Johnson refusing to allow the expenditure of $243,000,000 which the Congress had said should be spent.

And the Navy?

It has been reduced by 79 active ships. Does that make the Navy stronger? Of course not.

It has been reduced by five attack carrier air groups. Does that make the Navy stronger? Of course not.

The Marine Corps air arm has been reduced by seven fighter squadrons. I rather doubt that the marines have greatly improved in fighting ability from that.

The Navy and marines have been cut down by some 2,000 active airplanes, by almost 70,000 men. I suspect that the increased efficiency and greater fighting strength thus created has not thrown great fear in the hearts of our potential enemies or stiffened the will to resist of our friends abroad. These cuts reduce the fighting potential of the Navy and Marine Corps.

There can be no doubt that these reductions have scaled down the fighting potential of the armed services.

It is absurd to contend that the more you reduce the stronger you get.

I will have to leave it to others to sell this idea that we can rise by falling, that we can advance by retreating, that we can achieve strength through weakness.

Of course we must have economy in national defense.

But let us keep our eyes on our main goal—national security.

The purpose of unification is a sound national defense. Economy is a by-product.

Now, I want to turn to matters more directly involved in the appropriation now before the Committee. Let us talk first about procurement of aircraft.

Now, what does the Subcommittee on Appropriations themselves say about this as regards the Air Force

On page 312 of the subcommittee's report they say that—

> At the rate of aircraft procurement in the present bill, instead of having 48 modern groups in the United States Air Force in 1956, we will have 42 first-line groups.

The subcommittee goes on to say that—

> A projection of the same amount of funds annually for aircraft procurement—

As provided in this bill—

> will produce at the end of fiscal year 1956 a lesser number of modernized groups than is contemplated under the present program for fiscal year 1951.

And that is not all. I find on page 312 that the subcommittee has this to say:

> World conditions do not indicate that such a downward trend—

In air power—

> is justified.

But, instead of saying right there that the necessary air power should therefore be maintained, the subcommittee arrives at the conclusion that "a restudy and revaluation of military strength projected into future years should be made."

On page 272, the subcommittee says:

> Undoubtedly we are taking certain very grave risks in not being better prepared.

Then, from that honest and accurate admission, the subcommittee goes on to say:

> By and large the committee, in writing the bill, has followed the recommendations of the President and defense officials. This seemed to be the best that could be done under the circumstances.

So, here we have a new idea.

It is that we will knowingly fail to provide the air power the Nation needs.

It is that we will knowingly fail to provide the needed air power in the face of world conditions that, all of us realize, warrant, if anything, an increase, not a decrease, in the Nation's air power.

But what is the Congress to do about it? Why, to quote this report, "the best we can do" is to go along with erroneous decisions someone downtown has made, let our air power decline, put off the decision to tomorrow, next month, next year, and in the meantime, just start a study of the military strength projected into the future.

Now, I subscribe fully to the subcommittee's statement that our Air Force air power is declining, because I know the facts. The subcommittee has accurately represented the facts. It is to be complimented for setting them out so bluntly in its report.

Where I differ with the subcommittee is on its suggested remedy for our declining air power.

The subcommittee suggests only that a study be made.

I say that this Congress has a far greater and a more pressing responsibility than that, in the light of existing world conditions.

I say that it is far from enough merely to start a study and in the meantime approve a program which we know full well will wither American air power on the vine.

It is fine for the subcommittee to make a study. But what are we going to do in the meantime? Let our defenses deteriorate? Let our Air Force air power become second-rate? Let our potential enemies far surpass us in aerial power and in modern, first-line aircraft?

I say, let us have the study. That is fine. But while we are studying, let us hold American air power firm. Any other course of action would be injurious to the national defense. That is what General Eisenhower was trying to get over to the Senate committee a few days ago.

I say that this Congress is defaulting on its responsibility and misleading the people if it sends out word that we will have 48 modern regular groups in the Air Force, and then refuses to provide the number of aircraft necessary to maintain those groups.

This, members of the committee, is a step backward. It is a start toward the unilateral disarmament of our country. It is a refusal to face the facts in today's world. It is putting off to tomorrow what we know perfectly well we must do today.

The issue is very clear. It is clear to all of us here. It is clear to our friends overseas. It is clear to our potential enemies overseas. We cannot dodge it in this bill.

Either we are going to have an adequate air defense, or we are not.

Let us face the facts. Let us do what the situation requires. Let us not shrink in the face of national need. Let us get right down to brass tacks, stand up to our responsibility, and do exactly what we know has to be done in the interest of national defense.

Now, what are the facts?

Take the Air Force first. What has happened to our Air Force since the war?

Five years ago our Air Force had 273 groups. It was the greatest and most powerful Air Force in all the world. But by the middle of 1946 we had reduced it to 38 groups. It was then that we adopted a program looking to the rebuilding of the Air Force. Our plan was to get 55 groups by the end of 1947. That was to grow to 66 groups by the middle of 1948. Our goal was 70 groups. We were to reach that early in 1949.

And how long ago did the 70-group idea originate?

Here is what General Vandenberg, Air Force Chief of Staff, said on May 26, 1948:

> The Air Force has maintained since 1945 that the minimum Air Force we could afford to have was 70 groups. I want to emphasize two things: First, our program is not a new program, generated by present world uncertainties and apprehensions.
>
> Second. It is a peacetime program.

And what lay behind the 70-group concept? It was such thinking as that of the then Acting Secretary of State and former Assistant Secretary of War for Air, Hon. Robert A. Lovett, who said:

> This country has got to make up its mind whether it will be the leading air power. There is nothing more pathetic than a second-rate air power, because while you have a sense of security there is no security—as far as I know it is the cheapest way of buying security that there is.

We are now up to early 1948. We had the President's Air Policy Commission—the Finletter Commission. It strongly endorsed the 70-group program. That was followed by the Joint Congressional Aviation Policy Board which reviewed the findings of the Air Policy Commission. It, too, decided that the Nation must have 70 groups for its minimum protection.

So what did we do in the Congress? Did we start another study?

Why, of course not. We did what was right and proper. We knew the facts and acted on the facts. We added $822,000,000 in aircraft funds to the Air Force appropriations, over the protest of the late and beloved James Forrestal, then Secretary of Defense.

And at that time it was the distinguished chairman of the Appropriations Committee, the gentleman from New York [Mr. TABER], who offered the amendment himself.

By December of 1948, the Air Force had reached a strength of 59 activated groups through our increased appropriation and was well on the road toward our goal of 70 groups.

Then came the 1950 budget. It was preceded by a month on the House floor by the so-called 70-group authorization bill that we reported from the Armed Services Committee. That 70-group authorization bill was passed by the House by a vote of 395 to 4. The Congress wanted it. The people wanted it. And the Congress unhesitatingly shouldered the responsibility.

The debate on the 1950 budget came along in April of 1949. We found that the administration had decided that the Nation did not need 70 groups after all. The new idea was that 48 groups would be enough. And then what did this Congress do?

Did the Congress say then that the best we could do was to go along with the President and the Secretary of Defense, Mr. Johnson?

We said emphatically no.

The House, and later the Senate, asserted that the writing of national defense policy is properly a function of the Congress.

The Congress did then what it should do now, on this budget.

And what was that policy established by the Congress?

It was the policy of the Congress to emphasize air power—to provide, in this year of atomic weapons, the aerial protection and aerial offense necessary for the minimum preparedness of our Nation.

And how did the House vote on that issue?

It voted 271 to 1 in favor of a bill that added $851,000,000 to the 1950 budget over the protest of Secretary of Defense, Mr. Johnson. And who led the fight? The distinguished chairman of the Appropriations Committee, the gentleman from Missouri [Mr. CANNON], aided and abetted by the able chairman of the Defense Subcommittee, the gentleman from Texas [Mr. MAHON].

By that vote, the Congress said that, instead of 48 groups, the Nation must—and would—have 58 groups. The Congress insisted upon another step along the road toward the goal of 70 groups.

And then what happened?

The President and the Secretary of Defense, Mr. Johnson, said the Congress was wrong. They said that the Executive, not the Congress, will decide how much air power this Nation will support and maintain. So $735,754,000 of the funds provided by the Congress for the Air Force were put in reserve. The Appropriations Committee has well stated in its report that this act amounted to an item veto which clearly transcends the authority of the President.

Then after the President held up the funds, Secretary Johnson decided that the air strength left in the Air Force was still too large.

So, now Secretary Johnson comes along and withholds $243,000,000 more of Air Force funds.

So what do we have? Of last year's appropriations, the executive branch has refused to spend $978,776,000 of Air Force funds provided by the Congress, on grounds that the Congress knows nothing about the problem and has no business providing more defense than the Executive Department decides it wants the Nation to maintain.

Now we have the 1951 budget which is before us today.

And what does it do to the Air Force?

Well, now we have a brand new approach. This budget says that we will still hang to the magical figure of 48, plus 11 Air National Guard groups. The figure 70 is now ridiculed. Someone thinks "48" sounds better. And here is the brand new wrinkle. The Secretary of Defense, Mr. Johnson, says we are not even to maintain the 48 groups in a modern condition. We are going to let six of those regular Air Force groups become second-line groups in a very few years by simply not providing enough money for new aircraft.

Now, members of the Committee, just where is this House going to stand? Just what is the House going to do about it?

Just at what place and when is the House going to exert its prerogatives, meet its responsibilities, and provide the defense it knows the Nation must have?

As one Member of the House, I say the place to stand is this 1951 budget.

And the time to stand is right now.

And the way to do it is to amend this bill at least so as to maintain 48 modern air groups in the Air Force. To do that will require an additional $200,000,000.

That $200,000,000 will enable the Air Force in fiscal year 1951 to procure approximately 77 additional aircraft, including medium bombers, medium and heavy transports, and helicopters, to rehabilitate 228 aircraft for the flying training program, and to modernize 71 B–29 aircraft as tankers for use in air-to-air refueling flights.

It is this additional sum of money that is absolutely necessary if we are to build up in an orderly fashion the 48-group program in the Regular Air Force. If the House refuses to make this money available, then by 1956 we will have only 42 modern regular groups.

I still maintain that the Congress should hold to the 70-group program in the Regular Air Force. If it was sound in 1948, as two exhaustive studies found it to be, then developments internationally since then, especially the Russian atom bomb explosion announced last September, make it even more necessary today.

And let me say to you that nothing has caused Russia to stop, look, and listen more than the ability of this Nation to conduct intercontinental bombing. Our ability to do so has been a powerful instrument for peace.

But, I am a realist.

I know that the Congress is at this time inclined to measure the adequacy of our defenses by dollars. I disagree sharply with that standard. I maintain that we must buy the defense the Nation must have, regardless of cost. I say that enemy capabilities, not dollars, determine our defense needs. But being a realist, I say that if we are to reduce to 48 Regular groups, well then, let us have 48 groups. And that requires an additional $200,000,000 in aircraft procurement funds in this bill for the Air Force.

You gentleman call for 48 Regular Air Force groups in this bill.

Well, let us have 48 modern groups. And let us provide the money that will maintain those 48 groups.

Now, to sum up, here we have the gentleman from New York [Mr. TABER], leading the fight in 1948 for additional air power.

Then, again, we have the gentleman from Missouri [Mr. CANNON] leading the fight in 1949 for increased air power, ably supported and assisted by the distinguished subcommittee chairman, the gentleman from Texas [Mr. MAHON].

They knew at that time that the security of the Nation requires 70 modern Air Force groups. And they knew it then—well before we knew that Russia had the atom bomb.

It is universally known today that Russia is building the largest air force in the world. What are they building it for? They are building it for use whenever their carefully timed Pearl Harbor day comes around.

And here we are, the richest and most powerful Nation in the world, year by year withering our Air Force on the vine.

Now, the issue is clear-cut.

It is whether the Congress will say what kind of defense the Nation will have, or whether the creature of the Congress, the Secretary of Defense, Mr. Louis Johnson, will tell us what kind of defense he will let the Congress have.

A vote for the additional $200,000,000 for the Air Force means that the Congress fulfills its constitutional responsibility to provide for the common defense.

A vote against the $200,000,000 means that Mr. Louis Johnson tells the Congress the character of defense that he will let the Nation have.

And now, what about the air power of the Navy—air power that is just as much a part of the total air power of our Nation as the air power of the Air Force.

What does this bill do to naval aviation?

I can find only one comment in the subcommittee report that hints at the facts on naval aviation. It is a terse little remark on page 295 of the report, which says that the number of aircraft authorized to be procured by the Navy under this bill is 817.

Then the report says that this number does not represent actual requirements.

That is a mighty mild statement as compared with the facts.

For, in truth, this bill continues a trend which ultimately will virtually destroy naval aviation.

The subcommittee dismisses the situation with the mild observation that the number of aircraft provided for the Navy does not represent actual requirements.

The situation is infinitely more serious than that indicates.

Before looking at this bill's effect on naval aviation, let me trace briefly what has happened to naval aviation in the past 2 years.

Less than 2 years ago Congress passed and the President signed a bill providing for a 10,713-operating-plane Navy.

But in 1949 the naval air army was reduced from the 10,713 level to 7,783 aircraft—a reduction of almost 3,000 planes. Now, we go down from 7,783, the fiscal year 1950 level, to 6,233 aircraft proposed in this bill—a further reduction of over 1,500 planes. This makes a reduction in naval aircraft, in the past 2 years, while world conditions

have become more grave, of 4,500 planes—a reduction of over 40 percent in 2 years. Almost 3,700 of the 4,500 reduction has been in Regular Navy and Marine Corps aircraft.

So we have had a steady decline in every phase of naval aviation since 1948. We have had a 40 percent reduction in the total operating aircraft of the Navy in 2 years. We have, in 2 years, cut almost in half the number of Regular Navy and Regular Marine Corps aircraft.

Now, what about this bill? Does it support this sharply reduced level of naval aircraft? Or is it so geared that naval aviation will be rendered impotent in the future?

Let us look at the facts.

The facts are that this bill leaves a deficiency in naval aircraft procurement of 1,349 planes. The bill authorizes the procurement of only 817 new naval aircraft. That is 1,349 fewer than the 2,166 aircraft needed by the Navy to maintain the 6,233 operating aircraft authorized by this bill.

And what effect will this have on naval aviation? Here is what Admiral Pride, Chief of the Bureau of Aeronautics, told the Appropriations Subcommittee:

> It is significant that this procurement level of 817 aircraft, if continued, would result in a progressive reduction of the aircraft operating inventory to less than 3,000 aircraft, which is less than half the budgeted 1951 operating strength.

So now it is clear what is meant by the cryptic remark in the report of the subcommittee that naval aircraft procurement "does not represent actual requirements."

Why, the fact is, Mr. Chairman, it not only does not represent actual requirements, but it contemplates, within the near future, the cutting of naval aviation in half.

I defy any Member of this House to explain to me what can justify this violent reduction in naval aviation.

Why, even today naval air strength is lower than it was in December 1941, at the time of Pearl Harbor. Then, the Navy's aircraft operating level was 5,432 of Regular Navy aircraft. Then, aircraft deliveries were being made at a rate approximately 300 a month.

And what does this appropriation provide?

It provides only 4,389 Regular Navy operating aircraft—over 1,000 aircraft less than we had in December 1941.

It provides for a monthly delivery rate of less than 70 aircraft. That is less than one-fourth the pre-Pearl Harbor rate.

So we have the same situation for the Navy, under this bill, that we have for the Air Force.

We are proposing an operating level of 6,233 naval aircraft. But we are knowingly failing to provide enough new aircraft to support that operating level.

We are killing this Nation's naval air power. That is what we are doing.

And what needs to be done about it?

I said a minute ago that the 817 naval aircraft proposed for procurement in this bill are 1,349 less than the 2,166 necessary to maintain the 6,233 operating aircraft authorized by this bill.

Of this deficiency of 1,349 planes, 530 are Regular Navy aircraft. The remainder, 819, are for the Naval Reserve.

In view of this situation, the very least we can do is to insist upon providing the Regular Navy with adequate funds to maintain the reduced number of first-line aircraft authorized for Regular Navy units in the next fiscal year.

And what is the Regular Navy's situation in first-line combat aircraft?

The total number of first-line aircraft required in Regular Navy combat units by the end of the next fiscal year is 2,576 of the total of 6,233 Navy operating aircraft authorized in this bill. The Navy will have 1,286 of these planes available by the end of the next fiscal year, leaving a deficiency of 1,290 first-line combat aircraft for Regular Navy combat units.

So to keep up our first-line combat units in the Regular Navy, 1,290 aircraft will have to be procured in the next fiscal year.

But what does this bill authorize in combat aircraft? Only 769. That is 521 short of the total required to maintain even the sharply reduced level of Regular Navy combat planes proposed in this bill.

And what are these 521 planes?

They are 379 fighter planes, 123 attack planes, 19 patrol planes. Nine others, including attack transports for the Marine Corps, are also needed for the first-line combat units of the Regular Navy and Marine Corps, giving us a total of 530 planes the Navy is short of its needs—for the Regular Navy combat units alone—under this bill.

And what would they cost?

They would cost $383,289,221.

So I say, at the very least, the Congress must provide the Regular Navy with the aircraft needed to keep its combat air arm from withering on the vine, as this bill would have it do.

That will take an additional $383,289,221 more than the $511,000,000 of new procurement funds authorized for the Navy in this bill. Add to this sum the approximately $123,000,000 that were withheld by Secretary of Defense Johnson from last year's naval aviation budget, which is carried forward in this budget as part of the new procurement fund, and that would give us a total of $1,071,289,211 in aircraft procurement funds for the Navy—a fund still low in comparison to need, for it still fails to provide a single first-line combat plane for the Naval Air Reserve.

So what I am recommending in total, Mr. Chairman, is supplemental funds in the amount of $583,289,221—$200,000,000 more for the Air Force and $383,289,221 for the Navy—to support and maintain the first-line combat aircraft strength of those services as provided in this budget.

It can be said categorically and factually—and I am sure the Appropriations Committee must agree with me—that this budget is short by that amount and much more in meeting our air-power requirements.

I say that we will be derelict in our responsibilities to the Nation if we fail to remedy these critical flaws in this proposed appropriation.

Even by providing the $583,000,000 additional, our defenses will still be seriously deficient in two respects as regards air power.

That additional sum will not restore the over 2,000-plane reduction already suffered by the Navy in the past 2 years and will not provide a single first-line combat aircraft for the Naval Air Reserve.

That sum will provide no increase above 48 groups in the Air Force, and this air strength is at least 13 groups below the minimum required for the aerial defense of the United States.

No Member of this body questions the fact that we must take calculated risks in our defense program.

And we have to have economy wherever possible.

But we are backsliding into impotency in air power; we are critically jeopardizing our Nation's security; we are again encouraging war through weakness, for the Kremlin responds only to force, and I say to you that the safest road to permanent peace is for this great Nation to maintain modern and powerful armed forces, and especially an adequate air power both in our Navy and Air Force, which this bill does not do.

As General Eisenhower said on March 29 before the Senate Appropriations Committee, "in certain details we've been a bit careless."

I say to this House that the national defense is one place where we cannot afford to be "a bit careless."

While I recognize that this Nation can never achieve an absolute defense—and while, of course, our Nation abhors maintenance of large standing armed strength—we are living in a time of international stress and tension that requires, if we are to err, that we err on the side of preparedness rather than on the side of economy.

Gentlemen, the atomic blitz of tomorrow is a real, a genuine possibility.

We have no alternative but to prepare today for meeting it tomorrow, because tomorrow our preparations may well be far too late.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from New York.

Mr. TABER. The statement the gentleman has made would indicate that it might be possible to effect a saving in the personnel picture at the Pentagon.

Mr. VINSON. I certainly agree with the gentleman. Over all there has been a reduction of 17.4 percent. Here in Washington, where an equivalent reduction should take place, the Department had 29,758 employees and it now has 28,421, a reduction of only 1,337. We ought to have some fair examination here in the departments to see if we cannot bring about a further reduction in the personnel here in Washington. This is where there should be some reductions, not only in the armed services but in the other departments as well. There are just entirely too many people in the city of Washington on the pay roll.

Mr. TABER. I wonder to what extent the practice has gone on of substituting a uniformed Wac for every one of the civilian personnel who have been cut off?

Mr. VINSON. That is not going on very fast. They probably are doing that, but what we want to do is to get some of this enormous number of civilian personnel out of the District of Columbia.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. VINSON] has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield.

Mr. COLE of New York. I wish to compliment the gentleman from Georgia for his very masterly discussion of a momentous problem, and to state that I concur in the views which he has expressed. However, I am deeply concerned about one aspect of the proposal which he says he is going to offer. Having in mind what has happened in the last 2 years with respect to our Defense Establishment, as I see it, the Congress is gradually and rather rapidly losing control of its Military Establishment. I should like to ask the gentleman what reason he has to believe that, assuming his suggestion is adopted by the Congress, it will be carried out by the administration?

Mr. VINSON. In reply to the question of the gentleman from New York [Mr. COLE], let me say that I am hoping by the time this bill is passed by the House and the Senate the House will have passed a bill pending in the Armed Services Committee today, which will prohibit the Secretary of National Defense from reducing any item in this bill more than 5 percent until he consults with the gentleman from New York [Mr. TABER] and the gentleman from Missouri [Mr. CANNON]. Of course, I recognize the fact that we may not be able to pass any law to make the President spend the money, but public opinion will make the President do certain things.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. CANNON. Mr. Chairman, I yield 45 minutes to the gentleman from Texas [Mr. MAHON], chairman of the Subcommittee on Armed Services.

Mr. MAHON. Mr. Chairman, I stand here almost defenseless, without manuscript or previous release of my remarks to the press, and I stand here under the further embarrassing situation of following the brilliant address of that legislator and patriot extraordinary, the chairman of the legislative committee on the armed forces, the distinguished gentleman from the State of Georgia [Mr. VINSON]. I appreciate the generous words of tribute which he paid to me and to the members of the subcommittee, and I reciprocate in my esteem for him personally. He has made a tremendous contribution to the cause of good government and national security. These words come straight from the shoulder and right from the heart.

If there is anyone in America who is so naive and ill-advised that he does not want more money for national defense, there is something radically wrong with the information which he has or with his thinking. All of us want more money for national defense. I can think of no more popular issue than to espouse with enthusiasm and vigor the cause of national defense; and I love to wave the flag, and carry it when I can.

The question is, How much national defense do we have? How much can we afford to spend for military purposes? How much in our best interest should we spend on the cause of national defense? If we spend so much, and our enemies hope we will, that we bring on the collapse of the economy of the United States, we will have spent ourselves into defeat. Our air power, great as it is, and our Navy and our Army, great as they are, are not the things that strike terror to the heart of the enemy today and preserve the peace. These things contribute. The thing that makes America the foremost leader of all the world today is America's industrial potential, America's capacity to fight back and continue to fight back until victory has been achieved. That is what the enemy fears, and anything that enters into the body of this America and destroys the pulsing industrial heart of America is something dangerous indeed. No man can claim to be a true and wise advocate of national defense who would espouse the spending of more money for national defense than we can afford. Those who would spend to the extent that our industrial economy and our way of life is destroyed are not friends of national defense. They inadvertently are winning the victory for the enemy from within. That is a cheaper victory than winning from without.

Not long ago with other Members of Congress I journeyed down to the National Gallery of Art, to see the Austrian exhibits. After looking at the pictures here and there I came to a place where I observed a number of coats of armor, belonging to knights of old, standing at attention. They were quite impressive as they stood there—these figures of steel.

I thought then as I think now that I could have walked up to one of these impressive coats of mail and pushed it over. It would have lacked the capacity to rise because it did not have the blood and the sinew; it did not have life within it, a healthy, pulsating, vigorous life. The thing that we must do in this country is to be sure the industrial heart keeps beating, that the circulation continues to flow, that we are capable of fighting and if pushed aside for a moment to rise and fight again as we did during World War II.

The distinguished gentleman from Georgia almost made me feel as I listened entranced to his rhetoric that we were standing naked, as it were, to the enemies who would destroy us. But I am reminded to say at this point that the United States of America is better prepared to repel immediately an attack from an enemy than it has been on any day or at any hour since hostilities ceased at the close of World War II. We have the most modern weapons we have ever had in the history of our national defense program and our Military Establishment is more in a state of readiness to repel an attack than at any time since the shooting stopped in World War II.

Mr. Chairman, when we speak of national defense we do not speak of $12,800,000,000 in this bill or $13,000,000,000 to use a round figure; we must think of the entire national defense program of this country.

This morning, knowing that the chairman of the Committee on Armed Services would speak, I decided I would like to present to you graphically in these charts a few facts. And I scribbled hastily a few notes as I listened to the eloquent address of the gentleman from Georgia.

The national defense program for the coming fiscal year shapes up about as we see it here on the chart. In the military part of this bill there are $12,800,000,000 in cash. In contract authority—and the only reason it is not cash is because the military people say that they cannot spend it now, they say, "Just give us contract authority, we cannot spend it for 4 or 5 years"—we give them $2,000,000,000, making a total of $14,800,000,000.

In the subcommittee handled by my colleague from Texas [Mr. THOMAS] for the Atomic Energy Commission about $650,000,000 are included.

Is there anyone so lacking in judgment that he doubts that the work we are doing on the atomic bomb and on the hydrogen bomb is not national defense? I think not. And, because the Commission cannot spend the entire billion dollars in one year, it is given $310,000,000 in contract authorization.

Stock piling. Who is there among us who can say that there is anything much more important than the stock piling of critical materials from abroad which might be denied us for a season in the event of hostilities? There is $633,000,000 for stock piling and $100,000,000 for contract authorization.

These letters "NACA" indicate one of the most important agencies in the world today, the National Advisory Committee on Aeronautics, which has been pioneering for many years in the field of national defense to make sure that America leads the parade. Here is $56,000,000 to continue that important work which has made such a tremendous contribution to our security in former years.

Next on the chart is Government and relief in occupied areas, $321,000,000, a part of the defense program around the world.

Voice of America, $34,000,000.

Mutual defense assistance, $650,000,000. That is a very important part of our program. Just recently a number of B-29's set sail on their way across the blue Atlantic in order that they might be over there near the potential enemy and in the hands of friends if trouble comes.

Does anybody say that the hundreds of millions we are spending there is not national defense? It is national defense of the first order. Just this morning I had the opportunity to talk with that able and eminent soldier and statesman, Gen. Omar Bradley, about the conference held in The Hague recently, having

as its aim an agreement that might augment the defense of the western democracies against the threat of totalitarianism.

Next on the chart is military public works, $300,000,000 in cash, and I will be glad to support, and I urge the immediate bringing by the chairman of the Committee on Armed Services to the floor, the public works bill, which was delayed last year, and which was sorely needed, and of which we are more in need now, if we are to meet the situation confronting us in military housing.

ECA. I think the average Member of the House voted for ECA not because of any philanthropy—and let us not let philanthropy and the milk of human kindness dry up within our souls—but let it be said in all frankness that we voted this ECA money in the interest of national defense. Those who thought it had no national defense qualities probably voted against it.

So, we have a total of $20,500,000,000 for national defense in the fiscal year 1951. As a member of the Committee on Appropriations I do not come before you as one who has in the past been hesitant to recommend vast appropriations for national defense. I yield to no Member in my desire to achieve the maximum in national security. But we must not spend ourselves into bankruptcy in the name of national defense. Our military leaders, men like General Eisenhower and General Bradley, men like General Collins, Admiral Sherman, and General Vandenberg, members of the Joint Chiefs of Staff, are right when they say that it is completely out of the question in peacetime for the Nation to be in a state of absolute and complete readiness for war. It would destroy our economy. It would bring on the police state. It would destroy our liberties. No wise man advocates any such program. Why, it would be very nice, indeed, if the pulsing motors of aircraft were tuned up now at Bolling Field, near Washington, D. C., and if every city and installation were fortified with armaments at every moment to meet every possible emergency. It would be a consoling thing, in a way, if we lived in a state of complete armed readiness. But we lack the resources and the manpower to fortify every portion of our great and spacious country. What we are trying to do is not to become like a synthetic man in armor in a museum, having everything in armament and nothing inside, what we are trying to do is to maintain a healthy condition and have the maximum of defense within our capabilities.

We see on this chart that the estimated national income is $37,000,000,000 and the estimated deficit for 1951 is in round figures $5,000,000,000. Faced with that situation, the committee brought in a bill approximately as had been recommended to us by General Bradley and the Joint Chiefs of Staff.

Well may we go slow in buying certain equipment. The gentleman from Michigan [Mr. ENGEL], a member of the committee, is one of the finest patriots I know and one of our best informed men on military matters. He said the other day in a radio broadcast that certain times may be called epoch-making times. We are in one of those periods now, an epoch-making time. It is sort of like the time when gunpowder was discovered, or the steamboat. It is a time of rapid transition in weapons. It would be a serious mistake indeed if we should spend so much money on hardware, weapons of different kinds, that within 2 or 3 years all of that equipment would be out of date and obsolete.

In talking with the Commander in Chief of the Army, Navy, and Air Force a few months ago I was impressed with his urging that the most important money in the military budget is for research and development. In order to keep this expenditure figure for hardware as low as we can, we have tried to spend as much as we dare spend in the field of research and development, in order that we may lead the parade of nations and be prepared for the emergencies that may arise.

I wish you would take a look at that figure for research and development on the chart. Your committee and your Military Establishment have not been asleep. They have been aware for months of the problem confronting us.

We read in childhood that—

The heights by great men reached and kept
Were not attained by sudden flight,
But they, while their companions slept,
Were toiling upward in the night.

America has not slept during this postwar period. But America has been "toiling upward in the night" since 1946, preparing through research and development the finest weapons that have ever been conceived in the history of man. We have made so much progress in the field of research and development that we have outmoded practically every weapon we have. When we have made a little more progress in some more of them, we will be able to get more deeply into the hardware phase—the procurement phase—but do not let us buy too much hardware too soon and have too much obsolete matériel which we will have to consign to the scrap heap.

We are proposing to spend in this budget $143,000,000 for guided-missile warfare. That is just in its infancy. We do not have much money for hardware yet, but that will come later on. The guided missile will revolutionize certain phases of warfare as we know it. If world war III comes, which God forbid, it will not be like World War I or World War II.

So we are in an epoch-making period. We have come to this epoch-making period by our own plan and design. In research and development we have spent near $3,000,000,000 in the last few years, more than we spent on the atomic bomb, in order that we might go forward in the most important field which will lead to peace and security, if arms can bring peace and security.

The distinguished gentleman from Georgia has talked to us about the woeful inadequacy of the military appropriation bill from the standpoint of aircraft. The Navy has 14,000 aircraft. The United States Air Force has 21,000 aircraft. It would be easy to insist that we thereby have a tremendous reservoir of air power. We do have, but the figures I have given you could be misleading. We must admit there are many trainers included in the aircraft inventory and there are many obsolete planes of many types. Thousands of them are in moth balls and may never be used. We have 6,000 bombers in the United States Air Force, not all modern, not all in use. Yet they certainly would have a very important function to perform if war should come tomorrow. But we are looking forward to the new designs, the jet aircraft, and the electronic devices, many of which have not quite been perfected, but are in the process of perfection. We are looking forward to them. They will outmode other aircraft and devices. We are proceeding cautiously with our aircraft procurement program.

Here is a figure on the chart I would like you to look at carefully—$5,300,000,000. If the House of Representatives and the Senate and the President of the United States approve the military bill which is before you, that much money will be available for expenditure on the morning of July 1, 1950, for aircraft procurement. That is not a trifling sum. "Oh," someone might say, "that is in contract authorization, is it not?" Yes, some of it is in contract authorization. Why is it in contract authorization? Because it takes time to build these airplanes. That money may not all be spent in 3 or 4 or 5 years; we have to proceed slowly. Modern aircraft and weapons are unbelievably complicated in design and construction. But Congress has permitted all the obligational authority to be made available; there is nothing between the military people and the purchase of this material, except the ability of American industry to produce. So look carefully at that figure of $5,300,000,000 before saying that the Subcommittee on Military Appropriations is not somewhat air-minded in its thinking and in its record in previous years in supporting the cause of air power.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. RANKIN. We heard that same argument in 1940 and 1941. I was in Hawaii in 1937, and I pointed out to the military forces that our Air Force there looked like an air force at a country fair. Yet they neglected the air force and we suffered the greatest humiliation ever inflicted on a civilized nation at Pearl Harbor in 1941.

I agree with the gentleman. I am for economy where it is necessary, but if we have another war it is going to be fought with airplanes and atomic bombs. We cannot wait to fire the second shot. We must be ready whenever any enemy threatens us with an attack, as we should have been when Pearl Harbor fell.

Mr. MAHON. We hope that through the processes of unification which to some degree are successful, and the bitter lesson learned by our Navy and Army at Pearl Harbor, that the human error will not be made again, that our military will be ready and able to meet any attack.

Congress can appropriate the money, but Congress of course cannot administer the program.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. SIKES. Although the equipment was limited at the time of Pearl Harbor, had that equipment been used effectively there would have been no catastrophe there. There was radar. There were planes. There were ships in sufficient number to prevent that attack. Had that equipment been used, the disaster would never have occurred. Piling up equipment is not the sole answer to this question.

Mr. MAHON. Piling up equipment is only one of the segments of this picture.

Mr. RANKIN. Putting the equipment at the right place would have prevented the disaster at Pearl Harbor.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. PATTERSON. I would like to ask the gentleman from Texas what his idea of the preparedness program would be. Would it be one along atomic lines, bacteriological warfare, missiles, or just the conventional-type war?

Mr. MAHON. Our idea of warfare must be realistic. Until the guided missile, which within a few years can be fired 5,000 miles and hit the target area, has been perfected, we had better have something else as a substitute. Until the time comes when a ship at sea can proceed within a thousand miles of its target and hit the target with a guided missile we had better be prepared to fight with conventional ships. Until the time ceases to be when an airplane must fly over its target—and the time will come when a bomber will not undertake to fly over the target but will release its missile possibly hundreds of miles away—until that time comes, we must have the B-36 and the B-29, the B-47 and improved types of these conventional weapons. Atomic warfare is not the complete answer to the problem which confronts us. Everybody knew that Russia would eventually have the atomic bomb, and the atomic bomb had already been discounted in military planning and it was not especially significant that it came a year or so earlier than anticipated. It had already been taken into the picture by our defense planners.

Mr. PATTERSON. If you say that, you are agreeing with the eminent chairman of the Armed Services Committee in his proposal.

Mr. MAHON. I usually agree with the eminent chairman of the Armed Services Committee. I do not take serious disagreement with him, generally. I would like to spend far more money than he advocates. I would go him one step farther and double it, if we could afford it.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. STEFAN. Your chart on expenditures for the national defense program, while almost complete, is not entirely complete.

Mr. MAHON. I just thought that up in a hurry yesterday afternoon.

Mr. STEFAN. I notice you omitted approximately $200,000,000 for the Civil Aviation Administration, much of which contains funds for national defense. You also omitted the money appropriated for a new venture in air-navigation development which, when complete, will cost $1,500,000,000. The chart is not entirely complete, in that other appropriations for defense would increase that approximately $2,000,000,000.

Mr. MAHON. Well, I would say the chart is quite conservative. I thank the gentleman for his contribution. For example, these figures for research and development are exclusive of the figures which would pay military personnel who work with the research and development program.

Mr. HARDY. Mr. Chairman, will the gentleman yield.

Mr. MAHON. I yield.

Mr. HARDY. The $5,300,000,000 in funds and authority for the purchase of aircraft is quite an imposing figure. That is true.

Mr. MAHON. That is right.

Mr. HARDY. But does the gentleman take issue with the statement of the gentleman from Georgia [Mr. VINSON] to the effect that under this bill the effective strength of the Air Force will be actually 42 groups rather than 48 groups? And does the gentleman agree further with the statement of the gentleman from Georgia [Mr. VINSON] that the Navy's effective fighting force will be reduced by 1,500 effective planes, under this legislation?

Mr. MAHON. I would like to comment on that. The position of the committee will be found in the report. The hearings make it very clear, but it is found in the report which points out that at this time we have 46 modern groups. That does not count the Navy and does not count our National Guard. With the program we have this year we will have 48 modern groups in 1952.

In other words, the point of the gentleman's argument is that by 1956—and much of warfare may be revolutionized by that time in many fields—by 1956 we would have only 42 modern groups if we continued this level of aircraft procurement. That is a matter, as the printed hearings will reveal, which gave the committee much concern. Yet under this bill, in 1952, we shall have 48 modern groups—the strongest we have ever been in modernity, if I may use the word, in our Air Force.

As to the Navy's striking power, it is true that the Navy has fewer planes, but the Navy says, "Qualitatively, we are in the best shape we have ever been."

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. MAHON. The point is that our emphasis is upon compactness—upon streamlining; it is upon efficiency; it is upon research and development; it is with the idea that if war comes we can spring more quickly to full posture, as the military people say, for the defense of our country.

Mr. HARDY. That is, of course, an admirable position, provided we do not bring our effective forces to a point below the irreducible minimum for our safety. The question is, Are we going to determine in the Congress what that position is? Or, are we going to permit the Secretary of Defense, through the administration of the funds which we provide, to use his own discretion, notwithstanding the position which the Congress takes?

Mr. MAHON. I do not know about the Secretary of Defense. The President has impounded money in the so-called Presidential reserve fund. I am told by the Secretary of Defense, and it is supported by the printed record, that it was the action of the Commander in Chief that resulted in the withholding of some of the funds that we appropriated last year. I took, and I take, violent disagreement with the executive branch of the Government for impounding funds which Congress appropriates for defense. If the gentleman will read the report, much of which I wrote with my own hand, he will find the views of the gentleman from Texas with regard to that matter.

Mr. HARDY. I commend the committee for the fine work that it has done. I have just one further question to ask. I have been informed that under this bill there will not be one single first-line plane for use by the Naval Air Reserve. Is that correct?

Mr. MAHON. I could not say offhand. If the gentleman will read the hearings, he will have the figure. I would remind him, however, that we are just coming into the use of jets on a large scale. Perhaps the gentleman noticed in the paper a picture of the first jets landing on a carrier. We are just moving into this field, and our Reserve and our National Guard must proceed very carefully with these fast-moving, intricate, electronic, and expensive first-line planes. We are going as far as we can.

Let me say further with respect to the program of the Navy, that we were careful to continue the ship-building program at the rate of $300,000,000 for 1951. The Navy is not withering on the vine; it continues to be quite vigorous. But it has been reduced sharply in its operations.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. SIKES. I wish to point out that in response to a question by me testimony was given, and it appears in the record, that the naval reservists are flying jet planes. Jets certainly are first-line planes.

Mr. MAHON. One of our Air Force reservists, a Member of Congress, was flying a jet when he lost his life last year. As I say, I sometimes question the wisdom of permitting reservists who are not constantly on the job flying these jets, because disastrous experience sometimes results.

Mr. THOMAS. Mr. Chairman, if my memory serves me correctly, the Navy has in the neighborhood of some two or

three hundred submarines. What progress is the Navy now making in converting those submarines to the snorkel type? In other words, are there any funds in this bill to permit the Navy to go ahead and convert and modernize our old submarines?

Mr. MAHON. The gentleman has raised certainly one of the most important questions in the national defense picture. We are making, as you know, real developments in the antisubmarine warfare and undersea warfare. We have under construction at this time killer submarines and other types of submarines, and we are converting numerous destroyers, in order that they may do a better job in antisubmarine warfare. The first, No. 1, priority of the Navy today, and rightly so, is antisubmarine warfare and well might that be true because the greatest threat to us on the seas is the Russian fleet of submarines.

Mr. THOMAS. Mr. Chairman, may I compliment Chairman MAHON and his subcommittee. I do not think any subcommittee I have ever served on knows more about this subject than does the gentleman's subcommittee.

Mr. MAHON. The gentleman is overly generous.

Mr. VINSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Georgia.

Mr. VINSON. The gentleman from Texas stated that in 1952 there would be a modern 48 group.

Mr. MAHON. I believe that is correct.

Mr. VINSON. The gentleman will admit, will he not, that in 1952 it goes down?

Mr. MAHON. Yes. We point that out in our report, and this is a very serious matter and something must be done to meet the situation.

Mr. VINSON. Let the House know that in 1952 by the money in this bill there will be a modern 48 group, but for lack of money in this bill from 1952 on you send it down.

Mr. MAHON. I would not make that statement quite that way because the money in this bill or most of it for aircraft procurement will not be spent for 2 or 3 years. We called upon the Secretary of Defense and General Bradley to make sure that in presenting this budget next year they have adequate funds to keep that 48-group figure level. When General Eisenhower was before us on the 24th day of February in an unreported meeting he said: "Gentlemen, you should know before you report this bill what you propose to spend in fiscal 1952, the following year." I agree with him. We went into a huddle with the Joint Chiefs of Staff and with the Secretary of Defense and they said: "Our tentative figure for 1952 is the same, $13,000,000,000. What we want is stability of national defense."

Mr. VINSON. Since the gentleman mentioned the Secretary of Defense, it recalls to my mind that around 1 o'clock at a news conference the Secretary said that "on account of the money in this bill, on account of the arguments that have been stated about the procurement for aviation, both for the Air Force and the Naval Air Force," he is submitting the question to the Joint Chiefs of Staff to see if his recommendations were right.

Mr. MAHON. Well, that was the request we made of the Joint Chiefs and the Secretary of Defense some time ago. This committee will not, if we are supported, let our air power wither on the vine.

It might be pointed out that one of the significant things General Eisenhower said was that we cannot have national defense by hysteria. While he points out that he never saw this bill, or the final budget, he can speak generally and authoritatively in military matters, but not with complete accuracy, not having read the details of the program. Repeating, one of the most important things he said was, "Gentlemen, we cannot have national defense by hysteria." He decried hysteria.

It has been my observation, and I say this in all kindness, that about the time we have our military bill each year on the floor, the flying saucers begin to sail across the western horizon and the unidentified submarines flit to and fro in the Pacific waters and even our friends come out and say in the headlines of the press, and I quote, "Russia is planning a new Pearl Harbor," and things of that nature. I am glad to be warned, and it is true we are faced with a grave peril, Mr. Chairman, but I say to you that Eisenhower was never more everlastingly correct than when he said: "We cannot have legislation by hysteria, that we must not underrate the enemy, neither should we overrate the enemy."

What is the potential threat to Washington, D. C., today? The Russian air power. How many heavy bombers does Russia have? None; not one. How many medium bombers does Russia have? About 300, maybe 400. How many do we have? Hundreds and hundreds and hundreds. Russia has a few of the B–29 type. Of course, a nation with three or four hundred bombers in making an attack is going to get some of them through, and that would be gravely serious in an atomic war, but if we had, instead of 5,000 bombers 50,000 bombers, an enemy could still penetrate our defenses to some extent. So, while we do not want to underestimate the potential enemy, we do not want to overrate him, either.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Knowing from personal experience some of the tedious tasks of deciphering some of the military budget, I wish to commend the gentleman on the very fine presentation he has made of this difficult subject today.

Mr. MAHON. I thank the gentleman. I think you might want me to say something about the radar fence. For the radar fence we appropriated $50,000,000 last year, and that money has not been spent nor obligated. It soon will be. It is a difficult task, and we are going to provide more for the radar fence when it is needed. It is a slow-going proposition. We have provided for industrial mobilization and all those key factors as best we could that would augment and improve our national-defense program.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Very high in our national-defense program is the National Security Resources Board. That Board, I understand, is charged with the mobilization of our industrial might, our civilian preparedness, the preparedness of our cities against atomic attack or poison-gas attack. Yet, that Board has been without a permanent chairman for more than a year and a half, in fact, until the current week, when Mr. Symington was named to head that Board. Does not the gentleman, in carrying out his responsibility as chairman of this most important committee, consider that fact most unfortunate?

Mr. MAHON. I do, and I breathe much easier now that Stuart Symington, that extraordinary man with remarkable vigor and understanding and capacity, is now to be head of the Board. We have provided adequate appropriations, we think, in the bill for the National Security Resources Board. It is a credit to America that we have a man of Symington's caliber in that position. I regret to see him leave the Air Force, and I think he is right when he says we need a 70-group air force. I would even raise that figure if we had the resources to do it. But there are certain limitations which we must keep in mind if we are to preserve our country and not go into a police state program.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. COLMER. The gentleman is making a very splendid statement and I want to say that I am usually in accord with his views, so I do not want to be misunderstood by this question. The gentleman stated a moment ago that Russia had exactly no heavy bombers. I am just wondering, purely as a layman, with no authority whatever on the subject, what the gentleman's source of information on that question is.

Mr. MAHON. I would not like to give my source of information.

Mr. COLMER. I do not want the gentleman to disclose anything that would be against the interest of this country, but that brings me to the other point.

Mr. MAHON. Let me say this, if I may impose, that according to the press Russia has about 400 of the B–29 type, which we call the medium bomber.

Mr. COLMER. That question was merely preliminary to the one I wanted to ask next, or the observation I am about to make. I realize in a democracy like ours that the situation is entirely different from what it is in a totalitarian state like Russia. As a layman, I have often picked up magazines and newspapers and seen detailed accounts of our latest weapons and our various plans for national defense. I wonder, and I am constrained to wonder by mail I get from my constituents, why we go into all this detail about everything we have in the way of national defense.

Would the gentleman care to comment on that?

Mr. MAHON. I would be glad to.

During our hearings each year my blood boils and I see red on frequent occasions because of all these public releases by men in the Department of Defense, and others, which, in my opinion, impair the security of the United States.

The last time the late Secretary Forrestal was before our committee he appeared hastily at our request with the Secretaries of the Army, Navy, and Air Force. We pounded the table and said there must be an end to all this talking by men in the Military Establishment, giving aid and comfort to the enemy as to the direction of our national defense program. We cast no discredit upon Mr. Forrestal, he was an able and outstanding patriot, we were complaining about the system.

If you will read the hearings this year, you will read again of our insistence that this confidential type of material be kept out of the press. We do our best, but here is what happens. The Navy is a proud and efficient Navy, but partisans of the Navy want the headlines and they strive to get them, and they do get them. The Air Force advocates love publicity and public acclaim. The same is true with the Army. Our service people are proud. They are not dishonest. They are just proud of what they have and they want to grow in the esteem and favor of the American people and the Congress. Nonmilitary people and Members of Congress are also sometimes at fault. It seems almost impossible to prevent these unfortunate and hurtful statements in a democracy such as our own. Of course we do not want to keep the American people in the dark as to the dangers which confront them.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman spoke a while ago about the hysteria of the ones who are clamoring for a strong Air Force.

Mr. MAHON. If the gentleman will permit me to interrupt, the gentleman from Texas did not say that those who were clamoring for a strong Air Force were in a state of hysteria. I think the gentleman from Texas has been perhaps as active on this floor in behalf of the Air Force as anyone in the Chamber.

Mr. RANKIN. I am not criticizing the gentleman from Texas, but I want to call attention to this fact: Many years ago Gen. Billy Mitchell was accused of hysteria because he insisted on an adequate air force, and was prosecuted out of office. Our Air Force was reduced far below the point of safety, and Pearl Harbor was the result.

Mr. MAHON. The gentleman was in Congress at the time of the Billy Mitchell affair; I was not.

Mr. RANKIN. I was here and defended General Mitchell on this floor, as did the gentleman from Illinois [Mr. REID] on the other side of the aisle. They turned the national defense over to those individuals who were getting rid of Gen. Billy Mitchell, after he had sunk the *Ostfriesland* in 20 minutes in 3 shots, the biggest German battleship captured in the First World War. And as I said, Pearl Harbor was the result.

I am like the gentleman from Georgia [Mr. VINSON]. I am not willing to capitulate and to turn over to anybody the responsibility of the Congress of the United States for defending this Nation and to defend it promptly at all times.

Mr. MAHON. The gentleman from Texas knows no Member of the House who wants to capitulate or turn over the national defense program to anybody else. I say let us have the strongest national defense program that we can afford. Let us be constantly alert to the dangers which confront us from within and without and do our best to preserve our country and prevent war.

Mr. Chairman, I yield back the balance of my time, and thank my committee chairman, Mr. CANNON, very much for the generous amount of time accorded me.

Mr. ANDERSON of California. Mr. Chairman, ordinarily I do not ask the time of the House on the national defense appropriation except to offer, support, or oppose amendments to the bill.

I have felt in the past that the time for general debate should be largely monopolized by the Appropriations Committee members so they could explain fully to the Committee the many details of this very important problem.

I will still defer to the members of that committee for the appropriations details, but we have a collateral problem that also needs our attention today—a problem different from any we have had in the past in regard to national defense.

It is high time we recognized it. And it is of such importance to recognize it that I am taking this time today.

Mr. Chairman, we have, in my opinion, a crisis confronting us as regards the relation of the Congress to the Nation's defense.

More than that, we have a very dangerous situation in another respect. It is a situation unparalleled in my previous service in the Congress. It concerns the veracity of witnesses before the Congress and the freedom of witnesses to voice their convictions before committees of the Congress.

And we have a further problem: that of how to place reasonable restraints on the colossal power of the Secretary of Defense who today wields near dictatorial power over 2,000,000 people, and has at his disposal sums amounting to almost one-third of the Federal budget; sums almost equal to the total Federal budget in 1941, only 9 years ago.

I am gravely disturbed by what has transpired in national defense administration since Secretary Johnson took office.

I am disturbed even more by the portents of the future stemming from his administration to date, disturbing as that has been in so many respects.

Ever since Mr. Louis Johnson took office there has been a rapid-fire sequence of events in the Department of Defense, which, taken together, would indicate to any objective observer that the Secretary has an insatiable ambition—an unquenchable lust for power—a cavalier disregard, strongly colored with contempt for the Congress—an unbridled eagerness for publicity—a dictatorial bent that will brook not only no opposition but no disagreement, whether warranted or not—and no little disdain for honesty, at least before congressional committees.

Mr. Chairman, I am not given to exaggeration. I insist these are not exaggerations. I say that the record of Mr. Johnson's administration supports these statements.

And in the light of that record, I say that every Member of this House should have as much concern over the situation as I have.

It is important to take note of these matters now, if for no other reason than the action of the Appropriations Committee in taking substantially at face value the representations made to them by the Secretary and his minions who presented the budget argument on which the defense items in this bill before us today are based.

Just what has happened in this past year to justify concern over the administration of the Defense Department?

Let us take a look at the record.

The Secretary had not yet gotten his seat warm in the Pentagon—he had been Secretary a month or less—when he administratively threw out the window a project thrice approved by the Congress, the aircraft carrier U. S. S. *United States*.

In this he was not only contemptuous of the Congress but he was guilty of such cavalier disregard of his Secretary of the Navy that the Navy Secretary had no alternative but to leave his office at once under bitter protest.

Mr. Chairman, I know of no recent public event that constituted so direct and flagrant a rebuff of congressional action as this. As one Member of Congress I not only resent the action as constituting a studied insult to the Congress but I am utterly convinced that such a step would not have been taken unless the person responsible, Mr. Johnson, felt—and still feels—within himself that he and his powers supersede the desires of the Congress of the United States.

That, Mr. Chairman, not the aircraft carrier, is the true issue.

That, Mr. Chairman, is why every Member of this House should be as disturbed as many of us on the Armed Services Committee have been by the administration of the Defense Department today.

But that is just one item on the record.

What came next?

About a month after Congress was overruled on the aircraft carrier Washington was flooded with rumors to the effect that Marine Corps aviation was to be absorbed by the Air Force by Secretary Johnson. These rumors became so intense that our distinguished elder statesman of national defense—the gentleman from Georgia—to whom, let me say, the Nation owes far more than it can ever repay for his vision and leadership in national defense in the Congress for over a third of a century—yes; it was the gentleman from Georgia, Chairman VINSON, who finally found it necessary to visit the Secretary to ask his intentions as regard the Marine Corps.

From this visit came a letter from the Secretary. That letter flatly disavowed that it was or had at any time been planned to alter the status of Marine Corps aviation. The Secretary asserted in his letter that no studies had been initiated at any time in the Pentagon on the subject.

Mr. Chairman, the Armed Services Committee and the Congress accepted that letter at face value and dropped the subject.

But it is widely known—and I must mention it to point up further our need for concern today—that the Secretary personally told members of the press in New York, off the record, of course, directly the opposite, and I happen to know that the Secretary had personally directed initiation of comparative cost studies in the Pentagon which had as their purpose justifying the transfer of the Marine air arm to the Air Force, his disclaimers to the contrary notwithstanding.

So now the picture begins to take form.

Not only is contempt for Congress evident in the Secretary's conduct, but now the problem of veracity is added.

There was a flurry of incidents of this sort last spring, Mr. Chairman. For example, in testimony last spring on amendments to the Unification Act, the Secretary flatly denied before the Armed Services Committee having attempted at any time to discipline any members of the press for criticizing him.

But present at that very hearing were members of the press who were prepared to sign affidavits certifying, under oath, directly to the contrary.

Another example at the same time, Mr. Chairman.

The Secretary also testified to the committee that at no time while he was Assistant Secretary of War did he go over the head of, or around, the Secretary of War, then Secretary Harry Woodring, to the President or the Congress, and he asserted that he was working under direct congressional authority which itself bypassed the Secretary of War.

As to his conduct while Assistant Secretary of War, I need not labor the point. Surely there are enough Members still here who were on the old Military Affairs Committee to give the answer to that, regardless of Mr. Johnson's testimony.

But as to the congressional authority under which Mr. Johnson functioned as Assistant Secretary of War, I may say that the Secretary deliberately misled the committee, for the authority he asserted was his was specifically subject to the "direction of the Secretary of War."

But all of this happened last spring, Mr. Chairman.

I am inclined to think that we on the Armed Services Committee should have a sense of guilt ourselves for what has happened since. For having had these warnings, I think we would perhaps have been well advised then to call a halt to the increase in the power of a man who so evidently was contemptuous of the Congress and had displayed a convenient disregard for fact.

The record, members of the committee, speaks more loudly the more recent it gets.

Since last spring, what has happened?

We have seen an arbitrary cut-back of appropriated funds—a completely unilateral abrogation of congressional defense policy, again contemptuous of the role of Congress in national defense.

We have seen sharp reductions of the armed forces directed by the Secretary without consultation with the services, despite testimony, let me say again, directly to the contrary—reductions, I must also say, that were modified only as a result of the vigorous and timely hearings by the Armed Services Committee last October which placed a damper on the Secretary's unilateral actions.

And what else?

We have seen a witness, Admiral Denfeld, the Chief of Naval Operations, fired from his position of high professional responsibility for no reason other than his failure to toe the party line in his testimony before the Armed Services Committee last October.

Yes; he was fired directly in the face of promises that such an act would not be taken—promises made by the Secretary of Defense, the Secretary of the Navy, and by the committee itself.

This perfidious act was excused by Secretary Johnson on grounds that the admiral was unfit for his position. But what were the facts? The admiral had served for 40 years in the United States Navy. He had just completed a 2-year tour of duty as Chief of Naval Operations. He has just been reappointed, with Secretary Johnson's approval, for another 2-year tour as Chief of Naval Operations.

To me the most remarkable aspect of this event is not its evidence of vindictiveness and intolerance and disregard for promises on the record. We had seen that evidenced before.

What was remarkable was the extent of the contempt evidenced for the Congress in the belief that the Armed Services Committee and the Congress could be cajoled into believing that the removal of the admiral from his position as Chief of Naval Operations had no relation to his testimony before the Armed Services Committee.

But the record goes on, Mr. Chairman.

The next thing we knew was that the name of Capt. Arleigh S. Burke, a distinguished naval officer, had been removed, contrary to law, from a Navy selection list for promotion to the grade of rear admiral.

And why was this done?

It was done because Captain Burke had appeared before the Armed Services Committee in October 1949 to present the Navy views on the aircraft carrier U. S. S. *United States*.

But this finally aroused the public. Somewhere in the administration reason prevailed. It was not, I realize, on a basis of responding to justice nor in recognition of the rights of witnesses before congressional committees. Not at all. The injustice was remedied and the captain's name placed on the list, which list, by the way, included a bunch of the palace guard, because the situation was getting unsavory in a political vein.

The vindictiveness was still there, the intolerance, the desire to inflict punishment for testifying frankly before the Congress.

But at last it had become impolitic to carry out the punishment.

But, Mr. Chairman, the record goes on.

Next we found that every top-ranking officer in the Navy had been set aside in the selection of the officer to succeed the Chief of Naval Operations who had just been fired for speaking frankly to the Congress.

And why were they set aside?

Because they, too, had had the courage, as had Admiral Denfeld, to express themselves frankly before the Congress on national defense policies.

Because their views were not 100 percent in accord with the course of national defense planning under Secretary Johnson, they had become unfit to take the professional leadership of the United States Navy.

As the Navy Secretary told the United States Senate a few days later, he had no objection to a naval officer speaking his mind freely before the Congress, but that officer must be prepared to take the consequences thereafter.

This amazing story can go on and on, Mr. Chairman.

Take, for example, this incident:

A naval officer sought to write a series of articles in answer to General Arnold's series on air power, in which series the general treated the testimony taken by the Armed Services Committee in October before which this naval officer had appeared.

The naval officer was officially requested not to publish the series of articles. General Arnold was permitted to proceed with his series without restraint.

And why?

Because, of course, General Arnold was expounding the accepted, the official view of the Department of Defense.

Take another example:

The Naval Institute planned to publish in its December issue the testimony of naval officers before the Armed Services Committee on the questions of unification and grand strategy. The official request was made of the Institute that the testimony not be published. The request was complied with.

But, at the same time, and without restraint, the Air University was publishing an article contending that the position of naval leaders on strategy and unification was wholly erroneous. No effort was made to censor that article.

And why not?

Because the Air Force article supported the party line.

And take another matter, Mr. Chairman.

In the amendments to the unification act it was unequivocably stated that there shall be no single chief of staff over the armed forces. The law also stated clearly that the Joint Chiefs of Staff shall consist of four men—the chairman, and the three chiefs of services. All four of the chiefs of services were made the advisers to the President, the National Security Council, and the Secretary of Defense.

But what is happening?

The chairman of the Joint Chiefs of Staff alone usually represents the Joint Chiefs of Staff in the highest Government councils. This is understandable. Not only are the Nation's civilian lead-

ers trained in Army organization and hence predisposed to a Chief of Staff system, but Secretary Johnson recently, in a speech, went so far as to characterize the chairman of the Joint Chiefs of Staff as the "quarterback" for national defense.

So what are we getting, despite the law? We are getting the equivalent in power, in prestige, and in duties a single chief of staff, regardless of the prohibitions of law.

And take the weird propaganda that America is getting stronger daily while the Secretary is sharply reducing the armed forces—the mass publicity on economy in the armed forces while sidestepping the question of injury done to the defense of the Nation through those reductions—the assertion that General Eisenhower is responsible for and approves this budget whereas he tells the Nation that the budget compels cuts below safe levels.

Add the beat-the-hell-out-of-Joe-Stalin speech of Secretary Johnson several weeks ago, at a time when our Nation has suffered a terrible defeat in China and is outweighed in almost every branch of the armed forces by Russia, as stated publicly, contrary to Mr. Johnson, by the Secretary of the Air Force. Then mix in the Secretary's charge that the Joint Chiefs of Staff have approved the budget as sufficient unto the hour, despite his own statement that the Joint Chiefs of Staff believe many billions more should be added.

And now the picture is adequately complete, although I could go on.

Members of the committee, that record is enough to warrant concern on the part of the House of Representatives.

That record is enough to make every Member of this body seek some restraint on the power of the Secretary of Defense.

That record is enough to cause the Committee on Appropriations to act without hesitation to plug the many holes in this defense budget which, I am convinced, exist simply to keep the budget low enough to make the economy record of the Secretary of Defense look politically defensible.

For my part, Mr. Chairman, for the integrity of the Congress, for a sound national-defense program, and for the future of our Nation, I hope that the distinguished chairman of the Armed Services Committee will take the initiative and see that steps are taken to bring reason and mature judgment to the Pentagon; and, if that is impossible, that he will initiate legislative action to circumscribe the authority of the Secretary of Defense so as to keep the Congress, and the will of the American people, from being flouted at the caprice of any one man in the Department of Defense.

THE FEDERAL-AID PROGRAM

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Chairman, provision of funds for continuation of the Federal-aid highway program is not a new matter to Members of Congress. This program was initiated in 1916 at a time when the country had almost no improved roads. It caused a marked acceleration in road improvement following the First World War and has been a major factor in creating the great system of highways that now reaches to every part of the country. This system is far from adequate for our present need, but, even with its many deficiencies, it is the greatest highway system in the world.

The policy of Federal aid to the States was adopted with the support of all political parties. It has produced great benefits in every section of the country and to every segment of the population. No Federal improvement activity is more general in its benefits or more firmly established by demonstrated value. In considering the provision of funds for continuing the work it is appropriate that we review what has been accomplished and examine the extent of the benefits.

When the Federal-aid plan was adopted there were few surfaced rural roads. Travel between cities by highway was rare and few people traveled more than 5 or 10 miles from their homes by highway. In 1921 Congress authorized the designation of a Federal-aid highway system and required that Federal-aid funds be concentrated on that system. It established the objective of connecting the population centers of the country with a system of two-lane roads which would also serve as the main arteries of a more extensive system reaching all productive areas.

At that time, it appeared to many that the country was embarking upon a task so large and costly as to be far beyond its means. Federal funds furnished an incentive toward the construction of highways that resulted in the purchase of more motor vehicles. Soon these vehicles were producing large amounts of revenue in registration fees and gasoline taxes. These funds were used to build still more roads. Through the twenties and thirties the process of more Federal aid, more roads, more motor vehicles, and more funds for still more roads continued. Highway transportation became an important factor in practically every phase of our social and economic life.

Prior to the war the 233,000-mile Federal-aid system had been improved in some degree throughout almost its entire length, largely with two-lane surfaces. The goal set in 1921 had been reached.

Highway use had become essential in the daily life of almost every citizen. Highways were used to transport farm products to market, children to school, products of mines and forests to places of use, by industry, and for the daily movement of millions of people to and from work.

Our tremendous effort in war production, one that far surpassed anything our enemies expected, was made possible only by a network of highways reaching all parts of the country. Highways were essential in building war plants and homes for workers, in the movement of workers to and from the plants, in feeding the workers, in delivering materials to the plants, in the interchange of parts and partly processed material between plants, and in the rapid delivery of completed material. Throughout the war our main highways that make up the Federal-aid system teemed with war traffic. We hope that they will not be needed again for such traffic, but readiness in this respect is just as necessary as any other phase of national defense.

In the years before the war it became increasingly evident that there was need for much more highway improvement, according to standards greatly advanced beyond those used in the twenties and early thirties. Grades, curves, and surface widths designed for the early motor vehicle traffic were not suitable for the swiftly moving masses of modern vehicles.

The serious highway deficiencies became more conspicuous during the war period. Great service was rendered by highway transport, but it fell far short of being the best, most rapid, and cheapest service possible. Congestion, delays, and accidents on main routes, particularly in and near cities greatly hampered war traffic.

Influenced by knowledge of prewar highway inadequacies and experiences with war transport, Congress enacted the Federal-aid Highway Act of 1944 authorizing a broad program of improvement. The legislation was based on detailed surveys and studies made before the war, and was designed to meet highway needs of all kinds.

This and supplementary legislation authorized a total of over $1,000,000,000 for primary Federal-aid highways, $720,000,000 for secondary or farm-to-market roads, and $600,000,000 for urban sections of the Federal-aid system.

The program was slow in getting under way at the close of the war. Disruptions caused by the war, high prices, and shortages of many kinds greatly delayed progress. These troubles gradually disappeared and during the past 2 years excellent progress has been made.

Statistics showing the accomplishment with postwar funds are impressive. Completed work includes 57,576 miles of road, 7,619 bridges, 232 grade crossings eliminated; 60 grade-crossing elimination structures reconstructed, and 464 grade crossings protected by warning devices. This work cost $1,900,000,000, the Federal contribution amounting to $960,000,000.

Although the 1950 construction season is not yet under way in most of the country, there are nearly 10,000 miles of Federal-aid highway classified as under construction—much of it inactive because of the season of the year—and over 4,000 miles have been approved for construction and should be placed under construction soon.

Summarizing these classes of work shows that the Federal postwar program has provided or will soon provide nearly 72,000 miles of road, 10,503 bridges, 405 grade-crossing eliminations, and 105 grade-crossing elimination structures as replacements at a total cost of $2,900,000,000 with the Federal Government contributing close to $1,500,000,000.

PRIMARY FEDERAL-AID HIGHWAYS

Let us examine the parts of this program and the character of work being done. The work of greatest general interest and service is that on the primary Federal-aid system, consisting of 233,000 miles of main highways. These are the main highways interconnecting cities of all sizes.

For the greater portion of the system two-lane highways will be adequate for a number of years to come. However, conditioning these two-lane roads for safe and expeditious movement of modern vehicles presents one of the major problems to be solved. A portion of the mileage needs widening to four lanes.

Because of the large accumulation of worn-out surfaces that cannot be maintained at reasonable cost, it is not surprising to find most of the State highway departments assigning Federal-aid funds to obtain the maximum of resurfacing and widening.

The problem of replacing surfaces on the primary Federal-aid system as they wear out and can be kept in use only through very high expenditures for maintenance is a serious one. For rural portions of the system the average age and the percentage expected to wear out in the next 10 years are as follows:

Average age in years:	
Low-type surfaces	10.6
Intermediate-type surfaces	8.2
High-type surfaces	13.5
Total	10.7
Percentage of mileage that will wear out in next 10 years:	
Low-type surfaces	93.5
Intermediate-type surfaces	74.0
High-type surfaces	44.0
Total	64.4

Large expenditures on these highways are inevitable, either for maintenance when it would be more economic to reconstruct, or for reconstruction. There is danger that lack of funds will create too much tendency toward resurfacing alone when correction of grades and curvature is necessary for complete modernization. In many States Federal aid furnishes the margin that makes possible full modernization on work that is done.

The $1,080,000,000 in Federal funds provided since the war for primary Federal-aid highways has permitted the improvement of many highways that were difficult and dangerous to travel. Improvements have been completed on 18,357 miles of highway, 3,041 bridges, 182 grade-crossing eliminations, and 44 grade-crossing elimination structure replacements. This work cost nearly $1,000,000,000, the Federal Government supplying approximately half. If we include projects now under construction and those approved for construction there results a total of 23,038 miles of highway, 4,214 bridges, 182 grade-crossing eliminations, and 67 replacements of obsolete grade-crossing elimination structures.

URBAN HIGHWAY IMPROVEMENTS

No phase of the Federal-aid program meets a more pressing need than that of improving the main routes in and near cities. In past years State and Federal highway funds have been concentrated mainly on the rural roads. The improvements made have generated great streams of traffic that encounter narrow, congested roads and streets as they approach our cities. There they must pass over routes laid out and built to accommodate the horse-drawn traffic of a city of the size that existed long ago. Narrow widths, parked vehicles, and conflicts with cross traffic cause intolerable delays and many accidents. Modern improvements at great cost are needed. For the largest cities the only possible solution is the construction of express highways.

The Federal Government has authorized $600,000,000 in postwar funds for use on urban sections of Federal-aid highways. Availability of the funds has greatly stimulated action by States and cities in the planning of projects and in obtaining necessary funds. Every city wants all the improvements possible and wants them now. There is considerable pressure upon State authorities to spread available funds too thin in too many places rather than to make the necessary concentration of funds for permanent solution where congestion is worst.

The Bureau of Public Roads has emphasized the importance of applying Federal-aid urban funds to projects that will give a permanent solution where congestion and accidents are worst.

In and near Washington are some excellent examples of the kind of work being done or planned for practically every large city. A four-lane bridge across the Potomac nearing completion will eliminate the long columns of vehicles that back up every morning and afternoon on the approaches to the present bridge. The new Whitehurst elevated expressway leading to Key Bridge serves a free flowing traffic that once fought its way in a bumper-to-bumper column along M Street in a succession of starts and stops.

In my own State, Nebraska, there are two large urban projects that will greatly relieve congestion. In Grand Island a subway with a 48-foot pavement on one of the most heavily traveled routes is nearing completion. In Omaha, work will soon begin on the Q Street bridge, a magnificent and urgently needed structure that will cost close to $1,000,000.

In the Federal postwar urban program 571 miles of highway, 398 bridges, 79 grade-crossing eliminations, and 8 replacements of obsolete grade-crossing elimination structures have been completed. This work cost $275,000,000, the Federal Government contributing $63,000,000. Work under construction or approved for construction will bring the totals to 852 miles of highway, 762 bridges, 174 grade-crossing eliminations, and 16 replacements of obsolete grade-crossing elimination structures.

Statistics of this kind are inadequate to describe the real value of the improvements being made. One has to spend an hour or more fighting his way through the congestion of a city with obsolete main arteries and then breeze through another city on an expressway at 35 to 40 miles an hour to appreciate what expressways mean. Their cost is great, often $2,000,000 or $3,000,000 or more per mile but the highway cost per mile of vehicle travel is almost always less than similar costs on less heavily traveled highways.

THE NATIONAL SYSTEM OF INTERSTATE HIGHWAYS

The Federal-aid Highway Act of 1944 authorized the designation of a national system of interstate highways not exceeding 40,000 miles in extent. This system has been selected by joint action of the State highway departments and the Bureau of Public Roads. It is composed of the most important routes of the Federal-aid primary system. No special Federal funds have been provided for this system but since it is a part of the Federal-aid primary system it is being improved with funds provided for that system.

The action taken has had the desirable effect of centering attention on the most important routes of the Nation, both their rural and urban sections. The Bureau of Public Roads has cooperated with the American Association of State Highway Officials in the formulation of high standards for the system. A large portion of the notable projects in the Federal-aid program are on this system. They include many sections of divided four-lane highways, urban expressways, large bridges, and elimination of railroad grade crossings.

In my own State the most heavily traveled highway is included. This is the transcontinental route that passes through Chicago, Omaha, North Platte, Cheyenne, Salt Lake City, and on to San Francisco. Beyond North Platte there is a branch to Denver. The route is the main artery of east-west traffic across Nebraska and there is every reason for improving it to meet modern conditions at the earliest possible date.

A recent report by the Bureau of Public Roads, prepared with the assistance of the State highway departments, shows the large amount of work needed on the interstate system. To make the system adequate for present traffic and that expected in the immediate future will require the expenditure of $11,300,000,000.

Nebraska estimates that 454 miles of the system in rural areas and 6.7 miles in urban areas require further improvement at a total cost of $48,000,000.

SECONDARY ROADS

The provision of $720,000,000 in the postwar program for secondary roads has resulted in a more businesslike attack on the secondary road problem than ever before. Secondary roads are being better planned, better built, and constructed in greater quantity. The program has extended engineering aid and cooperation by the State highway departments into 2,990 counties or about 97 percent of the 3,070 counties.

A Federal-aid secondary system of 393,000 miles has been designated through cooperation of county, State, and Federal agencies. Scientific methods were used in the selection of routes, thus assuring improvement of roads most needed and of widest benefit. Benefits of the Federal funds have been widely distributed. Improvements have been or will soon be made in over 2,800 of the 3,070 counties in the United States.

Work already completed includes 38,600 miles of road, 4,180 bridges, 37 grade-crossing eliminations, and replacement of 8 obsolete grade-crossing elimination structures. The Federal Government paid approximately half of the total cost of $640,000,000.

The totals of work completed, under construction and approved for construction are 48,000 miles of highway, 5,527 bridges, 49 grade-crossing eliminations and 22 replacements of obsolete grade-crossing elimination structures.

Reports from all parts of the country show the great value of the improvements being made and the advantages of State technical assistance in planning and directing the work. The program has included a surprising number of roads serving highly productive agricultural areas that were of more than average cost because of natural obstacles. In past years many such roads have been badly needed but could not be built because of lack of funds. Examples are roads across swamps, on causeways across lakes, and through mountainous areas.

One of the best examples of benefits derived is found in my own State. Cherry County in Nebraska is in the sand-hill country where the native grasses produce sleek cattle and the sand produces terrible travel conditions. Sand-hill trails to the ranches, even when partly stabilized with straw or topsoil, limit average speed to 10 or 15 miles per hour. When snow falls practically all travel ceases. In recent years State and Federal secondary road funds have been used to convert a sand trail across the county to an all-weather highway. As one rancher puts it, "improved roads remove much of the fear of being unable to secure help, supplies, or medical attention because of transportation barriers." The road across Cherry County was of great value in the severe winter of 1948–49. It was quickly cleared of snow by State forces and used as a main artery in movement of snow-removal equipment and supplies to the areas east and west. Where cattle were formerly driven long distances from the ranch on the way to market they are now picked up by trucks from corrals along the road.

IMPORTANCE OF FEDERAL AID TO NEBRASKA

To fully understand the benefits of the Federal-aid program it is necessary to go into some particular State and study the highway needs and the importance of Federal aid in meeting these needs. Nebraska is an excellent example for such study. Highways are of the greatest importance to the people of the State in making use of its resources. It is important to the people of other States that Nebraska have good highways since the meat and other foods that it produces feed many people beyond its borders and streams of traffic from east and west flow across the State.

Delivery of livestock to the big markets at Omaha and Sioux City, Iowa, is necessary for a large portion of Nebraska producers. Well-fattened stock must be transported from ranch and farm without suffering from hunger, thirst or other discomfort that will cause them to lose weight and the producer to lose profit. It is a decided advantage for the producer to make delivery on short notice and sell on a favorable market. These factors have led to a continual growth in the proportion of livestock delivered by highway. The accompanying table shows this marked trend and also the remarkable growth in the total deliveries:

Livestock receipts and percent of "drive-in" [1] *receipts at Omaha, Nebr., and Sioux City, Iowa*

Year	Cattle and calves	Percent drive-in	Hogs	Percent drive-in
OMAHA				
1937	1,459,375	56.0	1,109,682	75.9
1940	1,326,163	72.2	2,061,508	68.5
1945	1,970,037	74.7	1,802,257	62.2
1948	1,628,146	74.1	2,331,447	84.6
SIOUX CITY				
1937	700,443	70.2	827,170	91.4
1940	797,074	77.9	1,709,589	83.2
1945	1,528,504	70.5	1,355,357	82.7
1948	1,205,115	75.1	1,812,302	95.8

[1] The term "drive-in" designates livestock received other than by rail.

Source: U. S. Department of Agriculture.

Deliveries by highway in 1948 were about double what they were in 1946. The livestock trucks must have good road surfaces on which to operate. The existing surfaces have been a big factor in raising production to its present level.

Nebraska has 105,000 miles of highways of all kinds, including city streets. Of this mileage, 71,800 miles or nearly 70 percent is still unsurfaced and the condition of the surfaced roads is by no means adequate for present traffic. A comprehensive study of Nebraska road and street needs was made in 1948 by Nebraska State authorities. The cost of meeting the needs on the three major road systems was found to be as follows:

State highways	$259,000,000
County roads	120,000,000
City and village streets	86,000,000
Total	465,000,000

In addition to these construction requirements the people of the State must continue to maintain the existing highways.

The urgency of the needs and their great cost present a perplexing problem to the people of the State. Since there are only 13 people to each mile of highway it is not an easy matter to obtain the needed revenue. Yet, since the State depends mainly on agriculture and stock raising for its prosperity, it must have good highways for these operations.

The Nebraska Department of Roads and Irrigation reports that during the 16-year prewar period 1926–41 inclusive the State spent on an average of $7,500,000 annually for State highway improvements. Due to increased costs and improved design made necessary by increased traffic and heavier loads, a mile of road today costs at least double what it did during the 16-year period.

Almost everything purchased in building a highway costs double what it did before the war. Our State engineer tells me that the highway department purchased 2,600,000 gallons of gasoline in 1937 which cost 6.83 cents per gallon, exclusive of tax. In 1949 2,700,000 gallons were purchased at 12.05 cents per gallon, exclusive of tax. Gasoline is costing 76 percent more than it did before the war.

If progress on highways is to be kept at the prewar level at least $15,000,000 must be provided for highways. Action by the State legislature increased the gasoline tax from 5 to 6 cents, effective in May 1949. The additional highway revenue and continuation of Federal aid will permit the State to just about equal the prewar progress. This will be far below a satisfactory rate, but we can take some satisfaction in the recovery of lost ground.

Without Federal aid the situation would have been far worse. Nebraska has been apportioned nearly $40,000,000 in Federal postwar funds. This substantial sum and the necessity of matching have furnished the incentive toward providing more State revenues and increasing the size of the road program. Many major improvements are being made in our highways to serve the ever-increasing number of motor vehicles and intensity of use by the heavier vehicles. Postwar Federal-aid funds have been used to complete over 1,400 miles of highway. Additional projects programed with available funds or in a more advanced stage will bring the total to nearly 2,500 miles. This is a substantial achievement.

Compared with total needs the progress is not yet satisfactory but it does represent a marked improvement. Federal aid is a necessity to the State if it is to go forward rather than backward.

COORDINATION AND RESEARCH RESULTING FROM FEDERAL AID

The policy of Federal aid to the States has resulted in marked benefits other than the actual construction of many miles of highway. It has brought together the highway officials of all of the States and the Bureau of Public Roads to discuss common interests and problems. The degree of uniformity that exists on our highways is largely attributable to this factor. The Nation has benefited through the common effort in the designation of all of our major highway systems and in the production of reports on the condition of these systems that have been used as a basis in the determination of national highway policy.

A large part of the Nation-wide cooperative effort is through the American Association of State Highway Officials, organized in 1914 to foster adoption of Federal aid and to discuss and plan operations. This cooperation has resulted in the adoption of high standards for the various highway systems, specifications for materials, methods of testing, methods of construction, and numerous manuals for use in design. These products have become the standards for American highway practice and are widely used throughout the world.

As a guide in administering the Federal-aid program and also for use in developing standards of the Association of State Highway Officials, the Bureau of Public Roads has conducted extensive

physical research. It has continuously studied the characteristics of various materials and their most effective use in construction, the effect of vehicles and weather on highway surfaces, and the behavior in service of various types of construction. Work is done at the research station at Arlington, Va., in field tests at selected locations, and in cooperation with the States on Federal-aid projects. The kind of soil on which a highway is constructed has great influence on the life of the surface. Good soils permit economies in construction. Poor soils such as clay require more substantial surfaces. The Bureau has developed scientific methods of surveying soils, testing them, and applying the information in design and construction. This work has been of particular importance in the construction of low-type roads with local materials.

Many different types of road surface are now constructed with tar and asphalt with far greater success than was attained 20 or 30 years ago. Results from laboratory studies and field experiments have been applied to improve the qualities of high-type pavements and to make possible the construction of low-type roads with materials close at hand.

As a result of many discoveries concerning the characteristics of cement and other materials that go into concrete, the strength and durability of concrete roads and bridges have been greatly increased.

In various sections of the country there have been road failures because of the chemical content or other characteristics of materials. Sometimes the cause is a combination of material characteristics and climatic effects. The trained specialists of the bureau study such failures, make laboratory tests to determine the cause and devise methods of avoiding failures.

One of the most important investigations has been to determine the forces that the wheels of motor vehicles apply to road surfaces and bridges, and the effect of these forces on the surface or structure. The information derived has been essential in the enactment of laws regulating the weights of vehicles to avoid excessive damage to highways and in the design of road surfaces and bridges to withstand legal loads.

No one knows with any accuracy the return that has been made from expenditures for physical highway research but, with each State spending many millions of dollars annually for highways, it is certain that the small Federal expenditure has produced a big return in better highways.

Mr. TABER. Mr. Chairman, I yield 45 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, the Committee on Appropriations of the House has given its answer to millions of people throughout the length and breadth of this land of ours who are crying for reduced taxes and for reduced living costs. The answer, Mr. Chairman, seems to be to "let 'em cry."

Against the enormous expenditure of $42,400,000,000 recommended by the President of the United States, of which $24,400,000,000 is contemplated in the requests passed upon in connection with this bill, the committee has effected a reduction in expenditure amounting to $204,000,000.

That is less than 1 percent of the over-all total recommended. It amounts to $1.35 per person in the United States.

The average American today is paying more than one-quarter of his income to the tax collector. The average American is squeezed between inflated prices, on the one hand, and sky-high taxes, on the other hand. The Nation is being driven down the road, by taxes and constantly increasing debt, to bankruptcy and dictatorial government.

The answer suggested by your committee in this bill is a reduction in spending of $1.35 per person.

Mr. Chairman, the committee has taken credit for a reduction in expenditure of $979,000,000. Upon analysis, however, this claimed reduction largely disappears. It is a mirage—now you see it, now you do not.

If we examine this claimed reduction closely, we find in the first place—and this is not an inclusive figure—that at least $380,000,000 of the total claimed reduction is of a character which cannot be counted upon. I say this because the items involved depend for their size, in the last analysis, not upon committee decisions but upon the law.

I have in mind such apparent reductions as are included with respect to veterans' pensions, with respect to veterans' readjustment benefits with respect to the Railroad Retirement Board, with respect to the Civil Service Retirement Fund, and with respect to hospital-construction grants.

There may be further items, but there are at least $380,000,000 of claimed reductions which cannot be counted upon.

In addition to that, Mr. Chairman, the committee seems to have claimed an increase in income of $395,000,000 at one point and of $125,000,000 at another point, both because of anticipated increase in postal rates.

The total increase anticipated by the President was $395,000,000, and, as a practical matter, the only step in that direction up to date is favorable action by the House on a bill contemplating an increase of $125,000,000. The maximum that can be claimed therefore in this connection is $125,000,000 instead of $520,000,000.

If we take the $380,000,000 of claimed reduction that canont be counted upon, and allow $125,000,000 increase for postal revenues, but take off the other $395,000,000, we have a total of $775,000,000 which, deducted from the over-all claim of $979,000,000 leaves us as a maximum reduction in expenditure that can be counted on $204,000,000.

That, as I have already indicated, is equivalent to a reduction of $1.35 per person in the United States.

Mr. Chairman, the Congress must do what the committee has failed to do. The Congress must eliminate waste and extravagance in the reckless requests for expenditure which have been submitted to the Congress by the President. The Congress must heed the cries of the people for less spending, for lower taxes, for lower living costs, and for the preservation of what is left of the dollar.

America must remain strong in this time of world crisis, and to remain strong America must remain solvent. We cannot possibly measure up to our tremendous obligations at home and abroad while floundering in a sea of red ink.

Mr. Chairman, we are confronted by an unparalleled national debt. The direct debt which we usually refer to approaches $256,000,000,000. That means a debt of about $6,400 for every family of four in America. If we include contingent obligations, obligations in respect to which the Federal Government has a secondary liability, the over-all debt approaches $430,000,000,000, or $10,750 for every family of four in America.

We are confronted also with a further deficit some 3 months hence of between five and six billions of dollars.

We are confronted with a tax burden of between five and six times the tax burden prior to Pearl Harbor.

We are confronted by the fact, as the gentleman from Texas [Mr. MAHON] has pointed out, that the maximum revenues in sight for fiscal 1951 amount to only $37,300,000,000.

That is the important figure to be kept in mind throughout the consideration of this bill, Mr. Chairman. It is in order to consider appropriations against that over-all figure that the omnibus appropriation bill has been adopted this year for the first time.

Against this background, Mr. Chairman, against these revenues of $37,300,000,000, the President has submitted to the Congress the largest peacetime appropriation request in the history of the country, carrying with it, as I have said, an anticipated over-all expenditure of $42,400,000,000.

If that expenditure is made, it means a further deficit in fiscal 1951 of $5,100,000,000, and a further increase in our direct national debt up to somewhere around $266,000,000,000.

You will find the over-all expenditure to which I have referred included in three separate items in the committee report. First, there are the items of expenditure specifically included in this bill amounting to $23,423,000,000. Second, there are the items of expenditure which are to be met out of prior-year appropriations and revolving funds amounting to $7,079,000,000. Third, there are the items of expenditure not considered at all in this bill, such as requirements for the Senate, permanent appropriations, expenditures out of non-appropriated funds, expenditures for various items of foreign aid, and expenditures involved in new legislation that is proposed, amounting to $10,955,000,000. The over-all total is $41,459,000,000.

You will find the first two items in a table on page 6 of the committee hearings. The third item is in a table on page 7 of the committee hearings. A

further break-down of item 3 is in another table that has been presented to the committee in this connection. I shall insert all three tables, under leave to extend my remarks, at this point in the RECORD:

I

Analysis of estimated expenditures for the fiscal year 1951

Organization unit	Budget estimates		Recommended in bill		Bill compared with budget estimate	
	Appropriations in this bill	Expenditures in 1951 from appropriations in this bill	Appropriations	Revised estimate of expenditures in 1951 from appropriations in this bill	Appropriations	Expenditures
Legislative branch (excluding the Senate)	$65,296,396	$53,549,003	$56,822,450	$46,015,553	−$8,473,946	−$7,533,450
The judiciary	24,113,700	24,956,526	23,560,165	24,376,526	−553,535	−580,000
Executive Office of the President	10,492,553	9,712,053	9,947,553	9,252,053	−545,000	−460,000
Independent offices	8,149,421,777	7,801,784,288	7,629,304,944	7,532,261,888	−520,116,833	−269,522,400
Federal Security Agency	1,635,083,600	1,459,548,159	1,591,784,590	1,418,438,159	−43,299,010	−41,110,000
General Services Administration	861,883,194	749,471,696	836,126,434	724,009,696	−25,756,760	−25,462,000
Housing and Home Finance Agency	47,000,000	46,009,632	23,400,000	22,629,632	−23,600,000	−23,380,000
Department of Agriculture	806,278,446	701,354,465	764,032,701	664,470,655	−42,245,745	−36,883,810
Loan authorizations	(610,000,000)	185,130,000	(520,350,000)	168,130,000	−(89,650,000)	−17,000,000
Department of Commerce	782,419,000	759,059,847	725,429,000	703,803,847	−56,990,000	−55,256,000
Department of Defense:						
Military functions	13,025,000,000	9,957,043,330	12,822,182,300	9,815,503,330	−202,817,700	−141,540,000
Civil functions	834,867,500	564,382,500	632,620,000	429,644,500	−202,247,500	−134,738,000
Department of Interior	669,251,505	524,532,029	621,634,130	488,605,629	−47,617,375	−35,926,400
Department of Justice	147,425,800	137,603,660	144,230,000	134,645,160	−3,195,800	−2,958,500
Department of Labor	220,014,700	175,938,771	208,573,100	173,270,771	−11,441,600	−2,668,000
Post Office Department (payable from general fund of Treasury)	554,607,000	554,607,000	401,500,000	401,500,000	−153,107,000	−153,107,000
Department of State	230,077,397	167,321,355	217,651,297	161,166,455	−12,426,100	−6,154,900
Treasury Department	576,548,600	519,317,664	545,605,000	494,109,064	−30,943,600	−25,208,600
District of Columbia	12,000,000	12,000,000	12,000,000	12,000,000		
Bill total	28,651,781,168	24,403,321,978	27,266,403,664	23,423,832,918	−1,385,377,504	−979,489,060
Estimates of 1951 expenditures out of prior year appropriations, working, transferred, and revolving funds		7,079,776,516		7,079,776,516		
Items not considered in this bill [1]	11,592,751,053	10,955,658,912	11,592,751,053	10,955,658,912		
Budget total	40,244,532,221	42,438,757,406	38,859,154,717	41,459,268,346	−1,385,377,504	−979,489,060

[1] Represents budget estimates of anticipated appropriations and expenditures for the Senate, foreign aid, permanents and indefinites, proposed legislation, nonappropriated funds, etc.

II

The amounts shown at the foot of the foregoing table as "not considered in this bill" are enumerated as follows:

	1951 appropriations	1951 expenditures
Proposed legislation (1950)		$78,500,000
Proposed legislation (1951)	$4,452,316,000	2,356,696,400
Nonappropriated funds		2,086,949,973
U. S. Senate	12,486,891	12,334,155
Expenses, occupied countries	350,000,000	196,000,000
Mutual defense assistance (liquidation of present contract authority)	500,000,000	100,000,000
Reserve for contingencies	211,969,631	170,800,000
Permanent and indefinite appropriations	5,949,018,531	5,842,953,384
1951 supplementals under existing legislation	116,960,000	111,425,000
Total	11,592,751,053	10,955,658,912

III

Items not considered in this bill—Proposed legislation fiscal year 1950

	1951 appropriations	1951 estimated expenditures
Funds appropriated to the President:		
Assistance to the Republic of Korea		$55,000,000
Relief of Palestine refugees		20,000,000
Department of Commerce:		
Civil Aeronautics Administration, construction of public airports, Alaska		3,500,000
Total		78,500,000

Items not considered in this bill—Proposed legislation fiscal year 1951

	1951 appropriations	1951 estimated expenditure
Funds appropriated to the President:		
Assistance to economically underdeveloped areas (point 4)	$35,000,000	$25,000,000
Assistance to the Republic of Korea	115,000,000	55,000,000
Disaster relief	5,000,000	5,000,000
Economic cooperation: Foreign assistance and other foreign aid	3,100,000,000	1,700,000,000
Mutual defense assistance	647,500,000	200,000,000
Independent offices:		
Expanded displaced persons program (Displaced Persons Commission)	2,640,000	2,430,000
Extension of rent control (Office of Housing Expediter)	16,000,000	15,000,000
Fair Employment Practice Commission	700,000	600,000
National Science Foundation	500,000	400,000
Selective service program (Selective Service System)	4,226,000	3,923,000
Federal Security Agency:		
Education of children on Federal properties and emergency areas	7,000,000	7,000,000
General aid for operating expenses, elementary and secondary schools	300,250,000	290,240,000
General assistance to college students	1,000,000	900,000
Expansion of vocational rehabilitation program	4,300,000	4,279,000
Surveys and emergency construction, elementary and secondary schools	45,200,000	22,190,000
Public Health:		
Aid to medical education	45,000,000	30,000,000

Items not considered in this bill—Proposed legislation, fiscal year 1951—Continued

	1951 appropriations	1951 estimated expenditure
Federal Security Agency—Continued		
Public Health—Con.		
Increased aid to local public health services	$5,000,000	$4,500,000
Health services for school children	35,000,000	25,000,000
Extension of public assistance programs	250,300,000	200,280,000
Increased grants to States for maternal and child welfare	9,500,000	6,930,000
Housing and Home Finance: Cooperative housing for middle-income families	35,000,000	35,000,000
Agriculture: Administration, Commodity Exchange Act	780,000	700,000
Commerce:		
Civil Aeronautics Administration: Construction of public airports, Territory of Alaska		
Bureau of Public Roads: Forest highways, Alaska	2,888,000	2,888,000
Inland Waterways Corporation	3,000,000	3,000,000
Defense:		
Department of Defense: Military functions	131,722,000	70,000,000
Department of the Army: Civil functions, Corps of Engineers, St. Lawrence seaway and power project	6,000,000	4,000,000
Interior:		
General investigations, research, and utilization of salt water, Bureau of Reclamation	500,000	500,000
Baltimore-Washington Parkway (National Park Service)	3,000,000	2,000,000
Post Office: Proposed postal rate increase	−395,000,000	−395,000,000

Items not considered in this bill—Proposed legislation, fiscal year 1951—Continued

	1951 appropriations	1951 estimated expenditure
Justice: Civil rights program	$300,000	$740,000
Labor:		
Expansion of unemployment insurance program:		
Administration and reinsurance	12,525,000	12,373,400
Unemployment compensation payments to Federal workers	13,500,000	13,365,000
Industrial safety program	6,000,000	5,973,000
State: Contribution to international organizations	2,485,000	2,485,000
Total	4,452,316,000	2,356,696,400

Items not considered in this bill—1951 estimated expenditures from nonappropriated funds

	1951 appropriations	1951 estimated expenditures
Independent offices:		
Export-Import Bank of Washington		$47,800,000
Reconstruction Finance Corporation		1,128,466,241
Tennessee Valley Authority		[1] 8,936,000
Housing and Home Finance Agency		35,327,411
Department of Agriculture		912,875,421
Department of Defense		[1] 29,000,000
Department of the Interior		26,400
Department of State		390,500
Total		2,086,949,973

[1] Excess of receipts over expenditures.

Items not considered in this bill—foreign aid fiscal year 1951

	1951 appropriations	1951 estimated expenditures
Funds appropriated to the President: Mutual defense assistance	$500,000,000	$100,000,000
Department of Defense: Government and relief in occupied areas	320,000,000	178,000,000
Department of State: Government in occupied area of Germany	30,000,000	18,000,000
Total	850,000,000	296,000,000

Items not considered in this bill—Reserve for contingencies

	1951 appropriations	1951 estimated expenditures
Total as per budget estimate	$200,000,000	$175,000,000
Budget amendments:		
Legislative	−73,375	
Department of Agriculture	−1,600,000	−1,900,000
Department of Interior	+245,600	

Items not considered in this bill—Reserve for contingencies—Continued

	1951 appropriations	1951 estimated expenditures
Budget Amendments—Con.		
Department of Commerce		+$600,000
Department of State	−$2,902,594	−2,900,000
Atomic Energy Commission	+16,300,000	
Revised total	211,969,631	170,800,000

Items not considered in this bill—Permanent and indefinite appropriations, fiscal year 1951

	1951 appropriations	1951 estimated expenditures
Total carried in table	$5,949,018,531	$5,842,953,384
Major items are—		
Interest on the public debt	5,625,000,000	5,625,000,000
Refunds and draw-backs (customs)	16,000,000	16,000,000
Alaska Railroad special fund	14,100,000	12,100,000
Payments to States under Mineral Leasing Act	13,500,000	13,500,000
Exportation and domestic consumption of agricultural commodities	110,000,000	54,047,000
Other (miscellaneous)	96,314,531	48,402,384
Interest on refunds of internal revenue receipts	74,104,000	73,904,000

Items not considered in this bill—1951 supplementals under existing legislation

	1951 appropriation	1951 estimated expenditures
Agriculture:		
Eradication of foot-and-mouth and other contagious diseases of animals and poultry	$19,550,000	$16,500,000
Research facilities, animal industry, Agricultural Research Administration	4,500,000	3,500,000
International wheat agreement (reimbursement to Commodity Credit Corporation)	82,385,000	82,385,000
Commerce: Civil Aeronautics Administration: Claims, Airport Act	1,000,000	600,000
Defense: Panama Canal: Maintenance and operation	4,000,000	3,500,000
Interior:		
Management of lands and resources, Bureau of Land Management	50,000	40,000
Management and protection, National Park Service	250,000	200,000
Indian resources management, Bureau of Indian Affairs	125,000	100,000
State: Consolidation of building space in New York	5,100,000	4,600,000
Total	116,960,000	111,425,000

The over-all total of $41,459,000,000, of course, includes the claimed reduction of $979,000,000.

The third table, Mr. Chairman, is particularly interesting, because it includes the items proposed for foreign aid and for new legislation, amounting to some $2,400,000,000.

Further savings are, of course, possible in this field. It is obvious, however, that further and substantial reductions must be effected in the bill before us if we are even to approach a balanced Federal budget.

I have here, Mr. Chairman, a rather interesting table in respect to Federal receipts and expenditures over a 40-year period. The table shows that during the period from 1910 to 1949 there was a Republican administration in Washington for 15 years and a Democratic administration for 25 years. It shows the Republicans had control of the House 15 years and the Senate 19 years and that the Democrats had control of the House for 25 years and the Senate for 21 years.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. WIGGLESWORTH. Mr. Chairman, under the Democratic administration there were deficits in 18 out of the 25 years, and of course, there are further deficits anticipated of between five and six billion dollars this year and between four and five billion dollars in the next year.

If we eliminate the eight war years, 1917 to 1919 and 1942 to 1946 the result is 10 deficit years out of 17 years controlled by a Democratic administration, with two more deficits estimated, in comparison with 15 years of control by a Republican administration with only three deficit years.

A comparison of results of fiscal operations during years of control of the House by each party shows a similarly striking picture. Twenty-five years of control by the Democrats resulted in 19 deficit years with a twentieth, and twenty-first deficit a practical certainty in the current and succeeding fiscal years. Eliminating the war years results in a Democratic House showing of 11 deficit years out of 17 with 2 more to follow. On the other hand, the 15 years of Republican control of the House produced only two deficit years.

Twelve successive years of Republican control, 1919 through 1930, resulted in 11 successive reductions in the national debt as a result of annual surpluses. The per capita debt was steadily reduced from $242.54 in 1919 to $131.51 in 1930. The next 11 years of control of the House by the Democrats, 1931 to 1941, produced annual deficits and a constant increase in the per capita debt from $135.45 in 1931 to $367.57 in 1941.

Under leave to extend my remarks, I shall include the table at this point in the RECORD:

Fiscal year	Majority party [1] [2]			Millions of dollars				Per capita debt
	House	Senate	Administration	Receipts	Expenditures	Surplus or deficit (−)	Public debt	
1910	Republican	Republican	Republican	676	694	−18	1,147	$12.41
1911	Democrat	do	do	702	691	11	1,154	12.29
1912	do	do	do	693	690	3	1,194	12.52
1913	do	Democrat	Democrat	724	724		1,193	12.27
1914	do	do	do	735	735		1,188	11.99
1915	do	do	do	698	761	−63	1,191	11.85
1916	do	do	do	782	734	48	1,225	12.02
1917	do	do	do	1,124	1,978	−854	2,976	28.77
1918	do	do	do	3,665	12,697	−9,032	12,244	117.11
1919	Republican	Republican	do	5,152	18,515	−13,363	25,482	242.54
1920	do	do	do	6,694	6,403	291	24,299	228.23
1921	do	do	Republican	5,625	5,116	509	23,977	220.91
1922	do	do	do	4,109	3,373	736	22,963	208.65
1923	do	do	do	4,007	3,295	712	22,350	199.64
1924	do	do	do	4,012	3,049	963	21,251	186.23
1925	do	do	do	3,780	3,063	717	20,516	177.12
1926	do	do	do	3,963	3,098	865	19,643	167.32
1927	do	do	do	4,129	2,974	1,155	18,512	155.51
1928	do	do	do	4,042	3,103	939	17,604	146.09
1929	do	do	do	4,033	3,299	734	16,931	139.04
1930	do	do	do	4,178	3,440	738	16,185	131.51
1931	Democrat	Republican	Republican	3,190	3,652	−462	16,801	$135.45
1932	do	do	do	2,006	4,741	−2,735	19,487	156.10
1933	do	Democrat	Democrat	2,080	4,681	−2,601	22,539	179.48
1934	do	do	do	3,116	6,745	−3,629	27,053	214.07
1935	do	do	do	3,800	6,591	−2,791	28,701	225.55
1936	do	do	do	4,116	8,540	−4,424	33,779	263.79
1937	do	do	do	5,029	7,806	−2,777	36,425	282.75
1938	do	do	do	5,855	7,031	−1,176	37,165	286.27
1939	do	do	do	5,165	9,027	−3,862	40,440	308.98
1940	do	do	do	5,387	9,305	−3,918	42,968	325.59
1941	do	do	do	7,607	13,766	−6,159	48,961	367.57
1942	do	do	do	12,799	34,289	−21,490	72,422	537.80
1943	do	do	do	22,282	79,702	−57,420	136,696	1,001.46
1944	do	do	do	44,149	95,572	−51,423	201,003	1,455.57
1945	do	do	do	46,456	100,397	−53,941	258,682	1,853.21
1946	do	do	do	43,038	63,714	−20,676	269,422	1,907.62
1947	Republican	Republican	do	43,259	42,505	754	258,286	1,793.23
1948	do	do	do	42,210	33,791	8,419	252,292	1,721.29
1949	Democrat	Democrat	do	38,246	40,057	−1,811	252,770	(?)
1950 [3]	do	do	do	37,763	43,297	−5,534	(?)	(?)
1951 [3]	do	do	do	37,306	42,439	−5,133	(?)	(?)

[1] Calendar year.
[2] Inasmuch as the Congress and administration in a given calendar year are largely responsible for the fiscal condition of the ensuing fiscal year, it is logical to charge the results of fiscal operations accordingly.
[3] Estimate.

Source: Financial statistics, 1910 through 1947, Annual Report of the Secretary of the Treasury, June 30, 1948; 1948 and 1949, the Treasury daily statement, June 30, 1949.

Mr. Chairman, in considering the over-all situation which confronts us the experience of the Canadian Government immediately to the north of us in the postwar years is striking and interesting.

In each postwar year the Canadian Government has succeeded in effecting tax reductions so that the total tax reduction in the five postwar years today amounts to almost $1,300,000,000, equivalent in American terms to $17,400,000,000.

It is also interesting to note that in spite of these five annual tax reductions, the annual tax receipts have varied very little.

The greatly increased economic activity resulting from additional purchasing power in the hands of consumers provided an enlarged tax base in addition to providing consumers with goods and services they could not have had without tax reductions.

Here is how the tax-reduction programs have affected revenues:

In the year 1945–46, with a tax reduction of $300,000,000, the revenue dropped $100,000,000.

In the year 1946–47, with a tax reduction of $266,000,000, there was a revenue increase of $183,000,000.

In the year 1947–48, with a tax reduction of $265,000,000, there was a revenue drop of only $5,800,000.

In the year 1948–49, with a tax reduction of $92,000,000 there was a revenue drop of only $10,500,000.

In the year 1949–50, with a tax reduction of $376,000,000, there is an estimated revenue drop of $148,000,000.

Thus, after five successive tax reductions totaling $1,300,000,000 per year at the present time, the estimated 1949–1950 revenues are only $81,000,000 less than in the last war year of 1944–45.

If this country had kept pace with Canada in tax reduction, such reductions would total $17,400,000,000 annually by now. Actually they total about $11,000,000,000. In other words, we need a further cut of about $6,500,000,000 to catch up with Canada.

This is not all, Mr. Chairman. The Canadian Government has not only reduced taxes in every year. It has also reduced its national debt each year, beginning with the first full peacetime fiscal year 1946–47. At the end of 1949–50 the net national debt will have been reduced $1,700,000,000, or 12.9 percent.

Had our Government done equally well since the end of fiscal 1946 our national debt would be reduced by $34,700,000,000 by the end of fiscal year 1950, and at that time would be around $234,000,000,000 instead of around $256,000,000,000, with the trend down instead of up.

On the basis of current population estimates of 13,500,000 for Canada and 150,000,000 for the United States, the per capita debt at the end of fiscal 1950 will be $866 in Canada and $1,723 in the United States.

Mr. Chairman, I am advised that the Canadian budget has been, is, and is expected to be in the next fiscal year, in balance with surpluses in each instance.

I think, Mr. Chairman, that Uncle Sam can afford to take a lesson in the fiscal field from our neighbor to the north.

Now, Mr. Chairman, I want to repeat in passing, that the rate of expenditure at the present time has reached an all time peacetime high. During 8 years under President Woodrow Wilson the average annual expenditure was $5,800,000,000. During the first 8 years under President Roosevelt, before World War II, the average annual expenditure was $8,400,000,000. The average expenditure under President Truman during his first 4¼ years in office amounted to $45,000,000,000.

Furthermore, Mr. Chairman, I want to point out that the over-all expenditure which the President recommends in the coming fiscal year of $42,400,000,000 amounts to more than $8,000,000,000 in excess of expenditure during the fiscal year 1948, which ended only 21 months ago.

Of that increase of more than $8,000,000,000, $5,300,000,000 is in respect to domestic expenditure. It is expenditure recommended outside of foreign aid, outside of national defense, outside of veterans' programs, outside of servicing the national debt.

That increase of $5,300,000,000, Mr. Chairman, amounts to almost a 100 percent increase over expenditure for the same purposes in the fiscal year 1948 and it exceeds by some $200,000,000 the anticipated deficit under the President's recommendations for the fiscal year 1951.

Mr. Chairman, it is impossible to blame the contemplated unbalanced budget for fiscal 1951 solely on the cold war.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Virginia.

Mr. GARY. I wonder if the gentleman has the figures to show how much of that increase is due to the salary increases for Federal employees that have been voted by the Congress of the United States.

Mr. WIGGLESWORTH. I do not have the exact figure in mind. Of course, the main difficulty in all this expenditure increase comes from authorizations which are voted on the floor of the Congress.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from California.

Mr. PHILLIPS of California. I think the figure for which the gentleman from

Virginia asks would be interesting, but I think it would not be accurate unless there were added to it a statement of what reductions in unnecessary employment forces and duplications could have been made in order to absorb the additional salaries, which I think was in the mind of the Congress when they made the additions. It was so stated on the floor, that these additions could be made if the agencies themselves would absorb them without adding to the budget. I find that very few of the agencies made very much effort to do that, so much so that in the subcommittee on which I serve they have pretty well been instructed to do it, if they will not do it of their own volition.

Mr. GARY. I have here the figures for the pay acts that were adopted last year alone. It cost $700,000,000. Of course, it was not my purpose to enter into a discussion at this time as to the propriety of those increases, because Congress debated that question last year and decided it. But I do want to call attention to the fact that the Congress cannot continue to vote for increased costs, and expect the budget to remain the same. In addition to this $700,000,000, we authorized last year approximately $1,000,000,000 a year for low-cost housing. We have authorized various other items. If the Congress continues to vote expenditures of that nature, we must expect the budget to rise.

The total, I understand, is $2,350,000,000.

Mr. PHILLIPS of California. What was that figure?

Mr. GARY. The total cost of the new legislation enacted at the last session of Congress.

Mr. PHILLIPS of California. But the cost of the salary increase was $700,000,000?

Mr. GARY. Yes.

Mr. PHILLIPS of California. I think that is a very interesting figure, because just a rough calculation in my mind would indicate that if the agencies of the Government had let their lapses stand without filling them, they would have absorbed that figure almost to the dollar without any additions.

On the other hand, I think the gentleman should give us the figures of further additions to the bureaucracy, the additions to Government employment over and above what the agencies had a year ago or 2 years ago which I think you will find very interesting; and further his own distinguished Senator from Virginia can give him the figures and tell him how we could have saved more than that money.

Mr. GARY. The facts are we have increased the compensation of postal employees alone $740,000,000 since 1945. I think it should be said in all fairness that there had been no increases whatever for a number of years prior to 1945. Those employees had to pay the additional cost of living just as everyone else, and we had to take that into consideration. What I am interested in bringing out is that we should not get up on the floor of the House and vote for these mandatory increases and then when the budget comes before us, talk about how much the President of the United States has increased the budget, or how much any other agency of the Government has increased the budget, because such increases have largely been through the action of the Congress itself in legislating that these increases shall be made.

When the increases are made, necessarily they must be reflected in the budget which is presented to the Congress.

Mr. PHILLIPS of California. I still insist that there should be some statement made regarding the necessity or advisability of the increases in employment during the same year which, in my mind, is the explanation for the increased budget rather than the increase in salary.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. HOFFMAN of Michigan. The gentleman from Virginia should remember, too, that plan No. 18, which has been sent to us means another increase in compensation of Federal employees. Do not forget that one, and that came down to us from the President. It did not originate here.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. GARY. That came to us from the White House, but it is my understanding it originally was the recommendation of the Hoover Commission.

Mr. HOFFMAN of Michigan. I know, but you have taken that label and pasted it on all the quack remedies.

Mr. GARY. I personally do not think the Hoover Commission report is a quack report. I think it is a very excellent report. I do not think it is altogether perfect. I do think it is a very excellent report, however.

Mr. HOFFMAN of Michigan. I do not say it was a quack report. I said that you had taken the Hoover label or the President has, and pasted it on a lot of quack and cracked remedies. That is what I said.

Mr. GARY. The recommendation that the gentleman just mentioned—was not that a recommendation of the Hoover Commission?

Mr. HOFFMAN of Michigan. Oh, it is just like a lot of other things. Like the one I have in my hand here, to do away with the office of the general counsel and to do away with the wages and hours Administrator and putting it in the Department of Labor. Those things are not in the Hoover report.

Mr. GARY. The one the gentleman referred to at first is in the report. The transfer of the employees from the postal department to the General Services was recommended by the Hoover Commission.

Mr. HOFFMAN of Michigan. Yes, but there is nothing said there about increasing their pay, that is, letting the postal employees take their schedule of pay over to the general services and also grab off additional days of leave.

Mr. GARY. That automatically follows the transfer, does it not?

Mr. WIGGLESWORTH. Mr. Chairman, why do we have this tremendous request before us at this time? Why is it so difficult to eliminate waste and extravagance?

There are many reasons. I want to stress two of them which are important, to my mind, at this time.

In the first place, Mr. Chairman, in my opinion, the necessary leadership by the President of the United States is lacking.

We shall never put this Government on the efficient and economical basis, to which the people of this country are entitled, until the President of the United States, whoever he may be and whatever party he may represent, concludes that this result is vital in the national interest, and puts his back into securing it.

We shall never put this Government on a proper basis as long as the Harry Hopkins' creed of spending and taxing controls Executive thinking.

We all know by experience, Mr. Chairman, the difficulty of effecting economy in the face of opposition by the executive branch of this Government, particularly in the light of the enormous propaganda set-up which it has at its command at this time, a set-up which, as many will recall, the Bureau of the Budget testified only a few years ago amounted to some 46,000 persons, either part time or full time, working at the expense of the people of this country.

We all know equally well how readily substantial economy could be effected if the President of the United States really desired economy.

The so-called Hoover Commission has pointed the road to savings estimated at between three and four billion dollars.

Mere directives to the heads of departments and agencies by the President could effect very substantial economies.

The President, of course, plays a major part in respect to new legislation that is submitted to the Congress, and its cost.

The President could readily control the size of the Federal pay roll.

We have today over 2,000,000 people on that pay roll. All impartial opinion seems to be agreed that the pay roll is grossly overstaffed. The Hoover Commission has pointed out that there is a turn-over in that pay roll of about 25 percent in each and every year. In other words, some 500,000 people on the pay roll in any given year leave their positions for one reason or another.

All that is necessary is to let nature take its course and to rigorously control reappointments when vacancies occur. If that policy were pursued, if vacancies were filled only when absolutely necessary, it would not be long before the swollen pay roll would be down to the size that it ought to be, in terms of efficiency and economy, and no one would

be removed against his will from the pay roll.

These are but examples. The Nation is entitled to the leadership and cooperation of the President in the interest of efficiency and economy at this crucial time.

In the second place, Mr. Chairman, the hands of the Eighty-first Congress were tied when the Democratic leadership of the House allowed the expert bipartisan staff of investigators of the Appropriations Committee to be thrown out of the window at the first meeting of the committee in 1949.

No Appropriations Committee under present conditions can function properly without a skilled staff of investigators.

I sat for a time this year as a member of the Armed Forces Subcommittee. I sat there as a substitute because one member of that subcommittee was compelled to be away from Washington.

There were five Members of this House entrusted with the enormous responsibility of passing upon some $15,000,000,000 worth of requests in terms of appropriations or contract authorizations, or more than one-third of the entire budget.

No expert staff of investigators was available. It was possible only to interrogate the officers in charge of the several divisions of the armed services and to draw the best possible conclusions.

I did not attend the executive session at the end of the hearing to mark up the bill, but I think I can picture the subcommittee, confronted by the all-important question of national defense; confronted by the realization that in the event of trouble they would be responsible for any unjustified cuts; arriving at the conclusion that it was impossible to make any cuts unless justified beyond any shadow of doubt; and finally recommending a reduction of $141,000,000, or less than 1 percent of the total request.

Mr. Chairman, I am not reflecting upon this subcommittee or any one of its members. They are all personal friends of mine. They are all able Members of this House, desiring economy where economy is possible. The point I make is that no subcommittee can possibly do the job properly in respect to this enormous request for funds, and make intelligent cuts, unless it has the facts.

Personally, I am for every cent that is necessary for national defense. I never want to go through again the experiences some of us went through in 1940 and 1941, when we knew from figures confidentially presented which could not be made available to the public, that this country was lamentably unprepared for World War II.

The situation was so bad that General Marshall subsequently in an official report stated, if I recall correctly, that aside from plans we were in worse condition prior to World War II than we were in 1917 prior to World War I.

This country accomplished miracles between 1940 and 1945. We were lucky to have 5 years. We will not have 5 years next time.

It may be that some adjustment is necessary in certain respects in reference to national defense appropriations. General Eisenhower's views are certainly entitled to every consideration.

Personally, I think that aid for our major ship construction yards in the near future is vital.

The situation in these yards today is deplorable. Employment is deteriorating rapidly. There is little or no naval construction in view, and commercial construction is practically ending. There will be only eight commercial ships under construction in our major yards on the Atlantic coast in the calendar year 1951. Only one will be under construction in the calendar year 1952, and I am advised that two of these yards will have to close in the near future unless something is done to help the situation.

This is not a matter for consideration in connection with this bill. There is a bill, however, which has been pending before the Committee on Rules for months. It was introduced with a view to meeting this situation. A long-range program of construction must be encouraged if we are to take care of our skilled staffs of workers at essential shipyards, which have proved themselves to be vitally essential from the standpoint of national defense.

There is another item in this bill which I think is important in this connection. I refer to the proviso in the independent offices chapter of the bill which states:

Provided further, That no part of the foregoing appropriation shall be available for, nor any obligation made for, the payment of an operating-differential subsidy for any number of ships in excess of the number of ships receiving such subsidy as of January 1, 1950.

Mr. Chairman, those concerned maintain that the present wording of this proviso would in effect cancel all operating subsidies provided in the 1936 Merchant Marine Act, designed to assure an adequate merchant marine equipped to serve as auxiliaries in time of war.

They point out also that the proviso is unnecessary inasmuch as adequate control over the situation is maintained through the annual appropriation of funds for operating subsidies.

I believe this proviso should be deleted or so amended as to meet the objections that have been made to it.

The fact remains, however, Mr. Chairman, that the over-all request for national defense, whether you consider it $15,000,000,000 or $20,000,000,000, is an enormous sum of money.

The fact also remains, Mr. Chairman, that over the years our armed services have been notoriously wasteful in the handling of funds.

Generally speaking, it is fair to say I think that our military and naval officers are not trained to assess cost. On the contrary, and probably rightly so, they are trained to obtain results regardless of cost.

I am confident that an expert bipartisan group of investigators, such as was available in the Eightieth Congress, could have found ample opportunity for very substantial savings without in any way impairing the national defense within the over-all figure of $15,000,000,000.

Mr. Chairman, under present conditions, the Bureau of the Budget is responsible primarily to the President of the United States. What the President desires the Bureau of the Budget supports. What he does not desire the Bureau of the Budget opposes.

It has been made responsible to the Chief Executive on the theory that it is the executive branch which does the spending of money, and that, therefore, it should have the assistance of the Bureau of the Budget in determining its recommendations for spending.

To me it has always seemed that the purse strings of the Federal Government were deliberately placed in the hands of the Congress; that the executive branch spends only what the Congress authorizes; and that, therefore, the Bureau of the Budget or some equivalent organization should be available and responsible to the Congress in its determination of what sums it will authorize to be expended.

In any event, Mr. Chairman, in the absence of the Bureau of the Budget an investigating staff for the Appropriations Committee of this House becomes vitally necessary.

This need was recognized for years by Members on both sides of the aisle and after many years authority to appoint such a staff was finally obtained in the Reorganization Act of 1946.

In the succeeding year a start was made in setting up such an organization.

We had, as the members of the committee well recall, a staff of some 10 permanent investigators with FBI and General Accounting background. We had in addition some 25 part-time members on the staff, including outstanding leaders in the accounting profession, and in the research profession throughout the length and breadth of this country, men drawn from both major parties who willingly gave of their time because of their desire to contribute to the maintenance of the solvency of the Nation.

Those investigators, going directly into departments and agencies, were able not only to make exhaustive reports of the greatest value, but to bring back to the various subcommittees of the Committee on Appropriations figures which could be relied upon.

As the result, as the Members will recall, the budget was balanced both in fiscal 1947 and in fiscal 1948, for the first time since President Roosevelt entered the White House in 1933. Rescissions or reductions were effected to the extent of $9,800,000,000, debt reduction was made possible to the extent of $7,000,000,000, and tax reduction was afforded to the extent of $4,800,000,000, one-half of the tax relief going to those with incomes of less than $5,000; 7,500,000 people with low incomes being taken off the tax rolls entirely.

That, Mr. Chairman, was a major accomplishment for the investigating staff,

it was a major accomplishment for the Committee on Appropriations of the House, it was a major accomplishment for the Congress as a whole.

Nevertheless, Mr. Chairman, despite this record at the very first meeting of the Committee on Appropriations in January of 1949, after control of the Congress had passed from the Republicans to the Democrats, this staff was completely abolished.

It was no mere change of personnel. The whole principle behind the staff was discarded and we were advised that we were to return to the former policy of investigation when necessary, by one executive agency of another executive agency.

That method, Mr. Chairman, had been tried and found wanting. It will always be found wanting, in my judgment, as long a human nature is what it is.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman will recall that that action was taken in the full committee of the Committee on Appropriations with no opportunity to debate whatsoever and with no defense on the majority side of the action taken. I am referring to the then majority side, which was a year ago last January. To me the action in doing away with that trained investigating staff has cost and will cost the taxpayers of America a good many hundreds of millions of dollars. If the gentleman from Virginia [Mr. GARY] would care to do so, I would like to hear him defend that action on the floor.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I do want to make it plain that I am not accusing the gentleman from Virginia of fomenting that particular action, but it did come from the majority side of the full committee and took away from our full Committee on Appropriations the eyes that we need to cut this budget.

Mr. WIGGLESWORTH. I yield to the gentleman from Virginia.

Mr. GARY. Does the gentleman know that this committee at the present time is using the staff of the FBI for that purpose, which staff is recognized as one of the best investigating staffs in the entire world?

Mr. WIGGLESWORTH. Mr. Chairman, I will say to the gentleman from Virginia that any staff that has been used—and I have personally seen no results that have amounted to anything in the last 2 years—has been of a temporary character, employed from time to time as may be required, under the authority given the chairman at the meeting to which I referred.

That is a very different proposition from having a staff that is primarily responsible to the committee and to the Congress, such as we had before, and, in my opinion, will never produce the desired results.

As the gentleman from Minnesota has pointed out, the action was taken under the leadership of the chairman of the committee, the gentleman from Missouri [Mr. CANNON], by the unanimous vote of the Democratic members at that meetings over the unanimous opposition of the Republican members, and without permitting a word of debate or a single question by any Republican Member present.

I predicted at the time that the action would cost the people of this country billions of dollars, and I think that prediction has already been fulfilled.

The action, in my judgment, killed the one best hope of an intelligently balanced budget.

In summary, Mr. Chairman, I submit that essential economy is difficult, if not impossible, first, because of the lack of necessary leadership by the President of the United States, and second, because this Congress rendered itself largely impotent by the denial of essential staff.

Sometime ago, Mr. Chairman, a distinguished American made the following statement:

> We are going down the road to statism. Where we will wind up no one can tell. But if some of the new programs seriously proposed should be adopted, there is danger that the individual, whether farmer, worker, manufacturer, lawyer, or doctor, will soon be an economic slave, pulling an oar of the galley of state.

These are not the words of any Republican.

They are the words of a lifelong Democrat who has rendered distinguished service under the New Deal as a Member of Congress, as United States Senator, as a member of the Supreme Court, as wartime Director of Economic Stabilization, and as Secretary of State.

They are the words of an old friend and colleague known well to many of us here, Mr. Justice Byrnes.

Mr. Chairman, the elimination of waste and extravagance is vital if America is to avoid national bankruptcy, dictatorial government, and the loss of precious liberties.

A strong and solvent America is vital at this time in the world's history, not only in the interest of America itself but in the interest of the entire civilized world.

We should not forget, Mr. Chairman, the words of the great Communist leader, Lenin, when he said, "Some day we will compel the United States of America to spend itself into destruction."

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Connecticut.

Mr. SADLAK. I desire to commend the gentleman on his able, factual, and documented presentation. It occurs to me, after listening to the gentleman's expressions, which indicate great research and familiarity with his subject, that there are many items in this appropriation measure which, because of the fact that they are fixed items, cannot in any way be tampered with in this appropriation. However, after listening intently to the gentleman, it seems to me we have only one alternative in proceeding on this appropriation measure, namely, to endeavor to make as many small cuts as are possible; and, by a number of small cuts pyramided, attain a goal where the small cuts will then in effect become substantial cuts.

Mr. WIGGLESWORTH. I hope as we go along with the consideration of this bill it will be possible not only to effect small cuts but to effect large cuts.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Virginia.

Mr. GARY. The gentleman referred a few moments ago to the superior staff of experts for investigation that was available to the Eightieth Congress.

I would like to ask the gentleman if he does not know that during the second session of the Eightieth Congress there were five references in committee reports to investigations made by the experts. Whereas, during the second session of the Eighty-first Congress there were six references to such investigations in the committee reports.

Mr. WIGGLESWORTH. I will say to the gentleman from Virginia I do not have the list with me now. On a previous occasion, however, I inserted in the RECORD a compilation of the more important investigations made by the experts during the Eightieth Congress. I think if the gentleman will refer to that list he will be very much surprised, not only by the number, but by the far-reaching importance and thoroughness of the investigations made at that time.

Mr. GARY. I have a list of committee references to investigations conducted by the committee's staff.

There were five references to these investigations in the committee reports of the Eightieth Congress, second session. One, the supplemental independent offices report. That was on the Veterans' Administration and Army and Navy pensions.

Another reference was in the Interior report. That referred to the accounting systems in the departments.

Another was in the State, Justice, Commerce and Judiciary report which related to Department services. Another reference was to the Weather Bureau.

In the Treasury Department there were references to the Bureau of Internal Revenue and typewriter purchases.

In the Eighty-first Congress, second session, the references were as follows: In the Commerce report to the CAA investigation, to the CAB investigation, and to the Bureau of Standards.

In the Agriculture report, to the investigation on entomology.

In the Interior report, to the Road Commission's claims.

In the Eighty-first Congress, the Civil Service Commission, the Federal Communications Commission, and the Atomic Energy Commission.

It would appear from this list that the Committee on Appropriations has been more zealous in referring to and making its investigations in the Eighty-first Congress than in the Eightieth Congress.

Mr. WIGGLESWORTH. In order that the gentleman from Virginia, who is usually so well informed, may be better informed on this matter, I shall insert at this point in the RECORD a copy of my previous remarks listing the principal investigations made during the Eightieth Congress:

APPROPRIATIONS COMMITTEE—STAFF AND ORGANIZATION

I have been a member of the committee for many years, I have long considered it the most important committee in the House of Representatives. Because of present conditions in the world both at home and abroad I consider it has a tremendous responsibility.

Over the years, Mr. Chairman, it has been the opinion of Members on both sides of the aisle belonging to this great committee that that committee could only do its work properly, in a manner worthy of the confidence of the House and of the country, if by some means or other it could obtain a competent, expert, permanent staff, a staff equipped to make investigations and analyses when the occasion demands.

As I stand here and look back over the years I can hear Member after Member standing in the well of this House, Members from both sides of the aisle, making an appeal for that kind of staff.

We finally got the necessary authority for that staff, Mr. Chairman. It came in the so-called reorganization bill approved August 2, 1946.

That bill provides that "Each standing committee of the House and Senate, other than the Committee on Appropriations, is authorized to appoint by majority vote not more than four professional staff members * * * on a permanent basis, without regard to political affiliation and solely on the basis of fitness to perform the duties of the office."

That bill goes further, Mr. Chairman. It provides that the Committee on Appropriations in the House and in the Senate is authorized to appoint such staff as each committee by majority vote shall determine to be necessary and to conduct such studies and examinations of the organization and operation of any executive agency as it may deem needed.

In other words, each Appropriations Committee was authorized to have an unlimited staff, subject only to the judgment of the committee, and essential appropriations.

In my judgment this was one of the most important and most helpful features of the entire Reorganization Act.

What happened, Mr. Chairman? Not long after the Reorganization Act a beginning was made on a real staff for this great committee. Some 8 or 10 permanent employees were appointed, with contemplated expansion. The regular staff was augmented by a group of consultants from private enterprise, who gave generously of their time in the interest of economy. A small allowance for expenses was permitted, and the time and transportation of these individuals was a donation to the cause of good government.

In this manner, skills far beyond the ability of the Government to provide were made available to the committee.

Numbered among these men were 10 of the country's outstanding accountants, picked as a special committee by the American Institute of Accountants. All of these men were, of course, certified public accountants of national standing, and one is currently president of the New York State Certified Public Accountants Society.

The remaining men were business executives and research assistants of considerable standing, many of whom were, and are continuing to be, used as consultants by various Government agencies which have learned to value their counsel and assistance.

There was no partisanship in the activity, as the group was very representative of both political parties, although all were united on behalf of Government economy.

In addition to the day-to-day work of the staff, the major studies completed were as follows:

First. An exhaustive study of the then Federal Public Housing Administration, extending into nine States. The study exposed many vicious illegal practices and was the basis of corrective legislation. As a result, the agency undertook a real reorganization, eliminating frills, waste, and extravagance.

Second. A review of the Department of Agriculture budget for 1948, including all the bureaus and agencies of that Department, resulting in many recommendations of benefit to the Department. This review also encompassed a particular inquiry into the Rural Electrification Administration.

Third. A study of the Maritime Commission for both 1948 and 1949, which resulted in corrective legislation recovering for the Government hundreds of millions of dollars.

Fourth. Studies of the Veterans' Administration's requirements for both 1948 and 1949, which information has been the basis of a great deal of organizational correction. This study likewise went into the Federal hospital picture in great detail and has formed the basis of continued study by the Hoover Commission as well as the Veterans' Administration themselves.

Fifth. A study of the War Assets Administration for 1948.

Sixth. Continuing studies of the Department of the Interior for 1948 and 1949, including such technical subjects as an anlysis of existing Federal power policy and including spot checks of the accounting systems in the various field installations, which were made available to the Department of the Interior and are currently the basis of accounting reorganizations.

Seventh. Detailed analyses of the operations of the United States Employment Service and the Bureau of Employment Compensation which materially assisted in the reorganizations of those agencies and will no doubt be very helpful in the 1950 hearings. This particular investigation required a great deal of field study and resulted in the exposé of especially flagrant violations of the Hatch Act in the State of Tennessee. This information has been forwarded to the Department of Justice and to the United States Civil Service Commission who are currently investigating the matter, with a view to dealing with the offenders.

Eighth. A detailed analysis of the operations of the Bureau of Internal Revenue which resulted in the location of widespread abuses and inefficiency. The report has been made available to the Secretary of the Treasury, and studies are now being made and many improvements instituted that were recommended in this report. As a corollary to this investigation, particularly flagrant violations of the Hatch Act in Massachusetts were uncovered. This information was likewise turned over to the Civil Service Commission and to the Department of Justice for their investigation.

The Civil Service Commission has cited for removal some twenty-odd employees in one Massachusetts office of the Bureau of Internal Revenue. I understand the Department of Justice still has the matter under consideration.

Ninth. An exhaustive investigation of the Department of State which likewise located many flagrant abuses of good administration, and also located a list of undesirable individuals with subversive connections who were then employed by the State Department. Subsequent to the exposé, some 30 to 40 of these individuals were separated from the service. It is also interesting to note that many of the individuals mentioned in the original list were later questioned by the House Committee on Un-American Activities.

Tenth. A study of the Treasury Department budget for 1948 and 1949.

Eleventh. A study of the Army and Air Force budgets for 1948 and 1949, which formed a basis for rescissions approximating $5,000,000,000 returned to the taxpayers by this committee.

Twelfth. A study of the budget of the Navy for the fiscal years 1948 and 1949, which likewise formed a basis for substantial monetary rescissions and appropriations reductions.

Thirteenth. An executive study on operations of the Government in the Territory of Alaska. It touches upon the activities of almost every Federal agency operating in Alaska and should be of great value to the committee in the 1950 deliberations.

Fourteenth. A report on the study of the subsistence procurement of Army for use in the 1950 hearings. The report indicates that corrected procedures can save tremendous sums of money.

These are only a few of the more important studies undertaken by the group. In addition, scores of comparatively minor studies were made of specific units of the Government.

The over-all result was that the committee was able to effect savings on rescissions detailed in the CONGRESSIONAL RECORD of some $9,800,000,000 in 2 years, making possible a balanced budget for the first time in 16 years, making possible a reduction in our national debt of some $7,000,000,000, making possible a reduction in our tax burden of $4,800,000,000, 71 percent of which went to those with incomes of less than $5,000, some 7,000,000 persons being removed from tax rolls entirely.

It was a fine start, and I agree with the sentiment of a close friend of mine now on the majority side of this great committee, who said to me shortly after our return to Washington in January, that in his opinion the Republicans of the last Congress had made a fine start with this staff, and that his only criticism was that the staff had not been large enough.

Now, Mr. Chairman, you may be surprised, in view of this record, to know that this staff has been completely abolished. It has been abolished, despite the experience of years, despite the intent of the Reorganization Act, despite the splendid record that it made.

The staff has not only been abolished, it is not only a question of relieving those who served on the staff, the whole theory of a staff responsible only to the Appropriations Committee has been, for the time being, abandoned, and we have gone back to the old idea of asking one executive agency to please investigate the actions of another executive agency, whenever an investigation seems necessary.

Mr. Chairman, that plan has been tried. It is better than nothing. But as long as human nature remains what it is, it will never, in my opinion, get fundamental results. In fact it may tend at times to conceal rather than to disclose.

Real results depend on a permanent, nonpolitical skilled staff, responsible to the Appropriations Committee and to that committee alone.

I want to pay my tribute, Mr. Chairman, to the work done by the staff of the Committee on Appropriations during the last 2 years. They made a splendid contribution to the Nation in terms of lower prices, in terms of lower taxes, in terms of a stable economy.

I want also to record for the RECORD, Mr. Chairman, my opinion that the action taken in abolishing the staff and certain other action taken in connection with the organization of the committee for this Congress is most unfortunate.

That action was taken contrary to the views of the minority members of the committee. In fact, it was taken without allowing any minority member of the committee the opportunity to question, to debate, or to offer to amend any one of a half dozen resolutions that were adopted in the full committee.

I regret the manner in which the action was taken. In my judgment, it was unworthy of the traditions of the great Committee on Appropriations.

I regret the action taken, because, in my judgment, it is likely to cost the people of this Nation literally billions of dollars.

I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, the Eightieth Congress had investigations into every single department and almost every agency of the Government. As a result of this we were able to cut the appropriation bills which were reported to the House $2,774,000,000 as against the proposed cut here of $1,385,000,000.

Mr. GARY. Practically all of that was restored through supplemental and deficiency appropriations.

Mr. TABER. That is not correct.

Mr. Chairman, I yield 1 hour to the gentleman from Wisconsin [Mr. KEEFE].

Mr. SCRIVNER. Mr. Chairman, since we are discussing the greatest peacetime budget in history, I feel we should have a quorum present instead of the apparent 50 or so Members on the floor.

Therefore, Mr. Chairman, I make the point of order that a quorum is not present.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. TABER.

The Committee divided; and the tellers reported there were—ayes 14, noes 56.

So the motion was rejected.

The CHAIRMAN. The gentleman from Kansas has made the point of order that a quorum is not present. The Chair will count.

Mr. SCRIVNER. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The point of order is withdrawn.

The gentleman from Wisconsin [Mr. KEEFE] is recognized for 1 hour.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

WHAT IS NEW IN WEATHER

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Chairman, every now and then someone tells us the climate is changing. Not many years ago a professional climatologist probably would have answered such a remark by saying there is no indication that significant changes are taking place in our climate now. Climatologists have always recognized the occurrence of variations in average weather conditions from year to year—warm winters, cool summers, and periods with below-normal rainfall. Unusually dry years led to the disastrous Dust Bowl conditions of the mid-1930's. Until recently most scientists in this field believed these fluctuations from year to year were averaged out in the long run, leaving little or no permanent change in climatic conditions in recent times. But now more comprehensive studies of temperature trends and recession of glaciers and the polar ice cap have led to a conclusion that perhaps the climate which contributes so much to our national economy and prosperity may not be the changeless and everlasting natural resource we have taken for granted. This is a subject of great concern to the public and it is reassuring to know that research workers in the fields of weather science and climate are devoting more attention to investigation of the stability of climate. Even small changes of a few degrees in temperature or a few inches a year in rainfall would seriously modify the agricultural and business activities of many flourishing communities situated in marginal climatic regions. It is necessary to know as far in advance as possible about the long-term trends in weather and climate so that suitable readjustments may be planned. Even now there are localities in the relatively dry parts of the Middle West where wheat farming is being exploited beyond the natural water resources of the area and in dry years that are sure to come sooner or later, we shall doubtless witness another Dust Bowl problem.

Even in the East where rainfall is usually adequate, we hear much about the water shortage in New York City and we find that serious consideration is being given to the possibility of supplementing natural rainfall by artificial rain making. I am informed that these possibilities have been exaggerated in many of the claims by so-called rain makers quoted in the newspapers. Although the United States Weather Bureau is very much interested in seeing a full investigation of the possibilities of increasing the rainfall by artificial means and although success in these efforts would be of inestimable value to the people in many parts of our country, it appears that such methods are likely to be rather limited in practical application and economic value. The trouble is you cannot produce rain economically by artificial methods unless there is adequate moisture in the atmosphere and in most cases when the conditions of moisture and clouds are favorable, nature itself provides the mechanism by which rain is formed. I understand there are occasionally special circumstances, such as the cases where clouds persist more or less continuously over the crests of mountains in winter time and the instances where shower-type clouds are on the verge of precipitation but upper air conditions are not quite right for their full development, and in such cases it would sometimes be possible to start precipitation by use of dry ice or other condensation nuclei. But these favorable instances are relatively infrequent and there is no reason to believe at present that artificial methods will provide a solution for water shortages in time of widespread drought. This shows why it is so important for our meteorologists to learn more about the fundamental natural controls of weather and climate.

During the recent war we heard much about research and development in meteorology and improvements in weather-forecasting services. Almost 5 years have passed since cessation of hostilities and I have again inquired into the activities and progress of the Weather Bureau. The war made the American people more weather-conscious than ever and the needs of agriculture and commerce have greatly increased demands for weather reports and forecasts. Moreover, the weather-reporting system on which our weather forecasts in the United States are based has taken on a world-wide aspect. It depends upon daily weather reports from stations in the Arctic and from weather-patrol vessels at sea, as well as from a vast network of land stations closely related by international cooperation. The reports from domestic and overseas stations contain not only comprehensive data of weather conditions measured on the ground or near the surface of the sea but also the conditions of air temperature, pressure, humidity, and wind at each successive altitude up to 40,000 or 50,000 feet and in some cases higher. All of this information is essential for diagnosis of the ever-changing structure of the atmosphere and its accompanying influence on the weather and climate we experience on the ground.

Our citizens should know more about this extensive system of international weather reporting which is the basis for the weather reports and forecasts we see each day in the newspapers or hear over the radio. The collecting center of the Weather Bureau in Washington now receives more than 25,000 reports of surface and upper air meteorological conditions by radio or wire every day. They come from all parts of the Northern Hemisphere and from some of the Southern Hemisphere. Many more are received by mail from countries in the Southern Hemisphere, the delay in transmission by this channel being no handicap for most climatological purposes. Since the weather south of the Equator does not immediately affect our weather in the United States the reports are not required by radio or cable for daily weather forecasting as is the case with conditions in the Northern Hemisphere where the interrelationships of weather are more direct. In the course of a year

it requires more than 15,000,000 different weather observations and reports to serve the needs of agriculture, aviation, business, and industry in the United States, and weather conditions differ so much from place to place and from day to day that about 300,000 different forecasts are needed each year to describe the different local weather conditions. During 1949 an additional 4,300 forecasts of flood conditions in various river valleys of the United States were issued by the Weather Bureau to enable the populace to take precautions against damage and loss of life by floodwaters. This flood-warning service has been improved and extended during recent years and is the best developed and one of the most interesting and valuable services of its kind anywhere. I shall say more about it a little later.

A handicap of the weather forecaster before the war was the lack of weather reports from the Arctic where cold waves that grip the United States in wintertime usually originate. Reports were very sparse also from many ocean areas where moist air masses which bring rain to this country have their source. The forecaster had to guess the nature of changing conditions in the Arctic and over the oceans in order to estimate the effects of air masses from these regions when they reached the United States. To some extent deficiencies in reports from these areas have now been corrected.

Through international cooperation with Canada and Denmark and with the assistance of the Air Force and Navy, the Weather Bureau now participates in the operation of joint weather stations in six widely separated localities in the far north. One of the stations is within 500 miles of the North Pole. Their reports of surface and upper air conditions transmitted daily by radio have contributed much to improvement in forecasts of cold waves, blizzards, and other severe weather conditions in our Middle West.

The meteorological station network over the oceans has also been improved as result of international cooperation. In the Atlantic the bordering maritime nations have joined together to support 10 weather patrol vessels. These ships also serve as navigational aids and for search and rescue missions for aircraft and ships in distress. Four of the stations are manned by the United States, two by Great Britain, one by France, one by Norway, and the other two jointly by Canada, Netherlands, and this country. The apportionment is based upon the relative volume of air traffic of the respective countries. In the Pacific where there is still a great expanse of water where weather observations are rarely, if ever, made, our weather maps are comparatively incomplete and the forecasting of weather, therefore less accurate. At present there are three station weather ships in the Pacific, all in the eastern half, maintained by the United States primarily as aids to aerial navigation.

Much of the progress in meteorology during the war was in the development of apparatus and instruments. The radar has been adapted for use in detecting formation of destructive thunderstorms. It has been used also to locate and track hurricanes at distances of a hundred miles or more and it is being tested experimentally as a means of recognizing tornadoes before they come within a range of the regular weather observer's eye. Radar installations have been placed at three stations in the Middle West to serve as outposts for tornado warnings. In effect, they extend the "visual" range to distances of 75 miles or more with respect to heavy rainstorms. The three installations are at Wichita, Kans., Wichita Falls, Tex., and Norfolk, Nebr. Another interesting wartime development in meteorology is the use of seismographs to detect hurricanes while they are far at sea beyond the observation of vessels in regular ocean lanes. The microseisms produced by hurricanes and typhoons are not yet well understood and they do not occur every time hurricanes are present but frequently they are the only sign of a hurricane in some remote part of the ocean. Present evidence indicates that whenever microseisms of a particular type are recorded they point infallibly to existence of a hurricane.

Still another important device in modern weather analysis and forecasts is the rawinsonde perfected by the military services during the war. By means of a small radio set which transmits meteorological measurements and is tracked by a special type of radio compass, this instrument as it ascends with a sounding balloon gives for the first time a practical means for measuring the wind direction and velocity above the clouds by use of recording equipment installed on the ground. Because measurements of the upper winds are most important during periods of overcast sky and storminess the rawinsonde has added much to the accuracy of forecasting under certain conditions. This has reference in particular to prediction of the rate of movement of storms and preparation of maps of winds aloft for aircraft operations.

In 1941 the Weather Bureau established a new system of flood-warning service in northeastern Nebraska. This organization makes use of immediate reports from cooperative observers who serve without pay and go into action whenever rainfall passes a certain critical figure. The system is designed to furnish warnings in river valleys where heavy showers cause flash floods. Although this method has its limitations, it is the best means so far developed for providing a warning service for flash floods, and its success as the first of its kind has led to organization of similar cooperative networks in 20 other localities, one of which is the Potomac River Basin.

Flood-control projects of the Corps of Engineers and irrigation works of the Bureau of Reclamation call for extensive studies of meteorological situations which give rise to flood conditions. The weather conditions determine to a large extent the location, type, and magnitude of flood-control dams and reservoirs for conservation of water. As one of the steps in its advancement of the flood-forecasting services for the country, the Weather Bureau during the past 2 years has been supported by Congress in establishment of six river forecast centers and one seasonal water supply forecast station. As an example of the responsibility of these centers, the Weather Bureau office at Portland, Oreg., issues river forecasts for about 100 localities in the area. During 1949 estimates for the country as a whole indicated that precautions against damage by flood as a result of timely and accurate forecasts prevented losses amounting to $180,000,000 or more. The total losses by flood during the year were of course in excess of this, but they would have been greater by this amount if flood forecasts had not been available.

Naturally, the public is interested in the cost of maintaining the Weather Bureau. During the past 10 years appropriations to the Bureau have increased from about $5,000,000 to almost $25,000,000 per year. Perhaps half of this increase is the result of increased operating costs for salaries, communications, expendable sounding balloons, and similar items. The other half represents expansion of the Bureau due to the greatly increased uses of weather information in business and industry and especially the new requirements for accurate forecasts in agriculture and air commerce. The present cost is equivalent to about 18 cents per capita. Although it is impossible to place a dollar value on the lives saved as result of warnings issued by the Weather Bureau in advance of hurricanes, blizzards, and so forth, estimated at a minimum of several hundred lives each year, it has been shown by surveys that practical use of weather reports and forecasts in the agricultural and commercial activities of the country are worth more than a billion dollars each year. This represents a value in excess of $7 per capita, a very good return on the investment.

Mr. KEEFE. Mr. Chairman, the one-package appropriation bill now before the House is supposed to give the Members of Congress and to the American people an opportunity to consider at one time the relationship between appropriations, expenditures, and revenues. If it will accomplish that purpose, it will obviously be a step in the right direction. However, from present indications and knowledge which I have obtained up to date I have serious doubts in my mind as to whether it will in reality accomplish the objectives that its sponsors had in mind.

I desire at this time to refer to a statement made by the President in his recent annual message to the Congress on the state of the Union. The President among other things stated:

> Largely because of the ill-considered tax reductions of the Eightieth Congress the Government is not now receiving enough revenue to meet its expenditures.

You all heard that statement, and you heard the President make that statement time and time again, and you have heard it again on this floor and out on the political stump by those who adhere to the philosophy of the present occupant of the White House. You have heard them make that statement repeatedly, and you have heard the President and those who aid him in making that statement seek to place responsibility for his continuing budget deficits on the Eightieth Congress.

When we are faced with facts that are so clear, facts that anyone can get if they simply take the time to read the President's budget and the explanatory material that goes along with it, and when we are faced with a fiscal situation so dangerous, why not tell the people of America the truth? Why stand in the well of this House and repeat something that cannot be substantiated on the facts?

Now, let us get the facts. It will be recalled that in fiscal 1947 which began July 1, 1946, and ended June 30, 1947, the Treasury showed a surplus of $800,000,000. In fiscal year 1948, which began July 1, 1947, and ended June 30, 1948, the Treasury showed a surplus of $8,400,000,000. A Republican Congress was in charge of appropriation bills, and through the medium of reductions in appropriations and rescissions of appropriations previously made, the Eightieth Congress not only balanced the budget but has enabled the Treasury to show the surpluses to which I have just referred in fiscal 1949, which began July 1, 1948, and ended June 30, 1949. In the first year of the Democratic control of the Congress a deficit of $1,700,000,000 was incurred. The projected deficit in the revised estimates of the President for fiscal 1950, the year in which we are presently operating, indicates a deficit of $5,700,000,000 and in view of the recent drop in tax receipts indicated in reports that have recently come from the Treasury Department it is certain that the President will have to revise his estimates again and it may be that the deficit for 1950 instead of being $5,700,000,000 may perhaps be six or seven billion dollars.

Now, the tax law has been vigorously assailed and condemned by the President and by the majority leader and by the distinguished orator from Missouri [Mr. CHRISTOPHER] who has repeatedly referred to it, and by numerous others, including the Vice President and many others I have heard speak on this subject. And, by the way, you Fair Dealers have been in control now of the first session of the Eightieth Congress, you have been in control since January 1950 of this session of Congress and despite your condemnation of the action of the Eightieth Congress in passing a tax-reduction bill not one of you has dared to offer a bill and bring it to the Congress proposing to repeal that action of the Eightieth Congress. Why do you not do that? You have complete control of the House Ways and Means Committee, you can bring in a bill here in 10 minutes if you want to. If that law is so bad, if it is as bad as it has been pictured, if that action of the Eightieth Congress is responsible for your budget deficits, why have you not brought a bill in here to repeal it? Why do you continue to kid the American people? You are going to find out that they will not be kidded much longer because they have access to the facts.

What are they? That tax law of the Eightieth Congress became effective on April 2, 1948, and was made retroactive to January 1, 1948. The revised rates of withholding went into effect on May 1, 1948.

Fiscal 1948, which includes 6 months of calendar 1948, during which the new law was effective, shows that personal income tax collections—by the way it should be noted right here that the Republican tax reduction law only related to personal income taxes—were $20,997,780,699. In fiscal 1949 personal income tax collections were $18,725,152,438. Thus showing and indicating a net drop in personal income tax collections of $2,272,628,261.

You recall that when that bill was brought before the Congress it was contended that if tax reductions were given to the people, and they had the right to spend some of their money themselves instead of letting the Government take it from them and direct how it should be spent, that there would be an upturn of business and the corporation income taxes would show a tremendous increase. That was the contention. What has happened?

Let us examine the corporate income taxes for the same period. Corporate income taxes for the fiscal year 1948 were $10,174,409,834, and for 1949, after the passage of this infamous income tax reduction, as it has been called by my Fair Deal friends, who ought to know better, corporate income taxes rose to $11,553,669,234, or an increase on the corporate income side of $1,375,259,400.

Now, my friends, let us not talk in half-truths in this very eventful and fateful hour. Let us tell the truth, and I defy anyone in or out of Congress to dispute the figures which I have quoted. Thus, it will be seen that in spite of the recession which was getting under way when this income tax law was passed—and everyone knows that—which the Revenue Act of 1948 unquestionably halted, corporate income tax receipts increased in the amount just referred to exactly as was contended by the advocates of that tax-reduction law in the Eightieth Congress. Thus it can be seen that the tax-reduction bill passed in the Eightieth Congress placed additional money in the hands of the people of America to spend themselves and relieved thousands of little-income people from paying any tax at all, and the result is that it stimulated American business so that the net loss of income tax receipts, both corporate and individual, was only $893,368,861, yet the deficit in that year was $1,700,000,000.

Now Mr. Truman, now Mr. Majority Leader, now Mr. Christopher from Missouri, now all of you people who have been making such rash statements as you have been making, placing the responsibility for your budget difficulties upon that tax-reduction bill, why not tell the truth? We will admit that there was some reduction in the over-all tax picture, but in no sense can it be said that that tax-reduction bill is responsible for the budget difficulties.

What about the deficit you face today? The President in his annual budget message to this Congress specifically stated that income-tax payments were maintaining a constant level, and yet we are faced in fiscal 1950 with a budget deficit of over $5,700,000,000.

There can be just one answer to this whole situation. There is just one reason why we are going in the red, and that is because we are spending just too much money. We do not have the courage to put first things first and apply the reason you would apply to your own business and your own life and your own family and seek to make reductions where they are possible without interference with the general services of the Government, and try as near as possbile to bring this budget into balance.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Indiana.

Mr. JACOBS. I do not know whether or not I understood the gentleman correctly a moment ago, but is it correct that the tax bill passed by the Eightieth Congress did not increase or affect corporate income-tax rates? Did I understand the gentleman correctly?

Mr. KEEFE. Yes; I so stated.

Mr. JACOBS. Then if you collected a billion and a third more dollars in corporate income taxes after that went into effect, that meant the corporations made a whole lot more money.

Mr. KEEFE. Exactly as was contended. It was the contention here in this Congress, and it was contended in Canada and by all other people that have given any thought to this tax question, that if you will put some money in the hands of the people and let them spend it for the purposes for which they want to spend it, business will be stimulated. As the result, the Government will not lose revenue, but will gain on the corporate side.

Mr. JACOBS. It looks as if the corporations gained, too.

Mr. KEEFE. I have no doubt they did. I am not questioning that. So what? That is the very argument—that corporate income will go up and business will be better if you give the people an opportunity to spend some of their money, instead of having a lot of bureaucrats and Government agencies take it away from them, and take away from them a large clip for their own expenses before it gets out into circulation. It is the velocity of spending, as everybody knows, that creates business and determines whether or not profits will be up or down.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Is not the whole enterprise system of America based on the proposition that profits must be made and income must flow before we gather any revenue whatsoever?

Mr. KEEFE. If we are to maintain the capitalistic system of America—let us call it by its right name. We use the term "democracy" in its widest sense, but the thing that has given this country the position it has is the capitalistic system. Inexorably interwoven with that system is the profit motive. Whenever you take the profit motive away, you are approaching socialism, or its first cousin, communism, make no mistake about that.

If I had the time, I would like to point out, and I shall take just a moment to point out that every person I know of in your party and in the other party that is seriously considering the picture that faces the country today realizes that if we continue down the path we are going, 25 years from now, 30 years from now, 40 years from now, or sooner, perhaps, we will have completely changed our concept of government, and, in fact, have realized a socialistic system in America.

It took them a half a century in England to do exactly the same thing as we are doing here. They did not realize many of the steps they were taking when put together in the total mosaic would spell socialism. After 50 years of effort they have a socialistic government in Great Britain. We are taking that same course here and traveling at a very rapid rate as every intelligent and sensible and nonpartisan thinker on that subject in America is willing to concede.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. BREHM. Is it not true, history shows each and every time personal income taxes have been reduced, revenue to the Government has increased and that happened not only as a result of the tax-reduction bill of the Eightieth Congress, but as a result of every tax-reduction bill?

Mr. KEEFE. That was true after the last war. The distinguished gentleman who now occupies the chair, and who is a member of the Committee on Ways and Means, and my distinguished friend, the chairman, sitting in the Chamber well know, that when they advocated tax reduction they did so on the theory that it would stimulate business—and it did. I am certain, may I say to the chairman of the Committee on Ways and Means, if you will report a bill which will eliminate some of these nuisance taxes which are a stumbling block to business, and which are keeping people from buying furs and jewelry and other items, you will not have to be talking about what you are going to do up in New England to take care of the industry in Connecticut or Rhode Island.

Business will revive and, in fact, you will not lose any real revenue.

Mr. Chairman, I want to devote mydevote myself in the balance of the time I have remaining to a subject which is very near and dear to me, and the one on which I spent most of the years of my legislative experience. That subject is the field of public health. May I say to you I have had a hundred Members of Congress come to see me personally and call me on the telephone and ask the question, "What have you done to the public-health program?" They have stated that they have received letters from governors, from this party and that party, and from this organization and from that organization, demanding that they be told what the Committee on Appropriations has done to the public-health activities of this Nation.

I want to answer some of these questions so that you will be able, intelligently, to answer those same questions.

At the outset, I want to emphasize good health is the greatest asset any individual can possess. Is there anyone here who will deny that statement? Good physical health in the people of America is the greatest asset we have. A vigorous, alert, healthy citizenry is the greatest asset of any nation, and we in the United States can be justly proud of the remarkable advances that have been made in the field of public health. As a result of the constant painstaking efforts of thousands of men and women engaged in scientific research and the application of approved principles we have seen a steady decline in the mortality rate as a result of the incidence of infectious and contagious diseases, such as smallpox, diphtheria, yellow fever, typhoid, malaria, and many other diseases. We have seen a gradual accumulation of scientific knowledge resulting in the constant discovery of new and better means of controlling diseases which formerly resulted in high mortality rates.

Scientists and researchers working in the field of sanitation, nutrition, and hospital and medical services, have seemingly performed miracles in extending the average expectancy of life here in the United States. The Biblical expectancy of life of 70 years has practically been reached by the female population of America today and the male population is only 2.3 percentage points behind that. Think of it. The normal expectancy of life in the time of Andrew Jackson and Alexander Hamilton was only 28 years. This year in America a baby born tomorrow has a normal life expectancy of over 67 years, if it is male, and nearly 70 years if it is female.

Think of that, my friends. Take it home with you to the doubting Thomases who say that money expended for research, hospital facilities, and sanitation is money thrown down the drain.

Mr. TACKETT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. TACKETT. The gentleman mentioned the other day about a cut in the appropriation for hospital construction.

Mr. KEEFE. I am coming to that right now. I am going to discuss it.

As a result of the constant increase in the age groups over 60 years of age, special attention is now being given to those diseases that take a terrific toll of human suffering and life. I refer especially to cancer, diseases of the heart, and circulation. I also refer to the amazing, outstanding increase in the number of people afflicted with mental illness. These diseases, together with infantile paralysis, rheumatic heart, multiple sclerosis, peptic ulcers, and a number of other diseases affecting sight and hearing are now being attacked on a wide front in order that our rapidly growing aged population may end their days in peace and comfort, and contribute to the general welfare by living the normal expectancy of life safe from these terrible scourges.

The work of the National Cancer Society, the American Heart Association, the National Mental Hygiene Association, the National Foundation for Infantile Paralysis, the Damon Runyon Cancer Fund, and many other public and private philanthropies and organizations working throughout the country have turned the thinking of the American people to ways and means that must be found to ultimately eliminate these great destroyers and cripplers of human beings in the future.

As a member of the Subcommittee on Appropriations, dealing with public-health questions—and I have been a member of that committee now for more than 10 years—I have been pleased to devote the major part of my time, as most of you know, to knowing and understanding those problems.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. H. CARL ANDERSEN. I want to say that having sat next to the gentlemen from Wisconsin upon that subcommittee for 6 years, it is my firm conviction that no man in America, at least in the Congress of the United States, has done as much for public health in its various branches, through his interest in such things as trying to do away with cancer and heart disease, and such, as has the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. I am very thankful to the gentleman for those more than kind remarks.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield to me?

Mr. KEEFE. I yield.

Mr. CANFIELD. I can go even further than the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and say that the gentleman from Wisconsin [Mr. KEEFE] has gone right into my home to help me in a personal situation, and I shall never forget him for all that he has done for me and mine.

Mr. KEEFE. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mrs. ROGERS of Massachusetts. I believe always in the back of the gentleman's mind is the desire to help people who are ill. He deserves an enormous amount of appreciation.

Mr. KEEFE. I may say to my friends in the House that the thing that has kept me in the Congress has been the interest which I have had in this field of public health. Were it not for the fact that there is a tremendous amount of work to be done, a tremendous amount of work to be done in the face of opposition from people who do not know and understand the problem, I am frank to confess that I would not be attracted to service in this House much longer. But I say to you that this matter of public health and the part that the Congress of the United States can play in fostering those great programs that we now have in operation promise such astounding and unheard of results that if I get no other compensation in this life at all, it will be enough compensation for me to have played a small part in attempting to make the services that are now available to a few available to all the people of America.

If I have my way and Congress supports the attitude of the chairman of this subcommittee and my own attitude we will see to it that this program we have developed over the last 10 years is not destroyed capriciously, but that it will be maintained at a level that will permit it to continue to function in the direction that Congress has indicated that it wants it to function and not be curtailed and limited, if you please, because some one man does not believe that research is worth while.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. ALBERT. Will the gentleman explain to us just exactly what this bill does to this program?

Mr. KEEFE. I am going to get to it right at this moment.

There is a demand in certain parts of the country and in some quarters for the establishment of some sort of system of public health insurance, and it is directly associated to and made attractive to the public through the promise that if such a program is established it will be able to more effectively bring to all the people the benefits of advanced scientific knowledge and improved hospital and medical service. It is this natural allurement that is being overplayed, in my judgment, by those who advocate compulsory national health insurance. I think we can agree that the ultimate objective of any program whether it be compulsory or voluntary, is to achieve a wider distribution of hospital and medical services and to bring to a greater number of our people the prospects of better health. In considering this ultimate objective I have long felt that we should not merely denounce the proposal of Mr. Oscar Ewing and those associated with him, those who clamor for compulsory national-health insurance without being able to suggest a solution for an admitted problem by tendering a better program more in keeping with the American system of liberty and freedom, and free from the withering and destructive influence of bureaucratic or socialistic control. To suggest an alternative proposal it is not necessary to present a detailed and utterly new concept of medicine and hospital care. In my judgment, the answer to the Ewing proposal is to be found in the over-all progress that is being made in the hospital construction program, in the expanded research program, in the development of State and local and public-health services, in sanitation, in pollution-control development, in aids to develop better medical schools, clinics, laboratories, and facilities; in the development of more and better doctors and researchers, and in the constant education of the public so that they will avail themselves of these facilities before it is too late.

Oh, how often we see the case of an individual believing himself to be in good health, with no previous notice, toppling over in his chair. We have seen that repeatedly manifested in this Congress. A visit to a properly trained doctor or technician might have put that person under care and possibly have avoided the calamitous situation resulting from his sudden and unexpected passing. It is a human experience that each and every one of us sees every day of our life; and I, for one, intend to try to do something about it. You are going to have a chance to vote to do something about it before this bill finally is passed.

Mr. Chairman, we have before us today the proposed 1951 budget of the Public Health Service. At this time, we must subject every proposed expenditure to the closest scrutiny to ensure ourselves that the funds must be spent and that they will contribute amply to the health, well-being, and economy of the Nation. We have a corresponding obligation to protect standards of health and to avoid being "penny-wise and pound-foolish."

I wish to apply these principles specifically to the construction program of the Public Health Service. This program falls into two interlocking parts which at first glance seem unrelated. All medical research—fundamental and applied—is worth undertaking and deserves support from public funds only because it will—sooner or later—relieve human suffering. Research findings are valuable to human beings not in the laboratory, but when they are applied to the prevention of illness or to the cure of illnesses in doctors' offices, clinics, and hospitals. The major gap in our medical care facilities is the Nation's hospital facilities. Unless they are expanded, research findings must remain in large part sterile. Moreover, we must have an adequate hospital system—particularly in rural areas—if preventive medicine is to be practiced on the scale required both to save lives and to avoid the heavy costs that arise from postponing adequate medical attention.

The second element of the program is aid to hospitals, medical schools, and universities for the construction of research facilities. Just as hospitals are necessary if research is to be fruitful, research is critically important if the Nation is to avoid a constantly rising bill for the cost of medical care. The Hoover Commission, after noting what research has done over the last 50 years to reduce the incidence of what used to be the major communicable diseases of children—smallpox, diphtheria, and so forth—and of adults—as witness the treatment of pneumonia and venereal diseases with antibiotics—warned that we must step up the pace of medical research if the cost of medical care is to be kept within bounds. If we can substantially reduce the incidence of such major scourges as heart disease, cancer, and mental disorders, the savings to the Federal Government in provision of medical care to veterans alone will repay the cost of the research many times over. At this time, the shortage of space for research is—as I shall point out in detail in a few minutes—reducing the productivity of research expenditures and forcing the postponement of urgently needed work.

I am convinced not only that measures such as these will save Federal, State, and local expenditures in years to come. I am also convinced that adequate hospital facilities and adequate research facilities are a means of raising health standards to levels that the people of the Nation should enjoy and that will cut the ground from under extreme and impractical proposals in the field of medical care.

II. HOSPITAL FACILITIES

I should now like to discuss specifically the item concerned with the construction of community hospitals and health centers under the Hospital Survey and Construction Act.

I doubt that there is a single Member of Congress who is not familiar with this great program, who has not had one or more hospitals built in his district which would not otherwise have been possible except for the assistance under the Hospital Survey and Construction Act.

We all know that the program has been successful. Those of us who have taken an active role in the hearings preceding passage of the Hospital Survey and Construction Act of 1946 and in subsequent congressional action relating to this legislation know that this success is not attributable to accident. I want to explain precisely why it has been successful, and why the arbitrary action of the Committee on Appropriations in cutting the 1951 appropriation for this act is an affront to both Houses of Congress, a breach of faith with States and communities, and a threat to the standards of health of the peaple of the Nation, particularly those in rural areas.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Tennessee.

Mr. GORE. I agree with the statement of the gentleman, and at the proper time in the consideration of the bill I

expect to offer an amendment to restore the cut back to the budget item.

Mr. KEEFE. I thank the gentleman. I have such a proposal already prepared.

To begin with, I know of no legislation—and I say this advisedly—that was more carefully planned and that was based upon more careful consideration of needs and of alternative ways of meeting them.

A commission on hospital care established under the auspices of the American Hospital Association with the full support and backing of the American Medical Association began its studies of a careful long-range plan for hospital construction in 1944, 2 years before passage of the act. It found that the hospital resources of the Nation were truly in a critical condition, that there was not only an acute shortage of hospital beds but that many were grossly obsolete and inadequate to carry on modern medical care. They found that the hospitals then in existence were poorly distributed leaving large areas of the country with virtually no hospital beds of any kind. They found that doctors were rapidly disappearing from the rural areas primarily because there were too few hospitals in which to practice their highly technical professions. In large part, these deficiencies stemmed from the virtual cessation of hospital construction during the depression. They could not be remedied during the war, when stopgap measures centered around the needs of defense areas had to suffice.

This commission reached the conclusion that there was no possibility of constructing the needed hospital beds without Federal aid. But they did not stop there. They said that these Federal funds should not be provided to any State until that State had carefully surveyed its needs and arrived at a comprehensive long-range plan for construction, giving first consideration to the most needy areas. Finally, they stressed the point that any Federal program that might be adopted should have a large element of State and local control.

The Hospital Survey and Construction Act, embodying these principles, became law in August 1946 after hearings that began in January 1945. In hearings before both Houses of Congress, representatives of medicine, hospitals, labor, industry, farm groups, education, and many others not only stressed the need for hospitals but expressed their support of the principles laid down by the commission.

I recount these developments not as an exercise in historical exposition, but to make clear the fact that the statute was not hurriedly drawn, that it had and has now a broad base of support—labor and management, Republican and Democratic, urban and farm, medical and lay, that it permits no expenditure of Federal funds until a sound, detailed State plan is established, and that it draws the States and localities fully into planning and operation of the act. This is no bureaucratically engendered Federal hand-out. It is a model of cooperative planning to meet human needs.

Now, how has the act worked out?

The beginning was slow. I say this not apologetically but with pride. The actual start on construction was slow because the required surveys had to be made, and plans based on the surveys developed. By the end of the fiscal year 1947, all of the States and Territories had completed their surveys and had their long-range master plans approved by the Surgeon General. They showed a total need for more than 900,000 new hospital beds, the long-run goal of the program. Under these long-range State plans, the needs of each and every community have been carefully evaluated. The needs of each one have been objectively considered and rated in relation to the needs of all the others. Each community, therefore, knows in advance its relative position and approximately when it might expect to receive financial aid.

I stress this planning for two reasons. First, the plans are a remarkable instance of measuring needs and ranking them in order of priority. More important, their usefulness rests upon the reasonable assumption that the Congress of the United States will observe its commitments. These plans are not dreamed up. They are produced by the hard labor of thousands of interested people—doctors, hospital administrators, and lay groups and individuals—in all States and in hundreds of communities. They are linked to plans for bond issues. They involve municipal finance plans. They are the base for fund-raising drives in cities, towns, and counties. The Committee on Appropriations has, as I shall point out, proposed action that will throw these efforts into complete chaos.

The act has produced more than plans, and has done more than stimulate cooperation—desirable as these are. It has gotten hospitals built, particularly in rural areas. Of the 1,019 projects approved since the beginning of the program, up to December 31, 1949, 797 are general hospitals; 71 percent of these are in communities of less than 5,000 population, and 87 percent are in communities of less than 10,000 population. It is obvious therefore that the general hospitals are going into rural communities, most of which have never before had the advantage of hospital care. Hospitals for tuberculosis, mental, and chronic diseases are for the most part of necessity located in larger population centers since this is where the necessary specialists are found.

The financing of the act has been upon a conservative basis. I had some part in insuring that this would be the case. Let me cite a pertinent example. The original provided for an annual cash appropriation of $75,000,000 with which to pay one-third the cost of hospital construction. Since it was difficult to estimate accurately the cash demands of the program, the Appropriations Committee substituted for the fiscal year 1948 a contractual authority for the $75,000,000 in cash appropriations. This permitted the Congress to make the cash appropriations later and in such amounts as were required to meet these contractual obligations. Some said that this was a device to hold back the program and delay its execution. It was in reality a common sense method of financing that has characterized the total operation of the program, and has proved to be entirely satisfactory.

The success of the act led the first session of the Eighty-first Congress to extend the time of operation of the act from 1951—the original expiration date—to 1955. Moreover, the original annual allotment of $75,000,000 was raised to $150,000,000 in the light of experience gained as construction actually got under way. It is to this level of appropriations that the planning of State and local bodies has become firmly and justifiably linked for the next 5 years.

The original act was not perfect. It was not, for example, flexible enough to permit adjustment of the Federal share of hospital costs to the financial ability of the States, nor to permit reasonable adjustments to meet the needs of richer and poorer areas within the States. This has been rectified.

A second deficiency of the original act was that it did not lay sufficient emphasis on means of making hospitals more effective as medical care institutions. This Congress dealt with this problem by authorizing the Surgeon General to make studies and demonstrations directed toward the improvement in hospital practices and regional integration of hospitals, and to make grants to hospitals, universities, States, and other appropriate professional bodies for these purposes.

These cooperative studies are badly needed because most of the hospitals of the country are small and isolated. The small rural hospital can be fully effective only if it is associated with a larger medical center so that it can call upon specialized personnel and facilities in order to provide a complete service. The fact that the large majority of the hospitals being built under the Hospital Survey and Construction Act are quite small increases the necessity for doing something to insure the quality of the care to be given. The practicability of such a regional organization of a group of small hospitals around a medical center has already been amply demonstrated in a few places with the financial support of a number of philanthropic foundations.

The necessity for these studies and demonstrations has been stressed in testimony before Congress by State departments of health, the American Hospital Association, and the American Medical Association. I share the views of these leaders that the Hospital Survey and Construction Act will fall short of its goal if in aiding hospital construction, it fails to insure that the quality of hospital care in rural areas is as good as that given in metropolitan centers.

I have reviewed this program with some care to make a number of things clear. First, the program has been thought out with extreme care. Second, the States and localities have been brought fully into the planning and operation of the program. Third, the program is working out as was intended. Fourth, the rate of construction—even

with the liberalizing amendments enacted by the Eighty-first Congress—is moderate in relation to the needs for hospitals, particularly in rural areas. Fifth, attention is being given not only to building hospitals but to working out arrangements that will provide better medical care—again, particularly in rural areas—at minimum cost. Sixth, the success of the whole undertaking and the good faith of the Congress in dealing with States and localities, which must plan far in advance, rest upon a reasonably stable level of appropriations for the act.

For these reasons, I protest the action of the Committee on Appropriations in reducing the cash appropriation for this act in 1951 from $125,000,000 to $100,000,000, in cutting contract authority from $150,000,000 to $75,000,000 in eliminating entirely the funds proposed for study of means of making the services provided by hosiptals more effective and in cutting the appropriation for administration of the law.

Look first at what the committee proposes to do with contract authority. Both Houses of Congress have, after extensive hearings, enacted a statute to extend for a 5-year period and committed the Federal Government to provision of $150,000,000 in contract authority for each of these years. The committee presumptuously proposes to nullify the express will of Congress. This House cannot deal in an off-hand cavalier fashion with its commitments to States and localities. State planning groups, local citizen groups interested in hospital construction, local governmental authorities, and State legislatures are making commitments, laying plans, negotiating bond issues, and expending funds for blueprints on the assumption that the Congress of the United States can be relied upon.

I propose that the $150,000,000 contract authority for this act be allowed in accordance with the commitment in the basic legislation.

Look now at what the reduction of the cash appropriation from $125,000,000 to $100,000,000 will do. These funds, bear in mind, are to liquidate obligations already incurred. Figures from the States already indicate that at least $108,000,000 must be available during the fiscal year to cover these prior obligations. The figure of $125,000,000 is the probable level of cash needed to liquidate these and other obligations already incurred on the basis of contract authority authorized by Congress. There is no point in cutting back this cash appropriation, as the committee proposes. If this is done, there will simply be a request for a deficiency appropriation, and the request must be honored.

Elimination of $1,377,094 for the studies which I have described—$1,000,000 for grants to States, hospitals, and other qualified bodies and $377,094 for investigations by the Public Health Service—is equally short-sighted. We have embarked, I am glad to say, on a long-overdue hospital-construction program. But we are ultimately concerned with medical care and not with bricks and mortar. I propose that this item be restored so that the Federal and State Governments and the hospitals and medical schools can jointly work out means—adjusted to local needs—that will make the hospitals most effective in helping sick people.

Finally, I propose that there be appropriated $1,429,906 to administer this act. The committee proposed to reduce administrative funds on the assumption that its other proposed reductions would be agreed to by the House. The reasonable sums thus far devoted to administration account in substantial part for the success of the act. An increase in the scope of the program accompanied by a cut in the level of appropriations found necessary for effective operation would court inefficiency and deterioration of the fine Federal, State, and local relationships established over the last 4 years.

III. CONSTRUCTION OF MEDICAL RESEARCH FACILITIES

I now wish to lay before you the purpose, status, and prospects for extension of the Nation's medical research facilities.

The construction of medical research facilities must, as I have explained, be considered as part of a total program for establishment of adequate public health facilities. The sums are far less than those involved in construction of hospitals, but they are equally important.

I have followed the development of medical research in this country during and after World War II with a great deal of care.

Before the end of the war, I was impressed by the fact that cessation of wartime programs would result in a catastrophic slump in medical research in our medical schools and universities unless the Federal Government took an active role in financing investigations during the postwar period.

I did all that I could both to establish the necessary legislative base and to set appropriations at a level which would permit medical research to go forward. The research-grant program of the Public Health Service is now a going concern. It has played a major part in forestalling the sharp curtailment of medical research that appeared imminent in 1945.

As I have watched this program in operation and from talks with medical investigators and deans of universities and medical schools, it has become clear to me that research grants alone are not sufficient in themselves to establish a well rounded medical research program for the Nation. The research grants help to buy equipment, and supplies and to pay salaries. But they cannot be used to construct research facilities.

We have reached the point where further development of medical research depends heavily upon expansion of the space available in universities and medical schools. This is particularly true in the fields of cancer, heart, and mental health.

Now let me explain what has been done and what ought to be done in each of these fields.

(a) Heart research facilities: Last year, recognizing the urgent need for additional space if vital research in heart diseases were to be undertaken, Congress appropriated $6,059,000 for construction of heart-research facilities.

This was a start. The appropriated funds have been made available to 25 institutions in 16 States. I am submitting for the RECORD a list of these grants—see appendix A.

The Committee on Appropriations has proposed that this program be brought to an abrupt and total halt.

I want to explain as clearly as I can what the consequences of this action would be.

First, the funds provided last year forced an arbitrary selection among equally needy institutions. Dr. Paul White of Boston, a member of the National Advisory Heart Council and one of the foremost experts in the Nation in the field of cardiovascular research, has said this:

> It was with the greatest difficulty that we established even a remotely passable priority list among all the institutions throughout the country whom we knew had complete justification for expecting construction aid from us in order not to delay seriously or to bog down important research in heart disease in progress or in prospect.

Dr. Stafford Warren, of Los Angeles, another distinguished investigator in the cardiovascular field, has this to report on needs for heart research facilities:

> Meritorious requests have exceeded the Federal funds available, and the minimum needs have not been met. More widely distributed centers for cardiovascular research are needed. In the West and Southwest, for example, the research potential cannot be adequately realized without additional assistance, carefully extended, for construction of research facilities.

Dr. T. Duckett Jones, a third outstanding scientist and member of the National Advisory Heart Council, has this comment on the need for construction:

> Members of the National Advisory Heart Council have visited some 59 institutions in need of better laboratory facilities to conduct cardiovascular research. The findings have been rather consistent in most parts of the country. Most medical schools, teaching and research hospitals, and other research institutions are in great and often dire need for laboratory space. The present able investigators and personnel are seriously hampered by this lack of space.

I have at hand, and will submit for the RECORD, a list of requests for aid in constructing heart research facilities—see appendix B. These requests are from 45 institutions in 21 States and the District of Columbia. They total $28,000,000. Seventeen additional institutions in 11 States have expressed an intention to apply for this aid.

In my opinion, it would be unwise to appropriate a sum of this magnitude in 1 year for construction of heart research facilities.

On the other hand, I firmly believe that the Committee on Appropriations has irresponsibly turned its back on a program essential to the furtherance of medical research. I urged the committee to insert in the budget an item to

provide funds for a moderate continuation of the heart research construction program. The committee saw fit to ignore my proposal.

In my judgment $4,000,000 in contract authority—two-thirds of the appropriation for this purpose in 1950 and one-seventh of the firm, justified, and screened requests now in hand—is the absolute minimum required for this program. I offer an amendment to this effect.

(b) Cancer research facilities: I turn now from the field of heart to the field of cancer research.

Cancer research is more extensive than that in heart. The Nation-wide mobilization of men and money for cancer research undertaken with the aid of both private and governmental agencies has proceeded to the point where there is an extensive network of laboratories and scientists at work on the problem. Since the cancer research program is a few years ahead of the heart program, the problem of research facilities was encountered earlier.

The first funds for Federal aid in construction of cancer research facilities were provided by Congress in the appropriation for fiscal year 1948. Subsequent appropriations for fiscal years 1949 and 1950 have enabled 44 institutions in 26 States and the District of Columbia to expand both their clinical and laboratory cancer research facilities. In total, $16,303,000 has been provided for this purpose by the Congress—see appendix B. I shall submit for the record a list of these grants.

This program has been in operation long enough so that its value can be assessed.

The funds have been used to expand existing cancer research centers, as well as to help establish facilities needed for the creation of new research programs. In most cases, the Federal funds have supplemented funds from local sources. We can confidently predict that all research construction funds will stimulate and supplement local efforts to raise funds, rather than to replace these efforts.

It is clear that the construction grant procedures enlarge rather than limit the freedom of hospitals and schools to conduct cancer research.

Each individual application has been studied in order to determine how best to provide the working space which will facilitate the development of well-balanced programs of fundamental and clinical research. In some cases, laboratories were adequate and additional clinical facilities were needed to complement these laboratories. In other cases, good clinical facilities were available but laboratories were needed to make more effective the work that is being carried on in the clinical programs. In some instances, needed space for both clinical and laboratory research has been provided through the grant. This same realistic adjustment of facilities to needs can be expected under all the construction grant programs.

Finally, the construction grants have been an important factor in resolving another key problem—the shortage of trained cancer investigators.

Although none of the funds has been allocated to provide facilities for training, the training programs of the grantee institutions have benefited by the improved research facilities. They have enabled research institutions to train medical and graduate students, internes, resident physicians, and additional personnel in research. They have resulted in an improvement in the teaching of cancer as well as related scientific fields. Because of the additional facilities for research, these institutions have been able to attract and keep better qualified personnel for both research and for teaching. The same valuable byproducts will come from research construction grants in other fields if they are not arbitrarily stopped.

As in the case of heart research construction grants, the Committee on Appropriations saw fit to ignore my request that the program continue. There is not a dime in the Public Health Service budget for construction of additional cancer research facilities.

This refusal was in the face of requests for funds from 23 institutions in 15 States and the District of Columbia. The requests total almost $12,000,000—see appendix E.

As is true in the case of heart research construction, I do not believe that Congress should appropriate funds for fiscal year 1951 sufficient to meet all these requests. In view of the sums already expended, the state of the Federal budget, and in view of the progress already made, I think that the program should be less extensive in fiscal year 1951 than in fiscal year 1950.

In fiscal year 1950, $4,175,000 was appropriated in cash and $6 000,000 was provided in contract authority.

But the complete cessation of aid for construction of cancer research facilities proposed by the Committee on Appropriations reflects little credit upon either the vision or the understanding of that group.

I therefore urge that the 1951 appropriation to the Public Health Service be amended to provide $3,000,000 in contract authority for aid in construction of cancer research facilities. This would cover less than a third of the requests on hand, and is less than a third of the cash appropriation and contract authority allowed for fiscal year 1950.

(c) Mental health research facilities: Finally, I wish to discuss the need for research facilities in the field of mental disorders. The care of those hospitalized in Federal, State, and private institutions by mental illness costs the people of this country about $400,000,000 per year—over $1,000,000 every day. The loss in production, income taxes, and other less tangible factors is easily twice the direct burden of hospital costs.

There is only one way of reducing this burden in the future without depressing still further the deplorable standards that exist in most of the Nation's mental hospitals.

Only a well-balanced mental-health program which places proper emphasis on research into the cause, prevention, and cure of mental illness can relieve taxpayers of an appreciable part of this economic burden and reduce the wretched misery and suffering that are now the lot of mental patients and their immediate families.

We have the machinery for an expanded research program in the National Institute of Mental Health. Appropriations, modest in terms of the certain gains that would come from a heavier investment, have been made.

But, as is true in cancer and heart disease, facilities are lacking. We need more research centers not only to work toward the findings that will enable us to conquer mental illness, but also to serve as training centers. The shortage of trained people in this field cannot be relieved until the research centers in which they must pursue advanced work are made more adequate.

These centers should concentrate upon various aspects of psychiatry and neurology, but they must be closely linked with other medical specialties, such as pediatrics and internal medicine, and with basic medical departments, such as physiology and pathology.

New centers should be established in areas where none now exists. The pressures and strains that lead to mental illness vary throughout the country, and problems peculiar to different localities should be studied by people fully familiar with the communities in which they work. Moreover, we should avoid concentration in a few centers that will have a tendency to forestall the free development of ideas essential in an area where most problems are as yet unsolved.

It is a shocking fact that there are fewer than 20 such research and teaching centers in the field of mental disorders. Almost all of our money is going into the care of those already afflicted. A pittance is being devoted to the expansion of research that alone can prevent the burden of care from becoming steadily more onerous as the years go by.

In my opinion, the country would be well served by a 10-year program designed to double the number of research centers for mental health, and to strengthen the existing centers. Carefully thought out plans have reached the stage where $2,500,000 could be profitably committed during 1951 as a start on this program.

I attempted to persuade the Committee on Appropriations that failure to adopt a program of this nature is inviting—in fact, making certain—the imposition of hospital costs many times $2,500,000 per year for the indefinite future. I had no success.

I, therefore, propose that the 1951 budget of the Public Health Service be increased by $2,500,000 to permit aid in construction of these mental-health research facilities.

Mr. Chairman, I tell you it, is about time we begin to think of the people here in America and their needs instead of planning to build hospitals and furnish unemployment relief and sanitation

projects and septic pools and so on all over the world. I am not one who is going to sit idly by and see the known needs of millions of Americans denied, frustrated, and destroyed, and at the same time vote billions of dollars to provide facilities even in the countries that are occupied and controlled by those who were our former enemies.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Tennessee.

Mr. JENNINGS. The gentleman from Wisconsin has brought to bear in his discussion of this bill a rich store of knowledge and rich experience, and his great ability. I wish to commend him on the magnificent manner in which he has acquitted himself.

Mr. KEEFE. I thank my good friend for his fine statement.

What did the committee do? We had witness after witness come before that committee giving us the benefit of their advice and their experience from all over America. The chairman of the Appropriations Committee was not there at a single hearing when this matter was discussed, yet he came before the subcommittee when the bill was marked up and insisted on cutting this program right square in two and putting it back to the $75,000,000, after this Congress had sent the word out to the people of America that they could depend upon the Congress of the United States to assist them to the extent of $150,000,000 in hospital construction.

I have the facts and figures here. I shall not attempt to read them now, but if anybody attempts to challenge them they will be in the RECORD.

There are hundreds of communities in the United States that have issued bonds for the building of hospitals, depending upon the allocation of funds that was set up under this amendment of last August raising the amount to $150,000,000. There are hundreds of communities in this Nation in which public-spirited citizens have put on drives and the people have literally contributed their own money to provide the sponsor's share to build hospitals in various communities throughout the Nation.

If the action of the subcommittee of this Congress and the full Appropriations Committee—and I may say we did not raise any question about it in the full committee. The gentleman from Rhode Island [Mr. FOGARTY] and I were so humiliated to think that the program we had spent our time developing and supporting by proofs and testimony could be so recklessly and wantonly slashed and knocked out under the guise that they were saving money for the people, only to vote a few days later to spend $2,700,000,000 on foreign aid, and take it out of the hides and the welfare of the people of the United States of America. As far as I am concerned, I did not and I will not do it. You will have an opportunity to express yourselves on this question when it comes up. The chairman of the subcommittee is here on the floor, and I am certain he will agree with and substantiate every statement I have made here this afternoon.

Something very unusual has happened in this Congress on this question. I was advised by members of the committee on Interstate and Foreign Commerce that after the action of the Committee on Appropriations became known to them they called a meeting of their committee and by unanimous vote of that great committee sponsoring this legislation they agreed to stand behind the action of the gentleman who is now addressing you and the chairman of the subcommittee, the gentleman from Rhode Island [Mr. FOGARTY], seeking the restoration of these funds. I asked the gentleman from Tennessee [Mr. PRIEST]: Is that not the fact?

Mr. PRIEST. That is the position taken by the Committee on Interstate and Foreign Commerce at a special meeting.

Mr. KEEFE. They have given study to this program the same as we have. They know the implications involved. You cannot arbitrarily, in a moment of emotional attitude in a committee, without any knowledge of the facts and without any hearing of the evidence just ruthlessly slash a program which is so vital to the welfare and interest of the people of America.

Mr. TACKETT. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. TACKETT. Is it not further a fact that the people of this country relying upon the Congress have gone so far as to have blueprints drawn up and engineering work carried on for the purpose of building hospitals and now they find that partially completed hospitals are going to be lost as a result of the action of the committee which in one breath has told the American people it does not make any difference about serving humanity in America, and then in the next breath giving $2,700,000,000 to be used in any way that is seen fit on foreign soil to be sure that those people are cared for better than our own people?

Mr. KEEFE. I was a Member of the Eightieth Congress. I supported the Marshall plan and I supported aid to Greece and Turkey. I supported the GARIOA program. I supported every one of those programs until this year when they tacked on titles II and III to the bill which I felt had no place in the bill. I will be accountable to the people I represent for my action in voting against that bill. But regardless of that I cannot sit here and in good conscience as a Member of this great body, see the things which I know are needed cast aside when witness after witness from California to Massachusetts in this great field of public health—not bureaucrats, not public-health people employed by the Government, but men of the character of Dr. Paul White, the world's greatest authority on cardiovascular diseases and men of that type—like Dr. Rhodes, head of the Sloan-Kettering Clinic, the greatest cancer research specialist in this country, in my opinion—man after man of that type from Missouri, from California, from Minnesota, from Ohio, from all over the country, came before the committee and testified. It is a liberal education to read that hearing. We have the national advisory councils in the heart program and in the cancer program, and the mental health program, composed of the finest businessmen in America who are giving their time and attention and money to this problem.

Under the inspiration of the chairman of the full committee that has been completely wiped out. The construction of clinical facilities which we started, and which is so vital if we are to carry on the fight against these dread diseases, the killers and cripplers of mankind, has been completely stopped.

I will tell you more about it when we get into the bill. I will offer some amendments to put some of these funds back to carry on that program.

The chairman of the subcommittee knows as well as I do that we are not seeking to override the budget. We have not overridden the budget. We made very substantial cuts in the appropriations. We did so with a distinct understanding between the chairman and myself that in the mark-up of that bill of the money which we cut from the public health bill for certain purposes, amounting to some $26,000,000, eight or nine million dollars could be taken to carry on the clinical hospital construction program which is growing throughout the country and which offers the greatest hope we have for the solution of these diseases, such as cancer, heart disease, and many other diseases.

Mr. REGAN. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Just let me finish this thought. After we had made those cuts, we not only lost those items but we were unable to transfer those funds into the activities that we wanted them to be transferred to. Again, the chairman of the committee, without hearing a single witness in the hearings, was able, by his force and drive, to do that. It is small wonder that his own subcommittee chairman refused to go along with him, and will take the floor at the proper time in complete support of the position which I am presenting to you this afternoon. I take my hat off to JOHN FOGARTY, who has some vision, who has some courage to stand up and fight for the things he knows are right and not be driven into a position of trying to stimulate false economy by taking it out of the hides of the American people.

I now yield to the gentleman.

Mr. REGAN. I have been impressed with the gentleman's remarks. I am sorry I did not hear all that he had to say, but would not this cut have the effect of discouraging those communities who have drawn plans and prepared their sites for these hospitals and have them under construction? Would it not be a move toward pushing on to us socialized medicine, if this program were not completed?

Mr. KEEFE. My friends, if you are interested in socialization of medicine, if that is what you want to see come, you

follow the attitude of the chairman of the Appropriations Committee, and you will get it. That is what will bring it about. But if you carry on the program that the chairman of the subcommittee and the gentleman from Wisconsin, who is now addressing you, have tried to put into force over the last number of years—I have been a member of that committee for 10 years, working for this objective. To do what? To get more hospitals, get more doctors, get more nurses, get more research, and get more applied research into the hands of more people in America, and do it under the American plan. That is the only way it can be done. It is the only way it can be done, and it is being done with a very small expenditure of money. If I had the time to show you the economical aspects of this situation, I could demonstrate to you where every dollar you are spending on this program will ultimately save many, many dollars to the people of America as a result of the application of the research that is going on. If you only knew how hard we had to fight to get into this bill some money to carry on the research of acth and compound E, that promises to completely revolutionize the medical practice throughout the world, and will be the greatest boon to humanity since the discovery made by Pasteur, and perhaps much greater. The stories that were told to us by these leading scientists throughout the country are what we might look forward to when a complete synthesis of these drugs is made known, and when the sources of cortisone can be discovered, so as to make it available, as penicillin is now made available, the amount of money we are asking—and we had to beg and plead to get that amount of money in this bill—my God, have you ever taken penicillin? Think of the millions of people whose lives have been saved and whose productivity has been saved in the use of that remarkable drug. My friends, the work of the National Institute of Health alone in developing the type of serum that was used during this last war saved more in money and lives than all the money the Federal Government has ever spent in the field of research.

Mr. TABER. Mr. Chairman, the gentleman has consumed an hour. I ask unanimous consent that the gentleman may be allowed to proceed for five additional minutes, and yield him five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEEFE. Mr. Chairman, I went over the country impressed with the need for the development and stimulation of the cancer program, the heart-research program, the poliomyelitis program, and many others. I talked to researcher after researcher in institution after institution throughout the country. I asked: "What is the bottleneck?" They said: "It is clinical facilities. We have to rely on rats, guinea pigs, monkeys, or chimpanzees. The latter are tremendously expensive, but we have not the human material available to whom we can give the very best of medical science and the best of care and treatment, whose progress we can observe and record in connection with the research programs that are going on throughout the country."

We came back to this Congress and we asked you to relieve that bottleneck. You did so practically unanimously. What is the result? This great clinical hospital that is being built out here at Bethesda, which is hooked up with all other clinical hospitals that are being built throughout this country and with the centers of research throughout the country. You did it; the Congress did it almost without opposition of any kind. Thus, there has been a correlation of all this research; all of the research is being correlated and funneled into this central research institution out here where the research findings will be evaluated and will in turn be transferred to other centers of research to avert duplication. It has been accepted by the great research scientists of this country as one of the greatest forward steps that has ever been taken in the field of research. If the attitude of the committee is maintained, that program is stopped far short of its goal. I, for one, do not propose to see it die if I can help it by the expenditure of a few measly dollars, seven or eight millions; and I shall offer amendments at the proper time to take care of it. I will demonstrate to the Congress where we can effectuate savings and where we have effectuated savings that will offset this budget increase suggested, two and a half times.

This one activity means something to me. Oh, it does not mean anything to me politically. Very few of the people in my district know anything about the work that I have done here; but I tell you it means something to human beings, and I have had experiences in my own family that impressed upon me its importance. Because of my position in this field, I was able to bring to my little grandson the best that there was in America to cure him of devastating rheumatic fever. I tell you that so far as I am concerned I am going to make those same services available, if it is possible, to every kid in America that is struck down with that dread disease. You ask me why I am interested in it? Because I have seen what these people have done in the field of cancer, in the field of rheumatism, in the field of arthritis, in the field of heart disease; I know what great accomplishments the future has in store for us. I want to make those facilities and those research findings availble to all the people of America. How any man who professes to have his heart beat in sympathy with the common people of this country can think otherwise is beyond my wildest imagination.

APPENDIX A

Approved heart research construction grants (alphabetical by States, as of Oct. 29, 1949)

State and institution	Grant number	Amount requested	Amount recommended	Amount awarded
California: University of Southern California	HC-504	$1,000,000	$500,000	$485,000
Colorado: University of Colorado	HC-285	254,540	254,000	246,380
Georgia:				
University of Georgia	HC-535	58,000	58,000	58,000
Grady Memorial Hospital	HC-7010	15,000		15,000
Illinois:				
University of Chicago	HC-265	750,000	500,000	485,000
Michael Reese Hospital	HC-7007	10,000	10,000	10,000
Northwestern University	HC-264	50,000	50,000	50,000
Kansas: University of Kansas	HC-270	100,000	100,000	100,000
Louisiana: Tulane University	HC-533	1,010,500	500,000	485,000
Maryland: Johns Hopkins University	HC-255	1,266,928	500,000	485,000
Massachusetts:				
Beth Israel Hospital	HC-573	190,000	190,000	184,300
Harvard School of Public Health	HC-7001	82,500	82,500	82,500
House of Good Samaritan [1]	HC-7006	235,000	175,000	169,750
Massachusetts—Continued				
Massachusetts General Hospital	HC-267	$1,120,000	$500,000	$485,000
Peter Bent Brigham Hospital	HC-298	250,000	250,000	242,500
Minnesota: University of Minnesota	HC-259	1,659,000	500,000	485,000
Mississippi: University of Mississippi	HC-536	4,435	4,435	4,435
New York:				
New York University	HC-268R	1,625,500	500,000	485,000
Syracuse University	HC-7004	1,145,000	145,000	140,650
Oklahoma: Oklahoma Medical Research Foundation	HC-246	325,000	325,000	100,000
Pennsylvania:				
Children's Hospital, Philadelphia	HC-291	385,000	385,000	373,450
University of Pennsylvania	HC-254	500,000	330,000	320,100
Tennessee: Meharry Medical College	HC-503	177,660	177,000	172,330
Utah: University of Utah	HC-251	60,000	60,000	60,000
Wisconsin: University of Wisconsin	HC-225	300,000	300,000	291,000
Total		12,574,063	6,395,935	6,015,395

[1] Informal application.

Total of 25 grants in 25 institutions, representing 16 States.

APPENDIX B

Pending requests for cardiovascular research construction grants (Jan. 13, 1950)

State and institution	Grant number	Amount of pending request
Alabama: Medical College of Alabama.	HC-540	$416,931
California:		
University of California Medical School.	HC-548	1,250,000
University of California Medical School, Los Angeles.	HC-252	884,736
University of Southern California.	HC-504	[1] 515,000
District of Columbia: Georgetown University.	HC-525	909,960
Georgia: Emory University	HC-541	500,000
Illinois:		
University of Chicago	HC-265	[1] 265,000
University of Illinois	HC-299	2,350,000
Loyola University	HC-349	116,000
Michael Reese Hospital	HC-258	2,647,950
Kentucky: University of Louisville.	(HC-7003)	[2] 285,000
Louisiana: Tulane University.	HC-533	[1] 525,500
Maryland: Johns Hopkins University.	HC-255	781,928
Massachusetts:		
Children's Medical Center, Boston.	HC-7009	450,000
House of the Good Samaritan.[3]	HC-7006	[1] 175,000

See footnotes at end of table.

APPENDIX B—Continued

State and Institution	Grant number	Amount of pending request
Massachusetts—Continued		
Massachusetts General Hospital.	HC-267	[1] $635,000
New England Center Hospital.	HC-7000	220,000
Michigan: Wayne University.	HC-571	377,226
Minnesota: University of Minnesota.	HC-259	[1] 1,174,000
Missouri: Washington University School of Medicine.	HC-7002	200,000
New York:		
Bellevue Hospital (New York City).[3]		150,000
University of Buffalo	HC-295	335,000
Columbia University College of Physicians and Surgeons.	HC-224 (R)	1,000,000
Cornell University	HC-346	200,000
Montefiore Hospital (New York).	HC-527	418,700
Mount Sinai Hospital	HC-7005	300,000
New York Hospital	HC-345	800,000
New York University	HC-268 (R)	[1] 1,140,500
University of Rochester	HC-350	414,368
Syracuse University	HC-7004	[1] 1,004,350
North Carolina:		
Bowman Gray School of Medicine of Wake Forest College.	HC-343	848,900
Duke University	HC-256	1,347,000
University of North Carolina.	HC-263	516,800

See footnotes at end of table.

APPENDIX B—Continued

State and Institution	Grant number	Amount of pending request
Ohio: Western Reserve University.[3]		$275,000
Oklahoma: Oklahoma Medical Research Foundation.	HC-246	[1] 225,000
Oregon: University of Oregon.	HC-272	230,000
Pennsylvania:		
Jefferson Medical College (Philadelphia).	HC-598	1,000,000
University of Pittsburgh	HC-7008	400,000
University of Pennsylvania.	HC-254	179,200
Temple University Hospital and Medical School.	HC-342	900,000
Woman's Medical College of Pennsylvania.	HC-248	169,645
Tennessee: University of Tennessee.	HC-223	468,000
Texas: Southwestern Medical college (Dallas).[3]		500,000
Washington: University of Washington (Seattle).	HC-301	500,000
West Virginia: University of West Virginia.	HC-289	5,860
Total		28,008,854

[1] Requested over and above present active grant.

[2] Application HC-7003 withdrawn. New application to come.

[3] Informal application.

Total 45 institutions.

Representing 21 States and the District of Columbia.

APPENDIX C

Expressed intent to apply for heart research facilities construction grants (as of Feb. 10, 1950)

State and institution	Estimated request (if given)	Individual contacted
California:		
University of California (Donner Laboratory), Berkeley	No estimate	John H. Lawrence.
Has pending: HC-548, Medical School, San Francisco, $1,250,000		Francis S. Smyth, dean.
Has pending: HC-252, Medical School, Los Angeles, $884,736		Stafford L. Warren, dean.
District of Columbia: George Washington University Hospital	No estimate	Brian Blades.
Indiana: Indiana University School of Dentistry, Indianapolis	do	Maynard K. Hine, dean.
Massachusetts: HC-7015, Massachusetts Institute of Technology, Cambridge	$250,000	J. R. Killian, Jr., president.
New York:		
Helen Hay Whitney Foundation, New York City	No estimate	T. Duckett Jones, medical director.
Albany Medical College (Union University), Albany	do	Harold C. Wiggers.
Ohio:		
Division of City Hospitals, Department of Public Health and Welfare, Cleveland	do	Mr. Stanley A. Fergus, commissioner-superintendent.
South Carolina: Medical College of the State of South Carolina, Charleston	do	John A. Boone.
Tennessee: University of Tennessee, Knoxville (has pending: HC-223, $468,600 for Medical School at Memphis)	do	C. E. Brehm, president.
		O. W. Hyman.
Texas: Baylor University College of Medicine, Houston	do	Warren T. Brown, associate dean.
Vermont: University of Vermont, Burlington	$200,000	W. E. Brown, dean.
Virginia:		
Medical College of Virginia, Richmond	No estimate	W. T. Sanger, president.
University of Virginia, Charlottesville	do	J. Edwin Wood, Jr.
Canada: Montreal General Hospital, Montreal	do	E. A. Stewart Reid.
	$450,000	

Total: 11 States, District of Columbia, and Canada—17 institutions. 15 institutions in 10 States, District of Columbia, and Canada have given no estimate. 2 institutions in 2 States have given an estimate of $450,000.

APPENDIX D

Active cancer research construction grants by State (as of Oct. 29, 1949)

State and institution	Number of grants	Institution total	State total
Alabama: Medical College of Alabama and the Jefferson County Health Department	1	$47,280	$47,280
California:			
University of California Medical School, San Francisco	1	1,000,000	
University of California, Los Angeles	1	700,000	
Los Angeles County Hospital	1	35,255	2,035,255
University of Southern California	1	200,000	
Stanford University	1	100,000	
Colorado: University of Colorado	1	400,000	400,000
Connecticut: Yale University	1	250,000	250,000
District of Columbia:			
George Washington University	1	200,000	
Do	1	50,000	398,500
Georgetown University Medical School	1	148,500	
Georgia: Emory University	1	500,000	500,000
Illinois:			
University of Chicago	1	450,000	
Do	1	240,000	890,000
Loyola University: Stritch School of Medicine	1	200,000	
Kansas: University of Kansas	1	200,000	200,000
Maine:			
Jackson Memorial Laboratory	1	250,000	
Do	1	100,000	350,000
Maryland: Johns Hopkins University	1	$750,000	$750,000
Massachusetts:			
Boston University School of Medicine	1	49,900	
Massachusetts General Hospital	1	700,000	
New England Deaconess Hospital	1	400,000	1,368,422
Do	1	85,000	
Tufts College Medical School	1	133,522	
Michigan: Wayne University College of Medicine, Detroit Institute of Cancer Research	1	150,000	150,000
Minnesota:			
University of Minnesota	1	543,550	
Do	1	135,888	879,438
Do	1	200,000	
Missouri:			
Washington University	1	450,000	
Do	1	250,000	1,325,000
St. Louis University	1	625,000	
New York:			
Columbia University College of Physicians and Surgeons	1	1,000,000	
Memorial Center for Cancer and Allied Diseases	1	250,000	2,259,368
New York University-Bellevue Hospital	1	575,000	
University of Rochester	1	434,368	
North Carolina: Duke University	1	200,000	200,000

APPENDIX D—Continued

State and institution	Number of grants	Institution total	State total
Ohio:			
Ohio State University	1	$300,000	$600,000
University hospitals of Cleveland, Western Reserve University	1	300,000	
Oklahoma: Oklahoma Medical Research Foundation	1	125,000	125,000
Oregon: University of Oregon Medical School	1	10,000	10,000
Pennsylvania:			
Institute for Cancer Research	1	149,000	654,676
Do	1	49,468	
University of Pennsylvania	1	56,208	
Do	1	200,000	
University of Pittsburgh	1	200,000	
South Carolina: Medical College of the State of South Carolina	1	16,000	16,000
Tennessee:			
Meharry Medical College [1]	1	$20,000	$541,969
Do	1	30,385	
University of Tennessee	1	491,584	
Texas:			
University of Texas	1	200,000	300,000
Do	1	100,000	
Utah: University of Utah School of Medicine	1	416,404	416,404
Virginia:			
Medical College of Virginia [1]	1	10,588	85,588
University of Virginia School of Medicine	1	75,000	
Wisconsin: University of Wisconsin Medical School	1	975,000	975,000
Total (56)			15,727,900

[1] Construction has been completed.

Total of 55 grants in 44 institutions.
Representing 25 States and the District of Columbia.

NATIONAL CANCER INSTITUTE,
GRANTS AND FELLOWSHIPS BRANCH,
February 17, 1950.

Approved research construction grants, National Advisory Cancer Council meeting of February 16 and 17, 1950

CC-979: University of North Carolina, Chapel Hill, Dr. W. R. Berryhill—construction of a cancer research division, university hospital and medical school $200,000

CC-1022 (R): Beth Israel Hospital, Boston, Mass., Dr. C. F. Wilinsky construction of animal farm, cancer research 50,000

CC-1033 (S): Wayne University College of Medicine and Detroit Institute of Cancer Research, Detroit, Dr. William L. Simpson, Dr. G. H. Scott—construction grants-in-aid $100,000

CC-7015 (S): Boston University School of Medicine, Dr. James M. Faulkner—construction of facilities for care of animals required in cancer research at Boston University School of Medicine 12,850

CC-7017 (R): Medical College of the State of South Carolina, Charleston, S. C., Dr. Kenneth M. Lynch—building construction to provide facilities for cancer research, including clinical investigation $100,000

CC-7021: State University of Iowa, Iowa City, Dr. Titus C. Evans—modification of laboratory facilities for research on cancer using radioisotopes (for cancer research facilities) 12,250

CC-7024: The Children's Medical Center, Boston, Dr. Sidney Farber—permanent equipment for the new research building about to be erected by the Children's Cancer Research Foundation at the Children's Medical Center 100,000

Total approved (7) 575,100

APPENDIX E

List of pending construction grant applications (as of Mar. 15, 1950)

State and institution	CC grant No.	Amount of pending request	Individual contac
California:			
University of Southern California	7011 (S)	$550,000	Dr. B. O. Raulston.
Stanford University	772 (RS)	400,000	L. R. Chandler.
Connecticut: Yale University		750,000	Dr. George B. Darling.
District of Columbia: George Washington University.	7016 (S)	400,000	Dr. Walter A. Bloedorn.
Florida: Dade County Cancer Society.		75,000	J. Gerald Lewis, president.
Illinois:			
Loyola University (Stritch)	7008 (S)	255,000	Dr. John F. Sheehan.
Michael Reese Hospital	7022	542,000	Dr. Albert Tannenbaum.
Indiana: Indiana University Medical Center.	7018	485,920	Dr. Edwin A. Lawrence.
Massachusetts:			
Harvard University		300,000	Dr. James S. Simmons.
Jewish Memorial Hospital	7020	182,500	Dr. F. Homburger.
North Carolina: Duke University	840 (S)	1,100,000	Dr. Wilburt C. Davison.
New York:			
Mount Sinai Hospital	7002	300,000	Dr. George Baehr.
Montefiore Hospital	7004	418,700	Dr. Daniel Laszlo.
Do	7005	373,700	Dr. H. M. Zimmerman.
Ohio:			
Ohio State University	851 (S)	$1,200,000	Dr. Charles A. Doan.
Western Reserve University	7010 (S)	350,000	Dr. J. T. Wearn.
Oregon: University of Oregon Medical School.	7013 [1]	900,000	Dr. Frank B. Queen.
Pennsylvania: University of Pittsburgh.	7006 (S)	200,000	Dr. Wm. S. McEllroy.
South Dakota: University of South Dakota School of Medicine.	7019	120,000	Dr. Donald Slaughter.
Tennessee:			
Baroness Erlanger Hospital		250,000	Dr. S. S. Marchbanks.
Vanderbilt University	7023	551,000	Dr. Howard J. Curtis.
Washington:			
University of Washington	7003	900,000	Dr. Stuart W. Lippincott.
Northwest Cancer Foundation.	7009	738,000	Dr. Simeon T. Cantril.
Wisconsin: Marquette University School of Medicine.	7007	300,000	Dr. John S. Hirschboeck.
Total (15 States and District of Columbia, 23 institutions).		11,641,820	

[1] Informal application.
(S) Requested over and above present active grant.

Institutions which have expressed their intent to apply

State and institution	Individual contact
Alabama: Muscle Shoals Heart and Cancer Research Clinic.	Mr. M. A. J. Phillips.
Arizona: Pima County Medical Society.	Dr. L. Lindberg.
California:	
Cedars of Lebanon Hospital.	Dr. N. B. Friedman.
College of Medical Evangelists.	Dr. W. F. Norwood.
Mount Zion Hospital	Dr. G. R. Biskind.
Florida: Florida State Board of Health.	Dr. R. F. Sondag.
Illinois: Brokaw Hospital	Mr. L. F. Shepard.
Indiana:	
University of Notre Dame	R. H. Sweeney, C. S. C.
Protestant Deaconess Hospital.	Mr. A. G. Hahn.

Institutions which have expressed their intent to apply—Continued

State and institution	Individual contact
Louisiana:	
Louisiana State University	Dr. William W. Frye.
Tulane University of Louisiana.	Dr. M. E. Lapham.
Minnesota: University of Minnesota.	
New York:	
Albany Medical College	Dr. L. W. Gorham.
Syracuse University	Dr. Allan D. Bass.
North Carolina: Wake Forest College.	Dr. C. C. Carpenter.
Pennsylvania:	
The American Oncologic Hospital.	Mr. V. H. Frazier.
Wills Hospital	Dr. Louis Lehrfeld.
Tennessee: University of Tennessee.	Dr. C. E. Brehm.
Texas: Baylor University	Dr. Warren T. Brown.

Institutions which have expressed their intent to apply—Continued

State and institution	Individual contact
Vermont:	
The Mary Fletcher Hospital.	L. E. Richwagon, Supt.
The University of Vermont.	Dr. W. E. Brown.
Virginia: The Memorial Hospital, Danville.	Dr. T. J. Moran.
West Virginia: Alderson Broaddus College.	Dr. Joseph Peary.
San Juan, P. I.: San Juan City Hospital.	Dr. Robert J. Jimenez Lopez.

Total of 17 States and 1 foreign country and 25 institutions represented.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, for the reason that the matter I wish to discuss deals with a situation which might affect any of us, I ask unanimous consent that I may be allowed to proceed out of order for this period of 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Chairman, the people of our country have great confidence in news reporting by the people of the press and the radio. This confidence that our people have in our news mediums is well earned. It is earned by a long period of accuracy and integrity. Accuracy first with reference to facts is fundamental in reporting and the accuracy of our press and radio on fact reporting is excellent. But even more important I think than accuracy in handling facts by press and radio reporters is the handling of quotations by public figures, yes, even by Members of Congress. Last week a radio-news-broadcaster not only misquoted a written statement made by me but reversed the meaning of what I said. I recite the story of this incident here and I put it in the permanent RECORD because I feel that such a misquote, whether it was unintentional or whether it was a matter of error, is something that undermines public confidence and, certainly, as in my own case, it somewhat personally damaged me.

Here are the circumstances. On last Thursday evening a news broadcaster by the name of Frank Edwards, broadcast over a Nation-wide hook-up of radio stations covering perhaps 200 stations. He was broadcasting for a sponsor. He was paid for the broadcast. I am told the sponsor of his broadcasts is the American Federation of Labor and that the program which costs the sponsor many hundreds of thousands of dollars annually is paid for by 8,000,000 members of the American Federation of Labor.

Mr. Edwards in his broadcast had been talking about a Member of the other body and certain charges that a Senator had made and then Mr. Edwards said:

> MCCARTHY is under fire from his own party for his actions, too. Representative HARRIS ELLSWORTH, Republican from Oregon, said today:
>
> "So far as I am concerned, I believe the State Department is reasonably pure and MCCARTHY's charges constitute merely a partisan outburst without much basis in fact."

Mr. Chairman, that is exactly the opposite of the statement I did make in a letter which I send out each week as a public service to the newspapers of the congressional district I serve. Here is the statement made in the letter to which undoubtedly the reporter had access in the radio gallery, since I send a copy of my letter there as a courtesy:

> So far as I am concerned, I would like to believe that the State Department is practically pure and that the charges constitute merely a partisan outburst without much basis in fact. Unfortunately, the attitude of the President and State Department officials has convinced me that there must be a great deal of very damaging truth in what Senator MCCARTHY has said. If there is nothing to hide, if there is nothing to be ashamed of, or if there is nothing dangerous to our security in the records of anybody employed by our Government, let the President and the Department come clean on the whole thing and allow the Senate committee to have access to all information on this subject. As this is written they are looking as guilty as the boy with his face covered with jam.

That is the complete paragraph in the statement in my weekly letter. The news broadcaster, whether through accident or design, or for the purpose of furthering his own cause altered the wording and the meaning of it. When the broadcaster made his statement he completely reversed the meaning of what I had said. The broadcast went not only into the congressional district I serve, but throughout the Nation, completely misrepresenting me. As I said at the beginning of these remarks, this can happen to any of you. It is bad reporting, it is inaccurate, it should be frowned upon by the members of the Press Gallery and the Radio Gallery. I certainly hope that such misrepresentations or distortions of quotations will be avoided in the future. As a matter of fact, this sort of thing has occurred very seldom. I sincerely regret this instance and my having to take the floor for this purpose.

Mr. CANNON. Mr. Chairman, I yield 1 hour to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, as I said a few moments ago, I will, at the proper time, offer an amendment to restore the cut that has been made in appropriations for the construction of hospitals under the so-called Hill-Burton Act. I believe it is essential that this program be continued in full force.

In order that this amendment not increase the over-all amount of the appropriation, I will offer or support amendments to reduce other less essential items in the bill by far more than the 75 million additional appropriation provided by this amendment.

Moreover, this money will not be used unless actually needed for construction of hospitals, and cannot be wasted.

The hospital construction program is a necessary step toward a sound answer to the need for adequate medical care, particularly in the small towns and rural communities of the United States. That problem presses for an answer.

The hospital is today the workshop of not only advanced medical science but also of the best diagnostics and present-day specialized medical care.

The high degree of specialization, the need for and benefit from costly apparatus and highly skilled technologists to operate these instruments of precision and to perform complicated laboratory procedures, have made hospitals absolutely necessary for adequate medical care. Most physicians, overworked as they are, have found it not only impossible to encompass all the required specialized knowledge but also economically impossible to finance the necessary equipment and technical personnel to provide patients with the full benefits of modern-day medical science.

This makes hospital construction particularly in rural community centers positively imperative.

Large cities have been able to cope with this problem fairly well but small towns and rural counties have been almost unanimously unable to do so. This is why Congress enacted and inaugurated this program.

The program is an example of cooperation between the Federal Government, State governments, counties, cities and individual citizens. It is good. The States, counties and cities have made definite plans on the basis of the act of last year. We should continue the program according to schedule.

Though vital and necessary, hospital construction alone is but the first step in solving the problems of adequate modern-day medical care. This is true in the Nation, and particularly in my home State of Tennessee.

Unless we have a trained and working team of doctors, nurses, and technicians in connection with hospitals constructed under this program, they will become mere works of brick and mortar.

How to provide an adequate quality and quantity of health service at a price that can be paid is the essence of our problem. The problem has three different parts: First, inadequate hospitals; second, shortage of doctors; and third, high cost of medical treatment and hospitalization.

Many people of good will seek a solution to this growing social problem. None are more diligently seeking satisfactory answers than enlightened physicians themselves. Theirs is not only a humane interest but also a very personal one.

In seeking a solution, we can profit by the mistakes of others. We now see the difficulties of the British system, about to bog down not only in costs that have gotten out of hand but also with inferior medical service. Surely the United States can provide a better answer to the problem.

Efficient service to the patient—not politics—should be the ultimate goal of all hospitals, medical training, research and practice, prevention, diagnosis, and treatment. In other words, our goal must be to give maximum quality and quantity of health service to those who need it and at a price which either our economy and society or the individual patient can stand.

This goal, we have it from no less an authority than Dr. Paul B. Magnuson, chief medical director of the Veterans' Administration, is not the fruit of so-called socialized medicine. He says:

> Wherever the compulsory health scheme has been adopted, the results have been poor as regards the medical care given to the individual, and poor as regards medical research.

Yes; we must avoid the regimentation of both patient and doctor, the boundless cost, the inefficiencies and politics of socialized medicine.

But positive action—not just negative complaining and criticism, is necessary to meet this growing problem.

The second step, public welfare demands the training of more doctors.

The shortage of physicians results from three main causes:

First. Artificial restrictions on the number of students admitted to medical colleges.

Second. An inadequate number of colleges offering medical training.

Third. The tremendous cost of obtaining a medical education.

The doctor shortage is particularly acute in rural areas. Inadequate hospital facilities not only partly cause the dearth of doctors in rural areas but aggravate otherwise the health problems of such areas.

In the State of Tennessee, for example, the records of the American Medical Association show that there were approximately the same number of recognized doctors in 1948 as in 1921. There were 3,328 in 1921; 3,255 in 1948.

I emphasize this because our population has not only greatly increased, but the number of things which doctors can do for people, and, therefore, the need for same, has greatly multiplied since 1921.

Here is another need for cooperation between the Federal Government, the State, counties, and citizens. We need a vigorous State and Federal aid program for giving medical training to more young men. This, too, I support. Action by this Congress is needed. Action by the States is needed.

Then, the cost of medical care is becoming more expensive rather than less. For one thing, there are constantly more and more health services that can be administered to people—preventative, ameliorative and curative. How can we as a free society ease the shock of ever more expensive health services and long periods of hospitalization? Is compulsory health insurance the answer? I believe there are better ways. Indeed, we have already made rapid advances in voluntary health insurance programs such as the Blue Cross plan and the health insurance program sponsored by the various State medical societies. I think we should encourage such programs and give them a full and fair trial.

Surely it would not be the part of wisdom quickly to throw overboard a system which has brought medical science in the United States to a world peak of achievement and efficiency. Unless the need is reasonably met by building on the present system, another will knock at our door more loudly.

I think we should preserve the fruits of our experience and benefit from the enthusiasm and accomplishment of private initiative. And improve upon it. Improve we must. The challenge is real.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, had come to no resolution thereon.

THE LATE EVERETT BURGESS HOWARD

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, in the absence of my colleague the gentleman from Oklahoma [Mr. GILMER], it becomes my sad duty to advise the House of Representatives of the death of one of his predecessors, a former Member of this House, the late Honorable Everett Burgess Howard. Word of Mr. Howard's death on yesterday was received from his son by the gentleman from Texas [Mr. REGAN]. Mr. Howard served with distinction in the Sixty-sixth, Sixty-eighth, and Seventieth Congresses. Prior to that time he had served our State as a member of the State board of public affairs and as State auditor. He was an outstanding public servant and a great American. Oklahoma mourns his loss. I extend my deepest personal sympathies to his loved ones.

SPECIAL ORDERS GRANTED

Mr. O'SULLIVAN asked and was given permission to address the House tomorrow for 40 minutes at the conclusion of the legislative program and following any special orders heretofore entered.

Mr. JAVITS asked and was given permission to address the House for 5 minutes today following any special orders heretofore entered.

Mrs. ROGERS of Massachusetts asked and was given permission to transfer to tomorrow the special order she had been granted to address the House for 5 minutes today.

PUBLIC ENEMY NO. 1 IS STILL STALIN, NOT McCARTHY

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, the April 1, 1950, issue of the New Leader has an article by Eugene Lyons, contributing editor of that paper in which he cuts through the dust being thrown so vigorously in the air by those seeking to defend Government officials whose voluntary choice of leftist causes and organizations has properly caused either their political views or their judgment, or both, to be suspect. The New Leader as the organ of the Liberal Party cannot be accused of playing Republican politics. From their former association with the American Labor Party, the Liberal Party leaders are wiser regarding the wiles and ways of Communists and fellow travelers than either Republicans or Democrats, so many of whom are so frequently taken in.

A citizen has the right to join whatever he wishes, but other citizens have an equal right to draw conclusions about him by observing what he chooses to join and the causes he supports. Senator McCARTHY is not the one who discredited Dr. Philip Jessup, for example. He merely reported what Jessup had done to discredit himself.

Are we so hard up that out of 150,000,000 Americans, the State Department cannot find qualified persons to plan and conduct policy in the future except those who have been so naive or so easily misled in the past? How can we have confidence that they are any more hard-headed now?

The article deserves reading by all:

COMMUNISTS LUCKY TO BE INVESTIGATED BY DIES, McCARTHY

(By Eugene Lyons)

The luck of the Communists put a Martin Dies, then a Rankin and a Thomas, in the chair of the House Committee on Un-American Activities. That luck held good when Senator JOSEPH McCARTHY was cast in the role of Hercules cleaning the Augean stables of the State Department.

I imply no slur on the Wisconsin Republican. He undertook the mighty task through a series of accidents and could not have been fully prepared for it. His knowledge of Communist skulduggery—a complex subject bristling with booby traps—was apparently sketchy. Certainly he betrayed strategic limitation in choosing Judge Dorothy Kenyon as his initial exhibit.

But the hooting and whistling in the press and on the air should not be permitted to drown out the facts that those stables need cleaning.

The circumstance that Alger Hiss worked and prospered in the Department for more than a decade, in the face of repeated warnings from outside and inside, tells a melancholy story.

So does the collapse of China, in large part engineered by a State Department clique that counted, along with Alger Hiss, men like John P. Davies, Jr., John Stewart Service, John Carter Vincent, Walter Butterworth, Owen Lattimore, Philip C. Jessup.

It is not without significance that the Department's plans for the postwar period, elaborated up to 1946, did not even grant the possibility that the Kremlin might not collaborate for a peaceful and democratic "one world."

Such consistent miscalculation cannot be explained entirely in terms of stupidity. The country has a right to wonder how much shrewd malice entered into the equations.

Observers in Washington with a trained nose for Muscovite aromas have long known that the odor was especially acrid in the State Department. They find it hard to forget how Bullitt, Berle, Grew, and others who took a relatively realistic view of Soviet Russia were driven out by pro-Stalinist elements. They recall the distressing facts of the Amerasia espionage scandal, still visible through the coats of whitewash. When Acheson refuses to "turn his back" on a convicted Soviet agent, they are reminded of an earlier occasion when the same Acheson, then Assistant Secretary of State, refused to turn his back on one Harold Glasser, who resigned under fire and was subsequently named by Elizabeth Bentley as a member of her Soviet "apparatus."

As a matter of fact, we have the official word of the Department itself that hundreds of its employees have been flushed out as security risks. The flushing operation, alas, was no bright idea of the State Department but forced on it by pressures from outside.

Too much is at stake in foreign policy just now to justify smugness, against this distressing background, on the issue of Kremlin infiltration of the State Department. The motives and manners and skills of a Senator are utterly irrelevant to that basic menace.

Whatever the Tydings inquiry reveals or conceals we should not permit the problem itself to be shoved out of sight. The kind of comment that limits itself to derogation of McCARTHY is mischievously shallow.

To judge from the catcalls McCARTHY was pulling names at random out of Who's Who when he named people like Miss Kenyon and Dr. Jessup. Actually both of them, by the record and by their own admissions, have had a peculiar weakness for joining crypto-Communist causes.

Even granting that they were innocents and suckers, they have remarkable gall in insulting a legislator who alludes to their undisputed fellow-traveling proclivities. His mistake in supposing that they are friends of Stalin is minor compared to their mistake in supposing that the Communist fronts were liberal parlor games.

Listening to their howls of outraged innocence, one would suppose that the associations charged against Kenyon and Jessup were mythical. At the very least, they have shown a dangerous inability to recognize camouflaged Communist fronts.

Suppose that Miss Kenyon some years ago had joined the German-American Bund, the Christian Front, and 20 more crypto-Fascist outfits. Suppose that some Senator had then made this fact public. Would our liberals have been so tolerantly forgiving? Would not the State Department have been asked to explain why the lady had been assigned to a sensitive post notwithstanding?

But because the subversive organizations and causes were Communist, not Fascist, she is allowed to get away with her comedy of hurt feelings. A woman of tougher moral fiber would have said, "Yes, Mr. McCarthy, up to such and such a time I was a push-over for Kremlin conspirators. Since I am not a political cretin, I shall not pretend that I was sleepwalking—after all, I had forfeited my amateur standing as an innocent sucker by the time I reached my twentieth Stalinist seduction. But thank God, I have been fully cured and assure you that now I can be trusted to distinguish between a totalitarian and a hole in the ground."

Perhaps she could not, psychologically, make such a forthright declaration because in her heart she knows that the cure is far from complete. As recently as January 16 of this year, Miss Kenyon, speaking in Troy, N. Y., declared:

"Alger Hiss is a perfect example of sacrifice to the hysteria created by the Un-American Activities Committee. * * * Not one shred of evidence was introduced that Hiss did what he is said to have done. * * * He will be lucky to get a hung jury at his second trial."

These quotes, she conceded when questioned by Senator HICKENLOOPER, were substantially correct. This, of course, does not mean that she is still a fellow traveler. It does mean that she is muddled—and muddled in a way useful to the Hiss breed. No; the Wisconsin Senator did not pull her name out of a hat.

Nor Jessup's. Standing alone, the fact that Dr. Jessup testified in behalf of Hiss at both trials might mean merely that he is a bad judge of character. Unhappily the fact must be, and has been, appraised in relation to a lot of other facts. The press and radio, if not public opinions, have given this man such a clean bill of health that a closer look at his record is rather shocking. When he was chosen by Acheson to draft a new policy for the Far East, after the tragic bankruptcy of his old policy, the New York World-Telegram wrote editorially:

"Over a period of years, Dr. Jessup held various positions in the Institute of Pacific Relations, including the chairmanship of its American and Pacific councils. In these capacities he was in close association with such well-known left-wingers as Anna Louise Strong, Guenther Stein, Harriet Lucy Moore, E. C. Carter, Thomas A. Bisson, Andrew Grajdanzev, and Frederick Vanderbilt Field.

"While the Institute's publication, The Far Eastern Survey, was under Dr. Jessup's direction, it began a campaign against National China. Referring to what it called the two Chinas, it said, in an article signed by Mr. Bisson: 'One is now generally called Kuomintang China, the other is called Communist China. However, these are only party labels. To be more descriptive, the one might be called feudal China, the other democratic China.'"

The good doctor may proclaim his pride in the Institute of Pacific Relations. But why should he be so damned proud of the fact that under his leadership, in the course of 14 years, the Institute was notoriously a channel for party-line propaganda; that it published books and articles by people like James S. Allen, Abraham Chapman, Frederick V. Field, Philip Jaffe, Israel Epstein, to mention only a few on the crimson roster?

In explaining his sponsorship of an American Russian Institute dinner in October 1944, Dr. Jessup made the point that this organization had not yet been officially designated as subversive. The notion that Communist fronts were kosher before being officially tagged is fantastic. At that time the Communist Party had not yet been labeled subversive either. Other Americans might have had some excuse for mistaking the nature of the organization, but not a specialist in foreign affairs.

Is there no limit to naïveté? And are men of such boundless naïveté good security risks in the area of foreign affairs? Assuredly we have a right to judge Dr. Jessup's ideological affinities by his tolerance for the party liners in and around his institute, by his support of Communist fronts, by his readiness in 1946 to dump our bombs and fissionable products into the ocean.

I am not asserting that he has ever been a fellow traveler nor denying his right to join any organization he pleases. But I submit that Senator McCARTHY is not shooting wild in aiming at Dr. Jessup.

I hold no brief for reckless charges. At the same time I submit that those who play with Communist pitch have no cause to complain if some of it sticks to their record. A citizen can't exercise his right to join but reject all moral responsibility for what he joins, whether it is the Ku Klux Klan, or a Nazi bund, or a Communist bund. Communism in America is essentially a fifth column, a conspiracy. Its agents and stooges do not carry neon signs announcing their association. The public has no alternative but to identify them on the basis of their conduct, the company they keep, the movements and causes they champion.

Too many commentators and editorial writers seem to have forgotten that public enemy No. 1 is still Stalin, and not McCARTHY.

PARLIAMENTARIAN OF THE HOUSE OF REPRESENTATIVES

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 537) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective April 1, 1950, the salary of the Parliamentarian of the House of Representatives shall be at the gross annual rate of $12,500, and there is hereby authorized to be paid out of the contingent fund of the House until otherwise provided by law the necessary additional amount to equalize the Parliamentarian's present gross salary with that of his new gross rate as provided herein.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 20 minutes.

ROUTE UNITED STATES PURCHASING TO JOBLESS AREAS

Mr. LANE. Mr. Speaker, more workers than jobs, and the gulf between the two is widening in New England.

This is a realistic fact, and a challenge that cannot be ignored.

The State unemployment compensation funds in Massachusetts and Rhode Island are shrinking rapidly.

Thousands of people have not only exhausted the benefits due them but will be ineligible for any compensation in the new benefit year that began on April 1, 1950.

The problems of the unemployed will not be solved by pointing out to them that the employed are prospering.

The one and only solution is to create productive jobs for the jobless.

When industry for any number of reasons is unable to do this, Government should step into the breach. The Government can help to provide jobs, without a revival of WPA and without turning our economy up side down, by awarding a larger share of its purchases to those areas where the labor surplus is critical.

That is the purpose of the bill which I now bring to your attention:

That section 3709 of the Revised Statutes of the United States, as amended, is hereby amended by inserting after the first sentence thereof the following new sentence: "If proposals are submitted by responsible persons whose delivery of the articles or performance of the service would have the result of increasing or maintaining employment in an area of very substantial labor surplus (as defined by the Bureau of Employment Security, Department of Labor), the most advantageous proposal which is submitted by such a person, and which does not exceed by more than 5 percent the most advantageous proposal submitted by a person whose delivery or performance would not have such a result, shall be accepted."

SEC. 2. Subsection (b) of section 3 of the Armed Services Procurement Act of 1947 is hereby amended by striking out the colon immediately preceding the proviso and inserting in lieu thereof a comma and the following: "except that if bids are submitted by responsible bidders whose delivery of supplies or performance of services would have the result of increasing or maintaining employment in an area of very substantial labor surplus (as defined by the Bureau of Employment Security, Department of Labor), the most advantageous bid which is submitted by such a bidder, and which does not exceed by more than 5 percent the most advantageous bid submitted by a bidder whose delivery or performance would not have such a result, shall be accepted."

There is a depressive core of chronic unemployment in some one-industry communities, particularly in New England.

In such communities, some elements deplore the unfavorable publicity regarding the numbers out of work. They maintain that outside creditors are scared into curtailing the credit extended to local merchants. The fact remains that the problems of the unemployed are not solved by refusing to recognize that such unemployment exists.

It does not get to the root of the problem.

Bankers, merchants, and city officials are correct, however, when they assert that the Government's present program to channel orders to depressed areas is a promise that falls short in accomplishment.

As you give it the once-over, New England's economic health looks good.

You think twice, however, when you read the study made by the Federal Reserve Bank of Boston, published in January 1950. You wonder why employment in the textile industry dropped from 478,000 in 1919 to an average of only 244,000 in the first 10 months of 1949. In the shoe and leather industry, another downward trend is revealed. Employment decreased from 158,000 in 1919, to an average of 104,000 in the first 10 months of last year.

Even though the population has gone up in the same 30-year span, there has been a definite displacement of workers in the textile, shoe, and leather industries.

What happens to workers whose jobs have vanished? A few have been saved by openings in new or expanding industries. The other side of the mill-town picture shows too many for whom there are no jobs to go to.

From an article by Lawrence G. Weiss, under date of March 27, 1950, in that conservative newspaper, the Boston Herald, I quote the following paragraphs:

> Despite the growth of its other industries, New Bedford, Mass., can only look upon the postwar closings of 70 New England textile mills, 33 in Massachusetts, as a danger signal for itself. Five of its own mills have been among those that have closed.
>
> New Bedford has been going down hill because its mills, like those of the rest in the northern textile industry, have been having difficulty competing with the South.

To which the New Bedford Standard-Times replied editorially on March 30, 1949:

> When it established an industrial development commission, the city came to grips with the problem that faced it.

The current policy of the Federal Government is to award contracts to low bidders from E areas—where unemployment is 12 percent or more of the total labor force—over other low bidders. This has channeled a disappointingly low volume of orders to needy areas because, due to higher labor standards and other cost factors, manufacturers in E areas cannot qualify with rock-bottom bids.

Some Federal contracts may be negotiated with administrative discretion, but these are limited to highly specialized or experimental facilities. The FHA gives priority consideration to applications for new low-rent public housing units from E areas. The RFC does likewise, on applications for Government loans.

Relief afforded under existing Federal directives and authorizations is not enough. Recent issues of the Labor Market, published by the United States Department of Labor, Bureau of Employment Security, point up the advisability of establishing State and local full employment committees. They would promote ways and means to—

First. Sustain established industries.

Second. Attract new ones.

Third. Procure Government contracts.

Fourth. Push for highway construction for United States and State public works.

Fifth. Plan for local public improvements.

Sixth. Provide for more housing.

Seventh. Find a solution to the problem of providing ample funds for relief.

Eighth. Aid small business.

In summation it advises that individual community efforts to stimulate new employment opportunities offer the most important and effective means of alleviating unemployment.

Some of the approaches to the problem of unemployment, as referred to above, are concerned with the long-range solution to the economic difficulties confronting one-industry communities.

You and I must cope with the necessity of providing immediate help. A corporation can defer some of its obligations. A human being with no employment or income or credit cannot postpone his need for food, shelter and clothing.

To those who say that the unemployed must wait for "things to pick up," I say that those who are out of work will not condone such moral and economic bankruptcy. They expect constructive action to stimulate employment.

Because, in any event, business itself pays for unemployment through loss of customers and higher taxes, I see no reason for opposition to this bill. It will steer orders to those firms which are temporarily most in need of them, and at the same time, will put many of the unemployed back to work.

And it will do these things by the production of goods which will cost the Government but a small percentage more than the price quoted by the very lowest bidder.

One textile city in New England is spending for public welfare and soldier's relief at the rate of $600,000 this year. Last year its outlay was $324,000, or little more than one-half of the current rate. Bear in mind that this does not include those unemployed who are being helped from other sources.

As of March 1, 1950, it is reliably reported that the Secretary of Labor told the President:

> Unemployment is greater than at any time since 1939. In 27 areas, more than 12 percent of the workers are jobless. In eight areas, one out of every five workers is unemployed. Close to 1,000,000 jobless have exhausted their unemployment-compensation benefits.

Business—Nation-wide—is good, but the slowly rising total of those without work is causing concern. It is not unlikely that the President may soon call for action to halt this trend. Although some interim improvement is expected over the next few months, a relapse is expected in 1951.

I move, therefore, that we apply remedies at once.

The legislation I propose is not charity. It will pump the lifeblood of demand into anemic industries so that they will quicken with full productive life again.

The Government will secure the supplies that it needs and—simultaneously—will assist investors, management, and labor in those industries which are also in need.

The long-term cure is up to the industries themselves and the communities that depend upon them.

But first-aid, on a constructive basis, is the least that the Federal Government can do to tide them over a critical phase.

Cancer, when diagnosed promptly and treated promptly, can be cured. Unemployment on a large scale, which could kill our economic system, can also be checked and eliminated before it spreads by the application of corrective remedies where a labor-surplus appears and continues for more than a seasonal period.

At the close of 1949, Massachusetts had one of the two lowest unemployment compensation reserves in the Nation. This is a measure, not only of the help this State is giving to its unemployed, but reveals that unemployment for an ever-larger number of people in the Bay State is not frictional and is not due to cyclical or seasonal dips in business activity.

Creeping idleness, side by side, with high production? "Sounds like a contradiction," you say.

It is not.

Each year the potential work force is growing as hundreds of thousands of young people over and above the national death rate come into the market. While the population is on the up-grade, better machines and better methods are doing the same job with less human help.

Business is good, but it cannot stand still.

It must expand to provide more openings.

Either that, or, the Federal Government will have to make work through a public building program, revival of the civilian Conservation Corps and by other measures. It will have to tax more and spend more in order to take up the employment slack.

We shall do this only as a last resort because it will concentrate too much power in Government and tend to curb those freedoms which have been responsible for the great development of our country.

In the words of the March 1950 edition of Labor's Monthly Survey, published by the A. F. of L.:

> In this Nation-wide task of restoring full employment local initiative is the mainspring. If in our local communities we sit on our hands and hope someone else will rescue us we may expect the tide of unemployment to go on rising. A free-enterprise society functions when people put their own shoulders to the wheel.

The CIO, also aware of the dangerous trend, is exerting vigorous leadership to remedy the situation.

There are many complex factors responsible for the displacement of workers, such as increased competition from abroad, and the obsolete factory buildings, such as those in New England, for instance, which place some manufacturers under a competitive handicap. High taxes and the lack of abundant, low-cost hydroelectric power which our rivers

could supply if utilized in the public interest, withhold nourishment from the growth possibilities in our economy.

Over the long haul, each community will have to pick itself up by its own boot straps. Local get-up-and-go, whereby unions, business groups, farmers, schools, veterans' organizations, churches, Government agencies, and the general public unite; that is the self-starting answer. Not to steal industries away from other cities or towns, but to pioneer new enterprises, is the self-reliant and successful way to cure the blight of unemployment.

The jobless cannot wait for next year. They need and want productive work here and now.

As they have said to me: "I've got to get out of my house and stay out of it as long as I can. Even rapping on doors where 'No help wanted' signs are posted is better than brooding at home. I've got to do something, anything, even if it's just walking the streets, or I'll go nuts."

Is their Federal Government going to let these priceless human resources rot, as if these men were so many surplus potatoes?

Because it wanted them so desperately a few short years ago—in the armed forces, on the farms, and in defense plants—it cannot, in conscience, reject them now.

These men and women are Americans. They do not begrudge the sacrifices they are making to help the unfortunate in other nations, but they do believe that, in the process, their Government should have a little, just a little consideration for its own people.

They are not begging for hand-outs. They merely ask for the chance to earn their daily bread in a land that assures freedom of opportunity to every person.

There is one method, among others, to create jobs for them. It is so simple, however, that it may confuse some people in positions of responsibility who lean backward in the name of caution and are thereby inclined to do nothing.

The Federal Government is authorized to spend huge sums for materials, supplies, and services. No one has questioned the constitutionality of this, and no one, as yet, has accused the need of these supplies as being subversive.

The sole question is how can these essential purchases be made in a manner that will at the same time relieve unemployment in labor-surplus areas?

It is my sincere belief that we can do this by immediate passage of the bill I have introduced to provide for the award of certain public contracts to bidders from areas of very substantial labor surplus where their bids do not exceed by more than 5 percent the most advantageous bids submitted from other areas.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LANE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to congratulate my distinguished colleague and valued friend, the gentleman from Massachusetts [Mr. LANE] whose district adjoins mine, for the bill he has introduced and for the able presentation he has just made in support of his bill. The gentleman represents a great industrial area, an area composed of people who thoroughly appreciate the outstanding services that my friend has rendered to them during the years he has served in this body.

I value very much not only the friendship of the gentleman from Massachusetts [Mr. LANE] but I thoroughly respect him for the outstanding service he is rendering his people. I know that his people, like the colleagues of the gentleman from Massachusetts [Mr. LANE], appreciate not only his ability, his sincerity and devotion to duty but the courage he displays in representing his people.

Again I congratulate the gentleman for introducing the bill and for the marked contribution he has made to a challenging problem of the day as evidenced by his very forcible and logical address just made to the House.

Mr. LANE. I thank the majority leader for his statement. The gentleman has always been very kind and considerate of me and I appreciate his statement very much.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 5 minutes.

JOINT COMMISSION ON SUBVERSIVE ACTIVITIES

Mr. JAVITS. Mr. Speaker, the statement made by the junior Senator from Massachusetts [Mr. LODGE] in the other body suggesting a joint commission on subversive activities instead of the current practice both in this House and in the other body to deal with this question by standing committees is of the greatest interest and the greatest importance. The suggestion made by our colleague is almost the same approach which I have taken here with respect to similar activities of the Un-American Activities Committee. It is essential that we hold a balance between the investigatory powers of the Congress to examine into movements of the extreme left and extreme right and the capability to destroy reputations and means of livelihood of innocent persons inherent in the making public of drastic unproven charges in the first instance as far as the affected persons are concerned. I do not believe that it is necessary to weaken and impair our constitutional guaranties and our freedoms here at home in order to root out subversives from our midst or to fight the cold war. So distinguished an organization as the Association of the Bar of the City of New York has suggested rules of procedure for congressional committees engaged in investigations of this character. I have incorporated these rules and the idea of inquiry by a joint committee organized expressly for that purpose rather than standing legislative committees in House Joint Resolution 20, introduced January 3, 1949.

Determined opposition to Communists and all they stand for, evidenced by my support of United States foreign policy in the European recovery program, the mutual defense assistance pact, the Greek-Turkish aid program, the Atlantic Pact and similar efforts is entirely consistent with a vigorous defense of the procedures by which we assure our freedoms at home.

My distinguished colleague in the other body who is the author of the suggestion for a joint commission has emphasized a point which it is well for us all to recall. He said:

> But the repercussions from the present investigation into disloyalty charges are such that it would not be right for me to disregard the mounting damage which is being inflicted on the position of the United States abroad and on the respect here at home for the justice and efficacy of our institutions.

We are fighting a cold war in the sense that we are fighting to persuade the minds of men, hundreds of millions of men, who have had no experience with our institutions. These hundreds of millions are patiently watching everything that we do here with great care for they have a right to assume that we practice most ably and effectively the things we preach. The suggestion for a joint commission made by my colleague in the other body and proposed by me in House Joint Resolution 20, which I am appending here, are designed to bring about a thorough, complete and vigorous inquiry into all the people and movements whether from the extreme left or extreme right that seek to subvert our institutions, but to do this in a way which to all the world will be clearly consistent with those institutions. We are convinced that it can be done this way even more effectively than it is being done now. If confirmation be needed, the experience of the Canadian Royal Commission on the Canadian spy inquiry, which did such an extraordinary job in this very field, should be ample to prove that not only in theory but in practice the course we are suggesting is the right one.

House Joint Resolution 20

Joint resolution to establish a Joint Committee on National and International Movements, and regulations for the conduct of hearings and activities of congressional committees

Resolved, etc., That there is hereby created a joint committee of seven Members of the House of Representatives to be appointed by the Speaker and seven Members of the Senate to be appointed by the President pro tempore of the Senate, one of whom shall be designated by the committee as chairman. The committee shall be known as the Joint Committee on National and International Movements in the United States.

SEC. 2. The committee is authorized to conduct the study and investigation of the extent, character, and objectives of propaganda activities in the United States dealing with movements devoted to the growth and development of political ideas and of communism, fascism, nationalism, and similar ideologies, the diffusion within the United States of subversive propaganda or other activities instigated from foreign countries or of a domestic origin seeking changes in the form of government of the United States by nonconstitutional means or by force, the organizations engaged therein and all other questions in relation thereto that would aid Congress in any necessary remedial legislation. The committee shall make interim reports as to the results of its studies and investigations together with such recommendations as to

necessary legislation and such other recommendations as it may deem advisable. Any report submitted when the Congress is not in session may be filed with the Clerk of the House and with the Secretary of the Senate. The committee shall make its final report whenever it deems it advisable and not later than January 3, 1951.

SEC. 3. For the purpose of carrying out this resolution, the committee is authorized to sit and act during the present Congress at such times and places within the continental United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

SEC. 4. The following regulations shall govern the conduct of hearings and investigations by all committees of the Senate and the House of Representatives, including standing committees, select committees, and joint committees and duly authorized subcommittees thereof:

(1) The subject of any investigation in connection with which witnesses are summoned shall be clearly stated before the commencement of any hearings, and the evidence sought to be elicted shall be relevant and germane to the subject as so stated. In cases of special investigations authorized by congressional resolution, the subject of the investigation shall be so stated in the resolution, and in the case of investigations initiated by the committee, the subject shall be so stated by the committee and announced before the commencement of the hearings.

(2) Any witness summoned at a public hearing and, unless the committee by a majority vote determines otherwise, any witness before a private hearing, shall have the right to be accompanied by counsel, who shall be permitted to advise the witness while on the witness stand of his rights.

(3) Every witness shall have an opportunity, at the conclusion of the examination by the committee, to supplement the testimony which he has given, by making a written or oral statement, which shall be made part of the record; but such testimony shall be confined to matters with regard to which he has previously been examined.

(4) An accurate stenographic record shall be kept of the testimony of each witness, whether in public or in executive session. In either case, the record of his testimony shall be made available for inspection by the witness or his counsel; and, if given in public session he shall be furnished with a copy thereof if he so requests, and if given in executive session he shall be furnished with a copy thereof in case his testimony is subsequently used or referred to in a public session.

(5) No photographs, moving pictures, television, or radio broadcasting of the proceedings shall be permitted while any witness is testifying.

(6) Any person whose name is mentioned or who is specifically identified and who believes that testimony or other evidence given in a public hearing before any committee or comment made by any member of the committee or its counsel tends to defame him or otherwise adversely affect his reputation, shall be afforded the following privileges:

(a) To file with the committee a sworn statement concerning such testimony, evidence, or comment, which shall be made a part of the record of such hearing.

(b) To appear personally before the committee and testify in his own behalf.

(c) To have the committee secure the appearance of witnesses whose testimony adversely affected him and to cross-examine such witnesses, either personally or by counsel; but such cross-examination shall be limited to one hour as to any one witness unless the committee votes to lengthen the period.

(d) In the discretion of the committee, by a majority vote, to have the committee call a reasonable number of witnesses in his behalf. The extent to which this privilege may be availed of shall be left to the discretion of the committee.

EXTENSION OF REMARKS

Mr. GWINN asked and was given permission to extend his remarks and include an editorial from a Brooklyn newspaper.

Mr. McCORMACK (at the request of Mr. LANE) was given permission to extend his remarks in two instances and include newspaper articles.

Mr. CANFIELD asked and was given permission to extend his remarks and include extraneous matter.

Mr. VELDE asked and was given permission to extend his remarks.

Mr. JUDD asked and was given permission to extend his remarks in four instances and in each to include extraneous material.

Mr. JONAS. Mr. Speaker, at the time of the untimely death of Congressman Church I was not on the floor of the House but was out of the city. Otherwise I would have paid my tribute to his memory. I ask unanimous consent that I may extend my remarks in tribute to the memory of the late Congressman Church.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BONNER (at the request of Mr. COOPER) was given permission to extend his remarks.

Mr. HOFFMAN of Michigan (at the request of Mr. TABER) was given permission to extend his remarks in three instances.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. MILLS, for 2 days on account of official business.

To Mr. TACKETT, for 2 days, on account of official business.

To Mr. PLUMLEY (at the request of Mr. MEYER), for 2 days, on account of official business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 212. An act for the relief of John Joseph McKay; and

S. 2084. An act for the relief of Jackson Riley Holland.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 5, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1357. A letter from the Comptroller General of the United States, transmitting a report on the audit of Public Housing Administration for the fiscal years ended June 30, 1947 and 1948 (H. Doc. No. 541); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1358. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting the Tenth Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, pursuant to section 201 (b) of the Social Security Act, as amended; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 5863. A bill for refund of customs duties to the Preparatory Commission for the International Refugee Organization; with amendment (Rept. No. 1870). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 5920. A bill to provide for payment of amounts due mentally incompetent personnel of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service; with amendment (Rept. No. 1877). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6820. A bill to authorize the acceptance of foreign decorations for participation in the Berlin airlift; without amendment (Rept. No. 1878). Referred to the House Calendar.

Mr. DAVIS of Georgia: Committee on the District of Columbia. H. R. 7341. A bill to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Anacostia River in the vicinity of East Capitol Street, and for other purposes; with amendment (Rept. No. 1879). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DENTON: Committee on the Judiciary. S. 794. An act for the relief of certain contractors employed in connection with the construction of the United States Appraisers Building, San Francisco, Calif.; with amendment (Rept. No. 1866). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5051. A bill for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria; without amendment (Rept. No. 1867). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5151. A bill for the relief of the estate of Lourdine Livermore

and the estate of Dorothy E. Douglas; with amendment (Rept. No. 1868). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 5250. A bill for the relief of J. L. Smelcer; without amendment (Rept. No. 1869). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5972. A bill for the relief of Ivar G. Johnson; without amendment (Rept. No. 1871). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 6198. A bill for the relief of the First National Bank in Richmond, Calif.; without amendment (Rept. No. 1872). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 6449. A bill for the relief of Mrs. L. M. Cox and Mrs. M. R. Nickle; with amendment (Rept. No. 1873). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 6969. A bill for the relief of Ralph E. Brown; with amendment (Rept. No. 1874). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 7278. A bill for the relief of Mrs. Clara M. Fortner; without amendment (Rept. No. 1875). Referred to the Committee of the Whole House.

Mr. KILDAY: Committee on Armed Services. S. 621. An act for the relief of Horace J. Fenton; without amendment (Rept. No. 1876). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CAVALCANTE:

H. R. 7993. A bill to regulate interstate commerce in bituminous coal, and for other purposes; to the Committee on Ways and Means.

By Mr. DAVENPORT:

H. R. 7994. A bill to amend title 18 of the United States Code with respect to travel of certain sex offenders in interstate commerce; to the Committee on the Judiciary.

By Mrs. HARDEN:

H. R. 7995. A bill to amend Veterans Regulation No. 1 (a), as amended, so as to adjust the rates of death compensation paid to certain dependents of veterans; to the Committee on Veterans' Affairs.

By Mr. JENKINS:

H. R. 7996. A bill to increase the import excise tax on petroleum, fuel oil, and other petroleum derivatives; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 7997. A bill relating to the fixing of wage rates for per diem employees of the District of Columbia; to the Committee on the District of Columbia.

By Mr. O'SULLIVAN:

H. R. 7998. A bill prohibiting the acquiring of United States citizenship, by persons who are not bona fide residents and citizens and actual voters of the Territory of Alaska, solely by virtue of the fact that they were residents of the Territory of Alaska at the time of its admission into the Union as a State of the United States of America; providing for the making up of two copies of the voting rosters of all electors taking part in required specified elections before statehood; providing for the filing of same with designated entities; and further providing penalties for failure to make up and duly file said election rosters and for knowingly placing any ineligible or unauthorized person's name upon any such required election roster; to the Committee on the Judiciary.

H. R. 7999. A bill prohibiting the acquiring of United States citizenship, by persons who are not bona fide residents and citizens and actual voters of the Territory of Hawaii, solely by virtue of the fact that they were residents of the Territory of Hawaii at the time of its admission into the Union as a State of the United States of America; providing for the making up of two copies of the voting rosters of all electors taking part in required specified elections before statehood; providing for the filing of same with designated entities; and further providing penalties for failure to make up and duly file said election rosters and for knowingly placing any ineligible or unauthorized person's name upon any such required election roster; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 8000. A bill to provide for the conveyance of the naval ammunition depot at Iona Island, N. Y., to the Palisades Interstate Park Commission for use as a public park; to the Committee on Armed Services.

By Mr. SMITH of Virginia (by request):

H. R. 8001. A bill to amend the act entitled "An act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942; to the Committee on the District of Columbia.

By Mr. TEAGUE:

H. R. 8002. A bill to remove an inequity in the service connection of certain disabilities, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H. R. 8003. A bill to provide for sundry administrative matters affecting the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 8004. A bill to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 8005. A bill to provide for the award of certain public contracts to bidders from areas of very substantial labor surplus where their bids do not exceed by more than 5 percent the most advantageous bids submitted from other areas; to the Committee on the Judiciary.

By Mr. TACKETT:

H. R. 8006. A bill to provide for the sale of certain lands in the Ouachita and Ozark National Forests; to the Committee on Agriculture.

By Mr. VELDE:

H. R. 8007. A bill to authorize the survey of a proposed Illinois River Parkway for the purpose of determining the feasibility of such a national parkway, and for other purposes; to the Committee on Public Lands.

By Mr. KEATING:

H. R. 8008. A bill to amend an act approved August 26, 1842 (U. S. C., title I, ch. 2, sec. 25), relating to appropriation acts; to the Committee on Expenditures in the Executive Departments.

H. J. Res. 449. Joint resolution proposing an amendment to the Constitution of the United States relative to disapproval of items in general appropriation bills; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H. J. Res. 450. Joint resolution designating the period beginning June 5, 1950, and ending June 10, 1950, as National Holstein Week; to the Committee on the Judiciary.

By Mr. JUDD:

H. Res. 538. Resolution to amend rule XIII of the rules of the House of Representatives with respect to committee reports on bills and joint resolutions authorizing new programs of grants-in-aid; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Illinois:

H. R. 8009. A bill for the relief of Enrica Giancoli; to the Committee on the Judiciary.

By Mr. CAMP:

H. R. 8010. A bill for the relief of Carl Parks; to the Committee on the Judiciary.

By Mr. CAVALCANTE:

H. R. 8011. A bill to record the lawful admission to the United States for permanent residence of Kostas G. Samonas; to the Committee on the Judiciary.

H. R. 8012. A bill to record the lawful admission to the United States for permanent residence of Markos M. Perivolaris; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 8013. A bill for the relief of Pamela Lyn Jogl (Eveline Maria Krenauer); to the Committee on the Judiciary.

By Mr. JONES of North Carolina:

H. R. 8014. A bill for the relief of Mrs. Akiko Ando Hinson; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 8015. A bill for the relief of Mrs. Angelina D. Maranto and Maurice A. Maranto; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 8016. A bill for the relief of Mrs. Bernice de Tuncq; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 8017. A bill for the relief of Jean (John) Plewniak and Anna Piotrowska Plewinak; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2048. By Mr. FORAND: Resolution of the Cranston, R. I., City Council, recommending to Congress passage of the bill presented by Senator GREEN and others which would make it possible for States, when hard hit by an unusual impact of unemployment, to be reimbursed out of the vast administrative reserves of the Federal Government; to the Committee on Ways and Means.

2049. By the SPEAKER: Petition of Bolton N. Hyde, adjutant, Loyal Service Post, McAllen, Tex., expressing resentment that any political group would attempt to use the American Legion to further its questionable politics by condemnation of a law-enforcement agency; to the Committee on the Judiciary.

2050. Also, petition of Philippine Veterans Legion, Manila, P. I., relative to sending a mission to Washington, D. C., to seek passage of the Kearney bill; to the Committee on Veterans' Affairs.

SENATE

WEDNESDAY, APRIL 5, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, who art behind the shadows and in them, we turn to Thee, in whom there is no darkness at all.

Even with the encircling gloom about us, in patience and fidelity may we guard the flickering flame of the light within. Grant by Thy grace that in our particular sphere of public service we may not be found wanting in this solemn hour of world crisis, when the bugles are sounding and the battle is set.

In this Holy Week of the Passion strengthen our faith in the final overthrow of evil and the enthronement of righteousness and truth. In confidence we commit ourselves and our Nation unto Thee, who knoweth the way that we take, and who hath promised that following the Kindly Light we shall come forth like gold tried in the fire. Amen.

THE JOURNAL

On request of Mr. KILGORE, and by unanimous consent, the reading of the Journal of Tuesday, April 4, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 41. An act for the relief of Arthur O. Fisher;

S. 46. An act for the relief of Primitivo Urcelay-Ruiz; and

S. 1305. An act for the relief of Theodore Constantin Trancu and his wife.

ENROLLED BILLS SIGNED

The VICE PRESIDENT announced his signature to the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 212. An act for the relief of John Joseph McKay;

S. 507. An act for the relief of Mrs. Lorraine Malone;

S. 738. An act for the relief of Earl B. Hochwalt;

S. 2084. An act for the relief of Jackson Riley Holland; and

H. R. 1758. An act to amend the Natural Gas Act approved June 21, 1938, as amended.

CALL OF THE ROLL—ORDER OF BUSINESS

Mr. KILGORE. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KILGORE. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The VICE PRESIDENT. The Senator withdraws the point of order that a quorum is not present, and the proceedings under the point will be vacated.

Under the unanimous-consent agreement, the time from now until 2 o'clock is to be divided, not equally today, because there is a disparity in the amount of time used by each of the sides. The time is to be controlled by the Senator from Nevada [Mr. MCCARRAN] and the Senator from West Virginia [Mr. KILGORE].

Mr. SALTONSTALL. A parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. If the time is equally divided between the two groups, will there be an opportunity, I ask the Chair, to have a morning hour when Senators may present routine business?

The VICE PRESIDENT. Not unless either the Senator from Nevada or the Senator from West Virginia yields for that purpose. The time is absolutely under their control.

Mr. SALTONSTALL. I ask unanimous consent that that be done.

The VICE PRESIDENT. The Chair cannot recognize the Senator from Massachusetts to ask that that be done, because the time is controlled by the Senator from West Virginia and the Senator from Nevada. Does the Senator from West Virginia yield to the Senator from Massachusetts for that purpose?

Mr. KILGORE. Mr. President, I do not like to say anything about it, but I do not like the practice now being followed, everything being charged up to the opponents of the bill, and nothing being charged to the proponents. I would gladly join in such a request as is suggested, if my colleague from Nevada were present, but I feel it is unfair to me to ask me to do that by myself. I am not criticizing the Chair.

The VICE PRESIDENT. From now on the procedure will be changed then. Heretofore the time has been equally divided between the two sides. The Chair thought that was fair, and still thinks so.

Mr. RUSSELL. A parliamentary inquiry.

The VICE PRESIDENT. The Senator from Georgia will state it.

Mr. RUSSELL. If neither the Senator from West Virginia nor the Senator from Nevada were on the floor, how would the Senate proceed?

The VICE PRESIDENT. The Chair will cross that bridge if he gets to it. Such a situation is possible, but, as a matter of fact, the Senate met that situation yesterday when neither Senator was present to yield to any other Senator.

Mr. RUSSELL. Mr. President, I should like to propound another parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. RUSSELL. Could not the Senator from Massachusetts ask unanimous consent for the transaction of morning business, the time to be charged equally to both sides?

The VICE PRESIDENT. The trouble is that the time is absolutely under the control of the two Senators.

Mr. RUSSELL. In the event the Senator from West Virginia interposed no objection, would not a unanimous-consent request be proper that Senators could be recognized for the transaction of morning business, the time to be charged equally to both sides?

The VICE PRESIDENT. Technically, the Chair would have to answer in the negative, because there is no provision in the unanimous-consent agreement for the Chair to recognize any Senator except the two Senators named. The Chair will make the observation that he will be happy when the Senate gets out from under the unanimous-consent agreement under which it has been operating for the last 2 or 3 days; but the Senate is proceeding under it.

TRANSACTION OF ROUTINE BUSINESS

Mr. RUSSELL. Would not the Senator from West Virginia be willing to yield in order that a unanimous-consent request for the transaction of routine business might be propounded and agreed to, the time to be charged equally to both sides?

Mr. KILGORE. I would yield for that purpose, but for that purpose only.

The VICE PRESIDENT. The Chair will take the responsibility of saying that, without objection, Senators who are present may present petitions and memorials and introduce bills and joint resolutions and present other routine matters, the time to be charged equally to both sides. Is there objection to that procedure? The Chair hears none.

PETITION

Mr. LODGE (for himself and Mr. SALTONSTALL) presented resolutions adopted by the General Court of the Commonwealth of Massachusetts, which were referred to the Committee on Public Works, as follows:

Resolutions in favor of an immediate survey of the hydroelectric potentialities of New England States

Whereas resolutions providing for a study of the development of the rivers and waterways in New England are now pending in the present session of the Congress of the United States; and

Whereas there are widespread variances in the conclusions of the potentiality of hydroelectric power in the studies now available; and

Whereas the exploration and development of new hydroelectric power in New England is of vital importance to New England citizens and industry: Therefore be it

Resolved, That the General Court of Massachusetts earnestly urges the Congress of the United States to pass and respectfully requests the President of the United States to approve the bill now before it calling for an extensive study of the development of New England water or any similar legislation; and be it further

Resolved, That copies of these resolutions be submitted forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress, and to each of the Members thereof from this Commonwealth.

In house of representatives, adopted, March 23, 1950.

LAWRENCE R. GROVE,
Clerk.

In senate, adopted, in concurrence, March 29, 1950.

IRVING N. HAYDEN,
Clerk.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WITHERS, from the Committee on the Judiciary:

S. 2079. A bill for the relief of Mrs. Lydia L. Smith; with an amendment (Rept. No. 1432).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. Res. 249. Resolution to explore the extent to which interstate commerce is utilized in law violations; without amendment, and, under the rule, referred to the Committee on Rules and Administration.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 5, 1950, he presented to the President of the United States, the following enrolled bills:

S. 212. An act for the relief of John Joseph McKay;

S. 507. An act for the relief of Mrs. Lorraine Malone;

S. 738. An act for the relief of Earl B. Hochwalt; and

S. 2084. An act for the relief of Jackson Riley Holland.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MARTIN:

S. 3359. A bill for the relief of Chaim Locker; and

S. 3360. A bill for the relief of Edgar Rhodes; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 3361. A bill to authorize the sale of inherited interests in Winnebago allotment No. 189;

S. 3362. A bill to authorize the sale of certain lands of Mrs. Leo White under jurisdiction of the Winnebago Indian Agency, Nebraska; and

S. 3363. A bill authorizing the Secretary of the Interior to sell certain lands under jurisdiction of the Winnebago Indian Agency, Nebraska, and to distribute the proceeds of such sales among the holders of inherited interests in such lands; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 3364. A bill to provide for the advancement in grade upon retirement of certain Regular Army personnel who have served in connection with the operation of the Army Transport Service; to the Committee on Armed Services.

S. 3365. A bill to provide that certain vessels shall be subject to the laws relating to steam vessels, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 3366. A bill for the relief of Webster H. Ransom; to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Jersey:

S. 3367. A bill for the relief of the law firm of Hunt, Hill, and Betts; to the Committee on the Judiciary.

By Mr. WILEY:

S. 3368. A bill for the relief of Yoko Sunagawa; to the Committee on the Judiciary.

By Mr. MURRAY (for himself and Mr. ECTON):

S. 3369. A bill to authorize the conveyance to the city of Miles City, State of Montana, certain lands in Custer County, Mont., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY (for himself and Mr. HUNT):

S. 3370. A bill to authorize the city of Buffalo, Wyo., to make additional uses of certain lands, and for other purposes; to the Committee on Interior and Insular Affairs.

TEMPORARY ASSISTANTS FOR COMMITTEE ON RULES AND ADMINISTRATION

Mr. GILLETTE submitted the following resolution (S. Res. 250), which was referred to the Committee on Rules and Administration:

Resolved, That in carrying out the duties imposed upon it by subsection (o) (1) (D) of rule XXV of the Standing Rules of the Senate, the Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized to make such expenditures, and to employ upon a temporary basis such investigators, technical, clerical, and other assistants as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, and the following resolutions hereby are repealed: Senate Resolution 54, agreed to January 17, 1947; Senate Resolution 114, agreed to May 21, 1947; Senate Resolution 142, agreed to July 23, 1947; Senate Resolution 233, agreed to May 19, 1948.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "OIL SUPPLY AND DISTRIBUTION PROBLEMS"

Mr. GILLETTE (by request) submitted the following resolution (S. Res. 251), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed 1,000 additional copies of Senate Report No. 25, Eightieth Congress, first session, being the report entitled "Oil Supply and Distribution Problems" which was submitted by the Special Committee to Study Problems of American Small Business created pursuant to Senate Resolution 20, Eightieth Congress, agreed to January 24, 1947. Such additional copies shall be for the use of the Senate Document Room.

CONVEYANCE OF FORT LINCOLN MILITARY RESERVATION TO STATE OF NORTH DAKOTA—AMENDMENTS

Mr. LANGER submitted amendments intended to be proposed by him in the nature of a substitute to the bill (S. 3196) providing for the conveyance of Fort Lincoln Military Reservation in North Dakota to the State of North Dakota to be used for educational purposes, which were referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENTS

Mr. MAGNUSON submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. O'MAHONEY (for himself and Mr. CORDON) submitted an amendment intended to be proposed by them, jointly, to House bill 5472, supra, which was ordered to lie on the table and to be printed.

AMENDMENT OF ECONOMIC COOPERATION ACT—AMENDMENT

Mr. CONNALLY, for the Committee on Foreign Relations, submitted an amendment intended to be proposed to the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended, which was ordered to lie on the table and to be printed.

PRINTING OF REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND (S. DOC. NO. 151)

Mr. GEORGE. Mr. President, I ask unanimous consent that the tenth annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, together with the letter of transmittal, be printed as a Senate document, with illustrations.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of a postmaster, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. GEORGE, from the Committee on Finance:

John O'Keefe, of Pembina, N. Dak., to be collector of customs for customs collection district No. 34, with headquarters at Pembina, N. Dak. (reappointment).

FIFTEEN YEARS OF FARM PROGRAMS—ADDRESS BY CHESTER C. DAVIS

[Mr. IVES asked and obtained leave to have printed in the RECORD an address entitled "What We Have Learned in 15 Years of Farm Programs," delivered by Chester C. Davis, president, Federal Reserve Bank of St. Louis, before the Twelfth Annual National Farm Institute, at Des Moines, Iowa, on February 17, 1950, which appears in the Appendix.]

NEED FOR INTELLIGENT OPPOSITION—ARTICLE BY ARTHUR SCHLESINGER, JR.

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "The Need for an Intelligent Opposition," written by Arthur Schlesinger, Jr., and published in the magazine section of the New York Times on Sunday, April 2, 1950, which appears in the Appendix.]

FATHER HUBBARD'S OPPOSITION TO STATEHOOD FOR ALASKA

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Father Hubbard Still Opposes Alaska State," published in the Seattle Times, of March 30, 1950, which appears in the Appendix.]

IMPORTANCE OF COOPERATIVES

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial relating to farm cooperatives, from the 1950 issue of the American National Fur and Market Journal, published at Wausau, Wis., which appears in the Appendix.]

TRIBUTE TO JUDGE BURNITA SHELTON MATTHEWS

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a statement prepared by him in tribute to Judge Burnita Shelton Matthews, which appears in the Appendix.]

TRIBUTE TO SENATOR GRAHAM BY ALFRED MYNDERS

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a tribute to Senator GRAHAM by Alfred Mynders, from the Chattanooga Times of April 1, 1950, which appears in the Appendix.]

ARE WE HEADING FOR FINANCIAL DISASTER?—ADDRESS BY SENATOR TAFT

[Mr. GURNEY asked and obtained leave to have printed in the RECORD an address entitled "Are We Heading for Financial Disaster?" delivered by Senator TAFT to the American Retail Federation, on April 4, 1950, together with a preliminary statement by himself, which appear in the Appendix.]

SOVIET EXPANSIONISM IN EUROPE AND ASIA SINCE 1939—LECTURE BY WILLIAM C. BULLITT

[Mr. MUNDT asked and obtained leave to have printed in the RECORD a lecture entitled "Soviet Expansionism in Europe and Asia Since 1939," delivered by William C. Bullitt at Georgetown University on March 31, 1950, which appears in the Appendix.]

PROHIBITION OF TRANSMISSION OF CERTAIN GAMBLING INFORMATION—NOTICE OF HEARING

Mr. McFARLAND. Mr. President, I desire, at this time, to announce that hearings will begin on Tuesday, April 11, at 10 a. m. on the bill, S. 3358, which would prohibit transmission of certain gambling information in interstate and foreign commerce by means of communications facilities.

This measure was recommended by the Attorney General of the United States, Mr. J. Howard McGrath in a communication to the Congress on April 1 and was introduced by request by the Senator from Colorado [Mr. JOHNSON], chairman of the Committee on Interstate and Foreign Commerce. It has been referred to the Subcommittee on Communications of which I have the honor to be chairman. I believe it is pertinent to point out that this proposed legislation results from the Attorney General's Conference on Organized Crime, which met in Washington on February 15. Its purpose is to ban the interstate transmission by wire or radio of certain information relating to gambling activities with the objective of preventing operation of large-scale gambling which, in turn, is reported to be instrumental in abetting and fomenting crime.

Constitutional as well as practical legal questions are brought to the fore in the consideration of any legislation such as this which involves, directly or indirectly, the first amendment to the Constitution. To help clarify these questions, the committee will call before it for testimony initially the Attorney General of the United States and the Honorable Wayne Coy, Chairman of the Federal Communications Commission. Thereafter, we expect to call other witnesses, including representatives of press services and others who are directly interested in the transmission of news.

EFFECT OF ADMINISTRATION'S TRADE POLICY ON DAIRY INDUSTRY—STATEMENT BY SENATOR KEM

Mr. KEM. Mr. President, I ask unanimous consent to have incorporated in the body of the RECORD at this point a statement which I made today entitled "Dairy Industry Latest Victim of Administration's Trade Policy."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DAIRY INDUSTRY LATEST VICTIM OF ADMINISTRATION'S TRADE POLICY

The dairy industry of this Nation is about to become the latest victim of the administration's ruinous international trade policies. Reliable reports are that 5,000,000 pounds of cheese are about to be imported from New Zealand in competition, of course, with the domestic industry.

This is in spite of the fact that the American dairy industry is faced with surpluses. Huge sums are being paid out from the Federal Treasury for price supports. One is reminded of the scandalous shipment of millions of bushels of potatoes into this country from Canada at support prices, while our own potatoes are being destroyed in the field, at tremendous expense to the taxpayers.

The program of encouraging foreign trade that competes directly with American products hits both the factory and the farm. There is involved here not only the work of those who are employed in the cheese factories but especially the farmers whose cows produce the milk.

The cheese to be imported from New Zealand is equivalent to the total output of all 52 cheese plants in Missouri for almost a month.

It takes more than 6,000,000 gallons of milk to make 5,000,000 pounds of cheese. American milk will be replaced to that extent.

The more American products are displaced by foreign products the more our farmers are dependent on price supports. Can it be that this is what some in power desire? Do our bureaucrats wish to make more and more Americans completely dependent on support checks from Washington?

I am confident the farmers don't want it that way. They want to sell to consumers, and they want their products protected by an adequate tariff against products from cheap-labor areas. Is there any sense in having our farm products dumped or destroyed at the taxpayers' expense, while foreign products increasingly invade our own market?

CONVICTION OF HARRY R. BRIDGES

Mr. BUTLER. Mr. President, I ask unanimous consent to insert at this point in the RECORD the article from this morning's Washington Times-Herald dealing with the conviction for perjury of Harry Bridges, the Communist leader whose union, the ILWU, has such a controlling influence in the Territory of Hawaii.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAWYERS GET JAIL TERMS FOR CONTEMPT—UNION BOSS FACES 7 YEARS, DEPORTATION

SAN FRANCISCO, April 4.—Harry R. Bridges, the alien-born labor czar of the west coast and Hawaii, today was found guilty of lying to the Government in denying he had been a member of the Communist Party.

The conviction, in addition to carrying a prison term up to 7 years, and $15,000 fine, permits the United States to revoke Bridges' American citizenship and deport him to his native Australia.

AIDES ALSO CONVICTED

Bridges, 48, head of the Longshoremen's and Warehousemen's Union, was found guilty on two counts—that he committed perjury when at his naturalization hearing September 17, 1945, he swore he had never been a member of the Communist Party, and that he conspired with his codefendants, James Robertson, union vice president, and Henry Schmidt, the union's international representative, to deny party membership.

Robertson, 44, and Schmidt, 51, also were found guilty of conspiracy and on another count of abetting Bridges' perjury by stating under oath at the naturalization proceedings that he was not a Communist when they knew he was because they also were Reds.

Robertson and Schmidt face prison terms and fines equivalent to Bridges', but their citizenship is not at stake, because Robertson is a native American and Schmidt, born in Germany, was naturalized here in 1926.

JUDGE FLAYS LAWYERS

After postponing sentence to April 10, Federal Judge George B. Harris lashed into the two defense lawyers, Vincent Halliman and James MacInnis, for what he called their flagrant and deliberate misconduct throughout the trial.

He already had sentenced Halliman to 6 months citation, to run concurrently with the first. MacInnis was sentenced today to 3 months for contempt.

The verdict came from a tired, grim-visaged jury which had deliberated for 31 hours over 5 days. The eight men and four women delivered their findings on the eighty-fifth day of the trial, longest Federal criminal proceeding in west-coast history.

The verdict scene was as dramatic as the case has been throughout its duration. When the jurors notified the court that their long dilemma was ended it took only a few moments for crowds to jam the courtroom.

BRIDGES TURNS PALE

Bridges paled and swallowed hard as the verdict was read. Schmidt and Robertson stared stonily ahead. In the first row of spectators, Nancy Bridges, the defendant's dark-haired wife, blanched and seemed near tears. Halliman and MacInnis flushed and shook their heads. Prosecutor F. Joseph Donohue, of Washington, D. C., leaned back in his chair, relaxed.

Bridges called his conviction a frame-up. "My opinion of the immigration department hasn't changed," Bridges said. "It was a frame-up before we went to trial and it still is a frame-up. I'm not going to quit. There is a kick or two left. I think the boys in the union will stick along with me. They know how to hang together."

Bridges came to the United States from Australia in 1920; helped the stevedores get a charter in 1933 in the AFL International Longshoremen's Association; led them in 1937 into the Committee for Industrial Organizations.

GIVEN ONE WHITEWASH

While he was waging labor battles, Bridges was in considerable hot water with the Government.

On July 10, 1939, a Federal hearing was opened at San Francisco seeking his deportation as an alien Communist. James H. Landis, dean of Harvard law school, who conducted the hearing, reported "The evidence establishes neither that Harry Bridges is a member of nor affiliated with the Communist Party." Secretary of Labor Frances Perkins dropped the case.

On March 31, 1941, a second hearing opened. Charles B. Sears, retired judge of the New York State Court of Appeals, recommended Bridges' deportation as one who has been affiliated with the Communist Party. The immigration appeals board reversed the decision, but Attorney General Francis Biddle rejected this and ordered deportation. June 18, 1945, the Supreme Court voted 5 to 3 that there was no evidence to support the Communist charges. The deportation order was canceled.

AUSTRALIA DOESN'T WANT BRIDGES AS DEPORTEE

SYDNEY, AUSTRALIA, April 4.—Australia will not take back Harry Bridges if he is deported, a highly placed government official said today.

The American west coast labor leader, who was born in Australia, was convicted today in San Francisco of perjury in denying he was a Communist in his application for United States citizenship.

"He is America's baby, not ours," this official said.

"I don't think we want him.

"I know of no international agreement whereby we would be legally obligated to receive a denaturalized American deportee who was born in Australia," he added.

The official said that in the view of the Canberra government, Bridges had renounced his Australian birthright when he applied for United States citizenship.

He admitted his government would have to "consider" an appeal to admit Bridges if one should be made by the United States Government.

SAN FRANCISCO, April 4.—West coast longshore leaders announced a firm stand today behind their convicted chieftain, Harry Bridges, but they made no outright threat of a retaliatory strike.

Waterfront employers said privately they foresaw no strike threat in the offing, at least until the appeal of the case has reached the Supreme court.

The VICE PRESIDENT. Do Senators wish to present any further routine matters?

Mr. KEFAUVER. Mr. President——

The VICE PRESIDENT. Does the Senator's statement come under the head of routine matters?

Mr. KEFAUVER. Yes. I have a short statement which will take approximately 30 seconds.

Mr. CHAVEZ. Mr. President, may I inquire as to the nature of the Senator's request?

Mr. KEFAUVER. I can assure the Senator that I shall not ask consideration of any bill.

Mr. CHAVEZ. I would still like to know what the request is.

Mr. KEFAUVER. That I may proceed for 30 seconds.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

THOMAS K. FINLETTER, W. STUART SYMINGTON, AND FRANK PACE, JR.

Mr. KEFAUVER. Mr. President, I merely wish to say a word of commendation on the nomination of Mr. Thomas K. Finletter to be Secretary of the Air Force. I think it is an excellent appointment. Mr. Finletter succeeds a very splendid official as Secretary of the Air Force, Mr. W. Stuart Symington. Mr. Symington is being moved up to the position of Chairman of the National Security Resources Board, which is one of the most important and vital positions in the Defense Establishment.

I am certain all of us feel that Mr. Symington will make an unusually good chairman of the National Resources Security Board. During his years as Secretary of the Air Force, Stuart Symington has shown a great knowledge of the proper place of the Air Force in our defense set-up. He has won and deserved to receive the high respect and confidence of the men and officers of the Air Force, and Members of the Congress and of officials of the executive department. Stuart Symington represents the highest type of public official.

I note also that Mr. Frank Pace, Jr., is being nominated for another position of importance, namely that of Secretary of the Army. Frank Pace does any job well. He will be a splendid Secretary of the Army.

Mr. President, the President of the United States is to be commended upon finding three such eminent citizens for these very high positions in our Government. They will serve at a great personal sacrifice. We should be thankful that the President was able to persuade them to continue in high public service.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

Mr. SALTONSTALL. Mr. President, I rise to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. Will the Chair state how much time is left to both sides on the pending business, between now and the hour of 2 o'clock?

The VICE PRESIDENT. When the Senate ceased discussing the pending business yesterday, the Senator from West Virginia [Mr. KILGORE] had yielded 78 minutes more than the Senator from Nevada [Mr. MCCARRAN]. If nothing interferes from now until 2 o'clock the Senator from Nevada will have 114 minutes at his disposal, the Senator from West Virginia will have 39 minutes at his disposal.

Does the Senator from West Virginia wish to yield to any Senator?

Mr. KILGORE. No.

The VICE PRESIDENT. The Senator from Nevada does not seem to be on the floor. Will the Sergeant at Arms please notify the Senator from Nevada that he is needed on the floor?

Mr. MCCARRAN entered the Chamber.

The VICE PRESIDENT. The Chair just announced that the Senator from Nevada has 114 minutes at his disposal between now and 2 o'clock, and the Senator from West Virginia has 39 minutes at his disposal. Does the Senator from Nevada wish to yield to any Senator?

Mr. MCCARRAN. No, sir.

The VICE PRESIDENT. Does the Chair understand that between now and 2 o'clock neither Senator proposes to yield to any other Senator?

Mr. MCCARRAN. Yes, I propose to use my time.

The VICE PRESIDENT. Somebody will have to begin to use some time. It is running.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CHAVEZ. If the Senator from Nevada, who has control of the time on one side of the question, and the Senator from West Virginia, who has control of the time on the other side of the question, have in mind no Senator to take up the time of the Senate now on either side, could we proceed with business that might be pending in the Senate?

The VICE PRESIDENT. Under the unanimous-consent agreement, unfortunately, the Chair does not think the Senate can proceed with anything but the pending business except by unanimous consent.

Mr. CHAVEZ. Mr. President, will the Senator from Nevada yield to me so I may propound a unanimous-consent request?

Mr. MCCARRAN. I am sorry that I cannot yield.

The VICE PRESIDENT. It is perfectly preposterous for the Senate to have business pending before it, and the control of the time at the disposal of two Senators, and neither one of them willing to yield to any Senator.

Mr. SALTONSTALL. Mr. President, I rise to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. Is it in order for the acting majority leader to make a motion for a recess of an hour?

Mr. CHAVEZ. Mr. President——

The VICE PRESIDENT. The Chair thinks that, under the unanimous-consent agreement providing that the Senate shall continue in continuous session until the pending bill is disposed of, it would not be in order, except by unanimous consent, to make a motion either to recess or to adjourn.

Mr. CHAVEZ. Mr. President, will the Senator from West Virginia yield to me so I may present a unanimous-consent request?

Mr. KILGORE. I am sorry, Mr. President, I cannot yield.

The VICE PRESIDENT. The Chair suggests that Senators who address the Chair rise from their seats.

Mr. KILGORE. Mr. President, I cannot yield to the request.

Mr. CHAVEZ. Mr. President, in spite of the attitude of the Senator from West Virginia and the Senator from Nevada, I desire to submit a request on which I should like to have the Chair rule, and I know he will rule as he thinks proper. Inasmuch as neither Senator seems ready to have any other Senator address the Senate on the displaced-persons bill, I ask unanimous consent that the Senate now proceed to consideration of House bill 5472. We ought to do some business. We appear before the country, Mr. President, in a peculiar way. The present situation illustrates why the Congress of the United States is losing ground. That is why there is such little respect for it. That is why many employees of the Federal Government in various departments, bureaus, and agencies have such little respect for the United States Senate. We ought to proceed and I trust the Senate will proceed and try to do some business. The Senate is going to begin voting at 2 o'clock. But in the meantime neither the Senator from West Virginia nor the Senator from Nevada, who, in the patient spirit shown by the Senate, obtained the consent of the Senate 6 weeks ago to be in control of a certain amount of time, appear willing to yield any of that time. A pretty

picture is being painted before the country.

The VICE PRESIDENT. What is the Senator's request?

Mr. CHAVEZ. My request is as follows: Inasmuch as the two Senators who are controlling the time between now and 2 o'clock decline to use time at this point, I ask unanimous consent that the Senate proceed to the consideration of House bill 5472.

The VICE PRESIDENT. Is there objection?

Mr. KILGORE. I object.

Mr. McFARLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McFARLAND. When I proposed this unanimous-consent agreement, it was not anticipated that the Senate would find itself in this situation. It was the thought of the Senator from Arizona that if neither the Senator from Nevada nor the Senator from West Virginia cared to address the Senate or to yield time to Senators to permit them to address the Senate, then, in the interregnum, so to speak, the parliamentary situation would permit any Senator who wished to address the Senate to do so.

Mr. President, I submit that that should be the ruling of the Chair at this time. The Senate of the United States should not be placed in this position, and it was not the intent in proposing the unanimous-consent agreement that it should be. I am not critical of either the Senator from West Virginia or the Senator from Nevada; but evidently the difficulty which has arisen here has developed because each of those Senators wishes to attempt to gain some advantage in the present situation. Mr. President, I do not think an attempt of that sort should be made. I think the Chair should recognize any Senator who wishes to address the Senate, inasmuch as these two Senators decline to yield.

Mr. KILGORE. Mr. President, I wish to say that the Senator from West Virginia entered into the agreement with the same understanding that the Senator from Arizona had. The Senator from West Virginia feels that in the interest of orderly procedure in the debate, some opportunity should be given for at least a few minutes of rebuttal; and in that connection I have tried to save some time, whereas no time has been used today by the other side.

In order to expedite the procedure, I now yield 10 minutes to the Senator from North Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. President, it has been estimated by the Displaced Persons Commission that the march and countermarch of Fascist, Nazi, and Communist armies and the liberation of persons from concentration camps, forced labor, and military prisons, altogether, at the end of the European war, displaced some 8,000,000 or more human beings. In a comparatively few months, nearly 7,000,000 of these were repatriated to their home countries.

We are given the picture that on the roads of Europe moved long lines of people with their packs, their wagons, their pushcarts, and their babies in arms, making their hopeful pilgrimage to their western homelands after desperate years of war. Over a million people in eastern Europe, caught in the cruel currents and countercurrents of war, hate, oppression, and genocide, survived as homeless and hopeless people.

The United Nations, responding to the conscience of mankind, made these people the concern of the International Refugee Organization. Some 159,700 displaced persons have been resettled. Today there are about 417,800 displaced persons in Italy and the western parts of Austria and Germany. These people are, it is said, either unable or are afraid to go back to their home countries where possibly they would be subjected to persecution, oppression, or liquidation. In addition, it is estimated by the Displaced Persons Commission that there are approximately 142,000 displaced persons in the care of the IRO in regions outside Germany, Austria, or Italy.

The United States, as the richest and most powerful nation on earth, while lagging in carrying out its proportionate part of the program of resettlement of these homeless people, wants to do its fair part. The substitute bill is designed to this end. The case of the substitute bill has been summarized in our minority views as follows: The minority views submit for Senate consideration a substitute bill which "is a combination of the most desirable features of the House-approved bill and the Senate committee bill." It provides for—

First. The admission of 339,000 displaced persons, which includes 295,000 IRO displaced persons, 5,000 IRO orphans, 5,000 other orphans, 2,000 recent Czech refugees, 18,000 Poles in Great Britain, 10,000 Greeks, and 4,000 refugees in the Philippines.

Second. The retention of the IRO definition of "displaced person."

Third. Fifty-four thousand seven hundred and forty-four expellees of German ethnic origin under conditions assuring their admission and for the payment of their transportation to the United States.

Fourth. A cut-off date of January 1, 1949, instead of the present discriminatory and unfair December 22, 1945, dateline.

Fifth. Removal of the unjust 40 percent so-called Baltic preference, the 30 percent agricultural requirement, and the in-camp priority.

Sixth. More economical administration of the law.

Seventh. A bar against the issuance of any visa to any person who has or does adhere to, advocate, and follow "the principles of any political and economic system or philosophy directed toward the destruction of free competitive enterprise and the revolutionary overthrow of representative governments."

Mr. President, we recognize that every care should be exercised against the use of fraud, the possible infiltration of secretly "planted" persons, and the admission of any person found undesirable on account of moral turpitude, mental condition, crime, disease, character, or incapacity for self-support. A complete bar to admission is past or present membership in the Nazi, Fascist, or Communist Parties or totalitarian movements designed to overthrow free nations, whether by the stratagems of infiltration and seizure, or by force and violence.

For such screening, responsible agencies must, for their particular responsibility, be on the alert, so that every official in every agency will be held to the strictest accountability. If any official is unfaithful to his trust, he should be dismissed; but the humane program should go forward.

After the International Refugee Organization finds that a person is a displaced person, the Displaced Persons Commission must have assurance from a responsible person or recognized voluntary agency in the United States that a job for such displaced person is available, that he will not displace another person from a job; that there is available for such displaced person safe and sanitary housing, and that he will not displace another person in the United States from housing. The displaced person for whom such responsible assurance is given must be checked by the Counterintelligence Corps of the Army, must be examined by a doctor on behalf of the United States Public Health Service, and must receive a name check by the FBI.

In view of the limitations of some of these checks, the full responsibility for admission into the United States rests upon the United States consular service and the United States Immigration and Naturalization Service. The IRO determines the eligibility of a person as a displaced person, but not his admissibility into the United States. The United States consular service alone has the responsibility of deciding whether to grant a displaced person a visa for admission. After the visa is granted, the United States Immigration and Naturalization Service alone has the final responsibility of deciding whether, under the laws of the United States and the regulations governing the admission of immigrants, the displaced person should be admitted into the United States. On the basis of these provisions and as a way of meeting a desperate human need, we support the substitute bill, which combines the best features of the bill as passed by the House and the Senate committee version of the bill, as an acceptance by the United States of our fair part of the responsibility to provide homes for these victims of dictatorships, persecutions, and war. In a world in which there is so much cruelty, suffering, and despair, it is good that we have the opportunity to give positive expression to the humane impulses of the American people. Through such a definite and positive program is revealed the soul of a people in the historic tradition of America as a haven for the refugees from the persecution of bigots and the oppression of tyrants.

At this time of the Communist war on religion and freedom, it will be good for the spiritual idealism of America to admit our fair share of displaced persons whose religious faith and devotion to liberty have been tried in the fires of persecution, tyranny, and war. These homeless people mainly belong to the Jewish, Catholic, and Protestant faiths. The Jewish people gave us the highest

conception of the one God, the sovereignty of the moral law, the greatest Book and the greatest life. The Catholics, under God, represent the unity of a mankind in need of compassion and mercy, and bear the cross far and near in its call to heroism in the sharing of life and the giving of hope. The Protestants emphasize the freedom of private judgment and the spiritual autonomy of the individual in direct relation with his God. All these religious communions give personal and spiritual welcome to a disinherited people, within and without their religious communions, cruelly uprooted from their native earth.

Our America, which was a haven of refugees in the years of her weakness, will, in the days of her power, refresh herself in a great, original American tradition. The United States expresses her historic Americanism in welcoming to these friendly shores these people who have been oppressed by dictators and uprooted by war, and who now are desperately in need of homes and hope.

The VICE PRESIDENT. The Chair would like to ask the Senator from Nevada and the Senator from West Virginia whether they desire to use any time now, or to yield time to Senators?

Mr. McCARRAN. I yield 5 minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Senate may proceed to the consideration of the conference report on Senate bill 930.

The VICE PRESIDENT. Is there objection?

Mr. SALTONSTALL. Mr. President, may we have it read by title, in order that Senators may know just what it is?

The VICE PRESIDENT. The Secretary will state the conference report.

The LEGISLATIVE CLERK. Report of the committee on conference on the disagreeing votes of the two Houses on the amendment of the House to the bill S. 930, to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes.

Mr. ELLENDER. I may state to the Senator from Massachusetts that the conferees were unanimous in what was done. The House receded from all its amendments except two.

Mr. SALTONSTALL. I shall not object.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

Mr. CHAVEZ. I object.

The VICE PRESIDENT. The Senator from New Mexico objects.

Does the Senator from West Virginia or the Senator from Nevada wish to use or to yield time?

Mr. KILGORE. Mr. President, ordinarily in a situation such as this, I would normally address myself to the general aspects of the question before the Senate; but, because of the manifest shortage of time, and inasmuch as my speech is devoted partly to the attitude of labor toward the displaced persons bill, as shown by letters in my possession, which I desire to have in the RECORD, I now ask unanimous consent that my speech be printed in the body of the RECORD.

There being no objection, Mr. KILGORE's speech was ordered to be printed in the RECORD, as follows:

Mr. KILGORE. Mr. President, ordinarily in a situation such as this, I would normally address myself to the general aspects of the problem before us. I would discuss the great contribution which the displaced persons are making to our economic and cultural life. I would dwell upon the great importance of a fair and workable law in the structure of our whole foreign policy. I would stress the extreme importance to us, from a financial point of view, of bringing the International Refugee Organization to an early successful termination. I would show the discriminatory and unfair effects of the present law. And I would demonstrate the decided superiority from all points of view of the substitute bill now approved by a majority of the Judiciary Committee and sponsored by myself and 17 other Senators.

However, in view of what has happened here since February 28, when I tried to cover this ground, I believe it will be more useful for me to help straighten out the record. I believe that there are many statements in the record which are not borne out by the facts. And what I should like to do is have the RECORD clearly indicate just what the situation really is.

LABOR'S ATTITUDE TOWARD DISPLACED-PERSONS PROGRAM

Both the CIO and the A. F. of L. have strongly and consistently supported liberalized displaced persons legislation. As late as February 1950, last month, both these labor organizations restated their support for liberalized legislation, opposed the committee bill, and endorsed the House-approved bill and the principles of the substitute bill.

Both the A. F. of L. and the CIO vigorously oppose the proposed amendment by Senator McCARRAN to relate the admission of displaced persons to indices of unemployment and housing. On February 9, 1950, Mr. Philip Murray, president of the CIO, wrote to me as follows:

"The recent proposals to tie displaced persons admissions into the United States to index ratios of unemployment and housing are an obvious attempt to kill the whole displaced-persons program. The CIO calls upon the Senate to defeat Senator McCARRAN's latest two proposals to stop the displaced-persons program.

"Organized labor takes its stand, alongside organized agriculture and the United States Chamber of Commerce, in urging the enactment of the House approved H. R. 4567. Labor is proud of our American humanitarian heritage. If America is to be a leader among nations, it must act like a leader. H. R. 4567, as passed by the House, is the way of leadership. The Senate version is emasculated and unsatisfactory."

And at its February 1950 meeting, the A. F. of L.'s executive council adopted a statement saying, in part:

"We oppose recently introduced amendments which seek to prohibit further admissions of displaced persons whenever unemployment in the United States reaches 4,000,000 or whenever the number of married couples living in doubled-up dwelling units exceeds 2,000,000. These limitations are so close to existing unemployment and housing figures that adoption of the amendments would render the new law inoperative at the very outset.

"Fully adequate protections concerning housing and unemployment are contained in the present law and have been reenacted by the House in H. R. 4567. Indeed, the A. F. of L. has repeatedly pointed out that even these requirements are difficult to administer and hamper the purpose of the law, as experience has shown.

"The A. F. of L. would be the first to protest against legislation which actually undermines the job security of American workers or which really restricts their housing opportunities. But we know from experience that the admission of displaced persons at a limited rate, widely dispersed throughout the country and in practice dispatched to areas of labor shortage does not in any way jeopardize employment opportunities of American workers nor seriously aggravate housing shortages.

"The purpose of these new amendments must therefore be recognized for what it is—a device to vitiate the whole spirit and purpose of more liberal displaced persons legislation."

Mr. President, I ask unanimous consent to insert into the RECORD at this point in my remarks the full text of Mr. Murray's letter and of the statement by the A. F. of L. executive council.

THE COUNTER INTELLIGENCE CORPS

There has been considerable misunderstanding of the role and operation of the Counter Intelligence Corps of the United States Army, which plays such an important part in this program.

1. The Counter Intelligence Corps investigation is as thorough as possible.

Many unwarranted aspersions have been cast against the Displaced Persons Commission in connection with its security screening. Since the CIC conducts the Commission's security investigation, it is of utmost importance to see what the CIC thinks of the security investigation:

Col. A. L. Hamblen, assistant to the Deputy Under Secretary of the Department of the Army, wrote on March 23, 1950, that "the best possible investigation is being made under existing circumstances." As to entry into the United States of ineligible people, Colonel Hamblen said:

"Due to the many checks which are in force throughout the system as a whole, there is little chance finally for such ineligibles to emigrate to this country under this program."

Comments were also received February 21, 1950, from Col. R. C. Patridge, deputy director of the intelligence division of the headquarters of the European command of the United States Army.

Colonel Partridge writes in part:

"In the investigation of displaced persons for emigration to the United States under Public Law 774, CIC exploits all leads available to them. * * * It is felt that the CIC investigation is as thorough as possible under existing conditions."

2. The Counter Intelligence Corps investigates every displaced person.

The Counter Intelligence Corps of the United States Army interviews every displaced person before the Displaced Persons Commission makes its determination whether to submit the case to the consul. The Army officer supervising CIC security checks in Germany, testified before a House subcommittee (H. Rept. No. 1507, p. 74):

"The subject (the displaced person) is also interviewed, and in the course of the interview we may bring up several subjects with him."

The Counter Intelligence Corps investigation includes an intensive personal interview with the displaced person, plus a thorough ground check in the displaced person's area of residence. In addition, where it appears to be necessary, the Displaced Persons Commission calls in the displaced person for another interview before the case goes to the consul.

3. The Counter Intelligence Corps investigates eligibility under the Displaced Persons Act.

The Counter Intelligence Corps' investigation includes an interview of every displaced person by a trained United States agent—who inquires, among other things, into: (a) items of personal history listed in the displaced person's registration forms, including statements as to dates of entry and presence in prescribed areas; and (b) examination of

the displaced person's documents for authenticity. In the letter from Colonel Partridge, of the intelligence division of the United States Army, European command, to which I have already referred, the colonel says:

"CIC has never accepted IRO documentation of an individual, forwarded to them for investigation by the Displaced Persons Commission, as being a true portrayal of facts."

The CIC work sheet provides space for reporting discrepancies noted during the interview from the information on the IRO registration form.

In addition, a special laboratory is maintained to test the authenticity of documents considered by the CIC's agents to be of doubtful character.

4. The Counter Intelligence Corps' findings on security are conclusive.

The Displaced Persons Commission accepts as final and conclusive any and all findings of the Counter Intelligence Corps that a displaced person even "appears" to be a security risk. Regardless of the basis of the CIC's findings, that finding is absolutely binding on the Commission, and the displaced person is rejected by the Displaced Persons Commission and does not even get to the consul.

The Commission's Instructional Bulletin No. 3 (November 27, 1948), states that with respect to the character of the applicant "information contained in investigative report, including statement by investigative agency as to whether or not applicant is or has been a member of movement hostile to the United States shall be final." In the Commission's Instructional Memorandum 61 (July 25, 1949), it was stated: "The Commission will continue to accept as conclusive the statement of CIC as to whether the person appears or does not appear to have been a member of or participated in a movement which is hostile [to the United States]."

5. The Counter Intelligence Corps alone determines the time and scope of its investigation.

The Commission has never given the Counter Intelligence Corps any orders to curtail the time, or to limit the scope of its investigation. Both the time required and the scope of the investigation are matters solely within the determination of the Counter Intelligence Corps of the United States Army.

The Berlin Document Center has no relation to Communists. It "is the official depository for the files of the Nazi Party, as such. In the center are contained the official files of all its members," according to testimony before the House committee.

Of all the 135,000 displaced persons who have arrived to date, possibly derogatory security information from the Berlin Document Center failed to reach the CIC before the displaced person sailed for the United States in only three cases, and those involved Nazi Party membership. Each case is being investigated for deportation. The procedure in connection with Berlin Document Center checks was approved by the Counter Intelligence Corps, the European Command of the United States Army, and the Immigration and Naturalization Service.

As proof of these remarks, Mr. President, I include at this point in my remarks two letters from the commanding officers of the Counter Intelligence Corps in Austria and in Germany:

HEADQUARTERS, SIXTY-SIXTH COUNTER INTELLIGENCE CORPS DETACHMENT, UNITED STATES ARMY, EUROPE, APO 154, *December 30, 1949.*

Subject: Berlin Document Center Checks.

To: Coordinator, United States Displaced Persons Commission, Frankfurt a. M., Germany, APO 757, United States Army.

In reply to your verbal request, this headquarters wishes to state that a Berlin Document Center check has been conducted by this organization on all DP applicants for immigration to the United States under Public Law 774, who were born prior to 1925. It is further stated that the individual results of this check of the files of the 7771 document center were forwarded to the appropriate senior officer of the United States Displaced Persons Commission for disposition. A similar report of this records check will be furnished to your organization periodically upon your request.

DAVID G. ERSKINE,
Colonel, FA, Commanding.

HEADQUARTERS, UNITED STATES FORCES IN AUSTRIA (REAR), OFFICE OF THE DEPUTY DIRECTOR OF INTELLIGENCE, UNITED STATES ARMY, APO 777A, *December 9, 1949.*

Subject: Status of DP investigations.

Through: Mr. Richard Dervan, DP Commission for Austria, United States Army, APO 541.

To: Mr. Rosenfield.

1. In accordance with your request the following information is submitted concerning the status of DP cases processed through Berlin Document Center up to November 30, 1949.

2. Number of requests for DP investigations (individuals) received from DP commission in Austria since the beginning of the DP screening program, October 12, 1948, up to November 30, 1949, 11,455.

3. Number of subjects processed by BDC (Berlin Document Center) and the results thereof returned to CIC since the beginning of the DP screening program, October 12, 1948, up to November 30, 1949, 10,852.

4. Number of subjects presently being processed by BDC and/or in transit thereto or therefrom as of November 30, 1949, 603.

5. As of November 30, 1949, each and every subject processed by DP-48 (Four Hundred and Thirtieth CIC Detachment, USFA) has had a negative or a positive report submitted by the Berlin Document Center. In the cases where subject is presently being processed by BDC, a negative or positive report will be rendered.

LEWIS E. PERRY,
Colonel, GSC,
Deputy Director of Intelligence.

THE SO-CALLED CALCULATED RISK

Great pains have been taken in attempts to convince the Senate that no checks have been made against the Berlin Document Center, and that therefore we are taking a calculated risk with the security of the United States. This is not so. Mr. Carusi, Chairman of the Displaced Persons Commission, has testified that such statement is "a distorted and exaggerated version of the truth."

The facts are that every single displaced person who has come to the United States has been checked against the Berlin Document Center, and there is a record of every single such check in the files of the Counter Intelligence Corps in Europe.

ROLE OF THE INTERNATIONAL REFUGEE ORGANIZATION

Perhaps few of the misunderstandings about this program are more pronounced than those that relate to the very minor role played by the IRO in the processing of displaced persons.

1. The IRO has nothing to do with which displaced persons come to the United States

The IRO has nothing to do with who comes to the United States. A person coming here is named solely by Americans in one of three ways:

1. By the American sponsor, who provides the assurances;

2. By an American agency designated by the American sponsor to name the displaced person; or

3. By an American employee of the Displaced Persons Commission. In 75 percent of all cases the person is specifically named by the American sponsor himself, and practically all of the rest are named by the sponsor's own representative, an American voluntary agency, or by one of the 34 State displaced persons commissions which has sent its own selective representative. In all cases the IRO merely submits whatever information it has concerning the person so chosen after he has been so chosen by the American sponsor or his American agent.

2. IRO certifications are not binding on the Commission

The Displaced Persons Commission disqualifies at the stage of mere preliminary eligibility, for one reason or another, 29 percent of all cases certified by the IRO. At later stages, it disqualifies still more. The Displaced Persons Commission itself, as well as the Counter Intelligence Corps, as I have already shown, conducts investigations and personal interviews, to check matters covered in IRO certifications. The only time an IRO certification is binding is when the IRO says a person is not eligible under the IRO constitution—that kills the case.

3. The IRO has no unit to get pardons for displaced persons

Despite repeated assertions to the contrary the IRO has no pardon unit, according to its cable of March 13, 1950. Furthermore, even if it did, anyone who knows the immigration law realizes that a pardon will not make a displaced person admissible where a conviction is a cause for exclusion. I refer anyone interested in the matter to the Immigration Service's official Monthly Review for February 1950, page 103, for the law on this.

MR. TRIPP'S ESTIMATES OF 30,000

It has been constantly stated here on the floor that Mr. Tripp, Chief of the Immigration Service's unit overseas, stated that some 30,000 cases arrived in the United States whose eligibility was in doubt.

Mr. Tripp specifically denies this, according to the typewritten record of the hearings. The record shows that he said "I would not fix the figure at 30,000," and that he had no records. The following is another excerpt from that record:

"Mr. TRIPP. There is a large number which appear to be doubtful date-line cases, which number might possibly approximate 30,000. I have kept no record on that, and I have no way of knowing, but the number 30,000 was suggested by Mr. Arens, and I said that it is quite possible that it did amount to that.

"Senator DONNELL. I understand that you are not making the statement that there are 30,000 of them as to which there is a doubt on the date-line provision, but you are simply stating, as I understand it, pursuant to the question of Mr. Arens that the number in which there is a question on which there may arise a legitimate question, without determining the ultimate admissibility or eligibility, may amount to as high as 30,000 out of the 135,000.

"Mr. TRIPP. That is correct."

The House Judiciary Subcommittee on Immigration investigated the overseas administration of the displaced persons program in this regard and found no basis for claims of such sort. Its conclusions were:

"Another important aspect of this subcommittee's inquiry was the investigation of the veracity of many reports and statements concerning false and fraudulent statements allegedly made by displaced persons desirous of obtaining admission into the United States. This subcommittee also investigated similar rumors and reports alleging that a great number of forged or false documents have been submitted to various agencies for the same purpose.

"On the basis of meticulous on-the-spot checking undertaken on all levels of the European operation, this subcommittee is

strongly inclined to believe that the majority of the above-mentioned allegations could be safely classified either as rumors of deliberate misrepresentations intended to serve a definite purpose" (H. Rept. 1507, p. 81).

VETO AUTHORITY OF CONSULS AND IMMIGRANT INSPECTORS

It was repeatedly said that the consular service and the Immigration Service have no authority to veto the admission of a displaced person who has proved his eligibility by fraudulent documents or other fraudulent practices.

This is not so. No matter what the nature of the fraud, and no matter to which material factor it applies, if the consuls or immigrant inspectors find fraud, either as to eligibility (which is within the Commission's jurisdiction) or as to admissibility (which is within their own jurisdiction) they may exclude for that reason alone. Fraud as to any material factor relating to eligibility or admissibility is a ground for the consul to refuse a visa, and a ground for the immigrant inspector to exclude a displaced person. The consuls and the immigrant inspectors not only have this veto authority, but exercise it.

However, in order that there may be not a single vestige of doubt in anyone's mind on this score, the sponsors of the substitute bill have accepted the amendment proposed by Senator FERGUSON which expressly gives this veto authority to the consuls and to the immigrant inspectors.

SUBSTITUTE BILL IS ONLY ONE GIVING REALISTIC HELP TO EXPELLEES (GERMAN ETHNICS)

The committee's bill discriminates unfairly against expellees. The committee bill makes nice linguistic bows in their direction, but gives them nothing. Which bill provides ocean transportation to the expellees? Only the substitute bill. Which bill provides a priority for German and Austrian orphan children? Only the substitute bill.

The substitute bill is the only bill under consideration which gives assurance of the admission of 54,744 expellees under this law.

Mr. President, this Senate should act on the basis of facts, not mere assertions. As every Member of the Senate knows, we have not been given the opportunity to read the hearings on this legislation, although I for one have sought in vain to obtain them. Instead, what do we get but these big green books which are placed on every desk the first day of the debate, as if relevant to this subject. Everyone has seen and knows what an irrelevancy it was.

Since we have not, all of us, had the chance to get the full facts, I have taken the trouble to try to put them before the Senate.

I am convinced, and I feel sure that the vast majority of the people of the United States are convinced, that the present law is bad, the committee bill is worse, and that the substitute bill is the best way to remedy the situation.

Mr. McCARRAN. I yield 5 minutes to the junior Senator from Nevada [Mr. MALONE].

OPENING OF THE AMERICAN MARKET TO WORLD PRODUCTS

Mr. MALONE. Mr. President, American industry has been deliberately selected as the victim in the cold war. Mr. Acheson's State Department has decided that the American workingmen and investors are to be sacrificed.

With the failure of the ECA billions to rehabilitate and restore independence to the European economy, the Acheson-Hoffman program now is to exercise domination over the economy of foreign countries by making them permanently dependent on the United States as an export market for their products. This is a far cry from what the so-called Marshall plan started out to be. Its professed purpose was to make European nations independent of our support. Now it is to make them dependent. Again the American people, who are footing the bill, have been hoodwinked.

With the connivance of our own Government officials, Britain and other countries are to exclude exports from the United States while at the same time stepping up the shipment of their products to our markets. This they call closing the dollar gap. The real but undisclosed purpose of our State Department is to open up the American market on a free-trade basis to the products of the world, but in so doing we divide our market, the source of our national wealth, with foreign interests, and the result will inevitably be the complete elimination of the floor under wages and investments in this country.

The so-called escape clause, to protect injured American industries, was a delusive sham; injury, serious injury, or even bankruptcy of an American industry is now said to be no ground for cutting off foreign imports.

Mr. President, there is nothing in the program which is economically sound or to the advantage of America. If those in our State Department who devised these plans are on the side of Americans they are simply stupid. There is some queer thinking in our State Department. If, on the other hand, they are on the side of the Reds, they are extremely clever traitors.

When ECA Administrator Hoffman was asked what he and the other planners proposed to do about the American communities which would be victimized by the program, he replied that the workers would have tutors to teach them new jobs and the industrialists new enterprises and that unemployment relief would be handed out to the idle workers. Incidentally, when they speak of teaching our manufacturers and workers new enterprises, it would be valuable to know those enterprises which the State Department boys and girls intend to preserve and those to be sacrificed upon the altar of one economic world.

Are we Senators going to sit here and do nothing about this threat of disaster to our country? Are we going to continue to let the State Department control what the Constitution says we should be controlling? According to a report of the United Nations Secretariat, there is no remedy in sight for western Europe's economic difficulties, despite Marshall-plan allotments of $8,447,000,000. Are we going to continue to pour our taxpayers' money down the rathole in Europe and fail to protect our American workers and investors?

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 2911) to authorize the President to appoint Lt. Col. Charles H. Bonesteel as Executive Director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the following concurrent resolutions of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. Con. Res. 55. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 58. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 62. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 181) favoring the grant of status of permanent residence to certain aliens, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1175. An act for the relief of Mrs. Corrina Arena;

H. R. 1482. An act for the relief of Frances L. Marshall;

H. R. 1626. An act for the relief of Mrs. A. H. Hill;

H. R. 1627. An act for the relief of Filip Nicola Lazarevich;

H. R. 1855. An act for the relief of Louis Nadasdi;

H. R. 1863. An act for the relief of Frederick C. Cowell;

H. R. 2264. An act for the relief of C. H. Bolling;

H. R. 3464. An act to record the lawful admission for permanent residence of alien John Michael Ancker Rasmussen;

H. R. 3527. An act for the relief of Gifford E. Moak;

H. R. 3771. An act for the relief of Mrs. Marie Gulbenkian;

H. R. 4141. An act for the relief of Edwin F. Shockley;

H. R. 4309. An act for the relief of Mrs. Nellie K. Marlowe;

H. R. 4410. An act for the relief of Joseph Lasagna;

H. R. 4959. An act to reimburse the Fisher Contracting Co.;

H. R. 4996. An act for the relief of Lonnie M. Abernathy;

H. R. 5126. An act for the relief of Mrs. Nathalie E. Cobb;

H. R. 5295. An act for the relief of C. R. Springman;

H. R. 5564. An act for the relief of Wilcox Electric Co., Inc.;

H. R. 5709. An act for the relief of Patrick Cronin;

H. R. 6329. An act for the relief of Betsy Sullivan;

H. R. 6364. An act for the relief of Yoshiko Matsumura;

H. R. 6385. An act for the relief of Louise M. Koch;

H. R. 6485. An act for the relief of Jodeene Lehrman;

H. R. 6934. An act for the relief of E. H. Corrigan;

H. R. 6991. An act for the relief of E. G. Morris;

H. R. 6994. An act for the relief of Karen R. McAndrews;

H. R. 7072. An act for the relief of Mrs. Young Ja Kim;

H. R. 7082. An act for the relief of Mrs. Isamu Tarasawa;

H. R. 7092. An act for the relief of Mrs. Karry Wakefield;

H. R. 7096. An act for the relief of Mrs. Maria Salome Holland;

H. R. 7173. An act for the relief of Toshiko Ono;

H. R. 7175. An act for the relief of Mitsuko Yano Kingman and William Leo Kingman, Jr.;

H. R. 7560. An act for the relief of Mary Frances Yoshinaga; and

H. R. 7778. An act for the relief of Miyoko Oishi.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3946) to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study, and it was signed by the Vice President.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred, or ordered to be placed on the calendar, as indicated:

H. R. 1175. An act for the relief of Mrs. Corrina Arena;

H. R. 1482. An act for the relief of Frances L. Marshall;

H. R. 1626. An act for the relief of Mrs. A. H. Hill;

H. R. 1627. An act for the relief of Filip Nicola Lazarevich;

H. R. 1855. An act for the relief of Louis Nadasdi;

H. R. 1863. An act for the relief of Frederick C. Cowell;

H. R. 2264. An act for the relief of C. H. Bolling;

H. R. 3464. An act to record the lawful admission for permanent residence of alien John Michael Ancker Rasmussen;

H. R. 3527. An act for the relief of Gifford E. Moak;

H. R. 4141. An act for the relief of Edwin F. Shockley;

H. R. 4309. An act for the relief of Mrs. Nellie K. Marlowe;

H. R. 4410. An act for the relief of Joseph Lasagna;

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H. R. 5126. An act for the relief of Mrs. Nathalie E. Cobb;

H. R. 5295. An act for the relief of C. R. Springman;

H. R. 5564. An act for the relief of Wilcox Electric Co., Inc.;

H. R. 5709. An act for the relief of Patrick Cronin;

H. R. 6329. An act for the relief of Betsy Sullivan;

H. R. 6364. An act for the relief of Yoshiko Matsumura;

H. R. 6385. An act for the relief of Louise M. Koch;

H. R. 6485. An act for the relief of Jodeene Lehrman;

H. R. 6934. An act for the relief of E. H. Corrigan;

H. R. 6991. An act for the relief of E. G. Morris;

H. R. 6994. An act for the relief of Karen R. McAndrews;

H. R. 7072. An act for the relief of Mrs. Young Ja Kim;

H. R. 7082. An act for the relief of Mrs. Isamu Tarasawa;

H. R. 7092. An act for the relief of Mrs. Karry Wakefield;

H. R. 7096. An act for the relief of Mrs. Maria Salome Holland;

H. R. 7173. An act for the relief of Toshiko Ono;

H. R. 7175. An act for the relief of Mitsuko Yano Kingman and William Leo Kingman, Jr.;

H. R. 7560. An act for the relief of Mary Frances Yoshinaga; and

H. R. 7778. An act for the relief of Miyoko Oishi; to the Committee on the Judiciary.

H. R. 3771. An act for the relief of Mrs. Marie Gulbenkian; and

H. R. 4959. An act to reimburse the Fisher Contracting Co.; ordered to be placed on the calendar.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 181) favoring the grant of status of permanent residence to certain aliens was referred to the Committee on the Judiciary.

DISPLACED PERSONS

The Senate resumed the consideration of the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

The VICE PRESIDENT. The Chair wishes to ask the two Senators in control of the time whether they wish to use time now or to yield time to other Senators.

Mr. McCARRAN. Will the Chair kindly state how the time stands now as between the two sides?

The VICE PRESIDENT. At the present moment the Senator from Nevada has 106 minutes to his credit; the Senator from West Virginia 27 minutes. Does either Senator wish to use time now or to yield to other Senators?

Mr. McCARRAN. I yield 20 minutes to the Senator from Michigan.

The VICE PRESIDENT. The Senator from Michigan is recognized for 20 minutes.

Mr. FERGUSON. Mr. President, I greatly appreciate the courtesy of the Senator from Nevada in yielding to me from his time on this important bill. I had expected to obtain the time from the Senator from West Virginia.

As I see the question now before the Senate, two central issues are involved—the administration of the Displaced Persons Act and the substantive features of the act. Since the question of administration is common to any legislation, it can be removed from the present debate, with the very important proviso that substantive features of the act are sufficient and satisfactory.

In 1948, when we had this same problem before us, and when we were without experience in administration, we endeavored to place within the administrative features of the act provisions which we thought would probably be adequate for its enforcement. Since that time we have acquired practical experience in the administration of the act, and I think we have come to the conclusion that we must place in it certain additional safeguards of a substantive nature.

We now have before us, in effect, three bills. The first is House bill 4567, known as the Celler bill. That bill was referred to the Judiciary Committee and there considered by the subcommittee and then full committee, and amended by what is known as the committee amendment, which might be described as the McCarran bill. The amendments to the House bill, sponsored by the distinguished chairman of the committee [Mr. McCARRAN], in effect, constitute a second bill. We also have before us a substitute bill, introduced by Senator KILGORE and sponsored by 18 Senators, of whom I am one. I realize that on the desks of Senators there will be found many amendments, but when they are boiled down there are really before the Senate only those three bills.

If we divorce administration as an issue, the questions pertinent to the three bills are, first, how many displaced persons should be admitted? Second, what kind of displaced persons should be admitted into the United States? Third, what are the substantive features of the respective proposals with respect to administration, which is to say is the screening procedure adequate to protect American security? Those are the principal issues before the Senate today.

I shall, in the next few minutes, seek, first, to compare the respective proposals so far as the number of displaced persons is concerned. Then I wish to speak on what kind of displaced persons we should provide for, and finally on the adequacy of screening processes under the present and proposed displaced-persons program.

The House bill provides for a total of 339,000 persons to be admitted, exclusive of quota admissions. Under the McCarran bill the number is 330,000. Under the substitute bill, which I shall designate as the Kilgore bill, the number is 339,000. In other words, there is very little difference between the bills, so far as the total number of persons is concerned.

Under the House bill there are what are known as IRO displaced persons, those who are under the IRO. IRO simply means International Refugee Organization, which is an organization under the United Nations.

Under the House bill there are 297,000 persons in the IRO category; under the Kilgore bill 295,000 persons. Under the McCarran bill a change in the definition of a displaced person is employed to include IRO displaced persons, plus about 8,000,000 expellees of German ethnic origin. The McCarran bill would admit 290,000 persons from this new category.

Next, there are the IRO displaced orphans. The number is the same in each of the bills.

Then there are adopted children, the numbers of whom are identical in the two Senate bills—5,000 persons. There are none under the House bill.

As to Czech refugees, there is an identical number in the McCarran bill and the Kilgore bill. There are none in the House bill because of its provision for 15,000 recent political refugees, who are not included in the Senate bills.

With reference to Polish veterans in England, there are 18,000 under each of the three bills.

As to Greeks in Greece, the number is identical under the McCarran bill and the Kilgore bill, 10,000.

The number of IRO displaced persons in China is the same under the House bill and under the Kilgore bill, but there is no provision for them in the McCarran bill.

As to the displaced persons outside Germany, Austria, and Italy, 50 percent of the nonpreference portion of annual quotas is made available to them under the House bill and the Kilgore bill, but there is no such provision in the McCarran bill.

With reference to German ethnics, we find the number to be admitted as immigrants under German or German plus Austrian quotas is identical in each of the three bills. That number is 54,744. A difference exists, however, in that there is under the Kilgore bill a provision to give overseas transportation to such persons.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I shall be glad to yield to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. I know the Senator and I agree, but I hope this question may make the situation a little more clear. The McCarran amendments leave the number of displaced persons approximately the same, but enlarge the category of displaced persons by including all the so-called ethnic Germans, amounting to approximately 8,000,000, so that the amendments really reduce the number of displaced persons under the IRO who can be admitted. Is not that correct?

Mr. FERGUSON. That is correct; and that is the crux of the difference in the thinking of the persons who are responsible for admitting them. In the McCarran bill the definition of a displaced person is changed. It says displaced persons are not only those under the shelter and the wing of the IRO, but also the expellees who may be in particular zones. In other words, instead of approximately 200,000 displaced persons in Europe, we find there are 8,000,000 other displaced persons because of the Potsdam arrangement. In the opinion of the Senator from Michigan that definition would so dilute the number of displaced persons coming under the IRO that we would find their problem impossible of solution.

I may explain it in this way. Personally, I feel very keenly about it. If I were a citizen of Germany, one of the first things I would want to have solved would be the original displaced-persons problem, because I would feel that there are displaced persons in Germany who could never find a real root in Germany because of former persecution or slave labor.

The Senator from Michigan introduced the original displaced-persons bill, and he has been greatly interested in this question. He believed there could be no peace unless the displaced-persons problem was solved. He has seen the displaced persons camps and has observed the displaced persons problem at first hand. He has realized that there was involved an international problem, and that it affected all the allies with reference to displaced persons in Europe, and particularly in Germany. It seemed to me that the only way to solve it was to place such persons under one organization. It was in accord with this reasoning that we created the International Refugee Organization.

I am not discounting the fact that we have the question of expellees, and I have real feeling for them. I want to give their problem all the attention we can. I realize that it is a great problem, one which should never have come about, as it traces back to an error at Potsdam. But the the problem does exist today, and sometime we shall have to try to do something about it. It is not, however, a problem which is acute in the same degree; it is not a problem which involves the IRO, which was an established international undertaking.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Is it not true that the International Refugee Organization, so far as the United States is concerned, will end next March, and that if we try to take care of both those under the IRO and the expellees we shall never be able to terminate the program by that date?

Mr. FERGUSON. That is correct. I recall sitting in the Committee on Appropriations—and the distinguished Senator from Massachusetts was present—when it was placed on the record that an attempt would be made to close up the International Refugee Organization, and we questioned witnesses in detail on that prospect. If we do not solve the problem, and if we do not accept the Kilgore definition, we shall face the same question next March. It does not make much difference whether there are 100,000 or 200,000 of these displaced persons in Europe. We ought to close the books on the International Refugee Organization, which was the original organization created to handle the problem.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I am very happy to yield to the Senator from New York.

Mr. LEHMAN. The junior Senator from New York wishes to compliment the distinguished Senator from Michigan on his very clear statement, to which he fully subscribes. However, to bring the situation out a little more graphically, is it not a fact that if we included the eight or ten million German ethnic expellees, we would create a situation in which from eight to ten million people would be competing for 130,000 eligible places under the proposed laws? That would mean, not a moderate dilution, as has been suggested, but a dilution of 50 to 1, or greater, for these places, would it not?

Mr. FERGUSON. Yes. I should like to add that that is not the only feature of the problem. The present displaced-persons camps are under the administration of the IRO. The registration procedures are all under the IRO. Transportation for resettlement is under IRO. If we provide a new definition to include persons not now under IRO administration, we would be forced to build new centers in order to process them, because the IRO cannot use its centers for that purpose. That is an added reason that I say it is impracticable to adopt a new definition as proposed by the McCarran bill.

If we start all over now, we shall find some 8,000,000 additional people included as displaced persons. I do not say that we should not try to solve that particular problem, and I would be in favor of a program which would try to solve it, but I do not want the problem to be added to the pending bill, and thus confuse the issue, because if we do that we shall not get any displaced persons to America, and we shall find ourselves with the IRO remaining in existence, costing our taxpayers millions of dollars, and with the suffering of these poor human beings in Europe continuing. Further, we will not by so doing give actual and constructive relief even to the expellees.

Mr. LEHMAN. I thank the Senator from Michigan for his very clear and accurate statement.

Mr. FERGUSON. A summary of the numerical provisions in the committee bill and in the substitute shows that they provide for the same number of orphans, adopted children, Czech refugees, Poles in England, Greeks displaced in Greece, German ethnics, and DP's in the United States.

The substitute provides for 295,000 IRO DP's, while the McCarran bill provides for 290,000 to come from a combined definition of IRO DP's and expellees, as I have described, who were people of German blood expelled from the country of their birth. The substitute also contains provision for 4,000 IRO DP's in Shanghai.

The total numbers, exclusive of German ethnics and DP's in the United States, which are the same in each bill, and would not affect the relative totals, are 330,000 under the McCarran bill and 339,000 under the substitute.

Mr. President, I have discussed the two questions of how many displaced persons are to be admitted and the definition of a displaced person. I should like to take up at this time the further question of processing or screening of displaced persons, which as I see it is the third issue before the Senate. Mr. President, in that field we begin with the proposition that no displaced person may be admitted to the United States unless he is qualified under the regular immigration laws for permanent residence. There are 22 categories of grounds for the exclusion of aliens under the immigration laws. At this point I ask that there be inserted in the RECORD an excerpt from the Department of State bulletin of October 1949, appearing at page 8, which shows the 22 categories of persons who are not admissible under general immigration laws. Again I stress, displaced persons are subject to all of these basic immigration requirements.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

GROUNDS OF INADMISSIBILITY

The immigration laws (particularly sec. 3 of the Immigration Act of February 5, 1917, as amended) list various categories of excludable aliens, including the following:

1. Mentally defective aliens (insane persons, idiots).

2. Paupers and vagrants.

3. Diseased persons (persons afflicted with tuberculosis in any form or with a loathsome or dangerous contagious disease).

4. Mentally or physically defective aliens, the physical defect being of a nature which may affect the ability of the alien to earn a living.

5. Aliens who have been deported from the United States or those who have departed to avoid or evade training or service in the armed forces of the United States.

6. Aliens who applied for exemption from military service in the armed forces of the United States.

7. Criminals (persons who have been convicted of or admit having committed, a felony or other crime or misdemeanor involving moral turpitude).

8. Polygamists.

9. Anarchists, Communists, and other politically undesirable aliens (aliens who at any time shall be or have been a member of any of the classes excluded under this category, regardless of their present classification).

10. Prostitutes and procurers.

11. Contract laborers (persons induced, assisted, encouraged, or solicited to migrate by offers or promises of employment. The contract-labor clause applies to persons coming to accept employment predominantly involving manual labor).

12. Public charges (persons likely to become public charges).

13. Persons deported, unless authorization shall have been granted for them to reapply for admission.

14. Persons financially assisted (persons whose ticket or passage is paid for with the money of another unless it is affirmatively shown that the persons do not belong to any of the foregoing excluded classes and persons whose ticket or passage is paid for by a corporation, association, society, municipality, or foreign government).

15. Stowaways.

16. Children unaccompanied, not coming to one or both parents (such persons may be admitted in the discretion of the Attorney General if in his opinion the child is not likely to become a public charge).

17. Natives of the Asiatic Barred Zone, except where permitted under special legislation.

18. Illiterates (except as indicated in the act in the case of certain relatives of persons in the United States).

19. Aliens applying for admission from foreign contiguous territory (unless the line which brought them to such territory entered into certain agreements with the immigration authorities or unless the aliens have lived in such territory for 2 years).

20. Aliens removed from the United States at the expense of the United States (unless permission to reapply for admission is granted to them by the Attorney General and the Secretary of State).

21. Aliens ineligible to citizenship (but such persons may apply as nonimmigrants, or as returning resident aliens under section 4 (b) of the Immigration Act of 1924, or as ministers or professors under section 4 (d), or as students under section 4 (e) of the act).

22. Aliens whose entry would be contrary to the public safety or prejudicial to the public interest.

Mr. FERGUSON. Mr. President, a displaced person must also meet special requirements provided by the Displaced Persons Act of 1948, which is the present law. He must undergo tests of eligibility, which relate to the dates of entry or arrival in Germany, Austria, or Italy, and in the Allied zones of Austria and Germany. These dates are uniformly modified in the committee bill and the substitute bill to be January 1, 1949.

The VICE PRESIDENT. The time of the Senator from Michigan has expired.

Mr. FERGUSON. Mr. President, I ask unanimous consent that I may insert a memorandum from which I had intended to speak in completing my remarks. I ask that it be inserted as if I had given it on the floor.

Mr. McCARRAN. Under the rules, that cannot be done. I object. The Senator may insert it in the RECORD.

The VICE PRESIDENT. The Senator may insert it as a statement.

Mr. FERGUSON. That is satisfactory. I merely wish to have in the RECORD that portion of my remarks which I am prohibited from delivering because of the time limitation. I ask unanimous consent to insert it as a statement.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Under the Displaced Persons Act of 1948, further, admission is denied to any person who is, or has been, a member of or have participated in, a movement hostile to the United States or its form of government.

Also, a displaced person is ineligible to receive a visa under the act if he wilfully makes a misrepresentation for the purpose of gaining admission into the United States, as a displaced person.

Both the McCarran bill and the substitute bill add these further security tests:

1. Visas shall not be issued to anyone who is or has been—

(a) A member of the Communist Party.

(b) (1) A Marxist (provided in committee bill).

(b) (2) An adherent, advocate or follower of the principles of any political or economic system or philosophy directed toward the destruction of free competitive enterprise and the revolutionary overthrow of representative governments. (In substitute bill as being administratively more workable than the mere term "Marxist".

(c) A member of any organization which has been listed by the Attorney General of the United States as a Communist organization.

(d) A person who has advocated or assisted in the persecution of any person because of race, religion or national origin, or has borne arms against the United States.

2. Upon arrival in the United States each displaced person 18 years of age or over must take an oath, subject to perjury proceedings, that he is not and has never been a member of any organization or movement named (including that specified in the existing act, a movement hostile to the United States or its form of government).

Under the present act and under the substitute bill these agencies of the United States Government have a function in processing displaced persons: (The IRO merely certifies a person is a displaced person under its constitution. That is to say, no one not certified by IRO can be processed. But the United States agencies can review and overrule IRO's findings, thus disqualifying a person.)

1. The Displaced Persons Commission, which obtains assurances for housing and employment as required by the act; classifies displaced persons according to priorities and preferences specified in the act; and investigates and reports on each displaced person's "character, history and eligibility under the act."

2. The State Department's Consular Service, which issues visas in accordance with regular procedures—including independent examinations and investigations—and in accordance with all applicable provisions of existing law.

3. The Immigration and Naturalization Service, which approves admissions in accordance with regular procedures—including independent examinations and investigations—and in accordance with all appliable provisions of existing law.

So that there could be no room for question or doubt as to the authority of the Consular Service and the Immigration and Naturalization Service to pass upon admissibility under terms of the Displaced Persons Act as well as general immigration laws, I have proposed this to the substitute bill, and it will be accepted by my cosponsors of the substitute bill.

"The burden of proof shall be upon the person who seeks to establish his eligibility under this act, and no person shall be issued an immigration visa or be admitted into the United States under this act if the consular officer or the immigrant inspector knows or has reason to believe that the alien is subject to exclusion from the United States under any provision of the immigration laws or is not eligible under the terms of this act."

In addition to the screening procedures which are practiced or are required in regular immigration, the following extraordinary steps are taken with respect to displaced persons:

1. The FBI makes an individual name check on each displaced person before he is admitted to the United States.

2. The Central Intelligence Corps of the United States Army conducts an extensive personal interview and field investigation, using all the vast intelligence resources of the United States Army. Derogatory security findings by the Central Intelligence Corps are accepted as conclusive by the Displaced Persons Commission, and further processing for eligibility under the act is halted at that point. The CIC itself determines the time and scope required for its investigations.

3. The Immigration and Naturalization Service makes a preembarkation inspection in addition to its normal debarkation or arrival inspection, with the complete file available.

4. The Displaced Persons Commission has issued firm security orders which include instructions that no one who was ever a member of Communist, Nazi or Fascist or related parties shall be admissible under the program. A special investigation is required in connection with DPs from certain areas behind the iron curtain. A special laboratory has been set up for the examination of documents of doubtful authenticity.

5. A check has been completed with the Berlin Document Center on every single displaced person who has entered the United States under the act. Berlin Document Center is custodian of records concerning Nazi Party membership or affiliation and German naturalization. It has no information on Communists or Communist organizations.

Despite unfounded allegations which have confused the debate these conclusions will stand:

"No indication has been received to date that would definitely establish that criminal or subversive elements have been infiltrating into the United States through the operation of the Displaced Persons Act of 1948" (Peyton Ford, assistant to the Attorney General).

"No dangerous or disturbing elements have been injected into our body politic" (House Judiciary Subcommittee, H. Rept. 1507, January 20, 1950, p. 128).

There is nothing in the law, or in the substitute bill which I have sponsored, that whittles down by so much as a sliver the normal immigration protection against the entry of subversives. Beyond this there have been established statutory safeguards and screening processes which make procedures under the Displaced Persons Act more

rigorous than under any other immigration program, regular or special, in our history.

Prospective future admissions

[Numerical provisions of bills less admissions already granted. 134,331 visas had been issued under Public Law 774 as of Jan. 1]

	Present law	H. R. 4567	Committee bill	Substitute
IRO DP's	66,663	163,663		161,663
DP's and expellees			156,663	
DP orphans	2,536	4,536	4,536	4,536
Adoptees	0	0	5,000	5,000
Recent Czech refugees	1,470		1,470	1,470
Poles in England		18,000	18,000	18,000
Greeks in Greece			10,000	10,000
Shanghai refugees		4,000	0	4,000
Section 12 visas to German ethnics	23,372	50,744	50,744	50,744

The VICE PRESIDENT. Does either Senator in control of the time wish to use any time, or yield any time to another Senator?

Mr. KILGORE. Mr. President, I yield 10 minutes to the senior Senator from Pennsylvania [Mr. MYERS].

The VICE PRESIDENT. The Senator from Pennsylvania is recognized for 10 minutes.

Mr. MYERS. Mr. President, as one of the 18 sponsors of the so-called Kilgore substitute DP bill, I intend to give that measure my full support.

Ten months ago, the House passed a good DP bill. From that day to this, we have not, until this time, had a clear-cut issue before us for a vote on the merits of the displaced-persons program itself. This afternoon, I am happy to say, we have stripped away all the irrelevant matters, and the question before us is simply whether we will fulfill our international commitments in the fairest way possible, keeping in mind, at the same time, that the bill we adopt must provide adequate safeguards to our own security.

I am absolutely certain that the substitute meets these requirements. As I have already indicated, I believe the House gave us a fine bill 10 months ago. The House measure was based on the best evidence available at the time.

Senate consideration of the DP bill has been delayed by repeated contentions that we did not have all the evidence necessary to pass a sound piece of legislation. When the Senate sent the DP bill back to committee last October by a vote of 36 to 30, I voted with the 30 Senators who felt the bill should not be delayed, but, at the same time, I realize that many of the Senators who voted to send the measure back to committee did so because they were not sure all the evidence was before us.

It was this same uncertainty that caused the Senate to set the bill aside a month ago in order that the committee could complete hearings on matters relating to security risks involved in the DP program.

Now, Mr. President, we have had a chance to see the facts. The complete evidence on the record abundantly confirms the essential soundness of the House bill, and, as all Senators know, the so-called substitute is primarily the House bill. There are some changes, however, that are incorporated in the substitute. These do not alter the basic principles of the House measure and are primarily liberalizing features which now seem warranted on the basis of developments during the past 10 months.

One of these changes deals with the perplexing problem of the German ethnic expellee. Late last summer the distinguished junior Senator from Illinois [Mr. DOUGLAS] and I devoted a great deal of time and attention to the expellee problem, a problem faced now by some 8,000,000 refugees of German ancestry. After thorough study of the matter, the Senator from Illinois and I jointly sponsored two amendments to the House bill.

The first of our amendments was intended to provide an effective means whereby some 52,000 German ethnic expellees could in fact reach this country and take up a new life as future Americans. We proposed to make this group a special exception to our existing immigration laws by providing that our Government would underwrite transportation costs from Europe to this country in a fashion comparable to that in which the IRO now provides transportation for DP's. We also proposed that certain other requirements imposed upon regular immigrants be waived, making it possible for charitable, religious, and other welfare agencies to provide assurances of support for the expellees as is done for the IRO DP's. In effect, this waives for that group the operation of the contract labor clause, and we also proposed to waive the usual requirements of visa and head taxes.

We felt that these waivers were justified on the grounds that we are dealing here with uprooted people who had been forced to flee from countries of eastern Europe, and thus are refugees living in alien lands. The ordinary immigrant, on the other hand, generally comes directly to our country from his native land.

The second amendment submitted by the Senator from Illinois [Mr. DOUGLAS] and myself sought to get at the very heart of the problem confronting the 8,000,000 German ethnic refugees now cast adrift on the war-shattered economies of Germany and Austria. We proposed an international conference on the whole question, suggesting that America take the lead in urging other nations to join with us in working out jointly a solution to this problem of real international concern.

I should like to add that the distinguished senior Senator from Wisconsin [Mr. WILEY] has suggested several improvements in the first of the two amendments submitted by the junior Senator from Illinois and myself in that he has increased the total eligible to 54,744 German ethnics, and has made it possible to speed their arrival in America by permitting their admission at any time between now and the middle of 1952.

Two other desirable changes in the House bill were suggested in the bill reported by the Senate Judiciary Committee on January 25 of this year. Both are incorporated in the substitute. The first will permit admission of 10,000 Greek refugees driven from their homes by the Communist-led guerrillas. Even though civil order has been restored in Greece and the guerrilla warfare stamped out, the Greek economy is beset with many problems, and this provision will enable a number of these unfortunate refugees to find a new home in America.

The substitute also includes the provision in the January 25 bill which will permit the adoption of 5,000 orphans, though the substitute measure liberalizes the committee proposal by allowing any American to participate in the adoption program.

Then, yesterday, the distinguished senior Senator from New York [Mr. IVES] submitted an amendment for himself and for me, which is new to the committee bill and the substitute. Our amendment—which I hope the Senate will adopt—will permit 5,000 refugees from the Yugoslav section of Venezia Giulia and the Yugoslav zone of Trieste to become eligible under the DP program. These refugees, most of them of Italian ancestry, face a bleak future at present, and this can be an important first step to bring about a real solution to the refugee problem in that troubled area.

These changes should, I believe, be incorporated in the basic House bill, and I feel confident that the House will go along with us in them.

I am satisfied, Mr. President, that an overwhelming majority of the American people realize the importance of American participation in the international refugee problem. I am also satisfied that the American people believe that a home must be found for the refugee who has been driven from his native land as a direct consequence of World War II itself, or who was forced into exile by Communist oppression in eastern Europe which came as an aftermath of the war.

Now I should like to address myself for a moment to the charges that the DP program has been shot through with fraud and maladministration. We have heard much about this, and I feel that the substance of the charges, and the evidence to support them, boils down to this: First, the international refugee problem was, and is, one of vast scale. Since the IRO came into existence, more than 760,000 refugees have been relocated—135,000 of them right here in America.

In a program so vast, some mistakes are bound to occur. We have got to look at the whole picture. Even if we assume the allegations of fraud and misrepresentation to be true, those who have made these charges point only to a handful of cases in which such charges have occurred.

Now the solution to the problem posed by the bad DP, Mr. President, to the problem of a tiny handful of people who have misrepresented themselves to us, is to be found in the provisions of the law itself. I am satisfied that the safeguards in the screening process now used are more than adequate to discover cases of fraud, and deal with these cases by deporting those who have no right to be here. But, I repeat, the actual instances in which potentially subversive or fraudulent activities are supposed to have occurred are very, very few in number.

I am not recommending, Mr. President, that we should turn our backs on any charge of subversive or fraudulent conduct on the part of DP's or anyone else. Every such case should be looked into fully and without delay once suspicious facts present themselves. I am saying, however, that our present methods of dealing with this problem are adequate when we look at all the evidence on the record, and I am saying that these safeguards are being administered conscientiously, thoroughly, and effectively by those charged with the duty of carrying them out. The facts we have at this time lead us to no other conclusion.

The VICE PRESIDENT. The time of the Senator from Pennsylvania has expired.

Mr. MYERS. Mr. President, I ask the Senator from West Virginia if he will yield me one more minute?

Mr. KILGORE. I yield one more minute to the Senator from Pennsylvania.

The VICE PRESIDENT. The Senator from Pennsylvania is recognized for one more minute.

Mr. MYERS. Mr. President, I shall support passage of the bipartisan substitute. Passage of the substitute will assure the rest of the world that America plans to fulfill its international commitments. Passage will offer a haven here to the 18,000 valiant Poles who fought with General Anders' army, to 4,000 White Russians driven from China by the Communist forces and now living under dreadful conditions in the Philippines. It will, as well, furnish relief to 10,000 Greek refugees, to 5,000 displaced orphans, and—if the amendment submitted by the senior Senator from New York and myself is adopted, to 5,000 refugees from Tito's communism who have fled from portions of Venezia Giulia. In short, a total of 339,000 refugees from such great groups as the Czechs, the Slovaks, the Ukrainians, the Poles, the Hungarians, the Estonians, the Latvians, the Lithuanians, and to those who have fled from Yugoslavia and Tito. And, of course, by adopting the amendments developed by the junior Senator from Illinois, the Senator from Wisconsin [Mr. WILEY], and myself, the German ethnic expellees will get some real relief instead of a mere empty promise, which I believe is about all that would result if the January 25 version of the bill were to be adopted.

America has played fair in her efforts to bring about world peace, and I am confident that by adopting the substitute, we will demonstrate once more to the world that we are still willing to play fair in carrying out our international responsibilities.

Mr. KILGORE. Mr. President, I yield 1 minute to the Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. Mr. President, there are many reasons why the Kilgore-Ferguson substitute which I have been glad to cosponsor is superior to the committee bill. I am proposing to refer to one section only, since this is a matter whose workings to date I have investigated in my own State and with regard to which I therefore have some definite information. This relates to the experience in Vermont, and I ask that my statement with regard to it be printed at this point in the RECORD.

There being no objection, the statement of Mr. FLANDERS was ordered to be printed in the RECORD, as follows:

Mr. President, the number of displaced persons and expellees and others who may be eligible under the various bills and amendments before us is very large. Under the committee bill definition, I am informed that as of June 30, 1950, there will be more than 8,000,000 persons eligible under this program in Germany, Italy, and Australia. Since the committee bill throws this great number into the provisions of the act, it means that the displaced persons, amounting to something over 240,000 persons, will be a mere drop in the bucket, and the whole program will therefore become administratively unworkable. This in turn means that the IRO will have to be continued instead of having its work wound up by the acceptance of all eligible persons in this category, as provided for by the Kilgore-Ferguson amendment. Why should we not clear up this long-standing element of distress among the homeless people of central Europe? Why should we not offer new homes and new opportunities to these eligibles so that they can support themselves instead of being supported? The expellee problem remains a serious one, however. As yet no international agency has undertaken to study this problem and it is clearly evident that the American people should not undertake the solution of this problem alone. In my opinion further study of the expellee problem by an international conference, which is called for in the Kilgore-Ferguson substitute, will provide the only satisfactory solution.

I am not going into statistical reports by various elements of the Government on this matter. I am going to refer to the experience in Vermont that we have had with these DP's. It is not an experience that is 100 percent favorable, but it is favorable enough as to warrant a determination on our part to winding up our responsibilities under IRO, which will be possible under the substitute bill and impossible under the committee bill.

I would like first to read into the RECORD part of a letter from Mr. Arthur Packard, president of the Vermont State Farm Bureau, Inc. He says:

"Answering your question in regard to how the displaced persons are working out, a lot of the single people among this group that arrived here, do not stay on the farm, They have either relatives or acquaintances and they just take 'French leave,' at least some of them. Married couples are proving much more satisfactory and in many instances it is not only a godsend to the farmer in Vermont, but I suppose is likewise most agreeable to the displaced persons.

"It would seem to me that even though we should lose out on 25 percent of them who came that that would not necessarily mean that the project was not a success."

Mr. Packard refers in his letter to some unfortunate experiences with DP's. This has been the case with several farmers in Windham County in the southeast section of the State. I will at this point read into the RECORD a part of the report of Mrs. Martha P. Buttrick, supervisor of DP's for the State of Vermont.

"I assume the Windham County Farm Bureau sent you a copy of their recent resolutions critical of their displaced persons. The letter is also critical of their health conditions. I am glad to say that in my meeting of the 135 people that have come into the State under our program, I have seen no indication of poor health and only one or two which seem poorly adjusted mentally. I think the committee is doing a splendid job of screening since we have no problems of drunkenness, stealing, cruelty, or other bad habits which so many of us seem subject to. Their greatest difficulty seems to be self-discipline in their newly found freedom. While relatives and friends have urged many to come to the city, well over half of those in the State under our program have remained and done good work. The last paragraph of the Windham County letter referred to five families dissatisfied with their displaced persons. I know only three—two of whom were served by one family and one who secured his family through our program. In this latter case, the older son wished to go to college. Hence he left to go where he could attend night school and work through the day. The family later followed him.

"In several cases where the displaced persons have left, we have felt the farmer was more at fault than the displaced persons usually because they would not or could not pay a living wage. In some cases the farmer's operation was not large enough to warrant a year-round helper. In other instances, the farmer refused a living wage considering such pay as $1 per day sufficient. Some farmers are impatient, expecting the displaced persons in a few days to learn mechanized farming, to say nothing of English, while their agricultural experience has been limited to a type of farming such as was on our grandfathers' farms.

"In answer to the problem of so many displaced persons leaving the farm for the city, I think it might be well to consider obligating them to remain for a year in the field of activity which made their entrance into the country possible. I think this is similar to Canada's plan except that their period of obligation is longer. From my observation, the life they have lived in Europe for the last 4 or 5 years has not developed self-discipline or independence since they have been clothed, fed, and had to take little responsibility. Therefore, they are not prepared for the freedom given them under the present law. I also feel the foreign newspapers in the United States should impress upon their readers who have friends and relatives among the displaced persons that they too must feel the importance of the displaced person's obligation to his sponsor and not urge them to come to the city for the lure of jobs with bigger pay.

"While I appreciate the need for careful screening, my patience is sometimes tried by the long time of waiting between assurances forwarded to Europe and the arrival of the DP's. We still have several farmers' orders of a year ago that have not been filled and a sizable number received in the late summer. Such long delays make any program seem inefficient. Possibly the difficulty is lack of personnel due to financial limitations. Thus, Congress should allow a larger appropriation in order to overcome this difficulty."

Information from Vermont indicates that about 60 percent of those coming into the State have stayed in their positions and about 40 percent have left. But even among those who have left, there has been no complaint as to their morals or their character. As Mrs. Buttrick says, the screening seems to have been well done. We should, I feel, be prepared for even as high a percentage as 40 percent electing not to remain on farm work. There are no statistics available, of course, but I have been wondering what the percentage would be with native-born hired farm help engaged at the beginning of the season. It is not unknown in my part of the country for the hired man to leave before the summer work is over, let alone staying the year around. As Mrs. Buttrick noted, not all the reasons for leaving can be stated as being the fault of the DP.

In conclusion, Mr. President, such information as I can gather indicates that the

program is working as well as could be expected in Vermont and that in the over-all it is an unquestionable asset to the State.

Referring again to our national interest, it is very much not in that interest to provide definitions and allocations which allow the IRO problem and the IRO expense to continue with us year after year when we could work out of it in a comparatively short time if the Kilgore-Ferguson amendment is accepted.

Mr. KILGORE. Mr. President, I now yield 10 minutes to the Senator from Illinois [Mr. LUCAS].

Mr. LUCAS. Mr. President, during the past years the United States has had the opportunity to give objective evidence of one of its great ideals. Our country has been called the melting pot of the world. We have had a continual influx of immigrants adding new vigor and vitality to our way of life. As late as 1920, one-half the people in the great State of Illinois were either first- or second-generation immigrants.

At the conclusion of the war millions of Europeans were left homeless and without countries to which they might return. These unwanted and persecuted people appealed to our humanitarian impulses. Furthermore, they constituted an international problem of huge proportions.

It became a part of the international responsibility of all countries, particularly the United States, to provide haven for these persecuted peoples. It was to meet this need that the Displaced Persons Act was passed in 1948.

It is important to remember that our displaced-persons program is completely consistent with the permanent immigration laws of this country. Displaced persons will be admitted only after they have been issued visas in the same way as any other immigrants. In addition to qualifying as displaced persons, these people must meet the requirements of our immigration laws.

Moreover, the number of displaced persons admitted to this country is fitted within the normal immigration quotas. Since 1924 the immigration law has prescribed quotas, limiting the annual number of immigrants admissible from each country.

This has not been changed by the Displaced Persons Act. Each displaced person is still charged against the quota for the country of his nationality. However, since displaced persons are in immediate need of homes it is necessary to make arrangements for the admission of a great many persons within a few years. This has been done by allowing displaced persons now entering the United States to be charged against the immigration quotas for future years.

The only exception to this rule is made in the case of orphans and children adopted by personnel of the United States Government. In these limited categories children will be admitted to the United States and not charged against the normal quotas of the countries of their origin.

But in both the committee bill and the substitute these groups will be limited. Only 5,000 displaced orphans and 5,000 children adopted by United States citizens will be admitted under these provisions.

The opportunity to approve measures such as these should give to every one of us the greatest satisfaction. Through these provisions we can give to children who have been persecuted and left homeless the opportunity to find homes and happiness in our country. But, as in all humanitarian projects, the blessings are not one-sided. These young and energetic new citizens will give impetus to the dynamic way of life we have come to know in this country.

Let me repeat: Except for these orphans and adopted children, every other displaced person entering the United States is charged against the quota of the country of his nationality. The entire program can be viewed as a method to fill the gap caused by the suspension of immigration during the war. At that time, immigration was greatly curtailed and it has been estimated that if there had been no war, probably a million immigrants would have reached our shores during those years. Through our displaced-persons laws we can belatedly admit 339,000 of them.

One provision found in both the committee bill and the amendment in the nature of a substitute submitted by the distinguished senior Senator from West Virginia [Mr. KILGORE] gives me a great deal of personal satisfaction.

At the present time there are many soldiers of the Republic of Poland who were allied with us in the recent war and who are now residing in the British Isles. They cannot be completely assimilated into the economy of England. A great many of these men want to come to the United States, but cannot qualify under the present law. The measure now being discussed would specifically authorize the issuance of 18,000 visas for this most desirable group of immigrants.

Mr. President, here is a group of men who fought for the Allied cause, who are now living in England. They cannot return to their own country because they object to the type of government existing in Poland at the present time. So it seems to me that under no circumstances should we overlook giving an opportunity to a great number of these fine soldiers to come to this country to make their homes.

But in this provision, we must guard against language which would make it extremely difficult for many of these people to reach our shores. In the committee bill it is provided that before any one of these 18,000 visas is issued, the applicant must prove that he has not been "firmly resettled."

It must be remembered that since the war, these men have continuously resided in the British Isles, and it would be very difficult for many of them to show they were not resettled. In making visas available to them, we must not create administrative difficulties that will prevent many of these 18,000 authorized visas from ever being used.

In planning a general revision of our displaced-persons program, certain principles that we have always held high should be clearly remembered.

In the first place, we need a law that will be fair. There is no room in this humanitarian movement for discrimination in any way. There has been criticism of the present law because the cut-off date of December 22, 1945, barred from the benefits of this law many refugees from southern Europe. This was interpreted by many as a discrimination against certain nationalities and religious groups. The provisions of the bills now being considered move the cut-off date forward to January 1, 1949, eliminating this discrimination.

However, there are other provisions that are discriminatory in their operation and which also should be modified. In the present law and in the committee bill, priorities are provided. It is required that 30 percent of all the displaced persons entering the United States be farmers, and that 40 percent come from countries which have been de facto annexed.

Serious doubts might be raised as to the wisdom of these priorities, in view of the administrative difficulties they create. But in addition, these priorities may be validly criticized because, in my opinion, they result in discriminations. Certain groups in the European economy have never been given an opportunity for rural life, and the 30 percent priority discriminates against them. By its very nature, the 40 percent priority for people from countries annexed favors certain peoples and discriminates against others. These discriminations and favoritisms should be eliminated.

However, we must be sure that in condemning religious favoritism we are careful that we do not choose language which implies that any other form of favoritism is permissible. A law should not be written in such a way that favoritism of any type is implied. It would seem to me that a strong statement banning any discrimination against or favoritism for any race, religion, or national origin would be more desirable than a statement of our impartiality which singles out only religion.

A second underlying principle that must be remembered is that our displaced persons law must be designed to meet the specific problem of displaced persons. The need of many of the people expelled from European countries following the war might be just as great as that of displaced persons under the care of the International Refugee Organization. I have no doubt that many of these people would make very desirable citizens of the United States.

However, expellees of German ethnic origin were provided for by section 12 of the Displaced Persons Act of 1948. The bill introduced by the distinguished Senator from West Virginia would continue the treatment of these people under this special provision. This bill provides for the admission of 54,000 expellees.

In addition to this provision, the bill of the Senator from West Virginia calls for continuing cooperation with other countries in studying this question. Through such cooperation there should be constant improvement in the handling of this problem.

With expellees treated in this way, nothing is to be gained by diluting the number of displaced persons now under the care of the International Refugee Organization who may enter the United States, by defining "displaced person" as

including expellees. This would not only confuse the handling of the international problem of displaced persons, but it would greatly hamper the administrative technique developed for processing those bound for the United States.

The VICE PRESIDENT. The time of the Senator from Illinois has expired.

Mr. LUCAS. Mr. President, may I have several minutes more, to be yielded to me by some distinguished Senator who has much time on his hands and does not know what to do with it?

Mr. CHAVEZ. I yield.

Mr. LUCAS. The Senator from New Mexico yields me 2 minutes more, I believe.

Mr. President, finally, in the handiing of the displaced-persons problem, every security precaution administratively feasible must be taken. We should not endanger our institutions and our Government by admitting those who would destroy them. I have always been keenly aware of the necessity of adequate security standards in these troubled times. In this law such standards are of utmost importance.

At the same time, we must not make a farce of the displaced-persons program by establishing security standards and administrative techniques which make it impossible for many desirable citizens to enter this country.

Under the law as it is now written and as it would be continued by the substitute bill, there are two phases to the admission of any applicant. There is first the question of whether or not a person qualifies as a displaced person. In addition to this, some member of the American Foreign Service, aided by the Counter Intelligence Corps, must decide that the displaced person is eligible for a visa under our immigration laws. Even after passing both of these tests, any immigrant to the United States may be excluded by the Immigration Service, despite the fact that he has obtained a visa.

It should be remembered that the displaced Persons Act is not the only law in this field. The immigration laws themselves provide for the exclusion of criminals, poor security risks, or those who would overthrow our Government.

If there is lax administration, it is a lax enforcement not only of the displaced-persons law but also of the immigration laws. The administrative change contained in the committee bill, requiring the final determination of the question of eligibility as a displaced person by the immigration or consular services, would not go to the issue involved. At the same time, it would result in an administrative slow-down that would disrupt the entire program.

If these laws are being flouted by those charged with the administration of them, I will be the first to join with other Senators seeking a solution to that problem; but I do not see how the change proposed in the committee bill will accomplish anything other than slowing down the administration of the displaced-persons program. If we need a change in personnel in order to have the Displaced Persons Act and the immigration law followed to the letter, that is what should be done. So far as I am concerned, I am satisfied that a magnificent job in administering this law is being done under the direction of my friend, Mr. Carusi. It is not desirable to affect adversely the many fine provisions of this law by requiring unnecessary administrative changes which would burden the whole program.

Judged according to these principles, the bill sponsored by my good friend the distinguished senior Senator from West Virginia is most commendable. This bill would provide for a workable displaced-persons program which would go far in meeting our share of this very important international problem.

The VICE PRESIDENT. The Senator from Nevada has 86 minutes remaining and the Senator from West Virginia has 3 minutes.

Mr. CHAVEZ. Mr. President, I wonder whether the Senator from Nevada will yield time to me to permit me to discuss the measure for about 5 minutes.

Mr. McCARRAN. Mr. President, I would prefer not to do so, if the Senator having charge of the time, who takes the position taken by the Senator from New Mexico, is willing to yield time to him. Does the Senator from New Mexico wish to be heard on the pending measure?

Mr. CHAVEZ. Yes.

Mr. McCARRAN. Does the Senator from New Mexico wish to be heard on my side of the pending measure?

Mr. CHAVEZ. Oh, no; on the other side.

Mr. McCARRAN. I do not care to yield for that purpose.

Mr. President, I do not like to suggest the absence of a quorum. This is a bad hour of the day to have a quorum call, and perhaps it would be vain to suggest the absence of a quorum at this time, in any event. I am trying to find a Senator on my side of this issue who wishes to be heard.

The VICE PRESIDENT. Does the Senator from Nevada suggest the absence of a quorum?

Mr. McCARRAN. Not just now, Mr. President, if we may wait a moment.

Mr. LUCAS. Mr. President, whose time is being used now?

The VICE PRESIDENT. The Senate's time.

Mr. LUCAS. Mr. President, we cannot wait until a Senator who wishes to discuss a certain side of the pending question enters the Chamber.

The VICE PRESIDENT. The Chair will state to both the Senators who have charge of the time that unless they are in a position to use time now or to yield time, the Chair will feel at liberty to recognize some other Senator.

Mr. McCARRAN. Mr. President, I yield 10 minutes to myself.

The VICE PRESIDENT. The Senator from Nevada is recognized for 10 minutes.

Mr. McCARRAN. Mr. President, at the outset I wish to read to the Senate an article regarding the position of the American Federation of Labor and also an article regarding the position of Mr. Philip Murray, of the CIO, the later being dated March 30, 1950, and the former being under date of March 20, 1950.

I read now an article published in the Washington Times-Herald on March 20:

AFL DEMANDS ACTION TO HALT JOBLESSNESS

The American Federation of Labor issued an imperative call yesterday for action to stem rising United States unemployment before it is too late.

The labor organization said in its monthly economic survey that 2,000,000 more workers are jobless today than in the first 3 months of either 1947 or 1948. "Only a small part of this unemployment is seasonal," it said.

The Census Bureau has reported the number of unemployed creeping toward 5,000,000. The total number in the Nation's work force (those holding jobs and looking for jobs) was estimated at 59,000,000.

I read now an article published in the Washington Post on March 30, just a few days ago:

MURRAY SEES DANGER IN RISE OF IDLENESS

PITTSBURGH, March 29.—CIO President Philip Murray warned today that the number of unemployed is only 316,000 away from the danger mark set up by the President's Economic Advisory Council.

The Council has said that the national economy would be in danger when unemployment reached 5,000,000.

"As of February 1950, there were 4,684,000 unemployed compared to 3,321,000 in February 1949," Murray said. "We are only 316,000 away from the danger mark."

The CIO leader, speaking before the CIO Pennsylvania Industrial Union Council, said the steel industry alone spent $1,500,000,000 on plant improvements, "not primarily to increase production, but to increase profit and per capita production."

"That results in the lay-off of men," he said. "And thousands are being laid off today. The machine is displacing the man."

Murray said organized labor favors new machinery which improves man's lot but declared that "labor is not going to sit idly by to permit the widespread introduction of machines to starve them to death."

Murray said that unless something is done to ease unemployment, the crisis will become more critical from day to day. He said that in 1944, 1 out of every 77 workers was without a job.

"Today there is 1 out of each 13."

He said that while unemployment is growing, industry as a whole is obtaining bigger and bigger profits.

In 1949, he said, net corporate profits after taxes were $16,000,700,000. In 1939 which he described as a "good year," it was $8,000,400,000 and in 1950, he estimated it will be $18,000,000,000.

Murray said the "critics of the so-called Fair Deal administration who claim we are heading into a state of socialism are the people who get the most out of our Government."

He cited the high profits of General Motors and U. S. Steel and declared: "God bring that kind of GM profit-making to the people—disperse those profits."

Mr. President, there are many questions connected with the measure pending before the Senate today other than the question of what date shall be fixed or how the law shall be administered. The question which is uppermost in the mind of the senior Senator from Nevada during all this controversy is, How does the economy of America stand? How many persons will be hungry a few months from now because they cannot get employment? How many will be unemployed in a few weeks more, with unemployment creeping forward constantly?

Mr. President, during the entire time of nearly 15 months while we have been making a study of the all-important question of bringing from foreign lands more and more people into this country, the Senate Judiciary Committee, and especially the chairman of the Senate Judiciary Committee, has been the subject of high criticism and much calumny. It does not disturb the chairman of the Judiciary Commitee at all, because one occupying this position must take such criticism if he has a spark of patriotism in his heart, if he believes in the perpetuity of the American form of government, rather than in tearing it down and destroying it or permitting it to be the victim of subversive agents who come in under various guises and under divers cloaks.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Massachusetts?

Mr. McCARRAN. I yield for a question, if it is not too long.

Mr. SALTONSTALL. The Senator mentioned the problem of unemployment, "creeping unemployment," I believe the Senator called it. I hope there will be none, and I know the Senator shares the hope. But is it not true that the problem is not one of admitting 330,000 displaced persons as opposed to 205,000; the real problem, so far as unemployment is concerned, if it is a problem, relates to the people who are entering the country illegally? The Senator knows, as I do, that there are millions of them.

Mr. McCARRAN. The Senator from Massachusetts has touched on the very keynote of a part of this study. One day with another, there are anywhere from 2,000,000 to 5,000,000 persons illegally in the United States. During World War II, and before we entered it, there were brought into this country nearly 300,000 actually displaced persons. They had been displaced by the Nazi regime, and they came here during that time. I heard the able Senator from New Jersey criticize my statement recently and express wonderment as to where I had obtained my figures. I challenge anyone to dispute those figures. I have them here, and I shall be glad to read them later on. We brought in about .300,000 during that time. Then, under the Executive order of December 22, 1945, following the war, we brought in 44,000. Under the Displaced Persons Act of 1948, we have up to date brought in about 138,000. In addition to that, we brought in last year under the quota and immigration law, 180,000; and, last year alone, we brought into this country as visitors, under visitors' visas, 500,000. The 500,000 who came here under visitors' visas are still here. The 180,000 who came here under quota provision of the law are still here. Will some Senator tell me how many of the 500,000 who entered under visitors' visas were not displaced persons or how many of the 500,000 who came under visitors' visas were displaced persons? They are still here. Many of them have overrun their visitor's time. Furthermore, there are pending today before the Judiciary Committee of the Senate—I am quoting now literally from memory—resolutions deferring the deportation of about 4,000 individuals, whose cases have already been acted on by the Department of Justice. Those resolutions will be acted on by the committee.

The VICE PRESIDENT. The 10 minutes allowed to the Senator from Nevada by himself have expired.

Mr. McCARRAN. I will take 5 minutes more at this time, if I may. Moreover, we are advised by the Department of Justice that about 3,000 more deferrals will come to the Judiciary Committee, to be passed upon and submitted to the Senate.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Massachusetts?

Mr. McCARRAN. I yield.

Mr. SALTONSTALL. The problems which the Senator from Nevada has just stated are, as the Senator from Massachusetts knows, acute. But are not those problems completely different from the one we are trying to solve in the displaced-persons bill, by which we are endeavoring in a proper way to discharge our responsibilities and to fulfill our duties with relation to the displaced persons in Europe who were displaced as a result of the war, and is it not a humanitarian problem?

Mr. McCARRAN. Who were the 180,000 who came in under the quotas? Who were those who came under visitors' visas? They were displaced persons, Mr. President, if you want to know it. They came here to stay. There is no question about that. All we are doing is to augment the numbers. God knows how many will be included in the augmentation, in addition to the 500,000 who are here on visitors' visas, having come in one year, the 180,000 who came under quotas in 1 year, and the 134,000 whom we brought in under the Displaced Persons Act in 1 year. Then, it can be said on the best of authority that there are anywhere from 2,000,000 to 5,000,000 illegally in the United States, one day with another, every day in the year.

Mr. President, this aspect of the matter is pertinent to the subject, because it addresses itself to the economy of America, and it is impossible to get away from it. Mr. Murray says we are only 316,000 from the danger mark, and the American Federation of Labor says we are already reaching the danger mark. Is it not time for the Senate to pause?

It may be said by some that, by reason of what we advocate, we are heartless, that we do not have any sympathy with these displaced persons. That is not true. It is the most untrue thing that could be said. The sympathy of my heart goes first to my country and its welfare and to the future of our people. I am willing to take care of unfortunate persons who are not being properly taken care of abroad, and I am willing to do more than that, in order to carry out everything we said we would do when the war was over. We said we would participate with other countries of the world in taking care of the displaced persons. But, according to the best authority available, there will be only about 11,000 real displaced persons left when the present law expires, excepting the so-called hard core, consisting of criminals, the diseased, and those who cannot possibly take care of themselves, who have been estimated to number anywhere from 130,000 to 170,000. They will remain, and there will be left about 11,000 legitimate displaced persons. I say legitimate, because they are of the number who were left there after 7,000,000 had been repatriated and we had taken 138,000, and other countries had taken large numbers. I make the statement—I have made it publicly time after time, and I defy refutation of it—that we in the United States have taken more displaced persons than all the other countries of the world combined. I will go over the figures again. We admitted between 250,000 and 300,000 during the war. That is one number.

The VICE PRESIDENT. The additional 5 minutes of the Senator's time has expired.

Mr. McCARRAN. Very well. I will take 5 minutes more, just 5 minutes more.

The VICE PRESIDENT. The Senator is recognized for 5 minutes more.

Mr. McCARRAN. We then took in 44,000, after the war, by Executive order; then 134,000 under the Displaced Persons Act, then 180,000 who came in last year under the Quota Act, of whom I say a high percentage were displaced persons; then 500,000 who are here now, who came under visitors' visas and who are remaining—500,000 in 1 year. Can any other country in the world, or can all the other countries of the world, say they have taken more than that? I say such a statement would not stand at all.

There is one other thing I wish to discuss, namely, the manner in which we have been taking in displaced persons.

Mr. President, I say, after weeks and weeks of study of this problem in Europe, that we are the laughingstock of the other nations which are taking displaced persons, because they select them. The Australians took certain groups, and there was not a man, woman, or child who was not picked by Australians. They select, and call those who are chosen "selectees." I followed every group from the time the persons were selected and brought into camps and indoctrinated, until they were placed on the ships. I saw them leaving for Australia, hale, hearty, fine, young, vigorous persons. If one had a background that was even tinged with red, so far back as his ancestors could be traced, he did not have a Chinaman's chance to go to Australia. There were no foreigners selecting the selectees for Australia.

Today, Mr. President, there are 5,000 employees in the IRO drawing salaries. What is going on in the lobbies of the Senate? Why is it that the Displaced Persons Commission is looking over the railing every day? What are they doing? Why are their functions not going on? Why do they not attend to their business? Why are they lobbying around the Senate? Because 5,000 persons do not want to lose their jobs with the IRO. The time has already been extended from June until March of next year. I invite

the attention of the Senator from Massachusetts [Mr. SALTONSTALL] to the fact that a subcommittee of which the Senator is the ranking minority member has before it an authorization of $25,000,000 for the continuation of IRO with its 5,000 employees. Of course there is a lobby. Of course they want to continue. Of course they want to bring in everyone they can bring in. The IRO is an international organization. It has a high percentage of foreigners in its make-up. So there are foreigners selecting the oncoming citizenry of America, many of whom are themselves displaced persons. I am speaking from facts; I am speaking from records; I am speaking from testimony much of which was given under oath before the Judiciary Committee. I am not talking at random, and I am not talking in mere sympathy for anything, save and except sympathy for the country which I represent.

The VICE PRESIDENT. The Senator's time has again expired.

Mr. McCARRAN. How much time have I remaining?

The VICE PRESIDENT. The Senator has 65 minutes remaining.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. SALTONSTALL. Has the Senator had an opportunity to read, on page 4586 of the RECORD of last Monday, the memorandum on screening displaced persons, which memorandum the Senator from Massachusetts placed in the RECORD?

Mr. McCARRAN. Yes.

Mr. SALTONSTALL. If that memorandum is correct, there are at least four responsible American citizens who pass on a displaced person before he can get into this country.

Mr. McCARRAN. I am wondering where the Senator from Massachusetts got his purported facts. I think I know. As a matter of fact, the Senator has been misled.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the distinguished Senator from Mississippi.

Mr. EASTLAND. Is the Senator acquainted with the testimony of Maj. Gen. Alexander H. Bolling——

Mr. McCARRAN. Will the Senator from Massachusetts please listen?

Mr. EASTLAND. General Bolling stated:

> The investigation consists of a very meager, what we classify as an agency check. We check the local police records; we check the people who have known the individual. If possible we attempt to get the individual home, but in many instances the home town is very generally rubble, behind the iron curtain. We check any records that the Intelligence Division might have in each of the countries. In Berlin we check the Nazi files.

The Senator from Massachusetts may have a memorandum prepared by someone, but here is the Deputy Chief of Staff who says that the investigation is very meager.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield for a question.

Mr. SALTONSTALL. I do not for one moment say that every investigation is a thorough one, but my question is, If the system of investigation as stated in the memorandum is carried out, is it not, in the opinion of the Senator from Nevada, an adequate one?

Mr. EASTLAND. Mr. President, will the Senator yield at that point?

Mr. McCARRAN. I yield for a question.

Mr. EASTLAND. Is the Senator acquainted with the testimony of Lieutenant Colonel Blackshear, who has recently returned from Europe? I should like to have the Senator from Massachusetts listen. He was asked this question:

> To what extent is there Communist activity among displaced persons in Austria?

He replied:

> Considerable. That is the only way I can express it.

So there is considerable Communist activity; and General Bolling stated that the investigation is meager.

Mr. McCARRAN. Mr. President, I yield 10 minutes to the Senator from Mississippi [Mr. EASTLAND].

The VICE PRESIDENT. The Senator from Mississippi is recognized for 10 minutes.

Mr. EASTLAND. Mr. President, the Senator from West Virginia [Mr. KILGORE] and other Senators have introduced a substitute bill. After numerous Senators had stated they had not read the RECORD and were not informed about the facts, when it was shown that the system of screening to prevent subversives from entering this country was deplorable, an amendment was proposed. That was an admission on the part of the sponsors of the substitute that the substitute was not adequate. By offering what is called the Ferguson amendment, those who oppose the committee bill have by no means cured or attempted to cure the deplorable state of affairs existing in the selection of displaced persons. The Ferguson amendment does not take IRO out of the picture, and I submit that this Nation cannot be protected from subversives until that is done.

The distinguished junior Senator from Kentucky [Mr. WITHERS] has offered an amendment which provides that displaced persons shall be selected by an agency of the United States Government and by citizens of the United States. That, in my judgment, is one of the most important decisions the Senate will have to make. There is undisputed testimony that a displaced person may not see a citizen of the United States until after he has been checked by IRO until the time he sits down before the American consul to obtain his visa.

Such a procedure, in which IRO, an international agency, not a branch of the American Government, an agency staffed by persons who are not citizens of the United States, and a Commission staffed largely by displaced persons who compile the files and say who shall come to this country, creates a deplorable situation.

I submit, Mr. President, that if the people of the United States knew the facts, they would not for 1 minute countenance such a condition.

There was testimony, which I am informed the Senator from Kentucky will read, to the effect that in Italy an applicant who desired to come to this country as a displaced person paid the IRO employees $50 before they would even interview him with reference to coming to the United States. Why, in the name of reason and of common sense, Mr. President, could there be any objection to an agency of this Government, be it the Displaced Persons Commission, or whatever it might be, initiating the request of a person to come to this country as a displaced person? Why should he not be selected by an agency of the United States? Why should not citizens of the United States have the responsibility of compiling the files, of initiating the request, and of handling the application from its inception until the time a displaced person enters this country? Why is it that the American Government is not able to set up its own agency, staffed with American citizens, to select the people who are to come here? In my judgment, that is one of the most important questions which will confront us in making our decision on the pending bill.

I say further, Mr. President, that most of the fraud, most of the corruption, is due to the IRO. The testimony, without contradiction, is that the IRO has organized a department which secures paroles for convicts and criminals, so that they may come to this country as displaced persons. Why should the Senate of the United States permit that condition to continue? How could there be valid objection to our own Government, through our own citizens, selecting the persons who are to come to this country?

Mr. JENNER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield to the Senator from Indiana.

Mr. JENNER. Is it not true that as recently as last November the CIC, that makes the only security check on displaced persons, was told to stop its personal interviews, that speed was of the essence, that these people must be sent over here, and that the CIC would no longer be permitted to have a personal interview with a displaced person?

Mr. EASTLAND. That is my information. Of course, Mr. President, the distinguished Senator from Indiana realizes that adverse reports were taken out of the files so that undesirables could enter this country.

Mr. JENNER. Mr. President, will the Senator yield further?

Mr. EASTLAND. I yield further.

Mr. JENNER. Is it not a fact that Mr. Watson Miller, the head of the United States Immigration Service, now has in his hands the names of from 250 to 300 displaced persons, as he testified before the committee, who are ineligible and should be deported, and that he is trying to deport them?

Mr. EASTLAND. That is absolutely correct.

Mr. JENNER. Is it not also a fact that, from the standpoint of practicability, it is an impossibility to deport anyone?

Mr. EASTLAND. I am certain that experience has shown that it is practically impossible to deport anyone. I should like to ask the distinguished Senator from Indiana how there can be any objection to an American agency, staffed by American citizens, selecting displaced persons, and how a vote for the Withers amendment could be construed to be a vote against the displaced-persons bill.

Mr. JENNER. That is the mystery of this whole thing. I do not know why anyone should object to Americans screening prospective citizens who are coming to this country.

Mr. EASTLAND. Mr. President, there is another feature of the committee bill which I should like to discuss. Under an amendment which I understand will be offered by the distinguished Senator from Nevada, a cut-off date is provided. In the Kilgore substitute there is no cut-off date for one group of persons. In other words, in the Kilgore substitute we find a discrimination in favor of a certain class of persons. As I remember the substitute, it provides that a person who was expelled from Germany, as a religious or racial persecutee, and who has settled in another country, may go back to Germany and come into the United States as a displaced person, regardless of the cut-off date. I submit that if a religious or racial persecutee has settled in another country he should remain there. There are too many deserving displaced persons who have not been settled. There are too many people in Europe who have not been settled. There are too many people on their own.

A great argument has been made to the effect that we must do our part to solve the displaced-persons problem. In fact, that is the whole hypothesis on which we rest our effort to pass the bill. We must do our part to solve the displaced-persons problem. If that be true, why do we not take displaced persons who have not been settled in some other country? Why do we not take them out of displaced-persons camps? Why should we discriminate in favor of any group? Why should we not give them all a square deal?

Mr. President, I cite again the testimony of the Deputy Chief of Staff of the United States Army, Maj. Gen. Alexander R. Bolling. We hear talk about screening and about adequate screening——

The PRESIDING OFFICER (Mr. LONG in the chair). The time of the Senator from Mississippi has expired.

Mr. EASTLAND. I yield myself 1 minute.

We hear talk about adequate screening. The investigation is very meager.

It is an investigation designed to uncover Communist agents and saboteurs. The officers say that Russia has stepped up her drive to infiltrate Communist spies in the United States as displaced persons. The General says that because of the situation in Europe, the Counter Intelligence Corps investigation is very meager.

Mr. President, in the face of that, when, in effect, we let an international agency, staffed by citizens of other countries, and largely by displaced persons, select those who should come here, we leave the United States wide open. In effect, they select those who should come into this country, because they make up the files, and they say who is in their care and who is not. Unless this agency certifies that a man is in their care, regardless of how worthy he is, he cannot enter the United States.

In other words, we are today at the mercy of an international agency staffed by foreigners, in determining who shall become citizens of this country.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired. The Chair is authorized to state that the Senator from Nevada [Mr. MCCARRAN] has authorized the Senator from Indiana [Mr. JENNER] to take 15 minutes.

Mr. JENNER. Mr. President, there probably never has been a bill before this distinguished body as to which there has been so much misrepresentation as is the case with the displaced-persons bill. All the political ballyhoo we heard in the last political campaign about a cut-off date, about men being against this group or that group, from the standpoint of the legislation before us, the McCarran committee bill or the Kilgore substitute, is all out. That question is no longer before this body. There is no cut-off date such as December 22, 1945.

So far as concerns the numbers who are to come into this country under the legislation which is now being considered, and which will be voted on today, really that is the same as the difference between tweedle-dee and tweedle-dum. One of the bills provides for 339,000, one for 330,000, or some such number. As that distinguished Senator from Mississippi [Mr. EASTLAND] just pointed out, there is a provision in the substitute under which there is no telling how many would come in, because there is no cut-off date. For example, as to persons who have gone to England and have been resettled as displaced persons, there is no cut-off date. They can go back into Germany, and still come into America as displaced persons.

Therefore, Mr. President, so far as dates and numbers are concerned, there is really no great difference between the bills and the amendments being considered by the Senate today. The main difference is whether we are going to permit the Volksdeutsch, the German ethnic people, to have consideration; and the committee bill gives them consideration. The big difference between the Kilgore substitute and the McCarran committee bill is as to the method of screening.

The substitute, which is nothing more than the Celler bill, provided for no method of tightening up the security feature in connection with the screening of the displaced persons. When those who are supposed to be advocates of the liberal displaced-persons legislation saw what a mess they were in, when they knew from the evidence that we were getting into this country under the displaced-persons program SS storm-troopers, subversives, communistic spies, black-market racketeers, perjurers, and defrauders, they said, "Ah, we have to do something. We are sponsoring a liberal displaced-persons bill, and we must have this bill go through." So the Senator from Michigan [Mr. FERGUSON], who was one of the 18 Senators who offered the Gilgore substitute, came to the Senate with an amendment to their own substitute providing for additional security. But the additional security provided in the Ferguson amendment does not mean a great deal, as will be realized when we stop to consider that the International Refugee Organization still will remain intact, just as it is and just as it has been since the operation of the present law.

What does the committee bill do? The committee bill does exactly what the Congress intended to be done by the original displaced-persons bill which Congress passed 2 years ago. It provided that the consular service and the Immigration Service should have the final say as to who should be a displaced person eligible to come into this country. But by an administrative agreement what has happened, Mr. President? The Displaced Persons Commission, which the Senator from Nevada said sits in Washington most of the time, was not supposed to be in Europe at all. Its job was to find houses, and authorizations, and sponsors, and to look after the displaced-persons program in America. But what has happened? The Commission has gone into Europe and by administrative agreement has taken charge over there. The Commission over in Europe takes the International Refugee Organization's word for what is a displaced person. The Displaced Persons Commission, through administrative agreement and by interpretation of the law, passes upon the eligibility of a displaced person to come to this country. The Commission, which Congress set up to sit in Washington, has been over to Europe at different times to see how things are going along. They are in Washington now, however, lobbying for a continuation of their jobs.

During the discussion of the original bill it was said, "We do not want these fuzzy-minded UNRRA people running this program in Europe." An amendment to that effect was offered during the debate on the original bill, and the Senate in that debate said they did not want them to make the determination. But now Mr. Squadrilli is in charge of the Displaced Persons Commission work in Europe, and he is an UNRRA man. Mr. Kaplan, who is his executive or administrative assistant, is from one of the voluntary organizations. As a matter of fact, of the 10 important directors of the Displaced Persons Commission in Europe, there is only one man who has had any background of immigration work at all.

The IRO, whose expenses we pay—and at this time the Appropriations Committee is considering an appropriation of $25,000,000 for the IRO, which the American taxpayer will pay—has 5,000 employees in Europe. They process, and screen, and build the basic file respecting who is a displaced person eligible to come to America. The great majority of the

IRO employees are not only foreigners but are displaced persons themselves. So there are displaced persons who are passing upon the eligibility of other displaced persons, telling the American people whom they are going to have as future citizens of this country.

Mr. President, Europe is in bad shape and the situation there is becoming worse by the hour. Mr. McCloy stated yesterday that there must be a unified Germany; that Germany must be brought into full partnership; and it must be done now, for tomorrow may be too late.

Colonel Blackshear, who testified before the committee, said the displaced-persons camps in Europe are full of Communists and Communist activities, and he said, "I cannot tell you any more than that." Think of it. What reasonable person could object to tighter security and screening of persons who are coming to this country? Tighter screening represents the major difference between the two proposals, the so-called McCarran bill and the Kilgore substitute, the latter of which is called by the press the liberal displaced-persons bill.

Oh, yes, Mr. President, the German ethnics have been talked about. There are about eight or ten million of them. How does it happen that those people are displaced persons? In the first place, they would not have been displaced persons but for the Government of the United States. At Yalta and at Potsdam we made a deal whereby Stalin and the Communists have taken these German ethnic people. They went to their homes, drove them away from their homes, and confiscated their property. These people who had been in Czechoslovakia, Rumania, Bulgaria, and other countries, some of their ancestors having lived there for a thousand years, were driven across the borders into Germany. They did not even speak German. They did not even know what German was. But because they had German blood in their veins the International Refugee Organization said, "They are not displaced persons. We will not look after them. We will not touch them." So now we have to take care of these German ethnics. Let me remind Senators that probably they are the finest people in Europe. The McCarran bill has adopted the definition of displaced persons given by the IRO, and we in Congress have made our own definitions so we can include these worthy people whom this Government actually displaced.

Why all the hullabaloo about numbers? Let us assume we do not do anything here today. Let us assume we forget all about displaced-persons legislation. When the present law expires, and we bring in the 205,000 who are authorized to be brought in under the present law, there will not remain to exceed 11,000 eligible displaced persons in all of Europe. So we have to take the definition from IRO, and include these German ethnics, or there will be no need to increase the number from 205,000 to 339,000, because there will not be any eligible displaced persons to come in under a "liberalized" law. These are the facts, Mr. President. This is the testimony. This is the record.

If we want to break down our immigration laws, if we want to bring in all the riffraff of the world, why limit the number? Speaking of displaced persons, let me say that there are 500,000 now in Greece. There are 1,000,000 in Palestine. There is no telling how many millions there are in China. There are 10,000,000 displaced persons in Pakistan. There are 10,000,000 German ethnics.

John McCloy, High Commissioner for Germany, told me personally only a few weeks ago in this very building that he did not know what he was going to do with unemployment in Germany. Yet today there are more than a thousand persons a day coming into Germany from behind the iron curtain.

Mr. President, if we want to break down our immigration barriers and open the floodgates to the whole world for people to come to America, which is the honeypot of the world, that is a horse of a different color. But if we want to deal with the displaced persons in western Europe, let me say that they are all dealt with under the present law, except about 11,000. Therefore if we are going to extend the cut-off date, which both measures do, if we are going to increase the number, which both measures do—and there is not much difference between the two—then we are going to have to consider the German ethnics, or we are going to mistreat one of the finest classes of displaced persons in Europe, simply because our Government made a deal with Stalin.

Mr. President, it is said, "America, you are not doing enough." During the war we brought here between 250,000 and 300,000 displaced persons. Under the President's directive we brought in 44,000 more displaced persons. Under the present law which is now in existence we have authorized the bringing in of 205,000 more displaced persons. Last year under our quota laws we brought in 180,000 persons, and most of them were displaced persons. Last year 500,000 persons came to this country on visitors' visas. Most of them are still here, and have overstayed their visas, and they will never return. Today there are between 1,000,000 and 5,000,000 persons illegally in the United States. I say, Mr. President, America is a generous country. She is spending billions of dollars under the Marshall plan.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. JENNER. Mr. President, I will yield five more minutes to myself.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. JENNER. I am glad to yield.

Mr. THYE. I do not quite understand what the Senator means when he says that persons have overstayed their visas and that they will never return. That is not my understanding. I know very well that such persons are being returned. I know there are some persons who rightfully and justly should remain here, because they are making a contribution to our country, but they cannot remain because they are overstaying their visas.

Mr. JENNER. That is correct. The Senator has spoken about the contribution such persons have made, and that is the point to which I was coming.

Mr. THYE. Can the Senator from Indiana tell me how the immigration authorities could permit any person to overstay his visa?

Mr. JENNER. That situation develops because the immigration authorities do not have sufficient staff to run down all the illegal entries. For example, under the displaced-persons law——

Mr. THYE. But a person who comes to the United States under a visa is not in the United States on the basis of illegal entry.

Mr. JENNER. That is correct; but when such a person overstays his visa he is illegally in the United States.

At the present time the Congress has before it over 4,000 cases of that kind; that many cases of that sort are pending now.

Mr. THYE. That is true.

Mr. JENNER. The Department of Justice says that it is sending 3,000 more such cases to the Congress.

It is estimated that today there are illegally in the United States between 1,000,000 and 5,000,000 persons. The immigration authorities have testified before the committee. They do not have the staff that is required if they are to run down those individual persons.

Consider the displaced persons, for example. Watson Miller, head of the Immigration and Naturalization Service, has testified that he now has on his hands the cases of between 250 and 300 displaced persons who were criminals, who were ineligible for admission to this country, and who must be deported.

The distinguished Senator from Minnesota must know that under the technicalities of existing law it is practically impossible to deport any person who is illegally in this country if he has $100 and a friend. Something should be done about this matter, and something must be done about this matter.

Mr. THYE. Mr. President, I do not so understand, and I do not want the RECORD to show that I understand that if such a person has $100 and a friend, it is practically impossible to deport him, because I have never come up against a question or a fact of that type; neither has anyone ever shown me that any person was able to purchase, either with $100 or with a host of friends, the right to overstay his visa.

Mr. JENNER. I state to the Senator from Minnesota as a fact that under the present law it is practically impossible to deport anyone from the United States.

Mr. THYE. Mr. President——

Mr. JENNER. Mr. President, I have the floor. If the Senator from Minnesota wishes to obtain the floor in his own right, of course he may do so. I do not yield for speeches; I am glad to yield for questions.

Mr. THYE. I thank the Senator from Indiana for his generosity in yielding, and I am sorry if I have trespassed on his time.

Mr. JENNER. Of course, I am speaking in limited time.

Mr. President, the American people already have taken, as I have shown, more war-displaced persons, it is estimated, than all the other countries of the world put together have taken. That is as it

should be, and that is the way we want it to be.

I realize that the United States was made by immigrants. I realize that today we are supposed to be receiving immigrants who can make great contributions to our country. I certainly am not opposing the displaced-persons law on account of the numbers of persons to be admitted.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. JENNER. Mr. President, will the Senator from Nevada yield me another 3 minutes or 5 minutes?

Mr. McCARRAN. Very well; I yield an additional 3 minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 3 minutes additional.

Mr. JENNER. I thank the Senator.

Mr. President, I certainly am not opposing the displaced-persons bill on account of numbers, because the numbers do not matter. As a matter of fact, I would be the last person in the world to fight the admission into this great Nation of good, decent, honest people, because my wife happens to be an immigrant. She came to the United States from a foreign country. However, I am condemning, and I shall do so with all the strength at my command, the procedure of taking the word of the International Refuge Organization as to who is an eligible displaced person, when Almanza Tripp, head of the immigration detail in Europe, has testified before the committee that of the 137,000 displaced persons who have come to the United States under the present displaced-persons law, 30,000 of them are of doubtful eligibility.

I shall continue to fight for the admission into the United States of persons who will make good American citizens. However, I know that good American citizens cannot be made—out of blackmarket racketeers who are being brought into the United States under the displaced-persons law—blackmarket racketeers in coffee, in sugar, in cigarettes, and in practically every other commodity. When Colonel Blackshear and Major General Bolling tell us that the displaced-persons camps in Europe are full of Communist activities, I want someone to have the power of veto over the IRO and the Displaced Persons Commission; and I want that power to be had by the consular and immigration officials of the United States, so that there will be admitted into the United States the good, honest, and decent displaced persons who will fit into our economy and will make good American citizens.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. JENNER. I yield for a question, if I have time to do so.

Mr. LUCAS. The Senator from Indiana has stated that 30,000 of the displaced persons who have entered the United States under the present displaced-persons law are of doubtful eligibility as displaced persons to be admitted into the United States; has he not?

Mr. JENNER. That is correct.

Mr. LUCAS. How does the law now proposed, which the Senator from Indiana favors, correct that situation?

Mr. JENNER. It corrects it by giving to the immigration and the consular authorities of the United States the final power of veto in connection with the determination of who is an eligible displaced person. In connection with the present administration of the law, under the theory of calculated risk and under the administrative agreement, the consular and immigration officials of the United States take the word of the Displaced Persons Commission as to who is an eligible displaced person for admission into the United States. The committee bill would give to the immigration and consular authorities of the United States the right to make the final determination of that question.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. JENNER. Provided I have the time to do so.

The PRESIDING OFFICER. The Senator from Indiana has 1 minute remaining.

Mr. LUCAS. Mr. President, the Senator from Indiana has said that under the present law, approximately 30,000 displaced persons of doubtful eligibility for admission into the United States have entered the United States.

Mr. JENNER. That is correct.

Mr. LUCAS. I assume that, regardless of whether we might have amended the present displaced-persons law or whether we might have enacted a new displaced-persons law, it is probable that the same situation would exist.

Mr. JENNER. No; I say to the Senator from Illinois that the present situation has developed because under the present administrative agreement the State Department and the Department of Justice have given way to the Displaced Persons Commission, insofar as regards the determination of who are displaced persons eligible for admission into the United States. In other words, the law is plain; but by administrative agreement, the State Department and the Department of Justice have agreed to take the word of the Displaced Persons Commission as to who is an eligible displaced person for admission into the United States.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. McCARRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. To whose time will the time required for the calling of the roll be charged

The PRESIDING OFFICER. It will be charged to the time of the Senator from Nevada.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bricker	Cain
Anderson	Bridges	Capehart
Benton	Butler	Chapman
Brewster	Byrd	Chavez
Connally	Jenner	Murray
Cordon	Johnson, Colo.	Myers
Darby	Johnston, S. C.	Neely
Donnell	Kefauver	O'Conor
Douglas	Kem	O'Mahoney
Dworshak	Kilgore	Robertson
Eastland	Knowland	Russell
Ecton	Langer	Saltonstall
Ellender	Lehman	Schoeppel
Ferguson	Lodge	Smith, Maine
Flanders	Long	Smith, N. J.
George	Lucas	Sparkman
Gillette	McCarran	Stennis
Graham	McCarthy	Taft
Green	McClellan	Taylor
Gurney	McFarland	Thomas, Utah
Hayden	McKellar	Thye
Hendrickson	McMahon	Tobey
Hickenlooper	Magnuson	Tydings
Hill	Malone	Watkins
Hoey	Martin	Wherry
Holland	Maybank	Wiley
Humphrey	Millikin	Williams
Hunt	Morse	
Ives	Mundt	

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. VANDENBERG] is necessarily absent.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). A quorum is present. The Senator from West Virginia is recognized. If the Senator does not wish to be recognized at this time, the Senator from Nevada is recognized.

Mr. McCARRAN. Mr. President, I think it safe to say that no group of men will be happier than the Judiciary Committee of the Senate to reach a conclusion today upon this vexatious question. For nearly 15 months the committee has been making its study. It has considered the subject zealously and carefully. The members of the committee, under their oaths, have done the best they could with it. The Judiciary Committee sent its chairman to Europe to make a study of the problem. He came back and made his report. The report was published many weeks ago. The subcommittee of the Committee on the Judiciary, for a period of 5 weeks, then made a study, finally writing a bill, which was presented to the full committee. By a vote of 10 to 3, the bill which is now before the Senate was reported by the Committee on the Judiciary after hours of debate, after hours of consideration, and after conscientious thought and study.

There are many things involved in this matter apart from the humanitarian side. There is the question of the economy of America. There is the question of the safety of our form of Government. There is also the question of whether public officials now charged with a duty have discharged their duty. When we wrote the Displaced Persons Act in 1948, we specifically provided that the immi-

gration authorities of the United States Government should, under the law, control the issuance of visas and the screening of applicants. By practice, but not by law, that control has been taken away from the immigration authorities and placed almost exclusively in two agencies, one of which is not controlled by the Government of the United States, the other of which is so controlled. The one that it is not so controlled is the International Refugee Organization, over which we have but incidental control. We have appropriated and expended millions of dollars in order to sustain the IRO. We entered into an agreement with other nations of the world that we would participate with them in taking care of those who had been displaced following World War II, numbering about 8,000,000, 7,000,000 of whom were repatriated, leaving about 1,000,000 who had to be dealt with through action of the nations of the world; and we agreed to participate. We have participated. We in the United States have, under our participation, taken more displaced persons than all the other nations of the world combined.

I repeat that, because I have heard it challenged on the floor of the Senate. We have taken in more displaced persons than all the other nations of the world combined. We took in nearly 300,000 displaced persons during the war and during the Nazi regime. Those were persons displaced during the war. They came to us. Following the war we took in 44,000 under an Executive order. Those persons came to us and are still here. Under the Displaced Persons Act we have taken in approximately 134,000 up to this time. In addition to that, during the past year alone we took in, under the quota law, 180,000 persons under quotas. During the past year we have brought into the United States as visitors, under visitors' visas, 500,000 persons.

Will any Senator tell me how many of the 500,000 were not displaced persons. Will any Senator tell me how many of them were displaced persons?

I say they are still in the United States. If they were not displaced persons, why did many of them remain over the time permitted by their visitors' visas?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield for a brief question. I do not have much time.

Mr. FERGUSON. Is it not a fact that those persons who came in on temporary visas, whether they were displaced persons or not, are subject to deportation at the end of their stay, and should not the procedure be such that we maintain control of temporary visitors so that at the end of their stay they should be notified to go back to their respective countries?

Mr. McCARRAN. The Senator has stated the law, but he has not stated the fact that the machinery does not permit of their expulsion from this country.

Mr. President, I invite the attention of the Senate to the fact that at almost every calendar call which has taken place during the last session of the Congress, and which will take place in the next few days, there is a deferral resolution covering hundreds of persons whose deportation has been deferred. They had to pass the scrutiny of the Department of Justice. Then they had to come to the Congress of the United States, and we are holding in this country thousands of displaced persons. There are today in the Senate Judiciary Committee approximately 4,000 cases of persons deferred from deportation who should be excluded, perhaps, or should be retained, one or the other. There are 3,000 cases in the Department of Justice upon which we shall have to pass. Those cases involve persons who have come to this country and are in it illegally. One day with another, every day of the year, anywhere from 2,000,000 to 5,000,000 persons are in America illegally. They are displaced persons.

I again say that America has taken more displaced persons than have all the other nations of the world combined.

Mr. FERGUSON. Mr. President, will the Senator yield further?

Mr. McCARRAN. I am sorry. I do not mean to be rude about it, but I do not have sufficient time.

Mr. President, it is not a question of whether our hearts beat for those persons who have been displaced. We have spent millions of dollars trying to take care of them, and today, according to Mr. Philip Murray, we are within 316,000 of reaching the danger mark in unemployment in America. Today we are approaching the figure of 5,000,000 persons unemployed. The New York newspapers carry the notice that there are thousands upon thousands of persons unemployed in New York City and in the State of New York.

Mr. President, the economy of America means much—at least, it should mean much—in this hour of our greatest trial. Today men who only a few years ago bared their breasts to the foe for the sake of their country are walking the streets looking for work, and we are about to bring in more and more persons, so that those men will continue to walk the sidewalks looking for jobs. I am complaining about the method by which displaced persons are admitted. They are not properly screened. They come in under IRO screening, and that is no screening at all.

Mr. President, when we provided by the 1948 act that displaced persons were to enter this Nation under the supervision and screening of the immigration officials of the United States Government, we meant what we said. But that was set aside, I am sorry to say. It was set aside by an order of the President of the United States, and the matter was placed in the hands of the Displaced Persons Commission. The immigration authorities have been entirely hampered in the performance of their functions and duties to see to it that the law was properly executed, that those people were properly screened, and that this Government was properly protected. If that had been done we should not be having the trouble we are having at the present time. We should not have the charges of falsification, pressure, black-marketing, and all kinds of crime which have been placed in the records of the Judiciary Committee of the Senate. The record is available and is on the desks of Senators.

Mr. President, it is not a question of humanitarianism. It is a question, first, of protection of our form of government; second, the protection of our economy so that men at the head of families in America shall not have their jobs taken away from them by persons who came into the country only yesterday under the guise of being displaced persons.

Mr. President, the Judiciary Committee of the Senate, by a vote of 10 to 3, reported the bill which is now before the Senate. The amendments to that bill will be the first order of business. They will be explained, one by one, as we come to them. I say to the Senate that if committees of the Senate may be looked to, to give their time, their energies, their thought, and their best judgment to questions before them, then we can rely on the bill which is presented by the Judiciary Committee.

The VICE PRESIDENT. The time of the Senator from Nevada has expired.

The Senator from West Virginia has 3 minutes.

Mr. KILGORE. Mr. President, I shall address myself principally to the first three committee amendments. Those amendments are really one amendment. The first and second amendments merely implement the third. They are the ones which change the definition of a displaced person to include all German ethnics. By that term is meant anyone who has a drop of German blood or who can trace back to any German ancestor. The amendments dilute the number of displaced persons we agree to take care of, by adding 8,000,000 more names. I think we go back on our agreement when we change the definition from those who are a responsibility of the IRO to include all persons in the zone who are not living in their own homes.

It is my hope that the first three amendments will be rejected. We shall get back, then, to carrying out our agreement. It is like changing the rules in the middle of the game. We have agreed to take care of those persons either abroad, or to provide them a place in this country where they can care for themselves.

Mr. President, I take issue with my distinguished colleague from Nevada [Mr. McCARRAN] when he says that the right of final determination has been taken away from the immigration authorities. Under the law, it cannot be, and the testimony does not show that it has been taken away; nor has the right of final determination ever been taken away from the consular service. Therefore, we shall change our international policy if we change that definition. We change the whole program and leave the responsibility of helping the International Refugee Organization to take care of the displaced persons abroad, and we bring perhaps a handful of them into this country, and in lieu thereof we take upon our shoulders another international problem, that of the so-called expellees. We undertake, all by ourselves, to solve that problem.

So, Mr. President, it is my sincere hope that the amendments to the House bill, particularly the first three, will be rejected.

The VICE PRESIDENT. The time of the Senator from West Virginia has expired. All time for debate has expired. The question is on agreeing to the first committee amendment, which the Secretary will state.

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Anderson	Hill	Morse
Benton	Hoey	Mundt
Brewster	Holland	Murray
Bricker	Humphrey	Myers
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Robertson
Chapman	Johnston, S. C.	Russell
Chavez	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kilgore	Smith, Maine
Darby	Knowland	Smith, N. J.
Donnell	Langer	Sparkman
Douglas	Lehman	Stennis
Dworshak	Lodge	Taft
Eastland	Long	Taylor
Ecton	Lucas	Thomas, Utah
Ellender	McCarran	Thye
Ferguson	McCarthy	Tobey
Flanders	McClellan	Tydings
George	McFarland	Watkins
Gillette	McKellar	Wherry
Graham	McMahon	Wiley
Green	Magnuson	Williams
Gurney	Malone	Withers
Hayden	Martin	
Hendrickson	Maybank	

The VICE PRESIDENT. A quorum is present.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Is it not a fact that the unanimous-consent agreement provides that the Senate shall stay in continuous session until the bill and all amendments and motions are disposed of?

The VICE PRESIDENT. That is what the unanimous-consent agreement provides.

Mr. KILGORE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KILGORE. Is it not a fact that the unanimous-consent agreement provides for 5 minutes of debate on each side on each amendment?

The VICE PRESIDENT. On any amendment.

Mr. KILGORE. Does that include committee amendments?

The VICE PRESIDENT. The Chair is of the opinion that it includes committee amendments.

Mr. McCARRAN. I did not hear the Senator's inquiry.

The VICE PRESIDENT. The Chair was asked whether the 5 minutes of debate allotted to each side on each amendment applied to committee amendments, and the Chair replied that it did.

Mr. KILGORE. I ask unanimous consent that the first three amendments, being amendments dealing with definitions, be voted on en bloc, rather than singly.

The VICE PRESIDENT. Is there objection?

Mr. McCARRAN. I object.

The VICE PRESIDENT. Objection is heard.

Mr. McCARRAN. I desire to explain each amendment.

The VICE PRESIDENT. The Secretary will state the first amendment.

The LEGISLATIVE CLERK. On page 1, line 3, after the word "That", it is proposed to strike out "subsection (c)" and insert "subsections (a), (b), and (c)."

Mr. KILGORE. I ask for the yeas and nays.

Mr. McCARRAN. I desire to take 5 minutes in explanation. The first amendment is on page 1, line 3, and the second amendment is on page 1, line 5. The third amendment begins on page 1, line 6. The first of these amendments is technical, and the second is grammatical. The third is substantial, and involves the definition of "displaced person."

The proposed definition of "displaced person" does not exclude anyone, and will not exclude anyone, who is or would be eligible under the definition of "displaced person" which is contained in the present law. The committee was not seeking to narrow or restrict the definition, but only to write a definition which would be a reliable standard, and which would not depend upon any determinations by an agency not under the control of the United States Government. The applicability of the definition to any particular person should not depend upon the judgment or discretion of any international organization, or of any person not a citizen of the United States; and the definition should not mean one thing in one case, and another thing in another case.

In the present law, the definition of a "displaced person" is incorporated by reference from the Constitution of the International Refugee Organization, which in turn incorporates by reference the language of a series of other documents, the precise effect and meaning of which it is almost impossible to determine. As it has worked out in practice, the determination in any particular case has come to depend upon the finding of the International Refugee Organization, or some employee or official of that Organization, with respect to the particular case in question.

It was not the intent of Congress that the International Refugee Organization should have any discretion over particular cases. Congress thought the definition would be administered and interpreted by officers of the United States Government. But as it has worked out, today the eligibility of an applicant depends initially upon whether the International Refugee Organization finds that the applicant is the concern of that Organization.

It was the judgment of the committee that the ascertainment of who is a displaced person should be the prerogative of the United States Government, to be exercised, so far as any discretion might be involved, by persons who are American citizens, and who are responsible directly to the United States Government. In order to accomplish this, it was necessary to write a definition which should be independent of the definition contained in the Constitution of the International Refugee Organization.

Mr. President, the pending business is the first committee amendment. If the third committee amendment is to be rejected, the first two amendments also should be rejected, but I am informed that the Parliamentarian takes the view that acceptance of the first two amendments will not in any way prejudice the Senate in its action on the third amendment; and that in the event the third amendment is rejected, the vote by which the first and second amendments have been agreed to can be reconsidered and the language returned to its earlier form. Accordingly, I ask that the first committee amendment, namely, the amendment on page 1, line 3, now be agreed to.

The VICE PRESIDENT. The time of the Senator from Nevada has expired.

Mr. KILGORE. Mr. President, I yield to the Senator from Maryland [Mr. O'CONOR].

The VICE PRESIDENT. Senators cannot yield to other Senators during the 5-minute period, that is, so that other Senators can take their time. If the Senator from West Virginia does not wish to take his time, the Chair will recognize the Senator from Maryland.

Mr. KILGORE. Mr. President, I will not take my time now.

Mr. O'CONOR. Mr. President, the three amendments just referred to by the Senator from Nevada, if adopted, would effectively sabotage the displaced-persons program as it has functioned for past years, as a result of which 75 percent of the program has been accomplished. It would mean the repudiation of our assurance to the 15 other nations with which we have been associated in the International Refugee Organization for the handling of this problem. The nations with which we have been associated, and which would be left without our help if the proposed program is adopted, are Australia, Belgium, Canada, China, Denmark, the Dominican Republic, France, Guatemala, Iceland, Luxemburg, Netherlands, New Zealand, Norway, the United Kingdom, and Venezuela.

Next, Mr. President, by prolonging the life of IRO, which would be accomplished if 8,000,000 more persons were added to our undertaking, we would be defeating our own enlightened self-interest, because it has already cost the United States of America in excess of $200,000,000 for the continuance of the IRO, and it is expected that the goal will be reached next year. However, if we were to add such a great number we would not be able to bring in the persons who are of concern to the IRO as of this date. Furthermore, there will be necessitated the setting up of additional facilities by the United States alone to handle this great number of persons who would be eligible under the amendment I have just explained. For example, camps, processing centers, and staging areas, all of which exist now and function under the IRO, will have to be duplicated alone

by the United States, with that expense being borne entirely by the United States.

Mr. President, it is recognized by all of us that there is great justification for the handling of the German ethnic problem. As a matter of fact, provision is made in the substitute by the Senator from West Virginia for the admission of 54,744 German ethnics, with the further suggestion that an international conference be called for the solution of this problem which is, of course, of international concern, and which alone can be accomplished by all the nations of the world, rather than by the United States alone.

For these reasons, Mr. President, we think that the suggested amendment offered by the committee ought to be defeated, and that the substitute offered by the Senator from West Virginia should be adopted.

Mr. LUCAS. Mr. President, will the Senator yield for one question?

Mr. O'CONOR. I yield.

Mr. LUCAS. Does the Senator agree with me that it is absolutely necessary to defeat committee amendment 1 and committee amendment 2 if we proceed correctly with respect to committee amendment 3, and even though they be technical in nature we must defeat amendments 1 and 2, and not have to go back and reconsider them, as the Senator from Nevada said, should we defeat amendment 3?

Mr. O'CONOR. That is entirely correct.

The VICE PRESIDENT. The question is on the first committee amendment.

Mr. McCARRAN, Mr. KILGORE, and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

The result was announced—yeas 37, nays 48, as follows:

YEAS—37

Bricker	Byrd	Chapman
Butler	Cain	Connally
Cordon	Johnson, Colo.	Robertson
Darby	Johnston, S. C.	Russell
Donnell	Kem	Schoeppel
Dworshak	Langer	Stennis
Eastland	McCarran	Thomas, Utah
Ecton	McCarthy	Watkins
Ellender	McClellan	Wherry
George	McKellar	Williams
Hoey	Malone	Withers
Holland	Maybank	
Jenner	Mundt	

NAYS—48

Aiken	Hill	Morse
Anderson	Humphrey	Murray
Benton	Hunt	Myers
Brewster	Ives	Neely
Capehart	Kefauver	O'Conor
Chavez	Kilgore	O'Mahoney
Douglas	Knowland	Saltonstall
Ferguson	Lehman	Smith, Maine
Flanders	Lodge	Smith, N. J.
Gillette	Long	Sparkman
Graham	Lucas	Taft
Green	McFarland	Taylor
Gurney	McMahon	Thye
Hayden	Magnuson	Tobey
Hendrickson	Martin	Tydings
Hickenlooper	Millikin	Wiley

NOT VOTING—11

Bridges	Johnson, Tex.	Thomas, Okla.
Downey	Kerr	Vandenberg
Frear	Leahy	Young
Fulbright	Pepper	

So the first committee amendment, on page 1, line 3, was rejected.

The VICE PRESIDENT. The next committee amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 5, after "Eightieth Congress)", it is proposed to strike out "is" and insert "are."

Mr. McCARRAN. Mr. President, the second committee amendment is on page 1, line 5, and must be considered in connection with the third committee amendment.

As I have said, the definition of "displaced person" proposed by the third committee amendment does not exclude any person who is or would be eligible under the definition contained in the present law; but it is in several respects broader than the present definition. Unlike the definition in the present law, the committee definition includes displaced persons who are, in some instances, not outside their country of origin. The Greek displaced persons, for instance, are embraced within the committee definition.

The committee definition also includes persons of German ethnic origin, who are otherwise eligible as displaced persons, but who are at the present time expressly excluded from the benefits of the Displaced Persons Act because the constitution of the International Refugee Organization discriminates against them.

Unless he is a "persecutee," a person whose parents or grandparents were German is completely excluded from the benefits of the Displaced Persons Act.

In the definition proposed by the committee—

Mr. President, may we have order?

The VICE PRESIDENT. The Senate will be in order.

Mr. WHERRY. Mr. President, may I make the suggestion that many persons who are standing on the fringe of the Chamber are moving around and the occupants of the galleries are not in order. The result is that it is very difficult to hear in the Senate.

The VICE PRESIDENT. The Chair will say to the guests of the Senate on the floor and in the galleries that it is absolutely necessary that conversation of all kinds cease. We are glad to have our friends in the galleries, but it is necessary that order be maintained; and in contributing to the maintenance of order, the occupants of the galleries will help, as well as those who are on the floor of the Senate.

Those who are on the floor of the Senate, who are not entitled to speak in the Senate, will please remain silent and become stationary.

Mr. McCARRAN. Mr. President, in the definition proposed by the committee, this discrimination against persons of German ethnic origin and German expellees is removed; but this does not mean that all Germans or all German expellees are to be admitted as displaced persons. Senators will find in another section of the bill, beginning in line 16, on page 21 of the calendar print, language which clearly excludes all Nazis, all those Germans who advocated or assisted in the persecution of the Jews or any other minority, and all those Germans who bore arms against the United States. The committee definition does remove the clear discrimination involved in exempting from the benefits of the act, as a class, all persons who fall into that class merely by reason of the nationality and language of their forebears.

There has been much talk of religious and racial discrimination in the present displaced-persons law. There is no question that the law was discriminatory with respect to the German expellees; and the committee definition of "displaced person" will remove that discrimination. To oppose the committee in this regard is to advocate racial discrimination. Many of these German expellees, committed no Nazi crimes, and have been discriminated against and persecuted on the basis of a verdict of "guilty" arrived at without trial, and based solely on the fact that German blood runs in their veins.

Besides including the German expellees and the Greek displaced persons, the committee definition also embraces the Poles who fought on our side in the war and who now reside in the British Isles. The committee definition excludes a group of 15,000 persons from behind the iron curtain, who are not eligible under the present law, but which the House bill would let in. These are persons who have not yet been displaced but who may be displaced in the future. Letting this group in would constitute a very serious security risk.

I ask that the second committee amendment be adopted.

The VICE PRESIDENT. The time of the Senator from Nevada has expired.

Mr. FERGUSON. Mr. President, I wish to say just a few words on the second committee amendment, as it also relates to the third amendment. The second amendment would merely change the word "is" to "are," but it implements the vital amendment that follows.

Mr. President, as indicated on the floor of the Senate many times, we are really at the crucial point in connection with this particular bill.

In 1948 we passed the Displaced Persons Act, which was aimed at solving a particular problem caused by the war. The victorious nations found in Germany at the close of the war hordes of displaced persons, some of whom were in camps. It was discovered that those people presented a problem which had to be solved if we were ever to solve successfully the question of achieving peace. Therefore the United States, as a member of the United Nations, decided that the problem was not alone America's, but was a problem of all the allies in the Second World War.

To solve that problem, we joined ourselves, under the United Nations, in what is known as the International Refugee Organization, the IRO. That Organization receives approximately three-fourths of its revenue from the United States taxpayers.

Under the IRO, the displaced persons in Germany, Austria, and Italy were taken under the protection of the IRO. The purpose of the IRO was to solve the problem presented by those persons. Germans or persons of German ethnic origin who were expelled from Germany under the Potsdam agreement were not under the IRO, because they were considered to have an identity different than that of the wartime displaced persons.

I wish to say that a study should be made of the expellee problem; but we should not complicate the problem now before us—that of taking care of the displaced persons—by engaging at the same time in an effort to solve the expellee problem. The displaced-persons problem is the one we are now trying to solve. If we change the present definition of a displaced person, and make it include some 8,000,000 refugees, expellees, of German ethnic origin, we will serve the interests of neither displaced persons nor expellees. We shall so dilute this entire question that we shall not be able to bring into the United States in the next year or year and one-half very many people at all. As was stated by the distinguished Senator from Maryland, all the camps at the port of embarkation are under the control of the IRO. In the event that we were to attempt to handle expellees along with displaced persons we would be compelled to set up new facilities and would have to go into the question of selecting from 8,000,000 people the persons who would be admitted into the United States, all on our own responsibility and outside the facilities of IRO.

As I sat in the Appropriations Committee, when it was considering the independent offices appropriation bill, we discovered that the IRO will close next March if we take care of the situation under this displaced-persons bill. That is our objective and our obligation, to lay at rest the displaced-persons problem.

Therefore, Mr. President, I urge the Senate to vote as it voted on the first committee amendment—in other words, vote to retain the old definition of displaced persons. I urge the Senate to vote "nay" on this committee amendment, so that we can solve the international problem of displaced persons. Thereafter we can take up the problem of expellees, in connection with making an examination of that entire question.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. Is the second committee amendment or the third committee amendment the one now pending?

The VICE PRESIDENT. The second committee amendment is the pending question.

Mr. KNOWLAND. Amendments to the third committee amendment will be in order after the vote is taken on the second committee amendment; is that correct?

The VICE PRESIDENT. Amendments to the third committee amendment will be in order when the third committee amendment is before the Senate.

The question is on agreeing to the second committee amendment, which has been stated.

Mr. WHERRY and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

The result was announced—yeas 38, nays 47, as follows:

YEAS—38

Bricker	George	Malone
Butler	Hoey	Maybank
Byrd	Holland	Mundt
Cain	Jenner	Robertson
Chapman	Johnson, Colo.	Russell
Connally	Johnston, S. C.	Schoeppel
Cordon	Kem	Stennis
Darby	Langer	Thomas, Utah
Donnell	McCarran	Watkins
Dworshak	McCarthy	Wherry
Eastland	McClellan	Williams
Ecton	McFarland	Withers
Ellender	McKellar	

NAYS—47

Aiken	Green	Knowland
Anderson	Gurney	Lehman
Benton	Hayden	Lodge
Brewster	Hendrickson	Long
Capehart	Hickenlooper	Lucas
Chavez	Hill	McMahon
Douglas	Humphrey	Magnuson
Ferguson	Hunt	Martin
Flanders	Ives	Millikin
Gillette	Kefauver	Morse
Graham	Kilgore	Murray
Myers	Smith, Maine	Thye
Neely	Smith, N. J.	Tobey
O'Conor	Sparkman	Tydings
O'Mahoney	Taft	Wiley
Saltonstall	Taylor	

NOT VOTING—11

Bridges	Johnson, Tex.	Thomas, Okla.
Downey	Kerr	Vandenberg
Frear	Leahy	Young
Fulbright	Pepper	

So the amendment was rejected.

The VICE PRESIDENT. The Secretary will state the third committee amendment.

The CHIEF CLERK. On page 1 after line 5, it is proposed to strike out:

(c) "Eligible displaced person" means a displaced person as defined in subsection (b) above, (1) who on or after September 1, 1939, and on or before January 1, 1949, entered Germany, Austria, or Italy, and who on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or in the American zone, the British zone, or the French zone of either Germany or Austria, or who had temporarily absented himself therefrom for reasons which, in accordance with regulations to be promulgated by the Commission, show special circumstances justifying such absence, and who has not been firmly resettled; or a person who, having resided in Germany or Austria, was a victim of persecution by the Nazi Government and was detained in, or was obliged to flee from such persecution and subseqnently return to, one of these countries, and who has not been firmly resettled, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person, shall if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons.

And in lieu thereof, to insert the following:

(a) "Commission" means the Displaced Persons Commission created pursuant to this act.

(b) "Displaced person" means any person who (1) as a result of events subsequent to the outbreak of World War II was forcibly removed or forced to flee from the country of his birth or nationality, or of his last residence, and cannot return to or settle in any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions, and on or after September 1, 1939, and on or before January 1, 1949, entered Germany, Austria, or Italy, and on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna or the American zone, the British zone, or the French zone of either Germany or Austria; and prior to January 1, 1950, had not been either firmly settled or firmly resettled; or, having resided in Germany or Austria, was a victim of persecution by the Nazi government and was detained in, or was obliged to flee from such persecution and was subsequently returned to, one of these countries as a result of enemy action, or of war circumstances, and prior to Jan-

uary 1, 1950, had not been either firmly settled or firmly resettled; or (2) is a native of Czechoslovakia who has fled as a direct result of persecution or fear of persecution from that country since January 1, 1948, and was on June 25, 1948, in Italy, or the American sector, the British sector, or the French sector of either Berlin or Vienna or the American zone, the British zone, or the French zone of either Germany or Austria, and cannot return to or settle in Czechoslovakia because of persecution or fear of persecution on account of race, religion, or political opinions, and prior to January 1, 1950, had not been either firmly settled or firmly resettled; or (3) is a native of and on the effective date of this act is in Greece who on or after January 1, 1940, and on or before January 1, 1949, was forcibly removed or forced to flee from his former habitual residence in Greece as a direct result of military operations in Greece by the Nazi government or by military operations in Greece by the Communist guerrillas, and prior to January 1, 1950, had not been either firmly settled or firmly resettled; or (4) during World War II was a member of the armed forces of the Republic of Poland and was honorably discharged from such forces and was on January 1, 1950, in the British Isles and prior to January 1, 1950, had not been either firmly settled or firmly resettled.

(c) "Eligible displaced person" means a displaced person (1) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (2) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have safe and sanitary housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age of such an eligible displaced person shall, if otherwise qualified for admission into the United States for permanent residence, also be deem eligible displaced persons.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. If an amendment is offered to this amendment, No. 3, and is adopted, and the amendment, as amended, is rejected, will it then be in order to offer the same amendment as an amendment to the bill as it came from the House of Representatives?

The VICE PRESIDENT. It depends upon whether it was to the italicized part or to the original text of the House bill. The original House language is open to amendment at the proper time.

Mr. KNOWLAND. My point is, the amendment having been voted on, would it be eligible to be reoffered as an amendment to the appropriate part of the language as it came from the House?

The VICE PRESIDENT. The Chair is of the opinion that if the Senator offers an amendment to the committee amendment which is italicized, and if his amendment should be agreed to, and then the amendment, as amended, is rejected, the Senator might offer his amendment to the original text of the bill.

Mr. KNOWLAND. I should like to call up my amendment lettered "F."

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 4, line 21, immediately after the word "resettled", it is proposed to insert a semicolon and the following: "or (5) on July 1, 1948, or on the effective date of this act, as amended, resided in China as a displaced person or refugee, as defined in annex I (except paragraph 1 (b) of section A of part I thereof) of the constitution of the International Refugee Organization."

On page 10, lines 8 and 9, strike out the words "three hundred and twenty thousand" and insert in lieu thereof the words "three hundred and twenty-four thousand."

On page 10, line 24, immediately following the word "act", insert a semicolon and the following: "and (5) not more than four thousand visas shall be issued to eligible displaced persons who are eligible displaced persons as defined in subsection (b) (5) of section 2 of this act."

Mr. LUCAS. Mr. President——

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Chair inquires of the Senator from California whether his amendment, as read, is an amendment to the amendment, of the committee, No. 3? The Chair, from listening to it, gets the impression that there are two separate amendments.

Mr. KNOWLAND. I think it has to come in on the consideration of amendment 3, because it deals with the definition of a displaced person. If the Chair will permit me to call his attention to the fact, as I understand, the committee—inadvertently, I believe— struck out the provision of the House bill relating to displaced persons on the Island of Samar, the so-called White Russians or non-Communist Russians. Therefore, if this action is not taken now the House provision relating to these people will be stricken from the bill.

The VICE PRESIDENT. A part of the Senator's amendment as read seems to apply to committee amendment No. 12. The Senator's amendment seems to amend No. 3, and No. 12 also. The amendment to No. 12 at this time would not be in order.

Mr. KNOWLAND. Could we divide the amendment, then, Mr. President, and take up the first part of it?

The VICE PRESIDENT. The Senator can offer the part which applies to No. 3 separately, and the part that applies to No. 12, when 12 is reached.

Mr. KNOWLAND. I do so, and I divide the amendment in that way.

Mr. President, I believe the committee inadvertently included——

The VICE PRESIDENT. The Senator is recognized for 5 minutes.

Mr. KNOWLAND. I believe the committee inadvertently included in its report, on page 2, paragraph (2), the following language:

(2) Four thousand displaced persons who were in Shanghai, China. It is the information of the committee that the persons sought to be embraced who are presently in Shanghai could not practicably be removed because of the Communist domination of China and that most of those persons who have succeeded in leaving China have been resettled.

Mr. President, as a matter of personal observation I know that that is not correct. I was on the island of Samar last November and December. These people are living in temporary camps. Originally, about 5,000 of them were moved from Shanghai and other areas of China, as the Communists advanced. They are, for the most part, White Russians who first escaped the Russian revolution, coming out with practically nothing but the clothes on their backs. They completely rehabilitated their lives in either Manchuria or in Tientsin, Peking, or Shanghai, and then, a second time, when the Chinese Communist revolution came along, they had to flee, again with practically only the clothes on their backs. They are now in a temporary camp in the Philippines, by courtesy of the Philippine Government. Only about 2,200 have been permanently resettled. There are between 3,500 and 4,000 who are still on the island of Samar. They are living in temporary quarters. I have seen most of them living under canvas. The canvas is not very good. The IRO is doing as much as it can for them with the limited facilities at its disposal. These are fine people. They are helping to take care of themselves. They have set up their own schools, their own industrial shops, their own hospitals. They are training their young men in the trades, and I think this was a matter, as I say, on which undoubtedly the committee must have had some information which was not in keeping with the facts. I urge that the amendment be applied to committee amendment 3. If the amendment is rejected, I shall offer it again at the proper place.

Mr. McCARRAN. Mr. President, as the amendment of the Senator from California is worded, it would include people from nearly all parts of the world. Several thousand people who were called White Russians went into China. Afterward, many of them left, going to North Africa and other countries. The Senator's amendment would now permit them, notwithstanding the fact that they are now resettled in other countries, to leave the country of resettlement and come to the United States.

Whatever we may say as to those who may be in Samar, they are only a small fraction of the group that first went there. Many thousands went there, and then afterward scattered. Some of them are in Canada at this time. Some of them are in North Africa. Some of them are in South America. All of them want to come to the United States. This amendment would allow them to come in from every country to which they have been driven.

Mr. KNOWLAND. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from California?

Mr. McCARRAN. I yield.

Mr. KNOWLAND. I merely want to say to the Senator my information is that originally approximately 5,000 of them had finally been caught in the pocket at Shanghai. Some of them had formerly been employees of the Chinese Eastern Railway. Some had been in Tientsin, Peking, and other places. They were

finally moved down to the pocket of Shanghai. Through the IRO and the help of our State Department, these 5,000 were moved to the Philippines, where the Philippine Government gave them the courtesy of having this temporary camp. Since then roughly 2,000 of them have been resettled. This amendment is intended to give priority to those people who are still left in the camp and who have not been resettled. That is the legislative intent of the proposal, and I am informed that with this background the administrative officers would take judicial notice of that fact; and it is to that that it is meant to apply.

Mr. McCARRAN. Mr. President, if the Senator would limit the permission to come in, to the 5,000 or 3,500, as I hear the number to be, who are now in Samar, that would be entirely different, and I do not know that I would have any objection to it.

Mr. KNOWLAND. I will say that, from the point of view of its legislative history, this amendment is meant to apply to those who were evacuated from China, and who are now in Samar, at the temporary camp, persons who have not yet been relocated.

Mr. McCARRAN. However, the language does not convey the intent of the Senator,

Mr. KNOWLAND. I think it does, so far as it is possible to do it, under the circumstances.

The VICE PRESIDENT. The question is on the amendment of the Senator from California to amendment No. 3 of the committee. [Putting the question.] The "noes" seem to have it.

Mr. KNOWLAND. I ask for a division.

On a division, Mr. KNOWLAND's amendment to the amendment was agreed to.

The VICE PRESIDENT. The question is on agreeing to the committee amendment as amended.

Mr. CAIN. Mr. President, I should like to call up my amendment initialed "D."

The VICE PRESIDENT. The Secretary will state the amendment offered by the Senator from Washington.

The CHIEF CLERK. On page 3, line 12, it is proposed to strike out "January 1, 1949" and to insert in lieu thereof "April 21, 1947."

Mr. CAIN. Mr. President, my amendment offers April 21, 1947, as the cut-off date to determine the eligibility of displaced persons. The committee bill recommends a cut-off date of January 1, 1949.

The war in Europe ended on May 8, 1945. Some 7 months later, on December 22, 1945, the President established immigration priorities for displaced persons who had been injured and displaced as a result of enemy action prior to December 22, 1945. This date is the cut-off date which is used in the present displaced-persons law for the establishment of eligibility. All of us can take for granted that those who became displaced persons before December 22, 1945, were actually victims of Nazi and Fascist tyranny and oppression. We cannot be nearly as certain about any other cut-off or eligibility date which the Senate may approve this afternoon.

Though the present law provides for a cut-off date of December 22, 1945, the displaced-persons camps were not closed to new arrivals, except to hardship cases, until April 21, 1947. By April 21, 1947, a complete register had been made of all displaced persons who had been admitted into the camps up to that date.

The International Refugee Organization, to which the United States belongs and which has twenty-odd-member nations, has estimated that by June 30 of this year all of the war displaced persons in the displaced-persons camps will be resettled except the so-called hard core who cannot be resettled because of physical, social, or moral disqualifications.

My amendment will extend the present eligibility cut-off date from December 22, 1945, to April 21, 1947. When the present displaced-persons law was debated in 1948 the main and chief question was whether the cut-off date should be December 22, 1945, or April 21, 1947. No later date was even suggested during the debate. Every member of the Senate who thought the present law ought to be more liberal in scope and character would have been then completely satisfied if the Senate had agreed to the cut-off date of April 21, 1947.

The VICE PRESIDENT. Order must be maintained in the Senate.

Mr. CAIN. I appreciate the thoughtfulness of the Chair, because, to my mind, this is an important amendment to which every Senator should give due consideration.

On Monday the senior Senator from New Jersey [Mr. SMITH], who is a strong supporter of the substitute bill, agreed with my contention that my offered cut-off date of April 21, 1947, was practical, reasonable, and realistic, and that it would clearly distinguish between those war-displaced persons for whom we are undertaking to provide maximum relief and the untold thousands of political refugees and expellees who have entered Germany and Austria from the east since April 1947. Those in this latter category are deserving of consideration as a separate question, but no man alive can define them as being war-displaced persons.

Some months ago the administration offered a displaced-persons bill, S. 311, and it was introduced by the former Senator from Rhode Island, Mr. McGrath, and by the junior Senator from West Virginia [Mr. NEELY]. This bill recommended April 21, 1947, as a cut-off date for determining eligibility.

On Monday I spoke in support of my amendment by reading testimony which had been offered by intelligence officers, immigration officials, and representatives of the Displaced Persons Commission. That testimony was clear and positive. It pointed out that the security risk to the United States through the infiltration of subversives progressively increases as we advance the eligibility cut-off date for displaced persons.

Mr. President, if the Senate adopts January 1, 1949, as an eligibility cut-off date, it will be necessary to reopen every displaced-persons camp in Europe, and they have been closed to further admissions since April of 1947, and scores of new camps will be required. No Senator has said how many additional camps will be required, how much it will cost to maintain and operate them, or where this money is coming from. If a million political refugees and expellees arrived in Germany and Austria between April of 1947 and January of 1949, each one of them will be as much entitled to admission into a displaced-persons camp as will any of them. We ought to understand this fact before adopting the January 1949 cut-off date.

In support of my recommended eligibility cut-off date of April 21, 1947, I submit that on the basis of our collective objective of taking care of war-displaced persons the date is a logical one, it is administratively feasible, it will offer protection and a new home to every individual who is actually a war-displaced person, and it will minimize the security risk to America.

I urge the adoption of my recommended eligibility cut-off date of April 21, 1947.

The VICE PRESIDENT. The Senator's time has expired.

Mr. McCARRAN. Mr. President, I think there is much merit in the amendment offered by the Senator from Washington. All the facts in the case sustain his position, because a census of the camps has been taken and they were closed on the date referred to in the Senator's amendment. So far as I am personally concerned, I hope the Senate will adopt the amendment offered by the Senator from Washington.

The VICE PRESIDENT. Does any Senator wish to speak in opposition to the amendment?

Mr. O'CONOR. Mr. President, I rise to speak in opposition to the amendment, because it proposes a date which is different from the date inserted thus far in all three proposals. The House bill fixes the date January 1, 1949. The bill as reported by the Judiciary Committee contains the same date. The substitute as proposed by the Senator from West Virginia [Mr. KILGORE] includes the same date. If the date as suggested by the Senator from Washington should be adopted, there would be excluded from consideration tens of thousands of deserving persons who have fled from Communist and other persecutions behind the iron curtain, who have already gone into displaced-persons camps, and are being cared for in those camps.

In February 1948, a date after the date mentioned in the proposed amendment, there left Czechoslovakia, when that government was overthrown, a great number of persons who fled from persecution at the hands of those who seized the government in Czechoslovakia. Those persons went into IRO camps where they joined some 50,000 other persons who had fled from persecution in Yugoslavia and Hungary. They exceeded 100,000 persons as of last June.

Mr. President, we shall not solve this problem, we shall not reduce the cost of the IRO camps, because those persons are now being housed, clothed, and fed, and are being considered for transportation to countries which are receiving them.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. O'CONOR. I shall be pleased to yield in a moment.

The figures as of last June were 51,400 Yugoslavs, 16,000 Czechoslovakians, and 42,525 Hungarians, 60 percent of whom would not be considered eligible if the date is moved back. For that reason I think the date which is in all the bills up to this time, as reported by the Senate Judiciary Committee, as agreed to by the House, and as provided in the Kilgore substitute, should be adopted, because the cut-off date has been the feature of the bill which has been criticized more severely than has anything else, as having been discriminatory——

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. O'CONOR. In a moment I shall be glad to yield.

We shall lend ourselves to another discriminatory action if we put the date back so as to exclude tens of thousands of deserving persons who have come from other countries.

I yield, first, to the Senator from Washington.

Mr. CAIN. The Senator from Maryland has just been addressing himself to groups of persons who are ultimately deserving of consideration, but they are political refugees and expellees. Does the Senator from Maryland contend that they are war-displaced persons which this proposed legislation seeks to help?

Mr. O'CONOR. There is some force in the contention of the Senator from Washington. However, I repeat that already they have been accepted by the International Refugee Organization and 14 nations of the world and are being housed, clothed, fed, and considered for acceptance into other countries of the world. We shall be departing from the program of IRO if we adopt the date suggested by the Senator from Washington.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington.

Mr. McCARRAN and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

The Senator from Mississippi [Mr. STENNIS] is unavoidably detained on official business, and if present would vote "yea."

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 40, nays 45, as follows:

YEAS—40

Brewster	Ellender	Malone
Bricker	Flanders	Maybank
Butler	George	Millikin
Byrd	Gillette	Mundt
Cain	Hickenlooper	Russell
Capehart	Hoey	Schoeppel
Chapman	Holland	Smith, Maine
Connally	Jenner	Smith, N. J.
Cordon	Johnston, S. C.	Watkins
Darby	Kem	Wherry
Donnell	Langer	Williams
Dworshak	McCarran	Withers
Eastland	McClellan	
Ecton	McKellar	

NAYS—45

Aiken	Ives	Murray
Anderson	Johnson, Colo.	Myers
Benton	Kefauver	Neely
Bridges	Kilgore	O'Conor
Chavez	Knowland	O'Mahoney
Douglas	Lehman	Robertson
Ferguson	Lodge	Saltonstall
Graham	Long	Sparkman
Green	Lucas	Taft
Gurney	McCarthy	Taylor
Hayden	McFarland	Thomas, Utah
Hendrickson	McMahon	Thye
Hill	Magnuson	Tobey
Humphrey	Martin	Tydings
Hunt	Morse	Wiley

NOT VOTING—11

Downey	Kerr	Thomas, Okla.
Frear	Leahy	Vandenberg
Fulbright	Pepper	Young
Johnson, Tex.	Stennis	

So the amendment of Mr. CAIN to the amendment of the committee was rejected.

The VICE PRESIDENT. The question now is on agreeing to amendment No. 3 of the committee, as amended.

Mr. WHERRY. I ask for the yeas and nays.

Mr. McCARRAN. Mr. President, under the House version of the bill, 50 percent of the nonpreference portion of certain quotas would be made available, for 5 years, exclusively to displaced persons who have been received by other countries of the world. The committee definition, on which the Senate is about to vote, does not include this group. The committee felt that displaced persons who have already been received by other countries of the world should not be given preference over other potential immigrants.

With respect to one very large class of displaced persons, namely, the victims of Nazi persecution, the committee definition has adopted the precise language now contained in the constitution of the International Refugee Organization. This was done with a purpose, Mr. President. The purpose was to make absolutely sure that no one could contend that in this respect the definition narrowed, or restricted, or otherwise changed the eligibility of persecutees to be considered as displaced persons.

The committee definition of "eligible displaced person," in subsection (c) of the committee amendment, when considered in connection with the definition of "displaced person" in subsection (b), on which we are about to vote, embraces all those persons and classes of persons who could be considered "eligible displaced persons" under subsection (c) of the House bill.

Mr. President, I have tried to cover this amendment as thoroughly as possible in the time available. The two most important things this amendment does are: First, it removes discrimination against the German expellees; second, it provides a definition which can be administered and applied by officials of the United States Government and thus corrects a situation in which employees of the International Refugee Organization, many of whom are themselves aliens, make the initial determination as to who is eligible to come to the United States as a displaced person, and control the preparation of the files on such persons.

I hope the Senate bill will adopt the committee amendment.

Mr. FERGUSON. Mr. President——

The VICE PRESIDENT. Is the Senator opposed to the amendment?

Mr. FERGUSON. Yes. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. FERGUSON. Is the Senate about to vote on the third committee amendment?

The VICE PRESIDENT. That is correct.

Mr. FERGUSON. I wish to say that in speaking on the second amendment previously I have already, in effect, spoken on the third amendment, and I believe the vote should be "No." I believe the definition should be left just as it is in the 1948 act, which includes persons who are under the protection of the IRO, and should not take in 8,000,000 expellees.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TAFT. Do I understand correctly that all the issuse which arose in voting on the second amendment arise again in voting on the third amendment?

Mr. FERGUSON. That is correct. The effect of the first and second amendments in that respect is identical.

Mr. WILEY. Mr. President, if the Senator will yield, I should like to insert at this point in the RECORD a statement I have prepared, and telegrams I have received this afternoon, from Paul C. Empie, executive director of the National Lutheran Council; from Rt. Rev. Msgr. Edward E. Swanstrom, executive director of the War Relief Services; from William Gibbons, S. J., secretary of the National Catholic Rural Life Conference; from Oswald C. J. Hoffmann, director of public relations of the Lutheran Church, Missouri Synod; and from the secretary of the Federal Council of Churches. These telegrams, and the statement, set forth my conclusions on the controversy about to be settled.

There being no objection, the statement and telegrams were ordered to be printed in the RECORD, as follows:

Mr. President, throughout the long consideration of the displaced-persons issue, I have mentioned that the Congress would be happy to act to fulfill America's Christian

and humanitarian obligations to the displaced persons, provided that the various private, church, national-origin, and other groups working on the outside could come to substantial agreement on what they wanted. At the start of the Eighty-first Congress in January 1950, I consulted with all of the leading private groups interested in this question, with the Protestant, Catholic, and Jewish organizations, with Citizen's Committee on Displaced Persons, with the Wisconsin Governor's Committee on Displaced Persons, with the League of Women Voters, the representatives of Americans of Polish Ancestry, the Polish-American Congress, and other fine groups—with the representatives of Americans of German Ancestry, the Steuben Society, American Relief for Germany—and miscellaneous other organizations interested in this vital issue.

Following consultation with them, I introduced certain amendments and announced my support of legislation introduced by other colleagues.

I am glad to note that at long last this humanitarian legislation is nearing fruition, thanks in considerable part to the fact that there has been a heart-warming unanimity of opinion among practically all of the outside groups on virtually all of the provisions suggested to the Congress. Previously in the Senate there has been reference made to the some 200 national organizations which have endorsed the substitute bill being offered by my colleage from West Virginia [Mr. KILGORE]. These organizations stand with us on this bill. The only remaining question so far as I am concerned is how the Congress will now treat the expelled persons of ethnic origin.

I should like to invite the attention of my colleagues to my previous references to the problems of these stricken expellees in which I have pointed out that the treatment given to the expellees is a blot on the record of humanity. The expellee question hangs heavy on the conscience of the world because of the appalling conditions under which these 8,000,000 folks have had to subsist in bomb-shattered Germany.

For weeks I have consulted with my colleagues as to whether the Kilgore substitute represents the best alternative insofar as justice for the expellees is concerned. Will the Kilgore substitute, I ask, end the miserable treatment which has been given to the expellees? Will it help remedy the deplorable delays in admitting worthy expellees to our country?

I consulted with the leading Protestant and Catholic groups and with other organizations. There is indeed some difference of opinion on this issue, but the National Lutheran Council has assured me, the National Catholic Resettlement Council has assured me, the National Catholic Rural Life Conference has assured me, that the Kilgore substitute provides the best means for treatment of the expellee program.

Under this substitute there will be called an international conference to deal with the expellee problem on a broad basis. Under this substitute, and under this substitute alone, transportation expenses will be paid for the expellees. Under this substitute we will be able to liquidate the original displaced-persons problem once and for all, so that we can then turn to comprehensive treatment of the expellees.

Under the alternatives that were recommended, however, we would not be able to liquidate the displaced-persons problem. Instead, the displaced persons and the expellees would both be stalemated and there would be complete administrative chaos.

I appreciate the deep convictions of those groups which have supported the version recommended by the distinguished chairman of the Senate Judiciary Committee, Mr. MCCARRAN. I appreciate the tremendous amount of work which the chairman has done here and abroad in trying to prepare an equitable solution to this problem. I know that he has contributed to this work great energy, enterprise, and labor, but I must respectfully differ with him on this matter because I believe that unless we enact the Kilgore substitute we will have harmed both the displaced persons as well as the expellees. Provision is made in the substitute for administration of the expellees.

It is essential that we not give false hopes to the expellees. It is essential that we report to them realistically that only limited numbers can come in under the Kilgore substitute, or, for that matter, under any other version. I have written to the many Wisconsinites of German ancestry along this realistic line, and they have applauded this accurate report. They have written to me many gratifying messages on their awareness of my efforts for the expellees, and I am humbly grateful.

Surely we cannot reject the judgment of such worthy organizations as the National Catholic Resettlement Council and the National Lutheran Council which have been dealing with this problem at first-hand. I ask unanimous consent that telegrams from Msgr. Edward A. Swanstrom and Father William Gibbons, S. J., be printed at this point in the CONGRESSIONAL RECORD. These telegrams were received within the last few hours, and I ask that they be followed by the text of the message which I have received from the National Lutheran Council.

Following that I ask that there be printed the text of a message from the director of public relations of the Missouri Synod of the Lutheran Church, Mr. Oswald C. J. Hoffmann. I invite attention to the fact that Mr. Hoffmann has pointed up the need for preventing the complication of administrative machinery processing the displaced persons and the expellees. In other words, we must not, we dare not, allow a monkey wrench to be thrown inadvertently and unintentionally into the machinery for processing the displaced persons and expellees.

The Kilgore substitute prevents the monkey wrench from being thrown.

The problem of the expellee has only begun to be met. In the time to come, I will comment further to the Senate on ways and means of fulfilling our obligations as a Christian people to the expellees.

I congratulate all those who have labored so hard in the expellees' behalf, even though there is not unanimity of opinion as to Congress' decision today.

NEW YORK, N. Y., *April 5, 1950.*
Senator ALEXANDER WILEY,
Senate Office Building:

The National Lutheran Council strongly urges passage of displaced-persons legislation containing provisions such as proposed in the Kilgore amendment, which give ample implementation for completion of DP immigration now in process. The inclusion of German expellees on a basis similar to that proposed in the House bill and endorsed in the Kilgore amendment would be more practical and less obstructive than other pending proposals. Completion of an adequate solution of expellee problem requires subsequent cooperative action on an international level, rather than piecemeal treatment in connection with pending legislation.

PAUL C. EMPIE,
Executive Director.

NEW YORK, N. Y., *April 4, 1950.*
Senator ALEXANDER WILEY,
United States Senate:

Urge your continued support of bipartisan substitute bill as the measure which most closely reaches our objectives regarding both DP's and expellees.

Rt. Rev. Msgr. EDWARD E. SWANSTROM,
Executive Director, War Relief Services, NCWC.

NEW YORK, N. Y., *April 4, 1950.*
Senator ALEXANDER WILEY:

National Catholic Rural Life Conference continues support of substitute bill. We are firmly convinced that a greater number of expellees can benefit under this bill without regrettable competition with remaining IRO DP.

WILLIAM GIBBONS, S. J.,
Secretary, National Catholic Rural Life Conference.

NEW YORK, N. Y., *March 31, 1950.*
Senator ALEXANDER WILEY,
The Senate, Washington, D. C.:

Believe statesmanlike solution of displaced persons question can be found in the following suggestions:

1. Retain MCCARRAN definition eliminating all religious and racial discrimination in broad definition of displaced persons.

2. Provide that operation of program applying to IRO displaced persons and persons included under section 12 be made mutually exclusive in order that agencies sponsoring displaced persons may not have their present programs disrupted.

3. Raise total of persons to be admitted under section 12 from 54,000 to 100,000 adding 2 years to mortgaging of German quotas is necessary.

This proposal should satisfy everyone with genuine interest in helping people in distress. It also will eliminate any suggestion of discrimination against any minority. Furthermore, a properly worded amendment embodying these suggestions will be workable from every point of view provided that the administrating authority is willing to carry out the intent of Congress.

OSWALD C. J. HOFFMANN,
Director of Public Relations, the Lutheran Church, Missouri Synod.

NEW YORK, N. Y., *April 5, 1950.*
Hon. ALEXANDER WILEY,
Senate Office Building:

Federal Council of Churches deeply concerned both for liberalized legislation to complete resettlement displaced persons and vigorous international action to deal with plight of German expellees. The pressing needs of the latter, however, will not be well served by any measure which complicates or obstructs the resettlement of displaced persons as defined by IRO and retained in Kilgore amendment such obstruction would injure both groups.

WALTER W. VAN KIRK,
Secretary.

Mr. FERGUSON. Mr. President, I desire to leave only one more remark with the Senate, namely, that 54,000 of the expellees are covered in the twelfth section of the bill, and also covered in the substitute.

Mr. SALTONSTALL. Mr. President, I merely desire to add my word to those of the Senator from——

Mr. McCARRAN. Mr. President, I understood the Chair to rule that time could not be divided.

The VICE PRESIDENT. If any Senator who has 5 minutes has concluded without consuming it all, another Senator may be recognized for the remainder of the 5 minutes.

Mr. SALTONSTALL. Mr. President, I hope the pending amendment will be defeated, that the vote will be "no," for the reason that the committee amendment not only changes the date, a matter which we have discussed, but completely redefines a displaced person by including 8,000,000 expellees or refugees of German ethnic origin.

This latter group is now the subect of a special provision in section 12 of the Displaced Persons Act.

In substance, Mr. President, the issue is simply this, shall we continue the present definition of a displaced person in order to make it possible to terminate the IRO by March 31, 1951, as we have definitely stated to other nations we intend to do, or shall we, by redefining a displaced person, include in that definition some 8,000,000 more people, and thus make it impossible to end the IRO by March 31 next year? If the IRO ends, and the displaced persons have not been settled in the American zones, they will become dependent upon us as taxpayers, and we will not have accomplished what we are trying to do.

I will add one more word, Mr. President. Section 12, as the Senator from Michigan [Mr. FERGUSON] has said, covers 54,744 persons of German ethnic origin. I hope the amendment sponsored by the Senator from Nevada will be defeated.

The VICE PRESIDENT. The question is on agreeing to the third committee amendment, as amended, beginning on page 1, line 6, and ending on page 5, line 12.

Mr. McCARRAN, Mr. KILGORE, and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 37, nays 48, as follows:

YEAS—37

Bricker	George	Malone
Butler	Hoey	Maybank
Byrd	Holland	Mundt
Cain	Jenner	Robertson
Chapman	Johnson, Colo.	Russell
Connally	Johnston, S. C.	Schoeppel
Cordon	Kem	Stennis
Darby	Langer	Watkins
Donnell	McCarran	Wherry
Dworshak	McCarthy	Williams
Eastland	McClellan	Withers
Ecton	McFarland	
Ellender	McKellar	

NAYS—48

Aiken	Hickenlooper	Murray
Anderson	Hill	Myers
Benton	Humphrey	Neely
Brewster	Hunt	O'Conor
Bridges	Ives	O'Mahoney
Capehart	Kefauver	Saltonstall
Chavez	Kilgore	Smith, Maine
Douglas	Knowland	Smith, N. J.
Ferguson	Lehman	Sparkman
Flanders	Lodge	Taft
Gillette	Long	Taylor
Graham	Lucas	Thomas, Utah
Green	McMahon	Thye
Gurney	Magnuson	Tobey
Hayden	Millikin	Tydings
Hendrickson	Morse	Wiley

NOT VOTING—11

Downey	Kerr	Thomas, Okla.
Frear	Leahy	Vandenberg
Fulbright	Martin	Young
Johnson, Tex.	Pepper	

So the amendment, as amended, was rejected.

The VICE PRESIDENT. The Secretary will state the next committee amendment, amendment No. 4.

The LEGISLATIVE CLERK. On page 5, after line 12, it is proposed to strike out all of section 2, as follows:

SEC. 2. Subsection (d) of section 2 of the Displaced Persons Act of 1948 is amended to read:

"(d) 'Eligible displaced person' shall also mean a person displaced from the country of his birth, or nationality, or of his last residence since January 1, 1946, who fled into Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria, and cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions, and (1) whose admission into the United States for permanent residence is recommended by or on behalf of the Secretary of State and the Secretary of Defense, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person, shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons: *Provided,* That a number of immigration visas not to exceed 15,000 may be issued within the total numerical limitations provided by section 3 of this act, as amended, to eligible displaced persons as defined in this subsection."

Mr. McCARRAN. Mr. President, this committee amendment would strike out section 2 of the House bill. This is the language which will be found beginning on page 5, in line 13, and continuing on page 6, to the end of line 21. This language of the House bill would rewrite subsection (d) of section 2 of the Displaced Persons Act. This section as it now stands contains only provisions for the admission of certain Czechoslovakians. The effect of the House language is to write into this section a provision making eligible for admission to the United States up to 15,000 persons, now behind the iron curtain, who may prospectively become displaced persons. Under the House language, which this committee amendment would strike out, persons from behind the iron curtain could come into one of the occupied zones of Germany or Austria, and immediately qualify as displaced persons. Since it may be argued that this interpretation of the House language is incorrect, let me point out that there can be no reasonable question about it. That is how the language is interpreted by Representative CELLER, who sponsored the House bill. He made that clear in his testimony before the Senate committee, which Senators will find at page 263 of the printed record. What is more, Mr. Carusi, head of the Displaced Persons Commission, gave this language the same interpretation during his testimony before the committee, at page 53 of the record.

The committee received information from the security agencies of the United States that such a provision would constitute a serious security risk; and testimony to the same effect was also presented before the committee.

The iron-curtain countries are not letting anyone out, if they can help it, except persons they feel sure they can control. If we should bring in 15,000 persons from behind the iron curtain, it is a virtual certainty that an extremely high percentage of them would be Communist agents or potential Communist agents. Under the circumstances, it would be reckless folly to approve this provision, and I ask that the Senate strike it out of the bill by adopting the committee amendment now pending.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. KILGORE. In order to save time, I say to the Senator from Nevada that we are in agreement that this is a good amendment, and there will be no controversy about it on our side.

Mr. LUCAS. Mr. President, do I correctly understand that the Senator from West Virginia agrees to the amendment?

Mr. KILGORE. Yes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment beginning on page 5, in line 13, and ending on page 6, in line 21.

The amendment was agreed to.

The VICE PRESIDENT. The Secretary will state amendment number five.

The LEGISLATIVE CLERK. On page 6, in line 22, it is proposed to strike out "3" and insert "2."

Mr. McCARRAN. Mr. President, is there any controversy regarding this amendment?

The VICE PRESIDENT. The amendment simply changes the section number, as required by another amendment.

Mr. KILGORE. Mr. President, if the Senator from Nevada will yield, I should like to say that I do not think we have any objection at all. The amendment simply goes to question of aid to displaced orphans, as I understand. Am I correct as to that?

The VICE PRESIDENT. The amendment simply changes the number of the section.

Mr. KILGORE. I understand; but amendments 5, 6, 7, 8, 9, and 10 go to the question of aid to orphans only, as I understand. Is that correct?

Mr. McCARRAN. That is correct.

Mr. KILGORE. I see no reason, on our part, why those amendments cannot be agreed to without a yea-and-nay vote.

Therefore, we accept amendments 5, 6, 7, 8, 9, and 10.

Mr. WHERRY. Mr. President, I should like to ask the Senator from West Virginia a question. When he says "we," whom does he mean?

Mr. KILGORE. I mean those who have been opposing.

Mr. WHERRY. Does the Senator mean those who have been opposing the committee amendments?

Mr. KILGORE. Yes.

Mr. President, after conference with my colleagues, I accept those amendments.

The VICE PRESIDENT. Is there objection to voting on the amendments en bloc?

Mr. KILGORE. Mr. President, I ask unanimous consent that we may vote on those amendments en bloc.

Mr. WHERRY. Let me inquire to which amendments the Senator refers.

Mr. KILGORE. I refer to committee amendments 5, 6, 7, 8, 9, and 10; and I ask that they be read.

Mr. McCARRAN. Mr. President, I ask unanimous consent that those amendments may be considered and agreed to en bloc.

The VICE PRESIDENT. The request first made was that the amendments be considered en bloc. The Senate will have to vote upon them.

The Secretary will read the amendments referred to.

The LEGISLATIVE CLERK. On page 6, line 22, it is proposed to change the section number from "3" to "2"; in the same line, after the word "Subsection", to strike out "(c)" and insert "(d)"; in line 23, after the word "is", to insert "hereby repealed and subsection (e) of such section is renumbered (d) and"; on page 7, line 1, to change the subsection letter from "(c)" to "(d)"; in line 2, after the word "who", to strike out "was 19 years of age or under on June 25, 1948," and insert "on June 25, 1948, was under the age of 16 years"; and on line 13, after "(4)", to strike out "who on or before the effective date of this act, as amended, was in Italy or in the American sector or the British sector or the French sector of either Berlin or Vienna or the American zone or the British zone or the French zone of either Germany or Austria, and (5)."

The VICE PRESIDENT. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the amendments en bloc.

The amendments were agreed to.

The VICE PRESIDENT. The Secretary will state the next committee amendment.

The LEGISLATIVE CLERK. On page 7, after line 20, it is proposed to insert:

SEC. 3. Section 2 of the Displaced Persons Act of 1948 (Public Law 774, 80th Cong.) is amended by adding a new subsection (e), as follows:

"(e) 'Child' shall include a natural child, a stepchild and a child who prior to January 1, 1950, was legally adopted pursuant to proceedings instituted in a court of competent jurisdiction."

Mr. McCARRAN. Mr. President, is there a controversy as to this amendment?

Mr. KILGORE. Mr. President, I have no objection to it.

The VICE PRESIDENT. The question is on agreeing to the committee amendment beginning on page 7, in line 21.

The amendment was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The LEGISLATIVE CLERK. On page 8, in line 5, it is proposed to strike out——

Mr. TAFT. Mr. President, what amendment is this?

The VICE PRESIDENT. It is amendment No. 12.

The LEGISLATIVE CLERK. On page 8, after line 4, it is proposed to strike out:

SEC. 3. (a) During the three fiscal years beginning July 1, 1948, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2) and (3) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 339,000 such visas shall be issued under this act, as amended, including visas heretofore issued under the Displaced Persons Act of 1948; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

(b) (1) A number of special nonquota immigration visas not to exceed 5,000 may be issued within the total numerical limitations provided by subsection (a) of this section to eligible displaced persons.

(2) A number of immigration visas not to exceed 4,000 may be issued within the total numerical limitations provided by subsection (a) of this section to displaced persons or refugees as defined in annex I (except par. 1 (b) of sec. A of pt. I thereof) of the constitution of the International Refugee Organization who (1) resided in Shanghai, China, as displaced persons, or refugees, on July 1, 1948, or on the effective date of this act, as amended, and (2) are qualified under the immigration laws of the United States for admission into the United States for permanent residence.

(3) A number of immigration visas not to exceed 18,000 may be issued within the total numerical limitations provided by subsection (a) of this section to persons who (1) during World War II were members of the armed forces of the Republic of Poland, (2) were honorably discharged from such forces, (3) reside in the British Isles upon the effective date of this act, as amended, and (4) have registered for an immigration visa with a United States consular officer in Great Britain prior to the effective date of this act, as amended: *Provided*, That they meet all requirements of the immigration laws of the United States for admission into the United States for permanent residence. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons defined in subdivisions (2) and (3) of this subsection, shall, if otherwise qualified for admission into the United States for permanent residence, also be granted immigration visas within the numerical limitations set forth in this subsection.

And in lieu thereof, to insert the following:

SEC. 3. (a) During the three fiscal years beginning July 1, 1948, a number of immigration visas not to exceed 320,000 may be issued without regard to quota limitations for those years to eligible displaced persons as quota immigrants, as provided in subsection (b) of this section: *Provided*, That (1) not more than 290,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (1) of section 2 of this act, and (2) not more than 2,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (2) of section 2 of this act, and (3) not more than 10,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (3) of section 2 of this act, and (4) not more than 18,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (4) of section 2 of this act: *Provided further*, That not less than 40 per centum of the visas issued to eligible displaced persons who are displaced persons as defined in subsection (b) (1) of section 2 of this act shall be available exclusively to eligible displaced persons whose place of origin or country of nationality has been de facto annexed by a foreign power.

Mr. KILGORE. Mr. President, on this question I ask for the yeas and nays.

The VICE PRESIDENT. Is there discussion of the amendment?

Mr. LUCAS. Mr. President, may we have an explanation of the amendment?

Mr. McCARRAN. Mr. President, I now move that the Senate proceed to consider, in lieu of the changes proposed by the committee in that section of the calendar print of the bill, beginning on page 8, in line 5, and continuing to page 14, at the end of line 3, the amendment contained in the committee print, a copy which is on the desk of each Senator, and which I now send forward. I shall decline to yield for a point of order or any other proposal until I have explained the motion.

The VICE PRESIDENT. If the Senator will send forward the amendment, the Secretary will state it.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. HUMPHREY. To propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HUMPHREY. I ask whether what is being considered now includes line 22 on page 12.

Mr. McCARRAN. Mr. President, I have asked that the amendment I have sent forward be stated. When it is stated, the Senator will know exactly what it means.

The VICE PRESIDENT. The Secretary will state the amendment.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Do I correctly understand that now we are departing from the committee amendments, as they appear in the printed copy of the bill, and are getting ready to consider a different amendment to the bill?

Mr. McCARRAN. Mr. President, I am offering the amendment which now is at the desk.

The VICE PRESIDENT. The amendment submitted by the Senator from Nevada, which he has sent to the desk, includes many matters other than those included in the committee amendment to which it is offered as an amendment.

The Secretary will state the amendment submitted by the Senator from Nevada, for the information of the Senate.

The LEGISLATIVE CLERK. Beginning in line 3, on page 8, it is proposed to strike out:

SEC. 4. Section 3 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 3. (a) During the three fiscal years beginning July 1, 1948, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2) and (3) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 339,000 such visas shall be issued under this act, as amended, including visas heretofore issued under the Displaced Persons Act of 1948; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

"(b) (1) A number of special nonquota immigration visas not to exceed 5,000 may be issued within the total numerical limitations provided by subsection (a) of this section to eligible displaced orphans.

"(2) A number of immigration visas not to exceed 4,000 may be issued within the total numerical limitations provided by subsection (a) of this section to displaced persons or refugees as defined in annex I (except paragraph 1 (b) of section A of part I thereof) of the constitution of the International Refugee Organization who (1) resided in Shanghai, China, as displaced persons, or refugees, on July 1, 1948, or on the effective date of this act, as amended, and (2) are qualified under the immigration laws of the United States for admission into the United States for permanent residence.

"(3) A number of immigration visas not to exceed 18,000 may be issued within the total numerical limitations provided by subsection (a) of this section to persons who (1) during World War II were members of the armed forces of the Republic of Poland, (2) were honorably discharged from such forces, (3) reside in the British Isles upon the effective date of this act, as amended, and (4) have registered for an immigration visa with a United States consular officer in Great Britain prior to the effective date of this act, as amended: *Provided*, That they meet all requirements of the immigration laws of the United States for admission into the United States for permanent residence. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons defined in subdivisions (2) and (3) of this subsection, shall, if otherwise qualified for admission into the United States for permanent residence, also be granted immigration visas within the numerical limitations set forth in this subsection.

"(c) Upon the issuance of an immigration visa to any alien as provided for in this act, as amended, except to eligible displaced orphans, and except to aliens defined in section 12 of this act, as amended, the consular officer shall use a quota number from the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (8 U. S. C. 212), for the fiscal year then current at the time or, if no such quota number is available for said fiscal year, in that event for the first succeeding fiscal year in which a quota number is available: *Provided*, That not more than 25 percent of any quota shall be so used in any fiscal year beginning July 1, 1949, and ending June 30, 1954; and that not more than 50 percent of any quota shall be so used in any fiscal year beginning July 1, 1954: *Provided further*, That during the fiscal years beginning July 1, 1949, and ending June 30, 1954, 50 percent of the nonpreference portion of the immigration quotas as defined in section 6 of the act of May 26, 1924, as amended. (8 U. S. C. 206), shall be available to applicants for immigration visas who (1) on or after September 1, 1939, and before January 1, 1949, entered an area or country outside Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria; (2) establish that they are persons predominantly of European national origin displaced from the country of their birth, or nationality, or of their last residence, as a result of events subsequent to the outbreak of World War II; (3) that they cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions; and (4) that they have not been firmly resettled in any other country. The spouse and the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons who establish their eligibility for immigration into the United States under this proviso, shall also be granted such eligibility if otherwise qualified for admission into the United States for permanent residence.

"(d) The selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin of such eligible displaced persons, and the Commission shall insure that equitable opportunity for resettlement under the terms of this act, as amended, shall be afforded to eligible displaced persons of all races, religions, and national origins. The extent to which the Commission has accomplished the foregoing objective shall be specifically indicated in the semiannual reports of the Commission filed pursuant to section 8 of this act."

And to insert:

SEC. 4. Section 3 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 3. (a) During the three fiscal years beginning July 1, 1948, a number of immigration visas not to exceed 320,000 may be issued without regard to quota limitations for those years to eligible displaced persons as quota immigrants, as provided in subsection (b) of this section: *Provided*, That (1) not more than 290,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (1) of section 2 of this act, and (2) not more than 2,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (2) of section 2 of this act, and (3) not more than 10,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (3) of section 2 of this act, and (4) not more than 18,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (4) of section 2 of this act: *Provided further*, That not less than 40 percent of the visas issued to eligible displaced persons who are displaced persons as defined in subsection (b) (1) of section 2 of this act shall be available exclusively to eligible displaced persons whose place of origin or country of nationality has been de facto annexed by a foreign power.

"(b) Upon the issuance of an immigration visa to any alien as provided for in this act, as amended, except to eligible displaced orphans, and except to aliens defined in section 12 of this act, as amended, the consular officer shall use a quota number from the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (8 U. S. C., title 8, sec. 212), for the fiscal year then current at the time or, if no such quota number is available for said fiscal year, in that event for the first succeeding fiscal year in which a quota number is available: *Provided*, That not more than 50 percent of any quota shall be so used in any fiscal year: *Provided further*, That eligible displaced orphans may be issued special nonquota immigration visas, except that the number of such special nonquota immigration visas shall not exceed 5,000.

"(c) Any alien (1) who prior to June 30, 1950, is a resident of Germany, Austria, or Italy, and (2) who prior to June 30, 1951, is legally adopted, pursuant to proceedings instituted in a court of competent jurisdiction, by a citizen of the United States who is at the time of the adoption a member of the armed forces of the United States stationed in Germany, Austria, or Italy, or by a citizen of the United States who is at the time of the adoption in the employ of the United States Government stationed in Germany, Austria, or Italy, and (3) who is at the time of the adoption under the age of 16 years, shall, upon registration of such alien at an American consulate in Germany, Austria, or Italy, be deemed to be the natural-born alien child of the adoptive parent: *Provided*, That not more than two persons shall be so deemed to be the natural-born alien children of the same adoptive parent, or of the same adoptive parent and the spouse of the adoptive parent, and that the total number of persons who shall be so deemed to be the natural-born alien children of an adoptive parent shall not exceed 5,000.

"(d) The selection of eligible displaced persons shall be made without discrimination or favoritism on account of religion; and the Commission shall insure that equitable opportunity for resettlement under the terms of this act, as amended, shall be afforded to eligible displaced persons without discrimination or favoritism on account of religion. The extent to which the Commission has accomplished the foregoing objective shall be specifically indicated in the semiannual reports of the Commission filed pursuant to section 8 of this act."

Mr. LUCAS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Illinois?

Mr. McCARRAN. I yield.

Mr. LUCAS. Mr. President, I should like to raise a point of order against the amendment. As I understand, we are considering the committee amendments, and, if I follow the bill correctly, there are some 6 or 8 amendments in section 4, which the Senator from Nevada seeks to strike out, and for which he seeks to insert a complete substitute.

Mr. McCARRAN. If the Senator will hear me through, I think it will be explained to the Senator.

Mr. LUCAS. I am sure the Senator from Nevada can explain it. The only thing I am questioning is whether it is possible to legislate in this manner.

Mr. McCARRAN. I am going to ask unanimous consent so to legislate, and I think if the Senator will let me explain it, he will have no objection.

Mr. LUCAS. I will let the Senator explain it, but it seems to me the proposal is to add five or six different sections or paragraphs or versions which are not in the present committee amendments. I merely say I do not quite understand it.

Mr. McCARRAN. Mr. President, we are now on section 4 of the bill, beginning with line 3 on page 8. This is the section which proposes to amend section 3 of the Displaced Persons Act.

Technically speaking, there are a number of separate amendments between this point—that is, page 8, line 3—and the beginning of section 5 of the bill, on page 14, beginning with line 4. However, all of the matter on these six pages constitutes the rewriting of a single section of the present law. The committee has set forth its amendments as Senators will find them printed in the calendar print of the bill, in order to show precisely what changes are involved. But the Parliamentarian of the Senate has expressed the opinion that consideration of each separate amendment involved in the proposed rewriting of section 3 of the present law would create a difficult situation when it came to numbering the Senate amendments for the House, and that it would be preferable to consider at one time all of the proposed committee changes in the language of section 3 of the Displaced Persons Act. The Parliamentarian has also pointed out that Senators who may wish to offer amendments to the committee proposals with regard to this section will be in a better position to do so if they have before them a clean print of all the language proposed to be stricken from the House bill and all the language proposed to be inserted by the committee. Accordingly, and at the Parliamentarian's suggestion, I have had prepared a committee print in this form, that is, showing in line type the language of the House bill, and in italics the committee language. This committee print is on the desks of all Senators, and I propose to ask unanimous consent that the changes proposed by the committee be now considered in this form, rather than in the form in which they appear in the calendar print of the bill. I recognize that this can be done only by unanimous consent, but I have entered a motion to this purpose so that I might have time to explain the situation.

Before I make the unanimous-consent request, let me assure all Senators that this is a shift in form only; the changes involved are precisely the same, and the language is precisely the same, in both the committee print, which I shall ask that the Senate consider, and in the calendar print of the bill.

Furthermore, let me say I have been advised by the Parliamentarian of the Senate that consideration of the proposed changes in this committee print form will not deprive any Senator of any rights with regard to the submission of amendments. I might say that it seems obvious that if we pursue this course we shall actually make the offering and consideration of amendments easier.

Accordingly, Mr. President, I now withdraw my motion, and ask unanimous consent that the Senate proceed to consider, in lieu of the changes proposed by the committee in that section of the calendar print of the bill beginning on page 8, line 5, and continuing to page 14, at the end of line 3, the amendment contained in the committee print, a copy of which is on the desk of each Senator, and which I have sent to the desk, and which the clerk has already read.

The VICE PRESIDENT. Is there objection?

Mr. KILGORE. Mr. President, reserving the right to object, does the Senator then state that this is a composite amendment consisting of amendments 12, 13, 14, 15, 16, 17, 18, and 19? And is it in the exact wording of those committee amendments?

Mr. McCARRAN. Yes.

Mr. KILGORE. It is rather strange that the Senator objected to having amendments 1, 2, and 3 considered en bloc, though he now tries to combine them all into one amendment.

Mr. McCARRAN. I do not think I am divulging any confidence. I took the guidance of those who have the parliamentary situation in hand, and certainly the Parliamentarian of the Senate recommended this form.

Mr. KILGORE. Still reserving the right to object, my objection to it is based upon the fact that to handle it in this manner tends to confuse anyone who has not had an opportunity to study this composition in its various parts. I may say, for instance, it includes the question of the 40 percent of the annexed de facto countries, which has occasioned great controversy on the floor of the Senate. It excludes the Shanghai group, which, but a short time ago, by adoption of the amendment offered by the Senator from California [Mr. KNOWLAND], the Senate included. It excludes displaced persons who were stranded elsewhere than in Germany, Austria, and Italy, and is a restriction on the adoptive parents of civilian employees overseas. It also has the antidiscrimination provision, which I think calls attention to a discrimination. I think I shall object, because I believe it would be more orderly to go through the amendments one at a time.

The VICE PRESIDENT. Objection is heard. The Secretary will state the next amendment, which is numbered 12.

The CHIEF CLERK. On page 8, after line 4, it is proposed to strike out all down to and including line 6, on page 10, as follows:

SEC. 3. (a) During the three fiscal years beginning July 1, 1948, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2) and (3) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided,* That not more than 339,000 such visas shall be issued under this act, as amended, including visas heretofore issued under the Displaced Persons Act of 1948; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

(b) (1) A number of special nonquota immigration visas not to exceed 5,000 may be issued within the total numerical limitations provided by subsection (a) of this section to eligible displaced orphans.

(2) A number of immigration visas not to exceed 4,000 may be issued within the total numerical limitations provided by subsection (a) of this section to displaced persons or refugees as defined in annex I (except par. 1 (b) of sec. A of pt. I thereof) of the constitution of the International Refugee Organization who (1) resided in Shanghai, China, as displaced persons, or refugees, on July 1, 1948, or on the effective date of this act, as amended, and (2) are qualified under the immigration laws of the United States for admission into the United States for permanent residence.

(3) A number of immigration visas not to exceed 18,000 may be issued within the total numerical limitations provided by subsection (a) of this section to persons who (1) during World War II were members of the armed forces of the Republic of Poland, (2) were honorably discharged from such forces, (3) reside in the British Isles upon the effective date of this act, as amended, and (4) have registered for an immigration visa with a United States consular officer in Great Britain prior to the effective date of this act, as amended: *Provided,* That they meet all requirements of the immigration laws of the United States for admission into the United States for permanent residence. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons defined in subdivisions (2) and (3) of this subsection, shall, if otherwise qualified for admission into the United States for permanent residence, also be granted immigration visas within the numerical limitations set forth in this subsection.

And to insert in lieu thereof the following:

SEC. 3. (a) During the three fiscal years beginning July 1, 1948, a number of immigration visas not to exceed 320,000 may be issued without regard to quota limitations for those years to eligible displaced persons as quota immigrants, as provided in subsection (b) of this section: *Provided,* That (1) not more than 290,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (1) of section 2 of this act, and (2) not more than 2,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (2) of section 2 of this act, and (3) not more than 10,000 visas shall be issued to eligible displaced persons who are displaced persons as defined in subsection (b) (3) of section 2 of this act, and (4) not more than 18,000 visas shall be issued to eligible displaced persons

who are displaced persons as defined in subsection (b) (4) of section 2 of this act: *Provided further,* That not less than 40 percent of the visas issued to eligible displaced persons who are displaced persons as defined in subsection (b) (1) of section 2 of this act shall be available exclusively to eligible displaced persons whose place of origin or country of nationality has been de facto annexed by a foreign power.

The VICE PRESIDENT. The question is on the committee amendment.

Mr. KILGORE. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. McCARRAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada wish to discuss it?

Mr. McCARRAN. Since the unanimous-consent request has been refused, I shall have to proceed with the committee amendments, one by one. The amendment now in order begins on page 8, in line 5, and continues to the end of line 4 on page 11. The amendment involves the section which provides how many displaced persons, and in what categories, may enter the United States. The House bill provides for 339,000 who would come in under quota, plus 5,000 displaced orphans, who would come in nonquota, or a total of 344,000. The committee amendment provides for 320,000 who would come in under quota, plus 5,000 orphans provided for in the House bill, who would come in nonquota, plus an additional 5,000 orphans adopted by United States citizens serving in Germany, Austria, or Italy with the armed forces, or in the civilian employ of the United States Government, making a grand total of 330,000. The largest category of eligibles in both the House bill and the committee amendment is the general category of displaced persons in Germany, Austria, and Italy. The number of such persons authorized to be admitted under the present law is 200,000. The House bill authorizes 297,000; the committee amendment, 295,000.

However, there is one major difference between the House bill and the committee amendment with respect to this category of displaced persons. Under the House bill, as under the present law, all persons of German ethnic origin are excluded from eligibility, regardless of their other qualifications. The committee amendment does not exclude such persons merely because they are of German ethnic origin, if they are otherwise eligible. The House bill contains a provision, to which I have previously referred, for the inclusion of 15,000 persons who might still be in the iron curtain countries and might come into the occupied zones of Germany and Austria. The committee amendment eliminates all provisions for any such prospective entries. Both the House bill and the committee amendment provide for 18,000 Poles who fought on our side and who are now in England. The House bill provides for 4,000 displaced persons who have previously been in Shanghai, many of whom have been resettled in other countries. The committee amendment would eliminate provision for those persons. That is the group referred to by the Senator from California [Mr. KNOWLAND].

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Virginia.

Mr. ROBERTSON. If I understand correctly, the House bill provides for 344,000 persons, and the pending amendment provides for 330,000 persons. For how many persons does the Kilgore substitute provide?

Mr. McCARRAN. For 339,000 persons.

Mr. DOUGLAS. Mr. President, will the Senator yield for an inquiry?

Mr. McCARRAN. I yield.

Mr. DOUGLAS. Do I correctly understand that the chief differences between the committee amendment and the Kilgore substitute are, first, the reduction in the number from 339,00 to 330,000 and, second, the inclusion of the so-called Baltic provision that 40 percent of the total——

Mr. McCARRAN. No; that is taken care of in another amendment.

Mr. DOUGLAS. It is not included in the amendment?

Mr. McCARRAN. No. The House would eliminate the provision in the present law permitting the entry of up to 2,000 refugees from Czechoslovakia. The committee amendment would restore provision for those 2,000 refugees. The committee amendment also contains a provision for 10,000 displaced Greeks now located in Greece. The House bill has no similar provision. The committee amendment restores the proviso contained in the present law, which is not found in the House bill, requring that 40 percent of the visas be issued to eligible displaced persons in the general category, namely, displaced persons in Germany, Austria, and Italy, whose place of origin or country of nationality has been de facto annexed by a foreign power. The committee retains this priority, because the displaced persons from those areas, namely, countries which have been taken over by Russia and her satellites, are the displaced persons for whom there is the least likelihood of repatriation.

The PRESIDING OFFICER (Mr. HOEY in the chair). The time of the Senator from Nevada has expired.

Mr. O'CONOR. Mr. President, I should like to ask the Senator from Nevada a question. Is the 40-percent provision in the Senator's amendment?

Mr. McCARRAN. Yes.

Mr. FERGUSON. Mr. President, previously I analyzed the numerical aspects of this section, and I shall try to repeat that briefly at this time.

This amendment proposes to change the number of persons provided for in the House bill. These amendments are to the House bill and not to the substitute bill. That should be kept in mind as the amendments are analyzed. I think we should make it clear that even though the amendment is voted for in connection with the House bill, those of us who are sponsoring and advocating the substitute bill are insisting upon the substitute bill, and even though we accept amendments to the House bill, we shall at a later time insist upon having a vote on the substitute bill and shall ask the Senate at that time to take the whole substitute bill, because there is provided in it what we believe is the correct means of solving the problem.

Mr. President, this amendment would change the House figures of 339,000 displaced persons to 330,000. It would leave the number of displaced orphans under IRO the same, at 5,000. It would include 5,000 adopted children, who are not provided for in the House bill. It would include 2,000 refugee Czechs who are not included in the House bill. It would include 18,000 Poles, just as they are in the House bill. It would include 10,000 displaced Greeks, who are not included in the House bill.

The amendment of the Senator from California [Mr. KNOWLAND] would have taken care of 4,000 displaced persons from China, who I understand are now in the Philippines. The Senator's amendment, however, applied to a section which has been stricken out, so that it will have to be offered again at some other time. Under the pending amendment, we would eliminate 4,000 displaced persons in China. The committee amendment would also provide—and this is very important, and I read from the bottom of page 10:

Provided further, That not less than 40 percent of the visas issued to displaced persons who are displaced persons as defined in subsection (b) (1) of section 2 of this act shall be available exclusively to eligible displaced persons whose place of origin or country of nationality has been de facto annexed by a foreign power.

That is the familiar Baltic States preference. It would compel the administrators of the act to select 40 percent of people from the Baltic States. An analysis of the testimony before the committee discloses that it is an impossibility to satisfy this 40-percent requirement and still meet the authorized goals for over-all admissions. There simply is not a sufficient number of persons in that category to assure a balance without cutting down the total number to be admitted. Therefore we should not adopt this amendment——

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TOBEY. Then the Senator is of the opinion that the amendment should be rejected. Is that correct?

Mr. FERGUSON. That is correct.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McCARRAN. The Senator inadvertently, I think, made a statement which I think should be corrected. He stated that the authorites having to do with the administration of the act would have to select 40 percent of the persons from Baltic States. I am sure the Senator did not intend to say that. I think he intended to say that 40 percent of those selected might come from Baltic States.

Mr. FERGUSON. I thank the Senator for correcting me, because I want to make it clear that 40 percent of those selected would have to be from the Baltic States.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. KNOWLAND. Mr. President, I want to offer again my amendment F and invite the attention of the Senate to the fact that it is the same amendment I heretofore offered, except that it applied to page 4, line 24. I would at the proper place add this language which I should like to call to the attention of the Senator from Nevada, because I think it meets the point which he raised. I would add the following language: "and now reside in the camp at Samar, Philippine Islands."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California.

Mr. McCARRAN. Mr. President, may I inquire of the Senator from California what is his best information as to the number of persons included in that camp? My information is that it is less than 5,000 persons.

Mr. KNOWLAND. That is correct. My information is that it is somewhere between 3,200 and 4,000 persons. In this same amendment I make it clear that where the over-all figures of 320,000 are mentioned we should make the figures 324,000, so that in no event would the number exceed 4,000. I think it is clearly limited to those persons who have not yet been able to get out of the temporary camp at Samar.

Mr. McCARRAN. The only difficulty is—I do not know whether I am in order, Mr. President. I have exceeded my time, but I desire to invite the attention of the Senator from California to the fact that as I read his amendment—I have not seen the revised copy—it included persons who have left Shanghai and gone to northern Africa, South America, or elsewhere. Many of them are in Canada. Under the Senator's first amendment, they could come in.

Mr. KNOWLAND. I will say to the Senator from Nevada, if he will yield, that I think the legislative history makes it very clear that it is not the intent of the amendment that they should come in. I think the additional words should be added—

and now reside in the camp in Samar, P. I.

That definitely pin points it so that there can be no dispute at all in the mind of any Senator.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. What time is left on each side?

The PRESIDING OFFICER. All time for debate has expired.

Mr. WHERRY. I ask for the regular order.

Mr. KNOWLAND. I submit an amendment to the committee amendment.

The Chief Clerk read as follows:

On page 10, lines 8 and 9, to strike out the words "three hundred and twenty thousand" and insert in lieu thereof the words "three hundred and twenty-four thousand".

On page 10, line 24, after the word "act" to insert a semicolon and the following: "or (5) on July 1, 1948, or on the effective date of this act, as amended, resided in China as a displaced person or refugee, as defined in annex I (except paragraph 1 (b) of section A of part I thereof) of the constitution of the International Refugee Organization, and now reside in the camp at Samar, Philippine Islands; and (6) not more than four thousand visas shall be issued to eligible displaced persons who are eligible displaced persons as defined in subsection (b) (5) of section 2 of this act."

The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from California to the committee amendment.

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the committee amendment, as amended.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. My parliamentary inquiry is whether the amendment offered by the Senator from Nevada [Mr. McCARRAN] as now stated, because of the action already taken, means what the Senator intends it to mean. I have in mind particularly the provision regarding the 18,000 Polish Army veterans, which appears on page 10. I do not think that it is described as the Senator from Nevada feels it should be, because of the action already taken.

Mr. KILGORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KILGORE. Is it not a fact that in the first part of amendment No. 12, which strikes out the House bill provision the same subject matter which is covered by the amendment of the Senator from California is stricken out, and that the amendment offered by the Senator from California seeks to place it in the substitute in section 3, on page 10?

The PRESIDING OFFICER. That is what the Senator is undertaking to do.

The question is on agreeing to the committee amendment, as amended.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. Are we voting on the amendment as submitted by the Senator from Nevada?

The PRESIDING OFFICER. No; the committee amendment as amended by the amendment offered by the Senator from California.

Mr. McCARRAN and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Louisiana [Mr. ELLENDER] is unavoidably detained on official business, and if present would vote "Yea."

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 39, nays 45, as follows:

YEAS—39

Bricker	George	McKellar
Butler	Hickenlooper	Malone
Byrd	Hoey	Maybank
Cain	Holland	Mundt
Capehart	Jenner	Robertson
Chapman	Johnson, Colo.	Russell
Connally	Johnston, S. C.	Schoeppel
Cordon	Kem	Stennis
Darby	Knowland	Thomas, Utah
Donnell	Langer	Watkins
Dworshak	McCarran	Wherry
Eastland	McCarthy	Williams
Ecton	McClellan	Withers

NAYS—45

Aiken	Hill	Murray
Anderson	Humphrey	Myers
Benton	Hunt	Neely
Brewster	Ives	O'Conor
Bridges	Kefauver	O'Mahoney
Chavez	Kilgore	Saltonstall
Douglas	Lehman	Smith, Maine
Ferguson	Lodge	Smith, N. J.
Flanders	Long	Sparkman
Gillette	Lucas	Taft
Graham	McFarland	Taylor
Green	McMahon	Thye
Gurney	Magnuson	Tobey
Hayden	Millikin	Tydings
Hendrickson	Morse	Wiley

NOT VOTING—12

Downey	Johnson, Tex.	Pepper
Ellender	Kerr	Thomas, Okla.
Frear	Leahy	Vandenberg
Fulbright	Martin	Young

So the committee amendment, as amended, was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment.

The CHIEF CLERK. On page 11, line 5, it is proposed to strike out "(c) and insert "(b)."

Mr. McCARRAN. Mr. President, this merely involves the renumbering of the section.

Mr. KILGORE. Mr. President, I was just about to say that the next two amendments involve only renumbering, are purely technical, and I see no ground for objection to them.

Mr. WHERRY. Mr. President, was a unanimous consent request made a moment ago?

The PRESIDING OFFICER. No. It was merely a statement that the amendments are technical in nature.

Mr. WHERRY. We are not considering them together, are we? We are considering each one separately?

Mr. McCARRAN. There is only one amendment before the Senate.

Mr. WHERRY. Very well.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The CHIEF CLERK. On page 11, line 11, after "U. S. C." in parenthesis, it is proposed to insert "title 8, sec. 212."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment.

The CHIEF CLERK. On page 11, line 15, after the words "more than", it is proposed to strike out "25 per centum of any quota shall be so used in any fiscal year beginning July 1, 1949, and ending June 30, 1954; and that not more than."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KILGORE. Mr. President, I feel that this is an important amendment, in that under the original bill those admitted could not exceed 25 percent of any quota used in any fiscal year beginning with July 1, 1949, and ending June 30, 1954, whereas if the amendment is agreed to 50 percent of any quota would be eligible for immigration, thereby greatly reducing the possibility of immigration from those countries under the normal procedure.

Mr. McCARRAN. Mr. President, this amendment is on page 11, in lines 15, 16, and 17.

Mr. DONNELL. Mr. President, there is so much noise in the Chamber I could not hear what the Senator said respecting the amendment, that is where in the bill it is.

Mr. McCARRAN. This amendment is on page 11 in lines 15, 16, and 17. It should be considered in connection with the amendment which next follows it. These two committee amendments together constitute a single point of difference between the committee amendment and the House bill. This point of difference concerns the proportion of displaced persons who shall be charged to the quotas of the countries of their nationality. The present law provides for charging 50 percent of the quotas. The House bill would reduce this to 25 percent of the quotas. The committee amendment would restore the provision for charging 50 percent of the quotas. Thus, the provision of the House bill would mortgage the quotas for twice as many years, in advance, as the present bill would mortgage; and would leave three-quarters of the mortgage quotas available for use year by year whereas the present law leaves only 50 percent of the mortgage quotas available for use currently. In other words, the House bill mortgages the quotas further ahead and lets more aliens come in each year under the annual quotas, while the committee amendment goes back to the present law with a shorter period of mortgaging and fewer immigrants coming in each year under the quotas.

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia has already spoken on the amendment.

Mr. McCARRAN, Mr. WHERRY, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. BUTLER. Mr. President, are we voting on one or on two amendments?

Mr. McCARRAN. On only one amendment.

The PRESIDING OFFICER. The Senate is now about to vote on one amendment only. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Louisiana [Mr. ELLENDER] is unavoidably detained on official business and if present would vote "yea."

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

The Senator from Wyoming [Mr. HUNT], the Senator from Iowa [Mr. GILLETTE], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained on official business.

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 37, nays 44, as follows:

YEAS—37

Bricker	George	Maybank
Butler	Hickenlooper	Mundt
Byrd	Hoey	Robertson
Cain	Holland	Russell
Capehart	Jenner	Schoeppel
Chapman	Johnson, Colo.	Stennis
Connally	Johnston, S. C.	Thomas, Utah
Cordon	Kem	Watkins
Darby	Langer	Wherry
Donnell	McCarran	Williams
Dworshak	McClellan	Withers
Eastland	McKellar	
Ecton	Malone	

NAYS—44

Aiken	Green	Lehman
Anderson	Gurney	Lodge
Benton	Hayden	Long
Brewster	Hendrickson	Lucas
Bridges	Hill	McCarthy
Chavez	Humphrey	McFarland
Douglas	Ives	McMahon
Ferguson	Kefauver	Magnuson
Flanders	Kilgore	Millikin
Graham	Knowland	Morse
Murray	Saltonstall	Taylor
Myers	Smith, Maine	Thye
Neely	Smith, N. J.	Tobey
O'Conor	Sparkman	Wiley
O'Mahoney	Taft	

NOT VOTING—15

Downey	Hunt	Pepper
Ellender	Johnson, Tex.	Thomas, Okla.
Frear	Kerr	Tydings
Fulbright	Leahy	Vandenberg
Gillette	Martin	Young

So the committee amendment on page 11, lines 15, 16, and 17, was rejected.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The CHIEF CLERK. On page 11, line 19, after the word "year", it is proposed to strike out "beginning July 1, 1954."

The PRESIDING OFFICER. Is there objection to this amendment?

Mr. KILGORE. I object.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 11, line 19. [Putting the question.] The "ayes" appear to have it.

Mr. WHERRY and Mr. LUCAS asked for a division.

On a division the committee amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The LEGISLATIVE CLERK. On page 11, line 19, after the word "That", it is proposed to strike out "during the fiscal years beginning July 1, 1949, and ending June 30, 1954, 50 percent of the nonpreference portion of the immigration quotas as defined in section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), shall be available to applicants for immigration visas who (1) on or after September 1, 1939, and before January 1, 1949, entered an area or country outside Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria; (2) establish that they are persons predominantly of European national origin displaced from the country of their birth, or nationality, or of their last residence, as a result of events subsequent to the outbreak of World War II; (3) that they cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions; and (4) that they have not been firmly resettled in any other country. The spouse and the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons who establish their eligibility for immigration into the United States under this proviso, shall also be granted such eligibility if otherwise qualified for admission into the United States for permanent residence" and in lieu thereof to insert the following: "eligible displaced orphans may be issued special nonquota immigration visas, except that the number of such special nonquota immigration visas shall not exceed 5,000."

"(c) Any alien (1) who prior to June 30, 1950, is a resident of Germany, Austria, or Italy, and (2) who prior to June 30, 1951, is legally adopted, pursuant to

proceedings instituted in a court of competent jurisdiction, by a citizen of the United States who is at the time of the adoption a member of the armed forces of the United States stationed in Germany, Austria, or Italy, or by a citizen of the United States who is at the time of the adoption in the employ of the United States Government stationed in Germany, Austria, or Italy, and (3) who is at the time of the adoption under the age of 16 years, shall, upon registration of such alien at an American consulate in Germany, Austria, or Italy, be deemed to be the natural born alien child of the adoptive parent; *Provided*, That not more than two persons shall be so deemed to be the natural born alien children of the same adoptive parent, or of the same adoptive parent and the spouse of the adoptive parent, and that the total number of persons who shall be so deemed to be the natural-born alien children of an adoptive parent shall not exceed five thousand."

The PRESIDING OFFICER. Is there objection to the committee amendment?

Mr. HUMPHREY. Mr. President, I assume we are down to line 22 on page 12.

Mr. McCARRAN. Mr. President, this amendment begins on page 11, near the end of line 19, and continues through line 15 on page 13. It does three things: First, it strikes out a provision of the House version of the bill which provides for mortgaging 50 percent of the nonpreference quotas for persons now in any part of the world, who were displaced either from the country of their birth or nationality, or from the country of their last residence, as a result of any event, whether or not connected with the war, which occurred subsequent to the outbreak of the Second World War, and who will say they cannot return because of fear of persecution. This would include virtually anyone who was in Italy or in the occupied zones of Germany or Austria at any time between September 1, 1939, and January 1, 1949, and who now is somewhere else, but does not want to stay there.

There is no way in the world of telling what number of quota visas are thus made available. Anyone who has crossed a national boundary line, except a crossing into Italy or into one of the occupied zones in Germany or Austria, would qualify; and if he had crossed into Italy or into one of the occupied zones, and subsequently came back out again, before January 1, 1949, he would be eligible. Thus, a person would qualify if he crossed the border from the United States into Mexico, or if he crossed the border between Czechoslovakia and Russia, or between Russia and Lithuania, or between Colombia and Venezuela. To our mind, this is ridiculous.

With regard to being displaced from the country of birth or nationality or last residence, the language is so broad that a person who was deported from Australia as a Communist would qualify. A person who joined the Russian Army and was ordered into Germany when that army moved into Germany would qualify. A Czechoslovakian diplomat who was recalled from a post in the United States would probably qualify on the ground that the United States was the place of his last residence and that his recall was an event subsequent to the outbreak of World War II.

This provision simply means that anyone, anywhere, who has crossed a national boundary line, can come into the United States if he is willing to say, "I am afraid to go back to my own country for fear of persecution."

This amendment also contains authority for the issuance of nonquota immigration visas to eligible displaced orphans, up to the number of 5,000, plus new language authorizing the admission of an additional 5,000 orphans under 16 years of age, who are adopted by members of the armed forces of the United States or by citizens of the United States employed in a civilian capacity by the United States, in Germany, Austria, or Italy. The specific provision of the amendment is that any orphan so adopted shall be deemed to be the natural-born alien child of the adoptive parent. It was infeasible to provide immediately for the issuance of nonquota visas to orphans so adopted, because it is apparent that if the adoptive parents are stationed in Austria, Germany, or Italy, they might not be immediately ready to return to the United States. By giving these adopted orphans the status of natural-born alien children, they will be eligible for nonquota visas whenever their adoptive parents decide to return to this country.

Mr. HUMPHREY. Mr. President, it was my intention to offer, at this point, to the committee amendment an amendment which lies on the table, beginning in line 22 on page 12. However, rather than confuse Senators who are voting either pro or con on the committee amendments, let me say for the information of Senators to whom I have spoken with reference to the war-orphans amendment that I shall offer my amendment at the appropriate place when the substitute is before the Senate for debate and vote; and also, if need be, at the conclusion of the voting on all committee amendments, I shall offer my amendment to the committee bill as it then stands, prior to the vote on the substitute.

I say that for the information of Senators with whom I have communicated in regard to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning in line 19, on page 11, and continuing through line 21, on page 12.

Mr. McCARRAN, Mr. WHERRY, and other Senators asked for the yeas and nays.

Mr. TAFT. Mr. President, is there objection to the amendment? I cannot see any reason for objecting to it.

Mr. FERGUSON. Mr. President, I wish to ask the Senator from West Virginia whether he and the other Senators associated with him can accept the amendment.

Mr. KILGORE. So far as I am concerned, I can accept it. Some Senators asked me to object, for the purpose of obtaining an explanation of the amendment from the chairman of the committee. I did not want the amendment to be voted on without having an explanation made.

Therefore, I withdraw my objection.

Mr. WHERRY. Mr. President, how much time has been consumed in the discussion of this amendment?

The PRESIDING OFFICER. Five minutes.

Mr. KILGORE. So, Mr. President, I withdraw my objection.

The PRESIDING OFFICER. The objection is withdrawn.

Mr. HUMPHREY. Mr. President, in view of the fact that the objection has been withdrawn, and since there has been no announcement on the part of the Chair, I should like to submit my amendment to the committee amendment. I now call up my amendment C to the committee amendment, and ask that it be read.

The PRESIDING OFFICER. The amendment to the committee amendment will be read.

The LEGISLATIVE CLERK. In the committee amendment on page 12, beginning with line 22, it is proposed to strike out all through line 15, page 13, and insert in lieu thereof the following:

(c) Any alien who—

(1) prior to June 30, 1950, was a resident of Germany, Luxemburg, Austria, Italy, the United Kingdom, Ireland, Portugal, Spain, France, Switzerland, Belgium, the Netherlands, Norway, Sweden, Denmark, Finland, Greece, Yugoslavia, Czechoslovakia, Poland, Hungary, Bulgaria, Rumania, Turkey, or Albania;

(2) is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and agrees to release him for emigration and adoption;

(3) prior to June 30, 1951, makes application for admission to the United States for permanent residence with a father or mother by adoption, or for permanent residence with a near relative or with a person who is a citizen of the United States or an alien admitted to the United States for permanent residence, or is seeking to enter the United States to come to a public or private agency approved by the Commission, and such relative, person, or agency gives assurances, satisfactory to the Commission, that adoption or guardianship proceedings will be initiated with respect to such alien;

(4) for whom satisfactory assurances in accordance with the regulations of the Commission have been given that such alien, if admitted into the United States, will be cared for properly; and

(5) is, at the time of making application for admission, under the age of 16 years shall be issued a special nonquota immigration visa. Not to exceed 25,000 such special nonquota immigration visas shall be issued under the authority of this subsection.

Mr. HUMPHREY. Mr. President, I should like to make a few comments in regard to the amendment which I have submitted to the committee amendment and in regard to how it differs from the amendment submitted by the committee.

First of all, Mr. President, the committee amendment provides for the adoption of war orphans in two groups: war orphans adopted by members of the armed forces of the United States sta-

tioned in Germany, Austria, or Italy; or war orphans adopted by citizens of the United States who at the time of making the adoption were employees of the United States.

Mr. President, I have received literally scores of letters from persons who are not in the armed services of the United States or are not employees of the Government of the United States, but who are good, wholesome, decent, family people in this country, who would like to adopt a war orphan from, let us say, Norway or Denmark or Holland or France or some other country. The amendment I have offered to the committee amendment will make it possible for the ordinary, average American citizen to initiate adoption proceedings in this country. Under my proposal, all that such a citizen will have to do will be to guarantee such a war orphan a good home, and to have a good background and good financial resources, sufficient to meet the requirements of the immigration laws and of the rules and regulations of the Commission.

Mr. President, it seems to me that my amendment to the committee amendment is a little more generous than the committee amendment, not only as to the numbers of orphans who might be admitted into the United States, but also in respect to people in this country who are childless, and who may wish to adopt a child in order to make their homes a little more happy.

I find that there are hundreds of persons who have relatives abroad—a niece, or a nephew, or grandson—who would like to adopt such a war orphan. However, under the committee amendment that could not be done.

So I submit to the Senate my plea for the adoption of my amendment to the committee amendment.

However, Mr. President, I should like to say that I have discussed this matter with the distinguished chairman of the Judiciary Committee, the Senator from Nevada [Mr. McCARRAN]. My amendment pertains to war orphans under 16 years of age. These are children; as concerns them, no issue of subversives or politics is involved. My amendment to the committee amendment allows the admission into the United States of only 25,000 of such war orphans, without requiring, as does the committee bill, that they be residents of Germany, Austria, or Italy—former enemy countries. My amendment provides that war orphans of our allies, as well, can be adopted. My amendment also will allow any American, not only a member of the armed forces or a Government employee, to bring into the United States such a child for purposes of adoption. My amendment will also permit the initiation of adoption proceedings here in the United States.

Mr. President, the chairman of the committee and his staff have raised the question of whether to include children from behind the iron curtain. Even though that suggestion is contrary to my instincts in the matter, I am inclined to go along with that compromise. Therefore, I delete from my amendment to the committee amendment the names "Yugoslavia, Czechoslovakia, Poland, Hungary, Bulgaria, Rumania, and Albania," and also "Spain"; and that will leave in the amendment the names "Germany, Luxemburg, Austria, Italy, the United Kingdom, Ireland, Portugal, France, Switzerland, Belgium, the Netherlands, Norway, Sweden, Denmark, Finland, Greece, or Turkey."

Therefore, Mr. President, I ask that my amendment to the committee amendment receive favorable consideration.

Mr. President, rather than take any more time, I ask unanimous consent to submit for the RECORD a prepared statement which I have in reference to the displaced-orphans amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CHARLES COLLINGWOOD OVER THE COLUMBIA BROADCASTING SYSTEM, JANUARY 29, 1950

It is frequently complained that the work of the Congress of the United States is not adequately reported. This is doubtless true. One reason is that the Congress does so much. It does so much that there isn't paper or air time enough, or public interest enough, to chronicle all its activities. In any session of Congress there are, perhaps, a hundred bills which attract the attention of a person anxious to keep himself well-informed. Yet that is a molehill compared to the mountain of measures Congress annually considers. Each year there are approximately 10,000 bills introduced into Congress. Of these, say a hundred, are really discussed in the world outside. The other 9,900 constitute the unreported side of Congress, and the side which occupies perhaps the most considerable part of most legislator's time. These bills are of all kinds, personal bills to indemnify some person for injuries suffered at the hands of the Government, public bills dealing with obscure points. There's even one to change the color of our money—all sorts of bills. And all of them are important to someone. For instance, let us take S. 2577, a bill to amend the Immigration Act. This is a measure introduced by Senator HUBERT HUMPHREY, Democrat of Minnesota. It's going to go in as an amendment to the displaced-persons bill when that measure reaches the Senate floor. It would allow certain categories of foreign orphans to enter the United States outside the immigration restrictions. The idea is to make it possible for war orphans abroad who have relatives or friends in this country to be brought here, be adopted and ultimately become citizens. It doesn't involve very many people, and none of them have votes. It won't make any headlines, its success or failure won't influence either party's strategy, but it affects the heartstrings of a lot of people. For instance, there is the case of a little Polish girl named Frieda. She is Jewish, and in 1941, when she was only 4 years old, Frieda and her parents were sent to a German concentration camp. Both her father and mother were killed. Frieda witnessed the execution of her father. When the war ended, Frieda was taken to Belgium by her aunt, where she now lives, but they have no passports or papers or any special reason to be in Belgium except that it is as far away from the concentration camp as they could get, and the Belgium authorities are threatening to send them back to Poland, which is now a very different kind of Poland than the one they left. Frieda is lucky. She has a great-uncle in the United States, who went to Texas a long time ago and prospered, and now he has adopted the little orphan girl under the laws of Texas. The only trouble is that he can't bring her to this country. He calls the State Department, and writes his Congressman, and wires the embassy in Brussels, but there is no law for Frieda, unless the Humphrey amendment is adopted. And there are some thousands of other cases, many as touching, all agonizingly important to some people. And some time in the next few days or the next few weeks the Senate will take up the DP bill and Senator HUMPHREY will offer his amendment to let war orphans with relatives or friends here enter this country, and the busy solons will debate it, and they will vote on it one way or another. No large issues of policy are involved. The few thousand children involved are not going to tip the scales of economic balance. The kids aren't subversive, although what they'll be if they roam around Europe with no father, no mother and no hope is hard to say. There probably won't be much debate on it; it's hard to get up in the Senate and speak against little orphan children. The Humphrey bill may pass or it may not. It's 1 of the 10,000 bills that get introduced into Congress every year that you may never hear about, S. 2577. But like a lot of those bills, it means an awful lot to some people.

STATEMENT BY SENATOR HUMPHREY

Mr. President, there has been so much misinformation on this floor concerning the displaced-persons program that I would like to attempt setting forth certain propositions which should bring some light to take the place of the heat which has been displayed.

Perhaps I can do this best by indicating the facts on certain important issues:

First, the committee bill and the substitute bill do resemble each other in some respect, but have exceedingly important differences in at least five major respects.

1. The committee bill kills the present displaced-persons program by eliminating the IRO definition. The substitute bill, on the other hand, retains the purpose of the program recommended by such great Americans as Gen. George Marshall and Gen. Lucius Clay.

The committee bill comes about as close to repealing the displaced-persons law as is possible to do without outright repeal. Does this sound like a bill identical with the substitute bill, as the Senator from Mississippi [Mr. EASTLAND] would have us believe?

Mr. President, I don't want to repeal the displaced-persons law. And I believe it fair to say that arguments of those supporting the committee bill have been arguments against any displaced-persons bill rather than merely against the substitute bill. Many members of the Senate Judiciary Committee have publicly stated that they voted for the committee bill, not because of its favorable provisions but merely to get the bill out on the floor. Let us not forget, Mr. President, that the actual majority of the Judiciary Committee has now repudiated the so-called committee bill. Were it not for the pure technicalities of parliamentary procedure, the Kilgore bill—the so-called substitute bill sponsored by 18 Senators—would be the committee bill for consideration by this body.

The first fallacy, therefore, is that there is not much difference between the committee's bill and the substitute bill. There is all the difference in the world—the difference between a displaced-persons program and no displaced-persons program.

2. The committee bill actually has the effect of reducing the total number of IRO displaced persons who may be admitted into the United States below that allowable under even the present inadequate authorization. It is a travesty—to call such a bill a displaced-persons bill—it's an anti-displaced-persons bill.

On the other hand, the substitute bill clearly increases the number of IRO displaced persons by 95,000 over the present law and makes additional provisions for other important categories of worthy people.

3. The committee bill retains two discriminatory and unjust provisions, which have earned the scorn and opposition of all the major interested groups. I refer to the 40-percent exclusive allocation for persons de facto areas (a provision which its intended beneficiaries themselves have urged be eliminated), and the 30-percent preference for agriculturalists. And, what is perhaps worse, the committee bill openly sanctions and authorizes un-American favoritism on the basis of national origin. The substitute bill rejects all of these provisions and bars any discrimination for or against a displaced person because of race, religion, or national origin.

4. The committee bill creates an administrative nightmare. It gives two agencies, operating separately final and exclusive authority. How, Mr. President, can two separate agencies both have final and exclusive authority at the same time?

The substitute bill, on the other hand, agrees with the House-approved bill on this matter and confirms the present procedure and law. The Displaced Persons Commission makes determinations on matters of eligibility which appear only in this law and not in other immigration laws. The consuls and the immigration inspectors make determinations on all matters of admissibility into the United States under all our immigration laws. In other words, final authority over admissibility into the United States is only in the Foreign Service and the Immigration Service. Apart from the dissatisfaction of several disgruntled minor employees, this system has been working well. It conforms completely to what the Congress intended should be the respective jurisdiction of these various agencies. Else why should there have been any Displaced Persons Commission?

5. The committee bill purports to give some advantages to expellees, a group of people whose plight needs attention and action. But actually the committee bill leaves the expellees high and dry, and I say that literally, because it provides no ocean transportation for them. The committee bill is a fraud and a sham so far as expellees are concerned.

On the other hand, the substitute bill really assures help to 54,744 expellees. It gives them free ocean transportation. It waives the visa and head tax. It gives a priority to orphan children. And it makes it possible for German-American organizations and religious and welfare societies directly to sponsor such expellees instead of requiring individual affidavits of support for each expellee, a requirement which would bog down the whole expellee program. There are concrete advantages given expellees by the substitute bill, none of which appear in the provisions of the committee bill.

There is such clear and decided superiority, Mr. President, in the widely sponsored substitute bill over the now repudiated committee bill that the substitute bill has the firm and vigorous support of all the major organizations interested in a fair program for displaced persons and a square break for expellees. These include National Lutheran Council, Federal Council of Churches of Christ, National Catholic Welfare Conference, and Synagogue Council of America.

Mr. President, we are not going to fool anyone by pretty words. The people of America can tell by the way we vote. If you vote for the committee bill, then you are against a fair and workable displaced-persons law. If you want a fair and just displaced-persons law, and if you want people to believe that you do, there's only one way to prove it, and that is to vote for the substitute bill, which has been approved by a majority of the Judiciary Committee and which is sponsored by 18 Senators from both political parties.

So much, Mr. President, for the merits. But apparently the supporters of the committee bill—who, as I have said, are really against any real displaced-persons legislation—seem to be afraid of debating the issues on their merits. They have tried desperately to becloud the issue with completely extraneous discussion and with scare words calculated to confuse people. I can understand how they do become confused. All we hear are charges, allegations, and claims. When we try to find out for ourselves, we are confronted by the same difficulty of which the distinguished Senator from Nebraska complained—there are no printed hearings. When we try to get the record, we are told there is no record. Nevertheless, the distinguished Senator from Mississippi has stood by the hour reading from what he refers to as "the record." I have almost come to the conclusion, Mr. President, that there has been no real effort to inform this body of the facts. When I read the report of the Displaced Persons Commission, I do not find these difficulties. When I read the very well documented report of a seven-member bipartisan special subcommittee of the House Judiciary Committee which made a lengthy inspection of the Displaced Persons Commission's operations overseas and in the United States, I read that "on the whole, the administration of the 1948 act is being conducted in a diligent and satisfactory manner" (H. Rept. No. 1507, p. 81). When I read the special study by the Library of Congress just published by the House Judiciary Committee on February 27, 1950 (H. Rept. No. 1687), I find almost universal support all over the country for this program.

In fact, Mr. President, I find approval of and satisfaction with this program everywhere, in my own State as well as elsewhere, with the exception of a very small group of people.

So, Mr. President, I sought to find the facts. What do I learn?—that a few disgruntled minor employees, some of whom were grasping for power their own superior denied them, have made wild, loose, and obviously erroneous charges. I asked what the Displaced Persons Commission's answer was and I was startled to learn that the Displaced Persons Commission has never been given a chance to testify on any of these charges. The Commission, I am told, has never been heard in public hearings in the Senate since this law was passed. Isn't that a strange thing, Mr. President? Here a committee holds hearings on legislation. It not only fails to publish its hearings, but what's even worse, refuses to hear the very agency that knows most about the problem. In a statement on this floor the distinguished chairman of the Judiciary Committee invited comments from all people in the United States. Why hasn't he invited comments from the Displaced Persons Commission? Why has the Displaced Persons Commission been kept under wraps? Why has the Judiciary Committee refused to grant the Displaced Persons Commission's repeated requests for a public hearing? Why hasn't the Judiciary Committee accorded the Displaced Persons Commission the common courtesy of an opportunity to answer the charges leveled against it? Perhaps the answer to these questions can be found in a conclusion reached by the House Judiciary Subcommittee after an exhaustive inquiry into the problem. As late as on January 20, 1950, this special subcommittee reported:

"On the basis of meticulous on-the-spot checking undertaken on all levels of the European operation, this subcommittee is strongly inclined to believe that the majority of the above-mentioned allegations could be safely classified either as rumors or deliberate misrepresentations intended to serve a definite purpose" (H. Rept. 1507, p. 81).

What are some of the other smoke screens thrown up by opponents of fair displaced-persons legislation?

Smoke screen No. 1: They claim that the IRO selects the displaced persons. This is a categorical misstatement. The selection for admission into the United States is made by American officials, and in most cases by the sponsor in America. In the vast majority of cases, the sponsor actually asks his own church organization to act as his agent in Europe to scout around and find a person fitting his (the American sponsor's) specifications. The only role played by the IRO is that the American church society looks to the pool of persons certified by the IRO to be eligible under the IRO constitution. That's all the IRO does—it provides a list of persons from which a choice can be made. Very frequently, these American church organizations pick displaced persons without reference to any list prepared by IRO—but such persons must be later certified as eligible by the IRO, under its constitution. The actual selection is made by a Displaced Persons Commission officer, whose title is "selector." One of the gripes voiced by some of the minor employees whose testimony has been quoted on this floor is the very fact that these employees resented the fact that the sponsor either designated the displaced persons they wanted by name or specifically requested that the sponsor's own church representative make a matching of job to displaced person. The simple fact is, therefore, that the IRO does not select the displaced person, but that the Displaced Persons Commission's selector does. For those interested in the facts, this should dispose of the erroneous claim that the IRO decides who shall come to the United States. This is done only by a whole team of American officials. It should be further noted that no matter who does the selection, each person so selected still must pass a whole battery of American officials who can and do rule people to be inadmissible under the immigration laws.

Smoke screen No. 2: They claim that no American official sees the displaced person until he reaches the consul.

Here, too, a categorical answer to the contrary can be given. The truth is that after the Commission selector makes a selection of a displaced person and makes a preliminary determination of eligibility, he sends the case to the Counter Intelligence Corps of the United States Army. You will note that this happens long before the displaced person gets to the consul, if he ever gets there.

What does the CIC do? Others have gone to some length to show the very rigid and comprehensive security screening undertaken by the CIC. But what I would like to point out is that the Counter Intelligence Corps interviews every displaced person, and that this is done before even the Displaced Persons Commission reaches its conclusion. In other words, Mr. President, the Displaced Persons Commission sends the case to the Counter Intelligence Corps which, among other things, conducts a thorough interview of each displaced person. It is only after the Counter Intelligence Corps submits its report to the Displaced Persons Commission, based in part upon a very intensive interview, that the Displaced Persons Commission's case analyst sits down to make a determination.

If the case analyst decides that further interview is necessary, the Displaced Persons Commission has set up a system for still another personal interview, in addition to that conducted by the trained intelligence agents of the Counter Intelligence Corps. Mr. Main's testimony, I am told, clearly shows this to be the case. Only when all this is finished does the Displaced Persons Commission's case analyst make a determination on the case. If the determination is favorable, the case is submitted without recommendation to the consul.

Consequently, Mr. President, the actual facts dispute fancy. The facts show that even before the Displaced Persons Commis-

sion decides whether to submit the case to the consul, every displaced person is personally and intensively interviewed by a highly trained agent of the Counter Intelligence Corps. The facts also show that there are additional interviews, where necessary, by special Displaced Persons Commission personnel. And that all these interviews by American officials take place, in each case, prior to submission of the case to the consul.

Smoke screen No. 3: They say that Communists are coming into the United States under this program. Mr. President, I am tired of hearing people try to put labels on programs they don't like. Isn't it strange that the only people who see red at the displaced-persons program are those who are opposed in principle to this humanitarian program? Certainly, the distinguished Vice President of the United States cannot be charged with softness to Reds, and yet he recently said that in his judgment there has never been in our whole history a more careful piece of machinery of inspection and investigation. He stated categorically "I do not know how there would be any better system of investigation." Certainly Congressman FRANCIS WALTER, of Pennsylvania, a member of the House Un-American Activities Committee as well as chairman of the House Judiciary's Immigration Subcommittee, does not want Communists in the United States.

Therefore, it is especially significant that Mr. WALTER says that the present laws offer full protection to the security of the United States.

Mr. President, perhaps it is inappropriate but maybe I ought to clarify these waters with a few facts:

Never in the history of American immigration has there been a more thorough security screening system. The curious thing about this whole business is that most people seem to forget that all the regular consular and immigration service protections apply in this program. In addition, we find that the Displaced Persons Commission has at least seven additional steps which are more rigorous than in normal immigration:

1. In no other immigration program does the FBI check on each immigrant, as it does here.

2. In no other immigration program does the CIC throw its entire resources for the protection of American security, as it does here.

3. In no other normal immigration program does the Immigration and Naturalization Service have two inspections, one overseas and one in the United States, and in no other program do the consuls and the immigration inspectors get the whole file, including security reports, as they do here.

4. In no other immigration program does one find an automatic bar of anyone who was ever a member of the Nazi or Fascist Parties, as well as of the Communist Party.

5. In no other immigration program is there a special investigation of immigrants who come from countries behind the iron curtain.

6. In no other normal immigration program are there special laboratory facilities to check the authenticity of documents.

7. And last, in no other immigration program does the immigrant have to take a non-Communist oath upon arrival in the United States, as would be required by the bill under consideration.

Mr. President, we have had many weary hours of debate, but very few have been devoted to the merits. Let's clear away the smoke screen. Let's talk about the displaced-persons program, not the mumblings of immature youths.

As I said before, the alternatives are crystal clear. Either we are for a good and fair displaced-persons bill or we are not. If you want to kill the displaced-persons program, then vote for the committee bill. On the other hand, if you want a fair, a just, and a workable displaced-persons law, then you will vote for the substitute bill sponsored by 18 Senators. Which do you want?

Mr. McCARRAN. Mr. President, this amendment is in the nature of a substitute for the committee amendment to permit the entry of 5,000 orphans adopted by United States citizens stationed in Germany, Austria, or Italy, either as members of the armed forces or as civilian employees of the United States.

Instead of confining eligibles to residents of Germany, Austria, or Italy, this amendment broadens the eligibility to include virtually all European countries, including the iron-curtain countries.

Where the committee amendment would make eligible only those legally adopted pursuant to proceedings instituted in a court of competent jurisdiction, this amendment would make eligible any applicant seeking to enter the United States "to come to a public or private agency approved by the Commission" provided such agency "gives assurances, satisfactory to the Commission, that adoption or guardianship proceedings will be initiated with respect to such alien."

This amendment would authorize the admission of 25,000 such persons as compared with the 5,000 who could come in under the committee amendment.

Mr. EASTLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Georgia?

Mr. McCARRAN. I yield.

Mr. EASTLAND. Is it not true that the committee amendment was adopted at the request of Mr. McCloy, to meet a condition growing out of the adoption by members of the armed services in Europe of orphans whom they cannot bring into this country? If we agree to the substitute, we shall then remove the preference given members of the armed services, and regardless of the many applications the Senator from Minnesota says he has, a great many children who have been adopted by the members of the American Army may be denied admittance to the United States.

Mr. McCARRAN. Mr. President, I cannot yield further.

Mr. THYE. Mr. President, will the Senator yield for just a moment on this question?

Mr. McCARRAN. I should like to answer the Senator from Mississippi, if I may, by saying that his statement was correct.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCARRAN. For a question only.

Mr. THYE. Under the Senator's amendment, an uncle and an aunt living in Minnesota could not adopt a niece residing in Norway, could they? If they wanted to adopt a young girl they would not be permitted to do so?

Mr. McCARRAN. Why not?

Mr. THYE. Whereas, under the amendment of the Senator from Minnesota [Mr. HUMPHREY] such persons could adopt a niece living in any of those countries, could they not?

Mr. McCARRAN. Or, she could be adopted by anyone desiring to bring her to this country, provided they first obtained a visa. It is presumed they would institute adoption proceedings here.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I should like to conclude my explanation.

Mr. FERGUSON. If the Senator will yield but a moment—is it not necessary, in order that there may be an adoption in any of the States, that the child be within the State?

Mr. McCARRAN. That is correct.

This amendment would also make eligible a person who makes application for admission to the United States for permanent residence with a near relative or with a person who is a citizen of the United States or an alien admitted to the United States for permanent residence, provided such person gives assurance satisfactory to the Commission that adoption or guardianship proceedings will be initiated with respect to such alien.

Mr. President, let me say frankly, it is possible for one to find within 2 miles of the city of Washington, here in the United States, institutions in which there are hundreds of children now awaiting adoption. That, Mr. President, is the situation.

Mr. KILGORE. Mr. President, will the Senator yield for the clarification of one matter?

Mr. McCARRAN. I yield.

Mr. KILGORE. Is it not true that not only military personnel, but also any citizen of the United States residing in Germany could under this amendment adopt an orphan?

Mr. McCARRAN. If he is an employee of the Government.

The VICE PRESIDENT. The question is on the amendment of the Senator from Minnesota to the committee amendment.

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were not ordered.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The question is now on the committee amendment.

Mr. McCARRAN. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was agreed to.

Mr. LUCAS. Mr. President, the first vote was on the Humphrey amendment, and we are now I understand to vote upon the committee amendment.

The PRESIDING OFFICER. The question is on the amendment to which the Senator from West Virginia said there was no objection, and as to which the Senator from Nevada said there was no objection. The Chair has declared the amendment agreed to. The clerk will state the next committee amendment.

The next amendment was, on page 13, line 17, after the word "discrimination", to insert "or favoritism on account of religion," and, in lines 18 and 19, to strike out "in favor of or against a race, religion, or national origin of such eligible displaced persons."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. McCARRAN. Mr. President, is there objection to it?

Mr. KILGORE. I should like an explanation.

Mr. McCARRAN. Mr. President, this amendment is on page 13, in lines 17, 18, and 19. It should be considered in connection with the next following amendment on the same page, in lines 22, 23, and 24. These two amendments contain the provision against discrimination or favoritism on account of religion. The House bill contains a provision that the selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin. The committee amendment substitutes a provision that the selection of eligible displaced persons shall be made without discrimination or favoritism on account of religion. The reason for this change is that the committee desired a provision which would truly avoid discrimination or favoritism; and it was not felt that the House language would accomplish that objective. The reason is that the House language is stated both in the affirmative and in the negative, and therefore could be so construed as to operate in a discriminatory manner. To explain this point by way of example consider the hypothetical case of 1,000 consecutive applicants for visas as displaced persons. Assume the first 999 of the thousand are all members of one particular religious faith. Assume also that the one thousandth applicant is of the same religious faith as the other 999 who preceded him. Then assume, further, that farther down the line are several hundred applicants of another faith. The total number of authorized quota numbers is running out. The fair thing to do would be to dip into the group down the line and issue some visas to members of that faith, so that they shall not be left out altogether; but the one thousandth applicant could properly contend, under the House language, that any such procedure would be discrimination in favor of those applicants down the line; and so the whole program would be strictly on the basis of first come, first served.

Mr. KILGORE. Mr. President, I should like to state the basis of my objection. I think it is very poor legislative language. In the first place, it implies that Government officials would exercise favoritism. In other words, it contains an implication or a suggestion which is seldom used in legislative language. The language of the original bill read:

> The selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin of such eligible displaced persons.

That language contains no inference, makes no accusation, no charge. It is fully as effective. The use of the word "favoritism" I think casts a reflection upon future Government officials. For that reason, I object to it.

The PRESIDING OFFICER. The question is on the committee amendment. [Putting the question.] The "noes" appear to have it.

Mr. McCARRAN. I ask for a division.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment.

The next amendment was, on page 13, line 19, after the word "persons", to insert a semicolon, and in line 22, after the word "persons", to strike out "of all races, religions, and national origin" and insert "without discrimination or favoritism on account of religion."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was rejected.

The next amendment was, on page 15, line 15, after the word "exceed", to strike out "fifteen thousand" and insert "15,000"; in line 20, after the words "of the", to insert "Immigration", and in line 25, after the word "subsection", to strike out "(c)" and insert "(b)."

The amendment was agreed to.

The next amendment was, on page 16, line 1, after "Sec. 6", to strike out "Section" and insert "Subsection (a) of section", and after line 2, to strike out:

> SEC. 6. The preferences provided within the quotas by section 6 of the Immigration Act of 1924, as amended (8 U. S. C. 206), shall not be applicable in the case of any eligible displaced person receiving an immigration visa under this act, but in lieu of such preferences the following preferences, without priority in time of issuance of visas as between such preferences or as between preference or nonpreference cases under this act, as amended, shall be granted to eligible displaced persons and their family dependents who are the spouse or the unmarried dependent child or children, under 21 years of age, including adopted children and stepchildren of such persons, in the consideration of visa applications:
>
> (a) First. Eligible displaced persons who are farm, household, construction, clothing, and garment workers, and other workers needed in the locality in the United States in which such persons propose to reside, or eligible displaced persons possessing special educational, scientific, technological, or professional qualifications.
>
> (b) Second. Eligible displaced persons who are the blood relatives of citizens or lawfully admitted alien residents of the United States, such relationship in either case being within the third degree of consanguinity computed according to the rules of the common law.

And in lieu thereof, to insert the following:

> (a) First. Eligible displaced persons who have been, for at least 2 years at some previous time or times, engaged principally in agricultural pursuits and who will be employed in the United States principally in agricultural pursuits: *Provided*, That not less than 30 percent of the visas authorized to be issued pursuant to this act shall be made available exclusively to such persons: *And provided further*, That the wife, and unmarried dependent child or children under 21 years of age, of such persons may, in accordance with the regulations of the Commission, be deemed to be of that class of persons who have been, for at least 2 years at some previous time or times, engaged principally in agricultural pursuits and who will be employed in the United States principally in agricultural pursuits.

Mr. McCARRAN. Mr. President, this amendment begins on page 16, with line 3, and continues over on page 17 to the end of line 16. It involves striking out the language of the House bill which is printed in line type and substituting new language which is printed in italics, beginning on page 17, in line 3.

The effect of this amendment is to restore the 30-percent priority to agriculturists and their families, which is contained in the present law, and which the House bill would eliminate. The committee amendment would also strengthen this priority by setting up a standard for determination of who is an agriculturist. The committee amendment provides that the priority shall be available to eligible displaced persons who have been, for at least 2 years, at some previous time or times, engaged principally in agricultural pursuits, and who will be employed in the United States principally in agricultural pursuits.

The purpose of this priority is not only to assure a general distribution to the rural areas, where the housing situation is much less acute than it is in our big cities, but also to assist in meeting the demand for agricultural laborers in this country. The relative number of displaced persons who would potentially qualify within the agriculturist priority, under the terms of the committee amendment, is substantially in excess of 30 percent of the total number of displaced persons. In this respect, therefore, the priority is completely fair.

Numerous instances have come to the attention of the committee in which displaced persons have gained admission into the United States as agricultural workers who have not been and are not being satisfactorily assimilated as agricultural workers. By setting up the standard proposed in the committee amendment, this situation can be avoided in most cases.

Mr. KILGORE. Mr. President, my objection to this amendment is based upon the fact that it is a continuation of one of the weaknesses found in the act of 1948. The original bill which came to the Senate from the House provided as follows:

> Eligible displaced persons who are farm, household, construction, clothing, and garment workers, and other workers needed in the locality in the United States in which such persons propose to reside, or eligible displaced persons possessing special educational, scientific, technological, or professional qualifications.

Three weeks ago, Mr. President, I received a letter, written in pen and ink, from the editor of the leading daily newspaper of my State. He has spent a great deal of time abroad, and he knows the situation. He has been confined to his home for some time. The letter said this, in substance:

> Let us get away from this business of grabbing brawn, and let us get some brains out of it. Let us follow the Russian lead in this.

One of the great handicaps has been that persons have been represented to be agricultural workers when they had no knowledge of agriculture. Under the House bill, an agricultural worker would be a real agricultural worker. I know the distinguished Senator from New York [Mr. IVES] is familiar with the situation in the tailoring industry. That

industry needs 15,000 custom tailors, hand workers, who can work on coat collars. That type of person can be absorbed into our economy much more easily than can most of those who might come in under this 30-percent policy. Of every 10 persons eligible for entry into this country, 3 of them must be farm laborers. If only 2 are farm laborers, none of them can be brought in. That situation is hamstringing the whole operation. We are bringing in only farm labor. Persons who are handicraft workers come in. They go on a farm, remain a short time, and then migrate to a city. If we want to clean up this situation as we started to do, if we want to get the IRO out of operation by the end of next March, we must remove some of the restrictions. We have to let persons in who are needed in our economy, not merely persons in a special class.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. O'CONOR. Is it not a fact that as a result of the inclusion of the 30-percent preference provision in the previous law, the case load under the administration of the displaced persons program has been reduced from 16,000 to 7,000 or 8,000, because of the inability of the Displaced Persons Commission to find a sufficient number of eligible persons?

Mr. KILGORE. The Senator is absolutely correct, and I thank him for his statement. Ships have been held in port until a search could be made to find farm labor, and other persons who were badly needed in this country could not be transported.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. McCARRAN. Was it inability or lack of desire on the part of the administration?

Mr. KILGORE. I think the very complaint which was emphasized in the committee indicates that it was inability, not lack of desire. I well remember the complaint that men who claimed to be agricultural workers were found not to be agricultural workers. The term "agricultural worker" has a wide interpretation. A person might say he is an agricultural worker if he has worked in a vineyard, and if he is asked to milk a cow he does not know how to do it.

I think we should leave the figure as it came from the House, and should not retain the 30-percent restriction which has so handicapped the program so far.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. McCARRAN and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. ECTON (when his name was called). On this vote I have a pair with the junior Senator from North Carolina [Mr. GRAHAM]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Texas [Mr. CONNALLY] is unavoidably detained on official business.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT], the Senator from North Carolina [Mr. GRAHAM], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that, if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 33, nays 49, as follows:

YEAS—33

Bricker	Ellender	McKellar
Butler	George	Malone
Byrd	Hoey	Maybank
Cain	Holland	Millikin
Capehart	Jenner	Robertson
Chapman	Johnston, S. C.	Russell
Cordon	Kem	Schoeppel
Darby	Knowland	Stennis
Donnell	Langer	Watkins
Dworshak	McCarran	Wherry
Eastland	McClellan	Withers

NAYS—49

Aiken	Hunt	Neely
Anderson	Ives	O'Conor
Benton	Johnson, Colo.	O'Mahoney
Brewster	Kefauver	Saltonstall
Bridges	Kilgore	Smith, Maine
Chavez	Lehman	Smith, N. J.
Douglas	Lodge	Sparkman
Ferguson	Long	Taft
Flanders	Lucas	Taylor
Gillette	McCarthy	Thomas, Utah
Green	McFarland	Thye
Gurney	McMahon	Tobey
Hayden	Magnuson	Tydings
Hendrickson	Morse	Wiley
Hickenlooper	Mundt	Williams
Hill	Murray	
Humphrey	Myers	

NOT VOTING—14

Connally	Graham	Pepper
Downey	Johnson, Tex.	Thomas, Okla.
Ecton	Kerr	Vandenberg
Frear	Leahy	Young
Fulbright	Martin	

So the amendment was rejected.

Mr. LUCAS. Mr. President, under the unanimous consent agreement, the Senate is to remain in continuous session until the bill is finally disposed of. I am certain that every Senator on the floor knows about the unanimous consent agreement. It is now 5 o'clock, and I remind Senators of the agreement, so that they may not leave the Senate if they desire to vote upon important amendments to be considered from now on.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. As I read the unanimous-consent agreement, the last two lines provide that the Senate shall remain in continuous session on said day of Wednesday, April 5. Does that mean that if the bill shall not be concluded before midnight tonight, the Senate will still remain in session?

The PRESIDING OFFICER. The Senate will remain in session.

Mr. WHERRY. That is the interpretation of the present occupant of the Chair?

The PRESIDING OFFICER. It is. The clerk will state the next amendment of the committee.

The CHIEF CLERK. On page 18, after line 14, it is proposed to insert a new section, as follows:

SEC. 9. Section 10 of the Displaced Persons Act of 1948 is amended to read as follows:

"SEC. 10. No eligible displaced person shall be admitted into the United States unless there shall have first been a thorough investigation and written report made and prepared by such agency of the Government of the United States as the President shall designate, regarding such person's character, history, and eligibility under this act. The burden of proof shall be upon the person who seeks to establish his eligibility under this act. Any person who shall willfully make a misrepresentation for the purpose of gaining admission into the United States as an eligible displaced person shall thereafter not be admissible into the United States. Except as otherwise expressly provided in this act, the administration of this act, including the determination of eligibility of applicants under this act, shall be by the officials who administer the other immigration laws of the United States: *Provided*, That the final determination of eligibility of applicants both under this act and under the general immigration laws of the United States shall be made exclusively by the Immigration and Naturalization Service and the American Foreign Service, both acting through persons who are citizens of the United States and who have not less than 3 years experience in the Immigration and Naturalization Service or in the American Foreign Service. There shall be made available to the Immigration and Naturalization Service and the American Foreign Service such records, supplies, facilities and property which are in the custody and control of the Displaced Persons Commission, to the extent deemed necessary by the Commission of the Immigration and Naturalization Service and the Chief of the American Foreign Service, respectively, for the performance of the duties and functions imposed on the Immigration and Naturalization Service and the American Foreign Service under this act, as amended. Except as otherwise authorized in this act, all immigration laws, including deportation laws, shall be applicable to eligible displaced orphans and eligible displaced persons who apply to be or who are admitted into the United States pursuant to this act."

Mr. McCARRAN. Mr. President, this amendment begins on page 18, in line 15, and continues through line 3 on page 20. This is a new section, amending section 10 of the present act. It would have the effect of giving the Immigration and Naturalization Service, and the American Foreign Service, a veto power with respect to determination of eligibility.

The intent of the present law—and it is specifically stated in the act—was that the administration of the act would be

performed by those officials of the Government of the United States who administer the other immigration laws. During debate on the bill which became the Displaced Persons Act of 1948, the junior Senator from Michigan [Mr. FERGUSON] offered an amendment designed to give the Displaced Persons Commission the general power of administration of the act, including the power to determine eligibility of applicants. The amendment was defeated by a very substantial vote. Nevertheless, the Displaced Persons Commission today, under administrative interpretation of the law, is exercising substantially the power which the Senate voted it should not have.

The present law provides that no eligible displaced person shall be admitted into the United States unless there shall first have been a thorough investigation and written report made and prepared by such agency of the Government of the United States as the President shall designate, regarding such person's character, history, and eligibility under the act.

The Displaced Persons Commission has been designated as the agency of the Government to make the investigation and prepare the report, and therefore is now exercising the prerogatives which the Congress contemplated would be vested in the officials of the Immigration and Naturalization Service. And the Displaced Persons Commission accepts the findings of the IRO.

It has been charged that the provisions of this committee amendment would mean setting up duplicate staffs in Europe to do identical work. That is not the case. What the amendment will do is to place the final authority—the "veto power," if you choose to call it that—on the responsible agencies of the United States Government which administer the general immigration laws, and to provide that this discretionary responsibility shall be exercised in all cases through American citizens who are trained and experienced in their jobs, and who are in the employ of the United States Government and under the control of the United States Government.

The straight-up principle involved is whether we want to continue a situation under which aliens not responsible to the Government of the United States are making decisions, with respect to the eligibility of other aliens to enter the United States, and are making those decisions stick even when the officials charged with the administration of the other immigration laws may feel that those decisions are erroneous or should be questioned.

The PRESIDING OFFICER. Does any Senator wish to speak in opposition?

Mr. FERGUSON. Mr. President, the committee amendment provides, in effect, that the final determination of eligibility of an applicant, both under the displaced-persons law and under the general immigration laws, shall be made exclusively by the Immigration and Naturalization Service and the American Foreign Service, both agencies acting through persons who are citizens of the United States, and who have had not less than 3 years' experience in the Immigration and Naturalization Service or in the American Foreign Service. I wish to point out that what the amendment would really do would be to take away from the Displaced Persons Commission the right to turn any person down, and would give the right exclusively to the Immigration and Visa Services.

The Senator from Michigan, together with the other Senators who are in favor of the substitute, feels very keenly that there should be a proper screening. We cannot be too thorough in the screening. Therefore, while the present law provides that the Visa Division of the State Department and the Immigration and Naturalization Service of the Justice Department should perform all the services under the laws which are now in existence, I have proposed an amendment to the substitute which makes it crystal clear that these two services are to perform their respective functions, notwithstanding the fact that the Displaced Persons Commission may also have a function to perform.

Let me give you an illustration. "A" appears before the Displaced Persons Commission as a displaced person applying for admission into the United States.

The commission investigates him to ascertain the date he arrived in the displaced-persons zone, and if the commission determines that he arrived at the proper date, then the Commission asks the Counter Intelligence of the United States Army to investigate him, and a thorough investigation is made. If the person in question is not admissible under the standards fixed by the displaced-persons law or the immigration law, the report of the investigating body should clearly show that fact. Then the Displaced Persons Commission can turn him down and say he is not admissible. Naturally he would not then come before the consul for a visa.

But let us take the case of a person who is processed as far as the consul. Under the provisions of the amendment I shall offer, the consul must ascertain whether the person in question is a displaced person and also ascertain whether he is admissible. Let us assume the individual receives a visa. He must then go before the immigrant inspector for a preembarkation examination that goes over the same grounds of eligibility and admissibility. Again when the individual gets to Ellis Island, or whichever port he comes to, the Immigration Service does not rely upon what has been done by the Displaced Persons Commission or the visa officer or even its own inspector abroad, but again makes an examination to ascertain whether the individual has violated any of the immigration laws and determines whether he is eligible under the immigration laws as well as under the displaced-persons law.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. Is it not true that Mr. Miller, of the Immigration Service, told the subcommittee of the Senate Appropriations Committee that the Immigration Service hoped this additional work would not be given to them because it would put them into a field with which they had no experience, the field of so-called screening?

Mr. FERGUSON. I believe Mr. Miller referred to the responsibility and authority contemplated by the committee bill. By my amendment I would simply give to the Immigration Service an affirmation of its authority and power to carry into effect the purposes of the law, to examine the persons in question very carefully so that no person who should not be admitted to the United States would be admitted, if it were humanly possible to ascertain that he should not be admitted.

I propose to offer an amendment to the Kilgore substitute on page 13, between lines 23 and 24, as follows:

SEC. —. The second sentence of section 10 of the Displaced Persons Act of 1948 is amended to read as follows: "The burden of proof shall be upon the person who seeks to establish his eligibility under this act, and no person shall be issued an immigration visa or be admitted into the United States under this act if the consular officer or the immigrant inspector knows or has reason to believe that the alien is subject to exclusion from the United States under any provision of the immigration laws or is not eligible under the terms of this act"—*"Provided,* That nothing in this section shall remove the right of review and appeal available to aliens under general immigration laws."

In other words, that amendment would definitely confer upon the visa officer and the immigrant inspector full and complete authority for review and veto of displaced-persons admissions. Presumably it would be his duty to know what is in the various files of the Counter Intelligence.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MALONE. I should like to ask the distinguished Senator from Michigan a question about the language beginning in line 5 of his amendment which reads as follows:

or be admitted into the United States under this act if the consular officer or the immigrant inspector knows or has reason to believe that the alien is subject to exclusion from the United States.

Does the distinguished Senator from Michigan believe that that charges the Immigration Service with investigating the alien, or calls for investigation only if the Service happens to have information which makes it necessary to conduct an investigation?

Mr. FERGUSON. I take it that the United States immigration law and the visa law require the visa officer to ascertain whether or not the person is admissible under the law. That is a duty he has. The amendment places upon him not only that duty, but if he has reason to believe—not only if he knows, but if he has reason to believe—that the alien is ineligible he must carry out every one of the provisions of the immigration law.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. FERGUSON. My time has expired.

The PRESIDING OFFICER. The question is on the adoption of the committee amendment on page 18, begin-

ning in line 15, through line 3, on page 20.

Mr. McCARRAN, Mr. WHERRY, and other Senators asked for the yeas and nays.

The yeas and nays were ordered and the legislative clerk proceeded to call the roll.

Mr. ECTON (when his name was called). On this vote I have a pair with the junior Senator from North Carolina [Mr. GRAHAM]. If he were present he would vote "nay." If I were permitted to vote I would vote "yea." I withhold my vote.

The roll was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT], the Senator from North Carolina [Mr. GRAHAM], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 41, nays 42, as follows:

YEAS—41

Bricker	George	McKellar
Bridges	Gillette	Malone
Butler	Hickenlooper	Maybank
Byrd	Hoey	Millikin
Cain	Holland	Mundt
Capehart	Jenner	Russell
Chapman	Johnson, Colo.	Schoeppel
Connally	Johnston, S. C.	Stennis
Cordon	Kem	Thomas, Utah
Darby	Langer	Watkins
Donnell	Long	Wherry
Dworshak	McCarran	Williams
Eastland	McCarthy	Withers
Ellender	McClellan	

NAYS—42

Aiken	Hunt	Neely
Anderson	Ives	O'Conor
Benton	Kefauver	O'Mahoney
Brewster	Kilgore	Robertson
Chavez	Knowland	Saltonstall
Douglas	Lehman	Smith, Maine
Ferguson	Lodge	Smith, N. J.
Flanders	Lucas	Sparkman
Green	McFarland	Taft
Gurney	McMahon	Taylor
Hayden	Magnuson	Thye
Hendrickson	Morse	Tobey
Hill	Murray	Tydings
Humphrey	Myers	Wiley

NOT VOTING—13

Downey	Johnson, Tex.	Thomas, Okla.
Ecton	Kerr	Vandenberg
Frear	Leahy	Young
Fulbright	Martin	
Graham	Pepper	

So the committee amendment was rejected.

Mr. LUCAS. Mr. President, I have conferred with members on both sides of the aisle, and I believe we are in a position to make some progress on this bill. In other words, there remain some 20 committee amendments to the bill. It is my understanding, after talking with the Senator from West Virginia, the Senator from Maryland, the Senator from Michigan, and others Senators on that side of the aisle, that they are willing to accept these amendments, not with the understanding that we believe a number of them are any good [laughter] but that we are willing to accept them in order to make some time, because when we accept the remaining committee amendments, then we shall be in a position to offer the amendment in the nature of a substitute for the bill. I think I am correct in making that statement.

I yield to the Senator from West Virginia.

Mr. KILGORE. Mr. President, that is correct.

The PRESIDING OFFICER. Is it desired that the remaining committee amendments be voted upon en bloc?

Mr. LUCAS. Mr. President, I ask unanimous consent that the remaining committee amendments be voted on en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the remaining committee amendments, en bloc.

The amendments were agreed to.

The amendments agreed to en bloc are as follows:

On page 20, line 4, to change the section number from "9" to "10"; in line 6, after "Sec. 12." to insert "The Secretary of State is hereby authorized and directed to immediately resume general consular activities in Germany and Austria to the end that the German and Austrian quotas shall be available for applicants for immigration visas pursuant to the immigration laws."; in line 11, after the words "of the", to insert "Immigration"; in line 13, after the word "German", to strike out "quota" and insert "and Austrian quotas"; in line 16, after the name "Poland", to strike out "Rumania" and insert "Romania"; in line 17, after the name "Yugoslavia", to insert "or areas under the control and domination of any such countries"; in line 19, after the word "or", to strike "Austria;" and insert "Austria.", and in the same line, after the amendment just above stated, to strike out "and, notwithstanding the preferences provided within the quotas by section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), first priority in the issuance of visas chargeable to the German quota under the provisions of section 12 of the act of May 26, 1924, as amended (8 U. S. C. 212), or under the provisions of this section, shall be granted to children who were 19 years of age or under on June 25, 1948, and who prior to May 1, 1949, were legally adopted under the laws of the country in which they resided by American citizens residing abroad temporally."

On page 21, line 9, to change the section number from "10" to "11"; in line 13, after the word "Party", to insert "or a Marxist", and in line 20, after the word "national", to strike out "origin" and insert "origin, or has borne arms against the United States."

On page 22, line 8, to change the section number from "11" to "12"; in line 9, after the word "section", to strike out "15" and insert "16"; in the same line, after the word "and", to strike out "a" and insert "two"; in the same line, after the word "new", to strike out "section is" and insert "sections are"; in line 11, after the words "known as", to strike out "section" and insert "sections"; in the same line, after the word "and", insert "15"; in the same line, after the word "read", to insert "as follows"; in line 20, after the word "persons", to insert "eligible displaced orphans, and persons included in section 12 of this act,"; on page 23, line 6, after the word "this", to strike out "section." and insert "Section: Provided, that any loan to such public or private agencies which is not repaid on or before the maturity date shall thereafter bear interest at the rate of 3 percent per annum.", and after line 9, to insert:

"SEC. 15. All transportation of displaced persons under this act, to the United States, the cost of which is defrayed in whole or in part by the Government of the United States, shall be by ships or planes registered under the United States flag."

On page 23, after line 14, to insert:

"SEC. 13. There is hereby established a joint congressional committee which shall be composed of three Members of the Senate to be appointed by the chairman of the Committee on the Judiciary of the Senate from the membership of such committee, and three Members of the House of Representatives to be appointed by the chairman of the Committee on the Judiciary of the House of Representatives from the membership of such committee.

"A vacancy in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original appointment. The members of the committee shall select a chairman and a vice chairman from among their number. The members of the committee shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the committee, other than expenses in connection with meetings of the committee held in the District of Columbia during such times as the Congress is in session.

"It shall be the duty of the committee to make a full and complete investigation of the problems of persons of German ethnic origin who were expelled from the country of their residence into Germany and Austria and are presently residing in those countries, and to report its findings and recommendations to the Congress not later than 1 year after the effective date of this section.

"The committee shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses, and the production of such books, papers, documents, and tangible things, to administer such oaths, to take such testimony, to procure such binding and printing, and to make such expenditures, as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee, and shall be served in such manner and at such times and places as he shall direct. Expenditures for reporting such hearings as the committee may hold shall not be in excess of 25 cents per 100 words.

"The committee is authorized to appoint and fix the compensation (on a per diem basis or otherwise) of such experts and consultants and such clerical, stenographic, and other assistants as it deems advisable. The expenses of the committee under this resolution shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of

Representatives upon vouchers signed by the chairman. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of disbursements so made."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERTSON. Mr. President, I call up my amendment No. 49.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATVE CLERK. At the end of page 15, it is proposed to insert the following:

(b) Section 4 (b) of such act is amended by striking out the words "any of such countries" and inserting in lieu thereof the words "such country."

Mr. ROBERTSON. Mr. President, if it is in order, I should prefer to call up at this point my first amendment, which is No. 48. At this time I withdraw amendment No. 49.

The PRESIDING OFFICER. The Senator's amendment No. 49 is withdrawn.

His amendment No. 48 will be stated.

Mr. KILGORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KILGORE. Are these amendments to the bill?

The PRESIDING OFFICER. Yes; to the bill.

Mr. KILGORE. Very well.

The PRESIDING OFFICER. The clerk will state amendment No. 48 of the Senator from Virginia.

The LEGISLATIVE CLERK. At the end of page 11, it is proposed to insert the following:

(b) Section 4 (b) of such act is amended by striking out the words "any of such countries" and inserting in lieu thereof the words "such country."

Mr. ROBERTSON. Mr. President, I understand that my amendment No. 48 is not now in order because the substitute is not now before the Senate for amendment. The amendment which I previously offered is to the House version of the bill. It is a very simple provision. It merely provides that if a person can not go back to the country from which he came as a refugee, he can be a displaced person, even though he may have some technical right to go to some other country.

The PRESIDING OFFICER. Which amendment is the Senator from Virginia offering at this time?

Mr. ROBERTSON. At this time I am offering my amendment No. 49.

Mr. LUCAS. Mr. President, as I understand, that amendment is to the substitute, which has not yet been brought before the Senate.

The PRESIDING OFFICER. The Chair was endeavoring to ascertain to what measure the amendment is offered by the Senator from Virginia.

Mr. ROBERTSON. Mr. President, my amendment No. 48 was offered to the substitute. My amendment No. 49 was offered to the House version of the bill. When the amendments were prepared, I did not know which measure would be before us. It seems now that the substitute is the measure which will be before the Senate henceforth.

The PRESIDING OFFICER. Is the Senator from Virginia offering his amendment No. 49 at this time?

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. As I understand the amendment of the Senator from Virginia, it is offered to a committee amendment, and it so states. However, at this time all the committee amendments have been adopted. Therefore, the amendment must be offered to the bill.

The PRESIDING OFFICER. Amendment No. 49 of the Senator from Virginia is in order.

Mr. McCARRAN. Mr. President, amendment No. 49 of the Senator from Virginia states on its face that it is offered as an amendment to the committee amendment.

The PRESIDING OFFICER. That is correct; but it provides for adding a subsection at the end of page 15, following line 25.

Mr. WHERRY. Mr. President, will the Senator from Virginia yield, to permit me to propound a parliamentary inquiry?

Mr. ROBERTSON. I yield.

Mr. WHERRY. Mr. President, I ask the distinguished occupant of the chair whether, in the orderly process of expediting action on this bill, an opportunity has arrived for the offering of the substitute for the bill, so that in such event the remainder of the amendments could be offered to whichever measure prevails.

Mr. LUCAS. Mr. President, there is no reason why a Senator cannot offer an amendment to the bill, if he desires to do so. I understand that is what the Senator from Virginia has done.

The PRESIDING OFFICER. The Senator from Virginia has offered his amendment, No. 49, to the bill.

Mr. WHERRY. Mr. President, I should like to have an answer to my inquiry.

The PRESIDING OFFICER. The Chair believes that what the Senator has referred to could be done.

Mr. WHERRY. Certainly. That was the reason for expediting action on the bill by the acceptance of the remaining committee amendments.

The PRESIDING OFFICER. Of course, any Senator has a right to offer an amendment to the bill.

Mr. WHERRY. That is correct.

Mr. ROBERTSON. Mr. President, I was under the impression that all the committee amendments had been acted upon, and therefore I submitted the amendment.

I now wish to withdraw it, and I say that I shall offer the amendment to the substitute.

Mr. KILGORE. Mr. President, I call up the amendment in the nature of a substitute, and offer it on behalf of myself and 17 other Senators.

Mr. McCARRAN. Mr. President, I have a number of amendments which I desire to offer to the bill. I now send forward an amendment, and ask——

Mr. KILGORE. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from West Virginia has offered the amendment in the nature of a substitute for the bill.

Mr. McCARRAN. But, Mr. President, I understand that an amendment to the bill has precedence.

The PRESIDING OFFICER. The substitute has been offered, and it will be stated. Thereafter, the Chair will recognize the Senator from Nevada.

Mr. McCARRAN. Mr. President, my amendment is to the bill, not to the substitute.

The PRESIDING OFFICER. The Senator from West Virginia has offered the amendment in the nature of a substitute for the bill, and it will be read by the clerk.

Then the Senator from Nevada may offer his amendment to the bill.

The amendment in the nature of a substitute, offered by the Senator from West Virginia, for himself and other Senators, will be read.

The legislative clerk read, as follows:

Amendment, in the nature of a substitute, proposed by Mr. KILGORE (for himself, Mr. GRAHAM, Mr. FERGUSON, Mr. DOUGLAS, Mr. MURRAY, Mr. NEELY, Mr. SMITH of New Jersey, Mr. MORSE, Mr. SALTONSTALL, Mr. HENDRICKSON, Mr. MAGNUSON, Mr. IVES, Mr. LEHMAN, Mr. BENTON, Mr. HUMPHREY, Mr. FLANDERS, Mr. MYERS, and Mr. THYE) to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948. Strike out all after the enacting clause and insert in lieu thereof the following:

"That subsection (c) of section 2 of the Displaced Persons Act of 1948 (Public Law 774, Eightieth Congress) is amended to read:

"'(c) "Eligible displaced person" means a displaced person as defined in subsection (b) above, (1) who on or after September 1, 1939, and on or before January 1, 1949, entered Germany, Austria, or Italy, and who on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or in the American zone, the British zone, or the French zone of either Germany or Austria, or who had temporarily absented himself therefrom for reasons which, in accordance with regulations to be promulgated by the Commission, show special circumstances justifying such absence, and who has not been firmly resettled; or a person who, having resided in Germany or Austria, was a victim of persecution by the Nazi Government and was detained in, or was obliged to flee from such persecution and subsequently returned to, one of these countries, and who has not been firmly resettled; and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence; and (3) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person,

shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons.'

"SEC. 2. Subsection (d) of section 2 of the Displaced Persons Act of 1948 is amended to read:

"'(d) "Eligible displaced person" shall also mean a native of Czechoslovakia who has fled as a direct result of persecution or fear of persecution from that country since January 1, 1948, and (1) who on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria; and (2) who is qualified under the immigration laws of the United States for permanent residence; and (3) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have safe and sanitary housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person, shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons.'

"SEC. 3. Subsections (e) and (f) of section 2 of the Displaced Persons Act of 1948 are amended to read:

"'(e) "Eligible displaced orphan" means displaced person (1) who was 19 years of age or under on June 25, 1948, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) who is an orphan because of the death or disappearance of both parents, or who has been abandoned, or deserted by, or separated, or lost from both parents, or who has only one parent due to the death or disappearance of his other parent and the remaining parent is incapable of providing care for such displaced person and agrees to release him for emigration or adoption, and (4) who on or before the effective date of this act, as amended, was in Italy or in the American sector or the British sector or the French sector of either Berlin or Vienna or the American zone or the British zone or the French zone of either Germany or Austria, and (5) for whom satisfactory assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States will be cared for properly.

"'(f) Any alien (1) who prior to June 30, 1950, is a resident of Germany, Austria, or Italy; and (2) who prior to June 30, 1951, is legally adopted, pursuant to proceedings instituted in a court of competent jurisdiction, by a citizen of the United States; and (3) who is at the time of the adoption under the age of 16 years, shall, upon registration of such alien at an American consulate in Germany, Austria, or Italy, be deemed to be the natural-born alien child of the adoptive parent: *Provided,* That not more than two persons shall be so deemed to be the natural-born alien children of the same adoptive parent, or of the same adoptive parent and the spouse of the adoptive parent, and that the total number of persons who shall be so deemed to be the natural-born alien children of an adoptive parent shall not exceed 5,000.'

"SEC. 4. Section 3 of the Displaced Persons Act of 1948 is amended to read:

"'SEC. 3. (a) During the three fiscal years beginning July 1, 1948, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2) and (3) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided,* That not more than 339,000 such visas shall be issued under this act, as amended, including visas heretofore issued under the Displaced Persons Act of 1948; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

"'(b) (1) A number of special nonquota immigration visas not to exceed 5,000 may be issued within the total numerical limitations provided by subsection (a) of this section to eligible displaced orphans.

"'(2) A number of immigration visas not to exceed 4,000 may be issued within the total numerical limitations provided by subsection (a) of this section to displaced persons or refugees as defined in annex I (except paragraph 1 (b) of section A of part I thereof) of the constitution of the International Refugee Organization who (1) resided in China, as displaced persons, or refugees, on July 1, 1948, or on the effective date of this act, as amended, and (2) are qualified under the immigration laws of the United States for admission into the United States for permanent residence.

"'(3) A number of immigration visas not to exceed 18,000 may be issued within the total numerical limitations provided by subsection (a) of this section to persons who (1) during World War II were members of the armed forces of the Republic of Poland, (2) were honorably discharged from such forces, (3) reside in the British Isles upon the effective date of this act, as amended, and (4) have registered for an immigration visa with a United States consular officer in Great Britain prior to the effective date of this act, as amended: *Provided,* That they meet all requirements of the immigration laws of the United States for admission into the United States for permanent residence.

"'(4) A number of immigration visas not to exceed 10,000 may be issued within the total numerical limitations provided in subsection (a) of this section to persons who are natives of Greece and who on or after January 1, 1940, and on or before January 1, 1949, were forcibly removed or forced to flee from their former habitual residence in Greece as a direct result of military operations in Greece by the Nazi government or by military operations in Greece by the Communist guerrillas, and prior to January 1, 1950, had not been either firmly settled or firmly resettled, and are qualified under the immigration laws of the United States for admission into the United States for permanent residence.

"'The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons defined in subdivisions (2) and (3) and (4) of this subsection, shall, if otherwise qualified for admission into the United States for permanent residence, also be granted immigration visas within the numerical limitations set forth in this subsection.

"'(c) Upon the issuance of an immigration visa to any alien as provided for in this act, as amended, except to eligible displaced orphans, and except to aliens defined in section 12 of this act, as amended, the consular officer shall use a quota number from the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (8 U. S. C. 212), for the fiscal year then current at the time or, if no such quota number is available for said fiscal year, in that event for the first succeeding fiscal year in which a quota number is available: *Provided,* That not more than 25 percent of any quota shall be so used in any fiscal year beginning July 1, 1949, and ending June 30, 1954; and that not more than 50 percent of any quota shall be so used in any fiscal year beginning July 1, 1954: *Provided further,* That during the fiscal years beginning July 1, 1949, and ending June 30, 1954, 50 percent of the nonpreference portion of the immigration quotas as defined in section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), shall be available to applicants for immigration visas who (1) on or after September 1, 1939, and before January 1, 1949, entered an area or country outside Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria; (2) establish that they are persons predominantly of European national origin displaced from the country of their birth, or nationality, or of their last residence, as a result of events subsequent to the outbreak of World War II; (3) that they cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions; and (4) that they have not been firmly resettled in any other country. The spouse and the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons who establish their eligibility for immigration into the United States under this proviso, shall also be granted such eligibility if otherwise qualified for admission into the United States for permanent residence.

"'(d) The selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin of such eligible displaced persons, and the Commission shall insure that equitable opportunity for resettlement under the terms of this act, as amended, shall be afforded to eligible displaced persons of all races, religions, and national origins. The extent to which the Commission has accomplished the foregoing objective shall be specifically indicated in the semiannual reports of the Commission filed pursuant to section 8 of this act.'

"SEC. 5. Section 4 (a) of the Displaced Persons Act of 1948 is hereby amended to read:

"'(a) Any alien who (1) entered the United States prior to April 30, 1949, and was on that date in the United States, or if he was temporarily absent from the United States on that date for reasons which, in accordance with regulations to be promulgated by the Attorney General, show special circumstances justifying such absence, and (2) is otherwise admissible under the immigration laws, and (3) is a displaced person residing in the United States as defined in this section may, within 2 years next following the effective date of this act, as amended, apply to the Attorney General for an adjustment of his immigration status. If the Attorney General shall, upon consideration of all the facts and circumstances of the case, determine that such alien has been of good moral character for the preceding 5 years and that such alien is qualified under the provisions of this section, the Attorney General shall report to the Congress all of the pertinent facts in the case. If during the session of the Congress at which a case is reported, or prior to the end of the session of the Congress next following the session at which a case is reported, the Congress passes a concurrent resolution stating in substance that it favors the granting of the status of permanent residence to such alien the Attorney General is authorized upon receipt of a fee of $18, which shall be deposited in the Treasury of the United States to the account of miscellaneous receipts, to record the admission of the alien for permanent residence as of the date of

the alien's last entry into the United States. If prior to the end of the session of the Congress next following the session at which a case is reported, the Congress does not pass such resolution, the Attorney General shall thereupon deport such alien in the manner provided by law: *Provided,* That the number of displaced persons who shall be granted the status of permanent residence pursuant to this section shall not exceed fifteen thousand. Upon the grant of status of permanent residence to such alien as provided for in this section, the Secretary of State shall, if the alien was a quota immigrant at the time of entry, reduce by one the immigration quota of the country of the alien's nationality as defined in section 12 of the Immigration Act of May 26, 1924, for the fiscal year then current or the next succeeding fiscal year in which a quota number is available, except that quota deductions provided for in this section shall be made within the limitations contained in the first proviso of subsection (c) of section 3 of this act, as amended.'

"SEC. 6. Section 6 of the Displaced Persons Act of 1948 is amended to read:

" 'SEC. 6. The preferences provided within the quotas by section 6 of the Immigration Act of 1924, as amended (8 U. S. C. 206), shall not be applicable in the case of any eligible displaced person receiving an immigration visa under this act, but in lieu of such preferences the following preferences, without priority in time of issuance of visas as between such preferences or as between preference or nonpreference cases under this act, as amended, shall be granted to eligible displaced persons and their family dependents who are the spouse or the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such persons, in the consideration of visa applications:

" '(a) First. Eligible displaced persons who are farm, household, construction, clothing, and garment workers, and other workers needed in the locality in the United States in which such persons propose to reside, or eligible displaced persons possessing special educational, scientific, technological, or professional qualifications.

" '(b) Second. Eligible displaced persons who are the blood relatives of citizens or lawfully admitted alien residents of the United States, such relationship in either case being within the third degree of consanguinity computed according to the rules of the common law.'

"SEC. 7. Section 7 of the Displaced Persons Act of 1948 is amended to read as follows:

" 'SEC. 7. Within the preferences provided in section 6, priority in the issuance of visas shall be given to eligible displaced persons who during World War II bore arms against the enemies of the United States or who served honorably in the labor service or guard units of the United States Army, and their family dependents who are the spouse or the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren.'

"SEC. 8. Section 8 of the Displaced Persons Act of 1948 is amended by striking out the date 'June 30, 1951' in the first sentence and inserting in lieu thereof the date 'June 30, 1952' and by amending the sixth sentence to read as follows: 'The Commission shall formulate and issue regulations for the purpose of obtaining the most general distribution and settlement of persons admitted under this act, consistent with housing and employment opportunities for resettlement, through the United States and their Territories and possessions.'

"SEC. 9. Section 12 of the Displaced Persons Act of 1948 is amended to read as follows:

" 'SEC. 12 (a) Notwithstanding the provisions of section 12 of the act of May 26, 1924, as amended, until July 1, 1952, a number of immigration visas not to exceed 54,744 may be issued to persons of German ethnic origin who were born in Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Russia, or Yugoslavia, and who on January 1, 1949, resided in Germany or Austria. Assurances shall be executed in accordance with regulations of the Commission that persons eligible under this section, if admitted into the United States, will be suitably employed without displacing some other person from employment and that any such person and the members of his family who propose to live with him shall not become public charges, and will have housing without displacing some other person from such housing. The spouse and unmarried child or children under 21 years of age, including adopted children and stepchildren, of any person eligible under this section shall, if otherwise qualified for admission into the United States for permanent residence, also be eligible under the provisions of this section. All persons qualifying for admission under this section shall be exempt from paying visa and head taxes.

" '(b) Upon the issuance of an immigration visa under subsection (a) above, which shall be in addition to the numbers authorized in section 3 (a) of the Displaced Persons Act, as amended, the consular officer shall use a quota number from the immigration quota of Germany for the fiscal year current at that time, or, if no such quota number is available for said fiscal year, for the first succeeding fiscal year in which a German quota number is available: *Provided,* That not more than 50 percent of the German quota shall be so used in any fiscal year.

" '(c) Notwithstanding the preferences provided within the quotas by section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), first priority in the issuance of visas chargeable to the German or Austrian quota under the provisions of section 12 of the act of May 26, 1924, as amended (8 U. S. C. 212), or under the provisions of this section, shall be granted to children who were 19 years of age or under on June 25, 1948, and who prior to May 1, 1949, where legally adopted under the laws of the country in which they resided by American citizens residing abroad temporarily. Those provisions of section 5 of this act which relate to the contract-labor clause of the immigration laws and to the payment of ticket or passage shall be applicable to persons whose admission is authorized under the provisions of this section.

" '(d) The Commission shall make the necessary arrangements incident to the transfer of persons eligible for emigration to the United States under this section from their place of residence in Germany or Austria to the port of embarkation and from the port of embarkation to the port of entry in the United States. Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation is made for the purpose of this section, to make advances not to exceed in the aggregate $2,500,000 to the Commission which shall be employed by the Commission to finance the transportation of persons who are eligible for emigration to the United States under this section from their place of residence in Germany or Austria to the port of entry in the United States. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose, and the Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder from funds made available for the purposes of this section.'

"SEC. 10. Section 13 of the Displaced Persons Act of 1948 is amended to read:

" 'SEC. 13. No visas shall be issued under the provisions of this act, as amended, to any person who is or has been a member of the Communist Party, or any person who adheres to, advocates and follows, or who has adhered to, advocated, and followed, the principles of any political and economic system or philosophy directed toward the destruction of free competitive enterprise and the revoluntionary overthrow of representative governments, or is or has been a member of any organization which has been designated by the Attorney General of the United States as a Communist organization or to any person who is or has been a member of or participated in any movement which is or has been hostile to the United States or the form of government of the United States, or who advocated or assisted in the persecution of any person because of race, religion, or national origin, or has borne arms against the United States. Upon arrival at the port of entry in this country, every displaced person 18 years of age or older shall take and subscribe an oath or affirmation that he is not and has never been a member of any organization or movement named in this section, and shall be liable to prosecution for perjury if such oath or affirmation is willfully false. If any eligible displaced person not entitled to a visa under this section shall nevertheless gain admission to this country, in addition to the penalty above-mentioned, such person shall be deported to the country from which his application was made under this act for admission to the United States.'

"SEC. 11. Section 14 of the Displaced Persons Act of 1948 is renumbered as section 15 and a new section is added to the Displaced Persons Act of 1948 to be known as section 14 and to read:

" 'SEC. 14. Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation is made for the purposes of this section, to make advances not to exceed in the aggregate $5,000,000, to the Displaced Persons Commission which shall be employed by the Displaced Persons Commission for loans to public or private agencies to finance the reception and transportation of eligible displaced persons and eligible displaced orphans from ports of entry within the United States to places of final destination in the United States or its Territories or possessions. Such loans, which shall mature not later than June 30, 1953, shall be made under rules and regulations approved by the President. No interest shall be charged on advances made by the Treasury Department to the Reconstruction Finance Corporation for the purposes of this section, and the Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder from funds made available for the purposes of this section.'

"SEC. 12. The Displaced Persons Act of 1948 is amended by adding a new section to read as follows:

" 'SEC. 16. Representatives of the Government of the United States are authorized to participate in a conference between affected nations for the purpose of studying and making recommendations providing for a satisfactory solution of the problems of persons of German ethnic origin who were expelled from the countries of their residence into Germany and Austria and are presently residing in those countries. The appropriation of such sums as may be necessary to carry out this section is hereby authorized.'

"SEC. 13. The Displaced Persons Act of 1948 is amended by adding at the end thereof a new section to read as follows:

" 'SEC. 17. All transportation of displaced persons under this act, to the United States, the cost of which is defrayed in whole or in part by the Government of the United States, shall be by ships or planes registered under the United States flag.' "

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. I understand that the Senator from West Virginia has now offered the amendment in the nature of a substitute for the bill.

The PRESIDING OFFICER. That is correct.

Mr. LUCAS. Does the Chair hold that any Senator can offer an amendment at this time to the original bill, not to the substitute?

The PRESIDING OFFICER. Any Senator can offer an amendment to the original bill or to the substitute.

Mr. LUCAS. That is what the Senator from Nevada stated a moment ago; namely, that any Senator can offer an amendment to the bill at this time, even though the amendment in the nature of a substitute for the bill has been offered.

The PRESIDING OFFICER. That is correct.

Mr. McCARRAN. Mr. President, I submit to the bill the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, in line 7, it is proposed to strike out the words "a person."

Mr. McCARRAN. Mr. President, the structure of the clause following the semicolon in line 7, on page 2, is faulty because, since this clause is within the subdivision designated as (1), in line 5, on page 1, the repetition of the noun "person" is confusing. The clause immediately following the subdivision number (1), in line 5, on page 1, begins with the word "who." So the clause which begins in line 7, on page 2, should also begin with the word "who."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada. [Putting the question.]

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I submit to the bill another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from Nevada will be stated.

The LEGISLATIVE CLERK. On page 2, in line 10, after the word "and", it is proposed to strike out down to the second comma in line 11, and to insert: "was subsequently returned to one of these countries as a result of enemy action, or of war circumstances, and on January 1, 1949, had not been firmly resettled therein."

Mr. McCARRAN. Mr. President, the present law, like the constitution of the International Refugee Organization, requires that in order to be eligible, a displaced person who has returned to one of the occupied zones, after leaving, must have been returned as a result of enemy action or of war circumstances. The House version of the bill eliminates the requirement.

The purpose of this amendment is to restore the requirement.

Mr. President, it is obvious that without such a requirement, this section holds out inducement to persons who may want to come to the United States and who have succeeded in getting out of the occupied zones into other countries, to flock back into occupied zones because without the requirement which this amendment proposes to restore, even former displaced persons who have been resettled in other countries of the world could gain admission into the United States by first going back into one of the occupied zones.

The present law contains a cut-off date of January 1948, with regard to these persons. The amendment now proposed moves this cut-off date to January 1, 1949. There is no reason for rejecting this amendment, unless it is the intention of the Senate that displaced persons who have already left the occupied zones of Germany, Austria, and Italy, and who may even been resettled in some other countries, shall be permitted to come to the United States if they can get back into one of the occupied zones. I cannot believe that the Senate has any such intention, because the whole purpose of the law is to get displaced persons out of the occupied zones, not to induce them to go back into the occupied zones, in order to come to the United States.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. May I ask the able chairman whether this question was discussed before his committee?

Mr. McCARRAN. No, it was not.

Mr. LUCAS. This is something new.

Mr. KILGORE. Mr. President, the bad feature of this amendment, as I see it, which I think the House was trying to avoid, was that there were a number of cases—and there are still a number of cases—in which families in the United States are practically impoverishing themselves to keep displaced persons somewhere in Europe, who are unable to return home, persons who do not have an earning capacity, and who are not truly resettled. It is true, they are living in someone's home, or at some hotel. I know of a number of cases of that kind, and I know that the Immigration Service has informed some of those interested that if this requirement did not exist, such persons could come to this country, to become self-sustaining. They may be in any three of the zones, and have been registered. Their relatives in this country are having to support them over there. Some of them are not being supported by IRO, it is true, because their people have found some place for them to stay. The persons I refer to are usually in the younger categories, but they are, nevertheless, bona fide displaced persons. As I say, it would relieve their relatives in this country of a burden, and would enable the persons now being supported by them to support themselves, if they could be brought to this country and placed somewhere in industry, probably in connection with their own people. It is my understanding it was for that reason that the House failed to leave this provision in the bill.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Illinois?

Mr. KILGORE. I yield.

Mr. LUCAS. It seems to me we are now starting on something that is completely new, and which has never been considered by the committee. This provision apparently was considered seriously by the House of Representatives before the bill came to the Senate.

Mr. KILGORE. That is correct.

Mr. LUCAS. Consequently, if we proceed to consider amendments which the committee itself has not considered, we are going to get into trouble. I hope this amendment will be defeated.

Mr. WHERRY, Mr. McCARRAN, and other Senators asked for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nevada.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hickenlooper	Millikin
Benton	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Murray
Bridges	Humphrey	Myers
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Robertson
Chavez	Johnston, S. C.	Russell
Connally	Kefauver	Saltonstall
Cordon	Kem	Schoeppel
Darby	Kilgore	Smith, Maine
Donnell	Knowland	Smith, N. J.
Douglas	Langer	Sparkman
Dworshak	Lehman	Stennis
Eastland	Lodge	Taft
Ecton	Long	Taylor
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McCarthy	Tobey
Frear	McClellan	Tydings
George	McFarland	Watkins
Gillette	McKellar	Wherry
Green	McMahon	Wiley
Gurney	Magnuson	Williams
Hayden	Malone	Withers

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on the amendment. [Putting the question.] The "noes" appear to have it.

Mr. McCARRAN. I ask for a division.

On a division, the amendment was rejected.

Mr. ROBERTSON. Mr. President, I wish to call up my amendment No. 48, to the substitute.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the end of page 11, it is proposed to insert the following:

(b) Section 4 (b) of such act is amended by striking out the words "any of such countries", and inserting in lieu thereof the words "such country."

Mr. ROBERTSON. Mr. President, I am mistaken. I thought the substitute had been offered. I withdraw my request.

The PRESIDING OFFICER. The substitute has been offered; but the original bill is open to further amendment.

Mr. McCARRAN. I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, in line 15, after the word "given", it is proposed to insert "by a citizen or citizens of the United States."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to require that assurances for displaced persons shall be given by citizens of the United States, and that assurances from other displaced persons or other aliens will not be accepted. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. ECTON (when his name was called). On this vote I have a pair with the junior Senator from North Carolina [Mr. GRAHAM]. If he were permitted to vote, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT], the Senator from North Carolina [Mr. GRAHAM], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The result was announced—yeas 41, nays 42, as follows:

YEAS—41

Bricker	George	McKellar
Bridges	Gillette	Malone
Butler	Hickenlooper	Maybank
Byrd	Hoey	Millikin
Cain	Holland	Mundt
Capehart	Jenner	Russell
Chapman	Johnson, Colo.	Schoeppel
Connally	Johnston, S. C.	Stennis
Cordon	Kem	Thomas, Utah
Darby	Langer	Watkins
Donnell	Long	Wherry
Dworshak	McCarran	Williams
Eastland	McCarthy	Withers
Ellender	McClellan	

NAYS—42

Aiken	Ferguson	Hill
Anderson	Flanders	Humphrey
Benton	Green	Hunt
Brewster	Gurney	Ives
Chavez	Hayden	Kefauver
Douglas	Hendrickson	Kilgore
Knowland	Murray	Smith, N. J.
Lehman	Myers	Sparkman
Lodge	Neely	Taft
Lucas	O'Conor	Taylor
McFarland	O'Mahoney	Thye
McMahon	Robertson	Tobey
Magnuson	Saltonstall	Tydings
Morse	Smith, Maine	Wiley

NOT VOTING—13

Downey	Johnson, Tex.	Thomas, Okla.
Ecton	Kerr	Vandenberg
Frear	Leahy	Young
Fulbright	Martin	
Graham	Pepper	

So Mr. McCARRAN's amendment was rejected.

Mr. McCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The Clerk will state the amendment.

The LEGISLATIVE CLERK. On page 9, at the end of line 11, it is proposed to change the period to a comma and insert: "and (3) are still in China or, having left China, have not subsequently been received for permanent residence by any country other than the United States."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to limit the class of persons who are to be admitted under this provision to those displaced persons and refugees who are still in China, or who, having left China, have not been resettled. The information of the committee was that most of the persons in this group who have succeeded in leaving China have been resettled. The minority report states that this information is "clearly erroneous." If this information is erroneous, then certainly there can be no objection to the amendment now proposed; and with respect to any of these people who have been resettled in any other country, there is no valid reason for authorizing their admission to the United States.

Mr. KILGORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KILGORE. Was not this amendment passed on previously?

The PRESIDING OFFICER. It does not appear to have been passed upon previously.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Do I understand correctly that this amendment is offered as an amendment to the substitute?

Mr. McCARRAN. No.

The PRESIDING OFFICER. It is offered as an amendment to the original bill.

Mr. McCARRAN. It is offered as an amendment to the original bill.

Mr. KNOWLAND. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Does the proposed amendment take care of the people who are now on the Island of Samar?

Mr. McCARRAN. Yes.

Mr. KNOWLAND. Those who have not been resettled?

Mr. McCARRAN. That is correct.

Mr. KNOWLAND. Does it take care of these people in substantially the same way as was provided by the amendment proposed by the Senator from California?

Mr. McCARRAN. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 9, in line 18, after the comma immediately following the word "amended", it is proposed to insert: "but have not been either firmly settled or resettled."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to avoid including in the group of former Polish veterans, who would be eligible to come to the United States under this provision, persons who have already been firmly resettled in the British Isles. It is hard to see how there can be any objection to the amendment.

Mr. LUCAS. Mr. President, I should like to know from any member of the Committee on the Judiciary whether or not the subject was given consideration and if the committee agreed to the proposed amendment. I do not quite understand what the amendment means, and what it would do to the bill.

Mr. O'CONOR. Mr. President, will the Senator from Nevada yield for a question?

Mr. McCARRAN. I yield.

Mr. O'CONOR. Does not the amendment pertain to the members of the former Polish army who have been in Great Britain and have not been firmly resettled?

Mr. McCARRAN. Yes; the subject was discussed at length by the committee and by the subcommittee.

Mr. O'CONOR. I should like to confirm the statement made by the Senator from Nevada to the effect that the proposed amendment was fully discussed, and my recollection is that it was agreed that the amendment was sound.

Mr. KILGORE. Mr. President, will the Senator from Nevada yield for a question?

Mr. McCARRAN. I yield for a question.

Mr. KILGORE. Does the proposed amendment refer to the Poles in England?

Mr. McCARRAN. The Poles who have gone over to England.

Mr. KILGORE. The 18,000 Poles?

Mr. McCARRAN. Yes; those who have not been firmly resettled.

Mr. LUCAS. The proposed amendment would take care of those 18,000 Poles?

Mr. McCARRAN. It would take care of the 18,000 Poles who have not been firmly resettled in England.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The Clerk will state the amendment.

The LEGISLATIVE CLERK. On page 11, in line 24, after the word "who", it is proposed to insert: "are otherwise qualified for admission into the United States for permanent residence, and who."

Mr. McCARRAN. Mr. President, the purpose of the amendment is to make it absolutely clear that in order to be eligible for visa preference under this provision, an applicant must meet the requirements of the general immigration laws.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. On the last record vote which was taken, the tally which was kept by some Senators does not agree with the announcement made of the vote, 41 to 44. I am wondering whether a recapitulation would be in order at this point.

The PRESIDING OFFICER. The Chair is advised that the vote was 41 to 42. The result is not changed, although there is a change in the figures.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. I wonder if it would be in order to have the tally read again.

The PRESIDING OFFICER. That may be done by unanimous consent.

Mr. BUTLER. I ask unanimous consent that the tally be read again.

Mr. LUCAS. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. McCARRAN. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 12, in line 1, after the word "country", it is proposed to insert "in Europe."

Mr. McCARRAN. The purpose of this amendment is to restrict the benefit of this provision to European displaced persons, instead of having it apply to any person anywhere in the world.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment, which I send forward and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 12, in line 5, it is proposed to strike out the word "predominantly."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to eliminate the question of who is a person "predominantly of European national origin," and limiting the category of beneficiaries under this provision to persons of European national origin.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Which amendment is being offered?

The PRESIDING OFFICER. The clerk will read it.

The LEGISLATIVE CLERK. On page 12, in line 5, to strike out the word "predominantly."

Mr. TAFT. I raise a point of order as to whether all of that section was not struck out formerly, so that it is not there at all. I raise the same point with reference to the immediately preceding amendment, which refers to page 12, line 1, and ask whether the section was not struck out by a previously adopted committee amendment.

The PRESIDING OFFICER. The Senator is correct. The section was struck out.

Mr. TAFT. May I ask for a reversal on the last amendment, which was also not in order at the time it was approved?

The PRESIDING OFFICER. Without objection, the vote by which the amendment was agreed to is reconsidered, since the amendment was not in order.

Mr. FERGUSON. Mr. President, I offer an amendment to the amendment in the nature of a substitute, to amend the Displaced Persons Act of 1948, to provide that on page 13, between lines 23 and 24, there be inserted the following new section:

SEC. —. The second sentence of section 10 of the Displaced Persons Act of 1948 is amended to read as follows: "The burden of proof shall be upon the person who seeks to establish his eligibility under this act, and no person shall be issued an immigration visa or be admitted into the United States under this act if the consular officer or the immigrant inspector knows or has reason to believe that the alien is subject to exclusion from the United States under any provision of the immigration laws or is not eligible under the terms of this act: *Provided*, That nothing in this section shall remove the right of review and appeal available to aliens under general immigration laws."

Mr. President, the subject has been discussed on the floor of the Senate, and I do not care at this time to discuss it again, except to say that the purpose of the amendment is to strike out the provision for security and to insure that these two services will perform all the functions under the immigration laws. I ask if there is any objection to my proposed amendment.

Mr. McCARRAN. Mr. President, I should like to say that I am very much in favor of the amendment, and I wish I could make it stronger, because I think that, instead of putting the burden on the party who raises an objection because of ineligibility, as is now required, the burden should be placed on the shoulders of the applicant to establish that he is eligible and free from any subversive taint.

The PRESIDING OFFICER. Will the Senator from Michigan send his amendment to the desk?

Mr. FERGUSON. Mr. President, I have sent it to the desk.

The PRESIDING OFFICER. A part of it is underlined.

Mr. FERGUSON. No; all of it is intended to be offered.

The PRESIDING OFFICER. It is all included?

Mr. FERGUSON. Yes.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 13, between lines 13 and 14, it is proposed to insert the following new section:

SEC. —. The second sentence of section 10 of the Displaced Persons Act of 1948 is amended to read as follows: "The burden of proof shall be upon the person who seeks to establish his eligibility under this act, and no person shall be issued an immigration visa or be admitted into the United States under this act if the consular officer or the immigrant inspector knows or has reason to believe that the alien is subject to exclusion from the United States under any provision of the immigration laws or is not eligible under the terms of this act: *Provided*, That nothing in this section shall remove the right of review and appeal available to aliens under general immigration laws."

Mr. KILGORE. The sponsors of the substitute have considered the amendment offered by the Senator from Michigan, and they are willing to accept the amendment.

Mr. WHERRY. Mr. President, I should like to have the amendment again read.

The PRESIDING OFFICER. The clerk will read it.

The legislative clerk again read the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment to the bill.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 21, in line 8, after the word "section", it is proposed to insert "and such persons shall be exempt from paying visa fees and head taxes."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to exempt the approximately 54,000 Volksdeutsche who would be made eligible for admission under section 12 of the bill from the requirement for paying visa fees and head taxes.

Mr. KILGORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KILGORE. Is this amendment offered to the bill or to the substitute?

Mr. McCARRAN. To the bill.

Mr. LUCAS. Mr. President, may we have the amendment read again?

The PRESIDING OFFICER. The clerk will read it.

The LEGISLATIVE CLERK. On page 21, in line 8, after the word "section," it is proposed to insert "and such persons shall be exempt from paying visa fees and head taxes."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 21, line 8, it is proposed to strike out the quotation mark at the end of the line and insert:

There is hereby authorized to be appropriated, out of any funds in the Treasury, not otherwise appropriated, such sums as may be necessary, not to exceed in the aggregate $10,000,000, to be employed by the Displaced Persons Commission to finance the reception, processing, and transportation of persons whose admission is authorized under the provisions of this section from their place of residence in Germany or Austria to ports of entry in the United States.

Mr. McCARRAN. Mr. President, the purpose of this amendment is to impose upon the Displaced Persons Commission the duty and responsibility of receiving, processing, and transporting the 54,000 volksdeutsche who would be authorized for admission under section 12, and to authorize an appropriation of not to exceed $10,000,000 for this purpose. In this connection, it should be pointed out that the so-called Kilgore substitute carries a provision of advances up to $2,500,000 by the Reconstruction Finance Corporation for a similar purpose, and also imposes a duty upon the Commission to "make the necessary arrangements incident to the transfer of persons eligible for immigration to the United States under this section from their place of residence in Germany or Austria to the port of embarkation and from the port of embarkation to the port of entry in the United States." The imposition of such a duty upon the Commission would be the basis for an appropriations estimate; but under the language of the Kilgore substitute, there would be no limit upon the amount of the appropriation so authorized. Under the amendment which I have now offered, a limit of $10,000,000 is placed upon the total cost. By authorizing a specific appropriation, the amendment also avoids the evil of requiring the Reconstruction Finance Corporation to advance unappropriated funds.

Let me say, Mr. President, that there has been a growing feeling here, and it is one in which I join, that in too many bills provisions are included which call upon the Reconstruction Finance Corporation for money, thus bypassing the appropriations committees of both Houses.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. KILGORE. Does the authorization of $10,000,000 take care of the transportation of the Volksdeutsche?

Mr. McCARRAN. Yes.

Mr. KILGORE. Is that what it is for?

Mr. McCARRAN. Yes.

Mr. KILGORE. That is under the contemplation that Volksdeutsche would be included in excess of 54,000? In other words, they would be from among displaced persons?

Mr. McCARRAN. Not in excess of 54,000.

Mr. KILGORE. All the Volksdeutsche could not be taken care of if they are made a part of the displaced persons?

Mr. McCARRAN. They are not made a part of the displaced persons. It is only those who can establish their eligibility as displaced persons who come under the provisions of the bill.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nevada [Mr. McCARRAN]. [Putting the question.] The amendment was agreed to.

Mr. IVES. Mr. President, I send to the desk two amendments offered by me on behalf of the Senator from Pennsylvania [Mr. MYERS] and myself to the so-called Kilgore substitute, and request that they be considered en bloc, because they relate very closely to one another.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 5, line 23, of the Kilgore substitute, it is proposed to strike out the words "three hundred and thirty-nine thousand" and insert in lieu thereof "three hundred and forty-four thousand."

On page 7, between lines 20 and 21, of the Kilgore substitute, it is proposed to insert the following:

A number of immigration visas not to exceed 5,000 may be issued within the total numerical limitations provided in subsection (a) of this section to persons who were residents of Venezia-Giulia prior to May 6, 1945, and who on or after May 6, 1945, removed from those parts of Venezia-Giulia placed under Yugoslav sovereignty or administration under the terms of the Treaty of Peace with Italy signed at Paris on February 10, 1947, and who on the date of application for a visa are not Italian citizens and who on January 1, 1949, were in Italy, or in the United States or the United Kingdom zone of the Free Territory of Trieste, or in the American sector, the British sector, or the French sector of either Berlin or Vienna, or in the American zone, the British zone, or the French zone of either Germany or Austria.

Mr. CAIN. Mr. President, may I inquire whether action on the committee bill has been completed? I had been seeking recognition previously.

The PRESIDING OFFICER. Action has been taken on all committee amendments, but amendments to the committee bill are still in order.

Mr. CAIN. Can they be offered at any time after the Senator from New York has completed his observations?

The PRESIDING OFFICER. Yes.

Mr. McCARRAN. If I understood the Senator from New York correctly, the amendments he offers on behalf of the Senator from Pennsylvania [Mr. MYERS] and himself are to the substitute. Is that correct?

Mr. IVES. Yes.

Mr. McCARRAN. What is the order of business now, Mr. President?

The PRESIDING OFFICER. Amendments can be offered to the substitute, but amendments to the original bill take precedence.

Mr. McCARRAN. That is what I thought. I now send forward an amendment which I ask to have considered at the proper time.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 22, beginning with line 12, it is proposed to strike out down to and including line 9 on page 23 and insert in lieu thereof the following:

SEC. 14. There is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, not to exceed in the aggregate $5,000,000, to be employed by the Displaced Persons Commission for loans to public or private agencies to finance the reception and transportation of eligible displaced persons, eligible displaced orphans, and persons included in section 12 of this act, from ports of entry within the United States to places of final destination in the United States or its Territories or possessions, or to finance the transportation from points in Europe to ports of entry within the United States of eligible displaced persons who are displaced persons as defined in subsection (b) (2) of section 2 of this act or who are persons of German ethnic origin who were born in Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Russia, or Yugoslavia, or areas under the control and domination of any such countries. Such loans, which shall mature not later than June 30, 1953, shall be made under rules and regulations approved by the President. Such loans may be made without interest except that any such loan which is not repaid on or before the maturity date shall thereafter bear interest at the rate of 3 percent per annum.

Mr. LUCAS. Mr. President, I desire to make a parliamentary inquiry with reference to the amendments previously offered by the Senator from New York [Mr. IVES]. When a Senator asks recognition of the Chair and obtains the floor and offers an amendment to the substitute, can he be taken from the floor by another Senator who offers an amendment to the original bill?

The PRESIDING OFFICER. After the amendment is stated by the Senator who offers it, or after it is stated at the desk, that Senator does not hold the floor. Then if some other Senator is recognized to offer an amendment to the original bill, that amendment takes precedence in the matter of voting. When that amendment is then voted upon, the question goes back to the amendment of the Senator from New York [Mr. IVES], unless some Senator in the meantime has offered an amendment to the committee bill.

Mr. LUCAS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Assuming that no Senator is ready to offer an amendment to the original bill, does the Senator from New York continue to retain the floor, and would his amendment to the substitute be in order, and would the Senate be able to vote upon it?

The PRESIDING OFFICER. The amendment of the Senator from New York would come next. In other words, when the amendment offered by the Senator from Nevada is passed upon, unless some other Senator offers another amendment to the original bill, the amendment of the Senator from New York would come up for consideration.

Mr. McCARRAN. Mr. President, one of the purposes of this amendment is to authorize an appropriation for the purpose of making loans to finance the transportation of displaced persons from ports of entry within the United States to places of final destination in the United States or its Territories or possessions. The bill now provides for advances by the Reconstruction Finance Corporation of unappropriated funds; and because of the constitutional question involved, and the fact that this pro-

cedure is opposed by many as a device for bypassing the appropriations machinery of the Congress, it is thought better to authorize an appropriation. If the appropriation is authorized, the Appropriations Committees of the two Houses of Congress can be counted upon to act speedily.

This amendment would also make provision for paying the transportation to the United States of Greek displaced persons and displaced persons of German ethnic origin, who cannot benefit under the IRO, which pays the passage of other displaced persons. IRO will not aid the Greeks because they are displaced within the borders of their own country; and the IRO constitution specifically excludes from all aid any person of German ethnic origin who is not within the IRO definition of "persecutee."

The PRESIDING OFFICER. Is there objection to the amendment offered by the Senator from Nevada?

Mr. LUCAS. Mr. President, I should like to know whether this amendment was considered by the committee, and whether it is part of any other amendment we have passed upon heretofore.

Mr. McCARRAN. It was considered by the committee, and it was in the bill—not in this exact language, but in substance—which was introduced by the now Attorney General, Mr. McGrath, when he was a Member of the Senate. It will be found in the Senate bill introduced by the former Senator from Rhole Island. I believe it will be found in the Senate bill introduced by the Senator from West Virginia. So it has been a matter of discussion.

There are two phases to it. First of all, Shall we make provision for the RFC furnishing the funds without appropriation from Congress? Second, Shall we make the appropriation at all? And shall we provide for transportation from the port of entry to those who come here as displaced persons? The reason for its inclusion in all the bills was to keep these people from settling down in congested centers at the seacoast.

Mr. LUCAS. Mr. President, I desire to speak briefly in opposition to this amendment. Here there are being offered by the distinguished Senator from Nevada one amendment after another which apparently have not been seriously considered by the committee itself. Otherwise, we would find someone saying that this amendment was either voted up or down in the committee. I am not sure that I understand all the amendments which are being offered. Certainly if the amendments had the merit they are stated to deserve they would have been voted up or down in the committee. But now we have another amendment offered by the Senator from Nevada. I daresay the Senate is not thoroughly apprised of what is the real meaning of the amendment. Certainly the members of the Judiciary Committee have not considered it to the point where they have taken a vote on it.

Mr. President, this is not a proper way to legislate, and Senators know it is not. If this amendment had been considered seriously by the committee and a vote on it had been taken in the committee, that would be one thing. However, this is approximately the third or fourth amendment which we have had before us, with respect to which no really serious consideration has been given by the committee.

Mr. President, I object to it, and I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. McCARRAN] on page 22, beginning in line 12.

Mr. NEELY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NEELY. Can the Senator from Nevada or any other Senator inform us whether there is any estimate of the cost of the amendment, if adopted, to the people of the United States?

Mr. McCARRAN. Mr. President, all I can say is that this amendment in substance, has been in nearly every bill on this subject which has been introduced. Its estimated cost is the cost of transporting such persons, whose transportation is now being paid by the IRO, to which the United States is contributing. Such persons are now being settled by the IRO in seacoast towns, in congested centers.

This amendment is to pay the cost of transporting such persons from the port of entry into the interior of the United States, where they would not take up housing and space and jobs in congested centers. That was the object of the bill which was introduced by the former Senator from Rhode Island, Mr. McGrath. Undoubtedly it has been discussed at length.

The Senator from Illinois seemingly would bar the Senator from Nevada from offering any amendments on his own behalf, as a Member of the Senate of the United States. Mr. President, the fact of the matter is that a Senator can submit an amendment which was not considered at all by the committee. However, as a matter of fact, these amendments were considered by the committee; and, if I am not mistaken, they are in substance in the Kilgore substitute.

Mr. NEELY. Mr. President, again I inquire if some Senator can inform us of the total probable cost to the United States Government of bringing in these additional persons. Has any estimate of the cost been made?

The PRESIDING OFFICER. The Chair is not advised as to that.

Mr. McCARRAN. No, sir.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada, on page 22, beginning in line 12. [Putting the question.]

The "ayes" appear to have it.

Mr. KILGORE. Mr. President, I call for a division.

The Senate proceeded to divide.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Will the Senator from Oregon be in order if he rises to suggest the absence of a quorum?

The PRESIDING OFFICER. The Chair is informed by the clerk that a division may be interrupted for the suggestion of the absence of a quorum.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hickenlooper	Millikin
Benton	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Murray
Bridges	Humphrey	Myers
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	O'Mahoney
Capehart	Johnson, Colo.	Robertson
Chapman	Johnston, S. C.	Saltonstall
Chavez	Kefauver	Schoeppel
Connally	Kem	Smith, Maine
Darby	Kilgore	Smith, N. J.
Donnell	Knowland	Sparkman
Douglas	Langer	Stennis
Dworshak	Lehman	Taft
Eastland	Lodge	Taylor
Ellender	Long	Thomas, Utah
Ferguson	Lucas	Thye
Flanders	McCarran	Tydings
George	McClellan	Watkins
Gillette	McFarland	Wherry
Green	McKellar	Wiley
Gurney	McMahon	Williams
Hayden	Magnuson	Withers

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN] on page 22, beginning in line 12.

Mr. LUCAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

The Senator from Georgia [Mr. RUSSELL] is unavoidably detained on official business.

I announce that on this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Montana would vote "yea."

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Montana [Mr. ECTON] is detained on official business and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. CORDON], the Senator from Nevada [Mr. MALONE], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from New Hampshire [Mr. TOBEY], are detained on official business.

The result was announced—yeas 32, nays 46, as follows:

YEAS—32

Bricker	George	McClellan
Butler	Hickenlooper	McKellar
Cain	Hoey	Maybank
Capehart	Holland	Millikin
Chapman	Jenner	Mundt
Connally	Johnston, S. C.	Schoeppel
Darby	Kefauver	Watkins
Donnell	Kem	Wherry
Dworshak	Langer	Williams
Eastland	Long	Withers
Ellender	McCarran	

NAYS—46

Aiken	Humphrey	O'Conor
Anderson	Hunt	O'Mahoney
Benton	Ives	Robertson
Brewster	Johnson, Colo.	Saltonstall
Bridges	Kilgore	Smith, Maine
Byrd	Knowland	Smith, N. J.
Chavez	Lehman	Sparkman
Douglas	Lodge	Stennis
Ferguson	Lucas	Taft
Flanders	McFarland	Taylor
Gillette	McMahon	Thomas, Utah
Green	Magnuson	Thye
Gurney	Morse	Tydings
Hayden	Murray	Wiley
Hendrickson	Myers	
Hill	Neely	

NOT VOTING—18

Cordon	Johnson, Tex.	Pepper
Downey	Kerr	Russell
Ecton	Leahy	Thomas, Okla.
Frear	McCarthy	Tobey
Fulbright	Malone	Vandenberg
Graham	Martin	Young

So Mr. MCCARRAN'S amendment was rejected.

Mr. MCCARRAN. Mr. President, I send forward an amendment which I ask to have stated.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 16. (a) No visa shall be issued pursuant to this act, as amended, to any eligible displaced person at any time after 1 week immediately following the certification of a declaration, as provided in subsection (b) of this section stating that either (1) the total number of unemployed in the labor force in the United States exceeds 4,000,000 as estimated by the Secretary of Labor, or (2) the total number of married couples living doubled up in a household with another family exceeds 2,000,000 as estimated by the Administrator of the Housing and Home Finance Agency.

(b) During the month next following the month in which this section is enacted, and each month thereafter until July 1951, the Secretary of Labor shall certify and make public a declaration setting forth his estimate of the total number of unemployed in the labor force in the United States, and the Administrator of the Housing and Home Finance Agency shall certify and make public a declaration setting forth his estimate of the total number of married couples living doubled up in a household with another family. The declaration so certified shall be published promptly in the Federal Register.

(c) The term "another family" as used in this section means the head of a household whether or not related to either member of the married couple. The term "household" as used in this section means a house, an apartment, or other group of rooms, or a room that constitutes a dwelling unit.

Mr. MCCARRAN. Mr. President, the purpose of the amendment is to halt the immigration end of the displaced-persons program when unemployment in the United States reaches a critical point, or when the housing shortage is so severe that more than 2,000,000 married couples are required to live doubled up with other families.

Mr. KILGORE. Mr. President, I do not exactly understand the legislative meaning of "couples living doubled up." There is a colloquial meaning known to those who live in the mountains. But I have in my possession, and I have put in the RECORD today, communications from the Congress of Industrial Organizations, and a copy of minutes and resolutions of the American Federation of Labor, both of whom have studied the question. They studied the bill as it came from the Judiciary Committee, and studied the substitute which was offered. Both of them have full knowledge of labor conditions, and both favor the bringing of these people into the United States. I think they would be the first to object if they felt it would be depriving American citizens of employment. But I well remember what Mr. Murray said in his letter. He said, "It is but a drop in the bucket, and it leads to peace. For that reason we favor 339,000 maximum limitation. We favor raising the limit, and we favor the substitute for that reason." I know of their feelings in the matter. I know that they have no objection. I want to read one paragraph:

Organized labor rejects the premise that a fair displaced-persons law will adversely affect its interests. The House bill would add but three-tenths of 1 percent to our labor force. The CIO has enough faith in the American way of life to believe that the admission of such small numbers will have no material effect on our employment picture. We reject efforts to becloud the issues through erroneous charges that the displaced-persons program will cause or aggravate unemployment. Such charges hide the real issue in unemployment and housing shortages concerning which the CIO has clearly announced its programs of action.

That letter was written on February 9, after the House bill had come to the Senate. Like another letter which I placed in the body of the RECORD today, it contained similar statements about the substitute offered by my colleagues and myself. Therefore, I seriously oppose any such restriction as this amendment would provide.

Mr. MCCARRAN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Nevada?

Mr. KILGORE. I yield.

Mr. MCCARRAN. Was the Senator on the floor this morning when I read Mr. Murray's statement that it lacked only a 316,000 increase in unemployment now to bring about a critical situation?

Mr. KILGORE. Yes; I was on the floor.

Mr. MCCARRAN. Was the Senator on the floor when I read this morning a statement from the American Federation of Labor warning the members that a critical situation is now approaching?

Mr. KILGORE. Yes.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. TAFT. Has the Senator also noted the report that in March the unemployment figures were reduced, and they are now down to approximately 4,100,000?

Mr. KILGORE. I have noted that. The figure of 4,000,000 is contained in the amendment.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. LUCAS. I should like to ask the Senator a question: Is there any evidence before the committee which informs the Senate as to how much money it would cost to administer an amendment of this nature?

Mr. KILGORE. There is not.

Mr. MCCARRAN, Mr. WHERRY, and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MYERS. The Senator from New Mexico [Mr. ANDERSON] is unavoidably detained on official business, and would vote "nay" if present.

The Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired on this vote with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Montana would vote "yea."

The Senator from Georgia [Mr. RUSSELL] is unavoidably detained on official business.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Oregon

[Mr. CORDON], the Senator from Indiana [Mr. JENNER], and the Senator from Kansas [Mr. SCHOEPPEL] are detained on official business.

The Senator from Montana [Mr. ECTON] is detained on official business and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "yea," and the Senator from North Carolina would vote "nay."

The result was announced—yeas 17, nays 61, as follows:

YEAS—17

Bricker	Eastland	McClellan
Butler	Ellender	McKellar
Byrd	Frear	Malone
Cain	Johnston, S. C.	Wherry
Chapman	Langer	Withers
Connally	McCarran	

NAYS—61

Aiken	Humphrey	Myers
Benton	Hunt	Neely
Brewster	Ives	O'Conor
Capehart	Johnson, Colo.	O'Mahoney
Chavez	Kefauver	Robertson
Darby	Kem	Saltonstall
Donnell	Kilgore	Smith, Maine
Douglas	Knowland	Smith, N. J.
Dworshak	Lehman	Sparkman
Ferguson	Lodge	Stennis
Flanders	Long	Taft
George	Lucas	Taylor
Gillette	McCarthy	Thomas, Utah
Green	McFarland	Thye
Gurney	McMahon	Tobey
Hayden	Magnuson	Tydings
Hendrickson	Maybank	Watkins
Hickenlooper	Millikin	Wiley
Hill	Morse	Williams
Hoey	Mundt	
Holland	Murray	

NOT VOTING—18

Anderson	Graham	Pepper
Bridges	Jenner	Russell
Cordon	Johnson, Tex.	Schoeppel
Downey	Kerr	Thomas, Okla.
Ecton	Leahy	Vandenberg
Fulbright	Martin	Young

So Mr. MCCARRAN'S amendment was rejected.

Mr. MCCARRAN. Mr. President, I send forward an amendment and ask for its consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add a new section at the end of the bill, as follows:

SEC. 16. (a) No visa shall be issued pursuant to this act, as amended, to any eligible displaced person at any time after 1 week immediately following the certification of a declaration, as provided in subsection (b) of this section stating that either (1) the total number of unemployed in the labor force in the United States exceeds 6,000,000 as estimated by the Secretary of Labor, or (2) the total number of married couples living doubled up in a household with another family exceeds 2,000,000 as estimated by the Administrator of the Housing and Home Finance Agency.

(b) During the month next following the month in which this section is enacted, and each month thereafter until July 1951, the Secretary of Labor shall certify and make public a declaration setting forth his estimate of the total number of unemployed in the labor force in the United States, and the Administrator of the Housing and Home Finance Agency shall certify and make public a declaration setting forth his estimate of the total number of married couples living doubled up in a household with another family. The declaration so certified shall be published promptly in the Federal Register.

(c) The term "another family" as used in this section means the head of a household whether or not related to either member of the married couple. The term "household" as used in this section means a house, an apartment, or other group of rooms, or a room that constitutes a dwelling unit.

Mr. MCCARRAN. Mr. President, in the mail received every day in my office and I know in the offices of other Senators, there are complaints that many exservicemen, veterans of both World Wars, are now without employment. When I first offered the amendment which was defeated a moment ago, the number of unemployed was about 3,800,000. I am advised that today it is hovering around 4,000,000. When it gets to 5,000,000, conditions will be critical, as the experts have stated. I called Mr. Philip Murray, president of the CIO, and the American Federation of Labor experts, to testify on this subject. When unemployment rises to 300,000 more than what it is now, the situation will be critical, these gentlemen said. It seems to me that then it would be time to stop an unusual flood of displaced persons, or any other kind of immigrants, from coming into this country further to augment the unemployment situation.

The amendment I am now offering provides that when unemployment exceeds 6,000,000 in this country, which certainly will be a critical situation, it might be time to look around and see what is being done about the boys who bared their breasts to the foe just a few years ago.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Montana would vote "yea."

The Senator from Alabama [Mr. SPARKMAN] is detained on official business, and if present would vote "nay."

The Senator from Illinois [Mr. DOUGLAS], the Senator from South Carolina [Mr. MAYBANK], the Senator from Georgia [Mr. RUSSELL], and the Senator from Kentucky [Mr. WITHERS] are detained on official business.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Oregon [Mr. CORDON] is detained on official business.

The Senator from Montana [Mr. ECTON] is detained on official business and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "yea," and the Senator from North Carolina would vote "nay."

The result was announced—yeas 28, nays 49, as follows:

YEAS—28

Brewster	Dworshak	Malone
Bricker	Eastland	Robertson
Bridges	Ellender	Schoeppel
Butler	Hickenlooper	Stennis
Byrd	Jenner	Watkins
Cain	Johnston, S. C.	Wherry
Chapman	Langer	Wiley
Connally	McCarran	Williams
Darby	McClellan	
Donnell	McKellar	

NAYS—49

Aiken	Hunt	Mundt
Anderson	Ives	Murray
Benton	Johnson, Colo.	Myers
Capehart	Kefauver	Neely
Chavez	Kem	O'Conor
Ferguson	Kilgore	O'Mahoney
Flanders	Knowland	Saltonstall
George	Lehman	Smith, Maine
Gillette	Lodge	Smith, N. J.
Green	Long	Taft
Gurney	Lucas	Taylor
Hayden	McCarthy	Thomas, Utah
Hendrickson	McFarland	Thye
Hill	McMahon	Tobey
Hoey	Magnuson	Tydings
Holland	Millikin	
Humphrey	Morse	

NOT VOTING—19

Cordon	Johnson, Tex.	Sparkman
Douglas	Kerr	Thomas, Okla.
Downey	Leahy	Vandenberg
Ecton	Martin	Withers
Frear	Maybank	Young
Fulbright	Pepper	
Graham	Russell	

So Mr. MCCARRAN'S amendment was rejected.

Mr. ROBERTSON. Mr. President, I wish to call up my amendment numbered 48 to the substitute.

The VICE PRESIDENT. Two amendments, offered by the Senator from New York on behalf of the Senator from Pennsylvania [Mr. MYERS] and himself, have been offered in substitute. Any amendment to the original text of the bill would take precedence. Does the Senator from Virginia desire to offer an amendment to the original text or to the substitute?

Mr. ROBERTSON. I call up my amendment numbered 49 to the House bill.

The VICE PRESIDENT. The Chair is advised by the clerk that the amendment is to the substitute, not to the original bill.

Mr. ROBERTSON. My amendment numbered 48 is to the substitute. My amendment numbered 49 is to the House bill. The same amendment is offered to both measures.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. At the end of page 11 of the substitute it is proposed to insert the following:

(b) Section 4 (b) of such act is amended by striking out the words "any of such countries" and inserting in lieu thereof the words "such country."

Mr. ROBERTSON. Mr. President, the clerk has stated amendment numbered 48. If he will state amendment numbered 49, he will find that it is to H. R. 4567.

The VICE PRESIDENT. Notwithstanding the fact that the Senator from New York has offered amendments to the substitute, amendments to the original text of the bill still take precedence. If the amendment offered by the Senator from Virginia is to the text of the House bill, the Senator will be recognized. There seems to be some confusion respecting the numbers of the amendments.

Mr. ROBERTSON. I ask consideration of my amendment to the House bill. That is amendment numbered 49.

The VICE PRESIDENT. The secretary will state amendment numbered 49.

The CHIEF CLERK. At the end of page 15 of the committee bill it is proposed to insert the following:

(b) Section 4 (b) of such act is amended by striking out the words "any of such countries" and inserting in lieu thereof the words "such country."

Mr. ROBERTSON. Mr. President, the amendment is a very minor one. So far as I know, it affects directly only 12 displaced persons, but they have their rights. I understand the distinguished chairman of the committee has no objection.

Mr. WHERRY. Mr. President, do I understand the Senator from Virginia to say that the chairman of the Committee on the Judiciary has no objection to the amendment?

Mr. ROBERTSON. The chairman of the committee does not mind taking it to conference. And when we come to consideration of the substitute the distinguished Senator from West Virginia [Mr. KILGORE] and the distinguished junior Senator from Michigan [Mr. FERGUSON] will accept that amendment. The distinguished chairman of the Committee on the Judiciary does not object to taking it to conference.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. ROBERTSON] to the text of the bill.

The amendment was agreed to.

Mr. CAIN. Mr. President, I call up my amendment lettered "C," and ask that it be stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. 14. Subsections (a) and (b) of section 335 of the Nationality Act of 1940 (54 Stat. 1157; U. S. C., title 8, sec. 735 (a) and (b)) are amended to read as follows:

"(a) A person who has petitioned for naturalization shall, before being admitted to citizenship, take an oath in open court (1) to support the Constitution of the United States; (2) to renounce and abjure absolutely and entirely all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which the petitioner was before a subject or citizen; (3) to support and defend the Constitution and the laws of the United States against all enemies, foreign and domestic; (4) to bear true faith and allegiance to the same; and (5) to bear arms on behalf of the United States when required by law provided that in the case of the naturalization of a child under the provisions of section 315 or 316 the naturalization court may waive the taking of such oath if in the opinion of the court the child is too young to understand its meaning.

"(b) The oath prescribed by subsection (a) of this section which the petitioner for naturalization is required to take, shall be in the following form:

"I hereby declare, on oath, that I absolutely and entirely renounce and abjure all allegiance and fidelity to any foreign prince, potentate, state, or sovereignty of whom or which I have heretofore been a subject or citizen; that I will support and defend the Constitution and laws of the United States of America against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I will bear arms on behalf of the United States when required by law; and that I take this obligation freely without any mental reservation or purpose of evasion: So help me God. In acknowledgment whereof I have hereunto affixed my signature."

Mr. CAIN. Mr. President, I wish to read a letter in support of this amendment which was written today by the Assistant to the Attorney General of the United States to the chairman of the Committee on the Judiciary of the Senate. The letter follows:

APRIL 5, 1950.

Hon. PAT MCCARRAN,
Chairman, Committee on the Judiciary.
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This will refer to the amendment intended to be proposed by Mr. CAIN to the amendment in the nature of a substitute intended to be proposed by Mr. KILGORE (for himself and others) to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948.

The proposed amendment would change the naturalization oath by requiring that a person who has petitioned for naturalization shall, before being admitted to citizenship, take an oath in open court that he will, in addition to the requirements of existing law, bear arms on behalf of the United States when required by law. It would further add to the naturalization oath the words "that I will bear arms on behalf of the United States when required by law."

The Supreme Court has decided in *Cohnstaedt* v. *Immigration and Naturalization Service*, No. 373, October term, 1949, decided February 20, 1950, that an alien who stated he would not contribute anything to be used solely and directly in furtherance of armed conflict is not debarred on that account for naturalization as a citizen.

It is the view of the Department of Justice that aliens who decline to give aid to the Military Establishment should be barred from naturalization as citizens of the United States. Accordingly, the Department of Justice recommends the enactment of the amendment.

Yours sincerely,

PEYTON FORD,
The Assistant to the Attorney General.

Mr. DONNELL. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. CAIN. I am pleased to do so.

Mr. DONNELL. The parliamentary inquiry which I desire to present is whether or not the amendment, inasmuch as it does not relate to displaced persons, but relates to the Nationality Act of 1940, is prohibited by the provisions of the unanimous-consent agreement to the effect that no amendment may be offered which is not germane?

The VICE PRESIDENT. The Chair reserves passing upon that question until the point of order is made that it is not germane.

Mr. DONNELL. Mr. President, I make the point of order, if the Senator will permit me to do so.

The VICE PRESIDENT. The Senator from Missouri cannot make the point of order during the 5 minutes allotted to the Senator from Washington. The Senator from Missouri can make the point of order at the conclusion of the remarks of the Senator from Washington.

Mr. CAIN. Mr. President, I should like to say to the distinguished Senator from Missouri that obviously I have no objection to having the Senator from Missouri make the point of order; but I should like to be permitted to use my time in answering a question which will be asked by the Senator from Oregon.

Mr. MORSE. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Oregon?

Mr. CAIN. I am pleased to yield.

Mr. MORSE. Mr. President, I hold in my hand two statements which have been handed to me, one by the Mennonite Central Committee, and the other by the Friends Committee on National Legislation; and I ask the Senator if he has any objection to my having these statements inserted at the conclusion of our colloquy.

Mr. CAIN. I have no objection whatsoever.

The VICE PRESIDENT. Without objection, the statements will be printed in the RECORD, as requested.

(See exhibit 1.)

Mr. MORSE. Mr. President, I ask the Senator from Washington whether the adoption of his amendment might put a displaced person in such a position that, if he has true religious scruples against participating in war by bearing arms, he would be denied naturalization.

Mr. CAIN. In the considered opinion of the junior Senator from Washington, on advice of what he thinks has been competent counsel, the adoption of this amendment would only subject all American citizens, be they foreign-born or native-born, to the same law which presently requires every American citizen to register for a draft, as a result of which the draft board determines whether any individual is entitled to exemption for conscientious-objector reasons.

Mr. MORSE. Would the same rule apply to displaced persons seeking naturalization, once admitted to the United States?

Mr. CAIN. The same rule would apply in the future to every alien displaced person—refugee or expellee—who becomes an American citizen.

Mr. MORSE. It is not the intention of the Senator from Washington, is it, to establish, by means of the adoption of this amendment, a basis for a rule that

a displaced person who has religious scruples against bearing arms shall be denied naturalization unless he gives up his religious scruples?

Mr. CAIN. That is absolutely not my intention. It is the intention of the junior Senator from Washington not to provide to aliens exemptions which are not provided for native-born American citizens.

Mr. MORSE. I thank the Senator very much.

EXHIBIT 1

STATEMENT ON SENATOR CAIN'S AMENDMENT, APRIL 5, 1950

Senator CAIN has an amendment to the bill (H. R. 4567) for amending the Displaced Persons Act of 1948. His amendment provides for amending the oath of naturalization in the Nationality Act of 1940 to require all citizenship applicants to bear arms. He adds the following words to the oath: "I will bear arms on behalf of the United States when required by law."

The adoption of these words would mean that any person with religious scruples against participation in any war would be excluded from naturalization. Aliens are now subject to military training and service under the Selective Service Act of 1948. They have the same liability for service as citizens and are also entitled to the same deferments and exemptions including deferment by reason of religious training and belief. But if any alien wants to avoid military service on grounds of his alien status, under the Selective Service Act of 1948 he is forever barred from becoming a citizen.

Senator CAIN'S amendment adds nothing to what we already have in protecting our country from subversive elements but it injures persons who have religious scruples which have been traditionally recognized by our Government.

Under his amendment persons like the 150 Mennonite displaced persons who have been successfully resettled in farming districts in the United States would not even be allowed to enter the country as aliens since only those displaced persons eligible for citizenship will be admitted.

The words "when required by law" do not soften the harshness of the proposed change in the oath for persons with religious scruples against war. The amendment makes no specific exception to bearing arms for persons who in conscience are opposed to such. Any alien who admitted his willingness to bear arms when required by law would have a difficult time getting a religious-objector classification from Selective Service. He could not be sure that he would not be perjuring himself in taking this oath. This amendment would put such persons in a hopeless predicament and would defeat the whole purpose of extending congressional grace to persons who would otherwise have to become violators because they were trying to obey the laws of God.

It is probable that aliens who admitted such views would be disqualified from taking the oath as was the case before the Supreme Court held in the Girouard case in 1946 and the Cohnstaedt decision on February 7, 1950, that aliens who were otherwise eligible for citizenship could not be excluded on grounds of conscientious objection to military service. Senator CAIN'S amendment would reverse the decision of the Court and aliens who were otherwise eligible for naturalization would be excluded because of views which Congress has said in the Selective Service Act should be protected.

PAUL L. GOERING,
Mennonite Central Committee.
WASHINGTON, D. C.

MEMO IN RE CAIN AMENDMENT TO H. R. 4567, CHANGING THE NATURALIZATION OATH REQUIRED FOR CITIZENSHIP

On Monday, April 3, Senator HARRY CAIN introduced an amendment to H. R. 4567 adding a fifth qualification to the naturalization oath for citizenship set forth in the Nationality Act of 1940:

"(5) to bear arms on behalf of the United States when required by law."

There are adequate and sufficient reasons why such an amendment should not be adopted. Among these reasons are the following:

1. The oath as it now stands says "to support and defend the Constitution and the laws of the United States against all enemies foreign and domestic." This provision is adequate to protect the United States against subversive elements which might apply for citizenship.

2. The requirement "to agree to bear arms if required by law" is irrelevant. Any citizen is required to obey the law of the land or accept the consequences. In two recent Supreme Court decisions, *Girouard* v. *United States* (328 U. S. 61), decided April 22, 1946, and *Cohnstaedt* v. *the Immigration and Naturalization Service* (No. 373, October term, 1949), decided February 20, 1950, the Court said that the right of United States citizenship should not be destroyed solely on the ground that a person, because of religious conviction and belief, could not shoulder a gun in time of war when there was sufficient evidence that he was willing to aid his country in an emergency, even to the extent of placing his life in jeopardy. Furthermore, unwillingness to bear arms does not preclude other types of service for many conscientious objectors.

3. (a) If the proposed amendment is aimed at subversive elements in our country it is totally ineffective, for those who would connive against our country would not hesitate to take this oath. It is only those who are motivated on a high moral plane who would, because of moral principle, refuse to take such an oath. Senator CAIN, himself, claims he has no desire to keep people of high principle out of this country.

(b) Due to the fact that subversives would not hesitate to take this oath, the groups that will suffer as a result of the amendment are those who oppose participation in war as a matter of religious principle, such as the Mennonites, Brethren, Friends, Seventh Day Adventists, and members of other denominations. It might also affect those who will accept noncombatant duty in the armed services. For instance, the 150 Mennonite DP's who have been brought to the United States under the DP Act of 1948, and who have resettled on farms would not be given the privilege of citizenship no matter how well they might conform to the customs and traditions of our country.

4. If the proposed amendment is to attempt to guarantee to American citizens that all future citizens will be subject to the same laws, the amendment is irrelevant for all aliens are now subject to military service under the Selective Service Act of 1948, and so are escaping no obligation of citizenship. They have the same liability for service, but in fairness and justice are entitled to the same exemptions and deferments which citizens enjoy. There is every reason to believe this amendment would make it impossible for an alien to consider carefully the matter of service in the armed forces.

If an alien now wants to be relieved of obligation for military service he may do so, but in such action, under the Selective Service Act of 1948, he loses his right to become a citizen.

5. If, as is believed, this amendment is irrelevant and will not accomplish the intended results, to consider and adopt it will be an empty gesture not meriting the efforts of the United States Senate, but if the desire is to change the basic law of our land which has been to recognize religious liberty and the rights of minorities, then such a change deserves more serious consideration than can be given as a part of H. R. 4567.

FRIENDS COMMITTEE ON NATIONAL LEGISLATION.
WASHINGTON, D. C., *April 5, 1950.*

Mr. CAIN. Mr. President, I move the adoption of the amendment.

Mr. DONNELL. Mr. President, I make the point of order that the amendment submitted by the Senator from Washington violates the unanimous-consent agreement, in that the amendment is not germane.

Mr. CAIN. Mr. President, may I be permitted to address myself to that question?

The VICE PRESIDENT. Briefly.

Mr. CAIN. I should like to say that I am not an attorney.

Mr. McCARRAN. Mr. President, a point of order.

Mr. CAIN. However, Mr. President, I think the distinguished Senator from Missouri is wrong. Although the amendment may include many an alien who is not a displaced person, yet the amendment obviously includes every alien who is a displaced person. It was for that reason, and that reason alone, that the amendment was submitted to this bill. The amendment would include all the displaced persons with whom we are presently concerned; and in addition it would take care of every other alien who comes into the United States under any other quota system, and who wishes and seeks to become a naturalized citizen.

The VICE PRESIDENT. Does the Senator from Nevada wish to address himself to the point of order?

Mr. McCARRAN. Mr. President, I might wish to do so, but I desire to obtain a ruling from the Chair as to whether the 5-minute rule applies as regards debate on a point of order. It is my idea that it does not apply.

The VICE PRESIDENT. Debate on a point of order is within the discretion of the Chair, because the Chair has to rule on the subject. However, the Chair is ready to rule.

It appears that the amendment offered by the Senator from Washington is an amendment to the general immigration law, not to the displaced-persons law, to which the bill now under consideration applies.

Therefore the Chair feels that the point of order is well taken, and the Chair sustains the point of order.

Mr. CHAVEZ. Mr. President, I offer an amendment which I send to the desk. The amendment is offered to the amendment in the nature of a substitute.

The VICE PRESIDENT. The Senator from New York [Mr. IVES] has an amendment relating to the substitute. If there is no other amendment to be offered to the text of the bill, we shall revert to the amendment offered by the Senator from New York. Is the amendment of the Senator from New Mexico offered to the substitute or to the bill?

Mr. CHAVEZ. It is offered to the substitute.

The VICE PRESIDENT. Then it is not in order, in view of the pendency of the amendment of the Senator from New York.

The Senator from New York is recognized.

Mr. IVES. Mr. President, a while ago I offered two amendments, which I asked to have considered en bloc. One of the amendments provides that not to exceed 5,000 visas may be issued "to persons who were residents of Venezia-Giulia prior to May 6, 1945, and who on or after May 6, 1945, removed from those parts of Venezia-Giulia placed under Yugoslav sovereignty or administration under the terms of the Treaty of Peace with Italy signed at Paris on February 10, 1947," and so forth.

Mr. President, in explaining this amendment and the other one, which accompanies it, which increases by 5,000 the number of displaced persons who would be allowed to enter the United States under the provisions of the substitute, I wish to say that previous to the conclusion of World War II, the Istrian Peninsula, where Venezia-Giulia is located, belonged to Italy. At the conclusion of the war, Yugoslavia laid claim to this territory, and it was formally ceded to Yugoslavia in the Italian Peace Treaty, signed on September 15, 1947.

The population of Venezia-Giulia was a mixture of persons of Slovenian origin and of Italian origin, with the Italian predominating. The Italian group began to leave their homes as soon as it became apparent that Yugoslavia would take over the territory. Some of the Slovenes left because of fear of religious persecution.

After a long period of negotiations with the IRO, it was finally agreed that the Venezia-Giuliani should be declared within the mandate of the IRO because those persons are refugees in every sense of the word. Some of them were given the right to apply for Italian citizenship. In every case, it was necessary for the Italian Government to submit such names to the Yugoslav Government for approval before accepting such persons as Italian citizens. Yugoslavia has, however, failed to reply to the Italian requests for approval or disapproval.

Even though these refugees have IRO status, they are not eligible for admission into the United States of America under the present Displaced Persons Act, because the present act requires that refugees must have entered Italy prior to December 22, 1945. Under the regulations of the Displaced Persons Commission, the Venezia-Giuliani refugees are considered as having moved from one part of Italy to another, rather than having entered Italy. This technicality is due to the regulation which recognizes boundaries of countries as they existed on January 1, 1938.

It is hoped by the adoption of this amendment to bring relief to a considerable number of the Venezia-Giuliani under the new Displaced Persons Act. While the total number of such refugees is far in excess of the 5,000 figure provided for, it is believed that at least some of those who may otherwise qualify under the Displaced Persons Act can be admitted to this country.

Mr. President, I am offering these amendments in behalf of the senior Senator from Pennsylvania [Mr. MYERS] and myself. I feel that this is a situation which is deserving of the consideration which is requested. I ask Senators who may be in charge of the displaced-persons bill or of the substitute kindly to accept these amendments, with the idea that the matter of final determination can be resolved by the conferees, because inevitably there will be conferees on this proposed legislation.

The VICE PRESIDENT. The Senator from New York requests unanimous consent that the two amendments which he has offered be considered en bloc.

Is there objection? The Chair hears none.

The question is on agreeing to the amendments of the Senator from New York en bloc.

The amendments were agreed to.

Mr. ROBERTSON. Mr. President, I call up my amendment No. 48 to the substitute, and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of page 11, it is proposed to insert the following:

(b) Section 4 (b) of such act is amended by striking out the words "any of such countries" and inserting in lieu thereof the words "such country."

Mr. ROBERTSON. Mr. President, I understand that my amendment is acceptable to the distinguished Senator from West Virginia [Mr. KILGORE] and to the distinguished Senator from Michigan [Mr. FERGUSON].

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Virginia.

The amendment was agreed to.

Mr. TAFT. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. Is the amendment offered to the substitute?

Mr. TAFT. Yes; it is offered to the substitute.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 15, in line 3, after the word "of", it is proposed to insert "the country of origin of the person who receives the visa, or if no such quota is available, then from the immigration quota of".

Mr. TAFT. Mr. President, the pending substitute and also the bill reported by the committee provide for the admission of German ethnics in the number of 54,000, under the German quota.

I voted against the provision which attempted to put some millions of those persons into the displaced-persons class, and thereby greatly dilute that class.

However, the purpose of this amendment is to charge to the countries of origin the visas granted to persons of German ethnic origin coming from eastern Europe, thereby leaving a greater number of visas available for real Germans, born in Germany, including those who were born in East Prussia or other sections of Germany which now have been taken over by Russia.

I see no reason why the visas granted to persons of German ethnic origin coming from Hungary, Latvia, and other countries, could not be charged against the countries of origin. They would have to be charged in that way unless this amendment were adopted. If they are so charged, that will leave a greater number of German quotas, in the total of 54,000, which can be allotted to Germans who were actually born in Germany, many of whom are expellees, and who may be in Western Germany, out of the Russian zone, or may be in East Prussia or in other sections of the eastern zone of Germany.

Mr. President, I have received many protests. Most of the Germans with whom I have talked here in the United States are interested in such persons who are their friends or members of their families, rather than in the persons of German ethnic origin who come from eastern Europe. They feel that the allotment of half the German quota to the persons of German ethnic origin coming from eastern Europe actually cuts down the quotas which otherwise would be available to their friends and their relatives who come from Germany proper.

Therefore, I have talked about this amendment, both with the chairman of the committee and also with the Senator from West Virginia, as well as with the Senator from Michigan, and I think they have no objection to the proposed change. Whether I have technically worked out the provision in actually correct language I am not certain, but that can be corrected, I am sure, by the conference committee.

Mr. O'CONOR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Maryland?

Mr. TAFT. I yield.

Mr. O'CONOR. Is it not true that if the Senator's amendment is adopted, it will not materially affect the immigration quotas in the aggregate?

Mr. TAFT. No, it will not materially affect the immigration quotas in the aggregate, but the immigration quotas from Hungary and the countries in the east will be allotted to persons of German ethnic origin, who have been expelled from those countries, rather than to the Communist-inclined gentlemen who have remained in those countries and who are much more likely, it seems to me, to be of Communist sympathies.

Mr. O'CONOR. I favor the amendment. I merely wished to have that point perfectly clear.

The VICE PRESIDENT. Does any Senator wish to be recognized in opposition to the amendment? If not, the question is on the amendment offered by the Senator from Ohio [Mr. TAFT].

The amendment was agreed to.

Mr. FERGUSON. Mr. President, I sent to the desk an amendment to the substitute, on page 14, line 7.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 14, line 7, following the word "Yugoslavia", it is proposed to insert the following: "or areas under the control and domination of any such countries, except those parts of Germany and Austria under military occupation by the Union of Soviet Socialist Republics, as defined by the Berlin protocol".

Mr. FERGUSON. Mr. President, this is another amendment along the same line. The idea of the amendment is to include those of German ethnic origin who were driven out of Upper Silesia, the free city of Danzig, and East Prussia, into the American, British, and French zones. If we do not adopt the amendment, those people would not be included as part of those of German ethnic origin, and I have conferred with some of the Senators in charge of the substitute, and, as this is an amendment to the substitute, I ask if they have any objection.

The VICE PRESIDENT. Does any Senator wish to oppose the amendment?

Mr. KILGORE. I have no objection.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Michigan [Mr. FERGUSON].

The amendment was agreed to.

Mr. CAIN. Mr. President, I should like to call up my amendment lettered B.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 1, line 6, it is proposed to strike out "January 1, 1949", and to insert "April 21, 1947".

The VICE PRESIDENT. Is it an amendment to the substitute?

Mr. CAIN. It is.

The VICE PRESIDENT. The Senator is recognized for 5 minutes.

Mr. CAIN. I thank the Chair. This amendment was offered earlier in the day as an amendment to a committee amendment, and was defeated on a yea-and-nay vote of 45 to 40. By reason of my deep feeling on the subject, I think it proper to call the attention of my colleagues to the amendment's suggested new cut-off date of April 21, 1947. I wish to emphasize that IRO presently operates some 335 displaced-persons camps in Europe. These camps have a total population capacity of approximately 335,000. The IRO has estimated that on June 30, 1950, the expiration date of our present law, there will be left in those 335 camps approximately only 11,000 eligible war-displaced persons, plus the so-called hard core consisting of those who morally, physically and spiritually are not qualified to come to this country. If we change the present date, December 22, 1945, as an eligibility cut-off date, to the date I suggest, April 21, 1947, we must understand that those 335 camps will be completely filled again, and perhaps it will be necessary for the United States to subsidize the construction and establishment of a score of additional camps. But if we accept the substitute bill recommendation of January 1, 1949, we must be completely satisfied and aware that the equipment and facilities we presently have in Europe are not nearly sufficient to take care of our coming obligations overseas.

I want to say that prior to the recently recommended eligibility cut-off date of January 1, 1949, not a single Senator on either side of the aisle in the past ever recommended a cut-off date beyond April 21, 1947, and the International Refugee Organization, largely subsidized and strongly supported by the United States, cut off admission to these camps abroad, 335 in number, on April 21, 1947, the very date that I am offering for further consideration by this group of thoughtful men. We ought to bear in mind that three long years have passed during which not a single individual has been permitted, except in a few hardship cases, to enter the 335 camps. The date of January 1, 1949, if agreed to will reopen all of the camps, and will result in the building of many more camps than we presently have. This will admittedly provide care and comfort for some very splendid people; the only difficulty being that they bear no resemblance to war-displaced persons, and in fact, Mr. President, if one will casually look at the record, he will easily determine that many, to be taken care of under the date January 1, 1949, were not even in Europe, in Italy, Germany or Austria, at any time during the war, which is the period we as a Congress sought to use as a basis for providing protection to those who were hurt during that period. I think, Mr. President, that April 21, 1947, is both realistic and reasonable. It is an eligibility cut-off date which can be defended and supported without apology, throughout the United States of America. I urge adoption of the amendment.

Mr. O'CONOR. Mr. President, the same considerations which governed the action of the Senate in rejecting the proposed amendment of the Senator from Washington earlier in the afternon we think apply with equal force at this time. As was said then, the provision as to the cut-off date, in all the proposals under consideration is January 1, 1949, and if we are to adopt the suggestion of the Senator from Washington, we will exclude from consideration for entry into this and other countries tens of thousands of deserving people who have fled from Czechoslovakia, from Hungary, and from Yugoslavia, who have been and are now being maintained by IRO camps in Europe.

I regret to say I do not share the concern of the Senator from Washington as to the possible increase in number of camps, because already plans have been made to terminate IRO, and, in fact, complete arrangements have been made for the United Nations to take over what may be left. So I do not think there is any possibility of continuation of the organization after next year. But the greater consideration is that we will do a grave injustice to many people who have fled from Communist persecution in various countries, and who are the most entitled to consideration by all the rules that have governed us thus far.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. KILGORE. Is it not a fact that the proposal of the substitute does not increase the number of people registered under IRO, but merely fixes a realistic date? IRO has been taking care of these people, has it not? It goes back a year, now, so it does not open the door to additional persons who might want to come in later.

Mr. O'CONOR. No one, of course, could be eligible unless he had been under IRO care and of concern to IRO, as of January 1, 1949.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. LEHMAN. I merely want to say I feel very deeply about the subject on which the distinguished Senator from Maryland has spoken. The persons who would be affected are now under control and supervision of the IRO. My experience in Europe—and it is a broad one—is that no finer people ever existed on the face of the earth than the people of Czechoslovakia, and during the regimes of Presidents Thomas Masaryk and Benes. The proposal of the distinguished Senator from Washington would completely cut off any possibility of any except a few people coming from Czechoslovakia to this country. We have been talking about helping people who are opposed to the Communist governments in the satellite countries behind the iron curtain. If the amendment proposed by the Senator from Washington should prevail, we would, in my opinion, completely deny them the right of asylum. I want to help those people. I think they are worthy of our help. I believe they are a fine, patriotic, democratic, liberty-loving people. I certainly want to see nothing done that would make their chance of salvation, their chance of haven, impossible, as would be the case, I believe, if the amendment offered by the Senator from Washington were adopted.

Mr. O'CONOR. I may say I agree entirely with the sentiments expressed by the Senator from New York.

The VICE PRESIDENT. The time of the Senator has expired.

The question is on agreeing to the amendment offered by the Senator from Washington [Mr. CAIN].

Mr. CAIN and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. MAYBANK (when his name was called). On this vote I have a pair with the junior Senator from Alabama [Mr. SPARKMAN], who is absent because of illness. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. JOHNSON] and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

The Senator from Texas [Mr. CONNALLY] and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired on this vote with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Montana would vote "yea."

The Senator from Virginia [Mr. BYRD] is absent on official business, and if present would vote "yea."

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Nevada [Mr. MALONE] is detained on official business.

The Senator from Montana [Mr. ECTON] is detained on official business and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting the Senator from Montana would vote "yea," and the Senator from North Carolina would vote "nay."

The result was announced—yeas 35, nays 43, as follows:

YEAS—35

Brewster	Ellender	McClellan
Bricker	Frear	McKellar
Bridges	George	Millikin
Butler	Gillette	Mundt
Cain	Hickenlooper	Russell
Capehart	Hoey	Schoeppel
Chapman	Holland	Smith, Maine
Cordon	Jenner	Stennis
Darby	Johnston, S. C.	Watkins
Donnell	Kem	Wherry
Dworshak	Langer	Williams
Eastland	McCarran	

NAYS—43

Aiken	Johnson, Colo.	Neely
Anderson	Kefauver	O'Conor
Benton	Kilgore	O'Mahoney
Chavez	Knowland	Saltonstall
Douglas	Lehman	Smith, N. J.
Ferguson	Lodge	Taft
Flanders	Long	Taylor
Green	Lucas	Thomas, Utah
Gurney	McCarthy	Thye
Hayden	McFarland	Tobey
Hendrickson	McMahon	Tydings
Hill	Magnuson	Wiley
Humphrey	Morse	Withers
Hunt	Murray	
Ives	Myers	

NOT VOTING—18

Byrd	Johnson, Tex.	Pepper
Connally	Kerr	Robertson
Downey	Leahy	Sparkman
Ecton	Malone	Thomas, Okla.
Fulbright	Martin	Vandenberg
Graham	Maybank	Young

So Mr. CAIN's amendment was rejected.

Mr. CHAVEZ. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 3, beginning with line 5, it is proposed to strike out all down to and including the word "and" in line 11, and insert in lieu thereof the following:

(d) "Eligible displaced person" shall also mean (1) a native of Czechoslovakia who has fled as the result of fear of persecution from that country since January 1, 1948, and who on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria, or a native of Spain, who has fled as the result of fear of persecution from that country since January 1, 1937, and who on January 1, 1949, was in France, or any territory or possession of France.

Mr. CHAVEZ. Mr. President, the language of the proposed amendment is identical with the language of the substitute, with the exception that it contains a provision to take care of displaced persons who are out of Spain at this particular moment.

Mr. President, there can be no adequate and complete discussion of this problem of the displaced person without a voice being raised in behalf of the Spaniard who is today an international refugee. It is my purpose at this time to point out to the Senate and to those who are uninformed in this matter that the first people to fit the category of displaced persons in any large numbers on the continent of Europe were the Spanish people. This is only natural, since the first battle of World War II was the Spanish Civil War. It was in this tragic conflict that the various countries of Europe used the land and people of Spain as a proving ground for their weapons and their instruments both for physical and psychological warfare, leaving the historic and glorious cities of Spain in a shambles and the people broken.

It is not my purpose here to characterize the regimes of various European states, as I do not think any apologies or criticisms which we may have for one or another of the European regimes is germane to this discussion. The displaced persons legislation should be designed to assist people—the homeless and unfortunate and helpless victims who cannot be asked to wait any longer while the statesmen of the world confer and debate interminably.

I am particularly grieved by the fact that some 200,000 Spaniards, many of them representing the cream of the Spanish middle class, including skilled artisans, agriculturists, businessmen, and persons of various intellectual pursuits, and their wives and children, who through fears of persecution and terrors fled Spain in 1937 and the succeeding years. These people, Catholics for the most part, anti-Communist republicans, became displaced people as a matter of conscience. I do not presume to judge the correctness or the errors in their political thinking but I do salute the moral courage of these men and women who remain inflexibly devoted to their principles and their conception of patriotism. These people have remained in exile, some of them for 13 years, tossed around from camp to camp, sometimes hunted and hounded by the Nazis, never with a passport, never able to rest their heads, earn their living, or raise their families in security and decency. This type of political martyrdom is proof of the remarkable quality of the Spanish patriot.

Under the eligibility criteria as defined in the constitution of the International Refugee Organization, there were as of December 31, 1949, approximately 35,000 Spanish refugees classified as bona fide displaced persons. Apart from these, of course, there remain some 160,000 who are not considered to be the concern of the International Refugee Organization.

Mr. President, the purpose of the amendment which I have submitted to the present substitute, is that the 35,000 eligible Spanish displaced persons may be specifically included in the measure. Moreover, I must point out that these 35,000 do meet our most rigorous tests of a political and economic nature, and I challenge anyone to point out a body of people more worthy of citizenship and more deserving of asylum and assistance than these survivors now residing in France and north Africa.

I can think of no lesser group to compare them with than the Pilgrim Fathers, who originally left England by choice in their search of freedom of conscience, differing as they did with the Anglican Church of England. Senators will recall that the Pilgrims first went to Holland, where they resided for a brief period, and then in 1620 founded the Plymouth Colony, which became the cornerstone of the State of Massachusetts. The Spanish refugees today are displaced persons similar to the Pilgrim Fathers.

In closing, Mr. President, it would be well to remember that, late though the hour may be, it is never too late to demonstrate that the United States is still true to its tradition of sanctuary and asylum to people of all faiths and origins who seek to live in freedom and peace. This tradition must be preserved as it is the expression of the very spirit of our democracy. The amendment which I propose would do much to promote peace and good will in our own hemisphere, for it would be hailed by our sister Latin American Republics as concrete proof of our earnest friendship and fraternity.

The PRESIDING OFFICER (Mr. HOEY in the chair). The Senator's time has expired.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The Senator's time has expired.

The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico. [Putting the question]. The "noes" appear to have it.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Morse
Anderson	Holland	Mundt
Benton	Humphrey	Murray
Brewster	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnston, S. C.	Robertson
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Smith, N. J.
Darby	Langer	Stennis
Donnell	Lehman	Taft
Douglas	Lodge	Taylor
Dworshak	Long	Thomas, Utah
Ellender	Lucas	Thye
Ferguson	McCarran	Tobey
Flanders	McCarthy	Tydings
Green	McClellan	Watkins
Gurney	McFarland	Wherry
Hayden	McMahon	Wiley
Hendrickson	Magnuson	Williams
Hickenlooper	Malone	Withers
Hill	Millikin	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ]. [Putting the question.] The "noes" appear to have it. The "noes" have it, and the amendment is not agreed to.

Mr. CHAVEZ. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The request comes too late. The Chair has already announced the result of the vote.

Mr. McCARRAN. Mr. President, I send forward an amendment to the substitute, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 7, it is proposed to strike out the words "a person."

Mr. McCARRAN. Mr. President, the structure of the clause following the semicolon in line 7 on page 2 is faulty because, since this clause is within the subdivision designated as (1) in line 5 on page 1, the repetition of the noun "person" is confusing. The clause immediately following the subdivision number (1) on page 5 begins with the word "who"; and so the clause which begins in line 7 on page 2 should also begin with the word "who".

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN]. [Putting the question.] The "noes" have it, and the amendment is disagreed to.

Mr. McCARRAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. The request comes too late. The Chair has already announced the result.

Mr. HUMPHREY. Mr. President, I offer an amendment on behalf of the senior Senator from Minnesota [Mr. THYE] and myself, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, beginning with line 24, it is proposed to strike out all through line 13, page 5, and insert in lieu thereof the following:

(f) Any alien who—

(1) prior to June 30, 1950, was a resident of Germany, Luxemburg, Austria, Italy, the United Kingdom, Ireland, Portugal, France, Switzerland, Belgium, the Netherlands, Norway, Sweden, Denmark, Finland, Greece, or Turkey;

(2) is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and agrees to release him for emigration and adoption;

(3) prior to June 30, 1951, makes application for admission to the United States for permanent residence with a father or mother by adoption, or for permanent residence with a near relative or with a person who is a citizen of the United States or an alien admitted to the United States for permanent residence, or is seeking to enter the United States to come to a public or private agency approved by the Commission, and such relative, person, or agency gives assurances, satisfactory to the Commission that adoption or guardianship proceedings will be initiated with respect to such alien;

(4) from whom satisfactory assurances in accordance with the regulations of the Commission have been given that such alien, if admitted into the United States, will be cared for properly; and

(5) is, at the time of making application for admission, under the age of 16 years, shall be issued a special nonquota immigration visa. Not to exceed 20,000 such special nonquota immigration visas shall be issued under the authority of this subsection.

Mr. HUMPHREY. Mr. President, I wish to make a very brief explanation of the amendment. It is similar to the one I offered to the committee bill. However, there has been a substantial alteration, which I shall very shortly explain.

First of all I may say that on behalf of my colleague, the senior Senator from Minnesota [Mr. THYE] and myself we submit this amendment pursuant to a resolution adopted unanimously by the Legislature of the State of Minnesota, asking for this type of amendment to be incorporated in the displaced-persons bill.

Secondly, Mr. President, under the committee bill which we recently discussed, the objection to the amendment was that it excluded members of the armed forces, which was requested by Mr. McCloy, the Commissioner for Germany. I may say that that is not an issue under the substitute measure which we are now considering. Furthermore, I may say that the amendment would permit members of the armed forces who reside in Germany, Austria, or Italy, who wish to adopt children, to bring them to the United States. It would also permit persons who are employed by the Government to do so, as was provided in the original bill.

One other feature of the amendment is that the number of countries has been increased. It is my contention that if we are going to permit the adoption of orphans of Germany, Italy, and Austria, which were enemy countries in the recent war, certainly we should permit the adoption of war orphans from our friendly allied countries such as Denmark, Norway, France, Luxemburg, and other countries included in the amendment.

This is the main feature which I think should be emphasized, as compared to the provision of the substitute measure which the amendment affects. Under the substitute provision on pages 4 and 5 it is necessary, for anyone who may desire to adopt a war orphan, to go to Europe in order to do so. Mr. President, the kind of people I have heard from who want to adopt war orphans, who may be members of their own families in the sense of being cousins or nieces or nephews, do not have the two or three thousand dollars, or whatever amount may be required, to go to Europe to institute proceedings for adoption. Under the amendment, people in Minnesota, the Dakotas, and Nebraska, farm folks who are the ordinary people of the country, who have good, decent homes, will be able to adopt children in the United States on the application of war orphans.

One final word, and then I wish to yield to my colleague, the senior Senator from Minnesota for a few words. We have reduced the number in this amendment from 25,000 to 20,000. The reason for the reduction is that a number of our colleagues in the Senate have told us that the number 25,000 was too high. I feel that it is important to permit, for example, children in Greece who have family members in America, to come to this country and have the good homes awaiting them, and likewise, to permit children in Norway who were victimized in the last war, to come to this country. Therefore, Mr. President, we have reduced the number in an effort to have the amendment adopted.

I now yield to my colleague, the senior Senator from Minnesota.

Mr. THYE. Mr. President, I join with my colleague in sponsoring the amendment. There are a number of families in Minnesota whom I personally know, who are able to provide not only for one orphan but for several orphans, and to give them excellent homes and the loving care children need. I speak of such persons as uncles and aunts of the children. In the event we provide by this legislation the opportunity for children to come to America, it is not a question of whether those who wish to adopt them are acquainted with them. Yet they know the children. They know them from past years. They know that they are their own blood relations. If we permit them to come to America they would be adopted and would have the loving care and good home of an uncle or an aunt.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. THYE. Permit me to finish this one thought. In past years I have received a number of letters from a Danish family which has an orphan niece in Denmark whom they would like to bring to America, but they have had to wait their immigration quota.

I am now happy to yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, is the Senator from Minnesota willing to amend the amendment to provide that such orphans must have relations here, say up to the third degree, so that they would be adopted by relatives and not by strangers?

Mr. THYE. It is my own conviction, of course, Mr. President, that one would have to initiate proceedings or express the desire to adopt an orphan. Orphans could not come here in simply an indiscriminate manner, and then have it said, "Here they are. Come and get them." I think someone must say, "I want to adopt child so-and-so to reside in this country." When such a request is initiated for an orphan, the orphan then would be permitted to come here for the purpose of adoption.

Mr. FERGUSON. Would the Senator be willing to accept an amendment to his amendment providing that the person who is to adopt an orphan is a relative?

Mr. THYE. No, Mr. President, I would oppose a provision which would require that a person wishing to adopt a child be a relative, because I know of many who applied to our State welfare department seeking to adopt children but have not been able to find children to adopt. For that reason I feel that it would be better if we leave it to anyone desiring to adopt a child to make application.

Mr. SALTONSTALL. Mr. President, I wish to call one matter to the attention of the Senate. Regardless how sympathetic we may be to the amendment, I wonder if it ought to go in this bill. I call to the attention of the Senate the fact that the amendment, if adopted, would include orphans of Germany, Luxemburg, Austria, Italy, the United Kingdom, Ireland, Portugal, France, Switzerland, Belgium, the Netherlands, Norway, Sweden, Denmark, Finland, Greece, and Turkey. If such a provision is to be adopted, I hope it will be placed in some other bill.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired. The question is on agreeing to the amendment offered by the senior and junior Senators from Minnesota. [Putting the question.] The "noes" appear to have it.

Mr. JOHNSON of Colorado. Mr. President, I ask for a division.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. HUMPHREY. Mr. President, I ask for a division.

On a division, the amendment was rejected.

Mr. HUMPHREY subsequently said: Mr. President, I wish to move that the Senate reconsider the vote recently taken by which the war-orphans amendment was rejected. I make the motion because of a count which I made. At this time I move the reconsideration of the vote by which the amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the amendment was rejected.

Mr. JENNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Morse
Anderson	Holland	Mundt
Benton	Humphrey	Murray
Brewster	Hunt	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnston, S. C.	Robertson
Chapman	Kefauver	Saltonstall
Chavez	Kem	Schoeppel
Connally	Kilgore	Smith, Maine
Cordon	Knowland	Smith, N. J.
Darby	Langer	Stennis
Donnell	Lehman	Taft
Douglas	Lodge	Taylor
Dworshak	Long	Thomas, Utah
Ellender	Lucas	Thye
Ferguson	McCarran	Tobey
Flanders	McCarthy	Tydings
Green	McClellan	Watkins
Gurney	McFarland	Wherry
Hayden	McMahon	Wiley
Hendrickson	Magnuson	Williams
Hickenlooper	Malone	Withers
Hill	Millikin	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Minnesota to reconsider the vote by which the so-called war orphans amendment was rejected.

Mr. O'CONOR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'CONOR. Was that amendment offered to the committee amendment or to the substitute amendment of the Senator from West Virginia?

The PRESIDING OFFICER. The amendment was offered to the substitute.

Mr. HUMPHREY. Mr. President, I wish all Members of the Senate to know why I move a reconsideration of the vote on the amendment. I was informed by several of my colleagues who entered the Chamber from the cloakroom that they entered the Chamber to vote in behalf of the amendment which I offered, and that some of them arrived in the Chamber too late to vote, just before the count was concluded, and that some of them felt they were counted as voting on the negative side because they entered the Chamber at the time when the count of Senators on the negative side was being taken. It is for that reason that I make the motion to reconsider the vote by which the amendment was rejected.

Mr. JENNER. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. JENNER. The point of order is that the motion is not germane to the subject before us, the proposed legislation relative to displaced persons, because the amendment deals with immigration, and is not germane.

The PRESIDING OFFICER. The point of order would not apply to the motion to reconsider. If the vote on the amendment is reconsidered, then the Senator can make such a point of order.

The question now is on agreeing to the motion of the Senator from Minnesota to reconsider the vote by which the amendment was rejected. [Putting the question.] The "noes" appear to have it.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered; the Chief Clerk proceeded to call the roll, and Mr. AIKEN voted "yea" when his name was called.

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. I understand that we are now voting, by means of a yea-and-nay vote, on the question of agreeing to the motion to reconsider the vote by which the amendment was rejected.

The PRESIDING OFFICER. That is correct.

Mr. HUMPHREY. Mr. President, in order to expedite action, I withdraw my request for the yeas and nays, and ask for a division.

The PRESIDING OFFICER. By unanimous consent, that may be done.

Mr. McCARRAN. Mr. President, may that be done after the yea-and-nay vote has begun?

Mr. AIKEN. Mr. President, do I have unanimous consent to withdraw my vote? [Laughter.]

The PRESIDING OFFICER. By unanimous consent, the request for a yea-and-nay vote can be withdrawn and the order for the calling of the yeas and nays can be rescinded after the vote has begun, but that may be done only by unanimous consent. Any Senator can object.

Mr. AIKEN. Mr. President, I am not going to object.

The PRESIDING OFFICER. Is there objection?

Mr. McCARRAN. I object.

The PRESIDING OFFICER. Objection is heard.

The clerk will proceed with the call of the roll.

The Chief Clerk resumed and concluded the call of the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Rhode Island [Mr. LEAHY] are absent because of illness.

The Senator from Delaware [Mr. FREAR] and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate on official business.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator for Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. McKELLAR], and the Senator from Oklahoma [Mr. KERR] are necessarily absent.

On this vote the Senator from Mississippi [Mr. EASTLAND], who would vote "nay," if present, is paired with the Senator from Florida [Mr. PEPPER], who would vote "yea," if present.

The Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent because of illness.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY] would vote "yea."

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Montana would vote "nay."

On this vote the Senator from Georgia [Mr. GEORGE] and the Senator from Iowa [Mr. GILLETTE] have a general pair.

On this vote the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Pennsylvania [Mr. MARTIN] have a general pair.

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania (Mr. MARTIN] is detained on official business and is paired with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] is detained on official business.

The Senator from Montana [Mr. ECTON] is detained on official business and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "nay," and the Senator from North Carolina would vote "yea."

The result was announced—yeas 42, nays 32, as follows:

YEAS—42

Aiken	Kefauver	Myers
Anderson	Kilgore	Neely
Benton	Knowland	O'Conor
Capehart	Langer	O'Mahoney
Chapman	Lehman	Robertson
Chavez	Lodge	Smith, N. J.
Douglas	Long	Stennis
Hayden	Lucas	Taylor
Hill	McCarthy	Thomas, Utah
Holland	McFarland	Thye
Humphrey	McMahon	Tobey
Hunt	Magnuson	Tydings
Ives	Morse	Wiley
Johnson, Colo.	Murray	Withers

NAYS—32

Brewster	Flanders	Malone
Bridges	Green	Millikin
Butler	Gurney	Mundt
Cain	Hendrickson	Saltonstall
Connally	Hickenlooper	Schoeppel
Cordon	Hoey	Smith, Maine
Darby	Jenner	Taft
Donnell	Johnston, S. C.	Watkins
Dworshak	Kem	Wherry
Ellender	McCarran	Williams
Ferguson	McClellan	

NOT VOTING—22

Bricker	Gillette	Pepper
Byrd	Graham	Russell
Downey	Johnson, Tex.	Sparkman
Eastland	Kerr	Thomas, Okla.
Ecton	Leahy	Vandenberg
Frear	McKellar	Young
Fulbright	Martin	
George	Maybank	

So the motion to reconsider was agreed to.

The VICE PRESIDENT. The question now is on the amendment offered by the Senator from Minnesota.

Mr. HOLLAND and Mr. JENNER addressed the Chair.

The VICE PRESIDENT. Debate is exhausted on the amendment. The question now is on the amendment.

Mr. JENNER. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. JENNER. I make the point of order that this amendment is in the same category as the amendment of the junior Senator from Washington [Mr. CAIN], in that it is not germane to the pending displaced-persons bill. It would apply to countries for example where there are no displaced persons at all, namely, the United Kingdom, Luxemburg, Ireland, Portugal, France, Switzerland, Belgium, The Netherlands, Norway, Sweden, Denmark, Finland, and Greece. In other words, it is a matter of immigration. It is not germane.

The VICE PRESIDENT. Will the Senator send to the desk the amendment? He seems to have the only copy—so we may examine it at the desk.

Mr. JENNER. I am happy to do so.

Mr. HUMPHREY rose.

The VICE PRESIDENT. Does the Senator from Minnesota wish to be heard on the point of order?

Mr. HUMPHREY. Yes. Mr. President, I merely want to make one or two observations, first of all, what the amendment does is merely to expand the number of countries from which adopted war orphans may be had; secondly, it increases the number of war orphans eligible for adoption; thirdly, it makes it possible for American citizens in the United States to institute proceedings of adoption. I submit that those are the three changes this amendment, as offered would cause—first, enlarging the number of countries; second, increasing the number who may be adopted; and third, liberalizing the means of adoption.

Mr. JENNER rose.

Mr. HOLLAND. Mr. President, I should like to ask to be heard 1 minute on this question.

The VICE PRESIDENT. There is no limitation on debate so far as the point of order is concerned; it is within the discretion of the Chair.

Mr. HOLLAND. Mr. President, what I shall have to say is not strictly on the point of order. With the permission of the Chair, however, I should like to say that this afternoon when the same question was raised, in discussing this matter with a group of Senators who have been more or less on both sides of this proposal, it was agreed that there was a proper field of application of such an amendment, particularly in view of the fact that uncles and aunts and other relatives and close friends are in a position to adopt such orphans. As one of those interested, I discussed the matter with the Senator from Minnesota, and I understand he is willing to cut down the number of orphans to be affected by this amendment. I was hopeful that all Senators might be agreeable to having the amendment put into the bill with a greatly reduced number, because the Senator from Minnesota [Mr. THYE], for instance, has told me of a friend of his who had a nephew or niece whom he wanted to bring into the United States. Another Senator told me about a similar situation. I hope we can come to some agreement on a materially reduced number which would not seriously affect the bill in any aspect, and would not make it necessary for my good friend the Senator from Indiana to raise a point of order.

Mr. JENNER. Mr. President, the language embraced in the amendment is not now in the bill. Therefore, I think the point of order is good. The amendment cannot be germane. It is my understanding that the substitute does not confine itself to orphans. The amendment does not relate to displaced-persons legislation at all.

The VICE PRESIDENT. The amendment of the Senator from Minnesota is an extension of the provisions contained in subsection (f), but the Chair does not think the extension makes it ungermane. Therefore, the Chair overrules the point of order.

The question is on agreeing to the amendment of the Senators from Minnesota [Mr. HUMPHREY and Mr. THYE].

Mr. DOUGLAS asked for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT (putting the question). The "noes" seem to have it.

Mr. HUMPHREY. I ask for a division.

On a division the amendment was agreed to.

Mr. MCCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, in line 16, after the word "given", it is proposed to insert "by a citizen or citizens of the United States."

Mr. MCCARRAN. Mr. President, the purpose of this amendment is to require that assurances for displaced persons shall be given by citizens of the United States, and that assurances from other displaced persons or other aliens will not be accepted.

Mr. O'CONOR. Mr. President, will the Senator yield for a question?

Mr. MCCARRAN. I yield.

Mr. O'CONOR. Let me ask the Senator whether his amendment is intended to cover or whether it does cover the giving of assurances by organizations.

Mr. MCCARRAN. The assurances can be given by organizations, through the head of the organization, if he is a citizen of the United States.

Mr. O'CONOR. So assurances from regularly accepted religious and other organizations would still be satisfactory? There would not be any refusal as to them, would there?

Mr. MCCARRAN. That is correct, if the assurance comes from the bishop, or whoever is the head of the organization, if he is a citizen of the United States.

Mr. O'CONOR. Mr. President, let me say that I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. MCCARRAN].

The amendment was agreed to.

Mr. MCCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 3, in line 15, after the word "given", it is proposed to insert "by a citizen or citizens of the United States."

Mr. McCARRAN. Mr. President, a similar amendment was adopted not long ago, but the provision occurs in three places in the bill. The purpose of this amendment is to require that assurances shall be received only from Americans and not from displaced persons or other aliens. I shall offer another amendment to the same purport.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. KNOWLAND. I should like to ask whether the same answer would apply to the previous question raised by the Senator from Maryland.

Mr. McCARRAN. The same answer would apply.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 4, in line 22, after the word "given", it is proposed to insert: "by a citizen or citizens of the United States."

Mr. McCARRAN. The same explanation pertains to this amendment. The provision is in three different places in the bill, and assurances should be given by a citizen of the United States and not by aliens or displaced persons.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Is this an amendment to the substitute?

Mr. McCARRAN. It is an amendment to the substitute. We are now dealing with the substitute.

Mr. LUCAS. Mr. President, may the Clerk state the amendment again? I do not have a copy of it before me.

The VICE PRESIDENT. The Secretary will again state the amendment.

The CHIEF CLERK. On page 4, in line 22, after the word "given", it is proposed to insert "by a citizen or citizens of the United States."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

Mr. KILGORE. Mr. President, let us suppose the case of a prosperous farmer who has been in this country 4 years and has not yet acquired his citizenship papers. He would be excluded by this amendment. He could not, during the process of attaining citizenship, get a displaced person, even though a close relative, to work on his farm or in his store. I wonder if that is the intent and purpose of the Senator from Nevada.

Mr. McCARRAN. Mr. President, that is an exaggerated case. All the cases which prevail are the ones sought to be touched by the amendment. The cases which prevail are those in which a displaced person, after coming to America, immediately renders assurances for other displaced persons to come in.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 3, in lines 7 and 8, it is proposed to strike out "since January 1, 1948."

The VICE PRESIDENT. Is this an amendment to the substitute?

Mr. McCARRAN. Yes, Mr. President. All amendments which I shall offer from now on are amendments to the substitute.

The purpose of this amendment is to provide for treating all Czechoslovakian persecutees alike. Since the cut-off date has been advanced, there is no reason for including the date in this subsection of the bill. Originally, the inclusion of this date may have operated to include certain Czechs who fled their country as a result of persecution or fear of persecution subsequent to the cut-off date provided in the present act, but with that cut-off date extended, the inclusion of this date simply operates to exclude Czechs who fled their country prior to January 1, 1948.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. KILGORE. What is the cut-off date, if it is not January 1, 1948? Is not that the date on which the Communists took over and there was a necessity to flee the country?

Mr. McCARRAN. January 1, 1949, is the cut-off date.

Mr. KILGORE. I mean, the beginning date at which they may be classed as displaced persons.

Mr. McCARRAN. With this date remaining in the substitute, as it does, they are eligible if they fled prior to this date.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. May I ask what was the last answer the Senator gave to the inquiry?

Mr. McCARRAN. That with the date of January 1, 1948, remaining in the substitute or in the bill, those who fled Czechoslovakia prior to that date would not be eligible.

Mr. LUCAS. Those who fled prior to January 1, 1949?

Mr. McCARRAN. Prior to January 1, 1948.

Mr. LUCAS. I thought that date was stricken by the amendment.

Mr. McCARRAN. My amendment strikes it.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from West Virginia.

Mr. KILGORE. Does that include all the Sudeten Germans who fled?

Mr. McCARRAN. No. They are out now.

Mr. KILGORE. They are not the ones who fled prior to January 1, 1948.

Mr. McCARRAN. The Senator will recall that he refused to accept my figures regarding the Sudetens.

Mr. KILGORE. The Senator from West Virginia believes this is a method of getting the definition into the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada. [Putting the question.] The "noes" seem to have it.

Mr. McCARRAN. I ask for a division.

On a division the amendment was rejected.

Mr. McCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 4, in line 5, after the word "means", it is proposed to insert the article "a."

Mr. McCARRAN. Mr. President, the purpose of the amendment is to effect a mere grammatical change by inserting the article "a" in a place where it apparently has been dropped as the result of a typographical error.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state it.

The CHIEF CLERK. On page 4, in line 6, it is proposed to strike out "nineteen" and insert "sixteen."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to make the age limit for eligible displaced orphans 16 years, instead of 19 years. I may say, Mr. President, that this subject was given long and considered study by the Committee on the Judiciary. Holding the age at 19 years appears to lead to all kinds of fraud, and we believe the age should be not to exceed 16 years.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Chief Clerk will state the amendment.

The CHIEF CLERK. On page 6, at the end of line 20, it is proposed to change the period to a comma and to insert "and (3) are still in China or, having left China, have not subsequently been received for permanent residence by any country other than the United States."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to limit the class of persons who are to be admitted under this provision to those displaced persons and refugees who are still in China, or who, having left China, have not been resettled. The information of the committee was that most of the persons in this group who have succeeded in leaving China have been resettled. The minority report states that this information is "clearly erroneous." If this information is erroneous, then certainly there can be no objection to the amendment now proposed, and with respect to any of these people who have been resettled in any other country, there is

no valid reason for authorizing their admission to the United States.

Mr. KNOWLAND. Mr. President, will the Senator yield for an inquiry?

Mr. McCARRAN. I yield.

Mr. KNOWLAND. I wish to make it perfectly clear that the language of the Senator's amendment does not refer to some 3,200 or 4,000 people who are still left at the temporary camp on the island of Samar in the Philippines, or that the Senator from Nevada considers that they are resettled in the sense intended by the language of his proposed amendment. The legislative history of this subject should be sufficiently clear to indicate that those who are in the camp at Samar are not resettled in the sense that the Senator from Nevada has in mind, that they will be eligible to come in under the provision of the proposed amendment.

Mr. McCARRAN. That is my intention, and that is my understanding.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 7, in line 3, after the comma immediately following the word "amended", it is proposed to insert: "but have not been either firmly settled or resettled."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to avoid including in the group of former Polish veterans who would be eligible to come to the United States under this provision, persons who have already been firmly resettled in the British Isles. It is hard to see how there can be any objection to this amendment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. FERGUSON. Would the proposed amendment include any Polish soldiers who are still in camps in Britain?

Mr. McCARRAN. No; I would not consider that situation to be a permanent or fixed resettlement.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. Do I correctly understand that the proposed amendment would include any of the 18,000 Polish soldiers who are now in England and cannot return to Poland?

Mr. McCARRAN. If they have been permanently resettled in Great Britain, they would be excluded. It is those who have not been resettled in Great Britain who would be included and could be brought into this country. My theory, and the theory of the committee, was that if they have been permanently resettled anywhere, they should not be disturbed in their permanent resettlement, and they should not use the displaced-persons bill as a means or as a vehicle to leave where they have been permanently resettled and come to the United States.

Mr. LUCAS. I am not sure that I know whether the 18,000 Poles have been considered permanently resettled.

Mr. McCARRAN. Originally 80,000 Poles went into Great Britain. Eighteen thousand of them have not been permanently resettled, and it is the 18,000 which both the committee bill and the substitute seek to take care of.

Mr. FERGUSON and Mr. LEHMAN addressed the Chair.

The VICE PRESIDENT. Does the Senator yield; if so, to whom?

Mr. McCARRAN. I yield first to the Senator from Michigan.

Mr. FERGUSON. Will the Senator tell the Senate what he means by "resettlement," so that we may have his explanation as part of the legislative history?

Mr. McCARRAN. I believe "resettlement" means the status of an individual who, leaving a place which he had to leave, went to another country and there took up residence, perhaps entered into business, established a home, brought his family there, and settled there with all outward appearance of permanency.

I now yield to the Senator from New York.

Mr. LEHMAN. I was going to ask the Senator the same question which the Senator from Michigan propounded.

Mr. KILGORE. May I ask another question as to the legislative intent of the amendment?

Mr. McCARRAN. Yes.

Mr. KILGORE. Is it not generally understood that the 18,000 persons referred to are at the present time unsettled?

Mr. McCARRAN. Yes. That is our understanding.

Mr. KILGORE. The only purpose of the amendment is to provide a safeguard, in the event some of them have been resettled.

Mr. McCARRAN. To make certain that we will get the right 18,000. That is really the reason for the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I send forward an amendment which I wish to offer.

The VICE PRESIDENT. The Clerk will state the amendment.

The CHIEF CLERK. On page 8, line 23, after the word "who", it is proposed to insert the words "are otherwise qualified for admission in the United States for permanent residence, and who."

Mr. McCARRAN. Mr. President, the purpose of the amendment is to make it absolutely clear that in order to be eligible for a visa preference under this provision, an applicant must meet the requirements of the general immigration laws.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I send forward another amendment which I desire to offer.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 8, line 25, after the word "country", it is proposed to insert the words "in Europe."

Mr. McCARRAN. Mr. President, the purpose of the amendment is to restrict the benefit of this provision to European displaced persons, instead of having it apply to any person anywhere in the world.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. KNOWLAND. Mr. President, in the judgment of the Senator from Nevada, does this in any way invalidate the provision as to those on the island of Samar?

Mr. McCARRAN. No. I had the Samar people in mind when the amendment was drafted.

Mr. KNOWLAND. So that it does not relate to them?

Mr. McCARRAN. The Senator is correct.

Mr. FERGUSON. Mr. President, would it include those we have specified particularly who come from Greece?

Mr. McCARRAN. No; it would not.

Mr. FERGUSON. It would not change that provision at all?

Mr. McCARRAN. It would not.

Mr. LUCAS. Mr. President, I do not quite agree with the interpretation of the distinguished chairman of the committee. The amendment restricts the provision to applicants who entered any country in Europe only. Why would that not affect the situation in Greece, and why would it not affect the situation in China?

Mr. McCARRAN. There is a special provision covering those from Greece, because they are not under the IRO's jurisdiction, and they come in specially. The same is true as to the Shanghai group, and the Poles. The Poles are in Great Britain, the Shanghai group are on the island of Samar, and the Greeks are in their own land, but displaced because of their own internal troubles, and for other reasons.

Mr. LUCAS. In order to make it perfectly clear, why could not those three exceptions be placed in the amendment of the Senator?

Mr. McCARRAN. I do not think it is necessary now, because I believe the language of the amendment is sufficient, and the others are covered in different sections of the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I send forward another amendment which I desire to offer.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 9, line 4, it is proposed to strike out the word "predominantly."

Mr. McCARRAN. Mr. President, the purpose of the amendment is to eliminate the question of who is a person "predominantly of European national origin," to limit the category of beneficiaries under this provision to persons of European origin.

Mr. LUCAS. Mr. President, before the vote is taken, I should like to have an explanation from some Senator who is sponsoring the substitute as to why the word "predominantly" was included in it. There must be some reason for that.

Mr. KILGORE. Mr. President, it was to remove any question that might arise as to some who might come from the Asiatic part of Russia and still be predominantly European. There are also various others to be considered. In the case of some of the southern countries, some of the people there are not predominantly European. Some from that section may have intermarried with people from Asia Minor, or similar places, and their children would have that in their ancestry. There may be some whose ancestors might have come from Syria, let us say, or from Palestine, or from any one of various other places.

Mr. KNOWLAND. Mr. President, will the Senator from Nevada yield for a question?

Mr. McCARRAN. I yield.

Mr. KNOWLAND. We are dealing now with these amendments on the floor, and naturally it is extremely difficult for Senators to understand just what the intent of the various amendments is. I understand the Senator's amendment would strike out the word "predominantly." I call his attention to this type of situation: I again refer to the White Russians, in the broad sense that they were the Russians who were forced out by the Russian revolution, and went into China. When they lived in China, in Pekin, Shanghai, Tientsin, or in Manchuria or in other places, of course, they had youngsters there. I suppose some youngsters have been born in the camp on the island of Samar. Obviously, they have not been born in Europe. Does the Senator believe that his amendment would in any way adversely affect that group?

Mr. McCARRAN. Not at all, because this is a separate provision of the bill and addresses itself to quota preferences. If the expression is too technical a one to be readily understood, I will say that the amendment will not affect the group in which the Senator from California is interested.

Mr. KILGORE. Mr. President, there is another point to be taken into consideration. Many of our troops were stationed in Africa and in Asia. A number of the displaced persons may be the children of those troops, children who may have been born in Africa, in Asia Minor, or in Asia proper. The use of the word "origin" goes to the birthplace of the child, not to its nationality necessarily.

Mr. McCARRAN. Mr. President, I do not know whether I have any time left, or whether I have the floor.

The VICE PRESIDENT. The time of the Senator from Nevada has expired.

Mr. McCARRAN. In answer to the question of the Senator from Illinois I should like to make a slight explanation. I think it would be in place.

No one can say exactly what is meant by the term. However, it seems clear that it does not mean that applicants must be persons of European birth, because if it did, it would say so. The phrase "predominantly of European national origin" might be construed to mean that the applicant must have at least one parent who was born in Europe; or perhaps it means that both parents must be born in Europe; or perhaps if a grandparent on each side was born in Europe, that would be sufficient; or it might be held that in order to be considered "predominantly of European national origin," a person must have had at least two grandparents who were born in Europe, plus at least one great grandparent in another line who was born in Europe.

It might be argued that this provision means persons of the race or type normally associated with Europe. If that is the case, then this is clearly a provision embodying racial discrimination. What would be the situation with regard to a person whose parents were both Senegalese from French Africa, but who happened to born in France? Here, again, examples could be multiplied; but the point is that there is no way of telling just who might qualify under this provision.

Mr. KILGORE. That is the point I refer to. The use of the word "predominantly" does away with the question of the place of birth. If that is removed, then the place of birth comes into question. The use of the word "predominantly" as a modifier comes into the question of actual origin, of the family lines.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. CHAVEZ. Mr. President, I offer an amendment to the substitute which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 3, beginning with line 5, it is proposed to strike out all down to and including the word "and" in line 11, and insert in lieu thereof the following:

(d) "Eligible displaced person" shall also mean (1) a native of Czechoslovakia who has fled as the result of fear of persecution from that country since January 1, 1948, and who on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria, or a native of Spain, who has fled as the result of fear of persecution from that country since March 1, 1937, and who on December 1, 1948, was in France, or any territory or possession of France; and.

Mr. CHAVEZ. Mr. President, the reason I submit the amendment now is that when I submitted the original amendment about a half hour ago something happened in the Hall or in the Chamber which prevented what I thought was a correct counting of the votes. I had explained the purposes of the amendment, and some Senator made a point of order that there was not a quorum present. Prior to that I had requested a yea and nay vote. There were quite a number of Senators present at the time. After it was found that a quorum was present, it happened that at that particular moment the Senator from Oregon [Mr. CORDON] was discussing with me some matters connected with the public works bill. The question was put by the Presiding Officer at that moment as to who favored and who were not in favor of the amendment, he forgetting that a request had already been made for the yeas and nays on the question. In my opinion there had been no difficulty whatsoever as to that, but before I could raise the point that I had asked for the yeas and nays, the Chair ruled that the "noes" had it.

I have changed the dates in the amendment, but otherwise it is exactly the same amendment on which I previously requested the yeas and nays. I decided that I would rather submit it to the Senate as an amendment to the substitute, with the change in dates, than ask for a reconsideration of the vote by which the amendment was not agreed to.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. CHAVEZ. I yield.

Mr. FERGUSON. Does the amendment now provide for bringing into this country Czechoslovakians who have fled to the British sector, the American sector or the French sector, or to Vienna, or Berlin, since March 1, 1937?

Mr. CHAVEZ. No, no. That date relates only to Spain.

Mr. FERGUSON. At what point in the Senator's amendment does the reference to Spain appear?

Mr. CHAVEZ. Immediately after the word "Austria." After the word "Austria," comes the following "or a native of Spain who has fled as the result of fear of persecution from that country since March 1, 1937."

Mr. FERGUSON. In other words, the Senator wants to bring into this country Spanish revolutionists who fled Spain during the revolution?

Mr. CHAVEZ. Some were revolutionists, and some fled Spain on account of the revolution, and have been unable to get back to their native land. If there are any real displaced persons in Europe, it is some of those who are in that category. I am not referring to the politically inclined, or those who might be interested in regimes, whether in Spain, France, or elsewhere. I am pleading for the thousands and thousands of the first displaced persons in continental Europe.

Mr. President, on my amendment I ask for the yeas and nays.

Mr. McCARRAN. Mr. President, has the Senator from New Mexico concluded his statement?

Mr. CHAVEZ. I wish to add that I have discussed the amendment with the Senator from West Virginia, who I believe has no objection to it.

Mr. McCARRAN. If I may be heard, Mr. President——

The VICE PRESIDENT. Has the Senator from New Mexico concluded?

Mr. CHAVEZ. I have concluded, Mr. President.

Mr. McCARRAN. At this time it may be well for the Senate to know what it has done already today in this substitute bill. It has provided for 344,000 regular displaced persons, for 20,000 adoptions, for 15,000 persons of adjusted status, for 54,744 German expellees, making a total of 433,744 persons who are to be ad-

mitted under the displaced-persons bill, plus 50 percent of nonpreference portions of the quotas of the world, plus the regular quota immigrations amounting to about 180,000 persons this year, plus 500,000 persons coming in under visitors' visas this year. That is what has thus far been done here in this substitute bill.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

Mr. DOUGLAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Millikin
Benton	Hoey	Morse
Brewster	Holland	Mundt
Bricker	Humphrey	Myers
Bridges	Ives	Neely
Butler	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnston, S. C.	Saltonstall
Chapman	Kefauver	Schoeppel
Chavez	Kem	Smith, Maine
Connally	Kilgore	Smith, N. J.
Cordon	Knowland	Stennis
Darby	Langer	Taft
Donnell	Lehman	Taylor
Douglas	Lodge	Thomas, Utah
Dworshak	Long	Thye
Ellender	Lucas	Tobey
Ferguson	McCarran	Tydings
Flanders	McCarthy	Watkins
Frear	McClellan	Wherry
Green	McFarland	Wiley
Gurney	McMahon	Williams
Hayden	Magnuson	Withers
Hendrickson	Malone	

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. CHAVEZ].

On this question, the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Alabama [Mr. SPARKMAN] are absent because of illness.

The Senators from Virginia [Mr. BYRD and Mr. ROBERTSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Wyoming [Mr. HUNT], and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Wyoming [Mr. HUNT], the Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], and the Senator from Tennessee [Mr. MCKELLAR] are necessarily absent.

The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

On this vote the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Florida [Mr. PEPPER]. If present and voting the Senator from Mississippi would vote "nay," and the Senator from Florida would vote "yea."

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Montana would vote "nay."

On this vote the Senator from Georgia [Mr. GEORGE] and the Senator from Iowa [Mr. GILLETTE] have a general pair.

On this vote the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Pennsylvania [Mr. MARTIN] have a general pair.

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business, and is paired with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Montana [Mr. ECTON] is detained on official business, and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "nay," and the Senator from North Carolina would vote "yea."

The result was announced—yeas 34, nays 40, as follows:

YEAS—34

Anderson	Johnson, Colo.	Morse
Benton	Kilgore	Myers
Chapman	Knowland	Neely
Chavez	Langer	O'Conor
Connally	Lehman	O'Mahoney
Douglas	Long	Stennis
Hayden	Lucas	Taylor
Hill	McClellan	Thye
Hoey	McFarland	Tydings
Holland	McMahon	Withers
Humphrey	Magnuson	
Ives	Maybank	

NAYS—40

Aiken	Frear	Mundt
Brewster	Green	Saltonstall
Bricker	Gurney	Schoeppel
Bridges	Hendrickson	Smith, Maine
Butler	Hickenlooper	Smith, N. J.
Cain	Jenner	Taft
Capehart	Johnston, S. C.	Thomas, Utah
Cordon	Kefauver	Tobey
Darby	Kem	Watkins
Donnell	Lodge	Wherry
Dworshak	McCarran	Wiley
Ellender	McCarthy	Williams
Ferguson	Malone	
Flanders	Millikin	

NOT VOTING—22

Byrd	Hunt	Robertson
Downey	Johnson, Tex.	Russell
Eastland	Kerr	Sparkman
Ecton	Leahy	Thomas, Okla.
Fulbright	McKellar	Vandenberg
George	Martin	Young
Gillette	Murray	
Graham	Pepper	

So Mr. CHAVEZ' amendment was rejected.

Mr. MCCARRAN. Mr. President, I send forward an amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 2, line 10, after the word "and", it is proposed to strike out down to the second comma in line 11, and insert the following: "was subsequently returned to one of these countries as a result of enemy action, or of war circumstances, and on January 1, 1949, had not been firmly resettled therein."

Mr. MCCARRAN. Mr. President, the present law, like the constitution of the International Refugee Organization, requires that in order to be eligible, a displaced person who has returned to one of the occupied zones after leaving must have been returned as a result of enemy action or of war circumstances. The Kilgore substitute eliminates this requirement. The purpose of this amendment is to restore the requirement.

It is obvious that without such a requirement this section holds out inducement to persons who have succeeded in getting out of the occupied zones into other countries to flock back into the occupied zones if they want to come to the United States, because without the requirement which this amendment proposes to restore even former displaced persons who have been resettled in other countries of the world could gain admission to the United States by first going back into one of the occupied zones.

The present law contains a cut-off date of January 1, 1948, with regard to these persons. The amendment now proposed moves this cut-off date up to January 1, 1949.

There is no reason for rejecting this amendment unless it is the intent of the Senate that displaced persons who have already left the occupied zone of Germany or Austria or Italy, and who may even have been resettled in some other country, should be permitted to come to the United States if they can get back into one of the occupied zones. I cannot believe that the Senate has any such intention because the whole purpose of this law is to get displaced persons out of the occupied zones, not to induce them to go back into the occupied zones in order to come to the United States.

Mr. KILGORE. Mr. President, in the first place, the reason for omitting the requirement to which the Senator has referred, is that these persons must be, under the law, the concern of the International Refugee Organization. They may have gone into some other country temporarily, some were taken there to do work, and things of that kind; and then they returned. I do not think it should be held against them. Some of them go to work, some are kept at the expense of their families. I do not think the amendment is necessary as a safeguard. In the second place, I think it puts an unfair restriction on certain classes of people who have not been resettled, but who, to keep from crowding the camps, have been taken to other places.

As I said earlier this afternoon, when this matter was previously discussed, I personally know of families who are stretching every means to keep at some place in Europe a relative who is properly a displaced person, and who is so registered and recorded with the IRO, and who is a responsibility of the IRO. If we should adopt the amendment sought by the Senator from Nevada, we would exclude that type of person.

Incidentally, in passing, I should like to correct a few figures recently given, because I fear they will be misquoted in the press. The Senator from Nevada

said by way of side issue, quoting the number of people we had admitted to the United States, this afternoon, that the number had reached 339,000. We have merely admitted 134,000. I may say again, for the benefit of the Senate, we are not adding anyone. All are coming in under the quota. But the displaced persons and the people covered by this bill are given priority over others who would come in, if they should seek to do so, under the same quota. In other words, we are curing the displaced-persons situation by giving the displaced persons in these categories a priority over others who otherwise would seek to come in under the quota. We are not exceeding the quota; every person coming in is charged to the quota. So there is no increase, and I hope the amendment will be defeated, because I think it is an unfair restriction.

Mr. McCARRAN. Mr. President, will the Senator kindly yield for a question?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Nevada?

Mr. KILGORE. I yield.

Mr. McCARRAN. I draw the Senator's attention to page 2 of his substitute, line 3, where it says "or who had temporarily absented himself therefrom for reasons which, in accordance with regulations to be promulgated by the Commission, show special circumstances justifying such absence." Is that the group about which the Senator is apprehensive? It is not at all the group that is touched by my amendment. My amendment comes in on line 10, after the word "and", following the word "persecution", and so forth.

Mr. LEHMAN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from New York?

Mr. McCARRAN. I yield.

Mr. LEHMAN. I am not entirely certain I understand the purpose or effect of the proposed amendment, which I had not previously seen. Therefore I should like to ask the Senator from Nevada whether, if a man who had been in a displaced-persons camp in Germany had gone to England for temporary residence by permission of the British Government, for a period of 6 months, and then, when his work in England has ceased, had returned to Germany, he would be excluded from consideration under the law?

I should like to ask further whether a man who, from the displaced-persons camp in Germany, had returned to Poland before the iron curtain was dropped, in the expectation that he might possibly make a living there, and who had then because of his hatred of communism, left Poland to return to Germany, would be excluded under this amendment?

Mr. McCARRAN. No; he would be all right, if he returned under the provisions of the law. What the Senator has reference to is covered in the language I read to the Senator from West Virginia "or who had temporarily absented himself therefrom for reasons which, in accordance with regulations to be promulgated by the Commission, show special circumstances."

The British case, to which the Senator referred, of a man going to England and living there for 6 months, or the Polish case, would not be affected by my amendment. My amendment would affect those who left the country with the intention of leaving permanently, and who established themselves somewhere else; but, having found that by returning across the line into the zone they had left an opportunity would be afforded to come to the United States, they did so.

Mr. LUCAS. Mr. President——

Mr. McCARRAN. If a person has left the zone and has gone with full intention, and has settled himself somewhere else, it is my idea that he should not be considered as a displaced person, certainly by reason of his coming back over the line.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. Will the Senator agree with me that this is a limitation upon the language of the substitute?

Mr. McCARRAN. It is a limitation, but it does not limit the categories that are referred to.

Mr. LUCAS. I know that, but it is a limitation, is it not, upon the particular category to which the Senator refers.

Mr. McCARRAN. Yes, it is a limitation, in that if they have left the zone and resettled and established themselves elsewhere, they should not be permitted, for the purpose of taking advantage of this law, to rush back across the line into the zone for the purpose of enabling them to take advantage of it. Yes, it is to that extent a limitation.

Mr. LUCAS. Mr. President, apparently we have here another amendment, as to which Seantors are utterly confused with respect to its meaning. The Senator from Nevada tells me that this is a limitation upon the particular category referred to in the bill. I think that is probably true. Certainly, if it is, this matter could be ironed out in conference and the conferees around the conference table could discuss it at great length, if necessary. But I certainly hope the Senate will not adopt the amendment.

I cannot vote for it, because I am not sure I understand it. It represents another amendment which apparently was not before the committee, but which is brought forward at this late hour. I think the Senate ought to reject these amendments if we do not thoroughly understand them. I confess I do not understand this one, and even the Senator from West Virginia apparently did not understand it, yet he is a member of the committee.

Mr. McCARRAN. Mr. President——

The VICE PRESIDENT. The time on this amendment has expired. The question is on the amendment offered by the Senator from Nevada [Mr. McCARRAN]. [Putting the question.] The "noes" appear to have it.

Mr. McCARRAN. I ask for a division.

On a division, the amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment, the question is on agreeing to the substitute, as amended, which was offered by the Senator from West Virginia.

Mr. McCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 5, line 3, after the word "States", it is proposed to insert "who is at the time of the adoption stationed in Germany, Austria, or Italy, as either a member of the armed forces of the United States or an employee of the United States Government."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to limit the category of eligible adoptive parents to members of the armed forces stationed in Germany, Austria, or Italy, or civilian employees of the United States Government stationed in one of those countries.

It is believed this amendment will cut down the possibility of fraud in connection with such adoptions. Furthermore, since the section already provides for adoption pursuant to proceedings instituted in a court of competent jurisdiction, it would be difficult for a prospective adoptive parent who is not in the same country with the prospective adoptive child to initiate and prosecute the necessary court action.

Mr. HUMPHREY. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. HUMPHREY. My point of order is that the portion of the substitute to which the Senator from Nevada refers has already been amended and agreed to.

The VICE PRESIDENT. The amendment offered by the Senator from Nevada is not in order, because the bill has been amended, and the amendment was agreed to.

The bill is open to further amendment.

Mr. JENNER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment offered by the Senator from Indiana.

The CHIEF CLERK. It is proposed to amend section 8 of the substitute by striking out the date "June 30, 1952," and inserting in lieu thereof the date "July 31, 1951."

Mr. JENNER. Mr. President, the substitute bill extends the operative effect of the displaced-persons law until June 30, 1951, but the substitute bill extends the life of the Displaced Persons Commission until June 30, 1952. Therefore, we have a situation whereby we would have a Commission in existence and drawing its salary for a whole year after the operative provisions of the law have expired.

The amendment which I have proposed to the substitute bill extends the life of the Displaced Persons Commission from June 30 until July 31, 1951, which would enable the Commission to hold office and function for an entire month after the expiration of the operative provisions of the law.

In other words, I can see no reason for keeping the Commission in existence and permitting it to draw salaries for a whole year after the provisions of the law have expired.

Mr. KILGORE. Mr. President, I should like to have a reference to the page of the bill to which the amendment applies.

The VICE PRESIDENT. Page 13, lines 16 and 17.

Mr. KILGORE. As I understand the purpose of the amendment, it is to stop the functioning of the Commission on the same date that the authorization——

Mr. JENNER. No; to extend it for one full month after the operation of the law is completely at an end, rather than to extend it a year. It gives the Commission a month in which to close, and prevents it from drawing salaries for a year, for doing nothing.

Mr. KILGORE. I wonder if the Senator from Indiana ever tried to close an operation the size of the Commission within 30 days? He should be a member of the Appropriations Committee for a while to realize the trials and tribulations through which that committee goes in trying to cut down such agencies. I think it would be a mistake to give an organization scattered all over Europe and the United States 1 month in which to close its affairs, get its records in shape, and ship them to the United States.

Mr. JENNER. Does the Senator think 60 days is sufficiently long? I am willing to modify my amendment to make the date August 31, 1951. I can see no justification for the Commission's sitting for a whole year after the law has expired, unless this is to be an entering wedge to break down our immigration laws and continue every 2 years to have another displaced-persons bill. If this is the purpose, we should keep the Commission forever. Certainly 60 days after the law has expired is long enough to wind up all proceedings and quit.

Mr. KILGORE. The reason for allowing 12 months was so that the Appropriations Committee could sit down and tell the Commission how much money it could have to spend, and then wind it up. I think that if we establish a deadline of 60 days after the last displaced person is shipped we will be imposing an undue legislative hardship on the program.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. KILGORE. I yield.

Mr. FERGUSON. Would it not be possible for the Commission to transfer its work to some other agency within 60 days, and close up?

Mr. KILGORE. Possibly so; but the expense would continue just the same.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. JENNER], as modified.

The amendment, as modified, was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. LANGER. I send to the desk an amendment which I offer on behalf of myself and the Senator from Nebraska [Mr. WHERRY], and ask that it be stated.

The VICE PRESIDENT. The Secretary will state the amendment offered by the Senator from North Dakota.

The LEGISLATIVE CLERK. At the proper place it is proposed to insert the following:

Provided, That for the purposes of this section the quotas referred to shall be computed on an annual rather than a monthly basis: *Provided further,* That such portion of the quota for any fiscal year prior to July 1, 1952, which may be available under this section to persons of German ethnic origin but which shall remain unused at the end of such fiscal year shall be made available to such persons during the next following fiscal year in addition to the portion of such quotas which under this section is to be available to such persons during such following fiscal year: *Provided further,* That any person who is an applicant for admission pursuant to this section and for whom assurances in accordance with the regulation of the Commission have been given by a citizen of the United States that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment, and that such person, and the members of such person's family who shall accompany such person, and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing, shall not be required to furnish any affidavit or other evidence of support pursuant to the regulations (22 CFR 61.327) promulgated under authority of subsection 7 (b) of the Immigration Act of May 26, 1924, or any other law or regulation.

Mr. LANGER. Mr. President, under the terms of the substitute bill, persons of German ethnic origin who were born in Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Russia, or Yugoslavia, and who on January 1, 1949, resided in Germany or Austria, are limited to the number of 54,744. My amendment does not increase this number by a single person. However, some of the persons will have great difficulty in getting in within the first year or two because of the difficulty in proving, for example, where they were on a certain day, because of the loss of records. All this amendment does is to provide that if the quota in 1950 and 1951 is not completely used up, the number may be added to the quota of 1952.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER] for himself and the Senator from Nebraska [Mr. WHERRY].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 17, in line 9, beginning with the word "who", it is proposed to strike out all down to but not including the word "has" on page 17, in line 11, and to insert in lieu thereof: "to any person 18 years of age or older who shall not have made affidavit, under oath, that he has never advocated or assisted in the persecution of any person because of race, religion, or national origin, or to any person who."

Mr. McCARRAN. Mr. President, earlier in this section, in connection with a provision which turned in part upon what an applicant advocated, a similar amendment was proposed, so as to set up a standard which could be readily administered. The present amendment has the same purpose. These are the only two points in the section which turn upon a state of mind or the expression of an opinion. The other standards contained in this section all refer to overt acts, such as joining an organization, or participating actively in a movement hostile to the United States or its form of government, or bearing arms against the United States. With respect, however, to the standards which do not necessarily refer to overt acts, but rather to a state of mind, or to the expression of opinion, it would appear wise to make provision for the furnishing of prima facie evidence by an affidavit which an applicant may not falsely make except at his peril. It will be necessary to rely largely upon the statements of these applicants, with respect to these particular qualifications, and since that is the case, it is better that such statements should be in the form of affidavits under oath.

Mr. LUCAS. Mr. President, I respectfully request that the clerk read the amendment again.

The VICE PRESIDENT. The secretary will read the amendment again.

The clerk again read the amendment.

Mr. LUCAS. Mr. President, I assume it is a good amendment. Certain language has been stricken out on page 17 which I cannot follow. There is no copy of the amendment on my desk, and I have had no opportunity to examine it. It is a new amendment to every Member of the Senate. It is an important amendment, and it represents an important proposed change. I should like to hear from a Senator who is familiar with it, perhaps a member of the Committee on the Judiciary. Would the Senator from Michigan enlighten us?

Mr. FERGUSON. The Senator from Michigan cannot do so, because it is not an amendment which was considered by the committee. I agree that it requires an affidavit, from all persons who are over 18 years of age, to the effect that the person making the affidavit "never advocated or assisted in the persecution of any person because of race, religion, or national origin, or to any person who"—and then it continued on with the language of the substitute. It would seem to me that a person over 18 years of age who makes an untruthful affidavit could be charged with perjury.

Mr. TAFT. The amendment would bar from admission anybody who has persecuted, which is a question of fact. Under this amendment, if such a person makes an affidavit that he has not persecuted, he qualifies and can come in. As I understand, that is the only change involved.

Mr. FERGUSON. Yes.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. LANGER. Mr. President, I offer my amendments, D, E, and F, and I ask

unanimous consent that they may be considered en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The amendments will be stated.

The LEGISLATIVE CLERK. Amendment D. On page 8, it is proposed to strike out the period in line 3 and insert in lieu thereof the following:

Provided further, That a number of immigration visas, not to exceed 5,000, may be issued within the total numerical limitations provided in this act to eligible displaced persons who are Arab natives of Palestine as defined in this act.

Amendment E. It is proposed to insert the following at the proper place:

"Eligible displaced orphan" shall also mean a displaced person (1) who is under the age of 16 years, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) who is an orphan because of the death or disappearance of both parents, and (4) who on or before the effective date of the act was outside of his home, in any part of Palestine as it was constituted prior to November 29, 1947, or was in Lebanon, or Syria, or Hashemite Kingdom of Jordan, or Iraq, or Egypt, or Saudi Arabia, and (5) for whom satisfactory assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, will be cared for properly.

Amendment F. On page 4, at the end of line 2, add the following:

"Eligible displaced person" shall also mean (1) an Arab native of Palestine, as it was constituted prior to November 29, 1947, who on or after November 29, 1947, and on or before September 1, 1949, as a consequence of hostilities, and out of fear of bodily harm or persecution, fled or was driven from his home in one part of Palestine to another part of it, or sought refuge in Lebanon, or Syria, or the Hashemite Kingdom of Jordan, or Iraq, or Egypt, or Saudi Arabia, and who on September 1, 1949, remains outside his home, in any part of Palestine, as defined above, or in any of the above-mentioned countries, either because he is not permitted to return to his home or that he has not been firmly resettled; and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence; and (3) for whom assurances in accordance with the regulations of the Commission have been given that such person, if admitted into the United States, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges, and such assurances shall be sufficient for the purpose of all immigration laws of the United States. The spouse and unmarried dependent child or children under 21 years of age of such an eligible displaced person shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons.

Mr. LANGER. Mr. President, these amendments merely provide for the admission of 5,000 Arabs, one-half of 1 percent of over 1,000,000 who have been displaced. The United Nations program already gives them some assistance. Nevertheless, the assistance is entirely insufficient, and it seems to me that when we need all the friends we can possibly get in the East, some provision ought to be made whereby one-half of 1 percent of the Arabs displaced could be admitted into this country. We have already made provision for admitting 107 Chinese, and about 100 Japanese.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. TOBEY. Does not the amendment call for the admission of the Arab and spouse?

Mr. LANGER. No, it does not; it merely provides for the admission of 5,000 Arabs.

Mr. TOBEY. Does not the word "spouse" occur in the amendment? If that is so, I suggest that the Senator change it to "spouses," because the Arabs believe in polygamy. [Laughter.]

Mr. LANGER. The total number is to be 5,000, at any rate.

The VICE PRESIDENT. The question is on agreeing en bloc to the amendments offered by the Senator from North Dakota [Mr. LANGER].

The amendments were rejected.

Mr. LANGER. Mr. President, I call up my amendment lettered "C," and ask that it be read.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 11, line 25, it is proposed to insert the following:

A Palestinian Arab student shall be deemed to be included in the definition of a nonquota immigrant student eligible for admission under section 4 (a) of this act.

Mr. LANGER. Mr. President, the purpose of the amendment is to give 125 students who are Arabs, and who are in this country studying, an opportunity to make their living while they are here. At the present time they cannot do so. It seems to me they should have a chance to earn enough money to get their education, so that they can return to the East and tell the people there about the benefits of democracy.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FERGUSON. This is merely in relation to students who come into this country as students, and return home after they are educated?

Mr. LANGER. The Senator is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. LANGER].

The amendment was agreed to.

Mr. MALONE. Mr. President, I offer an amendment to the substitute and ask that it be read.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 13, between lines 23 and 24, it is proposed to insert the following new section:

SEC. —. The second and fourth sentences of section 10 of the Displaced Persons Act of 1948 are respectively amended to read as follows: "The burden of proof shall be upon the person who seeks to establish his eligibility under this act, and no person shall be issued an immigration visa or be admitted into the United States under this act if the alien is subject to exclusion from the United States under any provision of the immigration laws or is not eligible under the terms of this act: *Provided*, That nothing in this section shall remove the right of review and appeal available to aliens under the general immigrations laws." "Except as otherwise expressly provided in this act, the administration of this act, including the determination of eligibility of applicants under this act, shall be by the officials who administer the other immigration laws of the United States: *Provided*, That the final determination of eligibility of applicants both under this act and under the general immigration laws of the United States shall be made exclusively by the Immigration and Naturalization Service and the American Foreign Service."

IMMIGRATION SERVICE SOLE JUDGE

Mr. MALONE. Mr. President, the purpose of the amendment is to provide that the candidates for admission under the Displaced Persons Act shall be supervised by the same Immigration Service that supervises the regular immigrant quotas from the respective countries. It merely provides and directs that the final determination of eligibility of applicants, under the Displaced Persons Act, shall be made exclusively by the Immigration and Naturalization Service and the American Foreign Service. Americans, under my amendment, will be the judge of who shall enter America—instead of the International Refugee Organization composed for the most part of citizens of foreign nations.

Mr. President, my reason for offering the amendment at this time is that in my opinion the provision already included in the bill is weak and not conclusive. It merely reads that "No person shall be issued an immigration visa or be admitted into the United States under this act if the consular office or the immigration inspector knows or has reason to believe that the alien is subject to exclusion from the United States under the provisions, of the immigration law."

The Immigration Service is not directed to make the proper investigations but, under the amendment I am offering the Immigration Service is directed to do the same job for these people that is done with reference to the regular quota from these countries under ordinary conditions.

Mr. O'CONOR. Mr. President, I raise a point of order with respect to this amendment, in view of the action taken by the Senate on the amendment offered by the Senator from Michigan [Mr. FERGUSON].

The VICE PRESIDENT. The amendment does not seem to be subject to a point of order. It is difficult to tell from a reading of the amendment offered by the Senator from Nevada [Mr. MALONE] and the amendment heretofore agreed to, whether there is any conflict, or whether they are consistent or inconsistent. That is a matter for the Senate to determine, and not for the Chair. The Chair does not feel that the point of order is well taken, and therefore overrules it.

The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

Mr. FERGUSON. Mr. President, I ask permission to see the amendment.

Mr. MALONE. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. The Senator from Michigan has the floor to discuss the amendment.

Mr. FERGUSON. The amendment provides that the matter shall be exclusively in the hands of the Immigration Service. The amendment previously adopted provided that all three agencies perform their functions in order. First, the Displaced Persons Commission had the right to determine who was eligible and who was not eligible under the Displaced Persons Act. Second, the visa officer had the right to determine who was eligible to obtain a visa. And last, the immigration inspector, when the displaced person reaches our shores, would have the right to make such determination.

The amendment of the Senator from Nevada provides that—

> If the alien is subject to exclusion from the United States under any provision of the immigration laws or is not eligible under the terms of this act: *Provided*, That nothing in this section shall remove the right of review and appeal available to aliens under the general immigration laws. Except as otherwise expressly provided in this act, the administration of this act, including the determination—

And this is the part to which I call particular attention—

> of eligibility of applicants under this act, shall be by the officials who administer the other immigration laws of the United States: *Provided*, That the final determination of eligibility of applicants both under this act and under the general immigration laws of the United States shall be made exclusively by the Immigration and Naturalization Service and the American Foreign Service.

I think, Mr. President, that the purpose of the amendment has been fully covered by the amendment previously adopted and that the adoption of the amendment of the Senator from Nevada would only complicate matters.

Mr. O'CONOR. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. O'CONOR. I ask the Senator whether, in addition to the point he has already made, it would not be true if the amendment in question is agreed to that the action of the Displaced Persons Commission in any and every case might be completely nullified, because all the determinations made by them would have to be reviewed again by the immigration authorities?

Mr. FERGUSON. That is true. It would also include those whom they had negatively passed on and said were not admissible.

Mr. O'CONOR. So that all who had been rejected previously would have to be reviewed again by the immigration authorities?

Mr. FERGUSON. That is correct, and that is what is wrong with the amendment.

Mr. MALONE. Mr. President, a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. MALONE. Have I used up my 5 minutes or do I have another minute left?

The VICE PRESIDENT. The Chair is advised that the Senator from Nevada did not use up quite all his 5 minutes, but the Chair does not know exactly how much of it is left.

Mr. MALONE. I would estimate about 2 minutes.

The VICE PRESIDENT. About 2 minutes. That is a fair compromise. The Senator is recognized for 2 minutes.

Mr. MALONE. I call attention to the fact that the amendment described by the Senator from Michigan simply says that—

> No person shall be issued an immigration visa or be admitted into the United States under this act if the consular officer or the immigrant inspector knows or has reason to believe that the alien is subject to exclusion—

And so forth. He is not directed to do anything. If an officer has information or has reason to believe that the alien is subject to exclusion, he can prevent his entry, but there is no specific charge of responsibility to make the necessary investigation. My amendment, without complication, makes the entrant under the new bill subject to the same law of the Immigration Service as the regular quotas.

The junior Senator from Nevada is not particularly concerned about the exact number of such displaced persons to be admitted, within reason; he is not concerned about the color, race, or creed of such displaced persons; but he is greatly concerned—on account of recent developments—in the loyalty to the United States of America of the persons to be admitted.

I ask for the yeas and nays on my amendment.

Mr. LUCAS. Mr. President——

The VICE PRESIDENT. Time on the amendment is exhausted.

Mr. MALONE. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. LONG (when his name was called). On this vote I have a pair with the distinguished senior Senator from Mississippi [Mr. EASTLAND]. If the Senator from Mississippi were present and voting, I understand that he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. MAYBANK (when his name was called). On this vote I have a pair with the junior Senator from Alabama [Mr. SPARKMAN]. I understand that if the junior Senator from Alabama were present he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Alabama [Mr. SPARKMAN] are absent because of illness.

The Senator from Texas [Mr. CONNALLY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. RUSSELL], and the Senator from Kentucky [Mr. WITHERS], are detained on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Montana [Mr. MURRAY], and the Senator from Oklahoma [Mr. KERR], are necessarily absent.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

On this vote the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Montana would vote "nay."

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Montana would vote "yea."

On this vote the Senator from Georgia [Mr. GEORGE] and the Senator from Iowa [Mr. GILLETTE] have a general pair.

On this vote the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Pennsylvania [Mr. MARTIN] have a general pair.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER], would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business and is paired with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Montana [Mr. ECTON] is detained on official business, and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Colorado [Mr. MILLIKIN] is detained on official business.

The result was announced—yeas 24, nays 47, as follows:

YEAS—24

Brewster	Cordon	McCarran
Bricker	Darby	McCarthy
Bridges	Donnell	McClellan
Butler	Dworshak	Malone
Byrd	Hickenlooper	Mundt
Cain	Jenner	Schoeppel
Capehart	Kem	Wherry
Chapman	Langer	Williams

NAYS—47

Aiken	Hayden	Johnston, S. C.
Anderson	Hendrickson	Kefauver
Benton	Hill	Kilgore
Chavez	Hoey	Knowland
Douglas	Holland	Lehman
Ferguson	Humphrey	Lodge
Flanders	Hunt	Lucas
Green	Ives	McFarland
Gurney	Johnson, Colo.	McMahon

Magnuson	Robertson	Thomas, Utah
Maybank	Saltonstall	Thye
Morse	Smith, Maine	Tobey
Myers	Smith, N. J.	Tydings
Neely	Stennis	Watkins
O'Conor	Taft	Wiley
O'Mahoney	Taylor	

NOT VOTING—25

Connally	Graham	Pepper
Downey	Johnson, Tex.	Russell
Eastland	Kerr	Sparkman
Ecton	Leahy	Thomas, Okla.
Ellender	Long	Vandenberg
Frear	McKellar	Withers
Fulbright	Martin	Young
George	Millikin	
Gillette	Murray	

So Mr. MALONE's amendment was rejected.

Mr. MCCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 1, immediately preceding line 1, it is proposed to insert the following new paragraph:

That subsection (b) of section 2 of the Displaced Persons Act of 1948 (Public Law 774, 80th Cong.) is amended to read:

"(b) 'Displaced person' means any person who as a result of events subsequent to the outbreak of World War II was forcibly removed or forced to flee from the country of his birth or nationality, or of his last residence, and cannot return to or settle in any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions, or, having resided in Germany or Austria, was a victim of persecution by the Nazi Government and was detained in, or was obliged to flee from such persecution and was subsequently returned to, one of these countries as a result of enemy action, or war circumstances, and who, prior to January 1, 1950, had not been either firmly settled or firmly resettled."

Mr. MCCARRAN. Mr. President, the purpose of this amendment is to substitute a clear and concise definition of displaced person for the definition contained in the present law, which latter definition, by reason of the fact that it incorporates by reference a portion of the constitution of the International Refugee Organization, and various other documents peculiarly within the knowledge of the International Refugee Organization, has resulted in a practical situation under which the International Refugee Organization and its employees must make a preliminary finding in order to determine who is an eligible displaced person.

The definition proposed by this amendment is not complex; it is not tricky; it will not exclude any person who is or would be eligible under the definition contained in the present law.

Congress is certainly competent to write its own definition of displaced person, and Congress should write its own definition of displaced person, and should not be dependent upon a definition which requires interpretation and the exercise of discretion by employees of an international organization in order to determine what it means in any particular case.

Mr. President, in order that the RECORD may be lucid in regard to this matter, I ask to have inserted at this point in the RECORD the definition of a displaced person as set out in the constitution of the International Refugee Organization, commencing on page 67 and extending to, but excluding, the word "annex" on page 68.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SECTION B—DEFINITION OF DISPLACED PERSONS

The term "displaced person" applies to a person who, as a result of the actions of the authorities of the regimes mentioned in Part I, section A, paragraph 1 (a) of this Annex has been deported from, or has been obliged to leave his country of nationality or of former habitual residence, such as persons who were compelled to undertake forced labor or who were deported for racial, religious or political reasons. Displaced persons will only fall within the mandate of the Organization subject to the provisions of sections C and D of Part I and to the provisions of Part II of this Annex. If the reasons for their displacement have ceased to exist, they should be repatriated as soon as possible in accordance with article 2, paragraph 1 (a) of this Constitution, and subject to the provision of paragraph (c), subparagraphs (ii) and (iii) of the General Assembly resolution of February 12, 1946 regarding the problem of refugees (Annex III).

SECTION C—CONDITIONS UNDER WHICH "REFUGEES" AND "DISPLACED PERSONS" WILL BECOME THE CONCERN OF THE ORGANIZATION

1. In the case of all the above categories except those mentioned in section A, paragraphs 1 (b) and 3 of this Annex, persons will become the concern of the Organization in the sense of the resolution adopted by the Economic and Social Council on February 16, 1946, if they can be repatriated, and the help of the Organization is required in order to provide for their repatriation, or if they have definitely, in complete freedom and after receiving full knowledge of the facts, including adequate information from the governments of their countries of nationality or former habitual residence, expressed valid objections to returning to those countries.

(a) The following shall be considered as valid objections:

(i) persecution, or fear, based on reasonable grounds of persecution because of race, religion, nationality or political opinions, provided these opinions are not in conflict with the princples of the United Nations, as laid down in the Preamble of the Charter of the United Nations;

(ii) objections of a political nature judged by the Organization to be "valid", as contemplated in paragraph 8 (a) [1] of the report of the Third Committee of the General Assembly as adopted by the Assembly on February 12, 1946;

(iii) in the case of persons falling within the category mentioned in section A, paragraphs 1 (a) and 1 (c) compelling family reasons arising out of previous persecution, or, compelling reasons of infirmity or illness.

(b) The following shall normally be considered "adequate information": information regarding conditions in the countries of nationality of the refugees and displaced persons concerned, communicated to them directly by representatives of the Governments of these countries, who shall be given every facility for visiting camps and assembly centers of refugees and displaced persons in order to place such information before them.

2. In the case of all refugees falling within the terms of section A paragraph 1 (b) of this Annex, persons will become the concern of the Organization in the sense of the resolution adopted by the Economic and Social Council of the United Nations on February 16, 1946, so long as the Falangist regime in Spain continues. Should that regime be replaced by a democratic regime they will have to produce valid objections against returning to Spain corresponding to those indicated in paragraph 1 (a) of this section.

SECTION D—CIRCUMSTANCES IN WHICH REFUGEES AND DISPLACED PERSONS WILL CEASE TO BE THE CONCERN OF THE ORGANIZATION

Refugees or displaced persons will cease to be the concern of the Organization:

(a) when they have returned to the countries of their nationality in United Nations territory, unless their former habitual residence to which they wish to return is outside their country of nationality; or

(b) when they have acquired a new nationality; or

(c) when they have, in the determination of the Organization become otherwise firmly established; or

(d) when they have unreasonably refused to accept the proposals of the Organization for their resettlement or repatriation; or

(e) when they are making no substantial effort toward earning their living when it is possible for them to do so, or when they are exploiting the assistance of the Organization.

PART II

PERSONS WHO WILL NOT BE THE CONCERN OF THE ORGANIZATION

1. War criminals, quislings and traitors.

2. Any other person who can be shown—

(a) to have assisted the enemy in persecuting civil populations of countries, members of the United Nations; or

(b) to have voluntarily assisted the enemy forces since the outbreak of the second world war in their operations against the United Nations.

3. Ordinary criminals who are extraditable by treaty:

4. Persons of German ethnic orgin, whether German nationals or members of German minorities in other countries, who—

(a) have been or may be transferred to Germany from other countries;

(b) have been, during the Second World War, evacuated from Germany to other countries;

(c) have fled from, or into, Germany, or from their places of residence into countries other than Germany in order to avoid falling into the hands of Allied armies.

5. Persons who are in receipt of financial support and protection from their country of nationality, unless their country of nationality requests international assistance for them.

6 Persons who, since the end of hostilities in the Second World War:

(a) have participated in any organization having as one of its purposes the overthrow by armed force of the government of their country of origin, being a member of the United Nations; or the overthrow by armed force of the government of any other member of the United Nations, or have participated in any terrorist organization;

(b) have become leaders of movements hostile to the government of their country of origin being a member of the United Nations or sponsors of movements encouraging refugees not to return to their country of origin;

(c) at the time of application for assistance, are in the military or civil service of a foreign state.

Mr. IVES. Mr. President, it appears that this amendment is either very similar to or is identical with a committee amendment which already has been rejected, having been rejected at the time when the committee amendments were

[1] Par. 8 (a): "In answering the representative of Belgium, the Chairman stated that it was implied that the International body would judge what were, or what were not, 'valid objections'; and that such objections clearly might be of a political nature."

under consideration. Therefore, in this instance I shall repeat what I have already said regarding the committee amendment itself, namely, that under the terms of the present law the definition of a displaced person is identical with that in the constitution of the IRO. The pending amendment would delete this provision, and would substitute a new statutory definition which would include not only the displaced persons for whom the IRO has been liable, but also approximately 8,000,000 expellees who are not now the concern of any international organization.

Together with other nations, the United States joined the IRO to assist in the care, support, and resettlement of millions of victims of totalitarian aggression. By June 30, 1950, this Government will have contributed well in excess of $200,000,000 to that Organization. On the same date there will remain in Germany, Austria, and Italy approximately 243,500 displaced persons, the majority of whom will be in the United States area of control in Germany.

I am informed that roughly 141,000 unissued visas will be available under existing law on May 1 of this year. It thus appears that if we leave unaltered the definition of the existing law, we can do our part in liquidating the problem by taking more than one-half of those who remain. But if the committee's definition is adopted—and that is what I assume the amendment to be—the residue of the available visas will be diluted by approximately 8,000,000 ethnic Germans for whom the IRO is not responsible. Every expellee who would be accepted for admission to the United States would mean one fewer IRO displaced person. The problem we hoped to solve by spending over $200,000,000 would be left without solution.

We should not forget that under the terms of the IRO constitution, persons of German ethnic origin are expressly excluded from IRO benefits. If, however, we accept the committee's displaced-person definition, the United States must establish camps, processing centers, and staging areas in Germany and Austria to arrange for the admission of these persons to this country. On top of this, our Government will have to pay all transportation costs to points of debarkation to the United States. As we have learned from IRO experience, the expense of such a program would be tremendous.

The fact of the matter is that the whole displaced-persons program has arisen from this Nation's obligation to the United Nations and the IRO. The IRO itself is largely a result of the unstinting efforts and the generous financial support of this Government. To accept, therefore, the definition of a displaced person as provided by the pending amendment would be, in effect, callously to repudiate the international obligation we have assumed in the IRO. Moreover, the acceptance of such a definition would represent for us a departure from an international commitment which, by June 30, 1950, will have cost the American taxpayers approximately $212,000,000. At a time when Members on both sides of the Senate are deploring mounting governmental expenditures, the inconsistency of such a move should be apparent.

Mr. President, I wish to point out that the adoption of this amendment would break down and completely destroy the IRO program and our displaced-persons program, as we have undertaken them and as we are committed to them. Therefore, the amendment very definitely should be rejected.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

Mr. McCARRAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. LONG (when his name was called). On this vote I have a pair with the distinguished senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay."

Mr. MAYBANK (when his name was called). On this vote I have a pair with the distinguished junior Senator from Alabama [Mr. SPARKMAN]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea."

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Alabama [Mr. SPARKMAN] are absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. RUSSELL], and the Senator from Kentucky [Mr. WITHERS] are detained on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], the Senator from Tennessee [Mr. McKELLAR], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

On this vote the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Montana would vote "nay."

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Montana would vote "yea."

On this vote the Senator from Georgia [Mr. GEORGE] and the Senator from Iowa [Mr. GILLETTE] have a general pair.

On this vote the Senator from Tennessee [Mr. McKELLAR] and the Senator from Pennsylvania [Mr. MARTIN] have a general pair.

I announce further that, if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business, and is paired with the Senator from Tennessee [Mr. McKELLAR].

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Montana [Mr. ECTON] is detained on official business, and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. CORDON] and the Senator from Wisconsin [Mr. McCARTHY] are detained on official business.

The result was announced—yeas 24, nays 46, as follows:

YEAS—24

Bricker	Dworshak	McClellan
Butler	Hoey	Malone
Byrd	Holland	Mundt
Cain	Jenner	Robertson
Capehart	Johnston, S. C.	Schoeppel
Chapman	Kem	Stennis
Darby	Langer	Watkins
Donnell	McCarran	Wherry

NAYS—46

Aiken	Humphrey	Neely
Anderson	Hunt	O'Conor
Benton	Ives	O'Mahoney
Brewster	Johnson, Colo.	Saltonstall
Bridges	Kefauver	Smith, Maine
Chavez	Kilgore	Smith, N. J.
Connally	Knowland	Taft
Douglas	Lehman	Taylor
Ferguson	Lodge	Thomas, Utah
Flanders	Lucas	Thye
Green	McFarland	Tobey
Gurney	McMahon	Tydings
Hayden	Magnuson	Wiley
Hendrickson	Millikin	Williams
Hickenlooper	Morse	
Hill	Myers	

NOT VOTING—26

Cordon	Graham	Murray
Downey	Johnson, Tex.	Pepper
Eastland	Kerr	Russell
Ecton	Leahy	Sparkman
Ellender	Long	Thomas, Okla.
Frear	McCarthy	Vandenberg
Fulbright	McKellar	Withers
George	Martin	Young
Gillette	Maybank	

So Mr. McCARRAN's amendment was rejected.

Mr. McCARRAN. Mr. President, I send forward an amendment.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 16, in line 23, beginning with the word "any", it is proposed to strike out all down to and including the word "or" where it first appears on page 17 in line 3, and to insert in lieu thereof: "to any person 18 years of age or older who shall not have made affidavit, under oath, that he does not adhere to, advocate, or follow, and that he

never has adhered to, advocated, or followed, the principles of any political or economic system or philosophy directed toward the destruction of free competitive enterprise and the revolutionary overthrow of representative governments, or to any person who."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to preserve the intent of the language proposed to be amended, while at the same time setting up a standard which can be readily administered. The question of what a man adheres to or advocates, what his beliefs and opinions are, is extremely difficult of proof. In the last analysis, without a specific provision with respect to overt acts, the only way you can tell what a man advocates, and what principles he adheres to, is from the testimony of the man himself. This amendment would require an applicant to make affidavit that he has not and does not favor the destruction of free competitive enterprise and the revolutionary overthrow of representative governments. If it should ever be discovered that he had made a false affidavit, he would then be liable to the penalties for perjury.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I send forward another amendment, which I ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 9, in line 6, immediately preceding the word "events", it is proposed to insert "war-connected."

Mr. McCARRAN. Mr. President, the purpose of this amendment is to limit the benefits of the provision to persons who were displaced either as a direct or collateral result of the war.

The VICE PRESIDENT. The question is on agreeing to the amendment. [Putting the question]. The "noes" seem to have it.

Mr. McCARRAN. I ask for a division.

On a division, the amendment was rejected.

The VICE PRESIDENT. The bill is still open to amendment.

Mr. LANGER. Mr. President, I send to the desk an amendment, and ask that it be read.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 19, following line 14, it is proposed to add a new section, as follows:

SEC. 14. (a) No visa shall be issued pursuant to the Displaced Persons Act of 1948, as amended, to any eligible displaced person at any time after 1 week immediately following the certification of a declaration, as provided in subsection (b) of this section stating that either (1) the total number of unemployed in the labor force in the United States exceeds 10,000,000, as estimated by the Secretary of Labor, or (2) the total number of married couples living doubled-up in a household with another family exceeds 2,000,000, as estimated by the Administrator of the Housing and Home Finance Agency.

(b) During the month next following the month in which this section is enacted, and each month thereafter until July 1951, the Secretary of Labor shall certify and make public a declaration setting forth his estimate of the total number of unemployed in the labor force in the United States, and the Administrator of the Housing and Home Finance Agency shall certify and make public a declaration setting forth his estimate of the total number of married couples living doubled-up in a household with another family. The declaration so certified shall be published promptly in the Federal Register.

(c) The term "another family" as used in this section means the head of a household whether or not related to either member of the married couple. The term "household" as used in this section means a house, an apartment, or other group of rooms, or a room that constitutes a dwelling unit.

Mr. LANGER. Mr. President, the amendment has been discussed previously, the only change being in the number of unemployed.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. LANGER. I ask for the yeas and nays.

The yeas and nays were not ordered.

The VICE PRESIDENT. Those in favor of the amendment will say "aye." Those opposing the amendment will say "no." The noes seem to have it.

Mr. WHERRY. I ask for a division.

On a division, the amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. McCARRAN. Mr. President, I send forward an amendment.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. Amendment No. 45: On page 18, in line 21, it is proposed to change the period to a colon and insert the following proviso: *"Provided,* That any loan to such public or private agencies which is not repaid on or before the maturity date shall thereafter bear interest at the rate of 3 percent per annum."

Mr. McCARRAN. Mr. President, this is an amendment which was offered in committee by the junior Senator from Michigan [Mr. FERGUSON]. It does not provide for the payment of interest on these loans unless the loans shall become delinquent; but it does provide for the payment of interest after delinquency. This is believed to be a salutary provision which will offer inducement to repayment of such loans at maturity.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Nevada [Mr. McCARRAN. [Putting the question.] The "noes" seem to have it.

Mr. McCARRAN. I ask for a division.

On a division, the amendment was agreed to.

Mr. McCARRAN. Mr. President, I send to the desk another amendment, which I ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 18, line 24, immediately preceding the word "Representatives", it is proposed to insert "(a)."

On page 19, it is proposed to strike out the quotation marks at the end of line 7 and insert thereafter a new subsection, as follows:

(b) There is hereby established a joint congressional committee which shall be composed of three members of the Senate to be appointed by the chairman of the Committee on the Judiciary of the Senate from the membership of such committee, and three members of the House of Representatives to be appointed by the chairman of the Committee on the Judiciary of the House of Representatives from the membership of such committee.

A vacancy in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original appointment. The members of the committee shall select a chairman and a vice chairman from among their number. The members of the committee shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the committee, other than expenses in connection with meetings of the committee held in the District of Columbia during such times as the Congress is in session.

It shall be the duty of the committee to make a full and complete investigation of the problems of persons of German ethnic origin who were expelled from the country of their residence into Germany and Austria and are presently residing in those countries, to cooperate and participate in the conference procedure provided for by subsection (a) of this section, and to report its findings and recommendations to the Congress not later than 1 year after the effective date of this section.

The committee shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses, and the production of such books, papers, documents, and tangible things, to administer such oaths, to take such testimony, to procure such binding and printing, and to make such expenditures, as it deems advisable. Subpenas shall be issued under the signature of the chairman of the committee, and shall be served in such manner and at such times and places as he shall direct. Expenditures for reporting such hearings as the committee may hold shall not be in excess of 25 cents per hundred words.

The committee is authorized to appoint and fix the compensation (on a per diem basis or otherwise) of such experts and consultants and such clerical, stenographic, and other assistants as it deems advisable. The expenses of the committee under this resolution shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of disbursements so made.

Mr. McCARRAN. Mr. President, the purpose of this proposed amendment is to establish a joint congressional committee to study the problem of German expellees. The amendment accomplishes this without disturbing the provision contained in the substitute bill which authorizes representatives of the Government of the United States to participate in a conference between affected nations. But the amendment would provide a means for making the Congress a party to that conference procedure. Since it is clear that this is a problem which cannot be solved without action by Congress, it is altogether fitting

and proper that the Congress should take part in any studies and conferences looking toward a solution of the problem, and the creation of a joint committee for this purpose seems fully justified.

Mr. LUCAS. Mr. President, I rise in opposition to this amendment. It is an amendment which is of extreme importance and should have separate and independent consideration. Perhaps a committee of this kind should be appointed, but this is neither the time nor the place to do it. We are being asked to authorize the payment of money out of the contingent funds of the Congress, one-half to be paid from the contingent fund of the Senate and the other half from the contingent fund of the House of Representatives. As we all know, that sort of a question, when it is presented, goes to the Committee on Rules and Administration, and the committee reports how much money shall be authorized to be spent. This is a matter which has not been considered by the committee, but is brought up at this late hour by the chairman of the Committee on the Judiciary, who desires the Senate to pass upon the amendment. It seems to me it is completely out of order. There should be an opportunity for the Senate of the United States to consider it separately. The Committee on Rules and Administration should have an opportunity to consider it. Certainly the Senate at this time, without adequate consideration, should not add this amendment to all the other amendments which have been placed in the bill, thereby further confusing the situation and adding a certain amount of chaos which will ensue when the conferees go into action.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HAYDEN. As I heard the amendment read, it seems to me it is a blank check, placing no limit on the amount of money to be expended. Certainly a budget should be submitted with an explanation of how the personnel is to be employed. The Committee on Rules and Administration should pass upon it.

Mr. LUCAS. The Senator is absolutely correct. It provides a blank check without any authorization from the Committee on Rules and Administration. It is not in keeping with the best principles, practices, or rules of the Senate of the United States. Certainly this amendment should be rejected.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. I invite attention to page 18 of the substitute bill, where the committee takes care of the same idea by providing, in section 16, as follows:

> Representatives of the Government of the United States are authorized to participate in a conference between affected nations for the purpose of studying and making recommendations providing for a satisfactory solution of the problems of persons of German ethnic origin who were expelled from the countries of their residence into Germany and Austria and are presently residing in those countries. The appropriation of such sums as may be necessary to carry out this section is hereby authorized.

That means that it would go through the United Nations.

Mr. McCARRAN. Mr. President, will the Senator from Illinois permit me to ask a question of the Senator from Michigan?

Mr. LUCAS. I yield.

Mr. McCARRAN. Is it not true that this matter was considered in the committee, is it not true that it was reported affirmatively by the committee, and that the only difference is that my amendment would place the matter in the Congress of the United States, and the substitute places it in the State Department?

Mr. FERGUSON. It is true that it was considered and reported by the committee as a whole, but there were Senators who felt that the idea expressed in the substitute bill was the proper method of doing it, as was done originally in connection with the IRO.

Mr. LUCAS. Mr. President, under no circumstances should the Senate set a precedent giving any committee a blank check to spend money on a proposition of this kind, without the question being referred to the appropriate committee. If we are going to violate the rule, then, from now on, the Committee on Rules and Administration might as well fold up and say good-by.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McCARRAN. The Senator would not want to advocate something as to which he is in error, would he?

Mr. LUCAS. Not at all.

Mr. McCARRAN. Certainly no committee can obtain money from the Senate without submitting its budget to the Committee on Rules and Administration. That is provided for in the law; it is in the Reorganization Act.

Mr. LUCAS. The amendment provides that the expenses of the committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman. It does not say anything about first going through the Committee on Rules and Administration.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. McCARRAN. Mr. President, may I be permitted to modify my amendment at this time?

The VICE PRESIDENT. The Senator from Illinois has the floor.

Mr. LUCAS. I yield to the Senator from West Virginia.

Mr. KILGORE. I invite the attention of the distinguished majority leader to the fact that section 16 of the committee bill authorizes a study by representatives of the United States at the international level. It has been repeatedly stated on the floor in the past 3 days that the ethnic German problem is an international problem, not to be solved by this country alone, but to be solved in a conference of the interested nations. That is exactly what section 16 provides for. I agree with the majority leader that the question of a congressional watchdog committee should be taken up separately, but we must act first at the international level.

Mr. LUCAS. The Senator is correct in his statement.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

The amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment, the question is on agreeing to the substitute as amended.

Mr. O'CONOR. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 13, line 2, it is proposed to strike out the closing quotation marks, and on page 13, between lines 2 and 3, to insert the following new paragraph:

> No visa shall be issued to an eligible displaced person as defined in this act unless he shall first execute a sworn signed statement that he accepts and agrees in good faith to abide by the terms of employment provided for such person in the assurance upon which his application for a visa under this act is based: *Provided*, That upon a finding by the Attorney General that such statement was falsely made it shall be deemed to be a misrepresentation for the purpose of gaining admission into the United States as provided for in section 10 of this act: *Provided further*, That in determining whether or not the displaced person accepted and agreed in good faith to abide by the said terms of employment the Attorney General shall consider the manner, extent, and duration of the displaced person's employment after admission into the United States.

Mr. O'CONOR. Mr. President, this amendment, which I understand is acceptable to the authors of the substitute, is designed to discourage the perpetration of fraud in obtaining visas by persons agreeing to accept employment. That is to say, there has been much criticism of the fact that individuals, representing themselves to be experienced, for example, in agricultural pursuits, have sought and obtained admission to this country, only to be found later not to possess the qualifications and experience which they had represented they possessed. This amendment requires a written and sworn application by the individual seeking admission, and it provides that, if the Attorney General subsequently finds that the application was falsely made, he shall undertake steps for deportation. The manner, extent, and duration of a displaced person's employment after admission shall be considered in the determination of that question. I understand that the amendment is acceptable to the Senator from West Virginia [Mr. KILGORE].

Mr. KILGORE. The Senator is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Maryland [Mr. O'CONOR].

The amendment was agreed to.

Mr. HUNT. Mr. President, I offer the amendment, which I send to the desk, and I ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 13, line 2, strike out the closing quotation marks.

On page 13, between lines 2 and 3, insert the following new paragraph:

No eligible displaced person shall be placed in the first of the preference categories hereinbefore prescribed unless such person shall first have executed in writing an undertaking that, if granted such preference and admitted to the United States, he will for one year after his entry into the United States (unless sooner relieved of such obligation by the Commission for such reasons as it shall, after hearing, determine to be proper)—

(A) engage continuously in the occupation or vocation for which such preference shall have been granted; and

(B) continue in the employment of the person or firm whose tender of employment shall have provided the assurance of suitable employment required by section 2 of this act or, in the event that such employment shall be terminated sooner by such employer, in such other employment as may be tendered to such displaced person and which the Commission shall determine to be suitable and not to result in the displacement of some other person from employment.

On page 13, line 14, immediately after "SEC. 8.", insert "(a)".

On page 13, between lines 23 and 24, insert the following new subsection:

(b) Section 8 of such act is amended by adding at the end thereof the following new paragraph:

"The Commission shall promulgate such rules and regulations as it shall determine to be necessary to carry into effect the provisions of the second paragraph of section 6 of this act and of this paragraph. Subject to the civil-service laws and the Classification Act of 1949, the Commission shall appoint such number of hearing examiners as it shall determine to be necessary to conduct hearings upon—

"(a) any complaint made to the Commission by any person or firm who is or has been the employer of any displaced person subject to any obligation undertaken pursuant to the second paragraph of section 6 of this act concerning the alleged failure of such displaced person to comply with the terms of such obligation; and

"(b) any complaint made by any displaced person admitted to the United States pursuant to this act concerning the suitability of any employment accepted by such displaced person pursuant to the terms of any obligations undertaken by such person pursuant to the second paragraph of section 6 of this act.

Such hearings shall be conducted in conformity with sections 7 and 8 of the Administrative Procedure Act (60 Stat. 241–242; 5 U. S. C. 1006–1007), and such hearing examiners shall have all powers prescribed by section 7 (b) of such act. Upon the record of each such hearing the Commission shall determine whether the complaint involved therein is justified, and its determination shall be final and conclusive. If in any such proceeding the Commission shall determine that any displaced person concerning whom such complaint has been made in fact has violated, without adequate justification, the terms of any obligation assumed by him pursuant to the second paragraph of section 6 of this act, it shall enter an order requiring the deportation of such displaced person, and shall transmit such order, together with a certified copy of the record of proceedings in such case, to the Attorney General, who, without further hearing, shall cause such displaced person to be sent back at the earliest practicable time and by the most practicable means available, to the place from which such person was admitted pursuant to this act. The cost of such transportation and the cost of the maintenance of such person until so returned shall be borne by the United States, and shall be paid from funds appropriated to the Commissioner of Immigration and Naturalization for such purpose. If in any such proceeding the Commission shall determine that the employment in which any such displaced person is engaged is not in fact suitable, and that such displaced person has not without adequate justification violated the terms of any obligation assumed by him pursuant to the second paragraph of section 6 of this act, it shall enter an order relieving such displaced person, upon such conditions as it may deem proper, of any obligation to continue longer in such employment."

The VICE PRESIDENT. The junior Senator from Wyoming is recognized for 5 minutes.

Mr. HUNT. Mr. President, it is the opinion of the junior Senator from Wyoming that there is a compelling need for legislation of the type contained in this amendment. In substance, it recognizes the fact that a certain percentage of displaced persons have come to this country who agreed to take occupations for which they either had no training, or which they had no intention of following once they got into America under the authority of the displaced-persons law.

The amendment I have offered further protects a displaced person against injustices by his sponsor. The present law does not authorize the return of individuals who have entered the country under its authority, excepting for reasons of security and for criminal and moral reasons. Many sponsors make careful plans for the housing and care of such persons, and in some cases go to considerable expense, far beyond the transportation costs, to provide for them.

It is an admitted and an accepted fact that abuses have crept in, due to the lack of authority to return to Europe persons who have deliberately failed to carry out the commitments which were inherent in their being admitted into this country. The proposed amendment also recognizes the necessity for avoiding the establishment of any system which would bring people over and permit them to be exploited by unscrupulous sponsors. The amendment would give the Displaced Persons Commission authority to take appropriate action in cases of this kind arising after the displaced person comes to this country.

For weeks debate on the floor of the Senate had to do with the selection and screening of displaced persons before they were allowed to come to America, but I have not heard one word of discussion on the floor of the Senate with reference to making the act successful after the displaced person has arrived in this country. My amendment permits the right of appeal to the Displaced Persons Commission by either the displaced person or the sponsor. It permits the Commission to make a finding as to the facts in the case and to take such action as it deems appropriate. It authorizes the Commission to resettle the displaced person in the event the sponsor is not doing right and the matter cannot be properly adjusted by the Commission.

It specifically authorizes the Commission, through the Attorney General, to return the displaced person to the point from which he came to this country in the event that the finding of fact supports such action.

It establishes a time period of 12 months during which these appeals could be made, and in effect establishes a contractual relationship between the sponsor and the displaced person to cover that period of time.

According to information received from the Displaced Persons Commission, as well as others, this problem has arisen on quite a few occasions and apparently is most prevalent in the areas of persons coming over as farm workers and domestics. It is reported that quite a number of people with no farm experience, but who in the past have been either professional men or merchants, have agreed to come in as farm workers and in some cases have not even reported to the farms. In other cases they go to the farm, and when they find the nature of the work, immediately leave. The same applies to domestics. Many persons who agreed to come in as domestics then leave such employment without making a reasonable effort either to adjust themselves to the work and to make a go of it.

It should be quite easy to judge whether or not the prior experience and training of the individuals is such as to warrant a reasonable belief that they could carry out their commitments. More important than that, the clear evidence of how long they stayed on the job and how hard they tried to meet their new obligations is a question of fact which should not be too difficult to ascertain. It would appear that if they left within a few weeks or a few days after coming to the job, or stated their intention to leave, it would establish a prima facie case, unless the facts developed that the fault lay with the sponsor. Failure to correct this situation will perpetuate the abuses which admittedly are taking place at the present time, and will encourage a class of people to come into our country who will come in through what amounts to fraud, and certainly will not have started them along the road to becoming self-sufficient, hard-working American citizens.

The VICE PRESIDENT. The time of the Senator from Wyoming has expired.

Mr. HUNT. Mr. President, my amendment is fair to the sponsor, it is fair to the displaced person, and it is an amendment which is needed to make the displaced-persons program ultimately successful.

The VICE PRESIDENT. The Senator's time has expired.

Mr. HUNT. I hope the Senate will adopt the amendment.

Mr. McCARRAN. Mr. President, speaking in opposition to the proposed amendment, I think the Senate should be advised again as to what it has done this afternoon. I have had a recapitulation made so as to make certain that our figures are correct. We have provided for the admission of 344,000 so-called regular displaced persons, 20,000 adoptions, 15,000 adjustments of status, and 54,744 expellees, making a total of 433,744, plus 50 percent of all quotas for displaced persons admitted into other countries—and

no one knows what that number may be—plus regular immigrants who came in this year, 180,000 in number, plus about 200,000 we are expecting next year, plus temporary visitors for the year just past, of 500,000.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McCARRAN. Yes.

Mr. FERGUSON. Is it not a fact that those figures are charged against quotas in future years?

Mr. McCARRAN. They are charged against quotas in future years in most instances, yes.

Mr. FERGUSON. So that bringing them in this year is simply stepping it up to solve the displaced persons problem?

Mr. McCARRAN. I know that is what the Senator from Michigan is expecting. But I am giving the Senate the facts as to the numbers we are admitting by this bill. I say in reply to the Senator from Michigan, and I believe the Senator will confirm my statement, that when the present law expires, the last of June, it is estimated by those in authority that there will only be about 11,000 displaced persons remaining of those who were in contemplation when we passed the act of 1948.

Mr. KILGORE. Mr. President.

The VICE PRESIDENT. The Senator from West Virginia has 2 minutes.

Mr. KILGORE. Much as I regret to take issue with my good friend, the Senator from Wyoming, I must take issue with him on his amendment.

First, I wish to say to the Chair that I cannot see why time taken to give an evaluation of statistics should be charged up to us.

With respect to the amendment, I say it should not be adopted. What is sought to be done by it has been taken care of by the amendment of the Senator from Maryland [Mr. O'CONOR].

Mr. HUNT. Mr. President, will the Senator from West Virginia yield?

Mr. KILGORE. I will not yield, Mr. President. We have already voted to discontinue the Displaced Person Commission 60 days after the end of the period. How can we keep the police force going, as well as all the inspectors in the field who are checking up on farms, factories and everything else, if the amendment is adopted? It would result in untold work being added to the work now done by the Commission, and, incidentally, we could be charged with indulging in practices such as those in old times when bond servants used to sell their services for a period of years, as the Senator from Maine well remembers, in order to get to this country.

Mr. HUNT. Mr. President, will the Senator yield?

Mr. KILGORE. I have no time to yield. I had only 2 minutes to begin with.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the junior Senator from Wyoming [Mr. HUNT].

Mr. WHERRY and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LONG (when his name was called). I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "yea." If I were permitted to vote I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Alabama [Mr. SPARKMAN] are absent because of illness.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], the Senator from Tennessee [Mr. MCKELLAR], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

On this vote the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting the Senator from Louisiana would vote "yea," and the Senator from Montana would vote "nay."

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "nay," and the Senator from Montana would vote "yea."

On this vote the Senator from Georgia [Mr. GEORGE] and the Senator from Iowa [Mr. GILLETTE] have a general pair.

On this vote the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Pennsylvania [Mr. MARTIN] have a general pair.

On this vote the Senator from Rhode Island [Mr. LEAHY] is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Florida would vote "nay."

I announce further that if present and voting, the Senator from California [Mr. DOWNEY] and the Senator from Alabama [Mr. SPARKMAN] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. MARTIN] is detained on official business and is paired with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent. If present and voting, the Senator from Michigan would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Montana [Mr. ECTON] is detained on official business, and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Wisconsin [Mr. MCCARTHY] is detained on official business.

The result was announced—yeas 27, nays 47, as follows:

YEAS—27

Bricker	Dworshak	Malone
Butler	Frear	Mundt
Byrd	Hunt	O'Mahoney
Cain	Jenner	Robertson
Capehart	Johnson, Colo.	Schoeppel
Chapman	Langer	Stennis
Connally	McCarran	Wherry
Cordon	McClellan	Williams
Darby	McFarland	Withers

NAYS—47

Aiken	Hoey	Morse
Anderson	Holland	Myers
Benton	Humphrey	Neely
Brewster	Ives	O'Conor
Bridges	Johnston, S. C.	Saltonstall
Chavez	Kefauver	Smith, Maine
Donnell	Kem	Smith, N. J.
Douglas	Kilgore	Taft
Ferguson	Knowland	Taylor
Flanders	Lehman	Thomas, Utah
Green	Lodge	Thye
Gurney	Lucas	Tobey
Hayden	McMahon	Tydings
Hendrickson	Magnuson	Watkins
Hickenlooper	Maybank	Wiley
Hill	Millikin	

NOT VOTING—22

Downey	Johnson, Tex.	Pepper
Eastland	Kerr	Russell
Ecton	Leahy	Sparkman
Ellender	Long	Thomas, Okla.
Fulbright	McCarthy	Vandenberg
George	McKellar	Young
Gillette	Martin	
Graham	Murray	

So Mr. HUNT's amendment was rejected.

Mr. WITHERS. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. (Mr. HILL in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the substitute it is proposed to add a new section as follows:

SEC. 14. Subsection (b) of section 2 of the Displaced Persons Act of 1948 is amended to read:

"(b) 'Displaced person' means any displaced person or refugee as defined in annex I of the Constitution of the International Refugee Organization, and who are the concern of the International Refugee Organization, except persons who (1) are ordinary criminals, war criminals, quislings, and traitors; (2) assisted the enemy in persecuting civil populations; (3) voluntarily assisted the enemy forces since the outbreak of World War II against the United Nations; (4) since the end of World War II have participated in any organization having as one of its purposes the overthrow by armed force of the government of their country of origin or the government of any member of the United Nations, or have participated in any terrorist organization: *Provided*, That the determination of who is a displaced person shall be made exclusively by persons who are citizens of the United States and who are in the employ of the United States."

Mr. WITHERS. Mr. President, in explanation of the amendment, let me point out the proof which I received and heard before the Judiciary Committee in regard to the manner in which displaced persons were received in this country.

If we turn to page 896 of the committee hearings, we find a letter written by the Commissioner of Immigration,

Mr. Miller, to Mr. Tripp, an official under the Displaced Persons Act, in which Mr. Miller surrenders a considerable amount of his own authority, delegating to Mr. Tripp authority which properly belongs to him and should be exercised by him.

I have a feeling that the displaced persons who are admitted to this country should be admitted by American citizens, not by citizens of other countries. It is my opinion that there should be some tightening up in regard to the admission of displaced persons.

In my opinion, those who favor the admission of displaced persons into the United States, believe they should be admitted by American citizens, not by foreigners; and I believe that Senators who take that position can very well support this amendment. I do not think there is much objection to it by Senators on this side of the aisle.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. WITHERS. I yield.

Mr. HOLLAND. I wish to ask the Senator whether it is true that the principal change his amendment would make in the present law would be to require that the very officials who pass on the question of whether displaced persons are eligible to come into the United States will be American citizens, and none other.

Mr. WITHERS. That is correct.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. WITHERS].

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 19, after line 14, it is proposed to insert the following new section:

SEC. 14. Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation is made for the purposes of this section, to make advances not to exceed in the aggregate $5,000,000 to the Displaced Persons Commission for the reimbursement of expenditures made by approved public and private agencies for authorized services relating to the reception, transportation, and resettlement within the United States or its Territories or possessions of eligible displaced persons, eligible displaced orphans, persons included in section 12 of this act, and any other persons admitted into the United States under any provisions of this act, as amended. No interest shall be charged on advances made by the Treasury Department to the Reconstruction Finance Corporation for the purposes of this section.

Mr. DOUGLAS. Mr. President——

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I should prefer to make an explanatory statement before yielding.

Mr. TAFT. I should simply like to inquire how the amendment differs from section 14, on page 18, of the Kilgore substitute. So far as I can tell, such a provision already is included.

Mr. DOUGLAS. Mr. President, it is substantially similar. I am not certain, however, whether the present wording of the Kilgore substitute covers the expellees, whereas section 14 as comprised within my amendment does cover the German expellees.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. ANDERSON. Does not the amendment also include resettlement?

Mr. DOUGLAS. That is correct.

Mr. President, this proposed section has for its purpose the authorization of loans, through the RFC, in an amount not to exceed $5,000,000 to public and private agencies participating in the displaced-persons program. These loans are to mature not later than June 30, 1953.

Mr. President, I do not think it is always recognized that four religious groups are doing very valuable volunteer work in this connection. They are the following: Church World Service, comprised of 26 Protestant denominations and eastern Orthodox faiths; the National Lutheran Council; the National Catholic Welfare Conference; and the United Service for New Americans, representing the Jewish faith. These volunteer organizations meet the displaced persons as they enter the United States through the three principal ports of Boston, New York, and New Orleans. They start the displaced persons on their way; get them through the immigration inspectors, the customs inspectors, and the United States Public Health Service, and provide them with transportation to their destinations in any of the 48 States. Then they have established committees which meet the displaced persons when they transfer from one train to another, and the committees in the localities in which they are to be resettled.

Mr. President, these volunteer agencies have borne a large share of the burden up to the present time, and they have borne it extremely well. However, their resources are now strained to such an extent that there is a possibility that some of them may have to terminate their share in the program. If they were to do so, thousands of well-trained and enthusiastic volunteers the country over would be lost.

Aid also should be given to some of the State agencies which have been created, but which are not receiving State appropriations.

Mr. President, it is true that there is already a section 14 in the substitute; but it is not drawn so broadly as the one I propose in my amendment, since the one in the substitute does not cover the expellees and possibly certain other special groups, and since it also does not provide for resettlement.

Mr. President, I ask that my amendment be adopted as a substitute for section 14 in the Kilgore substitute.

The VICE PRESIDENT. The Chair understands that the Senator's amendment is proposed as a substitute for section 11 of the Kilgore amendment in the nature of a substitute, which amends section 14 of the Displaced Persons Act. In other words, the Senator from Illinois offers the amendment as a substitute for section 11 of the Kilgore amendment in the nature of a substitute.

Mr. LUCAS. Mr. President, is the amendment offered as a substitute for section 11 or for section 14 of the Kilgore substitute?

The VICE PRESIDENT. The amendment is offered as a substitute for section 11 of the Kilgore substitute, which changes section 14 of the Displaced Persons Act.

Mr. LUCAS. Mr. President, do I correctly understand that the Senator from Illinois is offering the amendment as a substitute for section 11 or that he is offering it as an amendment to the bill?

The VICE PRESIDENT. The Senator from Illinois announced that he offered the amendment as a substitute for the designated language of the Kilgore substitute.

Mr. LUCAS. Mr. President, do I correctly understand now that the only difference between the amendment the Senator from Illinois has offered and the text of section 11 of the Kilgore substitute is that the amendment of the Senator from Illinois would add to the substitute——

Mr. DOUGLAS. Mr. President, I have proposed the amendment as a substitute for section 14 of the Kilgore substitute, so as to have section 14, when modified by my amendment, cover certain groups which I did not think were covered by the Kilgore substitute, and so as to have the Kilgore substitute, as thus amended, provide not merely for the reception and transportation of eligible displaced persons, but also for their resettlement.

Mr. LUCAS. Let me inquire to what groups the amendment would apply.

Mr. DOUGLAS. It would apply to the Polish group, the so-called 18,000 Poles in General Anders' army, and to certain other special categories which have been added.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. FERGUSON. Does not the Senator's amendment also provide, in view of the way the Senator has stated it, that any money expended by the various agencies to take such displaced persons from the ports of entry to the places of residence or employment would have to be paid by the United States Government, and not paid, as is done now, by the agencies or the persons sponsoring the admission of the displaced persons into the United States?

Mr. DOUGLAS. Up to $5,000,000, that is correct.

Mr. FERGUSON. Up to $5,000,000?

Mr. DOUGLAS. That is correct.

Mr. FERGUSON. Do I correctly understand that that money would be prorated, or would the first displaced persons coming into the United States have their transportation paid; and when the $5,000,000 ran out, the persons who brought further displaced persons into the United States would have to pay for their transportation?

Mr. DOUGLAS. Mr. President, the Displaced Persons Commission would be responsible for apportioning the money among the various private agencies.

The point is that without this grant, some of the private agencies may not be able to carry on.

Mr. WHERRY. Mr. President, how does the time stand?

Mr. HOLLAND. Mr. President——

The VICE PRESIDENT. The Chair asks the Senator to wait just a moment; we are endeavoring to add up the time.

Is the Senator from Florida opposed to the amendment?

Mr. HOLLAND. Yes, Mr. President; I oppose the amendment.

The VICE PRESIDENT. Very well; the Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, I strongly oppose the amendment because it is very clear from reading it that it proposes the reimbursement of such private agencies, as may be approved by some unkown and unnamed agency, in the amount of $5,000,000, instead of merely providing for advances and loans which must be repaid, as provision already is made in the very-well-drawn section 14 of the Kilgore substitute.

Mr. President, this amendment proposes an entirely different sort of procedure, namely, a hand-out, to be given under the orders and decrees, presumably, of the Displaced Persons Commission, without any regulations, without any standards, without any rules at all laid down by the bill, but simply a free gift of $5,000,000 to be handed out to private agencies as the Displaced Persons Commission might in its discretion determine.

Mr. President, I think this is such a patent departure from anything we have done heretofore that I hope this amendment will be defeated.

Mr. LANGER. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from North Dakota?

Mr. HOLLAND. I yield.

Mr. LANGER. Does the amount proposed include the $875,000 which was paid out for a lobby?

Mr. HOLLAND. I am unable to answer the question of the distinguished Senator.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment, the question is on agreeing to the substitute, as amended.

Mr. McCARRAN. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. HUMPHREY. Mr. President, I should like to have just a word of clarification in regard to an amendment which was adopted a few moments ago. Before I ask the Senator from Nevada, who was the author of the amendment, whether he has a comment, may I point out that the amendment happens to be on page 17, line 3, and I read the amendment, which contains this language:

> To any person 18 years of age or older who shall not have made affidavit, under oath, that he does not adhere to, advocate, or follow, and that he never has adhered to, advocated, or followed, the principles——

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Nebraska?

Mr. WHERRY. I desire to make a point of order. In what time is this discussion being made? To whose time is it being charged?

The VICE PRESIDENT. It is on the amendment.

Mr. WHERRY. The amendment has already been adopted.

The VICE PRESIDENT. The Senator has 5 minutes on the substitute, if he wishes to use it. The Senator is recognized.

Mr. HUMPHREY. Mr. President, may I continue?

The VICE PRESIDENT. The Senator may continue.

Mr. HUMPHREY. I continue to read:

> and that he never has adhered to, advocated, or followed, the principles of any political or economic system of philosophy directed toward the destruction of free competitive enterprise and the revolutionary overthrow of representative governments.

What I am trying to find out about the meaning of the amendment is this: Does it mean if one has been a member of an organization believing in the cooperative movement, for example, in Europe, or someone who belonged to an organization that was interested in and supported the TVA in America, that such a person would be denied entrance under the displaced-persons bill? Or does it mean that persons would be denied entrance if they believed in both the destruction of the free competitive enterprise and the revolutionary overthrow of representative governments?

I believe, Mr. President, that unless those two are coupled together, so that both of them are qualifying standards, we are going to find out that a tremendous number of good people in Europe who belong to the cooperative movement, who have believed in a public-works program, or who have belonged to the Christian Democrats, to the Catholic workers organization, or something else, will not be entitled to come into the United States.

I want my position quite clear as to anyone who advocates the revolutionary overthrow of government. There is no shadow of doubt that such people should be barred, but I personally do not believe a man should be barred because he believes in a consumer's cooperative or in a producer's cooperative.

Mr. AIKEN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Vermont?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Does not the Senator understand that in this country cooperatives are private industry and free enterprise?

Mr. HUMPHREY. I point out they are private, but this says "free competitive enterprise." Cooperatives are not necessarily competitive.

Mr. AIKEN. Cooperatives come under the antitrust laws, just as much as any other kind of business.

Mr. HUMPHREY. I thank the Senator from Vermont, because this is just the kind of legislative history I hoped we could build up about this particular amendment. I hope we are not talking now about denying someone the opportunity to come into this country because he belongs to a cooperative, because he believes, for example, that there ought to be a TVA on the Danube or a TVA on the Rhine, or some other kind of program in Europe. Therefore, first of all I wish to ask the Senator from Nevada what is his clarification in relation to this amendment?

Mr. McCARRAN. Mr. President, this provision is in the Kilgore substitute. The language is on pages 16 and 17, section 13. I put it into such form as to require an affidavit which the applicant would have to sign, so that if he did sign it and it was afterward discovered that he signed it fraudulently or wrongfully, he could be punished for it.

Mr. HUMPHREY. May I ask the Senator from Nevada, are both the destruction of free enterprise and the revolutionary overthrow of government included?

Mr. McCARRAN. Yes.

Mr. HUMPHREY. Are both standards necessary in order to deny a man admission?

Mr. McCARRAN. Yes; either or both.

Mr. HUMPHREY. Either or both?

Mr. McCARRAN. Yes.

Mr. HUMPHREY. I want the RECORD clear that I disagree with the interpretation of the Senator from Nevada. The amendment includes the word "and," which means both. It does not say "and/or." In my opinion, the combination of both standards is necessary to exclude a displaced person. I have discussed this with many of my colleagues, who agree with me.

Mr. ROBERTSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Virginia?

Mr. HUMPHREY. I yield.

Mr. ROBERTSON. I am happy to assure my distinguished colleague from Minnesota that in the near future I plan to lay before the Senate a discussion of the history and development and meaning of free competitive enterprise, as we have known it in this country, and which very few people anywhere else in the world know and practice.

The VICE PRESIDENT. The time of the Senator from Minnesota has expired.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

Mr. HUMPHREY. I was going to offer an amendment.

Mr. WHERRY. I should like to inquire whose time this debate is charged against. Is it charged to proponents of the substitute, or its opponents?

The VICE PRESIDENT. The Chair is not charging it against anyone. [Laughter.]

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I understood the distinguished occupant of the chair to state that the Senator could speak on the substitute. I should like to know, in computing the time, whether he spoke for the substitute or against it.

The VICE PRESIDENT. The Chair does not know. [Laughter.] The Chair presumed he was speaking in favor of it.

Mr. WHERRY. I think so.

The VICE PRESIDENT. The question is on the substitute, as amended.

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. LONG (when his name was called). On this vote, I have a pair with the senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. MAYBANK (when his name was called). On this vote, I have a pair with the distinguished junior Senator from Alabama [Mr. SPARKMAN]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Alabama [Mr. SPARKMAN] are absent because of illness.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], the Senator from Tennessee [Mr. MCKELLAR], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

On this vote the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting the Senator from Louisiana would vote "nay," and the Senator from Montana would vote "yea."

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Montana would vote "nay."

On this vote the Senator from Georgia [Mr. GEORGE] is paired with the Senator from Iowa [Mr. GILLETTE]. If present and voting, the Senator from Georgia would vote "nay," and the Senator from Iowa would vote "yea."

On this vote the Senator from Georgia [Mr. RUSSELL] is paired with the Senator from Michigan [Mr. VANDENBERG]. If present and voting, the Senator from Georgia would vote "nay," and the Senator from Michigan would vote "yea."

On this vote the Senator from Tennessee [Mr. MCKELLAR], and the Senator from Pennsylvania [Mr. MARTIN] have a general pair.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. VANDENBERG] is necessarily absent, and is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Georgia would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MARTIN] is detained on official business and is paired with the Senator from Tennesese [Mr. MCKELLAR].

The Senator from Montana [Mr. ECTON] is detained on official business and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "nay," and the Senator from North Carolina would vote "yea."

The result was announced—yeas 49, nays 25, as follows:

YEAS—49

Aiken	Hill	Myers
Anderson	Humphrey	Neely
Benton	Hunt	O'Conor
Brewster	Ives	O'Mahoney
Bridges	Kefauver	Saltonstall
Butler	Kilgore	Smith, Maine
Capehart	Knowland	Smith, N. J.
Chavez	Lehman	Taft
Douglas	Lodge	Taylor
Ferguson	Lucas	Thomas, Utah
Flanders	McCarthy	Thye
Frear	McFarland	Tobey
Green	McMahon	Tydings
Gurney	Magnuson	Wiley
Hayden	Millikin	Withers
Hendrickson	Morse	
Hickenlooper	Mundt	

NAYS—25

Bricker	Hoey	Malone
Byrd	Holland	Robertson
Cain	Jenner	Schoeppel
Chapman	Johnson, Colo.	Stennis
Connally	Johnston, S. C.	Watkins
Cordon	Kem	Wherry
Darby	Langer	Williams
Donnell	McCarran	
Dworshak	McClellan	

NOT VOTING—22

Downey	Johnson, Tex.	Pepper
Eastland	Kerr	Russell
Ecton	Leahy	Sparkman
Ellender	Long	Thomas, Okla.
Fulbright	McKellar	Vandenberg
George	Martin	Young
Gillette	Maybank	
Graham	Murray	

So the substitute amendment, as amended, was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill, as amended.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is on the passage of the bill.

Mr. MCCARRAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. LONG (when his name was called). I have a pair with the distinguished senior Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Alabama [Mr. SPARKMAN] are absent because of illness.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from Georgia [Mr. RUSSELL] are detained on official business.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent by leave of the Senate on official business.

On this vote the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Montana [Mr. MURRAY]. If present and voting the Senator from Louisiana would vote "nay," and the Senator from Montana would vote "yea."

On this vote the Senator from North Carolina [Mr. GRAHAM], who is absent on public business, is paired with the Senator from Montana [Mr. ECTON]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Montana would vote "nay."

On this vote the Senator from Tennessee [Mr. MCKELLAR] and the Senator from Pennsylvania [Mr. MARTIN] have a general pair.

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Iowa [Mr. GILLETTE], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Florida [Mr. PEPPER] would vote "yea."

On this vote the Senator from Georgia [Mr. RUSSELL] is paired with the Senator from Michigan [Mr. VANDENBERG]. If present and voting, the Senator from Georgia would vote "nay," and the Senator from Michigan would vote "yea."

On this vote the Senator from South Carolina [Mr. MAYBANK], who is necessarily absent, is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from Alabama would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. VANDENBERG] is necessarily absent, and is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Georgia would vote "nay."

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MARTIN] is detained on official business, and is paired with the Senator from Tennessee [Mr. MCKELLAR].

The Senator from Montana [Mr. ECTON] is detained on official business and is paired with the Senator from North Carolina [Mr. GRAHAM]. If present and voting, the Senator from Montana would vote "nay," and the Senator from North Carolina would vote "yea."

The result was announced—yeas 58, nays 15, as follows:

YEAS—58

Aiken	Humphrey	Myers
Anderson	Hunt	Neely
Benton	Ives	O'Conor
Brewster	Johnson, Colo.	O'Mahoney
Bridges	Kefauver	Robertson
Butler	Kilgore	Saltonstall
Capehart	Knowland	Schoeppel
Chavez	Langer	Smith, Maine
Darby	Lehman	Smith, N. J.
Donnell	Lodge	Taft
Douglas	Lucas	Taylor
Dworshak	McCarran	Thomas, Utah
Ferguson	McCarthy	Thye
Flanders	McFarland	Tobey
Green	McMahon	Tydings
Gurney	Magnuson	Watkins
Hayden	Malone	Wiley
Hendrickson	Millikin	Withers
Hickenlooper	Morse	
Hill	Mundt	

NAYS—15

Bricker	Cordon	Kem
Byrd	Hoey	McClellan
Cain	Holland	Stennis
Chapman	Jenner	Wherry
Connally	Johnston, S. C.	Williams

NOT VOTING—23

Downey	Graham	Murray
Eastland	Johnson, Tex.	Pepper
Ecton	Kerr	Russell
Ellender	Leahy	Sparkman
Frear	Long	Thomas, Okla.
Fulbright	McKellar	Vandenberg
George	Martin	Young
Gillette	Maybank	

So the bill (H. R. 4567) was passed.

Mr. MCCARRAN. Mr. President, I ask unanimous consent that the substitute be printed in the RECORD, showing the amendments.

The VICE PRESIDENT. Without objection, it is so ordered.

The substitute, as amended, is as follows:

Be it amended, etc., That subsection (c) of section 2 of the Displaced Persons Act of 1948 (Public Law 774, 80th Cong.) is amended to read:

"(c) 'Eligible displaced person' means a displaced person as defined in subsection (b) above, (1) who on or after September 1, 1939, and on or before January 1, 1949, entered Germany, Austria, or Italy, and who on January 1, 1949, was in Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or in the American zone, the British zone, or the French zone of either Germany or Austria, or who had temporarily absented himself therefrom for reasons which, in accordance with regulations to be promulgated by the Commission, show special circumstances justifying such absence, and who has not been firmly resettled; or a person who, having resided in Germany or Austria, was a victim of persecution by the Nazi government and was detained in, or was obliged to flee from such persecution and subsequently returned to, one of these countries, and who has not been firmly resettled; and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence; and (3) for whom assurances in accordance with the regulations of the Commission have been given by a citizen or citizens of the United States that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person, shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons."

SEC. 2. Subsection (d) of section 2 of the Displaced Persons Act of 1948 is amended to read:

"(d) 'Eligible displaced person' shall also mean a native of Czechoslovakia who has fled as a direct result of persecution or fear of persecution from that country since January 1, 1948, and (1) who in January 1, 1949, was in Italy or the American sector, the British sector, or the French sector or either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria; and (2) who is qualified under the immigration laws of the United States for permanent residence; and (3) for whom asurances in accordance with the regulations of the Commission have been given by a citizen or citizens of the United States that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have safe and sanitary housing without displacing some other person from such housing. The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such an eligible displaced person, shall, if otherwise qualified for admission into the United States for permanent residence, also be deemed eligible displaced persons."

SEC. 3. Subsections (e) and (f) of section 2 of the Displaced Persons Act of 1948 are amended to read:

"(e) 'Eligible displaced orphan' means a displaced person (1) who was 16 years of age or under on June 25, 1948, and (2) who is qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) who is an orphan because of the death or disappearance of both parents, or who has been abandoned, or deserted by, or separated, or lost from both parents, or who has only one parent due to the death or disappearance of his other parent and the remaining parent is incapable of providing care for such displaced person and agrees to release him for emigration or adoption, and (4) who on or before the effective date of this act, as amended, was in Italy or in the American sector or the British sector or the French sector of either Berlin or Vienna or the American zone or the British zone or the French zone of either Germany or Austria, and (5) for whom satisfactory assurances in accordance with the regulations of the Commission have been given by a citizen or citizens of the United States that such person, if admitted into the United States will be cared for properly.

"(f) Any alien who—

"(1) prior to June 30, 1950, was a resident of Germany, Luxemburg, Austria, Italy, the United Kingdom, Ireland, Portugal, France, Switzerland, Belgium, the Netherlands, Norway, Sweden, Denmark, Finland, Greece, Turkey;

"(2) is an orphan because of the death or disappearance of both parents, or because of abandonment or desertion by, or separation or loss from, both parents, or who has only one parent due to the death or disappearance of, abandonment or desertion by, or separation or loss from the other parent and the remaining parent is incapable of providing care for such orphan and agrees to release him for emigration and adoption;

"(3) prior to June 30, 1951, makes application for admission to the United States for permanent residence with a father or mother by adoption, or for permanent residence with a near relative or with a person who is a citizen of the United States or an alien admitted to the United States for permanent residence, or is seeking to enter the United States to come to a public or private agency approved by the Commission, and such relative, person, or agency gives assurances, satisfactory to the Commission that adoption or guardianship proceedings will be initiated with respect to such alien;

"(4) for whom satisfactory assurances in accordance with the regulations of the Commission have been given that such alien, if admitted into the United States, will be cared for properly; and

"(5) is, at the time of making application for admission, under the age of 16 years, shall be issued a special nonquota immigration visa. Not to exceed 20,000 such special nonquota immigration visas shall be issued under the authority of this subsection."

SEC. 4. Section 3 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 3. (a) During the three fiscal years beginning July 1, 1948, eligible displaced persons and eligible displaced orphans and persons defined in subdivisions (2) and (3) of subsection (b) of this section seeking to enter the United States as immigrants may be issued immigration visas without regard to quota limitations for those years as provided by subsection (c) of this section: *Provided*, That not more than 344,000 such visas shall be issued under this act, as amended, including visas heretofore issued under the Displaced Persons Act of 1948; and it shall be the duty of the Secretary of State to procure the cooperation of other nations, particularly the members of the International Refugee Organization, in the solution of the displaced-persons problem by their accepting for resettlement a relative number of displaced persons, and to expedite the closing of the camps and terminate the emergency.

"(b) (1) A number of special nonquota immigration visas not to exceed 5,000 may be issued within the total numerical limitations provided by subsection (a) of this section to eligible displaced orphans.

"(2) A number of immigration visas not to exceed 4,000 may be issued within the total numerical limitations provided by subsection (a) of this section to displaced persons or refugees as defined in annex I (except paragraph 1 (b) of section A of part I thereof) of the constitution of the International Refugee Organization who (1) resided in China, as displaced persons, or refugees, on July 1, 1948, or on the effective date of this act, as amended, and (2) are qualified under the immigration laws of the United States for admission into the United States for permanent residence, and (3) are still in China or, having left China, have not subsequently been received for permanent residence by any country other than the United States.

"(3) A number of immigration visas not to exceed 18,000 may be issued within the total numerical limitations provided by subsection (a) of this section to persons who (1) during World War II were members of the armed forces of the Republic of Poland, (2) were honorably discharged from such forces, (3) reside in the British Isles upon the effective date of this act, as amended, but have not been either firmly settled or

resettled, and (4) have registered for an immigration visa with a United States consular officer in Great Britain prior to the effective date of this act, as amended: *Provided*, That they meet all requirements of the immigration laws of the United States for admission into the United States for permanent residence.

"(4) A number of immigration visas not to exceed 10,000 may be issued within the total numerical limitations provided in subsection (a) of this section to persons who are natives of Greece and who on or after January 1, 1940, and on or before January 1, 1949, were forcibly removed or forced to flee from their former habitual residence in Greece as a direct result of military operations in Greece by the Nazi government or by military operations in Greece by the Communist guerrillas, and prior to January 1, 1950, had not been either firmly settled or firmly resettled, and are qualified under the immigration laws of the United States for admission into the United States for permanent residence.

"A number of immigration visas not to exceed 5,000 may be issued within the total numerical limitations provided in subsection (a) of this section to persons who were residents of Venezia-Giulia prior to May 6, 1945, and who on or after May 6, 1945, removed from those parts of Venezia-Giulia placed under Yugoslav sovereignty or administration under the terms of the Treaty of Peace with Italy signed at Paris on February 10, 1947, and who on the date of application for a visa are not Italian citizens and who on January 1, 1949, were in Italy, or in the United States or the United Kingdom zone of the Free Territory of Trieste, or in the American sector, the British sector, or the French sector of either Berlin or Vienna, or in the American zone, the British zone, or the French zone of either Germany or Austria.

"The spouse and unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons defined in subdivisions (2) and (3) and (4) of this subsection, shall, if otherwise qualified for admission into the United States for permanent residence, also be granted immigration visas within the numerical limitations set forth in this subsection.

"(c) Upon the issuance of an immigration visa to any alien as provided for in this act, as amended, except to eligible displaced orphans, and except to aliens defined in section 12 of this act, as amended, the consular officer shall use a quota number from the immigration quota for the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (8 U. S. C. 212), for the fiscal year then current at the time or, if no such quota number is available for said fiscal year, in that event for the first succeeding fiscal year in which a quota number is available: *Provided*, That not more than 25 percent of any quota shall be so used in any fiscal year beginning July 1, 1949, and ending June 30, 1954; and that not more than 50 percent of any quota shall be so used in any fiscal year beginning July 1, 1954: *Provided further*, That during the fiscal years beginning July 1, 1949, and ending June 30, 1954, 50 percent of the nonpreference portion of the immigration quotas as defined in section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), shall be available to applicants for immigration visas who are otherwise qualified for admission into the United States for permanent residence, and who (1) on or after September 1, 1939, and before January 1, 1949, entered an area or country in Europe outside Italy or the American sector, the British sector, or the French sector of either Berlin or Vienna, or the American zone, the British zone, or the French zone of either Germany or Austria: *Provided*, That for the purposes of this section the quotas referred to shall be computed on an annual rather than a monthly basis: *Provided further*, That such portion of the quota for any fiscal year prior to July 1, 1952, which may be available under this section to persons of German ethnic origin but which shall remain unused at the end of such fiscal year shall be made available to such persons during the next following fiscal year in addition to the portion of such quotas which under this section is to be available to such persons during such following fiscal year: *Provided further*, That any person who is an applicant for admission pursuant to this section and for whom assurances in accordance with the regulation of the Commission have been given by a citizen of the United States that such person, if admitted into the United States, will be suitably employed without displacing some other person from employment and that such person, and the members of such person's family who shall accompany such person and who propose to live with such person, shall not become public charges and will have housing without displacing some other person from such housing, shall not be required to furnish any affidavit or other evidence of support pursuant to the regulations (22 C. F. R. 61.327) promulgated under authority of subsection 7 (b) of the Immigration Act of May 26, 1924, or any other law or regulation; (2) establish that they are persons of European national origin displaced from the country of their birth, or nationality, or of their last residence, as a result of events subsequent to the outbreak of World War II; (3) that they cannot return to any of such countries because of persecution or fear of persecution on account of race, religion, or political opinions; and (4) that they have not been firmly resettled in any other country. The spouse and the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of persons who establish their eligibility for immigration into the United States under this proviso, shall also be granted such eligibility if otherwise qualified for admission into the United States for permanent residence.

"(d) The selection of eligible displaced persons shall be made without discrimination in favor of or against a race, religion, or national origin of such eligible displaced persons, and the Commission shall insure that equitable opportunity for resettlement under the terms of this act, as amended, shall be afforded to eligible displaced persons of all races, religions, and national origins. The extent to which the Commission has accomplished the foregoing objective shall be specifically indicated in the semiannual reports of the Commission filed pursuant to section 8 of this act."

SEC. 5. Section 4 (a) of the Displaced Persons Act of 1948 is hereby amended to read:

"(a) Any alien who (1) entered the United States prior to April 30, 1949, and was on that date in the United States, or if he was temporarily absent from the United States on that date for reasons which, in accordance with regulations to be promulgated by the Attorney General, show special circumstances justifying such absence, and (2) is otherwise admissible under the immigration laws, and (3) is a displaced person residing in the United States as defined in this section may, within 2 years next following the effective date of this act, as amended, apply to the Attorney General for an adjustment of his immigration status. If the Attorney General shall, upon consideration of all the facts and circumstances of the case, determine that such alien has been of good moral character for the preceding 5 years and that such alien is qualified under the provisions of this section, the Attorney General shall report to the Congress all of the pertinent facts in the case. If during the session of the Congress at which a case is reported, or prior to the end of the session of the Congress next following the session at which a case is reported, the Congress passes a concurrent resolution stating in substance that it favors the granting of the status of permanent residence to such alien the Attorney General is authorized, upon receipt of a fee of $18, which shall be deposited in the Treasury of the United States to the account of miscellaneous receipts, to record the admission of the alien for permanent residence as of the date of the alien's last entry into the United States. If prior to the end of the session of the Congress next following the session at which a case is reported, the Congress does not pass such resolution, the Attorney General shall thereupon deport such alien in the manner provided by law: *Provided*, That the number of displaced persons who shall be granted the status of permanent residence pursuant to this section shall not exceed 15,000. Upon the grant of status of permanent residence to such alien as provided for in this section, the Secretary of State shall, if the alien was a quota immigrant at the time of entry, reduce by one the immigration quota of the country of the alien's nationality as defined in section 12 of the Immigration Act of May 26, 1924, for the fiscal year then current or the next succeeding fiscal year in which a quota number is available, except that quota deductions provided for in this section shall be made within the limitations contained in the first proviso of subsection (c) of section 3 of this act, as amended. A Palestinian Arab student shall be deemed to be included in the definition of a nonquota immigrant student eligible for admission under section 4 (a) of this act.

"(b) Section 4 (b) of such act is amended by striking out the words 'any of such countries', and inserting in lieu thereof the words 'such country'."

SEC. 6. Section 6 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 6. The preferences provided within the quotas by section 6 of the Immigration Act of 1924, as amended (8 U. S. C. 206), shall not be applicable in the case of any eligible displaced person receiving an immigration visa under this act, but in lieu of such preferences the following preferences, without priority in time of issuance of visas as between such preferences or as between preference or nonpreference cases under this act, as amended, shall be granted to eligible displaced persons and their family dependents who are the spouse or the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren of such persons, in the consideration of visa applications:

"(a) First. Eligible displaced persons who are farm, household, construction, clothing, and garment workers, and other workers needed in the locality in the United States in which such persons propose to reside, or eligible displaced persons possessing special educational, scientific, technological, or professional qualifications.

"(b) Second. Eligible displaced persons who are the blood relatives of citizens or lawfully admited alien residents of the United States, such relationship in either case being within the third degree of consanguinity computed according to the rules of the common law.

"No visa shall be issued to an eligible displaced person as defined in this act unless he shall first execute a sworn signed statement that he accepts and agrees in good faith to abide by the terms of employment provided for such person in the assurance upon which his application for a visa under this act is based: *Provided*, That upon a finding by the Attorney General that such statement was falsely made it shall be deemed to be a misrepresentation for the purpose of gaining admission into the United States as provided for in section 10 of this act: *Provided further*, That in determining whether or not the displaced person accepted and agreed in good faith to abide by the said

terms of employment the Attorney General shall consider the manner, extent, and duration of the displaced person's employment after admission into the United States."

SEC. 7. Section 7 of the Displaced Persons Act of 1948 is amended to read as follows:

"SEC. 7. Within the preferences provided in section 6, priority in the issuance of visas shall be given to eligible displaced persons who during World War II bore arms against the enemies of the United States or who served honorably in the labor service or guard units of the United States Army, and their family dependents who are the spouse or the unmarried dependent child or children under 21 years of age, including adopted children and stepchildren."

SEC. 8. Section 8 of the Displaced Persons Act of 1948 is amended by striking out the date "June 30, 1951" in the first sentence and inserting in lieu thereof the date "August 31, 1952" and by amending the sixth sentence to read as follows: "The Commission shall formulate and issue regulations for the purpose of obtaining the most general distribution and settlement of persons admitted under this act, consistent with housing and employment opportunities for resettlement, throughout the United States and their Territories and possessions."

SEC. 9. The second sentence of section 10 of the Displaced Persons Act of 1948 is amended to read as follows: "The burden of proof shall be upon the person who seeks to establish his eligibility under this act, and no person shall be issued an immigration visa or be admitted into the United States under this act if the consular officer or the immigrant inspector knows or has reason to believe that the alien is subject to exclusion from the United States under any provision of the immigration laws or is not eligible under the terms of this act: *Provided,* That nothing in this section shall remove the right of review and appeal available to aliens under general immigration laws."

SEC. 10. Section 12 of the Displaced Persons Act of 1948 is amended to read as follows:

"SEC. 12. (a) Notwithstanding the provisions of section 12 of the act of May 26, 1924, as amended, until July 1, 1952, a number of immigration visas not to exceed 54,744 may be issued to persons of German ethnic origin who were born in Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, Russia, or Yugoslavia, or areas under the control and domination of any such countries, except those parts of Germany and Austria under military occupation by the Union of Soviet Socialist Republics, as defined by the Berlin Protocol, and who on January 1, 1949, resided in Germany or Austria. Assurances shall be executed in accordance with regulations of the Commission that persons eligible under this section, if admitted into the United States, will be suitably employed without displacing some other persons from employment and that any such person and the members of his family who propose to live with him shall not become public charges, and will have housing without displacing some other person from such housing. The spouse and unmarried child or children under 21 years of age, including adopted children and stepchildren, of any person eligible under this section shall, if otherwise qualified for admission into the United States for permanent residence, also be eligible under the provisions of this section. All persons qualifying for admission under this section shall be exempt from paying visa and head taxes.

"(b) Upon the issuance of an immigration visa under subsection (a) above, which shall be in addition to the numbers authorized in section 3 (a) of the Displaced Persons Act, as amended, the consular officer shall use a quota number from the immigration quota of the country of origin of the person who receives the visa, or if no such quota is available, then from the immigration quota of Germany for the fiscal year current at that time, or, if no such quota number is available for said fiscal year, for the first succeeding fiscal year in which a German quota number is available: *Provided,* That not more than 50 percent of the German quota shall be so used in any fiscal year.

"(c) Notwithstanding the preferences provided within the quotas by section 6 of the act of May 26, 1924, as amended (8 U. S. C. 206), first priority in the issuance of visas chargeable to the German or Austrian quota under the provisions of section 12 of the act of May 26, 1924, as amended (8 U. S. C. 212), or under the provisions of this section, shall be granted to children who were 19 years of age or under on June 25, 1948, and who prior to May 1, 1949, were legally adopted under the laws of the country in which they resided by American citizens residing abroad temporarily. Those provisions of section 5 of this act which relate to the contract-labor clause of the immigration laws and to the payment of ticket or passage shall be applicable to persons whose admission is authorized under the provisions of this section.

"(d) The Commission shall make the necessary arrangements incident to the transfer of persons eligible for emigration to the United States under this section from their place of residence in Germany or Austria to the port of embarkation and from the port of embarkation to the port of entry in the United States. Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation is made for the purpose of this section, to make advances not to exceed in the aggregate $2,500,000 to the Commission which shall be employed by the Commission to finance the transportation of persons who are eligible for emigration to the United States under this section from their place of residence in Germany and Austria to the port of entry in the United States. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation for this purpose, and the Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder from funds made available for the purposes of this section."

SEC. 11. Section 13 of the Displaced Persons Act of 1948 is amended to read:

"SEC. 13. No visas shall be issued under the provisions of this act, as amended, to any person who is or has been a member of the Communist Party, or to any person 18 years of age or older who shall not have made affidavit, under oath, that he does not adhere to, advocate, or follow, and that he never has adhered to, advocated, or followed, the principles of any political or economic system or philosophy directed toward the destruction of free competitive enterprise and the revolutionary overthrow of representative governments, or to any person who is or has been a member of any organization which has been designated by the Attorney General of the United States as a Communist organization or to any person who is or has been a member of or participated in any movement which is or has been hostile to the United States or the form of government of the United States, or to any person 18 years of age or older who shall not have made affidavit, under oath, that he has never advocated or assisted in the persecution of any person because of race, religion, or national origin, or to any person who has borne arms against the United States. Upon arrival at the port of entry in this country, every displaced person 18 years of age or older shall take and subscribe an oath or affirmation that he is not and has never been a member of any organization or movement named in this section, and shall be liable to prosecution for perjury if such oath or affirmation is willfully false. If any eligible displaced person not entitled to a visa under this section shall nevertheless gain admission to this country, in addition to the penalty abovementioned, such person shall be deported to the country from which his application was made under this act for admission to the United States."

SEC. 12. Section 14 of the Displaced Persons Act of 1948 is renumbered as section 15 and a new section is added to the Displaced Persons Act of 1948, to be known as section 14 and to read:

"SEC. 14. Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation is made for the purposes of this section, to make advances not to exceed in the aggregate $5,000,000, to the Displaced Persons Commission which shall be employed by the Displaced Persons Commission for loans to public or private agencies to finance the reception and transportation of eligible displaced persons and eligible displaced orphans from ports of entry within the United States to places of final destination in the United States or its Territories or possessions. Such loans, which shall mature not later than June 30, 1953, shall be made under rules and regulations approved by the President. No interest shall be charged on advances made by the Treasury Department to the Reconstruction Finance Corporation for the purposes of this section, and the Reconstruction Finance Corporation shall be repaid without interest for advances made by it hereunder from funds made available for the purposes of this section: *Provided,* That any loan to such public or private agencies which is not repaid on or before the maturity date shall thereafter bear interest at the rate of 3 percent per annum."

SEC. 13. The Displaced Persons Act of 1948 is amended by adding a new section to read as follows:

"SEC. 16. Representatives of the Government of the United States are authorized to participate in a conference between affected nations for the purpose of studying and making recommendations providing for a satisfactory solution of the problems of persons of German ethnic origin who were expelled from the countries of their residence into Germany and Austria and are presently residing in those countries. The appropriation of such sums as may be necessary to carry out this section is hereby authorized."

SEC. 14. The Displaced Persons Act of 1948 is amended by adding at the end thereof a new section to read as follows:

"SEC. 17. All transportation of displaced persons under this act, to the United States, the cost of which is defrayed in whole or in part by the Government of the United States, shall be by ships or planes registered under the United States flag."

SEC. 15. Subsection (b) of section 2 of the Displaced Persons Act of 1948 is amended to read:

"(b) 'Displaced person' means any displaced person or refugee as defined in annex I of the Constitution of the International Refugee Organization, and who are the concern of the International Refugee Organization, except persons who (1) are ordinary criminals, war criminals, quislings, and traitors; (2) assisted the enemy in persecuting civil populations; (3) voluntarily assisted the enemy forces since the outbreak of World War II against the United Nations; (4) since the end of World War II have participated in any organization having as one of its purposes the overthrow by armed force of the government of their country of origin or the government of any member of the United Nations, or have participated in any terrorist organization: *Provided,* That the determination of who is a displaced person shall be made exclusively by persons who are citizens of the United States and who are in the employ of the United States."

Mr. McCARRAN. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the following conferees on the part of the Senate——

The VICE PRESIDENT. The Chair has the right to appoint conferees. He desires to have that right in his own name. The Chair would say to the Senator from Nevada, in response to a suggestion he himself made earlier in the day, that at least a majority of the conferees should be among those who supported the action of the Senate committee. The Chair has no information as to the conferees whom the Senator from Nevada proposes, but that would be a fair division, in view of the fact that the Senate has passed the substitute bill.

Mr. McCARRAN. Then, Mr. President, I move that the following conferees be appointed on behalf of the Senate—and I send the list of names to the desk.

The VICE PRESIDENT. The motion is that the Senate insist on its amendments, request a conference with the House thereon, and that the Chair appoint the Senators whose names are sent to the desk by the Senator from Nevada as conferees on the part of the Senate.

Mr. McCARRAN. Mr. President, I ask that the names be read to the Senate.

The VICE PRESIDENT. The Secretary will read the names suggested by the Senator from Nevada.

The legislative clerk read the names of Mr. McCARRAN, Mr. KILGORE, Mr. EASTLAND, Mr. O'CONOR, Mr. LANGER, Mr. DONNELL, and Mr. JENNER.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Is the motion debatable?

The VICE PRESIDENT. It is debatable.

Mr. McCARRAN. Mr. President, I think I have the floor. Let me say that in these conferees there is, in my judgment, a fair representation of the Judiciary Committee. All the subcommittee members who worked on the bill for many months are in the conference group. The author of the substitute is in the conference group, as is the Senator from North Dakota [Mr. LANGER]. The five Senators who worked zealously on the bill for many months are among them, together with the author of the substitute and the Senator from North Dakota [Mr. LANGER].

Mr. LUCAS. Mr. President, I move, as a substitute for the motion of the Senator from Nevada, that the Chair appoint conferees on the part of the Senate. I desire to speak briefly on that motion. I wish to congratulate Senators on both sides of the aisle for the excellent attendance in connection with the many votes we have had on the amendments to the bill, on the amendments to the substitute, on the substitute, and on the bill. It has been a long and tedious day. We have been operating under a unanimous-consent agreement which had been entered into while the Senator from Illinois was absent from the Senate. The unanimous-consent agreement provided that we should stay in continuous session until we finish consideration of the bill. Like other Senators, I dislike to have night sessions. However, in view of the fact that we have been so long attempting to get a displaced-persons bill through the Senate, it seemed that probably it would be the better part of wisdom to sit until we had finished consideration of the bill.

Mr. President, we cannot afford under any circumstances to set a precedent whereby the chairman of a committee will have the sole right, or the Senate itself will have the right, to take from the Chair a power which the Chair has been recognized to have practically since there has been a United States Senate, that is especially true under present circumstances, because, as everyone knows, we have had a consistent majority upon every proposition which was presented by those who filed a report seeking a substitute for the bill the committee reported.

Mr. President, certainly it would not be in keeping with the true spirit of the debate, and with the spirit of the voting upon the amendments, the bill, and the substitute, if the Senate were to appoint conferees who definitely had been opposed to the bill which was passed. There cannot be any question about it, and I am certain that Senators who have been voting with the sponsors of the substitute practically from the beginning, and who have been voting down amendments which were believed not to be in the best interests of a displaced-persons act, will not now reverse themselves and vote for the appointment of members of a conference committee, a majority of whom are opposed, judging by their votes on the floor of the Senate, not only to the bill as passed but to practically every amendment which was offered to it. I appeal to Senators on both sides of the aisle, as a matter of precedent, as a matter of fairness to this measure, and as a matter of good parliamentary law, to permit the Chair to appoint the conferees.

The VICE PRESIDENT. The Chair would like to state that customarily the motion is that the Chair appoint conferees. However, the rules provide that the Senate may elect its conferees, if it sees fit to do so. The Senate has a right to elect its own conferees. A motion to elect certain conferees is amendable by substituting other conferees, if any Senator wishes to offer any such amendment to the motion which is now pending.

Mr. DONNELL. Mr. President, in the first place, I wish to pay tribute to the very fine work which has been done by the chairman of the Committee on the Judiciary, and also to the fine study which has been given by the many Senators who participated in the discussion to the difficult and intricate questions involved.

Mr. President, I rise for the purpose of opposing the suggestion of our distinguished friend, the chairman of the Committee on the Judiciary [Mr. McCARRAN]. So far as I can recall, there has been no instance, in the few years I have been in the Senate, of the Senate taking from the Presiding Officer the power of selection of conferees. I may be in error in that statement, but certainly I do not have in mind any such instance.

I realize, Mr. President, that, as stated by the Chair a moment ago, the Senate has within its power the right to select its own conference committee. I assume and I think I have authority for the assumption—that the choice of such a committee would fall under the terms of rule XXIV of the Senate, under which a committee could be appointed by ballot, unless otherwise ordered, "and a plurality of votes shall appoint."

I hold in my hand the Senate Manual, which contains, among other things, Cleaves' Manual of the Law and Practice in Regard to Conferences and Conference Reports. At page 284 appears the subject matter relating to the appointment of conferees, and I should like to read very briefly a few observations which I believe to be pertinent to the situation at hand. In this discussion the writer says:

> Statement of principles governing the selection of conferees on the part of the House (1383), namely—

There is a note, Mr. President, which I think is of particular significance, reading as follows:

> These principles and provisions are also applicable to the Senate and in harmony with its practice.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. DONNELL. May I have the indulgence of the Senator to finish my statement first?

The writer then says:

> The House members of conference committees, called the managers on the part of the House, are appointed by the Speaker.

Then there is a note:

> The Senate members of conference committees, called the managers on the part of the Senate, are appointed by the Presiding Officer, by unanimous consent, under the custom of the Senate. Rule XXIV, clause 1, provides that all committees of the Senate shall be appointed by ballot unless otherwise ordered.

Then, Mr. President, this statement of Cleaves' Manual continues:

> They are usually three in number, but on important measures the number is sometimes increased. In the selection of the managers the two large political parties are usually represented, and, also, care is taken that there shall be a representation of the two opinions which almost always exist on subjects of importance.

Then, Mr. President, follows this sentence, which in my opinion is very significant:

> Of course the majority party and the prevailing opinion have the majority of the managers.

Then it proceeds:

> It is also almost the invariable practice to select managers from the members of the committee which considered the bill.

Mr. President, the point to which I am addressing myself is this: I say, first, that the Senate does have the power to select its own members of the conference committee. I believe there is no question about the legal power to do that. But, in

the second place, I submit that the practice, uniform, so far as I know, within at least the past 5 years, has been to leave this important matter to the Presiding Officer of the Senate.

The third point on which I think I am borne out in my conclusion is that that is the practice of the Senate, as shown by the observations which I have read, particularly the notes which are set forth to this portion of Cleaves' Manual.

Finally, Mr. President, it seems to me to be sound policy that as a general proposition the Senate should leave the appointment of conferees to its Presiding Officer, who presumably, and I believe in this case, would be uninfluenced by matters of personal desire or prejudice, but would attempt to give expression to this statement in Cleaves' Manual that "of course the majority party and the prevailing opinion have the majority of the managers."

So, Mr. President, I most respectfully differ with my very good friend from Nevada, whom I greatly admire, as he well knows, and as I have stated on the Senate floor at least on two occasions. I differ with him, and I very much hope that the Senate will follow the practice which has prevailed in at least the past few years, of leaving the important choice of managers to the Presiding Officer of the Senate.

I now yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, let me say to the Senator that the motion would not have been made had it not been for what I understood to be the observation of the Presiding Officer. I now withdraw the motion as it applies to the appointment of the conferees, and leave it that the conferees may be appointed by the Chair.

The VICE PRESIDENT. Did the Senator from Illinois make a motion?

Mr. LUCAS. Yes.

The VICE PRESIDENT. Does the Senator from Nevada move that the Senate insist upon its amendment, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate?

Mr. McCARRAN. That is my motion.

The VICE PRESIDENT. The question is on agreeing to the motion.

The motion was agreed to, and the Vice President appointed Mr. McCARRAN, Mr. KILGORE, Mr. O'CONOR, Mr. WILEY, and Mr. FERGUSON conferees on the part of the Senate.

Mr. KNOWLAND obtained the floor.

Mr. GURNEY. Mr. President, will the Senator from California yield so that I may put something in the RECORD?

Mr. KNOWLAND. I yield to the Senator to put something in the RECORD.

FLOOD CONTROL AND RIVERS AND HARBORS

The VICE PRESIDENT. The Chair begs the pardon of the Senate. He should lay down the unfinished business before recognizing any Senator. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL BILLS INTRODUCED

Additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. TAYLOR:

S. 3371. A bill for the relief of Owen J. Gould;

S. 3372. A bill for the relief of George Alfred Heathorn; and

S. 3373. A bill for the relief of N. B. Pettibone; to the Committee on the Judiciary.

RESETTLEMENT OF SURPLUS POPULATION IN WESTERN GERMANY

Mr. THYE submitted the following concurrent resolution (S. Con. Res. 85), which was referred to the Committee on Foreign Relations:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the continued presence of the surplus population in western Germany, composed of expellees and refugees of German ethnic origin, constitutes a grave impediment to the restoration of economic stability in Germany, the social and political rehabilitation of Europe, and to a peaceful solution of Europe's difficulties. It is also the sense of Congress that the urgency and scope of this problem is such as to require the immediate attention of all nations of good will to the end that a means will be found, through the cooperative efforts of these nations, to remedy the economic, social, moral, and political problems created by the surplus population in western Germany. Therefore, the President is respectfully requested to take the initiative in calling an emergency international conference between affected nations, especially (1) immigrant-receiving countries, dominions, dependencies, and colonies; (2) the United States; and (3) the German Federal Government, with a view to establishing a temporary international agency for the sole purpose of resettlement of the surplus population in western Germany.

PRINTING OF VOLUME ON RUSSIAN ADMINISTRATION OF ALASKA AND THE STATUS OF THE ALASKAN NATIVES (S. DOC. NO. 152)

Mr. O'MAHONEY. Mr. President, there has been referred to the Senate Committee on Interior and Insular Affairs a bill passed by the House to admit the Territory of Alaska as a State. In preparation for the consideration of that bill I have had prepared at the Library of Congress, by the Chief of the Foreign Law Section, a volume on Russian Administration of Alaska and the Status of the Alaskan Natives. It is a matter of great importance not only with reference to statehood but with reference to the general problem of Alaska and Russia. It will cost $950.32 to print this material as a Senate document. I have consulted the chairman of the Committee on Rules and Administration and the ranking Republican member and have their consent.

Mr. President, I therefore ask unanimous consent that the matter may be printed as a Senate document.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and it is so ordered.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. THYE was excused from attendance on the sessions of the Senate during next week.

On his own request, and by unanimous consent, Mr. HUMPHREY was excused from attendance on the sessions of the Senate during next week.

ORDER FOR RECESS TO MONDAY

Mr. LUCAS. Mr. President——

The VICE PRESIDENT. The Senator from California [Mr. KNOWLAND] has been recognized.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. KNOWLAND. I yield if I do not lose my right to the floor.

Mr. LUCAS. Mr. President, I simply wish to make an announcement before Senators leave. It is now 10 minutes after 12, and it is Thursday, as I understand the calendar; consequently the Senate can now, under the parliamentary situation, take a recess until Monday. It seems to me that in view of the long struggle we have had here today, and in view of the fact that we are going to take a holiday on Friday, that perhaps it would be best, at the proper time, for the Senator from Illinois to move that the Senate recess until the following Monday. That will give us tomorrow and the next day to catch up with our mail and rest up a little.

Mr. President, I now ask unanimous consent that when the Senate finishes its work tonight, it take a recess until Monday next at 12 o'clock noon.

The VICE PRESIDENT. Is there objection?

Mr. CHAVEZ. Mr. President, reserving the right to object, if we are going to continue for 2 or 3 hours I would rather have the time devoted to the unfinished business, House bill 5472.

Mr. LUCAS. Mr. President, I will say to my good friend, the Senator from New Mexico that the Senate will not continue in session as long as he suggests. The Senator from California has given out an address, I think, to the press, and he did not realize when he did so that we were going to stay in session as long as we have. He is almost compelled to make the speech in order to keep faith with the press. As I understand, his speech will take about 20 minutes, and then I expect to move that the Senate recess until Monday next.

I have talked to my good friend, the Senator from New Mexico before I proposed to make the motion for recess, and I thought it was perfectly agreeable to him that I do so. Perhaps I was wrong.

Mr. CHAVEZ. Mr. President, it was agreeable to the Senator from New Mexico, but it is not agreeable to the Senator from New Mexico to have such an agreement, and then have the Senate continue to remain in session and work

on something else than the unfinished business.

Mr. KNOWLAND. Mr. President, I think I have the floor. I may say that the Senator from California would not under any normal circumstances have asked for this time, but the Senate has been tied up for 3 days by a unanimous-consent agreement under which the time has been controlled by unanimous consent, with the approval of the Senate, but nevertheless controlled by two members of the majority party. So those who desired to bring a matter to the attention of the Senate which they felt was important were foreclosed from doing so.

The second thing is that Mr. Owen Lattimore is appearing before the Senate Foreign Relations Committee tomorrow, and the matter about which I shall speak deals with Mr. Lattimore and with our foreign policy. For those reasons the Senator from California feels impelled to proceed.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

Mr. CHAVEZ. Reserving the right to object, I wish to ask the Senator from Illinois to be patient with me. I have been patient with the Senator.

Mr. LUCAS. I am just as patient with my friend as I know how to be.

Mr. CHAVEZ. Yes, I know the Senator is. But we have devoted 3 days, as the Senator from California has stated, in order to talk about displaced persons, and now we have a few minutes, and we cannot even devote them to taking up House bill 5472. I will still be patient and let the Senator from California make a statement to the press, as the Senator from Illinois suggested.

Mr. LUCAS. I thank the Senator.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois, that when the Senate concludes its business today it stand in recess until 12 o'clock noon on Monday next? The Chair hears none, and it is so ordered.

Mr. CONNALLY. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. For what purpose?

Mr. CONNALLY. I merely ask the Senator to yield. If he does not want to yield, he need not yield.

Mr. KNOWLAND. I may say to the Senator I am perfectly willing to yield for unanimous-consent request to introduce a bill, but I should like to proceed with my remarks.

Mr. CONNALLY. Very well. The Senator refuses to yield.

Mr. KNOWLAND. For what purpose?

Mr. CONNALLY. Which is a discourtesy that is unusual in the Senate.

OWEN LATTIMORE AND AMERICAN POLICY IN THE FAR EAST

Mr. KNOWLAND. Mr. President and Members of the Senate. In the Washington Post of April 3 is published a memorandum on United States policy in the Far East, by Owen Lattimore. It was submitted to Ambassador Philip C. Jessup, Mr. Ray Fosdick and Mr. Everett Case, in response to Mr. Jessup's request of August 18, 1949. It is well that we now place this request in its proper perspective. The American white paper on our China policy was issued on August 5, 1949.

To the family of the deceased it is small comfort to know that the fatal shot was fired by a friend who "thought the gun was unloaded" rather than by a hired assassin.

Millions of Chinese, living and dead, have paid and are paying the penalty of having come under the police state domination of the new Soviet satellite, the Communist regime in China.

At the time the request was made for the memorandum from Mr. Lattimore, Ambassador Jessup had completed his duties as editor of the China white paper and was chairman of a group of three, consisting of himself, Mr. Fosdick, and Mr. Case, which was to advise the Secretary of State on far-eastern policy. Instead of quieting discussion on our China policy as some in the State Department had hoped, the issuance of the white paper itself aroused a new storm of discussion in Congress, in the press, and throughout the country.

It is interesting to note that on August 13, the combined Senate Foreign Relations and Armed Services Committee, by a vote of 13 to 12 invited Gen. Douglas MacArthur to return to the United States and testify on the China aid amendment, then pending before the committee, and on conditions in the Far East.

While the Congress was seeking the views of General MacArthur, the State Department was seeking the views of Owen Lattimore.

In his memorandum, Mr. Lattimore makes it abundantly clear that his recommendations are for this country to cut loose from Japan and to permit that country to come to terms "economically and politically with its neighbors in Asia, principally China." Such a course would place the industrial capacity of Japan in the orbit of international communism and greatly strengthen the Communist system economically and militarily.

He recommends that we cut loose from the Republic of Korea and abandon it to the tender mercies of international communism. He continues to recommend, as he has over many long years, that no further assistance be given to the Republic of China and that this Government recognize the Communist regime. He suggests that we enter into an agreement with Russia in such a way as to "be able to fend off any accusation of appeasement of local or Russian communism."

Certainly not even Mr. Lattimore is so naive as to believe that agreement could be reached with the Soviet Union unless it was in effect appeasement of the Yalta variety, yet because of his fear of the political repercussions in the United States to such a policy, he advises the State Department to fend off any accusation of appeasement. He further recommends that we follow the recommendations of Mr. Trygve Lie on the admission of additional nations to the United Nations, including additional satellites, and he makes a thinly veiled suggestion that we deal with the Communist leader of Viet Nam, Ho Chi-minh. He does this by recommending that we have working relations, and a refusal to be bound by protocol, with legitimate Nationalist leaders in countries whose full political aspirations have not been met by their European rulers.

While the State Department was actively seeking the views of Mr. Lattimore as above outlined, they made no effort, so far as I have been able to find out, the views or to get a comparable memorandum from Gen. Douglas MacArthur. He was then, as now, the supreme commander in the Far East and has had some considerable experience in knowing what it means to have a large part of the Far East dominated by a nation that was determined to destroy our way of life.

Yet consistently and insistently Owen Lattimore has played an important part in the undermining of the Republic of China. He has done it in his writings, and in such positions he has occupied as would permit him to help influence public opinion on United States policy.

Far more than some of the people who were taken in by his recommendations, Owen Lattimore bears a terrific responsibility to the people of the United States and to the people of China, over 400,000,000 of whom are now in the orbit of international communism. Mr. Lattimore and others he influenced in the Far Eastern Division of the State Department have made a mighty contribution to the debacle which has taken place in China and in the Far East.

To paraphrase Mr. Churchill: "Never have so few contributed so much to destroy the liberty of so many."

Why is it that Mr. Lattimore bears a much greater responsibility than do some of the others he was able to influence? Principally because he was familiar with the Far East; and if he is competent to be a professor in an American college, he must have known that the Chinese Communist movement was at no time an aggregation of agrarian liberals. Historically to the contrary, they have been a part and parcel of international communism, having as their major objective the destruction of any government in China which did not subjugate itself in the end to complete Communist domination.

I have before me a number of documents which I shall ask to have placed in the RECORD at the close of my remarks. First is the theses and resolutions of the Sixth World Congress of the Communist International, dated December 12, 1928. I want to call several paragraphs to the attention of the Senate and the country.

33. In China, the future growth of the revolution will place before the party as an immediate practical task the preparation for any carrying through of armed insurrection as the sole path to the completion of the bourgeois-Democratic revolution and to the overthrow of the power of the imperialists, landlords, and national bourgeoisie—the power of the Kuomintang.

Under existing circumstances, characterized fundamentally by the absence of a revolutionary impulse among the wide masses of the Chinese people, the general line of the party must be the struggle for the masses.

The carrying through of this line under the conditions of the strengthening of the anti-imperialist movement of a certain revival of the strike struggle and of the continuing peasant activity, demands from the party the exertion of all its strength for gathering, consolidating, and uniting the proletariat around the basic slogans of the party, an immense organizational work for the strengthening of the revolutionary trade union and peasant associations, maximum attention to the conduct of the everyday economic and political work among the masses of the proletariat and peasantry, and intense activity in explaining to the proletariat the experience of the preceding period of the revolution.

At the same time, the party must explain to the masses the impossibility of a radical improvement in their position, the impossibility of the overthrow of imperialist domination and solution of the tasks of the agrarian revolution, without the overthrow from power of the Kuomintang and militarists and the creation of the rule of Soviets.

Mr. President, that was back in 1928. Any student of far-eastern affairs who is worthy of the name should have been familiar with those doctrines laid down by the Third Communist International.

I read further:

The success of this struggle for the masses will be determined to a considerable degree by the extent of the success achieved in applying tactics based on a correct estimate of the situation and in outliving the mistakes and tendencies of an extreme left character [putschism, military adventurism, individual terror, etc.], which have occurred in the party, as well as those of an opportunist character such as found their expression in the demands for summoning a national assembly and for the revival of the Kuomintang mass movement.

Simultaneously, the party must conquer every tendency in the direction of replacing methods of convincing and educating the masses by methods of compulsion and commandment, which in the present conditions of cruel class terror, serve to enhance the danger of an isolation of the party from the toiling masses. * * *

The fundamental slogans, through which the party must seek to win over the masses, are the following:

1. Overthrow of imperialist domination.

2. Confiscation of foreign enterprises and banks.

Mr. President, I digress to inquire, how long does the Government of Great Britain, which has recognized the Communist regime in China, presumably in order to protect British investments, think they are going to protect such investments, when the doctrine of communism everywhere in the world is to destroy them and take them over? There are some persons in this country who have the same fallacies of belief.

I read further:

3. Unity of the country, with recognition of the right of each nationality to self-determination.

4. Overthrow of the power of the militarists and the Kuomintang.

5. Establishment of the power of Soviets of workers', peasants', and soldiers' representatives.

6. The 8-hour working day, increase of wages, assistance to the unemployed, and social insurance.

7. Confiscation of all lands of big landlords, land for the peasants and soldiers.

8. The abolition of all governmental militarist and local taxes and levies: A single progressively graduated income tax.

9. Alliance with the U. S. S. R. and the world proletarian movement.

* * * * *

36. In Korea, the Communists must strengthen their work in the ranks of the proletariat, and in their efforts for a general increase of activity and strengthening of the workers' organizations and peasant federations, they must attempt to secure the reorganization of the trade unions so that they include the most important strata of the working class and combine economic struggle with political demands.

At the same time, they must associate in the closest possible fashion the demands for the national emancipation of the country with the slogan of the agrarian revolution, which is acquiring ever-more pressing importance in consequence of the growing pauperization of the peasantry under the plundering colonial regime.

Mr. President, wherein do the end results of the recommendations of Mr. Lattimore differ from the objectives of international Communists, as outlined at the sixth world congress of the Communist International, insofar as they relate to China and Korea?

The next document I wish to call to the attention of the Senate is the constitution of the Chinese Communists adopted by the seventh world congress held in Yenan on July 7, 1945. I want to read several paragraphs from this document:

This revolution has extensive allies at home and abroad. Therefore, the tasks of the Chinese Communist party in the present stage are: Internally, to organize and unify Chinese workers, peasants, petty bourgeoisie, intelligentsia, and all anti-imperialist and antifeudal elements and national minorities on its side; and, externally, to unite with the world proletariat. * * *

In its revolutionary struggle, the Chinese Communist party must endeavor to establish itself as the core of all revolutionary mass organizations and of the revolutionary organizations of the nation. It must proceed to carry on a solemn struggle against everything of internal or external origin which threatens to undermine the unity of the working class. The alliance of all revolutionary classes, and other revolutionary tasks.

Mr. President, wherein do the recommendations of Mr. Lattimore, advocating the abandonment of the Republic of China by the Government, differ in the end results from the objectives set forth in the constitution of the Chinese Communist Party?

The next document I wish to have printed in the RECORD as a part of my remarks is a copy of the letter of March 1, 1949, issued by the Communist Party in New York State, together with their program for action on the Chinese policy, as suggested by the National Conference on Chinese Policy, held in New York City on January 29, 1949:

COMMUNIST PARTY OF NEW YORK STATE,
New York, N. Y., March 1, 1949.

To All Sections and Counties.

DEAR COMRADES: Enclosed please find program for action on China policy, as voted upon by a united front action conference on China, held in New York on January 29, 1949.

We are sure that you will find this material not only informative but helpful in planning actions on China in your communities.

A special outline has also been issued by the National Education Committee on Communist Policy in China. This can be secured through orders from our district education department. The outline can be used as the basis for discussion in your sections and branches.

Any inquiries in relation to further activity can be received by writing to the Committee for a Democratic Far Eastern Policy, at 111 West Forty-second Street, New York City.

Comradely yours,

MAY MILLER,
Assistant Organizing Secretary.

Mr. President, I read now one paragraph from their program:

Program for action on China policy as suggested by the Action Conference on China Policy, New York City, January 29, 1949. * * *

2. Demand a new China policy.

A. An end to all forms of American intervention in China and of plans to aid any elements and remnants of the Kuomintang.

B. Preparation by our Government to recognize the government which the people of China are now establishing.

C. Planning now by our authorities for genuine and self-respecting cooperation with the people's government in China, including normal and friendly trade relations free of any political conditions.

Mr. President, wherein do the recommendations of Mr. Lattimore differ in their end results from the end results sought by the Communist Party in the United States in the support of international communism in China?

All of these documents were or should have been known to this expert on far-eastern affairs. Yet during a large part of this time, those whose thinking was influenced by his writing and his conversations were helping to support the doctrine that Chinese communism was, in effect, nothing more than an oriental agrarian reform movement or a group of democratically inclined people seeking to get relief from the burdens of an existing government.

The next item I wish to put into the RECORD as a part of my remarks was a broadcast over the Moscow Soviet Home Service on December 27, 1949, which was a talk by the Commentator Yurev, entitled "Stalin Foresaw, Designed China Victory":

In its long road, reaction at home, the Chinese people have won a great historic victory as a result of which the Chinese people's republic has been set up. The main source of inspiration in this struggle has been the heroic Communist Party of China armed with the teachings of Lenin and Stalin. Mao Tse-tung in his article on the dictatorship of the people's democracy indicated that the Chinese have accepted Marxism as a result of its application by the Russians.

Stalin rendered invaluable aid to the Chinese Communists in their struggle against the right-wing and left-wing opportunists seeking to cause the Chinese Communist Party to deviate from the Lenin path.

Wherein do the recommendations of Mr. Lattimore differ from the statement of the commentator, over the official Soviet radio?

The next article I wish to put into the RECORD is an Associated Press dispatch dated Moscow, April 4, under the heading, "Pravda says boycott of United Nations will not end until China Reds are seated":

Moscow, April 4.—The Communist Party newspaper Pravda made it clear today that

Russia has no intention of ending her United Nations boycott as long as Chinese Kuomintang (Nationalist) representatives continue to sit in the United Nations.

The newspaper, in a dispatch from New York, declared the United Nations was in a state of paralysis and desolation. It blamed the stalemate on the Anglo-American bloc.

Foreign observers here said they saw nothing in the lengthy review of UN activities to indicate the slightest change in Soviet tactics. The Soviets were seen as more resolute than ever on their stand against participating in UN meetings with Chinese Kuomintang delegates.

"For 3 months the United Nations has been in a state of paralysis and desolation," the Pravda dispatch said, "This is the direct result of the policy of the Anglo-American bloc."

It said United States ruling circles refused to recognize the Chinese people (Communist) Republic because they wanted to protect the Chiang Kai-shek regime.

This, of course, means that until the United States or a majority of the members of the United Nations have backed down in the face of Soviet demand that we punish our friend, the Republic of China and reward their friend, the Communist regime in China, that they will not participate in the conferences of the United Nations.

If this appeasement of the Soviet Union takes place, the ultimate effect will be to destroy the respect that the people of the world hold for the United Nations, and the payment of this blackmail will be followed by countless additional demands in the future.

In other words, whenever in the future the Soviet Union wants its own way, it will walk out of the deliberations of the UN and take a few of its satellites with it. Again and again we will be told to yield in order to avoid having the Soviet Union outside of the United Nations deliberations. In yielding once to such pressure, the argument will be made that the practice having been established, it will not hurt as much to yield the second, third, or fourth time.

If appeasement of the Soviet Union, which is but surrender on the installment plan, is to be the price of maintaining the United Nations Organization, the people of the United States and the people of the world had better be told the facts plainly now.

Confidence in Trygve Lie has already, to a considerable extent, been lost in this country. He was presumed to be an impartial secretary-general. He has turned out to be an obvious partisan of the Soviet Union in seeking to gain its ends by unilateral action. He has become a partisan of the Chinese Communist regime and an open enemy of the Republic of China now a member of the United Nations and a permanent member of its security council.

I regret to say that it is my judgment that Mr. Trygve Lie has, to a considerable extent, destroyed his usefulness as an impartial secretary-general and should be replaced when his term expires. Confidence will then be restored in the impartial character of the office he now occupies.

Now what is Mr. Lattimore's position relative to the admittance of the Communist regime in China into the United Nations in place of the Republic of China? Let us now turn to the article by Mr. Lattimore entitled "Rebuilding Our Policy in Asia," published in the January 1950 issue of the Atlantic magazine. I quote a paragraph from that article, which I assure the Senate has not been taken out of context. If they will get the whole article, I think they will be even more impressed than by the reading of this single paragraph, which I now read:

For the problem of the recognition of the new government of China, the United Nations offers an ideal avenue to a solution. If, with no pressure against China from the United States, a majority of known non-Communist countries in Europe, Latin America and Asia should vote to seat new Chinese representatives to the United Nations, the United States should not vote against that verdict. Deferment to the majority among the non-Communist nations would come gracefully from the United States and would be a blow to the Russian propaganda that the United States seeks to dictate to the bloc that it leads.

Wherein does the policy of Mr. Lattimore relative to Chinese UN membership differ from the policy of the Soviet Union as expressed in the Pravda article?

In the Lattimore article there is no plea that the Soviet Union should back down from its unilateral, illegal, and destructive policy. No, the suggestion is that the United States of America should surrender before this Soviet threat by surrendering the leadership which we should assume, but which I feel we have not in this case vigorously enough pursued.

It is a good thing for our foreign policy and for future prospects of cooperation on this side of the aisle that the State Department has not, to date, followed Lattimore's advice relative to Japan, Korea, recognition of Communist China, or membership of that regime in the UN.

Mr. President, at a later date, I shall more fully develop this subject, but today I do not want to dwell on the past though we cannot ignore it for the mistakes that have been made have led us to the tragic situation which now confronts the people of China and has, in effect, endangered the whole free world and the security of the United States of America.

In Shanghai at this time—and I want the Members of the Senate to pay particular attention to this—American citizens are being held for ransom and men wearing the uniform of the United States Army, Navy, and Marine Corps are prisoners or detained by the Communist regime.

I wish to read at this point, a letter I have received from an American businessman who has been in China and is familiar with what is now going on in the Communist area of that country. The letter was written from the Far East and dated March 26, 1950:

We are naturally wondering what the repercussions have been at home to the people's government refusal to allow the evacuation of foreigners from Shanghai, via the LST's and General Gordon. It is now quite generally accepted out here (and in Shanghai) that the entire foreign community, exclusive of Russian and satellite citizens, are being held as hostages.

As I wrote some of you, the only explanation of this policy that makes sense assuming the decision to have been made independently, and without Russian pressure, by the people's government itself, is that foreigners are being held as hostages to prevent American military action directed against the Chinese mainland, in the event of war; which, we understand, the Chinese Communists consider imminent. A more sinister, and even more logical explanation can be given if one assumes that the decision actually was under Russian pressure. We must either use force to get our consular people and civilians out, and run the real risk of bloodshed; or else lose a lot more face by leaving them there indefinitely. At one time, it was hoped that we could ransom some of these people out with money. One firm had actually put up the bank guaranty, which ran over $1,000,000; others were negotiating. Then, quite unexpectedly, and without explanation, the authorities refused to allow the LST's to enter Shanghai at all.

We have made some inquiries around, and find that American firms are now quite pessimistic about getting their people out of Shanghai. One American bank went so far as to retire its Shanghai manager and cancel his power-of-attorney; hoping that, as a private citizen, without power to act, he could get the authorities to give him an exit permit. Even so, it was refused. Some of the ransom demands have established conditions impossible to fulfill; such as (to an oil firm) that it ship to Shanghai named quantities of aviation gasoline—doubly impossible because of the blockade and our State Department's ban on aviation products to Communist China. Now, of course, all negotiations have had to be dropped anyway.

The lot of foreigners living in Shanghai becomes increasingly difficult. Those owning homes are finding the new taxes practically confiscatory. A group of foreign homes in a suburb of Shanghai was recently commandeered.

Owners were given 6 hours in which to get out, and were required to leave the houses fully furnished. The houses have been turned over to Russian advisory personnel. The rent being paid amounts to about 25 percent only, of the taxes.

It seems to be quite well established that Russian military personnel (said to be anti-aircraft technicians) are moving into Shanghai in numbers too large for such a limited purpose. With the feverish enlargement of Shanghai's three airfields going on, there is more than a suspicion that the people's government has turned to Russia for not just equipment, but also personnel, for the Air Force being built up. While I do not think they are quite ready for it, yet, I anticipate that before long there will be a blitz air attack on Taiwan, to precede the sea invasion. The Nationalists on Taiwan are aware of this danger, and making preparations to meet it; but the danger, is that it will come so suddenly that Taiwan's defenders will be caught off guard. The Nationalists' fighter strength is an unknown, and certainly an untested, quantity. If the Communists send over bombers, escorted by fighters, they might succeed in knocking out Taiwan in one or a series of lightning attacks.

In addition to the signs already mentioned, it has already been established that fighter planes of unknown make have been seen over Shanghai; and in one instance either shot or forced down a Nationalist light bomber.

Since this letter was written, Senators have all read in the press about the two Soviet manufactured planes, or the several planes which shot down two of the Chinese Republic planes which were then on a mission. I continue:

So, while I think it is a bit early to say that the Russians have taken over military direction of the people's government, there are indications that they are, as I predicted they would, moving fast in that direction.

Certainly, Russians in military units and uniforms have now appeared in considerable numbers, and quite openly.

Having been among that not inconsiderable number of Americans taken by surprise by Pearl Harbor, I am disposed to be a bit suspicious; nonetheless I cannot see that Russia has made anything like the military and naval dispositions that Japan had made at the time of the Pearl Harbor attack—yet.

I think she has a long way to go before she is ready to start a war out here. Actually, she may feel that she need not get into a war (there were some Japanese leaders who felt that way, too, and they were nearer right than the others). If Russia can get the people's government completely subservient, she may be right.

This, of course, touches on one of the most important problems out here: The capacity of the people's government to survive, once it is clear that it is no longer an independent entity, there is already considerable unrest in China, and it is being acutely augmented by the serious famine threatening.

The people's government, like all governments in China, is being held to blame for this disaster; and there is more than a little evidence that the famine is in part man-made. The farmers' product has been cruelly taxed in kind, or outright seized, even to seed grain; and much of it has been shipped to Russia. Just how much of it has been shipped to Russia; just how much no one knows, but considerable. While unarmed farmers cannot do much, the Japanese learned to their sorrow that a hostile populace can grievously hinder a government.

Mr. President, there is one great void in the speech of the Secretary of State dealing with our Asia policy. He treats the islands of Formosa, Hainan, Kinmen, Chosen, and the Pescadores with their 8,000,000 people under the jurisdiction of the legal Government of the Republic of China as though they were ships which had been sunk beneath the waves of the China Sea and the Pacific.

Since Formosa alone has more population than either Australia or Greece, this is hardly realistic.

Formosa is closer to the Philippines than the island of Luzon is to the island of Mindanao. It is hardly conceivable that the Secretary of the State can view with unconcern the moving of international communism off the Asiatic land mass on its first major island hopping venture.

On my responsibility as a United States Senator, I state that it is my considered judgment that such island hopping would not be viewed with equanimity by either the Joint Chiefs of Staff or the supreme commander in the Far East.

The difficulty with the State Department is that they have been more interested in China in "saving face" than saving freedom.

An American missionary with years of experience in China recently said to me: "Senator, I cannot understand how Chiang Kai-shek can be the No. 1 target in the Far East of international communism and at the same time be the No. 1 target of the Far Eastern Division of our own State Department." It did not make sense to him, and it does not make sense to me.

From my own observations in China last November and from recent communications from people still there and those who have just returned, I believe that the Republic of China has passed her darkest hour of Dunkerque and Valley Forge and has had a new rebirth of morale that is of tremendous significance to those who are not so blind that they will not see.

The Benedict Arnolds, the quislings, and the fair-weather friends have long since departed. The new cabinet of President Chiang Kai-shek contains many young and able administrators who are men of integrity.

The civilian Governor of Formosa is K. C. Wu, graduate of Princeton with an outstanding record as wartime mayor of Chungking. The premier is Chen Cheng a man of lifelong integrity and one in whom all Americans, including the late General Stilwell, have spoken most highly. The commander of the ground forces is General Sun Leh-jen, graduate of the Virginia Military Institute and a fighting soldier of the first rank. Time does not permit me to name them all, but I can assure you that they are as determined to maintain a China outside of the Communist orbit as we are to maintain our own freedom.

In developing a program for the economic and military assistance to the free nations of Asia, the non-Communist Republic of China should not and must not be overlooked. To permit our tried and true friends of more than 50 years standing to go down the drain of communism while we concentrate on new Asiatic continental countries that have many more internal problems than free China has today can hardly be the basis of a policy warranting the support of the Congress and the Nation.

Time is running out. Within the next 45 days a major air and sea assault is likely to be made against the island areas of free China.

It is not realistic to ignore the fact that the Republic of China has approximately 600,000 men under arms, 300,000 of whom are excellent soldiers. This total number is greater than the combined troop strength of Korea, the Philippine Republic, the United States of Indonesia, Siam, Viet Nam, Burma, Australia, New Zealand, Hong Kong, and the United States forces in Japan.

The island of Formosa is not needed by the United States as either an air or naval base. As long as it remains in the friendly hands of the Republic of China it presents no problem to our own defenses. Once, however, it should fall into the hands of international communism, the many Japanese-built air strips and the excellent harbors would drive a wedge into our Pacific defense line that runs from Japan through Okinawa to the Philippines. Its loss into unfriendly hands would be a strategic liability that no competent military, naval, or air commander would or has overlooked.

On several occasions, I have pointed out that it is not, in my judgment, yet too late to get a substantial degree of cooperation from both major political parties relative to our foreign policy.

On April 21, 1949, Senate Concurrent Resolution No. 30 was introduced for the purpose of establishing a bipartisan joint committee from the Senate and House to investigate and make recommendations on our far-eastern policy.

On April 21, the Chinese Communists were still north of the Yangtze River line and more than half the area and population of China was outside of the Communist iron curtain.

Mr. President, I ask unanimous consent to have a copy of that resolution printed in the RECORD at this point in my remarks.

There being no objection, the resolution (S. Con. Res. 30) was ordered to be printed in the RECORD, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a Joint Committee on the Investigation of United States Foreign Policy in the Far East (hereinafter referred to as the "committee"), to be composed of five Members of the Senate (not more than three of whom shall be members of the majority party), to be appointed by the President of the Senate, and five Members of the House of Representatives (not more than three of whom shall be members of the majority party), to be appointed by the Speaker of the House. Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall make a full and complete investigation of United States foreign policy in the Far East in order to ascertain our present policy and what policies heretofore have been followed by the United States in regard to far eastern affairs and to evaluate and determine the effect of such policies. The committee shall make a final report to the Senate and House of Representatives, not later than March 3, 1950, on the results of its investigation, together with its recommendations of the policy to be followed in the future by the United States in the Far East and of such legislation as may be necessary to implement that policy.

SEC. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Eighty-first Congress (prior to March 3, 1950), to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

(c) The expenses of the committee, which shall not exceed $50,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman.

Mr. KNOWLAND. As has been pointed out before such cooperation must be on the take-offs and not merely on the crash landings. Nor is bipartisan cooperation satisfied, nor will it work by calling in one or a dozen Republicans and giving them a preview of a White House announcement intended to be made a short time later to the press.

Nor does my concept of cooperation between the parties foreclose debate and discussion. Those who believe in the American constitutional system should welcome constructive discussion and debate.

If a real effort is made by the administration to develop a foreign policy, global in character, that will warrant the support they claim to want and need they will find, I believe, ample reciprocity over here on this side of the aisle. But if there is mere window dressing offered or if effective steps are not soon taken, the administration must assume a large share of the responsibility. They must be ready to share the credit for success as well as the blame for lack of it.

The President's own party, in New York and elsewhere, has contributed to the cleavages now apparent to this Nation and to the world.

Our secret weapon against any potential totalitarian aggressor is not the plutonium bomb or the hydrogen bomb. These secrets can be stolen from us by a Dr. Fuchs. Our real strength is that which communism dares not steal to take to the Soviet Union or its European or Asiatic satellites. I refer to liberty and determination of a self-reliant people to be informed, make their own judgments, choose their own leaders, and rally overnight if their free institutions are threatened from within or without.

For this priceless ingredient which we possess the dictators understand less than they do the intricate blueprints of a super weapon. In itself, our free way of life is a time bomb that will destroy any dictatorship once their people know the truth. This may explain the frantic lowering and sealing of the iron curtain from the Elbe to the China Sea. It should renew our determination, through Voice of America and otherwise, to penetrate the darkness.

Mr. President, I should like to place in the RECORD some documents, some of which are out of print, and in view of their importance, I think the Senate should have them for its information and reference.

First, I ask to have printed as a part of my remarks the text of the confidential Lattimore memorandum of last August 18.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM—UNITED STATES POLICY IN THE FAR EAST

(By Owen Lattimore)

(Submitted to the Honorable Philip C. Jessup, Mr. Raymond Fosdick, and Mr. Everett Case, in response to Mr. Jessup's request of August 18, 1949)

In clearing the way for a fresh approach to the problems of United States policy in the Far East, several negative statements can usefully be made.

1. The type of policy represented by support for Chiang Kai-shek does more harm than good to the interests of the United States, and no modification of this policy seems promising. Chiang Kai-shek was a unique figure in Asia. He is now fading into a kind of eclipse that is regrettably damaging to the prestige of the United States, because the United States supported him. His eclipse does not even leave behind the moral prestige of a good but losing fight in defense of a weak cause. On the contrary, he put up the worst possible fight in defense of a cause that was originally strong and should have won. The kind of policy that failed in support of so great a figure as Chiang Kai-shek cannot possibly succeed if it is applied to a scattering of "little Chiang Kai-sheks" in China or elsewhere in Asia.

2. China cannot be economically coerced by such measures as cutting off trade. Nothing could be more dangerous for the American interest than to underestimate the ability of the Chinese Communists to achieve the minimum level of economic stability that will make their regime politically secure. Sound policy should allow for a cautious overestimate of the ability of the Chinese Communists in this respect, and avoid a rash underestimate.

TWO ALTERNATIVES IN JAPAN

3. It is not possible to make Japan a satisfactory instrument of American policy. There are two alternatives in Japan. The first alternative is to keep Japan alive by means of American "blood transfusions" of raw materials and credits. Under this alternative, Japan can be made to put on the surface appearance of a strong ally; but the reality will be an overcommitment of American resources to a distant and vulnerable region. Under the second alternative, Japan can keep itself alive by coming to terms, economically and politically, with its neighbors in Asia, principally China. Under this alternative, Japan cannot serve as a trusted American ally. Its own interests will compel it to balance and bargain between what it can get out of Asia and what it can get out of America.

4. South Korea is more of a liability than an asset to the interests and policy of the United States. It is doubtful how long the present regime in South Korea can be kept alive, and the mere effort to keep it alive is a bad advertisement, which continually draws attention to a band of little and inferior Chiang Kai-sheks who are the scorn of the Communists and have lost the respect of democratic and would-be democratic groups and movements throughout Asia.

5. The colonial and quasi-colonial countries of southeast Asia cannot be forced to grant priorities to the economic and military recovery of Europe, at the expense of their own economic and political interests. In this region as a whole there is a rapid development of combined political and military resistance to coercion which can be indefinitely sustained by local resources. On the other hand, attempts at reconquest by European countries are so expensive that they defeat their own ultimate purpose, which is the strengthening of the country attempting the reconquest. The situation can now be handled only by convincing the Nationalist leaders in those countries that any sacrifices they are asked to make are matched by sacrifices made by their former or titular rulers, and are not designed to give priority to the interests of these rulers, but to bring joint benefits both to the ruling countries and to the colonial country, on terms that satisfy the colonial aspiration to equality.

RUSSIA NOT TO OBLIGATE SELF

6. The United States cannot assume that Russia will move in to take over direct control in China, and will thus be subjected to heavy strategic and economic strains. It is dangerous to assume that there will be a diversion and commitment of Russian resources in Asia which will limit Russia's ability to maneuver in Europe. Recent developments in the Far East have been favorable to Russia, but not in a way that lessens the resources that Russia can deploy toward Europe. Policy toward Russia and policy toward the Far East meet at the point where such a move as the imposition of an economic cordon sanitaire around China is considered. Such a move would increase Chinese dependence on Russia; but it would probably not make it necessary for Russia to undertake a large-scale program in China. The Russians would get credit in Asia, multiplied by propaganda, for any grants they might make to China, but would probably not have to make grants large enough to distort or strain their own resources. It would be possible, therefore, if the mistake is made of waiting for the Chinese Communists to come "hat in hand" to ask for American terms, for United States policy to encounter another set-back in Asia, without even the compensating advantage of hampering Russia's ability to apply pressure in Europe.

The foregoing statements define negative aspects of the situation in Asia, limiting the freedom of maneuver of United States policy. Within these limitations, it seems advisable that a number of positive objectives should be defined.

1. Policy in the Far East and policy toward Russia have a bearing on each other. It certainly cannot yet be said, however, that armed warfare against communism in the Far East, on a scale involving a major commitment of American resources, has become either unavoidable or positively desirable. Nor can it be said with any assurance that, in the event of an armed conflict undertaken for the purpose of forcing Russia back from Europe, the Far East would be an optimum field of operation.

TWO ALTERNATIVES STILL OPEN

There are still two alternatives before us—a relatively long peace, or a rapid approach toward war. If there is to be war, it can only be won by defeating Russia, not Northern Korea, or Viet Nam, or even China. Sound policy should, therefore, avoid premature or excessive strategic deployment in the Far East.

If there is to be a long peace, the primary factor in making peace possible will be a stabilization of relations between the United States and Russia. Sound policy should, therefore, maintain a maximum flexibility. If and when negotiated and mutually acceptable agreements with Russia become possible, American policy in the Far East should be in a position to contribute to Russo-American negotiations. It should not be so mired down in local situations that direct American-Russian negotiations are actually hampered.

2. Any new departures in United States policy in the Far East must be able to fend off any accusation of appeasement of local or Russian communism. In view of the effectiveness of the Russian issue as a weapon in in-fighting in American party politics, it would seem that the advice of experts on domestic politics should be coordinated with the opinions of those who are consulted on foreign policy.

DILEMMA CALLED SIMPLE

The dilemma is simple, but not easy to solve; but unless it can be solved, no successful United States policy in the Far East is possible. Any United States policy that is interpreted in various countries in the Far East as pressure applied for the purpose of creating a league against Russia will merely increase the ability of those countries to bargain with both the United States and Russia. It will also increase the identification, in those countries, between local nationalism and local communism. On the other hand, any proposed United States policy in the Far East that it attacked in America itself as a bid for better relations with Russia runs the danger of being defeated.

3. The success of United States policy in the Far East will be measured largely by the contribution that it makes to the recovery of economic relations between the Far East and Europe. This recovery will be possible only if the assent and good will of the far eastern countries are won. Assent and real cooperation, in turn, can only be won if the representatives of the far eastern countries, in-

cluding those that are still technically the subjects of European countries, are convinced that they have as direct access to the highest American authorities as do the European representatives, and if they are convinced that their economic needs and political standards are not being given a second priority, lower than that of the European countries involved in the same negotiations.

The two test cases in southeast Asia, on which the leaders of various nationalist movements will rate the difference between what can be attained through friendly association with representatives of the United States and what can be attained through outright defiance of a European country which has strong economic support from the United States are Indonesia and the Viet Nam regime under Ho Chi-minh.

RESULTS COULD HURT UNITED STATES

If the negotiations between Dutch and Indonesians, brought about largely through benevolent United States pressure, eventuate in a settlement which seems, in Indonesia, to contain too much of hope deferred, while the resistance in Indochina under Ho Chi-minh achieves more and more of hope fulfilled, the results throughout southeast Asia will be adverse to the United States interest.

Heavy and primary United States commitments in western Europe make it difficult to bear constantly in mind that when the Dutch-Indonesian negotiations are consummated, the satisfaction or dissatisfaction of popular opinion in Indonesia will have wider repercussions than the satisfaction or dissatisfaction of Dutch public opinion. It is a fact, nevertheless, that Indonesian opinion is more difficult to satisfy than Dutch opinion, and it is also a fact that the repercussions will be more serious if Indonesian opinion is not satisfied than if Dutch opinion is not satisfied. These facts mark an important difference between prewar and postwar colonial Asia. They are facts that American public opinion has by no means fully accepted; but they are also facts that are critical for the formulation of an overall United States policy in Asia.

4. The foregoing considerations indicate that the major aim of United States policy in the Far East should be to convince the countries of the Far East that they can get along well with the United States and with the countries of western Europe. They must be persuaded that they can get along well because of the mutual benefits to themselves, to the United States, and to western Europe.

They must not be made to suspect that the real aim of the United States is an ulterior aim of using them against Russia.

To put it in another way, the aim of the United States policy should be to enable the countries of the Far East to do without Russia to the maximum extent. This is a much more modest aim than insistence on and organization of hostility to Russia; but it is an attainable aim, and the other is not.

A few suggestions for implementation are appended.

1. Conferences with the independent governments of the Far East, on the basis of helping them to build their own economies, to revive their trade with Europe, and to expand their trade with us. Emphasis on positive steps that can be taken. No negative conditions, such as prohibitions of trade with Russia or Communist China; no conditions that could be interpreted as American regulation of their political parties.

2. Working relations, and a refusal to be bound by protocol, with legitimate nationalist leaders in countries whose full political aspirations have not been met by their European rulers.

3. The United States should not allow any European country, in its relations with any country in the Far East, to state openly or to imply by propaganda that its policy is backed by the United States. European representatives, in negotiating with the representatives of countries in Asia, should be discouraged from stating or implying that they are authoritative interpreters of United States policy, or intermediaries without whom the United States cannot be approached.

4. It should be made clear that if there is delay or difficulty in establishing relations between the United States and Communist controlled countries, such as China, the trouble comes from the Communist side and not from the United States side.

DEPEND ON FRIENDLINESS

5. It should be made clear that friendly and beneficial relations with the United States depend essentially on the inherent friendliness or unfriendliness of the nation concerned, and not on the formalities of diplomatic recognition. In order to facilitate the contrast between countries which are on friendly terms with the United States and countries which are not, the number of countries formally recognized by the United States should be increased.

As a first step, the United States should accept the list of countries recommended for admission to the United Nations by Mr. Trygve Lie, Secretary-General of the United Nations. In the first place, it would at this time be a good move for the United States to accept with good will an initiative from the Secretariat of the United Nations. In the second place, the list is on balance more favorable to the United States than to the Soviet Union. In the third place, and with particular reference to the Far East, the move would bring within the scope of United States diplomatic activity the Mongolian People's Republic (Outer Mongolia), an increasingly important potential listening-post country in the heart of Asia.

6. The United States should disembarrass itself as quickly as possible of its entanglements in South Korea.

Mr. KNOWLAND. Mr. President, I also ask to have printed in the RECORD a copy of the Theses and Resolutions of the VI World Congress of the Communist International.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

THESES AND RESOLUTIONS OF THE SIXTH WORLD CONGRESS OF THE COMMUNIST INTERNATIONAL (THIRD SERIES)—THESES ON THE REVOLUTIONARY MOVEMENT IN THE COLONIES AND SEMICOLONIES

I. INTRODUCTION

1. The Sixth Congress of the Communist International declares that the "Theses on the National and Colonial Questions" drawn up by Lenin and adopted at the second congress still have full validity, and should serve as a guiding line for the further work of the Communist Parties. Since the time of the second congress the actual significance of the colonies and semicolonies, as factors of crisis in the imperialist world system has vastly increased.

On the one hand, as necessary objects of exploitation for imperialism, the colonies have become a perpetual source of conflicts and wars between the imperialists, to an even higher degree than in the past. Plunderous wars, and new plans for wars, on the part of individual imperialist states against various peoples which have remained more or less independent, as well as intensified preparations of the imperialist powers for wars against each other for a new division of the colonies, continue without ceasing.

On the other hand, the vast colonial and semicolonial world has become an unquenchable blazing hearth of the revolutionary mass movement. The basis of this phenomenon, which is of colossal historical importance, is furnished in part by changes which have taken place during and after the imperialist world war in the internal situation of the most important colonies and semicolonies—in their economic and social structure—e. g., the strengthening of the elements of capitalist and of industrial development, the intensification of the agrarian crisis, the growth of the proletariat and the beginning of its organization, the pauperization of the wide masses of the peasantry, etc.; in part, also, the basis to be found in change in the international situation: on the one hand, the difficulties encountered by the leading imperialist powers during the World War and in the postwar crisis of world capitalism, and afterwards, as a result of the imperialist "peace," the intensified rapacious aggressiveness of the colonial policy of Great Britain, Japan, the United States, France, Italy, and Holland; on the other hand the transformation of Russia from an imperialist into an anti-imperialist proletarian power, the victorious struggle of the people of the Soviet Union in defense of their independence, the example of the revolutionary solution of the national question in the Soviet Union and the revolutionizing influence of the work of building up socialism there, and furthermore the strengthening of the Communist movement in the capitalist countries and the activity of this movement in the defense of the colonies.

All these circumstances immeasurably accelerated the process of the political awakening of the vast human masses in the colonial and semicolonial countries and led to a whole series of important revolutionary mass risings; in most cases, moreover, on the basis of a close-knit, characteristic association of the anti-imperialist emancipatory struggle with the development of the forces of internal class struggle.

2. Of first-rate international importance was the Chinese revolution. The shooting down of the Chinese workers in Shanghai on May 30, 1925, was the signal for the letting loose of a revolutionary wave until then unparalleled in China. The most important industrial centers of China—Shanghai, Tientsin, Hankow, Canton, and the British colony of Hong Kong—were the arena of a mass revolutionary strike struggle which called forth an answering wave of mass peasant revolts against the Chinese landlords and gentry in the rural districts.

Already, at this early stage of the wide national revolutionary movement, the national bourgeoisie attempted to limit the revolutionary struggle exclusively to such national tasks as the fight against the militarists, the anti-imperialist * * * simultaneously with the rise of the revolutionary wave, the counterrevolution began to organize its forces (Chiang Kai-shek's coup d'état in March 1926, the firing on student demonstrations in Peking, the formation of a right group in the Kuomintang, which commenced the struggle against the peasantry in Kwantung and Kwansi, etc.).

The northern expedition, which began in the summer of 1926, the capture of a number of provinces and the defeat and disintegration of a whole series of reactionary militarist groups, were accompanied by an enormous growth of the mass movement (the seizure of the British concessions in Hankow and Kiukiang, the general strike in Shanghai, which developed into an armed insurrection, the gigantic growth of the peasant movement). The successful insurrection in Shanghai in April 1927 raised the question of the hegemony of the proletariat in the national revolutionary movement, finally impelled the native bourgeoisie into the camp of reaction and called forth the counterrevolutionary coup d'état of Chiang Kai-shek.

The independent activity of the workers in the struggle for power, and above all the further growth of the peasant movement,

which developed into agrarian revolution, impelled also the Wuhan government, which had been established under the leadership of the petty bourgeois wing of the Kuomintang, to go over to the camp of the counter-revolution. The revolutionary wave, however, was already beginning to ebb. In the course of a number of uprisings (the rising led by Ho-lung and Ye-ting, the peasant uprisings in Hunan, Hupeh, Kwantung, and Kiangsu) the working class and peasantry still strove to wrest the power from the hands of the imperialists, bourgeoisie, and landlords, and in this way to avert the defeat of the revolution. But in this they were not successful. The last powerful onslaught of this revolutionary wave was the insurrection of the heroic Canton proletariat, which under the slogan of Soviets attempted to link up the agrarian revolution with the overthrow of the Kuomintang and the establishment of the dictatorship of the workers and peasants.

3. In India, the policy of British imperialism, which retarded the development of native industry, evoked great dissatisfaction among the Indian bourgeoisie. The class consolidation of the latter, which replaced its former division into religious sects and castes and which was expressed in the fusion of the Indian National Congress (organ of the Indian bourgeoisie) with the Moslem League effected in 1916, confronted British imperialism with a national united front in the country. Fear of the revolutionary movement during the war compelled British imperialism to make concessions to the native bourgeoisie which found expression, in the economic sphere, in higher duties on imported goods and, in the political sphere, in insignificant parliamentary reforms introduced in 1919.

Nevertheless, a strong ferment, expressing itself in a series of revolutionary outbreaks against British imperialism, was produced among the masses of the Indian people as a result of the ruinous consequences of the imperialist war (famine and epidemics, 1918), the catastrophic deterioration of the position of wide sections of the working population, the influence of the October revolution in Russia, and of a series of insurrections in various colonial countries (as, for example, the struggle of the Turkish people for independence).

This first great anti-imperialist movement in India (1919–22) ended with the betrayal by the Indian bourgeoisie of the cause of national revolution. The reason for this was chiefly the fear of the growing wave of the peasant risings, the fear of the workers' strikes against the native employers.

The collapse of the national revolutionary movement and the gradual decline of bourgeois nationalism enabled British imperialism once more to return to its policy of hindering the industrial development of India. The recent measures of British imperialism in India show that the objective contradictions between British colonial monopoly and the tendencies in the direction of the independent economic development of India are becoming more accentuated from year to year and are leading to a new deep revolutionary crisis.

The real threat to British domination comes, not from the bourgeois camp but from the growing mass movement of the Indian workers, which is developing in the form of large-scale strikes; at the same time, the accentuation of the crisis in the village bears witness to the maturing of an agrarian revolution. All these phenomena are leading to radical transformation of the whole political situation in India.

4. In Indonesia, Dutch imperialism is compelled in an ever-increasing degree to give its more powerful neighbors (American and British imperialism) the opportunity of importing foreign commodities and foreign capital into this colony. Thus, Dutch imperialism itself in Indonesia is actually more and more compelled to play a subordinate role, as, so to say, that of a "commissionaire" who at the same time is compelled to perform the functions of a policeman and executioner.

The immediate impulse to the insurrection which broke out in Java in November 1926 was given by the economic crisis, and the resulting deterioration of the conditions of the wide masses of the population, as well as by the cruel repression exercised by the government against the national revolutionary movement. To a considerable degree the rebellion was carried out under the leadership of the Communists. The government succeeded in drowning the insurrection in blood, in suppressing the Communist Party, and in executing or throwing into prison thousands of the best leaders of the proletariat and peasantry.

Insignificant reforms, instituted thereafter by the government in order to weaken the hatred of the masses and to purchase the assistance of the national reformist leaders for the work of pacification of these masses, have in no way improved the conditions of the working sections of the people. The continuing economic crisis in the country, especially in the sugar and rubber industries, the capitalist offensive with the object of worsening the conditions of labor, and growing unemployment, create the objective preconditions for inevitable new risings of the masses of workers and peasants against the ruling imperialism.

5. In north Africa in 1925 there began a series of rebellions of the Cabil tribes of the Riff against French and Spanish imperialism, followed by the rebellions of the Druze tribes in the mandated territory of Syria against French imperialism. In Morocco, the imperialists only succeeded in dealing with these rebellions after a prolonged war. The intensified penetration of foreign capital into these countries is already calling into life new social forces. The rise and growth of an urban proletariat manifests itself in a wave of mass strikes that are sweeping for the first time over Palestine, Syria, Tunis, and Algiers. Gradually, but very slowly, the peasantry, also, in these countries is being drawn into the struggle.

6. The growing economic and military expansion of North American imperialism in the countries of Latin America is transforming this continent into one of the most important junction points of the antagonisms of the whole imperialist colonial system. The influence of Great Britain, which before the war was the decisive influence in these countries, and which reduced many of them to the position of semicolonies, since the war is being replaced by a still more close dependence on their part on the United States. By means of its increased export of capital, North American imperialism is conquering the commanding positions in the economy of these countries, is subordinating their governments to its own financial control and, at the same time, inciting one against the other. This aggressive policy of American imperialism is more and more taking on a character of undisguised violence, passing over into armed intervention (Nicaragua). The national emancipatory struggle against American imperialism which has begun in Latin America is taking place for the most part under the leadership of the petty bourgeoisie. The national bourgeoisie, which represents a thin stratum of the population (with the exception of Argentina, Brazil, and Chile) and which is connected, on the one hand, with the big landowners and, on the other hand, with American capital, is in the camp of the counter revolution.

The Mexican Revolution, which began as a revolutionary peasant struggle for land against the landowners and the church, at the same time to a considerable degree assumed the character of a mass struggle against American and British imperialism, and led to the formulation of a government of the petty bourgeoisie, which endeavored to keep itself in power by means of concessions to the big landowners and to North American imperialism.

The peasant risings, strikes of workers, etc., in Ecuador directed against the government of the landlords of the Maritime Provinces, and of the Guayaquil bankers and commercial bourgeoisie, ended in a military coup d'etat and the establishment of a military dictatorship in 1925. The series of military revolutions in Chile, the guerrilla war in Nicaragua against North American imperialism, the series of risings in south Brazil, the uprising of the agricultural laborers in Patagonia in Argentina, the revolt of the Indians in Boliyia, Peru, Ecuador, and Colombia, the mutinies and spontaneous general strikes and mass demonstrations in Venezuela and Colombia, the mass anti-imperialist movement in Cuba and throughout the whole of Central America, Colombia, etc.—all these events of the last few years which bear witness to the widening and deepening of the revolutionary process and, in particular, to the ever-growing popular indignation in the Latin-American countries against world imperialism.

7. In the majority of cases imperialism has up to now succeeded in bloody suppression of the revolutionary movement in the colonial countries. But all the fundamental questions raised by these movements remain unsolved.

The objective contradiction between the colonial policy of world imperialism and the independent development of the colonial peoples is by no means done away with, neither in China, nor in India, nor in any other of the colonial and semicolonial countries; on the contrary, the contradiction only becomes more acute and can be overcome only by the victorious revolutionary struggle of the toiling masses in the colonies. Until this contradiction is overcome, it will continue to operate in every colony and semicolony as one of the most powerful objective factors making for revolution.

At the same time, the colonial policy of the imperialist powers acts as a powerful stimulant to antagonisms and wars between these powers. This antagonism is becoming more and more acute and especially in the semicolonies, where in spite of the blocs that are frequently established between the imperialists it plays a fairly important role. The greatest significance, however, for the development of the revolutionary movement in the colonies is borne by the contradictions between the imperialist world, on the one hand and the Union of Soviet Socialist Republics and the revolutionary labor movement in the capitalist countries, on the other hand.

8. The establishment of a fighting front between the active forces of the Socialist world revolution (the Soviet Union and the revoluntionary labor movement in the capitalist countries) on the one side, and between the forces of imperialism on the other side, is of fundamental decisive importance in the present epoch of world history. The toiling masses of the colonies struggling against imperialist slavery, represent a most powerful auxiliary force of the Socialist world revolution. The colonial countries at the present time constitute for world imperialism the most dangerous sector of their front. The revolutionary emancipatory movements of the colonies and semicolonies more and more rally around the banner of the Soviet Union, convincing themselves by bitter experience that there is no salvation for them except through alliance with the revolutionary proletariat, and through the victory of the world proletarian revolution over world imperialism.

The proletariat of the U. S. S. R., and the workers' movement in the capitalist countries, headed by the Communist International, in their turn are supporting and will

more and more effectively support in deeds the emancipatory struggle of all colonial and other dependent peoples; they are the only sure bulwark of the colonial peoples in their struggle for final liberation from the yoke of imperialism. Furthermore, the alliance with the U. S. S. R. and with the revolutionary proletariat of the imperialist countries, creates for the toiling masses of the people of China, India, and all other colonial and semicolonial countries, the possibility of an independent, free economic, and cultural development, avoiding the stage of the domination of the capitalist system or even the development of capitalist relations in general.

Thus the epoch of imperialism, of wars and revolutions opens an epoch in which the proletarian dictatorship arises, opens a quite new perspective for the development of the colonial peoples. Since the analysis of contemporary world economy as a whole in no way leads to the perspective of a new prolonged period of flourishing capitalism, but, on the contrary, leads to the inevitability of the overthrow of capitalism, which has already fulfilled its progressive historical role, has already become a brake on further development, is already in process of disintegration, is already giving place to the proletarian dictatorship (U. S. S. R.) and is leading humanity to ever new catastrophes—all this denotes the presence of the objective possibility of a noncapitalist path of development for the backward colonies, the possibility of the "growing over" of the bourgeois-democratic revolution in the leading colonies into the proletarian Socialist revolution with the aid of the victorious proletarian dictatorship in the other countries. Under favorable objective conditions, this possibility is converted into actuality, whereby the true path of development is determined by struggle and by struggle alone. Consequently, the theoretical and practical advocacy of this path, and the most self-sacrificing struggle for it, is the duty of all Communists. In connection with this perspective, there arises before the colonies also the problem of revolutionary seizure of power on the basis of Soviets.

Thus, all the basic questions of the revolutionary movement in the colonies and semicolonies are found to have an immediate connection with the great epoch-making struggle between the capitalist and socialist systems—a struggle which at present is being conducted on a world scale by imperialism against the U. S. S. R., and inside each separate capitalist country between bourgeois class rule and the Communist movement.

In this struggle the cooperation of the revolutionary proletariat of the whole world and of the toiling masses of the colonies represents the surest guarantee of victory over imperialism. In this struggle, every war conflict between two imperialist states, as also war of the imperialists against the U. S. S. R., must be utilized in the colonies for the mobilization of the masses and for drawing them into a decisive struggle against imperialism, for national emancipation and for the victory of the workers and peasants.

II. THE CHARACTERISTIC FEATURES OF COLONIAL ECONOMY AND OF IMPERIALIST COLONIAL POLICY

9. The recent history of the colonies can only be understood if it is looked upon as an organic constituent part of the development of capitalist world economy as a whole, beginning with its earliest forms and ending with its latest stage, viz, imperialism.

In proportion as capitalism more and more strongly draws the immense colonial areas into the sphere of its world economy based on exploitation and profit-hunting, there is seen reflected as in a mirror in the economic and political history of the colonial and semicolonial countries all the characteristic features of the so-called civilizing and cultural mission of the capitalist mode of production and of the bourgeois social order. In particular, it reveals with merciless accuracy all the methods and practices of original capitalist accumulation. Its policy, unsurpassed in cruelty, of conquest and oppression, bound up as it has been with colonial robbery and punitive expeditions, with opium wars and piratical raids for the compulsory provision of the native population, with whisky, Bibles, and other trash, as conducted by the most Christian countries of Europe and America, was one of the most important factors which accelerated the consolidation of the capitalist structure.

In spite of the disgusting lies of the imperialists and of their reformist lackeys (MacDonald, Otto Bauer & Co.), who maintain that imperialism "brings to the backward races prosperity, progress, and culture," the transition to the epoch of monopolist capitalism in no way lightened the yoke weighing upon the many millions of the masses of humanity in the colonial countries. The devastating consequences everywhere brought about by capitalist development, in particular in the first stage of its existence, are reproduced in the colonies to a monstrous degree and at an accelerated rate, thanks to the penetration of foreign capital. The progressive results of capitalism, on the other hand, are, for the most part, in the colonies completely imperceptible.

Where in the colonies the ruling imperialism is in need of a social support it first of all allies itself with the ruling strata of the previous social structure, with the feudal lords and with the trading and money-lending bourgeoisie, against the majority of the people. Everywhere imperialism attempts to preserve and to perpetuate all those precapitalistic forms of exploitation (especially in the villages) which serve as the basis for the existence of its reactionary allies. The masses of the people in these countries are compelled to pay out enormous sums for the upkeep of the military, police, and administrative apparatus of the colonial regime.

The growth of famines and epidemics, particularly among the pauperized peasantry; the mass expropriation of the land of the native population; the inhuman conditions of labor (on the plantations and mines of the white capitalists, and so on), which at times are worse than open slavery—all this exerts its devastating effect on the colonial population and not infrequently leads to the dying out of whole nationalities. The cultural role of the imperialist States in the colonies is in reality the role of an executioner.

10. In regard to the colonial countries it is necessary to distinguish between those colonies of the capitalist countries which have served them as colonizing regions for their surplus population, and which in this way have become a continuation of their capitalist system (Australia, Canada, etc.) and those colonies which are exploited by the imperialists primarily as markets for their commodities, as sources of raw material and as spheres for the export of capital. This distinction has not only a historic but also a great economic and political significance.

The colonies of the first type, on the basis of their general developments, became dominions, that is, members of the given imperialist system with equal or nearly equal rights. In them, capitalist development reproduces among the immigrant white population the class structure of the metropolis, at the same time that the native population was, for the most part exterminated. There cannot be there any talk of the colonial regime in the form that it shows itself in the colonies of the second type. Between these two types is to be found a transitional type (in various forms) where, alongside the numerous native population, there exists a very considerable population of white colonists (South Africa, New Zealand, Algiers, etc.). The bourgeoisie, which has come from the metropolis, in essence represents in these countries (emigrant colonies) nothing else than a colonial prolongation of the bourgeoisie of the metropolis.

The metropolis is interested to a certain extent in the strengthening of its capitalist "subsidiary" in the colonies, in particular when this subsidiary of imperialism is successful in enslaving the original native population or even in completely destroying it. On the other hand, the competition between various imperialist systems for influence in these semi-independent countries can lead also to their breaking off from the metropolis and even to a union with the competitors of the latter. These reasons frequently compel imperialism to reconcile itself to a certain political and economic independence of its agencies in such colonies (Dominions), which then assume the position of an allied and kindred power toward the respective imperialism.

11. The imperialist colonial regime is essentially based not only on economic pressure but also on the extra-economic compulsion of the monopoly of the bourgeoisie of the imperialist countries in the corresponding dependent countries. This monopoly, however, expresses itself in two basic functions: on the one hand it serves the purpose of merciless exploitation of the colony (various forms of immediate and indirect exaction of tribute, superprofits in connection with the sale of its own industrial goods, with the obtaining of cheap raw material for its own industry and with the utilization of very cheap labor power, etc.); on the other hand, the imperialist monopoly serves for the preservation and development of the conditions of its own existence, i. e., it fulfills the function of enslaving the colonial masses.

In its function as colonial exploiter, the ruling imperialism in relation to the colonial country acts, primarily, as a parasite sucking the blood from the economic organism of the latter. The fact that this parasite in relation to its victim represents a society with a highly developed culture makes it a so much more powerful and dangerous exploiter, but, from the point of view of the colonial country, this in no way alters the parasitic character of its function.

Capitalist exploitation in every imperialist country has proceeded by way of the development of productive forces. The specific colonial forms of capitalist exploitation, put into operation by the same British, French, or any other bourgeoisie, in the final analysis hinder the development of the productive forces of the colonies concerned. The carrying through of the minimum of constructive activity (railways, harbors, etc.) is indispensable both for military domination in the country and for guaranteeing the uninterrupted activity of the taxation machine, as well as for the trading needs of the imperialist countries.

Agriculture in the colonies is compelled to a considerable degree to work for export, but peasant economy is thereby by no means liberated from the oppression of its precapitalist features. As a general rule, it is converted to a free commodity economy by means of the subordination of the precapitalist forms of production to the needs of finance capital, the intensification of precapitalist methods of exploitation through subjection of peasant economy to the yoke of rapidly developing trade and usury capital, the increase of tax burdens, etc. The exploitation of the peasantry is increased, but the productive methods of the latter are not improved.

As a general rule, the industrial working up of the colonial raw material is not carried out in the colonies themselves, but in the capitalist countries, and primarily in the metropolis. The profits obtained in the colonies are, for the most part, not expended productively, but are squeezed out of the

country and are invested either in the metropolis or in new spheres of expansion on the part of the imperialism concerned. Thus, the fundamental tendency of colonial exploitation acts in the direction of hindering the development of the productive forces in the colonies, of despoiling them of their natural riches, and, above all, of exhausting the reserves of human productive forces in the colonial countries.

12. Inasmuch, however, as colonial exploitation presupposes a certain acceleration of the development of production in the colonies, this development, thanks to the imperialist monopoly, is directed on such lines and accelerated only in such a degree as corresponds to the interests of the metropolis, and, in particular, to the interests of the preservation of its colonial monopoly. It may cause a part of the peasantry, for example, to pass over from grain cultivation to the production of cotton, sugar, or rubber (Sudan, Cuba, Java, Egypt) but this takes place in such a way and by such means that it not only in no way corresponds to the interests of the independent economic development of the colonial country, but, on the contrary, still further strengthens the dependence of the latter on the imperialist metropolis.

With the object of widening the raw-material base for world imperialism, there are created new agricultural crops in the place of those destroyed by colonial policy. New systems of irrigation are constructed with the same object in view in the place of the old ones that have been destroyed, and become in the hands of the imperialists a weapon for increasing the exploitation of the peasantry. With a view to widening the internal market, attempts are undertaken to adapt to the capitalist mode of production the agrarian relationships which are partly created by colonial policy itself. Plantations of various kinds serve the interests of metropolitan finance capital. The exploitation of the mineral wealth of the colonies is conducted in accordance with the needs of the metropolitan industry, especially its need to put an end to dependence on sources of raw materials in other countries to which the monopoly of this imperialism does not extend.

These are the main spheres of colonial production. Only where manufacture constitutes a very simple process (tobacco industry, sugar refineries, and so forth) or where the expense of transporting raw material can be considerably decreased by the first stage of manufacture being performed on the spot, does the development of production in the colonies attain comparatively large dimensions. In any case, the capitalist enterprises created by the imperialists in the colonies (with the exception of a few enterprises established in case of military needs) are predominantly or exclusively of an agrarian-capitalist character and are distinguished by a low organic composition of capital. Real industrialization of the colonial country, in particular the building up of a flourishing engineering industry which might make possible the independent development of the productive forces of the country is not accelerated, but, on the contrary, is hindered by the metropolis. This is the essence of its function of colonial enslavement; the colonial country is compelled to sacrifice the interests of its independent development and to play the part of an economic (agrarian-raw material) appendage to foreign capitalism, which, at the expense of the laboring classes of the colonial country, strengthens the economic and political power of the imperialist bourgeoisie in order to perpetuate the monopoly of the latter in the colonies and to increase its expansion as compared with the rest of the world.

Just as the classical capitalism of the pre-imperialist epoch most clearly demonstrated its negative features of destruction of the old without an equivalent creation of the new precisely in its economy of plunder in the colonies, so also the most characteristic side of the decay of imperialism, its essential feature of usury and parasitism, is especially clearly revealed in its colonial economy. The endeavor of the great imperialist powers to adapt to an ever-increasing degree the exclusive monopolization of the colonies to the needs of the capitalist industry of the metropolis, not only leads to the destruction of the traditional economic structure of the indigenous colonial population, but, side by side with this, leads to the destruction of the equilibrium between separate branches of production, and, in the final analysis, leads to an artificial retardation of the development of the productive forces in the colonies.

A general tendency on the part of all the metropolitan centers is the endeavor to hold back the colony and to make it a subordinate constituent part of the imperialist system concerned in order to guarantee the latter's economic supremacy so as to be able, on the one hand, to place themselves in opposition to other imperialist systems, and, on the other hand, to cut off the colony from immediate relations with world economy as a whole, and to keep to themselves the function of intermediary and supreme regulator in all its economic relations with the outer world. This tendency of the imperialists to strengthen the one-sided dependency of the colonies leads to a growth of competition between the different imperialist powers and international trusts, etc.

As conditioned by these circumstances, the development of capitalist relationships and of the exploitation of the masses of the people in the colonies assumes very various forms.

13. Inasmuch as the overwhelming mass of the colonial population is connected with land and lives in the villages, the plundering character of the forms of exploitation of the peasantry made use of by imperialism and its allies (the class of landowners and trading-usury capital) acquires a special significance. Thanks to the interference of imperialism (imposition of taxes, import of industrial products from the metropolis, etc.), the drawing of the village into the sphere of monetary and trading economy is accompanied here by a process of pauperization of the peasantry, destruction of village handicraft industry, etc., and proceeds at a much more rapid rate than was the case when the same process took place in the leading capitalist countries. On the other hand, the retarded industrial development in the colonies has put narrow limits to the process of proletarianization.

This enormous disproportion between the rapid rate of destruction of the old forms of economy and the slow development of the new has given rise in China, India, Indonesia, Egypt, etc., to an extraordinary "pressure on agriculture," and to agrarian overpopulation, rack renting and extreme fragmentation of the land cultivated by the peasantry.

At the same time, the whole burden of the previous feudal or semifeudal conditions of exploitation and bondage, in somewhat "modernized," but in no way lighter, forms, lies as before on the shoulders of the peasantry. Capitalism, which has included the colonial village into its system of taxation and trade apparatus and which has overturned capitalist relations (for instance the destruction of the village commune) does not thereby liberate the peasants from the yoke of precapitalist forms of bondage and exploitation, but only gives the latter a monetary expression (feudal services and rent in kind are actually replaced by money taxes, and so on), which still more increases the suffering of the peasantry. To the assistance of the peasants in their miserable position comes the usurer, robbing them and under certain conditions (e. g. in some localities of India and China) even creating an hereditary slavery based on their indebtedness.

Nothwithstanding the great variety of agrarian relationships in different colonial countries, and even in different parts of one and the same country, the poverty-stricken position of the peasant masses is almost everywhere the same. Partly owing to unequal exchange, and partly to direct exploitation, the peasants in these countries are not in a position to raise the technical or organizational level of their economy. The productivity of their labor, as also the demand for it, is falling.

The pauperization of the peasantry in these countires is a general phenomenon. In India, China, and Indonesia, the pauperization of the peasantry has reached such a height that, at the present time, the most characteristic figure in the village is the poor peasant, almost or entirely deprived of land and not infrequently suffering from starvation. Big landownership is here hardly connected in any way with large-scale agriculture, but serves only as a means for extorting rents from the peasants. There is frequently to be found a hierarchy of many stages, consisting of landlords and subiandlords, parasitic intermediate links between the laboring cultivator and the big landowner (amindar) or the state.

The ancient systems of artificial irrigation, which in these countries is of great importance for agriculture, thanks to the interference of imperialism first of all fell into decay, and when later they were reestablished on a capitalist basis, then they were found to be too dear for the peasants to make use of. Famines become a more and more frequent occurrence. The peasant finds himself completely helpless in the face of epidemics and various kinds of elemental misfortunes. Wide masses of the peasantry are thrown out of the process of production; they have no chances of finding work in the towns and rarely find work in the village, where they develop into miserable coolies.

This unfortunate position of the peasantry denotes at the same time a crisis in the internal market for industry, which in its turn represents a powerful obstacle to the capitalist development of the country. Not only the national bourgeoisie of India, China, Egypt, etc., but also imperialism itself is sensible of this peasant misery as an obstacle in the path of the expansion of their exploitation; but the economic and political interests of both of them are so closely bound up with large ownership, as also with trading and usury capital in the village, that they are not in a position to carry through an agrarian reform of any wide significance.

Peasant domestic production and artisan production are more and more declining. The development of trade creates an important stratum of native trading bourgeoisie, which fulfills also the functions of purchasing agent, usurer, etc. The predominance and hegemony of trading and usury capital, in the specific conditions of colonial economy, retards the growth of industrial capital. In the struggle for the internal market, national capital again and again encounters the competition of imported foreign capital in the colonial country itself and the retarding influence of precapitalist relations in the villages. In spite of these obstacles there does arise in certain branches of production a native large-scale industry (chiefly light industry). National capital and national banks come into being and begin to develop.

The pitiful attempts at carrying through agrarian reforms without damaging the colonial regime are intended to facilitate the gradual conversion of semi-feudal landownership into capitalist landlordism, and in certain cases to establish a thin stratum of kulak peasants. In practice, this only leads to an ever-increasing pauperization of the overwhelming majority of the peasants, which again, in its turn, paralyzes the development of the internal market. It is on the basis of these contradictory economic pro-

cesses that the most important social forces of the colonial movements are developing.

14. In the period of imperialism, there stands out with especial prominence the role of finance capital in the seizure of economic and political monopoly in the colonies. This especially finds expression in definite economic consequences resulting from the export of capital to the colonies. The exported capital here flows predominantly into the sphere of trade, it functions mainly as usurious loan capital and it pursues the task of preserving and strengthening the oppressive apparatus of the imperialist State in the colonial country (by the aid of State loans, etc.) or of achieving full control over the so-called independent State organs of the native bourgeoisie in the colonial countries.

The export of capital to the colonies accelerates the development of capitalist relations in them. A portion of the exported capital, dispatched to the colony for productive purposes, does in part conduce to an acceleration of industrial development; by no means, however, in the direction of independence, but rather in a direction which strengthens the dependence of colonial economy on the finance capital of the imperialist country.

In general, imported capital is concentrated in the colonies almost exclusively for the extraction and supply of raw materials, or for the first stages of their utilization. Exported capital is used also for extending the system of communications (railways, shipbuilding, harbor works, etc., etc.), thus, facilitating the transport of raw material and binding the colonies more closely to the metropolis. A favorite form of investment of capital in agriculture is in large plantations, with the object of cheap production of food products and the monopolization of vast sources of raw material. The transference to the metropolis of the greater portion of the surplus value extorted from the cheap labor power of the colonial slaves retards to a correspondingly enormous degree the upward growth of the economy of the colonial countries and the development of their productive forces, and serves as an obstacle to the economic and political emancipation of the colonies.

Another basic feature in the mutual relations between the capitalist states and the colonial countries is the endeavor of various monopolistic groups of finance capital to monopolize the whole foreign trade of the separate colonial and semicolonial countries, and in this way to subordinate to their control and regulation all the channels which connect the colonial economy with the world market. The direct influence of this monopolization of foreign trade by a few monopolist exporting firms on the course of capitalist development in the colonies is expressed, not so much in the development of a national internal market, as in the adaptation of the scattered internal colonial trade to the needs of export, and in the "bleeding" of the natural wealth of the colonial countries by the imperialist parasites. This peculiar development of colonial trade finds its specific expression also in the form and character of the imperialist banks in the colonies, which mobilize the savings of the native bourgeoisie chiefly for financing the foreign trade of the colonies, etc.

15. The entire economic policy of imperialism in relation to the colonies is determined by its endeavor to preserve and increase their dependence, to deepen their exploitation and, as far as possible, to impede their independent development. Only under the pressure of special circumstances may the bourgeoisie of the imperialist states find itself compelled to cooperate in the development of big industry in the colonies. Thus, for example, requirements for preparation or conduct of war may, to a limited extent, lead to the creation of various enterprises in engineering and chemical industry in certain of the most strategically important colonies (e. g. India). Competition on the part of more powerful competitors may compel the metropolis to grant definite concessions in matters of tariff policy, in which case it safeguards itself by means of preferential duties.

With the object of bribing definite strata of the bourgeoisie in the colonial and semicolonial countries, especially in periods of a rising revolutionary movement, the metropolis may, to a certain degree, weaken its economic pressure. But, in the measure that these extraordinary and, for the most part, extra economic circumstances lose their influence, the economic policy of the imperialist powers is immediately redirected toward repressing and retarding the economic development of the colonies. Consequently, the development of the national economy of the colonies, and especially their industrialization, the all-round independent development of their industry, can only be realized by the strongest opposition to the policy of imperialism. Thus the specific character of the development of the colonial countries is especially expressed in the fact that the growth of productive forces is realized with extreme difficulty, spasmodically, artificially, being limited to individual branches of industry.

The inevitable result of this is that the pressure of imperialism on the colonial and semicolonial countries is reproduced each time in a higher degree and evokes an evermore powerful resistance on the part of the social-economic factors originating from imperialism itself. The continual hindrance to independent development more and more deepens the antagonism of the colonial peoples in relation to imperialism and leads to revolutionary crises, boycott movements, national, revolutionary insurrections, etc.

On the one hand, the imminent objective contradictions in the capitalist development of the colonies become intensified, which itself deepens the contradictions between the independent development of the colonies and the interests of the bourgeoisie of the imperialist states; on the other hand, the new capitalist forms of exploitation bring into the arena a genuine revolutionary force—the proletariat, around which the many millions of the peasant masses rally more and more strongly in order to offer organized resistance to the yoke of finance capital.

All the chatter of the imperialists and their lackeys about the policy of decolonization being carried through by the imperialist powers, about promotion of the "free development of the colonies," reveals itself as nothing but an imperialist lie. It is of the utmost importance that Communists both in the imperialist and in the colonial countries should completely expose this lie.

III. ON COMMUNIST STRATEGY AND TACTICS IN CHINA, INDIA, AND SIMILAR COLONIAL COUNTRIES

16. As in all colonies and semicolonies, so also in China and India the development of productive forces and the socialization of labor stands at a comparatively low level. This circumstance, together with the fact of foreign domination and also the presence of powerful relics of feudalism and precapitalist relations, determines the character of the immediate stage of the revolution in these countries. In the revolutionary movement of these countries we have to deal with the bourgeois democratic revolution, i. e., of the stage signifying the preparation of the prerequisites for proletarian dictatorship and socialist revolution. Corresponding to this, the following kinds of tasks can be pointed out, which may be considered as general basic tasks of the bourgeois democratic revolution in the colonies and semicolonies:

(a) A shifting in the relationship of forces in favor of the proletariat; emancipation of the country from the yoke of imperialism (nationalization of foreign concessions, railways, banks, etc.) and the establishment of the national unity of the country where this has not yet been attained; overthrow of the power of the exploiting classes at the back of which imperialism stands; organization of Soviets of workers and peasants and organization of the Red army; establishment of the dictatorship of the proletariat and peasantry; consolidation of the hegemony of the proletariat.

(b) The carrying through of the agrarian revolution; emancipation of the peasants from all precapitalist and colonial conditions of exploitation and bondage; nationalization of the land; radical measures for alleviating the position of the peasantry with the object of establishing the closest possible economic and political union between the town and village.

(c) In correspondence with the further development of industry, transport, etc., and with the accompanying growth of the proletariat, the widespread development of trade-union organizations of the working class, strengthening of the Communist Party and its conquest of a firm leading position among the toiling masses; the achievement of the 8-hour working day.

(d) Establishment of equal rights for nationalities and of sex equality (equal rights for women); separation of the church from the state and the abolition of caste distinctions; political education and raising of the general cultural level of the masses in town and country, etc.

How far the bourgeois-democratic revolution will be able in practice to realize all its basic tasks, and how far it will be the case that part of these tasks will be carried into effect only by the socialist revolution, will depend on the course of the revolutionary movement of the workers and peasants and its successes or defeats in the struggle against the imperialists, feudal lords and the bourgeoisie. In particular, the emancipation of the colony from the imperialist yoke is facilitated by the development of the socialist revolution in the capitalist world and can only be completely guaranteed by the victory of the proletariat in the leading capitalist countries.

The transition of the revolution to the socialist phase demands the presence of certain minimum prerequisites, as, for example, a certain definite level of development in the country of industry, of trade-union organizations of the proletariat and a strong Communist Party. The most important is precisely the development of a strong Communist Party with a big mass influence, which would be in the highest degree a slow and difficult process were it not accelerated by the bourgeois-democratic revolution which already grows and develops as a result of the objective conditions in these countries.

17. The bourgeois-democratic revolution in the colonies is distinguished from the bourgeois-democratic revolution in an independent country chiefly in that it is organically bound up with the national emancipatory struggle against imperialist domination. The national factor exerts considerable influence on the revolutionary process in all colonies, as well as in those semicolonies where imperialist enslavement already appears in its naked form, leading to the revolt of the mass of the people. On the one hand, national oppression hastens the ripening of the revolutionary crises, intensifies the dissatisfaction of the masses of workers and peasants, facilitates their mobilization, and endows the revolutionary mass revolts with the elemental force and character of a genuine popular revolution. On the other hand, the national factor is able to influence not only the movement of the working class and peasantry but also the attitude of all the remaining classes, modifying its form during the process of revolution. Above all, the poor urban petty bourgeoisie together with the petty bourgeois intellegentsia is during the first period to a very considerable extent brought under the influence of the active revolutionary forces;

secondly, the position of the colonial bourgeoisie in the bourgeois-democratic revolution is still for the most part an ambiguous one and its vacillations in accordance with the course of the revolution are even more considerable than in the bourgeoisie of an independent country (e. g. the Russian bourgeoisie in 1905–17).

It is very important, in accordance with the concrete circumstances, to investigate very carefully the special influence of the national factor, which to a considerable degree determines the special character of the colonial revolution, and to take it into account in the tactics of the Communist Party concerned.

Along with the national emancipatory struggle, the agrarian revolution constitutes the axis of the bourgeois-democratic revolution in the chief colonial countries. Consequently, Communists must follow with the greatest attention the development of the agrarian crisis and the intensification of class contradictions in the village; they must from the very beginning give a consciously revolutionary direction to the dissatisfaction of the workers and to the incipient peasant movement directing it against imperialist exploitation and bondage, as also against the yoke of the various precapitalist (feudal and semifeudal) relationships, as a result of which peasant economy is suffering, declining, and perishing. The incredible backwardness of agriculture, the prevalence of oppressive rent relations, and the oppression of trading usury capital represent the greatest hindrance to the development of productive forces in village economy in the colonies and stand in monstrous contradiction with the highly organized forms of exchange between the village agricultural production of the colonies and the world market created by monopoly imperialism.

18. The national bourgeoisie in these colonial countries does not adopt a uniform attitude in relation to imperialism. A part of this bourgeoisie, more especially the trading bourgeoisie, directly serves the interests of imperialist capital (the so-called compradore bourgeoisie). In general, it more or less consistently defends the antinational imperialist point of view directed against the whole nationalist movement, in common with the feudal allies of imperialism and the more highly paid native officials. The remaining portions of the native bourgeoisie, especially the portion reflecting the interests of native industry, support the national movement and represent a special vacillating compromising tendency which may be designated as national reformism (or, in the terminology of the theses of the Second Congress of the Communist International, a "bourgeois-democratic" tendency).

This intermediate position of the national bourgeoisie between the revolutionary and imperialist camps is no longer to be observed, it is true, in China after 1925; there the greater part of the national bourgeoisie from the beginning, owing to the special situation, took the leadership in the national emancipatory war; later on it passed over finally into the camp of counterrevolution. In India and Egypt, we still observe, for the time being, the typical bourgeois-nationalist movement—an opportunistic movement, subject to great vacillations, balancing between imperialism and revolution.

The independence of the country in relation to imperialism, being to the advantage of the whole colonial people, corresponds also to the interests of the national bourgeoisie, but is in irreconcilable contradiction to the whole nature of the imperialist system. Various native capitalists, it is true, are by their immediate interests to a great extent bound by numerous threads to imperialist capital. Imperialism is able directly to bribe a considerable portion of them (it may be even a greater portion than heretofore) and to create a definite compradore position, a position of intermediary trader, subexploiter, or overseer over the enslaved population. But the position of slave owner, of monopolist supreme exploiter, imperialism reserves for itself alone. Independent rule, a future of free independent capitalist development, hegemony over an independent people—this imperialism will never voluntarily yield to the national bourgeoisie. In this respect, the contradiction of interests between the national bourgeoisie of the colonial country and imperialism is objectively of a radical character. In this respect, imperialism demands capitulation on the part of the national bourgeoisie.

The native bourgeoisie, as the weaker side, again and again capitulates to imperialism. Its capitulation, however, is not final as long as the danger of class revolution on the part of the masses has not become immediate, acute, and menacing. In order, on the one hand, to avoid this danger, and, on the other hand, to strengthen its position in relation to imperialism, bourgeois nationalism in these colonies strives to obtain the support of the petty bourgeoisie, of the peasantry and in part also of the working class. Since, in relation to the working class it has little prospect of success (as soon as the working class in these countries has at all begun to awake politically), it becomes the more important for it to obtain support from the peasantry.

But just here is the weakest point of the colonial bourgeoisie. The unbearable exploitation of the colonial peasantry can only be put an end to by the way of the agrarian revolution. The bourgeoisie of China, India, and Egypt is by its immediate interests so closely bound up with landlordism, with usury capital and with the exploitation of the peasant masses in general, that it takes its stand not only against the agrarian revolution but also against every decisive agrarian reform. It is afraid, and not without foundation, that even the more open formulation of the agrarian question will stimulate and accelerate the growth of the process of revolutionary fermentation in the peasant masses. Thus, the reformist bourgeoisie hardly dare to decide to approach practically this basic urgent question.

Instead, it attempts by means of empty nationalist phrases and gestures to keep the petty bourgeois masses under its influence and to compel imperialism to grant certain concessions. But the imperialists draw the reins over tighter, for the national bourgeoisie is incapable of offering any serious resistance. Accordingly, the national bourgeoisie in every conflict with imperialism attempt, on the one hand, to make a great show of their nationalist firmness of principle, and, on the other hand, they sow illusions as to the possibility of a peaceful compromise with imperialism. Through both the one and the other, the masses inevitably become disillusioned and in this way they gradually outlive their reformist illusions.

19. An incorrect estimation of the basic national-reformist tendency of the national bourgeoisie in these colonial countries gives rise to the possibility of serious errors in the strategy and tactics of the Communist Parties concerned. In particular, two kinds of mistakes are possible:

(a) A nonunderstanding of the difference between the national reformist and national-revolutionary tendency can lead to a "khvostist" policy in relation to the bourgeoisie, to an insufficiently accurate political and organizational delimitation of the proletariat from the bourgeoisie, and to the blurring of the chief revolutionary slogans (especially the slogans of the agrarian revolution), etc. This was the fundamental mistake into which the Communist Party of China fell in 1925–27.

(b) An underestimation of the special significance which the bourgeois national reformist, as distinct from the feudal-imperialist camp, possess owing to its mass influence on the ranks of the petty bourgeoisie, peasantry and even a portion of the working class, may lead, at least in the first stages of the movement, to a sectarian policy and to the isolation of the Communists from the toiling masses.

In both these cases, insufficient attention is given to the realization of precisely those tasks which the second congress of the Communist International had already characterized as the basic tasks of the Communist parties in the colonial countries, i. e., the tasks of struggle against the bourgeois-democratic movement inside the nation itself. Without this struggle, without the liberation of the toiling masses from the influence of the bourgeoisie and of national reformism, the basic strategical aim of the Communist movement in the bourgeois-democratic revolution—the hegemony of the proletariat—cannot be achieved. Without the hegemony of the proletariat, an organic part of which is the leading role of the Communist Party, the bourgeois-democratic revolution cannot be carried through to an end, not to speak of the Socialist revolution.

20. The petty bourgeoisie in the colonial and semicolonial countries plays a very important role. It consists of various strata, which in different periods of the national-revolutionary movement play very diverse roles.

The artisan, who is hit by the competition of foreign imported goods, is hostilely disposed toward imperialism. At the same time, he is interested in the unlimited exploitation of his journeymen and apprentices, and accordingly, he is hostilely disposed toward the class-conscious labor movement. At the same time, also, he usually suffers himself from the exploitation of trading and usury capital. The exceedingly ambiguous and hopeless position of this stratum of the petty bourgeoisie determines its vacillations, and it frequently falls under the influence of Utopian reactionaries.

The small trader—both in town and village—is connected with village exploitation through usury and trade, and he clings to the old forms of exploitation in preference to the prospects of an expansion of the internal market. These strata, however, are not homogeneous. These sections of the trading bourgeoisie which in one form or another are connected with the compradores occupy a different position from those sections the activity of which is limited mainly to the internal market.

The petty bourgeois intelligentsia, the students, and such like, are very frequently the most determined representatives, not only of the specific interests of the petty bourgeoisie, but also of the general objective interests of the entire national bouregoisie, and, in the first period of the national movement, they often come out as the spokesmen of the nationalist struggle. Their role at the head of the movement is comparatively important. In general, they cannot act as representatives of peasant interests, for the very social strata from which they come are connected with landlordism. The upsurge of the revolutionary wave may drive them into the labor movement, bringing with them their petty bourgeois ideology of vacillation and indecision. Only a few of them in the course of the struggle are able to break with their own class and rise to an understanding of the tasks of the class struggle of the proletariat, and to become active defenders of the interests of the latter. It frequently happens that the petty bourgeois intellectuals give to their ideology a Socialist or even Communist color. In the struggle against imperialism they have played, and in such countries as India and Egypt they even now, still partially play a revolutionary role. The mass movement may draw them after it, but it may also push them into the camp of extreme reaction or,

at least, cause the spread of Utopian reactionary tendencies in their ranks.

Alongside of these strata, there are to be found in the colonial towns considerable sections of urban poor, the position of which objectively drives them to the support of revolution—artisans who do not exploit the labor of others, street traders, unemployed intellectuals, ruined peasants seeking work, etc. Further, the colonial town, as also the village, has a populous section of coolies, semiproletarians who have not passed through the school of factory production and who live by casual labor.

The peasantry, along with the proletariat and in the character of its ally, represents a driving force of the revolution. The immense many-millioned peasant mass constitutes the overwhelming majority of the population even in the most developed colonies (in some colonies it is 90 percent of the population). The many millions of starving tenant-cultivators, petty peasants oppressed by want and groaning under all kinds of precapitalist and capitalist forms of exploitation, a considerable portion of them deprived of the possibility of cultivation even on the lands that they rent, thrown out from the process of production and slowly dying from famine and disease, village agricultural laborers—all these are the allies of the proletariat in the village. The peasantry can only achieve its emancipation under the leadership of the proletariat, but the proletariat can only lead the bourgeois-democratic revolution to victory in union with the peasantry.

The process of class differentiation of the peasantry in the colonies and semicolonies which possess important relics of feudalism and of precapitalist relationships, proceeds at a comparatively slow rate. Nevertheless, market relationships in these countries have developed to such a degree that the peasantry already no longer represent a homogeneous mass, as far as their class relations are concerned. In the villages of China and India, in particular in certain parts of these countries, it is already possible to find exploiting elements derived from the peasantry, who exploit the peasants and village laborers through usury, trade, employment of hired labor, the sale or letting out of land on rent, the loaning of cattle or agricultural implements, etc., etc.

In general, it is possible that, in the first period of the struggle of the peasantry against the landlords, the proletariat may be able to carry with it the entire peasantry. But in the further development of the struggle some of the upper strata of the peasantry may pass into the camp of counter-revolution. The proletariat can achieve its leading role in relation to the peasantry only under the conditions of unflinching struggle for its partial demands, for complete carrying through of the agrarian revolution, and only if it will lead the struggle of the wide masses of the peasantry for a revolutionary solution of the agrarian question.

21. The working class in the colonies and semicolonies has characteristic features which play an important role in the building up of an independent working-class movement and proletarian class ideology in these countries. The predominant part of the colonial proletariat is derived from the pauperized village, with which the worker remains in connection even when engaged in production. In the majority of colonies (with the exception of some large factory towns such as Shanghai, Bombay, Calcutta, etc.), we find, as a general rule, only a first generation of proletariat engaged in large-scale production. Another portion is made up of the ruined artisans who are being driven out of the decaying handicrafts, which are widely spread even in the most advanced colonies. The ruined artisan, a petty owner, carries with him into the working class a guild tendency and ideology which serves as a basis for the penetration of national-reformist influence into the labor movement of the colonies.

The great fluctuation in the composition of the proletariat (frequent renewal of the labor force in the factories owing to workers returning to the villages and the inflow of new masses of poverty-stricken peasants into production); the considerable percentage of women and children; the numerous different languages; illiteracy; the wide distribution of religious and caste prejudices—all make difficult the work of systematic agitation and propaganda and retard the growth of class consciousness among the workers. Nevertheless, the merciless exploitation, practiced in the most oppressive forms by native and foreign capital, and the entire absence of political rights for the workers, create the objective preconditions on the basis of which the labor movement in the colonies is rapidly overcoming all obstacles and every year draws greater and greater masses of the working class into the struggle against the native exploiters and the imperialists.

The first period of the growth of the labor movement in the colonial and semicolonial countries (approximately 1919–23) is organically bound up with the general growth of the national revolutionary movement which followed the World War, and which was characterized by the subordination of the class interests of the working class to the interests of the anti-imperialist struggle headed by the native bourgeoisie. Insofar as the labor strikes and other demonstrations bore an organizational character, they were usually organized by petty bourgeois intellectuals who restricted the demands of the workers to questions of the national struggle. The most important characteristic of the second period of rapid growth of the labor movement in the colonies, on the other hand, the period which began after the V. Congress of the Communist International, was the emergence of the working class of the colonies into the political arena as an independent class force directly opposing itself to the national bourgeoisie, and entering upon a struggle with the latter in defense of its own immediate class interests and for hegemony in the national revolution as a whole. The history of the last few years has clearly confirmed this characteristic of the new stage of the colonial revolution, first of all in the example of the great Chinese revolution, and subsequently in the insurrection in Indonesia. There is every ground to believe that in India the working class is liberating itself from the influence of the nationalist and social-reformist leaders and is being converted into an independent political factor in the struggle against the British imperialists and the native bourgeoisie.

22. In order correctly to determine the immediate tasks of the revolutionary movement, it is important as a starting point to take into consideration the degree of maturity attained by the movement in the separate colonial countries. The revolutionary movement in China is distinguished from the present movement in India by a series of essential features, characterizing the different degrees of maturity of the movement in the two countries. The previous experience of the Chinese revolution must, undoubtedly, be utilized in the revolutionary movement in India and other analogous colonial countries. But it would be a completely mistaken application of the Chinese experience if, at the present time in India, Egypt, etc., we were to formulate the immediate tasks, slogans, and tactical methods in exactly the same form as took place in China, for example in the Wuhan period, or in the form in which it is necessary to formulate them there at the present time.

The tendency to skip over the inevitable difficulties and special tasks of the present stage of the revolutionary movement in India, Egypt, etc., can only be harmful. It is necessary to carry through much work in the building up and consolidation of the Communist Party and trade-union organizations of the proletariat, in the revolutionization of the trade-unions, in the development of economic and political mass demonstrations and in the winning over of the masses and their liberation from the influence of the national-reformist bourgeoisie, before it is possible to advance in these countries with definite prospects of success to the realization of such tasks as those which were fully carried out in China during the Wuhan period as the immediate tasks of the struggle of the working class and peasantry.

The interests of the struggle for the class rule of the national bourgeoisie compel the most important bourgeois parties in India and Egypt (Swarajists, Wafdists) still to demostrate their opposition to the ruling imperialist-feudal bloc. Although this opposition has not a revolutionary but a reformist and class collaborationist character, this by no means signifies that it has not a special significance. The national bourgeoisie has not the significance of a force in the struggle against imperialism. Nevertheless, this bourgeois-reformist opposition has its real special significance for the development of the revolutionary movement—and this both in a negative as well as in a positive sense—insofar as it possesses any mass influence at all.

Its chief feature is that it exerts a braking retarding influence on the development of the revolutionary movement, insofar as it is successful in drawing the toiling masses in its wake and holding them back from the revolutionary struggle. On the other hand, however, the demonstrations of the bourgeois opposition against the ruling imperialist-feudal bloc, even if they do not have any deep foundation, can exert a certain accelerating influence on the process of the political awakening of the wide masses of toilers; the concrete open conflicts of the national-reformist bourgeoisie with imperialism, although of little significance in themselves, may, under certain conditions, indirectly serve as the cause of the unleashing of even greater revolutionary mass actions.

It is true the reformist bourgeoisie itself endeavors not to allow of any such effect of its oppositional activities, and in one way or another seeks to prevent it in advance. But, wherever the objective conditions exist for a far-reaching political crisis, there the activities of the national-reformist opposition, even their insignificant conflicts with imperialism which are least of all connected with the real hearth of the revolution, can become of serious importance.

The Communists must learn how to utilize each and every conflict, to develop such conflicts, and to broaden their significance, to connect them with the agitation for revolutionary slogans, to spread the news of these conflicts among the wide masses, to arouse these masses to independent, open manifestations in support of their own demands, etc.

23. The correct tactics in the struggle against such parties as the Swarajists and Wafdists during this stage consist in the successful exposure of their real national-reformist character. These parties have already more than once betrayed the national-emancipatory struggle, but they have not yet finally passed over to the counterrevolutionary camp in the manner of the Kuomintang. There is no doubt that they will do this later on, but at the present time they are so particularly dangerous precisely because their real physiognomy has not yet been exposed in the eyes of the wide masses of toilers. For this exposure there is still needed a very large amount of Communist educational work and a very great deal of new political experience on the part of the masses themselves. If the Communists do

not already succeed in this stage in shaking the faith of the toiling masses in the bourgeois national-reformist leadership of the national movement, then this leadership in the coming upsurge of the revolutionary wave will represent an enormous danger for the revolution.

Consequently, it is necessary, by means of correct Communist tactics, adapted to the conditions of the present stage, to help the toiling masses in India, Egypt, Indonesia, and such colonies to emancipate themselves from the influence of the bourgeois parties. This is not to be achieved by any noisy phrases, however radical they may sound superficially, about the absence of any distinction between the oppositional national-reformists (Swarajists, Wafdists, etc.) and the British imperialists or their feudal counterrevolutionary allies. The national reformists leaders would easily be able to make use of such an exaggeration in order to incite the masses against the Communists. The masses see the chief immediate enemy of national emancipation in the form of the imperialist feudal bloc, which in itself is correct at this stage of the movement in India, Egypt, and Indonesia (as far as one side of the matter is concerned).

In the struggle against this ruling counter-revolutionary force, the Indian, Egyptian, and Indonesian Communists must proceed in advance of all, they must fight more determinedly, more consistently, and more resolutely than any petty bourgeois section or national-revolutionary group. Of course, this fight must not be waged for the organizing of any kind of putsch or premature attempt at a rising on the part of the small revolutionary minority, but for the purpose of organizing the widest possible strata of the masses of toilers in demonstrations and other manifestations so that in this way the active participation of these masses can be guaranteed for a victorious uprising at a further stage of the revolutionary struggle.

At the same time, it is no less important mercilessly to expose before the toiling masses the national-reformist character of the Swarajist, Wafdist, and other nationalist parties, and in particular of their leaders. It is necessary to expose their halfheartedness and vacillation in the national struggle, their bargainings and attempts to reach a compromise with British imperialism, their previous capitulations and counter-revolutionary advances, their reactionary resistance to the class demands of the proletariat and peasantry, their empty nationalist phraseology, their dissemination of harmful illusions about the peaceful decolonization of the country and their sabotage in relation to the application of revolutionary methods in the national-emancipatory struggle.

It is necessary to reject the formation of any kind of bloc between the Communist Party and the national-reformist opposition; this does not exclude the formation of temporary agreements and the coordinating of separate activities in connection with definite antiimperialist demonstrations, provided that the demonstration of the bourgeois opposition can be utilized for the development of the mass movement, and provided that these agreements do not in any way limit the freedom of the Communist Parties in the matter of agitation among the masses and among the organizations of the latter. Of course, in this work the Communists must know how at the same time to carry on the most relentless idological and political struggle against bourgeois nationalism and against the slightest signs of its influence inside the labor movement, in such cases, the Communist Party must take particular care not only to maintain its complete political independence and to make quite clear its own character, but also, on the basis of facts, to open the eyes of the masses of toilers who are under the influence of the bougeois opposition, so that they will perceive all the hopelessness of this opposition and the danger of the bourgeois democratic illusions that it disseminates.

24. An incorrect estimation of the chief tendency of the parties of the big national bourgeoisie gives rise to the danger of an incorrect estimation of the character and role of the petty bourgeois parties. The development of these parties, as a general rule, follows a course from the national-revolutionary to the national-reformist position. Even such movements as Sun Yat-senism in China, Gandhism in India, Sarekat Islam in Indonesia, were originally radical petty bourgeois ideological movements which, however, as a result of their service to the big bourgeoisie became converted into a bourgeois nationalist-reformist movement. After this, in India, Egypt, and Indonesia, there was again founded a radical wing from among the different petty bourgeois groups (e. g., the Republican Party, Watanists, Sarekat Rayat), which stand for a more or less consistent national-revolutionary point of view. In such a country as India, the rise is possible of some new analogous radical petty bourgeois parties and groups.

But the fact must not be lost sight of that these parties, essentially considered, are connected with the national bourgeoisie. The petty bourgeois intelligentsia at the head of the parties puts forward national-revolutionary demands but at the same time appears more or less conscious as the representative of the capitalist development of their country. Some of these elements can become the followers of various kinds of reactionary utopias, but when confronted with feudalism and imperialism, they, in distinction from the parties of the big national bourgeoisie, appear at the outset not as reformists but as more or less revolutionary representatives of the anti-imperialist interests of the colonial bourgeoisie. This is the case, at least, so long as the development of the revolutionary process in the country does not put on the order of the day in a definite and sharp form the fundamental internal questions of the bourgeois-democratic-revolution, particularly the question of the realization of the agrarian revolution and the dictatorship of the proletariat and peasantry. When this happens, then it usually denotes the end of the revolutionary character of the petty bourgeois parties. As soon as the revolution has placed the class interests of the proletariat and the peasantry in critical contradiction not only to the rule of the feudal-imperialist bloc, but also to the class rule of the bourgeoisie, the petty bourgeois groups usually go back to the position of the national-reformist parties.

It is absolutely essential that the Communist Parties in these countries should from the very beginning demarcate themselves in the most clear-cut fashion, both politically and organizationally, from all the petty bourgeoise groups and parties. Insofar as the needs of the revolutionary struggle demand it, a temporary cooperation is permissible, and in certain circumstances even a temporary union between the Communist Party and the national revolutionary movement, provided that the latter is a genuine revolutionary movement, that it genuinely struggles against the ruling power and that its representatives do not put obstacles in the way of the Communists educating and organizing in a revolutionary sense the peasants and broad masses of the exploited. In every such cooperation, however, it is essential to take the most careful precautions in order that this cooperation does not degenerate into a fusion of the Communist movement with the bourgeoise-revolutionary movement.

The Communist movement in all circumstances, most unconditionally preserve the independence of the proletarian movement and its own independence in agitation, in organization and in demonstrations. To criticize the half-heartedness and vacillation of the petty bourgeois groups, to anticipate their vacillations, to be prepared for them and at the same time to utilize to the full all the revolutionary possibilities of these strata, to carry on a consistent struggle against petty bourgeois influence over the proletariat, employ all means to liberate the wide masses of the peasantry from the influence of the petty bourgeois parties and to win from them the hegemony over the peasantry—these are the tasks of the Communist Parties.

25. How rapidly the revolutionary movement in India, Egypt, etc., will reach such a high degree of maturity as it has already reached in China, depends to an essential extent on how quickly there arises there a big revolutionary wave. In the event of its postponement for a considerable time, the political and organizational ripening of the driving forces of the revolution can only proceed by way of a gradual and relatively slow process of development. If, however, the coming powerful revolutionary wave rises earlier, then the movement may quickly be able to attain a much higher stage of maturity.

Under exceptionally favorable circumstances, it is not even excluded that the revolution there may be able in one single mighty wave to achieve the conquest of power by the proletariat and peasantry. It is also possible that the process of the development of the revolution from one stage to another more mature stage will be interrupted for a more or less prolonged period of time, in particular if the coming wave of revolutionary upheaval reaches a relatively small height and is not of great duration. Consequently, it is necessary in every case to subject the concrete situation to the most detailed analysis.

The following factors are of decisive significance for the immediate growing over of the revolution from one stage to another higher stage: (1) The degree of development of the revolutionary proletarian leadership of the movement, i. e., of the Communist Party of the given country (the numerical strength of the party, its independent character, consciousness, and fighting readiness, as well as its authority and connection with the masses and its influence on the trade-union and peasant movement); (2) the degree of organization and the revolutionary experience of the working class, as well as, to a certain extent, of the peasantry. The revolutionary experience of the masses signifies experience of struggle; in the first place, liberation from the influence over them of the bourgeois and petty bourgeois parties.

Since these prerequisites for the first big mass outburst of the revolution, even in the best circumstances, are present only to an insufficient degree, an unusually deep revolutionary crisis and an unusually high and persistent revolutionary wave are required for it to be possible for the bourgeois-democratic revolution, with the aid of this one wave of upheaval to lead to the complete victory of the proletariat and peasantry. Such a possibility is most easily presented, for example, when the ruling imperialism is temporarily distracted by a long-continued war outside the frontiers of the colonial country concerned.

26. Living, concrete, historical dialectics, such as were demonstrated by the now completed first period in the bourgeois-democratic revolution in China, will give to the Communist, especially those working in the colonial countries, a valuable experience which it is necessary to study carefully in order to draw the correct conclusions, especially from the mistakes committed in the course of Communist work in the colonies.

The rise of the revolutionary wave in China was unusually prolonged (over 2 years) since it was connected with a protracted internal war. Inasmuch as the northern expedition was not conducted directly against the great imperialist powers and inasmuch

as the latter, owing to competition between them, were partially passive during the first period, while the bourgeois leadership of the national movement had already for some years held Canton in his hands—a definite, though limited territory—as well as a centralized power backed up by the army, and so forth, it is understandable that in this exceptional case a great part of the bourgeoisie in the beginning looked upon the national-emancipatory war as its own particular affair. The Kuomintang, in which it practically played a leading role, in the course of a short time came to be at the head of the national-revolutionary movement, a circumstance which in the course of further events represented an extremely great danger for the revolution.

On the other hand, among the peculiarities of the situation in China must be numbered the fact that the proletariat there was stronger in relation to its bourgeoisie than the proletariat of other countries. It is true that it was weakly organized, but during its upsurge of the revolutionary wave the growth of labor organization proceeded at a very rapid rate.

The Communist Party also rose in a short time from a small group to a party with 60,000 members (and presently even more) and possessing a wide influence among the workers. Naturally, in these conditions many petty bourgeois elements also entered the party. The party was lacking in revolutionary experience and, even more, in traditions of bolshevism. In the beginning, the upper hand in its leadership was taken by wavering elements, which were still only to a very small degree liberated from petty bourgeois opportunist tendencies which inadequately understood the independent tasks and role of the Communist Party and which came out against any decisive development of the agrarian revolution.

The entry of the Communists for a certain period into the leading party of the national revolution, the Kuomintang, in itself corresponded to the requirements of the struggle and of the situation, and was also in the interests of the indispensable Communist work among the fairly wide masses of toilers who followed this party. In addition, at the beginning, the Communist Party of China received in the territory under the rule of the Kuomintang Government the possibility of independent agitation among the masses of workers and peasants and among the soldiers of the national army and their organizations. At that time the party possessed greater possibilities than it actually made use of.

At that time the party did not sufficiently clearly explain to the masses its proletarian class position in distinction from Sun Yat-senism and other petty bourgeois tendencies. In the ranks of the Kuomintang, the Communists did not conduct any independent policy, leaving out of account that in any such inevitable bloc the Communists must adopt an unconditionally crtical attitude toward the bourgeois elements and always come out as an independent force. The Communists failed to expose the vacillations of the national-bourgeoisie and of the bourgeois-democratic nationalism, just at the time when this exposure ought to have constituted one of the most important tasks of the Communist Party. The inevitable disruption of the Kuomintang drew nearer and nearer as the national army advanced, but the leadership of the Chinese Communist Party undertook nothing or almost nothing in order to prepare the party in case of a breach, and in order to guarantee its independent position and to unite the revolutionary workers and peasants in an independent fighting bloc which would oppose itself to the leadership of the Kuomintang.

Thus, the bourgeois-counter-revolutionary coup of Chang Kai-shek found the revolutionary proletariat completely unprepared and threw its ranks into confusion. Further, the leadership of the Communist Party even at that time badly understood the process of the development of the revolution from one stage to another and did not carry through the correct changes in the line of the party made necessary by this coup. Inasmuch as the left wing of the petty bourgeois leaders of the Kuomintang during the course of a certain time still went together with the Communist Party, there took place a territorial separation; there arose the separate governments of Nanking and Wuhan. But the Communist Party did not occupy a leading position even in Wuhan.

Very quickly, in the Wuhan territory there commenced a second period, characterized, among other things, on the one hand, by the presence of elements of an incipient, still indefinite dual power (the seizure by peasant unions of a number of ruling functions in the villages, and the extension of the functions of the trade-unions, determined by the endeavor of the masses to reach a plebian independent solution of the questions of power), and, on the other hand, by the absence of sufficiently mature conditions for the organization of Soviets as organs of revolt against the Wuhan Government, insofar as the latter still carried on a revolutionary struggle against the Nanking government which represented the treachery of the bourgeoisie to the revolution.

The Communist Party at that time directly hindered the independent actions of the revolutionary masses, it did not facilitate their task of gathering and organizing forces, it did not assist in breaking down the influence of the leaders of the Left Kuomintang and their position in the country and in the army. Instead of utilizing its participation in the Government for these purposes, i. e., on the contrary, screened the whole activity of this Government (individual petty bourgeois leading members of the party went so far that they even participated in the disarming of the workers' pickets in Wuhan and in sanctioning the punitive expedition to Changsha).

At the bottom of this opportunist policy lay the hope of avoiding a rupture with the petty bourgecis leaders of the Wuhan Government. But, as a matter of fact, this rupture could only be put off for a short space of time. When the mass risings acquired a threatening character, the leaders of the Wuhan Kuomintang also began to reach out toward unity with their allies on the other side of the barricades. The revolutionary movement of the workers and peasants still continued to exert all its forces in order to achieve victory.

The Communist Party of China now also corrected its line, elected a new leadership, and took its place at the head of the revolution. But the revolutionary wave had already ebbed. The heroic mass struggles under the slogan of Soviets could only achieve a few temporary successes. Only in individual localities did the uprising of the agrarian revolution begin sufficiently early, in the remainder the many millions of the peasant rearguard were delayed in their advance. Instead of the former gross errors of opportunist leadership, there were now revealed, on the contrary, in various places extremely harmful putschist mistakes. The preparations for risings also did not take place without great defects on the part of the Communists. The heavy defeats once more threw back the revolution, which in the South had already entered into the second stage of development, to the starting point of this stage.

27. Thanks to the fact that the Chinese national bourgeoisie obtained power, the composition of the former bloc of the imperialists and militarists was partly altered and the new ruling bloc now represents the immediate chief enemy of the revolution. In order to overthrow it, it is necessary to win over the decisive masses of the proletariat and peasantry to the side of the revolution. This constitutes the most important task of the Chinese Communist Party for the immediate future. The Chinese workers have already acquired an enormous experience. The further strengthening and revolutionization of the trade union movement and the further strengthening of the Communist Party is essential. A certain portion of the Chinese peasantry has already outlived bourgeois democratic illusions and shown considerable activity in the revolutionary struggle, but this is only an insignificant minority of the huge peasant population of China.

It is very probable that some petty bourgeois groups will take up the position of national reformism (inside or outside the Kuomintang), in order by a certain display of bourgeois-democratic opposition to conquer influence over the toiling masses (to these petty bourgeois reformists belong also Tang Ping-san and the social democratic trade union leaders). Under no circumstances must the significance of these attempts be underestimated. The isolation of these groups and their exposure before the masses by means of correct Communist tactics constitutes an absolutely essential precondition for the Communist Party to be able to take a really leading position in the moment of the coming new rise of the revolutionary wave in China.

Already at the present time, the party must everywhere propagate among the masses the idea of Soviets, the idea of the dictatorship of the proletariat and peasantry, and the inevitability of the coming revolutionary mass armed uprising. It must already now emphasize in its agitation the necessity of overthrow of the ruling bloc and the mobilization of the masses for revolutionary demonstrations. Carefully studying the objective conditions of the revolution as they continue to mature, utilizing every possibility for the mobilization of the masses, it must consistently and undeviatingly follow the line of seizure of state power, organization of Soviets as organs of the insurrection, expropriation of the landlords and big-property owners, expulsion of the foreign imperialists and the confiscation of their property.

IV. THE IMMEDIATE TASKS OF THE COMMUNISTS

28. The building up and development of the Communist Parties in the colonies and semicolonies, the removal of the excessively marked disproportion between the objective revolutionary situation and the weakness of the subjective factor, represents one of the most important and primary tasks of the Communist International. This task comes up against a whole host of objective difficulties, determined by the historical development and social structure of these countries.

Corresponding with the weak development of industry, the working class in these countries is still young and, for their population, relatively small in numbers. The colonial regime of terror, as also the existence of illiteracy, numerous different languages, etc., renders difficult the organization and development of the working class in general and the rapid development of the Communist Party in particular. The fluctuation of composition and the large percentage of women and children are characteristic features of the colonial proletariat. In many places, seasonal workers predominate and even the basic ranks of the proletariat still have one foot in the village. This facilitates the connection between the working class and the peasantry but makes more difficult the development of the class consciousness of the proletariat.

Experience has shown that, in the majority of colonial and semicolonial countries, an important if not a predominant part of the party ranks in the first stage of the movement is recruited from the petty

bourgeoisie and, in particular, from the revolutionarily inclined intelligentsia, very frequently students. It frequently happens that these elements enter the party because they see in it the most decisive enemy of imperialism, at the same time not always sufficiently understanding that the Communist Party is not only the party of struggle against imperialist exploitation and oppression, but is the party which, as the party of the proletariat, leads a decisive struggle against all kinds of exploitation and suppression.

Many of these adherents of the party in the course of the revolutionary struggle will reach a proletarian class point of view, another part will find it more difficult to free themselves to the end from the moods, waverings, and half-hearted ideology of the petty bourgeoisie. It is precisely these elements of the party that find it especially difficult at the critical moment to estimate correctly the role of the national bourgeoisie and to act consistently and without any kind of vacillation in the questions of the agrarian revolution, etc. The colonial countries do not possess social democratic traditions, but neither do they possess Marxist traditions. Our young parties in the process of struggle, in the process of building up the party, will have to overcome the relics of national petty bourgeois ideology in order to find the road to bolshevism.

These objective difficulties make it all the more obligatory for the Communist International to give an absolutely special attention to the tasks of building the party in the colonial and semicolonial countries. An especially great responsibility in this connection lies with the Communist parties of the imperialist countries. This demands not only assistance in the matter of working out the correct political line, accurate analysis of experiences in the sphere of organization and agitation, but also systematic education of the party ranks, the publication of a certain minimum of Marxist-Leninist literature and its translation into the languages of the different colonial countries, most active assistance in the matter of study and Marxist analysis of the economic and social problems of the colonies and semicolonies, and in the creation of a party press, etc.

The Communist Parties in the colonial and semicolonial countries are bound to exert all their efforts for the creation of a cadre of party functionaries from the ranks of the working class itself utilizing members of the party—intellectuals—in the role of leaders and lecturers for propagandist circles and legal and illegal party schools, so as to educate from the advanced workers the necessary agitators, propagandists, organizers, and leaders permeated by the spirit of Leninism. The Communist Parties in the colonial countries must become genuinely proletarian parties also in their social composition. Including in their ranks the best elements of the revolutionary intelligentsia, becoming steeled in the process of the daily struggle and of big revolutionary fights, the Communist Parties must give their chief attention to the task of strengthening the party organization in the factories and mines, among the transport workers, and among the semislaves in the plantations.

Everywhere where capitalism concentrates the proletariat, the Communist Party must establish its nuclei, including the working-class tenements, the big working-class barracks of the factories, and the barracklike plantations so strictly guarded from working-class agitation. Nor should work be neglected among the journeymen, apprentices, and coolies employed in small handicraft workshops. The native workers and the workers who have come from the metropolis must unite together in one and the same party organization. The experience of the older parties in the matter of a correct combination of legal and illegal work must be utilized in accordance with the situation in the different colonial countries, in order as far as possible to avoid that which took place, for example, in China, where the vast mass organizations were broken up comparatively easily and without any great internal resistance under the blows of the reaction, thus greatly weakening the connection between the Communist Party and the masses.

29. Alongside the development of the Communist Party the most important of the immediate general tasks of the Communist in the colonies and semicolonies is that of work in the trade-unions. The organization of the unorganized workers, above all in the largest branches of industry (engineering, mining, transport, textiles, etc.), the conversion of the existing organizations into real class trade-unions, the fight with the national-reformists and reactionary trade-union leaders for the leadership in these organizations—all these things must be included in the tasks of trade-union work. Another category of tasks consists in support of the economic interests and immediate demands of the workers in the struggle with the employers, and, in particular, in resolute and correct leadership of strikes.

It is obligatory for Communists to carry on revolutionary propagandist work in the reactionary trade-unions which contain masses of workers. In those countries where circumstances dictate the necessity for creating special revolutionary trade-unions (because the reactionary trade-union leadership hinders the organization of the unorganized workers, destroys the most elementary demands of trade-union democracy and converts the trade-unions into strike-breaking organizations, etc.), it is necessary to consult on this question with the leadership of the RILU. Special attention needs to be given to the intrigues of the Amsterdam International in the colonial countries (China, India, North Africa) and to the exposure of its reactionary character before the masses. It is obligatory for the Communist Party in the metropolis concerned to afford active help to the revolutionary trade-union movement of the colony by its advice and by sending permanent instructors. Up to now too little has been done in this connection.

30. Wherever peasant organizations exist—entirely irrespective of their character, as long as they are real mass organizations—the Communist Party must adopt measures in order to penetrate into these organizations. One of the immediate tasks of the party is the correct formulation of the agrarian question in the ranks of the working class explaining to the latter the importance and decisive role of the agrarian revolution and acquainting members of the party with methods of agitation, propaganda, and organizational work among the peasantry. Every party organization has the duty of studying the specific agrarian situation in the region of its activity and of formulating the corresponding current demands of the peasants. The Communists must everywhere attempt to give a revolutionary character to the existing peasant movement. They must organize both new revolutionary peasant unions and peasant committees, between which and the Communist Party it is necessary to establish regular connections. Both in the peasant masses and in the ranks of the proletariat it is essential to carry on energetic propaganda in favor of a fighting bloc of the proletariat and peasantry.

Special workers' and peasants' parties, whatever revolutionary character they may possess, can too easily, at particular periods, be converted into ordinary petty bourgeois parties, and, accordingly, Communists are not recommended to organize such parties. The Communist Party can never build its organization on the basis of a fusion of two classes, and in the same way also it cannot make it its task to organize other parties on this basis, which is characteristic of petty bourgeois groups.

The fighting bloc of the masses of workers and peasants can find expression in carefully prepared and perodically convened joint conferences and congresses of representatives of revolutionary peasant unions (or their committees) and of trade-unions; in certain circumstances it may be found expedient to create revolutionary committees of action, coordinating the activity of the organizations of the workers and peasants, conducting various mass activities, etc. Finally, during the period of insurrection one of the fundamental tasks of the Communist Party is to promote the creation of elected Soviets of workers' and peasants' deputies. Under any and all circumstances, the Communist Party is bound to exert a decisive influence on the peasant movement, to find out and apply those organizational forms of bloc between the workers and peasants which will most of all facilitate the task of leadership in the peasant movement and to create the prerequisites for the further transformation of these forms into Soviets as organs of insurrection and power.

31. In the colonial countries the proletarian youth is exposed to especially greivous suffering, and the relative part played by the youth in the composition of the working class is considerably higher in the colonial countries than in the old capitalist countries. The exploitation of the working youth is subject to no legal limitations; there is no legal restriction of the working day, the conditions of labor are unbearably burdensome and are accompanied by inhuman treatment on the part of the employers and overseers. Matters are no better with the peasant youth. It is not surprising therefore that the worker-peasant youth is taking an active part in all the revolutionary movements of the colonial countries. From this youth was derived a great part of the revolutionary organizations and peasant armies in China, the partisan troops of Korea, which have carried on the struggle against Japanese colonizers, as well as the participants in the heroic risings in Indonesia, etc.

An immediate fundamental task of the Young Communist International in the colonies is the creation of revolutionary mass organizations of the proletarian youth under Communist leadership, i. e., mass Young Communist Leagues. In this connection the training of genuinely Communist leading cadres of the youth movement is just as important as securing a mass character and basic proletarian composition for the Communist youth organizations. Together with the working youth, it is desirable to attract the best and most devoted revolutionary elements taking part in the peasant youth movement in order to strengthen the proletarian elements in the leading organs of the Young Communist League. A mass recruitment of the youth from nonproletarian strata into the Young Communist Leagues is only permissible to the degree that there is guaranteed in the latter an overwhelming proletarian composition and firm Communist leadership.

While taking part in all struggles of the Communist Party, the Communist youth organization must avoid both efforts to place itself in the place of the party as regards leadership of the working class (the so-called "vanguard" tendency) as also the peculiar liquidatory tendencies expressed in the denial of the necessity for a young Communist movement and in the reduction of the significance of the Communist youth organization to the role of student or other general indefinite youth organizations.

The YCL's of the colonies, with the object of winning over the wide masses of the youth taking part in the workers', peasants', and revolutionary movements, and of liberating them from the influence of national-reformism and pseudo-revolutionary tendencies, must also make use of a system of auxiliary, in relation to the YCL, legal organ-

izations, building them on the basis of a revolutionary program and securing the leadership for the Communist Party and YCL.

The YCL must work in the already existing organizations in such a fashion as to draw them into revolutionary activity and to win influence and leadership within them. While utilizing all these organizations and drawing the working masses of the young workers into the revolutionary struggle, the YCL organizations must not lose their independence or diminish their immediate work. The loss of their Communist youth character and the consequent possible loss of their leadership over the revolutionary youth movement represents a great danger to be faced. Consequently, while utilizing, developing and working in auxiliary organizations, the YCL must strengthen its own immediate work, coming out openly before the masses of working youth and attracting the best elements of the mass organizations into the ranks of the YCL.

These organizations include the youth sections of the trade-unions and peasant unions, associations of working youth, antimilitarist unions, sport associations, local unions of students, etc.

The Sixth Congress of the Communist International makes it obligatory for all Communist parties in the colonies to render all possible assistance in the creation and development of the Communist youth movement, and to struggle against any deviations or backward views in the working class and trade-unions which express themselves in ignoring the interests of the working youth and in disinclination to participate in the struggle for the demand for improvement of the conditions of the exploited young workers.

32. The exploitation of the labor of women and children in the colonial countries takes on especially wide dimensions and barbarous forms. The most miserable starvation wages, an unbearably long working day, the purchasing in some regions of women and children for work under slave conditions in plantations, etc., prisonlike life in working-class dwellings, barbarous and inconsiderate treatment—such are the conditions of labor of these sections. At the same time, there is carried on a widespread reactionary work among the proletarian women on the part of the bourgeoisie, missionaries, etc., who have at their disposal considerable monetary resources. But the women workers of the colonies, driven to desperation, are gradually awakening to class consciousness, are entering upon the revolutionary path, and decisively and boldly joining the ranks of the struggling colonial proletariat. This was evident, above all, in the self-sacrificing participation of the Chinese workingwomen in the events of the revolution (mass strikes of women workers, individual acts of heroism of women workers, the entrance of peasant women into the ranks of guerrilla fighters).

The Communist Parties of the colonies and semicolonies must pay great attention to work among these strata, particularly in enterprises where women's labor predominates, systematically attracting the women into trade-union organization and winning over the best of them for the Communist Party. In struggling against the influence of hostile organizations, the party must use all the resources of oral, written, legal, and illegal agitation and propaganda at its disposal in order to win over the workingwomen.

Alongside of these general tasks, the Communist Parties in the various colonies have a series of special tasks, resulting from the particular social-economic structure and political situation in each country. In proposing to the particular Communist Parties concerned the working out of the whole complex of these tasks in their concrete plans of action, the Congress indicates below some of the most important of these immediate tasks.

33. In China, the future growth of the revolution will place before the party as an immediate practical task the preparation for and carrying through of armed insurrection as the sole path to the completion of the bourgeois-democratic revolution and to the overthrow of the power of the imperialists, landlords, and national bourgeoisie—the power of the Kuomintang.

Under existing circumstances, characterized fundamentally by the absence of a revolutionary impulse among the wide masses of the Chinese people, the general line of the party must be the struggle for the masses. The carrying through of this line under the conditions of the strengthening of the anti-imperialist movement of a certain revival of the strike struggle and of the continuing peasant activity, demands from the party the exertion of all its strength for gathering, consolidating, and uniting the proletariat around the basic slogans of the party, an immense organizational work for the strengthening of the revolutionary trade-union and peasant associations, maximum attention to the conduct of the everyday economic and political work among the masses of the proletariat and peasantry, and intense activity in explaining to the proletariat the experience of the preceding period of the revolution. At the same time, the party must explain to the masses the impossibility of a radical improvement in their position, the impossibility of the overthrow of imperialist domination and solution of the tasks of the agrarian revolution, without the overthrow from power of the Kuomintang and militarists and the creation of the rule of Soviets.

The party must utilize every conflict, however insignificant, between the workers and the capitalists in the factories, between the peasants and landlords in the villages, between the soldiers and officers in the army, deepening and sharpening these class clashes in order to mobilize the widest masses of workers and peasants and to win them over to its side. The party must utilize all occurrences of violence on the part of international imperialism against the Chinese people, which at the present time take the form of a military seizure of different regions, as well as all the bloody expoits of infuriated reaction, in order to widen the popular protest of the masses against the ruling classes.

The success of this struggle for the masses will be determined to a considerable degree by the extent of the success achieved in applying tactics based on a correct estimate of the situation, and in outliving the mistakes and tendencies of an extreme left character (putchism, military adventurism, individual terror, etc.), which have occurred in the party, as well as those of an opportunist character such as found their expression in the demands for summoning a national assembly and for the revival of the Kuomintang mass movement. Simultaneously, the party must conquer every tendency in the direction of replacing methods of convincing and educating the masses by methods of compulsion and commandment, which in the present conditions of cruel class terror, serve to enhance the danger of an isolation of the party from the toiling masses.

In the sphere of internal party work, the party must strive to reestablish the nuclei and local party committees which have been destroyed by the reaction, to improve the social composition of the party and, in so doing, to concentrate especial attention on the creation of party nuclei in the most important branches of production in the big factories, workshops, and railway shops. The Communist Party of China must devote most serious attention to regulating the social composition of the village organizations, so that these organizations shall be recruited basically from the proletarian, semiproletarian, and the poorest elements of the villages. The putting into effect of the principles of democratic centralism; the guaranteeing, as far as illegal conditions of work permit it, of inner party democracy; transition to collective discussion and decision of questions; and, along with this struggle against ultrademocratic tendencies in certain organizations, leading to breach of party discipline, to the growth of irresponsibility, and to the destruction of the authority of the leading party centers.

The necessary strengthening of the work in the theoretical training of the membership of the party, in the raising of their political level; the establishment of systematic propaganda of Marxism and Leninism, the investigation of the experience and lessons of the preceding stages of the Chinese revolution—the Wuhan period, the Canton insurrection, and so forth. In relation to third parties (Tan Ping-san, Wang Tsin-wei), representing a weapon of the bourgeois-landlord counter revolution, the task of the Chinese Communist Party consits in a decisive struggle against them, and in the exposure, on the basis of the practical anti-imperialist and mass movement, of the national-reformist activity of these parties as agencies of the ruling classes.

The fundamental slogans, through which the party must seek to win over the masses, are the following:

(1) Overthrow of imperialist domination.

(2) Confiscation of foreign enterprises and banks.

(3) Unity of the country, with recognition of the right of each nationality to self-determination.

(4) Overthrow of the power of the militarists and the Kuomintang.

(5) Establishment of the power of Soviets of workers', peasants', and soldiers' representatives.

(6) The 8-hour working day, increase of wages, assistance to the unemployed and social insurance.

(7) Confiscation of all lands of big landlords, land for the peasants and soldiers.

(8) The abolition of all governmental, militarist and local taxes and levies; a single progressively graduated income tax.

(9) Alliance with the U. S. S. R. and the world proletarian movement.

34. The basic tasks of the Indian Communists consist in struggle against British imperialism for the emancipation of the country, for destruction of all relics of feudalism, for the agrarian revolution and for establishment of the dictatorship of the proletariat and peasantry in the form of a Soviet republic. These tasks can be successfully carried out only when there will be created a powerful Communist Party which will be able to place itself at the head of the wide masses of the working class, peasantry and all the toilers, and to lead them in the armed insurrection against the feudal-imperialist bloc.

The strike movement of the Indian proletariat now taking place, its independence from bourgeois nationalism, the all-Indian character of this movement, its distribution over almost all branches of industry, the frequence and protracted character of the strikes, the stubbornness and great resoluteness with which the workers have carried them on, the coming forward of leaders of the strikes from the midst of the workers themselves—all these things denote a turning point in the history of the struggle of the Indian proletariat, and prove that in India the preconditions have matured which are essential for the creation of a mass Communist Party.

The union of all Communist groups and individual Communists scattered throughout the country into a single, illegal, independent, and centralized party represents the first task of Indian Communists. While rejecting the principle of the building of the party on a two-class basis, the Communist must utilize the connections of the existing workers' and peasants' parties with the toiling masses for strengthening their own party, bearing in mind that the hegemony of the

proletariat cannot be realized without the existence of a consolidated, steadfast Communist Party armed with the theory of Marxism.

The agitational work of the Communist Party must be bound up with the struggle for the immediate demands of the workers, at the same time explaining to them the general aims which the Communist Party sets out to achieve and the methods which it applies for their realization. It is essential to establish nuclei in the various industrial and other enterprises, and these must take an active part in the labor movement, in the organization and conduct of strikes and political demonstrations. The Communist organizations must from the very beginning devote special attention to the training of leading party cadres from the ranks of the workers.

In the trade-unions, the Indian Communists must mercilessly expose the national-reformist leaders and carry on a decisive struggle for the conversion of the trade-unions into genuine class organizations of the proletariat and for the replacement of the present reformist leadership by consistent revolutionary representatives from the mass of the workers. It is especially necessary to expose the method so much favored by Indian reformists of deciding conflicts by means of petition to the representatives of British imperialism, as well as to impartial courts for arbitration between workers and employers. In this struggle, it is necessary to push forward the demands for trade-union democracy, for putting the trade-union apparatus into the hands of the workers, etc. The levers for party work in the trade-unions must be the Communist fractions as well as groups founded by the Communists and sympathizing with them. It is necessary to utilize the present strike wave in order to organize the unorganized workers. The miners and engineering workers. the coolies working on the plantations and agricultural laborers in general represent the least organized sections of the Indian proletariat and the Communists need to devote the necessary attention to them.

The Communists must unmask the national reformism of the Indian National Congress and oppose all the phrases of the Swarajists, Gandhists, etc., about passive resistance, by the irreconcilable slogan of armed struggle for the emancipation of the country and the expulsion of the imperialists.

In relation to the peasantry and peasant organizations the Indian Communists are faced above all with the task of acquainting the widest strata of the peasantry with the general demands of the party in the agrarian question, for which purpose the party must work out an agrarian program of action. Through workers connected with the village, as well as directly, the Communists must stimulate the struggle of the peasantry for partial demands, and in the process of struggle organize peasant unions. It is essential to pay particular attention to make sure that the newly created peasant organizations do not fall under the influence of exploiting strata in the village. It is necessary to give to the existing peasant organizations a concise program of concrete demands and to support the activities of the peasants through demonstrations of workers in the towns.

It must be remembered that under no circumstances can the Communists relinquish their right to open criticism of the opportunist and reformist tactics of the leadership of those mass organizations in which they work.

35. In Indonesia the suppression of the rising of 1926, the arrest and exile of thousands of members of the Communist Party, greatly disorganized its ranks. The need for rebuilding the destroyed party organization demands from the party new methods of work, corresponding to the illegal conditions created by the police regime of Dutch imperialism. The transference of the center of gravity of all activity of the party to the places where the town and village proletariat is aggregated—to the factories and plantations; the restoration of the dissolved trade-unions and the struggle for their legalization; special attention to the partial practical demands of the peasantry; the development and strengthening of the peasant organizations; work within all the mass nationalist organizations, in which the Communist Party must establish fractions and rally round it national-revolutionary elements; decisive struggle against the Dutch-Social Democrats who, utilizing the support of the Government, are attempting to secure a base for themselves in the native proletariat; winning over the numerous Chinese workers for the class struggle and national-revolutionary struggle and the establishment of connections with the Communist movements in China and India—these are some of the most important tasks of the Indonesian Communist Party.

36. In Korea, the Communists must strengthen their work in the ranks of the proletariat, and in their efforts for a general increase of activity and strengthening of the workers' organizations and peasant federations, they must attempt to secure the reorganization of the trade-unions so that they include the most important strata of the working class and combine economic struggle with political demands. At the same time they must associate in the closest possible fashion the demands for the national emancipation of the country with the slogan of the agrarian revolution, which is acquiring ever-more pressing importance in consequence of the growing pauperization of the peasantry under the plundering colonial regime.

In the ranks of the toiling masses, from which are derived the big religious-national unions (Chun-Dokyo, etc.) it is necessary to carry on a patient, revolutionary educational work in order to liberate them from the influence of the national-reformist leaders. The Communist movement must be strengthened in all existing revolutionary mass organizations; instead of attempting to create a general national-revolutionary party, on the basis of individual membership, endeavors must be made to coordinate and unite the activities of the different national-revolutionary organizations with the aid of local committees of action, so as to create, in fact, a bloc of revolutionary elements, criticizing in so doing the half-heartedness and vacillations of the petty bourgeois nationalists and continually unmasking them before the masses. New forces must be drawn into the Communist Party, above all from among the industrial workers; this will be the best guaranty for the Bolshevik development of the party, and especially it will facilitate the absolutely necessary liquidation of the harmful spirit of fractionalism in its ranks.

37. In Egypt, the Communist Party will be able to play an important role in the national movement, but only if it bases itself on the organized proletariat. The organization of trade-unions among the Egyptian workers, the strengthening of the class struggle, and leadership in the class struggle are, consequently, the first and most important tasks of the Communist Party. The greatest danger to the trade-union movement in Egypt at the present time lies in the bourgeois nationalists getting control of the workers' trade-unions. Without a decisive struggle against their influence, a genuine class organization of the workers is impossible. One of the essential defects of the Egyptian Communists in the past has been that they have worked exclusively among the urban workers. A correct setting out of the agrarian question, the gradual drawing into the revolutionary struggle of the wide masses of agricultural workers and peasants, and the organization of these masses, constitutes one of the most important tasks for the party Special attention needs to be devoted to the building up of the party itself, which is still very weak.

38. In the French colonies of North Africa, the Communists must carry on work in all the already existing national-revolutionary mass organizations in order to unite through them the genuine revolutionary elements on a consistent and clear platform of a fighting bloc of workers and peasants. As far as the organization "Etoile Nord Africain" is concerned, the Communists must secure that it develops, not in the form of a party, but in the form of a fighting bloc of various revolutionary organizations, collectively associating with it as a whole the trade-unions of industrial and agricultural workers, peasant unions, etc. in so doing, it is necessary to guarantee the leading role of the revolutionary proletariat, and for this purpose it is necessary, above all, to develop the trade-union movement as the most important organizational mass basis for Communist influence. The achievement of an ever-closer cooperation of the revolutionary sections of the white proletariat with the native working class must be our constant task.

In the agrarian question, it is necessary to be able to direct the growing hatred of the village population, evoked by the policy of expropriation conducted by French imperialism, into the channels of useful organized struggle (improved organization of strikes of agricultural workers, strengthening of unions of agricultural workers in Algiers, etc.).

The Communist organization in each individual country must attract into its ranks in the first place native workers, fighting against any negligent attitude towards them. The Communist Parties, actively basing themselves on the native proletariat, must formally and in fact become independent sections of the Communist International.

39. In connection with the colonial question, the Sixth Congress draws the special attention of the Communist Parties to the Negro question. The position of the Negroes varies in different countries and accordingly requires concrete investigation and analysis. The territories, in which compact Negro masses are to be found, can be divided according to their general features into the following groups:

(1) The United States and some South American countries, in which the compact Negro masses constitute a minority in relation to the white population.

(2) The Union of South Africa, where the Negroes are the majority in relation to the white colonists.

(3) The Negro states which are actually colonies or semicolonies of imperialism (Liberia, Haiti, San-Domingo).

(4) The whole of Central Africa divided into the colonies and mandated territories of various imperialist powers (Great Britain, France, Portugal, etc.). The tasks of the Communist Parties have to be defined in their dependence on the concrete situation.

In the United States are to be found 12,000,000 Negroes. The majority of them are tenants, paying in kind and living under semifeudal and semislave conditions. The position of these Negro tenant farmers is exactly the same as that of agricultural laborers, being only formally distinguishable from the slavery that the Constitution is supposed to have abolished. The white landowner, uniting in one person landlord, merchant and usurer, employs the lynching of Negroes, segregation, and other methods of American bourgeois democracy, reproducing the worst forms of exploitation of the slavery period.

Owing to the industrialization of the South, a Negro proletariat is coming into existence. At the same time, the emigration of Negroes to the North continues at an ever-

increasing rate, where the huge majority of Negroes become unskilled laborers. The growth of the Negro proletariat is the most important phenomenon of recent years. At the same time there is arising in the Negro quarters—the Negro gallant, a petty bourgeoisie, from which is derived a stratum of intellectuals and a thin stratum of bourgeoisie, the latter acting as the agent of imperialism.

One of the most important tasks of the Communist Party consists in the struggle for a complete and real equality of the Negroes, for the abolition of all kinds of social and political inequalities. It is the duty of the Communist Party to carry on the most energetic struggle against any exhibition of white chauvinism, to organize active resistance to lynching, to strengthen its work among Negro proletarians, to draw into its ranks the most conscious elements of the Negro workers, to fight for the acceptance of Negro workers in all organizations of white workers, and especially in the trade-unions (which does not exclude, if necessary, their organization into separate trade-unions), to organize the masses of peasants and agricultural workers in the South, to carry on work among the petty bourgeois Negro masses, to enlighten them regarding the utopian, reactionary character of petty bourgeois tendencies such as Harveyism and to carry on a struggle against the influence of such tendencies in the working class and peasantry.

In those regions of the South in which compact Negro masses are living it is essential to put forward the slogan of the "Right of self-determination for Negroes." A radical transformation of the agrarian structure of the Southern States is one of the basic tasks of the revolution. Negro Communists must explain to non-Negro workers and peasants that only their close union with the white proletariat and joint struggle with them against the American bourgeoisie can lead to their liberation from barbarous exploitation, and that only the victorious proletarian revolution will completely and permanently solve the agrarian and national question of the Southern United States in the interests of the overwhelming majority of the Negro population of the country.

In the Union of South Africa the Negro masses, which constitute the majority of the population, are being expropriated from the land by the white colonists and by the state, are deprived of political rights and of the right of freedom of movement, are subjected to most brutal forms of racial and class oppression, and suffer simultaneously from precapitalist and capitalist methods of exploitation and oppression.

The Communist Party, which has already achieved definite successes among the Negro proletariat, has the duty of continuing still more energetically the struggle for complete equality of rights for the Negroes, for the abolition of all special regulations and laws directed against Negroes, and for confiscation of the land of the landlords. In drawing into its organization non-Negro workers, organizing them in trade-unions, and in carrying on a struggle for the acceptance of Negroes by the trade-unions of white workers, the Communist Party has the obligation to struggle by all methods against every racial prejudice in the ranks of the white workers and to eradicate entirely such prejudices from its own ranks. The party must determinedly and consistently put forward the slogan for the creation of an independent native republic, with simultaneous guaranties for the rights of the white minority, and struggle in deeds for its realization.

In proportion as the development of capitalist relationships disintegrates the tribal structure, the party must strengthen its work in the education in class consciousness of the exploited strata of the Negro population, and cooperate in their liberation from the influence of the exploiting tribal strata, which become more and more agents of imperialism.

In the central African colonies of imperialism, colonial exploitation takes on the very worst forms, uniting slave-owning, feudal and capitalist methods of exploitation. In the postwar period, capital from the imperialist metropolitan countries has flowed in an ever-growing stream to the African colonies, compelling the concentration of considerable masses of the expropriated and proletarianized population in plantations, mining and other enterprises. The Congress makes it a duty of the Communist parties in the metropolitan countries to put an end to the indifference which they have exhibited in regard to the mass movements in these colonies, and instead to afford energetic support both in the imperialist centers and in the colonies themselves to these movements, at the same time attentively studying the situation in these countries for the purpose of exposing the bloody exploits of imperialism and of creating the possibility of organizational connections, with the developing proletarian elements there which are so mercilessly exploited by imperialism.

40. In Latin America, the Communists must everywhere actively participate in the revolutionary mass movements directed against the landlord regime and against imperialism, even where these movements are still under the leadership of the petty bourgeoisie. In so doing, however, the Communists may not under any circumstances politically subordinate themselves to their temporary ally. While struggling for the hegemony during the revolutionary movements, the Communist Parties must strive in the first place, for the political and organizational independence of their parties, securing its transformation into the leading party of the proletariat. In their agitation, the Communists must especially emphasize the following slogans:

(1) Expropriation without compensation and the handing over of a part of the big plantations and latifundia to the collective cultivation of the agricultural workers, and the distribution of the other portion between the peasants, tenant farmers, and colonists.

(2) Confiscation of foreign enterprises (mines, industrial enterprises, banks, etc.), and of the big enterprises of the national bourgeoisie and big landlords.

(3) The repudiation of State debts, and the liquidation of any kind of control over the country on the part of imperialism.

(4) The introduction of the 8-hour working day and the stamping out of semislavelike conditions of labor.

(5) The arming of the workers and peasants and the conversion of the army into a workers' and peasants' militia.

(6) The establishment of the Soviet power of the workers, peasants, and soldiers, in place of the class rule of the big landlords and of the church. The central place in Communist agitation must be occupied by the slogan of a workers' and peasants' government, in contradistinction to the so-called revolutionary governments of the military dictatorship of the petty bourgeoisie.

The fundamental prerequisite for the success of the whole revolutionary movement in these countries lies in the ideological and organizational strengthening of the Communist Parties and in their connection with the toiling masses and with the mass organizations. The Communist Parties must unceasingly strive for the organization of the industrial workers into class trade-unions, especially the workers in big enterprises owned by imperialism, for the raising of the level of their political and class consciousness and for the eradication of reformist, anarchosyndicalist and corporate ideology. At the same time it is necessary to organize the peasants, tenant farmers and cultivators, into peasant unions.

It is necessary to assist the extension of sections of the League Against Imperialism, in which Communist factions must carry on work. Very important is the closest possible mutual cooperation between all the revolutionary mass organizations of workers and peasants, and primarily of the Communist Parties, in the countries of Latin America and their connection with the corresponding international organizations and also with the revolutionary proletariat in the United States.

41. The immediate tasks of the Communist Parties of the imperialist countries in the colonial question bear a threefold character. In the first place, the establishment of regular connections between the Communist Parties and the revolutionary trade-union organizations of the imperialist centers, on the one hand, and the corresponding revolutionary organizations of the colonies, on the other hand. The connections hitherto established between the Communist Parties of the imperialist centers and the revolutionary organizations of the corresponding colonial countries, with the exception of a few cases, cannot be regarded as adequate. This fact can only in part be explained by objective difficulties. It is necessary to recognize that so far not all the parties in the Communist International have fully understood the decisive significance of the establishment of sure, regular, and constant relations with the revolutionary movements in the colonies for the purpose of affording these movements active support and immediate practical help. Only insofar as the Communist Parties of the imperialist countries render in fact practical assistance to the revolutionary movement in the colonies, insofar as their help actually facilitates the struggle of the corresponding colonial countries against imperialism, can their position in the colonial question be recognized as a genuinely Bolshevik one. In this lies the criterion of the revolutionary activity in general.

The second series of tasks consists in genuine support of the struggle of the colonial peoples against imperialism through the organization of mass demonstrations and other effective activities of the proletariat. In this sphere the activity of the Communist Parties of the big capitalist countries has also been insufficient. The preparation and organization of such demonstrations of solidarity must undoubtedly become one of the basic elements of Communist agitation among the mass of the workers of the capitalist countries. The Communists must expose the true predatory character of the capitalist colonial regime through all the agitational means at its disposal (press, public demonstrations, parliamentary platform); they must mercilessly tear apart the network of lies with the help of which the colonial system is represented as an affair of civilization and general progress. A special task in this sphere is the struggle against missionary organizations, which act as one of the most effective levers for imperialist expansion and for enslavement of the colonial peoples.

The Communists must mobilize the broad masses of workers and peasants in the capitalist countries on the basis of the demand for granting, unconditionally and without reservation, complete state independence and sovereignty to the colonial peoples. The fight against the bloody suppression of colonial risings, against armed intervention of the imperialists, against the national revolutions, against the growth of the military aggressiveness of imperialism, against fresh military conquests, demands from the international proletariat systematic, organized, and self-sacrificing struggle. It is necessary to take into account the lessons to be drawn from the fact that not a single section of the Communist International in the capitalist countries has succeeded to an

adequate degree in mobilizing the masses for active support of the Chinese revolution against the unceasing attacks of world imperialism. The preparations for world war, the attacks of the imperialists against the peoples of their colonies, with a view to their pacification, places the task of active support for the colonial revolution in the center of attention and struggle for the proletariat of the capitalist countries.

While striving for the immediate recall of the armed forces of imperialism from the oppressed countries, the Communist parties must work unceasingly for the organization of mass actions in order to prevent the transport of troops and munitions to the colonies. Systematic agitational and organizational work among the troops for fraternization with the rebellious masses in the colonies must be a preparation for the coming over of the occupational armies to the side of the workers' and peasants' revolution and to the side of the armed forces of the latter.

The struggle against the colonial policy of social democracy must be looked upon by the Communist party as an organic constituent part of its struggle against imperialism. The Second International, by the position it adopted on the colonial question at its last congress in Brussels, has finally given sanction to what was already the practical activity of the different socialist parties of the imperialist countries during the postwar years. The colonial policy of social democracy is a policy of active support of imperialism in the exploitation and oppression of the colonial peoples. It has officially adopted the point of view which lies at the basis of the organization of the League of Nations, according to which the ruling classes of the developed capitalist countries have the right to rule over the majority of the peoples of the globe and to subject these peoples to a cruel regime of exploitation and enslavement.

In order to deceive a portion of the working class and to secure its cooperation in the maintenance of the colonial regime of plunder, social democracy, in the most shameful and repulsive manner, defends the exploits of imperialism in the colonies. It conceals the real content of the capitalist-colonial system, it willfully ignores the connection between colonial policy and the danger of a new imperialist war which is threatening the proletariat and toiling masses of the whole world. Wherever the indignation of the colonial peoples finds vent in the emancipatory struggle against imperialism, social democracy, notwithstanding its lying phrases, in practice, always stands on the side of the imperialist executioners of the revolution. During the last few years, the Socialist parties of all the capitalist countries have been voting for the credits which the governments of these countries demand for the carrying on of war against the colonial peoples struggling for their freedom (Morocco, Syria, Indonesia), they themselves take a direct part in the business of colonial exploitation (French Socialists act as governors in the colonies by appointment of imperialist Governments, the Socialist cooperatives of Belgium participate in colonial enterprises for the exploitation of the Negro population of the Congo), and they approve of the most cruel measures for the suppression of colonial uprisings (defense by the leaders of the British Labor Party of intervention in China, the activity of the Dutch Socialist party in defense of the suppression of the insurrection in Indonesia). The social democratic theory, alleging that the capitalist-colonial regime can be reformed and converted into a good colonial regime, is a mask behind which the Social Democrats attempt to conceal their true social-imperialist character. The Communists must tear this mask from them and demonstrate to the toiling masses of the imperialist countries that the Socialist parties are the collaborators and direct accomplices of imperialist colonial policy, that they have in this sphere betrayed in the most flagrant fashion their own Socialist program and that they have become an agency of imperialist plunder in the imperialist countries and in the colonies.

The Communists must pay the greatest attention to the attempt of the Social Democrats, made with the aid of the capitalist governments, to extend their influence in the colonies and to establish there their own sections and organizations. These attempts correspond to the policy of that portion of the imperialist colonizers which makes it its aim to reinforce its positions in the colonies by the buying up of definite strata of the native population. The specific conditions obtaining in some colonies may lend a certain success to these attempts and lead to the temporary development of a reformist movement in these countries under the influence of the social democracy of the capitalist countries.

The task of the Communists must be to wage a decisive struggle against such attempts, to expose the colonial policy of the socialists before the native masses and in this way to direct against the social democratic leaders—servants of imperialism—the same well-deserved hatred which the oppressed colonial peoples bear against the imperialists.

In all these spheres, the Communist parties of the capitalist countries can only achieve success if they also carry on an intensive propaganda in their own ranks in order to explain the Communist attitude to the colonial question, in order to eradicate completely every vestige of social democratic ideology in this question and to resist any possible deviation from the correct Leninist line.

Mr. KNOWLAND. Mr. President, I also ask to have printed in the RECORD at this point in my remarks a copy of the Constitution of the Chinese Communist Party, adopted by the Seventh National Party Congress, Yenan, June 11, 1945.

There being no objection, the constitution of the Chinese Communist Party was ordered to be printed in the RECORD, as follows:

CONSTITUTION OF THE CHINESE COMMUNIST PARTY—ADOPTED BY THE SEVENTH NATIONAL PARTY CONGRESS, YENAN, JUNE 11, 1945

(Translated under the supervision of and edited by H. Arthur Steiner, professor of political science, University of California at Los Angeles)

INTRODUCTORY NOTE

This translation of the Constitution of the Chinese Communist Party, in the revised form in which it was adopted by the Seventh National Congress of the party in Yenan (Shensi Province) on June 11, 1945, is based on the Chinese text given in Lieu Shao-ch'i's Report on the Revision of the Party Constitution [in Chinese], third edition, Hong Kong, 1948. Liu Shao-ch'i, a leading member of the central committee of the Chinese Communist Party, and vice chairman of its central political bureau, was the party official chiefly responsible for preparing and justifying the revision.

Most of the geographic terms employed are those used in customary Chinese public practice, except for region, that is, regional area, a term which relates to the structure of the so-called liberated areas, which may be constituted in such a way as to have jurisdiction over portions of two or more adjoining provinces: for example, the Shensi-Kansu-Ninghsia border area, or the Hunan-Shensi-Hupeh liberated area. The boundaries of these regions constantly shift, particularly in proximity to combat areas; they are frequently redivided or amalgamated according to the situation. In party practice, the region is the analog of the province.

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H. A. S.

LOS ANGELES, CALIF., *June 27, 1949.*

GENERAL INTRODUCTION

The Chinese Communist Party is the organized vanguard of the Chinese working class, the highest form of its class organization. Standing for the interests of the Chinese nation and people, its task in the present stage is to struggle for the realization of new democracy in China. Its ultimate aim is the realization of communism in China.

The Chinese Communist Party is based on the principles of Marxism-Leninism and the combined principles derived from the practical experience of the Chinese revolution—the ideas of Mao Tse-tung—as the guiding principles of all its work; it denounces any tendencies toward formalism and empiricism. The Chinese Communist Party is based on the dialetical and historical materialism of Marx, accepting with a critical attitude its historical heritage both in China and in other countries, and denouncing any idealistically or mechanisitic materialistic conception of the world.

Because present Chinese society, except in the new democratic liberated areas, remains semicolonial and semifeudal; because the dynamic forces of the Chinese revolution are the working class, the peasant class, the petty bourgeoisie and other democratic elements; because a powerful Chinese Communist Party is already in existence; and because of present international conditions, the Chinese revolution in the present stage must take the form of a new bourgeois-democratic revolution—that is, an anti-imperialist, antifeudal, new democratic revolution of the masses under the leadership of the proletariat. This revolution has extensive allies at home and abroad. Therefore, the tasks of the Chinese Communist Party in the present stage are: internally, to organize and unify Chinese workers, peasants, petty bourgeoisie, intelligentsia, and all anti-imperialist and antifeudal elements and national minorities on its side; and, externally, to unite with the world proletariat, with all oppressed peoples, and with all those nations which treat us with equality—to emancipate the Chinese nation from foreign imperialist aggression, to liquidate the feudal oppression of the masses, to establish an independent, free, democratic, united, and prosperous and strong new democratic federated republic based on the union of all revolutionary classes and national liberal allies, and to struggle for the realization of world peace and progress.

In the future stage of the Chinese revolution, after the complete victory of the national democratic revolution, the task of the Chinese Communist Party will be to struggle, by necessary steps according to the requirements of China's social and economic development and the will of her people, for the realization of socialism and communism.

In China, a semicolonial and semifeudal country, with a vast area and a huge population, but not yet a unified country, there is, on the one hand, a heroic and bold revolutionary tradition among the masses of the people, particularly the workers and peasants; but, on the other hand, there are formidable obstacles along the revolutionary road. Because of these conditions, the Chinese revolution is unbalanced, its duration is prolonged, and the character of the revolutionary struggle, which must, for a very long time, find primary expression in armed struggle, is complicated. Before the victory of the revolution in the large cities, it will be preeminently important to consolidate

the villages as a revolutionary base and it will also be necessary for the party to undergo a long period of work among the popular masses. In view of all of the characteristics of the Chinese revolution, the Chinese Communist Party must therefore be very bold, well experienced and always alert to mobilize and organize the great masses to overcome all difficulties and avoid all dangers in its path so it may march toward its goal while continually developing its own strength.

In its revolutionary struggle, the Chinese Communist Party must endeavor to establish itself as the core of all revolutionary mass organizations and of the revolutionary organizations of the nation. It must proceed to carry on a solemn struggle against everything of internal or external origin which threatens to undermine the unity of the working class, the alliance of all revolutionary classes, and other revolutionary tasks.

The Chinese Communist Party cannot tolerate the existence within its ranks of right or left opportunism. It must wage an effective, unhesitant struggle within the party to liquidate opportunists, surrenderists, and adventurists, and must expel from party membership all those who are obstinate in their errors in order to maintain unity among the rank and file.

The Chinese Communist Party should not conceal its own mistakes or the errors committed in its work. It should use the methods of criticism and self-criticism constantly to rectify its own mistakes and errors, and should educate its own party members and staff to correct their own mistakes speedily. It objects to false pride, to being afraid to acknowledge its own mistakes, and to fear of criticism and self-criticism.

Chinese Communist Party members must, with whole-hearted spirit and will, serve the Chinese people in close cooperation with the masses of workers, peasants, and other revolutionary elements, and must constantly enlarge and intensify this cooperation. Every party member must realize the harmony of interests between the masses and the party and the necessity of being responsible to the party and the people, must listen carefully to the voice of the people to understand their pressing demands, and must help them become organized to struggle for their attainment. With revolutionary spirit, every party member must be determined to learn from the masses, while at the same time tirelessly educating them and developing their mass consciousness. The Chinese Communist Party must constantly guard against the danger of being separated from the masses and must prevent and liquidate within its rank and file such incorrect tendencies as "tailism," dictation, isolationism, bureaucracy, militarism, and any other cause of its separation from the masses.

The Chinese Communist Party is a unified, combat organization built on the principle of democratic centralism and based on the self-consciousness of its members. All party members must observe its discipline. The strength of the Chinese Communist Party rests on its solid organization, unified will, and integral action. The party cannot tolerate any internal action which deviates from its program and constitution or is detrimental to discipline; it cannot tolerate any demand for autonomy within the party, factionalism, or equivocal lip-service which pretends to obey the party while opposing it in practice. The Chinese Communist Party must constantly purge from its ranks those who violate the program, constitution, and discipline of party membership, if they are incorrigible in their mistakes.

The Chinese Communist Party demands that every party member carry on his work positively, in the spirit of self-sacrifice, so that its program and measures for the complete liberation of the Chinese Nation and the Chinese people will be realized.

Chapter I. Membership

Article 1. Those who accept the program and constitution of the Chinese Communist Party, participate in the activities of its organizations, comply with its regulations, and pay membership fees may become members of the Chinese Communist Party.

Article 2. Members of the party shall perform the following duties:

(a) Endeavor to raise the degree of their consciousness and study Marxism-Leninism and the basic ideas of Mao Tse-tung.

(b) Observe party discipline strictly, participate positively in the political life of the party and in domestic revolutionary movements, carry out resolutely the party's policies and the decisions of party organs, and struggle to overcome all internal and external obstacles detrimental to the interests of the party.

(c) Serve the masses, attain unity between the party and the masses, respond speedily to the needs of the masses, and explain the policies of the party to the people.

(d) Observe exemplarily the disciplines of the revolutionary government and revolutionary organizations, be proficient in their own affairs, and set examples for the people in all revolutionary undertakings.

Article 3. Members of the party shall enjoy the following rights and privileges:

(a) Participation in free and practical discussions on the enforcement of the policies of the party, either in party meetings or in party publications.

(b) The right to vote and hold office within the party.

(c) Submission of suggestions or proposals to any organ of the party, from the lowest to the highest.

(d) Criticism of the work of any member at party meetings.

Article 4. Persons below 18 are not eligible for party membership.

All persons seeking admission into the party shall comply with the admission procedures set forth in the following sections:

(a) Applications for membership by workers, coolies, farm laborers, poor peasants, urban paupers, and revolutionary soldiers shall require the recommendation of two regular party members. The application shall be discussed and decided upon at a meeting of the party cell and be referred to the district party committee, or corresponding committee, for approval. New members shall undergo a probationary period of 6 months before they become regular members.

(b) Applications for membership by middle peasants, salaried employees, intellectual elements, and free professionals shall require the recommendation of two regular party members, one of whom must be a regular member of 1 year's standing. After the decision of the party cell meeting, the application shall be referred to the district party committee, or corresponding committee, for approval. The probationary period for such new members shall be 1 year.

In areas where the revolution has only recently been developed, the central committee or its representative organ, or the provincial party organization or regional party committee, may establish temporary regulations with regard to the qualifications of sponsors and the probationary period of new members as provided in this and the preceding section.

(c) Applications for membership by persons who have any other social background than provided for in the two preceding sections shall require the recommendation of two regular party members, one of whom must be a regular member of 3 years' standing. The application shall be discussed and decided upon at a party cell meeting and approved by the county party committee, municipal party committee, or other committee corresponding to the county party committee. The probationary period for such members shall be 2 years.

(d) Applications for membership by persons who have withdrawn from another party in which they were ordinary members shall require the recommendation of two regular party members, one of whom must be a member of 3 years' standing. The application shall be discussed and decided upon at a party cell meeting and be approved by the county party committee, or its equivalent. If the applicant was a responsible officer of his former party, his application shall require the recommendation of two regular party members, one of whom must be a member of 5 years' standing. The application shall be discussed and decided upon at a party cell meeting and be approved by the provincial party committee, or its equivalent. (If the applicant was an important responsible officer of his former political party, his application requires the approval of the central committee.) The probationary period for such new members shall be 2 years.

Article 5. Under special circumstances, committees of the country or higher level, or their corresponding organizations, shall have authority to decide directly on the membership of individual applicants.

Article 6. The sponsors shall be responsible for representing faithfully to the party the ideology, character, and background of the applicant; and before making their recommendation they shall carefully explain to the applicant the constitution, program, and policies of the party.

Before deciding upon the membership application, the party committee shall designate a working party member to interview the applicant carefully, and no decision shall be made without appropriate investigation.

Article 7. The purpose of the probationary period is to provide preliminary instruction for probationary members and, for the security of the party organization, to observe the political character of such members in the light of their activities.

The duties and rights and privileges of probationary members are similar to those of regular members, except for the right to vote and hold office.

Article 8. The promotion of probationary members to the status of regular members at the termination of the probationary period shall be decided upon at the party cell meeting and approved by the party committee with which the original application was filed, or by the higher party committee, or their corresponding organizations.

The probationary period may be lengthened or shortened by the appropriate party committee.

If observation of the probationary member indicates that he is not qualified to join the party, he may be dismissed.

Article 9. The seniority of a member is determined by the date on which he acquires the status of a regular member.

Article 10. If a regular or probationary member is transferred from one party organization to another, he shall be considered a regular or probationary member of the new organization.

Article 11. Regular or probationary members who wish to withdraw from membership shall make formal application to the party cell, which will be acted upon at a cell meeting and reported to the higher party committee for its records.

Article 12. A regular or probationary member of the party who, without justifiable reason, has failed to participate in the work of the party continuously for a period of 6 months, or to carry out the work assigned him, or to pay membership fees, shall be considered to have voluntarily withdrawn from party membership; the revocation of his membership shall be decided upon at a meeting of the party cell and reported to the higher party committee.

Article 13. The expulsion of regular or probationary members shall take effect after the question has been carefully discussed

and decided upon at the party cell meeting and approved by the higher party committee.

Under special circumstances, party committees higher than the cell may decide upon the expulsion of regular or probationary members, subject to the approval of the next higher committee.

Chapter II. The structure of party organization

Article 14. The party structure is organized on the principle of democratic centralism. The principle of democratic centralism is centralism based upon democracy. Such democracy is expressed through centralized leadership in accordance with the following principles:

(a) The directing organs of all levels of the party shall be established through elections.

(b) The directing organs of all levels of the party shall submit periodic reports to the organizations by which they are elected.

(c) Individual members shall obey the organization of the party; the minority shall obey the majority; lower organizations shall obey higher organizations; all organizations shall uniformly obey the central organization.

(d) Party discipline shall be strictly observed and party decisions shall be enforced unconditionally.

Article 15. Organizations of the party shall be established on the basis of the localities or branches of production to which the members belong.

The organizations which take over-all charge of party activities in certain localities shall be deemed higher than the individual party organizations within the locality.

Article 16. The system of party organization shall be as follows:

(a) On the Chinese national level, there shall be a national congress of party delegates, a central committee, and a national conference of party representatives.

(b) On the provincial, regional, and local levels, respectively, there shall be: Provincial congresses of party delegates, provincial party committees, and provincial conferences of party representatives; regional congresses of party delegates, regional party committees, and regional conferences of party representatives; and local congresses of party delegates, local party committees, and local conferences of party representatives.

(c) On the county level, there shall be county congresses of party delegates, county party committees, and county conferences of party representatives.

(d) On the municipal level, there shall be municipal congresses of party delegates, municipal party committees, and municipal conferences of party representatives.

(e) On the urban or rural district level, there shall be district congresses of party delegates (or district general party meetings), district party committees, and district conferences of party representatives.

(f) In each factory, mine, village, enterprise, street, military unit, public organization, or school, there shall be a general party meeting, a party cell committee, and a conference of party cell representatives.

Article 17. The supreme authority at the various levels of party organization shall be: in the party cell, the general meeting; in districts, counties, municipalities, localities, regions, and provinces, the Congress of Party Delegates; for the whole party, the National Congress of Party Delegates. When these are not in session, the committees elected by them are the supreme authorities at the various levels of party organization.

Article 18. The directing organs at the various levels of the party organization shall be established through election, where possible. If it is impossible, because of environmental or other restrictive conditions, to hold general meetings for direct elections, the directing organs may be elected by the conferences of party representatives, or be appointed by the higher authorities.

Article 19. The election of party committees at the various levels shall be conducted according to nomination lists by secret ballot or open vote. The right of electors to criticize or challenge any of the nominees is guaranteed.

Article 20. Party committees at the various levels may call staff meetings or meetings of active members to transmit and discuss important decisions of higher party organs or to study or prepare for their own work.

Article 21. All members of the party may participate in proceedings and discussions and may freely express their own ideas on any party policy or problem at meetings within the structure of the party organization, but after decisions have been adopted they shall be obeyed and enforced unconditionally.

Article 22. The directing organs at the various levels of party organization shall conduct their activities in accordance with the principle of intraparty democracy so that the revolutionary positiveness and constructiveness of its members may be developed and party discipline strengthened. Party discipline shall be enforced self-consciously rather than mechanistically, so that the directing organs may perform their functions effectively and the system of centralism may be solidly constructed on a democratic basis. But the directing organs of the various levels of party organization, in performing their functions, shall not violate the principle of centralism within the party. Democratic criticism within the party which is legitimate and beneficial for centralized action, shall not be misconstrued as anarchistic deviation (such as autonomy and extreme democracy).

Article 23. To insure that the principle of intraparty democracy shall be enforced in a manner helpful to the undertakings of the party; that there will be no danger of weakening combat morale or solidarity of the party in case of emergency; that there will be no possibility for any conspirator, renegade, or factionalist to utilize the principle of democracy to injure or divide the activities of the party; and that no small minority will be able to take advantage of the unawareness in thinking of the overwhelming majority to attain its private ends, the broad and general consideration, discussion, and examination of party policies on the national or local scale shall be conducted only under the following conditions:

(a) They shall be conducted with sufficient notice and under such objective conditions that there is no sense of strain;

(b) They shall be based on the decisions of the central committee or of local directing organs of the party; and

(c) They shall be conducted only on the proposal of more than one-half of the lower organizations, or on the proposal of the higher authority.

Article 24. Party organizations at the various levels shall insure that all publications under their direction propagate the resolutions and policy decisions of the central or higher organizations.

Article 25. Prior to their determination by the national authorities, local and other party organizations, or their responsible officers, shall discuss questions of a national character only among themselves, or submit their proposals respecting such questions to the central authority. In no case shall they make a public announcement of their views or actions. Local party organizations shall have the right to make decisions concerning questions of a local character, so long as they are not inconsistent with the decisions of the central or higher organizations.

Article 26. The establishment of any new party organization must be approved by its immediately higher authority.

Article 27. To facilitate the operations of local party organizations, the central committee may, according to the requirements of the situation, establish a central bureau or central branch bureau with jurisdiction over several provinces or regions. Such central bureau or central branch bureau is the representative organ of the central committee; it shall be appointed by, and be responsible to, the central committee. These representative organs of the central committee may be dissolved or amalgamated whenever they are found to be no longer necessary.

Article 28. To facilitate the conduct of their routine work, party committees of the various levels may, according to the requirements of the situation, establish different departments or committees for the administration of party affairs, propaganda and education, military and economic matters, or mass movements. Such departments or committees shall perform their respective functions under the direction of the party committees of the various levels.

To perform certain temporary or special functions, party committees of the various levels may establish appropriate temporary working committees or departments.

Chapter III. The central organization of the party

Article 29. The national congress of party delegates shall be convened by the central committee. Ordinarily, it shall meet every 3 years; but under special circumstances the central committee may either postpone it or call it in advance.

The central committee shall call the National Congress of Party Delegates at the request of local party organizations representing one-half of the membership of the party.

The National Congress of Party Delegates, to be constitutional, must be attended by delegates representing one-half of the membership of the party.

The number of delegates to the congress, and the procedure for their election, shall be determined by the central authorities.

Article 30. The National Congress of Party Delegates shall have the following functions:

(a) To hear, deliberate upon, and approve the reports of the central committee or other organs of the central organization;

(b) To adopt or amend the program and constitution of the party;

(c) To determine the basic guiding principles and policies of the party; and,

(d) To elect the central committee.

Article 31. The number of members of the central committee shall be determined, and they shall be elected by, the National Congress of Party Delegates. Vacancies in the central committee shall be filled by reserve members in order of seniority.

Article 32. The central committee shall represent the party in maintaining relations with other political parties or groups, and shall be responsible for establishing all of the organizations of the party, directing their activities, and allocating financial and human resources.

Article 33. Plenary sessions of the central committee shall be convened by the Central Political Bureau every 6 months. The Central Political Bureau may either postpone or call them in advance, as the situation warrants. Reserve members of the Central Committee shall have the right to speak at plenary sessions.

Article 34. The Central Political Bureau, the Central Secretariat, and the chairman of the central committee shall be elected at the plenary sessions of the central committee.

Between plenary sessions of the central committee, the Central Political Bureau shall be the directing organ of the party and shall direct all its work.

The Central Secretariat shall perform the routine functions of the central authorities under the Central Political Bureau.

The chairman of the central committee shall serve concurrently as chairman of the Central Political Bureau and the Central Secretariat.

The central committee, according to the requirements of the party work, shall establish departments of organization, propaganda, and other departments; the military affairs committee, the party publication committee, and other committees; and other working organs to administer the different functions of the central authorities under the direction and supervision of the central political bureau, the central secretariat and the chairman of the central committee.

Article 35. In the intervals between party congresses, the central committee may call national conferences of party representatives from various area party committees for the consideration and determination of current questions of party policy.

Article 36. Members of the national conference of party representatives shall be elected at a meeting of the national committee, which shall consist of the provincial, regional, and other party committees immediately subordinate to the central committee. The number of representatives to the conferences shall be determined by the central authorities.

The quorum of the national conference of party representatives shall consist of representatives of more than one-half of the area party committees.

Article 37. The national conference of party representatives shall have the power to remove regular or reserve members of the central committee who are found to be incapable of performing their duties, and to elect part of the reserve members of the central committee. But the regular or reserve members removed from, and the new reserve members elected to, the central committee by such conference shall not exceed one-fifth the total number of regular and reserve members of the central committee at one time.

Article 38. The resolutions adopted by the National Conference of Party Representatives, and the removal or election of regular or reserve members of the Central Committee by it, shall require the approval of the Central Committee.

After approval by the Central Committee, the resolutions adopted by the National Conference of Party Representatives shall be enforced by all party organs.

Chapter IV. Party organizations in Provinces and regions

Article 39. Provincial or Regional Congresses of Party Delegates and Provincial or Regional Party Committees shall be under the direction of the central authorities or their representative organs.

Article 40. Provincial and Regional Congresses of Party Delegates shall be called every 2 years by the Provincial or Regional Party Committees. Under special circumstances, the Provincial or Regional Party Committees may either postpone or call them in advance. But they must be convened by the Provincial or Regional Party Committees, if more than one-half of the lower party organizations request or on the proposal of the Central Committee or its representative organ.

The number of members of the Provincial or Regional Congresses of Party Delegates, and the procedure for their election, shall be determined by the Provincial or Regional Party Committees, with the approval of the central authorities or their representative organs.

Article 41. Provincial or regional congresses of party delegates shall hear, deliberate upon and approve the reports of the provincial or regional party committees or other party organs of the province or region; they shall deliberate upon and determine the problems and activities of the provincial or regional organizations, and shall elect the provincial or regional party committees and the delegates to the national congress of party delegates.

Article 42. The standing committee, secretary, and deputy-secretary of the provincial or regional party committee shall be elected at the plenary session of the provincial or regional party committee and shall administer its routine affairs. Secretaries and members of the standing committees of provincial and regional party committees must be party members of 5 years' standing and must be approved by the central authorities.

Plenary sessions of the provincial or regional party committees shall be held at least every 6 months.

Article 43. Provincial or regional party committees shall enforce within their jurisdiction the resolutions adopted by the congress of party delegates and the central authorities, and shall establish all party organs, allocate the human and financial resources of the party, and direct the activities of party nuclei in nonparty organizations outside the party.

Article 44. In the intervals between congresses, the provincial or regional party committees may summon the representatives of local, county or other party committees directly under them to provincial or regional conferences of party representatives to deliberate upon and determine various questions affecting the work within their jurisdiction.

Provincial or regional conferences of party representatives shall have the power to remove and elect a part of the members of the provincial or regional party committees, but such number shall in no case exceed one-fourth of the total.

Article 45. Resolutions adopted by provincial or regional conferences of party representatives, and the removal or election of members of provincial or regional party committees by them, shall require the approval of the provincial or regional party committee.

Chapter V. Party organizations in localities, counties, municipalities, and districts

Article 46. Party organizations and their working methods in localities, counties, municipalities, and districts are similar to the organization and working methods of party organizations in the provinces and regions as set out in the preceding chapter. They shall be subject to the direction of their respective higher authorities.

Article 47. Congresses of party delegates in localities, counties, municipalities, and districts shall be held every 2 years. In intervals between congresses, conferences of party representatives may be held.

Article 48. Local and county party comittees shall hold plenary sessions at least four times yearly. Municipal and district party committees shall hold plenary sessions at least monthly.

Members and secretaries and deputy-secretaries of local, county, municipal, and district party committees shall be approved by the higher party organization. Secretaries of local, county, and municipal party committees shall be elected from party members of more than 3 years' standing. Secretaries of district party committees shall be party members of more than 1 year's standing. In areas where the revolution has only recently developed, the regulations concerning the seniority of members to hold office may be modified with the approval of the provincial or regional party committee.

Chapter VI. The basic organizations of the party

Article 49. Party cells are the basic organs of the party.

A party cell shall be established in a factory, mine, village, enterprise, street, military unit, public organization, school, etc., where there are three or more party members. Where the party members thereof are less than three, they shall join the nearest adjoining party cell.

The establishment of party cells shall be approved by the county or municipal party committee.

Article 50. Where a party cell has a relatively large membership, the members shall be organized into sections based on a natural residential or vocational basis. Each section shall elect a leader; a deputy-leader shall be elected where necessary.

Where there are more than 50 regular and probationary members in a village, or more than 100 regular or probationary members in a factory, public organization or school, a principal party cell may be established, under which members shall be organized into a number of branch party cells according to their residence, vocational affiliation, branch or shift. Branch party cells shall enjoy the same privileges as ordinary party cells.

Article 51. In large villages, factories, public organizations and schools where there are more than 500 regular and probationary members, there may be established, through election, with the approval of the Provincial or Regional Party Committee, a village committee, factory committee, public organization committee or school committee, under which members shall be organized into different party cells according to residence, vocational affiliation, branch or shift.

Article 52. Party cells shall unite the masses closely with the Party.

Party cells have the following functions:

(a) To carry on propaganda and organizational work among the masses with a view to enforcing party principles and the decisions of higher party organs.

(b) To reflect constantly to the higher party authority the aspirations and demands of the masses, to pay close attention to the political, economic, and cultural life of the masses, and to organize them for the solution of their problems.

(c) To instruct new members, to collect party membership fees, to examine and decide upon admissions to membership, and to enforce party discipline among the party members.

(d) To educate the party membership and to organize members for learning.

Article 53. At its general membership meeting, the party cell shall elect the cell committee, which shall administer its routine functions. The tenure of the party-cell committee shall range from 6 months to 1 year. The number of members of the party-cell committee shall be determined by the size of the party-cell membership, with a minimum of 3 and a maximum of 11. A secretary shall be elected by the committee; a deputy-secretary may be elected in case of necessity. The distribution of functions among other members of the committee shall be determined according to practical needs.

Where a party cell has no more than seven members, there shall be elected only a secretary, or a secretary and deputy-secretary, and there shall be no party-cell committee.

Chapter VII. Underground organizations of the party

Article 54. In areas where it is impossible for the party to maintain legal existence or conduct open activities, the structural forms and working methods of the underground organizations shall be especially prescribed by the central authorities in directives based on the party constitution. Where the provisions of this constitution cannot be applied literally to the structural forms and working methods of underground organizations, they shall be liberally applied.

Article 55. Underground organizations of the party shall be very careful in considering the admission of new members. New members shall be required to comply only with those admission procedures which are practicable under secret conditions.

Chapter VIII. Control organs of the party

Article 56. A Central Control Committee and local control committees may be established whenever the Central Committee deems it necessary.

Article 57. The Central Control Committee shall be elected by the Plenary Session of the Central Committee. All local control committees shall be elected at the Plenary Sessions of the local party committees with the approval of the higher authority.

Article 58. The duties and powers of the central and local control committees shall be to decide upon or review punishments and conduct prosecutions against party members.

Article 59. The control committees of the various levels of party organization shall perform their functions under the direction of the various party committees.

Chapter IX. Party organizations outside the party

Article 60. In government organizations, labor unions, peasants' unions, cooperatives, and other mass organizations in which three or more party members hold responsible positions, there shall be established a party nucleus. The duty of the party nucleus shall be to direct the work of the members in the leading organ for the purpose of strengthening the party's influence and carrying out the party's program and work.

Article 61. There shall be a secretary in each party nucleus. Where the party nucleus has 10 or more members, a party nucleus staff section may be established to conduct the routine work. The party nucleus staff section and secretary are designated by the party committee to which the nucleus belongs.

Article 62. Party nuclei in nonparty organizations at the various levels shall be under the direction of the corresponding party organizations, and shall enforce their decisions. Leading elements of the party nuclei may be permitted to participate in the party conferences of the various levels.

Chapter X. Rewards and punishments

Article 63. Party members and party organizations which, in the performance of their tasks, display their complete loyalty to the interests of the party and the people, set themselves as models in maintaining the discipline of the party and of the revolutionary governments, manifest distinguished and constructive resourcefulness in executing the party program and the policies and decisions of the central and higher authorities in the course of party work, and win over the sincere support of the popular masses, shall be rewarded.

Article 64. Those which fail to execute the resolutions of the central and higher authorities, or violate the constitution and discipline of the party organizations of the various levels, may be punished, according to the concrete situation, in the following ways:

(a) The punishments to be imposed on party organizations shall be: censure, partial reorganization of the directing organ; dissolution of the directing organ and appointment of a temporary directing organ; and dissolution of the whole organization and the reregistration of its members.

(b) The punishments to be imposed on individual party members shall be: personal advice or warning; public advice or warning; cancellation of assigned duties; subjection to party surveillance; and expulsion from party membership.

Article 65. If a regular or reserve member of the central committee commits any act which seriously offends against party discipline, the central committee shall have the power to deprive him of his regular or reserve membership; but the expulsion of regular members shall require a two-thirds vote of the central committee.

Article 66. When punishment is imposed on a party organization or an individual party member, the party organization or member shall be informed of the reasons for the punishment. If the party organization or member so punished has any objection to the punishment, proceedings may be instituted and petition may be filed for reconsideration and appeal to the higher authority. The party committees of the various levels shall transmit such petitions without delay, and in no case shall they be withheld.

Article 67. Expulsion from party membership is the most severe punishment within the party. In deciding upon and approving such punishment, party organizations of the various levels shall maintain a punctilious position in hearing the case of the appellant and in analyzing the offense in the light of the circumstances under which it was committed.

Article 68. The positive aim of reward and punishment for party members is to educate them and the masses, including the members rewarded or punished. It is by no means intended to encourage exhibitionism or to enforce any principle of mere punitivism within the party. To reward party members who have distinguished records is to create good practices within the party and to set up models among the members. To criticize or impose punishment upon members who commit offenses is a method of correcting past errors and guarding against future errors, of curing malfeasance, and saving regenerate individuals.

Chapter XI. Finances

Article 69. The revenues of the party are derived from membership fees, profits from all kinds of production and enterprises operated by the party, and outside contributions.

Article 70. Membership fees for regular and probationary members shall be determined and enforced by the provincial or regional party committees, or other corresponding organs.

Mr. KNOWLAND. Mr. President, I ask to have printed in the RECORD as a part of my remarks an article published in the New York Herald Tribune of March 30, 1950, and an article appearing in the New York Times of March 30, 1950, dealing with the question of American firms and individuals being held for ransom in Shanghai and other places.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of March 30, 1950]

CHINESE FORCING UNITED STATES CONCERNS TO BUY RED BONDS—BRITISH ALSO UNDER THREAT THAT STAFFS WILL BE HELD IF THEY DON'T SUBSCRIBE

HONG KONG, March 29.—The Chinese Communists are trying to make American and British firms buy the Government's people's victory bonds in a country-wide program of levies on private capital, according to reports reaching here today.

The reports said 10 foreign companies in Canton are under pressure to buy a bond quota totaling $300,000 or face the prospect of having their personnel detained. A similar situation was said to have arisen in Shanghai.

[On January 1, the Associated Press reported that the entire issue of 100,000,000 bonds was worth $70,000,000 at the present black-market exchange rate. Each bond is worth 14,055 people's dollars.]

CHURCHES MUST BUY

The Canton firms, according to the reports, include California-Texas Oil Co., Ltd.; Standard-Vacuum Oil Co.; Shell Oil Co., Inc.; British-American Tobacco Co.; Imperial Chemical Industries, Ltd.; French Banque de L'Indochine, and the British shipping firms Jardine, Matheson & Co., and Butterfield & Swire.

Christian churches and missions in Canton were said to have been ordered to buy 20,000 bond units each before the end of the month.

The reports said the Communists have lined up trade, party, and governmental organizations in the coastal and inland cities for a drive to confiscate private wealth under the guise of pushing Government bond issues. They said the victory bond campaign is about ended, but will be followed soon by reconstruction bonds.

[From the New York Times of March 30, 1950]

AMERICANS REPORTED HOSTAGES

United States representatives of United States and foreign oil companies having marketing branches in Canton and Shanghai in China are being held as hostages, according to information received here yesterday.

The Communists are detaining these Americans for blackmail in two forms, it was reported. One was a demand for cash, to be exchanged for the so-called people's victory bonds. The other was a demand for petroleum on a scale indicating the fuel was required for military purposes.

In negotiations with the Chinese Communists, it developed that the demand for military fuel was the more serious one. The companies have placed their reliance on the State Department to extricate their employees from what has been represented to the Department as an impossible situation.

Mr. KNOWLAND. Mr. President, I ask to have printed in the RECORD as part of my remarks a copy of a broadcast script by the commentator, Yurev, of the Moscow Soviet Home Service, December 27, 1949, at 10:30 a. m., e. s. t.

There being no objection, the broadcast script was ordered to be printed in the RECORD, as follows:

STALIN FORESAW, DESIGNED CHINA VICTORY

(Talk by Yurev)

In its long road, reaction at home, the Chinese people have won a great historic victory as a result of which the Chinese People's Republic has been set up. The main source of inspiration in this struggle has been the heroic Communist Party of China armed with the teachings of Lenin and Stalin. Mao Tse-tung in his article on the dictatorship of the people's democracy indicated that the Chinese have accepted Marxism as a result of its application by the Russians.

Before the October revolution the Chinese were not only ignorant of Lenin and Stalin, they were also ignorant of Marx and Engels. The broadside of the October revolution carried to us Marxism-Leninism.

In their classics Lenin and Stalin showed that the national colonial question is a part of the question of the proletarian revolution and the dictatorship of the proletariat. Stalin teaches us that colonial and dependent * * * from a reserve of the imperialist bourgeoisie into a reserve of the revolutionary proletariat. This statement is fully confirmed by the entire experience of the struggle of the oppressed peoples for their emancipation. Stalin gave particular attention to the Chinese antifeudal and anti-imperialist revolution.

STALIN AID SURPASSED ANGLO-UNITED STATES ARMS

In his historic works written in 1925 and 1927 exclusively on the subject of the revolution in China, Stalin created a well-reasoned theory concerning the Chinese revolution. The entire world armed the Chinese proletariat and its vanguard the Communist

Party with a mighty weapon immeasurably stronger than guns or aircraft with which the American and British imperialists armed their Chinese puppets. Stalin revealed the main laws governing the victory in China. He gave important advice to the Chinese revolutionaries, transmitted to them the wealth of experience of the All-Union Bolshevik Party.

Stalin rendered invaluable aid to the Chinese Communists in their struggle against the right-wing and left-wing opportunists seeking to cause the Chinese Communist Party to deviate fom the Lenin path.

The greatest service of the nucleus of the Communist Party of China which rallied itself around Mao Tse-tung is the fact that it defeated opportunism and headed the struggle of the Chinese proletariat for the victory of the people's revolution.

Stalin revealed the characteristic of China as a semicolonial country which the capitalist hierarchy combined with the domination of the remnants of feudalism. Stalin showed the links between imperialist domination and the maintenance of the oppression of the feudal remnants.

Stalin indicated the peculiarity of the combination of the domination of feudal remnants with the existence of commercial capital in the Chinese countryside with the simultaneous maintenance of feudal medieval methods of exploitation and oppression of the peasants. Stalin moreover noted that the oppression by the feudal remnants * * * by that of military * * * bureaucracy while imperialism maintains and strengthens this feudal bureaucratic machine. Stalin exposed the American, British, and Japanese imperialists as the organizers of the intervention in China showing that intervention is by no means confined to troops and that the introduction of troops by no means forms the main characteristic of an intervention.

INTERVENTION IN FORM OF CIVIL WAR

As early as 1926 Stalin emphasized that under present-day conditions imperialism prefers to carry out intervention by organizing a civil war in the dependent countries, financing counterrevolutionary forces and giving moral and financial support of the Chinese agents against the revolution. Stalin noted that the Chinese revolution is the union of two streams of the revolutionary movement: the movement against the feudal remnants and the movement against imperialism. Stalin indicated that the Chinese Communists must take into account national peculiarities and make use of the smallest opportunities to provide the proletariat with a mass ally even if temporary and unreliable, and to be guided by the axiom that for political upbringing propaganda and agitation alone are insufficient, that the masses' own political experience is essential for this.

Stalin showed that the Chinese proletariat and its Communist Party can and must establish a stable union with the bulk of the peasant masses, can and must pursue joint activity with the national bourgeoisie and the small urban bourgeoisie while these classes oppose the capitalist and feudalist domination. It was on this basis that the national united front was formed in 1924.

STRUGGLE WITHIN UNITED FRONT

At the same time Stalin pointed out that inside this united front there will be a struggle for * * * in the revolution between the proletariat and the national bourgeoisie. Stalin predicted two ways of development of the Chinese revolution: Either the national bourgeoisie will smash the proletariat by making a deal with imperialism and together with it will make an attack against the revolution so as to end it by establishing capitalist domination; or the proletariat will sweep away the national bourgeoisie, strengthen its hegemony, and lead in its wake the millions of workers of town and country so as to overcome the resistance of the national bourgeoisie, achieve complete victory of the bourgeois democratic revolution, and then gradually lead it onto the road of a Socialist revolution with all the inherent consequences.

1927 BOURGEOIS-IMPERIALIST DEAL

As is known, in 1927 the Chinese national bourgeoisie made a deal with imperialism. The revolution suffered a temporary defeat, the united forces of imperialism and domestic reaction proved for a time stronger than those of the Chinese revolution. The Trotskyite and Zinovyevist enemies of the people despaired at the temporary defeat of the Chinese revolution.

Stalin gave a devastating reply to these agents of imperialism arming the Chinese revolutionaries with the prospects of further struggle for the liberation of the Chinese people. In the political report of the Central Party Committee to the fifteenth congress of the All-Union Bolshevik Party Stalin pointed out: "The fact that the Chinese revolution has not yet brought about a complete victory over imperialism is of no decisive importance to the ultimate prospects of the revolution. Generally great popular revolutions never triumph fully in the first round. They grow and strengthen in a series of ebbing and flowing tides. This principle has always applied, including in Russia, and this is what will happen in China."

This prediction was entirely borne out by history in the heroic struggle of the Chinese people. Emerging from the severe test of the civil war between the years 1928–36, the anti-Japanese war of 1936–45, and finally the liberation war against both the American imperialism and the Kuomintang reaction, the great Chinese people achieved its historic victory. The people's revolution proved itself to be immeasurably stronger than the reactionary bloc of the Chinese feudalists and American imperialists.

NEW UNITED FRONT DIFFERENT

Under the new conditions which arose in China following the Second World War and the intervention of American imperialism, the vanguard of the Chinese proletariat contrived once more to establish a united democratic front. This front includes not only the peasant masses but also the small urban bourgeoisie and the national bourgeoisie. The difference, however, between the present united front and that of 1924–27 lies in the fact that at present the question of its hegemony has been finally solved: The proletariat, around which have rallied the bulk of the masses of the Chinese peasants, has assumed undivided leadership in the victorious struggle of the Chinese people against imperialism, feudalism, and capitalist bureaucracy.

As early as 1926, Stalin showed clearly the inevitability of the establishment of the hegemony of the proletariat in the Chinese revolution. If the main sections of industry are concentrated in the hands of foreign imperialists, said Stalin, the big national bourgeoisie of China cannot but be weak and backward. It follows from this, however, that the role of the initiators and leaders of the Chinese revolution, the role of leader of the Chinese peasantry must inevitably go to the Chinese proletariat and its party.

The Chinese revolutionaries are successfully putting into being Stalin's statements that the proletariat must win over to its side mass allies even if they are unstable.

There is no doubt that the united democratic front formed and * * * by the Chinese Communist Party is one of the chief factors in the historic victory of the Chinese people. The most notable thing about the Chinese revolution is the fact that China borders on the Soviet Union, whose revolutionary activity and whose assistance cannot fail to facilitate the struggles of the Chinese proletariat against imperialism and against the medieval feudal remnants in China.

The Soviet people led by the great Stalin has shown solidarity toward the Chinese people in all the stages of its many years of struggle for national and social freedom. The Soviet Union's defeat of Hitler's Germany and imperialist Japan created decisive conditions for a rapid development and strengthening of the democratic forces in China.

Mao Tse-tung emphasizes the importance of this factor for the victory of the Chinese people saying: "If the Soviet Union did not exist, had there been no victory in the anti-Fascist war, had, and this is of particular importance to us, Japanese imperialism not been defeated, had the people democracies not arisen in Europe, then the pressure of the international reactionary forces would, of course, have been a great deal stronger than now. Could we have sustained our victory under those circumstances? Of course not. Equally, victory could not have been consolidated after its achievement."

Comrade Stalin's works emphasize the leading role of the military factor in the Chinese revolution. In his historic speech on the prospects of the revolution in China, Stalin indicated: "The revolutionary army of China, is a supreme factor in the struggle of the Chinese workers and peasants for their liberation. In China it is not a defenseless people that is resisting the armies of the old Government but an armed people as represented by its revolutionary army. In China the armed revolution is fighting an armed counterrevolution. This is one of the peculiarities and one of the advantages of the Chinese revolution. In this also lies the particular importance of China's revolutionary army."

The Chinese Communists (basing), themselves on this splendid analysis of Stalin, in two decades created and trained the Chinese people's army, numbering millions. The Chinese Liberation Army has grown into a mighty force which has smashed the troops of the Kuomintang reaction buttressed by American imperialism. At the head of this army stands the experienced leaders, Mao Tse-tung, Chu Teh, Chou En-lai, and other stalwart revolutionaries.

IMPORTANCE OF MILITARY SCIENCE

They have carried out Stalin's indication that Chinese revolutionaries, including the Communists, must take to heart the matter of studying military science, that they must not regard military science as being of secondary nature.

At the same time Stalin warned the revolutionaries that it is impossible to vanquish the imperialists and the Chinese feudalists by military force (only). Victory over the enemy can only be achieved with the help of the agrarian revolution under the leadership of the proletariat. As is known, the Chinese Communists fulfilled this indication too.

Stalin also defined the nature of the future revolutionary rule in China, emphasizing in 1926 that this would be a transitory administration toward a noncapitalist China or, more correctly, a Socialist development of China. It is precisely an administration of this kind that the dictatorship of the popular democracy represents.

Speaking about the successes which the Chinese Communist Party achieved in the revolutionary period of 1925–27, Stalin said that these were among other things due to the fact that the party followed the teaching of Lenin. After the 1925–27 revolution the Chinese Communist Party achieved more successes and managed to bring the Chinese people to victory over imperialism and reaction at home. During the years of the Chinese revolution, Stalin said that the revolutionaries' (capacity) is inexhaustible,

it has not yet shown itself to the full; this will show itself in the future. The rulers of the East and West who do not see this will suffer.

Mr. KNOWLAND. Mr. President, I ask to have printed in the RECORD as part of my remarks a letter which appeared in the CONGRESSIONAL RECORD, volume 95, part 10, page 13269, of September 26, 1949, from the Communist Party of New York State, together with the program outlined.

There being no objection, the letter and program were ordered to be printed in the RECORD, as follows:

COMMUNIST PARTY OF NEW YORK STATE,
New York, N. Y., March 1, 1949.

To All Sections and Counties.

DEAR COMRADES: Enclosed please find program for action on China policy, as voted upon by a united front action conference on China, held in New York on January 29, 1949.

We are sure that you will find this material not only informative but helpful in planning actions on China in your communities.

A special outline has also been issued by the national education committee on Communist policy in China. This can be secured through orders from our district education department. The outline can be used as the basis for discussion in your sections and branches.

Any inquiries in relation to further activity can be received by writing to the Committee for a Democratic Far Eastern Policy, at 111 West Forty-second Street, New York City.

Comradely yours,

MAY MILLER,
Assistant Organizing Secretary.

PROGRAM FOR ACTION ON CHINA POLICY AS SUGGESTED BY THE ACTION CONFERENCE ON CHINA POLICY, NEW YORK CITY, JANUARY 29, 1949

PROGRAM OBJECTIVE

1. Demand a congressional investigation.

A. Of the Chinese lobby in Washington. One of the largest spending foreign influences in our Capital; not registered as foreign agents.

B. Of the billions of dollars of private accumulation deposited in American banks and investments by Chinese officials and individuals.

2. Demand a new China policy.

A. An end to all forms of American intervention in China and of plans to aid any elements and remnants of the Kuomintang.

B. Preparation by our Government to recognize the government which the people of China are now establishing.

C. Planning now by our authorities for genuine and self-respecting cooperation with the people's government in China, including normal and friendly trade relations free of any political conditions.

3. Get the facts and implications of the Government's China policy to the American people.

IMMEDIATE STEPS FOR CARRYING OUT THE ACTION PROGRAM

1. Get your organization immediately to pass a resolution on China policy (use the enclosed January conference resolution for suggestions). Send copies of your organization's resolution to your Senators and your Congressmen; give it publicity in your organization's publication and elsewhere; send a copy to the Committee for a Democratic Far Eastern Policy.

2. Make use of the "political ammunition" of facts; the American people, if they know, will act.

A. Make a drive to get readers and subscribers to Far East Spotlight, the committee's monthly magazine. This is the indispensable tool for every fighter for a new and friendly policy toward China. Previous sources of reliable information about China and the Far East now have an NAM slant; only Far East Spotlight gives you the positive and encouraging facts about the Chinese people's great and successful fight against American reaction, and keeps you up to date about Washington's evil plans to go on backing reaction in China and the Far East. Subscription: $2 a year. Introductory offer: $1 for 8 months. Members of the CDFEP get this free.

B. Push the sale and reading of Anna Louise Strong's Tomorrow's China. Paper bound, 65 cents; cloth bound, $2. Organizational orders for five or more: 25-percent discount.

C. Have meetings on the China policy issue.

(a) The committee can furnish speakers:

In the New York City area: Telephone the speaker's bureau of the committee any afternoon, Bryant 9-6343.

In California, the San Francisco area: Contact Mr. William Kerner, 1841 Ellis Street, San Francisco.

Los Angeles area: Contact Mrs. Jeanette Orel, 362 South Columbia Avenue, Los Angeles.

(b) Send your organization's own speakers to the briefing session on China. First session: Friday night, February 18, 7:30 sharp. Telephone the committee for registration blanks; Bryant 9-6342. No fee.

You can't fight without facts. Far East Spotlight is your basic source of information. Meetings on China will bring facts to hundreds of others * * *.

3. See to it that the President and the Members of Congress hear from hundreds of individuals on China policy right now.

Order prepared postcards from the committee—1 cent each. Write your own messages. Make calls—in person and by telephone—on your Senators and Congressmen.

4. Have your organization make an immediate contribution to the work of the committee or plan to give a regular (monthly, quarterly, or yearly) contribution.

5. Support the Committee for a Democratic Far Eastern Policy.

A. By becoming members and by getting your friends to join. Membership includes subscriptions to Far East Spotlight.

B. By securing individual contributions for the committee. Your own; your friends; throw a party for the committee.

C. By doing volunteer work at the committee's office, 111 West Forty-second Street, fifth floor—any time, any day.

Every Thursday night the staff is at home to friends who come to help.

The Chinese people are defeating the American reactionaries. So can we.

China policy reveals the over-all character of Washington's foreign policy—it harms the American people.

China policy is directly related to our domestic struggle for homes, for more consumption goods, for lower prices, for increased social security, for healthy international trade, for freedom from depression and militarism.

China shows up the weak spot in our reactionaries' program.

Let's fight on China policy and take advantage of the blow the Chinese people have dealt the American reactionaries.

COMMITTEE FOR A DEMOCRATIC
FAR EASTERN POLICY.

Mr. KNOWLAND. Mr. President, I also ask to have printed in the RECORD as a part of my remarks an article from the Washington Star of April 4, 1950, with reference to Pravda's statement that a boycott of the United Nations will not end until the Western Powers yield to the Soviet Union.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRAVDA SAYS BOYCOTT OF UN WON'T END TILL CHINA REDS ARE SEATED

Moscow, April 4.—The Communist Party newspaper Pravda made it clear today that Russia has no intention of ending her United Nations boycott as long as Chinese Kuomintang (Nationalist) representatives continue to sit in the United Nations.

The newspaper, in a dispatch from New York, declared the United Nations was in a state of "paralysis and desolation." It blamed the stalemate on the "Anglo-American bloc."

(The Soviet Union yesterday walked out of the UN Social Commission in Lake Success. It was the seventeenth UN body Russia and her satellites have boycotted since they refused to participate in meetings attended by Chinese Nationalist representatives. They insist China should be represented by the Chinese Communist regime of Mao Tze-tung.)

Foreign observers here said they saw nothing in the lengthy review of UN activities to indicate the slightest change in Soviet tactics. The Soviets were seen as more resolute than ever on their stand against participating in UN meetings with Chinese Kuomintang delegates.

"For 3 months the United Nations has been in a state of paralysis and desolation," the Pravda dispatch said. "This is the direct result of the policy of the Anglo-American bloc."

It said United States "ruling circles" refused to recognize the Chinese People (Communist) Republic because they wanted to protect the Chiang Kai-shek regime.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. McCARTHY. I should like to ask the Senator three or four questions in sequence, if I may.

Is the Senator aware of the fact that when I first named Mr. Lattimore as a very dangerous Soviet agent, the State Department said they had had no contact with Mr. Lattimore of any kind or nature whatsoever during the past 5 years, that it had been confirmed by Mr. Jessup under oath before the committee, and that the Lattimore document was made public only after I notified Mr. Acheson that if he did not make it public, I would? Is the Senator aware of that fact?

Mr. KNOWLAND. I am familiar with the press dispatches which indicated that the Senator had stated he would make the document public if the State Department did not.

Mr. McCARTHY. Does the Senator agree with me that so far as the Far East is concerned, the three principal planks in the platform of the Communists, and the three principal planks in the Lattimore platform, are, first, the abandonment of Chiang Kai-shek, so that his armies may be destroyed; second, that we get out of Korea; third, that we get out of Japan?

Mr. KNOWLAND. I am aware of the fact that there is a strange coincidence with respect to the two sets of recommendations.

Mr. McCARTHY. It is not merely a coincidence, I would say to the Senator, that the Cominform says it is part of its program to have the armies of Chiang Kai-shek destroyed, and Lattimore says

that we should abandon those armies. That is not merely a coincidence. It is identically the same. Secondly, the Cominform, in its official program, has stated that it is part of their platform to get the United States out of Korea. Lattimore says, "Let us get out of Korea." It is an identical plank.

Mr. KNOWLAND. In the newspaper game we sometimes refer to what is called a deadly parallel, when two statements of two persons, made at different times, are printed side by side. I say again there is a strange coincidence between the recommendations.

Mr. McCARTHY. Will the Senator agree with me that the Lattimore and the Communist line is for abandoning Chiang Kai-shek and his 600,000 troops, and am I correct in stating that, to the extent those troops are destroyed, there will be no anti-Communist armed force to stop the flow of Communists in the East?

Mr. KNOWLAND. It is the judgment of the junior Senator from California, having been in that area of the world, and having talked with some responsible people in that area, that the loss of what remains of the Republic of China would be detrimental to the security of the United States and the peace of the world. It is the further judgment of the junior Senator from California that if the people who remain in free China are entirely overwhelmed, it will completely release the Communist Chinese Army of more than 3,000,000 men to direct its entire pressure against southeast Asia, and will probably accelerate the loss of French Indochina, Burma, and Siam. If they get that far, there is serious question whether India and Pakistan can be held.

Mr. McCARTHY. I should like to ask the Senator's indulgence to permit me to ask him two more questions. I assume that the Senator is acquainted with Lattimore's writings. Does the Senator know of any instance where Mr. Lattimore has deviated from the Communist Party line or the Communist Party platform with respect to the Far East?

Mr. KNOWLAND. I am not in a position to answer that question. I have read a number of Mr. Lattimore's books and articles, but I am not in a position to say authoritatively that he has never deviated from the Communist point of view. I do not feel competent to answer that question.

Mr. McCARTHY. I might say that one of the reasons why I have considered Mr. Lattimore so dangerous is that, in my opinion, he is one of the most brilliant men in the State Department today. I say "in the State Department" advisely.

I should like to ask one further question of the Senator from California. Some time ago I stated that, in my opinion, Mr. Lattimore was the most dangerous Soviet agent in this country. In view of the fact that Mr. Lattimore has so successfully sold the Communist Party line to our State Department, and with such disastrous results, would the Senator from California agree with me that Mr. Lattimore, from the standpoint of Russia, is an extremely valuable man, and, from the standpoint of the United States, is an extremely dangerous man?

Mr. KNOWLAND. I tried to answer that question in the early stage of my address, wherein I stated that, so far as the family of a deceased person was concerned, it really did not make much difference whether the deceased had been killed by a shot fired by a friend from what was thought to be an unloaded gun, or by a shot fired by a hired assassin. I am not in a position to say what motivated Mr. Lattimore, or whether it is merely a strange coincidence that he has the same general policy, which in its end result attains the same objective which, apparently, international communism has. I prefer, so far as I am concerned, with the facts at my disposal, to say that there seems to be a very strange coincidence in connection with various countries in the Far East up to and including the matter of the Chinese Communists getting into the United Nations, or being recognized.

Mr. McCARTHY. I have one further question. Regardless of whether or not Mr. Lattimore is the type of man who is selling out the Nation for 30 pieces of silver, and regardless of what his motives may be, does the Senator agree with me that the end result of his selling the Communist Party line to the State Department has been extremely damaging to the United States, and that, from the standpoint of this Nation, he is an extremely dangerous man?

Mr. KNOWLAND. I think that the policies which we have been following in China have certainly been detrimental to our national defense and to the peace of the world. I wish to say, in fairness, as I pointed out in my address, that I feel it is very fortunate that the State Department to date has not followed the Lattimore line in Korea, in Japan, and so far as recognition by the United Nations of the Communist regime in China is concerned.

To date they have not followed his policy there. Insofar as China is concerned, I think our activities up until very recently have been in general conformity with the recommendations which he has made through a period of years.

Mr. McCARTHY. I believe the Senator stated he was happy that the State Department did not follow the Lattimore Communist line——

Mr. KNOWLAND. I said the "Lattimore line," insofar as Korea is concerned.

Mr. McCARTHY. I take it the Senator is aware of the recent writing of Mr. Lattimore in which he says our problem is to allow Korea to fall without letting it appear we allowed it to fall.

Mr. KNOWLAND. He said that in the January issue of the Atlantic, and he said it in the memorandum which was prepared as a result of the request of August 18 last year, in which he makes it very clear that he thinks, as he puts it, we should disentangle ourselves from the Republic of Korea as rapidly as possible.

Of course, having been in Korea, and having met with those people and seen them, I have no question that if we did what Mr. Lattimore recommends, the Republic of Korea would fall, and communism would be clear down to the tip of the peninsula, driving like a knife into the heart of Japan, and General MacArthur might be faced with another Bataan.

Mr. McCARTHY. I do not like to question the Senator indefinitely, but I have one more question.

I get the impression, from Mr. Jessup's remarks since he returned to this country, that he is going to recommend that we perhaps arm Indochina and Burma, but give no aid to Chiang Kai-shek. Would the Senator agree with me that any attempt to arm Indochina, and pour military equipment into that area, would be a very effective way of indirectly arming the Communist armies, so that they could use those arms to destroy Chiang Kai-shek?

Mr. KNOWLAND. I have tried very frankly to answer all the Senator's questions. I would say that I would want to reserve my answer to the last one. I have seen some indications—we may call them straws in the wind—that so far as the policy in the Far East is concerned, it is now in what we may call a state of flux. Just what will come out of it I do not know.

I do not wish to freeze my own thinking in the matter, because I believe the security of the world and the security of the United States are wrapped up in the policies which may be evolved. For that reason I believe we should wait and see whether an attempt is made to have full consultation, and whether there is an attempt to develop a policy which would warrant the support not only of Members of Congress on both sides of the aisle, but would warrant the support of the American people. If the Senator will pardon me, I would prefer not to answer the last question at this time.

Mr. McCARTHY. I have one final question. Dr. Jessup, who is now one of our authorities on the Far East, had been a teacher of international law up until the day before he suddenly became an authority on the Far East, and, as the Senator knows, very little international law originates in China. Then overnight Dr. Jessup became what is known as an authority on the Far East. Since that time the Jessup line has been the Lattimore line, as the Senator knows. In view of these facts, would the Senator say it is safe to assume that Mr. Jessup is one of the unwitting, perhaps, but very willing, tools of Mr. Lattimore?

Mr. KNOWLAND. I would not for myself alone be willing to go as far as the Senator goes in that regard. I do not intimately know Mr. Jessup. I have met him on several occasions. The fact that he has not spent much time in the Far East would not itself to me eliminate him from a position of responsibility.

I think perhaps a fresh viewpoint on conditions in the Far East might be a good thing. So that in itself should not necessarily eliminate one from a policy-making position. I do not necessarily believe that Mr. Jessup has entirely followed, as the Senator put it, the Lattimore line, because to my knowledge Mr. Jessup apparently feels that this Government has been correct in its policy in Korea, whereas Mr. Lattimore thinks

it has not been. There may be other areas in which Mr. Jessup and Mr. Lattimore may differ. So I cannot quite agree in toto with the last statement of the Senator.

Mr. ANDERSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from California yield to the Senator from New Mexico?

Mr. KNOWLAND. I yield.

Mr. ANDERSON. I was interested in the question with reference to Korea, Japan, and China, so far as the attitude toward the United Nations is concerned. Did I correctly understand the Senator to say that he did not believe that we were following Lattimore's line with reference to Korea, Japan, and the United Nations?

Mr. KNOWLAND. Yes, I said in my speech—and I do not know whether the Senator was present during that time——

Mr. ANDERSON. Yes, I was. Having made that statement, I ask the Senator whether he would regard Lattimore as the architect of our Far Eastern policy?

Mr. KNOWLAND. I would say that Mr. Lattimore has had a considerable influence on our policy on the continent of Asia, with particular reference to China. I do not believe—and I say I think it is very fortunate—that to date the Department has followed his advice insofar as the Republic of Korea is concerned, insofar as Japan is concerned, or insofar as American recognition of the Communist regime or their entrance into the United Nations, is concerned.

Mr. ANDERSON. I quite agree with the Senator from California. I was going to ask him further with reference to another matter. He was asked a question a moment ago which involved the implication that Lattimore had sold the Communist line to the State Department insofar as China was concerned, and the abandonment of Chiang Kai-shek. Has the distinguished Senator any familiarity with the Wedemeyer report on China?

Mr. KNOWLAND. Yes; I am quite familiar with the Wedemeyer report, which was withheld from the Congress for a period of more than 2 years. I have had occasion to meet with General Wedemeyer and discuss it with him in latter years, subsequent to the time he made the report, and I think I am entirely familiar with the Wedemeyer report.

Mr. ANDERSON. I am happy about that. Does the Senator recall whether if General Wedemeyer makes any recommendations in that report as to whether support for Chiang Kai-shek on the basis previously allotted was possible?

Mr. KNOWLAND. No; I do not think he does. One of the great criticisms many of us have of the policy we followed in China is that we did not give the type of supervised assistance which we have given in Greece successfully and which we have given in Korea.

Mr. ANDERSON. Does the Senator not recall that General Wedemeyer openly advocated that if we were to continue the support of Chiang Kai-shek we would have to move American military commanders into the field, take control of the army, and place it under American commanders?

Mr. KNOWLAND. I do not place the interpretation the Senator from New Mexico places on it. I believe that General Wedemeyer recognized what our people recognized in Greece and Korea, that if we were going to send equipment, and it was going to be properly used, we not only had to furnish the officers and men to provide for the logistical delivery of that equipment, but we also had to supply personnel to help train the troops and see that the equipment reached the echelons where it would be used. We did that in Greece. We are doing that in Korea. But that does not mean the sending of a combatant American expeditionary force, as some have tried to twist the recommendations to mean.

Mr. ANDERSON. I think the Senator from California has given a very accurate statement of what General Wedemeyer's recommendations were. Is the Senator aware who reversed that recommendation?

Mr. KNOWLAND. Yes.

Mr. ANDERSON. Was it General Marshall?

Mr. KNOWLAND. It was General Marshall acting under a directive of the President of the United States.

Mr. ANDERSON. Is the Senator quite sure that the directive came from the President of the United States?

Mr. KNOWLAND. Yes.

Mr. ANDERSON. I think I probably personally heard General Marshall make his recommendations to the President of the United States.

Mr. KNOWLAND. Nevertheless, under our system of government the President is the constitutional Commander in Chief. The fact of the matter is that the directive which General Marshall finally took with him was signed by the President of the United States. It was a Presidential directive. I have no doubt that he consulted with General Marshall. He probably consulted with other persons in writing the directive, before it was finally prepared for his signature. But at the same time it is also quite possible that General Marshall, who up to that time had not had a great deal of experience in the Far East, may have been receiving his information through the State Department and from some of the persons in the Far East who, as General Hurley pointed out in his letter of resignation to the President of the United States, had undercut and undermined the policy of Franklin Roosevelt in trying to support a free and independent Republic of China.

Mr. ANDERSON. Has the distinguished Senator from California had his attention called to the food situation insofar as the supplies sent by UNRRA to China are concerned?

Mr. KNOWLAND. Yes. I said in the first speech I made, which opened up the debate on the Far East, when I came back from there, that I did not think anyone who is familiar with the situation denies that there had been corruption in the Government of China. There have been people there who have betrayed their trust. But our own history is not entirely free from that. There have been people in our country, from Cabinet positions down to ward bosses, who have done so. We have had 5-percenters and we have had others who have betrayed their trust to the Government. But I do not think it is fair to claim that every Chinese is a corruptionist, because I know that is not so. I think that many of those people who were opportunists, who were the Benedict Arnolds and quislings and the fair-weather friends, deserted when it looked like the Communists were going to win, and I believe that those who are left are men of integrity, who are determined to maintain their freedom no less than we are or the other nations of the western world are. I do not think that we should freeze our thinking by what conditions have been in the past. I think we have to begin to view the situation as it exists today.

Mr. ANDERSON. Is the Senator familiar with what distinguished American it was who first called the attention of the American Government to the fact that supplies of food being sent to China were not reaching the people to whom they were sent?

Mr. KNOWLAND. I do not happen to recall that offhand.

Mr. ANDERSON. Would it surprise the Senator if I said to him that it was Herbert Hoover?

Mr. KNOWLAND. No; because Mr. Hoover has been greatly interested during his long lifetime in the humanitarian feeding of people. He carried on the program of the Belgian Relief Commission. In 1922 he headed a mission into Communist Russia and formed a relief organization for the feeding of the people of that country. It was done, I might add, without any necessity for the recognition of the Communist regime in Russia, which was not recognized until some 11 years later when President Roosevelt gave them recognition.

Mr. ANDERSON. I am sure the distinguished Senator from California joins me in the belief that the greatest expert we have ever had in the distribution of food supplies in periods of hunger is the distinguished former President and statesman.

Mr. KNOWLAND. I not only agree with the distinguished former Secretary of Agriculture, but I would say that if any effort were made to try and relieve hunger any place in the world, whether it be in China or in Europe, no more constructive thing could be done than for the President of the United States and the responsible officials to call Mr. Hoover in and obtain his advice and cooperation in a matter of that kind. He is probably better versed than any other living American on the problem of feeding hungry people.

Mr. ANDERSON. Would the Senator's experience with China suggest to him that the discovery was made by President Hoover that of the first 200,000 tons of food sent to China less than 20,000 ever fed hungry people? Would that surprise him at all?

Mr. KNOWLAND. No; but I happened to have been in Greece and in

some other countries of Europe and saw UNRRA supplies that were still in their original crates 2 years after they had been sent over there. I would merely say that the Chinese are not the only people who have some faults in that regard.

In my opinion, in various sections of the world either UNRRA or the local people, or a combination of the two perhaps, were somewhat derelict in giving proper supervision to such distribution. I believe that if the able Senator from New Mexico were selected to distribute food, not only in China but perhaps in many other countries which need not now be named, he would feel that in the proper discharge of his obligation he would want to supervise it quite carefully.

Mr. ANDERSON. I quite agree with the Senator, and I quite agree with the observations he has made about other parts of the world where there were difficulties. But I wonder whether he is familiar with the fact that when this food was sent to General Chiang Kai-shek he turned it over to his brother-in-law?

Mr. KNOWLAND. The able Senator from New Mexico states that as a fact. I imagine that General Chiang Kai-shek, like any head of a state, had many problems. He had just gotten through a great war. He was engaged in a civil war. He had other postwar problems which any other head of a state might have. I do not have first-hand knowledge of just what the actual facts in the situation are. Men in whom I have the utmost confidence, including General Wedemeyer and many others I could name, tell me that it is their judgment Chiang Kai-shek is a man of personal integrity.

Presidents of the United States have been betrayed by their friends, by people who have taken advantage of them, from the Grant administration on down through many other administrations we will not bother to name here today. Perhaps it is true that people who may have been relatives betrayed the President of China. But I believe it is not fair to treat every Chinese as a corruptionist, because I know there are many fine, outstanding, able Chinese citizens who are also interested in maintaining a free world.

Mr. ANDERSON. The hour is late. I do not desire to question the Senator further. I think I would subscribe wholeheartedly to his last statement. I thank him for his courtesy.

Mr. DONNELL. Mr. President, will the Senator yield for but a very few questions, because of the lateness of the hour?

Mr. KNOWLAND. I yield.

Mr. DONNELL. I should like to ask the distinguished Senator a question or two along the line of whether or not the State Department of our country has had notice of the danger or the possible danger of relying upon the judgment of Mr. Lattimore. I should like to recite a few facts to the Senator, and then ask him whether he will give the Senate his judgment as to whether those facts should have placed the State Department of the United States on such notice.

I call attention to the fact that in the published report of the Special Committee on Un-American Activities, of the House of Representatives, in 1944, as a part of that report there were three sentences:

> Throughout its existence in this country the Communist Party has made a specialty of propaganda through publications and periodicals. It would be difficult indeed to compile an absolutely complete list of these publications and periodicals, but the following tabulation presents many of them. In addition to these, there have been thousands of local and shop papers, some of which have been printed and some of which have been mimeographed.

The second fact is that following that recital in that official report of the House Committee on Un-American Activities, is this statement:

> The following tabulation presents many of them.

The third fact is that the very first publication mentioned under that statement is Amerasia.

The fourth fact is that in the list of the editorial board of that publication, consisting of 12 persons, Owen Lattimore is listed.

The next fact is that as another member of that board of 12, Philip Jaffe is listed.

The next fact to which I invite the attention of the Senator is that Mr. Jaffe was either convicted of or pleaded guilty to the theft of certain important documents, which conviction or pleading guilty occurred in 1945.

The final fact to which I call attention in asking the question is that in the report, to which I have referred, of the House Committee on Un-American Activities, an official publication, is this language:

> In this section of the report will be found numerous exhibits of Communists and Communist-front organizations. The personnel of these organizations reveals an extensive interlocking directorate with the other organizations that are discussed in these volumes. In his memorandum on the National Federation for Constitutional Liberties, the Attorney General has called attention to the importance of the interlocking directorate in identifying Communist-front organizations.

Following that statement in this official report is a list of so-called miscellaneous Communist and Communist-front organizations, among which is the Maryland Association for Democratic Rights; and Mr. Lattimore is listed as one of the sponsors of a certain conference which that organization, the Maryland Association for Democratic Rights, seems to have undertaken and carried out.

I ask the Senator, as a Senator and as a man who in his newspaper work and other activities has studied facts and their implications, whether he thinks the observations I have made and the facts I have recited to him, particularly those set forth in the official publication of the House of Representatives committee to which I have referred, placed the State Department of the United States Government on notice that Owen Lattimore was a man with whom it might be very dangerous for this Government to deal in the matter of important public policies relating to foreign nations.

Mr. KNOWLAND. I shall say to the Senator from Missouri that I think the facts he has related—with which I was generally familiar, although I could not have recited them in detail without having the records before me—are clearly indicative that to any competent group of persons charged with the responsibility of their nation's foreign policy, they should have been a danger signal to them. I would not have been surprised necessarily if Mr. Lattimore had been consulted by Mr. Henry Wallace, were Mr. Henry Wallace President of the United States, because they might have many of the same views; but I do believe that the American people have a right to be surprised when in the administration of President Truman, Mr. Lattimore, with the background the Senator has mentioned, is still consulted in connection with settling the foreign policy of the United States which may mean life or death to 150,000,000 American citizens.

Mr. DONNELL. Mr. President, will the Senator yield for two other questions, which I promise him will be very much briefer.

Mr. KNOWLAND. I yield.

Mr. DONNELL. The first question refers to the mission to Afghanistan about which we have read, on which Mr. Lattimore has been recently engaged. I ask the Senator from California whether he knows it to be a fact that in connection with various matters of an international nature, a practice has developed that the United States Government, instead of delegating a particular person as an agent of the United States Government, permits an American citizen to be appointed by the United Nations, to which of course the United States Government contributes largely in expenses, and permits such person, technically as an agent of the United Nations, to secure and to explore, really for the United States Government, the existence of the facts or the policies which he does explore.

Mr. KNOWLAND. I am familiar with that general situation. I wish to say, although I cannot document it at this time, it is my judgment that he would not have been appointed as a representative of the United Nations unless they had been given the green light by someone in the Department of State or elsewhere in the executive branch of the Government of the United States.

So I think that somewhere in the executive branch of the Government there was someone responsible—it may not be in the State Department; it may be elsewhere—for having passed to the United Nations the word that, "So far as we are concerned, it is acceptable if you appoint Mr. Lattimore." I am as certain of that as that we stand here in the Senate of the United States; but I say to the Senator from Missouri that at this time I cannot document it.

Mr. DONNELL. Mr. President, will the Senator yield for a final question?

Mr. KNOWLAND. I yield.

Mr. DONNELL. Does the Senator know of any reason in the world why the United States Government, with the great number of outstanding men who are available for important public and diplomatic service, should restrict itself in some instances, at any rate, to the choice of men or of a man, to represent its interests in diplomatic affairs, who has had the suspicious connections to which I have referred, as documented in the report of the House Un-American Activities Committee?

Mr. KNOWLAND. Mr. President, I say to the Senator from Missouri—and I speak as a Senator who during the 5 years I have been in the Senate of the United States has generally supported the idea that we should have a foreign policy by which we could present to the world a united front, and I have supported many of the measures the administration has proposed—that, to me, it is a shocking thing that, with such a background, Mr. Lattimore should either be called into consultation by the Department of State for advice on our far-eastern policy or should be recommended to the United Nations by anyone in the Government of the United States. There are in this country many able and competent persons who, I think, would—more nearly than Mr. Lattimore—represent the aspirations and hopes of the American people in maintaining a world outside the iron curtain.

Mr. DONNELL. I thank the Senator.

Mr. McCARTHY. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield.

Mr. McCARTHY. Will the Senator agree with me that it will be a very fortunate day for the United States and a blow to communism if and when the State Department finally severs all relations of any kind whatever with Owen Lattimore?

Mr. KNOWLAND. It is my judgment that the Department of State and the executive branch of the Government not only would be serving the interests of the American people, but, I think, would be helping to build confidence in American foreign policy, by severing their connections with any groups or individuals who have had such a record of advocating things which are detrimental to our American policy in the Far East or elsewhere in the world.

Mr. McCARTHY. I should like to ask the Senator what really will be a final question. I had embarked, as the Senator knows, upon a very difficult task, namely, that of trying to expose the activities of Owen Lattimore in our Government. To get the facts on Owen Lattimore was like pulling teeth, tremendously difficult. Originally the State Department laughed it off, stating, "He has had no connection whatsoever with us." As I have exposed these individuals, men in the Government—from the President on down—have made the statement that it is a disservice to this country and may be a service to Soviet Russia.

Does the Senator from California think it will be a service to this Nation if I continue trying to expose men like Owen Lattimore, so the people can recognize them for what they are, and so that our Government may get rid of them?

Mr. KNOWLAND. I say to the Senator from Wisconsin that it seems to me that the administration and the Congress have a combined responsibility to ferret out to the *n*th degree any charges which have been made by any Senator of the United States or any Member of the House of Representatives or any other responsible citizen. I think I break no confidence when I say that I have in my own mind some questions about the proceedings which have been followed by the Senate committee now holding these hearings. Personally, I should have preferred to have a set-up somewhat similar to the Canadian Royal Commission, where the facts which anyone might have could be brought to a group in whom the country would have confidence; where the facts could be sifted in executive session; where the evidence could be gathered; where, if prosecutions were warranted, they could be turned over to the proper officials, so that the prosecutions could be made.

I think the United States has been on notice, ever since the Canadian spy inquiry, which I have just mentioned, that as a matter of fact the Soviet Union has been trying to steal secrets. They were not only stealing some of the secrets of the atomic bomb from Canada, but they actually stole some samples of uranium from Canada during the time when we were still allied with the Soviet Union prior to VJ-day. Since those thefts occurred from an ally, of course there is no question I think in the mind of any responsible citizen that, if anything, they have been greatly accelerated since that period of time.

I also recall that a good many years ago information was brought to the State Department, and ultimately to the President of the United States, regarding Alger Hiss. It was brushed aside. The fact that a case was 6 years old does not in itself, ipso facto, mean that it is no longer of interest to the American people. The Alger Hiss case was 6 years old. There may be some other cases which are 6 or 8 or 10 years old, but if there has been espionage by people holding responsible positions in their Government, if men have betrayed their trust, it is the duty of the Senate and House of Representatives and of the Executive Department to join together ferretting them out, and not to treat each other at arm's length, not to try to throw obstacles in each other's way.

In my opinion, one of the finest examples of investigation that has been made was the so-called "5-percenter" investigation under the able Senator from North Carolina [Mr. HOEY], a member of the administration's own party. In that case the committee determined to get the facts, let the chips fall where they may. I think the job they did commanded the confidence of the American people and the confidence of Senators on both sides of the aisle. Starting now, I should like to see the investigation presently being conducted operate in that general atmosphere. What I am afraid of is that we are now in such a position that, no matter what is done, unless the situation is remedied, half the people of the country are going to feel that there has been a whitewash, or half the country is going to feel that a witch hunt has been in progress. I agree with the statement made by the chairman of the committee when the investigation opened, that it was not to be either a whitewash or a witch hunt. But, unfortunately, the impression which prevails throughout the country is contrary to that, and I think personally the investigation should be on a little different plane than the public has the impression it is on at the present time.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield.

Mr. HICKENLOOPER. As a member of the subcommittee of the Committee on Foreign Relations now engaged in the inquiry into the charges of the Senator from Wisconsin, I should like to ask the Senator from California whether he is aware of the fact that on the day on which the Senator from Wisconsin made his speech at some length on the floor of the Senate, in which he referred to certain cases by number, and so forth—I think it was the 20th of February—at that time the Senator from Wisconsin repeatedly stated and restated on the floor of the Senate that he did not want to make names public, that he would not tell the names to the Senate in public; and, time after time, the Senator from Illinois, the majority leader, rose to demand that he give the names in public, so the whole country would know who the people were that were suspected. The Senator from Wisconsin repeatedly said, "No, I will not make them public." The Senator from Kentucky [Mr. WITHERS] rose and said he wanted to see the list of names. The Senator from Wisconsin said, "Come to my office in the morning and I will show you the names." The Senator from Kentucky said, "Can I make them public? I intend to make them public if I see them." The Senator from Wisconsin said, "No, if you are going to make them public, I shall not give you the names." Is the Senator familiar with that record?

Mr. KNOWLAND. Yes; I am familiar with it.

Mr. HICKENLOOPER. The RECORD is replete with such statements on the question of the publicity of the names.

I am not certain the Senator is aware but I should like to ask him if he is, because I think it is a matter of fact, that the junior Senator from Massachusetts and I, both, at the first executive meeting of the subcommittee, suggested and proposed the procedure, that the subcommittee meet in executive session, call the Senator from Wisconsin before it, and ask him to disclose the names in private, together with whatever information he had in connection with the names; but the majority of the subcommittee said no, this must be brought out in public. So they held their first hearing, requiring the Senator from Wisconsin to come, in public, to name the names. I tell the Senator that, if he is not familiar with it, merely to keep the factual history of the publicity of these names accurate.

Mr. KNOWLAND. I was not familiar with all the details the Senator has mentioned, except as I have followed them in the public press.

Mr. HICKENLOOPER. If the Senator will yield further, I should like to say to him to indicate that so far as I am concerned, and I assure him, so far as the Senator from Massachusetts is concerned, while we did not have the machinery to set up a court of inquiry such as the Canadian spy-ring case called for, we did propose and urge that an inquiry in secrecy without naming names be made with the facts collected. But we were overruled, and the Senator from Wisconsin was required, or requested, to come before the committee in public hearing, with klieg lights, television, and all the rest of the fanfare of such an emotional occasion, there to bring out his cases, name names, and produce facts.

Mr. KNOWLAND. I may say to the Senator from Iowa, it seems to me, as one Senator who is, as we all are, interested in the future of the United States, whether we be Republicans or Democrats, we should be vitally interested in being sure that there are no espionage agents in the executive branch of the Government, insofar as they can be kept out. It should not be a matter of partisanship, and I am sure it is not. We have a definite job to do. I think the country expects us to do that job. I believe that a great many people throughout the country are tremendously concerned and worried, because they have the Hiss case before them, wherein information which was brought to the attention of the Department of State, in which Department he held a high position, and brought to the attention of the President of the United States, had been brushed aside as a red herring. I think a great many people wonder, if information were carried to those same agencies again, whether the same brushing aside would take place. I think the country is not going to be satisfied now unless either this committee or a group, such as suggested by the Senator from Massachusetts has full access to all the information.

There is a great deal of misinformation going around the country. Some people think it has been advocated that the FBI or loyalty files be published. I do not know any responsible member of the committee, or otherwise, who believes that they should be published. I think the issue is whether a committee, created by resolution of the Senate of the United States in the discharge of its obligation to the Senate and to the country, will themselves have an opportunity to examine all the files and records. Without such examination, I simply do not think the Congress or the country is going to be satisfied with the end results.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MUNDT. The Senator has brought the case of Alger Hiss into the discussion, quite appropriately, because unquestionably disclosures involved in the conviction of Alger Hiss and the collateral confessions of Henry Julian Wadleigh to crimes which were equally infamous, have done much to worry the country, to make it suspicious, and to make it feel that perhaps there is credence to a charge, whenever it is made, about espionage in the State Department.

The PRESIDING OFFICER. The Senator can yield for a question only.

Mr. MUNDT. I am preparing to ask a question. I am wondering whether the Senator is aware of the testimony of Whittaker Chambers, which contributed so mightily to the breaking of the spy ring in the State Department and the conviction of Hiss and the confessions of Wadleigh. I wonder whether the Senator is aware of the fact that Whittaker Chambers himself, who had set up that spy ring, told our committee over and over again that, important as the espionage features were, he considered it, to be more a important part of his work to put men like Wadleigh and Hiss in positions where they could influence Government decisions. That is an aspect of the case which should not be cited or overlooked.

Mr. KNOWLAND. I was familiar with that fact, and I think the Senator himself some time ago mentioned it on the floor of the Senate.

Mr. MUNDT. Since the espionage aspects of obtaining passports from the State Department may not be so serious as placing Communists in focal spots to influence public policy, I wonder whether the Senator will agree with me that, since this investigation has been currently started, it is imperative that it be continued to a conclusion, to the point where the country at last will have confidence in the report which will be made, and so we can have fully as much confidence, let us say, in the employees of the State Department, as the country generally has in the agents of the FBI, on the subject of loyalty.

Mr. KNOWLAND. I may say to the Senator from South Dakota, it is not only desirable, but I think it is essential that it be done. Even though we are in a period of comparative peace, in this day and age of the cold wars I do not think we dare underestimate the dangers of espionage. We have, within a short time, had the case of Dr. Fuchs, in England, who came here on credentials from the British Government; who got into the innermost activities of the American atomic development, and who, by virtue of the knowledge he obtained and the betrayal of his own government to the Soviet Union, undoubtedly accelerated the development of the Soviet atomic weapon which they now have, and which may mean the lives of literally millions of the people of Great Britain and the United States.

When that type of situation is so close to home, under the circumstances which I have outlined, I think we would be derelict in our duty to 150,000,000 Americans if the Congress of the United States did not use its utmost efforts to make its contribution to see to it that such situations shall not exist here. We can never know what is in a man's heart. Any administration might have someone in it who would betray his trust. But certainly we should establish all the safeguards possible so as to lessen the danger just as much as it is humanly possible to do.

Mr. MUNDT. Is it not the duty of any administration to cooperate with the law administrators in detecting, exposing, and convicting unscrupulous persons, rather than trying to cover up for them, as was done in the case of Alger Hiss and Wadleigh?

Mr. KNOWLAND. I hope and pray that from this time on the executive branch and the legislative branch of the Government will work together in trying to solve this problem, rather than at arm's length, as though they were two different governments rather than members of the same Government. We have all taken an oath to uphold the same Constitution. We all have an obligation to 150,000,000 Americans. I think the public will grow sick and tired of the administration trying to throw obstacles in the way of the Congress, and of the Congress trying to throw obstacles in the way of the administration. It is time they got together to do the job which the people have a right to expect.

Mr. MUNDT. I agree completely with the Senator's observation. I wonder if the Senator would agree with me that one way to translate that statement of high purpose into a formula of practical operation would be to find a method whereby the committee which has been charged with the responsibility of getting at the facts ceases to function in an atmosphere of a motion-picture studio, in which one man makes charges beneath the Klieg lights and another man makes answer, but, instead, finds a way to get the facts into the record so as to be prepared to make a report to the public on the basis of the sound information which the public should have.

Mr. KNOWLAND. I agree wholeheartedly with the Senator. It seems to me if I were a member of a committee of that kind, and if there were a group of names—I do not care whether there were 5, 80, or a thousand names presented—I would first feel that it was necessary to get all the facts in the cases. Then, obviously, we would find many persons as to whom the charges were not sustained, but, on the other hand, we might find facts warranting investigation. I would then find out who recommended those persons to the Department, and if it were found that one man was recommended by someone, or by a small clique of persons, we could begin to follow the thread out to its ultimate end. Whether it be for espionage or for some other reason that persons have been removed from the Federal Government, we should go back to the employment files and find out who recommended them for high positions in the Government of the United States. If they have been transferred from one department to another department, I think the country wants the committee to find out who ordered them transferred. If they have been given a billet in the United Nations in order to get away from a place where the heat might be on, I think we should find out who recommended them to the United Nations.

If the committee is to do any kind of job at all, that is the kind of job it will have to do. It will not be done by self-serving statements on the part of anyone. It will not be done by ex parte statements on the part of persons who are making accusations.

Mr. MUNDT. Is it not true that unless the committee entirely revolutionizes its procedure and pursues the facts, as the Senator has suggested, we shall not have any valuable program at all? We shall simply have a publicity program which amounts to nothing.

Mr. KNOWLAND. That is correct.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. CHAVEZ. Agreeing with everything the Senator from California and the Senator from South Dakota have said with reference to investigating anyone who might be detrimental to the welfare of the United States, would it not be best, then, that the people of the country, in whom the Senator from South Dakota and the Senator from California are interested, should know what is happening and what is wrong? With reference to Mr. Lattimore, whom I do not know, I would give Mr. Lattimore the same right under our American institutions that I would give to anyone else.

Mr. KNOWLAND. I do not disagree with the Senator in that statement at all, because certainly if once a name has been brought out with an accusation in public, then, by all means, the accused person should have a right to present his point of view to the committee. What the Senator from South Dakota and I have been talking about is that if the procedures were properly established none of the names which have been mentioned would have come out. The matter would have been presented to the committee in executive session. The committee would determine whether an investigation was warranted. Then it would invite the persons accused to come before the committee. If it were felt that further investigation was necessary and desirable, then the committee could hold open hearings. I do not believe in sprinkling a lot of names around to the detriment of persons who may not be involved at all.

Mr. CHAVEZ. When a man's name has been made public, why should a few Senators who belong to a committee be the only ones to know what the man is charged with? If we take to heart the idea that the American people are concerned—and I believe they are concerned—then why should not the committee hold a public meeting, at least to hear the charges against an accused person?

Mr. KNOWLAND. I will say to the Senator that I do not think we can carry on a proper investigative procedure in a gold-fish bowl. I think evidence may be brought out before a committee which will cause the committee to follow perhaps a dozen leads. Possibly nine of them will run into blind alleys. Possibly three of them will materialize in something. But if it is all done in a gold-fish bowl, in advance, we tip off the persons involved, and they may go aboard a ship such as one which is headed for Poland, and witnesses will be lost. I do not believe a committee properly functioning can conduct that kind of an investigation in that way, any more than a grand jury can do it.

Mr. CHAVEZ. Except that an innocent person should be protected, irrespective of what happens to the committee or what the committee may think should have happened. Is it not better that a thousand guilty men be permitted to go free than that an innocent man be held? I am not talking about the merits of the case. I am talking of what I believe to be the American way of doing things. If a person is guilty, well and good; but if the public knows that charges have been made against him why should he not be heard in public? I am not speaking from the standpoint of personal friendship, because I do not know such a person; I am speaking of my belief in the rights of every citizen.

Mr. KNOWLAND. The Senator from California and the Senator from New Mexico do not disagree in the slightest in that respect. The name having come out in public, obviously the person should have an opportunity to respond in public and to make such statements as he believes should be made under the circumstances. I do not disagree as to that.

Mr. CHAVEZ. Did not the Senator say that the committee refused to give a hearing in public? The fact that the name is Lattimore is only incidental. The only rights I want to protect are the rights of Lattimore as an American.

Mr. KNOWLAND. If the suggestion of the Senator from South Dakota had been followed, the name would never have been brought out in public, and, therefore, we should not have had this situation spreading through the public press, until the investigation had been completed.

Mr. CHAVEZ. Why not, if a man is guilty of anything? I do not like insinuations or charges. As I said to the Senator before, I do not like Communists. They do not mean anything to me, except as a subject of political byplay in the United States in this particular instance. I do not like them at all. I would not be for them in any way whatsoever. However, an American citizen, even if he be a Communist, should not, because he was a member of a particular organization, be faced with insinuations and smears, and charges of this and that.

Mr. KNOWLAND. I will say to the Senator from New Mexico, and I say it with the utmost friendship to him, and perhaps it is because I have been a member of the Joint Committee on Atomic Energy for the 4 years the committee has been in existence, that I think a very terrible crime was committed by Dr. Fuchs——

Mr. CHAVEZ. I do, too.

Mr. KNOWLAND. Not only did he betray his own government, but he betrayed the United States, which was allied with his country——

Mr. CHAVEZ. I am in complete agreement.

Mr. KNOWLAND. And I say that he may perhaps be responsible for the death of 50,000,000 Americans.

Mr. CHAVEZ. That is correct.

Mr. KNOWLAND. And to give that fellow over there the same sentence that Judith Coplon got here is simply inconceivable to me.

Mr. CHAVEZ. What has that to do with Lattimore?

Mr. KNOWLAND. It has just this to do with him. We are talking about investigative procedures. I say we cannot develop the proper investigative procedures in a gold-fish bowl.

Mr. CHAVEZ. Please believe me, I want the Senator from California and the Senator from Wisconsin and the committee to investigate that person completely. However, I do not want to have him found guilty merely because Hiss was guilty, or because Fuchs was guilty, or because some other person was guilty. I know that for the other side it has been a Roman holiday, and I know that no one on our side has dared to rise and protest, but I have dared to stand up for an American citizen, and until he is proved guilty beyond a reasonable doubt, according to our concepts of crime and justice, I am not willing to have him smeared. Notwithstanding the fact that our side might not be defending him, I am defending an American citizen.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. KNOWLAND. Yes; and I think it should be a final question, because I think the Senate should adjourn.

Mr. MUNDT. I will put my question in the form of a clarification of the statement made by the Senator from New Mexico, by saying that I concur completely in the feeling that since Owen Lattimore has had charges made against him in public, he should be given the opportunity to answer the charges in public. Now my question: I wonder if the Senator from California would agree with me that there is a very simple formula available to Owen Lattimore tomorrow morning. On the assumption that he is innocent, now that the charges have been made against him in public, a very simple formula is available to him in order to clear his name and to prove that he is innocent, and to provide the manner and formula whereby this investigation can proceed to a logical conclusion, because all he needs to do tomorrow morning is to ask the chairman of the committee to ask the President, in his behalf, to release his files, so that he, as an American citizen, may have access to the records in order to clear his own reputation. If he is innocent, and makes such a request, even the President of the United States could not deny him, as an individual citizen, the right to clear his name with the records in the files. If he is not innocent, he will not want to make the request. If he is innocent, and the request is granted, we will have a formula whereby the committee can get the facts it needs and report direct to the Senate.

Mr. KNOWLAND. I wish to thank the Senator from South Dakota for his observation.

Mr. CHAVEZ. Suppose Mr. Lattimore were to go before the committee tomorrow morning and make the request which the Senator from South Dakota has suggested. Has that committee any authority, or any jurisdiction whatsoever, to say that he is guilty or not guilty of anything? I will ask the Senator from California to answer that question.

Mr. KNOWLAND. The committee, under the resolution adopted by the Senate, has the authority to make ultimately a report to the Senate after it investigates all the facts. I doubt if it can make a report unless the committee has available to it all the reports. I now yield the floor, Mr. President.

Mr. CHAVEZ. That report will not say whether he is guilty of any crime, will it?

Mr. KNOWLAND. I have never said that he was guilty of any crime. I do not know what evidence may be presented, and I do not know what is in the file on that situation. If there has been any crime committed in the case of any person who is charged, the prosecutions will have to take place in our courts, and be made by the Department of Justice.

Mr. CHAVEZ. But the Senator from South Dakota has stated that Lattimore could prove his innocence or guilt before a senatorial committee.

The point I am trying to make is that the senatorial committee has no jurisdiction, no right, no authority whatsoever, to decide that an American citizen is guilty of any crime.

RECESS TO MONDAY

Mr. ANDERSON. Mr. President, I move that the Senate do now take a recess to Monday next, under the order previously entered.

The motion was agreed to; and (at 2 o'clock and 6 minutes a. m. Thursday, April 6), the Senate took a recess, the recess being, under the order previously entered, until Monday, April 10, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 5 (legislative day of March 29), 1950:

DEPARTMENT OF THE AIR FORCE

Thomas K. Finletter, of New York, to be Secretary of the Air Force.

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion from class 2 to class 1:

Walworth Barbour, of Massachusetts.
Jacob D. Beam, of New Jersey.
James C. H. Bonbright, of New York.
Philip W. Bonsal, of the District of Columbia.
Homer M. Byington, Jr., of Connecticut.
Robert D. Coe, of Wyoming.
Everett F. Drumright, of Oklahoma.
Elbridge Durbrow, of California.
Wilson C. Flake, of North Carolina.
John Wesley Jones, of Iowa.
Foy D. Kohler, of Ohio.
Livingston T. Merchant, of New Jersey.
James S. Moose, Jr., of Arkansas.
James K. Penfield, of California.
William J. Sebald, of the District of Columbia.
Ben H. Thibodeaux, of Louisiana.
Llewellyn E. Thompson, Jr., of Colorado.
Angus Ward, of Michigan.
George H. Winters, of Kansas.
Robert F. Woodward, of Minnesota.

The following-named Foreign Service officers for promotion from class 3 to class 2:

Stephen E. Aguirre, of Texas.
Sidney A. Belovsky, of New York.
Samuel D. Berger, of the District of Columbia.
Max Waldo Bishop, of Iowa.
Richard W. Byrd, of Virginia.
Archie W. Childs, of Ohio.
Howard Rex Cottam, of Utah.
John K. Emmerson, of Colorado.
Francis A. Flood, of Oklahoma.
William A. Fowler, of Oregon.
Laurence C. Frank, of Rhode Island.
Carlos C. Hall, of Arizona.
Thomas A. Hickok, of New York.
Heyward G. Hill, of Louisiana.
Outerbridge Horsey, of New York.
John D. Jernegan, of California.
Robert P. Joyce, of California.
C. Porter Kuykendall, of Pennsylvania.
Douglas MacArthur, 2d, of the District of Columbia.
Robert Mills McClintock, of California.
Walter P. McConaughy, of Alabama.
Jack K. McFall, of the District of Columbia.
Elbert G. Mathews, of California.
Gerald A. Mokma, of Iowa.
Sidney E. O'Donoghue, of New Jersey.
J. Graham Parsons, of New York.
Hector C. Prud'homme, of Connecticut.
G. Frederick Reinhardt, of California.
Livingston Satterthwaite, of Pennsylvania.
Henry E. Stebbins, of Massachusetts.
Edward G. Trueblood, of Illinois.
Harry R. Turkel, of California.
Ivan B. White, of Oregon.
Charles W. Yost, of New York.

The following-named Foreign Service officers for promotion from class 4 to class 3:

R. Austin Acly, of Massachusetts.
W. Stratton Anderson, Jr., of Illinois.
Waldo E. Bailey, of Mississippi.
William Belton, of Oregon.
M. Williams Blake, of Ohio.
Clarence Boonstra, of Louisiana.
William O. Boswell, of Pennsylvania.
Leonard J. Cromie, of Connecticut.
H. Francis Cunningham, Jr., of Nebraska.
Frederic C. Fornes, Jr., of New York.
Fulton Freeman, of California.
Edward L. Freers, of Ohio.
Daniel Gaudin, Jr., of Pennsylvania.
Forrest K. Geerken, of Minnesota.
William M. Gibson, of New York.
John Goodyear, of New York.
John P. Hoover, of California.
Paul C. Hutton, of North Carolina.
Douglas Jenkins, Jr., of South Carolina.
Richard A. Johnson, of Illinois.
Nat B. King, of Texas.
Ridgway B. Knight, of New York.
M. Gordon Knox, of Maryland.
Eric Kocher, of New York.
William L. Krieg, of Ohio.
Nathaniel Lancaster, Jr., of Virginia.
Harold E. Montamat, of New Jersey.
Horatio Mooers, of Maine.
Bolard More, of Ohio.
Walter W. Orebaugh, of Kansas.
Joseph Palmer 2d, of Massachusetts.
Harold D. Robison, of Utah.
Stuart W. Rockwell, of Pennsylvania.
John C. Shillock, Jr., of Oregon.
Francis L. Spalding, of Massachusetts.
Robert C. Strong, of Wisconsin.
Jay Walker, of the District of Columbia.
William W. Walker, of North Carolina.
Alfred T. Wellborn, of Louisiana.
Philip P. Williams, of California.
Randall S. Williams, Jr., of New York.
Robert E. Wilson, of Arizona.

The following-named Foreign Service officers for promotion from class 5 to class 4:

William H. Christensen, of Ohio.
Donald A. Dumont, of New York.
C. H. Walter Howe, of New Jersey.
Henry A. Hoyt, of California.
Merlin E. Smith, of Ohio.
Charles D. Withers, of South Carolina.

The following-named Foreign Service officers for promotion from class 5 to class 4 and to be also consuls of the United States of America:

David M. Bane, of Pennsylvania.
Harry H. Bell, of New Jersey.
Mrs. Katherine W. Bracken, of Florida.
Herbert D. Brewster, of Minnesota.
James M. Byrne, of New York.
Kenneth A. Byrns, of Colorado.
Edward W. Clark, of New Jersey.
William N. Dale, of New York.
Rodger P. Davies, of California.
Richard C. Desmond, of Massachusetts.
John E. Devine, of Illinois.
Enoch S. Duncan, of Tennessee.
A. David Fritzlan, of Kentucky.
Michael R. Gannett, of New York.
Paul F. Geren, of Arkansas.
James R. Gustin, of Wisconsin.
Douglas Henderson, of Massachusetts.
David H. Henry 2d, of New York.
Charles E. Hulick, Jr., of Pennsylvania.
Ben D. Kimpel, of Arkansas.
Spencer M. King, of Maine.
William E. Knight 2d, of Connecticut.
G. Wallace LaRue, of Missouri.
William Leonhart, of West Virgina.
Rupert A. Lloyd, of Virgina.
LaRue R. Lutkins, of New York.
William A. McFadden, of New Jersey.
William L. Magistretti, of California.
James V. Martin, Jr., of Massachusetts.
Francis E. Meloy, Jr., of Maryland.
Armin H. Meyer, of Illinois.
Warren S. Moore, Jr., of Illinois.
David G. Nes, of Maryland.
R. Kenneth Oakley, of Arkansas.
Douglas W. Overton, of New Hampshire.
Richard I. Phillips, of California.
Henry Clinton Reed, of Ohio.
Frederick D. Sharp 3d, of Connecticut.
Albert W. Sherer, Jr., of Illinois.
Garrett H. Soulen, of Texas.
Emory C. Swank, of Maryland.
Joseph J. Wagner, of New York.
Harvey R. Wellman, of New York.

The following-named Foreign Service officers for promotion from class 6 to class 5:

Hugh G. Appling, of California.
John A. Armitage, of Tennessee.
Douglass K. Ballentine, of Texas.
William J. Barnsdale, of California.
Archer K. Blood, of Virginia.
Robert C. Bone, Jr., of Pennsylvania.
John A. Bovey, Jr., of Minnesota.
William H. Bruns, of the District of Columbia.
Edward West Burgess, of Wisconsin.
Gardner C. Carpenter, of California.
Stanley S. Carpenter, of Massachusetts.
Philip H. Chadbourn, Jr., of California.
Robert A. Christopher, of Minnesota.
William B. Cobb, Jr., of North Carolina.
Ralph S. Collins, of Tennessee.
John C. Craig, of Massachusetts.
Oliver S. Crosby, of Pennsylvania.
Richard T. Davies, of New York.
Leon G. Dorros, of New York.
Robert B. Dreessen, of Missouri.
William R. Duggan, of Utah.
Lawrence B. Elsbernd, of North Dakota.
Baird E. Emmons, of California.
David H. Ernst, of Massachusetts.
Thomas R. Favell, of Wisconsin.
E. Bruce Ferguson, of California.
E. Allen Fidel, of Wyoming.
Seymour M. Finger, of New York.
Richard B. Finn, of New York.
James W. Gould, of Pennsylvania.
Philip J. Halla, of Florida.
Norman B. Hannah, of Illinois.
Edwin M. Harbordt, of Missouri.
John Calvin Hill, Jr., of South Carolina.
Peter Hooper, Jr., of Massachusetts.
Rogers B. Horgan, of Massachusetts.

Robert B. Houghton, of Massachusetts.
John M. Howison, of Texas.
Richard M. Hughes, of Ohio.
John D. Iams, of Oklahoma.
Robert L. James, of California.
Miss Dorothy M. Jester, of California.
Alexander C. Johnpoll, of New Mexico.
John Keppel, of the District of Columbia.
David Klein, of Illinois.
Max V. Krebs, of California.
Bruce M. Lancaster, of Mississippi.
Donald S. Macdonald, of Massachusetts.
David S. McMorris, of Alabama.
Charles P. McVicker, Jr., of New Jersey.
Robert J. Mautner, of California.
James A. May, of California.
Everett K. Melby, of Illinois.
Miss Susannah Mirick, of Massachusetts.
Edward W. Mulcahy, of Massachusetts.
Joseph W. Neubert, of Washington.
David D. Newsom, of California.
William F. Penniman, Jr., of Georgia.
Sandy MacGregor Pringle, of New York.
Herbert F. Propps, of Wisconsin.
Ellwood M. Rabenold, Jr., of Pennsylvania.
Thomas M. Recknagel, of New York.
Lowell G. Richardson, of Wisconsin.
Jordan T. Rogers, of South Carolina.
John W. Rozier, of Georgia.
Peter Rutter, of Massachusetts.
Sidney Sober, of New York.
Ernest L. Stanger, of Utah.
William Perry Stedman, Jr., of Maryland.
Richard W. Sterling, of New York.
Robert A. Stevenson, of Florida.
William N. Stokes, of New York.
Galen L. Stone, of Massachusetts.
Kenneth P. T. Sullivan, of Massachusetts.
Kingdon W. Swayne, of Pennsylvania.
Charles R. Tanguy, of Maryland.
Nicholas G. Thacher, of New York.
Malcolm Toon, of Massachusetts.
Charles M. Urruela, of Ohio.
Raymond A. Valliere, of New Hampshire.
Hendrik van Oss, of New Jersey.
Wayland B. Waters, of Michigan.
Robert W. Weise, Jr., of Minnesota.
Richard R. Wilford, of Wisconsin.
Robert M. Winfree, of the District of Columbia.
Stephen Winship, of Massachusetts.
Parker D. Wyman, of Illinois.
Joseph O. Zurhellen, Jr., of New York.

UNITED STATES ATTORNEY

David C. Walls, of Kentucky, to be United States attorney for the western district of Kentucky. He is now serving in this office under an appointment which expired March 20, 1950.

IN THE COAST GUARD

The following-named cadets to be ensigns in the Coast Guard, to rank from the 2d day of June 1950:

Robert Kennedy Adams
William Joseph Baldau
John Gilbert Beebe-Center, Jr.
Lysle Irving Benjamin
Alfred August Binder
George Walter Bond, Jr.
Douglas Rae Burke
Alva Lamont Carbonette
Thomas Akroyd Clingan, Jr.
Eugene Augustine Delaney
Cort Raynor DeVoe
Clifford Frederick DeWolf.
William George Dick
Leopold Anthony Dombrowski
Leo Vincent Donohoe
Harry Albert Feigleson, Jr.
James Lee Fleishell
Robert Edward Fletcher
David Bentley Fountain
Robert James Friedhoff
John Charles Fuechsel
Charles Joseph Glass
Royal Edward Grover, Jr.
Jaime Cathcart Gruger
John Chester Guthrie
Harry Joseph Hayes
Clarence Chester Hobdy, Jr.
Horace Gilbert Holmgren
Walter Chamberlain Ilgenfritz, Jr.
Thomas Richard Jordan
Charles Francis Juechter, Jr.
Norval Stanley Julnes
Lynden Underwood Kibler
David Charles Klingensmith
John Louis Knabenschuh
Arthur William Korfage
Gilbert Louis Kreisberg
William Robert Lamb, Jr.
Adrian Lorence Lonsdale
James Hawley Crabbe Lowe
James Philip Marsh
Ferney Marvin McKibben
Berry Lee Meaux
John Pearson Mihlbauer
Richard Meredith Morse
William Robert Nodell
John Maurice O'Connell
Joseph James O'Rourke
Lawrence Joseph Otto
Robert Louis Palmer
Harold Waldemar Parker, Jr.
Richard Allen Phillips
Rudolph Peter Ralbovsky II
Arnold Ryther Reynolds
Allan Bruce Rose
Hubert Edward Russell
Robert Allen Seufert
Jack Leonard Smith
Benedict Louis Stabile
Robert Claude Stancliff
Donald George Teifer
Claude Richard Thompson
Sidney Boyd Vaughn, Jr.
Norman Charles Venzke
Warren Withers Waggett
William Louis Webster
Roderick MacLeod White
Raymond Harland Wood

WITHDRAWAL

Executive nomination withdrawn from the Senate April 5 (legislative day of March 29), 1950:

POSTMASTER

Mrs. Helen M. Backer to be postmaster at Brightwaters, N. Y.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 5, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

God of all grace, whose amazing love we cannot fathom, we rejoice that when there was no eye to pity and no arm to save, then, in the fullness of time, Thou didst send the Christ to be the Saviour of the world.

Grant that in this week of solemn and sacred memory we may be filled with penitence and humility as we turn to the cross to mediate upon the sufferings and sacrifice of the great captain of our salvation.

May Holy Week be for all of us not only a time of commemoration but of consecration. May we understand more clearly that the kingdom of righteousness for which we are hoping and praying can never be established except through the power of sacrificial love.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

TARIFF NEGOTIATIONS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, as the House knows, there will be a further set of tariff negotiations at Torquay in England in September. I understand that an announcement will shortly be made identifying the countries with which the United States will then negotiate and the products that may be considered for possible tariff concessions. This announcement may be made even before the House returns from its recess.

I think it is very important that Members of the House should understand exactly what the procedures are which are followed in preparation for these negotiations and exactly what the significance of the forthcoming announcement will be. Members will doubtless be receiving inquiries from constituents about it.

The announcement that will shortly be made will contain three parts. First, it will identify the countries with which the United States will be negotiating. Second, it will contain a list of all the products which will be considered by the administration for possible tariff concessions. Third, it will announce the closing date for filing of written briefs and the time and place of public hearings at which any person or group which is interested in any of the products included in the list or in securing any concession from any foreign country with which the United States will be negotiating can make his views known to the interdepartmental trade-agreements organization which is responsible for advising the President as to the concessions he may offer and should ask in the negotiations.

The fact that an item is included in the public list does not necessarily mean that the tariff is going to be reduced. It simply means that the product is among those which will be considered, either because it is an important item in the trade with the other country or because the other country has asked us specifically to consider it. No decision is made as to whether a tariff concession will be offered on any product until after the public hearings have been concluded and the views of all interested persons have been received and considered. Concessions offered by the United States are, of course, dependent on receiving satisfactory concessions from the other country.

The concessions may consist either of a reduction in the rate, or of an agreement not to increase the present rate, commonly known as a binding, or it may be a reduction in the rate which applies only to a particular season of the year, or it may be a reduction in the rate which applies only to a certain quantity or value of imports, leaving the rest of the imports at the present rate.

These procedures are familiar to many Members of the House, but there are new Members who may not be aware of them.

I bring these points to the attention of the House also because many Members will doubtless be receiving communications from constituents about articles which may appear on the public list or which they think may be included in the negotiations; and I think Members should fully understand the procedures which are followed so that they can tell their constituents that this first announcement simply identifies the products which are under consideration and that they will have a full opportunity to be heard as to whether a concession should or should not be given before any decision about making the concession is reached. Moreover, inquirers can be assured that we will not negotiate with any country or on any product which does not appear on the list. There may be a supplemental list of countries or products, but no product is considered or included in any trade agreement and we negotiate with no country without the procedures and hearings which I have described.

EXTENSION OF TERM OF CERTAIN PATENTS

Mr. BRYSON submitted a conference report and statement on the bill (H. R. 4692) to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II.

THE LATE HONORABLE SCHUYLER OTIS BLAND

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON. Mr. Speaker, the memory of a beloved friend of ours who passed away a few weeks ago remains very strong in the hearts of those of us who were closest to him. I am thinking of the gentleman from Virginia, the late Schuyler Otis Bland. That our recollection of him is shared by all who knew him is attested in the touching manner by a prayer which was offered by the Reverend J. M. Dameron, minister of the Reedville, Va., Methodist Church, on March 28 on the occasion of the annual meeting of the Virginia Fishermen's Association.

I hope that you will take time to read this touching prayer, which follows:

Almighty God, our Father, we pause with bowed heads and closed eyes, holding dear the memory of Schuyler Otis Bland. We seek not to speak to You of him, because Thou didst know him. Rather, we pause to give thanks to Thee for permitting him to render unselfishly a great service to this district and to all mankind. May his ideals and the memory of his service long live among us and be to each of us a great guide. In the Master's name. Amen.

PERMISSION TO ADDRESS THE HOUSE

Mr. YATES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include an article.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. YATES addressed the House. His remarks appear in the Appendix.]

WAVE CHIEF YEOMAN CITED FOR BATTLE REPORT WORK

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include an editorial from the Daily News.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, Elvina J. Sudol, chief yeoman, United States Navy WAVES, of Lowell, Mass., today received a Secretary of the Navy letter of commendation with ribbon "for outstanding performance of duty" in connection with the preparation of Battle Report, five-volume authorized history of the United States Navy in World War II.

Vice Adm. John D. Price, Acting Chief of Naval Operations, presented the citation to Chief Sudol at a ceremony in his office shortly after noon today. Capt. Joy B. Hancock, Assistant for Women to the Chief of Naval Personnel, was represented at the ceremony by Commander Louise K. Wilde, her assistant.

The text of the citation follows:

For outstanding performance of duty in connection with the preparation of Battle Report, the five-volume authorized history of the United States Navy in World War II, from January 1944 to December 1949. Serving in the offices of the Secretary of the Navy and the Chief of Naval Operations, Sudol carried out her assigned duties in the office of public relations with efficiency and thoroughness while performing additional secretarial work in the preparation of this official history. Volunteering to assume a laborious task which entailed typing and proofreading the more than 1,000,000 words of text, and verifying the names and service records of the thousands of individuals cited in the five volumes, she handled this great amount of exacting detail to a large extent after completing regular office duties, by sacrificing her limited free time and hours of much-needed recreation. Only her exceptional initiative, enthusiasm, and loyalty to the Navy enabled her to continue her regularly assigned mission in the prosecution of the war at the same high level of performance and simultaneously to fulfill this additional arduous task with remarkable skill and accuracy. By her distinctive success in this dual capacity, Sudol rendered service of permanent value to the Navy and upheld the highest traditions of the United States Naval service.

Chief Sudol entered the Navy in September 1943, from Lowell, Mass., where her parents, Mr. and Mrs. John Sudol, reside. She has been on duty in the Department of the Navy since January 1944, and is currently assigned to the office of the special assistant to the Chief of Naval Operations.

The Battle Report series was prepared by Capt. Walter Karig, special assistant to the Chief of Naval Operations, with the aid of six other Regular Navy and Naval Reserve officers who collaborated on various volumes.

Chief Sudol is my constituent. I am extremely proud of her. She has set a wonderful example to all who serve in the national defense and to all who serve in Government.

THE BRANNAN PLAN

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Speaker, in an effort to secure positive and definite information from Secretary Brannan as to exactly what the so-called Brannan plan is, I directed a series of letters and questions to him which he answered in a letter dated April 3, 1950. The concluding sentence in his letter states:

It is a fair statement to say that if enacted, S. 1971 would put into effect the farm income support legislation that the President and I have recommended.

Thus, for those who are interested in getting complete basic facts with respect to the Brannan plan, I suggest that they secure a copy of S. 1971, which consists of 86 pages. A study of this bill will clearly indicate that the attempts of many people to oversimplify the Brannan plan are entirely misleading. Every Member of Congress and the general public should study this 86-page document before pretending to tell the Congress or the people what the Brannan plan is.

THE ONION MARKET

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, now that the aroma of oil and natural gas has been wafted out of the House Chamber and down to Key West, Fla., it might be well to give members of the House a quick smell of the onion situation.

While some Iowa producers have been dumping onions in their fields rather than sell them for 44 to 60 cents per 50-pound bag, minus 25 cents per bag to ship them to Chicago and 16 cents for the bag itself, onions of the same grade were selling in Washington, D. C., for $1.50 per 50-pound bag wholesale and at the rate of 2 pounds for 15 cents or $3.75 per 50-pound bag at retail.

If the farmer paid the shipping charge of 25 cents a bag, plus 16 cents for the bag, a total of 41 cents, he would net just 3 cents per 50-pound bag, on the basis of a 44-cent market.

This appears to substantiate the charge of the Michigan Onion Growers' Association, as relayed by the Iowa Vegetable Growers' Association, that onion farmers are the victims of one of the most flagrant cases of manipulation in the recent history of any commodity on any exchange.

Following are statements by the above-named organizations: 85,000 cars traded

in 1949 on the Chicago Mercantile Exchange, but only 2,500 cars actually delivered.

Fees: $20 per car from outsiders; $10 from members, plus other fees to brokers in some instances.

While the exchange was doing a $1,000,000,000 business in onions, in 1949, onion farmers were losing millions of dollars even with a short crop.

Exchange employed practices of hedging, short-selling, and scalping to drive down the price of onions from about $5 a bag to 44 cents.

And consumers in Washington, D. C., and other metropolitan centers are being scalped to the tune of 2 pounds for 15 cents retail, while farmers receive as little as 3 cents for 50 pounds.

MONUMENT TO CONSTANTINO BRUMIDI

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, on January 3, I introduced a bill to provide for the erection of a monument at the grave of Constantino Brumidi. This was a companion resolution to that introduced by the gentleman from Arizona [Mr. MURDOCK], which I understand is to be brought up today for action. I want to bespeak your very great understanding of, and favorable action for, Mr. MURDOCK'S bill.

Mr. Brumidi, as you know, was an artist who spent his life painting and decorating this Capitol. The painting of the Surrender of Cornwallis, now in this Chamber, is an excellent example of his work. Unfortunately the changes that are to be made during the summer recess anticipate the destruction of this particular painting which is painted on the plaster. I have been informed by the Architect that there are methods by which the painting could be removed, backed with canvas, and placed in some other part of the Capitol. The cost—some $2,500 to $3,000—of such procedure was given as the reason for its destruction. We have had all too little recognition of him through the years. It is my earnest hope that the resolution will be passed unanimously.

The SPEAKER. The time of the gentlewoman from Ohio has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

[Mr. O'SULLIVAN addressed the House. His remarks appear in the Appendix.]

SEEDS OF TREASON

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, it has been my great fortune in the last 24 hours to read a new book called Seeds of Treason, which has just been written by Ralph de Toledano and Victor Lasky. The book concerns itself exclusively with the Hiss-Chambers case, and I want to commend it to this House and to the public as one of the most fascinating books that I have ever read and one of the most important that has been published in recent years. It is an objective appraisal of the case of Alger Hiss, and no one can read it without realizing what dupes we Americans have been to ever believe that anything good could come of the Soviet experiment or communism.

I thought I knew a good deal about the Hiss-Chambers case, but until I read this book I now know that I never really understood just how damning the evidence was against Alger Hiss and what a sucker he made of our State Department in his traitorous activities. Nobody can read this book without realizing that our loyalty checks are worthless when it comes to ferreting out real Soviet spies in our Government. You realize that a clever operator like Alger Hiss—and spies are clever or they are not spies very long—could pass our present loyalty test with flying colors, and of course, the actual fact is that he did pass that so-called test.

This book, Seeds of Treason, is a testament on the gullibility of left-wingers and do-gooders who even to this day are still defending Alger Hiss. I hope this book sells a million copies, and I think if each Member of this House will take the trouble to obtain a copy and read it, he will be a better American for having done so and a wiser Congressman, regardless of how much he or she may already know about the Hiss case.

APPOMATTOX

Mr. ABBITT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ABBITT. Mr. Speaker, Sunday, April 9, is the anniversary of one of the significant dates in the history of our great country. I know of no event of more importance to us since our Constitution was adopted than the meeting of General Lee and General Grant at Appomattox on Palm Sunday 85 years ago. It represents the reuniting of a war-torn nation, the welding together of a mighty people, the healing of a wide breach. It has had a significant effect upon the history of the entire world. Had there been no peace between the two warring sections of our country, who knows whether the World War I or II either would have been won by freedom-loving people or whether or not this great land of ours would have been cut up into many small countries with small influence upon international affairs.

The peace that was made between Generals Grant and Lee at Appomattox has been a lasting one. It has stood the test of time, and on April 16, 1950, there will be a great meeting at old Appomattox Court House when the Appomattox Court House National Historical Monument and the rebuilt McLean home, where the peace terms were written up, negotiated, and signed, will be dedicated as one of our national shrines, and as a monument to a lasting peace between the two warring sections of our great country.

On behalf of the people of Appomattox particularly, and Virginia in general, I extend to my colleagues in the House of Representatives a cordial invitation to attend these dedication exercises as our guests and to visit this great national shrine which stands as an emblem of peace between our people and in memory of those great warriors who fought, bled, and died for principles they believed in and were willing to sacrifice their all in defense of same.

The high lights of the exercises will be the marching of the two bands. Gen. Ulysses S. Grant III, a grandson of Gen. U. S. Grant, will march in front of the Quantico Marine Band along the route taken by his great ancestor. Young Robert E. Lee IV, a great-grandson of Gen. Robert E. Lee, will march in front of the VMI Cadet Band along the route taken by his noble ancestor. The two groups will meet in front of the restored McLean house to start the proceedings, the Marine Band playing "Yankee Doodle" and the VMI Band playing "Dixie."

We are hopeful that each and every one of you will be our guest on this notable occasion, realizing that many of you are descendants of those noble warriors who met at Appomattox on Palm Sunday, April 9, 1865.

SEEDS OF TREASON

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I rise to praise the statement just made by the gentleman from Mississippi [Mr. WILLIAMS] concerning the book on the Alger Hiss case called Seeds of Treason. I wish to say that I agree completely with his views, and I want to commend him for appraising the book for what it is—a warning not to Democrats or to Republicans but to Americans.

The Communist conspiracy is the greatest threat to freedom of speech, freedom of religion, freedom of thought, and freedom of assembly ever to be visited on this earth. It is a threat to our very existence, and the gentleman from Mississippi, who has already demonstrated his valiant patriotism by a war record matched by few, is correct in his estimate that this book should be read by every Member of Congress and should be found in the home of every American.

I contrast the attitude of the gentleman from Mississippi with that of the gentleman from New York [Mr. DOLLINGER]. I respect the views of the gentleman from New York, but I believe that the book Seeds of Treason has proved something far more important than the fact that Democrats played a part in bringing about the conviction of one Alger Hiss. On a partisan basis, I would be tempted to prove to the gentleman from New York that the Hiss case came into being through the efforts of many people other than those cited by him, but I will forego that obvious fact and urge the gentleman from New York to reread Seeds of Treason from the viewpoint of what it means to America and the world.

HARRY BRIDGES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I hope we do not burn our bridges before us this time, but that the bridge will be long enough to reach from America to Australia to take Harry Bridges, who was convicted of perjury, back to where he belongs, his homeland, Australia. We had a former President and his wife who interceded to keep him here after he was ordered deported. A great mistake. We have spent a long time and a lot of money to let the people of this country know through a jury trial that Bridges was a Communist. He was tried for perjury and convicted.

He was permitted to become a citizen of the United States of America after he betrayed our land—your land and mine.

In the trial just ended, the third, the defense was given extraordinary latitude and every opportunity to offer testimony. The trial lasted 81 days, and the jury deliberated 31 hours. We cannot recall any defendant who has received fuller or better treatment under American justice.

It seems to me that the President of the United States and those in authority should have learned their lesson and send Bridges back to Australia, take his American citizenship away from him, and allow us to be free from these Communists. Whenever we find them in our midst we ought to get rid of them, and the way to do that job is to send them back where they came from. In this instance it is Australia.

We spend billions to rid other countries of communism. Now we have the verdict. Let us act, Mr. President. Mr. President, do not do the same as your predecessor. That should be unjust to our own people in America, who are good, sound American citizens.

Deport Bridges.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend the remarks he expects to make in the Committee of the Whole today and include certain excerpts from the CONGRESSIONAL RECORD and from statements he made before a Senate committee.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I want to report here a wire I have just sent to the President in Key West:

APRIL 5, 1950.

The PRESIDENT,
Winter White House,
Key West, Fla.:

In accordance with estimate March 20 issue Life and department figures for inventory February 28, we have sufficient prunes to give 1,000 people a dish for breakfast until year 3111. I trust this will impress upon you the necessity of prompt remedial action.

JOHN W. HESELTON,
Member of Congress.

Next, I want to include a copy of a letter I sent to the President today. I felt it might be helpful if he could know the full situation surrounding my search for dried eggs:

APRIL 5, 1950.

The PRESIDENT,
Winter White House,
Key West, Fla.

DEAR MR. PRESIDENT: I wish to respectfully advise you that my messages with reference to the disposition of surplus foods have been in the nature of pleas to you to take action which I am convinced the American people are demanding in daily increased numbers. I am enclosing a copy of the RECORD of yesterday because I want you to have the benefit of a letter written to me by Mr. Don A. Tuttle, farm director of Station WHAI, Greenfield, Mass. This outlines graphically the entirely successful effort to distribute potatoes to needy people in that town. I am sure you agree with me, in spite of the views widely held here by certain Government officials, that we can rely on the intelligence, the initiative, and the integrity of our fine public-spirited Americans in all of our communities to handle these problems if we permit them to do so.

Next, I want to tell you something about the eggs I sent to you, which did not come to my attention until today. I paid $1.25 for them. I am sure your chef can advise you that they constitute the equivalent of a dozen and a half eggs. This is at the rate of 83 cents a dozen. The current price on a dozen eggs is 61 cents a dozen, so that you can see that the taking off the market of these 79,000,000 pounds of dried eggs has not only had the effect of depriving thousands of needy Americans of them, with the daily increasing threat of spoilage, but has actually resulted in making this commodity a scarcity. These eggs were purchased at Magruder's, which I am told is a store concentrating in selling specialty foods. I am sure that this, too, will give you food for additional thought as to the consequences of this indefensible situation. I am convinced that as soon as the full facts become known to sufficient American citizens and taxpayers you will receive an overwhelming demand for action. I am further convinced that when the facts become known, particularly as to the extent of dumping and spoilage, someone in the executive department is going to pay for it and pay dearly. The American people are intelligent and I know that they resent being considered as, or treated as suckers.

I do hope and trust that you will do me the courtesy of at least acknowledging receipt of this and my previous communications and that you will take the remedial action under existing law which you have the power to take.

Respectfully yours,

JOHN W. HESELTON.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments may have until midnight Thursday to file a report on Reorganization Plan No. 6, House Resolution 522, and that the same permission be granted to any Member or Members who may decide to file a minority report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPEAKER AUTHORIZED TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES DURING RECESS OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until April 18, 1950, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CLERK AUTHORIZED TO RECEIVE MESSAGES FROM THE SENATE AND SPEAKER AUTHORIZED TO SIGN ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until April 18, 1950, the clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROVIDING FUNDS FOR THE EXPENSES OF THE INVESTIGATION AND STUDY AUTHORIZED BY HOUSE RESOLUTION 22

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 436) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of the investigation and study to be conducted by the select committee created by House Resolution 22, not to exceed $75,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendment:

Strike out "$75,000" and insert "$50,000".

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING A SURVEY OF THE FEASIBILITY OF CONSTRUCTING A CONVEYOR BELT BETWEEN THE HOUSE OFFICE BUILDINGS AND THE CAPITOL

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 461) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the House Office Building Commission make a study and survey necessary for the purchase and installation of a conveyor belt to be placed in use for the Members of the House going to and from the Capitol and the House Office Buildings.

With the following committee amendment:

Strike out "conveyor belt" and insert "transportation system".

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ELECTRICAL EQUIPMENT

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (H. J. Res. 418) and ask unanimous consent for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this resolution?

Mr. STANLEY. Mr. Speaker, the Committee on House Administration has received many requests for funds with which to purchase electric typewriting equipment. The committee has had under consideration House Joint Resolution 418 and has favorably reported the resolution to the House with amendments. It provides that a Member, at his request and with the approval of the chairman of the Committee on House Administration, may direct the Clerk of the House of Representatives to purchase electric typewriting equipment, but not more than two sets for any one Member. The electrical equipment consists of, as the resolution provides, an electric typewriter, and automatic typing equipment that may be attached, a dictating machine, and a transcribing machine. All of these are permissible to be purchased under the bill, with the following provision:

Automatic typing equipment furnished under this joint resolution shall be registered in the office of the Clerk of the House of Representatives, and shall remain the property of the House of Representatives.

The cost of this electrical equipment which is purchased will be taken from the fund allocated for clerk hire that has already been made available to the Members, and Members who already own such equipment, by making request to the chairman of the Committee on House Administration, will direct the Clerk of the House to reimburse them out of the funds appropriated to them for clerk hire.

The amount of such portion of those funds shall be determined by the computation of basic amounts; that is, if you want to purchase an electric typewriter with the mechanical equipment that goes with it, you would need to take from your basic appropriation the amount of $550. If you wanted a sufficient amount to purchase all of the equipment that would be available to you for one set, you would need to take from your basic clerk hire the sum of $880.

Under the resolution you may purchase this equipment as soon as the request is made, provided the resolution passes, and deductions may be made for a period of 12 months, provided it does not go beyond the term of office that the Members are elected for.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield to the gentleman from Florida.

Mr. SIKES. As far as I have been able to determine, the average Member of the House has as much need for or desire for an electric typewriter as a hog has for a side-saddle. However, I have been paying my telegraph and telephone charges out of my pocket for a month now on necessary congressional business. I wish the gentleman's committee would do something about that.

Mr. STANLEY. I will say to the gentleman that the committee did something about it the first session of this Congress.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield to the gentleman from Iowa.

Mr. LECOMPTE. This resolution is not such a small matter after all. It provides for the purchase of a complete outfit at a cost of something like $1,800, with not to exceed two such outfits to one office. If you multiply that by 400, you will get something over a million dollars.

I have seen these machines operate. They amaze you. They are really magic machines. It seems to me they are almost human. But in the end, it seems to me, this would cost the Government a considerable sum of money. Moreover, those of the House who are at the present time using up all of their allowance for clerk hire have no way of obtaining one of these machines, and those who do not need all their clerk hire or are not expending all of it would be in a position to obtain these machines, but they are evidently not the ones that need them the worst.

Of course, I am not advising the chairman of the committee, but it seems to me that this is a matter of considerable importance and it could very well be withdrawn and laid over until after the Easter recess. The country at the present time is economy-minded. I am not certain in my own mind by any means that the country will look with favor on the House providing itself with a million dollars more of equipment for sending out more mail and material, and yet talking about economy in other branches of the Government. I am wondering if this resolution should not lay over and be considered after the recess.

I realize it was voted out for consideration by the committee, although I and one or two others opposed it, but it does seem to me this is of enough importance that we could let it go over until after the recess.

Mr. STANLEY. The gentleman attended the committee meeting at which this resolution was reported out. The chairman has had no request from him up to this time to delay the matter.

Mr. LECOMPTE. No, I did not make such a request, but I did oppose the resolution.

Mr. STANLEY. I would say further that this is a permissive resolution. It does not appropriate any additional funds. If the Members desire to use some funds that are already made available to them now, they have that privilege.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. MILLER of Nebraska. Does the equipment remain the property of the Government?

Mr. STANLEY. Yes, it is the permanent property of the Government.

Mr. MILLER of Nebraska. It might be possible for Members to get along with one less clerk in the office if they had this type of machine.

Mr. STANLEY. I should think that would be determined by the Member. It is possible.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield to the gentleman from Indiana.

Mr. JACOBS. I think it is only fair to keep the record straight here in regard to the question raised by the gentleman from Florida [Mr. SIKES]. It is true that the committee did make available more funds for telephone charges and for stationery last year, but the fact remains that in regard to telephone allowances they should be apportioned according to the distance from Washington a Member may live. A Member who lives near Washington can get by on the allowance that is made, but the Members who live farther away, and there are many who live much farther away than I, run out of their telephone allowances in the first 2 or 3 months. There is no reason why a Member living in Oregon or California should not be able to get in touch with his constituents just the same as a Member who lives nearby. I think that is sound principle.

May I say also in regard to the stationery allowance that my stationery cost me $489 more than the allowance last year.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. STANLEY. I yield.

Mr. McCORMACK. Of course I had no knowledge that this resolution was coming up today. I have not looked into it, but I would first like to ask the gentleman from Virginia what his own personal view is about it.

Mr. STANLEY. As I just stated, the gentleman from Virginia thinks it is permissive legislation. It does not appropriate any more funds or make any more funds available to the Members, but it permits them to take funds now appropriated to them for clerk hire and use it for this kind of equipment, which will become the property of the Government if and when it is purchased.

Mr. McCORMACK. I thank the gentleman. But would the gentleman from Virginia care to express his personal view on the matter?

Mr. STANLEY. Personally I have not found a great deal of need for these machines, but the committee has had many, many requests and this was considered at the request of the membership.

Mr. McCORMACK. In view of the suggestion made by the ranking member of the committee, whom we all admire and for whom we have a very high regard, who is a distinguished gentleman, would it not be possible to let the matter lay over? We all know the courteous manner in which the gentleman, when he was chairman always treated all Members, both then and now, in his associations with us.

Mr. STANLEY. I certainly concur in the sentiments expressed by the distinguished majority leader as to our respect and admiration for the gentleman from Iowa. I would have no objection to letting the matter lay over, but the request had not been made until the resolution was brought up this morning. If it had been made before, of course the matter would not even have been called up.

Mr. McCORMACK. I thank the gentleman.

Mr. STANLEY. Mr. Speaker, I withdraw the resolution.

STUDY OF MONOPOLY POWER

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged concurrent resolution (H. Con. Res. 125), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on the Judiciary of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 5,000 copies of the hearings, held before said committee, on the resolutions entitled "Study of Monopoly Power."

With the following committee amendments:

Line 6, after the word "thousand", insert "additional".

Line 6, after the word "of", insert "parts 1 and 2 of".

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MONUMENT FOR CONSTANTINO BRUMIDI

Mr. STANLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5943) to provide for the erection of a monument at the grave of Constantino Brumidi.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the Secretary of the Interior is authorized and directed to accept on behalf of, and without cost to the United States, title to site numbered 6, lot numbered 70, in Glenwood Cemetery, District of Columbia, such site being the grave of Constantino Brumidi, the artist who spent 25 years decorating the Capitol Building of the United States and died as the result of a fall from the Rotunda frieze during his last assignment in the Capitol.

(b) Upon acquisition by the United States of title to such site, the Secretary of the Interior is authorized and directed to erect, with the advice of the Commission of Fine Arts, a suitable monument to mark the grave of the said Constantino Brumidi.

SEC. 2. There is authorized to be appropriated the sum of $200 to carry out the purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, the bill just passed authorizes a very modest sum to provide a marker for the grave of Constantino Brumidi as a belated recognition for the splendid work he did in decorating this Capitol Building. I listened to the words of praise of the gentlewoman from Ohio [Mrs. BOLTON], who introduced an identical bill, with deep appreciation. To those Members like myself who have little knowledge of art, I feel that the lady Members of Congress are in a better position to appreciate the 25 years of effort which the Italian-born artist took in this patriotic and artistic work. And I recall too that these were 25 of the mature years of his life, for he was already on the sunset slope of life when he came to America. Therefore, his frescoes in the Capitol represent the best of his artistic ability and the culmination of his patriotism for this America—the land of his adoption.

Many times I have looked at the painting in the corner of this Chamber to the left of the Speaker and never passed by it without studying the signature in the lower right-hand corner. It says, "C. Brumidi, artist, citizen of the United States." That is a unique and unusual signature, but we understand the reason for it when we discover that this artist applied for citizenship almost the very day he landed on Ellis Island and received his citizenship papers within a minimum of time after his arrival in this country. How significant is that fact as to his patriotism and love of this new country.

If further proof were needed of Brumidi's love of America and her institutions, it could easily be found in the paintings that decorate this structure, especially at the top of the dome itself and in the frieze circling the dome and more especially in the decoration of the President's room off the Senate Chamber. There he has portrayed for all times the great men who founded the Republic. This man should be more properly honored.

BRIGHAM YOUNG STATUE COMMISSION

Mr. STANLEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 186) authorizing a statue of the late Brigham Young, of Utah, to be placed in Statuary Hall.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Brigham Young Statue Commission of Utah is hereby authorized to place in Statuary Hall a statue of the late Brigham Young, of Utah, and to hold ceremonies in the rotunda on June 1; and the Architect of the Capitol is hereby authorized to make the necessary arrangements therefor.

With the following committee amendment:

Page 1, lines 4 and 5: strike out the words "between the statues of Ethan Allen and Alexander Hamilton Stephens".

The committee amendment was agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MRS. ELIZABETH BOWERS LAWRENCE HEBARD

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 535) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Elizabeth Bowers Lawrence Hebard, mother of Josephine Hebard, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate she was receiving at the time of her death and an additional amount not to exceed $350 toward defraying the funeral expenses of said Josephine Hebard.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING HEARINGS ON REVENUE REVISION

Mr. STANLEY. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged concurrent resolution (H. Con. Res. 192) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, authorized

and empowered to have printed for its use 1,000 additional copies of each part of the hearings relative to revenue revision held before said committee during the current session, including an index.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DOYLE. Mr. Speaker, I ask unanimous consent that the RECORD show that on yesterday and the day before when quorum calls were made I was absent from the District of Columbia on an official assignment by the House Armed Services Committee, and therefore was not present on the floor.

The SPEAKER. The gentleman's statement will stand.

THE LATE HONORABLE E. B. HOWARD

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. GILMER] may extend his remarks at this point in the RECORD with reference to the death of a former predecessor of his.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. GILMER. Mr. Speaker, I am deeply grieved to announce to the membership of the House of Representatives that Hon. E. B. Howard passed away on April 3. Mr. Howard was an illustrious predecessor of mine, having served the First District of Oklahoma in the Sixty-sixth, Sixty-ninth, and Seventieth Congresses. There are quite a few among you who served with Mr. E. B. Howard, and will remember him well.

He was born in Morgantown, Ky., and was 76 years of age at the time of his death. He was not only a Member of Congress for three terms, but also served as a member of the city council of Tulsa, Okla., and purchased the city's first waterworks. Mr. Howard also served with distinction as secretary of the State Board of Affairs of Oklahoma from 1911 to 1915, when he became State Auditor of Oklahoma where he remained until 1919.

Mr. E. B. Howard was my personal friend, and was also the very good friend of my father. The First Congressional District and the State of Oklahoma, in his passing, suffer the loss of one of the fine pioneers who helped create for our great State of Oklahoma the place of eminence which it now occupies.

AMENDING TITLE VIII OF THE NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7846) to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill and the need for the urgent action at this time?

Mr. SPENCE. I will be glad to explain the bill.

The bill simply implements the military housing billl which was passed some time ago. The Army, the Navy, the Marine Corps, and the Air Corps are all very anxious for the immediate passage of the bill. It permits the employment of architects and engineers to draw plans and specifications for the projects.

No money is required; we do not contemplate any appropriation, for the sponsors of the project will assume all costs of the operation of this bill. At the present time the sponsors of the projects have their own architects and engineers, but there is no uniformity in the plans and specifications. Therefore, there can be no truly competitive bids.

This resolution authorizes the Secretary of Defense to have uniform plans and specifications prepared that will be submitted to the sponsors so that there may be competitive bidding. There will be standard plans for all to bid upon and, therefore, it will make possible true competition.

Mr. MARTIN of Massachusetts. All it does is to expedite the procurement of bids and also to harmonize plans and specifications.

Mr. SPENCE. The gentleman is correct. It will expedite the procurement of bids, and it will also expedite the construction of these buildings which are so necessary to house the members of our armed forces. At the present time, I understand, the housing in many instances is so bad that it is difficult to get men to reenlist, and they leave the armed forces at a time when they are needed most. Under this provision they feel that they can immediately proceed with the construction of this much-needed housing, and we find that it is absolutely necessary to have a measure of this kind to implement the housing bill which passed.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. McCORMACK. I may say also that the Secretaries of Defense, of the Army, and of the Navy, and of the Air Force consider the passage of this bill now very important. They are anxious to have it enacted into law as soon as possible.

Mr. SPENCE. They have done everything they could to bring about its immediate consideration.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title VIII of the National Housing Act, as amended, is hereby amended by adding the following new section at the end thereof:

"SEC. 809. Whenever the Secretary of the Army, Navy, or Air Force, or his duly designated representative, determines that it is desirable in order to effectuate the purposes of this title, the Secretary is authorized, without regard to the civil-service and classification laws, to procure, by negotiation or otherwise, the services of architects and engineers, or organizations thereof, under such arrangements as he deems desirable. Such services may include the development of plans, drawings, and specifications for rental housing under this title and other services in connection therewith. Such arrangements may include provision for advance or progress payments, for payment by third parties, for payment by the Government of any such compensation as is not paid for by third parties, for reimbursement by third parties to the Government of any compensation or other expenses paid by the Government pursuant to this section, or other provisions for compensation. The Secretary is further authorized to advance or pay to the Federal Housing Administration its 'Appraisal and Eligibility Statement' fees in connection with such rental housing. The Secretary is further authorized to procure options from private parties for the acquisition by third parties of off-installation sites intended for such rental housing, and to enter into arrangements by contract or otherwise for eventual acquisition, without cost to the Government, of all right, title, and interest in such sites and improvements thereon by the Government. Any public-works appropriations now or hereafter available to the Departments of the Army, Navy, or Air Force may be obligated by the respective departments for these purposes. Reimbursements to the Government on account of payments made pursuant to this section shall be made to appropriations against which such payments were charged."

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: On page 2, line 6, change the period to a colon and insert "*Provided*, That such plans, drawings, and specifications may include the use on any project to be constructed under this title of alternate materials or alternate types of construction, including prefabrication, that provide substantially equal value and conform to the standards established by the Federal Housing Administration."

The amendment was agreed to.

Mr. SPENCE. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 22, insert a comma after the word "thereon".

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in two instances, and in one to include a resolution from the Hibernians of Massachusetts, and in another a resolution from the Massachusetts General Court.

Mr. JONES of Alabama asked and was given permission to extend his remarks and include an editorial from the Decatur (Ala.) Daily.

Mr. THOMPSON asked and was given permission to extend his remarks and include a newspaper article.

Mr. MAGEE asked and was given permission to extend his remarks and include a speech made by the Honorable PHIL J. WELCH at the ninetieth anniversary of the start of the Pony Express, which was printed in the St. Joseph News-Press on April 3, 1950.

Mr. HEDRICK asked and was given permission to extend his remarks and include an editorial from the Charleston Gazette entitled "Low Brand of Politics."

Mr. HAYS of Ohio asked and was given permission to extend his remarks and include extraneous matter.

Mr. GORE asked and was given permission to extend his remarks and include an editorial from the Chattanooga Times.

Mr. RAINS (at the request of Mr. PRIEST) was given permission to extend his remarks in two instances, in one to include a report of the Civil Aeronautics Authority, and in the other to include an address by Gen. Lewis A. Pick.

Mrs. BOSONE asked and was given permission to extend her remarks and include two editorials.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. FERNÓS-ISERN asked and was given permission to extend his remarks.

Mr. LEFEVRE asked and was given permission to extend his remarks and include an editorial from the New York Herald Tribune.

Mr. HINSHAW asked and was given permission to include certain excerpts and tables in the remarks which he expects to make in Committee of the Whole.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks and include extraneous material.

Mr. TOLLEFSON asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. VAN ZANDT asked and was given permission to extend his remarks.

Mr. MACK of Washington asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. COLE of New York asked and was given permission to extend his remarks and include a letter.

Mr. EBERHARTER asked and was given permission to extend his remarks and include extraneous matter.

Mr. TAURIELLO asked and was given permission to extend his remarks in four instances and include extraneous material.

Mr. RICH asked and was given permission to extend his remarks.

Mr. GAVIN asked and was given permission to extend his remarks and include an editorial.

Mr. BIEMILLER asked and was given permission to extend his remarks and include certain answers from the Secretary of Agriculture.

Mr. KEOGH (at the request of Mr. PRIEST) was given permission to extend his remarks and include an editorial.

Mr. HERTER (at the request of Mr. HESELTON) was given permission to extend his remarks and include an editorial.

Mr. HALE asked and was given permission to extend his remarks and include an address delivered by the gentleman from Maine [Mr. FELLOWS] at the Republican State Convention.

Mr. SANBORN asked and was given permission to extend his remarks and include extraneous matter.

Mr. JENISON asked and was given permission to extend his remarks and include a newspaper article.

Mr. LANE asked and was given permission to extend his remarks and include a speech he made at a communion breakfast last Sunday.

Mr. SADOWSKI asked and was given permission to extend his remarks in five instances and include certain excerpts.

GENERAL APPROPRIATION BILL, 1951

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

CALL OF THE HOUSE

Mr. SCRIVNER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 132]

Anderson, Calif.	Herlong	O'Toole
Angell	Herter	Pace
Barden	Hoffman, Ill.	Patman
Barrett, Pa.	Holifield	Pfeifer,
Battle	Holmes	Joseph L.
Beall	Hull	Pfeiffer,
Bennett, Fla.	Jackson, Calif.	William L.
Bentsen	Jenkins	Plumley
Blackney	Jones, Mo.	Poage
Blatnik	Karst	Poulson
Bonner	Kean	Powell
Brooks	Kearney	Rains
Buchanan	Kee	Redden
Buckley, Ill.	Kelly, N. Y.	Reed, Ill.
Buckley, N. Y.	Kennedy	Reed, N. Y.
Bulwinkle	Kilburn	Ribicoff
Carlyle	Klein	Sabath
Celler	Kunkel	Sadowski
Chatham	Lanham	Scott, Hardie
Chesney	Larcade	Shelley
Chiperfield	Lichtenwalter	Short
Chudoff	Linehan	Smathers
Combs	Lynch	Smith, Ohio
Coudert	McCulloch	Sutton
Cox	McDonough	Tackett
Davis, Tenn.	McGregor	Taylor
Dawson	McMillen, Ill.	Thornberry
Dingell	Madden	Towe
Dollinger	Mason	Vinson
Douglas	Miles	Wadsworth
Fellows	Mills	Welch
Fulton	Monroney	Werdel
Gilmer	Morgan	Wheeler
Gordon	Morrison	Whitaker
Grant	Murphy	Wier
Green	Murray, Tenn.	Willis
Gregory	Nicholson	Wilson, Okla.
Hall,	Nixon	Wilson, Tex.
Leonard W.	Norton	Withrow
Harvey	O'Brien, Ill.	Wood
Heffernan	O'Brien, Mich.	Woodhouse
Heller	O'Konski	Young

The SPEAKER. On this roll call 307 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

GENERAL APPROPRIATION BILL, 1951

The SPEAKER. The question is on the motion of the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from Missouri [Mr. CANNON] had consumed 2 hours and 52 minutes, and the gentleman from New York [Mr. TABER] had consumed 3 hours and 28 minutes.

Mr. STEFAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. MORTON].

Mr. MORTON. Mr. Chairman, I take this time to discuss a few questions in connection with chapter 9 of the general appropriation bill and to express my concern over a threat which seems to be developing in our handling of flood-control projects.

I notice from the report on the general appropriation bill that the budget request for the Corps of Engineers was reduced by the Appropriations Committee by approximately 25 percent. This cut applied to flood-control projects as well as rivers and harbors. I also find that a much less drastic cut has been applied by the committee to the funds requested for the Department of the Interior. These latter funds include the items for construction and rehabilitation carried on by the Bureau of Reclamation. To be specific, the general flood-control estimates for 1951 were $478,447,000. The committee has reduced this item to $341,055,000. In the case of the construction and rehabilitation funds for the Bureau of Reclamation, the reduction was from $320,000 to $297,000—less than 7½ percent. Since flood control is involved in both funds, I cannot understand the logic for the discrepancy in the reductions. It seems to me that the Appropriations Committee has discriminated against those communities in the eastern part of the country whose flood-control problems are, for the most part, handled by the Corps of Engineers of the United States Army. Conversely, the committee action seems to give special favor to the western communities where most of the work is done by the Bureau of Reclamation of the Department of the Interior.

The city of Louisville, Ky., suffered the worst flood in its history in 1937. Shortly thereafter plans were developed for flood protection, and such protection was authorized by the Congress. The city of Louisville and Jefferson County assumed certain obligations to provide rights-of-way and to rearrange the sewage system so as to fit into the flood-protection plan. Bonds were sold and other local funds made available so that the city and county could meet their respective obligations. The war years intervened, and both appropriations and construction were understandably suspended. In 1945 another disastrous flood hit Louisville. In both of these floods property damage was far in excess of the total cost of flood protection. Income losses to the workers of Louisville, through the suspension of industrial and commercial operations, were staggering. There is also the very human element; namely, the thousands of men, women, and children who live in homes annually subject to the threat of flood.

The Corps of Engineers estimates that the reduction suggested by the committee in funds available for the Louisville flood-wall project will delay its completion until 1955. It is my opinion that the project can be completed at an earlier date if appropriations for fiscal 1952 and 1953 are made adequate.

I am concerned over the vast number of projects on which construction is begun and the relatively small number being completed.

In many projects, including the Louisville flood wall, the slow rate of progress may prove uneconomical in final analysis. The longer the delay in completion of these projects the greater the total costs will be to the American taxpayer.

The Congress has approved many public-works projects. In so doing it was never contemplated that all would be immediately begun. It was clearly pointed out that we must have a backlog of projects so that if at any time the economy of the Nation required Government stimulation of employment, certain of these projects could be set in motion. Without such a procedure the Congress might take very hasty action in the authorization of projects in time of economic stress. This would not be in the best interests of the taxpayers in the long run. As the committee report points out, the administration, through the Department of the Army, has encouraged local municipalities to provide funds for the local responsibilities of certain authorized projects when there was no intention of requesting Federal funds to commence work. This results in an understandable demand from the local government unit for Federal funds. The Congress, in order to meet this, has appropriated money in the past and taken it from those projects already under way.

I was happy to find the following on page 247 of the report:

> Reductions in appropriations made by the Congress may, at times, make for uneconomical construction because of the fact that the money must of necessity be applied to a great number of construction projects. It would seem to the committee that a better approach is to limit construction to fewer projects and complete or nearly complete those projects in order that the anticipated benefits may be derived therefrom prior to embarking on construction of additional projects. With this in mind the committee is recommending no funds for planning for the fiscal year 1951. It is felt that it is time for the Congress and the Corps of Engineers to take stock of the current obligations with the view of developing a more logical construction plan which will better serve the needs of the country and better fit into the current budgetary situation. Corollary with this thought is the recommendation that the Corps of Engineers discourage expenditures by local municipalities on the basis of surveys and recommendations made by the Corps of Engineers. It has come to the attention of the committee that, in some instances, local funds have been uneconomically employed because anticipated Federal appropriations were subsequently not made.

In conclusion, Mr. Chairman, it is my hope that in the future our appropriations for flood control and similar projects will be at a rate which makes for economy. It is my further hope that any projects will be undertaken only when the economy of the Nation and the Federal budget justify the expenditures involved. Unless we follow this plan, it seems to me that we will end up in a very costly hodgepodge. We will be spending hundreds of millions of dollars each year without providing flood protection for any sizable group of American citizens. Let us complete those items now in process before encouraging local entities to expect the immediate construction of their own new projects even though authorized.

Mr. STEFAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, the single package appropriation bill now before us presents to each and every Member of this House one of the major issues of our day. This measure constitutes the Federal Government's fiscal policy for the coming fiscal year. In my considered judgment, no more important issue can be raised in any one bill than is raised by this pending measure.

The decisions we make in connection with this over-all appropriation program will directly affect every section of the country and every segment of our population. Our final decision may determine the future of this great, free Republic. I do not accept this responsibility lightly.

The bill as reported by the Committee on Appropriations proposes a spending program of over $41,000,000,000 for the coming year. This may be less than the budget estimates and it may be less than the expenditures this year, and I am grateful for every penny that may be saved. But we are faced with the ominous fact that the spending proposed is between four and five billion dollars more than the estimated revenue.

It is my prediction that the deficit resulting from this extravagant spending program will be even larger than that estimated by the committee. In the first place, the bill before us makes no provision for authorization programs which may subsequently be enacted. It includes no appropriations for foreign aid or other purposes now pending in legislative committees. And before the conclusion of this session we may be called upon to make certain additional deficiency appropriations. I sincerely hope not.

While we are faced with the prospect of still additional appropriations, we are also faced with the disturbing indication that the revenue receipts will be less than estimated. It now appears that the estimated income tax receipts themselves will be between a billion and a billion and a half less than the President estimated in his budget message.

In other words, Mr. Chairman, the administration's program as embodied in this bill will add between $5,000,000,000 and $6,000,000,000 to our already dangerously high national debt of around $258,000,000,000. The interest on our national debt is now around $5,625,000,000, and is one of the three largest items in the entire budget.

In another year of peace and a period of high prosperity, it seems to me to be indefensible not to bring the budget into balance, so that the burden of debt and taxes can be progressively lightened from the backs of our people. To say that the large sum carried in this bill is proof that Government spending is out of hand is to put it mildly. It would be even more accurate to say that the deficit spending policy advocated by the President in his budget message, and advanced by the funds provided in this bill, will inevitably lead us to national bankruptcy.

When I refer to the prospects of complete national bankruptcy as the inevitable result of this reckless deficit spending policy, I do so with the utmost sincerity and gravest concern for our system of free representative government. I again remind you that the deficit is being created in a period of relatively high prosperity, when the revenue is relatively high. A slight business recession will cause a revenue loss. The Joint Committee on Internal Revenue Taxation estimated that even a 10-percent recession in the aggregate personal income would result in a loss of $5,000,000,000 in tax revenue. Should that situation develop, which is definitely a possibility, this Nation will face one of the most serious financial crises ever known.

In his opening statement the chairman of the Committee on Appropriations [Mr. CANNON] frankly told us that there was a time when appropriation bills were drafted on the basis of the amount of available revenue, but the committee has long since ceased to consider expenditures from that point of view. It now follows the policy of spending the money, whether we have it or not, and leaving it up to the Committee on Ways and Means to find the tax revenue.

To this policy I do not subscribe. It is my conviction that the only way to economize is to economize. It requires the highest order of statesmanship. It requires political courage. It requires constant vigilance and careful scrutiny of every item of expenditure. The question always is, both with the running of your own homes and with the operation of the Federal Government, not what we would like to have but what we can afford.

As we go through this bill, chapter by chapter, I earnestly appeal to the Members, on both sides of the aisle, to view each item in the light of what we can afford. I suppose a justification can be made for every proposed expenditure. The question is not necessarily whether a particular thing has value or whether it is desirable. The question is whether we can afford it.

It is my firm conviction that this proposed spending program can and should be substantially reduced. As we seek to achieve that objective, I believe it would be helpful in our thinking if we divide the various items of appropriation into three general categories: First, the necessities; second, the desirables, and third, the unnecessary.

The unnecessary can be completely eliminated. Those items that may be desirable can be reduced or at least postponed. That leaves us with the necessities and also with sufficient revenue available to meet those necessities.

I recognize that it is not easy to draw the line between these different categories. But I honestly believe that it can be done if we have the determination and the courage to put aside all special appeals and make the national interest paramount. That is the procedure I intend to follow as we proceed to consider each chapter of this bill, giving my support to the various efforts that will be made to reduce the proposed appropriations.

The proponents of this spending program take the position that these large expenditures are necessary, that they have been made necessary by the costs resulting from the past war and the costs involved in averting a future war. To be sure, there are some of these expenditures that are necessary. No one recommends their elimination. But it is my opinion, which I am sure is shared by the vast majority of the American people, that the costs of administering these programs is excessive, filled with duplications, overlappings, and extravagance.

Civilian employment in the Federal Government is more than double the prewar emergency peak. The civilian pay roll and administrative costs are around $7,500,000,000. Everyone knows that there is an excess of personnel in practically every department and agency of the Government.

Let me present an example. In the March issue of the Country Gentleman, Mr. John Strohm wrote an article concerning a survey he made in De Kalb County, Ill., on the operations of the Federal Government in that county. In that single county of my home State, Mr. Strohm found 123 Federal employees and their wages and expenses from Federal funds amounted to $86,065.60. This was just the administrative cost of bringing the Federal Government's services to a county of 2,500 farmers. I am not passing judgment on the programs involved. I am emphasizing how much waste there is in the administration of programs. The farmers could, I am sure, receive exactly the same benefits, exactly the same assistance, and probably much more efficiently, at a fraction of the number of people and cost.

In other words, Mr. Chairman, by a careful scrutiny of every proposed item of expenditure substantial savings can be made for the American taxpayers simply in the administrative costs. This is one of the matters to which the Hoover Commission directed its attention; but, I regret to say, it has not been carried out with the speed and determination that the reorganization program should be.

It is time we call a halt. It is time we reduce these needless expenditures, bring our Federal budget into balance, reduce the national debt, and accumulate a surplus so that our people may have relief from the tax burden that is destroying individual initiative and robbing our economy of productivity.

I have taken this time to urge Members of this House to join with me in a real, honest, courageous effort to cut the cost of Government. If we fail in this responsibility I fear for the future of our free country.

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

And pending recognition by the chair, I am certain I express the sentiment of the entire House when I say it is a matter of general regret to the Congress that the gentleman from Mississippi [Mr. WHITTINGTON] has announced his purpose to retire from the House at the close of the Eighty-first Congress.

I trust he will reconsider that decision. May I say, Mr. Chairman, there is no more valuable Member in the House today. In all of my recollection there has been no one who has served in either House who has had a more detailed and comprehensive knowledge of river and harbor and flood-control affairs than the gentleman from Mississippi [Mr. WHITTINGTON]. His services have been invaluable, and I trust that he can be prevailed upon to remain with us in the next Congress.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to my colleague from Mississippi.

Mr. RANKIN. Mr. Chairman, I want to join the gentleman from Missouri [Mr. CANNON] in what he says about my distinguished colleague the gentleman from Mississippi [Mr. WHITTINGTON]. There is no more able, conscientious, patriotic Member of this Congress than WILL WHITTINGTON, of Mississippi.

He could be reelected if he wanted to return. Like the gentleman from Missouri, I sincerely trust that he will reconsider and come back and help to carry on the great battle that he has been waging for lo, these many years.

His retirement will be a great loss to his country.

If he is determined to retire, I want to assure him that he will carry with him the admiration and affections of his colleagues in this the greatest legislative body in the world.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. In this connection too, Mr. Chairman, I should like to say that having served in the House for a number of years with the gentleman from Mississippi [Mr. WHITTINGTON], I want to add my word of appreciation for the services he has rendered to the country. In particular, I want to mention his very great contribution in sponsorship of the Government Corporations Control Act. It was my privilege to be associated with him somewhat in the introduction of companion bills on that subject here in the House, but Mr. WHITTINGTON carried the burden of handling the bill before the committee. There has been no measure passed, in my recollection, which has done more to bring the extra-governmental financial operations of the Government into control than the Government Corporations Control Act which was sponsored in the other body by the distinguished gentleman from Virginia, Senator BYRD, and the distinguished gentleman from Nebraska, Senator BUTLER, and in the House by Mr. WHITTINGTON and myself. Mr. WHITTINGTON is the one who deserves the major credit for its passage in the House. It will remain as one of the permanent memorials to his outstanding service in the Congress.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I have now served in this Congress approaching 12 years. When I first came to the Congress I was attracted to the outstanding character and ability of the gentleman from Mississippi, Mr. WILL WHITTINGTON, and during my service in the Congress I have continued to observe the high standards that he has employed as a Member of this House. I sincerely regret that he has deemed it necessary to announce his retirement from this Congress, because the Congress and the Nation are going to lose the services of one of the most distinguished men it has been my privilege to know in the 12 years that I have been a Member of this body.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, it is with deep regret that I learn that my colleague across the Mississippi River, the Honorable WILL M. WHITTINGTON, will voluntarily retire at the end of this session. I know of no man who has served his district, State, and Nation better than the gentleman from Mississippi [Mr. WHITTINGTON]. The House of Representatives is a better legislative body because he has graced these Halls. The people of the Mississippi Valley and throughout America are happier, safer, and more prosperous because of his leadership and efforts in sponsoring all worth-while flood-control legislation that has been enacted by this Congress for more than two decades. His consideration and helpful assistance to younger Members of the House will long be remembered and cherished. He is the best-informed man in America on matters of flood control and rivers and harbors improvements. Let me say further that he has been an inspiration to me from the time I entered this House. I shall surely miss him since he has decided not to seek reelection and instead cast aside the cares of public service to return to his beloved Mississippi. He has well earned the solitude and contentment afforded him by being among his lifelong friends in his home city of Greenwood, Miss. I wish for him health, continued happiness, and a life filled with gladness as the years come and go.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, unless the Members of the House can prevail upon Mr. WHITTINGTON to reconsider his determination to retire, not only shall we lose one of the outstanding Members of this House, but also one of the most experienced and capable and courteous chairman of committee that it has ever been my pleasure to appear before or confer with.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, the gentleman from Mississippi [Mr. WHITTINGTON] has long been a great favorite in the House of Representatives and those who have worked the closest with him have the greatest admiration for him. He has an intimate knowledge of the affairs of the Government and a remarkable capacity for public service. He has made a great contribution to the welfare of the United States.

I was pleased to hear the gentleman from South Dakota [Mr. CASE] speak a word in regard to the gentleman from Mississippi [Mr. WHITTINGTON]. The gentleman from South Dakota [Mr. CASE], the gentleman from North Carolina [Mr. KERR], the gentleman from Michigan [Mr. ENGEL], myself, and others who served as members of the Appropriations Subcommittee having to do with civil functions for a number of years worked very closely with the gentleman from Mississippi [Mr. WHITTINGTON]; and we know of the excellent job which he did and is doing. I wish to pay tribute to this extraordinary and distinguished American at this moment as he appears to address the House.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, we undoubtedly shall lose one of our ablest and most valuable Members when WILL WHITTINGTON leaves. His has been a fine record of service which will live on for many years in the annals of American Government. His store of information on flood control is probably unsurpassed by that of any other person. We shall indeed miss him.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. MARTIN], the minority leader of the House.

Mr. MARTIN of Massachusetts. Mr. Chairman, I join with my good friends in paying tribute to a great legislator and a distinguished American. It was my privilege to come to the House with the gentleman from Mississippi [Mr. WHITTINGTON] 26 years ago. I know the tremendously able service he has rendered to his State and to the country. We all regret his leaving us because we know that his services have been so valuable it would be very difficult to find someone to fill his position in this particular period of our country's history.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I join with my colleagues in paying tribute to the distinguished gentleman from Mississippi [Mr. WHITTINGTON]. Not only is the State of Mississippi going to lose a great Representative but all of the States in the Mississippi Valley will lose one of their most ardent champions. We have looked to Mr. WHITTINGTON to lead us in the field of flood control.

Since I became a Member of this House I have called upon Mr. WHITTINGTON many times for advice and help. I sincerely hope that his constituents will prevail upon the gentleman to change his mind and that he will return to this House and help us continue a program that has not as yet been completed.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, I want to say that all the water that ever rushed down the Mississippi River could never wash away the devoted record that WILL WHITTINGTON has made in the defense of the father of waters.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, when I first came to Congress one of the committees to which I was assigned was the Committee on Expenditures in the Executive Departments. I have always been grateful that part of my apprenticeship in this body was served in a committee on which the gentleman from Mississippi [Mr. WHITTINGTON] was a senior member. I was impressed and instructed by his extraordinary ability to go at once to the heart of a problem and to see the full import of legal language which I as a nonlawyer oftentimes had the greatest difficulty in understanding. He had an uncanny knack of cutting through doubletalk and the fog sometimes thrown up by witnesses, by asking blunt questions which would penetrate to the crux of the matter. He is more skillful at that sort of questioning in committee than anyone with whom I have been privileged to serve.

I remember particularly his invaluable work in connection with the Surplus Property Disposal Act, the Government Corporation Control Act, and, the full employment bill which our committee worked over for many weeks, and then scrapped as unsound and inadvisable, drawing up and getting enacted instead the present employment act the provisions of which were designed to stimulate and encourage maximum economic activity in our country and prevent excessive fluctuations between booms and busts in our country. The contributions of the gentleman from Mississippi can never be adquately measured or even adequately described. He may be sure he has the gratitude of a country that owes him a great debt and the affection and friendship of every one of his colleagues in this House. I wish him Godspeed in his well-deserved retirement, but I still hope that he may see fit to change his mind and stay with us because the Congress and the country can ill afford to lose the services of a man with his exceptional knowledge and ability, his forthrightness and integrity and his irreplaceable experience.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from California [Mr. MCKINNON].

Mr. MCKINNON. Mr. Chairman, while I am a new Member of the House, it has been my great pleasure to have become acquainted with the gentleman from Mississippi [Mr. WHITTINGTON]. It is with extreme regret that I learn he is leaving this body. He exemplifies all the characteristics that make a committee chairman of great value to the House. He is one who has a keen comprehension, alert understanding, and efficiency in dispatching the problems presented to us. I wish to extend to him my best wishes.

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, I am deeply touched by the tributes of my colleagues respecting my services as a Member of the House. I value the good opinion of the Members of the committees on which I have served, and I appreciate more than I can tell the praise accorded me by Members who have spoken with respect to my legislative work. I will always treasure the approval of the Members with whom I have served through the years on committees and in the House.

I know of no place where there is greater opportunity for constructive work than in the House of Representatives. I had rather do anything else than disappoint a friend or disappoint the Members with whom I have served. I am most appreciative and grateful for your expressions of approval. You have honored me beyond anything that I deserve. I will carry with me to the end your commendation of the work I have undertaken to render as a Member of the House for more than a quarter of a century.

Mr. Chairman, in the pending bill for the first time the House is considering a general or composite appropriation bill for the support of all of the departments of the Government. Hearings were conducted by the subcommittees as heretofore. These subcommittees were contacted by a central or subcommittee on review before the reports were submitted. However, the pending bill embraces the combination of all the bills and the pending report embraces the combination of all of the reports as heretofore submitted. The practical difference before the bill is finally passed is that the conferees on the general bill will not be separate conferees on each separate chapter or subcommittee bill but will be members of the subcommittees handling the separate bills, together with members of the central subcommittee.

I have advocated the principle of the general bill. The House has before it the appropriations for all of the departments of Government. Comparisons in the estimates and in the appropriations for comparable agencies can be more readily and efficiently made. While the general bill is an experiment I trust that the experiment will be successful.

COMPARISON OF CORPS OF ENGINEERS AND BUREAU OF RECLAMATION

The Corps of Engineers and the Bureau of Reclamation have generally acted for the best interests of the areas they serve. The same general costs obtain in both agencies. They have employed similar types of personnel and they have constructed similar projects. This last statement applies especially to dams. It also applies to obligated and unobligated funds and to increased estimates in the costs of construction, as well as to the modification of adopted projects in the course of construction. The composite bill enables the House to compare the reports of the two subcommittees handling appropriations for these two comparable agencies.

The Bureau of Reclamation generally operates in the so-called arid States, while the Corps of Engineers operates in all of the 48 States. Flood-control works aggregating hundreds of millions of dollars have been constructed in California, Oregon, Washington, and other arid States in which the Bureau of Reclamation operates. Sometimes the sponsors of reclamation have indicated that in the costs of irrigation there is discrimination between general flood control and reclamation works. Quite the contrary is true. The same local contribution for flood-control works obtains in the 12 arid States that obtains in all of the other 36 States of the Union. If it should develop that reclamation should be extended to other States, the same local contribution that is required for reclamation would be required in the other States. There is no discrimination. The same yardstick in both general flood control and reclamation obtains.

APPROPRIATIONS

The budget estimates for reclamation were reduced in the pending bill by 8.1 percent, while the estimates for general flood control and rivers and harbors were reduced by 24.8 percent. The appropriation for rivers and harbors is $187,678,000; for general flood control, $341,055,000. With the appropriation of $65,000,000 for the Mississippi River and tributaries, the appropriation for rivers and harbors, general flood control, the lower Mississippi River and tributaries, and Sacramento River, Calif., aggregate $600,933,000, while the appropriations for reclamation aggregate $297,467,000.

The report of the Subcommittee on Civil Functions states that no amount is included for planning for rivers and harbors and flood control, while the report of the subcommittee on the Interior Department, handling appropriations for the Bureau of Reclamation, shows that $5,150,000 is included for planning. Both the bill and the report indicate that planning funds are included for the Mississippi River and tributaries and for the Sacramento River.

UNOBLIGATED FUNDS

The report on civil functions states that appropriations for general flood control and rivers and harbors were reduced, among other reasons, because of unobligated funds. Funds have been obligated to December 31 to cover 53 percent of the appropriation for rivers and harbors and general flood control, while 45 percent of the appropriation for reclamation have been obligated. There is no argument for a reduction of reclamation appropriations because of unobligated funds, as is the case in the report covering appropriations for general flood control and rivers and harbors. The fact is that the unobligated funds in both agencies are substantially normal. In 1948, up to March 31, 70 percent of available funds had been obligated by the Corps of Engineers; on March 31, 1949, 67 percent of appropriations had been obligated; and on February 28, 1950, 60 percent had been obligated. These trends show that the obligations of 1950 for a comparable date will be in excess of obligations for 1948 and 1949, and by the end of the fiscal year all work programed will be under way.

MODIFICATIONS

The report on civil functions criticizes the Chief of Engineers for increased estimated costs of authorized projects, especially for modifications in the projects. While increased costs in the Bureau of Reclamation are much larger, the report of the Subcommittee on the Interior Department makes no such criticism.

The report of the Subcommittee on Civil Functions criticizes the Chief of Engineers for including a project on the Arkansas River on the ground that bank stabilization would be completed for the current year and that the committee of conference so provided. My understanding was that there was nothing in the conference report to notify the engineers that the previous appropriation had been made with that provision.

The Bureau of the Budget declined to approve a modification of the Yakima project in Washington, a Bureau of Reclamation project. The Subcommittee on the Interior Department, however, overruled the Budget Bureau and made an appropriation for the modification, stating that the project is not new but is part of the Yakima project originally authorized.

The report of the Subcommittee on Civil Functions is very critical of the Corps of Engineers for modifications of projects with increased estimates, although the Corps of Engineers maintain that the modifications are authorized by existing law. There is no such criticism in the report of the Subcommittee on the Interior covering the modification of reclamation projects. On the contrary, the modifications, as shown by the Yakima project, were proved by the Subcommittee on Interior appropriations to be within the law and necessary to the public interest.

The report of the Civil Functions Subcommittee contains criticism of the Chief of Engineers with respect to the initiation of new projects and with respect to increased costs of adopted projects that, in my opinion, is undeserved. There is no such criticism of the Bureau of Reclamation. It is fair to say, however, that while the Chief of Engineers was not charged with deception or misrepresentation, the report of the Subcommittee on Interior Appropriations does contain language that is certainly not complimentary to the Bureau of Reclamation. The subcommittee charges that the Bureau of Reclamation has, to use the wording in the report, a "propensity for subterfuge." These words were used in connection with the Colorado-Big Thompson project.

ECONOMY

I must not be misunderstood. I know the tendency of all departments of the Government is to spend. Where not justified that tendency is properly subject to criticism, but the criticism should be deserved. If the increased costs of a particular project are not justified the remedy would be to deny the request for the increased appropriation. If, however, the Chief of Engineers requests a modification to protect lives and property, even though the costs be increased, it is my belief that the public interest is served by granting such increased appropriation. The engineers, or the Bureau of Reclamation, as the case may be, have discharged their obligation when they recommend such modifications. If damage or injury result because of a denial of funds to carry out the modification then the appropriating subcommittee is at fault.

I favor the reduction of all appropriations where justified. I believe that similar treatment, however, should be accorded rivers and harbors and flood-control works and reclamation. I want to emphasize that rivers and harbors and flood-control works affect all of the 48 States whereas reclamation, important as it is, affects only the 12 arid States. In the public interest, if budget recommendations are to be reduced for one agency it occurs to me that comparable treatment should be accorded to the other agency.

Personally, I advocate strengthening both the Corps of Engineers and the Bureau of Reclamation. They are established agencies. They have both done efficient work. I oppose the substitution of authorities which would deprive these agencies of their functions. I have generally supported the subcommittees in their appropriations for rivers and harbors, for flood control, and for reclamation. I feel, however, that I would be remiss if I did not urge that we eliminate the discrimination between the Corps of Engineers and the Bureau of Reclamation set forth in this composite bill which carries appropriations for both agencies. In all fairness, I do not believe that the Chief of Engineers deserves the condemnation contained in the report.

REDUCTION IN FLOOD-CONTROL AND RIVER-AND-HARBOR APPROPRIATIONS

The Subcommittee on Civil Functions states that the reduction in the budget estimates for civil works is based on two major premises.

First. The delay in appropriations until October 1949 for the current fiscal year is given as one major reason for reducing the appropriations now under consideration. It is stated that substantial unobligated balances are available and support the reduction. I have already referred to the matter of unobligated funds. There was much discussion respecting unobligated balances in the last session, with the result that the contention of the Committee on Civil Functions was finally rejected. This argument for reduction fails because continuing resolutions were adopted a number of times and these resolutions provided for continuing construction of previously authorized works.

Second. Another argument for reduction was that in most instances, where possible and feasible, construction should be spread out. Instead of justifying a reduction this contention really supports an increase. The argument contradicts itself. The Chief of Engineers is criticized for recommending too many projects, on the one hand, and on the other

hand, is criticized for failure to spread construction activities.

Third. A third objection in behalf of reducing appropriations is the tendency of the Chief of Engineers to request funds for initiation and construction of too many projects. The hearing discloses that the Chief of Engineers was restricted by the Director of the Budget largely to projects that were under construction. The Chief of Engineers recommended for the last three fiscal years only the following new projects:

	New projects
1949	19
1950	6
1951	None

Again the contention of the committee is contradictory. In one paragraph it advocates spreading out which can only result from new projects. In another paragraph it insists that only projects under consideration shall be considered for appropriations.

Fourth. Finally, the committee states that the Chief of Engineers, the Bureau of the Budget, the Civil Functions Subcommittee, and the Congress should insist that adequate plans and designs be prepared in detail before construction of any project is initiated. This is a correct contention but the subcommittee completely contradicts itself by denying funds to accomplish the planning which it constructively recommends.

I believe that the criticism of the subcommittee with respect to increased costs of projects is not justified. Many projects were authorized several years ago. Some were authorized before World War II, others following World War II. The cost of construction have increased, no matter what index is used. The cost of highway construction, for instance, between 1941 and 1949 increased 123.6 percent. This covers materials and labor. Moreover, the cost of projects involving steel, because of the increased cost of steel, have been materially increased. The Corps of Engineers should be commended for the construction of dams that are strong and will withstand major floods. The country always has the Johnstown disaster in mind. The Corps of Engineers should be commended for building flood walls that are adequate to withstand major floods. Many lives and much property would be destroyed without these safeguards.

Whatever may be said with respect to the proper index with regard to increased costs and estimates, I am inclined to believe that the Engineering News Record Index is probably more applicable to river and harbor and flood-control improvements than that of the Department of Commerce, for instance, or the Public Buildings Service. At all events, whatever may be said with respect to increased estimates, it is well to keep in mind that the work of the Corps of Engineers is awarded by competitive bidding. The low bidder gets the work, and if the estimates are too high, competition will protect the Federal Treasury.

In support of its criticism as to increased estimates, the Subcommittee on Civil Functions, under general flood control, refers to the Hoosick Falls, N. Y., project. It was modified. The modification will increase the cost, as I recall from $925,400 to $1,300,000. A major flood occurred after the project was authorized and after construction was begun. I believe, in the public interest, the project should be modified, to prevent a recurrence of a major flood.

Another project with respect to increased estimates is the project at Portville, N. Y., in which the estimates were increased from $1,900,000 to $2,366,800. After its construction was originally planned, there was an unprecedented development on account of World War II. The population largely increased. Many new homes were erected. It strikes me that the increased estimates are justified. It is certainly in line with the contention of the Subcommittee on Interior Appropriations in justifying increased costs of the Yakima, Wash., project.

INCREASED COSTS IN RECLAMATION

There is no criticism in the pending bill of the increased estimates in the cost of projects undertaken by the Bureau of Reclamation although the increase in costs of these projects largely exceed the cost of the two projects I have referred to under general flood control. I mention only a few of the increased estimates under the Bureau of Reclamation which are not, and should not be, condemned by the Subcommittee on Interior Appropriations. The Gila, Ariz., project, for instance, has increased from $32,000,000 to $53,000,000. Likewise, the All-American Canal project of the Bureau of Reclamation has increased from $38,000,000 to $76,000,000, in round figures.

Other Bureau of Reclamation projects show similar increases, as follows: Boulder Canyon, $126,000,000 to $173,000,000; Colorado-Big Thompson, Colo., $44,000,000 to $150,000,000; Central Valley, Calif., $170,000,000 to $581,000,000; Davis Dam, $41,000,000 to $114,000,000; Hungry Horse, Mont., $38,000,000 to $108,000,000; Missouri River Basin, $529,000,000 to more than $2,000,000,000. I could mention many more reclamation projects where the estimated costs of construction have been increased. I have mentioned enough to show, however, that estimated costs have been increased not only in flood control and river and harbor improvements, but in reclamation as well. It will be remembered, however, that the Subcommittee on Interior made no criticism of these increased estimates while on the other hand, the Subcommittee on Civil Functions criticized the Chief of Engineers for increased estimates in connection with general flood-control projects, although many of the increased estimates in both general flood control and reclamation occur in the same river basin.

If a project is modified to protect lives and property the Chief of Engineers is to be commended for recommending modification, if authorized, for if there should be death and destruction the responsibility would be with the Civil Functions Subcommittee and not with the Chief of Engineers.

Yet, in the bill we have under consideration, the general bill, the composite bill, the Corps of Engineers is criticized because they have come forward and given us the facts and given us increased estimates, and there is no criticism of the Bureau of Reclamtion.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. CANNON. The gentleman, in his very interesting and very able discussion, has referred to the original estimates and increases since the original estimates were made; but he has gone clear back in some cases, for instance, in the case of Boulder Dam, 20 or 25 years, away back into antediluvian days, which would not apply to the criticism contained in this report. This report refers exclusively to criticism of estimates which were made last year as compared with this year, and they covered, as I recall, only last year's estimates. The gentleman's reference to very ancient estimates I am certain is not apropos.

Mr. WHITTINGTON. I mentioned the reclamation projects because many of them were authorized years ago. So were many flood-control projects. I mentioned Boulder Canyon, but the last project I mentioned a few moments ago was in the Missouri River Basin. That project was authorized in 1944, and there were not any appropriations made during the war as I recall; it is rather recent. The one before that is the Hungry Horse, one of the projects recently authorized, and that was increased from $38,000,000 to $138,000,000. I am aware of what the gentleman says about estimates, and I am about to get to that as to 1949 and 1951. But the Missouri River Basin is not antediluvian; that Missouri River Basin is recent, and the cost, for instance, of Garrison Dam in the Missouri River Basin has been increased by millions and millions of dollars in the last few years.

Mr. CANNON. I trust that the strictures in the report which were very carefully considered before they were adopted by the committee, will be considered in connection with the fact that the estimates which were submitted to us last year as compared with those for this year show an unconscionable increase in estimated total cost.

Mr. WHITTINGTON. Which I am going to get to.

Mr. CANNON. They can be explained only by incompetence or by intention to mislead the committee when they initiated the project, because the cost indexes do not bear out the increases in 1950 over 1949. The committee did not criticize 1949.

Mr. WHITTINGTON. I am very glad to have the gentleman's statement, and I can understand that he was misled. I know about the statement in the report of the committee. The Corps of Engineers were criticized for using the Engineering News Index for the increase of cost. I think the Engineering News Index is a better index than that of the Department of Commerce, for the Department of Commerce index has to do with the building of all types of construction. The Engineering News Index has to do with the building of dams and the building of roads; and I think that index is preferable, for instance, to the index of the Public Building Service.

They gave you the facts, but the engineers gave you the facts not only on increased costs of construction, but on other items. I want to call attention in just a few moments to the increase that was caused by engineering cost increases and the increased costs of construction. I am glad for us to air this matter and to get the thing fully before us, but I would say that in the construction of highways, the index shows that there was an increased cost of construction from 1941 to 1949 of 123.8 percent. There has been an enormous increase in the cost of construction. These works were not built during the war, and there has been a large increase in the cost of construction from 1945 to 1948. The increase particularly applies to the increased cost of steel, and steel is used in the building of dams and reservoirs. So, in my judgment and with all due deference to the gentleman, these increases in costs are not attributable only to the price index, not attributable only to the increased cost of construction in the last year or two; and my judgment is, with the information at my command, that the costs of construction have actually decreased since the gentleman conducted his hearings. I think the findings in the Committee on Public Works show that lower bids are now being received for public road construction and for this type of construction than were being submitted a few months ago and at the time the budget estimates were made.

With respect now to the chairman's statement, and I am very glad to have him bring it out, as to the difference in the cost in 1949, 1948, and 1951, there were 63 projects submitted as disclosed by the hearings, and the amount of those increased costs, some of them were authorized in 1936—and some in other years—was in the neighborhood of $503,000,000. According to the facts that were submitted those increased costs in construction as shown by an analysis are as follows:

An analysis of the increase shows that 34 percent are due to increased construction costs, 25 percent to enlargements and expansions authorized by specific or general legislation, 8 percent to conditions that could not be foreseen, 11 percent to the increased cost of land and right-of-way.

I think, whatever my opinion may be worth, I did right in calling your attention to the projects that were authorized in 1928, Boulder Canyon, and in 1936, as well as later, because there has been a tremendous increase in the cost of land and therefore the rights-of-way costs have been tremendously increased before they get to construction. And, finally, in an analysis of this increase in these 63 projects, 22 percent are attributable to engineering and construction modifications.

The committee states that no funds are to be allowed for planning and in the appropriation for rivers and harbors the word "planning" is omitted and no funds are provided. In the language on page 339 of the bill, while the report states that no funds are provided for planning for general flood control and while that statement is supported by the break-down, nevertheless on page 339 of the bill as reported there is provision for planning. Now, one or the other of those contentions is wrong. In other words, this committee now has reported that no funds are to be used for planning, yet on page 339 of the bill it is stated: "detailed surveys, and prepare plans and specifications."

I think in all candor, a mistake was made and that mistake should be corrected. It does strike me that if the Congress is to be asked to appropriate substantially $600,000,000 with not 1 cent for planning, when the investigation and the facts submitted show that planning funds have been exhausted, the committee should amend the bill to provide a reasonable appropriation for planning funds.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Missouri.

Mr. CANNON. That is due to a decision to start no new projects in compliance with the recommendation made in connection with the Hoover Commission report that all projects now under operation be completed or, at least, be continued at a minimum rate but that no new ones be started. What appears to the gentleman to be a discrepancy there is that the planning referred to in the second place is planning of details of projects already approved, and not on new projects which have not yet been initiated.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. WHITTINGTON. Mr. Chairman, I have this to say in reply. I have a copy of the appropriations act for the current fiscal year before me and the language is identical. It is the language that has heretofore been carried in appropriation bills, which have always provided for advance planning, and not used for planning projects under construction.

Now, with respect to the contention that the budget in the first instance restricted the Corps of Engineers to reporting on projects that were under construction, the committee in line with that asked the Corps of Engineers to emphasize the projects that were under way, I have this to say, and I speak by the record: In the United States in 1949 the Corps of Engineers reported on 19 new projects, in 1950 on 6 new projects and in 1951, the pending bill, none.

I have this further to say, that the committee in the report criticizes the Chief of Engineers in very severe terms on the one hand for recommending and submitting estimates on other projects, and yet in another paragraph says that instead of concentrating on the few projects the work should be spread out in all parts of the country. Now, those two contentions or arguments in the report are contradictory. They should be corrected, or clarified.

Mr. CANNON. Mr. Chairman, if the gentleman will yield, the gentleman understands that this version was from the standpoint of time and not from the standpoint of projects.

Mr. WHITTINGTON. Well, I was just replying to the gentleman's contention about new projects.

Mr. CANNON. To the best of my recollection the Hoover Commission recommended in their printed report that we continue work on projects in progress but that we start no new projects.

Mr. WHITTINGTON. I think I understand the gentleman. Generally, I think the projects under way ought to be completed, but the report criticizes the engineers for not spreading the work out.

Mr. CANNON. That reference is to time and not projects.

Mr. WHITTINGTON. Well, I do not see how on earth you can spread out work unless you spread the projects, and I submit the matter with that statement.

I know that there is a tendency of all agencies of the Government to spend and ask for increased appropriations. Personally I believe in a balanced budget, and I believe that all agencies of the Government ought to be treated in a similar fashion, and in an effort to balance the budget, if funds for planning should be eliminated for rivers and harbors, why I cannot see why those funds in the sum of $5,150,000 for planning in the same bill should obtain for a comparable agency. For that reason I am drawing the matter to the attention of the Committee of the Whole. The desire of the committee to economize is understandable, but I submit this matter to you. Heretofore there have been, I think, four or five million dollars for planning for rivers and harbors and general flood control. Yet it takes a lot to build $600,000,000 worth of work, and the basis and the foundation is planning, and adequate planning. It just cannot be that all previous Congresses were in error in appropriating annually for planning. I submit now that if the $2,000,000 recommended by the budget for planning for rivers and harbors is rejected, as this committee has rejected it, and if the $4,000,000 recommended for planning for general flood control by the Director of the Budget is rejected, as this committee has rejected it, then you have got an agency composed of trained engineers and trained personnel that will have to be eliminated, and in my thought it will cost the Government more money next year or the year that follows to reinstate and reestablish that agency than it would be to carry it on with a reasonable appropriation for planning.

Now, I said that the work of the two agencies is comparable. I would like to be helpful; I would like to be constructive. I think that Congress has a responsibility in the matter of eliminating any discriminations that obtain between these two agencies.

DISCRIMINATION IN LAWS

Both the Bureau of Reclamation and the Corps of Engineers are on a solid foundation. Their construction and their planning methods have been tested. The Corps of Engineers improve our rivers and protect our valleys. The Bureau of Reclamation reclaims our arid lands. Both develop power where it is

necessary. I have advocated that Congress has the responsibility to eliminate discriminations that now obtain with respect to power projects constructed by these two agencies. The same rate of interest in the evaluation of benefits should obtain. The same charge for the disposal of power should obtain. I believe Congress should promptly pass legislation eliminating discriminations in existing laws in evaluating benefits and disposition of power in projects constructed by the Corps of Engineers and the Bureau of Reclamation. The Public Treasury will be protected. Rivalry between the two agencies will be eliminated. Undesirable competition will be avoided.

COMMITTEE AMENDMENTS TO PROVIDE FOR PLANNING FUNDS

I believe that the Subcommittee on Civil Functions, on reflection, will submit an amendment to provide for adequate planning funds for river and harbor and flood-control improvements. It is unthinkable to me that $5,150,000 should be provided in connection with appropriations for reclamation amounting to $297,467,000, while no planning funds are provided for rivers and harbors and flood-control projects aggregating $535,000,000. I have already referred to the inconsistencies and contradictions in respect to the arguments for eliminating planning funds. The Bureau of the Budget recommended $2,000,000 for river and harbor planning. The amount is justified. Harbors should be planned along the Atlantic and other coasts to provide for safety to human life. Modern vessels require deeper channels. Funds should be appropriated and I believe that the $2,000,000 recommended should be provided for planning for river and harbor projects. Although the report and the bill eliminate such funds, every previous bill passed by the Congress for river and harbor appropriations contained such planning funds. With the multiplying populations and the progress of our Nation the need now is greater than ever before. If $5,150,000 should be provided for reclamation projects aggregating $297,467,000, surely $2,000,000 is justified for river and harbor projects aggregating $187,678,000.

But even more essential are planning funds for general flood control. The appropriation is $341,055,000. The inconsistencies and contradictions are accentuated by the fact that in the pending bill, page 339, as I have pointed out, a statement is contained that the funds appropriated may be used for planning, while the report states that no planning funds are included. The matter should be clarified and I believe the committee should submit an amendment to provide $4,000,000 for planning of general flood-control improvements as recommended by the Bureau of the Budget. Planning funds have been carried, I repeat, in every other appropriation for flood control.

The elimination of planning funds instead of providing for economy would promote extravagance. To use the language of the subcommittee respecting the Chief of Engineers, it might properly be termed "promotion of profligacy." A competent staff with experience for planning cannot be recruited overnight. If planning funds are eliminated, the staff would have to be eliminated. Costs of future planning would be increased instead of reduced.

I trust that the committee will offer an amendment to provide planning funds for general flood control for at least $4,000,000 recommended by the Bureau of the Budget.

In this connection, as I have stated, the subcommittee refers to the increased costs from 1948, 1949, and 1950 to 1951 of 63 projects aggregating $503,116,000. An analysis of the increase shows that 34 percent are due to increased construction costs, 25 percent to enlargements and expansions authorized by specific and general legislation, 8 percent to changes in conditions that could not have been foreseen, 11 percent to lands, rights-of-way, and so forth, and 22 percent on account of engineering and construction modifications. I emphasize that construction modifications obtain in the larger dams primarily as the result of the installation of units for power involving steel where the price of material has increased. It would be most unwise, because of increased estimates, to deny any planning funds whatsoever.

As a further illustration of the inconsistencies and contradictions with respect to planning, H. R. 5472, the omnibus rivers and harbors and flood-control bill already passed by the House, provides that the Corps of Engineers should make plans respecting the water resources of Alaska. Despite this fact, and against existing statutory authority, the Interior Subcommittee approved $250,000 for Alaska planning and investigations by the Bureau of Reclamation. I could cite further needs in behalf of planning, but I believe the reasons given here for adequate appropriations for planning funds will justify the committee in submitting an amendment for such funds.

I personally think both of these agencies ought to be retained. They have done splendid work. But the fact remains now that under laws passed by the Congress, for which this committee is not responsible, there are some discriminations between the works done by the Corps of Engineers and the Bureau of Reclamation. In estimating the benefits, one agency uses a certain rate of interest and the other another rate of interest. In providing for the disposition of power, one rate is fixed for one agency and another rate is fixed for the other agency.

In my judgment, the work of these two excellent agencies can be promoted by the Congress of the United States passing laws that will eliminate the discrepancies and discriminations that occur.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Mississippi.

Mr. RANKIN. I agree with what my colleague from Mississippi says about the Army engineers. I served on the Committee on Rivers and Harbors for many years. I never found a more accurate, more reliable, and more conscientious group of men to deal with in my life than the Army engineers. They gave us the facts. I deplore this criticism in this report. From my viewpoint, it is thoroughly unjustified.

Mr. WHITTINGTON. I would like to say in response to the question of the chairman with respect to surveys and studies, that the funds for surveys and studies in all of the bills that we have ever passed are different from funds for planning. The surveys and studies have to do among other things with the resolutions that are adopted by the Committee on Public Works every week with respect to study of projects which have never been conducted. Heretofore there has been one break-down in the report of the committee for an appropriation for these studies and another for planning, or they have been included and mentioned in the break-down. In your break-down you do not include the word "planning" with the word "studies" in this bill this year.

Mr. Chairman, my thought was to call attention to the fact that there was no criticism in the Bureau of Reclamation because of unobligated funds, no criticism of that Bureau because of extension and increase of estimates, no criticism because of increased costs; money is provided, $5,000,000 for planning; whereas, on the other hand, with respect to civil functions, the unobligated funds were used as an argument for reducing 24.8 percent the budget estimates. While the reduction of only 8.1 occurs in the Bureau of Reclamation estimates. The extension was criticized, and finally with no funds provided for planning for flood control, for rivers and harbors, the committee concludes its report by saying:

> The Chief of Engineers, the Bureau of the Budget, the Civil Functions Subcommittee, and the Congress should insist that adequate plans and designs be prepared in detail befor the construction of any project is initiated.

I think that is fundamentally sound, but I know of no way to prepare plans unless you appropriate money for the preparation of those plans. I was in Congress during the great depression; I remember that under the act of 1936, when there was widespread unemployment there were few plans. I trust we are not going to have any unemployment, but the matter of plans was never more important than it is today. I know of no way for this constructive recommendation of the committee to be carried out unless this bill is amended to provide reasonable amounts for planning.

I conclude by saying, Mr. Chairman, that I appeared before the subcommittee together with Representatives from the lower Mississippi River and its tributaries. That committee gave us with a full attendance most patient hearings. I am grateful. With two exceptions through all the years I have never offered any amendments on the floor of the House to appropriations for flood control or rivers and harbors. In the case of those two exceptions it happens that the House agreed and adopted the amendments that I proposed.

Personally, I wish that the appropriation for the lower Mississippi Valley had been as recommended by the President, and I am talking about the recommen-

dation of president Truman in his budget. I have gone along with the committee generally in the past and I want to go along now. I am sympathetic with all efforts to reduce and to economize, but we must not reduce where it is absolutely necessary that we carry on. I have no project that is involved in planning, not one in my district, under general flood control but I think that the general public interest of all river basins in the United States would be promoted by this committee making it clear, removing any doubt, that you mean for an appropriation to be made to plan not only fundamentally before the projects are adopted but as the units are constructed and for the completion of the projects and for rivers and harbors as well as planning for new projects. I do trust that provisions for reasonable amounts for planning for general flood control will be provided. When I ask for that or suggest it I am suggesting that to the committee itself, in whom I have every confidence because like you I would like to see the budget balanced, but with unemployment in the offing, for whatever my humble view may be worth, I respectfully urge that the committee make no mistake by amending the bill definitely to provide for planning.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I yield to the gentleman from Iowa.

Mr. JENSEN. As always, the Members of the House derive great profit and knowledge from what the gentleman says when he takes the floor. I am very happy that the gentleman from Mississippi [Mr. WHITTINGTON] has explained this matter, because there is no man in Congress or no man who has ever been a Member of this Congress better qualified, who has more knowledge and a more clear conception of the rivers and harbors and flood control problems of America than does the gentleman who is now addressing the House.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. JENSEN. The gentleman has worked in committee and has worked with the Army engineers and possibly knows better than anyone in this country the good work that the Army engineers have done. Would not the gentleman say that they are efficient, that they do a wonderful work, that they do it without the thought of politics in any way, shape, or form and that they must have an opportunity to carry forward the engineering which the gentleman has just indicated?

Mr. WHITTINGTON. May I say that the Army engineers are not perfect, but I believe they should be supported just as I believe the Bureau of Reclamation should be supported. They are the most efficient flood control and river and harbor engineers in this or any other country. They enjoy the confidence of the country and the Congress. I recall during the great depression when one WPA civilian administrator after the other in various sections of our country had failed, that finally the members of the Corps of Engineers were called on to do that job. Whatever you say about them, they are appointees to West Point, they are servants of the people, and of the Congress. I cannot conclude without saying that while the Committee on the Interior did not criticize the Bureau of Reclamation as the Committee on Civil Functions criticized the Chief of Engineers, I will say again that they used some language that was not altogether complimentary when they said that the Bureau of Reclamation had "a propensity for subterfuge," and that more than equals the language of the Committee on Civil Functions when they referred to the "profligacy" of the Corps of Engineers.

I believe in equal treatment for the Bureau of Reclamation and the Corps of Engineers. I urge the committee to submit a committee amendment to amend the pending bill to provide reasonable appropriations for adequate planning for rivers and harbors and for general flood control in accordance with the appropriations that have been made previously annually for planning.

No agency of the Government has ever wrought better than the Corps of Engineers. They are honest. They may make mistakes, but their record is without stain or blemish. Their works are their monuments.

Mr. CANNON. Mr. Chairman, I yield 20 minutes to the gentleman from Alabama [Mr. DEGRAFFENRIED].

Mr. DEGRAFFENRIED. Mr. Chairman, I wish to express my appreciation to the distinguished chairman of the Appropriations Committee for the time he has yielded to me today. I know the Appropriations Committee has put in many days, weeks, and months of work and study on the bill now before us. They are trying to economize without stopping all progress in this country, especially with reference to defense projects. They have done a fine job in the preparation of this bill, but a bill of this proportion, regardless of the amount of work that may be devoted to it by all of the various subcommittees, needs a full discussion and debate on the floor of the House. Sometimes I wish it were possible for all the Members of the House to serve on each important standing committee for awhile, because if we were able to do that, I believe we would become impressed with the idea that members of the committee know so much more about a particular bill which comes from their committee than some of us do, that we would feel slow about challenging the merits of the bill which has received so much study. I have observed, and you have observed that when the ECA bill comes up for discussion, the distinguished members of the Foreign Affairs Committee, from both sides of the aisle, are for the bill, and this situation is true of almost all important bills that come from an important standing committee of the House.

With reference to this bill, some of the members of the committee want more economy than others, some feel that we cannot balance the budget at the present time, but that it must be done slowly and that we cannot balance the budget at the sacrifice of the proper defense of our country and proper efforts to maintain the peace.

The people of the Nation are economy minded, but I believe, in spite of that fact, they want peace at almost any price as long as it is an honorable peace. This is true because we have all suffered the horrors of war, and without relating the experiences which have come to each one of our families, we know this is true. Our first objective then is to maintain the peace, and our second objective is to be ready for war in the event it comes.

In order to be ready for war we must have our Army prepared, our Navy prepared, and our Air Force prepared, and we cannot stop all progress in this country, especially as far as defense and security projects are concerned.

I may not be able to be present when an amendment will probably later be offered to this bill to restore a greater portion of the funds to what I consider a security and defense project which was recommended by the President and approved by the Bureau of the Budget, and practically eliminated by the Appropriations Committee.

Mr. Chairman, I listened with a great deal of interest to the remarks of our distinguished colleague, the gentleman from Mississippi [Mr. WHITTINGTON]. I want to say that I concur in everything that he said in the well of this House today.

As a new Member I wish to say that it has been an inspiration to me to have known the gentleman from Mississippi since I have been in the House, and to have been associated with him to some extent. I appeared before a subcommittee of the gentleman's committee yesterday and I wish to say again how much I appreciated the courteous and the patient hearing that subcommittee gave to us.

One thing that the gentleman from Mississippi said especially impressed me; that was his statement to the effect that he was for economy; that he realized we had to reduce the expenditures of Government in all lines in order to eventually have any hope of balancing the budget, but at the same time he said that there were certain projects in chapter 9, that deal with rivers and harbors, that had to be carried on in spite of the necessity of reducing expenditures.

I want to talk to you just a moment about one of those projects which has been left out of this bill almost completely, and which I consider an essential project, a necessary project, a project that is necessary for the proper defense and security of this Nation.

I refer to the Demopolis lock and dam project in Alabama.

The River and Harbor Act, approved March 2, 1945, authorized the modification of the project by the construction of a new lock and dam in the vicinity of Demopolis to replace the existing structures, 4, 5, 6, and 7. Funds for the initiation of construction work in the amount of $1,000,000 were provided in the Civil Functions Appropriations Act for 1950. About the 19th of last December, General Pick went to Alabama. We had groundbreaking ceremonies at Demopolis. The ceremonies

were attended by most of the Members of the Alabama delegation, including one of the Senators from Alabama. The other Senator from Alabama was unavoidably absent. It was impossible for him to be there at the time.

Thousands of people attended the ceremonies. I wish you could have been there to hear the magnificent address by General Pick on that occasion.

All of us assumed that because the $1,000,000 had been appropriated for the commencement of construction of that important project, that it would be gone ahead with.

The Warrior River system has been improved by the construction of 15 locks and dams to provide slack-water navigation between Mobile and Birmingham, Ala., a distance of about 450 miles. The older structures were completed during the period 1902 to 1915. Due to the age of these structures and the increased tonnage on the stream, three of the structures, 10, 11, and 12, were replaced by a modern lock and dam at Tuscaloosa, this lock being placed in operation in 1940.

The River and Harbor Act approved March 2, 1945, authorized the modification of the project by the construction of a new lock and dam in the vicinity of Demopolis to replace existing structures 4, 5, 6, and 7. Funds for initiation of construction work in the amount of $1,000,000 were provided in the Civil Functions Appropriation Act for 1950. The total estimated cost of the Demopolis Lock and Dam is $20,843,000, of which $1,342,500 has been provided to date leaving a balance of $19,500,500 remaining to complete. The funds provided in the Civil Functions Appropriation Act for 1950 are being applied to access road construction, clearing the site, and common excavation and cofferdike construction for the lock. The approved budget estimate for 1951 is $4,000,000 and was scheduled for application to land acquisition in the amount of $360,000 and the remaining funds to the initiation of a continuing contract for construction of the lock and spillway. The amount allowed by the House committee was $358,000 which would, of course, preclude the commencement of construction work on the lock and spillway.

Demopolis lock and dam at the junction of the Tombigbee and Warrior Rivers is a link in one established major transportation system and will also be a link in another upon completion of the authorized Tennessee-Tombigbee waterway. It will replace four obsolete locks with a modern 600-foot lock capable of handling more traffic in less time.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DEGRAFFENRIED. I yield to my distinguished colleague from Alabama.

Mr. JONES of Alabama. What is the traffic density on the Warrior system at the present time?

Mr. DEGRAFFENRIED. I will give you that right now, sir.

Traffic on the Warrior system has increased considerably during recent years due to the importation of ore from Sweden and Brazil to the Birmingham area. Increased movement of oil is also expected from surrounding oil fields. The tonnage handled on the waterway was about 1,974,000 tons during the calendar year 1948, an increase of 150,000 tons over 1947. While we do not have the complete figures for the year 1949, the tonnage will well exceed 2,000,000 tons and would have been far greater had not the towage had to be broken down at many of these ancient and dilapidated locks along the Tombigbee and Warrior Rivers.

The Warrior system connects Mobile, ranked by the Department of Commerce as the sixth most important port in the Nation with Birmingham, a city of industrial importance and the second largest producer of steel in the United States.

I wish to read a letter from the Warrior & Gulf Navigation Co., Chickasaw, Ala., dated March 27, 1950:

WARRIOR & GULF NAVIGATION CO.,
Chickasaw, Ala., March 27, 1950.

Hon. EDWARD DEGRAFFENRIED,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN DEGRAFFENRIED: I acknowledge receipt of your letter of March 24 relative to the drastic reduction made by the Committee on Appropriations for the construction of the new lock and dam at Demopolis on the Tombigbee River. The news of this reduction was indeed a blow to our hopes that the improvement program to the Warrior-Tombigbee Rivers which was interrupted by World War II would again get under way. It is very difficult for us to understand a decrease in the appropriation for this particular project of 91 percent as compared to a reduction of slightly less than 30 percent in the over-all appropriation bill covering the other authorized projects over the country. Such a reduction is to say the least discriminatory and unequitable. Failure to construct the Demopolis lock would endanger the continued use of this important artery of commerce in view of the deplorable condition of locks 4, 5, 6, and 7 which the new lock will replace.

Construction of the proposed Demopolis lock will provide a standard Ohio River size lock chamber 600 feet long by 110 feet wide and will replace four small locks now in use, Nos. 4, 5, 6, and 7 above it. These existing obsolete locks have very small lock chambers, 286 feet long by 52 feet wide. The savings to water carriers and operators from the replacement of the existing obsolete locks, 4, 5, 6, and 7, are very important, especially when it is realized that these locks are badly in need of repair and that any one of them could easily be put out of commission at any time, thus blocking all traffic on the Tombigbee-Warrior River system. The average tow now in use on this system has to be broken up at each of these locks and three separate lockage operations are required to pass the tow through each lock. A standard 8-barge tow passing through the four locks referred to requires 12 hours each way, or a total of 24 hours per round trip. The proposed new lock would eliminate the existing locks and require only one lockage for the standard eight-barge tow. In addition, the deeper water which would be provided by the new lock and dam in the three pools above it would enable an increase in speed of the tow to more than double the present speed and afford an additional saving of time of approximately 7 hours. The above figures are based on a study made by this company on the actual performance of tows under present conditions in the pools above lock 4 as compared to the speed of tows in the deep pool which exists above lock 17 on the Black Warrior River above Tuscaloosa, Ala. The total saving in time which would be afforded by the proposed new lock at Demopolis in reducing the present 21 lockages in each direction to a single lockage plus the saving in towing speed, we estimate would save $750 per trip on present-day operating costs. On the basis of an existing schedule of 24 trips per year per vessel, the monetary savings would amount to approximately $18,000 per year per vessel. This saving multiplied by the four vessels which we now have in service will result in a total annual saving of $72,000.

In addition to the savings outlined above, the decrease in the number of days required for each trip will be the equivalent of three extra round trips per year, or an estimated additional 24,000 tons of revenue freight. The only cost involved in moving this additional tonnage is the actual fuel, lubricating oils, and miscellaneous deck supplies consumed while making the three extra trips. Vessel expense, such as wages of crew, depreciation, taxes, insurance, etc., is an annual expense continuing throughout the year and naturally if additional trips can be made, this cost will be spread over a greater tonnage, thereby resulting in further savings.

I am enclosing a savings chart which was prepared by the district engineer at Mobile showing the annual savings to be realized by the construction of the proposed lock. Please note that the annual savings in operation and maintenance costs to the United States Engineer Department plus the savings to users makes a total saving of $476,100 annually which is in excess of the 358,000 appropriated by the committee for construction work on the new lock in 1951. In other words, for each year that the construction of this lock is delayed, the Government and users of the River are losing $476,100 and this figure will be increased in direct proportion to the increased use of the facilities which is now taking place.

It is now public knowledge that the production of high-grade iron ores from the Mesabi Range in Minnesota will almost disappear within the next 20 to 25 years. Realizing the seriousness of this situation, the U. S. Steel Corp., after spending millions of dollars in exploration of world ore reserves, located vast deposits of high-grade iron ore in Venezuela. Plans are already under way to commence shipment of some two million tons annually from this field to the Birmingham district, all of which is scheduled to move through the port of Mobile. The rich Venezuelan ore (over 60 percent iron) will be mixed with native low-grade ores and based on experiments made by the steel mills of the Tennessee Coal, Iron & Railroad Co. in Birmingham will result in an increased steel production of 15 percent with the existing facilities. Obviously, the movement of such a large volume of bulk ore must be done as cheaply as possible in order to make its use economical in Birmingham. This cannot be accomplished with locks built more than 40 years ago whose narrow and obsolete size require multiple lockages of tows, restricts the passage of larger tows that are in use today and will further restrict the still larger units and tows that will be employed with increasing movement of huge quantities of raw materials. A reduction in the number of dams and enlargement of lock chambers as proposed in connection with the new Demopolis lock and dam so as to permit the passing of tows intact will result in lowered transportation costs and assure the continued movement of this commodity over the river.

The value of the new iron ore discoveries in Venezuela and its movement by water to the steel mills in Birmingham cannot be over-emphasized from the standpoint of national defense as well as peacetime production. Should this country be faced with another war of similar proportions to the last, our ability to produce a war machine capable of defending the country is open to question in view of our present depleted iron ore reserve. The movement to the mills of a large volume of foreign iron ore by the use of a

modern waterway will supplement our diminishing ore reserves and provide a margin of safety in time of war. We have information that the U. S. Steel Corp. by 1955 will be shipping upward to 2,000,000 tons of ore annually to its Birmingham mills. It is urgent that construction of a new lock at Demopolis proceed at once in order that it will be completed by the time this large volume of ore commences to move.

The above has been hurriedly and poorly written in view of the urgency of this matter. However, I hope that it will be of some assistance in acquainting you with the situation. For your further information, I am attaching photographs showing the condition of locks 6 and 8 and a typical tow of iron ore moving upstream. Also enclosed is the story of the Venezuelan ore discovery which I trust you will find interesting reading. I sincerely hope that it will be possible to salvage part of this appropriation in view of its vital importance to all of us in this area.

Looking forward to seeing you in Washington on the third, I remain

Yours very truly,

W. I. McELROY,
Superintendent of Operations.

The continuation of the construction of this lock and dam is necessary at the present time. It will facilitate the taking of iron ore brought from Brazil, Venezuela, Sweden, and other places from the port of Mobile to Birmingham, Ala., a major steel-production center. By using a great portion of this iron ore now, we can salvage our own iron-ore deposits in this country for use during any war which may come. When war comes, we may be cut off from bringing this ore from other countries to the United States, and, if so, it will then be necessary for us to use our own iron-ore deposits in great measure and they may be speedily exhausted. Therefore, they should be conserved now, and the only way to conserve them is by using the ore brought in from these other countries. Also, in the event of war, we can bring in iron ore from Brazil and Venezuela, until we are cut off from getting it, by using the Caribbean Sea and receive the protection of Cuba and Puerto Rico and other islands until we get it into the Gulf of Mexico and thence to Mobile. It will be almost like using an inland water route instead of hazarding convoying ships to the submarine menace which will probably be present in the Atlantic Ocean. Knowing that all of the Members of the House have the welfare of our country at heart, I cannot help but feel that they will want a major portion of these funds restored to this project so that it will not have to be abandoned at the present time. The proper defense of our country and the security of our Nation demand that this be done.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DEGRAFFENRIED. I yield.

Mr. JONES of Alabama. What is the character of dams that the new dam proposes to replace?

Mr. DEGRAFFENRIED. They are old wooden structures, very small and dilapidated. Some of the locks along the river are hand operated. Some of them were built as long as 40 years ago. They have had several breakdowns at those locks.

Mr. JONES of Alabama. What is their present condition?

Mr. DEGRAFFENRIED. They are in very, very bad condition; they are in very much need of repair.

Mr. JONES of Alabama. If one of the dams were to deteriorate to the extent that it could not be used, would it impair the whole river system?

Mr. DEGRAFFENRIED. It could not be used. It would stop the whole transportation.

Mr. JONES of Alabama. The entire river system, then, depends upon the replacement of these inadequate and dangerous dams that are in the river at the present time?

Mr. DEGRAFFENRIED. The gentleman's observation is correct.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DEGRAFFENRIED. I yield to the distinguished gentleman from Mississippi.

Mr. RANKIN. I agree most heartily with what the gentleman from Alabama says regarding the importance of the inland waterway in connection with our steel industry. I wish to call attention to the fact also that in case of war, unless this inland waterway is provided, the chances are that Pittsburgh, Pa., would be shut off from the Venezuelan iron mines where she is now getting her iron ore.

Mr. DEGRAFFENRIED. I thank the gentleman from Mississippi for his contribution.

I am sure that the members of the Appropriations Committee want to be fair and surely they do not want to cut this project 91 percent when other projects under construction are being cut only from about 10 to 30 percent throughout the Nation. I ask the members of the Appropriations Committee and the Members of the House to give the amendment dealing with this project careful consideration when it is presented for your consideration.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, the bill before us today is more than an appropriation bill. It is the symbol of 18 years of irresponsible political philosophy in our Government. It is the symbol of a dangerous political theory that has fastened itself on one government after another down through the centuries and ended in the fall of every one of them.

One of the banes of civilization is the fact that in every generation there are men in public life who will gamble with the public welfare and the safety of the economy to gain their own political ends. The callous recklessness of such leaders has undermined the economic security and happiness of scores of nations down through history. The tragedy has always been made more grim by the fact that economic quackery has always had a wide appeal until disaster struck.

As governments have fallen, others have arisen in their place, usually with safeguards designed to prevent recurrence of the ailments. The founders of our own United States labored long and hard in their efforts to write safeguards into the Constitution that would prevent economic catastrophe from overtaking the American people. They very wisely placed the power of originating appropriations and the levying of taxes in that branch of the Government which most closely represented the people—the House of Representatives. They did not vest that power in the Senate, in the judiciary, or the executive—they specifically limited it to the House of Representatives. They were fresh from the realization that the power to tax is the power to destroy, and they were determined that if America must ever die, it would be by suicide, not homicide.

The founding fathers envisioned the President of the United States as no more than an administrator, an official of limited powers who would do no more than carry out the instructions of the elected representatives of the people. For 157 years—until 1933—the great American form of government which they had designed withstood the onslaughts of the economic witch doctors who at numerous times during that period attempted to gain power by advocating their quackeries.

It is particularly important to note that the Presidents who had occupied the White House during those 157 years had respected the safeguards which had been cemented into the Constitution for the highest purposes. For example, no President in that time ever so much as considered vetoing a tax bill, as Presidents Roosevelt and Truman have both done in recent years. No President in that time would have dreamed of threatening to veto a tax bill if it did not meet his specifications, as President Truman did in his 1950 state of the Union message. Those Presidents respected the fundamental thesis that only the elected representatives to Congress should exercise the power of taxation with all its inherent dangers.

The year 1933 undoubtedly will go down in history as the turning point in America's political and economic progress. It will go down in history as the beginning of a period in which men endowed with more recklessness than wisdom tried every economic panacea that they could find, and having tried them decided to weave them into the permanent fiber of government. Easy money, easy credit, easy debt, and a whole flock of other easy-come easy-go schemes became the backbone of government as it was operated by those in power.

For six long peacetime years deficit, Government hand-outs, and easy credit were the dominating policies. Glib phrases filled the air. "Pump-priming," "compensatory spending," and "we owe it to ourselves" were the catchwords of the day, and what was solved?

When the New Deal took office in 1933, there were 13,000,000 unemployed. Six years later, before national-defense spending began, there were still 11,000,000 unemployed. All the fabulous economic panaceas and political quackeries had not solved the problem. The national debt had more than doubled, the tax burden had tripled, and we still had almost the same number of unemployed as 6 years earlier.

Today it is a recognized fact that a world war and only a world war relieved

the New Deal of its most colossal embarrassment, specifically the fact that it had failed to solve the problem of unemployment, in the name of which it foisted all its economic theories and panaceas on the American people. What the economic medicinemen, and the socialist planners had failed to do, a devastating war did for them.

With the nations of Europe needing war materials, we supplied them and thus provided our own people with jobs. Unemployment figures at last began to drop. With the coming of Pearl Harbor and our own entrance into the conflict, our problem became not one of unemployment but of actual shortage of manpower.

So the war was waged at enormous cost, the debt was increased almost 500 percent, and the tax burden was raised to perilous heights—seven times higher than it had ever been in history. Of course the overwhelming majority of the American people paid the price willingly and accepted the attendant sacrifices without complaint. They expected, and they were entitled to expect that once the conflict was over, there would be a period of adjustment and that within a few years a substantial return to more normal peacetime conditions would be achieved. They expected, and they were entitled to expect, that taxes would be lowered, that payments on the debt would begin, that rationing and controls would end, and that the enormous shortages resulting from 5 years of war would provide the economy with sufficient momentum to cause the wheels of industry to hum and jobs to be plentiful. That is what they expected and, I repeat, that is what they were entitled to expect.

But their expectations were based on miscalculation. They had forgotten, under the terrible stress of war, that there were still in power the same economic witch doctors and the same disciples of socialism, who had failed to solve the problem of unemployment in a half-dozen long years of fruitless and costly frittering with economic theories that had been proved, a hundred times over, down through history to be false and disastrous to any government that embraced them. They had forgotten that the history of these men was that once a tax was enacted it was never repealed, that once a power was gained it was never willingly given up, that once a control had been imposed it was never relinquished if these men could help it.

It simply did not occur to most Americans that the schemers in Washington would employ the terrible machinery of war, the terrible burden of taxes, controls, and emergency powers to achieve political ends that could never be won at the polls, that would never be willingly voted by the American people.

So what happened?

Did they want to give up the controls?

No. President Truman demanded their retention. The left-wing trumpets let loose in full blast against Republican efforts to force the Government to keep faith with the American people and the American way of life.

Did they want to cut back taxes?

No. President Truman demanded more taxes. The left-wing trumpets blared in a fanfare against Republican demands for tax reductions.

Did they want to cut spending?

No. President Truman rushed to Congress with a score of new spending schemes. The left-wing trumpets rent the air with demands for spending schemes that were fantastic, for nostrums that were costly beyond belief.

What happened is a matter of record. Shortages mounted disastrously, people lined up in front of stores simply to obtain food, and business stagnated while the President and the left wing stubbornly insisted on retention of controls. It was Congress, with the Republicans leading the fight, throughout the entire summer of 1946, which finally forced an end to rationing.

It was the Republican-controlled Eightieth Congress which passed the first tax-reduction bill in a generation, and it did so over three vetoes by President Truman.

It was the Republican-controlled Eightieth Congress which forced a balanced budget and a reduction of the national debt for the first time in a generation. The reckless spending measures proposed by the President and the left wing were effectively blocked, and the American economy at last was going full speed ahead. There was virtually no unemployment, shortages had disappeared to a large extent, and the economic future looked holpeful for the first time in years.

With the reelection of President Truman and the return of the Democratic Party to control of Congress in 1948, the spenders and the princes of planning were in full cry once again. The President sent a program to Congress that called for huge outlays of public moneys, a $4,000,000,000 increase in taxes, and socialization of credit, agriculture, medicine, and our natural resources. Efforts by the Republicans to continue their tax-reduction program, which had given the economy a fresh stimulus, were bitterly opposed by those in power, and an excise-tax-repeal bill which I introduced in February of 1949 lay in a convenient pigeonhole in the House Ways and Means Committee.

Unemployment started to mount. Business, threatened with new and ever-heavier taxes, slowed down to a walk, and the situation by midsummer became so threatening that the President was forced to say he would not press immediately for his tax-increase proposals. But he steadfastly adhered to the balance of his reckless program, and the American public was treated to the economic spectacle of a government which had already run the public debt up to a quarter of a trillion dollars, start deficit spending once more, not as a temporary policy, but virtually as a permanent step.

Think of it, in less than 2 years, the President has outlined deficit-spending programs blanketing the fiscal years of 1949, 1950, and 1951, that will run up a total deficit of $13,000,000,000.

That figure is $4,000,000,000 more than the entire cost of the Federal Government in 1939 when Government was also operating on a deficit basis.

In January of this year, the President sent to Congress a state of the Union message, an economic report, and a budget message; and those three messages charted a future course of ever-rising taxes and ever-rising spending that no government in the history of this earth ever attempted before. If ever a blueprint for socialism was laid down, these three messages were it.

The American people, already carrying a tax burden in excess of one quarter of the national income, were being told in in effect, that their tax bill eventually would be doubled, that Government spending, already at the back-breaking level of $43,300,000,000, would eventually be increased 100 percent, and that the Federal Government would become the overseer of the family, the sickbed, the schools, our natural resources, and the private credit of our economy.

I say to you that if this program is carried out, America as we know it is gone. I say to you that the pump primers are now priming the pumps for disaster. America's leadership role among the nations of the world will vanish much as Great Britain's has, as we borrow the socialistic schemes which have brought that great nation to its knees.

The awful impact of this irresponsible, reckless program is already becoming tragically apparent. Unemployment is rising and today we have approximately 4,500,000 unemployed in the United States. Men with families are out of work, veterans and young people are finding it increasingly hard to obtain employment, and with the graduation from our schools and colleges this spring, another half million people will be added to our labor force with little hope of obtaining jobs.

It is time that America woke up. It is time we realized that the same architects of disaster, the same specious theories and economic quackeries, the same socialist schemers, dominate our Government today just as they did throughout the thirties. They never solved the problem of unemployment in the thirties and their continued use of the very same fallacious economic philosophy which they employed then is now causing unemployment and raising once more the dreaded possibility of an economic crisis.

It is appalling to realize that if this country must face economic or military hardship in the future, it must do so with the national debt at an already impossible level, with the tax burden at a point where it depresses our economy, and with Government spending already going on a rate which cannot be increased without compounding an economic malady it attempts to cure. The very security of America is at stake, but irresponsible men and irresponsible leaders insist on gambling with that security to achieve their own political ends.

I repeat—the bill before us today calling in all for almost $39,000,000,000 of Government money, credit, and contractural authorizations, lies like a giant boulder on the American economy. The American economy has withstood the depressive acts of Government time and again, but inevitably the breaking point must come.

We in Congress have a responsibility that is far more than political. We must answer at all times for the very security of America, and where the security of America begins, partisanship should end.

I talk to you not as Democrats or Republicans but as Americans. Every one of us knows deep in our hearts that this pump-priming for disaster must stop. These economic quackeries must end.

These socialistic schemers and political medicine men who now infect the executive branch of the Government must be run out of Washington. We also know that if this is to be done, only Congress can be depended upon to do it.

Let us face the facts—the tide of unemployment is rising steadily in the United States.

In February, the number of jobless increased by 204,000, making the total 4,684,000—the highest in 9 years.

In March, there were 561,000 less unemployed, but this was regarded as seasonal.

Forty-three areas throughout the country were classified by the Department of Labor in February as critical areas, which means that 12 or more out of every 100 workers were pounding the streets looking for jobs.

At this moment, unemployment-insurance payments are at record levels, and more than 2,000,000 people have exhausted the benefits to which they are entitled. All reports indicate that people over the age of 45 are having great difficulty in finding work.

Unemployment usually grows like a snowball rolling downhill. Government agencies, although they expect a slight seasonal pick-up this spring, have predicted more than 5,000,000 unemployed by June.

Leon H. Keyserling, acting chairman of the President's Council of Economic Advisers, recently said there are circumstances that might lead to 12,000,000 jobless by 1954. Mr. Keyserling needs no identification before this House. Mr. Keyserling is one of the medicine men whom I have been discussing, one of the doleful defeatists who regard unemployment as permanent, one of those who say that we must continue to have a large segment of our labor force unemployed and that there is nothing much that can be done about it.

Such talk is tommyrot.

The time to check unemployment is now; before it gets worse. The longer we wait, the more difficult the task will be. The way to check unemployment is to go to the root of the trouble—to cure the conditions that are causing it.

Fortunately, there are five basic steps that President Truman and Congress can take immediately that would go far toward reversing the tide. Here are the five main steps in a nonpartisan prosperity program:

First. Remove the wartime excise taxes.

These taxes were levied during the war to discourage purchase of goods and services that were in short supply, and they have continued to have the same effect in peacetime. The American Federation of Labor has said the excise taxes are strangling business and employment. In luggage, furs, jewelry, cosmetics, transportation, amusements, telephone, telegraph, and scores of other industries, the story is the same—depressed sales and jobless workers because of the staggering excise taxes. Many communities in New England, for example, have said that repeal of the wartime excises would be the strongest possible shot in the arm for their areas.

Second. Create tax incentives for small business.

At present the small-business man is shackled by severe taxes, which prevent him from accumulating the capital he needs to launch a new enterprise or to expand an existing business. Yet this kind of growth is essential if we are to have an expanding economy. In order to create jobs for our growing population, new firms must be springing up constantly. Our tax system should be designed to give the small risk taker every encouragement. We must stop hamstringing him.

I am confident that, if small business were given additional tax incentives and if the wartime excises were repealed, business would receive such a hefty stimulus that there would soon be an increase in tax revenue that would more than offset the initial reduction.

Third. Balance the budget and begin retirement of the national debt.

A balanced budget is the surest guaranty of our economic strength. A solvent Federal Government is a bulwark against excessive ups and downs in the business cycle, and it sets a tone of stability and responsibility for our entire business life. A businessman who can count on the value of tomorrow's dollar is able to do the long-range planning that means jobs—steady jobs. A worker who can count on the value of tomorrow's dollar is able to save with confidence that his bank deposits, his insurance, and his old-age pension will be worth what he put into them.

The most direct way to balance the budget is to cut spending. This would open the way to reducing the national debt and eventually to lowering taxes, which would free billions of dollars in purchasing power that are now being shunted up the dead-end road of Government spending.

Fourth. Administer the tariff program more carefully.

While world trade should be encouraged, the reciprocal trade program should be managed in such a way that no particular areas or industries will be crippled. This is not the case at present. Too often the benefits of our tariff reductions are not reciprocal. Too often the benefits flow only to foreign producers and foreign workers, while American workers see their markets disappear.

In New England, and in other States as well, there is widespread unemployment from the flood of cheap goods from abroad—watches, pottery, hats, shoes, rubber wear, fishing products, and many others. For instance, Marx Lewis, general secretary of the United Hatters, Cap, and Millinery Workers, AFL, has said that a wave of imports from Czechoslovakia threatens to reduce the hat-making city of Danbury, Conn., to a ghost town. On the Pacific coast, the story is much the same in lumber, fishing, fruit, nuts, and many other industries that are the mainstays of employment.

Fifth. Remove the threat of socialization that hangs over the country.

As long as the United States is pushed down a course that parallels Britain, there will be a damper on the enthusiasm and daring that are the cornerstones of lasting prosperity. No one can plan confidently for a future that may be so ominous. One possible symptom of fear was in the Securities and Exchange Commission's report of Friday, which said that American business in 1950 will spend about 11 percent less on new plant and equipment than in 1949.

Now is the time for leadership to show its mettle. Almost 5,000,000 jobless Americans are crying for action. There is no reason why President Truman and the leaders of Congress cannot carry out a program like the one I have outlined. There are 5,000,000 reasons why they should. If they do not, the country will know where to place the responsibility.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the tremendous appropriation bill now before the House for approximately $28,000,000,000 should cause every Member of Congress and every citizen of the United States to stop, look, and listen. It is estimated that if this bill is passed together with other bills for foreign aid and so forth, it will mean a deficit at the end of the fiscal year of approximately $5,000,000,000. How long can this Nation of ours continue to spend, year after year, more than we take in and remain solvent? No individual nor any businessman can continue to spend more than he receives without facing a condition of bankruptcy. This is equally true of a nation. Therefore, I repeat, we must stop, look, and listen before it is too late.

In 1932 Franklin D. Roosevelt, then a presidential candidate, had this to say about Government spending:

> Any government, like any family, can for a year spend a little more than it earns. But you and I know that a continuance of that habit means the poorhouse.

Those words are equally true today and have even greater significance than at the time they were spoken. They deserve to be emphasized because in every year since 1932 with the exception of the 2 years of Republican control our Federal Government has spent more than it has collected.

In 1932 our Federal expenditures amounted to only $4,500,000,000. Today, it is estimated that our expenditure for the fiscal year 1950 will amount to $45,000,000,000. That is 10 times the amount expended 17 years ago. And we must not overlook the fact that this is a peacetime expenditure. There has never been any similar expenditure in a time of peace.

The Reader's Digest of January 1950 has set forth in an article a vivid explanation of what this means. In part it reads as follows:

To give you an idea of just how much money this is, consider these facts:

1. If everyone in the United States cashed in all his life-insurance policies, the total would amount to $44,000,000,000. This would not be enough money to run the Government for 1 year.

2. If every urban home owner in this country sold his home, the total would amount to $30,000,000,000. That's just enough to run the Government for 8 months.

3. If every farmer in this country sold his farm, farm equipment, and livestock, the total would amount to $25,000,000,000. The Government could not run for 7 months on that amount of money.

These facts put a new light on the staggering size of our Federal Government's planned $45,000,000,000 expenditure for the fiscal year 1950. And remember, this excessive spending is in the face of a national debt of more than $250,000,000,000.

Isn't it as true today as it was in 1932 that a continuance of that habit means the poorhouse?

Increased spending means either an increased deficit or increased taxes. The tax burden on the people of this Nation in direct and indirect taxes for Federal, State, and local purposes approximates one-third of the national income. And, yet, notwithstanding this heavy take from the income of every worker the President advocates and has asked Congress to provide additional taxes. There is no justification for such a course. Taxes should be decreased and not increased.

The most sensible way to meet the situation that now confronts us, as a result of insufficient Federal revenue to meet expenditures, is to reduce expenditures. It can be done if waste and extravagance in our Federal Government is eliminated, and, this can be done without in any way adversely affecting the necessary functions of government.

In the consideration of this appropriation bill it is my intention and purpose to support the effort that will be made to bring the amount to be expended in conformity with the expected revenues of the Government. A balanced budget is necessary to the financial stability of this country. Our ability to help our people and fulfill our obligations at home and abroad demands that we be financially sound.

Mr. CANNON. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, the 1951 general appropriations bill, as reported to the House, has brought Congress face to face with a series of policy decisions that have importance and implications far beyond what at first sight might appear to be justifiable action.

A special severe blow is meted out to the important flood-control project in eastern Kentucky, made up of the Dewey Reservoir and its appurtenances. The project is almost complete and there is required only $600,000 to acquire the remaining lands. I wish to state that all construction is already complete. I know that there is not a man in this body that believes in permitting his own dwelling house to deteriorate by reason of nonoccupancy after construction has been completed, simply because he does not have an entrance. American citizens are simply against this type of false economy.

The reasons given for this unprecedented action is not that the project is unwise or even that it is contrary in any way to policies long established and supported by Congress. It is wholly that the costs of completing the remaining phases of this and for other projects are now found to be in excess of earlier estimates submitted by the great engineering agency which develops the plans, makes the recommendations and carries on all of the activities connected with the construction, maintenance, and operations of many important and useful projects in nearly every State in the Union.

In all of these, the agency recommendations are discussed and approved by Congress under an atmosphere of high mutual trust that is unusual in the dealings between Congress and the executive agencies.

The amount required for the completion of this important flood-control project is denied and the project must go uncompleted.

If nature will just stage its floods somewhere else, the cost of the delay will be progressive disintegration of the project facilities that will set in at once from nonuse of costly works on account of lack of funds for completion.

The project is designed to prevent a disaster that has many times been considered real and threatening by Congress.

At this point I would like to make available to the entire Congress information furnished me by the Corps of Engineers in response to my direct questions, which clearly point out the reasons for the underestimate in the 1950 budget, as well as the discrepancy in the amount of funds now necessary to complete the project in relation to the amount provided for in the 1951 budget:

INFORMATION FURNISHED BY THE CORPS OF ENGINEERS IN MY OFFICE MARCH 24, 1950

Question (Mr. PERKINS). Will you briefly describe the Dewey Reservoir—I mean whether it is flood control, recreational, or both?

Answer. The Dewey Reservoir project was authorized as a flood-control reservoir by the Flood Control Act approved June 28, 1938. It is a unit of comprehensive flood-control plan for the Ohio River Basin. No other reservoirs have been constructed or are under construction in the Big Sandy Basin.

The project is located on Johns Creek about 7 miles southeast of Paintsville, Ky., and 5.4 miles above the confluence of Johns Creek with Levisa Fork, which, together with Tug Fork, forms the Big Sandy River. The dam is a rolled-earth fill structure having a maximum height of 118 feet and a crest length of 920 feet. It creates a reservoir having a total capacity of 88,000 acre-feet, of which 77,000 acre-feet are reserved for flood control, and the remainder of 11,000 acre-feet are reserved for a conservation pool which can be utilized for increasing low-water flow, pollution abatement, and recreation.

In addition to constructing the dam, together with the spillway, outlet works, and a dike, it was necessary to acquire title to, or flowage easements over, approximately 15,000 acres of land, and relocate approximately 8.3 miles of highway, 17.6 miles of pipe lines, and 56 cemeteries involving 718 graves.

Question (Mr. PERKINS). I notice the Corps of Engineers estimate on the total cost of Dewey Reservoir as made last year was $6,246,800. This year the Corps of Engineers estimated before the House Appropriations Committee the total cost to be $7,456,500. Can you explain at this time why the Corps of Engineers underestimated the cost of the reservoir when they were testifying last year, and if so, what you now estimate the total cost of Dewey Reservoir to be?

Answer. A comparison of the 1950 and 1951 estimates of costs follows:

1950:	
Construction	$3,434,800
Relocations	1,126,700
Lands	1,685,300
Total	6,246,800
1951:	
Construction	3,474,800
Relocations	1,126,700
Lands	2,855,000
Total	7,456,500

It is of note that there is little difference in the estimated construction costs for the 2 years, that there is no difference in the relocation estimated costs, and that the increase in the total cost of the project is almost entirely due to the increased estimated cost of the lands in the reservoir approximately $1,169,700. The reason for this increase is as follows:

The estimate of $1,685,300 was based on a gross appraisal of the lands required for the reservoir. During the process of acquiring these lands, it was necessary to make individual tract appraisals and, later, it was necessary to resort to condemnation to acquire some of the tracts. The individual tract appraisals revealed that land values were approximatley 25 to 30 percent in excess of those used as a basis for the gross appraisal. Condemnation suits resulted in awards by three commissioners appointed by the Federal court approximately 115 percent in excess of the Government appraisals. In the light of the above, it became definitely apparent that the original gross estimate for land acquisition was too low, and after a thorough analysis was made, it was determined that the lands would cost approximately 70 percent more than originally estimated, and that the total estimated cost of the project would necessarily be increased by the addition of $40,000 for construction and $1,169,700 for lands, or a total of $1,209,700. The total estimated cost of the project was, therefore, revised to $7,456,500. As a total of $6,116,000 had previously been allotted to the project, it became necessary to request an additional $1,340,500 for fiscal year 1951, in order to complete the project.

All agreements covering the relocation of utilities and highways have only recently been executed, with the result that they total approximately $826,000 in lieu of the estimated total of $1,126,200, thereby effecting a saving of approximately $300,000. Furthermore, the land-acquisition program has advanced sufficiently to such a stage, that it has been possible to effect further savings for the following reasons:

1. Recent decisions of the court in condemnation suits have been much more favorable to the Government as a result of changes made by the Department of Justice in the handling of condemnation suits.

2. Property owners have agreed to retain certain portions of their properties lying outside of the reservoir area proper, thereby reducing the lands or easements to be acquired from 15,500 acres to 14,500 acres.

3. Property owners in the upper reaches of the reservoir where infrequent inundation will occur, have agreed to sell flowage easements over their properties rather than sell them in fee.

As a result of the above economies, savings approximating $440,000 in land costs will be effected.

As a result of the savings of approximately $300,000 in relocation costs and approximately $440,000 in land costs, the amount required for completion of the project is reduced to approximately $600,000.

Question. (Mr. PERKINS). You are in a better position at this time to make an accurate statement on the total estimated cost of this reservoir than the Corps of Engineers were last fall. Am I correct in that statement?

Answer. That is right. The estimates supporting the 1951 appropriation were made in August 1949. A good deal of the work has been performed since then to indicate to us more closely what the actual costs would be. All the agreements in connection with relocations have been executed so we have a definite figure rather than an estimated one as to the total cost. We have completed the appraisals of all the individual tracts of land which we have to acquire, and in that case too we have a definite figure rather than an estimated figure.

Question (Mr. PERKINS). Assuming that the Appropriations Committee failed to grant the $600,000 which you state is necessary for the completion of Dewey Reservoir, what effect, if any, will that have on being able to utilize the project to its fullest extent, and getting a return on the money already invested?

Answer. Unless the amount of $600,000 is made available for fiscal year 1951, completion of the project will necessarily be deferred. Construction of the dam is now complete, and the relocations will be completed before the end of fiscal year 1950, leaving only acquisition of the remaining lands to complete the project. Until such time as all the lands or easements are acquired, it will not be possible to utilize the reservoir to its fullest extent for flood control. Should a major storm occur and it becomes necessary to use the reservoir to its fullest extent, unacquired lands will be affected, with the result that it will be necessary to pay damages to the owners of such land. To obtain the maximum use of the reservoir area for flood control, it may be necessary to lower the conservation pool during the flood season to obtain more storage of floodwaters. Furthermore, a complete return on an investment of over $6,000,000 cannot be obtained until the reservoir project is completed.

Every Member of this House knows that the estimates submitted on these projects are sometimes above and sometimes below the amounts that Congress first approves.

The committee action if permitted to stand would simply cost more money and delay the benefits to the people. I can see no economy or justification for such action and trust that such errors in this bill will be corrected.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the remarks of the gentleman from Alabama [Mr. DEGRAFFENRIED] follow in the RECORD immediately after the remarks of the gentleman from Mississippi [Mr. WHITTINGTON].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. GOLDEN].

Mr. GOLDEN. Mr. Chairman, the estimated cost of this project is $1,233,000 to the Federal Government and $490,000 to the local people.

The following are the estimated flood damages to Pineville for the period between January 1918 and June 1947:

Date of flood	Stage in feet	Estimated damages
January–February 1918	47.3	$806,000
November 1928	(1)	409,500
March 1929	47.3	806,000
January 1932	(1)	325,000
February 1939	44.3	58,500
February 1940	41.8	15,600
January 1946	49.3	1,451,500
June 1947	42.5	19,900
Total for floods of record		3,892,000
Estimated average annual damages, 30-year period		129,730

[1] From damage survey.

The 1946 flood was the most devastating and destructive of any flood on record for Pineville, and the estimated flood damages for that year are broken down as follows:

Item	Units	Damages
Residential property damaged	563	
Residential property destroyed	100	$723,900
Commercial and industrial property damaged	121	614,800
Institutional property damaged	18	99,800
Streets and miscellaneous property		13,900
Total		1,451,500
Loss in taxes, Federal, State, county, and city, on account of 1946 flood amounted to		450,000

The city of Pineville lies on the Cumberland River in southeastern Kentucky. The Cumberland River rises and has its source in the county above where Pineville is located. The business and greater part of the residential sections of Pineville are located on the comparatively level flood plain and lie in an area roughly semicircular in shape about three-eights mile wide and three-quarters mile long. The last official census of Pineville is 3,900 and it possibly has 4,000 now.

We have frequent and recurring floods, some of which are small ones, and we have had four tremendously large ones. The last large flood was in 1946. The damage done in this one flood, according to officials estimates of the Army Corps of Engineers is practically sufficient to pay the entire cost to the Government and to the citizens for complete protection. The water in 1946 was from 6 to 8 feet deep in the homes, public buildings, schools, and business places in the town. Frequently in the past we have had from 3 to 5 feet of water in our homes and business places, and the plan of the Corps of Engineers, which has been completely worked out, will give us complete protection from these devastating and almost annual floods. It presents a serious health problem each time we have a flood. There has been practically no building and no expansion in the last 20 years on account of the floods, and it is the center for the coal fields.

The citizens of Pineville, through their city council, passed an ordinance, called an election and voted to issue bonds for $490,000 to cover the full amount recommended by the Army Corps of Engineers for their share of the cost of the proposed flood protection.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. MACK].

ECONOMY IN GOVERNMENT

Mr. MACK of Washington. Mr. Chairman, I am very glad that the gentleman from Mississippi [Mr. WHITTINGTON] made the constructive speech which he did a few moments ago.

I agree with the gentleman from Iowa [Mr. JENSEN] in his high estimate of the integrity and ability of the gentleman from Mississippi. I have been a member of the House Committee on Public Works for 3 years. As a member of that committee I have served under the distinguished gentleman from Mississippi. It is my opinion that he knows more about the rivers and harbors and flood-control problems and needs of this country than any man in the Congress or in the United States.

The average American now works 61 days a year to earn the money to pay his annual Federal, State, and local taxes. Think of it. The average American must work more than twelve 5-day weeks just to pay his tax bill. Yet, with from one-fourth to one-third of all the earnings of all Americans being confiscated by tax collectors the Government still is spending money faster than it collects it. We will have a deficit of $5,000,000,000 or $6,000,000,000 this year.

It is time that the Congress and the country stopped and pondered the question, "Where are we going?"

History is replete with examples of countries that pursued to their financial and economic destruction the same loose fiscal policies our leaders now follow. France is an example. The average French laborer in 1920 received an annual wage of 6,240 francs. At the 1920 exchange value of the franc his earnings of 6,240 French francs were the equivalent of an annual wage of $1,248 in American dollars.

Today, as the result of devaluation and inflation the French worker receives not 6,240 francs as he did in 1920 but his average annual wage is now 250,238 francs or 40 times what it was 30 years ago. If the franc was still valued at 20 cents the Frenchman, today, would have an annual wage equivalent to $50,048. But the French franc is not worth what it was. Its value is only a tiny fraction of what it once was. The 250,238 francs the Frenchman gets this year will buy little more than did his 6,240 francs in 1920. That is what devaluation can do to a people.

Something very similar to this may happen to us, the American people, unless our Government spends more wisely and economically than it is now doing, unless it balances the budget and lives within its income.

TOO MUCH SPENDING

A brief 3 years ago, our Federal Government was spending about $34,000,000,000 a year. Now, 3 years later, it is spending $42,000,000,000 annually. This

is an increase of $8,000,000,000 in the annual cost of Government within a period of 3 years.

Whereas the Republican Eightieth Congress balanced the budget and had a surplus of more than $8,000,000,000 in a single year, the Eighty-first Democratic Congress will have a deficit of five to six billion dollars this year.

The President says the present unbalanced state of the budget is due to the $5,000,000,000 tax reduction voted by the Eightieth Congress. Even if the Republicans had never given the people that $5,000,000,000 tax reduction, the present budget would still be unbalanced as compared to the $8,000,000,000 surplus shown in the last year of the Eightieth Republican Congress.

No; tax reduction by the Republicans did not cause the present unbalanced budget. That unbalanced budget is the direct result that this Congress is now spending $8,000,000,000 more than did the Eightieth Congress.

If the tax reduction voted by the Eightieth Congress was bad, why has not some responsible Democrat proposed to repeal that tax reduction. None has.

ROAD TO RUIN

A continuing unbalanced budget is the road to ruin, to socialism, and to every citizen becoming the servant of the state.

An unbalanced budget inevitably leads to the necessity for more taxes. The higher the citizen's taxes, the less he has to spend on himself and his own family. Eventually, taxes become so high there remains no incentive for investment or for thrift.

When taxes become too high the savers say, "Why save if the purchasing power of my savings constantly shrinks?" The investors say, "Why risk our capital when the Government makes us assume all losses and confiscates most of our profits, if we make any?" When the will to dare and do vanishes, a country ceases to go forward.

The spirit of venture built this country into the richest and most productive in the world. We must keep that spirit alive and not kill it by burdensome and oppressive tax rates.

Yet, there can be no substantial tax reductions while we continue to spend far beyond our tax income.

We can balance the budget only in two ways. We must balance it either by taxing more or spending less. I doubt if there is a single politician in the Congress bold enough to propose to balance the budget by imposing a five- or six-billion-dollar tax increase on the people. Every politician knows that for him to make such a proposal would be political suicide.

We must, therefore, seek to balance the budget in the only other way open to us, and that is by spending less.

DUPLICATION AND WASTE

The Hoover report says whereas there were 300 bureaus and commissions in the Federal Government 20 years ago that there are 1,818 now.

Many of these bureaus do the same work that is being done by other agencies. The General Accounting Office of the Federal Government not so long ago reported that we then had no less than 29 Federal agencies engaged in loaning money, 3 in insuring bank deposits, 34 engaged in acquiring land, 16 in wildlife preservation, 10 in Government financing, 12 in home and community planning, 28 in welfare matters, 4 in bank examinations, 14 in handling our Federal forests, and 65 in gathering statistics.

Surely, no citizen can believe that such a multiplicity of agencies can exist without much overlapping and duplication of work, all of which results in the unnecessary and wasteful spending of taxpayers' money.

Because this duplication is so costly to taxpayers, the appropriations of all departments should be held to a minimum to the end that each department will be compelled to modernize and streamline its operations, eliminate its inefficiencies, and thereby do its job better and at less cost.

The costliness of this duplication of activities is indicated by the fact that in 20 years—Hoover Report—the number of employees on the Federal pay roll increased from 570,000 in 1930 to 2,100,000 by last fall. Also, the wages and salaries of these workers in the same 20 years had grown from about $1,000,000,000 annually to almost $7,000,000,000, a sevenfold increase in 20 years.

HOOVER COMMISSION REPORT

One long step toward returning to a balanced budget would be the immediate adoption of the recommendations on reorganization of the Government made in the Hoover Commission Report.

If the recommendations of the Hoover Commission are adopted, the cost of the Federal Government, now $42,000,000,000 a year, will be reduced by three to five billion dollars annually. Over a 50-year period this will mean a saving of one hundred and fifty to two hundred and fifty billion dollars. Such savings will benefit every taxpaying American family, by allowing them to keep more of their own money to spend on themselves.

The Hoover Report shows many startling examples of Government inefficiency. Here are a few of them. The Hoover Commission investigators found:

That it requires an average of 7 months, under Government red tape, to discharge an incompetent employee from the Federal pay roll. In one case, the Commission found, it took 17 months to discharge an incompetent stenographer;

That in the Veterans' Administration more than 15,000 workers are employed to handle veterans' insurance policies. A study of private insurance companies reveals that these private companies handle a similar number of policies with 3,500 workers;

That the researchers report that the Post Office Department by spending $10,000,000 to install improved equipment and methods in the Nation's post offices could cut Post Office Department expenses by $180,000,000, thereby effecting savings totaling $170,000,000;

That the Internal Revenue Department in 1947 had 500,000,000 income-tax forms printed for the use of the Nation's 49,000,000 income-tax payers, or 11 forms for each taxpayer. Hundreds of millions of these forms, after being printed, were sold for waste paper;

That the Federal Government owns three and one-half typewriters for every Federal worker who uses a typewriter, full or part time;

That the Federal Government buys $6,000,000,000 in supplies every year, yet its inefficiency is such that it seldom takes a discount on any of its bills, as do nearly all private businessmen, because Federal Government red tape is such that it cannot audit its bills within the normal 30- to 60-day discount period.

The Hoover recommendations, however, will not accomplish their greatest benefits unless there is a will on the part of the executive branch of the Government to make them work.

In a government, gargantuan as our Government now is with 1,818 bureaus and commissions, with more than 2,000,000 employees, and with its operations spread out over the entire world, efficiency at best will never be easy and waste never absent. New examples of waste and inefficiency always will be present awaiting detection before they are corrected.

There, therefore, ought to be a permanent commission, organized along the lines of the Hoover Commission, always to be on the alert searching for inefficiency and waste and to call the attention of Congress and the President to such waste and inefficiency whenever and wherever found.

Such a permanent Little Hoover Commission staffed with expert researchers would pay its cost manyfold in the savings it constantly would make possible.

The Hoover Commission by one quick check of Government operations has unearthed weakness in our executive department, which if corrected, will save taxpayers three to five billion dollars a year. A permanent Little Hoover Commission unquestionably would reveal many additional ways to cut Government costs without diminishing present services of the Government to its citizens.

FIRST LINE OF DEFENSE

Our Nation's first line of defense is not our Navy, Army, or Air Corps. Our first line of defense is a solvent and sound economy here at home. Without a sound and solvent domestic economy we cannot attain that abundant production of weapons and goods without which no successful war can be waged.

The Communists recognize this. Lenin, the father of Russian communism once said, "Someday we will compel the United States of America to spend itself into destruction."

The best way to defeat that dire Lenin prediction is to restore sound fiscal policies to our Government now while there is still time.

If either through apathy or political expedience, we continue to pursue the wasteful and extravagant policies of the past two decades nothing but great and irreparable harm can come to our country. In proof of this truth I need to call but two witnesses, Thomas Jefferson and Franklin D. Roosevelt.

Jefferson said:

I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared—to preserve our independence we must not let our rulers load us with perpetual debt.

Roosevelt said—in 1932:

Any government like any family, can for a year spend a little more than it earns. But you and I know that a continuance of that habit means the poorhouse.

Yet, despite these warnings we, our Government, has in 19 years out of the last 21, spent more than our revenues and in 19 of those 21 years has gone further and further into debt. It is time to change our course.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

THE UNITED STATES COAST AND GEODETIC SURVEY

Mr. STEFAN. Mr. Chairman, the Coast and Geodetic Survey is one of the oldest scientific and technical bureaus of the Federal Government. Its history goes back to the early days of the Republic when President Thomas Jefferson with great foresight obtained authority from the Congress in 1807 to establish an agency for surveying and charting the coast of the United States. This was done in order to promote water-borne commerce between the several States and with foreign countries. Through the years the wisdom of this undertaking has become increasingly evident from the benefits that have accrued to industry and to science, engineering, and other related fields.

The work of this important arm of the Government is not spectacular in a dramatic sense and ofttimes goes unnoticed, yet its activities are bound up, directly or indirectly, with our daily lives. The ships that bring us coffee from Brazil and sugar from Cuba use the nautical charts of the Coast and Geodetic Survey for their safe navigation; the air pilot who carries our mail uses its aeronautical charts to guide him safely to his destination; the surveyor who locates the boundaries of our farms and homesteads uses the markers which the Survey establishes throughout the length and breadth of our land; and the construction engineer who establishes building codes against earthquake hazards uses the information furnished by the Coast and Geodetic Survey to determine the stresses and strains that buildings must withstand.

Besides these peacetime values, the work of the Coast and Geodetic Survey has a definite tie-up with the national defense and its personnel have served with distinction in every national emergency from the Civil War on. When General MacArthur began his reconquest of the Philippine Islands on the 20th of October 1944, he had with him navigational charts of the area on which landings were to be made. These charts were made by the Coast and Geodetic Survey from surveys carried on during the 40 years of our stewardship of the islands. They showed the character of the beaches, the safe channels, and the locations of dangers to navigation, and gave information on the rise and fall of the tide—all of which enabled our ships and landing parties to maneuver with a minimum of hazard.

EARLY HISTORY

When the Coast Survey was first organized, the shore line of our country included only the strip along the Atlantic coast and comprised about 15,000 statute miles. The activities of the Survey grew with the Nation's territorial expansion. The acquisition of new territory along the Pacific coast—later to become the great States of California, Oregon, and Washington—added 8,000 miles to this shore line before the middle of the century. The purchase of Alaska in 1869 added 34,000 miles. The acquisition of the Territory of Hawaii and of other island possessions at the beginning of this century, together with the stewardship which we assumed over the Philippine Islands, further increased the shore line to be surveyed to a total of over 100,000 miles, or nearly four times the distance around the world. Today the jurisdiction of the Coast Survey extends to all the waters of continental United States, Alaska, Guam, the Hawaiian Islands, Puerto Rico, the Canal Zone, and the Virgin Islands.

Bordering this extensive coast line is a belt of over 1,000,000 square miles of coastal waters that require repeated surveys in the interest of water-borne commerce and navigation so that the exchange of the farm products and manufactured goods between the States and with foreign governments can be carried on with a minimum of navigational hazards.

The earlier surveys made at the beginning of the nineteenth century and up until the period of the Civil War were adequate for shallow-draft sailing vessels. With the advent of the ocean-going steam vessel and the construction of larger and deeper-draft ships more detailed surveys were required because the old surveys were completely inadequate. Since the beginning of this century, and following World War I in particular, when new navigational instruments were introduced, it was found that the surveys of only 20 years ago were insufficient to meet the needs of these modern devices. For this reason and because of natural changes along the inlets of the coasts and harbor entrances, resurveys must constantly be made.

HYDROGRAPHIC SURVEYS

Hydrographic surveys which determine the depths of water and the character of the sea bottom have been extended by the Bureau far offshore to furnish information for the mariner. These surveys have located and charted the fishing banks so extensively used by our fishing fleets of New England, the Gulf, and the California coast. Dangers to navigation which have been located offshore have included Georges Shoal, a 15-foot spot in the great fishing area 120 miles east of Cape Cod, and Bishop Rock, over 100 miles off the southern California coast.

The ocean bottom has been investigated so that the submarine features lying off our coasts have come to be known. They have been charted and have proven of much value to the navigator equipped to determine his position by echo sounding when out of sight of land. In its offshore surveys and oceanographic work, the Bureau has pioneered in the development of methods and equipment which have increased the efficiency of these operations at less unit cost than existed under the older methods. These developments have enabled the Bureau to provide greater coverage year by year of our coastal waters with the annual appropriations which have been made by the Congress to extend this valuable work.

MODERN SURVEY EQUIPMENT

The Coast and Geodetic Survey has contributed to the development of sonic-sounding devices specifically in their construction as accurate survey instruments. By means of these instruments the depth of water under the ship can be obtained as the ship proceeds at full speed along a predetermined course on the surface. They have enabled us to know about the character and form of the Continental Shelf and its offshore slope from 100 fathoms, or 600 feet, to 1,000 fathoms. Soundings can be obtained in a matter of a second or two in depths as deep as a mile. Recorders were connected with these sonic sounders so that a continuous profile of the bottom showing the ridges and depressions was noted on a visible graph.

To fix the positions of the submerged features of the ocean bottom, such as mountain peaks, pinnacle rocks, and deep canyons, the Coast and Geodetic Survey developed and perfected the device known as Radio Acoustic Ranging, or RAR. This device utilized sound and radio to determine the position of a ship from known shore stations. It gave greater accuracy than could be obtained by observations on celestial bodies. It also had the advantage of permitting continuous operation of the survey ship day and night through fog and conditions of low visibility. The sono-radio buoy was first constructed in connection with RAR for use as an offshore hydrophone station. The extension of soundings a hundred or more miles from land, as in the case of Georges Bank, required the accurate location of individual soundings obtained by the survey ship. The development of the sono buoy was begun by the Bureau in 1933 and reached its complete efficiency prior to World War II. It was adopted in antisubmarine warfare and its operation was held confidential by the Navy until the close of the war.

The Coast and Geodetic Survey was the first agency making hydrographic surveys to adapt Shoran to these operations. Shoran, developed by the Signal Corps and used by the Air Force for pinpoint bombing of strategic targets in Europe, replaced radio acoustic ranging in hydrographic operations of the Survey because of its greater adaptability, particularly in the waters surrounding the Aleutian Islands. Its success, limited to distances of 50 to 75 miles—because this device is a line-of-sight method—cleared the way for the electronic position indicator. The latter has been completely developed within the Bureau,

without the aid of research funds, by the ingenuity and industry of the Survey's personnel during periods between active ship operations. The device has been tested and used to locate with accuracy the positions of soundings 10 to 300 miles from coastal promontories and island stations.

SURVEYS IN ALASKA

The surveys in the northernmost outpost, Alaska, were begun soon after the purchase of that territory from Russia. The coastal area and its newest waterways were known only to a few explorers and trading vessels. Its vast interior was almost completely unknown. Such charts as existed were in atlas form. They had been compiled by Sarischef under the direction of the Russian explorers Bering, Barinof, and Tebenkoff.

The first surveys were exploratory only. In the 1880's discovery of gold in the vicinity of Juneau brought many vessels into southeast Alaska and resulted in general surveys of that section of the coast. These surveys were reconnaissance in nature because it was impossible to cover the great area to meet the immediate demands. With the beginning of the twentieth century the Coast and Geodetic Survey inaugurated a comprehensive program of surveys which has been continuous in a given area from season to season.

Surveys made of the uncharted waters of southeastern and southwestern Alaska have prevented many wrecks. Only a few years ago the waters of Alaska were dotted with the hulks of ships which were wrecked on unknown rocks. This was true prior to the completion of wire-drag surveys through the inland passage and main channels of the Alaska coast. On the present-day charts there are numerous rocks bearing the names of the ships wrecked upon those rocks. Because the inland passage of Alaska was found to be infested with dangerous submerged rocks a wire-drag sweep was made of the entire passage. Numerous pinnacle rocks were found with this device rising close to the water's surface. One of the most spectaculuar of these finds was the rock, sometimes referred to as the Washington Monument, found in one of the main ship channels of southeast Alaska with a depth of 17 feet over it and rising from surrounding depths of 650 feet.

Surveys in Alaska not only opened up the coastal area to commerce but reduced the marine insurance rates, which prior to inauguration of the surveys had been nearly prohibitive. It was only possible to pay such rates because of the great value, or at least the great incentive for great wealth, to be returned as a result of the finding of gold and the exploitation of fisheries.

In the Aleutian Islands, where survey operations are greatly hampered by the prevalence of fog, rough seas, and bad weather, the work of surveying this exposed region has been steadily progressing, and the former inadequate, exploratory charts are gradually being replaced with modern charts.

The Aleutians are a bleak and barren chain of islands extending 800 miles in a southwesterly direction from the Alaskan peninsula and form the boundary between the Pacific Ocean and the Bering Sea. The area is known as a breeding ground for storms. The high winds, persistent rain, and cold weather, coupled with a rocky shore line and strong ocean currents, have made surveying operations difficult and on several occasions have resulted in casualties among survey personnel. The hydrographic and topographic surveys of the Aleutians are being proscuted by the persistent efforts of the personnel of the survey ships assigned to that area.

In the past decade survey operations of the Coast and Geodetic Survey have moved northward into the Bering Sea; arcs of triangulation, which are fundamental for topographic mapping, have spanned the vast interior of Alaska, and in 1947 a perimeter survey of the Arctic and Bering Sea coasts was initiated. Surveying operations in the Arctic have been of a pioneering nature and many of the problems, dangers, and struggles for survival, so familiar to Arctic explorers, have confronted the field parties.

Except for a few isolated surveys, this area was untouched heretofore because of the difficulties of terrain and the hazards of weather. Very little is known of the depths of water, the character of the sea bottom, or the behavior of tides and currents in this region. Ice conditions and low temperatures introduce many new problems for the surveyor.

In its Arctic operations the Coast and Geodetic Survey has employed a large number of Eskimos. These people, inured to the cold and privations of the Arctic, have been trained to perform all minor survey operations. They are uncanny as guides and on numerous occasions have led detached units back to their base camps through raging snowstorms.

Operations in the Arctic have necessitated the development of entirely new techniques. Instruments not designed for this country have required special lubrication to make them operable and extreme care to prevent icing. Engines in vehicles and boats require preheating before starting. These added requirements together with working in heavy clothing for protection against extremely cold weather, traversing snow and ice, and the handicap caused by short periods of daylight, add up to make surveying operations in the Arctic regions slow and expensive.

GEODETIC CONTROL SURVEYS

As the name of the Coast and Geodetic Survey indicates, it is the Bureau of the Federal Government which makes the geodetic control surveys. The exact latitude, longitude, and elevation above sea level for thousands of points all over the country are marked by brass discs. Observations of astronomy, triangulation, gravity, and leveling in every county and State are computed and adjusted in order to establish one Federal framework for all surveys of the land. It is because of the accuracy of this control that maps covering the United States can be fully coordinated and inconsistencies and future litigation avoided in cadastral and boundary surveys. The network of marked discs is the starting point for all surveys made by other Federal mapping agencies and by State, county, and local surveyors. The Bureau is the only agency that is authorized by the Congress to perform this function.

The earth's curvature must be taken into account when covering large areas for land development projects such as reclamation, flood control, and river valley development. Geodetic surveys serve this purpose. They fix with exactness the locations and elevations of features of the land for planning purposes. They are required for economical and efficient planning studies and the construction phases of flood control, irrigation, drainage, water supply, hydroelectric plants, navigation, and other large-scale engineering works. Geodetic surveys are used in the planning and building of transmission lines, highways, railroads, canals, tunnels, and airports. Without geodetic control, gaps or overlaps can occur between local surveys and errors of considerable magnitude may result. They avoid confusion in land and farm boundaries by furnishing the local surveyor with common points for starting surveys and tying-in stations at the close of his work.

In performing the triangulation of the United States, the surveys were made generally along arcs running east and west and north and south. This provided a network in which the arcs were spaced about 50 miles apart although the marked points along each arc were only 10 to 12 miles apart. It was necessary to set up this network first, just as the steelwork for a large office building must be erected and riveted in place to provide a framework for the construction details to follow. The work of filling the areas between arcs is the present effort of the Bureau. Stations are now to be established at intervals of about 4 miles in agricultural areas and from 2 to 3 miles in metropolitan areas. This close spacing will permit local surveyors to connect their property and boundary line surveys to the Federal control net at convenient intervals.

Leveling lines spaced 100 miles apart were first run across the country from coast to coast and from the Gulf to the Lakes to form a level network of elevations above mean sea level. Later the spacing was reduced to about 50-mile intervals. The present program provides for lines of leveling along highway rights-of-way at an approximate spacing of 6 miles. Bench marks will be located at 1-mile intervals along these lines. These bench marks are marked for identification and placed in concrete posts or in prominent building foundations in cities and towns.

Horizontal and vertical control surveys are desirable in urban areas in connection with plans for development of housing facilities, water and sewer lines, streets, location of recreational areas, and public utilities. City control surveys of this type have recently been completed in Cincinnati and Hamilton County, Ohio. Similar control surveys were made with the 11 county, city, and municipal organizations of the east San Francisco Bay region and are now under-

way in Mahoning County, Ohio. Under these cooperative arrangements the Coast and Geodetic Survey furnishes the technical supervision, the instrumental equipment and portable steel triangulation towers. The expenses of operation and the local survey personnel are provided by the local authorities. These cooperative projects have proved economical and satisfactory to both local and Federal officials. They expand the Federal network with the least cost and give local communities basic information for accurate maps of properties and facilities. Arrangements of this nature are invited to the attention of all county and city officials.

NAUTICAL CHARTS

One of the principal products of the Coast Survey—and the one for which it was originally established—is the nautical chart, which guides the mariner over what is often referred to as the trackless sea. It shows him the hidden dangers and the safe lanes and opens our ports to the armadas of commerce. These navigational charts of the Coast and Geodetic Survey are known for their reliability and accuracy when used by the mariner.

Nautical charts are published on various scales to meet the different needs of navigation—a vessel sailing between two distant ports requires a different type of chart from that which is needed for approaching a coast or entering a harbor.

Improvements in the design of the nautical chart are constantly being made to make them more useful to the navigator. When echo-sounding machines began to be installed on merchant ships and the navigator was able to know the depth under his vessel without slowing down or stopping, the Coast and Geodetic Survey designed a new type of chart for use with such equipment.

AERONAUTICAL CHARTS

Another function of the Coast and Geodetic Survey which is of prime importance to the country in the expansion of aviation is the compilation and production of charts for air navigation. Beginning with the Civil Aeronautics Act of 1926, this Bureau has prepared the charts needed for safe navigation by the air pilot. The types of charts issued are perhaps the finest maps for an over-all coverage of the country, although they are specially prepared for simplicity of detail so that the air pilot may recognize the features of the terrain beneath him as he flies.

Various series of aeronautical charts are designed to show with greatest simplicity the locations of the numerous navigational aids and radio facilities, costing millions of dollars, that we are installing throughout the country in the interest of safety in navigation. The work of the Bureau in promoting air safety is well recognized.

WAR ACTIVITIES

During World War II, the personnel and facilities of the Bureau were utilized in specialized ways toward advancing the war effort.

Of the commissioned officers in the Bureau, 55 percent were transferred to the armed forces—28 percent to the Army and 27 percent to the Navy, including the Marine Corps. Officers transferred to the Army served principally in the Air Forces, the Field Artillery, and the Corps of Engineers. The majority of those in the Navy served on Coast and Geodetic Survey ships which were transferred and on other naval survey ships.

These officers were selected for duty for which their technical training and experience fitted them. They were assigned to training amphibian troops in seamanship and navigation, to artillery schools for development of control survey methods suitable for use in directing mobile artillery fire, to duty as battalion observation officers, and to conducting hydrographic surveys in advance of fleet operations in the Aleutians and in the western Pacific. Some served on engineering construction work with the Civil Engineer Corps, and others were assigned to the Air Forces to participate in a program of world-wide aerial mapping and in the development and application of electronic methods for distance determinations.

It is gratifying to know that these officers acquitted themselves with distinction in their various assignments, receiving special decorations, citations, and letters of commendation.

Six of the major survey ships of the Bureau were transferred to the Navy Department for survey duty with the fleet in offlying areas. These ships were sent into areas in advance of the main portions of the fleet to sound out anchorages and to develop safe channels.

An example of the service rendered by the officers and crews of these survey ships is that of the *Hydrographer*. This ship was transferred to the Navy Department on April 15, 1942. After conversion of the vessel for naval duty and several intermediate assignments, the ship was assigned to the assault force which was preparing the recapture of Attu Island, in the Aleutians. Upon arrival at Massacre Bay, the *Hydrographer* sounded the bay, and the transports moved into anchorage close to the beach. An 18-foot rock was found within the swinging radius of the squadron flagship. A channel into Massacre Bay was surveyed and buoyed, and ships were piloted in by the commanding officer of the *Hydrographer*. After the Attu operation, the *Hydrographer* proceeded to Adak and joined the task force for the Kiska operation, where it made surveys during and after the landing expedition.

The charting facilities of the Bureau were greatly expanded to meet the needs of the armed forces. More than 90 percent of this expanded production was supplied directly to the Army, Navy, and merchant marine. The personnel of the Chart Division was increased over 700 percent, the hours of work lengthened, and the major portion of the equipment and presses placed on a two- or three-shift basis. New methods for rapid reproduction were devised and instituted. Machines were designed, built, and installed to implement the decreasing supply of manpower.

In addition, the Bureau rendered advice to other agencies in cartographic problems. The availability of the original topographic and hydrographic surveys and the experience of the personnel who executed the surveys were of great value for knowledge of the coastal regions, such as the laying of mine fields, training of amphibious troops for invasion landings, and in research related to detecting and combating enemy submarines.

The demand for the regular nautical charts of the Bureau increased from an annual issue of 400,000 in 1940 to over 4,000,000 in 1945. The greatest consumers of these charts were of course the Navy and the merchant marine, these two services alone taking 75 percent of the total issue. The demand for the regular aeronautical charts of the Bureau increased from 464,000 in 1940 to 12,700,000 in 1945.

In addition to the responsibility for the production and distribution of charts of the United States and its possessions, many other special charting and mapping projects involving large portions of the world were undertaken for the military services and other war agencies. Some of these projects were as follows: World aeronautical charts and sectional aeronautical charts for the Army Air Forces; flight charts for air routes; target charts; instrument-approach and landing charts; planning charts; weather-plotting charts; and numerous other types of special charts.

Field work of the Bureau continued but was totally channeled to the requirements of the military services. Large war mapping parties were engaged in photogrammetric mapping of coastal areas. Survey vessels of the Bureau were engaged in charting important harbors and sea lanes to safeguard the movement of troops and supplies to far-flung battle fronts. Early in the war a request was made for the preparation of large-scale charts of Casco Bay, Maine, and adjacent waters, which were to be used as a base for part of the Atlantic fleet and as a rendezvous for vessels engaged in convoy duty. This required extensive new surveys including wire-drag examinations of the area, and resulted in the discovery of a startling number of rocks and reefs dangerous to navigation. The strategic importance of Alaska had been recognized by the Coast and Geodetic Survey long before World War II. A major contribution to the war effort was the expansion of geodetic and coastal surveys in that Territory. The need is now recognized for further expansion of these surveys in the interest of the national defense.

INTERNATIONAL TECHNICAL COOPERATION

In 1941 the Coast and Geodetic Survey began participation in the international cooperation programs sponsored by the Department of State.

Since the inception of the program in 1941 the Bureau has completed 43 technical missions to Latin-American countries, and a total of 182 foreign nationals received technical training. This total includes 49 trainees from the Philippine Islands and 17 from the Eastern Hemisphere.

The technical cooperation programs executed by the Coast and Geodetic Survey have resulted in specific benefits to the individual trainee, such as position

advancement and expansion of greater responsibilities upon return to his country; the adoption, on the part of the participating agency, of the methods and techniques employed by the Bureau; the facilitating of purchases of United States scientific equipment; and the direct contacts between foreign technicians and those of the United States which have furthered good-will relations.

PHILIPPINE REHABILITATION PROGRAM

From 1901 to December 1941 the Coast and Geodetic Survey conducted coastal surveys in Philippine waters and produced the complete series of nautical charts of this archipelago. These had benefited the merchant marine and the Navy and advanced the economy of the country through the protection and aid which this great work afforded for the exchange of products of the islands with the world, particularly with our own country. Under the Philippine Rehabilitation Act of 1946 the Coast and Geodetic Survey was assigned the task of continuing surveying and allied operations in the Philippines.

This work is of vital importance to the Philippine Republic because the waterways of the Philippines are the principal arteries of commerce. The availability of modern nautical charts, coast pilots, and tide tables is of prime importance for the development of this commerce. The continued flow of accurate hydrographic, tidal, and magnetic information from these waters is of prime importance to this country from the standpoint of our interest in the development of Philippine industry, through expansion of trade and exchange of its products, as well as for the needs of United States shipping and military requirements for maintaining peace in the Far East.

ATTAINMENTS AND LEADERSHIP

The Coast and Geodetic Survey has earned an unqualified reputation for accuracy and thoroughness by maintaining a high standard of work.

It has maintained a high service morale in spite of difficult tasks.

It has progressively accomplished a larger output of work at lower unit costs in spite of the over-all increase in labor and material costs.

It has maintained world leadership in standards for surveying and design of its instruments and in the development of EPI and radio current equipment.

It has contributed to the collection of scientific data and has accumulated precise data relative to geophysical phenomena.

The work of the Coast and Geodetic Survey is a pioneering effort. Its vessels roam in uncharted seas, its field engineers traverse unexplored territory, frequently suffering the hardships of isolation and exposure.

The reputation of the Bureau, with respect to the functions with which it is charged by the Congress, is internationally acknowledged. Its standards of accuracy and its thorough methods are recognized the world over and its manuals have been translated into foreign languages. Some of its officers hold high positions on international societies and commissions.

FORMER HEAD OF THE BUREAU

Prior to the appointment of the present Director, Rear Adm. Leo Otis Colbert, in 1938, this Bureau had only 12 directors in 131 years of existence. They were Ferdinand Hassler, the author of the plan for the first survey of the coast. Upon Hassler's death in 1843, he was followed by Alexander Dallas Bache, who was succeeded by Benjamin Pierce. He was followed by Carlile P. Patterson, Julius E. Hilgard, Frank M. Thorn, T. C. Mendenhall, William W. Duffield, and Henry S. Prichett. In 1900, Dr. Otto H. Tittman was appointed head of the Survey. He was followed by E. Lester Jones and Rear Adm. Raymond S. Patton.

I come now to the present director, Admiral Colbert, one of the most able and efficient executives in charge of the United States Coast and Geodetic Survey. Under his leadership, the plan and organization of the Bureau has been further developed. We now have a comprehensive program for surveying all coastal waters under the jurisdiction of the United States; of delineating the topographic features of our coastal land areas; and of providing geodetic surveys on an area basis for control of mapping and large-scale engineering projects. Development of new devices and techniques, acquisition of modern survey ships, and a corps of technically trained personnel provide the means for carrying out this program. The activities of this scientific and technical Bureau should be continued for the orderly production of surveys and charts for the safety of navigation at sea and in the air, for the commercial and industrial development of our country, and for aid in the national defense.

At the time your committee was holding hearings in connection with appropriations for this agency for the year 1951, we were informed that Admiral Colbert would soon retire. The entire membership of your committee was unanimous in expressing regret that the country is about to lose the services of this valuable public servant. Because of his outstanding service, I include with these statements a biographical sketch.

REAR ADM. LEO OTIS COLBERT

Rear Adm. Leo Otis Colbert, United States Coast and Geodetic Survey, has had a wide and varied service in the United States Coast and Geodetic Survey.

Born at Cambridge, Mass., in December 1883, he received his early education in the public schools of Boston. He received a degree in civil engineering at Tufts College in 1907, and was awarded the honorary degree of doctor of science by Tufts in 1939.

Entering the service of the Coast and Geodetic Survey on July 1, 1907, his field assignments have included those of navigator, executive officer, and commanding officer of the various Survey ships operating in the coastal waters of the United States, Alaska, and the Philippines.

He was first engaged on wire-drag work—special apparatus utilized to locate submerged pinnacle rocks—on the Atlantic coast, and he later extended the use of this equipment to sweep the inland passage of the Alaskan coastal waters for submerged rocks.

During World War I he was transferred to duty under the Navy Department and served as lieutenant commander on the troop transport U. S. S. *Northern Pacific*, making nine voyages transporting troops through the submarine zone between New York and Brest, France.

He received a certificate as master of steam vessels, unlimited tonnage, any ocean, issued by the United States Steamboat Inspection Service, in April 1920. He was assigned duty in connection with the maintenance and repairs to the ships of the Coast Survey fleet upon his return from war duty.

He was Director of Coast Surveys of the Philippine Islands at Manila from 1928 to 1930. During an earlier assignment to the Philippines between 1911 and 1914, he had been engaged in surveys of Mindanao, Mindoro, Negros, and Palawan Islands and had received his first command in 1912.

In the early thirties, he was engaged in a comprehensive hydrographic survey of Georges Bank, off the coast of Massachusetts, in command of the survey ship *Oceanographer*, formerly the *Corsair*. This survey brought to light for the first time the highly dissected submarine topography of the northeast Atlantic Continental Shelf and required the most advanced methods of offshore surveys for the proper delineation and location of these details.

During his administration as Chief of the Division of Charts in the Department in Washington from 1933 to 1938, there was completed a series of 87 aviation charts and the inauguration of other specialized charts for long-distance flying. The great distribution of these charts is tangible evidence of their popularity for safety in flying. They represent the most accurate navigation charts of the United States and serve many purposes other than those for use of pilots of airplanes. He was also able to produce an increasing number of new basic marine charts and thus made available to the navigator, with the least possible delay, the results of the hydrographic surveys of the Bureau and of the improvements of coastal navigation works by other Federal agencies, principally the Corps of Engineers.

Admiral Colbert has devoted his entire professional career to the Coast and Geodetic Survey. He has served 12 years as Director, and under his management the Bureau has passed through a most important period of its entire existence. He directed with energy and imagination the activities of the Bureau during its greatly expanded war program, as well as the important planning period which took place during the years immediately preceding hostilities when preparations were being made for national defense. The numerous projects initiated under his direction, both field and office, at the specific request of the armed forces and other war agencies involved activities in all branches of the Survey's work.

Admiral Colbert has served as a member of the Mississippi River Commission since 1933. He is a member of the ad-

visory council of the Department of Civil Engineering, Princeton University, of the American Society of Civil Engineers, and of the Society of Naval Architects and Marine Engineers. He is a director of the Society of American Military Engineers, a trustee of Woods Hole Oceanographic Institution, and a life trustee of the National Geographic Society.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, the Government is presently doing a great disservice to a large segment of the American people. More correctly, I suppose, the blame should be placed on the responsible majority party in this Congress and on the administration. I, of course, refer to the continuing failure of the Ways and Means Committee, the Congress, and the Chief Executive to settle the excise-tax controversy.

The present peacetime imposition of the wartime excises is a bad thing. It has caused a severe drop in business and employment in the enterprises directly affected with corollary losses throughout our economy. It is high time that the Government redeems its promises to end these wartime excise excesses.

However, it is not my purpose here to discuss the merits and demerits of excise-tax reduction. My purpose is to urge a prompt decision. The failure to decide the issue once it was officially opened has probably hurt more than the taxes themselves.

You will recall that the President last December 1949, during the Christmas-shopping season informed the people that excise taxes should be reduced. That hurt. Soon after in his message on the state of the Union he proposed the reduction of certain excises under certain conditions. That hurt. Since then the Ways and Means Committee has had under consideration a tax-revision bill, the main portion of which deals with the possible reduction of excise taxes. From the time committee consideration started right down till now the Nation has been flooded with rumors that the excise tax on this, or that, would be cut 10, 25, or 50 percent, or eliminated entirely. This has really hurt.

We need here only reemphasize what causes the business and employment pains. The simple fact is that many people with dollars to spend have not been buying and are not buying now because they have decided to wait for cheaper prices—prices reduced by at least as much as the expected tax reduction.

It is, of course, obvious that the excise taxes price some percentage of the people out of the market for taxed goods and services. When to this number is added the number who fail to buy or utilize while waiting lower prices the total number, indefinite as it may be, is certainly considerable. Hence, it follows that when to the sales reducing effects of excise taxes you add the worse effects of delayed buying it becomes evident that you are giving business and employment a rough one-two. That just is not right or fair.

And something can be done about it. The Ways and Means Committee should bring an excise tax-reduction bill to the floor just as soon as the appropriation bill is on its way.

The Senate should then make this tax bill the first order of business; pass it and fly it to Key West, or wherever necessary for the President's signature. Then business, labor, and the public would know with a minimum of further paralyzing delay exactly which taxes are cut and which ones are uncut. That would promptly end the rumors, hesitation, and resulting losses.

It was a sad mistake to have, in the first place, talked about excise-tax reduction as a probability until the machinery and schedule was set up to handle the issue in the shortest possible time. But that damage has been done. The thing to do now is to end the continuing damage at once.

If it is true that the votes cannot be mustered to cut the excise taxes for goodness sakes let us let the people know that fact. Let us let them know that they will have to wait a year or more for the commodities they want, if they want tax-reduced prices. Such action will stimulate much buying.

Surely we owe that much to the enterprises we have been increasingly kicking around since the close of the war. And if that in turn will, as it will, produce more revenue from excises surely we should do it for the Government's good. We find ourselves here about to pass the biggest peacetime budget in history; we have no hopes of getting enough tax money to pay for it, and at the same time by the failure to act with dispatch on the excise-tax issue we are reducing the total amount of our revenue, providing the decision is to hold the taxes at their present level.

This question of a prompt decision on excise-tax relief should not be a partisan consideration. Many on both sides of the aisle would welcome the opportunity to vote a measure up or down. But, unfortunately it is in danger of becoming a partisan issue. The Republican minority on the Ways and Means Committee did offer a formal motion to consider the excise-tax question first. They were defeated, according to my information, by a straight party vote. They still desire, for the reason I have emphasized, to at least provide the relief that a decision would provide.

Now the question arises should excise taxes be cut unless there is a corresponding increase in other revenues. That is a fair question. It is one that we could answer right now in the consideration of the pending appropriation bill. There are two ways we could make up for any loss on revenues occasioned by excise-tax reductions; we could squeeze the amount out of the still too fat budget, or we can adjust other taxes to make up the difference. Whether or not we can even consider the first of these two alternatives depends on our votes on the appropriation bill in the weeks just ahead and our willingness, in the event we do lower the budget, to make our position stick despite any possible revision by the upper body.

However, I do not wish to further deviate from my theme. I think that the Government should redeem its promise to the people to eliminate the wartime excises. I think that the resulting stimulus to business, plus plugging tax loopholes, plus some real economies, would make the cut in excise taxes feasible. But I emphasize that the decision, whatever it may be, should be made in record short time.

I repeat that the committee, the Congress, and the powers that be have delayed too long already. While we twiddle and twaddle many of our people are being damaged—seriously hurt. I fully expect that such aid as we do give them will be too little, but there is not the slightest justification for it being too late.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from New York.

Mr. ROONEY. I concur with the gentleman when he says that these excise taxes should be reduced and, in many instances, entirely abolished. But, I do not follow his argument wherein he places the blame for their not being reduced up to now upon the administration, or the majority party now in control of Congress, because the gentleman will easily recall that during the Eightieth Congress the present minority was then in the majority and in control of the Committee on Ways and Means, and that during that Congress there were a number of bills pending before the Committee on Ways and Means to cut excise taxes which the present minority failed to report favorably to the floor of the House.

Mr. CORBETT. Knowing the gentleman's political philosophy, I am certain that he regards these excise taxes as something which is very unwholesome to the people of the country.

Mr. ROONEY. I most certainly do.

Mr. CORBETT. When we go to fix responsibility for this matter, I can recall to the gentleman that the Seventy-ninth Congress, which was dominated by the gentleman's party, made great haste to cut the corporation taxes and left the excise taxes on. I can also concur that the Eightieth Congress did not cut the excise taxes.

Mr. ROONEY. What did the Eightieth Congress do with reference to corporate taxes and the taxes of people in the higher brackets?

Mr. CORBETT. To the best of my knowledge, the corporate income-tax reduction was the work of the Seventy-ninth Congress. I cannot give the figures on that. Let us get back to the point I wanted to make in this speech. We could argue the responsibility for quite a while, and I think I would win.

Mr. ROONEY. I am sure the gentleman from Pennsylvania and I would still be the good friends we are, even though we disagreed politically.

Mr. CORBETT. The point I want to make very definitely is that from the moment the President issued his statement in favor of excise-tax reduction and from the time he reemphasized it in his message on the state of the Union, and then when the committee began consideration of the bill, the hope that was raised in the minds of people who were

about to purchase that taxes and prices would go down have delayed their purchases and hence has been as detrimental to business and employment as the tax itself.

Mr. ROONEY. As to that point, I agree wholeheartedly with the gentleman, but I am confident that before we recess the Eighty-first Congress something substantial will be done about cutting excise taxes.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF. Mr. Chairman, a few weeks ago 5,000 Democrats gathered in an armory not far from here to feast on a dinner of filet mignon and burgundy. They paid $100 each for the privilege—a total of $500,000. The theory was that they were paying respect and tribute to the founder of their party—Thomas Jefferson. I suspect the person who was most pleased by the half million untaxed dollars that flowed into the Democratic party treasury was William Boyle, the Democratic national chairman.

The name of Thomas Jefferson, the patron saint of their party and one of America's greatest men, has been invoked on countless occasions and for countless purposes by our Democratic friends on the other side of this House. So I suppose it was not really a novelty for this dinner to be staged in his name. Could he have been present, he would have been thunderstruck. The armory was jampacked with the disciples of Government waste and extravagance—the disciples of "easy come, easy go." The diners were the leaders in the activities which are rapidly taking this country into bankruptcy and into socialism. They were so pleased with their efforts that they made the dinner a thoroughly congenial and hilarious affair.

As I have said, I do not believe that Thomas Jefferson would have felt comfortable at such a gathering. I do not believe he would have taken pleasure in rubbing elbows with the people whose only interest in the future of the country apparently is in keeping themselves on the Federal payroll.

Let us not forget that it was Jefferson who warned, "We are ruined if we do not overrule the principle that the more we owe, the more prosperous we shall be." In those few words, Jefferson must have visualized the philosophy of the administrations that have ruled this country since 1933. In those few words, Jefferson wrote the most deadly indictment of the Truman administration that I have seen.

Jefferson was indeed a wise and farseeing man. He was able to look clearly into the future for a century and a half. He knew the time would come when the reins of Government might fall into the hands of the reckless and the irresponsible—the people who seemingly care only for the present and nothing for the future.

That dinner audience could have profited by recalling the words of another famous Democrat—Grover Cleveland, also a great man and a great President. Cleveland was the man who said:

> The lessons of paternalism ought to be unlearned, and the better lesson learned that, while people should patriotically and cheerfully support their Government, its functions do not include support of the people.

That is another indictment of the administrations that have been saddled upon the American people since 1933. That is another indictment of those who have been trying to peddle phony paternalism to the American people with the bait that the Government is all-wise and all-wealthy, and should be the "sugar daddy" of every last citizen. They are those who, in the words of Harry Hopkins, the Roosevelt presidential pet, believe that the average American is "too dumb to understand" and that the only safe place for him is in the arms of an all-powerful Federal Government. They are those who consider themselves the elite and the only persons in this land competent to govern. They are the people who pay lip service to democracy while their efforts are such as to wreck democracy and bring about a Socialist dictatorship.

Many thousands of words were kicked around at the famous Democrats' Jefferson Day dinner, but I am sure that no one of them quoted the wisdom from Cleveland or from Jefferson. That was quite a notable omission. I think the thousands of affluent $100-a-plate diners, and the thousands of people in much less affluent circumstances who listened or watched on radio or television, would have had a much more enlightening evening if some attention had been paid to the warnings of the two great Democrat Presidents.

Now, let us move on from Cleveland's time and up to 1932. That was the year when a candidate for the highest public office in the land said, "Any government—like any family—can for a year spend a little more than it earns. But you and I know that a continuance of that habit means the poorhouse."

On another occasion that candidate for President also said, "Taxes are paid in the sweat of every man who labors." Pointing out, of course, that the higher the taxes the greater the burdens of all the people and more especially the poor and those in modest circumstances. These and many others of like character were uttered by the same candidate during the campaign. After the campaign they were promptly relegated to the limbo of forgotten things, by the man of all men who should have taken them to his breast and held them there so long as he occupied the highest position in the gift of the American people.

Upon his inauguration, that gentleman, President Franklin D. Roosevelt, lost little time in disclosing he really was a believer in the policy of easy come, easy go. He forgot the effect of increasing taxes on the poor. He began an orgy of wild and foolish spending such as had not been seen since the days of the Roman emperors. By 1934 he had pushed the national deficit up more than 50 percent, and by 1935 he had more than doubled the annual deficit.

From that point on, there was no turning back for Mr. Roosevelt. He had tasted the elixir of waste and extravagance, and he liked it. By 1939 the national debt was $46,000,000,000, nearly two and one-half times the size of the debt at the time he became President in 1933.

Now, let us move ahead to 1943. That was the year when a Democratic Member of the United States Senate arose to level this warning. And I quote:

> It seems that, when public funds are to be expended, no one has any interest in what happens to them, no matter what his responsibilities may be under his oath of office. I dislike to make such a statement, but unless this body and the House of Representatives exercise their prerogative in connection with the purse strings of the Government, much of the money appropriated will be thrown away for no good purpose whatever.

These were brave words. I only wish they had been remembered and meticulously observed, especially since 1945. The man who expressed this warning was Harry S. Truman, then a Senator from Missouri and chairman of the Special War Investigating Committee. At that time Mr. Truman apparently was quite aware of the responsibility of the Congress to exercise a checkrein on the executive departments. At that time Mr. Truman apparently realized that the future of the country depended upon the careful management of our financial resources. At that time Mr. Truman apparently knew that the Congress is the American people's first line of defense against waste and extravagance, and every other form of wild spending.

But once President Truman entered the White House, his ideas seemed to change. Along with millions of other Americans, I had thought that once the war was over, the Government would quickly settle down to a period of less spending, lower taxes, and gradual retirement of the national debt.

But we were wrong. Mr. Truman has shown himself to be a worthy disciple of the easy-come, easy-go boys. He is not merely going along with them on their free-handed spending, he is actually running ahead of them and showing them the way. He bids fair to establish himself as the new champion in the race to spend the country into disaster.

In 1947 and 1948 the country had a pleasant breathing spell from Mr. Truman's spending. A Republican Congress took over and trimmed $9,800,000,000 in spending from the President's budget. It reduced taxes by $4,800,000,000 and it reduced the national debt by $7,000,000,000. Beginning in 1949, when the Democrat Eighty-first Congress took over, President Truman promptly plunged the country back into red ink. We are there now, and we will remain there until the people of the country elect a President who will do what he is elected to do—conserve the hard-earned dollars of the American taxpayers. Mr. Truman has shown he has not the slightest intention of cutting expenses or of balancing the budget, and, therefore, it is the duty of this Congress to act.

In February the President told a reporter that in no sense does he tolerate deficit spending. He also said he hates deficit spending, and it is only a temporary condition brought on by necessities which could not be removed by any

genius of statecraft known or available to him.

That talk about deficit spending being only temporary is now so old it is beginning to sprout whiskers. We have heard it since 1933 and every time we hear it, it is expressed as though it were meant to be taken seriously.

I have made a study of Mr. Truman's messages to the Congress and I find that balancing the budget is one of his favorite subjects. Nineteen times he has expressed to the Congress his intention or promise to balance the budget. On 10 additional occasions President Truman has expressed to the Congress his intention or promise to reduce the national debt.

Let me cite a few examples. In his budget message for the fiscal year 1947, President Truman said:

> It is good to move toward a balanced budget.

In his budget message for the fiscal year 1950, the President said:

> I do not consider it prudent * * * for Government finances to be in unbalance or even in precarious balance.

In the same message he also said:

> A prosperous country cannot afford an unbalanced budget.

In this year's state of the Union message, President Truman said:

> The fiscal policy I am recommending is the quickest and safest way of achieving a balanced budget.

In this year's budget message, Mr. Truman said:

> The financial program which I am recommending * * * is directed at achieving budgetary balance.

In his budget message for the fiscal year 1947, President Truman said:

> It is good to * * * start on the retirement of the debt at a time when the demand for goods is strong.

In his budget message for 1950, he said:

> In prosperous times like the present we should take the necessary steps to reduce the public debt.

President Truman talks a good game of budget balance, but his actions are quite different. His record shows that he does not merely tolerate going into debt, but he is all for it. The best evidence to this effect is in the proposals which President Truman presented to the Congress this past January. He is not at all content with the present rate of Government spending. He presented a program for socializing agriculture, housing, medicine, and many other aspects of American life. If this program were enacted, the Federal Government's spending would double. The country would either double its taxes, or run into debt that much faster. Either way, the result is the same—some form of suicide for the Government of these United States.

Faced, as we are, with a future most uncertain; not knowing what day a great cataclysm may involve us in we know not what, it is high time that we cease our experimenting in those things which, down the centuries, have been tried time and again, always ending in failure, to the devastation of the poor of those nations and of the complete wrecking of the civilizations of those days. We want none of this for our people.

President Truman knows that the chief impetus for balancing the budget should come from the White House. Without the President's encouragement, leadership, and consent, it is extremely difficult to trim out the fat of Federal spending. It was done by the Republican Eightieth Congress in 1947 and 1948, and I wish it could be done again. But President Truman is resisting every effort toward making a substantial cut in Government squandering. The White House story used to be that we should wait for prosperity before attempting to balance the budget. Now the White House does not say what we should wait for. It probably does not know.

In his January budget message, President Truman had only vague words about when even he thought the budget should be balanced. He said:

> I am confident that the fiscal recommendations provide a solid basis for moving toward budgetary balance in the next few years.

What does "in the next few years" mean? Does it mean another 20 years? The last time the Government was in the black, except for 1947 and 1948, when we Republicans were in control of both Houses of the Congress, was 1930. Does President Truman mean that we should now wait for 1970?

Perhaps the answer is that President Truman just does not know the answer himself. He apparently feels that somehow the country will muddle through. He evidently feels that, no matter how deep a hole into which he may drive the country, it will pull itself out by some great stroke of luck. This kind of thinking is irresponsible and there is no place for it, either in the White House or in the Congress. We, the Congress, have been entrusted with managing the fiscal affairs of this Government, and we must live up to our responsibilities. The time is now. We cannot procrastinate further.

I wish to recommend some reading for the President. If he has any dull moments under the palm trees in Key West, I commend to his attention the thoughts of some eminent fellow Democrats on Government finance. I suggest that President Truman read the words of Thomas Jefferson I have quoted, the words of President Cleveland, and the words of President Roosevelt. I also wish that President Truman would read the words of President Truman himself which I have also quoted. If he does read them and believe them, and take them to heart, surely he will act.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WOODRUFF. I yield.

Mr. BROWN of Ohio. I wish to compliment the gentleman from Michigan for a very able and well-thought-out statement. The gentleman has long been a member of the Committee on Ways and Means and is an authority on taxation and on the fiscal affairs of the Government. I wish to ask him this question: If the Federal Government in this year and day when the American people have as large an income as they have ever had in the history of this Nation cannot live within its income, balance its budget, and perhaps save something to pay on the great national debt which resulted from two World Wars, when can we balance the budget and live within our income?

Mr. WOODRUFF. I may say to the distinguished gentleman from Ohio that it appears from our experience of 17 years with the last two Democratic administrations our only hope is a permanent change of parties. In the two short years we Republicans were in power we reduced taxes to the tune of $4,800,000,000, despite 3 presidential vetoes, with 71 percent of the tax relief going to those with incomes under $5,000. We removed 7,400,000 income earners in the lowest tax brackets from the tax roll entirely. We paid $7,000,000,000 on the national debt and last, but by no means least, we balanced the budget. Compare this splendid record of 2 years of Republican accomplishment with the 17 long years of Democrat deficits, wasting and squandering of the taxpayers' money, and then ask yourself what must be done if this fine country is to return to a sound economic basis. The answer is so simple that even a child can produce that answer.

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. NORRELL].

Mr. NORRELL. Mr. Chairman, the central subcommittee of the Appropriations Committee was appointed by our chairman the gentleman from Missouri, the Honorable CLARENCE CANNON, about March 1, this year. The main task of our central subcommittee was to assemble the proposed supply bills and the reports thereon into one single bill and report and then present the same to the House for consideration. That bill is now being considered by you.

Of course, no authorizations can be included, that is subsequently made by the Congress. This bill does not include other expenditures, such as interest payments on the public debt.

Heretofore very little connection was made of the individual appropriation bill with the other expenditures of the Government, and with the total income of the Government, and whether there would be a balance or deficit at the end of the fiscal year. Congress, in other words, was not presented figures on total receipts and expenditures, and had only limited opportunity to know about the Treasury balances and deficits.

This year the data is before you in this one bill and the report thereon. You know what is desired to be expended by the several Government agencies, you know what the estimated income of the Government is for the next fiscal year, and you know about what the deficit will be if these appropriations are made. In other words, you have the budget of the United States for the ensuing fiscal year before you.

This is not the first time in the history of our Government that we have had one supply bill covering the entire

budget of the United States. In view of this change in appropriations procedure this year, I have made, with the assistance of several of the most able experts available, some degree of research regarding the history of appropriations by the Congress of the United States which might be of interest to the House and to the country and, therefore, with your indulgence, I am going to review as briefly as possible the history of appropriations procedure of our Government.

During the first years of the Republic appropriations for the support of the Government were passed, for the most part, in a single appropriation act. Writing in 1879, James A. Garfield states that "in the main, during the first 40 years of our history, the appropriations were made in one act, entitled 'An act making appropriations for the support of the Government.'"

From the beginning, to be sure, Congress passed each year a number of special appropriation acts making appropriations for miscellaneous purposes, in addition to the main appropriation act for the support of the Government. Down to the end of 1792, for example, according to Alexander Hamilton, Congress passed 2 appropriations acts in 1789, 12 appropriation acts in 1790, 5 appropriation acts in 1791, and 7 appropriation acts in 1792.

The first step toward division of the appropriation acts occurred in 1794, when Congress passed two general acts, one for the support of Government and one for the support of the Military Establishment. One reason for segregating the War Department bill apparently was to expedite the passage of the civil list bill so that Congressmen could receive their salaries. Madison said that Members had been reduced to the most serious difficulties by the delays in the payment of their salaries, and Nicholas added that it was not fair to suppose that every gentleman in the House came to town with enough money in his pocket to meet his expenses. Another reason was to secure ample time to consider military expenditures, free from any pressure to vote the civil list.

The second step toward division occurred in 1799 when Congress passed a separate appropriation act making appropriations for the Navy Department which had been created in 1798. The annals of Congress do not reveal the reasons why a separate appropriation act was passed for the Department of the Navy in 1799, but presumably the explanation is to be found in the establishment of a separate Navy Department the previous year.

Almost a quarter of a century passed thereafter before Congress resumed the process of dividing the general appropriations into separate acts. During the 1820's separate appropriation acts were passed for the first time for fortifications, 1823; pensions, 1826; and rivers and harbors, 1826. Two more appropriation acts originated during the 1830's: One for the Military Academy, 1834; and the Indian Act, 1837. The Post Office Appropriation Act originated in 1844 and the Sundry Civil and the Legislative, Executive, and Judicial Appropriation Acts made their appearances in 1856. In 1880 the Agriculture and District of Columbia Appropriation Acts were adopted. The multiplication of the appropriation acts during the first half of the nineteenth century was a concomitant of the growth of the country, the expansion of the Federal Government, and the increasing and varied financial needs of the Government. Just as Congress was dividing the labor of its legislative business during this period among the newly created standing committees in both Houses, so was the labor of providing for the financial needs of the Government subdivided into several appropriation bills. The following table shows the date of origin of the separate appropriation acts:

Appropriation bills

Present title of act	Date of origin of act	Date of origin of present title
Army	1794	1832
Navy	1799	1799
Fortifications	1823	1823
Pensions	1826	1854
Rivers and Harbors	1826	1871
Military Academy	1834	1836
Indian	1837	1837
Post Office	1844	1845
Sundry Civil	1856	1857
Legislative, Executive, and Judicial	1856	1857
Agriculture	1880	1881
District of Columbia	1880	1881

This table shows that the same gradual process which had distributed the business of the House among more than 40 committees by the year 1880 had also classified the work of its Committee on Appropriations into 13 separate annual bills prepared by its subcommittees.

The Committee on Appropriations of the House of Representatives was established in 1865, when all the general appropriation bills were confided to its care. Before 1865 the Ways and Means Committee handled both the revenue and the appropriations bills. From 1885 to 1920, jurisdiction over the general appropriation bills was distributed among eight standing committees of the House. Finally, on July 1, 1920, the Committee on Appropriations was given jurisdiction over all appropriations by an amendment to the rules adopted June 1, 1920. Thus, during the last 30 years the Committee on Appropriations has had exclusive jurisdiction over appropriation of the revenue for the support of the Government.

During the 85 years since the Committee on Appropriations was first established the total expenditures of the Federal Government have grown from $536,000,000 in 1865 to more than $40,000,000,000 in 1950. This tremendous growth in the cost of the Government affords some conception of the increase in the work load of the Appropriations Committees of Congress. These committees are now responsible for scrutinizing the financial estimates of an executive establishment which had 1,863 component units as of January 1, 1950, and a total of 1,961,029 employees on the same date. For the performance of this tremendous task the Committee on Appropriations of the House has perforce divided its work among a series of standing subcommittees organized along lines roughly parallel to the organization of the executive departments and agencies. At the present time there are nine of these standing subcommittees, each with five members.

Under this traditional procedure the appropriation process is necessarily piecemeal in nature, each supply bill being separately considered by different subcommittees, without much opportunity for consideration of their interrelationships or of the over-all aspects of expenditure and revenue programs. Each of the appropriation bills has been considered individually at the committee and floor stages. The needs covered by one supply bill have not been measured in proportion to the needs of others. It has been possible for relatively unimportant projects to be provided for in one bill and for relatively important projects to be rejected in another. The Committee on Appropriations has necessarily divided its work among subcommittees whose knowledge and understanding have largely determined the presentation and decision respecting items in the several bills.

Under this procedure, which we have inherited from the past, little over-all consideration of the entire budget picture has been given by the full committee or by the House. This lack of overall control has encouraged deficiency and supplemental appropriations which still further weaken congressional control of expenditures. The Executive has submitted a unified budget to Congress which has heretofore broken it up into bits and pieces. There has been no legislative machinery for obtaining a coordinated over-all view of total income and outgo. Last year, for example, Congress considered and separately passed 10 general appropriation bills, 3 deficiency and 2 supplemental bills, and 5 special appropriation bills.

Today, the Committee on Appropriations is reporting for the consideration of the House a consolidated appropriation bill for the first time in more than a century and a half. This bill is made up of separate chapters each of which has been reported by its standing subcommittees after careful consideration of the departmental estimates. We hope that this omnibus bill represents a great forward step in appropriation procedure and that it will result in many advantages both to Congress and the country. Bringing all the general supply bills together into a single measure will give Congress and the country a picture of the total outlays contemplated for the coming fiscal year. Moreover, this procedure will permit a comparison to be made of these total proposed appropriations with the latest available estimates of total receipts by the Public Treasury for the coming year. By comparing total appropriations and total anticipated receipts the House will be able to decide in its wisdom whether to balance the budget or to create a surplus for debt retirement or to incur an increase in the public debt. The new procedure will focus responsibility upon the Congress for any increase in the national debt and it will offer us a method of financial retrenchment. By means of

the omnibus bill Congress will be able to act more intelligently on budget requests. A grand debate will ensue upon the financial state of the Union in which, perhaps for the first time in our history, the House and Senate will be able to make deliberate and rational decisions regarding over-all fiscal policy. Furthermore, this procedure will, I believe, help to offset and counteract the spending pressures of powerful interest groups which are constantly demanding of the Congress that it subsidize this or that program and which tend to identify their special claims with the general welfare. We will now be able for the first time to see the claims of each of these pressure groups in relation to the total national fiscal picture and thus to appraise their relative worth. To be sure, there will probably still be need from time to time for deficiency and supplemental appropriation bills, but we hope that the new omnibus procedure will reduce the number of such measures. It remains to be seen, of course, how the new procedure will actually work in practice, but we believe that its adoption represents a long step forward toward a much-needed reform in congressional appropriation procedures.

The omnibus bill recommends the appropriation of $27,266,403,664. It recommends in addition $1,778,626,500 in contract authorizations. This represents a reduction of $1,385,377,504 from budget estimates of $28,651,781,168 for appropriations, and $1,961,149,500 for contract authorizations.

Total budget estimates for 1951 appropriations amounted to $40,244,532,221. The $11,592,751,053 difference between this amount and the $28,651,781,168 estimated appropriations considered in this bill represents budget estimates of anticipated appropriations for the Senate, foreign aid and mutual defense assistance, 1951 supplementals under existing legislation, proposed legislation, reserve for contingencies, and permanent appropriations—from table in committee report, page 7.

Of this $11,592,751,053 estimated 1951 appropriations not considered in the omnibus bill, $5,949,018,531, including $5,625,000,000 for payment of interest on the public debt, represents permanent appropriations. These are generally beyond reach of the Committee on Appropriations. Of the remaining $5,643,732,522 subject to annual appropriation, the $500,000,000 estimated appropriation for mutual defense assistance is the amount estimated to be required for liquidation of present contract authority. Thus, the committee will have real control over only a little more than five billion, or considerably less than half, of the estimated appropriations not considered in this bill.

The extent and kind of discretion permitted the Committee on Appropriations under existing legislation also varies widely with respect to different classes of items included in the $28,651,781,168 estimated appropriations considered in the omnibus bill. I call your attention particularly to four categories of appropriation estimates over which the committee has little real control.

1. LIQUIDATION OF CONTRACT AUTHORIZATIONS

No less than $4,513,830,394 of the total budget estimate of 1951 appropriations represents appropriations for liquidation of existing and prior contract authorizations. Of this amount, $3,998,730,394 is included in the $28,651,781,168 appropriation estimates considered in this bill.

Generally speaking, the committee has little real control over these items. It can use its judgment as to the amounts that will actually be required during the fiscal year, but only in the rarest of cases would it be justified in refusing to recommend the amounts necessary to liquidate.

In the Department of Defense alone, $2,277,600,000 of the total estimated appropriations of $13,025,000,000 is for liquidation of contract authorizations. The Atomic Energy Commission estimated that $450,000,000 would be required for that purpose. In the case of the Bureau of Public Roads, $426,000,000 of the total requested appropriations of $455,900,000 represented the agency's estimate of appropriations required to liquidate contract authorizations under the Federal aid, postwar highway-development program.

Obviously the committee was not in a position to make large cuts in this $3,998,730,394 total. As a result of careful examination of estimates in this category, however, to make sure that appropriations requested would actually be needed in 1951, it was able to make a reduction of $83,000,000.

In view of the extent to which incurred liabilities under contract authorizations limit discretionary control of appropriations and expenditures in future years, it is significant that under this bill recommended new contract authorizations for the fiscal year 1951 amount to $1,961,149,500, a reduction of $1,877,408,128 from 1950 contract authorizations.

2. PENSIONS, RETIREMENT FUNDS, AND OTHER FIXED-RATE ITEMS

There are many items in which the amount to be appropriated is rather definitely fixed by law and not subject to material control by the committee. The largest item of this description included in the appropriation estimates is for veterans' pensions. It amounts to $2,237,000,000. An additional $6,830,000 estimated is for the Veterans' Administration's military and naval insurance program, and $31,600,000 for the national service life insurance appropriation.

Other large appropriation estimates in this category include $356,000,000 for the Department of Defense for retired pay; $333,344,000 charged to the Civil Service Commission as the Government's contribution to the retirement fund for civil employees; and $594,000,000 for the Railroad Retirement Board.

Altogether, it is estimated that appropriation requests in this category total over $3,640,000,000—see appended table.

As in the case of appropriations for liquidation of contract authorizations, the committee's discretion is limited largely to scrutinizing the estimates and exercising its judgment as to the amounts that will be required to make the various payments. The rates of payment for these pension, insurance, and retirement items being rather definitely established by law, the committee has very little real control in the matter. Again, however, by careful scrutiny of the basis of the estimates it was able to effect a reduction of $269,491,276 in this category of requests—see appended table, Railroad Retirement Board reduction is included.

3. VETERANS' READJUSTMENT BENEFITS

Payments made to veterans under the various readjustment benefit programs fall in a somewhat different category. Here again, however, so long as the veterans' laws remain as presently written, the committee has relatively little discretion, other than to estimate the amount that will be required to pay the benefits due. If an applicant meets the specified conditions, the rate of payment or allowance is fixed by law. The Government is morally bound to provide whatever funds are required to meet these payments.

The budget estimate for appropriations for veterans' readjustment benefits for the fiscal year 1951 was $2,610,000,000. The committee estimated that $2,505,600,000 would be adequate to pay the benefits due. It therefore recommends a reduction of $104,400,000 in the budget request.

It is interesting to note that of total appropriations of $6,007,615,000 recommended by the President for 1951 for the Veterans' Administration, no less than $5,045,430,000 represents such fixed or relatively uncontrollable items as liquidation of contract authorizations, $160,000,000; pensions and insurance, $2,275,430,000; and readjustment benefits, $2,610,000,000.

4. GRANTS-IN-AID

Approximately $1,663,000,000 of the appropriation estimates considered in this bill represents Federal contributions to the States under major grants-in-aid programs—see appended table. This does not include appropriations for liquidation of contract authorizations in connection with Federal-aid programs, so the items that make up this total do not overlap with any of those included above.

In the case of many of these programs, the law specifies that the Federal Government shall make grants or advances to the States, sometimes up to a stated maximum, upon compliance with prescribed conditions. In such cases, making appropriations is again largely a matter of estimating to what extent the States will apply and meet the prescribed conditions.

The largest item in this category is $1,200,000,000 requested for the Social Security Administration for grants to the States for old-age assistance, aid to dependent children, and aid to the blind under titles I, IV, and X of the Social Security Act. I quote from the committee's report—committee print, page 104—relating to this item:

> The appropriation is allotted to the States on the basis of specific formulae and no Federal official has any discretion as to the amount paid other than to determine that all beneficiaries under State plans meet the requirements of the Federal law. The committee is powerless to control the amount of the item; the only control is in the formula

of the statute itself. In this connection, it was testified that the provisions of H. R. 6000, now pending, dealing with public-assistance grants will, if enacted, increase requirements under this appropriation by approximately $256,000,000.

In a similar category is the request for $188,000,000 for the Bureau of Unemployment Security, now in the Department of Labor, for payments under the unemployment-compensation program. Eighty-three million five hundred thousand dollars is requested for payments under the National School Lunch Act; $27,856,538 for payments to the States by the Extension Service, Department of Agriculture; $10,000,000 by the Forest Service for forest-fire cooperation; and $7,416,208 by the Office of Experiment Stations, Agricultural Research Administration, for payments to the States.

The estimates also include $22,000,000 for payments to the States by the Children's Bureau for maternal and child welfare, and substantial amounts for payments under various programs by the Office of Education, the Office of Vocational Rehabilitation, and the Public Health Service—see appended table for further detail. The programs vary considerably with respect to statutory provisions governing payments.

By revising estimates and exercising the most rigid control where control was possible, the committee has succeeded in reducing these estimates by some $45,000,000—see appended table.

The grand total of estimated 1951 appropriations in the four categories described above is almost $12,000,000,000, over 40 percent of the total estimates considered in the omnibus bill. Under existing legislation, and in the light of commitments already made, the committee could do little more than to examine the basis for estimating the amount of funds that would be required. Even so, it has succeeded in effecting total reductions in this class of estimates amounting to approximately $500,000,000.

With respect to the $16,738,769,028 estimated appropriations considered in this bill but not included in the categories enumerated above, the committee has recommended a reduction of $883,052,450.

In order to appreciate the significance of this reduction, it must be realized that while the Committee on Appropriations in a legal sense has relatively wide discretion as to the amounts to be recommended, in a practical sense its discretion was severely limited.

Apart from the fact that essential services cannot be wholly eliminated or reduced to an unduly low level, there are certain appropriations that have to be made to prevent actual economic loss. Consider for example the case of going public-works projects.

Apart from funds required to liquidate prior contract authorizations, a certain minimum level of expenditure is required on going public-works projects just to keep them going. In other words, there is a point below which deferment of elements of programs in progress would bring about a net economic loss, as a result of nonproductive expenditures which would be required to safeguard the projects and, later, to prepare for resumption of work.

Finally, attention is called to the fact that of the $16,738,769,028 estimates in the relatively controllable category, no less than $10,395,075,000 represents the requested appropriations for the Department of Defense. This figure does not include amounts requested for liquidation of contract authorizations and for retired pay. The committee recommends a reduction of $203,332,700 in the total 1951 appropriations for the Department, including a reduction of $14,000,000 in the estimate for retired pay.

Subtracting the controllable Department of Defense estimates from total controllable estimated appropriations amounting to $16,738,769,028, leaves $6,343,694,028 controllable estimates for all of the remaining functions of the Government considered in this bill. The committee has recommended reductions from these estimates amounting to $693,719,750. In other words, aside from Department of Defense estimates, this is a reduction of approximately 11 percent in the controllable estimates included in the omnibus bill. This percentage would be even higher—12 to 13 percent—if even a minimum allowance were made for going public-works projects.

This remaining $6,343,694,028 of what may be considered as controllable estimates in this bill can be broken down into three major items:

First. Permanent salaries as figured by the Bureau of the Budget—not as figured by the United States Civil Service Commission—$3,401,423,510;

Second. Part time and temporary salaries, again as figured by the budget and not the Civil Service Commission, $714,340,481; and

Third. All other purposes, including projects of the Corps of Engineers, the Bureau of Reclamation, the Atomic Energy Commission, and a number of smaller activities, $2,227,930,037—cut $693,719,750.

Gentlemen, the bill can be further reduced by this committee. However, until the Congress repeals or reduces the authorized contributions and activities, or until the receipts of the Government are substantially increased, the budget cannot be balanced.

Now is the time for us to stand up and be counted. The money cannot be spent unless we make the appropriations. Do not say the President is entirely responsible. He cannot appropriate the money. Congress must do that. We should not transfer the responsibility of practicing economy to the President and ask him to reduce the budget. Under the Constitution the job belongs to Congress. Let us discharge our duties and make additional cuts here on the floor of this House.

In the future we also might stop passing new authorization unless of paramount importance. We might review a number of present authorizations and reduce or repeal some of them. Whether we want to or not is really not the question. The question is: We do not have the money.

We must cut as much as possible. Soon we shall reach our debt ceiling if these expenditures are to be continued. The responsibility is ours, on both sides of the aisle.

Categories of appropriation items for 1951 to which reference is made in statement

		1951 estimate	Recommended in bill	Reduction
I. Permanent appropriations (not considered in omnibus bill)		[1] $5,949,018,531		
II. Appropriations for liquidation of contract authorizations:				
Total estimated	[2] $4,513,830,394			
Not considered in omnibus bill:				
Mutual defense assistance	[3] 500,000,000			
Department of State	[4] 5,100,000			
Atomic Energy Commission (revised estimate, H. Doc. 457)	10,000,000			
Considered in omnibus bill		[5] 3,998,730,394	[5] $3,915,730,394	[5] $83,000,00
III. Pensions, insurance, and retirement funds (nonpermanent fixed charges):				
Major items:				
Veterans' Administration:				
Pensions		2,237,000,000	2,147,520,000	89,480,000
Military and naval insurance		6,830,000	6,830,000	
National service life insurance		31,600,000	31,600,000	
Department of Defense: Retired pay		356,000,000	342,000,000	14,000,000
Civil Service Commission: Civil-service retirement and disability fund		333,344,000	305,000,000	28,344,000
Railroad Retirement Board		594,000,000	457,832,724	[6] 136,167,276
Federal Security Administration: Bureau of Employees' Compensation, employees' compensation fund		26,500,000	25,000,000	1,500,000
Treasury Department: Coast Guard—retirement pay		15,575,000	15,575,000	
Philippine War Damage Commission		40,200,000	40,200,000	
Total		3,641,049,000	3,371,557,724	269,491,276
IV. Veterans' readjustment benefits		2,610,000,000	2,505,600,000	104,400,000

Categories of appropriation items for 1951 to which reference is made in statement—Continued

	1951 estimate	Recommended in bill	Reduction
V. Grants-in-aid and other advances to the States:			
Major items:			
Federal Security Administration:			
Social Security Administration:			
Bureau of Public Assistance—Grants	$1,200,000,000	$1,200,000,000	
Children's Bureau—Maternal and child welfare	22,000,000	22,000,000	
Office of Education: Vocational education	23,435,000	19,977,760	$3,457,240
Office of Vocational Rehabilitation—Payments	23,000,000	20,600,000	2,400,000
Public Health Service:			
Venereal diseases	14,000,000	14,900,000	+900,000
Tuberculosis	9,600,000	10,000,000	+400,000
Assistance to States, general	26,425,000	16,915,000	9,510,000
Department of Labor: Bureau of Employment Security	188,000,000	178,500,000	9,500,000
Department of Agriculture:			
Agricultural Research Administration—Office of Experiment Stations	7,416,208	7,406,208	10,000
Forest Service—Forest-fire cooperation	10,000,000	9,500,000	500,000
National School Lunch Act	83,500,000	83,500,000	
Extension Service—Payments to States	27,856,538	27,000,000	856,538
Housing and Home Finance Agency: Public Housing Administration, Low-rent contributions	28,000,000	7,500,000	20,500,000
Total, Grants-in-aid items	1,663,232,746	1,617,798,968	45,433,778

[1] See 1951 budget, appendix 2, pp. 1154–1157, for detail. The budget total for permanent appropriations is given as $5,937,613,204.
[2] For summary, see 1951 budget, table 3, p. A6. For detailed items, see table 9, pt. B, pp. A96–A98.
[3] Report (committee print), p. 7.
[4] 1951 budget, p. A98.
[5] These figures are based on a quick check of major items. Three major reductions were noted as follows: Atomic Energy Commission, from estimate of $450,000,000 (amended) to $414,000,000 (report, pp. 203, 235); Public Health Service, hospital construction grants, from $125,000,000 to $100,000,000 (pp. 98, 117); Department of Commerce, Bureau of Public Roads, from $426,000,000 to $405,000,000 (pp. 48, 64).
[6] See report p. 87, which states that this reduction represents offset of a like amount of rescissions proposed by the budget against the amount otherwise for appropriation to the railroad retirement account. See 1951 budget, p. 111.

SUMMARY

	Estimates (considered in omnibus bill)	Recommended	Reduction
1. Appropriations for liquidation of contract authorizations	$3,998,730,394	$3,915,730,394	$83,000,000
2. Pensions, insurance and retirement funds (major items)	3,641,049,000	3,371,557,724	269,491,276
3. Veterans' readjustment benefits	2,610,000,000	2,505,600,000	104,400,000
4. Grants and other advances to States (major items, not included above)	1,663,232,746	1,617,798,968	45,433,778
5. Department of Defense (not included above)	10,395,075,000	10,205,742,300	[1] 189,332,700
6. Permanent salaries (not included above)	[2] 3,401,423,510		
7. Salaries—Part time and temporary, etc. (not included above)	714,340,481		
Subtotal	4,115,763,991		
8. All other purposes	2,227,930,037		
Subtotal	6,343,694,028	5,649,974,278	693,719,750
Total	28,651,781,168	27,266,403,664	1,385,377,504

[1] Exclusive of $14,000,000 reduction in retired pay estimate, accounted for elsewhere.
[2] Figures obtained from the Bureau of the Budget.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. RABAUT. Mr. Chairman, I feel it my duty to speak these few words for the record and to tell the membership of the House that the gentleman from Arkansas [Mr. NORRELL] has been most faithful in his studies on the problems before us, and has shown a splendid devotion to the Committee on Appropriations and has applied himself diligently to this great task.

Mr. NORRELL. I thank the gentleman very, very much.

Mr. CANNON. Mr. Chairman, permit me to add to what the gentleman from Michigan has so well said. The gentleman from Arkansas is one of the most valued and honored Members of the House, and during the absence of the gentleman from Michigan he served as chairman of the central committee which mobilized and harmonized all the separate chapters into one bill. In doing so he rendered an invaluable service to the committee and to the House and to the country.

Mr. NORRELL. I appreciate the remarks on the part of my chairman very much.

Mr. CANNON. Mr. Chairman, I yield to the gentleman from California [Mr. WHITE] such time as he may require.

Mr. WHITE of California. Mr. Chairman, I have today introduced a bill to restore the steam plant and other public power features of the Central Valley project of California. I wish to commend the House Appropriations Committee for its action in providing in the pending appropriation bill the full estimate of funds for the construction of irrigation facilities for the Central Valley project. I am at a loss, however, to explain the action of the committee in reducing the estimate for power facilities by $4,450,000. The items deleted in making this reduction are the Delta steam plant, Folsom power facilities, Elverta switchyard, Elverta-Folsom via Roseville 115-kilovolt line, the Keswick-Tracy 115-kilovolt line, the Tracy-Patterson 69-kilovolt transmission line, and the Roseville-Patterson and Vernallis substations.

The district which I represent lies right in the center of the great Central Valley project of California. Being partly a farmer by profession myself, I am familiar with the need for an assured water supply at all times. Many of my neighbors who are not provided with surface water from canals are required to rely on the underground water supply which is pumped to the surface to meet our irrigation requirements. During periods of drought, such as we experienced a few years ago, the underground water table was depleted to such a level that large quantities of electric power were required to lift the water to the surface where it could be used. These increased power requirements result in an equivalent increase in the cost of pumping water.

During such drought periods the curtailment in power production is very pronounced, due to the high ratio of hydro to steam electric production. This reduction in available power occurs at the very time when additional demands are placed on the power system to provide the necessary energy to operate the vast number of irrigation pumps throughout the Central Valley project area. In order to meet the essential needs in the past, severe curtailment in the use of power for all types of loads was put into effect.

For many years the Bureau of Reclamation has recommended the construction of a steam plant on the project to assure a balanced operation between hydroelectric and steam generation to provide maximum assurance of a firm power supply under all conditions of operation. This program has been repeatedly opposed by the officials of the Pacific Gas & Electric Co., who have in the past apparently not seen the need for adequate steam capacity in the area. They had not only failed to put into operation adequate steam capacity of their

own, but opposed the construction of any steam capacity by the Bureau of Reclamation. Now the company has a program of construction which, when completed within the next few years, will give an almost even balance between hydro production and steam production on their own system. The company officials no doubt have learned that it is good business to properly balance steam and hydroelectric production.

When the Central Valley project was conceived and went through the various stages as a State project and now as the presently authorized Federal project, the need for steam capacity was recognized at all times. What was considered a sound principle during that period is still a sound principle; that is, it is recognized now and has been in the past that a steam plant is an essential component of any hydroelectric system. The action taken last year in providing funds for the Tennessee Valley Authority's steam plant at Johnsonville, Tenn., is certainly an action which bears this out. If it is good business for the utilities and for other areas, it is certainly good business for the Bureau of Reclamation to provide a completely self-sufficient project which is not dependent upon others to assure its proper operation to supply power for its own project pumps and to the preference customers who have preference rights under existing reclamation law. These preference customers will be municipalities, public-utility districts, farmer cooperatives, and others who may utilize vast quantities of electric energy for domestic, commercial, and irrigation pumping purposes. Should these customers sign power-delivery contracts with the Bureau of Reclamation, the number of customers will be limited to the firm capacity of the system operated as an independent hydro system, unless complete dependence can be placed upon the private power company which is operating as a monopoly in the area.

Gentlemen, I can only say this: It is a serious error to defer the construction of the Delta steam plant on the Central Valley project any longer.

Furthermore, the action of the committee eliminated transmission lines and the Elverta switchyard which are essential for the Bureau of Reclamation to interconnect project facilities and to carry out the preference provisions which govern its operations. The city of Roseville has a future delivery power contract signed with the Bureau of Reclamation which had been in effect since July 1945. Now this municipality which has been desirous of obtaining Central Valley project power for so many years has been thwarted in its efforts by the continued successful opposition of the Pacific Gas & Electric Co. to the construction of any facilities required to provide service to it. The committee has denied funds for the Elverta-Folsom via Roseville line to serve this load. The line also will go to the Folsom damsite where it can be used to supply project power for construction purposes and save a considerable amount in construction costs. If power is to be supplied by the Pacific Gas & Electric Co. for that purpose, it will be at a substantially higher rate. After it has served its purpose during the construction period it will serve as the outlet for power to be generated at Folsom power plant.

The Folsom power plant and switchyard were also eliminated. The dam which is under construction by the Corps of Engineers will hold back the water of the American River and the water thus stored will be dropped through the Folsom power plant and afterbay power plants to generate much needed power. Action by the committee in delaying these features cannot, in my mind, be understood inasmuch as all generating capacity that can be constructed by both public and private agencies are needed in California to meet the ever-increasing demands. The trend in population growth continues to exist and we will be faced with shut-downs in the future as we were during 1948 if adequate provision is not made to supply the future needs.

The committee has also eliminated funds for the construction of a 115-kilovolt line from the Keswick switchyard to the Tracy pumping plant via the Elverta switchyard. This line is essential to provide service to municipalities and irrigation pumping loads as they may develop in the northern and central area of the Central Valley project. Due to the continued opposition of the Pacific Gas & Electric Co., preference customers are not assured of being able to obtain this power supply until funds are actually appropriated for the necessary facilities to bring this power within their reach even though a contract may be signed with the Bureau of Reclamation. Failure to appropriate funds for this necessary construction will continue to place municipalities at the mercy of a huge monopolistic power company.

The Tracy-Patterson 69-kilovolt line is designed to provide power for irrigation pumping and municipal uses in the territory south of the Tracy pumping plant. Many applications for power have been on file with the Bureau of Reclamation for a number of years dating as far back as 1939. These people have been promised power for many years, but how long must they wait? Now I do not mean that the Bureau of Reclamation or the Department of the Interior has promised this power, but the Congress itself did through the enactment of preference provisions since 1906, when municipal requirements were given first consideration, has given that promise. Many laws enacted since that time have reiterated this preference to municipalities and have included rural cooperatives and other public bodies. By the continued denial of funds to carry out these provisions, the Congress has placed itself in the position of nullifying the laws that have been in effect over a long period of time.

It has been argued by many that it is essential to cut appropriations to the bone and economize. But let me remind the Members of the House that these funds are reimbursable and will be returned to the United States Government through power revenues. These appropriations are an investment in the future and I need but point out the Northwest as an example of the great benefits that can be derived from adequate distribution of power developed by the Federal Government.

Private and public enterprises can exist side by side and this has been accomplished in many areas, but the continued practice by private enterprise to monopolize the benefits of Federal works that are constructed with the people's money can only lead to the ultimate stagnation of economic development. I do not believe, and I am sure that the majority of the Members of Congress will agree with me, that public expenditures should not be made for only those features of public projects which can benefit a limited group of private individuals. The Government has the responsibility, when it authorizes the initiation of these projects, to carry them through to the ultimate conclusions and provide the necessary facilities such as transmission lines and auxiliary steam plants to carry out the purpose for which the project was authorized by the Congress.

I am today introducing a bill to provide for the construction of the public power features I have mentioned and I earnestly solicit the support of all the Members of the House for that bill.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, there is an extremely important relationship between the financial power of the United States, the solvency of our Federal Government, and the question of world peace. The time an enemy government would be most likely to decide to attack us would be when we appeared to be having serious financial troubles.

Before developing this major premise, let me quickly review our financial situation. Our Government is now in debt approximately $260,000,000,000. This has been pointed out, not once, but several times during this debate. The interest on that debt alone is more than the total cost of operating the Federal Government during the late thirties. I am informed that the present public debt of the people of the United States is greater than the combined debts of all of the other governments of the world.

The war-debt situation is bad enough, but we are going more deeply in debt at the rate of $16,000,000 a day. In his budget message to Congress this year, the President told us we will have a Treasury deficit of five and a half billions for the current fiscal year. He then stated the estimated deficit for the coming year for which the appropriations in the pending bill are made will be another five and one-tenth billions.

The Government will have to borrow money to meet this deficit. We will have to pay interest on the money we borrow. At the end of the coming fiscal year the interest charges alone on the deficit we are building up will amount to almost $1,000,000 every working day. Think of it. We will soon be paying between $800,000 and $1,000,000 a day just to pay the interest on the deficit we are in the process of creating here and now.

Therefore, I submit, Mr. Chairman, that the financial status of the United

States Government is extremely bad and becoming worse every day—yes, every hour. We seem to be deliberately placing ourselves in the position most desired by an enemy, should he wish to attack.

When we speak of the next war, or the cold war, I think we should clearly understand the kind of war we are talking about. The objective of our enemy today is quite different from the historical objectives of war. The idea that to the victor belongs the spoils is hopelessly old-fashioned in our present-day world. Our enemy today is bent on world conquest. He is determined to destroy all free governments and replace them with Communist, totalitarian control. No material gain is actually contemplated.

The war of world conquest now conducted from the Kremlin is the most ambitious and most diabolical war effort in all history.

The success of the Russian campaign is equally amazing. Without firing a shot, without the loss of Russian lives or the expenditure of Russian money, that Government has actually conquered and brought under its control more than 400,000,000 people in less than 5 years. The Russian Government has not, by its own action, ravaged or looted the conquered areas. Just one important thing has disappeared from all of the territory over which the hammer and sickle now flies—freedom.

Russian victory over the United States, whether won in the cold war or in a shooting war, would mean just one thing so far as the people of America are concerned. A Communist victory over us would mean the loss of our individual freedom. It should be noted that the first objective of the Communist dictator is the destruction of our system of free representative government. Our enemy would care little what form of total control appeared here after our free system was done away with. The Kremlin well knows that any other type of totalitarian government can be quickly dealt with by the Communists.

The Communists know they have two possible ways of destroying our freedom. One is the long method of infiltration and destruction from within. This method involves at least two steps; the first is government control under a system called socialism. This step would be followed fairly soon by communism and Russian domination. The other route they might choose for obtaining their objective would have the advantage of speed, destruction, chaos, and would make intermediate steps unnecessary. This plan involves a shooting war. But to the Communist destruction and military success is not enough. Our people must be forced to place themselves under dictatorship for a war emergency. If a military attack on our country failed to do this, the enemy would not achieve his objective. If there is a chance of failing, I do not believe such an attack will be made.

The dangerous situation into which we are heedlessly plunging with our present deficit spending is simply this: If this course continues we must surely, and fairly soon, reach a time when the free government of the United States cannot borrow enough money to finance a shooting war. If war comes and we are in that position, there is only one alternative. The Federal Government must confiscate enough money, material, and labor to fight the war. If and when this should happen, the first step in the Communist objective would be won. Under such circumstances, it would be absolutely necessary for us to abandon our present free system and submit all persons and property to the absolute control of the Central Government for the period of the emergency. It is obvious, I think, that the enemy could prolong such an emergency to any length that suited its purpose.

I submit, Mr. Chairman, that this danger I have recited is real. It is not theoretical, nor is it imaginary.

There is only one way that this danger, which exists now and which is being magnified daily under present policies, can be relieved. We must shake ourselves out of the dream world in which we are obviously living. We must tighten our belts, make certain sacrifices in the way of Government services to which we have become accustomed, and which we like. We should cut and curtail to the most drastic limits necessary to balance the budget and begin accumulating a surplus with which to retire at least some of our present astronomical debt.

Unless we do this, if we continue as we are now heading, we are inviting disaster.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. DOLLIVER. I wish to compliment the gentleman on his very original approach to this problem, especially as he recited the interest on the deficit which we are now creating. I should like to ask the gentleman if in his opinion deficit spending not only has the effect which he has outlined but also will affect the value of the American dollar in the commercial markets of the world and destroy its stability and value in that respect?

Mr. ELLSWORTH. Yes. I may say to the gentleman from Iowa that by deficit spending we are cheapening the value of the dollar. In other words, we are taking an inflationary course at the same time that we are borrowing and sending $3,000,000,000 to Europe to aid in the economic recovery of those countries. The essential purpose of sending this $3,000,000,000 is to build up their dollar exchange, yet by our inflationary methods we are increasing the dollar deficit of Europe.

Mr. DOLLIVER. In other words, the policy is self-contradictory.

Mr. ELLSWORTH. Yes; it goes around in a circle. We borrow to help out, and in borrowing we fail to help; so we cannot possibly expect to cure the dollar deficit by that means.

Mr. DOLLIVER. I compliment the gentleman again on his analysis of the situation.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I shall devote a part of the time allotted to me today to talk about some matters in addition to items in this bill which are also basic to the continued peace, prosperity, and happiness of every American.

When we read this one-package appropriation bill for amendments to be offered under the 5-minute rule I will offer amendments to reduce the bill and at that time I shall have more to say about specific items in the bill, especially those items pertaining to the Department of the Interior.

However, at this time I will call attention to the fact that in the 1948 Presidential campaign a few professional, political Fair Deal fakers were running loose over the 17 Western States, telling the people that the Eightieth Republican Congress had all but destroyed the reclamation program. Now to put the lie to that gang once and for all, please listen to the words of the Commissioner of Reclamation, Michael W. Straus, himself, when he appeared before the Senate Interior Appropriation Subcommittee on June 13, 1949, after 11 months and 13 days of operations under the bill passed by the Eightieth Congress, with only 17 days yet to go to complete that full fiscal year. Here are Commissioner Straus' own words; they are most enlightening. You will find them on page 2180, Senate Appropriation Subcommittee hearings for fiscal year 1950, part 2, quote:

> By overcoming a myriad of difficulties more water (over 13,000,000 acre-feet) has been delivered to more land (nearly 5,000,000 acres) than in any crop year heretofore. Also, more power (17,500,000,000 kilowatt-hours) has been transmitted from reclamation generators to serve more ultimate consumers (nearly 5,000,000) than in any other calendar year. These energy sales are one-third greater than those in the prior year and bring back revenues that have increased from about twenty-three and one-half to twenty-nine and one-half million dollars.
>
> Likewise greater progress has been made in actually building the new dams, power houses, canals, and transmission lines that are new and regenerative national assets than in any like period. On this vast construction program, works contracts amounting to $217,000,000 have been awarded and work accomplished has exceeded $200,000,000 as we constantly come closer to our exacting schedules. But despite this increasing scope and velocity of program, the demands for water and power continue to outstrip our program.

But it was too late, the fakers had already misled a lot of good folks out west where water is liquid gold.

So much for that. Now one of the really important things I want to talk about today is a matter which affects all the people of our Nation and that is the billions we are spending to build these great dams all over America, especially in the West, the Southwest, and more recently in the Southeastern States, all of which begin filling with silt the minute the water starts storing up behind the dam at a rapid rate, and hence before too many years have passed many of those dams will be almost worthless for flood-control purposes, irrigation, and hydro power for which they were intended.

Now what is the solution? Simply this; very few of those dams should be built until we first put into effect sufficient and proper soil and moisture conservation practices on the lands in the

entire watershed which drains into those dams. You understand, I am sure, that such a program does not only keep the priceless top soil on the land where it belongs, and out of the streams and dams where it does untold harm, but also such a program is the most effective and least costly flood prevention that can be had. Hence, many, many millions, yes billions, over a period of years, could be saved in controlling disastrous floods which occur annually in most every river, large and small, in the valleys of our Nation.

I am pleased to say that the farmers of many areas, such as in my own section of Iowa, are fully aware of these facts and they are doing something about it. But here we are appropriating hundreds of millions of the taxpayers' dollars in this bill to build a lot more dams before we do what we should do first, as I have advocated from the floor of this House year after year. We took steps to do that very thing in the 1948 session of the Eightieth Congress, for the great Missouri Valley, which covers one-sixth of the entire area of our land, and which we hoped would be a model and was intended to be a model for every other river valley, large and small, over the entire United States of America.

Under the provisions of the 1936 Flood Control Act, early examinations justified the making of a complete survey of the Missouri Valley for remedial measures. This survey, which was authorized by the Eightieth Congress, and was completed in good faith by the Forest Service and the Soil Conservation Service in late 1948, was submitted to the Secretary of Agriculture March 28, 1949, for transmittal to the Public Works Committee of Congress. It was generally concluded that this committee would look favorably on the survey report which called for an appropriation of $1,000,000,000 plus to be expended over a period of 30 years to speed up soil-conservation flood-prevention work on small-stream watercourses in the Missouri Valley.

But instead of the survey being transmitted to the Public Works Committee for action, the front office of the Department of Agriculture at Washington decided to use the survey as a basis of a more comprehensive program, creating a very questionable justification to expand the program to practically all USDA agencies in the valley. To do this, the program raised the appropriation needs from a total of $1,000,000,000 plus as called for in the original survey to about $3,500,000,000 for the new program.

In reality, the Department of Agriculture's valley plan was a trial balloon to see how far the people of the Missouri Valley would be willing to subjugate themselves to obtain the assistance they needed to control effectively soil erosion and bring about upstream flood prevention. The extra $2,500,000,000 was the price. If the people of the Missouri Valley sold their freedom, it would have been but the first step of a Nation-wide movement of political encroachment.

The Missouri plan was a guinea-pig effort by many of the agencies of the Department of Agriculture to solidify their position in the Missouri Valley, create greater thought control over the people, and to make the people subservient to the political desires of a centralized government.

We can be thankful that the people of the Missouri Valley have seen what is behind the USDA front-office maneuvering. If our people had purchased the serfdom the administration's Missouri plan extols, it would have been but the first of political enslavement for people in all of the major river valleys of our Nation. Conform or you get no valley-wide flood-control and soil-conservation aid from the Federal Government is what the plan means.

This important program is yet today bogged down in the pigeonhole of the Agriculture Committee of the House and held there by the Secretary of Agriculture, Mr. Brannan.

There has never been a greater need for the people of our Nation to organize to fight all such efforts which would encroach on the rights and liberties of our people for the supposed purpose of valley development. All of us want to develop and conserve the natural resources of our valleys, but there are still ways this can be done which will not destroy the foundation on which our Republic has grown and prospered.

I urged that the people restudy the principles of our Government and make sure that valley development does not in any way destroy these principles.

One way we might uphold these principles is to select a number of guide posts for valley development which all of us can support. Such principles should provide for technical accuracy as well as political and economic freedom. Such guideposts can become a blueprint for valley-wide development with everyone demanding that any valley-wide development proposal first of all adhere to those principles.

In brief, such principles should include:

First. Valley development should be based on a careful evaluation of national and human needs, and should recognize the interdependency of all resources: soil, water, forest, grass, wildlife, recreational, and mineral. This will counter any valley development which might be based on specialized interests. It will also counter many of the proposals of the administration's Missouri plan, most of which was based on guesswork and opportunism.

Second. Successful valley development is dependent upon the full understanding and active participation of the people of the valley. Such development is a joint responsibility of the Nation as a whole through the Federal Government, the several States and their local units of government, and the citizens residing or engaged in farming or business in the valley.

Third. Maximum delegation of responsibilities to local government units give us the best assurance of continued maintenance of such resource programs, as well as their initial sound installation. An example of this is the work of our soil-conservation districts, which not only assures sound approach but excellent maintenance as well.

Fourth. Valley development programs should strengthen, not weaken, the position of local, county, and State governments.

The delay in getting soil-conservation and flood-prevention work underway in the Missouri Valley has become of great concern to many Senators and Congressmen since the Missouri Valley program is considered a model for soil-conservation and flood-prevention work in the other river valleys of the Nation. The Secretary of Agriculture, I hope, will yield to the demand to initiate this soil-conservation and flood-prevention work, so that work can get underway at the earliest possible date, in order that the farmers of America may save billions of dollars of all the taxpayers' money, and at the same time preserve and conserve their own precious topsoil, which they want very much to do and will do with just a little help and encouragement and cooperation from their government—local, State, and National.

Can we preserve free private enterprise for America, the keystone of our liberties? That is the question we face today.

My answer is, "Yes," if we are worthy of it in your sight and it be the will of God to save us from our own folly at this late hour. Where do we start, you ask? First, we must take stock of our debits and credits in order to ascertain about where America now stands as a going concern, and what is most needed to keep our America in business. History records there are three sure roads to national suicide—bankruptcy, dictatorship, and starvation. Bankruptcy: Is it necessary to remind the American people that every nation in the wide world that has traveled the full length of the wasteful, reckless spending route we are now traveling at breakneck speed has come to utter ruin and tyranny. Look at old Germany. A great people who enjoyed their best times when the wage earner made 50 marks a week, but they, too, followed the siren call of utopia, by a wasteful, national spending program, which finally brought a bogus, high national income, and inflation. Then the wage earner received an armful of marks each week, but it took almost all of it to buy just a few loaves of bread. Sure we can have a $300,000,000,000 national income. Germany had a billion, trillion mark income, just as Red China has today, and just as American will have unless we stop this mad rush to financial, national suicide.

Think this one over for a minute and please remember it. If everyone in the United States cashed in all his life insurance policies the total would amount to about $44,000,000,000, which is about what it takes to run your Government just for the year 1950. Or, if every farmer in America sold all his farm land, all his farming equipment and all his livestock, the total would amount to around $43,000,000,000. Again this would hardly run your Government a full year. Do these figures mean anything to you? I am sure they do, but not to a lot of fellows in Washington, whom I could name. Facts are those fellows simply do not care so long as they get theirs.

Now you may ask, how can we stop it? The answer is, When America thinks and speaks up, America is safe.

So speak up Americans.

Here are some more facts: The white-collar workers, plus the blue-denim workers, plus our retired elderly folks, represent about 60 percent of our consuming public; our farmers, who consume one and one-half times more on an average than the rest of us, represent 30 percent of our consuming public; business and industry, who must add taxes to the prices of their goods or soon go broke, and a few more of us, make up the balance of around 10 percent. Remember the consumer pays all taxes in the final analysis, so I will leave it to you as to just who is paying our tax bill, and should be most vigorously opposing wasteful spending. Income taxes, withholding taxes, and hidden taxes no end, maybe you can stand it now, but the end is not in sight at this rate of Federal spending.

Private industry, taxpaying industry, is the whipping boy among the great economic planners now in Washington. And they are honeycombing throughout our country, planning and scheming ways to drive free, private, taxpaying industry to the wall. I know what I am talking about, for I have been fighting that gang ever since coming to Congress and have really been in the thick of the fighting for the past 8 years as a member of the Interior Subcommittee on Appropriations.

Dictatorship: I am sure it is not necessary for us to look behind Stalin's iron curtain to know the sad story of follow the leader and his promises of security. All people who have done that now have neither liberties nor security. That we know at least.

Starvation: Thank God, the farmers of America are solving that problem by good soil conservation practices and crop rotation and other scientific farming methods. But there is yet much to be done. Let us never forget that every nation in this world that neglected to take proper care of its priceless topsoil is now at our doors crying for bread.

Also, do not forget that our national income is always about 7 times our farm income, and that for every dollar of farm income the businessman sells $4 worth of goods and labor collects over $4 in wages for each dollar of farm income. All wealth springs from mother earth; she is our only economic generating plant. We must never again turn off that kind of power in America. Remember, also, that we have never had a depression with good farm prices, but always a depression with poor farm prices.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I am pleased to yield to my good colleague from Iowa.

Mr. CUNNINGHAM. I want to congratulate the gentleman and call attention to the Members of the House that the gentleman's own district is very close to being the pioneer district in the whole United States in soil conservation. I will also ask the gentleman this question if he does not believe that the correct and proper solution of flood control is the development of the soil conservation program, particularly that part of it that builds up the fertility of the land and keeps the water on the land, rather than have it washed into the streams and rivers. It loses as much value as topsoil for the farms if it is in the streams and rivers as if it were in the Gulf of Mexico; is that not right?

Mr. JENSEN. That is exactly right. I thank the gentleman for his contribution. I can say that even though the gentleman comes from the capital city of Iowa he has been very active in assisting in every way possible to help the all-important program of soil conservation and every other program which is good for America over the long pull.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I am happy to yield to another one of my able colleagues from the tall corn State, where beautiful nature abounds.

Mr. DOLLIVER. I, too, wish to join in complimenting the gentleman on his very fine statement about soil conservation. I join wholeheartedly in his statements.

Is it not true that the surest way to national destruction is a loose and deficit-spending policy on the part of the Federal Government?

Mr. JENSEN. Indeed. I spoke about that a minute ago, but will now elaborate. I thank the gentleman for asking me that question.

History records as far back as you care to search that the quickest way to commit national suicide is through the bankruptcy route, spending more of the people's money by the Government in control than the people can pay, until such time that they must start the printing presses rolling out the bills. Then we have uncontrolled inflated currencies, and then it is not long, as the gentleman knows, until it takes a basketful of those almost worthless bills to buy a loaf of bread. Certainly we are a long way down that road, and we had better stop. Not just look and listen, but stop. I say stop this silly, wasteful, unnecessary spending spree and save a little at least to use should a real genuine emergency come such as world war III, which is in the making this very minute and which might take an election or an act of God to avoid.

If destruction be our lot, we must ourselves be the author and finisher.

Abe Lincoln said that almost 90 years ago. I believe that admonition to be just as weighty and true today as then.

In recent years, we have seen the extent to which Government has interfered in the lives of its citizens. We have been led into a time of great danger by oppressive taxation, extravagant and wasteful spending by Government, deficit financing, and a staggering national debt. And the end is not yet in sight.

Whose fault is it? We have allowed the cost of Government to grow and grow, year by year, in peacetimes like these until we are consuming nearly one-third of our income just to govern ourselves.

What is the reason? Have the American people lost their capacity for self-government? Must the cost of Government be so great as to endanger our national existence?

Must peacetime taxation placed upon our people be so burdensome as to destroy all incentive for industrial growth and economic progress?

Must the people give up to Government such a large share of their earnings that they are deprived of all opportunity to get ahead?

The greatness of America was not built by Government spending. It was not created in legislative halls. It was not produced by the enactment of laws which led people to believe that they were getting something for nothing.

The greatness of America is ours because of the toil and sweat, and the inventive genius of generations of courageous, industrious, self-reliant Americans. They were willing to work and sacrifice and save to build economic security for themselves, for their families, for their communities, and for their country.

And they did not export jobs as we are doing today under a system of tariff reductions that permit the importation of cheap foreign goods through a so-called reciprocal trade agreement at the discretion of one man which has caused whole industries in our country to be shut down and our workers thrown out of work. We now have not only a national socialist philosophy at work in our country, but a global concept of this system. This—in spite of the fact that those governments which have tried socialism over a period of years have turned their backs on it.

How else can we recognize the Trojan horse of socialism which is being offered to the American people? We have been told that we can produce a $300,000,000,000 economy, providing jobs for everyone without any large increase in taxes. It sounds good, does it not? And it is good, provided our liberties, as we know them, are not sacrificed in its achievement.

But, we are presented a 5-year plan. Where have we heard of 5-year plans before? Russia has had a series of them. Germany had them. Italy had them. They all ended the same way—starvation, misery, dictatorship, and inflation. Yes, they had a high national income, but it was a bogus income. Their currency was not worth the paper it was written on. A basket full of bills was needed to buy bread. That was not so good. Sure, those folks were all promised utopia. All that was required was for them to bow to wasteful spending by the leaders. Does that song sound familiar to you?

What else did these three dictatorships have in common? They are all socialistic states. Socialism and communism are sisters under the skin. Remember the official name of Russia is the Union of Soviet Socialist Republics.

How did all of this start? Let us take a brief look at how the Trojan horse of socialism took over in England and then show the deadly peril here. First, they took over all banking, then all electric power; the people were then told, be good or you get neither money nor electric power; the rest was easy. Remember this, few Socialists of modern times will admit that they are Socialists.

The large majority of American Socialists abhor the name while doing the deed. They call themselves economic planners, and other high-sounding titles. But their objectives are all the same—the regimentation of the people into robots to obey the commands of the big brains fastened onto the payrolls of the Government.

In England, the Socialists masking under the name of the Labor Party were a small group at first. They fastened themselves onto the larger Liberal Party and bored from within. They worked slowly and began to take more and more power over the Liberal Party until in this last election the Liberal Party was practically out of existence. They came into power with catch slogans such as "jobs for all," "security from the cradle to the grave" and other vote bait. Then the real planners of the so-called welfare state got to work. I need not go into any details as to what has happened to once mighty England. You know she is bankrupt and living off the dole of the United States, the last and most powerful free enterprise country in the world. How long can we take it? But you say it could not happen here? Listen to this. There is a bill, H. R. 2756, called the Economic Stability Act of 1949. It is part of the 5-year American Socialist plan. It sounds good, does it not? Everyone wants economic stability. But this bill gives the President the right to go into any business with Government funds to compete with any private business. Last year they wanted to put the Government into the steel business. Under this bill, the President can also channel scarce materials and facilities into what he may deem essential production and uses. If the socialist planners feel that your business is not essential, they can put you out of business by simply refusing you materials or plant facilities. You could also be subpenaed in person with your records and books and if you refused, be in contempt of court and suffer the penalty. This bill permits the President to fix prices. I have not time to go into all phases of this bill, but these are a few examples to show you how far down the road to socialism a powerful, well-organized clique is determined to take America.

The Brannan farm bill is another example. High prices to farmers and low prices to consumers also sounds good, but even the author himself or his experts either cannot or dare not estimate the cost to the taxpayers of this one; and my advice to all young men planning to be farmers is to learn accountancy good, to keep the numerous records and reports which are necessary if this plan ever went through, in order to keep himself out of jail, for there is a jail penalty in the 15 pages of penalties written in this bill which would regiment farmers beyond anything Americans ever dreamed would happen here.

The time has come when we must abandon our easy-going attitude toward regimentation and needless and wasteful Government spending. We have been presented this year with the largest peacetime budget in our history, plus the fact that we will have a 1950 fiscal deficit of at least five or six billion dollars.

What are we going to do about it?

We must give the people a clear-cut choice of the issue confronting us today. Let those who are for a Socialist state get into their corner. Those who are for our free-enterprise competitive system get over in our corner. Let us fight it out on clear-cut issues. Anyone who can think and read and who has followed the goings-on in Washington for a long, long time can have no doubt as to where the road ahead will lead, unless we do a quick about face.

We must stand for a republic in which the elected representatives and public officials are servants of the people and not their masters.

Public opinion, when aroused, is yet the strongest force in this land. It is your job to see to it that the people understand the truth—understand that eternal vigilance is still the price of liberty—and that our freedom be preserved.

We must stand up fearlessly against the folly of a domestic program that teaches people to depend upon government for all good things in life, remembering that Lincoln said: "You cannot build character and courage by taking away a man's initiative and independence."

We must constantly warn against the dangers of a Federal policy that deceives the sane of mind and strong of body into thinking that they get something for nothing. And we must ever remember our duty and responsibility as Americans to the aged and infirm, to the widows and orphans, and our disabled veterans who are paying the greatest price for our wars. This we must do and can do unless we spend all America into bankruptcy needlessly.

We must place, where it properly belongs, full responsibility for secret agreements which betrayed free governments into socialistic and communistic enslavement.

We must fight here against the drift into a socialistic pattern of government because that system has brought death and destruction to every country where it has been attempted.

In conclusion I ask, Mr. Chairman, what will it gain America or the world if we commit national suicide by the bankruptcy route? Will the prophecy of that ruthless Communist leader, Lenin, come true, when he said shortly before he died just a few years ago, "Russia will force America to spend herself into bankruptcy, then we will take her over"? I pray God forbid.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. CUNNINGHAM. I was very much interested a few minutes ago when the gentleman referred to the fact that if what he was talking about continued to go on in America, Government officials will become the masters and the people the servants. In connection with that, I heard the distinguished gentleman from Michigan [Mr. WOODRUFF] this afternoon quote from a former President of the United States, I believe it was President Cleveland, who stated in substance that the purpose of the people is to support the Government and not the purpose of the Government to support the people. My question of the gentleman is, is it not a fact that if we continue the way we are going, with the Government from time to time assuming more and more the role of supporting the people, rather than expecting the people to support it, that it can ultimately lead only to one thing, namely, where the Government becomes the master and the people the servants? And when that time arrives all the freedom and liberty of the American people will be gone.

Mr. JENSEN. Of course the gentleman is exactly right. Too many of the American people have been bitten by this "gimme" bug, expecting the Federal Government, which has no money except what it collects from the people, to loan them or give them what they think they need in order to get along in this great, wonderful, free Nation of ours.

I had not intended to take this much time, but I do want to take a little more time to give you a little idea of things my father and mother went through in order to come to this great free America, so they and their children could enjoy the blessing of this free new America of ours which they had read and dreamed about.

My father was a stablehand on a plantation in Denmark. My mother was a milkmaid on the same plantation. They met and married and four children were born over there in Denmark. They knew about this great free America, it beckoned to them, and in 1880 father came over. He worked a couple of years to earn enough money to send for mother and the four girls. They were poor folk. It was tough going, but they were happy. The day after my mother arrived at her new home near Cedar Rapids, Iowa, she walked a mile and a half and did a washing for a quarter. As time went on 9 more Americans arrived, making 13 children, and they too were happy and free Americans.

Mr. Chairman, I am fully aware that our earliest settlers experienced greater hardship than did my parents, and my parents knew full well that they were the beneficiaries of those rugged pioneers.

The point I want to make is that with all of the struggles my parents went through they so dearly loved America that when anyone would even mention the fact that there might be something wrong with America or the Constitution or the Bill of Rights or George Washington or Thomas Jefferson or Ben Franklin or Abraham Lincoln or any of the rest of these great statesmen—our founding fathers—my parents would become furious. They loved America; they instilled that love in their children's hearts, and they also instilled in our hearts and in our souls the principle that there was no substitute for work and square dealing. I have been raised on those principles, just as you have, my colleagues. I am simply reciting a story which, no doubt, many of you here could duplicate, for the simple purpose of showing how in the last 20 years certain fundamental principles of our way of life have changed to the detriment of peace of mind and the true happiness of our people.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. JENSEN. I yield.

Mr. DOLLIVER. I presume that the gentleman's father and mother never received a dime from the Government of the United States in raising the splendid family of which the gentleman is so able a member, and I presume further that the gentleman was brought up with the idea of thrift and that his whole nature rebels against the thought of the great American Government's overspending itself by $5,000,000,000 in this fiscal year.

Mr. JENSEN. Never a dime did Uncle Sam send them, and the only times my parents saw a Government official was when they saw their postmaster, or in later years, their rural mail carrier, John Willie Cannon; he was Uncle Sam to us.

Mr. Chairman, I shall not take any more time except to say that I pray to God that the American people will, if they have not already, waken to the fact that they live in the only free land which remains in this world today and that we have groups all around us, well organized, who are working day and night, to destroy everything that my parents, and your parents, and you and I hold dear; and because of that we will do something about it, so that your children and my children and generations yet unborn will never have reason to point their finger at one of us and say: "You helped to destroy, or you did nothing about preserving, that great free America of yesteryear which was so richly blessed by God in heaven."

Now I must conclude by saying that I am deeply concerned, just as I know most of you must be about the road we are traveling and to plead with every good American in our land to stand up and fight as never before or we shall surely lose the God-given liberties as we know them in America. The pitfalls ahead are now in plain sight for all to see, if we will but open our eyes, look well, and think through.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

"YES-MAN" PSYCHOLOGY IS RUINING OUR NATIONAL DEFENSE

Mr. VAN ZANDT. Mr. Chairman, I know that all of you enjoyed Chairman VINSON's comments on the question of national defense. There is no man in the Congress of the United States who is entitled to more credit for the building of our national defense than is the gentleman from Georgia. His long career here in Congress as a champion for our armed forces properly labels him as a spokesman for those of us who believe that the security of our country can best be protected by an adequate national defense.

To further Chairman VINSON's discussion of national defense, I should like to consume the time allotted me in discussing what I consider one of the most dangerous practices that has ever been permitted to develop. This practice which is commonly referred to as "yes man" psychology concerns information given to congressional committees by spokesmen of our armed services only after it has been screened by the head of their department or by someone in the Defense Establishment. It simply means that congressional committees are not getting first-hand information on the needs and the state of our national defense by those qualified by position and experience.

There are two factors in this "yes-man" psychology that brought about this dangerous practice. First, directives issued by the President and heads of departments, and second, the threat of reprisal against those spokesmen for our Defense Establishment who dare to speak their own mind when called upon to do so by various congressional committees.

This practice of telling spokesmen what they can or cannot say before congressional committees had its beginning on November 15, 1946, when President Truman issued a memorandum in which he said:

> I have noticed that on several occasions, certain department and agency officials have shown a tendency to seek from Congress larger appropriations than were contemplated in official budget estimates.

Then the President said this to the Director of the Budget:

> When you notify the heads of the various departments and agencies of the amounts to be included in the 1948 budget for their activities I wish you would include a reminder that I shall expect them and their subordinates to support only the President's estimates in hearings and discussions with Members of Congress.

This "yes-man" psychology really came into being in the spring of 1947 when the House Armed Services Committee of which I am a member, behind closed doors and off the record, had to extract from the civilian heads of the Army, Navy, and Air Forces information as to how much money was necessary in their minds for the fiscal year 1949 to give the American people the type of an Army, Navy, and Air Force the civilian heads felt necessary. Very reluctantly, and with red faces, the civilian Secretaries gave the committee the information concerning the following budget requests for 1949.

Budget requests, 1949

[In millions]

	Army	Navy	Air Force
Amount requested	$3,978	$5,310	$4,422
Present request	3,013	3,510	3,054
Difference	965	1,800	1,368

Since 1948 much has been said about the fact that the Bureau of the Budget was requesting appropriations that were far less than the amounts the civilian secretaries felt absolutely necessary. This brought about denials on the part of the administration and others who spoke for the administration.

In addition to these denials it was freely said that spokesmen for the Army, Navy, Air Force, and Marine Corps could appear before Congress and give any information they were asked for and without any restrictions.

Well, we all know what happened to Admiral Denfeld after being given assurance by the Secretary of the Navy that he was free to testify and to give any information he wished without fear of reprisal.

On the heels of Admiral Denfeld's dismissal we have now the transfer of Rear Adm. Joel T. Boone, chief of the Joint Plans and Action Division, Office of Medical Services, Defense Department who violated this "yes-man" psychology when he spoke his own mind before a subcommittee of the House Committee on Armed Services.

It is said that there were plans to transfer Admiral Boone beforehand. But from the hearings of the subcommittee, it is learned that the day he left his office to come to Capitol Hill to testify, he was literally told that he should be careful what he said and to keep in mind his fitness report had not yet been submitted. To any fair-minded person, the action in transferring Admiral Boone is nothing more than another act of reprisal.

According to the Associated Press, and I quote:

> Both Admiral Sherman and his admirals appeared so reluctant to quarrel with the budget handed them by Defense Secretary Johnson that a House subcommittee held a separate hearing to determine whether they had been gagged. Of course, Secretary of the Navy Matthews denied that they had been.

Anyone who reads the hearings on this bill which concerns naval appropriations will understand that Admiral Sherman, the Chief of Naval Operations, was not satisfied with the budget although his remarks were very guarded and exceedingly discreet.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Texas.

Mr. MAHON. I would like to say that as chairman of the subcommittee handling military appropriations that no special hearing was held in regard to any reluctance on the part of witnesses to express themselves freely before the committee. It is true that the gentleman from Michigan [Mr. ENGEL], a member of the subcommittee, did express the feeling that some of the witnesses were reluctant. My own view is—and I think this view would be sustained by an investigation of the record—that the men who testified before our subcommittee testified with every degree of freedom, and I invite the Members of the House to read the testimony of Air Force and naval witnesses in which it is shown that they took violent disagreement with certain budget estimates, and not in any case did any witness for any of the national defense departments refuse to answer any questions asked them. It is true that generally speaking they did not volunteer to advocate expenditures over the budget. However, I think they almost did advocate expenditures over the budget voluntarily, but generally speaking if a Member said, "What is your own personal view?" those views, I think, were given in complete freedom, and I want to say for Admiral Sherman that if there has been an abler man in Navy uniform on Capitol Hill in recent years, I have not seen him. I think he

is a remarkable man and I think he gave us his best judgment, and if you read his testimony, you can see that he was speaking from out of his heart and as an American patriot. I believe we need men of this type in positions of military responsibility. If the Members will just read the hearings, they will see at once that it was not a "yes-man" proposition. The men expressed their views.

Mr. VAN ZANDT. I read the hearings, and it is not my intention to be critical of Admiral Sherman. I know him to be a very gallant and capable naval officer, yet the quotes that appeared in the press since the hearings indicate definitely that he guarded his words very carefully.

The country as a whole is fed up with this "yes-man" psychology and the newspapers of the country editorially have this to say about screened information.

From the March 2, 1950, issue of the Christian Science Monitor we read:

> Purposed or not, the effect is to impose a gag on the services and to nullify the investigative powers of the representatives of the people.

The Washington Evening Star on March 3, 1950, had this to say regarding the shoddy treatment of Admiral Denfeld in an editorial titled "For Free and Honest Testimony":

> Many persons inside and outside the Pentagon will agree with the committee's finding that the summary dismissal of Admiral Denfeld from his top-level Navy post was a blow against representative government, in that it tends to intimidate witnesses and hence discourages the rendering of free and honest testimony to the Congress.

Continuing, the editorial says:

> If the effect should be lasting—and it is difficult to eradicate so intangible a reaction—Congress and the American people cannot be sure of learning the true state of our military strength. Congress has a right to receive, and defense authorities have an obligation to give free and honest facts and opinions on the Nation's security, however distasteful or embarrassing the testimony may be to someone at the Pentagon.

In regard to the transfer of Admiral Joel T. Boone, the Washington Evening Star on March 9, 1950, commented as follows:

> But ordinary courtesy, to say nothing of the cause of good service relations, would have justified more considerate treatment of these key officers in a matter so vitally concerning their services. * * * Coming so close in the wake of the Denfeld ouster, however, the unfortunate effect will be to create a "yes-man" psychology at the Pentagon that is not good for national defense.

I know that every Member of this House realizes what is going on. The issue is simply whether or not our country's Defense Establishment is to be controlled by us who are the elected representatives of the people or by a small clique of political appointees.

In my opinion the Congress of the United States should take action to eliminate this "yes-man" psychology and make certain that we get nothing but first-hand information on our national defense and not screened information. Congress is also entitled to correct information but under the present policy, we do not know whether the spokesman is telling the full story, or what he has been ordered to come up and tell us.

I agree with the Washington Evening Star that "yes-man" psychology at the Pentagon is not good for national defense.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true also that Admiral Sherman, when he made his request for the Navy, made many of the same requests Admiral Denfeld had already made? Those requests had been frowned upon. The sacrifice of Admiral Denfeld and the outraged feelings of the country at his removal and the weakening of the Navy were responsible for the Navy's getting as much as it is.

Mr. VAN ZANDT. That is true. We hear much talk about submarine warfare. Admiral Denfeld is a highly qualified and experienced submarine officer. While Chief of Naval Operations he launched the present submarine campaign that is being conducted in the way of planning and schooling at Key West, Fla. A lot of the credit for the submarine program belongs to Admiral Denfeld.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. FERNÁNDEZ].

Mr. FERNÁNDEZ. Mr. Chairman, let me first congratulate the chairman of the great Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], and the committee in the adoption of the one-package procedure of making appropriations. This is indeed a great step forward. Under that procedure, with well-informed public opinion behind us in the consideration of the bill, great savings will be made.

More important, indeed most important, the savings which will be made and the economies thereby obtained, will be the result of careful consideration and deliberation in the Committee of the Whole House and will more truly represent the will of the Congress itself, rather than the will of the committee. It is well to effect economies, it is imperative that economies be effected, but those economies should be the result of careful planning and consideration and not the result of a wielding of the ax indiscriminately. The procedure now being followed will lead to the elimination of unwise cuts and, I hope, the adoption of wiser reductions.

The distinguished chairman of this committee and the ranking member of the committee in affording us the opportunity for unlimited debate before taking up the bill chapter by chapter have rendered a great public service. This gives us the opportunity of pointing out items where, in the words of the gentleman from Wisconsin [Mr. KEEFE] yesterday, the action of the committee if not revised may result in our being penny-wise and pound-foolish.

I take this time now to discuss one such reduction so that it may be given careful consideration between now and the time when that particular item will come up for discussion and consideration in the reading of the bill. The money involved is very small comparatively speaking, but the principle involved is of the utmost importance to the Congress, to my State, and, in fact, to the entire Nation. It involves a question of policy of the utmost significance and importance in our dealings with the Indian problem.

In order that it may be better understood let me first give you a little of the background. With the appointment of Dr. Nichols as Commissioner of Indian Affairs, and with the selection of the gentleman from Oklahoma [Mr. MORRIS] as chairman of the Committee on Indian Affairs, a new direction was given to the policy respecting our solution of the administration of Indian Affairs, a policy which has for its goal the ultimate integration of the health services of the Indians with the health services of the various States, and following that the integration of other services such as those in the field of education, soil conservation, and so forth. This is a goal in line with the recommendations of the Hoover Commission, on which Dr. Nichols rendered a great service in the task force dealing with the administration of Indian affairs.

As part and parcel of that new policy very definite steps have been taken in various parts of the country toward enlisting the cooperation of the States, counties, and non-Indian communities. In New Mexico we are fortunate in having two able, unselfish, and public-spirited citizens in position to formulate and implement that policy. One of those is William Brophy who served as Commissioner and had started pointing the Indian policy toward that goal when he unfortunately was stricken by illness which kept him bedridden for over a year. He has now recovered and as attorney for the United Pueblos Indian Agency at Albuquerque, has given his full cooperation to another young man, Mr. Eric Hagberg, the superintendent of that agency, who thoroughly believes in working himself out of a job as he often says in his many addresses before civic and service clubs in his efforts to enlist cooperation by the State and its communities. He advocates the taking advantage of every opportunity for steps, small though they may be, leading toward the complete amalgamation and integration of Indian services with the services of the State and the community, and relieving the Indian Office from the responsibility of maintaining and operating such services.

In line with that policy he has been able to enlist the support and cooperation of the people in my State to a degree never before attained.

Two years ago Albuquerque and the county of Bernalillo took the lead in obtaining enactment by the State legislature of an act authorizing counties and municipalities to levy property taxes for the operation of hospitals, and also providing for cooperation with the Federal Government in the matter of hospitals by joint action.

The United Pueblos Indian Agency had a tract of useless barren land on a small portion of which is located the Indian Tuberculosis Sanatorium. Though the county could have obtained by donation any number of sites, they nego-

tiated with Mr. Hagberg for the acquisition of a part of that lot on which to build the county hospital right next to the Indian sanatorium. A bill was enacted and passed making that authority available. In the meantime the county had floated $1,000,000 worth of bonds which were sold in 1948 and the money is now on deposit in the Albuquerque banks. The county is negotiating for other contributions from the city, the State, and other agencies, so as to make this hospital as up-to-date and adequate as possible.

In the same spirit and pursuant to the same policy Mr. Hagberg, Mr. Brophy, and other public-spirited citizens invited the county officials to negotiate for a combined county-city and Indian hospital.

After weeks of negotiations an agreement was reached which would make it possible for the county to build a 225- or 250-bed hospital instead of one-half that size through cooperation of the Indian Service by way of contributions for the construction of the hospital.

It should be said right here that the Indian Service desperately needs such a hospital for the care of the Pueblos under its jurisdiction, and one which may be also available for the two Apache Tribes in addition to the 19 or 20 pueblos. This arrangement would make it possible for the construction of one substantial hospital institution instead of two small and inadequate plants.

The bill providing for this combined enterprise was drafted and sent to the Indian Office in Washington for approval. Again it was subjected to careful scrutiny and study by the Indian Office and introduced in both the House and the Senate. Thereafter it was submitted to the Bureau of the Budget and there again subjected to careful consideration. The Bureau of the Budget offered certain amendments somewhat onerous to the county-city authorities and more advantageous to the Federal Government. Those recommendations were adopted by the Public Lands Committee of the House, which studied the bill and unanimously reported it out. The bill was enacted and the President in signing the bill took the unusual step of making a public statement, from which I quote, as follows:

> I wish to express my full approval of the basic objective of this legislation, which is to encourage the integration of hospital facilities for the care of Indians and non-Indians in the same community.

This proposal does fall into the category of new enterprises, and it is in a sense a new precedent in the administration of Indian affairs, but it is a precedent which has the approval of all those in the Nation who are anxious to get away from the everlasting wasteful and inadequate attempt on the part of the Indian Service to construct, carry on, and operate hospitals for the sick and needy Indian population.

Since it is a new function, and in line with postponing new expenditures wherever possible, and because the subcommittee was not sufficiently familiar, I am sure, with all the implications, it postponed action by eliminating it from the appropriations approved and requested by the Bureau of the Budget. I am happy to learn that members of the Subcommittee on Appropriations handling these items are giving the matter new and careful study, and I am as certain as I can be that by doing so they will convince themselves of the wisdom and desirability of amending the bill so as to include the $1,500,000 authorized for this hospital. They will inevitably come to the conclusion that this is not a postponement, but that the action of the committee if not reversed on the floor will constitute not a postponement but a nullification of the action of the legislative committee and of the Congress in this matter, and this is the thing that is tragic about it.

The county authorities have over a million dollars on hand lying in the bank on which they are paying interest to the bondholders. In reliance on this understanding with the Indian Service, and with the Congress I should say, they have postponed their much needed construction of a county hospital until now. Unless these moneys are made available they will be compelled to proceed with their own little hospital, which cannot be as adequate and economical as a larger one, and eventually the Indian Service will have to built its own hospital which cannot be as adequate and economical as the one joint hospital here proposed. That being the case, the action of the legislative committee and of the Congress in passing this bill will go for naught, because once the county has constructed its own little hospital the bill will be of no use to them or to the Indian Service.

What is more, a blow will have been dealt to this farsighted and intelligent policy which cannot be carried on except by enlisting the cooperation of State, county, and community agencies at the right moment, and by living up to those policy agreements entered into between them.

Let me quote from a statement made by the distinguished gentleman from Minnesota [Mr. MARSHALL] at the time the authorization bill was under consideration, which I consider most significant and which ought to be heeded, and heeded now. In the consideration of the bill, the gentleman from Minnesota [Mr. MARSHALL] said:

> Mr. MARSHALL. I would like to say, also, Mr. Chairman, for the record, that one of the greatest handicaps for the Indian Bureau working out some of these cooperative arrangements, I think, is a lack of getting through appropriations on time. It makes it very difficult to work out these cooperative arrangements with local people when appropriations are delayed and uncertain. I think that is quite a handicap to the Indian Bureau in that regard, and I wish that some sort of a plan might be promoted to give local people a little better assurance in the future as to what we will do in here, so far as appropriations are concerned.

Let me also quote from a letter addressed by my colleague, the gentleman from New Mexico [Mr. MILES] to the chairman of the Subcommittee on Indian Affairs on March 21. He said:

> The action of the Appropriations Committee will have the effect of nullifying this effort which had the careful consideration of the legislative committee. The county which has had its money ready for 2 years will be compelled to proceed to build its own smaller hospital, which will not be adequate to care for the Indian population of the surrounding pueblos. I have thought it wise to call this to the attention of the members of our committee since it is of such vital importance not only to me as Representative from New Mexico but to the policy which the Indian Affairs Subcommittee has been gradually establishing and which is in line with recommendations of the Hoover Commission. This is a policy which meets with the approval of all thinking people who are anxious to bring about the end of segregation of Indians in health and educational services.

At the proper time during the reading of the bill under the 5-minute rule, an amendment will be offered to restore this small item of $1,500,000 as the Federal contribution of the Government toward the building of this combined hospital.

The construction of this hospital in the long run will save far more than the initial contribution. It will give the Indians an adequate hospital, fully equipped, with expert staffing and supervision. It will make available to them the expert medical advice and research available in Albuquerque.

Furthermore, under the amendment suggested by the Bureau of the Budget and adopted by the committee and the Congress, the authority to contribute toward the operation and maintenance of the beds used by the Indians will expire in 1954. At that time, a complete report will be issued, with 2 or 3 years' actual experience behind us, and in the light of that report a new authorization will be adopted for the operation and maintenance of those beds. If the contributions are inadequate they may be increased in fairness to everybody, and if they have been liberal, including the construction contribution, they will be trimmed. The county authorities and the businessmen and public-spirited citizens who have been working toward the construction of this hospital, in agreeing to this requirement placed their faith and trust in the good sense of Congress. So certain are they and all of us that this experiment will be so significant and so advantageous to the Indian Service that we have no fear as to future action of the Indian Service and the Congress in this respect.

However, if this appropriation is not granted now we will have been penny-wise and pound-foolish. If we do not provide the funds for this purpose now, we will have effectively nullified the law authorizing it. If we do that it will be an affront to the Committee on Indian Affairs which worked out and reported that bill, and an affront to the House and to the Congress and to the President who placed the stamp of their approval on this act. Furthermore, we will have forevermore discouraged the States, counties, and white communities from entering into the same arrangements in the future and we will have taken a retrogressive step in the direction of forever compelling the segregation of the Indians.

I sincerely hope that the distinguished chairman of the committee, the gentleman from Missouri [Mr. CANNON] and the distinguished chairman of the subcommittee, the gentleman from Ohio [Mr. KIRWAN] and the members of the subcommittee, will be able to see their way clear to accept the amendment when it is offered after the Easter holidays.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Chairman, the most important single issue confronting the second session of the Eighty-first Congress is the question of public expenditures. The American people are appalled to learn that after the passage of the appropriations for the fiscal year of 1950, the Federal Government was overspending its estimated income by about $6,000,000,000. The constituents of every Member are alarmed that in a period of peacetime prosperity, the Federal outgo exceeds the income by so huge an amount.

There is an instinctive and very proper revulsion against deficit spending. In wartime, it is true, borrowing to meet huge expenses may be unavoidable. But with a heavy tax burden weighing upon the taxpayers, taking nearly a third of the national income, and the shooting war over for 5 years, it seems absurd that the Government should still be going in the hole. Such a situation reflects directly upon the Congress, and specifically upon the House of Representatives, where all revenue bills must originate according to the Constitution, and where appropriation bills also originate.

The responsibility for balancing the budget and cutting appropriations rests squarely upon the majority party in the Congress. They are in control of the committees which formulate the legislation and the spending. The majority is in charge of the kind of legislation that reaches the floor of the House for consideration.

Of course an important factor in the whole situation is the effect of deficit spending on the value of the dollar. History is replete with economic disasters resulting from wasteful spending and loose fiscal policy. Overspending is a major disservice to the people of our country. It is not only a contradiction of the long and well-established principles of thrift, but it destroys the value of the American dollar in a completely insidious and concealed way.

Deficit spending is the surest path to disastrous inflation. No other means is so effective in draining away the purchasing power of the people. Indeed, our own economy has undergone this very process in the last 10 years. The value of the dollar if considered as 100 cents in 1939, now has a purchasing power of less than 60 cents. This is the direct result of monetary inflation.

It not only destroys money values, but inflation also robs the farmer, the pensioner, the person employed with a fixed and regular income. It also destroys the standing and stability of the American economy and currency as related to international affairs. Today the American dollar is recognized as the soundest currency of our times. It will not be so for long, unless this House puts the financial affairs of this country in order. Currencies of great stability often have been destroyed by the improvidence and carelessness of those charged with the responsibility of maintaining its stability. Examples of such destruction are too recent in world history to require elaboration.

What is the answer to the problem? It may be said that our Appropriation Committee has worked to reduce the budget in drafting this omnibus bill. But it is apparent that the objective—a balanced budget—has not been attained. So the job is to curtail these expenditures further. There is no other answer.

It is and will be a painful process. It will hurt some segments of our people who desire sums of Federal money for worthy objectives. But it is a task that must be done—it is imperative that the budget be balanced.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I have taken this time for two purposes: First, I notice the provision on page 193 of the bill authorizing the Department of Agriculture to pay out of section 32 funds transportation and handling charges on surplus commodities owned by the Department or any of its instrumentalities or agencies for the purpose of distribution to public-welfare agencies.

It is my understanding that this particular amendment was sponsored by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and I certainly want to commend him for undertaking this work. I believe that he is entitled to the gratitude of literally thousands of people who may benefit, and I believe will benefit from this constructive procedure. I wish to ask him a couple of questions in connection with it. Does not the gentleman believe that we might well give consideration, since we now have in the recently enacted agricultural bill certain wider language and a larger number of groups, to whom this distribution should be made, that we might consider an amendment which would broaden the provisions of his amendment so as to include, for instance, the Bureau of Indian Affairs, and our private nonprofit institutions, such as hospitals, orphanages, schools, penal and mental institutions as well as possibly private welfare organizations, for the assistance of needy persons outside of the United States? I have in mind in that connection the excellent work that is being done by many of our private organizations. For instance, if we could provide some of this for the starving Chinese, one organization is equipped to distribute it and would do it immediately through their missionaries who are located behind the iron curtain. It would have a tremendously good psychological effect as far as we are concerned.

Mr. H. CARL ANDERSEN. First of all, may I say to the gentleman that I thank him for the kindly reference he has made to what I was able to accomplish in the subcommittee. He will also recall that as early as last January and even earlier, both the gentleman from Massachusetts and the gentleman from Minnesota were working along these lines trying to figure out how to get this food to the people who needed it and how to prevent our entire price-support program from suffering because of the stigma being cast upon it as a result of the deterioration of the perishable-food stocks held by the Commodity Credit Corporation. I asked the Secretary of Agriculture, Mr. Brannan, when he appeared before us on January 12: "Why can you not pay the freight and handling charges on these perishable commodities to points where they can be distributed?" I had in mind, for example, that we could give a few dozen eggs each month to the thousands in every State on old-age assistance. We could help them to stretch their paltry average budget of $44 a month by allotting to them also such surplus foods as butter, fruits, and potatoes. We could help people with low income to give their children an adequate diet by distributing this good food instead of permitting it to spoil. Mr. Brannan, in reply, maintained he did not have the authority to pay freight and handling charges upon these surplus perishables.

I may say to the gentleman from Massachusetts that the Committee on Appropriations, of course, has no basic reason or right to legislate, but I did convince my subcommittee and the chairman of that subcommittee, the gentleman from Mississippi [Mr. WHITTEN], very kindly agreed with me, that it would be only right to place such a provision in our bill in order to call to the attention of the Congress this most serious problem. The opponents of our farm-price-support programs have seized upon the potato and egg surpluses as an excuse to try to wreck our entire program. They do not stop to realize that the entire price-support program has not cost the taxpayers over $100,000,000 yearly since 1940, but on the other hand has done much to hold up our national income.

May I say to the gentleman in direct answer to his question: Yes, I think my amendment needs broadening considerably. A month ago I said on the floor that I personally would be very glad to withdraw my amendment and cooperate in any possible way to help in getting this job done. It makes no difference to me as to whose amendment it is. What I do want is to see this huge quantity of food distributed to people who need it.

At this time I want to commend the gentleman for his insistence during the past 3 months in seeing that something is done toward curing this stigma to our farm price-support program and at the same time helping thousands of children in his district get enough to eat.

Mr. HESELTON. I thank the gentleman and I shall place in the RECORD this evening two forms of amendments which I know the gentleman will study. I would appreciate any suggestions he may care to make as to their wisdom. If he feels that either can be improved upon I will try to do that. If he feels they are a constructive approach toward accom-

plishing what he and I have in mind I would appreciate his support of one of them.

Mr. H. CARL ANDERSEN. The gentleman realizes, of course, that whatever we do is subject to a point of order here on the floor.

Mr. HESELTON. I realize that.

Mr. H. CARL ANDERSEN. But I cannot conceive, may I say to the gentleman, that any Member of the House of Representatives will assume the responsibility of getting up here and objecting to a provision in this bill which attempts to make available these tremendous quantities of surplus perishable products to the people in America who need that food.

Mr. HESELTON. That will be a tremendous responsibility for any individual Member to take and I hope we will not be confronted with that situation.

I now include the text of the first amendment which I have prepared:

At line 21, after the citation (7 U. S. C. 612 (c)), strike out the balance of the sentence and insert "and out of funds made available to the Commodity Credit Corporation transportation and handling charges on surplus commodities owned by the Department or any of its instrumentalities or agencies for the purpose of distribution in the order of priority set forth: First, to school-lunch programs, and the Bureau of Indian Affairs, and Federal, State, and local tax-supported institutions, such as hospitals, orphanages, schools, penal and mental institutions, and public-welfare organizations for the assistance of needy Indians and other needy persons; second, to private welfare organizations for the assistance of needy persons within the United States; third, to private welfare organizations for the assistance of needy persons outside the United States; fourth, to inter governmental or international nonprofit welfare agencies, for assistance to needy persons outside the United States."

You will note that this uses the identical language of the omnibus appropriation bill, provides for payments out of funds made available to the Commodity Credit Corporation and then sets forth four categories of recipients, being those mentioned in the recent conference report as to the disposition of surplus potatoes.

Finally, I submit a further amendment which seeks to combine the language of the conference report on the disposition of surplus potatoes, of section 416 of the Agricultural Act of 1949 and then provides, as has been done in other proposed legislation, for the Secretary to make a determination that such commodities are in ample supply over the necessary reserves and then a provision for the payment out of the equivalent of 6 months' storage charges to cover the cost of transportation, with the proviso suggested by the gentleman from Arkansas [Mr. HAYS] when we last discussed this matter:

Page 193, line 18, strike out lines 18 through 24 inclusive, and insert "In order to prevent the waste of food commodities acquired through price-support operations which are found to be in danger of loss through deterioration or spoilage before they can be disposed of in normal domestic channels without impairment of the price-support program, the Secretary of Agriculture and the Commodity Credit Corporation are authorized and directed to make available such commodities as follows in the order of priority set forth: First, to school-lunch programs, and the Bureau of Indian Affairs, and Federal, State, and local tax-supported institutions, such as hospitals, orphanages, schools, penal and mental institutions, and public-welfare organizations for the assistance of needy Indians and other needy persons; second, to private-welfare organizations for the assistance of needy persons within the United States; third, to private-welfare organizations for the assistance of needy persons outside the United States; fourth, to intergovernmental or international nonprofit welfare agencies, for assistance to needy persons outside the United States. The Secretary of Agriculture shall first determine that such commodities are in ample supply over and above such reserves as may be required and deemed in the public interest. The Secretary of Agriculture and the Corporation shall make any such commodities available at no cost at point of use within the United States or at shipside at port of embarkation. The Secretary and the Corporation may pay as against handling and transportation costs in making delivery up to the equivalent of 6 months' storage costs on any such commodities turned over: *Provided*, That no transportation or handling charges shall be incurred by the Commodity Credit Corporation or Department of Agriculture if in so doing it would lower the total amount of agricultural commodities acquired by any institution or organization through the normal channels of trade and commerce."

I think it might be useful to have a tabulation of data developed from the report of the Commodity Credit Corporation as of December 31, 1949, and in the hearings of the Subcommittee on Agricultural Appropriations on which the gentleman from Minnesota is such an able and persuasive a member.

Item for immediate use	Quantities and units	Cost	Carrying charges fiscal 1949 [1]	Carrying charges first half of fiscal 1950 [1]
Butter	98,675,801 pounds	$61,003,323.06	$37,143	$832,778
Cheese	23,935,057 pounds	8,030,266.80		173,277
Dried milk	259,801,803 pounds	33,003,319.68	559,712	1,472,899
Prunes	49,985,455 pounds	5,006,203.64	416,315	1,208,459
Raisins	22,972,380 pounds	2,210,133.26	318,457	612,942
Edible dried beans	4,850,795 hundredweight	42,859,926.40	1,108,233	1,578,449
Rice	431,820 hundredweight	2,936,252.60	1,419	602,837
Dried eggs	76,433,954 pounds	98,645,444.68	1,272,918	1,089,537
Turkeys	725,480 pounds	309,173.80	495	2,681
Canned Mexican meat	49,445,878 pounds	12,468,074.26	No data	No data
Potatoes	2,199 hundredweight	2,864.14	35,358,631	1,654,567
Dried peas	2,048 hundredweight	10,306.32	10,100	563,455
Soybeans	{3,028,865 bushels {90,981 bushels	7,497,729.94 251,848.90	1,907,585	993,247
Total			40,991,008	[2] 10,785,128

[1] Pt. 5, Hearings before Subcommittee, Appropriations, Agriculture, p. 1419.
[2] $1,797,521 per month or $59,917 per day.

Commodity	Quantities and units	Cost	Carrying charges, fiscal 1949	Carrying charges, fiscal 1950 through Dec. 31, 1949
Peanuts, farmers' stock	70,594,445 pounds	$7,440,793.50	$866,735	$211,561
Peanuts, shelled	2,131,420 pounds	314,041.88	1,850,543	615,077
Soybeans	3,119,846 bushels	7,749,578.84	1,907,585	993,247
Wheat flour	18,470,000 pounds	822,853.62		
Grain sorghum	6,331,299 hundredweight	17,739,460.92	8,768,114	3,145,399
Potato starch	10,632,658 pounds	630,095.76	116,392	31,808
Fats and oils:				
Linseed oil	418,298,054 pounds	118,228,415.79	2,229,004	1,090,041
Menhaden fish oil	138,560 pounds	10,587.16		
Peanut oil	318,065 pounds	39,599.10		
Soybean oil	15,960,620 pounds	1,613,480.15	1,907,585	993,247
Total	434,715,299 pounds	119,892,082.20	4,136,589	2,083,288
Barley	24,641,329 bushels	25,108,620.97	5,764,525	6,169,952
Corn	76,137,725 bushels	116,887,643.88	2,335,826	17,050,439
Oats	11,258,146 bushels	9,596,728.32	1,752,424	1,640,696
Rye	1,613,259 bushels	2,774,578.26	154,324	332,261
Wheat	168,994,882 bushels	414,035,457.41	67,254,089	37,508,624
Total	282,645,341 bushels	568,403,028.84	77,261,188	72,701,972

I believe it will be helpful also to have here a significant portion of the testimony by Ralph S. Trigg, president of the Corporation before the House Agriculture Committee on March 30. I placed the full statement in the RECORD of that date but this part has an important bearing on this subject, dealing as it does with perishable and semiperishable commodities and showing sharp increases in certain of them during January. I call your particular attention to the comparable figures for dried eggs, dried milk, cheese, peanuts, linseed oil, corn, oats, and wheat:

In addition to the distinction between commodities held as loan security and those which are in inventory, another break-down is fundamental in an understanding of surplus-disposal problems. I refer to the difference between storable commodities, which can be kept indefinitely, and the so-called perishables or semiperishables, which must be disposed of in a relatively short time to avoid deterioration or spoilage. The disposal problems for the latter are of course much more immediate and acute.

With this in mind, a look at the breakdown between storables and perishables is revealing. In the first place, commodities held as loan security are obviously in the storable class, and 87 percent of the total

investment in this group is accounted for by wheat, corn, cotton, and tobacco.

The complete listing of loan advances is as follows:

Corn, 563,745,949 bushels	$768,551,342
Wheat, 324,825,430 bushels	645,036,238
Cotton, upland, 2,638,022 bales	373,536,838
Tobacco, 365,251,157 pounds	145,833,335
Grain sorghum, 42,161,480 hundredweight	94,978,593
Beans, dry edible, 7,145,415 hundredweight	49,254,351
Flaxseed, 9,079,608 bushels	33,640,325
Barley, 27,314,643 bushels	29,792,917
Soybeans, 10,513,484 bushels	22,171,777
Oats, 29,988,676 bushels	19,985,278
Peanuts, 148,232,242 pounds	14,625,376
Rosin, 178,989,169 pounds	12,190,480
Potatoes, 11,175,385 hundredweight	7,829,373
Rice, 1,536,244 hundredweight	6,585,914
Peas, dry edible, 750,343 hundredweight	2,308,535
Turpentine, 2,981,709 gallons	1,225,187
Rye, 823,371 bushels	989,369
Cotton, American Egyptian, 2,667 bales	772,923
Cottonseed, 7,294 tons	357,775
Lespedeza seed, 1,201,000 pounds	144,089
Total	2,229,810,015

Turning to the commodities which are in inventory, we find a somewhat similar pattern. Of the $1,806,365,438 total cost value of inventory holding on February 28, wheat, corn, and other feed grains, and cotton accounted for $1,278,818,849, or 70 percent. The rest—$527,546,589—covers the semiperishable group and some special commodities such as linseed oil and wool, with the semiperishables themselves accounting for less than $300,000,000. This is obviously the area of immediate problems as far as inventory holdings are concerned.

The complete listing of commodities in inventory, with cost values, is as follows:

Cotton, upland, 3,646,272 bales	$613,353,057
Wheat, 144,853,295 bushels	358,042,121
Corn, 167,582,777 bushels	255,733,783
Linseed oil, 421,577,441 pounds	119,549,121
Eggs, dried, 79,317,979 pounds	101,361,973
Flaxseed, 12,801,153 bushels	81,278,225
Butter, 92,796,753 pounds	57,670,108
Beans, dry edible, 4,865,985 hundredweight	43,025,268
Milk, dried, 294,252,026 pounds	37,532,538
Barley, 25,079,381 bushels	36,064,035
Wool, 35,427,479 pounds	27,688,394
Rosin, 210,837,798 pounds	17,145,215
Cottonseed, 199,478 tons	10,327,809
Oats, 11,255,782 bushels	9,772,260
Cheese, 24,805,653 pounds	8,396,935
Peanuts, farmers' stock, 56,058,463 pounds	5,914,897
Peanuts, shelled, 18,679,120 pounds	2,780,289
Grain sorghum, 2,073,245 hundredweight	5,853,594
Soybeans, 2,005,507 bushels	5,055,644
Prunes, 35,326,345 pounds	3,593,150
Raisins, 9,876,690 pounds	937,061
Turkeys, 3,380,079 pounds	1,366,923
Minor items	3,923,038
Total	1,806,365,438

It will be noted that potatoes, the crop which has posed the most serious current disposal problem, do not show up in this CCC inventory listing. This is because the Government does not buy potatoes to store. It distributes all price-support potato purchases immediately, through whatever diversion outlets are available. The same procedure has been followed with some other crops, principally limited seasonal purchases of fresh vegetables and fruits for immediate school-lunch or welfare distribution. Disposal questions for this group are closely related to those for the holdings of nonstorables.

While pointing out that the immediate questions of disposition center in the nonstorable commodities, and that those of this group which are in inventory or under current purchase operations constitute the real surpluses, I do not wish to leave the impression that there are no serious problems with regard to large CCC holdings of cotton, wheat, corn, and other storable crops. A lot of money is tied up in price-support operations for these crops now, and more undoubtedly will be before we are able to strike a production balance.

Mr. Chairman, I would like to turn to another and a more personal matter involving a reduction in the bill for projects in my district. I want to preface my statement by saying that I deeply appreciate the consideration that was given to these projects by the subcommittee which handled this matter. I want to say, too, that I have discussed the matter of a reduction with responsible officials in the two communities involved and have advised them that, in my opinion, it is an equitable reduction in terms of the reduction applied across the board and that I did not think in fairness to the committee which was undertaking to produce some results so far as sound economy is concerned or in fairness to them I should make any effort to have these sums replaced in the bill by any amendment. These officials and the people they represent are deeply anxious about our fiscal situation. I know I speak for them when I say they are ready to share any fair reduction which can help us in trying to avoid a deficit and in balancing the budget.

That is my present intention. However, I would like to get the record a bit clearer and I would like to ask the chairman of the subcommittee if it is not true, on page 255 of the committee report, that the amount involved in Adams and North Adams for flood-control work is $350,000 each, and that is to be compared with the recommendation of the budget of $500,000 each.

Mr. KERR. The gentleman is correct.

Mr. HESELTON. That was my understanding.

I want to call attention to the fact, on page 380 of the hearings on the Civil Function Department of the Army, that there is a list of estimated costs, and as against this $350,000 in Adams the 1951 estimated cost is $4,600,000, and as against the $350,000 in North Adams in 1951 the estimated cost is $13,170,000, so that obviously there is going to be quite a continuing period of time during which this construction will have to be undertaken.

I asked the engineers to advise me as closely as they could as to what the effect would be on both of these projects, and I would like to make this statement at this time primarily because I want the people in my district to know what will not be undertaken in next fiscal year, and to call to the attention of the committee one particularly significant point as to the Adams project.

I am advised that the reduction in funds made by the House will not permit construction of the concrete walls and levees along a 200-foot length of the main stream and one check dam which was proposed for fiscal year 1951. The check dam is necessary to prevent erosion in the channel and possible damage to permanent works and in lieu thereof it will be necessary to construct a temporary dam closure at an increased project cost of about $10,000. Completion of the project will be delayed for 1 year with the attendant increase in Government cost and continued lack of protection to the area.

In the North Adams project, the reduction in funds made by the House will prevent construction of the concrete paved chute for an additional distance of 400 feet proposed for fiscal year 1951. This will upset the planned schedule of construction operations.

I know that the subcommittee will have these facts in mind next year when we will go into the substantial phase of construction on these two projects.

In the meantime, we can and will pray that these communities shall be spared from floods or high water until the work can be completed at the earliest possible moment.

Mr. CANNON. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I wish to call attention to a program being conducted in my native city of Boston aimed at reducing the tragic loss of life and property due to fire. The most harrowing assignment I can think of is that of the fireman who must grope his way to a crib and remove the charred flesh of what a few minutes before was a little child. A child whose little body was horribly burned in a fire that might easily have been prevented.

Today we can pick up the newspapers and read such captions as these: "Mother and three children burned to death in fire." "Family of six children die in flames." "Flash fire wipes out family of nine." "A fire of small damage today took the lives of a mother and two children." "Twenty-two children die in Maine fires the first 2 months of this year." Those are actual stories. And they continue day after day.

I believe that if we give deserved recognition to the program now in operation that similar programs can be adopted throughout the Nation and will go far to reduce this unnecessary slaughter of innocent children. This program is being conducted by the Boston Board of Fire Underwriters, one of the oldest and most effective insurance organizations in the United States, and in cooperation with the Boston schools and the Boston Fire Department. I am particularly interested in the man in charge of this program because he has been a lifelong friend of mine, Herbert L. McNary. His late uncle served in the Congress, representing in this body the district I now have the honor of serving. He represented his people in an outstanding manner.

The program is one of fire-prevention education. I used the word "education"

advisedly. To the best of my knowledge this program is the first to recognize that man, himself, is the No. 1 fire hazard. That we must have more than fire protection, which, in substance, is controlling and reducing damage after a fire has started; more than fire prevention, which again in substance is the enactment of protective laws and the administration of these laws and regulations. We must reach man himself.

We are handicapped by the obvious fact that fire has been our friend as well as our enemy since the beginning of time. Only within relatively modern times have we looked upon the ravages of fire as anything else but an act of God. Man's efforts to fight fire dates back only to the early days of our Nation. Even then, to protect one's home against fire one had to join a company and put a special marker on the door. If the wrong apparatus responded the home was permitted to burn.

Even today fire is in the nature of a spectacle, the greatest free show on earth. We are dulled to indifference by the sight of apparatus speeding by or excited to the extent of giving chase according to our natures. But our concern over the potential loss of life is seldom evoked. A fire to most of us is always something that happens to someone else.

When we do concern ourselves with the great fire waste, we are inclined to do so on a national basis and to concentrate our interest in a Fire-Prevention Week. Both have great limitations. More than almost any other potential threat to life and property fire is a local, community problem. And the problem of fighting fire requires year-around attention.

Visualizing the need for year-around action and the wisdom of concentrating on a community, the Boston Board of Fire Underwriters a year ago adopted an intensive fire-prevention campaign. Generally it follows four patterns:

First. Government: This means attention to the enactment of beneficial legislation and the administration of existing laws and regulations.

Second. Business and industry level: This means improving fire protection and providing fire prevention education to factories and mercantile establishments.

Third. Civic and other organizations: This means carrying the fire-prevention education programs directly to the adult.

Fourth. Youth programs. Concentration of effort on this last phase—the youth programs—is the basis of the program I am discussing at this time. Unfortunately, we as a nation, have been so far behind in fire-prevention education that we are almost forced to consider our present adult population as a lost generation. We hear the statement made that carelessness is responsible for 90 percent of all fires. This so-called carelessness results from what people do or fail to do because of habits formed in the home over the years. If we are to reach these adults at all it can best be done through the children. But more important, by providing to the children now the education their elders did not receive we are educating the adults of tomorrow.

This program in Boston, therefore, has three objectives. It catches children at an age when they can form good habits and acquire those instinctive reactions to fire hazards that will serve them later in life. It trains and instructs the children now with the result that they participate in the actual correction of thousands of existing hazards. In addition, through the children, we have the most effective means of reaching the adults.

In my State of Massachusetts as well as in many other States one- and two-family dwellings are specifically exempt from official inspections by firemen and other dwelling units are limited to inspection on complaint only. I do not criticize such laws because there are other factors involved and we need to adhere to the principle that "a man's home is his castle." But it is a fact, too often demonstrated, that a fire in a single home can become a conflagration that wipes out a community.

We must find some means of getting fire-prevention knowledge and fire-hazard correction into these homes. It should be done by the occupants themselves. This is the most effective means of safeguarding the home. And the way to reach the occupants is through the children.

In Boston right after the start of the school year and coincident with Fire Prevention Week, home-inspection blanks, sufficient in number to account for every home in the city, are provided by the Boston Board of Fire Underwriters and distributed through the schools. These are returned completed in great numbers.

Shortly thereafter in all elementary grades the pupils receive on a regular basis about once a month a compact list of fire-hazard warnings that are current at the time such as burning leaves hazards in October, home-heating hazards in November and Christmas hazards in December. These are prepared in a very effective manner and brought home to the parents.

This and other work in lower grades points up to the special program conducted in the sixth grade, which in many schools is the top grade before moving on to a junior high school. In some instances the fifth and seventh grades are combined. But experience has shown that the age group at this stage is the most alert, capable, and responsive for assimilating fire-hazard knowledge and conducting fire-prevention programs.

Trained firemen in uniform provide instruction on periodic visits. On each visit material supplied by the Boston Board of Fire Underwriters is provided. Included is a manual listing the many types of fire hazards to be found in the home.

The high point of the program is reached when a period of 2 to 3 weeks is set for a home and neighborhood inspection drive. Slips are provided on which the hazards corrected are noted and explained. These slips are countersigned by the parent or occupant. The cooperation of the public has been excellent. These boys and girls, and I might say, especially the girls who, in later years will be the homemakers, do a marvelous job. It is not unusual for some to make well over 100 individual corrections. Even at an average of 10 corrections made by each boy or girl this means 10,000 corrected hazards per 1,000 pupils. Five corrected hazards entitles a boy or girl to an inspector's badge. Gold badges for higher rank are awarded on competitive basis.

There are many other features of the program, such as examinations, fire-prevention compositions, and art work all included in regular classwork. The programs require no additional work of teachers. Instructions are given by firemen, material is provided by the Boston Board of Fire Underwriters, and the handling, distribution, and tallying of material is done by the school children.

Already there has been a marked improvement. For years, in Boston, there had been a steady increase in number of fires and alarms. The building fires per 1,000 population for Boston was one of the highest of all large cities. Already there has been a marked decrease in number of fires, especially in dwellings, and Boston showed the best improvement in 1948 in the building fires per thousand population index of any of the large cities. Even more important, there has been a sharp decrease in the number of deaths due to fire, especially involving children.

In the opinion of qualified fire-prevention experts this program is the most effective means of combating loss of life and property from fire in the homes. I sincerely recommend this program for your consideration in your own districts. I am certain that detailed information will gladly be furnished to any interested party by addressing a request to Herbert L. McNary, executive manager, Boston Board of Fire Underwriters, 89 Broad Street, Boston 10, Mass.

The fear of fires is a constant one existing in our minds. Any constructive proposal and effort to reduce the occurrence of fires is a matter of interest to all communities throughout our country. This plan in operation in Boston has produced real results. It also is a character-building program.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, in this week's issue of the National Tribune, the editor, Capt. Edward K. Inman, has written an editorial concerning the recent cut-backs in Veterans' Administration personnel and the veterans' hospital-bed situation that is worthy of reproduction in the CONGRESSIONAL RECORD. I know that his sentiments, as expressed in the editorial, are shared by most of you, but it is vitally necessary to do more than feel strongly about this subject. While it is true that cut-backs were made by the Congress it is our duty to those who served for us to act and act promptly to insure that medical service and treatment of our veterans are not impaired by ill-considered reduction programs.

It is not the fault of the Congress, but the administration that the cut-backs in personnel in the Veterans' Administration, and the cut-backs in the construction of the 16,000-bed hospital program have been made, and the elimination and the consolidation of the Army

and the Navy hospitals, which has resulted in a great shortage of beds. I think the Members all feel that it should be our duty to insist that the program as planned and authorized and appropriated for by the Congress progress in order that the veterans may have adequate hospitalization.

Captain Inman said in part:

More and more of our elected representatives seem to be recognizing that cut-backs in Veterans' Administration personnel, for the sake of economy alone, the closing of Army hospitals for the same reason, and the earlier orders to vacate in part the VA hospital construction program are all having a disastrous effect on the Nation's obligation to care for its disabled veterans. Protests to the President on the part of legislators and by leaders of veterans' organizations are falling upon deaf ears.

Although I am reliably informed that General Gray will ask the budget for money to continue some of the personnel in the Veterans' Administration hospitals, yet we do not know what the budget of the President will do about that.

The tremendous influx of patients of World War II has made it very difficult to find beds in existing facilities. We know that the end result is that so-called emergency beds are being crowded into sun porches in existing hospitals. Additional ones are being eliminated for want of medical personnel who will not sign up with the VA because jobs would be insecure. Food and sanitation are worsening, and service to the sick and wounded is becoming deplorably bad.

Complaints are coming in to this veterans' spokesman from all over the country. In New York City, for instance, a big center of veteran population, it is asserted that neither ambulance nor bed is longer available in emergency. In Texas, older veterans are being compelled to vacate their beds so that younger ones may be admitted. In Indianapolis recently a very sick and very old veteran was sent home to relatives on a stretcher so that his spot could be filled by another on the waiting list. And so it goes in almost every locality.

Mr. Chairman, I hope the Congress will again insist that this money be reappropriated. It is necessary to appropriate for the cut-backs in personnel. It is not necessary to reappropriate for the construction of facilities for 16,000 beds, because the Appropriations Committee in its wisdom authorized and appropriated that money over 2 years ago. The Congress did not order the closing of Army and Navy hospitals.

Mr. CANFIELD. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New Jersey.

Mr. CANFIELD. How does the gentlewoman think the Congress is going to get anywhere with its so-called one-package-bill approach on appropriations if 2 or 3 months before the end of the fiscal year administrators downtown will say to the country that they have erred grievously and made mistakes involving hundreds of millions of dollars? Where are we going to get with our one-bill approach that is supposed to tell the people about the income and outgo and let the people know where they stand insofar as the expenses of Government are concerned?

Mrs. ROGERS of Massachusetts. We certainly will not get very far, especially as in the case of the Veterans' Administration, when it did not ask for adequate money. The will of Congress is constantly being thwarted by the administration. I think the only thing that will cure the situation is the tremendous revolt among the people of the country. They feel that we sent the veterans to war and that we should care for them. That is their wish, and they want enough money appropriated and wisely spent for them. They want the administration to be fair to the veterans and to the Congress.

The complete editorial in the National Tribune by Mr. Edward Inman is as follows:

On the floors of Congress these days more and more of our elected Representatives seem to be recognizing that cut-backs in Veterans' Administration personnel, for the sake of economy alone, the closing of Army hospitals for the same reason and the earlier orders to vacate in part the VA hospital construction program are all having a disastrous effect on the Nation's obligation to care for its disabled veterans. Protests to the President on the part of legislators and by leaders of veterans' organizations are falling upon deaf ears. It appears to us that those men and women in the Congress, whose duty it is to assure adequate care to the country's disabled servicemen, must take the bit in their teeth and assume their responsibility whether or not it is pleasing to the administration now in power.

We have discussed on numerous occasions in this column the need to do something and what makes necessary immediate action. Over a year ago, and despite the fact that a huge influx of World War II veterans made enlargement of existing facilities essential, Executive orders were issued to reduce veterans' hospital building by 16,000 beds. More recently an Army reduction of 10,000 beds in service hospitals created a more critical condition because three-quarters of them were under contract for the use of Veterans' Administration patients. Normal building does not begin to take care of the load. The end result is that so-called emergency beds are being crowded into sun porches in existing hospitals; additional ones are being eliminated for want of medical personnel who will not sign up with the VA because jobs would be insecure; food and sanitation are worsening, and service to the sick and wounded is becoming deplorably bad. In addition to these conditions that are alone a blight upon the good name of our Government, dangerously ill patients are being moved out of the hospitals and are being sent home to die.

Complaints are coming in to this veterans' spokesman from all over the country. In New York City, for instance, a big center of veteran population, it is asserted that neither ambulance nor bed is longer available in emergency. In Texas, older veterans are being compelled to vacate their beds so that younger ones may be admitted. In Indianapolis recently a very sick and very old veteran was sent home to relatives on a stretcher so that his spot could be filled by another on the waiting list. And so it goes in almost every locality. Thousands of men, who served their homeland in time of war, are denied medical care, all in the name of doubtful economy, while new means are being found constantly to pour billions of dollars down the sink-holes of the world in the names of charity and the advancement of backward areas. The word comes through, as it did from the manager of an Illinois hospital a short time ago, needy veterans must give up their beds because it is felt maximum benefits have been had and further treatment "would delay admission of others who are in need of active hospitalization." The long and short of it is that the people, through their responsible representatives, are running out on the men and women to whom they owe their very salvation.

Mr. PATTERSON. Mr. Chairman, I have received letters and telegrams from directors of hospitals in the State of Connecticut, who are seriously concerned over the action of the House Appropriations Committee in reducing the amounts granted for hospital construction and expansion from $150,000,000 to $75,000,000.

Such action, if endorsed by this House, would be a clear breach of faith. Only last year this Congress authorized the larger figure—believing it to be both wise and necessary. Certainly it was the responsibility of the hospital authorities to predicate their future program upon the amount which would be available. Connecticut was to have distributed $1,012,000 for this purpose, and grants were so allotted. If the committee action is upheld the Connecticut share will dwindle to $506,000, I am informed.

This is truly wasteful economy as we are depriving the sick and disabled of proper care and prolonging their absence from occupational pursuits. A sick person neither works nor pays taxes to support the Government. We would be derelict in our public duty were we to now reduce the amount authorized for this purpose. I do not propose to deprive the sick of proper medical care in the name of economy. Should Congress violate its previous action we will go further down the road to socialized medicine as the American people will not tolerate inadequate hospital care.

The funds appropriated by the Government are matched by public or private subscription, and arbitrary action now will do irremedial damage to this manner of financing hospital construction and expansion.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. VELDE].

Mr. VELDE. Mr. Chairman, I wish to take this opportunity to commend and congratulate the Department of Justice and the United States attorney, the presiding judge, and the jury in the trial of Harry Renton Bridges, which resulted in a verdict of guilty yesterday.

This was a long and tedious trial, during which passion and prejudice flared up frequently. The fairness exhibited by Government witnesses, the prosecuting attorney, and the trial judge was typical of our American system of jurisprudence. It goes without saying, of course, that the Federal Bureau of Investigation deserves a large part of the credit for the results of this trial. I happened to be a part of the FBI force which investigated the Harry Bridges case in San Francisco. While the nature of my work in San Francisco made it impossible for me to act as a witness in this case, I am well aware of the fact that the jury's verdict of guilty is well grounded and substantiated by the actual facts. As in other cases involving Communists, the trial judge could not, and, of course, did not, admit evidence secured by the FBI through highly confidential and technical sources. If the jury could

have heard Harry Bridges speak as I and hundreds of other FBI agents have heard him at Communist Party meetings and other Red gatherings on the west coast, they would know for a certainty that Harry Bridges perjured himself in connection with his obtaining United States citizenship in 1945.

It is regrettable that much similar information on Communist activities in this country cannot be made available to the American juries and the American people generally, due to restrictions in our laws and the guaranties of our Constitution. The long history of Bridges' connection with communism will, I hope, someday be fully disclosed. It is a perfect example of the treachery and intrigue Stalin's forces are engaging in here in the United States.

The verdict of the San Francisco jury in the Bridges case recalls to our minds that there are still many equally dangerous subversives in the United States who are operating and spreading their filthy propaganda and yet remain untouched by our laws. These subversive forces are still in the very heart of our Government and, unless our law-enforcement agencies become more active and aggressive, may eventually become the tool by which Soviet Russia will establish her Communist dictatorship here in this country. The very thought is abhorrent to all of us who love our freedom and liberty, but is nevertheless realistic. Whether we realize it or not, there is a present and immediate danger to our country from Communist aggression from within.

I urge the President of the United States, who ultimately is in charge of our law-enforcement policy, to forget his political prejudice, to wake up to the real threat to our country, to be an American statesman instead of a political ward heeler, and take up the battle against the threat of communism wherever its treacherous tentacles can be found, and do it now before it is too late.

It has occurred to me that Members of Congress may be interested in reading a brief history of Harry Renton Bridges, so I include in the RECORD at this point a statement concerning his life and activities.

Harry Renton Bridges was born at Melbourne, Australia, on July 28, 1900. He first entered the United States from that country. At the time of his deportation, Bridges was president of the International Longshoremen's and Warehousemen's Union.

Harry Bridges first entered the United States in 1920. On May 7, 1920, he registered as an alien in the United States Department of Labor. Shortly after his arrival in the country, he went to work as a longshoreman in San Francisco, Calif., at which port he had entered the country. Shortly thereafter he went to New Orleans, La., where, on July 13, 1931, he filed his first papers for application for American citizenship. He failed, however, to perfect his citizenship within the 7 years required by law. On August 9, 1928, less than a month after the expiration of his first period of application, he again filed his first citizenship papers. This declaration was made before the clerk in the United States District Court of the Northern District of California. Again Bridges failed to perfect his citizenship within the required 7 years.

On May 2, 1946, Bridges filed a Form A–2213, which is entitled "Preliminary Form for Declaration of Intention." It might be stated that on all of these forms Bridges made misstatements as to his exact marital status and the number of children he claimed to have had.

In a release dated March 1938, the Department of Labor stated briefly that Bridges had first been charged with communism in 1934 and that an investigation was made at that time and a report was filed on February 2, 1935, but that no action was taken until the fall of 1937, when certain persons filed new complaints against Bridges in the Seattle district of the Immigration and Naturalization Service which was then operating under the Department of Labor. An investigation of these new charges was made during the winter of 1937 and on March 5, 1938, Bridges was served with a warrant and was given a preliminary examination at the Baltimore office of the Immigration and Naturalization Service. As a result of this hearing, Bridges was held for a hearing on deportation charges.

During the summer of 1939 a deportation hearing involving Harry Bridges was held before James M. Landis, who at the time was dean of the Harvard Law School. On December 28, 1938, Dean Landis turned in his verdict, in which he said:

> The evidence, therefore, establishes neither that Harry R. Bridges is a member of, nor affiliated with, the Communist Party of the United States of America.

On February 14, 1941, Harry Bridges was again arrested and held for deportation on a charge that after entering the United States he had been a member of, or affiliated with, an organization, association, society, or group that believes in, advocates, or teaches the overthrow by force or violence of the Government of the United States. From March 3, 1941, through June 12, 1941, hearings were held in connection with this second deportation charge.

On May 28, 1942, Hon. Francis Biddle, Attorney General of the United States, in a deportation proceeding entitled "Re Bridges" made a finding that the Communist Party is an organization that advocates the overthrow by force and violence of the Government of the United States. On the same date an order of deportation was made by the Attorney General against Bridges. On January 30, 1945, the Supreme Court agreed to hear arguments on the Bridges case. On April 2, 1945, the Court reviewed the facts of the Bridges case. On June 19, 1945, the Supreme Court ruled 5 to 3 that the deportation order issued against Harry Bridges was illegal. Justices Douglas, Black, Reed, Murphy, and Rutledge voted for Bridges. Justices Roberts, Frankfurter, and Stone dissented. Justice Jackson did not participate.

On September 19, 1945, Harry Bridges became a naturalized citizen of the United States in San Francisco, Calif.

On May 25, 1949, Harry Bridges was indicted by the Federal grand jury in San Francisco, Calif., on charges of conspiracy and perjury in connection with his obtaining citizenship. On April 4, 1950, as a result of these charges, Harry Bridges was convicted in Federal court in San Francisco, Calif.

Mr. CANNON. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. PRIEST, having assumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, had come to no resolution thereon.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that general debate on the general appropriation bill for the fiscal year 1951 be concluded when the House adjourns tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ORDER OF BUSINESS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the general appropriation bill for the fiscal year 1951 have right of way over all other privileged business under the rules until final disposition, with the exception of conference reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SPECIAL ORDER GRANTED

Mr. CHRISTOPHER (at the request of Mr. CANNON) was given permission to address the House for 1 hour on Wednesday, April 19, 1950, following the legislative program and any special orders heretofore entered.

REHABILITATION OF NAVAJO AND HOPI TRIBES OF INDIANS

Mr. MORRIS submitted a conference report and statement on the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

COMMITTEE ON BANKING AND CURRENCY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a conference report and statement on the bill S. 2446.

The SPEAKER pro tempore (Mr. PRIEST). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. BOYKIN (at the request of Mr. MORRIS) was given permission to extend his remarks and include certain telegrams and an article contained in a recent issue of the Saturday Evening

Post, entitled "We'll Never Make Them Do It Our Way," notwithstanding the fact that the estimate of the Public Printer is that the cost will be $266.50.

Mr. WICKERSHAM asked and was given permission to extend his remarks and include a bill which he introduced today relating to grain bugs in wheat and some letters from certain committees.

Mr. McCORMACK asked and was given permission to extend his remarks and include a speech made by Mr. Joseph C. Duggan, and a memorandum prepared for him by the Legislative Reference Service of the Library of Congress.

Mr. PATTERSON (at the request of Mr. CANFIELD) was given permission to extend his remarks immediately following the remarks made by the gentlewoman from Massachusetts [Mrs. ROGERS].

Mr. ENGLE of California asked and was given permission to extend his remarks and include extraneous matter.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in two instances, in one to include a letter and resolution from the Board of Selectmen of Watertown, Mass., and in the other a letter from William Foster, Deputy Administrator of ECA.

REREFERENCE OF BILL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from the further consideration of the bill (H. R. 743) for the relief of Mrs. Margaret D. Surhan, and that the bill be rereferred to the Committee on the Judiciary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Washington [Mr. MITCHELL] is recognized for 15 minutes.

RENT CONTROLS

Mr. MITCHELL. Mr. Speaker, if rent control is ended with one quick blow at the end of June, what will happen to millions of American families who cannot pay more rent without cutting expenditures for other necessities?

Congress could answer with accuracy only if it had a report from every American family in those remaining rent-control areas where available housing does not meet demand. I submit that these reports would prove the need for a continuation of rent controls.

For presentation to Congress, I wish every Seattle tenant, for instance, could and would answer the following questions:

First. If rent control is ended, what do you expect to happen to your rent?

Second. Can you afford an increased rent?

Third. What part of your income now goes to rent?

Fourth. How much of an increase could you pay before changing your present living arrangements?

Fifth. If the increases are greater than you can afford, how would you change your living arrangements:

(a) Would you double up with other persons or other families?

(b) Would you try to find cheaper quarters?

(c) Would you buy a home?

(d) Would you take in roomers or boarders?

Sixth. If you could not change your living arrangements, would you meet the increased rentals:

(a) By having additional family members seek employment?

(b) By reducing expenditures for other items, if so what items?

(c) By forfeiting goods being paid for on the installment plan?

(d) By substituting credit and installment for cash purchases?

(e) By reducing savings?

(f) By going into debt?

(g) By going on relief?

With answers to these questions from Seattle, or any other representative area, the Congress would have at least an approximation of the answers to national questions such as these which decontrol would raise:

How many families will be standing on the streets—eviction cases—looking for a roof overhead?

How many families will have savings they can draw upon to make up the increases?

What will increased rents mean to the livelihood of the butcher, the baker, the clothier, the farmer, the doctor, and all the other producers and suppliers of life's necessities, when this decrease in purchasing power begins to take effect?

These questions ought to be fully considered, lest we make hasty and unwise decisions. It is easy enough for the Members to stand here and debate the pros and cons of rent-control legislation on a high legal and technical plane. I am thinking of the family that will wake up the morning of July 1 and find a notice from the landlord that the rent has been raised.

And let us not fool ourselves that rents will stay put without controls. The Bureau of Labor Statistics made a recent survey of rents in the decontrolled city of Dallas, Tex. The results showed that 59 percent of all tenants had rent increases and their increases averaged 36 percent. They had to pay out an average of $13.96 each month in added rent.

I remember reading a letter from a Dallas mother soon after decontrol. Her rent was just about doubled. What happened to the rest of the family budget? Some of the rent money was taken out of the small sum that went for the children's school supplies, including their clothes and shoes and lunch money. The cleaning man got less business, even though the family wanted to be properly dressed for churchgoing. This mother could not afford train fare to be at the side of a stricken relative in another city.

This Dallas mother was bitter—and she had a right to be. Her city was a "big man's town," as she described it, and the penthouse dwellers who ran the city did not care very much about the plight of the small renter.

Bear in mind, further, that the families with the largest numbers of children will suffer the most. Available studies show that the largest families are bunched in the lower income range. More children to feed and clothe means less for each one—and still less when the rent-taker gets more.

One-fourth of all the families in the country have annual incomes of less than $2,000. If rent controls go quickly and prematurely, these families will pay more rent. But they will eat less, wear poorer clothes, cut down on other essentials—and the economy will suffer with them.

The Bureau survey I cited above showed that 71 percent of the Dallas families with incomes of less than $2,000 a year reported rent increases after decontrol, and their increases averaged 47 percent. It is true that when you average these increases with the units which had no increases, the over-all increase in the city's rent bill was not as great, but I call attention to the fact that this survey was conducted soon after rent controls had been removed and that many additional tenants received notices of increases to become effective after the date of the survey.

Some months ago the organized landlords of Cook County, Ill., which embraces the city of Chicago, carried their case for rent increases—for the second time—to the United States Emergency Court of Appeals. They pointed to evidence which they said justified a 71.5 percent increase. They insisted that the court order a 45 percent increase now, and that they were willing to take the balance after rent control was removed.

What would such increases mean to the millions of families I have been talking about? Our middle and low income families are already struggling to make ends meet. When food and clothing prices jumped up, they took cheaper cuts of meat, and made their old clothing do another year. But if their rents soar, they have no other choice except to beat the pavements in search of a meaner dwelling.

Let us review the housing and rent control situation briefly. Congress approved such control originally due to a national emergency. The war effort caused a vast movement of people to industrial centers. Housing facilities were strained to the breaking point and rents threatened to soar skyward. Wherever the impact of the war effort presented such a threat, rent control was established.

The housing shortage increased by leaps and bounds during the war years when we lacked materials or manpower to build new houses. Add to these housing pressures the tremendous increase in families which accompanies every war.

Just what is the situation today? New housing has gone up since the war, but we are still at least 2,000,000 units short of the increase in families. Since 1940, about 5,000,000 new units have been produced, but there are 7,000,000 more families.

When the building industry began to tackle this enormous housing shortage, it turned first to the production of high-price houses for home ownership and sale. Sights were set high, so high that

they overlooked the needs of the average family. A small percentage of the housing units were built for rent, and these at rents which the average family cannot afford.

It does not take a brochure of statistics to prove that rentals for newly built two-bedroom units usually start at about $90 per month. This is common knowledge, and we also know that the average income of the American family cannot begin to measure up to such housing costs.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. MITCHELL. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman from Washington with me heard the distinguished chairman of the Appropriations Committee present the budget for the fiscal year 1951 as a war budget. Is it not true that rent control is an incident of war, be that war cold or hot?

Mr. MITCHELL. I agree very definitely with the gentleman, and certainly this Congress should approach the problem with that in mind.

What about the veteran's family? In Seattle the average income of World War II veterans is less than $3,000 a year. If we take the prewar percentage of income going for rent—about 16 percent—it is clear that $480 or $40 per month is the maximum amount which can be spared out of the family budget for rent. Certainly these Seattle veterans are in no position to pay $90 a month rent.

There is no argument over the fact that rent control is an emergency measure. It must be wound up at some point. The question is how and when. The answer is not a sudden termination that will cause suffering and hardship to millions of families at one blow, and disrupt the economy that depends on their sustained purchasing power.

The answer, I submit, lies in the direction we have been following since April 1 of last year. Under the present act, local communities and States are permitted to end rent control when they decide it is no longer needed. Already a few States and larger cities have taken such action and an increasing number of smaller communities have been decontrolled.

Of the 90 cities having a population of more than 100,000 which were under control on April 1 of last year, more than 70 are still under control. Out of more than 1,500 communities with a population of 5,000 or more which were under control last April, there are still more than 1,000 under control. Decontrols have been effected on more than 3,000,000 units but there are still about 11,000,000 controlled units.

This clearly indicates that we still have a national problem but it shows the way to an orderly system of decontrol, city by city and State by State, without the disruptive effects on our economy and the widespread suffering which would inevitably be the result of a sudden and premature ending of all control on June 30 of this year.

A progressive and orderly system of decontrol will also give State and local authorities a grace period to take such measures as they deem wise in protecting tenants from undue rent increases. I have outlined the rent-control problem to the Governor of the State of Washington with that thought in mind.

Let us make our decision with foresight and understanding as to the problems of the ordinary American family. Another year of rent-control legislation is not too much to ask. It is a small price to pay for the protection of family welfare and economic stability.

Mr. Speaker, I request unanimous consent that a letter—I might say an unanswered letter—which I sent to Governor Langlie on March 13 be printed at this point in the RECORD. Following that I request the printing of a most objective statement of rent decontrol problems prepared for the Seattle City Council by the Retain Rent Control Committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MITCHELL. The letter is as follows:

LETTER TO GOVERNOR LANGLIE

MARCH 13, 1950.

Hon. ARTHUR B. LANGLIE,
The Governor's Office,
Olympia, Wash.

DEAR GOVERNOR LANGLIE: The Eighty-first Congress has made and continues to make an outstanding record in the enactment of housing legislation. We have provided the legislative framework for home building on an unprecedented scale. Until the practical results are seen in more and better homes many of our citizens will still be confronted with difficult housing problems. It is with that compelling thought in mind that I share the President's point of view that rent-control legislation should be continued for 1 year after the present date of expiration—June 30, 1950.

You are doubtless aware that strenuous opposition has been manifested by Senator CAIN and others to such continuation of rent control.

Anticipating the possibility that the Congress may not vote an extension of the law, some States and localities have taken preparatory steps to protect tenants from the burden of undue rent increases by enacting stand-by rent legislation.

It is my hope that you are giving serious consideration to this problem as it affects the people of the State of Washington. Inasmuch as the Congress last year voted local responsibility for decontrol, there are many in Congress who believe the logical second step is for the States and cities to be made responsible for both rent control and decontrol. As you know, decontrol has been followed by varied results depending upon the housing available in the community. In Spokane the real-estate interests reported an average rent increase of only 14.3 percent but in Houston the average increase was 41.3 percent; in Topeka, 30.3 percent; Knoxville, 26.8 percent, and Dallas, 35.4 percent.

I will appreciate being advised as to what extent the State of Washington or its cities are prepared to protect tenants against unjustified rent increases in the event Congress does not extend the controls prior to June 1. If the basic legislation allowing local control has not been enacted do you plan the calling of a special session of the State legislature?

With best regards.

Sincerely yours,

HUGH B. MITCHELL.

THE PROBLEMS OF RENT DECONTROL

MARCH 24, 1950.

COMMITTEE OF THE WHOLE,
SEATTLE CITY COUNCIL,
County-City Building, Seattle, Wash.

DEAR SIRS: The undersigned organization is interested in the petition recently filed for a hearing on decontrol of rents.

We wish to suggest to your committee, first, that it is not required of you that you hold a hearing or yourselves act upon the question of decontrol. What you could do is to deny the petition at this time and suggest that those seeking decontrol obtain a public hearing on the question from the Seattle-King County Rent Advisory Board, of which Joseph A. Mantineau, Arcade Building, is chairman. Section 204 (e) (1) of the Federal Housing and Rent Act of 1947, as amended, provides that such a local advisory board shall hold a public hearing on a decontrol petition if it finds the petition substantial in character.

One great advantage of following this method is that whereas a city council resolution for decontrol, approved by the Governor, would put an irrecallable end to rent control in Seattle (sec. 204 (i) (6)), decontrol by the Seattle-King County Rent Advisory Board can be revoked and rent controls reestablished upon a change in conditions (sec. 204 (i) (2) (3) (4)). We urge you, therefore, first, to seriously consider turning the matter over to the Seattle-King County Rent Advisory Board.

If you decide to retain jurisdiction, we believe that your first step should be to ask the petitioners to file with you immediately the factual data upon which they base their belief that there is no shortage in rental accommodations. This should be done before you determine upon a hearing or fix its date. The object, of course, would be to give you and other interested parties an adequate opportunity to examine, investigate and weigh the evidence. Naturally, you would not proceed any further if the showing made was patently lacking in substance.

You will have in mind it is not your business to debate the merits of rent control. Under the law (sec. 204 (j) (3)), your only duty is to take evidence and arrive at a "finding" as to whether "there no longer exists such a shortage in rental housing accommodations as to require rent control in such city, town, or village."

If the evidence filed with you is substantial, you should turn it over to the appropriate city employees, agencies, and commissions, and have them check it, analyze it, and report to you. Only then would you be able to know whether you should have a hearing.

May we take the liberty of pointing to some of the types of evidence which you will probably wish to compile and consider?

1. Demand for housing:

(a) Population:

(1) Estimated population in 1940, on VJ-day, and at the present time.

(2) Anticipated increases or decreases in population.

(b) Employment:

(1) General trend of employment in the past 6 months.

(2) Anticipated changes in total employment in next 90 days.

(3) General statements on employment situation.

(c) Military installations (including hospitals):

(1) Name of installation and branch of service.

(2) Number of personnel with families outside of installation, both military and civilian.

(3) Type of housing most in demand, apartments or rooming-house accommodations.

(4) What is the experience of the housing officer in securing needed housing? (Are

waiting lists maintained? If so, what is the waiting time for housing units?)

(Sources: Commanding officers or housing officers.)

(d) Colleges and universities, if any:

(1) Names and locations.

(2) Prewar peak enrollment and date.

(3) Present enrollment.

(4) Approximate number of veteran students living with wife and family.

(5) Special measures taken by school to house veterans.

(Sources: School authorities and veterans' organizations.)

(e) Approximate number of families and individuals seeking housing accommodations.

(Sources: State officials, rental agencies, chambers of commerce, local housing authorities, veterans' organizations, labor unions, major employers, newspaper advertisements, and other local officials and organizations.)

2. Rents and housing supply:

(a) Rents: (1) Extent of rent decreases, if any, during the past 6 months. Specify whether decreases have occurred for high- or low-rent dwellings, and whether for those in good or poor condition.

(Sources: Mayors, chambers of commerce, real-estate men, newspaper editors, labor and veterans' organizations.)

(b) Vacancies.

(Sources: Recent vacancy surveys, real-estate offices, landlords, mayors, chambers of commerce, newspaper advertisements, housing centers, labor and veterans' organizations.)

(c) New construction: The approximate number of new dwelling units completed since 1940 and since VJ-day.

(Sources: Local building inspectors or other officials, FHA office, builders, and contractors.)

(d) Temporary public housing projects: List projects which are scheduled for removal in whole or in part within 90 days and the number of units in each such project which are now occupied and now vacant.

(Sources: Project managers.)

The existence or nonexistence of such a shortage in rental housing accommodations as to require rent control should be capable of objective demonstration so that reasonable minds will not differ. If you approach this study with the sole purpose of arriving at the facts, our organization should have no quarrel with your conclusions.

Sincerely yours,

Seattle Committee to Retain Rent Control: Paul Coughlin, Jerry Martin, Jeanne Roderick, David Roderick, John M. Morse, John J. Sullivan, Jr., Roy Atkinson.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. DAVENPORT] is recognized for 10 minutes.

SEX CRIMES

Mr. DAVENPORT. Mr. Speaker, throughout our Nation one form of crime has gained steadily in recent years until today it has become a serious menace to the home, the family, and the community. Reports from area after area and town after town show that sex crimes are occurring with greater regularity and viciousness.

In my district alone I know first-hand how the momentum of such heinous acts has accelerated recently. Parents have grown increasingly concerned. with the safety of their children; women have curtailed their evening shopping and visiting because of what might lay in store for them. There is general fear that this terror may strike at any time and any place.

From contacts with officials in other localities, I am reliably informed that the pattern of events in my district is not unique, but Nation-wide. City after city is being blanketed with fear. And case after case is being recorded where previously there was none.

There are many aspects of this problem that demand our immediate attention if we are to eradicate this evil. People are overanxious to lay the blame on their local police force when several such outrages take place. This is unfortunate. The fault does not lie here. I know of many efficient police officials who have confided that the outbreaks are like leaks in a dam. No matter how large a proportion of their force they assign to this detail the problem still remains. No areas of town are immune from it nor is any group or class of people. It strikes when it is least expected.

It is foolish to assess local police officials with the blame for not controlling sex crimes. It was just as foolish 20 years ago to blame local police for the kidnaping outrages then so common.

Like kidnaping, sex crimes are a national problem. Sex criminals do not generally confine themselves to a single community or to a single State. Many are constantly on the move to avoid detection. Those who have been caught and have served a term for their crimes often move to another State where they are not known. Police officials in their new stalking areas are not even aware that they are present.

Sex criminals tend to be repeaters. Once they have committed a sex crime, there is every likelihood that they will not stop even when they have served a prison term for their offenses. Some people call sex criminals victims of a sick mind. I call them victims of a dangerous mind, dangerous to society. In the past, many persons who have investigated the problem of the sex criminals have mistakenly given these criminals their sympathy instead of their victims. They have said, "What we must do is to put them under the care of a psychiatrist so that he will discover why they behave as they do. We must help them to be normal." It is time that we drop this coddling attitude and think of those they have outraged, the women and children they have killed, maimed, and terrorized.

In the interest of the Nation and would-be future victims of these foul criminals, I have today introduced H. R. 7994. I propose to bring the police knowledge and authority of the Federal Government into the picture. We must lend a helping hand to our cities and our towns in order to clean up this situation as well as we cleaned up kidnaping in the early thirties. We all owe a great debt of gratitude to J. Edgar Hoover and the FBI for their work in eliminating the menace of the kidnaper. When my bill is enacted, we will shortly owe them a further debt.

To the Federal Government I have assigned the responsibility for maintaining the records and movements of sex criminals who leave one State for another. These records and movements will be made available to local police officials so that they will know definitely who may cause trouble and where he can be located. And in the interests of the likely victims of sex criminals, I have made mandatory certain penaltie to deter sex criminals and make them hesitant to commit their crimes.

H. R. 7994 is composed of three sections which would amend title 18 of the United States Code. I have kept the proposed act simple in order to prevent any misinterpretation. The first part, section 2251, defines a sex crime as any crime involving a sexual assault or the molestation of a female or a minor.

The second part, section 2252, requires any person who has been convicted of a sex crime to register with the United States attorney or his designated agent within 10 days after his arrival in a new State. Whoever fails to register is liable to a fine of $1,000 or a prison sentence of not more than 1 year. Not many will fail to register when they know that such failure will immediately bring the FBI out after them.

This registration provision is especially important for it will enable the FBI and local police to know for the first time the whereabouts of those who have committed sex crimes in other States. For the first time, local police officials will have the opportunity for preventative work in this field, for these sex criminals will be known to them. In addition, those sex criminals who have moved within their jurisdiction will hesitate to commit their crimes because there will be a greater likelihood that they will be apprehended.

The third part, section 2253, imposes a fine up to $10,000 and a prison sentence up to life for those who travel in interstate commerce for the purpose of committing a sex crime. This is a Federal court action and is in addition to any sentence that may be imposed by a State court. When a man commits a sex crime today in one State after a previous conviction in another State, he will be hunted only by the police of the State where he commits the crime. H. R. 7994 will for the first time bring the FBI out after such a criminal, for by committing a new offense in a second State he will have violated a Federal law.

The Lindbergh kidnaping law of 1932 proved that when a kidnaped person was not released in 5 days, he was presumed to have been moved in interstate commerce. This was to overcome the constitutional limitation on the commerce clause. For the same reason, I have adopted a similar provision, to the effect that any person who commits a sex crime within a year after moving to a new jurisdiction after a previous conviction in another State will be presumed to have traveled in interstate commerce for the purpose of committing such sex crime.

I fully believe that the enactment of H. R. 7994 will hasten the end of the heavy fear which lies over my district and other parts of our country. Let us return their birthright of safety and protection to our women and our children.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Nebraska [Mr. O'SULLIVAN] is recognized for 40 minutes.

COMBATING COMMUNISM IN ALASKA AND HAWAII

Mr. O'SULLIVAN. Mr. Speaker, I have secured this time today to discuss two bills H. R. 7998 and H. R. 7999, which I introduced in the House yesterday, and which proposed legislation I think is of vital importance in combating communism, which some Members of this House feel is rather strongly entrenched right now, in Alaska and Hawaii.

These two bills relate to Alaska and Hawaii in event that they do become States of the United States. They are couched in identical language and are as follows:

A bill prohibiting the acquiring of United States citizenship, by persons who are not bona fide residents and citizens and actual voters of the Territory of (Alaska) (Hawaii), solely by virtue of the fact that they were residents of the Territory of (Alaska) (Hawaii) at the time of its admission into the Union as a State of the United States of America; providing for the making up of two copies of the voting rosters of all electors taking part in required specified elections before statehood; providing for the filing of same with designated entities; and further providing penalties for failure to make up and duly file said election rosters, and for knowingly placing any ineligible or unauthorized person's name upon any such required election roster

SECTION 1. Notwithstanding any provision in the law to the contrary, no person who is not an actual bona fide resident, citizen, and qualified voter, of the Territory of (Alaska) (Hawaii) and who, prior to statehood, has not exercised his right of ballot by voting in any one of the elections contemplated by the provisions of the act known as H. R. 49, the (Alaskan) (Hawaiian) Statehood Act, and whose name does not appear upon any election roster required to be made up and filed under this act, shall to be, or considered to be, or shall become, solely by virtue of the admission of said Territory into the Union as a State of the United States of America, a citizen of the United States of America, but in order to become a citizen of the United States, any such afore-mentioned person shall acquire naturalization only by resorting to the general laws of the United States in force pertaining to the naturalization of aliens.

SEC. 2. That, in order to apply and carry out this provision of the law in question, two copies or rosters of a true and correct voting list shall be made up of all qualified electors who actually voted at any election provided for by this act, and one copy of same shall be sent within 30 days after each election held under this act, to the Commissioner of the Immigration and Naturalization Service of the United States of America, at Washington, D. C., for filing, and the other copy of said voting roster shall be retained forthwith at the then seat of government of said Territory in charge of its chief executive for filing with the proper official or department of (Alaskan) (Hawaiian) government.

SEC. 3. If any person required by law so to do, shall fail, neglect, or refuse to make up and file any required election rosters, or shall knowingly place or cause to be placed, or aid, abet, encourage, assist, authorize, or conspire with another or others, to put the name of any ineligible person upon any such roster or list of qualified electors, any such person, if a then citizen of the United States or of the Territory of (Alaska) (Hawaii) upon conviction shall forfeit his own right of citizenship, and any such person and all other persons offending against this law shall in addition to forfeiting his right to such citizenship, be imprisoned for a term not to exceed 30 years and also pay a fine of not to exceed $30,000 and pay the costs of the prosecution.

For the reason that these House Members sincerely felt that communism was so entrenched in Alaska and Hawaii, they voted, I believe, against receiving these two Territories into the United States as States.

While I was listening to the debate before the House pending the passage of the Alaskan and Hawaiian statehood bills this thought occurred to me. "If I were a Communist what would I do to advance the cause?" After pondering over this question the thought occurred to me "why, I would fill these Territories with Communists just prior to the time they were admitted as States and then these Communists would become naturalized citizens of the United States by virtue of the Territories being admitted to the Union as States."

In passing it might be well to remember that one may become a naturalized citizen of the United States in one of four ways: First, by birth; secondly, by being a minor at the time the father becomes a naturalized citizen; thirdly, by becoming naturalized according to statutory procedure, and fourthly, by being an inhabitant of a Territory of the United States at the time that Territory is admitted into the Union as a State of the United States.

Being a long-time resident of Omaha, Nebr., and having known one of the great Nebraska lawyers, if not the greatest, John Lee Webster, personally, I happened to remember a celebrated case, which he tried in the Supreme Court of the United States, which was widely discussed by the legal fledglings and others during my "Who is Who and Why Years." That case is Boyd against Nebraska ex rel. Thayer, one hundred and forty-third United States Reports, page 135.

I have heard would-be historians with great dramatic effort recite how the fearless and capable John Lee Webster in his argument before the Supreme Court of the United States, asked certain of the Justices of the Supreme Court by name, how their ancestors, living in a named State, claimed their right to be regarded as citizens of the United States, when no United States naturalization law was ever resorted to and in some instances was not then in being. How the people of the Original Thirteen States acquired citizenship in the United States.

It was decided by the Supreme Court on February 1, 1892, and a check of Shepard's Citator discloses that various phases of that case have been cited with approval at least 125 times, and that it has never been reversed or modified, and is still the law of the land. I secured this case from the library and read it over again and talked about its applicability to the Alaskan and Hawaiian situation with my colleagues, the gentleman from Indiana, Hon. RALPH HARVEY, and the gentleman from Pennsylvania, Hon. LOUIS E. GRAHAM. We were all in agreement that the case pointed out the way to protect our Nation against mass Communist naturalization.

I am not a member of the Committee on Public Lands, which handled the Alaskan and Hawaiian statehood bills, and never had the opportunity to present my views before that committee because I had not acquired the idea at that time.

I thought that I had best give this case to the gentleman from Florida, Hon. J. HARDIN PETERSON, together with my notions in the matter. He took the case and consulted with the bill drafter and finally advised me that the Alaskan and Hawaiian statehood bills took care of the matter. I let the matter rest for a time and am still of the opinion that these bills do not take care of the situation, so I introduced these bills, H. R. 7998 and H. R. 7999, in the House yesterday. By this means I hope to bring this matter to the attention of the other body who can take up the subject matter of these bills and incorporate so much as they think is appropriate or proper, if any, in the Senate version of the Alaskan and Hawaiian statehood bills, and then when the bills go to conference, the merits of this matter may be thoroughly discussed and considered and perhaps embraced in the final draft.

I want to quote the following from Boyd against Nebraska ex rel. Thayer, supra. The syllabi sets forth the facts and law as follows:

Boyd was born in Ireland in 1834, of Irish parents. His father emigrated to the United States in 1844, with all his family, and settled in Ohio, in which State he has since resided continuously. In 1849 the father duly declared his intention to become a citizen of the United States, but there is no record or other written evidence that he ever completed his naturalization by taking out his naturalization certificate after the expiration of the 5 years. For many years after the expiration of that time, however, he exercised rights and claimed privileges in Ohio, which could only be claimed and exercised by citizens of the United States and of the State. The son, on attaining majority, voted in Ohio, under the belief that his father had become a citizen. In 1856 he removed to Nebraska, in which State he resided continuously until the commencement of this action. He voted there at all elections, held various offices there which required him to take an oath to support the Constitution of the United States, served in the Army during the war, was a member of a convention to frame a State constitution, was mayor of Omaha and, after 30 years of unquestioned exercise of such rights and privileges, was elected governor of the State of Nebraska, receiving a greater number of votes than any other person voted for. He took the oath of office, and entered on the discharge of its duties. His predecessor, as relator, filed an information in the Supreme Court of Nebraska, in which were set forth the facts as to the declaration of intention by Boyd's father, and it was further averred that the father did not become a citizen during the son's minority, nor until the October term of the Court of Common Pleas in Muskingum County, Ohio, in the year 1890, when the son, was 56 years of age, and it was claimed that Boyd, the son, never having himself been naturalized, was not, at the time of his election, a citizen of the United States, and was not, under the constitution and laws of Nebraska, eligible to the office of governor of that State, and the relator therefor prayed judgment that Boyd be ousted from that office, and that the relator be declared entitled to it until a successor could be elected. To this information the respondent, in his answer, after stating that his

father, on March 5, 1849, when the respondent was about 14 years of age, made before a court of the State of Ohio his declaration of intention to become a citizen of the United States, and averring "that his father for 42 years last past has enjoyed and exercised all of the rights, immunities and privileges and discharged all the duties of a citizen of the United States and of the State of Ohio, and was in all respects and to all intents and purposes a citizen of the United States and of the State of Ohio," and particularly alleging his qualifications to be a citizen, and his acting as such for 40 years, voting and holding office in that State, further distinctly alleged "on information and belief, that prior to October, 1854, his father did in fact complete his naturalization in strict accordance with the acts of Congress known as the naturalization laws so as to admit and constitute him a full citizen of the United States thereunder. he having exercised the rights of citizenship herein described, and at said time informed respondent that such was the fact." To this answer the relator interposed a demurrer, and on these pleadings the court below entered a judgment of ouster against Boyd. to which judgment a writ of error was sued out from this court. Held

(1) That, as the defense relied on arose under an act of Congress and presented a question of Federal law, this court had jurisdiction to review it (Field, judge, dissenting);

(2) That the fact that the respondent's father became a citizen of the United States was well pleaded, and was admitted by the demurrer;

(3) That upon this record Boyd had been for 2 years, next preceding his election to the office of governor, a citizen of the United States and of the State of Nebraska;

(4) That where no record of naturalization can be produced, evidence that a person having the requisite qualifications to become a citizen did in fact and for a long time vote, and hold office, and exercise rights belonging to citizens, is sufficient to warrant a jury in inferring that he has been duly naturalized as a citizen.

And it was further held, by Fuller, chief judge, and Blatchford, Lamar, and Brewer, judges:

(5) That, the Supreme Court having denied to Boyd a right or privilege existing under the Constitution of the United States, this court had jurisdiction, on that ground also, to review the judgment of the Supreme Court of Nebraska;

(6) That, even if the father did not complete his naturalization before the son attained majority, the son did not lose the inchoate status which he had acquired through his father's declaration of intention to become a citizen, and that he occupied in Nebraska the same position which his father would have occupied had he emigrated to that State;

(7) That within the intent and meaning of the acts of Congress he was made a citizen of the United States and of the State of Nebraska under the organic and enabling acts of Congress, and the act admitting that State into the Union;

(8) That Congress has the power to effect a collective naturalization on the admission of a State into the Union, and did so in the case of Nebraska;

(9) That the admission of a State on an equal footing with the original States involves the adoption, as citizens of the United States, of those whom Congress makes members of the political community, and who are recognized as such in the formation of the new State with the assent of Congress;

(10) That the rule prescribed by section 4 of the act of April 14, 1802. 2 Statutes 155, chapter 28, was to be a uniform rule, and there was no reason for limiting such a rule to the children of those who had been already naturalized, but, on the contrary, the intention was that the act of 1802 should have a prospective operation.

I shall quote the following verbatim from the argument of the defendant in error, Boyd, which is to be found at pages 152 to 157 of this case:

It may be true that James E. Boyd believed himself during all those years to have been a citizen of the United States, but that is immaterial. Aliens can only become American citizens through the process of naturalization. It will not do to permit the argument to prevail, that he should be adjudged to be a citizen of the United States, simply because the people of Nebraska, through ignorance of his alienage, permitted him to vote and hold office.

The case of *Dryden* v. *Swinburne* (20 W. Va. 69), is on all fours with this case. In that case section 2172 of the Revised Statutes was construed, and it was held that a naturalization order cannot be made retroactive; that naturalization cannot be presumed from taking a conveyance of land, voting and exercising other rights of citizenship; that an order admitting to citizenship rebuts the presumption of any previous naturalization; that parol evidence was not competent to prove the fact of naturalization; that section 2172, Revised Statutes was but the act of 1802 continued in force, and that it was not the purpose of Congress by that section to modify or change the law as expressed in the old statute; and that the word "now" as used in the Revised Statutes has reference to the year 1802, when these provisions first became law.

This question has been twice before the legislative department of the Government.

Albert Gallatin was born in Switzerland in 1761, and came to the United States in 1780. In the year 1783 he went to Virginia, and in the month of October 1785 he took the oath of allegiance in that State. In December 1785 he removed to Pennsylvania, where he purchased land and became a permanent resident. He was elected in 1789 a member of the convention which was called to amend the constitution of the State of Pennsylvania, and subsequently he was for three successive years elected a member of the Pennsylvania Legislature. In February 1793 he was elected a Senator from Pennsylvania, and he came to the Senate and took his seat in the December following.

It appears that from the time he took his oath of allegiance in Virginia, in 1785, to the period of his election as Senator, in 1793, he had not been a citizen of the United States for the time required by the Constitution, which is 9 years.

The committee appointed to investigate the case made their report to the Senate, setting forth the foregoing fact. Upon the coming in of the report of the committee, a resolution was offered in these words:

"*Resolved*, That Albert Gallatin, returned to this House as a Member from the State of Pennsylvania, is duly qualified for and elected to a seat in the Senate of the United States."

This resolution was rejected by a vote of 14 nays to 12 yeas. The record then proceeds as follows:

"A resolution was then offered in these words:

"*Resolved*, That the election of Albert Gallatin to be a Senator of the United States was void, he not having been a citizen of the United States the term of years required as a qualification to be a Senator of the United States.

"A motion was made to divide the question at the word "void"; and

"On motion to agree to the first paragraph on the motion so divided, it passed in the affirmative: Yeas 14, nays 12.

"On motion to adopt the resolution, as follows:

"*Resolved*, That the election of Albert Gallatin to be a Senator of the United States was void, he not having been a citizen of the United States the term of years required as a qualification to be a Senator of the United States.

"The vote was: Ayes 14, noes 12; and so the resolution was carried."

General Shields was elected a United States Senator from the State of Illinois on the 13th day of January, 1849. He was an alien by birth. He was naturalized in the circuit court of Effingham County on the 21st of October, 1840. He took his seat as United States Senator on the 4th of March, 1849, when his seat was contested upon the ground that he had not been a citizen of the United States the term of 9 years required as a qualification to be a Senator of the United States. He had resided in the State of Illinois 17 years. He had held a number of public offices. He had been a member of the legislature, which required naturalization. He had held the office of Auditor of Public Accounts, which required naturalization. He had been a Judge of the Supreme Court of Illinois, which required naturalization. He had been Commissioner of the General Land Office. He had been a General in the United States Army, and lastly had been elected United States Senator.

The question of his eligibility was referred to a committee which, on the 13th of March, 1849, reported, and the Senate, after a short discussion, resolved "that the election of James Shields to be a Senator of the United States was void, he not having been a citizen of the United States the term of years required as a qualification to be a Senator of the United States at the commencement of the term for which he was elected."

III. The fact that Boyd was an inhabitant of the Territory of Nebraska at the time when Nebraska was admitted into the Union as a State did not have the effect of making him (he then being an alien) a citizen of the United States.

The question for consideration is whether the admission of Nebraska as a State into the Union, on an equal footing with the original States, as provided in the enabling act and the act of 1867, made all inhabitants thereof, including aliens ipso facto citizens of the United States.

Similar or the same language is found in the enabling acts by which the various Territories were authorized to form State governments in order to be admitted into the Union of States.

It will be observed by an examination of the enabling act of Nebraska, as also of various other enabling acts, that it contains no provision touching the rights, privileges and immunities of the inhabitants, upon the State coming into the Union. The silence of the enabling acts on this subject is here very important. The inhabitants of these Territories were living within the jurisdiction of the United States, were subject to the jurisdiction of the United States, and were already citizens of the United States except such as were aliens. Those inhabitants who were citizens of the United States were nonetheless citizens by reason of the fact that they were inhabitants of the Territories.

Citizens of the United States do not lose their citizenship by changing their residence from a State to a Territory. Citizens of the United States residing in the District of Columbia and in the Territories are such citizens to the same extent that they would be if residing in one of the States. (*Prentiss* v. *Brennan* (2 Blachford 162); *Pecquet* v. *Swan* (5 Mason 35).)

It would not be unfair to state that about as large a relative proportion of the inhabitants of the Territory were citizens of the United States as of the inhabitants of any of the States of the Union. There was no occasion, therefore, for Congress to intend the admission of the State into the Union as an act of collective naturalization. There was no more urgency or necessity for such a collective act of naturalization for this Territory than there would be to pass a col-

lective act of naturalization for aliens residing within a State. If Congress had ever intended the admission of States into the Union formed under the various enabling acts to operate as a naturalization of all aliens residing therein, it would doubtless have been so provided in the act itself, in unmistakable terms.

The language of the enabling act has no reference to the status of the inhabitants of the original States when they came into the Union, any more than it can be said to have reference to the footing or relative rights of the original States at the time when they formed the Union of States. Indeed, it is self-evident that no Territory can now be admitted into the Union as a State with all the rights and privileges which were possessed by the original States when they came into the Union.

The view which we have expressed to the effect that the inhabitants of the Territory did not become citizens of the United States by the admission of such Territory as a State into the Union, is expressly held to be sound in *The State* v. *Primrose* (3 Alabama, 546). This case is referred to in the opinion of the supreme court of Nebraska. We are aware of two earlier cases in Louisiana which seem to announce a contrary view, but we cannot accept them as applicable as the circumstances and legislative provisions were essentially different.

The third section of the Treaty of Paris of 1803 speaks solely of the "inhabitants" of the ceded Territory. It says the "'inhabitants' shall be incorporated * * * and admitted as soon as possible * * * to the enjoyment of all the rights, advantages and immunities of citizens of the United States, and in the meantime," etc. Neither the circumstances nor the language make the case analogous or similar to the Nebraska case.

The Nebraska enabling act empowers only the inhabitants who are qualified voters, free, white male inhabitants above the age of 21 years, who are already citizens of the United States, or have declared their intention to become such, to prepare a constitution; and provides that this constitution shall be preliminary to the admission of the State into the Union, not preliminary to the admission of the inhabitants to citizenship of the United States.

The closing paragraph of section 5 of the enabling act, referring to the former language of the same section, which relates to the adoption or rejection of the constitution by the qualified voters, which closing paragraph assumes that the constitution has been adopted, says: "Whereupon it shall be the duty of the President of the United States to issue his proclamation declaring the State admitted into the Union on an equal footing with the original States;" i. e. the new State from that time stands in line with every other State in the Union, with all the privileges and under all the burdens of a State government. No mention is made of the inhabitants; no statement is made that the inhabitants are admitted to citizenship as in the Treaty of Paris. No foreigners or aliens are adopted, nor are any made citizens of the United States.

All the inhabitants of the Territory who were aliens when the same was made a State remained aliens, and no privileges were accorded them which they would not have enjoyed before had they removed from the Territory to a State already admitted. The distinction made in the constitution and the legislation of that State between citizens and aliens is at war with the suggestion that all the inhabitants of Nebraska were citizens of Nebraska and made ipso facto citizens of the United States by the admission of the State into the Union. How can such legislation be harmonized with the argument that all inhabitants were citizens? If all inhabitants were citizens, why was there a provision in the Constitution and in the statutes providing that aliens should file their declaration of intention to become citizens of the United States before they were entitled either to vote or to hold office? To say that the aliens inhabiting the Territory when the State was admitted into the Union were thereby made citizens of the United States is in conflict with the political history of this country from the time the first State was admitted into the Union down to the present day.

The organic act, the enabling act, the act admitting the State, are each and all simple legislative exertions of the powers of Congress, and in no correct sense treaties or the exercise of the treaty-making power. For the reasons hereinbefore stated we submit in conclusion of this part of the discussion, that there is no analogy between the case of the acquisition by treaty of foreign territory and the status of the inhabitants of the Territory so acquired and the case of the national ownership of the public domain and the status of the people residing therein with the consent of the National Government, which first erects a Territorial government and subsequently makes provision to admit the Territory thus erected as a State of the Union.

Mr. Chief Justice Fuller delivered the opinion of the Court saying in part as follows:

It follows from these documents that Congress regarded as citizens of the Territory all who were already citizens of the United States, and all who had declared their intention to become such. Indeed, they are referred to in section 3 of the enabling act as citizens, and by the organic law the right of suffrage and of holding office had been allowed to them. Those whose naturalization was incomplete were treated as in the same category as those who were already citizens of the United States. What the State had power to do after its admission is not the question. Before Congress let go its hold upon the Territory, it was for Congress to say who were members of the political community. So far as the original States were concerned, all those who were citizens of such States became upon the formation of the Union citizens of the United States, and upon the admission of Nebraska into the Union "upon an equal footing with the original States, in all respects whatsoever," the citizens of what had been the Territory became citizens of the United States and of the State.

As remarked by Mr. Chief Justice Waite in *Minor* v. *Happersett* (21 Wall. 162, 167): "Whoever, then, was one of the people of either of these States when the Constitution of the United States was adopted, became ipso facto a citizen—a member of the Nation created by its adoption. He was one of the persons associating together to form the Nation, and was, consequently, one of its original citizens. As to that there has never been a doubt. Disputes have arisen as to whether or not certain persons or certain classes of persons were part of the people at the time, but never as to their citizenship if they were."

But it is argued that James E. Boyd had never declared his intention to become a citizen of the United States, although his father had, and that because, as alleged, his father had not completed his naturalization before the son attained his majority, the latter cannot be held to come within the purview of the acts of Congress relating to the Territory and the admission of the State, so as to be entitled to claim to have been made a citizen thereby.

The act of March 26, 1790 (1 Stat. 103, ch. 3) provided for the naturalization of aliens and then that "the children of such persons so naturalized, dwelling within the United States, being under the age of 21 years at the time of such naturalization, shall also be considered as citizens of the United States."

The third section of the act of January 29, 1795 (1 Stat. 414, 415, ch. 20) provided "that the children of persons duly naturalized, dwelling within the United States, and being under the age of 21 years at the time of such naturalization, and the children of citizens of the United States, born out of the limits and jurisdiction of the United States, shall be considered as citizens of the United States," etc.

The fourth section of the act of April 14, 1802 (2 Stat. 153, 155, ch. 28) carried into the Revised Statutes as section 2172, was: "That the children of persons duly naturalized under any of the laws of the United States, or who, previous to the passing of any law on that subject, by the Government of the United States, may have become citizens of any one of the said States, under the laws thereof, being under the age of 21 years at the time of their parents being so naturalized or admitted to the rights of citizenship, shall, if dwelling in the United States, be considered as citizens of the United States." In *Campbell* v. *Gordon* (6 Cranch 176) it was held that this section conferred the rights of citizenship upon the minor child of a parent who had been duly naturalized under the act of 1795, although the child did not become a resident of the United States until she came here after that but before the act of 1802 was passed.

The rule was to be a uniform rule, and we perceive no reason for limiting such a rule to the children of those who had been already naturalized. In our judgment, the intention was that the act of 1802 should have a prospective operation (*United States* v. *Keller* (13 Fed. Rep. 82); *West* v. *West* (8 Paige 433); *State* v. *Andrian* (92 Missouri 70); *State* v. *Penney* (10 Arkansas 621); *O'Connor* v. *The State* (9 Florida 215)).

By the second section of the act of March 26, 1804 (2 Stat. 292, ch. 47, p. 293), if any alien who had complied with the terms of the act should die without having completed his naturalization, his widow and children should be considered citizens upon taking the oaths prescribed by law; and this was carried forward into section 2168 of the Revised Statutes.

By the first section of the act of May 26, 1824 (4 Stat. 69, ch. 186), carried forward into section 2167 of the Revised Statutes, any alien, being a minor, who shall have resided in the United States 3 years next preceding his arrival at majority and continued to reside therein, may, upon reaching the age of 21 years, and after a residence of 5 years, including the 3 years of minority, be admitted a citizen of the United States without having made during minority the declaration of intention required in the case of aliens.

The statutory provisions leave much to be desired, and the attention of Congress has been called to the condition of the laws in reference to election of nationality; and to the desirability of a clear definition of the status of minor children of fathers who had declared their intention to become citizens, but had failed to perfect their naturalization; and of the status gained by those of full age by the declaration of intention (2 Whart. Int. Dig. 340, 341, 350).

Clearly minors acquire an inchoate status by the declaration of intention on the part of their parents. If they attain their majority before the parent completes his naturalization, then they have an election to repudiate the status which they find impressed upon them, and determine that they will accept allegiance to some foreign potentate or power rather than hold fast to the citizenship which the act of the parent has initiated for them. Ordinarily this election is determined by application on their own behalf, but it does not follow that an actual equivalent may not be accepted in lieu of a technical compliance.

James E. Boyd was born in Ireland of Irish parents in 1834, and brought to this

country in 1844 by his father, Joseph Boyd, who settled at Zanesville, Muskingum County, Ohio, and on March 5, 1849, declared his intention to become a citizen of the United States. In 1855 James E. Boyd, who had grown up in the full belief of his father's citizenship and had been assured by him that he had completed his naturalization by taking out his second papers in 1854, voted in Ohio as a citizen. In August 1856 he removed to the Territory of Nebraska. In 1857 he was elected and served as county clerk of Douglas County; in 1864 he was sworn into the military service and served as a soldier of the Federal Government to defend the frontier from an attack of Indians; in 1866 he was elected a member of the Nebraska Legislature and served one session; in 1871 he was elected a member of the convention to frame a State constitution and served as such; in 1875 he was again elected and served as a member of the convention which framed the present State constitution; in 1880 he was elected and acted as president of the City Council of Omaha; and in 1881 and 1885, respectively, was elected mayor of that city, serving in all, 4 years. From 1856 until the State was admitted, and from thence to this election, he had voted at every election—Territorial, State, municipal, and National. He had taken, prior to the admission of the State, the oath required by law in entering upon the duties of the offices he had filled, and sworn to support the Constitution of the United States and the provisions of the organic act under which the Territory of Nebraska was created. For over 30 years prior to his election as Governor he had enjoyed all the rights, privileges, and immunities of a citizen of the United States and of the Territory and State, as being in law, as he was in fact, such citizen.

When he removed to Nebraska, that Territory was to a large extent a wilderness, and he spent years of extreme hardship upon the frontier, one of the pioneers of the new settlement and one of the inhabitants who subsequently formed a government for themselves. The policy which sought the development of the country by inviting to participation in all the rights, privileges, and immunities of citizenship, those who would engage in the labors and endure the trials of frontier life, which has so vastly contributed to the unexampled progress of the Nation, justifies the application of a liberal rather than a technical rule in the solution of the question before us.

We are of the opinion that James E. Boyd is entitled to claim that if his father did not complete his naturalization before his son had attained majority, the son cannot be held to have lost the inchoate status he had acquired by the declaration of intention, and to have elected to become the subject of a foreign power, but, on the contrary, that the oaths he took, and his action as a citizen, entitled him to insist upon the benefit of his father's act, and placed him in the same category as his father would have occupied if he had emigrated to the Territory of Nebraska; that, in short, he was within the intent and meaning, effect, and operation of the acts of Congress in relation to citizens of the Territory, and was made a citizen of the United States and of the State of Nebraska under the organic and enabling acts, and the act of admission.

Another and shorter course of reasoning leads to the same conclusion.

The respondent, in his answer, after stating that his father, on March 5, 1849, when the respondent was about 14 years of age, made before a court of the State of Ohio his declaration of intention to become a citizen of the United States; and averring "that his father for 42 years last past has enjoyed and exercised all of the rights, immunities, and privileges and discharged all the duties of a citizen of the United States, and of the State of Ohio, and was in all respects and to all intents and purposes a citizen of the United States and of the State of Ohio;" and particularly alleging his qualifications to be a citizen, and his acting as such for 40 years, voting and holding office in that State; further distinctly alleges "on information and belief, that prior to October 1854, his father did in fact complete his naturalization in strict accordance with the acts of Congress known as the naturalization laws, so as to admit and constitute him a full citizen of the United States thereunder, he having exercised the rights of citizenship herein described, and at said time informed respondent that such was the fact."

As the allegation last quoted sets up a right and privilege claimed under the laws of the United States, this court must determine for itself the question of the sufficiency of this allegation, and is not concluded by the view taken of that question by the Supreme Court of Nebraska. In the words of Mr. Justice Miller, speaking for this Court: "The question whether a plea sets up a sufficient defense, when the defense relied on arises under an act of Congress, does present, and that necessarily, a question of Federal law; for the question is and must be, does the plea state facts which under the act of Congress constitute a good defense?" (*Mitchell* v. *Clark* (110 U. S. 633, 645).)

It is true that naturalization under the acts of Congress known as the naturalization laws can only be completed before a court, and that the usual proof of naturalization is a copy of the record of the court. But it is equally true that where no record of naturaliaztion can be produced, evidence that a person, having the requisite qualifications to become a citizen, did in fact and for a long time vote and hold office and exercise rights belonging to citizens, is sufficient to warrant a jury in inferring that he had been duly naturalized as a citizen. (*Blight* v. *Rochester* (7 Wheat. 535, 546); *Hogan* v. *Kurtz* (94 U. S. 773, 778)). And by the constitution of Ohio of 1851, none but white male citizens of the United States were entitled to vote, or to hold office. Article 5, section 1; article 15, section 4; Charters and Constitutions, 1472, 1478.

Such being the settled law, we can have no doubt that the fact that the respondent's father became a naturalized citizen of the United States before October 1854, is well pleaded in the allegation in question, and is, therefore, admitted by the demurrer. The allegation "that prior to October 1854, his father did in fact complete his naturalization in strict accordance with the acts of Congress known as the naturalization laws so as to admit and constitute him a full citizen of the United States thereunder," necessarily implies that he had been duly naturalized before a court as required by those laws. Specific allegations of the time and place at which, and of the court before which, he was so naturalized, or setting forth a record of his naturalization, would have been superfluous, and, in view of the respondent's imperfect information, as manifest upon the face of the allegation, of a transaction taking place so long ago, hardly possible.

Under this allegation, and the earlier allegations leading up to it, if traversed, a jury would have been warranted in inferring that the respondent's father became a citizen of the United States before October 1854, and consequently that the respondent himself was likewise a citizen.

For this reason, without regard to any other question argued in the case, the respondent was entitled to judgment upon the demurrer.

Mr. Justice Harlan, Mr. Justice Gray, and Mr. Justice Brown concurred in the conclusion of the Court upon the latter course of reasoning only:

All the justices, except Mr. Justice Field, unite in holding that this court has jurisdiction of the case, and that upon this record James E. Boyd had been for 2 years, next preceding his election to the office of governor, a citizen of the United States and of the State of Nebraska.

The judgment of the Supreme Court of Nebraska is reversed, and the cause remanded to be proceeded in according to law and in conformity with this opinion.

Mr. Justice Field dissented but I shall not set same forth here.

So you can see that this is important. You can very well understand that it would be an easy matter to flood Alaska and Hawaii with inhabitants who are Communists just prior to the admission of these Territories into the Union, and the very act of admission would naturalize everyone who was an inhabitant of either one of those Territories.

The SPEAKER pro tempore. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

(Mrs. ROGERS of Massachusetts asked and was given permission to revise and extend her remarks and to include therein all of an editorial by Edward K. Inman of the National Tribune.)

PATRIOTS' DAY, APRIL 19, 1950

Mrs. ROGERS of Massachusetts. Mr. Speaker, I hope that every school in the United States on the 19th of April will read and discuss for an hour the battle of Lexington and Concord and discuss "the shot that was heard around the world," the first shot that was fired in this country for freedom.

In 1620 a little band of Pilgrims from England landed at Plymouth, Mass. They left England because they wanted religious freedom and freedom of action and speech. They enjoyed religious and other freedoms until about 1775. Then they felt that freedom was being impaired. They were being attacked by the British, and although they were not properly armed those farmers at Lexington and Concord took their flintlocks and such ammunition as they could find, and many had only their pitchforks, and beat the British. That is how we won our first freedom in this country.

It is very important, Mr. Speaker, that every child in every school and every student in every college in the United States realize what the patriots of 1775 did to protect our freedom, and for those children to realize today what they themselves must do to keep our country, our institutions, our churches, and our Government free. Our free institutions and free way of life are menaced today by those within and without the United States.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. KELLY of New York (at the request of Mr. CELLER), for an indefinite period, on account of illness.

To Mr. TAURIELLO, for Thursday, April 6, on account of official business.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3946. An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study.

ADJOURNMENT

Mr. O'SULLIVAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Thursday, April 6, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1359. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements, accounting procedures, and operations of National Capital Housing Authority for the fiscal year ended June 30, 1949 (H. Doc. No. 542); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1360. A letter from the Secretary of the Army, transmitting a draft of a bill entitled "A bill to provide for a maximum of funds that may accrue to the Soldiers' Home permanent fund (trust fund), and for other purposes"; to the Committee on Armed Services.

1361. A letter from the Acting Attorney General, transmitting a letter relative to the case of Jose Antonio Gomes, A-9544106 CR 27485, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1362. A letter from the Acting Attorney General, transmitting a letter relative to the case of Pantaleon Gutierrez-Zuniga, A-6183872 CR 24609, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1363. A message from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $79,887,861 for various departments and agencies (H. Doc. No. 543); to the Committee on Appropriations and ordered to be printed.

1364. A message from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 and prior fiscal years in the amount of $96,718,333, together with certain proposed provisions and increases in limitations pertaining to existing appropriations (H. Doc. No. 544); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee of conference. H. R. 4692. A bill to provide for the extension of the term of certain patents of persons who served in the military or naval forces of the United States during World War II (Rept. No. 1880). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 436. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 22; with amendment (Rept. No. 1881). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 461. Resolution authorizing a survey of the feasibility of constructing a conveyor belt between the House Office Buildings and the Capitol; with amendment (Rept. No. 1882). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Concurrent Resolution 125. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed 5,000 copies of the hearings, held before said committee, on the resolutions entitled "Study of Monopoly Power;" with amendment (Rept. No. 1883). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. H. R. 5943. A bill to provide for the erection of a monument at the grave of Constantino Brumidi; without amendment (Rept. No. 1884). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Concurrent Resolution 186. Concurrent resolution authorizing a statue of the late Brigham Young, of Utah, to be placed in Statuary Hall; with amendment (Rept. No. 1885). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 535. Resolution for the relief of Mrs. Elizabeth Bowers Lawrence Hebard; without amendment (Rept. No. 1886). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Concurrent Resolution 192. Concurrent resolution providing for the printing of 1,000 additional copies of hearings relative to revenue revision held before the Committee on Ways and Means during the current session, including an index; without amendment (Rept. No. 1887). Ordered to be printed.

Mr. WHITTINGTON: Committee on Public Works. H. R. 7941. A bill to amend and supplement the Federal-Aid Road Act, approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; without amendment (Rept. No. 1888). Referred to the Committee of the Whole House on the State of the Union.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 6278. A bill to make cancer and all malignant neoplastic diseases reportable to the Health Officer of the District of Columbia; without amendment (Rept. No. 1889). Referred to the Committee of the Whole House on the State of the Union.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 7623. A bill to authorize the Commissioners of the District of Columbia to appoint to the District Boxing Commission a retired member of the Metropolitan Police force of the District of Columbia; with amendment (Rept. No. 189.) Referred to the Committee of the Whole House on the State of the Union.

Mr. ABERNETHY: Committee on the District of Columbia. H. R. 7881. A bill to amend sections 675 and 676 of the act entitled "An act to establish a Code of Law for the District of Columbia," approved March 3, 1901, regulating the disposal of dead human bodies in the District of Columbia; without amendment (Rept. No. 1891). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS: Committee of conference. S. 2734. A bill to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes (Rept. No. 1892). Ordered to be printed.

Mr. SPENCE: Committee of conference. S. 2246. An act to amend the National Housing Act, as amended, and for other purposes (Rept. No. 1893). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 8018. A bill to provide for the transfer to the Department of the Interior of certain furniture for permanent exhibition at the Appomattox Courthouse National Historical Monument; to the Committee on House Administration.

By Mr. BARING:

H. R. 8019. A bill to amend section 1404 of title 28, United States Code, with respect to the transfer of certain civil actions from one district to another; to the Committee on the Judiciary.

By Mr. BOGGS of Delaware:

H. R. 8020. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for those employes engaged in operating civilian-manned vessels of the United States Government; to the Committee on Post Office and Civil Service.

By Mr. CLEMENTE:

H. R. 8021. A bill to recognize nonprofit nonpolitical veterans' organizations for purposes of bestowing upon them certain benefits, rights, privileges, and prerogatives; to the Committee on Veterans' Affairs.

H. R. 8022. A bill to establish a national lottery, the proceeds from which are to be used toward the payment of a Federal bonus to veterans of the armed services of World War II; to the Committee on Ways and Means.

By Mr. FORD:

H. R. 8023. A bill to amend chapter 61 (relating to lotteries) of title 18, United States Code, to make clear that such chapter does not apply to certain contests to advertise or develop the natural or recreational resources of a State or any region or section thereof; to the Committee on the Judiciary.

By Mr. GOODWIN:

H. R. 8024. A bill to recognize nonprofit nonpolitical veterans' organizations for purposes of bestowing upon them certain benefits, rights, privileges, and prerogatives; to the Committee on Veterans' Affairs.

By Mr. MARTIN of Iowa:

H. R. 8025. A bill to amend the National Labor Relations Act so as to equalize the legal responsibilities of labor organizations and employers and to permit labor organizations to bar Communists from membership; to the Committee on Education and Labor.

By Mr. O'SULLIVAN:

H. R. 8026. A bill to amend paragraph 1 (b) of title 49 of the United States Code by striking out of said subsection (b) the words "and except natural or artificial gas"; to the Committee on Interstate and Foreign Commerce.

By Mr. PRESTON:

H. R. 8027. A bill to provide financial assistance for local educational agencies in areas affected by Federal activities, and for other purposes; to the Committee on Education and Labor.

By Mr. SIKES:

H. R. 8028. A bill to authorize the Secretary of the Interior to dispose of the remaining Government lots in the town site of St. Marks, Fla.; to the Committee on Public Lands.

By Mr. TACKETT:

H. R. 8029. A bill to authorize an appropriation to Mount Ida, Ark., for sewer-construction purposes; to the Committee on Public Works.

By Mr. WERDEL:

H. R. 8030. A bill to insure the periodic election by secret ballot of officers of labor organizations representing employees in industries affecting commerce; to the Committee on Education and Labor.

By Mr. WHITE of California:

H. R. 8031. A bill authorizing the granting of contract authority for the purpose of expediting the construction of additional power-generating facilities on the Central Valley project; to the Committee on Public Lands.

By Mr. WICKERSHAM:

H. R. 8032. A bill to provide emergency cotton allotments in areas which have been infested by greenbugs; to the Committee on Agriculture.

By Mr. FURCOLO (by request):

H. R. 8033. A bill to amend the Career Compensation Act of 1949 to provide that retired medical and dental officers recalled to active duty after September 1, 1947, shall be entitled to receive the special pay provided by such act for other medical and dental officers; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 8034. A bill to repeal certain legislation relating to the purchase of silver, and for other purposes; to the Committee on Ways and Means.

By Mr. KILDAY:

H. R. 8035. A bill to provide benefits for survivors of members of the uniformed services, and for other purposes; to the Committee on Armed Services.

By Mr. WICKERSHAM:

H. R. 8036. A bill to provide for national recognition of Adelaide Johnson, the sculptor of the Woman's Monument, and for other purposes; to the Committee on House Administration.

By Mr. JOHNSON:

H. R. 8037. A bill to amend section 2801 (c) (1) of the Internal Revenue Code; to the Committee on Ways and Means.

H. R. 8038. A bill to provide for the payment of sums in lieu of real-property taxes on Government properties transferred to the national industrial reserve; to the Committee on Armed Services.

By Mr. SMITH of Wisconsin:

H. R. 8039. A bill to establish the United States Air Academy at or near the city of Kenosha, Kenosha County, Wis.; to the Committee on Armed Services.

By Mr. MACY:

H. J. Res. 451. Joint resolution to provide a method for obtaining additional information for the Seventeenth Decennial Census; to the Committee on Post Office and Civil Service.

By Mr. NORBLAD:

H. J. Res. 452. Joint resolution establishing a Federal Motor Vehicle Commission for the purpose of making uniform laws pertaining to operation, ownership, and control of motor vehicles; to the Committee on Interstate and Foreign Commerce.

By Mr. CROOK:

H. Res. 539. Resolution rejecting Reorganization Plan No. 18 of 1950; to the Committee on Expenditures in the Executive Departments.

By Mr. SABATH:

H. Res. 540. Resolution providing for an increase in salary for an employee of the House of Representatives; to the Committee on House Administration.

By Mr. HAGEN:

H. Res. 541. Resolution in opposition to Reorganization Plan No. 18 of 1950; to the Committee on Expenditures in the Executive Departments.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLEMENTE:

H. R. 8040. A bill for the relief of Winnifried Amrhein; to the Committee on the Judiciary.

By Mr. DEANE:

H. R. 8041. A bill for the relief of the estate of Staff Sgt. Harry M. Manson; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 8042. A bill for the relief of Clara Bogar; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 8043. A bill for the relief of Capt. Richard D. Sullivan; to the Committee on Armed Services.

By Mr. JAMES:

H. R. 8044. A bill for the relief of the estate of D. A. Montgomery; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 8045. A bill for the relief of Maria Adam (Maria Adam Schattauer); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2051. By Mr. GOODWIN: Resolutions of the Massachusetts Legislature, in favor of an immediate survey of the hydroelectric potentialities of New England States; to the Committee on Public Works.

2052. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, urging extensive study of New England water development; to the Committee on Public Works.

2053. By Mrs. ROGERS of Massachusetts: Memorial of the General Court of Massachusetts, to enact legislation for the distribution of surplus foods to the several States and the political subdivisions thereof in proportion to their population and per capita income; to the Committee on Agriculture.

2054. Also, memorial of the General Court of Massachusetts, in favor of extending the effective period of the rent-control provisions of the Housing and Rent Act of 1948; to the Committee on Banking and Currency.

2055. Also, memorial of the General Court of Massachusetts, to resist any attempt that may be made to subject the American people to a compulsory health-insurance plan; to the Committee on Interstate and Foreign Commerce.

2056. Also, memorial of the General Court of Massachusetts, in favor of an immediate survey of the hydroelectric potentialities of New England States; to the Committee on Public Works.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 6, 1950

The House met at 12 o'clock noon.

The Reverend Dr. Joseph F. Thorning, associate editor of the Americas, honorary fellow of the Historical and Geographic Institute of Brazil, and an honorary professor in the Catholic University of Chile, offered the following prayer:

Heavenly Father, we implore Thy blessing upon the Speaker of this House and upon the Members of the Congress. Let the light of Thy countenance shine upon all our good neighbors, with a special benediction for the sons and daughters of the American Republics and Canada.

Recalling the loyal, generous-hearted friendship of the Republic of Chile in our recent ordeal, dear Saviour, we beseech Thy most abundant graces for the President of that noble country throughout the visit which, this month, Don Gabriel González Videla will make to the United States of America.

Vouchsafe this magnificent leader of representative government a safe and prosperous voyage to our Capital and to our people so that he may take back to his own splendid fellow citizens the divine gifts of brotherly love and good works.

This we pray in the name of Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4567. An act to amend the Displaced Persons Act of 1948.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCARRAN, Mr. KILGORE, Mr. O'CONOR, Mr. WILEY, and Mr. FERGUSON to be conferees on the part of the Senate.

PAN-AMERICAN DAY

The SPEAKER. On February 27, 1950, the House of Representatives passed the following resolution:

Resolved, That the House of Representatives hereby designates Thursday, April 6, 1950, for the celebration of Pan-American Day, on which day remarks appropriate to such occasion may occur.

The Chair recognizes the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Speaker, today we again welcome the opportunity to celebrate Pan-American Day. It is a day of recognition of the common goals of the countries of the Western Hemisphere. It is a day on which we express good will, mutual respect, and an understanding of one another's problems and ideals.

It is a day also to bring to the attention of our people an evaluation of the recent progress made in inter-American relations because they do represent the spirit and the achievements of the countries of the Western Hemisphere.

RECENT PROGRESS IN INTER-AMERICAN RELATIONS

First. Achievements of the Organization of American States: The past year has seen notable progress in streamlining and so making more efficient the machinery of the Organization of American States. The United States has a full-time representative on the Council of the OAS, the Honorable Paul A. Daniels, with rank of ambassador. This fact in itself indicates that our country recognizes the importance of this body. Activities of

the Pan American Union, which is the Secretariat of the Organization of American States, have been expanded in the fields of education, inter-American travel, the humanities, social welfare, and commerce. An evidence of the expanding activities of the Pan American Union is the handsome new annex building, recently inaugurated and fully occupied as a functional center.

Second. The Inter-American Peace Committee has dealt lately with a number of problems. This Committee is an embodiment of the determination of the American Republics to maintain peace with law in this hemisphere. The 1940 Habana meeting of foreign ministers of the American Republics provided for organization of the Committee. Its functions are, first, keeping constant vigilance to insure that states between which any dispute exists or may arise, may solve it as quickly as possible; and, second, suggesting the measures and steps which may be conducive to such a settlement. Up to the present the Committee has dealt with two international controversies and has carried out a general examination of the situation created by illegal revolutionary activities in the Caribbean area. Besides suggesting actual measures and steps aimed at peaceful settlement of disputes, the Committee on occasion operates in the capacity of a good-offices instrument.

Third. The Rio Treaty—the Inter-American Treaty of Reciprocal Assistance—is an effective instrument for maintaining peace in the hemisphere. This treaty, outcome of the 1947 meeting of foreign ministers at Rio de Janeiro, not only protects the Americas against aggression from across the sea but applies with equal force to aggression between two or more American Republics. It is unfortunate that any such disputes should arise, but fortunate, indeed—and an example to the rest of the world—that we in our 21 countries have found peaceful means of resolving them. On March 22, 1950, Secretary Acheson made the following statement:

> The United States gives full support to the conclusions and recommendations presented by the Caribbean Investigating Committee to the Council of the Organization of American States acting provisionally as the organ of consultation under the Rio Treaty. The committee, on which a representative of the United States was privileged to serve along with representatives from four other American Republics, carried on its investigations in a thorough and objective manner.
>
> The resolutions which the Committee has recommended be adopted by the organ of consultation reflect a mature and constructive consideration of the facts and causes involved in the situation which the Committee was asked to investigate. I am confident that the Organization of American States, through its action in this case, will take a great step forward in the cause of peace and security, and thereby importantly strengthen the basis of inter-American solidarity and friendship.

Fourth. An example of the increased emphasis on our relations with the rest of the hemisphere is the establishment, in reorganizing the Department of State, of the Bureau of Inter-American Affairs headed by an Assistant Secretary of State. The present incumbent, the Honorable Edward G. Miller, Jr., was born in Puerto Rico and spent much of his boyhood in Cuba. He speaks the four major languages of the hemisphere—Spanish, French, and Portuguese, as well as English—and is acquainted by personal visits with every one of the other American Republics.

Fifth. Another example is the convocation periodically of regional meetings of United States ambassadors to the other American Republics. The first of these regional meetings was held at Habana in January of this year; the second at Rio de Janeiro, in March. The ambassadors present at the Habana meeting declared, in their conference report:

> The conference afforded an excellent opportunity to reassure and reaffirm the interest of the United States in the inter-American system and in the organization of American states as the most important expression of law and order in the hemisphere. * * * All present felt that the United States should fully support the present efforts of the Organization of American States, and in this way help that organization to achieve ever greater progress in the direction of becoming the true and lasting guarantor of peace and tranquillity in the hemisphere.

Sixth. Secretary Acheson, in his speech before the Pan-American Society of the United States, in New York last September, stated the three major objectives of United States policy toward the other American Republics as being "the security of our Nation and of the hemisphere; the encouragement of democratic representative institutions; and positive cooperation in the economic field to help in the attainment of our first objectives." In this same address the Secretary of State restated the following basic principles on which United States policy in the hemisphere rests:

> Our essential faith in the worth of the individual; the preservation of our way of life without trying to impose it on others.
>
> The observance by all governments of ethical standards based on justice and respect for freely accepted international obligations.
>
> Protection of the legitimate interests of our people and Government, together with respect for the legitimate interests of all other peoples and governments.
>
> The juridical equality of all the American Republics.
>
> Nonintervention in the internal or external affairs of any American Republic.
>
> The stimulation of private effort as the most important factor in political, economic, and social purposes.
>
> Freedom of information and the development of free exchange in all fields.
>
> The perfection, with the other American countries, of regional and universal arrangements for maintaining international peace.
>
> The promotion of the economic, social, and political welfare of the people of the American Republics.

Seventh. Increased emphasis on economic cooperation is still another evidence of inter-American solidarity. The Kee-Herter bill, now before the Congress, with its provisions for expanded technical assistance, will, if enacted, provide a most adequate mechanism through which the United States can share with its good neighbors technical know-how. In the text of that bill it is stated most truly that "the economic and social progress of all peoples will further the advance of human freedom, the secure growth of democratic ways of life, the expansion of mutually beneficial commerce, and the development of international understanding and good will." While the bill does not relate to this hemisphere alone, its import for Latin America is of very great significance.

Eighth. An extraordinary session of the Inter-American Economic and Social Council is now being held at Washington. The Honorable Albert F. Nufer is a full-time representative of the United States on this Council, with the rank of Ambassador. The current meetings of IA-ECOSOC at the Pan American Union have been characterized throughout by the sincerest and most earnest efforts of all delegations to work together, to find a common meeting ground, to resolve disputed points in a spirit prevalent at most inter-American conferences; but it has never been more manifest than at this present IA-ECOSOC session. There are differences of viewpoint and criteria, as is inevitably the case when 21 nations discuss vital problems; but there is absolutely no tendency to obstruct, to delay, nor to frustrate mutual action for the common good. One of the most important subjects on the agenda is that of an inter-American program of technical assistance.

Ninth. We may well recall what has been done in the past few years in the financial and technical field through the Export-Import Bank, the Institute of Inter-American Affairs, and the International Bank and Fund. Let us give some concrete examples. The Lempa River loan by the International Bank for hydroelectric power in El Salvador inevitably will have widespread constructive effect upon the economy of that Republic. One of the impediments to economic progress in El Salvador has been its lack of hydroelectric power. This loan will contribute significantly, by increasing power, to raising the level of living for thousands of Salvadoran citizens.

Venezuela is another country which has lacked sufficient hydroelectric power. The Export-Import Bank is making credit available to private Venezuelan companies in order that they may increase generating and distributing facilities in many communities.

In Colombia the Export-Import Bank has made a loan for the establishment of a new hotel in the capital city, Bogota.

An Export-Import credit to Bolivia for completing the construction of the highway from Cochabamba to the fertile regions of Santa Cruz is opening up an entirely new territory. This highway will link an undeveloped Bolivian region with the highly developed plateau. In Haiti the Institute of Inter-American Affairs, which has cooperated so extensively in so many fields throughout the Americas, has given technical assistance in the pilot operation of the development of the Artibonite Valley. The remarkable success of this pilot project has caused the Export-Import Bank to extend a loan for irrigation and drainage in the Artibonite which will mean increased food production where it is greatly needed.

A credit extended by the Export-Import Bank to Ecuador is helping in reconstruction following last August's disastrous earthquake.

In Mexico the International Bank is assisting in modernizing the power production facilities of a private company. Also in Mexico, the Export-Import Bank has assisted in financing purchases in the United States of rolling stock for both the Government system and a privately owned Mexican subsidiary of a United States railway.

In order to facilitate Brazilian purchases of vessels from the United States, the Export-Import Bank has made available a credit to a private Brazilian company engaged in coastwise and inland waterway transportation, in order that this company might increase its coastwise service as well as modernize its service in Rio Harbor, especially with regard to ferryboats. Likewise in Brazil, the International Bank has financed purchase of equipment enabling a private company to increase public utility service in both Rio de Janeiro and Sao Paulo areas.

Chile, when faced with an emergency situation last year due to decrease in price and production of, and demand for, its principal export commodity, copper, arranged with the Export-Import Bank for a credit which enabled the country to maintain a minimum level of essential imports from the United States.

Tenth. Last, but certainly not least, among evidence of cordial inter-American relationships are the exchanges of visits between chiefs of state. President Truman, as we all recall, has visited both Mexico and Brazil in his official capacity. Last year President Dutra, of Brazil, was a welcome and honored guest in this country, when he had an opportunity to observe not only our National Capital and urban progress in general but small-town and rural life in Tennessee and other States. This month our most eminent pan-American visitor is President González Videla, of Chile. It will be our privilege to welcome him and hear him in a joint session of the Congress, and through him to greet not Chile alone but all the other sister Republics of the Americas to whom we are bound by the voluntary ties, those of friendship among nations which were born of a common determination to be independent and which have been reared in a common tradition of democracy and freedom.

Our 21 Republics have shared during their three centuries of development from colonies to independent nations this tremendous New World experience. We have known, all our peoples, what it is to be discoverers, explorers, colonists, frontiersmen. It is faith and work that have made and preserved us as nations. Faith and work are still the slogans of the Western Hemisphere where—amid all our differences—there is such basic identity of conviction and of aim.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCORMACK] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. McCORMACK. Mr. Speaker, 130 years ago, on the floor of this House, the youngest and one of the most illustrious Speakers ever to preside over its deliberations made a great speech. There were those who considered it then, and there have been those who have considered it since, as one of the greatest speeches ever made in the House. That Speaker was Henry Clay. He was demanding recognition for those other American countries to the south who had achieved their independence, as we had achieved ours, by persistence, valor, and tragic sacrifice. In that address, in a ringing statement as arresting now as then, Clay declared:

> In the establishment of the independence of Spanish America the United States have the deepest interest. There is no question in the foreign policy of this country which has ever arisen or which I can conceive as ever occurring, in the decision of which we have or can have so much at stake. * * * These governments, once independent, will be animated by an American feeling and guided by an American policy.

Halfway between Clay's speech and our own day, 61 years ago in 1889, the first Pan-American Conference ever called by the Government of the United States was held here in Washington upon the urgent recommendation of a great Secretary of State, James G. Blaine. The conference convoked in order to further closer relationships among the American Republics; and it marks the beginning of a new era in this hemisphere, and, in fact, in international cooperation. It is true that many problems were discussed and few resolved at that initial meeting; but from the seed sown there has grown the inter-American system safeguarding the peaceful progress of our peoples, which we call the Organization of American States.

Only 44 years ago, in 1906, another great Secretary of State, Elihu Root, demonstrated the importance which he attached to inter-American cooperation by breaking precedent, and attending in person, the Third Pan American Conference at Rio de Janeiro. In a memorable address there he declared to the delegates of the other American Republics:

> We wish for no victories but those of peace, for no territory except our own. We deem the independence and equal rights of the smallest and weakest member of the family of nations entitle it to as much respect as those of the greatest empire.

A cordial mutual interest among the peoples who are neighbors in this hemisphere has always characterized New World relationships. That was true at the period of discovery and conquest, when fresh news of each advance into the mystery of the American immensity was an incentive to eager enterprise. It continued to be true as settlements struck root and frontiers widened.

I might cite examples near home. In my own State of Massachusetts in the very first years of the eighteenth century, Samuel Sewall and Cotton Mather diligently studied the Spanish language and read whatever book came to hand dealing with Hispanic America. Massachusetts, in fact, has always shown awareness of the importance of the other Americas and of the potentialities of inter-American relationships. The extensive Hispanic Library of Harvard College and such private collections as that of John Adams have attested this interest from the colonial period to the present. The Massachusetts Historical Society early gathered together a notable number of Hispanic works. In 1801 there was published at Salem, for the first time in the United States, a translation of the True History of New Spain, an eye-witness account of the conquest of Mexico by one of Cortez' foot soldiers, Bernal Díaz del Castillo. It is not strange that such an environment would later see the production of the incomparable contributions of Ticknor to Hispanic literary criticism and of Prescott to Latin-American historical writings.

This early cultural interest was demonstrated not in the Commonwealth of Massachusetts only, but also, and very fruitfully, in Philadelphia, New York, Washington, Richmond, and other centers. Assuredly, it helped foster the understanding and maintain the contacts that through the years have accompanied commercial and political relations between the Americas.

It seems to me that the greatest strength of the voluntary association of the republics of this hemisphere into the Organization of American States lies in the fact that it is voluntary. We are 21 free peoples who meet in the communion of freedom to safeguard our individual independence and the collective integrity of our borders. Liberty, we may observe in passing, is a word that has the same meaning and even sounds essentially the same in our diverse tongues: in the English of the United States, the French of Haiti, the Portuguese of Brazil, and the Spanish of the other 18 republics. And no American country ever forgets that its people fought to win and have fought to retain liberty. The inter-American system is our mutual method of safeguarding liberty under law, peace with order.

The American Republics share a brotherhood of experience such as no comparable group of nations has ever known. In all our countries, our forefathers came out of an Old World past, blazing their own trails across desert and forest, incredibly great rivers and lakes like seas, into the New World future which, today, is our present. That essential likeness underlies all surface differences in our 21 separate patterns of thought and action.

On this occasion when, now as every year, we pause to give thought to these things in commemoration of Pan-American Day, it is well for us to recall that essential Americanism which is not narrowly national, pertaining to one country only, but hemispheric in its scope. Our own country's inter-American policy of good-will and understanding, as I have indicated, has never been the private creed of any one group or party. From the very beginning it has been bipartisan, a true reflection of the interest in, and the regard of, the people of the United States as a whole for their sister countries in this hemisphere. As a people, we are on terms of cordial re-

ciprocal friendship with the other American nations. They as peoples, whatever their own internal politics, are on reciprocally cordial terms of friendship with us. Out of our mutual confidence has grown our inter-American system. Safeguarding the peace of the hemisphere, it is a beacon and a haven in a sorely troubled world.

Finally, let us not forget on this, and the other 364 days of the year, that inter-American cooperation is a two-way street. The cooperation is real, because it responds to real needs. These are not always nor even most frequently the demands of high strategy nor of complex diplomatic considerations. Very often they have to do with pressing, everyday problems. If hoof-and-mouth disease afflicts the cattle of one country, technicians from other countries lend their time and skill in the knowledge that they thereby serve their own national interests as well as their neighbor's. If plagues of locusts come, or if malaria is endemic, then again help for one's neighbors is help for one's self.

All over this hemisphere—in our own country as well as others—lands reclaimed from erosion; food crops improved by selection and cultivation; waters made fit for drinking; disease checked or conquered; and denuded slopes reforested are among the witnesses to inter-American interchange of science and skill, and of inter-American cooperation in applying them.

Much of this cooperation between the Americas is carried out by private enterprise, and that is entirely in line with the historical development of the Western Hemisphere. The New World was discovered, and colonized, and developed by private enterprise. It is significant that the vast statism of the Aztec in Mexico and the Inca in Peru crumbled before the first impact of private enterprise like the walls falling to the trumpet's sound at Jericho.

I began these remarks by quoting from Henry Clay. Let me close by quoting from the Great Liberator, Simón Bolívar, who was the personal friend and longtime correspondent of Henry Clay. Bolívar said, and it is a truth that cannot be too often repeated, "the freedom of America is the hope of the universe."

Mr. MANSFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CARNAHAN].

THE ORGANIZATION OF AMERICAN STATES AND THE PAN AMERICAN UNION

Mr. CARNAHAN. Mr. Speaker, as the House of Representatives on this date observes Pan-American Day, I wish to add my personal encouragement to the further strengthening of the ties of mutual friendship and concern among all of the American Republics. I will take this opportunity to recall very briefly some of the history of pan-American developments.

The First International Conference of American States, meeting at Washington in 1889–90, established the Pan American Union on April 14, 1890. The Union in 1948 became the general secretariat and permanent central organ of the Organization of American States, which is, in itself, the organizational framework of the inter-American system. The machinery of this organization was blueprinted in the charter signed at the Ninth Conference of American States, which met at Bogotá in 1948. Its stated purpose is "to achieve an order of peace and justice, to promote the solidarity of the American States, to strengthen their collaboration, and to defend their sovereignty, their territorial integrity, and their independence."

The United States, in common with the other American Republics, signed the charter of the Organization of American States on April 30, 1948, at the Ninth International Conference of American States meeting in Bogotá, Colombia. The charter is now before the Senate for ratification. It has been ratified to date by Costa Rica, the Dominican Republic, Mexico, Honduras, and Brazil.

The Organization of American States, is in fact, a regional agency within the United Nations. Its solidarity strengthens and bulwarks the UN. The Pan American Union, as the central organ of the organization, promotes economic, social, juridical, and cultural relations among the Americas.

The 21 Republics of the Western Hemisphere are members, and each appoints one representative with the rank of ambassador to the council, of the Organization of American States.

Within the limits of the charter and of inter-American treaties and agreements, the Council takes cognizance of matters referred to it by the inter-American conferences or the meetings of consultation of the Ministers of Foreign Affairs of our 21 Republics. The council is also a provisional organ of consultation for the Inter-American Treaty of Reciprocal Assistance—usually called the Rio Treaty—which was signed at Rio de Janeiro in 1947. The Council furthermore has special functions in the peaceful solution of controversies between American States, and is responsible for the proper performance of the duties assigned to the Pan American Union. Ambassador Paul A. Daniels is the representative of the United States on the Council.

The Council is empowered to further inter-American cooperation in various fields either through its own direct action or through its technical organs. The latter are the Inter-American Social and Economic Council, on which the United States is represented by Ambassador Alfred F. Nufer; the Inter-American Council of Jurists; and the Inter-American Cultural Council.

The nine inter-American conferences celebrated over the last 60 years have seen an ever-expanding scope of Pan American Union activities. Its technical and informational offices are a constant factor in the progress of the peoples of this hemisphere. The four departments into which the offices of the Pan American Union are grouped are international law and organization, economic and social affairs, cultural affairs, and administrative services.

The Pan American Union is the secretariat also of the inter-American conferences, the meetings of consultation of foreign ministers, and of certain of the specialized or technical conference. It acts as adviser to the Council of the organization and its organs in connection with such meetings, and submits reports on work accomplished by the organization of American States.

The steady growth of the Inter-American system as an agency through which the American Republics work together for the common safety and the common welfare is a model of cooperation among free peoples which it might well advantage the other free peoples of the world to take as a pattern and a guide.

For the best interests of all the Americas, I sincerely hope that we may mutually share the responsibilities and the benefits of closer cooperation and friendship among all the sister American Republics.

Mr. MANSFIELD. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, I am very happy to join today with other Members of Congress in extending the hand of friendship and fellowship and good will to our South American neighbors, to our Central American neighbors, and also to the Dominion of Canada, which I hope will soon become a member of the Pan American Union. I feel as we go along in history that the closer friendship we show to those countries, and that they show to us, will have a great bearing on establishing a permanent peace throughout the world.

I congratulate the gentleman from Montana [Mr. MANSFIELD] and the other Members of Congress who have spoken or will later speak today on this subject.

Mr. MANSFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. STEFAN], one of Latin America's outstanding friends in the House of Representatives.

ELOY ALFARO, CITIZEN OF A HEMISPHERE

Mr. STEFAN. Mr. Speaker, I am very grateful to my colleague the gentleman from Montana [Mr. MANSFIELD] and other great friends of Latin America, for the privilege of participating in this Pan-American program. I will never forget, Mr. Speaker, a recent visit to Cuba by the Members of the Subcommittee on Appropriations for the Department of State, and Foreign Service, when we were privileged to sit in a joint session of the Cuban Congress, when the illustrious statesmen of Cuba paid homage to the memory of Abraham Lincoln. The story of that session in Cuba was eloquently told on the floor of this House by our colleague, the gentleman from Pennsylvania [Mr. FLOOD]. Consequently I feel today, because of that story of Abraham Lincoln so eloquently told on the floor of the Cuban Congress in Habana, that I should refer also to another great statesman who emulated the life of Abraham Lincoln.

Mr. Speaker, 60 years ago, on April 14, 1890, the First International Conference of American States convened in Washington, D. C.

It has often been said that the Pan American Union was a direct outgrowth of this meeting of American minds. Yet, such great results can only come from

the consecrated lives, the individual sacrifices of great men. George Washington devoted his life to the liberation of his countrymen. Simón Bolívar devoted his life to the liberation of the people of other American Republics. Abraham Lincoln devoted his life—a life which culminated in his martyrdom—to the preservation of this Federal Union and to the strengthening of this Republic to a place of leadership among nations. Gen. Eloy Alfaro devoted his life—a life which culminated in his martyrdom—to this end: the strengthening of his country so that it might take a place of leadership among nations and to the preservation of his countrymen's liberties.

North Americans, as well as South Americans, know the salient points of the career of this valiant humanitarian of the nineteenth century whose influence has extended far beyond his lifetime and whose example will continue to spur men toward selfless progress as long as liberty endures.

Eloy Alfaro was born in Eucador on June 25, 1842. He loved peace. But because he was an implacable foe of tyranny he had to spend the greater part of his time in exile. In loneliness, in enforced absence from his native land, he learned that the peoples of the lands where he sojourned were bowed down under the same problem as the people of his own land. He learned that totalitarian overlords were determined to strip the last vestige of freedom from these peoples, the very freedom which they had received as a priceless heritage from Simón Bolívar.

Among the methods employed by the tyrannical oppressors of the people he loved he recognized that of "divide and conquer." This method was employed by Julius Caesar. This method is employed by Josef Stalin. Eloy Alfaro met and destroyed that insidious method by frontal attack. In land battles and in a smashing naval victory he defeated the forces which would have enslaved the people of his native Ecuador. He welded the factions of the Cuban Freedom Party into one when, in December 1895, 3 years before the Spanish-American War, he publicly petitioned the Queen of Spain in a document demanding Cuban independence. The simple dignity of this impassioned plea takes place beside that of Lincoln's Gettysburg Address among the lasting literature of liberty. Nor, in this same connection, may we forget that it was this warrior for democracy who pierced the smoke screen of falsehoods raised by self-seeking men to cause the Republics of El Salvador, Guatemala, and Honduras to go to war. It was he, acting in harmony with the peace intermediaries of Nicaragua and Costa Rica, who was chiefly responsible for proposing a settlement acceptable to the aroused nations. It was through him that the menace of blood and fire and sword was effectively stilled. It was because of him that three American Republics chose the road to peace and progress rather than the alternative road to battle and oblivion.

It was not enough for Eloy Alfaro to do the deeds of a liberator. He believed that, as one on whom the mantle of Bolívar had fallen, he should carry the message of liberation into still other countries of the hemisphere. So dedicated, he visited and spoke in Peru and in Chile. Cheering crowds greeted his coming to Argentina, Brazil, Uruguay, and Venezuela. It was said of him, "Mexico and Costa Rica, Nicaragua, and Panama loved him as a distinguished native son. He loved Colombia as a second motherland." Our own beloved Republic welcomed him. His gospel of the freeman in the free nation, the free nation in the free association of nations, thundered its inspiration into farm and factory, across plains and over mountains, from St. Petersburg to Seattle.

Much of Eloy Alfaro's statesmanlike contributions to Western Hemisphere solidarity were, by their very nature, prophetic. Limitations of time and space will not permit me to recite them all. The International Congress at Mexico City in 1906, however, is indicative of the forward-looking thought of this remarkable American patriot. On this occasion, representatives of seven American Republics met "to discuss and decide questions relating to the progress and well-being of the American states, based upon justice and fraternity, and the public laws of the Americans."

The fact that only seven of the American Republics sent representatives to the Mexico City Congress has given rise to apologists and detractors. It is my considered belief that the future will rise up and confound those who would in any way detract from or apologize for this superb accomplishment in the field of international relations. Who is there today who will dare gainsay the tremendous implications of the Conference of American Republics called by Simón Bolívar in 1826? Yet only four nations attended the Bolivar conference. Who is there who would rise up and deny the vital significance of the Mayflower Compact? Yet that compact was arrived at in the hold of a vessel little larger than a fishing craft by fewer people than are crammed into a city bus during rush hours.

The measure of meeting of minds—whether on a national or an internation plane—is not by the number of minds participating, but by the number of results attained.

Out of the Alfaro meeting at Mexico City—Chapultepec—and from the Blaine Conference of 1889 and the Bolívar Conference of 1826 emerged that potent force for peace and inter-American understanding, the Pan American Union.

The contemporaries who took it upon themselves to judge the Mexico City Conference did so without the essential perspective of time. The Americas of 1950 have that perspective. The strides upward and onward that were taken in 1896 are visible to us today. We see them in our growing kinship with our friends to the south.

There remains the outstanding undeniable fact of Eloy Alfaro's foresight for it was exactly half a century that the conference of Chapultepec—Mexico City—held at the initiation of our own Department of State took place in the same city—the capital of Mexico—in the same Palace of Chapultepec—and to discuss the same basic principles Alfaro had in mind 50 years before.

Eloy Alfaro had his victories in war. He had his triumphs in averting war. He had his successes at the international conference table. But—and this is perhaps the crowning achievement of his useful life—he did more to teach us through his own personal example than by any other means.

The twentieth century has produced a peculiar group of international theorists whose chief credo is: "Seek to gain peace and international friendship through impoverishing your countrymen.

Eloy Alfaro did not believe as they do.

Eloy Alfaro believed that the primary step in gaining peace and international friendship was to build up his own country.

He was a builder. He realized that when widely separated areas of his own nation were linked by a common means of transportation, basic economic differences between those areas could be adjusted more readily. With this end in mind, he was largely instrumental in the successful construction of the trans-Andean railway from Guayaquil to Quito.

He was an educator. He brought about a workable system of compulsory public instruction. He was responsible for the creation of modern high schools. He interested himself in the establishment of teachers' colleges, where teachers could be taught to teach. His efforts did much toward raising the teaching profession from a position of abject servitude to one of high respect. It is no secret why Eloy Alfaro labored so tirelessly for education in his own country. His life is profound testimony to his belief that "the informed are the bulwark of freedom: only the ignorant are content to remain slaves."

Alfaro established more educational institutions—grammar schools, high schools, colleges, universities, conservatories of music, art and craft schools, professional schools, military and naval academies—during the two terms he served as chief executive of his native land—from 1895 to 1901 and from 1906 to 1911, a total of 11 years—and enacted more laws and regulations in the field of education and toward the betterment of his people, both men and women and in particular the Indian population, than all the other Presidents of his country combined since the Republic was established to date—1950—a total of 80 years.

He was a humanitarian. Under his regime as President of Ecuador, hospitals were built, asylums established. He strove for laws which would give men and women from all walks of life an opportunity to serve the Government in positions suited to their talents and abilities. He advocated stern measures against groups and individuals who proposed to hold the Indians in subjection for their own selfish gain.

He was a businessman. He was the son of a man who was a businessman. As President, he furthered business in Ecuador by establishing public markets and intercity transportation. He furthered the economy of Ecuador by reducing taxes, by balancing the budget, by monetary reform, by paying his coun-

try's debts to other countries, and by advocating and securing legislative approval of commercial and banking codes.

He was an administrator. Commissions which operated under his direction—especially, the commission for the planning of national defense and the commission for the study of frontier problems—were models of efficiency.

There is little doubt that Eloy Alfaro consciously strove to improve his own country so that the force of his example and the example of his country would make itself felt in other lands. The degree to which he succeeded is now being reflected in the rising tide of progress throughout the Americas.

Eloy Alfaro was betrayed at Guayaquil, imprisoned, and sent to Quito and there assassinated in a prison cell on January 28, 1912. He, like Abraham Lincoln, his North American counterpart, was murdered. The ones responsible for Alfaro's death are well known to his countrymen and to America at large: the foes of freedom, the oppressors of the people, whom he had fought—and conquered—in his life. Those ungrateful traitors never forgot an old idea; never learned a new one. Cruel, short-sighted, grasping, stupid—they thought they could kill a dream by killing one man. From Golgotha to the prison cell at Quito, the experience of history has proved that concept to be false.

Thirty-eight years ago the body of a 70-year-old man lay on the floor of a prison hall. Yet, the real Eloy Alfaro was not dead. The ideals which were the real Alfaro lived on after him. They were the voice of unnumbered millions who, until he came, had had no voice. They were the sublime expressions of confidence between the peoples of the Americas which peeped between the icy words of formal diplomacy in inter-American conferences. They are spiritual bonds which today unite the peoples and the republics of this hemisphere.

The memory of what Eloy Alfaro did will not perish with the years. It will live on in the hearts of the men, women, and children of the Americas—for whom he lived and died.

Yet, the possibility has always existed that the documents he wrote, literally in his own blood, for freedom, might be lost. Then, too, there was the possibility that the truth he wished to survive might be placed in the shadow of his dramatic fight for that truth. To preserve Alfaro's ideal of hemispheric solidarity, to keep in a secure place the physical mementos of this fighter for freedom, the Eloy Alfaro International Foundation was brought into being. This organization, established at Panama in 1949, is a nonprofit, nonpolitical organization, created to give honor, and to promote knowledge of the life of Gen. Eloy Alfaro as a statesman and liberator. The president of the foundation is the Honorable Doctor Emeterio S. Santovena, historian, former Secretary of State and former senator of Cuba, and today president of the Academy of History in Habana.

To accomplish its stated purpose, the Foundation endeavors to establish complete supervision over all the monuments and other tributes to the memory of Ecuador's martyr throughout his native land; in the other American Republics; in Spain, and in all of the 48 States of the United States. His statue stands in the George Washington Masonic National Memorial in Alexandria, Va., amongst other worthy institutions in the Nation's Capital and throughout the United States. His statue occupies an honored place in the State capitol of the State I have the honor to serve in the Congress of the United States, the State of Nebraska.

It is a matter of deep personal satisfaction to me that the statue of Eloy Alfaro is now in Lincoln, Nebr. Its very presence there will be an inspiration to those who see it, to be more constructive citizens of the United States and to know that they are an integral part of the spiritual unity of the Americas.

It would be futile for me to honor Eloy Alfaro. By his own deeds, his own life, his own death—by his clearness of thought, his dignity of manner, his loving kindness to all men—he has brought more honor to himself than it lies within the power of any man, living or dead, to bestow. I would not pay tribute to Eloy Alfaro because he was a free man and I am a free man, and between free men there can be no tribute: only respect and admiration. I can take up his cause and work toward its ultimate realization.

I can support American solidarity. I am not alone in that support. Those of us who have so committed ourselves soberly realize that the Western Hemisphere—the New World—is, to paraphrase Lincoln, "the last best hope of the whole world."

Let the Congress of the United States profit by their awareness of the example of this American who belongs to all countries, all time, all free men, all men who want to be free. Let us not weaken ourselves to aid other lands. Let us strengthen our land, its people, its resources, so that we may be true friends to our fellow American Republics and the people of those republics. Let us defend our nation—and stand as allies to the people of this hemisphere who have need of defending their nations—against besotted tyrants intent on depriving Americans of their liberties. Let us always seek peace—but let us fight, if need be, and die, if need be—to preserve those sacred freedoms which Bolivar and Washington and Lincoln and Alfaro have so dearly won for us. Let us tell each other—and tell the world—that, in the holy light of liberty, the peoples of the Americas stand together, as one.

When Americans do this—and Americans will do this, with the help of God—we can take as our own motto of the organization devoted to the perpetuation of the memory of the hero of the hemisphere, "Forward, upward, that we may reach the stars"—Sic itur ad astra.

Mr. MANSFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr FLOOD. Mr. Speaker, I am pleased again to be able to join my distinguished colleague from Nebraska [Mr. STEFAN] in paying tribute to the pan-American nations of Central and South America upon this day designated by this House as Pan-American Day.

As the gentleman from Nebraska mentioned, it was on last Easter Monday that we had the pleasure of attending a joint session of the Congress of our sister Republic of Cuba and hear it pay tribute to the great American, Abraham Lincoln. Recently in Panama I had the pleasure of again seeing that sister republic of ours pay tribute to my country.

This morning I was pleased to see a great American and a man of God, Father Thorning, distinguished for his leadership in pan-American relations, offer the invocation for this session, because Father Thorning, a former dean of the Graduate School of Georgetown University, has been a professor at the University of Chile, the National University of Mexico, and San Marcos University in Lima, and we know him to be a good friend of these neighboring countries and an outstanding leader in pan-American affairs for many years. We of the House respect and admire him as a man of God and a man of peace and friendship.

Here in this Hall we frequently express our concern with Pacific affairs and European affairs, and very properly so. At some length our committees and this House devote days of debate to the appropriations and to legislation having to do with solidifying our relations and our friendships with the nations of the east and the nations of western Europe.

Mr. Speaker, may I urge that on this Pan-American Day we do not neglect our very good friends and our very good neighbors of Central and South America. This is the Western Hemisphere. If I speak only of national defense in a selfish vein, we must realize that one of the cardinal precepts of that philosophy is hemispheric solidarity. During the war days or whenever we are in trouble, then we rush to Central America and to South America and hold out the hand of friendship, because that is our soft underbelly, the Canal Zone and the southern continent. And we have never found our neighbors to the south wanting when we called for aid. They have always stood beside us and will always do so. These are a brave and a proud people and the citizens of sovereign, independent, democratic nations—the United States of North America are proud of our friendship which under the banners of freedom shall never cease.

I look upon South and Central America as my second home. I love these friendly, warm-hearted Americans—their way is our way; they believe in God and country and liberty. I like to think that our hearts beat as one.

Let there be no Yankee imperialism—political or economic—let there be the free association of men among freemen.

Today, Mr. Speaker, I am happy to pay tribute to these friends and neighbors of ours who, for many, many years, did not hesitate to offer their loyalty and friendship and aid and support. Brazilians died dauntlessly with Americans in Italy. Central and South American nations gave freely of their support in every way that we urged and in every

way that we asked in the World Wars. So, on Pan-American Day, I am pleased to extend our hand of friendship to fellow Americans, to people who believe as we do in our way of life under Almighty God, who are with us the backbone against the encroachment of atheistic communism, and with us the last remaining bulwark against the anti-Christs who make a god of the omnipotent state.

Mr. Speaker, on Pan-American Day I join with the distinguished gentleman from Montana, and my friend from Nebraska in expressing our tribute to these, our good friends and our good neighbors, "Saludos amigos." May your great nations prosper. May your people be happy and content with an abundance of the good things of life. May you have many years of world peace to enjoy your beautiful homelands—truly a paradise on earth.

Mr. MANSFIELD. Mr. Speaker, I yield such time as he may require to the gentleman from Washington [Mr. MITCHELL].

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. O'HARA] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on this Pan-American Day, when I have been listening to the eloquent tributes of my colleagues to the amity among the nations of the Western Hemisphere, my thoughts have gone back many years to boyhood days in Nicaragua.

That was more than a half century ago. Work had started on the Nicaragua Canal, and had stopped. The giant dredges were rotting in the waters of the short stretch of the canal that had been dug. The quick growth of tropical shrubbery covered the narrow-gage track of the railway built for the transport of workmen and supplies. Hope was high that soon the stranglehold of the railroad lobby in Washington would be broken and that the Congress of the United States would authorize the resumption of work on the transoceanic canal. Again a commission came to investigate, and again it reported back to the Congress, as had its predecessors, that the building of such a canal through Nicaragua, utilizing the San Juan River and the two large lakes on the western side of Nicaragua, and without necessity for locks, presented no difficult engineering problem and would entail no fantastic expenditure. General Ludlow, of the Army, and Admiral Walker, of the Navy, were on that commission, and they gave to me in my boyhood a thrill which I never forgot by permitting me to accompany them on the long tramp through the jungle where the canal was to be dug from the lagoon at San Juan del Norte—Greytown—to a connection with the San Juan River.

That was before the turn of the century. President Zelaya was the strong man of Central America and still living were Nicaraguan men who had fought under William Walker and who filled my eager ears with narratives of the battles of the great filibuster. Great Britain, stubbornly holding to her claim of sovereignty over the eastern half of Nicaragua through the Mosquito Indians, was supporting in Jamaica in the trappings of exiled royalty Clarence, King of the Mosquitos. The British vice consul, Hatch, was arrested at Bluefields and taken a prisoner to the capital at Managua. British battleships appeared off the coast of Nicaragua, and I trooped with my Nicaraguan schoolmates to the blue-and-white-painted "palace" of the governor to volunteer for Nicaragua's threatened war with Britain. In Washington President Cleveland had called the Congress together and in one of the strongest messages ever sent from the White House to the Congress had told England that it was a case of complete respect of the validity of the Monroe Doctrine or fight the United States.

More than half a century ago, and the sea-level canal through Nicaragua uniting the two oceans is still unbuilt. There can be no excuse for further delay. In the event of another war and the destruction or closing of the Panama Canal, with its complicated locks, we in the Eighty-first Congress could not be forgiven by the American people for having been as negligent as preceding Congresses in applying ordinary common sense to the question of strengthening the security of the Republic, as well as giving adequate attention to the expansion of our commerce and shipping, by building a second, and a sea-level, interoceanic canal.

Mr. Speaker, there is no day on our calendar that is more important than Pan-American Day. The nations of the Western Hemisphere have set for the world and for all mankind the inspiring and heartening example of sovereign states working together in peace and mutual helpfulness as good neighbors. Destiny has brought to us on this hemisphere large responsibilities. Those responsibilities we will the better discharge, in the lifting of all men to greater contentment and in the making of the permanent peace, because our approach to all our common problems is that of friends and neighbors.

Mr. MANSFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Louisiana [Mr. LARCADE].

Mr. LARCADE. Mr. Speaker, I cannot fail to take advantage of this opportunity to say a few words on this occasion because since time immemorial there have been strong ties of friendship between the great State of Louisiana and our South American neighbors. The port of Lake Charles is in my district. Through that port pass many ships engaged in commerce with South America. We export great quantities of rice and other agricultural products to them and we handle the imports of their commodities to this country including strategic materials.

Mr. Speaker, I yield to my colleague the distinguished gentleman from Louisiana [Mr. BOGGS] who represents the city of New Orleans, and the great port of New Orleans.

Mr. BOGGS of Louisiana. Mr. Speaker, I should like to join with my colleague the gentleman from Louisiana [Mr. LARCADE] and other Members of our body who are today taking note of this historic occasion. I feel it is a day when we may express some degree of local pride. Through the port of New Orleans, located at the mouth of the Great Father of Waters, the Mississippi, serving the midcontinent area of the United States, stretching from the Alleghenies in the east to the Rockies on the west, there flows the bulk of commerce and trade to and from Central and South America.

Mr. Speaker, in these days when we hear so much about the necessity of Government programs, I should like to dwell for just a moment on what has been done in our community in connection with pan-American relations by private interests and civic organizations.

In the city of New Orleans we have established a unique institution known as International House. That organization is financed by traders from all parts of the great Mississippi Valley. Within the physical structure of the organization is maintained facilities for the actual meeting of the traders from South and Central America and other parts of the world. They are provided secretaries who speak the various languages. They are provided the necessary facilities for the transaction of business, such as explanation of customs, tariffs, and export and import regulations.

As a result, the amount of commerce and trade between this great section of the United States and the nations to the south of us, which, as was so eloquently pointed out by the gentleman from Pennsylvania [Mr. FLOOD], stand shoulder to shoulder with our Nation in the struggle against communism, has increased tremendously.

As a secondary result, our colleges and universities are now proud to number among their student bodies greatly increased numbers of students, young men and women, coming from each Republic to the south of us, learning of our culture, our traditions, and our great institutions.

Mr. Speaker, I believe that the lesson which has been learned by intimate cooperation between our great Nation and the nations to the south of us stands as a beacon light charting the way toward peace in this troubled world.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. CELLER. Would the gentleman say that the foreign-trade zone that has been established in the gentleman's city of New Orleans, and which has been established in my city of New York, and which has been established in the cities on the west coast has done much and will continue to do much by way of cementing better relations, commercially and industrially, between the countries to the south of us and our own country?

Mr. BOGGS of Louisiana. I would say to the gentleman from New York, who is the father of the foreign-trade zones in this country, that in my humble opinion the foreign-trade zones which have been established in New York, New Orleans, and on the west coast, and the inland zone at San Antonio, Tex., are doing more to bring about a new concept

of trade between this country and other nations than any one single factor that I can think of.

The SPEAKER. The time of the gentleman from Louisiana [Mr. BOGGS] has expired.

Mr. MANSFIELD. Mr. Speaker, I yield the gentleman one additional minute.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. KERR. I call to the attention of the gentleman who has made an interesting speech to us, that the interchange of the student bodies with the South American countries, which has existed for more than 10 years, has done more, in my opinion, to cement the friendship between these western nations than anything else that has ever been done.

Mr. BOGGS of Louisiana. I concur completely with the gentleman.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. EBERHARTER. I was informed the other day that one country in South America has 1,600 students in the colleges and universities and prep schools of the United States, which I think is a fine indication of their regard for our institutions and our way of life.

Mr. BOGGS of Louisiana. I thank the gentleman for his contribution.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. WALTER. It was my privilege last year to visit the trade zone in the city of New Orleans, and I am sure that those of the Committee on the Judiciary who were there were very proud of the fact that the legislation which provided for that program was introduced in the House by the distinguished chairman of the Judiciary Committee [Mr. CELLER].

Mr. BOGGS of Louisiana. I thank the gentleman very much.

The SPEAKER. The time of the gentleman from Louisiana has again expired.

Mr. MANSFIELD. Mr. Speaker, I yield such time as he may desire to the distinguished gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I am happy to associate myself with the gentleman from Montana [Mr. MANSFIELD] and others who have spoken in recognition of Pan-American Day, which calls to the attention of the people of the Western Hemisphere and of the whole world the unity which has been accomplished in the Western Hemisphere and which can be accomplished wherever there is genuine good will on the part of all concerned. Some people came to the Western Hemisphere to get gold, some to get land, some to get freedom. Some came in order to escape the bad conditions which existed in the mother countries and to try to build better conditions here. In both North and South America they were determined that the Western Hemisphere should not be made a replica of the Old World with its endless boundary quarrels, minority problems, and constantly recurring wars. So from the very beginning and almost without exception, they determined to exhaust every possible method of negotiation, conciliation, mediation, and reason to resolve the differences which inevitably arose, rather than to use the Old World technique of going to war at the drop of a hat. It has been a long, hard road, but the fact that we here and many elsewhere in the hemisphere are today celebrating this achievement is the unanswerable demonstration that it is possible to get good, peaceful, democratic relations between peoples and nations which are not alike in many respects, which differ in their national origins, differ in their languages, four main languages being spoken in this hemisphere, and differ in their religious faiths. Where there is the will to resolve the differences by peaceful means, the way can be found. These people have proved their faith that to work together to build up the prosperity and well-being of the whole area is the true way to promote the best interests of all the parts. These countries of the Western Hemisphere are to be congratulated and I am proud of the important part that our own country has played in producing an increasing sense of unity and of comradeship in a great crusade. There is no hope for the Old World unless it can work out some such pattern of cooperative organization and effort as the peoples and the countries of the Western Hemisphere have achieved.

The old saying is that one swallow does not make a summer, but it is the promise of spring. What has been accomplished in the Western Hemisphere is not just one swallow; it is a whole flock of doves of peace, if one may put it that way, which is the promise, yes, the demonstration, of what can be done where there is the will and the good will.

In today's celebration of the achievements of the last century we ought to resolve afresh to make this system of genuine partnership work even better in this hemisphere, and try to extend it to other parts of the world which are so torn today by the jealousies, frictions, and aggressions which can only lead to destruction for all concerned. The Western Hemisphere stands as a beacon to which all the world looks with hope. Let us keep that light burning ever more brightly.

Mr. MANSFIELD. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Speaker, it was in 1941 that I paid an official visit with certain members of the Subcommittee on Appropriations for the Department of State to 17 countries and the island of Trinidad just previous to our entrance into the war. We were sent there in order to make known to the people in the nations south of the Rio Grande the great interest of the United States in the Western Hemisphere.

On that occasion I told the officials of the countries visited "where your treasure is there also in your heart"; and I said, "You are as close as we are to the Panama Canal, and it stands in its operation and commerce for the protection of both of us." I told them that we were building a two-ocean navy and that it was for their protection as well as ours; and I said, "There has been some light talk about this being more Yankee ingenuity, but you see the two-ocean navy unfolding before you, and you will have that added protection of the great right arm of the United States of America."

We visited officially the President and the officers of every one of those 17 nations, and we announced that our interest in them would not be that of a wartime honeymoon.

I am pleased on this occasion that we are commemorating Pan-American Day, that we have made good, that we have made good with our cultural-relations program, with our exchange of professors and students, and all of the other things that have caused the nations involved to recognize that there is strength and unity in the Western Hemisphere.

Mr. MANSFIELD. Mr. Speaker, I yield to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Speaker, I regard it as a great privilege to participate in this Pan-American Day celebration. It is my honor to represent the city of San Antonio, Tex., a famous, proud old city. We are located about 150 miles from the Rio Grande and about 150 miles from the Gulf coast; nevertheless, we have in San Antonio an inland port of entry. Those coming from Latin America by air land in San Antonio and for the first time pass customs, immigration, and what not.

We have recently established there through the cooperation of the Federal Government a foreign-trade zone similar to that existing in the city of New Orleans, so that we are in a position to cooperate with Latin America and to assist her in those things which the people of South America desire to accomplish. We have for many years in my area of Texas sought to establish the good-neighbor policy. We have worked incessantly. We have the greatest respect and admiration for the Latin-American people. They are an intelligent, proud, and cultured people.

So long as those of us in America, whether it be south of the Rio Grande or north of the Rio Grande, can cooperate, then we are building a great hemisphere here.

We all wish for those people in the Pan-American area the best of all on this occasion.

Mr. MANSFIELD. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New Jersey [Mr. EATON].

Mr. EATON. Mr. Speaker, I join with pleasure my distinguished colleagues in celebrating Pan-American Day. South America and North America have their spiritual and racial rootage in different ancestries, but under the influence of the New World sky and New World conditions we have reached a unanimity of ideas of life and government which is truly remarkable. The future of world civilization, in my judgment, will be determined very largely by the continued unity and understanding existing between the peoples of the North and South American continents.

Mr. Speaker, I would like to say a word on another subject. I have just been informed that Mr. John Foster Dulles has been appointed as adviser to the

State Department in world affairs. I rejoice in this because, for years, I have been advocating that we should have no partisan politics in our foreign relations. At home here it is our privilege, and often our duty, to oppose each other, and out of free debate to come to a rational conclusion on domestic policies. But when we confront the world in this most difficult and dangerous hour of human history it seems to me that we must be united upon certain great general principles that are in accord with the foundations of our national life and of our international relations.

It is, therefore, a personal gratification to me, as I believe it will be to every Member of this House, that the State Department has availed itself of the experience and wisdom of John Foster Dulles in carrying on our foreign relations.

Mr. MANSFIELD. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON. Mr. Speaker, it has been just about a year ago that I had the honor of addressing the Pan-American Assembly in Panama City. I was in the area as chairman of the subcommittee then dealing with various affairs of the Panama Canal. In this capacity, I had occasion to meet and to become acquainted with many of the official family of the Republic of Panama.

Today, as I listen to the tributes paid by my colleagues to our neighbors of North and South America, the memorable visit to our sister Republic of Panama becomes very bright in my mind. Of all of our neighbors, none could be more truly worthy of that term than the people of Panama. To those of us who have had the privilege of visiting the Panama Canal, that veritable crossroads of the world, the importance of our unique relationship with our sister Republic becomes increasingly apparent. Individually, her people impressed me tremendously. They are proud and industrious; and like ourselves, independent in their individual thinking but intensely devoted to the welfare of their nation.

Listening to the speeches incident to Pan-American Day, I am also impressed that the example set by the people of Panama manifests itself throughout the Western Hemisphere.

We may fervently hope that the ties that bind us together will grow closer with the passing of the years and that our children may thereby inherit the blessing of everlasting peace.

Mr. MANSFIELD. Mr. Speaker, I cannot let the opportunity pass without adding my voice to the wishes and the thoughts expressed by the gentleman from Pennsylvania [Mr. FLOOD] and others who have spoken on this floor today. We are all indebted to our good friend, Dr. Joseph Thorning, for the time and the effort he has put in in cementing the good relationships between the countries of the Western Hemisphere. Dr. Thorning is a scholar, a man of great devotion and understanding. He has been with us on every Pan-American Day for a number of years past to open services on this memorable occasion. We are proud to have him. We appreciate his coming here and admire his great work in fostering inter-American relationships and good will. I hope he will be with us for many years to come, carrying on the great work that he has set out to do.

Mr. Speaker, I yield the balance of my time to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, I wish to say amen to all the fine things that have been said about our relations with our friends and neighbors in Pan America, and to the tribute that has been paid the divine who led us in prayer this noon.

THE HARRY BRIDGES CASE

Mr. Speaker, in this morning's issue of the Washington Post, the following editorial appeared:

BRIDGES' CONVICTION

Those forces within the Government, which for a dozen years or more have been seeking the downfall of Mr. Harry Bridges, organizer and president of the west coast longshoreman's union, have now apparently succeeded. On Tuesday in the Federal District Court at San Francisco, Mr. Bridges was convicted on two counts of perjury, for having stated in an application for naturalization that he had never been a member of the Communist Party. The verdict followed one of the noisiest and stormiest trials in the history of American jurisprudence, at which the Government produced a succession of witnesses, themselves former Communists, who testified to his membership in the party, and at which, two of Mr. Bridges' attorneys won themselves jail sentences for contempt.

The allegations concerning Mr. Bridges' affiliation with the Communist Party are of course nothing new. As long ago as 1939 the old Dies committee demanded the deportation of Mr. Bridges on this ground. Secretary Perkins, however, refused to issue an order, asserting that the evidence of Mr. Bridges' membership in the party was not conclusive, and that even it it were it would be an insufficient reason. Congress, thereupon, passed an amendment to the immigration laws specifically designed to cover the Bridges case.

Thus when the Bureau of Immigration had been transferred from the Department of Labor to that of Justice, the Attorney General, Mr. Biddle, issued the order for deportation on the basis of the amended law. The order, however, was set aside by the Supreme Court in a momentous decision, with Justices Roberts and Frankfurter and Chief Justice Stone dissenting. It was after this victory that Mr. Bridges became an American citizen.

From beginning to end the Bridges case has placed a very severe strain upon traditional American concepts of justice. Of Mr. Bridges' proclivities as a troublemaker there is no doubt whatever and of his Communist associations very little, as the verdict at San Francisco shows. Yet in their eagerness to get rid of him, Mr. Bridges' enemies resorted in the first instance to the dangerous device of an ex post facto law, and in the second to an indictment related only indirectly to the offenses that have made his presence odious to so many Americans. In other words, the Bridges case, like the case of Mr. Alger Hiss, illustrates the tendency of the Government to resort to prosecutions for perjury in political cases where prosecution is impossible under other existing statutes.

Even now that Bridges has been convicted, it is still difficult to see what can be done with him. The verdict undoubtedly will be appealed; but even if the verdict is sustained by the Supreme Court he cannot be deported, for the good reason that Australia, his native country, will refuse to admit him. He can, of course, and probably will, be denaturalized, but that will not end the problem. It will merely make him a man without a country.

This editorial demonstrates conclusively that the writer fails to agree with the law of the land that perjury is a heinous crime.

It also seems to intimate that those forces within the Government which have been doing their sworn duty to enforce our deportation statutes "have been but seeking the downfall of Mr. Harry Bridges."

When the editorial says: "Two of Mr. Bridges' attorneys won themselves jail sentences for contempt," it might be construed as implying that sentences imposed by a righteous judge who respects the bench which he graces, has but given contemptuous lawyers a victory.

When the editorial says, "The allegations concerning Mr. Bridges' affiliation with the Communist Party are of course nothing new. As long ago as 1939 the old Dies committee demanded the deportation of Mr. Bridges on this ground. Secretary Perkins, however, refused to issue an order, asserting that the evidence of Mr. Bridges' membership in the party was not conclusive, and that even if it were it would be an insufficient reason. Congress, thereupon, passed an amendment to the immigration laws specifically designed to cover the Bridges case," it falsifies the record. Secretary Perkins had no right under the law to issue any such order until after Bridges had been convicted and been ordered deported by the proper tribunal, and when that order had come to her upon appeal. This did not occur. But when the Secretary testified before the House Committee on the Judiciary, she never asserted "that the evidence of Mr. Bridges' membership in that party was not conclusive," nor did she say that "even if it were it would be an insufficient reason." She testified that it was because of the decision of the Supreme Court in the Joe Strecker case holding that because he had failed to continue to pay his dues as a member of the Communist Party he had ceased to be a member thereof and the deportation statute did not cover former but only present membership in the party as a ground of deportation.

Of course my amendment of the Smith bill was not passed until some time later. It was later still when the Bureau of Immigration had been transferred by another one of my amendments from the Department of Labor to that of Justice, and after a lengthy trial before Dean Landis of the Harvard Law School—a brilliant but utterly inexperienced tryer of facts—who had decided the case in favor of Bridges, another trial examiner was appointed, Judge Sears, who was a retired judge of New York had been appointed by both a Republican and a Democratic President, had made a wonderful record and had retired with high honors and pristine mental vigor. After another lengthy trial, Judge Sears decided the case against Bridges, whereupon an appeal was taken from his decision to the Departmental Board of Appeals. It decided in favor of Bridges and the Government took an appeal to the Attorney General, Hon. Francis Biddle, who after careful study in the light of

his brilliant mind and experience as a judge of the circuit court of appeals, again decided the issue in favor of the Government and ordered the deportation of Bridges. Bridges appealed to the Supreme Court from the decision of the Attorney General and the Supreme Court reversed the decision of Judge Sears and the Attorney General. Thus was the deportation case against Bridges finally settled at that time.

Later new evidence was discovered of the falsity of Bridges' statement in his application for naturalization, when under oath he stated that he had never been a member of the Communist Party. He was then indicted and after a trial that lasted some 80 days, the jury, which heard the evidence, found him guilty of perjury, and the trial judge commended the jury for its decision.

The editorial continues:

From beginning to end the Bridges case has placed a very severe strain upon traditional American concepts of justice. Of Mr. Bridges' proclivities as a troublemaker there is no doubt whatever and of his Communist associations very little, as the verdict at San Francisco shows. Yet in their eagerness to get rid of him, Mr. Bridges' enemies resorted in the first instance to the dangerous device of an ex post facto law, and in the second to an indictment related only indirectly to the offenses that have made his presence odious to so many Americans. In other words, the Bridges case, like the case of Mr. Alger Hiss, illustrates the tendency of the Government to resort to prosecutions for perjury in political cases where prosecution is impossible under other existing statutes.

In answer to this effusion, it should be said in the first place that it evidences a complete misunderstanding of what an ex post facto law is. Every well-informed person knows that that condemnation applies only to criminal cases, and that deportation is not a criminal case. The right of deportation is a civil remedy provided for a sovereign government as an incident of its sovereignty, whereby it is permitted to invite those aliens to come in who are believed to be of the kind that will help us build a better Nation and who will agree not to violate our laws, always reserving the right to rub welcome off our national mat if any alien guest betrays our hospitality, and violates our laws.

The case in which Bridges has just been convicted of perjury has nothing whatever to do with the case decided by the Supreme Court in his former deportation proceedings. That civil case is settled finally. It is only because of the discovery of a violation of our criminal statute against perjury committed by him as an American citizen that he has brought himself into the toils of the criminal law. As a mere incident of his perjury, it happens that the discovery of that crime also apprises our Government of the fact that he obtained his American citizenship by fraud which, under the law, may and should require the surrender of the fruits of that fraud. If either the Bridges or the Hiss case be political, then many good citizens cannot comprehend the meaning of that word.

The last paragraph of the editorial reads as follows:

Even now that Bridges has been convicted, it is still difficult to see what can be done with him. The verdict undoubtedly will be appealed; but even if the verdict is sustained by the Supreme Court he cannot be deported, for the good reason that Australia, his native country, will refuse to admit him. He can, of course, and probably will, be denaturalized, but that will not end the problem. It will merely make him a man without a country.

This concluding paragraph simply evidences the necessity for Congress to enact my bill, H. R. 10, into law. It provides simply that wherever it has become infeasible by the refusal of a deportee's home country to allow him to come back, he cannot remain here as free as any of the rest of us, but shall be locked up, though not at hard labor, until he or his family or friends arrange for him to go home, or to some country into which he will be accepted. Precursors of this bill have been introduced by me into several different Congresses. One of these passed the House once. The present version has the approval of the House Committee on the Judiciary, the Department of Justice, and the Budget Bureau. It awaits the granting of a rule for its consideration on the House floor.

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on Pan-American Day at this point.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I offer a resolution (H. Res. 542) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas April 14, the founding date of the Pan American Union 60 years ago by the First International Conference of American States in Washington, has been designated Pan-American Day and is traditionally observed by the legislatures of the American Republics; and

Whereas the Pan American Union, now secretariat of the Organization of American States, has enlarged its program for the promotion of economic, social, juridical, and cultural relations, as set forth in the Charter of the Organization of American States; and

Whereas the House of Representatives is of the conviction that pan-American solidarity, based on friendship, mutual understanding, and cooperation among the states of this hemisphere, is of the highest importance to the welfare and progress of the peoples of the Americas and to the world as a whole: Therefore, be it

Resolved, That the House of Representatives extend its most cordial greetings to the representative bodies of each of the other American states on the occasion of Pan-American Day, in recognition of the democratic ideals shared by the nations of the Americas and in reaffirmation of hemispheric unity.

Copies of the present resolution shall be distributed through appropriate channels to the legislatures of the other American states and to the secretary general of the Organization of American States.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REHABILITATION OF NAVAJO AND HOPI INDIANS

Mr. MORRIS. Mr. Speaker, I call up the conference report on the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1892)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 2 and 3, and agree to the same.

Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by said amendment; insert the matter proposed to be inserted by said amendment; and on page 8, line 11, of the Senate engrossed bill strike out "(1)"; and on page 8, line 22, of the Senate engrossed bill, beginning with the comma strike out through the word "Indians" in line 25; and the House agree to the same.

TOBY MORRIS,
JOHN R. MURDOCK,
COMPTON I. WHITE, Idaho,
WILLIAM LEMKE,
WESLEY A. D'EWART,
Managers on the Part of the House.

ERNEST W. MCFARLAND,
CLINTON P. ANDERSON,
ZALES N. ECTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Reservations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

That the Senate recede from its disagreement to amendments of the House Nos. 1, 2 and 3, and agree that certain language at the end of Section 9 be stricken so that section 9 shall read as follows:

"SEC. 9. Beginning with the quarter commencing July 1, 1950, the Secretary of the Treasury shall pay quarterly to each State (from sums made available for making payments to the States under sections 3 (a),

403 (a), and 1003 (a) of the Social Security Act) an amount, in addition to the amounts prescribed to be paid to such State under such sections, equal to 80 per centum of (1) the total amounts of contributions by the State toward expenditures during the preceding quarter by the State, under the State plans approved under the Social Security Act for old age assistance, aid to dependent children, and aid to the needy blind, to Navajo and Hopi Indians residing within the boundaries of the State on reservations or on allotted or trust lands, with respect to whom payments are made to the State by the United States under sections 3 (a), 403 (a), and 1003 (a), respectively, of the Social Security Act, not counting so much of such expenditure to any individual for any month as exceeds the limitations prescribed in such sections."

Amendment 1: The Senate, in receding from its disagreement to amendment No. 1 of the House, reached the agreement with the conferees of the House for striking certain language at the end of section 9 which has the effect of attaining the desired purposes of section 9.

Section 9 as amended by amendment No. 1 of the House provides that the payment by the Secretary of the Treasury to each State, under section 3 (a), 403 (a), and 1003 (a) of the Social Security Act, shall be (1) increased by 80 percent of the States' share of the total assistance payment made to the Navajo and Hopi Indians and (2) reduced by the total amounts paid to each State by the United States under section 3 (a), 403 (a), and 1003 (a) of the Social Security Act with respect to such Indians. To illustrate the effect of this provision, the payment of $50 to an individual Indian is assumed. A break-down of the payments under such assumption is as follows:

1. Total payment, $50.
2. Regular Federal share, $30.
3. Regular State share, $20.
4. Additional Federal contribution 80 percent of ($20–$30) or 80 percent of $10, $8.

It may be readily seen that the effect of this section is nullified. In fact, the section has the effect of producing an absurd result. Under its most favorable interpretation the States would be entitled to no additional Federal contribution.

The agreement, however, by the conferees to strike the language at the end of section 9 cures the above-noted defect.

The stricken language is as follows: "reduced by (2) the total amounts paid to such State by the United States for such quarter under sections 3 (a), 403 (a), and 1003 (a) of the Social Security Act with respect to such Indians."

To illustrate the effect of section 9 as agreed to by the conferees, the payment of $50 to an individual Indian is assumed. A break-down of the payments under such assumption is as follows:

1. Total payment, $50.
2. Regular Federal share, $30.
3. Regular State share, $20.
4. Additional Federal contribution (80 percent of $20), $16.
5. Total Federal contributions, 30 plus $16, $46 or 92 percent of payment.

Amendment 2: A perfecting amendment which is self-explanatory.

Amendment 3: A perfecting amendment which is self-explanatory.

TOBY MORRIS,
JOHN R. MURDOCK,
COMPTON I. WHITE,
WILLIAM LEMKE,
WESLEY A. D'EWART,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

HOUSING ACT OF 1950

Mr. SPENCE. Mr. Speaker, I call up the conference report on the bill (S. 2246) to amend the National Housing Act, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1893)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2246) to amend the National Housing Act, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Housing Act of 1950'.

"TITLE I—AMENDMENTS OF NATIONAL HOUSING ACT

"AMENDMENTS OF TITLE I OF NATIONAL HOUSING ACT

"SEC. 101. (a) Section 2 of the National Housing Act, as amended, is hereby amended—

"(1) by striking out of the first sentence of subsection (a) thereof 'March 1, 1950', and inserting in lieu thereof 'July 1, 1955';

"(2) by striking out the last sentence of subsection (a) and inserting in lieu thereof the following: 'The aggregate amount of principal obligations of all loans, advances of credit, and obligations purchased with respect to which insurance may be heretofore or hereafter granted under this section and outstanding at any one time shall not exceed $1,250,000,000.';

"(3) by striking out of clause numbered (1) in subsection (b) '$4,500' and inserting in lieu thereof '$3,000';

"(4) by striking out of clause numbered (2) in subsection (b) the words 'residential or'; and

"(5) by striking out of subsection (f) the word 'title' in each place it appears therein and inserting in lieu thereof the word 'section'.

"(b) This section shall take effect as of March 1, 1950.

"SEC. 102. Title I of said act, as amended, is hereby amended by adding at the end thereof the following new section:

"'INSURANCE OF MORTGAGES

"'SEC. 8. (a) To assist in providing adequate housing for families of low and moderate income, particularly in suburban and outlying areas, this section is designed to supplement systems of mortgage insurance under other provisions of the National Housing Act my making feasible the insurance of mortgages covering properties in areas where it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in built-up urban areas. The Commissioner is authorized, upon application by the mortgagee, to insure, as hereinafter provided, any mortgage (as defined in section 201 of this Act) offered to him which is eligible for insurance as hereinafter provided, and, upon such terms as the Commissioner may prescribe, to make commitments for the insuring of such mortgages prior to the date of their execution or disbursement thereon: *Provided*, That the aggregate amount of principal obligations of all mortgages insured under this section and outstanding at any one time shall not exceed $100,000,000, except that with the approval of the President such aggregate amount may be increased at any time or times by additional amounts aggregating not more than $150,000,000 upon a determination by the President, taking into account the general effect of any such increase upon conditions in the building industry and upon the national economy, that such increase is in the public interest.

"'(b) To be eligible for insurance under this section, a mortgage shall—

"'(1) have been made to, and be held by, a mortgagee approved by the Commissioner as responsible and able to service the mortgage properly;

"'(2) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $4,750, except that the Commissioner may by regulation increase this amount to not to exceed $5,600 in any geographical area where he finds that cost levels so require, and not to exceed 95 per centum of the appraised value, as of the date the mortgage is accepted for insurance, of a property, urban, suburban, or rural upon which there is located a dwelling designed principally for a single-family residence, the construction of which is begun after the date of enactment of the Housing Act of 1950, and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That the mortgagor shall be the owner and occupant of the property at the time of insurance and shall have paid on account of the property at least 5 per centum of the appraised value in cash or its equivalent, or shall be the builder constructing the dwelling, in which case the principal obligation shall not exceed $4,250, except that the Commissioner may by regulation increase this amount to not to exceed $5,000 in any geographical area where he finds that cost levels so require, and shall not exceed 85 per centum of the appraised value of the property: *And provided further*, That the Commissioner finds that the project with respect to which the mortgage is executed is an acceptable risk, giving consideration to the need for providing adequate housing for families of low and moderate income particularly in suburban and outlying areas;

"'(3) have a maturity satisfactory to the Commissioner but not to exceed thirty years from the date of insurance of the mortgage;

"'(4) contain complete amortization provisions satisfactory to the Commissioner requiring periodic payments by the mortgagor not in excess of his reasonable ability to pay as determined by the Commissioner;

"'(5) bear interest (exclusive of premium charges for insurance and service charges, if any) at not to exceed 5 per centum per annum on the amount of the principal obligation outstanding at any time;

"'(6) provide, in a manner satisfactory to the Commissioner, for the application of the mortgagor's periodic payments (exclusive of the amount allocated to interest and to the premium charge which is required for mortgage insurance as hereinafter provided and to the service charge, if any) to amortization of the principal of the mortgage; and

"'(7) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, service charges, default reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, and other matters as the Commissioner may in his discretion prescribe.

"'(c) The Commissioner is authorized to fix a premium charge for the insurance of mortgages under this section, but in the case of any mortgage, such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obliga-

tion of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. Such premium charges shall be payable by the mortgagee, either in cash or in debentures issued by the Commissioner under this section at par plus accrued interest, in such manner as may be prescribed by the Commissioner: *Provided*, That the Commissioner may require the payment of one or more such premium charges at the time the mortgage is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the mortgage. If the Commissioner finds, upon the presentation of a mortgage for insurance and the tender of the initial premium charge or charges so required, that the mortgage complies with the provisions of this section, such mortgage may be accepted for insurance by endorsement or otherwise as the Commissioner may prescribe. In the event that the principal obligation of any mortgage accepted for insurance under this section is paid in full prior to the maturity date, the Commissioner is further authorized, in his discretion, to require the payment by the mortgagee of an adjusted premium charge in such amount as the Commissioner determines to be equitable, but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured until such maturity date; and in the event that the principal obligation is paid in full as herein set forth, the Commissioner is authorized to refund to the mortgagee for the account of the mortgagor all, or such portion as he shall determine to be equitable, of the current unearned premium charges theretofore paid.

"'(d) The Commissioner may, at any time under such terms and conditions as he may prescribe, consent to the release of the mortgagor from his liability under the mortgage or the credit instrument secured thereby, or consent to the release of parts of the mortgaged property from the lien of the mortgage.

"'(e) Any contract of insurance executed by the Commissioner under this section shall be conclusive evidence of the eligibility of the mortgage for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or misrepresentation on the part of such approved mortgagee.

"'(f) In any case in which the mortgagee under a mortgage insured under this section shall have foreclosed and taken possession of the mortgaged property in accordance with the regulations of, and within a period to be determined by, the Commissioner, or shall, with the consent of the Commissioner, have otherwise acquired such property from the mortgagor after default, the mortgagee shall be entitled to receive the benefits of the insurance as provided in section 204 (a) of this Act with respect to mortgages insured under section 203 (b) (2) (D) of this Act.

"'(g) Subsections (c), (d), (e), (f), (g); and (h) of section 204 of this Act shall be applicable to mortgages insured under this section except that all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Title I Housing Insurance Fund, and all references therein to section 203 shall be construed to refer to this section: *Provided*, That debentures issued in connection with mortgages insured under this section 8 shall have the same tax exemption as debentures issued in connection with mortgages insured under section 203 of this Act.

"'(h) There is hereby created a Title I Housing Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this section, and the Commissioner is hereby directed to transfer immediately to such Fund the sum of $1,000,000 from the account in the Treasury of the United States established pursuant to the provisions of section 2 (f) of this title.

"'(i) (1) Moneys in the Title I Housing Insurance Fund not needed for the current operations of the Federal Housing Administration under this section shall be deposited with the Treasurer of the United States to the credit of the Title I Housing Insurance Fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of this section. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"'(2) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage accepted for insurance under this section, the receipts derived from the property covered by such mortgage and claims assigned to the Commissioner in connection therewith shall be credited to the Title I Housing Insurance Fund. The principal of, and interest paid and to be paid on debentures issued under this section, cash adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired under this section shall be charged to the Title I Housing Insurance Fund.'"

"AMENDMENTS OF TITLE II OF NATIONAL HOUSING ACT

"SEC. 103. Section 203 (a) of said Act, as amended, is hereby amended by striking out the proviso and inserting the following: '*Provided*, That the aggregate amount of principal obligations of all mortgages insured under this title and outstanding at any one time shall not exceed $7,750,000,000, except that with the approval of the President such aggregate amount may be increased at any time or times by additional amounts aggregating not more than $1,250,000,000 upon a determination by the President, taking into account the general effect of any such increase upon conditions in the building industry and upon the national economy, that such increase is in the public interest.'"

"SEC. 104. (a) Section 203 (b) (2) of said Act, as amended, is hereby amended to read as follows:

"'(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount—

"'(A) not to exceed $16,000 and not to exceed 80 per centum of the appraised value (as of the date the mortgage is accepted for insurance) of a property upon which there is located a dwelling or dwellings designed principally for residential use for not more than four families in the aggregate, irrespective of whether such dwelling or dwellings have a party wall or are otherwise physically connected with another dwelling or dwellings: *Provided*, That the Commissioner may increase such dollar amount limitation by not exceeding $4,500 for each additional family dwelling unit in excess of two located on such property, or

"'((B) Repealed.)

"'(C) not to exceed $9,450 and not to exceed the sum of (i) 95 per centum of $7,000 of the appraised value (as of the date the mortgage is accepted for insurance) and (ii) 70 per centum of such value in excess of $7,000 and not in excess of $11,000, of a property, urban, suburban, or rural, upon which there is located a dwelling designed principally for a single-family residence and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That with respect to mortgages insured under this paragraph the mortgagor shall be the owner and occupant of the property and shall have paid on account of the property at least 5 per centum of the appraised value, or such larger amount as the Commissioner may determine, in cash or its equivalent, or

"'(D) not to exceed $6,650, except that the Commissioner may by regulation increase this amount to not to exceed $7,600 in any geographical area where he finds that cost levels so require and not to exceed 95 per centum of the appraised value (as of the date the mortgage is accepted for insurance) of a property, urban, suburban, or rural, upon which there is located a dwelling designed principally for a single-family residence and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That if the Commissioner finds that it is not feasible, within the aforesaid dollar amount limitation, to construct dwellings containing three or four bedrooms without sacrifice of sound standards of construction, design, and livability, he may increase such dollar amount limitation by not exceeding $950 for each additional bedroom (as defined by the Commissioner) in excess of two contained in such dwelling if he finds that such dwelling meets sound standards of design and livability as a three-bedroom unit or a four-bedroom unit, as the case may be: *Provided further*, That with respect to mortgages insured under this paragraph the mortgagor shall be the owner and occupant of the property and shall have paid on account of the property at least 5 per centum of the appraised value in cash or its equivalent, or shall be the builder constructing the dwelling in which case the principal obligation shall not exceed $5,950 for a one-bedroom unit or a two-bedroom unit, $6,800 for a three-bedroom unit, or $7,650 for a unit having four or more bedrooms, except that the Commissioner may by regulation increase each of the maximum dollar amount limitations contained in this proviso by not to exceed $850 in any geographical area where he finds that cost levels so require, and shall not exceed 85 per centum of the appraised value of the property: *And provided further*, That the Commissioner may by regulation provide that the maximum dollar amount limitations in this paragraph (D) shall be fixed at lesser amounts where he finds, for any section or locality or for the country as a whole or at any time, that it is feasible, within such lesser dollar amount limitations, to construct dwellings for families of lower income without sacrifice of sound standards of construction, design, and livability.

"(b) The repeal of section 203 (b) (2) (B) of said Act, as provided by subsection (a) of this section, shall not affect the right of the Commissioner to insure under said section any mortage (1) for the insurance of which application has been filed prior to the effective date of this Act, or (2) with respect to a property covered by a mortgage insured under any section of the National Housing Act, as amended.

"SEC. 105. Section 204 (a) of said Act, as amended, is hereby amended by inserting in the second proviso in the last sentence after the words 'of this Act,' the following: 'or under section 213 of this Act,'.

"SEC. 106. Section 207 (b) of said Act, as amended, is hereby amended by adding the following new paragraphs at the end thereof:

"'The insurance of mortgages under this section is intended to facilitate particularly the production of rental accommodations, at reasonable rents, of design and size suitable for family living. The Commissioner is, therefore, authorized and directed in the administration of this section to take action, by regulation or otherwise, which will direct the benefits of mortgage insurance hereunder primarily to those projects which make

adequate provision for families with children, and in which every effort has been made to achieve moderate rental charges.

" 'Notwithstanding any other provisions of this section, no mortgage shall be insured hereunder unless the mortgagor certifies under oath that in selecting tenants for the property covered by the mortgage he will not discriminate against any family by reason of the fact that there are children in the family, and that he will not sell the property while the insurance is in effect unless the purchaser so certifies, such certifications to be filed with the Commissioner. Violation of any such certification shall be a misdemeanor punishable by a fine of not to exceed $500.'

"SEC. 107. Section 207 (c) of said Act, as amended, is hereby amended—

"(1) by amending paragraph numbered (2) to read as follows:

" '(2) not to exceed the sum of (i) 90 per centum of that portion of the estimated value of the property or project (when the proposed improvements are completed) which does not exceed $7,000 per family unit and (ii) 60 per centum of such estimated value in excess of $7,000 and not in excess of $10,000 per family unit: *Provided,* That except with respect to a mortgage executed by a mortgagor coming within the provisions of paragraph numbered (b) (1) of this section, such mortgage shall not exceed the amount which the Commissioner estimates will be the cost of the completed physical improvements on the property or project exclusive of public utilities and streets and organization and legal expenses: *And provided further,* That the above limitations in this paragraph (2) shall not apply to mortgages on housing in the Territory of Alaska, but such a mortgage may involve a principal obligation in an amount not to exceed 90 per centum of the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed (the value of the property or project as such term is used in this paragraph may include the land, the proposed physical improvements, utilities within the boundaries of the property or project, architect's fees, taxes, and interest accruing during construction, and other miscellaneous charges incident to construction and approved by the Commissioner); and';

"(2) by amending paragraph numbered (3) to read as follows:

" '(3) not to exceed $8,100 per family unit (or $7,200 per family unit if the number of rooms in such property or project does not equal or exceed four and one-half per family unit) for such part of such property or project as may be attributable to dwelling use.'; and

"(3) By striking out of the first sentence of the last paragraph the words ', except that with respect to mortgages insured under the provisions of the second proviso of paragraph numbered (2) of this subsection, which mortgages are hereby authorized to have a maturity of not exceeding 40 years from the date of insurance of the mortgage, such interest rate shall not exceed 4 percent per annum'.

"SEC. 108. Section 207 (d) of said Act, as amended, is hereby amended by striking out of the proviso the words 'one-half of'.

"SEC. 109. Section 207 (f) of said Act, as amended, is hereby amended by striking out 'section 210' wherever appearing therein and inserting in lieu thereof 'section 210 and section 213'.

"SEC. 110. Section 207 (g) of said Act, as amended, is hereby amended—

"(1) by striking out of clause (C) in the second sentence the words 'preservation of the property' and inserting in lieu thereof 'preservation of the property and any mortgage insurance premiums paid after default'; and

"(2) by striking out the proviso in the last sentence thereof and inserting the following: '*Provided,* That the mortgagee in the event of a default under the mortgage may, at its option and in accordance with regulations of, and in a period to be determined by, the Commissioner, proceed to foreclose on and obtain possession of or otherwise acquire such property from the mortgagor after default, and receive the benefits of the insurance as herein provided, upon (1) the prompt conveyance to the Commissioner of title to the property which meets the requirements of the rules and regulations of the Commissioner in force at the time the mortgage was insured and which is evidenced in the manner prescribed by such rules and regulations, and (2) the assignment to him of all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction or foreclosure proceedings, except such claims that may have been released with the consent of the Commissioner. Upon such conveyance and assignment, the obligation of the mortgagee to pay the premium charges for insurance shall cease and the mortgagee shall be entitled to receive the benefits of the insurance as provided in this subsection, except that in such event the 1 per centum deduction, set out in (ii) hereof, shall not apply.'

"SEC. 111. Section 207 (h) of said Act, as amended, is hereby amended by striking out of the first sentence the words 'by the Commissioner to any mortgagee upon the assignment of the mortgage to the Commissioner' and inserting in lieu thereof 'under this section.'

"SEC. 112. Section 207 (i) of said Act, as amended, is hereby amended by striking out the first sentence and inserting the following in lieu thereof: 'Debentures issued under this section shall be executed in the name of the Housing Insurance Fund as obligor, shall be signed by the Commissioner, by either his written or engraved signature, shall be negotiable, and shall be dated as of the date of default as determined in subsection (g) of this section and shall bear interest from such date.'

"SEC. 113. Section 212 (a) of said Act, as amended is hereby amended by deleting the words 'or under title VIII, a mortgage' immediately after the words 'effective date of this section,' and by inserting in lieu of the words deleted the following: 'or under section 213 of this title, or under title VII pursuant to any application filed subsequent to sixty days after the date of enactment of the Housing Act of 1950, or under title VIII, a mortgage or investment.'

"SEC. 114. Title II of said Act, as amended, is hereby amended by inserting a new section reading as follows:

" 'COOPERATIVE HOUSING INSURANCE

" 'SEC. 213. (a) In addition to mortgages insured under section 207 of this title, the Commissioner is authorized to insure mortgages as defined in section 207 (a) of this title (including advances on such mortgages during construction), which cover property held by—

" '(1) a nonprofit cooperative ownership housing corporation or nonprofit cooperative ownership housing trust, the permanent occupancy of the dwellings of which is restructed to members of such corporation or to beneficiaries of such trust; or

" '(2) a nonprofit corporation or nonprofit trust organized for the purpose of construction of homes for members of the corporation or for beneficiaries of the trust;

which corporations or trusts are regulated or restricted for the purposes and in the manner provided in paragraphs numbered (1) and (2) of subsection (b) of section 207 of this title.

" '(b) To be eligible for insurance under this section a mortgage on any property or project of a corporation or trust of the character described in paragraph numbered (1) of subsection (a) of this section shall involve a principal obligation in an amount—

" '(1) not to exceed $5,000,000;

" '(2) not to exceed $8,100 per family unit for such part of such property or project as may be attributable to dwelling use, except that if the Commissioner finds that the needs of individual members of the corporation or of individual beneficiaries of the trust could more adequately be met by per room limitations, the mortgage may involve a principal obligation in an amount not to exceed $1,800 per room for such part of such project to be occupied by such members or beneficiaries; and not to exceed 90 per centum of the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed: *Provided,* That (i) such maximum dollar amount shall be increased by $4.50 per family unit or $1 per room, as the case may be, for each 1 per centum of the membership of the corporation or number of beneficiaries of the trust which consists of veterans of World War II and such maximum ratio of loan to cost shall be increased by one-twentieth of 1 per centum for each 1 per centum of the membership of the corporation or number of beneficiaries of the trust which consists of veterans of World War II, if evidence satisfactory to the Commissioner is furnished to establish that the benefits of such increase will accrue to the members of the corporation or beneficiaries of the trust who are veterans of World War II in the form of the elimination of the down payment which the corporation or trust would otherwise require in order to supply the difference between the amount of the mortgage loan and the estimated replacement cost of the property or project, or (ii) if at least 65 per centum of the membership of the corporation or number of beneficiaries of the trust consists of veterans of World War II, the mortgage may involve a principal obligation not to exceed $8,550 per family unit or $1,900 per room as the case may be and not to exceed 95 per centum of the amount which the Commissioner estimates as the replacement cost of the property or project when the proposed improvements are completed.

" '(c) To be eligible for insurance under this section a mortgage on any property or project of a corporation or trust of the character described in paragraph numbered (2) of subsection (a) of this section shall involve a principal obligation in an amount not to exceed $5,000,000 and not to exceed the greater of the following amounts:

" '(1) A sum computed on the basis of a separate mortgage for each single-family dwelling (irrespective of whether such dwelling has a party wall or is otherwise physically connected with another dwelling or dwellings) comprising the property or project, equal to the total of each of the maximum principal obligations of such mortgages which would meet the requirements of paragraph (A), paragraph (C), or paragraph (D) of section 203 (b) (2) of this Act if the mortgagor were the owner and occupant who had made any required payment on account of the property prescribed in such paragraph.

" '(2) A sum equal to the maximum amount which does not exceed either of the limitations on the amount of the principal obligation of the mortgage prescribed by paragraph numbered (2) of subsection (b) of this section.

" '(d) Any mortgage insured under this section shall provide for complete amortization by periodic payments within such terms as the Commissioner may prescribe but not to exceed forty years from the beginning of amortization of the mortgage, and shall bear interest (exclusive of premium charges for insurance) at not to exceed 4 per centum per annum on the amount of the principal obligation outstanding at any time. The

Commissioner may consent to the release of a part or parts of the mortgaged property from the lien of the mortgage upon such terms and conditions as he may prescribe and the mortgage may provide for such release, and a mortgage on any project of a corporation or trust of the character described in paragraph numbered (2) of subsection (a) of this section may provide that, at any time after the completion of the construction of the project, such mortgage may be replaced, in whole or in part, by individual mortgages covering each individual dwelling in the project in amounts not to exceed the unpaid balance of the blanket mortgage allocable to the individual property. Each such individual mortgage may be insured under this section. Property covered by a mortgage, insured under this section, on a property or project of a corporation or trust of the character described in paragraph numbered (1) of subsection (a) of this section may include such commercial and community facilities as the Commissioner deems adequate to serve the occupants.

"'(e) The provisions of subsections (d), (e), (g), (h), (i), (j), (k), (l), (m), (n), and (p) of section 207 of this title shall be applicable to mortgages insured under this section except individual mortgages insured pursuant to subsection (d) of this section covering the individual dwellings in the project, and as to such individual mortgages the provisions of subsections (a), (c), (d), (e), (f), (g), and (h) of section 204 shall be applicable.

"'(f) The Commissioner is authorized, with respect to mortgages insured or to be insured under this section, to furnish technical advice and assistance in the organization of corporations or trusts of the character described in subsection (a) of this section and in the planning, development, construction, and operation of their housing projects. In the performance of, and with respect to, the functions, powers, and duties vested in him by this section, the Commissioner, notwithstanding the provisions of any other law, shall appoint an Assistant Commissioner to administer the provisions of this section under the direction and supervision of the Commissioner.'

"'(g) Nothing in this Act shall be construed to prevent the insurance of a mortgage under this section covering a housing project designed for occupancy by single persons, and dwelling units in such a project shall constitute family units within the meaning of this section.'

"SEC. 115. The National Housing Act, as amended, is hereby amended by adding the following section under title II thereof after section 214:

"'ISSUANCE OF COMMITMENTS

"'SEC. 215. The Commissioner is hereby authorized to process applications and issue commitments with respect to insurance of mortgages under section 8 of title I, title II, title VI, or title VIII of this Act, even though the permanent mortgage financing may not be insured under this Act, and in the event the mortgage is not so insured the Commissioner is authorized to charge an additional application fee determined by him to be reasonable. The Commissioner is authorized to make such rules and regulations as may be necessary to carry out the provisions of this section.'

"AMENDMENTS OF TITLE III OF NATIONAL HOUSING ACT

"SEC. 116. Section 301 (a) of said Act, as amended, is hereby amended—

"(1) by striking out of paragraph (1) the words 'title VIII of' and inserting in lieu thereof the words 'title VIII, or section 8 of title I of';

"(2) by striking out of paragraph (1) the words '*Provided, however,*' and inserting in lieu thereof the following: '*Provided,* That no deposit or fee required or charged by the Association for the purchase of a mortgage hereunder shall exceed 1 per centum of the original principal obligation of such mortgage: *And provided further;*

"(3) by striking out the proviso at the end of paragraph (1) (E) and inserting the following: ': *Provided,* That this clause (2) shall not apply to (nor shall any terms therein include) any mortgage which is (i) guaranteed after October 25, 1949, under section 501, or guaranteed after the effective date of the Housing Act of 1950 under section 502 of the Servicemen's Readjustment Act of 1944, as amended, and made for the construction or purchase of a family dwelling or dwellings in an original principal amount or amounts which does not exceed $10,000 per dwelling unit, or (ii) insured under section 803 of this Act; and';

"(4) by amending paragraph (1) (F) to read: '(F) no loan guaranteed under section 501 or section 502 of the Servicemen's Readjustment Act of 1944, as amended, which is made to finance all or part of the purchase price or construction cost of a dwelling, shall be purchased by the Association (except pursuant to a commitment made or issued prior to the effective date of this paragraph) unless the Administrator of Veterans' Affairs certifies that such dwelling conforms with minimum construction requirements prescribed by him: *Provided,* That this clause (4) shall become effective ninety days after the date of enactment of the Housing Act of 1950.'; and

"(5) by adding the following new subparagraph at the end thereof:

"'(G) The Association after the effective date of this subparagraph may contract to purchase only those eligible mortgages which are guaranteed or insured at the time of the contract.'

"SEC. 117. Section 302 of the National Housing Act, as amended, is hereby amended by striking out '$2,500,000,000' and inserting in lieu thereof '$2,750,000,000.'

"SEC. 118. Section 305 of said Act, as amended, is hereby amended by adding the words 'or credit, or otherwise disposed of' immediately after word 'cash'.

"SEC. 119. Section 603 (a) of the National Housing Act, as amended, is hereby amended by adding the following new paragraphs at the end thereof:

"'Notwithstanding the first proviso of this subsection, mortgages may be insured under section 609 and section 611 of this title if the aggregate amounts of principal obligations of mortgages insured under said sections plus the aggregate amount of principal obligations of mortgages insured under section 610 of this title do not exceed the limitation contained in said section 610 upon the aggregate amount of principal obligations of mortgages insured pursuant to said section.

"'Notwithstanding the second proviso of this subsection, mortgages otherwise eligible for insurance under section 608 of this title may be hereafter insured thereunder if the application for such insurance was received in any field office of the Federal Housing Administration on or before March 1, 1950, and for such purpose the aggregate amount of principal obligations authorized to be insured under section 608 of this title is increased by not to exceed $500,000,000.'

"SEC. 120. Section 610 of said Act, as amended, is hereby amended—

"(1) by inserting in paragraph (4) of the first sentence, immediately after the words 'section 603 (b) (2)', the words 'or section 60 (b) (5)';

"(2) by striking out in the proviso the word 'and' after the words 'date of insurance' and by striking out the period at the end of the proviso and inserting a comma and the following: 'and (4) bear interest (exclusive of premium charges) at not to exceed 5 per centum per annum on the amount of the principal obligation outstanding at any time if such mortgage covers property on which there is located a dwelling designed principally for residential use for not more than four families in the aggregate, irrespective of whether such dwelling or dwellings have a party wall or are otherwise physically connected with another dwelling or dwellings, or bear interest at not to exceed 4½ per centum per annum on the amount of the principal obligation outstanding at any time if such mortgage covers property upon which there is located a dwelling or dwellings designed principally for residential use for more than four families.';

"(3) by inserting before the last paragraph thereof the following new paragraph:

"'The Commissioner is further authorized to insure or to make commitments to insure in accordance with the provisions of this section any mortgage executed in connection with the sale by the Public Housing Administration, or by any public housing agency with the approval of the said Administration, of any housing (including any property acquired, held, or constructed in connection with such housing or to serve the inhabitants thereof) owned or financially assisted pursuant to the provisions of Public Law 671, Seventy-sixth Congress.'; and

"(4) by striking out of the last sentence thereof the words 'which is the security for a mortgage insured pursuant to the provisions of this section.' and inserting the words 'of the character described in this section.'.

"SEC. 121. Section 611 of said Act, as amended, is hereby amended—

"(1) by striking out in clause (A) of subsection (b) (3) the figure '80' and inserting in lieu thereof the figure '85', and by amending clause (B) of said subsection to read as follows: 'not to exceed a sum computed on the individual dwellings comprising the total project as follows: $5,950 or 85 per centum of the valuation, whichever is the lower amount, with respect to each single-family dwelling: *Provided,* That if the Commissioner finds that it is not feasible, within the dollar amount limitation in clause (B) on the principal obligation of the mortgage, to construct dwellings containing three or four bedrooms without sacrifice of sound standards of construction, design, and livability, he may increase such dollar amount limitation by not exceeding $850 for each additional bedroom (as defined by the Commissioner) in excess of two contained in each such dwelling if he finds that such dwelling meets sound standards of design and livability as a three-bedroom unit or a four-bedroom unit, as the case may be, but the amount computed under clause (B) for each such dwelling shall not exceed, in any event, $7,650.';

"(2) by striking the period at the end of subsection (b) (4) and inserting the following: ', and the mortgage may provide that upon the completion of the construction of the project, such mortgage may be replaced by individual mortgages covering each individual dwelling in the project. Each such individual mortgage may be insured under this section with the mortgagor being either the builder who constructed the dwellings or the owner and occupant of the dwelling at the time, and where the mortgagor is the owner and occupant, may involve a principal obligation in such amount and have such maturity and interest rate as a mortgage eligible for insurance under section 203 (b) (2) (D) of this Act.'; and

"(3) by striking out the period at the end of subsection (d) and inserting the following: 'covering a project described in subsection (b) of this section, and the provisions of subsections (a), (b), (c), (d), (e), (f), and (h) of section 604 shall be applicable to the individual mortgages insured pursuant to subsection (b) (4) of this section covering individual dwellings in the project.'.

"SEC. 122. The National Housing Act, as amended, is hereby amended by inserting a period after the word 'Senate' in the first sentence of section 1 and striking out the balance of said first sentence, and by striking out the word 'Administrator' wherever it appears in said Act, as amended, and substituting in lieu thereof the word 'Commissioner'.

"TITLE II—DISPOSAL OF WAR AND VETERANS' HOUSING

"SEC. 201. Public Law 796, Eightieth Congress, approved June 28, 1948, is hereby amended by adding at the end thereof the following new section:

"'SEC. 7. The Act entitled "An Act to expedite the provision of housing in connection with national defense, and for other purposes,' approved October 14, 1940, as amended, is hereby amended by adding at the end thereof the following new title:

"'"TITLE VI

"'"HOUSING DISPOSITION

"'"SEC. 601. (a) Upon the filing of a request therefor as herein prescribed, the Administrator shall (subject to the provisions of this section) relinquish and transfer, without monetary consideration, to any State or political subdivision thereof, local housing authority, local public agency, nonprofit organization, or educational institution, all contractual rights (including the right to revenues and other proceeds) and all property right, title, and interest of the United States in and with respect to (1) any temporary housing located on land owned or controlled by such transferee and in which the United States has no leasehold or other property interest, and (2) housing materials which have been made available to the transferee by the Administrator pursuant to section 502 of this Act.

"'"(b) Upon the filing of a request therefor as herein prescribed, the Administrator may (subject to the provisions of this section) relinquish and transfer, without monetary consideration other than that specifically required by this subsection, to any State, county, municipality, or local housing authority, or to any educational institution where the housing involved is being operated for its student veterans or where the land underlying the housing is in the ownership of two or more educational institutions, or to any other local public agency or nonprofit organization where the housing involved has been made available by the United States to such agency or organization pursuant to section 502 of this Act or where the Administrator determines that the housing involved is urgently needed by parents of persons who served in the armed forces during World War II and died of service-connected illness or injury (in which case the preferences in section 601 (d) (1) shall not apply), all right, title, and interest of the United States in and with respect to any temporary housing (excluding commercial facilities which the Administrator determines are suitable for separate disposal and community facilities which the Administrator determines should be disposed of separately) located on land in which the United States has a property interest through ownership, lease, or otherwise, under the following conditions:

"'"(1) If the land is owned by the United States and under the jurisdiction of the Administrator, the transferee shall have purchased such land from the Administrator at a price substantially equal to the cost to the United States of the land (including survey, title examination, and other similar expenses incident to acquisition but excluding the cost or value of all improvements thereto by the United States other than extraordinary fill), or, if the Administrator determines the amount of such cost to be nominal or not readily ascertainable, at a price which the Administrator determines to be fair and reasonable. Payment for such land shall be made in full at the time of sale or in not more than ten equal annual installments (the first of which shall be paid within one year from the date of conveyance) all of which shall be secured as determined by the Administrator with interest from the date of conveyance at the going Federal rate of interest at the time of conveyance.

"'"(2) If the land is owned by the United States and not under the jurisdiction of the Administrator, the transferee shall have purchased such land from the Federal agency having jurisdiction thereof. The Federal agency having jurisdiction of any such land is hereby authorized to sell and convey the same to any such transferee on the terms authorized herein except that the determinations required to be made by the Administrator shall be made by the agency having jurisdiction of such land.

"'"(3) If the United States does not own the land but has an interest therein through lease or otherwise, the transferee shall (i) where it is not the landowner, obtain the right to possession of such land for a term satisfactory to the Administrator, (ii) obtain from the landowner a release (or, if the transferee is the landowner, furnish a release) of the United States from all liability in connection therewith, including any liability for removal of structures or restoration of the land, except for any rental or use payment due at the time of transfer, and (iii) reimburse the United States for the proportionate amount of any payments made by the United States for the right to use the land and for taxes or payments in lieu of taxes for any period extending beyond the time of the transfer, and (iv) if the interest of the United States is not under the jurisdiction of the Administrator, the transferee shall obtain a transfer or release of the interest of the United States from the Federal agency having jurisdiction, which transfers and releases by such Federal agencies are hereby authorized on such terms as the head of the respective agency determines to be in the public interest.

"'"(c) The filing of a request under subsection (a), (b), (g), or (h) of this section must be made on or before December 31, 1950, unless the Administrator shall, in any specific case, authorize the filing of a request subsequent to such date but on or before June 30, 1951, and, in any such case, the Administrator may extend, for a specified period not beyond December 31, 1951, the time hereinafter prescribed for complying with all conditions to the relinquishment or transfer. Such request shall be in the form of a resolution adopted by the governing body of the applicant, except that, in the case of a State, such request may be in the form of a written request from the governor, and, in the case of a local housing authority (other than the Alaska Housing Authority), or a local public agency organized specifically and solely for the purpose of slum clearance and community redevelopment, shall be accompanied by a resolution of the governing body of the municipality or county approving the request for transfer. Such request shall be accompanied by either (1) a final opinion of the chief law officer or legal counsel of the applicant to the effect that it has legal authority to make the request, to accept the transfer of and operate any property involved, and to perform its obligations under this title, or (2) a preliminary opinion of such officer or counsel concerning the legal authority of the applicant with respect to the proposed relinquishment or transfer including a statement of the reasons for not furnishing the final opinion with the request and the time required to furnish such opinion. If a request has been submitted as herein provided, the applicant shall comply with all conditions to the relinquishment or transfer (including the furnishing of the final legal opinion) on or before June 30, 1951: *Provided*, That, in any case where the applicant is unable to comply with all conditions to the relinquishment or transfer because of the need for the enactment of State legislation or charter amendment, such date shall be June 30, 1952, and may be extended by the Administrator, upon request in a particular case, to December 31, 1952. The Administrator shall act as promptly as practicable on any request which complies with the provisions of this section and is supported as herein required, and shall as promptly as practicable arrange for the making of any survey or the performance of other work necessary to the transfer: *Provided*, That, notwithstanding the provisions of this section, the Administrator may at any time, except with respect to housing for which a request has been or may be submitted under subsection (a) of this section, remove, dispose of, or retain any temporary housing, or part thereof, in accordance with any provision of this Act.

"'"(d) No relinquishment or transfer with respect to temporary housing shall be made under this section unless the transferee represents in its request therefor that it proposes, to the extent permitted by law:

"'"(1) As among eligible applicants for occupancy in dwellings of given sizes and at specified rents, to extend the following preferences in the selection of tenants:

"'"First, to families which are to be displaced by any low-rent housing project or by any public slum-clearance or redevelopment project initiated after January 1, 1947, or which were so displaced within three years prior to making application for admission to such housing; and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected, and third preference shall be given to families of other veterans and servicemen;

"'"Second, to families of other veterans and servicemen; and as among such families first preference shall be given to families of disabled veterans whose disability has been determined by the Veterans' Administration to be service-connected, and second preference shall be given to families of deceased veterans and servicemen whose death has been determined by the Veterans' Administration to be service-connected: *Provided*, That if the transferee is an educational institution it may limit such preferences to student veterans and servicemen, and their families, and may, in lieu of such preferences, make available to veterans or servicemen and their families accommodations in any housing of the institution equal in number of the accommodations relinquished or transferred to it: *And provided further*, That, notwithstanding such preferences, if the transferee is a State, political subdivision, local housing authority, or local public agency, it will, in filling vacancies in housing transferred under subsection 601 (b) hereof, give such preferences to military personnel and persons engaged in national defense or mobilization activities as the Secretary of Defense or his designee prescribes to such transferee.

"'"(2) Not to dispose of any right, title, or interest in the property (by sale, transfer, grant, exchange, mortgage, lease, release, termination of the leasehold, or any other relinquishment of interest) either (i) for housing use on the present site or on any other site except to a State or political subdivision thereof, local housing authority, a local public agency, or an educational or eleemosynary institution, or (ii) for any other use unless the governing body of the municipality or county shall have adopted a resolution determining that, on the basis of local need and acceptability, the struc-

tures involved are satisfactory for such use and need not be removed: *Provided*, That this representation will not apply to any disposal through demolition for salvage, lease to tenants for residential occupancy, or lease of nondwelling facilities for the continuance of a use existing on the date of transfer, or where such disposal is the result of a bona fide foreclosure or other proceeding to enforce rights given as security for a loan to pay for land under this section: *And provided further*, That nothing contained in this paragraph shall be construed as applicable to the disposition of any land or interest therein after the removal of the structures therefrom.

"'"(3) To manage and operate the property involved in accordance with sound business practices, including the establishment of adequate reserves.

"'"(4) Whenever the structures involved, or a substantial portion thereof, are terminated for housing use and are not to be used for a specific nonhousing use, to promptly demolish such structures terminated for housing use and clear the site thereof.

"'"(e) Any relinquishment or transfer by the Administrator under this section shall constitute a waiver of the requirements of section 313 of this Act (and any contractual obligations pursuant thereto) for removing the housing involved if the request for such relinquishment or transfer was made, as authorized herein, by the governing body of the municipality or county, or by the local housing authority, or, in other cases, if, prior to or within 6 months after the date of the relinquishment or transfer, there is filed with the Administrator a resolution of such governing body specifically approving (1) the unconditional waiver of such requirements or (2) the waiver of such requirements subject to conditions specified in the resolution. Any such conditions shall not affect the waiver of removal requirements hereunder, and the United States shall assume no responsibility for compliance therewith.

"'"(f) In any relinquishment or transfer under this section, the net revenues and other proceeds from such housing to which the United States is entitled on the basis of periodic settlements shall continue to accrue to the United States until the end of the month in which the relinquishment or transfer is made, and the obligation of the transferee to pay such accrued amounts shall not be affected by this section. The Administrator may charge to the transferee the cost to the United States of any survey, title information, or other item incidental to the transfer.

"'"(g) Upon the filing of a request therefor as herein prescribed, the Administrator may (subject to the provisions of this section) relinquish and transfer, without monetary consideration other than payment for land involved as specifically required by subsection (b) hereof, to any local public agency organized specifically and solely for the purpose of slum clearance and community redevelopment in a municipality in which the total number of persons, who on December 31, 1948, were living in temporary family accommodations provided by the United States or any agency thereof since September 8, 1939, exceeded the total population of such municipality as shown by the 1940 census, all right, title, and interest of the United States in and with respect to any temporary housing located in such municipality under the conditions set forth in said subsection (b). Notwithstanding the provisions of subsection (b) of this section, the Administrator shall not relinquish or transfer any right, title, or interest of the United States in and with respect to any temporary housing situated in such a municipality except as set forth in this subsection.

"'"(h) Upon the filing of a request therefor as herein prescribed, the Administrator may (subject to the provisions of this section except the provisions of subsection (d) hereof) relinquish and transfer to any municipality, without monetary consideration other than payment for the land involved as specifically required by subsection (b) hereof, all right, title, and interest of the United States in and with respect to unoccupied temporary housing of masonry construction located in such municipality: *Provided*, That such housing has been wholly or partially stripped of trim and fixtures prior to the enactment of this title and the municipality adopts a resolution determining that the structures, with proposed improvements, will be suitable for long-term housing use.

"'"SEC. 602. The requirements of section 313 of this Act shall not apply to any temporary housing—

"'"(a) for which such requirements have been waived pursuant to section 505 or section 601 of this Act;

"'"(b) transferred by the Administrator to the jurisdiction of the Department of the Army, the Navy, or the Air Force pursuant to section 4 of this Act;

"'"(c) disposed of by the Administrator under title I or title III of this Act for long-term housing or nonhousing use without any requirements for removal where the governing body of the municipality or county has adopted a resolution determining that, on the basis of local need and acceptability, the structures involved are (1) satisfactory for such long-term use or (2) satisfactory for such long-term use if conditions prescribed in such resolution, affecting the physical characteristics of the project, are met: *Provided*, That any such conditions shall not affect the disposal of any temporary housing hereunder, and the United States shall assume no responsibility for compliance with such conditions: *And provided further*, That any housing disposed of for housing use in accordance with this subsection (c) shall thereafter be deemed to be housing accommodations, the construction of which was completed after June 30, 1947, within the meaning of section 4 of the Housing and Rent Act of 1947, as amended, relating to preference or priority to veterans of World War II or their families; or

"'"(d) disposed of or relinquished by the Administrator prior to the enactment of this section subject to such requirements or contractual obligations pursuant thereto, where the governing body of the municipality or county on or before December 31, 1950, adopts a resolution as provided in (c) above; and any contract obligations to the Federal Government for the removal of such housing shall be relinquished upon the filing of such a resolution with the Administrator.

"'"SEC. 603. With respect to any housing classified, prior to the enactment of this section, by the Administrator as demountable, the Administrator shall, as soon as practicable but not later in any event than December 31, 1950, and after consultation with the communities affected, determine (taking into consideration local standards and conditions) whether such housing is of a temporary or permanent character, and after such redetermination shall dispose of such housing in accordance with the provisions of this title.

"'"SEC. 604. With respect to temporary housing remaining under the jurisdiction of the Administrator on land under his control, the Administrator shall (1) permit vacancies, occurring or continuing after July 1, 1951, to be filled only by transfer of tenants of other accommodations in the same locality being removed as required by this Act; (2) notify, on or before March 31, 1952, all tenants to vacate the premises prior to July 1, 1952; (3) promptly after July 1, 1952, cause actions to be instituted to evict any tenants still remaining; and (4) remove (by demolition or otherwise) all dwelling structures as soon as practicable after they become vacant: *Provided*, That in any case where a request for relinquishment or transfer has been filed pursuant to section 601 hereof and where under the provisions of section 601 (c) hereof the date for compliance with all conditions to the relinquishment or transfer shall have been extended, each of the foregoing dates shall be extended for a period of time equal to the period of the extension under section 601 (c): *And provided further*, That nothing heretofore in this section shall apply (1) to any temporary housing in any municipality in which the total number of persons, who on December 31, 1948, were living in temporary family accommodations provided by the United States or any agency thereof since September 8, 1939, exceeds 30 per centum of the total population of such municipality as shown by the 1940 census, nor (2) to any temporary housing as to which the local governing body has adopted a resolution as provided in section 602 (c) hereof, nor (3) to any temporary housing for which a request has been submitted in accordance with section 601 (b) of this Act, but which has not been relinquished or transferred solely because the applicant has been unable to obtain from the landowner the right to possession of the land on reasonable terms as determined by the Administrator: *Provided*, That, in filling vacancies in such housing, the preferences set forth in section 601 (d) (1) shall be applicable and that families within such preference classes shall be eligible for admisison to such housing, nor (4) to any temporary housing in which accommodations have been reserved, prior to the enactment of this section, for veterans attending an educational institution if (i) such institution certifies that the accommodations are urgently needed for such veterans and submits facts showing, to the satisfaction of the Administrator, that all reasonable efforts have been made by the institution to find other accommodations for them and (ii) such institution agrees to reimburse the Housing and Home Finance Agency for any financial loss to the Agency in the operation of the accommodations after June 30, 1951: *And provided further*, That with respect to any temporary housing under the jurisdiction of the Administrator the maximum rental shall be that in effect on April 1, 1949, unless the Housing Expediter shall approve a petition for an increase in accordance with the fair net operating income formula in effect from time to time under the Housing and Rent Act of 1947, as amended, on grounds of hardship to the landlord: *Provided*, That, if such housing is not in an area where rent control is in effect at the time pursuant to that Act, an increase may be granted by the Administrator on the basis of such formula.

"'"SEC. 605. (a) The Administrator may continue by lease or condemnation any interest less than a fee simple in lands heretofore acquired by the Administrator for national defense or war housing or for veterans' housing (whether of permanent or temporary character), or held by any Federal agency in connection therewith, and may acquire, by purchase or condemnation, a fee simple title to or lesser interest in any such lands if the Administrator determines that the acquisition of such fee simple or lesser interest is necessary to protect the Government's investment or to maintain the improvements constructed thereon, or that the cost of fulfilling the Government's obligation to restore the property to its original condition would equal or exceed the cost of acquiring the title thereto.

"'"(b) In any case in which the Administrator holds, on or after April 1, 1950, an interest in land acquired by the Federal Government for national defense, war housing, or veterans' housing and where (1) the term of such interest (as prescribed in the taking or in the lease or other instruments) is for the 'duration of the emergency' or 'duration of the war', or 'duration of the

emergency' or 'duration of the war' plus a specific period thereafter, or for some similarly prescribed term, and (2) the rental, award, or other consideration which the Federal Government is obligated to pay or furnish for such interest gives the owner of the land less than an annual return, after payment of real estate taxes, of 6 per centum of the lowest value placed on such land by an independent appraiser, hired by the Government to make such appraisal based on the value of the land before the acquisition of the Government's interest therein, the Administrator is authorized, upon request of the owner of the land and, notwithstanding any existing contractual or other rights or obligations, to increase the amount of future payments for such interest in order to give the owner of the land a return for the Government's use thereof not exceeding the 6 per centum annual return described in (2) of this subsection: *Provided*, That this subsection shall not affect any payment heretofore made or any future payment accepted by an obligee, nor shall this subsection limit the consideration which may be paid for the use of any land beyond the existing term of the Government's interest therein.

"'"(c) Notwithstanding any other provisions of law unless hereafter enacted expressly in limitation hereof, moneys shall be deposited in the reserve account established pursuant to subsection (a) and subsection (b) of section 303 of this Act (which account is hereby continued subject to the limitation as to amount specified in subsection (c) thereof) and all moneys deposited in such reserve account shall be and remain available for any or all of the purposes specified in said subsections (a) or (b) or in this section 605 without regard to the time prescribed in subsection (c) of section 303 with respect to covering moneys in such account into miscellaneous receipts. Moneys in such reserve accounts shall also be available for the payment of necessary expenses (which shall be considered nonadministrative expenses) in connection with administering (1) transfers pursuant to section 601, (2) redeterminations of the temporary or permanent character of demountable housing pursuant to section 603 (3) changes in land tenure and revisions in the consideration payable to landowners pursuant to subsection 605 (a) and 605 (b), and (4) transfers of permanent war housing for low-rent use pursuant to section 608. Moneys in such reserve account shall also be available for the purpose of making improvements to, or alterations of, any permanent housing or part thereof if (1) the dwelling structures therein are designed for occupancy by not more than four families and are to be sold separately and (2) such improvement or alteration is requested by the local governing body as a condition to the acceptance of the dedication of streets or utilities or is necessary for compliance with local law or regulation relating to the continued operation or occupancy of the housing by a purchaser.

"'"SEC. 606. (a) The Administrator is hereby specifically authorized to convey the following housing projects to the following local public housing agencies respectively, if—

"'"(1) on or before December 31, 1950, (i) the conveyance is requested by the governing body of the municipality or county and (ii) the public housing agency has demonstrated to the satisfaction of the Administrator that there is a need for low-rent housing (as such term is defined in the United States Housing Act of 1937) within the area of operation of such public housing agency which is not being met by private enterprise;

"'"(2) the Administrator determines that the project requested will meet such need in whole or in part, and is suitable for low-rent housing use; and

"'"(3) on or before June 30, 1951, the governing body of the municipality or county enters into an agreement with the public housing agency (satisfactory to the Public Housing Administration, hereinafter referred to as 'Administration') providing for local cooperation and payments in lieu of taxes not in excess of the amount permitted by subsection (c) (5) of this section, and the public housing agency enters into an agreement with the Administration (in accordance with subsection (c) of this section) for the administration of the project:

State	Project number	Local public housing agency
Alabama	1041	Housing Authority of District of Birmingham.
	1061	Housing Authority of Greater Gadsden.
	1062	Housing Authority of Greater Gadsden.
	1031	Housing Board of Mobile.
	1033	Housing Board of Mobile.
	1034	Housing Board of Mobile.
	1035	Housing Board of Mobile.
	1036	Housing Board of Mobile.
	1101	Housing Board of Mobile.
	1102	Housing Board of Mobile.
	1072	Housing Authority of Sylacauga.
	1076	Housing Authority of Sylacauga.
	1073	Housing Authority of City of Talladega.
Arkansas	3023	Housing Authority of City of Conway.
California	4031	Housing Authority of City of Fresno.
	4161	Housing Authority of County of Kern.
	4141	Housing Authority of County of Kern.
	4103	Housing Authority of City of Los Angeles.
	4104	Housing Authority of City of Los Angeles.
	4108	Housing Authority of City of Los Angeles.
	4121	Housing Authority of City of Paso Robles.
	4171	Housing Authority of City of Richmond.
	4174	Housing Authority of City of Richmond.
Connecticut	6091	Housing Authority of City of Bristol.
	6024	Housing Authority of Town of East Hartford.
	6031	Housing Authority of City of New Britain.
	6032	Housing Authority of City of New Britain.
	6101	Housing Authority of City of New Haven.
	6041	Housing Authority of City of Waterbury.
	6213	Housing Authority of City of Waterbury.
District of Columbia	49012	National Capital Housing Authority.
	49017	National Capital Housing Authority.
	49044	National Capital Housing Authority.
Florida	8052	Housing Authority of City of Jacksonville.
	8121	Housing Authority of City of Lakeland.
	8062	Housing Authority of City of Miami.
	8011	Housing Authority of City of Orlando.
	8082	Housing Authority of City of Pensacola.
	8084	Housing Authority of City of Pensacola.
	8085	Housing Authority of City of Pensacola.
	8131	Housing Authority of City of Sebring.
	8041	Housing Authority of City of West Palm Beach.
Georgia	9071	Housing Authority of City of Albany.
	9061	Housing Authority of Macon.
	9063	Housing Authority of Macon.
	9041	Housing Authority of Savannah.
	9042	Housing Authority of Savannah.
	9043	Housing Authority of Savannah.
Illinois	11081	Madison County Housing Authority.
	11082	Madison County Housing Authority.
	11111	Winnebago County Housing Authority.
	11112	Winnebago County Housing Authority.
Indiana	12071	Housing Authority of City of Fort Wayne.
	12021	Housing Authority of City of South Bend.
Louisiana	16051	Housing Authority of Parish of East Baton Rouge.
Maryland	18095	Housing Authority of Baltimore City.
	18096	Housing Authority of Baltimore City.
	18097	Housing Authority of Baltimore City.
	18098	Housing Authority of Baltimore City.
Massachusetts	19051	Boston Housing Authority.
	19021	Chicopee Housing Authority.
	19022	Chicopee Housing Authority.
	19061	Pittsfield Housing Authority.
	19023	Springfield Housing Authority.
Michigan	20042	Housing Commission of Detroit.
Nevada	26021	Housing Authority of City of Las Vegas.
New Hampshire	27021	Housing Authority of City of Manchester.
New Jersey	28044	Housing Authority of City of Camden.
	28021	Housing Authority of City of Long Branch.
	28072	Housing Authority of City of Newark.
	28111	Housing Authority of Town of Phillipsburg.
New York	30031	Buffalo Municipal Housing Authority.
	30032	Buffalo Municipal Housing Authority.
	30042	Elmira Housing Authority.
	30033	Lackawanna Municipal Housing Authority.
	30039	Lackawanna Municipal Housing Authority.
	30034	Niagara Falls Housing Authority.
	30071	Niagara Falls Housing Authority.
	30082	Massena Housing Authority.
North Carolina	31023	Housing Authority of City of Wilmington.
	31024	Housing Authority of City of Wilmington.
Ohio	33031	Canton Metropolitan Housing Authority.
	33033	Canton Metropolitan Housing Authority.
	33021	Cincinnati Metropolitan Housing Authority.
	33071	Cleveland Metropolitan Housing Authority.
	33074	Cleveland Metropolitan Housing Authority.
	33075	Cleveland Metropolitan Housing Authority.
	33112	Lorain Metropolitan Housing Authority.
	33261	Lorain Metropolitan Housing Authority.
	33262	Lorain Metropolitan Housing Authority.
	33041	Warren Metropolitan Housing Authority.
	33043	Warren Metropolitan Housing Authority.
Oregon	35021	Housing Authority of Portland.
Pennsylvania	36051	Housing Authority of County of Beaver.
	36058	Housing Authority of County of Beaver.
	36041	Housing Authority of Bethlehem.
	36042	Housing Authority of Bethlehem.
	36044	Housing Authority of Bethlehem.
	36151	Allegheny County Housing Authority.
	36152	Allegheny County Housing Authority.
	36061	Housing Authority of County of Lawrence.
	36021	Housing Authority of City of Erie.
	36031	Housing Authority of County of Lycoming.
	36011	Housing Authority of Philadelphia.
	36012	Housing Authority of Philadelphia.
	36014	Housing Authority of Philadelphia.
	36015	Housing Authority of Philadelphia.
	36016	Housing Authority of Philadelphia.
	36101	Housing Authority of City of Pittsburgh.
	36212	Allegheny County Housing Authority.
	36295	Housing Authority of City of York.

State	Project number	Local public housing agency
Rhode Island	37013	Housing Authority of City of Newport.
South Carolina	38023	Housing Authority of City of Charleston.
	38061	Housing Authority of City of Charleston.
	38041	Housing Authority of City of Spartanburg.
	38042	Housing Authority of City of Spartanburg.
Tennessee	40022	Jackson Housing Authority.
	40023	Milan Housing Authority.
	40011	Nashville Housing Authority.
	40025	Trenton Housing Authority.
Texas	41064	Housing Authority of City of Corpus Christi.
	41065	Housing Authority of City of Corpus Christi.
	41133	Housing Authority of City of Freeport.
	41031	Housing Authority of City of Houston.
	41131	Housing Authority of City of Lake Jackson.
	41101	Housing Authority of City of Mineral Wells.
	41103	Housing Authority of City of Mineral Wells.
	41072	Housing Authority of City of Orange.
	1032	Housing Authority of City of Pasadena.
	41141	Housing Authority of City of Texarkana.
	41121	Housing Authority of City of Wichita Falls.
Virginia	44131	Alexandria Redevelopment and Housing Authority.
	44132	Alexandria Redevelopment and Housing Authority.
	44133	Alexandria Redevelopment and Housing Authority.
	44135	Alexandria Redevelopment and Housing Authority.
	44136	Alexandria Redevelopment and Housing Authority.
	44065	Newport News Redevelopment and Housing Authority.
	44074	Norfolk Redevelopment and Housing Authority.
	44086	Portsmouth Redevelopment and Housing Authority.
Washington	45043	Housing Authority of City of Bremerton.
	45277N	Housing Authority of County of Clallam.
	45315N	Housing Authority of County of Clallam.
	45133	Housing Authority of County of King.
	45052	Housing Authority of City of Seattle.
	45053	Housing Authority of City of Seattle.
	45054	Housing Authority of City of Seattle.
	45055	Housing Authority of City of Seattle.
	45056	Housing Authority of City of Seattle.
	45122	Housing Authority of City of Vancouver.

"In addition to the authority of the Administrator under the first sentence of this subsection, the Administrator is hereby specifically authorized to convey any permanent war housing project to a local public housing agency if requested in writing, within sixty days after the enactment of the Housing Act of 1950, by such agency or the executive head of the municipality (or of the county or parish if such project is not in a municipality) within which the project is located, or by the Governor of the State where an agency of the State has authority to operate the project: *Provided*, That any conveyance by the Administrator pursuant to this sentence shall be subject to the same conditions and requirements as provided in this section with respect to a project specifically designated herein.

"'"(b) Upon the conveyance by the Administrator of any such project pursuant to the provisions of this section, such project shall constitute and be deemed to be 'low-rate housing' as that term is used and defined in the United States Housing Act of 1937 (and to be a low-rent housing project assisted pursuant to that act, within the meaning of subsection 502 (b) of the Housing Act of 1948) except that no capital grant or annual contribution shall be made by the Federal Government with respect to such project. Any instrument of conveyance by the Administrator stating that it is executed under this act shall be conclusive evidence of compliance therewith insofar as any title or other interest in the property is concerned.

"'"(c) The agreement between the public housing agency and the Administration required by subsection (a) of this section shall contain the following conditions and requirements, and may contain such further conditions, requirements, and provisions as the Administration determines—

"'"(1) during a period of forty years following the conveyance the project shall be administered as low-rent housing in accordance with subsections 2 (1) and 2 (2) of the United States Housing Act of 1937: *Provided*, That if at any time during such period the public housing agency and the Administration agree that the project, or any part thereof, is no longer suitable for use as low-rent housing, the project, or part thereof, shall with the approval of the Administration be sold by the public housing agency after which the agreement shall be deemed to have terminated with respect to such project or part thereof except that the proceeds from such sale, after payment of the reasonable expense thereof, shall be paid to the Administration;

"'"(2) the public housing agency shall, within six months following the conveyance, initiate a program for the removal of all families residing in the project on the date of conveyance who are ineligible under the provisions of the United States Housing Act of 1937 for continued occupancy therein, and shall have required such ineligible tenants to vacate their dwellings within eighteen months after the initiation of such program: *Provided*, That military personnel as designated by the Secretary of Defense or his designee shall not be subject to such removal until eighteen months after the date of conveyance;

"'"(3) annually during the term of such agreement, the public housing agency shall pay to the Administration all income from the project remaining after deducting the amounts necessary (as determined pursuant to regulations of the Administration) for (i) the payment of reasonable and proper costs of operating, maintaining, and improving such project, (ii) the payments in lieu of taxes authorized hereunder, (iii) the establishment and maintenance of reasonable and proper reserves as approved by the Administration, and (iv) the payment of currently maturing installments of principal of and interest on any indebtedness incurred by such public housing agency with the approval of the Administration;

"'"(4) during the term of such agreement, the project shall be exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivisions;

"'"(5) for the tax year in which the conveyance is made and the next succeeding tax year annual payments in lieu of taxes may be made to the State, city, county, or other political subdivisions in amounts not in excess of the real property taxes which would be paid to such State, city, county, or other political subdivisions if the project were not exempt from taxation; and thereafter, during the term of such agreement, payments in lieu of taxes with respect to the project may be made in annual amounts which do not exceed 10 per centum of the annual shelter rents charged in such project;

"'"(6) in selecting tenants for such project, the public housing agency shall give such preferences as are prescribed by subsection 10 (g) of the United States Housing Act of 1937, except that for one year after the date of conveyance of a project, the public housing agency shall, to the extent permitted by law, give such preferences, by allocation or otherwise, to military personnel as the Secretary of Defense or his designee prescribes to the public housing agency; and

"'"(7) upon the occurrence of a substantial default in respect to the requirements and conditions to which the public housing agency is subject (as such substantial default shall be defined in such agreement), the public housing agency shall be obligated at the option of the Administration, either to convey title in any case where, in the determination of the Administration (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this title and the United States Housing Act of 1937, or to deliver possession to the Administration of the project, as then constituted, to which such agreement relates: *Provided*, That in the event of such conveyance of title or delivery of possession, the Administration may improve and administer such project as low-rent housing, and otherwise deal with such housing or parts thereof, subject, however, to the limitations contained in the applicable provisions of the United States Housing Act of 1937. The Administration shall be obligated to reconvey or to redeliver possession of the project, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such agreement and as soon as practicable after the Administration shall be satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this title and the United States Housing Act of 1937, thereafter be operated in accordance with the terms of such agreement. Any prior conveyances and reconveyances, deliveries and redeliveries of possesion shall not exhaust the right to require a conveyance or delivery of possession of the project to the Administration pursuant to this paragraph upon the subsequent occurrence of a substantial default.

"'"(d) At the end of each fiscal year, the total amount of payments during such year to the Administration in accordance with subsection (c) of this section shall be covered into the Treasury as miscellaneous receipts.

"'"SEC. 607. (a) The Administrator shall, subject to the provisions of this section, dispose of permanent war housing, other than housing conveyed pursuant to section 606 of this Act, as promptly as practicable and in the public interest.

"'"(b) Preference in the purchase of any dwelling structure designed for occupancy by not more than four families and offered for separate sale shall be granted to occupants and to veterans over other prospective purchasers for such period as the Administrator may determine and in the following order:

"'"(1) a veteran who occupies a unit in the dwelling structure to be sold and who intends to continue to occupy such unit;

"'"(2) a nonveteran who occupies a unit in the dwelling stucture to be sold and who intends to continue to occupy such unit;

"'"(3) a veteran who intends to occupy a unit in the dwelling structure to be sold.

"'"Subject to the above order of preference, the Administrator may establish subordinate preferences for any such dwelling structure. As used in this section 607 (b), the term 'veteran' shall include a veteran, a serviceman, or the family of a veteran or a serviceman, or the family of a deceased veteran or serviceman whose death has been determined by the Veterans' Administration to be service-connected.

"'"(c) In the case of any housing project required by this section to be disposed of, which is not offered for separate sale of separate dwelling structures designed for occupancy by not more than four families, such project may be sold as a whole or in such

portions as the Administrator may determine. On such sales of an entire project or portions thereof consisting of more than one dwelling structure or of an individual dwelling structure designed for occupancy by more than four families, first preference shall be given for such period not less than ninety days nor more than six months from the date of the initial offering of such project or portions thereof as the Administrator may determine, to groups of veterans organized on a mutual ownership or cooperative basis (provided that any such group shall accept as a member of its organization, on the same terms, subject to the same conditions, and with the same privileges and responsibilities, required of, and extended to other members of the group any tenant occupying a dwelling unit in such project, portion thereof or building, at any time during such period as the Administrator shall deem appropriate, starting on the date of the announcement by the Administrator of the availability of such project, portion thereof or building for sale), except that a first preference for said period of not less than ninety days nor more than six months shall be given to any group organized on a mutual or cooperative basis, which, with respect to its proposed purchase of a specific housing project or portions thereof, has, prior to August 1, 1949, been granted an exception by the Administrator from the sales preference provisions of Public Regulation 1 of the Housing and Home Finance Agency and has been designated as a preferred purchaser.

"'"(d) The Administrator shall provide an equitable method of selecting the purchasers to apply when preferred purchasers (or groups of preferred purchasers) in the same preference class or containing members in the same preference class compete with each other.

"'"(e) Any housing disposed of in accordance with this section shall after such disposal be deemed to be housing accommodations the construction of which was completed after June 30, 1947, within the meaning of section 4 of the Housing and Rent Act of 1947, as amended, relating to preference or priority to veterans of World War II or their families.

"'"(f) Sales pursuant to this section shall be upon such terms as the Administrator shall determine: *Provided*, That full payment to the Government for the property sold shall be required within a period not exceeding twenty-five years with interest on unpaid balances at not less than 4 per centum per annum, except that in the case of projects initially programmed as mutual housing communities under the defense housing program, the terms of sale shall not require a down payment and shall provide for full payment to the United States over a period of forty-five years with interest on unpaid balances at not more than 3 per centum per annum.

"'"SEC. 608. Notwithstanding any other provision of law, any land acquired under this or any other Act in connection with war or veterans' housing, but upon which no dwellings are located at the time of sale, may be sold at fair value, as determined by the Administrator, to any agency organized for slum clearance or to provide subsidized housing for persons of low income.

"'"SEC. 609. Notwithstanding any other provision of law, the Administrator is authorized to convey by quit claim deed, without consideration, to any State for National Guard purposes any land, together with any non-dwelling structures thereon, held under this or any other Act in connection with war or veterans' housing: *Provided*, That the United States shall be saved harmless from or reimbursed for such costs incidental to the conveyance as the Administrator may deem proper: *Provided further*, That the conveyance of such land shall contain the express condition that if the grantee shall fail or cease to use such land for such purposes, or shall alienate (or attempt to alienate) such land, title thereto shall, at the option of the United States, revert to the United States.

"'"SEC. 610. As used in this title, the following terms shall have the meanings ascribed to them below, unless the context clearly indicates otherwise:

"'"(a) The term 'governing body of the municipality or county' means the governing body of the city, village, or other municipality having general governmental authority over the area in which the housing involved is located or, if the housing is not located in such a municipality, the term means the governing body of the county or parish in which the housing is located, or if the housing is located in the District of Columbia the term means the Board of Commissioners of said District.

"'"(b) The term 'housing' means any housing under the jurisdiction of the Administrator (including trailers and other mobile or portable housing) constructed, acquired, or made available under this Act or Public Law 781, Seventy-sixth Congress, approved September 9, 1940, or Public Laws 9, 73, or 353, Seventy-seventh Congress, approved, respectively, March 1, 1941, May 24, 1941, and December 17, 1941, or any other law, and includes in addition to dwellings any structures, appurtenances, and other property, real or personal, acquired for or held in connection therewith.

"'"(c) The term 'temporary housing' means any housing (as defined in (b)) which the Administrator has determined to be 'of a temporary character' pursuant to this Act and shall also include any such housing after rights thereto have been relinquished or transferred under this title or section 505 of this Act.

"'"(d) The terms 'veteran' and 'serviceman' mean 'veteran' and 'serviceman' as those terms are defined in the United States Housing Act of 1937.

"'"(e) The term 'State' means any State, Territory, dependency, or possession of the United States, or the District of Columbia.

"'"(f) The term 'going Federal rate of interest' means 'going Federal rate' as that term is defined in the United States Housing Act of 1937.

"'"(g) The term 'United States Housing Act of 1937' means the provisions of that Act, including all amendments thereto, now or hereafter adopted, except provisions relating to the initial construction of a project or dwelling units."'

"SEC. 202. Section 313 of the Act entitled 'An Act to expedite the provision of housing in connection with national defense, and for other purposes', approved October 14, 1940, as amended, is hereby amended to read as follows:

"'SEC. 313. Except as otherwise provided in this Act, the Administrator shall, as promptly as may be practicable and in the public interest, remove (by demolition or otherwise) all housing under his jurisdiction which is of a temporary character, as determined by him, and constructed under the provisions of this Act, Public Law 781, Seventy-sixth Congress, and Public Laws 9, 73, 353, Seventy-seventh Congress. Such removal shall, in any event, be accomplished not later than December 31, 1952, or by such later date as may be required because of extensions of time in accordance with section 604 hereof, with the exception only of such housing as the Administrator, after consultation with local communities, finds is still urgently needed because of a particularly acute housing shortage in the area: *Provided*, That all such exceptions shall be reexamined annually by the Administrator and that all such exceptions and reexaminations shall be reported to the Congress. Notwithstanding any other provisions of law except provisions of law hereafter enacted expressly in limitation hereof, no Federal statute, or regulation thereunder, shall prohibit or restrict any action or proceeding to recover possession of any housing accommodations for the purpose of carrying out the provisions of this section or section 604 of this Act.'

"SEC. 203. Section 2 of Public Law 385, Seventy-ninth Congress, is hereby repealed.

"SEC. 204. The Act entitled 'An Act to expedite the provision of housing in connection with national defense, and for other purposes', approved October 14, 1940, as amended, is hereby amended by striking out the words 'National Housing Administrator' and 'National Housing Agency' wherever they appear in said Act and inserting in lieu thereof the words 'Housing and Home Finance Administrator' and 'Housing and Home Finance Agency', respectively.

"SEC. 205. (a) Section 2 (d) of the Farmers' Home Administration Act of 1946, as amended; section 43 (f) of the Bankhead-Jones Farm Tenant Act, as amended; and Public Law 298, approved July 31, 1947, as amended, are repealed effective as of the date of the transfer of the property and funds authorized hereunder.

"(b) The United States Housing Act of 1937, as amended, is hereby amended by adding the following new subsection (f) to section 12:

"'(f) There is hereby transferred to the Authority, effective not later than sixty days after the effective date of the Housing Act of 1950, all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to all labor supply centers, labor homes, labor camps, and facilities held in connection therewith and heretofore administered by the Secretary of Agriculture, for use as low-rent housing projects for families and persons of low income. Such projects when so transferred shall (notwithstanding any other provision of law) be low-rent housing projects subject to the provisions of this Act, except as otherwise provided in this subsection. Such projects shall be operated for the principal purpose of housing persons engaged in agricultural work, and preference for occupancy in such projects shall be given to agricultural workers and their families; the rents in such projects shall not be higher than the rents which such tenants can afford; and the provisions of the second, third, and fourth sentences of subsection 2 (1) of this Act shall not be applicable to such projects. The Authority is authorized to enter into contracts for disposal of said projects by any of the methods provided in this Act, including disposal of any such project to a public housing agency for a consideration consisting of the payment by the public housing agency to the Authority during a term of not less than twenty years of all income therefrom after deduction of the amounts necessary for (i) reasonable and proper costs of management, operation, maintenance, and improvement of such project; (ii) payments in lieu of taxes not in excess of 10 per centum of shelter rents; (iii) establishment and maintenance of reasonable and proper reserves; and (iv) the payment of currently maturing installments of principal and interest on any indebtedness incurred in connection with such project by the public housing agency with the approval of the Authority. Pending sale or lease of said projects to public housing agencies, the Authority may continue present leases and permits, or may enter into new leases with public bodies or nonprofit organizations for the operation of such projects. Pending sale of such projects the Authority may make any necessary improvements thereto and may pay any deficits incurred in their improvement and administration out of any of the funds available to it under this Act. Appropriations to reimburse the Authority for any amounts expended pursuant to this

subsection, in excess of the funds transferred with such projects, are hereby authorized.'

"(c) All unexpended receipts (notwithstanding any limitations in the second proviso of title I of Public Law 76, Eightieth Congress, under the heading of 'Farm Labor Supply Program') derived from the sales of labor supply centers, labor homes, labor camps, and facilities, and all other unexpended balances of funds available for the maintenance, operation, and liquidation of the properties transferred hereunder and for administrative expenses in connection therewith shall be transferred, upon the transfer of such properties, to the Public Housing Administration to be available, until expended, in accordance with the provisions of the United States Housing Act of 1937, as amended.

"TITLE III—AMENDMENTS OF SERVICEMEN'S READJUSTMENT ACT OF 1944

"SEC. 301. The Servicemen's Readjustment Act of 1944, as amended, is amended—

"(a) By inserting after the first sentence of section 500 (a) the following new sentence: 'The unremarried widow of any person who met the service requirements for benefits under this title and who died, either in service or after separation from service under conditions other than dishonorable, as a result of injury or disease incurred in or aggravated by such service in line of duty (other than any such widow who by reason of her own service is eligible for the benefits of this title) shall also be eligible for the benefits of this title; and the term "veteran" as used in this title shall include any such unremarried widow'; and by adding the following new sentence at the end of section 500 (a): 'In computing the aggregate amount of guaranty or insurance entitlement available to a veteran under this title, the Administrator may in his discretion exclude the initial use of the guaranty or insurance entitlement used for any loan with respect to which the security (1) has been taken (by condemnation or otherwise) by the United States, any State, or a local government agency for public use, or (2) has been destroyed by fire or other natural hazard, or (3) has been disposed of because of other compelling reasons devoid of fault on the part of the veteran: *Provided*, That any amount paid by the Administrator under section 500 (c) of this part shall be deducted from the amount payable on the succeeding loan under that section.'

"(b) By striking out 'twenty-five years' in the second proviso of section 500 (b) and inserting in lieu thereof 'thirty years'.

"(c) By amending the first sentence of section 500 (d) to read as follows: 'Loans guaranteed hereunder may be made (1) by any Federal land bank, national bank, State bank, private bank, building and loan association, insurance company, credit union, or mortgage and loan company, that is subject to examination and supervision by an agency of the United States or of any State or Territory, including the District of Columbia, or (2) by any State.'

"(d) By inserting '(a)' after 'SEC. 501.' and before the word 'Any', and by inserting at the end of section 501 the following new subsection:

"'(b) Any loan made under this title to a veteran who has not previously availed himself of its benefits, the proceeds of which loan are to be used for purchasing residential property or constructing a dwelling to be occupied as his home may, notwithstanding the provisions of subsection (a) of section 500 of this title relating to the percentage or aggregate amount of loan to be guaranteed, be guaranteed, if otherwise made pursuant to the provisions of this title, in an amount not exceeding sixty per centum of the loan: *Provided*, That the amount of any such guaranty shall not exceed $7,500, nor shall the gratuity payable under subsection (c) of section 500 of this title exceed that which is payable on loans guaranteed in accordance with the maxima provided for in subsection (a) of section 500 of this title.'

"(e) By inserting '(a)' after 'SEC. 502.', and by inserting at the end of section 502 the following new subsection:

"'(b) For the purpose of encouraging the construction and improvement of farm housing, the Administrator is authorized to guarantee a loan for the construction of improvement of a farmhouse which loan is secured by a first lien on a portion of the farm suitable in size and location as an independent home site, and to permit payment out of the proceeds of such loan any sum required to obtain the release of such site from existing indebtedness: *Provided*, That the Administrator may, in his discretion, except any loan for the construction or improvement of a farmhouse from the first lien requirement imposed by subsection 500 (b) of this title.'

"(f) By redesignating section 504 as section 504 (a) and by adding to that section a new subsection (b) reading:

"'(b) No loan for the purchase or construction of residential property on which construction is begun subsequent to sixty days after the date of enactment of the Housing Act of 1950, shall be financed through the assistance of the provisions of this title unless the property conforms to minimum construction requirements prescribed by the Administrator.'

"(g) By striking out all of subsection (a) of section 505 and by redesignating subsection (b) of said section 505 as 'SEC. 505.'; *Provided*, That this subsection shall become effective December 31, 1950, or at such earlier time as the Administrator of Veterans' Affairs shall determine, taking into consideration the interests of veterans and existing plans, of both veterans and the home building industry, for the construction of homes: *And provided further*, That this subsection shall not affect any guarantee made, or for which a certificate of commitment has been issued by said Administrator, under section 505 (a) of the Servicemen's Readjustment Act of 1944, as amended, prior to the effective date of this subsection.

"(h) By the addition of two new sections reading as follows:

"'SUPPLEMENTAL DIRECT LOANS TO VETERANS

"'SEC. 512. (a) Upon application by a veteran eligible for the benefits of this title who has not previously availed himself of his guaranty entitlement, the Administrator is authorized and directed to make, or enter into a commitment to make, the veteran a loan to finance the purchase or construction of a dwelling to be owned and occupied by him as a home, or to finance the construction or improvement of a farmhouse, if (1) the Administrator has found, after the effective date of this section, that in the area in which the dwelling or farmhouse is located or is to be constructed private capital is not available for the financing of the purchase or construction of dwellings, or the construction or improvement of farmhouses, as the case may be, by veterans under this title, and (2) the veteran shows to the satisfaction of the Administrator—

"'(A) that he is a satisfactory credit risk,

"'(B) that the monthly payments to be required under the proposed loan bear a proper relation to the veteran's present and anticipated income and expenses,

"'(C) that he is unable to obtain from private lending sources in such area at an interest rate not in excess of 4 per centum per annum a loan for such purpose for which he is qualified under section 501 or section 502 of this title, and

"'(D) that he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act, as amended, or the Housing Act of 1949.

"'(b) Loans made under this section shall bear interest at the rate of 4 per centum per annum and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as may be applicable: *Provided*, That—

"'(A) the original principal amount of any such loan shall not exceed $10,000;

"'(B) the guaranty entitlement of the veteran shall be charge with the same amount that would be deducted if the loan had been guaranteed to the maxima permitted under section 500 (a) of this title;

"'(C) the amount of loans made under this section shall not exceed $150,000,000; and

"'(D) the authority to make loans under this section shall expire June 30, 1951.

"'(c) In connection with any loan under this section the Administrator is authorized to make advances in cash to pay the taxes and assessments on the real estate, to provide for the purpose of making repairs, alterations, and improvements, and to meet the incidental expenses of the transaction, and shall credit to the principal of the loan an amount equal to that which would have been payable under section 500 (c) of this title had the loan been made by a private institution.

"'(d) The administrator is authorized to sell, and shall offer for sale, to any private lending institution evidencing ability to service loans, any loan made under this section at a price not less than par; that is, the unpaid balance plus accrued interest, and may guarantee any loan thus sold subject to the same conditions, terms, and limitations which would be applicable were the purchaser entitled to an automatic guaranty under section 500 (a) of this title.

"'(e) This section shall take effect 90 days after the date of enactment of the Housing Act of 1950.

"'SEC. 513. (a) For the purposes of section 512 of this title, the Secretary of the Treasury is hereby authorized and directed to make available to the Administrator such sums, not in excess of $150,000,000, as the Administrator shall request from time to time except that no sums may be made available after June 30, 1951. After the last day on which the Administrator may make loans under that section, he shall cause to be deposited with the Treasurer of the United States, to the credit of miscellaneous receipts, that part of all sums in the special deposit account referred to in subsection (c) of this section, and all moneys received thereafter, representing unexpended advances or the repayment or recovery of the principal of loans made pursuant to section 512 of this title. Interest collected by the Administrator on loans made under section 512 in excess of the amount payable by him to the Treasurer of the United States under subsection (b) of this section, together with any miscellaneous income or credits, shall constitute a reserve for payment of losses, if any, and expenses incurred in the liquidation of said obligations. The Administrator shall have power to invest such reserves, or any unexpended part thereof, from time to time in obligations of the Government of the United States.

"'(b) On advances by the Secretary of the Treasury under subsection (a) of this section, less those amounts deposited in miscellaneous receipts under subsections (a) and (c) hereof the Administrator shall pay semiannually to the Treasurer of the United States interest at the rate or rates determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the advance.

"'(c) In order to make available the sums payable under subsection (a) of this section and to effectuate the purposes and functions authorized in section 512 of this title, the Secretary of the Treasury is hereby authorized to use, as a public debt transaction, the proceeds of the sale of any securities issued

under the Second Liberty Bond Act as now in force or as hereafter amended, and the purposes for which securities may be issued under the Second Liberty Bond Act as now in force or as hereafter amended, are hereby extended to include such purposes. Such sums, together with all receipts hereunder, shall be deposited with the Treasurer of the United States, in a special deposit account, and shall be available, respectively, for disbursement for the purposes of section 512 of this title. Except as otherwise provided in subsection (a) of this section, the Administrator shall from time to time cause to be deposited into the Treasury of the United States, to the credit of miscellaneous receipts, such of the funds in said account as in his judgment are not needed for the purposes for which they were provided, including the proceeds of the sale of any loans, and not later than June 30, 1952, he shall cause to be so deposited all sums in said account and all moneys received therefter in repayment of outstanding obligations, or otherwise, except so much thereof as he may determine to be necessary for purposes of liquidation. Without regard to any other provisions of this title, said Administrator shall have authority to take or cause to be taken such action as in his judgment may be necessary or appropriate for or in connection with the custody, management, protection, nad realization or sale of such investments, to determine his necessary expenses and expenditures, and the manner in which the same shall be incurred, allowed and paid, to make such rules, regulations, and orders as he may deem necessary or appropriate for the carrying out of the functions hereby or hereunder authorized and, except as otherwise expressly provided in this title, to employ, utilize, compensate, and delegate any of his functions hereunder to, such persons and such corporate or other agencies, including agencies of the United States, as he may designate.'

"TITLE IV—HOUSING FOR EDUCATIONAL INSTITUTIONS

"FEDERAL LOANS

"SEC. 401. (a) To assist educational institutions in providing housing for their students and faculties the Administrator may make loans of funds to such institutions for the construction of such housing: *Provided,* That no such loan shall be made unless the educational institution shows that it is unable to secure the necessary funds for such housing from other sources upon terms and conditions generally comparable to the terms and conditions applicable to loans under this title: *And provided further,* That no such loan shall be made unless the Administrator finds that the housing will be undertaken in such a manner that economy will be promoted in its construction, and that it will not be of elaborate or extravagant design or materials. Any educational institution which, prior to the date of enactment of this Act, has contracted for housing may, in connection therewith, receive loans authorized under this title, as the Administartor may determine: *Provided further,* That no such loan shall be made for any housing, the construction of which was begun prior to the effective date of this Act. A loan to an educational institution may be in an amount not exceeding the total development cost, as determined by the Administrator, of the housing; shall bear interest at the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having maturity of ten years or more, determined at the date the contract for the loan is made, plus one-fourth of one per centum per annum; and shall be secured in such manner and be repaid within such period, not exceeding forty years, as may be determined by the Administrator.

"(b) To obtain funds for loans under this title, the Administrator may issue and have outstanding at any one time notes and obligations for purchase by the Secretary of the Treasury in an amount not to exceed $300,000,000.

"(c) Notes or other obligations issued by the Administrator under this title shall be in such forms and denominations, have such maturities, and be subject to such terms and conditions as may be prescribed by the Administrator, with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations of the Administrator issued under this title and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(d) There are hereby authorized to be appropriated to the Administrator such sums as may be necessary, together with loan principal and interest payments made by educational institutions assisted hereunder, for payments on notes or other obligations issued by the Administrator under this section.

"GENERAL PROVISIONS

"SEC. 402. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, shall—

"(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act, as amended; and

"(2) maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transaction as provided by the Government Corporation Control Act, as amended, and no other audit shall be required: *Provided,* That such financial transactions of the Administrator as the making of loans and vouchers approved by the Administrator in connection with such financial transactions shall be final and conclusive upon all officers of the Government.

"(b) Funds made available to the Administrator pursuant to the provisions of this title shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Administrator in connection with the performance of his functions under this title, and all funds available for carrying out the functions of the Administrator under this title (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Administrator in connection with the performance of such functions.

"(c) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator, notwithstanding the provisions of any other law, may—

"(1) prescribe such rules and regulations as may be necessary to carry out the purposes of this title;

"(2) consult with and secure the advice and recommendations of the Office of Education in the Federal Security Agency;

"(3) sue and be sued;

"(4) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which he has made a loan pursuant to this title. In the event of any such acquisition, the Administrator may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease and otherwise deal with, such property: *Provided,* That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil right under the State or local laws of the inhabitants on such property;

"(5) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned;

"(6) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

"(7) obtain insurance against loss in connection with property and other assets held;

"(8) subject to the specific limitations in this title, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title; and

"(9) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions as he may deem necessary to assure that the purposes of this title will be achieved.

"(d) Section 3709 of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this title if the amount of such contract does not exceed $1,000.

"APPORTIONMENT

"SEC. 403. Not more than 10 per centum of the funds provided for in this title in the form of loans shall be made available to educational institutions within any one State.

"DEFINITIONS

"SEC. 404. For the purposes of this title, the following terms shall have the meanings, respectively, ascribed to them below:

"(a) 'Housing' means (1) new structures suitable for dwelling use, including single-room dormitories and apartments, and (2) dwelling facilities provided by rehabilitation, alteration, conversion, or improvement of existing structures which are otherwise inadequate for the proposed dwelling use.

"(b) 'Educational institution' means educational institutions of higher learning, including (a) any public educational institution or (b) any private educational institution, no part of the net earnings of which shall inure to the benefit of any private share holder or individual.

"(c) 'Development cost' means costs of the construction of the housing and the land on which it is located, including necessary site improvements to permit its use for housing purposes.

"(d) 'Faculties' means members of the faculty and their families.

"(e) 'State' shall include the several States, the District of Columbia, and the Territories and possessions of the United States.

"(f) 'Administrator' means the Housing and Home Finance Administrator.

"(g) 'Construction' means erection of new structures, or rehabilitation, alteration, conversion, or improvement of existing structures.

"TITLE V—MISCELLANEOUS PROVISIONS

"SEC. 501. Section 10 of the Federal Home Loan Bank Act, as amended, is hereby amended—

"(1) by striking out of subsection (a) (1) the words 'titles II and VI' and inserting in lieu thereof the words 'title I, title II, title VI, or title VIII'; and

"(2) by inserting the following after the word 'maturity,' in the first sentence of subsection (b): 'unless such home mortgage is insured under the National Housing Act, as amended, or insured or guaranteed under the Servicemen's Readjustment Act of 1944, as amended.'

"SEC. 502. Section 24 of the Federal Reserve Act, as amended, is hereby amended by striking out of the third sentence 'or title VIII' and inserting in lieu thereof the words 'title VIII, or section 8 of title I.'

"SEC. 503. The Housing Act of 1948 is hereby amended—

"(1) by amending the third sentence of section 502 (a) thereof to read as follows:

" 'The Administrator, without in any way relieving himself from final responsibility, may delegate any of his functions and powers to such officers, agents, or employees as he may designate, may authorize such successive redelegations of such functions and powers, as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions, powers, and duties.';

"(2) by amending subsection 502 (c) (2) by inserting the words 'or pay' after the word 'reimburse' in said subsection.

"SEC. 504. With respect to housing built or sold with assistance provided under the National Housing Act, as amended, or title III of the Servicemen's Readjustment Act of 1944, as amended, the Federal Housing Commissioner and the Administrator of Veterans' Affairs, respectively, are hereby specifically authorized and directed to issue such regulations, applicable uniformly to all classes of mortgagees, as they determine desirable for the purpose of limiting the charges and fees imposed upon the builder, veteran, or other purchaser in connection with the financing of the construction or sale of such housing, whether or not such charges were or are imposed in connection with the financing assisted by the Federal Government, and no loan shall be insured or guaranteed under such acts unless the mortgagee certifies that it has not imposed upon the builder, veteran, or other purchaser any charges or fees in connection with the financing of the construction or sale of such housing in excess of the charges or fees permitted under such regulations for such purposes as are applicable to the housing involved.

"SEC. 505. The right to redeem provided for by title 28, United States Code, section 2410 (c), shall not arise in any case in which the subordinate lien or interest of the United States derives from the issuance of insurance under the National Housing Act, as amended, or the issuance of guaranties or insurance under the Servicemen's Readjustment Act of 1944, as amended.

"SEC. 506. Section 4 (c) of the Reconstruction Finance Corporation Act, as amended, is hereby amended by striking out '$3,500,000,000' and inserting in lieu thereof '$3,750,000,000'.

"SEC. 507. Notwithstanding the provisions of any other law, except provisions of law hereafter enacted expressly in limitation hereof, receipts of the National Capital Housing Authority from leases, sales, or other sources under title I of the District of Columbia Alley Dwelling Act are and shall remain available to the Authority for the purposes of said title I, subject to approval by the Public Housing Administration of budgets for maintenance and operation of properties administered under title I in the same manner as budgets are approved by said Administration with respect to maintenance and operation of projects under title II of said Act.

"SEC. 508. It is the intent of Congress that no sale of a dwelling on which a mortgage is insured under the National Housing Act, as amended, shall be financed, while such mortgage is so insured, at an interest rate higher than that prescribed by the Federal Housing Commissioner. It is the further intent of Congress that no such sale shall be made, while such mortgage is so insured, on terms less favorable to the purchaser as to amortization, retirement, foreclosure, or forfeiture than those contained in such mortgage.

"SEC. 509. Insofar as the provisions of any other law are inconsistent with the provisions of this Act, the provisions of this Act shall be controlling: *Provided,* That nothing contained in this Act shall affect the authority of the Housing and Home Finance Administrator under title II of Public Law 266, Eighty-first Congress.

"SEC. 510. Except as may be otherwise expressly provided in this Act, all powers and authorities conferred by this Act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this Act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this Act, or the application thereof to the persons and circumstances, directly involved in the controversy in which such judgment shall have been rendered."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
BROOKS HAYS,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
HENRY O. TALLE,
Managers on the Part of the House.

B. R. MAYBANK,
JOHN SPARKMAN,
PAUL H. DOUGLAS,
RALPH E. FLANDERS,
JOHN W. BRICKER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2246) to amend the National Housing Act, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The conferees have agreed to a substitute for both the Senate bill and the House amendment. Many of the provisions of the Senate bill not contained in the House amendment were contained in H. R. 6070, which passed the House on August 25, 1949. The action of the House in adopting these provisions in H. R. 6070 served to guide the managers on the part of the House in acting on the corresponding provisions of the Senate bill. Except for clarifying, clerical, and neccessary comforming changes, the following statement explains the differences between the House amendment and the substitute agreed to in conference or (where the substitute contains a provision which was not in the House amendment, but which corresponds to a provision of H. R. 6070) the differences between the provision of the substitute and the corresponding provision of H. R. 6070.

FHA TITLE I

Authorization for the FHA to insure lenders against losses on home modernization and repair loans is provided for in title I of the National Housing Act. This insurance authority has been extended from time to time on a temporary basis, and, under existing law, expired on February 28, 1950. The Senate bill provided for an extension of such insurance authority to July 1, 1952. The House amendment made provision for placing this insurance authority on a permanent basis, and provided for an appropriate adjustment in the insurance reserves that a lending institution could accumulate against such loans so that the reserve would not become excessive in relation to the amount of these comparatively short-term loans held by a lending institution at any one time. The provisions of the House amendment were made effective as of March 1, 1950, to continue the temporary authority that formerly existed in law. The conference substitute extends the insurance authority to July 1, 1955, effective from March 1, 1950. In extending this authority for a stated period, the conferees wish to preserve the intent of the House amendment that, in the administration of this provision, the FHA shall take the necessary action to establish its insurance contracts on such basis as will prevent the accumulation of excessive reserves against risk of loss on insured portfolios.

The Senate bill contained a provision which was not contained in the House amendment, but which was contained in H. R. 6070, amending section 2 (a) of the National Housing Act so as to limit the total amount of outstanding loans with respect to which insurance is granted under that section to $1,250,000,000 outstanding at any one time. This is in lieu of the formula limitation previously provided for in that section. The conference substitute follows the language of the Senate bill.

The Senate bill amended the National Housing Act by adding a new section 8 to provide mortgage insurance for low-cost homes, particularly in suburban and outlying areas. A similar provision was included in H. R. 6070, but not in the House amendment. Section 8 as added by the Senate bill differed in three respects from the section as added by H. R. 6070. (1) The Senate bill provided that the aggregate outstanding principal obligations of mortgages insured under the section should not exceed $100,000,000 but provided that this limit could be raised by $150,000,000 with the approval of the President. In H. R. 6070, this limit was fixed at $500,000,000. The conference substitute adopts the language of the Senate bill. (2) Both the Senate bill and H. R. 6070 provided that no mortgage could be insured under section 8 if the principal obligation exceeds $4,750 or 95 percent of appraised value in the case of an owner-occupant, or $4,250 or 85 percent of appraised value in the case of a builder. Both bills provided that the Federal Housing Commissioner could raise these limits where cost levels so require. Under the Senate bill, the limits could be raised to $5,500 for the owner-occupant, and $4,900 for the builder. Under H. R. 6070, the limits

could be raised to $5,700 for the owner-occupant and $5,100 for the builder. The conference substitute permits the limits to be raised to $5,600 for the owner-occupant and $5,000 for the builder. (3) To place this new program in operation both bills provided for the establishment of an insurance revolving fund. The Senate bill provided for an initial amount of $1,000,000 to constitute this fund. Under H. R. 6070, this initial amount was $5,000,000. The conference substitute provides for an initial amount of $1,000,000.

FHA TITLE II

Title II of the National Housing Act contains permanent authority for the insurance of mortgages on both sale and rental dwelling structures. For this purpose there is authorized under existing law insurance authority in an amount of not to exceed $6,750,000,000 outstanding at any one time. The Senate bill provided for a statutory increase of $750,000,000 in such insurance authority and provided that an additional $1,000,000,000 of such insurance authority could be made available with the approval of the President. The House amendment provided for an increase of $1,250,000,000 in such statutory insurance authority plus an additional increase of $1,500,000,000 that could be made available with the approval of the President. The conference substitute provided for a statutory increase of $1,000,000,000 insurance authority plus an additional $1,250,000,000 insurance authority that could be made available with the approval of the President.

Section 203 of title II of the National Housing Act contains provisions relating to the insurance of mortgages on one to four family structures. The Senate bill contained amendments to certain provisions in Section 203 (b) (2) which were not contained in the House amendment, but were contained in modified form in H. R. 6070. Clause (A) of Section 203 (b) (2) relates to one to four family structures, and contains insurance authority under which the mortgage amount may not exceed $16,000 and not exceed 80 per centum of the appraised value. The Senate bill contained a proviso that the Commissioner might increase such dollar amount limitation by not exceeding $4,500 for each additional family dwelling unit in excess of two located on such a property. Neither the House amendment nor H. R. 6070 contained a corresponding escalator clause for three and four dwelling unit structures. The conference substitute adopts the language of the Senate bill. The Senate bill amended clause (C) of Section 203 (b) (2) which relates to single family structures and contains insurance authority under which the mortgage may not exceed $9,450 and not to exceed the sum of 95 per centum of the first $7,000 of appraised value and 70 per centum of such value in excess of $7,000 and not in excess of $11,000. H. R. 6070 provided for a similar amendment to this clause (C), although no such provision was made in the House amendment. The conference substitute adopts the language of the Senate bill. The Senate bill amended clause (D) of Section 203 (b) (2), which relates to insurance of mortgages on low cost homes, by providing that an insured mortgage could not exceed $6,650 in amount and not exceed 95 per centum of the appraised value, except that the Commissioner was given discretionary authority to increase such dollar amount limitation by not exceeding $950 for each additional bedroom in excess of two but in no event in an amount in excess of $8,550. The aforesaid limitations applied in the case of an owner occupant. In the event the insurance was to be obtained by a builder constructing the dwelling, the principal obligation was limited to not to exceed 85 per centum of the appraised value, and in an amount not to exceed $5,950 for a one bedroom or two bedroom unit, $6,800 for a three bedroom unit or $7,650 for a unit containing 4 or more bedrooms. The House amendment contained no similar provisions but such were contained in H. R. 6070 with the addition of escalator clauses permitting the Commissioner to increase the insurance limitations by $950 in the case of owner occupants and by $850 in the case of the builder constructing the property in any geographical area where he finds that cost levels so require. The conference substitute adopts the Senate language except for the $8,550 limitation on the maximum mortgage amount with the amendment incorporating provisions permitting the Administrator to increase the insurance limitations in any geographical area where he finds that cost levels so require to the same extent as was provided in H. R. 6070. It is intended that the escalator clause permitting a higher maximum mortgage amount in those geographical areas where cost levels so require shall be most strictly administered by the Federal Housing Administration consistently with the intent of the Congress. The escalator clause is intended to help meet the higher construction cost situation which is generally prevailing within the larger metropolitan areas and, under no circumstances, should be administered in such a manner as would tend to permit the allowable higher mortgage ceilings to become general.

Section 207 of the National Housing Act relates to insurance of mortgages on multifamily structures. The Senate bill contained a provision that no mortgage could be insured thereunder unless the mortgagor certified under oath that in the selecting of tenants he would not discriminate against any family by reason of the fact that there are children in the family and that he would not sell such property while the insurance is in effect unless the purchaser so certifies; such certifications to be filed with the Commissioner. Violation of any such certification would constitute a misdemeanor punishable by a fine of not to exceed $500. The House amendment provided that every mortgage insured under this section should contain a provision that in selecting tenants the owner would not discriminate against any family by reason of the fact that there are children in the family and that he would not sell the property while the insurance is in effect unless the purchaser so undertook in writing and filed such agreement with the Commissioner. Provision was made that violation of any such provision or undertaking should constitute a default under the terms of the mortgage, permitting calling due the entire balance, and permitting foreclosure. The conference substitute adopts language of the Senate bill. The Senate bill and the House amendment amended the mortgage limitation provisions contained in Section 207 (c) of the National Housing Act. The Senate bill provided that the mortgage could not exceed eighty-five per centum of that portion of the estimated value of the property which does not exceed $7,000 per family unit and 70 percent of such estimated value in excess of $7,000 and not in excess of $10,000 per family unit, but that the mortgage amount could not exceed $8,050 per family unit (or $7,200 per family unit if the number of rooms did not equal or exceed 4½ per family unit). The House amendment provided that the mortgage could not exceed ninety per centum of the first $7,000 estimated value of the property and sixty per centum of such estimated value in excess of $7,000 and not in excess of $10,000 but provided a dollar mortgage limitation of $8,100 per family unit (or $7,500 per family unit if the number of rooms did not equal or exceed 4½ per family unit). The conference substitute adopted the language of the House amendment with the Senate provision limiting the mortgage amount to $7,200 per family unit if the number of rooms does not equal or exceed 4½ per family unit.

The Senate bill contained a provision which was not contained in the House amendment but which was contained in H. R. 6070 which added a new section 213 to the National Housing Act dealing with the insurance of cooperative housing projects. This new section would take the place of the existing provisions of the law with respect to the insurance of mortgages of cooperative housing projects now contained in section 207 of such Act. In the Senate bill the principal obligation of the insured mortgage under the new section 213 could not exceed $5,000,000, whereas H. R. 6070 placed a limitation on such mortgage in an amount not to exceed $3,000,000. The conference substitute places such limitation at $5,000,000. With respect to an individual family unit, the Senate bill and H. R. 6070 provided mortgage limitations of not to exceed $8,100 per family unit or not to exceed $1,800 per room, but not to exceed ninety per centum of replacement cost. The Senate bill contained provisions whereby the mortgage dollar amount could be increased by $9 per unit or $2 per room for each one per centum of the membership which consists of veterans of World War II and the maximum ratio of loan to cost could be increased by one-tenth of one per centum for each one per centum of the membership consisting of veterans of World War II. Thus such veterans could obtain mortgage insurance up to one hundred percent of the replacement cost of the property. H. R. 6070 contained a provision which limited the increase in mortgage dollar amounts to $4.50 per unit or $1 per room for each one per centum of members who were veterans of World War II and limited the mortgage loan ratio increase to one-twentieth of one per centum of the estimated cost for each one per centum of World War II veteran membership. Thus under the language of H. R. 6070 veteran mortgage insurance was limited to 95 per centum of the replacement cost of the property. The conference substitute follows the pattern of H. R. 6070. The Senate bill also contained a provision whereby all members of the project could obtain mortgage insurance up to 100 per centum of the replacement cost of the project if at least 75 per centum of the members were veterans of World War II and in this case the maximum mortgage amount was set at not to exceed $9,000 per family unit or $2,000 per room.

The conference substitute contains a modification of the Senate bill providing that all members of the project could obtain mortgage insurance up to 95 percent of the replacement cost of the project if at least 65 percent of the members were veterans of World War II and in this case the maximum mortgage was set not to exceed $8,550 per family unit or $1,900 per room. The Senate bill contained a provision which made certain administrative provisions of section 207 or section 204 applicable to mortgages insured under section 213 depending upon whether or not the dwellings were in multifamily or single family structures. Such provision was not made in the House amendment, but with respect to multi-family structures was contained in H. R. 6070. The Conference substitute adopts the language of the Senate bill in this respect. An amendment was accepted to the Cooperative Housing Insurance Section, 213, providing that dwelling units designed for occupancy by single persons constituted family units within the meaning of the Act.

F. H. A. TITLE III

Title III of the National Housing Act deals with the Federal National Mortgage Association which provides a secondary market for the purchase of certain FHA insured and VA guaranteed home loan mortgages. The Senate bill contained a provision which would limit the deposit or fee that might be required or charged by the Association for the purchase of, or commitment to pur-

chase, a mortgage to an amount not to exceed one-half of one per centum of the original principal amount of such mortgage. No similar provision was contained in the House amendment although H. R. 6070 contained a provision limiting the commitment fee to an amount not to exceed one per centum of the original principal amount of such mortgage. The Conference substitute provides that the Association may charge a fee in connection with the purchase of mortgages, not exceeding 1 per centum of the original principal amount. No provision was made with respect to charging a fee for commitments to purchase mortgages, since the powers of the Association to make such commitments are removed elsewhere in the Conference substitute.

The Senate bill made inapplicable to several classes of mortgages the restriction limiting the Federal National Mortgage Association's purchases to 50 percent of the eligible portfolio of an original mortgagee. No similar provision was contained in the House amendment. The committee of conference agreed to retain the limitations of existing law except that the 50 percent limitation is made inapplicable, after the effective date of this act, to farm home mortgages guaranteed under section 502 of the Servicemen's Readjustment Act of 1944, as amended.

The House amendment provided for an increase in the statutory mortgage purchase authority of the Federal National Mortgage Association in the amount of $500,000,000 with an additional increase of $250,000,000 that could be made available on the approval of the President. No similar increase was provided for in the Senate bill. The conference substitute provides for an increase of $250,000,000 in the statutory purchase authority of the Association and removes the power of the Association to make advance commitments for the purchase of eligible mortgages. It was the opinion of the committee of conference that the Association should exert every effort to sell its present and future mortgage holdings in an orderly manner and that the selling price should be set only after consultation with the Secretary of the Treasury.

FHA TITLE VI

Insurance operations under section 608 of the National Housing Act, which provided for the insurance of rental project mortgages, had to be discontinued prior to the March 1, 1950, termination date due to an exhaustion of authorized insurance authority. The Senate bill made $400,000,000 of insuring authority available for operations under section 608 through transferring this amount of insuring authority from the $750,000,000 authorized in existing law for operations under section 610 of the National Housing Act. The additional insuring authority made available to section 608 operations was to be utilized to process only those section 608 applications which had been received in any field office by the Federal Housing Commissioner on or before January 31, 1950. In the processing of such applications a ratio of insured mortgage value to cost of 85 percent was to be used in place of the 90-percent factor that had been contained in the law. With respect to section 608 applications received on or before March 1, 1950, the Senate bill provided that if the application had not been rejected or committed upon, the mortgagee upon reapplication for insurance under the rental housing provisions of section 207 would receive credit for any application fee paid in connection with the prior application. The Senate bill further provided that with respect to a section 608 application received on or after February 1, 1950, the mortgagee could, within 90 days after enactment of this provision and prior to rejection or issuance of a commitment, withdraw such application and receive a return of the application fee previously paid. The House amendment provided for an increase of $600,000,000 in insurance authority for section 608 operations, and made this additional insurance authority available for any section 608 applications received in any field office of the Federal Housing Administration on or before March 1, 1950. The conference substitute contains the language of the House amendment with a reduction of the insuring authority from $600,000,000 to $500,000,000. In processing pending applications for insurance under section 608 of the National Housing Act, and in issuing commitments on such applications as may be approved, it is intended that the Federal Housing Administration shall adopt a uniform system based upon proceeding from the earliest filing date to the latest filing date.

The Senate bill contained a provision with respect to the insurance authorization of section 610. In lieu of the Senate provision, the conference substitute would make the section 610 insurance authorization available for insuring operations of sections 609 and 611.

Section 610 of the National Housing Act provides for the insurance of mortgages of certain government owned war housing when such housing is disposed of to the public. The Senate bill contained a provision making this insurance authority also applicable to sale by the Public Housing Administration, or any public housing agency, of any housing owned or financially assisted pursuant to the provisions of Public Law 671, Seventy-six Congress which provided for the construction of war housing out of prior authorizations for low rent public housing on the condition that such housing would be converted to low rent use after termination of its use as war housing. No similar provision was contained in the House amendment or H. R. 6070. The conference substitute contains the language of the Senate bill.

Section 611 of the National Housing Act relates to the insurance of mortgages on large scale site construction of fabricated homes. The Senate bill contained a provision making the provisions of section 604 (which deal with the powers of the Commissioner in connection with the default of a mortgage insured under section 603) applicable to individual mortgages insured under section 611. No similar provision was contained in the House amendment or H. R. 6070. The conference substitute adopts the language of the Senate bill.

RECONSTRUCTION FINANCE CORPORATION ACT

As previously noted, the conference substitute increases the mortgage purchase authority of the Federal National Mortgage Association in a statutory amount of $250,000,000. Inasmuch as the Federal National Mortgage Association primarily receives its funds from money borrowed from the Reconstruction Finance Corporation, it was necessary to increase the lending authority of the Reconstruction Finance Corporation by a corresponding amount and the conference substitute contains such an authorization provision.

Housing disposal

The Senate bill and the House amendment through amendment of Public Law 796, 80th Congress, amended the Lanham Act by adding a new title VI providing for the disposal of war and veterans' housing. The proposed section 601 (b) as added by the Senate bill to the Lanham Act authorized the Housing and Home Finance Administrator to transfer temporary war housing projects to local public agencies or nonprofit organizations where he determines that the housing involved is urgently needed by parents of World War I or World War II veterans who died of service-connected illness or injuries, and provided that in the case of housing so transferred, the preferences established by the proposed section 601 (d) for occupancy of transferred housing should not apply. Section 601 (b) as added by the House amendment authorized similar transfers where the Administrator determines that the housing is urgently needed by parents of World War II veterans who died of service-connected illness or injuries and contained no provision exempting housing so transferred from such preferences. The conference substitute adopts the provision of the House amendment making the benefits of this subsection available to such parents of only World War II veterans but incorporates the provision of the Senate bill making inapplicable the preferences established by the proposed section 601 (d).

The amendment to the Lanham Act made by the House amendment barred the conveyance for public low-rent use of any housing project under that section 606 (a) unless the housing has been offered for sale to veterans and others by the Administrator under the proposed section 607 for a period of 6 months after the effective date of the Housing Act of 1950, and provided that if the Administrator enters into an agreement to sell any such housing project under the proposed section 607, the housing projects may not be conveyed under subsection (a). The Senate bill contained no similar provision. The conference substitute omits this provision which was contained in the House amendment.

The Senate bill contained a provision which was not included in the House amendment nor in H. R. 6070 which would transfer the farm labor camps heretofore administered by the Secretary of Agriculture to the Public Housing Administration for use as low-rent housing projects for families and persons of low income. Under existing law these camps would have to be otherwise disposed of by June 30, 1950. Such projects when so transferred would be operated for the principal purpose of housing persons in agricultural work. Preference for occupancy would be given to agricultural workers and their families and rents charged would not be higher than the rents which the tenant could afford. The Public Housing Administration would be authorized to enter into contracts for disposal of such projects to public housing agencies, in which case the local housing agency would pay as consideration all net income remaining after allowance of reasonable and proper costs of management, maintenance and improvement, payments in lieu of taxes not in excess of 10 percent of shelter rents, establishment and maintenance of proper reserves, and debt service on indebtedness incurred by the public housing agency with the approval of the Public Housing Administration. Pending sale or lease of such projects to the public housing agency, the Public Housing Administration would be authorized to continue present leases and permits or enter into new leases with public bodies or nonprofit organizations for the operation of such projects. Pending sale the Public Housing Administration would be authorized to make any necessary improvements and pay any deficits incurred in making improvements or administering the projects out of funds available to it under the United States Housing Act of 1937, as amended, and appropriations are authorized to reimburse the Public Housing Administration for any amounts so expended. Provision would be made to transfer to the Public Housing Administration the unexpended balances of funds available for the maintenance, operation, and liquidation of these projects and such funds so transferred would be available for expenditure. The conference substitute retains the provisions of the Senate bill. It is the understanding of the conferees that this provision of the conference substitute will be carried out in such manner as to place these projects in the control and operation of local public housing agencies at the earliest possible time and that these projects will be used for the

primary purpose of housing agricultural workers.

DIRECT LOANS TO VETERANS

The Senate bill added two new sections (sections 512 and 513) to title V of the Servicemen's Readjustment Act of 1944, authorizing the Administrator of Veterans' Affairs to make direct loans to veterans for the purchase or construction of houses or for the construction or improvement of farmhouses. No similar provision was included in the House amendment. The conference substitute adopts the language of the Senate bill, with certain clarifying changes.

The new section 512 would provide that, upon application by a veteran eligible for the benefits of title V who has not previously used his guaranty entitlement, the Administrator shall make the veteran a loan for the purchase or construction of a dwelling to be owned and occupied by him as a home, or to finance the construction or improvement of a farmhouse, upon two conditions. The first condition is that the Administrator must have found that in the area in which the dwelling or farmhouse is located or is to be constructed private capital is not available to finance the purchase or construction of dwellings, or the construction or improvement of farmhouses, by veterans under title V. The second condition is that the veteran must show (1) that he is a satisfactory credit risk, (2) that the monthly payments under the loan bear a proper relation to his present and anticipated income and expenses, (3) that he is unable to obtain from private lending sources in such area at an interest rate not in excess of 4 percent a loan for such purpose for which he is qualified under section 501 or section 502, and (4) that he is unable to obtain a loan for such purpose from the Secretary of Agriculture under the Bankhead-Jones Farm Tenant Act or the Housing Act of 1949. A loan under section 512 would bear interest at 4 percent, could not exceed $10,000, and would be subject to applicable requirements or limitations prescribed for loans guaranteed under title V. The total amount of these loans could not exceed $150,000,000 and the authority to make them would expire June 30, 1951. The new section 512 would take effect 90 days after the enactment of the Housing Act of 1950.

The Veterans' Administrator would also be authorized to make cash advances on such loans to pay the taxes and assessments on the real estate, provide repairs and improvements, and to meet incidental expenses of the transaction. The Administrator would be directed to credit to the principal of the loan a gratuity payment in the same amount which wold be payable had the loan been made by a private institution, but such gratuity payment could not exceed $160 or 4 percent of the amount of the loan, whichever is less. The Veterans' Administrator would be authorized to sell such loans at par to any private lending institution capable of servicing them and could guarantee such loans so sold on the same terms as other loans can be guaranteed under such act.

For the purpose of providing funds necessary to make these loans to veterans, the new section 513 would direct the Secretary of the Treasury to make available to the Veterans' Administrator such sums not in excess of $150,000,000 as the Administrator requests, provided that no such sums could be made available after June 30, 1951. In order to make these sums available, the Secretary of the Treasury would be authorized to use, as a public-debt transaction, the proceeds of the sale of securities issued under the Second Liberty Bond Act. Repayments of the principal of loans made to veterans under the proposed section 512 would be returned to the Treasury as miscellaneous receipts. The interest paid on such loans would constitute a reserve for the payment of losses and expenses incurred in the liquidation of the loans. The section would also provide that on all advances made by the Secretary of the Treasury the Veterans' Administrator would pay semiannually to the Treasurer of the United States interest at the rate or rates determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the advance. Such interest would be payable on the amounts of the funds so made available less the amounts deposited by the Veterans' Administrator in miscellaneous receipts. Section 513 would also contain necessary administrative provisions for the handling of the loans.

OTHER AMENDMENTS TO SERVICEMEN'S READJUSTMENT ACT OF 1944

The Senate bill contained a provision not included in the House amendment nor in H. R. 6070 which would make eligible for the benefits of title V the unremarried widows of veterans who were eligible for the benefits of title V and who died either in service, or after service as a result of service-connected disability. The conference substitute retains this provision of the Senate bill.

The Senate bill contained a provision not included in the House amendment or in H. R. 6070 which would permit the Administrator of Veterans' Affairs in his discretion to exclude from the initial use of the guarantee or insurance entitlement used for any loan to a veteran in those cases where the security for the loan (1) has been taken by condemnation or otherwise by the United States, any State, or a local governmental agency for public use, or (2) has been destroyed by fire or other natural hazard, or (3) has been disposed of because of other compelling reasons devoid of fault on the part of the veteran. Under such circumstances the Veterans' Administrator would deduct from the amount of any succeeding loan the interest gratuity of 4 percent paid by the Administrator on the first loan. In effect, these provisions of the Senate bill would permit a veteran to reapply for a housing loan in those cases where his home is taken from him by action or circumstances over which he had no control. The conference substitute retains the Senate provisions.

The Senate bill contained a provision not included in the House amendment or in H. R. 6070 which would facilitate the processing of the guarantee of veterans loans made by States. The Senate provision does not enlarge the guarantee program in any way but merely places loans made by States on the same basis as those made by approved lending institutions. The conference substitute retains the Senate provisions.

The Senate bill repealed section 505 (a) of the Servicemen's Readjustment Act, effective 180 days after the date of enactment of the Housing Act of 1950, or at such earlier time as the Administrator of Veterans' Affairs should determine, taking into consideration the interests of veterans and existing plans of veterans and the home-building industry for the construction of homes. Section 505 (a) now provides that where a principal loan for any of the purposes stated in section 501, 502, or 503 of the Servicemen's Readjustment Act of 1944 is approved by a Federal agency to be made or guaranteed or insured by it, and the veteran needs a second loan to cover the remainder of the purchase price or cost, the Administrator may guarantee the second loan in an amount not to exceed 20 percent of the purchase price or cost. The House amendment provided that section 505 (a) should remain in effect with respect to mortgages insured by the Federal Housing Commissioner on or before December 31, 1950. The conference substitute adopts the language of the Senate bill, except that the repeal is made effective December 31, 1950, with similar descretion in the Administrator to advance the effective date.

HOUSING FOR EDUCATIONAL INSTITUTIONS

Title IV of the Senate bill authorized the Housing and Home Finance Administrator to make loans, at 2½ percent and with a maturity of not more than 40 years, to institutions of higher learning to provide housing for students and faculties, either through new construction or by rehabilitation, alteration, conversion, or improvement of existing structures not adequate for the proposed dwelling use. The House amendment contained no similar provision, but H. R. 6070 contained a provision authorizing the Reconstruction Finance Corporation to make loans, at not more than 4 percent interest and with a maturity of not more than 40 years, to institutions of higher learning for the construction of housing for students and faculties. The conference substitute adopts the language of the Senate bill, with two changes. The conference substitute contains a provision that no such loan shall be made unless the educational institution shows that it is unable to secure the necessary funds for such housing from other sources upon terms and conditions generally comparable to the terms and conditions applicable to loans under the new title. The conference substitute also provides that such loans shall be made at the annual rate of interest (or, if there shall be two or more such rates of interest, the higher thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more, determined at the date the contract for the loan is made, plus one-fourth of 1 percent per annum.

MISCELLANEOUS PROVISIONS

Section 501 of the Senate bill amended section 10 of the Federal Home Loan Bank Act to include mortgages insured under title I and VIII of the National Housing Act, as amended, as eligible security for advances by the Federal Home Loan Bank up to 90 percent of the unpaid principal of the mortgage loan, and made any home mortgage insured under the National Housing Act, as amended, acceptable as collateral security for advances by such a bank. An identical provision was contained in H. R. 6070. Section 10 presently limits home mortgages accepted as collateral security to those having maturities of no more than 25 years. Since the committee of conference adopts a provision increasing to 30 years from 25 years the maximum maturity of loans guaranteed under sections 501 and 502 of the Servicemen's Readjustment Act of 1944, as amended, it accepts the provision in the Senate bill with an amendment to include mortgages guaranteed under said sections 501 and 502, thus making the 30-year GI mortgages acceptable as collateral security for advances.

Section 503 of the Senate bill included two provisions relating to the administration of the Housing and Home Finance Agency. One provision amended section 503 of the Housing Act of 1948 so as to permit the Housing and Home Finance Administrator without relieving him of responsibility to authorize redelegations of functions and powers delegated by him to officers, agents, and employees. The second provision amended section 502 (c) (2) of the Housing Act of 1948 so as to clarify the authority of the heads of the constituent agencies of the Housing and Home Finance Agency to use funds available to them to pay agencies and organizations utilized or contracted with under that section. No corresponding provisions were included in the House amendment.

The committee of conference adopts the Senate provisions amending the Housing Act of 1948 and also wishes to call attention to another provision of the Housing Act of 1948. Section 102 of that Act authorized the

Reconstruction Finance Corporation to make loans to, and purchase the obligations of any business enterprise to provide financial assistance for the production of prefabricated houses, as well as for other purposes. The conferees omitted making any provision of funds for Reconstruction Finance Corporation loans for the distribution and erection of prefabricated houses because it appears that existing funds authorized in section 102 of the Housing Act of 1948 could be utilized for that purpose and were so advised by responsible officials of the Reconstruction Finance Corporation.

Section 504 of the Senate bill contained a provision directed against the practice of lenders requiring excessive charges in consideration for making FHA or VA guaranteed loans. In lieu of the provision of H. R. 6070 that no otherwise eligible mortgage could be purchased by the Federal National Mortgage Association unless the mortgagee certifies that no bonus, fees, or other charges in excess of those expressly authorized by the Association has been or would be charged or received by such mortgagee to or from the builder or the mortgagor in connection with such mortgage, the Senate language specifically authorizes and directs both the Federal Housing Commissioner and the Administrator of Veterans' Affairs to prescribe the maximum fees which could be charged in connection with financing of construction or sale of housing built or sold with the assistance of any FHA-insured or VA-guaranteed loan, and to require certification from the mortgagee that no excess charges have been imposed by such mortgagee. These regulations would apply not only to charges in connection with the particular mortgage loans insured or guaranteed by the Government, but to charges in connection with other loans made for the construction or sale of housing involved. The conference substitute contains the Senate language:

Section 505 of the Senate bill provided that the right to redeem foreclosed property provided for by title 28, United States Code, section 2410 C shall not arise where the subordinate lien or interest of the United States derives from FHA insurance or a VA guaranty on a mortgage on the property. No corresponding provision was included in the House amendment.

Section 507 of the Senate bill provided that receipts of the National Capital Housing Authority under title I of the District of Columbia Alley Dwelling Act shall remain available to the Authority for purposes of that title, subject to approval by the Public Housing Administration of budgets for maintenance and operation of properties administered under title I. No corresponding provision was included in the House amendment.

Section 508 of the Senate bill provided that nothing in the Housing Act of 1950 shall affect the authority of the Housing and Home Finance Administrator under Title II of Public Law 266, Eighty-first Congress, to dispose of certain Lanham Act housing. No corresponding provision was included in the House amendment.

The conference substitute contains the provisions of the Senate bill with respect to sections 505, 507, and 508.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
BROOKS HAYS,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
HENRY O. TALLE,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, this conference report is the unanimous agreement of all the conferees. We think we have brought back to the House a conference report that should be approved unanimously. While it was necessary to give and take, I feel confident that we have brought back as good a bill as the House passed. I think that in many of the things in which the people are most interested the bill is excellent.

We have provided for the processing of applications made under section 608 of title VI to March 1, 1950, and have provided for $500,000,000 insurance authority to process such applications. This will prevent those people who had applied for section 608 insurance and many of whom had expended large sums of money from being deprived of the benefits of such insurance.

We have provided for the extension of FHA title I modernization and repair loan insurance authority for 5 years.

The House bill extended it without limit as to time, and the other body extended it for 2 years. We compromised on 5 years and authorized $250,000,000 additional insurance authority. We also provided that the extension be effective as of March 1, 1950.

We also increased the insurance authorization of FHA title II by $2,250,000,000. This title is the permanent FHA title under which most of their insurance operations are conducted.

We also have authorized an increase of $250,000,000 in the purchase authority of the Federal National Mortgage Association, the Government secondary mortgage market.

We believe we have made proper disposition of the other matters submitted to the conferees.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. EBERHARTER. I congratulate the able chairman of the Committee on Banking and Currency and the conferees for the report which they have brought back to us. Particularly do I want to congratulate him in continuing the provisions of section 608 until March 1, 1950. Do the conferees believe that the $500,000,000 will take care of all applications which were on file prior to March 1?

Mr. SPENCE. It is our best judgment it will take care of them. Of course the other body provided $400,000,000. We asked for $600,000,000, and we split the difference. We not only continued it, but we are continuing it on the same basis as it heretofore existed—that is on the 90-percent basis.

All of the people, therefore, who have applied, if they obtain commitments, will proceed in the manner that they thought they anticipated.

The other body provided for only 85 percent insurance, but they agreed to the House amendment of 90 percent.

I think it will take care of all the applicants up to March 1.

Mr. EBERHARTER. I am particularly happy that all these bona fide applications which were on file on or prior to March 1, and which were in fact approved as being in proper form, will be taken care of.

Mr. SPENCE. Yes, so far as we are able to obtain the information at this time, they will all be taken care of.

Mr. EBERHARTER. I thank the gentleman.

Mr. SPENCE. Mr. Speaker, I yield 10 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. PHILLIPS of California. I would like to ask a question, the details concerning which are on page 28 of the report. As you know, Mr. Speaker, those of us who come from rural areas are very much interested in housing projects built during the days of the Farm Security Administration for the use of farm labor. They have been kept for the use of farm labor over the years, and the Congress has several times instructed the Secretary of Agriculture, under whose jurisdiction they came, to sell them to nonprofit organizations of farmers.

In writing this report the words "nonprofit organizations of farmers" were not included in the text of the act as it is to be passed. I am not constrained to oppose the bill because I realize the intent of the act is probably in conformity with the original intent. I rise now to ask either the chairman of the committee or the ranking member on our side, if I am right in my feeling that the desire of the conferees, in writing this section, was to see that this housing created for the use of farm labor, which is situated in rural areas and quite apart from the cities, is kept for farm housing as it has been in the past.

Was it not the intent of the conferees to indicate that and to emphasize that?

Mr. WOLCOTT. The gentleman is correct.

I think the consensus of the conference was just along that line. I would like to call the gentleman's attention to the fact that after the transfers of these properties have been made, authority is granted to enter into contracts to dispose of such projects by any of the methods provided in the act, and from the discussions in respect to that, at least what I had, and what most of us had definitely in mind, was that if they were disposed of by that authority, they would be disposed of and could be disposed of to farm groups, to assure that the properties would be continued to be used for the original purpose for which they were built, to house migratory farm laborers for the most part.

Mr. PHILLIPS of California. I thank the gentleman. I would like to ask this further brief question. I also feel, in reading the text, that it is the desire of the conference committee that these housing projects should, as far as possible, be under local control.

Mr. WOLCOTT. That was most definitely understood.

Mr. HAYS of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HAYS of Arkansas. Just for the purpose of fortifying that observation. It was certainly my understanding that the local control would be complete. That is, if there were any abuses or any conditions to be corrected, the county or local authorities would be in complete charge to make that correction, which would be done in conjunction

with local agricultural and civic leadership.

Mr. PHILLIPS of California. I thank the gentleman.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MILLER of Nebraska. I would like to ask a question in relation to some of this temporary housing. Recently, near the city of Alliance, Nebr., a project called Chimney Town, some 350 units, was built as a temporary housing project for an air base, which has since moved out. This so-called Chimney Town is now a part of Alliance, Nebr. Does that mean that the city of Alliance, Nebr., may dispose of that housing in any way it sees fit?

Mr. WOLCOTT. Unless they already have been disposed of. If they are what we call the Lanham temporaries, as distinguished from the Lanham permanents, then the existing law provides that they shall be demolished within a certain length of time. But under the law as now written they can be sold or disposed of to local units for whatever purpose the local units may see fit. They have continued the time limit within which they could be demolished from year to year, because of the housing shortage. Perhaps the gentleman's project comes within this classification: They are semipermanent. That is, they were built strongly enough so that they have served a good purpose, but, nevertheless, if they are classified as "temporaries"—and I assume from the gentleman's description of them that they are—they can be disposed of to the local housing authorities for any purpose which the locality wants to put them to.

Mr. MILLER of Nebraska. Would the city have complete control over their disposal?

Mr. WOLCOTT. If they have been transferred to the city, that would be true. The Federal Government loses all jurisdiction over temporaries, as I understand it, when they are transferred.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. WOLCOTT. Mr. Speaker, all I care to say is that we must understand, and we on the conference perhaps understand better than others, that all major legislation is a matter of compromise. I feel that in compromising the differences between the House and Senate on this particular bill the House has come out very much better off. We passed a bill last year, H. R. 6070, which was sent to the Senate. We had that bill before us in conference, and many of the provisions that were accepted by the conference are provisions that were contained in H. R. 6070, which passed the House last year. The conference continued for 3 days, and everyone recognizes, of course, that a bill of this kind is very controversial. I personally want to compliment others on the conference for what I consider a very splendid and worthwhile job done. This bill should assure that the housing construction momentum will continue throughout this year. It should assure that we will build over a million units under private enterprise this year. It was for that reason, and the fact that the conferees were so conciliatory with respect to all of these matters, that the report was signed by all of the conferees on the part of the House.

Mr. SPENCE. Mr. Speaker, I wish to join in the statement expressed by the distinguished gentleman from Michigan [Mr. WOLCOTT] in stating the spirit that was evinced by the conferees on both sides of the aisle. They showed a true patriotic spirit in endeavoring to arrive at a conclusion that would be beneficial to all our people.

I congratulate them; I compliment them on the service they have rendered.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

BRIDGE ACROSS THE ANACOSTIA RIVER

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7341) to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Anacostia River in the vicinity of East Capitol Street, and for other purposes.

The Clerk read the title of the bill.

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, will the gentleman from Georgia give us a little information about this legislation? Is this the bill we considered in our committee a few days ago?

Mr. DAVIS of Georgia. Yes; this is the bill, I may say to the gentleman from Nebraska that was unanimously reported by the District Committee on Monday, and it has been cleared with the leadership on both sides of the aisle.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized and directed to construct, maintain, and operate a bridge over the Anacostia River in the line of East Capitol Street, together with bridge approaches and roads connecting such bridge and approaches with streets and park roads in the District of Columbia, at a cost not to exceed $12,000,000, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations in this act.

SEC. 2. The Federal agencies having control and jurisdiction over the lands in the immediate vicinity of such bridge and approaches thereto shall transfer to the Commissioners of the District of Columbia, upon their request, the areas to be occupied by such bridge, approaches, and connecting roads, all as shown more particularly on plans of such bridge, approaches, and connecting roads, to be prepared and approved by the Commissioners of the District of Columbia and the Bureau of Public Roads, Department of Commerce.

SEC. 3. The Commissioners of the District of Columbia are authorized to make such use of federally owned and controlled lands at and adjacent to the east and west ends of the bridge as may be necessary for making borings, performing other preliminary work, routing and rerouting traffic, constructing such bridge, approaches, and connecting roads, and storing of materials incident to such preliminary work and to actual construction.

SEC. 4. The Commissioners of the District of Columbia are authorized and directed to route and reroute and to cause the routing and rerouting of traffic on, and to close or cause to be closed, park roads, streets, and highways under the jurisdiction of the United States, when necessary in connection with the preparation of plans for, and during the actual construction of, such bridge, approaches, and connecting roads. The Commissioners of the District of Columbia are further authorized to prepare plans for such changes in park roads as they deem necessary to provide maximum efficiency in handling traffic to and from such bridge, and, when such plans are approved by the Bureau of Public Roads, to construct roads in conformity with such approved plans.

SEC. 5. The Commissioners of the District of Columbia shall request recommendations and suggestions of the National Capital Park and Planning Commission relative to the design of such bridge, approaches, and connecting roads.

SEC. 6. (a) The National Park Service is authorized and directed to remove any and all planting materials and recreational facilities within the area to be used for such bridge, approaches, and connecting roads or for construction purposes, when requested by the Commissioners of the District of Columbia. The Commissioners of the District of Columbia are authorized and directed to regrade the areas involved in the construction of the bridge, approaches, and connecting roads so as to conform with plans to be approved by them and the Bureau of Public Roads.

(b) Upon completion of such bridge, approaches, and connecting roads and the regrading of the areas, or prior thereto, when authorized by the Commissioners of the District of Columbia, and when such operation or operations will not interfere with the construction of such bridge, approaches, and connecting roads, the National Park Service is directed to landscape such areas in accordance with the plans of the National Park Service as may be approved by the Commissioners of the District of Columbia and the Bureau of Public Roads, the cost of said landscaping to be paid out of funds made available for the purposes of this act.

SEC. 7. That the cost of construction, reconstruction, and repair of all roads which are changed or made necessary as an incident to the construction of such bridge, approaches, and connecting roads, when approved by the Commissioners of the District of Columbia and the Bureau of Public Roads, shall be paid out of funds made available for construction of such bridge, approaches, and connecting roads.

SEC. 8. The Commissioners of the District of Columbia are authorized to change the shore lines and conformation of Kingman Lake, in the vicinity of East Capitol Street extended, if such Commissioners deem such changes to be necessary to secure the best design or to afford the most suitable roadway connections with the street system west of the Anacostia River: *Provided*, That prior to making such changes, the Commissioners of the District of Columbia shall consult with the Board of Engineers for the Reclamation and Redevelopment of the Anacostia River and Flats created by the provision in the item under the subheading "Anacostia River

Flats," under the caption "Extension of water mains" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1912, and for other purposes," approved March 2, 1911 (36 Stat. 1005).

SEC. 9. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

On page 2, line 12, insert "*Provided*, That neither the bridge, approaches, nor connecting roads provided for herein shall be planned or constructed through the National Arboretum on the west bank of the Anacostia River."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DENIAL OF IRRESPONSIBLE POLITICAL CHARGES

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, a certain columnist in a broadcast last Sunday reiterated by innuendo charges that he made over the radio last fall against the conduct of my office.

I feel that I owe a duty to the membership of the House to advise you that there is not one word of truth in these charges. They are completely unfounded. When they were originally made they were investigated by the FBI, at my demand, which was some months ago. Nothing came of it.

The rehashing of these charges is the result of the irresponsible spite work of a disgruntled employee of my office whose service has been terminated and who was rejected by the Department of Commerce for a census supervisor's job.

I wish to assure my colleagues, upon my word of honor, that the facts will reveal there are no irregularities in the conduct of my office.

On Tuesday of this week—April 4, 1950—I again requested the FBI to make a complete, thorough investigation of these spiteful, irresponsible political charges, which were obviously made to discredit me in my campaign for reelection.

CIVIL AERONAUTICS BOARD

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LARCADE. Mr. Speaker, there is considerable discussion in the House in regard to the Civil Aeronautics Board, especially in view of the recommended reduction of over $1,000,000 in the appropriation for that agency in the next fiscal year.

Mr. Speaker, as one who has been appearing before the Civil Aeronautics Board, together with other Congressmen and Senators for several years with respect to an endeavor to obtain feeder lines to serve my district and the State of Louisiana, I am concerned with the time taken by this agency in the disposition of matters coming before that Board.

For the past 5 years the State of Louisiana and my district has had before the Civil Aeronautics Board applications for service in Louisiana and my district, and up to this time we have been unable to obtain a decision in the case which is known as the Mississippi Valley and southeastern cases.

Mr. Speaker, the State of Louisiana is one of only three States which does not have any feeder air lines for passenger and mail service, and how the Civil Aeronautics Board can expect applicants to hold funds and equipment for use under their applications for a period of 5 years, or until the Civil Aeronautics Board can make up its mind seems to me to be unreasonable.

In my district I have four air bases which are away beyond the average with ample facilities to handle passenger and mail service, and which, in my opinion, could furnish a profitable operation, and besides, from a national-defense standpoint, it seems to me that these air fields should be utilized for this service to the people, and to be available for use by our Air Force and, unless the same are utilized, the investment of the Government will be lost as these fields will deteriorate rapidly unless they are used and maintained.

Further, for the reasons stated above, I feel that Louisiana has been discriminated against in the failure of the Civil Aeronautics Board in not authorizing service for our State.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

[Mr. HAYS of Arkansas addressed the House. His remarks appear in the Appendix.]

FORTY-ONE BILLION DOLLARS—HOW MUCH IS THAT?

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, how much are we spending? Maybe these figures will help get the picture.

In the Brink's hold-up at Boston, six men carried away a million dollars. The Federal budget of forty-one billions equals forty-one thousand millions, so if it takes 6 men to carry $1,000,000 in paper bills it would take 246,000 men to move the $41,000,000,000 of the Federal budget for the fiscal year 1951, put up in bills.

But suppose it were in silver dollars—though there is not that much silver—you readily see how great the burden is. Put up 1,000 silver dollars to a sack, each sack would weigh 58.93 pounds, so one man could carry two sacks. To sack the budget of $41,000,000,000 would require 41,000,000 sacks of $1,000 each, and at 2 sacks per man it would take 20,500,000 men to move it. This is more than the population of 23 States and the District of Columbia in the 1940 Census—more than the population of California, Nevada, and New York.

Mr. Speaker, any way you look at it, $41,000,000,000 is a lot of "dough."

VETERANS' HOSPITALS

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minutes and to revise and extend my remarks and include a telegram.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Speaker, a few days ago I received a letter from the capitol of my State signed by Albert Kruse, former secretary of agriculture of Montana. That letter reads as follows:

I learned yesterday about the plight of the Fort Harrison Veterans Hospital as the result of recent cuts in personnel. When the cut came the hospital already was 90 short in personnel for an institution its size. If its staff had been up to standard the cut would not have been as serious, but coming as it did the situation is really serious.

Forty veterans are on the waiting list as of yesterday, two with cancer in the early state. Four nurses are resigning because of overwork. Four wards will have no night nurse at all as a result of the cut. The hospital now has about 250 patients.

A telegram from Herbert Kibler, department adjutant, American Legion of Montana, and E. J. Callaghan, Veterans' Welfare Commission of Montana, received today, reads as follows:

Your immediate help is urgently needed. Fort Harrison officials faced with early decision in the loss of hospital medical personnel. Veterans' Administration contemplated order for reduction, we believe, discriminates against Fort Harrison. In discussing matter with Meredith, manager, Veterans' Administration center, he advised that since the number of professional medical service personnel authorized at Fort Harrison was so far below the allocation of similar personnel at other Veterans' Administration hospitals of comparable size, he expects allocation of additional medical personnel which has not as yet materialized. We want to retain the present bed capacity of 264, if possible, which is only one bed for every 295 veterans. This is entirely inadequate. This cannot be done unless an increased allocation in personnel is made.

Other Members of the House have made it clear in recent days that the reduction in force ordered by General Gray was not due to any failure on the part of Congress to provide funds. No reduction was made in the budget estimates for these services. It has been stated that the Veterans' Administration has made no request for additional funds which would have made the cut unnecessary. In view of these facts I cannot

understand the action of the Administrator of Veterans' Affairs in reducing the staff of an already understaffed facility. Surely his first responsibility is to the sick and disabled veterans who need hospital attention, and his efforts would be better directed into increasing these services rather than reducing them.

I hope the reduction-in-force order will be rescinded and that the Administrator will make every effort to supply additional personnel where needed, as in the case of Fort Harrison, so that every possible bed may be made available to veterans who need treatment.

JAPANESE CLAIMS ACT

Mr. HAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HAND. Mr. Speaker, at the outbreak of the war the Government concluded that it was necessary to the national safety to evacuate from the west coast more than 120,000 persons of Japanese ancestry. Approximately 80,000 were American citizens. The vast majority were undoubtedly loyal to this country, but it was felt that there was no time to screen out the few who might be dangerous to our security. Thus all were moved.

Obviously these Americans, and the others, too, had both a legal and moral claim against the United States, at least for their direct damages, and the Congress recognized this in the Evacuation Claims Act, passed by the Eightieth Congress. Now the pending appropriation bill threatens to delay the settlement of these claims for years, and in the long run such delay will add to the costs and not save money.

Mike Masaoka, legislative director of the Japanese American Citizens League, whom I know personally, has written me on the subject. Among other things, he says:

These people were uprooted from lifelong homes and permitted to take with them only what they could carry. One of the tragedies of the evacuation was that the Government provided inadequate protection for personal, business, and other interests, leaving the evacuees victims of unscrupulous buyers or their property to the wanton destruction of vandals or the ravages of time.

As evidenced in hearings on the Evacuation Claims Act Congress was motivated to pass it in no small measure by the magnificent war record of the 33,000 American men of Japanese ancestry who served in our armed forces. For example, the all-Nisei Four Hundred and Forty-second Regimental Combat Team scored one of the most glorious combat records of any fighting outfit in this Nation's entire history.

The Evacuation Claims Act approved by the Eightieth Congress was remedial legislation, which at that time was described as "simple justice—the kind of justice everyone in our country is entitled to receive."

The act gives no lump-sum payment to evacuees. The Department of Justice has authority to settle claims up to $2,500. It may only adjudicate larger claims, for which money is appropriated separately by Congress.

Under the act, 24,081 claims were filed by the deadline of January 3, 1950. Of these, only a few dozen have been adjudicated and paid to date.

Six months ago, when only 11,000 claims had been filed, the Department of Justice estimated it would need at least $10,000,000 to adjudicate these claims and make payments on them during the fiscal year 1951. In the interests of economy, however, the budget finally submitted to the House for this program requested $5,000,000 for actual claim payments and $304,800 for administrative expenses for the fiscal year 1951.

Now the Appropriations Committee has further proposed to reduce the Japanese evacuation claims funds to $4,000,000, of which only $250,000 may be spent for administrative purposes.

What this means is that the program could drag out for 15 or 20 years for lack of funds to properly adjudicate claims and begin making payments on them.

We realize the Appropriations Committee probably reduced the funds for the Japanese evacuation claims program in line with other economy measures. Yet it must be pointed out that in this instance neither economy nor justice will be served by dragging out this program for many more years. From a common-sense standpoint the earlier this program is completed the less the total cost for administering it will be to the Government.

I subscribe to what he says.

I hope the House will provide the proper amount to do full justice.

While there are billions in this bill we cannot afford, there is another thing, Mr. Speaker, that this great country can never afford, and that is to evade or delay a just obligation.

The Washington Post recently well expressed the whole problem in an editorial,, which, with the consent of the House, I herewith include:

EVACUATION CLAIMS

Two years ago Congress passed an act to compensate persons of Japanese ancestry for the property losses they suffered as a result of being excluded by the Army from their homes on the west coast. More than 120,000 persons, two-thirds of them American citizens, were evacuated in 1942 as a military precaution against espionage or sabotage. The haste with which they had to leave their places of residence and business resulted in many instances in forced sales to unscrupulous buyers or in the depreciation of property through lack of care. The Evacuation Claims Act, giving the Department of Justice authority to settle valid claims up to $2,500 and to adjudicate larger claims, was adopted by Congress as a matter of simple justice to people who had suffered these hardships through no fault of their own.

Although the Department of Justice had estimated that it would need $10,000,000 to settle these claims in the fiscal year 1951, it asked Congress, in the interest of economy, for an appropriation of only $5,000,000 for actual claim payments and $304,800 for administrative expenses.

The Appropriations Committee of the House cut this request to a total of $4,000,000, of which only a quarter million may be spent for administration. The effect of this is to thwart the hope that the Evacuation Claims Act extended. And it is at the same time one of those pennywise pieces of economy that must in the end prove foolishly extravagant.

Close to 25,000 claims have been filed. The Department of Justice must review and adjust them individually. The inadequacy of the funds available for administrative purposes, even more than the meagerness of the sum allotted for actual settlement of claims, confines the department to mere nibbling at the job instead of tackling it and getting it done. Neither economy nor justice will be served by dragging this program out over a period of years. The longer the delay, the more difficult will be the problems of adjudication. Many of the claimants are now of advanced years. Restitution, already long overdue, must be made promptly if it is to be meaningful. We hope that that House will restore at least the full amount needed to carry forward the administrative task efficiently.

SURPLUS COMMODITIES

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have this noon sent the following telegram to the President:

APRIL 6, 1950.

The PRESIDENT,
Winter White House,
Key West, Fla.:

Forwarding some rice. Latest data indicates we have 43,000,000 pounds in storage. This is tragic particularly in terms of reports from China of famine. Could we not provide some of this for distribution by American missionaries?

JOHN W. HESELTON,
Member of Congress.

I hope this may appeal to the President.

In this connection, I am inserting a news story reporting on discussions here with reference to relief for the Chinese famine, with a particularly gruesome report from Hong Kong, in a Reuters dispatch:

[From the New York Times of April 6, 1950]

UNITED STATES STUDIES RELIEF FOR CHINA FAMINE—ACHESON DISCUSSES WHEAT, RICE SHIPMENTS—NEW SHANGHAI EVACUATION PLAN REPORTED

WASHINGTON, April 5.—The United States is giving serious thought to the possibility of sending surplus wheat and rice to famine-stricken areas of Communist China.

Secretary of State Dean Acheson said at a news conference that he had discussed such a project with Senator WILLIAM F. KNOWLAND, Republican, of California, and with the House Foreign Affairs Committee, and that it was now under study within the State Department.

Senator KNOWLAND, a sharp congressional critic of the State Department for not giving more aid to the Chinese Nationalist Government in its fight against the Communists, nevertheless proposed in letters to President Truman and Secretary Acheson that American farm surpluses be used to ease the famine in China without regard to political loyalties.

Although disclosing that the use of American grain for that purpose was under consideration, Mr. Acheson indicated that the Government would not be likely to handle the shipments directly. He explained that there were too many difficulties in the relations between the United States and Communist China, which controls most of the mainland, to allow the transaction to be Government-operated.

PRIVATE ORGANIZATIONAL AID

Mr. Acheson said that among the questions that had arisen in the discussions of Chinese famine relief so far was the attitude the Government should take toward

private organizations that wished to help; whether it should oppose such aid, acquiesce, or help.

Asked about reports that the Soviet Union was getting wheat from China, the Secretary said that there were conflicting stories on this issue. Some reports, he said, told of Manchurian wheat going to Siberia, but others reported that the Manchurian grain was being sent into the Chinese famine areas.

There have also been conflicting reports on the nature of the famine itself. Although Chiang Kai-shek appealed for relief to Chinese on the Communist-held mainland, newspapers understood to represent the Communist policy line insisted that there was no famine.

Secretary Acheson, while not touching on that particular conflict, did tell a questioner that the Communist authorities had not requested aid. And, he said in response to another query, there was no change in the United States determination to withhold recognition of Communist China for the present.

HONG KONG, April 5.—Parents were today reported to be auctioning their children and then committing suicide in some areas of central China where spring floods have brought havoc following famine.

With the spring thaw swirling torrents were today pouring down mountain sides, forming one of the worst floods for many years.

Mr. Speaker, I am also including a letter to the editor of the New York Times from Bradford Smith, of Shaftsbury, Vt. This letter is certainly worthy of the most careful kind of study and consideration on the part of all who have any responsibility in this matter. I want to call particular attention to Mr. Smith's point that nothing but a miracle will apparently revive our long reputation of being a good neighbor to Asia, but that this miracle can now be achieved if we will act promptly and realistically. Again, I want to commend to your attention Mr. Smith's argument that if the present Chinese Government accepts any offer of food made through the United Nations, much will have been accomplished, and that if it refuses much will also be accomplished because those who survive the famine will not forget that America, as in the past, stood ready to be China's good neighbor.

I cannot overemphasize his point that there is no time to lose and his final point that it is the American people who must visualize the magnitude of this opportunity and demand that the Government respond to it so that we may regain ground that will otherwise be lost to us forever—ground we most certainly cannot afford to lose.

[From the New York Times]

TO FIGHT CHINA'S FAMINE—FOOD OFFER PROPOSED AS REAFFIRMATION OF FRIENDSHIP FOR CHINESE PEOPLE

To the EDITOR OF THE NEW YORK TIMES:

The failure of our China policy contains more potential dynamite—or should we nowadays says fissionable material—than anything that has happened to American international interests. Our long reputation of being a good neighbor to Asia has been rudely damaged. Nothing but a miracle, it seems, could revive it.

But now the miracle is at hand. Present circumstances make it possible for us to recover much tragically lost ground, to make the kind of appeal to the Chinese people which they cannot fail to understand, and to reassure the rest of the Far East which is the pivot point where the superior strength of democracy must turn the tide of history now if it is ever to do so.

Forty million Chinese are destined to starve during the next few months. Meanwhile Chinese Communists are exporting grain to Russia. And meanwhile we have food surpluses which we hide in caves or leave rotting in piles. Some of these surpluses could be used to feed the Chinese. Other foodstuffs could be allotted from our abundant stores. Our Government could propose to the United Nations an international mission to relieve China's starving millions.

The aid need not be labeled as American; if so labeled it would certainly not be accepted. But the truth would nonetheless be known, and known to our credit, that we proposed and supported a truly international mission of relief to a people whose own Communist leaders were removing food from their country while they starved.

We have hundreds of men with wartime experience in China who could handle the necessary phases of transportation and administration. We have many Chinese-speaking American citizens. No nation in the world is so fortunately equipped to fill this desperate need.

If the present Chinese Government accepts this offer, made through the UN, much will have been accomplished. If it refuses, much will also be accomplished. For those who survive the famine will not forget that America, as in the past, stood ready to be China's good neighbor.

There is no time to lose. Such an action would be both good morals and good politics—as well as a positive attack on communism rather than the negative, demeaning McCarthy approach with its baneful influence on our prestige abroad.

If the people of America visualize the magnitude of this opportunity and demand that their Government respond to it, we may regain ground that will otherwise be lost to us forever, ground we cannot afford to lose.

BRADFORD SMITH,
Formerly Chief of Central Pacific Operations, OWI.

SHAFTSBURY, VT., *April 3, 1950.*

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include various letters and communications I have received and the answers to them.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[Mr. MANSFIELD addressed the House. His remarks appear in the Appendix.]

MONEY MOVEMENT

Mr. O'SULLIVAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. O'SULLIVAN. Mr. Speaker, the gentleman from Kansas [Mr. SCRIVNER] is not realistic or up-to-date in his money-carrying illustrations. He is entirely too primitive, as many Republicans are. They are old, outmoded models of bygone years. We intend to move this money by checks, and one man could carry the whole budget appropriation and perhaps Mr. SCRIVNER, too.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in two instances and in each to include extraneous matter.

Mr. MAGEE asked and was given permission to extend his remarks and include an editorial.

Mr. O'HARA of Illinois (at the request of Mr. MITCHELL) was given permission to extend his remarks.

Mr. MITCHELL asked and was given permission to extend his remarks and to include extraneous matter.

Mr. THOMPSON asked and was given permission to extend his remarks and include a newspaper article.

Mr. BOYKIN (at the request of Mr. ANDREWS) was given permission to extend his remarks and include a statement by Mr. W. I. McElroy, of Mobile, Ala.

Mr. JACOBS asked and was given permission to extend his remarks and include an editorial from the magazine America.

Mr. BIEMILLER asked and was given permission to extend his remarks in three instances and to include certain speeches and newspaper articles, and to extend his remarks in another instance and include an article by Dr. Edward E. Witt, the head of the department of economics of the University of Wisconsin entitled "The Role of Unions in Contemporary Society," notwithstanding the fact that it is estimated by the Public Printer to cost $287.

Mr. MILLER of California asked and was given permission to extend his remarks and include a newspaper article.

Mr. DONOHUE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. RABAUT asked and was given permission to extend his remarks and include an article from the Detroit News wherein Cardinal Edward Mooney, archbishop of Detroit, explains the stand of the Catholic Church on the school-aid bill.

Mr. LYNCH (at the request of Mr. COOPER) was given permission to extend his remarks and include an address.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks and include a newspaper article.

Mr. HAYS of Ohio asked and was given permission to extend his remarks and include extraneous material.

Mr. PHILBIN asked and was given permission to extend his remarks in three instances and include excerpts.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HUBER asked and was given permission to extend his remarks and include a newspaper article.

Mr. EBERHARTER asked and was given permission to extend his remarks notwithstanding that it exceeded two pages of the RECORD and, according to the Public Printer, will cost $191.34 to print.

Mr. WOLVERTON asked and was given permission to extend his remarks in two instances and include newspaper articles and also quotations from hearings.

Mr. FENTON asked and was given permission to revise and extend the remarks he will make in Committee this afternoon on the appropriation bill and include certain excerpts.

Mr. WILSON of Indiana (at the request of Mr. ARENDS) was given permission to extend his remarks and include a letter.

Mr. TALLE asked and was given permission to extend his remarks and include extraneous matter.

Mr. KEATING asked and was given permission to extend his remarks in four instances, to include in one a resolution adopted by the New York State Legislature, and in the other three editorials.

Mr. STOCKMAN asked and was given permission to extend his remarks and include an editorial by David Lawrence.

Mr. CANFIELD asked and was given permission to extend his remarks in two instances and include in one an editorial.

Mr. JUDD asked and was given permission to extend his remarks in four instances and include in each extraneous matter.

Mr. HAND asked and was given permission to extend his remarks.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an editorial by George Rothwell Brown.

Mr. GWINN asked and was given permission to extend his remarks in two instances, one entitled "Our Freedom of Religion Threatened," and the other "Shall the People's Congress Be Ignored?"

Mr. TOLLEFSON asked and was given permission to extend his remarks and include extraneous matter.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks and include extraneous material.

Mr. MICHENER asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. JACKSON of Washington (at the request of Mr. MANSFIELD) was given permission to extend his remarks and include a column by Peter Edson relative to the passing of Gen. Muir S. Fairchild.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks.

GENERAL APPROPRIATION BILL, 1951

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from Missouri [Mr. CANNON] had consumed 4 hours and 37 minutes and the gentleman from New York [Mr. TABER] had consumed 5 hours and 36 minutes.

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON. Mr. Chairman, for several days, now, we have been considering a bill to spend more than $27,000,000,000 of the taxpayers' money and to authorize contracts costing nearly two billions in addition.

This year, at least, we are more able to see what we are doing. Most Federal costs—with foreign aid a major exception—have been placed before us in a single general appropriation bill.

And the Committee on Appropriations has demonstrated in its report on the bill an awareness of the very serious financial situation to which our National Government has come. It does not require the analysis of an economist to make plain that a Nation traveling a road of deficit financing in time of prosperity is bent for bankruptcy.

We have been told that the Committee on Appropriations has done the most that can be done at this time toward holding down on this unconscionable deficit. We have heard that the costs of past wars and of our efforts to prevent another calamity represent such a large proportion of the Federal charges that only relatively modest reductions can be made if we are to avoid crippling Government services.

This simply is not true. We have spent ourselves into new deficits through the mounting costs of domestic programs in the name of public welfare. There is no need to juggle figures to prove this. Line up the figures for the 1947 fiscal year and the budget proposals for the 1951 fiscal year in such areas as housing, health, security and welfare. They will establish quickly and clearly that it is the welfare-state idea that is responsible.

The increases in costs linked to the welfare-state concept total an amount virtually equal to the predicted deficit.

The Committee on Appropriations has reduced the President's proposed cash outlay for the next fiscal year by a little more than one and a third billion dollars. As it stands, the bill would provide approximately $832,000,000 less than appropriated for the current fiscal year for the items covered. Contract authority has been cut $182,000,000 from the President's figures, and it is about one and four-fifths of a billion less than the contract clearance given for this fiscal year.

Nearly half a billion dollars of the committee's reduction in cash allowances, however, means nothing at all. Nothing, that is, except a difference of opinion as to how much will be required to meet certain obligations to which the Federal Government already is committed. In other words, if the costs amount to more than the committee estimates, they will have to be paid anyway.

But there are some genuine savings in the bill as reported. And, already we have evidence in this debate of the economy in general but not in particular philosophy.

Already, the lobbies are at work—the lobbyists from the executive departments and the pressure groups from outside Government. The piteous wails of false economy assail our ears from all sides. Everyone is for economy, but no one wants to get hurt. We are told that the committee has erred grievously with respect to this item or that—that a program will be damaged irreparably—that the Nation will suffer much more by saving this money than by spending it.

The executive department is full of programs—expensive plans for leading the American people by the hand—planning their day-by-day existence. The programs grow and multiply. There seems to be no serious thought of fewer programs, even with the vitality of our governmental economy being drained away on deficit excursions.

This pattern is familiar. It has obtained through many years. In some sessions of Congress there has been more talk of economy than in others. Rarely, however, has a serious attempt been made actually to lop off a substantial amount from the ever-mounting bill for running the Nation.

This lip service to economy has not been regarded with alarm in the past. The Nation has been able to stay in business, despite the increasing tax burden and even Federal deficits.

But these are different times. And, if we do not recognize promptly how drastically different they are, we are going to be jolted from our placidness one of these days and find ourselves under the rubble of the economic system we have come to regard as sound beyond question.

It has always been a case with us of more money where the last came from—a higher tax, or a new one, to meet an enlarged Federal budget. As a nation, we always have been able to carry ourselves well financially. But now we also are carrying, either directly or indirectly, most of the non-Communist world.

And communism, wearing a cynical grin, is standing there watching us and thinking: "That can't go on forever. They'll fall on their faces. We can wait. That's the day we'll take charge."

We still are able to get by, it is true. For the first time in our history, however, there is a clear and present danger that the elasticity of our national economy is approaching overextension. Yes, we are getting by; but how much longer can we avoid drastic action to provide our financial structure an adequate safety margin?

Let us look at the economic situation today. We are getting by—barely—because our national income has been swollen by inflationary forces. Our people have had the money; they have been able to pick up the check for the Federal Government's unabashed spending spree.

We are faced with the prospect of ending the fiscal year June 30 with a Federal deficit. If costs of Government are not cut, or taxes increased, that deficit, it is estimated, will near the $6,000,000,000 mark in the next fiscal year.

The talk of economy increases, and yet, in the face of the chilling truths, we do not take any vigorous action to save ourselves. The spending and the waste continue.

It is easy to say we can vote more taxes if conditions become obviously critical. But this is to forget that we already are

in the area of diminishing return in Federal taxation. A substantial new boost in levies well could be the factor which would nudge us into a deflationary sinkhole. As with the overburdened camel, private business could sink to its knees under the new imposts.

The alternative, of course, is deficit financing. The people still are buying their Government's bonds. And it is sensible that they do so. There is no sounder investment. But we must recognize that a complex artificial structure supports these obligations, which now exceed $250,000,000,000, exclusive of the paper issued by Government corporations.

The market for Government bonds is not a free market. Much of the purchasing is assured by Federal Reserve Board regulations which tell a bank what types of investment it may make.

Now Government obligations can be placed readily among private investors, but how many billions more could they afford to take? What would be the result if a depression forced widespread liquidation of such investments in the desperate need for cash? Would the inconceivable come to pass? Would obligations of the United States Government become a drudge on the financial market?

I say this no longer is inconceivable. Should it occur, the printing press—devaluation of the currency with its almost inevitable concomitant of economic chaos—would be the final desperate choice offered us.

The issue is clear enough, but seemingly, we persist in turning our eyes away. It is either more taxes, deficit financing, or economy.

A lone hopeful sign is the apparent increase in serious concern about our economic plight. But economy remains in the talking stage. We have not begun to save money in this Eighty-first Congress. We continued to nudge the cost of National Government upward—a few millions here, a few millions there, until another billion mark is passed, and another.

Bureaucrats have a standard operating procedure in dealing with appropriation cuts. It has served them well for years, and it will continue to do so until the Nation's financial situation forces us to forthright action—and I say that situation exists now. When a reduction is voted, do these agency heads and their underlings seriously try to increase efficiency in their operations—to eliminate some of the purposeless paper work, to discharge some of the drones who are drumming desk tops on Washington headquarters?

Certainly not. They eliminate an important service usually closing down facilities in the States. Then when the complaints roll in, they say, "Tell Congress your troubles, they cut our money." Members of Congress then are deluged with angry communications. Before long, the agency has more money than ever, despite the fact honest economy would have enabled it to provide the services actually needed and wanted by the public on even less money than the reduced appropriation.

We know there is waste in the Federal Government, but few of us, even in Congress, have the facilities to track down sufficient evidence to make a tangible case. This has been done, however, in an exhaustive manner by the Hoover Commission. We have seen how millions are frittered away through duplication of services, duplication of procurement, duplication of accounting systems. We have seen such inexcusable bungling and wastage of tax money as the Army asking and getting funds to repair more tanks than it had on hand and to outfit thousands more soldiers than were on duty.

The consolidating and streamlining of elements of the executive branch affords one means of achieving important savings. Thousands of Government employees could be discharged without loss of essential services. No Federal worker has a vested right in a lifetime job. The people of the Nation as a whole are under no obligation, legal or moral, to continue indefinitely paying the salaries of a horde of paper shufflers in Washington. In any business operation, including Government, the efficient worker who provides a useful service never needs to fear for his own security. But, for too many years, we have been supporting employees who are excess baggage—who have no function meriting public financing.

Our Federal Government is busy making surveys of interest to minute segments of our population. It is employing thousands of workers to prepare exhaustive reports on obscure topics. Hundreds of these projects which, in sum, cost millions of dollars each year, could be eliminated. They could be provided by the States, local communities, or private organizations to those groups interested. There is no sense in the requirement that our citizens as a group pay for multifarious operations in which few of them have any interest.

There is no denying the fact we are living in an armed camp in the world today. We must spend billions on armed might in our effort to preserve democracy against Communist threats.

If a stable peace could be achieved, we could afford to consider which deferred projects of the Federal Government still warranted expenditure of public funds. And, more important, we could reduce taxes and stimulate our free-enterprise system.

But, until that enduring tranquillity is realized, we simply cannot afford so much government at home. We must take care of our own needs largely on an individual or localized basis and hold Federal Government to a minimum. In doing so, we must deny ourselves many things that seem necessities—new dams and bridges, great reclamation projects, all sorts of extensive construction.

This is a world emergency that seems destined to go on for some time. We need to conserve our economic strength, lest the Communists outstay us. Certainly, this is no time to embark on new Federal adventures in public housing or medicine, even if we should decide the public interest ultimately required further governmental activity in these fields—and this certainly still is in an area of doubt.

The Federal Government already is engaged in 57 different kinds of grants-in-aid programs for the States. These cost more than $2,000,000,000 a year. This is another class of Federal expenditure which has been labeled "untouchable." I think it is mislabeled.

Some of these grants-in-aid programs are worth while. But if we are going to avoid the grave dangers of higher taxation or deficit financing, even these must be placed under searching scrutiny.

In some way, we must convince the people of this country that the new dams, new post offices and other delights, while needed, must be denied until we emerge from this shadowland between war and peace.

Congress must represent the people, Senators and Representatives must be responsive to the wishes of their constituents. If they are not, they fail in their responsibility to representative government. But I do not believe the citizens of the United States, when acquainted with the facts, will instruct us to vote them into national bankruptcy.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. JACKSON].

Mr. JACKSON of Washington. Mr. Chairman, throughout this session of Congress, and in this debate, there has been much talk of cutting Government expenditures, balancing the budget, and promoting a sound fiscal policy. There has also been a great deal of talk about eliminating waste.

This is as it should be. But I think we should all have a clear idea of what a sound, long-range fiscal policy consists of, and we should also realize that all waste does not lie in Government. The most colossal wastes of all lie in depression and unemployment.

I inserted in the Appendix of the RECORD an article appearing in United States News and World Report. Its headline reads:

> Despite good times, nearly 5,000,000 are out of work and the number is growing. Unemployment is beginning to look permanent. Trouble is growth of the labor force. Jobs cannot open up fast enough to keep abreast at present business levels.

Unemployment is not an economic disease that hits suddenly, like a heart attack. It is like a creeping paralysis. It grows quietly for a few months, then it stops. Then it moves ahead again. We feel a temporary alarm when we see that in February unemployment rose to 4,700,000. We are lulled into inaction again because in March it went down by a half million.

We forget that, as sure as the baseball season will open this month, in May and June our schools and colleges will release their biggest graduating classes in history—over a million and a half new job seekers will flood the labor market.

Like it or not, America is faced with the fact that its population grows by about two and one-half million every year—and that every year there are nearly a million new job seekers.

Like it or not, America's economic body must grow or submit to this creeping paralysis of unemployment.

We talk about waste in government. Every person that is unnecessarily out

of work could produce about $3,000 worth of goods and services. If unemployment hits the five million mark—which it will this June—you can figure that we are wasting about $9,000,000,000 every year—assuming that even in so-called full employment there are about 2,000,000 people officially unemployed. I am not even counting the toll of human despair, misery, and poverty involved in widespread unemployment.

In these prosperous times we forget that in 1939 we still had 9,500,000 people out of work. We forget that a third of our entire Federal budget—as much as we now spend on our Defense Establishment—went to relief purposes. Three billion dollars for relief alone.

This may seem somewhat far afield from our appropriations bill, but I assure you, as a member of the Subcommittee on Interior Appropriations, that it is not. For if we are to make the economic body of America grow we must make sure that we are replacing the muscle and bone that is used up in its everyday functioning, and that we are helping to build more muscle and bone for its future growth. In short, America's economy cannot expand unless her resources are preserved and expanded.

That has been one of our primary considerations in the Subcommittee on Interior Appropriations. We have considered most of the Interior expenditures as investments in our resources—in the future of our economy. We have weighed carefully the short-run savings to be gained from a budget cut against the possible long-run cost to our Nation through the elimination of a certain resource-building program.

We have asked ourselves two questions—not only "Can we afford to make these expenditures?"—but also "Can we afford not to make them?"

Any sensible businessman makes sure that he is making ample provision to put back into his plant what he takes out of it in wear and tear every year. If he wants his plant to grow, he sets aside an additional amount.

Therefore, I believe that part of a sound fiscal policy for America involves taking a long-range view of the cost of expenditures versus the cost of budget cuts. It involves putting back into America's economy what we take out of it—and building toward an expanding America.

Indiscriminate budget cutting may well be penny wise and pound foolish. I hope that every Member of this House will ask himself both questions—"Can we afford not to spend?" as well as "Can we afford to spend?"

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, it was not my intention at this stage in the general debate on the appropriation bill to address myself to that bill. As a member of the Subcommittee on State, Justice, and Commerce Departments, I would wait until that subcommittee's chapter was before the Committee. However, after listening for a few minutes to the distinguished gentleman from Washington, who just preceded me, and bringing to the attention of the Committee the fact that I have the honor of representing a district in the great State of Pennsylvania, which is the center of the hard-coal industry, I find it necessary to bring to the attention of the Committee that there exists there a desperate and acute unemployed problem. That problem is not the result of any mine strike. I am speaking of the hard-coal industry. We were not out on strike. We have been working, but there exists there certain economic problems. The gentleman from Washington [Mr. JACKSON], who just preceded me, described it well when he referred to unemployment as a marked economic waste. Economy as well as physics abhors any sort of vacuum. The desperate unemployment percentage that exists in the hard-coal fields of Pennsylvania is that kind of economic vacuum—is that kind of economic waste.

Mr. Chairman, the statisticians of the Department of Commerce and of the Department of Labor advise me that when the percentage of unemployment reaches to the mark of 10 that it is desperate and alarming and calls for immediate attention and solution. May I point out to this Committee that there exists in my congressional district at this time not merely a percentage of 10, but I have 25,000 unemployed men between the ages of 17 and 50—25,000, mark you, out of 400,000 people. There exists no place in this country such a desperate and acute economic problem.

I yield to my distinguished colleague from the great city of Scranton.

Mr. O'NEILL. Mr. Chairman, at this time I wish to state to the House that unemployment in Lackawanna County is 27,000.

Mr. FLOOD. May I say that the gentleman from Pennsylvania who just preceded me, Mr. O'NEILL, is from an adjacent anthracite coal district to mine.

I now yield to my distinguished colleague and neighbor from another hard-coal district in Pennsylvania, Mr. FENTON.

Mr. FENTON. I appreciate this opportunity, I may say to my colleague. I certainly concur in everything he has said regarding the unemployment situation in Pennsylvania. My district, as the gentleman has stated, borders on his. We have, I think, in the neighborhood of some 25,000 people unemployed. I am sure the gentleman is aware that when I was a member of the subcommittee on which he now serves, I called it to the attention of the Commerce Department, the State Department, and all Departments of the Government even remotely connected with it, called to their attention the sad plight we find ourselves in, and I have been assured by them, time and time again, including the assistant to the President of the United States, Mr. Steelman, that they would do everything in their power to help remedy the situation.

Mr. FLOOD. I appreciate the gentleman's contribution. The gentleman is now a member of the Interior Department subcommittee of the great Committee on Appropriations under the leadership of the gentleman from Missouri [Mr. CANNON]. I am sure that that great subcommittee with its distinguished chairman is doing everything reasonably possible to be of aid to this area of America's economy.

Mr. Chairman, may I add that since I have been a Member of this House—and the same thing is true of my colleagues from the hard-coal fields and the great metropolitan and industrial areas of Pennsylvania—we have voted consistently to aid and support the development of programs of agricultural subsidies. My great misfortune is that I do not have on this floor 150 or 250 Members who have in their districts anthracite coal. If I did, then I would have anthracite subsidies. I would have at least some proper recognition that hard coal is a material, important, and vital contributor to the soundness of America's economy. But we of the hard coal, the anthracite coal are only a handful, we are no powerful bloc of votes in the House cutting across party lines; we seem to be pretty much alone with our problem and with no sign of aid.

I shall introduce later legislation to strike boldly at the unemployment problem generally and further legislation to call for Federal aid to the anthracite industry and the finest Americans in the country—the mine workers. The Federal Government must help; the State of Pennsylvania cannot or will not. Anthracite coal must be stock-piled as an essential to national security and welfare. Work must be assured to our mine workers. This Nation must have the same concern for the miner and his family and the businessmen of the mining areas that it has for the farmer and the rural businessman; and the anthracite areas are going to get help if I have to raise my voice and temper and persistence to equal that of the collective sound and fury of the farm bloc. I frankly ask the help of the farm bloc, give us work and we will eat your food and pay dollars for it. We do not want and will not take charity, we want work, jobs, work, jobs, work, jobs, in the mines and factories of a new and prosperous anthracite area of this, our Nation, too.

Let me point out that the minute the hard-coal miner goes on strike, you are up in arms, you raise your hands to high heaven, you decry the loss of anthracite coal and state that the country is going to perdition, "let us put them in jail or put them in uniform or drive them to work," so you talk, "do something to get anthracite coal, they are destroying America." So you say when there is no coal available.

Well, we have a record of patriotism and production and economy that is hard to be equaled in the rural areas or in any other areas of America. We have been faithful in our support of you, the great and powerful and majestic farm bloc, without exception. But we have some rights. We are Americans, too, and we are in a desperate plight there. We have the right to demand your help—we do not come hat in hand as beggars—do not ever forget that.

I consulted every man in this House whom I felt might know how we could amend the mining bills to have anthracite coal declared a stock-pile item. That could not be done. We could not have anthracite coal placed on the list of es-

sentials for stock-piling. That, they advised me, could not be done. I did not try, as some of you, to amend for various reasons the great ECA bill and make it a matter of law that we should buy anthracite coal and send it to Europe whether they want it or not.

I come from a district where the vast majority of the people and population are of first and second generation, Europeans from the great races of Latin and Slav Europe, and as desperate as they are in their own economy they support my position in supporting ECA and in encouraging this Government, and complimenting it, on what has been done. In their desperation they will do that. These people are not petty—these are great Americans—they know the European problem—they sacrifice to aid others in need.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Missouri.

Mr. SHORT. Having visited the anthracite region in Pennsylvania, I have the deepest and sincerest sympathy with the sorrowful and the tragic plight in which the gentleman's constituents find themselves at this hour. I may say that the lead and zinc miners down in the Tri-State area of southwest Missouri, southeastern Kansas, and northeastern Oklahoma are in the same predicament. To me it is utter folly that we should vote billions abroad while we neglect our own people here at home. I think the gentleman has made a fair statement and I know every word he has spoken is true.

Mr. FLOOD. Mr. Chairman, I concur with my friend except I cannot accept that part of his contribution which uses the word "folly." It is not folly to do what this Congress and this Nation have done to aid and succor Europe in our great fight and theirs against the encroachment of atheistic communism. The ECA bill is that kind of a bill. It is a security measure, not a relief measure. But I do concur with the distinguished gentleman from Missouri when he refers to the miners of America. I speak for the anthracite coal miners, he brings to my attention lead and zinc, my friends the gentlemen from Pennsylvania [Mr. O'NEILL and Mr. FENTON] join with me in holding a brief for anthracite coal. There are men from Pennsylvania who can speak more eloquently than I for soft coal. But we are bringing to your attention the desperate plight of the anthracite coal fields with reference expressly to unemployment. This has nothing to do alone with coal. There is an economic cancer there that you must help us destroy. Mr. Chairman, we of the coal fields have a right to this attention—I have confidence this House will not say us nay.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Mr. Chairman, the other day the gentleman from Wisconsin [Mr. KEEFE] pointed out that the hospital appropriation had been cut from $150,000,000 to $75,000,000. He stated that it was his purpose to offer an amendment to the appropriation bill to restore the figure to $150,000,000 as a humanitarian measure in the establishment of hospital facilities to take care of the sick. In the absence of convincing argument to the contrary, I intend to support his amendment, but I rise today to bring to the attention of the House a method by which they can recoup the $75,000,000 that we would add to the $75,000,000 now in the bill simply by enacting a just law.

I want to bring to the attention of the House a problem, and that is the problem of deserted children in this country. There are about 1,000,000 children and mothers that have been deserted by fathers who have taken refuge in other States and who have practical immunity behind State lines. It is a problem that the State courts and the prosecuting attorneys have been utterly unable to cope with, and from the correspondence I have had with State welfare departments I have estimated that approximately $125,000,000 to $150,000,000 is taken out of public treasuries every year to support the children of absconding fathers who have even less decency than that possessed by the lower animals who at least take care of their young until they are self-supporting. That is a problem, and a problem that States have been unable to cope with, and there is only one solution that I can think of, and that is to empower the Federal judges, the Federal courts, to bring before the court any individual who resides in a Federal district and who has children in another State, and empower the Federal judge to say to this individual, "You pay the support order back home by such and such a time or else I will punish you for contempt of court." There is no other solution to a vast majority of the cases that I can think of.

My friend and colleague the gentleman from Michigan [Mr. FORD] has a bill which he introduced here to make it a crime to travel interstate with the intent and purpose of avoiding the obligation to support children. I think that that is a good bill. I introduced a bill to provide for the commitment proceedings to enforce the obligation. Both of these bills were introduced last year. Unfortunately, it seems that the Congress has a great deal of time to spend in regard to legislation that attracts the interest of a large number of people who happen to be organized. I note that it is a crime to steal a $25 jalopy and cross the State line with it. The Federal Government will go after you immediately. But an individual who will not recognize even the obligation that the beasts of the field recognize can steal the birthright of his children and cross the State line and remain relatively immune to any law. I presume the great difference there is that the finance companies are probably organized, and the deserted children are not.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Michigan.

Mr. FORD. I should like to compliment the gentleman from Indiana on initiating this discharge petition on this proposed legislation. I can assure the members of the Committee on the Judiciary that no affront was meant by the initiation of this discharge petition. It is hoped by this method we can get a tremendous interest on the part of people throughout the United States in an attempt to get legislation that will meet the problem, so that we will not have abandoned children throughout our States and communities who cannot be protected other than by aid to dependent children, at a cost to the Federal Government, the State government, and the local governing units.

I again wish to compliment the gentleman from Indiana. I hope our colleagues will sign the petition so that we can get this legislation to the floor of the House.

Mr. JACOBS. I thank the gentleman from Michigan.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Michigan.

Mr. RABAUT. I want to commend the gentleman. As he knows, I have introduced a companion bill. The gentleman is absolutely right that something should be done concerning the "galloping pappys" who are running all over the country leaving behind them children to be supported by others. It is a matter in which every State ought to be interested because of the expense connected with it and the injustice done to children, robbing them of their opportunities for education and forcing on them malnutrition and broken homes. It is a moral problem which deserves the serious consideration of this legislative body.

Mr. JACOBS. I thank the gentleman.

May I say that the gentleman from Michigan [Mr. FORD] has been very much interested in this matter? He and the gentleman from Michigan [Mr. RABAUT], the gentleman from Oklahoma [Mr. STEED], and I have been talking about this matter for some time. It seems that we are not able to get very much action on it. What the gentleman from Michigan [Mr. FORD] said is correct. We mean no affront to the Committee on the Judiciary. However, the fact remains that the legislation has been in the hopper since last year. We had a brief hearing on it. The legislative representative of the American Legion testified in favor of it. I am informed that it has been endorsed by the Association of Juvenile Court Judges.

In fact, of all the correspondence I have had from judges, prosecuting attorneys, editorial comment throughout the country, and others, only two people

have raised any objection to this legislation. One was a woman in Chicago who wrote me that her husband had abandoned her and she had raised her own children, and since she had done it, she did not see why other people should not have to do the same thing. The other objection was from the Department of Justice, who said it was afraid it might invade States' rights.

I do not know what States' rights they are talking about, unless it is the right of the State to tax the citizen who stays at home and takes care of his family to support the family of the fellow who has deserted his.

So I say to you, I think this is good legislation, and I hope all of you will give serious consideration to signing discharge petition 28 so that we can bring the legislation out on the floor of the House and vote on it.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, I am today introducing a bill called "The Budgetary Practices Reorganization Act." Its purpose is to focus congressional and public attention on the most significant aspect of the Federal budget. What is needed now is an end to the negative and irrelevant approaches, of which we have heard so much.

For example, this year's public discussion of the appropriations bill, like those of so many previous years, has been featured by the chant of "economy, economy, economy." This recurrent refrain has been heard from one end of the country to the other. We have been assailed with cries for "another billion dollar cut in appropriations," for "a 20 percent across-the-board" cut in the appropriation for every agency. And to the uninitiated—if there are any left on this issue—it sounds fine.

But suppose you take the trouble to ask the next questions, "Where are the cuts to be made?" and "Who is to do the cutting?" You are then told the cuts are to be made "everywhere" and the "President" is to make the cuts. This is sheer political mumbo-jumbo. Perhaps there are some agencies that are getting more money than they need. Any business the size of the Federal establishment has problems of efficient and economical operations. But to talk about using a budgetary guillotine on every agency to the same degree is arrant nonsense and it is time we said so.

The Appropriations Committee, which has done a superb job under great handicaps says bluntly on page 8 of its report that the economy hawkers yell "in such general terms as to be practically useless in effecting budget reductions. They discuss large reduction in broad areas of the budget without at any point naming appropriation accounts which should be reduced or giving specific data as to programs which could be curtailed."

Passing the buck to the President makes no sense since he does not have the power to reduce or eliminate items from the budget. It sounds good to urge that we attach a rider in requiring him to slash everything. But again it does not mean much when you get down to cases. If he tried to make the same cut in veterans' benefits, defense appropriations, farm subsidies, social security administrative costs, overhead costs of mortgage insurance, rivers and harbors projects—in each instance there would be vigorous opposition to the cut, and in most of them, the opposition could make a persuasive case. That case, incidentally, would certainly be put most strongly by many of those who now shout for economy. And in many instances, they would be right—these slashes might cripple Federal programs which are essential to the Nation's military security and economic prosperity.

Let there be no misunderstanding. I am as much concerned about efficiency in government as anyone. With the other members of the Committee on Expenditures in the Executive Departments, I have strongly supported President Truman's proposals to implement the recommendations of the Hoover Commission.

On the basis of these recommendations, we have already begun to make substantial improvements in the efficient and economic functioning of our Government, to increase the service which Americans get for their tax dollars.

But there is a great difference between that kind of approach and the unthinking and generalized outcry for "economy, economy, economy" regardless of the consequences. Those who take this unthinking approach like to cloak themselves with talk about "let us do it the way a successful business does it." Now, as a practicing attorney, I have had some experience with the way business is done by some of its most competent leaders. And there are some analogies that can be drawn from business enterprise, but one must be careful in choosing them. No business firm has to spend 70 percent of its total budget on paying for past wars and the prevention of future ones. The bill which I have introduced today proposes the use of business accounting procedure in handling capital investment, and long-range budget planning.

We are using hopelessly outmoded and inadequate budgetary procedures which just will not do the job any more, procedures which no business today uses. It makes no sense to try to tailor today's $40,000,000,000 Federal budget to fit the pattern drawn up in the 1921 Budgetary and Accounting Act. The Federal budget today has a direct and continuing impact on every phase of our economy and, in fact, on the international economy. It is time we remodeled our budgetary practice so that it becomes a usable tool for sound management, instead of a dragging ball and chain.

The purpose of this bill is to begin the remodeling job by eliminating the following defects in the present budgetary practices of the Federal Government:

First. The lack of a clear congressional policy on the Federal budget;

Second. The hit-or-miss, short-range character of budget estimates;

Third. The insertion of uneconomical or wasteful items in appropriation bills;

Fourth. The failure of the traditional budget to give a true picture of the flow of money between the Government and the people;

Fifth. The unbusinesslike failure to distinguish between operating and investment expenditures; and

Sixth. The inefficient methods used in financing a large-scale investment.

The six sections of the bill provide practical remedies for these defects. First, there is a clear statement of congressional policy in achieving a balanced budget in an expanding economy. Second, the Congress and the executive branch are authorized to plan tax and spending policies over a longer period of time. Third, the President is given the power to veto individual items in appropriation bills.

Incidentally, this power will have to be inserted in each year's appropriation bills. In this connection, I was glad to note the day before yesterday that our colleague, the gentleman from New York [Mr. KEATING] introduced a bill to achieve this particular purpose. His measure proposes another way of achieving this same objective. Fourth, this bill provides for a consolidated cash budget which would really show the flow of money between the Government and the people. That flow is, after all, what has the most immediate consequences for every business in America. Fifth, it is proposed to establish an investment budget within the over-all budget.

Of course when you come to define what goes into investment budget, you get many suggestions. I hope that the committee in examining the purposes of this bill will carefully analyze and carefully define just what should go into the investment budget.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield now?

Mr. ROOSEVELT. In just a moment.

Mr. PHILLIPS of California. I would like to point out an omission.

Mr. ROOSEVELT. An omission?

Mr. PHILLIPS of California. That is the word I used.

Mr. ROOSEVELT. I have not finished my statement. Perhaps after I have finished I will have covered it.

Sixth and last, the bill provides for a longer range, more efficient approach to the financing of large-scale investment projects.

I am including below the text of the bill along with a section by section analysis. I intend to ask for comments and suggestions from business, government, farm, labor, and consumer leaders, as well as fiscal policy experts. It is my hope that all Members of Congress, regardless of party, will give serious consideration to this proposal. I know that all of us want to make the Federal budget what it ought to be—an effective instrument which contributes to a stable national prosperity at high levels of employment.

TEXT OF BUDGETARY PRACTICES REORGANIZATION ACT OF 1950

A bill to supplement the Budget and Accounting Act of 1921 by providing for a balanced budget in an expanding economy, long-range budget estimates, a Presidential-item veto, a consolidated cash budget, an investment budget, and 4-year appropriations for major investment programs

Be it enacted, etc., That this act may be cited as the Budgetary Practices Reorganization Act of 1950.

DECLARATION OF POLICY

SECTION 1. In order that Federal budgetary practices can most effectively contribute toward national strength and security and toward sustained economic expansion under a free competitive-enterprise system, it is the policy of the Congress that (a) both the expenditures and the tax policy of the Federal Government be measured in terms of their effects upon the whole economy, and (b) the major objective of fiscal policy of the Federal Government be to balance the budget and provide for the orderly reduction of the national debt under conditions of maximum employment, production, and purchasing power, with the realization that this objective is unattainable when economic activity is seriously declining or when the use of resources of plant, manpower, and materials are at a low level and that the reduction of budget deficits or the increasing of surpluses should therefore not be attempted by measures that would lower the level of economic activity and the employment of our productive resources.

LONG-RANGE ESTIMATES

SEC. 2. The Annual Economic Reports of the President or the Economic Reviews of the Council of Economic Advisers, or both, shall set forth in broad outline a 4-year estimate of desirable levels of Federal expenditures and receipts related to such total national product and income over these years as would be consistent with maximum employment, production, and purchasing power. The minimum goals by 1955 shall be: A national output of $300,000,000,000 valued at current prices; and, at that level of output, the raising of sufficient revenues annually to balance the budget and to provide a surplus for the systematic reduction of the national debt.

PRESIDENTIAL ITEM VETO

SEC. 3. (a) Every appropriation bill reported to the House of Representatives or the Senate shall contain a section which shall read as follows:

"When this bill shall have passed the House of Representatives and the Senate and shall have been presented to the President for his approval, the President shall have power to disapprove any item or items contained in this bill, in the same manner and subject to the same limitations as he may, under article 1 of section 7 of the Constitution of the United States, disapprove as a whole any bill which shall have been presented to him for his approval. The provisions of such section 7 which relate to reconsideration shall also apply to any item or items so disapproved to the same extent as they apply to a bill that has been disapproved by the President."

(b) Subsection (a) of this section is enacted by the Congress as an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such it shall be considered as part of the rules of each House, respectively; such rule shall supersede other rules only to the extent that it is inconsistent therewith; and such subsection is enacted with full recognition of the constitutional right of either House to change such rule (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

A CONSOLIDATED CASH BUDGET

SEC. 4. The estimates transmitted to the Congress in accordance with sections 201 and 203 of the Budget and Accounting Act of 1921, as amended, shall be based upon a presentation in summary and detail of the total flow of cash payments between the public and the Federal Government.

AN INVESTMENT BUDGET

SEC. 5. In transmitting to the Congress the estimates called for in section 201 of the Budget and Accounting Act of 1921, as amended, the President shall, to the extent and in such detail as may be feasible, (a) separate operating expenditures from capital, developmental, recoverable, and other investment expenditures, and (b) estimate in detail capital, developmental, recoverable, and other investment expenditure by agencies and/or purposes for the four ensuing years.

FOUR-YEAR PROGRAMS FOR INVESTMENT EXPENDITURES

SEC. 6. Any appropriation to finance a major program involving capital, developmental, recoverable, or other investment expenditures, with the exception of any such appropriation for raising and supporting armies as is limited to 2 years by section 8 of article 1 of the Constitution, may be available for use over a period of four fiscal years.

BUDGETARY PRACTICES REORGANIZATION ACT OF 1950—SECTION BY SECTION ANALYSIS—DECLARATION OF POLICY

The first section recognizes that both expenditures and tax policy must be measured in terms of their effects upon the whole economy. A clear congressional policy is set out for obtaining a balanced budget in an expanding economy. This is in line with the recent statement of the Research and Policy Committee of the Committee on Economic Development.

The budgetary problem—

Says the CED—

is how to manage the budget so as to promote national security and general welfare most effectively. This is a problem involving both sides of the budget; both spending and taxing vitally affect our security and welfare. (Tax and Expenditure Policy for 1950, p. 1.)

In other words, this statement of policy clearly rejects the idea that we can have a sensible management of our fiscal affairs if each item of appropriation is looked upon separately rather than as part of a total expenditure program or if expenditures and revenues are looked upon separately rather than as part of the total budgetary program.

More important, section 1 states that the major objective of fiscal policy must be to "balance the budget and provide for the orderly reduction of the national debt under conditions of maximum employment, production, and purchasing power."

This is also in line with the CED's belief that the best solution for our budgetary problem is to "provide for a moderate budget surplus to be realized under conditions that make a surplus possible and desirable, namely, conditions of high employment"—Tax and Expenditure Policy for 1950, pages 2–3.

The policy statement also spells out the fact that both a budget surplus and a budget balance are impossible under conditions of seriously declining economic activity or substantial unemployment. It thus emphasizes the point of view that an effective orientation toward a balanced budget and a reduction in the national debt is possible only as part of a broad program creating an environment favorable to sustained economic expansion.

LONG-RANGE BUDGET ESTIMATES

Section 2 provides additional machinery needed to carry out the policy of a balanced budget in an expanding economy.

Under present budgetary practices, no Member of Congress can really tell where the budget proposed for the following fiscal year is leading us. No one can tell whether the appropriations called for in the following fiscal year will lead in subsequent years toward a larger or smaller role for the Federal Government in the total economic picture. Moreover, since budget estimates are prepared for only one fiscal year, the officials in the executive branch themselves, while in a better position to see the picture than Members of Congress, seldom take a good long look ahead.

Under the provisions of section 2, the executive branch would be required to look ahead. Hundreds of executive officials who participate in the budget-making process would be required to consider where their present programs are leading. The President would be required to present to the Congress, in broad outline, a 4-year estimate of desirable levels of Federal expenditures and receipts related to the total economic picture.

This section also provides that the minimum goal within which our budget policy should be developed is to achieve a total national output of $300,000,000,000, valued at current prices, by 1955. The goal is also to raise sufficient revenues at that level of output to balance the budget and to provide a surplus for the systematic reduction of the national debt. If we adopt this policy and these procedures and apply them both effectively, we can reach the goal of a balanced budget and a budget surplus long before 1955. How quickly we reach this goal depends upon how effectively we develop a program for economic health and expansion. Provisions of this section and of the rest of this bill are an integral part of such a program.

ITEM VETO FOR THE PRESIDENT

Section 3 gives the President power to exercise his constitutional power of veto over uneconomical or wasteful items inserted in appropriation bills.

One of the most wasteful practices in the Federal Government is the insertion in appropriation bills of individual items that cannot be justified as legitimately serving the public interest. Sometimes this is done by legislative riders. Sometimes it is done through the most objectionable forms of logrolling. No matter how it is done, it serves to squander priceless resources and give people

the unjustifiable impression that Members of Congress are more interested in slipping their hands into the pork barrel for local projects than they are in serving the national interest.

The reason that so many of these little items get enacted and the reason that they add up to such large totals is that the President is unable to veto individual items in an appropriation bill. He is faced with the choice of either doing nothing about individual items such as these or of vetoing a total measure and thus holding up operations for many other projects and activities that are vitally necessary. He is invariably forced, therefore, to do nothing.

A number of years ago, the senior Senator from Michigan [Mr. VANDENBERG] proposed that this problem should be handled by giving item veto powers to the President.

Now that we suddenly confront fabulous appropriation totals—

Stated the Senator from Michigan—

it seems more than ever necessary that the Presidential veto should be afforded some degree of that same discretion and selectivity with respect to the component parts of an appropriation bill which the Congress itself enjoys when it formulates and passes these bills. * * * The Governors of at least 40 out of 48 States have the privilege of the item veto, and I have yet to hear of a single instance in which its use has been contrary to the public interest. * * * I know of no reason why the President of the United States should not have similar opportunity to deal effectively with Federal appropriation bills. * * * Furthermore, an economy-minded President may easily be quite helpless in dealing with appropriations if he is confined to a blanket "yes" or "no" to the lump-sum appropriation totals in the gigantic annual supply bills which now confront the country, and if he is forbidden to send back specific items for congressional review.

Today when the Appropriations Committees in both Houses are planning to bring forth for the first time an omnibus appropriation bill providing appropriations for the operations of the entire Government, item veto power by the President becomes indispensable. Without it the multi-billion-dollar omnibus appropriation bill may become a super pork-barrel measure that will frustrate all hopes of governmental economy.

When the Senator from Michigan first proposed an item veto, he suggested that it be done through constitutional amendment.

President Roosevelt, however, pointed out that the same objective could be obtained by the insertion of a properly worded clause in every appropriation bill.

The Senator from Michigan accepted President Roosevelt's recommendation and suggested the insertion of appropriate language in appropriation bills. However, nothing was done to carry out this proposal.

Section 3 of the proposed bill consists basically of the language drafted by the Senator from Michigan upon the advice of President Roosevelt.

There is only one difference. The Senator from Michigan offered his language as an amendment to be offered from the floor of the Senate to individual measures. The proposed bill, however, requires that every appropriation bill reported to the floor in the House and in the Senate contain the necessary language.

A CONSOLIDATED CASH BUDGET

Section 4 requires the Government's budget to give a true picture of the flow of money between the Government and the people. As the Committee for Economic Development has pointed out, the traditional budget figures on expenditures and revenues do not give the real picture of the impact of the budget upon the economy—Tax and Expenditure Policy for 1950, appendix B, pages 38–47.

While most Government activities are reflected in the traditional budget, the traditional budget figures do not give the story on the trust-fund operations involved in unemployment insurance, old-age and survivors insurance, and veterans life insurance. These trust-fund receipts are usually larger than trust-fund expenditures. Hence, when the trust-fund accounts and other items are considered as part of the total budgetary operations of the Federal Government, it becomes apparent that the cash position of the Federal Government is somewhat more favorable than might otherwise be thought.

For the fiscal year 1951, for example, if one looks at the total receipts from and payments to the public, it becomes evident that the estimated budget deficit is only $2,700,000,000. This is about half the deficit estimated under traditional budget concepts.

These facts may be dug out of various tables appearing in the back of the budget message. However, they are not given the central importance that they deserve.

It is for this reason that the CED decided to "recommend use of the cash consolidated budget in making over-all budget policy." Section 4 carries out the CED recommendation by requiring a more central presentation in the budget message of the total flow of cash payments between the public and the Federal Government.

This section would not, however, preclude the use of the present budgetary computations for administrative control purposes.

AN INVESTMENT BUDGET

Section 5 provides for a businesslike distinction between operating and investment expenditures.

No business could operate intelligently if it handled its budget like the Federal Government does. Every business concern makes a clear distinction in its fiscal operations between operating expenses, and capital, developmental, recoverable, and other investment expenditures.

It was for this reason that one of the central recommendations of the Hoover Commission was as follows:

We recommend that the budget estimates of all operating departments and agencies of the Government should be divided into two primary categories—current operating expenditures and capital outlays. (Budget and Accounting, Recommendation No. 3, p. 16.)

Section 5 carries out this recommendation of the Hoover Commission. It also requires that investment expenditures be estimated in detail for a 4-year period. The provisions of section 2 require merely a broad outline of 4-year estimates of expenditures and receipts. This section requires a more detailed approach to investment operations, similar to that which is found in the budget statements of any successful private business concern.

This section, however, sets up an investment budget rather than a capital budget. A capital budget would require an annual appraisal of all the capital assets of the Federal Government. The utility of such an operation would be more than counterbalanced by the tremendous amount of time it would involve.

FOUR-YEAR PROGRAMS FOR INVESTMENT EXPENDITURES

Section 6 provides, at present, that appropriations for most large-scale Government construction projects are handled on an annual basis. This makes for untold waste and inefficiency. It prevents businesslike operations and hamstrings forward commitments. It impedes large-scale operations. If the major private construction companies in America were forced to operate under similar terms, it would not be long before they would all be out of business or in the bankruptcy courts.

The section meets this problem by authorizing 4-year appropriations for major investment programs.

This section is in line with the thinking of one of the greatest budget directors this country has ever had, the late Harold D. Smith.

In an address delivered before the Municipal Finance Officers Association on June 19, 1944, Budget Director Smith made the following statement:

The budget should contain provisions which permit immediate adjustment to changing economic conditions with which fiscal policy must cope. Flexibility in timing can, for example, be accomplished if the Legislature appropriates funds for certain construction and developmental programs for an extended period, say, of 5 years. Timing of the program can then be adjusted by the Executive in accord with economic necessities. (The Budget as an Instrument of Legislative Control and Executive Management.)

Section 6 carries out Harold Smith's proposal—except for the fact that the period provided for is 4 years instead of 5 years.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield.

Mr. MANSFIELD. I want to compliment the gentleman from New York for the suggestion which he has made. I think it has a great deal of merit. As I understand what he has just said, it is his purpose to present to the Congress and to the American people the true picture of the budget as it actually exists. Furthermore, in that picture the gentleman would really show, for example, that investments made under the Interior Appropriation Subcommittee would not be considered as liabilities but as investments which would be repaid

to the Federal Government, and, therefore, should not be considered wholly and purely as expenditures and shown as such.

Mr. ROOSEVELT. That is exactly right. One of the examples of the kind of so-called expenditure that I think ought to be listed as an investment is the money lent by the Federal National Mortgage Association, a Government corporation, which acquires mortgages of the FHA and the Veterans' Administration. The Federal National Mortgage Association, or "Fannie May," as it is usually called, has been given a credit by the Congress of over $2,500,000,000. "Fannie May" will get its money back, and is now making a profit through interest on these mortgages. It is not an expense to the Federal Government, because the money will be repaid to the Federal Government. Nonetheless, it is listed as part of our national deficit, and it is listed on the deficit side of our budget.

I now yield to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. I should like to say to the gentleman that the proposal he makes is not new.

Mr. ROOSEVELT. I agree with that.

Mr. PHILLIPS of California. It has always been very interesting to everyone who hears it for the first time, and at first glance, especially to those who may not be entirely familiar with accounting procedure, would seem to be the proper procedure. I was going to call the gentleman's attention to the fact that he omitted the very important item of contingent liabilities. Unless that were added to his list of things that are set up in a Government budget, it would be just as deceptive as the gentleman feels the present budget to be deceptive.

Mr. ROOSEVELT. I should be delighted to have an amendment offered at the time hearings are held on the bill.

Mr. STEFAN. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. SCRIVNER].

VETERANS' HOSPITAL FIASCO

Mr. SCRIVNER. Mr. Chairman, two subjects are now widely discussed in every city, town, and village in the United States—baseball and the tragic crippling of hospital service for our disabled veterans.

Tying these two subjects together and using baseball parlance, now filling the air, it is quite apparent that the taxpayer is to be caught in a "squeeze play" between the Veterans' Administration's ordered discharge of thousands of employees and the demand of veterans, veterans organizations and the public for continued adequate hospital care for the disabled.

A review of the facts will enable the press and the public to see what is happening and who is at fault.

One thing is sure—Congress is not to blame for this fiasco. If the Veterans' Administration did not have sufficient funds to carry on its operations it is only because they were not requested.

Government departments, as you all know, begin preparation of their budget requests long months before they are presented to Congress by the President, in his budget message.

The Veterans' Administrator, therefore, knew, as early as September or October 1948, what amount would be recommended for medical and hospital services for fiscal 1950, which began July 1, 1949.

Early in 1949 the full request of $566,666,400 was presented to the House Appropriations Subcommittee on Independent Offices. The VA is not so sacrosanct that one cannot assume that it is not governed by the same motives as other agencies, and naturally had asked for more—possibly 10 percent more—than it expected to get. Nevertheless, this subcommittee approved and the House passed appropriations for the entire amount requested—$566,666,400.

Mr. Chairman, I may say in passing that on page 35 of the report on the independent offices appropriation bill for 1950 the committee said:

> The total cost of the medical program is $566,666,400. The committee has not reduced this sum by one penny and directs the Administrator not to reduce it.

As early as May 1949, after House action, the Administrator knew he would have at least what he had asked for. Before the fiscal year 1950 began he knew how much he would have to run on.

Upon the request of the Veterans' Administration, Public Law 349, Eighty-first Congress, calling for increased pay for doctors, dentists, and nurses was passed by the Congress and approved by the President on October 12, 1949. Other VA employees were given pay increases by Public Law 429—Classification Act. I understand that when these acts became effective the Bureau of the Budget, the right arm of the President, advised all agencies to absorb the increases and that deficiencies for this purpose would not be entertained. Most agencies complied in whole or substantial part. The Veterans' Administration apparently complied partially, but no steps were taken to trim pay rolls to conform to available cash. As a matter of fact, I am reliably informed that the VA, instead of decreasing, increased the number of employees thereafter.

Beginning in November, the release of a small number of employees and the nonfilling of vacancies as they occurred would have enabled the Veterans' Administration to carry on its hospital service without any appreciable diminution.

If Administrator Gray's fiscal or budget officer is worth his salt, he should have—and I believe he did—advised the Administrator last fall of this needed immediate pay-roll reduction.

As a matter of fact, a few days ago Mr. Gray admitted—March 27—that this need of reduction had been called to his attention months ago, but, as he said, "not as definitely as he told me a couple of weeks ago."

A good, alert administrator, keeping himself advised, should have realized, long before Mr. Gray did, that he had one of three things to do—trim a small number immediately; wait and slash off a large crippling number later, or ask for more money.

Why no action was taken until the drastic paralyzing order of March 3 calling for the discharge of 4,766 hospital personnel, is difficult to understand.

Mr. Gray was before the Independent Offices Subcommittee of Appropriations in January asking for funds for 1951. Although he now claims to be short for this year about $14,000,000; although he plans to open new hospitals, which, of course, will require additional employees, his request was for but $574,744,249, only $8,000,000 more than requested for these same purposes for 1950. At that time he gave no hint that he was going to run short or that drastic reductions would be needed or made. A little later, and possibly a third time, Mr. Gray appeared before the Independent Offices Subcommittee seeking supplemental or deficiency funds.

In an interview he claimed that on this later occasion he had sought more funds for hospitals, but the record—see hearings, urgent deficiency, 1950—shows Mr. Gray was requesting $800,000,000 additional for "education and training" "loan guaranty," and "unemployment compensation." If he could foresee these needs what kept him from foreseeing the need for more money for the hospitals? Again he gave no hint that drastic personnel cuts in the hospitals were to be made.

But, finally, and suddenly, in the hospitals on March 3, he announced the much-discussed reduction-in-force order.

Now, over a month later, there is still no deficiency appropriation requested. I am informed that as late as a week ago he had not submitted any such estimate to the Bureau of the Budget. Whether he has in the last few days, I do not know. At least, none has yet been presented to the House for consideration.

Mr. Gray undoubtedly knows that the Appropriations Subcommittee and the Congress have always been liberal in the funds for our disabled—especially those in our hospitals.

Mr. Chairman, I repeat, no blame can be justly placed on Congress for the tragic conditions brought about by this ruthless edict, for which the disabled veterans of America and Veterans' Administration employees, including doctors, dentists, nurses, and attendants, were not prepared.

The blame rests squarely on Mr. Gray. He admitted that in a conference a few days ago. He admitted mistakes had been made, that he as Administrator had made them and he was responsible for them, and that only 60 days before he awoke to the realization that he had to "skin back." He admitted a mistake had been made in not seeing the situation and cutting back a smaller number of employees months ago instead of making a big cut now.

Mr. Chairman, as a result of his delay in his action, veterans are suffering from lack of care needed for their recovery and well-being.

Mr. Chairman, it is Administrator Gray's next move. It is quite apparent that as the result of this mismanagement, this maladministration, at a time when the taxpayer can ill-afford more Federal spending, Administrator Gray

undoubtedly will soon call upon him through Congress to appropriate more millions to supplement his 1950 funds.

Good administration would have prevented both these dire calamities from which the veterans and the taxpayer must suffer.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RHODES].

Mr. RHODES. Mr. Chairman, I ask unanimous consent to speak out of order and revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES. Mr. Chairman, the Senate has confirmed the appointment of Mr. Allan K. Grim of Kutztown, Berks County, Pa., as United States judge for the Eastern District of Pennsylvania.

I have known Mr. Grim for many years. He is of sterling character. He is a man of integrity and sound judgment, and possesses all the high qualities needed to fulfill the important post to which he has been appointed by President Truman.

Senator FRANCIS J. MYERS in nominating Mr. Grim for a Federal judgeship has given recognition to a man of outstanding character and great ability. Senator MYERS has also given favorable consideration to the Thirteenth District of Pennsylvania in submitting Mr. Grim's name to the President.

I am proud of the small part which I have played in bringing to the Federal court a man who is beloved by his fellow citizens regardless of political faith or walk of life and who will, I am sure, distinguish himself in his new role as a Federal judge.

Mr. CANNON. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I ask unanimous consent to speak out of order.

Mr. H. CARL ANDERSEN. Mr. Chairman, reserving the right to object, is the gentleman going to speak about oleo?

Mr. RIVERS. No, I am not.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Chairman, I must confess to the committee that for the last 3½ weeks I have been necessarily absent on official business for my own committee, which has taken me over 8,000 miles on an investigation through hospitals by the direction of the chairman of our committee. I have just returned and have taken this opportunity to call a matter to your attention at this time.

I hope the gentlemen will pay careful heed to what I am about to say, because I think you will hear something that perhaps you have never heard before.

On many occasions in recent weeks and months, J. Waties Waring, a Federal judge for the eastern district of South Carolina, has spoken in the cities of New York, Chicago, Washington, Richmond, and, I understand, others, in which places he has publicly advocated the use of force by a minority group to obtain its objectives.

Mr. Chairman, advocacy of the use of force against the Government is properly regarded as a high crime and misdemeanor.

I hasten to make this statement here today clear. I have no complaint against any decision that this Federal judge has rendered concerning the right of Negroes to vote in the State of South Carolina. This question was settled by the courts in an orderly manner—a manner clearly in contrast with Judge Waring's present advocacy of the use of force. I thank God that the Negroes of South Carolina and of the Nation have not become excited over his advice, and I thank God that they have shown more restraint than to follow his incendiary suggestion. But the fact that the outstanding leaders of the Negroes of this country have not followed his suggested recourse is no fault of Judge Waring, nor does it excuse this man for his behavior—perhaps misbehavior is a more accurate term.

Mr. Chairman, on numerous occasions, Judge Waring has, if the press quotes him correctly, urged against what he calls gradualism in the improvement of race relationships. He claims that gradualism is too slow. He says that the Congress is too slow, and that the President of the United States is too slow. He thinks everybody is too slow except Judge J. Waties Waring, who advocates the use of force. In other words, every authority in the United States is wrong but Judge Waring, who advocates the use of force. This man has indicted everybody in authority in the United States but himself.

To begin with, I charge that J. Waties Waring is a hypocrite. I charge that he is insincere in his present campaign. I make that charge for this reason—at no time during his political life, and he was very active in this field, did he ever raise his hand in behalf of the Negro. No, Mr. Chairman, he was an advocate of so-called white supremacy. His appointment to the bench is alleged to have come because of his loyalty to the late Senator "Cotton" Ed Smith and other advocates of this doctrine, and to the South Carolina Democratic Party which he now so bitterly denounces. He has always been part and parcel of the organization he now claims to be un-American. He even owes his present eminence to his activity in behalf of this organization.

Mr. Chairman, I state from the public admission of his present wife on the night of February 11, 1950, on a program, Meet the Press, in Washington on television that they are socially ostracized in Charleston, S. C. Mr. Chairman, this comes from the fact of Judge Waring's having obtained a divorce while he was a Federal judge and of having married his present wife. She, of her own admission, states that since that union, the citizenry of Charleston have passed them on the other side of the street and since their marriage nobody has darkened her door.

Mr. Chairman, I am not concerned with this ostracism but unquestionably Judge Waring is. His bitterness has driven him to the point of seeking martyrdom and a sort of self-imposed crucifixion. Mr. Chairman, again and again I say to you, everybody who knows this man knows he is insincere. It is incredible to me that because of loss of social standing one would lose his sense of direction, his sense of control. But this is not the point. With Waties Waring's loss of direction, he is at the same time soiling the robes of his office and the dignity of the Federal bench. He has become nothing more than a politician with the dignity of the Federal robes dragging in the dust of his bitterness.

I propound this question, Mr. Chairman—in what State in the Union, in what Federal jurisdiction in any State in the Union, do we find a Federal judge carrying on a political crusade of this character or of any character? To my shame and my humiliation, the only State in which this is found is South Carolina, and in my own district, the cradle of democracy and orderly process under the law. Did we see Judge Medina gloat in the victories of his court? Did we see Judge Medina launch a crusade against communism because he does not believe in communism? If every judge in the United States carried on as this man Waring is doing on every pet project in which he is interested, our judiciary would disintegrate over night and that part of our Government created by the Constitution known as the judiciary would vanish before our very eyes.

I say to you, Mr. Chairman, this is a very serious matter. I hasten to state that I would be the last person to deny the right of J. Waties Waring, the man, to express his views or speak his mind on any subject, but the habit of J. Waties Waring, the United States judge, in speaking his mind off the bench and in an incendiary manner is a habit which can and will destroy the faith of the people in the integrity of the United States courts if it is allowed to continue unimpeded. This cannot be allowed to happen.

Mr. Chairman, I would suggest that Judge Waring make his choice—if he wishes to continue a political crusade, have the courage to shed his robes; otherwise, he should reaffirm the oath he took when he assumed his present position, and conduct himself in accordance therewith.

After the recess, Mr. Chairman, I may have a little more to say about Judge Waring.

Mr. BRYSON. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from South Carolina.

Mr. BRYSON. The gentleman well knows, of course, that following Judge Waring's decision some 2 years ago, approximately 35,000 Negroes voted in our primary without a single act of violence or without suppression or intimidation.

Mr. RIVERS. Absolutely. They vote in South Carolina. We have no trouble with them. We get along fine with them. Of course, they have a right to vote and they are going to vote, but who on earth wants to go out here and tell the people to use force? Force for what? You do

not have to use force in this country, yet we have a Federal judge saying, "Use force." Force for what? I propound that question to you: Force for what? My God, have we come to that condition in this country?

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Mississippi.

Mr. RANKIN. I think you are slow about one thing in South Carolina. I am convinced, and have been convinced for some time, that Judge Waring is crazy. They ought to put him in a mental institution, confine him in a mental institution and get some sane judge appointed in his place.

Mr. RIVERS. He has certainly lost his sense of direction, and I do not think that situation may be long in forthcoming.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Maine.

Mr. HALE. Does this Federal judge go about the country making speeches?

Mr. RIVERS. Absolutely, along with his wife. He made one here in Washington recently. He made one in Richmond a couple of days ago.

Mr. HALE. The Federal judiciary is supposed to be a full-time job.

Mr. RIVERS. That is exactly what he is doing. I want you to be critical about this. He is running around like a politician that he is and making these statements. The terrible thing about it is that he was part and parcel of this party he now denounces, yet he is running up and down the lot. I have never in my memory known a Federal judge to do what he is doing now. In every speech he makes he says, "I am against gradualism." He believes in force to obtain your objectives. When a Federal judge is permitted to do that it is bad. For instance, if every Federal judge in this country did that, what would happen?

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Missouri.

Mr. SHORT. We have members of the Supreme Court of the United States—that is supposed to be a disinterested separate body—going in side doors and back doors of the White House. They have been doing it for the last 16 years.

Mr. RIVERS. I never heard one of them advocate sedition.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from California.

Mr. JOHNSON. To advocate violence in my State is a crime. It seems to me if what the gentleman says is the truth we ought to have an impeachment proceeding.

Mr. RIVERS. I have a great many clippings on that.

Mr. JOHNSON. We ought to have impeachment proceedings to see exactly what the facts are.

Mr. RIVERS. They may not be long in forthcoming.

Mr. JOHNSON. A judge in San Francisco was tried for a much lesser offense than this.

Mr. RIVERS. I have a copy in my mail this very morning of the Afro-American. I assume that is a fair representation. He had a meeting in Chicago. The paper quotes him to this effect: "I believe in force, not necessarily by bayonets but by every other means." What does he mean "not necessarily by bayonets"? I say to you, Mr. Chairman, the most charitable thing that can be said about this man is he has been divested of his sense of direction.

Mr. JOHNSON. The Judiciary Committe ought to look into this matter.

Mr. RIVERS. The Judiciary Committee is going to look into it if I have anything to say about it. It is absolutely intolerable. If the vast number of colored people in the South should follow his advice there would be bloodshed the like of which you have never seen since the War Between the States.

Mr. HALE. Is the Department of Justice indifferent to this?

Mr. RIVERS. Everybody seems to be indifferent about it except the Congress of the United States.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BRYSON. As a member of the Committee on the Judiciary may I inform the gentleman and Members of the House that we have been giving serious thought to this flagrant and unprecedented attitude of a Federal judge.

Mr. RIVERS. I want to say without inflaming you gentlemen that I have been admitted to the bar since 1932. I cannot speak for anybody else, but in all my life I have never known a Federal judge to do this and his wife who runs along with him. That is her business because she is a private citizen but they make identical speeches on the same subject, and they speak on the war against "gradualism." And, they talk about the Congress being too slow. But, we cannot wait for these things to happen. As he says, "You have to use force." That is a bad situation, coming from one draped in the robes and the "ermine" of the Federal judiciary.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. RANKIN. Of course, I will vote for your resolution, but I suggest you put in it one charge of insanity, because I think that every Member would be justified in voting to remove Judge Waring from office on the ground of his insanity.

Mr. RIVERS. We should not permit—and I do not want to impose on you gentlemen—we should not permit that condition to obtain. Goodness knows, we want peace among ourselves. We do not want anybody advocating sedition and we do not want anybody advocating force. I just traveled 8,000 miles investigating our veterans' hospitals, and I have seen the boys with the lingering wounds of war. Nobody wants a civil war. God knows I do not want a civil war in this country. But, when a man in authority tells you to use force, what can you expect will happen? Gentlemen, it is a bad situation, and I call it to your attention, and after the Easter recess I will bring you more concrete proof. This is a bad situation. I tell you with every ounce of my sincerity that this thing should be stopped.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. JENNINGS. Mr. Chairman, the House of Representatives is now debating and will shortly vote upon various amendments to H. R. 7786, a bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951. If passed in its present form this bill will appropriate the largest sum ever before appropriated by the Congress in one bill.

An effort will be made by amendments to reduce the suggested appropriations provided for in the bill wherever and whenever possible.

The people of this country are staggering under a debt of $260,000,000,000. The Federal Government has never before exacted such a heavy toll in taxation from our people. One way of decreasing taxes is to eliminate unnecessary appropriations and expenditures of money. Another method of reducing taxes is to see to it that the property of the United States when offered for sale brings its actual value. The Federal Government today is the owner of billions of dollars worth of real estate, consisting of apartment buildings and of individual dwellings. Some of this property has heretofore been sold and other dwelling houses owned by the Government will shortly be sold.

In the sale of these properties there should be no favoritism. But one rule and supreme purpose should govern the actions of public officials in the sale of property owned by all the people of this country, and that is, to see that when it is put up for sale it brings its honest, real value.

From the attitude and acts of some of our public officials who are charged with the duty of selling real estate on which the Government has erected dwelling houses and which are the property of the United States, we are driven to the conclusion that these public officials feel that an open season has been declared upon the taxpayers of this country. I am not just generalizing. I propose now to be specific. I will now give you a concrete example of what happens to the taxpayers of this country when certain officials of the Public Housing Administration sell dwelling houses belonging to the Federal Government.

Prior to the entry of this country in the last World War, the Public Housing Administration with Federal funds purchased a large tract of land in Blount County, Tenn., lying adjacent to Maryville, the county seat, and to the city of

Alcoa where is situated the largest aluminum plant in the world. On this large tract of land which is well situated and admirably adapted for a town site the FHA constructed a modern town and gave it the name of Eagleton Village. On this town site the FHA constructed 250 single detached frame dwelling units consisting of 12 one-bedroom units; 150 two-bedroom units, 88 three-bedroom units; 1 community building—masonry; 2 sewerage pumping stations.

In addition to the land on which these dwellings, the community building and the two sewerage pumping stations were constructed, the Government owned at the time of the sale of these properties three parcels of valuable land adjoining the town site. The Government invested in this land, these installations, and dwellings $1,000,000.

The property was appraised in May 1948, as an entirety at a valuation of $645,529.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield to the gentleman from New York.

Mr. TABER. How much did they skin the Government out of on this deal?

Mr. JENNINGS. Well, at least half a million dollars.

No valuation was made of the project for sale as individual units, although the physical layout is adapted to the sale of individual units at a minimum expense. At that time, the dwellings were and are now occupied by veterans and by employees of the Aluminum Co. of America which owns the plant at Alcoa. And at that time hundreds of veterans and people who are employed in industry desired to purchase the kind of dwellings which the Government owned in this village.

FEDERAL HOUSING ADMINISTRATION ACTION

The officials of the Public Housing Administration requested a commitment from the Federal Housing Administration of the establishment of a valuation of these properties and a mortgage commitment thereon. The FHA valued the properties at $502,620 with a mortgage commitment of $443,000, based on entirety only; that is, upon the theory that the Public Housing Administration proposed to sell the property as an entirety, the purchaser to get title to the entire village, the community building, the two sewerage pumps and the three parcels of land which had not been built upon. The property was sold as an entirety as a rental proposition.

Accordingly, the property was advertised for sale as an entirety and on November 3, 1949, bids were opened and the property was sold. The bid of $525,400 by H. D. Epstein, of Philadelphia, was accepted, it being the high bid.

THE HISTORY OF THE TRANSACTION

Before the property was advertised for sale and before the sale was conducted and the bid of Epstein accepted by the Public Housing Administration, an official in the central office of the Public Housing Administration made a report to John P. Broome, director of region IV, in which he pointed out to Broome that it was to the advantage of the United States Government, the owner of Eagleton Village and its facilities, that the property should be valued on a basis of individual units, that is, that each dwelling house and each parcel of unused land should be valued separately, because on this basis of sale the property would bring its real value. It was also pointed out by this official in the central office of the Public Housing Administration that the decision of the regional office to sell these 250 dwelling units, the community building, the two sewerage pump stations and the three parcels of excess land as a whole would result in a loss to the Government of probably 50 percent of the real value of the property.

The official who made these recommendations of the proper and fair method of selling these properties instructed and urged the persons who were about to make the sale of said properties "to explore all possible means of correcting the sewerage deficiency before the property was offered for sale as an entirety.

In other words, the official who made these recommendations and issued these instructions urged his associates in the Public Housing Administration to negotiate a renewal of the contract which the Public Housing Administration had with the city of Alcoa to continue to operate the two sewerage pump stations owned by the Government in Eagleton Village so that the purchasers of these dwellings, in the event they were sold separately, would be assured that the sewerage from the respective homes would be disposed of through the sewerage system of the city of Alcoa.

These recommendations and instructions of the official making them were ignored by the regional officials who claimed that sewerage service could not be provided for individual properties if sold in that manner. This insistence of the person who had evidently entered into a plan with the person who purchased the properties to sell them as a whole was specious and without any foundation in fact. So settled was the purpose of those who conducted this sale at a loss to the Government of $500,000 that they made no answer whatever to the official who gave these instructions and set out the facts that the proper way to sell these properties was to sell the dwellings as individual units.

On January 12, 1949, the official who furnished this information and gave these directions with respect to the proper manner to sell these properties in order to have them bring their real value dictated a follow-up memorandum to the officials charged with the duty of selling these properties. But these instructions were not sent by him because Mr. Broome stated to him that everything possible had been done and that the property would have to be sold as a whole, notwithstanding that if it was sold in that manner it would not bring its real worth.

Then, on March 1, 1949, Mr. Satterfield, of the Atlanta field office, sent a communication to Mr. Broome, area director in charge of the sale of the Eagleton properties, stating that—

First. A sale of the sewer system to an operating company was very remote. This statement was absolutely untrue, as I will demonstrate in just a moment.

Second. There was no interest on the part of occupants in individual sales. This statement was likewise untrue.

Third. There was no interest in the purchase of the project as a whole by a mutual organization. Mr. Satterfield then repeated his insistence that there was no likelihood of disposing of Eagleton Village and its public facilities and the three tracts of land owned by the Government in individual units and stated his intention of immediately offering the project as a whole by competitive bid.

THE SCHEME TO SELL AND CONSUMMATE THE SALE OF THESE PROPERTIES DESPITE AND OVER THE PROTEST OF A VIGILANT AND HONEST PUBLIC OFFICIAL WAS THEN CONSUMMATED AT A LOSS TO THE GOVERNMENT OF HALF A MILLION DOLLARS

Following acceptance of bid made by H. D. Epstein, the successful bidder, he was able to make satisfactory arrangements for sewerage service and has received a release agreement from FHA so that the properties may be resold by the purchaser on an individual basis. Information from FHA indicates that their valuation of the depreciated reproductive cost of the structures well exceed $1,000,000. This indicates a potential $500,000 profit from resale by the purchaser, on an individual basis.

This tremendous loss to the Government is traceable to incompetence of the PHA regional and field offices, who failed to interpret correctly the demand in the market and were unable and unwilling to accomplish a simple solution of a sewerage problem in over a year's effort. This problem was solved by the successful bidder, Epstein, in a matter of a few weeks, thereby profiting to the extent of the difference in value between the property if considered as an indivisible entirety and the value of the 250 separate structures as individual homes.

I utterly refuted the claim of the Public Housing officials that unless the property was sold as a whole the owners of these dwellings could not have the benefit of the disposal of their sewerage under the contract that had theretofore existed between the Government and the city of Alcoa.

On March 21 I wrote the following letter to A. B. Smith, city manager of Alcoa, Tenn.:

Mr. A. B. SMITH,
City Manager, Alcoa, Tenn.

MY DEAR MR. SMITH: I have been advised by those interested in the sale of the Eagleton Village to H. D. Epstein, of Philadelphia, that since his purchase of this property he has negotiated a contract with the city of Alcoa or with some other agency in Blount County to operate the sewerage disposal plants through which the sewerage from Eagleton Village is disposed of.

I will appreciate it if you will inform me if this is true and if this contract is not with the city of Alcoa, with whom or with what agency was it made.

Thanking you for this assistance and with best wishes, I am

Sincerely yours,

JOHN JENNINGS, Jr.

To this letter Mr. Smith replied to me on March 23, as follows:

CITY OF ALCOA,
Alcoa, Tenn., March 23, 1950.

HON. JOHN JENNINGS, JR.,
House of Representatives,
Washington, D. C.

DEAR SIR: This will reply to your letter of March 21, with reference to contract for the handling of sewerage from Eagleton Village through a disposal plant owned and operated by the city of Alcoa.

It is true that Eagleton Properties, Inc. negotiated a contract with the city of Alcoa under date of February 15, 1950, whereby the sanitary sewerage from Eagleton Village is disposed of through a sewerage disposal plant of the city.

Yours sincerely,

A. B. SMITH,
City Manager.

These facts disclose the sordid, callous indifference to the rights of the taxpayers of the United States of America by the Public Housing officials of this Government here in Washington who permitted Mr. H. D. Epstein, of Philadelphia, to make an unconscionable profit on his purchase of Eagleton Village, with its facilities, for one-half of the value of said properties.

H. D. Epstein, the purchaser, was, of course, under no obligations to the Government to safeguard its interests in his purchase of these properties. He was looking after his own interests. I make no criticism of the steps he took to feather his nest in this transaction.

Had the Public Housing officials who hurriedly, incompetently, and in utter disregard of the rights of the public pushed through the sale of Eagleton Village and its facilities as a rental proposition, in its entirety, and who arbitrarily and wrongfully refused to accept the advice of the honest and fearless public official who directed them to sell the properties on an individual basis, employed the same zeal and shrewdness which Mr. Epstein used, the people of this country would not have lost the approximate sum of half a million dollars.

It is a matter of common knowledge, both in Blount County and surrounding counties in Tennessee, that hundreds of people of low and middle incomes and thousands of veterans were, and are now, eager to buy dwelling houses like those in Eagleton Village at the price at which Epstein will sell them to individual owners at this huge profit to himself. Upon purchasing the property as an entirety and before the sale was confirmed to him he went to another section of the Public Housing Administration and shifted his purchase to a different basis under the terms of which he will be permitted to sell the houses as individual units.

I am advised that he accomplished this purpose and will realize this profit by reason of the fact that he purchased the property under the provisions of title 6 of the National Housing Act and paid only 10 percent of his bid in cash.

Epstein then went to another section of the FHA and got permission to sell the houses separately, without putting out any money except the down payment.

It is time to call a halt on this character of double dealing by the officials of the Public Housing Administration at the expense of the people of this country.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, I really take the floor at the moment to conclude the comment I made when the gentleman from New York [Mr. ROOSEVELT] was talking and which necessarily broke in the middle because his time had expired. I am sorry that he is not on the floor at the moment. But I may conclude the suggestion I was about to make by saying that, when I was younger and less experienced than I am now, I also thought that was an excellent idea and academically I probably think it is now. However, in the intervening years I have come to the conclusion, to which the gentleman from New York will eventually come, that the accounts of a government are very different from the accounts of a corporation, even to those who have had some experience in that line in private life.

To begin with in the gentleman's list of items which he expects to set up under what he would call the various corporate accounts of the Government he omitted a very important item of contingent obligations, obligations which are being accrued by the Government for our insurance guaranties, our guaranties of housing, and our promises to pay under certain conditions for various groups in the United States. But more important than that is the difference between the capital assets of a corporation and the capital assets of a government. As my distinguished friend, the gentleman from Michigan, who is sitting over there listening to me and who has forgotten more about accounting than I ever knew, will remember and can concur with me when I say that a corporation in its capital assets has actual assets if anything happens. If you carried them on the books as depreciated assets and anything happened to the corporation you would have at least something to turn back to in order to secure funds. But I wonder what the people of the United States would do with a second-hand battleship, for instance.

Mr. TABER. Does the gentleman realize that in the whole appropriation bill anything that could be called a legitimate capital asset would be limited to a very few hundred million dollars, less than a billion dollars over all?

Mr. PHILLIPS of California. I thank the gentleman. That point is exactly what I would like to say. Further, and more important it seems to me, the budget which the gentleman from New York proposes would be a deceptive budget. We set up here today a budget which adding the items that are in the current bill and the items which are thoughtfully set aside as not being necessary to put in the bill, like the interest on the national debt, and adding up what the taxpayer is really interested in, which is the sum of the budget, we have a total of about $41,000,000,000. Under the budget which the gentleman from New York [Mr. ROOSEVELT] proposes, we would take out the current operating assets of the Government and put them in one item, then go on the other side, as the gentleman from Montana [Mr. MANSFIELD] suggested, and put the assets or the expenditures, which go for reimbursable projects, and say that those are not costing the taxpayer anything because eventually they are going to be paid back. I can think of nothing that would be more dangerous from the taxpayer's standpoint than to think he is ever going to get back any money he has once invested in any Government project or put in the hands of any Federal agency, because when that money comes back it is turned over and used for some other project. Unless by some miraculous means we can somehow or other get money of that kind applied on the national debt, we can never get it back. We are not even able to get the interest, which the taxpayer is supposed to be getting on the money lent for reclamation projects, as my friend, the gentleman from Montana, a member of the Public Lands Committee, will realize. We are not able to get that paid back to the taxpayers because by a very curious decision of a solicitor in the Department of the Interior, that may be applied before the reduction of the debt and not paid back to the taxpayer as he hopefully thinks it will be. Now so much for that, Mr. Chairman.

I had intended to discuss some of the features of the appropriation bill which comes before you for the first time in one package. That also is a very interesting procedure. It will be a good procedure or it will be a bad procedure, depending entirely upon how it is handled by the Congress of the United States. And, I want to say with all respect to my friends on the majority side of the House who control the Committee on Appropriations that we are not making a very good start, and if we will take the timetable put into the CONGRESSIONAL RECORD some days ago by the gentleman from Michigan [Mr. ENGEL] you will see what I mean concerning the amount of time allowed to each one of the nine chapters of a $41,000,000,000 appropriation bill in the full Committee on Appropriations. We were permitted 3 hours and 7 minutes for the entire discussion of the entire budget bill, which means that only five members of a subcommittee, plus perhaps the distinguished gentleman from New York [Mr. TABER] and the distinguished gentleman from Missouri [Mr. CANNON] participated in detailed discussion of each chapter.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Missouri.

Mr. CANNON. Did the gentleman himself or any member of the committee at any time request time for debate that was not granted, or did they request an opportunity to offer an amendment at any time, anywhere, which they did not receive? As the gentleman is aware, we intended to take 4 days on the bill in the committee but no one desired to debate it further and no one desired to offer further amendments. The gentleman had the opportunity to take all the

time he wanted, and he had every opportunity to offer any amendment he wished to submit.

On each chapter of the bill we recognized the chairman and the ranking member of the minority of the subcommittee reporting it. Anybody had a right to interrupt to ask any question he desired to ask at any time, and everybody who asked for recognition was given recognition. Does the gentleman deny that?

Mr. PHILLIPS of California. The gentleman will be very glad to tell the Chairman if he will give him a chance.

Mr. CANNON. Did anyone at any time request permission to speak when he was not accorded an opportunity to speak?

Mr. PHILLIPS of California. Yes. My distinguished chairman was rather hurried from time to time to get into the next chapter.

Mr. CANNON. The gentleman was never denied the opportunity to speak when he sought recognition, and everyone who desired to offer an amendment and who wished to speak on the amendment, was give opportunity throughout the consideration of the bill.

Mr. PHILLIPS of California. I am glad the gentleman brings that out.

Mr. CANNON. Will the gentleman give us an instance of anybody wanting to speak, who was not recognized?

Mr. PHILLIPS of California. May I answer?

Mr. CANNON. I am asking the gentleman.

Mr. PHILLIPS of California. May I answer in my own way?

Mr. CANNON. The gentleman can take all the time he wants to answer that question.

Mr. PHILLIPS of California. I will, thank you. In answering the gentleman's question I will say as a technicality somebody may have risen in the committee to ask a question and not been denied the opportunity. I yield him that very gladly and very willingly, but I merely wish the gentleman to go back to two points which are basic and which are, in my opinion, the principal difficulties in the budget bill as a package bill. Remember, I said I thought the package budget had much merit if it were handled a little differently. First of all, there is an old saying, as my distinguished friend well knows, that a burnt child dreads fire, and it is a little difficult for the minority side of the table in the full committee to forget, even after approximately 15 months, just what happened when the minority side of the table did try to offer amendments which would have prevented some of the things which have happened. That was in January a year ago.

Mr. CANNON. The gentleman has got away from the proposition and clear away from answering my question.

Mr. PHILLIPS of California. No, he has not.

Mr. CANNON. The gentleman uses a great many words, but he winds up by saying nothing.

Mr. PHILLIPS of California. The gentleman has a couple of words more he would like to get in sideways, if the gentleman will yield him about 5 minutes. Will the gentleman yield me 5 minutes?

Mr. CANNON. I yield 5 minutes to the gentleman from California, Mr. Chairman.

Mr. PHILLIPS of California. I thank the gentleman very much.

The first point is, we did have pretty rough treatment, as the gentleman will have to remember, when we did try to offer amendments at a very important time in the history of the committee, which was the beginning of the session.

Mr. CANNON. The gentleman wants to get away from the meeting at which the bill was brought in for consideration. He wants to get away from my question. Was he or anybody else denied opportunity to debate or to offer amendments?

Mr. PHILLIPS of California. I would like to yield to the gentleman but I would like to speak for myself a little, if the chairman will let me.

Mr. CANNON. I would be glad if the gentleman would say something about the question before the House. He wants to get away to a year and a half ago.

Mr. PHILLIPS of California. That was important, a year and a half ago.

Mr. CANNON. The gentleman does not deny that at the time when we considered this bill in the whole committee he was given every opportunity to speak and every opportunity to offer an amendment? Was he or was he not?

Mr. PHILLIPS of California. Will the gentleman listen?

Mr. CANNON. I will listen for an answer, but give us an answer.

Mr. PHILLIPS of California. Listen to me for a minute.

Mr. CANNON. We want an answer.

Mr. PHILLIPS of California. All right; the gentleman is going to get it. He is going to get it because, first of all, on the gentleman's Missouri farm, when he plants——

Mr. CANNON. Will the gentleman answer the question? We will not go back to my Missouri farm. We will go back to the bill which is before the House, and go back to the question before the House. Was the gentleman denied an opportunity at any time, he or anybody else, to speak or offer an amendment? Let the gentleman answer that question.

Mr. PHILLIPS of California. Yes; I was denied an opportunity to know what I was to ask a question about.

Mr. CANNON. Will the gentleman answer the question?

Mr. PHILLIPS of California. If the gentleman will listen for just 2 minutes, I will explain it, and I think the gentleman will understand, but the gentleman has to keep quiet for 2 minutes in order to let me talk and tell him what I am trying to tell him. If the gentleman will give me that courtesy I will tell him that I was not denied technically a chance to speak, but I have been denied for 18 months a chance to find out what to speak about. It lies entirely with the gentleman from Missouri, who took from us every possible opportunity to find out what was in the bills by doing away with our administrative investigating staff.

Mr. CANNON. How ridiculous. The hearings were printed and distributed throughout the session. The bill was available longer than any previous appropriation bill in the history of the Congress. And there is no finer investigating staff than the FBI in existence. The gentleman will not come to the point.

Mr. PHILLIPS of California. I come back to the same thing. In a committee where I had no chance to know what was in a bill, I did not get up and ask questions. It is impossible to ask questions on a bill about which one know nothing. The fact that the gentleman did away without notice with the investigating staff of the Committee on Appropriations brought about the situation.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. CANNON. The gentleman had at his command the entire FBI force of the United States and any other Government investigating officials he might desire to mobilize. It is the finest investigating staff the world has ever seen.

I would like to ask the gentleman a question. Did he at any time propose an investigation which was not given him?

Mr. PHILLIPS of California. Yes, several times.

Mr. CANNON. I wish the gentleman would specify. Repeatedly, the gentleman and his committee were told if they had anything they wanted to investigate it would be investigated. No request made by the gentleman or any other Member was ever denied. No refusal was ever made to investigate any proposition they wanted to investigate.

Mr. PHILLIPS of California. Will the gentleman answer me two questions that can be answered very briefly?

Mr. CANNON. Certainly.

Mr. PHILLIPS of California. First, the gentleman is a lawyer, is he not?

Mr. CANNON. That has nothing to do with the question. Was the gentleman ever denied an investigation?

Mr. PHILLIPS of California. I thought maybe I could make this plain to the gentleman.

Mr. CANNON. The gentleman is constantly trying to evade the issue. He wants to talk about something else. The issue is, did he ask for any investigation which he did not get?

Mr. PHILLIPS of California. Mr. Chairman, I must refuse to yield for at least 2 minutes now so that I can answer the gentleman.

Mr. CANNON. Yes; I wish the gentleman would answer the question: Did he or anybody else ask for an investigation which was not made?

Mr. PHILLIPS of California. Mr. Chairman, the situation with which we are now faced is similar to the situation which might exist in a courtroom if one lawyer should say to his opponent on the other side of the case that his opponent had adequate opportunity to get legal services if he had referred the matter in dispute to his, the attorney's, law firm.

I am not a lawyer. I am just an accountant who knows something about budget making. But in a courtroom or, rather, in a budget-making room, I

would want an investigator who is on my side, and not an investigator who is on the opposite side.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from California.

Mr. PHILLIPS of California. We did not have that in this year's budget making. In spite of that, and in spite of the concern expressed by my chairman, whom I seem to have touched upon a somewhat sensitive spot, I might quote briefly from the Bible, as the gentleman from Minnesota has quoted from the Bible, "I would not have you be ignorant, brethren, concerning them which are asleep."

I do want to say I really think well of the intent of the budget, but I do think in successive years we would do better if we were to provide the same service and analysis and investigation which was furnished during the Eightieth Congress at which time we did take the budget back within the income of the United States. We did not do it by accident. We did it by hard work and we did it by analysis of individual items of each of the sections of the budget. That is the way we did it. The taxpayers benefited. This year the taxpayer finds himself and herself the owner of a small part of a five-billion-dollar deficit.

There were other items in the bill which I had intended to take up, but I have enjoyed hearing my chairman express himself upon a measure about which he seems to be, as I said, a little sensitive.

Mr. Chairman, I will reserve the items in the budget to which I do want to call attention, illustrating the points I have made here on the floor, and I will use them in the general debate on each of the individual sections, when I intend to offer several amendments, not necessarily to raise the amount, but to make corrections in the wording which we might have made if it had been possible in the full committee.

Mr. CANNON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, many interests are opposed to a consolidated appropriation. A great many prefer to make expenditures under the old plan, taking up one item at a time, and making appropriations on each item individually without knowing how much might be in the other bills or what the total would be, or the impact on the Federal Treasury of all the appropriations when finally tabulated.

But while we have had to placate opposition from any sources, we have at last perfected a procedure through which the country may see at a glance the total proposed expenditures for the year, on one side, and the total estimated income of the Nation on the other side. It is in effect the legislative budget we have been trying so long to achieve and is in such practicable form as to meet with the general approval of the press throughout the country.

I think, Mr. Chairman, there has not been a metropolitan paper in the United States which has not expressed approval of this plan of considering all appropriations at one time and in one bill.

Of course those favoring the old plan and those opposed to the new plan have had their champions here on the floor, as indicated by the open filibuster against the bill ever since we have taken it up for consideration, and as indicated in the colloquys here this afternoon. But the facts remain, and cannot be obscured even by these obstructive criticisms that the bills have been better processed this year than ever before. The subcommittees this year spent more time on the bill, and more nearly reached unanimity on both sides of the table than ever before.

When the full committee met to receive the reports of the subcommittees we took up the bill chapter by chapter, and we recognized in the beginning, as has been the custom heretofore, first the chairman, and then the minority member of the committee reporting the bill. There was no limitation on debate. Some of the chapters required a shorter time; some of them took a longer time. But any member who desired to speak was recognized and talked as long and as often as he desired on any and all chapters of the bill. And every member, on both sides of the table, both the majority, and the minority, the Democrat and the Republican, was given an opportunity to offer amendments to any part of the bill.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. I want to ask the distinguished chairman of the Committee on Appropriations this question: Was it not following the appropriations mess in the Eightieth Congress, when summer had arrived and the appropriations had not been cleared by the other body, that the gentleman from Missouri named a man to merely one subcommittee of the full Committee on Appropriations, so that they could devote all their time to one bill and give that bill consideration which had never previously been given in the full Committee on Appropriations. Is that not the fact?

Mr. CANNON. That was one of the most successful features of the system. Up until that time every Member divided his time between at least two bills, and some of them had as many as four bills. This year by permitting each Member to devote his entire time to one bill, and each member of the staff of the committee to devote his entire time to one bill, we had time for intensive study and were able to make a more careful and more exhaustive analysis of each bill than was previously afforded.

Mr. ROONEY. Will the gentleman yield further?

Mr. CANNON. I yield.

Mr. ROONEY. And is it not a fact that a year ago all the appropriation bills, with the possible exception of one, had been cleared by the House for the other body before the Easter recess? And may I ask the gentleman to compare that with the situation this year, when gentlemen on the other side of the aisle have spent the past 7 or 8 days filibustering so as to prevent the package appropriation bill going to the other body?

Mr. CANNON. That is a very fair statement, and we called attention to the situation on the first day the bill was taken up. We reported all appropriations to the House and the bill was placed on the calendar March 21, the earliest date all appropriation bills have been reported in the history of the committee.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman feel that bringing the bill out in the open so that the membership may know what is in it, is filibustering? For my own part I feel that is our duty and that we should perform it.

Mr. CANNON. Well, we certainly have performed it. Never before has an appropriation bill been on the calendar, and distributed to the press and the public, so long before being taken up for consideration.

Mr. ROONEY. Will the gentleman yield further?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. And is it not an open secret—as everyone here knows, that after a policy meeting of the gentlemen on the other side, it was decided that this bill was not going to be read for amendment if they could help it until after we got back from the Easter recess?

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has again expired.

Mr. CANNON. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, this bill was, of course, a privileged bill. It was scheduled to come up Monday a week ago and was announced for that date both by the majority leader and the whip. But we voluntarily relinquished our place on the House schedule to permit the ECA bill to come in. We could have taken up this bill a week sooner, had we been desirous of hurrying consideration and denying everyone ample opportunity to know what was in it, as the gentleman from New York suggests. This bill has been on the calendar longer, prior to consideration, than any appropriation bill ever before considered in the House.

Mr. ROONEY. Does the gentleman happen to know whether or not all of those set speeches which have been made into the RECORD in the last couple of days were drawn in the offices of the Republican National Committee or in the NAM offices?

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Every single speech that anyone on this side of the aisle has made has been drawn by himself. They did not need any help from the outside because they had been around and they had listened to what was going on in the hearings, and they knew what was in these bills.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. It would appear from that statement that the gentleman was not present yesterday. Yet I am sure he was over there on the other side of the aisle and listened to speech after speech when he must have been convinced the speaker had never seen the speech before in his life.

Mr. TABER. I know that every Member on this side of the aisle prepared his own speech.

Mr. CANNON. When the bill came before——

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. When I complete my statement.

Mr. JENSEN. Now, you have had a field day over there. I would like to have——

Mr. CANNON. The gentleman always generates a great deal of heat without shedding very much light on the subject under consideration.

Mr. JENSEN. All right; will the gentleman yield to me?

The CHAIRMAN. The gentleman from Missouri declines to yield.

Mr. JENSEN. I would like to put a little heat on.

The CHAIRMAN. The gentleman from Iowa will kindly be in order. The gentleman from Missouri declines to yield.

Mr. CANNON. The test of whether a bill is well and fairly considered is in the opportunity afforded for consideration of amendments. When this bill was reported to the Committee on Appropriations, it was taken up chapter by chapter. At the end of each chapter, before the chapter was passed the chairman asked: "Does anyone desire to offer an amendment anywhere in this chapter?" And we did not leave that chapter as long as anyone on either side of the table desired to offer an amendment. There was ample and unlimited opportunity for amendment and debate.

Now, Mr. Chairman, so far as the question of investigation is concerned, the gentleman from California sought to leave the impression that there was no opportunity to secure information required in the hearings on the bill. Here is the complete answer to that charge. Here is a letter dated August 26, 1949, which I caused to be addressed to every member of the committee:

To all members of the Committee on Appropriations:

I am directed by the chairman to advise you that it is his desire that every subject on which members of the committee feel that they will require information in addition to that supplied in the annual budget and supporting documents, be referred to the investigating staff as early as possible in order to secure such information before consideration of the 1951 budget begins. If there is any problem which you feel should be made the subject of such inquiry please advise me as early as possible as to the names of the agencies involved in budget activity or organizational unit which should be studied. Immediately upon receipt of your letter steps will be taken to secure the necessary subcommittee authorization and institute inquiry.

By direction of the chairman.

Signed by the clerk of the committee.

GEO. Y. HARVEY, *Clerk.*

If the gentleman wanted information on any subject he ought to have said so. He was given the opportunity to requisition information on any subject in which he was interested or which he thought should be investigated. Why did not he avail himself of it?

He tells us he does not consider the FBI impartial enough to make a fair investigation. I dare say he is the only man in the United States today who has such doubts or such lack of confidence in FBI. But I noticed that when the FBI investigated a project in which he was interested, he had such implicit confidence in their fairness and capacity that he permitted his friend, the gentleman from Iowa [Mr. JENSEN] to publish their report in the CONGRESSIONAL RECORD, in violation of the rules and in contravention of the tenets of good sportsmanship.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON. Mr. Chairman, I yield myself five additional minutes.

He has a favored project in his district and State, the Coachella Valley project, for which he wants more money than the committee decided he ought to have.

He proposes to offer an amendment, when we reach that section of the bill, to increase the amount of money to be taken out of the United States Treasury and spent in his district. Although in all other matters he is for strict economy.

And with his warm consent and approval the gentleman from Iowa took the report of the Committee on Investigation on that subject, and in violation of the rules of the committee, and in violation of every professional rule of investigation, without consulting anyone, he printed it in the CONGRESSIONAL RECORD——

Mr. JENSEN. Now, Mr. Chairman——

Mr. CANNON. As evidence in favor of the position which the gentleman from California himself assumes. In other words, this report by the FBI, was so fair, it was so impartial, that he was——

Mr. JENSEN. Now, Mr. Chairman——

Mr. CANNON. He was quick to put it in the CONGRESSIONAL RECORD.

Mr. JENSEN. Now, listen.

Mr. PHILLIPS of California. I make the point of order, Mr. Chairman, that a quorum is not present.

Mr. CANNON. Oh, if the gentleman does not want the truth to be told——

Mr. PHILLIPS of California. Mr. Chairman, I have made a point of order.

The CHAIRMAN. The Chair heard the gentleman.

Mr. PHILLIPS of California. I thank the Chairman.

The CHAIRMAN. The Chair is trying his best to get order so he can count.

The Chair will count.

Mr. PHILLIPS of California. Mr. Chairman, now that there is quiet in the room, I am perfectly willing to withdraw the point of order.

Mr. BURDICK. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. CANNON. Mr. Chairman, I move that the Committee rise, and I ask for tellers on the motion to rise.

Tellers were ordered, and the Chairman appointed as tellers Mr. RABAUT and Mr. TABER.

Mr. BURDICK. Mr. Chairman, I do not seem to have any support on that point of order, therefore I withdraw it.

Mr. CANNON. Mr. Chairman, I withdraw my motion.

Mr. PHILLIPS of California. Mr. Chairman, the gentleman promised to yield to me.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, the gentleman from Missouri [Mr. CANNON] made the forthright statement, presumably quoting me, that I did not have confidence in the FBI. I have a far greater confidence in the FBI than I have in the gentleman from Missouri.

What I was trying to say is that the FBI is an investigating agency and that what the Committee on Appropriations needs, and what it had in the Eightieth Congress, was a research staff, which today we do not have and without which it is very difficult to decide in detail what is in the bill when you see the bill for the first time on Saturday and go to a committee meeting at 10 o'clock on Monday.

The second thing I want to say to the gentleman from Missouri, which I think he will have to admit, is that most of the facts and figures in the report, of which he speaks so derisively, and which were put in the RECORD by the gentleman from Iowa [Mr. JENSEN], were from a report on the Coachella Valley County Water District of California by a nationally known firm of accountants, Price, Waterhouse & Co., the reputation of which must even have reached Missouri. In my opinion the gentleman from Iowa has done nothing out of the ordinary in this instance. The Members should be familiar with these facts and figures for they will hear more of this subject when we discuss this bill under the 5-minute rule.

I thank the gentleman from Missouri for his very great generosity in yielding me this time.

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, for the information of the Members of the House, let me give you the following information just to keep the records straight.

On August 19, 1949, regarding the liquidation of the investigative staff, the gentleman from Missouri [Mr. CANNON], in answer to my question, "Did the gentleman not write a letter which took members of the staff, which the Eightieth Congress had employed, off the pay roll?" The gentleman from Missouri [Mr. CANNON] said, "I did not. If the gentleman has such a letter let him produce it. We did not refuse to retain anybody. If anybody wanted to remain on the staff, he stayed. He retained the same position he had at the same salary."

But the gentleman politely invited them to resign.

Mr. CANNON. No, no; we did not.

Mr. JENSEN. Now by way of further explanation it should be understood that with two exceptions all members of the staff submitted resignations by request of the chairman. The wording of the resignations, however, made it clear that they were not voluntary. Copies of the same are available. The two who refused to resign were James Kerr and Harry Barger.

I should at this point ask the chairman of the committee, the gentleman from Missouri [Mr. CANNON], if his chief clerk writes official letters without orders from him. Here is a letter signed by the chief clerk, George Y. Harvey, for whom all of us have great respect, which was sent to the disbursing clerk:

Please remove James J. Kerr from the investigative pay roll of the committee effective at the close of business February 15, 1949.

GEORGE Y. HARVEY,
Clerk.

Concerning Mr. Barger, the following letter is in the files of the House Disbursing Office:

Memorandum to the disbursing clerk:

Mr. Harry S. Barger, having accepted employment elsewhere, has severed his connection with the investigative staff of the Committee on Appropriations and therefore will be removed from the pay roll effective at the close of business, January 31, 1949.

I can understand that last letter, but I want it thoroughly understood and I have proof to the effect that James Kerr and Barger were locked out of that office, the lock was changed on the door, and they were served these notices.

Mr. Kerr appealed to his Congressman to help him stay on the staff, but he got this letter from George Y. Harvey, and I know that George Harvey, the chief clerk, would not write such a letter unless he had been directed to do so by the chairman of the committee.

Mr. McGRATH. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa.

Mr. JENSEN. I yield to the gentleman from New York.

Mr. McGRATH. The gentleman made reference to James Kerr. The gentleman also made reference to the fact that he came to see his Congressman. I was his Congressman. He told me that he had another position, and he only wanted to stay on the staff for 2 weeks more so that he could go into other employment with the Government.

Mr. JENSEN. He was taken off the pay roll before he was ready to leave and locked out.

Mr. McGRATH. If the gentleman will yield further, Mr. Kerr told me on the contrary that the day he left he got other employment with the Government.

Mr. JENSEN. Would you like to have a letter from Mr. Kerr, himself, read on the floor, with reference to this matter?

Mr. McGRATH. Yes, I would like that very much, because I know Mr. Kerr and the neighborhood that he came from. He came into my office and told me he merely wanted to stay 14 days. He told me later he had reached the employment he wanted, and he wanted to terminate his services with the Department.

Mr. CANNON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, when control of the House changed hands, Mr. Lee, who had been assigned to the committee from the FBI some 2 years previously and had been retained by the gentleman from New York [Mr. TABER] in charge of the investigation staff, came to see me about retaining his position. It is our custom to keep a man from FBI up here in charge of investigations for 2 years, the first year as assistant supervisor, and the second year as chief supervisor.

At the close of the 2 years they return to the FBI without loss of seniority or other service advantages.

Mr. Lee had been in charge more than 2 years. When he came to see me I told him that while under the custom heretofore observed he was supposed to leave the committee and return to FBI, we would be glad to have him stay another year. He told me he would like for me to hold that offer open; that he was negotiating with the gentleman from New York [Mr. TABER] to see if he could not get a position as minority employee. I told him that would be entirely satisfactory if he could go with the gentleman from New York [Mr. TABER], I would be glad to approve it, but if he wished to stay we would retain him in his old position, at his current salary, in charge of the staff.

Later on he came back and told me he had arranged with the gentleman from New York [Mr. TABER] and would be appointed by the gentleman from New York [Mr. TABER] to the minority position and thanked me for my consideration and for the opportunity I had given him to stay another year.

That is indicative of our attitude toward the men the gentleman from California [Mr. PHILLIPS] says we fired.

So far as the gentleman from Iowa [Mr. JENSEN] is concerned, I give you the book and page here where the gentleman from Iowa contrary to the rules of the committee and the House, and contrary to the basic rules of investigation, inserted in the RECORD on March 28, 1950, at page 4262, the report of our investigation staff on the Coachella Valley project in which Mr. PHILLIPS of California is deeply interested and the appropriation for which he proposes to move to increase when the item is reached in the reading of the bill.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. It is not necessary to yield. The situation does not require a statement from the gentleman, because it is here in the RECORD in violation of the rules. We have a rule, of course, and a very necessary and essential rule, that our reports are confidential and are not made public without action by the committee. They are open to all members of the committee, but not to the public for the obvious reason that the investigators, in order to secure all the facts, must frequently get them in confidence. There are many men who can give information on a matter, but who naturally say, "I am not going to put myself up to be shot at by giving you this information over my name; but if I can give it to you in confidence, I shall be glad to help you.

The result is we cannot under such circumstances make these reports public and frequently we cannot give the sources of our information. If we did, such sources of information would soon dry up. Consequently, we have a committee rule that no reports on investigations shall be made public without formal approval by the committee, secured in advance. The rule against debate on proceedings in committee not formally reported to the House is one of the old rules of the House and is set out in volume V of Hinds Precedents, sections 5080–5083, and volume VIII of Cannon's Precedents, sections 2485–2493. The rule against release of committee papers is laid down in Hinds, III, 2663 and Cannons, VIII, 2496.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. ROONEY. May I ask the gentleman whether or not, during the great many years that he has been a distinguished Member of Congress, he has ever seen printed in the CONGRESSIONAL RECORD the report of an investigation without an order from the committee directing the investigation?

Mr. CANNON. Never before, to my knowledge, has any report made by any investigating committee been published without approval of the committee.

It is interesting to note that while the gentlemen indicate lack of confidence in reports from the FBI they are willing to see the rules of the committee and the House violated to get a report from one of these investigations on the Coachella Valley project located in the district of the gentleman from California [Mr. PHILLIPS] in the CONGRESSIONAL RECORD. It shows the confidence that both the gentleman from California [Mr. PHILLIPS] and the gentleman from Iowa [Mr. JENSEN] place in our investigating staff when they publish the report of the investigating staff verbatim in support of their position.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, I want but 30 seconds to refute the misstatements. I think we ought not let stand on the record either one or two statements the chairman has just made.

The first is that I in any way questioned the FBI. I have already cleared that up. That is not a statement of fact.

The other is the report, to which the gentleman continuously refers, was based upon facts supplied by the firm of Price, Waterhouse & Co. That is not the investigating staff of the Committee on Appropriations, but was merely used by the investigator, and is public property. In other words, it goes back further than

the report to which the gentleman refers, and I might say to the gentleman from New York [Mr. ROONEY], if he will come to me later, I will give him the page in the RECORD where we have also seen the same thing published.

Mr. CANNON. Mr. Chairman, I yield myself 1 minute.

This report is not confined to the audit report referred to, but includes legal investigation and analysis, field studies, investigations into every phase of the question, both here in Washington and anywhere in the country where information could be secured.

It is unnecessary to call attention to the fact that the gentleman did criticize the FBI. I explained that the investigations are largely made by FBI investigators, under FBI supervision, the best that can be secured. He intimated that he would not approve investigations made by the committee's staff; that he had no confidence in them; that they were subject to question. My statement was made in justice to the FBI.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Chairman, Missouri is a great State. Those of us who come from it frankly admit it. Not merely our mines and farms and forests and factories have contributed much to the material wealth of this Nation, but the greatest wealth of our State is in the intelligence and character of its citizenry. We have contributed much in statecraft, from Benton, Bland, Marmeduke, Reed, Clark, Stone, Hadley, and Spencer. We have contributed much in the way of literature, Mark Twain, Eugene Field, Sara Teasdale, Harold Bell Wright, Rose O'Neil, Rose Wilder Lane, down in my district. We gave to this country "Black Jack" Pershing, General Fries, and Admiral Koonz, in the First World War. We gave to them perhaps the greatest general in this Second World War, Omar N. Bradley.

But we have had other citizens in Missouri—Frank and Jesse James, Tom Pendergast. I do not care to pursue that too long. But I was a bit shocked when I picked up today's Washington Daily News and read from a United Press date line, Kansas City, Mo., April 6:

> Charles Binaggio, 42-year-old North End Democratic political boss who unseated the remnants of the old Pendergast machine in this city's river wards in a dramatic power bid 4 years ago, was shot to death early today in his clubrooms.

The irony of it is that it was on Truman Road.

> Killed with Binaggio was his right-hand man, Charles Gargotta, a hoodlum described recently by a special United States assistant attorney general as one of the top mobsters in Kansas City.

Then the article goes on to say:

> The Pendergast organization was knocked out of control at the city hall here in the clean-up election in 1940. The divided party has never been able to recoup that loss, although Binaggio 2 years ago named his followers to key offices in the county courthouse and appeared to be gaining strength until recently in his bid to take over full party control here.
>
> Binaggio had knocked the remnants of the Pendergast machine, now headed by Jim Pendergast, nephew of the late Boss Tom, out of the deliverable vote wards in 1946, but Pendergast maintained a slim lead in the local committees of the party. Binaggio never was able to get to first base with the national administration, although he made several futile trips to Washington. President Truman and Jim Pendergast are lifelong friends.
>
> The safe was blown and records destroyed by one who is not yet known.

Now, Mr. Chairman, my district is 200 miles south of Kansas City. I do not have to run out and search for trouble; enough of it comes my own way. Only fools rush in where angels fear to tread. But as the lone Republican Member of this House from Missouri in the heart of this Nation, with her 69,000 square miles of territory and her 4,000,000 people, I cannot resist saying a word or two on this rather lamentable and tragic occasion.

I am not pronouncing any encomium or eulogy upon Binaggio; I never saw him nor met him; I do not want to have anything to do with the Democratic leaders in Kansas City. They had their Goats and their Rabbits under Uncle Joe Shannon who served in this body before Old Tom died. But I am going to pause long enough to say to you people, and I hope to all Americans, that of the men in high places, one was born at Lamar, in the county that adjoins my district; went to Kansas City and Independence, in Jackson County, and was made a county judge—not a judge of law, but a commissioner. Then he wanted to be county collector; that paid $20,000 a year, but Uncle Tom said: "Hold on. I have already promised that to the other boy; I will send you to the United States Senate." And he got here running against two former Members of this House, the late Jack Cochran, who for 20 years served here with distinction and honor, and against Tuck Milligan, who came out of the First World War a captain. He had served a dozen years and then went to Kansas City, Jackson County, Jack Cochran did, with over 100,000 majority from out-State. But when the votes were counted, Mr. Truman had received a majority of about 136,000, which is about twice as many votes as Kansas City had at that time; and everybody in Missouri knows that they voted people who had been dead for 20 years, taking the names off of the tombstones. That is the way he got in the United States Senate.

Then, what happened? The brother of Tuck Milligan, Maurice Milligan, a Missouri Democrat from Richmond, who was United States district attorney in Kansas City, prosecuted Tom Pendergast. Even Old Tom with all his faults had some virtues; any political boss has to have some virtue; he always kept his word. Of course, he loved the saloons and wild women and fast horses, but the trouble was he forgot to report his income. So for evasion of taxes, Maurice Milligan, brother of Capt. Tuck Milligan, who served in this House for 12 long years and who ran against Harry Truman the first time, sent the head of the State insurance agency, Emmett O'Malley, and over 100 Pendergast henchmen from Kansas City to the Federal penitentiary over at Leavenworth which we have named since "Uncle Tom's Cabin." They stayed there.

Then what happened? The United States Senator in the White House saw that Maurice Milligan was finally purged because Maurice Milligan and Lloyd Stark, the latter being our Democratic governor from Louisiana, Mo., the man who gives you the delicious Stark apples, made the mistake of splitting the votes, so that Harry got in a second time by a minority vote of the people not only of Missouri but of his own party.

Now, then, what has happened? Mr. Binaggio is murdered, he and his pal shot down last night on a street in Kansas City, Jackson County. I wonder why?

Many of us know Tom Hennings. Tom Hennings once served in this House. His father is a high official of the Mississippi Valley Trust Co. in St. Louis. Tom is now candidate for United States Senator. He has the backing of the St. Louis organization and I have been reliably informed he had the backing of the Binaggio faction in Kansas City. But Jim Pendergast is backing Mr. Truman's endorsed man. I do not know the State senator from Rolla. I never heard of his name until Harry endorsed him. Mr. Allison, no doubt, is a fine man. But, you know, even thieves will fall out. Mr. Binaggio was in the way. So what happened? He was bumped off.

I do not like to wash dirty linen. This is the most unpleasant, most disagreeable task I have ever had to perform.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. SHORT. Mr. Chairman, I am not going to delve into washing dirty linen here, or run outside of my district just to hunt for trouble. But I have cited incontrovertible facts. I have so many more that I can give, and perhaps one of these days, if I am goaded to it, I shall get an hour's time to recite to you the chapter, verse, and page of one of the most dastardly, the dirtiest, the most corrupt, diabolical, ruthless political machines in the history of this country, that takes its toll from bawdy houses and gambling dens, and will not stop short of murder.

Did you ever hear of the Kansas City massacre a few years ago? We have tough consciences, we have short memories. I have been sitting here since 10 minutes to 1, over 3 hours, just to get an opportunity under this peculiar procedure to say a word, after listening to words, words, words.

Oh, if I had a half hour to talk about the Hisses, the Coplons, the Wadleighs, the perjurers, the traitors, the corrupt of unspeakable morals, the degenerates, the homosexuals, over a hundred of whom, according to the testimony of the

Under Secretary of State himself, a Democrat, have been dismissed.

Now, maybe you do not like it. Certainly I do not like it. I do not like it. I am not mad at anybody. I am filled with righteous indignation today. The trouble with the American people is that we have lost our capacity to become enraged at wrongdoing, and if you could have been with me the past 2 or 3 weeks, from New York, New Jersey, Pennsylvania, through Maryland, West Virginia, Kentucky, out to Missouri, you would have learned that the American people are losing faith and confidence in their Government, in the integrity, honor, and honesty of the men who have been chosen or appointed to represent them. God help us.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 30 additional minutes.

Mr. SHORT. Of course, I do not think I can last that long. Had I known it in advance, I would. No; the gentleman from Missouri is a keen student, astute, resourceful, diplomatic. I do not want to tie into him any more than with Jack Garner. Of course, there are some important differences between Jack and CLARENCE. I could take 30 more minutes, but I am not going to do it. You are hoping you will give me enough rope to hang myself. I think I have unraveled enough rope to hang many of you this coming November.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, first of all I want to pay tribute to the members of the various subcommittees of the Appropriations Committee who handled their respective chapters.

For many weeks they heard testimony from the various departments of our Government and they marked up their bills with the assistance of the chairman of the full committee. Then each subcommittee presented their work to the chairman of the central committee—a new departure from the customary method—for editing.

Now, I have no quarrel with the membership of the central committee, each and every one of them are hard-working men and each one is familiar with the work of his own particular subcommittee. But I do resent and challenge their right to glance over the voluminous work of each subcommittee and then insult the intelligence of the various chairmen of subcommittees and the membership thereof, and tell them to make further reductions—especially when this central committee, in the case of the Interior Department chapter, spent at the most an hour and a half in editing that chapter.

Now, I want to pay special tribute to the chairman of the Interior Department Subcommittee, the gentleman from Ohio [Mr. KIRWAN], who feels as I do about such treatment. I believe I can speak with some authority on this chapter since I have had the privilege of being a member of this subcommittee for a number of years. Of one thing I am sure, and that is that no man living can glance over a chapter like the Interior Department and come up with the right figures in an hour and a half, with all due respect to the central committee.

However, and for the information of the membership of the House, my colleague the gentleman from Iowa [Mr. JENSEN] and I, as minority members of that subcommittee were voted down when we were marking up the bill on several attempts at reductions. Yes, several times we had the votes in our committee to make reductions, only to have the ex officio member cancel them out by his vote—a vote that was made without having heard the witnesses or being familiar with the project. Then the central committee, to add insult to injury, requested a reduction.

Of course, we reserved the right in our subcommittee to seek reductions when the bill reached the floor. We also reserved the right to seek reductions on the floor of the House when we refused the request of the central committee.

So, as far as the Interior Department chapter is concerned, there is no change made in it, since it was marked up by our subcommittee.

I congratulate the gentleman from Ohio [Mr. KIRWAN], my subcommittee chairman, for standing for the principle of not relegating to second-class citizenship the membership of his committee.

Now, if this was all that happened, or was to happen, we would possibly swallow it without too much discomfort. Strictly speaking, after we dispose of this one-package bill in the House, the work of three members on each subcommittee, two from the majority and one from the minority, is, to all intents and purposes, at an end. The central committee, plus the chairman and ranking minority member of each subcommittee, will take over in case a conference with the Senate is necessary. Of course, while that does not appear too bad—because there will be two members from each subcommittee who will know something about their particular chapter—it does relegate most of the membership of the Appropriations Committee, not only to second-class citizenship but actually to third class. Of course they attempt to add some sop in explaining that if they run into difficulty in conference they will bring it back to the subcommittee. Well, now is not that nice—is not that thoughtful of them?

Well, there you have it, ladies and gentlemen of the committee. It is about the worst bungled-up mess that I have witnessed since I am a Member of this body.

Now I want to speak of several items, one from the Defense Establishment chapter and the other from the Independent Offices chapter, before taking up the chapter of the Interior Department.

First, I want to comment on the Army Medical and Hospital Department.

The closing of five or six general hospitals of the Army has caused a lot of confusion, to say the least, as far as treatment for our veterans is concerned.

I am particularly disturbed that the Valley Forge, Pa., hospital is one of those about to be closed.

According to the testimony as disclosed in the hearings, Valley Forge is a general hospital of 1,650-bed capacity, with an average occupancy of 1,130. Its closing will certainly handicap the hospitalization of many of our veterans from eastern Pennsylvania, particularly in the Philadelphia area, until the new veterans' facility is built in Philadelphia several years hence. The VA has a contract with the Army for 175 beds.

The only other Armed Services hospital in eastern Pennsylvania is the Philadelphia naval hospital of 1,450-bed capacity, with an average occupancy of 1,125. In this naval hospital the VA contracts for 550 beds.

The Armed Services Committee is now conducting an investigation regarding the closing of these Army hospitals. I am sure from some of the evidence I heard at two of the subcommittee hearings that the subcommittee will have a very enlightening report.

I listened with a great deal of interest in two of their hearings, especially to the testimony given by my friend and constituent and medical colleague, Admiral Joel T. Boone. Admiral Boone, you will recall, was subsequently removed as the top-ranking uniformed official of the Defense Department's Medical Service Division for daring to take issue with the order. His experience covers a period of over 36 years.

No man in the Defense Department has had as much experience about service hospitals or medicine and surgery. Yet, on the recommendation of Dr. Richard L. Meiling, Director of the Medical Services for the Defense Department, a man who was graduated from Munich University, Germany, in 1937, the Secretary of Defense issued the cut-back of these hospitals. In other words, a man with but about 12 years of medical practice—five of which were general practice—makes the decision for such drastic reductions of hospital facilities for the Secretary of Defense. It is my understanding that the Surgeons General of the Army, Navy, or Air Force were not consulted either about the cut. Talk about cooperation. Talk about unification. The morale of the armed services is being shot to pieces because men of the type and character of Admirals Denfeld and Boone dare to testify truthfully before committees of Congress of the United States.

Admiral Boone graduated from Hahnemann Medical College, Philadelphia, in 1913, and the Naval Medical School, Washington, in 1915. He is a fellow of the American College of Surgeons, and has honorary master of arts and doctor of law degrees from Hahnemann Medical College. Admiral Boone has had a brilliant career, both in hospital work and on the field of battle for this great country of ours. To be treated in such a manner is not fair; in fact, it is inhuman, if not un-American.

Rear Admiral Boone, born in St. Clair, Pa., August 29, 1889, attended Mercersburg Academy, Mercersburg, Pa., before entering Hahnemann Medical College in Philadelphia, Pa., where he was graduated in June 1913. Appointed lieutenant, junior grade, in the Medical Corps of the United States Naval Reserve in April 1914, he was transferred to the Regular Navy in that rank in May 1915,

and subsequently was promoted as follows: Lieutenant, March 7, 1918; lieutenant commander, temporary, during World War I, and commissioned in that rank June 3, 1922; commander, September 1, 1931; captain, July 1, 1939; commodore, April 3, 1945; and rear admiral, January 8, 1946, to rank from September 17, 1942.

Following his appointment in the Medical Corps of the United States Naval Reserve in April 1914, Rear Admiral Boone was attached to the naval hospital, Portsmouth, N. H., from July until September 1914, after which he had instruction at the Naval Medical School, Washington, D. C., until April 1915. After transferring to the United States Navy in May 1915, he served at the Naval Training Station, Norfolk, Va., until August of that year, when he was ordered to duty with the artillery battalion, marine brigade, Annapolis, Md. During that assignment, which extended to June 1916, he had service ashore in Haiti in 1915, with the marines, for which he received a letter of commendation from the Secretary of the Navy.

In September 1916, Rear Admiral Boone joined the U. S. S. *Wyoming*, and was serving in that battleship when the United States entered the World War in April 1917. Detached from the *Wyoming* in August of that year, he reported for duty with the Sixth Regiment of Marines, Quantico, Va. Arriving in France in early October 1917, he participated in the following major battles and campaigns, as battalion and regimental surgeon, Sixth Marine Regiment, later as assistant division surgeon of the Second Army Division, American Expeditionary Forces; defense of sector, south of Verdun; Aisne-Marne; St. Mihiel, Champagne, and Meuse-Argonne. For his services as surgeon in the Bois de Belleau, France, in June 1918, he was awarded the Distinguished Service Cross by the War Department. The citation follows:

Distinguished Service Cross (Army): For extraordinary heroism in action in the Bois de Belleau, France, June 9–10 and 25, 1918. On two successive days the regimental aid station in which Surgeon Boone was working was struck by heavy shells and in each case demolished. Ten men were killed and a number wounded were badly hurt by falling timbers and stone. Under these harassing conditions, this officer continued without cessation his treatment of the wounded, superintending their evacuation and setting an inspiring example of heroism to the officers and men serving under him. On June 25, 1918, Surgeon Boone followed the attack by one battalion against the enemy machine-gun positions in the Bois de Belleau, establishing advanced dressing station under continuous shell fire.

For heroism in action at, and in the vicinity of Vierzy, France, on July 19, 1918, Rear Admiral Boone received the highest military award for bravery that can be given to any individual in the United States of America, the Medal of Honor, awarded by Congress. The citation accompanying the medal is as follows:

Medal of Honor: For extraordinary heroism, conspicuous gallantry and intrepidity in actual conflict with the enemy, at and in the vicinity of Vierzy, France, July 19, 1918. With absolute disregard for personal safety, ever conscious and mindful of the suffering fallen, Surgeon Boone, leaving the shelter of a ravine, went forward onto the open field where there was no protection, and despite the extreme enemy fire of all calibers, through a heavy mist of gas, applied dressings and first-aid to wounded marines. This occurred southeast of Vierzy near the cemetery and on the road south from that town. When the dressings and supplies had been exhausted he went through a heavy barrage of large-caliber shells, both high explosive and gas, to replenish these supplies, returning quickly with a sidecar load and administered them in saving the lives of the wounded. A second trip, under the same conditions and for the same purpose was made by Surgeon Boone later that day. He served with the Sixth Regiment, United States Marines.

He also was awarded the Silver Star Medal with five Oak Leaf Clusters, and the Purple Heart with two Oak Leaf Clusters by the War Department, for services during World War I with the Sixth Regiment of Marines, and received special citations from Gen. John J. Pershing, United States Army; Maj. Gen. John A. Lejeune, United States Marine Corps; Maj. Gen. Harry Lee, United States Marine Corps; Maj. Gen. Omar Bundy, United States Army, and Maj. Gen. James G. Harbord, United States Army.

Following his return to the United States in February 1919, Rear Admiral Boone served in the Bureau of Medicine and Surgery, Navy Department, Washington, D. C., and as the Director of Naval Affairs, American Red Cross, from March 1919 until May 1922, when he reported for duty as medical officer aboard the presidential yacht *Mayflower*. During the period of that assignment, which extended to April 1929, he was physician to Presidents Warren G. Harding and Calvin Coolidge. From March 1929 until May 1931, he was attached for record to the Naval Dispensary, Navy Department, while on duty as medical officer to the White House during the administration of President Herbert Hoover, and with the establishment of the position of the Physician to the White House, he continued in the latter capacity until April 1933. During his assignment as Physician to the White House, he served in the temporary rank of captain.

After completing a general postgraduate course at the Naval Medical School, Washington, D. C., in May 1933, Rear Admiral Boone joined the hospital ship U. S. S. *Relief*, in June of that year, serving as chief of medicine of that vessel until June 1935. He then had duty at the naval hospital, San Diego, Calif., until August 1936, when he was transferred to duty as force medical officer of the Fleet Marine Force, San Diego, Calif., where he served until May 1938. In November of that year Rear Admiral Boone joined the U. S. S. *Saratoga*, and served in that aircraft carrier until July 1939.

Rear Admiral Boone had 6 months' duty at the naval dispensary, Long Beach, Calif., before reporting in January 1940 for duty as force medical officer on the staff of rear admiral—now vice admiral, retired—William L. Calhoun, United States Navy, commander base force, United States Fleet, in the flagship *Argonne*, to serve until August 1940. He had duty as senior medical officer at the naval air station, San Diego, Calif., from December 1940 until April 1943, and from May of that year until March 1945 served as medical officer in command at the naval hospital, Seattle, Wash.

In April 1945, Rear Admiral Boone reported for duty as fleet medical officer on the staff of admiral—now fleet admiral, retired—William F. Halsey, United States Navy, commander, Third Fleet. He was selected by Admiral Halsey to be one of three officers to liberate Allied prisoners of war in Japan prior to the military occupation of that country. He was the Naval Medical Corps representative at the surrender ceremonies of the Japanese aboard the U. S. S. *Missouri* in Tokyo Bay on September 2, 1945.

For meritorious service as fleet medical officer on the staff of commander, Third Fleet, from May 28 to September 19, 1945, Rear Admiral Boone was awarded the Bronze Star Medal with Combat Distinguishing Device, and cited as follows:

Bronze Star Medal, Combat V: For meritorious service as fleet medical officer on the staff of commander, Third Fleet, from May 28 to September 19, 1945. Serving with distinction in an assignment of vital importance, Rear Admiral (then Commodore) Boone participated in the planning for the initial landings in the occupation of Japan, particularly in respect to the evacuation and care of Allied prisoners of war, and was in large measure responsible for the improvement of the Third Fleet's medical organization. Leading a medical evacuation team into the interior of Japan on August 29, he instituted immediate steps to relieve the conditions among the prisoners and, after dealing with Japanese military officers and concentration-camp officials prior to the enemy's formal surrender, succeeded in providing care for men who were suffering from starvation, disease, and malnutrition. By his professional skill, initiative, and devotion to duty throughout, Rear Admiral Boone upheld the highest traditions of the United States naval service.

In November 1945 he was ordered to the Bureau of Medicine and Surgery, Navy Department, Washington, D. C., for temporary duty pending further assignment. In January 1946 he was ordered to duty as district medical officer, Eleventh Naval District, San Diego, Calif. In April 1946 he was designated inspector of Medical Department Activities, Pacific coast, with additional duty as medical officer, western sea frontier. During the period May 1946 to June 1947 he served on temporary additional duty as medical adviser to the Federal Coal Mines Administrator and as the director of the medical survey of the coal industry. Early in 1948 he was assigned as the general inspector, Medical Department Activities, serving simultaneously as executive secretary of the Secretary of Defense's Committee on Medical and Hospital Services of the Armed Forces. He was detached as General Inspector, Medical, September 1, 1949, and reported to the Secretary of Defense for duty having been appointed Chief of Joint Plans and Activities in the Office of Medical Services. On November 13, 1948, Rear Admiral Boone was elected president of the Association of Military Surgeons of the United States for the year 1949.

In addition to the Medal of Honor, awarded by Congress; the Distinguished Service Cross, Army; the Silver Star Medal with five Oak Leaf Clusters, Army;

the Bronze Star Medal; the Secretary of the Navy Commendation Ribbon; and the Order of the Purple Heart with two Oak Leaf Clusters, Army, Rear Admiral Boone has the Haitian Campaign Medal; the Marine Corps Expeditionary Medal; the Victory Medal with six battle clasps; the Army of Occupation in Germany Medal; the American Defense Service Medal, Fleet Clasp, U. S. S. *Argonne*; the Asiatic-Pacific Area Campaign Medal with two bronze stars; the American Area Campaign Medal; and the World War II Victory Medal. He also has the Order of Fourragere—three awards—Officer of the Legion of Honor, and the Croix de Guerre with two palms, awarded by the French Government; and the War Cross and Diploma, awarded by the Government of Italy.

His official address is St. Clair, Pa. His wife, the former Helen E. Koch, of Pottsville, Pa., resides at 4000 Cathedral Avenue NW., Washington, D. C.

Rear Admiral and Mrs. Boone have one daughter, Mrs. Milton F. Heller, Jr., and two granddaughters, who now reside in San Mateo, Calif.

I feel confident that when the subcommittee of the Armed Services Committee makes its report that it will show that Admiral Boone was correct, and that right and justice will prevail.

VETERANS' ADMINISTRATION

Now in addition to these cut-backs of Army hospitals, the Veterans' Administration issues an order to drastically curtail its medical personnel.

A bipartisan committee from the Pennsylvania Members of Congress, composed of Senators MYERS and MARTIN, and Representatives CHUDOFF, DAGUE, MORGAN, and FENTON called upon General Gray, the VA Administrator, Tuesday, March 28, protesting the cuts in Pennsylvania. General Gray admitted that the curtailment order might have been premature but that they were finding themselves going in the red because about $20,000,000 was utilized to pay increases in wages, and so forth. It was also admitted that he did not seek or ask for a supplemental appropriation so the lay-off order went out to take effect April 12, 1950.

Incidentally, I just heard from a member of the Associated Press that he understands an order extending the day for the cut-back has been issued today. I hope that is true, and that the cut may be restored or prohibited from going into effect.

General Gray, realizing the effect that this order might have on the services rendered our veterans, is now conducting a resurvey of all the VA installations and has promised to send a report of the survey to Congressman MORGAN and me, who were designated as a subcommittee as far as Pennsylvania is concerned. General Gray assures us that he will be advised by his medical men as to what his course will be on the completion of the survey and that he does not propose to leave the veterans without adequate medical care.

Incidentally, I was glad to hear General Gray make that statement, for too often the medical profession in our Government is subjected to orders and decrees handed down to them from superiors—individuals who know nothing about medicine or hospitals. That goes for the Army, Navy, Air Force, Indian Bureau, and other Government departments including the Secretary of Defense. Yes; even the USPHS under Oscar Ewing. It is time that medical and surgical services be taken out from under the domination of this conglomeration of Federal bureaus and put in its rightful place—a Department of Health.

At this point, Mr. Speaker, I will ask leave to place in the RECORD a statement by the Honorable Cicero F. Hogan, national director of claims, for the Disabled American Veterans, when we go into the House, which was made before the House Armed Services Committee in reference to the closing of military hospitals.

Now, Mr. Chairman, the people of this great country of ours do not like this uncertainty of treatment for our veterans. The medical profession and the various service organizations are at their wits end in trying to get their comrades in veterans' facilities. The families and loved ones of the veterans are frantic in a great many instances at the usual delays in getting their sons, or their brothers into institutions for treatment. They do not like it, especially when they see this administration appropriate billions of dollars for rehabilitating foreign countries, some of whom were just a few years ago trying to conquer us and who were the cause of many of the illnesses and infirmities of our own veterans.

These hospitals should be kept open also, because of the great amount of research work that the Army and Navy and Air Force have been doing in them, not only for veterans but for everybody—for humanity.

Valley Forge Hospital in Pennsylvania was considered one of the great plastic and surgical centers. With the closing of this institution our veterans and servicemen from the East will have to go to San Antonio, Tex., to the Brooke General Hospital. Now, this Brooke General is a wonderful hospital, make no mistake about that, but the veterans' families should be taken into consideration too. San Antonio is a good distance from Pennsylvania and other eastern States.

The same is true for surgical conditions of the eyes—ophthalmological cases.

To close Valley Forge Hospital is to my mind the most stupid piece of work that I have heard of and is contrary to all common sense. It is stupid because Valley Forge Hospital is in the vicinity of one of the finest medical centers of the world, whether Dr. Meiling, of the University of Munich, thinks so or not. It is close to Philadelphia which enjoys such fine medical schools as the University of Pennsylvania; Hahnemann Medical School, Admiral Boone's alma mater; Temple Medical School; the Woman's Medical School; and my own alma mater, Jefferson Medical College. The services of the medical men of those institutions were and still are available for our veterans at Valley Forge, for treatment or consultations.

And what is true of Valley Forge is also true of the other hospitals.

STATEMENT OF CICERO F. HOGAN, NATIONAL DIRECTOR OF CLAIMS, DISABLED AMERICAN VETERANS, BEFORE THE HOUSE ARMED SERVICES COMMITTEE, IN RE CLOSING OF MILITARY HOSPITALS, MARCH 8, 1950

Mr. Chairman and members of the committee, my name is Cicero F. Hogan. I am national director of claims for the Disabled American Veterans. This report was prepared with the able assistance of Francis M. Sullivan, our national director of legislation, and Rear Adm. Charles S. Stephenson, United States Navy, retired, our national medical adviser.

We of the DAV appreciate your courtesy in permitting us to submit our organization's views regarding the closing or curtailment of service in existing military and naval hospitals and the disastrous effect it will have upon the adequate hospitalization for veterans.

The DAV desires to emphasize the fact that we are vitally interested in the order of Secretary Johnson inactivating or restricting military hospitals only insofar as it affects the present hospitalization and treatment of America's veterans. Also, it is our desire to restate our position as being primarily interested in the disabled veteran who has been wounded, disabled or diseased while in active service during time of war. We wish, however, to stress the fact that we are convinced that in a great majority of cases, especially World War II veterans suffering from conditions which may now be considered as nonservice connected will, in fact, be able to prove service connection upon proper development and presentation of their claims before rating agencies of the Veterans' Administration. This is especially true in the cases of hundreds of World War II men suffering from active tuberculosis as well as innumerable cases of World War II veterans suffering from mental and nervous disorders

The committee is familiar with the fact that the Veterans' Administration had contracts with service hospitals for the admission and treatment of veterans otherwise entitled to admission into Veterans' Administration hospitals. Figures of the Veterans' Administration indicate that some 7,500 beds were under contract during the year 1949 and divided as follows: Army, average 2,500; Navy, average 3,000; Air Force, average 2,000. As a matter of record, there were some 1,800 beds occupied by veterans on February 1, 1950, and in many hospitals affected by the Secretary's order.

This office is confident that the situation existing in the Veterans' Administration hospitals is such that they cannot absorb this load at this time and, in order to submit to you accurate figures as to the crowded conditions existing in all Veterans' Administration hospitals, and numbers of veterans awaiting hospitalization and treatment, we sent to our field offices, in the 68 regional offices of the Veterans' Administration, the following wire under date of March 1, 1950:

"For submission to congressional committee wire collect accurate figures as to waiting list for admission in VA hospitals your area. Specify number service connected and nonservice connected and type of disability such as tubercular, neuropsychiatric, etc., if figures available. Follow wire with letter giving detailed information regarding hospital admission problems if any. Information as to probable immediate effect of Secretary Johnson's closing order of military hospitals important."

The response was enlightening, if depressing, and it is not our intention to burden the committee with a résumé of all the facts secured but we have decided to confine ourselves to the report of conditions of the Veterans' Administration hospitals in those areas served by the five general hospitals which have been ordered inactivated and closed. This office further believes we can best serve

the committee by quoting from the wires and letters received from our national service officers in response to the wire indicated above. We will present this information in the order in which these hospitals are listed in Secretary Johnson's order.

EXHIBIT 1

The following letter, dated March 3, 1950, received from Francis J. Henry, DAV national service officer on duty at the Veterans' Administration regional office, Boston, Mass. The letter is quoted in full and we wish to emphasize the fact that the Veterans' Administration in Massachusetts is not even able to hospitalize and treat the admittedly service-connected cases:

"This report is in compliance with your telegram of March 1, 1950, concerning the VA hospital waiting lists, and is a follow-up of our telegram of yesterday. I have compiled the following facts, figures, and information by personally calling all five of the VA hospitals in this State:

"Veterans who are waiting hospitalization in this area (Massachusetts):

"Service connected:	
(a) Neuropsychiatric [1]	91
(b) EENT	10
Total service connected	101
"Nonservice connected:	
(a) Neuropsychiatric	775
(b) GM and S	41
(c) Tuberculosis [2]	142
(d) Orthopedic	93
(e) Neurology	80
(f) EENT	43
Total nonservice connected	1,154

"[1] There is a valid possibility that there are at least 50 more, service connected, being maintained in non-Government hospitals. The chief of the neuropsychiatric unit, Boston regional office, is inclined to believe that the VA neuropsychiatric hospital at Bedford has minimized its waiting-list figures.

"[2] Twenty-two of these have service connection for other conditions.

"At the VA hospital, Northampton, Mass., there are 31 service-connected neuropsychiatric cases on the waiting list. However, the registrar informs us that 30 of these are presently being maintained in non-Government hospitals and are awaiting transfer. At this particular VA facility, the P–10's of 188 of the non-service-connected neuropsychiatric veterans waiting admission, have been held by the hospital for 41 days or more.

"The Boston VA regional office quite definitely has considerable difficulty in obtaining prompt hospital treatment for service-connected disabilities not considered emergencies. As a matter of fact, in order to obtain immediate hospital treatment for a service-connected disability, the condition must be considered an emergency; otherwise, as is the case at the Cushing VA Hospital, Framingham, Mass., the P–10's received on the service-connected conditions may take from a week to 3 weeks for processing. Factually, again, there are presently 10 service-connected neuropsychiatric cases awaiting admission to the Cushing VA Hospital.

"The situation as to non-Government hospitals in Massachusetts:

"Many service-connected neuropsychiatric cases are presently being hospitalized and maintained in non-Government hospitals in this State. For example, there are 30 in this category who are awaiting admission to the VA hospital at Northampton, Mass. At the VA hospital in Bedford there are at least a minimum of 50 service-connected neuropsychiatric cases, presently maintained in non-Government hospitals, that are awaiting admission to this VA facility.

"There never has been any necessity to close any wards or beds or wings of any VA hospitals because of difficulty in obtaining or procuring doctors and nurses. There would be no difficulty encountered whatsoever in procuring necessary professional personnel, doctors, nurses, etc., in this metropolitan area.

"At the present time there is under construction a 1,000-bed VA hospital for general medical and surgical cases. This is being constructed in the city of Boston, and completion is expected within 21 months.

"There is still being contemplated a 1,000-bed neuropsychiatric hospital for the city of Brockton, Mass. However, it is still in the blueprint stage, being designed by the VA.

"The figures cited above portray an accurate compilation, and the VA officials did not hesitate to furnish me with this information.

"A VA district office official was somewhat amazed at the high total of service-connected cases awaiting admission, namely, 101, and he emphasized that a percentage of these that are being maintained in non-Government hospitals should not be considered in the same compilation as the figures depicting the total number of service-connected cases awaiting admission to VA hospitals. However, you should realize, as we do, that many of these service-connected neuropsychiatric cases being maintained by the VA in non-Government hospitals are not being given the medical care and treatment that they would otherwise receive in a VA facility. Therefore, using good common sense, one could state that they are officially awaiting admission to a VA hospital and, therefore, should be considered in the total over-all picture.

"We are quite certain of the accuracy of the figures furnished, and are even more certain that they cannot draw a denial from any VA spokesman."

The Veterans' Administration proposes to erect a 1,000-bed general medical hospital in Boston. The site has been approved, and bids were scheduled to open on February 7, 1950.

The Veterans' Administration proposes to erect a 1,000-bed neuropsychiatric hospital at Brockton, Mass. The site has been approved. Further information as to the progress on the project is not available.

EXHIBIT 2

The following letter dated March 3, 1950, received from Rudolph Milewski, DAV national service officer, on duty at the Veterans' Administration regional office, Philadelphia, Pa. It, too, is quoted in full as it appears to be a complete and accurate analysis of the veterans hospital program in the area served by the Philadelphia regional office. May we stress the service being rendered by the United States naval hospital in Philadelphia and the number of veterans being hospitalized and treated at the Valley Forge General Hospital and the apprehension this service officer feels over the order closing the Valley Forge General Hospital.

"In further reference to your telegram of March 1, 1950, the following information concerning the hospital situation in the Philadelphia area is hereby submitted:

"United States naval hospital: As of February 1, 1950, the capacity in this facility was 1,250 beds and the VA has a contract with the Navy for 550 beds. The VA case load as of February 1, 1950, was 611. As you will note, this is approximately 61 veteran patients over the prescribed amount allotted under the contract with the United States naval hospital. There is no difficulty encountered by our organization on the general medical and surgical cases, and there is no known waiting list that can be discovered at this time, either for service-connected or non-service-connected general medical or surgical cases.

"However, no known neuropsychiatric cases or known active tuberculosis cases can be admitted to the United States naval hospital if, upon examination or on form P–10 these two conditions are diagnosed. There are, at the present time, some patients who are in the United States naval hospital who have active tuberculosis who entered the hospital and are awaiting treatment for a general medical or surgical disorder, and are awaiting transfer to the only VA tuberculosis facility at Deshon, Butler, Pa. Our biggest situation with the United States Naval Hospital is attempting to secure hospitalization for the diseases of a chronic nature such as multiple sclerosis, arthritis, and so forth where it is more important for patients to receive domiciliary care rather than medical.

"Coatesville Hospital: As of February 1, 1950, bed capacity at Coatesville VA hospital was 2,144 and veteran patients were 1,950; the other beds available in this hospital are on a reserved basis for the use of female neuropsychiatric cases. At the present time there are approximately 890 non-service-connected neuropsychiatric cases on the waiting list awaiting admission, and 90 service-connected neuropsychiatric cases who are awaiting transfer and hospitalization at Coatesville but who are presently hospitalized in either the Pennsylvania State hospitals or hospitals with which the VA has a contract. One of the hospitals which handles neuropsychiatric cases is the Philadelphia State Hospital at Byberry, and there are presently 150 non-service-connected veterans hospitalized in this facility who would undoubtedly be better cared for in Coatesville, if facilities were available.

"Philadelphia General Hospital: This facility has approximately 25 neuropsychiatric cases at this facility, patients are either transferred to the Philadelphia State Hospital or released if not actively psychotic, and at times we feel that even active psychotics are released due to lack of adequate hospital space.

"Valley Forge General Hospital: As of February 1, 1950, Valley Forge General Hospital has a contract with the VA for 175 general medical or surgical veterans, and at that time there were 163 VA patients hospitalized there. There is no waiting list for either service-connected or non-service-connected cases although Valley Forge acts in the same capacity as the United States Naval Hospital where known tuberculosis or neuropsychiatric cases are not admitted when these conditions are denoted upon the examinations.

"As you probably know, the Defense Department is endeavoring to discontinue this hospital for further use as an Army facility, but with the lack of facilities for tuberculosis and neuropsychiatric cases in the eastern area of Pennsylvania, this hospital should adequately serve the Veterans' Administration in the capacity of a tuberculosis hospital and/or a neuropsychiatric hospital. The difficult situation with tuberculosis hospitals is that there is, at the present time, only one hospital which is located at Butler, Pa., that accepts service-connected and non-service-connected tuberculosis patients although the hospital was primarily established as a general medical and surgical hospital. Our only hospital other than Coatesville which will accept neuropsychiatric non-service-connected cases is located in Lebanon, Pa.; and you will undoubtedly receive a full report of this facility from our representative in Wilkes-Barre, Pa.

"Deshon VA Hospital, Butler, Pa.: Although this facility is in the area over which the Pittsburgh regional office will have the jurisdictional information, a few facts from this office may assist you in securing further information as to the tuberculosis veterans in the area of Philadelphia. There presently is a waiting list of 245 non-service-connected patients awaiting admission to the Deshon facility, and in the Philadelphia area as of February 1, 1950, there were 110 of these veterans. Of the 110, there are 62 veterans who are presently in need of hospitalization for non-service-connected active tuberculosis who are not hospitalized in any facility. The

majority of the veterans who are hospitalized are located in the municipal or State hospitals awaiting the determination as to the available space so that they can be admitted to Deshon.

"As you can surmise from the material presented in this letter, the situation in the Philadelphia area is acute in the need for adequate hospitalization of veterans for nonservice-connected neuropsychiatric disorders and non-service-connected active tuberculosis. It is almost impossible for our organization to secure immediate hospitalization for a veteran suffering from these disorders, although the medical division of the Philadelphia office knows the veteran is in need of hospitalization and to prolong his entrance into a hospital would endanger his health if tubercular, and if a neuropsychiatric veteran, he would undoubtedly be placed on the waiting lists although actively psychotic and a danger to society.

"We do not have any difficult situation in securing hospitalization for general medical or surgical cases, either service connected or nonservice connected, as the service-connected cases can be worked out with the medical division on a contract basis with facilities other than VA hospitals, and the non-service-connected cases are taken into Valley Forge General Hospital, United States Naval Hospital, and VA hospital in New Castle, Del. But the situation is critical for tuberculosis and neuropsychiatric hospitallization and we feel that if Valley Forge General Hospital could be secured and devoted to use as a place of treatment for either or both of these conditions, the strain on the Veterans' Administration in this area would be greatly relieved.

"I hope this is the information you desire and I trust it will be of some value in your presentation to the congressional committee with reference to the need for hospital beds in this area."

EXHIBIT 3

The following quotation is from a communication, dated March 1, 1950, received from John J. Keller, DAV national service officer on duty at the Veterans' Administration regional office in Wilkes-Barre, Pa.:

"In general, the hospital situation has been favorable in this area. However, since the Valley Forge General Hospital, Phoenixville, Pa., decided to close down and stop admissions, effective February 15, 1950, I can assure you that it has brought about most unfavorable results insofar as this office is concerned. The Valley Forge General Hospital was always considered in this office as the old mainstay, in that if a veteran could not obtain hospitalization for a non-service-connected or a service-connected disability, we could almost always have him hospitalized at the Valley Forge General Hospital where he would receive adequate care and attention. This is the only instance in this situation which affects hospitalization of veterans, and I might add that it affects them very seriously.

"This Veterans' Administration regional office does use the hospital facilities at United States Naval Hospital, Philadelphia, Pa.; Lebanon Veterans' Administration Hospital; Butler Veterans' Administration Hospital; Aspinwall Veterans' Administration Hospital; Coatesville Veterans' Administration Hospital; Lyons Veterans' Administration Hospital, and prior to February 15, 1950, they did use the facilities at the Valley Forge General Hospital."

This office has first-hand knowledge of the outstanding medical achievement that has been rendered by the Valley Forge General Hospital, especially in the treatment of combat cases so seriously disfigured and maimed that years of treatment and hospitalization were required before they could be released to civil life.

The Veterans' Administration has erected and proposes to open in June of this year a 200-bed general medical hospital at Altoona, Pa.

The Veterans' Administration has erected and proposes to open during June of this year a 200-bed general medical hospital at Erie, Pa.

The Veterans' Administration has erected and proposes to open in July of this year a 545-bed addition to the neuropsychiatric hospital at Lebanon, Pa.

The Veterans' Administration proposes to erect a 500-bed general medical hospital in Philadelphia. Contract has been awarded but construction has apparently not yet started. The original proposal was for a 1,000-bed hospital but was ordered reduced to 500 beds by Executive order, dated January 10, 1949.

The Veterans' Administration proposes to erect a 1,000-bed neuropsychiatric hospital at Pittsburgh, Pa. The contract has been awarded but construction has not yet started. This was originally proposed as a 1,250-bed hospital but was reduced to 1,000 beds by the Executive order of January 10, 1949.

The Veterans' Administration proposes to erect a 750-bed general medical hospital at Pittsburgh, Pa. Preliminary plans have been completed. This was originally proposed as a 1,200-bed hospital but was reduced to 750 beds by Executive order of January 10, 1949.

The Veterans' Administration has erected and proposes to open in August of this year a 475-bed general medical hospital at Wilkes-Barre, Pa.

EXHIBIT 4

We are quoting a telegram, dated March 2, 1950, received from Philip H. Muller, DAV national service officer on duty at the Veterans' Administration regional office, Fort Jackson, S. C. This is submitted for the reason it indicates the crowded conditions of the Veterans' Administration hospital at Fort Jackson, just outside of Columbia, S. C., and which has apparently been forced to use the Oliver General Hospital, Augusta, Ga., ordered to be inactivated:

"In re your telegram 1, 1950 hospital information available to us for VA hospital, Columbia, S. C., only. Waiting list as of March 2, 1950, includes 12 general medical white; 12 TB colored; 3 EENT white; 5 eye white; 12 orthopedic white. All above cases nonservice connected. Now have 50 P–10's awaiting determination of eligibility for inclusion on waiting list. Most difficulty now being encountered with white medical, orthopedic, and neuropsychiatric non-service-connected cases due to lack of space. Medical personnel no problem. Hospital well staffed. Hospital now holding number of white TB non-service-connected cases for transfer to specialized hospitals but can't release because all TB institutions this area filled to capacity. White non-service-connected neuropsychiatric cases not being accepted because hospital space not available except for emergency. VAH Columbia not equipped for treatment of closed-ward patients and proper NP hospitals are filled to capacity. Service-connected cases are being admitted within the shortest possible time and no difficulty being experienced. Secretary Johnson's closing order will affect this area in that VA cases formerly being admitted to military hospitals will now have nowhere to go except VA hospitals and this will cause further jamming up of already overloaded facilities."

The Veterans' Administration Hospital at Fort Jackson is a general medical hospital of 606 beds.

EXHIBIT 5

The following communication, dated March 3, 1950, received from Sydney J. Allen, DAV national service officer on duty at the Veterans' Administration regional office, Detroit, Mich. We urge careful study of this communication coming from the State where is located the Percy Jones General Hospital. Please note Mr. Allen's statement to the effect that Michigan veterans suffering from tuberculosis must seek hospitalization in five different States outside the State of Michigan. It is to be noted that a 500-bed tuberculosis hospital was approved by the Veterans' Administration and the appropriation secured for its erection at Detroit, Mich. This project was eliminated by the Executive order of January 10, 1949. May we also stress the fact that the Veterans' Administration is paying to private and State institutions for the care of service-connected veterans which they are unable to hospitalize in the crowded VA hospitals.

"This letter will supplement and furnish more detailed information contained in our telegram.

"The figures we quoted in our telegram 622 general medical and surgical cases on the waiting list and 350 NP cases, no TB's, does not furnish an adequate picture. The general medical and surgical cases on the waiting list will increase by approximately 200 on account of Percy Jones Army Hospital closing at Battle Creek. The TB situation, of course, is very misleading. Since the Veterans' Administration has no TB beds in Michigan, with the exception of 50 for terminal cases at Dearborn, TB applications for hospitalization are forwarded to Wisconsin, Illinois, Ohio, New York, and Kentucky. For that reason do not appear on the Michigan waiting list.

"Recently, the veterans' organizations surveyed the State and county hospitals in Michigan and found that there were 598 TB patients hospitalized and 500 NP cases. There was a misunderstanding between the State and the Veterans' Administration. It is estimated that the Veterans' Administration owes the State approximately $1,000,000. However, due to technicalities the Veterans' Administration refused to pay most of this money because official request was not made in accordance with Veterans' Administration regulations. In many cases, form P–10 was submitted to the Veterans' Administration prior to the date service connection was established. The State failed to submit a second form P–10. We analyzed 30 cases representative of 400 and find that the Veterans' Administration did not pay the State for approximately 9 months in each case. Since we started the survey, they are paying currently but refuse to pay the retroactive amount. This is now being investigated by central office as a result of our conference with Gen. Carl R. Gray, Jr., on February 16. The TB situation in Michigan is terrible. There are so many State and county veterans in TB hospitals, it is becoming very difficult to have either citizens or veterans admitted.

"So far as NP cases are concerned, we no longer attempt to have non-service-connected cases hospitalized at Fort Custer. It is useless. We estimate that if the Veterans' Administration had 1,000 additional NP beds they would be filled within 90 days.

"The 500 TB hospitals if built would be filled to capacity. As far as general medical and surgical cases are concerned, only one out of two cases are being taken from the waiting list per day. It is becoming impossible to have a non-service-connected case admitted unless it is very serious. Many P–10's are being rejected because of the long waiting list which would be admitted if beds were available.

"We cannot understand why the Veterans' Administration authorized a 500-bed general medical and surgical hospital in Ann Arbor which is 35 miles from Dearborn and cancelled the TB hospital. Certainly the Veterans' Administration must know that TB beds are more urgently needed than general

medical and surgical, particularly since a new general medical and surgical hospital is being officially opened in Iron Mountain on March 5 and another general medical and surgical hospital will be available to patients sometime in July. The real problem here is TB beds."

The Veterans' Administration is erecting a 500-bed general medical hospital at Ann Arbor, Mich., estimated to be completed on or about March 1951.

The Veterans' Administration has completed as of January 1950, a 250-bed general medical hospital at Iron Mountain, Mich.

The Veterans' Administration has erected a 200-bed general medical hospital at Saginaw, Mich., which will be completed in April of this year.

The Fort Custer neuropsychiatric hospital, referred to in Mr. Allen's letter, is a 2,017-bed hospital in operation.

Please note Mr. Allen's statement that it is useless to attempt to secure admission for any veteran not admittedly service connected.

EXHIBIT 6

While not referring to a general hospital ordered inactivated, we wish to protest the marked reduction at the Madigan General Hospital at Fort Lewis, Wash., and desire to submit here the following wire received from Perry E. Dye, DAV national service officer on duty at the Veterans' Administration regional office, Seattle, Wash., because it emphasizes the assistance the Madigan General Hospital has rendered to the Veterans' Administration and the serious condition which is bound to result if Secretary Johnson's order reducing this hospital becomes effective:

"MARCH 6. No waiting list of service-connected disabilities for which hospitalization is indicated in any medical category. Since Johnson order closing 350 beds Madigan General Army Hospital, Tacoma, Wash., no beds available for non-service-connected cases. Cannot give figure on non-service-connected general medical, TB or NP cases on waiting list as this regional office forwards all P-10's to hospitals in area. They have waiting list. Will endeavor to get waiting list in these VA hospitals in next few days. Beds now available under Federal hospital contract amount to 195, previous available beds 545. Situation is serious here due to Johnson cut. Letter will follow in few days with detailed information on waiting list at VA hospitals and Federal contract as well as private hospitals. Our understanding that a great many non-service-connected VA cases, both TB and NP, are being cared for in private and State hospitals throughout this area."

The Veterans' Administration is erecting a 300-bed general medical hospital at Seattle, Wash., and the estimated date of completion is November 1950.

The Veterans' Administration is building a 200-bed general medical hospital at Spokane, Wash., and estimated date of completion is June 1950.

EXHIBIT 7

The following letter, dated March 2, 1950, is from Charles A. Sloane, DAV national service officer, on duty at the Veterans' Administration regional office, Los Angeles, Calif. This communication is submitted in full because it analyzes the veterans'-hospital problem in that area of California served by the Los Angeles Regional Office and refers specifically to those cases which heretofore have been hospitalized in the naval hospital at Long Beach and its patient load of 427 veterans on the 15th of February this year. We wish to call your attention to Mr. Sloane's statement that the average monthly turnover at the Long Beach Hospital is in the neighborhood of 100, which means that some 6,000 veterans have been treated at that hospital each year:

"I am enclosing confirmation of telegram forwarded you as quickly as figures requested could be assembled. Here is the breakdown:

"San Fernando TB Hospital has a waiting list of 224; however, 33 of them are awaiting transfer from other hospitals, and there is no break-down as to whether service-connected or not. The list includes 88 non-service-connected and 3 service-connected.

"At Birmingham, in Van Nuys, there are no service-connected awaiting although on a non-service basis there are 32 TB's, 35 medical and surgical, and 18 NP's.

"At Wadsworth there are 180 on the medical and surgical waiting list, none of whom are service-connected, but it is estimated that about 37 of whom have other service-connected disabilities.

"All emergencies, both service-connected and non-service-connected, are being handled so far, but the situation is becoming exceedingly acute.

"At the Brentwood NP Hospital, of 1,111 on the waiting list, 991 are non-service-connected and 120 have other service connections than NP. In other words, the entire waiting list is non-service-connected as far as NP disability is concerned.

"Of the 562 men and 8 women awaiting admission to the domiciliary, there is no breakdown to tell whether or not they are service- or non-service-connected.

"With reference to the closing of the Long Beach Hospital, on the 15th of February our patient load there was 427. The average monthly turn-over was 500.

"However, in view of the fact that only emergencies are being admitted now, our Chief Medical Officer here estimates there will be 60-some-odd orthopedic cases remaining by May 15 when the orthopedic service will be discontinued. Those cases, therefore, which heretofore have been hosiptalized in the naval hospital at Long Beach, will have to be hospitalized elsewhere, either at Birmingham or Wadsworth, here in Sawtelle, or be placed on waiting lists.

"In the week prior to May 15, any remaining patients at Long Beach will be divided between Wadsworth and Birmingham. The result will probably mean that only service-connected emergencies can, during most of the time, be hospitalized at all unless future hospital facilities are made available."

The Veterans' Administration has constructed a 250-bed general medical hospital at Fresno, Calif., which was estimated to be completed as of January 1950.

The Veterans' Administration proposes to build a 1,000-bed neuropsychiatric hospital at Los Angeles, Calif. This project was approved on October 19, 1946. The site is still in the process of selection which means that the hospital will not be available for patients for 3 years or more.

The Veterans' Administration proposes to erect a 1,000-bed neuropsychiatric hospital at San Francisco, Calif. This project was approved on October 19, 1946, and its site has been approved and title acquired. It is questionable if this hospital either will be available within 3 years.

EXHIBIT 8

The following quotation from a letter, dated March 2, 1950, received from Lumir F. Vobeyda, DAV national service officer, on duty at the Veterans' Administration regional office, San Diego, Calif. We are quoting only that part of Mr. Vobeyda's letter which refers to the use by the San Diego regional office of beds in military hospitals, including the United States Naval Hospital at Corona and Long Beach, Calif.

"The San Diego regional office has been using various county and private hospitals to take care of the more serious neuropsychiatric and tuberculosis cases. There are contracts for these cases made between the Veterans' Administration and these hospitals. The Los Angeles regional office takes care of the grand majority of the tuberculosis and neuropsychiatric cases from this area and, therefore, the problems of this area are reflected in the waiting list of the Los Angeles regional office.

"In reference to the immediate effect of closing of military hospitals on this area, the situation in the United States Naval Hospital in San Diego is that of an increased military load, due to the closing of the United States Naval Hospitals in Corona and Long Beach, Calif. The immediate effect on the Veterans' Administration patients in the United States Naval Hospital is reflected in an increasing trend toward using the 200 contract beds for emergency and temporary cases only, and transferring to the Los Angeles regional area all chronic or apparently chronic cases. According to my own personal observations, I have noticed that Veterans' Administration patients have been released from the United States Naval Hospital with a discharge of maximum hospital benefits before they were actually fit for discharge and, thereby, had to be rehospitalized shortly thereafter."

With reference to the closing of the Long Beach Naval Hospital, please be advised that we have received a communication from our office in Reno, Nev., to the effect that one-third of the patients from the Reno, Nev., regional office, Veterans' Administration, are hospitalized in the Army and Navy hospitals in California, including Oak Knoll Naval Hospital, Oakland, Calif.; Mare Island Naval Hospital, Vallejo, Calif.; and Letterman Army General Hospital, San Francisco, Calif.

May we recall the testimony already submitted by the Surgeon Generals of the Army and Navy that the marked reduction in military hospitals will necessarily affect their ability to accept veteran patients in remaining institutions.

As proof of crowded conditions in existing Veterans' Administration hospitals, reports received from almost every section of the country refer to the large number of veterans, all admittedly service connected and suffering from active tuberculosis or serious neuropsychiatric disabilities, who are hospitalized and being treated at Government expense in private hospitals, sanitoriums, or State institutions. An outstanding example is the report received of 965 service-connected neuropsychiatric cases hospitalized in New York State institutions all at the expense of the Veterans' Administration.

We respectfully submit the above information as indicative of the dire need of hospital beds in these military institutions by wartime disabled veterans. The Disabled American Veterans emphasize the fact and believes that Secretary Johnson's order was premature insofar as it will vitally affect the hospitalization and treatment of thousands of veterans who are entitled to hospitalization and treatment in the Veterans' Administration but who will be denied such treatment until the building program of the Veterans' Administration is nearer completion.

Further information regarding situations existing in other regional offices of the Veterans' Administration, which are bound to be affected by the marked reduction in military institutions listed in the Secretary's order, will be gladly submitted to this committee if we are called upon to do so. We can assure you that the facts and figures submitted are authentic and that the communications quoted come from trained, full-time national service officers who are all on duty in regional offices of the Veterans' Administration throughout the country.

Notes on veterans' hospitals and VA personnel situation in Pennsylvania

VA HOSPITALS IN OPERATION

Location	Type	Operating beds	Patients, Feb. 21, 1950	Waiting list
Aspinwall	GM	924	904	915
Butler	GM	880	809	[1] 311
Coatesville	NP	2,038	1,940	[2] 1,061
Lebanon	NP	501	478	[3] 288
Philadelphia, naval (contract).	GM	620	617	210
Total				2,785
Valley Forge, Army (contract).	GM	175	152	(4)
Total		5,138	4,900	

VA HOSPITALS UNDER CONSTRUCTION

Location	Type	Number of beds	Estimated date construction complete
Altoona	GM	200	June 1950.
Erie	GM	200	Do.
Harrisburg	GM	200	Canceled, Jan. 10, 1949.
Lebanon addition	NP	545	July 1950.
Philadelphia	GM	[5] 500	July 1951.
Pittsburgh	NP	[6] 1,000	January 1952.
Do	GM	[7] 750	Estimated date bids, May 1950.
Wilkes-Barre	GM	450	December 1950.

NUMBER PERSONNEL, VA HOSPITALS, JAN. 31, 1950

Location	Total	Medical	Fin-Pers-Rec-VRE	Special services	Construction and supply
Aspinwall	1,029	788	50	17	174
Butler	966	731	50	19	166
Coatesville	1,206	975	47	21	163
Lebanon	453	330	26	9	88

REDUCTION IN FORCE ANNOUNCED MAR. 3, 1950

Location	Number of employees Jan. 31, 1950	To be dismissed (Department of Pennsylvania estimate)
Hospitals:		
Aspinwall	1,029	50
Butler	966	44
Coatesville	1,206	66
Lebanon	453	13
Regional offices:		
Philadelphia	1,531	[8] 68
Pittsburgh	1,330	[9] 44
Wilkes-Barre	1,046	[10] 38

NATION-WIDE WAITING LIST

	December 1948	January 1950
Veterans awaiting hospital admission	14,080	22,993
Applications pending, eligibility not determined	8,192	7,437
Total [11]	22,272	30,430

[1] Including 252 TB cases.
[2] Including 100 service-connected NP cases.
[3] Including 124 NP cases.
[4] Admissions discontinued as of Feb. 15, 1950.
[5] Reduced from 1,000, Jan. 10, 1949.
[6] Reduced from 1,250, Jan. 10, 1949.
[7] Reduced from 1,200, Jan. 10, 1949.
[8] Including 1 full-time doctor, 3 full-time dentists, 6 part-time doctors.
[9] Including 3 dentists, 16 part-time doctors.
[10] Including 5 full-time doctors, 2 dentists, 9 part-time doctors.
[11] 36 percent increase.

Waiting period—Applicants for hospitalization, VA

Total applicants eligible	22,993
1 to 20 days	4,066
21 to 40 days	2,510
Over 40 days	16,417

T. O. KRAABEL,
National Director.

INTERIOR DEPARTMENT

Mr. Chairman, our subcommittee reduced the budget estimate of the Interior Department from $669,251,505 to $621,634,130—a reduction of $47,617,375. This is $31,430,183 more than the current year when they had $590,203,947.

In addition the committee allowed them $37,250,000 in authorization out of a request for $44,750,000—a reduction of $7,500,000. This is in contrast to $65,251,700 allowed for the current fiscal year, or $28,001,700 less.

In every Bureau of the Interior Department a cut was made from the budget estimates with but one exception—that of the Fish and Wildlife Service—they were granted $25,000 more.

As has been my custom in debate on the Interior Department Appropriations bill I will not take up the time of the committee on the details of the Reclamation Bureau since it is covered or will be by others on the committee. I would like to reiterate, however, that I am in full accord with the policy of development of the States west of the Mississippi, but feel that perhaps we should proceed in a more orderly fashion and in conformity with our means. Certainly I am in full accord as far as irrigation, conservation, and flood control is concerned. I will even subscribe to hydroelectric power as a means of providing electric energy in those localities where it is necessary and where private industry cannot supply or will not supply the demand. On the other hand I cannot or will not subscribe to any encroachment on or confiscation of private property. Neither do I condone the building of steam plants by one agency to eventually turn them over to another agency at a future date when they are prohibited to build themselves. This is not forthright and should be stopped.

In the Southwest, the Southwest Power Administration is being stabilized through the energetic efforts of Douglas Wright. We heard a lot of testimony. At least Mr. Wright is honest and is trying to get contracts with the various utility companies. I do not know whether he has persuaded the Interior Department or not to sign the Oklahoma contracts.

If the Government is insisting on getting into the power business I believe that Douglas Wright has as honorable approach to it as anyone.

Not content with confining their work in the power field to the western part of the country the Interior Department is now extending their itching hands into the southeastern part of our country. The committee recommended an appropriation of $150,000 for 1951—over twice that of the current year. They asked for $175,000. My advice to the private power companies down there is to "watch your step" boys—or you will find yourselves in the same boat as the boys in the Northwest.

The squeeze is on private enterprise by the advocates of public ownership and the Army engineers. The latter have just recommended a power project up in the Susquehanna River area to try and justify flood control projects in that region. I know that there are plenty of electric power companies in that area to supply the demand for power.

Let us not kid ourselves, it is not a case of "brown outs" as much as it is cheap power that is wanted. Sure, everybody would like cheap power, but it takes away from local, State, and Federal Governments an awful lot of tax money.

Now I would like to talk for a few moments about the Bureau of Indian Affairs, particularly the health, education, and welfare phases of it.

I wish you would take the time to read what Dr. Foard, the medical director, says about his program. I have a lot of confidence in Dr. Foard and if he can go forward with his program without being interfered with by laymen who do not know the first thing about medicine or sanitation, he will clean up the mess that prevails in that service.

Year after year we hear the same story about the morbidity and mortality rates of the Indians. The great prevalence of tuberculosis, the high morbidity rate in infants and children, the terrible unsanitary conditions, the woeful lack of school facilities and the 16 to 20,000 children who never have been to school. Shall this keep up indefinitely or are we too concerned about underdeveloped areas in foreign countries?

It was testified that the United States Government had from 1900 to 1950, inclusive, appropriated $1,019,477,525 for the Indians and Indian activities. I believe that averages about $20,389,544 per year.

Now while I do not like conditions as they exist, I do not believe it can be charged that the United States Government has not expended a pretty good amount of money for the Indian Service.

I believe a proper and thorough investigation is in order and would suggest that if Dr. Foard cannot carry out his program without interference from people who know nothing about health and sanitation, that his program be placed under the United States Public Health. The United States Public Health Service is spread all over the world and I believe if they could be given the job to clean up this mess in the Indian Bureau it would be done within the shortest possible time.

It was rather reassuring to the membership of the subcommittee to have the pleasure of having a group of Indians from California come before us and, in effect, say that they did not want any part of the appropriation to the Indian Bureau granted in their name. They want to be integrated into the population of California and assume the rights of citizenship. The committee granted their request and decreased the project amounts accordingly.

GEOLOGICAL SURVEY AND BUREAU OF MINES

Two other very important bureaus of the Interior Department—the Geological Survey and the Bureau of Mines—I want to comment on for a few minutes.

I believe, in the light of what has transpired in the House in the second session of the Eighty-first Congress, that more attention should be given to those two bureaus.

In the case of the Geological Survey—a very, very important cog in our Government's wheel—we have approved an appropriation for $19,129,000. They asked for $20,000,000, or a decrease of $871,000. We allowed them $3,084,600 more than for this fiscal year.

When we consider that the Geological Survey is responsible for the discovery, study, and evaluation of our natural resources in the ground—our minerals, our water—I am constrained to admit that this Bureau has done a fine job with the money they have received. It is admitted that we have not done enough in this field and this has been shown in the past few weeks right here on this floor when the bill to assist our metallic mines was up for consideration, and when we voted to develop underdeveloped areas of foreign countries.

With only 30 percent of our strategic stock pile on hand, it behooves this administration to do everything possible for information on our resources through this fine bureau.

The Bureau of Mines, whose responsibility starts with the mining and production of our resources, together with technical methods of mining, metallurgy, and beneficiation of ores, is likewise a very, very important Bureau. This Bureau was allowed $24,235,600 for fiscal 1951—a decrease from the budget estimate of $973,100.

Most of this appropriation is for the conservation and development of mineral resources in the amount of $17,758,000.

For health and safety $3,805,000 was granted; $1,376,600 for construction, and $1,300,000 for general administration.

The Bureau of Mines received the same amount of money for this item as the current year plus $102,636 for increase of base salaries.

The two main projects in this item are for operating mine rescue cars and stations and investigating mine accidents in the amount of $1,118,046, and for coal mine inspections in the amount of $2,506,822.

It is my opinion that these two items are very worth while, and I believe are producing good results. Certainly if the advice given industry and employees was carried out the results could be still greater.

It is gratifying to observe that the number of fatal accidents in coal mines were reduced in calendar year 1949. There were 593 fatal accidents reported. This is quite a reduction when the records show that from 1942 up until 1949 the fatal accidents ranged from 1,000 to 1,500 a year, with the exception of 1946 when 974 fatal accidents occurred.

The major cause of the fatal accidents is still "falls of roof." I am pleased to note that the Bureau is now concentrating their efforts in research to try and solve this problem.

There has not been a major explosion since July of 1948.

Of course, there are far too many fatal accidents. There is no question in my mind that with cooperation between operators and employees, State departments of mines, and the Federal Bureau of Mines these accidents can be reduced to a minimum.

In the field of conservation and development of mineral resources the Bureau of Mines is doing a fine job. Their work on synthetic fuels, control of mines' fires, the mine-water survey, and pilot plant operations are progressing very well. I feel that the country will greatly benefit from this fine work.

NATIONAL PARK SERVICE

Finally, the National Park Service was granted $36,745,200, a cut of $2,661,300 under the budget, but $6,995,250 over the current year.

Each year as I look over some of the areas of our national-park system I become amazed at the extensive job this find group of people are doing in managing, protecting, and maintaining our great parks. Last year was no exception when I visited a number of their installations in the South, including the Everglades National Park.

Last year our park system, up until October, handled 31,800,000 visitors. Every year since the end of the war more people visited our parks. For instance in 1945, 10,521,375 people traveled in our park system, while in 1946 it more than doubled that figure with 21,682,782 visitors. In 1941 the number was 21,050,426. In 1941 they had personnel of 1,591 as compared with 2,733 in the fiscal year 1950.

I want to congratulate Director Drury for the fine personnel he has in the southeastern part of the system, from the regional office in Richmond down to and including the Everglades and Fort Jefferson. All these people are doing fine work.

I did find that there is need for additional rangers in the Everglades. In fact, I believe there is need for that type of personnel in increasing numbers, particularly in the Everglades. Vandalism and poaching, to say nothing of fire, should be recognized as the reasons for furnishing more protection to park property.

Finally, I want to comment on our inadequate police protection for the National Park Service right here in the Capital of the United States.

For fiscal 1950 we allowed additional 40 policemen but for 1951 we did not allow any increase in police protection. The figures given us in crime, arrests, and so forth, certainly justify better protection for the 60,000,000 people who use the 750 areas in the local park systems each year. Much has been said about homosexuals and perverts in the last several weeks. The park police picked up 274 perverts in our national parks last year. Many crimes from rape to robbery and auto thefts are committed. I believe there is urgent need for more protection for the American people right here at home.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, last Tuesday I introduced two bills designed to promote economy and assist in achieving a sounder fiscal policy. These measures give to the President the power to veto individual items in any appropriation bill. The essential difference between them is that one provides by legislative fiat that each item shall be considered a separate bill for the purpose of the Executive veto, whereas the other proceeds on the theory that a constitutional amendment to achieve this objective is necessary.

Presidents Grant, Hayes, Taft, and Roosevelt, and perhaps other Presidents, have requested Congress to empower them to disapprove particular items in appropriation bills without being forced to veto the entire measure and run the risk of depriving a Government department of the power to function by withholding funds completely. At least 39 of our States permit their Governors to veto separate items and in some cases simply to reduce an item.

This has always been a problem in the case of the national budget. Even when presented with an appropriation bill affecting a single Government department containing items objectionable to the President, he has been faced with an unfortunate choice either to sign the bill, thereby approving of items which he considers unjustified, or disapprove the bill in its entirety, thereby depriving the department concerned of funds essential for its continued operation.

This problem, always acute, has been accentuated manyfold by the presentation of the present omnibus appropriation bill. To permit an item veto will contribute greatly, it seems to me, to the success of this one-package method of making appropriations. The purpose of this approach to approving funds is twofold—to save time and to save money. The latter purpose, however, may never be accomplished unless the President is empowered to disapprove specific items which he feels are unjustified.

If to get operating funds for the Government the President is forced to sign the entire bill, including any floor amendments which may be adopted, our annual expenditures may skyrocket more than ever and the one-package approach, contrary to the expectations of its sponsors, may be used as a device for bigger spending and more extensive log rolling. Certainly we should welcome any check on our deeper submersion into red ink.

The opposition to such legislation may be voiced that it centers too great power in the President. Any step to enlarge Executive authority is certain to be viewed, and very properly, with some skepticism. Generally speaking, it is the position of many Members, including my own, that curtailment rather than enlargement of executive powers is desirable. Particularly in the field of appropriations, the Congress has historically been reluctant to yield any part of its control over governmental operations.

When we are faced, however, with an operating deficit for 2 years in a row, greater than the entire cost of running the Federal Government 17 years ago, perhaps we should reappraise our attitude. Right at this critical moment it seems to me the most constructive service we could render would be to adopt every reasonable suggestion advanced to cut down the cost of running the Government.

Let us take a look at the way this plan would operate if the President were given the power of single-item veto. It may be argued that he might disapprove a particular appropriation because he felt it was not enough and that the Congress had cut a budget estimate too much. Thus, it may be said, the passage of such a measure as I have proposed might lead to increased rather than reduced expenditures. The answer to this argument is that such action by the President would always run the risk of resulting in a complete denial of any funds for such a project, unless his veto were overridden, in which case, of course, the figure as originally fixed by Congress would be retained.

As a practical matter it seems to me the only result which could flow from the single item veto would be a downward revision of congressional appropriations. It is true, of course, that the President might strike out some pet project of an individual Member and that action would stand unless revised by a two-thirds vote. But that is a chance I am prepared to take. I believe that, by and large, the people of this country would prefer to run the hazard that some particular Federal project might be curtailed if they were reassured by the prospect of achievement of a substantial over-all reduction in spending.

I am completely satisfied that the net result of permitting the single-item veto would be bound to be substantial and constructive economy in government.

Conceding the desirability of such a change, we are still faced with a determination as to the method of effecting this legislative improvement. There is a substantial body of opinion, perhaps a majority, which holds that this can only be done by constitutional amendment. The first sentence of article I, section 7, reads:

> Every bill which shall have passed the House of Representatives and the Senate shall, before it becomes a law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it, with his objections, to that House in which it shall have originated, who shall enter the objections at large on their Journal, and proceed to reconsider it.

By stress on the word "it," which appears at several places in the quoted sentence, the argument is advanced that the sentence is free from ambiguity, so that there is no occasion for construction. It is said that it would be too deliberate a departure from the literal and ordinary meaning of words to extend the latitude necessary to interpret this sentence as permitting item vetoes. Eminent text writers have supported this view. They may be right. The courts may eventually sustain that position, but I venture to assert that there is a powerful argument which can be advanced on the other side. At the least, it seems to me there is sufficient doubt that we would be thoroughly justified in passing legislation to bring about this much-needed reform, leaving to the judicial branch, the appropriate forum, the eventual determination regarding constitutionality.

The Constitution is not a mere compilation of legalistic rules. It is the pattern of a philosophy of government. It sets forth general principles rather than detailed procedure. It was designed to create a government of laws as distinguished from a government of men. It sought to accomplish this by dividing the powers of government among three independent and coordinate branches, each one of which should be a check on the other. The Constitution simply creates these three branches and draws the line between them. We can only maintain our form of government if each independent branch recognizes the rights and duties of the others and protects them as diligently as it protects its own.

Webster defines the word "bill" as follows:

> A form or draft of a law presented to a legislature but not yet enacted, or before it is enacted; a proposed or projected law.

The term "bill," as used in the Constitution, does not have any technical meaning and apparently had none when the Constitution was adopted. It is simply a vehicle for carrying proposed law through the legislative bodies. There is no constitutional requirement that it shall be in any particular form. It is simply a device by which the legislature may express its will. Neither usage nor constitutional limitation requires us to attach any restrictive meaning to the word "bill" which will prevent the fulfillment of the real intent of the framers in providing for an Executive veto. We must, as in all constitutional construction, look to substance and not to mere form. In State against Platt, a South Carolina case reported in 2 South Carolina 150, there is an illuminating discussion of the meaning of the term "bill." There the court says:

> In a technical sense, the term "bill" is applicable properly to the enactment as a whole. Although the technical use of words should prevail where not inconsistent with the clear intent of the instrument, yet when such intent requires that words should be used in the larger sense, it is competent so to regard them. If we should hold that the Constitution regards the enactment as a whole, in an exclusive sense, we would be led to the inevitable conclusion that to become a law, all the substantial parts of the measure must have together passed through all the requisite stages. The consequence of this would be that alteration in a substantial part during such progress would be fatal to the whole bill.
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> Forced upon the opposite construction that every substantial part of a bill is to be regarded as a bill in the sense of the Constitution, we find nothing in our way but the technical import of the term "bill." It is not easy to perceive why, if any detached part of a statute is a law within the meaning of the Constitution of the United States forbidding States passing laws impairing the obligation of contracts, any part of a bill is not a bill under a clause intended to secure deliberation in the passage of legislative enactments. Such a conclusion is inevitable if regard is had to the fixed principles governing constitutional construction. The objects had in view by a constitution in government are habitually substantial; matters of form are usually left to the legislative body as subject to change with the progress of ideas and events. The great objects in view in framing a constitution are the division and distribution of the powers of government, the establishment of limits and boundaries beyond which they shall not be exercised, and the creation of an efficient responsibility, tending to restrain and furnish the means to correct neglect or abuse of public authority. Clauses having for their object the creation of responsibility in the exercise of political functions are, to a large extent, intended to act upon the motive, either by way of creating inducement for right action or removing the temptation or opportunity to such abusive exercises. This is in part accomplished by fixing the responsibility for all political action in some definite person, or body of persons, by securing deliberation in the performance of public acts, and by ascertaining modes of authentication and action in important cases vitally affecting the welfare of the state. It is obvious that, in construing clauses of this class, substance rather than form is to be considered. The object to be secured is to be sought for not alone in the formal expressions of the Constitution, nor yet in the technical character of the means employed to serve its ends, but in the nature of the subject intended to be acted upon through such means. In a word, the language of the Constitution in such cases is to be construed in the largest sense fairly attributable to it, and that will best subserve the objects it has in view.

All that article I, section 7, means is that all legislation which has passed the Congress must be presented to and approved by the President before it becomes law. The intent of the Constitution is that barring an overriding of a veto, legislation shall be a result of the meeting of the minds of the Congress and the Executive—the former affirmatively creating the legislation and the President exercising his right to affirm or reverse congressional action.

It is my conclusion, therefore, that the method of achieving this result lies largely in the discretion of Congress. It seems reasonably clear that a provision could be inserted in each appropriation bill stating that, for the purpose of the Executive veto, each separate and distinct item appropriating money shall be considered a separate enactment of Congress within the meaning of the Constitution.

It seems to me the membership should have an opportunity to express its will regarding this proposed reform which might lead to very substantial savings. For that reason, although an amendment in precisely the form of the one I have introduced would probably be subject to a point of order as legislation in an appropriation bill, I propose to offer at the appropriate time in the debate a limitation on the amount of the appropriation in each chapter, which will provide that the total sums appropriated under the chapter shall be reduced to the extent of any separate and distinct item appropriating money which is disapproved by the President.

I feel confident that the adoption of such an amendment throughout the many chapters in this imposing measure

would make it possible for us to approach much more closely the goal of a balanced budget.

This bill authorizes the largest peacetime expenditures in the history of our country, or any country. It is virtually impossible to cope with an appropriation bill of this size, unless we lay down basic considerations which must be followed.

If we are going to practice economy as well as preach it, if we are to make a serious attempt to reduce this staggering total as much as is legitimately possible, we must recognize certain controlling considerations.

Now I realize the tremendous sum requested in this bill envisions many worthy projects and plans. Some of them are absolutely essential to our national security and well-being. Perhaps nearly all the proposals could be justified as fine, legitimate undertakings. It would be nice if all the habits of fish could be studied, plans for innumerable new rivers and harbors projects made, hundreds of new buildings constructed. I agree in principle—just as I agree in principle with our former Vice President Henry Wallace that every Chinaman should have a quart of milk a day. Unfortunately, there comes a time when we must emerge from a dream world and get down to earth.

We are now in the situation of a man who wants both a new yacht and a new house, but can afford only one. It would be wonderful if he could afford both, but he cannot, and neither can we. A yacht would be enjoyable, but a house is a necessity. He should forego his yacht, at least for the present, and build his house. We should do the same.

In fact, our choice has been dictated to us by Russia. We cannot afford the luxuries of normal peacetime spending, no matter how much we may desire them.

We must realize that the money that could be expended on worthy causes is unlimited. Unfortunately our income is not. Therefore, it is our duty to vote against many of these tempting and worthy projects and proposals, not so much because of their intrinsic lack of merit as because the full limit of our financial capabilities must be otherwise employed.

All our billions spent for foreign aid and needs of the armed services will have gone for naught if we win the cold war abroad, but lost at home our offensive against national insolvency and collapse. We must remain financially sound; we owe it to the rest of the free world as much as we owe it to every person in this country who earns a dime or has put away a penny for a rainy day.

The rest of the world is counting on the value of the American dollar as a basis for trade. If we further devalue the dollar by uncontrolled inflation, we shall not alone ruin ourselves but we shall also wreak havoc in the world markets and betray the faith and confidence which has been painstakingly built up during the past 150 years.

When we realize how much the monetary stability of the American dollar means to the security and peace of all the world, these worthy projects suddenly resume their correct proportions, and we realize that many so-called immediate needs and urgent plans are not so needy or urgent after all.

We must realize that if we devote our time and money now to winning the ideological conflict that ranges universally, while maintaining our basic monetary soundness, there will be decades in which to study the mating habits of fish or further methods of using peanuts in our diet.

America has vast resources and tremendous potentials as yet undeveloped, but we must not fritter this wealth away in a mad rush to do everything at one time. Onerous as they are, we can and must stand the cost of the essentials, but to attempt to bear the additional burden of the frills, attractive as they may be, is sheer folly.

We must carefully weigh the consequences of each dollar expenditure against the merit of the proposed result.

At election time and during the 2 weeks preceding March 15, loud are the protestations of economy from all sides. But now is the time for action. Now is the time to cut expenditures. Now is the time to cast our votes for or against the pocketbooks of our abused taxpayers and the pay envelopes of the sorely pressed working men and women of the Nation.

Here in Washington, we blithely calculate in millions and billions, but I shall consider that I have done a good week's work if I can cut this budget so that it will mean even a few cents savings in the cost of living each week for the people of this country.

The taxpayers of our Nation are paying this bill twice—once, in the form of personal taxes, hidden or recognizable, and again in the form of the inflated cost of living brought about by a continuing national deficit. All the good works in the world will not accomplish any ultimate good if to do them we must tax our people out of a decent living.

We have an obligation to our old people and modest pensioners who have saved and put away a little money for their later years. We must not fail the workingman who wants to provide adequate food, shelter, and schooling for his family. Yet, by allowing these mounting deficits and consequent inflation to eat into their savings and their pay envelopes, we are striking a blow at the very people who most deserve our help.

The people at home realize what is happening to them and bitterly resent it. My office is literally snowed under by mail from my district, protesting against any unnecessary Government expenditures. From every walk of life the citizens of this Nation have been aroused to a realization that they must all, in one form or another, pay the shot for Washington squandering and waste.

Now that we have adopted the omnibus form of annual appropriation bill, there is even less excuse for a deficit than heretofore.

In previous years, it has not been possible to figure the income, outgo, and resulting balance at any given moment. This made it possible to talk economy, while at the same time logrolling for new Federal projects here or there. Now, when the balance sheet is right here, there can be no excuse for this raid on the Federal Treasury for the benefit of one locality.

If the budget cannot be balanced at this time, and, much as I dislike the realization, I reluctantly agree that it cannot at this late date; nevertheless we must come as close to that goal as we possibly can.

In the Eightieth Congress, if the gentlemen on the other side of the aisle will forgive a little pointing with pride, we not only balanced the budget, but we managed to reduce the national debt and reduce taxes, too. We proved that this is not an impossible task when the majority party is sincerely interested in economy.

We cannot go on defying the laws of economics by continually spending more than we earn. Any housewife on a budget or schoolboy on an allowance can tell you that.

People all over the country are demanding that we do all we can to cut Government spending. They are ahead of us in their thinking, as so often happens. Though we may be blinded to the dangers, they see clearly the perils of our headstrong course. If we fail to heed their warning, we shall prove false to the trust reposed in us.

While I would not recommend perusal of either the hearings or the report if one is looking for entertaining reading, nevertheless there are portions which have their amusing side and which, incidentally, demonstrate convincingly the thesis that we can make cuts in this bill without serious impairment of any essential services.

During the hearings on the agriculture funds, for instance, the Chief of the Bureau of Human Nutrition and Home Economics explained what her Bureau does in the way of research and compilation of information. You may recall that the Bureau's newest publication, Family Fare, received wide publicity recently.

The Bureau Chief explained the activities of her Bureau over the years, and in doing so mentioned that it needs funds to determine with more accuracy exactly how high a table should be for a person to work on it with maximum efficiency. In other words, when your wife makes a pie, she can work better if the table is a certain height.

However, as the gentleman from Mississippi, Representative WHITTEN, so ably pointed out, and I quote, "A lot depends on the height of the person that has to work on it, does it not?" The Bureau Chief agreed.

In other words, the Bureau of Home Economics has been compiling statistics and doing research for years on how high a table should be if you are 5 feet 6 or 5 feet 8. Of course, if some other member of the family wants to use that table, he or she is not going to be very efficient.

I can see the ending of an era, when this research is completed—gone will be the old kitchen table—relegated to the junk heap in favor of a hydraulically operated counter.

But, sadly enough, this research has its serious side too—it costs money. In fact, in 1941, the appropriation for the Bureau was only $360,000, while the bill before us contains an authorization of a million and a half.

Incidentally, the Bureau also has published a pamphlet on How To Buy Men's Suits and printed a pattern for a coat in which a woman may shop for groceries most efficiently, with special pockets for grocery lists and Kleenex. Now, all this is, of course, valuable information, but I wonder if we can afford it now.

On page 33 of the committee report, we find that the State Department, like so many others, authors some publications. This Department has 20 persons working on volumes titled "Foreign Relations," of which the greatest number sold of any one volume during 1948 and 1949 was 290 copies. Again, no doubt a commendable historical or research project; but how far afield can we go with such activities, when every dollar we spend on them is borrowed money?

I invite the attention of the members to the Agriculture Department appropriation provisions starting at page 156 of this volume before us. The expenses of the Agriculture Department have always interested me. Perhaps it seems niggardly to quibble over a few hundred thousand dollars here or there when we give them billions to build up huge stocks of food and other commodities in Government warehouses, to spoil or be destroyed, but there are several items which I think would be interesting to those who must foot the bill.

With commendable frankness, the committee, in its report, expresses its disturbance over the lack of efficient administration and operation within the Department of Agriculture. As they say:

> The need for better planning, organization, and administration is apparent * * *. Overlapping and duplication of activities, particularly in connection with activities in the field, is constantly being brought to the committee's attention. * * * A large number of separate units are conducting completely independent programs in the field, each with a separate representative contacting the farmer.

All of this costs money and, of course, it is money completely wasted, as well as constituting a constant source of annoyance and trouble to the farmers themselves.

The Bureau of Agricultural Economics would seem to be a spot where substantial savings could be made. There is provided $2,600,000 for economic investigations, which are set forth in detail in this measure, but involve a study of every phase of the farmer's life and conduct, except that provision is made, in a spirit of concession, I assume, to the real dirt farmer, that this wide power of investigation shall not include cultural surveys.

In the next paragraph there is $2,725,000 provided for what is called Crop and Livestock Estimates, which include, among other things, the Collection and Publication of the Statistics of Peanuts. Perhaps this is the activity which gave rise to the recent request of the peanut farmers for increased acreage allotments. Is it possible that we have appropriated $2,000,000 for the purpose of educating these peanut farmers that they should ask for $25,000,000, the "guess-timated" additional cost of the bill we have just passed?

When all of this investigating and estimating is summed up, it probably means, in the long run, that this appropriation of over $5,000,000 is to be spent, at least, in large measure, in promoting the favorite scheme of the Secretary of Agriculture, known as the Brannan plan and propagandizing the farmers and consumers throughout the land regarding its merits. Surely here is a point where we should cut, and cut deeply.

Then we find over $700,000 appropriated for library membership in societies or associations. The comment of the committee in its report seems a masterpiece of understatement when it says, "it is believed that a review of the scope of the activities of the office is advisable."

One could go on indefinitely picking up this 431 page bill before us, opening it at random and selecting instances similar to those I have cited. In mentioning the Department of Agriculture, or the Department of State, I have not intended to indicate that they are necessarily any more at fault than other Government departments. Those who must pay for all of these activities simply have no conception of the extent to which Government departments and agencies have mushroomed and extended their scope gradually, but consistently, into matters never originally contemplated, nor even now generally understood. We would perform a distinct service if we were to take action here which resulted in widespread retrenchment of many fields which may be attractive icing on the cake, but under no stretch of the imagination can be considered essential to the maintenance of the security, prosperity, health and well-being of our people.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, as we present the single-package appropriations bill for 1951, certain facts are evident.

The Federal tax income is below spending by many millions per day. Currently there are nearly 4,750,000 Americans unemployed, which will be augmented by hundreds of thousands of springtime graduates from schools and colleges as they, too, seek a place in the labor and production forces of our country. On top of this, 300,000 refugees will be given priority in jobs over American citizens. We further find that bankruptcy cases of all kinds have risen from 10,196 in 1946 to 26,021 in 1949 and the Department of Commerce estimates that this number will continue to rise to between 32,000 and 34,000 for 1950; to ultimately reach 70,000 per year.

The Commerce Department also reports over twenty billions in installment buying showing that Americans are following the Government example into deficit spending and financing.

Yet we go blithely along eagerly sniffing the oxygen of Government hand-outs and kidding ourselves that all is well. We disregard the amber lights flashing caution as well as the red ones calling for us to stop. Here we are 5 years after the firing ceases with war taxes still upon our people, along with excise taxes heaped upon pyramided concealed taxes; taxes that are bringing many segments of our economy to a halt. Jewelry, alarm clocks, baggage, handbags, furs, cosmetics, baby oil, transportation—all taxed, and still the spending climbs like a jet fighter into the stratosphere.

My home newspaper, the Bryan Times, March 22, had headlines three columns wide, "Government lends and spends huge sums in Williams County," a county of 25,000 by the way. Salaries, crop payments, and loans from Government reach into hundreds of thousands of dollars. Then the article proceeds to list the various offices and their personnel—scores of them.

What does not, of course, appear as the other side of this picture is the $25,000,000 of private funds in Williams County banks seeking a chance for investment. The banks try to pay 1 percent to local people, but what bank can compete with the United States Government with loans on all kinds of collateral or no collateral at all.

We embarked on these do-gooding practices as emergency measures. We continue them into national bankruptcy as political expediencies. We see the caution and danger lights dimly, but we hurtle on, heavy foot on the accelerator and give her the gas. The spending burden on my county is over $8,500,000 annually.

Our subcommittee on State, Justice, and Commerce has recommended the largest percentage cut of any of the 9 committees. I wish these cuts were real and firm. But alas. They are mostly deferments of statutory projects, and cuts in authorization that may be activated by conference later on. Our subcommittee will be replaced, for purpose of the conference with the Senate, with a new subcommittee completely ignorant of the facts developed in the hearings.

This knife did not go into personnel and get at the root of the evil. Most of the extra activities of the State Department could be cut in two or dispensed with entirely with a healthy result for the country. Two hundred and fifty international bodies and groups can create a lot of mischief and cause a lot of little countries to go broke trying to keep up with the international Joneses that bedevil and despoil America. Over 100 of these groups are to meet in 1951, as of now, and several million of your good dollars go to pick up the check for travel and expenses. The real check for what they decide to do comes later and costs many millions more. The effects of deals and trade treaties made against the best interests of American workers are exporting the jobs of some million or more and the total grows daily and it spreads to more trades and skills.

This Congress has seen almost all the trained personnel, which was added by the Eightieth to enable the Congress to cope in a small way with swarms of executive spenders working the year around to exploit and confuse us, discharged and not one professional expert has been available to assist us in evaluating the data presented.

We operate blindly, like a surgeon without X-ray charts. Our minority had to fight tooth and nail to get the green sheets on personnel in the various departments and the information is given grudgingly or not at all. Each one of these departments has a full year to integrate its claims and schemes into spending proposals and they present them in fresh relays before the committee with all the force of the Notre Dame platoon system, with a new backfield for every play. Human flesh can stand just so much shock and I marvel that the committees last out the long weeks of hearings. Without even a tool, without professional assistance, without even clerical or technical assistance, we take up end result and in an hour or two mark up the bill. On a strict party vote—minority against, majority for—we see billions okayed in a minute or 6 or 8 minutes, with each chapter in complete ignorance of the other 9 chapters or its contents and bring a deficit-spending program before you for a vote. Uncle Joe himself could not present a more efficient steam roller. We can spend billions for everybody everywhere, but nothing for a subcommittee staff to arm us with knowledge before we pick up the meat ax and start to cut. Certainly reorganization lasted no longer than the Eightieth Congress, then out of the window with it and the Missouri Waltz became the theme song.

Here is the State Department, grown to more than a dozen times its size when I came to Congress. Here are some of the salient items.

State Department costs for 1940, slightly over $18,000,000.

Now here we go for the 1951 requests:

Salaries and expenses	$78,731,000
Representation allowances	879,000
Foreign Service retirement and disability	2,223,000
Building funds	12,000,000
Emergencies	10,700,000
Contributions to international organizations	55,178,000
Missions to international organizations	1,636,000
International contingencies	3,300,000
Salaries and expenses, International Boundary Commission	1,380,000
Construction, International Boundary Commission	7,185,000
Rio Grande emergency	50,000
Salaries and expenses, international commission	529,000
International information and education	36,645,000
Salaries, Philippine rehabilitation	13,000,000
Expenses, Institute Inter-American Affairs	6,500,000
Total	229,936,000

Now, what has been the result of all these millions? Are our international relations in a happy state? Is the record of the State Department one to cause our hearts to swell with pride? Does it describe to the world the glory of the American Republic as a government of laws, one of checks and balances between the three coordinate branches of Government?

Does its Voice of America describe the kind of America you know and love? I suggest you read your State Department hearings on pages 1085 and 1087 and tell me if the $37,000,000 Voice program describes the America you know.

Follow my colleague, Mr. STEFAN, as he tries at every opportunity to have these State Department officials tell us what our foreign policies are. The whole sorry story for two decades is one of folly, failure and frustration. In Europe, one unhappy ally, Poland—fighting with a quarter of a million men—was sold out and these men have scattered over western Europe doing anything they can to hold body and soul together. All the Baltic countries, along with the now so-called satellite nations, were delivered by clandestine agreements to the tender mercies of the Soviets; one retreat after another; one frustration after another; one betrayal after another. Now China has been delivered to the same all-embracing clutch of totalitarian expansion. By two decades of foreign interference, spending billions of American money, we have created the greatest organization in the world for sticking our nose into every nook and cranny in every land, involving our people and all their resources in every domestic spat everywhere in the world. Our people are subjected to endless yak-yak by dozens of paid propagandists every day and almost every hour they are frightened out of their wits by sensational stories of mass destruction. Millions of our people find it too much to withstand and are emotionally ill. More and more of them become casualties of this one-world drive of the international busybodies, do-gooders and Socialists that are eating away the substance and structure of America. America the Republic; America, man's last best hope on earth.

These costs of the State Department, I have listed above, are only operational and personnel costs. The implementing of their meddling costs many billions of dollars more. The end results of their treaties are untold millions more in loss of jobs to increasing thousands of American working men and women.

I might, in all kindness, suggest that my colleagues in the House put their passports in storage this autumn and take a look about their own country. The ceramic and glass workers in West Virginia and Ohio, out of work, might tell them American automatic glass machines work in Belgium and Czechoslovakia as well as at home and at wages one-third of their own. Hatters in Connecticut and shoe workers and watchmakers in the State of Massachusetts might add their story to the glove workers of New York, the textile workers of all New England, the crab fishermen on both coasts, and the fishing industry generally. If they want to see millions of people more poorly housed than almost any country in Europe, they might take a bus trip through the southeastern part of the Nation, not forgetting to get back aways off the concrete. See if you have seen anything like it in Europe, leaving out, of course, the bombed areas. These are American people of almost pure colonial descent whose patriotism is of the highest order—again giving the lie to the claim "low incomes breed communism." Let us learn to know and appreciate America. Communism is an alien growth. These Departments of State and Commerce are generally wasteful of the peoples' substance—overmanned, overequipped, oversupplied—and the State Department particularly has created dozens of useless agencies all over the world.

Once more let me remind you that these sins are not the results of shortcomings of the House Committee on Appropriations. They are the result of legislative authorizations right here on the floor. We can only trim here and there and try to compel the agencies to follow the law. The responsibilities are those of Congress itself.

Mr. TABER. Mr. Chairman, I yield 13 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, the people have become aroused and are demanding as never before a reduction of the cost of Government. They know, and the Congress knows, that you cannot reduce the crushing tax load and begin retiring the present dangerous national debt unless this is done. The Congress is in a mood to do it.

We cannot succeed as we should without the cooperation of the President. The President, in his recent message from Key West urging that no reductions be made in the ECA program, and his insistence on much new and unnecessary legislation that would add billions of dollars to the cost of Government, gives no indication that we shall have his cooperation.

If the President would change his position and cooperate with the Congress and exert the power of his great office for economy in Government, we could stop new expensive legislation, we could cut this budget by $4,000,000,000 and stop deficit financing for the coming year.

Mr. Chairman, the bill before us calls for an appropriation of $27,266,000,000 for the purpose of paying the expenses of 11 departments of government for the next fiscal year. This does not include all of the budget requests of the President. The President has requested a total budget of $42,438,000,000.

This is the biggest budget for governmental expense ever asked by any nation in the world. The size of this budget is a threat to the future financial solvency of this Government and our contribution to the peace of the world.

It is a danger signal flashing in the faces of we Members of Congress which should cause deep concern, because we, the Members of Congress, were given the power and the responsibility to control the purse, or the spending, of the Nation.

We have reached the point where the people, bearing their heavy tax load, are calling upon the Members of Congress to live up to their responsibility and stop the constant upward spiral of the cost of Government. They are demanding that we Members of Congress reduce the cost of Government.

May I point out to you that the founders of our Government who wrote the Constitution, specifically provided in that document that all Members of the House of Representatives must come back to the people for their reelection every 2 years. This provision was written into

the Constitution because this body has the great power to levy taxes and to initiate legislation to provide for the cost of Government.

We who pass on this budget who are candidates for reelection must stand before the people and be judged by them on November 7.

Mr. Chairman, unless we are able to further substantially reduce this budget, I do not believe the judgment of the people generally will be favorable. I fear they will be greatly disappointed.

I realize the members of the subcommittee who have heard the testimony of the various heads of Departments of Government in considering the various items of these several bills are best qualified to point out to the members of the House who have not had an opportunity of serving on the Appropriations Committee, just where additional expense can and should be reduced. I understand that some of the members of the subcommittee at the proper time will offer such amendments.

Mr. Chairman, big government and big bureaucracy with its enormous expense and its power over the people is the greatest threat and danger to the people of this Nation. The way to reduce big government and lessen the threat to the people is to reduce the appropriations. This is the time and place to do something about it. I am anxious to join with the other Members in an effort to reduce the bill before us by as many billions as is possible. May I point out, as I did Monday in the debate, that big government has grown until it requires 2,000,000 people to manage it, and it will cost the taxpayers $42,438,000,000 unless we reduce the amount.

Now here is where we can be realistic and reduce the amount of this bill. Monday I asked the minority chairman of the committee, the gentleman from New York [Mr. TABER] if he thought we could reduce the Federal pay rolls and save a billion dollars without adversely affecting governmental services. The gentleman from New York, who has served many years as chairman, or as the ranking minority member of the committee replied:

> The total personnel cost in this budget is right around $7,000,000,000. In my opinion we could come very close to a billion dollars in reductions of personnel cost without, in the slightest degree, impairing the efficiency of the Government.

Mr. Chairman, here is one place where we can and should, in my judgment, reduce this budget by a billion dollars. I believe most Members of the Congress realize pretty well just how loose and expensive great over-grown politically controlled departments of government have become here in Washington. There is no question but that thousands and thousands of men and women, most of them in what might be termed the "middle or higher classifications of government," could be spared from public service and greater efficiency would result. A reduction of 100,000 at a salary of $6,000 each would save $600,000,000.

I think the majority of the Members of Congress feel as I do that very substantial reductions in personnel could be made in every department of government, probably through every classification of the departments from the highest to the lowest.

Mr. Chairman, I hope that an amendment may be offered to reduce the personnel in every department of Government considered under this bill which would effect a total savings of not less than $750,000,000. If we will take the money away from the various departments, we can force them to reduce the personnel. I fear no other plan will work.

Undoubtedly further reductions can and should be made affecting chapter IV, and certainly chapter V should offer a fertile field for heavy reductions. Chapter VI should be able to stand some further reductions.

Then we come to chapter VII, the Interior Department, which should also furnish an opportunity for heavy cuts and savings.

Mr. Chairman, in fact, we should, and I believe can, effect substantial savings in nearly all of the departments of Government which come under this bill. We should reduce this bill another billion and a half dollars.

When we consider the chaotic condition of the world and take into consideration that our first line of defense is the financial solvency of this Government, it should emphasize to every Member of the House the necessity of trying to balance spending against the income of the Government taken in taxes from the people.

Mr. Chairman, we will most likely have a deficit of expense over income at the end of this fiscal year of $5,000,000,000. It is predicted by the President that at the end of fiscal year 1951 there will be another deficit of $5,000,000,000, making a total of approximately $10,000,000,000.

We cannot go on at this rate and maintain the financial solvency of our Government. No businessman or farmer can spend more in his most prosperous years than he takes in without going broke. The Government is made up of 45,000,000 families, and it cannot continuously spend more than it takes in without getting into serious financial difficulty.

This budget request affords the time and the place for the Members of this House to call a halt against spending this country into financial bankruptcy. For my part, I am ready to join with the economy-minded Members of this House on both sides of the aisle to call such a halt, by reducing the budget every million and billion of dollars possible.

Mr. CANNON. I will say that the telephone charges of the Government as a whole are scattered through innumerable accounts of the departments, bureaus, and agencies, and it is impossible for us to say at this time what the aggregate is.

Mr. VURSELL. I thank the gentleman.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. STEFAN. I think the gentleman would like to have a "recap" of the total amount used in communications. There is no such information. You would have to search every bill to find that out, but the communication and transportation items have risen tremendously—transportation around 40 percent.

Mr. VURSELL. I thank the gentleman. I brought this matter up honestly because I know and the Members know that many people in Government pick up the telephone at a cost of $10 when it is unnecessary. Something ought to be done to try to stop it.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. RABAUT. The gentleman is bringing up a very good point. For many years in the committee we have warned the departments about the use of the telephone and the great cost to the Government. We have told them time and time again about it. In some of the departments they have a control office, where in order to make any sort of long-distance call you must have permission. The gentleman has brought up a good point, and it is a place where there is a tremendous expense to the Government.

Mr. VURSELL. I appreciate the sincerity of the gentleman from Michigan, and I know he is trying to do his best.

Mr. STEFAN. We have insisted in our particular bill that air mail be used, with the result that a considerable saving has been made, but still the cost of communications is very, very high. However, the use of air mail has resulted in considerable saving.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. FLOOD. I would like to add, on the subject of communications, that we have taken up, for instance with the State Department on many occasions, as the gentleman from Nebraska [Mr. STEFAN] is aware, and insisted upon using the cheapest kind of communications. I have in mind telegraph and cable communications, using night letters instead of regular telegrams, and the telephone control through all of the various bureaus of the Department. This subcommittee, to my personal knowledge, is paying great attention to this. We are aware of the abuse, and a great saving has been made.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. ALBERT. I think the gentleman has made a good point. I think it would be good information for the Congress and the public that each year we make available the total expenditures for telephone calls by all departments.

Mr. VURSELL. I will say to the gentleman from Oklahoma that I hope to go into that, to try to see if we can get some rough estimate, because I think it will be rather startling. I know the members of the Appropriations Committee are trying to hold it down.

Now, I read an article some weeks ago to the effect that we are about to build a new embassy in the Communist-dominated city of Warsaw in Poland. I should like to know, if anyone can give me the information, as to the amount of money

required, that is in this appropriation bill, or about what it might be.

Mr. STEFAN. The objective of the United States Government, insofar as furnishing quarters for our employees in foreign countries, is to own property where it is cheaper to own it than to lease or rent it. We have approximately 300 missions scattered over the world. In some places it is cheaper to lease than to own, but with the program now under operation, we have acquired millions of dollars worth of property in order to house our Foreign Service more economically. The gentleman may be interested to know that that is the only way we are getting back any money from lend-lease or surplus. We are acquiring this property by taking credit for lend-lease or surplus.

So far as buildings in countries behind the iron curtain are concerned, that same program is being carried out. I assume the gentleman fears that there might be some danger that we might lose them; but that is a diplomatic problem we will have to face when we come to it.

Mr. VURSELL. The gentleman from Nebraska has anticipated my thought. I think we should provide a home for the Ambassador, quarters, and so forth, out of blocked currencies and lend-lease where it might fall into enemy hands; it is all right, but it would be better not to have too much of our own American dollars in it; I would be afraid of it.

Mr. STEFAN. I assure the gentleman there are very few American dollars being used in the acquisition of property behind the iron curtain.

Mr. VURSELL. I want to ask another question; I hope it will not be embarrassing, although at times the subject has been, and I will ask my friends on the Republican side of the House. I am wondering if you can tell me how much money is in this bill for representation allowance for the State Department for the purchase of liquor for entertainment purposes.

Mr. STEFAN. I notice the gentleman used the figure of $800,000-plus for representation allowance. As I recall it, you will find representation allowances scattered throughout the bill. I do not have the exact figures before me, but I would judge that the total amount for representation runs around $1,250,000 or $1,300,000.

Mr. VURSELL. I thank the gentleman. And now I come to another one of those things that is not too nice. I presume the appropriations subcommittees in taking care of transportation expenses for the heads of departments and Cabinet members, and so forth, are using as much economy as they can, considering the high posts the people occupy; but, after all, as I said before, the Congress controls the purse strings. When we read of the great gathering out in Iowa where the President launched the Brannan plan some 2 or 3 months ago and a great many officials went out from Washington to support his Secretary of Agriculture, and then 2 or 3 weeks later at San Francisco, and then the great gathering to celebrate a particular political event at Kansas City; and when I read in the press every week where they are speaking to political and nonpolitical meetings all over the country, we realize that there is tremendous expense and that it must come out of the taxpayers if they are using Government airplanes and Government gasoline.

Has the gentleman any idea how much that cost is in this budget, and whether or not the committee is watching that just a little? I realize that when my party is in power they might abuse it some. But I object to any party in power not requiring a man drawing $25,000 a year to help run the Government, to stay on the job in Washington. I want him to stay in Washington as we Congressmen do and as the person does in the lowest place in the Government; I want him to stay in his place and work at least 60 to 75 percent of the time and not spend two-thirds of the time politically at the expense of the Government. Can the gentleman give me any information on that point?

Mr. STEFAN. I certainly could not tell the gentleman the total amount entailed in transportation. Naturally, I could say something inteligent about the transportation problem insofar as the Foreign Service is concerned, and the State Department. I told the gentleman previously that transportation has gone up about 40 percent according to our figures. It is a gigantic sum, it is true, and I am talking about only our bill, State, Justice, Commerce, and the Federal Judiciary. That transportation which is necessary is a gigantic amount; and there is, of course, considerable criticism against the State Department sending out a lot of people talking around the country. But so far as the real transportation in the particular bill is concerned, it is a legitimate item because there is so much transportation necessary in the Department of Justice, and in the Department of Commerce, especially when you have 300 missions scattered all over the world. You have to transport these people and their families from one place to another, and it runs into a lot of money.

Mr. CANNON. Mr. Chairman, may I ask the gentleman from New York [Mr. TABER], the ranking minority member of the committee, if he has any others to speak?

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I have about a dozen questions which I have been asked to answer. I assure those Members of the House who have asked me the questions that I will be very happy to answer them when we come to the section of the bill making appropriations for the Departments of State, Justice, and Commerce.

Mr. CANNON. Mr. Chairman, does the gentleman desire any further time?

Mr. TABER. We have no one.

Mr. CANNON. Does anyone on this side desire to be heard? There seems to be no one else who desires to debate the bill. Therefore, Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, had come to no resolution thereon.

SPECIAL ORDER GRANTED

Mr. EBERHARTER asked and was given permission to address the House today for 5 minutes following the legislative program and any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. LESINSKI (at the request of Mr. PRIEST) was given permission to extend his remarks and include a radio address.

Mr. SHELLEY (at the request of Mr. PRIEST) was given permission to extend his remarks in four instances and in each to include extraneous matter.

Mr. STEED asked and was given permission to extend his remarks and include a newspaper article.

Mr. KING asked and was given permission to extend his remarks.

Mr. DOYLE asked and was given permission to extend his remarks and include a report notwithstanding the fact that it is estimated by the Public Printer to cost $578.

Mr. PATTERSON (at the request of Mr. TABER) was given permission to extend his remarks in two instances.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks and include an article appearing in today's Times-Herald.

Mr. JENISON asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. IRVING asked and was given permission to extend his remarks and include a newspaper article taken from the Kansas City Star.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had on October 19, 1949, passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 146. Concurrent resolution authorizing the printing of additional copies of certain hearings held before the House Committee on Agriculture, and

H. Con. Res. 147. Concurrent resolution authorizing the Joint Committee on Atomic Energy to have printed 50,000 copies of Senate Rept. 1169.

UNEMPLOYMENT INSURANCE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 547)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on

Ways and Means and ordered to be printed:

To the Congress of the United States:

One of the great advances in economic legislation made during the 1930's was to establish the Federal-State system of employment security. This system has two parts—first, a Nation-wide employment service to help workers find jobs and employers find job-seekers; and second, a Nation-wide system of unemployment insurance to help tide workers over periods of unemployment.

Finding a job is of more importance to an unemployed worker, of course, than receiving unemployment-insurance benefits. Consequently, great emphasis has always been placed on strengthening and improving the employment service.

We cannot, however, completely eliminate unemployment; even in times of high employment, there will be turnover of jobs and numerous shifts and changes in job opportunities. Consequently, we must have a strong and steadily improving system of unemployment insurance.

Under our Federal-State unemployment-insurance system, benefits are paid in accordance with State laws, to workers who, while able and seeking to work, are unemployed through no fault of their own. These benefits are paid from the proceeds of State pay-roll taxes, which are deposited in reserve accounts—one for each State—in the Unemployment Trust Fund in the United States Treasury.

In the past 12 years unemployment insurance has proved its worth not only as an invaluable source of support to unemployed workers and their families, but also as a means of maintaining purchasing power of great value to the entire economy. In 1949, for example, 1.7 billion dollars in benefits were paid to more than seven million individuals, the largest amount for any year in the history of the system. This was a significant factor in preventing serious dislocations during last year's period of economic readjustment.

Our experience with unemployment insurance has revealed weaknesses as well as strengths in the existing system. While many improvements have been made in the State laws since the program began, the system is far from adequate today.

Over 15 million workers—about one-third of all employees—are not protected by unemployment insurance. In 1949, only about one-fifth of the purchasing power lost through unemployment was replaced by unemployment insurance benefits. In 1949, weekly benefits averaged only about $20—not enough to preserve a minimum standard of living. Nearly 2 million workers used up their benefits entirely—showing that benefits were not available for a long enough period. While the unemployment reserve funds of the States have so far proved to be adequate, a few States may soon face financial difficulties because of local concentration of unemployment.

On several occasions in recent years, I have recommended that the system be improved so as to extend protection to many workers not now covered; to provide, in every State, benefits for 26 weeks ranging up to $30 a week for single persons, with additional benefits for dependents; and to increase the financial stability of the system.

Action on these proposals has become more urgent as unemployment has increased somewhat in spite of the continuing high levels of business activity. While unemployment dropped over half a million between February and March, on the average nearly 4½ million persons were looking for work during the first 3 months of this year, as compared to 3 million in the same months of 1949, and nearly 2½ million in 1948. Furthermore, the length of time it takes people to find jobs is becoming longer. One million people—about one out of every four unemployed—have been out of work for 15 weeks or more. A year ago, only 420,000 were without jobs that long, and in 1948, only 330,000.

This gradual growth in unemployment over the last 2 years is not because there are fewer jobs. Employment has remained at high levels, along with industrial production, consumer incomes, and other indicators of the health of our economy.

But there are more people looking for work. In recent years, up to one million more people have come into the labor market each year, looking for work, than have left the labor market. Part of the new group entering the labor market this year will be the largest number of college graduates in our history—some 500,000 young people, including about 250,000 veterans. In addition, of course, a large number of high-school graduates will also be looking for jobs.

Furthermore, as new plants and equipment have been added and supplies of raw materials have become more ample, businessmen have been able to produce more with the same number of workers.

Thus, our labor force has increased, our productivity has increased, but the number of jobs has not kept pace. This emphasizes the importance of expanding our economy so that new jobs will be created to use skills and energies that are now being wasted. It also emphasizes the importance of making the better provision for those who are temporarily out of work.

The Congress now is well along toward completing action on legislation to improve the old-age and survivors insurance and public-assistance programs. Like those programs, the unemployment-insurance system needs to be improved in the light of experience. Accordingly, I recommend that the Congress turn its attention as soon as possible to strengthening our Federal-State unemployment-insurance system.

First, I recommend that coverage be extended to about 6 million workers not now covered. The first major deficiency in the present Federal-State system of unemployment insurance is that it excludes large numbers of workers.

Coverage should be extended to employees of small firms—those employing one to seven workers. Workers in firms employing fewer than eight workers were originally left out of the Federal law because of expected administrative difficulties. In fact, however, such employees have been satisfactorily covered for years under the Federal old-age and survivors insurance system, and 17 States have already extended their unemployment-compensation systems to cover them, without encountering any serious administrative difficulties. Many other States are waiting for the Federal Government to act and have provisions in their laws which would cover these employees automatically when the coverage of the Federal act is extended. No reason exists for discriminating longer in the Federal law against such workers.

Coverage should also be extended to Federal Government civilian employees. Although the Federal Government took the leadership in establishing a system of unemployment insurance for workers in private industry, it has not assumed the same obligation toward its own employees. Yet, the rate at which Federal workers—especially manual workers—are separated from their jobs is approximately as high as in private industry. Federal workers should no longer be denied the protection of unemployment insurance.

I also propose extensions of coverage to about 500,000 persons who are employed on a commission basis, and about 200,000 workers in occupations of an industrial nature connected with agriculture all of whom are excluded at present. Moreover, the Federal unemployment-insurance legislation should be extended to Puerto Rico, subject to its acceptance by the Territorial Legislature.

Second. I recommend the establishment of Nation-wide minimum levels for amounts and duration of unemployment benefits, in order to correct the second major deficiency in the present insurance system—the inadequacy of benefits.

At present, while the Federal law includes a number of standards which the States are required to meet, it does not establish minimum levels for benefit amounts or duration. Maximum weekly benefits in the various States now range from $15 to $27 for single persons. Benefits are somewhat larger for persons with dependents in the 11 States providing dependents' allowances. With these maximum levels, average weekly benefits for the Nation as a whole were just over $20 in 1949.

The variations among States create serious inequities. They mean that workers who lose their jobs in identical circumstances are treated very differently because of the accident of geographical location. They mean that businessmen in some States suffer a greater loss in markets when unemployment occurs than do those in other States.

Furthermore, while the States have generally increased benefits in recent years, so that the situation is not nearly so bad as in the case of old-age and survivors' benefits, in most States the increases in benefits have lagged considerably behind increases in wages and costs of living. Thus, unemployment benefits today replace a smaller proportion of a worker's regular wages than was the case when the system was started.

For these reasons, I believe that Nation-wide minimums should be established by law which will assure adequate benefits in all States. The standards proposed are these: Benefits for single persons should approximate 50 percent of normal earnings, up to a maximum of at least $30 a week. Additional allowances should be granted for individuals with dependents. The proportion of previous earnings replaced would vary with the number of dependents, up to a maximum of 70 percent of wages, or $42, whichever is lower, for an individual with three or more dependents.

These standards are not high. If they had been in effect, the national average weekly benefits in 1949 would have been just over $24. But this would be a substantial improvement in an income level which, at best, is intended to provide only for subsistence expenses. Furthermore, uniform standards would reduce present inequities in benefit levels among different States. Some variation in benefit amounts would and should remain, reflecting the differences in wage levels and costs of living in different parts of the country.

At present, the maximum duration of benefits varies among the States from 12 to 26 weeks. Like the variation in size of benefits, this is inequitable, and in many States simply represents a lag in reaching what was considered from the beginning to be a desirable standard, but which was originally set low because of actuarial uncertainties. With this wide range, the average duration of benefits in 1949 was less than 13 weeks. Because of the short duration of benefits, nearly 2 million workers exhausted their rights to benefits before finding another job.

Benefits should be available for at least 26 weeks in a year to all workers who are out of work that long. Experience in the States which have increased the duration of benefits is that while average duration does not rise very much, because most workers find a new job before using up benefits, the number who use up their benefits entirely is markedly decreased. It is estimated that, under my proposal, the number of workers who exhausted their benefits in 1949 would have been only half as large as it was.

The combined effect of my recommendations for extended coverage, higher benefits, and longer duration, would have resulted in about 850 million dollars more in benefits and in consumer demand in 1949. The cost of these improvements would be moderate. At the same time that weekly benefits are raised, the upper limit to the amount of wages taxed should be raised from $3,000 to $4,800 per worker, in line with the increases in wage levels. On this basis, the combined cost of all benefits for all States under these proposals would have been about 1.2 percent of taxable pay rolls in 1948 and 2.5 percent in 1949—compared with actual costs (on the basis of the present $3,000 wage limit) of 0.9 percent of taxable pay rolls in 1948 and 2.2 percent in 1949.

In most States the rate of tax has been extremely low in recent years; many employers have had to pay no tax whatever. Some States have had to increase rates somewhat last year or this year, but in all but a few cases, taxes are still well below the rate of 2.7 percent contemplated when the system was started. Under my proposals, many States would not have to increase tax rates to cover all the increased costs, since they still have excess reserves. Most, if not all, States would find no trouble meeting the additional costs within the 2.7-percent tax rate.

Consequently, I believe that the standards I propose will achieve substantial improvement in the unemployment-insurance system, benefiting both workers and businessmen, at very reasonable costs. As is the case at present with respect to coverage, the Federal law should not prevent the States from exceeding the minimum standards if they wish to do so.

Third, I recommend that adequate methods should be required to provide benefits for workers who move from one State to another.

Clearly a worker who is employed in two different States during a year is as entitled to unemployment-insurance benefits when out of work as a worker who is employed in only one. The States have generally recognized this, and have attempted voluntarily to work out methods for paying benefits in such interstate cases. They have, however, been only partially successful. Interstate workers generally must wait much longer to receive benefits than intrastate workers. Furthermore, the benefits of many interstate workers are lower than if they had worked in only one State.

It is a difficult problem to develop adequate methods for paying benefits promptly and equitably to interstate workers in our Federal-State unemployment-insurance system. Nevertheless, it is in the national interest to encourage the mobility of labor, since that is indispensable to economic expansion in a free society like ours. Consequently, I believe that the States should be required to adopt such methods as are necessary to provide fair and adequate protection for interstate workers.

Fourth, I recommend that both Federal and State laws concerning fraud and disqualifications should be revised and improved.

It was a weakness in the original Federal legislation that it did not clearly require the States to deal adequately with the question of fraud. Some States—without going to uneconomical extremes in inspection and policing—have instituted effective methods for preventing or detecting fraudulent claims. I believe, however, that the Federal law should be clarified so that all States can be required to have adequate means for dealing with those few individuals who attempt to obtain benefits through misrepresentation.

During the last few years, some States have considerably enlarged the number of reasons for disqualifying workers who seek unemployment benefits and have increased the severity of penalties for disqualification. These excessive disqualifications have operated to prevent persons who are genuinely out of work through no fault of their own from receiving benefits. These over-severe disqualification provisions, which penalize the innocent along with the guilty, should be corrected.

Fifth, I recommend, at this time, two improvements in the financing arrangements for unemployment insurance.

Since the beginning of the program, a small part of the unemployment tax has been collected by the Federal Government and included in general Federal revenues. The administrative costs of the program—both Federal and State—have been paid out of general Federal revenues, and have never been as large as the Federal unemployment tax collections. I propose that the Federal unemployment tax be paid into a special Federal unemployment account in the Unemployment Trust Fund (which now includes the separate State reserve accounts for the payment of benefits). This account would be used exclusively to pay the cost of State and Federal administration of the employment security program, and the cost of reinsurance grants, to be available to States who encounter temporarily severe financial difficulties.

Experience has demonstrated that the cost of unemployment insurance varies widely among the different States. This is mainly due to differences in each State's economic structure and in the incidence of unemployment in certain industries, which are beyond the control of the individual State. It has become evident that a few States, while able to finance an adequate system of unemployment insurance in normal periods, may not be able to maintain the solvency of their unemployment funds in a period of severe unemployment under the present financial provisions provided in the Federal legislation. So that these States will not be forced to increase their tax rates unduly during periods of declining employment and pay rolls, the legislation should be amended to provide assistance to such States through reinsurance grants when their funds approach exhaustion. This will be a major step toward strengthening our Federal-State system of unemployment insurance, since it will, without detracting from the independence of State action, gain some of the advantages of pooled reserves.

A strengthened unemployment-insurance system not only will furnish more adequate aid to those who become unemployed, but also will do more to maintain the high volume of consumer purchasing power so necessary to the welfare of the entire economy. Thus, it is a strong element in our program to support growth and expansion in the economy.

Our essential economic problem is to put to sound, productive use our increasing technical knowledge and our growing labor force. To this end we need imaginative and enterprising investment—in plant capacity, in new equipment, in basic resource development. To this end we need vigorous competition and a growing number of new businesses. To this end we need a stable agriculture, sensible wage-price-profit decisions, and mature labor-management relations. To this end we need an expanding world

economy, with a productive flow of international trade and investment.

Both private and public policies must be directed to these purposes, and I have recommended a series of measures to the Congress for Federal action. My present proposal to strengthen our unemployment-insurance system is one of these measures.

I am particularly urging action at this session of Congress on unemployment insurance because State legislation must follow the Federal amendments. Action by the Congress this year would clear the way for State action in 1951, when practically all of the State legislatures will be meeting in regular session.

But the primary reason for congressional action is the real need of those who are unemployed. The unemployment-insurance system is a tried and proven means of assisting them. That system urgently needs strengthening. I therefore request favorable consideration of these recommendations at this session of Congress.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 6, 1950.*

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. EBERHARTER] is recognized for 5 minutes.

UNEMPLOYMENT INSURANCE

Mr. EBERHARTER. Mr. Speaker, the message of the President recommending measures for the protection of workers against the hazard of unemployment is a very timely supplement to the social security bill, H. R. 6000, which passed the House during the closing days of the first session of the Eighty-first Congress. In my opinion, this social security bill, which is now pending in the Senate Committee on Finance, is the most important single piece of legislation which the Eighty-first Congress is likely to have before it.

Unfortunately, the Committee on Ways and Means, because of limitations of time, included improvements in only old-age and survivors insurance and public assistance provisions of the Social Security Act.

The committee is currently engaged in executive sessions on tax revision, but it is my earnest conviction that the best utilization of time, when work on the tax bill is finished, would be the scheduling of hearings on the recommendations of the President on unemployment insurance.

The President has pointed up the most serious deficiencies under the existing Federal-State system of unemployment insurance. The workers not now covered by unemployment insurance and the unemployed whose benefits under existing State laws have expired, as well as those whose jobs are in jeopardy in the event of a further decline in employment, all appreciate that unemployment is no longer a local problem confined to the borders of a single State. To wait until mass unemployment strikes would be criminal neglect of duty on the part of the Congress. We have been amply and ably warned by this message. I trust that the Committee on Ways and Means will heed the warning.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Messrs. HARRISON, MOULDER, MCSWEENEY, VELDE, and WALTER (at the request of Mr. WALTER), for an indefinite period, on account of official business, attending committee hearings of the Un-American Activities Committee.

To Mr. GOLDEN, for today, on account of official business.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 44. An act for the relief of Arthur O. Fisher;

S. 46. An act for the relief of Primitivo Urcelay-Ruiz; and

S. 1305. An act for the relief of Theodore Constantin Trancu and his wife.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on April 5, 1950, present to the President, for his approval, bills of the House of the following titles:

H. R. 1758. An act to amend the Natural Gas Act approved June 21, 1938, as amended; and

H. R. 3946. An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.), pursuant to the provision of House Concurrent Resolution 193, the House adjourned until Tuesday, April 18, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1365. A letter from the Assistant Secretary, Department of State, notifying and inviting the United States as a member state of the World Health Organization to participate in the Third World Health Assembly, convening in Geneva on May 8, 1950, and including a copy of the agenda; to the Committee on Foreign Affairs.

1366. A letter from the Assistant Secretary of the Navy, transmitting a report of a proposed transfer of two 24-foot plane personnel boats to the Harbor Department, City of San Diego, Calif., pursuant to section 1 of the act of August 7, 1946, chapter 804 (60 Stat. 897); to the Committee on Armed Services.

1367. A letter from the Comptroller General of the United States, transmitting a report on the audit of Export-Import Bank of Washington for the fiscal year ended June 30, 1949 (H. Doc. No. 548); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1368. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 15, 1949, submitting a report, together with accompanying papers and an illustration, on a review of reports on, and a preliminary examination and survey of, the Osage River and tributaries, Missouri and Kansas, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on June 22, 1943, and also authorized by the Flood Control Act approved on December 22, 1944 (H. Doc. No. 549); to the Committee on Public Works and ordered to be printed, with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee on the Judiciary. H. R. 6390. A bill to amend titles 18 and 28, United States Code, with respect to the time of reporting to Congress rules of procedure adopted by the Supreme Court for criminal, civil, and admiralty cases and the time of their taking effect; with amendment (Rept. No. 1894). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. S. 277. An act to enhance further the security of the United States by preventing disclosures of information concerning the cryptographic systems and the communication intelligence activities of the United States; without amendment (Rept. No. 1895). Referred to the House Calendar.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1905. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. KEATING: Committee on the Judiciary. H. R. 7827. A bill to increase criminal penalties under the Sherman Antitrust Act; without amendment (Rept. No. 1906). Referred to the House Calendar.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. House Resolution 522. Resolution rejecting Reorganization Plan No. 6 of 1950; without amendment (Rept. No. 1907). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GRAHAM: Committee on the Judiciary. H. R. 4011. A bill for the relief of Stavros Matheos (also known as Steve Matheos or Matheou); with amendment (Rept. No. 1896). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 4188. A bill for the relief of Dr. Ferdinando Schiappa; without amendment (Rept. No. 1897). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 4806. A bill for the relief of Dr. Francesco Drago; without amendment (Rept. No. 1898). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6505. A bill to legalize the entry of Mrs. David Munson Osborne (nee Janet Mary Tole), a native of New Zealand; with amendment (Rept. No. 1899). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7254. A bill for the relief of Mrs. Bernard Smith; with amendment (Rept. No. 1900). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7283. A bill for the relief of Mrs. Jack B. Meyer; with amendment (Rept. No. 1901). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 7485. A bill for the relief of Mrs. Maria Margarite Noe; without amendment (Rept. No. 1902). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 7656. A bill for the relief of David George Callaway; with amendment (Rept. No. 1903). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 7050. A bill for the relief of Louie Gam Yean; with amendment (Rept. No. 1904). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLEMENTE:

H. R. 8046. A bill to provide for the admission to the United States of an additional number of aliens of Italian nationality; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 8047. A bill to authorize the Secretary of Agriculture, in order to afford emergency and temporary relief to producers of eggs, poultry, and dairy products, to make available surplus grain to such producers at such prices as may be necessary to establish equitable feed ratios; to the Committee on Agriculture.

By Mr. SADLAK:

H. R. 8048. A bill to amend the Veterans' Preference Act of 1944 to provide additional preference, in retention, reemployment, and reinstatement, for veterans having a disability of 10 percent or more; to the Committee on Post Office and Civil Service.

By Mr. BYRNE of New York:

H. R. 8049. A bill to extend the statute of limitations with respect to certain suits; to the Committee on the Judiciary.

By Mr. CROSSER:

H. R. 8050. A bill to amend the War Claims Act of 1948 so as to provide for the payment of certain tort claims to employees of contractors with the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. HUBER:

H. R. 8051. A bill to provide for the enforcement of support orders in certain State and Federal courts, and to make it a crime to move or travel in interstate and foreign commerce to avoid compliance with such orders; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 8052. A bill to amend the Internal Revenue Code for the purpose of increasing the amounts that will be paid into the Federal old-age and survivors insurance trust fund under section 201 of the Social Security Act; to the Committee on Ways and Means.

By Mr. MULTER:

H. R. 8053. A bill to provide for the issuance of a special postage stamp in honor of Col. David (Mickey) Marcus; to the Committee on Post Office and Civil Service.

By Mr. ROOSEVELT:

H. R. 8054. A bill to supplement the Budget and Accounting Act of 1921 by providing for a balanced budget in an expanding economy, long-range budget estimates, a Presidential item veto, a consolidated cash budget, an investment budget, and 4-year appropriations for major investment programs; to the Committee on Expenditures in the Executive Departments.

By Mr. SIMPSON of Illinois:

H. R. 8055. A bill relating to the collection, payment, and dishonor of demand items, and to the revocation of credit for, and payment of, such items, by banks in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BURTON:

H. R. 8056. A bill to provide for the issuance of a special postage stamp in commemoration of the one hundred and fiftieth anniversary of the death of Patrick Henry; to the Committee on Post Office and Civil Service.

By Mr. WEICHEL:

H. R. 8057. A bill relating to the checking, spending, and quarterly payment of appropriations for the executive branch of the Government, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. SABATH:

H. R. 8058. A bill providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at international trade affairs, and for other purposes; to the Committee on Ways and Means.

By Mr. McCORMACK:

H. R. 8059. A bill to extend and improve the unemployment-compensation program, and for other purposes; to the Committee on Ways and Means.

By Mr. SHELLEY:

H. R. 8060. A bill to amend section 403 of the Renegotiation Act; to the Committee on Ways and Means.

By Mr. SABATH:

H. J. Res. 453. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the First United States International Trade Fair, to be held at Chicago, Ill., August 7 through 20, 1950; to the Committee on Foreign Affairs.

By Mr. JENNINGS:

H. Res. 543. Resolution creating a select committee to conduct an investigation of the sale by the Public Housing Administration of the Federal housing project known as Eagleton Village, situated in Blount County, Tenn.; to the Committee on Rules.

By Mr. SHAFER:

H. Res. 544. Resolution authorizing an investigation by the Committee on Agriculture due to the recent drop in the price of onions; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, with reference to an immediate survey of the hydroelectric potentialities of the New England States; to the Committee on Public Works.

Also, memorial of the Legislature of the State of New York, relative to the earmarking of funds collected under the Federal Unemployment Tax Act to each State to be used in the administration of the unemployment-insurance law; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BREHM:

H. R. 8061. A bill for the relief of Yuki Sugimoto and her minor son; to the Committee on the Judiciary.

By Mr. ELLIOTT:

H. R. 8062. A bill for the relief of the legal guardian of Charles Spiller and Glenn T. Spiller, minors; to the Committee on the Judiciary.

By Mr. MARSHALL:

H. R. 8063. A bill for the relief of Carlos Sanchez Perez; to the Committee on the Judiciary.

By Mr. McGRATH:

H. R. 8064. A bill providing for the permanent residence of Sisters Adalgisa Bellagamba, Maria Rina Montecchio, Anna Taricco, Maria Caterina Crevani, Elizabeth Baggio, Rosa Portale, Lorenzina D'Amico, Assunta Bonfiglio, Maria D'Amico, Lorenzina Scellato, Luigia Andreina Fratelli, Elena Montecchio, and Maria Bellesso; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 8065. A bill for the relief of Mikhail Ivanovich Samarin, Klavdia Mikhailovna Samarin, and Elena Samarin; to the Committee on the Judiciary.

H. R. 8066. A bill for the relief of Robert Francis Symons; to the Committee on the Judiciary.

By Mr. O'SULLIVAN:

H. R. 8067. A bill for the relief of Mrs. Yup Boon (Joan) Kim Swanes; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 8068. A bill for the relief of R. E. Agee and Margaret E. Agee; to the Committee on the Judiciary.

By Mr. SHAFER:

H. R. 8069. A bill for the relief of Michiko Kohga; to the Committee on the Judiciary.

H. R. 8070. A bill to provide for the conveyance of the Percy Jones General Hospital Gull Lake Annex, Gull Lake, Mich., to the W. K. Kellogg Foundation, Battle Creek, Mich.; to the Committee on Armed Services.

By Mr. WALTER (by request):

H. R. 8071. A bill for the relief of Egidius A. Houben and Margot Houben; to the Committee on the Judiciary.

By Mr. WHITE of California:

H. R. 8072. A bill for the relief of Arshag Pehlevanian and Mrs. Vartanoosh Berberian Pehlevanian; to the Committee on the Judiciary.

H. R. 8073. A bill for the relief of Kimiko Iso and her minor daughter, Midori; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2057. By Mr. FORAND: Resolution passed by the Senate of the General Assembly of the State of Rhode Island, requesting the Senators and Representatives from Rhode Island to use their good offices to amend H. R. 6533, the Dingell bill, so-called, or a similar measure to provide that some of the money be made available by the aforesaid bill to improve and study salt-water fish, and to secure prompt passage of the Dingell bill; to the Committee on Merchant Marine and Fisheries.

2058. By Mr. GORSKI: Memorial of the Senate and Assembly of the State of New York, respecting the earmarking of funds collected under the Federal Unemployment Tax Act to each State to be used in the administration of the unemployment-insurance law; to the Committee on Ways and Means.

2059. By the SPEAKER: Petition of the Massachusetts State board of the Ancient Order of Hibernians in America, Worcester, Mass., relative to eliminating the unjust partition of Ireland; to the Committee on Foreign Affairs.

2060. Also, petition of the Medicial Society of the State of New York, New York, N. Y., opposing any form of compulsory health insurance or any system of political medicine; to the Committee on Interstate and Foreign Commerce.

2061. Also, petition of Harry W. Putnam and others, Malden Townsend Club, No. 1, Malden, Mass., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

2062. Also, petition of J. E. Eicher and others, Eustis, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

MONDAY, APRIL 10, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of the living and of the living dead, from the beauty of the lilies in temples of worship in the afterglow of Easter Day we come girding ourselves with its deathless message, as again we take up our daily tasks "feeling through all this earthly dress bright shoots of everlastingness." In our own risen lives, seeking those things which are above, enable us to challenge with the conquering truth of Easter all tyrants who denying it deal in falsehood and chains, as they exploit and degrade the holy temple of human personality. Knowing there is no way to dawn except by dark, or to Easter except by Calvary, may we face whatever the future holds calm and confident in the assurance that—

"There lives the beauty that man cannot kill,
Yea, that shall kill all ugliness at last;
And Christ in love's white vesture moveth still among us.
May we hold that faith and hold it fast."

Amen.

THE JOURNAL

On request of Mr. MAYBANK, and by unanimous consent, the reading of the Journal of Wednesday, April 5, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2246) to amend the National Housing Act, as amended, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5943. An act to provide for the erection of a monument at the grave of Constantino Brumidi;

H. R. 7341. An act to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Anacostia River in the vicinity of East Capitol Street, and for other purposes; and

H. R. 7846. An act to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 125. Concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed 5,000 copies of the hearings, held before said committee, on the resolutions entitled "Study of Monopoly Power";

H. Con. Res. 186. Concurrent resolution authorizing a statue of the late Brigham Young, of Utah, to be placed in Statuary Hall; and

H. Con. Res. 192. Concurrent resolution providing for the printing of 1,000 additional copies of hearings relative to revenue revision held before the Committee on Ways and Means during the current session, including an index.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 44. An act for the relief of Arthur O. Fisher;

S. 46. An act for the relief of Primitivo Urcelay-Ruiz; and

S. 1305. An act for the relief of Theodore Constantin Trancu and his wife.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. MILLIKIN was excused from attendance on the sessions of the Senate during this week.

On his own request, and by unanimous consent, Mr. FLANDERS was excused from attendance on the session of the Senate tomorrow.

On request of Mr. HENDRICKSON, and by unanimous consent, Mr. SMITH of New Jersey was excused from attendance on the sessions of the Senate for an indefinite period.

On his own request, and by unanimous consent, Mr. ANDERSON was excused from attendance on the sessions of the Senate on Tuesday, Thursday, and Friday of this week.

COMMITTEE MEETINGS DURING SENATE SESSIONS

Mr. GEORGE. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to sit each afternoon at 2 o'clock during the sessions of the Senate. For so long a time as we can obtain consent of the chairman of the Committee on the District of Columbia, the meetings of the Committee on Finance will be held in the room of the Committee on the District of Columbia, on the Senate floor.

The VICE PRESIDENT. Without objection, it is so ordered.

On request of Mr. MCCLELLAN, and by unanimous consent, the Committee on Expenditures in the Executive Departments was granted leave to sit while the Senate is in session at any time during this week.

CALL OF THE ROLL

Mr. MAYBANK. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	McKellar
Brewster	Hickenlooper	McMahon
Bridges	Hill	Magnuson
Butler	Holland	Malone
Byrd	Humphrey	Martin
Cain	Hunt	Maybank
Capehart	Ives	Morse
Chapman	Jenner	Mundt
Chavez	Johnson, Colo.	Neely
Connally	Johnson, Tex.	O'Conor
Cordon	Kefauver	O'Mahoney
Darby	Kem	Robertson
Donnell	Kerr	Saltonstall
Douglas	Kilgore	Schoeppel
Dworshak	Knowland	Sparkman
Ecton	Langer	Stennis
Ferguson	Leahy	Taft
Flanders	Lehman	Thomas, Utah
Frear	Lodge	Tobey
Fulbright	Long	Watkins
George	Lucas	Wherry
Gillette	McCarran	Williams
Green	McCarthy	Withers
Gurney	McClellan	
Hayden	McFarland	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Idaho [Mr. TAYLOR] are detained on official business.

The Senator from Connecticut [Mr. BENTON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senators from North Carolina [Mr. GRAHAM and Mr. HOEY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Georgia [Mr. RUSSELL] are absent on public business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Oklahoma [Mr. THOMAS] and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER], the Senator from Maine [Mrs. SMITH], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Colorado [Mr. MILLIKIN], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

The VICE PRESIDENT. A quorum is present.

During the call of the roll when Mr. ROBERTSON's name was called there were manifestations of applause in the gallery.

The VICE PRESIDENT. The Chair will state to the visitors in the gallery that applause is out of order; any sort of demonstration is prohibited by the rules of the Senate. We are glad to have guests in the galleries, but order must be preserved; otherwise, the Senate cannot transact its business.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, present petitions and memorials, and submit routine matters for the RECORD, without debate, and without speeches.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

FEDERAL-STATE SYSTEM OF EMPLOYMENT SECURITY—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 547)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was ordered to be printed in the RECORD, and referred to the Committee on Finance.

(For President's message, see proceedings of the House of Representatives of April 6, 1950, on pp. 4952–4955.)

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ACQUISITION OF CERTAIN PROPERTIES OF IMPERIAL IRRIGATION DISTRICT, CALIFORNIA

A letter from the Under Secretary of State, transmitting a draft of proposed legislation to authorize the carrying out of the provisions of articles 12 and 23 of the treaty of February 3, 1944, between the United States and Mexico, by authorizing the acquisition of certain properties of the Imperial Irrigation District of California, situated in the vicinity of Andrade, Calif., and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

PROPOSED TRANSFER BY NAVY DEPARTMENT OF NAVAL PERSONNEL BOATS TO CITY OF SAN DIEGO, CALIF.

A letter from the Assistant Secretary of the Navy, reporting pursuant to law, that the city of San Diego, Calif., had requested the Navy Department to transfer two 24-foot plane personnel boats, for the use of the harbor department of that city; to the Committee on Armed Services.

PROPOSED TRANSFER BY NAVY DEPARTMENT OF PICKET BOATS TO CITY OF LOS ANGELES, CALIF.

A letter from the Assistant Secretary of the Navy, reporting, pursuant to law, that the Department of Police of the City of Los Angeles, Calif., had requested the Navy Department to transfer two 38-foot picket boats for harbor police protection from the water side of the harbor district of that city; to the Committee on Armed Services.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Attorney General, transmitting, pursuant to law, copies of the orders of the Commissioner of the Immigration and Naturalization Service granting the status of permanent residence to certain aliens, together with a complete and detailed statement of the facts and pertinent provisions of law and the reasons for granting the status of permanent residence to each alien (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service, suspending deportation as well as a list of the persons involved, together with a detailed statement of the facts and pertinent provisions of law and the reason for ordering suspension of deportation of each alien (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

Two letter from the Acting Attorney General, withdrawing the names of Pantaleon Gutierrez-Zuniga and Jose Antonio Gomes, from reports relating to aliens whose deportation was suspended more than 6 months ago, transmitted to the Senate on October 3, 1949, and January 16, 1950, respectively; to the Committee on the Judiciary.

AUDIT REPORT ON NATIONAL CAPITAL HOUSING AUTHORITY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the National Capital Housing Authority, for the fiscal year ended June 30, 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

AUDIT REPORT ON PUBLIC HOUSING ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Public Housing Administration, for the fiscal years ended June 30, 1947 and 1948 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

AUDIT REPORT ON EXPORT-IMPORT BANK OF WASHINGTON

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Export-Import Bank of Washington, for the fiscal year ended June 30, 1949 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Assembly Joint Resolution 4

"Joint resolution relative to control of water pollution

"Whereas the Eightieth Congress of the United States enacted the Water Pollution Control Act which provides for the granting of loans to any State, municipality, or interstate agency for the construction of necessary treatment works to prevent the discharge by such State or municipality of untreated or inadequately treated sewage or other waste into interstate waters or into a tributary of such waters; and

"Whereas Federal loans under the Water Pollution Control Act will be made only when approved by the appropriate State water-pollution agency; and

"Whereas the Water Pollution Control Act also provides for allocation of funds to States for expenditure by or under the direction of the State water-pollution agencies for conduct of research, prevention, and control of water pollution caused by industrial wastes; and

"Whereas the legislature of this State created the State water pollution control board by enacting chapter 1549 of the statutes of 1949; and

"Whereas the State water pollution control board is charged with the administration of any State-wide program of financial assistance for, or research in, water-pollution control; and

"Whereas it was the intent of the Legislature of California that the State water pollution control board be the State water-pollution agency within the meaning of the Federal Water Pollution Control Act: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Federal Works Administrator is respectfully memoralized to recognize the State water pollution control board as the State water-pollution agency in connection with all matters relating to the Water Pollution Control Act; and be it further

"*Resolved*, That the Congress of the United States is respectfully memorialized and urged to enact such amendments to the Water Pollution Control Act as may be necessary to authorize the States to designate the agency to act as the State water-pollution agency within the meaning of the Water Pollution Control Act; and be it further

"*Resolved*, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Federal Works Administrator."

Two joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 6

"Joint resolution relating to memorializing Congress to exempt motion picture and all types of theatrical entertainment from the Federal admissions tax

"Whereas for the purpose of meeting wartime emergency necessity, the Congress of the United States enacted an excise tax of 1 cent for each 5 cents, or major fraction thereof, of the amount paid for admissions to any place, including motion-picture theaters and other places where theatrical entertainment is presented; and

"Whereas the said wartime emergency no longer exists; and

"Whereas it should be a principle of Federal taxation that the burden thereof be fairly and equitably distributed; and

"Whereas the said admissions tax is unfair and inequitable in its operation, in that it imposes an onerous and oppressive burden upon children and upon persons of low income, who are thereby denied access at reasonable cost to the wholesome recreation afforded by motion pictures and theatrical entertainment; and

"Whereas, due in large measure to said tax, the production of motion pictures in this State is at its lowest level in many years and attendance in motion-picture theaters has noticeably decreased; and

"Whereas this State accounts for 90 percent of the production of motion pictures in the United States, and the aforesaid low level of production of the same is certain to have serious detrimental effect upon the economy of this State and upon the welfare and well-being of its citizens: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States immediately to enact legislation exempting motion pictures and all types of theatrical entertainment from the operation of the aforesaid Federal admissions tax; and be it further

"*Resolved*, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the chairman and each member of the committee on taxation in each House in Congress, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 7

"Joint resolution memorializing the Congress of the United States to modify the Federal luxury tax

"Whereas there exists a Federal law taxing luxuries; and

"Whereas many of the items designated as luxuries and taxed as such are in fact utter necessities in modern life; and

"Whereas the Federal luxury taxes were imposed during a period of great national emergency, partly for the purpose of discouraging unnecessary spending and to aid in conservation of the limited wartime supply of certain consumer goods; and

"Whereas scarcities of consumer goods no longer exist; and

"Whereas a luxury tax on legitimate business in times of peace is inequitable to a large portion of the population, such as waiters, musicians, actors, and other persons of special talents who are unemployed as a result of the 20-percent luxury tax on theatrical entertainment, night clubs, and cafes, which is forcing many such establishments to close their doors or to abandon the music and entertainment portions of their normal service; and

"Whereas a tax upon the use of public communication and transportation facilities is a tax not on a luxury but on a business and social necessity and works such a hardship upon small business in particular that it is in fact ruinous to many; and

"Whereas these so-called luxury taxes also extend to many articles, such as baby oils, necessary to the care of infants, thus throwing a disproportionate burden upon young families which have not yet had time to achieve the higher brackets of income and therefore suffer under a tax which takes from those least able to pay; and

"Whereas the tax of necessities as luxuries also works a hardship and inequity upon women in requiring them to pay a 20-percent luxury tax upon such necessities as low-cost luggage, cosmetics, handbags, and similar articles as necessary to their business and social life and any other article of clothing; and

"Whereas this hardship and inequity could be relieved by a proper reclassification and modification of the items subject to tax as luxuries to the end that only those articles which are in fact luxuries or of luxury quality would be taxed: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Legislature of California hereby memorializes the Congress of the United States to take immediate action to relieve articles necessary to ordinary business and livelihood from the imposition of luxury taxes in order to reduce the hardships upon those of low income, upon women, and upon small business; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the chairman and each member of the Committee on Taxation in each House of Congress, and to each Senator and Representative from the State of California in the Congress of the United States."

A joint resolution of the Senate of the State of California; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 3

"Senate joint resolution relative to the distribution to unemployed seasonal agricultural workers of surplus food in storage in the State of California owned by the Federal Government to be made available to them through State and county agencies

"Whereas there is unemployment and consequent hardship among numbers of unemployed seasonal workers in the central valleys of the State of California and this problem will increase for the next several weeks or until seasonal work is again available for them; and

"Whereas many of these unemployed agricultural workers whether residents for past 3 years in this State or not such residents, are seriously in immediate need of food and other assistance; and

"Whereas the Federal Government has quantities of surplus food in storage in the State of California at this time consisting of beans, butter, potatoes, honey, dried prunes, peaches, apricots, raisins, and other foodstuffs in addition to the powdered milk and powdered eggs now being distributed through the State department of education, which can be and should be made immediately, devoid of unnecessary red tape, available to such persons to avoid distress and deprivation for many such workers and their families including many small children; and

"Whereas the only surplus food now being distributed, is through the department of education, consisting chiefly of powdered milk and powdered eggs and some potatoes, and is definitely inadequate and insufficient as a diet and such deficiency unless immediately remedied will produce illness of possibly epidemic proportions and which will be prevented if the Federal Government will turn loose the surplus food in its possession as requested by this resolution; and

"Whereas the proposal of getting surplus food into the hands of California State and county agencies for immediate distribution to these people that distress and even in many cases starvation may be prevented, is desperately urgent: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the Secretary of Agriculture and the President and the Congress of the United States take immediate action to make such surplus food available to such unemployed and hungry people; and be it further

"Resolved, That the Secretary of the Senate immediately transmit copies of this resolution by wire to the Secretary of Agriculture and to the President of the United States and that each Senator and Representative from California in the Congress be notified by wire of this action of the California Legislature and the urgency thereof."

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Public Works:

"Resolutions in favor of an immediate survey of the hydroelectric potentialities of New England States

"Whereas resolutions providing for a study of the development of the rivers and waterways in New England are now pending in the present session of the Congress of the United States; and

"Whereas there are widespread variances in the conclusions of the potentiality of hydroelectric power in the studies now available; and

"Whereas the exploration and development of new hydroelectric power in New England is of vital importance to New England citizens and industry; Therefore be it

"Resolved, That the General Court of Massachusetts earnestly urges the Congress of the United States to pass and respectfully requests the President of the United States to approve the bill now before it calling for an extensive study of the development of New England water or any similar legislation; and be it further

"Resolved, That copies of these resolutions be submitted forthwith by the State secretary to the President of the United States, to the presiding officer of each branch of Congress and to each of the Members thereof from this Commonwealth.

"In house of representatives, adopted, March 23, 1950.

"LAWRENCE R. GROVE,
"Clerk.

"In senate, adopted, in concurrence, March 29, 1950.

"IRVING N. HAYDEN,
"Clerk."

A concurrent resolution of the Legislature of the State of New York; to the Committee on Finance:

"Resolution 209

"Concurrent resolution of the senate and assembly proposing that the Congress of the United States be memorialized respecting the earmarking of funds collected under the Federal Unemployment Tax Act to each State to be used in the administration of the unemployment insurance law

"Whereas under existing law, the several States of the Union bear the responsibility for the administration of the unemployment insurance and employment service programs; and

"Whereas the Federal Government levies a pay-roll tax of three-tenths of 1 percent on employers of eight or more persons to pay the administrative cost of such programs by the States; and

"Whereas each State has no control over the amount it receives for the administration of such program and must accept whatever amount is allowed to it by the Federal Government; and

"Whereas since the inception of unemployment insurance and employment service program, the Federal Government has collected from the employers of this State for the administration of this program $150,000,000 more than has been returned to the State for this purpose, and the amounts so returned to the State of New York have been consistently and grossly inadequate; and

"Whereas it was never intended that the Federal Government should divert the proceeds of this tax for its own general purposes, which it has done to the extent of $1,000,000,000; and

"Whereas the continued inadequacy of operating moneys and personnel makes the detection of improper and fraudulent benefits claims exceedingly difficult and impedes efforts to cope with tax evasions; and

"Whereas the failure to make adequate moneys available for efficient administration, to the extent that it weakens control over disbursements from the unemployment insurance fund, jeopardizes the effectiveness and stability of the entire program and brings it into disrepute: Now, therefore, be it

"Resolved (if the senate concur), That the Congress of the United States be, and hereby is, respectfully memorialized to enact legislation which will—

"1. Earmark the taxes collected under the Federal Unemployment Tax Act to assure adequate funds for administration by each State of the unemployment insurance and employment service program;

"2. Transfer any excess over the amounts allocated by the Federal administrative agencies to the States for use in the unemployment insurance and employment service program with full responsibility resting on each State for the proper use thereof free from Federal control;

"3. Make reasonable provisions assuring all States equitable participation in such allotment; and be it further

"Resolved (if the senate concur), That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, the chairman of the Committee on Ways and Means of the

House of Representatives, the chairman of the Committee on Appropriations of the House of Representatives, the chairman of the Finance Committee of the Senate of the United States, the chairman of the Committee on Appropriations of the Senate of the United States, and each member of the Congress duly elected from the State of New York.

"By order of the assembly:

"ANSLEY B. BORKOWSKI,
"Clerk.

"In senate March 20, 1950, concurred in without amendment.

"By order of the senate:

"WILLIAM S. KING,
"Secretary."

A telegram in the nature of a memorial from the Kentucky Hospital Association, of Louisville, Ky., signed by J. Ray Ingram, executive secretary, remonstrating against a reduction of appropriations for hospital construction; to the Committee on Appropriations.

A resolution adopted by the Conference of American Small Business Organizations, Washington, D. C., protesting against the enactment of Senate bill 2408, to amend the Securities Exchange Act of 1934, as amended; to the Committee on Banking and Currency.

The petition of William J. Smithers, of Detroit, Mich., praying for the enactment of a soldiers' bonus bill; to the Committee on Finance.

The petition of George Smith, of Richmond, Va., relating to the old-age social security system; to the Committee on Finance.

A letter in the nature of a petition from the Nineteenth District Veterans of Foreign Wars, Department of California, signed by Sam J. Sacco, district commander, praying for the enactment of House bill 4617, to liberalize the requirement for payment of pension in certain cases to veterans and their widows and children; to the Committee on Finance.

Resolution adopted by the Massachusetts State Board of the Ancient Order of Hibernians in America, Boston, Mass., relating to the partitioning of Ireland; to the Committee on Foreign Relations.

A resolution adopted by Captain Stephen T. Schoonmaker Post 1429, Veterans of Foreign Wars of the United States, of Teaneck, N. J., protesting against a world government or world federation; to the Committee on Foreign Relations.

A resolution adopted by Captain Stephen T. Schoonmaker Post 1429, Veterans of Foreign Wars of the United States of America, Teaneck, N. J., protesting against the ratification of the genocide convention; to the Committee on Foreign Relations.

A telegram in the nature of petition from the members of the Eighty-fifth Street Baptist Church, of Birmingham, Ala., signed by F. M. Walker, church clerk, praying that no successor to Myron C. Taylor be appointed as representative to the Vatican; to the Committee on Foreign Relations.

A letter in the nature of a petition from Salvatore Locatelli, of Boston, Mass., relating to compensation for a plan for a bomb-proof shelter prepared by him; to the Committee on the Judiciary.

A communication from Emile J. Morin, president of the Consolidated Sportsmen's Club of Maine, of South Portland, Maine, transmitting a proclamation of the Governor of Maine, favoring the enactment of legislation designating the third Sunday in September of each year as "Children's Day in Sports" (with an accompanying paper); to the Committee on the Judiciary.

A resolution adopted by the rehabilitation committee of the North Carolina Department, the American Legion, at Ashville, N. C., relating to a period in training to build up physical tolerance for veterans with arrested disease, etc.; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Woman's Auxiliary to the Marion Academy of Medicine, and the New York Fraternal Congress, of New York, N Y., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition, signed by Walter A. Ross, of Davenport, Iowa, relating to the repeal of the Talt-Hartley law, etc.; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Piqua Chapter, Daughters of the American Revolution of Piqua, Ohio, and the Catholic Daughters of America, Court of Our Lady, No. 647, of Johnstown, Pa., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

The petition of James A. Imrie, of Los Angeles, and sundry other employees of offices of collectors of internal revenue, all of the State of California, praying for the enactment of Senate Joint Resolution 137, to grant permanent civil-service status to certain temporary and war-service employees of the United States (with accompanying papers); to the Committee on Post Office and Civil Service.

A letter in the nature of a memorial from the National Association for the Advancement of Colored People, of San Pedro, Calif., signed by Rev. D. W. Bradley, chairman, remonstrating against the enactment of Senate bill 2311, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A resolution adopted by the North-East Ogden Improvement Association, of Chicago, Ill., protesting against the enactment of legislation providing a Fair Employment Practices Commission; ordered to lie on the table.

Resolutions adopted by Local No. 5, United Rubber, Cork, Linoleum and Plastic Workers of America (CIO), and the CIO Council, both of Akron, Ohio, protesting against the enactment of Senate bill 2311, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A resolution adopted by Latwu Lodge 588, Brotherhood of Railroad Trainmen, of Louisville, Ky., protesting against the enactment of Senate bill 2311, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A letter and two telegrams in the nature of memorials from the Interracial Association of the University of Michigan, the Jewish Forum, of Detroit, Mich., and the management and employees of the Brown-Saltman Co., of Los Angeles, Calif., remonstrating against the enactment of the so-called Mundt-Ferguson bill (S. 2311) to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A resolution adopted by 100 men and women assembled at a cultural festival of the IWO, at Youngstown, Ohio, protesting against the enactment of the so-called Mundt bill, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A letter in the nature of a petition from B'Nai B'rith Women, Kings County (N. Y.) Chapter No. 456, relating to the liberalization of the Displaced Persons Act; ordered to lie on the table.

By Mr. GREEN:

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Armed Services:

"Resolution relating to the consolidation of all torpedo activities in order to restore to Newport, R. I., its normal economic life in the centralizing of all manufacture, overhaul and ranging of torpedoes at the naval ordnance plant, Newport, R. I.

"Whereas the naval ordnance plant, United States Naval Torpedo Station, Newport, R. I., is comprised of the land, buildings, and equipment located on Goat Island, Rose Island, Gould Island, and Torpedo Station Annex, Coddington Cove, and all in the Narragansett Bay area; and within this plant are all of the machinery, machine tools, devices, facilities, and services to manufacture, modify, overhaul, repair, and conduct research and proof ranging of all types of modern automobile torpedoes; that is, electrical (except batteries), chemical, and steam; and, adequate storage facilities for all required raw materials necessary to maximum production requirements, and additional modern buildings specially designed and constructed to process, overhaul, and repair of torpedoes, and their storage, on a modern assembly line operation; and

"Whereas the said plant occupies approximately 13 acres of land and estimated to have a value of about $40,000,000 including land, building and equipment; and

"Whereas in this ordnance plant, the production of torpedoes was discontinued about 5 years ago and transferred to naval ordnance plant, Forest Park, Ill., as a result of a one-vote majority in the United States Senate in deciding this momentous change in naval policy; and, major overhaul operations, on Gould Island, were discontinued about 3½ years ago; until at the present time due to the curtailment of funds and work, and the later transfer of manufacturing and overhaul operations on torpedoes to other ordnance stations, the peak force of 13,500 will have been reduced to about 450 as of July 1, 1950, leaving only some research work at the Newport Naval Torpedo Station; and

"Whereas the production and overhaul facilities of this completely equipped, self-contained plant complete from pattern making and foundry castings of all torpedo parts to the final testing, proof ranging, and storage for issue in ready-for-combat condition, of every known type of modern torpedo, have now been held in grease for possible potential use for these past several years; and

"Whereas this plant has been inspected by the Industrial Board of Survey, operating under the cognizance of Chief of Naval Operations, and this agency should be in possession of factual information relative to the feasibility of consolidating and centralizing all manufacture, overhaul, and ranging of torpedoes, at the naval ordnance plant, Newport, R. I., during these peacetime operations in order to effect maximum economies and efficiency in the expenditure of public funds; and

"Whereas such a consolidation of all torpedo activities presently conducted at naval ordance plant, Alexandria, and at the naval ordnance plant, Forest Park, Ill., at the naval ordnance plant, Naval Torpedo Station, Newport, R. I., if effected, in addition to the national economies which may be realized, also would restore to Newport, R. I., the normal economic life previously enjoyed by its citizenry prior to the abrupt removal of this major industrial activity of this city, which from the year 1872 has been developed and expanded with local skills, and would restore to the youth of this city the prospect of development and employment of their labor after completion of school studies in a local environment: Now, therefore, be it

"*Resolved*, That the Secretary of Defense, the Honorable Louis Johnson, is hereby requested to determine from the results of industrial surveys made of the naval ordnance plants engaged in the manufacture, overhaul, and research of torpedoes, and after personal consideration, the feasibility of consolidating and centralizing all present activities relating to the manufacturing, overhauling, modifying, repairing, testing, and proof ranging of torpedoes at the naval ordnance plant, Naval Torpedo Station, Newport, R. I.; and be it further

"*Resolved*, That the Honorable Louis Johnson, Secretary of Defense, is hereby requested to inform the Governor of the State of Rhode Island, of his decision in this matter; and further, that copies of this resolution be sent to the Representatives of the State of Rhode Island in the Senate and House of Representatives of Congress for their information and opportunity of assistance in attaining the objective herein sought, namely, the reactivation of manufacturing and overhaul activities at the Naval Torpedo Station, Newport, R. I., or the immediate use of the facilities of this ordnance plant for the production of ordnance materials other than torpedoes for which such facilities may be adapted."

A resolution of the General Assembly of the State of Rhode Island; to the Committee on Interstate and Foreign Commerce:

"Senate resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their good offices to amend H. R. 6533, the Dingell bill, so-called, or a similar measure to provide that some of the money be made available by the aforesaid bill to improve and study salt-water fish, and to secure prompt passage of the Dingell bill

"Whereas the Dingell bill, so-called, is now pending in the United States Congress, and has a laudable purpose, namely, providing money for the purpose of making a survey of fresh-water fish and their habits, and for the purpose of improvement of ponds and streams; and

"Whereas the citizens of the State of Rhode Island are interested in the study, propagation, and increase of salt-water game fish in the Rhode Island territorial waters; and

"Whereas the members of the Rhode Island General Assembly feel that the abovementioned Dingell bill, or a similar bill, should be amended to add to the provisions of this bill, language permitting some of the funds provided for in this bill to be used for the purpose of making a study of and improving the propagation of salt-water game fish and to increase the number of salt-water game fish; Now, therefore, be it

"*Resolved*, That we, the members of the Rhode Island Legislature, respectfully request our Senators and Representatives in the Congress of the United States to amend the Dingell bill to provide that some of the money provided therein be used for the purpose of making a study of and improving the propagation of salt-water game fish for the purpose of increasing the number of salt-water game fish, and to request our Senators and Representatives in the Congress of the United States to pass the Dingell bill, or other bill of similar purport; and be it further

"*Resolved*, That duly certified copies of this resolution be transmitted by the secretary of state to the Senators and Representatives from Rhode Island in the Congress of the United States."

ECONOMY IN OPERATION OF GOVERNMENT—PETITION

Mr. WATKINS. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, with the signatures attached, a petition signed by sundry members of the Junior Chamber of Commerce of the State of Utah, relating to economy in the operation of the Federal Government.

There being no objection, the petition was referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, with the signatures attached, as follows:

PETITION IN SUPPORT OF THE HOOVER COMMISSION REPORT

Whereas I am convinced of the absolute necessity for economy in the operation of the Federal Government; and

Whereas the members of the Hoover Commission have made concrete recommendations after a thorough, complete, and factual survey of the functions and departments in the Federal Government;

I, therefore, urge the Members of Congress to immediately enact the legislation embodying the recommendations of the Hoover report.

I further pledge that, in signing this petition I will write a letter to my Senators and Congressmen, expressing my support of the Hoover Commission recommendations.

D. P. Derrick, Robert C. Johnson, Murray G. Stowe, Lu D. Strock, Loren Burr, Donald H. Simms, Gordon Barnes, Allen B. Rudy, E. B. Duffin, Hal Walker, J. M. Howes, W. G. Matheson, D. H. Lowder, Phillip C. Hogensen, Wilford W. Goodwill, C. W. Reed, Edward Hitchcock, Leo A. Hansen, Ben B. Khazazen, Marion C. Armstrong, Hyde T. Clayton, S. R. Redding, Don J. Hansen, Roland Dance, John F. Nowes, Milo P. Smith, Stratford L. Wendell, George T. Kingdon, W. H. Nofsinger, Walter L. Latshaw, Robert D. Welt, L. B. Robbins, Clem K. Yoko, L. C. Poate, William Baines, William Aspden, Earl B. Oshorne, Lee Bindrup, Ray S. Robinson, L. Howard Marcus, Ed M. Boggess, Sterling M. Jensen, Lester H. Johnson, Donna D. Clare, O. P. Scule, Grace F. Spalding, Ray H. Christensen, N. G. Morgan, F. Robert Bayle, Patton N. Leaver, Lewis R. Rich, Hal W. Gunn, Ralph W. Carter, C. C. Harmon, Louis C. Kjar, Earl M. Wallace, R. B. Jex, V. A. Rideout, B. L. Paston, V. Ross Ekins, Earl D. Tanner, Tom Fyans, Dean Williams, Norman Clayton, John W. Lowe, Ken Williams, Shirl B. Taylor, Richard V. Peay, Robert B. Bullen, Preston Adams, W. H. Bruderer, Rod P. Dixon, E. Don Kirkham, Thomas R. Muir, Preston D. Linford, D. Eugene Moench, Glen H. Walker, Thomas E. O'Connor, Woodrow J. Taylor, D. C. Anderson, W. F. Burrell, C. W. Davis, Curzon Hailes, Joe Sehee, C. H. Day, L. C. Kearns, Francis W. Kirkham, Grant M. Prisbrey, E. C. Harper, J. L. Ayer, Leon Frehner, Arthur L. Crawford, Wilbur L. Jarvis, Jean Neal, Vesta P. Crawford, Sylvester Broadbent, Brent Gottfredson, Paul B. Pusey, Katharine M. Love, Grant W. Midgley, M. C. Wissman, J. Norman Jorgensen, George B. Earl, Fred E. Curtis, Clay Young, Edward F. Richards, Carl Sandberg, Elmer E. Jonssen, Merill K. Davis, Carol McKeon, John B. Hover, W. Donald Oakes, Edward A. Tugan, L. Lon Decker, J. N. Holland, H. Manison, W. W. Romney, Edward F. Folland, Kenneth D. Proctor, George Marquordt, Robert C. Crandall, Bryce J. Fairbanks, James J. Soderberg, Sid H. Eliason, Don F. Brodshaw, Patton N. Leaver, Ray S. Robinson, R. B. Decker, W. B. Franklin, Norton Parker, Elsmer G. Kern, Lyman E. Duncan, Robert K. Potter, Janet Stine, David E. Fullmer, Jeddie H. Roderick, Reid W. Brenton, Lester F. Hewlett, Russell B. Jex, Willis H. Cowles, Shine B. Taylor, J. Thomas Fyans, all of Salt Lake City, Utah; Preston D. Linford, Kent Foutz, both of Ogden, Utah; Walter P. Eggett, Marvin Teuscher, Mrs. Marvin Teuscher, Mildred Brown, Mrs. Stanford Dahl, Mrs. David Teague, Mrs. Roy Okey, David Teague, Roy Okey, Mrs. Phillip W. Green, Phillip W. Green, Walter B. Devey, C. H. Hansen, J. Ralph Binnall, Harold W. Anderson, Merrill Preston, J. O. Whiting, Mr. and Mrs. Elmo Hunter, Mr. and Mrs. Athol Ross, all of American Fork, Utah.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SALTONSTALL, from the Committee on Armed Services:

H. R. 4433. A bill to make retrocession to the Commonwealth of Massachusetts over certain land in Shirley, Mass.; with amendments (Rept. No. 1433).

By Mr. KNOWLAND, from the Committee on Armed Services:

H. R. 4732. A bill to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California, in Sonoma County, Calif., and to furnish said school district water free of charge; with amendments (Rept. No. 1435).

By Mr. HUNT, from the Committee on Armed Services:

H. R. 3783. A bill authorizing the transfer of part of Camp Joseph T. Robinson to the State of Arkansas; with an amendment (Rept. No. 1436).

By Mr. GEORGE, from the Committee on Finance:

H. J. Res. 371. Joint resolution to correct the formula used in computing the income taxes of life insurance companies for 1947, 1948, and 1949; with amendments (Rept. No. 1434).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 587. A bill for the relief of Sister Stefania Cuprys; with an amendment (Rept. No. 1437);

S. 615. A bill for the relief of James Greenwood; with an amendment (Rept. No. 1438);

S. 977. A bill for the relief of Jacques Yedid, Henrietta Yedid, Richard Emanuel Yedid, and Ethel Danielle Yedid; with amendments (Rept. No. 1439);

S. 1051. A bill for the relief of John Splingaerd, his wife, and two children; with amendments (Rept. No. 1440);

S. 1572. A bill for the relief of Steven Etienne Laszlo; his wife, Mary Laszlo, and his son, Ervin Laszlo; with amendments (Rept. No. 1441);

S. 2013. A bill for the relief of Victor Alezandrovitch Martinuk; without amendment (Rept. No. 1442);

S. 2040. A bill for the relief of Adele De Pauli; with amendments (Rept. No. 1443);

S. 2053. A bill for the relief of Mrs. James A. Vaughn and daughter Mary Ann Vaughn; with amendments (Rept. No. 1444);

S. 2175. A bill for the relief of Eivind Hognestad; without amendment (Rept. No. 1445);

S. 2176. A bill for the relief of Dr. Bei Tse Chao and his wife, May Chao; without amendment (Rept. No. 1446);

S. 2232. A bill for the relief of Peter Heyden; without amendment (Rept. No. 1447);

S. 2243. A bill for the relief of Tevfik Kamil Kutay; with an amendment (Rept. No. 1448);

S. 2257. A bill for the relief of Hyman Winterman; with an amendment (Rept. No. 1449);

S. 2258. A bill for the relief of Dr. Aposotolos A. Kartsonis; without amendment (Rept. No. 1450);

S. 2511. A bill for the relief of Dr. John R. Portaria; without amendment (Rept. No. 1451);

S. 2556. A bill for the relief of Mrs. Billy J. Knight and Dorothea Knight; without amendment (Rept. No. 1452);

S. 2629. A bill for the relief of Marianne Bruchner; with an amendment (Rept. No. 1453);

S. 2646. A bill for the relief of the Articaire Refrigeration Co.; without amendment (Rept. No. 1454);

S. 2990. A bill for the relief of Amy Louisa Shier; without amendment (Rept. No. 1455);

S. 3163. A bill for the relief of Mrs. Honora Redman; without amendment (Rept. No. 1456);

H. R. 633. A bill for the relief of Mrs. Victor V. Greg; without amendment (Rept. No. 1457);

H. R. 715. A bill for the relief of Manuel Uribe; without amendment (Rept. No. 1458);

H. R. 1481. A bill for the relief of the estate of Julius Zaffareni; without amendment (Rept. No. 1459);

H. R. 1600. A bill for the relief of Gustav Schilbred; without amendment (Rept. No. 1460);

H. R. 1699. A bill for the relief of the estate of William Kraus; without amendment (Rept. No. 1461);

H. R. 1861. A bill for the relief of Elizabeth and Lawrence Wong; with an amendment (Rept. No. 1462);

H. R. 1871. A bill for the relief of Hilde Flint; without amendment (Rept. No. 1463);

H. R. 3306. A bill for the relief of Antonio Rojas Velez; without amendment (Rept. No. 1464);

H. R. 3309. A bill for the relief of the estate of Ovidio Vazquez; without amendment (Rept. No. 1465);

H. R. 3315. A bill for the relief of Alejo Padilla; without amendment (Rept. No. 1466);

H. R. 3319. A bill for the relief of Juana Pagan; without amendment (Rept. No. 1467);

H. R. 4380. A bill for the relief of Mrs. Agnes Emma Hay; without amendment (Rept. No. 1468);

H. R. 4857. A bill for the relief of Mrs. Katsuko Nakahara Huntley; with an amendment (Rept. No. 1469);

H. R. 5276. A bill for the relief of Mrs. Julia (Iole) M. Stefani Lencioni; without amendment (Rept. No. 1470);

H. R. 5580. A bill for the relief of Mrs. Tsuneko Shimokawa Guenther; with an amendment (Rept. No. 1471);

H. R. 5753. A bill for the relief of Jean Clark; without amendment (Rept. No. 1472); and

H. R. 6051. A bill for the relief of Alcide Raymond; with amendments (Rept. No. 1473).

By Mr. MAGNUSON, from the Committee on the Judiciary:

S. 272. A bill to facilitate the admission of certain foreign workers desiring to perform agricultural work in the United States; with amendments (Rept. No. 1474); and

S. 2107. A bill for the relief of Georges Gregory Alpiar; without amendment (Rept. No. 1475).

By Mr. FERGUSON, from the Committee on the Judiciary:

S. 1637. A bill for the relief of Marie Henriette de Bruyn; with an amendment (Rept. No. 1476); and

S. 2309. A bill for the relief of Oscar (Oszkar) Nemenyi, Marianna Nemenyi (wife), and Thomas John Nemenyi (son); without amendment (Rept. No. 1477).

By Mr. DONNELL, from the Committee on the Judiciary:

H. R. 2719. A bill for the relief of the legal guardian of I. D. Cosson, a minor; with amendments (Rept. No. 1478); and

H. R. 4164. A bill for the relief of Elmer Pippin and Mrs. Pansy Pippin and the legal guardian of Norman Otis Pippin, a minor; with amendments (Rept. No. 1479).

EXTENSION OF TIME FOR FILING COMMITTEE REPORT

Mr. DONNELL. Mr. President, the Subcommittee on Health, of the Committee on Labor and Public Welfare, is agreed that further study of the health problems of the Nation and of legislative proposals relating thereto is needed. Therefore at the request of the Senator from Montana [Mr. MURRAY], chairman of the subcommittee, I ask unanimous consent that the time for filing a report in accordance with Senate Resolution 184 be extended indefinitely.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TAFT:

S. 3374. A bill to provide for the deduction from gross income for income-tax purposes of expenses incurred by farmers for the purpose of soil and water conservation; to the Committee on Finance.

By Mr. WATKINS:

S. 3375. A bill for the relief of Harold Frederick D. Wolfgramm; to the Committee on the Judiciary.

(Mr. WATKINS also introduced Senate bill 3376, to provide for the organization of interstate water and power users' associations for the purpose of entering into contracts for the repayment of the costs of water and power projects on interstate streams and for the ownership, operation, and maintenance of such projects, and for other purposes, which was referred to the Committee on Interior and Insular Affairs, and appears under a separate heading.)

By Mr. JOHNSON of Colorado (by request):

S. 3377. A bill to amend the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. DOUGLAS:

S. 3378. A bill for the relief of Armando Santini; and

S. 3379. A bill for the relief of Dr. John M. Maniatis; to the Committee on the Judiciary.

By Mr. GEORGE (by request):

S. 3380. A bill to amend the act of August 9, 1939, to redefine the term "contraband article" with respect to narcotic drugs, and for other purposes; to the Committee on Finance.

By Mr. IVES (for himself and Mr. LEHMAN):

S. 3381. A bill to provide for the conveyance of the naval ammunition depot at Iona Island, N. Y., to the Palisades Interstate Park Commission for use as a public park; to the Committee on Armed Services.

By Mr. GILLETTE:

S. 3382. A bill to continue further for an additional temporary period certain powers, authority, and discretion for the purpose of exercising, administering, and enforcing import controls with respect to fats and oils (including butter), and rice and rice products; to the Committee on Banking and Currency.

By Mr. KILGORE:

S. 3383. A bill to promote interstate commerce in coal, to provide for the conservation of the coal resources of the Nation, to assure an adequate supply of coal, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McMAHON:

S. 3384. A bill to provide for the acquisition of a site and the erection thereon of a Federal building in Terryville, Conn.; to the Committee on Public Works.

By Mr. LEHMAN:

S. 3385. A bill to provide for the acquisition and preservation of certain historic property and architectural values north of Washington Square in New York City, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY (for himself, Mr. PEPPER, and Mr. MURRAY):

S. 3386. A bill to aid small business, to assist in promoting maximum employment and production, and to encourage the free flow of capital into small-business enterprises; to the Committee on Banking and Currency.

S. 3387. A bill to amend the Internal Revenue Code provisions relating to tax rates applicable to corporation net incomes and net operating loss carry-over; to the Committee on Finance.

S. 3388. A bill to amend the existing laws against unlawful restraints and monopolies, to provide additional punishment for violations of such laws, and to permit the United States, as well as private persons, to commence treble-damage actions; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself and Mr. MURRAY):

S. 3389. A bill authorizing the issuance of a patent in fee to Walter Anson Pease; to the Committee on Interior and Insular Affairs.

AMENDMENT OF FEDERAL RESERVE ACT—AMENDMENT REPORTED

Mr. MAYBANK, from the Committee on Banking and Currency, reported an additional amendment to the bill (S. 3105) to amend section 10 of the Federal Reserve Act, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF TARIFF ACT OF 1930—AMENDMENTS

Mr. TAFT submitted amendments intended to be proposed by him to the bill (H. R. 5226) to amend paragraph 207 of the Tariff Act of 1930, which were referred to the Committee on Finance and ordered to be printed.

EXTENSION OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE SYSTEM—AMENDMENT

Mr. GEORGE (for Mr. PEPPER) submitted an amendment intended to be proposed by Mr. PEPPER to the bill (H. R. 6000) to extend and improve the Federal Old-Age and Survivors Insurance System, to amend the public assistance and child-welfare provisions of the Social Security Act, and for other purposes, which was ordered to lie on the table and to be printed.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENTS

Mr. CAIN submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. SCHOEPPEL submitted an amendment intended to be proposed by him to House bill 5472, supra, which was ordered to lie on the table and to be printed.

Mr. KNOWLAND submitted an amendment intended to be proposed by him to House bill 5472, supra, which was ordered to lie on the table and to be printed.

Mr. O'CONOR (for himself and Mr. TYDINGS) submitted an amendment intended to be proposed by them jointly to House bill 5472, supra, which was ordered to lie on the table and to be printed.

Mr. KERR. Mr. President, on behalf of my colleague the senior Senator from Oklahoma [Mr. THOMAS] and myself I submit an amendment intended to be proposed by us to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, and I ask unanimous consent that an explanation of the amendment prepared by me may be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table, and, without objection, the explanation presented by the Senator from Oklahoma will be printed in the RECORD. The Chair hears no objection.

The explanation of the amendment presented by Mr. KERR is as follows:

EXPLANATION OF AMENDMENT BY SENATOR KERR

MARKHAM'S FERRY PROJECT

The Markham's Ferry project was authorized in accordance with House Document No. 107. It is one of three reservoirs on the Grand River which was then contemplated to operate as a unit. Since the authorization, the Grand River Dam Authority of Oklahoma has constructed the Pensacola Reservoir and is now operating it as a hydroelectric plant. The reservoir contains a flood pool on top of the power reservoir which is operated in accordance with the directives of the Corps of Engineers. The Corps of Engineers are now constructing the Fort Gibson project below the Pensacola Dam and below the proposed Markham's Ferry Reservoir, which is the middle of the three reservoirs.

A proposal has recently been made by Gov. Roy Turner of Oklahoma that the Grand River Dam Authority be allowed to construct the Markham's Ferry Reservoir, financing it by the sale of revenue bonds. He has recommended that a $7,000,000 participation by the Federal Government, through the Corps of Engineers, for flood control in that reservoir would accomplish the same purpose as if the Government constructed the project at an estimated cost of $32,000,000. I quote a paragraph from Governor Turner's memorandum on this subject:

"It is my sincere belief that it would be to the best interests of all parties concerned and certainly a great advantage to the State of Oklahoma to have the Markham's Ferry project constructed and operated by the Grand River Dam Authority, as was originally intended by the act of the Oklahoma Legislature in 1935, as subsequently amended. I would appreciate it very much if you would give your assistance to the authority and to the State of Oklahoma in this regard."

In compliance with the request of Governor Turner, Senator KERR and Senator THOMAS introduced an amendment to the omnibus rivers and harbors and flood-control bill (H. R. 5472) which reads as follows: "That the general comprehensive plan for flood control and other purposes approved by the act of June 28, 1938, for the Arkansas River Basin, as modified by the act of August 18, 1941, is hereby further modified to provide for the construction of the Markham's Ferry project on the Grand River in Oklahoma by the State of Oklahoma (through its Grand River Dam Authority) in accordance with the recommendations of the Chief of Engineers in House Document No. 107 of the Seventy-sixth Congress and House Document No. 758 of the Seventy-ninth Congress, such project to have the same number of acre-feet of flood storage and the same pool elevation as so recommended by the Chief of Engineers and to be operated for flood control and navigation in accordance with section 7 of Public Law 534, Seventy-eighth Congress, and there is hereby authorized to be appropriated the further sum of $7,000,000 to be paid to the Grand River Dam Authority as the total contribution of the United States for flood-control storage in such project."

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 5943. An act to provide for the erection of a monument at the grave of Constantino Brumidi; to the Committee on Rules and Administration.

H. R. 7341. An act to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Anacostia River in the vicinity of East Capitol Street, and for other purposes; to the Committee on the District of Columbia.

H. R. 7846. An act to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes; to the Committee on Banking and Currency.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 186) authorizing a statue of the late Brigham Young, of Utah, to be placed in Statuary Hall, was referred to the Committee on Rules and Administration.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Edward A. Towse, of Hawaii, to be associate justice of the Supreme Court, Territory of Hawaii, vice Albert M. Cristy, deceased;

John D. Hill, of Alabama, to be United States attorney for the northern district of Alabama;

John H. Manning, of North Carolina, to be United States attorney for the eastern district of North Carolina; and

Robert Grant, of Illinois, to be United States marshal for the southern district of Illinois.

PROGRAM OF THE NATIONAL RIVERS AND HARBORS CONGRESS—LETTER FROM THE PRESIDENT OF THE UNITED STATES, AND AN ADDRESS BY SENATOR McCLELLAN

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD a letter from the President to the National Rivers and Harbors Congress, dated March 7, 1950, and an address delivered by him to the Congress on March 24, 1950, which appear in the Appendix.]

AGRICULTURAL POLICY—ADDRESSES BY SENATOR AIKEN AND DR. JOHN D. BLACK

[Mr. LODGE asked and obtained leave to have printed in the RECORD an address entitled "Food Allotment Program," and an address entitled "Dairy Products and the Agricultural Surplus," delivered, respectively, by Senator AIKEN and Dr. John D. Black at the Northeast Dairy Conference, held in Washington, D. C., on March 30 and 31, 1950, which appear in the Appendix.]

REORGANIZATION PLAN NO. 1 OF 1950

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD a memorandum compiled by the staff of the Senate Committee on Expenditures in the Executive Departments on Reorganization Plan No. 1 of 1950, providing for reorganization of the Department of the Treasury, which appears in the Appendix.]

REORGANIZATION PLAN NO. 1—ARTICLE FROM THE NEW YORK TIMES, AND STATEMENT IN OPPOSITION TO PLAN

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an article regarding President Truman's Reorganization Plan No. 1, from the New York Times of April 9, 1950, together with a statement in opposition to the plan, which appear in the Appendix.]

THE PLEA OF PUERTO RICO—STATEMENT BY LUIS A. FERRE

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD a statement entitled "The Plea of Puerto Rico," by Luis A. Ferre, vice president of the Ponce Cement Corp. and Porto Rico Iron Works, Inc., which appears in the Appendix.]

SOCIALIZED MEDICINE—ARTICLE FROM THE JACKSON COUNTY MEDICAL SOCIETY WEEKLY BULLETIN

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "Keep on Calling It What It Is, Doc—It's Socialized Medicine," published in the Jackson County Medical Society Weekly Bulletin, Kansas City, Mo., of March 11, 1950, which appears in the Appendix.]

NO EXCUSES FOR THE KERR BILL—EDITORIAL FROM THE ST. LOUIS POST-DISPATCH

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "No Excuses for the Kerr Bill," published in the St. Louis Post-Dispatch of April 6, 1950, which appears in the Appendix.]

THE NATURAL GAS BILL—EDITORIAL FROM THE NEW YORK TIMES

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an editorial entitled "The Natural Gas Bill," published in the New York Times of Sunday, April 9, 1950, which appears in the Appendix.]

PRICING NATURAL GAS—LETTER TO NEW YORK TIMES

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD a letter under the heading "Pricing natural gas—Kerr bill to aid consumer by fostering competition," written by Roland F. Beers, head of the Department of Fuel Resources, Rensselaer Polytechnic Institute of Troy, N. Y., addressed to the editor of the New York Times and published in that newspaper on April 10, 1950, which appears in the Appendix.]

WAY TO CHEAP GAS

[Mr. KERR asked and obtained leave to have printed in the RECORD an editorial entitled "Way to Cheap Gas," published in the

Chicago Daily News of April 7, 1950, which appears in the Appendix.]

DEFICIT SPENDING—EDITORIAL FROM THE NORTHAMPTON (VA.) TIMES

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD an editorial entitled "Could Stronger States Solve Problem?" from the Northampton Times, of Cape Charles, Va., the issue of March 16, 1950, which appears in the Appendix.]

SOCIAL SECURITY FOR HIRED FARM WORKERS

[Mr. ANDERSON asked and obtained leave to have printed in the RECORD a series of questions and answers under the heading "Social security for hired farm workers," which appears in the Appendix.]

THE AMERICAN MERCHANT MARINE—ARTICLE BY HELEN DELICH

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article on the American merchant marine, written by Helen Delich, and published in the Baltimore Sun of April 10, 1950, which appears in the Appendix.]

ACCEPTANCE OF NEW MUNDT BILL SHOWS PUBLIC UNDERSTANDS REDS—EDITORIAL FROM THE OMAHA WORLD-HERALD

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "Acceptance of New Mundt Bill Shows Public Understands Reds," published in the Omaha World-Herald of recent date, which appears in the Appendix.]

LEON BLUM

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a news story special to the New York Times under the date line of Paris, March 30, concerning the death of Leon Blum, former Premier of France, and also an editorial from the New York Times of March 31, an editorial from the Washington Star of April 2, and an editorial from the Washington Post of April 1, 1950, all relating to the same subject, which appear in the Appendix.]

DR. CHARLES R. DREW

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial from the Washington Post of April 6, 1950, in tribute to the late Dr. Charles R. Drew, and an obituary notice of his death from the New York Times of April 2, 1950, which appear in the Appendix.]

THE ROAD TO NOWHERE—ARTICLE FROM THE MAGAZINE AMERICA

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "The Road to Nowhere," published in the March 8, 1950, issue of America, which appears in the Appendix.]

FLOW OF AMERICAN SECRETS TO RUSSIA—EDITORIAL FROM THE NEW HAMPSHIRE MORNING UNION

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an editorial entitled "Jordan's Testimony Is Vindicated," relating to secret information being furnished Russia, published in the New Hampshire Morning Union of March 30, 1950, which appears in the Appendix.]

COST OF THE CHRYSLER STRIKE

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "Billion Is Cost of Chrysler's Strike to Date," published in the Washington Post of April 8, 1950, which appears in the Appendix.]

SOCIALISM AS A THREAT TO THE UNITED STATES—ARTICLE FROM THE NEW YORK HERALD TRIBUNE

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "Socialism Held Threat to United States by Whittemore," published in the New York Herald Tribune of March 28, 1950, which appears in the Appendix.]

OUR OLDER WORKERS—EDITORIAL FROM THE BOSTON DAILY GLOBE

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an editorial entitled "Our Older Workers," published in the Boston Daily Globe of April 1, 1950, which appears in the Appendix.]

UNBIASED INVESTIGATION NECESSARY

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "Unbiased Investigation Necessary," published in the Exeter News-Letter of Exeter, N. H., of March 30, 1950, which appears in the Appendix.]

SMALL-BUSINESS LOANS — DISCUSSION BETWEEN SENATOR LUCAS AND GEORGE J. BURGER

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD a discussion between Senator LUCAS and George J. Burger on small-business loans, which appears in the Appendix.]

MEDICAL CARE FOR NEEDY PERSONS—STATEMENT BY DR. GEORGE F. LULL

[Mr. HILL asked and obtained leave to have printed in the RECORD a statement regarding medical care for needy persons by Dr. George F. Lull, secretary and general manager of the American Medical Association, which appears in the Appendix.]

STATEHOOD FOR ALASKA

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD at this point an editorial entitled "Government by Pressure," published in the Fairbanks Daily News-Miner on March 22, 1950, dealing with the general subject of statehood for Alaska.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOVERNMENT BY PRESSURE

A fund of $25,000 from the Territorial treasury has been made available by the Territorial Board of Administration to finance the fight of Governor Gruening and his cohorts on the statehood committee for Alaska statehood. This is part of the sum or more than $5,000,000 in appropriations by the 1949 legislature which the board was forced to "freeze" last June to prevent a complete break-down of Alaska finances.

Other funds "frozen" at the same time—and remaining frozen as far as any public announcement is concerned—included appropriations for pensions, school and hospital construction, funds for a number of administrative boards and commissions, and reimbursement to school boards of interest due on money borrowed by the Territory in the 1947-49 biennium.

Meanwhile the straitened Territorial treasury was forced to seek further relief in a loan of more than $500,000 from Alaska banks. Advance payment of approximately $500,000 in fish trap taxes for 1950 was accepted from the salmon industry, bringing to $1,000,000 the added amount of cash that was secured to keep the Alaska government functioning in the face of extreme financial peril.

Under these circumstances, the release of $25,000 to the statehood committee at this time makes fully as much sense as most of the other fiscal gyrations of the Gruening administration.

The committee, described by at least one Democratic member of the Territorial senate as the "worst seen for any committee or board" when the names were placed before a joint session of the legislature for approval, reportedly plans to charter airplanes to take witnesses to Washington, D. C., to testify before the Senate committee before which the statehood bill is pending.

The Territory now has a delegate to Congress who is a champion of statehood and the author of the pending bill; the Secretary of the Interior is in favor of statehood; the President of the United States is in favor of statehood. There can be little information on that side of the question desired or required by the Senate committee, which cannot be secured from these sources.

In addition, the Governor is currently on another of his trips, at taxpayers' expense, to the Nation's Capital.

The projected sending of plane loads of added witnesses to appear before the committee, providing free trips to Gruening's closest followers out of the sadly depleted public purse, thus becomes simply another instance of an attempt at government by pressure. It appears to be the only kind of government understood by the ruling clique in Juneau these days.

Release of the $25,000 fund for expenditure in this fashion by the statehood committee was announced following passage of resolutions by a Ketchikan union and the Anchorage Republican Club. Then and only then did the Governor disclose to the public that the money had actually been "unfrozen" 6 days before by the board of administration.

This properly brought from Territorial Senator Gunnard Engebreth an expression of wonderment at "how many other official acts are being kept under cover in Juneau" by the present administration. It is a question which other citizens of the Territory would do well to wonder about also.

The handling of this entire transaction displays the same arrogant disregard of the public concern and the public interest which has become an all too familiar pattern in the Territory under the present regime.

STATEHOOD AND GRAND JURIES

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial appearing in the March 31 issue of the Alaska Weekly entitled "Statehood and Grand Juries."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STATEHOOD AND GRAND JURIES

The statehood problem is occupying the center of the stage as the hearings before the Senate committee have been set. Most of the noise is coming from the statehood proponent camp and it will be interesting to note whether or not this group will develop any more sound ground in support of statehood than the flag-waving, defense argument.

Without entering into the merits or demerits of "statehood now" we have as yet been unable to get it through our thick heads as to how Alaskan statehood would affect the defense of the North in one way or the other. The answer to that question it seems to us lies in the fact that last week the House Armed Services Committee gave approval to a $66,320,045 military construction program for Alaska and that there seems to be a general attitude on the part of Congressmen of

both parties to move forward with other essential requirements for both the military and the civilian development of the Territory.

In the the meantime the Gruening administration, which has made much ado about interesting capital and enccuraging capital already in the field, has started a wholesale grand jury investigation obviously designed to harass business with the flimsy charge of monopoly where, in the very nature of things, no monopoly could exist.

Hundreds of subpenas have been issued throughout Alaska and the States demanding the books and correspondence of various concerns. Business executives, their accountants and attorneys will be called upon to spend weeks of valuable time and thousands of dollars in an effort to prove that they are not monopolistic or have not conspired with some monopolistic operator.

Transportation companies, liquor dealers, cannerymen, herring packers * * * just about everyone with a business in the Territory bigger than a shoeshine stand, has been ordered to appear before the Anchorage grand jury—strangely enough at just about the time the statehood hearings will be on in Washington, D. C.

Of course Captain Lathrop, having poured out capital with a lavish hand to develop a coal mine which has been a godsend to the rail belt and furnished one of its best year-round pay rolls, is undoubtedly a monopolist since there is no other privately operated commercial coal mine serving the same area. He really should be penalized and financially crippled so that he cannot contribute further to Alaskan development.

One thing that should loom large in the mind of even the most rabid capital baiter is that there is no more certain way to frighten capital away from the Territory, or State, than to berate, harass, and hamper capital already in it. Ask almost any businessman why he opposes statehood and you will find that he brushes most other objections aside and answers, "Gruening."

AUDIT OF ALASKAN TERRITORIAL FUNDS

Mr. BUTLER. Mr. President, I ask to have inserted in the body of the RECORD an article entitled "Senator Butrovich Recalls Democratic Audit Scandal," written by Jack Daum, and published in the Fairbanks Daily News-Miner on March 30, 1950, dealing with the general subject of statehood for Alaska.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR BUTROVICH RECALLS DEMOCRATIC AUDIT SCANDAL — REPUBLICAN CHARGES $27,000 IN OFFICIAL FUNDS UNACCOUNTED

(By Jack Daum)

JUNEAU, March 30.—The complete story of the 1949 Territorial audit which uncovered shortages of more than $49,000 and resulted in the conviction of the Territorial treasurer on charges of embezzlement was related at the Territorial Republican "unity caucus" today by Senator John Butrovich, of Fairbanks.

Senator Butrovich was a member with James Nolan, of Wrangell, of a two-man committee appointed to secure an audit of Territorial records. His account of the audit went back to the first Territorial audit in 1923 and concluded with the imprisonment of Oscar Olson, former Territorial treasurer.

TWENTY-SEVEN THOUSAND DOLLARS STILL MISSING

He also told the gathering of more than 80 Republican delegates that a $27,000 shortage in liquor stamps remains unaccounted for, and he pledged himself to the task of bringing the facts to light and revealing the source of the shortage.

"Auditing is a normal function of government," Butrovich explained, "and the auditing committee is required by law to report to each legislature within 10 days after the legislature convenes."

This function was carried out, he said, every 2 years from 1923 to 1941, after which time there was no report made until February 1945.

He charged that the 1945 audit was never presented to the legislature, and that to the best of his knowledge nobody in the legislature saw the report.

AUDIT DEMANDED

"In 1947," he continued, "a number of legislators demanded that funds be allotted for a complete Territorial audit by an auditing firm. We were told there were no funds, but the legislature appropriated $20,000 for the purpose.

"When we returned to the next legislature, expecting the money to be available for the audit, we found that the funds had been frozen, and again there was no money for an auditing investigation.

"But," he noted, "there was more than $28,000 unfrozen and spent for the Alaska development board."

DIFFICULTIES

Butrovich told the difficulties in obtaining an auditing committee and of the further difficulties in deciding on an auditing firm. But, he said, the firm of Arthur Anderson and company of Seattle was given the nod, and the audit got under way.

When the auditing committee received the report from the Anderson firm, Butrovich said that the findings clearly indicated that the treasurer should be removed from office immediately.

"At the time of the audit report, however," he said, "Governor Gruening was in Washington, so we took the findings to the acting governor."

BOOKKEEPING ERROR

"After handing him the report and pointing out the discrepancies, we asked him his opinion. His answer was:

"Looks like a bookkeeping error to me."

Butrovich went on to explain that the remaining shortage of $27,000 "will be brought to light if it's the last thing I do."

BARNES SPEAKS

Doris M. Barnes, of Wrangell, GOP candidate for reelection to the house of representatives, spoke after Butrovich, and told the delegates that "every trip Senator Butrovich made from Fairbanks to Juneau in connection with the audit was made at his own expense."

A record was made of Senator Butrovich's accounting, and the GOP committee said it will be given Territory-wide airing.

SECRETARY FINLETTER—EDITORIAL FROM THE WASHINGTON POST

Mr. LEHMAN. Mr. President, the Washington Post published on Saturday a very fine editorial concerning an excellent appointment made by President Truman. I refer to the appointment of Mr. Thomas K. Finletter as Secretary of the Air Force. I ask the unanimous consent of the Senate to introduce this editorial into the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be published in the RECORD, as follows:

SECRETARY FINLETTER

It is hard to think of a man better qualified to be Secretary of the Air Force than Thomas K. Finletter. Mr. Finletter is perhaps best known for the air policy study made in 1947 that bore his name. But he also is a distinguished attorney in private life who has had wide experience in government. He was, for example, an assistant to the Secretary of State for 3 years; he was a consultant at the San Francisco conference; and more recently he served as head of the ECA mission in London. He has had a superb opportunity to develop a long-range philosophy about the execution of national policy and where the military instrument fits into that policy.

The fact that the Finletter commission recommended a minimum of 70 groups for the Air Force is now being cited as an indication that Secretary Finletter may revive the air-power fight on Capitol Hill. We think this inference would place the new Secretary under a severe handicap. In the first place, the Finletter report was made more or less in a vacuum, on the basis of what the Air Force needed quite irrespective of other considerations. Mr. Finletter is too wise a man not to recognize the complementary importance of a sound economy, the needs of other services, the dove-tailing of military and foreign policy, and the fact that new considerations have arisen since the report was made.

Secondly, the number of air groups in itself means nothing. Group is a relative term, and the composition of groups is constantly changing. It is the size of the groups and what is in them—and how these groups relate to intelligence estimates and to diplomatic endeavors—that is important. Mr. Finletter should be in a position to offer a more precise definition of the issues in what is largely a semantic squabble. We hope that as he does this he will regard the Air Force not as a special entity in itself, but as merely an important element in national policy.

SPECIAL COMMITTEE ON SMALL BUSINESS

Mr. McFARLAND. Mr. President, if morning business is closed, I wish to call up a conference report.

The VICE PRESIDENT. The Chair was about to ask whether morning business is concluded. If it is, the Chair has an announcement of his own which he would like to make at this point.

Some time ago the Senate authorized the Chair to appoint a Special Committee on Small Business. The Chair has delayed making that appointment in part because he understood the President was to send to Congress a message on small business, and the Chair thought it might be appropriate to await that message. However, the message has not come, and the Chair does not feel disposed to wait any longer to appoint the committee.

In connection with the formation of the committee, the Chair was confronted by one or two difficulties growing out of the fact that heretofore there have been two Special Committees on Small Business, one in the Seventy-ninth Congress and one in the Eightieth Congress, the committee in the Seventy-ninth Congress being presided over by the able Senator from Montana [Mr. MURRAY] and the committee in the Eightieth Congress being presided over by the able Senator from Nebraska [Mr. WHERRY].

In the creation of the new committee, the Chair had to consider whether there

was any priority of right on account of the two special committees which previously existed. The Chair did not feel obligated to reappoint all the members of the old committees, because since they went out of existence, new Members of the Senate have come in, some of whom are not overburdened with committee work.

Another question which arose was that if the Chair appointed any of the members of the old committees to the new committee, and left any of the members of the old committees off the new committee, implications might arise as to the reason why some were reappointed and others were not reappointed.

Taking the entire situation into consideration, the Chair felt, and feels, that it is advisable to appoint an entirely new committee, without any possible reflection upon any of the members of the old committees, all of whom did good work—and that is especially true of the Senator from Montana [Mr. MURRAY] and the Senator from Nebraska [Mr. WHERRY] and the same is true of the other members of the old committees. All of them did constructive work; the Chair thinks the two committees, or the same committee with different chairmen, infused into small business in the United States confidence that Congress was attempting to legislate or to outline a program which would be beneficial to them, in comparison with the other business groups of the country.

Under the circumstances, the Chair has felt that it was appropriate to create an entirely new committee, made up of members who have not heretofore served on the Small Business Committee. Such a committee would afford an opportunity for some very able new Members of the Senate, who have come to the Senate since the old committees went out of existence, to apply themselves to this problem.

The Chair has done his best to appoint a committee which will be fairly representative of the Senate and of the country. Therefore the Chair is prepared to announce the appointees, which the Secretary will read.

The legislative clerk read as follows: The Senator from Alabama [Mr. SPARKMAN], the Senator from Arizona [Mr. MCFARLAND], the Senator from Maryland [Mr. O'CONOR], the Senator from Louisiana [Mr. LONG], the Senator from Iowa [Mr. GILLETTE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Wyoming [Mr. HUNT], the Senator from Connecticut [Mr. BENTON], the Senator from New Hampshire [Mr. TOBEY], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Minnesota [Mr. THYE], the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Kansas [Mr. SCHOEPPEL].

REHABILITATION OF NAVAJO AND HOPI TRIBES OF INDIANS—CONFERENCE REPORT

Mr. MCFARLAND. Mr. President, I submit a conference report on Senate bill 2734, to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservation, and for other purposes, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read, as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2734) to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:
>
> That the Senate recede from its disagreement to the amendments of the House numbered 2 and 3, and agree to the same.
>
> Amendment numbered 1: That the Senate recede from its disagreement to the amendment of the House numbered 1, and agree to the same with an amendment as follows: Omit the matter proposed to be stricken out by said amendment; insert the matter proposed to be inserted by said amendment; and on page 8, line 11, of the Senate engrossed bill strike out "(1)"; and on page 8, line 22, of the Senate engrossed bill, beginning with the comma, strike out through the word "Indians" in line 25; and the House agree to the same.
>
> ERNEST W. MCFARLAND,
> CLINTON P. ANDERSON,
> ZALES N. ECTON,
> *Managers on the Part of the Senate.*
>
> TOBY MORRIS,
> JOHN R. MURDOCK,
> COMPTON I. WHITE,
> WILLIAM LEMKE,
> WESLEY A. D'EWART,
> *Managers on the Part of the House.*

The VICE PRESIDENT. Is there objection to the immediate consideration of the conference report?

There being no objection, the report was considered and agreed to.

HOUSING ACT OF 1950—CONFERENCE REPORT

Mr. MAYBANK submitted the conference report.

(For conference report, see CONGRESSIONAL RECORD of April 6, 1950, page 4902.)

Mr. MAYBANK. Mr. President, I ask unanimous consent for the immediate consideration of the report.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the report.

Mr. MAYBANK. Mr. President, I move the adoption of the report.

Mr. LONG. Mr. President, I should like to ask the distinguished Senator from South Carolina what the conferees have agreed upon.

Mr. MAYBANK. If the Senator will permit me to do so, I shall read a brief statement in regard to everything which was agreed upon.

Mr. President, because the Housing Act of 1950 has been discussed so thoroughly during the recent debate on the bill, and because there are other privileged matters pending before the Senate, I, at this time, simply want to call to the Senate's attention a few of the more important provisions of the conference report.

We have extended and improved the whole FHA housing program.

The bill agreed upon puts great emphasis on low-cost housing by extending liberal terms to houses which will sell from $5,000 to $7,000. It also encourages the construction of larger size houses with three and four bedrooms by permitting higher mortgage ceilings on them. The encouragement to this type of housing is found in the section 8, title I program and the section 203 (b) (2) (D) program.

The bill provides for the continuation of multifamily rental housing on a sounder basis than did the 608 program, and is designed to encourage the construction of 4½-room family units rather than the efficiency and 1-bedroom type of which we already have an oversupply.

We accepted the March 1 deadline for 608 applications as provided by the House, but have reduced the authorization from $600,000,000 to $500,000,000.

We provided, Mr. President, for a FHA insured cooperative loan program under section 213. If 65 percent of the members of the cooperative are veterans, a 95-percent insured loan may be obtained. This was a compromise between the Senate-passed 100-percent loan, where 75 percent are veterans, and the House provision of 95-percent maximum loan, where 100 percent of the cooperators are veterans.

When we passed the GI loan program some time ago, we intended to make it possible for veterans to get 100-percent loans at 4 percent interest. During the last 2 years, such loans were virtually unobtainable. By retaining the Senate-passed $150,000,000 direct loans to veterans in those areas where such GI loans are not available, by eliminating the combination loans, and by increasing the guaranties on veterans' loans, we are confident the lending institutions will cooperate in making "501" loans to our GI's.

While we accepted the later date of the House on the termination of the combination FHA-GI loans, we provided that the Veterans' Administrator could terminate it any time before December 31. I feel confident that the Administrator will waste no time in getting the 501 program operating full steam ahead and in putting an end, long before December 31, to this burdensome and unnecessarily expensive combination loan program.

Mr. President, the conferees spent the major portion of their time discussing the Government's so-called secondary mortgage market program operated by the Federal National Mortgage Association. Time does not permit me to say more than that every member of the conference was deeply disturbed by the present magnitude of the program, and the abuse and the distortion of its original purpose. We have provided in a temporary way for a much more restrictive operation of the program, eliminated the power to make commitments to purchase, and have strongly recommended a more active sale of the mortgage holdings by the Federal National Mortgage Association. Instead of an additional $750,000,000 which the House authorized without restriction, we agreed to an additional au-

thorization of $250,000,000 with restrictions. When the chairman of the House Committee on Banking and Currency returns from the recess, we plan to study the possibility of more permanent and effective legislation on this subject.

We have provided for the disposition of all temporary and permanent war housing. The Senate provision providing for the transfer of some 43,000 units of permanent housing to local housing authorities, if they request it and show a need for it for low-rent use, was retained.

Finally, but most importantly, in my opinion, is the housing loan program provided for educational institutions. The Senate provision for 40-year loans, not at 2½ percent interest, as originally provided for in the Senate bill, but at one-fourth of 1 percent above the going Federal rate for longer-term Government securities, was agreed to by the House, provided the institution is unable to obtain a loan otherwise on reasonably comparable terms. This will result in an estimated average saving to college students of approximately $170 a school year. Thus, we have provided in this bill for the first peacetime program of Federal aid to higher education.

I urge that the Senate accept the conference report.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LONG. Did the Senator from South Carolina say that the conferees have agreed upon a deadline of March 31 or March 1, for section 608 loans?

Mr. MAYBANK. The Senate provided for a February 1 deadline; the House provided for a March 1 deadline. The House provided for a total of $600,000,000, and the Senate provided for a total of $400,000,000. In the conference, we agreed on the March 1 deadline, with a total of $500,000,000 for the section 608 program. The conferees on the part of the Senate held out as long as they could for the February 1 deadline and for the total of $400,000,000, but finally we agreed to the March 1 deadline.

Mr. WHERRY. Mr. President, it was very difficult for me to hear what the Senator just said. Will he please repeat it?

Mr. MAYBANK. Certainly. The Senate conferees finally gave in to the House conferees, receded from the February 1 deadline in the field which the Senate had provided, and accepted the March 1 deadline which the House had provided.

Mr. WHERRY. Mr. President, I wonder about the words "in the field." Do they make any difference?

Mr. MAYBANK. Of course, they are not in the law. The deadline is stated specifically in the conference report.

Mr. WHERRY. But the Senator from South Carolina just stated that the deadline is to be March 1 in the field. Do the words "in the field" make any difference in that connection?

Mr. MAYBANK. No. The Senate version of the bill provided for a deadline of February 1 in the field. But the conference report deadline does not relate to in the field at all; it is merely a March 1 deadline.

Mr. WHERRY. I still would like to have an answer to my question. Does it make any difference whether the application is in the field or whether it is in Washington?

Mr. MAYBANK. No.

Mr. ROBERTSON. Mr. President, do I correctly understand that in addition to giving one more month of time in which pending applications for FHA loans may be considered the House version of the bill carries $100,000,000 more than was provided in the Senate version of the bill?

Mr. MAYBANK. The House version of the bill carried $200,000,000 more, but the conference report carries $100,000,000 more.

Mr. ROBERTSON. And it carries provision for a 90-percent loan; is that correct?

Mr. MAYBANK. Yes.

Mr. ROBERTSON. Instead of the 85-percent loan as provided in the Senate version of the bills. Is that correct?

Mr. MAYBANK. The Senator is correct.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

Mr. MAYBANK. Mr. President, I have prepared a statement in regard to this matter, which I ask to have printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A SUMMARY OF S. 2246

S. 2246, as agreed to by the Senate and House conferees and as approved by the House, expands and supplements existing Federal housing legislation to make current programs more useful and to provide additional types of aid for particular housing problems. The provisions of the bill would serve the following broad purposes:

1. It would continue Federal assistance to private housing production on a basis that would stimulate more housing at lower costs and lower rents and of more adequate size for family use. It would also broaden the provisions for FHA insurance of loans for cooperative housing. The 1949 record housing production was deficient in two major respects: Much of the housing was still too costly for many families and most of it was too small for families with children. Moderate-priced sale housing consisted largely of minimum two-bedroom units, and rental housing was both too costly and small, with efficiency and one-bedroom units making up a large part of the production. The continuing high birth rate makes it clear that more family type units will be necessary to meet the needs of the market. The Public Health Service reports that "many families formed during the war and postwar years are contributing to the high birth rate by the addition of a second and even a third child."

Under the bill as agreed to, an FHA-insured two-bedroom house valued at $7,000 could be bought with a $350 down payment with 30 years to pay, compared to $700 with 25 years to pay previously. A four-bedroom house valued at $9,000 could be bought with a down payment of $450 with 30 years to pay, compared to a $1,100 down payment and 25 years to pay under previous law. In the rental field any projects insured that are estimated to cost more than $8,000 per unit would have to have an average of at least two bedrooms per unit in order to secure the best mortgage insurance terms, and the more liberal insurance terms for rental projects would be limited to the first $7,000 per unit cost.

2. The bill would establish an orderly and feasible policy for the further use and disposal of federally owned war housing and veterans' emergency housing in local communities and at educational institutions. Temporary housing under existing law has been operated under a blanket threat of removal by the end of the year. This bill would properly relate its disposition to local situations and needs.

3. The bill would make home loans to veterans more widely effective and available by broadening the base for such GI guaranties and by enabling the Government to make such loans if they cannot be obtained from private sources. Many veterans have been discriminated against because they live in areas where private home loans under the GI bill are not available. This would assure them of equitable opportunity to use this benefit and would also facilitate farm housing guaranties.

4. Colleges and universities have been under tremendous pressure to meet the heavy demand for postwar education. Housing has been a prime bottleneck in their operations. Many students have been denied a chance to continue their education because there was no place for them to live. Institutions have been unable to increase their faculties because they were unable to house additional teachers. The bill undertakes to relieve this problem through Federal loans for such housing where private financing is not obtainable and thus to insure educational opportunities to more people.

A more detailed explanation of the provisions of the bill follows:

AIDS TO PRIVATE HOUSING

Title I of the bill carries the main provisions extending and revising Federal aids to privately built and financed housing. This title amends the National Housing Act with respect to the mortgage insurance programs of the Federal Housing Administration and extends the secondary mortgage market operations of the Federal National Mortgage Association, in the RFC. The provisions in brief are:

1. Home repair and modernization loans (title I, National Housing Act): The bill extends FHA insurance for this purpose (under title I, National Housing Act) to July 1, 1955, and authorizes up to $1,250,000,000 in outstanding insured loans, approximately the same level at which program has been operating. Authority for this type of insurance had expired March 1, 1950.

2. Low-cost homes in outlying areas (a new sec. 8, title I, National Housing Act): This broadens FHA insurance of small homes in outlying and suburban areas to meet the growing demand for such housing where normal FHA property requirements are not feasible or necessary. The provision succeeds the more limited previous insurance in this field based on a $4,500 maximum loan.

The new section provides: FHA insurance of 95 percent of value for loans up to $4,750 for owner-occupants, but with increases permitted up to $5,600 in high-cost areas (for builders the loan limits are $4,250 to $5,000 with 85 percent insurance of value). Maximum interest is 5 percent, with 1 percent maximum insurance premium, terms up to 30 years, compared to 20 years previously.

Important new feature is that such houses would now be individually inspected and insured by FHA, the same as other FHA insured homes, and such mortgages could now be purchased by the FNMA. This is designed to add greater security and marketability to such mortgages and thereby make funds for such purposes more generally available.

The bill authorizes FHA, with the approval of the President to insure up to $250,000,000 in such loans at any one time.

3. FHA-insured owner-built and sale housing (title II, sec. 203, National Housing Act): This is the regular FHA program for one- to four-family dwellings which accounts for a large proportion of current home building. The bill provides relatively more liberal terms for lower-cost and larger family housing since most of the moderate-cost housing the past year has been small-size, two-bedroom units. The bill authorizes an additional $2,250,000,000 in outstanding insured loans under this title for sale, rental and cooperative housing.

The types of FHA insurance provided under section 203 are:

(a) For new homes valued at not more than $7,000—or up to $8,000 in high-cost areas—if for owner occupancy, the terms are: 95 percent insurance at 4½ percent interest, up to 30-year term (for operative builders insurance is limited to 85 percent of value). Previously on a $7,000 value, for example, a buyer had to pay at least $700 down with 25 years for the balance; under the new bill, his down payment would be $350 with 30 years for the remainder.

(b) For new homes with three and four bedrooms the 95-percent insurance, 30-year terms, would be available for homes valued at $8,000 and $9,000, respectively—and up to $9,000 and $10,000 in high-cost areas. Thus, under the bill, a four-bedroom house in a high-cost area valued at $10,000 would require a $500 down payment, with the balance payable in 30 years. Previously such a house insured by FHA would have required $1,300 down payment with 25 years to pay the balance.

(c) For new homes valued at more than the above limits, but not more than $11,000, the bill authorizes the FHA to insure 95 percent of the first $7,000 and 70 percent of the next $4,000, or a maximum of $9,450 on an $11,000 house. Previously FHA could insure 90 percent of the first $7,000 and 80 percent of the next $4,000. Thus the bill provides more incentive for lower costs, since the down payment on a $7,000 house would be $350 less than before, but on an $11,000 house would be $50 more.

(d) Houses valued above $11,000, but not more than $20,000 continue to be eligible for FHA insurance on a flat 80-percent ratio, as before.

4. FHA-insured rental housing (title II, sec. 207, National Housing Act): The bill provides a broader type of permanent FHA insurance for rental housing to replace the emergency type inurance under title VI, section 608, which expired March 1, 1950. The new bill also makes it illegal to discriminate against children in any rental housing insured under its provisions. Under the previous emergency rental insurance, FHA could insure up to 90 percent ($8,100) on an average value of $9,000 per unit, with no requirements as to size of unit. The new bill, as in its single-family (sec. 203) provisions, provides more liberal terms for lower-cost and larger rental units, since a large part of rental housing the past year has been at higher rentals and for small units unsuited for most family living. The new bill provides as follows:

(a) FHA insurance of 90 percent up to $7,000 per unit of FHA's estimate of cost, and 60 percent on the next $3,000. The insured loan could thus range from $6,300 on the first $7,000 to a maximum of $8,100 on a $10,000 unit cost.

(b) In order to obtain maximum mortgage loans any such insured rental project with an estimated unit cost of more than $8,000 must have an average size of not less than 4½ rooms per unit (two bedroom average), so that any efficiency or one-bedroom units must be fully offset by three- or four-bedroom apartments.

Since rentals approved by FHA are determined by cost the bill thus tends to restrict such insured projects to lower rents or larger units than most of those provided the past year.

(c) The bill authorizes an additional $500,000,000 under the previous emergency rental insurance provisions (title VI, sec. 608) for FHA to process and insure applications for such rental insurance filed on or before March 1, 1950. This is to take care of a large number of applications for which previously authorized funds were not sufficient.

5. FHA-insured cooperative housing (sec. 213, title II, National Housing Act): This broadens and replaces previous authority for FHA to insure loans for cooperative housing projects, particularly for veterans.

Previously FHA could insure up to 90 percent of cost on a cooperative loan, and 95 percent if 65 percent of the members were World War II veterans. The bill would permit the 90 percent ratio to be proportionately increased per veteran member, up to 95 percent, even though veterans constitute less than 65 percent of membership. Thus, a veteran in any cooperative will benefit from 95 percent insurance and reduce his down payment requirement. The bill permits insurance up to $8,100 per unit ($8,550 for veterans) based on a $9,000 cost limit, or if the need for larger family units necessitates higher cost, $1,800 per room ($1,900 for veterans) based on a $2,000 maximum room cost.

If the cooperative is formed simply to build and develop the project, with the homes then to be bought by the members, the individual mortgage, if otherwise qualified, may then be insured on the 4 percent, 40-year basis provided for lower-cost cooperatives. Heretofore, such mortgages have had to be treated as regular individual insured loans, limited to 25 or 30 years at 4½ percent.

These provisions are designed to stimulate more private lending for cooperative housing and to enable more families, especially veterans, to undertake such projects in order to serve more middle-income families than has thus far been possible.

6. Secondary mortgage market (title III, National Housing Act): The bill increases the authorization for the Federal National Mortgage Association to purchase Government insured and guaranteed mortgages to make more home financing available.

The bill authorizes an additional $250,000,000 for such purchases, bringing the total authorization to $2,750,000,000.

The bill makes FHA-insured loans for low-cost houses in outlying and suburban areas (sec. 8, title I, previously described) eligible for purchase on the same basis as other FHA-insured mortgages.

The bill makes GI loans on farm houses eligible for purchase on the same basis (that is, 100 percent) as other GI home loans.

The bill permits the FNMA to charge not more than 1 percent of the outstanding loan as a fee.

The bill provides that FNMA may contract to purchase mortgages only after they have been guaranteed or insured, thus eliminating future advance commitments.

Disposal of war and veterans housing: Title II of the new bill defines and revises previous laws and policies relating to the disposal of federally owned housing originally provided for war workers or for emergency use of veterans in the postwar period. This relates to about 365,000 units still in Federal ownership, of which nearly two-thirds are temporary structures, and under present law, subject to removal at the end of 1950 unless specifically exempted. The bill recognizes that continued use and removal of temporary housing depends primarily on local housing conditions, and that sale of permanent housing has been impeded because of the resulting possible displacement of present occupants.

The bill carries certain provisions to take care of special problems and extensions, but generally sets up the following means of meeting the situation:

Temporary housing may be transferred to local communities and to educational institutions and nonprofit organizations now operating such housing (they have already acquired a large amount of similar housing under previous authorities), provided they apply by December 31, 1950, and pay the cost of any land involved. The local community will then determine its continued use and handle its eventual removal or disposal.

Temporary housing not so transferred will be required by the Federal Government to be vacated no later than July 1, 1952, and removed as soon as possible thereafter.

The bill authorizes the transfer of some of the permanent housing—about 44,000 units in 149 projects previously requested by localities, plus others applied for by the locality within 60 days and found suitable for such use—to the local communities for use as low-rent public housing under the United States Housing Act. Net income from this housing would be paid to the Federal Government. The bill also authorizes transfer to the Public Housing Administration, for use as low-rent housing for agricultural workers and for disposal, the farm-labor camps now administered under the Department of Agriculture.

Most of the permanent war housing is to be sold, with the occupants, either individually or in cooperative groups, having first opportunity to purchase, and with veteran occupants having first preference. Housing not so purchased would then be sold to others, with nonoccupant veterans or veteran groups having first preference.

CHANGES IN HOME LOANS TO VETERANS

In order to make home loans to veterans guaranteed by the Veterans' Administration under the Servicemen's Readjustment Act more generally available and effective, the bill makes the following changes:

1. Such loans under the new bill may be guaranteed up to 60 percent, but not more than $7,500, instead of 50 percent and $4,000 as before. The maximum term is also extended from 25 to 30 years. This will extend the range of 4 percent GI home finance to veterans.

2. The Veterans' Administrator is directed to prescribe minimum requirements for new construction guaranteed by GI home loans.

3. A provision is added to the GI bill to assist in making the GI guaranty more workable in the case of a farm home.

4. The Veterans' Administrator is authorized to make direct loans up to $150,000,000 to veterans for homes, in an amount of not more than $10,000 per loan, if the veteran is unable to obtain private financing at not more than 4 percent interest.

5. In view of the broadened scope of GI loans, the bill terminates authority for combination GI-FHA loans now in use, effective December 31, 1950, or sooner if the Veterans' Administrator finds it is desirable.

LOANS TO EDUCATIONAL INSTITUTIONS

In order to enable colleges and universities to serve more students and better meet the educational demand that has developed since the war, the bill authorizes the Housing and Home Finance Administrator to make up to $300,000,000 in loans to such educational institutions to provide housing for faculty and students. The loans may be for 40 years and shall bear interest at not less than the going Federal rate, plus one-fourth of 1 percent.

REGULATION OF HOUSING FEES

The bill directs the FHA and the Veterans' Administration to prescribe limits on charges and fees imposed upon builders and purchasers with respect to housing assisted under the FHA or VA program and makes housing on which excessive fees and charges are made ineligible for FHA mortgage insurance and VA loan guaranties.

DELIVERED PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, I move that the Senate proceed to the consideration of the conference report on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices.

(For conference report, see CONGRESSIONAL RECORD of March 31, 1950, p. 4452.)

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Illinois will state it.

Mr. LUCAS. When the Senate took a recess last Thursday, the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, was the unfinished business.

The VICE PRESIDENT. It still is. The Chair should have announced at the beginning that that was the unfinished business.

Mr. LUCAS. Then, Mr. President, I make a point of order against the motion of the Senator from Nevada.

The VICE PRESIDENT. The motion is privileged, since it relates to a conference report, and when it is disposed of the Senate will automatically return to the consideration of the bill referred to by the Senator from Illinois.

Mr. LUCAS. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. In order to displace the bill, H. R. 5472, however, a majority vote of the Senate is required, is it not?

The VICE PRESIDENT. The motion by the Senator from Nevada does not displace the unfinished business. The conference report being privileged, if the Senate votes to take it up—which must be, under the motion, by a majority vote—it would be, of course, considered until it is disposed of. Then automatically the bill referred to by the Senator will again come before the Senate. If the Senate refuses by a majority vote to take up the conference report, the Senate will still have the bill under consideration to which the Senator refers.

Mr. LUCAS. Mr. President, the able Senator from New Mexico [Mr. CHAVEZ], who is chairman of the Public Works Committee, has been attempting for some time to obtain consideration of H. R. 5472.

The VICE PRESIDENT. The Chair must announce that the motion of the Senator from Nevada to proceed to consider the conference report is not debatable. The question is on the motion.

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Byrd	Chavez
Brewster	Cain	Connally
Bridges	Capehart	Cordon
Butler	Chapman	Darby
Donnell	Jenner	Magnuson
Douglas	Johnson, Colo.	Malone
Dworshak	Johnson, Tex.	Martin
Ecton	Kefauver	Maybank
Ferguson	Kem	Morse
Flanders	Kerr	Mundt
Frear	Kilgore	Neely
Fulbright	Knowland	O'Conor
George	Langer	O'Mahoney
Gillette	Leahy	Robertson
Green	Lehman	Saltonstall
Gurney	Lodge	Schoeppel
Hayden	Long	Sparkman
Hendrickson	Lucas	Stennis
Hickenlooper	McCarran	Taft
Hill	McCarthy	Thomas, Utah
Holland	McClellan	Watkins
Humphrey	McFarland	Wherry
Hunt	McKellar	Williams
Ives	McMahon	Withers

The VICE PRESIDENT. A quorum is present. The question is on the motion of the Senator from Nevada [Mr. McCARRAN] to proceed to consider the conference report on Senate bill 1008.

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President——

The VICE PRESIDENT. The motion is not debatable.

Mr. LONG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LONG. The motion is not debatable, but, if the conference report is brought up, it will be open to debate at that time, will it not?

The VICE PRESIDENT. Yes. The yeas and nays having been ordered, the Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). I have a pair with the Senator from Colorado [Mr. MILLIKIN]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Idaho [Mr. TAYLOR] are detained on official business.

The Senator from Connecticut [Mr. BENTON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senators from North Carolina [Mr. GRAHAM and Mr. HOEY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Georgia [Mr. RUSSELL] are absent on public business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Oklahoma [Mr. THOMAS] and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Georgia [Mr. RUSSELL] is paired on this vote with the Senator from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Georgia would vote "nay," and the Senator from Pennsylvania would vote "yea."

If present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], and the Senator from Idaho [Mr. TAYLOR] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Ohio [Mr. BRICKER] is necessarily absent and is paired with the Senator from Wisconsin [Mr. WILEY], who is absent by leave of the Senate. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Wisconsin would vote "nay."

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate, and his pair has been announced previously by the Senator from Texas [Mr. JOHNSON].

The Senator from Maine [Mrs. SMITH] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent. If present and voting, the Senator from Maine [Mrs. SMITH] would vote "nay."

The Senator from Minnesota [Mr. THYE], who is absent by leave of the Senate, is paired with the Senator from North Dakota [Mr. YOUNG], who is also absent by leave of the Senate. If present and voting, the Senator from Minnesota would vote "yea," and the Senator from North Dakota would vote "nay."

The Senator from New Jersey [Mr. SMITH] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is detained on official business.

The result was announced—yeas 35, nays 36, as follows:

YEAS—35

Brewster	Gurney	McFarland
Bridges	Hendrickson	Mundt
Butler	Hickenlooper	O'Conor
Byrd	Hunt	O'Mahoney
Capehart	Jenner	Robertson
Darby	Johnson, Colo.	Saltonstall
Donnell	Kem	Schoeppel
Dworshak	Kerr	Taft
Ecton	Knowland	Wherry
Ferguson	Lodge	Williams
Flanders	McCarran	Withers
George	McCarthy	

NAYS—36

Aiken	Hill	McKellar
Cain	Holland	McMahon
Chapman	Humphrey	Magnuson
Chavez	Ives	Malone
Connally	Kefauver	Martin
Cordon	Kilgore	Maybank
Douglas	Langer	Morse
Frear	Leahy	Neely
Fulbright	Lehman	Sparkman
Gillette	Long	Stennis
Green	Lucas	Thomas, Utah
Hayden	McClellan	Watkins

NOT VOTING—25

Anderson	Johnston, S. C.	Thomas, Okla.
Benton	Millikin	Thye
Bricker	Murray	Tobey
Downey	Myers	Tydings
Eastland	Pepper	Vandenberg
Ellender	Russell	Wiley
Graham	Smith, Maine	Young
Hoey	Smith, N. J.	
Johnson, Tex.	Taylor	

So Mr. McCARRAN'S motion was rejected.

PROCEDURE ON YEA-AND-NAY VOTES

Mr. LUCAS. Mr. President, I desire to invite the attention of the Senate to a precedent which is growing, and to which all Senators, I believe, should give serious consideration. As I understand, Senators on both sides of the aisle, before their names are called on a vote

upon a measure, frequently walk up to the desk and vote. That precedent is growing more and more each day. It happened in connection with the vote just had. I believe we ought to observe the rule, and that a Senator should answer "Yea" or "Nay" when his name is called, and not take advantage of the rule by walking up to the desk and voting with the clerk before his name is called.

The VICE PRESIDENT. The Chair believes it would be advisable, for the information of the Senate, to have the clerk read the rule with respect to yea-and-nay votes.

The legislative clerk read as follows:

Rule XII. Voting, etc.: 1. When the yeas and nays are ordered, the names of Senators shall be called alphabetically; and each Senator shall, without debate, declare his assent or dissent to the question, unless excused by the Senate; and no Senator shall be permitted to vote after the decision shall have been announced by the Presiding Officer, but may for sufficient reasons, with unanimous consent, change or withdraw his vote. No motion to suspend this rule shall be in order, nor shall the Presiding Officer entertain any request to suspend it by unanimous consent.

The VICE PRESIDENT. Obviously, under the rule, no Senator has the right to vote except when his name is called alphabetically. The Chair hopes Senators will observe the rule. The practice referred to by the Senator from Illinois has become a habit, although, fortunately, not universally so. However, any effort by a Senator to vote in advance of his name being called is a violation of the rule. If the attention of the Chair were called to a violation, the Chair would so hold. The attention of the Chair usually is not called to it, and therefore he has no information regarding it. This announcement does not mean, however, that after a roll call is completed a Senator may not be recognized to vote or change his vote prior to announcement of the final result.

LEGISLATIVE PROGRAM

Mr. WHERRY. Mr. President, I should like to address a query to the distinguished majority leader, as to what his pleasure is relative to calling up the conference report on the basing-point legislation after the pending measure has been disposed of.

Mr. LUCAS. I should like to advise the Senator from Nebraska that on tomorrow the Democratic policy committee will meet, and following the meeting of the policy committee I shall be better able to answer the Senator's query. It is my understanding that it will take this afternoon and tomorrow to conclude debate upon the pending bill. I have no disposition to delay any of these matters. As the Senator from Nebraska knows, the Senator from New Mexico [Mr. CHAVEZ] has been attempting to call up the so-called river and harbor and flood-control bill for a long time. There are other very important measures which the Senate must consider. Therefore, I should like very much to have the policy committee help me tomorrow to make a determination as to what shall be taken up following disposition of the unfinished business. However, whatever the Senate may take up, I assure the Senator from Nebraska it will be an important measure. It will be either the conference report on the basing-point bill, or FEPC, or ECA, or the Agricultural Commodity Credit Corporation bill. All of them are important, and I believe all Senators ought to be present when the Senate votes upon any of them.

Mr. WHERRY. I thank the majority leader for his answer. The basing-point conference report is a privileged matter, and, in that respect, I believe it falls into a category different from that of any of the other measures the distinguished majority leader has mentioned. Of course, I do not expect to be admitted to the Democratic policy committee meeting, and, therefore, I shall have no chance to determine what the next measure to be taken up will be, but I submit, in all kindliness, that it seems to me that after the unfinished business has been disposed of, the privileged matter, the conference report, should have the right-of-way, and we should consider it and either adopt it or reject it. The bill has been pending in the Senate since last year, and it should be disposed of as soon as possible.

Mr. LUCAS. I appreciate the suggestion made by the able minority leader. Obviously, in due course, we shall take up the conference report on the basing-point bill. So far as the Senator's visiting a meeting of the Democratic policy committee is concerned, I issue to him an invitation to come to our meetings any time he may wish to do so. I do not say that we will follow the wisdom, advice, or counsel which he may choose to give us, but he will always be welcome to attend a session of the policy committee.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. LONG. I am sure the Senator from Illinois realizes that several Senators are violently opposed to the conference report on the basing-point bill because they feel that its adoption would emasculate many features of the anti-trust law. We anticipate lengthy debate on the report when it comes before the Senate for consideration.

Mr. LUCAS. I understand there will be some debate on the conference report on the basing-point bill. That is another reason why I am eager to have it come up for consideration.

Mr. WHERRY. I have all the respect in the world for the position taken by the distinguished Senator from Louisiana [Mr. LONG]. However, I am sure he will agree that we should take first things first, and consideration of the conference report on the basing-point bill has priority. Of course, when it comes up for consideration it will be debated, and I believe it should be fully debated. However, consideration of the report is long past due, and it should be brought before the Senate without further delay.

Mr. LUCAS. It is a privileged matter, and it may be called up at any time.

CONFIRMATION OF NOMINATIONS IN THE ARMED SERVICES AND NATIONAL SECURITY RESOURCES BOARD

Mr. BYRD. Mr. President, from the Committee on Armed Services, in the absence of the senior Senator from Maryland [Mr. TYDINGS], the chairman of the committee, I report favorably certain routine nominations in the Army, Navy, and Marine Corps. They have been in the committee for the required 7 days, and no objections have been filed. Included in the nominations are those of W. Stuart Symington, to be Chairman of the National Security Resources Board, and Frank Pace, Jr., to be Secretary of the Army. I am told that it is important that these nominations be confirmed today, and I ask unanimous consent, as in executive session, that the nominations be considered and confirmed, and that the President be immediately notified.

The VICE PRESIDENT. Is there objection? Without objection, the nominations are confirmed, and the President will be notified forthwith.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The VICE PRESIDENT. When the river-and-harbor bill was before the Senate at the last session of Congress, all the committee amendments were agreed to, and the bill went over on objection. At this session the committee reported five additional amendments, three of which have been agreed to. So there are now to be considered two amendments, and the clerk will state the first of the two.

The LEGISLATIVE CLERK. On page 53, after line 15, it is proposed to add the following:

The sum of $1,500,000 additional is authorized to be appropriated and expended by the Federal Power Commission for carrying out any examinations and surveys provided for in this act or any other acts of Congress, to be prosecuted by the Federal Power Commission.

A NEW PLAN FOR INTERSTATE OPERATION OF WATER AND POWER PROJECTS

Mr. WATKINS. Mr. President, I am going to discuss a matter which is relevant and material to the bill which is now before the Senate. I hope the Senators who are interested in flood projects, power projects, and reclamation projects will remain in the Chamber to hear what I have to say on this very important matter.

Mr. President, the easy-to-build western reclamation and flood-control projects have already been constructed, or are well on their way.

From here on the reclamation and flood-control program calls for the construction for the most part of giant multiple-purpose projects on the large interstate streams of the arid West. Reclamation and flood control should be inseparable in future planning.

Incidental to the dams on the main streams of these river systems are smaller projects, largely for irrigation which with the help of power revenues from the large power plants, constructed by the Bureau of Reclamation or the Army engineers, will become feasible.

Water being what it is in the arid West—the very lifeblood of its economy—the basic policy of all reclamation and flood-control programs should be to put to the fullest possible beneficial use every drop of water available for consumptive use. Irrigation, municipal, mining, industrial, and miscellaneous demands must be satisfied if there is to be any future expansion in the West.

An abundant supply of low-cost electric energy can be a great aid to growth, but without an adequate supply of water for consumptive use, it is valueless. There can be no progress without life-giving water. That fact cannot be overemphasized.

Recognition of this elementary truth has given rise to planning future projects by westerners in such a way that the consumptive use of water is given the first consideration. Everything else is secondary.

Development of river systems should be planned as a whole and for all purposes. If the basin-wide development is feasible from the standpoint of economics, that is, if the project taken as a whole is self-liquidating, then it should be constructed. Growing out of this generalization is this problem: Will the full development of all the possibilities of a river system make feasible individual units for consumptive use such as irrigation, municipal, and industrial purposes for example, which, standing by themselves, would be of doubtful feasibility.

To be specific, there are numerous small irrigation and industrial water projects planned on the main streams and on the tributaries of the Columbia and Colorado and other western rivers. These small consumptive use projects will not be self-liquidating standing alone; consequently, they need the financial aid available from the tremendous power revenues that will be obtained from the other units of the basin development.

It is the development of these small and somewhat localized projects which will encourage the development of new homes, farms, and industries.

The power units must have a market for their output. There must be people to create that market, but without water for consumptive uses, there cannot be homes, farms, and industry to sustain people. It follows then that power projects built either by the Bureau of Reclamation or the Army Engineers, are inextricably tied in with irrigation, municipal and industrial water projects. One group cannot be successful without the other. It should be clear, therefore, that there is no other logical way to put to a beneficial use the remaining waters of the West, which, as I have already said, are principally in interstate streams, without a basin-wide development including both power plants and consumptive water use units. These go hand in hand.

Another problem that is coming to the front in the minds of westerners interested in reclamation is the growing tendency to get away from the basic policies established in the first Reclamation Act adopted in 1902. This policy required the landowners and water users to repay the costs of construction of a project on an amortized basis and when that was done, the operation, maintenance, and the equitable ownership came to those who made the repayment of the costs.

In the hurry-up days of the depression when projects had to be started without contracts for the repayment of the costs in order to furnish employment there developed the so-called 9 (E) contract for the rental of water to the landowners and other water users. Under this policy nothing was said about the repayment of the costs and there was no provision for the transfer of the operation and maintenance and equitable ownership over to the water users when the total income from rentals would equal the cost of construction. The central valley program in California is an example of this kind of a situation.

The United States has already constructed, through the Bureau of Reclamation, a number of power projects which are directly connected with irrigation. Grand Coulee and the Shasta Dam in the central California project are examples. In addition, the Bureau of Reclamation constructed Hoover Dam on the Colorado. This is a flood-control and power project primarily, although it does store water for future use in irrigation. However, there is no direct diversion from the reservoir for irrigation.

The power features of the projects I have just named are operated and maintained by the Bureau of Reclamation. So far as I know there is no intent ever to turn these projects over to the people in the areas who, by their patronage, will have paid for the cost of the construction. I think it may be safely said that the Bureau of Reclamation plans for the permanent operation of these projects by the Bureau or some other Federal agency.

I may interpolate and say that on the Columbia, the Bonneville Administration is the Federal agency which is now operating these projects which are already constructed.

A comprehensive development of the Columbia River alone and its possibilities would probably make the United States the greatest utility owner and operator in the world, with the exception of Russia, if the policy followed on the Hoover Dam, Grand Coulee, and Bonneville projects is adopted for the rest of the Columbia development, and all the other river systems of the West.

It is claimed on the Columbia and Colorado Rivers, and I believe the claims can be firmly justified, that the entire reimbursable costs of the full developments can be entirely repaid by the water and power users if the entire developments are considered as single units (in the case of the Colorado, two units, upper and lower divisions by compact agreement) and the proceeds from them as basin-wide units are applied to the repayment of costs. In these projects, of course, power would be the greatest contributor.

It should be pointed out that whether the income is from power or water or both, the people of the Columbia and Colorado Basins are the ones who will pay the entire reimbursable costs of construction. That they will make a profit in using the water and the power does not alter the fact that they in the end will repay the entire cost of the comprehensive developments. Incidentally, they will also pay heavy income taxes on whatever profits they make out of those operations. In the long run the increased Federal taxes collected from the areas will amount to more than the total cost of the projects.

I am calling attention to large projects already under the control of the Bureau of Reclamation, of the Department of Interior, and apparently permanently so, to indicate what will likely happen in the future. So far as I know, there is nothing being suggested that when these projects are paid for, the people of the river systems will ever own and operate them.

Developments on other river basins such as the Columbia are now being planned which would add immense additions to the power units under the control of the United States. There are at least nine large power projects on the upper Colorado River alone. To these should be added the vast program of dams and power plants on the Missouri Valley River system. All of these projects come under the control of the United States, and they undoubtedly will in the future, unless some other methods are found or policies adopted for the operation, maintenance and equitable ownership of these projects. The continued operation of these developments by the United States would go a long way toward nationalization of the power industry in the western part of the United States and eventually in the whole country.

Whether to continue that policy or to find another way to take care of this much desired development, that is, the development of all these streams, is one of the problems now facing Congress. If the policy of the original Reclamation Act of 1902 should be followed on interstate stream projects, the people of all of these river areas would own the projects when costs of construction were repaid. They not only would have the equitable ownership, but they would also operate them, under amendments to the original act, and that operation would begin as each unit in the basin-wide developments was completed.

Many projects have already been constructed under the original Reclamation Act. Under the repayment contracts, these projects, soon after they were constructed and tested, were turned over to the water users to operate and maintain. Some of them have power units; although at this stage of reclamation history the power units were incidental rather than the main part of the projects.

There are many of these projects including incidental power plants now in successful operation—projects where the Bureau of Reclamation moved out as soon as the projects were finished. The only connection the Bureau has with these projects is to check occasionally to see that the management is protecting the physical features of the dams, reservoirs, power plants, and other facilities. The Government's interest is that of a creditor who is entitled to see that the security is protected. When the reimbursable costs are paid, the Government

has no further interest except to hold the legal title under the reclamation law. The equitable title is in the water users.

In the first reclamation projects, in the early days, the Government contracted directly with the individual landowners and water users. As the program grew, this proved to be very cumbersome. To remedy this situation, irrigation districts and water users associations were organized to represent groups of landowners and other water users in their dealings with the United States. Repayment contracts were signed either by the district or the association in behalf of the individual water users. The use of these entities has been extensive in the West. Their organization and their methods of operation are well known to western water users.

Now that the remaining water development of the West is largely on interstate streams, a new problem is presented. It is argued that there must be one entity to operate an integrated program for the entire river system, or a division of it where a division has been made by compact between States—as, for example, the separation of the Colorado River into the upper and lower divisions.

A Federal valley authority modeled on TVA is held to be the ideal way for the further development of the interstate streams of the West. In the West there is strong resistance to these proposals. I do not intend at this time to argue the merits or demerits of valley authorities. In passing, I might point out that the problems of the use of western rivers, where there are so many private rights to the use of water under the doctrine of appropriation by beneficial use, are in no way comparable to the problems on interstate river systems where irrigation is not practiced and where there are no State and private rights under the western doctrine of appropriation by beneficial use.

Mr. President, I agree with those who contend that there should be one entity to integrate and coordinate projects on interstate streams. It should be a strong organization, one clothed with ample authority to act in harmony with interstate water compacts, approved by Congress and with interstate water commissions authorized by those compacts to regulate the flow and use of such streams.

I go one step further than the proponents of the one-entity operation and management of rivers are willing to go, namely, that there should also be one interstate organization, locally controlled, which would have the authority to own in trust, for the numerous water and power users on the main stems of such river systems or divisions of river systems, at least all the major projects or units of projects and their facilities which are constructed under a basin-wide development.

I believe firmly that the resources of these great river systems belong to the people who have pioneered these areas and who are willing to continue the pioneering process in establishing and maintaining homes, industries, and still higher standards of civilization.

I am also convinced that it will take a basin-wide development, with all the revenues produced by the various projects or units of projects which are constructed, to repay the reimbursable costs of such development. They are so huge that they are entirely out of reach of private enterprise financing.

I envision the time when those reimbursable costs of construction are repaid. The repayment cannot be made, however, until the projects are completed and until there has elapsed sufficient time in which to put to a beneficial use the waters so developed and made available, whether it be in irrigation, municipal or industrial water projects, or in electric generation plants whether for a reclamation project or a flood-control project constructed by the Army engineers.

When the time does come that the costs have been repaid—or earlier, if possible—I think the States on these interstate streams and the United States should enter into a compact which will determine what disposition should be made of the net power revenues which would come out of the operation of these various basin-wide programs.

May I summarize my conclusions:

First. The program of developing interstate streams should include all uses of water, both for consumptive and for power generating purposes; and if the over-all, basin-wide project is found to be feasible, then the Federal Government should finance its construction, even though individual units or projects for the consumptive use of water standing alone might not be self-liquidating.

Second. That the basic policy of the Reclamation Act of 1902, as amended, should be reaffirmed and made a part of all reclamation and flood-control projects now in operation or under construction or being planned for construction on interstate streams in the 17 arid States of the West. Repayment contracts covering the reimbursable costs of construction should be entered into with an entity representing the water users under federally constructed projects on these interstate streams; and when repayment of the reimbursable costs has been made, the equitable title to the projects shall be in the entity representing these water and power users, to be held in trust for the people in the areas of said interstate river systems.

Third. That there should be a strong interstate water and power users' association which can operate and maintain, for the benefit of the citizens of the area, basin-wide projects on interstate streams. That said association, either directly or through its stockholder members, should take over and maintain and operate each major unit of the basin-wide development as soon as it is completed; and that when reimbursable costs have been repaid on each unit, the equitable title to each unit, and finally the entire development, should vest in and be held in trust by the interstate association for the benefit of the citizens of that area, including the water users, members of the association.

Reclamation and flood-control development on the interstate water courses of the West is now at the crossroads, so far as future policy is concerned. At the present there are no entities which can sign a repayment contract and can agree to operate and maintain the various reservoirs, dams, and power plants on these interstate streams. For instance, in the upper Colorado River Basin, where a compact has been entered into between the States, dividing their share of the waters of that stream among them, there are at present no legal entities authorized to sign repayment contract for the construction of the large reservoir and power plants on the main stem of that river.

Let me say here that the program, the investigations, and the planning now have reached the authorization stage. Bills which now are pending would authorize the construction of those large reservoirs on the upper Colorado River. I repeat that at the present time there are no agencies with authority to sign repayment contracts. We must face this problem at some time in the near future, and I think now is the time when we should consider it.

Furthermore, no policy has thus far been declared by Congress as to the future disposition of power and power revenues, both on the interstate projects and on many of the State projects where, along with irrigation, there is power development incidental to the principal purpose of the project. Most or at least some of those repayment contracts provide that if the power development is made by the association or by the water user at its own cost, then it will have full control and ownership of the power development. On the other hand, if the money used to finance the project comes from the United States, then the future disposition of those projects will be left to Congress. That means that no policy as to that matter has been settled at this time. It has not been determined whether or not the water users and others signing for the construction of the projects will have the right to the use of the power and power revenues to pay construction costs of the over-all, basin-wide developments. In fact, the future policy of the United States as to how interstate projects should be handled has not been worked out as yet.

On the Columbia River and on the Missouri there are also vast programs in both the planning and the construction stages. Incidentally, I was told only the other day that some 104 reservoirs are planned on the Missouri River, alone. Many of them now are under construction, but still we have not adopted a policy as to how they shall be operating in the future. Some of them have been authorized; all together, there are probably $1,500,000,000 in projects which will soon be knocking at the doors of Congress for authorization. Many of them are now knocking at the door for appropriations.

It seems to me now is the time for the Congress to adopt a concrete, definite policy that will settle, once and for all, the questions which I have raised with reference to the projects on interstate streams.

There are various proposals before the Congress. We are asked to approve basin accounts which name the Federal Government, through one of its agencies, as the keeper of that account and the agency to actually control the disposal of power and to collect the revenues.

Several bills seeking to authorize a TVA or valley authority type of Federal authority not only to own and operate the basin-wide developments, but also to construct them, have been introduced, and are now before committees of the Congress.

Most of the proposals which have been made overlook the fact that the people of the 17 Western States will have to pay for the construction costs of these giant projects, and should have the final say as to their ownership and operation unless the Congress adopts a policy of Federal ownership. Proposals made to date seem to go in the direction of permanent Federal control and operation of these multiple-purpose projects.

I have been studying this problem for many years, Mr. President, during a period when I have been representing water users in their relations with the Bureau of Reclamation or with other agencies of the Government. I have some rather definite ideas on the questions involved, and I have attempted to set them forth rather specifically in my remarks here today.

I have drafted a bill which I offered earlier in today's session, for reference to the appropriate committee—which I sincerely believe will meet the situation in the West on interstate rivers, and will furnish the type and kind of an organization that ought to be authorized to provide for a unified, integrated control of the operations of at least the various major projects or units of projects on interstate streams.

Mr. President, at this point I ask unanimous consent that the bill which I have introduced be printed in the RECORD.

There being no objection, the bill (S. 3376) to provide for the organization of interstate water and power users' associations for the purpose of entering into contracts for the repayment of the costs of water and power projects on interstate streams and for the ownership, operation, and maintenance of such projects, and for other purposes, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the Interstate Water and Power Project Act of 1950.

FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) The Congress hereby finds that—

(1) The development of multiple-purpose reclamation and flood-control projects on interstate streams is necessary to attain the maximum beneficial use of the waters of such streams.

(2) The majority of such essential projects would embrace irrigation of lands and other consumptive uses of water and the generation and sale of electric energy in two or more States.

(3) The development of such projects is impended by the fact that instrumentalities of the several States are without authority to contract with the United States for the construction and repayment of the costs and to provide for the operation and maintenance of projects which are interstate in character.

(b) It is hereby declared to be the policy of this act that—

(1) The development of projects for the irrigation of lands and other consumptive uses of water and the generation and sale of electric energy in two or more States can be facilitated by the establishment, as hereinafter authorized of corporate entities to be known as interstate water and power users' associations empowered to enter into contracts with the Federal Government for the construction of such projects and for repayment of the costs thereof, and to operate and maintain and to hold in trust for its shareholders the equitable ownership of the completed projects or units thereof.

(2) When reimbursable costs of the construction of any such project, or unit thereof covered by a separate repayment contract, have been repaid to the United States, the equitable title to such project or unit and the rights to the permanent and exclusive use of the water diverted and made available, to the exclusive use of the electric energy produced and generated, and to the exclusive use of the proceeds from the sale thereof subject to the provisions of subsection (c) of section 13, shall be vested in perpetuity in the interstate water and power users' association which shall have become entitled, by contract with the United States, to the rights and benefits conferred by this act and by such contract, and shall be perpetually held by such association in trust for the use and benefit of its shareholders.

(3) Where putting waters of interstate streams to maximum beneficial use for irrigation purposes and other consumptive uses requires the construction of projects, the costs of which are beyond the ability of water users under such projects to repay from proceeds derived from the use of such water, revenues received by an interstate water and power users' association from the sale of electric energy produced by such projects, shall be applied to the repayment of such costs to the extent necessary to insure that all such waters available and which can be feasibly used for irrigation purposes and other consumptive uses may be put to the fullest possible beneficial use.

(4) The use for navigation in connection with the operation and maintenance of reclamation projects, flood-control projects, or power-development projects constructed under the provisions of this act, or waters arising in States lying wholly or partly west of the ninety-eighth meridian shall be only such use as does not conflict with any beneficial consumptive use, present or future, in States lying wholly or partly west of the ninety-eighth meridian of such waters for domestic, municipal, stock water, irrigation, mining, or industrial purposes.

INTERSTATE WATER AND POWER USERS' ASSOCIATIONS

SEC. 3. For the purpose of establishing an organization with adequate powers to contract with the Federal Government for the construction of water and power projects utilizing the water of interstate streams for irrigation and other consumptive uses of water, and the development, production, distribution, and sale of power within two or more States, and with adequate powers to maintain and operate such projects (or units thereof covered by separate repayment contracts) upon their completion, the Secretary of the Interior (hereinafter referred to as the "Secretary") is directed, upon receipt of articles of incorporation filed in behalf of incorporators by the Governors of a majority of the States on the river system (or division of river system which has by interstate compact been made a division of such river system) to charter a body corporate which shall be known as an interstate water and power users' association and shall have the powers and authority set forth in this act, together with such other powers not inconsistent therewith as may be necessary to enable the association to carry out its functions and as may be set forth in its articles of incorporation. Such articles of incorporation may thereafter be amended in any manner not inconsistent with the provisions of this act by the filing with the Secretary of the Interior the proposed amendment by the association.

BOARDS OF DIRECTORS

SEC. 4. The management of an interstate water and power users' association shall be vested in a board of directors consisting of not less than 5 and not more than 21 members, to be elected by the shareholders. Such members shall serve for terms of 3 years, except that (1) of the members first elected, not less than one-third shall serve for terms of 1 year, not less than one-third shall serve for terms of 2 years, and the remainder shall serve for terms of 3 years, and (2) a member elected to fill a vacancy caused by death or resignation shall serve only for the unexpired portion of the term for which his predecessor shall have been elected. During any period when any obligation of the association is owing to the United States there shall be an additional member who shall be a representative of the United States and who shall be appointed by the President. Directors shall receive compensation at rates to be fixed by the association, except that in the event the director appointed by the President is an officer or employee of the United States he shall not be entitled to compensation in addition to his compensation as a Government officer or employee. No person shall be eligible to serve as a director unless he is a citizen of the United States. All members of the board except the Federal representative shall be residents of the area to be served by the project. The shareholders from each State within such area shall elect at least one member of the board.

OFFICERS AND EMPLOYEES

SEC. 5. (a) The board of directors of an interstate water and power users' association is authorized, without regard to the civil-service laws and the Classification Act of 1949 to appoint and fix the compensation of such committees, officers, and employees as it deems necessary to carry out the functions of the association. No person shall be appointed as general manager, secretary, or treasurer of an association, or as a member of an executive committee thereof, except upon the affirmative vote of three-fourths of the membership of the board of directors.

(b) The provisions of the act entitled "An Act to Provide Compensation for Employees of the United States Suffering Injuries While in the Performance of Their Duties, and for Other Purposes," approved September 7, 1916, as amended, shall apply to persons employed under the provisions of this section; and the remedies afforded by such act shall be exclusive and in lieu of any other remedy.

PRINCIPAL OFFICE

SEC. 6. An interstate water and power users' association shall maintain its principal office within the area to be served by the project which it is organized to develop and in which it is to perform its functions.

CAPITAL STOCK

SEC. 7. The capital stock of an interstate water and power users' association shall be in such number of shares as may be specified in the articles of incorporation, shall be issued to a conservancy district, water users' association, or other organization or entity authorized under State law to subscribe for, acquire, and hold such stock, and shall be issued to the respective holders in proportion to the water rights which they hold or represent. Such stock shall be assessable for the purposes specified in section 8.

SOURCES OF REVENUE

SEC. 8. (a) Revenues for the accomplishment of the purposes of an interstate water and power users' association shall be raised—

(1) From assessments against the shares of stock of the association, or calls against subscriptions for such stock, insofar as may be necessary to meet:

(A) Costs of construction, improvement, enlargement, betterment, repairs, operation, and maintenance of the power plants and irrigation and other works of the associations, or of those managed, controlled, operated, or maintained by it.

(B) Payments due the United States under any contract or contracts between the United States and the association, or payments under any contract between the United States and other parties which are assumed or guaranteed by the association.

(C) Deficiencies caused by the failure of some of the shareholders of the associations to pay assessments upon their shares of stock.

(D) Any and all lawful obligations of the associations.

(2) From income arising from the carriage, sale, rental, or delivery of water for irrigation or other purposes or from the sale, rental, lease, or otherwise furnishing of electric or other power, or power privileges, or from other lawful operations of the association.

(b) Assessments authorized under subparagraph (1) of subsection (a) shall be equitably but need not be equally assessed.

Such equitable but unequal assessments may be made in any situation where expenditures are made or are necessary for purposes that are of benefit to a part only of the shareholder; or where existing or future contracts with the United States, or the laws or regulations of the United States, now or hereafter, require or permit unequal assessments; or where unequal assessments are required or permitted by the terms or conditions of any contract between the association and any shareholder.

GENERAL CORPORATE POWERS OF ASSOCIATIONS

SEC. 9. Subject to the provisions of this act, an interstate water and power users' association—

(1) shall have perpetual succession in its corporate name;

(2) may sue and be sued in its corporate name;

(3) may adopt and use a corporate seal, which shall be judicially noticed;

(4) may adopt, amend, and repeal bylaws;

(5) shall have power to acquire, by purchase, lease, condemnation, or donation, such real and personal property and any interest therein, and to dispose of any such property or interest therein, as the board of directors deems necessary or appropriate in carrying out the purposes of the association;

(6) shall have power to enter into such contracts and agreements, and to do such acts and things as the board of directors deems necessary to carry out the purposes of the association: *Provided,* That contracts involving in excess of $100,000 must also be approved by a vote of three-fourths of all shareholders of the association.

DEVELOPMENT AND CONSTRUCTION OF PROJECTS

SEC. 10. (a) An interstate water users' association shall have power to contract with the Government of the United States or any agency thereof for the construction, preservation, operation, and maintenance of tunnels, reservoirs, regulating basins, diversion canals and works, dams, power plants, transmission lines, and all other works incident thereto, and used in connection therewith.

(b) Section 2 (g) of the Reclamation Project Act of 1939 is amended by inserting before the period at the end thereof a comma and the following: "and shall include an interstate water and power users' association organized under the Interstate Reclamation Project Act of 1950."

(c) The reimbursable costs of multiple-purpose projects shall be equitably allocated among the various activities thereof in such manner as may be necessary to encourage the widest possible use of water for irrigation purposes and other consumptive uses and to avoid the imposition upon water users of a share of the joint costs which is excessive in relation to the benefits derived therefrom. The allocation of such costs shall be the responsibility of the Secretary of the Interior in the case of projects constructed or to be constructed by the Department of the Interior, but he shall consult with the Secretary of the Army with respect to allocations to flood control and navigation and with the Federal Power Commission with respect to allocations to power. Such allocations shall be the responsibility of the Secretary of the Army in the case of projects constructed or to be constructed by the Department of the Army, but he shall consult with the Secretary of the Interior in the case of allocations to irrigation and the preservation and propagation of fish and wildlife, and with the Federal Power Commission and the Secretary of the Interior with respect to allocations to power.

(d) The provisions of section 9 (except subsecs. (c) and (e)) of the Reclamation Project Act of 1939 shall, to the extent not inconsistent with this act, be applicable with respect to any project undertaken pursuant to this act, that for the purpose of any repayment contract under such section there shall be included in the general repayment obligation of the interstate water and power users' association, in addition to the part of the construction costs allocated to irrigation, the part of such costs which are allocated to power and municipal water supply.

DISPOSITION OF WATER

SEC. 11. Water diverted from an interstate stream by an interstate water users' association shall be allotted to the shareholders of such association in accordance with their respective water rights as determined by the laws of the States having jurisdiction thereof or by compacts between any two or more of such States. Nothing contained herein shall be construed to interfere with the right or power of any State to regulate within its own boundaries use and control of water.

DISPOSITION OF ELECTRIC POWER

SEC. 12. (a) An interstate water and power users' association shall have authority to enter into contracts for the lease of power privileges or for the sale of electric power generated by it. In any such lease or sale preference shall be given to municipalities and other public corporations or agencies, and to cooperatives and other nonprofit organization financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936, as amended.

(b) An interstate water and power users' association shall also have authority, in order to provide for emergencies, break-down relief, increased stability, and economy in operations, to enter into contracts or arrangements upon suitable terms with public- and private-power systems for the purchase or mutual exchange of electric power.

(c) No contract relating to electric power or power privileges shall be entered into under this section unless, in the judgment of the board of directors it will not impair the efficiency of the project for irrigation purposes and other consumptive uses of water.

(d) In disposing of electric power under this section an interstate water and power users' association shall not enter into contracts for deliveries of firm power outside of States which comprise or portions of which comprise, the area or river system which such association is organized to develop, and contracts for delivery of firm power in such States shall provide that, whenever the association finds that a purchaser is by reason of the purchase of power under such contract supplying power to an adjacent marketing territory outside such States on a firm basis and thereby precluding the marketing in that territory of firm power capable of being developed at plants of another interstate water and power users' association in such territory, the amount of firm power supplied to that purchaser shall be reduced to the amount required by it within the States referred to in this subsection, after taking into account the amount of power reasonably available to that purchaser from its own power plants within such States. Nothing contained in this subsection shall be construed to preclude interconnections with power-marketing areas outside such States, for the purpose of delivery of surplus energy on an off-peak, emergency or temporary basis, or for the exchange of power and energy, including the exchange of power or energy for water or storage of water.

REVENUES FROM DISPOSITION OF ELECTRIC POWER

SEC. 13. (a) There shall be charged against the power and miscellaneous revenues, including revenues on account of benefits to downstream power plants which result from upstream improvements, derived from or incidental to the operation of any power plant or plants including transmission lines and other facilities incident to the marketing of power from such plants by an interstate water and power users' association, all operation, maintenance, and construction costs of such power plants, transmission lines, and other facilities that are allocated to power purposes, and interest as provided in subsection (c). There shall also be charged against such revenues all reimbursable costs which are properly allocable to purposes other than power, but which are assigned for repayment from power revenues, in connection with projects within the jurisdiction of such association, whether or not such projects include power features: *Provided,* That assignment of such costs in excess of amounts which are so assignable under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof and supplementary thereto) shall be made only upon specific authorization by act of Congress.

(b) At the close of each fiscal year the Secretary of the Interior shall transmit to the Congress a report reflecting with respect to each interstate water and power users' association, the Federal expenditures allocated to power and the Federal expenditures allocated to irrigation and other water-supply purposes, and the progress of repayment thereon.

(c) The revenues referred to in subsection (a) and the costs therein authorized to be charged against such revenues, together with estimated future costs and revenues, shall be taken into account in fixing rates for the sale of power by an interstate water and power users' association: *Provided,* That estimated future costs and revenues of projects or divisions thereof upon which construction has not been initiated shall be so taken into account only if funds for the preparation of designs and specifications or for the initiation of construction have been made available to Federal agencies charged with responsibility thereof pursuant to law, or if estimates of requirements of funds for those purposes have been submitted to the Congress by the President. Such power rates shall be fixed by the association, from time to time after consultation with the Secretary of the Interior or the Secretary of the Army as the case may be and the Federal Power Commission, at levels which in the aggregate will be at least sufficient to cover (1) the operation, maintenance, and all other costs of generating, transmitting,

and disposing of such power and energy, including among such costs depreciation on the depreciable properties included in the construction costs allocated to such generation, transmission, and disposition, plus amortization, over a reasonable period of years, of the nondepreciable properties included in the construction costs so allocated, and included interest on the unpaid balances of the Federal expenditures allocated to power, at rates not less than those specified in existing applicable laws or, where no rates are so specified, at such rates as may be determined from time to time by the Secretary of the Treasury to be appropriate, having regard to the probable term of the power expenditures and the rates payable on outstanding marketable obligations of the United States; and (2) any additional amounts which may be required to return the reimbursable costs properly allocable to purposes other than power, but assigned for return from power revenues. In keeping its accounts and in setting rates for the sale of power an interstate water and power users' association shall take into consideration, for all properties under its jurisdiction the application of interest on the unpaid balances of the Federal expenditure allocated to power to the return of costs properly allocable to purposes other than power, but assigned for return from power revenues, to the same extent that application of interest on power expenditure to the return of such costs may be taken into consideration under the Federal reclamation law.

(d) Until such time as all obligations of an association to the United States have been discharged all power revenues of such association over and above those required to satisfy the requirements of this section shall be (1) held as a reserve for depreciation and used for the purposes of replacement of facilities as rapidly as replacement becomes necessary, (2) held as a reserve for future payments on the repayment obligation, or (3) used for making accelerated payments on such obligation.

(e) The distribution of all power revenues of an association after satisfying the requirements of this section and after all the obligations of an association to the United States have been discharged shall be in accordance with such provisions as shall be contained in a compact for the division and allocation of such excess power revenues which shall have been duly entered into by the States in the area of said interstate river system and approved by Congress.

STATE COMPACTS

SEC. 14. (a) Any two or more States are hereby authorized to negotiate and enter into compacts (1) to further and supplement on behalf of the State the purposes of this act, and (2) to carry out on behalf of the States appropriate projects and activities in relation thereto, and (3) to provide for the division and beneficial use of the waters of interstate streams according to the equitable rights of said States. No such compact shall become effective or binding upon the parties thereto unless and until it shall have been ratified by the Congress.

(b) An interstate water and power users' association shall cooperate with and furnish information and assistance to the States for the purpose of negotiating, entering into, and carrying out compacts under this section. Compacts heretofore or hereafter entered into between any two or more States relating to waters of interstate streams shall be binding upon such associations and each such association and its stockholders shall be subject, in the operation and maintenance of projects or units of projects, to the terms of such compacts and to the determinations under such compacts of any interstate commission established thereunder for the management, protection, and division of such waters.

INTRASTATE PROJECTS

SEC. 15. Notwithstanding any other provision of the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), upon the request of a water users' association or other organization created under State law, which is or hereafter becomes a party to a contract heretofore or hereafter entered into for repayment to the United States of construction charges on any project or unit thereof constructed pursuant to such laws, there shall be included in such contract provisions to the effect that—

(1) the power features of such project or unit thereof shall be operated by the contracting association or organization and for such purposes the provisions of section 12 and 13 of this act shall apply to the association or organization to the same extent as though it were an interstate water and power users' association established under section 3 of the act;

(2) the general repayment obligation under such contract shall be extended to include, in addition to the part of the construction costs allocated to irrigation, the part thereof which is allocable to power and municipal water supply; and

(3) when such repayment obligation shall have been discharged the equitable title to such project or unit and the rights to the permanent and exclusive use of the water diverted and made available, to the exclusive use of the electric energy produced and generated, and to the exclusive use of proceeds from the sale thereof, shall be vested in perpetuity in such association or other organization and shall be held by it in trust for the use and benefit of its shareholders.

EXEMPTION FROM TAXATION

SEC. 16. A State or interstate water and power users' association, and its property, including its franchise, capital, reserves, surplus, and income, shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority.

SEPARABILITY OF PROVISIONS

SEC. 17. If any provision of this act, or the application of such provision to any person or circumstance, is held invalid, the remainder of this act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

PRESERVATION OF RIGHT TO AMEND ACT

SEC. 18. The right to repeal, alter, or amend this act is hereby expressly reserved.

Mr. WATKINS. I desire to discuss briefly a few of the main provisions of this bill, which I think will point up what I am attempting to do by the measure.

In the second section of the bill, I have attempted to set forth findings and policies which rather comprehensively outline the scope of the measure and what is intended to be accomplished. These findings and statement of policy are:

SEC. 2. (a) The Congress hereby finds that—

(1) The development of multiple-purpose reclamation and flood-control projects on interstate streams is necessary to attain the maximum beneficial use of the waters of such streams.

(2) The majority of such essential projects would embrace irrigation of lands and other consumptive uses of water and the generation and sale of electric energy in two or more States.

(3) The development of such projects is impeded by the fact that instrumentalities of the several States are without authority to contract with the United States for the construction and repayment of the costs and to provide for the operation and maintenance of projects which are interstate in character.

(b) It is hereby declared to be the policy of this act that—

(1) The development of projects for the irrigation of lands and other consumptive uses of water and the generation and sale of electric energy in two or more States can be facilitated by the establishment, as hereinafter authorized, of corporate entities to be known as interstate water and power users' associations empowered to enter into contracts with the Federal Government for the construction of such projects and for repayment of the costs thereof, and to operate and maintain and to hold in trust for its shareholders the equitable ownership of the completed projects or units thereof.

(2) When reimbursable costs of the construction of any such project, or unit thereof covered by a separate repayment contract, have been repaid to the United States, the equitable title to such project or unit and the rights to the permanent and exclusive use of the water diverted and made available, to the exclusive use of the electric energy produced and generated, and to the exclusive use of the proceeds from the sale thereof subject to the provisions of subsection (e) of section 13, shall be vested in perpetuity in the interstate water and power users' association which shall have become entitled, by contract with the United States, to the rights and benefits conferred by this act and by such contract, and shall be perpetually held by such association in trust for the use and benefit of its shareholders.

(3) Where putting waters of interstate streams to maximum beneficial use for irrigation purposes and other consumptive uses requires the construction of projects, the costs of which are beyond the ability of water users under such projects to repay from proceeds derived from the use of such water, revenues received by an interstate water and power users' association from the sale of electric energy produced by such projects, shall be applied to the repayment of such costs to the extent necessary to insure that all such waters available and which can be feasibly used for irrigation purposes and other consumptive uses may be put to the fullest possible beneficial use.

(4) The use for navigation, in connection with the operation and maintenance of reclamation projects, flood-control projects, or power-development projects constructed under the provisions of this act, of waters rising in States lying wholly or partly west of the ninety-eighth meridian shall be only such use as does not conflict with any beneficial consumptive use, present or future, in States lying wholly or partly west of the ninety-eighth meridian, of such waters for domestic, municipal, stock water, irrigation, mining, or industrial purposes.

In view of what I have said in the preliminary remarks, I think it is not necessary for me to make any extended comment on the policy statement except to state that subdivision 4 of section 2 is taken from the Flood Control Act of 1944. This section gives priority to consumptive uses of water over navigation in streams rising in States lying wholly or partly west of the ninety-eighth meridian. I may interpolate at this point to say that those States comprise for the most part the 17 States in the arid West which come under the Reclamation Act. I wanted to have this policy mentioned again in legislation referring to interstate streams.

INTERSTATE WATER AND POWER USERS' ASSOCIATIONS

Section 3 permits the Secretary of the Interior, upon application by a majority of the governors of States within an interstate river system or division of a river system which has, by interstate compact, been made a division of such river system, to charter a body corporate which shall be known as an interstate water and power users' association. The section also provides for an amendment of the original articles by filing with the Secretary amendments which shall be consistent with the provisions of this act.

BOARDS OF DIRECTORS

Section 4 provides for a board of directors consisting of not less than 5 and not more than 21 members, to be elected by the shareholders. It provides for a term of office which is staggered and also for filling of vacancies. It also contains a provision that the United States shall have a director in the association so long as the association is indebted to the United States. Members shall be residents of the States in the area to be served by the association and each State shall have a right to elect at least one member of the board.

Section 5 pertains to the duties of officers and employees. Because of the nature of the association, which is a group of States acting together, each with independent rights in these streams, and which must rely for its popular support on almost unanimous consent of its shareholders, there must be three-fourths vote of the members of the board of directors in selecting its general officers.

Section 6 provides for the principal office of the association to be within the area which is to be served by the project.

Section 7 is one of great importance. It provides that the capital stock of the association shall be in such number of shares as may be specified in the articles of incorporation and shall be issued to a conservancy district, water users' association, or other organization or entity authorized under State law to subscribe for such stock and shall be issued to the respective holders in proportion to the water rights they hold in the interstate streams which will be made available for use by reclamation or flood-control projects.

This section specifies two types of entities which may become subscribers and provides that any other entity authorized by State law may likewise be a holder of stock.

I have deliberately suggested the idea of a conservancy district or water users association as stockholders for the reason that these two organizations seem to be fairly well understood in many of the Western States where they are now used on intrastate streams representing water users in dealings with the United States through the Bureau of Reclamation.

To better understand what I am trying to get at let me illustrate:

In the Provo River project in Utah the reclamation project operates in an area where water rights had been established many years ago. It was a very difficult job to superimpose a new water system involving new rights in this old area. The organization to stand between the Government and the water users was a mutual water users association organized under the laws of the State of Utah. Stockholders in the association are metropolitan water districts, irrigation districts—both of which, by the way, are public corporations—private irrigation companies, private individuals, and even the State of Utah. This water users association represents all of these different entities in their dealings with the United States.

The various entities have subscription contracts with the parent association for stock which cover their interest in the Provo River project. The association in return has entered into a contract for the construction of the Provo River project by the Bureau of Reclamation, and for the repayment of those costs to the United States by the association. The association issues calls upon its stockholders for payments on their subscription contracts. It levies assessment for other purposes, it collects all of the money which will be due the United States for the construction of the project. Each of the subscribing stockholders, whether it be a metropolitan water district or an irrigation company, operates its own independent distribution system, without any control being exercised over it by the parent water users' association.

The arrangement may appear to be involved, but it has proved to be very simple in operation, as well as very efficient and economical. It is entirely divorced from politics.

Conservancy district statutes which permit cities and towns, counties, metropolitan water districts, irrigation districts, States, private irrigation companies and even private individuals to form public corporations or entities known as convervancy districts are a comparatively new development, but have proved to be very efficient in bringing together all the various interests who seek benefits from water and power projects and by reason of that fact should be required to help pay the reimbursable costs of construction. Colorado and Utah have such conservancy district laws and I am informed New Mexico has had the same statute for a number of years. Conservancy districts are now operating successfully in Utah and Colorado on intrastate projects. It may be that any State on an interstate river desiring to participate in water and power projects of an interstate character under the proposed act would rather use the conservancy district to bring all of its water users together in one group, and have the district subscribe for stock in the interstate water and power users' association. If each State on an interstate stream adopted either the mutual water users association or the conservancy district plan for representation, the member States would need to have only one stockholder each as a shareholder in the interstate water and power users' association.

Under this proposed act, articles of incorporation can be very elastic. States, through their representative associations or districts, or both, can agree on taking in only reservoirs, power plants, and so forth, on the main stems of the rivers involved, or they can expand the association's jurisdiction to cover smaller projects and even those which are built outside the area through transmountain diversions. This proposed measure is much like the laws of most States which permit the incorporation of various types of corporations. Only broad general provisions are enacted under which a wide range of incorporation agreements are made possible.

It should also be mentioned at this point that the repayment contract between the proposed interstate water and power users association and the United States will also be an instrument which shall designate projects to be constructed. Under this agreement a wide range of projects may be included, and most important of all, provisions may be contained in these repayment agreements which will fully protect the United States as a creditor.

The Bureau of Reclamation has a reputation over the years of gradually tightening up on its repayment contracts to the point where the United States is fully protected in securing repayment if the project is feasible at all. I know from personal experience that this is true, because I have helped negotiate a number of repayment contracts between water users' associations and the United States.

Necessarily, the provisions of this measure have to be broad in scope so that almost any conceivable kind of project may be brought within the general program on an interstate river system. Repayment contracts to meet conditions peculiar to each river are possible under the broad powers given interstate associations.

SOURCE OF REVENUE

Section 8 provides the means by which the association can obtain its revenue. It is broad in scope, and I think is more or less self-explanatory.

By reason of the special purposes of organizations proposed, this measure necessarily contains provision which specifically apply to these types of organizations. I invite attention to subsection 2, which provides "Assessments authorized under subparagraph (1) of subsection (a) shall be equitably but need not be equally assessed." This has specific application to this type of organization for the reason that some units of the over-all development will be of benefit only to a particular group of water users. Subscription contracts between the parent interstate association and the State representative shareholder or shareholders will provide for the repayment by the actual water users of the special costs incurred for the special benefit of that group. It will be necessary, therefore, for the parent association to levy the kind of assessment which will fit this kind of project to be paid only by the shareholder who receives the special benefits.

Section 9 covers the general corporate powers of the association, and I think is more or less self-explanatory. However, I invite attention to subdivision 6 of that section which again points up the fact that in an organization involving a number of States, there must be almost a

unanimity of agreement on large expenditures. This section provides that the contracts in excess of $100,000 must be approved by three-fourths of all the shareholders of the association. This provision and others on the details, of course, are set up in order to attract attention to the problems involved. Naturally, I expect there will be much discussion of these provisions, and I anticipate many changes before the act is finally written, if it should be finally adopted by the Congress.

In other words, there must be something to raise these questions and problems so that they can be discussed and studied by committees considering legislation of this kind.

DEVELOPMENT AND CONSTRUCTION OF PROJECTS

Section 10 is an important section, since it gives the interstate association power to contract with the United States in the building of interstate projects and incidental works. It also amends section 2 (g) of the Reclamation Project Act of 1939 to include interstate power and water users associations as one of the entities which may sign contracts with the United States under the 1939 act.

Subdivision C of section 10 should be self-explanatory, but additional explanation may be necessary. Since these projects are to be financed by Federal funds, I deem it necessary that the allocation of costs to irrigation, power, and other features of the projects should be made by the United States through the Secretary of the Interior if the project is to be constructed by the Reclamation Bureau, or by the Secretary of the Army if it is to be constructed by the Army engineers. Both of these secretaries should also consult the Federal Power Commission when it comes to allocation of the costs to power.

Subsection (d) of this section also amends the Reclamation Project Act of 1939 in such a way as to bring repayment of the costs allocated to power within the repayment contract.

DISPOSITION OF WATER

Section 11 provides that the water in interstate streams shall be allotted in accordance with the respective shareholders' rights as determined by the laws of the States having jurisdiction thereof or by interstate compacts between any two or more States.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from Nevada.

Mr. MALONE. The contracts for repayment for reclamation work provide for a stated number of years, without interest, do they not?

Mr. WATKINS. That is correct.

Mr. MALONE. Under the plan proposed by the distinguished Senator from Utah, when the money is entirely repaid to the Federal Government, where does the ownership of the project rest?

Mr. WATKINS. According to the measure as I have drawn it, the equitable title would be in the water users who have repaid the costs, but I have added a provision to the effect that the equitable ownership of the right to the use of the power and to the proceeds of the sale of power would be in the association of water and power users who have paid for it, with this qualification, that in the event the project is entirely paid for and in the meantime there has been no compact entered into between the States and the United States for the division of power and power proceeds, there shall be a compact entered into to divide those proceeds after the project has been paid for.

Mr. MALONE. I take it from the Senator's statement that he means the State or States in which the project is located.

Mr. WATKINS. I mean the States on the interstate stream which join the association and which agree to repay the costs of construction of both the power plants, reservoirs, and canals, or whatever is included.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WATKINS. I yield.

Mr. MALONE. The States in which the irrigated area is located would be the only States which would enter into the compact, would they not?

Mr. WATKINS. Only those that require irrigation on interstate streams would be included in the act. In the Missouri River system I think all the States, with the possible exception of one, require irrigation to make crop growth profitable. Minnesota does not; but even in a situation of that kind, the rights of Minnesota in and to a stream can be taken care of by the articles of incorporation, so that whatever rights there may be to the use of power or water can be protected.

Mr. MALONE. Perhaps no State would enter into such a compact, so far as a single irrigation district is concerned, that did not have land included within its borders to be paid for by its particular district.

Mr. CHAVEZ. Mr. President, I wonder if the Senator from Nevada will not raise his voice a little bit.

Mr. MALONE. I will ask the Official Reporter to read my question.

The Official Reporter (J. Chester Wilfong) read as follows:

Mr. MALONE. Perhaps no State would enter into such a compact, so far as a single irrigation district is concerned, that did not have land included within its borders to be paid for by its particular district.

Mr. WATKINS. Of course, if the State is not interested in irrigation, it cannot be required to repay any of the irrigation costs.

Mr. MALONE. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Utah yield to the Senator from Nevada?

Mr. WATKINS. I yield.

Mr. MALONE. A State might be interested in irrigation, but not from that particular project. I am trying to keep it down to one project and ascertain where the ownership would rest.

Mr. WATKINS. It would rest in the interstate association established by the States interested and which become a party to the articles of incorporation filed with the Secretary of the Interior.

Mr. MALONE. If the Senator will yield further, I should like to inquire whether it would mean the people of a State which has an area within its boundaries which would be irrigated by this project.

Mr. WATKINS. That is correct.

Mr. MALONE. If the Senator will yield further, I should like to ask, with that definition in mind, where the ownership of the project would rest after the debt was fully repaid to the Government.

Mr. WATKINS. Equitable title would be in the interstate association.

Mr. MALONE. It would be in the conservation district, or whatever it would be called, in proportion to the areas owned by the people, would it not? In other words, the people of a particular area would own the part which was located in their State?

Mr. WATKINS. I see what the Senator is referring to.

Mr. MALONE. In other words, the people who had used the water for irrigation purposes, and who had repaid the money, would own it, would they not?

Mr. WATKINS. Yes; the people of any State. In other words, if it were a Colorado irrigation project, and there was an interstate association on the upper Colorado River, the full use and ownership of that irrigation project would be in the people of Colorado.

Mr. MALONE. The people who were using the water?

Mr. WATKINS. Yes.

Mr. MALONE. My second question is this: Does the Senator agree with the comparatively recent program which has been put forth by the Bureau of Reclamation of the Department of the Interior, under which they are to act as a sort of public utility, and continue to collect money for the use of water for a long period of years, or indefinitely, as a matter of fact, without ownership passing to the water users?

Mr. WATKINS. I do not agree with a policy which puts the United States in the position of renting water, or renting or selling electricity. I believe the United States Government should be confined to the original role provided for it under the Reclamation Act, namely, to make investigations, do the planning, and build the project after it has obtained contracts from water users. The development to which the Senator has reference came up in later years. Under that development, the United States is put in the position of renting water to water users, without any agreement being entered into which provides that when the water users have repaid the cost of the project they will own it. We are now moving in the direction of putting the United States into the utility business on a permanent basis.

Mr. MALONE. Am I to understand the Senator from Utah does not agree with that policy?

Mr. WATKINS. I do not agree with that policy. The proposal I have in mind is aimed at meeting that kind of situation.

Mr. MALONE. Will the Senator yield further?

Mr. WATKINS. I yield further.

Mr. MALONE. It may be that the Bureau of Reclamation is taking this method of getting into a permanent business, along the line of the Indian Bureau, by continuing to supervise and to add employees, without tranferring any property.

Mr. WATKINS. Perhaps that is correct. However, I am not accusing them of deliberately moving in that direction. I am merely pointing out what is actually happening, without ascribing any motives to anyone. I am trying to provide a remedy for the condition. Instead of having at the top an all-inclusive bureau, staffed by outside people appointed by the President, and called either a reclamation bureau or a valley authority, sent into a State in the West without the consent of the people of that State——

Mr. MALONE. Or sent anywhere else.

Mr. WATKINS. Or anywhere else, for that matter. Instead of having that kind of arrangement, my proposal provides that a local community—an irrigation water-users' association or water district—in the State of Utah, or any other State, shall help select the officers of an interstate association who will run the projects and the people themselves will own it, because they will have to pay for it.

Mr. MALONE. Or the people in Kansas, or the people in Oklahoma?

Mr. WATKINS. It would apply to any State in the arid West. I am talking particularly about the arid West. However, I feel the same type of proposal would fit any area in the United States. In other words, I believe that in the Tennessee Valley, for instance, instead of having members of the board of directors appointed from Idaho, Ohio, or Wisconsin, the people of Tennessee and the other States involved should select their own directors. They should own and operate the project and they should repay the cost, including interest to the United States Treasury. They could do that if it were turned over to them through an interstate power association. In that way local control would be provided.

Mr. MALONE. Will the Senator yield further?

Mr. WATKINS. I yield further.

Mr. MALONE. I shall come in a moment to the power phase, which would include the Tennessee Valley Authority. As chairman of a subcommittee I held hearings on the Tennessee Valley Authority in order to find out exactly what the condition was, and I think I did find out. However, further on the matter of water control and utilization, did not the State of Arkansas apply to come under the Bureau of Reclamation, and are not the western half of North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, and Texas already under the Bureau of Reclamation, so far as investigations are concerned?

Mr. WATKINS. Yes; they are not only under the Bureau of Reclamation for purposes of investigation, but approved projects are being built in those States at the present time, both by the Army Corps of Engineers and the Bureau of Reclamation.

Mr. MALONE. Do I correctly understand that applications have been made by other States, further east, to come under the reclamation law?

Mr. WATKINS. That is correct. The State of Arkansas, through its Senators, has sought to have enacted by Congress legislation authorizing it to come within the benefits of the reclamation law, which had been enacted sometime earlier.

Mr. MALONE. Personally, the junior Senator from Nevada can see no objection to bringing other States under that particular bureau in a proper way if similar development is needed.

Mr. President, will the Senator further yield?

Mr. WATKINS. I yield to the Senator from Nevada.

Mr. MALONE. First, does the Senator from Utah intend to introduce a bill, which could be referred to a committee, and upon which hearings could be held?

Mr. WATKINS. I have already introduced a bill; I am discussing the bill which I introduced earlier today. I intend to discuss it in connection with an amendment which the Committee on Interior and Insular Affairs intends to offer to the Flood Control Act, with respect to the basin account. I think the measure I have prepared may meet that situation much better than the basin account amendment. In other words, it has all the virtues, all the assets, of the basin account amendment, without any of its liabilities.

Mr. MALONE. I intend to come to the basin account in a moment, but in another connection.

Does the Senator from Utah agree with the junior Senator from Nevada that all the laws relating to water supply in the arid and semi-arid areas, with regard to State ownership and control of unappropriated water, should not remain intact?

Mr. WATKINS. I do, and I have included in my bill a section that was adopted in the 1944 Flood Control Act, known as the O'Mahoney-Millikin amendment, which sets up a priority for consumptive uses of all waters west of the ninety-eighth meridian, even ahead of the waters used for navigation.

Mr. MALONE. Of course, it is well known to all Senators from the western arid and semi-arid section of the country that the limit of a State's water supply is the limit of the State's development. Therefore the condition is entirely different in the arid and semi-arid areas where the idea is to get the water out of the streams and on to the land, from the situation in the humid areas, where the idea is to get the water off the land and back into the streams.

I believe the Senator is entirely clear and certainly sound in that the landowners within the several States if it is an interstate project, and within one State if it is an intrastate project, should form their districts, underwrite the cost, represent the Government in connection with the long-established Bureau of Reclamation policy, and when they have entirely repaid the cost, the ownership should be transferred to the people within the district. That has been done before.

Mr. WATKINS. Under all the early contracts between the Bureau of Reclamation and the water users, operation of the projects was turned over to the water users, usually within a year. From that time on the water users operated the projects, and it has been held by the courts, as I recall, that under that arrangement, even though the United States keeps a legal title to the land on which a reservoir is constructed, or on which canals are constructed, the water users have the equitable title, and have the right to the exclusive use of the water, and all the facilities for diverting the water and storing it and using it beneficially.

Mr. MALONE. When the debt is entirely repaid, the ownership passes permanently, does it not?

Mr. WATKINS. It is an equitable ownership. Until Congress acts, the legal title does not pass. We have to distinguish the legal title from the equitable title.

Mr. MALONE. Under the bill now being introduced and explained by the Senator from Utah, the title would pass permanently, would it not?

Mr. WATKINS. Not the legal title; only the equitable title. Perhaps that may not be clear to the Senator from Nevada, but it is an expression used in the law. The equitable title means that while the legal title may remain in one owner, the exclusive right to the use of the particular object under consideration may be in someone else, although he never had the legal title; but the right is just as positive and just as capable of being defended as if he had the full legal title.

Mr. MALONE. Is there any objection to the legal title passing?

Mr. WATKINS. I have an idea that on interstate streams there might be involved questions of constitutional law which would make it perhaps difficult for the United States to transfer the legal title.

Mr. MALONE. But legal title could pass in the case of an intrastate project, could it not?

Mr. WATKINS. I think it could, in an intrastate project.

Mr. MALONE. Should it not pass?

Mr. WATKINS. I think I would agree that it should pass, but I have not provided for that in the bill I have introduced, because it would only put another obstacle in the way of its passage. The United States has thought, for some reason or other, that it should keep the legal title, although the right to the full use of a project and all its facilities is in the water users in perpetuity, while the United States has seen fit to keep the legal title.

Mr. MALONE. In any event, the bill will go to a committee, where hearings may be held on it?

Mr. WATKINS. I hope so.

Mr. MALONE. I should like to pass to the power features now, and that would bring in the TVA and the basin account. I should like to ask the Senator from Utah if a precedent has not been set in connection with the Boulder Dam project act, now called Hoover Dam, and other projects, that in the case of a com-

mercial project the revenues from the power that is developed goes to the Government to pay for the project.

Mr. WATKINS. I have provided in my bill that identically the same standard for fixing the rate under the present reclamation practice shall apply to the water users association which may be set up under the act. In other words, there shall be taken into consideration the repayment costs, the amortization payments which must be made each year, whether they run for 20 years, 60 years, 75 years, or 100 years. There also has to be figured in the cost of operation and maintenance of the project, the setting aside of something for depreciation, and then there must be figured in what we call the interest component in determining the rates charged for the power. That interest component is the same as if the interest had to be paid to the United States on whatever basis now determined under the present practice. As the Senator from Nevada will find as I proceed with my prepared text, I have adopted identically the language contained in the proposed amendment to the flood-control bill reported by the Committee on Interior and Insular Affairs of the Senate. The Senator from Nevada will recall the bill which was before the committee. I have adopted the language of that amendment except, that instead of having the Federal Government operating the basin account, we substitute for it the Interstate Water Users Association composed of the various groups within the States on an interstate stream.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WATKINS. I yield.

Mr. MALONE. The item of interest which would be charged on any advanced or developed power is comparable at least to the rate the Government pays for money, is it not?

Mr. WATKINS. Yes. It even means that the Secretary of the Interior would have to determine the amount of interest to be collected. I see what the Senator is getting at. Under present reclamation laws, the interest component is used. The law contains a provision that the interest component shall be used to determine what the rate shall be. The rate of interest must be figured. That money is used to help pay for the irrigation end of these projects and the costs of the projects themselves. All my bill does is to say that the same thing shall be done under it, and that the interstate association shall become the trustee of all of the power moneys which are collected for the purpose of building this all-comprehensive river development, to the end that every drop of water available for consumptive use may be put to consumptive use. The consumptive use is the big thing in the arid West. Power comes along with it. There must be power-project contributions in order to build many of these irrigation projects, because it is necessary to have power to pump irrigation water as well as contribute revenue. The water cannot be obtained by means of gravity.

Mr. MALONE. The junior Senator from Nevada understands perfectly about the repayment of the cost of the power development with interest. The Hoover Dam, formerly the Boulder Dam, pays 3 percent interest. It was formerly 4 percent, which is more than the Government pays for the money. Purchasers of the power are perfectly willing to pay it. But after the project, the Hoover Dam, is entirely repaid on the basis of a 50-year amortization period, of which about 37 years are left, I believe, does the Senator's bill propose that the revenues from that project then would go to develop the other areas of the basin outside of the States wherein the project is located?

Mr. WATKINS. The bill applies to the new projects which are coming along and are yet to be constructed. I have not attempted to upset outstanding contracts on projects on interstate streams. Section 15 of the bill provides in effect that the provisions with respect to power shall apply on intrastate streams, that is to a project wholly within a State, the same as it does to an interstate project. But the Hoover Dam, which the Senator mentioned, is on an interstate stream, a contract has already been set up with respect to it, and the bill would not affect it.

However, when the contract runs out, as it will in time, there is a possibility under this bill that then the water users of the lower Colorado, who have been set off from the upper basin by the compact entered into in 1922, could form an interstate association on the lower Colorado, possibly take over the Hoover Dam, and repay the costs on whatever terms the United States wants to let them have it. The benefits then would go to the people of the lower Colorado, including California, Nevada, a small part of Utah, and a small part of New Mexico. Arizona, California, and Nevada would obtain the principal benefit. It may be said that there is going to be some private benefit. It would go to the entire region in reduced rates so that everybody in the region would get some benefits from this kind of project.

The bill also provides that the so-called public-power-priority provisions now provided for shall be applied to public institutions. These interstate associations would be required to sell the power to those organizations in the order of their priority. That would give priority to municipalities, public corporations, REA cooperatives, all in order of their priority, and finally whatever was left could be sold to private utilities or else disposed of or used by the association as it saw fit, if it could not find any buyers.

Mr. MALONE. Mr. President, that is a very important point. The distinguished Senator from Utah of course understands that when the Boulder Dam Project Act was passed in 1928, it contained a provision that there should be paid to the States of Arizona and Nevada certain amounts of money, in lieu of taxes presumably, that is to say, 37½ percent of all the money the project made, in addition to the payments due the Government each year amortized over the 50-year period, the power to be sold at a competitive price on the market, instead of as low as it could possibly be sold for return of the bare cost of the project to the Government. The cost basis was provided based on the cost of petroleum fuel. Later the two States of Arizona and Nevada accepted $300,000 each year, still presumably in lieu of taxes, on the theory that the price of oil might be reduced to the point where no revenue would be available. But no payments are made to any State except where the project is located, just as in the case of an intrastate power project which would be totally within one State. When it is located in two States on what basis would the junior Senator from Utah set up a redivision of the revenues with five States from a project located totally within two States?

Mr. WATKINS. Inasmuch as the water in the first place had to be divided by a compact between the States, I should say that, after the power has helped pay off the development of the entire river system, then the States interested and the United States, sitting down together, should formulate and enter into another compact for the division of power and power proceeds.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WATKINS. I yield.

Mr. MALONE. I might say that the Senator has raised an entirely new question. I presume that Utah and the upper basin would profit by the revenue from projects on the Green River and the Little Colorado and other streams in the upper basin. Would the Senator say that California, Arizona, and Nevada, although having nothing to do with the area where the projects are located, would still enter into the division of the revenues?

Mr. WATKINS. The Senator does not mean anything south of Lee's Ferry. The Senator does not mean that the lower division would enter into it as well.

Mr. MALONE. The Senator's State is in the lower division.

Mr. WATKINS. Just a corner of Utah is. The bill provides that when a river has been divided into divisions by compacts, such compacts are to be respected, and only that particular division would share in the projects in that division, and not in the others.

Mr. MALONE. Why would it not include all the seven State in the basin if we desert the premise that only the States and areas repaying the cost or in which the project is located should be the owners following repayment to the Government?

Mr. WATKINS. For the simple reason that they agreed, by a treaty or compact which has been ratified by the States and by the United States, to divide it into two divisions.

Mr. MALONE. But the two divisions had nothing to do with power.

Mr. WATKINS. I rather think they did have something to do with power.

Mr. MALONE. It never was mentioned, and the Colorado River compact could not by the widest stretch of the imagination be construed to refer to any power development.

Mr. WATKINS. One of the things that come out of the water which is divided is power. Hydroelectric power cannot be had without water.

Mr. MALONE. Fish come out of the water, too.

Mr. WATKINS. If the fish are caught in California, they belong in California. If the fish are caught in Utah they belong in Utah.

Mr. MALONE. And if caught in Nevada they belong in Nevada. Along with power developed in Nevada after the cost has been repaid with interest.

Mr. WATKINS. Yes. We in Utah are going to claim the fish we catch in Utah.

Mr. MALONE. I thought the people of Utah would claim what it caught or developed in Utah.

Will the Senator yield further?

Mr. WATKINS. I yield.

Mr. MALONE. I should like to clear up one thing. I, as the Senator from Utah does, disagree with the basin account system simply because revenues are taken from power in one State and transferred to another State. Am I correct in saying that the Senator in his bill would do the same thing, only he would use another method?

Mr. WATKINS. I simply say that as a matter of public policy all the water that can be used in feasible projects for consumptive purposes in the West where water is so important should be used. That policy should be favored, and we should take the power revenues from the entire river system and help build consumptive use projects over and above what the water users themselves can economically and feasibly pay back. The power is one of the resources of the river system that should help develop the river system. That is my program. That is what I have tried to provide in the bill. I understand that the Bureau of Reclamation agrees largely with that kind of procedure. In other words, if the entire river system projects as a whole are feasible, and one unit within it needs some help, because the water users, the irrigators, for instance, cannot afford to pay the entire cost, then that unit will receive help from the income of the entire river system. That is what I intend to do by this bill.

Mr. MALONE. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. CAIN in the chair). Does the Senator from Utah yield to the Senator from Nevada?

Mr. WATKINS. I yield.

Mr. MALONE. The junior Senator from Utah will recall, I am sure—I think he was attending the meeting that day—a meeting Secretary Krug attended, who was not the first Secretary who advocated this principle; and I am sure the Senator will recall that under direct questioning by the junior Senator from Nevada, Secretary Krug said that the Government of the United States should own and control the Hoover Dam and the power revenues coming from it, and that the Government of the United States could spend them in New York or any place, if it wished to do so. The only difference between that policy and the policy of the junior Senator from Utah, so far as I am able to determine, is that the junior Senator from Utah would simply spend the revenues in Utah and New Mexico which were developed in Arizona and Nevada.

Mr. WATKINS. I would spend them in the States within their part of the river system. The income from a river should be spent in the States within that river system or where it has been separated by compacts in two or more divisions in the divisions where they are earned.

Mr. MALONE. If you take the revenues away from the area—the States where the dam is located and the power actually produced—there would be no limit to the distance after the precedent set.

I would respectfully call the attention of the Senator from Utah to the fact that he would have the revenues coming from a project located within two States used for the benefit of other States. If the Senator will further yield, let me inquire: Why not take a further step? In the case of the revenues from an irrigation project within the basin there, instead of using those revenues for the benefit of the people within the project in which the actual irrigation occurs, why not spread the revenues over the entire basin and let the people within the project continue to pay the costs on a public-utility basis.

Mr. WATKINS. For the simple reason that irrigation cannot stand that kind of cost; it is impossible.

Mr. MALONE. In other words, I understand that the Senator from Utah would have that done if it were possible.

Mr. WATKINS. Certainly; if it were necessary for some of the richer and larger irrigation projects to help the weaker ones, so that the entire system could be put to beneficial use, I would say "Yes." But it is not necessary to do so. They will have enough money from power to construct the entire project and to have money left over.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. WATKINS. I yield.

Mr. MALONE. That is a very interesting theory, to me, namely, that if certain irrigation projects—for instance, the Imperial Valley project, in California—have repaid the costs of construction, we should have the people within the project continue to make those payments, if they can afford to do so—and I think those in the project I have mentioned could—and the money should be used to construct projects in New Mexico and Utah, simply because they are also in the basin.

Mr. WATKINS. As a matter of fact, another principle enters into the situation there. Water which is developed on the farms is put to beneficial use on the farms——

Mr. MALONE. Not according to the Bureau of Reclamation.

Mr. WATKINS. Well, according to the law which prevails, which the Bureau of Reclamation has had to recognize time and again. The States granted to those who put the water to beneficial use the permanent right to the use of the water; and if they do not use the water, they can lose that right.

However, inasmuch as the Senator from Nevada has been a State engineer of the State of Nevada, he knows the law with respect to the beneficial use of water.

Mr. MALONE. But they would not lose it to the United States Government.

Mr. WATKINS. No; they will not lose it to the United States. For instance, if Nevada is a part of the compact, the water will go to the State of Nevada; and any citizen can, under the laws of the State of Nevada, obtain a right to that water, if he will put it to beneficial use.

Mr. MALONE. But never in Utah.

Mr. WATKINS. No. However, the Senator has not listened to all of my speech. If he would, he would understand this point.

Mr. MALONE. I have listened to enough of it to know that the Senator proposes, in regard to power, a principle entirely different from that in regard to water and entirely different from any suggestion heretofore made by any Senator and different from any suggestion ever made, except by Mr. Krug when he proposed to take Hoover Dam revenues to develop projects in other areas in the United States.

Mr. WATKINS. That is a different situation; it cannot be made to work the same in the case of water, which is an entirely different proposition.

Mr. MALONE. I submit that if we were to act according to the recommendation of the Bureau of Reclamation, and if we were to pass the sort of law it proposes, we could do so; namely, we could collect tribute from the irrigation and power projects for a thousand years and could spend the money anywhere.

Mr. WATKINS. The Senator knows this bill is not the type of legislation which will put the Bureau of Reclamation in control of the water development in the West. What I advocate is just the reverse; it will place the control in the hands of the people who repay the reimbursable costs of the projects.

Mr. MALONE. That is what I want to do with the power projects located in the respective States.

Mr. WATKINS. That is what will be done under the bill I have introduced.

Mr. MALONE. No; what the Senator has just explained to me is that five States, instead of two—or instead of three in the case of Hoover Dam; in that case I refer to the three that are interested in repaying the entire cost of the Hoover Dam—will receive the benefits, although only two or three States will pay the costs. The Hoover Dam is located in two States, Arizona and Nevada. In other words, the Senator wishes to include two other States which have repaid none of the money whatever.

Mr. WATKINS. No; because that is in the lower Colorado. The upper Colorado States will take care of themselves.

Mr. MALONE. The distinguished Senator has just said that the five lower-basin States will be included, in respect to receiving the receipts from the Hoover Dam instead of the two wherein the project is located—or the three States repaying the cost of the project.

Mr. WATKINS. The Senator misunderstands. Hoover Dam, being in the lower basin, would be a part of the assets of the lower basin.

Mr. MALONE. If that theory should prevail then would not the irrigation project be a part of the same thing?

Mr. WATKINS. If the people down there wish to do that, I see no reason why it could not be done. However, I say now that many irrigation projects cannot get by without some help. The Senator well knows that the irrigation projects have had to be subsidized to the extent of having the projects built and having repayment advanced for as long a period as 40 years or longer. Otherwise they could not get by; it is not feasible.

However, my bill relates to an entirely different situation. Power, of course, is developed by a stream of falling water, and it is one of the attributes of the water which the people should own who own the water. However, it is necessary to have some kind of policy by which all the water in the West can be put to beneficial, consumptive use; that must be done in order to permit people to live there, for people cannot live there without water. No matter how much power may be developed, the power is of no use unless the people who live in that area have water to use in their homes and on their farms. Without such water, power would be useless. It is my theory—the Senator from Nevada may not agree with me—that all the power which comes from the upper basin or from the entire basin——

Mr. MALONE. That is seven States.

Mr. WATKINS. I do not agree, because the Colorado has already been divided by compact into the upper and lower divisions.

Mr. MALONE. Nothing whatever about power is said in them.

Mr. WATKINS. If not, perhaps there would have to be a compact on the division on power.

In other words, the interstate association I propose must be the trustee of the entire revenues from the river system or a division of a river system, to be used to help put to beneficial, consumptive use all the water which it is possible to put to that use. When that is done, and when we have repaid the costs to the United States, then the States and the United States can sit down together and can enter into a compact, and then can determine what will be done with the power revenues, from that point on.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WATKINS. I yield.

Mr. MALONE. The junior Senator from Nevada sees no more reason why Utah or New Mexico should participate in the revenues from a dam located in Arizona and Nevada than that Arkansas should participate in those revenues. No compact ever included anything which touched upon that point.

If the Senator will further yield, let me say that all States have some kind of assets. Some of them cannot raise corn, although Iowa or perhaps part of Utah can raise corn; but some of those smaller States have minerals, and some have dam sites. If, however, every time the Government finds something in one of those States, the Government appropriates it for the use of other States or enters into some kind of collaboration or agreement in regard to dividing it with other States then it seems to the junior Senator from Nevada that they have a long way to go in order to become self-supporting.

I believe that I thoroughly understand now what the junior Senator from Utah is trying to do.

However, I am opposed to having the revenues from a power project in Idaho used on a project in the Northwest Columbia Basin, as I am opposed to the revenues from Hoover Dam being divided with any State or area not participating in the repayment of the cost of the project to the Government with interest.

Mr. WATKINS. If it is on the main stem of the Snake River and is one of the new projects, I think it should go into the same pool, to help build all the irrigation projects in that territory.

Mr. MALONE. But I must say to the Senator that I thoroughly disagree with any theory by which the power revenues from a project in one or two or even three States, as in this case, would be used in another State. When the States have repaid every cent the Government invested in Hoover Dam, with interest beginning at 4 percent, and later at 3 percent, I disagree with any theory that the revenues from that dam should be used in another State, even though that State has not paid for the project. A bank which would operate on such a theory would be a most peculiar kind of bank.

Mr. WATKINS. Mr. President, if the Senator will read the bill, he will find that a division of power revenues after the projects have been paid for would be subject to future agreement between the States and the United States.

Mr. MALONE. I hope we have a good chance at the bill when it comes before the committee.

Mr. WATKINS. I certainly hope so; and I shall be glad to have the committee consider the bill at any time. We have not had an alternative to the TVA plan for river operation.

In the case of the TVA, the money spent by TVA comes from appropriations and from the revenues of the TVA. Under such a system, the directors are appointed by the United States Government. In such case, it might be that three entire strangers would come into the area I have been discussing, to govern or operate the projects. However, under the other system the citizens of that area and the REA and the other groups of that area would constitute the stockholders, along with the State representatives; and they, in turn, would take their stock in the association; and by that means, the officers to control the organization would be selected. That is the nearest it is possible to get to local control and ownership of interstate streams and power developments.

I submit to the Senator from Nevada that if he will consider for a moment the situation on the upper Colorado, he will realize that it so happens that under the compact the State of Wyoming has been given approximately 14 percent of the water of the upper Colorado for consumptive use. The State of Wyoming has no very good power sites. However, in the State of Utah we have nine power sites, at which immense quantities of power could be developed. I do not think it would be proper for the State of Utah, simply because it happens to have the power sites, to say that it is going to have all that power. According to the bill I am introducing, I say—and I think my State is willing to agree to it—that the State of Wyoming would be entitled to take enough of the power revenue coming from that project, including some in Utah—some may be in Colorado, but most of it will be in Utah—to help pay for putting the water on the farms in Wyoming to beneficial use. The lands there cannot pay the entire cost; it would be prohibitive for them to do so. But they will pay all that they can economically pay; if a finding of feasibility is made—as one is now being made—those farmers will agree to pay every dollar they can economically pay. The rest must come from the power revenues. I say to the Senator that there must be cooperation among the States. I want the Senator to keep that thought in mind. Contrary to what happened in the lower basin, the five States of the upper basin have agreed to a division of the water, and that agreement has been approved. I have confidence that when the time comes to agree as to a division of the power, they will do that, likewise.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. WATKINS. I yield.

Mr. MALONE. The Senator has just explained that the revenue from the power developments on the Green River—I assume the Senator refers to those projects—will help pay for the irrigation developments in another upper-basin State, and that the irrigation water users there will pay for what they can. In other words, there is a connection between the power developed in Utah and the irrigation in Wyoming.

Mr. WATKINS. But none of the power plants are in Wyoming. They are in Utah.

Mr. MALONE. But they are not in Colorado. No objection is being interposed by the people who are helping pay the cost, regardless of the Hoover Dam being in Nevada. But what the Senator is trying to do is to divide the revenue from Hoover Dam, while the State of Utah has never contributed anything to the repayment—and the Government will be entirely repaid including interest.

Mr. WATKINS. Under my bill there could be an association in the lower Colorado to represent that group of water users.

Mr. MALONE. I understand; but that is exactly what the Senator is proposing, to divide the revenues from Hoover Dam with a State which has contributed nothing. I am clear on that point, am I not?

Mr. WATKINS. If the Senator is clear on it, I am not, if that is the Senator's conception.

Mr. MALONE. Let us go over it again.

Mr. WATKINS. There is no use rearguing it.

Mr. MALONE. Let us make this point clear.

Mr. WATKINS. Go ahead.

Mr. MALONE. The Senator from Utah is proposing that, when Boulder Dam, which is now Hoover Dam, is repaid, the revenues obtained from the

operation of the dam shall go to build reservoirs some place in the lower basin outside the States wherein the dam is located.

Mr. WATKINS. The lower basin includes the States of Arizona and California. But that is not covered in this bill, because it is one of the projects already under contract.

Mr. MALONE. It is setting a precedent. Let us pass on to the TVA. I happened to be chairman of a committee appointed to investigate that project; $800,000,000 was spent, and none of it was paid back but $30,000,000. That is as of about 2 years ago. I am not talking as of this date. No interest was paid on the power money. About $450,000,000 of the $800,000,000 was assigned to power, with no interest charged and with no definite period of amortization. If they were willing to set a definite amortization period and a rate of interest at 3 percent, or even 2½ percent, whatever the money costs the Government of the United States, and if the money were to be repaid to the Federal Government and deposited in the United States Treasury, from which it could be withdrawn each year in such amount as may be needed to operate the plant, just as in the case of the Hoover Dam, very little objection in my opinion would ever be raised against TVA. The objection is raised because they took about $800,000,000, with $450,000,000 of it allocated to power, paid no interest, and had no amortization. To this day, it has not been paid back.

The Senator would set a precedent to that effect. His act would provide the basis to take over the Hoover Dam project when the amortization period is over, and the project paid for with interest.

Mr. WATKINS. So far as the precedent to which the Senator refers is concerned, I do not think it actually exists. There is no us arguing further.

Mr. MALONE. Would the principle extend to the houses in the basin, too; should we divide up the houses and other property? How far does this principle go?

Mr. WATKINS. I think it is apparent on its face that my bill does not cover the houses. It does not attempt to do anything of that kind whatever. I think if the Senator will analyze it, he will find it a perfectly reasonable bill.

Section 11 provides that the water in interstate streams shall be allotted in accordance with the respective shareholders' rights, as determined by the laws of the State having jurisdiction thereof, or by compact between any two or more such States. Nothing contained therein shall be construed to interfere with the right and powers of any State to regulate within its boundaries the use and control of water. The general theory of this act is that it may be used by States which have already entered into interstate compacts for the allocation of water rights in interstate streams. These compacts, as is well known, must be ratified by the Congress of the United States.

An interstate association is required to recognize State water laws and the rights guaranteed by compacts. It is not intended that it shall in any way interfere or even direct the distribution of that water. What the State does with it will not be the business of the parent interstate association except that it is required to help with the power revenues in the construction of State projects within the interstate river system to the end that all waters available for consumptive use are put to beneficial use.

DISPOSITION OF ELECTRIC POWER

Sections 12 and 13 are two of the most important sections in the entire act. These sections establish the association as the trustee for all power and power revenues which are to be held in trust for the development of the entire river system, to the end that all waters available for consumptive use will be put to a beneficial use. In doing this, the association will be required to take from power revenues as well as from assessments from the actual water users, funds for the repayment of the reimbursable costs to the United States.

The so-called priorities granted purchasers of electric power developed under Federal reclamation projects are retained in subsection (d) of this act. The act provides "in any such lease or sale, preference shall be given to the municipality and other public corporation and agency and to cooperatives and other non-profit organizations financed in whole or in part by loans made pursuant to the Rural Electrification Act of 1936, as amended." These are the so-called public power features of the reclamation laws.

Other sections are probably self-explanatory with the possible exception of subsection (e). This subsection is intended to protect one river system against competition from another river system. It is possible, for instance, that a river system like the Columbia may produce cheaper power than could the Colorado. The Columbia might need an outside market for its power and consequently would attempt to distribute power in the Upper Colorado River Basin. Power revenues are necessary to bring about the fullest development of irrigation and other consumptive uses. Therefore, the Upper Colorado River Basin area might find its power market endangered to the point where the several projects therein might not be feasible. The restrictions here, however, are limited to firm power.

Section 13 should be studied carefully. Its principal objective is to provide a method for carrying out the trusteeship of the association. Power rates would be fixed, revenues received and paid out in order to accomplish the purposes of the interstate association and the general provisions of the reclamation law. It lays down the rules which the Federal Government requires an interstate water and power association to obey in fixing power rates in federally financed projects. I may say in general that these rules are identical with the provisions of a recent amendment proposed by the Interior Committee of the Senate to the River and Harbors Act of 1950.

These provisions were originally set up to cover a basin account on the Columbia River. About all that has been done to the committee amendment is to replace the Federal agency with the interstate association, which would operate the basin account.

I do not intend to go into a long discussion of this particular section. It is involved, it is true, but no more involved than present reclamation law which requires the Federal Government to use certain yardsticks for fixing rates on Federal power projects. It includes, as a study will disclose, the well-known interest component.

In subsection (d), however, a new provision has been added which requires an interstate association to take certain steps with respect to power revenues. This subsection makes it impossible for an association to use excess power revenues for declaration of dividends to its stockholders. It has three alternatives for the disposal of all excess power revenues, these are: First, reserve for depreciation to be used for replacement of facilities as rapidly as replacement becomes necessary; second, a reserve for future payments on its obligations to the United States; third, it may accelerate payments on its obligations to the United States out of these surplus revenues. It may use any one or more of these alternatives, but is not authorized to use the power revenues, which are to be held in trust, for any other use than mentioned in this act.

Subsection (e) of section 13 is intended to take care of the situation which will arise when all of the reimbursable costs of the basin-wide river system projects have been repaid to the United States. I may interpolate here to say that, for the purpose of this bill, the division of a river system into two or more divisions by compacts is considered the same as an interriver system. It is assumed that the river compacts between the various States will follow the pattern adopted by the upper Colorado River States. This compact makes specific allocations of the waters of the upper Colorado, but it provides that a division of power revenues are not included within the compact but shall be the subject of an agreement in the future.

Subsection (e) further provides that these excess revenues from power shall be distributed in accordance with the provisions of a compact which shall have been duly entered into by the States in the area of the interstate river system and approved by Congress. This would mean that at any time the States may agree among themselves and with the United States for the disposition of excess power revenues received after the reimbursable costs of the projects have been repaid. Or they may put off that day until the projects have been repaid and then enter into such a compact but the associations shall not have the power at any time to dispose of these excess revenues except by compact as specified in the subsection.

This provision may not be of immediate interest for the reason that development of these river systems will require at least 100 years or longer. No matter whether the time is long or short, however, there should be a provision in which the problem is recognized. That

is why this subsection (e) has been made a part of the act.

Section 14 relates to State compacts.

Subsection (a) merely authorizes compacts between two or more States and provides that they shall not become effective until they have been ratified by the Congress.

Subsection (b) is of great importance. First, it provides that interstate water and power users' associations shall cooperate with and furnish information and assistance to the States for the purposes of negotiating, entering into, and carrying out compacts under this section. Next, it provides "compacts heretofore or hereafter entered into between any two or more States relating to waters of interstate streams shall be binding upon any association and each such association and its shareholders shall be subject, in the operation and maintenance of projects or units of projects, to the terms of such compacts and to the determinations under such compacts of any interstate commission established thereunder for the management, protection, and division of such waters."

This provision is sweeping in its effect. It means that the association shall in a large measure be the instrumentality through which the compacts are carried out.

For instance, on the upper Colorado a number of hold-over storage reservoirs have been planned. These reservoirs would supply the water required to fulfill the commitments of the upper-basin States to the lower-basin States of the Colorado River under the compact of 1922. Power plants will be operated in connection with these dams. The revenues obtained from operation will pay the cost of construction, operation, and maintenance of these reservoirs and will also provide addition revenue to aid in the repayment of construction costs of the irrigation features of the over-all development where such irrigation developments are too costly to be repaid entirely by the water users.

This act is sufficiently broad to permit the incorporators to provide in the articles of incorporation any agreements which may be required to effectuate all existing or future interstate river compacts. The articles of incorporation, together with the repayment contracts between the United States and the interstate association, can be prepared to meet any situation that may arise during the development of any interstate river system.

Section 15 makes, so far as possible, the policies and provisions of the rest of the act applicable to intrastate projects.

I have in mind the situation which prevails in the Central Valley project of California. Nearly all, if not all, the waters of the stream rise in the State of California and all the reclamation projects are built there. Yet there are two or three different types of operation. The Army engineers constructed some of the projects, which include power projects and flood-control projects. I assume that those which have been completed are at this time operated by the Bureau of Reclamation. No repayment contracts have been entered into between any of the water users and the United States. There are what we know in reclamation parlance as 9–E contracts under which the United States rents the water to landowners. There is nothing said in the contracts regarding the water users' finally having to repay the cost of construction and receiving the title or the right to own and operate the projects.

Section 15 would make possible in that area the organization by the people of the area—all the public corporations as well as the private water users' corporations getting together, very much the same as it is done in Utah and Colorado—to sign a contract with the United States for the operation of all dams, whether built by Army engineers or by the Bureau of Reclamation, to maintain them, operate them, and, eventually, to own the equitable title to them as soon as the reimbursable costs are repaid. That would take the United States out of the utility business in California, or in any other State in which there is a similar situation.

Mr. President, I realize that the proposal which I have made will probably stir up some discussion among water users of the West. I am not speaking merely out of the dark on this subject. I have been associated with water users' associations for approximately 14 years before coming to the Congress.

All I am proposing is to expand an intrastate water users' association idea to cover an interstate situation and to authorize the incorporation, through filing with the Secretary of the Interior of the necessary articles, of an organization to take the place, on an interstate stream, which a State association now occupies with reference to waters wholly within a State. I have adopted the policy of bringing the Bureau of Reclamation back to its basic policy, which it is supposed to be following, namely, that when the reimbursable costs are repaid, those who repaid them are entitled to the equitable ownership and operation of the projects. As a matter of fact, they should have the operation of them long before the costs are repaid. That is the customary thing to do. Power is one of the products coming out of the self-same water which belongs to the States, and there is no reason why they should not be trustees of the income to see that there is sufficient revenue to support an over-all project development. That is what I am attempting to accomplish. I think it is fair. I invite discussion of this proposal.

If there are no questions, I yield the floor.

Mr. CHAVEZ. Mr. President, I should like to call up committee amendment A.

The PRESIDING OFFICER (Mr. CAIN in the chair). The clerk will state the committee amendment.

The LEGISLATIVE CLERK. On page 53, after line 15, it is proposed to add the following:

The sum of $1,500,000 additional is authorized to be appropriated and expended by the Federal Power Commission for carrying out any examinations and surveys provided for in this act or any other acts of Congress, to be prosecuted by the Federal Power Commission.

Mr. MORSE. Mr. President, will the Senator from New Mexico yield, so that I may suggest the absence of a quorum?

Mr. CHAVEZ. I yield for that purpose.

Mr. MORSE. I suggest the absence of a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	McFarland
Anderson	Hendrickson	McKellar
Brewster	Hickenlooper	McMahon
Bridges	Hill	Magnuson
Butler	Holland	Malone
Byrd	Humphrey	Martin
Cain	Hunt	Maybank
Capehart	Ives	Morse
Chapman	Jenner	Mundt
Chavez	Johnson, Colo.	Neely
Connally	Johnson, Tex.	O'Conor
Cordon	Kefauver	O'Mahoney
Darby	Kem	Robertson
Donnell	Kerr	Saltonstall
Douglas	Kilgore	Schoeppel
Dworshak	Knowland	Sparkman
Ecton	Langer	Stennis
Ferguson	Leahy	Taft
Flanders	Lehman	Taylor
Frear	Lodge	Thomas, Utah
Fulbright	Long	Tobey
George	Lucas	Watkins
Gillette	McCarran	Wherry
Green	McCarthy	Williams
Gurney	McClellan	Withers

The PRESIDING OFFICER. A quorum is present.

Mr. CHAVEZ. Mr. President, two or three days ago I sent to the desk amendment A, which I wish to offer now.

The PRESIDING OFFICER. The clerk read amendment A just a few minutes ago for the information of the Senate.

The question is on agreeing to amendment A, offered by the Senator from New Mexico.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. Will the Senator yield to the Senator from California?

Mr. KNOWLAND. Has the Senator from New Mexico spoken on amendment A? I intend to make some remarks.

Mr. CHAVEZ. I yield to the Senator from California.

AMERICAN POLICY IN KOREA

Mr. KNOWLAND. Mr. President, on April 7 the text of the note handed to the Korean ambassador by Secretary of State Dean Acheson on April 3 was published in the American Press. I ask unanimous consent to have printed in the body of the RECORD, at this point in my remarks, the text of the note handed by the Secretary of State to the Korean Ambassador.

There being no objection, the note was ordered to be printed in the RECORD, as follows:

TEXT OF UNITED STATES NOTE TO KOREA

The Secretary of State wishes to take this opportunity to express to His Excellency the Ambassador of the Republic of Korea, prior to the latter's return to Seoul, the deep concern of this Government over the mounting inflation in Korea. The Secretary of State wishes His Excellency to convey to the President of the Republic of Korea the view of this Government that the communication of March 4, 1950, from the Korean Prime Minister to the chief of the Economic Cooperation Mission in Korea, in which the view was expressed that there is no serious problem of inflation in Korea, but rather a threat of deflation, indicates a lack of comprehension on the part of the Korean Government of the

seriousness of the problem and an unwillingness to take the drastic measures required to curb the growing inflation.

It is the judgment of this Government that the financial situation in Korea has already reached critical proportions, and that unless this progressive inflation is curbed in the none too distant future, it cannot but seriously impair Korea's ability to acquire effectively the economic assistance provided by the Economic Cooperation Administration.

BUDGET LIMITS IGNORED

Government expenditures have been vastly expanded by bank overdrafts without reference to limits set by an approved budget. Tax collections have not been increased, aid goods have been under-priced, and governmental subsidies have been expanded. The dangerous practice of voluntary contributions has been used as an inefficient substitute for a sound taxation system. These uneconomic practices have in turn served to expand the currency in circulation, unbalance the Korean national budget, and cause a sharp rise in wholesale and retail prices, thereby strengthening the growing forces of inflation.

The Secretary of State must inform His Excellency that unless the Korean Government is able to take satisfactory and effective measures to counter these inflationary forces, it will be necessary to reexamine, and perhaps to make adjustments in, the Economic Cooperation Administration's assistance program in Korea.

The Secretary of State wishes to inform His Excellency in this connection that the American Ambassador in Seoul is being recalled for consultation within the next few days regarding the critical problems arising out of the growing inflation in Korea.

ELECTION MOVE NOTED

Of equal concern to this Government are the reported intentions of the Korean Government, as proposed by the President of the Republic of Korea in a message to the National Assembly on March 31, to postpone the general elections from the coming May until some time in November, to draw to His Excellency's attention the fact that United States aid, both military and economic, to the Republic of Korea has been predicted upon the existence and growth of democratic institutions within the republic. Free, popular elections, in accordance with the constitution and other basic laws of the republic, are the foundation of those democratic institutions.

The holding of the elections as scheduled and provided for by the basic laws of the republic appears to this Government as equally urgent with the taking of necessary measures for the countering of the inflationary forces already discussed.

Mr. KNOWLAND. Mr. President, with the general objectives of encouraging the strengthening of free institutions, building the Nation's economy, and maintaining a solvent government, there should be no difference of opinion here or in Korea. As one of the few constitutional republics in that area of the world Korea has a great responsibility to demonstrate that freedom and constitutional government are not incompatible with the situation in Asia despite the views of some far eastern experts, official or unofficial.

The timing of the release of the note to the Korean Ambassador is unfortunate, coming as it did on the heels of the April 3 publication of the memorandum prepared by Owen Lattimore pursuant to the State Department request of August 18, 1949 in which, with reference to Korea, the memorandum states:

4. South Korea is more of a liability than an asset to the interest and policy of the United States. It is doubtful how long the present regime in South Korea can be kept alive, and the mere effort to keep it alive is a bad advertisement, which continually draws attention to a band of little and inferior Chiang Kai-sheks who are the scorn of the Communists and have lost the respect of democratic and would-be democratic groups and movements throughout Asia.

His memorandum ends up with the following paragraph:

6. The United States should disembarrass itself as quickly as possible of its entanglements in South Korea.

In my remarks on the floor of the Senate relative to Owen Lattimore and American policy in the Far East, to be found in the CONGRESSIONAL RECORD of April 5, 1950, beginning at page 4804, the following colloquy on page 4830, between the junior Senator from New Mexico [Mr. ANDERSON] and the junior Senator from California [Mr. KNOWLAND] took place:

Mr. ANDERSON. I was interested in the question with reference to Korea, Japan, and China, so far as the attitude toward the United Nations is concerned. Did I correctly understand the Senator to say that he did not believe that we were following Lattimore's line with reference to Korea, Japan, and the United Nations?

Mr. KNOWLAND. Yes, I said in my speech—and I do not know whether the Senator was present during that time——

Mr. ANDERSON. Yes, I was. Having made that statement, I ask the Senator whether he would regard Lattimore as the architect of our far-eastern policy?

Mr. KNOWLAND. I would say that Mr. Lattimore has had a considerable influence on our policy on the continent of Asia, with particular reference to China. I do not believe—and I say I think it is very fortunate—that to date the Deparment has followed his advice insofar as the Republic of Korea is concerned, insofar as Japan is concerned, or insofar as American recognition of the Communist regime or their entrance into the United Nations, is concerned.

Up to this moment I believe that the release of the Korean note was a mere coincidence having no relation to the Lattimore recommendations, however, in view of the fact that the note has been released the Congress and the American public are entitled to have some additional background information.

The United States is partly responsible for the serious economic condition Korea finds herself in at the present time due to the fact that we consented to the unnatural division of the country at the thirty-eighth parallel. This has made more difficult the economy of the country due to the fact that much of the hydroelectric power and a considerable amount of other resources are north of that line.

As members of the United Nations we bear a responsibility for the creation of the Republic of Korea. The United Nations Commission supervised the election and the press of the world was present. It is generally agreed that the government elected represented the will of the people in the area of Korea free from Communist domination.

The Government of Korea has been constantly faced with the overt acts of aggression across the thirty-eighth parallel by Communist irregulars from north of the line. At the time I was in Korea last November there had already been 360 violations of the thirty-eighth parallel by Communist groups from North Korea ranging in size from a squad to a battalion. Many additional violations of the border have taken place since last November, the latest being a few days ago. President Syngman Rhee recently pointed out that there had been substantial casualties on the part of the forces of the Republic of Korea, and there have been considerably greater casualties on the part of the invading forces. Needless to say in that part of the world the "cold" war is quite "warm."

There are a number of responsible people in the Republic of Korea who believe that once the Chinese Communists have liquidated the remaining resistance by the forces of the Republic of China to their regime that they will then move both Communist troops and equipment back into Manchuria and make them available to the North Korean Communists for an invasion against the Republic of Korea. For that reason these Koreans have taken a realistic view of the situation and have urged that the Republic of Korea move against the illegal Communist regime of North Korea and unify their country before all of Asiatic communism can unite to destroy the last vestiges of freedom in Asia.

This Government along with more moderate Koreans have constantly urged that no such action be taken because it might appear in the eyes of the world to be an act of aggression even though the North Korean regime has no standing except in the eyes of the Soviet Union and her satellites. It is difficult to be asked to stand and wait when every responsible Korean knows that should communism overwhelm the Republic of Korea wholesale liquidations would take place.

Due to the fact that we bear responsibility for permitting the country to be divided, that we as a member of the United Nations participated in the formation of the Republic of Korea by a free election, and that we have vigorously urged that no police action be taken against the Communist regime north of the thirty-eighth parallel, the government of the republic has been faced with the problem of maintaining a military establishment far larger than the size of the country or its economy can properly support. Our own military expenditures approximate about 34 percent of our budget. The expenditures of the Republic of Korea for its external and internal security forces approximates between 22 and 30 percent of their budget which equals or exceeds the expenditures for defense of most of the North Atlantic Pact nations who have the added advantage of being a part of a pact wherein we recognize that an aggression against one is an aggression against all the signators. Korea to date has no such assurance.

In addition to this fact, in his speech before the National Press Club of Jan-

uary 12, 1950, as reported in the Washington Star on January 13, Secretary of State Dean Acheson made clear that Korea was outside of our defense perimeter. He does it in the following language:

First of all, let's deal with the question of military security. I deal with it first because it is impotant, and because, having stated our policy in that regard, we must clearly understand that the military menace is not the most immediate.

What is the situation in regard to the miliary security of the Pacific area, and what is our policy in regard to it?

In the first place the defeat and the disarmament of Japan has placed upon the United States the necessity of assuming the military defense of Japan so long as that is required, both in interest of our security and in the interests of the security of the entire Pacific area, and in all honor, in the interest of Japanese security. We have American, and there are Australian troops in Japan. I am not in a position to speak for the Australians, but I can assure you that there is no intention of any sort of abandoning or weakening the defense of Japan, and that whatever arrangements are to be made either through permanent settlement or otherwise—that defense must and shall be maintained.

This defensive perimeter runs along the Aleutians to Japan and then goes to the Ryukyus. We hold important defense positions in the Ryukyus Islands, and those we will continue to hold. In the interest of the population of the Ryukyus Islands, we will, at an appropriate time, offer to hold these islands under trusteeship of the United Nations. But they are essential parts of the defensive perimeter of the Pacific, and they must and will be held.

The defensive perimeter runs from the Ryukyus to the Philippine Islands. Our relations, our defensive relations with the Philippines, are contained in agreements between us. Those agreements are being loyally carried out. Both peoples have learned by bitter experience the vital connections between our mutual-defense requirements. We are in no doubt about that and it is hardly necessary for me to say an attack on the Philippines could not and would not be tolerated by the United States. But I hasten to add that no one perceives the imminence of any such attack.

So far as the military security of other areas in the Pacific is concerned, it must be clear that no person can guarantee these areas against military attack. But it must also be clear that such a guaranty is hardly sensible or necessary within the realm of practical relationship.

Now, Mr. President, what do you think your reaction would be if you were a citizen of the Republic of Korea or a responsible government official there, your country had been divided in an unnatural sort of a way with the consent of the United States; your Republic had been created by free elections held under the auspices of the United Nations, strong representations had been made not to take police action against the illegal Communist regime in the north that was constantly endangering the security of the Republic and necessitating the maintenance of a much larger army and police force than the size of the country and its economy would normally warrant, the Secretary of State on January 12 of this year serves public notice that your country is outside the defense responsibilities of the United States; and then the people of Korea and the people of the United States are informed on April 7 that they must stop operating on an unbalanced budget, and immediately must put their economic house in order? This, of course, would mean that a substantial reduction would have to be made in both the Army and the national police force.

As in the case of most public questions, there are two sides to this one also. First, we are urging the Republic of Korea to do what we say, not to do what we do. For 14 out of the last 16 years, this Government has operated on an unbalanced budget. It is true that part of this was due to the "hot" war in which we were engaged for part of that time. The Koreans are engaged in at least a "warm" war, which is neither all "hot" nor all "cold."

Nor would I raise this issue if, as a matter of national policy, we are going to take the same attitude to the same extent with all the ECA and North Atlantic Pact countries. If anything, we should be more considerate of Korea because she does not have, to date, the guaranties which are possessed by the North Atlantic Pact countries. I want it to be clearly understood that I fully support the recommendations of the State Department that the elections be held in May, as originally contemplated. I think Korea can do much to bolster a belief in constitutional government and to offset the undermining of her system of government which has been going on in this country by certain of the Communist press and among those who consciously or unconsciously follow or parallel the Communist Party line. I fully support the urgent recommendations of the State Department that Korea make every effort to put her economic house in order by the enactment of a sound tax structure and the elimination of nonessential expenses. This is good advice for any government to follow, including our own.

However, Mr. President, the American people are entitled to have more of the facts relative to our foreign policy than it has been our policy many times in the past to give them. I am convinced that it will be difficult to develop public support for a foreign policy unless the people are taken more into the confidence of their Government in Washington. Under our constitutional system, that job cannot be left to the Executive alone. The Congress, in general, and the Senate, in particular, have a responsibility, under the Constitution, which they cannot and should not abdicate to anyone.

EXTENSION OF CERTAIN OFFICERS' RETIREMENT BENEFITS

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 2559) to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action, which was, on page 2, line 9, strike out all after "States," down to and including "injury" in line 20, and insert "shall be considered to have been serving on active duty as a commissioned officer when so injured, for the purpose of determining entitlement to physical disability retirement benefits in effect at the time he was relieved from active duty: *Provided*, That the provisions of section 411 of the Career Compensation Act of 1949 (Public Law 351, 81st Cong.) shall apply to persons qualified for retirement benefits under this act: *Provided further*, That nothing contained in this act shall preclude persons entitled to retirement benefits under the provisions of this act from computing their retirement pay in accordance with the disability retirement laws in effect prior to the effective date of the Career Compensation Act of 1949."

Mr. JOHNSON of Texas. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

Mr. McMAHON. Mr. President, reserving the right to object, let me ask the Senator from Texas the nature of the bill and the amendment.

Mr. JOHNSON of Texas. The House passed Senate bill 2559 on April 3, with an amendment which was made necessary because of the passage of the Career Employees Compensation Act. The amendment affects only two enlisted men who were promoted on the battlefield to be officers. The Defense Department and the Bureau of the Budget approved the amendment, and the Senate subcommittee unanimously agrees in regard to the House amendment.

Mr. McMAHON. I thank the Senator.

Mr. SALTONSTALL. Mr. President, reserving the right to object, let me say that the Senator from Texas has taken up this amendment with me, inasmuch as for the time being I am sitting in the seat of the minority leader. I am a member of that committee. I recall the bill. I believe the House amendment is entirely justified, inasmuch as the new promotion bill has become law since this measure was passed.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas that the Senate concur in the amendment of the House.

The motion was agreed to.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. CHAVEZ obtained the floor.

Mr. McMAHON, Mr. MALONE, and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and if so, to whom?

Mr. CHAVEZ. I shall be glad to yield to the Senator from Connecticut as soon as the Chair has put the question on the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment A. The amendment is subject to debate.

Mr. MAGNUSON. Mr. President, I should like to have the amendment read.

The PRESIDING OFFICER. Without objection, the amendment will be read.

The CHIEF CLERK. On page 53, after line 15, it is proposed to add the following:

The sum of $1,500,000 additional is authorized to be appropriated and expended by the Federal Power Commission for carrying out any examinations and surveys provided for in this act or any other acts of Congress, to be prosecuted by the Federal Power Commission.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McMAHON, Mr. FERGUSON, and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and if so, to whom?

Mr. CHAVEZ. Mr. President, let me ask the Senator from Connecticut whether he wishes to discuss an amendment; or if he wishes to discuss another matter, let me ask him how long he wishes to proceed.

Mr. McMAHON. Mr. President, I wish to make a very brief comment on the remarks just concluded by the Senator from California. It will not take me more than a minute and a half to do so.

Mr. CHAVEZ. Mr. President, I have stated over and over again that I think the Committee on Public Works and the Senate have been most tolerant in regard to this measure. I wish, I could be more tolerant and more patient. I thought the Senator from California was going to discuss the amendment then pending to the rivers and harbors bill, or I would not have yielded to him.

I should love to yield to my friend the Senator from Connecticut; but I think the business now before the Senate should be disposed of promptly. Therefore, I ask that amendment D be called up.

Mr. FERGUSON. Mr. President, will the Senator yield to me, merely to permit me to send to the desk two reports from the Committee on the Judiciary?

Mr. CHAVEZ. Mr. President, I wish to proceed with the rivers and harbors bill. I do not think it will take us more than a few minutes to conclude action on this bill, and then I can yield. I have been waiting 6 months to get this bill before the Senate. The bill was reported 7 months ago.

Therefore, I ask that amendment D be stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 18, after line 12, it is proposed to insert the following:

Coasts of the Hawaiian Islands with a view to the establishment of harbors for light draft vessels for refuge and other purposes.

MESSAGE OF THE SECRETARY OF STATE TO THE KOREAN GOVERNMENT

Mr. McMAHON. Mr. President, a few moments ago the Senator from California [Mr. KNOWLAND] addressed the Senate on the subject of the message of the Secretary of State to the Korean Government. I shall not discuss the references the Senator from California has made to Mr. Owen Lattimore, because I am a member of the subcommittee of the Foreign Relations Committee which is hearing the charges and conducting that investigation. Although I do not place upon myself a prohibition against discussing anything which may take place in this investigation in the future, I still say it is my present intention to maintain silence on the subject until the investigation is completed and a report is submitted to the Senate.

However, I wish to say that I think it was indeed unfortunate that the Senator from California at least left the implication that the Secretary of State might have been influenced in his latest message by the views of Dr. Lattimore. I should like to call attention to the fact that under date of January 19, 1950, there was a yea-and-nay vote in the House of Representatives on the subject of Korean aid; and on that yea-and-nay vote the position of the minority party in regard to Korea apparently was identical with the position of Dr. Owen Lattimore on that subject, because at that time the proposal for aid to Korea was defeated by a vote of 193 to 191, 170 Democrats were in favor of granting further aid to Korea and keeping it alive; 61 Democrats voted "nay." Among the Republicans, 21 voted "yea," and 130 voted "nay." So at least on that date, January 19, 1950, the sentence of death on Korea was pronounced by the great majority of the minority party.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McMAHON. I shall yield in a moment. Later on, that vote was repudiated, and the House voted to grant that aid.

I now yield to the Senator from California.

Mr. KNOWLAND. Mr. President, I simply say to the Senator from Connecticut that, in the first place, one of the first to be critical of the action taken by the House of Representatives was the junior Senator from California, because I have supported the administration in regard to the aid-to-Korea program; I think it is part of the global problem the world is facing. But, in all fairness to the Members of the House of both parties who may have voted against the Korean aid bill, I may say I think they did so because they felt it was rather futile to support a bill designed to aid Korea when the administration had permitted all China to go behind the iron curtain. I think that was one of the motivating forces which caused many Democrats in the House and many Republicans to vote against the aid to Korea bill. I am glad, just as glad as is the Senator from Connecticut, that the House reversed its position. But certainly we are not going to be able to stop communism in Asia by our action in the small Republic of Korea, if we are unconcerned about the great nation of China, with her 450,000,000 people going behind the iron curtain.

Mr. McMAHON. Mr. President, in deference to the great anxiety of my good friend from New Mexico, to get ahead with his bill, I shall not carry on the debate. I do not know what motivated the gentlemen in the House who voted against giving aid to Korea; it is not known to me. I only say that when we consider the vote that took place on January 19 it is inappropriate to ascribe the views of Dr. Lattimore to the administration or to the Secretary of State.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McMAHON. I will yield in a moment. It was the Secretary of State who made Herculean efforts to get the House to reverse its position, and who was successful in the endeavor; therefore, he should not now have his motives questioned in seeking to strengthen that government by implying that his motives are influenced by the views of Dr. Lattimore.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. KNOWLAND. I am sure if the Senator had listened carefully to my remarks, or had read them in the RECORD, he would have found I was not critical of the Secretary of State for having followed Mr. Lattimore's position in reference to Korea; to the contrary, both today and on the floor Wednesday night, I commended the State Department for not following the views of Mr. Lattimore in Korea, in the United Nations, and in regard to recognition of China. I pointed out in my remarks today that I thought it unfortunate that a coincidence occurred, that immediately, almost simultaneously with the release of the Lattimore recommendations, this note should have been handed to the Korean Government. I still say I think it is most unfortunate for the reasons I have outlined. I tried to make it perfectly clear that in my judgment it was merely a coincidence, and I did not charge that the Department was following the advice. But I pointed out some of the problems with which the Republic of Korea has to contend under the desperate situation with a gun pointing at its stomach.

Mr. McMAHON. In concluding, I merely want to say to the Senator that I do not wish to read into his speech anything that is not in it; on the other hand, I say to the Senator I commend the Secretary of State for having done what he did. It was the right thing to do, regardless of what anyone else had said about the proposition. I presume he was not aware of the fact that there might be people who would say, "this view seems to concur with the view expressed by Lattimore." Nor could he say, "I cannot give forth any views that may coincide with Lattimore's, because people may be suspicious of them." We would be deprived thereby of the correct judgment of a responsible official who is charged with doing the right thing, as his conscience guides him.

That brings to my mind an editorial which I should like to place in the RECORD a little later today. It was printed in the New York Times recently. It pointed out the evil flowing from a kind

of association of the actions of Government officials with the views of other persons who happened for some reason or other, to be unthoughtful at the moment. I understand the Senator from California is not making that charge.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. KNOWLAND. I thoroughly agree with what the Senator has said, and it should not stop any person, in the executive branch of the Government, in good conscience, from making such recommendations as he believes are in the best interests of this country. But I think the able Senator from Connecticut will agree with me that it also should not foreclose any Member of the Senate, whether he be on the Senator's side of the aisle or on this side of the aisle, who wants to raise constructively certain questions in regard to the policy adopted. We should not be foreclosed from bringing to the attention of the American people information in a constructive and I think helpful sort of way as to just what some of the ramifications of the policy may be.

Mr. McMAHON. I could not agree more heartily than I do with the Senator. I shall take my seat, saying that I welcome the Senator's speech upon the subject. I thought it appropriate that the RECORD should contain a reference to the position the Senator's party had taken in the House, since the position which was taken by Dr. Lattimore was also described in the Senator's speech.

PRINTING OF ADDITIONAL COPIES OF HEARINGS BEFORE HOUSE WAYS AND MEANS COMMITTEE RELATING TO REVENUE REVISION

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 192, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Committee on Ways and Means of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of each part of the hearings relative to revenue revision held before said committee during the current session, including an index.

Mr. HAYDEN. I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

PRINTING OF ADDITIONAL COPIES OF HEARING BEFORE HOUSE JUDICIARY COMMITTEE ENTITLED "STUDY OF MONOPOLY POWER"

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 125, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on the Judiciary of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 5,000 additional copies of parts 1 and 2 of the hearings, held before said committee, on the resolution entitled "Study of Monopoly Power."

Mr. HAYDEN. Mr. President, this is a courtesy due the House, because the resolution is for the benefit of their committee. I move that the Senate concur in the concurrent resolution.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona.

Mr. WHERRY. Mr. President, what is the courtesy? Does the Senator mean it relates to their own committee, and that we have nothing to do with it?

Mr. HAYDEN. We have nothing to do with it, except that the amount of money involved is such that it requires the concurrence of the Senate.

Mr. WHERRY. Are we also investing funds in the committee?

Mr. HAYDEN. It is paid out of the contingent fund of the House.

Mr. WHERRY. How about the Senate?

Mr. HAYDEN. The Senate must concur, because of the amount.

Mr. WHERRY. But there is no money paid out of the contingent fund of the Senate, is there?

Mr. HAYDEN. No.

Mr. WHERRY. It is, therefore, merely a courtesy to the House.

The PRESIDING OFFICER. The question is on the motion of the Senator from Arizona to concur in the concurrent resolution.

The motion was agreed to.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. CHAVEZ. Mr. President, I call for the question on amendment D, which has been stated.

Mr. WHERRY. Mr. President, I should like to ask a question about the amendment. It has to do with the coast of the Hawaiian Islands, calling for surveys, has it not?

Mr. CHAVEZ. That is correct. It is designed to help the fishermen in Hawaii make a survey as to whether or not they can get around.

Mr. WHERRY. When the survey is made the matter will be referred to the proper agency, I assume.

Mr. CHAVEZ. It will be referred to the proper agency, with recommendations as to whether any project would be feasible in the future.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. CHAVEZ. There are on the table about 14 amendments by individual Senators, having to do with the authorization of surveys. The amendments have been offered by the Senator from Virginia [Mr. ROBERTSON], the Senator from Florida [Mr. HOLLAND], the Senator from Florida [Mr. PEPPER], the Senator from Maryland [Mr. TYDINGS], the Senator from New York [Mr. LEHMAN], the Senator from South Carolina [Mr. MAYBANK], the Senator from Wisconsin [Mr. WILEY], the Senator from Michigan [Mr. FERGUSON], the Senator from Virginia [Mr. BYRD], the Senator from New Hampshire [Mr. BRIDGES], the Senator from North Carolina [Mr. GRAHAM], the Senator from Washington [Mr. CAIN], and the Senator from California [Mr. KNOWLAND].

They propose to authorize examinations and surveys to determine whether improvements may be needed and justified in the respective localities. No construction work is provided for. The question is, Can these survey amendments be acted upon en bloc?

The VICE PRESIDENT. They would all have to be offered by unanimous consent, and, by unanimous consent, they could be voted on en bloc.

Mr. CHAVEZ. I ask unanimous consent that the amendments containing the survey authorizations be voted upon en bloc. They have all been sent to the desk. They are on the table, and, with the exception of one, I think they have been printed.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Wyoming?

Mr. CHAVEZ. I yield.

Mr. O'MAHONEY. I should like to make a comment with respect to the request. There is lying on the table an amendment affecting the Columbia Basin, which was reported favorably by the Comittee on Interior and Insular Affairs. I was about to ask the Senator from New Mexico whether he would have any objection to reserving the presentation of the individual amendments with respect to surveys, which I understand have not been acted upon by the Public Works Committee, until the amendment to which I refer has been presented.

Mr. CHAVEZ. I may say to the Senator from Wyoming, I think if he will let me ask unanimous consent to have the survey amendments acted upon by the Senate, it will save time, and we can proceed with the amendment the Senator wishes to discuss.

Mr. O'MAHONEY. May I ask the Senator how much is involved in those amendments?

Mr. CHAVEZ. There is no particular amount of money involved, except the regular amount which the Corps of Engineers would expend in making a particular survey.

Mr. O'MAHONEY. I have no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Mexico that all the amendments referred to which are lying on the table, having been printed, may be considered as having been offered by the various Senators whose names he has mentioned, and be acted on en bloc?

Mr. CHAVEZ. I refer to the survey amendments only.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Reserving the right to object, did the distinguished Senator send to the desk the list of Senators proposing the amendments?

Mr. CHAVEZ. I am sending it to the desk now, together with the amendments.

Mr. WHERRY. If they are the amendments which are on the copy of the sheet which the Senator handed me without identifying them particularly, I have no objection.

Mr. CHAVEZ. They are the same ones.

Mr. WHERRY. According to the list, the first amendment is by the Senator from Virginia [Mr. ROBERTSON] in connection with Mataponi River, Va.; the next one, by the Senator from Florida [Mr. HOLLAND] and the Senator from Florida [Mr. PEPPER], in regard to Satilla River; the next, by the Senator from Maryland [Mr. TYDINGS], in connection with the Severn River; the next, by the Senator from New York [Mr. LEHMAN], in connection with New Creek; the next, by the Senator from South Carolina [Mr. MAYBANK], in connection with Combahee River; the next, by the Senator from Wisconsin [Mr. WILEY], in connection with the Milwaukee River; the next, by the Senator from Maryland [Mr. TYDINGS], in connection with Apes Hole Creek; the next, by the Senator from Michigan [Mr. FERGUSON], in connection with the Nine Mile Drain; the next, by the Senator from Virginia [Mr. BYRD], in connection with Chincoteague Bay; the next, by the Senator from New Hampshire [Mr. BRIDGES], in connection with Israel River, N. H.; the next, by the Senator from Florida [Mr. HOLLAND] and the Senator from Florida [Mr. PEPPER], in connection with streams in St. Johns, Flagler, and Putnam Counties, Fla.; the next by the Senator from North Carolina [Mr. GRAHAM], in regard to Middle Creek, N. C.; the next, by the Senator from Washington [Mr. CAIN], in connection with Seabeck Harbor, Wash.; and the last, by the Senator from California [Mr. KNOWLAND], in regard to Walnut Creek.

Is that a complete list of amendments which the Senator desires to offer en bloc?

Mr. CHAVEZ. Yes.

Mr. WHERRY. None of them, as I understand, has to do with any authorization for construction, but is simply with reference to surveys to be made, which surveys will be reported to the proper agencies, and then the question of whether there is to be any authorization allowed will be determined.

Mr. CHAVEZ. They provide only for preliminary examinations and surveys to determine whether improvements are needed and justified in the particular localities. They do not provide for any construction work whatsoever.

Mr. SALTONSTALL. Reserving the right to object—and I shall not object to the unanimous-consent request—I should like to ask the Senator from New Mexico a question. When these amendments are voted upon, do I correctly understand that the committee amendments will then have been completed and that the bill will then be open to individual amendments?

Mr. CHAVEZ. Certainly.

Mr. SALTONSTALL. Mr. President, may I ask the Senator if there is any order in which they will be taken up, or only as individual Senators obtain the floor?

Mr. CHAVEZ. I do not know. I presume it will be according to the recognition of Senators.

Mr. WHERRY. Mr. President, reserving the right to object, and going back to the bill which was taken up 2 or 3 days ago, there were five amendments not offered in the committee which the distinguished Senator from New Mexico offered, three of which were approved at that time and two of which have been approved today.

Mr. CHAVEZ. That is correct.

Mr. WHERRY. Were they all committee amendments up to that time?

Mr. CHAVEZ. As a matter of fact, every committee amendment reported to the Senate last October was acted on and approved by the Senate. The five amendments submitted after we started discussion of the bill at this session of the Congress were approved by the committee after it had made its regular report.

Mr. WHERRY. Were the amendments which are now being offered en bloc considered by the committee?

Mr. CHAVEZ. The amendments were considered by the committee and were approved.

Mr. WHERRY. So that the committee has full knowledge of them?

Mr. CHAVEZ. The committee has full knowledge of them. They have been discussed.

Mr. WHERRY. Are they in the same status as the other five amendments which have been referred to?

Mr. CHAVEZ. They are.

The VICE PRESIDENT. Is there objection to the request that all the amendments referred to by the Senator from New Mexico may be considered as having been offered and that they may be acted upon en bloc?

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DOUGLAS. May I ask the status of the committee amendments to House bill 5472? As I understand, the committee increased the House authorization by approximately $108,000,000, in title I, on rivers and harbors, and by $338,000,000 on flood control, or a total increase of $446,000,000. Is my understanding correct that those amendments were adopted by the Senate last October, on call of the calendar?

The VICE PRESIDENT. On the call of the calendar on the 17th of last October all committee amendments were adopted, and all the committee amendments which have been reported by the committee have also been adopted, so that all committee amendments have been disposed of.

Mr. DOUGLAS. Mr. President, I find this news somewhat disappointing, because I had intended to raise objections to a number of authorizations which I did not believe were justified by public need.

So, Mr. President, I should like to proceed, if I may, and discuss them one by one. I ask unanimous consent that the Senate reconsider its action of last October in connection with the amendment submitted by the committee on page 3, lines 11 and 12, with reference to the so-called Shrewsbury River project.

Mr. SALTONSTALL. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. The Senator from Illinois propounded a parliamentary inquiry. When he finished the parliamentary inquiry, as I understand, he used his recognition to make a request. My point of order is this: Is not the floor open for further recognition of Senators by the Chair?

The VICE PRESIDENT. The Chair recognized the Senator from Illinois to make a parliamentary inquiry. Upon the Chair's answering his inquiry, the Senator did not automatically retain the floor. He did submit a unanimous-consent request that the Senate reconsider the vote by which certain amendments were adopted last October.

Is there any objection to the request of the Senator from New Mexico [Mr. CHAVEZ] that the individual amendments referred to by him be voted upon en bloc? The Chair hears none, and, without objection, they will be regarded as having been adopted.

The amendments agreed to en bloc are as follows:

On page 47, after line 4, insert the following:

"Mattaponi River, Va."

On page 47 after line 8, insert the following:

"Satilla River, Ga.; St. Marys River, Ga. and Fla.; Suwannee River, Ga. and Fla.; for flood control, navigation, and other beneficial uses."

On page 16, after line 22, insert the following:

"Severn River, with particular reference to Ringgold Cove, Ann Arundel County, Md."

On page 16, between lines 21 and 22, insert the following:

"New Creek, Staten Island, N. Y."

On page 31, between lines 7 and 8, insert the following:

"Combahee River, Broad River, Black River, and their tributaries, all in the State of South Carolina."

On page 48, after line 20, insert the following:

"Milwaukee River and tributaries, Wis."

On page 16, between lines 23 and 24, insert the following:

"Apes Hole Creek. Somerset County, Md."

On page 48, between lines 20 and 21, insert the following:

"Nine Mile Drain and Carlow Ditch, Macomb County, Mich."

On page 17, after line 5, insert the following:

"Chincoteague Bay, with a view to establishing a harbor of refuge at Chincoteague, Accomack County, Va."

On page 46, between lines 22 and 23, insert the following:

"Israel River, at and in the vicinity of Lancaster, N. H., in the interest of flood control and related purposes."

On page 47, after line 8, insert the following:

"Streams in St. Johns, Flagler, and Putnam Counties, Fla., for flood control and major drainage improvements."

On page 17, between lines 6 and 7, insert the following:

"Middle Creek, N. C."

On page 18, between lines 6 and 7, insert the following:

"Seabeck Harbor, Hood Canal, Wash."

On page 49, after line 2, to insert:

"Walnut Creek Drainage Area, Contra Costa County, Calif."

Mr. O'MAHONEY. Mr. President, if the Senator from Illinois will bear with me, I wish to ask that a committee amendment from the Committee on Interior and Insular Affairs be now taken up. The request of the Senator from Illinois for unanimous consent to reconsider the previous action of the Senate may, I suggest, be well postponed until after the consideration of this Interior and Insular Affairs Committee amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. Mr. President, do I correctly understand that the unanimous-consent request of the Senator from Illinois is still pending?

The VICE PRESIDENT. It is either pending or it may be renewed.

Mr. SALTONSTALL. If it is still pending, I most respectfully object, because I understand he has reference to all the amendments adopted last October. To that I object.

The VICE PRESIDENT. The Chair does not understand that the Senator from Illinois asked unanimous consent with reference to more than one amendment. He did not make the request as to all amendments. He referred to the Shrewsbury River project.

Mr. DOUGLAS. Mr. President, I shall be very glad to suspend, pending discussion of the Columbia River project.

The VICE PRESIDENT. The Senator from Illinois withdraws his request for the moment.

Mr. O'MAHONEY. I thank the Senator from Illinois.

Mr. President, I call up an amendment for the Committee on Interior and Insular Affairs, which is numbered "3–8–50—A."

The VICE PRESIDENT. Does the Senator wish to have the amendment stated?

Mr. O'MAHONEY. I do not think that will be necessary.

The VICE PRESIDENT. Without objection, the amendment will be printed in the RECORD.

The amendment was, on page 45, after line 14, to insert the following new sections 205 and 206:

SEC. 205. (a) The following projects are authorized to be constructed, substantially in accordance with the physical plan presented in the report of the Commissioner of Reclamation dated May 2, 1949, by the Department of the Interior under the supervision and direction of the Secretary of the Interior, who, in prosecuting his activities under this section, and in operating and maintaining such projects, shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof and supplementary thereto):

Mountain Home project, Payette unit, Idaho: *Provided*, That no funds shall be expended on other than the following features:

Upper Scriver Creek power plant;
Lower Scriver Creek power plant;
Smiths Ferry Dam;
Smiths Ferry-Scriver Creek Tunnel;
Scriver Creek Dam and Reservoir;

until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility under the provisions of the Federal reclamation laws, taking into consideration the participation of this project in the Columbia Basin account.

Cambridge Bench project, Idaho.

Council project, Idaho.

Hells Canyon project, Idaho: *Provided*, That the operation of Hells Canyon Dam and Reservoir for the generation of power shall be without prejudice to future depletion of stream flows arising from upstream diversions for beneficial consumptive uses in an amount which the Secretary of the Interior determines to be reasonable, having regard for the upstream beneficial consumptive use of water for the new and supplemental land developments indicated in chapter IV of the Substantiating Materials, Hells Canyon project report, approved by the Acting Secretary of the Interior, June 9, 1948.

Bitterroot Valley project (including Woodside unit), Montana.

Canby project, Oregon.

Crooked River project, Oregon.

Vale project, Oregon—Bully Creek extension.

The Dalles project, Oregon—West unit.

Grand Coulee Dam, Wash.—Modifications for flood control.

Upper Star Valley project, Wyoming.

and the following projects, previously authorized under the Water Conservation and Utilization Act, 54 Stat. 1119):

Mann Creek, Idaho.

Missoula Valley project, Montana—North Side unit.

(b) The sum of $200,000,000 is hereby authorized to be appropriated for the partial accomplishment of the projects authorized in this section.

SEC. 206. (a) In order to provide a method of accounting for the return of costs assigned for return from power revenues, in a manner which reflects the interrelationship of certain projects in the Pacific Northwest, the Secretary of the Interior shall establish a Columbia Basin account. The account shall be credited with all power and miscellaneous revenues, including revenues on account of benefits to downstream power plants which result from upstream Federal improvements, derived from or incidental to the operation of Federal power plants now existing, or authorized heretofore or in this act, within the Pacific Northwest, including all transmission lines and other facilities incident to the marketing of power from such plants. The account shall be charged with all operation, maintenance, and construction costs of such power plants, transmission lines, and other facilities that are allocated to power purposes, and with interest as provided in subsection (c). The account shall also be charged with all reimbursable costs properly allocable to purposes other than power, but which are assigned for return from power revenues, in connection with all projects now existing, or authorized heretofore or in this act, within the Pacific Northwest, whether or not such projects include power features: *Provided*, That assignment of such costs of existing or heretofore authorized projects in excess of amounts which are so assignable under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only upon specific authorization by act of Congress. Revenues and costs in connection with projects hereafter authorized to be constructed in the Pacific Northwest shall be included in the Columbia Basin account only upon specific authorization by act of Congress. For the purposes of this section, the Pacific Northwest shall be defined as the area, within the United States, comprising the Columbia River Basin, the basins of other streams entering the Pacific Ocean between the Canadian boundary and the California-Oregon boundary, and the closed drainage areas of Oregon.

(b) As of the close of each fiscal year, beginning with the fiscal year 1951, the Secretary of the Interior shall report to the Congress on the status of the Columbia Basin Account, and on the revenues from and costs of constructing and operating Federal facilities in the Pacific Northwest for the supply of water for irrigation, municipal water supply, or other reimbursable purposes. The Secretary's report shall be prepared in such a manner as accurately to reflect the Federal investment allocated to power and the Federal investment allocated to irrigation and other water supply purposes, and the progress of return and repayment thereon.

(c) The revenues and costs credited and charged to the Columbia Basin Account, together with estimated future costs and revenues, authorized to be so credited and charged shall be taken into account in fixing rates for the sale of power and energy from Federal plants and facilities in the Pacific Northwest: *Provided*, That estimated future costs and revenues of projects or divisions thereof upon which construction has not been initiated shall be so taken into account only if funds for the preparation of designs and specifications or for the initiation of construction have been made available pursuant to law, or if estimates of requirements of funds for those purposes have been submitted to the Congress by the President. Such rates shall be fixed from time to time by the Secretary of the Interior, after consultation with the Federal Power Commission, at levels which in the aggregate will be at least sufficient to cover (1) the operation, maintenance, and all other costs of generating, transmitting, and disposing of such power and energy, including among such costs depreciation on the depreciable properties included in the construction costs allocated to such generation, transmission, and disposition, plus amortization, over a reasonable period of years, of the nondepreciable properties included in the construction costs so allocated, and including interest on the unpaid balances of the Federal investment allocated to power, at rates not less than those specified in existing applicable laws or, where no rates are so specified, at such rates as may be determined from time to time by the Secretary of the Treasury to be appropriate, having regard to the probable term of the power investment and the rates payable on outstanding marketable obligations of the United States; and (2) any additional amounts which may be required to return the reimbursable costs properly allocable to purposes other than power, but assigned for return from power revenues. In maintaining the Columbia Basin Account and in setting rates for the sale of power and energy, the Secretary of the Interior shall take into consideration, for all properties covered by the Columbia Basin Account, the application of interest on the unpaid balances of the Federal investment allocated to power to the return of costs properly allocable to purposes other than power, but assigned for return from power revenues, to the same extent that application of interest on power investment to the return of such costs may be taken into consideration under the Federal reclamation laws.

(d) Allocations of construction costs for projects authorized in this act to be constructed in the Pacific Northwest, and for other projects included in the Columbia Basin Account as to which allocations have not heretofore been made, shall be the responsibility of the Secretary of the Interior in the case of the projects constructed or to be constructed by the Department of the Interior, after consultation with the Secretary of the Army as to allocations to flood control and navigation and with the Federal Power Commission as to allocations to power. Such allocations shall be the responsibility of the Secretary of the Army in the case of projects constructed or to be constructed by the Department of the Army, after consultation with the Secretary of the

Interior in the case of allocations to irrigation and the preservation and propagation of fish and wildlife, and with the Federal Power Commission and the Secretary of the Interior with respect to allocation to power.

(e) In marketing power and energy from Federal Power plants, the revenues from which are credited to the Columbia Basin Account pursuant to this section, the Secretary of the Interior shall not enter into contracts for deliveries of firm power outside the area comprising the States of Idaho, Oregon, and Washington and those portions of the Pacific Northwest not within said States, and contracts for delivery of firm power in this area shall provide that, whenever the Secretary finds that a purchaser is by reason of the purchase of power under such contract supplying power to an adjacent marketing territory on a firm basis and thereby precluding the marketing in that territory of firm power capable of being developed at Federal plants in such territory, the amount of firm power supplied to that purchaser shall be reduced to the amount required by it within the area described in this subsection, after taking into account the amount of power reasonably available to that purchaser from its own power plants within that area. Nothing in this subsection shall be construed to preclude interconnections with power marketing areas adjacent to the above-described area, for the purpose of delivery of surplus energy on an off-peak, emergency, or temporary basis, or for the exchange of power and energy, including the exchange of power or energy for water or storage of water.

(f) The Secretary of the Interior shall contract for appropriate repayment to the United States, in accordance with the Federal reclamation laws, for all irrigation services provided by or obtained from all projects in the Pacific Northwest constructed pursuant to the laws affecting the prosecution of works for the improvement of navigation and the control of floods.

(g) Except as specifically provided in this section, nothing herein shall be construed as repealing, modifying, or affecting in any way the Federal reclamation laws, the laws affecting the prosecution of works for the improvement of navigation and the control of floods, the act of August 20, 1937 (50 Stat. 731), as amended, the act of June 5, 1944 (58 Stat. 270), the act of December 22, 1944 (58 Stat. 887), or the act of March 2, 1945 (59 Stat. 22). Nothing in this section shall be construed to apply to projects of the Bureau of Indian Affairs or to supersede existing provisions of law relating to the protection and conservation of fish and wildlife.

Renumber succeeding sections and any references thereto accordingly.

Mr. O'MAHONEY. Mr. President, this amendment deals with the authorization of some 13 projects in the Columbia River Basin. Of these projects, 1 is exclusively a power project, 10 are exclusively reclamation projects, 1 is partly power and partly irrigation, and 1 involves a modification of the Grand Coulee project in order that that dam may be used for flood-control purposes. The authorization of these particular projects was under consideration during the last session of Congress by the Committee on Public Works. Considerable testimony was taken, but one of the members of the Committee on Public Works, the distinguished junior Senator from Utah [Mr. WATKINS] suggested to the Committee on Public Works that since these projects were primarily reclamation projects and were to be authorized for construction by the Bureau of Reclamation, it might be well for the Committee on Interior and Insular Affairs to consider them. It was so agreed upon the floor of the Senate. At the beginning of the present session the Committee on Interior and Insular Affairs immediately began hearing upon the projects, and they are now before the Senate with the approval of the Committee.

I want to say, Mr. President, that in cooperation the Corps of Engineers and the Bureau of Reclamation have——

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. CHAVEZ. While it is true that the Committee on Public Works suggested that, inasmuch as the projects being discussed were irrigation projects and should be considered by the Committee on Interior and Insular Affairs, neither the Committee on Public Works nor any of its members agreed that whatever the committee did with reference to irrigation and reclamation should be contained in a flood-control and rivers and harbors bill. Am I correct?

Mr. O'MAHONEY. I believe the Senator from New Mexico is partially correct, at least. I think the RECORD will show that the Senator from New Mexico, speaking on behalf of the Committee on Public Works, expressed the understanding that these particular amendments were to be studied by the Committee on Interior and Insular Affairs.

Mr. CHAVEZ. Because that is where they belonged. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. CHAVEZ. Because they belonged there, we wanted the Committee on Interior and Insular Affairs to consider them. However, it was not understood by the Committee on Public Works, or any member of that committee, that the Committee on Interior and Insular Affairs could discuss a reclamation or irrigation project and recommend an amendment to a flood-control bill covering it. Of course, any Senator may submit an amendment; but I wish it to be understood that so far as the committee was concerned the committee knew what it was doing and knew that the subjects of reclamation and irrigation belonged to the committee which is so honorably headed by the Senator from Wyoming.

Mr. O'MAHONEY. The Senator is quite correct in his statement so far as it goes. However, in order that the RECORD may be perfectly clear and so that the Senate may pass on the understanding, I desire to read from the CONGRESSIONAL RECORD of October 7, at page structed in the Pacific Northwest, and for I thought was the understanding of the chairman of the Committee on Public Works and the chairman of the Committee on Interior and Insular Affairs.

I had obtained the floor by asking the distinguished senior Senator from Washington [Mr. MAGNUSON] to yield. I then said:

Earlier today the senior Senator from New Mexico [Mr. CHAVEZ], chairman of the Committee on Public Works, submitted a report on House bill 5472. As that bill was considered by the Committee on Public Works, it contained a provision dealing with the authorization of certain reclamation projects in the Columbia River Basin. The Committee on Interior and Insular Affairs had no opportunity to pass upon those recommended reclamation authorizations. The chairman of the Committee on Public Works was kind enough to call in members of the staff of the Committee on Interior and Insular Affairs with respect to the drafting of the bill in its relation to reclamation projects. One of the members of the Committee on Public Works, the junior Senator from Utah [Mr. WATKINS], raised the question, in the proceedings yesterday in the Committee on Public Works, with respect to these reclamation projects.

I have had a conference with the senior Senator from New Mexico, and I desire the record to show that I understand the understanding between the Public Works Committee and the Committee on Interior and Insular affairs to be that although the bill as reported does not contain any provision at all with respect to these reclamation authorizations, the Committee on Interior and Insular Affairs is recognized as having the right to offer, as necessary, as part of the report and as a committee amendment, provisions dealing with that authorization. The reason for that, of course, is that the development of the Columbia River Basin is a joint operation by the Army engineers and the Bureau of Reclamation. The report by the Committee on Public Works is, as I understand, not to be considered as excluding the consideration of reclamation authorizations.

I am announcing to members of the Committee on Interior and Insular Affairs that this matter will be laid before the committee at its regular session on Monday next, when the committee, if it so desires, may take action with respect to the reclamation authorization.

I ask the Senator from New Mexico whether I have correctly stated the understanding.

Whereupon the RECORD shows:

Mr. CHAVEZ. That is correct. The Senator from Wyoming has correctly stated the understanding.

Mr. CHAVEZ. That is correct.

Mr. O'MAHONEY. So I am here today, acting on behalf of the Committee on Interior and Insular Affairs, to present the amendment, which the Committee on Interior and Insular Affairs, after hearing, has duly approved. We are asking that the action of the committee on this amendment be the action of the Senate.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CHAVEZ. I do not think the Senator from Wyoming and I are so very far apart. The record which he has read is correct. The Senator from Wyoming did ask about having hearings in his committee on matters which had to do with irrigation projects only, it is true, and we agreed to that, because his committee has jurisdiction of such matters. We also knew that the committee makes investigations and surveys and holds hearings, and has the right to bring in amendments before this body. But the point I am trying to make is that there was no agreement whatsoever by the Committee on Public Works that because we agreed to some work being done by the Committee on Interior and Insular Affairs, we were to sit back and acquiesce in any amendments which that committee might suggest.

Mr. O'MAHONEY. Of course I do not mean to imply that the Committee on

Interior and Insular Affairs can bind the Committee on Public Works.

Mr. CHAVEZ. The record as read by the Senator from Wyoming is to the effect that the Committee on Interior and Insular Affairs was to study irrigation districts within the Columbia River Basin. Is it not true that in the amendment which has just been read to the Senate there are irrigation projects outside Columbia River Basin?

Mr. O'MAHONEY. No; there are none outside of the Columbia River Basin. The projects are all within the basin.

Mr. MAGNUSON. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Washington.

Mr. MAGNUSON. I am glad the Senator from Wyoming made that point clear, because the projects included in the amendment are all within the Columbia River Basin, and were discussed by the Committee on Public Works last fall.

I think the RECORD should be further elucidated. The Senator from Wyoming was kind enough to read the RECORD. He did not finish the portion of the reply of the distinguished Senator from New Mexico, in which he said—reading from the same page of the RECORD:

> Mr. President, the Committee on Public Works of the Senate wanted to include the items of the Reclamation Service, but it happened that one member of the committee also belonged to the Committee on Interior and Insular Affairs, and he had some doubt whether the latter committee would be willing; so, if they do not mind, it is all right with us.

Mr. President, so that the Senate may understand the matter, I merely desire to say that we have some difficulty separating rivers and harbors projects from irrigation projects, and we are in a peculiar position in the West. We have to have the indulgence of both committees in the consideration of our projects, because they cannot be separated.

Mr. CHAVEZ. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator from Washington will agree, however, that so far as the Committee on Public Works was concerned, and so far as the recommendations and reports it made to this body, which have been approved, were concerned, none of the irrigation or reclamation items involved in the amendment of the Senator from Wyoming were included. They were not reported, were they?

Mr. MAGNUSON. The Senator is correct, but they are all items which are included in the Columbia Basin comprehensive plan of the Engineers and of the Bureau; they were discussed before the Committee on Public Works, and were sent to the Committee on Interior and Insular Affairs only because of the suggestion of the distinguished Senator from Utah [Mr. WATKINS].

Mr. CHAVEZ. Is it not also true that the contemplated plan was not approved by the Committee on Public Works at that time?

Mr. MAGNUSON. It was not approved, but it has been thoroughly discussed by the Committee on Public Works and the Committee on Interior and Insular Affairs. We are in a peculiar position, because we have to ask the indulgence of both committees, since we cannot separate, in the comprehensive plan for development, power, and irrigation, and rivers and harbors and irrigation.

Mr. O'MAHONEY. Mr. President, I think the understanding which the chairman of the Committee on Public Works and the chairman of the Committee on Interior and Insular Affairs reached upon the floor of the Senate certainly was not binding upon the members of the respective committees.

Mr. HOLLAND. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Florida.

Mr. HOLLAND. Supplementing the remarks of the chairman of the Committee on Public Works, I should like to say that the occasion upon which the comprehensive plan agreed to between the Reclamation Service and the Corps of Engineers affecting the Columbia Basin came before the Committee on Public Works, was not in connection with the hearing on this omnibus bill, but, instead, was in connection with a hearing on a proposed Columbia Valley project, a quite different matter, still pending, and upon which hearings are still being held.

I should like to say further that while much the distinguished Senator from Wyoming is saying is completely correct, I would not want to leave it at all unchallenged that the report of the committee lies within the purview of the statement made by the distinguished Senator on the priority date of the measure read by him into the RECORD. It was the clear understanding of at least one member of the Committee on Public Works, the junior Senator from Florida, that the only matter to be heard was the question of whether or not certain reclamation projects should be approved, and a certain financial authorization made, so that they could go ahead during the next 3 years. There was never any discussion before the Committee on Public Works of such items as the basin account, the matter of charging parts of reclamation costs to power manufactured by dams erected by the engineers, whether the reclamation projects were nearby and closely related to, or had any geographic relation whatsoever to the dam. Nor was there involved any such proposal as that now contained in the committee amendment to restrict the sale of power produced there to the area of the Columbia Basin.

I find many other provisions entirely foreign to the bare matters stated so capably by the Senator from Wyoming on the occasion of the prior debate, namely, the consideration as to whether certain reclamation projects within the comprehensive plan should be reported for approval and for partial authorization at the same time that the omnibus flood control and rivers and harbors bill was adopted.

I am hoping, Mr. President, that the Senator will confine his request, coming from the committee, to a much more limited field than that covered at present by the amendment, because otherwise it would seem to me to reach to the very heart of the service of the Committee on Public Works and of the Corps of Engineers and could not be permitted to go unchallenged by the Committee on Public Works.

I thank the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, the Senator from Florida is now discussing the merits of the amendment. I was actually somewhat at a loss to understand what all this technical discussion was about. Now I see. But, Mr. President, neither the chairman of the Committee on Interior and Insular Affairs nor, so far as I know, any of the members, ever had the slightest idea that we were to receive from the Committee on Public Works anything more than courteous attention when we made our report. We have made our report, and I think we are about to receive the courteous attention upon the merits of the recommendation which was made.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. I dislike to interrupt the Senator, but in view of the statement made by the Senator from Florida [Mr. HOLLAND], I think the record should be cleared up. The amendment we have here was proposed to the committee as an amendment to the rivers and harbors bill. There was all sorts of testimony taken on this proposal as an amendment. The Columbia Valley Administration proposal is entirely another proposal, although it has some relation to it. They are along two parallel lines. The junior Senator from Washington and I submitted this as a joint amendment. All it is predicated upon is a committee amendment to the rivers and harbors bill. There are pages of testimony on it in the hearings.

Mr. CHAVEZ. Can the Senator tell what action the committee took?

Mr. MAGNUSON. The committee took no action. It was discussed on the request of one member of the committee.

Mr. O'MAHONEY. Now, if I may resume, I will say I am afraid that some of my colleagues have gotten the idea that the Committee on Interior and Insular Affairs was trying to take advantage of the Committee on Public Works. Nothing could be farther from the desire of the chairman of that committee. But it is quite evident, Mr. President, that there is going to be a debate with respect to the establishment of a "Columbia Basin account." It is quite evident that there is going to be a debate now on this amendment as to whether or not there shall be unified action in the development of the water resources of the Columbia Basin. I believe that unity of action in the development of these water resources is of the highest public importance. There has been cooperation between the Army engineers and the Bureau of Reclamation in the field. These two agencies of Government, seeking to cooperate in the interest of the public and in the reduction of expense to the public in the elimination of overlapping operations by the two agencies, reached

an understanding that these particular reclamation and power projects should be constructed by the Bureau of Reclamation, and that certain other projects should be constructed by the Army engineers.

The amendment which the committee has reported favorably to the Senate was based upon a proposal that was made to the committee by the Secretary of the Interior, with the support of the Bureau of the Budget. It represents the considered opinion of the executive arm of the Government that when the development by the Army engineers is in progress in the Columbia Basin, there shall also be in progress the development which in this cooperative understanding and preliminary work between the two agencies was assigned to the Bureau of Reclamation for construction.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. WHERRY. Did the committee of which the distinguished Senator from Wyoming is the chairman adduce testimony to justify the proposed legislation in section 206? Did the Senator's committee take evidence on that section?

Mr. O'MAHONEY. Yes, the committee held protracted sessions on it.

Mr. WHERRY. I should like to ask a second question simply to clear away confusion from my mind. Did the Committee on Public Works, which reported the bill, take evidence on section 206?

Mr. O'MAHONEY. I am not a member of that committee. The Senator from Washington [Mr. MAGNUSON] has just stated that the Committee on Public Works did take testimony on it.

Mr. WHERRY. That is all I want to know. Was the testimony which was offered to the Committee on Interior and Insular Affairs also submitted to the Committee on Public Works?

Mr. O'MAHONEY. No, not all of it. During the last session of Congress the Committee on Public Works received some testimony with respect to these projects of the Bureau of Reclamation. How complete that testimony was I do not know. But I do know, as I stated last October, that the able chairman of the Committee on Public Works was good enough to permit members of the staff of the Committee on Interior and Insular Affairs to attend the meetings and sit with the staff of the Public Works Committee. As I said a moment ago, Army engineers and the Bureau of Reclamation were working together in the field, and up to this moment practically, the Committee on Public Works and the Committee on Interior and Insular Affairs have also been working in harmony. But I want it to be clearly understood that I never had the slightest notion that the Committee on Public Works or any of its members were committed or could be committed by any action of the Committee on Interior and Insular Affairs.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I should like to know where the evidence is. Does the evidence adduced by the Committee on Interior and Insular Affairs appear anywhere in the record so we can see it?

Mr. O'MAHONEY. The record of the hearings before the Committee on Interior and Insular Affairs has not been received from the Government Printing Office.

Mr. WHERRY. Was the evidence submitted to the Committee on Public Works all the evidence that was before the Senator's own committee?

Mr. O'MAHONEY. Oh, no; it was not.

Mr. WHERRY. Where can we secure the additional evidence?

Mr. O'MAHONEY. As soon as it comes from the Government Printing Office it will be available. But the committee has filed a report——

Mr. WHERRY. I have the report.

Mr. O'MAHONEY. A very ample report on the matter.

Mr. WHERRY. But the evidence is not available at this time.

Mr. O'MAHONEY. The hearings have not been printed up to this time.

Mr. President, I was about to say with respect to this matter, that these projects which are recomended by the Committee on Interior and Insular Affairs are estimated to cost $412,700,000. The authorization for an appropriation, however, as presented is for less than half of that, namely, $200,000,000. Of the total estimated cost of $412,700,000, it is estimated that the reimbursable share will be $384,228,000. Of this amount $9,628,000 will come by way of agricultural payments of the settlers upon the land. The nonreimbursable portion of the total cost is only $28,482,000.

There will be about 116,000 acres of land benefited by the water supply, of which 90,390 acres are now receiving water from the irrigation projects, but not receiving enough. In other words, this project will provide for supplemental water. Approximately 25,386 acres of new land will be brought in under this project.

Mr. President, as I have said, the amendment covers proposals which were submitted to the Senate in a letter from the Secretary of the Interior, accompanied by a letter from the Director of the Bureau of the Budget. The letter from the Secretary of the Interior was addressed to the Vice President; and then both letters were referred to the Committee on Interior and Insular Affairs. Late in March, just after the report had been made, the chairman of the committee addressed to the Secretary of the Army a letter with respect to the project. I offer at this point a copy of that letter, and ask unanimous consent that it may be printed in the RECORD.

The PRESIDING OFFICER (Mr. LEHMAN in the chair). Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
March 29, 1950.

Hon. GORDON GRAY,
Secretary of the Army,
Department of Defense,
Washington, D. C.

DEAR MR. SECRETARY: The Committee on Interior and Insular Affairs has recently concluded hearings on a proposed amendment to H. R. 5472 to authorize the construction of certain projects by the Bureau of Reclamation and the establishment of a "Basin account."

These authorizations are consistent with the recommendation of the President, through the Director of the Bureau of the Budget, in his letter of February 1, 1950, with which he also transmitted his views on your recently completed review report on the Columbia River and the companion report of the Department of the Interior.

The proposed legislation, particularly as it pertains to the "Basin account," is in line with the principles contained in the agreement signed on April 11, 1949, by the Secretary of the Army and the Corps of Engineers on the one hand and the Secretary of the Interior and the Commission of Reclamation on the other.

It is likely that the omnibus river and harbor and flood-control bill will come up for discussion on the floor of the Senate at once. Discussion of this aspect may logically be brought up. I understand that you have already communicated your views to the Senate Public Works Committee on those parts of Director Frank Pace's letter of February 1, which refer to the Corps of Engineers' proposals. It occurs to me that it also would be well for you and General Pick to make a formal statement on the amendment, cleared by the Bureau of the Budget, for public recognition.

The action taken by the Senate Committee on Interior and Insular Affairs was predicated upon the assumption that your Department concurred in the position taken by the President and expressed in Director Pace's letter of February 1, 1950, which translated some of the principles contained in your agreement of April 11, 1949, into a draft of legislation. A statement by you confirming your position would be most helpful.

Accordingly, I shall appreciate receipt of a letter from you as promptly as possible on the subject.

Sincerely yours,
JOSEPH C. O'MAHONEY,
Chairman.

Mr. O'MAHONEY. Mr. President, a reply to that letter was received from the Secretary of the Army, Hon. Gordon Gray, under date of April 5, 1950. I ask unanimous consent that his letter may be read at this time.

The PRESIDING OFFICER. Without objection, the clerk will read.

The legislative clerk read as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., April 5, 1950.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR O'MAHONEY: In your letter of March 29, 1950, you requested that the Chief of Engineers and I make statements on the proposed amendment to H. R. 5472 relating to the Columbia River Basin, particularly with respect to the "Basin account."

The agreement of April 11, 1949, between the Department of the Interior and the Department of the Army included an item (No. 6) to the effect that financial assistance from all power revenue-producing projects in the Pacific Northwest should be pooled and extended to aid irrigation under principles consistent with those embodied in reclamation law, and it contemplated the establishment of a "Basin account." The Chief of Engineers and I continue to be in full accord with this item of the agreement of April 11, 1949.

This Department supports also the proposed amendment transmitted with the letter of February 1, 1950, from the Director of the Bureau of the Budget to the Secretary of the Interior insofar as it may affect the projects and duties of the Corps of Engineers, and I have no objections to the parts thereof which pertain to the Department of the Interior and only indirectly to the Department

of the Army. Specifically in response to your letter, I concur in the proposal to include the revenues and costs of power projects of the Corps of Engineers in the "Basin account."

This report has been reviewed by the Bureau of the Budget, and I am advised that there is no objection to its submission.

Sincerely yours,

GORDON GRAY,
Secretary of the Army.

Mr. O'MAHONEY. Mr. President, I have had that letter read in order that it may be perfectly clear that the Department of the Army, to which is assigned the Corps of Engineers, has—through its Secretary—given its approval to the proposal which here is made in the amendment of the Committee on Interior and Insular Affairs.

Mr. President, I also have a letter from the Secretary of the Interior, the Honorable Oscar L. Chapman, dated April 4, dealing with the same general subject; and I ask that that letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, D. C., April 4, 1950.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Interior and Insular Affairs Committee, United States Senate, Washington, D. C.

MY DEAR SENATOR O'MAHONEY: Your letter of March 29 asks for my views on the desirability of enactment of the amendment to H. R. 5472, to authorize certain projects for construction by the Bureau of Reclamation in the Columbia Basin and to authorize the establishment of a "Columbia Basin account."

This Department is in full accord with these purposes of the proposed amendment, and particularly the establishment of a "Columbia Basin account."

Establishment of a "Basin account" is felt by the Administration to be most necessary to provide for proper accounting, uniform rate-making, and a method of obtaining financial assistance for irrigation projects. As you know, the establishment of a "Columbia Basin account" was recommended in the agreement which was signed on April 11, 1949, by the Secretaries of the Army and the Interior, and the Commissioner of Reclamation and the Chief of Engineers.

It is noted, however, that by changing the word "may" to "shall" in what is now line 4, page 7 of the proposed amendment, the committee has changed the amendment as recommended by the Director of the Bureau of the Budget in his letter of February 1, 1950, by making it mandatory for the Secretary of the Interior, in setting power rates, to take into account the interest component to the extent permitted by reclamation law. Under the original language recommended by the Bureau of the Budget such use of the interest component would have been discretionary. The choice of "may" was deliberately made and was thought to be preferable in view of reference by the President of the whole subject of the sources of reclamation subsidy to the Water Resources Policy Commission for study and recommendation.

The Bureau of the Budget has advised that there is no objection to the presentation of the foregoing views to the Congress.

Sincerely yours,

OSCAR L. CHAPMAN,
Secretary of the Interior.

Mr. O'MAHONEY. Mr. President, let me say a few further words in explanation of the amendment. It is fully covered, of course, in the report submitted by the chairman in behalf of the committee. All the details regarding this proposal are there presented.

Let me briefly state that the revenues from the Hells Canyon project—which, by the understanding of the Corps of Engineers and of the Department of the Army with the Bureau of Reclamation and the Department of the Interior is to be solely a power project—are, under the amendment, to be credited to the proposed "Basin account" and will be used to reimburse the Government for the construction costs of the 12 projects, in addition to the Hells Canyon project, authorized by this amendment. In addition, there will be reimbursement in excess of more than $9,000,000 from payments made by the settlers.

It is evident from what has been said here today that there will be some discussion in respect to the proposal contained in this amendment to establish a "Columbia Basin account."

Briefly, Mr. President, the purpose is to have credited to the "Columbia Basin account" certain revenues, particularly the power revenues. I read from the amendment:

The account shall be credited with all power and miscellaneous revenues, including revenues on account of benefits to downstream power plants which result from upstream Federal improvements, derived from or incidental to the operation of Federal power plans now existing, or authorized heretofore or in this act, within the Pacific Northwest, including all transmission lines and other facilities incident to the marketing of power from such plants. The account shall be charged with all operation, maintenance, and construction costs of such power plants, transmission lines, and other facilities that are allocated to power purposes, and with interest as provided in subsection (c).

I shall not bother to read the remainder of the provision. It has already been presented for publication in the amendment, as I submitted it at the very beginning.

I wish to make clear, however, that it is generally understood that the development of irrigation and reclamation in the West can no longer be carried on without revenues in addition to those which are derived from the settlers upon the soil themselves. The cost of these multiple-purpose projects—which produce power and provide for flood control and for navigation—is altogether too great to be saddled upon the settlers upon the reclaimed land. So for some time in the past it has been the practice of Congress to authorize these multiple-purpose projects, having in mind the purpose of having the power revenues finance the construction costs. The Columbia Basin project existing in the Northwest under present arrangements will not be paid out, as I recall, for approximately 150 years. Under the proposal for the "Basin account," it, like other projects, will be paid out in approximately 50 years.

Mr. President, I have before me a table which shows the cost of various projects which have been planned in this area. The Corps of Engineers' projects which have been constructed or which are under construction and which have been authorized—beginning with Bonneville and ending with the Chief Joseph Dam, including McNary Dam—amount to approximately $680,000,000. Projects proposed to be authorized in this bill—Albeni Falls, Lookout Point (Waldo), Dexter, Hills Creek, Cougar, Green Peter, White Bridge, Libby, Priest Rapids, John Day, and The Dalles—will total approximately $1,100,000,000. Projects on the part of the Bureau of Reclamation, constructed, under construction, or authorized, amount to a total of $315,000,000 as follows: Grand Coulee, $210,000,000; Hungry Horse, $90,000,000; Palisades, $10,000,000; Anderson Ranch, $5,000,000.

Projects proposed to be authorized under House bill 5472: Hells Canyon, $311,000,000; Mountain Home, $33,000,000, making a total of $344,000,000.

The grand total of these various power projects is as follows:

For the Corps of Engineers, $1,330,000,000; for the Bureau of Reclamation, $540,000,000; transmission systems are estimated at $830,000,000—or a total of $2,700,000,000.

So, Mr. President, it is evident that one of the great needs for the development of the tremendous water supply in the Pacific Northwest is the establishment of a "Columbia Basin account" to which may be credited the earnings from power, and from which the Congress, if it decides in the future to authorize additional projects, may take the sums of money necessary for the construction of the projects.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. It is my understanding that the proposed "Columbia Basin account" is to be one in which all interest and amortization payments, instead of going to the General Treasury, are to be impounded, for additional development of the Columbia Basin projects. Is that correct?

Mr. O'MAHONEY. The amendment authorizes the establishment of the account and the crediting to the account of these revenues; but this amendment does not make any specific provision for the utilization of the funds.

Mr. DOUGLAS. Mr. President, let me ask this question: If the provisions of this amendment were to go into effect and were not to be altered by future legislation enacted by the Congress, would the amendment mean that all future amortization payments derived from the power revenues would go, not to the General Treasury, but to this "Basin account" and, therefore, would be used for additional capital investments in this area; or would they go to the General Treasury?

Mr. O'MAHONEY. No; let me say to the Senator that the "Basin account" is merely an accounting device. It does not dispose of the money. That is a matter to be determined in the future by the Congress of the United States. In our report describing the "Basin account", the first paragraph contains the following:

The accounting procedure, will show balances which may be considered in connection with analysis of financial feasibility of projects, rate making, and project pay-out. It is not a revolving fund or a fund of any type. All revenues will continue to go into

the Treasury as at present, and all funds will continue to be appropriated by the Congress as at present.

By the amendment which is being presented here, the committee is recommending, as I stated at the outset, 10 projects which are wholly reclamation; one of which is partly reclamation, one of which is completely power, together with another project, at a total cost of $412,700,000, and an authorized appropriation is made of only $200,000,000.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Illinois?

Mr. O'MAHONEY. I yield.

Mr. DOUGLAS. Do I correctly understand, then, that the alleged advantage of the "Basin account" is that it would permit maintenance of a uniform power rate through the Northwest, with some power being sold below cost and other power being sold above cost, so that each project would not have to stand upon its own feet, but the system of developments as a whole would be the unit?

Mr. O'MAHONEY. I think that is one of the most important features of the "Basin account."

Mr. DOUGLAS. Can the Senator give assurance that there is no proposal here to make this serve as the starting point for unlimited development of the Northwest?

Mr. O'MAHONEY. Not at all. Every project which is not included in this bill, or made possible, will have to stand on its own feet, will have to be recommended by the Executive, will have to be approved by the Congress; so that in the creation of this account we merely establish the accounting system and create the device whereby, as the Senator has so well stated, it will be possible to administer the power sales throughout this great area as a uniform system.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. Has the Senator stated that this amendment, if adopted, will be different from provisions for the disposal of power under TVA or MVA?

Mr. O'MAHONEY. The power would be disposed of under existing law by the Secretary of the Interior. This is like the Bonneville project which is now in operation.

Mr. LANGER. If the amendment is adopted, will it affect that project in any manner?

Mr. O'MAHONEY. It would not affect the Bonneville marketing; no.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MALONE. I should like to ask the distinguished Senator from Wyoming whether the amendment would not altogether change the aspect of the flood-control bill as presented by the distinguished Senator from New Mexico—that is, in the matter of repayment, and in the whole matter of construction of projects in the Northwest.

Mr. O'MAHONEY. I do not understand that it would. It would have the effect of providing that certain power revenues shall be used to reimburse the cost of these 13 projects. That is a device which has been used before, and of course, with respect to the reclamation projects, here we have reimbursement, not only from power, but from reclamation.

Mr. MALONE. Mr. President, will the Senator yield? ?

Mr. O'MAHONEY. I yield.

Mr. MALONE. I should like to ask the distinguished Senator whether it would not set a precedent heretofore unknown in the development of the Southwest or the Northwest, in that it would take revenues from a project in an entirely different State and apply them to a project in a State within which it is authorized?

Mr. O'MAHONEY. The Senator is quite right about that, of course. The purpose is to recognize the physical fact of nature that the stream is a unit, and the measure proceeds upon the theory that in the development of the water power, the beneficial uses of the water in that stream also shall be developed as a unit. It is very different, of course, from the projects with which reclamation started in 1902, when each particular project had its own particular water supply and its own revenue. We now have a uniform system.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. Certainly.

Mr. MALONE. I should like to ask the Senator——

Mr. MAGNUSON. I wonder whether the Senator will yield, at that point, so I may again make the RECORD clear on this point.

Mr. MALONE. That is what I am trying to do—to clarify it.

Mr. MAGNUSON. Mr. President, will the Senator yield to me for an observation?

Mr. O'MAHONEY. I think the Senator wants to amplify one of my answers.

Mr. MAGNUSON. Yes.

Mr. O'MAHONEY. I shall be glad to have him do that.

Mr. MAGNUSON. When I asked the Senator about it, he said it was something new. It is not at all something new. The Congress of the United States, for instance, in connection with the Missouri River Basin, in the Flood Control Act of 1944, although it did not set up a basin account as such, did, by section (c), provide for allocations, costs to be distributed between power and reclamation projects. The same Congress—I forget the exact date—in approving the Rio Grande Basin development, provided for allocation of costs as between projects. It is nothing new. It is merely the sensible way in which to approach a geographical situation such as we have in the Pacific Northwest. The Missouri Valley project has already been approved. It is a comprehensive plan. There is also the Rio Grande project. Similar provision I am sure would be advanced in connection with the so-called Arkansas Basin and other river-basin proposals. The law I have referred to is Public Law 535.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. Mr. President, I should like first to make a statement. It bears on the point about which the Senator asked. Assuming as we do a 50-year period of repayment, with the production of commercial power from each power unit, sales of power are estimated to bring in a total gross revenue of $12,000,000,000 during that period from Army power projects and from Bureau of Reclamation power projects. It is estimated that after the operation, maintenance, and replacement costs are fully met, there will remain net revenues sufficient to repay the capital costs allocated to power, of $3,560,000,000, plus assistance to irrigation enterprises, of $600,000,000. In addition to repaying these costs, the net power revenues will provide the additional sum of $2,100,000,000. The total aid to present and future possible irrigation projects is therefore $2,700,000,000. This would accrue from the power operations in the manner I recited earlier in the day.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MALONE. I submit, Mr. President, that there is a considerable difference between a development in a humid area, where the idea is to get the water off the land and back into the stream, to get rid of it, and a development in an irrigation area, such as the Southwest or the Northwest. A precedent is being set which might very well be carried on to the Colorado River or to any other place where the Congress of the United States sets up a system, whether it be a basin account or a Columbia River authority. All the money derived within the basin would be thrown into one particular account. A great hardship might be created in a basin in a single State, and the State apparently would have no chance whatever of a voice in making an interstate compact prior to the passage of such a law.

Mr. O'MAHONEY. Mr. President, if the Senator will pardon me——

Mr. MALONE. I should like to finish this one point, if the Senator will permit me.

Mr. O'MAHONEY. Very well.

Mr. MALONE. The precedent would apply to the Southwest, where, while the debate on the Senate floor is proceeding, mines are operating. If the revenues from certain projects within certain States can be taken to develop projects in other States, I submit to the senior Senator from Wyoming, it is only one step then to doing what Secretary Krug, prior to his resignation, suggested before our committee, speaking as a member of the distinguished Senator's committee, the Committee on Interior and Insular Affairs. When Secretary Krug, under direct questioning, said that when these projects were completely paid off, with interest during construction, then, while the money would belong to the Government, the Bureau of Reclamation and the Department of the Interior could take the money to build a project in New York or any other place.

Now, if the Senator will yield further——

Mr. O'MAHONEY. I may say to the Senator it is necessary for me to make this comment upon what he has said,

that the statement which he quotes from Secretary Krug is not at all binding upon the Congress, and it is not implicit, as I see it, in this amendment.

We have come to the time in the development of the West when I am convinced there are many areas capable of being reclaimed which will be utterly lost to reclamation if they are to be dependent upon power revenues from plants close by. We have come to the point where, if we desire to develop reclamation projects which are distant from a power project in a basin, we must, it seems to me, follow the basin-account method by creating a system of unitary development of the basin.

Mr. MALONE. Regardless of the effect on any State in the basin?

Mr. O'MAHONEY. Mr. President, I think the committee to which the Senator from Nevada and I belong would hesitate for a long time before authorizing any project that would be disadvantageous to any particular State. I think there are more advantages to be gained by all the States from this method than could possibly be achieved by clinging to the old method which would make it impossible to reclaim many large areas of reclaimable land.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. MALONE. I should like to say that, having established the fact that we are changing the policy in large areas of the Northwest, which may be a precedent anywhere in the United States, perhaps extended outside the basin, as Secretary Krug suggested when he was Secretary of the Interior, a part of the administration, and supposedly speaking for the administration——

Mr. O'MAHONEY. He was not speaking for the Congress.

Mr. MALONE. Would it not be a reasonable request—and I will say I voted against this amendment in my own committee, for reasons which I have tried to make clear—would it not be a reasonable request on the part of the committee which deals solely with flood control, and which was courteous enough to extend an invitation to another committee to participate in the discussions, that we lay such an amendment aside until such time as the committee, of which the distinguished Senator from New Mexico [Mr. CHAVEZ] is chairman, has an opportunity to hear evidence? I have never heard any evidence presented. I am a member of both committees, and I have made no decision in the matter. We are trying to pass upon something which might change the entire situation.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MAGNUSON. If the Senator from Nevada has any fear that this amendment might injure any State, I should like to point out to him that the Governors of every State involved in the Columbia River Basin, regardless of party, wholeheartedly endorsed this proposal. I am one who has been very active in the matter. Yet, the proposal does not contain a single irrigation project in the State of Washington, which State produces most of the power. We think the over-all development of the basin is good for every State. Nearly everyone has agreed to it. The President of the United States sent a strong message regarding it. The Bureau of the Budget made a very lengthy and strong report. The Committee on Interior and Insular Affairs, of which the Senator is a member, discussed it. It was brought up as a necessity because of the over-all development and because the Bureau of Reclamation and the Army engineers agreed on the report. No State is against it; every State I know of is for it, with one possible exception, and that has to do with a disagreement only as to the method of approach.

Mr. MALONE. Mr. President, I should like to say, in closing, that I think I have made my point clear that this is neither the time nor the place to do what is being attempted. Everyone has agreed except the members of the committee of the Senate of the United States which is supposed to pass upon that particular matter, namely, the flood-control committee. It has certainly made no decision.

Mr. O'MAHONEY. Mr. President, what the Senator has said is, of course, a very proper argument for consideration by the Senate. I want to say, Mr. President, that the Committee on Interior and Insular Affairs received innumerable communications from all the States in the Columbia River Basin, urging not only the approval of these reclamation projects, but also urging the approval of the basin accounts. I am very confident that in submitting this amendment for inclusion in the bill, the Committee on Interior and Insular Affairs is acting in harmony with the desires of the public officials and of the people of that great area. I know there are Senators from the Northwest who desire to discuss this measure. The Committee on Interior and Insular Affairs was not unanimous, by any means, and I know that one of the distinguished and able Senators from the Northwest intends to make extended comment upon the Columbia Basin. But, speaking for the committee as a whole, I know I am acting in accordance with the wishes of public officials when I urge upon the Senate due consideration of the arguments which will be made by our distinguished colleague from the Northwest.

Mr. CHAVEZ rose.

Mr. O'MAHONEY. With that, Mr. President, I am about to yield the floor. Does the Senator from New Mexico want to ask a question?

Mr. CHAVEZ. Mr. President, before the Senator yields the floor, would he permit me to make this observation? I think I can speak for the Committee on Public Works as a whole. It is sympathetic to what is attempted to be accomplished.

Mr. O'MAHONEY. I think that is correct.

Mr. CHAVEZ. But if it is good, should we try to accomplish it in this way? Here is a new project which has been presented in the form of an amendment to the flood-control bill which will take practically 40 percent of the total amount of money authorized, in the neighborhood of——

Mr. O'MAHONEY. The authorization amounts to approximately $412,000,000.

Mr. CHAVEZ. Not only that, but is it good business to change the policy of the "Basin account"? I might agree with the Senator, but to bring it about under this kind of a situation raises the question of whether it should be done. We are authorizing approximately $412,000,000, as the Senator says, and we are changing the policy completely without having any hearings before the committee which has the bill under consideration. Does the Senator from Wyoming think it should be done in this way?

Mr. O'MAHONEY. While I understand the point of view of the Senator from New Mexico, I submit that in the light of circumstances as they exist, in the light of the agreement of cooperative effort which was carried out by the Army engineers and the Bureau of Reclamation, in the light of letters which I have filed this afternoon from the Secretary of the Army and the Secretary of the Interior, and in the light of the enlarged need for the development of water power in the great Northwest area, I feel, Mr. President, that the matter properly comes before the Senate, and I believe the amendment should be approved by the Senate.

Mr. President, I was about to yield the floor, but I want to ask unanimous consent that there may be printed as part of my remarks the following portions of the committee report:

Part IV, beginning on page 5, entitled "Projects Recommended for Authorization"; part V, entitled "Basin Account"; and part VII, entitled "Brief Project Descriptions."

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

IV. PROJECTS RECOMMENDED FOR AUTHORIZATION

General

Of the 13 projects included in this amendment, 10 are exclusively irrigation developments, 1 combines power production with irrigation, 1 is primarily for the production of power, and 1 involves the modification of outlet works in Grand Coulee Dam to permit its operation in the interests of flood control.

The project combining power and irrigation is the Payette division of the Mountain Home project, Idaho. Its authorization is recommended subject to the provision that no funds be expended for construction of the irrigation facilities until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility. The authorization for construction of the other 12 projects is made without such limitation.

Construction of the 10 irrigation projects recommended for authorization without limitation will provide security where insecurity now exists in basic water supplies, will stabilize agricultural production and broaden the opportunities of established farmers, will further livestock enterprises, and will not stimulate the production of crops in surplus supply. The power developments will help meet the large additional power supply required in the economy of the region. With modification of the outlets in Grand Coulee Dam, storage behind it will be usable, in conjunction with additional storage planned

in other reservoirs, for the control of floods so urgently needed in the vicinity of Portland, Oreg., and along other reaches of the lower Columbia River.

These irrigation projects embrace a total of 115,776 acres. Seventy-eight percent (90,390 acres) of the total is now irrigated but is in urgent need of supplemental water. Typical water shortages range from 30 to 70 percent of a full supply. The water to be provided (1 to 2.5 acre-feet per acre) will eliminate these shortages.

Of the 25,386 acres of new land, less than half (11,770 acres) is in projects made up entirely of new land. The greater part of the new land (13,616 acres) is in projects which are primarily supplemental water developments. The reservoirs supplying these irrigated areas will flood about 10,000 acres, of which 86 percent is dry grazing land. The remainder (14 percent) is arable land, only part of which is irrigated.

The recommended Hells Canyon power project and the power features of the Mountain Home project which are authorized without limitation are integral parts of coordinated plans developed by the Bureau of Reclamation, Bonneville Power Administration, and Corps of Engineers to meet the growing and pressing power needs of the Pacific Northwest. The cost of developing the 1,020,000 kilowatts of installed capacity in the two developments will not necessitate any increase in power rates now in prospect. One of the developments, the Hells Canyon project, has a large storage reservoir of 4,400,000 acre-feet capacity which will be operated as a part of the main control plan to reduce flood stages in the lower Columbia River area. In addition to flood-control benefits, this project also will create navigation benefits. The 19,500 acres of land to be flooded by reservoirs serving these power developments are predominantly (91 percent) dry-grazing and waste lands.

The aggregate construction cost of the 13 projects, excluding the irrigation features of the Mountain Home project, is approximately $412,710,000. Of this total, the amount tentatively allocated to nonreimbursable purposes is $28,482,000, and to reimbursable purposes, $384,228,000. Certain allocations to recreation not in accord with the President's policy are included in the nonreimbursable total above and the nonreimbursable costs of the individual projects discussed below. These will be modified in the final allocations of costs to bring them into harmony with that policy, at no significant detriment to the favorable benefit-cost ratios of these projects, inasmuch as the amount of such allocations constitute only 2 percent of the total cost of the projects. Much the greater part of the reimbursable cost is represented by the $358,471,000 allocation to power. The irrigation allocation is $25,757,000.

Return of the power investment, together with interest at 3 percent on the unpaid balance, will be made from revenues obtained through power rates established in a manner discussed subsequently. The irrigation investment will be returned from two sources. The aggregate amount which water users can reasonably be expected to repay is $9,628,000. The balance of $15,918,000 will be assigned for return from power revenues and returned through operation of the "Columbia Basin account", discussed below.

The deferred irrigation features of the Mountain Home project, which are not included in the preceding data and discussion, will provide for the irrigation of 192,000 acres of desert land. Associated with these irrigation features, there also will be an additional power installation of 60,000 kilowatts. The construction cost of these features is estimated at $203,821,000.

Brief descriptions of each of these projects are included later as section VII of this report.

V. BASIN ACCOUNT

The committee held extensive hearings on the "Basin account" and related provisions, and has examined its relation to existing and proposed projects. In its essence, the "Basin account" is an accounting procedure. The accounting procedure will show balances which may be considered in connection with analysis of financial feasibility of projects, rate making, and project payout. It is not a revolving fund or a fund of any type. All revenues will continue to go into the Treasury as at present, and all funds will continue to be appropriated by the Congress as at present. Congressional control of funds will remain as it is at present.

Under the "Basin account" and related annual report, records will be kept for all power and irrigation projects on a region-wide basis. All power costs and all reimbursements to be received from power revenues are kept on a consolidated basis.

The "Basin account" will permit the maintenance of a uniform power rate throughout the Northwest at a lower level than would otherwise be possible. Under the "Basin account" the rate would approximate the average rate for all of the power projects in the basin, whether the generation facilities are constructed by the Bureau of Reclamation or by the Corps of Engineers. The committee recognizes that it would be possible, but undesirable, to have a uniform power rate without the "Basin account" only if that rate were set substantially at the level of the rate which would be applicable to the highest cost power project. Three choices are open to the committee. One is to have a heterogeneous collection of power rates, one rate for each project, even though the power would be marketed through one transmission system resulting in confusion and competition among Federal projects. The second choice is to establish a uniform rate at the level consistent with the highest-cost power project, an undesirable and unequitable procedure. The third alternative, which is recommended by the committee, is to establish uniform rates, as indicated, through the "Basin account."

The "Basin account" will continue and extend the long-established principle of assistance to irrigation developments from power revenues. It has the further advantage, by the pooling of costs and revenues, of permitting the evaluation of proposed irrigation projects upon their merit, and not upon the physical accident of whether or not a particular irrigation project may be related to a particular power project by geographic coincidence.

The amendment proposed by the committee is consistent with the draft proposed by the Director of the Bureau of the Budget with regard to the application of the interest component for the return of irrigation costs which are beyond the ability of the water users to repay, in that this existing feature of the Federal reclamation laws will be applied in the Pacific Northwest so long as it is contained in the law.

Evidence submitted during the hearings indicated that power rates in the Pacific Northwest will have to be raised somewhat in any event above those now prevailing for the Grand Coulee and Bonneville Dams. This is because of the fact that higher power-cost projects, a number of which are already authorized and under construction, are to be brought into the system, but their rates will be equated with the existing projects through the use of basin account.

The committee concludes, with some concern, that if the interest component on the power features does not continue to be available for financial assistance to irrigation projects, or if some alternative means of providing financial assistance to such projects is not provided, a still further raise in power rates for the entire Northwest will be necessary. This is particularly true inasmuch as, in setting power rates, the Department of the Interior has pursued the policy enunciated by the Congress in section 5 of the Flood Control Act of 1944 (58 Stat. 887), which provides that the Secretary of the Interior "shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, * * *." While the rates charged and to be charged in the Northwest will be sufficient to repay the costs allocated to power, plus interest over and above those costs, it has properly been the aim of the Department of the Interior, under these congressional instructions, to keep those rates as low as possible. Thus, there will be little, if any, net power revenues available over and above that which will be necessary to repay power costs plus interest. Hence, if the reclamation law were to be changed so that the interest component could no longer be utilized to assist irrigation, or unless some other form of financial assistance is provided, this second raise in power rates would become necessary.

The committee observes that the agreement between the Bureau of Reclamation and the Army dated April 11, 1949, provides that financial assistance to irrigation projects should come from power revenues and that such support should be furnished from all power revenue-producing projects in the Federal system in the Pacific Northwest. By terms of the same agreement, the Corps of Engineers further agreed that the Secretary of the Interior should be responsible for establishing and administering any basin account necessary to effect the pooling of financial assistance from power and for recommending to the Congress projects to be covered into the "Basin account."

The Bureau of the Budget has advised, and by further letter dated February 13, 1950, has confirmed, that it is the President's position, as recommended by the Secretary of the Interior, that the Federal investment in all Federal power facilities, and the revenues therefrom, regardless of whether they are under the jurisdiction of the Corps of Engineers, the Bureau of Reclamation, or the Bonneville Power Administration, should be pooled by means of the "Basin account." The committee concurs in this recommendation, recognizing that the power system, regardless of who may build or operate any portion of it, consists of one system of dams, which will be interconnected by one system of transmission lines and coordinated to provide one uniform power rate.

The Congress will retain, under the amendment proposed by the committee, full authority to decide what further projects can or cannot receive financial assistance from the "Basin account," as participation in the "Basin account" can be accomplished only if the Congress specifically provides, by legislation, that any particular project shall receive such assistance.

Existing projects which have power features and the projects recommended in the amendment will come under the "Basin account" immediately, but additional projects would require a special act of Congress for that purpose.

The committee considered the possibility of limiting the application of the interest component for assistance in repaying costs beyond the ability of the water users to repay to Bureau of Reclamation power projects only. As previously indicated, this was not consistent with the recommendation of the President or the Secretary of the Interior. The committee found that such assistance would be sufficient only if the irrigation features of the Mountain Home project were not included and that, beyond these presently proposed projects, such limitation

would jeopardize the development of future projects, since it might require a general raise in the power rates in the entire Northwest in order to provide the necessary financial assistance to irrigation. This would not be desirable. Consideration was given to the fact that, if the rate of interest which is to be applied on the Federal power investment were to be lowered even so much as one-half of 1 percent, the interest component from Bureau of Reclamation power projects would not be sufficient to provide the necessary financial assistance to existing and presently proposed projects.

While several of these higher-cost projects are already under construction, their effect upon the power rates will not be left for some time. For this reason, the committee examined carefully into the need for establishment of the "Columbia Basin account" at this time. It considered and rejected the possibility of authorizing the 13 projects all as one project, and leaving for later consideration the question of the "Basin account." While the 13 projects, as a group, would have financial feasibility, this proposal offered no solution to similar problems encountered in eight other existing, single-purpose irrigation projects which require financial assistance from power revenues. Nor did it offer a means of providing pay-out within a reasonable period of time for the Columbia Basin project in the State of Washington. Nor did it provide a solution for an authorized project which, while it does have a small power facility directly related to it, does not have sufficient self-generated revenues to make it financially feasible. Nor does it provide a basis for contracting for the sale of power at uniform rates from power plants which are currently under construction and for which contracts are now being negotiated. Nor did this proposal provide for the incorporation into the program of future projects. The committee concludes, therefore, that the "Basin account" should be established at the present time.

Testimony was submitted to the effect that there is precedent for basin-wide accounting as proposed for the Pacific Northwest. The reclamation project in the Central Valley of California was authorized by the Congress as a financial unit and is thus operated. This present Congress has passed a law relating to the American River which brings the first of several Army projects into the Central Valley project (the Folsom Dam). The President has recommended the extension of this congressionally approved practice to cover the entire Central Valley for all multiple-purpose projects. Further, in adopting the Boulder Canyon Adjustment Act, the Congress provided for the use of power revenues from Hoover Dam for the investigation and construction of other disassociated projects in the Colorado Basin.

Evidence presented to the committee comparing repayments by project beneficiaries in the West as compared with other areas further justifies the basin-account approach and indicates the equitable manner in which it would allow the people of the area to take credit for excess revenues which their projects put into the Treasury, and would permit them then to use those excess revenues as a credit against the costs of projects which they still propose to build. The account approach is equitable to the Nation as well in that it provides for adequate return of project costs to the Treasury, and, through development of the resources of the Northwest creates new markets for eastern goods, and new taxable wealth which, through income and other Federal taxes, helps support the Nation.

The reports on Columbia Basin account will provide the Congress with a continuing, annual record of the total reimbursable Federal investment in these water-resource projects in the Northwest, together with an annual record of the progress of the Northwest in returning that investment to the Treasury.

All power projects in all parts of the Northwest will contribute to the extent necessary, if at all, toward repayment of the costs of irrigation projects in the Northwest. Since the power plants and the existing and potential irrigation projects are distributed geographically throughout the Northwest, all parts of the Northwest will contribute to and receive credits from the "Basin account."

Since the entire development of these resources is dependent upon water, and since all parts of the basin contribute to those flows, especially the upstream areas, all parts of the Northwest should appropriately participate in the benefits from putting those waters to useful purposes.

Of special importance to the committee is the fact that the "Basin account" will not affect or alter the relationships between existing Federal, State, and local agencies.

Effect on power operations and rate policies

There are certain of the Pacific Northwest Federal power generating facilities which are now operated as separate units, and which may of necessity continue for a time to be so operated after enactment of this proposal. While this proposal does not require that the power from such units be marketed at the same low uniform rate applicable to the principal system, it is the intention of this proposed legislation to facilitate the interconnection of these units into an integrated region-wide power development wherever and to the extent that this is economically desirable both from the standpoint of good business management and of development of the resources of the region. Certainly so far as the larger Federal plants are concerned, which together will represent the bulk of the power generated in the area, there are very substantial economies to be derived from operation of these plants as a unified system rather than as separate and isolated units. In such integrated system such as proposed for this area the physical operation of the system as a unit is a necessity.

Operation of this Federal power system on a physically integrated basis means maximum production at lowest cost, maximum economy of water and energy, maximum revenues, and greater stability of power supply at lower cost for the public and private distributors whom it serves.

The physical integration of the whole system permits the application of a uniform power rate to the entire region, thus diffusing the benefits of low-cost power to the maximum number of people. All communities have equal opportunity to share in those benefits with no discrimination between those near to or distant from the generating plants. Such a practice is consistent with the principle that upstream areas should benefit equally with downstream areas. This policy tends to speed decentralization of industry and assure location at the best sites from the point of view of markets, raw materials, labor supply, transportation facilities, etc., regardless of location of generating plants. Historically, rate structures in the electric industry have moved from territorial differentials toward uniformity throughout the territory served.

Pooling of system obligations and revenues as contemplated in this amendment will permit rates to be established at a level which will pay off, within the period required by law, all costs of the power system, as well as irrigation costs beyond the repayment ability of the water users, in a manner which avoids arbitrary maintenance of high rates.

* * * * *

VII. BRIEF PROJECT DESCRIPTIONS

During the hearing the committee had available supplemental project reports which described the projects in detail, including engineering and economic justification, discussion of the physical plan of development, repayments by the water and power users, and other pertinent matters. Those documents were supplemental to the report of the Secretary of the Interior and since they were referred to on many occasions during the hearings, and further, since the proposed amendment relates to those particular documents, the committee has requested that they be printed as volume II of the Interior Department Report of the Columbia River Basin which is to be published as House Document No. 473.

The committee finds, upon examination, that the water resource projects which are recommended for authorization are fully justified.

The committee noted that in his letter of February 1, 1950, the Director of the Bureau of the Budget recommended the authorization of two-thirds of the power features of the Mountain Home project, but recommended that the irrigation features and the other one-third of the power features which are inextricably associated therewith be not authorized at this time. Objection to the authorization of the irrigation features of the Mountain Home project was without prejudice to its reconsideration after the report of the President's Water Resources Policy Commission has been received. That report will deal with a number of major policies, including the maximum length of time for repayment of irrigation costs, the levels of subsidiary justifiable for irrigation projects, the source of such subsidies, and related considerations.

During its hearings, the committee requested the Bureau of Reclamation to present facts concerning the recommended program. So that it might compare the irrigation and related power features of the Mountain Home project, which represent a major portion of the total irrigation proposal originally contemplated, the committee requested as well, similar information in each case for the Mountain Home project. It is the view of the committee at this time that it would be inadvisable to separate these two related phases of this project. The committee recognizes that the cost per acre is relatively high, but by the same token the committee notes that the water users on this 192,000-acre project, which is for development of new lands, could also make relatively higher repayments per acre than would be possible from other projects with similar land use. After careful deliberation the committee concludes that the irrigation and related power features of the Mountain Home project should be authorized at this time on a deferred basis.

The amendment proposed by the committee would retain for the President and the Secretary of the Interior full opportunity to review and approve, or disapprove, development of the irrigation and related Garden Valley Reservoir power features of the Mountain Home project. This has been done by providing that no funds shall be expended on any features of the project except those which have already been approved by the President, until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility under the provisions of the reclamation laws to cover the irrigation and related power features. Such report can be reviewed by the President and the Secretary of the Interior in the light of the recommendations of his Water Resources Policy Commission.

Mr. LONG and Mr. CAIN addressed the chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. LONG. Mr. President, I shall take only a few moments. I have an amendment at the desk relating to a proposed tidewater channel for the port of New Orleans. I know that the usual way to bring up such a project for consideration

is to have the Bureau of the Budget report on it, and for the report of the Bureau of the Budget, together with the report of the Corps of Engineers of the Army, to be sent to the Committee on Public Works, at which time the proposed project is to be studied by the committee, and we should have recommendations of the committee on such a project.

It is my impression that the committee plans to stand together in its opposition to any amendments which do not come within that category. I have no desire to have this project voted down merely because it has not been studied. However, I regret to say that, while the Army engineers reported the matter to the Bureau of the Budget May 15, 1948, almost 2 years later the Bureau of the Budget is still sitting on the matter, and refuses to say either "Yes" or "No" with reference to the project. As a result, the development of the port of New Orleans is being held up. Obviously, if the city of New Orleans is to have a tidewater terminal, which would have to be superior to the present access to that port, industries situated in the area and people who are developing the port of New Orleans, which is greatly congested, would wish to build their new docks and new facilities on the tidewater channel. However, we find that at this date the project is still being held up by the Bureau of the Budget.

I have discussed the matter with members of the committee, and they feel that the project should not be considered by the committee without a report from the Bureau of the Budget. If that is the present position of the committee, I can see no alternative except to press for a decision, one way or another, on the floor of the Senate. However, I should like to ask the distinguished chairman of the committee if the matter can be considered in the next flood control bill when such a bill is considered by his committee. If it can be done in that way, I should prefer not to offer my amendment at this time.

Mr. CHAVEZ. I answer the Senator from Louisiana by saying that, notwithstanding the fact that the chairman of the committee and the committee itself feel sympathetic, not only to the project offered by the Senator from Louisiana, but to many other projects, and possibly also to the amendments offered by the Senator from Wyoming, we feel that we have a duty to perform. We have had 17 days of hearings on the pending bill. We examined more than 150 witnesses. The printed hearings comprise 1,122 pages. The items which we have in the bill passed the test of examination, there are reports by the Army engineers and reports from the Bureau of the Budget. I agree with the Senator from Louisiana that the Budget Bureau does cause delay. Probably if the Bureau of the Budget had reported to us on the items in which the Senator from Washington was interested, we could have given consideration to them. They expect a committee to take their word for it, after the committee has done its work.

I promise the Senator from Louisiana that just so soon as he has his bill ready the committee will give it consideration, in due time. We shall be glad to hear witnesses, and we shall be glad to hear from the Bureau of the Budget and from the Army engineers. However, after we have worked so hard on this particular bill, we shall oppose—and I believe the committee will stick together in its opposition—any amendments on which the committee has held no hearings, has had no report from the Bureau of the Budget, or which we think is detrimental to the bill itself as it now stands.

Mr. LONG. The junior Senator from Louisiana fully realizes that a project of this magnitude should go through the usual process of study by the Army engineers. That has been done in this case. A favorable recommendation by the Army engineers has been submitted. I feel also that a recommendation should be made by the Bureau of the Budget. However, we find that in many cases the Committee on Public Works, after a thorough study has been made by it, has authorized a project even in spite of an adverse recommendation on the project by the Bureau of the Budget. In this particular situation, with regard to the proposed tidewater channel for the Port of New Orleans, we find that the Bureau of the Budget has been indefinitely sitting on the project, and by doing so it prevents consideration of the project. I would be satisfied if the Senator could assure me that at the time the committee takes up the general flood control and navigation bill, this project will be considered by the committeee, even if the Bureau of the Budget continues to refuse to act on it.

Mr. CHAVEZ. Of course, I pay my respects to a recommendation of the Bureau of the Budget, but I am one of those Senators who believe that Congress legislates, not the Bureau of the Budget. As chairman of the Committee on Public Works, I assure the Senator that the project will be considered whether the Bureau of the Budget recommends it or not.

Mr. LONG. Mr. President, with that assurance, I shall not press the amendment. I merely wanted the assurance, which the distinguished chairman of the committee has given me, that the Bureau of the Budget could not, in effect, veto a worthy project by simply refusing to act upon a recommendation of the Army engineers.

Mr. WATKINS. Mr. President, will the Senator yield for a question on that point?

Mr. CHAVEZ. I yield.

Mr. WATKINS. When, in the normal course of legislation, will the next flood-control bill be considered?

Mr. CHAVEZ. The Senator from New Mexico is unable to give an answer to the Senator from Utah. However, flood-control bills come up every once in a while.

Mr. WATKINS. About every 2 years?

Mr. CHAVEZ. That has been the record. The last one came up in 1948, in the Eightieth Congress, which was only 2 years ago. The one before that was 4 years ago. There was one in 1944, one in 1946, and another one in 1948.

INTERNATIONAL TELECOMMUNICATION CONVENTION — REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER (Mr. LEHMAN in the chair). As in executive session, the Chair lays before the Senate Executive J, Eighty-first Congress, second session, the texts, as certified by the French Government, of the telegraph regulations—Paris Revision, 1949—annexed to the international telecommunication convention—Atlantic City, 1947—and the final protocol to those regulations, which were signed in the French language at Paris on August 5, 1949.

Mr. CONNALLY. Mr. President, I move that the injunction of secrecy be removed from the convention; that the protocol, together with the President's message of transmittal, be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the injunction of secrecy will be removed, and the President's message, together with the convention, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the texts, as certified by the French Government, of the telegraph regulations (Paris Revision, 1949) annexed to the international telecommunication convention (Atlantic City, 1947), and the final protocol to those regulations, which were signed in the French language at Paris on August 5, 1949, such ratification to be made subject, however, to certain reservations and declarations as set forth and explained in the report which the Secretary of State has addressed to me in regard to this matter.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the telegraph regulations and final protocol, together with the volumes referred to in that report.

In the event that the Senate advises and consents to ratification of the telegraph regulations and final protocol, it is urged that this be done with the understanding that such ratification will be subject to the reservations and declarations as set forth in the report by the Secretary of State.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 10, 1950.*

(Enclosures: (1) Report of the Secretary of State; (2) volume (certified) containing French texts of telegraph regulations (Paris Revision, 1949), final protocol, and related resolutions and opinions; (3) volume containing the texts in English.)

IMPORTS FROM LOW-PAID LABOR COUNTRIES

Mr. CAIN obtained the floor.

Mr. MALONE. Mr. President, will the Senator yield so that I may insert some material in the RECORD?

Mr. CAIN. Certainly.

Mr. MALONE. There recently appeared evidence that the ECA was promoting further imports into the United States of America from the low-living-standard and slave-labor countries, and I wish to quote briefly from a statement which I made early in 1949, when the Senate was debating the extension of the ECA. I then referred to an article written by Mr. Hoffman, and which appeared in the April 1949 issue of the American magazine, from which I read in part as follows:

Another way Europeans can increase their sales to us is by letting us see exactly what they do offer. Perhaps a fair train touring the country with displays of European merchandise and taking orders from wholesalers and department stores would help.

Mr. President, at that time I commented on that quotation, and said:

Mr. President, I have no doubt that it would help greatly to promote sales of European goods produced by cheap labor—to have a fair train financed by ECA funds touring the country—and I am very glad to know that Mr. Hoffman is undertaking to bring that about.

Subsequently, Mr. Hoffman denied that he had any idea of financing such an enterprise. But I now call the attention of the Senate to the issue of the Journal of Commerce of New York of today, Monday, April 10, in which an article appears from which I read:

ECA SETS UP UNIT TO PUSH IMPORTS—HOFFMAN MINIMIZES EFFECT OF SUCH GOODS ON UNITED STATES ECONOMY

The article reads in part:

Establishment of an international trade promotion division to help Marshall-plan nations earn more dollars by exporting more to the United States, was announced over the week end by the Economic Cooperation Administration.

In announcing the new unit, the aid agency declared Europeans must take far more vigorous steps to sell the United States market. This country, ECA continued, must refrain from blocking those efforts by means of tariff, customs procedure and similar barriers.

"This country" means the United States of America. Further along in the article it is said:

As a major activity in the foreign liaison field, ECA will send abroad a number of trade promotion experts to work closely with regular commercial attachés now in the field, but who will have the sole function of assisting in stimulating European exports to the United States. It will also maintain close contact with the Washington embassies and legations on all questions relating to imports, and advise various United States organizations on their relations with the United Kingdom's dollar export board and other similar bodies.

The article further says:

In the trade promotion field, the new division will concern itself with the elimination of trade barriers and with the development of plans to bring together the European seller and the American buyer.

The new ECA unit will also be concerned with international trade fairs—

I call attention particularly to the words "international trade fairs"—

special exhibits of foreign merchandise, foreign trade zones, department store merchandising of imported goods, import credit facilities, and general consultation.

Mr. President, I want to draw the Senate's attention further to a statement which I also made early in 1949, during the course of the ECA debate on the extension of that organization. I quoted first from Mr. Cripps, as set forth in a London dispatch of April 6:

Sir Stafford Cripps told the House of Commons today that Britain's ability to earn enough dollars to exist was dependent on an enlightened policy of importation by the countries of the Western Hemisphere.

Meaning the United States of America, Mr. President. My comment on that statement, at that moment, Mr. President, was as follows:

This statement of Sir Stafford Cripps leads directly to the consideration by this body of the second step of the three-part free trade program—the 3-year extension of the 1934 Trade Agreements Act—

The Trade Agreements Act was not before the Senate, as Members of the Senate will remember, until September, at which time it was debated at some length. I continue to read from my statement made at that time:

The 3-year extension of the 1934 Trade Agreements Act—under which the State Department has adopted a selective free-trade principle upon the theory that the more they divide our markets with the countries of the world, the less their trade-balance deficits will be—then, Mr. President, the next rivet is to be driven into the the coffin of jobless men—the International Trade Organization.

The International Trade Organization, Mr. President, is right at this moment being considered in one of the committees of the Senate. I draw the attention again of Members of the Senate to the fact that Mr. Thorp, Assistant Secretary of State, said last year at the time the matter of the extension of the ECA for another year was being debated, in March 1949, that the three parts of this free trade set-up are each necessary and dependent upon the other. What were those three parts, Mr. President? This is what Mr. Thorp said they were. First, the 1934 Trade Agreements Act which turned over to the executive—State Department—the constitutional responsibility of the United States Congress of regulating the national economy through the regulation of imports; the Congress gave them the authority to lower tariffs and import fees 75 percent after perfunctory hearings—practically free trade.

Second, that the ECA, formerly known as the Marshall plan, would make up the trade deficits of Europe each year in cash and go on until such time as the markets of this Nation could be divided, so that it would theoretically wipe out those deficits.

Third, the setting up of the International Trade Organization, which I have already explained, which simply means an organization of 58 nations, 57 foreign nations and the United States, the United States having one vote the same as Siam has; and to that organization we would assign all our rights to fix the tariffs and import fees for its member nations.

And last, but not least, Mr. President, to fix the quotas of production of its member nations.

Mr. President, I submit that would result in the beginning of the end of the standard of living of the United States of America as we know it. In other words, that would result in the complete removal of the floor under wages and investments and sacrifice the workingmen and investors of this Nation on the altar of one economic world.

This program, coupled with the relatively recent statement of the Secretary of State, Mr. Acheson, that we must search for more products to import into the United States from Europe.

That, Mr. President, marks the abandonment of the workingmen and investors of the United States of America.

CALL OF THE ROLL

Mr. CAIN. Mr. President——

Mr. LANGER. Mr. President, will the Senator yield for the purpose of my suggesting the absence of a quorum?

Mr. CAIN. I shall be pleased to yield if I may do so without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LANGER. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Is there objection to the request?

Mr. MORSE. Mr. President, I object.

The PRESIDING OFFICER. Objection having been heard, the clerk will continue the call of the roll.

The Chief Clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Ferguson	McKellar
Cain	Hendrickson	Magnuson
Capehart	Hickenlooper	Malone
Chavez	Holland	Morse
Connally	Kerr	Mundt
Cordon	Knowland	O'Mahoney
Darby	Langer	Schoeppel
Donnell	Lehman	Stennis
Douglas	McClellan	Watkins

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). A quorum is not present.

The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators; and Mr. BUTLER, Mr. GREEN, Mr. KEFAUVER, Mr. LUCAS, Mr. MAYBANK, Mr. NEELY, and Mr. WHERRY answered to their names, when called.

The PRESIDING OFFICER. A quorum is not present.

Mr. LUCAS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BREWSTER, Mr. BRIDGES, Mr. BYRD, Mr. CHAPMAN, Mr. DWORSHAK, Mr. ECTON, Mr. FLANDERS, Mr. FREAR, Mr. FULBRIGHT, Mr. GEORGE, Mr. GILLETTE, Mr. GURNEY, Mr. HAYDEN, Mr. HILL, Mr. HUMPHREY, Mr. HUNT, Mr. IVES, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. JOHNSON of Texas, Mr. KEM, Mr. KILGORE, Mr. LEAHY, Mr. LODGE, Mr. LONG, Mr. MARTIN, Mr. MCCARRAN, Mr. MCCARTHY, Mr. MCFARLAND, Mr. MCMAHON, Mr. O'CONOR, Mr. ROBERTSON, Mr. SALTONSTALL, Mr. SPARKMAN, Mr. TAFT, Mr. TAYLOR, Mr. THOMAS of Utah, Mr. TOBEY, Mr. WILLIAMS, and Mr. WITHERS entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

ORDER FOR RECESS

Mr. LUCAS. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until tomorrow at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRITICISM OF TIME MAGAZINE—PERSONAL STATEMENT

Mr. CAIN. Mr. President, the junior Senator from Washington, as the ranking minority member of the Committee on Public Works, and as a citizen who lives in the Pacific Northwest, looks forward to an opportunity in the next several days to address himself to the pending business, but for some few minutes during the remainder of this afternoon he will not speak to the pending business.

Mr. President, the junior Senator from Washington wishes to speak seriously about a humorous subject, humorously about a serious subject, and then just seriously about a matter which is important to each of us and to the Nation as well. He thinks that the question, Who is our critic? to which he will address himself will provoke curiosity and surprise in other Senators and provide citizen readers of the CONGRESSIONAL RECORD with information which has not previously been brought to their attention.

When I was spending a lazy and happy evening at home some several weeks ago, my young son, Buzzy, aged 12, looked up from something he was reading and said: "Dad, what does expendable mean?" In response I told Buzzy that it was my understanding that the word "expendable" had been used in World War I to cover material and equipment only. It meant that the military forces recognized that in order to win a campaign or battle it would be necessary to lose and consume and destroy both material and equipment. So far as I knew, the word "expendable" was not employed to cover personnel until World War II. Probably the word benefited from a popular usage after William Allen White, Jr., wrote his splendid story about torpedo boats and their crews, They Were Expendable. I asked Buzzy to bring me his copy of Webster's New Collegiate Dictionary, which was last published in 1945, so that together we might explore the meaning of the word. Webster's dictionary said that expendable meant "capable of being expended; normally used up or consumed in service; hence, left in the path of the enemy and sacrificed, according to plan, in order to gain time, especially in a delaying action. Item of equipment, armament, or the like, unit or member of personnel, treated as expendable."

Buzzy seemed to understand Webster's definition of expendable, but I noticed that he frowned as he went back to his reading on the other side of the room. A few minutes later he came back to say, "Dad, I can't jibe Mr. Webster's definition with the way in which Time magazine uses the word about you in the issue that came today." He passed it over, and after a hasty look I just about jumped out of my chair. On page 18 of the issue of March 20, 1950, I found my picture and that of seven of my colleagues. There was a thumbnail sketch of each of us, none of which was designed to be either objectively accurate or complimentary, because the heading at the top of the page was "The Senate's most expendable."

I saw what Buzzy meant. How could Time use a complimentary word, "expendable," in a completely derogatory way? Aside from being indignant and even hurt in a purely human fashion, I became extremely curious in a great hurry. Here was a criticism it was necessary for me to understand and trace to its source, because a little guy who is pretty fond of his dad wanted to know why Time magazine thought his father should be liquidated from the United States Senate. I told him I did not know, but that I would make it my business to find out. I am now ready to report to my son, who is entitled to know the facts, and I intend to make this report openly and in my own name.

One night last week I attended the annual Press Club dinner. It was a splendid evening, made so, in part, by the talents of Morgan Beatty who acted as toastmaster. He mentioned in passing that the Congress represented the last true stronghold of free and competitive enterprise because its Members had to fight and to compete for both excellence and survival. He complimented his guests by referring to them as being responsible men, each responsible to himself as an individual and responsible likewise to the district or State which he represented.

We were privileged that night to hear from two great Americans, both Democrats, the Vice President of the United States, Mr. BARKLEY, and the Speaker of the House, Mr. RAYBURN. They were the only speakers, and no person present had reason to think there should have been more. Between Mr. BARKLEY and Mr. RAYBURN they have spent 74 years in the Congress of the United States. This permitted them to emphasize the greatness and the promise of the American way of life as few men could. They had fun with each other and with the audience, but each, in closing, spoke seriously of his hopes for our tomorrows.

Mr. BARKLEY gave his interpretation of the virtues of America. In concluding his brief observations, he pointed out that America was vigorous, dynamic, and vital because men were not only permitted but encouraged to criticize each other. The Vice President reminded us all that constructive criticism. offered by responsible and qualified critics, is good for everybody. Out of such criticism, he said, come growth, progress, and development. Along with everyone else, I applauded and approved of what the Vice President said.

Constructive criticism, Mr. President, even though it be barbed and pointed, is an admirable thing. Prejudiced criticism which is offered by anonymous or nameless persons is an evil thing and ought to be crushed with brutal and ruthless means whenever that is possible.

Ten of the happiest and most worthwhile years of my own life have been spent in public service. Out of that experience I have learned many things. From these years I have gained many friends and many enemies, and I love and enjoy them both, though for different reasons. One lesson I have learned, and one lesson by which I am guided, is to listen to anybody who has a right to speak on any subject. This lesson has taught me to do business freely and gladly with any man I can trust, be he either a friend or an enemy. This lesson has taught me to avoid any relationship of any kind with any man whose skin is white but whose heart and soul are those of a coward. This kind of a lesson has enabled me pretty generally to live at peace and in contentment with myself, and with others.

I am offering these observations this afternoon not alone for my son Buzzy, but in the name of every other person in American public life everywhere, and because a number of my associates in the Senate have taken a contrary view from that of Time magazine in writing to constituents of mine throughout the State of Washington. My appreciation for these unsolicited letters is very keen and deep seated. If it were not for Buzzy and for my colleagues I would not bother to attempt to ridicule, condemn, and destroy a portion of the reputation which Time magazine has for being fair, objective, impartial, and accurate.

Time magazine is a powerful and influential American news medium. Its total paid-up circulation as of December 31, 1949, was 1,545,000. Time magazine is circulated and read in every one of our American States and Territories. Time magazine is sent across the seas in order to bring the United States home to those who serve its many purposes throughout the world and to provide citizens of foreign lands with a picture of what America really is. It is no small undertaking to attempt to convince others that Time magazine possesses a reputation which it does not deserve. Maybe David felt like this when he took off on Goliath.

After my first conversation with Buzzy I promptly took the first obvious step. I wrote a personal letter to Mr. Henry R. Luce, who is described in the masthead of Time magazine as being the editor in

chief. The date of this letter was March 16, 1950, and I wish to read it now:

MARCH 16, 1950.

Mr. HENRY R. LUCE,
Editor in Chief, Time Magazine,
Chicago, Ill.

MY DEAR MR. LUCE: Because I thoroughly respect and enjoy my work I am not unduly disturbed by the attached comment about me which appeared in your issue of March 20. As an individual I consider the observations to be both inaccurate and unfair, but as a Senator I will not question the right of your staff writer to speak as he likes.

I want to think, however, that you will permit me to become acquainted with the author of the comment. Perhaps he or she will be the one who authored a comparable reference several weeks ago. Members of your staff call me from time to time about public questions and I try to respond with fairness and frankness. All of them ought to treat me in the same way. Though I have no intention of complaining openly about anything which is written, common courtesy and decency dictate that I ought to know who my critics are. This would enable me to argue for my positions and would maintain a healthy and reasonable relationship between your splendid magazine and my office.

I will do business gladly with anyone who criticizes me openly, but I doubt that you would want me to do business with nameless persons who snipe from the rear, and I wouldn't do it anyway.

With kind personal regards, I am,
Very sincerely,

HARRY P. CAIN.

Mr. President, Mr. Luce has not as yet answered this letter. I doubt if he will. I wonder why he does not. It seems curious to me that Mr. Luce does not acknowledge a reasonable letter from a Member of the United States Senate. I wonder why he ignores a reasonable request for information.

Small wonder that I am speaking not only for myself, as the junior Senator from Washington, but for the inalienable right to courtesy and decent treatment which belongs to every Member of this great body, regardless of the side of the aisle on which he sits. I am beginning to wonder who Mr. Henry R. Luce is. As I wonder, I am reminded that Whittaker Chambers was until recently a staff member for Time magazine. As I wonder, I am thinking about the recent trial of Alger Hiss, who was convicted of perjury partly on the strength of the testimony offered by Whittaker Chambers, a long-time member of the Communist Party, and of the part that Mrs. Hiss played in that trial. No perjury charges have yet been made against her, but her testimony was identical in many instances with that offered in his defense by Alger Hiss. Mrs. Alger Hiss has been Henry Luce's personal editorial assistant. She was formerly his office manager. She was part and parcel of Time magazine. I am thinking of all these curious and devious relationships when I wonder why Henry Luce sees fit to disregard a request made by a responsible Member of the greatest body, to my mind, on this globe, the United States Senate.

Under date of March 24, 1950, I received a letter from T. S. Matthews, editor of Time magazine. This letter is short and interesting. It reads as follows:

TIME, THE WEEKLY NEWSMAGAZINE,
March 24, 1950.

The Honorable HARRY P. CAIN,
The United States Senate,
Washington, D. C.

DEAR SENATOR CAIN: Your letter of March 16 to Mr. Luce has come to me, rather than to him, since I am now editor of Time. As such, I am much more immediately responsible than he is for whatever appears in Time.

Like almost everything we publish, the article you refer to was the joint work of many hands; in this case, our Washington bureau and our New York editorial staff. They are not nameless persons. Their names are listed in the magazine's masthead, on page 17 of the current issue.

Yours sincerely,

T. S. MATTHEWS,
Editor.

The letter made little sense to me. Mr Matthews tells me that he wrote because he is the editor of Time magazine. Why he should be more responsible for the policy conduct of that magazine than is the editor in chief, Mr. Henry Luce, I do not know. I had thought that the editor in chief was the proper person from whom to request information.

Mr. Matthews tells us all that almost all of the comments which appear in Time are the joint work of many hands. He suggests that it took his Washington bureau and New York editorial offices to compose page 18 of the Time issue of March 20. If this be true I must conclude that the personnel of Time magazine is overpaid and overstaffed.

Mr. Matthews tells me that his Washington bureau and New York editorial staff does not consist of nameless persons because they are listed in the magazine's masthead. I am willing to admit that they are listed, but from that listing there is no way of knowing who is assigned to what capacity, or who is charged with doing what to whom. I doubt if many of my colleagues have ever thought to look at the masthead. Because, in the interest of accuracy, it ought to be carried as a part of my remarks I ask unanimous consent that it be printed, from top to bottom, at this point.

There being no objection, the masthead was ordered to be printed in the RECORD, as follows:

TIME, THE WEEKLY NEWS MAGAZINE

Editor in chief: Henry R. Luce.
President: Roy E. Larsen.
Editorial director: John Shaw Billings.
Editor: T. S. Matthews.
Managing editor: Roy Alexander.
Assistant managing editor: Dana Tasker.

Senior editors: Robert W. Boyd, Jr., Otto Fuerbringer, Thomas Griffith, Hillis Mills, Duncan Norton-Taylor, Content Peckham, Joseph Purtell, John Tibby, Max Ways.

Associate editors: Edward O. Corf, Max Gissen, Frederick Gruin, Henry Anatole Grunwald, Louis Kronenberger, Jonathan Norton Leonard, Paul O'Neil, Margaret Quimby, Walter Stockly, John Walker, Samuel G. Welles.

Contributing editors: Douglas Auchincloss, Harriet Bachman, A. T. Baker, Louis Banks, Marvin Barrett, Bruce Barton, Jr., Marshall Berger, Lester Bernstein, Earl Burton, Gilbert Cant, William T. Carnahan, Edwin Copps, Henry Bradford Darrach, Jr., Nigel Dennis, Allan B. Ecker, Peter Ehlers, Alexander Eliot, Osborn Elliott, Dennis S. Feldman, John Scott Fones, Barker T. Hartshorn, Roger S. Hewlett, Robert Manning, Dwight Martin, Peter Mathews, John T. McCullough, William F. McHale, Robert McLaughlin, Ruth Mehrtens, William Miller, Marylois Purdy, Francis Ronalds, Jr., Carl Solberg, Chandler B. Thomas.

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United States and Canadian News Service: Robert T. Elson (chief of correspondents), Donald Bermingham, Willard C. Rappleye, Jr., Jean Snow.

Bureaus—Washington: James Shepley, Edward F. Jones, John Beal, George B. Bookman, Windsor P. Booth, Sanford Lee Cooper, Jerry Hannifin, Frank McNaughton, Alyce Moran, Richard Oulahan, Jr., Robert Sherrod, Anatole Visson, Chicago; Hugh Moffett, Ben Williamson, James R. Conant, Margo Parish, Lewis Spence, Gordon Pushie; Los Angeles: Fritz Goodwin, Florence McNeil, James Murray, Edwin Rees; Detroit: Fred Collins; Atlanta: William Howland; Boston: Jeff Wylie; Dallas: William Johnson; Denver: Barron B. Beshoar; San Francisco: Martin O'Neill, Serrell Hillman; New York: James Bell; Seattle: James L. McConaughy, Jr.; Ottawa: John M. Mecklin, Grace Brynolson; Montreal: Stuart Keate.

Foreign news service: Manfred Gottfried (chief of correspondents), Eleanor Welch, Donald Burke.

Bureaus—London: Eric Gibbs, Thomas A. Dozier, Honor Balfour, Cranston Jones, Clara Applegate, Cynthia Thompson. Paris: Andre Laguerre, John Boyle, John Stanton, Fred Klein, Frank White. Berlin: Enno Hobbing, Will Lang, David Richardson. Rome: George E. Jones, John Luter, William Rospigliosi. Athens: Mary Barber. Bombay, Robert Lubar. Hong Kong: Robert Doyle, Wilson Fielder. Tokyo: Carl Mydans, Frank Gibney, Shelley Mydans. Buenos Aires: Robert Neville. Rio de Janeiro: William White, Connie Burwell White. Mexico City: Robert Spiers Benjamin. Central America: William H. Forbis.

Publisher: James A. Linen.
Advertising director: H. H. S. Phillips, Jr.

Mr. CAIN. Mr. President, in respectful language I asked Mr. Luce if he would provide me with the name of the author of the thumbnail sketch about me and seven other Senators as those sketches appeared in the issue of March 20. This request, which was unanswered, was forwarded to Mr. Matthews and he thought it proper to ignore the request. In my letter to Mr. Luce I said that I wanted to be given an opportunity to argue the merits of my Senate positions with the author. Was this, I ask the Senate, an unreasonable request or desire? I think that each of my colleagues, both Democrats and Republicans, will consider it

to have been reasonable and would expect it to have been satisfied had my colleagues, rather than I, had occasion to write to the editor in chief of Time magazine.

I wonder if Mr. Matthews, the editor of Time magazine, thought it would be difficult for me to uncover the author who would obviously remain unnamed and anonymous until I found out who he was. I think it likely that few, if any, of my colleagues are actually aware of the name of the person who is primarily charged with writing about the Senate of the United States for Time magazine, and I am absolutely certain that I am the only Member of this body who is reasonably familiar with the author's background and attainments. In the last week or two some 10 or 12 of my colleagues have asked me if I knew the name of the author, and I merely grinned in reply and suggested that in due course I would talk about the name and what it stands for.

Mr. President, I have never met Mr. Matthews, the editor of Time magazine. His letter to me constituted the only contact I have had with that individual. I will not state that he is a dummy, as his letter implies, but I will point out that he failed to recognize a legitimate request for an answer to the two questions I submitted to Mr. Luce in my letter of March 16. I wanted to be advised of the name of the author of the thumbnail sketches, and I inquired if that author might have been the one who made an uncomplimentary reference to the junior Senator from Washington which appeared in the Time issue of October 24, 1949. In writing to me Mr. Matthews wasted both his time and mine, because his letter, in response to my request, was completely unintelligible. In due time I may have sound reason to conclude that Mr. Matthews, the editor of Time magazine, is a dunce, but for the moment I am willing to let his letter to me speak for itself.

Under a column titled "The Congress" in the Time issue of October 24 there appeared, in part, the following references to me and to the Senate:

CONGRESS TRUDGED TOWARD ADJOURNMENT

Up for debate was the liberalized displaced-persons bill, which leaders in both parties were pledged to support. In a final delaying tactic, McCARRAN had departed for Europe for further investigation of the DP situation. But McCARRAN's allies carried on. For nearly 6 hours, Washington's garrulous lightweight, HARRY P. CAIN, held the floor with a low-grade filibuster. It was a shabby show. But at a time when Senators were itching to shut up and go home, the talk-down worked. At the week's end, by a vote of 36 to 30, the Senate sent the bill back to the Judiciary Committee. Nineteen Republicans joined 17 Democrats (mostly from the South) to put off the bill until next year.

Mr. President, this magazine never overlooks an opportunity really to give southerners the business, and I, as one whose blood originally was that of the South, will speak for all southerners, as well as for the Senators living above the Mason and Dixon's line, as they sit on this side of the aisle in the United States Senate.

When I first saw this column I did not like it, because I thought the references were unfair. It had been my considered view that no harm would come to anybody if the bill were returned to the Committee on the Judiciary to await the return from Europe of the Senator from Nevada [Mr. McCARRAN], who had gone abroad by unanimous consent of the Senate. It was a fact then and remains a fact today that we are not bringing displaced persons to this country as rapidly as their admission was authorized by the Displaced Persons Act of 1948. I rather took for granted that most Americans who believed in fair play would support the action which returned the bill to the committee. Sixty-six Senators voted on my motion to recommit the bill, and 36 of these gentlemen voted in favor of the motion. No one forced Senators to vote either in favor of or in opposition to the motion. No one forced 66 Senators to vote at all. These Senators stayed on the job because they thought it was their duty to do so. They listened to the debate, which some spineless timebrat—I think it is about time, Mr. President, that we on the floor of this body start making up names, and that is the best one I can think of at the moment, a "spineless Timebrat"—"T-i-m-e-b-r-a-t."

I repeat, Senators listened to the debate which some spineless "Timebrat" characterized as being a filibuster, and each Senator voted as he thought proper.

It is important to no one but myself, Mr. President, but I canceled a very attractive invitation to study housing policies, programs, and operations in Europe in order that I might remain on the floor of this Senate and do what I thought was good for the people of this country.

I said nothing to anybody about the article in the October 24 issue of Time magazine. I hardly thought about it twice. I never thought about it again until some "Timebrat" called the junior Senator from Washington an expendable, and employed in doing so a phrase which had appeared in the October 24 issue. That is why I wondered recently if the two articles were written by the same individual, and then it was that I determined to find out if this was so.

Getting no help from Mr. Luce or Mr. Matthews, as I sought to do in a courteous and proper way, I turned to my own resources. Any man coming from the West is inclined to do that. If he cannot get help from someone else, he is going to help himself if it is humanly possible.

I had no trouble in uncovering the author. He turned out to be a fellow who is, as every man ought to be, rather proud of his handiwork. He said to a member of my staff that he was completely responsible for writing about the eight Senators whom he called expendable and that he did so as a result of his mature and considered thought. He said that he thought HARRY CAIN was a nice and pleasant sort of guy in a personal way and that he, the author, would be pleased to discuss his opinions with the junior Senator from Washington should the latter find it convenient to pay the author a visit in his home some day.

Well, Mr. President, to go on with the story, this rather unusual invitation started to stimulate my sense of humor. I decided to accept the invitation but not in the way which had been intended by the author. I wrote him a nice and cheerful letter. I thought about the words of that letter. I ask unanimous consent that it be printed as a part of my remarks at this point and I shall then read a portion of the letter for my own enjoyment and because it will provide some information for my colleagues.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

MARCH 25, 1950.

Mr. FRANK MCNAUGHTON,
Time Magazine, Washington, D. C.

MY DEAR FRANK: Though I did not personally enjoy I did read with thoughtful interest your recent evaluation comment about me and other Senators in Time. It seems to me that you wrote out of a shallow prejudice which is not supported by any facts but I have neither time nor inclination to quarrel with your right to say what you like.

I want to think that you will come along for a visit with me sometime next week. I have in mind drawing your authorship to the attention of the Senate and I want to be completely certain of my facts. My intention is to advise my colleagues of what you have been and of who you really are in order that they may judge for themselves your capacity, judgment, and background as an anonymous critic. My personal and casual relationship with you has always been pleasant enough and I shall want to be concretely fair in presenting your record and attainments for others to read and think about. My chief concern is to see that you get proper credit as a real person and this can best be done with some help from you.

With kind personal regards, I am,

Most cordially,

HARRY P. CAIN.

Mr. CAIN. The portion of the letter I shall read is as follows:

I have in mind drawing your authorship to the attention of the Senate and I want to be completely certain of my facts. My intention is to advise my colleagues of what you have been and of who you really are in order that they may judge for themselves your capacity, judgment, and background as an anonymous critic. My personal and casual relationship with you has always been pleasant enough and I shall want to be concretely fair in presenting your record and attainments for other to read and think about. My chief concern is to see that you get proper credit as a real person and this can best be done with some help from you.

With kind personal regards, I am.

This letter was written on March 25 and 3 days later I received a friendly letter in reply. Senators will enjoy that portion in which the author provides all of us with some illuminating information about himself and his background. That is what he said in part:

I intend to come by and see you sometime this week at the earliest opportunity. However, since you want to be able to advise the Senate who and what I am, here are some facts which you could easily ascertain by asking any one of hundreds of newspapermen I have known in the city of Washington over the past 15 years.

I think that sentence about hundreds of newspapermen and the fact that he has been living here for 15 years is a

sentence he will in the future not put in a letter to somebody else who seeks information about who he is.

I was born and raised on a Missouri farm—

He wants to get down to bedrock right off the bat—

I am 43. I attended the University of Missouri as a journalism student. My record there speaks for itself. As a boy, at the age of 16, I ran a butcher shop. For 3 years before going to the university I ran a general store and worked in a bank. My record there speaks for itself. I worked as a ranch hand in Wyoming and a carpenter in Colorado. After I left the university, I was employed successively on newspapers at Muskogee, Okla., Casper, Wyo., Nebraska City, Nebr., and Monroe, La., as a reporter and deskman; thereafter I was with the United Press for 9 years in New Orleans, Oklahoma City, and Washington.

In my career, as far as I can remember, I have joined only one organization, which may be of interest to you—

Listen to this, Senators. It is a complimentary reference, but it is an extremely meaningless and restricted field of enterprise for a big-leaguer to be a part of—

that was the Parent-Teachers' Association in Takoma Park, Md., of which I had the honor of serving as president.

My career is an open book; and if you can't get the additional information you want from my colleagues, I'll be glad to supply you with whatever I can.

My personal relationship with you—

We are having quite a lot of fun in writing to each other pleasantly so far, but that will soon be terminated—

has always been pleasant and I know it will continue to be so. I never let my personal inclinations intrude themselves in the slightest into my writings, and I shall not do so in the future.

After puzzling over the lack of real information which this letter possessed I hurried off a note to the author which said this:

Your letter of yesterday, which came but a few minutes ago, has pleased and tickled me. The information it contained was obviously quite good but not nearly as broad as that which I need. I have asked Burgess to secure from you the answers to 15 direct and easy questions. Some of the hundreds of newspaper men you mentioned as knowing you here in Washington haven't the foggiest idea what the correct answers actually are. I really want to know who you are and with your continuing help I certainly shall.

Now, Mr. President, while we are waiting for the author to visit with me in my office I want to make a few observations about Time magazine in general, because they are of terrific importance to Congress.

My first observation is to recognize the relationship which presently exists between the Economic Cooperation Administration and Time magazine, for this relationship is important and we ought to think about it. As every Senator knows and as every American ought to know the ECA was authorized by Public Law 472, Eightieth Congress, chapter 169, second session, to make, under rules and regulations to be prescribed by the Administrator, guaranties of investments in enterprises producing or distributing information media. The law authorized $10,000,000 for this purpose and provided a termination date not later than 14 years from the date of enactment of the act. Time magazine has taken advantage of this guaranty provision as no other American magazine has.

We had better make up our collective minds that Time magazine is deserving of what amounts to a subsidy, because without it they obviously would not sell a single solitary subscription in Germany, for example. Time magazine had better be deserving of a continuing help by Congress, or we ought to have manhood enough to stand up and take away from them what they have been unreasonably benefiting from so far. As of December 31, 1949, Time magazine has had its subscription investment guaranteed in west Germany, the Netherlands, Austria, and Norway—in what amount do Senators think? In the sum of three hundred and forty-three thousand eight hundred American dollars. No other American periodical comes within $100,000 of this figure. What is presently important, because all of us as Members of the Senate will be required to vote on it, is that they have obligations pending now before Mr. Paul Hoffman, the ECA Administrator, or his proper agent, in the sum of $248,500 for the future.

Mr. President, I have not been in opposition to the informational media guaranty section of Public Law 472. I voted for that law. I hope to be able to vote for it again. I thought there was sufficient reason to provide a guaranty of currency convertibility so that Europeans might become better informed of what is being attempted by America to restore sanity and peace to the face of the earth. I am for any reasonable procedure which will provide Europe with a truly objective and unbiased picture of America. With reference to Time magazine, I am now convinced that it is abusing—we hope it will stop doing so—and has abused the confidence placed in it by the ECA and by the Congress, of which we are all Members. I believe I can establish this simple statement of simple fact.

The 1949 ECA report on Recovery Progress and United States Aid devotes its chapter I to the subject of guaranties. In part this chapter points out:

The Congress, recognizing that a flow of private capital from the United States to the participating countries of Europe would help the dollar position of these countries and accelerate economic recovery by adding to their productive capacity, undertook in the Economic Cooperation Act to encourage new American investments by authorizing the ECA to guarantee convertibility of the proceeds of such investments. Section 111B3 of the act authorizes the guaranty of the convertibility of certain investments, including enterprises producing and distributing informational media. * * * Applications for informational media guaranty are considered in the light of the legislative intent to help spread a true understanding of American institutions and of democracy in Europe. The legislative history of the ECA reveals that the Congress had in mind both giving to readers in Europe reliable news and informed comment on world affairs and keeping them informed about the American way of life. The types of information in the various media which are believed best designed to achieve the legislative objective include: Accurate and objective reports and discussions which will inform the people of Europe of current news developments, thinking, and comment in the United States on subjects of world concern—the ERP itself, American foreign and domestic policy, economics, politics, and the like; and information of a general nature which will present to Europeans a faithful and well-rounded picture of American life.

The question here, Mr. President, is very clear. If Time magazine is giving to Europeans a faithful and well-rounded picture of American life, if its observations are accurately and objectively written, then Time magazine in my opinion ought to continue to benefit from a convertibility guaranty which is obviously not made available to many a deserving American private business.

Let us get it through our heads, that we are—perhaps some of us because of fear—providing a subsidy for a news medium which on occasions has been diabolically malicious and unreasonable, when we turn down one application after another from a legitimate, hard-working American business concern.

If on the other hand it can be established that Time magazine reporting is neither accurate, well-rounded, nor objective then this magazine, or any other magazine which acts in like fashion, ought to have its outstanding contract or agreement with ECA cancelled promptly and completely. I will provide the Senate with some information from which each individual Senator can draw his own conclusions concerning whether Time magazine is further deserving of any assistance from the Congress and from the ECA.

In its issue of April 3, Time magazine, because time does march on rapidly, devotes page 20 to a listing of those Senators, both Democrats and Republicans, whom it refers to as being the Senate's most valuable 10. I agree with Time magazine that some of these 10 individuals are among the more distinguished men who live today. I like and enjoy working with all of them. If they take Time's evaluation seriously I am very willing to be enthusiastic for their sakes. I would, however, urge them not to get too excited about their sudden elevation to the pinnacle of Time's list of successful men as I would urge the expendables not to be unduly worried about their evaluation by Time which was in reverse.

For the reason that the example is a conspicuous one and because I am trying to determine what Time magazine is trying to do not only to me but to this country, I shall refer to only two who are included in Time's Senate list of the best 10.

I hold the majority leader the Senior Senator from Illinois [Mr. LUCAS] in high regard as a pretty good friend. I consider him to be a man of capacity and force. He is presently engaged in a tough struggle for re-election and whatever help I can give in that campaign will go to his Republican opponent, Mr. Everett Dirksen. Good as I think the senior Senator from Illinois is, I think that Everett Dirksen is better. If Time magazine is trying to re-elect the Senator from Illinois, the junior Senator from Washington will try to defeat him.

But one thing I will not do, Mr. President, is to say one thing to the face of the Senator from Illinois and another thing to his back. In a quaint sort of way Time magazine tells the people to believe two things about him. I think Time magazine is wrong in both its pointed evaluations.

The second evaluation was made in the issue of April 3, when Time magazine put the senior Senator from Illinois—and I have no criticism of that—among the first 10 Senators, as Time magazine sees them. I wish to read this evaluation to refresh the memory of Senators; it is a good one:

SCOTT LUCAS, Democrat from Illinois, 58, majority leader. At first irascible, impatient, and ineffective, he has learned how to work with his colleagues, to accept the slowness of Senate processes, and to keep his ulcers from acting up.

Bear in mind parenthetically, Mr. President, that it is by such descriptions that Europe is getting to know us in America. [Laughter.]

I read further:

In White House conferences, he gives President Truman an honest count, even when it is painful. He fought gallantly for the civil-rights program, beat off crippling amendments aimed at ECA, even went to a Republican caucus to plead for a liberalized DP bill. Not brilliant, he is a slogging, dogged fighter.

Mr. CHAVEZ. Mr. President, will the Senator yield to me for one moment, in reference to the matter he has been discussing? I wish to refer to the last phrase the Senator has read.

Mr. CAIN. I say to my devoted friend, the senior Senator from New Mexico, that under these circumstances, when I wish to preserve continuity in my remarks on a subject about which I never expect to speak again, I beg the indulgence of Senators to permit me to proceed.

Mr. CHAVEZ. I beg the Senator's pardon.

Mr. CAIN. This evaluation, Mr. President, is said by Time magazine to make the senior Senator from Illinois one of the 10 most prominent Members of this body. It apparently wants its 90,000 subscribers in the State of Illinois to think that this is so.

Parenthetically, Mr. President, I think this observation ought to be inserted here. The State of Illinois is second only to New York State in its number of Time magazine subscribers. If we take the 9 States from which come the Senate's most valuable 10, as listed by Time magazine, we find a total of 467,000 Time magazine subscribers. In doing the same elementary arithmetic with the seven States from which come the Senate's most expendable, as listed by Time magazine, the subscribers to Time magazine total 121,000. Although Time magazine appears to be a rather tricky sniper, it is a cautious and careful sniper, and selects its targets accordingly.

It seems to me that Time magazine credits everybody in Illinois with having a very short memory. If this be so, which I doubt, because I know there are intelligent Americans living in Illinois, I wish to refresh their memory by calling attention to page 14 of the Time magazine issue of January 10, 1949.

Time magazine then said, as its considered opinion:

Illinois' handsome—

I certainly agree with that statement—athletic Senator SCOTT WIKE LUCAS is living proof of the virtues of party regularity. In his 14 years as Congressman and Senator he has sponsored little major legislation, made few headlines, shown no notable talent for leadership.

The senior Senator from Illinois, to my mind, Mr. President, as I have said, like most people, is neither a great man nor a small man. I have no reason to think him not to be a good and a reasonable man. But the point, Mr. President, which is completely aside from the senior Senator from Illinois either in or out of the Senate of the United States, is that Time magazine does not know what he is because it writes of him, in the short space of little more than a year, as being two different kinds of a man. Both comments were written by the same individual.

Now we are getting somewhere, Mr. President. I am sorry it takes so much time; but strive as I could, I could not make it any briefer. Neither comment about the Senator from Illinois to my mind was worth the paper it was written on. As an afterthought, I am reminded of something else which Time magazine said about the majority leader—who is perfectly innocent, as regards the discussion just now—on March 28, 1949. This sketch is more inexcusable than those I have just referred to. It is worth noting. Here it is:

But Harry Truman had gone fishing in Florida, and his Senate majority leader, SCOTT LUCAS, had put on an inept show, bellicose when tact was required, weak and confused when strength was called for.

Mr. President, I really wonder what Europe thinks about us as American individuals and about the Senate of the United States when Europeans, by means of our subsidy—we are the ones who are responsible for this—read such trash and such trivial junk as appeared in Time magazine about a very distinguished American, the majority leader.

I consider the Senator from Illinois to be a rather consistent and sometimes outstanding disciple of administration policies and programs. Occasionally the New Deal goes too far to suit him, but not very often. Several years ago the Senator from Illinois voted for the Taft-Hartley bill, but then turned around and voted to sustain the President's veto. This conduct permitted the senior Senator from Illinois to jump in either of two directions almost simultaneously. I do not think he voted both ways on the labor question because he sought to be all things to all people at the same time. My impression was that he voted his own conviction when he supported the law, but he voted to sustain the President's veto as a conscientious member of the administration's ball team; and I can understand his action in that respect. The people of Illinois will determine whether they thought the Senator from Illinois was right or wrong in that instance. I simply call the record to their attention in urging them to disregard the political whimsy about a good American which Time magazine has offered for their consideration.

It is always good, Mr. President, to see success come to anyone who is new in any business. Time magazine with its 90,000 subscribers in the State of Illinois has complimented the junior Senator from Illinois [Mr. DOUGLAS], who now occupies the chair, in a most flattering way. Time magazine claims him to be one of the 10 best Members of this body. I have absolutely no quarrel with its views of him or of the senior Senator from Illinois [Mr. LUCAS] or of anyone else. This is what Time magazine said about the junior Senator from Illinois [Mr. DOUGLAS] on page 20 of the April 3 issue:

PAUL DOUGLAS, Democrat from Illinois, 58, the ablest, best-balanced liberal Democrat in the Senate and its most impressive freshman in years. He is a humanitarian who does not believe government should do all things for all men, a maverick liberal who also insists on prudent spending. "To be a liberal one does not have to be a wastrel." An ex-professor, and a veteran of Chicago's rough and tumble city council, he has the economist-sociologist mind, a notable capacity for collecting, sifting, and appraising facts.

Back in January of 1949—and I am only referring to the record—Time magazine made a brief but a far different reference to the junior Senator from Illinois. If Time magazine is going to be politically mixed up in the State of Illinois, the junior Senator from Washington is not going to stay out of Illinois, because he has a friend there by the name of Everett Dirksen, whom he holds in high regard.

On that occasion this was said:

Illinois' able PAUL DOUGLAS, 56—

Time magazine evidently jumps 2 years in 1 year. It called the junior Senator from Illinois 58 years old in its issue of April 3, 1950. At some time I should like to get the record straight in that respect.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Would the Senator from Washington like to have that point cleared up? The birthday of the present Presiding Officer is on March 26, so that in January 1949 the junior Senator from Illinois was 56 years old. The issue of Time magazine to which reference has been made appeared, the Chair believes, on the 26th of March, at which time the present Presiding Officer was 58 years of age. So although only 15 months had elapsed, nevertheless it followed that there was a difference of two chronological years in the age of the junior Senator from Illinois.

Mr. CAIN. That is a very excellent explanation of the matter, from which all of us will accurately benefit.

As I was saying, Mr. President, on that occasion this was said in Time magazine:

Illinois' able PAUL DOUGLAS, 56, was a one-time leftish college professor and a wounded, decorated marine veteran.

Mr. President, I see good things about both of those classifications, for those who were able to be marines, on the one

hand, and for those who believe, as I disbelieve, in a more liberal economic philosophy, let us say.

At the moment the junior Senator from Illinois, in the view of Time magazine, is a well-balanced, liberal Democrat. Mr. President, how different that is from what Time magazine said about the junior Senator from Illinois a year ago. At that time the same writer in Time magazine inferred that the junior Senator from Illinois had been or was a leftist. Mr. President, I consider the junior Senator from Illinois to be a very able man, although I do not share many of his views. I once read a book of his, The Coming of a New Party, which was dedicated to Norman Thomas; and I found myself in sturdy disagreement with many of the views which were expressed. I do not believe, Mr. President, in a planned economy, although perhaps Time magazine does. It may have thought that the book to which I have referred was cause for elevating PAUL DOUGLAS to the top of Time's list of notables. I would not know.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. CAIN. Mr. President, I think the Senator heard my required answer to the Senator from New Mexico. Permit me to say to the majority leader that, although I shall continue to speak without being interrupted, I would gladly stay here all night to discuss any situation any Senator might have in mind.

Mr. LUCAS. My question is a very simple one. I was wondering whether the distinguished Senator had finished with the senior Senator from Illinois in the statement. I have a committee meeting to attend. If the Senator has finished with me, I should like to attend it. If not, I shall stay in the Senate Chamber, of course, and enjoy the remarks.

Mr. CAIN. In the same vein, Mr. President, I think I should respond; I think that is one question I should answer. It seems that business is improving a little when the majority leader of the United States Senate asks permission of a junior Senator to go on about his business, which I assume he would do in an automatic and natural course.

The junior Senator from Washington has concluded his references to the majority leader, the senior Senator from Illinois.

Mr. LUCAS. I am very thankful to the Senator from Washington.

Mr. CAIN. I appreciate the Senator's question.

Mr. President, what I do know is what the junior Senator from Illinois says he is—and he has a right, comparable to mine, to believe in what he holds to be self-evident and true. I am reminded of several paragraphs in chapter IV of his book which caused me to wonder about him long before he came to the Senate. That chapter was entitled "How the Government Can Further the Interest of Citizens and Consumers." Let me provide Time magazine, and Europe, and the citizens of Illinois and America with a few comments from the author of the book, The Coming of a New Party, because if we are going to continue this subsidy for Time magazine, I want that magazine to begin to tell the people overseas who actually sit in the United States Senate and what they think. Every man is entitled to think as he sees fit. In referring to the author of the book, The Coming of a New Party, I should like to read only two paragraphs from chapter IV, How the Government Can Further the Interests of Citizens and Consumers:

If the beginnings toward a genuine planned economy are, consequently, to be made, they must be carried through over the opposition of the capitalists themselves. Even if their political power were broken, as long as they were in control of industry they would resist having production quotas assigned or the elements of price control imposed by society. It seems, therefore, that a truly planned economy is almost impossible under capitalism and only practical under socialism.

I think a man ought to be very proud to believe in anything the author believes in. I simply do not happen to believe that.

Whether or not such a socialization of production should take place is perhaps the most important decision which the men and women of the present century are to make. In the United States, at least, it bids fair not to be settled at any one time by a categorical answer to the general proposition, but by the results of a series of experiments. We may have, therefore, some fumbling with an attempted public control of capitalism. What is even more needed, however, are active public efforts to socialize and reorganize specific industries which are badly in need of treatment. The public mind can grasp these problems and if the experiments are successful it will rapidly be led to favor a wider extension of social control.

CHAPTER XII—PRICE POLICY

The public ownership of these monopolies would seem, therefore, to be the only effective way of obtaining those flexible prices which our society needs in order to avert severe depressions. For if private profit were taken out of them, then the greatest barrier to reducing the prices of these products in periods of depression would be removed. This necessitates, therefore, socializing the ownership not only of the public utilities, but also of such great industries as the railways, electricity and gas, steel, aluminum, electrical machinery and heavy chemicals. For this is the only ultimately effective way to deal with industries which neither will compete voluntarily nor can be made to compete.

Moreover, competition in the exploitation of the great natural resources of oil and lumber results in a terrific waste of scarce products which society cannot afford. A true program of conservation calls for the public ownership of these natural resources in order to preserve the national heritage.

In other words, in order to make competition work effectively in the small-scale industries for which it is adapted, it is necessary to socialize that part which inherently tends toward monopoly. This will create new problems, but it should remove one of the great sources of disequilibrium in the society of today.

The Coming of a New Party ought to be read in its entirety by everyone. I say that to you, Mr. President, in your capacity both as the Acting President of the Senate and as the author, and as the junior Senator from Illinois. This book ought to be read in its entirety by everyone.

A thoughtful reading of the treatise will help any individual to more strongly support or more vehemently dissent from the views expressed. PAUL DOUGLAS can take care of himself under any circumstances but I do not think that Time magazine has devoted enough space to its subject, the junior Senator from Illinois. I am critical of this lack of attention to the Senator because I think Time magazine ought to give Europe a clearer picture of the American way of life as it is being developed and worked over by Members of the United States Senate, of each side.

Mr. President, I continue to be reminded of why the Congress thought it proper to guarantee convertibility for some American magazine investments in Europe. I will not forget that such magazines are charged with a heavy responsibility for presenting America in a true and promising way to our friends across the sea. How this can be done by endeavoring to destroy the reputations of some men in public life and by overrating others and by giving different pictures of the same men on different occasions, I do not know. From Time magazine's point of view their treatment of most of us may be cute and clever and appealing, but it is not true and it is not accurate and it does not carry out the intention of the Congress.

In recent days I have glanced through a year's file of Time magazine. I may say I did not do it very thoroughly. Here are a few brief comments made about friends of mine on both sides of the aisle, who are good Americans and responsible men:

South Dakota's headline-hunting Republican Congressman KARL E. MUNDT. MUNDT's reply put him on a par with J. Parnell Thomas as a stumbling block to a just and objective investigation of Communist activities.

We spent, as I recall, $343,000 American dollars last year to permit Time magazine to say:

Cut it any way you want, KARL MUNDT, of South Dakota, is a bad American. He stands as an obstacle against a first-rate investigation of communism.

Yet the man's life has been devoted to making this country free for Americans.

Idaho's GLEN TAYLOR, banjo-strumming refugee from Henry Wallace's camp.

I should like to say to the Senator from Idaho [Mr. TAYLOR] that I am only surprised he was not included more often by Time, because, in slang parlance, Mr. President, you and I will agree that the senior Senator from Idaho is contrued to be "free game." He can be whacked from one side because it may be said he is not a Republican. He can be belted from the other side, because one may claim that he is not a Democrat. But GLEN TAYLOR, of Idaho, is a Member of the United States Senate; and for Time magazine to characterize him as being a refugee from anyone's camp I think leaves a very bad taste in the mouth of the informed, overseas.

West Virginia's demagogic MATT NEELY.

They dispose of him with merely one brief swat.

Indiana's ponderous—

With all its implications—

Republican HOMER CAPEHART.
Maryland's waspish MILLARD TYDINGS.
Oregon's waspish lawyer, WAYNE MORSE.
Waspish, 41-year-old BILL JENNER.

I take it the average European is just as curious as the average American. When I saw the word "waspish" being used three times, I wanted to find out what it meant. I suppose the Europeans also want to find out what it means—at our expense. If they do not, I want to say to Europe that if these three men justify the appellation given them by Time magazine, they have the following characteristics of—and, once you know what those characteristics are, Mr. President, beware not of one of the three men but of all three, for they are dangerous. One who is waspish is "quick to resent a trifling affront." Does that describe "BILL" JENNER, of Indiana, a good, solid American; or MILLARD TYDINGS, a fine American; or my friend who lives in the State of Oregon, next door—WAYNE MORSE? But, further than that, if one is a waspish sort of fellow, he is snappish, irascible; he is petulant; he is choleric; he is testy and peevish. In other words, Time magazine, in one word, says that he is no good.

Mr. JENNER. That is bad. [Laughter.]

Mr. CAIN. I think that is very interesting, because Time magazine, in its recent evaluation, has said there is a wasp among the Senate's expendables, there is a wasp here among the Senate's best 10, and there is a wasp buzzing around somewhere between heaven and earth—my colleague the Senator from Oregon, who was not listed in either category.

Senator KENNETH WHERRY, Nebraska undertaker—

I thought Mr. WHERRY was a United States Senator and the minority floor leader; but this is the way he is characterized overseas—

Senator KENNETH WHERRY, Nebraska undertaker and now the Republican floor leader, who wound up a luncheon speech by pleading "Let's smile right now."

Missouri's earnest, plodding, FORREST DONNELL. * * * Philip C. Jessup was a welcome change from the windy speech-ifying of ailing Delegate Warren Austin and the arm-pumping forensics of Texas' minor statesman TOM CONNALLY.

I do not know that anyone in his right mind has ever referred to a man with a career half so distinguished through the many long years of his service as the Senator from Texas [Mr. CONNALLY] as being a minor statesman. But Time magazine does so, because it thinks it has us scared to death.

Oklahoma's loud-lowing Democratic Senator ELMER THOMAS.

I could think up many things about the Senator from Oklahoma [Mr. THOMAS], I suppose. But I do not believe, because certainly it has never happened in my presence, that he has ever loudly lowed, or lowed loudly, on any subject on the floor of the United States Senate. My only criticism of him, as a Senator, is that I have trouble hearing him. But now we have painted for Europeans the picture of a Senator from the sovereign State of Oklahoma as "loudly lowing" his way through life.

Old TOM CONNALLY, chairman of the Foreign Relations Committee, reacted like a punch-drunk fighter at the sound of a dinner bell. "Texas Tawm" was none too clear on what the Atlantic Pact was supposed to do.

They spell it "T-a-w-m."

We are now back to the Atlantic Pact. We are asking Europeans to assume that we know what we are doing. But Time magazine says the worthy chairman of the Foreign Relations Committee, "Texas Tawm," was not certain what the Atlantic Pact was.

CONNALLY had been dozing up there on his horse (Sir Galahad's horse) all through the past 10 years.

What a beautiful comment about a distinguished American. It makes me sick to have to read it on the floor of the United States Senate.

But, orated frock-coated, windy old Senator HOEY * * * supporting the appointment of Senator GRAHAM.

Mr. President, I was here. My mind tells me I was present on the occasion when the Senator from North Carolina [Mr. HOEY] had some strikingly complimentary and pertinent things to say about the junior Senator from North Carolina [Mr. GRAHAM] as he came to the Senate of the United States. It seems to me that we in the Senate do not share Time's criticism of the senior Senator from North Carolina when it says that "frock-coated, windy old Senator HOEY" orated on the subject of the coming of the junior Senator from North Carolina to this body.

For part of one afternoon and all of the next, Nevada's windy—

That word is used, time after time, in Time.

Nevada's windy ex-prize fighter, GEORGE MALONE, held forth, relieved at intervals by such helpful colleagues as Missouri's stuffy JAMES KEM, Montana's ZALES ECTON, and Washington's HARRY CAIN, the great friend of the real-estate lobby.

Time started to talk about "Nevada's windy ex-prize fighter," and in the same paragraph winds up with the junior Senator from Washington.

Mr. President, another reference to the Senator from Illinois [Mr. LUCAS], who has just returned to the floor:

All week the Senate wrangled in organized confusion, tired of each other and dead tired of Majority Leader SCOTT LUCAS's heavy-handed efforts to keep things moving.

No Senator has ever moved so rapidly from three strikes to the head of the list as has the senior Senator from Illinois in Time's recent evaluation of him. I used to think that three strikes meant out. Apparently Time magazine does not think so.

Time refers to—

Mississippi's rabble-rousing Senator JAMES O. EASTLAND.

And then goes on to say:

On the floor of the United States Senate two aged, reactionary spoilsmen, both vindictive, determined, and ruthless, were waging a joint fight for power. One was 80-year-old KENNETH DOUGLAS MCKELLAR, the choleric Tennessee feudist who heads the all-powerful Appropriations Committee; the other was Nevada's silver-maned, silver-minded PATRICK A. MCCARRAN, 73-year-old chairman of the scarcely less powerful Judiciary Committee. * * * Working hand in glove—

I can see them, though I have never seen either one with a pair of gloves on since I have been a Member of the Senate—

the two old demagogues had used their legislative weapons given them by seniority to crowd into the whole field of foreign and domestic policy.

Wisconsin's JOE MCCARTHY rose and swung the tails of not one, but 81 Communists and party liners.

The next week Time knows a little something about "fear itself" and says:

Wisconsin's pugnacious Senator JOE MCCARTHY glared defiantly at his tormentors. * * * Ex-Marine MCCARTHY might turn out to have something after all.

There is one thing we can say about Time, and that is that, even in the face of the present terribly important question about conditions in the State Department, Time does play both sides of the street against the middle. It wants to be able to win, whether the Senator from Wisconsin [Mr. MCCARTHY] is pilloried from coast to coast or whether he turns out to be a great American hero of his generation.

These are but a few derogatory comments, Mr. President, out of a great many more of like character by which the European is expected to learn about the American way of life from Time magazine, and Americans generally are encouraged by the same source to sneer at and look down upon those who represent them in the United States Senate.

Abraham Lincoln once wrote a single paragraph about duty. He said:

If I were to try to read, much less answer, all the attacks made on me, this shop might as well be closed for any other business. I do the very best I know how—the very best I can—and I mean to keep on doing so until the end. If the end brings me out all right, what is said against me won't amount to anything. If the end brings me out wrong, 10 angels swearing I was right would make no difference.

I have made reference to this comment by President Lincoln because it expresses my own attitude and because the strange fellow who writes about us, in the Senate, for Time magazine is come to visit with me. This visit took place on Thursday, March 30, 1950. It lasted for about an hour. I will tell the Senate about it, because Senators might have reason to visit with the fellow some day and because they ought to know all about him, for he is the individual who since 1941 has written almost every word of the thousands of words which have appeared in Time magazine about the Senate of the United States and its Members.

We greeted each other pleasantly enough and then got down to business.

I wanted to know why this individual considered me to be an expendable Senator, and it developed at once that he wanted to tell me in no uncertain fashion. His greatest grievance was that I had offered the motion to recommit the displaced-persons' bill last October. He said that my vote and my conduct were not in the national interest because the Senate had a right to vote on the displaced-persons' bill and I kept them from doing so. The fact that 35 other Senators voted as I did was quite beside any point and not deserving of any argument. The author knew what I should have done about the displaced-persons' question, and that was that. He added that he had written the comment I did not agree with back in October. I probed his mind a little deeper by asking in what other particulars I, as a Senator, failed to be deserving of his support. Again he stated that I did not vote in the national interest because I had voted consistently against subsidized public housing and rent control. He volunteered the information that the junior Senator from Washington had come to Washington, D. C., with a great build-up which had been designed by Time magazine, and that I, the Senator, had since that time voted in opposition to what Time magazine, as seen through the eyes of the author, thought I should have done.

Mr. President, I am telling the Senate the truth. Pretty soon we shall make certain of that.

I was, therefore, headed for the political ash can, and no doubt about it, so far as my "Timebrat" guest was concerned.

Mr. President, I have never so enjoyed or been so literally amazed by any conversation with any author anywhere or anytime. I was so intrigued by what he said that I sat back and encouraged him to continue. He told me about the trouble he had in getting a house, which caused him to dislike me officially for my rent-control position, and he talked about the need for providing shelter for those who cannot provide shelter for themselves, when most of us know that the public housing bill, as passed, will not provide shelter for very many of the distressing welfare and relief housing cases which exist in every one of the 48 States. This fellow pointed out that he was not a Member of the United States Senate and, therefore, could only present his idea of what ought to take place, and how Senators ought to vote, through the pages of Time magazine. I have never known a man in my life who was so certain concerning the right thing to do and so convinced that anybody who did not do it in the way he thought it ought to be done was totally without virtue and should be castigated in every way, shape, and form.

Mr. President, I want to make a brief observation concerning each of the three bones of contention which have been disturbing the ulcers of my critic for quite sometime.

First. I do not know what history will say about the displaced persons bill which the Senate approved late last Wednesday night. It will, however, be certain to note that when the Senate of the United States agreed to an eligibility cut-off date of January 1, 1949, the Senate must have known that the end result would be to bring a number of persons to America who had not even been in Italy, Austria, or Germany during the war. Such persons may be defined as being political refugees or expellees, but they never can be defined as being displaced persons. The junior Senator from Washington voted against the bill last Wednesday because the approved eligibility cut-off date, in his opinion, was unreasonable and its adoption simply meant that the Congress sought to change its immigration policy by indirection. I think that many an American will agree with my contention that we ought to have satisfied the clearly defined requirements of our displaced-persons problem before we undertook to change our immigration policy. I shall be as interested as the next person in what history says about this premise.

Second. Not many months ago the Congress and the President approved a subsidized public-housing measure which is to provide 810,000 units of subsidized low-rent housing. The junior Senator from Washington voted against that measure for two basic reasons. The first was that the housing would not provide shelter from those who today need it the most. The second reason was that housing of the character in question should not be imposed on any American community against their will or without their approval. The junior Senator from Washington offered an amendment which would have required that the citizens of any community vote on the question of whether they did or did not wish to have federally subsidized low-rent housing within the city limits. This amendment was defeated by a roll-call vote of 55 to 21. There have, however, Mr. President, been a number of referendums held throughout America since the public housing bill became law. The people of given communities have demanded their right to be heard. In seven out of eight cases the people have voted against public housing. The most recent example I know of was in Seattle, Wash., a community of more than 500,000 citizens. There the Seattle City Council, like the Congress of the United States, voted overwhelmingly for public housing. But the people wanted a chance to be heard for a change, and they were heard. They got the necessary signatures which forced a referendum. The campaign was vigorous and relentlessly pursued by both sides. Then more than 85,000 voters, by a ratio of almost 2 to 1, said "No" to the proposition. In a free election free people were given an opportunity to express their own views. I thought it unwise for the Congress to approve a public housing measure which did not reflect the will and the wish of people generally. I am overjoyed that Americans are taking the law into their own hands. City councils and commissions in a number of cities have denied socialized housing. This happened in Dunn, N. C.; Kalamazoo, Mich.; Lincoln, Nebr.; Miami, Fla.; Palestine, Tex.; Pasco, Wash.; Rockford, Ill.; San Jose, Calif.; South Bend, Ind.; and Tucson, Ariz. For the third consecutive time, the Wyoming legislature refused to enact enabling legislation for socialized housing. When a State-wide referendum was held on the issue of socialized housing in California and New Jersey, the answer was "No." In Grand Rapids; Lubbock, Tex.; St. Paul; St. Petersburg; Seattle and Yakima, Wash., citizens forced a referendum on their city councils and voted against public housing. All of this simply means, Mr. President, that the subsidized housing legislation we passed did not turn out to be nearly so attractive to citizens at home as we had thought it would be. Why we did not have reliance, why we did not have confidence in citizens from the beginning by providing the referendum requirement, is something I shall never understand.

Third. Several weeks ago the junior Senator from Washington offered an amendment to an appropriations bill to provide the Office of the Housing Expediter with $1,400,000 for current operating expenses as a deficiency item. This amendment was approved by the Senate and by the House and became law when agreed to by the President. The Housing Expediter had requested $3,600,000 instead of the one million four hundred thousand which the Congress gave him. Since the passage of the 1949 rent-control law almost half of the defense rental areas of the Nation have been decontrolled. In that space of time five States of the Union have decontrolled themselves. Between now and the expiration date of the 1949 law, June 30 of this year, two other States will have decontrolled themselves and the State of New York will take over rent control from the Federal Government on May 1. All of this means that there is little likelihood that Federal rent controls will be continued. If it turns out to be so that the Federal Government will remove itself from the management of private property on June 30, it will be so because of those persons, admittedly few in number, who have been working to remove the Federal Government from managing the affairs of its private citizens since shortly after the war's end. The junior Senator from Washington has been among these persons. When I came to the Senate of the United States in 1947 I was promptly appointed to be the chairman of the Senate Banking Committee's Subcommittee on Rents and Housing. That was my first contact and introduction to Federal rent controls. I got the job, Mr. President, because some of my colleagues were long on political acumen and a trifle short of political courage. The question was, and is still to a lesser degree, loaded with political dynamite. Regardless of how long I may remain in the Senate, I shall never grapple with a problem from which I can derive more satisfaction. I have been said by many to be the No. 1 real-estate lobbyist in America. I have never resented this title. My chief concern has been with those rights which the Constitution gave to American citizens. I construe the title, with all of its implications, to cover every home owner in

the United States. If those persons, be they presently covered by Federal rent-control restrictions or not, consider me to be their friend and working in their legitimate interests, I could benefit from no greater compliment even though I remain as a Member of this body for several decades to come.

Mr. President, if it were not for the fact that this fellow is clothed with all the authority and prestige of Time magazine, there would be no conceivable excuse to talk about him. But he happens to be the head man for Time magazine here in the Senate of the United States. Though most people do not know him, he is always present or is at least lurking in the shadows somewhere. Though I think Time magazine ought to fire him because he is not qualified for the job he has—and do not think I shall not prove that—or should transfer him to some sort of a fourth-rate job he is equipped to handle, he will probably go on writing from his perch up above for some time. The very least I can do is to describe him in some detail. I shall do this by giving the answers he gave in response to the 15 questions I had prepared against his coming.

I think I ought to say, and I ought to be careful about it, that we all know this man in quite a very pleasant way. I have received three invitations, each one coming from Time magazine, toward the end of the session, signed by the author, and saying, "Come along. Let us have a laugh and enjoy some refreshment."

So we go downstairs. Where is downstairs? We go down to break bread with Time magazine. Time magazine rents a room once a year for which it pays not a farthing, because apparently it does not mind taking advantage of anyone or anything. So we go to break bread and hear someone say, "You are a great guy. Permit me to give you another drink"—in order that we may say something indiscreet that will turn up some months from now.

If I have not told the Senate before—and I think I have not—the cause of all this trouble bears the name of Frank McNaughton. If he is not now in the Senate Periodical Gallery it is not because I did not send him word this morning that I was going to talk about him this afternoon.

Frank McNaughton was born in Westboro, Mo., September 4, 1906.

McNaughton's immediate family consists of himself, his wife, and four children, all of whom are boys. Mr. McNaughton, by his first marriage, had three children. The present Mrs. McNaughton had one child by a previous marriage.

Mr. McNaughton attended the University of Missouri, but dropped out before securing a degree. He said that he had fired furnaces and waited on tables, but eventually had run short of money. At some place in our conversation he volunteered the information that because he was a modest man he had failed to mention that he had been among the top 250 students in the student body of some 2,000. I asked this question concerning education because I wanted to know what sort of man of letters was writing about us here.

We are, in fact, because we come from all over the country, an unusual assortment of Americans. Therefore, I think it takes a very unusual American, with a very keenly and broadly turned intellect, to have sufficient reason fairly to evaluate us in our work. It goes without saying that many men have been very successful who did not possess a college degree. But I am not discussing merely any man; I am talking about a fellow who has been selected by his employer, Time magazine, as being qualified to second-guess and interpret the conduct of 96 United States Senators. I would have thought that the Senate agent of Time magazine would have been a graduate of some college or university. I would have thought that he would have had sufficient curiosity and interest to have been a graduate of some college or university, or would have made up his mind to graduate from some leading American school of journalism.

Because McNaughton and I are about the same age, I know how things were in the middle 1920's. I was a product of that glorious age myself. Times were very good, jobs were very plentiful, and almost everybody who really wanted to work for and get a college degree could get it. At least that was true in the 1920's. I never knew a man who could not get a degree if he had the determination to get it. I knew if he did not get it in the 1920's, when he made a little money and got settled down in life, he would go back and get it in order to attempt to keep pace with progress, difficult though it might be to go back to get his degree. I have known many very intelligent people of that generation who failed to obtain positions they wanted because they had not gone to the trouble of staying with their universities until they were graduated. Anyway, McNaughton volunteered that he belonged in the upper 10 percent.

McNaughton presently lives at 7202 Hilton Avenue, Takoma Park, Md. He purchased the home in which he now lives about a year ago. Since coming to Washington in 1936 McNaughton has lived continuously in Montgomery or Prince Georges County, with the exception of a brief period during which he occupied a rented room in the District of Columbia.

Though Mr. McNaughton has lived for about 15 years in the free State of Maryland, he is an unimportant citizen of that State, and of the Nation, too, because he has never bothered to register as a voter. This means that his city, his county, his State, and his Nation, must be the concern of others, who are responsible, because McNaughton has no intention of assuming any real responsibility for what goes on. His answer was, as we might have expected, that he felt he could only work objectively by having nothing to do with things political. Some Senators may be satisfied with that excuse, but the junior Senator from Washington will never be. Whatever else his answers may show him to be, he is a second-rate prewar and postwar citizen, and ought to be known as such. McNaughton voted for Herbert Hoover in 1928, and for Franklin Roosevelt in 1932. He thought he might have voted for Mr. Roosevelt in 1936, but he could not remember. This is what he actually told me, incredible as his answer, and its uncertainty, may be to my colleagues.

Mr. McNaughton came to Washington with the United Press and went to work for Time magazine, he said, sometime in the early part of 1941. He had trouble in remembering dates so I did not press him. He impressed upon me that he was the oldest and most influential Time man now employed in the Nation's Capital. I wanted to know if McNaughton had been employed continuously by Time magazine since he was first hired in 1941. His answer was, "Yes." I was driving at something, and when I was about half way through he said, "Senator, I see what you are driving at."

I said, "That is perfectly fine with me, because what I am trying to do is to nail something down, and when it is nailed down I shall seek to offer it in bold relief to my colleagues in the United States Senate, who are thoughtful men."

I wanted to know if McNaughton's assignment for Time magazine during the years 1941 through 1945 was here in Washington, D. C., or elsewhere. Many Senators were not Members of this body during those years, and we are getting more interested as to who was here, and why. It was during that period that the word "expendable" began to have a real meaning for the American people. It was during that period that many an "expendable" gave everything he had, without asking quarter or favor from any man. These "expendables" caused a Nation called America to pray and work harder, and to be grateful. McNaughton's answer was that he never left Washington during the entire period of the war. He was born in 1906.

I thought it proper to ask McNaughton, because we are of about the same age, whether he had been registered for the draft. His answer was, "Yes." I asked him what his classification was, and he said it was I–A. I suggested that it must have turned out to be something else, because I had not known that he had served his country in any military capacity. He said that he had failed to pass the physical examination, and was probably classified as II–A or III–A. He fumbled around in his pocket for a card to clarify the point, but he could not find it. I suggested that many a man with good cause had become a IV–F, and that he should not be embarrassed if that was what he was. He said he was physically impotent—I think I used the word "impotent"—for military service because of some stomach ulcers, which had resulted from trying to keep pace with the activities of the Congress and the executive branch of the Government. I am only telling the Senate what the fellow told me. Senators may well imagine, as this conversation dragged on, my sympathy for this ulcer-burdened young American who could neither vote nor fight, even in a noncombatant role.

I next inquired of McNaughton if he had ever been employed by Time magazine or any other news medium as a foreign war correspondent, and, if he had been, where did that service take him,

and for what periods of time. The answer was that he had never served in any foreign war correspondent capacity. This was to say that McNaughton, who writes about life and trouble, bloodshed and fear, and hysteria, does so vicariously because he has neither lived broadly nor ever heard a shot fired in anger. He has undoubtedly encouraged other men to die, but he has never stood on the sidelines and watched them die. He writes about the American Legion and other veterans' associations, but he is not even qualified to enter that kind of organization which are open to millions of Americans who belong to McNaughton's age and generation.

I asked McNaughton how many times he had been abroad, which countries he had visited, what was the purpose of his visits, and how long he had remained on these assignments.

Mr. President, if you forget everything else, remember this: The answer was that he had been in China, Japan, and the Pacific Islands. The year of these visits was 1946. This was at a time when peace, troubled though it may be, had been restored to the world. My colleagues all know that. There was nothing going on to frighten anyone when McNaughton traveled to the South Pacific in 1946.

Because I could not quite believe that McNaughton had been fair to himself in his previous answer, I asked him directly when he had last visited Europe. His answer was that he has never visited Europe. The chief correspondent for Time magazine in the Senate of the United States since 1941, when we have taken a calculated risk of actually bankrupting our great Nation, the man who writes about what we should and should not do, the man who has said innumerable times of those who raise questions, "The Senator from Nebraska is a reactionary," or perhaps "the Senator from Indiana"—who has been abroad—"is an isolationist"; the man who has judged us, up to this moment, has only traveled indifferently and has never fought for his life. If he is a man of letters, it has escaped me, because there is a great difference between being properly educated and being clever and facile with words. He does not vote. He has never seen that about which he so glibly writes. Oh, my. This answer by McNaughton absolutely bewildered, baffled, and practically floored me. How can any man with more than a million and a half readers talk intelligently about what the Congress ought to do for the European when that man has never been to Europe? I will tell the Senate what he can do. I again considered his grievance against the junior Senator from Washington because he, along with some other Senators, did not do very well in voting on the displaced-persons bill, and I found that of the eight expendables, as characterized by Time magazine, seven had voted to return the bill to the committee, the only exception being, for the reason I stated, the senior Senator from Idaho [Mr. TAYLOR] who, in the opinion of such people as McNaughton, is fair game under any circumstances. Yet McNaughton, who has never been to Europe, can advise the American people as to which Senators should be retired to private life because they did not vote as he wanted them to vote.

On this occasion I really wish I had words in which I could tell a story that would upset the country, that would provoke the country, that would arouse the country so that it would say to Time magazine and any other publications guilty of the same premeditated acts of maliciousness, "You had better start telling the truth and restore yourself to the age-old practice of a good newspaper, the proud and important fourth-estate, which is to give the people the facts and let them make up their minds."

In a few short weeks the Senate will debate what we ought to do next year for Europe through the ECA. Is that not right? Frank McNaughton, a most provincial individual, will write about it. I seek to do him no injury, actually I do not, but I think he is grievously miscast for the job he has, and I say so openly. But what a difference between being a Member of the United States Senate, and being a part of a masthead on page 17. I doubt very much whether Mr. Matthews, the editor, could find anyone mentioned in that masthead if he wanted to get him in a hurry. Frank McNaughton, probably the most provincial and uninformed man in either the gallery which is just above my head or on the floor of the Senate, will be read by millions of Americans and Europeans who are looking for advice and counsel and information. Now that I know, Mr. President, that Frank McNaughton is less qualified than anybody I know of to pass judgment on what the Senate does or does not do with reference to Europe I simply cannot bring myself to believe that Henry Luce, the editor in chief, and Mr. Matthews, the editor, would permit such a fraud and—I call it that advisedly—to be perpetrated on an innocent public both at home and abroad. McNaughton feels that he knows all there is to be known about the character of the legislation the Senate should pass in the name of displaced persons and yet Frank McNaughton would not recognize a displaced person if he saw one. He has never been where they congregated in camps.

O, Mr. President, I fear for the future of our great Nation if it is forced to rely on the witticisms and the catchy phrases and the evaluations of one who like Frank McNaughton has nothing but an ulcerous, clever, untravelled pen from which to form his judgments.

My long story, Mr. President, has just about come to an end. I was more than half sick before McNaughton left my office because I had been in the presence of an important man, by virtue of the magazine behind which he hides, who was totally unimportant in himself. If ever I sat with a human being who was smug, arrogant, self-centered, vain, and frustrated, that man bore the name of McNaughton. The word "frustrated" is important to me. The man must wish he had been able to keep up with his generation when it went out to do or die. He did not have what it took, and it has been gnawing in what the Navy would call his belly ever since.

During our conversation I lost the rich anger and indignation which had possessed me for several weeks. I lost even what had been my desire to laugh in the face of this pigmy. I did not even want to bat him around physically because that would have been like punching a bag of mush. I merely requested that he get out of my office and encouraged him to write what he would about anybody or anything in the future because in having gotten to know him really it would thereafter be impossible for me to be interested in anything he said.

After he went away I wrote him a letter. I let it stay on my desk for some days before I sent it. I have never previously said to any man that he was unpossessed of courage, either moral or physical. I never expected to say it to anybody and not find him try to take exception to it. But in this instance I, of course, knew my subject. It was not a letter I wanted to write but it was a letter I could not prevent myself from writing. I wanted to close the door forever on that sort of a critic who was neither a man nor a person who had a right to criticize others who had undertaken and are presently grappling with assignments which he has either avoided or with which he has had no contact. Let me read the letter:

MARCH 31, 1950.

Mr. FRANK MCNAUGHTON,
Time Magazine, Washington, D. C.

DEAR MCNAUGHTON: Since your visit of yesterday I have tried my best to figure out what sort of a man you really are. It seems to me that your protestations of personal friendship for me simply can't be reconciled with the attitude of mind from which you write. If you have a sense of fair play I am unable to understand it and if you possess any courage, either moral or physical, it was not in evidence yesterday. Perhaps this evaluation of your character is unfair, but I presently believe it to be a fact. For reasons of my own I never waste time on anyone I can't respect and I feel this way about you. I shall never again raise any question about your criticisms because in reading them I shall be mindful of your background. I do hope that Time will provide you with a byline, for this will encourage you to be accountable to your readers and will encourage you to stand on your own feet.

Most sincerely,

HARRY P. CAIN.

Emerson once wrote this:

Don't say things.
What you are stands over you the while,
And thunders so that I cannot hear what you say to the contrary.
A lady of my acquaintance said,
"I don't care so much for what they say
As I do for what makes them say it."

There are but three requests I would offer to Henry Luce, the editor in chief, and to Mr. Matthews, and I am totally uninterested in whatever action they think it fit to take.

The first is that the United States Senate and every one of its 96 Members, be they of the right or left or in between or regardless of their party affiliations, is deserving of the best and most constructive criticism Time magazine has to offer. Time magazine insults the intelligence of America and of Europe and is not entitled to accept currency convertibility guaranties from the Congress of the United States when Time magazine—I did not do this; no other Senator

did it—when Time magazine appoints as its chief representative any individual who cannot or will not fight, travel, vote, or be fair. The agent Time magazine has today was a IV–F in war and stands out as a IV–F in peace, representing Time magazine with its 1,600,000-odd subscribers. Until I analyze McNaughton's draft exemption causes, I shall assume he had some right to a IV–F category in war; I shall never agree that an able-bodied individual can justify being a IV–F in peace. There is no excuse for that.

All I ask is that Time magazine send to the periodical gallery of the United States Senate a real man to pass judgment on the real and responsible men who transact the Nation's business here below.

My second request is that Time magazine never again use the word "expendable" when and where it has been either written or recommended by an agent of Time magazine who does not know and can never grow to know what that word "expendable" stands for and means. That word was understood, and the Presiding Officer, the Senator from Illinois [Mr. DOUGLAS] certainly is among the foremost to understand it, by those who died and were mutilated in mind and body between the years of 1941 and the end of the war in 1945. I have never heard the junior Senator from Illinois quarrel over his lot in the recent war, but that he suffers physically and perhaps continually as a result of that service is self-evident. He alone never makes mention of the fact. The word "expendable" means much to those of us who fought and were so lucky as to live.

It is a treasured word to every self-respecting man and woman who did, in their limited way, everything they could do for this Nation when disaster threatened on every hand. We shall not, if we can prevent it, permit either a shallow magazine or a shallow management or a shallow staff writer to distort a word which brings to mind strong men and women who died and slaved in order that the United States might remain strong and free.

The word "expendable," Mr. President, reminds me of those among whom I was so deeply privileged to serve during wartime. They were known as the Airborne Infantry and they got where they wanted and had to go by jumping out of aircraft by parachute or by going off to a mission in their motorless aircraft called gliders. I, myself, Mr. President, was a very ordinary sort of soldier—make no mistake about that—and I make no claim of having ranked high among the many, many real heroes of the last war. I was only one of millions who did the best they knew how. But having a chance to live among men and women whose hearts were strong provided me with a memory and with encouragement I shall never forget or disregard. Air-borne troops, Mr. President, had a great creed. By it they most willingly, and happily sometimes, lived or died. It went like this: "If it be life that waits then I shall live forever unconquered. If it be death then I shall die at last strong in my pride and free."

There is no IV–F in peacetime in the world or anyone who has never had a close association with life and death, who has any right to use a word which, if used by the wrong people, defames the memory of those who died in order that that word "expendable" might be used in an honorable sense in the name of free people.

As Buzzy Cain and his father learned from Webster's New Collegiate Dictionary, expendable men were left in the path of the enemy and sacrificed, according to plan, in order to gain time. There are those of us in both Houses of Congress, Mr. President, who though we may be wrong, are convinced that what we stand for is right. We fight with everything we have against proposals of the administration or of Time magazine, if you please, which we conceive to be in opposition to the preservation of freedom and stimulation of additional opportunities for every American. We shall continue to fight for what we think is right to the end of our time—today, tomorrow, 6 years from now or 25 years from now, it makes no difference. In this sense, Mr. President, I am but one of a group of others who will gladly run the risk of being an "expendable," for we seek to provide our Nation with time as a hedge against rushing headlong to the left as the rest of the world has done with such resulting evil and loss of human dignity and strength for a large part of mankind.

In hope that those of my colleagues who have not read it will read it all, I want the RECORD to carry the opening paragraphs of that book about real men, They Were Expendable. Any real soldier, be he clothed in civilian or military dress—and I think there are a great many good civilian soldiers in the Congress—is always ready to be expendable. I read now from that book:

"You don't understand," said the young naval officer, "we were expendable." He was very earnest as he lolled on the bunk in the officers' quarters of the torpedo station at Newport, along with the other three officers who had also just got out of the Philippines.

I admitted I didn't understand.

"Well, it's like this."

We can almost see him now. He was about 21 years of age. That is the kind of person those men were.

I read further:

"Suppose you're a sergeant machine-gunner, and your army is retreating and the enemy advancing. The captain takes you to a machine gun covering the road. 'You're to stay here and hold this position,' he tells you. 'For how long?' you ask. 'Never mind,' he answers; 'just hold it.' Then you know you're expendable. In a war, anything can be expendable—money or gasoline or equipment or most usually men. They are expending you and that machine gun to get time. They don't expect to see either one again. They expect you to stay there and spray that road with steel until you're killed or captured, holding up the enemy for a few minutes or even a precious quarter of an hour.

"You know the situation—that those few minutes gained are worth the life of a man to your army. So you don't mind it until you come back here where people waste hours and days and sometimes weeks, when you've seen your friends give their lives to save minutes."

RECESS

Mr. McFARLAND. Mr. President, I move that the Senate stand in recess until noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 27 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 11, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 10 (legislative day of March 29), 1950:

COLLECTOR OF CUSTOMS

Nan Wood Honeyman, of Portland, Oreg., to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg. (Reappointment.)

IN THE ARMY

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be brigadier generals

Col. John Max Lentz, O10343, United States Army.

Col. Riley Finley Ennis, O11854, United States Army.

Col. Emerson Leroy Cummings, O15500, United States Army.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of the act of June 10, 1949 (Public Law 96, 81st Cong.):

To be colonel

Frederick A. Ward, O7566.

To be lieutenant colonels

Bienvenido M. Alba, O16939.
Santiago G. Guevara, O15334.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), and Public Law 625, Eightieth Congress, subject to physical qualification:

To be first lieutenant

William P. Goodman, JAGC, O1063003.

To be second lieutenants

Dorothy M. Brown, WAC, L1010075.
Lola M. Irelan, WAC, L1010091.
Elsie J. Metcalf, WAC, L1010099.
Lois C. Putman, WAC, L1010104.
Mary L. Truslow, WAC, L1010113.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Robert H. Banks.
Eugene C. Barbero, O408601.
Leland E. Beyersdorff, O540156.
Robert J. Bouchard, O945649.
Murray N. Bullard, O970481.
Terry T. Feild, O453560.
Harold P. Fields, O967915.
Charles V. Follett, Jr., O1341654.
Herbert O. Graeser, O1333963.
John A. Hughes, Jr., O449092.
John J. Knight, O973364.
Charles W. Luke, O769626.
Robert B. McIntosh, Jr., O540770.
James M. Minter.

Lee B. Moore, O967766.
Lloyd H. Newcomer, Jr., O541981.
Jehiel Novick, O466865.
Willard T. Pflueger, O545594.
Tom H. Reynolds.
Carl F. Roark, O1080478.
Henry S. Rubenstein, O958239.
Lawrence L. Savage, Jr., O959720.
Donald E. Smith, O1059290.
Gerald C. Stinson, O1019020.
Ransom D. Stone, O974414.

The following-named distinguished military graduate for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

O'Neill Barrett, Jr.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Thomas E. Duffy, O971865.
Wayne B. Fagg.
John L. Fletcher.
Gerald G. Hennis.
Richard G. Hicks, O972238.
James H. Hosey.
Charles T. Hutzler, O968488.
William J. Lockhart.
Richard S. Miller, O957041.
Alvin A. Poag, Jr., O974881.
William T. Purdy, O968659.
Hillard J. Trubitt.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1950, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

David D. Adams.
Garner V. Allen.
John E. Anderson.
Samuel J. Armeni, O967278.
Ned R. Ash, O980893.
Robert W. Ashbee.
Allan C. Ashcraft.
Doyle R. Avant, Jr.
Benjamin F. Bateman, O973355.
John R. Berger.
Willy F. Bohlmann, Jr.
Charles S. Brantley, O967707.
Haynes Brinkley, Jr.
George S. Brown.
William R. Brown, O978812.
Howard D. Burtchett, O977642.
Charles C. Bush III.
Elwood L. Carlson.
Richard A. Clarke.
James P. Coffin.
Robert E. Crosser.
William F. Donnelly.
John J. Douglas.
Theodore H. Emmerich, Jr., O972378.
Robert A. Flake.
Herbert L. Frandsen.
Columbus B. Fulton.
Oved Gonzales.
Francois D. Gravois, Jr., O954451.
James C. Griffith.
Melvin G. Gross.
Frank M. Gunby, Jr.
Julian C. Hammond.
Frank W. Harrison.
Robert M. Huckins.
Eugene M. Huff.
Roger W. Jepsen.
David E. Kettlewell, O967997.
Constantine W. Koines.
David J. Kreager, Jr.
Laurence D. Krentzlin.
Elvin R. Kromer, Jr.
Osborne Lawes, O971644.
George S. Lokken.
Orville W. Love.
John M. Mays, O971233.
Norman W. McNabb.
Richard S. Medding.
James C. Morris.
Paul Morris.
William C. Myre.
William E. Nichols.
Billy L. Odneal.
Macyl K. Orman.
Max F. Pachl, Jr.
Patrick E. Parkes.
William G. Phelan.
John M. Pickarts.
James M. Pierce.
Roy E. Platt, Jr.
Joseph H. Powell.
Jip M. Pruden II, O960168.
Anthony L. Pullano.
Ernest A. Rajala, O978327.
John R. Randolph.
Neil A. Reilly.
Robert B. Rigler.
Robert A. Roseberry.
Roy W. Roth.
Joseph T. Ryan.
Erle O. Sandlin, Jr., O975733.
Walter J. Sinclair.
Stanley W. Smith, O978505.
Clayton O. Spann.
Wayne M. Stevens.
Reginald N. Timberlake.
Gramount D. Twitty.
Joseph Veltri.
Walter D. Welti.
Edward J. Yost.

The following-named distinguished military students for appointment as second lieutenant in the Medical Service Corps, Regular Army of the United States, effective June 15, 1950, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Donald E. Haskins.
John E. Scanlon, O955930.

IN THE COAST GUARD

The following two officers of the United States Coast Guard for promotion to the permanent grade of rear admiral:

Raymond J. Mauerman
Alfred C. Richmond.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 10 (legislative day of March 29), 1950:

NATIONAL SECURITY RESOURCES BOARD

W. Stuart Symington, of Missouri, to be Chairman of the National Security Resources Board.

DEPARTMENT OF THE ARMY

Frank Pace, Jr., of Arkansas, to be Secretary of the Army.

IN THE ARMY

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

Maj. Gen. Walter Duncan Love, O11506, Dental Corps, United States Army, for appointment as assistant to the Surgeon General, United States Army.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

To be major generals

Brig. Gen. Arthur Raymond Gaines, O6261.
Brig. Gen. Leonard Dudley Heaton, O16960.

To be brigadier generals

Col. Maxwell Gordon Keeler, O6620.
Col. James Patrick Cooney, O17338.

APPOINTMENTS, BY TRANSFER, IN THE JUDGE ADVOCATE GENERAL'S CORPS, REGULAR ARMY OF THE UNITED STATES

Maj. Richard Walsh Fitch, Jr., O52064.
Maj. Anthony Jackson Race, O52163.

PROMOTION IN THE REGULAR ARMY OF THE UNITED STATES

(Those officers whose names are preceded by the symbol (×) have been examined for physical fitness and found physically qualified for promotion. All others are subject to physical examination required by law.)

To be majors

×Charles Edwards Branson, O30805.
×Wilson Harold Kayko, O38841.
×Aaron Peter Ross, O51794.
×Allen Templeton Samuel, Jr., O40049.
Hilwert Schuyler Streeter, O20300.
×William Barret Sullivan, O20352.

To be majors, Veterinary Corps

×Charles Wilbur Gollehon, O30918.
×David Samuel Hasson, O22884.
×Herbert Franklin Sibert, O30922.

To be majors, Medical Service Corps

×Louis Emery Mudgett, O31069.
×Barj Aaron Rustigian, O31068.

To be captains, Medical Service Corps

Theodore Edwin Blakeslee, O56970.
×Douglas Charles Chitwood, O56248.
×Paul Ambrose DuMond, O37607.
James Lee Fink, O37604.
×Edward James Hanna, O37610.
×Dan George Kadrovach, O37613.
×Edward James Keating, O37611.
×John Eugene Mathis, O56251.
×Clarence Horace Piercy, Jr., O37603.
×Joseph Peter Salvo, O56246.
×Charles Robert Smith, O37608.
×John Franklin Waters 2d, O37605.
×Norman Ernest Wood, Jr., O37596.
×John Henry Wrigley, O41161.

To be lieutenant colonels, Chaplains

×Robert Joseph Hearn, O51131.
×Charles Wesley Lovin, O51132.
×Robert Leland Schock, O22757.

To be major, Chaplains

×Wilbur Kenneth Anderson, O43126.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of sections 502 and 508 of the Officer Personnel Act of 1947. All officers are subject to physical examination required by law.

To be first lieutenants

Bernard William Abrams, O50736.
Joseph John Addison, O50704.
Richard Herman Allen, O50603.
Merlin Willard Anderson, O50584.
Robert Jacob Baer, O50684.
Harry Polk Ball, O50672.
Hugh James Bartley, O50621.
Calvin Leland Bass, O50761.
Roger Redmond Bate, O50583.
Earle LeRoy Bathurst, Jr., O50776.
Arthur Andrew Becker, O50591.
Thomas Edward Benson, O50691.
Ralph Harold Beuhler, O50729.
Theodore Chester Bielicki, O50625.
Shelton Brant Biles, Jr., O50598.
George Earl Bland, O50821.
Junius Jay Bleiman, O50581.
Frank Coulter Boerger, O50579.
Philip Thomas Boerger, O50618.
Otis Evan Brannon, Jr., O50783.
William Donald Brown, O50828.
Jean Prosper Burner, O50722.
Donovan Finley Burton, O50622.
James Lee Bushnell, O50697.
Paul Charles Callan, O50833.
William Albert Carpenter, Jr., O50813.
Jerome Boris Christine, O50597.
Willis Howell Clark, O50686.
William Fortune Coghill, O50753.
Robert Bernard Coleman, O50852.
William Edmond Conger, Jr., O50858.

William Lamble Cooper, O508[illegible].
James Christopher Cosgrove, O50763.
William Bernard Cronin, O50787.
Stanley Warfield Crosby, Jr., O50845.
John Edward Culin, O50654.
Paul J. Curry, O50629.
Robert Thornton Curtis, O50834.
Glenn Woodward Davis, O50873.
Bernard Figueredo de Gil, Jr., O50794.
John Delistraty, O50706.
Donald Marvin Dexter, Jr., O50834.
Robert Francis Draper, O50857.
Jack Van Dunham, O50668.
Richard Earl Dunlap, O50719.
Gordon James Duquemin, O50784.
James Eugene Edington, O50734.
James Betts Egger, O50595.
Henry Everett Emerson, O50868.
Robert Bruce Fahs, O50824.
John Carter Faith, O50590.
Thomas Long Flattery, O50811.
Stuart Gregory Force, O50769.
James Franklin Fraser, O50589.
Herschel Everett Fuson, O50718.
John Griffin Gaddie, O50710.
Bernard Jay Gardner, O50679.
Robert Miller Garvin, O50712.
Albert John Geraci, O50786.
John Love Gerrity, O50648.
David Welty Gibson, O50830.
Warren Robert Gossett, O50676.
William Douglas Grant, O50716.
Bernard Michael Greenberg, O50602.
Edwin Borchard Green, O50623.
Harold Walter Grossman, O50677.
Alexander Meigs Haig, Jr., O50790.
Raymond Richard Hails, Jr., O50641.
Robert Haldane, O50742.
Milton Leland Haskin, O50637.
Kenneth Martin Hatch, O50640.
Wayne Otis Hauck, Jr., O50807.
George LeRoy Haugen, O50643.
Thomas Francis Hayes, O50800.
Rolland Valentine Heiser, O50738.
George Duane Heisser, O50805.
William Sylvester Henry, Jr., O50814.
Dandridge Featherston Hering, O50696.
Henry William Hill, O50755.
Bennet Norman Hollander, O50693.
John Elwood Hoover, O50620.
Richard Motley Hutchinson, Jr., O50822.
Julius Frederick Ickler, O50667.
Carroll Christian Jacobson, Jr., O50612.
Leon Joseph Jacques, Jr., O50861.
James Allen Johnson, O50638.
Wilber Glenn Jones, Jr., O50863.
Peter Karter, O50592.
James Byron Kennedy, O50607.
Robert James Kennedy, O50610.
Graham Gunther Kent, O50859.
Robert Adair King, O50797.
Willis Hickam Knipe, O50829.
Robert Joshua Koch, O50874.
Donald Warren Krause, O50872.
Robert Peter Lane, O50705.
Wells Brendel Lange, O50767.
John William Lauterbach, Jr., O50727.
Melvin Vernon LeBlanc, O50690.
Alexander Lemberes, O50754.
George Levenback, O50689.
Selby Francis Little, Jr., O50860.
Richard Alan Littlestone, O50653.
Walter Patrick Lukens, O50801.
George Anthony Lynn, O50593.
Richard Freeman McAdoo, O50809.
Robert Ewing McCord, O50803.
John Warwick McCullough, Jr., O50867.
Oliver Louis McDougell, O50812.
William Gabriel McGee, O50855.
Robert James McNeil, O50756.
Henry Tomlinson MacGill, O50808.
Arnold William Mahlum, O50751.
Robert Anthony Mahowald, O50796.
LeRoy Emil Majeske, O50733.
Charles Stuart Todd Mallett, O50819.
George Aloysius Maloney, O50862.
Martin Michael Maloney, O50758.
John Wayne Mastin, O50582.
James Philip Mattern, O50713.
Harrison Franklyn Meadows 3d, O50839.
John More Miller, O50692.
Robert Miller Montague, Jr., O50578.
Charles Augustus Munford, Jr., O50838.
John DuBois Naill, Jr., O50818.
William Wallace Nairn 3d, O50720.
Wallace Eugene Nickel, O50695.
Robert Lynn Ozier, O50763.
Henry Cantzon Paul, O50725.
John Guilford Paules, O50681.
Robert DeWayne Peckham, O50740.
Tom Judson Perkins, O50781.
Milum Davis Perry, Jr., O50594.
Louis Rachmeler, O50666.
John Richard Rantz, O50826.
Kermit Dean Reel, O50682.
John Brooks Reese, O50596.
Hal Clyde Richardson, Jr., O50662.
James Russell Robinson, Jr., O50588.
Thomas Edmund Rogers, O50785.
Melvin Alfred Rosen, O50580.
Norman Robert Rosen, O50600.
Carl Kamp Russell, O50777.
Norman Junior Salisbury, O50802.
Howard Leroy Sargent, Jr., O50586.
Donald Verner Schnepf, O50698.
William Jackson Schuder, O50611.
Richard Henry Sforzini, O50624.
Robert Warren Short, O50871.
James Emerson Smith, Jr., O50798.
William Smith, O50717.
Ira Warren Snyder, Jr., O50759.
Theodore Solomon Spiker, O50774.
Sam David Starobin, O50601.
Richard Joseph Steinborn, O50616.
Donald Harry Steininger, O50599.
Marvin Henry Stock, O50633.
Gordon Malin Strong, O50835.
John Joseph Sullivan, O50627.
William Michael Sullivan, O50750.
James Bernard Tatum, O50846.
Harold Stan Tavzel, O50780.
Frank Leonard Taylor, O50730.
Jack Mathew Thompson, O50608.
Gerald Ross Toomer, O50707.
Albert Archer Van Petten, O50674.
Wallace Francis Veaudry, O50820.
William Loyd Webb, Jr., O50652.
Carlton Juan Wellborn, Jr., O50665.
William Irvine West, O50732.
Meade David Wildrick, Jr., O50827.
VanCourt Wilkins, O56768.
Joseph John Williams, O50810.
William Dawes Williams, Jr., O50877.

The following-named officers for promotion in the Regular Army of the United States under the provisions of section 107 of the Army-Navy Nurses Act of 1947. All officers are subject to physical examination required by law.

To be captains, Army Nurse Corps

Anna Marie Bisignano, N763.
Mary Jean Carsey, N1429.
Dorothy Ellen Crist, N935.
Irene Irma Desrosiers, N1593.
Mary Norma Donato, N767.
Maxine Helen Fell, N1425.
Barbara Mae Hogan, N1433.
Johanna Helen Jakubaitis, N1431.
Nancy Crary Kermott, N1685.
Carolyn Bergeron Rahm, N1684.
Lucile Standley, N1679.
Sylvia Mildred Stivlen, N1432.

To be first lieutenants, Army Nurse Corps

Margaret Burk Beavers, N1629.
Therese Evelyn Daley, N1527.
Alma Elizabeth Guinn, N1628.
Zita Josephine Ierino, N1190.
Pearl Idell Jank, N1631.
Ruth Margaret Leahy, N1528.
Roberta Whitehouse Smith, N1526.

To be captains, Women's Medical Specialist Corps

Marcel Binning, M10011.
Betty Jane Snyder, M10085.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES, IN THE GRADES AND CORPS SPECIFIED, UNDER THE PROVISIONS OF SECTION 506 OF THE OFFICER PERSONNEL ACT OF 1947 (PUBLIC LAW 381, 80TH CONG.), AND TITLE II OF THE ACT OF AUGUST 5, 1947 (PUBLIC LAW 365, 80TH CONG.), SUBJECT TO PHYSICAL QUALIFICATION

To be majors

John Y. Battenfield, MC, O356872.
Joseph A. DeBlase, MC, O368572.
Thomas F. McKellar, MC, O367396.
John L. Mothershead, MC, O355922.
John B. Plum, MC, O341182.

To be captains

Robert C. Aliff, MC.
Donald T. Book, MC, O435439.
Eston R. Caldwell, MC, O1736369.
Americo J. Castagno, MC, O1706176.
Stanley J. Galuszewski, DC, O1765915.
Franklin F. Hulswit, DC, O963001.
Charles W. Kraul, MC, O1726114.
Ivan W. Kuhl, MC, O1716792.
Herbert L. Ley, Jr., MC, O1746828.

To be first lieutenants

Benjamin K. Ammenwerth, DC, O975823.
Walter E. Benson, DC, O945588.
Thomas W. Brenhm, DC, O965560.
Robert F. Campion, DC, O966001.
Merida W. Castleberry, VC, O929807.
Donald E. Clark, MC, O958517.
John Clarkson, DC, O976549.
Stanley S. Cohen, DC, O833896.
Walter T. Colbert, MC.
Joseph M. Damron, MC, O954957.
James B. Earle, JAGC, O1290920.
John E. Egdahl, MC, O960464.
Rawls H. Frazier, JAGC, O981502.
Robert F. Grabb, JAGC, O559841.
Lawrence P. Hansen, JAGC, O1105493.
Frederick L. Harcourt, MC, O936123.
Edward W. Haughney, JAGC, O117773.
Joseph A. Hill, JAGC, O1049888.
Thomas H. Hooten, JAGC, O557369.
Niklaus J. A. Keller, MC, O958511.
Joseph A. Latteri, MC, O958570.
Jack P. Lawler, JAGC, O981789.
Harold E. May, MC, O977690.
Leonard W. Melander, Jr., MC, O963435.
Richard F. Seibert, JAGC, O524168.
Paul H. Schroy, JAGC, O982824.
Francis H. Vonnahmen, DC, O959939.
Wendell J. White, MC, O958931.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Remer Y. Brinson.
Andre M. Kahn, O978631.
Vaughn L. Maxwell, Jr.
Thomas A. Murphy.
Neil H. Triner, O958005.

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Josiah C. Campbell, Jr.
William B. Fesperman.
Conrad L. Hall.
James G. Hickerson.
George E. Peters, Jr.
Robert L. Peters, O975328.
John S. Quarles.
Richard H. Sawyer.

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1950, in the grade of second lieutenant, under the provisions of the Officer Personnel Act of

1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Samuel F. Burt.
Robert J. Douglas.
William W. Gilleland.
Frederick H. Griswold, O972718.
Hugh M. Hardaway.
William B. Neal.
William D. Walker.
Joe D. White, O968238.

APPOINTMENTS AS SECOND LIEUTENANT IN THE CORPS SPECIFIED, REGULAR ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF PUBLIC LAW 36, EIGHTIETH CONGRESS, SUBJECT TO PHYSICAL QUALIFICATION

Jannette M. Andrews, ANC, N774610.
Anne Currier, ANC, N804245.
Eleanor R. Gallagher, ANC, N792156.
Shirley M. Gilson, ANC, N754995.
Gladys F. Hall, ANC, N768831.
Aloha B. Hammerly, ANC, N783896.
Eva M. Hathcock, WMSC, M2523.
Bernice LaRocque, ANC, N792907.
Martha E. Mayfield, ANC, N764689.
Lois J. Moore, ANC, N792741.
Irene R. Z. Pishak, ANC, N796677.
Margaret L. Rau, ANC, N792327.
Dorothy J. Rocovich, ANC, N792865
Minerva A. Senn, ANC, N794796.
Elizabeth W. Smith, ANC, N792867.
Margaret Z. Smith, ANC, N792835.
Ouida Weimer, WMSC, R2523.
Lenora B. Weirick, ANC, N776692.
Helen L. Wick, ANC, N778794.

IN THE NAVY

Vice Adm. Oscar C. Badger, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as commander Eastern Sea Frontier.

Vice Adm. Harry W. Hill, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Superintendent, United States Naval Academy.

Admiral Richard L. Conolly, United States Navy, to have the grade, rank, pay, and allowances of an admiral while serving as commander in chief, United States Naval Forces, Eastern Atlantic and Mediterranean.

Capt. Harold W. Johnson, Civil Engineer Corps, United States Navy, for permanent appointment to the grade of rear admiral in the Civil Engineer Corps of the Navy.

Capt. George R. Cooper, United States Navy, for temporary appointment to the grade of rear admiral in the Navy.

The following-named officers of the Navy and Naval Reserve on active duty, for temporary appointment to the grade of commander, subject to qualification therefor as provided by law:

FOR TEMPORARY APPOINTMENT IN THE NAVY

Carlton F. Alm
Fred G. Archbold, Jr.
Theodore J. Banvard
Walter G. Barnes, Jr.
Langford W. Bates
Edward H. Bayers
Edward W. Bergstrom
Thomas E. Blade
Clarence A. Blouin
David Bolton
William G. Boyer
Wilfred K. Bradbury
Howard H. Brandenburg
James A. Brough
Herbert S. Brown, Jr.
Robert B. Buchan
Howard U. Bush
Congrave C. Callaway
Lucius D. Campbell
Felix Caracciolo
David C. Carmichael
William E. Chase
Carlton H. Clark
Samuel R. Clarke
Walter E. Clarke
Hilbert S. Cofield
Henry C. Colee, Jr.
Vernon J. Coley, Jr.
Charlie N. Conatser
Theodore R. Cooley
Donald C. Coy
Richard J. Craig
Robert E. Cummings
Robertson C. Dailey
James G. Daniels III
Jerry F. Daniels, Jr.
Homer K. Davidson
Leslie D. Davis
Edward T. Deacon
Robert L. Donley
Francis X. Driscoll
John F. Droz
John R. Ducat
Morris G. Duchin
Alexander B. Dusenbury
Gordon K. Ebbe
Willard E. Eder
Andrew M. Egeland
Albert M. Ellingson
Thomas B. Ellison
Clifton Evans, Jr.
John S. Eversole
John H. R. Fehler
Gordon E. Firebaugh
Hubert W. Fisher
Richard W. Fleck
Wilford E. Fleshman
Charles T. Foley
Richard B. Forward
Maynard M. Furney
Louis S. Gard
Charles A. Gearhart
Harold H. Gearinger
Lester E. Geer
Wilfred H. Genest
William Godwin
Frank G. Gooding, Jr.
Earle C. Gordon, Jr.
Frank D. Gorman
John H. Graves, Jr.
Frank O. Green
Francis J. Grisko
Richard D. Gruber
Joseph L. Hall
Robert M. J. Halman
Herbert E. Hanset
William T. Hardaker
William E. Hardy
Robert H. Hare
James C. Hargreaves
Edward F. Harschutz
Rolland Hastreiter
Rupert D. Hawley
Daniel W. Heagy
Harold N. Heisel
Stanley E. Herbst
Elof W. Hermanson
Dermott V. Hickey
Harlow Hines
Ronald W. Hoel
Charles C. Hoffman
Glen E. Hoffman
Melvin C. Hoffman
Edward T. Hogan
Guy Howard
Herbert B. Howard
David R. Howser
Richard C. Hunt
Thomas W. Hunt
Charles D. Huston
Walter E. Hutchens
Arthur L. Jacobsen
William Janeshek
Oliver P. Johnstone
Ira L. Jones
John C. Keatts, Jr.
Robert H. Keehn
LeRoy W. J. Keith
Joseph M. Kellam
Charles B. Kelly
John S. Kilner, Jr.
Willard D. King
Paul J. Knapp
Lincoln C. Koch
Nils R. Larson
Frank L. Lawlor
Forrest A. Lees
George S. Leonard
William R. Leonard, Jr.
Edward N. Little
Robert W. Lund
Norris L. McComb
Elbert S. McCuskey
Noel W. McDaniel
Edward L. McDonald
Henry G. McDonough
Paul W. McEntire
Craig McKee
Harold W. McKinney
Martin P. MacNair
Frank Malinasky
Theodore W. Marshall
Guilbert W. Martin
Ray P. Minniear
John D. Moroney
Phillip C. Morris
Marvin P. Morton, Jr.
Wilbur Y. Morton
Walter J. Murphy
William G. Neese
Robert U. Nolen
John E. Odell, Jr.
Herbert E. Ost
Gordon N. Owens
Ralph H. Packer
William B. Paulin
Douglas G. Phillips
Albert D. Pollock, Jr.
James A. Potter III
William O. Powell Jr.
Louis P. Pressler
Samuel L. Prickett, Jr.
Fred H. Rand
James T. Reed
Ira F. Reese
Charles E. Rice, Jr.
Carl W. Rinehart
Albert D. Robbins
Robert W. Robbins
John C. Roberts, Jr.
Harold A. Robinson
William H. Robison
Sydney G. Rubinow, Jr.
Richard S. Roberts
Dexter C. Rumsey II
Edward E. Sack
Robert L. Sage
William E. Scarborough
Herbert T. Schmidt
Irving J. Schuyler
Erwin G. Schwab
Leo R. Schwabe
Frank M. Screws
Norman V. Scurria
John G. Sheridan
Gordon A. Sherwood
Charles A. Shipman
Jerry R. Siefert
John K. Sloatman, Jr.
Charles C. Smith
Eugene C. Smith
Joseph G. Smith
Leonard B. Smith
Robert R. Snyder
David L. Soper
Henry E. Staley
John M. Stuart
William T. Sutherland
Robert J. Sutherlin
Winford A. Swenson
Robert Wagner
Charles A. Walruff
Joseph T. Watson, Jr.
John B. Wayne
Grayston H. Weber
Paul T. Weber
Robert W. Weber
James F. Wilbur, Jr.
Lawrence B. Williamson
Max D. Wiviott
Dick M. Wheat
Bacil C. Wheatley
William S. Woollen
Spencer D. Wright
Whitney Wright
William P. Tanner, Jr.
Harry B. Taylor
William N. Thies
Charles Timblin
Ralph A. Turner
Karl S. VanMeter
Raymond V. vanWolkenten
Jay B. Yakeley
Alan H. Yates

FOR TEMPORARY APPOINTMENT IN THE NAVAL RESERVE

Arthur B. Bennett
William M. Bliss
George H. Bond
Griswold L. Bouteiller
Frank T. Callahan
Fred A. Camp
Francis W. Councill
Richard T. Cowden
Philip Y. Craig
Richard Doughton, Jr.
Wayne F. Eckley
James R. Fogarty
Archie T. Ford
Robert E. Henderson
Arthur C. Hillner
Jesse G. Holland
Alfred F. Holzapfel
John C. Hunt
Louis J. Kulot
Richard Linthicum
Daniel J. Lynch
John B. Miller
Ralph H. McKee
Robert A. Noe
Kenneth J. Nordstrom
Alfred J. Quinby
Samuel R. Sanders, Jr.
George A. Schoene
Harry F. Snyder
Rinaldo V. Taborelli
William S. Taylor
Marvin L. Thaxton
Harry W. Thurston
John P. Vaughan
Elmer Walls
John G. Watterson

The following-named midshipmen (aviation) to be ensigns in the Navy, from the 2d day of June 1950:

John M. Aungst
William C. Bailey
Raymond H. Barker
Robert W. Barnard
Robert W. Barnhart
William R. Barrett
James W. Basham
Frederick C. Bereswill
William F. Bethmann
James E. Bigler
Dean T. Bowen
John R. Brinkley
William B. Browne
Billy M. Burt
Thomas J. Cabelus, Jr.
Michael Clarke
William L. Cleland
Denzel L. Crist
Robert M. Dagg
Richard S. Davidson
Frederick P. Davis
Michael A. DeCarlo
Melvin R. DeMond
Warren C. Dukes
Walter H. Eells, Jr.
William H. Ellis
Paul H. Engel
Robert S. Estes
Glenn T. Farnworth
Guthrie E. Farrar
Richard F. Fassula
Richard C. Fenner
Morris N. Finisy
Alden G. Finley
James I. Fiscus
William O. Fleming
Forrest Forsythe
Marion Furrow, Jr.
Roland M. Gerdes
Paul H. Gilbert
Albert H. Giles
Edmund E. Goodwin
Harvey W. Graf
Robert B. Habeck
Paul B. Hamilton
Corydon C. Hardy
John Harris
Stanley W. Henderson
Thomas "A" Henderson
Harry K. Herrmann
Allen E. Hill
Carl O. Hitchcock
George H. Holloman
William E. Holmes
William P. Ilgen, Jr.
Frederick T. Jamieson
Richard L. Johnson
John P. Jones
Richard Kaiser
Donald J. Keefe
Stephen B. Kiedrowski
Herbert W. Kiker, Jr.
Charles E. Knighten
Keith R. Knott
Fredrick D. Koehler
Bradley D. Kowalsky
David E. Leue
Wilson McCulley, Jr.
Richard W. McKee
Thomas C. Mauney
Harry L. May
Edward G. Milway
James A. Morrison
John Mudrock
Ralph E. Neiger
Sherwood A. Nelson
James L. Newman
Richard T. Newman
George E. Niver, Jr.
Cutlar J. Nordyke
Jack Norton
John W. O'Brien
William J. O'Donnell
Charles A. Peacock
Fred J. Pester
Edward E. Peterman
James H. Popejoy
Edward B. Powell
Eugene H. Prange
Philip S. Randolph, Jr.
Donald G. Raskob
Lawrence H. Resek
Joe "E" Richardson
John "D" Richardson
Clayton R. Robinson
John D. Rowe
Robert Rudman
Bryan C. Rudy
Rayford R. Sanders
Robert L. Schaub
Kenneth C. Scholl
Kenneth R. Seal
Merritt J. Sharrett
Benjamin F. Shaw
William D. Smith
David A. Sollinger
Walter E. Southall, Jr.
Aldean H. Steves
William M. Stollenwerck
Gerald J. Sullivan
Allen LaF. Sweet, Jr.
John A. Thompson, Jr.
David K. Trubey
James J. Tyson, Jr.
Xavier V. Villanueva
Robert C. Wagner
Clarence E. West
Ralph E. White
Harley D. Wilbur
Jacob L. H. Wink
Gerald W. Wise
John J. Wojnar
Richard F. Woodruff
Robert T. Wooley
Robert H. Wright
Paul S. Wuesthoff
Henry K. Wylie

The following-named (civilian college graduates) to the grades indicated in the Dental Corps of the Navy:

LIEUTENANT

Thomas A. Glennon

LIEUTENANTS (JUNIOR GRADE)

Robert E. Fairchild
John N. Gossom
Frederick W. Koester III
Denton E. Kuhn
John W. Pentecost

The following-named to be ensigns in the Nurse Corps of the Navy:

Eleanor J. Brown
Rose M. Clemens
Ruth A. Higgins
Geraldine F. Johnson
Judith A. Johnson
Nancy E. Martin
Virginia P. Shortell
Mildred M. Smith
Vivian E. Smith
Patricia A. Wywiorski

The following-named officers for temporary or permanent appointment to the grades and corps indicated.

The following-named officer for temporary appointment.

CAPTAIN, MEDICAL CORPS

Greydon G. Boyd

The following-named officers for permanent appointment:

COMMANDER, MEDICAL CORPS

Greydon G. Boyd

LIEUTENANTS, MEDICAL CORPS

Joseph S. Burkle
Richard H. Tullis, Jr.
William R. Walsh

LIEUTENANTS (JUNIOR GRADE), MEDICAL CORPS

Richard E. Lieurance
George E. Magnin

LIEUTENANTS, NURSE CORPS

Evelyn A. Bremer
Bernadette E. Golbach
Ernestine C. Hess
Leona T. Radzai

LIEUTENANT (JUNIOR GRADE), NURSE CORPS

Eleanor R. O'Donnell

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of colonel, subject to qualification therefor as provided by law:

George N. Carroll
Clyde T. Mattison
Raymond B. Hurst
Robert E. Cushman, Jr.
Arnold F. Johnston
Robert A. Black
Gordon E. Hendricks
Charles W. Shelburne
Richard G. Weede
Richard D. Hughes
Charles O. Bierman
Frederick A. Ramsey, Jr.
William N. McGill
Kenneth D. Kerby
Carl A. Laster
Michael S. Currin
Leonard K. Davis
Elmer T. Dorsey
Earl A. Sneeringer
Merlyn D. Holmes
Lewis J. Fields
Harvey S. Walseth
Bruce T. Hemphill
Edwin P. Pennebaker, Jr.
Wallace M. Nelson
Leonard F. Chapman, Jr.
John E. Weber
Gallais "E" Matheny
Herman Nickerson, Jr.
Richard H. Crockett
Wesley M. Platt
George A. Roll
Floyd R. Moore
Marshall A. Tyler
Marvin H. Floom
Richard E. Thompson
Willard C. Fiske
Robert C. Walton
Stanley W. Trachta
Carey A. Randall
Ronald B. Wilde
William S. McCormick
William J. Van Ryzin
Albert F. Metze
Joe C. McHaney
Gould P. Groves
Donn "C" Hart
Wilmer E. Barnes
Kenyth A. Damke
Raymond L. Murray
John S. Oldfield
Kenneth A. Jorgensen
Alexander B. Swenceski
Hoyt McMillan
Peter J. Negri
Frank P. Hager, Jr.
Elmer E. Brackett, Jr.
William T. Fairbourn
Custis Burton, Jr.
Clayton O. Totman.
Bruno A. Hochmuth
Thomas F. Riley
Frederick P. Henderson
Donald J. Decker
Michael Sampas
Frederick E. Leek
William R. Wendt
Robert A. McGill
James M. Clark
Peter J. Speckman
Roy L. Kline

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Robert A. Merchant, Jr.
Walter L. Eddy, Jr.
Hugh J. Chapman
John E. Decher, Jr.
John L. Donnell
Leyton M. Rogers
Alexander R. Benson
John H. Jones
John F. Holt
Thomas J. O'Connor
Clyde P. Ford

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel for limited duty, subject to qualification therefor as provided by law:

Walter E. Anderson
Lee Moberly

The following-named officers of the Marine Corps for temporary appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

Max R. Read
William A. Houston, Jr.
Homer W. Sharpenberg
Thomas J. Cross
Henry M. Wellman, Jr.
William G. Tinsley
Louis E. Hudgins, Jr.
John D. Wiggins
Herman Hansen, Jr.
Elmer G. Glidden, Jr.
Loren D. Everton
William C. Chamberlin
James M. Watkins, Jr.
James A. Donovan, Jr.
Robert C. Walker
Harold K. Throneson
Jack A. Witherspoon
Donald B. Hubbard
Michael P. Ryan
Gordon H. West
Armond H. Delalio
Harvey A. Feehan
Bruce Prosser
Douglas B. Lenardson
Harry B. Hooper, Jr.
Robert W. Greeley
Hensley Williams
Robert L. Schreier
Arthur E. Holdt
Nat M. Pace
Claude H. Welch
Vance H. Hudgins
Wilson E. Hunt
Earl J. Rowse
Manual Brilliant
Alexander W. Gentleman
William M. Miller
Charles E. McLean, Jr.
Roland J. Spritzen
William T. Herring
Edward S. Dzura
Francis F. Parry
William P. Pala
Hubert C. Lattimer
John H. Ellis
Raymond D. Wright
Wilbert T. Shafer
Robert J. J. Picardi
Charles H. Brush, Jr.
William P. Alston
Allan L. Feldmeier
Clyde A. Brooks
Arthur C. Lowell
James M. Johnson
Harry T. Marshall, Jr.
Donald R. Kennedy
Regan Fuller
Andrews M. Wilkinson
Fenlon A. Durand
Noel C. Gregory
Roscoe C. Cline, Jr.
Frederick M. Rauschenbach
Hal R. Kolp
Joseph H. Reinburg
Honore G. Dalton
Walter C. Wells
Max H. LaGrone
Anthony Walker
John R. Chaisson
Frederick S. Aldridge
Harold R. Thorpe
John C. Jordan, Jr.
William A. Wood
William H. Atkinson
John S. Dewey
John D. Bradbury
Robert A. Churley
William H. Junghans, Jr.

The following-named officer of the Marine Corps for permanent appointment to the grade of major for limited duty:

Irving N. Kelly

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Joseph Keller
Karl T. Keller
Earl W. Cassidy
Donald C. Mitchell
James E. Graaff
Raymond E. Wase
Raymond E. Demers
Malcolm G. Moncrief, Jr.
Otis E. Millenbine
Alexander J. Gillis, Jr.
George L. Winneberger Jr.
Robert G. Klein
Gerald J. Maire
William W. Eldridge, Jr.
Richard A. Polen
George A. Parant
Herbert C. Reed
Edward W. Turcotte
Lloyd B. Dochterman, Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of captain for limited duty:

Kenneth A. Walsh
Edwin M. Clements
Reginald M. George

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant, subject to qualification therefor as provided by law:

George F. Thayer
John W. Drury
Esten C. Carper, Jr.
Peter W. Adams
Roscoe F. Good, Jr.
Harold D. Fredericks
Karl D. Morrison
Edward G. Jernigan
William J. Davis
Thomas E. Dawson
George C. Fox
Forest J. Hunt
Donald B. Thomas
Philip D. Shutler
George W. Allen
Michael M. Ameen, Jr.
Robert E. Izzo
Justin H. Wenger
Paul R. Uffelman
Floyd A. Cuff
William A. Reavis
Thomas H. Galbraith
Ezra H. Arkland
David W. Walsh
David A. Lowe
Cullen O. Henry
George A. Bacas
William L. Jesse
George C. Kliefoth
Anthony V. Messina
Albert F. Belbusti
Manuel F. Castro
Edward A. Timmes
Carl H. Strandberg
Parks H. Simpson
Harold K. Thompson, Jr.
James W. Epley
Robert E. Steed
Robert W. Helding
John A. Buck
Jerome N. Pieti
John J. Walsh
Charles H. Dean, Jr.
Joseph S. Bartos, Jr.
Kenneth W. Henry
Donald W. Tardif
Robert B. Pohl
Robert L. Nelson
Robert M. Lucy
John H. Affleck
Melvin W. Snow
Robert H. Rea
Richard W. Crowley
Melvin G. Hector
Floyd H. Waldrop
Charles A. Cothran
Thomas E. Vernon
David A. Strausz
Boyd B. Sibert, Jr.
William F. Wagner
Baldomero Lopez
Jack W. Harris
Frank Y. Dill
Martin Pearson
Joseph M. Vosmik
Edward Y. Holt, Jr.
Donald L. Evans, Jr.
Bonner R. Bell
Thomas E. Murphree
Jack T. Baker
Otto L. Marx
Edgar A. Hollister
Jesus R. Flores
Edmund W. Jaworski
Francis B. Carlon
Donald A. Chiappetti
Carl R. Dennis
George R. Earnest
Robert C. Sebilian
Eugene R. Puckett
Jack J. Petska
Jack Westerman
Lloyd L. Seaward
Charles J. Schneeman, Jr.
Philip Hanna, Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of first lieutenant for limited duty:

James B. Darnell
Robert L. Neef
Doyle Grimes
Clifford A. Youngs

The following-named officers (civilian college graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps:

John C. Drenning
Walter A. Gagne, Jr.
John W. Haggerty III
Charles V. Jarman
Elliott R. Laine, Jr.
Thomas G. Snipes

The following-named civilian college graduate for permanent appointment to the grade of second lieutenant in the Marine Corps:

Rodney C. Dench.

The following-named officers of the Marine Corps for permanent appointment to the grade of commissioned warrant officer, subject to qualification therefor as provided by law:

Albert H. Battle
George J. Pelletier
Frederick J. Bollette, Jr.
William W. Draper
Victor T. Garrison
Donald E. Morgan
Homer D. Lyke
Chalmers H. Given
Algie W. Thornton
Robert L. Martin, Jr.
Ralph P. Dempsey
Charles H. Monteith
George B. C. Dangerfield, Jr.
Harold F. Wandron
Howard W. Harrington
Edward B. Hamilton, Jr.
Darrol Lewis
Gilbert D. Schryver
Charles E. Hazen
Joseph A. LeBlanc
Harvey King
William T. Long, Jr.
Dee R. Yancey
Arnold L. Charlton, Jr.
Francis L. Downing
Gerald W. Garrison
William J. Bott
James L. Fountain

Hobart H. Budlong	Joseph A. Corvi
Raymond E. Streeter	George W. Kreisheimer
John C. Smith	Edward W. Mooney
Frank A. Bartuck	Talmadge R. Liles
Robert E. Trometter	Rupert L. Fogle
Andrew L. Heaton	Anthony W. Livingston
Robert E. Ouellette	Medford D. Good
Thomas R. Van Fleet	William Dickison
Alex H. Touchton	Walter L. Czechowski
Raymon A. Clark	Kenneth E. Williams
Ray N. Herrell	Willard J. Reid
Costanzo Cellucci	Walter Pietrzak
Jesse C. Quattlebaum Jr.	Jerome Ross
	Louis L. Noe
Rebie A. Windsor	Harold J. Michael
Joseph H. Malone	Fred S. Huneycutt
William C. Koch, Jr.	Willard C. Downs
Donald M. Stone	Matthew A. Propotnik
Cecil H. Santrock	Obie E. Newcomb, Jr.
Wilfred D. Holdren	Ovel L. Ewing, Jr.
Stanley A. Lahendro	

SENATE

TUESDAY, APRIL 11, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, hope of the souls that seek Thee, strength of the souls that find Thee, grant unto these chosen servants of the Commonwealth, pushed and pressed by grave questions and vexing problems, the refreshment and renewal which shall make them adequate to serve the present age. Make them conscious of eternal verities that outlast the strident noises of any day.

We cannot adequately face such a world so full of violent and dark deeds and make our humble contribution to the healing of its tangled, tragic state unless we keep untarnished our faith in Thy power to make even the wrath of men praise Thee, and in Thy ultimate purpose for mankind. Give to us peace in our time, O God. To our stricken generation may there come peace with honor, with human dignity vindicated and social justice the panoply of all the nations. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of Monday, April 10, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVE OF ABSENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. LONG was excused from attendance on the sessions of the Senate today and the remainder of the week.

On his own request, and by unanimous consent, Mr. TOBEY was excused from attendance on the sessions of the Senate from the close of business today until April 22.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gurney	McKellar
Benton	Hayden	McMahon
Brewster	Hendrickson	Magnuson
Bricker	Hickenlooper	Malone
Bridges	Hill	Maybank
Butler	Hoey	Morse
Byrd	Holland	Neely
Cain	Ives	O'Conor
Capehart	Jenner	O'Mahoney
Chapman	Johnson, Colo.	Robertson
Chavez	Johnson, Tex.	Russell
Connally	Kefauver	Saltonstall
Cordon	Kem	Schoeppel
Darby	Kerr	Stennis
Donnell	Kilgore	Taft
Douglas	Knowland	Thomas, Okla.
Dworshak	Langer	Thomas, Utah
Ecton	Leahy	Tobey
Ferguson	Lehman	Tydings
Frear	Lodge	Watkins
Fulbright	Lucas	Wherry
George	McCarran	Wiley
Gillette	McCarthy	Williams
Graham	McClellan	Withers
Green	McFarland	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Wyoming [Mr. HUNT], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

The Senator from Idaho [Mr. TAYLOR] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS], the Senator from Colorado [Mr. MILLIKIN], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The Senator from Maine [Mrs. SMITH] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, present petitions and memorials, and submit routine matters for the RECORD, without debate and without speeches.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

PROPOSED LOAN OF BELL BY NAVY DEPARTMENT TO CITY OF SAN FRANCISCO, CALIF.

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of the Navy, reporting, pursuant to law, that the city of San Francisco had requested the loan of the bell of the U. S. S. *San Francisco* pending the activation of that ship, at present in the Philadelphia group, Atlantic Reserve Fleet, which was referred to the Committee on Armed Services.

MEMORIALS

Memorials were presented and referred as indicated:

By Mr. TYDINGS:

The memorial of Earle T. Hawkins, and sundry other members of the faculty of the State Teachers College, of Towson, Md., remonstrating against the enactment of section 106 of the bill (H. R. 6000) to extend and improve the Federal old-age and survivors insurance system, to amend the public assistance and child welfare provisions of the Social Security Act, and for other purposes; to the Committee on Finance.

Resolutions adopted by the Rotary Club of Federalsburg, the Talbot County Women's Club, the Baltimore County Medical Association, the Lutheran Club of Baltimore, the Sons of the Revolution in the State of Maryland, and the Nurses Alumni Association of University Hospital, of Baltimore, all in the State of Maryland, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

PROHIBITION OF LIQUOR ADVERTISING—PETITION

Mr. JENNER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD a petition signed by Darion T. Woods and 35 other citizens of Gibson County, Ind., praying for the enactment of Senate bill 1847, to prohibit the transportation of alcoholic-beverage advertising in interstate commerce.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

THE OWENSVILLE METHODIST CHURCH,
Owensville, Ind., January 13, 1950.

To Hon. WILLIAM E. JENNER,
Senator from Indiana:

We, the undersigned, legal voters of Gibson County, Ind., respectfully urge you to support Senate bill 1847, known as the Langer bill, to prohibit the transportation in interstate commerce of alcoholic-beverage advertising and to stop its broadcasting over the air. We feel that you can render no more important service to your country and to your constituents.

We further request that this petition be inserted in the CONGRESSIONAL RECORD.

MARITIME COMMISSION DELINQUENT ACCOUNTS—INTERIM REPORT OF COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS (S. DOC. NO. 153)

Mr. HOEY. Mr. President, from the Committee on Expenditures in the Executive Departments, I submit, pursuant to Senate Resolution 52, Eighty-first Congress, an interim report, which represents the hearings by the subcommittee on investigations in connection with the Maritime Commission delinquent accounts.

I shall not summarize the report, but ask unanimous consent that it be printed as a Senate document, and also that it be printed in the body of the RECORD.

I believe Senators will find it informative and worthy of perusal.

The PRESIDENT pro tempore. The report will be received, and, without objection, printed as a Senate document and printed in the RECORD, as requested by the Senator from North Carolina. The Chair hears no objection.

The report is as follows:

INTRODUCTION

During the war years the United States Maritime Commission and the War Shipping Administration were charged with the job of constructing, equipping, and administering the operation of vessels for the coastal and foreign shipment of urgently needed supplies. These agencies had almost exclusive control over our entire maritime-shipping program. In carrying out this responsibility on a global scale these agencies expended several billions of dollars in what was primarily a business operation as distinguished from the ordinary administrative function of the Government. It is true that in the wartime operation of our merchant marine, performance was paramount and cost secondary. The subcommittee is fully cognizant of the fact that it was the primary object of these agencies to have sufficient vessels to get supplies where they were needed, when they were needed. Notwithstanding this primary objective and the exigencies of warfare, it was not expected that in fulfilling this task there would be disregard of ordinary business procedures in the handling of public funds.

The subcommittee realizes that under the pressure of war there may have been adequate reasons for either the Maritime Commission or the War Shipping Administration to have become delinquent in the handling of fiscal affairs in connection with the construction and operation of our merchant fleet. However, upon the termination of hostilities, it was the responsibility of these agencies to correct such delinquencies promptly. Any other course of action was bound to have resulted in unnecessary financial loss to the Government.

While conducting an investigation into other matters concerning the Maritime Commission the subcommittee learned that the Commission had an unprocessed backlog of thousands of accounting documents which included accounts receivable amounting to more than $25,000,000. These accounts represented moneys due the Commission from private firms and other Government agencies for wartime services or supplies furnished by the Maritime Commission and the War Shipping Administration.

As soon as the existence of this backlog was discovered the subcommittee initiated an inquiry into the matter. The subcommittee, in undertaking this investigation, was primarily interested in the immediate collection of these delinquent accounts and the prevention of similar occurrences in the future. Public hearings in this case were held by the subcommittee in March 1949 and since that time the subcommittee has been following the progress and efforts of the Maritime Commission to bring the delinquent accounts up to date. Very recently the Commission completed the major part of this task and submitted its report to the subcommittee.

ORIGIN OF THE DELINQUENT ACCOUNTS

During the war period the Maritime Commission and the War Shipping Administration furnished supplies and services to assist private firms, other Government departments, and foreign allied nations in connection with the war shipping program. In carrying out these various activities it was contemplated that the Maritime Commission and the War Shipping Administration would, in the ordinary course of business, seek reimbursement from their various debtors both public and private. This was done by setting up accounts receivable in the Maritime Commission and the War Shipping Administration. In many instances invoices were made up and bills were sent out to the various debtors both during and after the war. However, during the war the accounting responsibilities of the Maritime Commission and the War Shipping Administration grew so rapidly that these agencies were not able to keep the work on a current basis. As a result of this situation, the accounting backlog began to build up as early as 1942. It appears that the backlog of unprocessed accounts receivable was gradual and cumulative, beginning in 1942, and continuing until July 1947, when work on this unprocessed backlog was suspended.

On September 1, 1946, the functions of the War Shipping Administration, including the accounts receivable of that agency, were transferred to the Maritime Commission. From that date the Maritime Commission became solely responsible for the collection of the delinquent accounts receivable of both agencies. At the end of June 1947, because of reduction of personnel, the Maritime Commission decided to discontinue its efforts to collect these old and unprocessed accounts receivable which were pending as of July 1947. It was determined at that time by officials of the Commission that the efforts of the Commission would be devoted to the collection of accounts receivable which had been processed and to the collection of current accounts.

DISCOVERY OF DELINQUENT ACCOUNTS

Mr. T. H. Reavis, former Chief of the Bureau of Accounts at the Maritime Commission, who appeared before the subcommittee in connection with another inquiry involving the Commission, stated that there was a backlog of the accounts receivable at the Commission amounting to some twenty-five to fifty million dollars. This was the first knowledge that the subcommittee had of this large backlog. At that time Mr. Reavis informed the subcommittee that these accounts receivable had been filed away in 1947 and no work had been done on them since then.

The subcommittee promptly initiated an investigation of this delinquent backlog. It was found that these accounts fell into three main categories, namely, (1) amounts due from private firms or individuals; (2) amounts due from other United States Government agencies, and (3) amounts due from foreign governments. The accounts involving private debtors included moneys due for such items as bunker oil, cleaning compounds, the equipping and repair of ships, freight charges, and so forth. Other Government agency accounts included amounts due for various maritime equipment and services furnished by either the Maritime Commission or the War Shipping Administration for which these other agencies were primarily responsible. The foreign government accounts included amounts due on such items as ship repairs and the carriage of foreign mail.

The subcommittee was astonished to learn that some of these uncollected accounts dated back to 1942. It was obvious that the longer these accounts remained delinquent the less chance there was of collecting the full amounts due and owing the Government. While some of these accounts involved old and established firms from which collection would not be difficult, it is quite possible that others represented accounts receivable from the type of temporary war firms which would make collection difficult, if not impossible, after the lapse of several years time.

DESTRUCTION OF RECORDS

There was testimony before the subcommittee that an undetermined number of these accounts-receivable records were destroyed or otherwise lost by disgruntled or careless employees of the Maritime Commission in the summer and fall of 1946, when there had been large reductions in the accounting and auditing force of the Commission. It was alleged that as a result of these reductions in force the morale and efficiency of the employees involved was at a very low ebb. At that time it was reported to Kenneth E. Harris, an accounting supervisor in the Commission, as well as to others, that some of these employees who were about to be terminated were throwing away or otherwise destroying or mishandling official records of the Commission. On one occasion, in September 1946, Mr. Harris received a specific complaint that certain employees were throwing official documents in wastebaskets because these employees resented being laid off from their jobs. On that occasion Mr. Harris personally found a small number of official documents which had been thrown in a wastebasket and other employees reported similar unauthorized disposal of records.

A year later on July 1, 1947, there was a further sudden reduction in the auditing force at the Maritime Commission. At that time official records, including records of accounts receivable, were reported to have been left in office desks by terminated employees. In the confusion resulting from these personnel cut-backs, desks with official records in the drawers were allegedly moved out of the Commission and turned over for disposal as surplus property.

Notwithstanding the reports of this gross mishandling of records, no steps were taken by the Maritime Commission at that time to ascertain the extent of the losses or to initiate an inquiry for the purpose of determining the persons responsible for this matter. Subsequent to the subcommittee's public hearings and following the disclosure of the loss of official documents the Maritime Commission initiated a complete investigation of the matter. The Commission investigation failed to disclose any confirmation of this destruction other than the facts already presented to this subcommittee. The extent of the destruction of these records and the persons responsible for this destruction were not ascertainable. However, officials of the Maritime Commission have informed the subcommittee that Commission auditors have been able to replace the missing records by careful cross checking and by obtaining duplicate records from other sources.

REASON FOR THE ACCOUNTING BACKLOG

In order that prompt action could be taken to collect the amounts due and owing the Maritime Commission on these delinquent receivables and for the purpose of preventing similar occurrences in the future the subcommittee attempted to determine, if possible, the reason why these accounts were allowed to remain delinquent over such a long period of time. It is apparent that no well-managed Government agency or private business firm would fail to bill and invoice promptly accounts receivable amounting to millions of dollars. The prompt and effective handling of accounts receivable is one of the most elemental functions of any business, large or small. It is unlikely that a reasonably prudent businessman would allow his accounts receivable, which represent moneys due and owing to him, to become badly delinquent. However, if such a situation should inadvertently arise, it is inconceivable that a businessman with any semblance of good business judgment would stop all work on his delinquent accounts.

The existence of this tremendous backlog of delinquent accounts was well known to responsible officials of the Maritime Commission over a long period of time. For over 2 years prior to the subcommittee's public hearings in this case, the Comptroller General, the Budget Bureau, and the House Appropriations Committee had been critical of

the deplorable condition of the accounting systems at the Maritime Commission. The Comptroller General, in his report on the auditing of the Maritime Commission for the fiscal years 1946 and 1947 stated:

"The survey disclosed that the books and records were in a more deplorable condition than that which prevailed in the prior years' audit, when little if any reliance could be placed on the internal records due to laxity in accounting methods and inaccuracies in accounting results."

Vice Adm. William W. Smith, who was Chairman of the Commission at the time of this subcommittee's public hearings, stated in his testimony before the subcommittee that the lack of funds and the resulting cutback of personnel since the end of the war was the reason why the accounts receivable were allowed to remain delinquent. The position of Admiral Smith is clearly set forth in the following public testimony before the subcommittee:

"Senator McCARTHY. Admiral, do I get from this statement that you feel all of your difficulties are caused because of lack of funds, that if we appropriated more money you could get along all right?

"In other words if we gave you enough additional funds you would get along all right?

"Admiral SMITH. I do."

Other officials of the Maritime Commission were also of the opinion that this backlog of accounts receivable was a direct result of the shortage of personnel in the agency. The subcommittee is fully aware that there have been large personnel cut-backs in the Maritime Commission since the end of the war.

In 1947 and 1948 Mr. Edward A. Kracke, an eminent certified public accountant, made a survey of auditing procedures at the Maritime Commission in his capacity as a consultant for the House Appropriations Subcommittee. At that time he found that there was no work being done on the accounts receivable backlog because of an alleged shortage of auditing personnel in the Commission. However, it was his opinion based on his survey that the Commission was using considerable manpower in conducting entirely unnecessary audits. Mr. Kracke concluded that auditing personnel of the Commission could readily be relieved from the unnecessary auditing jobs they were then engaged in and could be put to work on the necessary and important task of clearing up the accounts receivable backlog.

RESULTS OF SUBCOMMITTEE'S INVESTIGATION

After the subcommittee investigation in this case had been in progress for several weeks and following the public hearings, the Maritime Commission organized the Accounting Backlog Branch on March 25, 1949. It was the function of this new branch to process all the delinquent accounts receivable as soon as possible. About 40 regular employees of the Division of Accounts in the Maritime Commission were temporarily transferred to the new branch for this special task. This action on the part of the Maritime Commission, which should and could have been done long before, was the first constructive action taken with regard to the delinquent accounts since the records were filed away in July 1947. At the time the Accounting Backlog Branch was organized, it was estimated that it would require about 10 months to process the delinquent accounts.

The subcommittee followed the work of this Branch and was kept informed of the progress of the backlog project by obtaining periodic reports from the Maritime Commission. On December 10, 1949, after a large part of the work on the backlog had been completed the Accounting Backlog Branch was disbanded. The backlog remaining to be disposed of was then integrated with the regular work of the Division of Accounts. On February 24, 1950, the subcommittee was furnished with a complete report of the results of the work of the Accounting Backlog Branch. This report [1] indicates that the size of the delinquent accounts receivable was larger than originally anticipated. The report shows that the backlog was finally estimated at $39,198,850.47. In addition the report shows the following:

Total amount billed	$27,072,749.18
Balance to be processed	12,126,101.29

Of the total amount billed by the Accounting Backlog Branch, the Maritime Commission has already collected $6,380,497.48. In addition waiver agreements involving these delinquent accounts in the amount of $10,010,981.99, were entered into between the Maritime Commission and other Government departments.

As a direct result of this subcommittee's investigation the Maritime Commission has now effected collections of over $6,250,000. This was done without the appropriation of additional funds to the Maritime Commission. Furthermore, when we consider the fact that these delinquent bills were sent out at this time instead of at some future time when collection would still be more difficult it is quite obvious that the inquiry by the subcommittee has resulted in a substantial saving of public funds.

FINDINGS AND CONCLUSIONS

1. The accounts receivable of the War Shipping Administration and Maritime Commission, which represented amounts due from public and private debtors, began to become delinquent, along with other accounting work in those agencies, as early as 1942. In September 1946 the functions of the War Shipping Administration were transferred to the Maritime Commission and that agency then became responsible for the accounts receivable of both agencies. In July 1947 when the delinquent accounts amounted to over $39,000,000, all work was stopped on the delinquent-accounts project and the records were filed away by the Maritime Commission.

2. The decision of the Maritime Commission in July 1947 to stop work on these delinquent unprocessed accounts receivable and its determination to place these records in inactive files showed a lack of sound business judgment which should not be tolerated in any Government agency. There is no reason why Government departments in the handling of their affairs should not meet the same high standards of business efficiency that are demanded in any well-run private enterprise.

The inept handling of this backlog by the Commission has undoubtedly resulted in some actual monetary loss to the Government, the exact amount of which is not now ascertainable.

3. The subcommittee does not agree with the contention of the Maritime Commission that postwar personnel cut-backs necessitated the discontinuance of this important accounts-receivable project in 1947. Had the Commission properly utilized its auditing manpower, even after the postwar personnel cut-backs, the task of clearing up the accounts-receivable backlog could have been accomplished long ago without the need for additional appropriations or extra personnel. This conclusion is borne out by the fact that after the initiation of the subcommittee's present investigation the Maritime Commission processed much of the backlog without hiring additional personnel and with no apparent neglect of other auditing functions within the Commission.

4. Shortly after the initiation of the subcommittee's investigation in this case the Commission organized a special accounting group to process the delinquent accounts receivable. Substantial progress has now been made on this project and the Commission has already collected over $6,250,000 due from private and public debtors and, in addition, has made adjustments of over $10,000,000. The remaining delinquent accounts have now been integrated with the regular accounting work of the Commission and it is anticipated that the entire backlog will be cleared up as soon as practicable.

[1] This report is set forth in full as exhibit I.

EXHIBIT I

FEBRUARY 24, 1950.

U. S. MARITIME COMMISSION PROGRESS REPORT—ACCOUNTING BACKLOG BRANCH

Accounts receivable review, covering period from Mar. 25, 1949, to Jan. 31, 1950

Estimated receivables due U. S. Maritime Commission:				
Miscellaneous debtors			$21,618,272.30	
Other Government agencies			17,580,578.17	
Total (see schedule I)				$39,198,850.47
Amounts invoiced through Jan. 31, 1950:				
Miscellaneous debtors			9,872,819.56	
Collections effected	$396,407.53			
Other Government agencies			7,188,947.63	
Collections effected	1,663,535.39			
Total		$2,059,942.92		
Waiver agreements [1]			10,010,981.99	
Invoices recorded on current accounts receivable affecting backlog program:				
Miscellaneous debtors	15,618.25			
RFC settlement	4,304,936.31			
Total		4,320,554.56		
Total collections effected		6,380,497.48		
Total amount billed				27,072,749.18
Estimated amount remaining to be invoiced and/or accounting adjustments:				
Miscellaneous debtors			11,745,452.74	
Other Government agencies			380,648.55	
Total (see schedule II)				12,126,101.29

Number of persons employed at end of period: 2 detailed.
Number of documents screened: 479,221.

[1] Waiver agreement withholdings in accordance with the Comptroller General's decision of June 7, 1949 (B-86714). (See schedule III.)

Prepared by Property and Cost Accounts Branch, Division of Accounts, Bureau of Finance, Feb. 16, 1950.

SCHEDULE I

Estimated receivables due U. S. Maritime Commission

(1) Miscellaneous debtors $2,430,573.49
The accounts with the miscellaneous debtors have all been billed with the possible exception of a few items which may require correspondence and may, or may not, result in a receivable.

(2) Lend-lease, British vessels (repairs) ... 3,937,245.33
All bills in connection with lend-lease British repairs have been processed with the possible exception of adjustments. Incidentally, we are holding some bills in a pro forma status which were considered border-line cases involving insurance items which were covered by sample billing to determine the reaction of the British Ministry of Transport.

(3) American Bureau of Shipping fees 1,000,590.33
Bills in connection with American Bureau of Shipping fees have been completed. There remains, however, the correspondence in connection with these items, as well as the preparation of statements for presentation to the Bureau of Law and/or the Division of Claims for disputed items for final settlement, and also the necessary adjustments to the billings, which has been carried over into the current Accounts Receivable Branch.

(4) Coast Guard subchapter O items 250,000.00
This program will require considerable investigation and analysis before bills can be issued to the purchasers of vessels covering the installation of life-saving equipment under the provisions of subchapter O, Coast Guard Requirements. The second disputes addenda provided for the settlement of these items based upon an estimated amount of $3,000 per vessel to cover this equipment. Prior to the inception of the Accounting Backlog Branch, a number of purchasers were billed at the afore-mentioned figure, but very few, if any, of these accounts were paid. Under the date of Nov. 14, 1949, we submitted to the Bureau of Engineering a statement of vessels sold, requesting information as to whether or not life-saving equipment required by subchapter O was placed on board the vessels by the Commission prior to the delivery to the purchasers. The Bureau of Engineering, on Nov. 22, 1949, replied to our memorandum, forwarding certain information with reference to this matter, and it will be necessary that this information be followed up to a conclusion; and this program has been transferred to current operations.

(5) S. S. *Maunawili* case (Matson Navigation Co.) 600,000.00
Invoice and supporting statement have been prepared in connection with the S. S. *Maunawili* case in the amount of $407,593.23. This invoice has been submitted to the Division of Claims, which is now engaged in handling the settlement direct with the Matson Navigation Co. It will be noted that the amount of this invoice does not entirely clear the estimate of $600,000 set up to cover this transaction, and it is felt that this balance should be carried as an indication of a pending settlement, and adjustment will be made at that time to record the final settlement figure. No further work is necessary in connection with this particular transaction, with the possible exception of preparing final statement when the settlement has been completed.

(6) Post Office, foreign mail 11,000,000.00
This program will be transferred to the current operations and the work will consist primarily of following up our general agents for the submission of voyage mail reports, known as Form 4522, to cover voyage mail revenue. These reports, when received, will be noted on our records and resubmitted to the Post Office Department for collection from the foreign governments involved. To date, the Post Office Department has reported the following mail revenue statements rendered to the foreign countries involved in the stated amounts:

Dominican Republic	$40.51
Ireland	17,504.97
Kenya Colony	329.30
The Netherlands (including Netherlands West Indies)	1,143.68
Tahiti	891.08
Trinidad	221.88
Egypt	9,610.26
	29,741.68

No cash transfers have been made to the Maritime Commission by the Post Office Department as of Jan. 31, 1950.

(7) Italian Government, sale of 4 tankers $250,000.00
The Italian technical delegation, acting under the authority of the Italian Government, arranged for the sale of 4 tankers and, accordingly, deposited with the Maritime Commission the sum of $234,022 to cover repairs chargeable to them under the provisions of the sales contract. A statement of repairs was prepared and submitted to the Division of Maintenance and Repair for review, and likewise a copy of this statement was furnished the representatives of the Italian technical delegation. In discussing this matter with the representatives of this delegation, they agreed that approximately $200,000 of the items shown in this statement were acceptable to them and suggested that we hold in reserve the $34,022 to cover disputed items. Accordingly, a bill was prepared in the amount of $250,000 to record this transaction on the books and a credit memorandum in the amount of $200,000 was prepared to provide for the transfer of cash from "Special Deposits." This left an open balance in our "Backlog Accounts Receivable" account of $50,000 for the purposes of identification. It has now been decided by the Chief of the current Accounts Receivable Branch to cancel these entries and to await the final settlement, and this has been done. However, for the purposes of reporting and backlog operations, we are still continuing to show the amount of $250,000 as billed against the Italian Government with an offsetting credit of $200,000 covering the transfer of cash, as cash has already been received in the amount of $234,022 as previously referred to. This was done as means of identification so that the item in question will not be lost sight of and will be adjusted when final settlement is made in accordance with the details of that settlement. This project has been transferred to current operations.

(8) Repairs, tankers 300,000.00
The Maintenance and Repair Division has been furnished with statements covering the cost of repairs chargeable to the purchasers of the tankers under the sales agreement. We have been informed that several of the sales are now in the process of negotiation and final settlement should be made shortly. This program in its entirety will be transferred to current operations.

(9) London transferable account $20,087.84
All billings in connection with this program have been issued and other than correspondence in connection with this program, no further activity is required.

(9-a) S. S. *Saturnia* 1,829,775.31
A statement has been prepared, covering the repairs made to the S. S. *Saturnia*, which was surrendered to the United Nations under the terms of the Cunningham agreement and allocated by the United Nations to the United States under the control of the War Shipping Administrator, who, in turn, allocated this vessel to the American Export Lines under time charter agreement. Accordingly, a letter has been prepared by the Office of the Chief of the Interdepartmental Liaison for the signature of the vice chairman, addressed to the Secretary of State, submitted this statement and outlining pertinent details with reference to this case. We have prepared formal billing in this case in order that this account be recorded on the books of the Maritime Commission in the amount of $1,829,775.31, and this amount will be taken into consideration by the Department of State when settlement is made with the Italian Government.

21,618,272.30

(10) Other Government agencies 17,580,578.17
The work in connection with billings to other Government agencies has been completed with the exception of our recording some isolated items in connection with the waiver agreements that may be developed as a result of correspondence now pending. Therefore, there is no activity to be transferred to current operations.

39,198,850.47

Reconciliation of estimated and actual receivables reported for Dec. 16, 1949, with the Jan. 31, 1950, progress report

	Details	Miscellaneous debtors	Other Government agencies
Progress report for Dec. 16, 1949:			
Miscellaneous debtors	$18,920,500.00	$18,920,500.00	
Other Government agencies	19,300,000.00		$19,300,000.00
	38,220,500.00		
December 1949 and January 1950 adjustments:			
Item 1. Miscellaneous debtors:			
Reported Dec. 16, 1949	2,500,000.00		
Actual Jan. 31, 1950	2,430,573.49		
Decrease		69,426.51	
Item 2. Lend-lease:			
Actual Jan. 31, 1950	3,937,245.33		
Reported Dec. 16, 1949	3,800,000.00		
Increase		137,245.33	
Item 3. American Bureau of Shipping:			
Actual Jan. 31, 1950	1,000,590.33		
Reported Dec. 16, 1949	200,000.00		
Increase		800,590.33	
Item 9. London transferable account:			
Reported Dec. 16, 1949	20,500.00		
Actual Jan. 31, 1950	20,087.84		
Decrease		412.16	
Item 9-a. The Italian Government S. S. *Saturnia:*			
Reported Dec. 16, 1949	0		
Actual Jan. 31, 1950	1,829,775.31		
Increase		1,829,775.31	
Item 10. Other Government agencies:			
Reported Dec. 16, 1949	19,300,000.00		
Estimated and actual, Jan. 31, 1950	17,580,578.17		
Decrease			1,719,421.83
		21,618,272.30	17,580,578.17

RECAPITULATION

Miscellaneous debtors	$21,618,272.30
Other Government agencies	17,580,578.17
	39,198,850.47

SCHEDULE II

Details of amounts remaining to be invoiced

	Balance as at Dec. 31, 1949	January 1950 invoices	Balance Jan. 31, 1950
Item 2. Lend-lease, British vessels, repairs	$70,000.00	$66,954.03	$3,045.97
Item 4. Coast Guard, subchapter O items	250,000.00		250,000.00
Item 5. S. S. *Maunawili* case, Matson Navigation Co.	192,406.77		192,406.77
Item 6. Post Office, foreign-mail revenue	11,000,000.00		11,000,000.00
Item 8. Repairs, tankers	800,000.00		300,000.00
Total, miscellaneous			11,745,452.74
Item 10. Other Government agencies			380,648.55
Total			12,126,101.29

Prepared by Property and Cost Accounts Branch. Division of Accounts, Bureau of Finance, Feb. 20, 1950.

SCHEDULE III.—*Balance of unbilled accounts receivable with other Government agencies which have been analyzed, coming within the waiver arrangements, approved by the Comptroller General in his decision of June 7, 1949 (B-86714)*

	Amount
Department of Agriculture [1]	$7,904.02
Department of the Army [1]	1,162,140.99
Department of Commerce	247.01
Department of the Interior	306.93
Department of the Navy [1]	8,597,790.06
Department of State	1,337.44
Federal Public Housing	4,160.40
Federal Security Agency	28.69
Federal Trade Commission	763.06
Federal Works Agency	162.40
Interstate Commerce Commission	33.30
Marine Corps	[1]22,926.61
Office of Scientific Research and Development	7,302.20
Panama Canal	939.42
Department of the Treasury, Custom Surveyor	16,464.03
Department of the Treasury— U. S. Coast Guard [1]	68,278.38 695.68
Veterans' Administration	2,130.54
Veterans' Housing Office of the Administration Project Engineer	12,311.89
War Assets Administration	5,040.69
War Production Board	18.25
Total	10,010,981.99

[1] Waiver agreements executed.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 11, 1950, he presented to the President of the United States the following enrolled bills:

S. 44. An act for the relief of Arthur O. Fisher;

S. 46. An act for the relief of Primitivo Urcelay-Ruiz; and

S. 1305. An act for the relief of Theodore Constantin Trancu and his wife.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. TYDINGS:

S. 3390. A bill to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official registers for their respective services;

S. 3391. A bill to authorize the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to reproduce and to sell copies of official records of their respective departments; and

S. 3392. A bill to amend the act of August 1, 1947, providing appropriate lapel buttons for widows, parents, and next of kin of members of the armed forces who lost their lives in the armed services of the United States in World War II, and for other purposes; to the Committee on Armed Services.

By Mr. IVES (for himself and Mr. LEHMAN):

S. 3393. A bill to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes; to the Committee on Armed Services.

(Mr. DOUGLAS introduced Senate bill 3394, to provide for granting to postal and other employees of the Government annual leave at the rate of 20 days per year and sick leave at the rate of 12 days per year, which was referred to the Committee on Post Office and Civil Service and appears under a separate heading.)

(Mr. DOUGLAS also introduced Senate bill 3395, to provide for granting to postal and other employees of the Government annual leave at a rate based upon the length of service of such employees and sick leave at the rate of 12 days per year, which was referred to the Committee on Post Office and Civil Service and appears under a separate heading.)

By Mr. CHAPMAN:

S. 3396. A bill authorizing the Secretary of the Army to convey to the State of Kentucky title to certain lands situated in Hardin and Jefferson Counties, Ky.; to the Committee on Armed Services.

By Mr. MORSE:

S. 3397. A bill for the relief of Shigeko Sudo and her son, Daniel Keller; to the Committee on the Judiciary.

ANNUAL AND SICK LEAVE OF CERTAIN FEDERAL EMPLOYEES

Mr. DOUGLAS. Mr. President, I introduce for appropriate reference two bills to reduce and equalize annual and sick leave of certain Federal employees, and I ask unanimous consent that an explanatory statement of the bills prepared by me be printed in the RECORD.

The PRESIDENT pro tempore. The bills will be received and appropriately referred, and, without objection, the explanatory statement presented by the Senator from Illinois will be printed in the RECORD. The Chair hears no objection.

The bills introduced by Mr. DOUGLAS were each read twice by their titles and referred to the Committee on Post Office and Civil Service, as follows:

S. 3394. A bill to provide for granting to postal and other employees of the Government annual leave at the rate of 20 days per year and sick leave at the rate of 12 days per year; and

S. 3395. A bill to provide for granting to postal and other employees of the Government annual leave at a rate based upon the length of service of such employees and sick leave at the rate of 12 days per year.

The explanatory statement presented by Mr. DOUGLAS is as follows:

EXPLANATORY STATEMENT BY SENATOR DOUGLAS

My proposals are alternative methods of reducing and equalizing Federal employees' leave provisions and would save $100,000,000 or $150,000,000 annually, depending on which measure is adopted. Both would end present leave discriminations against postal employees. My arguments and supporting data for such a move are in the CONGRESSIONAL RECORD of March 9, pages 3100–3108.

The first bill is exactly the same as my amendment to the deficiency appropriations bill. It would reduce classified and wage board employees' vacation from 26 to 20 working days per year and sick leave from 15 to 12 days. This, with weekends, would still allow a month's vacation, which is very liberal in comparison with that given by private employers. Meanwhile, it would raise the postal workers' vacation leave from 15 to 20 days and sick leave from 10 to 12 days. This proposal would save $100,000,000 per year.

The second bill would also equalize sick leave at 12 days, but vacation allowances would be determined by length of service. Those with less than 3 years' service would get 10 days, or 2 weeks. When an employee has worked for 3 years, he would get 15 days, and after 10 years, vacation would be increased to 20 days.

Such provisions as those in the second bill would still be better than vacations given by virtually all private employers. It would save nearly $190,000,000 a year, but short service employees would not have the opportunity to accumulate enough leave to serve as a cushion in case of a reduction in force. Therefore, were we to adopt this bill, we should tie in with it a provision for severance pay. I am presently studying this problem of severance pay, but I believe it would cost about $40,000,000, leaving a net saving of $150,000,000 per year if the second bill is enacted into law.

These bills provide two methods of handling the leave problem. It is my hope that the Senate Committee on Post Office and Civil Service will hold hearings and study this matter in detail and report whichever one seems to offer the best solution.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENT

Mr. KNOWLAND submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

UNIFORM SYSTEM OF BANKRUPTCY—NOTICE OF HEARING ON H. R. 3111

Mr. GRAHAM. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that public hearing has been scheduled for Thursday, April 20, 1950, at 10 a. m., in room 424, Senate Office Building, on H. R. 3111, to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and to repeal subdivision b of section 64, subdivision h of section 70, and section 118 thereof and all acts and parts of acts inconsistent therewith. At the indicated time and place all persons interested in this legislation may make such representatives as may be pertinent.

The subcommittee consists of the Senator from North Carolina [Mr. GRAHAM], chairman, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Kentucky [Mr. WITHERS], the Senator from Wisconsin [Mr. WILEY], and the Senator from Missouri [Mr. DONNELL].

THE FERGUSON-MUNDT-NIXON BILL—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a radio address by him entitled "Why the Ferguson-Mundt-Nixon Proposal Should Be Defeated By the Congress," delivered by him on April 10, 1950, which appears in the Appendix.]

ECA'S NEW STRATEGY FOR A UNITED EUROPE—ARTICLE BY PAUL G. HOFFMAN

[Mr. BENTON asked and obtained leave to have printed in the RECORD an article entitled "ECA's New Strategy for a United Europe," written by Paul G. Hoffman, Economic Cooperation Administrator, and published in This Week magazine of April 2, 1950, which appears in the Appendix.]

SUPPORT FOR THE ECONOMIC COOPERATION ADMINISTRATION—LETTER FROM BERNARD WEITZER

[Mr. BENTON asked and obtained leave to have printed in the RECORD a letter supporting ECA, written by Bernard Weitzer, and published in a recent issue of the New York Times, which appears in the Appendix.]

A FREE PRESS AS FIRST LINE OF DEFENSE—ADDRESS BY MARTHA ROUNTREE

[Mr. MALONE asked and obtained leave to have printed in the RECORD an address entitled "Our First Line of Defense: A Free Press," delivered by Martha Rountree at the twentieth annual joint luncheon of the Alliance of Business and Professional Women of Chicago and Chicago Association of Commerce and Industry, held in Chicago on March 15, 1950, which appears in the Appendix.]

CULTURAL EXCHANGE PROMOTES INTER-AMERICAN FRIENDSHIP—ADDRESS BY ELLEN COLLINS

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an address on the subject, Cultural Interchange Promotes Inter-American Friendship, delivered by Ellen Collins, associate editor of World Affairs, at St. Johns University, which appears in the Appendix.]

DISPLACED PERSONS LEGISLATION—EDITORIAL COMMENT

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD editorials regarding displaced persons legislation from the Baltimore Evening Sun of April 6, 1950, and from the New York Times of April 7, 1950, which appear in the Appendix.]

JOHN CROWN'S LEGACY—TRIBUTE BY HOWARD A. RUSK, M. D.

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD a tribute entitled "John Crown's Legacy," written by Howard A. Rusk, M. D., which appears in the Appendix.]

INFORMATIONAL MEDIA GUARANTIES PROGRAM OF THE ECONOMIC COOPERATION ADMINISTRATION

[Mr. CAIN asked and obtained leave to have printed in the RECORD information regarding informational media guaranties issued by the Economic Cooperation Administration, which appears in the Appendix.]

CONGRESSIONAL INVESTIGATIONS—ARTICLES BY LINDSAY ROGERS

[Mr. IVES asked and obtained leave to have printed in the RECORD two installments of a series of three articles entitled "When Congress Fumbles for Facts," written by Lindsay Rogers, and published in the New York Herald Tribune on March 29 and 30, 1950, which appear in the Appendix.]

THE AMERICAN MERCHANT MARINE—ARTICLE BY HELEN DELICH

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD the second of a series of articles on the American merchant marine, written by Miss Helen Delich, and published in the Baltimore Sun of April 11, 1950, which appears in the Appendix.]

SHADOW OF THE CENSOR—EDITORIAL FROM THE WASHINGTON POST

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an editorial entitled "Shadow of the Censor," relating to radio broadcasting, published in the Washington Post of April 11, 1950, which appears in the Appendix.]

JIM FARLEY'S PHILOSOPHY—EDITORIAL FROM THE DAVENPORT (IOWA) DEMOCRAT

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an editorial entitled "Jim Farley's Philosophy," published in the Davenport (Iowa) Democrat of March 5, 1950, which appears in the Appendix.]

BRAND NAMES DAY, 1950—ADDRESSES BY SENATOR WILEY AND LOUIS B. MAYER

[Mr. WILEY asked and obtained leave to have printed in the RECORD addresses delivered by him and by Mr. Louis B. Mayer at a Brand Names Foundation luncheon on April 5, 1950, which appear in the Appendix.]

NATIONAL CANCER DRIVE—ADDRESSES BY SENATOR MAGNUSON AND AWARD TO WALTER WINCHELL

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD two addresses delivered by him in connection with the National Cancer Drive, which appears in the Appendix.]

RADIO PROGRAM FOR DEMOCRACY

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a broadcast over the American Forum of the Air on February 22, 1950, which appears in the Appendix.]

POLICIES OF THE DEPARTMENT OF AGRICULTURE—LETTER FROM HARRY BOLING

[Mr. JENNER asked and obtained leave to have printed in the RECORD a letter regarding certain policies of the Department of Agriculture, addressed to him by Harry Boling, of Seymour, Ind., which appears in the Appendix.]

THE NATIONAL HYMN

[Mr. JENNER asked and obtained leave to have printed in the RECORD a letter addressed to him by several young people of Indianapolis regarding the change of the name of the national hymn, which appears in the Appendix.]

CONDITIONS IN EUROPE—REPORT BY J. L. SNYDER

Mr. DONNELL. Mr. President, there reached me recently a letter, dated March 30, 1950, from Mr. J. L. Snyder, of Holden, Mo. The letter sets forth, interestingly and instructively, conditions which its writer found from a recent agricultural tour of several countries of Europe including France, Italy, Switzerland, Belgium, Ireland, Holland, England, and western Germany. The purpose of Mr. Snyder's trip was to study European agriculture and trade relations and learn the facts about the Marshall plan money. His communication is well worth reading. I ask unanimous consent that, at the conclusion of my remarks, there be set forth in full the contents of the letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOLDEN, MO., *March 30, 1950.*

Hon. FORREST C. DONNELL,
Washington, D. C.

DEAR MR. DONNELL: Having returned a few days ago from the KCMO agricultural tour of several countries of Europe including France, Italy, Switzerland, Belgium, Ireland, Holland, England, and western Germany, I feel some of our findings might be of interest to you.

The purpose of the trip was to study European agriculture, trade relations and learn the facts about the Marshall plan money.

I paid my own expenses and therefore I am free to express my own opinions.

We were greatly surprised to find Europe, as a whole, in better condition than we have been led to think. We had the privilege of talking with agriculturalists, agricultural attachés, the ECA officials, agricultural economists and representatives and members of farm organizations in every country we visited. We also talked with persons traveling in coaches and busses with us, and some of their stories amazed us.

We learned that several countries are exporting wheat and dairy products, France and Italy in particular. Both of these countries are still worshipping their past history and old buildings. They do not understand the American idea of looking ahead. They feel that we were unfair to them in destroying their buildings. England will fight for all they can get even though they have had more than they should have had. It was a very great disappointment to us to find that the people of the middle or lower classes knew absolutely nothing about the generous gifts of our money. We discussed this freely with our representatives of the ECA, and they admitted their failure along this line. Those we had hoped would be friendly because of our financial aid were antagonistic. They claimed that it had been a detriment to them. After the Marshall money came they paid more for commodities than before. In France, the wealthy became wealthier and the poor became poorer. Belgium and Holland are exporting dairy products, and, like the other countries, have become our competitors on the world market. Our money is being used to buy products the European countries need from everywhere except the United States. The agricultural attaché in London told us that the price of wheat, according to the International Wheat Agreement, was set on the ceiling and not on the floor. So it is possible to buy wheat cheaper in Canada, Australia, and every place but the United States.

It is the opinion of the group that the United States has priced itself out of world markets, largely, I think, because of the labor conditions here. Farm labor in Italy costs 15 to 18 cents per hour. In Germany, a family makes about $10 per week. In Belgium, wages are about 20 percent higher than in surrounding countries, but 13 percent of the people are unemployed. In France, a man is paid about $2 a day for farm work. In Germany and in England the gov-

ernment sets the wages. Those in England are $13 per week. Commodities are about the same price in Europe as in the United States.

The group, all midwestern farmers or stockmen, feels that the Marshall money should be stopped altogether by 1952, and that it should be drastically cut at once to all countries except Germany. I have been quoted in the Kansas City Star as saying that I favor an educational program to educate the peoples of Europe as to the Marshall plan. I do think that such a program should have been had long ago. Now I think it is too late. The only country needing such a program and needing aid is Germany, and they do not understand our town-hall method of discussing and learning. They are waiting for a leader, and America has no way of leading. Our soldiers were free to tell us that our one American division is in a very precarious position against about 25 Russian divisions.

We have been led to think that with financial aid we have been selling democracy and helping to keep communism down. In this we have definitely been "taken for a ride" as the gangsters would say. If the leaders of the countries and the men who administer the aid are the only people in that country who know where the money comes from, how can it help promote democracy? That is the situation. The countries that have been interested in getting on their feet, like Holland and Belgium, do not want more help. Their spirit was like a tonic to us.

This letter could be almost endless as I think of more and more things which we learned that would be very distasteful to the American taxpayer. So I will add a summary which I will try to make brief.

Germany is a problem, and our boys there need something done. I am not able to offer a suggestion, for the damage was done a long time ago, as we all know.

It is my opinion that in the case of war with Russia, we cannot count on France or Italy as it is now. But if we build a national defense excelled by no other country on earth, they will know that by joining us they will be on the winning side. Our only hope is to build a nation unexcelled both economically and militarily, for we can't buy allies with money. They think of us as a careless Nation knowing only waste both in money and soil. And the sad thing about it is that they are exactly right. In Belgium, two people to each acre of land are better off than they average two people in Missouri. But in Belgium, they are for Belgium, and in America we have let our people be sold on the idea of being so strong that we should be for every other country first.

The only praise for the United States anywhere in Europe, where we traveled, was not for our money, but it was in the countries where the American soldiers liberated them; though in France they seem to think they should have been liberated without the loss of any of their old buildings and statues. In Belgium and Holland, they spoke almost reverently about the work of the underground and the coming of the American boys. This made us all proud, but it made me realize that it is my obligation in the only way I know to appeal to you, our Senators and Representatives, to keep our money at home and to build a Nation so strong both economically and militarily that no power on earth will dare attack us. Then no American boy will have to lie in the cemeteries over there because we have thought of Europe first.

Yours very truly,

J. L. SNYDER.

NATHAN W. ROBERTSON—RESOLUTIONS OF STANDING COMMITTEE OF CORRESPONDENTS

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a resolution adopted by the Standing Committee of Correspondents expressing their sorrow at the untimely death of Nathan W. Robertson, a newspaper man who had covered the Senate and the House of Representatives for a number of years.

Mr. Robertson had won the confidence and admiration of his fellow correspondents, and he was known to many Members of Congress as a man who held the highest standards of journalistic ethics.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas in the untimely death of Nathan W. Robertson, of the Labor Press Association, the Press Galleries of Congress have lost a distinguished member; and

Whereas Nathan W. Robertson, as a member of the Press Galleries was outstanding in all the qualities which bring highest recognition in the field of journalism; and

Whereas his fine spirit of friendship, his uniform courtesy, his devotion to truth, and his scrupulous adherence to the ethics of his profession, together with his rare ability as a newspaperman combined to make him affectionately known among journalists and public men: Therefore be it

Resolved, That the Standing Committee of Correspondents, in behalf of the members of the Press Galleries express to the family of Nathan W. Robertson their sorrow at the passing of a prominent coworker, and that this resolution be communicated to his family.

STANDING COMMITTEE OF CORRESPONDENTS,
WILLIAM F. ARBOGAST, *Chairman*.

DISPLACED PERSONS—LETTER FROM INTERNATIONAL REFUGEE ORGANIZATION

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the Record a letter from the International Refugee Organization, United States zone headquarters, Bad Kissengen, Office of Public Information, relating to a matter of censorship. I brought the matter before the Committee on Appropriations yesterday, and requested information from the State Department regarding it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL REFUGEE ORGANIZATION,
UNITED STATES ZONE HEADQUARTERS,
OFFICE OF PUBLIC INFORMATION,
Bad Kissingen, January 6, 1950.

To all editors and publishers DP newspapers and magazines:

This office has received the following instruction from the Chief of the Office of Public Information, International Refugee Organization headquarters, Geneva:

This memorandum will confirm my decisions expressed in our telephone conversations in November and today that newspapers (and magazines) published under IRO sponsorship by displaced persons must not be permitted to publish attacks on member states of the United Nations.

Will you please inform all editors of DP newspapers (and magazines) that any further publication of news or political comments of a nature which will embarrass IRO in its relations with the United Nations will result in revocation of the offending newspaper's license to publish and withdrawal of IRO support from the paper, services from the individual offenders.

ROBERT C. DOTY,
Chief, Office of Public Information.

IRO HEADQUARTERS, *Geneva.*

The instructions quoted above will be fully enforced by this office.

CHARLES T. REUNER,
Chief, Office of Public Information.

DELIVERED PRICE SYSTEMS AND FREIGHT ABSORPTION PRACTICES

Mr. KEFAUVER. Mr. President, inasmuch as the conference report on Senate bill 1008 will soon be considered by the Senate, I have asked the heads of the Federal Trade Commission for their opinion of the conference report which will be submitted. I have a memorandum signed by the heads of all the departments of the Commission expressing continued opposition to the conference report. I ask unanimous consent to have the memorandum printed in the body of the RECORD, together with a separate opinion by the general counsel of the Federal Trade Commission, Mr. W. T. Kelley.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Memorandum for Commissioners Carson and Mead:

Pursuant to your request, the undersigned are submitting to you herewith a brief statement of our views on S. 1008 as it is presently pending in the United States Senate for consideration. The undersigned have all been intimately connected with the work of the Commission in antimonopoly and price-discrimination cases and in appraising the economic effects of the practices which are dealt with in S. 1008.

It is our understanding that the purpose of S. 1008 was to clarify the law with respect to freight absorption and delivered prices. It is obvious to us that the bill in its present form does not accomplish this purpose. On the contrary, it confuses these matters far beyond any confusion which has existed. If the bill is enacted, it will give rise to a long period of litigation and uncertainty, both as to public and private rights and duties, and we earnestly believe that it will operate to seriously handicap the antimonopoly work of the Commission.

We are unanimous in our view that the bill is both unnecessary and undesirable and that it can only prove destructive of the antitrust laws.

Respectfully submitted.

W. T. Kelley, General Counsel; James W. Cassedy, Associate General Counsel; Robert B. Dawkins, Associate General Counsel; Joseph S. Wright, Chief, Division of Compliance; Richard P. Whiteley, Director, Bureau of Litigation; Everette MacIntyre, Chief, Division of Antimonopoly Trials; Lynn C. Paulson, Assistant Chief Trial Counsel; Corwin D. Edwards, Director, Bureau of Industrial Economics; John M. Blair, Chief, Division of Economics; Joseph E. Sheehy, Associate Director, Bureau of Legal Investigation.

APRIL 7, 1950.

Memorandum for Commissioners Carson and Mead:

I agree with the views expressed in the memorandum and have signed same.

I am opposed to S. 1008. First: In my opinion it is not an unfair method of competition in violation of the Federal Trade Commission Act or conduct in violation of the Sherman Act for an individual seller not occupying a preponderant or monopolistic position in the industry with power to control the market acting on his own and independently to sell its products on a delivered price policy or to absorb freight. To the best of my knowledge the Commission

has never held such a practice to be unlawful and I know of no case in which the Government challenged such conduct as unlawful. In such case, if there be a restraint of trade or of competition it may or may not, depending on the facts, constitute a violation of the Robinson-Patman Act. But in no such case is there danger of control of the markets; the fixing of prices or dread of enhancement of prices, and consequently the only statute applicable is the Robinson-Patman Act which forbids price discriminations which are violative of said act.

There is nothing inherently unlawful in selling on a delivered-price policy or absorbing freight. Of course, there may be a restraint of trade—a sale of goods to a buyer restrains trade pro tanto to that extent but it is a lawful restraint. Collusion or agreement between competitors to sell on a fixed policy or to absorb freight, however, may, depending upon the facts, have an inherent capacity to work injury to competition and against the public interest. But this is not the case of a seller acting independently and electing its own policy.

Second: In my judgment the Robinson-Patman Act should not be amended, and it is my opinion that it needs no clarification. If the Supreme Court in the Standard Oil of Indiana case sustains the construction of the statute placed upon it by the Federal Trade Commission, no congressional change in the statute should, in my opinion, be made. If the Supreme Court in said case should hold that meeting competition in good faith is a defense to price discrimination irrespective of injurious effect on competition, then I would feel that there would be a situation which would deserve the serious consideration of the Congress.

In view of the above and for those reasons I have signed this memorandum.

Respectfully submitted.

W. T. KELLEY,
General Counsel.

APRIL 7, 1950.

UNITED STATES OF AMERICA

BEFORE FEDERAL TRADE COMMISSION

At a regular session of the Federal Trade Commission, held at its office in the city of Washington, D. C., on the 7th day of July A. D. 1949.

Commissioners: Lowell B. Mason, Acting Chairman; Garland S. Ferguson, Ewin L. Davis, William A. Ayres.

In the matter of Rigid Steel Conduit Association et al.

(Docket No. 4452)

Order Denying Motion To Reopen and Modify

This matter comes before the Commission on motion by certain respondents to reopen the proceeding and modify the order to cease and desist entered on June 6, 1944, by striking paragraph V thereof and substituting certain language set forth in the motion.

The purpose of the requested modification is said to be to make clear that the order does not prohibit any of the respondents, acting independently, from quoting or selling at delivered prices or from absorbing freight. The Commission does not consider that the order in its present form prohibits the independent practice of freight absorption or selling at delivered prices by individual sellers. What the questioned portion of the order does prohibit is the continuance of the basing-point, delivered-price system, found to have been the subject of conspiracy, or any variation thereof which might be accomplished through the practices specified in subparagraph (a), (b), (c), or (d) when done, as stated in the order, "for the purpose or with the effect of systematically matching delivered-price quotations."

Taking the matters pleaded in the motion and memorandum in support thereof as true only for present purposes, no change of fact or of law appears and there is no showing that the public interest requires reopening and modification of the order. In the absence of an adequate showing of such change of law or fact or the requirements of the public interest the motion is denied.

By the Commission:

D. C. DANIEL,
Secretary.

Concurring opinion by Commissioner Mason attached.

PETER MICHAEL EL-HINI

Mr. WHERRY. Mr. President, on behalf of the senior Senator from Minnesota [Mr. THYE] and in his absence—he is now in his home State—I ask unanimous consent, if I may do so at this time, for the present consideration of House bill 6656, for the relief of Peter Michael El-Hini. The bill provides merely for the relief of an infant son of parents who are now in Europe. The infant son is, I believe 2 years old. His name is Peter Michael El-Hini. The stepfather, John A. Psau, is a citizen of the United States, and an employee of the Government. His parents wish to come back to the United States, but because there is no quota number available for him they will have to leave for many years the infant son in the country in which they now are. The bill passed the House and came to the Senate. The Senate Committee on the Judiciary has reported it unanimously and it is now on the Senate Calendar. I ask unanimous consent for the present consideration of the bill. Will the Senator from New Mexico [Mr. CHAVEZ] agree that the bill may be taken up now? If there is any objection, I will immediately withdraw the request.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6656) for the relief of Peter Michael El-Hini.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nebraska for immediate consideration of the bill?

Mr. CHAVEZ. Mr. President, I should like to accommodate the Senator from Nebraska, and I have told him I would.

Mr. WHERRY. I thank the Senator.

Mr. CHAVEZ. I like to keep my promises, as I generally do. And I would on this occasion if the circumstances were such that I could with dignity but if I say "Yes" to the Senator from Nebraska——

Mr. WHERRY. Ah——

Mr. CHAVEZ. Just one moment, Mr. President. But here comes the Senator from Massachusetts, who has just as much right to ask unanimous consent as any other Senator. I understand the Senator from Georgia wishes to make a request for consideration of a matter. I do not like to play favorites.

Mr. WHERRY. Very well.

Mr. CHAVEZ. I like to be fair to all. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The PRESIDENT pro tempore. The question is on the amendment offered on behalf of the Committee on Interior and Insular Affairs by the Senator from Wyoming [Mr. O'MAHONEY] on page 45, after line 14, to insert new sections 205 and 206.

Mr. LUCAS. Mr. President, the senior Senator from Pennsylvania [Mr. MYERS] is necessarily absent from the Senate floor this afternoon. He is greatly interested in the omnibus flood-control bill and had intended to deliver a short statement on the Pennsylvania projects included in the bill. I ask unanimous consent to have printed in the body of the RECORD the statement prepared by the Senator from Pennsylvania respecting the projects in question.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. MYERS. Mr. President, I do not intend to take much of the Senate's time in discussing the measure now before us. I say this—not because I feel the omnibus flood-control bill is unimportant—but only because the measure concerns so many States and so many localities we simply do not have time here on the Senate floor to give each project the discussion time it deserves.

But I simply cannot let this opportunity pass without telling the Senate, even if only briefly, about the projects in this bill which most directly affect the people of Pennsylvania. I say this knowing full well that all these projects affect in some way—and benefit—the lives of Pennsylvanians.

The Bradford flood-control project—involving an authorization of $6,467,000—is, in my opinion, the "hard-luck" project of Pennsylvania. Need for some sort of flood-control measures in this community had existed for many years, and in 1947 as a result of a resolution I introduced, a survey was made by the Engineers of flood damages in Bradford and vicinity. Just as the Engineers were about to make their preliminary report on it, a new flood, swept down Main Street of Bradford to a depth of 6 feet, spreading over 650 acres of the business and residential sections of the town. And in 1948, another flood hit Bradford. These floods were responsible for a delay by the Engineers—which delay was needed to provide time to resurvey the damage in order to have all the relevant data on the need for this project. When the report was finally submitted, it was too late for routine clearance by the Budget Bureau and therefore missed being included in the last omnibus bill.

Surely though, these two floods—in this important crude-oil production area—furnishes the best kind of proof that Congress must act now to authorize this project.

Another project in Pennsylvania which merits discussion is the $6,000,000 Dyberry Reservoir for the Lackawaxen River. Actually, this is companion to the Prompton Reservoir, authorized by Congress in 1948. The Senate that year cut off the Dyberry project, even though it had already been authorized by the House.

Let me say that if the people in the Dyberry area are to have adequate protection from flood damages, we in Congress must authorize both reservoirs—the original plan. If I had not been convinced of the need for these reservoirs, I never would have introduced the resolution in the Senate which resulted in studies being undertaken by the engineers. If the Engineers had not been convinced both reservoirs were needed, they never would have recommended the dual construction. And if the Senate Public Works Committee back in 1948 had consid-

ered the Dyberry Reservoir unneeded, it should have never described the project as a good one.

Also included in this omnibus bill are provisions for work on the Monongahela River, in West Virginia. The amount involved in this authorization is $29,238,000. Though this project is not actually in my State, the fact remains that the Monongahela is one of the key links in that so-important steel-producing area of which Pittsburgh is the heart.

I could go into a great deal more detail on all of these projects—damage caused by previous floods, loss in lives and incomes, the long delays in getting the projects under way—but I hope I have succeeded in these few remarks in indicating the clear present need for these projects.

Mr. MAGNUSON obtained the floor.

Mr. LEHMAN. Mr. President, will the Senator yield to me to make a brief statement?

Mr. MAGNUSON. Yes; I yield for that purpose.

Mr. LEHMAN. Mr. President, I rise to speak very briefly for the pending Columbia Basin amendment offered by the senior Senator from Wyoming [Mr. O'MAHONEY], on behalf of the Committee on Interior and Insular Affairs. I am informed that I am one of a very few eastern Senators who have had the privilege of serving on the Committee on Interior and Insular Affairs. I have felt a great satisfaction in taking a deep interest and an active part in the work of that committee under the brilliant leadership of the senior Senator from Wyoming [Mr. O'MAHONEY].

I became a member of the Interior Committee with some knowledge of the problems of water power, since my own State is deeply concerned with the development of water power on the St. Lawrence and the Niagara Rivers. Perhaps some of my colleagues may know that I have been interested in and concerned with the development of public power and the preservation of the great natural resources of power for the benefit of the public for many, many years. I know comparatively little, however, of the problems involved in irrigation and reclamation projects.

I have attended almost all the meetings of the Committee on Interior and Insular Affairs. We have had 20 or 25 meetings on the Columbia Basin amendment alone. I have come to two conclusions respecting it. One is that the development of the reclamation and irrigation projects provided for in this amendment will be of great benefit not only to the States involved, the States making up the Columbia Basin, but also to the Nation as a whole. I feel strongly, as I have always felt, that the prosperity and development of one section of the country inevitably inures to the benefit and the prosperity of our entire Nation.

I have learned a second thing from the hearings, that there is no possibility of carrying on an extended reclamation and irrigation program except through the use of some of the revenues of power projects, either in the form of direct income or in the form of the interest component.

The cost of these projects is so great that it could not possibly be met by the settlers alone, unless we place on them an unbearable burden, running over a period of many years into the future. It is inevitable and essential that in the development of the reclamation and irrigation projects which are so greatly needed in the West, some of the revenues from the sale of power be used to make up the difference between what can be paid by the settlers and the total cost.

So, Mr. President, I feel most strongly that the future development of irrigation and reclamation in the West, the Northwest, and the Southwest not only is in the interest of the States involved, the States included in the basin, but is in the interest of the entire Nation.

Not only will I vote for this amendment, but I earnestly urge all my colleagues in the Senate to do likewise.

Mr. MAGNUSON. Mr. President, first I wish to express my appreciation to the distinguished junior Senator from New York [Mr. LEHMAN] for his very fine attitude in the national interest in respect to the development of our great country and its natural resources. He has approached this entire problem without any sectional interest or any narrow sectional view whatever, and I greatly appreciate what he has said.

As the junior Senator from New York has said, we are speaking today in respect to the development of and in the interest of five great States in the Pacific Northwest. This matter involves a river basin which probably has greater potentialities of power, irrigation, and reclamation development than does any other river basin in the world. The Columbia River flows through or drains those five States; and I think I am safe in saying that it is the backbone of the potential economy and the future of the great Pacific Northwest.

Already, Mr. President, the developments along that river have received a great deal of help from the Federal Government, and already there exists in that area the greatest pool of cheap hydroelectric power in the world. Power is now being produced in some quantity by the dams which have been built, and is being sold to the consumers at a minimum rate of $17.50 a kilowatt hour a year—the cheapest power rate in the world.

I may say in passing that if Congress would look with similar favor upon other river basins and would manifest toward them an interest similar to that which the junior Senator from New York has evidenced in respect to the development of this great basin, power rates to American consumers throughout the United States could be lowered considerably. Such a development has also occurred in the great valley which is so ably represented here by the distinguished President pro tempore, the senior Senator from Tennessee [Mr. MCKELLAR], who now is presiding over the Senate. Similar developments can occur in the Southwest, in the Arkansas Basin, and in the Northeast, where power rates today are the highest in the Nation because the great hydroelectric potentialities which exist there are not being developed.

We in the Pacific Northwest have been somewhat fortunate, and I am sure we are grateful for the action taken by various Congresses, beginning in 1934. We greatly appreciate the help they have given us to develop the great Columbia River and its potentialities.

Mr. President, despite the fact that we have this great power pool and this cheap power, and despite the fact that we have developed in excess of 3,000,000 kilowatt-hours of electricity a year from the great Bonneville pool, which now is composed not only of power from Bonneville, Grand Coulee, and the other dams, but also of the power from the dams operated by private utilities, we find ourselves still somewhat underdeveloped in respect to the production of electric energy. In fact, parodoxically, we find ourselves short of power; and in the past 2 or 3 years we have had occasion to have some minor brown-outs during the winter season because we are short of power.

The shortage has been caused by several factors. In the first place, there has been a great increase in the use of electric energy in the Pacific Northwest; in the second place, because of the availability of cheap power, the light-metals industry began to build plants in that area. Electrolysis plays a large part in the production of light metals, particularly aluminum and magnesium. The light metals industry consumes almost 40 percent of the great power pool. The Government also built in that area the great Hanford atomic energy plant, which has tied up another portion of the power pool. It does not use all of it; but no commercial contracts or commitments may be made by the Bonneville Administrator for a certain portion of the pool which may be needed at the atomic energy plant.

Moreover, Mr. President, we have conducted a great social experiment in the development of this cheap electric power. We have learned—and this principle runs true to form, and I am sure it applies equally to the Tennessee Valley—that the cheaper electricity is made available to consumers, the more electricity is used; the cheaper the power rates, the more the consumers, including housewives and farmers, use electric power. So our domestic consumption of electric power has almost doubled in the past 10 years.

Mr. President, I may say with some pride that because the Columbia River has been developed the State of Washington—and Oregon is right on our heels—is today in the position of having 94 percent of its farms electrified; only 6 percent of the farms in my State do not now have electricity. In fact, I think the figure as of the present moment is even higher, because I understand that in the case of some farms, although electricity is available, the farmers say they do not want it. Therefore, I think I am safe in saying that 98 percent of all the farms in that great State have cheap electric power available to them. We are grateful for this situation and development. In most parts of that great river valley, today the housewife has electric power available for her use. She can use electricity for practically everything, and can do so for a very modest sum, because the rate is the cheapest in the world. If the Congress continues to take toward the various river basins the same attitude which has so ably been expressed today by the junior Senator

from New York—in the national interest, not from a sectional viewpoint—I say that cheap electric power can be delivered to practically every home in the United States.

I can remember that years ago, when I was a Member of the House of Representatives, we were soliciting appropriations for the great Grand Coulee Dam. Every year we were required to go before the Appropriations Committee and present our case and get whatever appropriation seemed to be available. I can remember that year after year when we would request an appropriation, Representatives from other sections of the United States would stand on the floor of the House of Representatives, and invariably would ask the same question: What are you going to do with all that power? Why are you asking for it? Are you asking for money with which to build a great mass of concrete in the desert? Are you going to sell the electricity to the jack rabbits?

Mr. President, the truth of the matter is that we should have asked for double the amount then requested, because today we still have a great shortage of electric power. Despite the fact as a result of that development there was brought about the strong economy which played such an important part in the recent war, many of the projects and developments in that section of the United States still do not have available to them all the electric energy and electric power they need.

Inasmuch as I have mentioned the recent war, let me say that without the electric energy made available as a result of the construction and operation of the Grand Coulee Dam, the development of the atomic energy plant at Hanford would not have been possible at the time when it was built; and without the cheap power pool coming from the Bonneville Dam, it would not have been possible for the United States to have been prepared air-wise as quickly as she was prepared during the recent war, because during the war we began to make aluminum faster than any other country could, and we supplied most of our allies with the aluminum they needed for producing war material. Yet despite that fact, we need further development. All the projects are self-liquidating.

The pending amendment provides for over 90 percent reimbursement to the Government. We have paid off every loan the Federal Government has made to us. In fact, this proposal calls for nothing but a loan. The Bonneville Power Authority, which comprises the great power pool of all these dams, including Grand Coulee, is almost 6 years ahead of its repayment schedule to the United States Government, including interest. In the meantime, we have added to the wealth of the Nation by billions of dollars, and have done so, I think, even to a greater degree than other sections of the country, not because they did not want to do so, but because we had the cheap power available.

The peculiar geographical situation of the Columbia Basin makes it difficult for us to separate power and reclamation. Most of our projects are multiple-purpose. They include power, reclamation, and irrigation; sometimes all of them. It is true that some of the dams are primarily for power and some projects are primarily for irrigation; but there is no project within the area, either contemplated, under construction, or completed, that does not involve one of the three features to some degree. By reason of that fact, participation in the area by the Federal Government has been had through two departments of the Government, the Bureau of Reclamation and the Corps of Army Engineers. We have today on the Columbia River under the control of the Bureau of Reclamation a dam which was constructed by that Bureau, and it was well constructed; the job was well done, and the dam efficiently operated. We have there another dam, constructed by the Corps of Engineers. It also was well constructed and is efficiently operated. We have projects completely mixed up between the two agencies. I am not critical of that, because they both did a great deal to develop the area, and most of the projects contain to a degree features involving the jurisdiction of both agencies. The general pattern was that if a project related more to power than to irrigation or reclamation, the Army engineers would build and operate it; if most of the features related to irrigation and reclamation, then the Bureau of Reclamation would build and operate it. But, because we were developing this great basin, because its potentiality was so great, and because of the obvious necessity for many reasons of joint work on the projects, the Bureau of Reclamation and the Army engineers attempted several years ago to get together on what they called a joint comprehensive plan. They worked on it for a long time, spending about $6,000,000 in developing the comprehensive plan.

About a year and a half ago they made a joint report, No. 308, which was agreed to by both the Bureau of Reclamation and the Corps of Engineers, respecting multiple-purpose projects for the development of the Columbia River. The plan was submitted to and approved by the Congress. So the two agencies, with the approval of the President and of the Budget Bureau, came to Congress with report 308, requesting an authorization. Because of that we today find ourselves in a dilemma. The report was submitted to the Public Works Committee, and was considered by the committee. The committee considered very fairly and courteously the so-called rivers-and-harbors portion of the report. One member of the committee, the Senator from Utah [Mr. WATKINS] who was also a member of the Committee on Interior and Insular Affairs, suggested that because part of the comprehensive report related to irrigation and reclamation projects, the consideration of those projects should be within the jurisdiction of the Committee on Interior and Insular Affairs. It was suggested, and agreed to by all parties, that because of the inability to separate the projects contained in the report, the Committee on Interior and Insular Affairs should also consider it.

On the floor of the Senate, the chairman of the Public Works Committee and the chairman of the Committee on Interior and Insular Affairs engaged in a colloquy last fall on the subject of the procedure which should be followed. The colloquy was read by the Senator from Wyoming [Mr. O'MAHONEY] yesterday, so I need not put it in the RECORD at this time. It was my understanding that after the Committee on Interior and Insular Affairs considered the portion of report 308, in which there were recommendations by the Army Engineers and by the Bureau of Reclamation, and had agreed to the reclamation features, they could become part of this bill, since the projects cannot be separated.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CORDON. Do I correctly understand the Senator to say it is his understanding that the coordinated report No. 308 is a part of this amendment?

Mr. MAGNUSON. No. I was speaking of the so-called agreement that the Committee on Interior and Insular Affairs should take the portion of the report and study the recommendations as to reclamation and irrigation, but not that it should study the entire report.

On Monday, March 6, the Committee on Interior and Insular Affairs approved, by a vote of 8 to 4, the amendment which is now before the Senate. The amendment proposes to authorize projects at an ultimate estimated cost of over $600,000,000. That is a part of the comprehensive report, No. 308, to which I have referred, but it is not all of it. It contemplated construction of projects over a period of perhaps 4 or 4½ years. In addition, it provided a technique for basin-wide pooling of costs allocated to power and revenues returned by power. The amendment is a part of what has come to be known, as I mentioned previously, as the comprehensive plan for the development of the Columbia River and the Columbia Basin.

It was stated yesterday by a member of the Public Works Committee that this amendment had not been before the committee, that what the committee had been discussing related to a proposed Columbia Valley Authority. It is true there is pending in Congress a bill to create a Columbia Valley Authority similar to the TVA, but that is still pending. Although it is related to the development of the Columbia Basin, it has absolutely nothing to do with the pending amendment, which provides for the brick and mortar, so to speak, whereas the other proposal relates to management. They are two parallel roads in the development of the Columbia Basin. I personally entertain the hope that they both will lead to Rome, though they may not. But in the meantime we want to proceed with what we call the 308 report, which is on concrete construction and the material development of the Columbia Basin for all three purposes.

It has been suggested that this amendment had not been before the Committee on Public Works. The amendment has been before that committee, and there were lengthy discussions of the subject. The hearings on flood control in connection with the bill presently before the

Senate contained pages of testimony on this proposal, which embodies some irrigation and reclamation projects. That is the reason why it was sent to the Committee on Interior and Insular Affairs.

It was suggested yesterday that the feature of this amendment which provides for a basin account, which I shall attempt to explain later, was not before the committee. That question was also before the committee, and the whole comprehensive plan was proposed as an amendment to this bill. It is true, it was originally introduced as a bill, but it was proposed to the committee as an amendment and was considered by the committee as such. It was then turned over to the Committee on Interior and Insular Affairs because of the reclamation and irrigation features, which, I again remind the Senate, cannot be separated in the development of the Columbia Basin.

Now that the Senator from New Mexico [Mr. CHAVEZ] has returned to the floor, let me say that there was some suggestion that the amendment now pending had not been before the Committee on Public Works. I have just stated that the hearings before that committee contained pages of testimony with reference to this amendment. It was submitted to the committee as an amendment. There was a further suggestion that the so-called basin account was not before the Public Works Committee. I distinctly remember our discussing the basin account.

So, Mr. President, in order that the RECORD may be clear, I wish to read from the Daily Digest of the RECORD, October 6, 1949, page D681, as follows:

> In executive session, the committee voted to report with amendments H. R. 5472, to authorize the appropriation of $1,564,000,000 for the construction and completion of various flood-control and river and harbor projects.
>
> Before taking this action, the committee rejected an amendment proposing a comprehensive plan for the Columbia River Basin project, but adopted amendments to authorize the construction of individual projects and the appropriation therefor, totaling $250,000,000 to the Corps of Engineers and $175,000,000 for the Bureau of Reclamation. (The proposed appropriation for the Bureau of Reclamation is contingent on approval by the Committee on Interior and Insular Affairs.)

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. Notwithstanding what was in the bill as stated by the Senator from Washington, is it not true that this amendment would carry practically $600,000,000 more in appropriations than are itemized in the bill now being considered?

Mr. MAGNUSON. No. I have not read the final draft of the amendment of the Senator from Wyoming.

Mr. CHAVEZ. That is the amendment which the Senator is now discussing.

Mr. MAGNUSON. The amendment, as I understand, and as I understood from the Committee on Interior and Insular Affairs, contains only the items which were discussed in the hearings before the Committee on Public Works—only items in the Columbia Basin and items discussed and passed upon in the committee. If the amendment contains any more than that, I should be against it myself.

Mr. CHAVEZ. Very well. Let me ask this question of the Senator from Washington: With reference to the Columbia River Basin, the amendments which have been approved by this body contain the following projects:

(a) Libby Dam, Kootenai River, Mont., $53,000,000.

(b) Priest Rapids Dam, Columbia River, Wash., $2,000,000.

(c) John Day Dam, Columbia River, Wash. and Oreg., $700,000.

(d) The Dalles Dam, Columbia River, Wash. and Oreg., $600,000.

(e) Local flood-protection project at Bonners Ferry, Kootenai River, Idaho, $750,000.

(f) Local flood-protection project at Pendleton, Oreg., and Jackson Hole, Wyo.; and Hepner Dam and downstream channel improvements, Willow Creek, Oreg., $5,678,000.

(g) Local flood-protection projects in the Columbia River Basin, Mont., Wyo., Utah, Nev., Idaho, Oreg., and Wash., $28,000,000.

Will the Senator from Washington now tell the Senate whether the amendment he is now discussing contains projects in addition to those items?

Mr. MAGNUSON. That is correct. The items read by the Senator from New Mexico were, of course, in the bill as reported, but they are not a part of the plan; they are isolated items. For instance, the flood control of which the Senator speaks is flood control on the lower Columbia River, which has nothing to do with the basin development. It represents dikes which were washed out in the great flood of 2 years ago which practically inundated the cities of Vancouver and Seattle. One is the Libby Dam. The other items for the other dams are mere planning. Priest Rapids Dam will cost almost $200,000,000. John Day Dam is one of the largest dams on the Columbia River.

Mr. CHAVEZ. Is it not a fact that as the bill came from the House it contained only, on the Columbia River Basin, the Albeni Falls Dam, in Idaho, and an additional authorization for the Willamette River Basin, of $40,000,000; improvements around Portland and vicinity, $332,000; levies on the Willamette River, $14,000,000; Columbia River irrigation, $4,000,000; modification of levees on the Columbia River, $14,000,000, and levees along the lower Columbia River, $2,000,000, totaling $107,997,000? Does not the bill which is now being considered by the Senate, add to that amount $142,000,000?

Mr. MAGNUSON. It adds to it. What the Senator says is correct, but he is talking about power and flood-control projects, having little or nothing to do with the development of the comprehensive plan of the Army engineers and the Bureau of Reclamation for power and reclamation development.

Mr. CHAVEZ. Whether they are flood control, irrigation, or navigation projects, they are still a part of the comprehensive plan which was submitted by the Army engineers and other governmental authorities.

Mr. MAGNUSON. Only as to the Albeni Falls Dam and money for planning for other great dams which are planned for the far future.

Mr. CHAVEZ. What use will be made of the $142,000,000 which has been approved by the committee?

Mr. MAGNUSON. It is all for flood-control construction. It does not include the comprehensive plan for power and reclamation.

Mr. CHAVEZ. Does the Senator mean to tell the Senate that the flood-control section is not a part of the over-all plan?

Mr. MAGNUSON. It is not a part of the 308 report, with the exceptions which I have pointed out. The Albeni Falls Dam is a part of it, the Libby Dam is a part of it, but the levees on the lower Columbia River and the levees on the Willamette River are not a part of the plan for power and irrigation in the 308 report.

Mr. CHAVEZ. Of course they are not for power. If a plan is made for flood control, I understand that it can be used for irrigation, or something else.

Mr. MAGNUSON. There are such projects in the area.

Mr. CHAVEZ. Very well. Will the Senator from Washington tell the Senate what the money is going to be used for, after the House has approved $107,997,000, and the Senate so far has approved an additional $142,000,000?

Mr. MAGNUSON. It is set forth in the report.

Mr. CHAVEZ. It is in the report; and it is a part of the comprehensive plan.

Mr. MAGNUSON. No; it is not part of the comprehensive plan. Only the parts which I have mentioned are included in the plan. I will put the comprehensive plan in the RECORD, so there will be no mistake about it. Plans have been made for the area, but the projects mentioned are not a part of the comprehensive plan. The plan is embodied in a separate engineering report.

Mr. CHAVEZ. The comprehensive plan and the report were supposed to take effect and be part of the whole scheme of things when we worked out the Columbia River Basin Authority. Is that not correct?

Mr. MAGNUSON. That is correct, but the administrative officials of the Government have asked us to look into the Columbia River Basin Authority, and we are now looking into it, and we intend to hold hearings on that question. However, the Senator from Washington now offers an amendment dealing with that subject, to a flood control—rivers and harbors—navigation bill, without any hearings being held by the committee.

Mr. CHAVEZ. I may say, Mr. President, that I am sympathetic. It may very well be the plan is a good one. However, inasmuch as we have a Columbia River Basin Authority bill before the committee, and since the committee has not had any hearings on the subject referred to by the Senator from Washington, I do not believe it should be included in a rivers and harbors bill at this time by an amendment offered from the floor. That is the only difference between the Senator from Washington and the chairman of the committee. I am not antagonistic to the idea presented by the Senator from Washington.

I am sympathetic, and I agree with him on the development, but I do not think it should be taken care of in this way.

Mr. MAGNUSON. I appreciate the interest of the Senator from New Mexico. He has always had a great interest in western development, whether it be flood control, irrigation, or reclamation. However, all these matters were before the Committee on Public Works. General Pick testified, and representatives of the Bureau of Reclamation testified. As a matter of fact, the amendment includes the basin account, which was discussed previously.

Mr. CHAVEZ. That is correct.

Mr. MAGNUSON. Long discussion was had. I testified, the Senator from Oregon [Mr. MORSE] testified, and the Senator from Washington [Mr. CAIN] testified. The testimony is all in the report of the hearings.

Mr. CHAVEZ. Yes; the senior and junior Senators from Washington testified, General Pick testified, and many other persons testified. However, will the Senator state what the action of the committee was?

Mr. MAGNUSON. I just read the action of the committee. The proposal was referred to the Committee on Interior and Insular Affairs. I will read the action of the committee again. The committee rejected an amendment proposing the whole comprehensive plan.

Mr. CHAVEZ. That was not done because the committee were against the plan. They rejected the plan because it was not the proper time to take care of it, and because hearings had not been held on the whole plan.

Mr. MAGNUSON. That is correct. They brought up the whole plan. I know my bill takes in the whole plan. Although I am not a member of the committee, I sat in on some of the hearings, through the courtesy of the committee, and it was decided by the committee that a portion of the plan, or a projection of it, which we figured would take 3½ years, was approved.

Mr. CHAVEZ. As a result of that we included $142,000,000 in the bill.

Mr. MAGNUSON. No; that is not included.

Mr. CHAVEZ. As a result of presentations made by the Senator from Washington, and other interested persons from the Columbia River Basin, we included $142,000,000 in the bill.

Mr. MAGNUSON. The committee adopted an amendment authorizing construction of individual projects, with appropriations totalling $250,000,000 to the Corps of Engineers, and $175,000,000 to the Bureau of Reclamation. However, the proposed appropriation for the Bureau of Reclamation was contingent upon the approval of the Committee on Interior and Insular Affairs. What I am talking about is the proposed amount for the Bureau of Reclamation.

Mr. CHAVEZ. Yes.

Mr. MAGNUSON. Perhaps I did not understand the Senator. The committee did put in these other projects for the Corps of Engineers.

Mr. CHAVEZ. Yes. Let me read the report to the Senator from Washington, so that there will be no misunderstanding whatsoever. I read from page 68:

> The committee was requested by several Senators and Members of Congress, and governors and groups of citizens in the Pacific Northwest, to include an amendment in the bill approving the Columbia Basin comprehensive plan and providing an initial authorization to start work on the most urgent parts of the plan. The committee held hearings on this proposed amendment and heard many witnesses urge its inclusion in the bill. At the same time the committee also has had under consideration a proposal contained in S. 1645—

Which I think was introduced by the Senator from Washington—

> to establish a Columbia Valley Administration, which would absorb the functions of the principal Federal water project construction agencies in that area and constitute a single administrative agency for carrying out the water resources development. The committee is carefully studying the CVA bill and is agreed that it will complete its consideration as soon as it can hold adequate field hearings and thoroughly weigh the relative merits of all possible methods of administration for this large undertaking.

I continue reading from the report:

> The recommendations of the committee with respect to the Columbia River Basin are (a) approval of the authorizations passed by the House amounting to $108,000,000 for work to be accomplished by the Corps of Engineers, (b) additional authorizations in the total amount of $142,000,000 to cover appropriations for a 3-year period for certain specific projects to be accomplished by the Corps of Engineers.

Mr. President, if the Public Works Committee had not treated the Columbia River Basin in the best of faith, I do not know what other committee could do it. Notwithstanding the merits, and the sympathy I have for the idea the Senator is now advancing, I still think that so far as the next 3 years are concerned, the fact that the committee and the Senate have approved up to now $142,000,000 additional is certainly treating the Columbia Valley, so far as the record is concerned, with all the respect and consideration possible. That does not mean to say, that on its merits, we are not for the amendment of the Senator from Wyoming which the Senator from Washington is now discussing, but we are not for it in connection with this particular bill. It might be necessary to bring it up in the proper way. I think we have done very well by the Senator from Washington.

Mr. MAGNUSON. Mr. President, I am sorry there has been a misunderstanding. It is true the Committee on Public Works put in the engineering projects, and the Senator listed them. I told the committee what they were for. But we are discussing in this amendment irrigation projects, and I am endeavoring to point out that we are in a dilemma. We cannot separate the two kinds of projects, because the two agencies have gotten together; they submitted this report, which includes many of the things the Senator read, indeed the bulk of them, and also includes all the irrigation projects. So, I do not know what other course can be pursued. I would just as soon have this all in one committee.

Mr. CHAVEZ. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield?

Mr. MAGNUSON. I was just going to say that the action of the committee was to approve the engineering items which were read by the Senator.

Mr. CHAVEZ. That is correct. That is the only part over which the Committee on Public Works had jurisdiction.

Mr. MAGNUSON. Then the Committee on Public Works says, "The proposed appropriation for the Bureau of Reclamation which we are considering now is contingent upon the approval of the Committee on Interior and Insular Affairs."

Mr. CHAVEZ. Which is true. I agree to that. But if that is so, why not have the Committee on Interior and Insular Affairs report a bill to the Senate approving the things they have investigated? Why bring them in in connection with a flood control bill, irrespective of how much merit they may have?

I agree that irrigation is necessary, but I do not agree that the Committee on Interior and Insular Affairs have a thing to do with recommending the other kind of projects. Of course, any individual Senator has a right to advise the committee, but I do not think it is a sound method of legislation, under the processes of parliamentary procedure we now follow to have one committee which has jurisdiction over irrigation and reclamation being superseded. Neither the Senator from Wyoming nor the Senator from Washington is stronger for reclamation in the Western States than I am, but it should be handled in an orderly way, and if the projects are so good, why not provide for them in a proper bill? If that is done, I will vote for it.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield, but I merely wanted to point out our problem.

Mr. CHAVEZ. It is a problem.

Mr. O'MAHONEY. Mr. President, it seems to me there can be an understanding among the committees of the Senate and the Members of the Senate, as there has been between the Army Engineers and the Bureau of Reclamation. I have been very much interested in the discussion which has been proceeding between the Senator from Washington and the Senator from New Mexico.

I happened to open the report of the hearings before the Committee on Public Works on the pending bill, and casually, at the very spot at which I opened it I found this statement under the heading "Columbia River Basin":

> Senator SPARKMAN. With reference to the Columbia River Basin, we have had considerable testimony already from both the Army engineers and from the Bureau of Reclamation.

Then he proceeded. I had scarcely read that when I heard the Senator from New Mexico reading from the report which he filed with the Senate upon the

pending bill. I find on page 67 of the report this language:

The bill as passed by the House includes several projects which form parts of the coordinated comprehensive plan for the Columbia River Basin completed earlier in the year by the Corps of Engineers and the Bureau of Reclamation in cooperation with other Federal agencies and State and local agencies.

Then it proceeds, confirming the statement previously read that there was testimony before the Committee on Public Works about the subject.

Then we come to the report of the Daily Digest of the CONGRESSIONAL RECORD, October 6, 1949, at page D681, to the statement which the Senator from Washington has read:

Before taking this action, the committee rejected an amendment proposing a comprehensive plan for the Columbia River Basin project, but adopted amendments to authorize the construction of individual projects and the appropriations therefor, totaling $250,000,000 to the Corps of Engineers and $175,000,000 for the Bureau of Reclamation.

Then in parentheses comes the statement:

(The proposed appropriation for the Bureau of Reclamation is contingent on approval by the Committee on Interior and Insular Affairs.)

The matter came to our committee by reason of the suggestion which was made in the Public Works Committee by a Member of this body, who is a member of both committees, the junior Senator from Utah [Mr. WATKINS]. He suggested—and this we agreed to on the floor yesterday—that since these projects dealt with reclamation, the matter should be considered by the Committee on Interior and Insular Affairs. Up to that time, Mr. President, the chairman of the Committee on Interior and Insular Affairs had given no attention to the matter at all. But then, after the report of the Public Works Committee had been filed, the chairman of the Public Works Committee and the Senator from Wyoming had their colloquy upon the floor of the Senate on the 7th of October last, and certainly I came away with the feeling that the statement in the Daily Digest of the RECORD, October 6, 1949 represented the general understanding, namely, that there would be no objection to the submission by the Committee on Interior and Insular Affairs of its judgment upon the very self-same reclamation projects concerning which evidence and testimony had been taken in the Public Works Committee. So, here we are now discussing amendments affecting reclamation and not flood control.

Mr. CHAVEZ. That is correct.

Mr. O'MAHONEY. And one power project, the Hell's Canyon project, which by the comprehensive plan between the two agencies was assigned to the Bureau of Reclamation for construction. I confess I can see no reason why on a matter of jurisdiction there should be any objection upon the part of any member of the Committee on Public Works to the consideration by the Committee on Interior and Insular Affairs of this matter. The Committee on Public Works performed a very courteous act in saying "We will defer on the question of reclamation to the committee which has jurisdiction of it."

Mr. CHAVEZ. Yes.

Mr. O'MAHONEY. It was in that spirit that it was accepted. I will say to the Senator from Washington that without a question there is no greater friend of reclamation in the Senate than the senior Senator from New Mexico. During all the years in which I have served with him I have found him, in the Appropriations Committee and on the floor, supporting sound reclamation projects, and I trust that in the desire to secure speedy action and to preserve the unity of the Columbia Basin development, we may have his support with respect to the reclamation projects which are now offered.

Mr. CHAVEZ. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. Yes; I yield.

Mr. CHAVEZ. I feel like quoting the senior Senator from Colorado [Mr. JOHNSON] who spoke of his grandmother. The Senator from Colorado said, "My grandmother told me to beware of many occasions."

Mr. O'MAHONEY. I am sure the Senator from New Mexico was not advised to beware of the Senator from Wyoming.

Mr. CHAVEZ. I am sure I was not; but simply to beware. Nevertheless, everything the Senator from Wyoming has stated as to the understanding between the Senator from Wyoming and the Senator from New Mexico is correct. He made only one error: He quoted the Digest as having stated that the Committee on Public Works has approved irrigation projects on the bill we are now discussing.

Mr. MAGNUSON. No; it does not say that.

Mr. CHAVEZ. I so understood it.

Mr. MAGNUSON. No; the Senator from Wyoming quoted it correctly. It merely said the Committee on Public Works had approved the engineering projects. Then he read:

The proposed appropriation for the Bureau of Reclamation is contingent on approval by the Committee on Interior and Insular Affairs.

Mr. CHAVEZ. Very well. I will stand on that. With respect to irrigation, the only part the Committee on Public Works plays is when the project is a multiple-purpose project. Aside from that, our committee has nothing to do with irrigation and reclamation. I am for irrigation and reclamation. Nevertheless, so far as the functions of the committee are concerned, they are limited to certain jurisdictions. If the project is a multiple-purpose project, and power or flood control or navigation are more important than the irrigation features, the measure comes to the Public Works Committee. That is the only time we have any jurisdiction over the matter.

After the Senator from Utah suggested that the projects which are being discussed now under the amendment of the Senator from Wyoming did not belong to our committee, I said, "Very well. Let them go to the committee to which they do belong." I agreed to that. But simply because I agreed that they should go to the committee which has jurisdiction over consideration of such matters, does not mean that after that committee makes a decision, and notwithstanding I might think the decision is beneficial, good, and sound, the projects in question amounting to $600,000,000, about which this committee has heard nothing, should be contained in an amendment to a flood-control bill. That is the only objection I have to the amendment.

Mr. MAGNUSON. I want to say to the Senator that I entirely agree. I think he has stated the facts correctly. I think the Senator from Wyoming stated them correctly.

Mr. CHAVEZ. That is true.

Mr. MAGNUSON. I am in between two areas of correctness. It is true that the committee of which the Senator from New Mexico is chairman deals primarily with flood control, and in the past, if a multiple-purpose project was brought before the Senate and the bulk of it related to power or flood control, it went to his committee. If the bulk of it related to reclamation it went to the other committee. That is the way the Corps of Army Engineers and the Bureau of Reclamation had divided up all those projects in the Columbia Basin until 4 or 5 years ago. Then it was decided by all the minds that knew something about the subject and had an interest in a comprehensive development and agreed that there should be a joint comprehensive plan, because it had become increasingly difficult to separate power and revenue from power, from irrigation and reclamation and payments by water users. So both interests got together. That was easy on the House side, because the same committee handles all the projects. But when it came to the Senate, and when we projected a portion of that plan, we found that there were in the plan some irrigation projects and some power projects, projects which are handled by different committees, so the situation on the Senate side was not so easy as on the House side.

Mr. CHAVEZ. Mr. President——

Mr. MAGNUSON. Permit me to finish please. We cannot come in with a bill dealing with irrigation projects and a bill dealing with flood-control projects, and have each bill take its separate course, because the plan to develop the Columbia River is a unified one.

Mr. CHAVEZ. A plan can be brought in which will unify both systems.

Mr. MAGNUSON. That is what we have here.

Mr. CHAVEZ. The bill we have before us now is nothing but a flood-control and navigation and rivers and harbors bill. It has nothing to do with comprehensive plans of any kind whatsoever. If the Senator from Washington——

Mr. MAGNUSON. Excuse me. The Committee on Public Works has approved what is being done.

Mr. CHAVEZ. If the Senator from Washington will bring forward a bill unifying and carrying out the comprehensive plan by itself, very well. We should

not undertake to do it by an amendment to a flood-control bill. Let a bill be brought in which will do what the Senator from Washington wants done, and the Senator from New Mexico will support it.

Mr. MAGNUSON. To what committee would that plan be referred? It would have to be referred jointly to the Committee on Interior and Insular Affairs and to the Committee on Public Works.

Mr. CHAVEZ. I do not think so.

Mr. MAGNUSON. Because it includes some irrigation projects, some flood-control projects, some navigation projects, and some power projects. In such case, I would be in the same position that I am in now.

Mr. CHAVEZ. So long as it was considered by the Committee on Interior and Insular Affairs, why not have it considered by that committee again? We will not object to that.

Mr. MAGNUSON. I do not wish to get myself again in the same position that I am in now. If I offered a comprehensive plan for the development of the Columbia River, a plan providing for the development of 5,000,000 or 6,000,000 kilowatts of power, and if that measure were referred to the Committee on Interior and Insular Affairs, I am afraid some of the technicians on the Committee on Public Works would object.

Mr. CHAVEZ. I do not know about that, not if a separate bill were introduced.

Mr. MAGNUSON. That is what this is. The Senator from New Mexico mentioned the Columbia and the CVA. I hope it is clear in the minds of all Senators that this matter has nothing to do with that. The Columbia River development is connected with CVA, of course——

Mr. CHAVEZ. But it might have something to do with it.

Mr. MAGNUSON. But this bill has nothing to do directly with the CVA. CVA relates to management. This measure provides the structure—the bricks and the mortar—for the development of power and reclamation.

Mr. CHAVEZ. And we are in favor of authorizing, and in connection with the request of the Senator from Washington have provided, $142,000,000 more than the House authorized for that very purpose.

Mr. MAGNUSON. I appreciate that.

Mr. CHAVEZ. Nevertheless, under an amendment coming from another committee, there is still a request for an additional $600,000,000.

Mr. MAGNUSON. No; the request is for a little more than $200,000,000, to be made available over a period of time for projects which will be self-liquidating. So the money will be paid back.

Mr. CHAVEZ. I think that is fine, but not as a part of this bill.

Mr. MAGNUSON. I should like to ask the Senator a question before he takes his seat. If tomorrow, after we conclude action on the rivers and harbors bill, I were to introduce a bill based on the 308 report, to what committee would it be referred? It would have to be referred to both committees, and then we would be in the same position we are in now.

Mr. CHAVEZ. That would be the responsibility of the then Presiding Officer. The committee to which the measure was referred could hold hearings and could learn what the measure was about. That is all right. However, our committee cannot favor any bill about which it knows nothing. I think it is only fair to the Senate that we take that position.

Mr. MAGNUSON. The Senator from New Mexico knows that long hearings were held before his committee.

Mr. CHAVEZ. That is correct; but the conclusions reached as a result of those hearings, insofar as they pertain to this particular amendment, were adverse to what the Senator from Washington now is suggesting.

Mr. MAGNUSON. Except as to the engineering projects.

Mr. CHAVEZ. That is correct; we approved the engineering projects.

Mr. MAGNUSON. And the approval of the Bureau of Reclamation was contingent upon committee approval.

Mr. CHAVEZ. That is correct.

Mr. MAGNUSON. And the other committee approved it.

Mr. CHAVEZ. That is correct, but our committee did not approve it.

Mr. MAGNUSON. This is the only amendment now at the desk on which hearings have been held before the committee. The committee discussed this matter, including the irrigation projects, at great length. Those matters were discussed and testimony about them was heard by the Committee on Public Works.

Mr. CHAVEZ. That is correct.

Mr. MAGNUSON. The Committee on Interior and Insular Affairs did not discuss the rivers and harbors projects, but the Committee on Public Works heard testimony on both, because there was a comprehensive plan which involved all these matters.

I wish to say to the Senator that even in this case, several of these projects have, to some degree, a multi-purpose nature. They are mainly irrigation and reclamation projects, with the exception of the Hells Canyon project.

Mr. CHAVEZ. That being the case, the bill should have been considered by the Committee on Interior and Insular Affairs, and should have been approved by that committee. Why have the Committee on Public Works approve it, when the projects are mainly irrigation and reclamation?

Mr. MAGNUSON. We are talking about these projects, but the Senator's committee approved the Corps of Engineers' projects.

Mr. CHAVEZ. We certainly did; we had authority to do so.

Mr. MAGNUSON. Let me ask the Senator this question: If I were to introduce a bill covering the comprehensive plan which the Army engineers, the Bureau of Reclamation, the President of the United States, the Bureau of the Budget, every Senator from the Pacific Northwest, and every Governor of the five States involved have agreed to—in fact, everyone concerned agrees to this plan—to what committee would the measure be referred? It would have to be split up again between two committees.

Mr. CHAVEZ. Very well; let the Senator introduce the bill, and we shall decide that question when it is reached.

Mr. MAGNUSON. Everyone approves this measure. What harm will it do to the bill now before the Senate to add the amendment which is based on the comprehensive report, inasmuch as everyone from the President on down, including the Governors of the States concerned, the Senators from those States, the Bureau of the Budget, and all others concerned, have approved it, and inasmuch as the President has sent to the Congress a special message on the subject? I do not see how it will hurt the rivers and harbors bill, because the situation in that section of the country is peculiar, and it is hard for us to separate the two kinds of projects.

Mr. CHAVEZ. Mr. President, probably I feel a little differently about the administrative end of the Government than does the Senator from Washington. I still believe in parliamentary government. I still believe in standing committees. I still believe in the dignity of the United States Senate.

So far as the Senator from New Mexico is concerned, as long as he heads the Public Works Committee he is not going to permit anyone in the Government, outside the Senate of the United States, to override any action taken by the committee. Any time a standing committee is overridden by the methods which now are attempted to be employed in this case, I think free government or parliamentary government is endangered. I still believe in the Congress of the United States. I still think it is part of our Government. I think it is just as important as the judiciary or even the administrative end of the Government.

Mr. MAGNUSON. Mr. President, I do not think the Senator from New Mexico means to say that this measure is an attempt to override any committee.

Mr. CHAVEZ. Oh, yes.

Mr. MAGNUSON. Then I ask the Senator for a suggestion. We are trying to develop our area under a combined report, under a combined approach, which includes both power, reclamation, flood-control, and navigation projects, because that is the only way we can develop it.

Mr. CHAVEZ. Then why does not the Senator introduce a separate bill for that purpose?

Mr. MAGNUSON. It happens that this measure relates to matters subject to the jurisdiction of two Senate committees. If this measure were before the House of Representatives, the situation in that respect would be different. I am simply submitting an amendment to the Senator's bill. I think I have a perfect right to do so, under the system of free government and parliamentary government which we have.

Mr. CHAVEZ. That is correct; no one is objecting to that at all.

Mr. MAGNUSON. I ask the Senator why he cannot accept this amendment, because it includes a comprehensive, combined approach by the Corps of Engineers and the Bureau of Reclamation

and all others, including the Bureau of the Budget, who are responsible for the administration of this matter, as it relates to the Columbia Basin. That is all we seek to do.

Mr. CHAVEZ. With the names the Senator from Washington has just mentioned, it is not very impressive, at least not at the moment.

Mr. MAGNUSON. I am not trying to impress anyone. I am merely saying that I have appeared many times before the Senator's committee, and have been asked, "Do you have the approval of the Bureau of the Budget?" Of course, many times that matter works in reverse.

Mr. CHAVEZ. Oh, no.

Mr. MAGNUSON. So I had the Bureau of the Budget look at this matter for a long time, and a great deal of hard work was required in that connection. The Bureau of the Budget made a thorough examination; and the Bureau of the Budget is rather tough in regard to these projects, because it has been trying to balance the budget. However, after the Bureau of the Budget examined this project, it not only thought the project was feasible, but recommended it, despite the fact that the Bureau of the Budget has recommended very few projects in the last year, because it has been trying to balance the budget.

Mr. CHAVEZ. Nevertheless, I shall not permit the Bureau of the Budget to come in at the last moment, in regard to a bill which has been introduced in the Senate, and say to us, "Now you can do it." I still want the Senate to have jurisdiction.

Mr. MAGNUSON. I remember the comprehensive project which was before the committee; and at that time the Bureau of the Budget was working on it. The Senator was very courteous, and he made plain to me that if the project had merit, it would stand on its own merits, regardless of the recommendations of the Bureau of the Budget.

Mr. CHAVEZ. Yes, regardless of that. I do not think the Bureau of the Budget has any legislative power whatever.

Mr. MAGNUSON. That is true, of course; but this comprehensive plan was approved by the Bureau of the Budget. In seeking the approval of the Bureau of the Budget, we were not attempting in any way to circumvent the Committee on Public Works. The situation merely is that the problem which we face in this respect is one in connection with which we cannot separate our projects.

Mr. CHAVEZ. I am most sympathetic to the Senator from Washington.

Mr. MAGNUSON. I do not know what else we can do.

Mr. CHAVEZ. Mr. President, I am most sympathetic to the Senator from Washington, and I wish to help him. I might be mistaken in my approach to solving the problem. However, I am thinking now of this body. I am thinking now of our American form of government. I am thinking now of trying to do things in the proper way. Notwithstanding that I am sympathetic and listen favorably to the presentation by the Senator from Washington, I do not think the way suggested is the correct way, namely to come forward at the last moment and request favorable action, merely because the Bureau of the Budget or someone else, appearing before the committee which has jurisdiction of this particular bill, has said, "All right; let us go." In connection with the principle I am advocating, I am not referring to my particular committee, except in this one instance, for certainly the principle applies in respect to every committee of the Congress. If any administrative agency attempts to say to a congressional committee, "You must give this measure the green light, because we approve," I object.

Mr. MAGNUSON. Mr. President, I do not think it can be said that I have come forward with this matter at the last minute.

Mr. CHAVEZ. The Senator from Washington certainly has.

Mr. MAGNUSON. I have been struggling for the last year before the Senator's committee.

Mr. CHAVEZ. Yes; there is no question about that.

Mr. MAGNUSON. I have had this matter before the Committee on Interior and Insular Affairs and before the Bureau of Reclamation; and the Senator——

Mr. CHAVEZ. When did the Senator ask the Bureau of the Budget for approval of it?

Mr. MAGNUSON. Last year.

Mr. CHAVEZ. However, our committee did not have any hearings on it at all; but now, all of a sudden, the Bureau of the Budget says, "All right," so the Senator from Washington says, "Let us go ahead," although the committee has not acted on it in any way whatever.

Mr. MAGNUSON. No; I suggested last fall, on many occasions, that the Bureau of the Budget approve it. This is not a last-minute approach. This matter has been before the Congress for a long time.

Mr. CHAVEZ. This matter is not a last-minute presentation insofar as the Senator from Washington is concerned, for I know he has been working on it for many years. He has been before our committee making fine representations. He has been trying as hard as he could, and I am sympathetic toward his efforts, and I honor him for them. I know he is trying to do the proper thing. Nevertheless, I still insist that so far as the Committee on Public Works is concerned, we do not know very much about this matter, except that it received the approval of the Bureau of the Budget when it got good and ready to give its approval; and now it says, "Go ahead; now we will let you do it."

Mr. DOUGLAS. Mr. President, will the Senator yield, to permit me to ask a question?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Washington yield to the Senator from Illinois?

Mr. MAGNUSON. In a moment.

First, Mr. President, I wish to say that all of us know a great deal about this matter. There are many pages of testimony about it, not only about the projects included in this amendment, but about the basin account. Voluminous testimony about this matter has been taken before both committees. Everyone concerned knows about it. It has been before the Committee on Public Works, and it has been discussed there; and an amendment on the subject was submitted. There were witnesses from the Bureau of Reclamation and witnesses from the Corps of Engineers of the Army. All the witnesses approved the entire plan.

Mr. DOUGLAS. Mr. President, will the Senator yield to me at this time?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Let me ask the able senior Senator from Washington if it is true that, although some 10 or 12 minor projects are included in this combined plan, the costs of which range between $1,000,000 and $5,000,000 each, yet the major expenditures contemplated are in connection with two projects: First, the Mountain Home project, with a total estimated construction cost of $253,000,000; and, second, the so-called Hells Canyon project, with total estimated construction costs of approximately $334,000,000? Is it not true that the overwhelming proportion of the expenditure is on these two projects?

Mr. MAGNUSON. That is correct. The Senator will see from the map that the projects recommended by the Bureau of Reclamation are within the red dots, and they are all in green. They are relatively small projects, such as, in the State of Montana, the Bitterroot Valley project, the Council project in Idaho, the Mann Creek project and Crooked River project in Oregon, The Dalles, and Okanogan. In fact, there is not a single project in my State involved in this matter, which shows somewhat the unity of the five States and the necessity of developing the whole area. It is true, I may say to the Senator, that there are two small projects in Washington; but the ones that make up the large sum which the Senator suggests are both in the State of Idaho. One is the Mountain Home project, shown on the map; the other is Hells Canyon. When this matter was before the Bureau of the Budget, respecting the Mountain Home project, the Budget suggested that the cost per acre might be too great, and suggested a further review of the Mountain Home project.

Mr. CHAVEZ. But, nevertheless, the amendment carries that project.

Mr. MAGNUSON. I was about to say that. So, when the matter came before the Committee on Interior and Insular Affairs, the Senators from Idaho and other Senators who were interested suggested that the committee should abide by that suggestion. The committee authorized the project. I had nothing to do with it. The committee authorized it with a proviso that no money should be spent on it. I do not have the wording. Perhaps the Senator has it.

Mr. CHAVEZ. I have the wording. If the Senator will yield, I will read from the report.

Mr. MAGNUSON. Is it relative to the Mountain Home project?

Mr. CHAVEZ. It is relative to the Mountain Home project. I read from the report of the Committee on Interior and Insular Affairs, at page 4, near the bottom of the page:

The projects recommended for authorization at this time without any limitation will repay $384,000,000, or 93 percent of their total estimated cost of $412,700,000; the nonreimbursable portion is almost solely for improvements to navigation and flood control. One project, the Payette unit of the Mountain Home project, is recommended to be authorized with certain irrigation features delayed until further reports and recommendations are made to the Congress. Evidence at this time indicates that, even with those features included, reimbursements to the Federal Government will total $586,000,000.

But nevertheless, it is authorized, notwithstanding the fact that the Bureau of the Budget opposed it.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Illinois?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Is it not true that the Hells Canyon project has two primary purposes: First, the development of 800,000 kilowatts of power; and second, the operation of a reservoir of 4,400,000 acre-feet capacity?

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. And is it not also true that it is confidently believed that the cost of construction can be repaid, with interest, out of the power revenues from this project?

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. I have been able to give this matter some study, and I find myself in agreement on the Hells Canyon project, but I find myself very dubious of the Mountain Home project, and I should like to find out whether my views are correct. I am informed that the total construction cost is $253,000,000.

Mr. MAGNUSON. I accept the figure, if it is from the Reclamation Bureau. I do not recall it. The Senator from Idaho is here. I should like to ask him to answer questions regarding the costs. I do not recall the detailed figures. The Senator from Idaho must have them.

Mr. DOUGLAS. Four-fifths of the project is to be used, not so much for power as for irrigation. The total amount of power to be developed anywhere, I believe, is only 120,000 kilowatts.

Mr. MAGNUSON. Very little power is to be developed in the Mountain Home project.

Mr. DOUGLAS. There is 60,000 in reserve, but only 120,000 to begin with.

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. And on the basis of the cost accounting figures, with the total cost of $253,000,000, almost $200,000,000 is the amount which would be allocated to irrigation, and $49,000,000 to power. But in practice, the water users are going to be charged only with $22,500,000, and therefore $177,000,000 more of water costs will be charged to the power users. In other words, we have here a subsidy of irrigation to the extent of $177,000,000, loaded upon the power users of the Northwest. In view of the fact that under our farm program we are retiring land from circulation and reducing the amount of land put into cultivation, I find it difficult to justify irrigating 192,000 more acres of desert land in the Boise Valley, which I understand is the purpose of the Mountain Home project, particularly when that will constitute an added burden upon the power users of the Northwest.

Mr. MAGNUSON. I shall not discuss the merits of the Mountain Home project with the Senator from Illinois, but I want to make clear and discuss further that although the reimbursable amount allocated to power from the Columbia Basin account is a great deal in the case of Mountain Home, which is the project about which there is much discussion and controversy, the Senator's statement that this would raise the power revenues——

Mr. DOUGLAS. No; but it would add to the burden.

Mr. MAGNUSON. I mean it would raise the cost of the power.

Mr. DOUGLAS. Yes.

Mr. MAGNUSON. I am somewhat of a power expert, but not in the same class as Raver and those who handle our power pool. My information is that even though the basin account will be tapped, as it were, for some of the power revenue, there is but one way to keep a uniform rate. As the dams are built, they are built at different costs. The only way it is possible to keep a uniformly low rate is to have the basin account, even though a portion of it is used for irrigation purposes.

The reason for the basin account, according to the testimony of all those who are in control of the power rates, is that without the basin account it will probably be necessary to raise rates in certain instances, at certain places, but with the basin account, even though it is tapped for irrigation and power revenues, it is possible to maintain a uniform rate.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I should like to have the Senator from Idaho answer the Senator's question.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Idaho, for the purpose of answering the questions of the Senator from Illinois.

Mr. DWORSHAK. Mr. President, I can well understand the apprehension of the Senator from Illinois concerning the proposal to authorize the Mountain Home project, involving as it does a subsidy from revenues derived from power plants at Scriver Creek, on the Payette River, in Idaho, and at Hells Canyon Dam, on the Snake River, practically all the water for which would be furnished by the State of Idaho.

I preface my reply by saying this is no innovation so far as reclamation and power development are concerned on the Mountain Home project. There are approximately 1,000,000 acres of land in the lower Columbia Basin, in the central part of the State of Washington, as to which Secretary Ickes, in August 1945, determined that the water users would be able to repay only about $35 per acre as the direct reimbursable charge for irrigation; that the water users likewise would be required to assume about $37 of the power costs. Thus there would probably be between $400 and $500 subsidy per acre for the 1,000,000 acres of land to be developed in central Washington, to come from the excess power revenues derived from the operation of facilities at the Grand Coulee Dam.

Mr. President, referring to the Mountain Home project, I should like to point out that that project is contingent upon the building of Hells Canyon. The record shows that the Hells Canyon development, which is primarily for power, will generate upward of 1,000,000 kilowatts, as I recall, and that, from the revenue derived from the sale of that power, even at the low rate of $17.50 per kilowatt year—which is currently charged by the Bonneville Power Administration throughout the Northwest—the Hells Canyon project will not only pay for its own construction but will furnish approximately $300,000,000 of revenue, which could be used to subsidize reclamation development in the upper basin. The O'Mahoney amendment approves five power features of the Mountain Home project, involving upper Scriver Creek, lower Scriver Creek, Smiths Ferry Dam, Smiths Ferry-Scriver Creek Tunnel, Scriver Creek Dam and Reservoir. These constitute the essential power phases of the Mountain Home development, and they would not only pay for themselves, but would furnish approximately $45,000,000 of additional power revenues. With a combination of Hells Canyon Dam and the power features of Mountain Home, there would be available approximately $347,000,000, which would be available to subsidize the irrigation development of land in connection with the Mountain Home project.

Mr. DOUGLAS. Mr. President, will the Senator permit me to make a statement in reply to that?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. I can well understand that it would be impossible to have the Mountain Home project without having the Hells Canyon project to pay the bills, because 90 percent of the irrigation benefits of Mountain Home would be charged to Hells Canyon.

So, of course, we must have Hells Canyon in order to carry Mountain Home. But my point is that we do not have to have Mountain Home in order to put Hells Canyon into effect. That can stand on its own feet. I wonder if it is proper to charge Hells Canyon with the heavy burden of Mountain Home, in order to irrigate more land, when the national land policy is to withdraw land from circulation, rather than to add more land for cultivation.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DWORSHAK. If the Senator from Illinois should apply that yardstick to 1,000,000 acres of land in Washington, there would be no irrigation development there, because I question whether a single acre of land could justify its development if reimbursability were to depend entirely upon the ability of the water user to pay for the investment.

Mr. DOUGLAS. Mr. President, will the Senator yield in order that I may reply?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. I was not in the Senate when the central Washington project was approved. I do not know whether it was sound but, even if matters were as the Senator has stated, or even if the project were unsound, should we compound unsoundness by adding one unsound project to another? I do not want to disturb the happy harmony existing among the four Northwestern States, but I should like to ask my good friend from Washington if he cannot consider splitting this project and dropping Mountain Home while carrying on Hells Canyon. The latter, I think, is a perfectly defensible project.

I can see the pained look that spreads over the face of my good friend from Idaho, but I am wondering if that is not perhaps the best thing to do.

Mr. MAGNUSON. The formula of having power pay a part of the cost of reclamation projects is not new, but in reclamation a point is reached where the cost per acre looks as if it might not be justifiable. It so happens, in all fairness, that Mountain Home was one of the disputed projects, but Hells Canyon and Mountain Home projects together look like sound projects, and repayment will be feasible. The Columbia Basin in the State of Washington is a sound project. We are away ahead of our repayment schedule, and all these other projects will be away ahead. I am not a member of the Committee on Interior and Insular Affairs. I can see that I have probably made a mistake. I should have been a member of the Committee on Interior and Insular Affairs and of the Committee on Public Works. I am entitled to membership on two committees. The amendment as submitted to the Committee on Interior and Insular Affairs does not include Mountain Home——

Mr. DOUGLAS. I congratulate the Senator from Washington.

Mr. MAGNUSON. The Committee on Interior and Insular Affairs put in my amendment with a certain reservation and restriction. I cannot accept any deletions, because I am not a member of either committee.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DWORSHAK. I should like to point out to the Senator from Illinois that only the power features of Mountain Home projects are authorized in this amendment, with the proviso that the other features shall await development "until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility under the provisions of the Federal reclamation laws, taking into consideration the participation of this project in the Columbia Basin account."

So I stress the point that there is no authorization for the reclamation features of Mountain Home in the current bill, but that it is contingent upon future determination of feasibility by the Secretary of the Interior.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. While there is no authorization for reclamation projects, nevertheless, if the Mountain Home project is approved or if the Hells Canyon project is approved, and we carry on the idea of subsidies, there will be eight projects which have one single purpose, which is irrigation, and they will be subsidized. Is not that correct?

Mr. MAGNUSON. The Senator is correct. That would be the case without Hells Canyon.

Mr. CHAVEZ. There are eight projects which provide only for irrigation and for no power possibilities whatsoever.

Mr. MAGNUSON. I do not know whether there are eight of them.

Mr. CHAVEZ. According to the report, there are eight of them.

Mr. MAGNUSON. There are probably eight.

Mr. CHAVEZ. The report shows eight.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Mr. President, as I take it, the Senator from Idaho is saying that it is all right to go ahead with the Mountain Home project because we are merely making a tentative authorization, and we can pull back at any time. As a boy I used to read Victorian novels, somewhat trashy novels, which sought to depict a virtuous maiden led astray by men who wished her ill. I would say that the Senator from Idaho is holding to the beautiful lips of the maiden, Financial Solvency, a cup of the drugged wine of authorization, which, if it is quaffed, will result in the taxpayers' money, to the extent of $253,000,000 going down the drain pipe. I know the Senator from Idaho may plead that the first drink does not matter, but the first drink of drugged wine does matter. I hope he will help to save this beautiful maiden——

Mr. MAGNUSON. The Senator from Illinois has the maiden in the wrong place. The Senator says a certain amount of money is going down the drain pipe. That is not correct. He is anticipating that the money might be there. It can only be there when we build the Hells Canyon project. When we take the whole thing together, the taxpayers' money is not going down the drain pipe.

Mr. DOUGLAS. Lower power costs in the Northwest will permit a greater development of industry in the Northwest.

Mr. MAGNUSON. If we had Hells Canyon to go into the power pool, that would be correct.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DWORSHAK. I should like to point out, for the information of the Senator from Illinois, that those who advocate development of the Mountain Home project, involving subsidies for reclamation, are thoroughly aware of the fact that the project could not be defended unless it were tied to the Hells Canyon development. All the water which would be utilized to fill the Hells Canyon Dam flows through southern Idaho for several hundreds of miles. So it is not illogical to contend that if Hells Canyon Dam is to be supplied with water draining the southern half of Idaho to provide revenue with which to help to finance the development of reclamation projects in Idaho; it is a defensible proposition.

Mr. DOUGLAS. I may say to my good friend from Idaho that when I was a boy on the farm we had a very strong farm horse that carried heavy loads, but I never thought it was treating the farm horse particularly well to burden him with such crushing loads as might break his back. It seems to me the Hells Canyon project is a good project, but why load $250,000,000 worth of Mountain Home on top of it? I take it the Senator is aware of the fact that the Bureau of the Budget reported on Mountain Home in a letter of February 1. I read from page 31 of the O'Mahoney report, as follows:

> Authorization of all irrigation projects would be in accord with the program of the President with the exception of the Mountain Home project.

So it is obvious that the Office of the President has objected to the Mountain Home project. I am wondering if we cannot separate the good from the bad by approving Hells Canyon and knocking out Mountain Home, saving the taxpayers of the country—and the people of Illinois are taxpayers, too, a large sum of money. We want the Northwest to flourish, but we do not want to see uneconomic projects developed. So, I am wondering if we cannot knock out the Mountain Home project. I appeal to the Senators from that region to do so.

Mr. MAGNUSON. The Senator is partially correct. The taxpayers of Illinois will not be hurt at all, and if we build the Hells Canyon project the Federal Treasury will receive a little more money.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CORDON. As the Senator will probably recall, both the bill recommended by the committee and the bill which the Senator from Oregon expects to offer as a substitute have eliminated——

Mr. MAGNUSON. Have eliminated the Mountain Home project; yes.

Mr. CORDON. They have eliminated that portion of the Mountain Home project which provides for the irrigation features, to which the Bureau of the Budget took exception. There is only a conditional authorization, providing that the irrigation portion of the Mountain Home project will be authorized only if the Secretary of the Interior and the President, after a report from the President's Official Commission on Water Resources Policy, report feasibility with reference to that portion of the project. Both amendments carry that provision.

Mr. MAGNUSON. That is correct. What I wished to point out was that my original proposal for the Columbia River Basin did not include the Mountain Home project. The Bureau of the Budget had disapproved the Mountain Home project. The Committee on Interior and Insular Affairs, again taking

the original proposal, which had in it some portions of the Mountain Home project, together with these restrictions, put it in the bill. It was attached to the bill. I am now trying to get the situation cleared up because the bulk of the bill includes the basin account, which is so vital, in my opinion, to the whole northwestern area, as well as to these other projects. My position on the Mountain Home project is that I cannot accept an amendment to have it eliminated. The committee has acted on it with reservations. Of course, an amendment could be presented by the Senator from Illinois on that feature of the proposed amendment.

Mr. DOUGLAS and Mr. DWORSHAK addressed the Chair.

The PRESIDENT pro tempore. Does the Senator yield; and if so, to whom?

Mr. MAGNUSON. I yield first to the Senator from Illinois.

Mr. DOUGLAS. I send to the desk an amendment which is designed to do just what the Senator suggests. On page 2 of the O'Mahoney proposal, my amendment proposes to strike out lines 3 through 15, and thus to eliminate the Mountain Home project.

Mr. DWORSHAK. Mr. President, will the Senator from Washington yield on that point?

Mr. MAGNUSON. I yield.

Mr. DWORSHAK. I should like to answer the Senator from Illinois. It has already been pointed out that by the proposed development of about a million acres of arid land in central Washington there will probably be a subsidy of about four or five hundred dollars, if not more, per acre. The Senator from Illinois has pointed out, as the RECORD shows, that the proposed development of the Hells Canyon Dam would yield probably three or four hundred million dollars of surplus revenue, which would be derived from the operation of its power facilities. Does the Senator contend that it is more reasonable to divert that power revenue to thousands of acres in central Washington than it is to use the same funds to subsidize reclamation in Idaho, which furnishes the water resources with which to operate the Hells Canyon power plant? I cannot see the justice of the position which is taken by the Senator from Illinois in wishing to divert revenue to central Washington for subsidy purposes, but to withhold it from the Mountain Home project.

Mr. DOUGLAS. Mr. President, may I reply to the Senator from Idaho?

Mr. MAGNUSON. I should like to reply first.

Mr. DOUGLAS. If I reply correctly, the Senator from Washington can back me up.

Mr. MAGNUSON. The Senator from Idaho knows, of course, that the revenue is not going to the State of Washington. It is going to all irrigation projects in the Columbia River Basin, including the State of Washington, which now has a separate project, Grand Coulee. I believe in the principle of having it go to all the areas in the five States, even down to Utah, if necessary, because I believe the development of the West is predicated upon the development of water for irrigation, power, and reclamation. I now yield to the Senator from Illinois.

Mr. DOUGLAS. I must reply to my good friend from Idaho on the point he has raised. I am not certain whether the 1934 policy of using power revenues from Grand Coulee for irrigation in central Washington was or was not correct. I was not a Member of the Senate when that decision was made. However, it was done, and it is my information that the extra cost of irrigating the land is borne by Grand Coulee, and that it will not be borne by Hells Canyon. Now we are faced with a question of fact regarding Hells Canyon and Mountain Home, and it has been developed that the subsidy from Hells Canyon to Mountain Home will be approximately $180,000,000, at least. If that subsidy were not given, then either one of two things might happen: Either, first, the power rates all over the Northwest could be reduced—below what they otherwise will be—and a lower rate would result in further developing industry in the Northwest—or second, if the power rates are not reduced, a greater revenue would come to the Federal Government. Of course, I should be very happy to see these projects not merely pay for themselves but contribute net revenues to the Treasury, and thus help to reduce the national deficit.

I know that the Senator from Idaho shares my concern about the mounting Federal deficit, and that he would welcome such a windfall as this to the Federal Treasury, which would make our financial problems of the future much easier. Therefore it would seem that the Mountain Home project is not justified, although the Hells Canyon project, as I have repeatedly said, seems to be a very good one.

Mr. HOLLAND. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from Florida.

Mr. HOLLAND. I am so strongly in accord with the position taken by the junior Senator from Illinois that I dislike even to attempt to add anything to what he has so ably said, but I do desire to call his attention, and the attention of the senior Senator from Washington, and the Senator from Idaho, to the fact that the Senator from Illinois has for once gotten his figures wrong. They are much smaller than the actual facts would justify, because, as a matter of fact, if he will look on page 17, where the Mountain Home project is broken down, he will find that the total reimbursable cost of the Mountain Home irrigation project out of power revenues is $177,250,000, which, distributed over the 192,000 acres, which is what is involved, comes to about $900 an acre of subsidy, instead of the four or five hundred dollars that was mentioned in an earlier report some years ago, at which time probably the cost factors were much different from what they are now. The figures in the report clearly show—and undoubtedly this was one of the reasons why the Bureau of the Budget took strongly the position it did take—that the subsidy would amount to about $900 an acre if this project went through as it is included in the bill.

Mr. DWORSHAK. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from Idaho.

Mr. DWORSHAK. I should like to point out that only a few weeks ago this august body approved a project development in central Arizona involving $1,700 an acre of subsidy for irrigation.

Mr. DOUGLAS. And may I point out that I voted against that project.

Mr. WATKINS. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from Utah.

Mr. WATKINS. I am very much interested in this discussion, because of the points of view which are presented. We now have the Senator from Illinois presenting the point of view that the Federal Government apparently should be in the business of making revenue from power, and also that the formula which has been followed, or which at least has been started, in the direction of making a river system self-supporting, with the revenue from the river system used to build the river system, is to be abandoned.

I point out that in the West the consumptive use of water is the most important use. The power is absolutely worthless if there is not water for a community, for industry, homes, and farms. In the West water is so highly regarded that it is made a crime to waste it. One is penalized if he is given the right to use water and does not use it. If he does not use it for 5 years, he is deprived of the use of it. So in the arid West—and the tendency has been strongly in this direction all the time—everything should be done to put to a beneficial use, under consumptive use projects, every drop of water that is feasible.

There are many irrigation projects in the West which, standing alone as little spots near a river, would not be at all feasible, and might cost $500 an acre—and some have cost that much. Using the income which will come from the over-all development on the river, every one of the projects will be feasible; there will be people to use the power; and cities and towns will be developed, because the citizens will have the water for consumptive use.

As a westerner, I resent the idea that comes from so many people not from the West who say, "Well, you are getting subsidies for this and that, and you are increasing competition with other crops." I remind the Senate that this country is increasing its population by about 12,000,000 in 10 years, and we must have some long-range planning regarding the use of land in the United States. Most of the lands mentioned by the Senator from Illinois are marginal lands. They are not the kind of land found in the West, which, if water is turned onto them, will produce the most abundant crops in the world, and which for the most part are not competitive crops.

Looking over the period to come, as I have said, there will be a 12,000,000 population increase within each 10-year period, and we are going to need every bit of the development sought. It will be many years before these projects become productive, and if we do not go ahead

now, someone in the future will say, "Who was so blind in the past as not to plan for this increase in population?" There cannot be people there unless there are homes, and there cannot be homes unless water is made available for consumptive purposes.

I hope the Senator will read the speech I made yesterday on this very theme. One of the things I proposed in that speech was that the people living there who are going to repay, by their patronage, the costs either of the water or of the power should in the end have the control of these resources, and the resources should be used for the development of the area.

Power is not entitled to have any specific subsidy given to it either. It will receive a subsidy if the irrigation projects are not built, although the power, as I pointed out, would not be of great benefit unless the other irrigation projects are included. They go hand in hand. It is absolutely necessary to have the consumptive use of water along with the power development.

In the 1944 Flood Control Act Congress adopted a policy to give priority to consumptive uses over all other uses. That is the national policy.

Personally, I am in favor of the basin account idea. However, in the bill introduced by me I have substituted for the Federal Government or a Federal agency, an agency set up by the people in the area concerned. I insist that the resources of the areas should be used for the development of the areas. There is no sense, and it is not in accordance with sound American policies over the years, to say that the Federal Government ought to take over these remaining resources and make a profit out of them. That has not been done in the Middle West, and it has not been done in the East. All such resources in the Middle East and in the East have been developed under the private-enterprise system. It is not very consistent to go into the West and say, "You must build these projects so they will bring revenue to the Federal Government."

Mr. DOUGLAS. I may say to the Senator from Utah that I suggested two alternatives in the power rates from Hells Canyon: Either lower rates so that the users of the Northwest would pay only for Hells Canyon but not for Hells Canyon plus Mountain Home, or, if it were desired to maintain a higher rate, to make a net contribution to the Treasury out of the investment of the Federal Government. But I did not insist upon the second alternative. I would be perfectly willing to have the first alternative, and have power pay for Hells Canyon, but not to load Hells Canyon with the uneconomic project of Mountain Home. I do not see why we should have to take both together. We can instead take one without the other.

Mr. MAGNUSON. Unfortunately the word "subsidy" was used. There is no subsidy involved at all; there is no subsidy from the Government whatsoever. Even Mountain Home coupled with Hells Canyon represents nothing but a loan. The moneys furnished for all these projects are nothing but loans. I have stated again and again that we are far ahead of our repayment schedule. In the Yakima Valley 2 years ago we celebrated the repayment of the first irrigation project loan in the United States, made on the Teton project. That loan has been paid off with interest. All the bonds have been paid off. The Federal Government has been paid back every dime it has loaned, and the project has contributed 20 times the loan in taxes and in developments in the project.

What we are now considering is a loan. It is not a subsidy. Of course, what the Senator from Illinois says is correct to this extent, that if we build Hells Canyon without Mountain Home it would mean that the revenues from Hells Canyon which would go into a basin account would help pay for all other irrigation projects. Nine hundred dollars is not a great deal of money per acre of irrigated land. In the West there are many pieces of land which are worth more than $900 per acre irrigated. I know many places where I should like to be able to secure land for $900 per acre irrigated.

I do not know too much about the Mountain Home project, that is as to the value of the land there. As I said, it was not contained in my original amendment. The committee included it. As the able Senator from Utah said, the people in our section of the country can take these various projects, lump them together, and have a comprehensive, effective development. The money received from the Hells Canyon project would not come back to the Treasury, and of course we would strongly oppose any suggestion that we should build dams in the West to make money for the Federal Government.

Mr. DOUGLAS. What happens to the interest earned on these Federal power projects in the West? Does that come back to the Federal Government or is it used for additional irrigation purposes?

Mr. MAGNUSON. It comes back to the Federal Government.

Mr. DOUGLAS. In the case of Hells Canyon, is the interest earned to be used to help develop additional irrigation projects, or does it come back to the Federal Government?

Mr. MAGNUSON. It comes back to the Treasury.

Mr. DOUGLAS. Is there any earmarking of the interest which is earned so that it shall only be used for added irrigation projects?

Mr. MAGNUSON. No; none whatsoever.

Mr. WATKINS. Mr. President, if I may have the attention of the Senator from Illinois, I should like to illustrate how cooperation is necessary to bring about the development of western streams. On an irrigation system there may be water users all the way up the valley from the head of the irrigation canal perhaps 25 or 50 miles to the end. It requires the cooperation of all these people for the entire distance in order to make the project feasible. Those on the upper end of the canal where the water is taken out of the stream probably would have very little expense, and they are helping to subsidize those at the lower end. But in order to have the development at all they must all get together and must pool their expenses and each pay a share in order to bring about a successful project.

Let me point out also in connection with the problem the Senator from Florida has just mentioned, that there are projects in the eastern section of the United States on which subsidies are received. I have in mind one project in Florida which I visited only recently. It is a very clever project. I voted for the establishment of the project, and I believe in it. In Florida there is a lake named Okeechobee. The country there is flat. The lake is a fresh water lake. Many heavy winds come, which blow the water out of the lake, and over onto the flat land. So dikes have been built to keep the water in the lake. I found out concerning this project, that pumps are used to pump water off the land into the lake. So there has been built what is called a conservation system. In the West we call them reservoirs. The water as I said, is pumped behind the dikes and kept there. I noticed that the pumps were reversible. Drains are cut through the soil. I said "What do you do with the drains?" I was told that when the water gets low and the water table has descended to the point where crops do not grow quite so well, the gates are reversed and the pumps are reversed and the water is pumped out again through the drains. I said, "That is what we call irrigation". But they told me, we do not run the water over the surface of the land. They run it through the land, under the land. That is what we call subirrigation.

Mr. President, as I said, the people there do not pay for that project. The Federal Government puts up all the money for those projects. The local people spend some money on the farm lands, but there is no contract entered into to repay anything to the United States.

In the West we repay all that is loaned to us. We repay the principal and we pay interest. Personally I think the Florida project is a good one. I believe the Congress made a mistake in not appropriating the money to finish or to repair a dike which is in bad condition there, because a cyclone may come and blow the water out of the lake and onto the adjacent land and ruin the farms.

Mr. President, spread all over the United States there are irrigation and reclamation projects such as the project in Florida. I am not criticizing that project. But I am pointing out to the Senate that in Florida, and in other sections of the United States, outside the arid West, many subsidies are paid for similar projects, which benefit private individuals, on which no one pays anything back except through taxes. Every time a flood-control project is built on one of the big rivers water is being put back into the river and being kept in the river. Why? So the people up and down the banks of the river can operate their farms, so the lands will be worth something, so the cities will be habitable and business will be as good as ever, and continue to grow.

Mr. MAGNUSON. We are all for that.

Mr. WATKINS. We are all for that, and have been for years. But in the West we want to get the water out of the rivers on to the land, so it may be

put to a beneficial use. We have agreed to repay the principal of the money furnished for such projects. We do it and have been doing it.

Mr. MAGNUSON. Mr. President, I think it might be well at this point to place in the RECORD the Federal expenditures for water conservation and control projects from 1824 to 1948, inclusive, in the various parts of the country.

The upper Mississippi Valley States received $124,000,000. The repayable investment is zero. Nonrepayable amount is $124,000,000. Repayment is zero.

Lower Mississippi Valley States, $362,000,000. The repayable investment is $66,000,000. The nonrepayable amount is $296,000,000. So the repayment schedule is 18 percent.

Eastern Seaboard States, which include Florida, $96,000,000. The repayable amount to the Federal Government is $7,000,000. Eighty-nine million dollars is nonrepayable. So they pay back 7 percent. We have a proposal here which guarantees repayment of more than 90 percent for the development of the areas.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. It seems to me that we have come a considerable distance from the Columbia Basin. First, I want to address my remarks to the Senator from Utah, whose help I have appreciated greatly in connection with the Florida flood-control program. I am glad he had the chance to observe that program in operation. I am sorry that he did not get a completely accurate idea of what is going on there. The only money the Federal Government has invested there up to this present program is for the building of the levees around Lake Okeechobee. The State of Florida and the local subdivisions of government have put up $29,000,000 in connection with all the canals which the Senator saw, the pumping facilities, and the various other activities which he found there, and, in addition, many millions of dollars have been invested by the owners of the land.

I will say before leaving that point, that flood control there is the matter in which the Federal Government has been interested heretofore, and in which it is still interested. Flood control is a 100-percent Federal activity. We need flood control because in Florida 2,500 lives of American citizens have been lost; 300 lives were lost in one storm and 2,200 lives were lost in another storm. I am sure all Senators who visited that section of the country saw the places where those terrible and tragic losses of life occurred.

Twenty million dollars is all the Federal Government has ever invested up to the current program, and that is for the levees around Lake Okeechobee, whereas the amounts expended by the State and local governments and the local taxpayers greatly exceeded that sum.

With reference to the program now under way—and then I shall leave this project—let me say that the Corps of Engineers in working out the details of the present program, in which the Senator from Utah has been so helpful, was very careful to break down the entire expenditures required, so as to show the expenditures required for flood control and navigation—of which the Federal Government, by well-established policy, pays 100 percent—and the expenditures required for the improvement of the lands. Insofar as Florida is concerned, we were required to pay 100 percent of all of that portion of the expenditures for the pending project which has to do with making possible better agricultural use of the land. Not one penny was given to us in that connection; but, to the contrary, as the Senator will remember, we are required to pay 18½ percent of the construction costs and all the maintenance costs thereafter, amounting to a total of about 38 percent of the entire cost of the project.

However, I think that is neither here nor there in regard to this matter.

As a member of the Committee on Public Works, I have tried to examine from the standpoint of the value of the project to the Nation as a whole, every project which has come before the committee. I believe the Senator will be agreeable to stating that is the case. I certainly have noted that attitude in connection with his own position.

In connection with this pending matter, I think the RECORD should show that a subsidy is involved in this particular program, in that it is proposed—and if I am incorrect, I hope the Senator from Washington or the Senator from Utah will correct me—under the amendment now being debated, that no interest shall be repaid during the long period of time in which the cost of the dam will be amortized; but, to the contrary, the Federal Government will be repaid the principal of its investment; and the interest—amounting to a tremendous sum of money, to more than $1,000,000,000, I believe, in connection with the pending amendment—will be available in connection with certain reclamation projects.

Let me say that I have risen to make two points: first, that a subsidy is involved, and that it amounts to millions of dollars.

Mr. MAGNUSON. Mr. President, let me correct the Senator before he proceeds further.

Mr. HOLLAND. Very well.

Mr. MAGNUSON. Of course, the interest will be paid and should be paid on all power projects. Interest will not be paid on reclamation projects, because it never has been.

Mr. HOLLAND. But the interest on the power projects would be available to finance the reclamation projects.

Mr. MAGNUSON. It will be available only to the Treasury.

Mr. HOLLAND. It would be paid to the Treasury; but in the "Basin account" it would be shown as available for making payments on reclamation projects. Am I correct?

Mr. MAGNUSON. Yes, but only in the "Basin account."

Mr. HOLLAND. That is the point I am making.

Mr. MAGNUSON. Congress would have to pass on it.

Mr. HOLLAND. My second point is this: Perhaps that is sound policy. I am not prepared to say it is unsound. I have been studying, as has the Senator from Utah, the program for the Columbia Valley Administration; and already we have spent hundreds of hours in listening to testimony on it. No doubt that is one of the features which may be involved in the program. Regardless of whether it is involved in the program, or whether it is involved in this bill, still the question is whether it is a sound and proper program and founded on a proper philosophy.

It seems to me that before this program has been acted upon by the Public Works Committee, which has such a tremendous stake in this particular point, and which itself has helped to provide, by having approved, projects which later have been voted by the Congress for the construction of most of the power dams, the committee should have a chance to check into the desirability of such a program as a permanent policy on the part of the Nation.

It is for that reason that I object so strongly to this amendment, because it proposes to prejudge and to say in advance what shall be done on this point, although the proposal has not been subjected to the searching analysis which is required, and inasmuch as this program—regardless of whether we use the word "subsidy" in connection with it—involves the forgiveness of large amounts of Federal Government moneys for the creation of reclamation projects. Perhaps that will prove to be the proper and the sound national policy. If so, Senators will not find a regional view taken insofar as the Senator from Florida is concerned.

Let me call attention to the fact that three able Senators from the very area which is affected are themselves members of the Public Works Committee, namely, the Senator from Utah [Mr. WATKINS], who is a very valuable member of the committee; the Senator from Washington [Mr. CAIN], who I believe is the ranking minority member of the committee; and the Senator from Nevada [Mr. MALONE]. Certainly with three Senators from that area of the country on the committee, we may expect to get a fair representation there of what are regarded by the good people of that section of the country as being sound from their point of view and as serving their interests.

The only point I make at this stage, Mr. President—and I apologize to the Senator from Washington for having taken so much of his time—is that I think we are being asked to prejudge a matter which should be subjected to searching analysis because it involves a proposed new policy which, by and large, involves billions of dollars of Federal money; and it is proposed to tack it on to the pending omnibus flood-control and rivers-and-harbors bill as a rider which does not come from the committee which drew up the bill. On the contrary, it comes from another committee; and in this instance, it come in some respects, at least, adversely to the recommendations of the Bureau of the Budget, which recommended against inclusion at this

stage of the Mountain Home project, which is so expensive.

I apologize to the Senator. Certainly I want the Senator from Utah to understand that the Senator from Florida is not going to consider this matter as one which is of interest only to the northwestern region of the country. To the contrary, the Senator from Florida will consider this matter from a national viewpoint. He will consider it likewise from the viewpoint of giving the fullest recognition to the wishes and needs and desires and legitimate ambitions of the fine American people who live in that area.

Mr. MAGNUSON. Mr. President, when the Senator talks about subsidies, let me say this plan is not one calling for a subsidy from the Federal Government at all. The projects we are talking about—projects throughout the Nation, whether in Florida, Delaware, Illinois, or elsewhere—are projects for which we always vote. After all, Mr. President, what is flood control in Florida, flood control for which Florida pays nothing back? It is nothing but the reclaiming of land.

Mr. HOLLAND. Would the Senator regard the loss of 2,500 lives as having any direct relationship to the reclaiming of land?

Mr. MAGNUSON. Oh, yes; there is no question about that. But I say that for the chief part the purpose of flood-control projects is to reclaim land, so that people can live there. Reclamation projects have the same purpose, namely, the reclaiming of land.

However, when we come forward now with a proposal by which we will pay back every dime—and in this case we will pay back at least more than 90 percent of the money—we are met with considerable opposition. In other cases, involving the reclaiming of land, sometimes no money at all is repaid.

Therefore, when subsidies are mentioned, it seems to me that many of the reclamation projects are really subsidies, whereas we are merely asking for a loan. The investment by the Federal Government of a great deal of money is not involved in this matter, for the Federal Government will be reimbursed, whereas in the reclamation cases I have mentioned, the money invested has not been returned to the Federal Government. Nevertheless, I am in favor of those projects.

I have been in Congress for 14 years, and I have never yet voted against a flood-control project, whether in Florida or along the lower Mississippi, or wherever it might be. I have voted in favor of them, because I think they are good projects. However, in voting for them, I did so with the knowledge that none of the money would come back to the Federal Government. Nevertheless, I voted for them because, as has been stated by the Senator from Florida, I knew it was in the interest of the welfare of the people to reclaim or, in effect, create land on which people could live.

At this time we in the West ask for this authority so as to be able to develop the West and to enable people to make homes, but we say we will pay back to the Federal Government every nickel. Nevertheless, we encounter opposition.

Mr. WATKINS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Utah?

Mr. MAGNUSON. I yield.

Mr. WATKINS. Let me point out that many of the flood-control projects and reclamation projects in the West are tied in with safety and flood control and the reclaiming of lands, all at the same time. That is true on the Columbia River. There have been some bad floods on the Columbia, and lives have been lost on such occasions. The reservoirs are built for the storage of water, so that the water will be available for use at times when the rivers are low and when water would not normally be available; but the purpose of the reservoirs also is to protect the people who live along the lower part of the Columbia River. So both purposes are tied in together, in the same way as in connection with the flood-control project on Lake Okeechobee.

However, I think the Senator has overlooked the fact that in the case of most of the reclamation projects in the West, when the water is taken from the main canal, the landowners build their own laterals; they take care of their own land; they reclaim the land. They have to apply the water to the land; they have to build their own ditches or laterals in order to get the water on the land. In my State the landowners go to the dam and take the water at that point; and they are responsible for getting the water from that point to their land.

In the case of the Lake Okeechobee project, the dike was built around the lake in order to keep the water in the lake, and to have a place into which to pump water from the land. Thereafter it was found that as a practical matter it was a good thing to make it possible for the water to be taken from the lake, to be used for irrigation purposes. Why should not those who use the water for those purposes pay the cost of taking the water from the lake for agricultural purposes, just as we in the West do? Why should they not improve their own land?

The point has been stated very well by the Senator from Florida, when he said that it is a matter of reclaiming land. Certainly the land around Lake Okeechobee would not be worthy very much to any of the people who live in that area unless the dike were constructed. So, actually, the building of the dike at the expense of the Federal Government has benefited, to the extent of millions of dollars, the people who live in that area. The dike makes their land available for agricultural use. I think that is good, and that is why I voted for it. Nevertheless, I have discovered now that irrigation is no longer confined to the West.

Mr. MAGNUSON. Of course, in the case of this project, all of the money would be paid back to the Federal Government.

Mr. WATKINS. That is true.

Mr. President, I was saying that today irrigation is no longer confined to the West, for irrigation projects are being developed in other sections of the country.

If the Senator will consider the whole Columbia Basin as one system, he will realize that there is absolutely no subsidy for the Mountain Home project or for any of the other projects, because the power revenues which will be realized when that basin is developed will be more than sufficient to pay for the construction of every irrigation project which is at all feasible, under any finding of feasibility in connection with economics or engineering, and will be sufficient to pay back in full, 100 percent, the entire cost of all the power dams and the distribution systems.

Moreover, after that period has passed, after all the reimbursable costs have been repaid to the Federal Government, in connection with the loan the Federal Government makes—and it is a loan, not an investment—there will be sufficient revenues, if it is desired to pay interest from that time on, for another 40 years, to do so.

In the meantime, the United States will receive hundreds of millions, if not billions of dollars of income taxes from the incomes which are made possible by the great development. As a national policy, it is a wonderful policy, and the crops grown there do not on the whole compete with the crops grown elsewhere in the United States. We cannot grow grain under irrigation—that is, economically, successfully—because it is too costly; so we do not compete with wheat, we do not compete with corn. We do bring in dairy and other products, including vegetable and what not.

Mr. MAGNUSON. Mostly of fruit.

Mr. WATKINS. Fruit, of course, is included. There is no argument against irrigation on the basis that the crops grown compete with those of other sections. There is no argument against it when we take the long-range view and consider the land use and the provision made for millions of Americans not yet born. There is no competition when it comes to the development of industry, because industries are needed the country over; they are needed in the West, in fact, they are what we in that area need most. Where are the millions of prospecitve citizens going to live? Certainly in the East there are not resources sufficient to support such an increase any more. There is no more farm land for them in the East. Those who want to be farmers must necessarily go west, and irrigation is the only means to develop farms. Now, if we could sit down and compare——

Mr. MAGNUSON. As a matter of fact, is it not possible, if these projects could be worked out with a group of private individuals—which it cannot be; it is not practicable—that practically all the necessary bonds could be sold and the revenue would cover the repayment?

Mr. WATKINS. The only difficulty would be, of course, the length of the amortization period and the immense sums involved. Private investors would not have sufficient capital, even if they wanted to undertake the development.

Mr. MAGNUSON. It would be impossible to find a private group that would be able to carry the load.

Mr. WATKINS. And they would have to carry it for 75 to 100 years or whatever the period may be. When the over-all river basin is considered, there is absolutely no substitute for action by the Government. That is the only way it will be possible to develop the West. It is necessary for the Government to loan money to construct such projects if the West is to grow. It is a question of whether there is a desire that the West should grow. I am perfectly willing to vote for power projects, but when I find there are irrigation projects along with them, my present attitude is that there should be a requirement of repayment on such projects for whatever irrigation benefits are derived, and on exactly the same terms that were applied in the case of projects in Utah.

Mr. MAGNUSON. I merely want to add that the projects existing and authorized under the amendment will pay into the Treasury an estimated amount of more than $2,000,000,000 in interest alone, and the absolute maximum which could be used for irrigation subsidies, even as suggested in the pending bill, has been $800,000,000.

Mr. WATKINS. I do not quite understand the Senator's statement.

Mr. MAGNUSON. The projects, existing and authorized by the amendment, would pay into the Treasury, over the period of repayment, in excess of $2,000,000,000 in interest, while the absolute maximum to be used for irrigation subsidies over that period which has ever been suggested is only $800,000,000.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. When is that going to happen?

Mr. MAGNUSON. As soon as the projects are put into operation.

Mr. CHAVEZ. That is correct. In the meantime, the people of the United States will have to advance the money with which to develop the projects, will they not?

Mr. MAGNUSON. That is correct.

Mr. CHAVEZ. And in the meantime, the people of the United States will have to pay interest on the money, although it is expected that eventually it may turn out as the Senator has stated. Is not that correct?

Mr. MAGNUSON. It has happened. Existing projects are paying back now. Of course, the money is not advanced all at once, and it is repaid over a period of years. On a dam such as Hells Canyon it would take approximately 60 years. There would only be a portion repaid every year from the moment the first generator turns. Coulee started, I think, to pay back in 3 years. Only half the money had been advanced. It has kept paying, and additional generators have been installed. All the generators have not been installed at Coulee, but it is paying, and it will pay more when the 12 generators are installed. Only 9 or 10 have been installed, with 3 more to go in. Such projects start paying almost immediately. This project, of course, is a project by itself, and would have to apply to the Appropriations Committee for funds.

In regard to the payment of interest, a matter which I think ought to be made clear, the amendment provides—and this is according to the version which was worked out by the budget, the Department of the Interior, the Bureau of Reclamation, and the Army engineers—quoting from page 7 of the amendment:

> In maintaining the Columbia "Basin account" and in setting rates for the sale of power and energy, the Secretary of the Interior shall take into consideration, for all properties covered by the Columbia "Basin account," the application of interest on the unpaid balances of the Federal investment allocated to power to the return of costs properly allocable to purposes other than power, but assigned for return from power revenues, to the same extent that application of interest on power investment to the return of such costs may be taken into consideration under the Federal reclamation laws.

The amendment does not change any laws. All it does is to set up a bookkeeping account. The reclamation laws are not touched or changed in any way. Every project must come before Congress for its review by the Appropriations Committee. If a project is not feasible, the committee will reject it.

Mr. WATKINS and Mr. CAIN addressed the Chair.

Mr. MAGNUSON. I will yield first to my colleague, who has been waiting for some time.

Mr. CAIN. I thank the Senator. I do not know that I can help my colleague at the moment. The Senator from Utah, a few moments ago, expressed the hope that the rest of the Nation would like to see the Northwest expand, develop, and grow, resulting in more homes and a greater population. I have every reason to believe that the rest of the country will continue to help us in the Northwest as they have so immensely helped us in the realization of our ambitions in the past. But I feel we ought to be certain of a proper definition of the terms we are using in order that we in the Pacific Northwest may be extraordinarily frank with those to whom we turn for assistance for our programs and the realization of our dreams.

As I understand the "Basin account," it merely establishes a future policy to the effect that money which is borrowed from the Federal Government for use in the Northwest shall be loaned to us without any service charge. If I am in error, I want someone to correct me.

Mr. WATKINS. Mr. President, will the Senator yield for a moment, that I may make an explanation?

Mr. CAIN. Please do.

Mr. WATKINS. I think there has been some misunderstanding as to the net effect of the interest component.

Mr. CAIN. I am sure the Senator will agree with me that now is the time to clear it up, because a number of other Senators who are presently interested are not here, and they will want to know the facts.

Mr. MAGNUSON. I may say to the Senator from Washington, I attempted, in a statement which I have not yet concluded, to give the best explanation I could of what the amendment actually means. But I should be glad to yield for a moment to my colleague, who can make a much better explanation.

Mr. CAIN. May I ask whether my colleague objects to my effort to clarify the point at this time?

Mr. MAGNUSON. No, indeed.

Mr. WATKINS. My understanding is the interest component is that the interest charged against the project must be used in figuring the rates for the sale of power.

Mr. MAGNUSON. The interest rate is 3 percent.

Mr. WATKINS. Yes; 3 percent. That money actually finally gets back into the Treasury of the United States, but it is earmarked. It is earmarked, and is still reclamation money. It is used by reappropriation again to help the irrigation project.

Mr. MAGNUSON. If the Congress sees fit to appropriate the money from that bookkeeping entry to an irrigation project.

Mr. WATKINS. That is true. But nevertheless, it is earmarked, and up to date I think it has all been used for irrigation. That is what I wanted to point out.

Mr. MAGNUSON. Yes. I think that is so. The 3-percent interest can be used for irrigation projects.

Mr. WATKINS. That is correct. It goes to help those projects. It is a part of the picture. In other words, the representatives of the United States, or whoever is conducting the operation, are told that they must charge enough for the power to provide for operation and maintenance, first, for the amortized payments, and they must then add interest; and the rates will be fixed on that basis. It is comparable to what would ordinarily be done in private business. In other words, there is no place for a profit, but there is interest, which goes into the Treasury, where, as I understand from the opinion of the Solicitor of the Department of the Interior, it is earmarked for reclamation, and is considered to be reclamation money.

Mr. MAGNUSON. That is, if and when Congress, through the Appropriations Committees, approves a certain project; and it does not change the law. Congress may never approve of an irrigation project to be charged to that bookkeeping entry of 3 percent, but the necessity of the 3 percent is to show what is made; and, as the Senator says, it is very important in rate making.

Mr. WATKINS. That is in brief the reason for it. I should like to observe that while I am strong for the principle of the "Basin account," I am not so sure that I am going to vote for the entire amendment. I am for the individual projects, but if the Senator heard my statement yesterday, he knows I have worked on what I have considered to be a substitute for this program, by way of something better. I do not want to compromise myself by urging any Senator to vote for something which would interfere with a program I think is necessary for the West in connection with reclamation and flood projects.

Mr. MAGNUSON. I thank the Senator.

Mr. CAIN. Mr. President, if my colleagues will permit me to ask a question, yesterday both of us, as well as other Senators understood in the same sense the terms we are using. If the basin account were approved by the Senate, would it not mean that in the future, with respect to all dams to be constructed on the Columbia River and its tributaries, the capital cost of those dams would be returned to the Federal Treasury?

Mr. MAGNUSON. That is correct.

Mr. CAIN. Would it not also mean that a 3 percent interest charge, which, until this time, has been repaid to the Federal Treasury, would in the future be earmarked to be used solely for the benefit of irrigation?

Mr. MAGNUSON. If it were used, it would be used for irrigation.

Mr. CAIN. But if it were not used, it would not be returned to the Federal Treasury as a service charge on the capital moneys which had been borrowed from the Federal Treasury?

Mr. MAGNUSON. That is correct. The money would be in the Federal Treasury.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. I think the question I was addressing to the Senator from Washington a few minutes ago has been thoroughly answered, and it must be completely clear to anyone who reads the report of the committee on this amendment, and also the recommendations of the Budget Bureau, as well as the letter from the Secretary of the Interior, that a very grave and important change in policy, which may or may not be wise, which may or may not be the thing to do, is involved in this amendment, namely, the setting up of the interest component representing the 3 percent per annum interest return on the cost of the power unit, which is no longer to go back to the Treasury as a perfectly free sum, but shall for the keeping of the "Basin account," be regarded as the building of an account which shall then be usable for reclamation projects and irrigation projects.

Again I say that may or may not be wise, but, certainly, whether wise or unwise, it does operate as a subsidy. I am not, however, at this moment trying to prejudge it in any way as to its wisdom or unwisdom.

Mr. MAGNUSON. I think it should be added that it is a bookkeeping matter. Congress must decide each individual project and make the appropriation. The Senator from Florida uses the correct term when he says the money is "usable."

Mr. HOLLAND. The Senator is, of course, correct in saying that power revenues have been, in connection with individual projects, used for reclamation, but in no place, so far as is known to the Senator from Florida, has any program been established whereby an uneconomical project which cannot be defended on its own basis may be developed simply because it lies within the basin and because revenues are being produced by some power unit far remote from the particular project and not connected with it, but which is accepted as being in the general basin, and the revenues of which may be used for the project. That may be a sound policy. If it proves to be a sound policy, that will be fine, but my objection is basic, and it is with regard to voting for a change in policy so far reaching—and it is a far-reaching change in policy, and a tremendously expensive change in policy—without the matter having cleared through the committee which has the heaviest responsibility in that field. That is what I object to.

I should like to say with reference to the Florida projects——

Mr. MAGNUSON. Before the Senator reaches the Florida projects, let me say to him that this is not a change in policy, and it is not an expensive policy. I think the record should be clear. The subject has been thoroughly discussed. There were 3 weeks of hearings by the Committee on Interior and Insular Affairs, and the committee submitted a report. I am sure the Senator from Florida has confidence in the members of that committee. The subject was also discussed before the Committee on Public Works, but not in any great detail.

Mr. HOLLAND. Let me read into the RECORD at this point the paragraph beginning on page 7 of the report of the Committee on Interior and Insular Affairs, which sets forth clearly the change in policy and the program which would be the effect of this amendment:

> The "Basin account" will continue and extend the long-established principle of assistance to irrigation developments from power revenues.

Of course, Mr. President, that is a long-established principle, but only as to reclamation projects which are related directly to the particular power project. Let me continue:

> It has the further advantage, by the pooling of costs and revenues, of permitting the evaluation of proposed irrigation projects upon their merits, and not upon the physical accident of whether or not a particular irrigation project may be related to a particular power project by geographic coincidence.

It could not be more clearly stated that what the amendment proposes to do is to take excess revenues from a great and successful project, as, for instance, the Bonneville project or the Grand Coulee project, and make them available for irrigation projects which cannot stand on their own bottom. There is no question but that is what is desired. It may be that it is a necessary thing to do, but to do it without clearing through the committee which has had to carry the labor of providing for the Senate the information upon which it has acted in establishing these great power units is exactly the wrong thing to do. I do not believe the Senator from Idaho will approve this kind of procedure, much as he may be in favor of the ultimate result sought to be accomplished.

Mr. MAGNUSON. Mr. President, I am becoming a little impatient with persons talking about "this kind of procedure." This is merely an amendment which has been considered briefly by one committee and at great length by another committee. The Senator from Washington, right or wrong, did have the understanding that the Committee on Interior and Insular Affairs would consider the matter of the "Basin account" and the so-called irrigation projects. It is no improper procedure; it is the normal procedure. I have had it cleared by the Budget by the Secretary of the Army, the Secretary of the Interior. I do not know what more I can do.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. In a moment.

I do not think it should be implied that there is some improper procedure involved. The Senator may not agree with the proposal, but there is nothing improper about offering a bill as an amendment to a rivers and harbors bill. The "Basin account" is only an extension of the Columbia Basin recommended by the Budget and by the President on down the line, a policy which has been in effect for a long time with reference to individual projects.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DWORSHAK. I should like to ask the Senator from Florida if it is not true that, while he points to the radical innovation of using an interest component in connection with some of the projects in the Columbia River Basin, the identical policy has been in vogue for years in the Tennessee Valley, where more than a billion dollars of Federal funds have been advanced for navigation, flood control, and power development, and that until approximately 2 years ago not a single dollar of that Federal money was repaid to the Federal Treasury. Does the Senator know whether the principle of subsidy is not involved basically in the over-all program of TVA?

Mr. HOLLAND. The Senator from Florida is not advised that there are any reclamation projects in connection with TVA, and there is nothing I know of which is comparable or identical with what is here proposed. Again, let me say that I am perfectly willing, and I am sure every other member of the Public Works Committee is perfectly willing, to examine the question on its merits. I think it is manifestly wrong and is not in the interest of orderly procedure to adopt at this time a measure which does not itself authorize certain projects, but, instead, engrafts a very important change in policy upon the Federal law through an amendment which has not been cleared through the committee.

Mr. MAGNUSON. Mr. President, it is no new policy at all. It has been in effect in connection with many projects within the basin, and it is in effect in other areas of the country. It was established, in principle, in the Rio Grande project and in the Missouri Valley. All we are saying is that it should be for the whole basin. The Columbia Basin and Grand Coulee involve the same principle. It is nothing new.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DWORSHAK. The Senator from Florida persists in making the charge that when we propose to utilize surplus power revenues to help a reclamation development, we are likely to establish a bad precedent. Certainly the Senator from Florida knows that when we propose to develop approximately a million acres of land in central Washington, the principle has already been established. The principle has been established of subsidizing reclamation developments from power revenues. The Senator is aware of that fact, is he not?

Mr. HOLLAND. Exactly, but only in connection with specific projects in the geographic unit then under consideration, not in connection with the transfer of earnings from a power unit constructed hundreds of miles away from an arid area which needs reclamation, but which has no direct relation to the power unit at all, an area which cannot be reclaimed upon its own basis and upon its own merits. To change the original program established by the Committee on Public Works, without the matter having been cleared, seems to me to be decidedly irregular and improper.

Mr. CHAVEZ. Mr. President, in this particular instance it would involve eight different projects, which have no power whatsoever, and are nothing more than irrigation projects. They are now practically obsolete. It would go only to finance these particular projects, which cannot pay for themselves.

Mr. MAGNUSON. Again, I cannot quite understand the process of arriving at the conclusion that something different is involved in this proposal. When the committee approved the Missouri Valley Authority plan, the committee received all kinds of irrigation proposals. On the Rio Grande project, power and irrigation proposals were submitted. I do not have them listed, and I do not wish to burden the RECORD with them, but there were several projects of that kind involved.

Mr. CHAVEZ. There is no power in the Rio Grande project whatsoever, and we did not have a basin account in the case of the Missouri.

Mr. MAGNUSON. There was no basin account, but there was a provision for the allocation of cost, and for reimbursement.

Mr. HOLLAND and Mr. DWORSHAK addressed the Chair.

The PRESIDING OFFICER (Mr. JOHNSON of Texas in the chair). Does the Senator from Washington yield; and if so, to whom?

Mr. MAGNUSON. I am glad to yield to the Senator from Florida.

Mr. HOLLAND. If the Senator will be kind enough to yield for one more question, I shall hope to not interrupt him further.

Mr. MAGNUSON. I am very glad to yield.

Mr. HOLLAND. In the first place, we are judging a matter on which the Senate is working hard to get at the facts. The Committee on Public Works is now considering the CVA program, which would involve this project, among others. The Senator proposes to bring in a large part of the heart of that project, and set up a legislative process under which that large part of the project would be provided for willy-nilly, and notwithstanding the attitude of the Committee on Public Works, which has already spent hundreds of hours in a study of the project.

I wish to conclude by saying, with reference to the western and northwestern situation, that in the time the Senator from Florida has been a Member of the Senate no proposed legislation affecting the northwestern area has come to the Senate for which he has not voted, and which he has not gladly supported. There is no member of the Committee on Public Works who has given harder study to CVA legislation, which is still in committee. As a member of the committee I had the pleasure and responsibility of serving as a member of the subcommittee which drew the program to help the flood sufferers of the Columbia River Valley, and I was happy to do so. I know that the Senators from that area helped us on our flood projects in the South. The census will show that the fastest growing States are Washington and Oregon. Perhaps it is in the reverse order: Oregon and Washington. They are the fastest growing States in the Union, if the prediction of the Census Bureau is correct. We want that process of development to continue, and I shall do everything in my power to assist it to continue. However, I want to know where we are going, and I want to act wisely and fairly.

Inasmuch as Florida has been injected into the discussion, I should like to say, before concluding, that in the case of Florida, in connection with bonding, we have done exactly what has been suggested by one Senator. We bonded. We spent our own money. We spent $29,000,000 of our own money in setting up the basis of our developments. All the Federal Government has in Florida is the levee wall around Lake Okeechobee, which is for flood-control purposes. When the new program was proposed, the Engineers said, "Of course, some of this will be for flood control, but on the portions which will be for improved land use and improved water use, we expect the people of Florida to pay for those portions." I wish the Senator from Washington would listen. They said, "We expect the people of Florida to pay for that, not 20 years from now, or 30 or 40 years from now, but before the work is done." In their report they prescribed that we should pay $37,000,000 in cash of the cost of construction. We are doing that. We are happy to do it, because we believe the Engineers have properly divided the good which will result, both from the flood control and navigation part of it, which is the Federal obligation, and the other parts which will help us locally. We are happy to have the Government helping us, and we are happy to pay as we go. We are happy to pay $37,000,000 in cash, and enough more in annual cost, which will bring the total of the $208,000,000 project which we are required to pay up to 38 percent, plus, of the entire project. So I do not like to hear Senators take the position that Florida has received unusually generous treatment. If any project in the Northwest can be pointed out on which any State has been required to pay $37,000,000, I hope someone will speak up now and advise us of it. On the contrary, there is no such project.

Mr. MAGNUSON. The Senator has not given us a chance to speak up.

Mr. HOLLAND. No; because I knew in advance what the answer would be. Everyone knows, as a matter of fact, that there is no such project.

Mr. MAGNUSON. I would like to tell the Senator we have probably spent many times more than that amount on the Columbia River project. We have done the same things the people in Florida have done. I read the figures, and they are correct. I do not know what portion refers to Florida. I do not like to see any particular State singled out.

Mr. HOLLAND. Can the Senator point out any instance where a single State has been required to put up in advance $37,000,000? Can he point to any situation where a State was required to put up $37,000,000, as its part of the cost of construction, in advance of letting any contracts?

Mr. MAGNUSON. I do not know that I have any figures on that. My whole point is that most of the other appropriations are for worthy things. I voted for all of them. I know the Senator from Idaho has voted for them, and so has the Senator from Washington. I thought they were all right. However, the figures show that they are practically grants from the Federal Government. The Eastern Seaboard States repay only 7 percent of the grants which they receive. The Lower Mississippi area repays only 18 percent. The Upper Mississippi area repays nothing. We in the Northwest are paying it all back. I am merely trying to put these projects in their proper light.

Mr. HOLLAND. The Senator is talking about navigation and flood-control projects, both of which are generally 100 percent in the Federal field.

Mr. MAGNUSON. Water conservation and control projects. These are reclamation and conservation projects, and we are willing to pay it all back.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I am happy to yield to my colleague.

Mr. CAIN. I think the RECORD would be greatly benefited if my colleague the senior Senator from Washington would speak broadly in answer to this question: What is likely to be the future of irrigation and reclamation throughout the Pacific Northwest if the basin-account amendment, or some such comparable proposal, is not approved by Congress?

Mr. MAGNUSON. In my best judgment, it would mean that we would have reached about the end of our so-called projects.

Mr. CAIN. That is to say, unless we in the Pacific Northwest—and I believe an extremely strong case can be made in favor of it—secure financial assistance, which is not available to us today, we are likely to see the rapid end of new reclamation and irrigation projects throughout the Northwest?

Mr. MAGNUSON. That is correct. That is my considered opinion.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Would the Senator from Washington regard that as a calamity?

Mr. MAGNUSON. Yes; I would regard it as such, so far as the Pacific Northwest is concerned.

Mr. DOUGLAS. I mean so far as the whole country is concerned.

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. Here we are, on the one hand, withholding farm land from cultivation by the millions of acres, and, on the other hand, hundreds of thousands of acres are being brought into cultivation in the Pacific Northwest at a cost per acre 10 times what it would take to put land into cultivation elsewhere in the country.

Mr. MAGNUSON. The Senator from Illinois has repeated that three or four times.

Mr. DOUGLAS. It happens to be true.

Mr. MAGNUSON. The Senator from Illinois is talking about withdrawing lands which are submarginal lands, and of crop allocations, of which there are surpluses. Irrigated lands in the West are used to the last foot. They are not competitive lands. People want to move out to the Pacific Northwest. They want to live there. They can buy lands in the Columbia River Basin, and they can live there. The land has been divided into small tracts. No one may own over 160 acres. Applications are on file which would stretch from here to the far corner of the Chamber. Young people in the East want to go there and settle on 5-, 10-, or 15-acre tracts. The settlers can raise more on a 5- or 15-acre tract of that irrigated land and make a better living than those on a 240-acre tract in most parts of the United States.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. We are talking about withdrawing lands. We are talking about taking people from lands on which they are not doing so well, or from cities, and putting them in places where they can make a living, where they would not be competitive. Many of the people now living in the area we are discussing would not trade places with persons residing elsewhere for anything in the world, because they are engaged in the best kind of farming, farming on irrigated western lands. It would be a calamity to move them. I think it is even more of a calamity when we deny those people an opportunity, at no cost to the Federal Government.

Mr. CHAVEZ. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from New Mexico.

Mr. CHAVEZ. For once I wish to agree with the Senator from Washington.

Mr. MAGNUSON. We agree on most matters. There is merely a little legislative trouble in what we are now considering.

Mr. CHAVEZ. We are in agreement so far as irrigation is concerned. I think a man has greater security on 10 acres of irrigated land, with adequacy of water, than on 100 acres of any other kind of land, because the water is used scientifically. If there is water to be put upon the land, one can put the proper amount only. One does not have to worry about it being too much or too little. The farmer puts on the land what water he wants to put on it, and raises what he desires to raise.

Mr. MAGNUSON. It is not necessary to hire rain-makers, or worry too much about the water used.

Mr. CHAVEZ. That is correct. But, of course, my statement does not mean that I agree to the amendment.

Mr. MAGNUSON. For a moment I thought the Senator from New Mexico was coming my way. But I know he agrees as to all the irrigation projects. One of the finest examples of what I have just said to the Senator from Illinois is found in the great irrigated areas of the State of the Senator from New Mexico.

Mr. CHAVEZ. I must relate one thing for the benefit of the cotton growers. The average production of cotton throughout the country is 218 pounds to the acre. Cotton raised on the irrigated sections of New Mexico, Arizona, and in the Sacramento Valley of California, averages 800 pounds to the acre. That shows the difference between raising cotton on irrigated land and other land.

Mr. CAIN. Mr. President, will my colleague yield?

Mr. MAGNUSON. I yield to my colleague.

Mr. CAIN. Does my colleague believe that some of our reclamation and irrigation projects in the Pacific Northwest will be able to pay out on the intended pay-out schedules if the basin-account amendment or some similar benefit is not approved?

Mr. MAGNUSON. I am not too familiar with the conditions in Idaho, but I do know conditions in my own State, as the junior Senator from Washington does. The bulk of the irrigation projects now existing in the State of Washington, in my opinion, with some minor adjustments to the water users on contracts, will be able to pay out. But that may not be so as to some future projects which have been planned——

Mr. CAIN. Substantial projects.

Mr. MAGNUSON. Substantial projects, which might not look too feasible for settlers. Most of the settlers start anew, and they cannot stand much of a burden, and I am afraid they might be seriously handicapped in their development on the greater Wenatchee project, for instance, and I suppose the same might be said of some Idaho projects. The State of Oregon is about irrigated out.

Mr. CAIN. I think those of us who represent the Pacific Northwest are pretty generally in solid agreement that we are in need of additional financial benefits from some source, not only to protect us against the future, but to give adequate protection and care to what we have already agreed to by way of extending irrigation and reclamation.

Mr. MAGNUSON. That is correct. We feel that if we take our own resources, such as the water resources which are there, and provide for the people who live there so that they may make better homes, it is not unreasonable, particularly when we say we will pay back every nickel.

Mr. CAIN. I do not know that we are even slightly in disagreement, but I feel that what we are asking for—and for that reason we should say so—is a subsidy. Perhaps that is not a proper word, but I think it is in this case, when the people have run out of opportunities or moneys which presently are at their disposal.

Mr. DOUGLAS. Mr. President, let me congratulate the Senator from Washington for using very frank and truthful language.

Mr. CAIN. I respond to the Senator from Illinois that I am certain that my colleague, the senior Senator from Washington, wishes to be just as frank as I am. I only feel that because we are in need of a subsidy, we should call it by that name, that we should sell our case on its merits, which revolve around a subsidy, because we are asking the Federal Treasury to give us what we presently do not possess, and we are asking the Federal Government to make capital and moneys available to the Pacific Northwest with no service charge. I think we can make a case in defense of that, but from my point of view, I want to call it what I think it is.

Mr. MAGNUSON. The Senator is right partially, but in effect we are paying a service charge. We merely say that if the Congress of the United States, on any one irrigation project, or any number of projects, wishes to appropriate money to aid the project, the money, as a bookkeeping matter, is earmarked. They need not grant it to us, but we are paying the money back. A subsidy is something one gets and does not pay back.

Mr. CAIN. Let me say, in support of what my colleague, the senior Senator from Washington, says, that I want to work out something that will give us a bookkeeping entry, but I want to be certain we can make use of that bookkeeping entry, and I would not want any Senator to be left under the impression that once we get the entry we are not going to take advantage of every dollar it includes.

Mr. MAGNUSON. We are both frank in that. We are going to take advantage, and I am certain that is what Senators——

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. Let me finish my sentence. I wish to say to my colleague that there is another reason for the basin account other than what he has given. If we do not have the basin account, the Chief Joseph Dam, although it is a more efficient power plant than Bonneville or Grand Coulee, is going to mean more in the cost of producing power, because the cost is double, since the Bonneville Authority cannot tell what kilowatt comes from Chief Joseph and what comes from Grand Coulee, so they will have to make different rates at this point [indicating on map] and down here [indicating], but a basin-account method will result in an over-all rate.

Mr. O'MAHONEY. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I came on the floor of the Senate from a meeting of a committee, and I heard the discussion about subsidies for reclamation projects in the Northwest. I cannot pass the use of the word "subsidy" on this occasion without pointing out that what we are talking about here is the development of a great natural resource. We are proposing to use the water which flows through this basin for the production of revenue for the Government. The power projects which will be constructed here will furnish energy for industry throughout the Northwest. The return from the sale of that energy will afford opportunity more than sufficient to place under irrigation lands not now being irrigated, and lands which are not receiving enough water to enable the families which are seeking the opportunity to settle upon these lands. The expenditure of the sum produced by revenue from the sale of power will add to the tax receipts of the communities which are built up, the local communities, the counties, the States, and the Federal Government. The record of reclamation in the United States—and it cannot be gainsaid—has been the record of creating new communities with new opportunities for businessmen, for school teachers, for doctors, for lawyers, and for economists occasionally, may I say to my distinguished friend from Illinois. These are productive expenditures for the development of natural resources. There are no greater resources than the water and the land.

The record of the Committee on Interior and Insular Affairs and the files of the Department of the Interior show innumerable requests from people all over the United States, particularly from young men, for new opportunities to settle upon land. The record made by this committee—it is available on page 42 of the report of the Committee on Interior and Insular Affairs—shows that the land which will be benefited from the water included in these projects will not be productive of surplus crops. The record in the West is ample to show that most of the crops are used in the very area in which they are produced, and they do not go to the surplus account, the subsidy account, requiring the support of the Government.

I merely want to make it clear from my point of view that when we talk in terms of subsidy we are giving an incorrect picture, as I see it, of the development program which we seek to undertake, because every dollar of this expenditure will come back to the Treasury of the United States in the increased industrial and agricultural activity of the area affected.

I thank the Senator.

Mr. MAGNUSON. The Senator from Wyoming is very familiar with the fact that it has been reliably estimated by economists—I do not know whether they are agricultural economists, but I presume they are—it has been reliably estimated by some agricultural economists, who are in complete agreement, that if we are to maintain our American standard of living consistent with the growth of population we must have much more land in production in the next 20 years than we heretofore contemplated.

Mr. O'MAHONEY. Mr. President, I may say to the Senator that from my point of view it is much more important than that, because what we are talking about now is an expanding economy in the United States. If the great burden which this country is carrying upon the international front is to be carried successfully we must have an expanding economy in the United States. We must create the opportunity for new business, for new endeavors, for the creation of new jobs and of new incomes. That is what we are doing when we undertake to build up the West.

Mr. DOUGLAS. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. Yes, I yield.

Mr. DOUGLAS. The Senator from Washington by his remarks seems to have stirred a good many of our colleagues into making speeches on reclamation, and I perhaps have been guilty along with the rest. Of course, I understand the natural interest of people in the arid regions of the United States in reclamation and irrigation, and I understand the pleasure which they feel when they reclaim lands from the desert and see it blossom and see new industries develop. We of the Middle West are very sympathetic with that. But the question always is: At what cost? How much does it cost to do this? Could the money be better used in other directions? I think that what is happening here, in particular respecting the Mountain Home irrigation project, is that it is proposed to subsidize 192,000 acres to be irrigated at the expense of the power users west of the Cascade Mountains. West of the Cascade Mountains there is a high rainfall. There is no lack of water there. It is east of the Cascades that the arid region is found. The Hells Canyon project would more than pay for itself even at present power rates. It is proposed to take the earning capacity of Hells Canyon to irrigate 192,000 acres to the south.

My good friend, the Senator from Florida, pointed out that the cost per acre of irrigating this land would be $900. But I find on page 42 of the report that the cost is actually more than that. It is $1,040 per acre, with a subsidy of at least $900.

I know of no bit of land in the United States that could not be made to blossom like the rose if $900 an acre were put upon it. Enormous crops can be obtained at such cost. Even the barren hillsides of Vermont would be producing the most stupendous crops if we made a capital investment of $900 per acre there.

In my State we have, I think, the richest farm land in the country in the counties around Bloomington, and $900 an acre is about three times what this richest land in the United States is now worth.

But here it is proposed to take land which is out of cultivation, put $1,040 an acre on it, $900 of which is a subsidy, and charge the power users of the western part of Oregon and Washington for this cost.

I have been taken to task by several Senators for saying that I thought it might be a good thing, not only if the Government got its money back on some of these projects, but received some of the profits in order to reduce the public deficit. That offended the sensibilities of the people from this region who say that the projects ought to be set up as a more or less autonomous group which finances its own expenses and apparently its expansion. But what I should like to point out is that even if that premise is accepted, what is proposed is to bleed western Washington and western Oregon for the benefit of the so-called Inland Empire.

Mr. MAGNUSON. The Senator from Illinois simply does not understand irrigation. Paradoxically, Hells Canyon alone will not help us in the matter of power.

Mr. DOUGLAS. I am for the Hells Canyon project. It is the Mountain Home project—not "My Old Kentucky Home," but the Mountain Home project against which I am directing my fire.

Mr. MAGNUSON. Hells Canyon, without the basin account, would not help us at all in the matter of power. We are not taking anything away from the people of western Washington. I would be the last one to be here doing that, particularly in this year 1950. Because of present high construction costs, Hells Canyon, if it were authorized and construction started—it could not possibly start until next year—could not, without the basin account, be put into the power pool to level off. As a matter of fact, the people of western Washington still get their power from the part of the pool which would have to be segregated, Grand Coulee, Bonneville, and Tacoma City Light and all the other power in the pool. Hells Canyon would be of very little help on the question of the power rate. As a matter of fact, Dr. Raver, head of the Bonneville Authority, is of the very firm opinion that until he can get the basin account to pool all this, he must, in many cases, raise the rate and discriminate between certain users at certain points, whereas if he had the whole basin account, then he thinks he could maintain the $17.50 rate despite the cost. Hells Canyon would then help us, because the high cost of construction would be absorbed by the low cost of Bonneville, Grand Coulee, McNary, and other dams which were started later. It may be that if costs should continue to go down by the time, let us say, Hells Canyon was completed, the situation to which I have referred would not occur; but it does exist now.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DWORSHAK. Surely the Senator from Illinois does not want the RECORD to show that one area would be bled for another area in the Columbia River Basin. An effort was made a while ago to point out that the Hells Canyon Dam is an essential part of the upper-basin development. If it will pay the entire cost of constructing that reservoir and

that dam and then provide approximately $300,000,000 of excess revenue, is it not logical to divert some of that surplus power revenue to help reimburse the cost of reclamation developments at Mountain Home, inasmuch as the two developments—Hells Canyon and Mountain Home—are part of the overall Snake River-Payette River development. To that extent, certainly, there is justification for using the power revenues from Hells Canyon to subsidize the development of the reclamation project at Mountain Home, just as much as it would be to divert power revenues from the Hells Canyon project to help develop reclamation elsewhere in the Columbia River Basin.

Mr. MAGNUSON. Certainly the revenues from Hells Canyon, even if it were to cost that amount of money, would not go back to the Bonneville Authority, to be used in connection with the making of rates. It would have no effect on rates whatever.

Mr. DWORSHAK. Mr. President, the Senator from Florida was greatly disturbed over the use of the word "subsidy," because apparently he felt that the Government would not recover in full the amount of money invested in some of these projects in the Columbia River Basin. The Senator will recall that the Senator from Idaho asked him if it were not true that more than $1,000,000,000 of Federal funds had been appropriated for various developments in the Tennessee Valley, under the so-called TVA, and that although less than half of the money thus expended will ultimately be repaid from revenues from the sale of power, yet far more than half of the $1,000,000,000 will not be repaid in any way. So the Senator asks the Senator from Florida whether he would not consider that $500,000,000 not repaid to be in the form of a subsidy? Does not the Senator from Florida admit that the failure to repay the Federal Government $500,000,000 used in the TVA is in reality a subsidy, whether it be for irrigation, for navigation, for flood control, or for any other purpose?

Mr. HOLLAND. Mr. President, will the Senator yield, to permit me to reply?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Washington yield to the Senator from Florida?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. So far as I am concerned, Mr. President, assuming the facts to be as stated by the Senator from Idaho, I certainly would use the word "subsidy." I am not complaining any more of subsidies in one part of the United States than in another. I am not so much disturbed by the argument today about subsidy as I am to have recognition by the Senators who are urging this measure of the fact that a tremendous subsidy is involved. However, that is now admitted—although it had not been up to an hour ago, when this debate began.

Mr. President, will the Senator permit me to address an inquiry to him?

Mr. MAGNUSON. I yield for that purpose.

Mr. HOLLAND. A moment ago the Senator had something to say about the rate structure. I noted with particular interest and with some concern a portion of the committee report appearing in the last paragraph on page 7 and in the first sentence on page 8, which I shall read:

> Evidence submitted during the hearings indicated that power rates in the Pacific Northwest will have to be raised somewhat in any event above those now prevailing for the Grand Coulee and Bonneville Dams. This is because of the fact that higher power-cost projects, a number of which are already authorized and under construction, are to be brought into the system, but their rates will be equated with the existing projects through the use of basin account.
>
> The committee concludes, with some concern, that if the interest component on the power features does not continue to be available for financial assistance to irrigation projects, or if some alternative means of providing financial assistance to such projects is not provided, a still further raise in power rates for the entire Northwest will be necessary.

My question is this, Does the Senator understand—I am sure he does—and do the users of power in the western portions of Washington State and Oregon understand that the facts are just as indicated in the two quoted portions from the committee report, namely, that through the basin account it is now proposed to raise rates to users of power from Grand Coulee and Bonneville Dams? Is that understood by the people in that area?

Mr. MAGNUSON. That is not correct.

Mr. HOLLAND. Then the Senator from Washington says that statement contained in the committee report is incorrect, does he?

Mr. MAGNUSON. No; the committee report does not say that at all. It says that evidence indicates that power rates will have to be raised. However, they will be equated with the rates from existing projects, through the use of the basin account.

I have been informed on many occasions by the Director of the Bonneville Authority that because of increased costs, which now are dropping, the only hope he has to keep the $17.50 rate is to have the basin account, so that he can equalize the rates from all the power units. So the man who is in charge of the sale of power, a very distinguished man, Dr. Raver, the head of the Bonneville Authority, whom all of us know, says just the reverse, namely, that the hope of keeping the power rate at $17.50, as it now exists in the Bonneville pool, lies in the basin account by which the various rates from the various projects would be equalized. Otherwise he would have to charge different rates in different areas, because, as the pool grows larger, he could no longer tell where the kilowatts were being generated.

Mr. HOLLAND. Mr. President, will the Senator yield for a further question?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. Let me ask the Senator from Washington again about this statement from the committee report:

> Through the use of "basin account"—

I quote now from the first sentence—

> power rates in the Pacific Northwest will have to be raised somewhat in any event above those now prevailing for the Grand Coulee and Bonneville Dams. This is because of the fact that higher power-cost projects a number of which are already authorized and under construction, are to be brought into the system, but their rates will be equated with the existing projects through the use of "Basin account."

Does the Senator mean to say that he does not understand that statement in the committee report to mean that through the use of the basin account, the rates in the Bonneville and Grand Coulee areas will not be raised above the rates now prevailing?

Mr. MAGNUSON. I think I understand something about power rates in the Pacific Northwest and what affects them; I am fortunate to have been involved in many of those cases, and I understand correctly the English language. The only hope to keep the power rate down is the basin account, which will allow the rates to be equalized. That is the testimony and considered opinion of all those who are involved in the direct distribution of power to the consumers.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. Then, do I correctly understand that the Senator from Washington means that the basin account is the only hope of keeping down the power rates for the new, higher-power-cost projects? Further, do I correctly understand that the Senator from Washington is not talking about keeping down the power rate, for those who are using power from Grand Coulee and Bonneville Dams?

Mr. MAGNUSON. Oh, it is a power pool. The power comes from all over that area, from all the dams. In order that the Senator may understand this matter, let me say that the Bonneville power pool involves power which is pooled from many sources. There is no way to tell whether the power which I use in Seattle comes from Bonneville or from Grand Coulee or from the Seattle City Light or from Tacoma City Light or from the private system on Rock Island or from Hungry Horse Dam in Montana. All the power is put into a pool. There is no difference in cost on the west side, on the east side, or in any other part where the pool operates. Some persons have to pay more for their power because we have not been able to develop the transmission lines. As the Senator recalls, we always have been having fights in Congress about the transmission-line system.

But this portion of the committee report merely means that Dr. Raver has told all of us that unless he can get a basin account by which he can equalize the rates for all the new developments, he may have to raise the $17.50 rate—not to any great extent, but a small amount, but only because of the higher costs. It is just the reverse of what the Senator has said.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LEHMAN. In respect to the statement made by the distinguished Senator from Florida [Mr. HOLLAND], is

it not a fact that no two power projects, built under different conditions and at vastly different times, can furnish power for exactly the same price? Obviously a power plant built in 1954 will supply power at a greater cost than the power which is supplied from a plant built in 1940.

Mr. MAGNUSON. That is correct.

Mr. LEHMAN. If the Senator from Florida were correct, it would seem to me that the implication would be that it would not be possible to build any more power plants in any region, because the power from them would cost more than the power coming from plants built in previous years. What is sought to be done by this amendment is to have a power pool, so that the entire region can get its power at exactly the same rate.

I am sponsor of a resolution with the Senator from Rhode Island [Mr. GREEN] and other Senators, for a survey of the power facilities in New York State and in New England. I have no doubt that the cost of various projects is going to differ to a considerable extent, possibly, but what I think is sound is to pool the resources in one area so that a man tapping power from one plant may not have to pay 10, 15, 20, or 25 percent more than is paid by a man tapping power from a plant 50 or 75 miles away.

Mr. HOLLAND. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. The Senator from New York does not deny, does he, that the statement in the report is very clear and specific, and could mean nothing other than that through the operation of the basin account, sought to be made effective by this amendment, the power rates will certainly be raised above those now prevailing for the Grand Coulee and Bonneville Dams?

Mr. LEHMAN. Even assuming the Senator to be correct, which I do not acknowledge, in view of the explanation given by the Senator from Washington, the inevitable conclusion to be drawn from the Senator's remarks is that if we took existing rates in one plant as the sole criterion, we would have no future development, because there is no doubt that a power plant developed today, or in 1955, or in 1960, will be considerably more expensive than the power plants which have been developed at Bonneville and Grand Coulee. So from my viewpoint, it seems to me we would have to stop completely the development of any new plants, which would be more costly possibly than those which were constructed 15, 20, or 25 years ago.

Mr. MAGNUSON. I thank the Senator from New York. The Senator from Florida and I interpret the language entirely differently. We are hoping to keep the power rate down. We think by the basin account we will be better able to do it. An increase of rates might be possible; that has always been possible. The $17.50 rate has been in existence for a long time. Costs have gone up, even maintenance costs have gone up. Referring to Bonneville and Grand Coulee and the users in western Washington, if the Administrator has to charge the rates near the outlet of the dam at either Bonneville or Grand Coulee, to the thickly populated centers, we will get no benefit, unless the basin account as provided. Seattle is in the pool to be, but unless the output can be equalized, it is going to have to be marketed at different rates, which would mean the cheapest rates in the entire United States would be paid around the Grand Coulee, where there is no population at all, or perhaps to some nearby area, if an attempt were made to segregate the kilowatts that come from Coulee. That is the testimony of Dr. Raver.

I have taken up a great deal of the time of the Senate. I have a discussion of this particular amendment and of the events leading up to it, but I thought before I went into that I might quote excerpts from speeches, letters, and statements in support of this plan. Throughout the following quotations, there is a reference to the comprehensive plan as coordinated by the April 11, 1949, agreement between the Department of the Army and the Department of the Interior. There is also a reference to Senate bill 2180, a bill which I introduced, to authorize the comprehensive plan, agreed upon, April 11, 1949.

Anyone who supported or who supports the comprehensive plan, or the April 11, 1949, agreement, or Senate bill 2180, of necessity must support the Columbia Basin account. That is true because one of the most important features of the April 11 agreement and, therefore, of the bill, S. 2180, is the basin account. I refer to the digest of Agreement on Principles and Responsibilities, Columbia River Corps of Engineers and Bureau of Reclamation, items 6 and 12. The Bureau, in those items, anticipated this basin account in the agreement which is set forth in Report No. 308, and these facts should be kept in mind in connection with the quotations I am about to make.

Representative WILLIAM M. WHITTINGTON, of Mississippi, who heads the committee on the House side, delivered a speech at the Thirty-first Annual Convention of the Mississippi Valley Association, at St. Louis, Mo., on February 6, of this year. I had informal discussions with him, and I am sure the chairman of the Public Works Committee also had. At a time when he knew this whole matter had been pending, and the general status of it in the Senate, Mr. WHITTINGTON, in his speech, said:

> There is pending in Congress today a coordinated plan for the Columbia Basin—

That is the basin account. It is part of the coordinated plan and the agreement entered into on April 11, 1949, and of Report No. 308, which we are considering. He continues:

> There is pending in Congress today a coordinated plan for the Columbia Basin, with the projects named and with careful studies covering the economic and engineering problems involved. That coordinated report, with the definition of authority between the Corps of Engineers and the Bureau of Reclamation, should be adopted.

There has been some suggestion made to me by members of the Public Works Committee that possibly if this amendment were placed in the bill there might be some difficulty in conference with Representative WHITTINGTON. I cannot apprehend that there would be any difficulty, in view of his speech from which I have quoted, in which he recommended the adoption of the amendment, with the basin account, because that was a part of the comprehensive plan, with which Mr. WHITTINGTON is very familiar, and of which he has made a very keen study.

On July 8, 1949, the Senator from Oregon [Mr. CORDON] joined with the senior Senator from Washington, the late Senator from Idaho, Mr. Miller, the Senator from Idaho [Mr. TAYLOR], and the Senator from Oregon [Mr. MORSE], in addressing a letter to the Senator from New Mexico [Mr. CHAVEZ], chairman of the Committee on Public Works, urging the committee to adopt an amendment to H. R. 5472, implementing the so-called comprehensive Columbia Basin development plan. The letter appears on page 494 of the Senate hearings on H. R. 5472. The last paragraph of the letter reads:

> Two bills now before the Senate are designed to accomplish the authorization of the Interior-Army integrated plan and agreement previously referred to—S. 2180, introduced by Senator MAGNUSON and S. 1595, by Senator CAIN. We respectfully request that your committee give prompt and favorable consideration to adoption of an appropriate amendment to H. R. 5472, which will carry out the identical purposes of these bills.

The Senator from Washington [Mr. CAIN], then a member of the Public Works Committee of the Senate, made a statement on the Columbia River comprehensive plan in an open committee hearing, on Thursday, July 21, 1949. On page 496 of the hearings on H. R. 5472, the Senator from Washington made the following statement:

> Thousands of words of testimony already have been taken before the Senate and House Public Works Committee on this plan. I know of no opposition to the plan. Both public and private power interests have testified in favor of the plan; both political parties have approved it; representatives of Government agencies approve it; all the governors of the States affected have approved it.
>
> This plan or agreement, as between the Engineers and Reclamation Bureau, was signed April 11, 1949. It is expected to be transmitted to the Congress soon.
>
> Mr. Chairman, I think there is little need of more being said, as I know that all of us have heard about and studied this plan. I have heard no objection. I ask that this plan be authorized to proceed in accordance with present laws and regulations.

This was before the committee in July. The Senator from Oregon [Mr. MORSE] appeared before the Senate Public Works Committee on July 21, 1949, to urge action on the Columbia Basin comprehensive plan. All the amendments contain the basin-account feature.

On page 5245 of the hearings the Senator from Oregon stated as follows:

> In order that development of the land and water resources of the Pacific Northwest may not be delayed, pending ample consideration of this new type of governmental administration—

He had just been speaking of CVA—

> and since I believe the principles have the approval of all concerned, I urge your committee to recommend the incorporation of the Corps of Engineers' plan on the basin as presented in the Chief of Engineer's report

on June 28, 1949, and the complementary plan of the Commission of Reclamation, embodied in his report of June 2, 1949, as part of the omnibus flood-control bill, or report to the Senate favorably on Senate bill 2180, as introduced by Senator MAGNUSON from Washington. * * * I think that S. 2180, the comprehensive plan of the Army engineers and the Bureau of Reclamation, is primarily deserving of support—not because of any sectional interest in it at all, but because of the great national interest in it, and, in fact, I think it ought to be placed primarily on a national footing, and secondarily on a sectional footing.

The Senator from Idaho [Mr. TAYLOR] testifying before the Senate Public Works Committee on July 21, 1949, speaking of the Columbia Basin comprehensive plan, said:

First, I want to call the attention of the committee to the request made by Senators of both political parties from the Northwest States, urging that the bill now under consideration be amended by authorizing the entire joint program of the Bureau of Reclamation and the Corps of Engineers for construction of projects in the Columbia Basin. As members of this committee know, there is no conflict between this program and the proposed Columbia Valley Administration.

I merely point that out to show the interest we took before the Public Works Committee on this question, in July of last year. I appreciate what the Senator from Florida [Mr. HOLLAND] has said regarding the Columbia Valley Administration. I want to point out, however, that there is no connection between what we are proposing here and the Columbia Valley Administration. They are related only in this respect, that one deals with management and the other deals with the project.

I know some persons have felt that this may be a substitute for CVA. It so happens that I am the author of both the CVA bill and this plan, and I do not think it is a substitute to any extent. The President, a strong advocate of the Columbia Valley Administration, in his message pointed out the fact that if this plan is adopted and if the projects proceed according to the Army engineers and reclamation agreements, there would be all the more reason for the CVA type of management.

I do not think the matters conflict at all. If I thought it were a substitute, I would not be here proposing it, because I have a more direct interest in the CVA than has probably any other Senator, because I introduced the bill and it affects my area.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. The Senator is interested in the CVA and also in the bill which he introduced to carry out the purposes of this amendment. Is that correct?

Mr. MAGNUSON. Yes; the 308 report plan.

Mr. CHAVEZ. The Senate committee has approved $142,000,000 more than was approved in the House bill. That is correct, is it not?

Mr. MAGNUSON. Yes.

Mr. CHAVEZ. Inasmuch as the basin account is a controversial question and as the question whether there should be included more irrigation projects at the moment, what is the necessity of getting more authorizations at this particular time, no matter how meritorious, when it would be impossible to spend even the amount approved by the House?

The Senate committee approved enough work to carry on for 3 years to the full extent of the ability of the Army engineers. If the proposal is controversial, irrespective of its merits, why jeopardize the whole bill and the $142,000,000 in addition which the Senate has approved by trying to insist at this particular time that the Committee on Public Works accept the recommendations of another committee?

Mr. MAGNUSON. I will say to the Senator that I have a deep interest in the basin-account proposal. All the projects in the rivers and harbors bill will not be immediately started. There must be appropriations. I think the comprehensive report should be on the same footing, if it has any merit at all. I still want to point out that we have a comprehensive plan. We cannot separate the projects; they go hand in hand with each other. They all have multiple-purpose features, and it would be quite difficult for the engineers to proceed in the Columbia Basin without having the Reclamation Commission follow. Because of that feature, I suppose, the governors of the States affected agreed to the plan. The Bureau of the Budget has agreed, the President has agreed, as have Senators from the various Northwestern States. The one exception is the Senator from Oregon, who has a different view regarding the basin account itself.

Mr. CHAVEZ. Assuming that what the Senator from Washington has stated is correct——

Mr. MAGNUSON. The rivers and harbors bills have contained, on other occasions, a joint plan. It is perfectly logical where separations cannot be made.

Mr. CHAVEZ. We were perfectly willing to listen to reason. It is all right to insist that the committee consider the subject, but why should the rivers and harbors bill be held up because the people of the Northwest could not get together on irrigation last fall?

Mr. MAGNUSON. We were together.

Mr. CHAVEZ. They now expect the committee to accept a recommendation, about which we know nothing.

Mr. MAGNUSON. We were in entire agreement that the bill should be reported from the Public Works Committee. We were disappointed when the Senator from Utah suggested that it go to the Committee on Interior and Insular Affairs. We so testified before the committee. We did not want it to go to the Committee on Interior and Insular Affairs. I was very much disappointed.

Mr. CHAVEZ. I was disappointed that we were not permitted to proceed with the bill as reported, but I had so much respect for the jurisdiction of another committee on matters pertaining to irrigation and reclamation that I said, "All right; you handle it." And the committee did handle it. I would not object to a bill to carry out the purpose of the Senator from Washington, but for it to be presented at the last moment, and to expect the Committee on Public Works to accept it when it knows so little about it, is not the proper way in which to handle the question. Senators begged us to let the bill go to another committee——

Mr. MAGNUSON. Oh, no. Not one of us wanted it to go to another committee. We wanted the Senator's committee to handle it.

Mr. CHAVEZ. Nevertheless, it went to another committee, since it pertained to matters of irrigation. The power features of the amendment of the Senator from Wyoming were proposed afterward. They were not being considered at that time. Nothing was considered by the Interior and Insular Affairs Committee but irrigation, of which the Public Works Committee had no jurisdiction.

Mr. MAGNUSON. None of us wanted the bill to go to the Committee on Interior and Insular Affairs. It did not have to go to the Committee on Interior and Insular Affairs. The Committee on Public Works has jurisdiction over a comprehensive plan. This amendment was not brought up until the Committee on Interior and Insular Affairs had considered it for days.

Mr. CORDON. Mr. President, I understood the Senator to say that the Bureau of the Budget and the Congress had approved the coordinated plan of the Bureau of Reclamation and the Corps of Engineers for the Columbia River Basin. Is that correct?

Mr. MAGNUSON. I did not say the Congress had approved it.

Mr. CORDON. The Senator said that the President and the Bureau of the Budget had approved it?

Mr. MAGNUSON. Yes.

Mr. CORDON. Does the Senator recall this language, in the letter of February 1, 1950, from the Bureau of the Budget, which appears at page 30 as Appendix 2?

Mr. MAGNUSON. What is the Senator referring to now?

Mr. CORDON. Appendix 2, page 30, of the committee's report.

Mr. MAGNUSON. Of the report of the Committee on Interior and Insular Affairs?

Mr. CORDON. Yes. I quote the following paragraph:

In the meantime, it is obvious that the coordination of their respective programs which has been effected by the Departments of the Interior and the Army is essential. The agreements which they have reached on certain policies concerning the interrelationship of their programs in the Pacific Northwest appear to represent a practicable plan under which the two Departments can work together within the shortcomings of the present Federal pattern of piecemeal legislation and divided administrative responsibility. The President expects that the two Departments will continue to operate in conformity with agreements of this general character. However, such agreements, by their very nature, should be considered only as operating agreements, to be changed and brought up to date from time to time.

I quote the meat of the paragraph:

Their form and content should not be frozen by statutory enactment.

Mr. MAGNUSON. That is correct.

Mr. CORDON. Does not that show the President and the Bureau of the Budget to be in opposition to the report?

Mr. MAGNUSON. No; not in opposition at all. The letter of transmittal to the President from the Corps of Engineers and the Bureau of Reclamation suggested that although this was a general agreement, they appreciated that from time to time they may have to make changes to bring the plan up to date. They did not suggest any law to freeze it. The agreement was a general one on certain projects, and the testimony of General Pick, and of the Bureau of Reclamation show that the report 308 should be subject to certain variations from time to time. It is prefectly consistent. The President said so in his letter.

Mr. CORDON. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. CORDON. Is the Senator aware of the fact that the coordinated plan on the Missouri Valley project was written into the 1944 Flood Control Act, and that the report was offered to the Committee on Public Works of the House and to the Committee on Public Works of the Senate for adoption, and that it was adopted?

Mr. MAGNUSON. I am familiar with that fact; yes. That was done because at that time the Bureau of the Budget and no one else knew much about Report 308. The report was being contemplated at that time. However, they adopted the Missouri Valley report, as I recall it. I do not recall the details. It was a general plan for the Missouri River development and a general plan for the Rio Grande.

Mr. CORDON. Mr. President, will the Senator yield further?

Mr. MAGNUSON. Yes.

Mr. CORDON. Did not the Senator from Washington call attention, both today and yesterday, to what he termed page after page of hearings before the Committee on Public Works of the Senate referring to this coordinated report?

Mr. MAGNUSON. Yes.

Mr. CORDON. Does the Senator now say that there was no testimony before that committee on the subject and that the committee did not know anything about it?

Mr. MAGNUSON. No; I have not contended that. I contend that they knew a great deal about it. I testified before the committee. Several other Senators testified before the committee. There was much testimony given on that subject.

Mr. CHAVEZ. The committee did not take any affirmative action.

Mr. MAGNUSON. The committee did not take any affirmative action. I have read three or four times what action the committee took. The Committee on Public Works rejected an amendment proposing the whole comprehensive plan, but adopted amendments authorizing the construction of individual projects and appropriations therefor totaling $250,000,000 to the Corps of Engineers and $175,000,000 to the Bureau of Reclamation. The proposed appropriation for the Bureau of Reclamation was contingent upon the approval by the Committee on Interior and Insular Affairs. That was the action of the committee after taking much testimony. I do not know for how many days testimony was taken. It was 3 or 4 days. It is all in the RECORD. The Senator must have completely misunderstood me, because I never suggested that we did not have any hearings before the Committee on Public Works. It was just the reverse. I am trying to say that the committee had adequate time to look into the matter and to study the subject.

Mr. CHAVEZ. We certainly had adequate time. If it had not been for the people in the Northwest, possibly we could have taken some action. After we were tolerant, and listened to them, they still could not get together. Now all of a sudden they say "Take it." If we had passed this bill last year, we would be out there now looking into the proposal.

Mr. MAGNUSON. The Senator is talking about the Columbia Valley Administration bill.

Mr. CHAVEZ. The Columbia River Administration bill, or any matter, including the bill which the Senator from Washington has pending before the committee.

Mr. MAGNUSON. We in the Pacific Northwest have always been together. We did not want the bill to go to the Committee on Interior and Insular Affairs.

Mr. CHAVEZ. If that were the case, this bill would have been passed last October, instead of being delayed until now. It is now that the committee is expected to take some action.

Mr. MAGNUSON. That is because the bill went to the Committee on Interior and Insular Affairs. It did not go there because of any action on the part of the Senators from the Northwest. My colleagues made the suggestion that the Senator's committee adopt the amendment. However, it went to the Committee on Interior and Insular Affairs. We were not in disagreement about it at all. The delay was caused by the fact that the Committee on Interior and Insular Affairs would not meet. The Senator from New Mexico will recall that both he and I suggested that the committee meet quickly. Since then the Senator from Oregon has had some objection to the basin account, but last fall the rest of us were in complete agreement. We would rather not have had the bill go to the Committee on Interior and Insular Affairs.

Mr. CORDON. Does the Senator from Washington take the view that the September 10 draft of this subject matter had the same legal effect as the present amendment?

Mr. MAGNUSON. Which draft does the Senator refer to? Is the Senator referring to the one I submitted?

Mr. CORDON. That is correct.

Mr. MAGNUSON. It has practically the same effect.

Mr. CORDON. Is the Senator aware of the fact that the pending amendment, not only fails to do what the September 10 amendment did, because the other amendment sought the adoption of the full coordinated report, which this amendment does not, but that, in addition, this amendment would make three major changes in three major substantive laws in the field of public works and power?

Mr. CHAVEZ. That is the objection, Mr. President, which the committee has to the proposed amendment. Objection is not made to the merits of the proposal, but to trying to bring in an amendment at the last moment which changes the basic law.

Mr. MAGNUSON. The Senator from Oregon knows that he and I are in complete disagreement on the interpretation of the language of this proposal. The Senator from Oregon also knows that I submitted, along with my colleague, a proposal to adopt the whole comprehensive report, but we were not successful in that, because it projected itself too far into the future. It was a huge thing. So we then decided, and the Committee on Public Works decided, to project the initial stage of the comprehensive plan, which extends for about 3½ years, or perhaps for a 3-year period, which included some projects involving both irrigation and power. That is what the Committee on Public Works considered, and that is what we testified about.

Mr. CORDON. Will the Senator yield?

Mr. MAGNUSON. Let me finish. The Senator from Oregon places a legal interpretation on the proposed Columbia Basin account amendment. I listened to him very carefully for quite a few hours, and he did a good job in cross-examining the witnesses. I disagree with his interpretation. I do not think the amendment changes any particular law. I think it adds a new practice in an overall matter of the Columbia Basin. The Senator from Oregon disagrees with that. The Committee on Interior and Insular Affairs disagreed with the Senator from Oregon in that, because they voted to report the bill 8 to 4.

I appreciate that there can be a difference of opinion. I am of the opinion, first, that the language in the amendment creating the basin account changes no basic irrigation laws whatsoever; second, that it does change the allocation of power revenues in the sense that it creates a bookkeeping basin account in which the interest component can be used, if Congress so authorizes, to subsidize—one may use any term he chooses—or to aid irrigation projects. That is my interpretation of it. If the Senator disagrees with that, he must disagree, because we have had this disagreement on the basin account for a long time.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Oregon.

Mr. CORDON. Does the Senator recall the provision of the reclamation law under which the Solicitor of the Interior rendered his so-called Solicitor's opinion in 1944, which provision of law, found in the Reclamation Act of 1939, provides for the recovery from power revenues of what is termed interest at 3 percent; and does he recall that that provision was held by the Solicitor not to represent interest at all, but to represent a measure for rate-making and a perpetual requirement in the rate for the particular power development? Is the Senator familiar with that?

Mr. MAGNUSON. I am somewhat familiar with the so-called Solicitor's opinion.

Mr. CORDON. Is the Senator familiar with the statement I have just made? Is it right or wrong?

Mr. MAGNUSON. I am familiar with that, and I believe the Senator is correct in stating that that is what seemed to be the legal effect of his opinion.

Mr. CORDON. Does the Senator recall that he had a second opinion in which he clarified the matter so that there could be no question about it?

Mr. MAGNUSON. I did not see that.

Mr. CORDON. I will read it to the Senator later. If that be the case, then when we turn to this amendment and find there a provision that instead of the 3-percent provision being a rate-making measure, it is to be interest on an unpaid capital investment, would the Senator say that was or was not a change in reclamation law?

Mr. MAGNUSON. I would say it was not a change.

Mr. CORDON. Then I reckon the Senator and I are going to have to agree to disagree in that regard.

Now, one more question, if the Senator will yield.

Mr. MAGNUSON. I yield.

Mr. CORDON. Does the Senator recall that in section 5 of the Flood Control Act of 1944 there is a provision with reference to power, and in that provision the Secretary of the Interior is directed to market power from flood-control and navigation dams, and the direction is—and I quote from the section—that the Secretary "shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles"? The Senator is aware that that is part of that section, is he not?

Mr. MAGNUSON. Yes; that is correct.

Mr. CORDON. Is the Senator aware of the fact that in the amendment there is a provision that the Secretary of the Interior shall fix the rates, and there is no limit whatever as to the ceiling to be placed on them, as there definitely is in the language I have quoted?

Mr. MAGNUSON. There is no limit under the Flood Control Act. It states a blueprint by which the rates should be set, just as in other cases. I cannot recall the language, but there is no limit.

Mr. CORDON. The Senator takes the view that a command that the power and energy be disposed of "in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles" is not a limitation on the power to set a high rate?

Mr. MAGNUSON. It is a blueprint. There is no limit on a rate that could be charged consistent with the blueprint. There is no limitation suggested in the rate suggested here. In other words, the Bonneville Administrator is going to charge the lowest possible rate he can charge consistent with his expenses.

Mr. CORDON. Is there any direction for him to do it?

Mr. MAGNUSON. That is all there is. There need not be a direction. He would get fired if he would not do it, and I suggest that the Senator from Oregon would be the first one to suggest that if he did not do it.

Mr. CORDON. Is the Senator of the view that the two commands as I have stated them represent no change in law?

Mr. MAGNUSON. I do not think they represent any change in law, but a change in certain methods of operation. I do not think they represent a change in the reclamation law at all. I will read the provision to the Senator. On page 7 the amendment says "return of such costs may be taken into consideration under the Federal reclamation laws."

Mr. CORDON. Is the Senator aware of the provision of the Bonneville Act that the rates to be set for power sales shall be approved by the Federal Power Commission?

Mr. MAGNUSON. Yes.

Mr. CORDON. Is the Senator aware of the provision of the amendment that those rates shall be set by the Secretary of the Interior, and that the only place the Federal Power Commission has in the picture is that it will be consulted? Does the Senator feel that that is or is not a change in the law?

Mr. MAGNUSON. If the Senator considers that the Federal Power Commission is more than a consultant now, or advisory, then there would be a change.

Mr. CORDON. If the Senator will permit me, it is not a question of what the Senator from Oregon thinks, it is a question of what the law is.

Mr. MAGNUSON. I do not think they would be more than advisory, or a consultant, now.

Mr. CORDON. The Senator will agree, however, whatever his views in that field may be, that the law, that is, the Bonneville law, requires the approval of rates by the Federal Power Commission, and that the Senator's amendment will put the sole power of fixing rates in the hands of the Secretary of the Interior, and require him only to consult the Power Commission?

Mr. MAGNUSON. The effect of the amendment is, of course, the establishment of the Federal Power Commission as a consultant body to advise the Secretary in setting the rates. The effect of the present system is that the Federal Power Commission acts in reverse, but I think the legal effect of the Senator's opinion would be to change it in that respect, in that they act as advisory anyway, but they have never been known to change. If the Bonneville Commission came up with a rate, and the Federal Power Commission said, "We do not like it," there would be nothing to do about it.

Mr. CORDON. Approval is required by the law, and, of course, to me the word of the law is a command. Maybe it is not to the Senator.

Mr. MAGNUSON. Oh, Mr. President, I have nothing to do with the administration of the law. I said the Senator is correct, that it does change it to that extent.

Mr. CORDON. Mr. President, will the Senator again yield?

Mr. MAGNUSON. Yes.

Mr. CORDON. Is the Senator aware of the present provisions of the Bonneville Act with reference to allocation of costs under the direction of the Power Commission?

Mr. MAGNUSON. I am generally familiar with that. The Senator probably can quote the language. I wish I had the act here.

Mr. CORDON. Is there any provision in the amendment for any allocation of that character other than an allocation by the Secretary, after discussion? I frankly state that it is not of great moment, but I simply wanted to get some of the legal differences in the two provisions out into the clear where we can see them.

Mr. MAGNUSON. I may not be accurate, I will say to the Senator from Oregon, because I want to refresh my memory of the Bonneville Act, but I know that the purpose of the amendment is not to touch any of the provisions of allocations of costs within the Bonneville Act itself and within the Bonneville Authority. It does not deal with the allocations of costs, and if it can be interpreted to do so, then the language should be modified so that it does not. I am in no disagreement with the Senator on that point. The allocations of costs within the framework of power and the allocations of costs in the construction of other matters in the Bonneville Authority, which operates the Bonneville pool, should remain intact, and do remain intact, according to my interpretation.

Mr. CORDON. On page 5 of the Bonneville Act, which is Public Law——

Mr. MAGNUSON. Whatever the act is, the amendment does not attempt to change any of the allocations of costs.

Mr. CORDON. May I read it to the Senator so we can consider that point?

Mr. MAGNUSON. Very well.

Mr. CORDON. I am reading now from page 5 of the Bonneville Act:

> Rate schedules shall be based upon an allocation of costs made by the Federal Power Commission.

Is the Senator familiar with the provisions of the amendment with reference to those allocations of costs and who shall make them?

Mr. MAGNUSON. I do not recall any place where we change that matter regarding Bonneville. We do not change it regarding Bonneville. The amendment changes the allocation.

Mr. CORDON. Does the Senator recall his amendment, that is the amendment of the Committee on Interior and Insular Affairs?

Mr. MAGNUSON. Let me complete my answer. I am trying to refresh my recollection of the amendment.

Mr. CORDON. Pardon me.

Mr. MAGNUSON. I read:

> (d) Allocations of construction costs for projects authorized in this act to be constructed in the Pacific Northwest, and for other projects included in the Columbia Basin account as to which allocations have not heretofore been made, shall be the responsibility of the Secretary of the Interior in the case of the projects constructed or to be constructed by the Department of the Interior, after consultation with the Secretary of the Army as to allocations to flood control and

navigation and with the Federal Power Commission as to allocations to power. Such allocations shall be the responsibility of the Secretary of the Army in the case of projects constructed or to be constructed by the Department of the Army, after consultation with the Secretary of the Interior in the case of allocations to irrigation and the preservation and propagation of fish and wildlife, and with the Federal Power Commission and the Secretary of the Interior with respect to allocations to power.

The authority of the Bonneville Authority to make its allocations to the present project is not touched at all.

Mr. CORDON. Will the Senator agree with me that the amendment with respect to rates and the setting up of the separate account that is necessary in connection with the interest subsidy provides that it shall apply to projects heretofore and herein authorized and hereafter to be authorized?

Mr. MAGNUSON. Certainly. All the features of the basin account projects would apply to projects hereafter. They are not retroactive.

Mr. CORDON. Then when the matter arises in the Senator's own State with reference to the greatest single subsidy to be found in the amendment, namely, the $432,000,000 subsidy in the Columbia Basin, and new allocations of costs are necessary, what is the Senator's view as to who shall make them under the amendment?

Mr. MAGNUSON. I will have to apologize to the Senator. My colleague asked me a question. I did not hear the whole question. If the Senator will repeat it.

Mr. CORDON. If the Senator will permit, I shall do so. I call the Senator's attention first to the fact that the rates to be established shall be based upon certain information with respect to projects heretofore and herein authorized and hereafter to be authorized. One of those projects is the Columbia Basin account in the Senator's own State.

Mr. MAGNUSON. Yes.

Mr. CORDON. The testimony before the committee was that increased prices and changes in plans are going to require a different cost allocation in the future.

Mr. MAGNUSON. For the Columbia Basin.

Mr. CORDON. Yes, for the Columbia Basin. That project represents the largest single subsidy charge against the so-called interest component, some $432,000,000 is the last figure. But the officials are not sure that it will not be millions of dollars more than that. They cannot tell because the project extends over a period of years. Who will make the new allocations with reference to that project for rate-making purposes under the committee amendment?

Mr. MAGNUSON. The Bonneville Authority.

Mr. CORDON. Will the Senator sometime find for me in the law where that authority exists?

Mr. MAGNUSON. No; we do not in the amendment deal with the Bonneville authority to make rates.

Mr. CORDON. But does not the amendment provide that the Secretary shall have the sole power to make the rates?

Mr. MAGNUSON. No; we do not provide that he shall have the sole power to make the rates. We do not change the Federal reclamation law. The Senator is a distinguished member of the Senate Appropriations Committee. I do not know whether the committee has had the Columbia Basin project before it; but the House committee found that the cost had gone down approximately 10 percent, or approximately 10 percent, below what was anticipated when the first budget estimate was made. If that be true the costs in the Columbia Basin, in the next 2 years before the project is finished and the land begins to come in for cultivation in about 2 or 2½ years, will be much less.

Mr. CORDON. May I suggest to the Senator that if that be the case, by the simple expedient of adopting the substitute amendment of the Senator from Orgeon in the place of the amendment of the Committee on Interior and Insular Affairs, there will then be in existence sufficient subsidy to pay for all 13 reclamation projects which are set out in the committee amendment, and the amendment of the Senator from Oregon, and all existing projects for which the testimony indicated subsidy might be needed. That would be two extra in the Senator's own State. Then we could start at scratch at that time, and determine the over-all question of policy, and do it in connection with the Public Works Committee, which has an equal interest with the Interior and Insular Affairs Committee in the substantive law.

Mr. MAGNUSON. I am glad the Senator used the words, "in connection with the Public Works Committee." I hope that in the future there will be a connection, because surely the connection has been disjointed, or at least broken loose in this particular case.

I will say to the Senator from Oregon, that I appreciate we are dealing with a highly technical method of administration of what we call the basin funds. I appreciate that the Senator from Oregon has made an earnest study of this matter and knows a great deal about it. He did yeoman work in the Committee on Interior and Insular Affairs, where he brought out many facts. The Senator spent almost a week, pretty nearly every morning and a part of every afternoon, discussing the matter and cross-examining witnesses from the Bureau of Reclamation and from the Department of the Interior.

Mr. CORDON. The Senator is most kind.

Mr. MAGNUSON. The committee also listened, but the committee thought the suggestion which had been made—and it is not my suggestion wholly—and the language proposed for the basin account, as it came from the Bureau of the Budget, from the Department of the Interior, and from the Corps of Army Engineers, probably was the best method by which to approach this problem; and the committee so voted,

I am not so sure; I am not always sure that I am right about these matters. Perhaps the Senator's idea might be just as good. I intend to listen to him very intently, as I did during many days of the hearings.

I know that those who are charged with the responsibility of keeping the rates low and with the responsibility of developing power and developing the comprehensive potential of the great Columbia Basin, have been rather unanimous in suggesting that the basin account, under language of this type, be established. They suggest it because they say it is the only hope of keeping power rates low. It is also the hope for making a studied and carefully planned development of the area at a minimum cost.

I base my thinking somewhat on the thinking and conclusions of those persons. As my colleague has said, I know of no opposition in the committee. The committee made a deep study of this matter. I have great respect, as does the Senator from Oregon, for Dr. Raver, who runs the Bonneville Authority. He has told me flatly that without the basin account, he feels that he may have to raise rates. He explained that he believes he should have the basin account. I have said to the Senator from Florida that even then as the report states, the rates may have to be raised. However, Dr. Raver, who is the best authority on this matter, says he hopes he can keep the rate at $17.50; but he says that without the basin account, he has no chance of doing so. I accept his word, because he is the man who makes the rates.

Mr. CORDON. The Senator recalls the testimony, of course, which is to the effect that rates have to be raised, anyway; does he not?

Mr. MAGNUSON. That is not my information from Dr. Raver. I agree with the Senator that there are some who feel that rates may have to be raised slightly, anyway. However, with construction costs going down, it may be that with the Columbia Basin pool it may not be necessary to raise rates.

In any event, Dr. Raver—who is the best authority on this matter, and he has to set the rates, and he has to administer the Bonneville power pool—says that without the basin account, for which he has proposed the language to be included, and which he has gone over and over, and which he has discussed with everyone in the Department who is concerned and with everyone else who is concerned and interested, he will have to raise the rates.

Of course, I shall not get into disagreement with the Senator from Oregon. However, in addition, every governor of every State involved in the basin has put his stamp of approval upon this method of allocation. All of them may not have read the exact language proposed for the basin account, but it has been submitted to them rather in detail.

I should like to place in the RECORD the recent letters from the Department of the Interior and from the Secretary of the Army. Let me read what the Secretary of the Army says about the basin account, as proposed under the present wording. I read now from a letter dated April 6:

This Department supports also the proposed amendment transmitted with the

letter of February 1, 1950, from the Director of the Bureau of the Budget to the Secretary of the Interior insofar as it may affect the projects and duties of the Corps of Engineers and I have no objection to the parts thereof which pertain to the Department of the Interior and only indirectly to the Department of the Army. Specifically in response to your letter, I concur in the proposal to include the revenues and costs of power projects of the Corps of Engineers in the basin account.

Sincerely yours,

GORDON GRAY,
Secretary of the Army.

The letter from the Secretary of the Interior is practically to the same effect. Mr. President, without burdening the Senate by reading the two letters in full, I ask unanimous consent that they may be printed at this point in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
Washington, D. C., April 6, 1950.

Hon. WARREN G. MAGNUSON,
United States Senate.

DEAR SENATOR MAGNUSON: I have your letter of March 22, 1950, requesting a brief statement of my views regarding the proposed amendment to H. R. 5472 as transmitted by the Director of the Bureau of the Budget under date of February 1, 1950.

The agreement of April 11, 1949, between the Department of Interior and the Department of the Army included an item (No. 6) to the effect that financial assistance from all power revenue-producing projects in the Pacific Northwest should be pooled and extended to aid irrigation under principles consistent with those embodied in reclamation law, and it contemplated the establishment of a basin account. The Chief of Engineers and I continue to be in full accord with this item of the agreement of April 11, 1949.

This Department supports also the proposed amendment transmitted with the letter of February 1, 1950, from the Director of the Bureau of the Budget to the Secretary of the Interior insofar as it may affect the projects and duties of the Corps of Engineers and I have no objections to the parts thereof which pertain to the Department of the Interior and only indirectly to the Department of the Army. Specifically in response to your letter, I concur in the proposal to include the revenues and costs of power projects of the Corps of Engineers in the basin account.

Sincerely yours,

GORDON GRAY,
Secretary of the Army.

UNITED STATES DEPARTMENT
OF THE INTERIOR,
Washington, D. C., April 4, 1950.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Interior and Insular Affairs Committee, United States Senate, Washington, D. C.

MY DEAR SENATOR O'MAHONEY: Your letter of March 29 asks for my views on the desirability of enactment of the amendment to H. R. 5472, to authorize certain projects for construction by the Bureau of Reclamation in the Columbia Basin and to authorize the establishment of a Columbia Basin account.

This Department is in full accord with these purposes of the proposed amendment, and particularly the establishment of a Columbia Basin account.

Establishment of a basin account is felt by the administration to be most necessary to provide for proper accounting, uniform rate making, and a method of obtaining financial assistance for irrigation projects. As you know, the establishment of a Columbia Basin account was recommended in the agreement which was signed on April 11, 1949, by the Secretaries of the Army and the Interior, and the Commissioner of Reclamation and the Chief of Engineers.

It is noted, however, that by changing the word "may" to "shall" in what is now line 4, page 7, of the proposed amendment, the committee has changed the amendment as recommended by the Director of the Bureau of the Budget in his letter of February 1, 1950, by making it mandatory for the Secretary of the Interior, in setting power rates, to take into account the interest component to the extent permitted by reclamation law. Under the original language recommended by the Bureau of the Budget such use of the interest component would have been discretionary. The choice of "may" was deliberately made and was thought to be preferable in view of reference by the President of the whole subject of the sources of reclamation subsidy to the Water Resources Policy Commission for study and recommendation.

The Bureau of the Budget has advised that there is no objection to the presentation of the foregoing views to the Congress.

Sincerely yours,

OSCAR L. CHAPMAN,
Secretary of the Interior.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LEHMAN. I should like to ask a question of the Senator from Oregon.

Mr. CORDON. The Senator from Washington has the floor.

Mr. LEHMAN. He has yielded to me; has he not?

Mr. MAGNUSON. Yes.

Mr. LEHMAN. I ask unanimous consent for that purpose.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from New York may ask the question.

Mr. LEHMAN. I ask the question because my interest is in the multiple-purpose projects. I am as much interested in reclamation and irrigation as I am in the development of cheap power.

I share the views of the distinguished Senator from Washington in my very high regard and respect for the knowledge the Senator from Oregon has of this subject. I believe that no Member of the Senate has a wider knowledge of the problems of power and reclamation and irrigation than he has.

Mr. CORDON. The Senator from Oregon is deeply appreciative.

Mr. LEHMAN. I cannot see how it is possible, without a basin account—which would make possible the appropriation by Congress of a part of the revenues coming from the development of power, and notably the interest component—to develop the great program which I hope will continue in irrigation and reclamation. Otherwise, I do not see how that program can be brought into being. It seems to be absolutely impossible for it to be developed unless the means are at hand to make the interest component and possibly other parts of the revenues or profits which come from the development of power, available for use for the development of the reclamation and irrigation projects. Otherwise, I do not see how we can go ahead with these greatly needed reclamation and irrigation projects, which in my opinion are of the greatest importance not only to the States affected, but, as I have said earlier today in my remarks, to the country as a whole. I should like to have the Senator explain that point.

Mr. CORDON. Mr. President, I am happy to attempt to make the explanation.

First, I wish to say to my friend, the junior Senator from New York, who was one of those who were most assiduous in their attendance at the hearings, and who showed a deep interest in a subject matter which must, of necessity, have to a very great extent been very strange to him, and whose questioning indicated an objective mind, that I shall do the best I can to answer what I know is a problem which he feels needs an answer. Let me say that the Senator from Oregon feels, likewise, that the question must be answered.

First, Mr. President, it has been stated here many times—and certainly there can be no question about it—that in the West, reclamation on the basis of a 100 percent repayment from water users is almost a thing of the past. There no longer exist lands which can be reclaimed so that from the proceeds of the lands themselves the total cost of the reclamation can be paid back to the Government, without interest, in the 40-year period or in the period of 40 years plus the additional 10 years which the law provides. That type of land no longer exists. Therefore, if there is to be reclamation in the West; if new, raw, arid lands are to come under the plow; and if all the advancement incident thereto and in anywise related thereto is to go forward—which means homes and everything else connoted thereby—we are faced with the necessity of taking a part of this burden from the individual who uses the water. The Senator from Oregon feels, however, that there is only one way to do so, namely, by setting up a balance sheet. Let us say that it will cost so much money to reclaim an acre of land. It is worth only so much to the individual who will make his living on it. Subtract the latter from the former, and charge the difference directly to the Federal Treasury, in the same way that we would charge any other nonreimbursable expense to the United States.

In doing so, let me say that Congress would find itself faced with a new responsibility, one which it should face, and one which it ought to discharge, namely, that of careful scrutiny as to the extent to which we can justify that type of subsidy, because there must be some point at which too much is paid for what is received. Although we in the West want the other sections of the United States to be understanding and generous when it sets that yardstick, yet we cannot expect it to set the yardstick at some fantastic point, so that the investment which must go into the land will be so disproportionate to the value to come out of the land as to be wholly ridiculous.

That means, if the Senator will bear with me a moment more, that one of the chores that he and I have in our committee is to go deeply into this matter,

set up that type of yardstick, and present it frankly and fully to the Senate, so that every Senator who seeks to understand will understand the basic principles under which we are asking this assistance to develop the arid areas of the West. We should not, as is here sought to be done, set up a ghost account, an account that is nonexistent, and to charge against it in the name of irrigation and reclamation what is actually the difference between what is put into the land and what its use is worth to the man who cultivates it, and say it is payment; because it is not payment. When we get that clear in the minds of the Senate and of the House and the people of the United States, we shall have a better chance, because it will be a logical procedure and we will be honestly laying our cards face up on the table. I hope we will do so. I thank the Senator.

Mr. LEHMAN. I thank the Senator. I have but one more question. I fully agree with the Senator from Oregon that the final arbiter with regard to appropriations must be the Congress, but is it not a fact that the sums which will go into the proposed basin account are also subject to appropriation, and that they cannot be arbitrarily spent?

Mr. CORDON. The answer to that question requires more careful consideration of the meaning of this amendment than has been given it on the floor up to now. The philosophy inherent in the amendment has its beginnings in an opinion of a solicitor of the Department of the Interior back in 1944, as to the meaning of the 1939 Reclamation Act. It has been attempted in this amendment to use that opinion as the law in reclamation and to apply it and make it workable in the Pacific Northwest with respect to all public power projects. We have overlooked utterly the fact that, (1) the opinion is unsound, (2) it has not been effective or in effect. The very case which was the occasion for its being sought, namely, the Columbia Basin case, and with respect to which it was supposed to be a direct answer, is the one case to which the Department of the Interior has never applied it, and is the one place to which the head of the executive department of the United States, the President, in a letter over his own signature, said it must not be applied until there is additional congressional action.

We must remember all those things before we attempt to apply that sort of broken-leg interpretation in connection with the amendment which is now pending and which seeks to include within the operation of an inoperable and inoperating act the projects of the Pacific Northwest in the power field. We must have all that at hand, I may say to the Senator from New York, before his question can even have an approach to an answer.

To simplify the picture, I would say that solely the power in the Pacific Northwest, generated by dams built by the United States, would come under the basin account. The provisions of the amendment are that rates shall be charged sufficient to return the capital investment to the Federal Treasury, plus interest on the unpaid capital investment at 3 percent per annum, or whatever the percent may be, and that at the same time for reclamation projects we are to spend in case of the Mountain Home project $1,040 an acre, of which the water user can return only $100, so there is to be spent in order to reclaim the land $940 an acre more than the land will pay back.

Over here we have an unrelated power project which is paying itself out. It was built with money that came from the Federal Treasury, borrowed from the people of the United States, in itself carrying an interest charge; so its use carries an interest charge to offset the cost to the Government. Yet in the case of this other power project it is expected that the interest which is paid on it and which goes into the Federal Treasury, not only as it is paid in, but any other amount that may be paid in, or that might be paid in if the project were built, shall be set up as a credit, against which the $940 can be charged. There is no money there; the money has gone in as interest; there is nothing against which to charge it. It is a ghost account. We set up the overcharge for the reclamation, the $940, against that nonexistent account, and mark it paid. That is subsidy. But the worst of it is, it is concealed subsidy, and we must not have that when we enact law.

Mr. LEHMAN. I thank the Senator.

Mr. MAGNUSON. Mr. President, the Senator from Oregon has stated the facts and figures very well, but I think what he forgets is, first, there is another philosophy, to which the Senator from Oregon does not seem to adhere. It is the philosophy of an over-all development of a river which includes power, reclamation, flood-control and navigation. One should help the other, and vice versa. The premise of the Senator from Oregon would be true if we were only developing power projects in the Columbia Basin and wished to have no future for irrigation projects. We have approached this amendment with another basic philosophy, that there should be this give-and-take among the multiple purposes in the development of the valley.

I agree with what the Senator from Oregon says regarding a given project. I think it should be considered. As a matter of fact, we have had some discussion about the Mountain Home project here today. There are a number of projects, and we have reached the point where there are going to be some doubtful projects.

But this amendment does not attempt to tell the Congress that it shall not look closely and carefully at every irrigation project. It does not say that the power interest component must be used. It is a matter of bookkeeping. It is not hidden. The Treasury knows how much comes in by way of interest and how much is paid out. The amendment does not touch that. There is nothing ghostly about the fact that the Federal Government appropriates so much money for project A. It can say, "We might be a little more lenient with project A because the whole river system, all the projects leaning on each other, has placed this much money in the Treasury, and, therefore, we can afford to give a little more money to project A."

All those facts are open and above board. As a matter of fact, when the Mountain Home project reaches the Appropriations Committee, the Senator from Oregon [Mr. CORDON] will know, down to the last red penny, what it will cost, and if it is not justified, the committee will reject it. We merely say that this account should be established so that the over-all project can be developed in that way. We cannot say we are going to develop only power.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CORDON. I want to present to the Senator a view with which I believe he will be most sympathetic. I suggested to the Senator from New York [Mr. LEHMAN] that when we have first determined the yardstick, to measure the extent of the subsidy, when we apply it, we charge that portion of the cost of irrigation, beyond the means of the water users to repay, as a reimbursable national investment. When I make that statement, it is a considered statement.

I may say to the Senator from Washington that the very reason this matter is before the floor of the Senate—and the Senator and I differ in some respects with reference to it—is that there are reclamation projects in the Columbia Basin which happen, geographically and topographically, not to be situated so that they can gain support from a power project. As has been said in the report, nothing but the accident of geography makes that result. We now seek to overcome, in the Pacific Northwest, that geographical and topographical accident by applying certain revenues to the use of the reclamation excess cost. If that be sound—and I am not prepared to say it is not sound—for the Pacific Northwest, can it be said that when we leave the boundaries of the Pacific Northwest it ceases to have soundness? If it be a sound plan to adopt, should not the Senator from Utah [Mr. WATKINS], who happens not to have in his State an area which is blessed, as is ours, with "white coal" running down the Columbia Basin, have his area deemed to be unfortunate, geographically and topographically, and entitled to the same treatment as are the areas which are blessed with an opportunity for a power subsidy in the Pacific Northwest?

Mr. MAGNUSON. I think the area to which reference has been made can have the same sort of an agreement, because it is also part of a river basin. We have to outline these things in some respects. It happens that the Columbia Basin project, although a large one, as the Senator well knows, can adjust itself to this sort of thing, and I am sure the State of Utah can do likewise, in some respects. I do not know whether it will set a pattern, but the Senator knows—he is an authority on irrigation and reclamation law—it is nothing new. There has always been an allocation of costs, and the Public Works Committee recognized that fact in the Missouri Valley comprehensive plan and in the Rio Grande plan, not in the same language as in connec-

tion with the Columbia Basin account, but according to the general principle.

Mr. CORDON. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. CORDON. The point the Senator from Oregon desires to make is that everywhere in the United States where reclamation is necessary or where a project can be established, where the benefits to be received justify the expenditure involved, the people should have the same break under Federal law. We must legislate for people, and if we make the charges in connection with reclamation what they should be, then wherever in the United States there is land which can be reclaimed on a sound basis, we may have it reclaimed, and we do not need to piddle around to try to see if it is in this basin or in that basin, whether there is power or whether there is no power. Let it rest, as it should rest, upon the sound foundation of need and national interest. Then we may continue, wherever there is power, to collect our revenues, which go into the Federal Treasury to increase the Government's ability to carry on our national program as it may from time to time be determined and changed.

Mr. MAGNUSON. The practical effect of what the Senator has said will be realized if the amendment is adopted. All the projects will have to be approved by the Congress on their individual merits. They all must stand on their own feet. Congress will give a project in the Columbia Basin as to the feasibility of it, the same treatment it would give a project in Utah. In the Columbia River Basin what the Senator has called "white coal" flows, and we have taken advantage of it and have developed this potential; and power, flood control, navigation, and irrigation become almost inseparable in some projects. It might be well for the Government, through the use of all the facilities of the basin, to use some of the money to help a project which is not so feasible. But to effect that result, each project must come to Congress and stand on its own merits.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WATKINS. I note the reference to the Utah situation made by the Senator from Oregon [Mr. CORDON]. I think we should get along much better in this debate if we got back to first principles announced in the reclamation law when it was passed. It has to do with a repayment of the costs of projects. At that time contracts were made with water users whereby they were to repay the cost of the project on an amortized basis. We have now gone beyond that point. We have gone beyond individual projects and have gone beyond the time when we construct small projects on small streams. We have now reached the multipurpose developments, and we shall probably not have anyone to sign the repayment contracts because the United States is going to build projects and will be in the public utility business.

I introduced a bill yesterday to consider multipurpose projects of all kinds and types on a river basis. I proposed that we organize water users' associations made up of States and the interests of the States to sign repayment contracts. I do not say how much they would have to repay, except that it would be the cost of the project. There would be a contract signed by the interstate entity created under the act. It would pay the interest and, if necessary, all the costs. That could be done from the over-all revenue coming from the entire river. Industrial and municipal users could pay, and the over-all income might be large enough to repay the entire cost. If the United States insists upon interest, within a reasonable time the interest could likewise be paid.

It seems to me that we are missing the fundamental basis of the subject which we are now discussing. We are assuming, I take it, that under the basin-account proposal the United States itself would be in the utility business and would operate these giant projects. My proposal takes that thought out of the picture. Under my proposal the United States would fulfill its historic role of building the project, but not operating it. It would proceed under the original provisions of the Reclamation Act, by allowing water users to repay the cost, and permitting the water users to own and control the project after they had repaid its cost, subject to whatever provisions are laid down for fixing rates for the power which is developed in connection with the water project. Power is one of the attributes of a water development. It is the same water which is being used for irrigation purposes. The power levees would be held in trust by the interstate associations for the purpose of seeing to it that the development was taken care of. My proposal would eliminate what we are now discussing, namely, this phantom, this ghost, the basin account. The proposal would apply to any interstate river system, which would include—and I have made some studies of the subject for 14 years and have had many years of experience with it—the Columbia River, the upper and lower Colorado River, and the entire interstate river systems of the arid West.

It would eliminate the problem which the Senator from Oregon is talking about. There would be no subsidy under this plan. It might take a long time to pay for it, but revenue derived from power, and the other revenues, would repay the entire cost. Furthermore, if the Government said that interest must be paid, that would be paid, too.

Mr. MAGNUSON. What we are attempting to do is to pay the cost of the project, so that the Federal Government will not be out anything on the cost of it.

I now yield to the Senator from Rhode Island for the purpose of making an insertion in the RECORD.

COMMUNISTS IN GOVERNMENT SERVICE

Mr. GREEN. Mr. President, I do not like to interrupt this interesting debate. However, two letters, which I should like to present to the Senate at this time, will illuminate for my colleagues one of the problems which faces the subcommittee of the Committee on Foreign Relations which was appointed to hear charges of disloyalty against employees of the Department of State. The first letter, which is addressed by myself to Dr. Luther Harris Evans, the Librarian of Congress, reads as follows:

APRIL 7, 1950.

Dr. LUTHER HARRIS EVANS,
Librarian of Congress,
Library of Congress,
Washington, D. C.

MY DEAR DR. EVANS: In a speech on the floor of the Senate on March 30, 1950, Senator JOSEPH R. MCCARTHY quoted the following which he said he had obtained from the Library of Congress:

"At the present time Lattimore is in Afghanistan. While the State Department denies he has any connection with it, the following information was obtained from the Library of Congress:

"The Afghanistan Government asked the United States in December 1949 to send a preliminary mission to Afghanistan to investigate the possibility of economic development under United Nations technical assistance program. Owen Lattimore was selected to be the head of this mission, which included a Mr. Caustin of the United Kingdom who is a member of the United Nations Secretariat; a Mr. Kirk of Canada, who is with the United Nations Food and Agriculture Organization; and a fourth member, an engineer, whose name is not known. The purpose of this mission was to pick out some key economic projects which might provide the basis for long-term assistance.

"In other words, Mr. President, the Afghanistan Government asked this Government to send a preliminary mission there to investigate the possibility of assistance under our point 4 program. That is the program which Hanson is now planning." (CONGRESSIONAL RECORD, p. 4385, column 3.)

Again on page 4391, column 1, of the CONGRESSIONAL RECORD, Senator MCCARTHY referred to information he had obtained from the Library of Congress in the following language:

"Mr. MCCARTHY. This is information which I got from the research branch of the Library of Congress; I called the State Department, but I could not get this information there. The Library of Congress gave me this information: namely, that the Afghanistan Government asked the United States in December 1949 to send a preliminary mission to Afghanistan to investigate the possibilities of utilizing the point 4 program in that area; that Owen Lattimore was selected to head that delegation; and that he is in that area or has recently returned therefrom."

In a discussion on the floor with Senator DONNELL the following statements were made:

"Mr. DONNELL. In whose behalf is it that the Senator understands that Mr. Lattimore is now in Afghanistan working out the point 4 program?

"Mr. MCCARTHY. All I can say is, the Afghanistan Government asked our State Department to send a man. They said, 'We will send Owen Lattimore.' I think perhaps the Senator will find that he is on the pay roll of UN; of course, being paid American money.

"Mr. DONNELL. Mr. President, will the Senator yield for a further question?

"The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Missouri?

"Mr. MCCARTHY. I yield.

"Mr. DONNELL. Am I correct in understanding the Senator a few minutes ago to say that the State Department was requested to send a man to Afghanistan on the matter to which he has referred?

"Mr. MCCARTHY. That is correct.

"Mr. DONNELL. And that Mr. Lattimore was sent by someone on that mission? Is that correct?

"Mr. MCCARTHY. He was picked by the State Department and sent on that mission.

"Mr. DONNELL. And that was in the year 1950, was it?

"Mr. MCCARTHY. That is correct." (CONGRESSIONAL RECORD, p. 4392, column 1.)

In view of the above statements that were made on the floor of the Senate, I would appreciate your advising me if the information quoted by Senator MCCARTHY is in fact correct. If such information is in error, I would, of course, like to be advised what corrections are necessary.

Yours sincerely,

THEODORE FRANCIS GREEN,
Chairman.

In reply to my letter, Dr. Evans wrote me as follows:

THE LIBRARIAN OF CONGRESS,
Washington, D. C., April 10, 1950.

The Honorable THEODORE FRANCIS GREEN,
The United States Senate,
Washington, D. C.

DEAR SENATOR GREEN: In response to your letter of April 7, I beg to report that the Library of Congress knows of no information to the effect that the Afghanistan Government ever made a request to the State Department in relation to the Owen Lattimore mission; to the effect that the United Nations consulted the State Department on Dr. Lattimore's appointment to the mission; to the effect that the State Department recommended Dr. Lattimore for this assignment, or to the effect that Dr. Lattimore's expenses on this trip and any salary or fee which may be involved are a charge on the United States, except in the sense that the United States is one of the contributors to the United Nations treasury.

It is our understanding that the Afghanistan Government made a request to the United Nations in December 1949, for a technical assistance mission, that the United Nations responded by sending a preliminary survey mission to investigate the possibilities of a program of technical assistance and general economic development, and that the United Nations Secretariat chose Dr. Lattimore as one of the members of this preliminary survey mission.

Respectfully submitted.

LUTHER H. EVANS,
Librarian of Congress.

It seemed to me that this correspondence would help to clarify the work of the senatorial subcommittee, and throw strong light on some of the problems with which it has to deal.

I sincerely thank my distinguished colleague, the Senator from Washington, for the privilege of permitting me to introduce these letters into the RECORD at this time.

LEGISLATIVE PROGRAM

Mr. HOLLAND. Mr. President, I understand that the Senator from Washingon [Mr. MAGNUSON] has not concluded his remarks, and that it will take him some little time to do so. I understand also that the Senator from Vermont [Mr. AIKEN] has some remarks he has been waiting all day for an opportunity to make. Likewise there is an executive calendar containing several nominations to which there is no objection, which should be taken up.

In this situation, Mr. President, I ask unanimous consent that when the Senate reconvenes tomorrow at 12 o'clock the Senator from Washington [Mr. MAGNUSON] may be recognized as having the floor for the continuation, uninterrupted, of the speech which he has been making.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

POLITICAL EXPENDITURES FROM PRODUCTION AND MARKETING ADMINISTRATION FUNDS

Mr. AIKEN. Mr. President, I rise rather reluctantly to call the attention of this Senate to a matter which seriously concerns all persons interested in the welfare of American agriculture.

I wish the junior Senator from Minnesota [Mr. HUMPHREY] were present, because I am sure he would be interested in what I have to say, but inasmuch as he is not, he will have to read my remarks in the RECORD tomorrow.

On April 3 and 4 the county committeemen of the Production and Marketing Administration for the State of Minnesota met in St. Paul. This was an annual meeting, a perfectly proper meeting called for the purpose of developing an agricultural conservation program for 1951.

These programs have generally been beneficial to each of the 48 States and to the national agricultural economy.

The 2-day meeting of the county committeemen at St. Paul was for a perfectly logical and legitimate purpose.

However, Mr. President, an incident connected with this meeting was, in my opinion, neither logical nor legitimate.

It appears that the Secretary of Agriculture was slated to address this meeting on the afternoon of the second day, April 4.

Evidently it appeared to the sponsors of this conference that members of the county committees alone gathered for the purpose of formulating the 1951 program would not provide a sufficient audience for the Secretary, and, so, under date of March 16, 1950, a notice was sent to all the 5,000 community committeemen of the PMA in the State of Minnesota and signed by Charles W. Stickney, chairman of the Minnesota PMA committee. This notice, in effect, directed these 5,000 community committeemen to attend the meeting at 2:30 on the afternoon of April 4 to listen to the Secretary's speech. I now want to read this notice sent by Mr. Stickney to the PMA community committeemen of Minnesota.

I wish to make it clear that the county committeemen were in their annual 2-day meeting at St. Paul, and this notice which I shall read was sent to the 5,000 community committeemen:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND
MARKETING ADMINISTRATION,
St. Paul, Minn., March 16, 1950.

DEAR COMMUNITY COMMITTEEMAN: In order to give you an opportunity to meet and hear our Secretary of Agriculture, Charles F. Brannan, and the Administrator of our Production and Marketing Administration, Ralph Trigg, the State committee has arranged for you to attend the second day of the annual Minnesota County PMA Committee meeting in the arena of the St. Paul Auditorium, on Tuesday, April 4.

The meeting will open at 10 o'clock, and Administrator Trigg's speech is scheduled at 11 on Tuesday morning, April 4. Secretary Brannan will speak at 2:30 in the afternoon.

Mr. President, that is the last reference made to Mr. Trigg, who, I judge from the newspaper reports, did not speak anyway. The emphasis in this directive, or invitation, is placed upon turning out to hear the Secretary of Agriculture. I continue the invitation:

The decline in farm prices has placed even greater emphasis on the price-support program which we in PMA are administering. We know you realize how controversial this subject has become. We feel it is extremely important for you community committeemen who represent agriculture at the grass roots, to have this chance to hear your secretary who is making a terrific fight to maintain some measure of economic stability for farmers.

Our production picture has changed since the war as it pertains to basic crops such as wheat and corn. With acreage allotments come diverted acres and we want to be sure that land taken out of wheat and corn this year will be put to the best possible conservation use as far as practical. We feel sure that giving you an opportunity to hear your administrator on this subject will give you renewed enthusiasm and a broader understanding of the problems which now confront us.

A travel allowance is being authorized for community committeemen—

Five thousand of them, mind you—

who attend this meeting. We are asking that you contact other committeemen and try to make arrangements to pool rides. If you drive your own car, and are accompanied by one or more passengers, you may make a claim for 5 cents a mile. It will be necessary for you to keep an accurate record of the mileage in this event.

If you come either by bus or train, buy your ticket and get a receipt for it. You must submit this receipt to the county office in order to be reimbursed for your fare.

You will receive a regular day's pay for attending the meeting. For community committeemen who live some distance from the Twin Cities and require traveling time which would exceed the 1 day, up to 2 days' salary will be authorized.

We feel this is an opportunity which you, as committeemen cannot afford to miss. We strongly urge you to attend this meeting.

Sincerely yours,

CHARLES W. STICKNEY,
Chairman, Minnesota PMA Committee.

I call particular attention to certain sentences in this letter. I quote:

We feel it is extremely important for you community committeemen who represent agriculture at the grass roots to have this chance to hear your secretary who is making a terrific fight to maintain some measure of economic stability for farmers.

We can well imagine, Mr. President, that upon having the importance of his attendance at this meeting on April 4 so emphasized that very few committeemen would feel like refusing to attend the meeting.

However, if we read further along in the communication, we find that special inducements were made to secure the attendance of these 5,000 local committeemen, and I quote again:

A travel allowance is being authorized for community committeemen who attend this meeting. We are asking that you contact other committeemen and try to make arrangements to pool rides. If you drive your own car and are accompanied by one or more passengers, you may make a claim for 5 cents a mile. It will be necessary for you to keep

an accurate record of the mileage in this event.

So we see here the offer of the payment of mileage to a community committeeman so long as he brings a carload of neighbors with him.

Certainly, this was intended to make sure of a large attendance as the meeting was not restricted to committeemen alone.

If the committeeman elects to come by bus or train, the communication states that he will be reimbursed for his fare. Finally, we read this:

You will receive a regular day's pay for attending the meeting. For community committeemen who live some distance from the Twin Cities and require traveling time which would exceed the 1 day, up to 2 days' salary will be authorized.

Thus we see, Mr. President, that these 5,000 community committeemen were virtually instructed to appear at the St. Paul meeting to listen to Secretary Brannan and were to be reimbursed for travel expenses and per diem of $8 a day for either 1 or 2 days.

What right the Department of Agriculture had to pay $8 per day and expenses to 5,000 people to listen to the Secretary speak has not been explained.

It is clear that the cost of the meeting must have been somewhere between $50,000 and $100,000.

It is not clear where the money was to come from. The only logical conclusion is that it would be taken from the funds allocated to the State of Minnesota for soil-improvement work.

It is perfectly clear that $50,000 to $100,000 spent in paying travel expenses and per diem for an audience to hear Secretary Brannan cannot be used for lime or superphosphate or terracing or forestry work or other soil-conservation practices in the State of Minnesota.

However, Mr. President, it would be easier to condone—to a certain extent at least—the cost of paying listeners a per diem and expenses to hear the Secretary speak if he had discussed the matter for which the annual meeting of the county committeemen was called.

Let us see what the subject of his speech really was.

I quote from the St. Paul Pioneer Press of Wednesday, April 5, 1950.

The heading of the story reads "Brannan opens farm drive here; HUMPHREY aids." The story is written by Alfred D. Stedman, agricultural writer of the Pioneer Press.

Mr. Stedman goes on to say:

Before a record-breaking crowd of 8,000 farmers in St. Paul Auditorium, the Truman administration's campaign for the Brannan farm plan was opened Tuesday afternoon and headed straight for the national elections of 1950 and 1952.

Battling shoulder to shoulder for the plan of free farm prices and production payments to maintain farm income were Secretary of Agriculture Charles F. Brannan, daddy of the plan, and United States Senator HUBERT H. HUMPHREY, of Minnesota, its all-out supporter. Senator EDWARD J. THYE could not come and sent his greetings to the crowd.

First Brannan and then HUMPHREY assailed the present law's system, particularly as applied to perishable products like potatoes, eggs, meat, and milk, of backing up farm prices with a system of flexible supports that are made effective through Government buying. Both also assailed President Allan B. Kline of the American Farm Bureau Federation, as defender of the present system. The flexible system is so named because as supplies pile up, price support levels are lowered.

Referring to the existing law as the Hope-Aiken plan, after its Republican authors Representative HOPE and Senator AIKEN, Senator HUMPHREY drew shouts of laughter and applause by declaring that it has in it "little hope and a lot of achin'," and that "the trouble with the flexible price support system is that the guy who always gets flexed first is the producer."

Charles W. Stickney, State Chairman of the Production and Marketing Administration, presided at the climax of the meeting in St. Paul of county and community farmer committeemen administering the farm price and agricultural conservation programs in Minnesota.

Mr. President, I have no objection to the Junior Senator from Minnesota ridiculing my work in the Congress. I object strenuously to his misstating the facts to his own farmers. If the junior Senator from Minnesota knew agricultural legislation, he would know that the present law which he is condemning is not the Hope-Aiken law, but a law enacted by a Congress with an overwhelming Democratic majority and a law for which he would have voted, according to the tabulation in the RECORD, if he had been present and voting.

If he knew agricultural legislation, he would know that the President of the United States on last October 31 by a stroke of his pen repealed that provision of the law which the Secretary of Agriculture, the junior Senator from Minnesota, and the President of the United States now all say is essential to the welfare of this country and the prosperity of our farms, namely, the provision for compensatory payments.

If the junior Senator from Minnesota knew agricultural legislation, he would know that when the provision for compensatory payments was repealed by the Eighty-first Democratic Congress there was not one word of protest from the Secretary of Agriculture, the President of the United States, the junior Senator from Minnesota, or anyone else. The administration was plainly most interested in repealing any provision of law with a Republican name on it whether beneficial to the farmers or not.

If compensatory payments are good for the consumer and the farmer now, the junior Senator from Minnesota should know that they were equally good last October when he favored the repeal of provision of law which permitted them to be used.

I have searched diligently through the transcript of the full speech made by Secretary Brannan at St. Paul and can find nowhere that he makes any reference to the subject matter for which the conference of county committeemen was called, namely, the formulating and administration of agricultural programs as authorized by law.

About two-thirds of his speech was devoted to promoting the so-called Brannan plan and the rest of it to condemnation of Allan Kline and the American Farm Bureau.

The speeches of both the Secretary and the junior Senator from Minnesota were political from start to finish, and money appropriated to the Department of Agriculture for soil-conservation programs cannot be legally spent in hiring audiences for political purposes.

Every dollar spent in playing politics means $1 less for improving the soil of American farms.

I know of no authority which permits the Comptroller General to approve the expenditure of PMA funds for the purpose of which they were used at St. Paul.

If the practice which was applied in Minnesota of spending public money to pay the expenses and per diem of farmers to listen to political speeches is followed in the other States the expense can be many millions of dollars all of which must come out of appropriations which Congress made for legitimate farm programs.

When I see attempts made with the use of Federal funds appropriated for other purposes to discredit the acts of Congress, then I wonder how long we will tolerate an attitude which regards the work of a legislative body elected by the people as a detriment to good administration.

Mr. AIKEN subsequently said: Mr. President, I ask unanimous consent to have inserted in the RECORD at the conclusion of my remarks the complete story of the St. Paul meeting, as published in the St. Paul Pioneer Press of Wednesday, April 5.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRANNAN OPENS FARM DRIVE HERE; HUMPHREY AIDS

(By Alfred D. Stedman)

Before a record-breaking crowd of 8,000 farmers in St. Paul Auditorium, the Truman administration's campaign for the Brannan farm plan was opened Tuesday afternoon and headed straight for the national elections of 1950 and 1952.

Battling shoulder to shoulder for the plan of free farm prices and production payments to maintain farm income were Secretary of Agriculture Charles F. Brannan, daddy of the plan, and United States Senator HUBERT H. HUMPHREY, of Minnesota, its all-out supporter. Senator EDWARD J. THYE could not come and sent him greetings to the crowd.

First Brannan and then HUMPHREY assailed the present law's system, particularly as applied to perishable products like potatoes, eggs, meat, and milk, of backing up farm prices with a system of flexible supports that are made effective through Government buying. Both also assailed President Allan B. Kline, of the American Farm Bureau Federation, as defender of the present system. The flexible system is so named because as supplies pile up, price-support levels are lowered.

Referring to the existing law as the "Hope-Aiken" plan after its Republican authors, Representative HOPE and Senator AIKEN, Senator HUMPHREY drew shouts of laughter and applause by declaring that it has in it "little hope and a lot of achin'," and that "the trouble with the flexible price-support system is that the guy who always gets flexed first is the producer."

Charles W. Stickney, State chairman of the Production and Marketing Administration, presided at the climax of the meeting in St. Paul of county and community farmer committeemen administering the farm price and agricultural conservation programs in Minnesota.

For 2 hours, the crowd listened with vocal approval to the two addresses—the first in effect Secretary Brannan's answer to President Kline's attack on his plan at the Minneapolis Farm Forum a month ago, and the second an amplification of that answer.

Both Brannan and HUMPHREY urged the rank and file of all farm organizations including the Farm Bureau to turn against the position of the Bureau's national leadership as represented by Mr. Kline, and get together in framing a new farm act, substantially as proposed Monday by President Truman in his special message to Congress.

In his written text though not in the spoken version, Secretary Brannan accused the Farm Bureau leadership of seeming to "talk out of two different sides of its mouth depending on who is listening" in expressing concern for low income farm people while urging a slash in Farmers Home Administration funds used to help them.

On the positive side, Secretary Brannan argued for his plan that—

1. It would protect farm income and help head off a disastrous depression.

2. That it would extend supports to the livestock industries including beef cattle, dairy and poultry products and hogs representing more than half of agriculture's cash returns.

3. That it would stimulate consumption of these products by allowing prices to go free in the markets.

4. That it would thus encourage the feeding up of grain surpluses.

5. That it would discourage corporation farming by denying subsidies to the 2 percent of farms that are huge.

6. That it would encourage soil conservation by denying payments to those farmers refusing to safeguard their soil.

7. That it would solve as nearly as they can be solved the present potato and egg situations.

On the negative side, Brannan answered Kline at several but not all points. As to regimentation, he declared his plan would involve less interference with the markets, with business or farmers than the present one. As to costs, he said, these would be less under the Brannan plan, and he dismissed as absurd the $18,000,000,000 and $19,000,000,000 estimates he said people have "trumped up."

But he didn't answer the Kline argument that agriculture can't afford to risk dependence for income on annual appropriations by Congress to finance payments. Further, none of the speakers explained why, if the system of flexible price supports is so wrong as they say, the Government itself has chosen to use the system to get itself and farmers out of difficulties by flexing price supports downward for flax, potatoes, dairy products, and other commodities. So the farm plan skinning operation once more fell just a bit short of its goal here Tuesday, as it did a month ago when undertaken in reverse at the Minneapolis Farm Forum.

Attacks in newspapers on farm subsidies came in for special ribbing by Senator HUMPHREY, who declared that the second-class mailing subsidies of newspapers and magazines coming to $200,000,000 last year exceeded the costs of the potato plan.

Also HUMPHREY heaped scorn on spokesmen for American corporations who see the country going to the dogs, to bankruptcy, or to socialism through deficit spending, high taxes, regimentation, and subsidies for farmers. In 8 years prior to 1949, American corporations total of net incomes after taxes was $118,000,000,000, HUMPHREY said.

County farm committeemen spent Monday working on the new agricultural conservation program. Community committeemen came in for the meeting Tuesday. Many drove to St. Paul, several often pooling the use of one car, and others came by bus or train. There were some grumbling reports to the Pioneer Press that mileage for travel and up to 2 days' per diem allowances were paid to committeemen. But the answer given in their behalf was that they have spent a great deal of time and effort working on these farm programs without any compensation, so the moderate allowances to attend the one meeting of the year in St. Paul were thought justified.

"Do you want another meeting next year?" Chairman Stickney asked a moment before adjournment. A great chorus of assent was the answer.

Mr. AIKEN. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD an editorial entitled, "Political Propaganda for Captive Audience," from the Minneapolis Star of Thursday, April 6; also an editorial entitled, "PMA: Aid to Farmers or Political Weapon?," from the Minneapolis Star of April 7; and also an article entitled, "PMA Parley 'Political Meeting,' Farmer Says," from the Mankato Free Press of April 6.

There being no objection, the editorials and article were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star of April 6, 1950]

POLITICAL PROPAGANDA FOR CAPTIVE AUDIENCE

Tuesday morning in the St. Paul auditorium, Frank K. Woolley, deputy administrator of the production and marketing administration (PMA), gave farmers some of the facts of life about price supports. He said that if any program is to succeed, production must be held to consumption.

He made the rather surprising statement that farm product surpluses are not alarming, but in general his talk was a matter-of-fact presentation of problems involved in administering the agricultural laws. His audience was made up largely of county and township PMA committeemen who were paid $8 a day and mileage to attend the meeting. They were fairly attentive, though a goodly number walked out before Woolley quit talking.

In the afternoon a couple of spellbinders took over. Nobody left while they were talking. Agriculture Secretary Brannan and Senator HUMPHREY—particularly the latter—had six or seven thousand farmers sitting on the edges of their seats, seemingly mesmerized by the oratorical flood. HUMPHREY seldom has been in better form.

HUMPHREY and Brannan said in effect: "Here are the facts; now go home and make up your own minds about the Brannan plan." But they were trying very hard, with all the oratorical and political tricks known, to make up the farmers' minds for them.

They issued no warnings about production control. They were saddened by the drop in farm income. General Motors and the newspapers don't sell their products at 60 percent of parity, HUMPHREY noted. In a flexible price system, he said, the only people to get flexed are the farmers.

It's a smart platform trick to tell listeners from any group how badly off they are, how discriminated against. Farmers, businessmen, teachers, doctors—they all seem to like that line. HUMPHREY gave the PMA crowd both barrels. But he neglected to give a full account of the farm problem, if he knows what that is—which now appears doubtful.

Sure, farm income is down. In the war and immediate postwar period the United States had to supply great amounts of food to allies and friends abroad. Now European farmers are back into production. France has a surplus of food. Dollars are scarce in foreign lands and the export market—except for ECA donations—is almost nonexistent.

When an automobile manufacturer or a newspaper publisher has produced enough of his product to satisfy the market, he necessarily holds his output to that demand. The Government does not guarantee to take the surplus at a support price.

For the present, farm production is greater than demand. Even if prices were to stay at the high point of the past decade, total farm income would be bound to decline because the volume is less.

As American population increases and if world trade is made freer, the situation is likely to improve. In the meantime, farmers should make operations as efficient and economical as possible, to help compensate for the loss in total income. That is what an auto manufacturer does.

Brannan and HUMPHREY intimated to the farmers that the Brannan plan would solve all their problems. That plan is one of several proposals to keep farm income from dropping too far. The Nation seems to have accepted the proposition that agriculture, because it is so fundamental to the existence of all the people and because farmers are subject to weather and market conditions beyond their control, is entitled to some sort of guaranty against too extreme price fluctuations.

The Brannan plan would make those guaranties high. That would mean large appropriations to keep the program going. And any time Congress decided against the appropriations—taxpayer pressure might be asserted—the supports would falter. That's a pretty precarious basis upon which to build a permanent plan for agriculture.

To keep any high support plan within bounds at all requires rigid controls to hold down production. But that's an unpleasant subject which Brannan and HUMPHREY glossed over in their pep talks.

The meeting of PMA county and township committeemen was supposedly called to acquaint those farmers with procedure for applying crop controls and soil conservation payments. It wound up with the strongest dose of political medicine handed out in these parts in a long, long time.

[From the Minneapolis Star of April 7, 1950]

PMA: AID TO FARMERS OR POLITICAL WEAPON?

PMA is the abbreviation for "Production and Marketing Administration," a division of the Department of Agriculture. It was created in 1945 to take over the functions of several earlier agencies: Surplus Commodities Corporation, Office of Basic Commodities, Agricultural Adjustment Agency (AAA), etc. It assumed direction of the Commodity Credit Corporation and the Federal Crop Insurance Corporation.

Every State has a PMA office, every county has a PMA committee, and nearly every township also has one. In some cases two or more townships join in a community committee. Minnesota has 269 county committeemen, 4,200 township committee members.

A township (or community) meeting elects three local committeemen and three delegates to a county meeting (they may be the same three), which in turn elects three county committeemen.

These members, both county and township, check up on soil conservation practices for which farmers receive Federal benefits, inform farmers about Government programs, supervise crop insurance, measure stored grain, and do a lot of other official chores.

Committeemen are paid $8 a day and mileage. Most township members are paid for only half a dozen days a year. County committeemen may be paid for 50 or more days.

They were paid with Government funds to attend the St. Paul meeting this week to

hear the agricultural program explained and to listen to political pep talks for the Brannan plan by Senator HUMPHREY and Secretary Brannan.

PMA committees carry on much the same work as the old triple A committee. AAA was set up in the early 1930's to assist farmers in various ways. At first the program of payments was virtually self-supporting, with processing taxes on farm commodities paying the costs. In 1936 the Supreme Court threw out the processing taxes.

Then a plan was devised to pay farmers for so-called soil-conservation practices. Payments have been made for spreading fertilizer, raising legumes, planting trees, turning under green crops, etc.

Many of these practices have helped build up the land. In the majority of cases, probably, they would have been followed by the farmers without payment. Yet sometimes they have been applied chiefly to get the Government payment and with no relation to a unified soil-conservation plan. Such benefits should be paid upon the approval and through the Soil Conservation Service.

PMA—and AAA before it—has been advertised as democracy at the grassroots. There is some justification for the claim when the committeemen participate simply as farmers—and many of them do that. But sometimes individuals become mainly interested in keeping their committee jobs. Then PMA becomes bureaucracy at the grass roots.

Minnesota has just seen how PMA can become a potent political pressure set-up. Committeemen were brought into St. Paul at public expense and subjected to the salesmanship of Democratic Party leaders. Because it has grassroots access, PMA can become one of the most powerful of political arms.

Country Gentleman magazine reported that 590 man-days of work were required to check performance, figure up results and pay out an average of $35.01 to DeKalb County, Ill., farmers who cooperated with PMA. That county has 178 part- and full-time Federal employees to provide services to the farmers. Minnesota is comparable.

No doubt PMA has rendered many necessary services to the farmers. Most of the committeemen are conscientious public servants. But it is time to reexamine the multiplicity of bureaus under the Department of Agriculture and get away from inefficiencies such as no self-respecting farmer would allow on his own place.

[From the Mankato Free Press of April 6, 1950]

PMA PARLEY "POLITICAL MEETING," FARMER SAYS

The recent State conference of production marketing administration committeemen in St. Paul was "nothing more than a political meeting paid for by American taxpayers' money, Roy Schulz, Mankato Township farmer who was asked to resign as a committeeman when he became Blue Earth County Republican chairman, charged today.

Pointing out that "I'm not against the farm program but I am against using public funds for political rallies," Schulz estimated that the meeting cost "no less than $75,000, paid for by the taxpayers." Referring to a letter sent to committeemen by Charles W. Stickney, chairman of the Minnesota PMA committee, Schulz said that those attending the meeting received a committeeman's regular day's pay—which is $8—plus travel expenses. He said approximately 6,000 men attended the meeting and at a probable average of $10 in pay and expenses, they received a total of at least $60,000. He estimated that expenses for Secretary of Agriculture Charles F. Brannan, who addressed the group, and his party of seven added $15,000 to the total.

Both Brannan and Senator HUBERT H. HUMPHREY spoke at the meeting. Schulz attended when, he said, he received an invitation from Stickney, "who apparently didn't know I no longer am a committeeman." Schulz said he paid his own expenses.

"Brannan said it was one of several such meetings held throughout the country," the young farmer declared. "If that is true, I wonder if the money spent for all these conferences wouldn't help to add to the hog-support funds that Brannan says are so short he can't continue the price-support program. During the time I was connected with PMA, I found that it takes 50 to 60 cents out of every dollar used in that program to pay administrative costs. Since most farmers already had signed up under the 1950 support program, a meeting of committeemen at this time was not necessary." Schulz said he thinks it is peculiar that PMA committeemen meetings, held every 2 years, always come in election years. Speakers at the meetings frequently refer to "they" when discussing criticism of the farm program, but never say who "they" are, Schulz declared. He added that it is "apparent 'they' are Republicans."

"Mr. HUMPHREY told us that 'you farmers are minute men,'" Schulz reported. "I think he should have said precinct workers."

Schulz said he was elected a PMA committeeman last November, but, when he was named county Republican chairman, he reported that the county PMA committee told him he couldn't hold a political office and remain a committeeman. "I also was told," he said, "that I better keep still about it. I wanted a letter from the State committee acknowledging my quitting but I didn't get it."

Mr. FERGUSON. Mr. President, I am glad the distinguished Senator from Vermont raised the point he has raised on the floor of the Senate today, because the question continually arises here: "What is political?" There is on the books a Federal statute respecting attempts to influence legislation by persons on the public pay roll, and I want to say a few words about that statute.

The instance presented here this afternoon by the Senator from Vermont is another in the long list of examples of attempts by Government employees to influence legislation.

From time to time, committees of Congress have investigated and exposed private lobbyists who have attempted to influence legislation. The President of the United States, and many high Government officers, have severely denounced the activities of private lobbyists.

Yet, whenever it is suggested that Government officials themselves may be engaged in influencing legislation, the suggestion is pooh poohed and ignored by Government officers sworn to prevent such misuse of the public money.

Section 201 of title 18 of the United States Code is specifically designed to prevent attempts to influence legislation by persons on the public pay roll. I desire to read it into the RECORD at this time:

No part of the money appropriated by any act shall, in the absence of express authorization by Congress, be used directly or indirectly—

I repeat the words "directly or indirectly"—

to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation.

Time and again Congress has turned up instances, just like this one, of violation of this section of the law by Government employees. There were violations by employees in the Post Office Department, the Reclamation Bureau, the Office of Education, the United States Public Health Service, the Social Security Administration, and even the War Department, in regard to the proposal for universal military training. Most of those specific cases, with the names, dates, and circumstances, were reported in official committee reports and were certified to the Attorney General; but so far as I know, no action ever was taken upon them under this section of the law.

It is a sorry display, I say, for the President and other Government officials to denounce private lobbyists who seek to influence legislation, while other Government officials freely use the public money and Government employees to go up and down the country making propaganda for or against proposed legislation.

Judging from its hypocritical action in the past, it would seem that this administration is not going to do anything about the case presented by the Senator from Vermont, any more than will the President spare us from his coming nonpolitical tour to test the political appeal of legislative issues for the coming election. Mr. President, this administration plays politics with the public money and with the public business every waking hour of the day, even in violation of the plain language of the law.

Mr. President, how much Government money can be spent for these political meetings? How much Government money can be spent to bring crowds to hear the Secretary of Agriculture try to put through the Congress the Brannan plan? Not only did Mr. Brannan, a Cabinet officer, attend this political meeting and have paid hearers, but, in addition, Frank W. Wooley, Deputy Production and Marketing Administrator; also the Director of the Grain Branch, Leroy K. Smith; and also the Branch Director of the Agricultural Conservation programs A. V. McCormack, went there. All those gentlemen went from Washington on the taxpayers' money to attend that meeting.

I wish to speak about the amount of money that is appropriated for this purpose. The distinguished Senator from Vermont has not been able to tell us the amount of money. I called Mr. Trigg, who has charge of this matter, and who usually appears before the Appropriations Committee; and I asked him the cost of this. He said, "I cannot tell the cost. I have called Minnesota, and they will let me know at the end of the month what it will cost for this hearing."

In the letter these people were told they would be paid $8 a day and 5 cents a mile for transportation. The House hearings on the agricultural appropriation bill give, at page 1451, an estimate that the county committeemen work an average of 77 days a year, and they are presently paid compensation at the rate of $7.20 a day, which in 1951 is proposed

to be raised, under the estimate, to $7.82 a day. If Members of the Senate are interested in this matter, they can see a table on page 1465 of the House hearings.

In addition to this daily pay, travel within their State is paid, under the Travel Expense Act of 1949, in an amount not to exceed $7 actually or an allowance of $9 a day in lieu of subsistence. So, Mr. President, not only will they get the $8 a day, but they can receive up to $9 a day in lieu of subsistence. They can also receive, for actual transportation, 7 cents a mile if they use privately owned automobiles; or they can receive the actual cost of transportation if they travel in common carriers.

The budget estimates request an increase of $1,430,000 for 1951. Of course I realize this is a political year. If they are going to be paid at the rate of $16 for a hearing, plus the cost of transportation to get the hearers for the Democratic Party, that will use the $1,430,000 for 1951, which is the increase which now is being asked from Congress.

For this entire matter, $285,000,000 is requested for the administration, out of which will come this cost. For this year the House committee has voted to reduce that amount to $22,882,282.

Mr. President, this is only a congressional election year, a year when the Members of the House of Representatives and one-third of the Members of the Senate will be elected or reelected. However, it appears that this will be a method of obtaining listeners for those who would put over on the public the Brannan plan; and now request is made for $1,430,000 of the taxpayers' money with which to do it.

Again I ask, What is political? If the letter does not indicate that this is political, if what the distinguished Senator from Vermont has said about the speech by Mr. Brannan does not indicate an attempt to put the Brannan plan through the Congress, I ask, What is political?

Mr. President, this activity is a clear violation of the law. The Attorney General should take prompt action, regardless of whether the person involved is a fellow Cabinet officer or whether it be the Deputy PMA Administrator, Frank W. Wooley; or the Director of the Grain Branch, Leroy K. Smith; or the Agricultural Conservation Programs Branch Manager A. V. McCormack. Regardless of who is involved, the Attorney General should take the same cognizance of any violation of the law by high-ranking officials or by other officials who have used this money for political purposes, as he would of such a violation of the law by John Doe or Richard Roe. Certainly the person concerned makes no difference. In America we want equal justice under law. This law has been enacted in order that the taxpayers' money shall not be used for political purposes, to influence Members of Congress. A clear case of violation of that law has now been presented. We shall wait to see what action the Attorney General of the United States—who has taken an oath to enforce the law of the land, just as the President has done—will take in this case.

CONTROL OF COMMUNISTS IN THE UNITED STATES

Mr. HOLLAND obtained the floor.

Mr. FERGUSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. FERGUSON. I ask unanimous consent to have printed in the RECORD an editorial entitled "Curbing Our Own Reds," from the Washington Evening Star of today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CURBING OUR OWN REDS

The main line of attack against the Mundt-Ferguson bill, designed to curb subversive activities in this country, is that the measure is carelessly drafted and the product of a current mood of hysteria. Nothing could be further from the truth. Whatever defects the bill may have, it is based on years of congressional study and has been written with extreme care to meet the constitutional attacks that are certain to be made if the measure becomes law.

This bill has been favorably reported from the Senate Judiciary Committee by a vote of 12 to 1. Senator LANGER was the dissenter. Senator KEFAUVER voted to report the bill so the Senate might consider it, but said he had misgivings as to certain provisions and would vote against the bill in the end unless those provisions are changed.

The bill undertakes to do four things: (1) To make unlawful a conspiracy "to perform any act which would substantially contribute" to the establishment within the United States of a totalitarian dictatorship under foreign control. (2) To require the Communist movement in the United States, in view of its foreign-directed character, to operate in the open rather than underground. (3) To cut the threads which bind the international Communist conspiracy together by restricting international travel of members of the American section of the world Communist movement. (4) To protect the integrity of our Government by denying Government employment to members of the American section of the world Communist movement and by protecting the security secrets of the United States against agents of a foreign government or the Communist movement.

This, in substance, is the Judiciary Committee's delineation of the purposes of the bill. The controversy has to do, not so much with the purposes but with the specific procedures by which the ends would be attained.

The most vociferous criticism has come, naturally enough, from the Communists, but this can be disregarded for their selfish interest is self-evident. There have been other critics, however, and some of them, at least, are unquestionably sincere. Their criticism falls into four general categories. They say that the proposed law is an unconstitutional abridgment of free speech, free press, and free assembly; that it seeks to establish guilt by association, though guilt should be a personal matter; that it defines crime in such vague terms that an offender would not know he was violating the law, and that its procedures violate due process of law.

These are points on which well-meaning men can and generally do differ when any such legislation as this is under consideration. In the Star's judgment, the criticism is not sound. The bill, of course, will be carefully debated in the Senate. If the language can be made clearer, if more safeguards can be devised without vitiating the bill, that should and undoubtedly will be done. But it should be kept in mind that the lines on these issues are firmly drawn. What most of the critics really object to is not the form of this particular bill. They will oppose any measure designed to achieve the same objectives and containing the necessary teeth. So the essential questions are whether the Communist conspiracy is real enough to justify the enactment of such a measure, and whether the Constitution will permit its enforcement if enacted.

The reality of the conspiracy is attested by the fact that we are spending more than $20,000,000,000 a year to defend ourselves against the Communists and to check their encroachments abroad. In that setting, it would be an absurdity not to do all that can be done to curb the Communists and their sympathizers in this country. Will the Constitution permit this? If not, then it follows that that document denies to Congress the power to adopt laws to protect the Nation against those who would use our constitutional liberties to destroy us. It is hard to believe that this is the case.

It seems to the Star that Congress should make all possible improvements in the bill, and then pass it. After that, it can be tested in the courts. But it should not be permitted to die simply because some people think it is unconstitutional and because some others pretend to think so.

Mr. FERGUSON. Mr. President, I wish to read a portion of the article, which deals with communism.

The reality of the conspiracy is attested by the fact that we are spending more than $20,000,000,000 a year to defend ourselves against the Communists and to check their encroachments abroad. In that setting, it would be an absurdity not to do all that can be done to curb the Communists and their sympathizers in this country. Will the Constitution permit this? If not, then it follows that that document denies to Congress the power to adopt laws to protect the Nation against those who would use our constitutional liberties to destroy us. It is hard to believe that this is the case.

Mr. President, that is not the case. The Constitution of the United States permits the Congress to defend the people of the United States and the institutions of the United States. When we realize that communism is an international conspiracy, when we realize that we are spending billions of dollars for national defense and to check the encroachments of Communists abroad, then we in the Senate should at least take the time to pass a law which will curb the Reds in the United States. I hope this editorial will bring to the attention of all Senators the real necessity for bringing to this floor Senate bill 2311, the bill now on the calendar, to protect the United States against certain un-American and subversive activities, and for other purposes, so that the Senate may vote upon it.

PETER MICHAEL EL-HINI

Mr. WHERRY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Nebraska?

Mr. WHERRY. Mr. President, I should like to have the floor in my own right, if the Senator from Florida [Mr. HOLLAND] is about to move a recess.

Mr. HOLLAND. For what purpose?

Mr. WHERRY. I desire to renew the unanimous-consent request I made at the beginning of the session today, that the Senate proceed to the consideration of the bill (H. R. 6656) for the relief of Peter Michael El-Hini. I do so in behalf of the senior Senator from Minnesota [Mr.

THYE], who is very anxious to have the bill passed. It has to do with the relief of Peter Michael El-Hini, who is the son of an American Government employee and a woman whom he married in Europe 2 years ago. The parents are unable to bring the child into the United States unless he can be advanced in the quota. They hope to leave on April 16. I took the matter up with the majority leader. I want to say for the benefit of the acting majority leader that the bill was passed by the House. It went to the Senate Judiciary Committee, which reported it unanimously. It is on the calendar, and it is merely a question of whether the Senate cares to consider it now, or later when the calendar is called.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HOLLAND. I have no objection. I yield the floor.

There being no objection, the bill (H. R. 6656) for the relief of Peter Michael El-Hini was considered, ordered to a third reading, read the third time, and passed.

Mr. WHERRY. I thank the distinguished acting majority leader for the opportunity of bringing up this bill at this time.

EXECUTIVE SESSION

Mr. HOLLAND. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of John O'Keefe, of Pembina, N. Dak., to be collector of customs for customs collection district No. 34.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

HAWAII

The legislative clerk read the nomination of Hon. Edward A. Towse, of Hawaii, to be associate justice of the Supreme Court.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The legislative clerk read the nomination of John D. Hill, of Alabama, to be United States attorney for the northern district of Alabama.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John H. Manning, of North Carolina, to be United States attorney for the eastern district of North Carolina.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The legislative clerk read the nomination of Robert Grant, of Illinois, to be United States marshal for the southern district of Illinois.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the calendar.

Mr. HOLLAND. Mr. President, I ask that the President be notified immediately of all nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS

Mr. HOLLAND. As in legislative session, I move that the Senate recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 44 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, April 12, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 11 (legislative day of March 29), 1950:

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

George D. LaMont, of New York.
Donald W. Smith, of the District of Columbia.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America.

Richard M. de Lambert, of New Mexico.
Patrick Mallon, of Ohio.
Evan M. Wilson, of Pennsylvania.
Bruce R. Crooks, of New Jersey, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

The following-named Foreign Service staff officers to be consuls of the United States of America:

John G. Hrones, of Massachusetts.
George H. Zentz, of Minnesota.

The following-named Foreign Service reserve officers to be vice consuls of the United States of America:

Miss Jane Ellis, of New York.
Gordon P. Hagberg, of California.
Lewis Rex Miller, of California, a Foreign Service reserve officer, to be a secretary in the diplomatic service of the United States of America.

UNITED STATES MARSHAL

Daniel N. McEniry, of Iowa, to be United States marshal for the southern district of Iowa, vice James J. Gillespie, term expired.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be surgeon (equivalent to the Army rank of major), effective date of acceptance:

Josef J. Weisskopf

To be senior assistant surgeon (equivalent to the Army rank of captain), effective date of acceptance:

Wayne S. DeWald

To be sanitary engineer (equivalent to the Army rank of major), effective date of acceptance:

Sylvan C. Martin

To be junior assistant sanitary engineers (equivalent to the Army rank of second lieutenant), effective date of acceptance:

Roy O. McCaldin
Charles V. Wright, Jr.
Walter L. Dunn

To be senior assistant sanitarians (equivalent to the Army rank of captain), effective date of acceptance:

Loyal C. Peckham
Joseph F. O'Brien

To be nurse officer (equivalent to the Army rank of major), effective date of acceptance:

Lois E. Gordner

Surgeons to be senior surgeons (equivalent to the Army rank of lieutenant colonel):

Dorland J. Davis
Robert L. Griffith

Assistant surgeons to be senior assistant surgeons (equivalent to the Army rank of captain):

Merlan E. DeBolt	John M. Bishop, Jr.
Victor E. Archer	Robert H. Aronstam
Jerold E. Phelps	Lee A. Craig, Jr.
Charles J. Buhrow	James W. Osberg, Jr.
Ernest G. Hanowell	John A. Pierce
James K. Conn	Robert L. Brutsche
William H. Sage III	Robert D. Sullivan
Charles A. Jarvis	John C. Stirling
David Carson	Francis Chanatry
Ben Fisher	James S. Hawthorne
Ed G. Hopkins, Jr.	Norman Tarr
Julian J. Platt	James R. Lewis
Charles H. Lithgow	Carl F. T. Mattern
William E. Ganss	Clifford H. Cole

Senior assistant sanitary engineer to be sanitary engineer (equivalent to the Army rank of major), effective December 7, 1949:

Ray Raneri

Assistant sanitary engineers to be senior assistant sanitary engineers (equivalent to the Army rank of captain):

Ronald E. Bales
Gerald N. McDermott

Assistant pharmacist to be senior assistant pharmacist (equivalent to the Army rank of captain):

Joseph J. Hackett

Scientists to be senior scientists (equivalent to the Army rank of lieutenant colonel):

John C. Eberhart
Jerry W. Carter, Jr.

Assistant nurse officers to be senior assistant nurse officers (equivalent to the Army rank of captain):

Dorothy G. Young
Albina A. Bozym

CONFIRMATIONS

Executive nominations confirmed by the Senate April 11 (legislative day of March 29), 1950:

COLLECTOR OF CUSTOMS

John O'Keefe to be collector of customs for customs collection district No. 34, with headquarters at Pembina, N. Dak.

HAWAII

Hon. Edward A. Towse to be associate justice of the Supreme Court for the Territory of Hawaii.

UNITED STATES ATTORNEYS

John D. Hill to be United States attorney for the northern district of Alabama.

John H. Manning to be United States attorney for the eastern district of North Carolina.

UNITED STATES MARSHAL

Robert Grant to be United States marshal for the southern district of Illinois.

SENATE

WEDNESDAY, APRIL 12, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we come seeking wide horizons around our noisy days. Through our preoccupied and cluttered lives we would clear a highway for Thy holy purposes. As we have undertaken on this continent a government of, by, and for the people, may we not lack the spiritual quality and a sense of the divine sovereignty, without which no such government can long endure.

Grant us such a vision of the vast sweep of Thy purposes that we may be delivered from the bondage of irritating trifles and be less disturbed by the little annoyances of everyday life. Help us to learn such wisdom and serenity that the depths of our hearts may remain calm, however others may disturb the surface of our lives, and so to correct our perspective that little things may not distort our vision of the eternal splendors. We ask it through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. GILLETTE, and by unanimous consent, the reading of the Journal of Tuesday, April 11, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVES OF ABSENCE

On his own request, and by unanimous consent, Mr. DARBY was excused from attendance on the session of the Senate tomorrow.

On his own request, and by unanimous consent, Mr. HICKENLOOPER was excused from attendance on the sessions of the Senate tomorrow and Friday.

CALL OF THE ROLL

Mr. GILLETTE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Frear	Knowland
Anderson	Fulbright	Langer
Benton	George	Leahy
Bricker	Gillette	Lehman
Bridges	Graham	Lucas
Butler	Gurney	McCarran
Cain	Hayden	McCarthy
Capehart	Hendrickson	McClellan
Chapman	Hickenlooper	McFarland
Chavez	Hill	McKellar
Connally	Hoey	McMahon
Cordon	Holland	Magnuson
Darby	Ives	Martin
Donnell	Jenner	Maybank
Douglas	Johnson, Colo.	Morse
Dworshak	Johnson, Tex.	Mundt
Eastland	Johnston, S. C.	Myers
Ecton	Kefauver	Neely
Ellender	Kem	O'Conor
Ferguson	Kerr	O'Mahoney
Flanders	Kilgore	Robertson
Russell	Taft	Watkins
Saltonstall	Taylor	Wherry
Schoeppel	Thomas, Okla.	Wiley
Sparkman	Thomas, Utah	Williams
Stennis	Tydings	Withers

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Virginia [Mr. BYRD], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. HUNT], the Senator from Montana [Mr. MURRAY], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the senior Senator from Maine [Mr. BREWSTER], the Senator from Massachusetts [Mr. LODGE], the junior Senator from Maine [Mrs. SMITH], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Colorado [Mr. MILLIKIN], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The PRESIDENT pro tempore. A quorum is present.

The question is on the amendment offered by the junior Senator from Illinois [Mr. DOUGLAS] to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] for the Committee on Interior and Insular Affairs, to House bill 5422. Under the unanimous-consent agreement entered into yesterday, the Senator from Washington [Mr. MAGNUSON] is recognized.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to present petitions and memorials, introduce bills and joint resolutions, and submit routine matters for the RECORD, without debate and without speeches, and without taking the Senator from Washington from the floor.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. and it is so ordered.

RESOLUTIONS OF APPRECIATION OF MEMBERS OF JAPANESE NATIONAL DIET ON VISIT TO UNITED STATES

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from Brig. Gen. Courtney Whitney, United States Army, transmitting, at the request of the Speaker of the House of Representatives and the President of the House of Councilors, resolutions of appreciation adopted by the Japanese National Diet on March 17 and 18, 1950, for the consideration and courtesies shown to members of the Diet on the occasion of their official visit to the United States which, with the accompanying resolutions, will be referred to the Committee on Foreign Relations.

DIVINE GUIDANCE WEEK—INVITATION TO MEMBERS OF CONGRESS TO ATTEND POHICK CHURCH, LORTON, VA.

The PRESIDENT pro tempore laid before the Senate a letter from the rector, and vestry of Pohick Church, of Lorton, Va., signed by David D. Mayne, M. V., extending an invitation to Members of the Congress to attend the morning service of the church on April 16, 1950, at 11 o'clock a. m., inaugurating Divine Guidance Week, which was ordered to lie on the table.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

REVISED ESTIMATES, TREASURY DEPARTMENT (S. Doc. No. 158)

A communication from the President of the United States, transmitting revised estimates of appropriation, involving an increase of $1,190,000, for the fiscal year 1951, for the Treasury Department, in the form of amendments to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REVISED ESTIMATES, LEGISLATIVE BRANCH (S. Doc. No. 155)

A communication from the President of the United States, transmitting revised estimates of appropriation, involving an increase of $19,460, for the fiscal year 1951, for the legislative branch, in the form of amendments to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, POST OFFICE DEPARTMENT (S. Doc. No. 159)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, in the amount of $86,000, and a proposed provision for the fiscal year 1951 for the Post Office Department, in the form of amendments to the budget (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF THE INTERIOR (S. Doc. No. 157)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1951, in the amount of $275,000, for the Department of the Interior, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REVISED ESTIMATE, DEPARTMENT OF THE INTERIOR (S. Doc. No. 154)

A communication from the President of the United States, transmitting a revised estimate of appropriation involving an increase of $2,754,400, for the fiscal year 1951, for the Department of the Interior, in the form of an amendment to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REVISED ESTIMATES, DISTRICT OF COLUMBIA (S. Doc. No. 156)

A communication from the President of the United States, transmitting revised estimates of appropriation, involving an increase of $114,400, for the fiscal year 1951, for the District of Columbia, in the form of amendments to the budget (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

NATIONAL COMMISSION OF UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

A letter from the Secretary of State, informed the Senate that, pursuant to a rec-

ommendation of the Committee on Membership of the United Nations Educational, Scientific, and Cultural Organization, Senator MARGARET CHASE SMITH and Representative MIKE MANSFIELD had been appointed to the National Commission, each to serve a term ending in 1952; to the Committee on Foreign Relations.

REPORT ON CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE, UNITED STATES AND MEXICO

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of February 1950 (with an accompanying report); to the Committee on Agriculture and Forestry.

LAWS PASSED BY MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, V. I.

A letter from the Secretary of the Interior, transmitting, pursuant to law, copies of laws passed by the Municipal Council of St. Thomas and St. John, V. I. (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF FEDERAL SECURITY AGENCY

A letter from the Administrator, Federal Security Agency, Washington, D. C., transmitting, pursuant to law, a report of the Agency for the fiscal year 1949 (with an accompanying report); to the Committee on Finance.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 8

"Joint resolution relative to location of the Air Force Academy in California

"Whereas the Congress of the United States has authorized the establishment of an Air Force Academy to be known as the West Point of the Air; and

"Whereas California has ideal living conditions and the finest climate in the world with excellent flying conditions; and

"Whereas, in California, young aviators can be trained in all kinds of flying conditions since California has the Pacific Ocean on the west, some of the highest mountains in the Nation in the east, the great Sacramento and San Joaquin Valleys, as well as the lowest points in the Nation, Death Valley and Imperial Valley, and many other different types of areas, with the result that in this State may be found flying conditions similar to those to be found in any part of the world; and

"Whereas there would be little danger in this State of damage to aviation equipment caued by the elements; and

"Whereas the Federal Government receives billions of dollars in taxes from the people of California and, therefore, it is only just that a portion of these amounts should be expended in this State for public-works projects which would promote the welfare of the people of this State as well as assist the great aviation industry located in this State; and

"Whereas, for these reasons, California is eminently qualified to be the site of the proposed Air Force Academy: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Federal Government be memorialized to establish the Air Force Academy in this State; and be it further

"Resolved, That the chief clerk of the assembly be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to every Senator and Representative from California in the Congress of the United States."

A resolution adopted by the Hawaii State Constitutional Convention, Honolulu, T. H.; to the Committee on Interior and Insular Affairs:

"Resolution 4

"Whereas the Honorable Harry S. Truman, President of the United States of America, has consistently supported and championed the great cause of statehood for Hawaii; and

"Whereas the Honorable Harry S. Truman has firmly and convincingly demonstrated his support and championship of statehood for Hawaii by his messages to the Congress of the United States of America on the State of the Union and by other official statements and documents issued by and prepared at the White House; and

"Whereas the people of the Territory of Hawaii and future State of Hawaii are deeply grateful for the splendid help and strong support of the President of the United States of America: Now, therefore, be it

"Resolved by the Constitutional Convention of Hawaii, That the people of the Territory and the future State of Hawaii by their constitutional convention delegates duly assembled at Honolulu on April 4, 1950, do hereby express and convey their sincere gratitude and deep appreciation to the Honorable Harry S. Truman, President of the United States of America, for his consistent support and championship of the great cause of statehood for Hawaii; and be it further

"Resolved, That certified copies of this resolution be transmitted forthwith to the Honorable Harry S. Truman, President of the United States of America, and to the Senate and House of Representatives of the Congress of the United States of America.

"Nelson Kiyoshi Doi, Teruo Ihara, Frank C. Luiz, Richard J. Lyman, Jr., Tom T. Okino, Thomas T. Sakakihara, James Kiyoji Yamamoto, Takao Yamauchi, Peter Kawahara, Earl A. Nielsen, Sakuichi Saki, Charles H. Silva, Marguerite K. Ashford, J. Pia Cockett, Kazuo Kage, Harold T. Kido, Harold W. Rice, W. O. Smith, Richard St. Sure, Cable A. Wirtz, Arthur D. Woolaway, J. Garner Anthony, Samuel K. Apoliona, Jr., Alexander H. F. Castro, Nancy Corbett, Flora K. Hayes, William H. Heen, Richard M. Kageyama, Elizabeth R. Kellerman, Katsumi Kometani, John K. Lai, Nils P. Larsen, Herbert K. H. Lee, W. Harold Loper, Hebden Porteus, Harold S. Roberts, C. Nils Tavares, Henry A. White, Benjamin O. Wist, Trude M. Akau, Edward C. Bryan, George Dowson, Hiram L. Fong, Yasutaka Fukushima, James F. Gilliland, Edward B. Holroyde, Frank Y. Kam, Masao Kanemaru, Charles E. Kauhane, Samuel Wilder King, Chuck Mau, Steere G. Noda, Frederick Ohrt, Herbert M. Richards, Clarence Y. Shimamura, Arthur K. Trask, James K. Trask, Randolph Crossley, H. S. Kawakami, Jack H. Mizuha, Charles A. Rice, Toshio Serizawa, Frank G. Silva."

CONSTITUTIONAL CONVENTION OF HAWAII OF 1950,
Honolulu, T. H., April 7, 1950.

We hereby certify that the foregoing resolution was unanimously adopted by the Constitutional Convention of Hawaii of 1950 on April 4, 1950.

SAMUEL WILDER KING,
President of the Convention.
HEBDEN PORTEUS,
Secretary of the Convention.

A resolution adopted by the board of directors, La Feria Water Control and Improvement District, Cameron County No. 3, La Feria, Tex., relating to the restoration of the planning funds for civil functions of the Corps of Engineers; to the Committee on Appropriations.

A resolution adopted by the Conference of Provincial Governors and City Mayors of Manila, P. I., relating to the recognition of certain guerrillas, etc.; to the Committee on Foreign Relations.

A letter in the nature of a petition from Local No. 560, United Automobile, Aircraft, Agricultural Implement Workers of America (UAW-CIO), of El Cerrito, Calif., signed by E. J. Amiot, financial secretary-treasurer, praying for the enactment of Senate bill 110, the so-called labor extension bill; to the Committee on Labor and Public Welfare.

A resolution adopted by local 110, the Miscellaneous Employees Union, AFL, of San Francisco, Calif., protesting against the enactment of Senate bill 2311, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A resolution adopted by the Conference of the Philadelphia (Pa.) Council, Jewish People's Fraternal Order, protesting against the enactment of Senate bill 2311, to protect the United States against certain un-American and subversive activities, and for other purposes; ordered to lie on the table.

A letter in the nature of a petition from William E. Fahy, of Rochester, N. Y., expressing his appreciation to the Congress for Federal aid to veterans' education under Public Law 346; ordered to lie on the table.

PROTEST AGAINST HOOVER COMMISSION REPORTS ON VETERANS' ADMINISTRATION—LETTER FROM WISCONSIN VETERANS COUNCIL

Mr. WILEY. Mr. President, I have previously reported the very strong opposition of the members of veterans' organizations in my State of Wisconsin to those phases of the Hoover Commission reports dealing with America's veterans. I have invited attention to the fact that veterans who have contacted me have emphasized very clearly that their objection is not to the Hoover approach in general. After all, the veterans of the United States are taxpayers, and they appreciate the fact that the Hoover Commission has made many notable suggestions in other fields for conserving the taxpayers' resources and achieving long overdue efficiency and economy in the Federal Government.

I have, however, pointed out that Wisconsin's ex-servicemen are deeply concerned about the proposed dismemberment of the Veterans' Administration, just as I am so concerned. I, for one, and they, certainly don't want to see the veterans of Wisconsin get the runaround once again—running from agency to agency trying to get the services which our grateful Nation promised them and which is their due for having saved our Republic.

I have in my hand, an important communication from the secretary-treasurer of the Wisconsin Veterans Council, a distinguished spokesman both for the American Legion and for the council, Mr. Jack L. Spore. I believe that his message will be of interest to my colleagues. I ask unanimous consent, therefore, that it be printed at this point in the body of the RECORD, and appropriately referred.

There being no objection, the letter was referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, as follows:

WISCONSIN VETERANS COUNCIL,
Milwaukee, Wis., April 4, 1950.

Hon. ALEXANDER WILEY,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR WILEY: The Wisconsin Veterans Council at its meeting on January 27, 1950, at Milwaukee, Wis., went on record opposing the Hoover Commission report insofar as it pertains to veterans and agreed to use its efforts to see that that part of it which would dismember the Veterans' Administration and which affects the rights of veterans be not enacted into law, and furthermore, that it favors the bringing about of such economies within the Veterans' Administration as are necessary.

The Wisconsin Veterans Council is composed of representatives from eight nationally chartered veterans' organizations which we are listing below:

1. United Spanish War Veterans.
2. Veterans of Foreign Wars.
3. Military Order of the Purple Heart.
4. Army and Navy Union.
5. Disabled American Veterans.
6. AMVETS.
7. Marine Corps League.
8. The American Legion.

The Wisconsin Veterans Council strongly favors a continuation of the present system whereby all veterans' problems are cared for by the Veterans' Administration. It is the desire of this council, then, that you oppose the adoption of the Hoover Commission report insofar as it relates to veterans.

Thank you in advance for whatever assistance you can give when this important question is brought up for discussion and debate.

Sincerely,

JACK L. SPORE,
Secretary-Treasurer.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

S. 451. A bill to amend the Civil Aeronautics Act of 1938, as amended, by providing for certain penalties for unlawful use of examination papers, and for other purposes; with an amendment (Rept. No. 1480);

S. 3357. A bill to prohibit transportation of gambling devices in interstate and foreign commerce; without amendment (Rept. No. 1482); and

S. 3377. A bill to amend the Civil Aeronautics Act of 1938; without amendment (Rept. No. 1481).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. ROBERTSON:

S. 3398. A bill to authorize the exchange of certain land for purposes of the Colonial National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ELLENDER (for himself, Mr. GILLETTE, and Mr. AIKEN):

S. 3399. A bill to authorize the Secretary of Agriculture to cooperate with the States to enable them to provide technical services to private forest landowners, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. MAGNUSON:

S. 3400. A bill for the relief of Mrs. Blanche Richards; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. TAYLOR):

S. 3401. A bill for the relief of Joseph Umberto Montalban-Troy; to the Committee on the Judiciary.

By Mr. ECTON:

S. 3402. A bill authorizing the Secretary of the Interior to issue a patent in fee to Lee Vance Sanders;

S. 3403. A bill authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Eloise Whitebear Pease;

S. 3404. A bill authorizing the Secretary of the Interior to issue a patent in fee to Mrs. Genevieve M. Conger; and

S. 3405. A bill authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders; to the Committee on Interior and Insular Affairs.

By Mr. DWORSHAK:

S. 3406. A bill for the relief of Lee Yee Yen; to the Committee on the Judiciary.

By Mr. STENNIS:

S. 3407. A bill for the relief of Luther R. Stevens; to the Committee on Armed Services.

By Mr. BENTON:

S. 3408. A bill for the relief of Sophie Strauss; to the Committee on the Judiciary.

By Mr. O'MAHONEY (for himself and Mr. HUNT):

S. 3409. A bill to establish the Wyoming Jackson Hole National Park in the State of Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

CODIFICATION OF FEDERAL LAWS RELATING TO HOUSING

Mr. BRICKER submitted the following resolution (S. Res. 252), which was referred to the Committee on Banking and Currency:

Resolved, That the Administrator of the Housing and Home Finance Agency is requested to prepare and transmit to the Senate, on or before January 15, 1951, in form suitable to be printed, a codification of all Federal laws relating to housing, which codification shall contain (1) appropriate explanatory notes and annotations to each section of such codification and (2) suitable headings, reference tables, and indices.

REORGANIZATION PLAN NO. 7 OF 1950

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 253), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 7 transmitted to Congress by the President on March 13, 1950.

REORGANIZATION PLAN NO. 8 OF 1950

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 254), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 8 transmitted to Congress by the President on March 13, 1950.

REORGANIZATION PLAN NO. 9 OF 1950

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 255), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 9 transmitted to Congress by the President on March 13, 1950.

REORGANIZATION PLAN NO. 11 OF 1950

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 256), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 11 transmitted to Congress by the President on March 13, 1950.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENTS

Mr. WILLIAMS submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. GRAHAM. Mr. President, I submit for appropriate reference an amendment intended to be proposed by me to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The 1948 Flood Control Act—Public Law 858, Eightieth Congress—provided for a survey of the Chowan River and its tributaries in North Carolina which river flows past Edenton, N. C. Inadvertently, a small, but important, creek which also flows through the town of Edenton and is known as Filberts Creek was not included since it flows into the Edenton Bay instead of the Showan River. I was just notified of this discrepancy on yesterday and therefore request that this creek be added under the survey provisions of the bill.

The amendment would require the insertion of "Filberts Creek at Edenton, N. C.," between lines 4 and 5 on page 47, of the bill.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—WITHDRAWAL OF AMENDMENT

Mr. HENDRICKSON. Mr. President, I ask unanimous consent to withdraw an amendment intended to be proposed by myself and the senior Senator from New Jersey [Mr. SMITH], designated as "3-21-50—A," to the bill now under consideration, House bill 5472, authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Jersey? The Chair hears none, and it is so ordered.

FOOD FOR THOUGHT—ADDRESS BY SENATOR ELLENDER

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address entitled "Food for Thought," delivered by him April 6, 1950, at New Orleans, La., before members of the council of the Chamber of Commerce of New Orleans, which appears in the Appendix.]

ADDRESS BY SENATOR LEHMAN ON THE OCCASION OF THE PRESENTATION TO HIM OF ANNUAL AWARD OF METROPOLITAN CONFERENCE OF TEMPLE BROTHERHOODS

[Mr. BENTON asked and obtained leave to have printed in the RECORD the address delivered by Senator LEHMAN on the occasion of the presentation to him of the annual award of the Metropolitan Conference of Temple Brotherhoods in New York City, on April 9, 1950, which appears in the Appendix.]

HAPPENINGS IN WASHINGTON—BROADCAST BY SENATOR MARTIN

[Mr. MARTIN asked and obtained leave to have printed in the RECORD program No. 2 in his broadcasts to the people of Pennsylvania on Happenings in Washington, which appears in the Appendix.]

CONGRESSIONAL INVESTIGATIONS—ARTICLE BY LINDSAY ROGERS

[Mr. IVES asked and obtained leave to have printed in the RECORD the third installment of a series of three articles entitled "When Congress Fumbles for Facts," written by Lindsay Rogers and published in the New York Herald Tribune on Friday, March 31, 1950, which appears in the Appendix.]

BAYLOR UNIVERSITY BROWNING LIBRARY—TRIBUTE TO DR. A. JOSEPH ARMSTRONG

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD a letter from Mr. Douglas Hammond, of Ensley, Ala., paying tribute to Dr. A. Joseph Armstrong, director of English at Baylor University, which appears in the Appendix.]

ENDORSEMENT OF SECRETARY OF STATE ACHESON BY THE NEW YORK YOUNG DEMOCRATIC CLUB, INC.

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD a resolution endorsing Secretary of State Dean Acheson adopted by the New York Young Democratic Club, Inc., which appears in the Appendix.]

THE POINT 4 PROGRAM—ARTICLE BY PAUL MANNING

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an article regarding the point 4 program by Paul Manning, which appears in the Appendix.]

THE AMERICAN MERCHANT MARINE—ARTICLE BY HELEN DELICH

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD the third of a series of articles dealing with the American merchant marine, written by Helen Delich and published in the Baltimore Sun of April 12, 1950, which appears in the Appendix.]

THERE ARE TWO WORLDS—EDITORIAL FROM THE MAGAZINE EAGLE

[Mr. NEELY asked and obtained leave to have printed in the RECORD an editorial entitled "There Are Two Worlds," from the April issue of Eagle, which appears in the Appendix.]

THE TEXAS WHEAT OUTLOOK—ARTICLE FROM THE FORT WORTH (TEX.) STAR-TELEGRAM

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD an article entitled "Texas Wheat Outlook Bad, But Soaking Rain Still Can Save Crop," published in the Fort Worth (Tex.) Star-Telegram, of April 9, 1950, which appears in the Appendix.]

NATURAL GAS LEGISLATION—EDITORIAL FROM THE CLEVELAND NEWS

[Mr. KERR asked and obtained leave to have printed in the RECORD an editorial entitled, "CROSSER and YOUNG Lack Faith in Free Enterprise," from the Cleveland News of April 4, 1950, which appears in the Appendix.]

REDUCTION OF RELIEF PAYMENTS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Relief Payments To Be Cut 8 Percent," published in today's issue of the Washington Times-Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RELIEF PAYMENTS TO BE CUT 8 PERCENT

Public assistance payments will be cut 8 percent May 1, bringing the total decrease for the fiscal year to 20 percent.

The cut is necessary because the welfare department is receiving 40 more cases a month than were anticipated in the budget, said Gerard M. Shea, public welfare director yesterday.

However, Shea added, the department has requested a deficiency appropriation of $92,000. If it is received before June 1, payments retroactive to May 1 will restore the 8 percent cut.

The city's 6,700 relief cases will receive $27,000 less every 2 weeks, according to Shea's estimates. Previous cuts of 7 and 5 percent have been put into effect.

Here are the cuts that will be put into effect in the different public assistance classifications:

Old age, now receiving $38 a month, will be cut by $3.54; needy blind, $40.65 payments, $3.60 cut; dependent children (family), $71.40 payment, $6.40 cut; general public assistance (family), $55.44 payment, $5 cut.

Mr. LANGER. Mr. President, as part of the same insertion, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Relief Funds Cut; Needy Face Crisis," written by Dorothea Andrews, and published in today's issue of the Washington Post. According to this article the Harris family of Washington is expected to live and clothe itself on $13.33 apiece each month.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RELIEF FUNDS CUT; NEEDY FACE CRISIS

(By Dorothea Andrews)

The Harris family has to figure out how to feed and clothe itself on $13.33 apiece next month.

This is because the Harris family is on District relief, and all relief grants have been cut back 8 percent by the Public Welfare Department starting May 1.

It will be the second time this year the Harris family has had to pull in its belts. They started out with $87 per month, then were cut back to $76 when a 12-percent cut was made. The latest relief cut leaves them $70.

Of this amount, $30 is a flat allowance, of which $25 goes for rent, $3 for utilities, $2 for refrigeration. The cut which reduces the family's allowance to $40 per month comes in the basic personal needs items.

And Mrs. Harris, 35, who can't go out and get a job because she has arrested tuberculosis, will have to absorb the cut for herself, her 12-year-old son and a 6-year-old daughter, both in school.

Her husband, 37, can't help either. He could have 4 years ago, before he also contracted tuberculosis, had to give up his Government job and enter a sanatorium.

Mrs. Harris will have the diet problems, the deciding as to basic personal needs like food, clothing, household necessities, insurance, medicine, school books, carfare and lunch money, the hard wear and tear that children give their clothes.

All of this on the $40 a month left for basic personal needs.

CASE IS TYPICAL

The case of the Harris family is typical of what will happen on May 1 when the Public Welfare Department of the District of Columbia sends out its regular public-assistance checks, each cut back 8 percent from this month's skimpy total.

Gerard M. Shea, Public Welfare Director, announced the cut yesterday because the Department simply hasn't the money to meet the mounting number of requests for help.

Only decision welfare authorities could make was to cut back relief grants until Congress comes through with $92,000, now contained in a deficiency appropriation request, which would tide the program over until July.

Edgar Morris, Welfare Board Chairman, in a letter to the District Commissioners, has pointed out that since present grants are based on 1946 living costs, and since welfare recipients already this year have taken a 12-percent cut in their monthly aid checks, the new cut really adds up to a 45-percent cut from the amount of money relief cases need for basic subsistence.

CUT-BACKS WIDESPREAD

Old-age-assistance cases, which started out the year with $43 per month, got cut back to $38, are, effective May 1, reduced to $34.46. Aid to dependent children (individual cases), which started out with $19 per month, got cut back to $16.72, now to $15.22 Aid-to-the-blind cases and single general public-assistance cases, which started out the year with $45 per month grants, got cut back to $40.60, now to $37.

The Public Welfare Board has known since January that unless Congress appropriated more money, it would have to cut back relief grants. First proposal was to institute the cut on April 1. The slice was deferred to May 1 in the hope Congress might act in time to make the reduction unnecessary.

Shea explained that the lack of funds was caused entirely by the increase in number of persons applying for assistance. During the 1949 fiscal year this number averaged 650 per month. But during the first 6 months of the current fiscal year welfare officials have been getting 770 such requests per month. During the first 4 weeks of January 1950, they got 802. They have been investigating each request and have found 35 percent of all suppliants are both eligible and in need.

This has added an overload of 42 new cases a month above the estimated apportionment. In asking Congress for $92,000, however, the Welfare Board was assuming that the number of new cases added during the January-June 1950 period would be 1,652, or 216 more than the number of cases added during the preceding 6 months.

If Congress appropriates the deficiency funds early in May, as hoped, the Welfare Board will be able to restore the 8-percent cut in relief grants in June checks.

Mr. LANGER. Mr. President, as part of the same insertion, I ask unanimous consent to have printed in the RECORD an article entitled "Thailand Reports $10,000,000 United States Aid," published in today's Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THAILAND REPORTS $10,000,000 UNITED STATES AID

BANGKOK, April 11.—The United States has granted $10,000,000 worth of arms and other military aid to a Thailand threatened by communism, Premier Pibul Songgram disclosed today.

This was the first concrete manifestation of decisions reached at the Bangkok conference in February.

Philip C. Jessup, United States Ambassador at Large, set forth the United States position there of giving military assistance to Asian nations displaying the will to stand against the Communist tide.

Under Songgram's leadership, the tiny kingdom of Thailand has taken its place alongside democratic powers in the cold war against communism. The war is more hot than cold in southeast Asia, which lies athwart the mighty new Communist nation of China and itself is riddled with Reds.

The military aid in the form of arms as well as equipment, such as bulldozers, to build badly needed military roads in north Thailand was given to help the Government resist infiltration by Communists, the Premier said.

(In Washington the State Department declined to comment on Songgram's statement.)

PRINTING OF EXTRANEOUS MATTERS IN BODY OF RECORD

Mr. LUCAS. Mr. President, the distinguished Senator from North Dakota introduced three newspaper articles and asked that they be printed in the body of the RECORD. I did not object to their being printed in the body of the RECORD, and I am not going to object. I merely invite the attention of the Senate to the fact that we are gradually getting back into the practice of introducing editorials and news items into the body of the RECORD, which all of us know is against the rules of the Senate, and is not good practice. They should be printed in the Appendix of the RECORD.

The PRESIDENT pro tempore. Is the Senator from Illinois objecting?

Mr. LUCAS. No; I am not objecting. I am merely inviting the attention of Senators on both sides of the aisle to the fact that we should try to follow the rules and precedents with respect to the introduction of matters of this kind. It is bad practice to introduce news articles and editorials into the body of the RECORD, and I merely invite the attention of Senators to that fact. I think we should conform to the parliamentary procedure of the Senate as closely as we possibly can.

The PRESIDENT pro tempore. The procedure is that such items be printed in the Appendix of the RECORD, and that rule will be followed on objection by any Senator.

COMMUNISM IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me relative to communism in Hawaii, and several newspaper items along the same line.

There being no objection, the statement and news items were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

Mr. President, I want to call the attention of the Senate to two news stories in yesterday morning's Times-Herald and Post, in which a man named Richard M. Kageyama admitted at the very first session of the hearings in Hawaii of the House Un-American Activities Committee that he was formerly a member of the Communist Party. The news stories are as follows:

"[From the Washington Times-Herald of April 11, 1950]

"HONOLULU OFFICIAL ADMITS RED TIE—KAGEYAMA MEMBER OF STATEHOOD GROUP

"HONOLULU, April 10.—One of Honolulu's top city officials, who is also a member of the convention drafting a Hawaii state constitution, admitted to congressional spy hunters today that he is a former Communist.

"The sensational testimony was given by Richard M. Kageyama, one of the seven members of Honolulu's Board of Supervisors, at the opening of an investigation by a House Un-American Activities Subcommittee into possible communism fifth column activities in Hawaii.

"Kageyama said he gave the full story of his Communist activities to William A. Wheeler, an investigator for the Un-American Activities Committee, in November 1949.

"Later, he said, he signed territorial loyalty oaths denying membership in the party in accordance with instructions from Wheeler who wanted him to 'keep mum' until today's hearing.

"The hearing was opened with the declaration that it 'should alert Hawaii and the entire American Nation to the dangers of a Red Pearl Harbor.'"

"[From the Washington Post of April 11, 1950]

"HONOLULU CITY BOARD MEMBER ONCE WAS RED

"HONOLULU, April 10.—Richard M. Kageyama, Nisei member of the Honolulu City-County Board of Supervisors, admitted at the first session of the congressional Un-American Activities Committee hearings today that he was formerly a member of the Communist Party.

"Kageyama, a surprise witness, said he was led into the party by John E. Reinicke, high school teacher on the island of Hawaii in the 1930's. Reinicke later taught in Honolulu, but he and his wife, Aiko, also a teacher, lost their jobs 2 years ago for their asserted affiliation with the Red party.

"Kageyama said he quit the party after 9 months in 1946 because 'I felt the Communist Party was not meant for people who live in a democratic Nation * * * They had proved they were not for the common people.'

"His admission surprised Honolulu Democratic circles and Territorial Central Committee Chairman Lau Ah Chew immediately called for a committee meeting to throw Kageyama out of the party.

"The witness, a 34-year-old real-estate man and war veteran, also was expected to lose his seat as delegate to the State constitutional convention. Along with 62 other delegates, he had signed an oath declaring he had not belonged to any subversive organization during the past 5 years."

Mr. BUTLER. Mr. Kageyama is a member of the Honolulu City-County Board of Supervisors. He was also recently elected a member of the unofficial Territorial constitutional convention called to draft a proposed constitution for Hawaii to use if it should be granted statehood.

One news story refers to his testimony as sensational. The other states "his admission surprised Honolulu Democratic circles and Territorial Central Committee Chairman Lau Ah Chew immediately called for a committee meeting to throw Kageyama out of the party." Mr. President, I do not know why this testimony should have surprised anyone. I had thought it was common knowledge in Hawaii that Kageyama was a Communist. During my investigation in the Territory in 1948 many people referred to him as a Communist.

With reference to Mr. Lau Ah Chew, I will remind the Senate that on page 5 of my report on Hawaii, I state that this man, at that time chairman of the Oahu County Democratic Committee, was the key figure in delivering the Democratic Party of the Territory into the hands of the Communist-controlled ILWU group in 1948. At this point I will insert two paragraphs from my report in the RECORD.

The paragraphs from the report are as follows:

On March 9, 1948, Lau Ah Chew, chairman of the Oahu County Democratic Committee, announced that all Democratic precinct clubs on Oahu would become inactive as of midnight, March 31, 1948, and that new officers and delegates to the Territorial convention of the Democratic Party would be elected on April 1, 1948. This was the big Communist coup.

This action of Chew in dissolving all Democratic precinct clubs was planned to place the advantage in the precinct elections in the hands of the Communist-controlled ILWU element. In spite of considerable opposition to Chew's order, Democratic precinct elections were held generally on April 1, 1948. They resulted in a clean sweep for the Communist-controlled ILWU group. That group thereupon took over the Democratic Party organization in the Territory, lock, stock, and barrel. The former Democratic Party became the Communist apparatus in the Territory of Hawaii.

I will also insert in the RECORD an article from the Sunday, April 9, New York Times entitled "Bridges Verdict Leaves Union's Future in Doubt."

The article is as follows:

BRIDGES VERDICT LEAVES UNION'S FUTURE IN DOUBT, BUT WEST COAST SHIPOWNERS ARE NOT WRITING OFF ILWU'S MILITANCY

(By Lawrence E. Davies)

SAN FRANCISCO, April 8.—The conviction of Harry R. Bridges at the end of his 4½-month trial for perjury and conspiracy posed questions this week for the leadership and the rank and file of his 65,000-member union.

How are the fortunes of the International Longshoremen's and Warehousemen's Union going to be affected by the verdict, finding its leader guilty of lying at his 1945 naturalization hearing when he swore he never had been a member of the Communist Party? Is the union automatically weakened or strengthened? What will be the effect if Bridges is deported, as the Government intends he eventually shall be?

The verdict, provided the higher courts uphold it, means the potential loss to the ILWU of three of its top leaders, since James R. Robertson, first vice president, and Henry Schmidt, international representative, were found guilty of helping Bridges win American citizenship fraudulently. All are

liable to prison terms and fines, with a deportation move against Bridges a foregone conclusion. The three men represent the left wing element that has controlled the international from its inception.

DARN SIGHT WEAKER

Bridges immediately took the position that the conviction would make the union "a darn sight weaker." Schmidt suggested the action would "solidify it." Right-wingers, who are in the saddle in local 10 of San Francisco, Bridges' home local, were saying nothing.

A good many shipowners, who have been through bitter struggles with Bridges and his men, but who now are trying to "get along" with the union as a result of the "new look" compact that followed the 1948 maritime strike, suggested that the verdict weakened the "top influence" in the union without being harmful to the organization as a whole.

The more anti-Bridges employers insisted that the union automatically was better off, and that it would be better off still "as soon as Bridges is deported." Less embittered ones paid tribute to the ILWU president as having been meticulous in keeping his word and living up to every paragraph in the present contract, signed 2 years ago.

There are some things to favor the view that Bridges' loss at this time might be less serious for the union than it would have been 2 or 3 years earlier. He put his finger on this himself when he said after his conviction: "We've got everything bedded down for a long pull."

CONTRACTS RUN TO 1951

In other words, the ILWU has a coastwise no-strike, no lock-out contract with the Pacific Maritime Association that runs until June 15, 1951. The accord resulted from the 1948 strike and it brought avowed determination on both sides to cooperate and try to win back lost business for west coast ports. The union has contracts expiring in Hawaii at the same time. It recently signed a 3-year extension, with a wage increase, of its agreement with the Distributors Association of Northern California, representing about 200 leading warehouses.

There already is speculation over a possible successor to Bridges, despite the waiting time ahead during the verdict's appeal. Asked the other day whether Lou Goldblatt, the union's secretary-treasurer, might become acting president, the ILWU head replied that was "purely speculative."

Germain Bulcke, second vice president of the international, is popular among the longshoremen. Jack Hall, international representative in Hawaii, is influential in the union. Portland, Seattle, and San Pedro also have possible candidates.

This article deals with the conviction of Harry Bridges, president of the International Longshoremen's and Warehousemen's Union, and his two top assistants in the union. Of particular interest in the article is the statement that Jack Hall, the top man in the union in Hawaii, is being discussed as a possible successor to Bridges as leader of this Communist-controlled union. Hall was named by me in my report as a member of the Territorial Communist executive committee in 1947. It is interesting to have this verification of Hall's Communist background by this special writer of the New York Times.

ORDER OF BUSINESS

Mr. KEM. Mr. President, I understand the Senator from Washington [Mr. MAGNUSON] has the floor by unanimous consent. I should like to ask the Senator from Washington if he will yield to me to make a short speech.

Mr. MAGNUSON. I will say to the Senator from Missouri and to the majority leader that it is perfectly agreeable to me to yield to the Senator from Missouri for that purpose. The Senator from Missouri and the Senator from Indiana, who have two short speeches, wish to have me yield at this time so they can make them. It is perfectly agreeable to me to yield for that purpose if I secure unanimous consent that I do not lose the floor. I would not yield without having secured such unanimous consent. There may be some objection to that procedure.

The PRESIDENT pro tempore. Does the Senator from Missouri make that request?

Mr. KEM. Yes, Mr. President, I make that request.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Missouri?

Mr. CHAVEZ. Mr. President, with all due deference to the Senator from Missouri, I still insist that matters should be discussed in a proper way. The measure which is now before the Senate has been delayed for many, many months. We are supposed to have the floor now to discuss the unfinished business. With all due deference to and with the highest respect for the Senator from Missouri, I must object.

The PRESIDENT pro tempore. Objection is heard.

ORDER FOR CONSIDERATION OF THE CALENDAR ON FRIDAY

Mr. LUCAS. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. LUCAS. I desire to have the Senator from New Mexico and the Senator from Washington listen to the request I shall now make.

I ask unanimous consent that if on Friday the Senate shall have concluded action on House bill 5472, which is the unfinished business, the Senate then proceed to the call of the calendar of unobjected-to bills.

The PRESIDENT pro tempore. Is there objection?

Mr. CHAVEZ. Mr. President, I wish to ask the Senator from Illinois a question. Did I understand him to say, in his request, if the Senate had concluded action on the unfinished business?

Mr. LUCAS. That is correct.

Mr. CHAVEZ. And if the Senate had acted on all the amendments to the bill which is now before the Senate?

Mr. LUCAS. I ask unanimous consent that if the now pending bill is completely out of the way by Friday at noon, the Senate then proceed to the call of the calendar.

The PRESIDENT pro tempore. Is there objection?

Mr. CHAVEZ. Mr. President, reserving the right to object, I wish to say that I shall not object provided it is strictly understood that the proposed procedure will not take place unless the Senate has taken final action on the pending bill.

Mr. LUCAS. The request is made on the basis that action on the pending bill will then have been concluded. The Senator from Illinois expresses a fervent hope that action on the bill will be concluded long before that time.

Mr. CHAVEZ. I join in that hope, with a prayer.

Mr. WHERRY. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. WHERRY. I wish to ask the distinguished majority leader a question. I am not going to object to the unanimous-consent request. I think the calendar should be called.

Mr. LUCAS. I thank the Senator from Nebraska.

Mr. WHERRY. Does the Senator from Illinois feel we can call the entire calendar in one afternoon?

Mr. LUCAS. I am glad the Senator from Nebraska asked me that question. For the information of the Senator, I will say that we will begin the call of the calendar at the point where we left off on February 1. We will not call the calendar from the beginning. I am satisfied we can finish the call of the calendar in one afternoon.

Mr. WHERRY. I shall not object. I think the calendar should be called. The calendar, however, is very long, and if consideration of bills on the calendar should continue beyond a reasonable hour, possibly it would be well to recess and finish the calendar at some other time. I make that suggestion by reason of the length of the calendar.

Mr. LUCAS. I suggest to my friend from Nebraska that we can consider that matter when we get to it. If there is considerable discussion on many bills, and the session threatens to become prolonged, we can discuss the point suggested by the Senator at that time.

Mr. CONNALLY. Mr. President, reserving the right to object, let me ask the distinguished majority leader, what will be the effect of the proposed schedule on the ECA legislation? Will that come before the Senate when the present unfinished business has been disposed of?

Mr. LUCAS. I should like to reply to the distinguished Senator from Texas in this way, that should we conclude the pending bill before Friday, we will then proceed to the consideration of Senate bill 3304, which is the bill to amend the Economic Cooperation Act of 1948, as amended. However, if that is done, I would move on Friday to lay that bill aside temporarily in order to enable the Senate to proceed to the call of the calendar.

I will say to my friend from Texas that a great number of Senators have asked about the call of the calendar, and I feel that the calendar must be called as soon as possible. I believe we can complete the call of the calendar in 1 day, and then proceed to the consideration of the bill in which the Senator from Texas is so interested, and in which, of course, all other Members of the Senate are interested.

Mr. CONNALLY. The Senator from Texas merely wanted to be advised as to the status of the ECA bill, so he could be governed accordingly. I am glad of the Senator's statement.

Mr. LUCAS. In further reply to the Senator from Texas, I may add that the Democratic policy committee yesterday unanimously agreed to the consideration of Senate bill 3304 following the disposition of the unfinished business, the measure now being debated by the Senate.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. I wish to cooperate with the Senator from Illinois in his proposal for the consideration and action on other business by the Senate. Cannot the Senator from Illinois couple his unanimous-consent request with a further request that the Senate begin voting on the amendment now pending, and all other amendments to the pending bill, tomorrow afternoon at 4 o'clock?

Mr. LUCAS. I thank the Senator for the suggestion, but I doubt the wisdom of coupling two requests for unanimous-consent agreements. I should like to get this one out of the way; and then perhaps a little later in the afternoon, as matters develop, we may be able to reach a unanimous-consent agreement to vote on the Senator's bill and all amendments thereto. I hope we may be able to arrive at such an agreement.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request proposed by the Senator from Illinois?

Mr. O'CONOR. Mr. President, reserving the right to object, let me ask the distinguished majority leader whether any consideration has been given in regard to bringing up the conference report on the basing-point bill, Senate bill 1008?

Mr. LUCAS. I am glad the Senator from Maryland asked that question, because yesterday at the meeting of the Democratic policy committee, the Senator from Nevada [Mr. McCARRAN], who was a guest at that time in regard to another matter, advised me that when a motion is made to consider Senate bill 3304, he would move to displace it in order to make it possible to bring up the conference report on the so-called basing-point bill. I hope he will not do that, but he says he feels it is necessary to do so.

In my own mind, I am convinced that the bill to amend the Economic Cooperation Act of 1948 is the most important measure the Senate has to consider at the present time. I think we should act on it with all convenient speed.

The basing-point bill has been here a long time, and I feel that we can wait a little longer before taking up the conference report on it. I hope the Senator from Maryland, who is interested in that measure, will try to persuade the Senator from Nevada, the chairman of the Judiciary Committee, who is handling that matter, to restrain himself a little longer, so that we shall not have to have another vote on a motion relative to taking it up.

Mr. O'CONOR. Mr. President, if the Senator will yield to me, let me say that my reason for making the observation is that I believe the conference report on Senate bill 1008 should enjoy a preferred position, in that the Senate conferees have received from the Senate instructions which they have endeavored to carry out to the best of their ability. The House has acted twice on this matter. In the conference, we who were the Senate conferees gave assurance to the House conferees that if and when there was agreement in the conference, we would do our best to see that prompt action was taken by the Senate. That agreement was reached among the conferees, following the special assignment of the matter on the floor of the Senate in January.

The House acted on that measure several weeks ago; but unfortunately we have not been able to have the matter brought up in the Senate.

I do not think it will take long to dispose of it, once it is brought up. It has been thoroughly debated, and we are in reach of the goal, whatever it may be.

I am not arguing now for or against the conference report, but simply for an opportunity to have it considered on its merits.

Mr. LUCAS. Mr. President, I wholeheartedly agree with the Senator from Maryland with respect to the time to be taken on the conference report on the basing-point bill. I doubt if any measure has been more thoroughly discussed on the floor of the Senate than has the basing-point bill and the conference report upon it. We should dispose of it within at least a few hours. However, my understanding is that a number of speeches will be made on that measure; and I understand that we shall have to go over and over the same ground which the Senate has already gone over time and time again.

Although I cannot tell any other Senator what he should do, and I would not wish to do so, yet it seems to me that a complete record has been made in regard to the basing-point bill; so much so, that I doubt that any further points are yet to be developed. After a brief explanation of the conference report on that bill, we should be able to vote on it one way or the other. I venture to assert that every Senator knows at this moment exactly how he will vote on that question. Senators could, of course, talk for 3 or 4 days regarding it; but I do not believe further debate would result in changing a single vote on that measure on the floor of the Senate.

Mr. O'CONOR. Mr. President, I heartily agree with the statement the Senator has made; and I believe that not more than 1 or 2 hours, if that much, would be required by Senators on our side of the question.

Mr. LUCAS. I thank the Senator.

Mr. O'CONOR. In corroboration of the remarks of the Senator from Illinois, I would say that already several speeches have been made on the conference report on the basing-point bill, for instance, speeches by the Senator from Louisiana [Mr. LONG], the Senator from North Dakota [Mr. LANGER], and other Senators. So I do not think there will be need for extended debate on the report, and I agree entirely with what the Senator from Illinois has said. I do not think further debate will result in changing any votes in the Senate, because I think every Member of the Senate knows at this time how he will vote on that question.

Mr. LUCAS. Mr. President, I would not make that statement if the bill had not been considered over and over again. After all, the conference report was before the Senate last year, but was returned to a further conference. Now the report from the further conference is here. So it seems to me that the opponents and the proponents of the conference report should be able to agree in regard to a time for voting on that measure; I believe they should be able to get together regarding a unanimous-consent agreement, so that we would know exactly how much time would be required for that matter.

Mr. O'CONOR. I think that should be done and can be done. Certainly we shall devote our best efforts to bring about such an agreement, and shall confer with the fair-minded Senators who may be opposing our position in regard to that measure. I do not believe there is any intention on the part of any Senator to engage in a filibuster on the conference report, and I am confident that we can reach an agreement.

Mr. DOUGLAS rose.

Mr. LUCAS. Mr. President, I yield to my distinguished colleague, the junior Senator from Illinois, who is on his feet, and seems to be desirous of having me yield to him.

Mr. DOUGLAS. I should like to make a statement, if I may do so.

Mr. LUCAS. I am glad to yield to the Senator for that purpose.

Mr. DOUGLAS. I thank the Senator very much.

Mr. President, I merely wish to say that the junior Senator from Louisiana [Mr. LONG], who is very much interested in this matter, and has taken the lead in opposing the basing-point proposal, is unavoidably absent from the Senate, and will not return until the 19th of April. So I do not think we should reach an agreement until after he has had a chance to return and to look over the situation. However, I can promise both my good friend the senior Senator from Illinois and my good friend the Senator from Maryland that we have no intention of filibustering the measure. We simply believe there should be an adequate, but not a prolonged, period of debate.

Mr. WHERRY. Mr. President——

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I appreciate very much the statement which has been made by the majority leader and also his efforts to work out the legislative program for the coming period. I have no disposition at all to hold up the consideration of the bill amending the ECA Act of 1948, and I am not adverse at all to making it the unfinished business, following the calling of the calendar.

I am interested in a remark which was made by the majority leader, namely, that a unanimous-consent agreement might be reached between the proponents

and the opponents of the proposed basing-point legislation, particularly with respect to the time for the Senate to vote upon the conference report. I should like to inform the distinguished majority leader that in his absence, when he was officially away from the Senate, I believe, it was suggested by the distinguished Senator from Louisiana that any time on April 19, 20, or 21 would be agreeable to him as a time for voting on the conference report on the basing-point bill, and that he would agree to a proposal for a unanimous-consent agreement for the vote to be taken on that measure on one of those afternoons, with the time to be divided between the opponents and the proponents. That would permit of ample debate between now and then.

With that thought in mind, I wonder whether the distinguished majority leader would entertain at the proper time a proposal for a unanimous-consent agreement, so that we could work out an agreement which would be satisfactory to all parties—those interested in the ECA, those interested in the call of the calendar, those interested in the measure which now is the unfinished business, and those interested in the conference report on the basing-point bill.

Mr. LUCAS. Mr. President, if the Senator from Nebraska will discuss that situation with the various Senators who are interested in the various measures to which he has referred, and if he can work out some sort of agreement for a time to vote on the basing-point bill conference report on a certain day—let us say, for instance, on April 21, at 4 o'clock, with the time to be divided equally between the proponents and the opponents—that will be perfectly agreeable to me. I should like to get the proposed basing-point legislation out of the way, of course.

However, as I said a moment ago, I do not consider it so important as the measure we shall take up when we dispose of the bill which is now the unfinished business.

Mr. MORSE. Mr. President, reserving the right to object, I wish to propound a parliamentary inquiry, namely, whether agreement to the type of unanimous-consent request which has been made by the majority leader would have the effect of denying to a Member of the Senate the right to request the regular order in regard to privileged and material matters, such as conference reports.

The PRESIDENT pro tempore. A conference report is a privileged matter in the Senate. Unless such an agreement abridged that right, it would be in order, of course, for any Senator to move to take up a conference report.

Mr. MORSE. Mr. President, still reserving the right to object, I wish to address a question to the majority leader, namely, whether it is his intention, by means of the proposed unanimous-consent agreement to have the calendar called on Friday, to have that unanimous-consent agreement supersede any privileged matter which may theretofore be pending before the Senate.

Mr. LUCAS. I had not included that in the request, I may say to my friend from Oregon, but it seems to me that, once we start calling the calendar, I doubt if any motion of that kind, if made, would prevail, because I do not believe that the Senate, after having agreed to proceed with the call of the calendar, would set aside that agreement even for a privileged matter such as a conference report.

Mr. MORSE. I think the majority leader is probably correct as to what the decision of the Senate would probably be at that time, and I am not going to object to this request. But I think it is only fair to make this statement for the RECORD at the present time: The junior Senator from Oregon has a growing concern about a tendency in the Senate to set aside privileged matters. I think the rules of the Senate in regard to privileged matters ought to be rather religiously followed rather than to be more honored by their breach than by their observance. When a privileged matter is on the desk of the Senate awaiting action, I believe it ought to be disposed of in accordance with the intent of the rules of the Senate. Certain privileged matters have been pending before the Senate now for some time, the basing-point being one example, and in my opinion it is more in keeping with orderly procedure to get privileged matters out of the way. Therefore, while not objecting to this particular unanimous consent request, I want the RECORD to be made perfectly clear that in all probability on future occasions the junior Senator from Oregon will object to any unanimous consent agreement proposal which does not exempt privileged matters from its terms.

Mr. CORDON rose.

Mr. LUCAS. In reply to the very forthright statement of the Senator from Oregon, I should like to have him know that I do not disagree with his premise and his conclusion. However, it seemed to me that the ECA bill was so important from the standpoint of the country and of the world that, this once at least, we might agree to take it up, and then let conference report on the basing-point bill come a little later.

I now yield to the Senator from Oregon.

Mr. CORDON. Reserving the right to object, am I correct in my understanding that the request for unanimous consent contemplates a call of the calendar beginning at noon, Friday?

Mr. LUCAS. The Senator is correct, provided the consideration of the pending bill has been concluded by that time.

Mr. CORDON. The question I wanted to ask is, Is the request conditioned upon the conclusion of the pending bill?

Mr. LUCAS. The Senator is absolutely correct in his understanding.

Mr. CORDON. I have no objection, so long as we may continue to final conclusion the consideration of the unfinished business before the intervention of any unanimous-consent agreement.

Mr. CHAVEZ. That is correct.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Illinois, that the Senate, when it meets on Friday next, proceed to the call of the calendar for the consideration of unobjected-to bills?

Mr. LUCAS. Beginning where the previous call ended on February 1.

The PRESIDENT pro tempore. The request provides that the call of the calendar shall begin where the last call of the calendar ended, and is conditioned upon the disposition of the unfinished business now before the Senate, which is the House bill 5472.

Mr. WHERRY. I think the date of February 1 should be inserted as the date on which the last call was made.

The PRESIDENT pro tempore. The calendar was last called on February 1. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. LUCAS. I thank the Senator from Washington for permitting me to have this time.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The PRESIDENT pro tempore. The question is on the amendment offered by the junior Senator from Illinois [Mr. DOUGLAS] to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] for the Committee on Interior and Insular Affairs to House bill 5422. Under the unanimous-consent agreement entered into yesterday, the Senator from Washington [Mr. MAGNUSON] is entitled to the floor.

Mr. MAGNUSON. Mr. President, I held the floor yesterday for a considerable length of time. I did not intend to consume so much time of the Senate on this matter. I had prepared a speech, since we were to discuss a very technical amendment. I wanted to present the speech so that the RECORD might be clear on the facts leading up to the proposing of this amendment. It turned out, however, that I did not have an opportunity to read a line of the speech because of the colloquies engaged in by myself with several other Senators interested in the problem of western reclamation and irrigation. I think, however, despite the fact that we consumed the time of the Senate for an entire day, the time was well taken, because we arrived at a better understanding of the great problems involved in western irrigation, reclamation, and power.

Although the pending question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS], which merely strikes from the amendment of the Committee on Interior and Insular Affairs one of the projects suggested, namely, the Mountain Home project in southern Idaho, I do not feel it to be out of order for me to discuss the entire amendment because the Douglas amendment only affects one of the projects involved.

On Monday, March 6, the Interior and Insular Affairs Committee approved, by a vote of 8 to 4, the amendment which

is now before the Senate. The amendment proposes to authorize projects with an ultimate estimated cost of $600,000,000. I use the word "ultimate" with relation to the projected period of years, but all the projects are self-liquidating. The report shows the amount of funds reimbursable to the Government by all the projects. The figure is not so startling as it appears upon its face. The amendment, as pointed out by the distinguished Senator from Wyoming [Mr. O'MAHONEY], merely proposes to authorize a portion of the $600,000,000 in connection with self-liquidating projects to be constructed within a short period of time, namely, from 3½ to 4 years.

Furthermore—and this was the subject of most of the discussion yesterday—the amendment provides a technique for the basin-wide pooling of costs allocated to power and the revenues returned by power. The amendment is a part of what has come to be known as the comprehensive plan for Columbia Basin development, a plan similar to the plan for the development of the Tennessee Valley, similar to the plan for the development of the Rio Grande Valley, and similar to the plan for the development of the Missouri Valley Basin, all of which have been approved by the Congress.

For many years, the Bureau of Reclamation and the Corps of Engineers have been operating in the Columbia Basin. They developed separately what each considered to be an over-all plan for utilizing the water resources of the great river system. Since neither agency has complete jurisdiction in the basin, the plans developed separately were not truly comprehensive. The primary responsibility of the Bureau of Reclamation is, as its name implies, irrigation and reclamation of lands. The primary responsibility of the Corps of Engineers is flood-control and navigation. Over-all plans developed separately by these two great agencies, therefore, lack unity and integration, without which no plan can be comprehensive.

In July 1948, the President of the United States, after discussions had continued for years in the basin, instructed the Secretary of the Army and the Secretary of the Interior to "bury the hatchet," as it were, to pool their knowledge, and to bring forward an integrated plan for development of the Columbia River Basin. Acting through the Bureau of Reclamation and the Corps of Engineers, the respective secretaries did as the President directed. On April 11, 1949, after many conferences and discussions, and after the expenditure of almost $6,000,000, they presented to the President, to the Congress, and to the public, particularly the people of the Pacific Northwest in the Columbia River Basin, a joint agreement, which, through the basic principles it incorporates, coordinates and integrates the separate plans each had developed for the development of this great river system.

In the long 5-hour debate yesterday I tried to point out to the Senate how difficult it is for us to separate our projects in the Columbia River Basin. They are not single projects, for, although the degree of power, irrigation, flood control, and navigation may vary, all of them include some feature of the multiple-purpose development which is contemplated for that area.

I emphasize this point, Mr. President, because it has a direct bearing upon the proposition which we are now discussing. I ask Senators to keep in mind as the debate progresses that the Army Engineers and Bureau of Reclamation, in consultation with local interests throughout the basin, labored and brought forth not two plans for utilizing the basin's water resources, but one plan—a unified plan—a comprehensive plan.

Yesterday I asked a question of the distinguished Senator from New Mexico [Mr. CHAVEZ], who had suggested that this is not a matter primarily for the Committee on Public Works, and also of the distinguished Senator from Wyoming [Mr. O'MAHONEY], who had suggested that it is not a matter peculiarly for the Committee on Interior and Insular Affairs. The distinguished Senator from New Mexico said that the amendment should not be in this bill. I asked both Senators to what committee it would be referred if we submitted a new bill. It would have to go to both committees, because the reorganization of the Senate requires that reclamation and irrigation matters go to the Committee on Interior and Insular Affairs, and that rivers and harbors matters go to the Committee on Public Works. This is a comprehensive plan which involves all those features, and it cannot be separated. That is why the amendment has been offered. It has been discussed since last July. Hearings were held by the House committee in May. The Senate Committee on Interior and Insular Affairs has had the question before it for 4 or 5 months and has made a report. That is why we find ourselves in this situation. I can see no harm in the adoption of the amendment or in a discussion of its merits.

There has been some suggestion that if the amendment is attached to the bill the House may not agree to it, or that perhaps the conference would not agree.

Let me read a statement made by Representative WILLIAM WHITTINGTON, chairman of the House committee which has jurisdiction of all these matters in the House. In a speech which he delivered to the thirty-first annual convention of the Mississippi Valley Association, held at St. Louis, Mo., on February 6, 1950, which appears in the CONGRESSIONAL RECORD of February 7, at page A884, Representative WHITTINGTON made this statement:

> There is pending in Congress today a coordinated plan for the Columbia Basin. With the projects named and with careful studies covering the economic and engineering problems involved, the coordinated report with the definition of authority between the Corps of Engineers and the Bureau of Reclamation should be accepted.

Surely the chairman of the House committee could not be saying that on February 6 and objecting to adding this amendment to the rivers and harbors bill when it also includes—and I am grateful to the committee for it—the rivers and harbors projects in the present plan. If the bill should pass in its present form, the projects which cannot be separated would go off on a tangent.

The so-called initial phase of this plan contemplates construction by the Army engineers of projects which will ultimately cost an estimated $1,500,000,0000. Included are such great dams as Albeni Falls in Idaho, Libby Dam in Montana, Priest Rapids, John Day, and the Dalles Dams in Washington and Oregon. In addition, this initial phase of the comprehensive plan calls for construction by the Bureau of Reclamation of projects estimated to cost $619,000,000.

Mr. President, this is a projection of a plan for many years, and the pending amendment projects the plan only for approximately 3 years. It has been recommended by the Bureau of the Budget, the President of the United States, the Committee on Interior and Insular Affairs, the Bureau of Reclamation, the Board of Army Engineers, the Secretary of the Army, the Secretary of the Interior, the governors of the five States involved, whether they be Republicans or Democrats, and, I think, by all Senators from the Pacific Northwest, whether they be Republicans or Democrats. It offers a complete unanimity of opinion. The only exception is that the distinguished Senator from Oregon [Mr. CORDON] has suggested a different means of handling the so-called basin account.

I cannot see any objection to attaching to the pending bill an amendment such as this, because, although it may not technically belong, it must of necessity belong on the rivers and harbors bill, not only because of the comprehensive plan, but because it is the only way the valley can be developed.

Included are the great Hells Canyon Dam and the Mountain Home project, both in the State of Idaho.

Last session the Public Works Committees of both House and Senate held extensive hearings on the rivers and harbors and flood-control projects. The House of Representatives included, in the bill it sent to the Senate, Columbia Basin projects estimated to cost $108,000,000. With the exception of Albeni Falls and Detroit Dams, these projects were chiefly levies and other flood-control works on the lower Columbia and the Willamette Rivers. Each and every one of these projects is included in the over-all comprehensive plan to which I have already alluded.

What the House did, in essence, was to pick out of the comprehensive plan a few isolated projects for immediate authorization. True, these projects are of vital importance, each in its own right, but this action on the part of the House can in no way be regarded as the kind of comprehensive action the plans developed by the Bureau and Army require.

I do not want to be misunderstood on this point. I am not criticizing the House of Representatives. At the time the House committee acted, neither the Bureau nor the Corps had officially submitted its basin report to the Bureau of the Budget, although unofficially copies had been made available to House and Senate committees.

On June 30 of last year I introduced Senate bill 2180, calling for congres-

sional authorization of the projects and operating plan represented by the integrated basin-wide Bureau and Corps reports. That bill was referred to the Senate Public Works Committee.

On July 12 the Senate Public Works Committee began hearings on rivers and harbors and flood-control projects. During the course of those hearings, testimony was taken on Senate bill 2180 and on the comprehensive plan it sought to authorize.

On October 7, Senate Public Works Committee reported the rivers and harbors bill, House bill 5472. The bill, as reported, contained, in addition to the House approved projects, others drawn from the so-called initial phase of the comprehensive Columbia Basin plan, estimated to cost about $1,000,000,000. These projects were drawn solely from the list of works incorporated in the Corps of Engineers report. No Bureau of Reclamation projects were included in the bill, and none of the features essential to a unified comprehensive development were authorized.

This came about for a variety of reasons. First, the Public Works Committee decided it should not transgress upon the jurisdiction of the Committee on Interior and Insular Affairs. Reclamation is a prerogative of the latter. Second, the Bureau of the Budget had not yet cleared a report, either on my bill, Senate bill 2180, or on the projects and basin-wide financial arrangements recommended in the Army Engineer-Bureau of Reclamation reports. Had the rivers and harbors bill been enacted as reported by the Public Works Committee, the Pacific Northwest and the country would have lost the opportunity of authorizing a truly comprehensive program.

True, we would have had authority to proceed with construction of $1,500,000,000 worth of vital projects. In the process, however, we would have jeopardized future irrigation developments without which we cannot achieve a balanced economy in the Pacific Northwest.

The chairman and members of the Public Works Committee recognized this. The senior Senator from New Mexico acceded to the request of myself and others that final action on the bill be postponed until such time as the Interior and Insular Affairs Committee should have had an opportunity to study the other half of the unified program. As part of this arrangement I agreed to take responsibility for obtaining the earliest possible report on the comprehensive plan from the Bureau of the Budget, because I knew I would be faced with the dilemma of being between two committees and trying to get them together.

During the intervening months I have maintained constant contact with the Bureau of the Budget and on February 3 the Bureau, through the Secretary of the Interior, transmitted the administration's views to the Congress, including a special message from the President, urging adoption of the amendment and authorization of the comprehensive plan.

With relatively minor exceptions, the amendment we now have before us is the amendment recommended by the administration.

By adding this amendment to the Corps of Engineers' projects already contained in H. R. 5472, we restore the unity, coordination, and integration achieved by the Corps of Engineers and the Bureau of Reclamation when they fused their separate plans. Unless this amendment is adopted, the benefits of coordination, which the President had in mind when he directed the Corps and the Bureau to present one comprehensive plan, will be lost to the Pacific Northwest and to the Nation. This must not happen. There is no reason why it should happen. It must not happen because of a legislative dispute between two committees.

Up to this point in my remarks, I have attempted to give the Senate the procedural and legislative story behind the committee amendment. Let me now explain what the amendment contains.

First, it authorizes 13 projects in the States of Washington, Idaho, Oregon, Montana, and Wyoming. As I have said before, the total cost is $619,000,000. Second, it provides a technique or device for basin-wide pooling of costs allocated to power and basin-wide pooling of revenues coming from power. This device, as provided in the amendment, is called the Columbia Basin account. The Columbia Basin account, as its name implies, is established for bookkeeping or accounting purposes. The account will be kept, and the bookkeeping will be done, by the Bonneville Power Administration. On one side of the ledger will be entered all the costs to be repaid by power on all Columbia Basin projects. On one side of the ledger will be entered the costs allocated for repayment by power on Bonneville Dam, on Grand Coulee Dam, Chief Joseph Dam, McNary Dam, Hungry Horse Dam, on the dams authorized in this bill to be constructed by the Army Engineers, and on dams to be constructed by the Bureau of Reclamation. So far as the bookkeeping is concerned, it will make no difference to the Columbia Basin account whether the Army builds the dam, or whether the Bureau builds the dam. Costs assigned for return by power on all projects, both actual and estimated, will be consolidated in the account.

On the other side of the ledger will be entered all power revenues coming from these great projects, from Bonneville, Grand Coulee, Chief Joseph, McNary, Hungry Horse, and other dams in the basin, those authorized in this amendment, and in H. R. 5472 as it now stands on the calendar. Any project which produces power and, therefore, any project which has costs allocated to it for repayment from power revenues, will be placed in the account for bookkeeping purposes.

Now the question arises: "Why should all power costs and all power revenues be pooled?" There are two very important reasons. First, we will soon have in the Federal system in the Columbia Basin, Bonneville, Grand Coulee, McNary, Hungry Horse, and Chief Joseph Dams, all producing power. Within the next 20 years, we hope to add to this list most or all of the following: Albeni Falls, Libby, two Scriver Creek plants, Hell's Canyon, Ice Harbor, Lower Monumental, Little Goose, Lower Granite on the Snake River, and Priest Rapids, John Day, and The Dalles on the Columbia. The cost of producing a kilowatt of electricity at each of these dams will vary. This stems from the fact that Bonneville, for example, was built during a period when costs were lower than they are today. Chief Joseph Dam will be one of the most efficient hydroelectric plants in the world, yet the cost per kilowatt will be higher than at Grand Coulee because construction costs are higher today than they were when Grand Coulee was built. If the basin account is not achieved, it will mean that the Director of the Bonneville Power Authority will have to charge one price for the power derived from Chief Joseph Dam, another price for the power at Grand Coulee, and still another price for the power from Bonneville. Of course, the people in the Portland area, who are in a position to take power from Bonneville, will get their power a little cheaper at Bonneville, because Bonneville was built first. It was built first because it was down on the lower part of the river and all of us pitched in and decided that it should be built first. It was built at much cheaper cost than structures can be built for at the present time.

The same situation prevails with reference to all the dams I have enumerated. As new dams are added to the Federal power system in the Columbia Basin, they will be interconnected to form one basin-wide transmission system, which has always been planned by all planners of the Bureau of Reclamation and the Army engineers.

The kilowatts generated at Chief Joseph will be intermingled with kilowatts generated at Grand Coulee. Just as it is impossible to identify, at Portland, Oreg., that part of the water in the Columbia River which came from Idaho, and that part which came from Washington, so, too, it is impossible in the Bonneville transmission system to differentiate those kilowatts generated at Hungry Horse from those generated at Bonneville.

This being the case, we must have a technique for averaging the costs of all of these dams, for rate-making purposes. Otherwise, the Pacific Northwest would be afflicted with a crazy-quilt pattern of varying power rates which would militate against industrial, agricultural, and residential development, and therefore would militate against the conclusions reached by the best minds which have for many years studied the problems of the Columbia River.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. The Senator is speaking about the best minds. When did the best minds make up their minds that the suggestion which is now being discussed by the Senator from Washington was best for the Pacific Northwest?

Mr. MAGNUSON. The Senator was not in the Chamber when I led up to that point in the beginning of my address. However, these studies have been going on for a long time.

Mr. CHAVEZ. Whose minds are the best minds?

Mr. MAGNUSON. Engineers who have studied the problem: The engineers of the Bureau of Reclamation, who are all fine, intelligent engineers; the Bonneville Power Authority, which is clothed with the responsibility of distributing the power; the best lay and engineering minds in the Pacific Northwest who have studied the problem. As a matter of fact, I will say to the Senator from New Mexico, although I do not like to repeat the statement, I know of no objection in the Pacific Northwest to the proposal. I have heard of no objections from any of the governors of the States involved, from any of the resident Army engineers, from any of the resident engineers of the Bureau of Reclamation, or from the Columbia River Basin Commission, which was established in our State. Neither have I heard any objection expressed by any of the engineers of the Bonneville Authority, or by Dr. Raver. I know of no opposition to the basin account.

Mr. CHAVEZ. Possibly not in that particular area, and there is a reason for that. Why should there be the objection, in the area that is going to be benefited, say, for instance, so far as irrigation and reclamation are concerned, by the development of power at the cost of the people of the entire United States, when the money received may be used by irrigation districts which can now pay out, under our present irrigation laws?

Mr. MAGNUSON. Of course there is no objection.

Mr. CHAVEZ. Of course there is no objection.

Mr. MAGNUSON. But let me answer the Senator's question. Those who are responsible for power, those who buy almost 70 percent of the power developed in our State, namely, the public utility districts, which in our area are created countywise—those who are responsible for power rates, the private utilities who buy the power, of course, all want as cheap a rate as they can get. They say that the only way to keep rates low in the Pacific Northwest is by pooling, so that for rate-making purposes there may be a uniform rate. It is impossible to bring that about without the basin account.

The people in our area are not fearful of power revenues. I do not know of anyone from the Pacific Northwest who has testified against the proposal, in all the hearings and all the discussions. Those who might be benefited, the public utility districts, or the Bonneville Authority, which deals only in power, and Dr. Raver stated that power revenues might be taken, perhaps subsidies, which was the term used yesterday——

Mr. CHAVEZ. Is not that a correct term?

Mr. MAGNUSON. I do not so interpret it. A subsidy is something one gets cut of the Government and does not pay back. We are going to pay back.

These interests have no fear at all because they realize that comprehensive development is the best insurance to keep a uniform and low rate.

Mr. CHAVEZ. Suppose that is correct——

Mr. MAGNUSON. That is the testimony.

Mr. CHAVEZ. That is the testimony so far as those are concerned who would get the benefits only.

Mr. MAGNUSON. Oh, no.

Mr. CHAVEZ. Oh, yes.

Mr. MAGNUSON. Oh, no.

Mr. CHAVEZ. Who else talks about these things except those who would get the benefit from the power?

Mr. MAGNUSON. There was testimony of many witnesses. I can bring in files 2 feet high——

Mr. CHAVEZ. Of course the Senator can.

Mr. MAGNUSON. Of people who deal only with power, and have no interest whatsoever in reclamation.

Mr. CHAVEZ. The Senator is now discussing what would be the results of a general plan, but he is not discussing the benefits which would be derived by a particular, limited number of people who would get the benefits if the amendment the Senator has in mind should prevail.

Mr. MAGNUSON. I do not think a limited number of people would get the benefit at all; and they are not fearful, for the reason that all the irrigation projects, even those included in the proposal, must be approved by the Congress of the United States.

Mr. CHAVEZ. Of course they have to be approved by the Congress.

Mr. MAGNUSON. The parties interested show their possibilities.

Mr. CHAVEZ. Of course, they can show their possibilities. But they will not show that they are capable of paying off, under the old reclamation laws. The only reason for the basin account is to make it possible for them to be subsidized by the power revenues. Is not that correct?

Mr. MAGNUSON. The theory of the basin account is to credit the revenue——

Mr. CHAVEZ. If it——

Mr. MAGNUSON. Let me finish. The Senator posed a question to me, assuming that the only people who want this development are those who would be benefited reclamation- or irrigation-wise. I say that those who are interested in power rates are interested in the project, and I can read the testimony showing that to be so.

Mr. CHAVEZ. Why is the power to be limited to only two particular States in the area?

Mr. MAGNUSON. The power?

Mr. CHAVEZ. Would not the Senator say that the Columbia River is of national interest?

Mr. MAGNUSON. Yes.

Mr. CHAVEZ. If power is developed on that river, why should it be limited to only a couple of States in the Pacific Northwest?

Mr. MAGNUSON. It is not limited.

Mr. CHAVEZ. Oh, yes, it is.

Mr. MAGNUSON. No. There are five States involved. I know what the Senator is speaking about. We had a discussion about that. I am not a member of the Committee on Interior and Insular Affairs, but the amendment was suggested to the Committee on Interior and Insular Affairs by the Senator from Utah [Mr. WATKINS].

Mr. CHAVEZ. Irrespective of who suggested the amendment, the amendment would have the effect I have stated, would it not?

Mr. MAGNUSON. So far as I am concerned, if I were a member of the committee, I would agree to eliminate that feature of it.

Mr. CHAVEZ. What would the Senator do as a Senator?

Mr. MAGNUSON. I should be glad to eliminate it. But the amendment is befor the Senate because the Senator from Utah said that he wanted to restrict the sale of Columbia Basin power to the five States involved. The Senator from Utah is now present, and perhaps he can explain it. He said it was because it was not desired that the power come down into Utah. I ask the Senator from Utah if that is correct.

Mr. WATKINS. Mr. President——

Mr. MAGNUSON. If I am not correct, I hope I will be corrected.

Mr. WATKINS. The Senator from Utah did not want Columbia River power to come into Utah because we have power developments in Utah, on the upper Colorado, which will supply the entire area with all the power needed. We do not want cheaper power to come in from the Columbia and make it impossible for us to develop the upper Colorado. If that cheaper power were brought in, our projects would not be possible, because we must have the overall income from all the projects.

Mr. CHAVEZ. According to that theory, all the millions and billions of dollars which will be spent by the American people—which eventually will be paid back by power revenues, I admit—will not be for the benefit of the people of the United States as a whole, but, for the reasons given by the Senator from Utah, or other reasons, those expenditures will be made for the benefit of only a limited area.

Mr. MAGNUSON. Mr. President, in answer to the Senator from New Mexico, I repeat that I was not a member of the committee, but the amendment discussed in the committee, the basin-account proposal, never contained this suggestion. I want to see the power sold as far as it can be transmitted.

Mr. CHAVEZ. Now we are getting somewhere.

Mr. MAGNUSON. In this particular case I do not think the Senator need worry too much, because this matter involves a great area of the United States, five States being concerned. The distance covered is just about as far as power can be transmitted today. Some new methods may come into use, but it is about as far as power can be transmitted and still be worth while.

Mr. CHAVEZ. The same thing used to be said about gas, but I notice there is no limit on the people of the District of Columbia getting gas from the southwestern area of the United States. If

this is to be a national development—and I submit it is, and I am for the general idea—why limit the benefits to only one particular area, if the entire people of the United States are going to pay for it?

Mr. MAGNUSON. The benefits naturally are limited to one area as of today, whether we want them to be limited or not. Five States in the Pacific Northwest I think are of great national interest.

Mr. CHAVEZ. There is no question about that.

Mr. MAGNUSON. The fact that our people had the hydroelectric power developed had a great effect during wartime. The war plants in that area could not have been operated without that power.

Mr. CHAVEZ. Will the Senator answer a question along another line now?

Mr. WATKINS. Mr. President, I should like to make an observation in connection with the questions of the Senator from New Mexico.

Mr. MAGNUSON. I did not want to have any limit imposed. I would like to have the users get some cheap power.

Mr. WATKINS. Under the reclamation program, as it was originally intended, according to the provisions of the first reclamation act, the landowners and the water users were required to sign contracts to repay the costs of construction, and then they were to operate and eventually own the projects.

Mr. CHAVEZ. I have been impressing that upon the Senator from Washington.

Mr. WATKINS. That is true. I think that principle should be preserved. We developed small projects on our one local stream, the easy-to-build projects. The farmers finally agreed to have one entity represent them in contracting with the United States, rather than to have separate contracts. That entity, that association, signed a contract with the United States to pay the cost and eventually to operate the project. Then after the project was finished, the association, or the entity representing all the numerous farmers, actually took over and operated the project. That was done for the benefit of the farmers.

Such action is in the national interest, in that it increases income, provides additional national taxes, and brings prosperity. But it has a local interest, and that is based on the idea that the United States is in effect loaning the money to the farmers to be repaid by them. If the money loaned to build the project is repaid, then the project belongs to the local people.

Mr. CHAVEZ. After the people have paid back the money loaned for constructing the project, after the contract has been paid out, the project belongs to the people.

Mr. WATKINS. Yes. I am in full accord with the idea of having a comprehensive form of development. Instead of taking a little piece of a river and developing it, I am in favor of developing the whole river system as a big project. If it is self-liquidating, if sufficient income can be obtained from the entire river development, with all its projects, power, irrigation, and all, to repay the cost, it will then be owned and operated by the local people. The United States will get its money back. The United States is, in effect, loaning the money, advancing sums of money as the project goes ahead, and the money is eventually paid back.

Mr. CHAVEZ. That was the idea behind the reclamation project loans and the reclamation loans. One of the reasons the Public Works Committee is opposed at this time to the provisions which are contained in the amendment offered by the Senator from Wyoming on behalf of his committee, and the suggestions of the Senator from Washington is that the loan will not be repaid. I know in this particular instance that there are probably eight or nine irrigation projects pure and simple that have nothing to do with power, that will be unable to make repayment.

Mr. WATKINS. That is true.

Mr. CHAVEZ. Using street parlance, they are sour at this particular time.

Mr. WATKINS. The Senator from New Mexico will probably remember, since he has lived on irrigation projects, and near irrigation canals, that the farmer who lived at the head of the canal where the water was taken out of the river would have very cheap water, when he took it out and put it on his land. But in order for farmers all the way down the river to have water, the various projects were combined into one. The farmer at the bottom would be completely sour so far as obtaining any water is concerned, if the other did not help him by joining in and combining the projects into one.

Let us broaden our view respecting the situation, and take into consideration the big picture of the Columbia Basin, and see if the entire river, with the income from power and from irrigation, may not be sufficient to pay for the project. If the entire system will be self-liquidating as an over-all river unit, then it ought to be authorized and the Government ought to lend the money to the local people so the project can be built. The people will repay the loan, and eventually the people of the area will own the project after they have paid back the loan to the United States. Mind you, Mr. President, they are going to pay it back. That is why I say the National Government will eventually not have any interest in the actual ownership of it any more than the United States will have an interest in owership of Great Britain, when it lends money to Great Britain under the ECA to develop the resources of Great Britain. We never expect to own a foot of Great Britain, although we will lend to Great Britain billions of dollars, a vastly greater sum than will be loaned for the development of the Columbia Basin. It will be seen that as this program is expended it will be necessary to consider the river system as one unit.

Mr. CHAVEZ. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. I thank the Senator from Washington for permitting the Senator from Utah and me to discuss the matter on his time.

Mr. MAGNUSON. That is all right.

Mr. CHAVEZ. The Committee on Public Works was led to understand that what was wanted was a full and complete development of the Columbia River Basin.

Mr. WATKINS. That is correct.

Mr. CHAVEZ. It was even suggested that so far as the Columbia River Basin Authority is concerned, which would be part of the ramification of the whole scheme of things, the question might be one of administration. Nevertheless it would affect the whole picture.

Mr. WATKINS. The Army engineer projects as well as reclamation projects.

Mr. CHAVEZ. Army engineer projects as well as reclamation projects, yes. We were given to understand that the comprehensive plan was to be considered, that we should look into it as faithfully and as well as we possibly could. We were begged and urged to hurry to the Northwest and hold hearings. So far as the comprehensive plan is concerned the Committee on Public Works has obtained some information. I feel as the Senator from Utah feels respecting this matter. I am sympathetic also with the idea presented by the Senator from Washington. With respect to the comprehensive plan, the complete basin needs and requirements and necessities and what not, neither the committee nor the Congress has sufficient information. The project is so large, of such great importance not only to the Northwest but to the country as a whole, that it does not belong in this particular bill. No matter how sympathetic one may be toward development of the entire basin, it is wrong and it is unsound to have the project acted upon in the form of an amendment adopted by another committee, on the basis of reports which were delayed until the bill now under consideration had been taken up by the United States Senate. It is wrong to have come to us now an amendment whose sponsors say, "You must take it. It is good." It may be good, Mr. President. I think the general idea is fine.

I do not believe we should develop a basin piecemeal, by developing one tributary and then another and then still another. We ought to study the whole system. We will cooperate with the Senator from Washington and other Senators who wish to develop the basin. We will help in such development. We want to develop the Northwest. We want to look at the picture of the entire river system, the entire Columbia Basin, as it affects irrigation, flood control, navigation or whatever it may affect.

Mr. MAGNUSON. Mr. President, I appreciate the interest of the Senator from New Mexico in this matter. As was said several times yesterday, I know of no better friend of western development since I have been in the Senate, than the Senator from New Mexico. I know his record respecting western development was the same prior to that time, during the long service of the Senate. But I

think the suggestion should not be made that the subject has not been properly considered. We began considering the matter last May. What the Senator from New Mexico is talking about is the Columbia Valley administration, with respect to which he and his committee have kindly agreed to hold hearings. That deals with the problem of management.

Mr. CHAVEZ. I understand.

Mr. MAGNUSON. I hope that some day soon we will be able to go into the problem of management. Whether we go into it soon, or next year, or the year after, however, it becomes more pressing all the time as to how we are going to manage these projects, how they are going to be administered. What we are talking about now is merely the bricks and mortar. Both streets are parallel. One has nothing directly to do with the other, however. They both "lead to Rome," and I hope they will come together some time.

I see the Senator from Oregon [Mr. CORDON] is smiling. He and I do not disagree on too many things. He contends that when we pass the basing account we deal with management. I say we are not dealing with management. We are dealing with a system of bookkeeping. If we adopt the Columbia Valley administration, or some such form of management, if they want to take over the basin-account bookkeeping in their administration, that is one thing. Perhaps they will not. But in the meantime we want to go ahead and build our structures. Management is one thing and building is another.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. I know that management is one thing and that construction is another. We are now dealing with easily identified projects the Senator from Washington wants constructed.

Mr. MAGNUSON. That have nothing to do with management at all.

Mr. CHAVEZ. They have nothing to do with management, but they have to do with conditions as they are now. With all due regard for the laudable desires and ambitions of the Senator from Washington—and I think he is going along the right way—I am afraid he is a little too ambitious at this particular time. All the structures the Senator desires in the Northwest cannot be constructed within 2 or 3 years.

Mr. MAGNUSON. No.

Mr. CHAVEZ. The Senator will admit that the Committee on Public Works was extremely liberal in this particular respect. We said to the Senator from Washington and to all other Senators from the Northwest and to the Senators who were interested in the project, as well as to the Senate, "Notwithstanding that the House allowed you only $107,000,000 for the next 3 years, we will increase that on the Senate side by $142,000,000, and only ask that we be given a little opportunity actually to study the proposal affecting the entire river basin. The Senator's committee may have the rest.

In the meantime, we have agreed to increase by $142,000,000 the amount allowed by the House of Representatives.

However, all of a sudden, after the committee did that and after the Senate adopted that amendment, we are confronted with a report which has been delayed for years; and now the Committee on Public Works is expected to accept that report and the proposal for the complete river basin, as such, without making a study of it.

Mr. MAGNUSON. Mr. President, I appreciate the Senator's statement and the Senator's position. I wish the Senator had available a statement of the chronological history of the matter, to show how long it has been pending.

In 1948 the President told the two agencies to get together, and they submitted the report in May 1949. When the matter got before the Senate a few weeks later, the formal 308 report was before the Senate as a public document. The omnibus rivers and harbors bill was introduced and referred by the Vice President to the Committee on Public Works. At that time the bill had all of these items in it, because it was a comprehensive bill.

I appreciate the courtesy of the Senator from New Mexico, and I know he wishes to be helpful.

Mr. CHAVEZ. I certainly do.

Mr. MAGNUSON. I should like to ask him a question. Suppose the amendment were withdrawn. Of course the comprehensive bill includes the basin account, but not the CVA.

Mr. CHAVEZ. I understand.

Mr. MAGNUSON. Suppose I introduced that bill. It would include the basin account about which we are talking, for it is in the 308 report.

Mr. CHAVEZ. Yes.

Mr. MAGNUSON. And it would include the irrigation and reclamation projects. To what committee would that bill be referred? We would be in the same shape that we are in now, would we not?

Mr. CHAVEZ. Suppose it were referred to the Public Works Committee.

Mr. MAGNUSON. Then the Senator from Utah again would suggest that the irrigation features of the bill be referred to the Committee on Interior and Insular Affairs.

Mr. WATKINS. I am not so sure that I would, this time.

Mr. CHAVEZ. Mr. President, if I correctly understand the Senator from Washington, this is the situation: We have received the comprehensive report, agreed to by the two agencies. However, does the Senator think that because we have received the report from the two agencies, our committee, a standing committee of the Senate, should take the contents of the report for granted?

Mr. MAGNUSON. Oh, no. My point is that the reason the Committee on Interior and Insular Affairs has this matter referred to it was because the Senator from Utah suggested it, since the measure includes some irrigation-project provisions.

Mr. CHAVEZ. Very well.

Mr. MAGNUSON. Let me ask this question: If the Senator from New Mexico were in my shoes, how would he proceed? How would he handle this matter?

Mr. CHAVEZ. If I were in the Senator's shoes, under all the circumstances, I might be doing the same thing that he is doing. [Laughter.]

Mr. WATKINS. Mr. President, will the Senator yield, to permit me to make an observation at this point?

The PRESIDING OFFICER (Mr. LEAHY in the chair). Does the Senator from Washington yield to the Senator from Utah?

Mr. MAGNUSON. I yield.

Mr. WATKINS. It seems to me that we have here elements which, of necessity, under the Reorganization Act, would have to be considered by two committees. We have the work of the Corps of Army Engineers, which is a part of the comprehensive plan; and we have the irrigation projects, which likewise are a part of it. I happen to be on both committees; and I am in the middle, between the two contending forces.

I have been thinking about this entire proposition since it came from the Committee on Interior and Insular Affairs, in the nature of a report. I am in full accord with the committee in respect to the idea of the over-all development of the river system and the use in it of the entire revenues. If the entire river project is feasible—in other words, if it is self-liquidating and if it can pay back the costs—then the individual units in it, even if not individually feasible, will be made so by means of the over-all development.

One thing bothers me about the so-called bookkeeping account, namely, who is going to operate the river system or the account?

I always come back to the fact that a Federal agency is involved. If the proposal is enacted in its present form, the Federal agency which would operate the river system or the account would be the Bonneville Administration or the Army Engineers or the Department of the Interior.

In the study I have made of the situation, I have introduced Senate bill 3376, which provides for the organization of interstate water and power users' associations, to be incorporated by the States, and to act as the agents and to repay the costs of the projects. It seems there had better be someone able to act in those matters.

Although I agreed in regard to the report coming from the Committee on Interior and Insular Affairs, I now think that the wise plan would be to send this message back to the two committees. We had better unify the two committees in Congress, as well as the Bureau of Reclamation and the Corps of Army Engineers.

Mr. MAGNUSON. Then I am back where I started.

Mr. CHAVEZ. No; the Senator is not back where he started. To the contrary, he is better off to the extent of $142,000,000. Is not that correct?

Mr. WATKINS. That is correct. I was on the committee, and I think that is what was voted to be added to what had already been provided by the House of Representatives.

Mr. MAGNUSON. However, my point is that we cannot separate these things in my section of the country.

Mr. WATKINS. By the time we get around to the construction, we can have this matter worked out, if the measure is referred to the two committees jointly.

Mr. CHAVEZ. That is why I opposed doing anything about the basing account at this particular time. Evidence was adduced before the Committee on Public Works to the effect that there is no understanding as between the State of Oregon, the State of Washington, the State of Idaho, the State of Montana, the State of Wyoming, or the State of Nevada—the river-basin States—as to the division of the water or the potentials which could be developed from it.

Mr. MAGNUSON. I say to the Senator that there need never be any understanding, because we have plenty of water.

Mr. CHAVEZ. Certainly there is plenty of water.

Mr. MAGNUSON. We would like to be able to take some surplus water which we have and dump it down into New Mexico and Arizona.

Mr. CHAVEZ. That is why we think, too, that all the electric power should not be kept in the upper area.

Mr. MAGNUSON. We do not want to keep all of it. The Senator from Utah does not want cheap electric power to come into his State.

Mr. WATKINS. I do not want it to ruin all our people.

Mr. CHAVEZ. Nevertheless, even if this measure would result in making cheap power available to the State of New Mexico at this particular moment, I still would not be in favor of it, for the reason that the matter has not been studied in the way that it should be studied if we really wish to develop a comprehensive plan and to make an honest effort for the benefit of society as a whole—for the benefit of all the people, regardless of their political affiliations; for the benefit of the farmer, the merchant, the salesman, the school districts, the university, all the institutions of the State. I want to see an orderly development.

Mr. MAGNUSON. It has been studied for years by the two agencies, and I repeat that the governors of all five of the States feel that the basin account should be put into effect. The President has sent to Congress a strong message in favor of it. The farm organizations and all the power people favor it.

Mr. CHAVEZ. Very well; but what about the ones who really present such measures to this body? What about a standing committee which has jurisdiction of the matter? What study has been made, aside from a study of the irrigation features?

Mr. MAGNUSON. Does the Senator refer to a study of the basin account?

Mr. CHAVEZ. Yes. What kind of study has the Committee on Public Works made?

Mr. MAGNUSON. Then, I wish to ask a question of the Senator. Let us leave out of consideration, for the time being, the irrigation projects. Then we have the problem of the basin account. Suppose the Senator from Washington were to introduce a bill which provided for the basin account, but without projects—in other words, a method of cost allocation. That cost-allocation method, namely, the basin account, would apply, of course, to power projects and to reclamation projects, in that event. To what committee would that measure be referred?

Mr. CHAVEZ. It would be referred to the Committee on Public Works; and after we studied it, we might agree with the Senator.

Mr. MAGNUSON. Why would it not be referred to the Committee on Interior and Insular Affairs?

Mr. CHAVEZ. It was for the reason that we had not studied the situation, that the Public Works Committee turned down the basin account the last time. The Senator knows it was not approved by the committee.

Mr. MAGNUSON. That is correct. I appreciate that.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WATKINS. I may suggest we have been urging unification of the plans of the Corps of Engineers and of the Bureau of Reclamation.

Mr. MAGNUSON. If I could have some assurance that I would not again be whipsawed between two committees, as I was, after obtaining what I thought was an agreement that one would accept what the other agreed upon as to its responsibility in the matter—if I could get an agreement of that kind, I am sure I would be very glad to let the rivers and harbors bill go on its way, and be very grateful for the courtesy I have received in the consideration of our projects, and would then introduce the basin-account feature in a bill providing for the comprehensive plan, such a bill as that which the CVA has caused to be introduced and which is before the Senator's committee. That is another thing. I should like, however, to be assured that I would not be whipsawed, because of two committees being again involved in the matter.

Mr. CHAVEZ. If the Senator would only take the course he has suggested, I can assure him there would be no opposition whatever from the Committee on Public Works, and that he would not be whipsawed. We will cooperate with him, probably to the extent of recommending $142,000,000 more.

Mr. MAGNUSON. I appreciate that very much. I would want the committee to decide the question on its merits.

Mr. CHAVEZ. I want the committee to do so, and we have been proceeding in that manner. The only reason for referring the matter to another committee was because of its relation to irrigation. The Committee on Public Works said, "We have nothing to do with that feature; let the Committee on Interior and Insular Affairs take it."

Mr. MAGNUSON. The Senator from Utah has just promised me that if this situation arises again, he does not think he will be in that mood.

Mr. WATKINS. I might not make any recommendation the next time.

Mr. CHAVEZ. But is it not true that the proposals suggested to the Committee on Public Works of the Senate along these lines, with the exception of the basin account, were actually adopted by the committee?

Mr. MAGNUSON. Oh, yes; all the rivers and harbors projects were adopted. That is correct.

Mr. CHAVEZ. That is the only subject of which the Committee on Public Works have jurisdiction.

Mr. MAGNUSON. But we faced a problem because we did not feel that the projects could be separated. It is necessary to have the over-all development of which the Senator from Utah speaks.

Mr. CHAVEZ. If the Senator can get his committee to stay away from us and let us get down to business, we can probably separate them.

Mr. WATKINS and Mr. TAYLOR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Washington yield; and if so, to whom?

Mr. MAGNUSON. I yield first to the Senator from Utah, after which I will yield to the Senator from Idaho.

Mr. WATKINS. As I have already said, I happen to be on both the committees. I can see that each committee has a vital interest in the subject matter of the present discussion. The Public Works Committee is concerned with the building of the Army engineers' projects on the same river, the Columbia, and with other vast projects. They have already a large development there. The Department of the Interior is interested of course in the reclamation end of the matter. But it seems to me there must be a consideration of the over-all features of the river, including the projects of the Army engineers and of the Bureau of Reclamation. I do not think we can separate them. We have a reorganization plan under the Hoover Commission report, which recommends to the Congress and to the country that we combine the work of the Bureau of Reclamation and of the Corps of Army Engineers, to the end that we may not have duplicating organizations.

Mr. MAGNUSON. The recommendation almost follows the comprehensive plan.

Mr. WATKINS. Let me point out that, because of the jurisdictional difficulty in the Senate, perhaps for the purpose of considering this question there should be held joint hearings of the Committee on Public Works and the Committee on Interior and Insular Affairs. It seems to me that is the way to proceed. That is one reason why I am going to join with my friend from New Mexico in opposing action on this amendment at the moment, although I agree 100 percent with the idea of an over-all development of the Columbia River and other western rivers. I have introduced a bill, which should be considered in connection with the Senator's program, and in connection with the over-all development. Perhaps the bill

came too late. I admit it was introduced as a result of thinking and of studying this project in both committees. I should like to have my bill considered, so that ultimately we shall not only have a plan but someone to operate it.

Mr. MAGNUSON. I would hope that the Columbia Valley Administration would operate it.

Mr. WATKINS. I would hope the Interstate Water Users and Power Association, owned and operated by the people of that area, would operate it, rather than the Government.

Mr. MAGNUSON. I want to say to the Senator from New Mexico that, while I cannot speak for the Committee on Interior and Insular Affairs, and I myself cannot accept anything or do anything, yet I know the members of that committee realize the position we are in regarding the comprehensive development. But, in view of the discussion which has taken place, unless the Senator from Idaho has something to add to it, I should feel constrained at this time to finish the few formal remarks I have, in order to keep the record clear. The amendment of the Senator from Illinois [Mr. DOUGLAS] would then be the pending question, and I suspect the two Senators from Idaho will have something to say about it.

Mr. TAYLOR. I hope to have something to say about it.

Mr. MAGNUSON. It will require some time. I should like to be able to confer with the distinguished Senator from Oregon and the distinguished Senator from Wyoming. Perhaps we can come to some sort of agreement.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. Mr. President, will the Senator yield for a brief comment?

Mr. MAGNUSON. I yield first to the Senator from New Mexico.

Mr. CHAVEZ. We all agree that a comprehensive plan, if agreed to, should be developed and should be carried out if it is sound. I may ask whether the Senator from Washington attended the hearings of the Committee on Interior and Insular Affairs.

Mr. MAGNUSON. Yes, I attended most of them, but not all of them. For about a week, I was there almost every morning.

Mr. CHAVEZ. Is it not true that about the only topics of discussion and consideration at that time were matters of power and irrigation?

Mr. MAGNUSON. No. The basin account took up most of the time.

Mr. CHAVEZ. That was involved. It has to do mainly with irrigation.

Mr. MAGNUSON. It has mainly to do with bookkeeping.

Mr. CHAVEZ. Very well, with bookkeeping, let us say. A comprehensive plan would involve not only the production of power but possibly the irrigation of more lands—and I am for that—but it would also include navigation, and it would also include soil conservation, would it not?

Mr. MAGNUSON. It would also include flood control.

Mr. CHAVEZ. It would also include flood control, and probably the conservation of our national forests. Fisheries possibly would also be involved in this particular basin, is not that correct?

Mr. MAGNUSON. That would be, under the management of the CVA.

Mr. CHAVEZ. But that also has to do with a study of the comprehensive plan, does it not?

Mr. MAGNUSON. That is correct.

Mr. CHAVEZ. None of those things were given any consideration whatever. That is another reason why the Senator from New Mexico thinks further study should be given to it.

Mr. MAGNUSON. They would not be included in the building of structures.

Mr. CHAVEZ. They could be.

Mr. MAGNUSON. They would be included in provisions regarding management, if the structures were built and if the comprehensive plan were well on its way.

Mr. WATKINS. Mr. President, will the Senator yield? I should like to make one suggestion. I will quit, then.

Mr. MAGNUSON. I yield to the Senator from Utah.

Mr. WATKINS. I should like to suggest to the Senator from Washington that, as one member of the Committee on Interior and Insular Affairs, I think this matter could come before the committee again for a more comprehensive study. I should be very willing to go to work on it at once, and undertake to secure hearings—probably joint hearings of the two committees—to consider the over-all program. While we are at it, instead of doing it piecemeal, let us do a good job and reach a decision as to whether we are going to have a piecemeal development, or whether we are to have the over-all basin development. I shall be glad to cooperate in every way, as a member of the committee.

Mr. MAGNUSON. I appreciate the Senator's offer of cooperation. I do not want it to be understood, however, as saying that of the proposals report No. 308 and the basin account should be combined with the so-called Columbia Valley Administration. They are two similar subjects, but they can be separated. I am a stanch supporter of the Columbia Valley Administration; I introduced the bill, and was the author of it; but there has been a great deal of controversy in my State about whether we should have this type of management in the Columbia Valley. The Senator from Idaho is one of the cosponsors with me of that bill, and there is a great deal of controversy about it. But report No. 308, covering the comprehensive plan of the Army engineers and the Bureau of Reclamation, relates, we may say, only to the bricks and mortar, and has nothing to do with management. The only reason the basin account is contained in that plan is that it was considered necessary to have some way of allocating costs. That might indirectly bear on management, but not on over-all management.

While we are discussing the matter of management, as to whether it should be the Tennessee Valley Authority type, the Columbia Valley Administration type, or the type suggested by the Senator from Utah [Mr. WATKINS], there is a great deal of argument going on in the Northwestern area. There is no opposition to the general principles of the comprehensive report, the material development of the valley—the bricks and the mortar, as it were. I do not want the two questions to be confused. They are parallel roads to the ultimate, and I hope they will lead to Rome.

What I want to discuss, if the Senator from Utah will listen a moment, is not so much the question of management as between the two committees, with reference to developing the river, because that will go on, regardless of how long we argue about management.

I yield to the Senator from Idaho.

Mr. TAYLOR. Mr. President, I should like to ask the Senator from Washington if he is not certain that the Committee on Public Works held adequate hearings to determine the feasibility and the advisability of constructing flood control and other projects on the Columbia River. Is he not confident that the committee held adequate hearings?

Mr. MAGNUSON. I thought it did. The record is quite filled with testimony.

Mr. TAYLOR. The Senator does not think the Public Works Committee would report these projects without adequate study, does he?

Mr. MAGNUSON. It reported the projects, but it seems to me it wants to limit itself to rivers and harbors. It reported those features of the initial phase of the comprehensive plan.

Mr. TAYLOR. The Senator from Washington was interested in those hearings, and was present at a number of them, I believe.

Mr. MAGNUSON. Yes.

Mr. TAYLOR. Was not the Senator also present at a great many hearings held by the Committee on Interior and Insular Affairs?

Mr. MAGNUSON. Yes.

Mr. TAYLOR. Does not the Senator think the committee considered equally thoroughly those portions of the development program dealing with reclamation questions?

Mr. MAGNUSON. I think it did.

Mr. TAYLOR. Can the Senator make sense, then, of the objections of the Senator from New Mexico that the subject has not had adequate consideration?

Mr. MAGNUSON. I do not agree with the Senator from New Mexico on that point. I think it has received adequate consideration. It may be that the Senator from New Mexico honestly believes it has not had adequate consideration, particularly the basin account matter. That may be his opinion about it.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. For the information of the Senator from Idaho, I suggest that the United States Senate will determine the question as to whether adequate hearings have been held.

Mr. TAYLOR. I was saying I was sure adequate hearings had been held. I certainly did not ask to have the reclamation features referred to the Committee on Interior and Insular Affairs. I want to assure the Senator from New Mexico that we held long hearings—too long to suit the Senator from New Mexico, I believe. He was after us to hurry up, but we heard practically all the witnesses.

Mr. CHAVEZ. Most of the witnesses were from the Interior Department, were they not?

Mr. TAYLOR. No.

Mr. CHAVEZ. They were mainly from the Reclamation Bureau, were they not?

Mr. TAYLOR. No; I would not say that.

Mr. CHAVEZ. Who has been lobbying around the Senate and the Senate Office Building, outside the personnel of the Reclamation Bureau?

Mr. TAYLOR. I know the idea of the bill is endorsed, as the Senator from Washington has pointed out, by the Governors of all the Northwestern States. Practically everyone in that area is in favor of the 308 report. There is some controversy relative to the CVA, but there is none with reference to this proposal.

Mr. MAGNUSON. There is none over this proposal at all.

Mr. TAYLOR. If we cannot get action because of jurisdictional disputes between committees, it seems to me we must have the CVA proceed with it. Does not the Senator from Washington think that is correct?

Mr. MAGNUSON. I think the Senator from Idaho would have a very good point in favor of the CVA.

Mr. TAYLOR. I should think so.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CAIN. I should like to ask a question of the Senator from Idaho.

Did I correctly understand the Senator to say that he was under the impression that the basin account had been considered by the Public Works Committee?

Mr. TAYLOR. No; I did not say that. I referred to those features of the development of the Northwest which were referred to the Public Works Committee, and I am sure they were adequately considered. I think those which were referred to the Committee on Interior and Insular Affairs were equally thoroughly considered.

Mr. CAIN. I should like to make it clear for the record that the O'Mahoney basin account proposal has never been considered in any way, shape, or form by the Public Works Committee.

Mr. TAYLOR. That may be correct; but, on the other hand, the Committee on Interior and Insular Affairs did not consider the same things the Public Works Committee considered. Someone divided them up and handed the Committee on Interior and Insular Affairs one part and the Committee on Public Works another part.

Mr. MAGNUSON. Much of the debate has been with reference to the basin account. Supposing the distinguished chairman of the committee says that this amendment does not belong in the bill. Everyone in the Northwest is anxious to have it at this time.

Mr. CHAVEZ. At this time?

Mr. MAGNUSON. Yes. If there should be a bill introduced relating to the basin account, we would again be in the same position. Does the junior Senator from Washington think it would have to be referred to both committees because the basin account involves power dams, rivers and harbors, reclamation, and irrigation, and would we not be back in the same situation unless joint hearings should be held?

Mr. CHAVEZ. That would have to be by agreement. Under the Reorganization Act, the Committee on Public Works has jurisdiction over certain questions. It does not have jurisdiction over irrigation——

Mr. MAGNUSON. The projects themselves.

Mr. CHAVEZ. The projects themselves—except where irrigation is part of a multiple-purpose project. The committee which would have jurisdiction would be the committee which would have the most interest. In this instance, if a bill were to be introduced individually by the Senator from Washington, power, navigation, and flood control would supersede irrigation, or irrigation would be incidental to the other features.

Mr. MAGNUSON. The junior Senator from Washington and I have a similar bill in the Committee on Public Works. It would have to be changed with reference to the basin-account features, but it includes the basic features of the 308 report. It has nothing to do with CVA. That is involved in another bill.

Mr. CHAVEZ. I understand that. The committee is sympathetic to the two Senators from Washington. I congratulate both of them on the fact that when it comes to a question of developing the area, the basin, I have never seen any difference of opinion as between the two Senators. They might have had a little difference of opinion as to the method of approach. But the senior Senator from Washington will agree with me that the committee has not had an opportunity to hold any hearings on those two bills.

Mr. CAIN. Mr. President, will my colleague permit me to answer, as best I can, the question recently posed to me?

Mr. MAGNUSON. I yield.

Mr. CAIN. As I understand the basin account proposal which was submitted in the form of an amendment by the distinguished senior Senator from Wyoming [Mr. O'MAHONEY], it would change the hydroelectric power policies of this Nation and would necessarily change some of the existing reclamation laws.

Mr. MAGNUSON. No.

Mr. CAIN. I am answering the question as best I can. At least, I think my answer is correct. If my premise is correct, the Committee on Public Works is charged with and has responsibility for considering any proposed change in our hydroelectric power policies, and the Committee on Interior and Insular Affairs is charged with the responsibility of considering proposed changes in the field of reclamation law; which is to say, in answer to the question submitted by my senior colleague, that if a clean bill were reported by the Committee on Interior and Insular Affairs, which would include the so-called O'Mahoney basin account proposal, someone could very logically say that it ought to be thoroughly considered by the Committee on Public Works before it was approved by the Senate.

Mr. MAGNUSON. I thank my colleague. Although I do not agree with his interpretation of the basin account, I am sure that what he has said is correct. That is why I said that he and I would be in the same position, and that I hoped debate would develop a distinct understanding—not the kind we had last fall—so that we could have some prompt action, as I am sure it will be prompt, with cooperation between the two committees, and thus get somewhere. It is hoped that the committees will at least agree on the merits of the proposal, and not create a situation under which one committee will not take the other committee's recommendations, and vice versa. It is impossible to separate the question of jurisdiction between the two committees. In the development of the Columbia River Basin, the comprehensive plan must embrace both committees.

Mr. CAIN. Mr. President, will the Senator yield for a further question?

Mr. MAGNUSON. I yield.

Mr. CAIN. Mr. President, will my distinguished colleague tell me why he thinks my interpretation of the so-called O'Mahoney basin-account proposal is wrong? I ask the question because I want to be correct in thinking I am right, and I wish to be corrected by my senior colleague if I am wrong.

Mr. MAGNUSON. I thought the Senator said that, in his opinion, the amendment would make some change in basic reclamation law.

Mr. CAIN. Yes.

Mr. MAGNUSON. I do not believe the amendment would make a change in basic reclamation law.

Mr. CAIN. But the Senator agrees that it makes some change?

Mr. MAGNUSON. It makes some change in power cost.

Mr. CAIN. It makes some change in the hydroelectric power policy.

Mr. MAGNUSON. In the allocation of power levies. It does make a change in the allocation.

Mr. CAIN. If that be so, my senior colleague and I are in agreement that the basin account has been the responsibility of the Committee on Public Works from the very beginning.

Mr. MAGNUSON. Yes; that is correct. Furthermore the Committee on Public Works discussed the basin account at great length in its hearings.

Mr. CAIN. Mr. President, so that we may come to an agreement on terms, may I suggest that the Committee on Public Works discussed the basin account as put forward by the comprehensive plan? Am I quite correct in saying that?

Mr. MAGNUSON. That is quite correct.

Mr. CAIN. But there was no consideration given by the Committee on Public Works to the use of the interest component as an additional aid in the furtherance of reclamation throughout the Pacific Northwest; nor was any such suggestion ever included, so far as I know, in the comprehensive report.

Mr. MAGNUSON. I did not attend all the hearings held by the Committee on

Public Works, but I am sure that my colleague is correct. If it was discussed, it was discussed only casually.

Mr. CAIN. It was discussed only casually. I think it is fair and proper to say that it was discussed only casually, if it was discussed at all, because at that time it seemed to be the impression of everyone that the basin account, if it was to become a serious matter for consideration, should first go to the Committee on Interior and Insular Affairs.

Mr. MAGNUSON. Yes; that is correct. The 308 report, which included the so-called basin account feature, was discussed by the Committee on Public Works. What the Interior and Insular Affairs Committee discussed was a portion of the 308 report dealing with irrigation and reclamation.

Mr. CAIN. I should like to make one further observation, if my colleague will permit me to do so. I think it is correct to state that the basin account, as recommended by the comprehensive plan, and as considered casually by the Committee on Public Works, was merely a proposal that power revenues from all dams now existing or to be built would be pooled, in order that out of that pooling of power revenues the Federal Government could be repaid both capital and interest for the advances which it had made in years gone by.

Mr. MAGNUSON. The Senator is correct. So that the record will be clear, I wish to read an excerpt from the so-called 308 report with reference to the policy of financial pooling. The portion I have reference to reads as follows:

> Financial assistance from all power revenue-producing projects in the Pacific Northwest (Columbia Basin and coastal areas) should be pooled and extended to aid irrigation under principles consistent with those embodied in reclamation law. Secretary of Interior to be responsible for the basin account and for recommending projects to the President and the Congress to be covered into the account.

Mr. CAIN. However, the proposal which the Committee on Public Works considered had no reference to using an interest component as a further subsidy to reclamation.

Mr. MAGNUSON. The Senator is correct. However, the suggestion which was made, and which is a very broad one, did not preclude a discussion of the interest component, or any phase of it.

Mr. CORDON and Mr. DOUGLAS addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. MAGNUSON. I yield first to the Senator from Oregon.

Mr. CORDON. Mr. President, I merely wanted to suggest to the Senator from Washington that the Senator from Oregon would like to see this matter go back to the committee for a thorough study.

Mr. MAGNUSON. Mr. President, may I interrupt the Senator to ask which committee he has in mind?

Mr. CORDON. I was about to reach that point in my remarks, if the Senator will permit me to make a short statement.

Mr. MAGNUSON. Very well.

Mr. CORDON. I feel that to follow such a course would be helpful. I should like to preface my statement by saying that the Senator from Oregon feels that ultimately there must be a Columbia Basin account, into which all proceeds from power dams in the Columbia Basin will go, and from which there will be allocated to the several projects such portions of it which those projects need for repayment of interest and principal, as well as for the creation of a single, level, and uniform rate for the sale of power. Factors which exist in that area will require such procedure. The Senator from Oregon is in entire agreement with the Senator from Washington on that point. Where the Senator from Oregon differs with the Senator from Washington is with respect to the provision in the committee's amendment which brings in the question of applying reclamation law to flood control and navigation law in the field of application of interest. That is the only place. If the matter could be returned to committee, and the two committees could go thoroughly into all the factors involved, which we must do sometime, it would be a consummation devoutly to be be wished.

As the Senator knows, many of the factors were incorporated in what was known as House bill 1770, the housekeeping bill for Interior Department, to which the President has made numerous objections, and with reference to which he will have his Commission on Water Resources Policy report to him. I can see no reason why two committees, the Committee on Interior and Insular Affairs and the Committee on Public Works, should not follow the precedent which was established last year when consideration was given to the Atlantic Pact. At that time the Committee on Armed Services and the Committee on Foreign Relations sat in joint session to discuss that major legislative policy. I can see no reason why we should not do that in this case, because the decision is vital to the program and to the substantive law under which the Committe on Interior and Insular Affairs and the Committee on Public Works operate. I should be very glad to do all I can to bring about such a consummation.

Mr. CHAVEZ. I wish to say to the Senator from Washington and the Senator from Oregon that so far as the chairman of the Committee on Public Works is concerned, it is my opinion the sooner we work out the problem, the better it will be for all concerned. However, in order to carry out what I understand to be my duty, I must object to accepting an amendment at this time. However, I should be willing to get together with the Committee on Interior and Insular Affairs and try to work out the problem. I believe it to be too vital to be brought about by means of a committee amendment at this time.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield for a question.

Mr. DOUGLAS. I wonder if the very able senior Senator from Washington would give an interpretation of the authorization which is contained in the O'Mahoney amendment concerning the Mountain Home project, which will be found in lines 3 to 15, inclusive, on page 2 of the amendment.

Mr. MAGNUSON. I understand the Senator is referring to the provision which lists the projects and says:

> Until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility under the provisions of the Federal reclamation laws, taking into consideration the participation of this project in the Columbia Basin account.

Mr. DOUGLAS. That is correct. May I address a question to the Senator from Washington?

Mr. MAGNUSON. Certainly.

Mr. DOUGLAS. Suppose the O'Mahoney amendment as it now stands should be agreed to, and then suppose the Secretary of the Interior, with the approval of the President, should submit to the Congress a supplemental report showing that the irrigation and reclamation features of the Mountain Home project are feasible. Is it the Senator's understanding that this appropriation would then be authorized without further action by the Congress?

Mr. MAGNUSON. It would seem to me that, under the language, that would be the situation.

Mr. DOUGLAS. So that if we authorize the Mountain Home project in the language now contained in the O'Mahoney amendment, no further action by Congress is needed to authorize the reclamation features of the project?

Mr. MAGNUSON. No. But I think I should qualify my flat answer to the Senator from Illinois by saying that the distinct understanding with all those involved was that if and when the so-called Water Resources Commission, which has been mentioned—the President is referred to, because they report to him—examined the matter and then resolved on the feasibility of the project, and in turn transmitted their report to the President and he agreed with them, he could O. K. the authorization.

Mr. DOUGLAS. That is, there would be automatic authorization of the reclamation features of the Mountain Home project, without further action by the Congress?

Mr. MAGNUSON. That would be my interpretation.

Mr. CAIN. Mr. President, will the Senator yield for one question?

Mr. MAGNUSON. I yield.

Mr. CAIN. It goes without saying that my colleague and I are very much concerned about the status of this debate, because the passage of the omnibus rivers and harbors bill is important to both of us——

Mr. MAGNUSON. And projects other than those already discussed.

Mr. CAIN. The bill is important to the West, and to the whole country as well. If as the debate continued it became obvious that there could be no reconcilement of views, that misunderstanding would continue to prevail and could not be cleared up, what is the opinion of my colleague as to the adverse effect on the Pacific Northwest over the next 2 or 3 years, if the O'Mahoney basin-account proposal were eliminated

for the time being, but presumably the reclamation authorizations within the O'Mahoney amendment would be agreed to, become a part of the omnibus rivers and harbors bill, and that bill would become the law?

Mr. MAGNUSON. I think there would be no serious effect if we could have some real hope that we could clear up this matter of the basin account, or these other features, before this session of Congress was ended. I think it would have a disastrous effect upon our program if it should go over to the next session of Congress with some of the projects, even irrigation projects, out, because there is included the very important Hells Canyon Dam, which must be started, and the lower Snake Dams, to keep up with the conservative demand for increase in power. I agree with my colleague that if we can work this matter out jointly at this session of Congress it will not have any serious effect on our situation, because we do not expect to get too many appropriations at this session of Congress for any project we now have authorized, unless it is of an emergency nature.

Mr. CAIN. I know my colleague will realize that my question is merely predicated on the fact that behind this basin account there is an omnibus rivers and harbors bill which includes projects of importance not only to us in the Northwest, but to almost every State in the Union.

Mr. MAGNUSON. I am sure that if my colleague from Washington and I, and the Senator from Idaho [Mr. TAYLOR], who sits before me, and all of us in the Pacific Northwest, get the same enthusiastic cooperation we have heard here today on the floor of the Senate, we can accomplish our purpose at this session of the Congress.

Mr. TAYLOR. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Idaho.

Mr. TAYLOR. If the amendment shall be rejected in its entirety at this time, considering the crowded calendar before the Senate, and the drive for an early adjournment, for the benefit of those of us who are up for reelection, does the Senator think there would be any real hope of getting action on a separate bill embodying the provisions of the amendment?

Mr. MAGNUSON. Of course, I am speaking only for the Senate, but I am sure, based on my legislative experience, that if we could get the committee matter ironed out, and get a bill on the calendar, we would have no trouble passing it in the Senate at this session. I assume the House would also pass the bill. While the Senator from New Mexico was out of the Chamber I quoted a very fine speech made by Representative WHITTINGTON in St. Louis, in which he said that the comprehensive report should be adopted. So I know that Representative WHITTINGTON is for it, and the Senator from New Mexico is for it.

Mr. CHAVEZ. That is correct, but irrespective of the speech the Representative from Mississippi might have made in St. Louis, I know that we are going to have a hard time with the same Representative, and the conferees on the House side, holding in the bill the $142,000,000, which the Senate committee allowed the Northwest.

Mr. MAGNUSON. I can appreciate the problem.

Mr. CHAVEZ. So, when the Senator says he is for it, I am worried about holding the $142,000,000 in the bill, holding in everything the committee has done up to the present time.

Mr. CAIN. Mr. President, may I have the indulgence of my colleague for a minute?

Mr. MAGNUSON. I yield.

Mr. CAIN. I should like to say to my colleague in all seriousness that if circumstances develop which result in eliminating the O'Mahoney basin-account proposal, as the ranking Republican member of the Committee on Public Works I would obviously like to join with my colleague from Washington in giving serious consideration immediately, within that committee, to getting an answer to the shortage of financial assistance now existent in the Pacific Northwest. My colleague would not expect me to say that I could guarantee the committee would agree on action between now and the taking of the summer recess, but the important point is that we would work together in seeking a solution if that portion of the O'Mahoney amendment were eliminated.

Mr. MAGNUSON. I thank the Senator.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield to the Senator from Florida.

Mr. HOLLAND. I was called from the Chamber for the last half hour, and I do not know whether the Senator has yet discussed the provision found on page 8 of the O'Mahoney amendment, from lines 5 to 12, inclusive, under which a limitation upon the marketing of power is prescribed. Has that particular provision of the amendment been discussed by the Senator?

Mr. MAGNUSON. That has not been discussed. I am not a member of the Committee on Interior and Insular Affairs. I hope the Senator from Utah [Mr. WATKINS] will not leave the floor, because a matter in which he is interested has just been brought up by the Senator from Florida. The provision was not put in the amendment at the insistence of any of us from the Pacific Northwest, or suggested by us. It was suggested by the Senator from Utah, and I am sure he can tell the Senator from Florida, as I have told him heretofore, the effect of it and as to whether the Senator from Florida is correct in his assumption. Apparently, the people in Utah, who have their own power systems, do not desire to have the Columbia Valley power to come into their area for competitive purposes.

I yield to the Senator from Utah to answer the question. I have told the Senator from Florida why the provision is in the amendment. I would rather that it were not in the amendment, so far as I am personally concerned.

Mr. HOLLAND. Mr. President, if the Senator will yield so that I may incorporate the provisions I referred to in my question, I should like to incorporate them at this time.

Mr. MAGNUSON. Yes, I yield for that purpose.

Mr. HOLLAND. The so-called O'Mahoney amendment contains, among other things, the following provisions, and I read lines 5 to 11, inclusive, on page 8:

> (e) In marketing power and energy from Federal power plants, the revenues from which are credited to the Columbia Basin account pursuant to this section, the Secretary of the Interior shall not enter into contracts for deliveries of firm power outside the area comprising the States of Idaho, Oregon, and Washington and those portions of the Pacific Northwest not within said States.

That provision seems to apply, with certain minor distinctions laid down in a later sentence relative to the delivery of surplus energy at nonpeak times and to the delivery of power on emergency and temporary bases to all the delivery of firm power to all the power plants, whether constructed by the Corps of Engineers or by the Bureau of Reclamation, within the whole Columbia Basin.

Mr. MAGNUSON. That is correct.

Mr. HOLLAND. Is it the Senator's understanding that that provision would prevent the Secretary of the Interior from entering into contracts for deliveries of firm power outside that region? For instance, to a city in Montana lying 10 miles across the Divide but outside the Basin of the Columbia.

Mr. MAGNUSON. It would not in States in the basin. It would do what the Senator suggests outside the basin.

Mr. HOLLAND. In other words, outside the part of Montana that is in the basin, according to the definition of the bill, a city or a community or an REA association lying just a few miles outside the Columbia Basin would be precluded by the provision of the so-called O'Mahoney amendment which I have quoted from purchasing firm power from all the power plants within the basin? Is that correct?

Mr. MAGNUSON. That is correct.

Mr. HOLLAND. Would the Senator mind stating what is the justification for the inclusion of a provision of that kind?

Mr. MAGNUSON. I did not include the provision. I told the Senator that the Senator who suggested the amendment, the Senator from Utah [Mr. WATKINS], a member of the committee, is present and can answer the question. The provision is in the bill. I have not sought to defend it or deny its existence. The Committee on Interior and Insular Affairs submitted the amendment. But I can say to the Senator from Florida that its practical effect amounts to little or nothing, because the whole area is geographically so large that there can be no transmission or sale of firm power outside the area anyway. It does not even reach all portions of the area. It does not preclude the sale of off-peak power, of which there is plenty for any groups that are on the fringes. It is too bad the map at the rear of the Chamber does not show the mountains. If they were shown it could be seen that there would be no chance of transmitting any firm

power under present techniques outside the basin, with one exception, which is in the territory of the Senator from Utah, and I wish he would answer the Senator's question.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. HOLLAND. Before leaving my question I should like to ask an additional question of the Senator from Washington. Is it not true that under the provision of the O'Mahoney amendment firm power which has been manufactured within the basin could be sold to cities in the States of Oregon and Washington lying 100 miles or more outside the basin, but would not be permitted to be sold to cities or rural electrification organizations lying immediately outside the basin in the States of Montana, Wyoming, Utah, and Nevada?

Mr. MAGNUSON. The map at which we are looking is an old one, I am sorry to say. Sale is permitted in Nevada, Wyoming, and Utah, and the cities of Washington and Oregon on the coast now receive power and will continue to receive it.

Mr. HOLLAND. In order that the answer of the Senator may be clear in the RECORD, I ask if the Senator is now saying that the question which I asked him is a correct statement of the situation, namely, that under the so-called O'Mahoney amendment, as now drawn, cities lying just outside the basin in that part of the State of Montana which is outside the basin, in that part of the State of Wyoming which is outside the basin, in that part of the State of Utah which is outside the basin, and in that part of the State of Nevada which is outside the basin, would be precluded from obtaining the power, whereas the cities and communities and industries lying within that very large area of the State of Oregon which is outside the basin, and that considerable area of the State of Washington which is outside the basin, would be allowed under this same provision to purchase and obtain power from the power plants within the basin?

Mr. MAGNUSON. That is correct.

Mr. HOLLAND. I thank the Senator.

Mr. MAGNUSON. Just a minute. The Senator has posed several questions which I think ought to be explained.

Mr. HOLLAND. I am perfectly willing that they should be explained.

Mr. MAGNUSON. If the Senator's words were left in the way he uttered them, they would leave the impression that we are trying to create some monopoly for the development of power for cities in Washington and Oregon outside the basin. The territory outside the basin in Washington and Oregon furnishes a great deal of power in the big basin power pool even though it is not geographically in the basin. Some of the largest units in the basin power pool and the Bonneville pool are Seattle City Light, Tacoma City Light, the Cowlitz plant, and smaller plants down through southern Oregon, such as that at Klamath Falls. All of them are in the basin pool. No cities in Wyoming are involved. The land I indicate on the map is all wild land, except a little place I indicate which is in the basin. There is no power in Nevada. We are talking now about firm power.

Mr. President, I do not have any particular objection to the amendment. For a practical reason I could not object. I am not a member of the committee. But the Senator from Utah wanted the amendment for a completely different purpose. Not that the people of his State wanted the power. He says they do not want the power.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. HOLLAND. One more question. The Senator is not stating, is he, for the RECORD, that there is no user, either a municipal user or a rural electrification association, lying just outside the bounds of the basin in the States of Montana, Wyoming, Utah, and Nevada, who would want power from the Columbia Basin?

Mr. MAGNUSON. No; so far as we know there is no potential user. The area I now indicate on the map is all mountainous. I indicate other areas which are all mountainous. Now I indicate land that is a national park. I would say that not a thousand people in all live in that area. Montana is filled with municipal power plants. If the people there want to buy power they can take it off the peak loads. Power can be taken from Kalispell. No persons have asked for or even suggested that they want that power. There is no chance of transmitting power to the population beyond the mountainous area. There is a great chance of selling that power in the area outside the basin. There is little or no population in the region to the south and southeast. Therefore, the Senators from Utah are interested in this matter.

We have no intention of restricting the sale of power in any way whatever as regards its sale to anyone who can get it. As the Senator knows, the farther power is transmitted, the greater is the loss of energy, and that increases the cost of the power.

The Senator from Utah will explain why he, a member of the committee, proposed the amendment.

Mr. HOLLAND. Mr. President, if the Senator will permit me to ask a further question, then I think my point will be made; and then the Senator from Utah will be free to make any approach to the matter he may wish to make.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Washington yield to the Senator from Florida?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. The Senator has mentioned Yellowstone National Park. Is it not true that substantially three-fourths of the area of Yellowstone National Park lies outside the basin and is contiguous to it, and would constitute a user, but certainly not an objectionable user, of the power manufactured in the basin?

Mr. MAGNUSON. It could be used there now.

Mr. HOLLAND. Not under the terms of this amendment, it seems to me.

Mr. MAGNUSON. Oh, yes. It could be used there.

Mr. HOLLAND. Will the Senator explain how that could be?

Mr. MAGNUSON. We are talking about a contract for the delivery of power. The Senator from Florida does not quite understand. The map which is displayed in the Senate Chamber is an older map, one which was displayed before the committee at its proceedings last year. The lines shown on this map as the boundaries of the basin may not show exactly the present boundaries of the basin, for the boundaries of the basin have been determined on the basis of drainage. At least, that was our attempt. In other words, the eastern part of the Yellowstone National Park drains to the Missouri River Valley, and the western or northwestern part drains to the Columbia River Valley. In between is what is called the Great Divide. However, power could be delivered to Yellowstone National Park, and then could be distributed anywhere that such distribution might be desired. It is delivered at the bus bar.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WATKINS. Let me say to the Senator from Florida that the main reason for submitting an amendment of this kind was to protect the developments of a reclamation nature and of a flood-control nature in other river basins. South of the Columbia Basin, in Utah, Wyoming, Colorado, and New Mexico, we have what are known as the upper Colorado Basin projects, which will consist of 9 or 10 immense reservoirs and will develop a great deal of power. The building of those dams on the upper Colorado is necessary because under a compact which we have with the lower-basin States, we must furnish water to the lower Colorado Basin. In order to furnish that water, we have to create these large reservoirs, which will hold water over from year to year. It would be tremendously expensive to build those reservoirs merely for the purpose of storing water, to be held for a time, and subsequently to be delivered to the lower basin States. Of course, each of the dams has immense power possibilities. However, the power is of no use to us unless there is a market for it. In that area there are lands which can be irrigated by means of feasible engineering projects, but standing alone they will not be economically feasible; they must have support from the revenues from the power which will be developed from the entire river system. We simply do not want Columbia power to come down into our basin in competition with the power produced in our basin, and thus make it impossible for us to build our projects. That is the purpose of this amendment.

Utah, Nevada, and the other States outside the Columbia Basin have similar situations. There is the Missouri Valley development, which will take care of portions of Montana and of Wyoming, among other States. Of course, Wyoming will be taken care of from the upper Colorado development. However, the main places where the power developed on the upper Colorado is expected to be sold is in Utah. We now have in Utah

a large steel plant; and we hope to have fabricating plants developed to use the steel produced at that giant steel plant, and those fabricating plants will require immense amounts of electric power. They will constitute the principal market for the electric power. At the present time, by means of one exchange or another, we now are getting power from the Colorado Basin. It is coming from Colorado Power, which is selling or exchanging power to Utah Power.

Mr. MAGNUSON. Mr. President, we have exchanges now with the Montana State Power, and even on occasion with the British Columbia Power Co. By means of such exchanges, we give them power for a certain time, and later they give us power. No money is involved in the transaction; the exchange of power is all that is involved.

Mr. WATKINS. What I have stated is the principal purpose of an amendment of this kind.

If the Senator from Florida is familiar with the topography of the Columbia River Basin and with the vast quantity of water available there, he knows that it is possible to construct in that area power projects which will produce power much cheaper than power can be produced at projects on the Colorado. Our dams will produce power which will cost considerably more than the power produced at the dams in the Columbia Basin area.

For that reason, we want to develop our own power. We are required to put to beneficial, consumptive use a certain amount of the water of the Colorado. We have millions of acres of arid land which will produce abundant crops if water is made available. Our last water hole, so to speak, is the Colorado River. Unless we irrigate those lands, we cannot develop them at all. Unless we produce power in that area, so as to have the revenues from the power, we shall not have the means of developing the irrigation projects.

In the Columbia Basin there are immense power possibilities; the possibilities are scarcely dreamed of as yet. However, if that power were sent into our area, it would mean that we would not have a market for the power developed at our projects. The same situation is true to a certain extent in the Missouri system and in other systems.

The objective I had in mind, in connection with my amendment, was to make possible the development of our system, and to do so by making it impossible for the power from the Columbia Basin to compete with the power developed in our system. I have been assured by the engineers and by others who are connected with the engineering phases of the Columbia Basin development and the sale of power developed in the Columbia Basin that the Columbia Basin itself will consume all the power produced there, and none will be available for export. I do not know whether that is true, but we wish to be sure that we shall be protected so that we can build our projects, likewise. We favor a comprehensive development. We favor the application of the comprehensive development principle to our own area, as well as to the Columbia Basin. Of course, close to the boundary, there may be areas where there may have to be exceptions. In order to protect a town which is on the fringe, so to speak, we may have to prepare a further amendment in order to make it possible for that town to receive power from either basin.

However, I think the amendment which I submitted is clear, and is justified, and the committee unanimously accepted it.

Mr. MAGNUSON. Any town on the fringe could make a contract for firm power, or there could be an exchange of power.

Mr. WATKINS. This amendment does not prevent exchanges. There may be times when, as between the two systems, both of which would be financed with Federal funds, it would be very advantageous to both river systems to make exchanges of power. This amendment does not preclude the sending out of dump power which is produced only at certain times of the year. Under the amendment, such dump power may be sent out. However, the amendment would prevent competition by a large system, such as the Columbia, with the surrounding river systems to such an extent as to make their development impossible. Within a certain period of time we have to put to use the waters of the Colorado which are allotted to Utah, Wyoming, Colorado, and New Mexico; and the other States have the same problem. In that respect an agreement has been reached by the Senator from Colorado [Mr. MILLIKIN], representing Colorado; the Senator from Wyoming [Mr. O'MAHONEY], representing Wyoming; and the Senator from New Mexico [Mr. ANDERSON], representing New Mexico. We are certainly willing to have the Senate adopt an amendment which will take care of the minor situations on the fringes or the borders.

Mr. MAGNUSON. As I understand, there can be an exchange of power with Montana State Power Co. which furnishes the few cities in that area. Of course, the cities in western Washington and Oregon furnish a great part of the power now in the pool.

Mr. WATKINS. It was also my intention, in connection with the amendment—and I think it will be found that the amendment will carry this intention into effect—to confine the power to the river system. Even in Washington and Oregon it would not be permissible to send out the power; but as the Senator from Washington has already stated, a great deal of power is contributed from other sections to the cities within the Columbia system.

Mr. HOLLAND. Mr. President, I think the Senator is mistaken in his last statement, because the amendment is very clear in stating that it permits the making of firm contracts for the delivery of power produced in the basin to all parts of Oregon and Washington.

Mr. MAGNUSON. That is correct.

Mr. HOLLAND. But only to the portions of the other States which themselves are in the basin. It seems to me that provision will prevent nearby areas from having the advantage and protection of low-cost power developed in or coming from the Columbia Basin.

Mr. MAGNUSON. Mr. President, the Senator from Florida does not understand. The people in the other river basins do not want that low-cost power; and we in Washington and Oregon, who are contributing a great percentage of power to the power pool, are merely making contracts to buy our own power. The city of Seattle does not have to buy power from the Bonneville power pool. We produce our own power, and we sell our surplus to the Bonneville pool; and so do the cities in Oregon.

Mr. HOLLAND. If that area is rejecting the possibility of having cheap power, it will be the first one to take that position that I have ever heard of.

Mr. MAGNUSON. That is the Senator's statement. If they reject it, they have their own reasons for doing so.

Mr. WATKINS. Mr. President, if the Senator from Florida lived in an arid region where it is absolutely necessary to put certain waters to beneficial, consumptive use, and if he could not do so in any other way than by developing certain power projects, he would be with us in endeavoring to develop them; because we cannot live without water for domestic and agricultural use, the water must come from irrigation and reclamation projects, and it is impossible to build many of those irrigation and reclamation projects unless we have the revenues coming from the power projects. Moreover, so far as industrial development is concerned, we are through unless we can develop power projects along with the reclamation and irrigation projects.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. I would say to the Senator from Utah, I am perfectly content for him to make the decision for his people in accordance with what he thinks is their interest, but I am deeply concerned with the policy which would here be engrafted on the law, and which would seem to establish for the first time that I know of, a policy in the Federal law that, in order to have available the cheap power which comes from Federal development of hydroelectric resources, a community must lie within the basin in which the power is produced. Certainly no such principle operates in any other area with which I am familiar.

Mr. WATKINS. No other area, outside the arid West, has such a circumstance that must be protected. That is the reason for it. We are trying to be realistic about this. In Utah we want development of our projects, and, if power is sent there, we never can develop and use our water as we want to use it.

Mr. HOLLAND. Mr. President, if the Senator will yield for another question——

Mr. MAGNUSON. I yield.

Mr. HOLLAND. In an exchange yesterday on the floor, I understood the Senator from Washington to say there was nothing in this proposed amendment which at all entered into the same field as that which was covered by the

proposed Columbia Valley Authority legislation, which has been subjected already to long hearings before the Public Works Committee, and which is still in hearing. I understood the Senator to say the Columbia Valley Administration legislation had to do wholly with administration and operation.

Mr. MAGNUSON. That is correct.

Mr. HOLLAND. I wonder whether the Senator has read, on page 22 of the committee report, the words which I shall quote into the RECORD. In describing section 206 of the so-called O'Mahoney amendment, the committee stated as follows:

> The provisions establishing the Columbia Basin account—

That is in the O'Mahoney amendment—

> and the related pooling, rate-making, and pay-out provisions constitute the legal basis for the administrative, operating, and accounting procedures to meet the needs of the area described earlier in this report.

It seems to me that that part of the report makes it very clear that the committee understood its amendment, and so stated in the report, to cover at least in large part, the very field of operation and administration which the Senator from Washington stated yesterday to be reserved to the Columbia Valley Administration legislation.

Mr. MAGNUSON. The Senator from Florida must appreciate that there is no Columbia Valley Administration, and that this merely deals with a bookkeeping arrangement. The Senator may call it "bookkeeping" administration. It is part of the administrative duties. If and when the Columbia Valley Administration comes into being, it could accept this bookkeeping plan. If it were the law of the land, and not repealed by the Columbia Valley Administration Act, it would have to accept it. I am the author of the CVA bill. There is nothing in it which would interfere in any way with the system here attempted to be written into the law. It is purely a matter of management, and the Columbia Valley Administration, if it came into being, would administer it. It would keep the books of the basin account, and therefore this proposed amendment does not interfere with the CVA, or with the bill as introduced.

Mr. HOLLAND. Mr. President, if the Senator will yield further, I remind him that one of the principle titles in the proposed Columbia Valley Administration bill has to do with the planning of the development.

Mr. MAGNUSON. That is correct.

Mr. HOLLAND. The authority would not then be retained in Congress, but would be given to the CVA.

Mr. MAGNUSON. That is correct.

Mr. HOLLAND. I am calling the Senator's attention to the fact that if this amendment is adopted, one of the most important planning questions will have been forever and irrevocably settled and taken out of the hands of the CVA, namely, the question of whether they could take power revenue and use it for a reclamation development many miles away, not related geographically and, as a reclamation project, not sound on its own bottom, and that decision, if it came by the adoption of this amendment, would almost take the heart out of the planning of the so-called Columbia Valley Administration which would be set up under the Senator's other bill. Is not that correct?

Mr. MAGNUSON. No, I cannot agree with the Senator. It might have that indirect, roundabout effect. But the Senator's question yesterday was whether this amendment affects the Columbia Valley Administration. It might have an effect on what the CVA could or could not do. If there is established a policy as to power revenues being used for reclamation, it may open the door for the CVA to plan more irrigation projects than it would ordinarily plan without the basin account. But it is an indirect effect or result, which may or may not occur. It need not be taken advantage of. There is nothing in the Columbia Valley Administration bill which says they must do so. Whatever the plan, the Columbia Valley Administration must come to Congress on each project, anyway.

Mr. President, I should like to finish my prepared statement on this matter, in order that the RECORD may be clear; after which I hope the Senator from Illinois [Mr. DOUGLAS] will be in the Senate Chamber, so we may take some action on his amendment, which is pending.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Illinois [Mr. DOUGLAS] to the amendment offered by the Senator from Wyoming, for the Committee on Interior and Insular Affairs, to House bill 5422.

Mr. MAGNUSON. Mr. President, I may be repeating myself, but about an hour ago I was discussing the necessity of the basin account for a very important purpose, namely, uniform rate-making. I pointed out that kilowatts generated at the various dams on the Columbia River are so intermingled that it is most difficult to say for instance, at Portland, Oreg., whether the kilowatt that is used there comes from Grand Coulee, or Bonneville, or Seattle City Light, or any other dam. It is just as difficult as saying what portion of the river at Bonneville turns the generators to create the kilowatts, whether it comes from Idaho and belongs to my friend and his constituents in that area, or whether it comes from the State of Washington. Therefore, the necessity in the Columbia River Basin of uniformity of rates is very apparent.

This being the case, we must have a technique for averaging the costs of all the dams, if for no other purpose, for the purpose of rate-making; otherwise, the Pacific Northwest would be afflicted with a crazy-quilt pattern of varying power rates, which would militate against industrial, agricultural, and residential development.

At the present time we have a so-called postage stamp rate of $17.50 per kilowatt. Because construction and operating costs have gone up, this rate will probably have to be raised but, irrespective of that fact, there must be, for practical reasons as well as for the more important other reasons I have mentioned, a uniform rate throughout the Columbia Basin. The testimony concerning the basin account is that, without it, there is a definite possibility that it may be necessary to raise the rate in the Pacific Northwest from the low postage-stamp rate of $17.50 per kilowatt hour a year, while on the other hand, there is a strong possibility, if the basin account can be achieved and a uniform rate spread out for the area, the rate may not have to go above $17.50. The Columbia Basin account authorized in this amendment provides, of course, as has been mentioned here many times, for the bookkeeping or accounting technique to be used in computing and maintaining a uniform rate.

There is a second compelling reason for establishing a basin account. We are dealing with a single river system, namely, the Columbia and its tributaries. The basin thus formed is really a series of plateaus and valleys, drained by the Flathead, Kootenai, Salmon, Snake, Willamette, and other tributaries, all flowing into the Columbia and on to the sea.

For many years, extending clear back to 1908, the Congress and the public have recognized the validity of using dollars earned by power to assist the irrigator in meeting those costs of reclaiming land beyond his reasonable ability to pay, were he to rely solely upon the income of his crops. The Congress and the country have likewise recognized that it is sound public policy to permit investment of Federal funds in irrigation features of a reclamation project, on an interest-free basis. Congress and the country also have recognized the validity of investing Federal funds in flood control projects on the Ohio, Mississippi, and other great rivers, not only on an interest-free but on a nonreimbursable basis.

In the case of irrigators, the Congress has said: "We will invest Federal funds in your project interest free, but you must pay back the principal. However, you may use power revenues, in the event you have power features connected with your project, to help pay these irrigation costs." Also, the Congress has said, "You must pay interest on funds we invest in the power features of your project, plus reimbursing the Treasury for the principal."

In other words, Congress has differentiated between funds invested in the land and funds invested in the power features. In the one case the money is reimbursable but interest free; in the other it is reimbursable with interest over a reasonable period of years.

There is one additional element we should have in mind. Reclamation law as it stands today permits the Secretary of the Interior to use the interest he collects on the power investment, through the power rate, to help repay those costs attributable to irrigation features, but assigned for repayment by power.

I can best illustrate by using a concrete example. As originally estimated, the total reimbursable construction cost of the Grand Coulee project was approximately $486,000,000. Of this amount about $315,000,000 is attributable to irrigation features. It was deter-

mined, however, that irrigators could reasonably be expected to pay only approximately $87,000,000. The difference—about $230,000,000—was assigned for repayment out of power revenues. The entire $315,000,000 to be invested in irrigation features is interest free, but completely reimbursable—$230,000,000 from power revenues.

Power features of this great project were estimated to cost about $114,000,000. This investment is both reimbursable and interest bearing. The interest rate is 3 percent on unamortized balances.

The interest on this $114,000,000, over the repayment period, was estimated at approximately $70,000,000. Reclamation law, as it stands today, authorizes the Secretary of Interior to use that $70,000,000 of interest, which he collects through the power rate, to apply against the $230,000,000 of irrigation costs which were assigned to be repaid from power revenues.

Senators have heard much discussion about the so-called interest component. In the example I have just cited, the $70,000,000 is the interest component. The $70,000,000 is the interest collected through the power rate. The $70,000,000 is the interest, over the pay-out period, on the $114,000,000 invested in power features at Grand Coulee, and, as I said before, under present reclamation law, it can be applied as a credit against the $255,000,000 of irrigation costs beyond the ability of water users to pay.

Let us go back now to the basin account. As I have already stated, all power revenues from all power-producing projects in the entire basin would be credited to this account. These revenues are produced by the sale of power at a rate fixed by the Secretary of the Interior sufficiently high to pay all reimbursable costs. Reimbursable costs include interest on the power investment. A small part of the rate charged by Bonneville Power Administration for the kilowatts it sells represents the interest component. Over the pay-out period, the $70,000,000 I have mentioned will be collected in this manner and credited to the basin account.

The Bureau of Reclamation estimates that in the next 50 years—to the year 2000—the interest component, that is, the interest collected on power investments for existing and authorized projects in the Columbia Basin, will total $716,000,000. The interest on the Federal investment in related transmission facilities will amount to an additional $409,000,000. This produces a grand total by the year 2000 of $1,125,000,000. This amount represents the accumulated interest component over a 50-year period. It represents the interest at 3 percent on the basin-wide power investment, collected from power users as a part of the power rate.

The dollars themselves, of course, will go into the Treasury. The fact that those dollars have been paid to the Treasury will be recorded on the credit side of the ledger, which we have called the basin account.

Five hundred and seventy-seven million dollars of the $1,125,000,000 I have mentioned represents the interest paid on the investment in power features of the Bureau of Reclamation projects, plus the investment in all transmission facilities in the basin. Under present reclamation law, this amount can be used by the Secretary of Interior as an offset against the irrigation costs allocated for repayment by power. If we are considering only the $577,000,000, therefore, there would be no departure in this amendment. There would be no departure in the basin-account principle from existing reclamation law.

The amendment, however, and the basin account it creates proposes to treat all basin projects alike for accounting purposes. It proposes to consolidate all of them in the one account. It also proposes to permit the use of the interest component on all projects, irrespective of who builds them, in the same manner as is now permitted under reclamation law for Bureau of Reclamation projects. Thus, the approximately $550,000,000 which would accumulate in the basin account by the year 2000 from projects constructed by Army engineers would become available for assistance to irrigation. In this respect, therefore, the proposed amendment deviates from existing law. It does not, however, deviate from the principle Congress has already approved for the Central Valley project in California and for the Missouri Basin project in the Midwest.

Again, I emphasize: by the year 2000 there will not be 1,125,000,000 actual dollars physically accumulated in the basin account. That account will simply be a historical and projected record of the amount of interest paid and to be paid on power investments. No project other than those we are now authorizing can come into the basin account without specific approval of the Congress. This provides an airtight safety valve against raids on the account by ill-advised, nonfeasible projects.

The only way the interest component can be used is upon specific authorization of the Congress. If future Congresses authorize no additional projects for participation in the account, the account will simply show a greater excess of revenues over cost than would otherwise be the case, and it will simply show a greater credit balance than would be the case when and if additional projects are authorized.

I mentioned earlier that the Columbia Basin is a region embracing 7 percent of the total area of the United States; that in it are patches of irrigable land having all the ingredients of high productivity except an adequate water supply. Some of these irrigable acres are close to an existing or potential power plant, some of them are isolated. If the full agricultural potential of the basin is to be developed, some reasonable means must be found to overcome this accident of location.

The basin account is the technique we have devised to permit each of these potential projects to be considered strictly on its own merits. The basin acount is the technique we have devised to overcome the handicap a particular patch of irrigable acres may experience as a result of the accident of geographical location. The basin account permits us to treat the Columbia River, its tributaries, and the irrigable land lying therein as one big unit.

We are dealing here with the greatest hydroelectric power-producing stream in the world. The Columbia and its tributaries drain all or part of five States. The snow that falls on the Rockies in western Montana ultimately turns the turbines at Grand Coulee and Bonneville Dams. The produce raised on the Missoula, Mont., project will find its way to the table of the Portland or Seattle housewife. In turn, the aluminum kitchen cabinet built in Olympia, Wash., may be sold to the farmer's wife on the Missoula project.

If the gates at Hells Canyon Dam in Idaho were closed completely, at the wrong time of year, to fill its 4,400,000 acre-feet of storage capacity, the power generated at Bonneville Dam would be drastically reduced, and some of the turbines might have to be cut off altogether. Likewise, if that storage were emptied at the wrong time of year, millions of dollars of flood damage would occur along the lower reaches of the Columbia from Portland to the sea, 500 and 600 miles away.

This is a single-river basin. Its unity should not be destroyed legislatively. That unity can be preserved through adoption of this admendment. The projects the amendment contains, plus the basin account, plus projects already included in H. R. 5472, represent a comprehensive development plan.

The President, the Secretary of Interior, Secretary of Army, Corps of Engineers, Bureau of Reclamation, governors of the States involved, most Senators and Congressmen from the region, and innumerable organizations from the basin have endorsed the integrated, coordinated, comprehensive plan, which the Bureau and the Corps have developed. This amendment is the legislative vehicle for implementing that plan.

With the committee amendment added, this year's rivers and harbors bill, H. R. 5472, will represented, the most important action taken by any Congress for development of Pacific Northwest water resources. Congress will be providing 5,000,000 kilowatts of additional power, positive control of floods, water for 200,000 thousand acres additional land, and supplemental water for 100,000 acres, plus a basic framework for further basin-wide reclamation development of justifiable projects.

What will 5,000,000 kilowatts of new power mean to the Northwest and the Nation? Competent studies have shown that for each 100,000 kilowatts of new electric energy we can expect $65,000,000 of new industrial investment, sustaining 10,000 people in direct, and 20,000 in indirect, employment, who with their families constitute an additional population of about 90,000 people.

For the Pacific Northwest and the Nation, therefore, this Congress has the opportunity, by enactment of this bill, to create the potential for three and one-quarter billion dollars of new industrial investment and one and one-half million new jobs, with 500,000 directly employed, and 1,000,000 in secondary employment. I repeat, this year's rivers and harbors bill, with the committee

amendment added, will represent the most significant action taken by any Congress relating to development of the Pacific Northwest water resources.

Mr. President, at this point I should like to place in the RECORD certain pertinent facts which pertain to the amendment and to the whole problem. I have headed this compilation of facts "Why committee amendment on the Columbia Basin should be included in H. R. 5472."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHY COMMITTEE AMENDMENT ON THE COLUMBIA BASIN SHOULD BE INCLUDED IN H. R. 5472

The committee amendment to H. R. 5472, proposing authorization of certain projects in the Columbia Basin is in a category separate and apart from all other pending amendments. Three factors distinguish the committee amendment from the others:

First, it is an integral part of projects already in the bill;

Second, there was mutual understanding between Public Works and Interior and Insular Affairs Committees last fall that this amendment would be considered; and

Third, there is a long line of precedents for including reclamation projects in the rivers and harbors bill.

I would like to elaborate on each of these points in turn. The Public Works Committee reported H. R. 5472 on October 7. Contained in the bill are projects in the Columbia Basin, proposed for construction by Army engineers, with an ultimate estimated cost of over $1,000,000,000. These projects, such as Libby, John Day, Priest Rapids, and the Dalles Dams are an integral and inseparable part of the so-called comprehensive plan for development of the Columbia and its tributaries.

The comprehensive plan for development of the Columbia Basin was developed jointly by the Corps of Engineers and Bureau of Reclamation. The corps has jurisdiction over certain sections of it—the Bureau over others. To be truly comprehensive, both parts must be held together. To authorize one portion of the plan without the other does violence to the entire concept of comprehensive development.

I contend, therefore, that since a portion of this plan is already in the bill, it is only logical and proper that the remaining portion—that portion represented by the committee amendment also be included.

The facts I have just recited constitute the first and, perhaps, the most compelling reason for immediate and favorable consideration of the committee amendment.

There is a second set of factors which distinguish this from other amendments. Those factors are clearly set forth in the CONGRESSIONAL RECORD, in colloquy between the Senator from New Mexico, the Senator from Wyoming, and others of us interested in the Columbia Basin. Let me quote from the RECORD. In the CONGRESSIONAL RECORD, volume 95. part 11, page 14121, there appears the following exchange of comment:

"Mr. O'MAHONEY. Earlier today the senior Senator from New Mexico [Mr. CHAVEZ], chairman of the Committee on Public Works, submitted a report on House bill 5472. As that bill was considered by the Committee on Public Works, it contained a provision dealing with the authorization of certain reclamation projects in the Columbia River Basin. The Committee on Interior and Insular Affairs had no opportunity to pass upon those recommended reclamation authorizations. The chairman of the Committee on Public Works was kind enough to call in members of the staff of the Committee on Interior and Insular Affairs with respect to the drafting of the bill in its relation to reclamation projects. One of the members of the Committee on Public Works, the junior Senator from Utah [Mr. WATKINS], raised the question, in the proceedings yesterday in the Committee on Public Works, with respect to these reclamation projects.

"I have had a conference with the senior Senator from New Mexico, and I desire the RECORD to show that I understand the understanding between the Public Works Committee and the Committee on Interior and Insular Affairs to be that although the bill as reported does not contain any provision at all with respect to these reclamation authorizations, the Committee on Interior and Insular Affairs is recognized as having the right to offer, as necessary, as part of the report and as a committee amendment, provisions dealing with that authorization. The reason for that, of course, is that the development of the Columbia River Basin is a joint operation by the Army engineers and the Bureau of Reclamation. The report by the Committee on Public Works is, as I understand, not to be considered as excluding the consideration of reclamation authorizations.

"I am announcing to members of the committee on Interior and Insular Affairs that this matter will be laid before the committee at its regular session on Monday next, when the committee, if it so desires, may take action with respect to the reclamation authorization.

"I ask the Senator from New Mexico whether I have correctly stated the understanding.

"Mr. CHAVEZ. That is correct. The Senator from Wyoming has correctly stated the understanding.

"Mr. President, the Committee on Public Works of the Senate wanted to include the items of the Reclamation Service, but it happened that one member of the committee also belonged to the Committee on Interior and Insular Affairs, and he had some doubt whether the latter committee would be willing; so, if they do not mind, it is all right with us.

"Mr. O'MAHONEY. It is all right, also, with us."

On October 17, the Senate considered the rivers and harbors bill, H. R. 5472, approved all committee amendments, plus some proposed from the floor. At the conclusion of this action, there was considerable discussion of procedure—discussion participated in by the senior Senator from Illinois, the junior Senator from Nevada, the senior Senator from Wyoming, the senior Senator from Georgia, and myself. That discussion will be found on page 14743 of the October 17, 1949, CONGRESSIONAL RECORD, volume 95, part 11. I will not quote all of that colloquy. The final statement by the senior Senator from Wyoming, however, is pertinent to the problem we are now discussing:

"Mr. O'MAHONEY. Mr. President, I am going to ask that the bill go over, but in doing so I want it clearly understood that I am not making any objection to the rivers and harbors items which are in the bill. The bill, as reported by the committee, contains provisions for certain Army engineer works in the Columbia River Basin. These works are part of a comprehensive plan worked out by the Bureau of Reclamation as well as the Army engineers. The plan ought to be maintained as a unit. It would be a great mistake, it seems to me, to divide it, and because of the desirability of preserving unity in the construction as well as in the consideration, and because of the impossibility at this time of going into the details of certain power construction as well as reclamation construction that is desirable, the Committee on Interior and Insular Affairs has generally felt that the matter ought to go over. And so, Mr. President, with that explanatory remark, I ask that the bill go over."

It is eminently clear from the statements I have quoted that there was a gentleman's agreement between the senior Senator from Wyoming and the senior Senator from New Mexico, and myself and others that a Columbia Basin amendment would be considered before final passage of H. R. 5472. It is likewise clear that the Senate Public Works Committee recognized that jurisdiction over the reclamation phase of the so-called comprehensive plan lies in the Interior and Insular Affairs Committee. In effect, the Public Works Committee said: "The Department of Interior's proposal for development of the Columbia Basin is in your bailiwick; you go ahead and hold hearings, consider the proposition, and we will accept your best judgment as to an appropriate amendment."

Interior and Insular Affairs Committee has held hearings, an amendment has been reported, the committee amendment is substantially the same amendment recommended by Bureau of Budget. Its consideration at this time is completely consistent with the understanding we have had since last October. Incidentally it should be pointed out that the Senate Public Works Committee took considerable testimony on both phases of the comprehensive plan. The committee had before it several bills, including the Magnuson bill, S. 2180, calling for authorization of the comprehensive plan. I testified on this proposal, the junior Senator from Oregon testified, as did the junior Senator from Washington. A representative of the Corps of Engineers commented on the over-all plan. Similar procedure was followed in the House. This development program, embraced in this amendment, therefore, is not new or strange to the Public Works Committee.

I reiterate, because there was a gentleman's agreement on this subject and because the committee amendment now before us is consonant with that agreement, I hope the Senate will accept the committee language, thereby retaining unity of the comprehensive plan.

There is a third reason why this is an appropriate amendment to H. R. 5472. I thought it would be interesting to compile for the Senate a list of reclamation projects and related works which have been authorized in past rivers and harbors bills. The list goes back as far as 1925. I will be glad to place the list in the RECORD, or make it available to any interested Senator.

There are over 150 projects on the list—reclamation projects authorized in rivers and harbors bills. For example, Grand Coulee Dam itself was authorized in the 1935 rivers and harbors bill. Parker Dam in Colorado and Headgate lock dam in Arizona were authorized in the same bill. The Central Valley project was authorized as a Bureau of Reclamation project in the 1937 River and Harbor Act and reauthorized in the 1940 act. The great program for development of the Missouri Basin was given congressional stamp of approval in the 1944 Flood Control Act.

The first paragraph of the authorizing language is very interesting. It reads: "The general comprehensive plans set forth in House Document No. 475 and Senate Document No. 171, Seventy-eighth Congress, second session, as revised and coordinated by Senate Document No. 247, Seventy-eighth Congress, second session, are hereby approved and the initial steps recommended are hereby authorized and shall be prosecuted by the War Department and the Department of the Interior, as speedily as may be consistent with budgetary requirements."

The important words in that language are "comprehensive plans" and the words "as revised and coordinated." That is precisely what we are talking about in this discussion on the committee amendment. We have a comprehensive plan, it has been revised and coordinated by the two agencies—now we

want it authorized as a unit, in the same manner as was the Missouri Basin program.

There is another project that deserves mention. The 1948 Flood Control Act authorized the Rio Grande project. Here again, is a comprehensive plan, developed and coordinated by the Bureau of Reclamation and Army engineers, and here again the authorizing language recognizes the essential unity of the plan. The language reads: "The comprehensive plan of the Rio Grande Basin, as set forth in the report of the Chief of Engineers, dated April 5, 1948, and in the report of Bureau of Reclamation, dated November 21, 1947, all in substantial accord with the agreement approved by the Secretary of the Army and Acting Secretary of the Interior, on November 21, 1947, is hereby approved, etc."

In summary, there are three compelling reasons why the committee amendment should be added to the rivers and harbors and flood control bill. First, it is an inseparable part of a comprehensive plan—a portion of which is already included in the bill. Second, it is consistent with the general understanding that the committees and the Senate have had on the subject. Third, it is on all fours with other comprehensive plans I have just mentioned—plans authorized in rivers and harbors and flood control acts.

Mr. MAGNUSON. Mr. President, I should like also to place in the RECORD a letter from Dr. Paul J. Raver, the Administrator of the Bonneville Power Administration, addressed to the Senator from Wyoming [Mr. O'MAHONEY], which explains in greater detail the so-called Watkins proposal in the amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF THE INTERIOR,
BONNEVILLE POWER ADMINISTRATION,
Washington, D. C., March 20, 1950.

Hon. JOSEPH C. O'MAHONEY,
Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR SENATOR O'MAHONEY: This is in answer to your inquiry with regard to the intent, application, and meaning of the last sentence in subsection 206E, page 8, lines 22 through 25, and page 9, lines 1, 2, and 3, of the proposed amendments on H. R. 5472. This sentence states "Nothing in this subsection shall be construed to preclude interconnections with power marketing areas adjacent to the above-described area, for the purpose of delivery of surplus energy on an off-peak, emergency, or temporary basis, or for the exchange of power and energy, including the exchange of power or energy for water or storage of water." Your inquiry relates particularly to the words "including the exchange of power or energy for water or storage of water."

This phrase can have no application to outside areas within the United States, such as eastern Montana, Utah, or California because of the physical difficulties involved in diverting such outside water into the Pacific Northwest area. However, the phrase does have a definite place in this bill because of its application to that portion of the Columbia Basin which lies in Canada. The marketing area as stated in subsection 206E excludes Canada, and the Bonneville Power Administration may find it profitable to exchange energy for water or storage of water in Canada, which water can be used to generate power at Columbia River plants in the United States. The Bonneville Power Administration is now exchanging energy with the Washington Water Power Co. for the storage of water in Canada by the Washington Water Power Co. and the release of that storage water for maximum energy of power at Grand Coulee and Bonneville. We do construe the exchange authorization in the Bonneville Act as including authority for exchange of power for water or storage of water, but believe it desirable that this express authorization be included in the River and Harbor Act, to support that construction.

At the present time we have under consideration proposals for storage of water at Arrow Lakes in British Columbia which may well follow this same pattern, particularly if no power facilities are installed at the dam at the lower end of Arrow Lakes.

Since this particular situation has not been referred to in any previous testimony and does not appear anywhere in the record, may I respectfully suggest that the intent and application of this wording as outlined herein be made a part of the record for the purpose of clarification.

Sincerely yours,

PAUL J. RAVER,
Administrator.
By JOHN D. DAVIS,
Manager, Washington, D. C., Office.

Mr. MAGNUSON. Mr. President, I know that the Senator from Missouri [Mr. KEM] has been trying to get the floor, and earlier in the day I was perfectly willing that he should have the floor. However, the pending question before the the Senate is the amendment offered by the Senator from Illinois, which strikes out one of the projects in the committee amendment.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] for the Committee on Interior and Insular Affairs; but the Senator from Missouri is recognized.

Mr. MAGNUSON. Mr. President, after the amendment to the amendment is disposed of, the Senator from Oregon [Mr. CORDON] expects to submit a substitute amendment. In the meantime I shall try to do what I suggested to the Senator from New Mexico.

CALL OF THE ROLL

Mr. KEM obtained the floor.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. KEM. For what purpose?

Mr. SCHOEPPEL. So that I may suggest the absence of a quorum.

Mr. KEM. I shall be glad to yield for that purpose, provided I do not lose the floor.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Cain	Graham	McKellar
Chapman	Hickenlooper	Magnuson
Chavez	Holland	Martin
Cordon	Jenner	Schoeppel
Darby	Johnson, Tex.	Sparkman
Donnell	Kem	Stennis
Douglas	Kerr	Watkins
Dworshak	Knowland	Wherry
Ecton	Lehman	
Ferguson	McClellan	

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent that I may withdraw the call for a quorum.

Mr. DONNELL. Mr. President, I am going to object to the request. I know it is presented in the very best of faith and from the best of motives, but I should like to make two comments. First, I am very anxious that a quorum of Senators, if possible all Senators, be present to hear the address of my distinguished colleague, the junior Senator from Missouri. In the second place, I think it is a decidedly bad practice that has grown up in the Senate, of a quorum call being instituted, and those of us who come to the Senate in order to respond to our names, possibly inconveniencing ourselves, perhaps interrupting other business, finding after we arrive that there is a failure to proceed with the quorum call. For these two reasons, Mr. President, I most respectfully object.

The PRESIDENT pro tempore. Objection is heard. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. AIKEN, Mr. ANDERSON, Mr. BENTON, Mr. BRICKER, Mr. BRIDGES, Mr. BUTLER, Mr. CAPEHART, Mr. CONNALLY, Mr. EASTLAND, Mr. ELLENDER, Mr. FLANDERS, Mr. FREAR, Mr. FULBRIGHT, Mr. GEORGE, Mr. GILLETTE, Mr. GURNEY, Mr. HAYDEN, Mr. HENDRICKSON, Mr. HILL, Mr. HOEY, Mr. IVES, Mr. JOHNSTON of South Carolina, Mr. KEFAUVER, Mr. KILGORE, Mr. LANGER, Mr. LEAHY, Mr. LUCAS, Mr. MAYBANK, Mr. MCCARRAN, Mr. MCCARTHY, Mr. MCFARLAND, Mr. MCMAHON, Mr. MORSE, Mr. MUNDT, Mr. MYERS, Mr. NEELY, Mr. O'CONOR, Mr. O'MAHONEY, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. TAFT, Mr. TAYLOR, Mr. THOMAS of Oklahoma, Mr. THOMAS of Utah, Mr. TYDINGS, Mr. WILEY, Mr. WILLIAMS, and Mr. WITHERS answered to their names when called.

The PRESIDENT pro tempore. A quorum is present.

The Senator from Missouri may proceed.

DARKEST PAGE IN KANSAS CITY'S HISTORY

Mr. KEM. Mr. President, thus spoke the prophet Ezekiel 600 years before Christ:

> The land is filled with blood, and the city is filled with perverseness.

Mr. President, I speak not in anger. I speak in sorrow. Today the words of the prophet may be applied to our beloved country, and with a truth and an accuracy which I solemnly deplore, to Kansas City, Mo., my home, and the home of my family for many years.

The wave of crime that is sweeping through many of the cities of the Nation is a cause for alarm. Our churches are aroused. Families are frightened—and for good cause. Members of the United States Senate have expressed grave concern. In Kansas City, Mo., 21 murders have gone unsolved, and their perpetrators unpunished—all in the past 3 years.

By reason of their number, their frequency, and their enormity, surely these crimes, Mr. President, have not become innocent and even respectable.

Mr. MARTIN. Mr. President, will the Senator yield for a question?

Mr. KEM. Mr. President, I prefer to yield at the conclusion of my prepared remarks. I shall be glad to yield to my good friend from Pennsylvania, and I invite his inquiries at that time.

Mr. MARTIN. I simply wanted to verify the statement as to the number of unsolved crimes.

Mr. KEM. The statement I made, Mr. President, was that 21 murders have gone unsolved in Kansas City, Mo., in the past 3 years.

It has been said the greatest incitement to crime is the hope of escaping punishment. If this is so, the record shows that there has been plenty of incitement to crime in Kansas City during the past 3 years. The hope of escaping punishment has become a practical certainty.

In the catalog of wrongdoing in my home city, one crime stands out in its dreadful implications. This evil thing breeds other crimes galore. It is a starting point. Its portents for the future challenge our attention.

THE THEFT OF THE BALLOTS

In the primary election of 1946, President Truman undertook to purge the Democratic Representative then representing the Fifth Congressional District, the Honorable Roger C. Slaughter. The purge was successful according to the returns as reported. The defeat of Mr. Slaughter in the primary was accomplished. The Pendergast machine delivered solidly for the Truman-Pendergast backed candidate, Enos Axtell. It then developed that the defeat of Mr. Slaughter in the Democratic primary had been brought about through widespread vote frauds. The ballots were not counted as cast. For these crimes against society, 71 persons were indicted by the county grand jury. The ballots, the evidence in these cases, were then impounded in the office of the board of election commissioners. On the night of May 27, 1947, the safe containing this evidence was blown open. The evidence was hauled away, never to be seen again. The theft of the ballots on May 27, 1947, has been called the darkest page in Kansas City's history.

On Tuesday, April 4, last, I wrote to the Attorney General of the United States a letter asking him to be good enough to advise me what progress was being made in the investigation of the theft of the ballots. Yesterday I received from the Attorney General a letter which reads as follows. The letter is addressed to me.

APRIL 10, 1950.

MY DEAR SENATOR: This is in reply to your letter of April 4, 1950, requesting information as to the status of the investigation of the theft of certain ballots cast in the 1946 primary election in Kansas City, Mo., which were taken in May 1947 from a vault in the Jackson County courthouse where they were being held in the custody of State officials.

As you know, the general subject of this primary election was intensively investigated by the Federal Bureau of Investigation. From the standpoint of time, money, and manpower expended, it was an extremely large-scale investigation. It included an exhaustive inquiry into the ballot theft even though Federal jurisdiction over such a taking from State custody was doubtful.

The Government was unsuccessful, despite its concentrated efforts, in establishing the identity of those implicated in the theft of the ballots. The investigation of the Federal Bureau of Investigation, however, has at all times remained on an active basis and is still continuing. In the event that evidence establishing the commission of a Federal offense by any individuals is obtained, you may be assured that the Department will take immediate and appropriate action.

I can advise you that the Federal Bureau of Investigation was given complete authority to conduct a full investigation in this matter.

Sincerely,

J. HOWARD MCGRATH,
Attorney General.

Mr. President, on Wednesday, April 5—the day following my letter to the Attorney General—I made a public statement. In the evening of the same day Charles Binaggio, dominant figure in Kansas City politics, and his companion, Charles Gargotta, were found dead in the First Ward Democratic Club with bullets through their heads.

Both Binaggio and Gargotta were formerly allied with the Pendergast machine. More recently Binaggio has operated his own political organization in opposition to that of Pendergast. However, in 1946, at the time of the Slaughter-Axtell primary election, Binaggio and Gargotta were part and parcel of the Pendergast organization. In the primary election of 1946 the so-called Binaggio wards delivered heavy majorities for the Truman-Pendergast backed candidate.

It is true that every unpunished murder takes away something from the security of every man's life. Then, surely, every conspiracy to deprive a fellow citizen of the right to vote takes away something from the security of the Republic.

On February 13, 1950, the Honorable J. Howard McGrath, Attorney General of the United States, in a speech to the Federal district attorneys said:

We hold one of the most sacred rights to be the right to vote according to one's convictions, and the corresponding right is the fair and honest counting of these votes.

I have nothing but utter contempt for a man who accepts a public office stolen at the ballot box.

Communism cannot survive where honest elections exist not only in this country but in any country.

I believe that every Member of the Senate will concur in this ringing declaration.

The theft of the ballots is a crime that strikes at the very foundation of law and order. It challenges the security of our way of life. Is this crime to go unwhipped of justice? Is it to go to the file marked unsolved?

On May 27 the statute of limitations will bar prosecution by the United States for this crime. After that date the President of the United States, the Attorney General, and the Department of Justice will be powerless to act. Do they wish this final date to transpire with nothing whatever accomplished by then?

It is an act of outrageous violence which strikes at the very roots of our free institutions. Why should it go unpunished?

CONDITIONS UNDER WHICH THE BALLOTS WERE STOLEN

Mr. President, you will recall that Emerson once said:

Commit a crime, and it seems as if a coat of snow fell on the ground, such as reveals in the woods the track of every partridge and fox and squirrel and mole.

Have conditions in America changed so greatly since Emerson's time that all the trained investigators of the Government, with the benefit of modern, scientific equipment, cannot discover the perpetrators of a crime committed under the unusual circumstances which I am about to relate?

Mr. President, the conditions under which the ballots constituting the evidence were stolen in Kansas City on May 27, 1947, are as follows:

First. A safe was blown open in a courthouse located in the downtown area of a large city.

Second. In that same courthouse was located the office of the sheriff, where a deputy is presumably on duty at all times.

Third. That courthouse was located across the street from the city police department.

Fourth. The sizable number of ballots stolen necessitated the use of a truck or some other large conveyance.

Fifth. The President of the United States was sleeping only five blocks away, and it is reasonable to assume that the downtown area was covered by the Secret Service.

Sixth. A large number of individuals, many of them members of the Pendergast machine with which the President of the United States is affiliated, were involved in the evidence that was carted away.

Mr. President, is this a perfect crime? If so, why?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KEM. I prefer not to yield until I conclude my remarks. At that time I shall invite the inquiries of the very able Senator from Michigan.

AN ALLIANCE OF POLITICS AND CRIME

Mr. President, if there is chicken stealing in a community beyond endurance, the people do not try to put a guard on every hen house. They do the simple thing: They hunt out the den of the fox.

The fox's den in Kansas City is an indescribably corrupt political system. It is an unholy alliance, a wicked combination of politics and crime.

In 1936, a similar situation existed in Kansas City. In the office of the United States district attorney there happened to be an honest, resolute, courageous man. His name was Maurice M. Milligan. He decided to do something for Kansas City. He decided to clean up the corrupt political situation. He was given the green light by the President of the United States, the late Franklin D. Roosevelt. Attorney General Frank Murphy encouraged him. The Attorney General promised to him and delivered to him real cooperation. As a result, some 250 members of the Pendergast machine were convicted and were committed to penitentiaries, jails, and houses of correction throughout the land. Tom Pendergast, the big boss, entered the Leavenworth Penitentiary.

When the ballots were stolen in 1947 with impunity, this was widely interpreted as evidence of the development of a new efficient, working partnership

between crime and politics. The spectacular success of this major assault upon the rights of the people provided an incentive for more and more crime. Since the theft of the ballots in 1947, the crime wave in Kansas City has gained steadily. As has been said, 21 murders in the last 3 years are still unsolved. The recent bloody killing of Binaggio and Gargotta are not to be considered as an isolated crime. They are merely the most recent manifestation of the close liaison between politics and the underworld in Kansas City. The Federal authorities have been flouted. At the time they were killed, Binaggio and Gargotta were both under subpena before a Federal grand jury. They had testified and were under subpena to testify again. They were the latest addition to a group of five persons under subpena of a Federal grand jury to meet violent death in Kansas City within the last 6 months. It is little wonder that we are told that respect and confidence of the people for the laws of the United States have dropped to an all-time low.

The present crime wave in Kansas City can be stopped. It is no different from its predecessor. It is due to the same obnoxious cause, the same mixture of politics and crime. The situation can be righted again, and in the same way.

The question is, Does the President, does the Attorney General, does the district attorney want the present situation in Kansas City to continue?

The theft of the ballots is a key case. Surely if an adequate effort is made, the perpetrators of this foul crime can be brought to justice. The performance of the Government in this key case will be considered as an indication of the willingness of the Truman administration to come to grips with the deplorable situation existing in Kansas City. It will show whether it is willing to hew to the line and let the chips fall where they may.

In accordance with the separation of powers created by the Constitution, the Congress has no power to enforce the laws of the United States. That is the duty and the responsibility of the President.

The people of the United States have a right to expect that the laws of the United States will be enforced, without fear or favor, in every part of the United States. Obviously this is not being done.

I may suggest to my fellow Members of the Senate that what has happened in my own city of Kansas City may, and can, happen in theirs. The blood-bath which Kansas City is now being forced to endure may spread to other cities, if indeed it has not already done so.

If the President, the Attorney General, and the district attorney really mean business, let them get busy and bring about the return of indictments in the theft of the ballots. Let them act before their power to do so is taken from them by limitations. By their works, and not by their words, we shall know them.

Mr. MARTIN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. KEM. I am glad to yield to my friend from Pennsylvania.

Mr. MARTIN. The Senator mentioned the theft of ballots. I should like to preface my question with a brief statement. The statement the Senator makes about the unsolved murders in Kansas City presents an appalling situation, a situation which is a disgrace to the United States. But I should like to ask the distinguished Senator from Missouri whether the ballot thefts have been solved.

Mr. KEM. I have read into the RECORD a letter from the Attorney General of the United States, written to me under date of April 10, 1950, in which he says the Government, despite its concentrated efforts, has been unsuccessful in establishing the identity of those implicated in the theft of the ballots.

Mr. MARTIN. Mr. President, will the Senator yield for a further question?

Mr. KEM. I am glad to yield.

Mr. MARTIN. The unsolved murders, as I stated a moment ago, are appalling, but the theft of ballots, under the circumstances, to me seems to be much more dangerous than even the murders. The Republic of America depends upon clean and fair elections. We have noted in the press within the past few days reports of elections in Europe in which men were elected almost by unanimous vote. That is dictatorship. But if we cannot have fair elections in America, it seems to me almost to mark the end of the Republic. While the distinguished Senator from Missouri and all other Members of the Congress of the United States are not charged with the enforcement of the law, does it not seem to the Senator, nevertheless, that we have an obligation to the Republic to start an investigation to ferret out the perpetrators of the ballot thefts, and likewise to ferret out the dishonest and awful things concerning the election?

Mr. KEM. I agree with the distinguished Senator from Pennsylvania. But I think the responsibility is primarily that of the President of the United States. As Chief Magistrate of the Nation, he is charged with the duty of enforcing the laws of the United States throughout the land. He is equipped with a great Department of Justice and with a very large and able Bureau of Investigation. I have outlined the conditions under which the crime occurred, and it seems to me that under those circumstances it should be possible to bring to justice the persons responsible.

Mr. McFARLAND and Mr. KNOWLAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Missouri yield; and if so, to whom?

Mr. KEM. I yield first to the Senator from California.

Mr. KNOWLAND. I should like to ask the able Senator from Missouri one question. He has mentioned the work which had been done by the former United States attorney, Milligan by name, I believe. In view of the outstanding record made by the United States attorney, who conducted the prosecutions under the circumstances outlined by the Senator, can the Senator advise the Senate whether Mr. Milligan was commended for his work and promoted, whether the United States attorney is still functioning in the Government, and whether he was reappointed at the expiration of his term?

Mr. KEM. When his first term expired, his reappointment was opposed on the floor of the United States Senate by Mr. Truman, then a Senator from Missouri, now the President of the United States. Senator Truman's opposition to the reappointment of Mr. Milligan on that occasion was unsuccessful. Notwithstanding the opposition of Senator Truman, President Roosevelt reappointed Mr. Milligan for a second term. I am told that when his second term expired, he was a candidate for reappointment. At that time Mr. Truman had become Vice President of the United States. Mr. Milligan was not reappointed. He is now in private life.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. McFARLAND. I should like to ask the Senator if the crimes about which he has been speaking are violations of the State laws of Missouri.

Mr. KEM. I think they are. Many of them are also violations of the laws of the United States. Here in the Senate of the United States we are primarily concerned with the carrying out of the laws of the United States.

Mr. McFARLAND. Have the State law enforcement agencies of the Senator's State broken down?

Mr. KEM. I shall read to the Senator a news report appearing in the Kansas City Star of April 6, 1950, which reads as follows:

> Gov. Forrest Smith today called on four law-enforcement agencies to end gang killings in Kansas City.
>
> The Governor issued his statement as a result of the slayings of Charles Binaggio and Charles Gargotta in that city early today.
>
> The Governor sent telegrams to J. L. Milligan, president of the Kansas City Police Force, and to L. B. Boardman, special agent in charge of the FBI in Kansas City.
>
> He also ordered Col. Davis Harrison, head of the highway patrol, to Kansas City, to take direct personal charge of the case under his, the Governor's direction.
>
> In addition, he said he would ask, J. E. Taylor, attorney general, to assist in whatever way is necessary. Taylor said he would drive to Kansas City this afternoon.

Then the dispatch contains this significant statement:

> (The Governor took identical action a year ago last month when Wolf Rimann was slain. Nothing happened.)

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KEM. I want to answer the distinguished Senator from Arizona in a little more detail. The Senator may perhaps be interested in the fact that on the day after the murders the following Associated Press dispatch came from Jefferson City, the capital of the State of Missouri:

> JEFFERSON CITY, April 6.—J. E. Taylor, attorney general, today called Gov. Forrest Smith a "damn liar."

It came about this way:

At his morning press conference, the Governor said he had not been able to get in touch with the attorney general regarding the slaying in Kansas City of Charles Binaggio and Charles Gargotta.

Taylor, discussing with newsmen the Governor's remark about his availability, said:

"He's a damn liar, and you can quote me.

"I've been available since 7 a. m. this morning. I've been talking to my assistants, and the Governor could have reached me, too."

His remark was made after the Governor had sent a letter by messenger asking him to assist in the slaying investigation.

In a later dispatch in the Kansas City Star it is said:

J. E. Taylor, attorney general, issued a statement here last night to clarify a remark he made yesterday in Jefferson City regarding his availability when Gov. Forrest Smith sought to get in touch with him in connection with the slaying of Charles Binaggio and Charles Gargotta.

Taylor was quoted as calling the Governor a "damn liar." This had been misconstrued as referring to the Governor, he said, when in reality he had meant the report that he had not been available. The attorney general's statement last night:

"The Associated Press carried a story today (Thursday) quoting me as calling the Governor a 'damn liar.' This is not true. A newspaper correspondent told me that Governor Smith stated at his morning press conference that he had been trying to reach me all morning, but that I was not available.

"I made the unfortunate statement that that was a 'damn lie,' as I had been working and available since 7 o'clock in the morning. I later learned the Governor did not make the statement, but merely said he had not yet reached me. I regret the incident greatly."

Taylor said he also telegraphed Governor Smith this apology:

"Story in newspapers is not true. I am giving statement to newspapers to correct story. I sincerely regret this statement."

In other words, to be fair, the attorney general now says his statement was that it was a damned lie and that he did not say the Governor was a damned liar. [Laughter.]

Mr. McFARLAND. I am not particularly interested in what newspapers may report or editorialize about the crime situation in the State of the distinguished Senator. I am, however, interested in hearing the actual facts about crime in Missouri. The police powers are vested in the States by the Constitution of the United States, and the law-enforcement officials are elected by the States and the responsibility for executing the laws within the States is vested in them. I should like to know whether the distinguished Senator from Missouri is of the opinion that the laws of his State have been broken because of the lack of local enforcement?

Mr. KEM. Let me read to the Senator several——

Mr. McFARLAND. I would much rather have the Senator's opinion, if he will give it to the Senate.

Mr. KEM. I have not been in my native State for several months. I can quote to the Senator statements made by distinguished citizens who have been on the ground.

Mr. McFARLAND. I am not interested in reports of others. I should like very much to have the Senator answer my question. The Senator can read whatever he cares to, of course——

Mr. KEM. I shall. Whether the Senator from Arizona is interested or not, perhaps some other Senators may be interested.

Mr. McFARLAND. That may be; but I should appreciate it if the Senator would answer my question.

Mr. KEM. I should like to read what a noted rabbi, who is a great civic as well as religious leader in Kansas City, had to say a few days ago:

Dr. Samuel S. Mayerberg, rabbi of Congregation B'nai Jehudah, last night bitterly protested the laxity which has allowed Kansas City to be open to the shame of the Nation for its gambling and gangster affairs.

In an unscheduled talk just prior to the close of a youth service on the final night of Passover, the rabbi laid the blame at the door of the Governor. Scheduled to give the final prayer, Rabbi Mayerberg said:

"I cannot invoke a blessing for this festival of freedom for which the message is 'No freedom without law, without moral law,' without a comment on certain conditions."

THE LAW NOT UPHELD

"I feel it imperative to say an unmistakable word against violations of law. This week our community again was besmirched by those who turn liberty to license without law.

"We protest conditions allowing that, and the immunity which permits such gangster acts. Throughout the country and the world headlines proclaimed another story of the shame of Kansas City.

"We should say the shame of Jackson County, or more the shame of the State, because the law-enforcement agencies of Kansas City are governed by the State.

"If our courageous and nonpartisan city government had that authority, I believe it would not be a city in which such things could occur.

"I question the Governor, who in the face of this crime turned to the Federal Government, the attorney general, and the sheriff and demanded those who perpetrated it be caught and punished.

"It is too late after the crime. The Governor should before the crime keep the community free of such conditions."

Dr. Mayerberg commented that there has been one series of such crimes after another.

ACCUSES POLICE BOARD

"We should say to the police commissioners, 'You are at fault,'" he charged. "We want to know of the Governor who is tying the hands of the police chief so he cannot clean out his police force.

"Why is that denied and why are conditions allowed to exist that permit men to inform gamblers and gangsters when a raid is to be made?

"Then, too, there are officials of the county. What have they been doing? How can they answer questions when they cannot stop the theft of ballots in their own building?

"We challenge the officials of the county and State to make Kansas City a safe place for freedom. We call on them to break this alliance between forces of law and the underworld, to eradicate from the proud name of this community a blemish."

Youth members of the congregation were in charge of the religious service which preceded Dr. Mayerberg's charges.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. KEM. I should prefer to continue answering the very pertinent question of the distinguished Senator from Arizona.

Of course there is a primary obligation on the part of State authorities to enforce the laws of the States, but there is a corresponding, complementary, and supplementary obligation on the part of the President of the United States to enforce the laws of the United States.

Mr. McFARLAND. Mr. President, will the Senator further yield?

Mr. KEM. In a moment. On several occasions, when crimes have occurred, officials of the Department of Justice have been very coy about moving in on the situation. They have stated in no uncertain terms that there was no Federal jurisdiction. That occurred at the time of the vote frauds in 1946. The Attorney General was called before a committee presided over by the distinguished Senator from Michigan [Mr. FERGUSON], when the letter he had written to the FBI ordering that agency to make only a limited investigation was produced, notwithstanding the fact that the then Attorney General of the United States had stated that a full and complete investigation had been made. When that occurred, the then Attorney General announced that the Federal Government would pursue the matter and would enter the case, I think he said. As a result, we subsequently saw a special assistant to the Attorney General of the United States arguing in court that there was Federal jurisdiction, against the contention of the same vote-fraud defendants that there was no Federal jurisdiction.

The United States district court held that there was Federal jurisdiction in those cases. The case of two of the convicted defendants was appealed to the Circuit Court of Appeals for the Eighth Circuit. That court disposed of the matter very promptly and in no uncertain language. It held that the right to vote at a Missouri primary election for nomination of candidates for Congress, and to have such votes counted as cast, was secured by the Constitution within the criminal code, penalizing a conspiracy to injure any citizen in the free exercise of his rights.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. KEM. Not yet, if the Senator will bear with me. The conviction of these vote-fraud defendants was affirmed. While the Attorney General of the United States was before the Ferguson committee, a telegram was brought into the committee room announcing that the ballots, the principal evidence in the vote-fraud cases, had been stolen. It stated that the safe in the office of the board of election commissioners had been broken open and the ballots had been stolen. Following that dramatic episode, the Attorney General of the United States announced that a full and complete investigation would be made by the United States of the theft of the ballots involving the election of a Member of Congress of the United States.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. KEM. Not yet, please. Following that development, the FBI did make an investigation, and I have just read into the RECORD a recent letter from the present Attorney General of the United States to the effect that the investigation has been very detailed, and giving me,

and through me the Senate and the country at large, the assurance that in the event evidence establishing the commission of a Federal offense by any individual is obtained, "you may be assured the Department will take immediate and prompt action."

Mr. President, so much for the theft of the ballots. I should like to answer the Senator's question with reference to the case of the killings of Charles Binaggio and Charles Gargotta.

Mr. McFARLAND. Mr. President, will the Senator yield before he gets to that question?

Mr. KEM. No; not yet, please.

I have before me a press dispatch from Key West, Fla., where the President of the United States was sojourning until recently. It makes some reference to the subject. I quote from an article which appeared in the Kansas City Star as a dispatch from Washington, dated April 7. It reads in part as follows:

> In the seclusion of his Florida retreat, the President today side-stepped the Binaggio-Garotta killings by instructing a spokesman to say he had no concern in the case, that he was not in any way associated with Binaggio.

Let me state a portion again, Mr. President: He instructed "a spokesman to say that he had no concern in the case, that he was not in any way associated with Binaggio."

Is the inference to be drawn that the President would be interested only in the event that the person who was killed was his friend?

Let us see whether or not a Federal offense was committed in the slaying of Binaggio and Gargotta. As I have said, they were slain in the interval between two appearances as witnesses before a grand jury of the United States district court. They both had testified, and they were still under subpena. They were excused and told to come back to give further testimony. Their death occurred in the interval. I suppose there is no lawyer who would think that the Government of the United States did not have a right to protect the safety and person of witnesses before a grand jury in a United States district court. If his legal instinct led him to that conclusion, he would be exactly right, because the matter is covered by statute.

I read from section 1503 of the United States Code, 1946 edition, supplement 3, chapter 73, under title 18, entitled, "Crimes and Criminal Procedure":

> Influencing or injuring officer, juror, or witness generally.
>
> Whoever corruptly, or by threats or force, or by any threatening letter or communication, endeavors to influence, intimidate, or impede any witness, in any court of the United States or before any United States commissioner or other committing magistrate, or any grand or petit juror, or officer in or of any court of the United States, or officer who may be serving at any examination or other proceeding before any United States commissioner or other committing magistrate, in the discharge of his duty, or injures any party or witness in his person or property on account of his attending or having attended such court or examination before such officer, commissioner, or other committing magistrate, or on account of his testifying or having testified to any matter pending therein, or injures any such grand or petit juror in his person or property on account of any verdict or indictment assented to by him, or on account of his being or having been such juror, or injures any such officer, commissioner, or other committing magistrate in his person or property on account of the performance of his official duties, or corruptly or by threats or force, or by any threatening letter or communication, influences, obstructs, or impedes, or endeavors to influence, obstruct, or impede, the due administration of justice, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

I think the Senator from Arizona will agree with me that a witness who is killed is impeded. [Laughter.]

Mr. McFARLAND. Will the Senator yield?

Mr. KEM. Yes.

Mr. McFARLAND. I should like to say to the distinguished Senator from Missouri that I have never convicted anyone on the basis of second-hand evidence such as may be found in newspaper stories. I do not know why the citizens in the Senator's State were killed. I have no evidence before me. On the basis of newspaper reports I would not want to say that they were killed because they were witnesses before a grand jury. But I do know that murder is an intrastate crime and that prosecution for murder lies with local enforcement officials. I cannot understand how it can be argued in law that Federal officials should step in, usurp the police powers of the State, and prosecute homicide. A Federal grand jury, the distinguished Senator himself says, is at this very moment sitting and I presume studying violations that may come properly within the purview of Federal powers.

Mr. KEM. Did the Senator——

Mr. McFARLAND. May I complete my statement?

Mr. KEM. May I interject a remark? The Senator may speak on his own time. I should like to be heard to say that I have failed to make myself clear if the Senator understood me to say that I thought Binaggio and Gargotta were killed because they were witnesses. I do not know whether they were killed for that reason, or for some other reason. I said they were killed when they were under subpena as witnesses before a grand jury.

Mr. McFARLAND. The distinguished Senator will admit that that does not prove the reason for their being killed?

Mr. KEM. Certainly not. The reason they were killed is not a necessary jurisdictional fact.

Mr. McFARLAND. The point that I should like to make is that the Senator has freely admitted that his own State laws were violated. Perhaps Federal laws have been violated, too. I do not know. A Federal grand jury is studying that problem. The distinguished Senator from Missouri has not said anything about law enforcement in his State. If the distinguished Senator will say to the Senate of the United States—and this was the reason for my question—that the enforcement of laws in his State has broken down to the point that the State is unable to handle the police power given to them under the Constitution of the United States, it may be time that the Federal law-enforcement officials be asked to aid. However, until the Senator does tell us clearly and unequivocally that State law enforcement has broken down I am inclined to think that there might be just a little bit of politics in his speech.

Mr. CAIN. Mr. President, will the Senator yield,

Mr. KEM. No, sir, not just yet; I prefer to answer the Senator from Arizona more fully. The Senator has been, let us say, unkind enough to suggest that there is some politics in what the Senator from Missouri has had to say. Let me say to the Senator from Arizona, and to the Senate, that if there is politics in insisting that ballots in an election be counted as they are cast, the Senator from Missouri has been guilty of politics. However, let me say further to the Senator from Arizona that, notwithstanding his animadversion, I do not recant a single word I have said.

Mr. CAIN and Mr. DONNELL addressed the Chair.

The PRESIDENT pro tempore. Does the Senator yield; if so, to whom?

Mr. KEM. I yield first to the Senator from Washington.

Mr. CAIN. I thought I understood the distinguished Senator from Missouri earlier in the afternoon to say that Gov. Forrest Smith, of Missouri, has recently, in connection with these two murders, requested assistance from the Federal Bureau of Investigation. I wonder if my understanding of what the Senator said was correct.

Mr. KEM. I do not recall.

Mr. CAIN. I thought the Senator from Missouri said that among those law enforcement agencies written to, or from whom help was sought, was the Federal Bureau of Investigation.

Mr. KEM. The Senator from Washington is probably correct. I notice in the dispatch from Jefferson City, under date of April 6, from the Kansas City Star, from which I read, it is said:

> The Governor sent telegrams * * * to L. V. Boardman, special agent in charge of the FBI in Kansas City.

So I assume from that we may conclude that the Governor did request the assistance of the FBI.

Mr. CAIN. It comes to my mind, because of a comment made by the distinguished Senator from Arizona a few minutes ago, to inquire of the Senator what are the politics of the present Governor of Missouri? Is he a Republican or a Democrat?

Mr. KEM. The present Governor of Missouri is a Democrat.

Mr. CAIN. The present Governor of Missouri, a Democrat—and we assume a conscientious, patriotic, loyal American—has thought it proper to request the Federal Government to give assistance to Kansas City in its hour of need, which, as I have understood up to this moment, is precisely what the distinguished Senator from Missouri has been urging before the Senate of the United States.

Mr. KEM. Exactly. I am sorry that the Senator from Arizona has seen fit to inject a political note into the discussion, because, Mr. President, when bullets

are flying, it does not make any difference whether one is a Democrat or a Republican.

Mr. DONNELL. Mr. President, will my colleague yield?

Mr. KEM. I am glad to yield to my colleague.

Mr. DONNELL. First, I commend most highly my distinguished colleague for his able, illuminating and challenging address. Some of his language recalls the ringing declaration of the late lamented Herbert S. Hadley, the first Republican Governor elected for 40 years in the State of Missouri, elected, as he was, in 1908. He said:

> Every voter, strong or weak, rich or poor, black or white, has the right to cast one ballot, and have that ballot counted as cast.

Mr. President, the Senator referred to one or two matters which cause me to ask him a question or two, if I may.

Mr. KEM. I am glad to yield.

Mr. DONNELL. The Senator referred to the unholy combination of politics and crime in Kansas City, and also stated his view that the crime wave can be stopped in Kansas City. I ask the Senator, Does he not think it strongly advisable that there shall be not only prompt, but thorough and searching, investigation by the Senate of whether organized crime utilizes the facilities of interstate commerce in furtherance of transactions which are in violation of the law of the United States or of the State in which the crimes occur.

Mr. KEM. I certainly do, and I think it is very timely for the Senate of the United States to direct its attention to such investigation. However, I feel that I should say that, regardless of the action the Senate takes, or of the action taken in either House of Congress, the President of the United States is not relieved of his sworn duty under the Constitution to enforce the laws of the United States throughout the United States.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. KEM. I am glad to yield.

Mr. DONNELL. I most unequivocally and thoroughly agree with the observations of the distinguished Senator.

I ask the Senator this further question: Does he know of any reason why the Committee on the Judiciary of the Senate of the United States should not be permitted promptly and vigorously and thoroughly to institute the searching investigation to which I have referred with respect to the utilization by organized crime of the facilities of interstate commerce?

Mr. KEM. I know of no reason.

Mr. DONNELL. Should the mere fact that such an investigation might involve Kansas City, or any other city of the United States, cause such investigation to be deferred?

Mr. KEM. I think not.

Mr. DONNELL. Has the Senator seen this afternoon's issue of the Evening Star, published in Washington, D. C.?

Mr. KEM. I have not had an opportunity to read it.

Mr. DONNELL. Will the Senator permit the insertion, at the conclusion of his remarks, and of all colloquies which may ensue with respect thereto, of an article by David Lawrence which appeared in this afternoon's Evening Star, entitled "Behind-Scene Moves Could Cause Political Crime Probe Scandal. Big City Machine Seen Trying To Delay Inquiry on Interstate Rackets"? One of the short paragraphs reads:

> The maneuvering in Congress as to what kind of investigating committee should be appointed, who shall sit on it and what its scope shall be looks very suspicious.

Will the Senator permit that insertion to be made?

Mr. KEM. I am very glad to consent. I think it will be a pertinent insertion.

The PRESIDENT pro tempore. Is there objection to the request? The Chair hears none, and it is so ordered. (See exhibit 1.)

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. KEM. I am glad to yield.

Mr. KEFAUVER. I wish to say to the Senator from Missouri that I highly applaud his statement of a few minutes ago that politics should not one way or another cut any figure in deciding on what should be done in connection with the crime conditions in Kansas City, or any other place in the United States, and I hope that all of us in the Senate can have a full agreement about that.

I also desire to say to the Senator that, while it would be entirely presumptuous for me to say anything about what any Senate committee might do, because no resolution has been adopted, and I do not know who the personnel of the committee would be, or what the program would be, so far as the junior Senator from Tennessee is concerned there are a number of cities in the United States where there are allegedly distressing situations. Certainly Kansas City is one of them, and in my opinion an investigation should be made as soon as possible of conditions in Kansas City, along, of course, with a number of other cities as to which there have been similar allegations. So far as I know, no Member of the Senate has expressed any different opinion about that. But I wanted to make my position clear in case I did have something to do with the committee which might be appointed.

I also desired to ask the distinguished Senator a question. I had understood that there was now in Kansas City, and had been for some time, one of the ablest men of the Department of Justice, who had been conducting a grand-jury investigation. I do not know the extent of the investigation or what has been accomplished, but I had understood that Max Goldschein had been helping with the problem in Kansas City. Is that correct?

Mr. KEM. I think that is true. I have not been in Kansas City since I came to Washington for the opening of the present session of Congress, but I have read in the newspapers that a grand jury was in session, and I think they referred to the fact that at the time of their deaths both Binaggio and Gargotta were under subpena to come before a grand jury. I take it that this is the grand jury to which the able Senator from Tennessee has referred.

Mr. KEFAUVER. As I said to the Senator, I do not know the number of Department of Justice agents who may be there, but I did understand that Max Goldschein had been spending a great deal of time in investigations and handling matters before the grand jury in Kansas City over a period of 2 or 3 years.

I wish to say, in deference to Mr. Goldschein, that he was special counsel for a subcommittee of the House Committee on the Judiciary which investigated a judicial racket, one of the most notorious ones the Nation has ever known, in Pennsylvania, which involved a Federal judge and a number of people connected with the courts, including lawyers. He did a very masterful job. I know he is a man of fine character and great determination, and I am certain that to whatever extent he has been working in Kansas City he has done the very best of which he was capable in getting at the roots of the problems he has been investigating.

Mr. KEM. I am certain of that. I am also certain that, as a lawyer of the Department of Justice, he has done what he was directed to do. Does the Senator know whether he was directed to investigate before the present grand jury in Kansas City the matter of the theft of the ballots in 1947?

Mr. KEFAUVER. I will say to the Senator from Missouri that I really do not know. I merely knew that he had been in charge of the grand jury in Kansas City off and on, I believe, for 2 or 2½ years. I had understood from the district attorney, Mr. Wear, I believe is his name, whom I saw when he was in Washington some time ago, that Mr. Goldschein and Mr. Wear together had been successful in obtaining several convictions for some violation of the Federal law. I have forgotten what it was. But I did want to say that in my opinion Mr. Goldschein is a very conscientious capable man, and I know he has been doing the best he could with whatever assignment he had.

Mr. KEM. I think that is true. At the time of the theft of the ballots, 71 men and women were indicted by the grand jury. The Department of Justice moved in on the situation after the ballots had been stolen. In other words, they deferred action until it was no longer possible to secure the principal evidence. Notwithstanding the absence of the important evidence, at least two convictions were secured. Appeals were taken from the United States district court to the Circuit Court of Appeals of the Eighth Circuit. The Senator from Tennessee, who is a distinguished lawyer, will be interested in the discussion of the question of Federal jurisdiction in those cases. They are reported under *Klein* v. *United States* and *Burke* v. *United States* (176 Fed. 2d series, 184).

Mr. KEFAUVER. Mr. President, will the Senator yield for one more question?

Mr. KEM. Yes.

Mr. KEFAUVER. I am not certain whether Mr. Goldschein has made a statement about the matter publicly, but I have heard somewhere that one difficulty has been the number of murders that had happened during the investi-

gations, and the inability to secure certain witnesses because of the fact that they would be liquidated or murdered shortly before the trials would come up. Does the Senator know whether that is so?

Mr. KEM. Yes; the Senator from Tennessee is quite right. Five witnesses before a United States grand jury have met a violent death in Kansas City in the past 6 months.

Mr. KEFAUVER. Yes; I had understood that was the case.

Mr. KEM. This raises the pertinent question: What steps has the Government taken to protect the person and the safety of the witnesses before the grand jury?

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KEM. I yield to the Senator from Michigan.

Mr. FERGUSON. The last answer would indicate then that in all these murders a Federal question was involved, and that therefore the murders are subject to the jurisdiction of Federal laws, particularly the section which provides for making it a crime to obstruct justice in a Federal court.

Mr. KEM. Will the Senator be good enough to define what he means by "all these murders"?

Mr. FERGUSON. I am speaking of the death of persons who were witnesses.

Mr. KEM. Yes, they were witnesses.

Mr. FERGUSON. I am talking about those who were witnesses.

Mr. KEM. Who met violent deaths.

Mr. FERGUSON. They were murdered to keep them from testifying, which seems to be the practice.

Mr. KEM. When I said five had met violent deaths I did not mean to say that all five had been murdered, because I do not assume that. I do not say that as to all of those who met violent deaths. Some cases may have been suicide.

Mr. FERGUSON. Were any of them murdered, in the opinion of the distinguished Senator from Missouri?

Mr. KEM. Yes, certainly. Gargotta was murdered. The bullets were put through his head.

Mr. FERGUSON. Binaggio was murdered.

Mr. KEM. Binaggio was murdered. The bullets were put through his head. There is no doubt about that. Furthermore, in the opinion of the junior Senator from Missouri there is no doubt about the Federal jurisdiction when they were witnesses before the grand jury in the interval between the two appearances. I do not believe there is a lawyer in the Senate who would not agree about that, notwithstanding the opinion expressed by the President of the United States that he was not concerned wih the killings.

Mr. FERGUSON. Of course, as Chief Executive Officer he and his law-enforcement agencies would be concerned, as a matter of law and policy, with any Federal crime.

Mr. KEM. The Senator from Michigan and the Senator from Missouri were both present when the President of the United States took a solemn oath to enforce the laws of the United States.

Mr. FERGUSON. Is there any question in the distinguished Senator's mind that the Federal Government would have jurisdiction to look into the last two killings to which the Senator has referred, to ascertain if there is any evidence that the two persons were killed in order to obstruct justice, that is, to interfere with the procedure of a Federal grand jury now sitting under the Kansas City court?

Mr. KEM. I should like to defer to the opinion of the distinguished Senator from Michigan. He came to the Senate after a distinguished career as a lawyer and judge in Michigan. Since he has been here I think he has been continuously a member of the Committee on the Judiciary. I have read to the Senate the statute with which I know the Senator from Michigan is already familiar. Is there any doubt in the mind of the Senator from Michigan that a Federal offense has been committed?

Mr. FERGUSON. There is no doubt in the mind of the Senator from Michigan that there is evidence, from what has been stated, that a Federal crime has been committed.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. McFARLAND. The Senator has stated that a grand jury is in session in Kansas City and that an able man is in charge of the grand jury. Has the Senator any evidence or any reason to believe that all possible evidence is not being presented to the grand jury?

Mr. KEM. The Senator from Missouri has been at some trouble to try to find out whether the present grand jury had inquired into the theft of the ballots on May 27, 1947. Of course, the proceedings of the grand jury are secret, I would not undertake to say.

Mr. McFARLAND. The Senator would not want to undertake to say at this time that there is not a grand jury in session and that no investigation is going on?

Mr. KEM. Obviously not. The Senator from Arizona might be in the confidence of the President of the United States and the Attorney General. Does the Senator from Arizona know what has happened?

Mr. McFARLAND. The Senator from Arizona is not in the law enforcement end of the Government. He is interested in laws being enforced. I would say to my distinguished friend from Missouri that obstructing justice is of course, a minor crime compared to murder. Murder, however, is a violation of State law. I say to my distinguished friend again, if his State enforcement officers have failed, and if local law enforcement has broken down, I think we may have to take some action. But until the Senator says that, I have no way of knowing what the facts are. I do not want to prejudge a matter on newspaper reports. I do not think we should try people on that basis.

Mr. KEM. I have risen in my place in the Senate of the United States to discuss the question whether the laws of the United States have been violated, and whether those guilty have been arrested. It will be another time and another day if I decide to discuss the crime situation with reference to the State laws of my own State. If the Senator is interested in that I might do it some time. I have given some few high lights from which the Senator can draw his own conclusions as to what the situation is.

Let me say, so that there will be no misunderstanding, that what I am interested in primarily today is the laws of the United States. It has to do with the violation of the laws of the United States. It has to do with the prosecution by the President of the United States. the Department of Justice, the district attorney, of those guilty of violating the laws of the United States. If the Senator from Arizona considers that I have unwittingly gotten into any other field, I shall be glad to have him correct what I have said.

Mr. McFARLAND. No; I was merely interested in the Senator's opinion as to whether the law-enforcement officers of his State were doing their duty, and whether the law-enforcement officers of his State were able to exercise properly the constitutional powers vested in them. It seems to me that is the real question at issue. If Missouri law-enforcement officials are handling their job, it is meaningless to talk of Federal enforcement being necessary, because so far all that we have been told about are violations of State laws, the enforcement of which lies directly with local and State officials.

Mr. KEM. I have not directed my attention to that today. I have, however, supplied the Senate with a few facts from which those who wish to do so may draw their own conclusions.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. STENNIS. Mr. President, the senior colleague of the distinguished Senator from Missouri who has been speaking has placed in the RECORD a portion of a recent editorial by David Lawrence.

Mr. DONNELL. Mr. President, if the Senator will yield, let me say that I had the entire editorial printed in the RECORD.

Mr. STENNIS. In any event, the editorial inferred that some effort had been made to supress or delay the investigation. In that connection, my attention was called to an editorial which appeared yesterday in one of the Washington newspapers. I have not read the editorial, but I understand that it was to the effect that the Senate Committee on Rules acted to reduce to $50,000 the amount available for the investigation and to set the date of termination of the investigation as July 31, 1950, and that those two facts were proof that there was an effort unreasonably to limit the investigation, both as to the time available for it and as to the amount of funds provided, to such an extent that it was proof that no investigation was desired.

So, Mr. President, I think it is pertinent to state for the RECORD the facts regarding how that matter was handled.

Mr. KEM. Mr. President, if it would be agreeable to the Senator from Mississippi. I should prefer to have him make

that statement in his own time. If the Senator from Mississippi will be kind enough to defer his statement until he has the floor in his own right, I would appreciate it.

Mr. STENNIS. I did not have the advantage of hearing all the speech the Senator from Missouri made, but from the part I have heard, I have understood that the inference which was sought to be drawn was that no genuine, full investigation was contemplated. Therefore, I thought it was pertinent to state the facts in that connection.

Mr. KEM. Mr. President, evidently I have failed to make myself clear. In my remarks I made no reference whatever to any of my colleagues in the Senate or to anything they are endeavoring to do. What I had to say was entirely confined to the enforcement of the laws of the United States by the executive branch of the Government. I think it may fairly be said that what I have said has been highly critical in that respect, but no reference has been made to the Senate or to any Member of the Senate.

Mr. STENNIS. I wished to make remarks more in the nature of a statement, rather than to ask a question.

Mr. KEM. Mr. President, if there are no other questions to be asked of me, I yield the floor.

EXHIBIT 1

[From the Washington Star, April 12, 1950]

BEHIND-SCENE MOVES COULD CAUSE POLITICAL CRIME PROBE SCANDAL—BIG CITY MACHINES SEEN TRYING TO DELAY INQUIRY ON INTERSTATE RACKETS

(By David Lawrence)

Strange things are happening behind the scenes in the Democratic Party in Congress which may have a bearing on what could prove to be the worst political scandal in a generation.

Who is trying to squelch the congressional investigation of gambling and interstate rackets? What are the Democratic machines in the big cities trying to do to limit the inquiry, to delay it, and possibly to frustrate a thorough investigation of the tie-up between party politics in America and the worst vice rings that this country has encountered since the black days of the prohibition era?

The maneuvering in Congress as to what kind of investigating committee should be appointed, who shall sit on it, and what its scope shall be looks very suspicious.

Why, for instance, has the Democratic Party, in a formal conference of its policy members, decided to violate the precedent which was established when the La Follette-Monroney law was passed specifying that, when investigations are voted, they must be conducted not by special committees but by the regular committees charged with drafting legislation developed by an inquiry?

POSITION REVERSED

For many months now the Democratic leaders in Congress have fought against special committees and argued that the regular committees must do the investigating. Now this position has been reversed. Ignoring the demands of the Senate Judiciary Committee, which logically should conduct the investigation of crime, a resolution has been decided on by the administration leaders which would limit the committee to only five members. Three of these would be Democrats. They would not necessarily be selected from the Judiciary Committee but would be appointed by Vice President BARKLEY, which means that the appointments are bound to be political.

The test will be what Republicans will be permitted to sit on the special committee if it is ever appointed—for it looks as if there is a concerted movement afoot to delay the inquiry's start so that it cannot gather much information prior to the congressional elections this autumn.

Why is it that, in a matter of crime and law violation, anybody in the Senate should try to fix so early a date as July 31 as the day on which the investigation must be concluded? What are the Democratic leaders afraid of? Do they fear that the investigation will probe too deeply into the big rackets in New York, Chicago, Kansas City, Los Angeles, and the major centers of crime in America today?

WHO IS BACK OF DRIVE?

It is well known on Capitol Hill that Senators DONNELL, of Missouri, and FERGUSON, of Michigan, Republicans, have been active on the Judiciary Committee and already know a lot about the rackets and underworld crimes. Why is such a determined effort being made to keep these two Senators off the special committee—and who is back of this drive?

It has been said that many hundreds of thousands of dollars of contributions from gambling interests went into the political campaign chests of both major parties in various States last year. Why shouldn't the country have a comprehensive inquiry on all this, letting the chips fall where they may?

The administration Democrats, of course, expect the Republicans to make political capital out of the crime wave. This, however, does not justify playing into the hands of the gamblers and the underworld syndicates whose boldness of control of city and county governments has reached a serious point in American life—and who want the investigation hamstrung.

The people in the States which are being victimized by the rackets are waiting to see what Congress does. If the Senate leaders try to kill off the investigation by selecting a hand-picked group who will not work at the job and who will not permit the informed Republicans in the Senate to have a voice in the work of investigation which must be done to expose the disgraceful power wielded by the racketeers, it will certainly prove the prize political blunder of all time for the Democrats.

DEFECTS OF AMERICAN FOREIGN POLICY

Mr. JENNER. Mr. President, on March 14 and on April 4, I read into the RECORD the facts of how America was being sold out on the international scene.

Every passing hour produces additional proof of how Secretary Acheson is continuing to double talk us ever deeper into Communist booby traps all over the world.

Again I charge, Mr. President, that the bipartisan foreign policy which the President now is trying to revive is a gigantic fraud, for it has become perfectly obvious that the President needs the bipartisan foreign policy, not to defeat the Communists, but to keep Republicans quiet.

As the consequences of our international schemes are uncovered, it becomes only too clear that the Marshall plan, the Truman doctrine, and the North Atlantic Pact have been nothing but propaganda fronts to cover up our sell-out in Asia.

The question, Mr. President, is whether the American people are to be forced to wait until it is too late, before they learn that the collapse in Asia has become a cover-up for their sell-out in Europe, as well.

On April 4, I brought to the attention of my colleagues proof of how imminent is such a grim prospect, and I demanded that the testimony of our High Commissioner in Germany, which was given to the Senate Appropriations Committee on March 10 in executive session, be made public. Mr. President, this testimony is still an administration secret; it is still withheld from the American people.

Yet, on last Friday, April 7, my distinguished colleague, the senior Senator from New Hampshire [Mr. BRIDGES], who is a member of the Appropriations Committee, sent to the chairman of the ECA "watchdog committee," the Senator from Nevada [Mr. MCCARRAN], a letter calling for an immediate investigation of what continues to go on in Germany.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, exhibit A, which contains that letter.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

EXHIBIT A

Text of a letter to United States Senator PAT MCCARRAN, Democrat, of Nevada, chairman of the ECA "watchdog committee," from United States Senator STYLES BRIDGES, Republican of New Hampshire, regarding American policy in Europe. This letter is released by Senator BRIDGES and it is self-explanatory:

UNITED STATES SENATE,
April 6, 1950.

The Honorable PAT MCCARRAN,
Chairman, Joint Committee on Foreign Economic Cooperation, Senate Office Building, Washington, D. C.

DEAR SENATOR: In March Mr. John J. McCloy testified before the Senate Committee on Appropriations in executive session in support of the State Department's 1951 budget request for administration in occupied territories. Although I was unable to be present at the time, I have read the testimony presented at that time.

I am disturbed by this testimony. I bring this matter to your attention to urge that you call a meeting of the ECA "watchdog committee" immediately to investigate its implications.

I want to present eight reasons why, in my opinion, these matters come clearly within the jurisdiction of the "watchdog committee" and why an investigation is imperative and urgent.

First. Although it is only 4 weeks since Mr. McCloy testified, during that time informed interpreters of international affairs such as William Henry Chamberlin, Walter Lippmann, Dorothy Thompson, Joseph Alsop, Anne O'Hare McCormick, and the United States News have become so alarmed over the deterioration of our position that the United States News of March 24 says no one expects the present German Government to last more than a few months. Dorothy Thompson warns of a new east-west agreement, in which Berlin will be given to the Russians.

Second. The indications of wanton destruction of Germany's industrial peacetime potential and attempts to excuse it are shocking. They constitute a complete repudiation of all the guarantees that have been given to us that this industrial potential would be allocated only for the purpose of assuring its maximum contribution to Europe's over-all economic recovery. I have seen some of the evidence, which does not conform to the information given to the

Appropriation Committee. Certainly the fact that General Robertson, British high commissioner, was forced to resign proves this senseless policy of destruction continues to go on, financed by the American taxpayers' dollars.

Third. I have been furnished an eyewitness account of how, in the Bergische-Stahlwerke in Remscheid, in the British zone, at this very moment, the British are loading machinery on railroad cars to be shipped behind the iron curtain; even into Albania, where the Russians have built their tremendous submarine base, that is such a threat to the Mediterranean.

Fourth. On January 26, 1950, Mr. McCloy told a Boston audience that the most serious economic problems in Germany were "growing unemployment, the influx of refugees from the East, and inadequate housing." Yet the information I have can lead only to the conclusion that Germany's economy is being paralyzed by British fear of competition, thus playing directly into the hands of the Communists. This economic paralysis is further aggravated by the efforts of the British to socialize the Ruhr coal and steel industries; by the limitations on synthetic oil and rubber industries which force the Germans to buy raw materials from British interests with the American taxpayers' dollars; by the new drive for decartelization which has so confused responsibilities both in ownership and control of German industry as to destroy incentive and confidence. Yet I am informed the directive to Mr. McCloy for carrying out this policy is, according to the State Department, "a classified document which has not been released."

Fifth. Germany, I am informed, is still denied fishing rights under the International Fishing Convention, and, meanwhile, we are continuing to pay out millions of dollars as we did last year to import whale and herring oil into Germany.

Sixth. Germany, I am informed, is denied the right to compete with the world's merchant marine being limited to ships of 12½ knots. Mr. McCloy has conceded that unless these shipping restrictions are removed, there will be a revival of communism in the great shipping ports of Hamburg and Bremen. Meanwhile, although the Germans could save the American taxpayers millions of dollars by operating their own merchant marine, this policy has been carried to the point where the British announced on March 17 that they were planning to blow up one of the largest dry docks in Hamburg harbor.

Seventh. On March 12 we learned that our Government interfered with new British-German trade talks because we were afraid that England was forcing Germany into the sterling bloc area. I have now been informed that although we are underwriting all the British deficits in their zone of occupation, neither the State Department nor the ECA know what the true value of British sterling is or how they keep their books.

Eighth. On March 16 I was informed of a development in the field of radio communications. It appears that last summer an international communications conference was held in Copenhagen. Since Germany is not a soverign state, her interests were not represented, even by our own State Department. As a result, wave lengths which had previously been used in western Germany were taken away and assigned to Russia and Soviet-controlled radio stations behind the iron curtain. We are spending millions of dollars under ECA and State Department appropriations to finance Voice of America activities, yet on March 24, 1950, the New York Times revealed that the Munich transmitter, which has been one of the most effective relay points for Voice of America programs to eastern Germany and central Europe, has been affected by the powerful Russian station in Riga, which was assigned the same frequency.

I am confident that you will be anxious for our committee to investigate this situation at the earliest possible moment.

Sincerely yours,

STYLES BRIDGES.

Mr. JENNER. Mr. President, the Senator from New Hampshire [Mr. BRIDGES] was shocked by Mr. McCloy's testimony, and the facts contained in his letter merely confirmed my charge that we are being sold out in Europe.

The Senator from Nevada [Mr. MCCARRAN] also was so disturbed that, according to the New York Times of April 8, he agreed to call the ECA watchdog committee into session immediately upon the reconvening of the House of Representatives, to launch a full-scale inquiry into this matter.

Mr. President, again I want to warn my colleagues in the Senate that the President's belated attempt to revive the bipartisan fraud is only another last-ditch effort to cover up the outrageous betrayals of American interests, principles, and security, which continue to underlie the basic policies we have pursued both in Asia and Europe.

Mr. President, I want to call the particular attention of the Members of the Senate Foreign Relations Committee to how I believe they have been and continue to be used as pawns by the master architect of our over-all foreign policy, Mr. Acheson.

Mr. Acheson has wiped his hands of the Asiatic debacle, about which the Senate Foreign Relations Committee has never been consulted.

As the senior Senator from New Jersey [Mr. SMITH], a member of the Foreign Relations Committee, lamented in a recent letter to Mr. Acheson, so far as our far-eastern policy is concerned—

> I felt like an unwelcome meddler in policies that had already been determined upon.

Furthermore, Mr. President, the Senate Foreign Relations Committee can take no credit for the one bright spot in our Foreign Relations in the Pacific, namely, Japan, for General MacArthur has fought Mr. Acheson to a showdown on every issue in which the State Department sought to undermine his prestige and his power and to sell the Japanese into the hands of the Communists, as well.

Mr. President, when those who have been selling us down the river tried to remove General MacArthur, and when General MacArthur fought back, who was it who slapped his face and told him he would take orders from the State Department? It was none other than Mr. Acheson.

Who was it, Mr. President, but the State Department who drafted the program for the destruction of Japan's industrial potential? Who was it who defied the State Department, and ordered the end of dismantling in Japan? It was General MacArthur.

Who was it who drafted the outrageous document, FEC-230, providing for the communization or socialization of Japan's economic life? It was none other than our own State Department.

Who was it who prevented the State Department from getting away with that outrage? It was General MacArthur.

Is it any wonder, Mr. President, that this document is still a classified secret?

Mr. President, who has fought to prevent the Communists from removing the Japanese Emperor and delivering him up as a war criminal, thus destroying the whole social and political fabric of Japan? It was General MacArthur.

However, Mr. President, so far as concerns the participation of the Senate Foreign Relations Committee in the formulation of our international hand-out programs in Europe, that committee has been unanimous in its support of Mr. Acheson's master-minding of what now is rapidly becoming a tragic debacle.

As proof, Mr. President, of how the Senate Foreign Relations Committee has been used to cover up the tragic betrayal of our vital interest and security, I want to call to the attention of the entire Senate and of the American people the following facts:

The record clearly shows, Mr. President, that the Senate Foreign Relations Committee supported every plea for unity with Russia so long as that outrageous propaganda was in political fashion.

We learned, to our dismay, how wrong we had been, when on April 15, 1946, Mr. Elmer Davis, head of the OWI, and the main pipe line for that vicious propaganda, admitted:

> A year or so ago, most of us supposed that Russian objectives were the same as ours; and extensive concessions were made to them on that hypothesis.
>
> We now seem to have been mistaken.

It is all the more tragic, Mr. President, that the record also shows that the Senate Foreign Relations Committee, almost without exception, has unanimously supported the so-called myth of our unity of purpose with the Allies, a unity which is supposed to have undergirded our international relations ever since the alleged break of the Western World with Russia.

At the heart of this new propaganda lies the administration's continued insistence that we share the identical aims and purposes of our so-called European allies toward Germany.

So, Mr. President, for 5 years we have been following the lead of a Senate Foreign Relations Committee in pouring out billions of dollars to carry out so-called recovery and defense programs in Europe, which we were told would lead to the integration of the economic, financial, political, and military affairs of the continent as a whole.

Yet, the record shows also that time and again we have been warned of what was happening in Germany. Time and again we have been confronted with mounting evidence of the insanity that was involved in our policies toward those vanquished people. Time and again irrefutable proof has been produced to show how our so-called peace-loving allies were using our billions, not to bring about the recovery and the reunification of Europe, but to divide and destroy it. Yet, every time these charges were made, these facts produced, and our demands for investigations presented, the leaders of our bipartisan foreign policy, the Senate Foreign Relations Committee,

echoed the prevailing propaganda line and postponed the day of reckoning. Again I say, nowhere is this more clearly revealed than in the case of Germany.

Mr. Dulles, who, by the way, was recently appointed again as an adviser, to assist in revising the bipartisan foreign policy, has admitted that the basic program advanced for the treatment of Germany was so outrageous that he knew of no other nation in history which had suggested "an act of comparable folly."

On December 19, 1947, when the Senator from New Hampshire [Mr. BRIDGES] tried to amend an appropriation bill that would prohibit payment to any personnel engaged in the senseless destruction of Germany's peacetime industrial potential, the Senator from Texas [Mr. CONNALLY] objected, although he hastened to assure the Senate:

I do not wish to see Germany destroyed. I do not wish to see her plants dismantled; I wish to see the German economy rebuilt, because the heart of European economic life centers right in Germany and in German industries.

And on the same day, the Senator from Michigan [Mr. VANDENBERG] strenuously objected to such an amendment because, as he said:

I was advised this morning, in response to a categorical inquiry that it is the policy of the Department of State from here out to make no further shipments of dismantled plants eastward and that if any shipments are made, they will be made to the West.

The Senator from Michigan also assured the Senate that this program of insane destruction would not threaten Germany's economic future, for, as he said:

The new level of industry which has been set up for Germany still leaves ample margin above and beyond the maximum peacetime German economy of the future.

It was 2½ years ago that the Senator from Michigan and the Senator from Texas took such a position. The record now clearly shows that they never have been more gravely mistaken in their lives, and that in spite of their professed desire to stop the shipment of arms to the east, to guarantee an adequate industrial potential of Germany's economic future and to preserve the alleged unity of purpose of our western allies, for the rebuilding of European economy, they have been lied to, doubletalked to, and completely duped by the master mind of our State Department policy.

In the first place, Germany's peacetime industrial potential continues to be dismantled and shipped behind the iron curtain, with Soviet satellites sitting as members of the Inter-Allied Reparations Agency in Brussels.

In the second place, the situation in Germany has deteriorated so fast that I want to place in the RECORD at this point in my remarks an article entitled "Western Crisis in Germany," contained in the foreign letter of the International Statistical Bureau of April 6, 1950.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JENNER. I should rather not yield at this time. I am trying to make a train.

Mr. LANGER. Reserving the right to object, I should much rather the distinguished Senator would read the article.

Mr. JENNER. I simply do not have the time. I am trying to make a train, and I have about five more minutes. I therefore ask that the article be inserted in the RECORD at this point, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EXHIBIT B

WESTERN CRISIS IN GERMANY

After having won the war, the United States is in serious danger of finally losing the peace in strategic Germany. This is a real danger, unless quick and drastic changes of conditions in Germany and of Germany's international status are made.

The following points, which confirm our former warning concerning the basic weakness of the western position in Germany, may give important clues concerning developments in central Europe in the near future.

1. Feelings of desperation and disillusionment are growing among all sectors of the western German population, not only among the unemployed and the 10,000,000 deportees, but also among the industrialists. The latter lack liquid funds with which to refinance their enterprises. They are profoundly disappointed about the barriers which have been erected against their entrance into the competitive markets of the west, about taxes which far exceed the tax burdens of their western competitors, and about the general prohibitions on production. They are eager to resume trade with the east, where the goods they make are in great demand.

2. Most Germans are well aware that American and British policies are not identical, and that rifts and rivalries are increasing. The British in the past have often followed independent aims and methods in their zone of occupation. But they did not challenge American policies in Germany openly. This is now beginning to take place. A well-informed observer, after a personal visit, advised us about a recent meeting with a high British military authority in Germany. The latter said frankly: "We British shall be able to make peace with Moscow and to agree with Moscow on German policies. It is only America that prevents us from coming to terms with Moscow."

3. An important symptom for the new political trend now appears in the western German economic press, which pays much attention to the future relationship to the United States on the one hand, and to Russia on the other hand. One of the most influential economic journals, Der Volkswirt (No. 5, 1950), writes:

"America cannot guarantee security to the Germans. It simply turned out to be a fact that the American policy conflicts with vital German interests. The Americans cannot return unity to the Germans or pave the way for the vital Austrian markets. The Germans must range themselves accordingly. They will do it. They are already doing it today. The Germans will have to insist that their only hope for security and the only chance of peace for the world relies on Germany to be the buffer state between the big powers instead of being a mere strategic area or frontier area or a satellite."

Unemployment in western Berlin—Number of unemployed (officially registered)

	Number	In percent of employees
June 1948 (cold war)	46,900	5.1
January 1949	129,700	14.2
June 1949	177,900	18.9
December 1949	278,700	28.2
January 1950	302,800	30.5

Mr. JENNER. In the third place, Mr. President, I want to bring home to my colleagues and to the American people, the warnings of Mr. John J. McCloy, himself, which followed immediately upon the heels of my own charges here in the United States Senate on April 4.

For, on the same day, according to a United Press dispatch from London, "Mr. McCloy called on western Europe to take western Germany into full partnership at once, and thus keep Russia from making all of Germany a satellite state tomorrow. Tomorrow may be too late."

The grim warning of Mr. McCloy's words makes an investigation by the ECA watchdog committee imperative, because this warning was not directed at eastern Germany; it was a belated admission that all the talk about the unity of purpose of our western allies toward the integration of Europe as a bulwark against communism has been the most frightful hypocrisy.

The urgency which confronts the ECA watchdog committee is further revealed by the fact that Mr. McCloy's testimony before the Senate Appropriations Committee, March 10, dealt with this crucial development. I have now learned, that his statements were so shocking, and constituted such an indictment of the way we continue to be bulldozed and blackmailed by our so-called western peace-loving allies in their treatment of western Germany, that he asked that this part of the testimony be stricken from the record.

As I have said before, this matter is so serious, I do not intend to let it rest, and I congratulate my distinguished colleagues, the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Nevada [Mr. MCCARRAN] for their announced determination to launch an exhaustive investigation that will put an end once and for all to the continued senseless sell-out of American vital interests both in Germany and in Europe.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Nebraska?

Mr. JENNER. I yield.

Mr. WHERRY. Does the Senator recall that in the last Congress a determined effort was made, through the offering of a resolution, to have a moratorium declared on all dismantling, until a review could be had, which if it had been done at that time, might have averted all the difficulty which the Senator so forcibly depicts this afternoon?

Mr. JENNER. Yes; I recall that.

Mr. WHERRY. Would the Senator object to my introducing at this point in his remarks a resolution which was presented in the last session? It will be found on page 14712 of the CONGRESSIONAL RECORD, volume 95, part 11, Eighty-first Congress.

Mr. JENNER. I have no objection. I think it should go into the RECORD.

Mr. WHERRY. If the Senator does not mind, I should like to read the resolution and ask the Senator if he does not think it should be made a part of his remarks. It reads as follows:

Whereas there is abundant evidence that the dismantling of manufacturing establishments in western Germany has exceeded prudent requirements for the prevention of rearmament of Germany; and

Whereas the economic and spiritual recovery of western Germany under a republican form of government is necessary in the interest of the industrial and agricultural recovery of all Europe; and

Whereas handicapping western Germany by the excessive dismantling of its industries and depriving it of the tools and establishments necessary for productivity is reflected in an additional tax burden upon the people of the United States for the support of German people deprived of their means of livelihood: Therefore be it

Resolved, That it is the sense of the Senate that the President should cause to be convened at the earliest convenient time, preferably before the beginning of the second session of the Eighty-first Congress, a conference among representatives of the United States of America, the United Kingdom, and France to review in the light of the declarations in this resolution the entire policy of dismantling German industrial establishments; and it is the further sense of the Senate that, pending completion of such conference and the official announcement of its findings, the President should request the Governments of the United Kingdom and France to join the United States of America in declaring a moratorium upon further dismantling, destruction, or removal of industrial establishments in the zones of Germany presently occupied by the United States of America, the United Kingdom, and France.

Does the Senator remember that resolution?

Mr. JENNER. I remember it very well.

Mr. WHERRY. The Senator was one of the cosponsors of it, was he not?

Mr. JENNER. That is correct.

Mr. WHERRY. Does the Senator recall that 44 Senators sponsored that resolution?

Mr. JENNER. I do.

Mr. WHERRY. Does the Senator recall a colloquy between the senior Senator from Texas and the junior Senator from Nebraska at the time the resolution was brought up on the floor of the Senate for consideration?

Mr. JENNER. I do.

Mr. WHERRY. Mr. President, I ask unanimous consent that at this point in the RECORD the debate appearing on pages 14712, 14713, 14714, and 14717 be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Mr. WHERRY. The resolution is a very simple one. Many Senators have expressed a desire that a review of the dismantling problem be had by the proper agency of our Government. In fact, on September 15 a group of Senators sent a memorandum to the Secretary of State which I shall read at this point into the RECORD:

WASHINGTON, D. C., *September 15, 1949.*

The Honorable DEAN ACHESON,
Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: We, the undersigned Senators of the United States, beg to call to your attention the fact that on August 5 of this year we approved by unanimous vote an amendment to the 1949 ECA appropriations bill, which would make available to the ECA Administrator a certain sum of money for carrying out a new review of the German plant dismantlings.

We think that in all good faith the British Government should have ceased its program of dismantling German industry until the matter could have been reexamined, as requested by the Congress of the United States. Instead, we understand that there has been an increase in the dismantlings in the British occupation zone of Germany, as well as an increasing amount of scrapping of valuable equipment.

The solution of the dismantling question is vital to our future commitments regarding the European recovery program. We respectfully urge you to use your good offices to induce the British Government to order an immediate cessation in their occupation zone of all dismantlings of German plants, including the so-called forbidden industries, until the question can be satisfactorily reexamined, and a report of the findings made available to this Government, including Congress.

Respectfully yours.

The signers of this petition number approximately 44, and include the Senator from New Hampshire [Mr. BRIDGES], the Senator from Missouri [Mr. KEM], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Minnesota [Mr. THYE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from South Carolina [Mr. MAYBANK], the Senator from Montana [Mr. ECTON], the Senator from North Dakota [Mr. YOUNG], the Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. JOHNSTON], the late Senator from Idaho [Mr. MILLER], the junior Senator from Nebraska [Mr. WHERRY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Indiana [Mr. CAPEHART], the Senator from Louisiana [Mr. ELLENDER], the Senator from Nebraska [Mr. BUTLER], the Senator from Indiana [Mr. JENNER], the Senator from North Dakota [Mr. LANGER], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Oregon [Mr. CORDON], the Senator from Georgia [Mr. RUSSELL], the Senator from Connecticut [Mr. MCMAHON], the Senator from Washington [Mr. CAIN], the Senator from Louisiana [Mr. LONG], the Senator from Ohio [Mr. TAFT], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Oklahoma [Mr. THOMAS], the Senator from Wisconsin [Mr. WILEY], the Senator from South Dakota [Mr. MUNDT], the Senator from Michigan [Mr. FERGUSON], the Senator from Tennessee [Mr. MCKELLAR], the Senator from New Hampshire [Mr. TOBEY], the Senator from Maine [Mrs. SMITH], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Illinois [Mr. DOUGLAS], the Senator from Nevada [Mr. MALONE], the Senator from Utah [Mr. WATKINS], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from South Dakota [Mr. GURNEY], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. GRAHAM], and the Senator from Kentucky [Mr. WITHERS].

Other Senators would like to have signed the petition if they had had an opportunity. The petition went to the Secretary of State some time after September 15. All in the world the petition does is to ask for a review of what has already been done, and request that a report be submitted to the Congress at the next session.

Mr. President, I do not care to detain the Senate any longer.

The resolution is a very simple one. I hope and pray that we can get, here on the floor of the Senate, a decision that there is need to have this review made promptly.

I should like to have the yeas and nays ordered on the motion to refer the resolution to the committee. I hope that motion is rejected because, if it is rejected, the resolution itself will be before the Senate, and then I hope and pray that the resolution will be adopted. Certainly it should be adopted, because if it is defeated, the very purpose of sending the resolution to the President will be defeated.

Mr. President, in this matter I am not attempting to bypass any committee. This question has been thoroughly debated on the floor of the Senate. If time were not of the essence in this situation, I would not be so earnest in urging that this action be taken. But I am satisfied that those in authority will tell all Senators that it will be too late if this matter is postponed until the next session of Congress.

So I ask for the yeas and nays, Mr. President, on the motion to refer the resolution to the committee.

The yeas and nays were ordered.

Mr. CONNALLY. Mr. President, I hope the Senate will not adopt the resolution, after considering it on its merits. It would be an unnecessary affront to the President of the United States, by having the Senate direct him—that is what the resolution amounts to—in regard to our relations with the United Kingdom and with France in connection with this matter. Why should the Senate again pass on this question? The Senate and the House of Representatives have already placed in the ECA bill a provision looking to an examination of the entire question, and have made an appropriation for that purpose. Why should we not await that review by the ECA Administrator, under the direction of the President of the United States? What assurance have we that if the President calls into conference the United Kingdom and France, the results will be any more satisfactory to those who have signed this petition than the present situation is? I assume that unanimous action by all three of the nations would be required. Suppose the President called a conference of the three nations; but suppose that instead of securing unanimous agreement, there was a division of opinion, and that the conference broke up at that point. Such a situation would only accentuate the difficulty.

Mr. President, this question is a complex one. It is not so simple as the mere signing of a petition.

The method of proceeding by way of petition, as is proposed in this case, is a new method of legislating. Those who have signed the petition would have the Senate proceed to legislate by way of petition. However, the place for Senators to express their views in regard to legislation is here on the floor of the Senate. They should not be committed or bound, by some preliminary signing of a petition, to do so-and-so and so-and-so.

First of all, Mr. President, this resolution is an invasion of the rights of the President of the United States and is an affront to him, for he has jurisdiction of this matter. Mr. McCloy, our High Commissioner in Germany, is already studying this question. Already we have put into law an expression of our

desire that the ECA Administrator review this problem. We have given him funds with which to do it. Why should we now interrupt those processes? Why should the Congress step in now and say, "You do not know what you are doing; the President does not know what he is doing; Mr. McCloy does not know what he is doing; Mr. Hoffman, the ECA Administrator, does not know what he is doing. We know all about it."

Mr. President, let us remember that very few of us know much about it. This proposition is not a simple one. It relates to the three different zones in Germany. Our action would not be effective in the other zones.

So I appeal to the Senate to refer the resolution to the Committee on Foreign Relations. The committee meets tomorrow. In the committee we can take it up at that time and can make such investigation as is possible under the circumstances.

So, Mr. President, I appeal for the orderly procedure, and I ask the Senate to maintain the sanctity and integrity of the system of referring matters to the appropriate committees, rather than to have the Senate proceed by means of a signed petition.

In the case of many petitions, on many occasions the terms of the bill to which the petition relates are not known by those who sign the petition. Certainly the petitioners have no right to commit Senators by the process of having them sign a petition.

So, Mr. President, I ask that the resolution be referred to the Committee on Foreign Relations which will give it prompt attention.

The VICE PRESIDENT. The question is on agreeing to the motion to refer the resolution to the Committee on Foreign Relations. On this question the yeas and nays have been ordered.

Mr. WHERRY. Mr. President, I should like to speak for a few moments more.

Let me say that I hate to have to disagree with my friend the Senator from Texas; but the action proposed in this case will not be in opposition to the President at all. The resolution says that it is the sense of the Senate that the President shall see whether he can have a review made of the dismantling program. That is all there is to the resolution. We propose to proceed absolutely in accord with the President; he is the one who will see that the purpose is carried out. All the Senate will do will be to go on record, in view of the fact that the situation has become so acute, as expressing its judgment that the matter should not be delayed while Mr. Hoffman is deciding whether he wishes to do so-and-so, but that the situation should be immediately reviewed. The review is to be made by Mr. McCloy and the other agencies and governments concerned.

That is all there is to the resolution. I do not see why it should be opposed.

Mr. President, those who believe that the review should be made no doubt will agree that it is possible that the resolution should be referred to the Foreign Relations Committee under normal circumstances. But my own feeling is that in view of the late date in the session, the procedure we now suggest is the best one for the Senate to adopt in this matter. The subject has previously been before the committees, and has been debated.

At the present moment we are faced with the necessity of moving promptly because of the emergency. I should like to say to my colleagues who believe in the purpose of the resolution and what it would do that they should vote against the motion of the Senator from Texas to refer the resolution to the Foreign Relations Committee. If that motion is defeated, then the Senate will be able to take up and adopt the resolution. If Senators still believe a review should be made, the method I suggest is the best way to have that done.

Mr. DONNELL. I respectfully ask the Senator from Texas this question: At the conclusion of his remarks he stated that the Committee on Foreign Relations is to be in session tomorrow. Can the Senator enlighten us as to whether or not the Committee on Foreign Relations can give the Senate, in time to vote on the resolution before we adjourn, within the next few days, information on which we could base intelligent judgment as to whether we should vote in favor of the resolution or not?

Mr. CONNALLY. We will get all the information that is available. We may not be able to go into all the details, as the resolution does, when it says that "abundant evidence" has been adduced. We may not be able to do that, but we will have all that is available. We can hear from Mr. Hoffman, we can hear from the Secretary of State, we can hear from all others who have possession of information with respect to the matter. Which brings me to the point of saying that they are not asleep in this matter. They are investigating it, reviewing it, all the time.

Mr. DONNELL. Will the Senator from Indiana permit me, by unanimous consent, to address another question to the Senator from Texas, without his losing the floor?

The VICE PRESIDENT. Without objection, the Senator may proceed.

Mr. DONNELL. I infer from the statement of the Senator from Texas that the Committee on Foreign Relations will be in session tomorrow, and that the Senate might reasonably expect some advice from that committee on which to base its judgment as to whether this resolution should or should not be passed. Of course, I realize that it will not be possible for the Committee on Foreign Relations to make an indefinite, detailed, lengthy study of this question within the next 24 hours or so, but I ask the Senator from Texas whether or not, if we shall refer this resolution today to the Senate Committee on Foreign Relations, we may have his assurance that in his judgment the committee will report back to us the facts it finds in sufficient time for us then, before we adjourn—this week, I trust—to vote the resolution either up or down, in the light of the information given us by the Committee on Foreign Relations?

Mr. CONNALLY. I will say to the Senator from Missouri that we shall endeavor to obtain all the information available, and promptly report it to the Senate.

Mr. DONNELL. And will the Senator from Texas assure me that according to his best judgment it will be reported to the Senate in sufficient time for the Senate to take a vote on the resolution before the Senate adjourns?

Mr. CONNALLY. The Senator from Missouri uses the words "in sufficient time." I do not know when the Senate will adjourn. I will say, however, that the Senate committee will obtain all the information available promptly, and as soon as we have the facts before us, we will report them to the Senate.

Mr. WHERRY. Mr. President, I want to point out that the chairman of the Foreign Relations Committee definitely made a commitment to the Senate that the resolution would receive consideration. His plea at that time was that the Senate should vote it down because it had not been considered by the Committee on Foreign Relations, and that if the Senate would send it to the Foreign Relations Committee, the committee would act upon it and return it to the Senate. The committee has not yet returned it to the Senate. Is not that correct?

Mr. JENNER. That is correct.

Mr. WHERRY. Many pleas have been made that it be returned to the Senate and that action be taken on it.

Mr. President, I now call upon the senior Senator from Texas to report the resolution from the committee, in view of the report of Mr. McCloy and other observers in Europe that 125 or 130 very important plants may be dismantled or removed, causing not only a loss to the taxpayers, but a loss in morale of the German people. I make that demand on the chairman of the Foreign Relations Committee, to report that resolution or some similar resolution to the Senate.

LEWIS S. STRAUSS

Mr. LEHMAN obtained the floor.

Mr. HICKENLOOPER. Mr. President, I must be absent from the Senate tomorrow and Friday. I have a very brief statement to make regarding a very distinguished American, and if the Senator from New York will yield, I shall appreciate the courtesy.

Mr. LEHMAN. Mr. President, in view of the fact that the Senator from Iowa has to catch a plane and will be absent from the Senate tomorrow and Friday, and with the understanding that I shall not lose the floor, I ask unanimous consent that the Senator may proceed with his statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, on next Saturday, April 15, a distinguished and patriotic American citizen will leave Government service and retire to private life. I want to take this occasion to express not only my appreciation of his past contributions to the welfare of his country, but also express deep regret that the Government is losing his unusual administrative ability and services.

Lewis L. Strauss, one of the original members of the Atomic Energy Commission, who has resigned that post effective on April 15, has generously contributed to the public welfare in private and public capacities. His business success as a young man was earned on sheer ability, and his record of and reputation for personal integrity has long since been firmly established.

In the middle thirties he was a successful man of means and was devoting large amounts of his own money for educational and research purposes, most of which have never been publicized. Among other things he contributed substantial sums before World War II for the construction of atomic research tools and especially at Berkeley to aid in cancer research and in the fields of other human ailments.

Immediately after Pearl Harbor, he entered active duty in the Navy under a Reserve commission and served throughout the war, eventually becoming a rear admiral. His contribution in this field in getting things done during a time of confusion has been testified to by those with whom he served. His unusual capacity for administration and his executive ability enabled him to render service which earned him various decorations not only from our own Government but from our allies.

He became a member of the Atomic Energy Commission and brought to it

his high degree of practical administrative ability as well as the strongest sense of patriotic responsibility and he has discharged his duties faithfully and well.

In his almost 4 years of service on this vital Commission he has contended for his positions with the security of his country as first consideration and while he met with disagreement on occasions, nevertheless, he has served to see his major policies eventually adopted.

I am sure that he established complete confidence on the part of the members of the joint committee not only in his integrity but also in the demonstrated logic of his judgment on many occasions.

As a Member of the Senate and of the joint committee, I had hoped that he could see fit to continue in public life, but he has elected to resign. His reasons, of course, are his own, but regardless of his voluntary retirement he has left a mark of definite contribution in our atomic-energy program as well as in the other public fields in which he has discharged his responsibilities so ably.

I salute him upon his retirement as a zealous patriot, an outstanding citizen, and a fine gentleman.

TRIBUTE TO FRANKLIN DELANO ROOSEVELT

Mr. LEHMAN. Mr. President, 5 years ago today, and almost at this exact hour, this Nation and the world suffered a grievous loss in the death of our beloved President, Franklin Delano Roosevelt. Mr. Roosevelt was my friend for more than a quarter of a century. We had worked together closely in many civic, political, and charitable activities. We both worked in that historic campaign of 1928 when we supported a great Governor of New York and a great American, Alfred E. Smith, for President of the United States. At the request of Governor Smith, Franklin Delano Roosevelt accepted the nomination as Governor of New York, and I accepted the nomination as Lieutenant Governor of New York. We were both elected, and for 4 years I had the honor and the privilege, which I value beyond any description, of an intimate association with Franklin Roosevelt.

I sat at his right hand every day in the 4 years that he was Governor. I helped him in every way it was possible for me to help him. During those 4 years, Mr. President, I came to know of his greatness of heart, soul, character, and ability. The subsequent years served only to deepen my respect and admiration for these traits. He was a tremendously hard worker as Governor. He fought to advance the interests of all the people in the State of New York, without regard to race, creed, color, or national origin. During the years that he was Governor, he developed a successful and progressive policy of public ownership of the water resources of our State, a policy which was maintained during the 10 years that I was Governor.

When Franklin Roosevelt became President of the United States on March 4, 1933, I was Governor of the State of New York. He undertook responsibilities which have few parallels in the history of our Nation. The banks in New York State and almost in all other States of the Union were closed. There were between 12,000,000 and 15,000,000 people unemployed. Business was at a standstill in every State of the Union. Farm and home mortgages were being foreclosed by the hundreds, and led to riot and even to bloodshed on the part of people who felt it was unreasonable, unfair, and cruel to take away homes and farms which were painstakingly acquired by years of labor and thrift. The chimneys of our factories belched no smoke. They were shut down and deserted. The relief rolls were growing and burgeoning. These were the conditions when Franklin Delano Roosevelt became President of the United States. With the support of a sympathetic and imaginative Congress, President Roosevelt took charge of the affairs of the Nation. He brought order out of chaos. He strove day and night to develop opportunities for employment. He made certain that no man, woman, or child starved. Presently business revived, factories again opened their gates, relief rolls went down, and the United States was once more on the road to increased production and prosperity.

Yes, Mr. President, he improvised the New Deal, and I am proud that I was one of his lieutenants. I backed him up in my State, of which I was Governor for a great part of the time that he was President, with all the strength and force of my heart and mind and body. He was a man of boundless courage. Who would have had the imagination and the bravery, in the face of a hostile public opinion, to see that we had to help our allies to survive and to overcome the scourge of Nazi bestiality and totalitarian greed? Who else would have had the courage to transfer 50 destroyers and other arms to England in her dark hours of need, when, after Dunkirk, it looked as if Britain could survive for only a very short while? He was the guiding spirit during the days of defense and preparedness, and he was the inspiration, the guiding spirit, and the driving force during the years of war. The fact that the war ended in victory was in major measure due to his great work. And then, on the eve of victory, with success in our grasp, his body refused further to bear the burdens he had imposed upon it. The valiant spirit, the great leader died.

I have never ceased to mourn the death of a man who was a dear and precious friend, but also a great American and a great leader of mankind. The world had long looked to him for leadership and inspiration. He was the embodiment of courage, of vision, and of progress. I believe that in his passing the world suffered an irreplaceable loss, a loss which I believe we feel more and more each day, because the people of the world not only admired him, but they loved and trusted him, and were willing and anxious to follow him. His place in history is secure beyond challenge. He was great not only in his talents but in his capacity for inspiring love, devotion, and loyalty. And the reason for that is simple: He loved people. He loved mankind. And they loved him.

Five years have passed, but I feel there is no man on the world scene today who holds the affection and respect of his fellow citizens to the extent that Franklin Delano Roosevelt did—and still does. There is no man in history who has earned and held for so long a period, or in a greater degree, the loyalty and devotion of his fellow men. I know that I speak for the great majority of the American people, and I believe I speak for the great majority of the Members of this great body, when I say that he is remembered, and will always be remembered, as a leader without peer. He is dead, but his spirit guides us today, and will continue to guide us for years and generations to come.

AMERICAN POLICY TOWARD GERMANY

Mr. LANGER. Mr. President, I desire to say a few words in corroboration of some statements made by my distinguished colleague from Indiana [Mr. JENNER]. I hold in my hand an article which appeared in the Minneapolis Sunday Tribune on Easter Sunday. It is entitled "United States Reverses Reich Policy. Morgenthau Plan Goes Into Ash Can." The article was written by Richard Wilson, the chief of the Minneapolis Tribune Washington bureau. I should like to quote a portion of the article because it substantiates what Senator after Senator on this side of the aisle have said during the past 4 years about the policy of the Democratic Party on the treatment of Germany. I repeat the title of the article: "United States Reverses Reich Policy. Morgenthau Plan Goes Into Ash Can." I remember very well, Mr. President, when I was perhaps the first Senator to criticize the Morgenthau plan, that one of the leading newspapers in the country wrote a bitter editorial because I dared to criticise the policy. The article says:

WASHINGTON, D. C.—Under force of necessity—

Every Senator on the floor knows what that necessity is, Mr. President. It is the youth of east Germany marching into west Germany.

Under force of necessity, American policy toward Germany has undergone a complete flip-flop in 5 years.

We now are trying to put her back on the map politically. She is being invited into the western community of nations. Manpower and productive power are needed to stop Russia.

Yet, Mr. President, when we tried for the past 4 years to stop dismantling, when we produced the pictures, when we produced the proof, we were met on the other side of the aisle, and by a few so-called Republican leaders of the bipartisan policy, with scorn, and with sneering remarks. Yet today who is proved to have been right?

It is agreed among the western Allies that there is no Europe without Germany.

The subhead says:

Morgenthau plans out—Denazification has stopped.

How well I remember, Mr. President, when we tried to stop the denazification courts when they were going to denazify millions of German people. How well I remember the ridicule at the idea of stopping denazification. But it was

finally stopped, millions of Germans not having been called before any court at all.

Under that program a man could be denazified and have a trial, and a few days later the officials would have him back and give him a second trial, and a few days later they would give him a third trial. They would take the German people and put them in camps. They would say to a school teacher, "The only kind of work you can do is common labor, not teaching."

Now, at last, after 5 years or more, that has been stopped.

Dismantling of industrial facilities has stopped.

Mr. President, it has not stopped. It is still going on. Those in charge tore down the fertilizer plants. There was put into the RECORD information showing that one concern in New York City got over $3,000,000 to ship more fertilizer to Germany. That is the Democratic record. So long as I am a Member of this body the Democratic Party is never going to escape that noose around its neck.

Everything urged by the group headed by former Secretary of the Treasury Henry Morgenthau is in the ashcan.

We said 5 years ago that that was where they belonged. Finally they have been put there.

These anti-Nazis originally proposed a policy—and it was adopted, in part—to reduce Germany to a nation of small farmers, shopkeepers and makers of consumers goods. Events have proved that was a misguided policy. It was apparently destined to fail from the first.

Every report that has come from Germany in recent months emphasizes the success of the Russian policy in the eastern zone in contrast to our own.

Who says this? Richard Wilson, chief of the Minneapolis Tribune Washington bureau. The article continues:

The change has been progressive in the past 3 years of the occupation. It began with revival of the idea by the State Department that Germany should become the work shop of Europe.

When the Nuremberg trials ended and the denazification courts were disbanded, another step was taken. Still another step was the slow-down in dismantling plants. Still another was an effort to increase steel production.

Formation of the Bonn government was a political peg for a new departure in policy.

Secretary of State Dean Acheson, United States Commissioner John McCloy and Winston Churchill have been the heralds in the past week of a new strengthened Germany.

That was just this past week. It took them 5 years to catch up with some of us on the Republican side who have been telling the truth to the people of America about what was going on. But a week ago, thank God, Dean Acheson and Winston Churchill finally caught up.

The Labor government in England has been silent, or hesitant.

Now what does Winston Churchill say at last?

In a little-noticed speech, Churchill warned: "Woe be it to anyone in the free world who, by lack of understanding or by lack of good will or lack of world hope, or any more flagrant fault or blunder, obstructs or delays this essential combination" of England, France and Germany.

Mr. President, may I have order?

Mr. HOLLAND. Mr. President, I think the distinguished Senator pretty well has the Senate to himself. If it is not in order, I think he could get it in order very easily.

Mr. LANGER. Mr. President, the distinguished acting majority leader was discussing some topic with the distinguished Senator from Utah. The distinguished occupant of the Chair was discussing another matter, apparently with some of the staff at the desk. I am very anxious to have the distinguished acting majority leader, the Senator from Florida, listen to what I am saying. Because of his great importance in the Democratic Party, I am satisfied he can help even now to straighten out this terrible and distressing situation.

I continue to quote what Winston Churchill said a few days ago:

The strong German race, which, during the last 40 years we and our allies twice fought and defeated, have now the opportunity of rendering an immense service to mankind.

Having submitted to internal tyranny and brought measureless suffering upon us all, and especially themselves, they now have a chance of redeeming the German name by helping to redeem what has happened in the past and by playing their part—and it might be a great one—in lifting the civilization of Europe to a level where its old glories may revive, and where the various forms of tolerant freedom and resulting happiness and culture may be restored.

I particularly ask my distinguished colleagues to mark these words of Winston Churchill:

EQUAL RANK

France and Britain, both sorely distressed, can combine together and thus joined have the superior power to raise Germany, even more shattered, to an equal rank and to lasting association with them.

Then these three countries, helping each other, conscious of their future united greatness, forgetting ancient feuds and the horrible deeds and tragedies of the past, can make the core or the nucleus on which all the other civilized democracies of Europe, bond or free, can one day rally and combine.

Mr. President, those are remarkable words, coming from a man who has held the many exalted positions Winston Churchill has filled.

This approach, which would have been so distasteful to the anti-Nazis a few years ago, is taken now because the western nations have agreed that Germany must be held against the powerful attraction from Moscow.

The strongest argument against the new approach is that it means the rearmament of Germany. The United States is committed against that, and Churchill said he is not asking rearmament.

He is urging greater British interest in a unified Europe including Germany and the eventual use of German manpower in the western European defense plan. This would require what the London Economist calls abandoning Britain's "petulant isolationism of recent years."

I mention this, Mr. President, for the reason that it bears out the prophecies made by so many of us—or rather by so few of us on this side of the aisle—who have repeated and reiterated, and repeated and reiterated, that the sort of treatment Germany was receiving after the war was helping Russia and was not helping the United States of America. At last, Mr. President, we are going to find who were the true prophets.

DEATH OF CHIEF JUSTICE GEORGE W. MAXEY AND JUSTICE MARION D. PATTERSON, OF THE SUPREME COURT OF PENNSYLVANIA

Mr. MARTIN. Mr. President, with deep regret I announce to the Senate the loss to the Commonwealth of Pennsylvania and to the Nation of two distinguished justices of the Supreme Court of Pennsylvania—Chief Justice George W. Maxey and Justice Marion D. Patterson.

Chief Justice Maxey was stricken on March 21 at Pittsburgh, Pa., an hour after he had delivered in court an eloquent eulogy of the late Justice Patterson, who died January 6 at Philadelphia.

Each of these men was a brilliant leader of jurisprudence, and a forceful and courageous patriot.

They were fearless and impartial advocates of justice and righteousness.

They were men of unselfish dedication to the ideals of Americanism.

Pennsylvania was most fortunate to have had the benefit of their outstanding public service.

Mr. President, I ask unanimous consent to have inserted in the RECORD as a part of my remarks a statement which I issued on the death of Chief Justice Maxey. The same attributes of greatness were possessed by Justice Patterson, whose career began as a teacher in the schools of his native Blair County.

I also ask unanimous consent to include in the RECORD as a part of my remarks an editorial of appreciation of Chief Justice Maxey, which appeared in the Scranton (Pa.) Tribune, and an editorial tribute to Justice Patterson, which was published in the Altoona (Pa.) Mirror.

There being no objection, the statement and editorials were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN, OF PENNSYLVANIA

In the passing of Chief Justice Maxey the Nation has lost an outstanding American. His career and his distinguished achievements, rising from an humble miner to eminence as head of the judicial system of our Commonwealth, exemplifies the American way of life at its best.

His profound knowledge of the law, his broad and comprehensive scholarship, and his thorough understanding of the history of the United States made his opinions and statements sought by all real students of our country. His life has added so much to the greatness of his community, his State, and the Nation.

[From the Scranton Tribune of March 21, 1950]

GEORGE W. MAXEY—OUTSTANDING CITIZEN

The sudden death of George W. Maxey, chief justice of the supreme court of Pennsylvania, will come as a severe shock to the thousands in all walks of life who knew him, respected him, and admired him.

His death brings to an end a varied and illustrious career which had its origin in the little town of Forest City and which saw his first occupational endeavors in the anthracite coal mines of that area.

From that humble start George Maxey lifted himself by his ability, energy, and intelligence to the very top ranks of his beloved profession—the law. Just as he worked his way through school and college, he worked his way up the ladder of professional and public esteem, displaying the fine qualities attributed to all American self-made men, toil, perseverance, study, integrity of character, love of his fellow man, and devotion to the principles of right and justice.

His early days as a worker in the mines and later as a struggling young lawyer insured for his entire career the comforting characteristic of the human touch. His friendliness and neighborliness as much as his ability and talent won him the respect and the support of his fellow citizens in the many political campaigns in which he participated throughout his life, the last just as recently as 1948 when he was elected delegate to the Republican National Convention. And his same knowledge of people and understanding of their problems enabled him in his splendid judicial career to apply his decisions in law to the realities of life. A gifted orator, a brilliant legalist, a scholar of history, a fearless, courageous fighter for justice and the right, George W. Maxey carved for himself a permanent place in the archives of jurisprudence and the annals of Pennsylvania's and the Nation's outstanding men.

In the course of his public career Justice Maxey served as Lackawanna's district attorney from 1914 to 1920; as common pleas judge for the following 10 years, and as a justice of the supreme court from November 24, 1930, to January 4, 1943, when he was elevated to the post of chief justice. During that career he was frequently espoused for further honors, Governor, Senator, Vice President of the United States, but he held faithful to the profession of law which he loved so dearly.

In his death Pennsylvania has lost one of its foremost citizens, Scranton and Lackawanna County will mourn the passing of a splendid and exemplary neighbor and friend; his family, the loss of a devoted husband and father.

[From the Altoona Mirror of January 9, 1950]

JUSTICE PATTERSON

Blair County is in deep mourning through the loss of its most distinguished native son, Judge Marion D. Patterson of the State supreme court, whose unexpected death last Friday in Philadelphia came as a distinct shock to friends and acquaintances in this county and throughout the State.

For 46 years Marion Dean Patterson followed the legal profession, attaining prominence not only in his home community, but in the entire State. He was outstanding as a lawyer, prosecuting attorney, judge, and justice. He likewise was successful as a farmer, businessman, and as a community leader. His civic, political, and fraternal affiliations were many.

Blair County long has taken considerable pride in Justice Patterson's accomplishments and in his prominence. A forceful speaker, a capable orator, a learned jurist, he added dignity to his profession. He dispensed justice without fear or favor. He made friendships and distinguished himself for his human kindness, his fairness, his deep understanding of the problems of his fellow men and associates.

Justice Patterson never shirked a duty and he filled every responsibility. Affectionately known to all Blair residents as "The Judge," "Mr. Justice," or as the more desired "Marion," his greetings were always warm and friendly, his smile sincere, and his remarks timely and inspired. His presence at various gatherings was an inspiration to all.

While the law was his main ambition, Justice Patterson was successful in other enterprises. He never lost his interest in farming, which he followed as a boy in Tiny Creek, and for many years he owned and operated a dairy farm in Clover Creek, near his birthplace. Many happy hours were spent there and he ever was aware of the problems of the tillers of the soil. Mr. Patterson was one of the first to seek good roads in the State and he was Blair County's first chairman of the good-roads committee. He directed the annual Pennsylvania State YMCA Father and Son Week activities as chairman. For the past 15 years he had been a member of the William S. Gable department-store firm. He served as the head of many associations and groups in the professional and the civic and lodge circles. His association and diligence of work contributed to the success of these activities. His career as an attorney was brilliant, his rise rapid. Graduated in 1904, Mr. Patterson affiliated with the Blair bar the same year. In 1911 he was elected district attorney, and served continuously for 16 years, establishing an excellent record. His administration of that office attracted State-wide attention.

Justice Patterson was elevated to the judgeship in his home county in 1927 and was reelected 10 years later He resigned, however, following his elevation to the supreme court, assuming his duties in 1940. Death ended his brilliant career, as he was engaged in the duties of this court, last Friday.

At home and from all over the State, condolences have been received and deepest sympathies are extended to the widow, the children, and grandson and three surviving brothers. The family, the legal profession, and the community are sorrowed in the passing of a distinguished citizen.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. SPARKMAN in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

James K. Knudson, of Utah, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1953, vice Carroll Miller, deceased;

Raymond J. Mauerman and Alfred C. Richmond, for promotion in the United States Coast Guard;

Chester M. Anderson, and sundry other persons, for appointment in the United States Coast Guard;

Robert Kennedy Adams, and sundry other cadets, to be ensigns in the Coast Guard; and

John Laskowski, to be commander in the Coast and Geodetic Survey.

RECESS

Mr. HOLLAND. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 24 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 13, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, April 12 (legislative day of March 29), 1950):

IN THE NAVY

The following-named midshipmen (Naval Academy) to be ensigns in the Navy, from the 2d day of June 1950:

Donald S. Albright, Jr.
James A. Allen
Louis A. Ammann, Jr.
William W. Anderson, Jr.
Ronald N. Andresen
Cornell C. Angleman
Neil A. Armstrong III
Henry D. Arnold
Julian M. Arnold
Fuller A. Austin
John R. Axe
William H. Ayres, Jr.
Robert E. Babcock
Herbert R. Babington, Jr.
Lee Baggett, Jr.
Ralph F. Bagley, Jr.
Charles R. Bardes
Curtis L. Barnette
Frederic E. Beck, Jr.
Thomas J. Bigley
John H. Billings
Robert C. Binnion, Jr.
William M. Birkel
Peter F. Block
Lewis J. N. Blyde, Jr.
Paisley Boney III
Richard M. Bossert
George A. Bottom III
David S. Boyd
Bernard R. Boylan
Gene P. Brady
John J. Branson, Jr.
Morton Brett
John H. Brick
Bonner B. Brown, Jr.
Roger L. Buck
Ellis H. Buckley
Carl J. Burnett, Jr.
Alexander R. Burt, Jr.
Bernard L. Buteau
John P. Cady, Jr.
Andrew J. Callahan, Jr.
Allan K. Cameron, Jr.
James M. Cameron
Jess L. Cariker, Jr.
Edward W. Carr
William K. Carr
Frank R. Carter
Frank R. Cassilly
John P. Cavanaugh
Neil D. Chaitin
John J. Chambers
Eugene N. Chipman
Clifford E. Church, Jr.
Walter L. Clarke, Jr.
Gerard G. Coleman
John E. Colleary, Jr.
George E. Conatore
Maurice J. Condit
Walter R. Congdon
Charles M. Conlon, Jr.
David H. Cooke
William M. Cossaboom
John T. Coughlin
Frank Cramblet
Russell P. Cunningham, Jr.
George H. Darfus
Jerome A. Davi
Allen B. Davis
Robert L. Davis
Walter E. Davis, Jr.
William H. DeMers II
George T. Denmark
William F. Diehl
Earl K. Dille
Samuel L. Doak
Richard C. Doan
Charles Dobony
Richard E. Dollinger
William F. Dombrowski
Gerard F. Dooley
Richard F. Drake
Frederick F. Duggan, Jr.
Richard W. Duggan II
Gene T. Dunaway
Charles C. Dunn, Jr.
Thomas R. Eagye II
George W. East
Frederick A. Edwards, Jr.
James D. Elliott
David F. Emerson
Raymond E. Engle
Robert F. Engler, Jr.
Hubert "T" Evans
Rodney E. Eyster
Frank R. Fahland
Raymond Z. Fahs, Jr.
Donald F. Fant
William B. Farnsworth, Jr.
John B. Farrell
Frederick K. Feagin
Donald G. Fears
Frank H. Featherston
Joseph Fenier
George D. Ferguson III
Harry R. Flory, Jr.
Sylvester R. Foley, Jr.
Donald K. Forbes
Paul W. Forehand
George A. Fox, Jr.
Richard T. Fox
Donald G. Fraasa
Elias C. Frank
Montgomery L. Frazier
Norman M. French, Jr.
Robert D. French
John S. Frerichs
William W. Fritz
Robert C. Frosio
Mark P. Frudden
Charles R. Galloway, Jr
Thomas M. Gardiner III
Kendall C. Gedney
Thomas B. George, Jr.
David T. Gochenour
Lewis H. Goldbeck, Jr.
Robert L. Goldman
Richard E. Goodspeed
Rockwell M. Gray, Jr.
Leonard B. Greene
Charles L. Greenwood
Wiley W. Greer
Joseph L. Grier, Jr.
Ellegood V. Griffin, Jr.
William H. Grigg
William F. Grimm
Morgan K. Groover, Jr.
Alexander G. B. Grosvenor
Michael M. Grove
Edward A. Grunwald
Erik A. Gude
Gilbert N. Hain
Donald P. Hall
Robert R. Hamer, Jr.
Virgil R. Hancock
Carl T. Hanson
Martin E. Hardy
Richard E. Harkness
Robert D. Harris
Robert D. Harris, Jr.
Silas C. Hart, Jr.

Ralf L. Hartwell, Jr.
John W. Harvey
Larry L. Hawkins
Ronald J. Hays
Houston C. Hayward
David D. Heerwagen
John C. Henning III
Harold G. Herring
Henry G. Hiatt, Jr.
Roy W. Highberg
Robert D. Hoffman
Samuel D. Hoffman
Kenneth G. Hoge, Jr.
Rockwell Holman
John S. Holmes
Charles S. Hooper, Jr.
Howell P. Hoover, Jr.
Clifford D. Hopkins
William H. P. Hopkins
Joseph B. Howard
James A. Hudson
Mahlon S. Huff
Ray S. Hughes
Donald B. Hunt, Jr.
Harry "L" Hussmann III
George E. Irish
Jacob H. Jacobson, Jr.
Beverly G. Jakimier
Donald L. Jarrell
Robert R. Jefferson
Claude E. Jeffries, Jr.
Thomas E. Jenike
Wayne LeR. Jensen
George E. Jessen
Phillip T. Johnson
Robert LeR. Jones
James E. Kaune
Robert J. Keevers
Ronald T. Kelly
William P. Kelly, Jr.
Cecil J. Kempf
James R. Kennedy, Jr.
Charles T. Kessing
Lewis H. Kessler, Jr.
Joseph H. Kibbey II
William A. Kiehl
Robert A. King
Robert M. King
Thomas R. King
James W. Kinnear 3d
James P. Kittler
Alexander L. Kivlen
Joseph F. Klingensmith
Edward P. Knox
Creighton R. Knutson
Tom I. Kolstad
John D. Kost, Jr.
Robert L. Krag
Robert P. Kramer
Harry M. Krantzman
Stanley W. Krohn
Donald A. Kuhlman
Howard I. Laniado
Max H. Lasell
William W. Lasley
James S. Lassing
Thomas A. LeDew
Byron A. Lee
Robert McG. Lee
Myron E. Leslie
Donald C. Lind
Charles B. Lindley
James W. Lisanby
James G. Little
Harold R. Lockwood
George R. Loftis
Donald C. Long
Jack N. Lyman
Osmar W. Lynch
James D. Lyttle
William A. McBroom
Stephen W. McClaran
Ambrose P. McCoy, Jr.
Frank M. McCraw, Jr.
Albert D. McFall
William E. McGarrah, Jr.
Thomas H. McGlaughlin
Thomas C. McGrath, Jr.
John F. McNabney
John J. McNally
Willard C. Macfarland
John D. Mackenzie
Harry P. Madera
George C. Mahoney
Rex E. Maire
John E. Malloy
Robert C. Mandeville, Jr.
Richard W. Martin
William K. Martin
John H. Mathews
Willis A. Matson II
Frank T. Maynard
Daniel K. Mayo
Donald B. Meek
Frank G. Meyer
Richard A. Miller
Thomas G. Miller, Jr.
William A. Miller
Beverly T. Mills
Marion L. Minnis, Jr.
Richard O. Moberly, Jr.
Kendall D. Moll
Robert R. Monroe
Thomas L. Moore
Gene D. Morin
John N. Morrissey
Floyd R. Muck
Charles L. Mull II
Leonard A. Muller
Norman K. Mullin
Floyd N. Munson
Garrison E. Murphy
John A. Murphy
George W. Myer
Delbert L. Nall
Stanley B. Neander
George G. Nelson
Arthur D. Neustel
John E. Niesse
Robert V. Ninnis
Henry J. Nix
James K. Noble, Jr.
Thomas I. Noble
John MacN. Noonan
James P. Oberholtzer
Francis E. O'Connor
Robert P. Oliver
Thomas F. O'Neill, Jr.
James P. O'Reilly, Jr.
Charles A. Orem
Harlan D. Parode
George W. Patterson III
Joseph J. Pausner, Jr.
Frank M. Perry, Jr.
Riddell T. Perry
Thomas A. Peterson
Royce E. Pettit, Jr.
William G. Petty
King W. Pfeiffer
Pharo A. Phelps, Jr.
Emanuel F. Pine
Arthur L. Pleasants III
John B. Pleasants
Howard R. Portnoy
Norman S. Potter
Samuel F. Powel III
James R. Powell, Jr.
Richard J. Prescott
Samuel D. Preston, Jr.
Alfred M. Pride
Gordon A. Prince
Andrew Pullar, Jr.
Elvis E. Purvis
Frank H. Raab
Louis P. Racy
Roderick T. Radcliffe
Chris G. Rallis
Gerald L. Rasmussen
John H. Reagan
Sherman C. Reed
Bernard J. Regenauer
Albert L. Register III
Charles J. Reichl
William J. Ricci
George P. Ritchie, Jr.
Donald K. Robbins
Charles G. Robertson, Jr.
James A. Robinson
Thomas W. Robinson, Jr.
John T. Rogers
Nelson K. Rogers
Thomas S. Rogers, Jr.
Thomas H. Ross
Franklin H. Roth
Bruce W. Rowe
Lee R. Royal
Byron C. Ruble
Adrian O. Rule III
John J. Ryan, Jr.
Philip J. Ryan
Robert S. Satre
Donald C. Sattler
Joe Sax
Marvin L. Schenker
Joseph N. Schettino
Jesse Z. Schultz
Milton J. Schultz, Jr.
Henry I. Scribner, Jr.
George H. Seeley
Russell M. Seipp
Rickard W. Shannon
William K. Sharpe
Howard A. Shartel
Thomas H. Sherman, Jr.
George B. Shick, Jr.
Robert T. Shultz
Robert Siegmeister
Homer R. Skelton
Clifford A. Skinner, Jr.
Edgar M. Smith, Jr.
Floyd A. Smith
Leon W. Smith
Philip W. Smith
Robert E. Smith
Robert McL. Smith, Jr.
William N. Smoot
Collins Snyder
John C. Snyder
Richard E. Snyder
Roy D. Snyder, Jr.
Jerome E. Solomon, Jr.
Roy S. Somogye
David J. Space
Keith C. Spayde, Jr.
John H. Spiller, Jr.
Roy M. Springer, Jr.
Howard E. Sproull, Jr.
Aron L. Stapp
Edward C. Stella
John B. Stetson
Richard P. Stimler
Bruce G. Stone
Douglas D. Stone, Jr.
Donald Stull
Anthony F. Suraci
Francis C. Taylor
Fred W. Terrell, Jr.
Norman R. Thom
Theodore O. Thompson
William B. Thompson, Jr.
Dick W. Thurston
Jacques F. Trevillyan
Robert J. Trotter
Justin L. VanKleeck
Thomas E. Vines
Adrian DeW. Vining
James B. Vosseller
Nicholas Vytlacil, Jr.
Walter R. Wagner
Alexander E. Waller, Jr.
Richard C. Webb III
Richard W. Welsh
Burton R. Weymouth
William S. Whaley
Caryll R. Whipple
Robert J. White
Richard T. Whitehead
Robert Whitelaw
Walter J. Whitley
William B. Whittle
James R. Wilkins, Jr.
Daniel D. M. Willard
James W. Wills, Jr.
James I. Wilson
Keith C. Wilson
William W. Wilson
Robert E. Wise
Richard F. Wiseman
Eugene M. Wisenbaker
Peter W. Wood
Gordon P. Woodman
Edmund T. Wooldridge, Jr.
William B. Wright
William H. Wulftange
Edward R. P. Wunch
Robert Wunderlich
Casanave H. Young, Jr.

The following-named midshipmen (Naval Academy) to be ensigns in the Supply Corps of the Navy, from the 2d day of June 1950:

Harry LaV. Anderson
George K. Armstrong
Ray C. Barber
Spencer A. Barrow
Robert F. Bauer
George J. Bowen
Walter L. Bown
Norman E. Carpenter
Guy C. Cheatham, Jr.
Charles A. Clark III
Wilfred B. Curley
James B. Davis
William B. Droge, Jr.
Carl M. Dughi
Donald J. Dunham, Jr.
William B. Ely, Jr.
William C. Fillmore
Gilbert H. Gordon, Jr.
Edwin G. Greenberg
George B. Halperin
John M. Henderson
William D. Hoggard II
Franklin J. Holcomb
Joseph D. Hurley
Samuel Katz
Garland R. Kilbourn, Jr.
William J. Kingsberg
Richard J. Landes
Robert L. Loetscher
James W. Lynn
Daniel J. McCoy
Marvin D. Martin
Philip J. Mason
Thomas J. Mulligan, Jr.
William H. Pravitz
Mortimer J. Richardson
Robert L. Ringhausen
Edward L. Smith
Francis J. Sterner
George E. Van Davis L. Webb

The following-named midshipmen (Naval Academy) to be second lieutenants in the Marine Corps, from the 2d day of June 1950:

George E. Beattie
Lee R. Bendell
Frank R. Bonner
Edward J. Bronars
Thomas E. Bulger
Harold C. Colvin
Charles G. Cooper
Birchard B. DeWitt
James J. DiNardo, Jr.
Joshua W. Dorsey III
Harrison G. Frasier
Carlton D. Goodiel, Jr.
Fredric A. Green
John E. Greenwood
William F. Hawkins
Stanley A. Herman
Sanford P. Holcomb
Robert E. Hunter, Jr.
Jack F. Ingalls III
Kenneth J. Ivahson
Frederick D. Leder
Joseph V. McLernan
Paul G. McMahon
James W. Marsh
Donald C. Miller
Ross L. Mulford
Robert J. Murphy, Jr.
John E. Nolan, Jr.
Robert W. Oliver
Stanley H. Olson
John J. Oltermann
Grover J. Rees, Jr.
David M. Ridderhof
Presley M. Rixey
William K. Rockey
George V. Ruos, Jr.
Donald B. Saunders
William G. Schwefel
Charles B. P. Sellar
Richard B. Sheridan
John A. Sivright
Richard L. Still
Clinton J. Thro, Jr.
James A. Todd
Marshall J. Treado
Hal W. Vincent
Edward R. Watson
Robert D. Whitesell

The following-named midshipmen (aviation) to be ensigns in the Navy, from the 2d day of June 1950:

Robert H. Alexander
Jerome D. Ambelang
Jack B. Andrews
John D. Anthony, Jr.
Ralph D. Antley
Albert R. Ashworth, Jr.
David E. Atkins
Chester C. Bach
Charles S. Bailes
Jack L. Baker
William A. Baker, Jr.
Clarence L. Baldwin Jr.
Lynn M. Barker
Edwin Barrineau
Harold J. Bartleson
Dale R. Bauer
Joseph H. Bauernfeind
Emil F. Beck
Joseph W. Benn, Jr.
Thomas C. Biesterveld
Robert O. Blackington
Eddie R. Blair
William C. Blaney, Jr.
William R. Boyce
Richard F. Bradberry
Lowell R. Brewer
Charles "D" Brown
Joseph L. Brown
Richard A. Cantrell
James P. Carberry, Jr.
Edmond G. Carley, Jr.
William W. Carlson
Charles V. Choyce
Donald R. Contant
Robert V. Cooley
Kenneth C. Coston
Ralph Cross
Dayl E. Crow
Leonard Czernicki
William D. Dayton
Donald B. Dellinger
Jack R. Denning
Jerome M. Driscoll
Earl D. Dryfoose, Jr.
Richard M. Ebelacker
Earl J. Eckert, Jr.
Richard H. Ellis
Ernest C. English, Jr.
Gus W. Epenter, Jr.
Ronald L. Farrar
John R. Farrell
David E. Ferrucci
Robert R. Foley
Richard R. Franzel
Edwin "J" Friesen
Donald E. Fry
John G. Galbreath
Joseph W. Gardiner
Clyde W. Gardner
John C. Garland
Richard A. Geist
Richard A. Gregory
George M. Griffin, Jr.
Kenneth E. Grim
Robert L. Gully
Thomas E. Haddock
William W. Hagan
Henry L. Halleland
Lelan E. Haller
John A. Hansen
Walter J. Hanzo, Jr.
Richard D. Harris
Stuart B. Hartman
Robert H. Hartzell
Hugh K. Henderson, Jr.
Henry L. Hendrick, Jr.
John M. Herbst
Charles I. Hickman
Richard A. Holbert
Homer A. Hollingshead
James L. Holt
Leland J. Hosemann
Mark F. Hoyer, Jr.
John R. Hoyt
James W. Huber
Wayne LaV. Hughes
Stuart McK. Hutchison
Marshall P. Hydorn
John C. Imhoff
Billy G. Ingram
Robert D. Jackson
Arlo J. Jensen
Faye C. Johnson
James M. Johnson, Jr.
Merlin L. Johnson
Cecil B. Jones, Jr.
Huby A. Jones, Jr.
Robert D. Kaiser
Donald C. C. Kembitskey
Max F. Klinger
Robert M. Koch
John L. Kremer
Robert Krizner
Wayne L. Kuckkahn
Harold A. Laque
Harry E. Lennon, Jr.
Ralph A. Lennon
Richard W. Lintner
Harrison F. Longstreth
Richard C. Loomer
Joseph R. Loper
Robert H. Lovelace
Robert M. Lynch
Claude E. Lytton, Jr.
Malcolm McAlpin
Joseph S. McClelland, Jr.
Harold A. McDonnel
Jesse E. McKnight, Jr.
Robert F. McMillen, Jr.
Ralph E. McQueen
Richard A. Mackell
Richard E. Maegli
Paul V. Magee, Jr.
Vernon C. Malander
Paul J. Mathis
William O. Mayfield
Frank D. Melton
Alfred E. Miller
Jay M. Miller
Robert D. Miller
Edward D. Millpointer
Joseph E. Mills

Frank J. Moran, Jr.
Robert Moss
Raymond W. Murphy
Marvin D. Nelson, Jr.
Emile W. Nigels
William D. Noonan
John H. Norris, Jr.
Robert C. Notz
Walter E. Ohlrich, Jr.
Richard J. O'Toole
Charles K. Owen
Thomas H. Parsons
Joseph B. Paschal, Jr.
Clarence A. Payne, Jr.
Joseph M. Perry
Donald B. Perryman
Ralph C. Peters, Jr.
James C. Petersen
Cyril M. Pipkin
William A. Platte
Louis C. Poindexter
Cadesman Pope, Jr.
Thomas Porter
Frank W. Preston
Joseph M. Preston, Jr.
Allen B. Price
Marvin M. Quaid, Jr.
William F. Rau
James M. Ray
Alan E. Reed
Edward J. Richter
John L. Rieker
Kenneth B. Roberts
Norris A. Roberts
James C. Robinson
John W. Roche
Louis P. Rolf
Robert B. Roseberry
Robert D. Roth
Richard M. Ruppenthal
Harvey Sager
Robert J. Sample
Albert L. Schuck, Jr.
Robert W. Schwab
John B. Seal
Donald H. Shaner
William F. Sheehy
Charles H. Simms
Floyd R. Singleton
Ralph Sluis
Keith A. Smith
Richard T. Somerville
Harold A. Sparks
Frank E. Specht
Paul H. Speer
Richard A. Stack
Robert E. Stanton
Allan M. Stave
Harold Stevens
Glen W. Stinnett, Jr.
John A. Strand, Jr.
Alfred E. Strickland
Joseph E. Suberg
Donald G. Sutherland
John R. Swadener
Kenneth L. Templeton
Charles F. Thill
Robert E. Tostberg
Dan M. Trimble
Kenneth R. Wallace
Peter J. Weiland
James B. West
Ted G. West
Don R. R. Whitmer
Maurice C. Willis
Alexander B. Wilson
Robert LaV. Wilson
Jack Woida
Kenneth G. Wolfel
Jacob R. Wolfersberger
Richard D. Wood
Thomas E. Woolcock
George A. Yanovitch
Arthur Zimmerly III

The following-named (Naval ROTC) to be ensigns in the Navy, from the 2d day of June 1950:

Richard D. Alcock
Alfred H. Allen
Donald A. Anderson
Jack E. Andrews, Jr.
Sherwin C. Badger, Jr.
Milton B. Badt, Jr.
Donald J. Bailey
Carlos P. Baker, Jr.
Joseph S. Bakula
Richard H. Ballarian
Francis J. Bartram, Jr.
Harmon B. Bassett
James C. Bassett
William M. Batchelor
Henry C. Bate, Jr.
George W. Bates, Jr.
James V. Baumgartner
William A. Bayreuther, Jr.
Clyde R. Beamer
Chapman H. Belew, Jr.
Lee D. Bellmer
Henry J. Bender
John T. Bennett, Jr.
Joseph F. Bennett
Harold D. Bergen
Glade "S" Bigler
Thomas M. Birdwell, Jr.
Lisle J. Blackbourn
Robert H. Blake
William R. Blanc
Zane S. Blanchard
Robert W. Blodgett
John S. Blonsick, Jr.
Robert A. Blumenthal
Charles D. Bobo
Arnold H. Bockstruck
Robert L. Boonstra
Henry O. Booth, Jr.
Roger J. Boulay
Daniel J. Bouquet
Robert E. Bowe
Donald C. Bowen
Hamilton B. Bowman
Llewellyn Boyd
William B. Bradley
Dwight A. Bradshaw
Charles E. Brady
Kenneth W. Bray
Sante Breda
Edward R. Bristol, Jr.
William E. Brook
Theodore L. Brown
Charles C. Burch
Wayne I. Burnett
Roger B. Burrus
Harry R. Burton
Christopher N. Busby
James E. Butler
Earl L. Caldwell, Jr.
David D. S. Cameron, Jr.
Charles W. Cammack III
Douglas W. Campbell
Ronald J. Campbell
Walter E. Capper
Paul A. Carlson
Robert C. Carmichael
Alan P. Carpenter
George C. Carpenter III
William C. Cartmell
Lewis D. Cassell
Thomas H. Cave
Donald E. Chapman
John B. Chapman
Robert W. Chapman
Eugene E. Cheek
Blair Childs, Jr.
Lawrence W. Chisolm
George Chizinsky
Robert L. Christensen
Robert S. Clough
Donald L. Cochran
Stanley Cohen
Marvin Cohn
Charles F. Cole
Charles W. Cole
John D. Colgan
Dudley T. Colton, Jr.
James J. Connell
Jerald L. Connelly
Byron W. Conrad
Edouard V. Cooksey
David L. Cooper
Martin Cooper
Warren P. Cooper
Rex G. Corbin
Robert S. Cortner
Daniel J. Costello
Thomas A. Costen
Lloyd E. Cotsen
Hewitt H. Covington
William J. Cowhill
Clifford M. Cowles III
Billy J. Cox
Richard A. Cox
Richard G. Cox, Jr.
Stephen D. Cragon
Francis J. Cranston
Allen E. Crum
William A. Crump
William C. Crutcher
Benjamin C. Cubbage, Jr.
James C. Curran
Don J. Cushing
James C. Custer
George I. Dague
John D. Damuth
John M. Dancey
Thomas E. Dannemiller
Robert F. Danziger
Donald P. Darnell
Jack W. Davis
Jerome R. Davis
Orrin H. Davison, Jr.
Henri duP. deCompiegne, Jr.
John T. DeGraff, Jr.
Charles D. DeLaittre
Douglas Delanoy, Jr.
Eddie J. DeLay
Donald W. DeMott
Clarke D. Denney
Joseph P. Desmond, Jr.
Donald J. Dessart
Jose L. deVictoria, Jr.
Edward Dewey
Eddie J. Dickert, Jr.
Robert C. Dixon
Thomas J. Dixon
David F. Dobbins
Charles S. Dolk
John J. Donahoe, Jr.
Timothy J. Donovan
Robert H. Dougherty
Robert A. Downing
John M. Draddy
Duane W. Dresser
Robert C. Driscoll
Harold W. Durrett
Martin E. Dyer
Samuel C. Dysart, Jr.
Robert J. J. Eck
Clay B. Eddy, Jr.
David M. Egan
Jared Elliot
Robert C. Elliott
Leland H. Emery, Jr.
Joseph A. English, Jr.
Arthur E. Erickson, Jr.
Stanton D. Ericson
Bernard A. Everett
Philip B. Ezell
Richard S. Fahey
John P. Fajnor
Virgil T. Faulkenberry
John K. Fauver
Daniel F. Featherston, Jr.
Carlisle W. Fiers, Jr.
Don A. Finstrom
Timothy Fiske
Richard D. Flynn
George E. Foreman
Richard J. Forest
Douglas T. Foster
John F. Fowler III
Robert A. Fowler
Duane C. Fox
George H. Francis
Richard H. Frank, Jr.
Robert F. Frantz
Robert G. Franz
Keith E. Fredlund
John M. Frey
Shirley C. Friend, Jr.
James W. Fry
Winfield P. Fuller, Jr.
Theodore J. Fussell
Donlon H. Gabrielsen
Walter J. Gallagher Jr.
Thomas E. Galles
Lewis E. Gary
John D. McI. Gass
Thomas D. Gay
Arthur V. Gelnaw
August T. Gentilucci, Jr.
Charles J. Gerhardt, Jr.
Harold L. Gerhart, Jr.
Frank T. Giangiobbe
Elmer W. Gielow
Morton Gilbert
Thomas H. Gildersleeve
David G. Glascock
Jack H. Glazer
Robert C. Goetz
William L. Goffe
Matthew E. Gormly, Jr.
Jack E. Gove
William H. Graham
Allen M. Granda
Erwin S. Grask, Jr.
James W. Gray, Jr.
Samuel G. Green, Jr.
Thomas M. Green III
John C. Greer
Randolph P. Griffin
Norman C. Grisewood
Peter M. Gross
Otto H. Gruner III
Joseph S. Haas
Robert W. Hackbart
Robert H. Hackney
Robert L. Hadley
William S. Hahn
George E. Hale
Donald C. Hall
Henry I. Hall
James W. Hall
Jack T. Hamilton
Charles V. Handy
Edward D. Harkin
Vinton O. Harkness, Jr.
Edgar S. Harris, Jr.
George B. Harris III
Walter P. Harris, Jr.
John I. Harrison
David H. Hartnett
Thomas H. Hartzell
Howard W. Hastings
John L. Hayes
Frank J. Hawley, Jr.
Richard P. Healy
Robert J. Heinecamp
William W. Helman
William A. Henshaw
Lacy B. Herrmann
Frederick H. Herzog
Victor L. Hesse
James K. Hickok
Norman W. Hicks
John G. Hiles
Joseph V. Hill
David K. Hills
Ewan M. Hinkle
John W. Hinton
Carroll D. Hobson
Calvin L. Hockema
Neil E. Hoesel
Paul Hofflund.
Robert L. Holliday
Frank M. Hollister
Harry D. Holmgren
Edward E. Horton
Eugene Hotchkiss III
James K. Hotchkiss
George W. Hottinger
Edward Howard
Philip B. Howard
John P. Hudson, Jr.
Arter F. Hughes
Helge R. Hukari
Albert M. Hunt
James D. Hutchinson
William R. Hutchinson
Howard S. Irons
William M. Jameson
Arthur L. Johnson
Bruce M. Johnson
Clyde "L" Johnson, Jr.
Harvey LaS. Johnson
Ian J. Johnson
Lyle K. Johnson
Raymond D. Johnson
Roy T. Johnson
Willard E. Johnson
Burton H. Jones
Webster F. Jones
Watt W. Jordan, Jr.
Warren R. Jorve
Jerome A. Joseph
Bruce L. Joslow
Edward R. Joyce, Jr.
Edward R. Judy
Edward F. Jurgielewicz
Melvin L. Kaufman
Lloyd R. Kavanagh
James W. Keeling
James N. Keith
Paul L. Kellogg
Christopher J. Kelly
Edward J. Kelly
Paul F. Kent
Allen S. Kerr
John H. Kessel
Kenneth J. Killgore
Edwin D. Kimball
Charles B. Kirkpatrick
Peter D. Kjeldgaard
Albert H. Kline, Jr.
John R. Klippstein
Donald J. Knapp
Jeff P. Knight
Quintus J. H. Koth
Robert A. Kresse
Frank C. Kretchman
Paul E. Kueser
Kenneth E. Kulzick
Albert W. Kunberger
Delmer L. Kuns
James B. Kurtz
Jerome E. Labaw
Vaden M. Lackey, Jr.
Edward F. LaCroix
Robert G. Lalicker
Philip J. Lamoureux, Jr.
Frederick P. Landau
Robert K. Landon
Samuel C. Lang
Richard M. Larsen
Hewlett W. Latimer
Robert E. Laube
Donald Lawson
Donald J. Leeman
Dick McC. Lester
John T. Lewis
John L. Light
Douglas K. Lilly
Frank K. Little
Harry M. Little, Jr.
Marshall A. Lochridge, Jr.
Thomas F. Lodato
Curt T. Lohrey
Arthur C. Lonborg
Aubrey K. Loomis
Willis M. Losey
Rupert H. Loyd
Robert E. Lueders
William DuP. Lyles
James H. Lytle
Sidney Y. McAden, Jr.
John C. McArthur
Richard L. McArthy
George S. McCain
William T. McCarley
William D. McCarty
Bain McClintock
Walter R. McCormack
Thomas F. McCormick
Samuel P. McCutchen, Jr.
James N. McCutcheon
Charles A. McDonald, Jr.
Richard M. McElvery
John W. McKean, Jr.
John J. McKenna
Melvin J. McKinley, Jr.
Walker McKinney
George M. McKown
Duer McLanahan, Jr.
Daniel H. McLaughlin
William H. McLeod, Jr.
Lewis L. McMasters, Jr.
Earl C. McMinn
Stuart D. McNamara
Roy D. McPhee
DeWitt K. MacDonald, Jr.
Thomas E. Macfie
Charles C. Madigan
James J. Maher, Jr.
Thomas W. Mapp
Leonard M. Marangi
Richard D. Marchant
John W. Marcus
William E. Maritz
Alexander Marshall
Roger T. Martin
William J. Martz
Paul H. Massey
Daryle C. May
Carlton J. Meade, Jr.
James C. Meetze
James C. Merkle
Paul A. Meyer
Alan H. Miller
Allan S. Miller
Byron K. Miller
Charles J. Miller, Jr.
Nelson D. Miller, Jr.
Thomas B. Miller
Alan R. Mitchell
Charles J. Mitchell
Ralph M. Moberly, Jr.
Roy M. Moe
John H. Moeller
Russell G. Moffett
Edgar B. Montague, Jr.
John D. Montgomery
Henry J. Moore II
James W. Moore
Hugh J. Morgan, Jr.
Max R. Moritz
Melvyn C. Morris III
John W. Morton II
Richard W. Moshier
Roddey B. Moss
Richard N. Motsinger
Nils L. Muench
John G. Munsell
Frank "M" Murphy, Jr.
Robert G. Myers, Jr.
Thomas R. Mylott
Theodore B. Neeley
Edward R. Neely, Jr.
James V. Neely
Arno H. Nehrling, Jr.

Stanley J. Neitling
Robert H. Nelson
James F. Newman
William M. Newman, Jr.
Jack R. Newton
John T. Newton, Jr.
Theodore J. Newton, Jr.
John T. Nicholas, Jr.
Howard F. Nichols
Thomas M. Nilon
William C. Nissen, Jr.
Loren A. Norden
Thomas G. North, Jr.
George R. Nugent
James H. O'Donel
George J. O'Donnell, Jr.
James J. O'Donnell
Micajah L. Oglesby
Robert M. Oliver, Jr.
Thomas N. Oliver
Joel Ollendorf
John T. O'Neill, Jr.
James C. Osborne
James B. Osbourn
Donald F. Owen
Richard L. Owen, Jr.
Robert MacA Park
Alan Parsons
Herbert Patterson
Gordon L. Pauley
William H. Payne
George W. Peake, Jr.
Gene S. Peterson
Joseph W. Petrucci
Robert J. Pfister
James L. Phillips, Jr.
Henry G. Plaster, Jr.
Stephen J. Pollak
Walter S. Pomeroy, Jr.
George W. Porter
Stephen L. Post
Matthew E. Potash
Hamilton F. Potter, Jr.
Joseph A. Pugliese
Edward W. Purnell
John A. Purvis
Charles D. Quarles, Jr.
Donovan B. Quigley
Francis X. Quinlan
John C. Ramberg
John H. Ramsden
Jack H. Ramsey
Rufus W. Rauch, Jr.
Gordan A. Reed
Charles L. Reese III
Warren P. Reese
Garrett M. Reeves
David N. Reid, Jr.
Eugene L. Reid
Richard J. Reynolds
Robert B. Rhoades
Richard S. Ribble
Francis J. Richards
Gustavo V. Rico
Richard H. Rish
George Ritner
Harvey F. Robbins
Charles H. Robinson
James H. Rogers
Norman T. Rogers, Jr.
Palmer Rogers
Ralph R. Rogers
Waid Rogers
Robert D. Roller III
Peter W. Rooney
Henry L. Ross, Jr.
Gustave A. Roth
Alvah L. Rowe, Jr.
Kenneth B. Roy, Jr.
William Rubin
James A. Ruff
Homer P. Rush, Jr.
James F. Ryan
John J. Ryan, Jr.
Leonard P. Rychlik
Ronald J. Sanford
William W. Sant
Chris Saros
Raymond A. Schakel
James F. Schell
Lawrence Scherr
Orvil D. Scherrer
Walter L. Schiffelbein
Norbert A. Schlei
George M. Schultz
Robert J. Schuster
Roger M. Scott
Jack W. Seawell
Ralph H. Seifert
Donald H. Sellers
Bruce M. Senior
Walter R. Shafer
Edward L. Shank
Royal G. Shannonhouse III
Benjamin H. Shattuck
Albert E. Shaw, Jr.
Douglas G. Shaw
Donald R. Shearer
James D. Sheppard
Robert L. Sheppard, Jr.
William R. Sheridan
Edward J. Shimon
Alan R. Shoolman
Thomas C. Simons
Kenneth F. Simpson, Jr.
Robert J. Sisk
Robert D. Skorheim
Frederick M. Smith
Leland N. Smith
Melbourne LeR. Smith
Thomas W. Smith
Thomas W. D. Smith
Roberto E. Socas
Carl L. Sorlie
Robert S. Springmier
Henry C. Stambaugh
David M. Staples
James F. Statia
Albert L. Stecker
Zach R. Stewart
John A. Stewman III
Jack H. Still
Charles J. Stockman, Jr.
Arthur J. Stockslager
Victor C. Stolle
David R. Stott, Jr.
Robert D. Stratton
John F. Straubel
Raymond F. Strecker
Samuel T. Stumbo
John T. Subak
Joel D. Sugg
Francis W. Sullivan
John L. Sullivan, Jr.
Ralph V. Summy, Jr.
Jerome D. Swalen
James R. Sweeney
Philip W. K. Swett, Jr.
Hugh G. Swift, Jr.
Robert E. Swingley
Warren C. Talbot
Charles B. Tanc
George S. Tanner
Thomas E. Taylor
Ballard W. Tebo
William W. Tennis
William R. Terrill
Charles H. Thibault
William L. Thoen
Carl H. Thomas, Jr.
Ruben C. Thomas
Raphael P. Thompson
John W. Thornton
Robert C. Thyberg
Donald C. Tinker, Jr.
Theodore W. Tober
Lew Todes, Jr.
Owen J. Toland, Jr.
Edwin A. Toll, Jr.
Frank R. Tomlinson
William T. Towles
James D. Tregurtha, Jr.
Mark E. Trivison
Glenn E. Troutman
Charles J. Truax
Edward Tuck II
Paul J. Uhlig
Eugene T. Ulbert
Earl A. Ullman
William R. Upthegrove
Clark C. Upton III
Louis A. VanHouten
David M. Vea
Charles H. Vejvoda
George K. Vincent
Eugene M. Voda
James L. Wait, Jr.
Marvin P. Watkins
Robert T. Weatherly, Jr.
Bernard L. Weigand
Leonard T. Weinstein
Rylan C. Weisner
John F. Weldon
Alfred T. Wells, Jr.
John L. Wells, Jr.
George R. Wentz
Richard E. Werner
John C. Westervelt
Don Wharton
Robert W. White
Richard T. Whitlock
William R. Wibbenhorst
Ned E. Wick
Harry O. Wiedmaier
Emmett C. Wiginton, Jr.
John G. Wigmore
James G. Wilcox
Robert M. Wilkins
James E. Wille
Franklin E. Williams
George N. Williams
Jesse G. Williams
Lewis L. Williams
Roy E. Williams
William A. Williams III
Carlton D. Wilson
Joseph W. Wilson
Richard F. Wilson
Wayne R. Wilson, Jr.
Richard I. Winneg
Harold G. Wise
Donald F. Winslow
Robert E. Wiss
James L. Wood
James F. Woodall
Ernest R. Woodmansee, Jr.
John A. Woodside
George M. Woodwell
John McC. Woolf
Thomas K. Worcester
Richard L. Wright
Russell A. Wright
Frederic L. Wyckoff
John L. McK. Yardley, Jr.
Frank M. Yasaitis
John S. Youtcheff
George F. Zellmer
Thomas A. Ziebarth
Milton C. Zilis
Donald B. Zook

The following-named (Naval ROTC) to be ensigns in the Supply Corps of the Navy, from the 2d day of June 1950:

Leon M. Adair
Joseph J. Angner
Donald R. Ansel
Charles W. Arnason
Richard L. Baker
Richard T. Barker
Wilbur C. Besemann
Douglas C. Billian
Robert G. Bleck
Stanley C. Bohl
Robert E. Boyd
Paul W. Brosman, Jr.
Thomas E. Burnetta
Paul Colen
Richard J. Cross
William E. Curran, Jr.
Wayne D. Dewey
Harolad C. Donley, Jr.
Frederick J. Eckfeld
Alan R. Ecklund
James S. Ely
Richard M. Flanagan
Evans J. Francis
Robert C. Fulton
John H. Gallion
Alvin R. Garchow
Merrill A. Geiger
Richard A. Hall
Gerald H. Hanratty
Lloyd E. Hawkinson
Robert H. Hile
John E. Hogan
Clyde V. House
Donald S. Howard
Richard S. Hudson
Robert L. Hughes
George M. Hunter, Jr.
Robert L. Isaacson
Dean S. Johnson
John D. Jolliffe
Philip E. Kepple
Thomas E. Killebrew
Frederick W. Kirby, Jr.
Walter E. Knowles III
Frank W. Krone
John R. Krueger
William G. LaCombe
John D. Lewis
Norman H. Liedtke
Kenneth J. Lisy
Robert W. Manire
Charles C. Martin
Harry C. McClintock
Loyd W. McCormick
Richard D. McGoldrick
Donald W. Miller
Charles M. Mouch, Jr.
Paul W. Neff, Jr.
Doglas J. Olson
James A. Parker
Frank Pickard, Jr.
James R. Pratt
Eugene E. Reynolds, Jr.
Robert L. Rice
Donald J. Rippert
Clayton P. Roche
Merritt "J." Schumann
Claude R. Sowle III
Ralph W. Stegner
Robert L. Strickland
John R. Strobel
Floyd O. Stroup
Richard A. Traskowsky
Reynold C. Tveita
Carl G. Uchtmann
George L. Walker
Jerome T. Walmsley, Jr.
Richard W. Morrison
Thomas R. McNabb

The following-named (Naval ROTC) to be ensigns in the Civil Engineer Corps of the Navy, from the 2d day of June 1950:

Robert G. Adams
Lawson I. Ainsworth
Eldon D. Aldred
Richard L. Allen
Leonard L. Attwell, Jr.
Bruce G. Austin
Emory D. Ayers
Edward McC. Baty
Gerald L. Bearer
Robert L. Berg
Robert T. Billington
William H. Boden, Jr.
Stephen R. Caliento
Carrol A. Carr
Edgar S. Carr, Jr.
Billy R. Catherwood
Victor Chacho
Eugene Chesson, Jr.
Stanley L. Clewett
James W. Deardorff
Paul G. Eppes
Norton H. Falls
Richard W. Ferris
John W. Ferry
Harold L. Goyette
Alfred G. Granieri
Elmer D. Hamann
Carl C. Hanke, Jr.
Kenneth E. Heidelbers
William B. Henderson
Richard W. Huston
Louis Huszar, Jr.
John P. Jaso, Jr.
Seward R. Keim
Addison H. Kermath
Kenneth E. Klotz
Walter S. Kmak
Norman F. Lattin
Wilbur S. Leinberry
Theodore E. Leonard
Robert H. Lindquist
Douglas R. Lynch
Hunt V. Martin, Jr.
James H. McFadden
Richard O. McNerney
Lonnie A. Marshall
William D. Middleton, Jr.
Robert W. Muery
Robert C. Ockerlund
John R. Patterson, Jr.
Stanley D. Penny
Russell J. Peterson
William E. Pinner, Jr.
Richard E. Powell
Harland A. Ricker, Jr.
Stanley H. Saulson
Lynn E. Schrier
John A. Sheffield, Jr.
Charles B. Simison
Sherwood L. Simpson
Porter J. Smith, Jr.
Donald E. Stocking
Tom D. C. Thomas
William T. Towles
Brooks F. Warner
William B. Whalley
James A. Whelan
Frank J. Young
Richard M. Young

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Chaplain Corps of the Navy:

Charles Arnold
George C. Bingaman
Leo D. Ward
Howard E. Waters

Walter E. Ralls (civilian college graduate) to be a lieutenant in the Dental Corps of the Navy.

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Dental Corps of the Navy:

James B. Peachey
Victor H. Silberstein
Roland C. Smith

The following-named (civilian college graduates) to be ensigns in the Medical Service Corps of the Navy:

Walter E. Beam, Jr.
Lynn W. Brawner, Jr.
Noel L. Freeman
Godfrey S. Huber
Calman Levich
Francis E. McGuire
John A. Moody
Edgar G. Waggoner

Barbara J. Whiteman (civilian college graduate) to be an ensign in the Medical Service Corps of the Navy.

The following-named to be ensigns in the Nurse Corps of the Navy:

Martha L. Edens
Rosalyn L. Keay
Doris N. Snell

IN THE COAST GUARD

The following-named persons to be chief boatswains in the United States Coast Guard:

Herman F. Rogall
Charles J. Wood
Cullen W. Edwards
Kurt F. Czybora
William P. Williams

The following-named persons to be chief machinists in the United States Coast Guard:

Hoyt J. Caple
Herman Pedersen
George D. King

The following-named person to be a chief pay clerk in the United States Coast Guard:

Mack J. Snowden

The following-named person to be a chief pharmacist in the United States Coast Guard:

Floyd J. Coulter

The following-named person to be a chief radio electrician in the United States Coast Guard:

Robert W. Young

SENATE

THURSDAY, APRIL 13, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, eternal, sure, and strong when the world seems falling to pieces around us, when so many hopes are dashed to the ground and so many dreams shattered, help us to stay our minds on Thee and in the strength of those everlasting values that nothing can destroy. Beauty remains, and truth and kindness. Friendship abides, and love and faith and hope. These possessions remain unsullied by violence and hate and untouched by any assault of evil.

Keep us very close to the things that matter most, that through constant thought of them and seeking to possess them, through all these storms, our souls may abide in the secure haven of Thy peace. We ask it in the name that is above every name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of Wednesday, April 12, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 10, 1950, the President had approved and signed the following acts:

S. 212. An act for the relief of John Joseph McKay;

S. 507. An act for the relief of Mrs. Lorraine Malone;

S. 738. An act for the relief of Earl B. Hochwalt; and

S. 2084. An act for the relief of Jackson Riley Holland.

LEAVES OF ABSENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. MCCLELLAN was excused from attendance on the sessions of the Senate today.

On request of Mr. SALTONSTALL, and by unanimous consent, Mr. AIKEN was excused from attending the sessions of the Senate, beginning today and through Tuesday next.

On request of Mr. SALTONSTALL, and by unanimous consent, Mr. YOUNG was excused from attending the sessions of the Senate today and tomorrow.

On his own request, and by unanimous consent, Mr. IVES was excused from attendance on the session of the Senate tomorrow.

On his own request, and by unanimous consent, Mr. FREAR was excused from attendance on the session of the Senate tomorrow to attend to public business in the State of Delaware.

CALL OF THE ROLL

Mr. MCFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Benton	Hayden	Maybank
Bricker	Hendrickson	Morse
Bridges	Hill	Mundt
Butler	Hoey	Myers
Byrd	Holland	Neely
Cain	Ives	O'Conor
Chapman	Johnson, Colo.	O'Mahoney
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Cordon	Kefauver	Saltonstall
Darby	Kem	Schoeppel
Donnell	Kerr	Sparkman
Douglas	Kilgore	Stennis
Dworshak	Knowland	Taft
Eastland	Langer	Taylor
Ecton	Leahy	Thomas, Okla.
Ellender	Lehman	Thomas, Utah
Ferguson	Lucas	Tydings
Flanders	McCarran	Watkins
Frear	McCarthy	Wherry
Fulbright	McFarland	Wiley
George	McKellar	Williams
Gillette	McMahon	Withers
Graham	Magnuson	
Gurney	Malone	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. HUNT], the Senator from Montana [Mr. MURRAY], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Louisiana [Mr. LONG], and the Senator from Arkansas [Mr. MCCLELLAN] are absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Colorado [Mr. MILLIKIN], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The senior Senator from Maine [Mr. BREWSTER], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Indiana [Mr. JENNER], the Senator from Massachusetts [Mr. LODGE], the Senator from Pennsylvania [Mr. MARTIN], the junior Senator from Maine [Mrs. SMITH], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

VISIT TO THE SENATE OF HIS EXCELLENCY GABRIEL GONZALEZ-VIDELA, PRESIDENT OF THE REPUBLIC OF CHILE

Mr. LUCAS. Mr. President, we know that the President of Chile the Honorable Gabriel Gonzalez-Videla is a guest of the United States Government, and that he is also a guest of the United States Senate today. He is now in the chamber of the Vice President, awaiting to be presented to this honorable body. I ask that the Chair appoint a committee to escort this distinguished visitor from South America to the Senate Chamber.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Chair appoints the Senator from Illinois [Mr. LUCAS], the Senator from Nebraska [Mr. WHERRY], the Senator from Texas [Mr. CONNALLY], and the Senator from Wisconsin [Mr. WILEY] to escort the President of Chile into the Chamber.

Mr. LUCAS. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair.

The VICE PRESIDENT. Without objection, the Senate will stand in recess until the President of Chile has been received.

Thereupon (at 12 o'clock and 25 minutes p. m.), the Senate stood in recess, subject to the call of the Chair.

His Excellency Gabriel Gonzalez-Videla, the President of the Republic of Chile, escorted by the committee appointed by the Vice President, entered the Chamber and took the seat assigned to him immediately in front of the Vice President.

The members of the party accompanying the President of Chile, consisting of—

His Excellency Horacio Walker, Minister of Foreign Affairs of Chile, and Señora Teresa C. de Walker;

His Excellency Felix Nieto del Rio, Ambassador of Chile to the United States, and Señora Luz P. de Nieto del Rio;

His Excellency Manuel Trucco, Under Secretary of the Ministry of Foreign Affairs of Chile, and Señora Lucia P. de Trucco;

His Excellency Hernan Santa Cruz, Ambassador, Chief of the Chilean Delegation to the United Nations, and Señora Andriana G. de la H. de Santa Cruz;

Col. Santiago Robles, Chilean Army, Military Aide to the President;

Lt. Col. Eduardo Middleton, Chilean Air Force, Air Aide to the President; and

Roberto Vevgara, were escorted into the Chamber by the Secretary and Sergeant at Arms and took the places assigned to them.

The Honorable Claude G. Bowers, Ambassador of the United States to Chile;

The Honorable Stanley Woodward, Chief of Protocol;

Rear Adm. Walter G. Schindler, United States Navy, United States Aide to the President of Chile;

Mr. Joseph W. Reap, Press Relations, Department of State; and

Mr. J. Alfred Barrett, Department of State, who also accompanied the President of Chile, were escorted into the Chamber, and took the places assigned to them.

The VICE PRESIDENT. Members and guests of the Senate, we have as our guest this morning a very distinguished statesman from one of the great Republics of South America. He served for 12 years in the Chamber of Deputies of Chile, which corresponds to our House of Representatives, 4 years in the Senate of his country, and from that position he was elevated to the Presidency of his Republic, which shows that he came up the hard way. I have the honor and pleasure of presenting to you the Honorable Gabriel Gonzalez-Videla, the President of the Republic of Chile. [Applause.]

ADDRESS BY THE PRESIDENT OF CHILE

President VIDELA. Excmo. Señor Presidente del Senado Señores Senadores: Para cualquier cuidadano de un país extraño regido por las normas de la

democracia representativa, en que mayorías y minorías poseen la plenitud de sus derechos, es emocionante encontrarse en el recinto del Parlamento de los Estados Unidos. Desde este soberbio Capitolio de Washington irradia sobre el mundo un ejemplo permanente de libertad de opinión y de respeto a los principios fundamentales en que se basa el régimen republicano.

Si bien es cierto que los Estados Unidos, al constituirse en Nación independiente, heredaron los rasgos esenciales de las instituciones inglesas, también es cierto que la naciente República americana les dió un sentido nuevo, revolucionario entonces, que las modificó para bien de la humanidad. El Congreso de los Estados Unidos, bajo el sistema bicameral, ha sabido mantener intacta la tradición de los fundadores de éste poderoso conjunto de Estados cuyo vínculo jurídico se ha hecho indestructible por el respeto a las leyes.

Las otras Repúblicas americanas se inspiraron sucesivamente en la Constitución de los Estados Unidos para organizarse en naciones soberanas. Nuestros primeros ensayos constitucionales y, por lo tanto, la manera de legislar por medio de representantes del pueblo, fueron el reflejo de la filosofía política de los Estados Unidos.

Como jefe del Estado de Chile, muchas veces solicito las opiniones de los parlamentarios de la oposición y la de sus dirigentes.

Creo sinceramente que si llega el día en que todos los países del hemisferio dievah a su estructura democrática cierta uniformidad de comprensión de la democracia representativa, la fuerza moral del Continente americano sería la más sólida del mundo para imponer la paz y devolver sus derechos a los pueblos oprimidos de otros Continentes.

Aprovecho, señores Senadores, esta oportunidad en que me haceis el honor de recibirme, para rendir un homenage al Congreso de los Estados Unidos por todos sus actos legislativos de ayuda a la humanidad. Habeis estudiado y despachado proyectos de leyes del poder Ejecutivo que significan inmensos sacrificios financieros en favor re las naciones vencedoras y vencidas en las dos guerras mundiales, permitiéndoles así encontrar el camino de la recuperación económica y social, sin la cual la crisis del mundo se habría transformado en catástrofe definitiva. Con leyes tan prodigiosas como las que autorizan gastos de acuerdo con el Plan Marshall, éste Congreso de los Estados Unidos ha restablecido la esperanza de que no se desintegre la civilización. Y lo mas extraordinario és que, al dar vuestros votos para ello, comprometiendo los intereses de cada contribuyente, habeis interpretado los generosos sentimientos del pueblo trabajador de los Estados Unidos.

En casi todos los países de la América Latina hubo desde fines del siglo XVIII grupos de hombres esclarecidos que, ansiando la autonomía de sus respectivas patrias, obtenían por vías ocultas informaciones sobre los debates de la Convención de Filadelfia y el texto de la Constitución adoptada en 1787. Estos eran documentos prohibidos por las Coronas de España y Portugal en sus colonias de América, como lo eran las obras de los filósofos franceses. Eran documentos subversivos, cuya posesión acarreaba sanciones penales.

Pero esos hombres, precursores de la independencia latinoamericana, alentados por el fervor de las ideas, nó temieron ní la crítica de las clases reaccionarias ní las amenazas de la autoridad real. Persistieron en su obra de proselitismo hasta que en 1810, estalló el movimiento casi general en las colonias españolas, convertido luego en sublevación armada contra las medidas opresivas.

Me halaga, señores Senadores, recordar a grandes rasgos en esta sala de sesiones del Senado, el parentesco histórico que tiene el nacimiento constitucional de mi país, y de los otros países la tino americanos, con la revolución de la independencia de los Estados Unidos. Existe un nexo íntimo entre ambos fenómenos, que hizo posible la espontánea creación del panamericanismo. En el fondo, el panamericanismo és el producto de la similitud de las instituciones de las 21 Repúblicas americanas, más que de la simple geografía.

Una larga vida parlamentaria me dió experiencia para conocer y apreciar en todo su valor lo que significa en una verdadera democracia la representación de la voluntad ciudadana.

Entendemos en Chile por representación de esa voluntad, lo mismo que vosotros entendeis, o sea, la representación de las diversas corrientes del pensamiento político del país, sín excepción alguna. No és excepción la que priva de derecho de representación a quiénes profesan como doctrina fundamental la destrucción del régimen democrático y el obedecimiento ciego a órdenes de una dictadura extranjera. Es difícil concebir que tales asociaciones, aunque quieran disimularse con el nombre de partidos políticos, estén formadas por ciudadanos. Una cosa és la oposición y ótra cosa muy diferente és la fuerza organizada de la destrucción.

En mi país, desde los primeros tiempos de su aparición en la comunidad internacional, ha existido la oposición. Toda tentativa para suprimirla en dos o tres efímeras ocasiones, ha fracasado estruendosamente. Considero que la oposición es necesaria, indispensable, en todo país libre para mantener el correcto quego del regimen democrático. He formado en las filas de la oposición y la he ejercido como parlamentario con toda la vehemencia de mis convicciones. Por eso la comprendo y la aprecio en su verdadero valor, no sólo en el Congreso, sino también dentro de las actividades domésticas de cada partido.

Un ex-Senador de la República de Chile, que por decisión de su pueblo ejerce por seis años el Cargo de Presidente, felicita con vivo entusiasmo al Congreso de los Estados Unidos por ese y muchos otros actos legislativos que conducen a la restauración de la dignidad del mundo. Y en especial, permitidme decir aqui, que el resto del Continente americano espera de la cooperación del Congreso norteamericano un tratamiento de recíproca comprensión. [Applause.]

Conservaré siempre, señores Senadores, entre los más emocionante recuerdos de mi vida esta ocasión solemne en que me he reunido con vosotros bajo la cúpula del Capitolio de Washington, en la sala de sesiones del Senado. Os dejo los Senadores mi profundo agradecimiento.

[Applause; Senators and occupants of the galleries rising.]

The VICE PRESIDENT. For the benefit of those of us who do not speak or understand Spanish, the address of our distinguished guest will now be interpreted in English by Mr. Manuel Trucco, the Under Secretary of State of the Republic of Chile. [Applause.]

Señor TRUCCO. Mr. President, and Members of the Senate of the United States, as a citizen of a foreign country, governed by a system of representative democracy, in which majorities and minorities enjoy every right, it stirs my feelings deeply to be here in the Halls of the Congress of the United States. From this superb Capital City of Washington there radiates throughout the world an enduring example of freedom of thought, and respect for the fundamental principles upon which the republican form of government is based.

If it be true that the United States, in constituting itself an independent nation, inherited its essential lines from the institutions of England, it is likewise true that the embryonic American Republic gave to them a then revolutionary new meaning, introducing modifications for the good of mankind. The Congress of the United States, under the bicameral system, has maintained intact the tradition of the founders of this powerful union of States, whose juridical ties have been made indestructible through respect for law.

The other American Republics took inspiration, in turn, from the Constitution of the United States, for their own organization into sovereign nations. Our first constitutional efforts and, consequently, the adoption of legislation by representatives of the people, were the reflection of the political philosophy of the United States.

In almost all the nations of Latin America from the end of the eighteenth century there were groups of enlightened men, who, eager for the autonomy of their respective countries obtained, through secret channels, news of the debates taking place at the Philadelphia Convention, and copies of the text of the Constitution adopted in 1787. These documents were prohibited by the Crowns of Spain and Portugal to their American colonies, as were the works of the French philosophers. They were considered to be subversive documents, possession of which was punished by severe penalties.

But these men, precursors of Latin-American independence, stimulated by the fervor of their ideas, feared neither the criticism of the reactionary classes, nor the threats of royal authority. They persisted in their proselytizing work until, in 1810, began a movement through almost all the Spanish colonies, which

was transformed later on into armed rebellion against the measures of oppression from which they suffered.

It gives me pleasure, gentlemen, to briefly recall here in this Chamber of the Senate, the historic kinship of the constitutional birth of my country and of the other Latin-American countries, with the War of Independence of the United States. There is an intimate link between both phenomena which made possible the spontaneous creation of pan-Americanism. Basically, pan-Americanism is the product of the similarity of the institutions of the 21 American Republics, rather than simply geography.

The experience of a long parliamentary career enables me to understand and appreciate to its fullest extent what the will of the people means in a real democracy.

By the representation of this will, we understand in Chile the same as you do, that it is the representation of the different currents of the nation's political thought, with no exception whatsoever. It is not an exception that that denies the right of representation to those who espouse as their fundamental doctrine the destruction of the democratic system, and blind obedience to the orders of a foreign dictatorship. [Applause.] It is difficult, indeed, to conceive that such associations, although they wish to cloak themselves in the name of political parties, are made up of citizens of the country. One thing is opposition, but very different in nature is force organized for destruction.

Opposition has existed in my country from the earliest moments of her appearance in the international community of nations. Attempts to suppress it, on one or two brief occasions, have all met with miserable failure. I feel that opposition is necessary, indispensable, in every free country to maintain the proper balance of the democratic system. I have been in the ranks of the opposition, and I have worked in the Congress with all the strength of my convictions. That is why I understand and appreciate the true value of opposition, not only in the Congress, but also in the internal activities of each party. As Chief of the Chilean State I many times ask the opinions of Congressmen of the opposition and of its leaders.

I sincerely believe that should the day come when all the countries of this hemisphere give to their democratic structures a certain uniformity of understanding of representative democracy, the moral force of the American Continent will become the solidest in the world for the implantation of peace and for the return of the rights of the oppressed peoples of other continents. [Applause.]

I wish to avail myself of this occasion, gentlemen, on which you do me the honor to receive me here, to offer my homage to the Congress of the United States for all the legislation it has adopted for humanitarian purposes. It has studied and passed laws which signify great financial sacrifices to assist the conquered as well as the victorious nations of the two World Wars, thus enabling them to find a way out of their economic and social upheavals, without which way the world crisis would have been transformed into a definite catastrophe. With such prodigious laws such as those authorizing expenditures under the Marshall plan, this Congress of the United States has reestablished hope that civilization will not disintegrate. And what is more extraordinary is that in giving your votes to these measures, obligating the interests of every taxpayer, you have correctly interpreted the generous sentiments of the working people of the United States.

A former senator of the Republic of Chile, who by the will of his people assumed for 6 years the duties of President, congratulates, with his whole spirit, the Congress of the United States for this and many other legislative acts which contribute to the reestablishment of the dignity of the world. And particularly let me say here that the rest of the American Continent expects from the cooperation of the United States Congress a treatment of reciprocal understanding.

I shall, gentlemen, always cherish among the most touching memories of my life this solemn occasion on which I have met with you under the dome of the Capitol here in Washington in the Chamber of the Senate.

Please accept my profoundest thanks. [Applause.]

The VICE PRESIDENT. The Chair will recognize, for a brief response, our most proficient Spanish linguist, the Senator from New Mexico [Mr. CHAVEZ].

Señor CHAVEZ. Señor Presidente, para el beneficio de otros Senadores, si no para beneficio del Vice Presidente quien estoy seguro entiende lo que he dicho, trataré de informar al Senado acerca de lo que le he comunicado al honorable Presidente de la República de Chile. Fué, en efecto: primeramente, en dirigirme al Presidente del Senado:

Señor Presidente, deseo darle las gracias por haberme concedido la oportunidad de dirigir unas cuantas palabras al honorable Presidente de la República de Chile.

Ahora me dirigo a esa ilustre persona:

En nombre del Senado de los Estados Unidos, deseo expresar nuestra gratitud por sus nobles observaciones, y, confiando en el Ser Supremo, tengo la esperanza y confianza que por medio de los esfuerzos de toda persona de buena voluntad en este mundo, vuestras observaciones sean llevadas a cabo en todo su esplendor.

[Applause, Senators rising.]

The VICE PRESIDENT. The Chair will also recognize the Senator from New Mexico, to permit him to translate his own speech into English.

Mr. CHAVEZ. Mr. President, for the benefit of other Senators, if not for the benefit of the Vice President, who I know understands what I said, I shall try to tell the Senate what I stated to the Honorable President of the Republic of Chile. It was in effect—first in addressing the President of the Senate:

Mr. President, I thank you for giving me the opportunity to say a few brief words to the Honorable President of the Republic of Chile.

I now direct myself to that honorable person:

On behalf of the Senate of the United States, I thank you for your noble observations, and, with reliance on the Supreme Being, I express the hope and the confidence that, through the efforts of the people of good will on this earth, your observations will be carried out in all their grandeur. [Applause, Senators rising.]

The VICE PRESIDENT. Mr. President, on behalf of the Senate, I wish to thank you for the honor you have conferred upon us by your visit here today and for the very sincere and beautiful address you have delivered to us.

Not only do all of us hope that your visit among us will be pleasant to yourself and to your friends and those who accompany you, but we know your welcome will be cordial, and we hope that your trip here will more completely cement the friendship between your people and your Government and our people and our Government.

We wish you and your people Godspeed. [Applause.]

President GABRIEL GONZALEZ-VIDELA. Thank you. [Applause.]

The President of Chile and the distinguished visitors accompanying him having been escorted from the Chamber, the Vice President (at 12:50 p. m.) called the Senate to order.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to present petitions and memorials, introduce bills and joint resolutions, and submit routine matters for the RECORD, without debate and without speeches.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

SUPPLEMENTAL ESTIMATE, LEGISLATIVE BRANCH (S. DOC. NO. 160)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation, involving an increase of $10,000,000, for the fiscal year 1951, for the legislative branch, in the form of an amendment to the budget, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAYBANK, from the Committee on Banking and Currency:

H. R. 7846. A bill to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes; with an amendment (Rept. No. 1484).

By Mr. FREAR, from the Committee on Post Office and Civil Service:

H. R. 4285. A bill to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II; without amendment (Rept. 1483).

By Mr. CHAPMAN, from the Committee on Armed Services:

S. 3396. A bill authorizing the Secretary of the Army to convey to the State of Kentucky title to certain lands situated in Hardin and Jefferson Counties, Ky.; without amendment (Rept. No. 1485).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 3118. A bill relating to the forwarding and return of second-, third-, and fourth-class mail, the collection of postage due at the time of delivery, and for other purposes; without amendment (Rept. No. 1486).

STATUE OF BRIGHAM YOUNG

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report, with an amendment, House Concurrent Resolution 184, authorizing the holding of ceremonies in the rotunda in connection with the presentation of a statue of the late Brigham Young. I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The amendment of the Committee on Rules and Administration was, in line 7, after the word "therefor", to strike out the period, and insert a semicolon and the words "and be it further

"*Resolved,* That said statue shall be permanently located in Statuary Hall."

So as to make the concurrent resolution read:

Resolved by the House of Representatives (the Senate concurring), That the Brigham Young Statue Commission of Utah is hereby authorized to place temporarily in the rotunda of the Capitol a statue of the late Brigham Young, of Utah, and to hold ceremonies in the rotunda on said occasion; and the Architect of the Capitol is hereby authorized to make the necessary arrangements therefor; and be it further

Resolved, That said statue shall be permanently located in Statuary Hall.

The amendment was agreed to.

The concurrent resolution as amended was agreed to.

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I also report with an amendment, House Concurrent Resolution 186, authorizing a statue of the late Brigham Young, of Utah, to be placed in Statuary Hall. I ask unanimous consent for its immediate consideration.

Let me explain that the House on different dates passed two identical resolutions. In the meantime, the Senator from Utah [Mr. THOMAS] submitted a resolution tendering to the State authorities the thanks of Congress for the statue. We have adopted one of the House concurrent resolutions and the committee has stricken out all after the resolving clause of the other, and embodied in it the resolution submitted by the Senator from Utah.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The amendment of the Committee on Rules and Administration was, in line 2, to strike out all after the resolving clause, and insert:

That the statue of Brigham Young, presented by the State of Utah, to be permanently placed in Statuary Hall, is accepted in the name of the United States; and that the thanks of the Congress be tendered said State for the contribution of the statue of one of its most eminent citizens, illustrious for his leadership as a colonizer; and be it further

Resolved, That a copy of these resolutions suitably engrossed and duly authenticated be transmitted to the Governor of the State of Utah and to the president of the Church of Jesus Christ of Latter-Day Saints.

The amendment was agreed to.

The resolution as amended was agreed to.

TEMPORARY ASSISTANTS FOR COMMITTEE ON RULES AND ADMINISTRATION

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, with an amendment, Senate Resolution 250, authorizing the Committee on Rules and Administration to employ temporary assistants and make certain expenditures in the investigations of elections, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I understand from the chairman of the committee that this is the usual election-year resolution, and that the amount is the customary amount, and also that it was unanimously reported by the committee?

Mr. HAYDEN. That is correct. The resolution as submitted originally called for $25,000. The committee decided that an appropriation of $50,000 should be made available, in case of need.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to the consideration of the resolution (S. Res. 250), submitted by Mr. GILLETTE on April 5, 1950.

The amendment of the Committee on Rules and Administration was, on page 1, line 9, to strike out "$25,000" and insert "$50,000", so as to make the resolution read:

Resolved, That in carrying out the duties imposed upon it by subsection (o) (1) (D) of rule XXV of the Standing Rules of the Senate, the Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized to make such expenditures, and to employ upon a temporary basis such investigators, technical, clerical, and other assistants as it deems advisable.

SEC. 2. The expenses of the committee under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, and the following resolutions hereby are repealed: Senate Resolution 54, agreed to January 17, 1947; Senate Resolution 114, agreed to May 21, 1947; Senate Resolution 142, agreed to July 23, 1947; Senate Resolution 233, agreed to May 19, 1948.

The amendment was agreed to.

The resolution as amended was agreed to.

ADDITIONAL REPORT OF JOINT COMMITTEE ON NONESSENTIAL FEDERAL EXPENDITURES RELATING TO CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit an additional report on civilian employment in the executive branch of the Federal Government for the month of February 1950, and, in accordance with the practice of several years standing, I request that it be printed in the body of the RECORD as a part of my remarks, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH JANUARY–FEBRUARY 1950, AND PAY DECEMBER 1949–JANUARY 1950

NOTE WITH REFERENCE TO PERSONAL SERVICE EXPENDITURE FIGURES

It should be noted that the latest expenditure figures for personal service shown in table I of this report are for the month of January, and that they are compared with personal service expenditure figures for the month of December, whereas the latest employment figures covered in this report are for the month of February and are compared with the month of January. This lag in personal service expenditure figures is necessary in order that actual expenditures may be reported.

(Figures in the following report are compiled from signed official personnel reports by the various agencies and departments of the Federal Government. Table I shows total personnel employed inside and outside continental United States, and pay, by agency. Table II shows personnel employed inside continental United States. Table III shows personnel employed outside continental United States. Table IV gives by agency the industrial workers employed by the Federal Government. For purposes of comparison, figures for the previous month are shown in adjoining columns.)

PERSONNEL AND PAY SUMMARY

(See table I)

According to monthly personnel reports for February 1950 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures:

Agency	Civilian personnel in executive branch			Pay roll (in thousands of dollars) in executive branch		
	In February numbered—	In January numbered—	Increase (+) or decrease (−)	In January was—	In December was—	Increase (+) or decrease (−)
Total [1]	1,951,968	1,952,061	−93	542,589	599,821	−57,232
1. Agencies exclusive of National Military Establishment	1,206,741	1,200,732	+6,009	335,475	389,083	−53,608
2. National Military Establishment	745,227	751,329	−6,102	207,114	210,738	−3,624
Within the National Military Establishment:						
Office of Secretary of Defense	1,751	1,755	−4	850	726	+124
Department of the Army	309,442	312,194	−2,752	85,298	84,582	+716
Department of the Air Force	150,524	150,388	+136	40,478	41,672	−1,194
Department of the Navy	283,510	286,992	−3,482	80,488	83,758	−3,270

[1] Includes personnel assigned to mutual defense assistance program and their pay, shown by agencies in table V.

NOTE: MUTUAL DEFENSE ASSISTANCE PROGRAM

Table V on page 9 shows personnel counted in tables I, II, III, and IV who are assigned to the mutual defense assistance program by the State Department, Economic Cooperation Administration, and the component units of the National Military Establishment.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during February 1950, and comparison with January 1950; and pay for January 1950, and comparison with December 1949*

Department or agency	Pay (in thousands of dollars)				Personnel			
	December	January	Increase	Decrease	January	February	Increase	Decrease
Executive departments (except National Military Establishment):								
Agriculture	20,669	20,603		66	74,505	74,321		184
Commerce	14,763	14,917	154		46,115	46,980	865	
Interior	15,225	15,674	449		54,375	54,993	618	
Justice	9,649	9,576		73	26,237	26,257	20	
Labor	1,797	1,838	41		5,580	5,682	102	
Post Office	186,462	132,176		54,286	512,621	513,192	571	
State	7,111	7,300	189		24,009	24,330	321	
Treasury	27,707	28,206	499		87,546	90,373	2,827	
Executive Office of the President:								
White House Office	103	123	20		247	254	7	
Bureau of the Budget	259	260	1		539	536		3
Executive Mansion and Grounds	16	18	2		80	74		6
National Security Council [1]	9	7		2	16	16		
National Security Resources Board	152	152			303	297		6
Council of Economic Advisers	22	23	1		33	32		1
Commission on Renovation of the Executive Mansion	2	2			5	5		
Postwar agencies:								
Displaced Persons Commission	100	104	4		255	255		
Economic Cooperation Administration	1,392	1,475	83		4,272	4,433	161	
Motor Carrier Claims Commission	6	8	2		16	18	2	
Office of the Housing Expediter	1,496	1,535	39		4,182	4,113		69
Philippine Alien Property Administration	12	8		4	81	80		1
Philippine War Damage Commission	237	232		5	1,020	978		42
War Claims Commission	20	21	1		53	53		
Independent agencies:								
American Battle Monuments Commission	32	42	10		400	394		6
Atomic Energy Commission	1,895	1,882		13	4,930	4,965	35	
Civil Aeronautics Board	271	270		1	643	641		2
Civil Service Commission	1,192	1,198	6		3,692	3,705	13	
Export-Import Bank of Washington	52	63	11		126	124		2
Federal Communications Commission	522	525	3		1,322	1,317		5
Federal Deposit Insurance Corporation	399	400	1		1,081	1,077		4
Federal Mediation and Conciliation Service	196	190		6	343	345	2	
Federal Power Commission	308	313	5		746	735		11
Federal Security Agency [2]	9,669	9,734	65		34,339	34,085		254
Federal Trade Commission	294	292		2	638	639	1	
General Accounting Office	2,879	2,853		26	8,573	8,526		47
General Services Administration	6,678	6,536		142	23,361	22,916		445
Government Printing Office	2,376	2,392	16		7,079	7,088	9	
Housing and Home Finance	4,174	4,225	51		12,382	12,579	197	
Indian Claims Commission	7	7			10	10		
Interstate Commerce Commission	884	847		37	2,152	2,145		7
Maritime Commission [3]	1,723	1,736	13		5,484	5,451		33
National Advisory Committee for Aeronautics	2,403	2,436	30		7,505	7,527	21	
National Capital Housing Authority	85	84		1	320	319		1
National Capital Park and Planning Commission	11	2		9	20	20		
National Capital Sesquicentennial Commission	5	5			15	17	2	
National Gallery of Art	85	86	1		319	321	2	
National Labor Relations Board	554	558	4		1,510	1,830	320	
National Mediation Board	54	49		5	114	122	8	
Panama Canal	3,427	3,173		254	21,101	21,351	250	
Railroad Retirement Board	735	739	4		2,456	2,434		22
Reconstruction Finance Corporation	1,866	1,854		12	4,465	4,494	29	
Securities and Exchange Commission	455	455			1,036	1,032		4
Selective Service System	478	483	5		3,461	3,469	8	
Smithsonian Institution	173	173			551	563	12	
Tariff Commission	103	102		1	221	224	3	
Tax Court of the United States	60	60			126	126		
Tennessee Valley Authority	3,628	3,892	264		12,342	12,442	100	
Veterans' Administration	54,198	53,561		637	195,778	196,436	658	
Total, exclusive of National Military Establishment	389,083	335,475	1,974	55,582	1,200,732	1,206,741	7,164	1,155
Net change, excluding National Military Establishment			53,608				6,009	

[1] Exclusive of personnel and pay of the Central Intelligence Agency.
[2] Includes personnel and pay for Howard University and the Columbia Institution for the Deaf.
[3] Exclusive of 60 seamen and 2,360 seamen trainees on the rolls of the Maritime Commission and their pay.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during February 1950, and comparison with January 1950; and pay for January 1950, and comparison with December 1949*—Con.

Department or agency	Pay (in thousands of dollars)				Personnel			
	December	January	Increase	Decrease	January	February	Increase	Decrease
National Military Establishment:								
Office of the Secretary of Defense [4]	726	850	124		1,755	1,751		4
Department of the Army:								
Inside continental United States	73,178	73,906	728		270,623	268,348		2,275
Outside continental United States	11,404	11,392		12	41,571	41,094		477
Department of the Air Force:								
Inside continental United States	36,959	36,104		855	126,348	126,279		69
Outside continental United States	4,713	4,374		339	24,040	24,245	205	
Department of the Navy:								
Inside continental United States	77,656	74,100		3,556	261,085	257,664		3,421
Outside continental United States	6,102	6,388	286		25,907	25,846		61
Total, National Military Establishment	210,738	207,114	1,138	4,762	751,329	745,227	205	6,307
Net decrease, National Military Establishment			3,624				6,102	
Grand total, including National Military Establishment	599,821	542,589	3,112	60,344	1,952,061	1,951,968	7,369	7,462
Net decrease, including National Military Establishment			57,232				93	

[4] Includes 13 employees assigned to North Atlantic Treaty Organization and 172 employees assigned to Munitions Board Cataloging Agency.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during February 1950 and comparison with January 1950*

Department or agency	January	February	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	71,817	71,549		268
Commerce	42,262	43,173	911	
Interior	48,940	49,560	620	
Justice	25,767	25,786	19	
Labor	5,503	5,603	100	
Post Office	510,768	511,336	568	
State	8,501	8,573	72	
Treasury	86,806	89,618	2,812	
Executive Office of the President:				
White House Office	247	254	7	
Bureau of the Budget	539	536		3
Executive Mansion and Grounds	80	74		6
National Security Council [1]	16	16		
National Security Resources Board	303	297		6
Council of Economic Advisers	33	32		1
Commission on Renovation of the Executive Mansion	5	5		
Postwar agencies:				
Displaced Persons Commission	87	89	2	
Economic Cooperation Administration	1,092	1,131	39	
Motor Carrier Claims Commission	16	18	2	
Office of the Housing Expediter	4,157	4,088		69
Philippine Alien Property Administration	2	2		
Philippine War Damage Commission	6	6		
War Claims Commission	53	53		
Independent agencies:				
American Battle Monuments Commission	16	15		1
Atomic Energy Commission	4,927	4,962	35	
Civil Aeronautics Board	627	625		2
Civil Service Commission	3,687	3,700	13	
Export-Import Bank of Washington	125	123		2
Federal Communications Commission	1,292	1,287		5
Federal Deposit Insurance Corporation	1,081	1,077		4
Federal Mediation and Conciliation Service	343	345	2	
Federal Power Commission	746	735		11
Federal Security Agency [2]	33,789	33,582		207
Federal Trade Commission	638	639	1	
General Accounting Office	8,573	8,526		47
General Services Administration	23,330	22,881		449
Government Printing Office	7,079	7,088	9	
Housing and Home Finance	12,334	12,528	194	
Independent agencies—Continued				
Indian Claims Commission	10	10		
Interstate Commerce Commission	2,152	2,145		7
Maritime Commission [3]	5,469	5,436		33
National Advisory Committee for Aeronautics	7,504	7,525	21	
National Capital Housing Authority	320	319		1
National Capital Park and Planning Commission	20	20		
National Capital Sesquicentennial Commission	15	17	2	
National Gallery of Art	319	321	2	
National Labor Relations Board	1,497	1,817	320	
National Mediation Board	114	122	8	
Panama Canal	636	632		4
Railroad Retirement Board	2,456	2,434		22
Reconstruction Finance Corporation	4,454	4,483	29	
Securities and Exchange Commission	1,036	1,032		4
Selective Service System	3,380	3,388	8	
Smithsonian Institution	546	558	12	
Tariff Commission	221	224	3	
Tax Court of the United States	126	126		
Tennessee Valley Authority	12,342	12,442	100	
Veterans' Administration	194,117	194,785	668	
Total, exclusive of National Military Establishment	1,142,321	1,147,748	6,579	1,152
Net increase, excluding National Military Establishment			5,427	
National Military Establishment:				
Office of the Secretary of Defense	1,744	1,739		5
Department of the Army	270,623	268,348		2,275
Department of the Air Force	126,348	126,279		69
Department of the Navy	261,085	257,664		3,421
Total, National Military Establishment	659,800	654,030		5,770
Net decrease, National Military Establishment			5,700	
Grand total, including National Military Establishment	1,802,121	1,801,778	6,579	6,922
Net decrease, including National Military Establishment			343	

[1] Exclusive of personnel of the Central Intelligence Agency.
[2] Includes personnel for Howard University and the Columbia Institution for the Deaf.
[3] Exclusive of 60 seamen and 2,360 seamen trainees on the rolls of the Maritime Commission.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during February 1950, and comparison with January 1950*

Department or agency	January	February	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	2,688	2,772	84	
Commerce	3,853	3,807		46
Interior	5,435	5,433		2
Justice	470	471	1	
Labor	77	79	2	
Post Office	1,853	1,856	3	
State	15,508	15,757	249	
Treasury	740	755	15	
Postwar agencies:				
Displaced Persons Commission	168	166		2
Economic Cooperation Administration	3,180	3,302	122	
Office of the Housing Expediter	25	25		
Philippine Alien Property Administration	79	78		1
Philippine War Damage Commission	1,014	972		42
Independent agencies:				
American Battle Monuments Commission	384	379		5
Atomic Energy Commission	3	3		
Civil Aeronautics Board	16	16		
Civil Service Commission	5	5		
Export-Import Bank of Washington	1	1		
Federal Communications Commission	30	30		
Federal Security Agency	550	503		47
General Services Administration	31	35	4	
Housing and Home Finance Agency	48	51	3	
Maritime Commission	15	15		
National Advisory Committee for Aeronautics	2	2		
National Labor Relations Board	13	13		
Panama Canal	20,465	20,719	254	
Reconstruction Finance Corporation	11	11		

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during February 1950, and comparison with January 1950*—Continued

Department or agency	January	February	Increase	Decrease
Independent agencies—Continued				
Selective Service System	81	81		
Smithsonian Institution	5	5		
Veterans' Administration	1,661	1,651		10
Total, excluding National Military Establishment	58,411	58,993	737	155
Net increase, excluding National Military Establishment			582	
National Military Establishment:				
Office of the Secretary of Defense	11	12	1	
Department of the Army	41,571	41,094		477
Department of the Air Force	24,040	24,245	205	
Department of the Navy	25,907	25,846		61
Total, National Military Establishment	91,529	91,197	206	538
Net decrease, National Military Establishment			332	
Grand total, including National Military Establishment	149,940	150,190	943	693
Net increase, including National Military Establishment			250	

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during February 1950 and comparison with January 1950*

(NOTE.—The term "industrial employees" refers to unskilled, semiskilled, skilled, and supervisory employees who are working on construction projects such as airfields, roads, and in shipyards and arsenals. It does not include maintenance or custodial employees.

Department or agency	January	February	Increase	Decrease
Executive departments (except National Military Establishment):				
Commerce	995	1,125	130	
Interior	4,644	4,543		101
State	569	557		12
Treasury	8,120	8,032		88
Independent agencies:				
Atomic Energy Commission	129	143	14	
General Services Administration	154	144		10
Housing and Home Finance Agency	14	17	3	
Panama Canal	1,777	1,747		30
Smithsonian Institution	6	7	1	
Tennessee Valley Authority	6,157	6,216	59	
Total, excluding National Military Establishment	22,565	22,531	207	241
Net decrease, excluding National Military Establishment			34	
National Military Establishment:				
Department of the Army:				
Inside continental United States	138,945	136,857		2,088
Outside continental United States	23,784	23,243		541
Department of the Air Force:				
Inside continental United States	70,155	70,131		24
Outside continental United States	18,116	18,382	266	
Department of the Navy:				
Inside continental United States	168,851	165,932		2,919
Outside continental United States	18,781	18,739		42
Total, National Military Establishment	438,632	433,284	266	5,614
Net decrease, National Military Establishment			5,348	
Grand total, including National Military Establishment	461,197	455,815	473	5,855
Net decrease, including National Military Establishment			5,382	

TABLE V.—*Federal employees assigned to mutual defense assistance program* [1]

Department or agency	Civilian personnel			Pay roll (in thousands)
	In February numbered—	In January numbered—	Increase (+) or decrease (−)	In January was—
Total	4,771	2,390	+2,381	$651
State Department	69	59	+10	32
Economic Cooperation Administration	9	4	+5	2
Office of the Secretary of Defense	24	22	+2	12
Department of the Army	3,865	1,476	+2,389	383
Department of the Air Force	589	825	−236	221
Department of the Navy	215	4	+211	1

[1] Personnel and pay figures are incomplete for organizational period prior to January 1950.

STATEMENT BY SENATOR BYRD

MILITARY ESTABLISHMENT

Civilian employment in the Military Establishment continued to decline in February for the sixth consecutive month since the Johnson retrenchment order of last August. The net decline in February was 6,102 despite an increase of more than 2,300 in employees assigned during the month to the mutual defense assistance program.

Total civilian employment in the Military Establishment during February was reported to be 745,227, a net reduction of 113,559 since the Johnson order. This reduction may be broken down as follows:

Reduction break

Inside District of Columbia area	−883
Outside District of Columbia area	−112,676
Inside continental United States	−89,606
Outside continental United States	−23,953
Classified (and other white collar)	−27,659
Industrial	−85,900
Classified (and other white collar) inside United States	−21,696
Classified (and other white collar) outside United States	−5,963
Industrial, inside continental United States	−67,910
Industrial, outside continental United States	−17,990

Among the component units of the Military Establishment reductions have been heaviest in the Navy Department, totaling 50,076 since August, and bringing the February total down to 283,510, as compared with civilian employment in the Army Department totaling 309,442, in the Air Force Department totaling 150,524, and in the Office of the Secretary of Defense totaling 1,751.

The majority of the Navy Department reductions were in industrial employee separations inside the United States, but outside the Washington area. These reductions totaled 33,639; while outside continental United States there was an additional reduction in industrial personnel of 5,696.

Washington area

Despite over-all reductions in civilian employment by the Military Establishment, since August employment in the Washington area has been increased by all of the components except the Navy Department.

Navy civilian employment in the Washington area decreased 2,953 during the 6-month period; but the number of civilians employed by the Air Force increased by 1,190, the Army by 701, and the Office of the Secretary of Defense by 179.

CIVILIAN AGENCIES

The 6,102 decrease in civilian employment by the Military Establishment during February was almost equalized by an increase of 6,009 in employment by the civilian agencies.

Among the civilian agencies reporting increases were the Post Office Department where the addition of 571 employees made it the twelfth consecutive month in which increases had been reported. The February post office total was 513,192.

Veterans' Administration reported an increase for the second consecutive month. A February increase of 658 ran the total employment for the month to 196,436. Of this increase 258 were reported to have been added to the Administration's medical personnel. In the previous month 271 had been added to medical personnel.

The largest increase of the month was reported by the Treasury Department where additional employees in February totaled 2,827, bringing the Treasury total to 90,373 for the month. Most of the increase was in the Internal Revenue Bureau which was still building up in preparation for the March 15 income tax business.

TOTAL EMPLOYMENT

Total civilian employment in the executive agencies of the Federal Government during February was reported to be 1,951,968. This was a reduction of 93 as compared with January employment.

These figures are based upon a compilation of reports submitted by the reporting agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 3410. A bill to authorize the sale of certain land of Harry Snowball and Annie Davis Rave under jurisdiction of the Winnebago Indian Agency, Nebr.; to the Committee on Interior and Insular Affairs.

By Mr. THOMAS of Oklahoma:

S. 3411. A bill to provide financial assistance for local educational agencies in areas affected by Federal activities, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. IVES:

S. 3412. A bill for the relief of Peter Rousetos, also known as Panagiotis Roussetos; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 3413. A bill to amend the Classification Act of 1949 to make it inapplicable to postal employees of the Panama Canal; to the Committee on Post Office and Civil Service.

By Mr. LANGER:

S. 3414. A bill to grant to veterans of World War II equal treatment in the matter of unemployment readjustment allowances; to the Committee on Finance.

S. 3415. A bill for the relief of Mordka Szaja (also known as Mordka Wiener); and

S. 3416. A bill for the relief of Vito Rizzi; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 3417. A bill to amend the War Claims Act of 1948 so as to provide for the payment of certain tort claims to employees of contractors with the United States; and

S. 3418. A bill to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes; to the Committee on the Judiciary.

By Mr. MYERS:

S. 3419. A bill for the relief of Mrs. Hani Rieder, and her son and daughter; to the Committee on the Judiciary.

By Mr. TAFT (for himself, Mr. DOUGLAS, Mr. BENTON, Mr. SMITH of New Jersey, Mr. SALTONSTALL, Mr. TOBEY, Mr. WILEY, Mr. MARTIN, Mr. HENDRICKSON, Mr. BREWSTER, Mr. SPARKMAN, Mr. MCMAHON, Mr. LEHMAN, Mr. THOMAS of Oklahoma, Mr. MYERS, Mr. PEPPER, Mr. GILLETTE, and Mr. HUMPHREY):

S. 3420. A bill to extend for 1 year the authorization for an appropriation for the International Children's Emergency Fund; to the Committee on Foreign Relations.

By Mr. TAFT:

S. J. Res. 164. Joint resolution to authorize the issuance of a stamp commemorative of the two hundred and fiftieth anniversary of the founding of Yale University; to the Committee on Post Office and Civil Service.

ADDITIONAL EXPENDITURES BY COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. JOHNSON of Colorado submitted the following resolution (S. Res. 257), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Interstate and Foreign Commerce hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-first Congress, $10,000, in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

PROTECTION OF CIVILIANS AGAINST BOMBINGS, ETC.

Mr. TYDINGS submitted the following resolution (S. Res. 258), which was referred to the Committee on Armed Services:

Resolved, That the Committee on Armed Services, or any duly authorized subcommittee thereof, in order to further assure the common defense, is authorized and directed to make a full and complete study and investigation with respect to the development of plans, procedures, and organizations designed to minimize the effects upon the civilian population and upon our productive capacity of bombings, including both conventional types and atomic bombs, bacteriological warfare, chemical warfare, and other methods of warfare which might be used by enemies of the United States in the event of war. The committee shall report its findings, together with its recommendations for such legislation as it may deem advisable, to the Senate at the earliest practicable date.

PROMOTION OF CERTAIN RURAL DELIVERY CARRIERS—AMENDMENT

Mr. JOHNSTON of South Carolina submitted an amendment intended to be proposed by him to the committee amendment to the bill (H. R. 6553) to provide for the promotion of carriers in the rural delivery service in recognition of longevity of service; which was ordered to lie on the table and to be printed.

INCREASE IN BORROWING POWER OF COMMODITY CREDIT CORPORATION—AMENDMENTS

Mr. WILLIAMS (for himself, Mr. IVES, Mr. SALTONSTALL, Mr. HENDRICKSON, Mr. BRIDGES, Mr. FLANDERS, Mr. TOBEY, and Mr. CAIN) submitted amendments intended to be proposed by them, jointly, to the bill (H. R. 6567) to increase the borrowing power of Commodity Credit Corporation, which were ordered to lie on the table and to be printed.

EAST TEXAS CHAMBER OF COMMERCE SILVER JUBILEE—STATEMENT BY SENATOR JOHNSON OF TEXAS

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD a statement prepared by him relative to the silver jubilee of the East Texas Chamber of Commerce, which appears in the Appendix.]

EXCISE TAXES—STATEMENT BY SENATOR MALONE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a news release issued by himself dealing with excise taxes, which appears in the Appendix.]

ROTATING INTERNSHIP FOR LAWYERS—ARTICLE BY EDWARD L. BRYANT

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an article entitled "Rotating Internship for Lawyers," written by Edward L. Bryant and published in the Journal of the American Judicature Society, which appears in the Appendix.]

COMPARISON OF BENEFITS AND PAY-ROLL TAXES UNDER SOCIAL SECURITY AND RAILROAD RETIREMENT ACTS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a comparison of the respective benefits and pay-roll taxes under the Social Security Act and the Railroad Retirement Act, which appears in the Appendix.]

ONE HUNDRED AND FIFTY THOUSAND GERMAN TROOPS ORGANIZED BY RUSSIANS IN EASTERN ZONE—ARTICLE BY CONSTANTINE BROWN

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "One Hundred and Fifty Thousand German Troops Organized by Russians in Eastern Zone," written by Constantine Brown and published in the Washington Evening Star of April 6, 1950, which appears in the Appendix.]

COMMUNISTS ACT TO DRIVE PUBLIC MIND INTO REACTION AND INTELLECTUAL FEAR—ARTICLE BY DOROTHY THOMPSON

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Communists Act To Drive Public Mind Into Reaction and Intellectual Fear," written by Dorothy Thompson and published in the Washington Evening Star of April 6, 1950, which appears in the Appendix.]

FOR MORE DEMOCRACY—EDITORIAL FROM THE WASHINGTON NEWS

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "For More Democracy," published in the Washington News of April 6, 1950, which appears in the Appendix.]

PROGRAM FOR ACTION ON CHINA POLICY ADOPTED BY UNITED FRONT ACTION CONFERENCE ON CHINA

[Mr. MCCARTHY asked and obtained leave to have printed in the RECORD a letter dated March 1, 1949, "To all sections and counties" from May Miller, assistant organizing secretary, Communist Party of New York State, and a resolution on China policy adopted by the United Front Action Conference on China, which appears in the Appendix.]

CLOSER-UPS OF THE WORLD'S TRENDS—UPTON CLOSE'S PERSONAL LETTER

[Mr. MCCARTHY asked and obtained leave to have printed in the RECORD Upton Close's personal letter entitled "Closer-Ups of the World's Trends" dated April 6, 1950, which appears in the Appendix.]

CONDITION OF THE AMERICAN MERCHANT MARINE—ARTICLE BY HELEN DELICH

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD the fourth and concluding article of a series on the condition of the American merchant marine, written by Helen Delich, and published in the Baltimore Sun, April 13, 1950, which appears in the Appendix.]

RETIREMENT OF ADMIRAL LEWIS L. STRAUSS—EDITORIAL FROM THE NEW YORK TIMES

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an editorial entitled "A Job Well Done," from the New York Times of April 13, 1950, with relation to the retirement of Admiral Lewis L. Strauss from membership on the Atomic Energy Commission, which appears in the Appendix.]

A MARSHALL PLAN OF IDEAS—LETTER FROM PHILIP MURRAY

[Mr. BENTON asked and obtained leave to have printed in the RECORD a letter addressed to him under date of April 12, 1950, by Philip Murray, president of the Congress of Industrial Organizations, commenting upon a speech recently delivered by Senator BENTON, which appears in the Appendix.]

OIL AND GAS—CURSE OR BLESSING?

[Mr. KERR asked and obtained leave to have printed in the RECORD an article from Time magazine of April 17, 1950, entitled "Oil and Gas—Curse or Blessing," which appears in the Appendix.]

KERR GAS BILL ONLY AFFIRMS PRESENT LAW—EDITORIAL FROM FORT WORTH (TEX.) STAR-TELEGRAM

[Mr. KERR asked and obtained leave to have printed in the RECORD an editorial entitled "Kerr Gas Bill Only Affirms Present Law," published in the Fort Worth (Tex.) Star-Telegram of April 12, 1950, which appears in the Appendix.]

ADDRESS BY SENATOR BENTON TO UNITED STATES NATIONAL COMMISSION FOR UNESCO

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an address delivered by Senator BENTON to the United States National Commission for the UNESCO, in Washington, D. C., Thursday, April 13, 1950, which appears in the Appendix.]

SENATOR MYERS' REPORT TO THE PEOPLE OF PENNSYLVANIA

[Mr. MYERS asked and obtained leave to have printed in the RECORD his biweekly report to the people of Pennsylvania dated April 6, 1950, which appears in the Appendix.]

WHAT ECA IS ACCOMPLISHING IN EUROPE—ARTICLE BY ROSCOE DRUMMOND

[Mr. MYERS asked and obtained leave to have printed in the RECORD an article entitled "What ECA Is Accomplishing in Europe," by Roscoe Drummond, which appears in the Appendix.]

THE MARSHALL PLAN—EDITORIAL FROM THE CHRISTIAN SCIENCE MONITOR

[Mr. MYERS asked and obtained leave to have printed in the RECORD an editorial entitled "Defend the Marshall Plan," from the Christian Science Monitor for March 20, 1950, which appears in the Appendix.]

DISABILITY INSURANCE

[Mr. MYERS asked and obtained leave to have printed in the RECORD an editorial entitled, "Disability Insurance," from the Washington Post of January 27, 1950, and with it an article on the same subject recently published by the American Public Welfare Association, which appear in the Appendix.]

JUSTICE ROBERTS URGES UNION TO PREVENT WAR—ARTICLE BY DANIEL A. POLING

[Mr. MYERS asked and obtained leave to have printed in the RECORD an article entitled "Justice Roberts Urges Union To Prevent War," by Daniel A. Poling, published in the Philadelphia Bulletin, which appears in the Appendix.]

COLUMBIA VALLEY AUTHORITY—ARTICLE BY LOWELL MELLETT

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an article entitled "Regional Authority Idea Was Born in Republican, not Socialist Brain," by Lowell Mellett, from the Washington Evening Star of April 12, 1950, which appears in the Appendix.]

APPOINTMENT OF LT. COL. CHARLES H. BONESTEEL AS EXECUTIVE DIRECTOR OF THE EUROPEAN COORDINATING COMMITTEE

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2911) to authorize the President to appoint Lt. Col. Charles H. Bonesteel as Executive Director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites, which were, on page 2, line 6, strike out all after "grade:" down to and including "allowances" in line 16, and insert "*Provided*, That Lieutenant Colonel Bonesteel shall hold the position of Executive Director of the European Coordinating Committee for a period of not to exceed 3 years, but during such time shall receive the salary and allowances as Executive Director of the European Coordinating Committee as one of the persons authorized to be employed under section 406 (e) of the Mutual Defense Assistance Act of 1949, payable from funds made available by law for the Department of State, in lieu of his military pay and allowances"; and on page 3, after line 2, insert:

SEC. 3. All periods of service performed by Lieutenant Colonel Bonesteel pursuant to the authority of this act shall be credited as active service in the Army of the United States for pay, promotion, and all other purposes.

Mr. TYDINGS. Mr. President, on April 4 the House passed Senate bill 2911, with certain minor amendments, which do not change the philosophy or intendment of the bill. Therefore I move that the Senate concur in the amendments of the House.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. SALTONSTALL. Reserving the right to object, I understand and know that this again was recommended through unanimous action of the Armed Services Committee.

Mr. TYDINGS. The Senator is correct.

The VICE PRESIDENT. The question is on the motion of the Senator from Maryland to concur in the amendments of the House.

The motion was agreed to.

NOMINATION OF THOMAS K. FINLETTER AND OTHER ARMY AND NAVY NOMINATIONS

Mr. TYDINGS. Mr. President, as in executive session, I send to the desk the nomination of Mr. Thomas K. Finletter, of New York, to be Secretary of the Air Force, together with several other routine Army and Navy promotions, with the recommendation that they be confirmed and the President notified. As in executive session, I ask unanimous consent that this action be taken.

The VICE PRESIDENT. Is there objection?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I shall not object, but I shall appreciate it if the chairman of the Armed Services Committee will specify the vote by which the nomination of Mr. Finletter was reported.

Mr. TYDINGS. All these matters were passed unanimously, after hearings before the Armed Services Committee this morning. In view of the fact that it is important to have a Secretary of Air immediately on the job, it is desirable to have this confirmation made, as there has been no objection filed to it that the committee deemed of any consequence.

The VICE PRESIDENT. Without objection, the nominations will be confirmed, and the President notified.

Mr. LEHMAN subsequently said: Mr. President, I ask unanimous consent to speak for not more than 1 minute in regard to the nomination of Secretary Finletter.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. LEHMAN. Mr. President, I wish to congratulate the President of the United States and the Senate upon the nomination and confirmation respectively of Mr. Thomas K. Finletter as Secretary of the Air Forces. Mr. Finletter is an outstanding citizen of New York. I have known him intimately for a very long period as a friend and associate in government work. I have known him as a successful lawyer and also as a man who was intimately associated with the activities of our State and Defense Departments during the war. His contribution to the war effort was vital and significant. I knew him also as one who directed the writing of an historic and comprehensive report on air power and the needs of the United States in the realm of air strength and power. I am delighted with his appointment. I am very confident that he will serve with distinction and with great credit to himself and to our country.

FACILITATION OF WORK OF THE FOREST SERVICE—CONFERENCE REPORT

Mr. THOMAS of Oklahoma. Mr. President, on behalf of the Senator from Louisiana [Mr. ELLENDER], I submit a conference report, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5839) to facilitate and simplify the work of the Forest Service, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 and agree to the same.

ALLEN J. ELLENDER,
CLYDE R. HOEY,
SPESSARD L. HOLLAND,
GEORGE D. AIKEN,
EDWARD J. THYE,
Managers on the Part of the Senate.

HAROLD D. COOLEY,
STEPHEN PACE,
W. K. GRANGER,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I understand from the Senator from Oklahoma that this is a unanimous report?

Mr. THOMAS of Oklahoma. It is. It is signed by the five members of the conference committee, including the three majority and the two minority members.

Mr. SALTONSTALL. Will the Senator be willing to explain very briefly the changes in the bill made by the conference report?

Mr. THOMAS of Oklahoma. Mr. President, the bill relates to the Forestry Service. During the past several decades a great many individual bills were passed dealing with the same subject. In order to combine the various subjects into one act, it was thought best to revise and rewrite the various acts, and include them in one act in that form. One provision in the House bill provided that fees from grazing areas should be subject to reuse by the Forestry Service. The Senate did not agree to that provision, and required that such fees be paid into the Treasury. That is the only change. The remainder of the bill is a recodification of certain sections of the Forestry Service law.

The VICE PRESIDENT. Is there objection to the immediate consideration of the report?

There being no objection, the report was considered and agreed to.

THE SECRETARY OF STATE—ARTICLE FROM THE AMERICAN MERCURY

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Impeccable Mr. Acheson," written by Fred Rodell, and published in the April 1950 issue of the American Mercury. The editor of the magazine is Mr. Lawrence E. Spivak.

Mr. CONNALLY. Mr. President, reserving the right to object, what was the reference to Secretary Acheson?

Mr. MALONE. Mr. President, in reply to the Senator from Texas, I asked unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Impeccable Mr. Acheson," written by Fred Rodell, and published in the American Mercury magazine.

Mr. CONNALLY. For the moment, Mr. President, I object.

Mr. MALONE. Very well, I shall read it later.

Mr. CONNALLY. I should like to read the article before I pass on it.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The VICE PRESIDENT. The question is on the amendment offered by the junior Senator from Illinois [Mr. DOUGLAS] to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] for the Committee on Interior and Insular Affairs, to House bill 5472.

Mr. FLANDERS obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield before he proceeds with his speech? I should like to make one or two observations on the pending bill.

Mr. FLANDERS. I yield to the Senator from Illinois.

Mr. LUCAS. I should like to find out from the Senators who are in charge of House bill 5472 how much time they think it will take to finish consideration of the bill and all the amendments which have been offered thereto. I should like to make an announcement regarding it, because we shall have to finish consideration of the bill this week, even if we have to hold night sessions and a Saturday session.

Mr. TAYLOR. Mr. President, I do not see the Senator from Wyoming [Mr. O'MAHONEY] on the floor, and I do not presume to speak for him. However, I understand that several Senators intend to make addresses on the subject. I should like to make a brief address myself, and I believe the Senator from Oregon [Mr. CORDON] intends to make some extended remarks on the bill. That is the best information I can give the Senator from Illinois.

Mr. LUCAS. I should like to ask the distinguished Senator from New Mexico [Mr. CHAVEZ] if he has made any progress with respect to the amendment which has been offered by the Senator from Wyoming.

Mr. CHAVEZ. I have heard only indirectly as to the negotiations which are going on. I can tell the Senator from Illinois that it is our hope to be able to work out with the Senator from Washington some solution of the problem which the amendment presents.

Mr. LUCAS. I thank the Senator from New Mexico, and I am glad to hear that. I hope that we can reach some agreement on the amendment, and I sincerely hope that we may be able to finish consideration of the bill perhaps today. I wonder whether we can enter into a unanimous-consent agreement providing for a vote on the bill and all amendments by 5 or 6 o'clock this evening.

Mr. CHAVEZ. I had the same thought in mind day before yesterday, when I made my suggestion to the Senator from Illinois. However, until we know exactly what we can do with the proponent of the amendment, the Senator from Wyoming [Mr. O'MAHONEY], I am not at liberty to say, because if we cannot reach an agreement it is our purpose to show this body how detrimental to sound legislative processes the amendment offered by the Senator from Wyoming is and what it means in the way of stopping completely a flood-control bill for this year, notwithstanding what has already been approved by the Senate. It is our purpose to give information directly to the Senate of the United States and legislate on the basis of that information, not by listening to what some department may probably have in mind, no matter how laudable or ambitious such suggestions may be.

Mr. LUCAS. I am not particularly interested in what a department may say about the bill. The only thing I am interested in is trying to ascertain from Senators how long they think it may take to conclude the consideration of the bill, because other Senators have asked me about it. I believe I should notify the Senate now that unless we can conclude consideration of the bill today we shall sit tomorrow until we finish its consideration, even though it involves holding a night session.

Mr. CHAVEZ. Let me say to the Senator from Illinois that I want to get through with the bill as soon as possible. The committee devoted many days to hearings on it. The committee reported a bill which increased the House-approved items by a substantial number of millions of dollars. In the bill as it is now before the Senate are included projects for every State of the Union. There is not one Senator who does not have an interest in the outcome of the bill. After the bill was reported to the Senate, and during the interim of the recess between the sessions, other matters came up, so that there are now probably 40 percent more amendments than the bill originally contained. We think that is unsound procedure. We think these matters should not come up that way. An attempt is now being made to change the basic law as to the Reclamation Bureau, and to change the basic law as to the financing of reclamation projects. Every project which has been adopted by the Senate and the House will be in jeopardy unless we defeat the many amendments which have been proposed. Unless they are rejected, I assure the Senate we are not going to have an omnibus flood-control bill passed at this session.

Mr. LUCAS. Mr. President, I thank the Senator from Vermont for yielding the time that we might have this short discussion of the situation regarding the measure pending before us. But I reiterate what I said a moment ago, that I certainly hope we may finish with the bill today, because Senators are expecting a call of the calendar tomorrow, and I would be willing to stay here tonight to conclude consideration of the bill in order that we might have a call of the calendar on Friday. But, obviously, if there is to be no opportunity to complete the bill today, we will have to take a recess and continue with it tomorrow. But tomorrow night we will remain with the bill and seek to finish with it, even though it is necessary to have a night session.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LUCAS. I do not have the floor.

Mr. FLANDERS. I yield to the Senator from Oregon.

Mr. CORDON. I was under the impression that the Senator from Illinois had the floor in connection with more or less formal matters.

I merely wish to say to the majority leader that I join with him in hoping we can finish with the bill today. I am perfectly willing to work all day and

into the night, and likewise tomorrow, if necessary. I should like to get the bill out of the way, as I know the Senator would.

I merely wish to add that the presentation in behalf of the so-called O'Mahoney amendment, or committee amendment, has now occupied 3 days, not—and I want this understood—because of time taken solely by the proponents, but because of time taken by those on each side seeking to develop all of the facts and meanings in the amendment.

I do not know of many Senators who desire to speak on the opposite side. The Senator from Oregon expects to take some time this afternoon. I assure the majority leader I shall cut my remarks as short as possible in the hope that we can get the matter determined. I say to him now that it is my purpose to do everything possible to get a vote and reach a final conclusion at the earliest possible moment.

Mr. LUCAS. Mr. President, I am very grateful to the Senator from Oregon for the cooperative spirit he has shown in the remarks he has just made. All of us hope that we can finish with the bill today.

I again thank the Senator from Vermont for his courtesy.

WINNING THE COLD WAR

Mr. FLANDERS. Mr. President, in a speech delivered on the Senate floor on March 31, I stated that it was my purpose to give a series of observations and suggestions on this floor approximately once a week directed toward going on the offensive in the cold war and winning it. I believe the cold war can be won. I am a week behind in my program, inasmuch as the recess last week upset the schedule. I hope to be able to continue from now on, because I feel more strongly than I can say that neither the Congress nor the State Department appreciate the extent to which we play into Russia's hands by not observing the nature of her program of offense and then going on the offensive ourselves. We must meet her on the battlefield she has chosen. We must carry on this contest where our opponent is—not where he is not.

The Politburo day in and day out, week in and week out, month in and month out, year in and year out, is probing the non-Communist world for its tender spots. It is concerned with the social and political tender spots. Of these the Politburo has its own full share in the area which it controls. We seem to be blithely ignorant of them or criminally careless about them. I can come to no other conclusion.

For example it is currently reported that one of these tender spots is to be found in Communist China where there seem to be progressively growing famine conditions, aggravated by the shipment of food to the Soviet area. We must by all means endeavor to turn this situation to our advantage and to the advantage of the suffering Chinese people themselves. In this connection I have been very much impressed with a letter to Secretary Acheson recently written by the junior Senator from California [Mr. KNOWLAND]. I know he sent some copies of this letter to fellow Senators. He proposes that our bursting granaries and storehouses furnish the means through which substantial relief can be provided for the famine-stricken areas. He proposes that through the Voice of America and other means we should notify them of our desire. He proposes that a relief commission of some form should be set up by means of which this relief can be equitably distributed under combined Chinese and American control.

This would, of course, require certain guaranties as to personnel and access for the food shipments, but it is difficult to believe that the Communist government would dare to turn down such a proposal as this, provided we can get our offer of relief made known to a sufficient number of the Chinese people themselves.

Mr. President, I am making no suggestions as to the details of organizing such an undertaking. I am making no suggestions as to the way in which the State Department should conduct the negotiations relating to such an undertaking. But I am saying that undertakings of this sort are a positive contribution toward winning the cold war. That war will be won when the peoples of the world become convinced that we have no desire for territory; have no designs upon their natural resources, but are willing to make active contributions toward a world order in which peoples can live in peace with each other and with increasing prosperity for themselves.

I have often wondered whether in ditching the Kuomintang government the State Department realized that it was destroying the good will which had been built up in China by the 50 years in which we had been training in our schools and universities the cream of young Chinese manhood and womanhood.

Mr. CONNALLY. Mr. President——

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from Texas?

Mr. FLANDERS. I yield.

Mr. CONNALLY. Is what the Senator has just read his own words, or the words of someone else?

Mr. FLANDERS. I never make anybody else's speech on this floor.

Mr. CONNALLY. I thought perhaps the Senator was quoting. Does the Senator say that the State Department wrecked the Nationalist Government?

Mr. FLANDERS. I said I had often wondered; and it is I who have often wondered, not somebody else.

Mr. CONNALLY. Very well; what did the Senator wonder?

Mr. FLANDERS. Whether in ditching the Kuomintang government, the State Department realized that it was destroying the good will which had been built up in China by the 50 years in which we had been training in our schools and universities the cream of young Chinese manhood and womanhood.

Mr. CONNALLY. Mr. President, I challenge the Senator's statement that the State Department wrecked the Kuomintang, or the Nationalist Government. We gave them more than $2,000,000,000 in arms, munitions, food, and supplies. We coached them and supported them, and did everything for them, and the Senator has no warrant for saying that the State Department ditched the Nationalist Government.

Mr. FLANDERS. If my respected friend, the Senator from Texas, will wait until I proceed for about four lines further in my prepared remarks, I will admit the difficulty of the situation which the State Department faced.

Mr. CONNALLY. The State Department did not do what the Senator has said, and I challenge the Senator to show that it did. At an appropriate time I shall answer him more at length, if necessary. Why is there a desire to blame everything on the State Department, to say that the State Department wrecked China, and that the State Department did this and that? If the Senator knows anything, he knows that we gave China more than $2,000,000,000. We know we sent them arms and munitions, and many of the arms and munitions showed up in the hands of the Communists, not by our own action, but by the action of the Nationalist Government and Chiang Kai-shek's forces.

Mr. FLANDERS. Mr. President, I will say to the Senator from Texas that that is information all of which is not only known to me, but is known to the world. Nevertheless, I have differed, and continue to differ, as to the wisdom of the State Department's policy, and I shall go into that at another time on this floor in connection with this particular subject.

Our use of the Boxer indemnity for this purpose was a stroke of statesmanship the like of which the world had never seen. The response by Chinese students went far beyond the financial limits set by those indemnities. I venture to say that never between nations so far removed in history, race, and customs has there ever been such a great reservoir of friendship accumulated as that which existed between the Chinese people and ourselves. Mr. President, that great reservoir was emptied. The plug was pulled, and generations of friendship went down the drain. We lost every friend that America had.

One can say all this with the deepest regret while recognizing that the situation was a difficult one. One is still permitted to wonder whether there was any consciousness in the State Department of what was being done and whether, if there had been such consciousness, some means might not have been found to preserve that priceless asset of Chinese good will.

That good will has gone. It no longer exists.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. CONNALLY. While all these terrible things the State Department was doing to destroy this marvelous situation were going on, what did the Senator from Vermont propose different from what we were doing when we were giving them money and arms and munitions? Where is his resolution, where is his bill, where is his speech, advocating different action?

Mr. FLANDERS. The Senator from Vermont wrote a letter to Secretary Marshall and received a reply. He was at that time a young and somewhat diffident Senator, overawed by the State Department and its policies and its officials, and he regretfully allowed his suggestions to repose in his files, and did not press them. I would not do that now.

Mr. CONNALLY. I think the Senator has done the world a great injury and a great disservice in tying up these valuable ideas of his in his desk.

Mr. FLANDERS. I agree with the Senator from Texas.

Mr. CONNALLY. The Senator from Vermont could have solved the situation, but he did not. He sat down and held his hands, he closed his ears to the world's demand that he come forth and solve the Chinese problem. Yet now he is talking about helping in the cold war, and his remedy for the cold war is an attack on his own Government's policies in China—so he says.

Mr. FLANDERS. I agree with the Senator from Texas that it was unfortunate for the world that I kept silent. [Laughter.]

Mr. CONNALLY. There are times when it would be quite fortunate to the world if the Senator did keep silent—and one of them is now.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. DONNELL. Is the Senator referring to the good will of China or the good will of the Senator from Texas?

Mr. FLANDERS. So far as the good will of the Senate is concerned, this floor is full of good will, and I feel a large measure of it toward my friend the senior Senator from Texas.

All we can do now is to seek to rebuild it. We must seek to rebuild it in the interests of the Chinese people and in our own interests. We must seek to rebuild it for selfish reasons as a part, and an important part, of our conduct of the cold war. It is all the more important that we do so when we remember that waging and winning this cold war means help and benefit to everyone except a small group of power-mad totalitarians behind the iron curtain, protected by the grim walls of the Kremlin.

Mr. President, I hope that the junior Senator from California will put his proposals into some legislative form, that it will be acceptable to the State Department, and that quick action may be had on it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. KNOWLAND. I wish to commend the Senator from Vermont for his remarks and also for the information he has given to the Members of the Senate.

Mr. President, I ask unanimous consent to have printed immediately following my remarks, a copy of the so-called Riga agreement. As the Senator will recall, during the Belgian Relief Commission period Mr. Hoover headed that commission in feeding the people of Belgium up to the time that Belgium got into the war, and then the work was continued, I believe, by calling in the Swiss and some others of the neutrals.

Following World War I, in 1922, there was a great famine in the Soviet Union. That was 11 years before this Government recognized the Soviet Union, which was one done, as the Senator recalls, until 1933. Despite that fact, because of the humanitarian interest on the part of the people of the United States, arrangements were made by the American Relief Commission, then headed by Mr. Hoover, and the then Communist government of Russia, to provide for the feeding of people in the famine areas. At first there was some objection, I understand, on the part of the Communist government. They did not want the type of supervision the relief commission thought should be provided because the commission wanted to be sure that all those in need as the result of the famine would be fed and that the food would not be distributed for political purposes only to Communist Party members. As a result, an agreement was worked out known as the Riga agreement. The distribution of food took place under that agreement.

When the famine conditions had been alleviated the Communist government of the Soviet Union adopted a resolution and sent it as a message to Mr. Hoover, later President Hoover, thanking him for the excellent work that had been done under the supervision of the American Relief Commission. For historic interest and as showing the parallel perhaps between those conditions and the conditions in China, I ask that the Riga agreement be printed in the RECORD.

There being no objection, the agreement was ordered to be printed in the RECORD, as follows:

RIGA AGREEMENT

AGREEMENT BETWEEN THE AMERICAN RELIEF ADMINISTRATION AND THE RUSSIAN SOCIALIST FEDERATIVE SOVIET REPUBLIC

Whereas a famine condition exists in parts of Russia; and

Whereas Mr. Maxim Gorky, with the knowledge of the Russian Socialist Federative Soviet Republic, has appealed through Mr. Hoover to the American people for assistance to the starving and sick people, more particularly the children, of the famine-stricken parts of Russia; and

Whereas Mr. Hoover and the American people have read with great sympathy this appeal on the part of the Russian people in their distress and are desirous, solely for humanitarian reasons, of coming to their assistance; and

Whereas Mr. Hoover, in his reply to Mr. Gorky, has suggested that supplementary relief might be brought by the American Relief Administration up to 1,000,000 children in Russia;

Therefore it is agreed between the American Relief Administration, an unofficial volunteer American charitable organization under the chairmanship of Mr. Herbert Hoover, hereinafter called the ARA, and the Russian Socialist Federative Soviet Republic, hereinafter called the Soviet authorities.

That the ARA will extend such assistance to the Russian people as is within its power, subject to the acceptance and fulfillment of the following conditions on the part of the Soviet authorities who hereby declare that there is need of this assistance on the part of the ARA.

The Soviet authorities agree—

First. That the ARA may bring into Russia such personnel as the ARA finds necessary in the carrying out of its work and the Soviet authorities guarantee them full liberty and protection while in Russia. Non-Americans and Americans who have been detained in Soviet Russia since 1917 will be admitted on approval by the Soviet authorities.

Second. That they will, on demand of the ARA, immediately extend all facilities for the entry into and exit from Russia of the personnel mentioned in (1) and while such personnel are in Russia the Soviet authorities shall accord them full liberty to come and go and move about Russia on official business and shall provide them with all necessary papers, such as safe-conducts, laissez passer, et cetera, to facilitate their travel.

Third. That in securing Russian and other personnel the ARA shall have complete freedom as to selection and the Soviet authorities will, on request, assist the ARA in securing same.

Fourth. That on delivery of the ARA of its relief supplies at the Russian ports of Petrograd, Murmansk, Archangel, Novorossisk, or other Russian ports as mutually agreed upon, or the nearest practicable available ports in adjacent countries, decision to lie with the ARA, the Soviet authorities will bear all further costs such as discharge, handling, loading, and transportation to interior base points in the areas where the ARA may operate. Should demurrage or storage occur at above ports mutually agreed upon as satisfactory, such demurrage and storage is for the account of the Soviet authorities. For purposes of this agreement the ports of Riga, Reval, Libau, Hango, and Helsingfors are also considered satisfactory ports. Notice of at least 5 days will be given to Soviet representatives at respective ports in case the Soviet authorities are expected to take c. i. f. delivery.

Fifth. That they will at their own expense supply the necessary storage at interior base points mentioned in paragraph (4) and handling and transportation from same to all such other interior points as the ARA may designate.

Sixth. That in all above storage and movement of relief supplies they will give the ARA the same priority over all other traffic as the Soviet authorities give their own relief supplies, and on demand of the ARA will furnish adequate guards and convoys.

Seventh. That they will give free import re-export and guarantee freedom from requisition to all ARA supplies of whatever nature. The ARA will repay the Soviet authorities for expenses incurred by them on reexported supplies.

Eighth. That the relief supplies are intended for children and the sick, as designated by the ARA in accordance with paragraph (24), and remain the property of the ARA until actually consumed by these children and the sick, and are to be distributed in the name of the ARA.

Ninth. That no individual receiving ARA rations shall be deprived of such local supplies as are given to the rest of the populations.

Tenth. That they will guarantee and take every step to insure that relief supplies belonging to the ARA will not go to the general adult population nor to the Army, Navy, or Government employees but only to such persons as designated in paragraphs (8) and (24).

Eleventh. That Soviet authorities undertake to reimburse the ARA in dollars at c. i. f. cost or replace in kind any misused relief supplies.

Twelfth. That the ARA shall be allowed to set up the necessary organizations for carrying out its relief work free from governmental or other interference. The central and local Soviet authorities have the right of representation thereon.

Thirteenth. That the Soviet authorities will provide:

A. The necessary premises for kitchens, dispensaries, and, in as far as possible, hospitals.

B. The necessary fuel and, when available, cooking, distributing and feeding equipment for the same.

C. The total cost of local relief administration, food preparation, distribution, etc., themselves or in conjunction with local authorities. Mode of payment to be arranged at later date.

D. On demand of the ARA, such local medical personnel and assistance, satisfactory to the ARA, as are needed to efficiently administer its relief.

E. Without cost railway, motor, water, or other transportation for movement of relief supplies and of such personnel as may be necessary to efficiently control relief operations. The Soviet authorities will for the duration of the ARA operations assign to the ARA for the sole use of its personnel, and transport free of cost, such railway carriages as the ARA may reasonably request.

Fourteenth. In localities where the ARA may be operating and where epidemics are raging, the ARA shall be empowered by the Soviet authorities to take such steps as may be necessary toward the improvement of sanitary conditions, protection of water supply, etc.

Fifteenth. That they will supply free of charge the necessary offices, garages, storerooms, etc., for the transaction of the ARA business and, when available, heat, light, and water for same. Further that they will place at the disposal of the ARA adequate residential quarters for the ARA personnel in all localities where the ARA may be operating. All such above premises to be free from seizure and requisition. Examination of above premises will not be made except with the knowledge and in presence of the chief of the ARA operations in Russia or his representative and except in case of flagrant delit when examiner will be held responsible in case examination unwarranted.

Sixteenth. That they will give to the ARA complete freedom and priority without cost in the use of existing radio, telegraph, telephone, cable, post, and couriers in Russia and will provide the ARA, when available and subject to the consent of competent authorities, with private telegraph and telephone wires and maintenance free of cost.

Seventeenth. To accord the ARA and its American representatives and its couriers the customary diplomatic privileges as to passing the frontiers.

Eighteenth. To supply the ARA free of cost with the necessary gasoline and oil to operate its motor transportation and to transport such motor transportation by rail or otherwise as may be necessary.

Nineteenth. To furnish at the request of the competent ARA authorities all ARA personnel, together with their impedimenta and supplies, free transportation in Russia.

Twentieth. To permit the ARA to import and re-export free of duty and requisition such commissary, transport, and office supplies as are necessary for its personnel and administration.

Twenty-first. That they will acquaint the Russian people with the aims and methods of the relief work of the ARA in order to facilitate the rapid development of its efficiency and will assist and facilitate in supplying the American people with reliable and nonpolitical information of the existing conditions and the progress of the relief work as an aid in developing financial support in America

Twenty-second. That they will bear all expenses of the relief operation other than—

A. Cost of relief supplies at port. (See par. 4.)

B. Direct expenses of American control and supervision of relief work in Russia with exceptions as above. In general, they will give the ARA all assistance in their power toward the carrying out of its humanitarian relief operations.

The ARA agrees—

Twenty-third. Within the limits of its resources and facilities, to supply, as rapidly as suitable organization can be effected, food, clothing, and medical relief to the sick and particularly to the children within the age limits as decided upon by the ARA.

Twenty-fourth. That its relief distribution will be to the children and sick without regard to race, religion, or social or political status.

Twenty-fifth. That its personnel in Russia will confine themselves strictly to the ministration of relief and will engage in no political or commercial activity whatever. In view of paragraph (1) and the freedom of American personnel in Russia from personal search, arrest, and detention, any personnel contravening this will be withdrawn or discharged on the request of the Central Soviet authorities. The Central Soviet authorities will submit to the chief officer of the ARA the reasons for this request and the evidence in their possession.

Twenty-sixth. That it will carry on its operations where it finds its relief can be administered most efficiently and to secure best results. Its principal object is to bring relief to the famine-stricken areas of the Volga.

Twenty-seventh. That it will import no alcohol in its relief supplies and will permit customs inspection of its imported relief supplies at points to be mutually agreed upon.

The Soviet authorities have previously agreed as the absolute sine qua non of any assistance on the part of the American people to release all Americans detained in Russia and to facilitate the departure from Russia of all Americans so desiring, the ARA reserves to itself the right to suspend temporarily or terminate all of its relief work in Russia in case of failure on the part of the Soviet authorities to fully comply with this primary condition or with any condition set forth in the above agreement. The Soviet authorities equally reserve the right of canceling this agreement in case of nonfulfillment of any of the above clauses on the part of the ARA.

Made in Riga, August 20, 1921.

On behalf of Council of Peoples Commissars of the Russian Socialist Federative Soviet Republic:

MAXIM LITVINOV,
Assistant Peoples Commissar for Foreign Affairs.

On behalf of the American Relief Administration:

WALTER LYMAN BROWN,
Director for Europe.

Mr. FLANDERS. Mr. President, it would seem to me that the conditions are almost completely parallel, and I would strongly hope, as does the Senator from California, that the present parallel conditions may result in parallel action.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Vermont yield to the Senator from Texas?

Mr. CONNALLY. Mr. President, I do not ask the Senator to yield. I want the floor in my own right.

Mr. FLANDERS. I yield the floor.

Mr. CONNALLY. Mr. President, I have been somewhat amused by the address delivered by the Senator from Vermont. Allow me to say that my own attitude is not that of being against any humanitarian relief action in China. We have in the past and probably will in the future contribute liberally to measures for the relief of the hungry and suffering in China. The matter to which I desire to address myself, though, is the statement of the Senator from Vermont that the American State Department had destroyed the Kuomintang, which is the party of Chiang Kai-shek.

Mr. President, I desire to review very briefly the troubles in China. When Chiang Kai-shek was trying to repossess conquered Manchuria, the United States appropriated and handed over to the Chinese large sums of cash.

Mr. FLANDERS. Mr. President, will the Senator yield to me for a moment? I extended that courtesy to the Senator from Texas.

Mr. CONNALLY. I yield; yes.

Mr. FLANDERS. I should like the Senator from Texas to know that I am going to read with care in the RECORD tomorrow what the Senator is now saying, and that I am not leaving the Senate Chamber now for any other reason than that I am obliged to do so.

Mr. CONNALLY. That will be all right.

Mr. FLANDERS. I thank the Senator.

Mr. CONNALLY. I think the Senator probably will be just as greatly influenced if he is not present as if he were to be present.

Mr. President, we have been a devoted friend of China for many years. Both here and in the House of Representatives in years past I have publicly proclaimed my friendship and my support of China. What happened? When the Chinese difficulties arose, we gave the Chinese arms, we gave them munitions to a value of more than $2,000,000,000. I repeat that figure—$2,000,000,000.

After we liberated some of the Chinese areas from Japanese control, we found at a little later date that American arms and American munitions were in the hands of the Chinese Communists, not through our act, not through the State Department's act, but in some way the Communists got those supplies from Chiang Kai-shek's forces. Either through corrupt generals or corrupt Cabinet officers or someone, the supplies wound up in the hands of the Communists.

Mr. President, what did we undertake to do? We wanted peace in China. We were friendly to China. We wanted her territory preserved. We wanted her civilization preserved. So the President of the United States sent General Marshall to China. He spent about a year in China endeavoring to bring about a reorganization of the Chinese Government, to revive Chinese strength and power. Where, then, were the Senators who have been complaining in recent months about what happened in China and what the State Department did or did not do? What one of those Senators ever suggested to General Marshall a different course from that which he pursued?

When General Marshall returned from China the first time, the Senate Committee on Foreign Relations had him appear before the committee. He made a complete report of what he had been doing and of his observations and of what he thought the conditions might eventuate into. Not a single one of those who are now attacking the State Department and its record in China ever proposed a different course, ever said a word, ever made a complaint, ever attacked General Marshall in any respect.

Then, after he had returned to China and served for a considerable period in trying to adjust affairs in China, he came back to the United States, and the

Senate Committee on Foreign Relations had him before it again, with both Democratic and Republican Members free to criticize, free to suggest other plans of action. Were any suggestions made? Where, then, were the Senators who are now speaking so loudly? Where, then, were Senators who were carrying around in their pockets plans for the rehabilitation of China?

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MALONE. It might be well at this time for me to state for the information of the distinguished senior Senator from Texas that the junior Senator from Nevada did suggest on the Senate floor that the executive department in connection with the State Department and the Department of National Defense to determine the areas in Asia and in Europe whose integrity were important to our ultimate safety, and, by an adaptation of the principles of the long-established Monroe Doctrine or in some similar way, to state so that the nations of the world could understand what we considered important, and if any nation—I did not mention Russia by name—attempted to extend its system of government into those areas, it would be considered an overt act by the United States of America. I could not allow the Senator's statement to go unchallenged.

Mr. CONNALLY. Very well. When did the Senator make that proposal?

Mr. MALONE. In 1948.

Mr. CONNALLY. To whom?

Mr. MALONE. Here on the Senate floor.

Mr. CONNALLY. Did the Senator speak to the Secretary of State about it?

Mr. MALONE. I spoke the only language I knew—all I was allowed to speak; the then chairman of your Foreign Relations Committee suggested that I not appear before your committee.

Mr. CONNALLY. That is on the floor.

Mr. MALONE. That is right. Relative to an amendment brought forward by the Senate Foreign Relations Committee of which the distinguished Senator from Texas is now chairman; and not once, but at least 20 times since, here on the Senate floor the junior Senator from Nevada has made definite suggestions.

Mr. CONNALLY. If the Senator has to make suggestions 20 times it is pretty good evidence that he is not making much impression.

Mr. MALONE. That is true; but if the Senator will yield further maybe we could show how your committee does not take kindly to suggestions.

Mr. CONNALLY. I yield.

Mr. MALONE. I should merely say that no suggestion that was ever made on the Senate floor made any impression whatever on the distinguished Senator from Texas.

Now, if the Senator will permit me to say a word further, I have heard his remarks in the last 20 minutes on the Senate floor. He is defending every action taken by the administration. Where was the distinguished Senator from Texas when the executive department gave Manchuria, the breadbasket of China, to Russia, without any safeguards whatever?

Mr. CONNALLY. No such thing happened.

Mr. MALONE. It did happen. They gave it to Russia.

Mr. CONNALLY. Very well. I refuse to yield further.

Mr. MALONE. Very well. I think that is a good idea. If such misstatements are representative of what the distinguished Senator from Texas is going to say, let him complete his remarks.

The PRESIDING OFFICER. The Senator from Texas declines to yield.

Mr. CONNALLY. The idea of a Senator of the United States, who is supposed to know something, rising on the floor and saying that the executive department handed over Manchuria to Russia. That is ridiculous, preposterous.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. CONNALLY. I am surprised that any Senator should stand on the floor of the Senate under his responsibility as a Senator and make such a statement.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. CONNALLY. Yes; I yield.

Mr. MALONE. Then what happened when, through the Yalta Conference, we gave Manchuria to the Russians without telling Chiang Kai-shek anything about the deal which was made with Russia about Manchuria, and about the transportation system and the harbors which were turned over to Russia? Does the Senator answer that by saying it was not done?

Mr. CONNALLY. I will say that if the Senator was there and could testify that that was done I might believe it. Otherwise, I do not.

Mr. MALONE. I think that is very typical of the Senator from Texas.

Mr. CONNALLY. There are some Senators who know everything. I am always glad to hear from them.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. CONNALLY. I yield.

Mr. MALONE. I should like to say, Mr. President—and then I shall not disturb the Senator from Texas further—that statements of the kind made here in response to the distinguished Senator from Connecticut perhaps are amusing to some of the friends of the Senator from Texas, but not to anyone else.

Mr. CONNALLY. I assume the Senator means the Senator from Vermont.

Mr. MALONE. I mean the remarks made by the Senator from Texas to the Senator from Nevada and to the Senator from Vermont.

Mr. CONNALLY. The Senator from Nevada has studied geography, and he should know the difference. He said, "the Senator from Connecticut." It was to the Senator from Vermont that the Senator from Texas spoke.

Mr. MALONE. That is a technicality and has no bearing on all the subjects under discussion.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CONNALLY. I shall yield in a moment, but first I wish to answer briefly the Senator who has just spoken.

The Senator from Nevada says he made the suggestion 20 times. Why did not some of his colleagues, his partisan colleagues on the Committee on Foreign Relations, adopt some of them? He never convinced anyone on that committee; he never persuaded any member of that committee to make those proposals.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. CONNALLY. I yield briefly.

Mr. MALONE. I shall be brief.

The Senator has made the direct statement on the floor of the Senate that no suggestions were made. I make this statement now to keep the record straight.

Mr. CONNALLY. They were not made in the Committee on Foreign Relations.

Mr. MALONE. I am not a member of the Committee on Foreign Relations and was denied—as I shall later show—the right to appear before it early in 1948 and advised to offer my suggestions on the Senate floor.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. KNOWLAND. In view of the statement the Senator from Texas has made, namely, that to the Foreign Relations Committee nothing was presented which might indicate the views which some of the rest of us have had—not only the views of Senators on this side of the aisle, but also the views of Senators on the other side of the aisle—in regard to being critical of our far-eastern policy, I wish to call to the attention of the Senate the fact that there was submitted, on April 21, 1949, Senate Concurrent Resolution 30, providing for setting up a joint committee of investigation of our far-eastern policy, to be comprised of Members of both the House of Representatives and the Senate, and to represent both the Democratic and the Republican Parties.

Mr. CONNALLY. What date was that?

Mr. KNOWLAND. It was in 1949. That was when the Communists were still north of the Yangtze River line, and when about three-quarters of China was still under the Republic of China, not behind the iron curtain.

The Senator from California, who was the author of the resolution, not only once, but I believe, on several occasions, wrote to the able chairman of the Foreign Relations Committee and discussed the matter with him. I never was given a hearing on that resolution. So far as I know, the matter was never brought up for discussion before the Foreign Relations Committee.

I merely submit that it would have furnished an opportunity to discuss, in a bipartisan sort of way, the problem of whether it is in the national interest of the United States of America to permit 450,000,000 people of China to go behind the iron curtain.

So, to that extent, the statement of the Senator from Texas is not accurate.

Mr. CONNALLY. Mr. President, at the conclusion of his statement the Senator from California referred to action permitting 450,000,000 people of China to go behind the iron curtain. Would the Senator from California have sent an army to China? Would he have sent armed forces to China? Would he have had the United States intervene in a civil war between two factions in China? How else? The Senator from California says the armies of Chiang Kai-shek were still in the north and the Communists were coming down on them. How would the Senator from California stop the Communists, except with arms in hand and soldiers in the field?

Does the Senator from California now favor that? Did he ever favor it? Did he ever introduce a joint resolution providing for the sending of troops to China? Did he ever indicate that he thought that was the course the Congress should pursue?

Mr. KNOWLAND. Mr. President, now that the Senator from Texas has asked the question—and I am glad he has—I should like to answer it in the same direct way, if the Senator will yield further to me.

Mr. CONNALLY. I yield, but I wish the Senator to be brief, for I wish to conclude.

Mr. KNOWLAND. I shall be brief; but the Senator from Texas has asked me a question which relates to a major question of policy.

Mr. CONNALLY. Very well; let the Senator proceed.

Mr. KNOWLAND. The Senator from California has advocated having in China, as we should have had, the same type of mission which the Senator from Texas advocated here on the floor of the Senate for Greece. The situations in the two countries are parallel. A rebellion was going in Greece. The Communist forces were seeking to overcome that country. Under the so-called Truman doctrine, we sent a commission of some 500 officers and enlisted men to supervise the distribution of arms and equipment in Greece and to supervise the training of the Greek Army. Had that not been done, today Greece would be behind the iron curtain. That program was successful. It would be no more interference in the internal affairs of China to give that type of supervision than it was an interference in the internal affairs of Greece.

Let me quote from the statement the Senator from Texas himself made as to the importance of that mission; his statement appears in the CONGRESSIONAL RECORD for March 25, 1947, at page 2528.

Mr. CONNALLY. The Senator from Texas is aware of all of that.

Mr. KNOWLAND. I know, but for the information of some Senators who may not have been here at that time, I should like to refer to it now.

Mr. CONNALLY. I ask the Senator from California to be brief.

Mr. KNOWLAND. I will be brief.

Mr. CONNALLY. I do not care to have three or four speeches made in the middle of mine.

Mr. KNOWLAND. I shall not do so, but I wish to quote the eminent authority, the Senator from Texas, on the subject.

Mr. CONNALLY. Yes; that is one thing about which the Senator from California is correct. [Laughter.]

Mr. KNOWLAND. At that time the Senator from Texas was responding to the Senator from Florida [Mr. PEPPER]. The Senator from Texas said:

> If it be true—and the Senator from Florida says it is true—that the proposal to provide relief for Greece and Turkey is designed to resist the efforts of Russia—I dislike to use the term, but in order to be frank and honest, I am compelled to use it, and my excuse is that the Senator from Florida used it; for he says that the proposal is designed to resist the encroachments of Russia—if that be true, does anyone suppose that Russia as a member of the Security Council would hesitate to veto the proposal?
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> * * * * *
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> Mr. President, everyone knows that in large part the troubles of Greece grew out of conditions on her northern border. She is bordered on the north by Albania, by Yugoslavia, by Bulgaria. Everyone who is at all familiar with the situation in Europe knows under what influences those three countries operate. He knows what the influences are which dominate and motivate them.
>
> If they can smother Greece, if they can muzzle her activities, if they can override her government by the substitution of a communistic government, their purposes will be served according to the voice and the command of their commander in chief.

I say the Senator was eminently correct——

Mr. CONNALLY. I thank the Senator from California.

Mr. KNOWLAND. I say the Senator from Texas was eminently correct in his recommendations to the Senate in regard to Greece, namely, that it was not in the interest of the peace of the world or the security of this country to permit all of Greece to be overwhelmed. I say to the Senator from Texas that if that is important in the case of Greece, a country of less than 8,000,000 people, it is many times more important in the case of China, with over 450,000,000 people, who now are joined with the Soviet Union in an alliance which is detrimental to the peace of the world and to the security of this country.

Mr. CONNALLY. I thank the Senator from California for approving the conduct of the Senator from Texas in the case of Turkey and Greece, at least. That is some progress.

However, the Senator from California has declined to answer the question. Of course, I do not care to provoke colloquy; the Senator from California already has provoked it. He has refused to say whether he favored sending an army.

Certainly the invasion of north China by the tremendous Communist army cannot be stopped by using a small commission; the Senator from California knows that to be so.

Mr. KNOWLAND. Mr. President, will the Senator yield? I know he wants to be fair.

Mr. CONNALLY. I have yielded several times to the Senator from California. Why does he attempt to imply that I am not fair?

Mr. KNOWLAND. I wish to say to the Senator from Texas that the junior Senator from California has supported, on the floor of the Senate, our so-called bipartisan foreign policy. I supported the United Nations; I supported the North Atlantic Pact, without reservation; I supported the arms implementation program.

Mr. CONNALLY. Very well; I am not challenging that.

Mr. KNOWLAND. And I am saying that I have given the Senator from Texas my answer. I would have had us do, and I would have us do today, precisely the same thing in China that we did in Greece. We did not send combat troops to Greece. We sent to Greece a mission to help train and equip and see that the logistical supplies got where they were needed. I would have us do the same thing in the islands of Formosa and Hainan, and I would have had us do the same thing in China, because I think in the long run we would have saved the lives and the liberty of a great area of the world.

Mr. CONNALLY. Very well; the Senator would have stopped the invasion south of the Yangtze River by all those Communist hosts, the northern Communists, by sending a little mission of perhaps a dozen men there, and no doubt they would have raised the flag, and would have said, "Go back, General; don't invade this territory. You Communists go back to the hills or somewhere else. Don't disturb us."

That would have been a great military program.

Let me say to the Senator from California, furthermore, that after General Wedemeyer returned from China, of course, there were many demands for the production and publication of the Wedemeyer report. After we finally got the Wedemeyer report, what did it advocate? It advocated our going into China and taking possession of the whole country and taking over its civilian administration, taking over its army and all its governmental machinery.

Mr. President, do we want to do that? I do not think we want to do that. Would it not have been a great lesson to the rest of the world, on the part of the United States, which is talking about freedom and democracy, to have the United States by force of arms oust the Chinese authorities and take over their government?

The record of the Government of the United States, the record of the Secretary of State, the record of General Marshall, and the record of all those responsible for the administration's policy in China have been assailed, after it is all over. Where at the appropriate time were the voices that now proclaim their virtues and their schemes—with the exception of the Senator from Nevada. He had a plan.

Mr. MALONE rose.

Mr. CONNALLY. I am not asking a question. [Laughter.] I said no one paid any attention to this issue except the Senator from Nevada. He had a plan, which, along with his views, he hid under a bushel—not only under 1 bushel, but under 20 bushels.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield briefly.

Mr. MALONE. This is the first time I have ever heard the United States Senate floor referred to as a bushel.

Mr. CONNALLY. There are many things the Senator does not know about bushels. He is not a workingman. I am a workingman. The Senator from Nevada is an engineer, a metallurgist—whatever that is: I do not know. [Laughter.] The Senator is a great planner. He knows how to run China, but no one will listen to him. He knows how to reform the various geographical areas in China. He is able to say, "You cannot do that in this area, you cannot do this over here in this area." But no one listens to him, or, if they do, they close the door on his proposals.

Mr. MALONE. Mr. President, will the Senator yield briefly for a question?

Mr. CONNALLY. Very briefly. I want to finish.

Mr. MALONE. The senior Senator from Texas has spoken in a flippant manner—he referred to the work of General Marshall. The general was a great general, but as a Secretary of State, I will let his record speak for itself.

The general is the man who discovered the agrarian Communists in China—the same Communists who will not let the State Department rescue about 300 Americans from Shanghai at this moment, according to the news dispatches. He is the same general who insisted that Chiang Kai-shek let the Communists through the pass into Manchuria, and who suggested that Chiang Kai-shek form a coalition with the agrarian Communists.

I shall answer the Senator from Texas more fully later in the day on my own time.

The unfortunate situation we are in now must be the result of the handling of the matter by the Foreign Relations Committee, under the chairmanship of the senior Senator from Texas. If this is the way to run China, then I am satisfied to leave to that committee the sole responsibility.

Furthermore, I am not a planner. I came here to stop the theoretical planners, who come up with all of the answers but do not know the problems. I was raised on a farm, worked in glass factories, machine shops, mines, and on the cattle and sheep ranges while studying to become an engineer. It does not do credit to the senior Senator from Texas to speak facetiously about any other Senator.

Mr. CONNALLY. Of course. I am speaking responsively, not irresponsively, as the Senator from Nevada speaks. The Senator makes a thrust at the Senator from Texas, which he thinks will injure him. It does not injure the Senator from Texas. Little poisoned arrows such as that fall harmless at his feet.

Mr. President, in conclusion, let me say that I am, of course, unhappy over the eventualities in China, resulting in Communist control of that great country. We have been China's friends almost throughout the entire existence of the Government of the United States. We have made contributions to China. We have ratified treaties, we have relinquished extraterritorial rights we had previously held. We have extended the hand of friendship to China. We have supported its Government. We have supported Chiang Kai-shek, in the face of reports from General Marshall and other diplomatic representatives of ours in China, to the effect that Chiang Kai-shek was surrounded by evil influences, by corrupt officials who had been supporting him in his political ambitions for many years, and whom he did not have the courage and power to dismiss. I do not think anyone ever charged that Chiang Kai-shek personally was corrupt or dishonest, but Chiang's power had been deteriorating for a long time. The Chinese people were disappointed that they had not been given the reforms, the changes in the policies of the Government of China which would have brought them the relief they had been promised. The deterioration of the armed forces of Chiang Kai-shek was not caused by us. We had testimony by General Barr, I believe it was, who had been on the ground, to the effect that no battle in North China was ever lost by Chiang Kai-shek's forces through lack of arms and munitions which we were to furnish, not a single battle was lost through lack of arms and munitions. The testimony was that the battles were lost because the soldiers simply quit fighting. They were tired of war, they would not fight any longer, and the forces of Chiang Kai-shek collapsed. The Communists simply had a street parade as they moved on down across the river into central China.

Mr. FERGUSON rose.

Mr. CONNALLY. Mr. President, we gave money to China, we gave her arms and supplies, we gave her counsel. We had missions in China. The Senator wanted to know about missions. We had military missions in China from time to time, under General Wedemeyer, General Barr, and under General Marshall himself, at a later time. All these men were advisers to the government of Chiang Kai-shek. They were trying to aid him, trying to strengthen his arm, trying to clear his vision, trying to be of help to China. We did everything we could for China except send an army to China to take part in a civil war between two Chinese groups. I did not favor that. Mr. President, I do not believe you favor that. I do not believe any other Senator in this Chamber would have favored the sending of our boys from Mississippi, Pennsylvania, and Oregon to China, to fight and die in a civil war between two political Chinese groups. That is the only thing the Government of the United States failed to do. Yet we are assailed from day to day in the press and over the radio, and on the floor of the Senate, where it is said that the United States Department of State was responsible for the collapse of the Government of China. It is not true. It is a base slander, and I resent it, as a representative of the American people on the floor of the Senate.

Mr. FERGUSON and Mr. CORDON addressed the Chair.

Mr. CONNALLY. I yield the floor.

Mr. MALONE subsequently said: Mr. President, in view of the colloquy which took place earlier today between the senior Senator from Texas [Mr. CONNALLY] and the junior Senator from Nevada, I ask unanimous consent that the remarks I am now about to make may appear in the RECORD immediately following that colloquy.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Without objection, it is so ordered.

Mr. MALONE. Mr. President, in view of the fact that the distinguished senior Senator from Texas [Mr. CONNALLY] made a direct statement that no Senator on the floor of the Senate had ever made any suggestion in regard to dealing with the situation in China in any way differing from the method used by the State Department, his statement should definitely be challenged.

Furthermore, I wish to say that the attitude and words of the distinguished Senator from Texas not only made it abundantly clear that the suggestions previously made by Members of the Senate that there might be a better method of dealing with the Chinese situation than that planned by the State Department had not been considered; but from his attitude it was also made abundantly clear that probably they would not be considered in the future.

Mr. President, while the Foreign Relations Committee was in session early in 1948, considering the ECA—then the Marshall plan—appropriation and the general method of distributing the appropriation of $17,000,000,000 over a period of 5 years, and $5,500,000,000 or $6,000,000,000 for the then current year of 1948, the junior Senator from Nevada inquired of a member of that committee if it would be possible for the junior Senator from Nevada to be heard briefly before the committee. The distinguished senior Senator from Michigan [Mr. VANDENBERG], then chairman of the committee, in a letter dated January 20, 1948, had this to say—and I shall read only extracts from the letter:

> MY DEAR SENATOR: Senator HICKENLOOPER (a member of the Foreign Relations Committee) informed me yesterday of your desire to testify on ERP before the Foreign Relations Committee. I wish to frankly submit to you the situation which your request involves.

Then he said in his letter:

> I cannot and will not be put in the position of declining to hear one of my colleagues, and I am sure that would be the attitude of the committee. * * * I should like to say, however, that no other Senators have asked to testify; and I should like to frankly suggest that I think the place for Senators to debate the issue is on the floor of the Senate.

Mr. President, to be faced today with the situation now developed by the Senator from Texas, then the senior member of the minority party of the Foreign Relations Committee, and now the distinguished chairman of that committee—one of the most important committees of the Senate—and to hear him say that this is not the place to have ideas considered, thus reversing the opinion of the then chairman, Mr. VANDENBERG, namely, in debate in the Senate Cham-

ber, is a little confusing to the junior Senator from Nevada.

I may say, as my distinguished colleague the Senator from Vermont [Mr. FLANDERS] said earlier today, that I was a freshman then. It was my second year in the Senate. I deferred to my more experienced colleagues, and I still would like to defer to these same more experienced colleagues if we could get a proper hearing.

Mr. President, with that foundation I should like to refer to the CONGRESSIONAL RECORD for March 8, 1948, and to the debate on the Marshall plan, then the first year of the Marshall plan. At that point the junior Senator from Nevada asked permission to sum up a debate which had lasted over a period of 2 days. He asked that permission, in view of the fact that his statements made during the debate were rather widely scattered. At that time I said:

Mr. President, in view of the fact that my remarks relative to the Marshall plan and our foreign policy were extended over a couple of days last week, March 4 and 5, which normally would have required probably 20 or 25 minutes to deliver except for the extended debate, I ask unanimous consent to insert in the RECORD a summary of my address as a part of my remarks at this point.

These remarks are to be found on page 2324 of the CONGRESSIONAL RECORD for March 8, 1948.

The following then occurred:

The PRESIDING OFFICER. Following the present statement the Senator is making?

Mr. MALONE. Yes.

The PRESIDING OFFICER. Is there objection?

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Mr. President, I merely suggest that over a period of 2 or 3 days the debate on this floor had proceeded in an orderly manner; and in that summary I merely sought to draw together the points I had made during those several days, so as to make them readily available not only to Members of the Senate Foreign Relations Committee and to Members of the Senate generally but also to any members of the public who might be interested.

This is what I said at this time, under the heading "Peace and safety of the United States"; and I numbered the suggestions I made:

PEACE AND SAFETY OF THE UNITED STATES

1. The peace and safety of this Nation is seriously threatened, through the complete absence of a definite foreign policy, telling our own people and the nations of the world what we consider will threaten our ultimate peace and safety, and the complete absence of a military organization spearheaded by an air corps to enforce our pronouncement.

Mr. President, it should be remembered that that was early in 1948, when we had been destroying our military force, rather than building it up; and we were then considering making a huge appropriation, which later was made, to build up a proper and adequate military organization.

I then said:

2. The basic subject of foreign policy has never been discussed with the American people, through two world wars, and now the Marshall plan is in the same category. The basic subject at issue (as it was in 1823 when the Monroe Doctrine was established to protect South America and the Western Hemisphere from encroachment from the European empire-minded nations) is what areas—and naming the nations in the European and Middle East countries, including Asia and the South Seas—is it necessary for us to currently protect for our own ultimate safety? Until this decision is made no plan to make it effective can be intelligently discussed.

This is what I said at that time, in summarizing what I said during the debate on the floor of the Senate on the fourth and fifth of March, 3 and 4 days prior to the time I presented that summary:

I challenge the State Department to name the nations of the 56 member countries of the United Nations Organization, whose integrity we must currently protect for our own ultimate safety, to tell the world and the American people the truth, so that any empire-minded nations may be apprised of our intentions and thus avoid what could well develop into a third devastating world war, and that our own people may prepare for their own defense, through rebuilding our military organization spearheaded by an air corps that could keep any other nation on the ground in the event of war.

Then I continued, under the heading "Hungry people—communism—rehabilitation of industry."

Mr. President, if the distinguished Members of this body will remember, it was said at that time by those who advocated the Marshall plan that we must feed the hungry people and we must stop communism and we must rehabilitate industry. So at that time I said:

HUNGRY PEOPLE—COMMUNISM—REHABILITATION OF INDUSTRY

3. It is impossible to consider the feeding of hungry people—the stopping of communism—and the rehabilitation of industry as one subject. We only confuse ourselves.

As a result, we mix our emotions with the facts and become unwilling victims of the greatest propaganda machine ever established in Washington; let us take them one at a time:

(a) Feeding emergency hungry people of Europe or of any other area is a matter of charity and must be so considered apart from other considerations. The Congress of the United States has appropriated nearly $1,500,000,000 during the last 12 months—

Mr. President, it should be remembered that was early in 1948, in March—

for that purpose alone, and has appropriated $24,000,000,000 and handed it to the nations of the world without hope of repayment since the close of World War II in 1945.

The December 1946 appropriation of $597,000,000 is expected to last into March of this year; and the Congress is ready to consider further reasonable gifts for food, until Europe completes its third crop, to the extent that our own resources will withstand the impact without further inflation.

That purpose was to feed hungry people, without hope of return of the money, and to do so to the best of our ability and to the limit of our resources without injuring our own economy. I advocated separating those three purposes.

I further said:

(b) Stopping communism through protecting the integrity of the nations of the world that we decide, after full discussion and study, we must currently protect for our own ultimate safety, is a matter of our own integrity and frankness with our own citizens—and with the nations of the world.

If we should decide, after full consideration of our experience through two world wars—and our improved methods of defense and offense—that a threat to the integrity of any member nation of the United Nations Organization, by any other nation would constitute a threat to our ultimate safety—then President Monroe's exact words could be utilized in announcing an extension of the established Monroe Doctrine, leaving out any reference to the Western Hemisphere, and say, in effect, to the world and to the American people that:

"We owe it therefore to candor, and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system—

Their system of government—

as dangerous to our peace and safety."

We should then build at once a military force, spearheaded by an air corps that would bear silent evidence to all concerned that we were ready and able to enforce the extended doctrine, just as we have enforced the original Monroe Doctrine covering the Western Hemisphere for more than 125 years, and which had kept us out of a major war for more than 75 years.

The Congressional Air Policy Board has recommended a long-range military plane purchase program—

Mr. President, the report was only then available—

which would provide a 35,000-plane striking force costing $16,800,000,000 over a 5-year program. The President's Air Policy Board's recent report closely parallels this document.

Mr. President, there were two boards, one which the President of the United States had appointed. The reports paralleled perfectly.

The Armed Services Committee of Congress should immediately check these reports and if found correct recommend their adoption and the appropriation of the necessary funds by the Congress of the United States for the entire 5-year program.

A little further along in these recommendations, under No. 4, I said:

4. The entire thesis and point of my argument is that the feeding of hungry people, whether located in this or any other nation—the international policy of protecting the integrity of foreign areas in the interest of our own ultimate safety—and the rehabilitation of industrial plants in such foreign nations, must be considered separately to make sense and to be understood by our own people.

Mr. President, under the item numbered "4" inserted in the RECORD at that point, March 8, I further said:

The extent that we can and should feed the hungry people of the world—and the amount of money we may loan for rehabilitation of industrial plants on a business basis throughout the world—is the particular business and responsibility of the Congress of the United States—while the international policy, the determination of the areas and nations of the world that we must currently protect for our own ultimate safety is a State Department matter.

Mr. President, I digress from reading the recommendations and the consolidated statement, to say that the Constitution of the United States absolutely charges the State Department through the executive department of this Nation with the duty of fixing the foreign policy. These were suggestions which the junior Senator was making in the course of the

debate, calculated to improve this approach to the world problem, after having been practically refused the opportunity to testify before the Committee on Foreign Relations.

I shall now read No. 20, of this consolidated statement:

20. There can be no effective bipartisan foreign policy, first, until there is a definite foreign policy, and, second, there can be no bipartisan foreign policy starting at the water's edge until the State Department stops its activities at the water's edge. It now largely controls national policy through the Reciprocal Trade Act—

Mr. President, it should be remembered this was said in March 1948—

and its many ramifications through Executive orders and departmental edicts.

Mr. President, in the interest of clarification, I ask unanimous consent to have included in the RECORD the statement inserted by me in the RECORD of March 8, 1948, appearing at pages 2324 and the following pages of the CONGRESSIONAL RECORD, under the heading of "Peace and Safety of the United States," and ending with No. 20 of the consolidated statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PEACE AND SAFETY OF THE UNITED STATES

1. The peace and safety of this Nation is seriously threatened, through the complete absence of a definite foreign policy, telling our own people and the nations of the world what we consider will threaten our ultimate peace and safety, and the complete absence of a military organization spearheaded by an air corps to enforce our pronouncement.

2. The basic subject of foreign policy has never been discussed with the American people, through two world wars, and now the Marshall plan is in the same category. The basic subject at issue (as it was in 1823 when the Monroe Doctrine was established to protect South America and the Western Hemisphere from encroachment from the European empire-minded nations) is what areas—and naming the nations in the European and Middle East countries, including Asia and the South Seas—is it necessary for us to currently protect for our own ultimate safety? Until this decision is made no plan to make it effective can be intelligently discussed.

I challenge the State Department to name the nations of the 56 member countries of the United Nations Organization, whose integrity we must currently protect for our own ultimate safety, to tell the world and the American people the truth, so that any empire-minded nations may be apprised of our intentions and thus avoid what could well develop into a third devastating world war, and that our own people may prepare for their own defense, through rebuilding our military organization spearheaded by an air corps that could keep any other nation on the ground in the event of war.

HUNGRY PEOPLE—COMMUNISM—REHABILITATION OF INDUSTRY

3. It is impossible to consider the feeding of hungry people—the stopping of communism—and the rehabilitation of industry as one subject. We only confuse ourselves.

As a result we mix our emotions with the facts and become unwilling victims of the greatest propaganda machine ever established in Washington; let us take them one at a time.

(a) Emergency feeding of hungry people of Europe or of any other area is a matter of charity and must be so considered apart from other considerations. The Congress of the United States has appropriated nearly $1,500,000,000 during the last 12 months for that purpose alone, and has appropriated $24,000,000,000 and handed it to the nations of the world without hope of repayment since the close of World War II in 1945.

The December 1946 appropriation of $597,000,000 is expected to last into March of this year; and the Congress is ready to consider further reasonable gifts for food, until Europe completes its third crop, to the extent that our own resources will withstand the impact without further inflation.

(b) Stopping communism through protecting the integrity of the nations of the world that we decide, after full discussion and study, we must currently protect for our own ultimate safety, is a matter of our own integrity and frankness with our own citizens—and with the nations of the world.

If we should decide, after full consideration of our experience through two world wars—and our improved methods of defense and offense—that a threat to the integrity of any member nation of the United Nations Organization, by any other nation would constitute a threat to our ultimate safety—then President Monroe's exact words could be utilized in announcing an extension of the established Monroe Doctrine, leaving out any reference to the Western Hemisphere, and say, in effect, to the world and to the American people that:

"We owe it therefore to candor, and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system, as dangerous to our peace and safety."

We should then build at once a military force, spearheaded by an air corps that would bear silent evidence to all concerned that we were ready and able to enforce the extended doctrine, just as we have enforced the original Monroe Doctrine covering the Western Hemisphere for more than 125 years, and which had kept us out of a major war for more than 75 years.

The Congressional Air Policy Board has recommended a long-range military plane-purchase program, which would provide a 35,000-plane striking force costing $16,800,000,000 over a 5-year program. The President's Air Policy Board's recent report closely parallels this document.

The Armed Service Committees of Congress should immediately check these reports and if found correct recommend their adoption and the appropriation of the necessary funds by the Congress of the United States for the entire 5-year program.

Congress could apply the Marshall plan 4-year funds of $17,000,000,000 to the $16,800,000,000 5-year plane-purchase program and have approximately enough left to continue the necessary European nations' feeding program until they raise a third crop and to furnish the necessary funds to the RFC or the World Bank for the rehabilitation of the European nations' industry under the Reconstruction Finance Corporation rules, as applied to American citizens.

(c) The rehabilitation of the industries of the 16 Marshall plan European countries, entirely separate from feeding hungry people, can then be accomplished as a purely business transaction in the same manner as such industrial plants were financed in this country by the Reconstruction Finance Corporation during depression and World War II years.

A reasonable amount of money, say $1,000,000,000, could be appropriated and made available to the RFC or to the World Bank for that specific purpose, simply providing that the RFC rules and regulations be applied to any foreign-business loans.

Their rules provide for an investigation of the feasibility of such an industry by an experienced investigator in the respective field, with an estimate of cost, together with a list of the needed machinery and supplies. They further provide for a lien or mortgage to be taken on such equipment—the stock or shares of the existing organization to be hypothecated as additional security for such loan, and then the signature of the applicant is required.

It will prove a pleasant surprise to both the Congress and to the State Department the relatively small amount of funds that the European nations will require for industrial plant refinancing, if such loans must be secured on a business basis.

4. The entire thesis and point of my argument is that the feeding of hungry people, whether located in this or any other nation—the international policy of protecting the integrity of foreign areas in the interest of our own ultimate safety—and the rehabilitation of industrial plants in such foreign nations, must be considered separately to make sense and to be understood by our own people.

The extent that we can and should feed the hungry people of the world—and the amount of money we may loan for rehabilitation of industrial plants on a business basis throughout the world—is the particular business and responsibility of the Congress of the United States—while the international policy, the determination of the areas and nations of the world that we must currently protect for our own ultimate safety is a State Department matter.

5. On March 4 the London Evening Standard (Lord Beaverbrook) said editorially, "that the nation's Socialist government is sitting back to await another American hand-out and thus save its nationalization schemes."

It said further that "to accept more dollars when the experience of the first dollar loan proved so disastrous would be blind folly." It may be understood—and I found the English people divided at the time of my visit there in November 1947—that the English people are far from agreeing as a unit upon the advisability of their own nation accepting further gifts from this country—many feeling that such gifts merely retained the Socialist government in power.

6. General Wedemeyer, in agreement with General MacArthur, testifying before the House Foreign Affairs Committee on March 4, said, "I don't believe dollars alone will stop the spread of communism anywhere in the world." General Wedemeyer further testified—and General MacArthur had previously wired substantially the same statement to the committee—that "I predict that if we don't take appropriate steps to stop this communistic conflagration, we are going to pay in blood."

Neither agrees with General Marshall when he continues to suppress the year-old Wedemeyer report on China and recommends a purely economic program totaling $570,000,000 for that nation. We have no reason to suppose that General Marshall is more nearly right when he recommends a purely economic approach to the European problem than he has been right in his policy toward China.

7. Spokesmen for the Marshall plan bill made the shocking admission that the amount asked for during the first 12 months was arrived at by determining the total unfavorable trade balances of the 16 Marshall-plan countries for that period with all of the countries of the world and providing them with the necessary cash to continue their unbalanced operations regardless. We simply export to them the necessary cash to make up the deficit, which, I submit, is a dangerous precedent, and if such a policy is to become our accepted method of dealing with the areas necessary to our ultimate safety, why are not the Middle East, Asiatic, and South Seas areas included, which competent authorities may decide are also necessary for our own safety? It is also an open

invitation for unbridled spending on their part with assurance that this country will pay their bills.

8. The sponsors of this legislation have also said that a large amount of the funds advanced to foreign countries will be returned in the form of strategic and critical minerals and materials, indicating that we are now appropriating the money for which we would import the necessary strategic and critical minerals and materials with no thought or safeguard against closing our own industries in these fields through competition provided by appropriations by our own Congress.

An analysis of this statement shows that to get back one-third of the $17,000,000,000 would require the importation of approximately $120,000,000,000 worth of such strategic and critical minerals and materials, since naturally such debtor countries could only return their net profit on producing such materials, which would probably not exceed 5 percent. If this were done, which is very unlikely, it could result in shutting down all of the strategic and critical mineral industries, including the textile industry, of the United States for approximately 25 or 30 years. There are no strategic or critical minerals available in Russia that cannot be secured elsewhere just as readily.

9. The provisions of trade agreements already signed and in operation between the United Kingdom and Soviet Russia, and Belgium and Soviet Russia, provide for furnishing fabricated steel and other goods direct to the U. S. S. R. and it is well known that we are at this time shipping from six to eight million tons of steel to these European countries and that such trade agreements could well prove to be a "manufacturing in transit" rate meaning that the raw steel and other supplies from this country would find their way direct into the U. S. S. R. in the form of fabricated and manufactured steel goods and materials.

We are at this time shipping large amounts of steel and aluminum to Canada, much of which is finding its way behind the iron curtain in the form of manufactured products.

10. It is impossible to stabilize trade or currencies in Europe as long as they continue the established practice of manipulating the value of their currencies to favor their own particular country, and as long as the empire-minded nations, with particular reference to Great Britain, follow their established practice of directing trade to the "mother" countries through their empire-preferential rates and the use of the sterling bloc.

11. There is a grave question as to whether the Congress of the United States can create additional purchasing power by making appropriations for gifts to foreign nations above the amount required to meet the cost of our own Government each year, unless there is comparable increase in our production. This was thoroughly illustrated in the $3,750,000,000 loan to England in 1946, when almost immediately they complained that due to subsequent inflation their estimates of the amount that could be purchased for the loan was almost cut in half. Any further such appropriations would probably have the same general effect.

12. Truth and integrity are the commodities badly needed in the world today. If the United Nations, our own State Department, and the Congress of the United States would bend their efforts toward reestablishing the integrity of private investments throughout the other 56 member nations of the United Nations, in the same manner as we respect the investments of their nationals in this country, then many of the pressing industrial problems would be automatically solved through such private investments.

This is the same administration that—

(a) Recognized the country, about which they are now complaining, in 1933 without any safeguards whatever.

(b) Continued to ship the oil and scrap iron to Japan almost up until Pearl Harbor.

(c) Always claimed prior to World War II that military help was not necessary; that furnishing the money and equipment to the enemies of Germany would do the job.

(d) They are now claiming that the Marshall plan may well stop any threat to the integrity of any other nation in Europe, while competent military authorities have presented their testimony to congressional committees that without military assistance loans will be of little value.

13. The administration has treated General de Gaulle, of France, like a stepchild from the beginning of World War II and has generally opposed his authority in France, while at this moment he is recognized in that country as perhaps the strongest man and is at this moment asking for the military help of this country on the basis that little else will be of value. They have also effectively ignored Franco, of Spain, a very effective enemy of communism, in the same manner.

14. The $17,000,000,000 asked for under the Marshall-plan bill, added to the $24,000,000,000 already expended throughout the world since World War II, added together is $5,000,000,000 more than the assessed valuation of the entire 11 Western States and the 11 Southern States combined, and all of this expenditure made without any definite international policy.

15. The additional $17,000,000,000 for the Marshall plan is requested from Congress without any agreement or treaty with the separate nations involved in the matter of a nonaggression pact such as has been consummated with the South American countries, and in the face of a definite statement made by leaders in England, that they were undecided as to what action they would take in the event of a war between United States and Russia—that what they wanted to do was to become the bridgehead between communistic Russia and capitalistic United States—and without any definite statement of international policy by the State Department as to what areas it is necessary for us to currently protect for our own ultimate peace and safety.

16. Seven of the 16 Marshall plan countries are more than 100 percent recovered, compared to the 1937 industrial index—England 115 percent, Denmark 117 percent, Norway 122 percent, France 106 percent, Ireland 109 percent, Sweden 107 percent, Switzerland 101 percent, and all others are well on the way to such recovery, with the exception of Germany and Austria, which are listed as 42 and 50 percent, respectively.

17. Sir Stafford Cripps was very frank in our London discussions last November—that they do not require the Marshall plan gift so much for England, but needed the money for building up their colonial possessions, particularly in Africa where they want to build up new industry including transportation systems—and opposed my suggestion that private investments from my own and other countries might largely undertake the necessary development if the integrity of such investments could be assured.

18. Mr. Monnet, of France, was also very frank in his outline of the Monnet 5-year plan—that their Government wants the Marshall plan money to purchase power-plant equipment and other new industrial plants to be installed and to be owned by the Government. They are not interested in guaranteeing the integrity of private investments for that purpose.

In addition Mr. Monnet was very clear that they expect to be furnished much of the raw materials free through the Marshall plan.

19. The American people have not been advised that many of the Marshall plan countries have driven more local money underground in their own countries through their nationalization and socialization schemes than they are asking for under the plan. Also, that the nationals of the Marshall plan countries have nearly as much invested in this country as they are asking for, and in addition have effectively stopped all private investments from this Nation by the same official nationalization policies.

The American people have not been advised that the German steel production has been held to under 4,000,000 annual tons from a near 24,000,000 tons, and that the German plants could be utilized to produce an additional six to eight million tons which we are now shipping to Europe, and in that event could hold our steel here and overcome the existing spot oil shortage, and cease forcing our own steel companies to expand their production—also the Germans could then repay our Nation for the more than $1,000,000,000 annual board and general supervision cost for their country.

20. There can be no effective bipartisan foreign policy, first, until there is a definite foreign policy, and second, there can be no bipartisan foreign policy starting at the water's edge until the State Department stops its activities at the water's edge. It now largely controls national policy through the Reciprocal Trade Act and its many ramifications through Executive orders and departmental edicts.

Mr. MALONE. I also ask unanimous consent to have included in the RECORD an article from the American Mercury magazine, to appear at this point in the RECORD. Mr. Lawrence E. Spivak is the editor of the Mercury magazine.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE IMPECCABLE MR. ACHESON

(By Fred Rodell)

A little over a year ago, when a Senate committee, for the first time in United States history, was quizzing a newly named Secretary of State in open hearing before confirming him, Senator VANDENBERG quietly remarked: "I have some knowledge of the adequately expert capacity of the witness to observe the protocol and the proprieties." No truer and no more deeply descriptive words were ever spoken of Dean Gooderham Acheson, the gentleman lawyer who shares with his unlikely friend and boss, plain Harry Truman, the shaping of United States foreign policy in these parlous times. From the impeccability of his manner, of his mustache, of the rich clothes that led the Custom Tailors Guild to crown him America's best-dressed man, to the rigid code of honorable conduct that caused him, with almost arrogant courage, to publicly proclaim he would not turn his back on his old friend, Alger Hiss, protocol and proprieties in the fullest sense are of the essence of Acheson.

If this simple fact had been understood by those Senators who demanded the unique preconfirmation hearing, they would not have given Acheson the chance to acquit himself, as he did, with his customary devastating aplomb. For the purpose of the hearing was to air various cloudy but bitter charges that Acheson on his record was, if not actually pro-Russian, at least a softish appeaser of the U. S. S. R.—as witness, for instance, his friendship for the Hisses (brother Donald, not Alger, had once been Acheson's personal aide in the State Department) and his 1945 appearance in Madison Square Garden to speak before the pro-Communist Council of American-Soviet Friendship.

The absurdity of these charges should have been apparent to all but the fanatic from the very nature of the man. When it was the national policy, during and just after the war, to try to hold hands with Russia,

Assistant Secretary of State Acheson correctly and impeccably followed that policy as laid down by his superiors. When Secretary of State Byrnes ordered his Under Secretary, Acheson, to speak at the Madison Square Garden meeting, Acheson obeyed that order. Not since, as Under Secretary of the Treasury 'way back in 1933, he brashly balked at a Rooseveltian command and was unceremoniously fired, has Acheson ever failed to keep his proper place and his proper counsel in whatever Government post he held. Long known as Washington's "No. 1 No. 2 man," he told the Senate committee, revealingly: "I do exactly what I am told to do." Indeed, whatever foreign sympathies Acheson personally holds are, by training and temperament, exclusively Anglophilic—and nineteenth century Anglophilic at that; he might have served Queen Victoria as the very model of a model foreign minister. To have looked with personal favor on blustering, uncouth Russia at any time in his well-disciplined life would have been utterly out of character for the civilized Mr. Acheson.

Civilized is one of a long list of adjectives that appear again and again in magazine articles and newspaper stories about Acheson. Taken from many sources and strung together, these adjectives add up to a telling character sketch of the Secretary. According to the press, Acheson is able, adroit, argumentative, aristocratic, attractive, brilliant, charming, clever, correct, deft, efficient, elegant, eloquent, graceful, impatient, intellectual, intolerant, lively, logical, persuasive, polished, precise, proud, quick, sharp, skillful, stylish, suave, urbane, and witty. To these should be appended as a sort of catch-all the phrase that one of Acheson's former law partners borrowed from William James to describe his admired friend: "The shiniest fish that ever came out of the sea."

The picture that emerges from even the most flattering of these words is of a sort of virtuoso of the superficial, a man whose mind is tailored like his suits to catch the approval of the elect. That is Dean Acheson. Conspicuously missing is any suggestion of depth or warmth or strength, of wisdom as opposed to cleverness, or of simple democracy as opposed to an aristocratic excellence as intricate as it is contrived.

Also missing from the list are two adjectives that properly belong there—ambitious and lucky; for Acheson, throughout his career, has been both.

II

The luckiest or perhaps the shrewdest thing Acheson ever did was to accept at the Harvard Law School a devoted discipleship under bright Professor (now Justice) Felix Frankfurter—a discipleship which has lasted, undiminished in either devotion or deference, for over 30 years. Frankfurter has been in the foreground or the background of every Acheson appointment since—from the time he personally picked his young protégé, graduating fifth in his class at Harvard, for the prize job of law clerk to Supreme Court Justice Brandeis until he stood significantly at Acheson's side as the new Secretary of State was sworn into office in January 1949. At a New Year's Eve party a few weeks before, the two men, aware of the forthcoming appointment, had embraced each other and stood hand in hand as the toasts were drunk at midnight.

Acheson was also lucky, back in 1921, to get in on the ground floor, of a new Washington law firm, Covington, Burling & Rublee, which was to become, with his help and to his considerable financial benefit, one of the Nation's most successful. For this firm, at the instigation of his friend, Arizona Congressman Lewis Douglas (now ambassador to England), Acheson in 1931 represented the State of Arizona in an important case before the Supreme Court. He lost the case, but this did not stop Douglas, grateful for the nice try, from joining with Frankfurter a couple of years later to urge their friend's appointment to a high post in the original New Deal. Thus Acheson, at the age of 40, became Under Secretary of the Treasury despite his frank confession to a Senate committee that his financial experience was "none at all."

Booted out in less than 6 months by President Roosevelt, who dismissed him as a "lightweight," albeit a gentleman, Acheson took this blow to his ambition and pride with a properly stiff upper lip—a behavior which, incidentally, made possible his return to Government service under FDR, should occasion arise. Occasion arose with the war in Europe; Anglophile Acheson, an immediate interventionist, became an ornament of the Committee to Defend America by Aiding the Allies; when the New York Times printed a now famous letter, signed by Acheson and three other lawyers, which proposed the destroyers-for-bases swap with England, Acheson, as stylistic author, received the major credit although the imaginative legal brain work was largely Ben Cohen's. These activities pleased the President into inviting his former "lightweight" back, this time as Assistant Secretary of State, and Acheson quickly quit his $70,000-a-year law practice to take the $9,000 post.

After 6½ years in the State Department under two Presidents had failed to advance him beyond No. 2 man, although the secretaryship had changed hands three times, Acheson, his ambition a trifle wilted, resigned in 1947 and went back to the lucrative law, but again he left the door open and kept it open for his possible return. Thus, in November 1946, when a dejected Truman had come east to Washington after the Democratic election debacle, it had been Acheson, then Acting Secretary, who alone of all the Cabinet went down to the station to meet his Chief at the train. And in the spring of 1948, he spurned participation in the abortive campaign to nominate Eisenhower and stayed vocally true to Truman. To attribute such little acts of diplomacy and loyalty to an ambitious purposefulness on Acheson's part would be unfair and inaccurate in the extreme; but they did him no harm when a reelected Truman was casting around for a successor to General Marshall. Even then, Acheson's luck came into play; Chief Justice Vinson was offered the secretaryship first and turned it down. "It has taken years and years," said Acheson when he got the job, with perhaps some small implication that he might have been aiming for it, "but now I am on my own."

On his own, except, of course, for Congress and the President—his ambition presumably sated unless he harbors an itch for the White House or the comparative retirement of the Supreme Court—Acheson has begun to need something more than luck or the proprieties or verbal brilliance to carry him through. Even in his first year as Secretary, as James Reston says in the New York Times, Acheson has been no more than "a brilliant lawyer for the defense of the State Department's policies. He has taken a case prepared in the main by other men and argued it with great skill. * * * Now, however, he is confronted with the task of creating policy. * * *"

He who creates policy undertakes a brand of responsibility such as no No. 2 man ever has to shoulder and become a target for basic criticism such as no No. 2 man ever has to face. Whether Acheson, for all his virtues and virtuosity, can handle that kind of responsibility with the bold wisdom and tough-minded conviction it demands is at best an open question and at worst frighteningly doubtful. As for the criticism, it has already started to come: for the eliminate-the-positive-accentuate-the-negative policy toward China that came to a head in Formosa; for the unprincipled if politically pragmatic moves (and even the pragmatism is questionable) to kiss and make up with UN-boycotted fascist Spain; for the friendship with Alger Hiss that was "not easily given" and, despite Hiss' conviction of perjury, "not easily withdrawn"; for the State Department's secretive and self-serving attitude about giving information to the press, which has put the Department's public relations, according to Homer Bigart in the New York Herald Tribune, "in danger of becoming little more than a propaganda medium."

Acheson, who has never cared for criticism, has begun to find the going rough. And adversity is something new in the fortunate life, to date, of Dean Gooderham Acheson.

III

From his birth in Middletown, Conn., in 1893, Acheson had what is commonly called "every advantage" plus. His father was a forceful English-born Episcopal minister, who had once been a member of the Canadian mounted police, and whose use of kettledrums to emphasize his church services, did not prevent him from later becoming bishop of Connecticut. Acheson's mother came from a wealthy Canadian whisky family; British breeding and British tradition had always permeated the Acheson home.

From the pony cart and the governess of what Acheson accurately calls the golden age of his childhood, he moved on to strict and proper Groton, where the disciplined intensity of the school irked him, but doubtless left its mark. At Yale, he spent four well-heeled years developing and exploiting his taste in clothes, whisky, and bright small talk—but not his mind. The summer after he graduated, in 1915, he worked with a surveying gang in the Canadian woods; and to the poor little rich boy who never went to public school these brief weeks of close contact with others than the elite, unique in his entire life, loom large and proud in his anecdotal memory.

By contrast to the bright college haze of Yale, the Harvard Law School was a grim place, heavy with hard work and solemn talk. But Acheson found in Frankfurter an antidote to dullness; the little professor with the electric charm and water-bug mind gave the law's ponderosities a verbal surface sparkle. Acheson, for the first time, began to learn to think—not with breadth and originality but rather with sharpness and agility within the conventional limits of legal logic. At Frankfurter's knee, intellectually speaking, he developed the sort of one-octave brilliance that has characterized his achievements ever since.

Two years as aide to Justice Brandeis instilled a personal hero worship of that grand old man of legal liberalism but failed to raise Acheson's sights even close to Brandeis'. (Only recently, James Reston reports, Acheson quoted a sentence from Brandeis to explain how he, Acheson, was trying to do his job—but omitted, perhaps inadvertently, Brandeis' next sentence: "If we would guide by the light of reason, we must let our minds be bold.") Leaving Brandeis and still somewhat under the influence of the justice's social-crusading spell, Acheson toyed briefly with the notion of becoming a labor lawyer. Then, playing it safe, he went to work for the young but conventional corporate law firm that was to change its name, a dozen years later, to Covington, Burling, Rublee, Acheson & Shorb.

For 20 solid years, broken only by his short-lived adventure in the early New Deal, Acheson practiced law and prospered. Shunning the hurly-burly of the trial courts, that teem with witnesses and juries and spectators, he preferred the more rarefied and impersonal atmosphere of the upper courts and found his forte in appellate work. Most of his clients were financial bigwigs, personal or corporate, such as the power companies which he represented in one of their futile

fights against the New Deal; but he defended New York's minimum-wage law before the Supreme Court and won—with an assist from the Roosevelt court plan which then hung heavy over the justices. This victory was rare; Acheson's lifetime batting average before the Supreme Court is about 0.200 and he once lost 15 cases there in a row. His friends explain this on the ground that he was so good he only got the hardest cases to handle. But one lawyer who licked him maintains today it was a cinch: "Dean, for all his glibness, was so proper in his manner and so orthodox, if clever, in his legal thinking—like a smart boxer sticking to the Queensberry rules in a street fight—that all you had to do was kick him in the groin, intellectually of course, and he was lost."

It was this same inadaptability to the unorthodox that cost Acheson his Treasury under-secretaryship in 1933. F. D. R., out to devalue the dollar by playing with the price of gold, asked Acheson how it could be done under existing law. Acheson replied, to Roosevelt's annoyance, that it could not be done. When a more flexible and original legal mind than Acheson's produced an answer, Acheson still insisted, with fine-spun reasoning, that he had been right—and abruptly learned that he had resigned. Insofar as his objections may have been, as sometimes reported, moral as well as narrowly legal, it is interesting that precisely the same moral issue—Executive action without congressional approval, by stretching an existing law to an unforeseen use—was later involved in the destroyers-for-bases deal which Acheson enthusiastically endorsed.

Meanwhile, Acheson's private life had come to match in luminosity his briefly interrupted legal career. He owned a red-brick town house in fashionable Georgetown and an eighteenth-century farmhouse, turned into a comfortable country estate, Harewood, 17 miles out in Maryland. With his wife, the former Alice Stanley, an aristocratic lady who paints and whom he married while in law school, Acheson graced Washington's more high-brow social circles. His social plus professional acceptability brought him, in 1936, a place on the corporation which runs Yale University (a group whose general tone is hinted by the fact that Acheson was rated a rather daringly liberal choice). An air of almost imitative British gentility always emanated from Acheson in even his most strenuous moments, as in the Sunday soccer—not football—games on the lawn at Harewood or in the horseback riding with rigid emphasis on proper English-saddle form. It was in his blood and breeding—not to mention his tutelage by Britain-loving Felix Frankfurter—that, once England was in danger, he should want this Nation to go to war. So did Franklin Roosevelt.

In February 1941, 10 months before Pearl Harbor, Acheson was appointed Assistant Secretary of State.

IV

One of Acheson's early assignments for the State Department was to oppose before a congressional committee an investigation of the leak of American supplies to Axis nations. A reporter on the scene summed up his argument as follows: "That disclosure of the facts would be unwise; that the facts are already disclosed in Department of Commerce reports; that exports to countries friendly to the Axis are being carefully watched; * * * that one must be careful in shutting off supplies to countries friendly to the Axis because that would make them friendly to the Axis."

Though Acheson soon developed from this inauspicious start into the administration's smoothest, most persuasive supersalesman of ideas to Congress, the early effort was, in fact, a crude but accurate caricature of the polished technique that was to come. For Acheson became an absolute master at evasive but impressive double talk, at twisting tough Senators and Congressmen around his fingers with his deferential ("That is correct, sir") eloquence, at what Newsweek once called "reassuring without informing." He sold Congress the extension of lend-lease not as the generous, though vital, out-and-out gift to our allies, which it was, but as a safe and sound business investment. He sold the World Bank on the same basis, nor was he bothered by some slight inconsistency between the Bank's proposed control of foreign exchanges and Secretary Hull's free-trade program, then under Acheson's wing. Not only before Congress but at many international conferences—Bretton Woods, the setting up of UNRRA, and others—Acheson was the State Department's front man and advocate, ably arguing its policies, as he had once argued cases for clients, regardless of his own private approval or disapproval and never cavilling, after his one bitter lesson under Roosevelt, at the commands of his superiors.

In the summer of 1945, with the war almost over, Acheson, whose personal ambitions had not been advanced as his personal fortunes had declined, turned in his resignation. Within 3 days, Secretary Byrnes, who had just succeeded Stettinius, persuaded him to stay by upping him to Under Secretary. For the next 2 years, under Byrnes and later Marshall, Acheson enjoyed a little more authority and prestige and had at least an advisory voice in policy making. These were the years when the official attitude toward Russia shifted from tender to tough; Acheson shifted with it, as Time said, "moving with the crowd"—to the point where Molotov once protested his "rudely slanderous and hostile" remarks. He remained, somewhat reluctantly, the Department's prize spokesman to Congress; at one committee hearing, when asked what effort the Department was making to explain its views to the people, he answered with feeling: "The ordeal I am now being subjected to is part of that effort." That this type of effort was forced on the tight-mouthed State Department not initiated by it, passed unnoticed in the characteristic cleverness of Acheson's reply.

Perhaps his greatest service as Under Secretary was his chairmanship of the committee that produced the famous Acheson-Lilienthal report on atomic energy; no idea man, Acheson suavely and diplomatically ironed out conflicts and compromised differences between scientists, businessmen, lawyers, and high brass. Acheson also helped work out, under orders, the Truman doctrine before selling it to Congress. And, still as a subordinate, he was one of the three men chiefly responsible for the Marshall plan—a program for which he is sometimes given sole major credit because of a speech he made in Mississippi in May 1947, a month before Marshall officially broached the plan at Harvard. Actually Acheson, pinch-hitting for Truman, made his Mississippi remarks at Marshall's suggestion, as a sort of trial balloon for some ideas about United States aid to Europe that Truman, Marshall, and Acheson had been hashing over together.

When Acheson, who resigned shortly after the Marshall plan was born, came back a year and a half later as full-fledged Secretary, the British press, always enthusiastic about him and with reason, outdid itself. Said the Manchester Guardian Weekly, for instance, in the course of a lyrical listing of his qualifications and past accomplishments: "He conceived the Marshall plan and elaborated it in great detail in an unreported speech at Cleveland, Miss., a month before he persuaded Mr. Marshall to make the great offer at Harvard." To which one astute United States newspaperman, perusing it, added: "He also built the Panama Canal, single-handed."

V

Acheson's first year as Secretary has been summed up by a friendly reviewer as "pretty good." He handled adroitly the lifting of the Berlin blockade and later oversaw the transfer of western Germany from War Department to State Department supervision. Here, as in the streamlining of the State Department administrative set-up under the brisk hand of Under Secretary Webb, efficiency was a major goal. At the meeting of the Council of Foreign Ministers in Paris, where next to nothing was actually accomplished, Acheson scored a strictly diplomatic triumph by besting Russia's Vishinsky in debate. More significantly, he negotiated the North Atlantic Treaty, pushed it through the Senate over numerically small but stubborn opposition, and got Congress to follow it up with military aid for western Europe.

Talking the Treaty through the Senate in person, forthright in manner but often slippery in substance, Acheson was at his intellectually acrobatic best. He split legal hairs to insist that Treaty ratification would not commit this country to war—as in blunt fact, it does—if another Treaty-signing nation were attacked. Asked if a vote for the Treaty would obligate a Senator to vote for the arms program, which was linked with it in negotiation but was to come before Congress separately, Acheson replied: "There is something in the Treaty which requires each Senator, when he comes to vote on the arms program, after adoption of the Treaty, to exercise his judgment less freely than he would if the Treaty had not been adopted." What he meant of course, but did not dare say, was "Yes."

The same sort of diplomatic double-talk, the sly ducking of straight answers to tough or embarrassing questions, came increasingly to characterize Acheson's relations with the public through the press. Although he wrote in his letter transmitting to the President the Department's white paper on China, "The inherent strength of our system is the responsiveness of the Government to an informed and critical public opinion," his own attitude—and even the white paper itself with its contradictions and widely alleged omissions—belied, and still belies, those solemn words. As criticism has recently thickened—from the right on Formosa, from the left on Spain, from all quarters for do-nothingism in Asia—Acheson has drawn himself and his Department further and further into an uninformative shell. Impatient with this criticism (after a longish honeymoon with the press), jealous of his own shining reputation (now showing first signs of tarnish), resentful at being asked to explain or justify his actions (which he thinks should be accepted on their face), the Acheson of today seems to have forgotten what he said in a funeral oration on his hero, Brandeis, back in 1941: "But to him, truth was less than truth unless it were expressed so that people could understand and believe."

One reason for Acheson's mounting difficulties of late is his lack of imaginative, bold-minded advisers. He has spent most of his official life not only taking orders from on top but borrowing ideas from bright young men below. Today the only man on top is Harry Truman, no mental ball of fire, and most of the bright young aides—from Ben Cohen to George Kennan—are either leaving and half-way out or gone. Undoubtedly Acheson's most intimate adviser is his intellectual godfather, Felix Frankfurter, with whom he begins the day by walking to work every morning and often closes the day with an evening chat on the phone. Frankfurter sharply maintains for the record that the two never talk of official matters, but those who know the Justice's penchant for mixing, off the record, into Government affairs assay his public protests to the contrary rather lightly. And whatever counsel Frankfurter

may give to his pet protégé is not likely to be much broader in sweep than the legal perspective he taught him thirty-odd years ago.

Yet the main reason for the Secretary's troubles lies in himself:

When Acheson, under Byrnes and Marshall, was often Acting Secretary of State, he used to sign his cables "Acheson Acting." The phrase is almost too apt; Acheson has been acting all his life. Not obviously—for he is an accomplished actor who always gives his performance an air of the natural. Thus the witty retorts, the pertinent anecdotes, that come out as though fresh off the griddle are drawn—like a polished professional comic's gags—from a tremendous store on tap in Acheson's mind. Once when he was questioned about an off-the-cuff remark, he replied: "My answer was not off the cuff. I considered it carefully—for only a fraction of a second, but carefully." This comment is infinitely self-revealing; no matter how lightning-quick his reactions, there is nothing sincerely spontaneous about Acheson. He is always playing to an audience, even though—as in his personally honorable statement on Alger Hiss—the audience may be select and small. Hence, everything he says and does is carefully calculated—as indeed the gratuitous Biblical reference to back his stand on Hiss was calculated—for the effect and the anticipated applause.

Playing for the effect tends to divert a man's mind from the essence of things. The things that Mr. Acheson, no longer a No. 2 man, has to deal with in the world today are too big and deep and portentous to be dealt with on a level of bright virtuosity or even Victorian gallantry, translated into a finished dramatic performance. The time has come for Dean Acheson, if the capacity is in him, to forget about playing it for the effect where the whole world is at stake and start playing it straight from the guts and from the heart.

Mr. MALONE. Mr. President, in conclusion, let me say that I have visited almost every nation of Asia since making that statement on the floor of the Senate March 8, 1948. The junior Senator from Nevada was in Peiping late in November or early in December 1948. General Fu, one of Chiang's generals, one of his right-hand men, arranged for a car to meet the plane in which I arrived in Peking. We landed after dark, without lights. The car which met us was without lights. We were taken to General Fu's camp outside Peiping, and I had several hours' conversation with General Fu on that occasion. General Fu at that time said, "I was lost when General Marshall stopped the ammunition coming to the American guns that we already had, early in 1946. I was lost when General Marshall forced Chiang Kai-shek to open a pass to let the Communists go into Manchuria, to arm themselves with the arms left there by the Japanese, and return to fight us." General Fu also said at that moment that he was reliably informed that some of the plants of the Japanese, manufacturing ammunition for Japanese guns, had been moved across the line into Russia, and were operating and continuing to furnish them with ammunition.

These were the so-called agrarian Communists discovered by General Marshall on his trip to China in 1946, when he tried to force Chiang Kai-shek to form a coalition with these agrarian Communists.

Mr. President, those are some of the agrarian Communists who are now holding our people in Shanghai, 300 or 400 in number. News dispatches yesterday morning stated the State Department had given up trying to get those people out of Shanghai because it has spent more than $500,000 thus far, and it cannot be done. They have spent that amount of money on transportation—holding ships there—they said.

Mr. President, the junior Senator from Nevada was in Shanghai, also in Nanking, also in Tokyo, and flew over most of Japan, over the areas bombed by the atomic bomb, and had a long talk with General MacArthur.

The junior Senator from Nevada has no intention whatever of quoting General MacArthur, but he will go so far as to say that no advice given by General MacArthur of a substantial nature was followed in formulating the policy on China. The junior Senator from Nevada spent 2 days with the general, for whom he has the highest regard. It was not the Senator's first experience with General MacArthur. The junior Senator from Nevada, not then a Senator, but a consultant for the Senate Armed Services Committee, visited New Guinea and the coast of Buna, below Ley, where there was still fighting, and made a report on that area in 1943.

General MacArthur, whom I shall not quote directly, had been absolutely diametrically opposed to the ideas of the Lattimore report. The Lattimore report, coming late in 1949, coincides with and has a mysterious similarity and pattern to the policy the State Department followed in the China problem.

The press reports, which were fair and complete, respecting the statements by the junior Senator from Nevada while in China, will show that the junior Senator from Nevada never said, "Let us go into China with arms and men," but that he did say, not only on one occasion but on many occasions on his trip through Asia, "Let us make up our minds."

If the integrity of China and the integrity of the other nations of Asia is important to us, let us get in; if they are not important to our ultimate safety, let us get out. We cannot be half in and half out of a gang fight. In my league, to do that is merely to invite trouble; and as a direct result of that negative policy we are in trouble.

Mr. President, I have heard a bipartisan policy discussed on the floor of the Senate. The junior Senator from Nevada will sit down with anyone representing the administration, the majority side of the Senate, the House of Representatives, or anyone else, and he will be glad to listen, to talk, to listen, and discuss any constructive suggestion for a positive foreign policy. We do not need to sign on the dotted line ahead of time that we will accept any suggestions of a very inept State Department. However, it must be constructive, Mr. President. It must be a positive foreign policy, and not a hodge-podge of programs, financial and otherwise, which make no sense and represent nothing definite to the areas of the world, including Asia, which are important to our ultimate safety.

Mr. President, in the judgment of the junior Senator from Nevada, that is the job of the President of the United States, working through his official advisers, and the Secretary of State and his advisers to fix foreign policy. That is what the Constitution of the United States says. It is his job to determine whether the area which is left in Asia, the area which is still not completely dominated by Communists, is important to our ultimate safety. Let him determine these areas through consultation with his Secretary of National Defense and Secretary of State.

Advisers whom I consulted late in 1948 in China also included Admiral Badger. It was in November 1948. There is no secret now about my having sat in a conference with Admiral Badger and two generals from General McArthur. No one can be hurt by my revealing it now. Inasmuch as I was there I was told, "You may as well sit in at our conference." The generals had just flown to Tsingtao from Tokyo, and I returned to Tokyo with them later that night. What kind of conference was this, Mr. President? It was a conference to determine how best to evacuate our citizens from China. They were working out the plans in my presence. They were giving everyone a chance to leave China, because they knew at that moment—Admiral Badger knew and General MacArthur knew—that when the Communists took over China, and that was as certain at that time as death and taxes are certain, if something was not done, that we could not get our people out of China. Only the State Department thought they could get them out of China, with the so-called agrarian Communists in power.

The junior Senator from Nevada also visited Indochina, Malaya, and Singapore. He also visited Batavia in Indonesia and many of the islands. In Saigon, Indochina, I talked to people on both sides of the question. Even at dinner at night one could hear guns rumbling outside. Mr. President, if there is a housing shortage in the United States, or in other places of this world, there is no housing shortage in Saigon. At least, there was no housing shortage at that time. Saigon is a good-sized city, but only the core of the city was occupied. No citizen loyal to France would dare go outside the occupied area. Anyone who dared to go outside of that little area was shot. A few days before I arrived in Saigon a sergeant had been seriously wounded. Two American girls on the way to the airport had been killed.

Mr. President, this is a serious situation, and a continual tampering or halfway policy will not win for the United States of America or preserve the integrity of the area. Let the President of the United States, whose responsibility it is under the Constitution of the United States, confer with his advisers, including, I hope, the Secretary of National Defense and the Secretary of State, and determine if the integrity of the nations making up the remainder of Asia is important to us. If the integrity of those nations is important to us, he should name such nations. I say that we should let the people of the United States and the people of the world know what we intend to do. Perhaps if we show a willingness to defend these nations whose integrity is important to us, then we shall

not have to do it. The people of this country are entitled to know what our intentions are. Sometimes, Mr. President, one must risk a fight to prevent a fight. As a general rule, a man who is willing to fight for his rights, if he keeps within such rights, does not have to fight for them.

We are not dealing with children, Mr. President. We should stop pampering and protecting people who we have every reason to believe, if not actually disloyal, are bad risks. That is particularly true of people who are making our foreign policy.

In closing, Mr. President, the junior Senator from Nevada is becoming a little impatient with people, on and off the Senate floor, who try to place the blame for their failure on others—and who either through arrogance or ignorance have never really consulted anyone until utter failure is evident to all concerned.

Mr. President, the Democratic Party is committed to free trade through the 1934 trade agreement, the ECA, and the International Trade Organization.

The Republican Party is committed to the promotion of foreign trade on a basis of fair and reasonable competition—meaning a flexible import fee to make up the differential of cost of production between this country and the competitive nations.

It is committed to the preservation of our standard of living while we are assisting foreign nations in raising their own.

It is committed to a floor under wages and investments—while the Democratic Party is committed to import the products of the low-living standards and slave labor of Europe and Asia.

Mr. President, I see no basis for a bipartisan foreign policy until the regulation of the national economy is separated from the foreign policy—and until the foreign policy truly stops at the water's edge.

BRITISH RECOGNITION OF COMMUNIST CHINA

Mr. FERGUSON. Mr. President, I have here an item from the New York Times of April 6, this year, which deals with the British recognition of Communist China.

Some 3 months ago, the British Government indicated its willingness to recognize the Communist government in China, but no diplomatic relation has as yet been established. The article tells the reason for the failure thus far, and shows incidentally what we in the United States will be up against if the time should ever come when we may also think we can do business with a Chinese Communist government. In former years it was always a highly prized diplomatic triumph, if a revolutionary government could induce one or more of the great powers to grant it recognition. The article shows clearly that Communist revolutionaries do not work that way.

Diplomatic relations between Great Britain and the Chinese Communists have not been legalized as yet because the Chinese revolutionaries, have laid down conditions to which Great Britain must agree before the Communists will accept the offer of recognition. According to the article, written by Clifton Daniels, as a special dispatch to the New York Times, Britain must agree to support the claims of the Communist government to a seat in the United Nations Security Council, in place of the Chinese Nationalist Government. In other words, Britain must agree to become an active supporter of the Communist growth in power. Britain must also do something about turning over to the Communists Chinese Nationalists who are now in British territory in the Far East; and, third, but not the least, Great Britain must be willing to turn over to the Communists the assets of the Chinese Nationalists in British territory, even when some of that property consists of American planes sold to the Nationalist Government in China, under our Chinese aid program.

Speaking of this demand, a member of the British Parliament recently said:

> It seems extraordinary that when we are accepting aid from our friends in the United States we should be handing over American equipment in this way. All this is extremely instructive and should be a warning to the United States of America as a forecast of what we shall be up against if we should ever offer to recognize the Chinese Government.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. FERGUSON. I am glad to yield.

Mr. KNOWLAND. I think the colloquy which was had a little earlier is in point with what the able Senator from Michigan is saying. Is the Senator familiar with the fact that, at Yalta, without the knowledge or consent of the Government of the Republic of China, and without the knowledge or consent of the Congress of the United States or the American people, the executive branch of the Government of the United States entered into an agreement which surrendered a part of the sovereignty of China to the Soviet Union?

Mr. FERGUSON. Mr. President, I am familiar with it. I was not familiar with it at the time it actually happened. It was almost a year before we became familiar with it. Even the Secretary of State indicated that he had not been familiar with the betrayal of China at Yalta.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. KNOWLAND. Is the Senator from Michigan familiar with the fact that when General Wedemeyer was sent on a mission to China, to make a report on what might be done to save China from going Communist, despite requests for that report by members of the Committee on Foreign Relations, other Members of the Senate, and Members of the House of Representatives, it was denied to them for over 2 years, and it was not made available to them until the so-called China white paper was published last year?

Mr. FERGUSON. I am very familiar with that. I cannot understand why it is indicated on the floor of the Senate that no one was doing anything about the question of China, when it was indicated clearly that the Wedemeyer report was not given to the Senate or to the Committee on Foreign Relations. No wonder Senators of the United States did not go to the State Department to indicate their views on this important question. Mr. President, as a policy-making body, it should be the privilege of the Secretary of State to confer with Members of the Senate as to what the policy should be. I cannot understand how we are ever going to establish a real bipartisan foreign policy when we hear the kind of discussion we heard today on the floor of the Senate. I cannot understand why the Department of State does not seek advice from Senators, who represent their sovereign States.

Instead of that, Mr. President, we are called to task today because we make suggestions about what we think the policy should be in China, or what we think it should be in Southeast Asia, or what we think it should be in Indochina, or in Indonesia, or in Formosa. We are called to task because we are making suggestions on the floor of the Senate. I hope we get a different kind of atmosphere for a bipartisan policy, in which such a bipartisan policy can actually flourish not only after it has been made but prior to its making.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KNOWLAND. Mr. President, I refer the Senator to the official booklet issued by the United States Department of Commerce, Office of Business Economics, published in March 1950, entitled "Foreign Transactions of the United States Government. Basic Data Through December 31, 1949." I should like to read to the Senator from page A–8. It shows that our former enemy, Germany, has received in assistance from the United States $2,624,000,000. It shows that the former Axis partner, Italy, has received from the United States Government $1,846,000,000 in postwar aid. This covers the postwar era, and has nothing to do with the wartime period. It shows that Japan, our former enemy in the Pacific and an Axis partner, received $1,716,000,000. On the other hand, it shows that China, our wartime ally and friend, who went through the entire wartime period, received considerably less than either Germany or Italy received, and received approximately what Japan received, or $1,755,000,000, which is considerably different from the testimony on the floor by the Senator from Texas.

Therefore had China been our wartime enemy instead of our friend, it would have fared much better. We would have stabilized their currency, fed their people, and we would have men like General MacArthur and General Clay helping them to put their house in order. Because China was our friend and not our enemy, the American Government not only advocated that she take Communists into the Chinese Government but, in addition to that, we turned our backs on China and refused to give her the only type of assistance which would have enabled her to keep from going behind the iron curtain. Is the Senator familiar with that fact?

(Manifestations of applause in the galleries.)

The PRESIDING OFFICER (Mr. STENNIS in the chair). There must not be any expressions of approval or disapproval on the part of the occupants of the galleries. There must be no applause. There will be order in the galleries.

Mr. FERGUSON. I appreciate the fact that the Senator from California has brought those facts out on the floor of the Senate. When the Senator from California and the Senator from Michigan were in the Far East last November and December, the Senator from California will recall that that very suggestion was advanced by people in the Far East. They expressed the thought that they had not been treated fairly as allies, who had fought with us in the great Second World War, and that, as the Senator from California has indicated, countries who were our enemies have fared better than those who have been our friends.

Mr. KNOWLAND. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield.

Mr. KNOWLAND. Mr. President, I should like to read from President Truman's statement on United States-China policy, issued on December 18, 1946. This was subsequent to the sale of so-called surplus in the Far East. Much of that surplus had been considered junk, and as material not worth bringing back to this country. The President of the United States had this to say in his official statement:

Aircraft: All nondemilitarized combat material and fixed installations outside of China were excluded.

In other words, in the surplus sales there were no airplanes which could be used in combat. There was no militarized equipment of any type or character in the material which was turned over to the Government of the Republic of China. It was not until the Eightieth Congress passed the limited appropriation of $125,000,000 in, I believe, April 1947, that any direct aid was given in the postwar period to the Republic of China. It is the judgment of the Senator from California—and he says it on his responsibility as a Member of the Senate of the United States—that there was a deliberate slow-down from April, and that the first shipments were not received in China until October of that year, after the crucial battles had been fought in Manchuria and north China. I do not know whether the Senator from Michigan knows it, but I expect to be able to document the fact that when the first shipments were received, when the armed forces of the Republic of China were waiting practically barehanded in order to resist Communist aggression, they were told to hold on a little longer, because we were going to send over some Browning automatic rifles. Does the Senator know what happened when the Browning automatic rifles were received over there? The BAR's arrived in China with no magazines. We might just as well have sent them some baseball bats, for all the good it would have done the Chinese.

Mr. FERGUSON. I appreciate the Senator's bringing the subject out on the floor of the Senate.

Mr. President, I should like to finish with this particular item, and then I should like to refer to what happened on the floor of the Senate today. As I said before, all of this is extremely instructive to the United States as a forecast of what we shall be up against if we should ever offer to recognize the Communist regime in China. They will not be grateful to us for the important favor of recognition. They will not act according to recognized practices of international law and relations. On the contrary, they will do as they now do with the British. They will treat us with brazen arrogance. They will lay down conditions for us to perform for the express purpose of forcing us to serve the very movement which openly seeks to undermine us and to destroy the democratic philosophy essential to justice and liberty and fair dealing between nations.

Mr. President, I ask permission to insert this newspaper item in the RECORD, because it is a valuable forecast of what we face in this important problem of recognition of Communist governments.

The PRESIDING OFFICER. Is there objection?

There being no objection, the item was ordered to be printed in the RECORD, as follows:

PEIPING SETS TERMS FOR TIE TO BRITISH—DEMANDS BACKING ON SECURITY COUNCIL, FORMOSA REMNANTS, AND CHENNAULT PLANE DEAL

(By Clifton Daniel)

LONDON, April 5.—Satisfaction on three points, one of them closely affecting the United States interests, has been demanded by the Chinese Communist government before establishing diplomatic relations with Britain.

So far Peiping, its Foreign Ministry, has not accepted Britain's offer to recognize the Communist regime although the offer was made 3 months ago tomorrow and Britain replied nearly 3 weeks ago to the Communist government's three questions about her attitude.

However, Whitehall authorities think that establishment of relations may not be long delayed, especially as the Communist government has now agreed to exchange envoys with India, which had received a similar questionnaire.

Britain, probably, never before has received such a snub from a government with which she proposed to establish friendly relations. A diplomat here remarked that she had not met such a situation in China since 1816 when Lord Amherst undertook a mission to China and had been kept waiting so long for admission to the Imperial Capital that he had become impatient and returned home.

The three questions posed by Peiping were:

First, whether Britain would support the Communist government's claim to be seated on the United Nations Security Council in place of the Chinese Nationalist Government?

Second, what would the British do about the remnant cliques of the Nationalist regime in British areas?

Third, what would be done with former Nationalist assets in British territory?

The third question involved the future of 71 United States-made civilian aircraft immobilized on a Hong Kong airfield for the last 4 months. Ownership of the planes is disputed between the Communists and United States interests represented by Maj. Gen. Claire L. Chennault, retired, who bought them from the Nationalist Government.

Continuous representations against surrendering those planes, which have a potential military value, to the Peiping authorities have been made to the British Government by the United States Ambassador in London and his aides.

Something of the United States attitude was reflected by Air Commodore A. V. Harvey, Conservative Member of Parliament, who said in a debate in the House of Commons last Friday:

"It seems extraordinary that when we are accepting aid from our friends in the United States we should be handing over equipment in this way."

Control of the aircraft, which actually are in the hands of pro-Communist employees of the China National Aviation Corp., but not now allowed to leave Hong Kong, is now the subject of litigation in the Hong Kong courts. The British Government is considering whether it has any legal right or justification to intervene.

REQUEST FOR CLARIFICATION

John C. Hutchison, British chargé d'affaires in Peiping, called at the Communist Foreign Ministry on Februay 14 to discuss the establishment of relations. After the Chinese New Year holiday on March 3 he received from the Deputy Minister of Foreign Affairs a request for clarification of the British attitude on the three points.

The British Government's reply, given on March 17, made the following points:

While Britain abstained from voting on the first proposal to seat the Communist Government on the Security Council she would be prepared to vote for the Communists if and when there were enough other favorable votes to give the required majority of seven.

In the meantime Britain has been encouraging other governments, including those of the British Commonwealth countries, to recognize the Communist regime.

As Britain had recognized the Communist Government, the assets of the Nationalist Government in British territory would pass automatically to the Communists except where there was a conflicting claim. In the latter case the courts would decide the ownership.

Such a case has arisen with the Hong Kong aircraft. The courts ruled on February 23 that it would be a violation of the immunity of a foreign sovereign power (that is the Peiping regime) if the aircraft should be delivered to a receiver as requested by United States interests.

General Chennault and his associates appealed from that ruling, and the case is to be heard on April 28.

In the meantime John Dugdale, Minister of State for Colonial Affairs, told the House of Commons last Friday that it would be highly improper for the government to make any attempt to influence the Hong Kong courts in regard to a matter under consideration by them or to take any executive action which could be justifiably interpreted by either side as partial."

The third point in Britain's reply to the Communist Government was that Britain traditionally had extended the right of asylum to political refugees and would continue to extend it to Chinese Nationalists as individuals.

Mr. FERGUSON. Mr. President, I felt greatly concerned as I sat here on the floor of the Senate and heard the remarks of the distinguished Senator from Vermont [Mr. FLANDERS], with relation to what he had in mind for a foreign policy on China. It was a great humanitarian suggestion. The Senator from California had suggested it in a letter, and when the Senator from Michigan received a copy of that letter he wrote to the Senator from California and

said that he believed it to be a good idea, and that something should be done in relation to it. However, what concerns the Senator from Michigan is the criticism which has been levied against the distinguished Senator from Vermont for even suggesting, as a Member of the Senate on this side of the aisle, what he believes our foreign policy should be, or the result our foreign policy may bring about in China today. Mr. President, I sincerely hope that we can have a bipartisan foreign policy. However, if the time has come when Members on this side of the aisle are going to be critically treated on the floor of the Senate and criticised for any suggestion they may make, and if the time has come when the Secretary of State will not seek out from Members on this side of the aisle their views on our foreign policy, how can we establish a bipartisan foreign policy?

Mr. McMAHON. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I am glad to yield to the Senator from Connecticut.

Mr. McMAHON. I did not hear all the debate between the Senator from Texas and the Senator from Vermont, but from what I heard I thought the Senator from Texas was taking issue with the analysis by the Senator from Vermont of what had happened in the past. I did not understand him to challenge the right of the Senator from Vermont to make such comment as he thought would be helpful for our future policy. I thought the debate was as to what the recent history in China had been.

Mr. FERGUSON. In the opinion of the junior Senator from Michigan, he not only criticized what had been done in the past, but he indicated clearly, from the tone of his voice, that he would do nothing about any suggestion which would be made from this side of the aisle, because such suggestions were critical of what had gone on.

Mr. McMAHON. Will the Senator yield further? I wish to make just a brief comment.

Mr. FERGUSON. I yield.

Mr. McMAHON. I have sat as a member of the Committee on Foreign Relations only during the Eighty-first Congress, but I wish to say, on behalf of the distinguished chairman of the committee, that during that time, whenever any member, of the majority or the minority, had something constructive to suggest that would be of assistance to our policy, he was given a considerate and full hearing and an opportunity to make his viewpoint known. No one who was suggested as a witness to shed light on our affairs in China or anywhere else in the world was debarred from coming before the committee.

Mr. President, I merely wanted to say this, because I think it is time, I may say to the Senator from Michigan, when we should close ranks, and when we should look on our relations with other countries as the distinguished senior Senator from Michigan [Mr. VANDENBERG], the colleague of the Senator now speaking, has said, namely, that this is a time for "unpartisan activity," to adopt his phrase, a time when we should proceed to attempt to leave politics at the water's edge, and go forward with a united country. I am sure the junior Senator from Michigan realizes, as well as I do, that the dangers which are confronting the United States and the free world are so great that we cannot indulge ourselves in the luxury of partisanship in our foreign affairs.

Mr. FERGUSON. Mr. President, I am glad to have the distinguished Senator from Connecticut make these remarks, because my reason for getting into the debate was that I sincerely believe we are faced with the greatest issue America ever faced, even in her darkest days, when she was a in a "hot" war, and I believe that we should combine the efforts of both sides of the aisle in the great project of winning the peace. I felt today, from what I had heard on the Senate floor, that we were drifting farther and farther apart on the question of what we may call "unpartisan" policy so far as our foreign relations are concerned.

Mr. President, I do not care how busy the Secretary of State may be, if he is unwilling to take time to give attention to and discuss with Senators questions of foreign policy, there can be no such thing as a bipartisan foreign policy. I hope the chairman of the Committee on Foreign Relations will say to the Senate that he is not critical of any suggestions which may be made, and which may have been made in the past, but that he welcomes all suggestions, and welcomes direct contacts with the Secretary of State and others in charge of our foreign policy, for there is no substitute for that.

Mr. President, it was because I was really shocked that I brought this matter up on the floor today, since it indicated a wide breach between those on different sides of the aisle in our foreign relations.

Mr. McMAHON. Mr. President, will the Senator yield further?

Mr. FERGUSON. I am glad to yield.

Mr. McMAHON. I do not wish to prolong the Senator's discussion by imposing upon his time, but I should like to make one further observation.

I believe that next week, or soon thereafter, we will be considering the ECA appropriation. About a year ago we considered the Atlantic Pact and the implementation of it. It is not my desire or intent to advert to the strenuous debates which occurred about those subjects a year ago. That debate was in order. In this assembly, above all others, we must have the voicing of Senators' opinions about what they think is right.

I hope, however, that when the ECA appropriation comes before the Senate next week, Senators on both sides of the aisle will please consider the measures presented without regard to partisanship. I hope that plea will be listened to and heeded and acted on. I am confident that it will be.

Mr. FERGUSON. Mr. President, the Senator from Michigan welcomes that statement, because he supported the North Atlantic Pact, he spoke in favor of the pact, and made certain suggestions regarding it. He was critical of certain conditions, because he was fearful that there would not be an integrated common defense, and he proposed an amendment to the North Atlantic Pact which was adopted.

Mr. President, because a man stands on this side of the aisle or on the other side of the aisle and is critical of a certain provision in a bill, or some position taken in our foreign relations, it does not mean that he is not loyal to the bipartisan idea of handling foreign policy. The mere fact that he belongs to one party or the other is no reason why he should give up his right to debate, and to warn the world what he thinks some proposed action may bring about. It is by such debate that we get real bipartisan foreign policy, discussing it, being critical, and being perfectly willing to stand by what we believe. While such debates bring out different ideas, we know that Senators are loyal to the United States of America, even though they may differ on even minor details.

Mr. President, I now desire to refer to another matter.

The PRESIDING OFFICER. The Senator from Michigan may proceed.

THE PHOENIX PROJECT—THE MICHIGAN MEMORIAL

Mr. FERGUSON. Mr. President, I desire to address the Senate briefly about the Michigan memorial, known as the Phoenix project.

Yesterday I had the pleasure of talking with a distinguished visitor from my State, Dr. Alexander G. Ruthven, president of the University of Michigan. He was in Washington to confer with the Joint Congressional Committee on Atomic Energy, and we had the pleasure of conferring with the President of the United States concerning this Michigan memorial, or Phoenix project, as it is known.

President Ruthven also addressed the University of Michigan club here. He has devoted a great amount of his time to addressing Michigan alumni, and has spoken to more than 20,000 of them on this important subject. So we were able to discuss this new University of Michigan undertaking, which is very unique and significant for our times. The undertaking grew out of the desire of the students of the University of Michigan, its faculty and its alumni, to establish a fitting memorial in honor of Michigan's gold star sons and daughters who, with thousands of other Americans, gave their lives to the service of their country in the late war.

The memorial finally decided upon takes the form of an unusual project which enlists the entire university in the service of humanity in the field of atomic energy. The undertaking is called the Phoenix project after the Phoenix bird in Arabian mythology which first sacrifices itself on the temple altar and then rises from the ashes to begin a new life, even as atomic energy arises out of the ashes of Hiroshima to give promise of a new life to the world.

The Michigan memorial—Phoenix project in essence is the creation of a university center dedicated to a comprehensive study of the possibilities of atomic science for peacetime progress.

It will consist of a functional building—with laboratories, equipment, an auditorium, lecture rooms and a library—to serve as headquarters for scholarly and practical study of the new frontiers and peaceful application of atomic science. Some $6,500,000 will be devoted to the project, two million of which is for the building and the remainder of four and a half million will be used for the varied research projects.

The project excites interest because of several unusual features which have gone into its conception.

First, the project starts at the point where the successful discovery and military application of atomic energy leaves off. The principles of atomic science are already well known the world over so that the discovery stage is past. What the people are asking today is, What now? In other words, the great problem facing the world now is how to develop this remarkable science and how to apply it for the advancement of civilization and peace.

This is the problem on which the Michigan memorial project will go to work. Through a broad program of research atomic science will be projected into the fields of the biological and physical sciences such as medicine, genetics, and biochemistry. By coordination with the social sciences, the project will seek to determine the implications of atomic science for economics, architecture, engineering, law, community organization, and social welfare. Thus the project will not only serve as a center for technical and scientific research, but will draw together all other branches of knowledge of the university in a coordinated effort to explore the significance of atomic science in all human endeavor.

The grand sweep of this conception becomes clear when it is realized that in the past every discovery of new forms of energy resulted in tremendous changes and confusion because mankind was unprepared to deal with revolutionary discoveries. By beginning now, at the threshold of atomic science, to explore its implications and uses in peacetime life, the Michigan project hopes to shorten the time for adjustments and to dispel the widespread public fear and helplessness in the face of the unknown. The spirit back of the project is that where the light of knowledge shines, the darkness of fear disappears.

Second, the project typifies the resurgence of private enterprise. For a time before and after the great depression of 1929, private enterprise in America lost sight of the pioneering and initiative which in our earlier days contributed much to the greatness of our country. The tendency was to drift and to sit back and allow government to do the things for our people which progress demands. As we see totalitarian governments arise out of too great public reliance upon government, many of us are awakened to the dangers and unwisdom of such a course. The time is ripe, therefore, for a return to the great role private enterprise and initiative did play and can again assume in developing the world and serving its people.

This is what the Michigan project now seeks to do in the new field of atomic science. The project seeks no money from government. That bears repeating. The project seeks and will accept no money from government. The alumni of the university will raise the funds required. The vast resources of the university already in existence will be enlisted in the job. The faculty and students of the university, together with scholars and technicians invited from the outside, will do the work. The whole project is designed to stand on its own feet.

And yet, there will be complete cooperation with all others working in the field of atomic science. While no secret or military research in atomic science is contemplated, if anything of such a nature is developed it will be turned over to the Government as Michigan has already done during more than 20 years of pioneering in nuclear physics. There will be complete cooperation with the Atomic Energy Commission which is fully informed of the Michigan project and heartily endorses it. There will be cooperation with other universities and foundations at work in the field. Above all, there will be close cooperation with private industry and with public and private agencies which are vitally interested in the peacetime development of atomic science for the benefit of mankind.

Besides being heartily welcomed and endorsed by the Atomic Energy Commission as an addition to the research facilities of the Nation, the Michigan project is endorsed by the board of regents of the university, by the university's faculty, students, and alumni, and by outstanding industrial scientists.

Here, then, is a combination of research and education undertaken by a great university with private funds. It is an instance of private enterprise once more resuming the role of pioneering at the frontiers of new problems in a new day. This is the combination that placed American enterprise at the top of world progress and which made the great benefits of technology and industry available to all the world. Here is a project which, in cooperation with all others, promises to make a substantial contribution toward lessening the public fear and disruption which a revolutionary science tends to generate. At the same time the whole spirit of the Michigan undertaking is its dedication to the search for the benefits which atomic science may hold for the peaceful advancement of civilization.

I can conceive of no more fitting memorial that this great university undertaking which proposes to serve the living in honor of the dead. It is a privilege for me to have this opportunity to inform the Senate of the United States and all who may be interested in the nature and significance of this great project.

Mr. President, I hope we will have Godspeed in this great endeavor.

Mr. McMAHON. Mr. President, will the Senator from Michigan yield to me?

Mr. FERGUSON. I yield to the Senator from Connecticut. I want to say that we conferred with the Senator yesterday. He was most cooperative, as I have indicated in my speech. He has expressed the wish to be cooperative in the future respecting this great project.

Mr. McMAHON. I thank the Senator from Michigan.

Mr. President, I had the great pleasure of meeting the president of the University of Michigan yesterday, who was of course most appropriately accompanied by the Senator from Michigan, and I was thrilled, as I am sure the Senator was, on learning the progress that has been made by the great university in the Senator's State, in setting up this foundation, this institution for the study of the problems growing out of the discovery of atomic energy which have arisen in the past and which will arise in the future.

It is significant, Mr. President, as the Senator and I discussed with Dr. Ruthven yesterday, that the new institution is to be so organized as to cover the entire range of human affairs.

Mr. FERGUSON. That is correct.

Mr. McMAHON. This is a recognition by this fine body of men of the tremendous impact that this force has had, is having, and will have on the affairs of men. I congratulate the Senator from Michigan on his speech. I am glad he has informed the Senate of the progress which has been made. I assure him publicly what I assured him privately that I shall, as chairman of the Joint Committee on Atomic Energy, do everything I can to assist, to cooperate, and to further the progress of this private endeavor in the field of atomic energy.

Mr. FERGUSON. Mr. President, I thank the Senator from Connecticut, the distinguished Chairman of the Joint Committee on Atomic Energy, for his very fine remarks respecting the project. The University of Michigan appreciates his attitude in this matter. They greatly appreciated the opportunity of having a conference yesterday with the Senator. In the future, they are going to seek the Senator's advice and his cooperation which he has so graciously offered, in furtherance of the project, not only as he said yesterday in the meeting, but as he has just stated on the floor of the Senate.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. CORDON obtained the floor.

Mr. WILLIAMS. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. CORDON. I will yield for that purpose.

Mr. WILLIAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Benton	Hayden	Maybank
Bricker	Hendrickson	Morse
Bridges	Hill	Mundt
Butler	Hoey	Myers
Byrd	Holland	Neely
Cain	Ives	O'Conor
Chapman	Johnson, Colo.	O'Mahoney
Chavez	Johnson, Tex.	Robertson
Connally	Johnston, S. C.	Russell
Cordon	Kefauver	Saltonstall
Darby	Kem	Schoeppel
Donnell	Kerr	Sparkman
Douglas	Kilgore	Stennis
Dworshak	Knowland	Taft
Eastland	Langer	Taylor
Ecton	Leahy	Thomas, Okla.
Ellender	Lehman	Thomas, Utah
Ferguson	Lucas	Tydings
Flanders	McCarran	Watkins
Frear	McCarthy	Wherry
Fulbright	McFarland	Wiley
George	McKellar	Williams
Gillette	McMahon	Withers
Graham	Magnuson	
Gurney	Malone	

The PRESIDING OFFICER (Mr. GEORGE in the chair). A quorum is present.

Mr. CORDON. Mr. President, I rise in opposition to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] on behalf of the Committee on Interior and Insular Affairs, and the amendment offered thereto by the distinguished junior Senator from Illinois [Mr. DOUGLAS], the latter being the question now pending before the Senate.

In order that I may properly present my views with reference to the pending matter I desire to take a few minutes of the Senate's time to present a summary of my understanding of the legal effect of both the pending amendment and the O'Mahoney amendment, and my understanding of the extent to which present substantive law will be modified or repealed if the O'Mahoney amendment be adopted.

Mr. President, I desire to compress this statement into as few words and as little time as possible, because I realize that my colleagues have many other things on their minds and many calls upon their time. I should like to have as close attention as I may for a few minutes. I hope I may not be interrupted for that period of time. I assure my colleagues who are interested that thereafter I shall traverse the same ground with more particularity and shall be happy to answer any questions I can.

Mr. President, I regret very much to find myself in opposition to the chairman of my Committee on Interior and Insular Affairs. I regret that there should ever be any difference between the congressional delegations of the Pacific Northwest, particularly with respect to matters which concern the development of that vast and, to a considerable extent, still undeveloped portion of our Nation. In fact, Mr. President—and I am happy that this is so—the differences are not so great as might appear. There is no difference between us with respect to the reclamation projects which it is sought to have approved for construction as those projects appear in the O'Mahoney amendment. The same projects appear in an amendment which I may later offer. We are one in our desire to advance the construction of those reclamation projects, including Hells Canyon Dam, which while of itself in no sense a reclamation project is, nevertheless, essential as a part of an over-all program if the reclamation projects themselves may be feasible and their benefits offset by reimbursable dollars to be paid back into the Treasury.

To come now to my short statement, an over-all summarizing statement—and I hope all my colleagues who are present will pay attention to it, and that those who are not present will read it in the RECORD—my first point is that if the O'Mahoney amendment be adopted, with or without the amendment of the junior Senator from Illinois, and if it be finally adopted by the Congress and the President signs the bill, it will cost the United States Treasury $442,000,000 immediately.

If the O'Mahoney amendment be adopted, it will change in a material way provisions of the Flood Control Act of 1944. It will change in a material way the provisions of the present Bonneville Act under which the Bonneville power facilities and the Grand Coulee power facilities are being operated today. It will change in a material way the present provisions of the Federal Power Act. It will change in a material way the present basic pay-out schedule for the Bonneville Dam and the Grand Coulee Dam and connected Columbia Basin project. It will change in a material way the basic reclamation law of the United States as that law has been, whether properly or not, interpreted.

Mr. President, the amendment is not a simple proposal to approve for construction one large multiple-purpose dam, the Hells Canyon, and 10 other, or 11 other, reclamation projects, and to make a slight change in Grand Coulee Dam in the benefit of flood control. If it did no more than that I should be most happy to support it. If it did that and made all those reclamation projects feasible under existing reclamation law, as interpreted, I should not object. If it did both and did nothing more, Mr. President, than create, in fact a Columbia Basin account, into which might go the revenues from the power projects of the Pacific Northwest from which might be paid the costs of operation of those projects and interest to the Federal Treasury on the money taken from the Treasury to build the projects, I should have no objection whatever. I believe that ultimately we must have something in the nature of a Columbia Basin accounting system, whereby we may set a level rate for the integrated operation of the Federal power facilities of the Pacific Northwest. I think that is essential.

However, Mr. President, that is not what the amendment does in its major aspects. There is in the language of the amendment a gimmick which I want everyone to understand. The amendment provides for the creation of a Columbia Basin account, for the payment into that account of revenues from power, for the charging against that account of the costs of operation of the power projects, for the charging of an appropriate portion of the unpaid cost of the power projects, and for the charging of interest against the unpaid investment in power projects, including transmission facilities, and for the setting of a level rate; but the amendment also has some other and odd language, namely—and I read now from the amendment:

> The account shall be credited with all power and miscellaneous revenues, including revenues on account of benefits to downstream power plants which result from upstream Federal improvements, derived from or incidental to the operation of Federal power plants now existing—

I digress for a moment from my quotation of the amendment to ask the Senate to pay particular attention to the words "now existing"—

> or authorized heretofore or in this act, within the Pacific Northwest, including all transmission lines and other facilities incident to the marketing of power from such plants.

That represents the income to be credited. I continue to quote:

> The account shall be charged with all operation, maintenance, and construction costs of such power plants, transmission lines, and other facilities that are allocated to power purposes, and with interest as provided in subsection (c).

It does not say "with interest," but "with interest as provided in subsection (c)." I continue to quote:

> The account shall also be charged with all reimbursable costs properly allocable to purposes other than power, but which are assigned for return from power revenues, in connection with all projects now existing—

Again I call attention to the words "now existing"—

> or authorized heretofore or in this act, within the Pacific Northwest, whether or not such projects include power features.

Now I turn to page 5, line 18, of the amendment, paragraph (c):

> (c) The revenues and costs credited and charged to the Columbia Basin account, together with estimated future costs and revenues authorized to be so credited and charged shall be taken into account in fixing rates for the sale of power and energy from Federal plants and facilities in the Pacific Northwest.

Mr. President, I close the quotation at this point, to call attention to the fact that that language provides that when the rates are fixed, they shall be fixed with consideration of, and with the inclusion of, as a feature and factor of them, the estimated future costs and estimated future revenues.

I now continue to quote:

> *Provided*, That estimated future costs and revenues of projects or divisions thereof upon which construction has not been initiated shall be so taken into account only if funds for the preparation of designs and specifications or for the initiation of construction have been made available pursuant to law—

I call particular attention to this language of the amendment—

> or if estimates of requirements of funds for those purposes have been submitted to the Congress by the President.

I shall return to that language and shall comment upon it. I continue to quote from the amendment:

Such rates shall be fixed from time to time by the Secretary of the Interior, after consultation with the Federal Power Commission—

At this point I interpolate that the Federal Power Commission will become a consultative body only, and its approval of rates is not required by the amendment—

at levels which in the aggregate will be—

And I call particular attention to these words—

at least sufficient to cover (1) the operation, maintenance, and all other costs of generating, transmitting, and disposing of such power and energy, including among such costs depreciation on the depreciable properties included in the construction costs allocated to such generation, transmission, and disposition, plus amortization, over a reasonable period of years, of the nondepreciable properties included in the construction cost so allocated, and including interest on the unpaid balances of the Federal investment allocated to power, at rates not less than those specified in existing applicable laws or, where no rates are so specified, at such rates as may be determined from time to time by the Secretary of the Treasury to be appropriate, having regard to the probable term of the power investment and the rates payable on outstanding marketable obligations of the United States; and (2) any additional amounts which may be required to return the reimbursable costs properly allocable to purposes other than power, but assigned for return from power revenues.

Now, Mr. President, I have reached the gimmick. I read further from the amendment:

In maintaining the Columbia Basin account and in setting rates for the sale of power and energy, the Secretary of the Interior shall take into consideration, for all properties covered by the Columbia Basin account, the application of interest on the unpaid balances of the Federal investment allocated to power to the return of costs properly allocable to purposes other than power, but assigned for return from power revenues, to the same extent that application of interest on power investment to the return of such costs may be taken into consideration under the Federal reclamation laws.

Mr. President, that provision in this amendment, boiled down, has the basic, final, legal effect of charging off or canceling all costs of reclamation projects found by the Secretary of the Interior to be in excess of the ability of the persons using the facilities to repay. That is the meat of this amendment. That is the reason why it is being opposed on this floor. That, Mr. President, is the reason why the telephone wires have been hot with the appeals from the Department of the Interior to have the amendment adopted. Let us not misunderstand that. If this amendment with that language in it be adopted, the first thing that will happen is what I said when I began my statement—it will cost the Federal Treasury $442,000,000 immediately. That statement requires an explanation, and that brings up the amendment which is the pending question. The junior Senator from Illinois [Mr. DOUGLAS], who has made more than a cursory examination of the report on the O'Mahoney amendment noticed that the data in the report showed that if the reclamation projects described in the amendment were approved, the cost of one of them, known as the Mountain Home project, would be at the rate of $1,040 per acre, and that the Secretary of the Interior has found that that cost, while a benefit to the particular area and lands affected, was nevertheless $940 more per acre than the users of the project could afford to pay back. Because, as I understood his statement on the floor, the junior Senator from Illinois felt that the difference between the cost and what the water user could repay was so great, such a project should not be authorized, particularly if the difference in money, namely, $940 per acre, had to be made by the increase in power rates so as to get increased power revenues sufficient to meet the payment. The Senator offered his amendment, which is the pending question, to eliminate from the amendment authorization of the Mountain Home project.

The Senator from Illinois was correct up to a certain point in his conclusion, but not all the way. He reached the natural conclusion that if the difference between the cost of the reclamation project and the amount repaid by the water users was to be repaid to the Government, the money had to come from somewhere, and the report indicated that that amount of money was not allocable to power but allocable to reclamation, though payable from power revenues. I say the report so indicated. But in that respect the junior Senator from Illinois relied upon less than a most careful reading and study of the report. As a matter of fact, Mr. President, the difference between the cost and the amount reimbursable by the water users is not repaid at all. It represents money appropriated from the Treasury, expended on the project, and written off by being charged to a nonexistent bookkeeping ghost account. Therefore, I may say to my friend from Illinois, there is no increase in rates to the power users; there is merely a loss to the Federal Treasury.

I must digress at this moment, Mr. President, because I do not want to be misunderstood in my opposition to this bill. I want to say as emphatically as I can that I am one who now supports, who has heretofore supported, and who will continue to support a sound, nonreimbursable Federal appropriation for reclamation in the arid areas of the United States as a proper public policy. I must make myself clear, because, seemingly, what I am doing, on the other hand, at this moment, is criticizing the doing of that thing. I am not doing that, however much as it may so seem. I am criticizing the type of operation by which that sort of nonreimbursable subsidy is clothed, in my opinion, in language which conceals the fact that it is a subsidy and a write-off.

Mr. President, I have said before, and other Senators have said on the floor, including the distinguished Senator from Wyoming [Mr. O'MAHONEY], who is just leaving the Chamber, that the time has gone when in the arid areas there is left any more land susceptible of reclamation and sound irrigation within the ability of those who will use the lands to repay the full cost of the investment. The reclamation law had its inception in the concept of subsidy. The reclamation law, in the first instance, provided for the reclaiming of arid lands on a noninterest, 40-year installment plan. The lack of any interest for 40 years represented the subsidy at that time. That program has been an outstanding success in the United States. It has had, of course, its ups and its downs.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CORDON. I am glad to yield.

Mr. O'MAHONEY. Do I correctly understand that the Senator intended to say, in perfect agreement with what I have said on many occasions, that although reclamation costs were repaid upon the original irrigation and reclamation projects on a 40-year basis, without interest, the success of that enterprise was so outstandingly great that the development which resulted in the establishment of farms and farm communities and the development for business more than returned to the Treasury of the United States the original cost?

Mr. CORDON. Mr. President, the Senator has many times made the statement, as has the senior Senator from Oregon, and there is no disagreement with reference to that fact.

Mr. O'MAHONEY. Mr. President, will the Senator yield for another question?

Mr. CORDON. I am happy to yield.

Mr. O'MAHONEY. Did I correctly understand the Senator to say a moment or so ago that, with respect to the reclamation of arid lands which may be reclaimed soundly, no loss is incurred by the Government, if the cost of those projects is borne by revenues derived from power?

Mr. CORDON. The Senator from Oregon had not adverted to that matter. The Senator from Oregon is not quite prepared to go so far as the Senator from Wyoming in that respect because of the fact that the Senator from Oregon holds the view that in any multiple-purpose project there is a sharp line of demarcation between the several purposes which make up the whole of the multiple purposes. He believes one segment is devoted to reclamation, another to flood control, another to navigation, and another to power. He believes that, so far as the whole project is concerned, the people of the United States have an interest in each of the several divisions of the project, that they are divisible, and that the power aspects of a multiple-purpose project can be separated from aspects which are devoted to reclamation. That is the view of the Senator from Oregon. Based upon that proposition, the Senator from Oregon takes the view that the power aspect of a multiple-purpose project is a separate entity, from the standpoint of operation, revenue, and return of investment. He is of the view that the fact of a separable and divisible entity was recognized by Congress when it provided different methods of determining feasibility for the power segment and return of capital investment, which is deemed a capital investment even to the extent of a requirement that it repay interest.

Mr. O'MAHONEY. Will the Senator yield for a question?

Mr. CORDON. Will the Senator permit me to go a little further? I realize that I may be becoming a bit tedious, but I think what I am about to say goes to the meat of the subject.

Mr. O'MAHONEY. The distinguished Senator is never tedious.

Mr. CORDON. I thank the Senator from Wyoming. However, even though the Senator from Wyoming says such nice things to me, I shall remember the grandmother of the Senator from Colorado.

Recurring to the matter of the several entities which make up a multiple-purpose project, Congress recognized differences in those purposes. Those differences are fundamental in reclamation. Congress has also proceeded on the basis of aid beyond a lending of money. It has also provided for no interest on a long-term loan. That was never provided for power. Power must stand on its own feet. Every dollar of the investment must be returned. Furthermore, it must bear interest, as does the money which the Government in turn must get for that purpose. Therefore, I am not at all certain, Mr. President, I may say to the Senator from Wyoming, that we are on sound ground when we attempt to tie in these two separate and distinct values in order to cover a financial deficiency of one of them. Historically, I recognize that it was done. It was done at a time, however, when all projects were basically irrigation and reclamation, and, only very incidentally, power.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CORDON. Now I am very happy to yield to the Senator from Wyoming.

Mr. O'MAHONEY. Does not the Senator propose to do precisely that by the substitute amendment which he proposes to offer, under which a part of the cost of the reclamation projects which he has written into his amendment, and which are in the committee amendment, will be repaid out of power revenues of the Hells Canyon Dam, which is exclusively a power dam?

Mr. CORDON. The Senator from Oregon is happy to answer the question just as directly as it was asked. The amendment of the Senator from Oregon does exactly that, and that is not in line with the view which he has expressed in answer to the other question of the Senator from Wyoming. I should think that answer would call for a slight explanation.

Over the years there has been a growing recognition that we in the West have lost the last chance for reclamation on the basis of a dollar out and a dollar in. We cannot do it any more. In 1944 the Solicitor of the Interior Department, answering an inquiry addressed to him by two agencies of the Interior Department, the Power Division of the Interior Department and the Bureau of Reclamation, interpreted certain provisions of the Reclamation Act of 1939. The opinion is often referred to by persons interested in reclamation and power projects within reclamation as the Solicitor's Opinion. That should be written in caps, and perhaps quoted. That opinion, which I shall discuss at length later in my remarks, held in substance that a portion of the Reclamation Act providing for a return of 3 percent interest on power projects in multiple-purpose reclamation projects did not mean interest at all. In other words, although it was interest, it was not interest. Believe it or not, it is just that fantastic. The opinion held in substance that a provision in the act for the payment of 3 percent interest on power revenues was nothing more than a provision requiring that at least 3 percent of the capital cost must be collected each year, and required no interest as rental value of the money, or as interest, as we usually understand the term. The opinion further set forth that with respect to any reclamation project of which power was a part, the revenue resulting from the application of the 3-percent yardstick in the rate was available to pay that portion of the reclamation cost which the Secretary found to be beyond the value of the project to its users or, as the language reads, "beyond the ability of the water user to repay." That opinion was given in answer to an inquiry which had to do with the allocation of costs in the Columbia Basin project in the State of Washington. The opinion was to the effect as I have just stated, but with respect to the Columbia Basin project it was to the effect that 3 percent of the cost of the project must be returned each year in revenues, that it was not interest, and that it might be used to pay the reclamation subsidy of that project.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield.

Mr. CAIN. If I understand the Senator correctly, the Solicitor said that the 3 percent might be collected and might be used. May I ask the Senator, knowing that the 3 percent has been collected for some time since 1944, has one penny of it ever been used for assistance to reclamation?

Mr. CORDON. That was the point which I wanted to reach in coming to the conclusions the Senator from Oregon reached in offering an amendment which is not in line with the Senator's basic belief with reference to concealing a subsidy.

Mr. O'MAHONEY. Will the Senator now yield?

Mr. CORDON. If the Senator will bear with me, I have not answered his question yet, and I have another one here which I can answer as I go along without any interruption of the line of thought. But I shall be happy to yield to the Senator, as always.

Mr. O'MAHONEY. The Senator ought to be willing to answer the easy question first.

Mr. CORDON. I shall endeavor to reach both of them.

The answer to the junior Senator from Washington is that no part of that 3 percent has ever been applied to retire any part of the capital cost of the Columbia Basin account. But I have to go further. The opinion referred to has never been used in any way in handling the allocations of cost, or in repaying the costs of the Columbia Basin project, despite the fact that the opinion was sought for use in setting up the rates and collecting the revenues on the Columbia Basin project. The Department itself has never had sufficient belief in the soundness of that opinion to follow it, and the President of the United States, over his signature, directed them not to follow it.

Mr. President, when the pay-out was set up for the Columbia Basin project it was set up on a basis of a rate sufficient to collect enough revenues so that they would be sufficient in themselves to retire the capital cost of the power aspect of the Columbia Basin project, and to retire the reclamation subsidy of some $440 or $450 an acre on a million acres of land, and, in addition, bring into the Federal Treasury 3 percent on the unpaid capital investment in Columbia Basin. I go into that with some particularity, because it becomes important in my answer to the question of the Senator from Wyoming, which I have not yet answered.

The solicitor's opinion was sought in connection with this pay-out arrangement for the Columbia Basin. It was never used. In order that this matter may be in the RECORD for study by those to whom it is being presented for the first time—and I undertake to say that is probably 90 percent of the membership of the Senate—I present the statements made in the report of the Columbia Basin project on the Columbia River, which was the basis for a pay-out agreement, and for those who are interested, it is House Document No. 172 of the Seventy-ninth Congress, first session. I read from page 27 of the agreement:

> It is not planned to make reductions in the immediate future in the existing Bonneville rates below the level required to make returns in accordance with table 11. Instead, it is proposed to earmark in the special account in the Treasury created by Executive Order No. 8526 a portion of the revenues covered into that account equal to the difference between the revenues shown in table 10 and those shown in table 11.

That difference, I interpolate, is the interest collected. I continue the quotation:

> If accumulated over the entire repayment period this would amount to $70,786,815.

That is the amount of interest which would be paid on the power aspects of the Columbia Basin project beginning with its first revenue and ending when its capital cost is retired; and I refer to capital cost of the power features only. I continue to quote:

> These revenues, it is proposed, would be earmarked notwithstanding any excess of the actual construction costs over the estimates included herein. An extension of the assumed repayment period shown in table 10 would be made, if and to the extent necessary, to cover such additional costs. It is proposed that these revenues would be available as a basis for a reduction, if circumstances warrant, in the total obligation for construction charges which the water users are required to assume, for a reduction in the amounts to be returned from commercial power revenues, and to be taken into

account in the determination of the financial feasibility—

I want Senators to pay attention to this language, and I go back in the quotation—

and to be taken into account in the determination of the financial feasibility of the various other irrigation and power projects that may be undertaken in the Columbia River Basin.

I call attention to the fact that at that time the suggestion was made that the interest to be available would help power, as well as reclamation.

This report had the attention of the President of the United States under date of April 21, 1945. The letter of transmittal was dated May 8, 1945, or the year after the solicitor's opinion had been requested and received. I now quote the letter from the President of the United States:

THE WHITE HOUSE,
Washington, D. C., April 21, 1945.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: I have no objections to the transmittal to the Congress at this time of the joint report on the Columbia Basin project, submitted to me with your letter of March 27. I understand that this report has a special significance, in that it is the first of several that will be required in connection with the development of the river basins of the Western States.

The allocations of costs and the proposed distribution of revenues will seemingly protect the interests of the United States and meet the requirements of law governing the return of project reimbursable expenditures. There are certain omissions and proposals in the report, however, which I am advised should be overcome or supported by legislation. The more important of these are:

a. The failure to allocate part of the costs to fish, wildlife, and recreation benefits;

b. The proposal to secure return of benefits from future downstream plant construction and operation;

And I call attention to the next two:

c. The proposal to set aside a portion of the revenues in a special account in the Treasury; and

d. The proposal to utilize the earmarked fund for certain specific purposes.

Because of the precedent importance of these matters, I suggest that you prepare them in legislative form for early presentation through regular channels for the consideration of the Congress.

I would also suggest that you include with your transmittal of the present report to Congress a copy of my letter to you of this date.

Mr. President, I read that letter in full, and tied it to the excerpt, in order to indicate indelibly the fact that the Solicitor's opinion has never been administratively followed by the Government in the very matter with respect to which it was solicited.

Mr. President, I now come back to my amendment. I have long believed that the opinion of the Solicitor of the Interior Department was fantastically illogical and without any warrant in any rules of statutory construction with which I am familiar. In other words, in my opinion it is not good law.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield. I am still moving toward the Senator's question, but I will be happy to yield for another one.

Mr. O'MAHONEY. I understand. The only purpose of my request that the Senator yield now is that I may read into the RECORD the precise language of the Reclamation Project Act of 1939, which the Solicitor attempted to interpret in the opinion the Senator is now discussing.

Mr. CORDON. With reference to that, I may say to the Senator that I shall presently request that the entire opinion be placed in the RECORD. Where the language itself is quoted three times over, so it will all be in the RECORD, and in front of those who are interested.

Mr. O'MAHONEY. Would it be imposing too much upon the Senator from Oregon if I should read it now?

Mr. CORDON. Oh, no. Repetition might aid someone. I shall be happy to have the Senator read it into the RECORD, if I do not lose the floor by so doing.

Mr. O'MAHONEY. I ask unanimous consent that I may read the language into the RECORD without the Senator losing the floor thereby.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. O'MAHONEY. Mr. President, the sentence to which I refer is from section 9 (c) of the Reclamation Project Act of 1939:

Any sale of electric power or lease of power privileges, made by the Secretary in connection with the operation of any project or division of a project, shall be for such periods, not to exceed 40 years, and at such rates as in his judgment will produce power revenues at least sufficient to cover an appropriate share of the annual operation and maintenance cost, interest on an appropriate share of the construction investment at not less than 3 percent per annum, and such other fixed charges as the Secretary deems proper.

The Senator has been following the reading of the sentence and I assume that he had it before him.

Mr. CORDON. That is correct.

Mr. O'MAHONEY. So I ask the question: Does not the Senator believe that that sentence was a congressional direction to the Secretary of the Interior providing a standard by which he should fix the rates at which electric energy was sold?

Mr. CORDON. The opinion of the Senator from Oregon is that that sentence, however unhappily worded, is a direction to the Secretary of the Interior to set rates that will secure sufficient revenues from power projects to take care of the operation of the plant itself and to collect an appropriate portion—and, of course, it should be some fixed sum—of the cost that may be necessary to reimburse the Government and to collect 3 percent interest.

Mr. O'MAHONEY. I thank the Senator.

Mr. CORDON. Mr. President, in order that the Senator from Oregon may not be left utterly naked in that legal opinion, he would like at this time to offer for the RECORD certain excerpts from hearings held before Appropriations Committees in the past, namely, on the Interior Department appropriation bill of 1941, the Interior Department appropriation bill of 1942, and that of 1943. I shall ask that all the excerpts be printed in the RECORD as a part of my remarks, but before I do so I desire to read from a statement which was prepared by the Bureau of Reclamation through its Reclamation Commissioner of that time, Mr. Page, at the request of a House member of the Interior Department Subcommittee of the Appropriations Committee of the House of Representatives, advising as to whether moneys of the Government invested in power features in a reclamation project were to be returned with interest. I quote the statement of Mr. Page:

STATEMENT CONCERNING THE METHOD OF ALLOCATING THE CONSTRUCTION COSTS OF RECLAMATION PROJECTS AS BETWEEN IRRIGATION, POWER, AND OTHER USES, AND THE ELEMENTS CONSIDERED IN ESTABLISHING POWER RATES

Under section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193) the Secretary, before any project can be authorized for construction, must submit to the President and Congress his report and findings on: (1) The engineering feasibility of the proposed construction; (2) the estimated cost of the proposed construction; (3) the part of the estimated cost which can properly be allocated to irrigation and probably be repaid by the water users; (4) the part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenue; (5) the part of the estimated cost which properly can be allocated to municipal water supply or other miscellaneous purposes and probably be returned to the United States.

As can be seen from the above statement, the basis of allocation is in fact a combination of use and benefit modified by consideration as to the ability of the water users and the power revenues to repay the costs allocated to them.

Most of the projects now being constructed were authorized prior to the enactment of the 1939 act; however—

And I ask attention to this language—

however, the practice of the Bureau previous to the enactment of that act was analogous to the procedure set up in the 1939 act. This practice in substance consisted of allocating to each use that portion of the project that was used exclusively for that particular purpose and the common works were likewise allocated as could best be determined on the basis of use. After these allocations had been made, consideration was given to the ability of the water users to repay the costs properly charged to them as well as the benefits they could be expected to receive from the construction. The result of such an allocation in most cases has been that a certain part only of the project cost properly allocated to irrigation be repaid by charges made to the water users. The rest of the allocation to irrigation uses and, of course, all of the allocation to power, will be returned by power revenues.

If we stop there we might say, "Well that is exactly the same situation that we are endeavoring to create by law today." I continue the quotation:

Section 9 (c) of the Reclamation Project Act of 1939 provides as follows: "Any sale of electric power or lease of power privileges made by the Secretary in connection with the operation of any project or division of a project, shall be for such periods not to exceed 40 years and at such rates as in his judgment will produce power revenues at least sufficient to cover an appropriate share of the annual operation and maintenance cost, interest on an appropriate share of the

construction investment at not less than 3 percent per annum and such other fixed charges as the Secretary deems proper." In accordance with this provision of the law, the rate base for the sale of power from reclamation projects is composed of the proper operation and maintenance charges, replacement reserves, amortization at 3 percent of that part of the project costs allocated to power, and amortization without interest of that part of the project costs allocated to irrigation but to be repaid by power revenues.

Then the statement goes into the basis of allocation for Boulder Dam costs. I shall not read that.

I have read this into the RECORD to indicate at this time, as is abundantly shown in the remainder of the excerpts, that it was the view of the Bureau of Reclamation before, at and after the passage of the 1939 Reclamation Act, that the cost of the power features of multiple-purpose reclamation projects should be repaid to the Federal Treasury with interest. And that was the opinion of the President of the United States in 1945 or he would not have asked for congressional action in connection with the type of thing that was recommended in the Solicitor's report.

I now ask that these excerpts be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

HOUSE COMMITTEE ON APPROPRIATIONS

INTERIOR APPROPRIATION BILL OF 1941

Statement of John C. Page, Commissioner of the Bureau of Reclamation, Monday, February 12, 1940

Mr. CARTER. You think you have ample power, without additional legislation, to build transmission lines in connection with the Central Valley project?

Mr. PAGE. Yes, sir; the transmission lines we have built, or will build, are limited to those for distributing power at wholesale.

Mr. CARTER. Would the same terms of repayment apply to the cost of those lines as would apply to the remainder of the projects?

Mr. PAGE. I think not, because under the 1939 act it is contemplated that money allocated to power should pay interest, and the water end of it would be interest free.

Mr. CARTER. What is the rate of interest that would be charged for that part of the expense that goes to the construction of the main distribution lines?

Mr. PAGE. The law would require that we include it in the rates for the sale of power, the power investment, the transmission line, the plant, or any other power equipment, and interest at not less than 3 percent.

Mr. CARTER. Does that same rule hold as to that part of the money that goes directly for the creation of electrical energy that goes directly into the powerhouse?

Mr. PAGE. For the power plant, or any other facilities allocated to power. There is a distinction only between the power and the water.

SENATE COMMITTEE ON APPROPRIATIONS

INTERIOR APPROPRIATION BILL OF 1941

Statement of John C. Page, Commissioner of the Bureau of Reclamation, Monday, April 29, 1940

Senator TAFT. You do not have to keep separate books on power and reclamation? It is all in one part?

Mr. PAGE. Yes, sir; except that the power always carries interest. The rates are set to repay the investment with interest.

HOUSE COMMITTEE ON APPROPRIATIONS

INTERIOR APPROPRIATION BILL OF 1942

Statement of John C. Page, Commissioner of the Bureau of Reclamation, Thursday, April 3, 1941

Mr. PAGE. That is based on taking care of the operation of the plant, amortization of the investment within the period which the law permits, and the payment of 3 percent interest on the cost of construction.

Mr. LEAVY. In these plants which you referred to, Mr. Page, the cost of hydroelectric energy depends largely on the capacity of the generating units?

Mr. PAGE. It is always based on the investment.

Mr. SHEPPARD. In this connection, Mr. Commissioner, your rate, in the final analysis, is determined on the plant which must of necessity be protected, the units themselves, the location at which the unit is constructed, the general conditions surrounding that individual unit. You cannot take one project alone as a basis for the cost of production.

Mr. PAGE. No. We establish a rate at a figure which we think will yield, with the output which we have, the operating cost, the amortization, and the interest; and that is the rate at which we sell the power, and that varies in each case with the investment involved, because of amortization and interest.

Mr. FITZPATRICK. And with construction costs, I suppose.

Mr. PAGE. Yes, sir. We must amortize the cost of construction.

Mr. FITZPATRICK. The purchase of the land and all those things go into the cost.

Mr. PAGE. Yes, sir.

Mr. LEAVY. And, Mr. Page, some day when these big projects begin to pay in money, the Government will be reimbursed all of the money which has been appropriated, when all of the land subject to irrigation is irrigated, and that is a fact that is very definitely established and the money is going back into the Treasury.

Mr. PAGE. Yes, sir; I feel that is perfectly true.

Mr. LEAVY. Yes. Less the interest.

Mr. PAGE. No interest is charged on the cost of construction for irrigation. That charged to power is repaid with interest.

HOUSE COMMITTEE ON APPROPRIATIONS

INTERIOR APPROPRIATION BILL, 1943

Statement of John C. Page, Commissioner of Bureau of Reclamation, Friday, February 27, 1942

Mr. PAGE. Expenditures for irrigation are reimbursable under the law. They must be repaid in 40 years without interest. Costs allocated to power in multiple purpose projects are repaid with interest at 3 percent. The law permits, since 1939, allocation on a nonreimbursable basis of appropriate costs of multiple purpose projects to flood control and navigation. The allocations for both power and irrigation are reimbursable.

HOUSE COMMITTEE ON APPROPRIATIONS

INTERIOR APPROPRIATION BILL FOR 1944

Statement of John C. Page, Commissioner of Bureau of Reclamation, Thursday, March 25, 1943

Allocation of Construction Costs of Reclamation Projects

Mr. NORRELL. One other question: I would like to know the basis for computing your rates—the different elements you take into consideration when you are figuring the cost of your power to the consumer.

Mr. PAGE. We can do that very easily, because it is specified in the law. The 1939 Reclamation Project Act tells us they must be amortized. It does not give the exact period.

Mr. NORRELL. From a practical standpoint, I would just like to see put down on paper what it is, in conformity, of course, with the law you say has been passed.

Mr. PAGE. All right.

(The statement referred to is as follows:)

"STATEMENT CONCERNING THE METHOD OF ALLOCATING THE CONSTRUCTION COSTS OF RECLAMATION PROJECTS AS BETWEEN IRRIGATION, POWER, AND OTHER USES, AND THE ELEMENTS CONSIDERED IN ESTABLISHING POWER RATES

"Under section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193) the Secretary, before any project can be authorized for construction, must submit to the President and Congress his report and findings on: (1) The engineering feasibility of the proposed construction; (2) the estimated cost of the proposed construction (3) the part of the estimated cost which can properly be allocated to irrigation and probably be repaid by the water users; (4) the part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenue; (5) the part of the estimated cost which properly can be allocated to municipal wtaer supply or other miscellaneous purposes and probably be returned to the United States.

"As can be seen from the above statement, the basis of allocation is in fact a combination of use and benefit modified by consideration as to the ability of the water users and the power revenues to repay the costs allocated to them.

"Most of the projects now being constructed were authorized prior to the enactment of the 1939 act; however, the practice of the Bureau previous to the enactment of that act was analogous to the procedure set up in the 1939 act. This practice in substance consisted of allocating to each use that portion of the project that was used exclusively for that particular purpose and the common works were likewise allocated as could best be determined on the basis of use. After these allocations had been made, consideration was given to the ability of the water users to repay the costs properly charged to them as well as the benefits they could be expected to receive from the construction. The result of such an allocation in most cases has been that a certain part only of the project cost properly allocated to irrigation be repaid by charges made to the water users. The rest of the allocation to irrigation uses and, of course, all of the allocation to power, will be returned by power revenues.

"Section 9 (c) of the Reclamation Project Act of 1939 provides as follows:

" 'Any sale of electric power or lease of power privileges made by the Secretary in connection with the operation of any project or division of a project, shall be for such periods not to exceed 40 years and at such rates as in his judgment will produce power revenues at least sufficient to cover an appropriate share of the annual operation and maintenance cost, interest on an appropriate share of the construction investment at not less than 3 percent per annum and such other fixed charges as the Secretary deems proper.'

"In accordance with this provision of the law, the rate base for the sale of power from reclamation projects is composed of the proper operation and maintenance charges, replacement reserves, amortization at 3 percent of that part of the project costs allocated to power, and amortization without interest of that part of the project costs allocated to irrigation but to be repaid by power revenues.

"BASIS FOR ALLOCATING BOULDER DAM COSTS

"The basis for power rates at Boulder Dam are defined by special legislation in the Boulder Canyon Project Adjustment Act of 1940. Here, with the exception of a $25,000,000 allocation to flood control, the entire

cost of the dam, power-plant building, equipment and appurtenant works is to be amortized in 50 years at 3 percent interest. Repayment of the flood-control allocation is deferred until June 1, 1987, after which time the flood-control allocation shall be repayable to the Treasury as Congress shall determine."

Mr. CORDON. I also ask unanimous consent to have printed in the RECORD at this point the Solicitor's opinion in full.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

POWER RATE SCHEDULES FOR COLUMBIA BASIN (GRAND COULEE) PROJECT—OPINION, SEPTEMBER 29, 1944

COLUMBIA BASIN (GRAND COULEE) PROJECT—AUTHORIZATION—POWER DEVELOPMENT—ALLOCATIONS OF COST—RATE SCHEDULES

Allocations of cost of the Columbia Basin (Grand Coulee) project and the establishment of the rate schedule for the sale of power therefrom are governed by the provisions of section 9 of the Reclamation Project Act of 1939 (53 Stat. 1193, notwithstanding the broad power vested in the President "to make and enter into any and all necessary contracts" in connection with the project, by section 2 of the act of August 30, 1935 (49 Stat. 1039), since section 1 of the Columbia Basin Project Act, approved March 10, 1943 (Public Law 8, 78th Cong.), "authorized and reauthorized" the project as one "subject to the Reclamation Project Act of 1939."

COLUMBIA BASIN (GRAND COULEE) PROJECT—RATE SCHEDULES—MINIMUM REQUIREMENTS

The minimum legal requirements for the fixing of rate schedules for the sale of power may be met by the establishment of rate schedules which will return (1) the share of operation and maintenance expenses chargeable to power development, (2) interest at not less than 3 percent on the power construction costs, and (3) as "other fixed charges," an amount equal to any excess over total net power revenues which would otherwise exist in the construction costs allocated to power to be returned from power revenues.

COLUMBIA BASIN (GRAND COULEE) PROJECT—INTEREST REQUIREMENTS

Interest during construction need not be included as a part of the project cost and the interest component in the rate schedule need not be calculated from the time of actual expenditure in construction.

HARPER, *Solicitor.*

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
Washington, D. C., September 29, 1944.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: At the request of the Commissioner of the Bureau of Reclamation, in which the Acting Director of the Division of Power has concurred, you have referred to me for opinion certain questions concerning the legal requirements of the rate structure to be established for the sale of electric energy generated at the Columbia Basin (Grand Coulee) project and marketed by the Bonneville Power Administration pursuant to Executive Order No. 8526, dated August 26, 1940.[1] The following are the questions:

"I (a). For the purposes of the cost allocations report on the Columbia Basin project, must the estimates of revenues to be allocated to the Columbia Basin (Grand Coulee) project for electric power generated at the project power plants and delivered to the Bonneville Power Administration to be marketed by Bonneville be sufficient to return to the United States interest at 3 percent per annum on some portion of the reimbursable costs of the project, in addition to returning that portion of the reimbursable costs properly chargeable to power and the other portions of the reimbursable costs that are to be met by power revenues, including that part of the irrigation cost not to be repaid by the project water users?

"I (b). If the answer to question I (a) is 'no,' would estimates of revenues so to be allocated be legally adequate that were premised on the return of the reimbursable costs, as stated in question I (a) but with the interest component of revenues being used to assist in the retirement of that portion of the reimbursable costs which are not properly allocated to power but which are to be returned from power revenues?

"II. Does the law require, for the purposes of rate making as distinguished from application of revenue, that interest be calculated on the investment from the time of making the investment by actual expenditure in construction, or may it be calculated from a later date?"

It is my opinion that question I (a) must be answered in the negative and that the answer to question I (b) accordingly must be in the affirmative. As for question II, it is my opinion that the Secretary is not required to calculate interest on the investment from the time of actual expenditure in construction and that it therefore may be calculated from such subsequent point of time as may be most appropriate.

The Columbia Basin project, under the name "Grand Coulee Dam," was initiated as a Public Works Administration project and subsequently was ratified and adopted by section 2 of the River and Harbor Act of August 30, 1935 (49 Stat. 1039, 33 U. S. C. sec. 540, note), which provided in part:

"That for the purpose of controlling floods, improving navigation, regulating the flow of the streams of the United States, providing for storage and for the delivery of the stored waters thereof, for the reclamation of public lands * * * and other beneficial uses, and for the generation of electric energy as a means of financially aiding and assisting such undertakings, the projects known as Parker Dam on the Colorado River and Grand Coulee Dam on the Columbia River, are hereby authorized and adopted, and all contracts and agreements which have been executed in connection therewith are hereby validated and ratified, and the President, acting through such agents as he may designate, is hereby authorized to construct, operate, and maintain dams, structures, canals, and incidental works necessary to such projects, and in connection therewith to make and enter into any and all necessary contracts including contracts amendatory of or supplemental to those hereby validated and ratified."

The Reclamation Project Act of 1939 (act of August 4, 1939, 53 Stat. 1187), certain provisions of which will be significant in the consideration of the questions herein presented for opinion, is the next enactment to be noted.[2]

Subsection 9 (a) of that act provides for the allocation of the estimated cost of any new project, new division, or supplemental works, to enumerated uses, including irrigation and power.[3] The second sentence of subsection 9 (c) provides:

"Any sale of electric power or lease of power privileges, made by the Secretary in connection with the operation of any project or division of a project, shall be for such period not to exceed 40 years and at such rates as, in his judgment, will produce power revenues at least sufficient to cover an appropriate share of the annual operation and maintenance cost, interest on an appropriate share of the construction investment at not less than 3 percent per annum, and such other fixed charges as the Secretary deems proper. * * *"

The question of the extent of the applicability of the 1939 act to the project first is presented by section 1 of the Columbia Basin Project Act, approved March 10, 1943 (Public Law 8, 78th Cong.), which provides:

"In addition to the primary purposes for which the Grand Coulee Dam project (hereafter to be known as the Columbia Basin project and herein called the project) was authorized under the provisions of the act of August 30, 1935 (49 Stat. 1028), the project is hereby authorized and reauthorized as a project subject to the Reclamation Project Act of 1939; and the provisions of each of those two acts together with the provisions of this act shal govern the repayment of expenditures and the construction, operation, and maintenance of the works constructed as a part of the project."

In the meantime an amendment to the 1939 Interior Department Appropriation Act[4] had contained an important provision governing the application of power revenues in connection with irrigation projects. This provision, known as the Hayden-O'Mahoney amendment, provides that—

"All moneys received by the United States in connection with any irrigation projects, including the incidental power features thereof, constructed by the Secretary of the Interior through the Bureau of Reclamation, and financed in whole or in part with moneys heretofore or hereafter appropriated or allocated therefor by the Federal Government, shall be covered into the reclamafund, except in cases where provision has been made by law or contract for the use of such revenues for the benefit of users of water from such project: *Provided,* That after the net revenues derived from the sale of power developed in connection with any of said projects shall have repaid those construction costs of such project allocated

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[1] 5 F. R. 3390.

[2] The purpose of the act is set forth in section 1 (43 U. S. C., sec. 485): "That for the purpose of providing for United States reclamation projects a feasible and comprehensive plan for an economical and equitable treatment of repayment problems and for variable payments of construction charges which can be met regularly and fully from year to year during periods of decline in agricultural income and unsatisfactory conditions of agriculture as well as during periods of prosperity and good prices for agricultural products, and which will protect adequately the financial interest of the United States in said projects, obligations to pay construction charges may be revised or undertaken pursuant to the provisions of this act."

[3] The following is the material portion of the text of this subsection: "No expenditures for the construction of any new project, new division of a project, or new supplemental works on a project shall be made, nor shall estimates be submitted therefor, by the Secretary until after he has made an investigation thereof and has submitted to the President and to the Congress his report and findings on (1) the engineering feasibility of the proposed construction; (2) the estimated cost of the proposed construction; (3) the part of the estimated cost which can properly be allocated to irrigation and probably be repaid by the water users; (4) the part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenues; (5) the part of the estimated cost which can properly be allocated to municipal water supply or other miscellaneous purposes and probably be returned to the United States."

[4] Act of May 9, 1938, 52 Stat. 291, 322, 43 U. S. C., sec. 392 (a).

to power to be repaid by power revenues therefrom and shall no longer be required to meet the contractual obligations of the United States, then said net revenues derived from the sale of power developed in connection with such project shall, after the close of each fiscal year, be transferred to and covered into the General Treasury as 'miscellaneous receipts': *Provided further,* That nothing in this section shall be construed to amend the Boulder Canyon Project Act (45 Stat. 1057), as amended, or to apply to irrigation projects of the Office of Indian Affairs."

It is my opinion that the Columbia Basin project is subject to the provisions of the Reclamation Project Act of 1939, section 9 of which is controlling with respect to the sale of power from the project and the elements to be included within the rate schedule. The Hayden-O'Mahoney amendment of the Interior Department Appropriation Act of 1939 which deals expressly with the application of power revenues, is entirely consistent with the act of 1939 and aids in its construction.

Before proceeding to the consideration of question I, it is desirable to examine the divergent views which have been advanced with respect to it and to note certain assumptions which have been made in its submission. The following is quoted from a memorandum by which the question was submitted:

"One view of the law is that the allocations report must be predicated on estimates of revenues sufficient to return to the United States that portion of the reimbursable costs properly chargeable to power and the other portions of the reimbursable costs that are to be met by power revenues and, in addition, interest at 3 percent per annum on what is described in section 9 (c) of the Reclamation Project Act of 1939 as 'an appropriate share of the construction investment.' It is part and parcel of this view that this term 'appropriate share' comprises that part of the estimated project costs that are properly chargeable to power.

"The other principal view is that, even though power rates are to be fixed on a basis that includes as a part of the rate-base interest on that portion of the costs properly chargeable to power, it is only necessary, insofar as showing full reimbursability of the project is concerned, to show a return within an agreed period of amortization of the full amount of the project costs which are allocated to be returned from power revenues. Under this view the interest component of power revenue would be applied to assist in the retirement of the reimbursable costs that were not properly chargeable to power but which are to be retired by the application of power revenues.

"For the purpose of the solicitor's consideration of the legal problems, these assumptions should be made: (1) That all project costs, except those allocated to flood control and navigation, are required to be returned to the United States within an agreed amortization period; and (2) that power revenues will be expected to return to the United States that part of the costs properly chargeable to power, plus that portion of the costs properly chargeagle to irrigation but which are beyond the ability of the water users to repay within the statutory repayment period."

It is understood that both views, quoted supra, of the application of section 9 assume that the cost allocations report will reflect (1) the part of the estimated cost which can be properly allocated to irrigation and be repaid by the water users; (2) the part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenues; and (3) that part of the estimated cost properly chargeable to irrigation but which, because of the inability of the water users to repay, also is to be repaid from net power revenues (the irrigation subsidy). The first view is that the minimum rate schedule prescribed by the second sentence of subsection 9 (c) must be such as will produce revenues sufficient to meet (2) and (3), plus at least 3 percent of (2).[5] The second view concedes the necessity of always collecting (2) with at least 3 percent thereon. It is contended, however, that the minimum rate schedule need otherwise only be such as will return revenues, including interest, which will be sufficient to meet (2) and (3).[6] Under the first view the proceeds of the interest charge would be realized above the amounts necessary to meet reimbursable cost, while under the second view they would be applied to that purpose [7] to the extent of the irrigation subsidy. Reduced to its simplest terms, therefore, the issue is as follows: The Bureau of Reclamation contends that the Congress, by this provision of subsection 9 (c), intended that the United States not only realize, but retain, a profit of 3 percent from its power investment. The division of power contends that Congress did not so intend, and that the sum collected by virtue of the 3 percent interest on investment required to be included in any power-rate schedules prepared under subsection 9 (c) may be applied to the amortization of those costs chargeable to irrigation but beyond the ability of the water users to repay (irrigation subsidy).

It is my opinion that neither the contention of the Bureau of Reclamation nor that of the Division of Power is entirely correct. I believe that a proper interpretation of section 9 of the Reclamation Act of 1939 and the Hayden-O'Mahoney amendment to the Department's Appropriation Act of 1939 require that the minimum rate schedule be such as to produce revenues sufficient only to meet in addition to the return for operation and maintenance cost, an amount equal to 3 percent of the power construction costs with the proviso that if total revenues thus produced are insufficient to repay all costs allocated to power to be repaid by power revenues, other fixed charges must be included in the rate schedule to produce revenues sufficient to repay such costs. The Bonneville Power Administration has indicated that it shares this view, and its views otherwise are in accord with those of the Division of Power.

If we look only to the language of section 9 of the Reclamation Project Act of 1939, the intention of the Congress seems clear. Subsection 9 (a)and 9 (c), although related, serve two different purposes. Subsection 9 (a) embodies the test for feasibility. All projects to be undertaken as authorized under the act must meet this test. Subsection 9 (c) contains the criteria for rates to be charged by the Secretary for the sale of power. All rates prescribed by him must conform to these criteria.

It is to be observed that the criteria prescribed in subsection 9 (c) include a discretionary factor. The rates must produce power revenues at least sufficient to cover an appropriate share of the annual operation and maintenance cost, interest on an appropriate share of the construction investment at not less than 3 percent per annum, and such other fixed charges as the Secretary deems proper. The Secretary's discretion, however, is limited by the relationship between subsection 9 (a) and subsection 9 (c). Subsection 9 (a) was intended to insure the reimbursability of projects. Other fixed charges, as used in subsection 9 (c), must, therefore, be such as to produce total revenues from power which will equal any costs not written off as allocable to navigation and flood control or not reimbursable from other sources. If these costs are less than the revenues which would be collected by reason of the minimum 3 percent interest factor, the Secretary need not, unless he deems them proper, include any other fixed charges. If such costs exceed an amount equal to the revenues which would be collected by reason of the minimum 3 percent interest factor, the Secretary is required to include other fixed charges to the extent necessary to equal the sum representing such excess. This, however, is the extent of the limitations upon the Secretary's discretion, and if he acts within these limitations, he has followed the criteria prescribed in subsection 9 (c) and the requirements of law have been satisfied. It appears, therefore, that there is nothing in the act of 1939 to prevent the Secretary from fixing rates sufficent to meet an appropriate share of the annual operation and maintenance cost, interest on an appropriate share of the construction investment at 3 percent per annum and other fixed charges sufficient to retire all construction costs to be returned from net power revenues.

If we look to the Hayden-O'Mahoney amendment to the Department's Appropriation Act for 1939, we find confirmation of this construction of the Reclamation Project Act of 1939.

The Hayden-O'Mahoney amendment deals expressly with the disposition of power revenues. It contains the specific provision that all revenues derived from the sale of power "shall be covered into the reclamation fund." No reservation of any amount for the payment of special accounts, such as interest in the form of a profit to the United States, is made. It is provided that only after net revenues derived from the sale of power developed in connection with any such projects shall have repaid those construction costs of such project allocated to power to be repaid by power revenues (power construction costs plus subsidy) therefrom shall any part of said net revenues derived from the sale of power developed in connection with such projects go to the United States. Then, by specific instruction, it directs their disposition by providing that they "shall, after the close of each fiscal year, be transferred to and covered into the General Treasury as miscellaneous receipts. No clearer reflection of congressional intention with

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[5] Both views assume that an appropriate share of the construction investment, on which the interest is to be computed within the meaning of subsection 9 (c), is the amount properly chargeable to power for power construction costs, an assumption which is supported by the legislative history. Both the Senate report (No. 758, 76th Cong., 1st sess.) and the conference report (84 CONGRESSIONAL RECORD 10219), in explanation of an amendment of the bill reducing the interest rate, clearly indicate an understanding that interest should be computed on the share of the construction cost attributed to power construction.

[6] Both views, of course, assume that the power revenues must be sufficient to return operation and maintenance cost also, factors which for simplicity are not injected at this point of the discussion.

[7] As an example of the practical application of the second view it may be assumed that the interest component, whether the 3 percent minimum or a permissible higher one, would return revenues sufficient to cover (2), thus permitting a complete reimbursement from power revenues of those parts of the cost so allocated. Or, if a 3 percent interest component should in fact be insufficient for that purpose the difference could be realized by including in addition so much of the subsidy to irrigation as might be necessary under other fixed charges. This view therefore involves not only a negative answer to question I (a), but necessarily, an affirmative one to question I (b).

respect to the application to be made of revenues derived from irrigation power undertakings could be found. There appears to be no conflict, therefore, between the Hayden-O'Mahoney amendment and section 9 of the act of 1939, and I find nothing in either act which would require the Bureau of Reclamation to change what appears to be its past practice with respect to the application of power revenues. That practice appears to have been to retain in the reclamation fund, as a part of net power revenues, collections representing the interest element, where, it is reasonable to presume, they have been available for application against reimbursable costs not otherwise paid. This practice was in accord with a number of statutes dealing with specific projects which called for the application of all revenues from power to the credit of the projects.[8]

It appears to be a matter of common knowledge that in many irrigation project undertakings the amount representing the irrigation subsidy is in excess of the amount which it is anticipated will be realized by a 3 percent interest return on the power investment. That there is authority to include in rate schedules as one of "such other fixed charges as the Secretary deems proper" an element representing some part of the subsidy, in order to avoid a deficit, is not questioned. There is objection, however, to a construction of the provisions of subsection 9 (c) which would require that there should be included an element reflecting repayment of the full amount of the subsidy, in addition to the interest element, the revenues resulting from which are applied against the repayment of the subsidy.

It is argued that the contention of the Bureau of Reclamation is fortified by past practices whereby rate schedules have been such as to produce revenues from the sale of power sufficient to meet all construction costs to be returned from power revenues in addition to an amount equal to 3 percent of the power-construction costs. It is necessary only to point out that insofar as such a practice has existed, it is of no assistance in the construction of the legal requirements of rate schedules. Such a practice is entirely consistent with the view that the Secretary may, if he deems proper, include such factors as other fixed charges. The practice throws no light, as an administrative construction, on the question whether the Secretary is required to include such factors as other fixed charges. It indicates that he may, not that he must.

I have been cited two instances which are alleged to indicate an understanding on the part of certain members of the House committee which considered the bill that rates for the sale of power must be such as to return all costs allocated to power to be repaid from power revenues, and in addition a 3-percent interest charge on the power investment. One such instance was an exchange between Congressman MUNDT and Commissioner Page, as follows:

"Mr. MUNDT. Who gets the profits of the allocation? You say that the profits go to the Government. Do you mean to the United States Treasury?

"Mr. PAGE. Yes, sir.

"Mr. MUNDT. Not to the Bureau of Reclamation.

"Mr. PAGE. It goes in the reclamation fund and is available for reappropriation by Congress.

"Mr. MUNDT. And can be spent without separate appropriation?

"Mr. PAGE. No, sir; only after specific appropriation.

"Mr. HORTON. That part allocated for power pays for itself.

"Mr. PAGE. Yes, sir. The revenue goes into the reclamation fund until the allocation is repaid, then it goes to the Treasury.

"Mr. MUNDT. Does the Secretary of the Interior—is he compelled to sell this power to the highest bidder?

"Mr. PAGE. No, sir. Rates are established to return the obligation, with interest, and the power is not auctioned." (Hearings, H. Committee on Irrigation and Reclamation, 76th Cong., 1st sess., p. 144.)

The other incident occurred in a debate on the floor of the House during consideration of the conferee's report. The following exchange occurred between Congressman RICH and Congressman WHITE:

"Mr. RICH (after quoting managers statement as to Senate amendment). What reduction was made in the rate of interest?

"Mr. WHITE of Idaho. One-half of 1 percent, and the Government still makes a big profit, because it borrows money at a lower rate than the rate fixed in this bill. The Government is making a profit on the interest, and we have extended those benefits to these reclamation projects." (84 CONGRESSIONAL RECORD, p. 10220.)

I think it is clear that neither of these incidents throws any particular light on the narrow question in issue.

Even greater stress is laid by the Bureau of Reclamation on the implications of the Acting Secretary's letter of June 9, 1939,[9] in which the following statement concerning section 9 of the act appears:

"The provisions of this section are substantially in accordance with recent special acts of Congress relating to multiple-purpose projects constructed by the Bureau of Reclamation and would give effect to sound public policy." (H. Rept. No. 995, 76th Cong., 1st sess., p. 5.)

This paragraph in itself is of little significance. It is necessary to examine the recent special acts of Congress relating to multiple-purpose projects to which it refers and to explore what might have been intended by the phrase "give effect to sound public policy."

The special acts referred to include the Boulder Canyon Project Act.[10] An examination of this act indicates that it varies in material respects from section 9 of the Reclamation Act of 1939. In fact, the act varies so materially that little is to be gained by comparison. For example, it requires the return of the total cost of the project including the allocation to flood control with interest at 4 percent per annum. Under the act of 1939, it is not contended that interest be returned on the irrigation subsidy and subsection 9 (a) provides for writing off costs allocable to flood control and navigation. Under section 9, therefore, not only is it unnecessary to collect interest on flood control and navigation costs, but it is even unnecessary that the costs themselves be returned. It is thus obvious that the Boulder Canyon Project Act is of no assistance in interpreting the meaning of section 9 of the act of 1939. Of the other multiple-purpose project acts in operation or under construction at the time the 1939 act was under consideration,[11] none, with the exception only of that relating to Black Canyon,[12] contained any provisions whatever as to rates for the sale of power or the requirements for repayment from power revenues.

Whatever significance is to be derived from the Acting Secretary's letter thus must be found in his statement that section 9 of the act of 1939 would put into effect sound public policy. It is argued by the Bureau of Reclamation that this sound public policy is to be found in the Bureau's practice in establishing rate schedules under the special acts referred to. This practice seems to have been one which included an interest charge over and above charges sufficient to amortize the entire cost of the project. Admittedly, however, such schedules were established as a matter of policy and not as a matter of legal requirement. The implication of the Acting Secretary's letter would thus appear to go no further than to suggest that under section 9 of the act of 1939, a similar policy could be followed. There is no necessary implication that such a procedure should be followed as a matter of law.

In these circumstances I am confronted with a situation in which the language of the legislation in question is perfectly clear but the legislative history, of doubtful intent. Ordinarily, legislative history is invoked when it can throw light on statutory language which is susceptible of more than one meaning. Such is not the case here. To deviate from the interpretation I have placed on section 9 of the act of 1939 would require reading something into the act which is not there. In order to accomplish this, I am asked to resort to legislative history which is itself capable of several meanings. It would be a curious reversal of ordinary canons of statutory interpretation to follow such a course.

Considerable point is made by the Bureau of Reclamation of the practices of the Bureau in establishing rate schedules and of representations made to Congress since the passage of the 1939 act. It is contended that representations thus made and appropriations made by the Congress in consequence thereof are entitled to great weight in determining the requirements of that act.

But most of the colloquies between Bureau representatives and members of Appropriations Committees are ambiguous, subject to a meaning which is consistent with the contentions of the Division of Power as well as with those of the Bureau of Reclamation. In a discussion between Commissioner Page and Congressman Carter in connection with H. R. 8745, Seventy-sixth Congress, third session, which was the first appropriation act following the enactment of the 1939 act, Commissioner Page observed that "under the 1939 act it is contemplated that money allocated to power should pay interest, and the water end of it would be interest-free"

[8] See, e. g., act of April 6, 1906 (34 Stat. 116, 117), as amended; act of March 4, 1929 (45 Stat. 1562, 1592); act of May 14, 1930 (46 Stat. 279, 308); act of August 9, 1937 (50 Stat. 564, 592).

[9] See H. R. 995, 76th Cong., 1st sess., pp. 5, 6.

[10] Act of December 21, 1928, ch. 42, 45 Stat. 1057.

[11] The following acts involve situations of that kind: The acts of June 5, 1924 (43 Stat. 416) and March 4, 1929 (45 Stat. 1590), relating to the Black Canyon power plant and the Deadwood Reservoir, Boise project; the acts of March 4, 1929 (45 Stat. 1592) and April 9, 1938 (52 Stat. 210), relating to the Shoshone power plant; the act of May 14, 1930 (46 Stat. 279, 308), relating to the Yakima-Prosser power plant; the several appropriation acts relating to the Kendrick project, beginning with the act of June 22, 1936 (49 Stat. 1757, 1784), (these must be considered along with the finding of feasibility of August 30, 1935, which was premised on the use of power revenues to retire a part of the cost that might properly be chargeable to irrigation); and the act of August 9, 1937 (50 Stat. 564, 593, and 595), relating to the Rio Grande project and to the Colorado-Big Thompson project. Reference should be made also to the acts of August 30, 1935 (49 Stat. 1028, 1039) and August 26, 1937 (50 Stat. 850) which related to Grand Coulee Dam, Parker Dam and the Central Valley projects, which were multiple-purpose projects under construction when the 1939 Project Act was being considered, but for which at that time no provision had been made for the allocation of costs, nor for the terms on which power would be sold.

[12] Act of March 4, 1929, ch. 705, (45 Stat. 1562).

(House hearings, p. 382). When Commissioner Page testified before the Senate Subcommittee on Appropriations in connection with the same bill, he assured Senator TAFT that power always carries interest. The rates are set to repay investment with interest (supplemental hearings, Senate Subcommittee on Appropriations, p. 27).

In connection with H. R. 4590, which became the act of June 28, 1941, the second annual Appropriation Act after the enactment of the 1939 act, Commissioner Page told Congressman Fitzpatrick that power prices were "based on taking care of the operation of the plant, amortization of the investment within the period which the law permits, and the payment of 3 percent on the cost of construction." In answer to a question by Congressman Sheppard, the Commissioner said:

"We establish a rate at a figure which we think will yield, with the output which we have, the operating cost, the amortization, and the interest; and that is the rate at which we sell the power, and that varies in each case with the investment involved, because of amortization and interest" (hearings, House Subcommittee on Appropriations, 77th Cong., 1st sess., p. 613).

Later, in the same hearings, Commissioner Page told Congressman Leavy that "no interest is charged on the cost of construction for irrigation. That charged to power is repaid with interest" (hearings, p. 634).

In connection with H. R. 6845, which became the act of July 2, 1942, the Third Appropriation Act after passage of the 1939 act, Commissioner Page, in response to a question by Congressman Leavy, stated:

"Expenditures for irrigation are reimbursable under the law. That must be repaid in 40 years without interest. Costs allocated to power in multiple-purpose projects are repaid with interest at 3 percent" (hearings, House Subcommittee on Appropriations, 77th Cong., 2d sess., p. 306).

When H. R. 6845 was under debate on the floor of the House, Mr. Leavy, in discussing the proposed appropriation for the Central Valley project, asserted:

"It will cost somewhere between $225,000,000 and $275,000,000.

"Every dollar of this is to be paid back to the Federal Treasury over a period of 40 years, the reclamation feature without interest and the power feature with interest" (88 CONGRESSIONAL RECORD, p. 5721).

In connection with H. R. 2719 which became the act of July 12, 1943, the fourth annual appropriation following enactment of the 1939 act, Commissioner Page, in response to a question by Congressman NORRELL, made the following explanation before the House Subcommittee on Appropriations:

"Most of the projects now being constructed were authorized prior to the enactment of the 1939 act; however, the practice of the Bureau previous to the enactment of the 1939 act was analogous to the procedure set up in the 1939 act. This practice in substance consisted of allocating to each use that portion of the project that was used exclusively for that particular purpose and the common works were likewise allocated as could best be determined on the basis of use. After these allocations had been made, consideration was given to the ability of the water users to repay the costs properly charged to them as well as the benefits they could be expected to receive from the construction. The result of such an allocation in most cases has been that a certain part only of the project cost properly allocated to irrigation be repaid by charges made to the water users. The rest of the allocation to irrigation uses and, of course, all of the allocation to power, will be returned by power revenues."

It will be observed that in these conversations loose language is frequently employed both by the Commissioner and by members of the committee. I am impressed, however, with the thought that such expressions as "power features," "irrigation features," "power costs," "costs allocated to power in multiple-purpose projects" are employed to identify the construction allocations of the power and irrigation features, as the case may be. For example, in Commissioner Page's testimony, last quoted, he says:

"The result of such an allocation in most cases has been that a certain part only of the project cost properly allocated to irrigation be repaid by charges made to the water users. The rest of the allocation to irrigation uses and, of course, all of the allocation to power, will be returned by power revenues."

This immediately suggests that both the Commissioners and his hearers distinguished between the power investment and the irrigation investment. It is reasonable to assume therefore that when the committee members were assured that costs allocated to power were collected with interest, and when they themselves made such statements as "the reclamation features (are repaid) without interest and the power feature with interest," it was understood that in addition to interest thereon, only power costs would be reflected in the rates. I am persuaded that insofar as the legislative history of the four appropriation acts since enactment of the 1939 act refer to the requirements for rate schedules, I could go no farther than to conclude that these requirements, in addition to operation and maintenance cost, include only the amortization of the power investment plus 3 percent interest thereon, unless other fixed charges are necessary to insure complete repayment of reimbursable costs. In other words, if it were permissible to consider this material, it would support the contention of the Division of Power as such, if not more than that of the Bureau of Reclamation.

To all of these statements, however, I am not disposed to attach significance. Statements subsequently addressed to Congress may not be invoked to alter what otherwise would be the plain meaning of a statute. Since I find no ambiguity in the terms of section 9 of the act of 1939, I am unwilling to look to later declarations either by administrative officials or by members of Appropriation Subcommittees to make them ambiguous.

It has been suggested that the mere use of the word "interest" in subsection 9 (c) of the act of 1939 indicates a congressional intention that rate schedules be established which will return sufficient revenues to meet the requirements set forth in subsection 9 (a) of that act and in addition a profit of 3 percent on the power investment. Interest, it is argued, implies a profit on investment. It implies the collection of a sum in addition to the amount on which the interest is charged. To use this sum for the purpose of reimbursement of the capital on which it is charged is to defeat the very purpose of its requirement. If the validity of this reasoning be conceded, I think it is answered by a consideration of the character of projects like Grand Coulee. The Reclamation Act of 1939 contemplated vast multiple-purpose projects, projects which would serve the ends of irrigation, power generation, navigation, and flood control. The provision in subsection 9 (a) for allocation of costs to different functions suggests that the Congress regarded such projects, for purposes of fiscal planning and accounting, as interrelated but nevertheless separate enterprises. The costs for navigation and flood-control purposes are to be borne in one way, costs for power construction in another, and costs for reclaiming and irrigating agricultural land in still a third manner. It seems to me not unusual to use the word "interest" as a return to be realized on one enterprise even though a part of the revenues from that enterprise are required to reimburse the reclamation fund for a capital investment in another enterprise. Since the returns from power investments are more generous than the returns from investments for irrigation purposes, it is only natural to suppose that the Congress anticipated the former to yield a return which could be applied to subsidize the latter.

I am not prepared, however, to concede the validity of the proposition that to use revenues collected by reason of an interest factor for the purpose of reimbursement of capital on which it is charged is to defeat the purpose of its requirement. It is a question-begging proposition. The fallacy lies in the assumption as to the purpose of the interest requirement. It does no violence to common sense to assume that the 3 percent interest requirement in subsection 9 (c) was intended to insure minimum rates for power in cases where a 40-year amortization plan would otherwise make possible rates which would return revenues less than an amount equal to 3 percent on the power construction costs. It is to be remembered that the Congress has been sensitive to the competitive position of Government power projects, and it is not unreasonable to assume as intention only to insure power rates which under no circumstances could be less than those which would return in addition to operation and maintenance costs an amount equal to 3 percent on the construction investment. In other words, the Congress may well have been concerned at this point with a minimum rate schedule rather than an enterprise which would insure a net profit to the Government. The device of requiring an interest component in the rate schedule was one method of attaining this objective.

It accordingly is my conclusion that the minimum legal requirement of subsection 9 (c) of the act of 1939 may be met by the establishment of rate schedules which will return:

1. The share of operation and maintenance expenses chargeable to power development;

2. Interest at not less than 3 percent on the power construction costs; and

3. As "other fixed charges," an amount equal to any excess over total net power revenues which would otherwise exist in the construction costs allocated to power to be returned from power revenues.

The Secretary may, if he deems them proper, include still other fixed charges. His discretion under this provision is sufficiently broad to enable him to include charges which will produce revenues sufficient to equal all construction costs allocated to power to be returned from power revenues, including costs allocated to irrigation which are beyond the ability of the water users to repay, in addition to the returns representing interest at not less than 3 percent annually on the power construction investment. He is not, however, so required by law.

Question II is whether the interest element in the rate schedule, which is to be computed on the part of the construction cost properly chargeable to power, must be calculated on that interest base from the time the investment was made. It raises a preliminary question, however, whether interest during the period of construction should be regarded as a part of the construction cost of the project. If it should be so regarded, it would seem clear that the interest element in the rate schedule should not be calculated from the time of making the investment, since the part chargeable for the period of construction already would be reflected in the rate schedule. If it should not be so regarded, there would remain the question whether the Secretary, in fixing rates which would produce revenues "at least sufficient to cover * * * interest on an appropriate share of the construction investment at not less than 3 percent per annum" is nevertheless required to compute the interest from the time of the investment.

While interest during construction has been treated in some situations as a part of the cost of the project,[13] two considerations tend to negative the propriety of its inclusion here. First, subsection 9 (a) of the Reclamation Project Act of 1939, which provides for cost allocations reports, speaks in terms only of "the estimated cost of the proposed construction" and "the part of the estimated cost which can properly be allocated" to irrigation, power, and other purposes. This language, in the absence of more specific provisions, seems to be addressed only to capital investment. Secondly, if interest during construction should be included as a part of the project cost, it would seem that it reasonably should apply alike to the parts of the construction cost allocable to power and to irrigation, whereas interest historically has not been included in the financing of irrigation.[14] I therefore conclude that interest during construction need not be included as a part of the cost of the project. The question as originally submitted therefore remains to be answered.

A casual examination of the provision for interest in the rate schedule would raise the suggestion of a requirement that it be calculated from the date of investment.[15] Administrative practice prior to the enactment of the 1939 act was not uniform.[16] Two considerations, however, lead me to the conclusion that interest need not be calculated from the date of investment. First, the rate requirements of subsection 9 (c) are "in connection with the operation of any project."[17] Secondly, it does not appear that the element of interest during construction has been reflected in any manner in any rate determinations made under subsection 9 (c), and the financial studies reflected in the feasibility reports made in three projects pursuant to subsection 9 (a) are based on calculations of annual revenues and annual charges.[18] In two of these three instances, appropriations of funds have been made by the Congress for project construction.[19] Appropriations made with knowledge of administrative construction and practices are entitled to weight.[20]

It, therefore, is my opinion that the Secretary is not legally required, for the purposes of rate-making, to calculate interest on the investment from the time of actual expenditure in construction and that it may be calculated from such subsequent point of time as would be factually most consistent with the legal reasons which have led to this conclusion. Such point of time presumably would be that at which the generation of energy begins to produce revenues.

The answers to the questions propounded are thus as follows:

I (a). No.

I (b). Yes.

II. No. Interest may be calculated from an appropriate later date.

Respectfully,

FOWLER HARPER,
Solicitor.

Approved September 29, 1944.

HAROLD L. ICKES,
Secretary of the Interior.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SOLICITOR,
Washington, D. C., September 10, 1945.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: By a joint memorandum of May 28, which you submitted to me on May 31, the Director of the Division of Power and the Commissioner of the Bureau of Reclamation recommended that certain legal questions raised therein be submitted to me for an opinion. The memorandum summarizes the holding in my opinion (M. 33473) approved by you on September 29, 1944, concerning the minimum legal requirements for rate schedules to be established for the sale of electrical energy from the Grand Coulee Dam, Columbia Basin project, under subsection 9 (c) of the Reclamation Project Act of 1939 (53 Stat. 1193, 43 U. S. C., sec. 485),[1] and concludes that two additional questions require answer in order to determine "the minimum revenue requirements." The first question is as follows:

"Within what period of time must there be returned to the United States—

"(a) The estimated construction costs properly allocated to power?

"(b) The estimated costs, if any, properly allocable to purposes other than power but which are allocated to be returned from power revenues (i. e., the subsidy)?"

The memorandum refers to the fact that the joint report of the Bonneville Power Administration and the Bureau of Reclamation on the allocation and repayment of the costs of the Columbia Basin Project, approved by you on January 31, states that no period for amortization (i. e., repayment) is expressly fixed by law, and that the implicit legal requirement would appear to be that costs be amortized within a reasonable period, and of course, within the useful life of the project. The memorandum states that since the repayment period chosen in the Columbia Basin allocation report coincides with the repayment period fixed by law for the water users (40 years, plus the development period, if any) the explicit question of the maximum length of the repayment period or periods for power construction costs and subsidy, if any, did not have to be considered. It accordingly was deemed advisable to present the question for formal determination by the solicitor.

It is my opinion, answering part (a), that there is no specific statutory requirement with respect to the period of time within which power construction costs are to be repaid. It accordingly appears that there may be established a period of time based upon what is generally regarded in similar undertakings as a reasonable repayment period, within the useful life of the project, taking into consideration the circumstances of each individual project. Answering part (b), it is my opinion that the repayment period for that part of the estimated costs properly chargeable to irrigation but beyond the ability of the water users to repay (the irrigation subsidy) may be established in a manner similar to that established for the repayment of power construction costs.

A review of the Reclamation Project Act of 1939 and related legislation discloses no provision specifying a time within which repayment of construction costs allocated to be repaid from power revenues must be made. Such repayment provisions as are contained in the act refer to repayments to be made under water service contracts with municipalities (subsection 9 (c), first sentence) or water users (subsection 9 (d)) both types specifying repayment within 40 years. The legislation is silent with respect to the length of the repayment period within which the Government is to repay to itself the part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenues (subsec. 9 (a) (5)).

The fact that no period of time was specified within which there was to be accomplished the repayment of the amount properly allocable to power appears not to have been an oversight. Such meager records as are available on the legislative history of this phase of the 1939 act disclose that the matter of a repayment period was considered. In a preliminary draft, dated March 27, 1939, of the controversial fourth sentence of the proposed subsection 9 (c), the Department provided a specific period of time within which such repayment was to be effected. The preliminary provision was to the effect that any sale of electric power or lease of power privileges made by the Secretary in connection with the operation of any works constructed under the Federal reclamation laws, "shall be at such rates as in his conclusive judgment will produce power revenues, which shall be covered into the reclamation fund, sufficient to return in 40 years with 3½ percent of interest, an appropriate share, as determined by the Secretary, of that part of the construction costs allocated by the Secretary to power." As finally approved, the provision read as follows:

"Any sale of electric power or lease of power privileges, made by the Secretary in connection with the operation of any project or division of a project, shall be for such periods, not to exceed 40 years, and at such rates as in his judgment will produce power revenues at least sufficient to cover an appropriate share of the annual operation and maintenance cost, interest on an appropriate share of the construction investment at not less than 3 percent per annum, and such other fixed charges as the Secretary deems proper."

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[13] See, e. g., *In the Matter of Clarion River Power Co.* (1 F. P. C. Rept. 269, 314 (1935)).

[14] See S. Doc. 36, 76th Cong., 1st sess., p. 30.

[15] See hearings, H. R. 4852, House Subcommittee on Appropriations, 76th Cong., 1st sess., p. 334. See also ibid., p. 437. Hearings, H. R. 6984, House Committee on Irrigation and Reclamation, 76th Cong., 1st sess., p. 144; 81 CONGRESSIONAL RECORD, 10220.

[16] See, on the one hand, the financial studies for the Colorado-Big Thompson project (S. Doc. 80, 75th Cong., 1st sess., pp. 31, 32, and 33) and the hearings on an appropriation item for the Rio Grande project (hearings, House Subcommittee on Appropriations, 75th Cong., 1st sess., p. 316), both of which reflect a policy of charging interest during the period of construction. On the other hand, see hearings, House Subcommittee on Appropriations, 70th Cong., 2d sess., p. 452, in connection with the Black Canyon power plant, and hearings, House Subcommittee on Appropriations, 76th Cong., 1st sess., p. 286, in connection with the Kendrick project.

[17] In addition, it may be observed that subsection 9 (c) speaks in terms of annual operation and maintenance cost, which raises a suggestion that the other factors in the rate base, including interest, may be similarly computed.

[18] Boise project (Anderson Ranch Reservoir) (H. Doc. 916, 76th Cong., 3d sess.), King's River project (H. Doc. 631, 76th Cong., 3d sess.), Bullshead Dam project (H. Doc. 186, 77th Cong., 1st sess.).

[19] See, e. g., act of June 28, 1941 (55 Stat. 303, 336), which appropriated funds for the Bullshead project for the purpose and substantially in accordance with the report thereon heretofore submitted under section 9 of the Reclamation Project Act of 1939.

[20] *Wells* v. *Nickles* (104 U. S. 444, 447 (1881)); *Brooks* v. *Dewar* (313 U. S. 354, 360, 361 (1941)).

[1] The summarization reads: "To the end of producing revenues sufficient to return to the United States, in addition to estimated operation and maintenance costs of the commercial power system, all estimated construction costs allocated to be returned from power revenues (i. e., estimated commercial power system construction costs plus subsidy, if any) the required minimum factors which rates for the sale of power must return, stated on an annual basis, are 3 percent of the construction investment properly allocated to power and such additional amounts, under the caption 'other fixed charges,' as are needed for the purpose of providing revenues sufficient to meet these costs."

Differing circumstances exist with respect to the various project undertakings. A repayment period suitable for one project might not be suitable for another. The solution apparently decided upon was to leave to the discretion of the Secretary of the Interior the determination of an appropriate time within the useful life of each project during which repayment should be required. The 40-year limitation imposed by the provision as finally approved clearly applies to the duration of contracts to be entered into for the sale of power or leases of power privileges in connection with the operation of power projects, and not to repayment of the project costs.[2]

I accordingly conclude as to part (a) that there is no specified statutory period within which the repayment of costs allocated to be repaid from net power revenues must be made, and that the repayment period therefore may be such as the Secretary of the Interior in his discretion shall determine to be proper to effect repayment within the useful life of each project.

The portion of the costs "properly chargeable to irrigation but which are beyond the ability of the water users to repay within the statutory repayment period" (the irrigation subsidy), is conceded to constitute "part of the estimated cost which can properly be allocated to power and probably be returned to the United States in net power revenues." Since it clearly is not intended to be regarded as an irrigation charge required to be repaid by the water users, it accordingly is not governed by the repayment period applicable to such charges. It is a charge, in addition to the power construction costs, which is required to be repaid from power revenues, if the project is to meet the test of feasibility laid down in section 9 (a) of the Reclamation Project Act of 1939. I accordingly conclude as to part (b) that, as in the case of power construction costs, no specific statutory repayment period is prescribed for the return of such charge and the repayment period accordingly may be such as the Secretary of the Interior in his discretion shall decide to be proper for repayment within the useful life of each project.

The second legal question is as follows:

"Is the estimated construction investment properly allocated to power upon which the 3-percent factor is calculated subject to diminution in any manner by reason of net revenues being applied, under the Hayden-O'Mahoney amendment,[3] against that construction investment, and, if so, to what extent?"

It is my opinion that the estimated power construction investment constituting the base upon which the 3-percent interest element in the rate schedule is calculated is not subject to diminution in any manner by reason of any revenues being applied under the Hayden-O'Mahoney amendment, against that construction investment.

Four views are submitted as having been advanced on this question:

"(a) The 3-percent return (as distinguished from the return, if any, for 'other fixed charges') is required upon the construction investment without reduction until the total return equals the investment, after which it may be discontinued.

"(b) The 3-percent return (as distinguished from the return, if any, for 'other fixed charges') is required upon the construction investment without reduction as long as power is sold.

"(c) The 3-percent return (as distinguished from the return, if any, for 'other fixed charges') is required only upon the construction investment reduced by that portion of the total power revenues that have been collected and applied to repayment of the construction investment.

"(d) The 3-percent return (as distinguished from the return, if any, for 'other fixed charges') is required upon the construction investment reduced by the amount by which that portion of total power revenues previously collected has exceeded the 3-percent return and has been applied to repayment of the construction investment."

Views (a), (b), and (c) are self-explanatory. View (d) assumes that for some reason (e. g., unanticipated volume of sales) net power revenues in amounts greater than 3 percent of the investment as originally calculated may become available for application against repayment of that investment, and asks, as I understand it, whether the annual interest calculation in such event could be made on the investment base reduced by the revenues derived from the excess over the 3-percent interest element. Since there is involved the same basic question posed in view (c), namely, whether the 3 percent may be calculated on a reduced investment base, the two will be considered together.

View (b) in my opinion is the only one for which there is authoritative support. For the reasons stated in my opinion of September 29, 1944 (M. 33473), this conclusion necessarily is required. Since that opinion supports only view (b), and therefore precludes acceptance of views (a), (c), and (d), it appears advisable to review those portions of it which established unequivocally that not only is the interest element of the rate schedule to continue so long as power is sold, but also that the "appropriate share of the construction investment" upon which the 3 percent element of the rate schedule is to operate is the power construction costs and not an amount representing those costs on an annually diminishing basis.

On page 6 it was stated that—

"I believe that a proper interpretation of section 9 of the Reclamation Act of 1939 and the Hayden-O'Mahoney amendment to the Department's Appropriation Act of 1939 require that the minimum rate schedule to be such as to produce [on an annual basis] revenues sufficient only to meet in addition to the return for operation and maintenance costs, an amount equal to 3 percent of the power construction costs with the proviso that if total revenues thus produced are insufficient to repay all costs allocated to power to be repaid by power revenues, 'other fixed charges' must be included in the rate schedule to produce revenues sufficient to repay such costs.

On page 7 the opinion stated:

"It appears, therefore, that there is nothing in the act of 1939 to prevent the Secretary from fixing rates sufficient to meet 'an appropriate share of the annual operation and maintenance cost,' interest on 'an appropriate share of the construction investment' at 3 percent per annum and 'other fixed charges' sufficient to retire all construction costs to be returned from net power revenues."

* * * * *

"The Hayden-O'Mahoney amendment deals expressly with the disposition of power revenues. It contains the specific provision that all revenues derived from the sale of power 'shall be covered into the reclamation fund.' No reservation of any amount for the payment of special accounts, such as interest in the form of a 'profit' to the United States, is made. It is provided that only after net revenues derived from the sale of power developed in connection with any such project shall have repaid those construction costs of such project 'allocated' to power to be repaid by power revenues (power construction costs plus subsidy) therefrom shall any part of said net revenues derived from the sale of power developed in connection with such projects go to the United States. Then, by specific instruction, it directs their disposition by providing that they 'shall, after the close of each fiscal year, be transferred to and covered into the General Treasury as "Miscellaneous receipts."' No clearer reflection of congressional intention with respect to the application to be made of revenues derived from irrigation power undertakings could be found. There appears to be no conflict, therefore, between the Hayden-O'Mahoney amendment and section 9 of the act of 1939, and I find nothing in either act which would require the Bureau of Reclamation to change what appears to be its past practice with respect to the application of power revenues. That practice appears to have been to retain in the reclamation fund, as a part of net power revenues, collections representing the interest element, where, it is reasonable to presume, they have been available for application against reimbursable costs not otherwise paid. This practice was in accord with a number of statutes dealing with specific projects which called for the application of all revenues from power to the credit of the projects."

In the original joint submission of questions which resulted in my first opinion the term "an appropriate share of the construction investment" was conceded to refer to the power construction costs. That view was found to be supported by the history and related legislation affecting reclamation power projects and for that reason will not be further discussed here.[4]

Clearly it was intended by the Hayden-O'Mahoney amendment that there should be continuing revenues flowing annually from reclamation power projects which, after accomplishing the payment of the costs allocated to power to be paid from power revenues (power-construction costs plus subsidy) should thereafter, at the close of each fiscal year—not be retained in the Reclamation fund, reduced by virtue of a diminished base, discontinued, or otherwise diverted, but—be transferred and covered into the Treasury as "Miscellaneous receipts." The minimum requirements of the rate schedule include two elements the revenue from which is earmarked for specific application (operation and maintenance costs). The only element, assuming a case where a rate schedule would reflect only the minimum legal requirements (and other fixed charges would not be involved), which could supply the net revenues which at the end of each fiscal year after full repayment of costs allocated to be paid from power revenues "shall * * * be transferred to and covered into the General Treasury as 'Miscellaneous receipts,'" would be the interest element.

[2] This interpretation is consistent with the general policy of the Congress as more expressly indicated with respect to the marketing of surplus energy from the Bonneville project. In sec. 7 of the Bonneville Project Act (50 Stat. 731, 16 U. S. C., sec. 832f), it is provided that rate schedules shall be established to amortize the Government's investment "over a reasonable period of years." Pursuant to this provision, a 50-year amortization period was established by the Federal Power Commission in its allocation order issued June 26, 1945. Section 5 (a) of the Bonneville Project Act authorizes the making of power-sales contracts with a maximum term of 20 years. This act indicates a legislative policy of limiting the term of contracts to specified periods, thus giving the Government and purchasers an opportunity to negotiate suitable new contracts, but allowing the over-all amortization period to vary with particular projects, depending upon what is reasonable in the particular case.

[3] Act of May 9, 1938, 52 Stat. 291, 322, 43 U. S. C. sec 392 (a).

[4] See page 5, footnote 5, of Opinion M. 33473, approved September 29, 1944.

If the views expressed in (a), (c), and (d) were to be seriously entertained, there would result a negation of this obvious intention and purpose of the Hayden-O'Mahoney amendment, a statute which my first opinion concluded necessarily must be construed in conjunction with the provisions of the Reclamation Project Act of 1939 in the determination of the application or disposition to be made of the revenues authorized by the 1939 act to be collected, since whether the interest element were discontinued entirely after the revenue return equaled the original costs allocated to power to be paid therefrom (view (a)), or were constantly lessened on a diminished balance of the investment basis, as proposed by views (c) and (d), there would remain either nothing under view (a), or only a perpetually diminishing but never ending amount under views (c) and (d), which "after the close of each fiscal year [shall] be transferred to and covered into the General Treasury as 'Miscellaneous receipts.'"

In my previous opinion, I concluded that other fixed charges were necessary under subsection 9 (c) of the 1939 act only if the net revenues derived through the 3 percent element of the rate schedule were insufficient to accomplish the return of both the power-construction costs and the irrigation subsidy within the repayment period chosen by the Secretary. The application of view (c) would result in constantly diminishing net revenues attributable to the 3-percent element because the base upon which the 3 percent is calculated thereunder would constantly diminish. In order to return within the prescribed repayment period both power-construction costs and the subsidy, the element representing other fixed charges would, as the result of the application of that view, have to be correspondingly increased. Even assuming that in some years net revenues other than those attributable to the element, if any, reflecting other fixed charges were in excess of 3 percent of the base (view (d)), the element for other fixed charges would still of necessity have to be increased.

These conclusions may be demonstrated by the following examples: Assume a power construction cost of $10,000 and a subsidy of $5,000 or a total of $15,000 allocated for probable return from net power revenues. Assume also a 50-year period in which that amount is to be returned. Annual net revenues equal to 3 percent of $10,000 (power investment) will return in 50 years the necessary $15,000. If, as I have concluded, the 3 percent is to be calculated on the undiminished power construction-investment base, no element for other fixed charges is necessary in the rate schedule. However, if view (c) applies, the result would be as follows: In the first year there would be net revenues of $300. The investment upon which the 3-percent factor is calculated would be reduced to $9,700. There would be a requirement, in order to return all remaining construction costs allocated to be returned from power revenues, that net revenues equaling $14,700 be returned over the remaining 49 years of the repayment period. For the second year, application of the 3-percent factor would return only 3 percent of $9,700 or $291. In order to bring the net revenues up to the point where they will equal $15,000 at the end of the 50-year period, an element for other fixed charges to the extent of the deficiency resulting must now be included in the rate schedule. If instead of $300 in the first year, the net revenues are $400, so that view (d) would operate, the base upon which the 3-percent interest element is to be calculated would, for the second year, be $9,900, rather than $9,700, (on the basis of my understanding that under view (d) the base would be reduced by the amount of net revenue in excess of 3 percent). The total net revenue requirement over the remaining 49 years would be $14,600. Three percent of $9,900 is $297. Assuming there were no further excess net revenues during the repayment period, net revenues at the end of the repayment period would total only $14,953. Again, a factor for other fixed charges would have to be included in the rate schedule in order to accomplish the return of a total of $15,000 within the prescribed 50-year period. In the absence of a more definite direction than is to be gathered from existing law, I find it impossible to accept the supposition that the Congress intended the 3-percent interest element and the discretionary authority for the inclusion of other fixed charges in the rate schedules to be manipulated in any such manner.[5]

Finally, I think it should be recognized that the basic reason for including specifically a minimum interest requirement in the rate schedules to be established under subsec. 9 (c) of the 1939 act was the evident sensitivity of the Congress to the competitive position of the Government in the power field.[6] The second paragraph on page 14 of my first opinion stated this conviction as follows:

"It does no violence to common sense to assume that the 3 percent interest requirement in subsec. 9 (c) was intended to insure minimum rates for power in cases where a 40-year amortization plan would otherwise make possible rates which would return revenues less than an amount equal to 3 percent on the power construction costs. It is to be remembered that the Congress has been sensitive to the competitive position of Government power projects, and it is not unreasonable to assume an intention only to insure power rates which, under no circumstances, could be less than those which would return, in addition to operation and maintenance costs, an amount equal to 3 percent of the construction investment. In other words, the Congress may well have been concerned at this point with a minimum rate schedule rather than an enterprise which would insure a net profit to the Government. The device of requiring an interest component in the rate schedule was one method of attaining this objective." [Quotation marks supplied.]

I think that to attempt to inject into the provisions of the 1939 act any suggestion that the Congress intended that the interest element of the rate schedules should be computed on less than the full amount of the power investment so long as power is sold would be to do violence not only to the language of the act but also to the obvious policy and intent of the Congress.

In summary, therefore, it is my opinion that the questions submitted to you on May 28, must be answered as follows:

1 (a). There is no specific statutory requirement with respect to the period of time within which power construction costs are to be repaid. There accordingly may be established a period of time based upon what is generally regarded in similar undertakings as a reasonable repayment period, within the useful life of the project, taking into consideration the circumstances of each individual project.

1 (b). The repayment period for that part of the estimated costs properly chargeable to irrigation but beyond the ability of the water users to repay (the irrigation subsidy) may be established in the same manner as that established for the repayment of power construction costs.

2. The estimated power construction investment constituting the base upon which the 3 percent interest element in the rate schedule is calculated is not subject to diminution in any manner by reason of any revenues being applied, under the Hayden-O'Mahoney amendment, against that construction investment.

Respectfully,

FOWLER HARPER,
Solicitor.

Approved September 10, 1945.

HAROLD L. ICKES,
Secretary of the Interior.

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[5] The basis for the confusion reflected in views (c) and (d), it appears, may be attributed to the following statements appearing in a memorandum from the Bureau of Reclamation of June 15, 1944:

"(4) The interest return on the power investment is determined by a financial study of operations during the repayment period. Gross revenues, expenses, and net revenues are calculated, and the net revenues applied against repayment. Interest is calculated on the unpaid investment each year. The rate is taken as 3 percent per annum, this being in accordance with the minimum rate provided by sec. 9 of the Reclamation Project Act of 1939 (53 Stat. 1187).

"(5) In the past, in cases where power revenues have been required both to amortize the power investment with 3 percent and to retire a portion of the irrigation investment, it was the practice to use a sinking-fund method for determining the annual repayments of the power investment. Under this method, the annual installment to cover retirement of the power investment and interest was determined in advance by a formula. All actual revenues in excess of this installment of principal and interest were applied to the irrigation costs. It is our conclusion, however, that this method for calculating return is more stringent than required by the Reclamation Project Act of 1939. Studies now being made, such as on the Columbia Basin project, are proceeding on the premise that all net power revenues will be applied first to the power investment. Under such a plan, the interest on the power investment is determined each year on the basis of the then remaining balance of the power investment. Under this plan, the irrigation costs to be repaid from power revenues would be paid only after the power revenues had retired the power investment with interest.

"In no case has the Bureau used the straight-line method of repayment with respect to construction costs to be repaid out of power revenues."

The foregoing statements were based upon a contention, found in my former opinion to be without merit, that an element representing interest as a profit to be realized by the United States must be included in the rate schedules established under subsec. 9 (c) of the 1939 act, in addition to elements representing operation and maintenance costs, amortization of the power investment, and repayment of the irrigation subsidy. Nothing is to be gained, therefore, from their use in argument.

[6] While extensive discussion of the matter appears to have taken place in the Department, the only recorded statement which has come to my attention is a memorandum addressed to the Secretary on June 24, 1939, by my predecessor, Solicitor Margold. After stating the language of the sentence as it then appeared with respect to the interest element the Solicitor stated that his attention had been called to the fact that: "The 3½ percent minimum probably will be too high in view of contemplated reductions in the interest charges on public-works financing. I understand that the 3½ percent figure was originally fixed by analogy to the rates established for Bonneville power. If you concur that a 3½ percent minimum interest return should not be prescribed for power sales, I believe we might appropriately recommend to the committees [of the Congress] the advisability of substituting a standard for fixing the interest return on a basis comparable to the rate charged on comparable public-works projects in the place of the fixed 3½ percent." The bill as finally enacted provided for the reduced rate of 3 percent.

Mr. CORDON. I now return to the question of the Senator from Wyoming [Mr. O'MAHONEY]. He is not now on the floor, but I know he will be interested in the answer when he reads it in the RECORD tomorrow. The Senator from Oregon spent days in examination of witnesses appearing in favor of the so-called O'Mahoney amendment before the Committee on Interior and Insular Affairs. The Senator from Oregon did the best he could in the time he had, with the knowledge he had, in endeavoring to get all the facts in the RECORD. He did not get all of them in the record. I speak advisedly when I say he was not dealing with willing witnesses.

However, the record has been made. Unfortunately, although the hearings were concluded early in March, and printed copies of them are not available at this time. I regret that. I understand that presently they will be available.

I hope every Member of the Senate who desires to get a full understanding of this perlexing and complex problem will read the hearings when they are made available, and particularly will read the Reclamation Act of 1939 and the Solicitor's opinion, and will follow that with at least a slight consideration of what the Senator from Oregon is presenting today.

Mr. President, I still have not answered the Senator from Wyoming. The Senator from Oregon, having gotten what he could get in the way of light on this subject, and the Committee on Public Works having theretofore made its report on an omnibus rivers and harbors and flood-control bill, and being desirous of having that bill receive early attention on the floor of the Senate, and the Senator from Oregon joining the committee in that desire, and the matter having been before the Senate last year, at the previous session, and having been carried over to the session this year with the thought that this bill could be considered by the Senate in January, rather than in the middle of April, the Senator from Oregon did not pursue the matter to the extent that he would like to have done. That may seem strange to the Senator from New York; but the Senator from Oregon has some other questions which he has not yet asked.

The hearings were concluded; and at executive session, question arose, Should the committee recommend the the amendment; not, Mr. President, the amendment of the committee, not the amendment of the distinguished senior Senator from Wyoming [Mr. O'MAHONEY], but the amendment of the Department of the Interior, an amendment sent down by the Bureau of the Budget with letters of transmittal indicating the President's views on the several matters involved. However, the amendment did not follow the desires of the President, as those desires are set forth in the letter of transmittal from the Bureau of the Budget, although a member of the Bureau of the Budget came here and said the amendment did follow the President's desires. I shall submit that statement to the Senate, for its consideration and decision; no argument will be needed.

Mr. LEHMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Oregon yield to the Senator from New York?

Mr. CORDON. I yield.

Mr. LEHMAN. It is perfectly true that the Committee on Interior and Insular Affairs did take counsel with the Department of the Interior and with the Director of the Bureau of the Budget, but I do not think that is an unusual procedure for committees, in connection with the handling of proposed legislation pertaining to certain branches of governmental operation.

However, my recollection is that the Committee on Interior and Insular Affairs had hearings and meetings at least to the number of 15 or 20 on this very bill; and the bill was discussed. I am quite certain that the amendment does reflect the point of view of the majority of the members of the committee. Does not the Senator agree that that is a fact?

Mr. CORDON. Mr. President, I say to my distinguished friend and colleague on the committee—who, incidentally, did yeoman service in the committee—that I am quite certain a majority of the committee were favorable to this amendment, because they voted for it. However, it is my belief that no member of the committee yet understands it. In making that statement, I include the Senator from Oregon, believe it or not. If there be any question, I shall be happy to take the report on Hells Canyon and catechise any member of the committee; and I undertake to say that no member of the committee will be able to answer one question out of ten.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield.

Mr. MAGNUSON. I wonder whether the Senator means to imply that the distinguished Senator from Wyoming [Mr. O'MAHONEY] did not understand what he was voting on when he voted for this amendment. Of course, I do not speak of members of the committee other than the chairman, to whom I have looked, for the 14 years I have been in Congress, as one of the authorities—as well as the Senator from Oregon—on matters pertaining to reclamation, power, irrigation, and the laws pertaining thereto.

Mr. CORDON. The Senator from Oregon will not make the statement he would like to make until the Senator from Wyoming is on the floor.

The Senator from Oregon is impelled to make the observation that the time taken in the consideration of this matter was wholly insufficient to give all the members of the committee or, I believe, any one member of the committee, a complete understanding of all the ramifications of this problem. There was no opportunity to go into the details of the projects, one by one. They were more or less taken on faith, with certain statements presented, but never analyzed. The very report on Hells Canyon, which was available to them, is not the report upon which the Department of the Interior relies today, and although the Department of the Interior is still proposing that project, I know that the members of the committee could not have understood all the implications.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. CHAVEZ. I wish to ask a question along those lines. If the Senator from Oregon, who is a member of the Committee on Interior and Insular Affairs, is satisfied in his own mind that that committee did not have sufficient information on which to base an affirmative decision—that is to say, the committee as a whole, the entire committee—in what position does the Senator think the 13 members of the Committee on Public Works, which is handling this particular piece of proposed legislation, find themselves, when they know nothing at all about it?

Mr. CORDON. The Senator from Oregon can readily appreciate the position in which the members of the Public Works Committee find themselves. The fact that the Public Works Committee is charged with the responsibility of handling and studying and recommending all proposed legislation in the field of public works, all proposed legislation having to do with navigation, flood control, and the like, is clear evidence that the committee has a sufficiently onerous job if it uses its time to study such bills as are formally and regularly presented to it. It has a big job when it does that.

However, when a situation such as this one arises, when basic changes in the Flood Control Act are proposed—changes which cannot even be realized from a cursory reading of the amendment, but which nevertheless affect the basic policy on public works in the fields of navigation and flood control—the Senator from Oregon can fully appreciate that the Public Works Committee has had no opportunity to discharge its duties, and that the Senate should do one of two things: Either repeal the rule which directs the Committee on Public Works to study fully all matters in the public works jurisdictional field, or else let the Public Works Committee have an opportunity to do its job.

Mr. CHAVEZ. Mr. President, regardless of whether there are or are not merits to the present proposal, does not the Senator from Oregon agree that the fact still remains that neither the Committee on Interior and Insular Affairs nor the entire Committee on Public Works, which has jurisdiction of the matter as a whole, understands the problem or has had any evidence presented to it; and hence, in justice to good parliamentary procedure, and in justice to the Senate itself, the Committee on Public Works is justified in opposing an amendment which would completely set aside the duties of the Committee on Public Works? Does the Senator from Oregon agree as to that?

Mr. CORDON. The Senator from Oregon feels that the chairman of the Committee on Public Works is on absolutely sound ground in making that presentation.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield.

Mr. MAGNUSON. The Senator from Oregon realizes, does he not, that this matter has been pending before the Committee on Public Works since last June, when it was offered as an amendment to the present rivers and harbors bill? The Senator also realizes, does he not, that pages of testimony have been taken on the proposal, as shown in the printed hearings now on the desk of each Senator. The Senator further realizes, does he not, that hearings were held on this matter before the House committee last May; and is not the Senator also familiar with the fact that at certain of its hearings—I attended some of them—the Committee on Interior and Insular Affairs took days in the consideration of this matter? Of course, Mr. President, I am not a member of the committee, but I was privileged to sit with the committee. I know that on four or five mornings, when I, myself, sat with the committee, no one but the Senator from Oregon asked any questions. He was very diligent in the performance of his duties there.

However, when the hearings before the Committee on Interior and Insular Affairs are available, the Senator will find that there are pages and pages of testimony and of very able cross-examination, let me say, of the members of the Department who proposed this amendment. This matter was submitted to the House of Representatives in May. It was submitted to the Senate Committee on Public Works in June. Every Senator from the Pacific Northwest has testified regarding it. General Pick, of the Army Engineers, has testified; representatives of the Bureau of Reclamation have testified. The whole matter has been before the Bureau of the Budget, and it has submitted a report on it. The matter has been informally before the Congress for almost a year, now.

Mr. CHAVEZ. Mr. President——

Mr. MAGNUSON. I ask the Senator from New Mexico to wait a minute; I am not through. I wish to ask the Senator from Oregon whether he is familiar with those facts. He is familiar with them; is he not?

Mr. CORDON. I shall answer the Senator from Washington in a moment, but the Senator from New Mexico has a matter which he wishes to present.

Mr. MAGNUSON. I ask the Senator from Oregon whether he is familiar with that chronological record.

Mr. CORDON. I am familiar with the record, and in a moment I shall answer the Senator from Washington in detail.

I now yield to the Senator from New Mexico.

Mr. CHAVEZ. I should like to ask the Senator from Washington a question. Notwithstanding there was a great deal of testimony submitted on the House side, as well as a great deal of testimony submitted to the Committee on Public Works on the Senate side, will the Senator please state whether either committee took action on the matter?

Mr. MAGNUSON. I shall be glad to read what was done.

Mr. CHAVEZ. Of course, we have had reams and reams of testimony.

Mr. MAGNUSON. For the benefit of the Senator from Oregon I shall be glad to read again the action the Public Works Committee took.

Mr. CHAVEZ. The Senator may read it, but did the committee take affirmative action?

Mr. MAGNUSON. Yes.

Mr. CHAVEZ. Of course, it came from the Department. It came neither from the Committee on Public Works of the House nor from the Committee on Public Works of the Senate. If the Committee on Public Works of the House had taken definite action, and if the House of Representatives had taken definite action, favorable to the proposition the Senator is now advocating, possibly the Committee on Public Works of the Senate would have done the same thing. Notwithstanding the fact that there was plenty of testimony on the House side, there was much talk and many words; neither the House committee nor the Senate committee took affirmative action. The Senator from Washington knows that to be so.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CORDON. I am sorry I cannot yield at this time.

Mr. MAGNUSON. I yielded to the Senator all yesterday afternoon. I do not know why he will not yield for one question.

Mr. CORDON. I should like to answer the question which the Senator has propounded. I assure the Senator from Washington at this time that the Senator from Oregon will never deny the Senator from Washington an opportunity to ask any question he desires to ask, that the Senator from Oregon will endeavor to be frank, and, if he does not know the answer, will say so. The Senator has asked a question. He has prefaced it with a statement. The question is, does the Senator from Oregon know that certain things happened? The Senator from Oregon does not. The Senator from Oregon recalls that there was an amendment discussed before the Public Works Committee last year. It was not this amendment. It was an amendment, sometimes known as the amendment of September 10. The discussion was originally over the so-called coordinated report of the Bureau of Reclamation and the Corps of Army Engineers. It finally got down to the amendment of September 10, an amendment in which the Senator from Washington was very much interested, and I should have been glad to assist him in obtaining its adoption, with certain slight changes, because it would have authorized and approved the complete coordinated and comprehensive report for the Columbia Basin of both construction agencies. The matter was discussed at length.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CORDON. Not until I answer the question. That matter was discussed, but the amendment which was before the Committee on Interior and Insular Affairs this year was transmitted under date of February 3, 1950, from the Bureau of the Budget, and was entirely different from anything that had been presented theretofore, although carrying the general construction of the prior amendment. Therefore, my answer is that this particular matter could not have had the considered opinion of the Public Works Committee. I now yield to the Senator from Washington for a moment.

Mr. MAGNUSON. Of course, the Senator is correct. Some of the language of the proposal now before the Senate, contained in the amendment of the Committee on Interior and Insular Affairs, is not exactly the same as originally presented, but the Senator will recall that he joined with the Senator from Washington and other Senators in transmitting a letter—I do not have the exact date, but it was sometime last year—asking the Committee on Public Works to consider the proposal before it. The proposal included the general aspects of what we are talking about now, and what we now call the basin account.

Mr. CORDON. Did not that proposal include the coordinated report?

Mr. MAGNUSON. Yes.

Mr. CORDON. That is entirely different.

Mr. MAGNUSON. I should like to ask the Senator further if he and I are not in complete agreement on the projects involved in the so-called comprehensive report?

Mr. CORDON. I hope we are. I believe we are in agreement.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CORDON. I am happy to yield to the Senator from Florida for a question.

Mr. HOLLAND. I should like to ask the distinguished Senator whether it is not true, not only as stated by him, that the precise amendment now considered did not reach the Committees on Public Works at all, at any time, but that it only reached the Committee on Interior and Insular Affairs in February 1950, and whether it is not also true that in considering the different measures which last year were before the Public Works Committee of the House and later the Public Works Committee of the Senate neither committee at that time had a report from the Budget Bureau upon which the Public Works Committees insist on predicating their action?

Mr. CORDON. The Senator is wholly correct. Last year, as the Senator from Oregon so vividly recalls, we, from the Pacific Northwest, desiring to have a complete blueprint upon which we could predicate future action in developing all the potentialities of the vast Columbia Basin, had awaited a concert of agreement between the Bureau of Reclamation and the Corps of Engineers with reference to such blueprint and plan. We knew when the agreement was reached. We knew when it went to the departments. We knew when the conditional agreement was had between the departments. We knew that that agreement had gone to the Bureau of the Budget, and all along, before the Congress adjourned—that was in the spring

of 1949—we hoped day after day, week after week, and month after month, that there might come from the Bureau of the Budget some basic agreement and approval of that plan which we could, as an approved plan, present to the Public Works Committee and to the Committee on Interior and Insular Affairs, and have it considered by the appropriate House committee. We did not get it in time even to know that there was such an approval, until February 1950.

Mr. MAGNUSON. Mr. President, will the Senator yield for a unanimous-consent request? I desire to place something in the RECORD. I must leave the Senate Chamber for a short time.

Mr. CORDON. Mr. President, I ask unanimous consent that I may yield to the Senator from Washington for the purpose of an insertion in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, I ask that there be placed in the body of the RECORD, following the remarks of the Senator from Oregon, a statement of the Honorable Douglas McKay, Governor of the State of Oregon, on this matter, and also a statement of the Honorable Arthur B. Langlie, Governor of the State of Washington, together with the documents submitted by Governor Langlie in connection with his testimony.

The PRESIDING OFFICER. Is there objection?

Mr. CORDON. Mr. President, I shall be glad to yield in a moment; but since the Senator——

Mr. MAGNUSON. The request is that they be placed in the RECORD following the Senator's remarks.

Mr. CORDON. No, no; the Senator can put the statements in the RECORD now. I shall be glad to have them in the RECORD at this point.

Mr. MAGNUSON. The request was that they be placed in the RECORD following the remarks of the Senator from Oregon.

Mr. CORDON. I hope they may be placed in the RECORD at this point because I want to comment on them.

Mr. MAGNUSON. I do not want to interrupt the continuity of the Senator's speech.

Mr. CORDON. I appreciate the Senator's courtesy, but to place them in the RECORD at this point will not interrupt the continuity of my remarks in any way.

The PRESIDING OFFICER. Is there objection to having the statements printed in the RECORD at this point?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. DOUGLAS MCKAY, GOVERNOR OF THE STATE OF OREGON

Mr. MCKAY. Thank you, Mr. Chairman.

The Northwest is the fastest-growing area in the United States. It is the last frontier. That is the reason this project is desperate to us. That is the reason I put in some 13 or 14 years of my time gratuitously helping as a citizen to develop the Willamette River project.

The 308 report covering the entire area is a blueprint for a long-range development of this important area. It is particularly important to us locally now because of the influx of population which has made flood hazards doubly dangerous.

Last year, as has been pointed out here, in the lower Columbia we had a flood for the first time since 1942, which did $100,000,000 worth of damage. The Willamette River project, the dams that have been completed last year, saved $1,000,000. There are two small dams. The average annual damage is of the order of $8,500,000. As Colonel Walsh pointed out, the damage has been $49,000,000 since 1943. So these are self-liquidating projects that we are interested in.

One other thing I would like to point out is the power situation. The people that are coming to the Northwest have to have employment. The only way we are going to get additional employment is through a project like this—to develop a project which will bring industry.

Right now, during this last spring, we had a brown-out. We had to curtail the use of electrical energy both in homes and in businesses. We had to turn off signs, and so on. We must have additional power. We need it now, in addition to flood control.

One other thing the gentleman here asked about: Irrigation west of the mountains. Over there we have a heavy rainfall, but the distribution is poor. The months of July and August are dry. So some of the expensive crops that are raised must have supplemental irrigation in order to produce them for food. We are large producers in the Willamette Valley of foods both frozen and canned. So with this additional water for irrigation, we can raise much more expensive crops. The old days of forage crops and hay, etc., are gone in that expensive land. So I say again this over-all project, the multiple-purpose dams, will create the power that we need. By the way, we produced some 30 percent of the aluminum that was used in the war. The aluminum industry is a tremendous industry in Oregon and in Washington. The additional industry that will be attracted are those that require lots of power at low rates. We have one of the lowest commercial rates anywhere. That will be the future of that country.

Mr. JONES. One question at this point: What is your kilowatt deficit at the present time?

Mr. MCKAY. I cannot say. I would refer you to Colonel Weaver.

The CHAIRMAN. Governor, the gentleman is from the TVA.

Mr. MCKAY. I am sorry I cannot answer, but I am sure the Army engineers can.

The next thing, of course, is the storage of water for your irrigation system—irrigation and for navigation. In addition to combining the Snake River, you go up the Willamette River beyond Salem, which will produce barge transportation for products in and out.

So the over-all project means the future to orderly development of the Northwest, which is the only remaining territory we have left to develop; and we welcome people out there. We also urgently request Congress to assist us in self-liquidating projects. The Willamette Valley project has suffered enough losses in the past 40 years to build this project, and the loss now is accelerated because the additional people that live in the flood plain. I presume that, and it is just a guess, but that will be liquidated fast because of the probability of floods. The floods that now occur will do three or four times as much damage as they did 10 years ago.

Are there any questions the committee would care to ask me?

Mr. ANGELL. Governor, in addition to the other benefits you mentioned, it will mean increased revenues in the way of taxes both for the Federal Government and the State government?

Mr. MCKAY. That is right, sir.

The CHAIRMAN. Are there questions by any other member of the committee?

Mr. MACK. Governor, in your State, are the manufacturers, the chambers of commerce, the business people, the labor unions, the grange, the private power companies, as well as the public power companies, all in favor of power development in the Columbia Basin?

Mr. MCKAY. Yes, sir.

Mr. MACK. There is no division of opinion on that?

Mr. MCKAY. None whatever. It is a united opinion. I know of no opposition to this 308 revised report.

The CHAIRMAN. Any statement by other members of the committee?

Governor, we are glad to have had your statement for the record. Are you familiar with the work of the engineers along the Willamette River and you referred to the benefits that would accrue from the reclamation projects. You have heard the statement here from the Bureau of Reclamation and the Corps of Engineers that their work is coordinated and that it fits in with the soil conservation work of the Department of Agriculture.

What has been your observation and experience in that matter?

Mr. MCKAY. I agree with the statements made that it is a thoroughly coordinated program between them; particularly in the last year or so we have worked along that line there through the interagency committee in the Northwest. It is thoroughly coordinated. There is no duplication whatever.

The CHAIRMAN. We are glad to have your statements; and now we will have Mr. HORAN.

Mr. HORAN. Thank you, Mr. Chairman.

The people of the State of Washington are fully aware of their great responsibilities in cooperation with others.

At this time it is indeed a pleasure to introduce the Governor of the State of Washington, Arthur B. Langlie.

The CHAIRMAN. Governor Langlie, if you will come around, we will be glad to have your statement.

STATEMENT OF HON. ARTHUR B. LANGLIE, GOVERNOR OF THE STATE OF WASHINGTON

Mr. LANGLIE. Mr. Chairman, and members of the Committee on Public Works, in the interest of brevity and trying to cover the subject, I would like to submit first this statement to you.

As a long-time citizen of the State of Washington, a former mayor of Seattle, and twice Governor of the State, I have followed closely and with great interest, the efforts which have been made in the development of the Columbia River and its tributaries. You have before you the integrated plans of the Army engineers and Bureau of Reclamation. This planning has involved several years of study and effort on the part of these two Federal agencies; the officials of the seven interested States; and the people of the region, working together as provided for in sections 1 to 9 of the Flood Control Act of 1944 and subsequent legislation.

These integrated plans involve some 60 projects comprising the essential basic control projects necessary to harness, and put to highest beneficial use, the water and land resources of one of the fastest growing sections of the United States, embracing all or part of seven States and beneficially improving a part of the Province of British Columbia.

Two of the larger projects are already completed and have been serving the area well for a number of years—the Grand Coulee Dam and the Bonneville Dam.

Of the 60 projects before us today, 11 are already approved and under construction by the Army engineers or the Bureau of Reclamation. Twelve more have already been authorized by the Congress for construction.

Thirty-seven are before you as joint recommendations by the Corps of Engineers and the Bureau of Reclamation as representing their best judgment as to what is necessary to harness and put to use the streams of that river basin.

On April 11, the Secretary of the Army and the Chief of Engineers, the Secretary of the Interior and the Commissioner of the Bureau of Reclamation advised the President in part, as follows:

"In further pursuance of your requests, the two plans have been fully coordinated not only with regard to the physical features to be included in the plan of development, but also with regard to the policies and scheduling of the work to be done.

"The coordinated plan is comprehensive in scope and is designed not only to meet the most pressing current needs, but to provide as well a basis for incorporation of further projects into the program as they become necessary. It provides also for the inclusion, when prepared by the appropriate agencies, of plans for forest management, land treatment, protection, and propagation of fish and wildlife, recreational development, meeting needs and rights of Indians, and interagency procedures for coordinated operation of river-control projects."

To my mind, this is real progress. It is a sound and realistic approach to a complicated problem—that of providing suitable machinery for voluntary cooperation as between seven sovereign States and a Federal Government which is in keeping with our democratic tradition.

It is interesting to note that this program and this development grew out of a suggestion by a Secretary of the Interior in 1917, and a subsequent appropriation of $100,000 by the legislature of the State of Washington. In 1917, Franklin K. Lane, then Secretary of the Interior, wrote that "following all wars there had always been a movement back to the land." This admonition challenged some of our citizens to start a study of how waters of the Columbia River could be diverted on to some of our vast areas of desert land. The first money to explore such possibilities was subsequently appropriated by the State of Washington. This was followed by more money raised by public subscriptions to further the ambition of the State and its citizens to merge our land and water resources into a new empire.

I venture the assertion that few, if any, stream basins in the Nation have been the recipient of as much effective teamwork by citizens, State officials, and Federal agencies working together, as has the Columbia River Basin.

Following the approval by Congress of an integrated plan for the development of the Missouri River Basin in 1944, and the enactment of measures at that time directing the Army engineers and the Bureau of Reclamation in the future to exchange views and compare notes among themselves and with all the affected States on stream basin development projects throughout the West, there was established the Columbia River Inter-Agency Committee, composed of one representative from each of the Federal agencies which had a primary responsibility and a representative of each of the affected States.

As Governor of my State, I have attended numerous meetings of the Inter-Agency Committee, as have the governors of the other States in the basin. On April 24, at a meeting in Pocatello, Idaho, the governors personally, or through their representatives, expressed themselves on the subject before us at which time we said in part, as follows:

"The two plans now suggested for the development of the area taken together will fulfill these immediate needs. The need for the development recommended in these reports is immediate—there must be no delay, nor should any act be countenanced which would contribute in any manner to such delay.

"We feel that an important ultimate part of the plan for the development of the Pacific Northwest must include consideration of the maintenance of soil fertility, the prevention of soil erosion, etc., but the immediate plan need not, and should not, be delayed pending the integration of the protection program that will ultimately be required. Such a program can later be correlated with the structures required immediately.

"We therefore urge, and in fact we consider it imperative, that every individual and every agency, State and Federal, do all in their power to bring these reports outlining the development of the resources of the Pacific Northwest before the present Congress expeditiously, and that the development of these resources through the existing agencies and in full cooperation with the States be urged.

"To these ends we pledge our wholehearted and unqualified support."

We are reading considerably these days in the press and in popular magazines about the various recommendations of the Hoover Commission on Organization of the Executive Branch of the Government. In the Commission's Report on Reorganization of the Department of the Interior, the Commission is quite critical of the Corps of Engineers and of the Bureau of Reclamation and I presume with some cause, yet I wish to point out to the members of your two committees which have jurisdiction over these fields of activities that what the Hoover task force on this phase of reorganization recommends, is not, in any way, in conflict with the recommendations which we seven governors of the Columbia Basin area are proposing.

When you eliminate the dissenting statements of various members, and the minority report of the task force, the two recommendations that bear most upon the type of agency the Hoover task force proposes for development of the Columbia River, are these:

"RECOMMENDATION NO. 9

"For the many reasons above, we recommend that the rivers and harbors and flood-control activities of the Corps of Engineers be transferred to the Department of Interior and that any Army engineers who can be spared from military duties be detailed to the Department in positions similar to those which they now hold in the Corps of Engineers."

I do not at this time mean to favor or oppose the recommendation, I merely point out that whether or not Congress or the President put these recommendations into effect, the personnel is the same. It will be that of the Bureau of Reclamation and the Corps of Engineers, whether under two heads or one. The other significant recommendation is:

"RECOMMENDATION NO. 11

"The Commission recommends that a drainage area advisory commission be created for each major drainage area, comprising representatives of the proposed water development and use services of the Department of the Interior, the proposed Agricultural Resources Conservation Service in the Department of Agriculture, and that each State concerned should be asked to appoint a representative. The purpose of these drainage boards should be coordinating and advisory, not administrative."

I submit, gentlemen, that the above recommendation is a fairly accurate description of the make-up and purpose of the present Columbia River Inter-Agency Committee, upon which I and the other governors of the basin States have been serving, and which we desire to see continued in order that the views of the citizens and officials of the States may continue to be woven into various programs that will go to make up the final comprehensive and integrated resource development of the entire Columbia River Basin.

May I summarize briefly. The present development that has taken place on the Columbia is considerable. These and all the plans for the future which we are here discussing, have come from the initiative of the local people and their State governments working together through Congress, with the existing Federal agencies, under present laws. This is not the time for any of us to consider abdicating our responsibility, or of accepting a rigid formula for exclusive Federal control. Two dams are completed, 11 are under construction, 12 more have been authorized by Congress for immediate construction.

Before us is the joint recommendation of the two agencies that have been studying the remaining projects together in the spirit of the O'Mahoney-Millikin amendments to the 1944 Flood Control Act for 37 additional units. Under the terms of the above amendments, the plans of these two agencies have been submitted to public hearings throughout the area. They have been submitted to the governors of the seven affected States. In spite of the fact that 90 days is permitted in which the governors are allowed to make comments on the plan, nearly every State has already indicated its approval of the general plan as the official blueprint of the overall development program for the basin, with but minor reservations, where additional information is needed to make sure they are arriving at sound conclusions that are in the long-range interests of their people and their States.

The plans before us have the approval of the Secretary of the Army, the Chief of Engineers, the Secretary of the Interior, the Commissioner of the Bureau of Reclamation. Generally, the people and the organizations of my State who have been most actively engaged in resource development throughout the years favor the plans and the procedures outlined by the governors at their Pocatello meeting on April 24. Much of the support for authority legislation, which is offered as an alternative, is inspired from the Washington, D. C., level. The press is overwhelmingly for the procedure proposed by the seven governors.

In closing, may I say that I strongly favor and recommend to your committee the approval and early authorization by Congress of the coordinated plan with certain qualifications pertaining to irrigation and power revenues and other power policy questions—which I have not yet had time to consider in sufficient detail to determine as yet just what course I believe will be in the best interests of the people and the States affected.

Thank you for your attention.

(Documents submitted by Governor Langlie are as follows:)

STATE OF WASHINGTON,
EXECUTIVE DEPARTMENT,
Olympia, May 17, 1949.

Maj. Gen. LEWIS A. PICK,
Chief of Engineers, Department of the Army, Washington, D. C.

DEAR GENERAL PICK: I have before me the revised 308 report of the Army engineers, likewise the memorandum of agreement between the United States Army and the Bureau of Reclamation, which I understand are designed to modify and coordinate plans of both agencies for full and comprehensive development of the resources of the Columbia River Basin.

It is apparent the study made by the Army engineers furnishes an extensive review of the area drained by the Columbia River and its tributaries covering some 250,000 square miles of natural resources, the potential of which is greater than any similar area in the United States.

The plan blueprints, in a general way, the power-dam potential of the main stem of the Columbia River together with the principal tributaries, all of which appear feasible. It likewise sets up a number of proposed irrigation projects, only one of which is in my State. In this connection I want to point out the rapid population growth in the Northwest, particularly in the State of Washington, and stress the necessity of planning greater use by irrigation of arid lands even to the extent of pumping to higher level developments which is now recognized as feasible and economical. These are fundamentals which I trust will be recognized in support of States' interests in this great resource.

Much could be said concerning proposals of flood control, consumptive uses of water, conservation of soil and surface resources, preservation of game and wildlife, protection of forests, etc., which is not necessary as the 308 plan does not disturb the present satisfactory practice followed by the several Federal agencies in cooperation with the State departments.

I am of the belief hydro power generated in the Columbia River system is a Pacific Northwest resource and that proper safeguards should be provided to the end interests of the people living in the area should be forever protected in its distribution and use. It is obvious these great projects will have a useful and profitable life far beyond the 50 years scheduled for amortization and that when the Federal expenditure has been retired they will represent paid up but richly earning assets. I would deem it proper that the several States' inherent rights be recognized to the extent they be permitted to negotiate for outright ownership of all federally built projects after recovery is made by the United States Treasury of Federal expenditures. A formula for Columbia Basin States participation in eventual, unencumbered profits from sales of electric energy produced within the Columbia Basin area should be set up at this time.

I am in agreement with the plan for the use of power revenues for repayment to the Federal Government of that portion of irrigation costs in excess of the water users' ability to pay. I would not want to see power rates increased for the development of land uses at the expense of industrial expansion. This is an economic problem that must be balanced with the progress of the region.

In view of the serious water shortage prevailing in my State and other Northwest States in the Columbia Basin, and further in view of the early necessity of prevention of floods such as occurred in this area in 1948, I urge adequate appropriations be made to expedite early construction of all authorized dams and such others as may be authorized by this Congress.

In a general way I am in accord with the main control modified plan as submitted to me in your letter of April 21, 1949, and approve it within the scope of the suggestion herein made. I would not want to preclude the Bureau of Reclamation reports and do not believe I am doing so, inasmuch as an official announcement of agreement by the two agencies, merging their reports has been received by me.

Sincerely,

ARTHUR B. LANGLIE,
Governor.

STATE OF OREGON,
EXECUTIVE DEPARTMENT,
Salem, April 28, 1949.

Maj. Gen. LEWIS A. PICK,
Chief of Engineers, Department of the Army, Washington, D. C.

DEAR GENERAL PICK: This office has gone over the 308 review report on the Columbia River and tributaries in some detail.

It is noted that Oregon's share in the improvement would include nearly 700,000 acres that will be protected from floods; that nearly 700,000 acres could receive irrigation benefits; that drainage could be given 400,000 acres; that the State will share in the increase of hydroelectric power output; that navigation, stream-pollution abatement, domestic water supply, and recreation will receive added benefits.

This office is in receipt of some protests to the proposed plan but only from small particular localities.

It is recommended that wherever reservoir sites are to acquire valuable agricultural lands that further studies be made to see if upstream sites cannot be selected in lieu thereof.

I wish to commend the Corps of Engineers on a very excellent report, and to heartily endorse the project.

Very truly yours,

DOUGLAS MCKAY,
Governor.

STATE OF IDAHO,
Boise, April 26, 1949.

Maj. Gen. LEWIS A. PICK,
Chief of Engineers, Department of the Army, Washington, D. C.

DEAR GENERAL PICK: There is before me, for my consideration and comments, the review report on Columbia River and tributaries by the Corps of Engineers, Department of the Army, commonly referred to as the "308 report." This is in accordance with existing law.

This report proposes a program for the development of the natural resources, and particularly the water resources, of the Columbia River and its tributaries within the United States. There is an immediate and urgent need for the development of these resources at a rate that will meet the requirements of our rapidly increasing population.

The Corps of Engineers is to be commended for the splendid and comprehensive coverage embodied within the report. The main control plan proposed in the report will provide much-needed flood protection to those areas where the situation is now critical; it will provide hydroelectric power where the power shortage is now acute, particularly in the western part of the region; it will provide navigation benefits which are important, and it recommends for authorization those reclamation projects previously recommended by the Bureau of Reclamation.

The report recommends for authorization 13 reclamation projects previously recommended by the Bureau of Reclamation, which constitute 7½ percent of the total reclamation potential of the region. It also recommends for authorization power projects which would develop 20 percent of the power potential of the region.

We do not believe that the report makes adequate provision for irrigation and reclamation, in view of the great potential, as well as the needs, of the region.

Irrigation and reclamation are of the utmost importance. In fact, the economy of all of the upper Columbia Basin States is based primarily upon agriculture and stock raising. The irrigated economy of these States depends largely upon the consumptive use of water to make arid lands suitable for agriculture. But, while irrigation and agriculture are absolutely essential to the economy of the upper-basin States, we also feel that we cannot have a balanced economy within the entire region without adequate agricultural production. Low-cost food and fiber produced within the region will stimulate industry and be a direct benefit to the entire citizenry. Therefore, in order that agricultural production may keep pace with our growing population, we must develop our reclamation projects concurrently and along with our other water resource development. Reclamation by diking and drainage referred to in the report is also considered important and should be included in any reclamation development program for the region.

We therefore urge that, in addition to the 13 reclamation projects recommended for authorization within the report, immediate studies, surveys, and investigations be initiated of all the projects now considered irrigable within the region, and that these projects be reported upon at an early date and be recommended for authorization as they are proven feasible, in order that full development of all the irrigation and reclamation projects of the region may be constructed concurrently and pro rata with the projects of the review report's main control plan and commensurate with the requirements of the region.

With especial reference to Idaho's needs, we feel that construction of the Scriver Creek and Garden Valley units of the Mountain Home project listed in the Hell's Canyon and Columbia Basin reports of the United States Bureau of Reclamation, should precede construction of the proposed Hell's Canyon project because the irrigation and power features of the Mountain Home project are integrated in a manner required for the orderly development of reclamation in Idaho.

The Palisades project, already authorized, should be pushed to completion at an early date, not only for the early power production but for badly needed supplemental water for 600,000 acres of land in the Snake River Valley.

The suggested plan of aid to irrigation from power revenues is commendable. In fact, it is highly important that the authorizing legislation contain language that is definite, positive, and clear-cut, to the effect that power rates shall be sufficient to pay not only depreciation, upkeep, payments in lieu of taxes, and repayment of all proper costs to the Federal Treasury, but, in addition thereto, to pay all irrigation and reclamation costs on reclamation projects, as they are authorized for construction, which are beyond the ability of the water users to repay, excepting those costs which may properly be allocated to other nonreimbursable features. The authorizing legislation should contain language sufficiently broad to enable a reconsideration of the policy and establishment of the new rates from time to time as new irrigation and reclamation projects are considered and authorized.

It is considered fundamental and of the utmost importance that all of the waters of the entire Columbia River watershed, including the main Columbia River and all of its tributaries, which may ultimately be used for irrigation and reclamation, should be forever protected and reserved for that purpose. The so-called O'Mahoney-Millikin amendments to the 1944 Flood Control Act and the 1945 River and Harbor Act protect the right to consumptive use against navigation, but the same protection should be extended to include protection against power development and all other possible uses. Every potential acre within the Columbia River Basin which can be irrigated should be included and made a part of the Columbia River Basin plan.

The proposed barge navigation will make the products of our mines, our forests, and our farms in the interior of the region available to the populated areas and industries of the lower part of the region. This navigation development will benefit the entire basin, enabling the upper areas to dispose of their raw products and the lower areas to produce therefrom the finished products for consumption and use. We commend the report, as well as the efforts and activities of the Corps of Engineers in furthering this most worth-while development.

A small projects program, designed to provide small reservoirs and other irrigation

and reclamation rehabilitation works, has long been one of the major objectives throughout the region and the entire West. Irrigation aid from power revenues should be extended to include these small projects, and provision should be made that such assistance be also given to the States where such work is prosecuted by the States.

Water which can be used beneficially within the watershed of its origin should never be transferred or diverted for use outside of that watershed. This is important and fundamental and should be adopted as a Federal policy. The same principle should be adopted with respect to power developed within a watershed.

Seasonal power should be made available for irrigation and reclamation pumping projects wherever feasible. The same power rates, the same rules governing procedure, and the same service and assistance should be made available to such projects regardless of whether the development is undertaken by one of the Columbia Basin States or by a Federal agency.

States, counties, and local taxing units should be fully reimbursed for any loss in taxes of replaced or destroyed public utilities or future loss of any realty taxes caused by the flooding of lands by reservoirs. Similarly, serious consideration of the sufficiency of severance damage allowances should be given.

It is considered most important, in order to avoid unnecesary expense, that duplicating transmission lines should be avoided. Neither should long transmission lines be extended into an area or State unless it can be clearly shown that there is now, or will be in the near future, a need for the power in that area, or in that State, beyond the ability or willingness of the local systems, public or private, to supply and/or transmit.

All of the Columbia Basin States contribute water to the Columbia River and its tributaries, which in turn is used in hydroelectric development and for other purposes throughout the region. Each of the several States has its own peculiar problems and opportunities in resource development, many of which require financial assistance. Such financial assistance should be extended from power revenues to water resource development projects, as they are proven feasible and recommended for authorization, in the various States, within the Columbia River Basin.

The waters of the Columbia River and its tributaries belong to the several States. The right of the States to exercise jurisdiction and control over these waters should be forever recognized and maintained. Any Federal agency contemplating development and use of the waters of any Columbia Basin State should be required to comply with the laws of that State relating to the appropriation and use of water.

There has been previously submitted to me a report by the Secretary of the Interior, embodying the plans of the Bureau of Reclamation for the development of certain reclamation projects, as well as other proposed development within the region. It is of the utmost importance that the plan of the Bureau of Reclamation and the plan herein referred to, by the Army engineers, be fully coordinated and submitted to the Congress within the immediate future, and the progress thus far made in this task of coordination is highly commended.

The existing construction agencies of the Federal Government, including both the Corps of Engineers and the Bureau of Reclamation, have made an outstanding record in the accomplishment and construction of worth-while projects over a long period of years and throughout the entire Nation. These agencies, and the other existing agencies of the Federal and State governments, should be entrusted with the responsibility of carrying forward the program for the development of the resources of the Columbia River Basin.

In summary, therefore, permit the reiteration of these points as being paramount:

1. Orderly development of reclamation through integration of power and irrigation features under a single project.

2. Preservation of the language and intent of the O'Mahoney-Millikin amendments to the Flood Control Act of 1944 and the Rivers and Harbors Act of 1945 to assure protection to upstream States in the beneficial consumptive use of their waters.

3. Allocation of power revenues to assist in repayment of costs otherwise beyond the ability of water users to pay.

4. Avoidance of unnecessary expenditures for construction of transmission and distribution facilities for power where this amounts to duplication.

5. Development of barge navigation is a material aid to development of the resources of the interior.

6. The adoption of a small irrigation-projects program will round out the plan of coordination.

7. Reimbursement of taxing units is both just and necessary.

8. Cooperation with the States and respect for their rights and established usages is requisite.

9. The present coordination of plans and general agreement between the Corps of Engineers and the Bureau of Reclamation is most commendable, in keeping with their traditions and the best evidence of their ability to proceed with the orderly development of the basin.

10. Construction of Scriver Creek and Garden Valley units of the Mountain Home project ahead of Hell's Canyon project, and early completion of the already authorized Palisades project, for the reasons already outlined.

It is sincerely urged that the foregoing be given full consideration in the drafting and preparation of authorizing legislation.

Respectfully submitted.

C. A. ROBINS, *Governor.*

STATE OF MONTANA,
OFFICE OF THE GOVERNOR,
Helena, May 17, 1949.

LEWIS A. PICK,
Major General, Chief of the Army Engineers, Department of the Army, Washington, D. C.

DEAR GENERAL PICK: There are before me the reports of the division engineer, North Pacific division; report of the Board of Engineers for Rivers and Harbors; and the report of the Chief of Engineers, on the proposed comprehensive development plan of the Columbia River Basin, commonly known as the revised 308 report. This comment on the report and plans is made in accordance with the existing laws providing for such comments from each State included within the basin.

First, let me compliment the Corps of Engineers for the splendid work done in their field investigations and the comprehensive manner of assembling these data in the reports. Investigations of this type set out a plan of basin development which, when carried out to completion, will give the best coordinated use of all of the water supply for the benefit of the people within the basin. Also, the full development of the plan is a national benefit in war as well as in peacetime.

In the past, Montana has been rather reluctant in placing its stamp of approval on many projects proposed from time to time within the basin until all of the Federal agencies could agree on unified plans and policies. I am pleased to note from the report of the Chief of Engineers, addressed to the Secretary of the Army, that this objection has been removed, and the plans are now fully coordinated between the Corps of Engineers, Bureau of Reclamation, Department of Agriculture, Federal Power Commission, and all other Federal departments. This accomplishment is very necessary in order to make the entire plan a success.

The basic resources of Montana are agriculture and livestock, and therefore our primary interest lies in the full development of all of the irrigation possibilities. We feel that there are many more irrigation projects within the Columbia Basin in Montana than those outlined for authorization at the present time, and we urge that these potential developments be pushed forward in the program as rapidly as demand for them becomes apparent.

Montana contributes a very liberal proportion of water flowing down the Columbia River—more than can ever be used in this State for irrigation development. I firmly believe some recognition should be given this fact and retribution made in the form of a portion of the net revenues from power. This fund should then be used to develop the land and water resources within the State. A prestige for this claim has already been set forth in the Colorado River compact.

In Montana, we have a State construction agency known as the Montana State Water Conservation Board, delegated with full powers to develop land and water resources. At least a part of the power revenues which might be credited to Montana should be made available to this board in carrying out the objectives for which it was created. Furthermore, these objectives fit in perfectly with the coordinated plan of fully developing the Columbia River Basin.

The suggested plan of aid to irrigation to defray the cost of reclamation projects over and above the ability of the land to repay is very commendable. This plan should be applicable to all projects in the basin regardless of whether they are built by a Federal or a State agency.

It is considered fundamental and very important that all of the water within the State which may ultimately be used for irrigation should be forever protected and reserved for that purpose. I wish to assert Montana's right to the consumptive use of water as set forth in the amendments to the 1944 Flood Control Act and the 1945 River and Harbor Act against navigation, and ask the same protection be extended against power and/or other possible uses.

As to the question of power rates, I believe that Montana should not be discriminated against in either the availability of power or in rates. Whenever a pumping project is constructed by our State agency, we ask that such agency be given the benefit of the same rates, rules, and regulations that would be extended to any Federal agency if built by that agency regardless of whether or not there is any Federal money invested in the State project. Such a discrimination exists at the present time.

States, counties, and local taxing units should be fully reimbursed for any loss in taxes on replaced or destroyed public utilities, or State loss of any realty taxes caused by the flooding of lands by reservoirs.

I sincerely urge that the foregoing will be given full consideration at the time of drafting plans to authorize the needed legislation.

Respectfully submitted.

JOHN W. BONNER,
Governor of Montana.

SALT LAKE CITY, UTAH, *May 18, 1949.*

CHIEF OF ARMY ENGINEERS,
Washington, D. C.:

We wish to take this opportunity of urging the Congress of the United States and particularly the House Committee on Public Works and Public Lands to pass legislation which will provide for the orderly water development of the Columbia River Basin under the Army engineers and the Bureau of Reclamation. These latter agencies have

done an outstanding job in the past on western development. We oppose the valley authority system.

J. BRACKEN LEE,
Governor of Utah.

THE STATE OF NEVADA,
EXECUTIVE CHAMBER,
Carson City, May 3, 1949.

LEWIS A. PICK,
Major General, Chief of Engineers, United States Army, Washington, D. C.

DEAR GENERAL PICK: Replying to your letter of April 21, 1949, I wish to state that I am in agreement and accord with the program and plans for the orderly and progressive development of the land and water resources of the Columbia River Basin as set forth in the reports of the Corps of Engineers acting in cooperation with the Department of Interior, the Department of Agriculture, the Federal Power Commission and related Federal agencies and also in full cooperation of the States within the Columbia River Basin and their local agencies.

Nevada's land and water interests in the Columbia River Basin are small when compared with the vast interests of Oregon, Washington, and Idaho, and consist mainly, if not entirely in the water which Nevada contributes to the basin through the headwaters of various streams, originating in the mountainous northern region of the State. However, due to the fully cooperative set-up of the plan through the Columbia Basin Interagency Committee, it seems that proper consideration is being given to Nevada's interest.

The matter has been handed to the subcommittee on hydrology, which is preparing a study and report, assisted by the State of Nevada. After the report has been completed and submitted, recommendations will be made by the committee as to how Nevada's interest in the basin should be treated.

It seems to me that the present over-all comprehensive plan of development of the basin is not only a splendid democratic procedure, but the rights of the individual States to a full voice in the administration of their natural resources has been recognized and protected, and all features of the plan have been determined in cooperation with State and local interests, which have had a full and equal voice and vote with the Federal agencies concerned. It has been worked out thoroughly and carefully. As you have stated, over 80 public hearings were held within the basin while the report was being prepared. The result is a comprehensive plan that appears to meet all engineering and economic requirements and to a large extent (with the exception of certain comparatively minor details which will be easily cleared up) meets the requirements of all interests.

Included in the many public hearings were four hearings held by the Board of Engineers for Rivers and Harbors. This Board decided that the proposed comprehensive plan is an adequate base upon which the development of the entire basin can and should be constructed and recommended its adoption, only after much study and personal inspection of the area. The fact that this great study—or series of studies—made by these various agencies has been smoothly and orderly coordinated into one unified, satisfactory plan is a democratic achievement of which this Nation can justifiably be proud. Especially commendable is the full agreement by the two major agencies, the Corps of Engineers and the Bureau of Reclamation, on their respective allocations of work and costs.

There is no question but what much of the work, especially that for flood control, is most urgently needed and should be authorized in this session of Congress for early construction.

The question of adjustments for local loss of taxes as a result of Federal projects should be worked out as soon as possible. I note that this matter has been properly left for study by the Federal Real Estate Board. This is a very important point that needs to be cleared up and when a definite procedure in regard to it has been established, it will mean a great deal to the States and the Nation in the construction of Federal projects.

In conclusion, I restate that I approve and endorse this comprehensive plan and the method followed in working it out. On behalf of the State of Nevada I urge its early approval by Congress.

Sincerely yours,

VAIL PITTMAN, *Governor.*

STATE OF WYOMING,
STATE ENGINEER'S OFFICE,
Cheyenne, May 17, 1949.

Maj. Gen. LEWIS A. PICK,
Chief of Engineers,
Washington, D. C.

DEAR GENERAL PICK: Your letter of April 21, 1949, concerning comments on the Review Report on Columbia River and Tributaries by the Corps of Engineers, Department of the Army, commonly known as the 308 report has been referred to me by Gov. A. G. Crane for consideration and comment in accordance with established procedure.

This report proposes a program for the development of the natural resources, particularly the water resources, of the Columbia River and its tributaries within the United States. There is an urgent need for development of these resources at a rate that will meet the requirements of the rapidly increasing population of the region.

The Corps of Engineers is to be commended for the splendid and comprehensive coverage embodied in the report. The main control plan proposed will provide much-needed flood protection to those areas where the situation is now critical; it will provide hydroelectric power where the power shortage is now acute, particularly in the western part of the region; and it will provide navigation benefits which are important.

The report recommends for authorization 13 reclamation projects previously recommended by the Bureau of Reclamation, which constitute about 7½ percent of the total reclamation potential of the region. It also recommends for authorization power projects which would develop 20 percent of the power potential of region.

The development of irrigation and reclamation is of the utmost importance to Wyoming. The economy of all of the upper Columbia Basin States is based primarily upon agriculture and stock raising. Therefore, in order that agriculture production may keep pace with our growing population, we should develop our reclamation projects concurrently.

We therefore urge that, in addition to the 13 reclamation projects recommended for authorization within the report, immediate studies, surveys, and investigations be initiated of all the projects now considered feasible within the region, and also that these projects be reported upon an early date and be recommended for authorization as they are proven feasible, in order that full development of all the irrigation and reclamation projects of the region may be constructed concurrently, and commensurate with the requirements of the region.

The plan of aid to irrigation from power revenues as suggested in the report is commendable. We think it is important that the authorizing legislation contain a definite and clear-cut statement to the effect that power rates shall be sufficient to pay not only depreciation, upkeep, payment in lieu of taxes, and repayment of all proper costs to the Federal Treasury, but, in addition thereto, to pay irrigation and reclamation costs on reclamation projects, as they are authorized for construction, which are beyond the ability of the water users to repay, excepting those costs which may properly be allocated to other nonreimbursable features. It would seem that the authorizing legislation should be such as to enable a reconsideration of the policy and establishment of new rates from time to time as new irrigation and reclamation projects are considered and authorized.

It is of the utmost importance that all of the waters of the entire Columbia River watershed, which may ultimately be used for irrigation and reclamation, should be forever protected and reserved for that purpose. The so-called O'Mahoney-Millikin amendments to the 1944 Flood Control Act and the 1945 River and Harbor Act protect the right to consumptive use of water for irrigation against navigation. The same protection should be extended to protect irrigation against power development and all other conflicting uses.

A small-projects program, designed to provide small reservoirs and other irrigation and reclamation rehabilitation works, has long been one of the major objectives throughout the region and the entire West. Irrigation aid from power revenues should be extended to include these small projects, and provision should be made that assistance also be given to the States where such work is prosecuted by the States.

Seasonal power should be made available for irrigation and reclamation pumping projects wherever feasible. The same power rates, the same rules governing procedure, and the same service and assistance should be made available to such projects regardless of whether the development is undertaken by one of the Columbia Basin States or by a Federal agency. States, counties, and local taxing units should be fully reimbursed for any loss in taxes of replaced or destroyed public utilities or future loss of any realty taxes caused by the flooding of lands by reservoirs.

In order to avoid unnecessary expense, duplicating transmission lines should be avoided. Long transmission lines should not be extended into an area unless it can be clearly shown that there is, or will be in the near future, a need for the power in that area, beyond the ability or willingness of the local systems, public or private, to supply.

Each State in the Columbia Basin contributes water to the Columbia River and its tributaries, which is used in hydroelectric development and for other purposes throughout the region. Each of the several States has its own peculiar problems and opportunities in resource development, many of which require financial assistance. Financial assistance should be extended from power revenues to water-resource-development projects, as they are proven feasible and recommended for authorization in the various States.

The waters of the Columbia River and its tributaries belong to the several States. The State of Wyoming contributes about 5,000,000 acre-feet per year. The right of the States to exercise jurisdiction and control over these waters should be forever recognized and maintained. Any Federal agency contemplating development and use of the waters of any Columbia Basin State should be required to comply with the laws of that State relating to the appropriation and use of water.

A report by the Secretary of the Interior, embodying the plans of the Bureau of Reclamation for the development of certain reclamation projects, as well as other proposed development within the region, has previously been submitted. It is important that the coordinated reports of the Bureau of Reclamation and the Army engineers be submitted to the Congress in the immediate future.

Existing agencies of the Federal and State Governments should be entrusted with the responsibility of carrying forward the program for the development of the resources of the Columbia River Basin.

Wyoming is particularly interested in the Jackson Hole flood-control project and the authorization and completion of this project at the earliest possible date is essential in the control of the Snake River through this area. The need for flood protection of the area near and above the town of Wilson is immediate and urgent to prevent further flood damage and considerable emergency work should be done on this project at once. Better regulation of releases from Jackson Lake by the Bureau of Reclamation may in the future prevent some of the damage.

Authorization should be secured and construction started at an early date on the Upper Star Valley project as proposed by the Bureau of Reclamation. This area is very badly in need of a supplemental water supply to stabilize the agriculture in this valley. The construction of the proposed Elk Valley, Spring Creek, and Crow Creek Reservoirs in connection with the project will provide considerable flood-control benefits. We urge that construction of this project be given an early priority.

The construction of Palisades Reservoir near the Idaho-Wyoming State line in the absence of a compact between the States of Idaho and Wyoming for an equitable division of the waters of the Snake River presents a problem which we believe should be taken care of before further construction is carried on. The construction of this large reservoir just below the Wyoming boundary may in the future be construed by the court as perfecting an appropriation for all the available water in Snake River and prevent further development in Wyoming. We feel that Wyoming must oppose the construction of the Palisades Reservoir as proposed by the Bureau of Reclamation until an agreement is reached between the States of Idaho and Wyoming which will allocate to each State an equitable share of the waters of Snake River and tributaries.

Respectfully submitted.

L. C. BISHOP,
State Engineer of Wyoming.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D. C.

Subject: Columbia River and tributaries, Northwestern United States.

To: The Secretary of the Army.

1. I submit for transmission to Congress my report on a comprehensive plan for development of the Columbia River and its tributaries for flood control, navigation, power development, irrigation, and other purposes, including fish and wildlife conservation and recreation. The water-resource development plans presented in this report are of far-reaching significance nationally as well as regionally. The Columbia is one of the world's great rivers. Its drainage basin, comprising about 7 percent of the area of the United States, contains more than a third of the Nation's potential water power. Despite wide variations in precipitation, a relatively large and steady volume of stream flow is available. Without artificial regulation, however, extensive flood damages occur periodically, water supplies for irrigation are inadequate in many areas, economic utilization of the power potential is precluded, and navigation is hampered.

2. The region is currently developing at an appreciably higher rate than the national average and its economy is dependent to an unusual degree on efficient utilization of its vast water resources. Formulation of up-to-date plans for orderly and timely development of those resources is therefore essential. This report presents the most effective plan for such development. It recognizes the magnitude of the problem and the many interests which must be correlated for a satisfactory solution. The plan provides the means whereby the agencies best qualified by experience to develop the region can proceed efficiently and in consonance with the views and needs of the people of the region.

3. This report is submitted in response to several authorizations by Congress and primarily in response to a resolution adopted September 24, 1943, by the Committee on Commerce of the United States Senate calling for a review of the original "308" reports on this area which have formed the basis for water resource development to date. The detailed report of the division engineer is based on extensive and thorough field investigations and engineering studies over a period of several years. It contains data on numerous possible developments for all purposes which will form a basis for further study and selection of projects as needed for many years and it presents recommendations for the immediate authorization of the projects needed in the near future.

4. The needs of the region now and in the future, and possible plans for meeting those needs, were determined in cooperation with the State and local interests affected and with other Federal agencies concerned. More than 30 public hearings were held in various parts of the basin during preparation of the report. Numerous conferences were held with representatives of Federal, State, and local agencies, and with other interested parties. In response to letters from the President on June 1, 1948, and September 16, 1948, following the disastrous floods in the Columbia Basin area, the long-range plans of the Corps of Engineers for development of the basin were reviewed in the light of the 1948 flood and were correlated with the plans of the Bureau of Reclamation and of other affected agencies of the Department of the Interior, the Department of Agriculture, and the Federal Power Commission. Both during and after preparation of the division engineer's report, the facilities of the Columbia Basin Interagency Committee and other established procedures for interagency cooperation were fully utilized. Through these cooperative procedures, the division engineer has prepared a comprehensive plan of development that is sound from engineering and economic standpoints, and at the same time meets the requirements of, and is coordinated with, the views of all interests.

5. In order to permit all concerned to express their views on the completed report of the division engineer, the Board of Engineers for Rivers and Harbors held four hearings in the basin area prior to completing its review of the report. After consideration of the report and the data presented at the hearings the Board concluded that the proposed comprehensive plan is sound framework under which the requirements of all concerned can be met. The Board recommends adoption of the plan.

6. As a means of facilitating and expediting the correlation of plans as contemplated in the President's letters of June 1 and September 16, 1948, copies of the division engineer's report were transmitted to the Governors of the Columbia Basin States and to the heads of the Federal agencies involved prior to preparation of the report and recommendations of the Chief of Engineers. Conferences were held among the Secretary of the Army, the Secretary of the Interior, the Commissioner of Reclamation, the Chief of Engineers, and their representatives, and matters requiring coordination were discussed by representatives of those agencies with the Departments of Agriculture and Commerce and the Federal Power Commission at meetings of the Federal Interagency River Basin Committee. These procedures were extremely effective in bringing into view the complexity of purposes and problems involved and made it possible to reach agreement on the plan as a whole and on the specific points outlined in paragraphs 7 to 17 below.

7. The plans of the Bureau of Reclamation have been satisfactorily correlated with the comprehensive plan presented herewith in all respects, including the number, scope, and purposes of the project involved, the agency jurisdiction for construction, plans for coordinated operation of projects for the several purposes involved, and procedures for investigating and recommending authorization for construction of projects in the future.

8. The Bureau and the Corps are in agreement that the projects outlined in their respective coordinated reports constitute a sound and satisfactory basis for development of the basin. These agencies agree also on the jurisdiction for construction and operation indicated in the recommendations in my report which contemplate that the Hells Canyon project should be considered by Congress for construction and operation by the Bureau of Reclamation.

9. With respect to irrigation development, the Corps of Engineers is in agreement with the Bureau of Reclamation that financial assistance should be provided from power revenues or by other means to help defray the reimbursable irrigation costs that are beyond the ability of water users to repay on the 13 irrigation projects recommended in the letter of June 3, 1948, from the Secretary of the Interior to the President and on future projects found warranted on the basis of regional or national needs. Such support should be furnished from all power revenue-producing projects in the Federal system in the Pacific Northwest and should be available to all irrigation projects that qualify for support in the Pacific Northwest which includes the Columbia River Basin and the coastal areas of Washington and Oregon. The principles underlying extension of this support should be consistent with those embodied in reclamation law. Administration of the financial support should be the responsibility of the Secretary of the Interior.

10. The Glacier View project, which is one of the most economically favorable projects considered for the plan, and which is approved by the State of Montana and local interests generally, is strongly opposed by many because it would encroach upon Glacier National Park. A possible alternative to Glacier View, the Paradise project, is objected to by the State of Montana and local interests. In view of these divergent views, it is concluded that neither of these projects should be authorized at this time, and that recommendations for a project or projects that will accomplish the purposes of the Glacier View project should be presented after further study which will be carried on while other elements of the main control plan are under construction.

11. The operation of an increasing number of developments for the storage and use of waters of the Columbia River in the best interests of the region will impose increasingly complex problems. The Corps of Engineers and the Bureau of Reclamation, with the participation of appropriate officials of the affected States and other governmental agencies have already initiated studies to determine the best system operation of the projects in the basin. This work should proceed expeditiously and will be augmented as required by the establishment of a jointly financed staff to develop the details of such plans with the advice, participation, and consultation of all appropriate interests to obtain full integration of all individual project operations to insure the best system operation.

12. In order that the further investigations required from time to time in the future for selection and construction of additional projects under the comprehensive plan may be

carried out with the maximum efficiency and without duplication of effort, the Corps of Engineers and the Bureau of Reclamation have adopted cooperative procedures for the investigation, construction, and operation of future projects. It is recognized that the Corps of Engineers should investigate, construct, and operate all navigation improvements and all channel improvements, levees, bank protection, storage works exclusively for flood control, and drainage works related to flood control. It is also recognized that the Bureau should investigate, construct, and operate all Federal irrigation and related drainage and domestic water developments and should dispose of water for irrigation purposes from Corps of Engineers' projects. Within the field of multiple-purpose storage projects and power projects both recognize that the primary responsibility for investigations and construction in the future should be assigned to the agency having predominant interest in the problems of the area involved. The agencies have agreed to a definition of spheres of predominant interest, and insofar as consistent with directives of Congress, will recognize the primary responsibility of each agency in the designated areas and will consult and reach agreement on responsibilities for work in such areas at the outset of investigations and studies for future projects.

13. In addition to the foregoing correlation which was concerned primarily with the plans of the Bureau of Reclamation, this comprehensive plan was coordinated with relation to activities of other agencies in the Department of the Interior and with the Department of Agriculture and the Federal Power Commission. The views and assistance of representatives of the Federal Power Commission and the Bonneville Power Administration were obtained on the power phases of the plan and are presented in the division engineer's report. The Bonneville Power Administration's transmission program and the United States Fish and Wildlife Service's lower river fisheries plan are also presented.

14. The importance of the concurrent development of land and water resources in the basin has been recognized throughout the investigation in numerous discussions with the Department of Agriculture and others primarily concerned with the development of the land resources. The condition, treatment, development, and use of the land resources have a positive influence on the amount of water available for beneficial use, on peak stream flows, and on sedimentation. In order to insure the attainment of a balanced program of development of both land and water resources, provision should be made for the acceleration of the land resources program in both the planning and operations phases by the Department of Agriculture and others responsible for these activities.

15. The comprehensive plan presented herewith is a carefully prepared framework within which the projects necessary for a progressive, balanced economy in the Pacific Northwest can be built step by step at the rate required to bring about the needed expansion of the region's capabilities. Adoption of the plan at this time is essential for orderly and efficient development. A substantial part of the work proposed is urgently needed and should be authorized now for early construction.

16. Schedules for construction of the projects in the plan should be worked out to meet the needs, as foreseeable from time to time, for flood control, navigation, additional power, irrigation, and the related programs for soil and forest conservation and other activities of the Department of Agriculture, fish and wildlife preservation, power transmission, and other purposes. This can best be accomplished by the agencies concerned through periodic preparation of programs covering the next several years ahead, utilizing the established procedures for coordination among the agencies and States, including the Columbia Basin Interagency Committee. In general, the lower Columbia River levees and local flood-protection projects throughout the basin should be given high priority in order to secure the maximum relief from floods in the shortest possible time. Similarly, the Willamette subbasin plan should be carried to substantial completion with high priority. In the main control plan, the Albeni Falls, Libby, and other upstream storage projects are logical first steps because of their flood-control value, the power available at the site, and the benefit to power installations downstream from the storage regulation afforded. The downstream main stem projects should be coordinated from a timing standpoint with the lower river fisheries plan as well as with the needs for power, flood control, and navigation. The various subbasin plans should be undertaken under medium priority as progress is made on the projects for the main control plan. In general, the associated plans for fisheries, irrigation, and soil and forest conservation should proceed with high priority. Power transmission construction should proceed in phase with the completion of power generation facilities.

17. The question of adjustments for local loss of taxes as a result of Federal projects is being studied as a national problem by the Federal Real Estate Board. One means of adjustment is afforded by section 5 of the Flood Control Act approved July 24, 1946, which provides that 75 percent of revenues from leasing of lands acquired by the United States for flood-control purposes shall be turned over to the States for the benefit of public schools and public roads of the counties in which the land is situated. This procedure is applicable to the flood-control projects in the Columbia Basin. Further adjustments for projects in the Columbia Basin plan should be considered as a part of the Federal Real Estate Board studies rather than as part of this report.

18. I, therefore, recommend:

(a) That the comprehensive plan outlined in the report of the division engineer, with modifications as outlined herein and in the report of the Board of Engineers for Rivers and Harbors, be approved as the basis for long-range development of the Columbia River Basin.

(b) That the following be authorized for early construction by the Corps of Engineers: (1) The main control plan (table A of the accompanying report of the board) less the Glacier View and Hells Canyon projects and the modifications to Grand Coulee and Hungry Horse Dams; (2) the Willamette and other sub-basin plans (tables B and C of the board's report); (3) an engineering laboratory (par. 45 (2) of the board's report); all at an estimated cost for maintenance, generally in accordance with the plans outlined in the report of the division engineer and with such modifications as the Chief of Engineers may find advisable.

(c) That, as a condition to the construction of each levee, channel improvement, or channel rectification project for flood control included in recommendation (b) above, responsible local interests give assurances satisfactory to the Secretary of the Army that they will: (1) Meet the conditions prescribed in the report of the division engineer to satisfy special circumstances at certain localities; (2) provide without cost to the United States all lands, easements, and rights-of-way when and as required; (3) make all necessary highway, highway bridge, and utility alterations; (4) hold and save the United States free from all damages due to the construction works; (5) prevent any future encroachment on the project channels; (6) maintain and operate the improvements after completion in accordance with regulations prescribed by the Secretary of the Army.

(d) That as a condition to the construction of open-river navigation work and each harbor improvement included in recommendation (b) above, responsible local interests give assurances satisfactory to the Secretary of the Army that they will: (1) Meet the conditions prescribed in the report of the division engineer to satisfy special circumstances at certain localities; (2) provide without cost to the United States all lands, easements, and rights-of-way and spoil-disposal areas necessary for the construction and maintenance of the projects when and as required; (3) construct, maintain, and operate adequate terminal facilities open to all on equal terms at the recommended harbor projects; (4) hold and save the United States free from all damages due to construction.

(e) That authority be provided to the Bureau of Reclamation for modification of Grand Coulee and Hungry Horse Dams and for construction of Hells Canyon Dam, and for their operation for flood control in conjunction with the main control plan projects as contemplated in the report of the division engineer.

(f) That Congress give favorable consideration to the related programs consisting of: The 13 irrigation projects recommended by the Secretary of the Interior in his letter of June 3, 1948, to the President; the necessary expansion of the transmission system of the Department of the Interior; programs for watershed treatment and agricultural and forestry conservation and development by the Department of Agriculture; and the lower Columbia River fisheries plan of the United States Fish and Wildlife Service.

(g) That this report with illustrations and appendixes be reproduced as a public document to facilitate utilization of the data and plans by all concerned in the long-range development of the Columbia River Basin.

LEWIS A. PICK,
Major General, Chief of Engineers.

Mr. CORDON. Mr. President, I know it was not intentional, but there could be inferred from the statement of my distinguished friend, the senior Senator from Washington, a conclusion that the inserts represented the opinions of the various officials with reference to the amendment now under consideration, because the terminology was that the statement set forth their views with reference to this matter. I only want the RECORD to show now that the insertions should be read with care to disclose the fact that the views expressed go to approval of the coordinated report of both construction agencies, in the Pacific Northwest, and do not go to an emasculated version such as would have to come out piecemeal, as a tiny segment, which is represented in this amendment.

Mr. MAGNUSON and Mr. CHAVEZ addressed the Chair.

Mr. CORDON. Mr. President, I am happy to yield to the Senator from Washington. I understand he wants to leave the Chamber.

Mr. MAGNUSON. I had no intention of creating the impression that the governors were in any way related to the particular technical versions or disagreements on the so-called basic question. I intended to add that statement to my remarks, but I must leave the Chamber. However, I will say that the Senator from Oregon is absolutely correct. They deal with the general subject. What I meant to refer to was the amendment before us, not the basin account.

Particularly the statement of the Governor of Oregon is phrased in generalities, rather than being specific.

Mr. CORDON. I desire to state again that I am quite sure the Senator from Washington did not intend that such an implication should be drawn from his remarks. Because the language could be so construed, I made the additional statement, so that there could be no misunderstanding, and I am happy to have the Senator's statement. I am glad to yield now to the Senator from New Mexico for a question.

Mr. CHAVEZ. Is it not a fact that so far as trying to reach an agreement on the over-all plan for the basin, the comprehensive plan, the Senator from Oregon and the Senator from Washington have heard no Senator say anything contrary to what the governors have said.

Mr. CORDON. I have not heard it.

Mr. CHAVEZ. The only thing involved now is not whether we believe in the comprehensive plan—and I do—but whether it should be acted on in an amendment which would actually change the basic law, without having before us necessary information on which to base a decision?

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CORDON. I am very happy to yield to the majority leader for a question.

Mr. LUCAS. May I inquire of the Senator from Oregon whether there is any possibility of reaching an agreement upon this amendment.

Mr. CORDON. Mr. President, in answer to the question propounded by the majority leader, I should like to say that I have been discussing the matter since midafternoon, or as soon as I obtained the floor, which was sometime later than midafternoon, and my understanding is that there were some discussions in that field. I have not had an opportunity, during the course of my address, to confer either with the Senator from Wyoming or with the Senator from Washington with reference to that question. I hope the Senator from Washington, before he leaves the floor, will be able to assist the majority leader in answering the question whether or not there is any hope of reaching an agreement between the proponents of the so-called O'Mahoney amendment and Senators who oppose it either in its entirety or to the extent of the basin account.

Mr. MAGNUSON. If I may do so, I should like to say to the majority leader that perhaps we may reach an agreement by tomorrow morning. Those of us who are interested in the general proposal met this morning. The Senator from Oregon and I attended the meeting, which lasted from 9:30 until almost noon. We came to no agreement, but we hope to be able to uncover some areas of agreement tomorrow morning. I was hoping that if we could recess at whatever time the majority leader feels we should recess that by tomorrow morning some kind of agreement might be reached. If such an agreement cannot be reached tomorrow morning, I shall be very glad—and although I cannot speak for the Senator from Wyoming, I believe I express his similar sentiments—to agree upon any unanimous-consent agreement which the majority leader may wish to offer with respect to a vote on the pending bill.

Mr. CHAVEZ. Why cannot that be done now?

Mr. MAGNUSON. Because the Senator from Wyoming is not on the floor of the Chamber and it is an amendment of the Committee on Interior and Insular Affairs. We can do it just as well tomorrow at noon as now.

Mr. CHAVEZ. Will the Senator from Oregon yield?

Mr. CORDON. I am very glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator from Washington has indicated that he is becoming a little impatient because this morning he met with other Senators in conference and the conferees could not get together. Just imagine, Mr. President, the chairman of the Committee on Public Works of the United States Senate waiting for 8 months to have them get together. I do not object to sitting late if we can get some kind of an agreement as to when we can vote. The Senate has a great deal of work to do.

Mr. LUCAS. The Senate has more work to do than perhaps any other legislative body in the world. We have been debating the amendment for a week. It seems to me that we should either fish or cut bait.

Mr. CHAVEZ. I am ready to come to an agreement.

Mr. LUCAS. If we cannot come to an agreement on the amendment, we should get a vote on it, even if a Senator must make a motion to table the amendment in order to get a vote. I do not wish my position to be misunderstood. I am for the amendment. However, at the same time, I should like to see debate closed on it. It seems to me that we should not continue to debate on it indefinitely.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. CORDON. Yes, I am always glad to yield if by doing so I can help to bring about a solution of this problem. I, too, would like to see the question brought to an early vote.

Mr. MAGNUSON. I would be willing to agree now to enter into a unanimous consent agreement that we vote tomorrow at any time on the amendment of the Interior and Insular Affairs Committee.

Mr. LUCAS. Let us see if we can get an agreement to vote on the amendment which has been referred to, which I understand to be the most important amendment.

Mr. MAGNUSON. Mr. President, I ask unanimous consent——

Mr. CORDON. Mr. President, although I am happy to yield for purposes of this discussion, in order to shorten the time necessary for consideration of this matter, I should like to have it understood that by yielding at this time I do not lose the floor. Therefore I ask unanimous consent that I shall not lose the floor by yielding for the purpose of this discussion. I ask unanimous consent that I may yield for that purpose to Senators who are interested, but that I do not thereby lose the floor.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the unanimous-consent request is that the Senator from Oregon will not lose the floor. It is not a unanimous-consent request that we set a time for a vote.

The PRESIDING OFFICER. The Chair will state his understanding, which is that the Senator from Oregon has asked unanimous consent that he may be allowed to yield to the Senator from Washington and the Senator from New Mexico to discuss the question of reaching a unanimous-consent agreement for voting tomorrow or at some other time, without the Senator from Oregon losing the floor.

Mr. KNOWLAND. Reserving the right to object—and I do not intend to object to the unanimous-consent request of the Senator from Oregon—I believe that if we are going to enter into any unanimous-consent agreement for a time certain, we should have a quorum call.

Mr. MAGNUSON. I was merely going to propose that the majority leader ask unanimous consent that we vote on the amendment offered by the Committee on Interior and Insular Affairs at 4 o'clock tomorrow, or at 3 o'clock. That would be agreeable to me, unless the majority leader desires to fix another time.

Mr. CHAVEZ. I would have to object to a unanimous-consent agreement setting any such time for voting on the amendment, because it is my purpose to make a motion tomorrow to table the amendment offered by the Senator from Wyoming.

Mr. MAGNUSON. That disposes of the matter.

The PRESIDING OFFICER. Objection is heard.

Mr. MAGNUSON. A motion to table is not debatable, but if the Senator from New Mexico would withhold making his motion until after Senators who wish to speak on the pending question had sufficient time to speak on it——

Mr. CHAVEZ. I will not make my motion until tomorrow, in order to give Senators further opportunity to speak on the subject.

Mr. CORDON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CORDON. First I yield to the Senator from Illinois.

Mr. LUCAS. As I stated earlier, we shall sit tomorrow until we finish the bill, and possibly we may have to sit tomorrow evening. I believe we should finish consideration of the bill this week. We have taken a long time to discuss this one amendment. Apparently Senators cannot get together, and there is no likelihood of adjusting the differences which exist. It seems to me the time has come when we are in a position to vote the amendment either up or down. Certainly every Senator knows how he

is going to vote. Of course, Mr. President, the agreement to call the calendar tomorrow which was entered last Tuesday, will have to fall by the wayside, because under the unanimous-consent agreement it would be necessary to finish consideration of the pending bill in order to take up the calendar tomorrow. There will be no session on Saturday, but there could be one tomorrow evening.

Mr. CHAVEZ. I would be in favor of it.

Mr. WHERRY. Mr. President, do I understand correctly that under the majority leader's last observation, there will be no call of the calendar tomorrow?

Mr. LUCAS. There cannot be under the agreement we reached Tuesday.

Mr. WHERRY. That was my understanding of what the majority leader said, but I wanted to be certain about it. There will be no calendar call tomorrow, and we shall continue to debate the pending measure.

Mr. LUCAS. That is all we can do.

Mr. WHERRY. And we may hold a night session, if necessary.

Mr. LUCAS. The Senator is correct.

Mr. CORDON. Mr. President, may I inquire whether the majority leader has given consideration to the question of perhaps having tomorrow's session convene at 11 o'clock, rather than at 12 o'clock?

Mr. LUCAS. I thank the Senator for the suggestion.

Mr. CORDON. Mr. President, I wish to discuss other features of this proposal. I do not know what the desire of the majority leader is with regard to a recess. If there is to be a recess, I desire to ask consent that I have the floor when the Senate reconvenes tomorrow, because I have not completed my statement. I assure the majority leader, and other Senators who may desire to speak, that I do not desire to use that right to the extent of cutting off any other Senator, and that I will hurry my remarks as much as I can in order to shorten the time consumed tomorrow.

Mr. LUCAS. Of course, I have no objection to that.

The PRESIDING OFFICER. Does the Senator ask unanimous consent that on the convening of the Senate tomorrow he have the floor?

Mr. CORDON. I ask unanimous consent that upon the convening of the Senate tomorrow I may have the floor for the purpose of completing my statement on the pending bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. CORDON. Mr. President, I desire to continue this evening to the time when the majority leader desires to have the Senate take a recess.

Mr. LUCAS. There are a few matters on the executive calendar to be considered, and probably some other Senators desire to speak.

Mr. CORDON. It will be satisfactory to me to yield the floor for the evening for the other matters.

ORDER OF BUSINESS

Mr. MORSE obtained the floor.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MORSE. I assure the Senator from Illinois that the two statements I have to make will be very brief, if I may have permission to do so at this time.

Mr. MAGNUSON. Will the Senator yield for a unanimous-consent request?

Mr. MORSE. It will take me probably less time than it will take the Senator from Washington.

Mr. MAGNUSON. I merely desire to have something inserted in the RECORD.

Mr. MORSE. I yield.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. LUCAS. Mr. President, I ask the Senator from Oregon if he will not yield to Senators who have matters to place in the RECORD without any debate.

Mr. MORSE. With that understanding, I am glad to yield.

(At this point Mr. MORSE yielded to several Senators to insert matters in the RECORD, which appear elsewhere under the appropriate headings.)

TAXATION OF LIFE INSURANCE COMPANIES

Mr. GEORGE. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. GEORGE. Mr. President, I am hopeful that I may get consent to call up a joint resolution which is on the calendar. I have conferred with the distinguished Senator from New Mexico, and at this time he is not objecting.

Mr. President, the joint resolution to which I refer is the so-called life insurance tax measure, which passed the House some time ago. The Finance Committee has considered it, has held hearings on it, and made a report, and the bill is on the calendar.

This measure is of an urgent nature, for the reason that when it passes the Senate it must go to conference, and the conferees will be compelled to consider it, and inasmuch as time is elapsing, it is very important that this particular measure, which means a considerable item of money to the Treasury, be considered as early as possible.

It is House Joint Resolution 371, Calendar No. 1446. It was reported unanimously by the Finance Committee with certain amendments.

Mr. WHERRY. Mr. President, did the distinguished Senator from Colorado [Mr. MILLIKIN] attend the meetings of the committee which considered the bill?

Mr. GEORGE. He did; and the Senator from Colorado agreed to the report. He also made a motion which prevailed in the committee, as I now recall, or at least he joined in it.

Mr. President, this is a very simple matter, but is a very important one, because it may mean further loss of revenue to the Treasury unless we act promptly on the bill, get it into conference, and adjust any differences through the conference committee. The distinguished Senator from Colorado, of course, would be one of the conferees.

Mr. WHERRY. Mr. President, in view of the fact that the vote on any bill may be reconsidered within the time allotted in the rules, I do not feel disposed to object to the immediate consideration of the joint resolution, on the statement made by the distinguished chairman of the Committee on Finance. We have referred matters affecting the Finance Committee to the Senator from Colorado, the ranking minority member on the committee, and I am satisfied, with the statement made by the distinguished Senator from Georgia, that it can be worked out with the Senator from Colorado.

Mr. GEORGE. I shall be glad to put in the RECORD a brief statement which explains the matter. I can say that for more than a year negotiations have been proceeding between the life-insurance companies and a subcommittee of the Committee on Ways and Means of the House of Representatives. Under the insurance formula which was enacted in 1942, the insurance companies have paid no taxes since 1946, that is, for 1947, 1948, and 1949 they have paid no taxes.

When the question came to the Committee on Finance, the committee was not willing to tax retroactively for 1948 and 1947. But it was willing to tax for 1949, because that tax has not yet been paid. The corporations, of course, pay quarterly, and while there would be very little tax for 1949, probably none, that is still an open year, and the Finance Committee decided that we would apply the existing formula, that is, the formula which the House committee recommended, and which the House approved for the year 1949, and apply to the current year 1950 the same formula, so that during the current year, and before the expiration of the first session of the next Congress, the whole formula may be restudied.

I think there is no objection on the part of any insurance company to this particular measure. Some did object to making the tax retroactive to 1948 and 1947.

I may say to the distinguished Senator from Nebraska that my judgment is, from my study of decisions and my general view of the law, that we can make an income tax retroactive, but obviously there are sound grounds of public policy for opposing a retroactive tax. I am also convinced that if the test of reasonableness, under the peculiar facts in a given case, did not justify a retroactive income tax, the courts would strike it down, but so far as 1949 is concerned, and certainly so far as the current year is concerned, there can be no valid objection.

The distinguished Senator from Colorado [Mr. MILLIKIN] was very strongly opposed to making the tax retroactive for 1947 or 1948 and the committee agreed with him. In fact, the committee was unanimous. The distinguished Senator from Ohio [Mr. TAFT] was present, and a rather full representation of the minority side, indeed, as I recall, a full representation, was present. On neither the Democratic nor the Republican side of the table was there any disagreement over this particular compromise.

As I have said, the joint resolution must go to conference, inasmuch as the House has imposed the tax for 1947, 1948, and 1949, whereas the Senate committee recommends imposing it only for 1949 and for 1950, and is striking out 1947 and 1948.

Mr. WHERRY. Mr. President, on the statement of the distinguished Senator from Georgia, the chairman of the Committee on Finance, no objection will be made so far as the junior Senator from Nebraska is concerned. I might say that I would have deeply appreciated the opportunity to check with two or three Members on this side of the aisle prior to the joint resolution being brought up.

Mr. GEORGE. It was so uncertain as to a time when we could get the joint resolution up that I did not have a chance to notify the Senator.

Mr. WHERRY. I know that, and it is a very vital matter.

Mr. GEORGE. I shall be very glad to agree with the Senator that I will not ask for a conference today, and if at the end of the session tomorrow there is any occasion to reopen the matter, it may be done.

Mr. WHERRY. I thank the Senator very much. I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 371) to correct the formula used in computing the income taxes of life insurance companies for 1947, 1948, and 1949, which had been reported by the Committee on Finance with amendments.

The PRESIDING OFFICER. The clerk will state the amendments of the committee.

The amendments of the Committee on Finance were, on page 2, line 10, after the word "for", to strike out "1047, 1948, and 1949" and insert "1949 and 1950"; in line 12, after the word "in", to strike out "1947, 1948, or 1949" and insert "1949 or 1950"; on page 3, line 10, after "December 31", to strike out "1946" and insert "1948"; in line 16, after the word "for", to strike out "taxable years" and insert "the taxable year"; in line 17, after the word "in", to strike out "1947, 1948, and 1949" and insert "1949"; after line 17, to strike out:

SEC. 2. Every life insurance company subject to the taxes imposed by section 201 of the Internal Revenue Code shall, after the date of the Secretary's proclamation required by section 1 (c) of this joint resolution and on or before the 15th day of the third month following the close of the month in which this joint resolution is enacted, make returns for its taxable years beginning in 1947, 1948, and 1949 with respect to the taxes imposed by such section 201 (determined with the amendments made by the first section of this joint resolution). The return required by this section for any taxable year shall constitute the return for such taxable year for all purposes of the Internal Revenue Code; and no return for such taxable year, with respect to the taxes imposed by section 201 of such code, filed on or before the date of such proclamation shall be considered for any of such purposes as a return for such year. The taxes imposed by section 201 of such code (determined with the amendments made by the first section of this joint resolution) for each such taxable year shall be paid on the 15th day of the third month following the close of the month in which this joint resolution is enacted, in lieu of at the time prescribed in section 56 (a) of such code. All payments with respect to the taxes for each such taxable year imposed by section 201 of such code under the law in effect prior to the enactment of this joint resolution, to the extent that such payments have not been credited or refunded, shall be deemed to be payments made at the time of the filing of the return required by this section on account of the taxes for that year determined with the amendments made by the first section of this joint resolution.

And on page 4, after line 22, to strike out:

SEC. 3. If any insurance company which was placed in receivership and its business operated by another insurance company as a separate fund under a management contract approved by the court having jurisdiction of the receivership, for the benefit of the policyholders of such company in receivership, and the management contract has, pursuant to its terms, terminated and final distribution and accounting made to the policyholders with the approval of the proper State supervisory officials, then the tax imposed by this joint resolution insofar as it applies to the business operations for the years 1947 and 1948 of any such separate fund so terminated, shall not apply.

The amendments were agreed to.

The PRESIDING OFFICER. That completes the amendments of the committee.

Mr. GEORGE. Mr. President, with the permission of the Senate I should like to offer a brief statement which explains precisely what the joint resolution, as amended, would do.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GEORGE

Mr. President, I wish to call up for consideration House Joint Resolution 371 relating to the taxation of life-insurance companies.

Life-insurance companies are at present subject to tax upon their investment income, that is, their income from interest, dividends, and rents, and their deductions are limited to the exepenses and other items which are allocable to such income. In addition, the insurance companies are allowed a special credit against net investment income, which represents earnings on their reserves necessary to meet the claims of the policyholders.

The figure used in computing this credit is determined and proclaimed by the Secretary of the Treasury in accordance with a formula prescribed in the 1942 Revenue Act. Under the formula, there are two important elements, one based upon an arbitrary assumption that the policyholders' reserves yield a return of 3¼ percent, and the other, based upon the average rate actually used by all of the life-insurance companies to meet their policy reserve requirements for the preceding year. The 3¼ percent rate is weighted 65 percent and the average industry rate 35 percent. While representative of 1942 conditions, it is apparent that the 3¼ percent rate is too high today since taking the combined rate on old and new business, the average rate of interest earned by the companies is less than 3 percent and is declining steadily. On some contracts, the rate is as low as 2 percent. The result of the formula therefore is to completely exempt life-insurance companies from the payment of any tax on their life insurance business for the years 1947 and 1948. And if the present formula is retained, it seems clear that no tax will be payable for the year 1949.

House Joint Resolution 371 attempts to correct this situation by amending the formula to eliminate the arbitrary rate of 3¼ percent, and to base the formula upon the average rate assumed for the policy reserves of all life insurance companies for the preceding year.

The House resolution makes this change in the formula to cover the years 1947, 1948, and 1949. Your committee bill provides for the same change in the formula as that contained in the House bill but does not make the change retroactive to the years 1947 and 1948. It applies the revised formula to the years 1949 and 1950. Your committee agrees with the House bill that there is not sufficient time to work out a permanent plan for the taxation of life-insurance companies at this session, and therefore, continues the revised formula through 1950. It is estimated that the additional income to be derived from your committee bill is approximately $112,000,000. Of this amount, $42,000,000 will be derived from the year 1949, and $70,000,000 from the year 1950. Under the House bill, which applies to the years 1947, 1948, and 1949, the estimated yield is approximately $98,000,000, of which $29,000,000 is derived from 1947, $28,000,000 from 1948, and the balance from 1949.

The reason the Finance Committee did not believe the resolution should be applied to the years 1947 and 1948 is set forth in the committee report, and I will read the following from that report:

"Your committee does not believe it advisable to apply the formula retroactively to the years 1947 and 1948. The returns for those years were filed some time ago; the books of the companies have been closed; and in some cases no reserves were established to cover the Federal tax liability. Testimony before your committee disclosed that some companies had made commitments in those years relying on the fact that no Federal income tax was payable under existing law. In some cases the payment of a tax now would impose a hardship upon the policyholders.

"The committee believes that the constitutionality of a tax imposed at this time on 1947 and 1948 incomes is at least debatable. From the testimony it is evident that some companies will contest the validity of such a tax. Others may be forced to do so through action of their policyholders.

"Even if your committee were of the opinion that a tax now levied on 1947 and 1948 incomes would be upheld by the Supreme Court, it would still oppose retroactivity extending over such a long period of time. The committee believes that the extension of a tax to 1947 and 1948 at this late date would not be a sound and reasonable step from the standpoint of fundamental public policy which requires that a taxpayer's obligation to his Government be made definite and certain at the time the tax is due.

"The House report lays great stress upon the history of the preliminary negotiations between the Treasury Department and the representatives of the two associations of life-insurance companies, which have been in process ever since the autumn of 1947. However, your committee does not regard the negotiations as putting the insurance companies on notice that the Congress might adopt retroactive legislation extending as far back as 1947 and 1948. In fact some of the witnesses before your committee testified that they had no notice that such retroactive legislation was contemplated, even by the Treasury Department, until August 1949.

"On the other hand, the life-insurance companies have certainly been on notice that a revision of the formula was being consid-

ered by the Congress for the year 1949, at least since October 10, 1949, the date House Joint Resolution 371 was introduced in the House. This date is over 2½ months before the end of the calendar year 1949 and 5 months before the due date for filing 1949 returns."

I am also submitting for the record a table showing the taxes paid by life-insurance companies from 1929 through 1946. As I have stated, life-insurance companies paid no tax on their life-insurance business for the years 1947 and 1948 under the existing law, and will pay no tax for 1949 unless this formula is revised.

Federal income tax of life-insurance companies, 1929–46, 1949: Number of tax returns, net investment income, and tax liability

[Dollar amounts in thousands]

Taxable year	Number of returns	Net investment income [1]	Tax	
			Amount	Percent of net investment income
1929	659	$716,512	$12,097	1.7
1930	649	775,118	12,843	1.7
1931	631	781,470	10,348	1.3
1932	622	766,067	10,811	1.4
1933	626	697,070	2,451	.4
1934	668	707,277	1,840	.3
1935	665	684,156	410	.1
1936	665	724,911	499	.1
1937	673	721,719	392	.1
1938	722	742,191	493	.1
1939	730	775,673	459	.1
1940	785	816,140	738	.1
1941	776	950,194	1,190	.1
1942	719	1,027,713	27,427	2.7
1943	732	1,098,965	34,482	3.1
1944	668	1,157,114	34,462	3.0
1945	715	1,256,521	24,725	2.0
1946	806	1,296,328	21,825	1.7

[1] Consists of interest, dividends, and rents received, less deductions allowed for investment expense, taxes paid, depreciation, and other real-estate expenses. This item excludes wholly tax-exempt interest received which in 1944, for example, amounted to $52,538,000, and does not take into account (1) special deductions and credits allowed life-insurance companies for the maintenance of reserves, (2) deductions and credits for interest paid, or (3) net operating loss deductions applicable in the years 1940–41.

Source: Statistics of Income.

Mr. MORSE. Mr. President, I am a little disturbed about this procedure. I am in favor of the bill. I did not quite follow the understanding that was reached, if there was an understanding, with the minority leader, as to what the status of the joint resolution is going to be tomorrow if we proceed to take action upon it tonight in the absence of a quorum call. I think everyone knows my great respect and regard for the senior Senator from Georgia, but I do not know whether or not in the eyes of many of my colleagues this is a controversial measure. I simply do not like, as a matter of procedure, passing a bill in the absence of a quorum call so that at least Senators can have notice that a vote is going to be taken. I do not think it is good procedure. Thirty minutes from now we may discover that some Senator will come on the floor and say in effect, "I did not have the slightest idea that this bill was going to be called up, and I am vigorously opposed to it." I have on other occasions suggested the absence of a quorum in a situation such as this, and I am inclined to do it again unless there was some understanding about the measure.

Mr. GEORGE. I may say to the Senator from Oregon that the understanding was that I would withhold any motion this afternoon for the appointment of conferees on the part of the Senate on the bill, allowing it to remain here until the end of tomorrow's session before doing that, so that if any Senator has any objection and wishes to reopen the matter, he can do so tomorrow.

Mr. MORSE. On the basis of that understanding, and I believe it to be a fair understanding, I have no objection.

The PRESIDING OFFICER. What has just been stated by the Senator from Georgia was the understanding of the Chair.

Mr. WHERRY. I want to say that that was the understanding with the distinguished Senator from Georgia upon which we all rely.

Mr. GEORGE. There will be no question about that.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 371) was read the third time, and passed.

The title was amended so as to read: "Joint resolution to correct the formula used in computing the income taxes of life-insurance companies for 1949 and 1950."

ONE HUNDRED AND SEVENTIETH ANNIVERSARY OF PATRIOTS' DAY

Mr. SALTONSTALL. Mr. President, I ask unanimous consent for the present consideration of House Concurrent Resolution 190, Calendar No. 1431. I have taken this matter up with the chairman of the Committee on the Judiciary [Mr. McCARRAN], with the majority leader and with the minority leader, and it is agreeable to them that the Senate take action on the measure today. It is a concurrent resolution providing for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events which took place on April 19, 1775. The measure involves no money. It involves the appointment of five Members of the House of Representatives and three Senators to represent the Congress at the celebration. I hope the resolution may be considered and adopted at this time, because it will have no value unless passed promptly.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. LUCAS. I have no objection, and I am very glad to cooperate with the Senator from Massachusetts in having the concurrent resolution adopted.

Mr. SALTONSTALL. I thank the Senator from Illinois.

Mr. WHERRY. I have no objection to the present consideration of the concurrent resolution.

Mr. SALTONSTALL. I thank the minority leader.

Mr. MORSE. Mr. President, again I must rise to say that I think this sort of procedure is not desirable. I am interested in some bills on the calendar which I should like to have considered and passed today. If we begin this sort of procedure, if we begin to have this kind of short call of the calendar, why not all of us get into the river and swim together? If the Senator from Massachusetts wants to have the Senate consider his measure other Senators may feel inclined to ask for consideration of measures in which they are interested, and may begin some sort of horse trading. But on second thought, I would not even agree to anything like that. The procedure is bad. I object.

Mr. SALTONSTALL. Mr. President, I will appreciate it if the Senator will reserve his objection for a moment.

Mr. MORSE. I am glad to do that.

Mr. SALTONSTALL. The House concurrent resolution was adopted unanimously on the floor of the House last week. It would simply permit representation of Congress at the one hundred and seventy-fifth anniversary of the battles of Lexington and Concord. If action is not taken now there is no use to take action later. The concurrent resolution was reported from the Committee on the Judiciary at least a week ago. I have taken the matter up several times with the senior Senator from New Mexico [Mr. CHAVEZ]. I have cooperated with him in not pushing for action when he has asked me not to do so, several times in the past. I appreciate the fact that the Senator from New Mexico is not offering objection at the present time. I hope the Senator from Oregon will not object at this time because as I said, unless action is taken now, it will be useless to act later.

Mr. MORSE. Mr. President, the powers of persuasion of the Senator from Massachusetts are overpowering on the Senator from Oregon. He is not going to object. But to the extent that he can make it clear he wants to say, that were it not for the fact that this is what might be called a ceremonial resolution, without any great substantive legislation being involved, he would object. However, as a matter of cooperation with my good friend from Massachusetts, and because there are no substantive legislative features involved, I will not object.

I hasten to add for the RECORD, so that someone will not at some other time wrap it around my ears as a precedent, that I establish no precedent insofar as my future conduct is concerned, because I shall object as a matter of policy when any request is made to take substantive legislation out of order from the calendar on an occasion such as this. I do not object.

Mr. SALTONSTALL. I thank the Senator from Oregon. By withdrawing his objection I will say to the Senator from Oregon that he joins the majority leader and the minority leader in becoming minute men of 1950.

The PRESIDING OFFICER. Is there objection to the present consideration of the House concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 190) providing for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775, was considered and agreed to.

The preamble was agreed to.

Mr. LUCAS. Mr. President, I wish to express my gratitude to the Senator from Oregon for withdrawing his objection, because the Senator from Massachusetts has been very diligent in contacting the Senator from Illinois and trying to obtain action upon the concurrent resolution. It is a highly patriotic one and I am very happy to be considered as a "Minuteman of 1950," because I have gotten a minuteman off my back by the adoption of the concurrent resolution.

Mr. WHERRY. Mr. President, will the Senator yield so I may make an observation with respect to the subject of the minutemen?

Mr. LUCAS. I am glad to yield.

Mr. WHERRY. I am glad the concurrent resolution has been agreed to. The Senator from Massachusetts has also been on my back in an attempt to have it considered. I want to point out that we have agreed to one measure in the Senate, containing no appropriation, in the matter of a minute.

LACK OF TELEVISION STATIONS IN THE PORTLAND, OREG., AREA

Mr. MORSE. Mr. President, the citizens of the Portland, Oreg., metropolitan area are greatly disturbed at what they regard—with a very substantial measure of justification, in my opinion—as the undue delay of the Federal Communications Commission in making television facilities available to them. I believe it important for Senators to realize that the policies being pursued by the FCC are effectively, but with no apparent justification, preventing the construction of television stations and stifling the development of related businesses in the Portland area. It so happens that Portland is the largest city in the United States without television, and with no prospect of obtaining television service in the immediate future unless the FCC alters its policies or resolves issues which it has been studying for about 2 years. The Governor of Oregon and many citizens of the Portland area have written to me about this problem; thousands have signed petitions urging that the television freeze be lifted; and the city councils of Portland and neighboring Milwaukie, Oreg., and Vancouver, Wash., have passed resolutions requesting that television facilities be made available.

I ask unanimous consent that certain correspondence I have had with Mr. Wayne Coy, Chairman of the FCC, together with related communications, an editorial from the Oregon Daily Journal, and the resolutions referred to be printed in the RECORD at this point.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *February 7, 1950.*

Senator WAYNE MORSE,
Senate Office Building, Washington, D. C.:

The Federal Communications Commission has with a single sweeping arbitrary ruling prevented the people of Portland area from having television in their homes and has at the same time virtually eliminated the radio business in the area. From daily contact with the citizens of Portland we have found they do not want to wait for color television. They just want television like other places have. Frank M. Folsom, president, Radio Corp. of America, says television is now a billion-dollar-a-year industry and expects three to four million receivers to be sold in 1950. By what right does the Federal Communications Commission assume authority to discriminate against Portland residents and business in this matter? Their own reason for the freeze—interference between stations—is not valid in Northwest and industry leaders have almost unanimously gone on record in trade publications to the effect that the freeze should have been lifted long ago and in any event should be lifted now. Color television would be a nice thing but the additional cost and waiting is not justified by program material available in color. I urge that you immediately call the attention of Congress to the dilatory activities of the Federal Communications Commission and further that you set in motion whatever means necessary to force the immediate issuance of construction permits to television stations in Portland.

BEN R. OSTLIND,
Dutch Village Radio Co.

FEBRUARY 10, 1950.

Mr. WAYNE COY,
Chairman, Federal Communications Commission, Washington, D. C.

DEAR MR. COY: Enclosed is a wire which has been sent to me by Mr. Ben R. Ostlind, Dutch Village Radio, 4110 Northeast Fremont Street, Portland, Oreg.

I should like a rather complete report concerning the basis of the ruling, together with any plans which the Commission may have under consideration to relieve the situation in the Portland area. It will be appreciated if the wire is returned to me for filing.

Sincerely yours,

WAYNE MORSE.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D. C., February 17, 1950.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: This will reply to your letter of February 10, 1950, enclosing a telegram sent to you by Mr. Ben R. Ostlind, Dutch Village Radio, 4110 Northeast Fremont Street, Portland, Oreg. In his telegram Mr. Ostlind refers to the television freeze and states that "from daily contact with the citizens of Portland we have found they do not want to wait for color television." The following information may be of interest to Mr. Ostlind in connection with this matter.

This Commission issued its freeze order with respect to new television authorizations on September 30, 1948, because of serious interference resulting from tropospheric propagation existing under the television allocation plan of 1945 now in use. The Commission discovered as stations began operating under this plan that too little mileage separation was provided between cochannel and adjacent channel stations and that the resulting interference was quite severe. This freeze order did not discriminate against Portland but applied to the entire country. However, the freeze order did not affect the construction of stations where construction permits had been authorized prior to its issuance.

The interference problem was referred to an ad hoc committee composed of Commission, Bureau of Standards, and industry engineers. This committee studied the problem for a period of several months and finally made recommendations to the Commission for a greater mileage separation between stations. In the early summer of 1949 the Commission issued a proposed new allocation plan based on the ad hoc committee's report; however, at the same time the Commission announced that it would receive evidence concerning the use of the very high and ultra high frequency bands for color transmissions in addition to black and white.

The color portion of the hearing began on September 26, 1949, and from that date until the end of November the Commission was in rather continuous session hearing testimony on the proposed color systems and viewing demonstrations of two such systems. Three color systems have been proposed to the Commission, but not a single one of the proponents of these systems offered any evidence in the hearings held last fall on the vital question of the required mileage separation between stations utilizing its method of televising color. This information is an essential prerequisite to the allocation of television frequencies. For example, if we should discover that a greater interference results from the transmission of color than now exists in black and white, a greater geographical spacing would be required between stations in order to permit the dual use of these channels for both black and white and color television. It seems to me that if the Commission failed to obtain such information prior to allocating channels and later developments disclosed that a much greater separation was necessary, the Commission would be derelict in its duty and the public would be the loser insofar as good television service is concerned.

Although your constituent submits that he doesn't want to wait for color television, I don't believe that the color issue can be isolated from the freeze and treated as a separate problem. Moreover, the proponents of the color systems under consideration realize this and since last December have been engaged in conducting field tests directed at obtaining the information required by the Commission in order to establish a proper mileage separation between stations. We expect to obtain this information in the record of the hearings beginning February 27, and it is my hope that the data supplied will be adequate to permit the Commission to determine at that time what the necessary separation should be both for black and white and color stations. For your information, there is an indication that the separation will be the same for both; the only reports which I have seen (those filed by RCA) so indicate.

The only way I know to separate the color television issue from the freeze would be for the Commission to abandon the idea of using the presently allocated television channels for both black and white and color transmissions and, in addition, to abandon the idea of using these channels for color in the future unless both color and black and white can be fitted into identical patterns. To rely on this last highly speculative possibility would appear to me to be unwise especially when we have it in our power now to determine whether or not black and white and color transmissions have the same propagation characteristics and thus can be accommodated by the same plan.

I trust that the foregoing information may be of some assistance to your constituent in understanding the Commission's role in this matter, and his telegram is being returned herewith in accordance with your request.

Sincerely yours,

WAYNE COY,
Chairman.

MARCH 20, 1950.

Hon. WAYNE COY,
Chairman, Federal Communications Commission, Washington, D. C.

MY DEAR COMMISSIONER: Thank you for your letter of February 17. I have made its contents known to Mr. Ostlind and to others who are supporting his position and who have urged me to request further considera-

tion of the matter by the Federal Communications Commission.

I submit the enclosed letter from Mr. Ostlind, and also a copy of the petition which is being circulated appealing for the lifting of the television freeze in the Portland, Oreg. metropolitan area.

Although I realize that I speak from the layman's standpoint and not with technical knowledge, it seems to me that very sound arguments have been submitted in support of the immediate lifting of this freeze. Certainly, there appears to be gross discrimination in that a city the size of Portland, Oreg. has no television and probably is unique in that lack. Most seriously, therefore, I appeal for further consideration of this matter by your Commission.

Eventually, when Mr. Ostlind's letter is no longer of use to you, I shall appreciate its return.

Sincerely,

WAYNE MORSE.

PORTLAND, OREG., *March 13, 1950.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Thank you for your letter of March 2, 1950, enclosing a copy of a letter from the Chairman of the Federal Communications Commission. It is with pleasure that I accept your offer of further assistance in the matter of the television freeze. At the risk of making this an excessively long letter I am going to résumé the entire history of the television situation for the Portland area, up to date.

Back in September 1948, just before the freeze was announced without warning, the situation was roughly this: Four or more local radio stations had previously applied for television construction permits, at least some of which were granted. Several of the applicants being involved in other major projects at this time, (KGW-Oregonian, new building; KPOJ-Journal, new building; KEX-Westinghouse, new 50,000-watt station), they had allowed their construction permits to lapse temporarily, expecting, more or less reasonably, that they could be formally renewed when construction was about to commence. In the normal course of events it is apparent now that one or more of the applicants would have started construction by spring of 1949 at the latest, in which case Portland would now be enjoying the benefits of television along with all other cities of its size and larger. On September 30, 1948, the Commission issued an unprecedented freeze order because of interference between stations operating cochannel and adjacent channel with too little mileage separation. At this time it was announced as a temporary freeze of probably 6 months' duration.

Now, it is perfectly reasonable to freeze additional authorizations in areas which are so closely situated that existing stations are causing severe interference with each other; but wait: In our area we have no stations existing, and no other population centers capable of supporting a television station, within the latest revised mileage separations for cochannel and adjacent channel, and no proposed stations which would interfere with the proposed Portland stations. It is immediately obvious that the freeze, which was caused by closely situated television cities in the East, had no basis in fact and was not justified in the Northwest area.

Shortly after the freeze was applied it became known that Portland did have one C. P. in good order which had come in under the wire. It was a permit granted to a Hollywood, Calif., concern called Video Broadcaster, Inc., and composed of California promoters and stockholders. It is believed that Mr. Tom Brenneman of radio fame was the principal stockholder and was to have supplied the money for the enterprise. Mr. Charles Brown, president of this corporation, made many appearances and public statements here, and actually promised that his station would be operating by June 1949. The unfortunate death of Mr. Brenneman was a crippling blow to the Video concern, and although there was considerable negotiating done locally it was never arranged for Video to continue and the Commission was rightly forced to rescind the C. P. due to lack of actual construction. There has since been much criticism of the other applicants for not buying the permit of Video, but there are FCC stipulations concerning such an exchange making it an unreasonable business deal and further, who would pay royalty to obtain something that was rightfully their right anyway, and especially since the freeze was represented as only temporary. The whole thing is further complicated by the fact that because of the heavy investment involved in television stations (approximately $500,000 for facilities and first year operation), and because of the probability of losing money during early operations, no one applicant is too anxious to jump into the thing unless the element of competition is present which forces them to go ahead.

In the intervening time since the freeze, the rest of the United States has television and the magazines are full of it. Progressive Portland citizens, refusing to believe that progress could be so completely stymied, have gone ahead and purchased approximately 1,000 television receivers and continued news and magazine reports together with expectant radio and television dealers have conditioned the people to where they are actually television-minded. We have been on this status for the last year and have had nothing but rumor to go on. It is apparent that unless something positive is done now this intolerable condition will go on for 2 years more. So much for history.

Now I want to make clear my position in this thing and why I am interested. I am married, have two children, own my home, Air Force veteran, 30 years old, and trying unsuccessfully to make a living as a radio dealer. My store is a neighborhood store of the type where we know most of our customers by name and they look to us for honest guidance in their radio and appliance needs. My customers, and almost everyone I know, all look forward to having television in their homes, and they are not about to replace their large radios when they fully expect to buy a television set in a few months. All radio dealers here are constantly beseiged by people demanding to know, "When are we going to get a station here?"

I happened to be reading a trade magazine about how many million television sets would be sold in 1950 and reflecting on our own television possibilities. The combined situations made me a little hot under the collar and I thereupon sent you the telegram of February 6. I gave copies of this telegram to a few other dealers and distributors and said in effect, "Let's do something about the freeze." I found that all that was needed was a fuse and we were soon meeting to consider what to do. The Portland Television Now Committee was formed with the aim of telling the people of Portland why they don't have television and to furnish you and our other Congressmen with conclusive evidence of a specific and widespread public demand that television be authorized here immediately.

To this end we have started circulating petitions as per the enclosed copy and we will provide you with the signatures of 100,000 responsible residents of this area. We have had these petitions out 1 week and have about 25,000 signatures at the present time. This without newspaper or radio publicity. Now the ball is rolling and the newspapers are anxious to print the entire facts surrounding the television freeze for the people of Portland. We are steadily picking up strength, and because of the universal appeal of television, we meet about 99 percent response when people are given the opportunity of expressing themselves in this matter. I am sure that by March 31 we will be able to forward to you these 100,000 signatures and sincerely expect to show enough public opinion to force some realistic thinking and action on the part of the Federal Communications Commission.

In regard to Mr. Coy's reply to my telegram, I am sure you will agree that certain standards for television are now permanently set by virtue of the hundred-odd conventional very high frequency television stations now operating on channels 2 to 13, inclusive, and it would change the over-all picture but little to withhold Portland allocations indefinitely.

The freeze order in itself perhaps did not discriminate against Portland. However, in effect it did discriminate against Portland to the end that Portland is now the largest city in the entire country which does not have television. We are not advocating the lifting of the entire freeze now, but by all means it should be lifted now for Portland because it is constituting an undue hardship in this area and has no reason for justification. Is it not foolish to maintain that it cannot be lifted here until all problems are solved for all time for all the areas in the country?

The question of color television is something that has been greatly overemphasized. Authorities in the field almost unanimously say that color will not be commercially feasible until 1953 at the earliest. When it does come, it will inevitably be a system that can be worked in with the present black and white, i. e., compatible.

I believe Mr. Coy knows what the outcome of color hearings will be—a fully compatible color system. Channel allocations are not terribly complicated for Portland. After all, they can't hope to obsolete these same channels for all other sections just because Portland frequencies remain open.

And so, Senator MORSE, you may expect to hear more from me and from the Portland Television Now Committee, and in the meantime I hope this letter will be of assistance to you in understanding our predicament.

I am sure the people of Oregon will appreciate it if you will aid in getting the freeze lifted here.

Thanking you, I remain,

Sincerely yours,

BENJAMIN R. OSTLIND.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D. C., March 24, 1950.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I have your letter of March 20, 1950, in which you enclose a letter sent to you by Mr. Benjamin R. Ostlind, 4205 Northeast Thirty-ninth, Portland, Oreg., together with a copy of a petition now being circulated to lift the television freeze in Portland, Oreg. In his letter Mr. Ostlind reasserts his views on the freeze as expressed in his previous correspondence.

In my letter of February 17 in connection with your constituent's earlier correspondence I stated the reasons for the imposition of the freeze on new television authorizations and why the freeze cannot be lifted until a final determination of the issues being considered in the current television rule-making proceeding. I wish to reiterate that the freeze does not discriminate against Portland but applies to the entire country, and action on applications from more than 150 different communities is awaiting the lifting of the freeze.

As noted in my previous letter, the freeze order did not affect the construction of stations whose construction permits had been authorized prior to September 30, 1948, the date of the freeze order. One such permit

had been granted to the Video Broadcasting Co. for a television station in Portland (File No. BPCT-340). (The Commission's records do not disclose that Mr. Tom Brenneman had any connection with this organization as maintained by Mr. Ostlind.) A 6-months' extension of time to complete construction was granted Video on February 16, 1949. However, construction was still not begun; and an application for further extension of completion date was designated for hearing on August 4, 1949, on issues relating to diligence pursuant to section 319 (b) of the Communications Act of 1934, as amended. Since Video failed to appear at the hearing, its application was denied and its construction permit forfeited. No application had been filed by Video for the transfer of its permit.

While your constituent urges a partial lifting of the freeze in the Portland area, the Commission cannot authorize the construction of new stations in any locality until the completion of the current proceeding. The Commission must consider its allocation problems on a Nation-wide basis. Mr. Ostlind's suggestion overlooks the fact that any change in channel allocations in a particular city, or the retention of a particular channel allocation, would have a chain-reaction effect on allocations in distant areas. For example, if construction of new stations was authorized in Portland either on existing or proposed channels, channel allocations would be crystallized in areas over 200 miles distant; and allocations in areas 200 miles from the second area would in turn to be crystallized; and so on. Any such crystallization of channel allocations prior to the Commission's final determination would remove the element of flexibility which is essential if the Commission is to remain free to adopt a final allocation plan based on the soundest engineering principles.

I can assure you that we are very much aware of the need for lifting the freeze at the earliest practicable date. However, I deem it essential that the fundamental questions involved in the current hearings be determined before we lift the freeze. I sincerely believe that a determination of these problems confronting the Commission will, in the long run, benefit the viewing public and the industry.

A copy of Mr. Ostlind's letter has been associated with the appropriate file on this matter, and the original is being returned herewith in accordance with your request.

Sincerely yours,

WAYNE COY,
Chairman.

APRIL 13, 1950.

Hon. WAYNE COY,
Chairman, Federal Communications Commission, Washington, D. C.

MY DEAR MR. COY: I appreciate receiving your two letters of February 17 and March 24 in which you state the reasons of the Commission for the present television freeze, which is now preventing over a half million people in the metropolitan area of Portland, Oreg., from enjoying the benefits and entertainment of television broadcasting, as well as seriously retarding the development of all the industries associated with television in this area. As I understand the reasons set out in your letters, they are as follows: (1) The freeze was originally adopted on September 30, 1948, because of the possibilities of serious tropospheric interference due to insufficient mileage separation under the original channel allocation plan of 1945; (2) in the summer of 1949 the introduction of the issue of color television into the problem made the resolution of the situation impossible without also resolving the color issue; (3) the allocation problem must be considered and resolved on a national basis and, consequently, an area such as Portland must await the determination of the problem on a national basis. I should like to make the following comments on these points, in the order mentioned:

1. With reference to the argument based on tropospheric interference and insufficient mileage separation, it appears from your letter of February 17 that this issue was tentatively resolved in the early summer of 1949 by the issuance of a proposed new allocation plan. It is interesting to note that this new allocation plan does not propose to change the five very high frequency channels assigned to Portland in the original 1945 allocation. All that is proposed is an additional ultrahigh-frequency channel, making a total of six channels for Portland. This fact would seem to lead to the obvious conclusion that the problem of tropospheric interference is not applicable to Portland, although it may be a real problem in other parts of the United States.

In any case, it seems clear that the interference problem has not caused the delay in lifting the freeze since the issuance of the proposed new allocation plan in July 1949, because the phase of the current hearing concerned with the new allocation plan has not yet been reached, according to my information. In fact, I understand that the time for filing pleadings on this phase of the hearing expired on April 7, 1950. In that connection, it is also my understanding that no pleading has been filed with the Commission opposing or offering a counterproposal to the Commission's tentative allocations relating to Portland. Thus, it seems to me that no one is quarreling with the Commission's proposed allocations for this area, which were issued in July 1949.

2. It would appear that the delay in lifting the freeze up to this point has been due primarily to the Commission's position that it desired to resolve the color issue before making final the new allocation proposals. You state that this was necessary because of the possible effects of the introduction of color upon the allocation plan. Yet, I observe from the notice of hearing which the Commission issued concerning the color issue, that the Commission indicated it was interested only in 6 megacycle compatible color systems. Further, I understand from your letters and from other sources that the color portion of the hearings has advanced far enough to make it clear that none of the proposed color systems which the Commission might decide to adopt introduces any new interference problems or will require any special treatment in the allocation plan. If this is true, and if it is also true that the color portion of the hearings has about come to an end, the lifting of the freeze is certainly not dependent upon a final determination of the color issues which were introduced in the summer of 1949. In other words, any television broadcaster who is assigned a channel will be in a position to transmit black and white or color on that channel, and any set owner will be able to receive the broadcast at least in black and white. In short, the color issue, from the standpoint of the potential viewing public in Portland, is insignificant as compared with the fact that they are receiving no television broadcasts today.

3. The third point you make is that it is not feasible to lift the television freeze with reference to Portland because "any change in channel allocations in a particular city, or the retention of a particular channel allocation, would have a chain-reaction effect on allocations in distant areas." However persuasive that argument may be as to other areas, I simply cannot understand its application to Portland. In your 1945 allocation plan, channels 3, 6, 8, 10, and 12 were assigned to Portland. In the very limited proposed new allocation plan released on May 6, 1948, despite a radical reduction in the number of channels available to the Nation as a whole, the Commission still allocated Portland all the above channels except channel 12; and in the proposed allocation plan issued on July 11, 1949, the Commission again allocated to Portland channels 3, 6, 8, 10, and 12, and in addition, channel 17. It is my understanding that no one has objected to or offered any counterproposal which would affect the proposed allocation to Portland. In short, it seems clear that no chain-reaction effect would be produced on other areas if the Commission were now to assign to Portland the very channels it has proposed to assign.

The reasons of the Commission for continuing the freeze, in my judgment, have no application to Portland. It is not my desire to urge that any preferential treatment be accorded Portland, nor do I suggest that any action be taken now which would work to the detriment of other areas. I do suggest, however, that different facts call for different treatment, and hence if my analysis of the situation is correct, it is entirely feasible to lift the freeze now insofar as it applies to Portland without any injury to other areas.

While I appreciate that the issues before the Commission are technical and involved, I am disturbed by the fact that only the color portion of the hearings—which started last September—has been concluded at this time, although the freeze has been in effect for nearly 17 months. My information is that a final determination cannot be expected until the end of this year, according to estimates I have received based on the Commission's performance to date. A freeze originally represented as of a temporary nature will thus turn out to have a duration of more than 2 years.

Since the problems which occasioned the freeze have no application to the Portland area, it seems to me that the people of Portland are justified in protesting the continuation of the freeze as to them.

Sincerely yours,

WAYNE MORSE.

[From the Oregon Daily Journal of April 10, 1950]

TV FOR PORTLAND?

Television is just a rumor, insofar as Portland residents are concerned. The same goes for Denver and other cities caught in the Federal Communications Commission freeze.

Seattle has television. San Francisco has it. Los Angeles has it. So do 98 other cities. But not Portland.

It is not that Portland is not interested, either. Portland is interested. Approximately 35,000 residents of the area have signed petitions addressed to Oregon Congressmen, asking them to pressure the FCC into acting on the four applications filed by Portland radio stations—KPOJ, KEX, KOIN, and KGW.

The Portland Television Now Committee says there will be 100,000 signers soon.

The only answer FCC has, however, is its stock alibi: This problem is national. We cannot do any thing about Portland until the whole technical problem of mileage interference standards is resolved.

But for Portland, 200 miles from the Seattle station, and 700 miles from the San Francisco stations, this is no answer at all. There are plenty of good wavebands available here and no interference problems, such as those encountered in the overcrowded East.

In simple terms, the FCC is discriminating against Portland, as well as Denver, and other cities caught in the freeze. Its action is arbitrary.

Senator WAYNE MORSE of Oregon has bluntly told Wayne Coy, chairman of FCC, that its continued denial of the Portland applications for TV is gross discrimination. The Portland City Council has also petitioned FCC to unfreeze license applications. But Coy and the commission continue to sit tight.

In effect, Portland is already 2 years behind other cities on black and white video. Unless the FCC unbends, it may be another 2

years before this area gets either black and white or color video.

For the record, it should be pointed out that it costs money to set up a television station—a lot of money. Local stations with applications pending estimate it would take at least a half million dollars to put a TV station on the air and carry it for 6 months or a year, or until it could be made self-sustaining. A lot of eastern stations have been losing money in pioneering phases. Only a few are in the black. Quite understandably, prospective operators are not rearing to throw their money around. But that does not change the fundamental situation.

There are 5,000,000 TV sets in operation in America, another 5,000,000 coming up this year.

Portland continues to be the largest city in America without television—thanks to FCC.

Resolution 24371

Whereas by action of the Federal Communications Commission the metropolitan Portland area has been denied television facilities inasmuch as additional licenses for television have been under a freeze order of the said Commission on the basis of congestion of television channels; and

Whereas the city of Portland is the largest city in the United States that does not have television facilities, nor are such facilities available from other metropolitan areas, therefore no congestion exists in this area; and

Whereas petitions have been circulated addressed to the Oregon and Portland congressional delegation, and that the Council of the City of Portland should join in such petition as well as a direct petition to the Federal Communications Commission, inasmuch as the lack of television facilities may well result in serious, if not permanent, injury to the city's ability to compete with its principal rivals in the field of commerce, industry, and entertainment: Now, therefore, be it

Resolved, That the council does by this resolution endorse the efforts now being made to obtain television facilities for the city of Portland and the area adjacent thereto; and be it further

Resolved, That the city council does by this resolution respectfully petition the Federal Communications Commission to authorize and permit applications to be made for the establishment of television facilities in the city of Portland, and that the current freeze on licenses be removed insofar as Portland applications are concerned, inasmuch as no congestion exists in this area, and that applications are being made only for black and white television; and be it further

Resolved, That a certified copy of this resolution be addressed to the Honorable WAYNE L. MORSE and to the Honorable GUY CORDON, United States Senators from Oregon; and to the Honorable HOMER D. ANGELL, Representative in Congress from the Third Congressional District in Oregon; and that a certified copy be sent to the Federal Communications Commission, Washington, D. C.; and a copy entered upon the minutes of this meeting of the city council.

Adopted by the council March 16, 1950.

WILL GIBSON,
Auditor of the City of Portland.

"Resolution 4

"Whereas, by action of the Federal Communications Commission, the metropolitan Portland area has been denied television facilities by its action under the "freeze" order of the said Commission on the basis of congestion of television channels; and

"Whereas the city of Portland is the largest city in the United States that does not have television facilities, nor are such facilities available from other metropolitan areas, therefore no congestion exists in this area; and

"Whereas petitions have been circulated addressed to the Oregon congressional delegation, and that the council of the city of Milwaukie should join in such petition, as well as a direct petition to the Federal Communications Commission, inasmuch as the lack of television facilities may well result in serious if not permanent injury to this area to compete with the principal rivals in the field of commerce, industry, and entertainment: Now, therefore, be it

"*Resolved,* That the council by this resolution endorse the efforts now being made to obtain television for the city of Portland and the area adjacent thereto; and be it further

"*Resolved,* That the city council does, by this resolution, respectfully petition the Federal Communications Commission to authorize and permit applications to be made for the establishment of television facilities in the city of Portland, and that the current 'freeze' on licenses be removed insofar as Portland area applications are concerned, inasmuch as no congestion exists in this area and that applications are made only for black and white television; and be it further

"*Resolved,* That a certified copy of this resolution be addressed to the Honorable WAYNE L. MORSE and the Honorable GUY CORDON, United States Senators for Oregon, and to the Honorable WALTER L. NORBLAD, Representative from the First District in Congress; and that also a copy be sent to Federal Communications Commission, Washington, D. C.; and that a copy be entered upon the minutes of this meeting.

"Adopted by the council of the city of Milwaukie this 27th day of March 1950.

"FRED SPERR, *Mayor.*

"Attest:

"ELLEN MARTIN, *Recorder.*"

STATE OF OREGON,
County of Clackamas, ss:

I, Ellen Martin, recorder of the city of Milwaukie, Oreg., do hereby certify that the foregoing resolution is a true and correct copy of the resolution adopted by the council of the said city on the 27th day of March 1950.

ELLEN MARTIN.

RESOLUTION PASSED BY VANCOUVER, WASH., CITY COMMISSION, APRIL 5, 1950, ENDORSING THE LIFTING OF TELEVISION FREEZE IN PORTLAND-VANCOUVER AREA

Whereas by action of the Federal Communications Commission, the Portland-Vancouver area has been denied television facilities inasmuch as additional licenses for television have been under a "freeze" order of the said Commission on the basis of congestion of television channels; and

Whereas the city of Portland is the largest city in the United States that does not have television facilities, nor are such facilities available from other metropolitan areas, therefore no congestion exists in this area; and

Whereas petitions have been circulated addressed to the Oregon congressional delegation and that the Commission of the City of Vancouver, Wash., should join in such petition as well as a direct petition to the Federal Communications Commission, inasmuch as the lack of television facilities may well result in serious if not permanent injury to Portland, Vancouver, and adjacent area's ability to compete with its principal rivals in the field of commerce, industry, and entertainment: Now, therefore, be it

Resolved, That the city commission does by this resolution respectfully petition the Federal Communications Commission to authorize and permit applications to be made for the establishment of television facilities in the Vancouver, Portland area, and that the current "freeze" on licenses be removed insofar as this area's applications are concerned inasmuch as no congestion exists in this area and that applications are being made only for black-and-white television; and be it further,

Resolved, That a certified copy of this resolution be addressed to the Honorable WAYNE L. MORSE, and to the Honorable GUY CORDON, United States Senators from Oregon, and to the Honorable HOMER D. ANGELL, Representative in Congress from the Third Congressional District in Oregon, and Hon. WARREN G. MAGNUSON and to the Honorable HARRY P. CAIN, United States Senators from Washington, and to the Honorable RUSSELL V. MACK, Representative in Congress from the Third Congressional District of Washington, and that a certified copy entered upon the minutes of this meeting of the Commission of the City of Vancouver, Wash., and that the chamber of commerce, all labor organizations, civic groups, churches, fraternal orders, and service clubs and individuals write or petition the above-named representatives of the people in Congress urging removal of the above-named freeze.

V. B. ANDERSON,
Mayor, City of Vancouver, Wash.

REVIEW OF REPORT ON COLUMBIA RIVER AND TRIBUTARIES

Mr. MORSE. Mr. President, yesterday I submitted to the Public Works Committee of the Senate the following resolution:

Resolved by the Committee on Public Works of the United States Senate, That the Board of Engineers for Rivers and Harbors be, and is hereby requested to review the report on Columbia River and tributaries submitted in House Document 531, Eighty-first Congress, and prior reports, with a view to determining whether any modification of existing projects or recommended comprehensive plans of improvement should be made at this time, particularly in regard to modification of Bonneville lock and dam.

I submitted this resolution because many citizens of The Dalles, Oreg., plus the bargeline operators on the Columbia River and the Inland Empire Waterways Association are very much interested in having this review made by the Board of Engineers for Rivers and Harbors.

It has been pointed out to me that Bonneville Dam, completed in January 1938, has a navigation lock thought adequate at the time but which now presents a serious transportation bottleneck.

The resolution which has been submitted to the Public Works Committee is, I am satisfied, sufficiently broad to permit other reviews from time to time as conditions warrant.

I ask unanimous consent to have printed in the RECORD as part of my remarks a telegram from Mr. W. S. Nelson, manager of the chamber of commerce of The Dalles, Oreg., on this subject matter which is typical of the interest of the people in The Dalles area in respect to the proposal.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

APRIL 12, 1950.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We greatly appreciate introduction your resolution providing for review Columbia River and tributaries as reported House Document 531, Eighty-first Congress and particularly in reference to need for modification of Bonneville ship lock by which to provide for expanded navigation requirements for deep

draft and shallow draft vessels brought on by rapid growth of region and great increasing commerce on Columbia River.

Regards,

THE DALLES CHAMBER OF COMMERCE,
THE MID COLUMBIA CHAMBER OF COMMERCE,
W. S. NELSON, *Manager*.

COOPERATION IN FORMULATING FOREIGN POLICY

Mr. KNOWLAND. Mr. President, earlier in the afternoon some discussion developed growing out of the speech made by the Senator from Vermont [Mr. FLANDERS], in which a number of Senators on the floor participated. I want to say to my colleagues on the other side of the aisle and to the administration that in my judgment it is going to be very difficult for some of us who are anxious that we develop a foreign policy which will have the support of both Republicans and Democrats in the Congress, and the people throughout the country, if every time a suggestion is made from this side of the aisle it is slapped down in a sarcastic manner by the chairman of the Foreign Relations Committee, who represents the administration on the floor of the Senate. If it is the policy of the administration and of the Foreign Relations Committee to get into a rough-and-tumble type of fight every time a suggestion which some of us may believe to be constructive is made, and if no suggestions are wanted from this side of the aisle, let them speak up now and announce that to the country.

I had not been under the impression that that was the desire of the administration. I personally do not believe it represents the opinion of the majority members of the Foreign Relations Committee. However, certainly it will be very difficult for those of us on this side of the aisle who desire to cooperate, to cooperate if the policy which has been followed rather consistently by the chairman of the Foreign Relations Committee, who represents the administration in the Senate, is followed in the future.

Mr. President, my attention has been directed to two press dispatches which come from the United Press and the Associated Press printers. One of them reads as follows:

WASHINGTON.—President Truman said today he wants to see elected this year a Congress that "believes in international cooperation wholeheartedly."

He said he wants a Congress that "believes the welfare of the United States demands a continuing foreign policy that takes into consideration the whole globe, instead of just one county or one district or one State."

In a way, that is a little humorous, because the great objection which some of us have had to the foreign policy of this country is that, although we have closed the door to communism in Europe, we have left it wide open in Asia; and by some of the policies followed by the administration we have actually accelerated the spread of communism in Asia.

We, too, want to see a global policy; but there cannot be a global policy by sitting back and waiting until the dust settles, and then seeing that we have lost at least two-thirds of the continent of Asia.

In part, the other press dispatch reads as follows—still quoting the President of the United States:

I shook hands with 25,000, aside from those that I ran into in 1948 on the road, accidentally. The arm has to be in good condition, for we have another program coming up that will be somewhat similar to that in 1948. This time we are trying to elect a Congress that believes in international cooperation, wholeheartedly—a Congress that believes the welfare of the United States demands a continuing foreign policy that takes into consideration the whole globe, instead of just one county or one district or one State.

Mr. President, I wish to say with all the sincerity that I possess—because the sands of time are rapidly running out, and there is not too much time left for the proper type of cooperation to be developed—that if it is the intent of the President of the United States to have a rubber-stamp Congress, a Congress which will rubber stamp agreements such as those at Yalta and at Potsdam, by which were surrendered the liberties of literally millions of people in Poland, in Hungary, in Bulgaria, in Rumania, in China, and in North Korea, then I say I do not believe the President will get that type of cooperation from this side of the aisle.

If the President wants cooperation on foreign policy, whereby those on this side of the aisle and those on the other side of the aisle will sit down together in trying to work out a foreign policy which is worthy of respect of those on both sides of the aisle in Congress and is worthy of respect throughout the country, I think the President will find a substantial number on this side of the aisle who are willing to cooperate with that type of policy. However, I merely submit, Mr. President, that the President of the United States should not lose sight of the fact that a great predecessor, Woodrow Wilson, went before the country and tried to draw a partisan line regarding the foreign-policy situation, and by so doing he lost the Congress in the elections of 1918.

Either we can have cooperation, if there is a willingness and a desire to have it; or we cannot have it, if every effort to obtain cooperation is brushed aside, as was done today here on the floor of the Senate.

Mr. McMAHON. Mr. President, in behalf of the distinguished Senator from Texas, chairman of the Foreign Relations Committee, I wish to say that I have sat on that committee for almost 2 years. I am sorry the Senator from Texas was not present to hear the junior Senator from California voice his criticism of him. Since I have been a member of the committee, the senior Senator from Texas in his conduct of the Foreign Relations Committee has never, to my best knowledge and belief, approached a single question in a partisan manner.

I wish to repeat now what I said earlier this afternoon to the distinguished junior Senator from Michigan [Mr. FERGUSON], namely, that no suggestion has come from any member of that committee, no matter on which side of the table he was sitting, which the senior Senator from Texas has not entertained, and on which, if the Member making the suggestion desired to have testimony taken from representatives of the executive departments or from anyone else, such testimony was not forthcoming and was not gladly received.

As I understood the remarks made today by the Senator from Texas, they were directed to a recital of his version of what had happened in China in the past. I think the Senator from California will agree with me that there are two distinct versions of what brought about the China collapse. The Senator from California holds one view, and the Senator from Texas holds another.

The Senator from California believes that Chiang Kai-shek, if he had been supported as the Senator from California would have him supported, would have been able to withstand the Communist movement in China. As I understand, the Senator from Texas believes that the furnishing of $2,000,000,000 to the Kuomintang, to the forces of Chiang Kai-shek, was a fair contribution which this country made toward trying to prevent what has happened and has come to pass.

As I understood the Senator from Texas, he was talking about past events; he was not saying to the Senator from Vermont that he believed the Senator from Vermont or any other Senator should be prevented from making any contribution which he might see fit to make to the solution of our difficulties.

I think the Senator from California was unnecessarily severe in his strictures on the Senator from Texas, because I feel that the Senator from Texas is not of a mind to be any different than he has been in the past in his conduct of the committee, which means that he has been fair and open-minded toward all suggestions, no matter from which side of the table they came.

Mr. LUCAS. Mr. President, will the Senator yield at this point?

Mr. McMAHON. I yield.

Mr. LUCAS. Has any measure been reported by the Committee on Foreign Relations this year which has not been reported unanimously by that committee?

Mr. McMAHON. Mr. President, it is my recollection that every measure which has come from the committee has been reported unanimously. I do not believe that any measure proposed by any member of the majority or of the minority has been defeated or turned down or has not come out of the committee. That is my best recollection. I may be wrong about it, but that is what I think is the case.

Mr. LUCAS. I was under the same impression.

The only reason I raised the question was more or less to fortify the argument made by the able Senator from Connecticut with respect to the services rendered by the distinguished Senator from Texas. In other words, it would seem to me that that kind of proof is very good proof to demonstrate to the Senate and to the country that insofar as the Foreign Relations Committee were con-

cerned, they were going along rather well—both Democrats and Republicans—in regard to all the questions which arise from time to time before the committee.

Mr. McMAHON. I think that is entirely true.

Mr. President, in the committee we hear a great deal of testimony in executive session; of necessity, it has to be heard in executive session.

My experience here—which, of course, does not extend over too great a time—indicates to me that when reasonable men have the same facts put before them, they generally come to the same conclusion; that it is only when Senators do not have perhaps the time and the opportunity, by reason of their being engrossed in other committees and other committee work, that sometimes they get a slanted view of matters. I do not wish to be interpreted as accusing any Senator of having a slanted view; I merely say that is possible.

Of course, I will say to the Senator that it becomes more possible when a big lobby is working in regard to a situation. It is not news to the Senator that a lobby has been working in this town for certain interests, to a very great extent—a very aggressive lobby, seemingly very well financed.

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. McMAHON. I yield.

Mr. LUCAS. Mr. President, I do not think there is anything more important at this particular time in the history of this country or in the history of the world than for men on both sides of this aisle to stand united and firm in a bipartisan foreign policy.

I recall that in the Eightieth Congress, when the distinguished senior Senator from Michigan [Mr. VANDENBERG] was chairman of the Foreign Relations Committee, every decision, as I believe Senators will find, which came from that committee at that time, was a unanimous decision; both Democrats and Republicans went along. I think the same thing has happened during the time of the chairmanship of the Senator from Texas, during the Eighty-first Congress.

It is my hope—and I almost express a prayer about it, as I see the conditions which exist in the world today—that somehow, in some way, we who serve here in the Senate of the United States and those who serve in the other branch of Congress will get behind a united bipartisan foreign policy.

These are the most dangerous peacetimes the country has ever experienced. Our days are not the ordinary days of the times of peace 25 or 30 years ago. It is in reality almost a war—we call it a cold war—that we are fighting with Russia, and if we divide ourselves here in the Senate, if we battle one another over a policy, and refuse to give and take and really get behind a bipartisan foreign policy, it seems to me we are almost issuing an invitation for the Kremlin in Moscow to do things they might not otherwise do. Certainly, as majority leader of the Senate, I, for one, hope that if the bipartisan foreign policy has been in any way disturbed, whether it be by this side of the aisle or the other side, we may forget perhaps the small differences which exist, forget politics, as the able senior Senator from Michigan [Mr. VANDENBERG] said on the floor of the Senate on one occasion, "at the water's edge," harmonize and unite in the interest of our country.

I am not pessimistic about the situation. I definitely think we are making progress with our foreign policy. I think we could make much greater progress if we would stop bickering and quarreling about what seem to me sometimes to be small matters rather than the larger issues which may confront the country.

Mr. KNOWLAND. Mr. President, will the Senator from Connecticut yield?

Mr. McMAHON. I shall be glad to yield to the Senator from California in a moment. The Senator from Illinois, though more eloquently and at greater length, has spoken as I did, about 2 o'clock today, in some remarks I made when the junior Senator from Michigan courteously yielded to me. Of course, the Senator from Illinois is right. As a member of the Foreign Relations Committee, and as a Member of the Senate—and I know the feeling is shared by most Senators, if not by all other Senators—I feel a great obligation to remind myself that bipartisanship means exactly what the Senator from Illinois has suggested. While we of the majority have the prime responsibility, it does not relieve us from the obligation of weighing the arguments of those who happen to disagree. I also appreciate that merely because another Senator does not have the same idea on a specific policy which I have, he thereby suddenly becomes a partisan.

I recognize the validity of the argument of the junior Senator from Michigan that, next week, when the ECA bill comes before the Senate, there will be Senators who are generally in agreement with the program, but who will seek to modify it, and will feel they are right in so doing; there will be other Senators who will try to gut it, as they have tried to gut it since it was started, thinking they are right. They must follow their conscience, and, if they believe that to be their duty, they will endeavor so to spell it out.

Before yielding to the Senator from California, I merely want to say our situation in the world today is such that we need every bit of strength, intelligence, and devotion to duty that we can muster. I am not so sure as is the Senator from Illinois that the cold war, so-called, is going in our favor. I wish I could be certain of it. When I think of the armament situation, the arms race in which we are engaged, the present status of world armament, I do not mind saying that I am filled with some thoughts which cannot be labeled optimistic. But, of course, I do know that if we are to win, we must unite. I have a feeling that we are going to unite.

People are coming to realize more and more, that we are living in an age which, as the Senator from Illinois has said, is not comparable with anything the world has ever seen before. We have the most unorthodox situation on our hands which has ever arisen in the history of mankind. We may have to do some rather unorthodox things in order to meet it; in fact, we have done some unorthodox things. The Atlantic Pact was one; the implementation of a part of it was indeed another. So in the times through which we are passing, let us be of good spirit. Let us not be unduly acrimonious, or more so than our dispositions and natures may seem to cause us to be. We are all Senators of the United States, we are all citizens of this great country, and we all believe that the greatest purpose we can serve here is to try to promote peace for mankind everywhere.

CIVILIAN DEFENSE—MOTION TO RECONSIDER REFERENCE OF RESOLUTION

Mr. KNOWLAND. Mr. President——

Mr. McMAHON. I shall be glad to yield to the Senator from California, if he will permit me first to make a short motion.

Mr. President, the resolution submitted by the Senator from Maryland [Mr. TYDINGS] has been referred by the Vice President, as advised by the Parliamentarian, to the Committee on Armed Services. I move that the reference be reconsidered. I should like, immediately following my remarks, which could perhaps best come following the remarks of the Senator from California, to have printed as a statement in the RECORD a release which I issued today on this subject.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Without objection, the motion will be entered, and the statement will be incorporated in the RECORD.

Mr. SALTONSTALL. Mr. President, reserving the right to object, as a member of the Armed Services Committee I should like to say this is a subject which has had careful consideration by that committee. I do not know what is contained in the statement. Will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Massachusetts for a question?

Mr. McMAHON. I yield.

The PRESIDING OFFICER. If the Senator from Massachusetts will suspend for a moment, the Chair believes the Senator probably misunderstood the ruling of the Presiding Officer. The Chair simply ruled that the motion would be entered, and that unanimous consent would be given, unless objection was heard, for incorporation in the RECORD of the statement which was offered by the Senator from Connecticut. Under the ruling of the Chair the motion will go over for action until tomorrow, or a later date.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. Do I correctly understand from what the Chair has just stated, that the statement of the Senator from Connecticut will go into the RECORD under the motion to reconsider the reference of the resolution, and that the Senator asks unanimous consent to that effect?

The PRESIDING OFFICER. Not that the statement shall go into the RECORD under his motion to reconsider the reference.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. I rise at this time, not with relation to the Senator's motion to reconsider the reference, which I understand of course he has a perfect right to make. I rise to inquire whether the statement the Senator is placing in the RECORD is being placed in the RECORD by unanimous consent. If so, I reserve my right to object until I ask the Senator from Connecticut a question.

The PRESIDING OFFICER. The Senator reserves the right to object.

Mr. McMAHON. I shall be happy to answer any question of the Senator. I should not want him to think I was trying to put something through tonight in the absence of the chairman of the Committee on Armed Services. As the Senator understands, this is a motion to reconsider the reference of the resolution, and of course I do not press for action on it at this time. In support of that, I have filed certain correspondence between the Senator from Tennessee [Mr. KEFAUVER], chairman of the Subcommittee on Civilian Defense of the Armed Services Committee, and myself, explanatory of my reasons for making the motion.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McMAHON. I am glad to yield.

Mr. SALTONSTALL. My purpose in rising was merely to address myself to that point. I know the Senator from Tennessee and the Senator from Washington, of the subcommittee of the Armed Services Committee, have statements, also, and if one statement is going into the RECORD, if it goes beyond merely the correspondence referred to, then I reserve the right to object to the correspondence and to that statement being placed in the RECORD, without statements on the opposite side of the question also going into the RECORD.

Mr. McMAHON. I may say to the Senator from Massachusetts, I hope he will not persist in that position, for two reasons: First, the Senator from Tennessee issued a report of the subcommittee to the press today. In fact, it was a report of the full committee, which contains a very full explanation of the position which has been taken by the committee, of which the Senator is a member. It has been given to the press. Whether it has been inserted into the RECORD, I do not know.

Mr. SALTONSTALL. Mr. President, will the Senator yield at that point?

Mr. McMAHON. If the Senator from Massachusetts can obtain a copy, I shall be very glad to have him insert it in the RECORD. Otherwise the Senator would force me to read the statement into the RECORD, which would take about 15 minutes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McMAHON. Yes.

Mr. SALTONSTALL. Mr. President, I have no objection to the Senator's putting in what he intends to put into the RECORD, if it is not already in the RECORD, provided the report goes into the RECORD at the same time the correspondence goes in.

Mr. McMAHON. Will the Senator take the responsibility of getting a copy of the report to the Official Reporter?

Mr. SALTONSTALL. I shall do so.

Mr. McMAHON. I thank the Senator very much. I do not like to refer to this matter as a controversy, because that implies, perhaps, some acrimony. That does not exist here, so far as I am concerned. Mr. President, the subject of civilian defense is a prodigious one. There is not a committee in Congress which does not have some concern or interest in it. There is, for example, the Committee on Banking and Currency. To it would be referred the subjects of fixing prices and fixing wages. There is the Committee on Interstate and Foreign Commerce. It would consider the subject of mobilization of the railroads and other transportation systems in the event of an attack. It would involve also the mobilization of communication systems. The Committee on Appropriations and the Committee on the Judiciary, which would determine whether we should have a new capital. We can carve out some jurisdiction for practically every congressional committee. I do not intend to enter into any long discussion of the subject. I merely wish to explain to the Senate that the only purpose for which I am raising the point is because I believe that the controversy, if we can call it such, will serve to clarify some of the problems which exist in civilian defense.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. SALTONSTALL. The Senator from Connecticut correctly states the question. The reason I made my suggestion was that there is a difference of opinion as to jurisdiction on a very important question. I raised the question on reconsideration. If the matter can be reconsidered unanimously, discussion may be had on the question of reference in a perfectly proper and clear way, and arguments could be brought out, and the matter could be settled by the Senate so far as the particular question is concerned.

Mr. McMAHON. That is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McMAHON. I yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Is there objection to the inclusion in the RECORD of the correspondence offered by the Senator from Connecticut? The Chair hears none, and it is so ordered.

(See exhibit 1.)

The PRESIDING OFFICER. Does the Senator from Massachusetts make a unanimous consent request with reference to the other material?

Mr. SALTONSTALL. Will the Senator yield for that purpose?

Mr. WHERRY. I thought the Senator from Connecticut had yielded to me.

Mr. McMAHON. I yield to the minority leader.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. The Senator from Connecticut came to me and asked me about making this motion, and I want the RECORD to show that I am heartily in sympathy with the procedure followed by the Senator from Connecticut. He has a right to make a motion to reconsider any action which has been taken. All that the Senator from Connecticut has done is to serve notice that he will make a motion to reconsider the reference of a certain resolution. However, the referral has been held up until the motion to reconsider is finally thrashed out on the floor of the Senate. Regardless of the merits of the motion, it can be considered when and if it is taken up.

Of course, introducing documents into the RECORD by unanimous consent is another matter, to which anyone may object. I want it clearly to be understood that the Senator from Connecticut has made a motion to reconsider. He has the right to do that. No unanimous consent is required for a motion to reconsider. When the motion is taken up, the question of where the resolution shall go will be debated.

Mr. McMAHON. I thank the Senator.

The PRESIDING OFFICER. Is the Senator from Nebraska stating a parliamentary inquiry?

Mr. WHERRY. I had intended to, Mr. President, but I do not believe it is necessary.

Mr. McMAHON. I thank the Senator from Nebraska for his clarification.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McMAHON. I should like to yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator from Connecticut. The Senator from Nebraska clearly stated the point involved. The only interest of the Senator from Massachusetts and the other members of the Committee on Armed Services is to have in the RECORD at one place, if data is to be inserted, all data on both sides of the question. That is why I made my objection to the unanimous-consent request of the Senator from Connecticut at the time that he asked for unanimous consent.

Mr. President, I ask unanimous consent that the subcommittee report to the full Committee on Armed Services, submitted by the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Washington [Mr. CAIN] be inserted in the RECORD directly following the insertion of the correspondence offered by the Senator from Connecticut.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 2.)

EXHIBIT 1

Civil defense against atomic attack raises a host of new questions—questions the like of which the American people have never before been compelled to consider. This staggering problem cuts across the jurisdiction of so many congressional committees—all such committees, in fact—that it is well for the jurisdictional aspect to be discussed. Such discussion can throw real light upon the enormity and complexity of the basic problem if carried on, not in a spirit of rivalry, but in the spirit of illuminating one of the hardest challenges ever to confront our people.

The following is correspondence which has passed between Senator KEFAUVER and myself. I believe it serves to clarify not only the jurisdictional issue but also the outlines of the civil-defense problem as a whole.

MARCH 25, 1950.

Hon. BRIEN MCMAHON,
United States Senate,
Washington, D. C.

DEAR SENATOR MCMAHON: Several weeks ago I was appointed chairman of a subcommittee of the Senate Armed Services Committee which also includes Senator RUSSELL and Senator CAIN. We were directed to study that part of our defense structure which deals with problems of civil defense. In compliance with these instructions we have met and will continue to meet with representatives of the executive department that are charged with the responsibility in this area.

During this time we have become aware of the fact that the Joint Committee on Atomic Energy has been conducting hearings which on the surface seem to duplicate the activities of our group. As you know, the Senate Armed Services Committee is charged by the Legislative Reorganization Act with handling all matters pertaining to the common defense. The problem of civil defense is certainly contained within that field. Furthermore, without minimizing the magnitude of its importance, the question of the atomic bomb is only one of the many and varied problems that have to be solved in this field. Therefore, we arrive at no other conclusion than that civil defense is a part of the responsibilities of this committee. If it were a matter involving only the control of atomic bombs, it might be argued that it was a matter for the joint committee. Even that position we would question. Since, however, the field of civil defense includes so many problems that are in the common defense field, we feel it necessary to discuss this matter with you.

It is apparent that we should promptly endeavor to arrive at some meeting of the minds as to which congressional group is to carry out the studies in this field. Failure to do so will result in overlapping and duplicate demands on the executive department, as well as on the Congress.

Accordingly, I would appreciate an opportunity to discuss this with you at your earliest convenience.

Sincerely yours,

ESTES KEFAUVER.

MARCH 23, 1950.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR KEFAUVER: Thank you for your letter of March 25 regarding committee jurisdiction and civil defense; and I certainly agree with you as to the undesirability of overlapping and duplicate demands on the executive department and on the Congress. In all sincerity, however, I feel that jurisdiction over civil defense against atomic attack is clearly vested in the committee established for the very purpose of considering basic atomic problems, namely, the Joint Committee on Atomic Energy. Here are some of my reasons:

1. The Joint Committee alone has intimate knowledge of atomic and hydrogen weapons—their manufacture, their destructive capacity, and their effects. If the Armed Services Committees assumed exclusive jurisdiction over civil defense against atomic attack, they would be compelled to take detailed testimony on the very subject matter which the joint committee was created to study.

2. At this time, the overriding reason for concern with civil defense is the atomic bomb and the hydrogen bomb. While civil defense against other weapons may assume some importance today, few would be interested in it except for the existence of atomic armaments.

3. The Armed Services Committees are concerned with the military department and strictly military matters. The joint committee is concerned with civilians and civil defense is, by definition, a basically civilian undertaking. Men in uniform have consistently taken the position that "the major civil-defense problems are not appropriately military responsibilities."

4. The joint committee first showed keen interest in the problem of civil defense against atomic attack in October of last year. I then announced publicly that the committee would hold open and closed hearings on the subject; close liaison between the committee and the NSRB has been established; a joint committee print furnishing background data on civil defense against atomic attack has been published; the joint committee has already held a dozen meetings involving this field; and a thorough program of inquiry is well under way and commitments have been made to various volunteer witnesses. Furthermore, the staff of the joint committee has been subjected to full FBI field investigation and cleared for access to restricted atomic energy data. The staff of no other committee has been similarly cleared.

5. Civil defense against atomic attack raises so many far-reaching questions as to cut across the jurisdiction of every committee of Congress. Senator KNOWLAND and Representative HOLIFIELD, for example, have introduced resolutions providing respectively for a constitutional amendment enabling the House to act in case an atomic disaster should disable a majority of the Members and for selection of an alternate capital city. These resolutions were referred to the Judiciary Committees. The problem touches upon the location and construction materials used in public and private housing—and thus might be said to belong with the Committees on Banking and Currency. The problem potentially involves heavy Federal expense—and hence, may be said to involve the Committees on Interstate and Foreign Commerce.

Clearly each such committee, though its jurisdiction is affected in every case, cannot take testimony on the details and effects of atomic weapons. The matter, to my mind, belongs with the one committee which has lived with atomic energy for 5 years, which has already explored many of the problems involved in civil defense against atomic attack, and which possesses the unique background knowledge needed to consider this aspect of the atom.

Sincerely yours,

BRIEN MCMAHON,
Chairman.

MARCH 30, 1950.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

DEAR SENATOR KEFAUVER: It occurred to me that the attached chart, contained in a print issued by the Joint Committee on Atomic Energy, bears upon our conversation regarding committee jurisdiction over civil defense against atomic attack.

The chart shows that a very sizable number of governmental agencies are now working upon this problem, in addition to the Department of Defense; and, of course, in addition to State governments and local communities. This morning I asked Mr. Paul Larson, of the National Security Resources Board, to estimate what percentage of our entire civil-defense effort on the Federal level is assigned to the Department of Defense. He replied that, as regards civil defense against all types of weapons, the role of the Department of Defense is less than one-third of the total. Of course, so far as civil defense purely against atomic and hydrogen weapons is concerned, the role of the Defense Department is even smaller. Its role relative to the whole picture is diminished still further, considering that State and local levels figure more prominently than the Federal Government.

Sincerely yours,

BRIEN MCMAHON,
Chairman.

EXHIBIT 2

PRELIMINARY REPORT OF THE SUBCOMMITTEE ON CIVIL DEFENSE

On March 2, 1950, a subcommittee consisting of Senators RUSSELL, CAIN, and KEFAUVER as chairman, was appointed for the purpose of studying the problem of civil defense. Senator RUSSELL, because of conflicting committee meetings, has not been able to participate fully in our hearings. Since that date there has been a continuing staff study of various aspects of the problem and the subcommittee has held hearings in executive session with representatives of the National Security Resources Board and the National Military Establishment. These studies and hearings must be continued over a considerable period of time before the subcommittee feels that it will be in a position to make a final report on the various facets of the problem. Therefore this report must be considered as an interim report which we will bring up to date from time to time.

One of our first problems was an effort to define the term "civil defense." In the minds of some it means fire-fighting activities, such as were organized during World War II, and black-out and air-raid warden activities. Others believe it is a part of the responsibilities of the Military Establishment and will be provided for by the military as occasion requires. Still others believe it applies solely to defense against the atomic bomb and stop with that part of the problem. It was with a considerable feeling of shock that the subcommittee began to grasp the scope of civil defense and to realize that it is one of the most complex and pressing problems facing the country at the present time.

Broadly speaking, civil defense is defined as the defense of the home front by civilians to minimize the effects of enemy action on civilian industrial potential, morale and physical well-being. Our own Government has decided that civil defense is a problem for the civilians and not the military. To this extent our planning parallels the planning and conclusions of the British. Thus civil defense becomes a fourth arm of our common defense structure. Heretofore, we have had the Army, Navy, and Air Force as the three components of our defense structure. A fourth is in process of being added which will be called civil defense. It should be emphasized that it is not intended that this arm shall be controlled by the Military Establishment. In this line of thinking the Military Establishment and our Joint Chiefs of Staff concur.

Without attempting to go into all the details of the subject, but in order to indicate its scope, a few of the major problems involved in civil defense are listed below. It will be clearly seen from the headings of the listed examples that these problems go into the very roots and branches of our national

existence. In considering these various problems it should be borne in mind that it is the objective of the civil-defense planners to have a small operating agency in peacetime which will carry out the planning and preparatory steps that are necessary to meet wartime and emergency needs. In time of war this organization will be extremely large and active. Because of our governmental structure it is planned that the various States will be the intermediary through which most of the detailed plans will be executed. Some of the plans are far-reaching in character and involve heavy financing. To the extent that the various States and local communities cannot or will not absorb these costs, it may be necessary for the Federal Government to meet the requirements through direct Federal financing. Some of these are as follows:

1. Advance measures taken in peacetime to minimize hostile attacks in order to provide for:

(a) Fire prevention;

(b) Development of protective shelters and construction of those shelters;

(c) Planning for the prior evacuation of personnel; and

(d) Planning for and developing preventive medical measures necessary to meet casualties as they arise.

2. Planning for and developing the means of controlling and repairing damage through:

(a) Developing a trained force to maintain order in stricken areas;

(b) Planning for and developing adequate equipment for fire control;

(c) Evacuation of areas;

(d) Emergency mass care of large numbers of people;

(e) Exploded-bomb reconnaissance;

(f) Decontamination of areas against any type of attack, including atomic;

(g) Control of epidemics, including those resulting from the use of bacteriological warfare;

(h) Planning for means of restoring facilities and services to keep productive areas operating; and

(i) Planning for demolition of partially ruined bomb areas.

3. Development of a mutual-aid and mobile-reserve program which will permit the immediate utilization of facilities of one area in other areas of our country that might be stricken.

The subcommittee would like to elaborate on this point. Some of the weapons that might be used against us may well result in a single disaster requiring thousands of trained medical personnel, along with tremendous supplies of medical equipment. This trained medical personnel must include physicians, nurses, dentists, sanitary engineers, pharmacists, X-ray technicians, laboratory technicians, etc. At Hiroshima there were 80,000 casualties. The need for organized relief is apparent. Furthermore, in 1 week in such a disaster, more than 200 box-car loads of supplies would be reqiured for initial treatment alone.

4. The establishment of training courses to bring about a more general knowledge of the control of effects of atomic warfare.

5. The development of plans and training for the control of problems incident to other types of disaster occasioned by such methods as saturation bombing with normal TNT weapons, chemical warfare, and bacteriological warfare.

6. The development of plans for use of existing highways and location of new ones to gear into the needs of civil defense planning.

7. The planning for and development of emergency housing facilities to meet the needs of disaster, including plans for mobile housing units of various kinds. This could well involve stock piling of mobile housing units for this purpose.

8. The development of a civil air observer net which will be operated under the control of the Military Establishment but manned entirely by civilians, and which will augment our radar screens.

9. The development of civil air raid warning systems to alert local areas in the event of air attacks.

10. The development of appropriate protective concealment methods such as blackout, dim-out, and camouflage.

There are many other broad problems which confront the planners at the moment, some of which may present insurmountable difficulties under our form of government. They involve such matters as the decentralization of existing vital industrial areas or the prohibition of new industries in already congested areas; the decentralization of our existing seat of government, or a prohibition against any new establishments in the Washington area; the building up of large stock piles of medical supplies, fire-fighting equipment, clothing, and food to be located at strategic points around the country; and the earmarking of a large number of civilians for duties in connection with civil defense in peacetime, so that they will not be assigned to other duties in time of war.

Mr. Paul Larsen was appointed on March 1 as head of civilian defense planning. He had picked up the studies previously made by the staff of the National Security Resources Board and others and is attempting, as rapidly as possible, to make such decisions as will permit the approved plans to be implemented. There has already been much study in this field. When Mr. Forrestal was Secretary of Defense, the planning in this field was a responsibility of the National Military Establishment. Two very complete studies of certain aspects of the problem were made. One was in 1946 by the so-called Bull Board and resulted, among other things, in the establishment of the Office of Civil Defense Planning in the Department of Defense. In 1948 this Office of Civil Defense Planning submitted a report which was commonly known as the Hopley report. The President, on March 3, 1949, assigned the National Security Resources Board the primary responsibility for civil defense planning. This seems an appropriate assignment, since the National Security Resources Board is charged by the Unification Act with the responsibility, among other things, of coordinating military, industrial, and civilian mobilization planning. Since that date the Board has completed many staff studies which, as I have mentioned earlier, have been turned over to Mr. Larsen. Mr. Larsen estimates that it will be approximately the first of September before he will have his plans consolidated and approved and be prepared to recommend to the Congress such legislation as is deemed necessary. He feels that under the existing general authority contained in the Unification Act that they can start working with the various States and initiating such training of individuals as may be necessary to lay the ground work for the future development of this program.

The subcommittee has been deeply impressed with the seriousness of the problem and are most anxious that the planning be completed as expeditiously as possible. On the other hand, it strongly urges the members of the committee and Congress to proceed cautiously in urging speed lest the time saved should be offset by a failure to consider the problem in its fullest aspects.

There is one immediate and pressing problem which the subcommittee would like to call to the attention of the full committee. The Joint Committee on Atomic Energy has been conducting what amounts to a parallel series of hearings on this subject. There is no question in the minds of the members of the subcommittee that civil defense is a part of our total defense picture and goes far beyond any considerations revolving solely around the atomic bomb. We have already enumerated in some detail the problems which bring us to this conclusion. Each of these matters, whether it is the development of an adequate air-raid warning net or the means of controlling bacteriological warfare are broad in scope and require careful handling. After a careful study of the facts and the parliamentary situation involved, we are fully convinced that there is no reasonable ground to support the activity of the joint committee in this area. It is so clear that it is a matter pertaining to the common defense generally that we cannot understand why the joint committee would persist in the position that they should have jurisdiction over it.

As the chairman recalls, we presented this matter to the chairman some 10 days ago, and acting on his instructions I prepared a letter to Senator McMAHON as chairman of the Joint Committee on the Study of Atomic Energy Problems stating our position and requesting a conference. In accordance with that request we met and talked the matter over but could arrive at no meeting of the minds. It seems to us that this is something which should be resolved quickly because we are duplicating the efforts of not only the Members of the Senate, but are seriously cutting into the time of the top planners in this field. Senator McMAHON has replied to our letter. We have also noticed with interest that the joint committee has released a couple of press notices on hearings that they have held, as well as printing a preliminary report on civil defense against atomic attack.

Accordingly, we would like to sum up this report, as follows:

1. That it is preliminary report of the subcommittee's activities and that we will continue to work with the various organizations involved in this problem and report promptly to the full committee such significant matters as might develop.

2. It appears that we cannot expect to have any legislation submitted in this field before the next session of the Congress, and that the planning itself will not be completed before sometime in September.

3. We would like to secure authority from the committee as a whole to proceed in the resolving of the jurisdictional dispute between the Joint Committee on Atomic Energy and our committee.

Respectfully submitted.

ESTES KEFAUVER,
Chairman of the Subcommittee.
HARRY P. CAIN.

COOPERATION IN THE FORMULATION OF FOREIGN POLICY

Mr. KNOWLAND. Mr. President, before the Senator from Connecticut leaves the Chamber I wish to say that I quite agree with him, and I believe the conciliatory spirit which he and the majority leader have shown, which many of us feel is necessary, will be helpful to the country. However, I wish to say that there has been a tendency on the part of some columnists to speak of the so-called China lobby, and by indirection, at least, to smear Representatives and Senators who conscientiously feel that the security of this Nation and the peace of the world is endangered by the tremendous debacle which has taken place in the Far East. It is the opinion of many of us, on our responsibility as Senators, that we have lost more ground in Asia than we have gained in Europe. I speak as one who has supported the administration's foreign policy in Europe, because I thought it was clear that the American people and Congress understood that we were endeavoring to rehabilitate the war-torn world, recognizing that communism thrives on economic and political chaos. I wish to say that

I do not believe that the American people or Members of either House of Congress believe that communism is any less destructive of human liberty in Asia than it is in Europe.

In his testimony the other day before a subcommittee of the Committee on Foreign Relations, Mr. Lattimore brought up the question of the China lobby.

The People's World which has been discussing this situation has been generally recognized as the mouthpiece in the United States of the Communist Party in this country. Because I think it is high time that this matter be nailed down I wish to read again from a letter which was sent out by the Communist Party of New York State under date of March 1, 1949. I read the following excerpts from the letter:

Program for action on China policy as suggested by the Action Conference on China Policy, New York City, January 29, 1949.

The Communist Party of New York State adopts this policy as its own. Here is their first recommendation. Mr. President, I hope the Senate and the country, as well as our colleagues in the other House of Congress, will read it.

1. Demand a congressional investigation—

A. Of the Chinese lobby in Washington. One of the largest spending foreign influences in our capital; not registered as foreign agents.

Mr. President, if there are any lobbies in the United States which are not complying with the law, they ought to be investigated. That relates to those who represent foreign governments or represent domestic groups urging legislation, either pro or con. If there has been any violation of law, it should be investigated, and all of them should be investigated together. However, Mr. President, I want to say, that I think it comes with poor grace, and will make more difficult the working out of a bipartisan foreign policy, if the inference is drawn, either by the Lattimores or by any others interested in this subject, that men who are deeply concerned that the security of their country and the welfare of the world are being disturbed by the debacle in the Far East are motivated by anything other than their desire to protect their Nation.

Mr. President, I ask unanimous consent to insert in the RECORD at this point the full text of the letter and program to which I have referred.

There being no objection, the letter and program were ordered to be printed in the RECORD, as follows:

COMMUNIST PARTY OF NEW YORK STATE,
New York, N. Y., March 1, 1949.

To All Sections and Counties.

DEAR COMRADES: Enclosed please find program for action on China policy, as voted upon by a united front action conference on China, held in New York on January 29, 1949.

We are sure that you will find this material not only informative but helpful in planning actions on China in your communities.

A special outline has also been issued by the national education committee on Communist policy in China. This can be secured through orders from our district education department. The outline can be used as the basis for discussion in your sections and branches.

Any inquiries in relation to further activity can be received by writing to the Committee for a Democratic Far Eastern Policy, at 111 West Forty-second Street, New York City.

Comradely yours,

MAY MILLER,
Assistant Organizing Secretary.

PROGRAM FOR ACTION ON CHINA POLICY AS SUGGESTED BY THE ACTION CONFERENCE ON CHINA POLICY, NEW YORK CITY, JANUARY 29, 1949

PROGRAM OBJECTIVES

1. Demand a congressional investigation—

A. Of the Chinese lobby in Washington. One of the largest spending foreign influences in our Capital; not registered as foreign agents.

B. Of the billions of dollars of private accumulation deposited in American banks and investments by Chinese officials and individuals.

2. Demand a new China policy.

A. An end to all forms of American intervention in China and of plans to aid any elements and remnants of the Kuomintang.

B. Preparation by our Government to recognize the government which the people of China are now establishing.

C. Planning now by our authorities for genuine and self-respecting cooperation with the people's government in China, including normal and friendly trade relations free of any political conditions.

3. Get the facts and implications of the Government's China policy to the American people.

IMMEDIATE STEPS FOR CARRYING OUT THE ACTION PROGRAM

1. Get your organization immediately to pass a resolution on China policy (use the enclosed January conference resolution for suggestions). Send copies of your organization's resolution to your Senators and your Congressmen; give it publicity in your organization's publication and elsewhere; send a copy to the Committee for a Democratic Far Eastern Policy.

2. Make use of the "political ammunition" of facts; the American people, if they know, will act.

A. Make a drive to get readers and subscribers to Far East Spotlight, the committee's monthly magazine. This is the indispensable tool for every fighter for a new and friendly policy toward China. Previous sources of reliable information about China and the Far East now have an NAM slant; only Far East Spotlight gives you the positive and encouraging facts about the Chinese people's great and successful fight against American reaction, and keeps you up to date about Washington's evil plans to go on backing reaction in China and the Far East. Subscription: $2 a year. Introductory offer: $1 for 8 months. Members of the CDFEP get this free.

B. Push the sale and reading of Anna Louise Strong's Tomorrow's China. Paper bound, 65 cents; cloth bound, $2. Organizational orders for five or more: 25-percent discount.

C. Have meetings on the China policy issue.

(a) The committee can furnish speakers:

In the New York City area: Telephone the speaker's bureau of the committee any afternoon, Bryant 9-6343.

In California, the San Francisco area: Contact Mr. William Kerner, 1841 Ellis Street, San Francisco.

Los Angeles area: Contact Mrs. Jeanette Orel, 362 South Columbia Avenue, Los Angeles.

(b) Send your organization's own speakers to the briefing session on China. First session: Friday night, February 18, 7:30 sharp. Telephone the committee for registration blanks; Bryant 9-6342. No fee.

You can't fight without facts. Far East Spotlight is your basic source of information. Meetings on China will bring facts to hundreds of others * * *.

3. See to it that the President and the Members of Congress hear from hundreds of individuals on China policy right now.

Order prepared postcards from the committee—1 cent each. Write your own messages. Make calls—in person and by telephone—on your Senators and Congressmen.

4. Have your organization make an immediate contribution to the work of the committee or plan to give a regular (monthly, quarterly, or yearly) contribution.

5. Support the Committee for a Democratic Far Eastern Policy.

A. By becoming members and by getting your friends to join. Membership includes subscriptions to Far East Spotlight.

B. By securing individual contributions for the committee. Your own; your friends; throw a party for the committee.

C. By doing volunteer work at the committee's office, 111 West Forty-second Street, fifth floor—any time, any day.

Every Thursday night the staff is at home to friends who come to help.

The Chinese people are defeating the American reactionaries. So can we.

China policy reveals the over-all character of Washington's foreign policy—it harms the American people.

China policy is directly related to our domestic struggle for homes, for more consumption goods, for lower prices, for increased social security, for healthy international trade, for freedom from depression and militarism.

China shows up the weak spot in our reactionaries' program.

Let's fight on China policy and take advantage of the blow the Chinese people have dealt the American reactionaries.

COMMITTEE FOR A DEMOCRATIC
FAR EASTERN POLICY.

LOW-COST HOUSING—STATEMENT BY SENATOR SPARKMAN

Mr. SPARKMAN. Mr. President, on March 24, 1950, there appeared in the New York Herald Tribune an article by Mrs. Elinore Morehouse Herrick. In this article Mrs. Herrick declared that the statistics used in the reports of the Subcommittee on Low-Income Families of the Joint Committee on the Economic Report were "deliberately misleading" and that the study itself was "fraudulent." I consider Mrs. Herrick's statements an unfair and careless attack on the integrity of the four members of the subcommittee who signed the final report of the subcommittee.

It was especially unfair since Mrs. Herrick placed the major emphasis of her attack on the fact that she found only two references in the research report of the subcommittee to nonmoney farm income. Apparently Mrs. Herrick did not read the entire report. Otherwise she would have found, beginning on page 38 and continuing to the top of page 41 of that document, a section entitled "Nonmoney Income of the Farmer."

As chairman of the Subcommittee on Low-Income Families I felt it my duty to address a letter to the editor of the Herald Tribune in order that the readers of Mrs. Herrick's article would not be misled by her careless charges. I also desired to point out that arguments about statistics should not make us indifferent to the important fact that a large group of American families are forced to live below any reasonable standard.

In the Sunday, April 9, 1950, issue of the Herald Tribune there appeared under the heading "Senator SPARKMAN'S side," what purported to be my reply to the article by Mrs. Herrick. The fact was not noted, however, that my letter was published only in part, and that the deleted portions discussed the general acceptance and usage by business groups, research groups, and others of data compiled by the Bureau of the Census in the same manner as the data used by the subcommittee. In order that Members of Congress may know the full story, I ask unanimous consent to have printed at this point in the record my letter to the editor of the Herald Tribune in its original and complete form, with the exception that those portions of the letter which were not printed by the Herald Tribune appear in brackets.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON THE
ECONOMIC REPORT,
April 1, 1950.

The EDITOR,
New York Herald Tribune,
New York, N. Y.:

The charges which were made against the report of the Subcommittee on Low-Income Families by Miss Elinore Morehouse Herrick, in the article "Dangers of Distorted Statistics" appearing in the Herald Tribune on March 24, 1950, may be summarized as follows:

1. The report was designed to serve political ends; it was "served up to the American public to bolster administration demands for increasing Federal control."

2. The data presented in the report were seriously defective because they are based on a relatively small sample (25,000 households) and because nonmoney income was excluded from the definition of income in the study.

3. The data were not properly analyzed.

In regard to the first charge, it should be noted that the plan to study the problem of low-income families did not originate with the administration. It was undertaken at the request of the Congress. Senate Concurrent Resolution 26, under bipartisan sponsorship, directed the Joint Committee on the Economic Report to "conduct a full and complete study and investigation into the * * * problem of low-income families in relation to economic instability." Moreover, the data which provided the factual background for the report and on which Miss Herrick concentrates her attack, were not made by or for the subcommittee itself. They were already in existence in the files of the Census Bureau, the Federal Reserve Board, the Federal Security Agency, the Bureau of Labor Statistics, and other cooperating agencies.

In answer to the second charge, I should like to point out that the sample survey of 25,000 households which the writer calls insignificant is the most recent of a series of such surveys conducted by the Bureau of the Census, which has an unmatched reputation for accuracy and reliability. The sample was designed by some of the world's leading sampling experts who are currently employed by the Census Bureau. I think it important to emphasize that the weight of experience has supported their work. [The Census Bureau has been conducting income surveys of the same type for a number of years, and the results support one another and are supported by independent information obtained by other agencies, within the limits discussed in the subcommittee report itself. The subcommittee is looking forward with great interest to the wealth of income information which will be available from the 1950 census in which a larger sample was required to provide income data for States and local areas. However, neither we nor the statistical experts of the Census Bureau expect the data used by the subcommittee to be contradicted by the decennial census.]

Miss Herrick's objection to the exclusion of nonmoney income is a valid one; however, she should not have tried to create the impression that she was revealing a hidden weakness in the report. The subcommittee was well aware of this defect in the data and stated so very clearly. As is frequently the case with social and economic data, it is not always possible to obtain as much detail as would be desired. One can never obtain a complete picture in the field of economics; there are always factors which cannot be stated in exact quantities. But this does not imply that the data we had and the way they were used were misleading. The subcommittee was directed by the Congress to make a study of the problem of low-income families. It might have reported to the Congress that such a study could not be made because complete data were not available, or it could have prepared a report on the basis of the available data, indicating clearly the deficiencies in these data. The subcommittee chose the latter approach, and I am convinced that the picture it presents, in spite of possible shortcomings, justifies the subcommittee's actions. [The results of the same series of statistics have been used with confidence over a period of years by business groups, research groups, and others. As recently as March 5, 1950, for example, Sumner H. Slichter, professor of economics, Harvard University, used the same data as a basis for a New York Times magazine article titled "The High Cost of Low Incomes."]

In answer to the third charge, that the data were not properly analyzed, I should like to say that there is much room for honest differences in opinion. This was brought out in the 10 days of subcommittee hearings. It is hoped that other analysts, and particularly the Members of the Congress, will study the statistical materials and the printed hearings and draw their own conclusions, which may or may not correspond with those of the subcommittee. However, I deny the implication that the subcommittee buried important data in statistical tables. Much of the statistical material presented in the research report, Materials on the Problem of Low-Income Families, was not duplicated in the final report of the subcommittee. The final report is a statement by the subcommittee of its major conclusions and recommendations based on its own evaluation of all available evidence.

I should like to make one main point in conclusion. The subcommittee recognized that our recommendations, like legislative policy in general, could not be tied to a single statistic. Even the soundest figure has qualifications. But those recommendations were founded on one basic fact—a fact which is proved by income surveys made by many agencies in many different years, namely, that there is in America a substantial group of low-income families. And it is the importance of these families and their role in the economy which concerned us in making our recommendations. [In some countries the fate of this group would not be considered particularly important. I do not believe, however, that we in this country will allow arguments about statistics to make us equally indifferent.]

Sincerely,

JOHN SPARKMAN,
Chairman, Subcommittee on
Low-Income Families.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. IVES. Mr. President, I have at the desk an amendment to H. R. 5472 which would authorize the construction of projects for flood protection at Endicott, Johnson City, and Vestal, N. Y., which I intend to call up at the appropriate time.

Mr. President, I ask unanimous consent that at this point in my remarks there be printed the text of the amendment to which I have referred.

There being no objection, the amendment was ordered to be printed as follows:

On page 22, after line 14, add the following:
"The projects for local flood protection at Endicott, Johnson City, and Vestal, N. Y., are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 500, Eighty-first Congress, second session, at an estimated cost of $3,748,000."

Mr. IVES. These projects are substantially in accord with the recommendations of the Chief of Engineers and House document No. 500, Eighty-first Congress, second session. The cost of construction is estimated to be $3,748,000.

I am the first to acknowledge that, if the domestic portion of the Government today has reached inordinately high proportions, the responsibility for this condition is as attributable to local demands as to any other influence. Just because some community somewhere else has obtained a flood-control project, a new post office, a new school building, or some other form of benefit from public appropriations, is no reason for some other community to demand for itself the same thing or something equivalent. This tendency on the part of too many communities to try to "keep up with the Joneses" in obtaining financial benefits from Government has contributed substantially to the ever-increasing costs of our domestic establishment. This is a tendency which I deplore as much as any Member of the Senate.

I maintain that in these days of ever-increasing Federal expenditures only those new public works projects should be undertaken which are necessitated by the most critical circumstances. Only a dire emergency condition could justify such new outlays of governmental funds.

The amendment which I have at the desk is the result of an emergency condition—an emergency which is annual in nature. Every year at Endicott, Johnson City, and Vestal, in New York State, flood conditions prevail.

As an example of this truly critical situation I received recently information that the Susquehanna River crest at Endicott and Vestal was 7 feet above the flood stage. In that connection I should like to have incorporated at this point in my remarks telegrams which I have received and sent. The telegram I received

was from P. Clay Knickerbocker, chairman of the Western Broome County Flood Committee.

The next is a telegram I sent to the district engineer at Baltimore to carry out the request contained in Mr. Knickerbocker's telegram.

The third telegram is one received from the district engineer in Baltimore. I ask that the telegrams be printed in the RECORD at this point.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ENDICOTT, N. Y., *March 29, 1950.*

Senator IRVING IVES,
Senate Office Building,
Washington, D. C.:

Eleven p. m. radio prediction Endicott-Vestal River crest at 10 feet above flood stage if no rain and if it turns colder. Since then it has turned warmer and started to rain. Fourteen-foot flood stage with major flood possible without freeze-up. With rain, warm weather, and heavy snow north of here most disastrous flood of record possible. We hope the radio is correct. Will you help by giving this telegram where it will do some good. Your past and future attention to our serious flood problem greatly appreciated by all. Serious floods in 1935, 1936, 1940, 1942, 1948, and now maybe 1950 extenuates the need for flood protection in Endicott, Vestal, and Westover area.

P. CLAY KNICKERBOCKER,
Chairman, Western Broome County Flood Committee.

MARCH 29, 1950.

DISTRICT ENGINEER,
District of Baltimore,
Army Corps of Engineers,
War Department, Baltimore, Md.:

Advice from Clay Knickerbocker, western Broome County flood committee, Endicott, N. Y., indicates Susquehanna crest at Endicott-Vestal 10 feet above flood stage. Situation serious. Please have representative your district investigate and advise.

IRVING M. IVES,
United States Senator.

BALTIMORE, MD., *March 29, 1950.*

Senator IRVING IVES,
Senate Office Building,
Washington, D. C.:

Susquehanna River cresting about 7 feet above flood stage at Vestal. Representatives of the Corps of Engineers were dispatched Wednesday morning to flood area to investigate extent of damages and to assist and advise local authorities. Gates on Whitney Point and East Sidney Dams have been closed since early Tuesday night. Colonel Welling en route to flood area to conduct personal investigation. This flood threat demonstrates need for early construction remaining authorized reservoirs.

DISTRICT ENGINEER.

Mr. IVES. I repeat, Mr. President, this circumstance is no phenomenon of 1950. It is the usual occurrence.

For the reasons I have stated, at the appropriate time I expect to ask that the Senate accept my amendment authorizing the projects for local flood protection at Endicott, Johnson City, and Vestal, N. Y.

Mr. WILLIAMS. Mr. President, H. R. 5472, the rivers and harbors, flood-control bill, as reported by the committee, and which is now before the Senate, authorizes appropriations amounting to $1,564,814,825. A substantial part of this represents additional authorizations for previously approved projects.

For many years the procedure has been for the Army engineers to submit to the Congress, along with their favorable recommendations, low estimates of the costs of the projects being considered.

Following receipt of these cost estimates, Congress and the Bureau of the Budget, after weighing the benefits to be derived from the completed project against the proposed cost, either approve or disapprove the construction.

Later, in many instances, we find that these first estimates of the cost submitted by the engineers were nothing more than a downpayment and that after the construction work has begun, and the first appropriation expended, we are then advised by these same engineers that they will need many times more than the original estimate in order to complete the project and that failure to authorize the additional appropriations would result in the loss of our original investment.

A substantial percentage of the authorization in this bill (H. R. 5472) represents amounts which are needed to complete projects which Congress in many instances would never have started had they had any idea as to the ultimate cost.

In order to correct this situation I am offering an amendment designated as amendment 3-24-50-B, which proposes that notwithstanding the fact that appropriations might have been authorized and made, construction work on any project is prohibited when the bids received by the Government exceed the original estimate submitted to Congress.

The adoption of this amendment will enable Congress to have an accurate price tag on each project which is authorized, and will stop this procedure of submitting a low-cost estimate as an opening wedge in prying open the door of the Federal Treasury.

As examples of how this procedure has been followed in the past, I ask unanimous consent to have inserted a list of a few of the projects in which the cost to date has far exceeded the original authorization. In many instances it will be noted that these projects are still far from completed. These are the same examples recently published by the Council of State Chambers of Commerce.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

BUREAU OF RECLAMATION PROJECTS—ORIGINAL VERSUS LATEST ESTIMATES [1]

Missouri River Basin projects: Original estimated cost, $529,152,800. Latest revised estimate, $2,834,427,848. (Started in 1946; completion date, 1956.)

Hungry Horse project (Montana): Original estimate, $38,648,000. Latest revised estimate, $108,800,000. (Started in 1946; completion date, 1954.)

Colorado-Big Thompson project (Colorado): Original estimate, $44,000,000. Latest revised estimate, $150,503,000. (Started in 1935; completion date, 1953.)

Central Valley project (California): Original estimate, $170,000,000. Latest revised estimate, $581,886,000. (Started in 1936; completion date, after 1956.)

Davis Dam (Ariz.-Nev.): Original estimate, $41,200,000. Latest revised estimate, $114,438,000. (Started in 1942; completion date, 1954.)

Fort Peck project (Montana): Original estimate, $5,732,554. Latest revised estimate, $16,250,000. (Started in 1943; completion date, after 1956.)

Lewiston Orchards project (Idaho): Original estimate, $997,000. Latest revised estimate, $2,500,000. (Started in 1948; completion date, December 1950).

Paonia Irrigation project (Colorado): Original estimate, $1,071,260. Latest revised estimate, $4,747,000. (Started in 1940; completion date, 1953.)

CORPS OF ENGINEERS PROJECTS—ORIGINAL VERSUS LATEST ESTIMATES [2]

Whitney Reservoir (Tex.): Original estimate (1939), $8,350,000. 1951 estimate, $41,794,000.

Buggs Island (N. C. and Va.): Original estimate (1942), $30,900,000. 1951 estimate, $78,870,000.

Blakely Mount Reservoir (Ark.): Original estimate (1944), $11,080,000. 1951 estimate, $31,000,000.

Oahe Reservoir (S. Dak. and N. Dak.): Original estimate (1940), $72,800,000. 1951 estimate, $234,400,000.

Kansas City (Mo. and Kans.): Original estimate (1940), $15,645,000. 1951 estimate, $41,389,000.

Jam Woodruff lock and dam (Fla.): Original estimate (1941), $24,139,000. 1951 estimate, $42,208,000.

Bulford Dam (Ga.): Original estimate (1941), $17,631,000. 1951 estimate, $40,225,000.

Chief Joseph Dam (Wash.): Original estimate (1945), $104,050,000. 1951 estimate, $206,000,000.

Mr. WILLIAMS. Mr. President, in addition to this amendment I have a second amendment, designated as amendment 4-12-50—B, which I feel is equally important, an amendment which proposes to prohibit construction work on any new project named in the bill until such time as the budget of the United States Government is in balance.

The only exception provided for in this second amendment is in instances when the War Department certifies that a project is essential to the national defense.

With our Government today spending an average of around $500,000,000 per month more than our income, I think it is time that we suspend operations on all new Government projects that are not absolutely essential.

The work provided for under these projects will be needed more at a later date, and certainly everyone will agree that it is time we stopped placing mortgages against the future generations of America for today's luxuries.

The adoption of either of these amendments would stop all projects authorized

[1] The figures which follow were taken from a table on p. 662 of the 1951 House Appropriation Committee Hearings on Interior Department, Pt. 4.

[2] Figures taken from House Appropriations Committee Hearings on Army Civil Functions, pt. 1 (1951 appropriation).

in my State as well as many projects in other 47 States.

I am very much interested in those projects which are provided for in Delaware, and they are just as important as many of the projects provided for in this bill, if not more so; however, I feel that the time has come when we should suspend operations on all projects except those which are absolutely essential to our national defense program.

We have been spending annually billions of dollars for our national-defense program, and yet we are overlooking the indisputable fact that a sound fiscal policy and a stable dollar are our greatest assets.

I urge that the Senate adopt both these amendments.

In order that the American taxpayers in the different States might know exactly what this program will cost them, as well as where the benefits are being distributed, I ask unanimous consent to have inserted a chart which shows a break-down of the proposed expenditures of H. R. 5472 by States, followed by a break-down of the proportionate part which each State will pay. This later computation is made on the basis of the percentage of taxes paid by each State as reported by the Treasury Department.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware? The Chair hears none, and it is so ordered.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Senate bill—flood control and rivers and harbors

State	Number of projects	New projects	Modification of projects	Total authorization
Alabama	1	$14,000	0	$14,000
Arizona	1	25,800,000	0	25,800,000
Arkansas, Louisiana, and Missouri [1]	7	59,050,000	$69,330,000	128,380,000
California	8	30,100,000	48,886,000	78,986,000
Colorado	2	26,509,000	0	26,509,000
Connecticut	3	0	291,500	291,500
Delaware	1	85,000	0	85,000
District of Columbia and Maryland [1]	2	4,531,200	0	4,531,200
Florida	13	530,300	30,835,500	31,365,800
Georgia and South Carolina [1]	3	0	70,837,600	70,837,600
Idaho	1	31,070,000	0	31,070,000
Illinois	3	3,045,000	0	3,045,000
Indiana	2	202,000	500,000	702,000
Iowa	4	478,465	15,000,000	15,478,465
Kansas	1	36,220,000	0	36,220,000
Kentucky	2	1,832,000	0	1,832,000
Louisiana	3	4,111,000	15,000,000	19,111,000
Maine	2	202,270	0	202,270
Maryland	5	185,050	0	185,050
Massachusetts	3	249,000	2,908,000	3,157,000
Michigan	4	0	2,225,800	2,225,800
Minnesota	2	0	8,114,000	8,114,000
Mississippi, Kentucky, Missouri, Illinois, Tennessee, Arkansas, and Louisiana [1]	3	0	205,041,000	205,041,000
Missouri	4	5,892,420	35,000,000	40,892,420
Nebraska	1	2,428,000	0	2,428,000
Nevada	2	$9,665,000	0	$9,665,000
New Jersey	7	45,000	$363,000	408,000
New Mexico	1	0	69,179,000	69,179,000
New York	7	1,452,600	14,823,000	16,275,600
North Carolina	8	2,090,000	2,486,100	4,576,100
North Dakota, South Dakota, Wyoming, Montana, Nebraska, Iowa, Kansas, and Missouri [1]	2	0	250,076,000	250,076,000
Ohio, West Virginia, Pennsylvania, New York, Kentucky, and Indiana [1]	2	0	100,329,900	100,329,900
Oklahoma	5	37,273,000	59,460,000	96,733,000
Oregon	3	23,110,100	40,528,250	63,638,350
Pennsylvania	2	6,467,000	6,000,000	12,467,000
South Carolina	1	0	3,137,000	3,137,000
Texas	8	29,800	13,275,270	13,305,070
Virginia	8	652,000	50,000	702,000
Washington	4	16,300,000	442,000	16,742,000
Washington, Oregon, Montana, Idaho [1]	1	92,978,000	63,747,000	156,725,000
West Virginia and Pennsylvania [1]	1	0	29,238,000	29,238,000
Wisconsin	5	337,700	4,500	342,200
Wyoming and Montana [1]	1	6,524,000	0	6,524,000
Virgin Islands	1	261,000	0	261,000
Territory of Hawaii	2	6,373,500	0	6,373,500
Total	147	436,093,405	1,157,098,420	[2] 1,593,191,825

[1] Interstate projects which cannot be separated by State.
[2] Includes committee amendments.

Amounts to be contributed by each State based on percent of total internal revenue payments for fiscal year ended June 30, 1948

State or Territory:	
Alabama	$10,296,000
Alaska	624,000
Arizona	3,120,000
Arkansas	4,524,000
California	115,596,000
Colorado	10,920,000
Connecticut	24,804,000
Delaware	11,544,000
District of Columbia	14,664,000
Florida	14,664,000
Georgia	16,380,000
Hawaii	4,056,000
Idaho	2,964,000
Illinois	141,024,000
Indiana	37,752,000
Iowa	16,692,000
Kansas	15,132,000
Kentucky	29,016,000
Louisiana	13,260,000
Maine	4,836,000
Maryland	28,080,000
Massachusetts	50,232,000
Michigan	83,928,000
Minnesota	26,364,000
Mississippi	3,900,000
Missouri	41,496,000
Montana	3,120,000
Nebraska	12,012,000
Nevada	1,560,000
New Hampshire	3,120,000
New Jersey	47,424,000
New Mexico	2,028,000
New York	297,180,000
North Carolina	46,176,000
North Dakota	2,652,000
Ohio	99,372,000
Oklahoma	13,728,000
Oregon	$11,856,000
Pennsylvania	120,120,000
Rhode Island	8,736,000
South Carolina	7,800,000
South Dakota	2,808,000
Tennessee	13,416,000
Texas	47,892,000
Utah	3,432,000
Vermont	1,716,000
Virginia	28,704,000
Washington	19,188,000
West Virginia	8,892,000
Wisconsin	39,796,000
Wyoming	1,404,000
Total	[1] 1,560,000,000

[1] Amount authorized by bill, $1,564,814,825 (does not include committee amendments); round figure of $1,560,000,000 used for computations.

Mr. WILLIAMS. Mr. President, I also ask to have inserted copies of the two amendments.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

On page 3, between lines 15 and 16 insert the following:

"Mispillion River, Del.; the report to be made concerning a proposal to modify the existing project to provide the following: A channel 9 feet deep and 80 feet wide from water of 9-foot depth in Delaware Bay to the mouth; then 9 feet deep and 60 feet wide to the head of navigation at Milford; three cutoffs, one to eliminate the bend between Cains Landing and the Maloneys Landing, a second to eliminate the bend on which Lock Hall Landing is located, and a third to eliminate the bend on which Beswicks Landing is located; and a turning basin at Milford to be secured by widening to 120 feet a section of channel about 500 feet below the Washington Street Bridge."

At the end of the bill add the following:

TITLE III—GENERAL

SEC. 301. No work of improvement specifically authorized by this act to be constructed or performed by the United States shall be commenced and no contract shall be let with respect to such work, unless at the time of such commencement or letting (1) the cost of such work will not, in the opinion of the Secretary of the Army, exceed the last estimate therefor submitted to, and approved by, Congress, or (2) such work shall have been theretofore commenecd and the Secretary of the Army shall determine that delay in letting such contract until a corrected estimate can be approved by Congress would result in substantial detriment to the interests of the United States.

EXECUTIVE SESSION

Mr. LEAHY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HOLLAND in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board for the remainder of the term

expiring February 1, 1952, vice Frank P. Douglass, resigned, which was referred to the Committee on Labor and Public Welfare.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina from the Committee on Post Office and Civil Service:

Osborne A. Pearson, of California, to be Assistant Postmaster General; and

One hundred and twenty-two postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of James K. Knudson to be Interstate Commerce Commissioner.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the Coast Guard.

The PRESIDING OFFICER. Without objection, the nominations in the Coast Guard are confirmed en bloc.

COAST AND GEODETIC SURVEY

The Chief Clerk read the nomination of John Laskowski to be a commander in the Coast and Geodetic Survey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and without objection, the President will be immediately notified of all confirmations of today.

That completes the Executive Calendar.

RECESS

Mr. LEAHY. As in legislative session, I move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 22 minutes p. m.) the Senate took a recess until tomorrow, Friday, April 14, 1950, at 11 o'clock a. m.

NOMINATION

Executive nomination received by the Senate April 13 (legislative day of March 29), 1950:

NATIONAL MEDIATION BOARD

Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board for the remainder of the term expiring February 1, 1952, vice Frank P. Douglass, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 13 (legislative day of March 29), 1950:

DEPARTMENT OF THE AIR FORCE

Thomas K. Finletter to be Secretary of the Air Force.

INTERSTATE COMMERCE COMMISSION

James K. Knudson to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1953.

UNITED STATES COAST GUARD

To be rear admirals

Raymond J. Mauerman
Alfred C. Richmond

To be captains

Chester M. Anderson
Wilbur C. Hogan
Kenneth P. Maley
Samuel F. Gray
Earl K. Rhodes
Carl B. Olsen
Leon H. Morine

To be commanders

Oscar D. Weed, Jr.
Ralph D. Dean
Joseph R. Scullion
William J. Conley, Jr.
Richard L. Mellen
Glenn L. Rollins

To be lieutenant commanders

Theodore LeBlanc
Reginald W. Butcher
Paul A. Ortman
Walter R. Lewis
Robert P. Cromwell
Kenneth R. Goodwin
James W. Kincaid
Kingdrel N. Lyers
Victor A. G. Schmidt
Elmer A. Crock
James A. Palmer
George W. Girdler
Bernhard R. Henry
Robert C. Gould

To be lieutenants

William E. Long
James E. Van Valkenburg
Russell H. Bergh
Arthur Hancock
Richard A. Pasciuti
William S. Allan, Jr.
Leslie B. George
Robert B. Moore
Charles Wayne
Wallace C. Dahlgren
Harry H. Carter
Bernard E. Kolkhorst
Donald M. Reed
George W. Sohm
Carl L. Parrott
Frederick J. Hancox
Robert A. Adams
William M. Benkert
Robert A. Schulz
Warren E. Rast
Curtis J. Kelly
Austin F. Hubbard
Ward R. Emigh
William J. Zinck
Richard E. Hoover
William N. Banks
Keith Low
Daniel J. Scalabrini
Edward R. Tharp
Wilfrid N. Derby, Jr.

To be lieutenants (junior grade)

Robert E. Ogin
Charles A. Haley
Everett B. Kopp
Philip G. Ledoux

To be ensigns, to rank from the 2d day of June 1950

Robert Kennedy Adams
William Joseph Baldau
John Gilbert Beebe-Center, Jr.
Lysle Irving Benjamin
Alfred August Binder
George Walter Bond, Jr.
Douglas Rae Burke
Alva Lamont Carbonette
Thomas Akroyd Clingan, Jr.
Eugene Augustine Delaney
Cort Raynor DeVoe
Clifford Frederick DeWolf
William George Dick
Leopold Anthony Dombrowski
Leo Vincent Donohoe
Harry Albert Feigleson, Jr.
James Lee Fleishell
Robert Edward Fletcher
David Bentley Fountain
Robert James Friedhoff
John Charles Fuechsel
Charles Joseph Glass
Royal Edward Grover, Jr.
Jaime Cathcart Gruger
John Chester Guthrie
Harry Joseph Hayes
Clarence Chester Hobdy, Jr.
Horace Gilbert Holmgren
Walter Chamberlain Ilgenfritz, Jr.
Thomas Richard Jordan
Charles Francis Juechter, Jr.
Norval Stanley Julnes
Lynden Underwood Kibler
David Charles Klingensmith
John Louis Knabenschuh
Arthur William Korfage
Gilbert Louis Kreisberg
William Robert Lamb, Jr.
Adrain Lorence Lonsdale
James Hawley Crabbe Lowe
Ferney Marvin McKibben
James Philip Marsh
Berry Lee Meaux
John Pearson Mihlbauer
Richard Meredith Morse
William Robert Nodell
John Maurice O'Connell
Joseph James O'Rourke
Lawrence Joseph Otto
Robert Louis Palmer
Harold Waldemar Parker, Jr.
Richard Allen Phillips
Rudolph Peter Ralbovsky II
Arnold Ryther Reynolds
Allan Bruce Rose
Hubert Edward Russell
Robert Allen Seufert
Jack Leonard Smith
Benedict Louis Stabile
Robert Claude Standcliff
Donald George Teifer
Claude Richard Thompson
Sidney Boyd Vaughn, Jr.
Norman Charles Venzke
Warren Withers Waggett
William Louis Webster
Roderick MacLeod
Raymond Harland Wood

COAST AND GEODETIC SURVEY

John Laskowski to be a commander in the Coast and Geodetic Survey, effective March 1, 1950.

IN THE NAVY

Vice Adm. Arthur D. Struble, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as commander, Seventh Fleet.

Ensign William T. Roos, Supply Corps, United States Navy, for permanent appointment to the grade of ensign in the line.

SENATE

FRIDAY, APRIL 14, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 11 a. m. on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in the midst of the distracting problems of today, with all our unhappy divisions, grant us a vision of our dear land fair as she might be; a land of justice where none shall prey on others; a land of plenty for all, where vice shall cease to fester and where slums have disappeared; a land of true brotherhood, where success shall be founded on service and honor be given to worth alone. Hear Thou, O Lord, the silent prayer of our hearts for these servants of the state, as they give their time and strength and thought to hasten the day of our America's coming beauty and righteousness. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MAYBANK, and by unanimous consent, the reading of the Journal of Thursday, April 13, 1950, was dispensed with.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. GURNEY was excused from attendance on the sessions of the Senate, beginning on Monday next, through April 24.

CALL OF THE ROLL

Mr. MAYBANK. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Butler	Eastland	Hill
Byrd	Ecton	Hoey
Cain	Ellender	Holland
Chapman	Ferguson	Johnson, Colo.
Chavez	Flanders	Johnson, Tex.
Connally	Fulbright	Johnston, S. C.
Cordon	George	Kefauver
Darby	Gillette	Kem
Donnell	Gurney	Kerr
Douglas	Hayden	Kilgore
Dworshak	Hendrickson	Knowland

Langer	Malone	Sparkman
Leahy	Maybank	Stennis
Lehman	Morse	Taylor
Lodge	Mundt	Thomas, Okla.
Lucas	Myers	Thomas, Utah
McCarran	Neely	Tydings
McCarthy	O'Conor	Watkins
McClellan	O'Mahoney	Wherry
McFarland	Robertson	Wiley
McKellar	Russell	Williams
McMahon	Saltonstall	Withers
Magnuson	Schoeppel	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. BENTON], the Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. HUNT], the Senator from Montana [Mr. MURRAY], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate on public business.

The Senator from Minnesota [Mr. HUMPHREY] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from New York [Mr. IVES], the Senator from Colorado [Mr. MILLIKIN], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The senior Senator from Maine [Mr. BREWSTER], the junior Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Indiana [Mr. JENNER], the junior Senator from Maine [Mrs. SMITH], the senior Senator from Ohio [Mr. TAFT], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Under the unanimous-consent agreement entered into yesterday, the Senator from Oregon [Mr. CORDON] is entitled to the floor. Does the Senator yield so that Senators may make routine insertions in the RECORD, without losing his right to the floor?

Mr. CORDON. Mr. President, I ask unanimous consent that I may yield for that purpose, without losing the floor.

Mr. MAYBANK. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, present petitions and memorials, and submit routine matters for the RECORD, without debate and without speeches, and without taking the Senator from Oregon from the floor.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PROPOSED REVISION RELATING TO COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE (S. DOC. NO. 161)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed revision relating to the Commodity Credit Corporation, Department of Agriculture, fiscal year 1951, in the form of an amendment to the budget, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

COMPULSORY HEALTH INSURANCE

Mr. WATKINS. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions adopted by the Chambers of Commerce of Price and Vernal, Utah, protesting against the enactment of legislation providing compulsory health insurance.

There being no objection, the resolutions were referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Whereas during the past few years and now recently with increasing vigor, certain groups (with all due respect to their possible good intentions) by glowing promises are attempting to influence the people of the United States to accept a compulsory national health plan; and

Whereas it is our firm belief that such schemes, as typified by Congressman DINGELL'S House bill 4312 (socialized medicine), is a door-opener to socialism as Federal aid for services which citizens can do as well or better for themselves, and for which in the long run they themselves must pay; and

Whereas we believe, if such a plan is adopted, it will mean second-rate medical care, decline of medical education, training, and research, invasion of personal privacy in medical matters, political control of medical systems, a growing hierarchy of government administrators, constantly mounting payroll deduction taxes, and eventual extension of controls over other professions; and

Whereas we are opposed to invasion by a politically appointed bureau which has power to set the rates, control the funds, determine the services, maintain the records, and direct participation, with the presumption that it knows what is best for the people; and

Whereas no definite amount has or can be made for the cost of such compulsory health plan, some estimates ranging from 3 percent to 10 percent in pay-roll deduction taxes, at the same time guaranteeing no compulsory standards of medical care; and

Whereas we contend that such plans lead to regimentation of a free people, socialism, and eventually a totalitarian state, contrary to our concept of democracy:

Now, therefore, the Board of Governors representing the membership of the Price Chamber of Commerce hereby voices its wholehearted opposition to any such form of compulsory national health plans.

THE BOARD OF GOVERNORS,
PRICE CHAMBER OF COMMERCE,
By HENRY H. MILLS, *President.*
By RUTH B. GROGAN, *Secretary.*

PRICE, UTAH, *April 3, 1950.*

Whereas the Vernal Chamber of Commerce in meeting duly assembled March 27, 1950, has with forethought carefully considered the problem of socialized medicine; and

Whereas socialism is government without representation; and

Whereas because of the course of events it is necessary for the people of America to arise and defend the ramparts: Now, therefore, be it

Resolved, That the Vernal Chamber of Commerce notify the Utah congressional delegation, of its vehement and vigorous opposition to any and all forms of socialized medicine; be it further

Resolved, That this organization will use all of its energy, power, and intelligence to the end that socialized medicine shall not be thrust upon the people of this Nation.

VERNAL CHAMBER OF COMMERCE,
VERN W. GIFFORD, *President.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WHERRY, from the Committee on Rules and Administration:

S. Con. Res. 38. Concurrent resolution to amend section 138 of the Legislative Reorganization Act of 1946, relating to the legislative budget; with amendments (Rept. No. 1487).

By Mr. BENTON, from the Committee on Rules and Administration:

H. J. Res. 332. Joint resolution providing for the establishment of a joint Senate and House recording facility; with an amendment (Rept. No. 1490).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 3050. A bill to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session; with an amendment (Rept. No. 1488).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 5097. A bill for the administration of Indian livestock loans, and for other purposes; with amendments (Rept. No. 1489).

AMENDMENT OF LEGISLATIVE REORGANIZATION ACT OF 1946, RELATING TO LEGISLATIVE BUDGET — INDIVIDUAL VIEWS

Mr. HAYDEN, as a member of the Committee on Rules and Administration, submitted his individual views on the concurrent resolution (S. Con. Res. 38) to amend section 138 of the Legislative Reorganization Act of 1946, relating to the legislative budget, which were ordered to be printed with the committee report (No. 1487).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 14, 1950, he presented to the President of the United States the following enrolled bills:

S. 2246. An act to amend the National Housing Act, as amended, and for other purposes;

S. 2559. An act to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action; and

S. 2734. An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unani-

mous consent, the second time, and referred as follows:

By Mr. DWORSHAK:

S. 3421. A bill for the relief of certain Basque aliens; to the Committee on the Judiciary.

By Mr. LODGE:

S. 3422. A bill for the relief of John Joseph Griffin; and

S. 3423. A bill for the relief of Rita Keskula; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 3424. A bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; to the Committee on Public Works.

By Mr. KILGORE (for himself and Mr. NEELY):

S. 3425. A bill to provide a transcontinental superhighway with alternate sections; to the Committee on Public Works.

By Mr. WILEY:

S. 3426. A bill to authorize the admission into the United States of an alien possessing special skill; namely, Gerhard Zahn and his wife; to the Committee on the Judiciary.

By Mr. LUCAS (by request):

S. 3427. A bill to extend and improve the unemployment-compensation program, and for other purposes; to the Committee on Finance.

By Mr. MAGNUSON:

S. 3428. A bill to authorize certain projects for irrigation, power, and multiple purposes in the Columbia River Basin, to establish a Columbia Basin account, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TAYLOR:

S. 3429. A bill to authorize the construction of certain irrigation and power projects, to establish a Columbia Basin account, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOLLAND:

S. 3430. A bill for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia); to the Committee on the Judiciary.

(Mr. MCFARLAND introduced Senate Joint Resolution 165, authorizing EDWIN C. JOHNSON, a Senator from the State of Colorado, to accept the decoration tendered him by the Italian Government, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

ACCEPTANCE BY SENATOR EDWIN C. JOHNSON OF DECORATION TENDERED BY ITALIAN GOVERNMENT

Mr. MCFARLAND. Mr. President, I introduce for appropriate reference a joint resolution which would permit my esteemed colleague the Senator from Colorado [Mr. JOHNSON] to accept a decoration from a foreign government. The Senator from Colorado has had conferred upon him by order of the President of the Republic of Italy the Stella della Solidarieta Italiana—Star of Solidarity of Italy, order of second class—in "recognition of [his] special merit." The decoration has been sent by the Italian Ambassador to the Department of State where it reposes until such time as authority is granted for its acceptance by our colleague. I believe that all of us will be pleased to know that the Senator from Colorado has been thus singularly honored by the Republic of Italy.

The joint resolution (S. J. Res. 165) authorizing EDWIN C. JOHNSON, a Senator from the State of Colorado, to accept the decoration tendered him by the Italian Government, introduced by Mr. MCFARLAND, was read twice by its title, and referred to the Committee on Foreign Relations.

ADDRESS BY SENATOR GRAHAM ON ANNIVERSARY OF BIRTH OF THOMAS JEFFERSON

[Mr. HOEY asked and obtained leave to have printed in the RECORD an address delivered by Senator GRAHAM on the two hundred and sixth anniversary of the birth of Thomas Jefferson, before the Sons of the American Revolution, at Washington, D. C., on April 13, 1950, which appears in the Appendix.]

EQUALITY FOR NEGROES

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "Separate but Equal," published in the Christian Science Monitor on Wednesday, April 12, 1950, which appears in the Appendix.]

AUTO LIABILITY INSURANCE—ARTICLE BY ELEANOR MOREHEAD

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Auto Liability Insurance," written by Eleanor Morchead, and published in the Pittsburgh Press of April 6, 1950, which appears in the Appendix.]

THE KERR-THOMAS GAS BILL—EDITORIAL FROM THE MONTGOMERY ADVERTISER

[Mr. KERR asked and obtained leave to have printed in the RECORD an editorial entitled "The Kerr-Thomas Gas Bill," published in the Montgomery Advertiser of April 8, 1950, which appears in the Appendix.]

COMMUNISTS IN THE GOVERNMENT SERVICE—LETTER FROM HAMILTON FISH AND EDITORIAL FROM THE PHILADELPHIA INQUIRER

[Mr. MCCARTHY asked and obtained leave to have printed in the RECORD a letter from Hamilton Fish and an editorial from the Philadelphia Inquirer regarding the inquiry being made by a subcommittee of the Committee on Foreign Relations into Communists in Government service, which appear in the Appendix.]

RESOLUTION OF POTATO GROWERS OF WISCONSIN, INC., ON PRICE SUPPORTS

[Mr. WILEY asked and obtained leave to have printed in the RECORD the text of a press release received by him from Mr. Cliff Hutchinson, executive secretary of Potato Growers of Wisconsin, Inc., and the resolution adopted by that organization, which appear in the Appendix.]

SOCIALISM IN GREAT BRITAIN—ARTICLE BY GEORGE WELLER

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an article relating to socialism in England, by George Weller, from the Washington Evening Star of April 13, 1950, which appears in the Appendix.]

SUNDAY SCHOOL WEEK

Mr. TYDINGS. Mr. President, from April 10 to 16 has been set aside as Sunday School Week.

I am glad of this opportunity to give public recognition to the Sunday school and the part it has played in all our lives. It would be impossible to give a full and adequate statement of all the benefits we have derived from this institution. Bound up in our earliest memories are the lessons we learned there, of right and wrong, of the love of God, of peace, of man's duty to God and to his neighbor—in short, the basic principles for a harmonious relation with our fellow man.

I am sure we all heartily endorse this observance of Sunday School Week and welcome the opportunity, as I do, of acknowledging our debt to our Sunday schools for the guidance and training we received there.

DISAPPEARANCE OF SERGEANT BENDER AND ELECTRICIAN'S MATE SMITH

Mr. KNOWLAND. Mr. President, on October 19, 1948, Sergeant Bender, of the United States Marine Corps, and Electrician's Mate William C. Smith, of the United States Navy, were flying over Chinese territory, and their plane went down. For almost 2 years they have been held by the Chinese Communists. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement issued by the State Department under date of March 10, 1950, entitled "Recent Developments Regarding Smith-Bender Case;" a letter from the State Department regarding the case addressed to me under date of March 23, 1950; a letter dated December 8, 1949, from the State Department addressed to me; a letter which I received from the wife of Sergeant Bender dated October 23, 1949; a copy of my reply to Mrs. Bender; a copy of a letter, dated March 3, 1950, which I received from Jack K. McFall, Assistant Secretary of the Navy, and a letter dated April 8, 1950, from Mrs. William C. Smith, the wife of one of the missing men.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 10, 1950.

RECENT DEVELOPMENTS REGARDING SMITH-BENDER CASE

Gen. George C. Marshall, president of the American Red Cross, has sent a telegram to General Chu Teh, commander of the Chinese Communist Peoples Liberation Army, at Peiping, regarding the detention of Chief Smith and Sergeant Bender by the Chinese Communists. No reply has been received.

The following is the text of General Marshall's telegram:

"I should like to direct your personal attention to the plight of two members of the United States Navy, Elmer C. Bender and William C. Smith, and of their immediate families.

"It has been brought to my attention that on October 19, 1948 these men failed to return from a routine training flight in the Tsingtao area. Also, I have learned that the United States Government, through its representatives at Nanking, Peiping, and Tsingtao, has made repeated attempts since that time to make it possible for the men to communicate with their families and to bring about their release. In addition, communications on the subject have been sent to the Aliens Affairs Office and to the general headquarters of the peoples liberation army. To date all these attempts have brought no satisfactory result.

"Both Mr. Smith and Mr. Bender are married. Mr. Smith has a son born over a year ago whom he has never seen. The families have not heard from them since their disappearance 14 months ago. Quite naturally they are experiencing considerable hardship and suffering. Having been unsuccessful in obtaining direct communication with and effecting the release of their husbands, the wives of these two men have appealed to the American Red Cross for help. Their request is quite in order because under its charter, the American National Red Cross is charged with the responsibility of acting as a means

of communication between the individuals in the armed forces of the United States and their families. When circumstances prevent ready communication and as a result the welfare of the man and his family is jeopardized, it is the duty of the Red Cross to take whatever steps it deems necessary to try to reinstate communication and if humanly possible bring about a change in these circumstances.

"Therefore, in the true spirit of the worldwide Red Cross movement and on humanitarian grounds, I urge that you give your personal attention to the matter of the release of these men. In the meantime, I urge that you make it possible for them to communicate with their anxious families."

The American Red Cross reports that delegates of the International Red Cross Committee at Tsingtao and Shanghai have been advised of the detention of Chief Smith and Sergeant Bender and are working to effect the release of the men.

A Chinese Communist official at Tsingtao, in discussing the detention of the men with Captain Jones of the *Flying Arrow*, reportedly suggested that their release might be effected through further Navy representations. Some of the remarks made by this official regarding the United States' representations to date do not correspond with the facts, and the Government is not inclined to rely upon his suggestions. Nevertheless, in order to exploit fully every possibility of effecting their release, the United States Naval Attaché in China has addressed a note to the highest Communist authorities at Peiping, once again identifying Chief Smith and Sergeant Bender as United States naval personnel, describing briefly the nature of their flight and the circumstances which forced them to land in Communist-occupied territory, and suggesting arrangements for their repatriation to the United States.

THE SECRETARY OF THE NAVY,
Washington, March 23, 1950.

Hon. WILLIAM F. KNOWLAND,
Committee on Appropriations, Senate Office Building, Washington, D. C.

MY DEAR SENATOR KNOWLAND: This is in reply to your letter of March 8, 1950, forwarding a communication received by you from Mrs. Smith concerning her husband, Chief Construction Electrician's Mate William C. Smith, United States Navy, who, together with Tech. Sgt. Elmer C. Bender, United States Marine Corps, is presumed to be held by the Communist authorities in China.

In regard to the statements reportedly made by a Mr. Wong, Communist official in Tsingtao, to Capt. David Jones, I wish to advise you as follows: From the very first the Department of the Navy has made every practicable effort to contact high-ranking Communist officials to obtain the release of the two men. Among the other actions which the Navy has taken the following bear specifically on the statements attributed to Mr. Wong.

Commencing October 20, 1948, the day following the nonreturn of Smith and Bender from their routine training flight, both naval and marine forces in Tsingtao conducted for several days an intensive air search of the land and sea area within a radius of 100 miles of the city. In addition, hundreds of leaflets were dropped from aircraft in an attempt to contact responsible Communist authorities in the eastern part of Shantung Province.

On January 29, 1949, leaflets were dropped by aircraft on the village of Hsia Tien, 65 miles north of Tsingtao, where the two men were reportedly being held.

On February 23, 1949, the commanding officer, Third Marines, in Tsingtao, sent a letter to the chief Communist political officer for East Shantung requesting the release of the two men. An evasive reply was received.

On April 13, 1949, in view of the imminent withdrawal of naval forces from Tsingtao, the Navy Department requested the State Department to endeavor to obtain through diplomatic channels information concerning the welfare and whereabouts of the two men and to negotiate for their release.

In addition to the efforts which have been made by the State Department, Capt. Samuel B. Frankel, United States naval attaché in Shanghai, addressed a letter on February 3, 1950, to Gen. Hsu Hsi-yu, commander of the People's Liberation Army in Shantung. This letter explained that the two servicemen were on a routine training flight when they were forced to make an emergency landing as the result of an engine failure. No reply has been received.

On February 21, 1950, a similar letter was sent by Captain Frankel to Chou En-lai, Communist Minister of Foreign Affairs in Peiping. No reply has been received.

There is no information to indicate that the plane flown by Smith and Bender was carrying photographic equipment. This type of plane is not normally equipped or used for aerial photographic work.

Officers of the Navy Department are in almost daily contact with representatives of the State Department in regard to this matter. Upon every appropriate occasion the Navy Department has expressed to the State Department the necessity of taking every practicable step to obtain the earliest release of these two men. As you are already undoubtedly aware, the State Department has made numerous approaches to the highest ranking Communist officials relative to this subject. In order that the State Department may be informed of your interest in this matter, I am forwarding to the Secretary of State a copy of your letter and this reply.

Let me assure you that I am deeply concerned over the nonreturn of these two men and that every practical step to obtain their release will be taken by the Department of the Navy.

Mrs. Smith's letter is returned herewith as you requested.

Sincerely yours,

DAN A. KIMBALL,
Under Secretary of the Navy.

DEPARTMENT OF STATE,
Washington, December 8, 1949.

The Honorable WILLIAM F. KNOWLAND,
United States Senate.

MY DEAR SENATOR KNOWLAND: Reference is made to previous communications on the subject of the efforts of United States officials to obtain the release of William C. Smith and Elmer C. Bender, the two American servicemen who are reportedy being held by the Chinese Communists in the vicinity of Tsingtao, China.

As you are aware, the Department, since receiving information in April concerning the disappearance of the two men, instructed its representatives in Tsingtao, Peiping, and Nanking to make every effort to obtain their release. The efforts of our consul general at Peiping on August 3 and August 30 to obtain action by Chu Teh, the commander in chief of the Chinese Communist armed forces, were made without response. Our consul general at Tsingtao has been unable to obtain any information from local Communist officials beyond a statement by these officials on October 10 that they no longer know the whereabouts of the two men.

On November 25, 1949, our consul general at Peiping sent a letter to Chou En-lai, who is in charge of the foreign relations of the recently established Chinese Communist regime, requesting that he cause an early investigation of the matter to be made, to the end that the men be permitted to communicate with their families regarding their personal welfare.

In order to indicate to the Chinese Communist authorities that American officials and the American public are deeply concerned over the detention of Mr. Smith and Mr. Bender, the Secretary on November 30 made a statement to the press clearly emphasizing that the behavior of the Chinese Communists up to the present has violated all the accepted principles of international relations and humane behavior.

I wish to assure you that any response which might be obtained from the Communist authorities will be conveyed to you and to the families of Mr. Smith and Mr. Bender. The Department is continuing its efforts in this case with all the energy it has applied to those of American officials who have been held against their will in China. In continuing to pursue every possible means of action in the case, the Department now has under preparation other types of approach to supplement its efforts to obtain a satisfactory response from the Chinese Communists.

I am sending similar letters to a number of other Members of the Congress who have also asked for information on this matter.

Sincerely yours,

BEN H. BROWN, Jr.,
Acting Assistant Secretary for Congressional Relations
(For the Secretary of State).

OCTOBER 28, 1949.

Mrs. E. C. BENDER,
Chicago, Ill.

DEAR MRS. BENDER: In the absence of Senator KNOWLAND, I wish to acknowledge and thank you for your letter of October 23, with enclosure, on behalf of Mr. Bender, your husband, and Mr. Smith, who failed to return from a training flight over the Tsingtao area of China last October.

Senator KNOWLAND was advised by the State Department on October 18 that the consular officers in Chinese Communist-controlled areas are making every effort to obtain additional information concerning Mr. Bender and Mr. Smith and to effect their release.

You may be sure that the Senator will continue to follow this case very carefully and will do everything possible to hasten their return.

With best regards, I am,

Sincerely yours,

GEORGE F. WILSON,
Administrative Assistant to Senator William F. Knowland.

OCTOBER 23, 1949.

DEAR SENATOR KNOWLAND: I have just finished reading the article I am enclosing. I am very interested in anything concerning these Communists, since my husband, Master Sgt. E. C. Bender, has been held in China a year by the Communists. Mrs. W. C. Smith, whose husband is held with my husband, may have written to you about them. Surely, if this report is true, some way can be found to gain the release of my husband and Mr. Smith before the Chinese leave this country. At least, obtain some reassurances to their safety and welfare. The State Department has assured me they are doing all possible to effect their release, but it is rather hard to believe, in view of this article. Would you please see what you can do to help my husband and Mr. Smith?

Sincerely,

Mrs. E. C. BENDER.

MARCH 3, 1950.

The Honorable WILLIAM F. KNOWLAND,
United States Senate.

MY DEAR SENATOR KNOWLAND: The following information is sent to you in response to your letter of February 18:

1. The Chinese Communists are still detaining Chief Smith and Sergeant Bender incommunicado, without explanation. As indicated in previous correspondence on this subject, the United States Government has sent five written requests for their release

to Communist authorities at Peiping. In addition, oral and written representations to local Communist authorities have been made by United States diplomatic and consular representatives at Nanking, Tsingtao, Tientsin, and Shanghai. These representations have been ignored by the Communist authorities on the pretext that United States representatives in China have no official status. To fully explore every possible means of effecting their release, the Department requested Capt. David Jones, master of the *Flying Arrow*, to approach Communist authorities at Tsingtao on an unofficial basis, requesting that the men be allowed to return to the United States aboard his ship. This approach was also unsuccessful in obtaining their release, although additional information regarding their welfare was obtained. This information was transmitted to you in a memorandum on the Smith-Bender case dated January 31, 1950. The Department has requested the assistance of the British Foreign Office and the International Red Cross in establishing a channel of communications with Chief Smith and Sergeant Bender and effecting their release, and is, in the meantime, investigating other avenues of approach to the Chinese Communist authorities.

2. General Soule and his staff are still at Shanghai, awaiting transportation to the United States. The Chinese Communist authorities granted them exit permits in December, but these authorities have generally refused permission to foreigners in the Shanghai and Nanking areas to depart from China via ports other than Shanghai. Their departure from Shanghai has been delayed indefinitely due to the Chinese National Government's endeavor to close that port.

3. All American personnel of the Consulate General in Peiping have not yet applied for exit permits, according to the Department's latest information. The consul general in Peiping has reported that local regulations stipulate that an application for an exit permit debars the applicant from requesting passes for local travel. Therefore, in view of the importance of maintaining contact with the consulate general in Tientsin, especially during this period when the two consulates general are finalizing their plans for withdrawal, only a limited number of the official personnel at Peiping have applied for exit permits. The remainder of the personnel will apply shortly before the estimated date of departure. It might be noted, in this connection, that four official Americans, including the assistant military attaché, have already received their exit permits and have left Peiping.

As requested by you, there is given below the text of the shop guaranty used by official personnel in Ambassador Stuart's party when they left Nanking. This shop guaranty was executed by Second Secretary Bacon of the embassy as a personal act.

"I hereby execute this bond to guarantee that (blank) is in truth not involved in any unsettled civil or criminal actions nor disputes involving payment of rents, taxes, or other debts, and that while he is waiting for exit (blank) will definitely not commit any unlawful act, otherwise, the executor of this bond is willing to be subject to the reserved punishment."

Sincerely yours,

JACK K. MCFALL,
Assistant Secretary.

LONG BEACH, CALIF., *April 8, 1950.*

DEAR SENATOR KNOWLAND: It has been 18 months that my husband, William Charles Smith, has been a prisoner of the Chinese Communists. A famine is facing the Chinese people. Is my husband to be left to starve while our American Government does nothing?

I want some action on this case and have it brought before Congress, and want to know why nothing has been done toward their release.

We have the United Nations, also a law established on human rights for the United Nations to protect our citizens in foreign countries. Don't you think after 18 months it's time the United Nations went into action?

I hope you don't overlook this and demand action at once. If Dean Acheson can't fulfill his promise to ask the United Nations for help, then let him get out and someone else more capable can handle this case.

Yours truly,

Mrs. WILLIAM C. SMITH.

COMMUNISM IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to insert in the body of the RECORD a clipping from this morning's Washington Post entitled "Five in Hawaii Refuse Replies in Red Inquiry."

I call it to the particular attention of the Senate that one of these five, Frank G. Silva, is a member of the Hawaii Constitutional Convention.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

FIVE IN HAWAII REFUSE REPLIES IN RED INQUIRY

HONOLULU, April 13.—The Hawaii head of Harry Bridges' CIO longshore union and the secretary of the Oahu County Democratic Committee both refused today to tell a congressional committee whether they are or have been Communists.

Representative WALTER, Democrat of Pennsylvania, acting chairman of the House Committee on Un-American Activities, immediately announced contempt of Congress action would be taken against both.

Jack Hall, regional director of the union, was the first to refuse today to answer the question: Are you now or have you ever been a Communist?

This was followed by Wilfred Oka, 39, Democratic secretary and former ILWU organizer.

Charles K. Fujimoto, 33, chairman of the Communist Party of Hawaii, became the fourth witness to refuse to tell the committee if he was a Communist. In all, he refused to answer 39 questions.

The fifth witness to refuse to answer the Communist question was Frank G. Silva, who came to the hearing from Hawaii's constitutional convention, where he is sitting as a delegate.

In a statement to the press, Silva denied that he ever had been a Communist. He is business agent for the longshoremen's union at Kauai.

Ralph Tokunaga, former local president of the union, refused to answer the question yesterday. Myer C. Symonds, ILWU attorney, said he was advising all his clients to refuse to answer. He said he was prepared to challenge constitutionality of the statute that created the Committee on Un-American Activities.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2246. An act to amend the National Housing Act, as amended, and for other purposes;

S. 2559. An act to authorize the extention of officers' retirement benefits to certain persons who, while serving as enlisted men in the Army of the United States during World War II, were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action;

S. 2734. An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes; and

H. R. 5839. An act to facilitate and simplify the work of the Forest Service, and for other purposes.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The VICE PRESIDENT. The Senator from Oregon [Mr. CORDON] is recognized.

Mr. CORDON. Mr. President, in a colloquy yesterday between the distinguished senior Senator from Wyoming [Mr. O'MAHONEY] and myself with respect to whether an amendment sent to the desk some time ago by me, and which I have heretofore indicated I may offer as an amendment to the pending measure, was in fact the same in principle as the provisions of the so-called O'Mahoney amendment, in that both would make use of the so-called interest component to offset the excess irrigation costs which could not be paid by the water users, the Senator from Wyoming asked directly whether my amendment did not contain the same provision, and I answered that it did. I intended then further to discuss the matter, but the vicissitudes of the afternoon were such that we went on with a very considerable number of other important subjects, but did not get back to the question, and I desire to do so now.

Mr. President, I reiterate that the amendment which I have had printed, and which I may offer later in the day, does contemplate the authorization of certain reclamation projects, which projects would not be feasible if standing alone, but can be feasible only if a very considerable portion of their cost can be repaid from revenues from the sale of hydroelectric power, or may be written off against the interest to be paid on the cost of hydroelectric facilities. My amendment does contain the latter method of offsetting those costs. But there are several very sharp and important differences between that amendment and the so-called O'Mahoney or committee amendment, and I wish to call the attention of the Senate to some of the most important of these.

First, my amendment is limited to the specific reclamation projects described therein, being the 13 projects which would be authorized under its terms. Incidentally, they are the identical 13 projects which would be authorized under the O'Mahoney amendment, but my amendment would go no further than to provide that those projects be authorized; and for the purpose of subsidizing the excess irrigation costs of those projects, the 13, which would include the Hells Canyon multiple-purpose project, which in in truth almost entirely a power project, provision is made that the 12 other projects, to the extent necessary,

would have their excess costs applied against the interest which would be paid on the cost of the power features of the Hells Canyon and Mountain Home projects. By that strategem, let us say, there would be no necessity for repayment in dollars to the Federal Treasury of those excess costs, and the projects would thereby become feasible under the provisions of existing law.

My amendment would not include any other projects than the 13. It would not include any other power than the power at Hells Canyon and Mountain Home. It would not include any of the general provisions of the committee amendment which would make subject to the subsidy arrangement not only the interest of reclamation power projects, but the interest on all facilities, power, reclamation, flood control, navigation, and mixed.

There is then this sharp difference. In my amendment I have attempted to provide for sufficient subsidy from Hells Canyon Dam and the Mountain Home power facilities to make feasible the authorization of 12 other projects, 11 of them reclamation, and the twelfth a slight change in the Grand Coulee Dam to make it more useful for flood control. In that instance there would be no charge against interest, since the improvements would be nonreimbursable, because it has the flood-control aspect.

Mr. President, on the other hand, the O'Mahoney, or amendment of the Committee on Interior and Insular Affairs, would pool all interest on all power projects, those now in existence, having been heretofore authorized, those to be authorized in this bill, and those which may be authorized at any time in the indeterminate future.

The O'Mahoney amendment is so broad as to create a potential reclamation subsidy write-off passing beyond the incredible figures of four and one-quarter billion dollars—not million but four and one-quarter billion dollars—by the year 2000, if the basic program of the two agencies in the Columbia Basin were to be carried forward in accordance with what those agencies agreed was a reasonable program.

On the other hand, the Cordon amendment would provide slightly less than $16,000,000 of reclamation subsidy, and no more, unless the irrigation features of the Mountain Home project are subsequently approved.

The difference, then, is clear on that one point. When I use that staggering figure of $4,236,400,000 as the possible interest available or which might become available between now and the year 2000, I am quoting figures which were furnished to me, at my request, by the Corps of Engineers.

Mr. TAYLOR. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Oregon yield to the Senator from Idaho?

Mr. CORDON. I hope the Senator will do no more than ask a question.

Mr. TAYLOR. That is all.

Mr. CORDON. Because I wish to hurry through. I am happy to yield for a question.

Mr. TAYLOR. Do I correctly understand the Senator to say that the interest component to be derived from the Hells Canyon project will be only $16,000,000?

Mr. CORDON. No; my statement was that of the interest which would be available, only $16,000,000 would be used.

Mr. TAYLOR. Does that include the Mountain Home project?

Mr. CORDON. It does not; it includes all but Mountain Home. Now that the Senator from Idaho has called my attention to it, I desire to leave for the moment the matter of the over-all interest component, to cover the matter to which the Senator from Idaho has called my attention.

The Cordon amendment provides $16,000,000 of subsidy, according to the figures which I shall presently submit for the RECORD, for reclamation projects. There is a possible additional subsidy of, I believe, $185,000,000 which would be necessary if the Mountain Home project in the State of Idaho were authorized in its entirety. However, neither amendment authorizes all of the Mountain Home project. Each amendment authorizes certain features of the Mountain Home project, which would, in their totality, represent only a power segment of the Mountain Home project.

The amendment which was offered in the committee to the suggested amendment of the Bureau of the Budget and of the Department of the Interior—the amendment being offered by the senior Senator from Idaho [Mr. TAYLOR]—was agreed to by the committee and was included in the committee or O'Mahoney amendment, and I have included it in mine. That language, which is found on page 2 of my amendment C of March 13, 1950, is as follows:

> Mountain Home project, Payette unit, Idaho: *Provided,* That no funds shall be expended on other than the following features:
> Upper Scriver Creek power plant.
> Lower Scriver Creek power plant.
> Smiths Ferry Dam.
> Smiths Ferry-Scriver Creek tunnel.
> Scriver Creek Dam and Reservoir.
>
> And now the language follows:
>
> Until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility under the provisions of the Federal reclamation laws.

That makes the irrigation facilities of the Mountain Home project only conditionally authorized. The authorization will become complete if the Secretary of the Interior with the approval of the President advises the Congress that the irrigation portion of the project is feasible and if the Congress takes no action to deny that report.

If feasibility were found, then the additional $185,000,000 of reclamation subsidy would be charged against the interest component for the Hells Canyon project. That does not mean that the interest component would pay it; it means that the interest component—which is nothing but a payment into the Treasury to offset the interest the Treasury pays—would be considered as a credit, and these reclamation items would be charged against it in a bookkeeping manner, which is a write-off. We must face that fact.

Now I return to the possibility of interest credit resulting from the committee amendment. Heretofore I have placed the figure in the RECORD.

I desire now to offer for the RECORD a letter dated March 9, 1950, from the Corps of Engineers, United States Army, 500 Pittock Block, Portland, Oreg., over the signature of John P. Buehler, lieutenant colonel, Corps of Engineers, executive officer, with certain attachments in the nature of tables, the last figure of which is the figure I have called to the attention of the Senate, namely, $4,236,400,000. Mr. President, I ask unanimous consent that this document, with the attachments, be made a part of the RECORD at this point.

There being no objection, the letter and attachments were ordered to be printed in the RECORD, as follows:

UNITED STATES ARMY,
CORPS OF ENGINEERS,
OFFICE OF THE DIVISION ENGINEER,
Portland, Oreg., March 9, 1950.

Hon. GUY CORDON,
United States Senate, Washington, D. C.

DEAR SENATOR CORDON: In the absence of Colonel Walsh from the city, I am pleased to forward herewith the break-down figures for the interest component-estimates previously furnished you by telephone pursuant to your conversation with Colonel Walsh in Washington. The enclosed tabulations contain the break-down by projects as you requested, with a summary table showing the totals furnished your office earlier by Colonel Walsh and Mr. Peterson of this Office which represent the estimated accumulations of interest on the unamortized capital-power investments by the years noted.

As previously explained, these interest-component estimates were necessarily developed from a series of basic assumptions and, while we feel confident that the totals are of the correct magnitude, it must be realized that even slight modifications in any of the basic assumptions could modify any or all of the figures given. The more important of the basic assumptions are briefly outlined in the following for your information.

The first step in developing the estimated interest component is to lay out a project schedule. Due to the press for time, it was necessary to schedule the projects of the various phases in a rather arbitrary manner. Schedule S for generation installation in the Pacific Northwest was followed for those projects presently authorized and projects recommended by the Bureau of the Budget contained therein. Beyond the range of that schedule, power installations were scheduled in a sequence to provide generating capacity to meet an estimated load growth contained in our Columbia River Review Report. This results in the C group of projects, essentially the main control plan, being completed by 1970 with the D, or phase D, projects completed by the year 1990. This, of course, might be considered a very fast schedule considering the magnitude of the work involved. The transmission installation was taken by 5-year increments on a constant growth curve which would keep the total transmission capacity up to or ahead of generation throughout the growth period. Since the interest component was computed from the year the project was assumed completed, any change in the schedule would result in a different interest component.

Project costs were taken as the latest available estimates. The majority of the projects costs were taken from the Columbia River Review Report which were on the January 1948 price level. Transmission costs for phase D were estimated on the basis of the cost per installed kilowatt for the report C-2 system. The allocations between the

corps and the Bureau were made on a total installed kilowatt basis. Where later project reports were available, the latest estimates were used for Bureau of Reclamation projects. To determine the cost allocations to power, certain general assumptions were made. For Bureau projects, the cost allocations to power were taken as given in their reports. For corps projects, since no cost allocations are presumed by this Department, the formula applied to the Bonneville Dam project was applied as follows: Considering only the principal purposes of the project, on projects for power and navigation only, one-half the capital cost of joint facilities were added to the capital cost of power facilities to obtain the total amount chargeable to power. On power, navigation, and flood-control projects the flood-control benefits were first capitalized and subtracted from the joint costs, after which one-half was added to the cost of power facilities to obtain the power charges. On power and flood-control projects the capitalized flood-control benefits were first subtracted from the joint costs and the balance of the cost of joint facilities added to the cost of power facilities to obtain the total costs charged to power. For the multiple-purpose Willamette Valley projects, which are considerably more complex from a use standpoint, the total cost charged to power was taken as the capitalized power benefits as assigned these projects. Projects exclusively or almost entirely for power purposes were all charged to power. Any appreciable changes in project costs or in the allocations charged to power would, of course, be reflected in the interest components.

The Bonneville Power Administration payout schedule was used for the operation installations, with the last three units at Grand Coulee added in the manner described herein for new projects. Although these pay-out schedules are based on 2½ percent, a 3 percent interest rate, which now appears to be generally accepted, was used for the balance of the study. Interest was included only on the unamortized balance of the capital costs charged to power for each project, which were assumed to be amortized on a straight line basis over the 50-year repayment period. Interest was not included on interim replacement costs which would have added refinement beyond the limits of over-all study accuracy. Refinement in this step would lead to minor increases in the interest component accumulations, particularly the totals for years beyond the midpoint in the 50-year project repayment period.

I believe those are the principal important points to be considered in analyzing the enclosed figures or in comparing them with other studies of a similar nature. All assumptions were made in the most realistic or logical manner to accomplish the study within the time limits set.

I hope that this information will serve your present needs. If this Office can be of any further assistance to you at any time, please do not hesitate to call upon us.

Sincerely yours,

JOHN P. BUEHLER,
Lieutenant Colonel, Corps of Engineers, Executive Officer
(For the Division Engineer).

INTEREST COMPONENT STUDY

TABLE A–1.—*Corps of Engineers projects presently in operation*

Project	Interest component			
	1950	1960	1970	2000
Bonneville	$13,700,000	$23,700,000	$30,500,000	$35,800,000
Transmission	3,000,000	9,300,000	16,600,000	25,900,000
Total	16,700 000	33,000,000	47,100,000	61,700,000

TABLE A–2.—*Bureau of Reclamation projects presently in operation*

Project	Interest component			
	1950	1960	1970	2000
Grand Coulee (15 units)	$23,100,000	$52,300,000	$66,500,000	$67,800,000
Grand Coulee (3 additional units)	----------	3, 700, 000	6, 900, 000	11, 300, 000
Subtotal (generation)	23, 100, 000	56, 000, 000	73, 400, 000	79, 100, 000
Transmission	9, 500, 000	35, 100, 000	62, 200, 000	97, 100, 000
Total	32, 600, 000	91, 100, 000	135,600,000	176,200,000

TABLE B–1.—*Corps of Engineers projects presently authorized*

Project	Interest component			
	1950	1960	1970	2000
McNary	------	$15,300,000	$59,400,000	$128,500,000
Chief Joseph	------	----------	48, 100, 000	153, 800, 000
Detroit	------	6, 400, 000	13, 900, 000	24, 500, 000
Big Cliff	------	1, 300, 000	2, 800, 000	5, 000, 000
Ice Harbor	------	5, 000, 000	19, 600, 000	42, 500, 000
Lower Monumental	------	5, 000, 000	19, 300, 000	41, 700, 000
Little Goose	------	3, 600, 000	19, 400, 000	44, 600, 000
Lower Granite	------	----------	10, 600, 000	37, 800, 000
Subtotal (generation)	------	36, 600, 000	193,100,000	478, 400, 000
Transmission	------	30, 300, 000	103,800,000	212, 500, 000
Total	------	66, 900, 000	296,900,000	690, 900, 000

TABLE B–2.—*Bureau of Reclamation projects presently authorized*

Project	Interest component			
	1950	1960	1970	2000
Palisades	------	$2, 400, 000	$6, 500, 000	$12,600,000
Anderson Ranch	------	2, 200, 000	4, 100, 000	6, 700, 000
Hungry Horse	------	18, 700, 000	40, 600, 000	71, 700, 000
Subtotal (generation)	------	23, 300, 000	51, 200, 000	91, 000, 000
Transmission	------	2, 800, 000	4, 300, 000	36, 500, 000
Total	------	26, 100, 000	55, 500, 000	127,500,000

TABLE C–1.—*Corps of Engineers projects recommended by Bureau of the Budget*

Project	Interest component			
	1950	1960	1970	2000
Meridian	------	$3, 500, 000	$8, 500, 000	$15,700,000
Hills Creek	------	1, 500, 000	3, 500, 000	6, 500, 000
Albeni Falls	------	4, 700, 000	12, 500, 000	24, 300, 000
Dexter	------	1, 400, 000	3, 800, 000	7, 400, 000
Libby	------	----------	51, 600, 000	150,000,000
Priest Rapids	------	----------	5, 700, 000	124,100,000
John Day	------	----------	32, 300, 000	188,800,000
The Dalles	------	----------	6, 900, 000	149,700,000
Cougar	------	1, 100, 000	3, 400, 000	6, 900, 000
Green Peter	------	1, 500, 000	5, 800, 000	12, 400, 000
White Bridge	------	600, 000	2, 500, 000	5, 400, 000
Waldo Lake [1]	------	100, 000	300, 000	600, 000
Subtotal (generation)	------	14, 400, 000	136,800,000	691,800,000
Transmission	------	10, 400, 000	74, 600, 000	252,900,000
Total	------	24, 800, 000	211,400,000	944,700,000

[1] Storage only.

TABLE C–2.—*Bureau of Reclamation projects recommended by Bureau of the Budget*

Project	Interest component			
	1950	1960	1970	2000
Upper Scriver	------	$1, 200, 000	$3, 600, 000	$7, 500, 000
Lower Scriver	------	1, 200, 000	6, 700, 000	15, 300, 000
Hells Canyon [1]	------	----------	81, 700, 000	237,500,000
Subtotal (generation)	------	2, 400, 000	92, 000, 000	260,300,000
Transmission	------	2, 400, 000	15, 000, 000	71, 600, 000
Total	------	4, 800, 000	107,000,000	331,900,000

[1] Including reregulating dam.

TABLE D–1.—*Corps of Engineers projects in "308" report through phase D*

Project	Interest component			
	1950	1960	1970	2000
Boundary	------	------	------	$71, 500, 000
Leland Glen	------	------	------	11, 400, 000
Springston	------	------	------	31, 100, 000
Katka	------	------	------	101, 600, 000
Wells	------	------	------	47, 800, 000
Rocky Reach	------	------	------	61, 000, 000
Asotin	------	------	------	53, 400, 000
Clarkston	------	------	------	33, 300, 000
Kooskia	------	------	------	89, 000, 000
Chief Joseph (4 additional units)	------	------	------	15, 100, 000
Priest Rapids (7 additional units)	------	------	------	15, 500, 000
Lower Granite (1 additional unit)	------	------	------	2, 900, 000
Little Goose (1 additional unit)	------	------	------	3, 000, 000
Lower Monumental (1 additional unit)	------	------	------	3, 100, 000
Ice Harbor (1 additional unit)	------	------	------	3, 100, 000
John Day (1 additional unit)	------	------	------	1, 800, 000
The Dalles (2 additional units)	------	------	------	2, 800, 000
Subtotal (generation)	------	------	------	547, 400, 000
Transmission	------	------	------	180, 500, 000
Total	------	------	------	727, 900, 000

TABLE D–2.—*Bureau of Reclamation projects in "308" report through phase D*

Project	Interest component			
	1950	1960	1970	2000
Paradise	------	------	----------	$136, 800, 000
Canyon Creek	------	------	----------	13, 900, 000
Coram	------	------	----------	12, 400, 000
Ninemile Prairie	------	------	----------	21, 700, 000
Quartz Creek	------	------	----------	11, 300, 000
Trout Creek	------	------	----------	38, 000, 000
Noxon Rapids	------	------	----------	21, 300, 000
Cabinet Gorge	------	------	----------	36, 300, 000
Priest Lake (storage only)	------	------	----------	3, 400, 000
Similkameen	------	------	----------	22, 200, 000
Crevice	------	------	----------	64, 200, 000
Freedom	------	------	----------	26, 800, 000
Nez Perce	------	------	----------	239, 000, 000
Elkberry	------	------	----------	80, 600, 000
Bruces Eddy	------	------	----------	45, 400, 000
Yale	------	------	----------	36, 300, 000
Mossy Rock	------	------	----------	69, 200, 000
Mayfield	------	------	----------	31, 400, 000
Glacier View (or alternate)	------	------	$18, 800, 000	60, 000, 000
Garden Valley	------	------	1, 000, 000	5, 900, 000
Subtotal (generation)	------	------	19, 800, 000	976, 100, 000
Transmission	------	------	4, 300, 000	199, 500, 000
Total	------	------	24, 100, 000	1,175,600, 000

SUMMARY TABLE.—*Interest component study*

Item	Interest component											
	1950			1960			1970			2000		
	Corps of Engineers	Bureau	Total	Corps of Engineers	Bureau	Total	Corps of Engineers	Bureau	Total	Corps of Engineers	Bureau	Total
A. Project in operation:												
Generation	$13,700,000	$23,100,000	$36,800,000	$23,700,000	$56,000,000	$79,700,000	$30,500,000	$73,400,000	$103,900,000	$35,800,000	$79,100,000	$114,900,000
Transmission	3,000,000	9,500,000	12,500,000	9,300,000	35,100,000	44,400,000	16,600,000	62,200,000	78,800,000	25,900,000	97,100,000	123,000,000
Subtotal	16,700,000	32,600,000	49,300,000	33,000,000	91,100,000	124,100,000	47,100,000	135,600,000	182,700,000	61,700,000	176,200,000	237,900,000
B. Authorized project:												
Generation				36,600,000	23,300,000	59,900,000	193,100,000	51,200,000	244,300,000	478,400,000	91,000,000	569,400,000
Transmission				30,300,000	2,800,000	33,100,000	103,800,000	4,300,000	108,100,000	212,500,000	36,500,000	249,000,000
Subtotal				66,900,000	26,100,000	93,000,000	296,900,000	55,500,000	352,400,000	690,900,000	127,500,000	818,400,000
C. Project recommended by Bureau of the Budget:												
Generation				14,400,000	2,400,000	16,800,000	136,800,000	92,000,000	228,800,000	691,800,000	260,300,000	952,100,000
Transmission				10,400,000	2,400,000	12,800,000	74,600,000	15,000,000	89,600,000	252,900,000	71,600,000	324,500,000
Subtotal				24,800,000	4,800,000	29,600,000	211,400,000	107,000,000	318,400,000	944,700,000	331,900,000	1,276,600,000
Total (A+B+C):												
Generation	$13,700,000	$23,100,000	$36,800,000	74,700,000	81,700,000	156,400,000	360,400,000	216,600,000	577,000,000	1,206,000,000	430,400,000	1,636,400,000
Transmission	3,000,000	9,500,000	12,500,000	50,000,000	40,300,000	90,300,000	195,000,000	81,500,000	276,500,000	491,300,000	205,200,000	696,500,000
Total	16,700,000	32,600,000	49,300,000	124,700,000	122,000,000	246,700,000	555,400,000	298,100,000	853,500,000	1,697,300,000	635,600,000	2,332,900,000
D. Project through phase D:												
Generation								19,800,000	19,800,000	547,400,000	976,100,000	1,523,500,000
Transmission								4,300,000	4,300,000	180,500,000	199,500,000	380,000,000
Subtota								24,100,000	24,100,000	727,900,000	1,175,600,000	1,903,500,000
Total (A+B+C+D):												
Generation	13,700,000	23,100,000	36,800,000	14,400,000	81,700,000	156,400,000	360,400,000	236,400,000	596,800,000	1,753,400,000	1,406,500,000	3,159,900,000
Transmission	3,000,000	9,500,000	12,500,000	10,400,000	40,300,000	90,300,000	195,000,000	85,800,000	280,800,000	671,800,000	404,700,000	1,076,500,000
Total	16,700,000	32,600,000	49,300,000	24,800,000	122,000,000	246,700,000	555,400,000	322,200,000	877,600,000	2,425,200,000	1,811,200,000	4,236,400,000

Mr. CORDON. The figure $4,236,400,000 represents what would be paid in interest into the Federal Treasury if a reasonably worked-out plan of construction and operation of power plants in the Pacific Northwest were carried out over the period from 1950 to the year 2000. I refer to plants which have not yet been authorized, to plants the studies of which have not been completed but which have been worked out. Some of them have already planned even to the construction plans, some have had cost-accounting worked out, some have only gotten as far as reconnaissance. I want that understood.

But even the figure mentioned, fantastic as it is, does not represent the amount of credit which could be in that ghost account, that gimmick account, inside the Columbia Basin account, under the cold legal language of the pending committee amendment. The committee amendment provides—and I start reading the proviso on page 5:

Provided, That estimated future costs and revenues of projects or divisions thereof upon which construction has not been initiated shall be so taken into account only if funds for the preparation of designs and specifications or for the initiation of construction have been made available pursuant to law, or if estimates of requirements of funds for those purposes have been submitted to the Congress by the President.

That means that under the committee amendment the Secretary of Interior would be authorized, in setting up a subaccount—or, as I think I more properly term it, a ghost account—of interest credits, against which reclamation subsidies might be written off; to set up in that account interest actually paid into the Treasury on plants actually in operation, interest on plants which had been authorized and for which some appropriation had been made, however little the appropriation might be, since the language of the amendment is "only if funds for the preparation of designs and specifications or for the initiation of construction have been made available pursuant to law."

The minute the Congress provides $1 for plans and specifications of any power project in the Pacific Northwest, the Secretary of Interior, under the clear language of this amendment, is entitled to compute the full amount of interest which sometime would be paid on the full cost of the power features of such project and immediately set them down as a credit against which these subsidies might be charged.

Furthermore, even that is not the limit. If the President of the United States sent to the Congress an estimate of funds for those purposes, and if the Congress pigeonholed it and never did a thing beyond its initial authorization, the Secretary of the Interior, under the clear language of this bill, could still create out of nothing a figure representing his estimate of the full amount of interest which would be charged against the power features of the project, if the project ever were built, and immediately include those figures in his ghost credit account and charge subsidy against it.

Mr. CHAVEZ. Mr. President, will the Senator yield briefly?

Mr. CORDON. I yield.

Mr. CHAVEZ. The Senator from Oregon means, does he not, that it could be done if the pending amendment were agreed to?

Mr. CORDON. That is correct.

Mr. CHAVEZ. It does not mean that that provision was in the bill reported by the Public Works Committee, does it?

Mr. CORDON. Indeed not. The Senator from Oregon is referring to provisions in the amendment proposed to the pending bill by the Senator from Wyoming [Mr. O'MAHONEY], for the Committee on Interior and Insular Affairs. The Senator from Oregon voices the hope, if it be necessary, that the amendment will never become a part of the pending bill. It is not sound legislation.

Mr. President, anyone may rise and say, "Well, under the letter of the law, these things can be done, but it is a fantastic and a strained construction." That may be. Nevertheless, it is proper to ask, "Why is the language there if it is meaningless?"

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. HOLLAND. I think the Senator's point is well taken. However, there is one feature which I should like to have made clearer in the record. Do I correctly understand that the provision which the Senator has read from the bottom of page 5 and top of page 6 of the so-called O'Mahoney amendment relates to the rate-making authority of the Secretary of the Interior?

Mr. CORDON. That is correct.

Mr. HOLLAND. Is it correct that the Secretary of the Interior is authorized, in fixing the rates for electric power under the amendment on all projects already existing in the Columbia Basin, those now under construction, those authorized but not yet under construction, and those to be authorized in the future, to establish rates reflecting the fact that the portion of the revenue from rates to which the Senator has referred shall be set off against the costs of reclamation projects, either authorized by the pend-

ing bill, or to be authorized in the future?

Mr. CORDON. That is my understanding of the provision in question. The amendment contains a proviso limiting the preceding portion of paragraph (c) of the bill. The whole thing is fantastic.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. CORDON. I am happy to yield for a question.

Mr. MAGNUSON. Does not the Senator think his interpretation of that language is somewhat fantastic, too? The Secretary of the Interior could not and, of course, would not set off any such credits in any such accounts for rate-making purposes until Congress actually appropriated money with which to start a project. Until that were done there would be no money to set off for rate-making purposes. The reference is only to actual money which is coming in on an actual project already in existence. Is that not correct?

Mr. CORDON. I am happy that the question has finally come up. It is not correct, Mr. President. I regret to say it is not correct. I have read the language. I did not prepare the language. I do not like it. However, when I find language of this kind in a bill or an amendment, I believe it to be proper and my duty to ask, Why is it there if it does not mean what the words say?

Mr. MAGNUSON. Will the Senator yield further for a question?

Mr. CORDON. I am glad to yield for a question.

Mr. MAGNUSON. Is it not correct to say that the Senator from Oregon has been discussing for many days the language of the amendment and his interpretation of it, and is it not also correct to say that none of the witnesses, as well as at least eight members of the committee, agreed with the Senator that the language referred to could be interpreted in that way?

Mr. CORDON. I do not know what was in the minds of the members of the committee. The matter was not discussed, so far as I know. I submit that the language is not even subject to interpretation. It means what it says. It is not ambiguous. I have not understated what can be done under its terms.

Mr. President, I invite attention to a further fact with reference to the rate-making power in the committee amendment. There is no ceiling. There is no limitation of any kind or character placed upon the power granted to the Secretary of the Interior to place any rate he may desire on the power sales of the dams in the Pacific Northwest, so long as he meets certain requirements with respect to the lowest rate which he can set. There is a floor. There is no ceiling.

Mr. MAGNUSON. Mr. President, will the Senator yield further, so that the record may be kept straight?

Mr. CORDON. I am always happy to yield so that the record may be kept straight.

Mr. MAGNUSON. Is there any ceiling under the present law? Rates can be charged, which are consistent with the cost of operation and overhead. There is no ceiling on rates now. Conceivably, the Secretary of the Interior, through the Bonneville Authority, could establish any rate. Is the Senator going to read from the law?

Mr. CORDON. I intend to read the law.

Mr. MAGNUSON. I know it says the rate must be consistent with good business principles and good business practice.

Mr. CORDON. As the Senator knows, the test of a law is not what is done under it; it is what may be done under it. The law speaks for itself.

I invite attention now to the language in the act regarding the ceiling which is placed on power rates in flood-control and navigation dams.

With respect to power from Army Engineer Corps dams, the present law, in section 5, of the Flood Control Act of 1944 provides as follows:

> Electric power and energy generated at reservoir projects under the control of the War Department, and in the opinion of the War Department and in the opinion of the Secretary of War not required in the operation of such projects, shall be delivered to the Secretary of the Interior, who shall transmit and dispose of such power and energy in such manner as to encourage the most widespread use thereof, at the lowest possible rates to consumers, consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Federal Power Commission.

Mr. President, if further control be needed, if further limitations be sought, I suggest that the inquiry be made of the Federal Power Act, where they can be found in detail.

Mr. MAGNUSON. Will the Senator yield further?

Mr. CORDON. I should like to complete my observation on this subject. I shall be happy to yield in a moment. The rates in the Pacific Northwest, under the Bonneville Act, must have the approval of the Federal Power Commission, and the duties of the Federal Power Commission are spelled out in detail in the Federal Power Act. Now I am happy to yield to the Senator from Washington.

Mr. MAGNUSON. The Senator read the law as it applies to Corps of Engineer dams. Is that correct?

Mr. CORDON. That is correct. The Senator from Oregon identified it as the Flood Control Act.

Mr. MAGNUSON. That has nothing to do with rates which are set on Bureau of Reclamation dams. Is that correct?

Mr. CORDON. That is correct. However, if the pending amendment is adopted, the sky is the limit, not only with reference to power in reclamation projects but with reference to power in all public Federal power projects within the geographical area mentioned in the amendment, whether it be reclamation, flood control, navigation, or solely power.

Mr. MAGNUSON. The amendment puts them all together. That is the purpose of the amendment.

Mr. CORDON. We are in agreement there.

Mr. MAGNUSON. Mr. President, may I ask the Senator one more question? I shall not interrupt him further.

Mr. CORDON. I yield.

Mr. MAGNUSON. Is it not true that the Senator's amendment in theory establishes a basin account, but a limited basin account, applying only to the projects which are now before the Senate?

Mr. CORDON. The Senator from Oregon does not so understand it. The amendment of the Senator from Oregon does nothing but apply existing reclamation law to the extent that it is applicable to a group of reclamation projects. It does not provide for any basin account. It does not provide for any succeeding or additional interest component. It has nothing in common with the amendment of the Committee on Interior and Insular Affairs.

Mr. MAGNUSON. But it does set up an account which would provide, for the particular project in that dam, the use of power revenues as a subsidy for irrigation.

Mr. CORDON. It sets it up if the reclamation law sets it up.

Mr. MAGNUSON. Yes.

Mr. CORDON. That is correct.

Mr. President, this is a matter of grave importance to the Pacific Northwest; it is far more important than some persons seem to realize. However, Mr. President, there are persons in the Pacific Northwest who have been studying the subject. I have heard it said on the floor that there have been no objections voiced in the Pacific Northwest to the committee plan, and particularly none from the power interests.

I hold in my hand a letter which I received a few days ago. The letter itself bears no date, but it has as an attachment a copy of a letter bearing date of March 28, 1950. I desire to insert the letter in the RECORD. Because the letter comes from Vancouver, in the State of Washington, I particularly commend it to the attention of my friend the senior Senator from Washington. The letter is addressed to me, and reads:

> Enclosed find a copy of a letter I read and delivered to Secretary of the Interior Oscar Chapman on his recent visit to the Northwest.
>
> I wish you would consider the contents of the letter in lieu of a prepared statement as to the effects of the Columbia Basin account and other proposed legislation on the cost of electric energy to residents of our region.
>
> Please use your influence to prevent subsidies at the expense of power.
>
> Yours sincerely,
>
> F. FORD NORTHROP,
> *President,*
> *Northwest Public Power Association.*

Mr. President, I now read the letter that is attached, addressed to the Secretary of the Interior, Mr. Chapman, dated March 28, 1950. These are the views of the little folks who have set up the public-power districts in the Pacific Northwest, who have brought to the States of the Pacific Northwest the highest per capita use of electricity in the United States. This represents the association of the REA's and the PUD's on the fringes of our areas, those who

could not get power from any commercial source at the time, and have sought to get it in this way. The letter reads:

NORTHWEST PUBLIC POWER ASSOCIATION, INC.,
Vancouver, Wash., March 28, 1950.

HON. OSCAR L. CHAPMAN,
Secretary of the Interior,
Everett, Wash.

DEAR SIR: Because I did not hear of your visit until late Monday, March 27, the Northwest Public Power Association has no statement which would have the official authorization of its board of trustees. In lieu of an association representation and statement of policy I wish to read the following statement to this assemblage and then submit it to you for your record of proceedings:

The Northwest Public Power Association at its annual meeting in Tacoma, Wash., September 16, 1949, endorsed the CVA bill (H. R. 4286 and S. 1645) with five reservations. The reservations are to uphold the principle of home rule and to protect the rights of States and lower divisions of government to retain ownership of their present hydroelectric properties, to build additional projects (even though they have multiple purposes), and to acquire power facilities from the Federal Government after the Government has received reimbursement of investment costs. Attached hereto is a copy of the adopted report of the legislative committee as submitted to the association membership.

Since that time I have listened to considerable discussion among our members about CVA, the Columbia Basin account, the Arizona project, and other Federal legislation which pertains to electric power. There is considerable apprehension that legislation may be enacted that may lead to practices that are adverse to our aim, which is to distribute power at the lowest possible cost.

Revenues from sales of electric energy shall be used only for construction, operation, maintenance and expansion of electric facilities. This is a cardinal principle of public ownership and should be strictly followed.

Flood control, transportation, fish culture, recreation, irrigation, and other uses involving land and water use, should be self-supported or subsidized by direct appropriation of Congress such as we now have for harbor improvements, coast defenses, airports, etc.

Mr. President, the additional portion of this letter I shall not read. I have covered the meat of the letter, so far as this discussion goes, and I wish to say that, though I spent days with a thesaurus and 17 dictionaries, I could not have put together in any words I could find a clearer statement of my views than I have just read as the views of the Northwest Public Power Association in that last paragraph, and for emphasis I read it again:

Flood control, transportation, fish culture, recreation, irrigation, and other uses involving land and water use, should be self-supported or subsidized by direct appropriation of Congress such as we now have for harbor improvements, coast defenses, airports, and so forth.

Mr. President, that is the sound, logical, orderly approach to the question of aid to segments of the public from the public treasury. Let us know what we are doing when we do it. Then we can measure our generosity by what we have in the sack to be generous with, and we can spread our largess, our aid, fairly over all our geographical area, and among all our people, using such yardsticks as we determine to be proper and just.

Mr. President, I ask unanimous consent to have the entire letter, a portion of which I have read, placed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NORTHWEST PUBLIC POWER ASSOCIATION, INC.,
Vancouver, Wash., March 28, 1950.

HON. OSCAR L. CHAPMAN,
Secretary of the Interior,
Everett, Wash.

DEAR SIR: Because I did not hear of your visit until late Monday, March 27, the Northwest Public Power Association has no statement which would have the official authorization of its board of trustees. In lieu of an association representation and statement of policy, I wish to read the following statement to this assemblage and then submit it to you for your record of proceedings:

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Since that time I have listened to considerable discussion among our members about CVA, the Columbia Basin account, the Arizona project, and other Federal legislation which pertains to electric power. There is considerable apprehension that legislation may be enacted that may lead to practices that are adverse to our aim, which is to distribute power at the lowest possible cost.

Revenues from sales of electric energy shall be used only for construction, operation, maintenance, and expansion of electric facilities. This is a cardinal principle of public ownership and should be strictly followed.

Flood control, transportation, fish culture, recreation, irrigation, and other uses involving land and water use, should be self-supported or subsidized by direct appropriation of Congress such as we now have for harbor improvements, coast defenses, airports, etc.

In multipurpose projects, electric revenues may be required to pay for facilities allocated to power development, even though our Federal Government generally receives no reimbursement for moneys appropriated for public works. But, in all fairness, users of electric energy should not be required to subsidize those parts of projects which do not pertain to generation and distribution of power. Let irrigation districts, industries, and other consumers of energy receive the benefits of electric energy through lowest possible rates, but not through subsidies at the expense of power.

The United States Senate has approved the central Arizona project. If the project becomes a reality, revenues from sales of electric energy would go a long ways to support a monumental irrigation extravagance. We in the Northwest are much concerned about this possible precedent; we don't want it to happen here.

We trust that you will exert your influence to have the CVA and the Columbia Basin account legislation so worded that (1) the citizens of our Pacific Northwest region will have the greatest participation in the development and ownership of our hydroelectric resources and (2) that allocation of costs in the multipurpose projects will lead to the very lowest possible rates for electric energy.

I thank you for the opportunity of meeting you.

Respectfully yours,
F. FORD NORTHROP,
President, Northwest Public Power Association, Inc.

Mr. CORDON. Mr. President, I ask also to have placed in the RECORD, immediately following the letter to which I have just referred, another, from the Pacific Northwest Development Association, of Portland, Oreg., having membership in the States of Oregon, Washington, Idaho, Montana, and Wyoming, also in opposition to the Columbia Basin account.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PACIFIC NORTHWEST DEVELOPMENT ASSOCIATION,
Portland, Oreg., April 7, 1950.

The Honorable GUY CORDON,
United States Senator from Oregon,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CORDON: Since writing you on March 11 regarding the amendment to the Omnibus Flood Control bill, H. R. 5472, we have had a meeting of our Association and an opportunity to study this complex proposal a little further and to get the views of more of our group concerning it, which are as follows:

1. They unanimously support authorization of the physical features of the coordinated and agreed-upon Army-Interior plan for the Columbia.

2. They will go along with the basin account idea for the Columbia, provided it is worked out on a sound, businesslike, payback basis whereby worthwhile irrigation projects can be subsidized from the sale of power.

3. Most of our group do not like the interest component subterfuge to finance high-cost irrigation projects and believe that all projects should be put on a sound, pay-off basis when the use of power revenue is needed to pay the higher irrigation construction costs. They do feel, however, that since this matter is covered by an opinion of the solicitor of the Department of the Interior and applies to other projects, that this should be corrected on an all-project basis. Most of the group feel that if there is a need for an all-out subsidy for irrigation, why not call it that and not try to cover it up in a power interest subsidy deal.

We hope you will support an amendment to this bill that complies with these principles. Many of our people feel, after careful analysis of the Interior Committee approved amendment, that it does not comply with items 1 and 2 herebefore mentioned. We trust that this information will be helpful to you when this measure comes before the Senate for consideration.

Yours sincerely,
DANIEL B. NOBLE,
Secretary-Manager.

NOTE.—It looks as though your amendment does a good job of trying to meet the situation. D. B. N.

Mr. CORDON. Mr. President, I ask to have placed in the RECORD also copy of an editorial from the Spokesman-Review, of Spokane, Wash., one of the outstanding daily newspapers of the Pacific

Northwest, the editorial being entitled—and I think the title most pertinent to this investigation—"Let's Understand the Basin Account." I read only the last paragraph, for the benefit of my colleagues on the floor at the moment:

Before the basin account is enacted into law, by this roundabout means of an amendment to a plan which is an amendment to a rivers and harbors bill, it seems that the question merits further public explanation and understanding.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Spokesman-Review, Spokane, Wash., of March 10, 1950]

LET'S UNDERSTAND THE BASIN ACCOUNT

One of the little understood but much talked about features of the comprehensive resource development plan now before the United States Senate is a proposed Columbia Basin account.

This is said to be a bookkeeping device through which the Secretary of the Interior would keep track of Federal money obtained from, and charged against, certain power, reclamation, and flood-control projects now existing and yet to be authorized. Involved are future power rates, future reclamation projects, and the economy of the whole Northwest.

The basin account is part of a proposed amendment to a general rivers and harbors bill (H. R. 5472), which has passed the House of Representatives and has recently been approved by the Senate Interior Committee. The bill, with the amendment, is expected to be discussed on the Senate floor within a few days, before being sent back to the House for final approval.

The Bureau of Reclamation, the Army engineers, the Bonneville Power Administration, the Bureau of the Budget, and most of the Congressmen and Senators from the Pacific Northwest seem to be in favor of the basin account, as well as the comprehensive plan, of which it is a part.

Despite this backing, there is widespread public ignorance of how the basin account would work and what all its ramifications would be. Few individuals most familiar with power and reclamation matters are willing to admit that they understand what the legalization of the plan would mean, and there has been virtually no public discussion on the question in this region.

As for the comprehensive plan itself, it has met with general approval and understanding, thanks largely to the extensive public hearings held early last year by the Army engineers on the 308 report, which is the backbone of the joint Army engineers-Bureau of Reclamation agreement upon which the comprehensive plan is based.

Most friends of resource development would like to see congressional approval of the comprehensive plan, but some are skeptical about the basin account, which is admitted by its friends to be of far-reaching historical importance in reclamation and power development throughout all the Western States.

Before the basin account is enacted into law, by this roundabout means of an amendment to a plan which is an amendment to a rivers and harbors bill, it seems that the question merits further public explanation and understanding.

Mr. CORDON. Mr. President, I also ask to have placed in the RECORD a letter addressed to me under date of April 4, 1950, written by William E. Welsh, secretary-manager of the National Reclamation Association, and an attachment in the nature of copy of a telegram addressed to Mr. Welsh coming from J. Kennard Cheadle, a well known reclamation lawyer in Spokane, Wash., who was the architect of the September 10 amendment which the Committee on Public Works had before it for a very short while last fall.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

NATIONAL RECLAMATION ASSOCIATION,
Washington, D. C., April 4, 1950.

Hon. GUY CORDON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CORDON: After Mr. Polk and I discussed with you the proposed Columbia River Basin amendments I wrote to Mr. J. Kennard Cheadle, of Spokane, asking if he had had an opportunity to study the amendments and, if so, what were his reactions.

Yesterday morning I received a long night letter from him, copy of which is enclosed.

In view of the fact that some of the very active members of our association in the Pacific Northwest are taking different positions with respect to these amendments it is difficult for us to take a positive position either way. However, we are intensely interested. We are most anxious that the full reclamation development of that area be given proper recognition at this time and that those reclamation projects as recommended be authorized. We are anxious, too, that such developments be carried forward with the long established policy of the Association.

Ken Cheadle, whose ability is quite generally recognized, has raised some very pertinent questions and, because of your deep interest in these matters, we are passing this information along to you for your consideration.

Sincerely yours,

WILLIAM E. WELSH,
Secretary-Manager.

APRIL 3, 1950.

WILLIAM E. WELSH,
National Reclamation Association,
National Press Building,
Washington, D. C.:

Your March 31 letter received today.

Hells Canyon project proviso would authorize Secretary of Interior to set limit on future upstream depletions for beneficial consumptive use. Proviso does not protect even the future depletions indicated, chapter 4 project report. Secretary required merely to have regard for those indicated developments. According to language of proviso, whatever amount Secretary determined to be reasonable would control, even though that amount less than necessary for chapter 4 developments.

Furthermore, proviso refers only to land developments indicated in chapter 4. South Idaho presumably hopes for future developments which would increase depletions for domestic, municipal, industrial, and other beneficial uses besides irrigation. According to language of proviso all future upstream depletions for all such purposes would have to be confined within amount Secretary of Interior determined to be reasonable.

Earlier comment, that backhanded implications of proviso widesweeping and grave, was made in view of following questions. Does proviso imply that in absence of such a proviso capacity operation of Hells Canyon for power could not be reduced by any future upstream depletion? If so, then is operation for power or Joyn Day, The Dalles, and previously authorized McNary and Snake River Dams to be distinguished from operation of them for navigation? If so, then do section 1, 1944, Flood Control Act and comparable provisions in subsequent acts and in pending bill protect future upstream consumptive uses only against downstream navigation uses and not against downstream power uses?

On last question above, it is my opinion that power merely incidental to navigation and that limitation on navigation use limits also incidental power use.

But record and experience, in connection solicitors opinion on interest component, demonstrate that my above stated opinion on navigation-power question may be wrong or that even though my opinion be correct the opposite opinion can prevail as consequence of administrative course of action, combined with political pressure and practical developments.

In Interior Committee Report No. 1351, page 22, statements in middle paragraph inferentially, at least, assume affirmative answers to all three of above questions. Such inferential assumption may not have been intentional. Surely was not intended by committee. But I would not be surprised if in drafting report there was some participation by those who would like and would seek affirmative answers to above three questions.

Certainly, it is difficult to believe that western or other State delegations in Congress; whether Democrat or Republican, would knowingly acquiesce in or vote for a provision that gives any Federal executive department or agency the power contained in the Hells Canyon proviso.

Re last sentence section 206E, I have received copy of March 20 letter Raver to O'MAHONEY. In my opinion, that letter fails to answer fully inquiry re intent, application and meaning of last sentence 206E. That letter discusses only the words quote including the exchange of power or energy for water or storage of water unquote. Even on those words the letter ducks legal meaning, and limits application solely on the basis of physical difficulties. Legal meaning of those words is not limited.

More importantly, Raver letter silent on intent, application and meaning of other words in last sentence 206E. Other words inferentially authorize or sanction delivery of surplus energy, including surplus firm energy, on so-called temporary basis to adjacent power marketing areas, such as California. This point, made in earlier telegram from Spokane Chamber of Commerce, stands undenied by Raver letter, and pertinent paragraph on page 11 committee report implies that Interior expects to export firm power after next several years.

You ask what new powers would be given to Interior by the committee amendment. One is authority to fix power rates after merely consulting with Federal Power Commission. Reclamation laws do not require FPC approval of reclamation power rates. But Bonneville law does require FPC approval of Bonneville rate schedules. Likewise, section 5 of 1944 Flood Control Act requires FPC approval of rate schedules fixed by Interior for marketing power from Army dams. But FPC approval of rates would no longer be required under committee amendment.

Under section 206C depreciation and amortization periods would be whatever length Interior deemed reasonable period of years. Page 24 committee report states this is now permissible under reclamation laws. Even if that be true, it is also true as report states that maximum amortization period usually has been 50 years. The committee report and 206C appear to cut completely strings of past policy and practice re length of period. Apparently a dam or power plant could be depreciated over a period of 100 or 150 years or longer if Secretary deemed that reasonable. Apparently no repayment of depreciable property would be required, but

merely depreciation. Seems like committee amendment would go long way toward permitting shift of power features of Army and Reclamation projects from self-liquidating basis to merely a self-sustaining basis.

Section 206C still has some of uncertainties indicated in Spokane Chamber of Commerce letter of February 9. Committee report on page 25 seemingly incorporates by reference February 25 memorandum of legal interpretation by Interior which appears in hearings. Hearings not available here. Analysis of that legal memorandum is probably necessary to knowledge of just what 206C means.

Above is as full response to your March 31 letter as I can make it few hours available and without hearings at hand. It being Sunday I have not had opportunity to submit this to Chamber of Commerce; and so this night letter is to be taken as representing only my own views.

J. KENNARD CHEADLE.

Mr. CORDON. Mr. President, I shall not burden the RECORD by asking for the inclusion of the entire address of the president of the American Public Power Association, but I shall read a portion of his report, which was made to that group in the Shoreham Hotel in the city of Washington, either late in March or early in April. The president's address was by Samuel B. Morris, president, APPA, the abbreviation for American Public Power Association. Mr. Morris is general manager and chief engineer of the department of water and power of the city of Los Angeles, Calif. He is an employee and a representative of public power.

I now quote from page 11 of his printed address:

In the 17 Western States, irrigation is a part of nearly every major multiple-purpose water project, and power is called upon in increasing degree to be the source of subsidy for irrigation costs beyond the ability of the irrigator to repay.

In the East and the remainder of the United States multiple-purpose water projects provide nonreimbursable allocations to navigation, flood control, and river regulation, and the power user is not called upon to subsidize any other use. His costs are lessened by these nonreimbursable allocations. Obviously, such existing policies penalize western industrial development by depriving it of some of its full advantage of low-cost power. At this very moment the greater unemployment in the Pacific Coast States is concrete evidence of the need of additional industries to afford employment and balance the economy of these States that have undergone such major increases in population.

I continue to quote:

In part, irrigation may be subsidized without increasing power rates by taking advantage of the Solicitor's opinion—

I have mentioned that—

that the 1939 reclamation law permits the diversion from the United States Treasury of the interest component paid by power and its use to return irrigation capital without interest. This unique handling of interest so foreign to all private loan practices, results in no return of interest into the Treasury for relief of the taxpayer and, for combined power and irrigation capital, results in subsidy by the United States taxpayer of the full amount of interest. Such practice results in the public failing to understand that power rate-payers are returning the full capital costs allocated to power with interest—only irrigation is thereby being subsidized. In other words, the Bureau of Reclamation's power rates are sound and can be defended anywhere. But their practice in accounting interest is wholly unsound and inevitably creates doubt as to the validity of the electric rates themselves, and the economic soundness of all power projects under the jurisdiction of the Bureau.

The President of the American Public Power Association in his address called attention—and I desire to join him in doing so—to the letter of the President of the United States, dated January 3, 1950, addressed to Chairman Morris L. Cooke. Morris L. Cooke was and is the Chairman of the President's Water Resources Policy Commission. The President, according to Mr. Morris, stated in part—and I am quoting again from Mr. Morris' address, as he quoted the President in the letter:

For more than a century, the Federal Government has played a vital role in harnessing our water resources and converting them to the beneficial and productive use of the Nation.

Over this period our water-resources policies—

I hope my colleagues will pay particular attention to this quotation from the President's letter, for it is so applicable to the situation which faces the Senate today—

Over this period our water-resources policies have been constantly modified and adjusted to meet the emerging needs of our complex and dynamic society. It has not always been possible, however, to decide individual changes in policy in the light of broad national objectives. Frequently, new policies which have been developed to meet specific situations or to solve particular social and economic needs existing at the time have produced inconsistencies in our national water-resources policies.

The President might well have merely read the committee amendment when he dictated this letter. I continue to read from it:

Within the past several years, the need for careful review and reappraisal of our national water resources policies and related land use problems has become increasingly apparent On several occasions, during the recent session of Congress, I called attention to the need for developing a consistent and comprehensive policy with regard to our whole water resources program. In many cases—

And I emphasize now as I quote—

In many cases, piecemeal or partial approaches to a problem as broad as water resources development tend to confuse, rather than clarify, many of the basic, underlying issues. It is essential in my judgment that a comprehensive study and review be made of all existing water resources legislation and policies and that recommendations be made in the full knowledge of national needs and objectives.

That, Mr. President, was the view of the President of the United States at the beginning of this year when he wrote to the gentleman he had appointed to a commission which he had just created, which commission is now engaged in carrying out the purposes of the President as indicated in that letter, and in the Executive order which followed it. That commission is studying the over-all problem which we seek, as he so clearly shows, to approach here piecemeal and bit by bit, and not as an over-all answer to an over-all problem.

Mr. President, this morning I received another communication in the nature of a telegram from the Hon. Robert W. Sawyer, publisher of the Bend Bulletin, in Bend, Oreg. Mr. Sawyer is a distinguished citizen of the State of Oregon. He has held many positions of public trust, none of them that ever carried a salary. His has been a gratuitous public service. He has served also on the board of directors and as president of the National Reclamation Association. He has been interested in reclamation ever since he moved to the West. Reclamation has no firmer friend than Bob Sawyer. Mr. Sawyer had evidently read some little press notice of the debate which had been going on in the Senate. I gather that from the telegram which I now read into the RECORD:

DEAR GUY: Much pleased at today's news report of your attitude on basin account, Solicitor's opinion, and interest component. Reclamation cannot proceed honestly unless full facts of cost and nature of subsidy are clearly understood. You are helping to bring about such condition.

Regards,

ROBERT W. SAWYER.

Mr. President, I have presented this documentary evidence of the fact that there is increasing concern in the Pacific Northwest about this matter, a concern which grows as the days go by and our people in the Pacific Northwest commence to realize some, if not all, of the implications implicit in the committee amendment.

Mr. President, I believe for the sake of clarity in the RECORD, and accuracy as well, it is essential that I call attention to one of the statements made in the debate on this matter on Monday last. I shall quote from page 4993 of the CONGRESSIONAL RECORD of April 10, 1950, from the opening statement of my distinguished colleague, the Chairman of the Committee on Interior and Insular Affairs of the Senate, the distinguished senior Senator from Wyoming [Mr. O'MAHONEY]. I quote from near the middle of the second column of page 4993 of the RECORD of Monday, April 10, at the beginning of the paragraph—and I do not wish the quotation to be at all partial or taken out of context:

I wish to make clear, however, that it is generally understood that the development of irrigation and reclamation in the West can no longer be carried on without revenues in addition to those which are derived from the settlers upon the soil themselves.

Mr. President, I interrupt the quotation to say that the Senator from Wyoming and I are in entire agreement on the need for either additional revenues or for a frank examination and recognition of the facts and for a nonreimbursable appropriation. One or the other must be had.

I continue to quote:

The cost of these multiple-purpose projects—which produce power and provide for flood control and for navigation—is altogether too great to be saddled upon the settlers upon the reclaimed land.

I am quite sure the Senator from Wyoming did not mean to imply there that the water users had saddled upon them any portion of the cost other than

the portion allocated to irrigation. I think the other thought might be implied from the language the Senator used, but I am sure he did not intend to convey that meaning.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CORDON. Certainly.

Mr. O'MAHONEY. When I made the statement which the Senator from Oregon has correctly quoted, I had in mind the situation which existed at the outset of the reclamation program, when it was the policy to have the entire reimbursement—whatever it might be—come back from the repayments by the settlers over a 40-year period, without interest.

Mr. CORDON. I am happy to have the Senator's explanation. I know he would want it in the RECORD; and I recall, from my own knowledge of reclamation history, that again, and as usual, the Senator from Wyoming is correct.

Mr. O'MAHONEY. Mr. President, let me thank the Senator for his use of the words "as usual" in that connection. [Laughter.]

Mr. CORDON. Mr. President, I am happy as usual to use it.

I continue the quotation:

So for some time in the past it has been the practice of Congress to authorize these multiple-purpose projects, having in mind the purpose of having the power revenues finance the construction costs.

Of course that is a clear statement of the purpose of the act of 1939 and of the many special acts by which power was used to help carry the whole cost of the project.

Now comes the statement on which I desire to comment:

The Columbia Basin project existing in the Northwest under present arrangements will not be paid out, as I recall, for approximately 150 years. Under the proposal for the basin account, it, like other projects, will be paid out in approximately 50 years.

Mr. President, I note that the Senator from Wyoming was not certain of his ground, because he indicated that he was attempting to recall testimony which was given some weeks ago. The Senator is a busy man, of course. I do not mean to intimate, suggest, or imply that he intended anything but a clear statement of the testimony which was adduced before the committee.

However, he was in error. I believe the RECORD should indicate what the testimony was, because it is important with reference to the pending amendment. I shall read now from page 194 of the transcript of the hearings on the O'Mahoney amendment before the Senate Committee on Interior and Insular Affairs, and from the testimony of Howard R. Stinson, regional counsel, Bureau of Reclamation, Boise, Idaho.

Before I begin to read that portion of the testimony, let me say that Mr. Stinson was not among those whom I denominated yesterday as unwilling witnesses. Mr. Stinson did everything he could to aid the committee in obtaining a full understanding of this problem. He was clear in his explanations. He had the courage to withhold an answer if he was not certain of his facts. He was an excellent, frank, open witness. In discussing the question whether the Columbia Basin has need of this amendment, Mr. Stinson made a statement which I shall presently quote.

However, in order that the Senate may understand why the quotation is material and important, I must call attention to the fact that the committee amendment provides that the rate—no, Mr. President, that is not the right word. I have a difficult time in explaining the curious, intricate, complex, reverse-English accounting which must be set up under this amendment if the purpose of the amendment is to be carried out. I can only identify the portion of it which I desire to discuss by calling it the ghost-account gimmick in the basin account which is the heart and soul of this amendment and the only real reason for its being here—namely, the provision of the amendment which says that the Secretary of the Interior in fixing rates "shall take into consideration"—and I now shall quote the exact wording of the amendment, reading from page 7 of the committee amendment:

In maintaining the Columbia Basin account and in setting rates for the sale of power and energy, the Secretary of the Interior shall take into consideration—

Mr. President, let me say that I hope some of my friends learned in the law, Members of this body, at some time will advise me of the exact meaning of that term—

for all properties covered by the Columbia Basin account, the application of interest on the unpaid balances of the Federal investment allocated to power to the return of costs properly allocable to purposes other than power, but assigned for return from power revenues, to the same extent that application of interest on power investment to the return of such costs may be taken into consideration under the Federal reclamation laws.

Mr. President, in my discussion, beginning at this moment, I wish it understood that I am not attempting to interpret that language. I have spent some years in the practice of law. I am not a good lawyer. When I was practicing, I was a very busy one—I had to be. However, I have had access to the books. I have endeavored to learn the rules which the courts apply when there is ambiguity in language.

I do not know what this language means. When I consider the rules, the only one which comes to my mind is that when ambiguity becomes absolute uncertainty, the language is meaningless.

Mr. O'MAHONEY. Mr. President, will the Senator yield at this point?

Mr. CORDON. I shall be happy to yield to my friend. He may help me.

Mr. O'MAHONEY. I merely wish to say to the Senator from Oregon that when he depreciates his experience and ability as a lawyer, he is altogether too modest. If I were to be in difficulty of any kind, either of a civil nature or of even a more difficult type, I should not wish to have any more capable lawyer representing my interests than the Senator from Oregon.

However, I must say that I think he is now displaying the talents of the lawyer for the defense who sees ambiguity where none exists, but which can be created in the minds of those who are not as aware as he is of the plain meaning of the sentence he is interpreting.

Mr. CORDON. Mr. President, I understand from my learned friend's statement that I now stand charged with the type of sharp practice sometimes termed "pettifogging." I shall not take time to go to my own defense, although, of course, if it were serious enough, I should take advantage of the Senator's offer, and employ him.

I am going to present this language, and I am going to give the interpretation of those who prepared it. I am going to have to stand upon the statement that I do not know what it means. I wish we had ample time; I would love to take it sentence by sentence, clause by clause, phrase by phrase, and ask my learned friend to give me from the books what the courts have said that kind of Jabberwock means.

Mr. President, the lawyers of the Interior Department, appearing before the committee, took the position that the language "the Secretary shall take into consideration" really means "the Secretary shall apply." Of course, if I were doing it, I would say "the Secretary shall apply" or "the Secretary shall charge" or "the Secretary shall credit." Then there would be no question about what the language meant. The lawyers to whom I have referred say the language means that the Secretary shall apply the interest on the unpaid balance of all power projects in the Columbia Basin account to offset any charge which otherwise would be made against those power projects, in order to cancel out the subsidy on reclamation. That is what they say the language means. Mr. President, they could better have used the language I just used. Poor as it is, I think everyone understood it. But, Mr. President, there is a little gimmick in this language, too. To the extent necessary all the interest is to be applied—and I am now quoting—"for all properties covered into the Columbia Basin account." What are those, Mr. President? We cannot find them there; we must look elsewhere in the book. We then find that all properties are described at another place. On page 3, in section 206 (a), Mr. President, you can dig the language out; but it is difficult, because this is the way the language reads:

In order to provide a method of accounting for the return of costs assigned for return from power revenues, in a manner which reflects the interrelationship of certain projects in the Pacific Northwest—

That is mostly "gobbledygook" to me—

the Secretary of the Interior shall establish a Columbia Basin account. The account shall be credited with all power and miscellaneous revenues, including revenues on account of benefits to downstream power plants which result from upstream Federal improvements—

Notice, Mr. President, the words "upstream Federal improvements"—

derived from or incidental to the operation of Federal power plants—

Now we get it—

now existing, or authorized heretofore or in this act, within the Pacific Northwest, including all transmission lines and other facilities incident to the marketing of power from such plants.

Now I ask you, Mr. President, in all frankness, whether, reading that language, the words "Federal power plants now existing" as used there, and the words which I have just read in another place in the amendment, with some other words scattered here and there, all separate and isolated there would be brought to your mind any knowledge that this amendment to establish a Columbia Basin account for the purpose of setting up rates for power means that if it be adopted and the President signs it, at that moment $442,000,000 which would otherwise be paid into the Federal Treasury will never be so paid? Mr. President, you cannot find that here; but it is the fact. It is one of the facts. It is in the report, but you cannot find it there. It is there. The committee, I think, did not do too much of the work on the report, and oddly the report is complete in the sense that all the information needed is in it at some place, but if I had ample time I should like to take it up, paragraph by paragraph, and indicate just what kind of Houdini one would have to be to find those facts. They are there.

Mr. President, I say you could not find any such figure as I have mentioned in the report, or in this amendment. But the fact is, and the testimony indicates, that one of the major purposes of the Columbia Basin account is to write off that portion of the great Columbia Basin project in the State of Washington which represents, in the terms of the Interior Department, the costs for irrigation beyond the ability of the water users to pay; I say that portion of the cost beyond the value of the project to the people who use it.

The $442,000,000 which will be written off if this amendment is adopted is made up of a $427,800,000 write-off for the Columbia Basin project, a $3,200,000 write-off for the Yakima-Kennewick irrigation project, and an $11,400,000 write-off for the Palisades project. All those projects, two in the State of Washington and one in Idaho having been authorized heretofore, there is no reason in the world why that extra cost over ability of the water users to pay should not be written off. But it should be written off with the knowledge of the Senate and of the House of Representatives and of all the people as a nonreimbursable item of cost. We would all know about it then.

With reference to the Columbia Basin project, let me say, Mr. President, that the present power rate in the Pacific Northwest of $17.50 per kilowatt-year—I think, one of the lowest power rates in the world; I know of none lower—was set after there had been included in that rate a factor sufficient to bring in sufficient revenue to pay to the Federal Government the subsidy on the Columbia Basin project as it was figured in 1945. That pay-out schedule was so prepared that the rate payers would not only pay for their power but would pay for the additional reclamation subsidy, and the interest on the unpaid balance has been collected year after year from that rate. It is still impounded in the Treasury of the United States. Not $1 has been applied to pay off any part of that project, although the Solicitor's opinion said it could be so used.

The testimony which I now desire to read, and this is all going to the Senator's statement, comes into the RECORD at this time because the Senator from Wyoming suggested that, according to his best recollection—and I quote again—

> the Columbia Basin project existing in the Pacific Northwest under the present arrangements will not be paid out, as I recall, for approximately 150 years. Under the proposal for the basin account, it, like other projects, will be paid out in approximately 50 years.

The major error in that statement is that under the basin account it will never be paid out; it will be written off, charged off as a bad debt. The other error is that the pay-out schedule which now exists provides for the pay-out of each irrigation block in a 50-year period.

Evidence has been submitted to the committee which indicates that the figures which were used previously must now be revised.

I quote from Mr. Stinson's testimony:

> Questions were directed yesterday to the adequacy of existing rates; that is, the $17.50 rate, to meet pay-out requirements for the Columbia Basin project, that comprising Grand Coulee Dam and its related irrigation works, the Bonneville Dam and the related transmission systems, just that small group of works, and it was said yesterday, and it is correct to say that the existing $17.50 kilowatt-year basic rate will pay out those costs, and without applying interest to the retirement of Columbia Basin irrigation cost, but only if the present pay-out period, which is 50 years for each irrigation block, 75 years over all, were to be extended to something in excess of 125 years.

I turn now to page 353 of the transcript of testimony, and I quote from the testimony of Mr. Ostrander, who is chief accountant of the Bonneville Power Administration. He handles all the accounts for all the Federal public power operations in the Pacific Northwest. At page 353, Mr. Ostrander said:

> As I mentioned a moment ago, if you use the interest component of $96,600,000, the current estimate, you could cut the period down by from 125 years to 109 years, about 16 years.
>
> Senator CORDON. In other words, instead of running it out 50 years more, you would only run it out 34; is that right?
>
> Mr. OSTRANDER. That is correct; it would be a 34-year extension, rather than a 50-year extension.

The fact is that the $427,800,000 of Federal money which would have been expended when the Columbia Basin project was completed, of which half has been expended to date, could be returned to the Treasury of the United States without making any difference, in itself, in the rate structure for public power in the Pacific Northwest, if we increased the pay-out period by 50 years.

Mr. President, the point I wish to make is this: We have two alternatives. We may give the project 50 additional years, in which case every dollar of the so-called subsidy would be repaid into the Federal Treasury, or we can adopt the so-called committee amendment, and write it off. Which is the sound practice to follow?

Mr. President, I come from the Pacific Northwest. People in the Pacific Northwest are willing to pay their bills. They need help, as people in other areas need help. They do not ask for that kind of charity, however. They do not need it. But that is what the amendment would do.

The Senator from Wyoming sincerely made the statement which I quoted. His error is but proof of the statement which I made on the floor yesterday, which was that the members of the Committee on Interior and Insular Affairs did not understand all the implications of the amendment at the time they voted for it. They do not understand them now. I add to that list the senior Senator from Oregon. I say that, because every time I sit down and work this thing over, I find something else that I had not found before.

This Columbia Basin account, as to which ultimately there will be no difference of opinion in the Pacific Northwest, is not the vice of the proposed amendment. The vice is what is concealed in the Columbia Basin account. That is what need give the Senate pause. We are paying too much for nothing.

The President of the United States has appointed a commission to study the whole problem. He has recognized that it is necessary to determine how we shall approach the problem of an irrigation subsidy. Under the executive order, the commission is required to report to the President on or before the first day of December of this year. The commission includes a number of men who are extremely well versed in this over-all problem. Their report will come ultimately to Congress. Congress will have the opportunity of studying all the testimony which may have been gathered, all the findings and conclusions based on the testimony, and it will have before it the recommendations of the commission, and of the President. The only thing the Senator from Oregon asks is that we delay our decision until we know the facts, that we act not precipitously, but with reasonable care and attention, that we reach a considered decision and not one which is based as one now would have to be, upon hardly a cursory examination. That is all the Senator from Oregon asks.

Mr. President, I desire to touch on one more point. As is well known, there has been proposed in the Pacific Northwest the equivalent of a Tennessee Valley Authority set-up. It is proposed to create in the Pacific Northwest a Columbia Valley Administration. There is a division of opinion in the Pacific Northwest as to the wisdom of that proposal. My good friend, the senior Senator from Idaho [Mr. TAYLOR] has long proposed such an administration. I honor him in his steadfastness in support of it. I believe that one of the reasons he has stood out for this committee amendment is because he feels it may advance a Columbia Valley Administration. If he does, I honor him for it. I do not intend to look into his head or to read his mind. This is merely my thought about it. I know that were I he, I should do, or I hope that I should have the courage to do, what he has done.

I may say, Mr. President, that the senior Senator from Idaho, who is a member of the committee, had an opportunity to have the Cordon amendment adopted. If it had been adopted,

it would have given Idaho what Idaho may now lose. I believe his action was based upon his adherence to the broader view. He will presently speak, I hope, and inform us as to that. However, if it be true, I honor him for having done it. He believes in a Columbia Valley Administration. The senior Senator from Washington believes in a Columbia Valley Administration. One of these days we shall perhaps battle out that question on the floor of the Senate. I do not believe in a CVA. I want no government by remote control. I want no paternalism under any guise. I still want freedom.

Mr. President, one of the principal reasons why I have stood on this floor yesterday and up to now today, one of the reasons why I turned aside from some other duties I would have preferred to perform, as a member of the Committee on Appropriations of the Senate, was that I felt that inherent in this amendment is the first big, long step toward a Columbia Valley Administration in the Pacific Northwest. I find support for that view when I turn to the letter of transmittal from the Bureau of the Budget, which I paraphrase by saying that, in substance, it said that the adoption of this amendment, and the particular gimmicks included therein—of course, those are my words—would make even more necessary a Columbia Valley Administration.

I believe that is one of the main purposes behind this amendment. I believe just as sincerely that another one is to help toward the earliest possible liquidation of the greatest engineering group this world has ever known, the Corps of Army Engineers. I believe the adoption of this amendment would be a long step toward that. I oppose that, as I oppose the Columbia Valley Administration.

Mr. President, I know only one way to talk, and that is straight from the shoulder. I want to say "Yes," or I want to say "No," and I do it on the floor here today. I am not equivocating anywhere along this road.

If I thought I could defeat the pending amendment by standing on this floor until I dropped, I would stand here just that long. Yet I shall look forward to joining and be happy to join my colleagues in the most careful and painstaking and thorough study of this whole problem when we get to it in an orderly way. While I am afraid I have some firm convictions about the Corps of Army Engineers and against the advisability of a Columbia Valley Administration, as to the remainder I am ready to follow through with an open mind.

If we can go forward with the plan envisioned in the Flood Control Act, if we can create in the Northwest great power projects to harness the flowing white gold of the Columbia River, we can generate power, and we can sell the power so generated, and we can return to the Treasury of the United States every red cent it advances to us for that purpose, and we can return the money with interest on the unpaid balance greater than Uncle Sam has to pay on the money he lets us have. We want to do that; we want to do it openly. We want our books, when we are through, to balance. We want to look forward to a day when the bill is paid, and we want to hope then that we in the Northwest, in this group of States which make up the Columbia Basin, may come to the United States and say, "We have paid our bill, every dollar of it. This water running down our river is one of our great natural resources. We want the title to these facilities. We want to operate them for our people, and all the people of the United States who may desire to join us in that section of the country. We want that ownership and that operation to be where it ought to be, in the hands of the people of the Columbia Basin."

Mr. President, I know that if the pending amendment is adopted and continued in force, what I have envisaged can never come to pass. I know that this basin account, this gimmick, will go on and on and on, that there will be no ending, and the clutches of the Department of the Interior will be around our throats forever.

Mr. President, I do not want that. For that reason I shall continue to oppose the so-called Columbia Basin account.

Mr. HOLLAND. Mr. President, the Senator from Florida happens to come from the other side of the aisle from that where the distinguished Senator from Oregon, who has just spoken so ably, happens to have his seat. I come from a section of the country far distant from the Columbia Basin, though the Senator who has just spoken so ably comes from within that basin. Therefore I think that it might be of interest, coming from a distance, and having a completely different point of view, naturally, to state that the conclusions which I have reached up to now so completely coincide with those voiced by the Senator from Oregon that I want in the beginning to say that that is the fact.

I honor the Senator from Oregon for having come forward on the floor of the Senate to deal, under his conscience and according to his convictions, with a matter of tremendously grave importance to his area, even more so than it is important to the Nation—and it is important to all the Nation. He has spoken fearlessly and candidly, and I think, recognizing him, as we do, as the outstanding student and scholar and authority on the floor of the Senate in the field of legislation having to do with the development of the Columbia Basin, his words of warning and advice may well be heeded by all of us, who, I assume, in considering a question of this sort, are not divided at all by the aisle which runs between the two sides of the Senate.

Mr. President, there is no citizen in the United States who is at all well informed who does not know that the continued development of the Columbia Basin is not only of great importance to that great area, but is of vital importance to the Nation as a whole. It is important to the Nation in time of peace, and in the event we should ever come again to war, or threat of war, it would be of vastly greater importance.

The very fact that the power generated there, and in the other great Federal power development, the TVA, made it possible, largely, for our Nation to produce the atomic bomb, and to rise to the challenge in such a timely way as to bring the Second World War to an effective and victorious end ahead of the time which we had anticipated, was due largely to the development of hydroelectric power in these two great basins. Every American, I repeat, knows that the continued development of the great Columbia Basin is of vital national importance, just as important from the standpoint of its effect upon the Nation to a citizen of Florida, or of New England, or of any other part of the Nation, as it is to a citizen who happens to dwell within the Columbia Basin.

I shall deal with the subject, then, from that point of view. I shall also deal with it from the point of view of one who has sat and listened for a great many hours, and who will be perfectly willing to sit and listen for a great many additional hours, to words of comment and of wisdom and advice coming from the governors of the States affected, from the leading citizens of the area affected, from leading engineers, both in the Government employ and outside, in order that we may come at last to a wise and sensible solution, and may reach it without slowing down the development of that area, because its continued and its speedy development is of national importance.

Mr. President, I happen to be a member of the Committee on Public Works of the Senate, and in that capacity I have attended at least four different groups of hearings in which this subject was involved, first, upon the proposed Columbia Valley Authority, or the Columbia Valley Administration measure. I shall not go into any detail with reference to that, because all Senators know that that is now pending. Most of the Senators from the Northwest, whom I see here now, if not all of them, appeared before our committee, testified, and generally gave us the benefit of their wisdom.

A little later we came to the time when we heard evidence given in support of several bills the purpose of which was to make effective at once, before the adoption of the Columbia Valley Administration, legislation which would put into force the cooperative, the comprehensive, program agreed to between the two great public services which are involved in the Columbia Basin development, namely, the Army engineers and the Reclamation Bureau. We had long hearings, and they are still pending upon that particular legislation.

When the pending measure, the one having to do with the authorization of flood control and rivers and harbors projects, came over from the House, we held additional hearings. There was first the effort to substitute, as an amendment in this bill, all of the second bill to which I have just referred, that is the bill to give effect at once to all the provisions of the comprehensive program. Then that was narrowed down until finally in the last hearing on it before our committee we were endeavoring to decide whether simply to add a small

group of projects which were regarded as of the most urgent necessity, and to provide sufficient authorization in this measure so as to allow the development of those projects through appropriations for at least 3 years in the future, and afford ample time for the consideration of another over-all omnibus bill in this field.

Mr. President, I have mentioned three of the hearings. The fourth one took place in a subcommittee appointed by the chairman of the Public Works Committee to go specifically into this last phase to which I have just referred to see whether or not common ground could be reached with respect to some provision in the field of reclamation which does not properly lie within the jurisdiction of the Public Works Committee nor within the scope covered customarily by omnibus flood control and rivers and harbors bills, and to determine whether there was any program at this time which could be safely placed within this measure, not to create a precedent, but simply to speed the partial solution of the problem.

Mr. President, at the conclusion of that hearing our committee was still divided upon the wisdom of placing any of these foreign matters within the purview of the field of flood control and of rivers and harbors. We felt that the proposal by all means must be studied further before we could safely place it in the bill.

Mr. President, before going further I may say that we had no budget report at that time upon any phase of this problem, or upon any of the matters upon which we were requested to act. In the Public Works Committee we have laid down the rule which I think is a sane and a safe rule, of insisting on having the reaction of the Bureau of the Budget, with its over-all view of the fiscal policies of the Government, before we act affirmatively upon measures to be incorporated in these omnibus bills. We had no reports from the Bureau of the Budget upon any of the programs which I have mentioned, either the larger ones, or the middle-size ones, or the smallest ones to which I have just referred as the last field of our study.

Mr. President and Senators, we felt the problem was of such grave importance not only to the region affected—and it is a grave one there—but also to the Nation as a whole, that we were justified in insisting upon the proposals referred to being separately studied, being given separate consideration, and being handled as separate legislation. In the light of the facts before us I still think no other sane decision could have been made by the committee.

Mr. President, not only is it true that the new Water Resources Advisory Committee, referred to so ably by my friend the Senator from Oregon [Mr. CORDON] is now functioning, having recently been set up by the President to make a study of this whole field, giving particular study to the basin account, but as a matter of fact it has created, as I understand, a task force to give peculiar and particular consideration to the vexing, troublesome problem of basin account which runs to the heart of the current amendment.

Not only is it true that the commission recently established by the President is making that study, but there are two other very high-ranking bodies, and possibly others about which I do not know, that are making similar studies at this time, not because they draw money from the public pay roll, but because they are keenly concerned with the future of our Nation and with the proper utilization of its wealth of natural resources, particularly in the Columbia Basin. I refer first to the study now being made, by the panel of the American Society of Civil Engineers. It has made its preferred public service, as I understand, over the next few months, the matter of the intensive study of this problem. The finding of that great group of the highest ranking professional men in the civil engineering profession throughout the Nation must be of some worth and will be no doubt available for the guidance of the proper committees and of the Senate and the House of Representatives within a very short period of time.

Furthermore, Mr. President, there is an organization of even higher standing, if that be possible, known as the Engineers Joint Council, which is made up of the five leading professional engineering societies of the Nation, including the Civil Engineering Society, which I have just mentioned, and the identical societies in the field of mining and metallurgy, in the field of mechanical engineering, in the field of electrical engineering, and in the field of chemical engineering. That distinguished body, as a labor of love and as a service to the Nation, is even now exploring, as only trained men with the varying backgrounds their representatives would have, can explore this problem with the view to bringing forth facts and evidence and advice upon which the Nation may soundly and safely rely.

So, Mr. President, the decision of the Public Works Committee was that it was not an appropriate time, that the question was not sufficiently clear, at that time and at that place to put into a bill dealing with an entirely different subject matter, though it happens to be related to projects in the Columbia Basin anything on the subject in question.

Mr. President, I wish I could feel safe and secure in a conviction, which I do not have, that the report of the other committee of the Senate which has made a study of this matter, the Committee on Interior and Insular Affairs, pointed the way to the taking of a step through the incorporation of their proposed amendment into the bill now pending, which we could be quite sure was a safe step and a sound one and a secure one, and would not commit us to a journey in treacherous territory where we would find that we would have ahead of us some rough and unsatisfactory going.

To the contrary, Mr. President, after not merely reading the amendment, but after reading the reports which have been available—and the printed report is not available of the hearings—after reading the communications from the Bureau of the Budget and from the Reclamation Bureau and from the engineers, and after having conferred with some of the leading persons having to do with these various fields, and having listened to the debate upon this floor, particularly, if I may say, the speech of the Senator from Oregon [Mr. CORDON] and that of the Senator from Wyoming [Mr. O'MAHONEY], who are both regarded, of course, as outstanding patriots, and likewise as persons having a very great knowledge within this field, I have come to the conclusion that there is no sound ground upon which we can now stand because there is too great divergence of opinion as to what the amendment means and what would be the results flowing from it.

Mr. President, if any other red flag to call attention to danger existing were needed, I should like to call attention now to the fact that able Senators of deep conviction like the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Oregon [Mr. CORDON], both of whom want to serve their Nation in this matter, looking at a text here which is highly involved, and at a record which has been available to both of them, and which culminates many years of activity in this field for both of them, have come to completely opposite conclusions both with reference to the wisdom of the amendment as a whole and with reference to the meaning of some of the specific portions of the amendment which make the greatest change in the standing policy of the Nation in the Columbia Basin area.

Mr. President, I think every Senator not only would be justified but would be given almost a mandate to make sure that he knew which of these distinguished Senators was right, or whether either of them was right, and what is the meaning of this amendment, before he went ahead and cast his own vote in favor of it, in view of the complete difference in opinion between those two Senators as to the meaning, particularly of the basin-account provision in the amendment of the Senator from Wyoming.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Florida yield to the Senator from Oregon?

Mr. HOLLAND. I yield.

Mr. MORSE. I wish to find whether I am correct in my understanding of the position of the Senator from Florida. I understand the Senator from Florida is not raising any question as to the desirability of the specific projects enumerated on pages 2 and 3 of the so-called O'Mahoney amendment. The Senator from Florida is simply raising the question as to the fiscal arrangements which are to be authorized and approved, if any, for the financing of those particular projects.

Mr. HOLLAND. The Senator is correct, except that the doubts of the Senator from Florida go even beyond that point. As he was then addressing him-

self solely to the question of the basin account, the Senator from Oregon is correct in his statement. I am much disturbed about what that provision means. When I find that my good friend the Senator from Wyoming and my good friend the Senator from Oregon [Mr. CORDON], the colleague of the Senator from Oregon who now asks me the question, come to diametrically opposite conclusions as to what it means and as to what its desirability would be, to me that is a red flag of danger, warning me to look carefully before we commit ourselves to a proposal which, as the Senator from Oregon has said, would mean in excess of $4,000,000,000 of Federal money between now and the end of the present century; and would also mean, as he has said, the immediate writing off of $442,000,000, and taking the Federal Power Commission, for instance, entirely out of the field of rate making, and setting up the Department of the Interior as the sole agency in that field. Although the Interior Department would have such consultative advice as it might seek from the Federal Power Commission or from any other source, yet the Department of the Interior would be the sole agency in that field, to say what shall be the power rate effective in the State of the able Senator who has just addressed a question to me, as well as in the other States of that basin. I say there is too much involved here for us—at least as I view the matter—to proceed carelessly and without knowing what we are doing, simply because all of us would like to make haste, would like to act as quickly as possible, as quickly as may be done safely.

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. HOLLAND. I yield.

Mr. MORSE. I am simply trying to clarify my own understanding of the position of the Senator from Florida. I think I understand it; but, in order to be completely fair to the Senator, I should like to ask this question: Am I correct in my understanding that it is the position of the Senator from Florida that if any particular reclamation project is to be approved by the Senate, it should stand on its own merits; and if there is need for subsidizing that project, it should be done by way of direct appropriation, rather than by the provisions of the O'Mahoney amendment?

Mr. HOLLAND. Mr. President, the Senator from Oregon has almost exactly stated my view in that particular field.

However, at this time I would simply say that I am unwilling to make the approach suggested in the amendment or any other approach without having much more chance to weigh its soundness than is now available. I am inclined to think that such subsidies as are going to be necessary—it seems there is no doubt at all that further reclamation projects in the Northwest will require subsidies—should be paid directly, rather than by making a charge against the power income and the power users in the area where both industry and the population are making use of the cheap power produced there by the Government dams, whether constructed by the Corps of Army Engineers or by the Bureau of Reclamation.

Mr. President, let me say that if the Congress and the Nation had been niggardly or slow or had gone rather penuriously into this field up to this time, and if the failure to adopt this amendment would leave us in that position, I would be willing to take a chance which I am not willing to take under the facts which actually prevail with reference to the authorizations already made and standing upon our books as a part of the law, as a result of action already taken by the Congress of the United States.

On that matter—and I think this was the most compelling factual information which we had before the Committee on Public Works—when we came to our conclusion—and I believe we would have been studying it yet, rather than to pass up the opportunity to put in something, if it had not been made completely clear that there is a tremendous backlog of authorizations which can hardly be encroached upon, can only very partially be used in the 3-year period which lies ahead, even if there were no further legislation within that 3-year period.

The Senator from Florida does not advocate waiting until the end of the 3-year period, but, instead, it would be his distinct preference to see the whole field studied by the two committees involved, having them study the proposed legislation which has been introduced and having them explore the matter down to the last obtainable fact, and particularly with the benefit of the findings and recommendations of the three research groups which I already have mentioned in the course of my remarks.

Mr. President, to come back to the action already taken by the Congress of the United States, let me say, with reference to the Corps of Engineers, that all the Columbia Basin projects already authorized, and upon which construction is now under way—in some cases construction has been completed—come to a grand total of $692,724,600 of which—and my figures now go through the fiscal year 1951, the year in which we are now operating—there will have been spent only $245,848,800, leaving a remaining authorization, in connection with the projects already under construction, of $446,875,800 available to the Corps of Engineers for the completion of the projects on the list, which, as I said in the beginning, have been authorized, and upon which construction is either under way, in most instances, or, in a few instances, is complete.

Mr. President, in addition to that backlog of $446,000,000 of authorizations, the Corps of Engineers has prepared and furnished to our committee a list of the projects in the Columbia Basin which have been authorized but are not yet under construction. The total of that authorization is $350,222,100, of which only an inconsequential amount has been spent for planning aggregating some $7,000,000 or $8,000,000, leaving available a total of $342,286,000 of authorizations yet to be used by the Corps of Engineers as the Congress desires it to make use of those funds. The total of those two items is $789,861,000. That is the total amount, already on the statute books, of authorizations for the Corps of Army Engineers, available to be used during the period of years lying immediately ahead.

Before I leave the Corps of Engineers, I wish to call attention to the fact that in connection with the study of this particular bill made in the House of Representatives, the House saw fit to insert into the bill an additional authorization of approximately $108,000,000 for projects which will be authorized if the bill now before the Senate is passed and becomes law.

Further, I wish to call attention to the fact that the Senate Committee on Public Works recommended the insertion of a provision for an additional $142,000,000 of authorizations with respect to the engineering projects—making a total of $250,000,000 of additional authorizations included in the bill in the event that it becomes law.

That $250,000,000 of additional authorizations, of course, would carry the total amount of funds authorized for the Army engineers for such construction to well over $1,000,000,000, upon the statute books of the Nation, awaiting recommendation by the Bureau of the Budget and further action by the Congress by means of appropriations, in order to be able to undertake the specific construction of such projects and bring them to completion when the proper time comes for their construction and completion.

Mr. President, that does not sound like niggardly treatment. It does not sound like treatment from a Congress which is not in complete sympathy with the full, complete, and prompt development of the resources of the Pacific Northwest, which, although highly prized by the residents of that area, nevertheless are national resources, and there is a tremendous national need for us to develop those resources as quickly as they can be developed, whenever their development is economically feasible—in other words, whenever it is justified because of the benefits to be secured or because of other considerations which the Congress deems sufficiently important at the time of their authorization.

So, Mr. President, I repeat that if the bill becomes law, there will be more than $1,000,000,000 of authorizations on the statute books, in respect to carrying to completion the projects already authorized and under construction, other projects already authorized but not under construction, and other projects authorized by this bill, but whose construction is to be entrusted—in all three classes—to the Corps of Engineers of the United States Army.

Mr. President, in that connection, I ask unanimous consent to have printed at this point in the RECORD, for the information of Senators, the list of projects coming under the two classes of projects already authorized and now under construction by the Corps of Army Engineers and projects already authorized but not yet under construction by the Corps of Engineers.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Columbia River Basin—Corps of Engineers

Project	Total cost	Appropriation through fiscal year 1950	Remaining to complete
NOW UNDER CONSTRUCTION			
Willamette River Basin:			
Cottage Grove Reservoir, Oreg	$2,396,000	$2,396,000	
Detroit Reservoir, Oreg	65,377,000	20,343,100	$45,033,900
Dorena Reservoir, Oreg	14,640,000	13,900,000	740,000
Fern Ridge Reservoir, Oreg	4,514,000	4,475,700	38,300
Lookout Point Reservoir, Oreg	50,915,000	21,865,000	29,050,000
Willamette bank protection, Oregon	4,854,000	3,894,400	959,600
Columbia excluding Willamette:			
Heise-Roberts area, Idaho	1,490,000	1,490,000	
Lucky Peak Reservoir, Idaho	21,660,000	4,280,000	17,380,000
Milton-Freewater, Oreg	1,085,700	1,085,700	
Mill Creek, Wash	2,403,900	2,403,900	
Columbia River at Bonneville	84,858,000	83,995,000	863,000
Columbia and lower Willamette, below Vancouver and Portland	5,503,000	5,503,000	
McNary Dam, Oreg and Wash	227,028,000	69,575,000	157,453,000
Chief Joseph Dam, Wash	206,000,000	10,642,000	195,358,000
Total	692,724,600	245,848,800	[1] 446,875,800
AUTHORIZED BUT NOT UNDER CONSTRUCTION			
Columbia excluding Willamette:			
Columbia above Celilo Falls	1,627,000	1,367,000	260,000
Columbia between Vancouver and The Dalles	5,715,200	3,378,900	2,336,300
Hood River boat basin	136,800		136,800
Willamette above Portland and Yamhill River	1,703,000	615,200	1,087,800
Willamette Falls	7,172,200	555,600	6,616,600
Ice Harbor Dam	87,414,000	1,275,000	86,139,000
Little Goose Dam	81,130,000		81,130,000
Lower Granite Dam	82,171,000		82,171,000
Lower Monumental	79,868,000		79,868,000
Malheur improvement district, Idaho	37,600	1,300	36,300
Amazon Creek, Oreg	720,000	372,000	348,000
Arlington, Oreg	450,700	195,000	255,700
Pilot Rock, Oreg	110,000	3,700	106,300
Pudding River, Oreg	162,000	113,000	49,000
Castle Rock, Wash	112,600	4,100	108,500
Dayton, Wash	472,000	20,300	451,700
Pullman, Wash	1,220,000	35,000	1,185,000
Total	350,222,100	7,936,100	342,286,000

[1] Authorizations not yet appropriated.

Mr. HOLLAND. Mr. President, I also call attention to the fact that on page 69 of the report of the Committee on Public Works on this matter appear two other lists which I have mentioned, namely, that of $108,000,000 of authorizations for projects, which have been authorized by the House of Representatives following the action of the House Committee on Public Works, and the list of $142,000,000 of authorized projects proposed to be added to this bill by the Senate Committee on Public Works. I ask unanimous consent that the two lists appearing at the top of page 69 in the report of the Senate Committee on Public Works be printed at this point in the RECORD as a part of my remarks.

There being no objection, the lists were ordered to be printed in the RECORD, as follows:

(a) *Authorizations passed by the House for works to be accomplished by the Corps of Engineers*

	Amount authorized
Albeni Falls, Idaho	$31,070,000
Additional authorization for Willamette River Basin (completion of Detroit and Lookout Point Dams, Oreg.)	40,000,000
Johnson Creek at Portland and vicinity	332,000
Levees on Willamette River to protect Portland	$14,000,000
Lower Columbia River bank protection	4,900,000
Modification of levees along lower Columbia River	14,722,000
Levees along lower Columbia River	[illegible],973,000
Total	107,997,000

(b) *Additional authorizations for work to be accomplished by the Corps of Engineers*

	Amount authorized
Libby Dam, Mont	$53,000,000
Priest Rapids Dam, Wash	2,000,000
John Day Dam, Wash. and Oreg	700,000
The Dalles Dam, Wash. and Oreg	600,000
Lookout Point (Meridian) Dam, Oreg. (power facilities)	18,225,000
Hills Creek Dam, Oreg	6,300,000
Dexter Dam, Oreg	3,800,000
Waldo Lake, Oreg	75[illegible],000
Fall Creek Dam, Oreg	3,400,000
Holley Dam, Oreg	200,000
Fern Ridge Dam, Oreg. (modification)	133,000
Willamette Falls fish ladder, Oregon	160,000
Willamette River supplemental works, Oregon	16,000,000
Local flood-protection projects	28,000,000
Bonners Ferry, Mont. and Idaho	750,000
Jackson Hole, Wyo.; Pendleton, Oreg.; Hepner Dam, Oreg	5,678,000
Harbors, 21 locations, Oregon, Washington, and Idaho	2,300,000
Total	142,003,000

Mr. HOLLAND. Mr. President, in connection with the other great agency involved, I asked for a report from that agency in regard to the amount of authorizations made, the amount of authorizations unused, and the speed with which they felt the authorizations which are unused should be used under annual appropriations during the next 3 years by the Congress of the United States. I have that list, as prepared by the Bureau of Reclamation, and at this time I ask unanimous consent that it may be incorporated at this point in the RECORD as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Bureau of Reclamation—Columbia River Basin construction program

[Costs in thousands of dollars]

Authorized project	Estimated total cost	Cost to date	Estimated appropriations required			
			Fiscal year 1950	Fiscal year 1951	Fiscal year 1952	Fiscal year 1953
UNDER CONSTRUCTION						
Boise, Idaho:						
Drainage	160	32	5			
Anderson Ranch	30,945	27,982	2,126	836		
Payette division	17,173	14,433	2,549	358	−166	
Columbia Basin, Wash., Grand Coulee	773,339	298,914	68,575	55,500	34,500	38,900
Deschutes, Oreg.:						
North unit	12,850	11,470	266	500	151	34
Arnold irrigation system	210	151	39	20		
Grants Pass irrigation district	86	2	84			
Ochoco Dam	1,076	118	947	10		
Hungry Horse, Mont	108,800	19,217	22,521	31,000	20,400	12,200
Lewiston Orchards, Idaho	2,500	1,997	257	245		
Minidoka, Idaho	28,153	23,917	457	419	3,329	
Missoula Valley, Mont., Big Flat unit	281	273	8			
Owyhee, Oreg.-Idaho	18,837	18,807	30			
Rathdrum prairie, Idaho, Hayden Lake unit	118	114	4			
Yakima project, Washington, Roza division	22,868	20,172	467	1,030	1,013	
Subtotal	1,017,396	437,599	98,335	89,918	59,307	51,134
AUTHORIZED BUT NOT UNDER CONSTRUCTION						
Yakima project, Washington, Kennewick division	10,736	674	50	1,910	3,115	3,114
Total	1,028,132	438,273	98,385	91,828	62,462	54,248

Mr. HOLLAND. Mr. President, to refer briefly to some of the facts shown upon that list, I call attention to the fact that the total of the authorizations for the Bureau of Reclamation, lying in the Columbia Basin, up to this time is $1,028,132,000; and of that amount, $438,273,000 has been constructed, leaving available for future construction in the 3 years yet to come or during any period of time in which Congress should feel the construction should go forward, $590,000,000 of authorizations still upon the books, but unused, and which will be unused at the end of the fiscal year 1950, and will be available for construction in the Pacific Northwest under the program heretofore approved and authorized by friendly and sympathetic action of the Congress of the United States.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Mississippi?

Mr. HOLLAND. I yield.

Mr. STENNIS. The figures the Senator just gave were stated to be for the Pacific Northwest. Does that mean the Columbia Valley?

Mr. HOLLAND. Yes. I appreciate the question. The heading of the list will show that it covers the Columbia River Basin. For instance, the list prepared by the Bureau of Reclamation is headed "Columbia River Basin construction program," and it is broken down as I have just said into total authorizations, into the costs to date, and then the other figures which I mentioned.

Mr. STENNIS. Mr. President, will the Senator yield for one further question?

Mr. HOLLAND. I yield.

Mr. STENNIS. As I understood a while ago, the Senator's figure as to the amount of work now on the books is $750,000,000. Will the Senator explain the figure?

Mr. HOLLAND. The amount now on the books for the Corps of Engineers, is $789,161,000, the amount now on the books for the Bureau of Reclamation is $590,000,000, which gives us the aggregate figure of the actual authorizations upon the books and unused at the end of the fiscal year 1950, that is, on July 1, of this year. That total is $1,379,000,000 for the two agencies. I may say to the Senator that, with the addition of the $250,000,000 in the authorizations of the pending bill, if that remains in the bill, and if the bill becomes law, that amount would become $1,629,000,000 of authorization available in the future, whether within the next 3 years—if that is all we are guarding against—or over a longer period of time.

Mr. President, I think that is enough to dispose of the contention that Congress is not sympathetic with the needs of the great Northwest or of the Columbia Basin. On the contrary, I do not believe that there is any development of our natural resources which appeals so much and so imperatively to the members of the Public Works Committee and to Senators in general as does the problem of the effective development of that portion of the resources of the Pacific Northwest which can be developed properly, as speedily as can be done consistently with our national fiscal situation.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Oregon.

Mr. CORDON. I may say to the Senator that, for the time I have been in the Senate, representing in part the State of Oregon, and particularly the past few years, when I have served on the Appropriations Committee, I have never observed that any area of the United States was intentionally discriminated against in the matter of funds appropriated for any purpose, and particularly in the field of public works. It has been a pleasure for me to have labored in the vineyard with my colleagues in the matter of the study of these appropriation estimates over the years, and I have remarked many times that it is an outstanding experience to see the extent to which Members of the Senate, coming from 48 different States, representing areas of markedly different interests, agricultural, commercial, in the field of mining, natural resources, and so forth, could sit down and get so close together in sound conclusions for the good of the whole Nation. It has been a pleasure for me to see that, working with that committee, and to have it evidenced on the floor of the Senate.

Mr. HOLLAND. I thank the Senator from Oregon. His own observations speak also for my more limited observations here. I have never found any difference between Senators on questions of this kind whether they sat on one side of the aisle or the other, whether they happened to come from the Northwest, the Northeast, the great Central Plains of our country, the South, the Southwest, or the Far West. All have been willing to look from the standpoint of national welfare on this question of the development of our natural resources in such a way as to bless our Nation to the maximum degree, promote its growth and stability and richness in every way they reasonably could.

Mr. President, one more observation I am going to make with reference to the list of authorizations filed with our committee by the Bureau of Reclamation has to do with their anticipated need of funds in the three ensuing fiscal years. I hope Senators will give particular attention to this, because I think it shows conclusively that we are not hazarding anything whatever in insisting that this legislation be studied properly on its own merits and acted upon after we have adequate information regarding it.

The report made to our committee by the Bureau of Reclamation shows the following needs for funds on the part of the Bureau in order to carry forward toward completion, not to reach completion at the end of the 3 years, but to carry forward toward completion the relatively large number of projects committed to it and to its efficient personnel in the three fiscal years which lie ahead of us, after July 1 of this year.

The report shows that in the fiscal year 1951, which is the first of the next three fiscal years, the Bureau of Reclamation will need to expend $91,828,000; in the fiscal year 1952, $62,462,000; and in the fiscal year 1953, $54,248,000. It will be seen that the expenditures will be declining somewhat. That indicates, Mr. President, that we should have more backlog for them if we can safely give them such, for the second and third years which I have just mentioned. There is ample time to do that, after having made complete and accurate study of the situation.

I may call to the attention of Senators, in making this last reference to this list, that the amounts which will be used by the Bureau of Reclamation in carrying forward the present authorizations and projects presently under construction, and one not yet under construction, in the next 2 years, will only half use up the authorizations already upon the law books and passed by the Congress of the United States prior to this year.

Mr. CAIN rose.

Mr. HOLLAND. I yield.

Mr. CAIN. I beg the Senator's pardon. I sought the floor in my own right.

Mr. HOLLAND. I shall not be long.

Mr. CAIN. I apologize.

Mr. HOLLAND. I thought the Senator was seeking to ask a question.

Mr. President, with reference to the contents of this amendment, I have studied them. I have given to them every bit of careful consideration that I can give. Like most of the other Senators on this floor, I do not have the background on this subject which is possessed by the Senator from Oregon [Mr. CORDON] or by the Senator from Wyoming [Mr. O'MAHONEY]. But there are a good many of us who have had considerable experience in public-works projects of this kind, in developmental projects. Certainly as to those of us who have been serving for some years on the Public Works Committee, or on the Appropriations Committee, we have been required to give study to these matters. I merely want to say that, as a result of that study, and particularly after hearing the contradictory convictions of the two Senators who should know this subject best, the Senator from Wyoming and the Senator from Oregon, I have come to the conclusion that it would be completely unsound, that it would be dangerous, that we would be taking a grave risk, a risk not only for the Nation in adopting a policy which we do not know now as to where it would lead us, but dangerous from the standpoint of the Columbia Basin itself, if this amendment should be adopted at this untimely season.

Mr. President, again stating that I do not claim to know all about this subject, I should like to call attention to certain aspects of this matter other than the principal one which I have already mentioned, which of itself ought to put every Senator on his guard. I refer to the fact that one Senator, the Senator from Wyoming says, "This is all right and does what we want to do," while the Senator from Oregon says, "It is not all right, it strikes off immediately $442,000,000 in the Treasury, and would cost us in excess of $4,000,000,000

by the end of this century, and will, besides, inescapably lead to the construction of unsound and indefensible reclamation projects."

Mr. President, I desire to speak briefly about several of the aspects of this amendment which at least have been most troubling to the Senator from Florida, and I know, from comments which have come to me, likewise troublesome to other Senators, who like myself want to do nothing but complete justice to this area and to all of its aspirations, because when we do justice to this area, we are doing justice to the Nation and we are making an investment which will pay off in values which the Nation greatly needs. I mention first the far-reaching basin account. I may say, before taking up the details, that I was struck by the fact that even the Budget Bureau, charged here with the approval of 13 projects, approved but 12, because 1 of them, the Mountain Home project, the largest of the reclamation projects, it refused to approve. Notwithstanding which fact, the Committee on Interior and Insular Affairs for some reason decided to put it into the amendment. But, despite the fact that the Bureau of the Budget came in with a sort of a guarded approval of a small group of specific projects, I note, on page 31 of the report of the Committee on Interior and Insular Affairs, a very clear statement that the Budget Bureau itself feels that it is not timely to adopt the program, the interagency agreement, to which it refers in those words, which was worked out last year between the Corps of Engineers and the Bureau of Reclamation.

Therefore I quote for the RECORD from a letter written by the Bureau of the Budget, so that it may be clear that the Bureau of the Budget, although it was rushing to pick up an item here and another item there and was putting them all into a mosaic which to me seems to be highly illogical, itself said:

> Statutory enactment of interagency agreements is both unwise and unnecessary for reasons already indicated.

Even the Budget Bureau, which was not able to give us any report at all last year, when these measures were pending before the Committee on Public Works, calls our attention to this problem in the letter, a quotation from which I have just read. In that letter the Bureau of the Budget very clearly says, in just as clear words as it can possibly use, that the time is not appropriate and that it would be unwise to adopt the interagency report.

Therefore, Mr. President, we have a very clear warning again that there are unexplored fields, and that in the haste to rush out something which has been hurriedly worked out—the bill was pending before the Committee on Public works, at which time there was nothing available from the Bureau of the Budget—it is simply picking up here, there and elsewhere an objective which the Bureau of the Budget thinks can safely be submitted at this time.

Mr. MAGNUSON. Mr. President, I wonder whether the Senator from Florida would object to inserting the whole letter in the RECORD at this time. I refer to the letter from which he quoted.

Mr. HOLLAND. I shall be glad to have it inserted at the conclusion of my remarks.

Mr. MAGNUSON. Very well. Mr. President, I ask unanimous consent that at the conclusion of the Senator's remarks, the entire letter from Mr. Pace may be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. HOLLAND. I am happy to have it printed at the end of my remarks. I did not want it to appear as a division of my remarks at this time.

Mr. President, with reference to the basin account, it has been admitted in all the hearings, and it has been admitted on the floor of the Senate, that the basin account is the most important single feature, not only of this amendment, but of the whole program for the valley. The Bureau of the Budget has picked that feature out in a form somewhat different from the way it was involved in an earlier version which reached our committee. It has submitted it with its guarded blessing for the consideration of the Senate at this time. I say to the Senate that I think that when the Senator from Oregon [Mr. CORDON] had completed his analysis of the meaning of the basin account, as it is inserted in the amendment, known as the O'Mahoney amendment, that any Senator who listened to that exposition and analysis must have come inescapably and conclusively to the conclusion that this is an unsound provision and an untimely one, and that we should not by any means embark upon it at this time. I shall not attempt to debate the basin account at length, but I do wish to invite the attention of the Senate to the fact that the so-called basin account which is sought to be enacted at this time, as the Senator from Oregon has pointed out so clearly, is unnecessary. If we just want to speed the one program, by taking the big power project, Hells Canyon, which is in these 13 projects and couple it with these reclamation projects which are sound, let us set it up that way in a limited group. Instead of approaching it that way, it is sought at this time, without awaiting the reports of three able bodies, composed of the best informed professional men, who are now making a study of the problem, it is sought to put into one basket all power projects which have already been constructed, those which are now under construction, those which have been authorized but are not under construction, those which will be authorized in the proposed bill, and, therefore, are not under construction at the present time, and those, forsooth, which may be authorized from time to time during the indefinite and illimitable future which we hope will bless our Nation.

Mr. President, is it timely, sound, or wise? Would any thinking businessman try to make a decision based upon an inconclusive showing of facts in which his two principal authorities among his advisers were at opposite poles in interpreting a provision which is inserted to try to cross the bridge, when it is unnecessary to make a decision at this time, both by reason of the immense backlog of authorizations already existing, and by reason of the possibility of our picking out and pin pointing certain specific programs, and throwing them into a small grouping with the Hells Canyon power plant, which, I understand from the study which has been made, is amply able to carry this small part of the reclamation projects, or a great deal more, leaving out the Mountain Home project, which I hope will be left out. I would not want the Senate to put itself in a position of adopting and making a part of this law a project which is shown to be so hopelessly unsound and indefensible as is that project, costing $1,040 an acre, of which only $100 an acre, under the optimistic viewpoint of the engineers who studied the problem, can be saddled upon those who use the land, and passing to the rest of us $940 an acre of that particular project.

Why are recommendations of the Bureau of the Budget asked for if they are not to be followed, or if they are to be ignored as to the principal project other than the Hells Canyon power project, which was included within the purview of the bill?

Mr. President, to add insult to injury—and I am smiling when I say it—the committee saw fit not only to include the Mountain Home project, but to include it on a basis which I think should be peculiarly offensive to Americans in a legislative body who want to discharge their own responsibilities, because it is included with a little formula attached which states that no construction can be undertaken unless the Secretary of the Interior certifies to the Congress of the United States that it is feasible. No action is required to be taken by Congress. However, whenever the Secretary of the Interior certifies—and I believe the President of the United States must join with him in the certification—that it is feasible, then Congress has said, "Whenever you say, Mr. Secretary, that it is a good thing to do"—and we already know that he wants to do it—"you can go ahead, even if it saddles the taxpayers of the United States with $940 out of $1,040 of the estimated cost of every acre of arable land which will be produced through the development of the particular reclamation project involved."

Mr. President, I object to its inclusion. I object particularly to its inclusion upon any such basis which constitutes an abdication of responsibility and a refusal on the part of the Senate and of Congress, if it should pass such a provision, to shoulder its own responsibility. What kind of days are we coming upon that when we see a difficult problem as to several reclamation projects which are involved—and they are all small except this one—that on the main one, which is the most indefensible—the Bureau of the Budget says it is unsound, we turn over to some persons of high conscience and convictions the responsibility and necessity of exercising our duty in passing upon the feasibility of the project.

Mr. President, in these troublous days, when it is certainly highly proper for the various branches of the Government, and for any member of each branch of Government, to assume in his place, each of us in his place, his adequate part, his whole part of the responsibility in making decisions under the ways prescribed by our Constitution, I do not believe it is wholesome or defensible for us to abdicate our authority and pass to someone else, no matter how fine he may be or how conscientious he may be, the power to make our decisions on a proposal which has already been said to be indefensible.

So far as the Senator from Florida is concerned, the minimum which the Senate should consider at this time is the striking of that particular portion. On the whole program the Senator from Oregon feels that the basin will cost over $4,000,000,000 during the rest of this century. It will strike off at once $442,000,000. These are days of large sums of money, but I hardly think it is quite the thing for a committee, which does not have the responsibility to act in this field, to come in with a suggested amendment, which was supposed to bring together a group of feasible projects which could be incorporated in it, to suggest something so far-reaching, which changes policy so greatly and gravely, which strikes off at one stroke of the pen $442,000,000, and which within a few years, as nations go, strikes off $4,000,000,000 of our national wealth. I do not believe that the people of the Pacific Northwest want that kind of treatment, particularly under the form of a hidden subsidy, which escapes the eye until you look carefully at it, or until it has been analyzed so ably by such an outstanding student of the subject as the senior Senator from Oregon. It is then that one is bound to see that there is a subsidy involved.

I call to the attention of the President and the Members of the Senate that in the course of colloquies a few days ago it was finally admitted, by those sponsoring the bill, though somewhat regretfully, that there is a subsidy in this amendment. We may be required to authorize a subsidy, but why should we be afraid of the word "subsidy"? Let us face it, put it out in the open, so that the public may know what we are attempting to do, so that we may be sure what we are attempting to do, so that we may be sure that the subsidy we are granting out of the public pocketbook is justified by the results sought and to be attained.

Mr. President, on this basin-account matter, it is not necessary for me to go further into an analysis of it, because that has been much more ably done by the Senator from Oregon. Speaking for myself alone, it seems to me completely unsound to bring into this fantastic picture, covering a large part of our Nation, the concept that because a power dam at a remote end of the basin, lying hundreds of miles away from a piece of land which is arid and dry, is a paying project because the site for that power dam was safely selected, because it is showing a profit, the interest component, the 3 percent a year for 40 years, which is 120 percent on the original amount, is transferred over and made available, if, no matter how unsound may be the purpose to which it is directed, for instance, the reclamation of arid lands, it cannot be defended on the basis of the values it will produce.

Mr. President, it may be we are going to have to do something of the kind. I hope we will not start on any such plan as that, in which the public contribution has to be so clearly out of line with the value of the land. I am willing to consider that sort of thing when the proper time comes, and I am told by the distinguished Senator from Oregon, and others much better informed than I, that the cream of reclamation projects in the arid area has been already developed, and that there is going to be difficulty as to future developments unless some sound principle of public subsidy may be worked out. I am willing to try to work it out. But let us call it what it is, not try to hide it away in a bill that indicates on cursory reading that that is not what is intended.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Washington.

Mr. MAGNUSON. The Senator does not mean to convey the impression, does he, that if the basin account were set up, the Secretary of the Interior, or any administrative department, could use that account for any project which did not receive the approval of the Congress of the United States? All these projects have to come to Congress to be approved. All these projects have to be screened, not only for authorization, but for appropriation. I do not assume that the Senator believes that the Congress of the United States would approve any project that was not feasible.

Mr. HOLLAND. Mr. President, the Senator from Florida certainly does not think this provision is meaningless. He thinks it is a declaration of policy. He thinks it commits the Congress and the Nation, if it is enacted, to a policy under which there will be a real pooling of all power projects within this basin, and then there will be made available for reclamation projects, on the basis of bookkeeping, as the Senator has styled it, all of the interest component, which I have just said might go up to 120 percent of the principal amount. In other words, the principle will be approved of tying up or making available, or dedicating to the development of reclamation projects in the area of the basin, so far as the Nation is concerned, of interest components paid by the users of electrical energy developed by those particular dams and those power projects.

As the Senator understands, it would be proposed to make them available not only to reclamation projects already authorized, but those authorized by the pending bill, including the Mountain Home project, indefensible as it is, if an executive officer, or two of them shall certify that it is feasible, and to make them available for other projects in the future, if that course is followed, as they are brought into being.

Mr. MAGNUSON. The Senator has not answered the question. In the future any reclamation project must get the approval of the Congress.

Mr. HOLLAND. Of course, but when the Congress declares soberly, seriously, and in time of grave crisis, that in its judgment this is the sound way to compute what is being done, to take the interest component paid in, and constituted in large part of what is paid in by the users of power over the years, to earmark that, or regard it as earmarked, as a kind of a trust fund, to be recognized as such by the Congress, though it would not have to be, for the development of the reclamation projects in the area, the policy will have been fixed. The amendment gives clear warning as to what kind of reclamation projects the author thinks are desirable, because it includes the Mountain Home project.

Mr. MAGNUSON. Mr. President, the Senator's criticism would apply to all reclamation projects, if we were to use the yardstick he suggests.

Mr. HOLLAND. The Senator from Florida has never even remotely suggested that the Nation should never consider subsidizing additional lands needed for production of agricultural crops, which are required. To the contrary, the Senator has said that when the policy is adopted, it should be adopted with eyes open. It should be adopted in language which clearly means one thing, and is so understood. It ought to be adopted with standards placed in it which safeguard the Nation. It should not be adopted in an over-all way of this kind, upon unsatisfactory evidence, upon insufficient showing, and when the two principal students in this field of legislation and operation on the floor of the Senate, looking at the same formula, namely, that put in the amendment, tell us with equal conviction, one that it is black, and the other that it is white. I simply cannot see the adoption of that sort of a program upon this insufficient, inadequate showing which has been made.

Mr. MAGNUSON. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield to the Senator from Washington.

Mr. MAGNUSON. When the Senator from Florida referred to a disagreement between Senators I presume he meant the Senator from Wyoming and the Senator from Oregon. I do not think there is any disagreement as to what the language means. I do not think we attempted to avoid stating what the amendment would do, as we thought. The Senator is aware, is he not, of the fact that the amendment to be proposed by the Senator from Oregon includes the same formula to which the Senator from Florida objects, namely, setting up a small basin account as to these projects? It involves the same principle.

Mr. HOLLAND. I am unable to see for a moment that the same principle is involved. To the contrary, the principal defense under the amendment possibly to be proposed by the Senator from Oregon is simply this, that instead of limiting the power revenue to the particular reclamation project which geographically is in the same area and tied to it, he proposes, in the case of Hells Canyon,

and that development, to enlarge the principle in a specific way by including a small group of other projects for which the total charge as to nonreimbursable costs would be $16,000,000, as against the immediate writing off of $442,000,000 that would be required if the amendment of the Senator from Wyoming were adopted, besides the writing off of a much greater amount in the future.

Furthermore, it is the understanding of the Senator from Florida, both from talking to the Senator from Oregon and listening to his speech, and from reading his amendment, that he very carefully and meticulously refuses to further the creation of any power throughout the whole area which will bring into one pot the question of rates throughout the area.

I am doubtful if some of the Senators who represent the huge industrial areas in Oregon and Washington recognize what this means to the users of power who are now employing the very cheap power coming from the two great dams which have already been developed there. It seems rather clear to me, from reading the amendment of the committee and from reading the report, that it is specifically admitted that rates are going up, and that this basin account permits of their going up, and is created for that purpose, among others.

Mr. MAGNUSON. Mr. President, it has been stated time and time again, in hearings and in meetings and discussions of this whole matter, that rates would probably have to go up, and that they surely will go up unless we adopt the basin-account provision. The amendment of the Senator from Oregon adopts the principle of the basin account for new projects, not for Hells Canyon, but for projects here [indicating on map] hundreds of miles away.

Mr. HOLLAND. Mr. President, it was only after a colloquy of an hour or more on the floor of the Senate, if I understood the matter aright, that the distinguished Senator himself was willing to admit that there was a subsidy feature in this basin account. It was only when others of his colleagues from that area made it very clear that that was in there, and that it might as well be recognized, that the Senator was willing to recognize it.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MAGNUSON. I was not unwilling. My interpretation of the word "subsidy" is a little different than the Senator's. A subsidy is something coming from the Government on which there is no return. In the case we are talking about the taxpayers are not going to be saddled with the payment of the moneys. They may be temporarily saddled with them, for the purpose of the loans, but these are moneys which we ourselves are using for development purposes, and moneys which will be paid back to the Government. I said it could be called a subsidy, or whatever Senators might want to call it. I suppose the term "subsidy" could be used with respect to the subject of irrigation. But it does not cost the taxpayers anything if the expenditure is reimbursable. It may cost the taxpayers something temporarily. That is all I meant by "subsidy."

Mr. HOLLAND. The Senator draws a distinction where I see no difference. It certainly does cost the taxpayers something if $442,000,000 now available for general expenses are immediately made unavailable. It does certainly what the Senator from Oregon [Mr. CORDON] says it does—cut off as active, live assets available for general purposes, a large sum of money, $442,000,000.

The Senator from Oregon has made it quite clear that during the operation under this particular program for the rest of the century, if it operates, that that figure will go beyond $4,000,000,000.

To close on this subject of the subsidy, Mr. President——

Mr. MAGNUSON. It is still available for general purposes. It is available until Congress says, "We may want to use it on an irrigation project." That is all.

Mr. HOLLAND. Oh, the Congress will have said, if it adopts the O'Mahoney amendment, that it thinks the sound yardstick to be applied is that the interest components shall never be returned to the United States Government, where they can be used for general purposes, but shall instead be dedicated for reclamation purposes. No Senator or House Member having passed legislation of that kind would be in a comfortable position to come back here later and deny that this wording means that very thing.

Before leaving the subject of subsidy, may I say to the Senator that if he will read carefully, as I am sure he has read many times, the report of the Bureau of the Budget, he will find that they use that term, and do not seem to be so afraid of using it as some Senators seem to fear to use it. I do not think we should fear the use of the word "subsidy." I like to call a spade a spade. It is a tremendous subsidy, as written into the amendment to the bill.

The second point upon which the Senator and I were having our pleasant discussion relates to rates. I remember that the Senator in the course of the same colloquy came rather regretfully to the conclusion, at least so far as I could hear, that the rates in his own area, particularly to the users of the power from the great dams already being used there, were not affected harmfully at all. It seems so clear as to be inescapable, that they are affected and it is intended that they are to be affected. When one reads the committee's report it becomes even clearer that it was intended that they were to be affected, because on that very question of rates the committee very clearly warns the Senate, for whom, of course, the report was drawn, that there was going to be a rise, that a rate rise would be necessary, and that the basin account was created in order to take care of that necessary rise, which means simply this, that the cheap power coming from Grand Coulee and Bonneville is going to be pooled with the more expensive power coming from these later projects not nearly so desirable. It means, if I may say to the Senator, and I think it is a critical matter for his own area, that great industrial users, and city users, and REA users, and others who have availed themselves of the advantage of that cheap power and who, in many instances, may have brought in great investments there because of what they thought were firm commitments for use of cheap power, are going to be confronted with increased power costs in the near future if the proposed program is adopted.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield for a question.

Mr. MAGNUSON. That may be the Senator's interpretation, but I think in all fairness to those of us who represent the area that the RECORD should show that all the testimony is to the contrary; that power rates will not be raised if the basin account is established. I do not want to go into it anymore, but I would be the last one to be a party to anything that would interfere with our cheap electric power rates, because I have lived with the project ever since I started in public office, from the State legislature to the United States Senate. I have been a strong advocate of public power, one of the strongest in the State of Washington. All the testimony is just to the opposite effect, regardless of how the committee report may be interpreted. The people who should know, and who are the experts on this matter, have said time and time again, that if the present situation remains as it is, power rates may have to be raised, and even then they do not know for sure. The rates may be raised a little, but they say that the basin account is the only hope to keep the rate uniform. That is the testimony, and that is the considered opinion of those who are the experts on this matter.

Mr. HOLLAND. I thank the Senator. I shall not deny that he so understands it. But I prefer at this time to read into the RECORD the statement of the committee report upon that point, because it seems to me it clearly notifies everyone who is considering the amendment now that raised rates are part of the program, that the basin account is being set up in order to permit the raising of rates, and that there are apt to be even further raises of rates in the future when less economic power developments take place in the basin. I read from the report at the bottom of page 7:

> Evidence submitted during the hearings indicated that power rates in the Pacific Northwest will have to be raised—

Not may have to be raised, as the Senator suggested, but will have to be raised—

> somewhat in any event above those now prevailing for the Grand Coulee and Bonneville Dams.

I call attention to this because I should think it would be a matter of very great concern to the Senator and his people not to raise the rates, and certainly not to raise unduly the rates for power being manufactured and sold from those two great dams.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. HOLLAND. May I complete the reading of these statements from the report? Then the committee gives this reason for the fact as to why power rates will have to be raised. I continue to quote:

> This is because of the fact that higher power-cost projects a number of which are already authorized and under construction, are to be brought into the system—

In other words, that the high-cost power is to be pooled with the low-cost power—

> but their rates will be equated with the existing projects through the use of basin account.

Mr. President, there may be some difference of opinion as to what is intended, but there could not, it seems to me, be any difference of opinion as to what these words mean.

Mr. O'MAHONEY. Mr. President, will the Senator yield now?

Mr. HOLLAND. I shall be happy to yield when I read one more sentence, which completes my suggestion that a rise of power rates is not only a certainty, and is recognized as such, but that the committee reports it as such, and that Members of the Senate who are asked to vote for it, should vote for it with their eyes open that a power rate increase is being suggested for the future, and that through the setting up of the basin account we are asked to take care of that situation by making the raise as small a raise as possible in the now areas of cheap cost.

I continue to read from the committee report at the top of page 8:

> The committee concludes, with some concern, that if the interest component on the power features does not continue to be available for financial assistance to irrigation projects, or if some alternative means of providing financial assistance to such project is not provided, a still further raise in power rates for the entire Northwest will be necessary.

Mr. President, in leaving that matter, and before yielding to the Senator from Wyoming, I simply wish to say that this seems to be another of those questions to add to the question of the meaning of the basin account in general on which the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Oregon [Mr. CORDON] have shown such complete diversity of opinion; this adds another factor on which Senators, who I am sure are trying to see this thing clearly and to construe it honestly, come to different opinions. To me the whole program is designed to reduce to a common denominator—that is what is attempted—to reduce to a common denominator the users of power in general in the highly competitive industrial areas and the residential and rural areas throughout the whole basin there, amounting, I believe the Senator said the other day, to about one-seventh of the land area of the Nation.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator from Florida. I desire to ask him again about the interpretation of the language from the report of the Committee on Interior and Insular Affairs. I may say in a preliminary way that, although we tried to make its language as clear as simple words could possibly make it, it seems to me that the Senator completely misunderstands the plain meaning of this paragraph. I ask him to indulge me as I read again each sentence, and then ask him to interpret it. The first sentence which the Senator read is this:

> Evidence submitted during the hearings indicated that power rates in the Pacific Northwest will have to be raised somewhat in any event above those now prevailing for the Grand Coulee and Bonneville Dams.

Does not the Senator agree with me that that is a statement that the rates will have to be raised in any event, no matter what may happen?

Mr. HOLLAND. That is absolutely correct. The reason for that is stated in the next sentence.

Mr. O'MAHONEY. Oh, no.

Mr. HOLLAND. Because, realizing that it was drafting a report for Senators who would not be so versed in this field as were some of those serving on the committee, the committee spelled out the reason in these words:

> This is because of the fact that higher power-cost projects a number of which are already authorized and under construction, are to be brought into the system, but their rates will be equated with the existing projects through the use of basin account.

Mr. O'MAHONEY. Does not the Senator agree that the sentence he has just read plainly states that the higher power-cost projects, to which the sentence refers, are, as the sentence plainly says, those which are already authorized and under construction?

Mr. HOLLAND. No; I think it relates to others, too; because it says, "a number of which are already authorized and under construction"; and as I read the basin-account formula in the amendment, it operates not only against those, but also against those already constructed and against those to be constructed under this bill, and as to those to be constructed in the future, under future legislation.

Mr. O'MAHONEY. Then, does the Senator agree with me, respecting the interpretation, that this sentence refers to projects already authorized and under construction, projects which may be authorized for construction by the Army engineers under the bill as reported by the Public Works Committee, and projects which may be constructed by the Bureau of Reclamation—such as the Hells Canyon Dam—under the amendment reported by the Committee on Interior and Insular Affairs; and, therefore, that the result of not having the basin account would be to provide a very much higher cost to power users who purchase power from the higher-cost projects already authorized and under construction and which are being authorized by the bill, which the Senator is supporting as reported by the Committee on Public Works? Does not that, in turn, mean that without the equating force of the basin account, the Columbia Basin will be divided into innumerable small areas with totally unrelated power? Some areas will have some power, as, for example, out of the Columbia Basin, where the period of repayment is perhaps 125 or 150 years—I do not have the figures before me, but it is either one or the other, repayment over a very long period of time. Here we have this great river basin, in which the Army engineers and the Bureau of Reclamation, by an agreement which they themselves signed, are attempting to develop a comprehensive program. Without the basin account, that area will be divided into a great many small segments, with some areas suffering from high rates and some areas benefiting from lower rates, whereas the opportunity is presented to operate the whole basin as a coordinated unit, getting full development at the lowest possible cost for every acre and every resource to be found in that area.

Let me say to my friend, the Senator from Florida, that that is the purpose which the Committee on Interior and Insular Affairs had in mind; and that is the plain meaning, I submit, of the language which has been quoted.

Mr. HOLLAND. I thank the Senator. I think we are in complete accord. It is my understanding that what he proposes to do is to merge and pool high-cost power to be produced at the projects now under construction and at others yet to be constructed, with low-cost power.

I have just pointed out what the Senator has already said more clearly than I can now, namely, that that means an increase in rates; and the Senator has so stated in two places in his report. So it seems to me completely idle to debate the question further, because the Senator and I are in such complete accord.

Mr. O'MAHONEY. And that increase also will take place without the basin account; but with the basin account it will be equated, and thereby the users of power through the basin will be in a much better position than they would be under the disintegration for which the Senator from Florida now seems to be speaking.

Mr. HOLLAND. The Senator from Wyoming is correct in his last statement; the rates will be raised for areas not now served by power, where the construction is so difficult and where the costs are so much greater than were the costs of the projects presently constructed or of those under construction. However, it is perfectly evident that the Senator from Wyoming proposes by his amendment to raise the rates to the people and communities and industries now enjoying cheap power rates. Why there is any unwillingness to admit that by indirection, when the report clearly admits it directly, I do not see. I want it to be clearly stated in the RECORD that those who are using power already coming from the great power units which are producing power cheaply, and which of course can be sold cheaply, may take notice that this amendment proposes to raise their rates. If they have been given any opportunity to be heard on this matter or to indicate how compelling was the inducement given them, when they located in that area, that they would have those cheap rates, and to make their position clear to the Senate, at least I have not heard that

there has been such an opportunity. However, I think an opportunity should be afforded. When the Senate includes a proposal which on its face seeks to raise, and will raise, power rates for millions of users, I think we might as well call it that; we might as well call a spade a spade, and let the great communities which are involved—communities in the States of the two good Senators from Washington and the two good Senators from Oregon, all of whom I now see on the floor, very large communities now getting the benefit of cheap power rates, but which now are being threatened with higher rates—become completely aware of that fact.

The committee knows that is so, and states that to us. Therefore, all I want is to be sure that all Senators on the floor know it and that the public knows it, particularly that part of the public which is entitled to be heard, because many of them may have located in that area on the strength of the continuing availability of cheap power.

Mr. O'MAHONEY. Does not the Senator agree that this means that those rates will have to be raised, even though the amendment, against which the Senator from Florida is speaking, is rejected?

Mr. HOLLAND. The only admission I would make, Mr. President, and the only one I could, I think, honestly make, is that as to power units which are less economical, the users of power from those units will have to pay more than will be paid by those using power from the great units which are furnishing cheap power.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MAGNUSON. Of course, I do not criticize, but I must state frankly that the Senator from Florida does not have sufficient understanding of this problem to warrant his coming to the conclusion to which he has just come.

Mr. HOLLAND. Mr. President, I think I can understand the meaning of English language.

Mr. MAGNUSON. I wish to read to the Senator from Florida the language of the provision. The Senator has quoted from the report of the Committee on Interior and Insular Affairs——

Mr. HOLLAND. Mr. President, I may say further that I have gone to the trouble to confer with and secure the advice of certain persons who have daily, day-by-day, operating experience with this problem. Without exception, they have told me that that is exactly what is involved; and I do not see how anyone who reads that language can come to any other conclusion.

Mr. MAGNUSON. If the Senator from Florida will look at the same page of the committee report from which he has read, in the third paragraph he will see exactly what the basin account does. When we talk about raising power rates, certainly we intend to have a uniform rate; and as to those living near a dam at which electric power is produced cheaply, here is what the amendment will do and here is what all of us who know, understand it will do. I repeat that all the people in that area—the governors and everyone else—have been heard. I read now the third paragraph:

> The basin account will permit the maintenance of a uniform power rate throughout the Northwest at a lower level than would otherwise be possible.

I ask the Senator from Florida if that is any attempt to raise rates.

Mr. HOLLAND. No, but that is not the complete statement. If the Senator will read the following parts, he will find that the amendment will raise some rates and will lower others.

Mr. MAGNUSON. Of course that must be done in order to secure a uniform rate and in order to keep the uniform rate as low as possible.

Mr. President, I may as well be frank about this matter. The opposition to this proposal has developed because some persons—both private and public utilities, but mainly private utilities—are opposed to it. This fight is the same old fight that has been going on in the Pacific Northwest for the past 50 years. It is true that today power can be bought very cheaply at some dams. However, we never intended to develop the Columbia Valley dam by dam. To the contrary, we expected to develop it as a comprehensive plan. Of course the Bonneville Dam was built back in 1933 and 1934, when costs were low. It was never intended then by the Congress or by the planners that Bonneville should be the only dam there or that the power from Bonneville should be made available to power users in that area at a price different from the price of power available in the entire area.

Mr. President, that is the meat of the coconut in this matter. I repeat to the Senator from Florida that the only purpose of this amendment is the hope, by those who know, by those who have lived with this problem for years and years, that the basin account will make possible the lowest power rate in the Pacific Northwest. That is what this amendment is. If there is going to be any camouflage around here, we should read the English language, and should read it plainly.

Of course, some of the private utilities in the Pacific Northwest would like to have the basin-account provision knocked out, and I can tell the Senate why.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HOLLAND. I decline to yield for the moment.

Mr. President, the Senator from Washington seems to predicate his statement upon the feeling that private utilities are objecting to the program now proposed. They may be objecting to it, but I do not happen to know any of them or to know anyone who represents them.

However, I do know how to read the English language; and when the report tells me that what is now proposed to be done will accomplish just what the words themselves in the proposed measure tell me will be done, then I think I am justified in saying—and the Senator has already said so himself, although he does not like to say it in quite the clear way that the Senator from Florida has put it—that the proposal made in this amendment is a proposal to reduce to a common denominator the cost of power throughout this one-seventh part of the Nation, regardless of the fact that living costs in some remote area cannot be brought on the same level with those at some settled or developed community, regardless of the fact that there are many factors which simply cannot be reasonably reduced to a common denominator, any more than this power item can reasonably be so reduced. The Senator proposes here, now, at the expense of some, to make available to others power at a lower rate than can defensibly be furnished them at the places where they are living, and at the places of production of power which will serve them.

Mr. MAGNUSON. It is only because of the increased costs involved.

Mr. President, I wonder whether the Senator will allow me to place in the RECORD, following his remarks, this whole committee report.

Mr. HOLLAND. I should be very happy to do so.

Mr. MAGNUSON. I shall do that in order that we may not merely read from portions of it and reach conclusions immediately on a reading of merely a portion of it. There is no use putting all the figures in. Section 5 interprets the basin account, and I ask unanimous consent that one paragraph of it may be placed in the RECORD following the remarks of the Senator from Florida.

Mr. HOLLAND. I ask that I may be allowed to yield for that purpose, without losing my rights to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. Without objection, the matter referred to will be inserted following the conclusion of the remarks of the Senator from Florida. (See exhibit 2.)

PRECEDENT IN BASIN ACCOUNT PRINCIPLE

Mr. MALONE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MALONE. I have listened with a great deal of interest to the argument today. The junior Senator from Nevada, as a member of the Committee on Interior and Insular Affairs, opposed the amendment in committee now being offered by the chairman of that committee [Mr. O'MAHONEY], and voted against it in committee, on principle. I say that by way of preface. I think the really serious question here, I may say to the distinguished junior Senator from Florida, is not so much with respect to the details as it is that we are establishing an entirely new principle, without any consideration by the committee under whose jurisdiction it belongs, the Senate Public Works Committee.

Does the Senator from Florida agree with me as to that?

Mr. HOLLAND. I agree entirely, and I was about to come to that general statement in concluding this part of my discussion, that this is, whatever else we may want to call it, a change in the policy of the law in various

places—the Senator from Oregon has already ably placed that in the RECORD—a sweeping change in policy which adversely affects hundreds of thousands of power users, which adversely affects the Treasury of the United States and the taxpayers of the United States. The Senator from Florida thinks it would be hopelessly unwise, imprudent, and not the right or proper thing to do at this stage, to adopt this amendment, which is designed to effect the changes in substantive law which would be accomplished by its adoption. I thank the Senator from Nevada.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. MALONE. Then, with the point established that there has not been such due consideration by the proper committee, I should like to ask whether the distinguished Senator from Florida believes that if this policy is established, or this precedent, it may set a precedent for other river basin areas in the United States?

Mr. HOLLAND. I do not see how that could possibly be avoided. Those of us who live outside the Columbia Basin, though tremendously interested in the development of that area, are still United States citizens, and would expect the same sort of treatment of our areas as that which is accorded to the Columbia Valley. We yield only to them in the fact that they happen to be the custodians geographically of far the largest resource now undeveloped in our Nation, and we want to see it developed. We are willing to help in every way we can to assist it in going ahead soundly, safely, and as quickly as possible.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. MALONE. With that point established, so far as the junior Senator from Florida and the junior Senator from Nevada are concerned—and I believe implicitly that that is what it would do—I then wish to leave the Northwest for a moment. First, however, I may say that I am intensely interested in the development of the Northwest. In 1931 I visited the Northwest, as vice president of the National Reclamation Organization. I was State engineer of Nevada at the time. I was also a member of the National Public Lands Committee. We visited the area with Dr. Mead, one of the greatest of reclamation engineers who ever held the office of Commissioner of Reclamation—with Dr. Walters, who was the chief engineer of the Bureau at that time—we visited Seattle, Portland, Wenatchee, Grand Coulee, and other project sites. At that time we did not think we could bring about the development of the Northwest as soon as we were finally able to initiate the construction of the projects. We were for it, and at the first opportunity we put the Grand Coulee development into a program of development for 11 Western States. If the Senator will go back to 1935 he will find that 11 Western States were promoting 30 projects, at a cost of $100,000,000 to start with, and with a cost of $1,000,000,000 needed to complete the job. They were all underway by 1936 to 1938 and all are now completed.

I was for the proper development of the Northwest then. I am for the full development of that area now.

I now want to pass to another project. The question has been raised here as to how we can develop an area, unless the power rate is uniform. I would raise the question as to how we can develop it if it is forced to be uniform. We have Hoover Dam—it was called Boulder Dam at the time of its construction—which was initiated and completed while I was State engineer in Nevada. One of the things which attract industry into that area is a 2-mill-per-kilowatt-hour price for power at the switchboard. I spent 30 years in the engineering business, the last 15 years of it in industrial engineering. It is well known among engineers and industrialists that the thing which attracts electrochemical and chemical products manufacturing concerns is a real low rate for power. In other words, if it is possible to get a rate low enough so that a product can be manufactured and transported to tidewater and make money for the investors over the price of the power used in the manufacture of those products at tidewater, Mr. President, you are in business; if you cannot, in the absence of an adequate local market, you are out of business.

By way of further preface to the question I am about to address to the Senator from Florida, ever since World War II ended, and even before that time, industries have been attracted to Hoover Dam—I shall confine it to Hoover Dam—although there are several other projects of the same character which could be mentioned.

Industries have been established there. Other industries are coming in—on what basis? On the basis of a 2-mill power rate at the switchboard, a rate of around 2½ mills at the manufacturing site. It is possible to do that. Now, let us see what happens when further development of the same river comes along. The Davis Dam, which is about 50 miles below Hoover Dam, in our State of Nevada, and in Arizona—Hoover Dam is also located within the two States—now, instead of trying to average the price of power, the rate at Davis Dam will be around 4 mills a kilowatt-hour, possibly 4¼, unless we write off part of the cost, charging it to the Mexican Water Treaty. The dam is built for storage, to assure a supply of water to Mexico, under a treaty. Part of the cost may be charged to the treaty. If that is done, then the cost may be reduced. But, let us assume none of it is written off. I am not quoting exact prices for the power, Mr. President, you understand, but merely making a comparison. So we have the power delivered to the Hoover Dam area and to the manufacturing area in southern Nevada at a certain price; let us say, 4¼ mills. I think that is about what it would be as a delivered price. The Hoover Dam power remains at 2 mills per kilowatt-hour at Hoover Dam. What happens? The people who buy the power from either dam know what they are buying and can depend upon the price—if they buy from both sources they also know what they are buying. No Government or any other outside bureau should be able to average the price of power on a stream's system, because industries creating a large amount of employment would lose their investments; other industries would not be attracted. No venture capital could be attracted under such uncertain conditions. So, Mr. President, throughout the basin of the Colorado River, as you go upstream, some power might be developed at a lower price, while other power might be at a higher price—there would be uncertainty for the next 50 years. I reviewed this whole question in detail in the Committee on Interior and Insular Affairs—and there is no basis upon which you can invite industry into an area.

Mr. MAGNUSON. We have a uniform rate now. We have had it for years.

Mr. MALONE. We do not have it, in our area now, and the precedent would be dangerous.

Mr. MAGNUSON. I know, but we have it, in the Columbia Basin.

Mr. MALONE. We have a uniform rate in parts of the area now, which, without any doubt, as the Senator has said many times, will be raised when it is averaged with the rest of it.

Mr. MAGNUSON. That is, without the basin account.

Mr. MALONE. It will be raised with the basin account. I mean it is simply a matter of simple addition to know that. Any engineer or economist will inform the Senator on the facts as outlined in the bill. If he will inquire of his own State engineer, he can no doubt ascertain the facts.

The PRESIDING OFFICER. Does the Senator yield to the Senator from Nevada?

Mr. HOLLAND. I yield.

Mr. MALONE. That is the way the junior Senator from Nevada understands it. I believe any engineer or any technical man will answer it in the same way. I believe he would be unable to answer it any other way. Does the Senator believe that we should, without due consideration, without a hearing before the Committee on Public Works, which has jurisdiction over flood control, navigation, and power, take the recommendation of an entirely different committee—I would call it a shot-gun recommendation—brought onto the Senate floor, without opportunity for proper hearings, with no one heard from interested areas, and without due deliberation, does the distinguished Senator from Florida believe that the subject should be put before the Senators at this time, when perhaps 90 percent of the membership of this body has little knowledge of what has been recommended?

Mr. HOLLAND. I agree with the Senator from Nevada. I think the Senator from Nevada, who has been State engineer of his great and developing State, has had a unique opportunity to realize what is involved in the question of power and power rates.

Mr. MALONE. Mr. President, the basin account principle is only one step away from the proposal of former Secretary Julius Krug, that the revenue from

all power projects would still belong to the Government, even after the cost has been completely repaid with interest. It seems preposterous—but when analyzed—the presently proposed amendment is a start in that direction.

Mr. CAIN. Mr. President, will the Senator yield just briefly, so that I may make an observation?

Mr. HOLLAND. I yield for that purpose.

Mr. CAIN. The junior Senator from Washington feels that the Senator from Florida, with the help of other Senators has made a splendid contribution to the debate today. A few minutes ago during a colloquy between the junior Senator from Florida [Mr. HOLLAND] and my colleague, the senior Senator from Washington [Mr. MAGNUSON], the latter said it was his opinion, if I understood him correctly, that there were—and I suppose they were situated in the Pacific Northwest—private utilities who were in opposition to the adoption of the O'Mahoney basin account amendment. I would hope, because the junior Senator from Florida has the floor, that he and my colleague will pursue this subject further for the information of the Senate, because of the junior Senator from Washington's firm conviction that there is not to his knowledge a single, solitary private utility anywhere in the Pacific Northwest who has evidenced any possible opposition or resistance to the approval of the basin account. I should like to know if there are such persons, because up until this moment there has been no private-public power fight involved in this basin-account question. We ought to be fully aware of this fact, so that we can keep our minds directly on the subject, before us, and not return to an old bugaboo which has been running to no good purpose around the Pacific Northwest for years. If my colleague can produce a single private utility who is an acknowledged opponent of the basin-account amendment he ought to do so now. I think he spoke in haste and was probably thinking of something else.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. HOLLAND. May I make this observation? The Senator from Florida has heard from no private or public power person or institution in the Pacific Northwest. The communication which the Senator from Florida heard read this morning, however, by the distinguished senior Senator from Oregon was, unless the Senator from Florida was badly mistaken, a communication from the president of the Public Power Organizations of the State of Washington, or perhaps from even a larger area. If the Senator from Florida was mistaken, he would ask now to be corrected.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield for a question.

Mr. CORDON. I may say to the Senator that he is definitely not mistaken as to the documents which were read by the Senator from Oregon and placed in the RECORD. The only opposition from the Pacific Northwest, either from public or private power groups, which has come to the Senator from Oregon, was represented in a letter from the president of the Northwest Public Power Association, Mr. Northrup, whose home is in Vancouver, Wash. The Senator also read from an address delivered within the last 3 weeks at the Shoreham Hotel by the president of the American Public Power Association, wherein he criticized the basic policy of charging reimbursable reclamation costs beyond the ability of the water user to repay to what he termed an interest component.

Mr. HOLLAND. I thank the Senator from Oregon.

Mr. CORDON. Mr. President, will the Senator yield for one more question?

Mr. HOLLAND. I yield.

Mr. CORDON. Will the Senator permit the Senator from Oregon to offer for the RECORD a statement submitted to the Committee on Interior and Insular Affairs of the Senate by the Bureau of Reclamation in the hearings on the instant amendment, the data being a comparison between the level power rates which would be needed in the Pacific Northwest under certain conditions therein stated. It is offered for the information of Senators who may have further interest in this subject.

Mr. HOLLAND. I am glad to yield for that purpose.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT SUBMITTED TO SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE BY BUREAU OF RECLAMATION

The power rate that probably would be required to pay out all existing, authorized, and recommended power and irrigation projects (both Army and Interior projects) are as follows on the three following bases:

	Without including Mountain Home irrigation features	Including Mountain Home irrigation features
(a) If interest component on all power facilities is available for application to assist irrigation	$21.21	$21.21
(b) If interest component on Bureau of Reclamation power facilities only is applied to assist irrigation	21.21	21.51
(c) If interest component is not applied to assist irrigation	22.20	22.57

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield for a question.

Mr. SPARKMAN. Will the Senator yield for the purpose of my asking a question of the distinguished chairman of the committee?

Mr. HOLLAND. I shall be glad to yield for that purpose provided I do not lose the floor.

Mr. SPARKMAN. I should like to ask the Senator to yield for that purpose, in order to establish a point in the RECORD as to a provision in the bill, and I ask unanimous consent that the Senator may yield for that purpose without losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Under title II, "Flood Control," there seems to be confusion in the language commencing at page 21. The language to which I have reference reads as follows:

No project or any modification not authorized, of a project for flood control or rivers and harbors, shall be authorized by the Congress unless a report for such project or modification has been previously submitted by the Chief of Engineers, United States Army, in conformity with existing law.

The question I wish to ask the distinguished chairman is this: Of course in the Flood Control Act of 1944 recognition was taken of the fact, if not in the exact language, certainly in the explanation which was given on the floor of the House of Representatives by the distinguished chairman of the House committee, Mr. WHITTINGTON, that the language, of which this is a restatement, did not in any way affect any of the projects under the control of the Tennessee Valley Authority.

Mr. CHAVEZ. That is correct.

Mr. SPARKMAN. It was not intended by this provision in the proposed bill to bring under control any project in the Teneessee Valley Authority.

Mr. CHAVEZ. That was always understood.

Mr. SPARKMAN. I wanted to make certain that the RECORD correctly showed that fact.

Mr. HOLLAND. Without seeking to bring to the attention of the Senate all the changes of policy—and I think they are dangerous changes in policy—which are suggested by the proposed bill, which might easily prove expensive to our Nation in the event they are thoughtlessly adopted without adequate hearing, or without any hearing at all by the committee which has jurisdiction over the subject, as is the case here, I do wish to mention just one other provision, which is found on page 8. I do so because I think it would be a very dangerous and un-American entering wedge into this field of federally produced power. It reads as follows:

(e) In marketing power and energy from Federal power plants, the revenues from which are credited to the Columbia Basin account pursuant to this section, the Secretary of the Interior shall not enter into contracts for deliveries of firm power outside the area comprising the States of Idaho, Oregon, and Washington and those portions of the Pacific Northwest not within said States.

That means, Mr. President, at least as the junior Senator from Florida understands the language, that the amendment, if adopted, will direct the Secretary of the Interior to withhold delivery of power, and withhold power contracts for the delivery of power to areas outside of the Columbia Basin—and it is well described elsewhere in the amendment, because it is the natural Columbia River Basin—plus those areas in the States of Oregon and Washington which are not included within the basin of the Columbia River.

Mr. President, without discussing the matter at length, it seems to me that without the clearest showing of the propriety and even necessity for such a pro-

vision, I should be extremely loath to see a matter of this kind, marking such an extreme departure in policy, enacted into the law of this Nation, which would limit the enjoyment of the power to be developed within the Columbia Basin in any such way, namely, to the area covered by the basin plus the shown portions of two States in which the major portion of the basin lies, that is, the States of Washington and Oregon. It seems to me that such a policy, if drafted into law is a troublemaker. It would mean, Mr. President, that a community a few miles from a power plant, but just on the other side of the Great Divide, and outside the basin, is precluded from enjoying any benefits flowing from the development of the resources of nature which belong to the Nation, which may be much closer to him and much more practical to him as a source of supply than would be any other source in a different river basin in which he was located or wherever else his home or industry may be.

Mr. President, I hope the Senate will not consider the adoption of any such policy as that, unwise as it is, in connection with the pending measure.

I yield the floor.

EXHIBIT 1

The basin account will permit the maintenance of a uniform power rate throughout the Northwest at a lower level than would otherwise be possible. Under the basin account the rate would approximate the average rate for all of the power projects in the basin, whether the generation facilities are constructed by the Bureau of Reclamation or by the Corps of Engineers. The committee recognizes that it would be possible, but undesirable, to have a uniform power rate without the basin account only if that rate were set substantially at the level of the rate which would be applicable to the highest-cost power project. Three choices are open to the committee. One is to have a heterogeneous collection of power rates, one rate for each project, even though the power would be marketed through one transmission system resulting in confusion and competition among Federal projects. The second choice is to establish a uniform rate at the level consistent with the highest-cost power project, an undesirable and unequitable procedure. The third alternative, which is recommended by the committee, is to establish uniform rates, as indicated, through the basin account.

The basin account will continue and extend the long-established principle of assistance to irrigation developments from power revenues. It has the further advantage, by the pooling of costs and revenues, of permitting the evaluation of proposed irrigation projects upon their merits, and not upon the physical accident of whether or not a particular irrigation project may be related to a particular power project by geographic coincidence.

EXHIBIT 2

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
February 1, 1950.

The honorable the SECRETARY OF THE INTERIOR.

MY DEAR MR. SECRETARY: This letter sets forth the conditions under which your report on plans for the development of the Columbia River Basin is approved by the President for submission to the Congress, and replies to your letters of January 6, 1950, concerning amendment of H. R. 5472, now pending in the Senate.

Columbia River Basin report: On June 20, 1949, you transmitted to the President a supplemental report on a plan for the development of the water resources of the Columbia River Basin. This report, together with the related report of the Secretary of the Army, sets forth a plan of engineering works for the physical development of the basin's water resources, which, subject to certain qualifications noted below, is approved by the President for submission to the Congress.

The works projected by the Bureau of Reclamation and the Corps of Engineers represent a construction program which will extend over a period of about 20 years. When completed, they will make the Columbia River system the greatest source of hydroelectric power in the world and will yield additional benefits in terms of flood control, navigation, reclamation, and other beneficial uses of water. The President recommends the authorization by the Congress at an early date of the projects herein approved, so that orderly plans for construction and budgeting may be laid out.

At the same time, as you pointed out in your letter of June 20, 1949, an engineering program for the construction of physical works falls far short of meeting the need for truly comprehensive and coordinated development of the water and other resources of the Pacific Northwest. First, the program, concerned with one river system, is planned for construction and operation by two Departments of the Government. Further, the program is confined to river projects and does not extend to such equally important aspects of resource conservation and development as soil conservation and land management, reforestation and forest management, and mineral exploration and development. For these reasons the President strongly endorses your view that authorization of this program by the Congress will make it more important than ever to establish a better organizational framework and a more uniform statutory basis for the conservation and development of all natural resources in the Pacific Northwest, such as would be provided by the Columbia Valley Administration he has already recommended.

We are only at the beginning of a tremendous development program in the Pacific Northwest. If the Federal Government is to carry out its part in this program effectively, in proper coordination with State and local governments and private activities, there must be unified Federal responsibility for scheduling, designing, constructing, and operating multiple-purpose water-control projects, and for assuring wise planning and integration of the contemporaneous activities of all the Federal agencies concerned with the land, forest, and mineral resources of the region.

In the meantime, it is obvious that the coordination of their respective programs which has been effected by the Departments of the Interior and the Army is essential. The agreements which they have reached on certain policies concerning the interrelationship of their programs in the Pacific Northwest appear to represent a practicable plan under which the two Departments can work together within the shortcomings of the present Federal pattern of piecemeal legislation and divided administrative responsibility. The President expects that the two Departments will continue to operate in conformity with agreements of this general character. However, such agreements, by their very nature, should be considered only as operating agreements, to be changed and brought up to date from time to time. Their form and content should not be frozen by statutory enactment.

To meet one outstanding deficiency in present laws the two Departments have recommended the establishment of a so-called basin account to permit a more intelligent accounting for power revenues from the various Federal plants in the Pacific Northwest and for the various costs which are to be returned from those revenues. Such an accounting method is obviously necessary to permit efficient management of the Government's power operations in the Columbia Basin and a proper assignment of power revenues to return the costs of irrigation facilities which are beyond the ability of the water users to repay. Subject to specific detailed changes in the proposed legislative provisions authorizing its establishment referred to in subsequent paragraphs, the President approves the establishment of a Columbia Basin account and recommends its enactment by the Congress.

The following numbered paragraphs set forth certain detailed comments on your report and that of the Secretary of the Army which reflect the position of the President concerning them.

1. Authorization for construction of the power-generating facilities proposed by the Bureau of Reclamation and the Corps of Engineers would be in accord with the program of the President except for the power features of the Garden Valley Dam and power plant of the Mountain Home project, which are not approved at this time because of their relationship to the irrigation features of the project.

2. Authorization for construction of flood-control and navigation facilities by the Corps of Engineer would be in accord with the program of the President except for the specific items set forth in appendix A, which should be used as a basis for recommending such amendments as may be necessary in H. R. 5472.

3. Authorization of all irrigation projects would be in accord with the program of the President with the exception of the Mountain Home project. Objection to authorization of the irrigation features of Mountain Home project at this time is without prejudice to its reconsideration after the report of the President's Water Resources Policy Commission has been received. That report will deal with a number of the major policy issues involved, including the maximum length of time for repayment of irrigation costs, the levels of subsidy justifiable for irrigation projects, the source of such subsidies, and related considerations.

Two reservations are made with respect to irrigation projects. First, it is understood that in connection with the Crooked River project, investigation of an alternative dam site (Post Reservoir) is about to be concluded and that the alternative site may be preferred by reason of being more economical. A final report and justification of the site decided upon is to be submitted for approval in the usual manner before any request for funds is made. Second, in the case of the Canby project, while it would appear that the works proposed are economically justified and can be paid for in full in a 40-year interest-free period, it is noted that the project is located in an area of 42 inches of annual rainfall. This fact raises questions of national policy as to irrigation of lands in humid areas and even in the Eastern States where there are occasional shortages of rainfall. Approval of the project at this time does not constitute a precedent for general endorsement of similar projects on a Nation-wide basis.

4. A consolidated list of all projects approved by the President for authorization is attached as appendix B. This should be used as a basis for recommending amendment of H. R. 5472.

5. Allocations of construction costs to pollution abatement, salinity control, recreation, and sediment control are not approved at this time. The handling of recreation and sediment control as approved by

the President in my letter to you dated January 27, 1950, concerning amendment of H. R. 1770, would be without objection.

6. Reallocations of cost are approved subject to the limitations set forth in the amendments to H. R. 1770 proposed in my letter of January 27, 1950.

7. Further discussion of the basin account and the use of the interest component on the power investment to the return of nonpower costs will be found in a subsequent paragraph dealing with specific amendments to H. R. 5472.

Amendment of H. R. 5472.—There is no objection to the submission of your proposed report to the Vice President as attached to your letters to me dated January 6, 1950. The relationship to the President's program of specific amendments to the bill (as suggested in attachments to your proposed report) is discussed in subsequent paragraphs.

8. Section — (a) (as drafted for inclusion at the appropriate place in the bill), if enacted, would approve the reports of the Commissioner of Reclamation and the Chief of Engineers; would authorize construction of the projects, works, and improvements recommended in the reports as coordinated by the agreement of April 11, 1949; and would, in effect, provide statutory ratification of the responsibilities of the two agencies as set forth in the agreement.

As has already been pointed out, approval of the reports as submitted will not meet the requirements of the President. Authorization of projects is approved only to the extent indicated in appendixes A and B. Statutory enactment of the interagency agreement is both unwise and unnecessary for reasons already indicated. Since the present bill already authorizes the projects of the Corps of Engineers, only textual changes are needed to bring its provisions in accord with the positions set forth in preceding paragraphs. New language, however, is needed to authorize the projects of the Bureau of Reclamation and to authorize appropriations for them. Proposed text for these purposes is attached in appendix C in the form of a new section for insertion in H. R. 5472. The President requests that you confer with the Senate committees in working out the details concerning the list of projects to be inserted in the section. He has authorized me to suggest that the aggregate total authorization for appropriations for projects for the Bureau of Reclamation be held at this time to $200,000,000, about half of the total required for the projects approved.

9. Section — (b) of your amendments would authorize the basin account. Since receipt of your letters of January 6, staff discussions have resulted in agreement as to the exact form of authorizing provisions to be recommended for enactment by the Congress. The text of these provisions will be found in appendix C in the form of a new section for insertion in H. R. 5472. I believe that the underlying concepts of the basin account, the revenues to be included in it, the charges to be made against it, and the other terms and conditions surrounding it are largely self-explanatory.

Four points are worthy of special mention. First, the basin account will provide a better method of accounting than is now the case, but it will in no way affect the flow of funds to and from the Treasury. Present law will continue to control the processes of making appropriations for constructing and operating projects, and of paying receipts into the Treasury. The basin account, in short, is for accounting but not for funding purposes. Second, projects will be included in the basin account only upon specific approval by the Congress. Third, the provisions concerning power rates require interest to be charged on the outstanding Federal investment in power facilities—that is, the amount of the investment less amounts for depreciation and amortization which have been repaid to the Treasury. Fourth, in setting rates for the sale of power, the Secretary may consider the application of interest on the power investment, from the various projects covered by the account, to the return of nonpower costs, only to the extent that he can do so under reclamation law—existing or as hereafter amended. As you know, this is one of the matters on which recommendations are expected from the President's Water Resources Policy Commission.

10. The provisions proposed in your amendments as subsections (c), (d), (e), (f), and (g) have been replaced in the proposed provisions in appendix C, or eliminated as unnecessary.

11. Elimination of section 208 of the bill (Alaska) would be in accord with the program of the President for the reasons set forth in your statement. The amendments which you suggest with respect to Grand Prairie-Bayou Meto, the study commission for the Arkansas-White and Red River Basins, and the study commission for the New England river basins would be in accord with the program of the President. It is believed, however, that provisions should be made to extend the jurisdiction of the New England Commission in such manner as to insure that it is authorized to consider the Passamaquoddy project and to take into account the interrelationships between development of power in New England and development of power in New York State and internationally along the St. Lawrence River.

A copy of this letter is being sent to the Secretary of the Army for his information and guidance, and I am enclosing a copy of my letter to him.

It will be appreciated if you will transmit a copy of this letter to the Congress along with your report.

Sincerely yours,

FRANK C. PACE, JR.,
Director.

Mr. CAIN. Mr. President, I ask unanimous consent that a brief statement I intended to offer at the conclusion of the observations made by the senior Senator from Florida be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I am completely distressed by the situation which confronts the Senate at this time. It seems to me that the prevailing trouble could have been easily avoided had we been guided by the realities of the pending question, the O'Mahoney basin-account amendment.

I am distressed that the senior Senator from Florida found it necessary to suggest that the Pacific Northwest seeks to get too much too rapidly from the Federal Treasury, and that some of its representatives are unwilling to submit the complicated and difficult basin-account question to further study by the appropriate committee of the Congress and has been urged by the so many Senators on both sides of the aisle. What he said should have been said by a Senator from the Northwest. We in that great country are grateful for what has been done for us by the Congress and most of us want to be reasonable, and we seek nothing which we cannot conclusively prove we need and ought to have.

This is my own feeling about the dilemma which surrounds us. For 4 days the Senate has been embroiled in debate on one of the forty-odd amendments to the omnibus river and harbor bill.

This amendment deals with the Columbia Basin area in the Pacific Northwest.

The so-called basin-account section of the amendment is the controversial matter.

There is comparatively little controversy over that section of the proposed amendment which would authorize certain reclamation projects.

This debate is holding up the business of the Senate.

This debate may prove harmful to the final passage of the omnibus river and harbor bill and there are other Members of the Senate interested in the bill than those from the Pacific Northwest.

The Senators from the Pacific Northwest are dependent upon the good will and understanding of Senators from other States in order that our vast reclamation and power projects may receive the proper and necessary attention for authorization and appropriations.

But Senators from other States, while exceedingly gracious and understanding, could well become provoked over this debate, and we from the Pacific Northwest now stand to lose more than we can gain.

It is my opinion that Washington State and the Pacific Northwest has and will continue to suffer by this prolonged debate because it appears to me that this amendment will be defeated, either on the Senate floor or in the coming House-Senate conference.

My senior colleague from Washington State also realizes this and has said so. It is his right, however, to press for a roll-call vote as he is doing.

The stigma of defeat attached to the projects in this amendment will cause us trouble in the future in obtaining approval.

It has been well known that even if the amendment were adopted in the Senate the chairman of the House Public Works Committee and other Members would strongly oppose it in conference.

The chairman of the Senate Public Works Committee already opposes it.

The amendment cannot survive under these conditions.

These distinguished chairmen oppose the adoption of this amendment at this time because of fear it will kill the entire omnibus bill.

I have been one of those who in the past 24 hours have attempted to salvage something of this amendment to help the Pacific Northwest by suggesting that the proposed authorization of the reclamation projects be considered in a separate amendment in the hope that it could be passed and a compromise reached in this impasse.

These reclamation projects otherwise will be defeated if tied up in the same amendment with the basin-account proposal.

It appears to me that a selfish but obviously impossible attempt at putting over this revolutionary basin-account plan is hurting, or will hurt, the Pacific Northwest in the future.

The omnibus bill carries authorizations, for the 48 States, Alaska, and Hawaii, which total $1,564,000,000.

Now of this amount, for all the States in the Union and the two Territories, the Pacific Northwest has the amazing total of $268,000,000—or, in other words, of the total in this omnibus bill, for all the States, the Pacific Northwest gets one-sixth of the money authorizations.

So, I for one from the Pacific Northwest, am deeply gratified and grateful.

When the omnibus bill came over from the House, the Pacific Northwest had $108,000,000 in authorizations. To this the Senate Public Works Committee, of which I am a member, added $160,000,000.

Of the total amount in the omnibus bill as it now stands, the Columbia Basin has $250,000,000. (This is included in the $268,000,000 figure.)

The point I am frankly making is that we had better be careful in trying the tempers of other Senators for they well realize that

the Columbia Basin is receiving the lion's share of this bill, which sometimes is termed as the pork-barrel bill, though I do not believe that such a description is fair or valid.

If this basin-account amendment was passed by the Senate and went into conference, millions more in authorizations would be added to the amount the Pacific Northwest already has and do you think for 1 minute that it will go unnoticed or approved?

It will not and I have already been informed by the chairman of the House Public Works Committee that we had better apply our time and work to seeing that what we have in the bill stays there, instead of trying to get more and more at this late and confused hour.

The patient chairman of the Senate Public Works Committee already has repeatedly told us—in fact warned us—that we have certainly been well treated.

When we saw earlier in the week that this amendment had little chance of surviving, either in the Senate or in the conference (it actually make little difference if it is passed by the Senate because it is doomed in the conference) we should have attempted to keep the reclamation projects. Now that appears lost.

Will a reasonable delay in the passage of this basin-account amendment (which, as has been mentioned by the distinguished Public Works Committee chairman, has been lobbied by the Department of Interior in the Halls of the Capitol) hurt the Pacific Northwest?

It will not! Further study and consideration will improve the amendment.

Why, does the Senate know—and again I speak quite frankly—that we in Washington State have a backlog of authorizations for Army engineer projects totaling $539,473,000? More than half a billion. Why we could not begin to finish that work, much less obtain all that money, this year.

And Oregon has a backlog of $278,612,000 and Idaho has $22,000,000.

Thus the Pacific Northwest has a backlog in flood control, navigation and river and harbor-project authorizations which total in excess of $830,000,000:

And now what is the picture for reclamation?

Washington State has a backlog of authorizations for reclamation projects either not started or still to be completed, which total $807,000,000.

Oregon has $28,000,000.

Idaho has $98,000,000.

This makes a total backlog of reclamation authorizations of $933,000,000.

And now the Senate is tied up in fruitless debate whereas the Pacific Northwest actually has nothing to really or presently worry about.

Let's be frank and honest and aboveboard on this matter.

Yesterday the Senators from the Pacific Northwest met for almost 2 hours.

It looked for awhile as if this problem might be worked out.

The Senator from Oregon [Mr. CORDON], one of the Nation's outstanding and leading authorities on reclamation, opposes the basin-account amendment at this time. He made clear that there is a substantial difference between this amendment and the comprehensive-plan basin-account proposal.

But Senator CORDON expressed agreement that he would withdraw his opposition if the so-called O'Mahoney amendment likewise was withdrawn, or if the basin-account feature was brought up separately in a clean bill.

Mr. President, further consideration of this amendment is useless. It will do nothing but harm. It is trying the patience of the Senate. The amendment ought to have been withdrawn several days ago. It is still before us. The only thing to do is to vote it out of the way in order that affirmative action be taken on the vastly important omnibus river-and-harbor bill. We ought to know that first things come first and act accordingly.

Mr. CHAVEZ. Mr. President, the pending bill was reported to the Senate last October, and was approved by the Senate last October with the exception of the five amendments which were adopted last Monday. The amendment we are now discussing has been under consideration since last Monday. It was my purpose to make a long talk, addressing myself to the Senate on what I think are the bad features of the amendment. But the work of the Senate must carry on, and notwithstanding the desire of the chairman of the Committee on Public Works to address this body in his responsibility as chairman of the committee, I think I also have a responsibility to the people of the United States and to the Senate to see that work is carried forward. For that reason and that reason only I now make a motion, Mr. President, that the amendment of the Senator from Wyoming now pending, which is designated as "A," be laid on the table.

Mr. O'CONOR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'CONOR. Is the motion debatable?

The PRESIDING OFFICER. The motion is not debatable.

Mr. O'CONOR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Butler	Hoey	Malone
Byrd	Holland	Maybank
Cain	Johnson, Colo.	Morse
Chapman	Johnson, Tex.	Mundt
Chavez	Johnston, S. C.	Neely
Cordon	Kefauver	O'Conor
Darby	Kem	O'Mahoney
Donnell	Kerr	Robertson
Douglas	Kilgore	Russell
Dworshak	Knowland	Saltonstall
Eastland	Langer	Schoeppel
Ecton	Leahy	Sparkman
Ellender	Lehman	Stennis
Ferguson	Lodge	Taylor
Flanders	Lucas	Thomas, Okla.
Fulbright	McCarran	Thomas, Utah
George	McCarthy	Tydings
Gillette	McClellan	Watkins
Gurney	McFarland	Wherry
Hayden	McKellar	Williams
Hendrickson	McMahon	Withers
Hill	Magnuson	

The PRESIDING OFFICER. A quorum is present.

The question is on the motion of the Senator from New Mexico [Mr. CHAVEZ] to lay on the table the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY], on behalf of the Committee on Interior and Insular Affairs.

Mr. WILLIAMS and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Legislative Clerk called the roll.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. BENTON], the Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. HUNT], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is unavoidably detained on official business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate on public business.

The Senator from Minnesota [Mr. HUMPHREY], and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from New Mexico [Mr. ANDERSON] is paired on this vote with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Delaware would vote "yea."

The Senator from Texas [Mr. CONNALLY] is paired on this vote with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Texas would vote "yea," and the Senator from Montana would vote "nay."

The Senator from North Carolina [Mr. GRAHAM] is paired on this vote with the Senator from Rhode Island [Mr. GREEN]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Rhode Island would vote "nay."

The Senator from Minnesota [Mr. HUMPHREY] is paired on this vote with the Senator from Ohio [Mr. TAFT]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Ohio would vote "yea."

The Senator from Wyoming [Mr. HUNT] is paired on this vote with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Wyoming would vote "nay," and the Senator from Ohio would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from New York [Mr. IVES], the Senator from Colorado [Mr. MILLIKIN], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from North Dakota [Mr. YOUNG], are absent by leave of the Senate.

The senior Senator from Maine [Mr. BREWSTER], the junior Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Indiana [Mr. JENNER], the junior Senator from Maine [Mrs. SMITH], the senior Senator from Ohio [Mr. TAFT], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

If present and voting, the Senator from Vermont [Mr. AIKEN], the senior Senator from Maine [Mr. BREWSTER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Iowa [Mr. HICKENLOOPER], and the junior Senator

from Maine [Mrs. SMITH], would each vote "yea."

The Senator from Colorado [Mr. MILLIKIN] is paired with the Senator from New York [Mr. IVES]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from New York would vote "yea."

The Senator from Ohio [Mr. BRICKER] is paired with the Senator from Wyoming [Mr. HUNT]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Wyoming would vote "nay."

The Senator from Ohio [Mr. TAFT] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Ohio would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Wisconsin [Mr. WILEY] is detained on official business. If present and voting, the Senator from Wisconsin would vote "yea."

The result was announced—yeas 43, nays 22, as follows:

YEAS—43

Butler	Hendrickson	Neely
Byrd	Hoey	O'Conor
Cain	Holland	Robertson
Chapman	Johnston, S. C.	Russell
Chavez	Kem	Saltonstall
Cordon	Kerr	Schoeppel
Darby	Kilgore	Stennis
Donnell	Knowland	Thomas, Okla.
Ecton	Lodge	Tydings
Ellender	McCarthy	Watkins
Ferguson	McClellan	Wherry
Flanders	McMahon	Williams
Fulbright	Malone	Withers
George	Maybank	
Gurney	Mundt	

NAYS—22

Douglas	Kefauver	Magnuson
Dworshak	Langer	Morse
Eastland	Leahy	O'Mahoney
Gillette	Lehman	Sparkman
Hayden	Lucas	Taylor
Hill	McCarran	Thomas, Utah
Johnson, Colo.	McFarland	
Johnson, Tex.	McKellar	

NOT VOTING—31

Aiken	Green	Pepper
Anderson	Hickenlooper	Smith, Maine
Benton	Humphrey	Smith, N. J.
Brewster	Hunt	Taft
Bricker	Ives	Thye
Bridges	Jenner	Tobey
Capehart	Long	Vandenberg
Connally	Martin	Wiley
Downey	Millikin	Young
Frear	Murray	
Graham	Myers	

So the motion of Mr. CHAVEZ to lay on the table the amendment of Mr. O'MAHONEY was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. TAYLOR. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. TAYLOR. Mr. President, in order to save the time of the Senate I might explain briefly the amendment. It simply includes the language authorizing the——

The PRESIDING OFFICER. The Senator will suspend until the clerk concludes reading the amendment.

Mr. TAYLOR. It is quite long, and I thought I might save time.

The PRESIDING OFFICER. Very well; the Senator from Idaho is recognized.

Mr. TAYLOR. The amendment includes the language of the former amendment, except I have stricken out the provision pertaining to the basin account and the amendment of the Senator from Utah prohibiting the sale of power outside the region.

This amendment is simply that part of the former amendment authorizing the projects, with certain minor changes of language in the section dealing with the Hells Canyon project.

The PRESIDING OFFICER. Would the Senator from Idaho like to have the amendment printed in the RECORD?

Mr. TAYLOR. Yes.

The PRESIDING OFFICER. Without objection, the amendment will be printed at this point in the RECORD.

The amendment proposed by Mr. TAYLOR is as follows:

On page 45, after line 14, insert the following new section 205:

"SEC. 205. (a) The following projects are authorized to be constructed, substantially in accordance with the physical plan presented in the report of the Commissioner of Reclamation dated May 2, 1949, by the Department of the Interior under the supervision and direction of the Secretary of the Interior, who, in prosecuting his activities under this section, and in operating and maintaining such projects, shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof and supplementary thereto):

"Mountain Home project, Payette unit, Idaho: *Provided*, That no funds shall be expended on other than the following features:

"Upper Scriver Creek power plant;

"Lower Scriver Creek power plant;

"Smiths Ferry Dam;

"Smiths Ferry-Scriver Creek tunnel;

"Scriver Creek Dam and Reservoir;

until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility under the provisions of the Federal reclamation laws.

"Cambridge Bench project, Idaho;

"Council project, Idaho;

"Hells Canyon project, Idaho: *Provided*, That the operation of Hells Canyon Dam and Reservoir for the generation of power shall be without prejudice to future depletion of stream flows arising from upstream diversions for beneficial consumptive uses under water rights established under State law in a total amount which is determined to be reasonable, having regard for the upstream beneficial consumptive use of water for the new and supplemental land developments indicated in chapter IV of the Substantiating Materials, Hells Canyon Project Report, approved by the Acting Secretary of the Interior, June 9, 1948;

"Bitterroot Valley project (including Woodside unit), Montana;

"Canby project, Oregon;

"Crooked River project, Oregon;

"Vale project, Oregon—Bully Creek extension;

"The Dalles project, Oregon—west unit;

"Grand Coulee Dam, Washington—modifications for flood control;

"Upper Star Valley project, Wyoming;

and the following projects, previously authorized under the Water Conservation and Utilization Act (54 Stat. 1119):

"Mann Creek, Idaho;

"Missoula Valley project, Montana—north side unit.

"(b) The sum of $200,000,000 is hereby authorized to be appropriated for the partial accomplishment of the projects authorized in this section."

Mr. TAYLOR. Mr. President, the proposed changes in the language of the section dealing with the Hells Canyon project simply amount to leaving out the name of the Secretary of the Interior as the one to decide what is reasonable in respect to the amount of water to be reserved to the upstream regions. The amendment leaves that open. That does not add to or detract from the amendment; but those interested in reclamation in Idaho thought they would prefer the language contained in the amendment. Whereas previously the Secretary of the Interior was designated as having the last word in regard to what amount of water should be reserved for future upstream use, the amendment as it now stands does not state who is to be the judge of that matter. The change is a very minor one. I talked about it with the Secretary of the Interior, and he had no objection. He said he did not think it made a great deal of difference.

So, Mr. President, the sole purpose of this amendment is to authorize these projects, without including the basin account and the other parts of the O'Mahoney amendment.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. TAYLOR. I am happy to yield.

Mr. DOUGLAS. Do I correctly understand that the amendment contains provision for all the projects provided by the O'Mahoney amendment, including the Mountain Home project?

Mr. TAYLOR. That is correct.

Mr. DOUGLAS. The amendment is stripped of the pool-basin account. Is that correct?

Mr. TAYLOR. That is correct.

Mr. DOUGLAS. Mr. President, I should like to offer an amendment to the amendment of the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho still has the floor, unless he yields it.

Mr. DOUGLAS. I beg pardon.

Mr. TAYLOR. I yield the floor.

Mr. DOUGLAS. Mr. President, I offer to the amendment of the Senator from Idaho an amendment eliminating the Mountain Home project, but retaining the other projects.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois to the amendment of the Senator from Idaho.

Mr. CHAVEZ. Mr. President, we have just voted down the original O'Mahoney amendment. The amendment of the Senator from Idaho carries every one of the projects which were voted down in connection with the O'Mahoney amendment.

I wish to inform the Senate now exactly what the pending amendment would mean. The Senate has already approved authorizations of $1,564,000,000, composed of $1,117,586,000 approved by the House, and an addition of $447,000,000 proposed by the Senate Committee on Public Works, after hearings

and after reports and after Bureau of the Budget approval.

If we adopt the pending amendment, it will mean the addition of $600,000,000 more—that is exactly what it will mean—but without any hearings, without our committee's having listened to one bit of testimony regarding it. If we wish to jeopardize what we already have done, if we think that $600,000,000 should be authorized by the Senate without having any hearings before the proper committee, that is the Senate's business. Nevertheless, I do not think it is justified in any bill, no matter how meritorious any project may be. I know of one that is meritorious, namely, the Hells Canyon project. However, the Senate has turned down the basin-account amendment because the Senate did not want that amendment in this bill at this time.

Hence, Mr. President, I move that the amendment of the Senator from Idaho be laid on the table.

The PRESIDING OFFICER. The motion is not debatable.

The question is on agreeing to the motion that the amendment offered by the Senator from Idaho be laid on the table.

All in favor will say "aye."

Mr. TAYLOR. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MAGNUSON. Mr. President, has the result of the vote been announced?

The PRESIDING OFFICER. It has not been announced.

Mr. MAGNUSON. I wish to speak, following a parliamentary inquiry.

Mr. TAYLOR. Mr. President, I suggest the absence of a quorum.

Mr. MAGNUSON. I wish to submit an amendment, after the vote on this motion is announced.

Mr. TAYLOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. LUCAS. We commenced a voice vote upon the motion to lay upon the table the amendment of the Senator from Idaho. Now the absence of a quorum has been suggested. Can that be done at this time?

The PRESIDING OFFICER. The vote on the motion to lay on the table has not been concluded, and the result of the vote was not announced by the Chair.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. The absence of a quorum has been suggested. Is that the order of business?

The PRESIDING OFFICER. That is the order of business, and the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Butler	Chavez	Donnell
Byrd	Connally	Douglas
Cain	Cordon	Dworshak
Chapman	Darby	Eastland
Ecton	Kilgore	Neely
Ellender	Knowland	O'Conor
Ferguson	Langer	O'Mahoney
Flanders	Leahy	Robertson
Fulbright	Lehman	Russell
George	Lodge	Saltonstall
Gillette	Lucas	Schoeppel
Gurney	McCarran	Sparkman
Hayden	McCarthy	Stennis
Hendrickson	McClellan	Taylor
Hill	McFarland	Thomas, Okla.
Hoey	McKellar	Thomas, Utah
Holland	McMahon	Tydings
Johnson, Colo.	Magnuson	Watkins
Johnson, Tex.	Malone	Wherry
Johnston, S. C.	Maybank	Wiley
Kefauver	Morse	Williams
Kem	Mundt	Withers
Kerr	Myers	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from New Mexico [Mr. CHAVEZ] to lay on the table the amendment of the Senator from Idaho.

Mr. TAYLOR. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico to lay on the table the amendment of the Senator from Idaho. [Putting the question.]

The motion was agreed to.

Mr. MAGNUSON. Mr. President, I wish to submit an amendment. I am sorry that I have not had a chance to have it printed. I propose to insert the following, for authorizational purposes, on page 44, after line 12:

Hells Canyon project, Idaho, substantially in accordance with plans in the report of the Commissioner of Reclamation dated May 2, 1949. The sum of $100,000,000 is hereby authorized to be appropriated for the partial accomplishment of the project.

Mr. CHAVEZ. For the benefit of the Senate, I may say this is strictly a problem for the Committee on Public Works. The provision contained in the amendment offered by the Senator from Washington relates strictly to a power project. For that reason, the chairman of the committee would ask that he be allowed to accept the amendment and to take it to conference, at least.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington [Mr. MAGNUSON].

Mr. O'MAHONEY. Mr. President, I desire to ask the sponsor of the amendment whether it is proposed that the amendment shall provide that Hells Canyon Dam be constructed by the Bureau of Reclamation, and is so provided in the understanding.

Mr. MAGNUSON. Under the comprehensive agreement, the Bureau of Reclamation is designated.

Mr. O'MAHONEY. Is that the understanding of the Senator from New Mexico?

Mr. CHAVEZ. No.

Mr. MAGNUSON. I was in error. Under the comprehensive report, the Corps of Army Engineers is designated.

Mr. CHAVEZ. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. Certainly.

Mr. CHAVEZ. If the Senator from Washington will submit his amendment providing for the construction of the Hells Canyon project by the Army engineers, I shall be glad to take the amendment to conference to see what can be done; but not if it provides that the Bureau of Reclamation shall do the work.

Mr. O'MAHONEY. Mr. President, I desire to point out to the Senate that the amendment which was drafted by the Senator from Oregon [Mr. CORDON], and which he proposed to offer as a substitute for the amendment of the Committee on Interior and Insular Affairs, would have provided complete feasibility for the reclamation projects which were contained in the amendment of the Committee on Interior and Insular Affairs, and which are also contained in the draft amendment drawn by the Senator from Oregon [Mr. CORDON]. I think the RECORD ought to be clear that the proposal which is now made completely severs the Hells Canyon power dam from the proposed reclamation development in the Columbia Basin. There can be no doubt that if this amendment were made a part of the bill now before us, those who are interested in promoting the development of irrigation and reclamation of the Columbia Basin will have lost not only the basin account but will have lost Hells Canyon power dam as a source of funds by which those projects can be constructed. It seems to me utterly inadvisable from the point of view of all who wish to broaden the development of reclamation in the Columbia Basin, to turn the construction of Hells Canyon from the Bureau of Reclamation to the Army engineers; because then it will be lost, provided, indeed, that the conferees should accept the amendment.

Mr. CHAVEZ. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I am very glad to yield.

Mr. CHAVEZ. The only reason I am accepting it now is because this particular matter was cleared by the Bureau of the Budget. But if the Senator from Washington will withdraw his amendment, I still think there are many merits to the original amendment offered by the Senator from Wyoming. The only point that we objected to was letting it come in this way, without any hearing. It may be that if the Senator withdraws his amendment and places it in a separate bill, together with other projects, with the items in the original amendment offered by the Senator from Wyoming, we could get together. So I think in order to protect the idea which the Senator from Wyoming has in mind, it may be best for the Senate not to take any action on the amendment at this time.

Mr. DWORSHAK rose.

Mr. O'MAHONEY. Let me say a word further. Of course, it is obvious to all Members of the Senate that the State of Wyoming is really not a part of the Columbia Basin. What I have been striving to do, as chairman of the Committee on Interior and Insular Affairs, is to carry out what I conceive to be an understanding and agreement in the executive branch of the Government with respect to the development of the water resources of the Columbia Basin. Of course, we, in the Committee on Interior and Insular

Affairs, felt that this should be done by the basin account. I cannot understand how, if any person wants the development of all these resources in the Columbia Basin, it would be wise to separate Hells Canyon from that development. If we desire this, the substitute which was offered, or was about to be offered by the Senator from Oregon, would be a much more sensible procedure. But the suggestion made by the Senator from New Mexico with respect to the reintroduction of the bill as a whole would be another altogether intelligent alternative to the proposal that is here made.

Mr. MAGNUSON. I merely want to say to the Senator from Wyoming that, after some conferences, most of the members of the Public Works Committee felt that Hells Canyon was a perfectly feasible and wise project, and I was in hope it might be provided for in this manner. The comprehensive report designates who shall build these dams, and I think Hells Canyon was allocated to the Bureau of Reclamation. I do not have the record before me.

Mr. O'MAHONEY. I may suggest to the Senator that unless it is written into his amendment, it will be built by the Army engineers.

Mr. MAGNUSON. That is correct. The thought was we might get an authorization for this project and proceed with certain preliminary work, with high hope in the meantime that the matter of the basin account might be resolved. But, in view of the fact that it would be built by the Army engineers and thereby disrupt the comprehensive plan, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn. The bill is open to further amendment.

Mr. CORDON. Mr. President, I call up my amendment C, bearing date of March 13, 1950.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. CORDON. I ask that the reading of the amendment be waived, and that the amendment be printed at length in the RECORD. If the consent be granted, I shall then proceed to explain the amendment very briefly.

The PRESIDING OFFICER. Is there objection?

There being no objection, the reading of Mr. CORDON's amendment was waived, and the amendment was ordered to be printed in the RECORD, as follows:

On page 45, insert between lines 14 and 15 the following section to be numbered section 205, and renumber the remaining sections:

"SEC. 205. (a) The following projects are authorized to be constructed, substantially in accordance with the physical plan presented in the report of the Commissioner of Reclamation dated May 2, 1949, by the Department of the Interior under the supervision and direction of the Secretary of the Interior, who, in prosecuting his activities under this section, and in operating and maintaining such projects, shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof and supplementary thereto): *Provided*, That the projects authorized by this section, for construction under the jurisdiction of the Secretary of the Interior, shall be considered as if they were one project to the extent said reclamation laws permit the subsidy of reimbursable irrigation costs, which the Secretary finds are beyond the ability of the water users to repay, from the interest component of the power revenues derived from such projects:

"Mountain Home project, Payette unit, Idaho: *Provided*, That no funds shall be expended on other than the following features:

"Upper Scriver Creek power plant;

"Lower Scriver Creek power plant;

"Smiths Ferry Dam;

"Smiths Ferry-Scriver Creek tunnel;

"Scriver Creek Dam and Reservoir;

until the Secretary of the Interior, with the approval of the President, has submitted to the Congress a supplemental report and finding of feasibility under the provisions of the Federal reclamation laws.

"Cambridge Bench project, Idaho;

"Council project, Idaho;

"Hells Canyon project, Idaho: *Provided*, That the operation of Hells Canyon Dam and Reservoir for the generation of power shall be without prejudice to future depletion of stream flows arising from upstream diversions for beneficial consumptive uses in an amount which the Secretary of the Interior determines to be reasonable, having regard for the upstream beneficial consumptive use of water for the new and supplemental land developments indicated in chapter IV of the Substantiating Materials, Hells Canyon Project Report, approved by the Acting Secretary of the Interior, June 9, 1948.

"Bitterroot Valley project (including Woodside unit), Montana;

"Canby project, Oregon;

"Crooked River project, Oregon;

"Vale project, Oregon—Bully Creek extension;

"The Dalles project, Oregon—west unit;

"Grand Coulee Dam, Wash.—Modifications for flood control.

"Upper Star Valley project, Wyoming;

and the following projects, previously authorized under the Water Conservation and Utilization Act (54 Stat. 1119):

"Mann Creek, Idaho;

"Missoula Valley project, Montana—North Side unit;

"(b) The sum of 200,000,000 is hereby authorized to be appropriated for the partial accomplishment of the projects authorized in this section."

Mr. CORDON. Mr. President, I have discussed the general purpose of this amendment. There are a number of Senators, of course, who have not had an opportunity to see the RECORD, because most of the discussion went in the RECORD today. I hope I may take a few minutes to present the meat of the amendment, and I hope I may have the attention of my friend the junior Senator from Illinois [Mr. DOUGLAS].

I seek only to provide some orderly method of determining this problem so we may proceed with the public-works bill. The amendment does only this: It provides authorization for exactly the same reclamation projects as were in the O'Mahoney or committee amendment. It goes one step further in one respect, much less in the remainder. I shall read the proviso so there may be no misunderstanding of it. It reads as follows:

Provided, That the projects authorized by this section for construction under the jurisdiction of the Secretary of the Interior shall be considered as if they were one project to the extent said reclamation laws permit the subsidy of reimburseable irrigation costs, which the Secretary finds are beyond the ability of the water users to repay, from the interest component of the power revenues derived from such projects.

What that proviso would do, Mr. President, in a few words, is this: It would make of the 13 reclamation projects a single project. It would provide the authorization among the 13 of Hells Canyon. It would provide that, to the extent the present law will permit, the interest component of the Hells Canyon Dam would be available for subsidy. If it should be found that there is no provision in reclamation law for subsidy, there would be no subsidy from that source.

I hope that the Senate may look favorably upon the amendment, and that the Senate conferees may take it to conference. It has all the virtues found in the reclamation portion of the coordinated report on the comprehensive development of the Columbia Basin. It would provide that the irrigation features of Mountain Home could not be constructed until there was a report by the Secretary of the Interior, with the approval of the President, finding feasibility for that irrigation portion of Mountain Home. I know that that will be subject to some criticism, and I recognize the justice of some of the criticism. It is one way, Mr. President, that the full reclamation features, at this time at least, may be presented to the conference for full consideration. I recognize that, as the Senator from New Mexico has said, that as a result of the amendment, if adopted, a very considerable amount of public works would be added to this bill. There was, of course, when the Missouri Valley plan was adopted, and so on.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Massachusetts?

Mr. CORDON. I yield.

Mr. SALTONSTALL. Approximately how much will it cost to build this project, if it is built?

Mr. CORDON. The figures are in the RECORD. The total over-all cost would be approximately $619,000,000. The major portion of that would be in Hells Canyon, and the dam is almost 100 percent—the exact figure is perhaps 94 percent—a power dam, and every dollar of that portion of the money would be returned to the Federal Treasury with interest, less such interest as might be deducted as an offset on reclamation projects and which, excluding the Mountain Home project, would be only $16,000,000.

Unless there are some questions, Mr. President, I offer the amendment.

Mr. CHAVEZ. Mr. President, the Senator from Oregon has said that these projects have many virtues. They also have all the bad features of two prior amendments which this body has rejected. I invite the attention of the Senate to one particularly bad feature. The amendment would add $600,000,000 to the authorization carried in the bill as it has thus far been approved. It is practically the same in intent as the two amendments which have been rejected,

and the committee must oppose the amendment.

Mr. DOUGLAS. Mr. President, I wish to submit an amendment to the amendment offered by the Senator from Oregon, striking out lines 10 to 12 on page 2, thus striking out the so-called Mountain Home project.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CORDON. May I suggest to the Senator from Illinois that the result which he seeks could be better achieved, in my opinion, in the form which I should like to suggest to the Senator? Instead of striking out the whole of the Mountain Home project, I would suggest that there be left in the amendment the Upper Scriver Creek power plant, the Lower Scriver Creek power plant, the Smiths Ferry Dam, the Smiths Ferry-Scriver Creek Tunnel, and the Scriver Creek Reservoir because those are power facilities.

If the Senator would change his amendment to provide that in line 10, after the word "project" following the words "Mountain Home", there should be inserted the words "following features only", it would limit the Mountain Home project to this power plant. It would eliminate the irrigation feature, which was the recommendation of the Bureau of the Budget. We would save the power project, which would be most helpful to the State of Idaho.

Mr. DOUGLAS. May I ask the Senator from Oregon if the adoption of his suggestion would reduce the cost of the Mountain Home project from about $250,000,000 to $50,000,000, eliminating about $200,000,000?

Mr. CORDON. Yes; it would eliminate about that much.

Mr. DOUGLAS. I am very glad to accept the suggestion of the Senator from Oregon.

The PRESIDING OFFICER. Does the Senator from Illinois yield the floor?

Mr. DOUGLAS. I do not yield the floor. I shall be very glad to yield temporarily.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield for a question.

Mr. LEHMAN. May I ask the Senator from Oregon whether this amendment makes any provision for basin accounts? I ask that question because my great interest in the pending legislation is based on a basin account. As I understand the amendment does not contain such a provision.

Mr. CORDON. In the sense of a Nation-wide basin account, it does not. In the sense of a basin account which provides for intermingling of reclamation-interest moneys and rivers, harbors, and flood control, it does not. It simply ties these smaller reclamation projects to the Hells Canyon Dam and permits all of them to be treated as a whole if reclamation law will permit it.

Mr. LEHMAN. I thank the Senator.

Mr. CORDON. May I suggest to the Senator from Illinois that I realize that this is a highly irregular situation, and I regret it.

Mr. DOUGLAS. I am glad to yield.

Mr. CORDON. I suggest that the amendment of the Senator from Illinois be modified as follows: Following the word "project" in line 3, on page 2, there be inserted the words "following features only," and that lines 18 to 21 on the same page be stricken. That would accomplish the purpose which the Senator desires, and save what can be salvaged for Idaho.

Mr. DOUGLAS. I am very glad to agree to that change in my amendment.

The PRESIDING OFFICER. Does the Senator modify the amendment in accordance with the suggestion of the Senator from Oregon?

Mr. DOUGLAS. Yes. I should like to speak to it for a minute. The adoption of this amendment to the amendment would save $200,000,000, and eliminate an irrigation project, which I think is more than questionable. It is proposed to spend $200,000,000 for the irrigation of 192,000 acres, at a cost well in excess of $1,000 an acre, of which about nine-tenths is to be charged to power generated at Hells Canyon, or a subsidy of about $900 an acre to irrigation from the power project. In view of the fact that this is many times the average value of land in the country as a whole, it would seem to me that this project should not be carried out and that the amendment should be stricken of this feature.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CORDON. In view of the fact that the position of the Senator has been made clear with reference to the Mountain Home project, I should like to say that I regret its elimination. I should like to have it retained. However, under the circumstances, I am perfectly willing to accept the amendment offered by the Senator from Illinois, and I modify my amendment accordingly.

Mr. DOUGLAS. I thank the Senator from Oregon.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. The amendment is so modified. The Senator from New Mexico is recognized.

Mr. CHAVEZ. As I stated before, the Senate has acted twice on every one of these projects. We have rejected the large basin account item in the original O'Mahoney amendment. This makes provision for it in only a very limited way. However, there is still a basin-account feature in the amendment offered by the Senator from Oregon. Not only that, but the same $600,000,000, which the Senate has rejected before, is involved in this particular amendment. Therefore, Mr. President, I move that the amendment offered by the Senator from Oregon, and all amendments thereto, be laid on the table.

Mr. CORDON. Mr. President, will the Senator withhold his motion for a moment and yield for a question?

The PRESIDING OFFICER. Does the Senator from New Mexico withhold his motion and yield for a question?

Mr. CHAVEZ. I yield for a question only.

Mr. CORDON. Will the Senator permit me to suggest to him that the amendment, as now perfected, would represent not $600,000,000, but only $412,712,000?

Mr. CHAVEZ. Instead of being 40 percent of the entire amount authorized in the proposed bill, it would possibly be about 35 percent. That is too much. I still make my motion to lay the amendment on the table.

The PRESIDING OFFICER. The question is on the motion of the Senator from New Mexico that the amendment offered by the Senator from Oregon, as modified, be laid on the table.

Mr. CORDON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. McCARTHY. On this vote I have a pair with the junior Senator from Colorado [Mr. MILLIKIN]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Connecticut [Mr. BENTON], the Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. GREEN], the Senator from Wyoming [Mr. HUNT], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Virginia [Mr. ROBERTSON] are absent on public business.

The Senator from Texas [Mr. CONNALLY] is detained on official business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Delaware [Mr. FREAR] is absent by leave of the Senate on public business.

The Senator from Minnesota [Mr. HUMPHREY] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

I announce further that if present and voting, the Senator from Delaware [Mr. FREAR] and the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from New York [Mr. IVES], the Senator from New Jersey [Mr. SMITH], the Senator from Minnesota [Mr. THYE], the Senator from New Hampshire [Mr. TOBEY], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The senior Senator from Maine [Mr. BREWSTER], the junior Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Indiana [Mr. CAPEHART], the junior Senator from Indiana [Mr. JENNER], the junior Senator from Maine [Mrs. SMITH], the senior Senator from Ohio [Mr. TAFT], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

If present and voting, the senior Senator from Maine [Mr. BREWSTER], the Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr.

BRIDGES], the Senator from New York [Mr. IVES], and the junior Senator from Maine [Mrs. SMITH] would each vote "yea."

The Senator from Colorado [Mr. MILLIKIN] is absent by leave of the Senate and his pair has been announced previously.

The result was announced—yeas 51, nays 13, as follows:

YEAS—51

Butler	Hoey	Maybank
Byrd	Holland	Mundt
Cain	Johnson, Colo.	Neely
Chapman	Johnston, S. C.	O'Conor
Chavez	Kem	Russell
Darby	Kerr	Saltonstall
Donnell	Kilgore	Schoeppel
Eastland	Leahy	Sparkman
Ellender	Lehman	Stennis
Ferguson	Lodge	Taylor
Flanders	Lucas	Thomas, Okla.
Fulbright	McClellan	Tydings
George	McFarland	Watkins
Gillette	McKellar	Wherry
Hayden	McMahon	Wiley
Hendrickson	Magnuson	Williams
Hill	Malone	Withers

NAYS—13

Cordon	Johnson, Tex.	Morse
Douglas	Kefauver	O'Mahoney
Dworshak	Knowland	Thomas, Utah
Ecton	Langer	
Gurney	McCarran	

NOT VOTING—32

Aiken	Green	Myers
Anderson	Hickenlooper	Pepper
Benton	Humphrey	Robertson
Brewster	Hunt	Smith, Maine
Bricker	Ives	Smith, N. J.
Bridges	Jenner	Taft
Capehart	Long	Thye
Connally	McCarthy	Tobey
Downey	Martin	Vandenberg
Frear	Millikin	Young
Graham	Murray	

So Mr. CHAVEZ' motion to lay on the table Mr. CORDON's amendment, as modified, was agreed to.

Mr. SALTONSTALL. Mr. President, in the name of my colleague the junior Senator from Massachusetts [Mr. LODGE] and myself, I send to the desk an amendment on page 2, line 16.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 2, line 16, before the semicolon, it is proposed to insert the following: *"Provided,* That the work already accomplished in accordance with the plans set forth in said document shall be included in the work for which reimbursement shall be made, to the extent specified in the document."

Mr. SALTONSTALL. Mr. President, this is an authorization for a sea wall on Winthrop Beach, just outside of Boston. The authorization is in the pending bill, H. R. 5472. The amendment would allow the Federal Government to participate in work which has already been done by the metropolitan district, a part of the Commonwealth of Massachusetts. In other words, some work has been done on the sea wall already to prevent erosion. If it had not been done the beach would have been very substantially washed away.

Mr. President, this is a matter which has been within my knowledge for a great many years. It was brought up several times while I was Governor of Massachusetts. The Corps of Engineers say this is a proper subject for the Federal Government to handle, and we are asking the Government not only to participate in the work that will be done in the future, but to join in paying the charge for the work already accomplished.

The total Federal contribution is estimated at $216,000. The sea wall is very close to the Boston airport, and is near where many of the citizens of Boston live. I hope the amendment will be agreed to. As I have said, it does not add to the cost of the bill.

Mr. LANGER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield, to the Senator from North Dakota.

Mr. LANGER. Was the amendment submitted to the committee?

Mr. SALTONSTALL. The amendment was not submitted to the committee because—although I am not certain as to this—the work at that time had not been done. This is something which has arisen since.

Mr. LODGE. Mr. President, will my colleague yield?

Mr. SALTONSTALL. I yield to my colleague.

Mr. LODGE. I should certainly like to second what my colleague has said. This amendment involves an area with which I am very familiar; in fact, I flew over it yesterday afternoon. It pertains to the harbor of Boston. It also affects the airport in the city of Boston, which of course is a place which is not merely of local significance, but of significance to the Nation as a whole.

I merely desired to add my word to that of the senior Senator from Massachusetts, that this project is a very meritorious one.

Mr. SALTONSTALL. I thank the Senator.

Mr. CHAVEZ. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I call the attention of the two Senators from Massachusetts to the fact that if they will turn to page 4 of the report they will find an item for Winthrop Beach, Mass., beach erosion control, of $216,000, inserted by the House and approved by the Senate committee and by the Senate. It has already been approved.

The amendment the Senator has now submitted would modify the language of the bill. As to the amendment, the committee has not had any hearings whatsoever, and does not know what might be brought out. The Army engineers can do everything the Senator wants.

Mr. SALTONSTALL. Mr. President, the amendment we have just submitted was drawn by the Army engineers and, as I understand, is necessary in order for them to go ahead with the work and use the amount authorized, $216,000. Fifty-thousand dollars has been already spent on this project by the State of Massachusetts.

Mr. CHAVEZ. We will take the amendment to conference, but I do not think it will do any good.

Mr. SALTONSTALL. I thank the Senator from New Mexico.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. MORSE. I should like to ask the Senator from Massachusetts a few questions, because I suppose it is still within the power of the Senate to intruct the committee not to take the amendment to conference, if that happens to be the will of the Senate.

Mr. CHAVEZ. That is correct.

Mr. MORSE. Therefore I should like to be heard on the question. I am not sure that I understand the amendment, therefore I ask the Senator from Massachusetts two or three questions in regard to it.

Am I correct in my understanding that some government agency of the Commonwealth of Massachusets has already started work on this particular project?

Mr. SALTONSTALL. Work has been done on the project in order to prevent further erosion, and to prevent the necessity of doing a larger amount of work than otherwise would be necessary.

Mr. MORSE. What the amendment does, in effect, is to ask the Federal Government to proceed to take over a particular construction project which the Commonwealth of Massachusetts up to this time has been doing itself; does it not?

Mr. SALTONSTALL. That is not entirely correct, I would respectfully state. The Federal Government may come in on one-third of the total expense, including payment for one-third of the amount that has already been expended, to a total authorized amount of $216,000.

Mr. MORSE. The amendment then provides that, taking the project as a whole, the Federal Government will give the Commonwealth of Massachusetts credit for one-third of the funds the Commonwealth of Massachusetts has already spent on this project?

Mr. SALTONSTALL. That is correct.

Mr. MORSE. And the Federal Government will contribute an additional one-third of the remaining cost of the project?

Mr. SALTONSTALL. That is as I understand it; to a total authorization of $216,000.

Mr. MORSE. The Senator from Massachusetts supports his amendment, does he not, on the premise that this is the kind of construction that should fall within the purview of the Federal Government?

Mr. SALTONSTALL. I can only say that the committee has authorized it, the Army engineers have surveyed it, and the authority is contained in the pending bill.

Mr. MORSE. The subject matter of the amendment, so far as its purpose is concerned, is to prevent erosion in this particular area of the Commonwealth of Massachusetts, is it not?

Mr. SALTONSTALL. That is correct. Houses are immediately above this wall, and in a hard storm the beach is washed away and the houses go down.

Mr. MORSE. So we are dealing here with a subject matter different from the self-liquidating, reimbursable projects of the West which some of us from the West are having so much difficulty in these days in having approved by the Senate of the United States, particularly because

of votes cast against us by Senators from Eastern States. The Senator's project differs from that kind of project because it involves the erosion of land in the Commonwealth of Massachusetts. The Senator from Massachusetts thinks that all the taxpayers of the United States ought to pay for it, whereas in respect to certain very much needed reclamation projects in the West, where we need to revive land and bring land into production and provide areas for new population in the West on a self-liquidating basis, those projects should not, at least at this time, be considered by the Senate? Is that correct?

Mr. SALTONSTALL. I would say to the Senator from Oregon that this proposition is no different from that for which funds were provided by Congress for the relief of sufferers from the flood on the Columbia River near Portland, Oreg., when a portion of one of its cities was inundated a year and a half ago. I voted for the appropriation of several million dollars of Federal funds to help reclaim the houses from which people of that area had been driven by the floods.

Mr. MORSE. If the Senator from Massachusetts, by innuendo, would imply that the Senator from Oregon does not think that the erosion in Massachusetts should be prevented by Federal funds, he is mistaken, because the Senator from Oregon has yet to cast his first vote against that kind of very much needed public works. He does not propose either to miss the opportunity to call the attention of the Senate to the fact that there are a great many people in the East who ought to familiarize themselves with some of the serious land problems of the great West, particularly when those land problems can be met on the basis of a self-liquidating project.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. SALTONSTALL. I yield.

Mr. DOUGLAS. I wonder if the Senator from Massachusetts is aware of the report of the Bureau of the Budget on the Winthrop Beach proposal.

Mr. SALTONSTALL. I am not aware of it at the moment, no, sir.

Mr. DOUGLAS. I believe the Bureau of the Budget reported the original proposal as having a low priority on the ground that it was purely designed to improve the recreational facilities of Winthrop Beach, increase local values without corresponding local contributions. While the Bureau cleared it, it gave a very low priority to the original proposal.

Mr. SALTONSTALL. I would say to the Senator from Illinois that I doubt if any member of the Bureau of the Budget visited the place. When I was Governor I visited it and saw that a number of houses had fallen over, and that the roadway had completely gone into the sea. So if the Bureau of the Budget says what the Senator has just stated, the Bureau is completely misinformed. My statement is based upon a personal visit to the place in question.

Mr. HILL. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. HILL. I notice the project is set forth on page 4 of the Senate committee report as follows:

Winthrop Beach, Mass., beach-erosion control. Federal cost of new work, $216,000.

Did I understand the Senator, my friend from Massachusetts, to say that the amendment now offered will not add anything to the cost of $216,000?

Mr. SALTONSTALL. The Senator is correct.

Mr. HILL. In other words, even if the Senate adopts the Senator's amendment there will be no extra dollar in any way added to the cost of $216,000, the cost which the bill carried as it came to the Senate from the House of Representatives and as the bill has been reported by the Senate committee? Is that correct?

Mr. SALTONSTALL. That is correct. I wish to be absolutely frank with my friend from Alabama. A portion of this work has already been done by the State of Massachusetts. The purpose of the amendment drawn by the Corps of Engineers is to make clear that the Federal Government can participate in that work as well.

Mr. HILL. I understand that. If we do not want Federal participation there would be no reason for having it in a Federal bill. But my point is that the Senator's amendment does not add one dollar of cost to the project as carried in the bill passed by the House of Representatives, and as favorably reported to the Senate by the Senate Committee on Public Works?

Mr. SALTONSTALL. That is correct. Mr. President, I yield the floor.

Mr. HENDRICKSON. Mr. President, at the request of the senior Senator from New York [Mr. IVES], who is necessarily absent today, I send to the desk an amendment previously offered by him, which has been printed.

The PRESIDING OFFICER. The Chair may say to the Senator from New Jersey that an amendment is now pending. It has not been disposed of.

Mr. HENDRICKSON. I beg the Chair's pardon.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL], on page 2, line 16.

The amendment was agreed to.

Mr. HENDRICKSON. Mr. President, the able Senator from New York [Mr. IVES] made a short statement in support of his amendment on April 13, which will be found on page 5158 of the CONGRESSIONAL RECORD for that day. Therefore on behalf of the senior Senator from New York I move the adoption of his amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 22, after line 14, it is proposed to insert the following:

The projects for local flood protection at Endicott, Johnson City, and Vestal, N. Y., are hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 500, Eighty-first Congress, second session, at an estimated cost of $3,743,000.

Mr. LEHMAN. Mr. President, I rise in support of the amendment offered by the senior Senator from New York [Mr. IVES]. I am very familiar with the situation which the amendment seeks to cure. We have had a great many disastrous floods in the southern part of New York State, notably one which occurred on July 4, 1935. In that flood 40,000 or 50,000 persons were rendered homeless, many people lost their lives, and the property damage was on a great scale. Since then a number of other disastrous floods have occurred. Because of these catastrophes, I appeal to the Federal Government and to Congress to undertake flood control in the section affected by these sudden flood conditions. A great deal of work has been undertaken by the Federal Govrenment and the situation, to a very considerable extent, in portions of the southern tier of counties in New York State, has been cured.

Conditions, however, still remain very serious in this one area of Endicott, Johnson City, and Vestal, which, as Senators know, are among the most important industrial centers of the State of New York. I feel very strongly that this important industrial center, with a population of several hundred thousand, and with great plants such as the International Business Machines Co., the Endicott-Johnson Co., and others, is entitled to the protection which would be afforded by the amendment. I strongly urge its adoption.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I yield.

Mr. LANGER. What is the estimated cost?

Mr. LEHMAN. Three million seven hundred and forty-eight thousand dollars.

Mr. LANGER. Was the matter brought before the committee?

Mr. LEHMAN. The Senator from New York did not catch the question.

Mr. LANGER. Was the matter brought before the committee?

Mr. LEHMAN. The distinguished chairman of the committee can answer that question. The amendment was proposed by my colleague, the senior Senator from New York.

Mr. LANGER. I thank the Senator from New York.

Mr. CHAVEZ. Mr. President, we would like to help the Senator from New York and every other Senator. The committee has adopted the definite policy that it will not recommend any amendment or any proposal upon which there have not been had before the full committee full hearings wherein the merits of the matter can be presented, and the reports of the engineers, if necessary, the reports of the Bureau of the Budget when they are available, and so forth, presented. Hence I am constrained to oppose the amendment offered by the senior Senator from New York.

Mr. LEHMAN. Mr. President, the junior Senator from New York wishes to explain to the distinguished chairman of the committee that he did not know

that the amendment had not been submitted to the committee. Nonetheless, he feels very strongly that the work which is proposed to be carried on through the requested appropriation is highly necessary to the welfare of the people of the State of New York.

Mr. CHAVEZ. I am sure it is, and I hope the Senator from New York will not think that I oppose the amendment because I believe the work should not be done. It is the policy of the committee, which we think is a sound one, not to recommend the adoption of the amendments concerning which we know nothing.

Mr. LEHMAN. Mr. President, has the amendment been disposed of?

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New Jersey [Mr. HENDRICKSON] on behalf of the Senator from New York [Mr. IVES]. [Putting the question.]

The amendment was rejected.

Mr. LODGE. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, between lines 14 and 15, it is proposed to insert the following:

Lynn Harbor, Mass.; in accordance with the report of the Chief of Engineers dated March 1, 1950.

Mr. LODGE. Mr. President, let me state briefly the reason why this amendment was not given a hearing before the committee. The reason is that the approval of this project by the Chief of Engineers and by the local authorities did not take place until March 1. Therefore, it as not possible for this amendment to have a hearing before the committee.

The purpose of the amendment is to dredge a 300-foot channel to a depth of 25 feet in the harbor of the city of Lynn, Mass. The cost will be $48,500. The reason for it is that the ships which bring fuel—whether coal or oil—have increased in size. The present channel and turning basin were built to accommodate ships of 7,000 tons, but now the ships are becoming very much larger.

The adoption of this amendment is made urgently necessary because of the needs of the Lynn Gas & Electric Co., the company which supplies heat, light, and power to the people of Lynn. That company has agreed that all the savings which will be made possible by the construction of this channel will be passed on to the consumers.

This is an approved project. It calls for a very small amount of funds.

Although I very much respect the policy of the chairman of the committee of not approving items which have not had hearings, yet the reasons for not giving a hearing to this project are plain.

So I hope the chairman of the committee will be willing to take this item to conference.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. SALTONSTALL. Mr. President, I join with my colleague in making this request. I would add but one thing to what he has said, for he has stated the facts.

The Lynn Gas & Electric Co. will agree to pay all the local contribution. As I understand the problem, it was to obtain an arrangement between the Lynn Gas & Electric Co., the Commonwealth of Massachusetts, and the Corps of Engineers. That is why there was the delay. The benefits will be passed on to all the consumers of gas and electricity in the city of Lynn.

I thank my colleague for yielding to me.

Mr. CHAVEZ. Mr. President, if the proposed project is to be for the benefit of consumers, it will be the first time that I ever heard a proposition of that kind.

Nevertheless, Mr. President, the Army engineers never have notified the Committee on Public Works that they are in favor of this project. The first time I heard of the Army engineers taking part in this particular project was when I heard the distinguished junior Senator from Massachusetts speak.

Mr. President, the committee does not know the first thing about the matter. It may have all the merit in the world; but we feel that it should stand on the same footing as the amendment of the Senator from New York.

Therefore we oppose the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts [Mr. LODGE]. [Putting the question.]

The amendment was rejected.

Mr. WILEY. Mr. President, I have heard some discussion in relation to projects about which no evidence has been given to the committee. I now send to the desk an amendment which I offer and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 31, between lines 7 and 8, it is proposed to insert the following:

The project for flood protection on the Eau Galle River, Wis., is hereby authorized substantially in accordance with the recommendations of the Board of Engineers for Rivers and Harbors in report dated March 3, 1950, at an estimated cost of $5,083,700.

Mr. WILEY. Mr. President, I call the attention of the distinguished chairman of the committee to the fact that the report on this project is dated March 3. This project involves a matter of life and death to the communities affected. Hearings on it were had just before I left for Wisconsin a few days ago. At that time I submitted to the distinguished chairman of the committee all the file, but apparently it has been misplaced by him. I have asked for it. In it is the report of the Board of Engineers.

However, I happen to have a copy of the report, which includes the following statement:

Accordingly, the Board recommends adoption of a project for Eau Galle River, Wisconsin, to provide for construction of a reservoir—

And so forth. Mr. President, my State pays about $1,000,000,000 a year into the Federal Treasury; but we get back, for rivers and harbors projects in our State, only about enough to butter a piece of bread.

Here is a case where an entire community has been wiped out by flash floods. This project has been examined and hearings were had in Washington. The reason why I did not appear before the committee was that the committee had already reported the bill.

This is an emergency matter, and one which calls for prompt action.

Mr. President, when our State pays as much as it does into the Federal jackpot, and when it receives so little as it does—practically nothing for rivers and harbors, each year, even though we have been paying into the Federal Treasury billions of dollars and although an authorization of approximately $1,500,000,000 is proposed in this measure—it is about time that we came with a little teacup to receive a small authorization to save the lives of the citizens in one of our communities.

I think the amendment at least should be taken to conference. I know the rule regarding amendments which have not been considered by the committee; but certainly the exception proves the validity of the rule. The entire record was given to the chairman of the committee before I left for Wisconsin last week. I understood that he was most favorably inclined toward this proposal.

I am pleading for this project for the benefit of the citizens in that section of the country. It is a question of saving human lives and of being decent toward the people of a State which receives practically nothing in respect to rivers and harbors. This year I think about $300,000 for Wisconsin rivers and harbors is included in the bill, but in prior years practically nothing for Wisconsin has been included in the rivers and harbors bill.

So I ask the distinguished chairman of the committee to consider the equities involved in this matter. As I remember, a judge of the Supreme Court used to say, "Never mind the law; give us the equities."

Mr. President, I am giving the equities.

At this point I ask unanimous consent to have printed in the RECORD a history of the matter. This happens to be a copy, and it does not include the letter which was signed by General Pick, himself, after the hearing in Washington by the Board.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
BOARD OF ENGINEERS
FOR RIVERS AND HARBORS,
Washington, D. C., March 3, 1950.

Subject: Eau Galle River, Wis.
To: The Chief of Engineers, United States Army.

1. This interim report is submitted in response to the following resolution adopted October 28, 1941:

"Resolved by the Committee on Commerce of the United States Senate, That the Board of Engineers for Rivers and Harbors, created under section 3 of the River and Harbor Act, approved June 13, 1902, be, and is hereby, requested to review the report on

the Chippewa River, Wis., and tributaries, printed in House Document No. 171, Seventy-second Congress, first session, with a view to determining the advisability of improvements for flood control in that basin at this time."

The report is limited to the Eau Galle River, a tributary of Chippewa River, Wis. A final report under the authorization cited will be submitted at a later date.

2. Chippewa River rises in northern Wisconsin and flows 220 miles southwesterly to empty into the Mississippi River 75 miles below St. Paul, Minn. Eau Galle River flows 50 miles generally southeast to its junction with Chippewa River 16 miles above the mouth of the latter. Its slope varies from 17 feet per mile in the headwaters to 4 feet per mile near the mouth and averages 11 feet per mile. In the vicinity of Spring Valley, mile 29.5, the channel capacities in minimum sections approximate 3,000 cubic feet per second. Two small tributaries, Mines and Burghardt Creeks, drop at the rate of 80 feet per mile from the steep slopes west of Spring Valley and flow through the town to empty into Eau Galle River at miles 29.9 and 29.4, respectively. Average annual precipitation in the Eau Galle drainage basin is 29.6 inches. No improvements for flood control in the basin have been authorized by Congress. In 1938 local interests deepened and widened the channel of Eau Galle River through Spring Valley at a reported cost of about $2,000. The excavated material was used to form a low levee which was washed out by a flood in September of the same year. The Wisconsin Hydro Electric Co. owns a small power plant located 8.7 miles above the mouth of the river. It has an installed capacity of 400 kilowatts and operates under a normal head of about 30 feet. The installation was constructed at a cost of about $75,000.

3. The drainage basin of Eau Galle River, comprising 230 square miles, has a population of 9,200, classified as rural. Spring Valley, with a population of 973 in 1940, is the largest town in the basin. Elmwood, at mile 20.4, had a population of 828 at that time. Approximately 90 percent of the area is included in farms averaging about 140 acres in size. Dairy farming is the principal occupation and the crops are those related to that industry such as corn, small grains, and hay. Natural resources include sand and gravel deposits, limestone, timber, and low-grade iron ore.

4. Floods in Eau Galle River are flashy and occur as a result of rapid snow melt or rainstorms of high intensity. During such floods, river stages which normally fluctuate within a range of about 5 feet, rise 10 to 15 feet within a few hours and recede as quickly. Tributary streams carry flood flows at high velocities and frequently overflow the banks near their mouths. Flood damage has been concentrated chiefly in Spring Valley which occupies about 125 acres in the flood plain, although Elmwood and some rural property including roads and bridges are affected by the larger floods. At Spring Valley, the flood-affected area includes a large modern school, churches, public buildings, business establishments, processing plants, homes, public utilities, and transportation facilities. Hazards from floods include lowering of public morale, pollution of water supplies, and the possibility of epidemics. Three deaths have been caused indirectly by the floods in this area. The average annual flood damage based on 1948 price levels is estimated at $252,480 of which $209,700 is in Spring Valley, $9,600 is in Elmwood, $20,800 is to agriculture, and $12,380 is to roads and bridges. The greatest flood of record occurred in September 1942, with a maximum discharge of 33,000 cubic feet per second in Spring Valley. It caused a total damage of $1,558,100 of which $1,280,000 is classified as recurrent and $278,100, including $200,000 for the railroad, roads, and bridges which were abandoned after the flood, is nonrecurrent. Of the recurrent damage, $1,034,200 occurred in Spring Valley, $26,100 in Elmwood, $116,100 to agriculture, and $103,600 to roads and bridges. Based on 1948 prices and on future growth, except for roads and bridges, the estimated damage from a flood of the same magnitude amounts to $2,634,000 of which $2,108,000 would occur in Spring Valley, $51,980 in Elmwood, $292,200 to agriculture, and $180,500 to roads and bridges in rural areas.

5. Residents of Spring Valley desire flood protection or assistance in moving the entire village to a new location on higher ground where 370 acres of land have been purchased by the Spring Valley cooperative as a possible site for the community. However, the cost of relocating is believed by the cooperative to be greater than the residents could afford unless outside aid becomes available. Many of the residents prefer that the village be retained at its present location and that floods be controlled by means of reservoirs, channel enlargement, and dikes.

6. The district engineer has considered three plans of improvement which include relocation of Spring Valley on the adjacent plateau west of the present site, construction of levees and channel enlargement through Spring Valley, and development of a retarding reservoir above Spring Valley. He finds that the resettlement plan would provide a complete and final solution to the community flood problem but that the cost would exceed other means of protection and no solution to the downstream flood problem would be afforded. Protection of Spring Valley by channel enlargement and levee construction was found to be almost impossible due to the limited area available for such protective works and the difficulties of providing adequate interior drainage facilities. The district engineer finds that the most practical plan of improvement would be the construction of a retarding reservoir and dam on Eau Galle River immediately upstream from Spring Valley, enlargement of the channel for a distance of 1.5 miles downstream from the dam, and remedial works on Mines and Burghardt Creeks consisting of channel enlargements and low levees in conjunction with drop structures to reduce velocities prior to discharge into Eau Galle River. The dam would be an earth-fill structure about 96 feet high and 1,490 feet long, located at mile 30.3. The drainage area above the dam site is 64 square miles. The reservoir would have a total storage capacity of 25,450 acre-feet of which 25,100 acre-feet below the spillway crest would be available for flood control and 350 acre-feet would be a permanent conservation pool. The flood-control storage would control a flood twice as large as that of September 1942. An additional surcharge capacity of 14,900 acre-feet above the spillway crest elevation would be available. The outlet would be an uncontrolled circular conduit 11 feet 10 inches in diameter and about 476 feet long. The conduit discharge with the pool at spillway crest elevation would be 5,000 cubic feet per second. For a distance of 1.5 miles below the dam the channel of Eau Galle River would be enlarged to provide a capacity of 5,000 cubic feet per second between the proposed dam and Mines Creek and 6,000 cubic feet per second below Mines Creek. Remedial works on Mines Creek would include construction of a low concrete dam and a levee 2,400 feet long; realignment of a part of the low-flow channel, and enlargement of the channel near the mouth. The improved channel would have a capacity of 3,000 cubic feet per second. Remedial works on Burghardt Creek would include channel realignment, and construction of a low levee, a control structure, a concrete-lined section, and a drop structure. The improvement channel would have a capacity of 3,000 cubic feet per second. The district engineer estimates the cost at $5,502,900 of which $4,338,000 is for construction of the dam and appurtenances, $745,700 is for construction of the channel improvements with related remedial works, $136,000 is for the reservoir lands and acquisition, $72,100 is for highway, power, and telephone-line relocations in the reservoir area, $20,000 is for lands and acquisition for the channel improvements, and $191,100 is for relocations of bridges, roads, and utilities for the channel improvements. He states that due to the local character of all proposed improvements, deviation from the usual requirements of local cooperation is believed warranted to the extent that local interests would be required to furnish all lands and necessary alterations to roads, bridges, and utilities required for the reservoir as well as for the channel improvement projects. On this basis the cost to the United States is estimated at $5,083,700 for the construction, and to local interests at $419,200 for the lands and acquisition and relocations. The Federal annual maintenance cost is estimated at $3,000 and the non-Federal annual maintenance of the channel improvements at $2,500. The annual carrying charge is estimated at $225,900 of which $205,800 is Federal and $20,100 is non-Federal. The district engineer states that the improvements would provide complete protection in the vicinity of Spring Valley against a flood double the magnitude of that of September 1942, and that the effect of the reservoir would be such that substantial reductions in flood stage would be obtained at Elmwood and throughout the critical rural reaches. He estimates the average annual benefits at $240,240 consisting of $202,420 from urban benefits at Spring Valley, $8,080 from urban benefits at Elmwood, $18,600 from agricultural benefits, and $11,140 from road and bridge benefits in rural areas. The district engineer estimates the benefit-cost ratio at 1.06. He states that certain intangible benefits not susceptible to a monetary evaluation would result, such as prevention of loss of human life, enhancement of the general welfare and security of the people, and removal of the hazard of epidemics. Such benefits would be real and of commanding importance in the Spring Valley area. He concludes that flood-control benefits alone indicate the project to be justified economically. The district engineer recommends that the plan of improvement for flood control proposed in his report, including a retarding reservoir above Spring Valley, enlargement of the Eau Galle River channel in the vicinity of Spring Valley, and channel rectification works on Mines and Burghardt Creeks, be adopted at estimated costs to the United States of $5,083,700 for construction and $3,000 annually for maintenance and inspection, subject to such modifications as in the opinion of the Chief of Engineers may be found desirable; and that construction of neither the reservoir nor channel improvements shall be undertaken until a duly authorized local agency has given assurances satisfactory to the Secretary of the Army that it will, in connection with both the reservoir and the channel improvement projects, provide without cost to the United States all lands, easements, and rights-of-way and all relocations and alterations of bridges, roads, and utilities necessary for the construction of the projects; hold and save the United States free from damages due to the construction works; maintain all the channel improvement works after completion in accordance with regulations prescribed by the Secretary of the Army; establish and enforce flood-channel limits approved by the Secretary of the Army for the protection against further encroachments of the flood channels of Eau Galle River and Mines and Burghardt Creeks, within the extent of the proposed projects; prevent dumping of waste materials or the

creation of fills within said flood-channel limits; and regulate under approval of the Secretary of the Army the construction or reconstruction of bridges or other structures crossing the improved waterways. The division engineer concurs.

7. The Board of Engineers for Rivers and Harbors was not convinced of the advisability of undertaking the proposed improvements and so notified local interests. At their request a hearing was held by the Board in its office at Washington, D. C., at which they stressed the importance and value of Spring Valley as a social, educational, and commercial center for the surrounding area; the danger to the lives of the inhabitants because of the rapid rise of the flood waters; the need of the protection which would be provided by the improvements; and their willingness and ability to cooperate to the extent recommended by the reporting officers. They asserted that the benefits as estimated by the district engineer were low and the estimated costs of the improvements were excessive. In reference to the latter they presented comparative costs based on prices which they claimed are applicable in the area at this time.

VIEWS AND RECOMMENDATIONS OF THE BOARD OF ENGINEERS FOR RIVERS AND HARBORS

8. The Board has carefully considered the reports of the district and division engineers, and the additional information submitted by local interests at the hearing held by the Board. It notes the seriousness of the flood hazard to Spring Valley, which is an important social and economic center for a growing community, and the need of protection for the lives and property of the inhabitants of the area. It is of the opinion that the cost of the improvements as estimated by the district engineer are reasonable. It also believes that the prospective benefits shown in the report are the minimum which may be expected to ensue should the project be constructed. The conditions of local cooperation as specified by the reporting officers are appropriate and local interests have reaffirmed their proposed compliance. The Board concludes, in consideration of the importance of the affected area, that the evaluated benefits, in conjunction with the intangible benefits such as the prevention of the loss of life, removal of the hazards of epidemics, and enhancement of the general welfare and security of the inhabitants, are sufficient to justify the construction of the improvements with the participation by the United States limited to that recommended by the reporting officers.

9. Accordingly, the Board recommends adoption of a project for Eau Galle River, Wis., to provide for construction of a reservoir in the vicinity of Spring Valley, channel enlargement in Eau Galle River, and channel rectification works on Mines and Burghardt Creeks, all generally in accordance with the plans of the district engineer and with such modifications thereof as in the discretion of the Chief of Engineers may be advisable, at an estimated cost to the United States of $5,083,700 for construction and $3,000 annually for maintenance of the reservoir, all subject to the provision that local interests give assurances satisfactory to the Secretary of the Army that they will: (a) Provide without cost to the United States all lands, easements, and right-of-way required for construction of the projects; (b) hold and save the United States free from damages due to the construction works; (c) make all necessary highway, bridge, and utility alterations; (d) maintain all channel improvement works after completion in accordance with regulations prescribed by the Secretary of the Army; (e) establish and enforce flood-channel limits approved by the Secretary of the Army for the protection against further encroachments of the flood channels of Eau Galle River and Mines and Burghardt Creeks, within the extent of the proposed projects; (f) prevent dumping of waste material or the creation of fills within said flood-channel limits; and (g) regulate under approval of the Secretary of the Army the construction or reconstruction of bridges or other structures crossing the improved waterways.

J. S. BRAGDON,
Brigadier General, Chairman
(For the Board).

Mr. CHAVEZ. Mr. President, I wish to do equity to the State of Wisconsin, but not to the extent of $5,000,000, when the committee does not know the first thing about the project. We have not had an Engineers' report. I did see a report, I may say to the Senator from Wisconsin; it was a proposed report by the regional authorities of the Army engineers, a report which had not even been submitted to the Governor of the State of Wisconsin, who has to approve it before the Corps of Engineers' headquarters here in Washington can pass on it and can make either a favorable or an unfavorable recommendation. We have not heard a thing about it. It does not have the approval of the Bureau of the Budget; it does not have the Engineers' approval.

Therefore, Mr. President, with all due regard to the fine remarks of the Senator from Wisconsin and to the fact that I agree with him that possibly the project is needed, nevertheless the committee must oppose the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. WILEY]. [Putting the question.]

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 9 and 10.

Mr. DOUGLAS. Mr. President, this amendment which strikes out an authorization of $45,000 for Sandy Hook Bay in New Jersey is the first of a series of amendments which I intend to offer to eliminate many projects from H. R. 5472, the rivers and harbors and flood-control bill. If adopted, these amendments would reduce the total amounts authorized by about $840,000,000.

The projects included in these amendments—I am now speaking of them as a group—are highly questionable and, in my opinion, unjustified. They seem to me to be flagrant examples of "pork," and should not be undertaken. Actually, in view of a coming deficit in excess of $5,000,000,000, we should in my judgment, postpone all projects except those which are absolutely necessary or which are of such value or importance as to transcend the need for balancing the budget.

I know only too well what we are up against. Local groups demand that their Representatives and Senators bring home the "bacon" or else. All too often these groups loudly proclaim their desire for economy, but at the same time they want their local pet projects at the Federal Government's expense. They want economy practiced on the other fellow, but not on themselves.

So, Mr. President, my appeal is directed not only to the Senate of the United States. It is directed in an even greater degree to the citizens of the localities themselves. How many times have we listened to the urgent pleas for political statesmanship? But I am making a plea for citizen statesmanship as well. For in a democracy such as ours, policies are not handed down from on high, as they are in a police state. Policies rise from the people themselves, and are only integrated in Congress.

Citizen statesmanship recognizes legitimate local or special needs, but it places the national interest first. At the present time, proper citizen statesmanship would see the need for reducing expenditures as more important than immediate construction of favored projects. When practiced by local groups, they would tell their representatives in Congress, "We want our project, but we are willing to postpone it until a time when the national economic interest warrants it."

I sometimes feel that we underestimate the amount of citizen statesmanship which is actually in existence. Too often we picture our constituents as selfish, greedy individuals constantly demanding more and more for themselves. It is certainly sometimes easy to get this impression from reading one's mail.

But I do not believe this is true, at least to the extent that it would seem at first glance. Certainly I will not pretend to know anyone's constituents as well as the Senator who is elected by them. What I am saying, however, is that at least in my own case, I have found local leaders very understanding and with a sincere desire to put the national interest first.

I am asking that we put our faith in citizen statesmanship and cut these unnecessary and questionable projects out of this bill. I am not advocating that we eliminate the well-justified projects. That is a problem we can face when we take up the appropriation bill.

Mr. President, so far as the Sandy Hook project is concerned, it should be recognized that the report of the Bureau of the Budget states that the project is not in accord with the President's program. It points out that this harbor on Sandy Hook is used primarily for recreational purposes, with, I think, only about five clam boats, that the benefits are extremely speculative, and that it is not needed for a storm refuge, since there are already six Federal harbors and waterways within 10 miles. I hope that this authorization will be stricken from the bill.

Mr. HENDRICKSON. Mr. President, this whole project has been carefully studied by the Army engineers, both the district engineer and the engineering board. The committee in the House studied the whole proposition very carefully and saw the need of the authorization. It then came to the Senate, and of course the Senate approved the House action. It would be disastrous to the whole long-range program in this area of the State if the amendment of the Senator from Illinois were adopted. I hope the amendment will be soundly defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. SCHOEPPEL. Mr. President, I desire to call up my amendment H to the bill (H. R. 5472).

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 29, after line 25, it is proposed to insert a new paragraph, as follows:

The project for flood control for Wichita and Valley Center, Arkansas River, Kansas, authorized by the Flood Control Act of June 22, 1936 (Public Law 738, 74th Cong.), as amended, is hereby amended to provide that if it shall appear, from the most recent estimate of the cost of said project by the Corps of Engineers, that the contribution by the city of Wichita, Kans., will be in such amount as to require the submission of a bond issue for the payment thereof to the electors of the city of Wichita, there shall be no further expenditures or construction on the project as presently proposed unless the city of Wichita, Kans., within 2 years from the date of the enactment of this act, in accordance with the provisions of G. S. Kan., 1947 Supplement, section 19–3307, submits to the qualified electors of the city of Wichita at a regular city election or at a special election called for that purpose the question of the issuance of general obligation bonds of the city of Wichita in such amount as may be necessary within the limitations of the laws of the State of Kansas, and unless the issuance of such bonds is authorized pursuant to such election.

Mr. SCHOEPPEL. Mr. President, this amendment pertains to and affects that part of the flood-control program known as the Wichita-Valley Center Arkansas River project, and confines itself to that part of the project wholly within the County of Sedgwick in the State of Kansas. It is a type of project that required local cooperation, and was set up in accordance with the following section:

(b) For local flood-protection projects, except channel improvement or channel rectification projects authorized by the acts of 1936, 1937, and 1938, local interests must provide without cost to the United States all lands, easements, and rights-of-way necessary for the construction of the projects, hold and save the United States free from damages due to the construction works, and maintain and operate all the works after completion in accordance with regulations prescribed by the Secretary of the Army. Channel-improvement and channel-rectification projects authorized by the acts of 1936, 1937, and 1938 are built at Federal expense, and no local cooperation is required. Exceptions to these general rules are provided by law in the case of certain specific projects.

The project known as the Wichita-Valley Center project was included in section 5 of the act and was identified as follows:

Wichita and Valley Center on Arkansas River in Kansas and vicinity; levees and floodway to protect people, city property, and environs; House Document No. 308, Seventy-fourth Congress, first session; estimated construction cost, $2,603,100; estimated cost of lands and damages, $1,597,100.

After the passage of the act and some time during the years 1936 and 1937, the representatives of the Army engineers met with city officials of Wichita and the county commissioners of Sedgwick County and discussed the possibilities of taking some definite action under the Flood Control Act of 1936 in order to prevent the recurrence of flood conditions which developed on the Little and Big Arkansas Rivers and as the same affected the city of Wichita and surrounding area. In 1945, the legislature of the State of Kansas passed flood-control legislation, the same being chapter 391 of the Session Laws of 1945 now appearing as article 33, sections 19–3301, 19–3307, both inclusive, of the General Statutes of 1947, Supplement.

During the year 1945, both the city of Wichita by their proper officials and the proper proceedings, as well as the county through its board of county commissioners passed the necessary appropriate ordinances and resolutions providing for the city and the county to participate in the flood-control projects, all as provided by the 1936 Flood Control Act.

At this point, I want to direct the attention of the Senate to the fact that under section 19–3307 of the Kansas laws, which I have heretofore mentioned, the city officials were authorized to issue general obligation bonds of the city to pay the costs of the flood control and expenses connected therewith in an aggregate amount not to be in excess of 1½ percent of the total assessed tangible valuation of the city and all without the necessity of calling a bond election therefor. But, the act further specifically provided that the governing body of the city of Wichita may issue additional obligation bonds of the city for such purposes not in excess of 3½ percent of the total assessed tangible valuation of the city, but before such additional bonds may be issued, the governing body of the city shall submit the question of the issuance of such additional bonds and the amount thereof to the qualified electors of the city at a regular city election or at a special election called for that purpose. The Kansas law further provided that the total aggregate of all such bonds which may be issued under the provisions of section 19–3307 shall not be in excess of 5 percent of the total assessed tangible valuation of the city. In section 19–3303 the county commissioners were authorized to issue general obligation bonds of the county without the necessity of the election and not in excess of one-half of 1 percent of the assessed valuation of the entire county to defray the costs of the acquisition of lands, rights-of-way or easements with reference to this flood-control project.

Numerous suits have been filed testing the various phases of the Kansas law under which the board of county commissioners of Sedgwick County and city officials are proceeding to cooperate under the 1936 Flood Control Act, and, at the present time, one suit is now pending. All of the suits filed have resulted in the city's and county's right and authority being upheld to participate with the Government in these flood-control improvements.

I have been reliably informed that approximately $400,000 will have been expended on the part of the county and the city in the acquisition of part of the lands and the rights-of-way necessary to provide for what is known as a big ditch, which is approximately 900 feet in width and 21 miles in length, all of which is a part of the project which will be involved by the amendment which I am offering.

In 1948 the estimate of the Army engineers for non-Federal costs on this project was estimated to be $5,983,000. It has been estimated that the city officials can obligate the city for and spend approximately $2,772,000, which can be raised by the city officials without a vote of the people of the city.

It is noteworthy here that three estimates of the Army engineers for the years 1936, 1945, and 1948 are as follows:

Years	Federal cost	Non-Federal cost (relocation, land, and damages)	Total
1936	$1,634,439	$3,035,740	$4,670,179
1945	5,403,000	4,450,000	9,853,000
1948	10,730,000	5,983,000	16,713,000

It can readily be seen that these estimated costs since 1936 have been pyramiding for various and sundry reasons.

Thousands of citizens of Wichita and Sedgwick County, Kans., have written me objecting to proceeding with this project until they shall have the right or opportunity of an expedited bond election to determine if the citizens of the city of Wichita will approve the spending of additional sums of money on this project over and above that amount which can be raised by the city and county officials without the necessity of a bond election. Thousands of the citizens, not only of the city of Wichita but of Sedgwick County, are fearful that under the estimates of the Army enginers the city and county officials will be required to expend much more money than can be obtained without the necessity of a bond election, and in that event should a bond election be necessary after the project as partially completed and should such bond election fail at that stage, they would be confronted with a project uncompleted, or the city forced to expend large sums of money under a threat that too much money was in the project to let it stand; hence the reason for my amendment.

I want to state quite frankly that I have been for flood control. I am not against it. I doubt the feasibility of some of the projects offered, the magnitude of some of them, as well as the excessive expenditures to obtain them. Maybe it is justifiable, but we have had too many instances wherein projects have been represented by the Army engineers and those planning the projects stating that it would cost a designated amount only to find that the costs are pyramided to figures completely different than represented in several stages of consideration. I pointed out the change in the amounts between 1936 and 1948 on the part of the Army engineers,

and that is one of the alarming features that thousands of folks are taking into consideration on the project that I am discussing. I cannot see any serious objection to this amendment requiring the proper necessary officials in the city of Wichita to call an election to determine whether the citizens of that city are willing to bond themselves for whatever amounts are necessary to complete the project over and above the sums which can be expended thereon by the county and the city officials without a bond election. I will grant, for the purpose of argument, that it amounts to expediting the election, and if an election carries, authorizing whatever bonded indebtedness will be necessary. Then the city and county officials, as well as the Government through its proper governmental officials, can be assured that this project will be completed without delay, and that the money will be forthcoming to meet the city's proportionate share under its cooperative contracts. Some members of the committee have questioned whether this would establish a precedent, whether it would be a deterring factor in the completion of many of these flood-control projects, which, of necessity, must be expedited, because of the inherent dangers of damage resulting from floods.

Mr. President, I do not think and I do not feel that this would be establishing a dangerous precedent, or, for that matter, a condition that is not wholesome and in keeping with American standards. I know of no justifiable reason for any official of any type, kind, or character to object to submitting to the citizens of a community under their respective laws the question of obligating themselves for the payment of projects wherein their respective laws give them that legal right and privilege.

I can see some justification for some Members feeling that the expediting of an election with some of the unknown factors that might develop as to probable costs, that an election might be considered premature because costs might be considerably lower and there might not be the necessity for the calling of a bond election at all. Candor prompts me to say that it is a long outside chance that this might happen in this case, but I doubt it seriously, since there is a serious legal question as to who is responsible for the costs with reference to the relocation of highways and bridges necessary to be built over, around, and through this project. There is a serious question whether the State of Kansas can obligate its highway department for the payment of internal projects pertaining to the city of Wichita, but those are questions with which this Congress need not concern itself. I mention it only because it does lend consideration to the fact that the city ultimately could be required to vote the necessity for issuing bonds to complete its proportionate share of the project. I think my amendment gives to the citizens of Wichita the protection which they desire and which they have a right to expect. In my judgment, it will not retard the project, but, on the contrary, will assure its completion if the election is successful and should encourage the Army engineers and those responsible for the construction to keep the cost at the lowest possible figure consistent with requirements of the project.

I did not submit the proposed amendment to the members of the committee. The bill had been reported before the matter had been brought to my attention. When I spoke to the chairman of the committee, I hoped that he might accept the amendment and take it up in conference. I do not know what the disposition will be, but I offer it for consideration of the Senate at this time.

Mr. CHAVEZ. Mr. President, the chairman of the committee must oppose the amendment. We would be establishing a new precedent. This amendment provides that the Senate of the United States shall tell the people of Wichita, Kans., that a project which has been authorized cannot be undertaken unless the people of Wichita hold an election at a certain time. In all sincerity, I ask those who believe in letting Kansas handle its own affairs, and Wichita handle its own affairs, why we should adopt an amendment telling the people of Wichita, "Now you have to hold an election within 2 years, or there will be nothing doing"?

This involves nothing more than a squabble, Mr. President. It is a local matter in Wichita. I believe that if the people of Wichita settle the squabble among themselves, the Army engineers will proceed and construct the project which was authorized some time ago. I shall have to oppose the amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL].

The amendment was rejected.

Mr. CORDON. Mr. President, I offer to the bill an amendment lettered "B."

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 38, line 20, it is proposed to strike out "$40,000,000" and insert in lieu thereof "$75,000,000."

Mr. CORDON. Mr. President, the bill, as it came from the House, provided for an increase in the monetary authorization for the comprehensive Willamette flood-control project of $40,000,000. This project covers flood control in the whole Willamette River area, which takes in about a third of the State of Oregon. I refer to the drainage basin. The project was authorized more than a decade ago, when Senator McNary was a Member of the Senate.

Construction has been going on for a decade. The projects are large dams, which are set well back in the mountains, and they are expensive. Contracts have been let. Construction has proceeded in two instances to completion, on a third major construction is well under way, and on two others the construction has been going on for 2 years. The Army engineers have set their schedules of construction. These are not new constructions. The Army engineers have set their work schedules and they have let contracts on the bases of those schedules.

Unfortunately, the amount of $40,000,000 is not sufficient to permit carrying forward this heavy construction work for a 3-year period, and I understand that the bill itself has been worked up on the premise that money would be furnished for 3 years ahead in connection with construction work. If that be the case, it is necessary to increase the monetary authorization to the figure sought, if this heavy construction is to be continued on the basis of the Army schedule.

Mr. MORSE. Mr. President, will the Senator yield for two or three questions?

Mr. CORDON. I am glad to yield to my colleague.

Mr. MORSE. I should like to ask my senior colleague if it is not correct to say that, if construction on the projects must stop because of a lack of funds, the very stopping of construction itself will entail a considerable amount of waste?

Mr. CORDON. That is bound to happen. In instances where a contractor must move off a job of that character, there is always the matter of settling his claims against the Government. Following that there would be entailed the cost of starting up the operation again. It runs into a very considerable amount of money, as well as indeterminantly and indefensibly stopping construction which should go forward.

Mr. MORSE. Therefore, is it not correct to say that a failure to provide the increase in funds, so that construction can go forward over the 3-year period covered by the bill, would be a penny-wise and pound-foolish policy on the part of the Government, if we are to have an efficient expenditure of the American taxpayer's dollar on these projects?

Mr. CORDON. I am in agreement with the statement of my colleague. It is exactly in line with my thinking and with the position the Army engineers take on the subject.

Mr. MORSE. Is it not correct to say, I ask my senior colleague, that the completion of all these projects is essential for effective flood control in the great Willamette Valley Basin?

Mr. CORDON. There can be no question about that. In 1 year the flood loss in the Willamette River Basin represented 8 percent of the total flood loss of the United States. That was the worst year we have had in the past 6 years.

Mr. MORSE. It is the understanding of the junior Senator from Oregon, on the basis of the figures which have been presented on flood losses in the Willamette Valley, that in recent years the losses have averaged in the neighborhood of between ten and twelve million dollars a year. Is that a fair estimate of the loss, as the senior Senator from Oregon understands it to be?

Mr. CORDON. I think it is a conservative estimate, Mr. President.

Mr. MORSE. I have always found the senior Senator from Oregon to deal in understatements in regard to these losses. I agree with him that the figure which I have mentioned is certainly a figure which would represent an understatement of the actual losses. Therefore, we are dealing here, as the junior

Senator from Oregon indicated a few minutes ago, with a type of project which, if the appropriations requested are authorized by the Congress, would effect a saving to the American taxpayers over the years of many times the cost of the projects which we are seeking to have authorized; is that correct?

Mr. CORDON. I agree with my colleague in that statement.

Mr. MORSE. I should like to say, if my senior colleague will permit me to say it, that I not only join him in urging the adoption of this amendment, but I plead with the Senate that if it really wants to put into practice the principle of sound economy in the construction of flood-control projects, on this project, on which construction has been started, it would be an economic waste not to complete the construction at the earliest possible date.

Taking into account, also, the fact that the Army engineers have advised that they can go forward with construction within the next 3-year period if this additional amount of $75,000,000 is granted, I plead with the Senate that if they favor sound economy, they cannot justify a vote against the amendment offered by my senior colleague to increase the allotment for the Willamette Valley flood control dam from $40,000,000 to $75,000,000, as called for by his amendment.

Mr. CORDON. I wish to call the attention of the chairman of the Committee on Public Works to some evidence which is before his committee in connection with the work schedules filed by the Army engineers, to the effect that the Willamette River schedule, as filed by the Corps of Army Engineers calls for an expenditure in 1952—I am not calling attention to 1951, because that is a matter which is now before the Committee on Appropriations—of $40,244,600, and in 1953 of $30,500,000. The purpose sought here is to increase the authorization so that the regular schedule of construction can go forward for 1951, 1952, and 1953, as is contemplated in the other construction projects for which monetary authorization is made.

Mr. CHAVEZ. Mr. President, the $40,000,000 item included in the bill was inserted by the House. The Army engineers appeared before the House committee, and to this day I do not know that they have changed their minds that $40,000,000 was all they needed. The House allotted them $40,000,000. The bill came over to the Senate, and up to this moment the Committee on Public Works has not been informed that the Army engineers now want $75,000,000. So far as the committee is concerned, it agreed with what the Army engineers had done. We agreed with them in what they had done, and allowed the full item the House approved.

Mr. CORDON. Mr. President, I call the attention of the Senator to the fact that the bill itself is now more than a year past due, and that the showing by the Corps of Engineers in the other body for the $40,000,000 was predicated upon expenditures which were to go through the current year.

Mr. CHAVEZ. That is correct.

Mr. CORDON. The result is that if we are working on a 3-year basis we will not have the money to keep a continuity of expenditure, and it occurs to me, and I hope the Senator will agree with me, that he might accept the amendment and take it to conference, and if the figures I have given to him, which came to me from the Army engineers, are in error, certainly the Senator from Oregon would not want to take a dollar additional for this purpose.

Mr. CHAVEZ. I know the Senator from Oregon is trying to do right, but if the Army engineers made a mistake, we did not know about it until the Senator from Oregon made his statement here this afternoon. Up to this moment the Army engineers have not come before us and said, "We made a mistake, and we actually need $75,000,000." They did not say anything of the kind.

Mr. CORDON. They have said it to the Senator from Oregon.

Mr. CHAVEZ. I know they are 6 months back, but that would apply to every project in the bill. According to that kind of reasoning, we should raise all the items in the bill in proportion to what we raise the Willamette Valley item.

Mr. CORDON. Will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. CORDON. I suggest that there is a very great difference between expenditure and authorization, where projects are just being started, or have been authorized and have not been started, and authorizations when the projects themselves are actually under construction, when the equipment and everything else are on the ground, when the contracts have been made, and when, if the authorization is not made, the Committee on Appropriations may well find itself shackled and unable to make the appropriations essential to carry forward the most efficient operation of the particular type of construction involved.

I hope the Senator will take the amendment to conference and determine the facts. If I am in error, that will end it; I certainly will not want to see any addition to the bill.

Mr. MORSE. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. MORSE. I join with my senior colleague in presenting a gentlemen's agreement to the Senator from New Mexico for acceptance or rejection. If, in conference, after the Senator from New Mexico has called in the Army engineers, he does not find the facts to be exactly as the senior Senator from Oregon has stated them this afternoon, then let it be understood between us that we would join in his striking out the amendment in conference. But I think the Senator from New Mexico, knowing him as I do, believing that we should not be wasting Federal money, ought to be willing to go to conference on this item and ascertain whether or not the two Senators from Oregon are right when they urge that a failure to increase this amount from $40,000,000 to $75,000,000 on projects partially completed would result in a great waste and loss to the American taxpayers. If it is factually correct that this increase would in fact save the taxpayers money, then I think it is reasonable to offer to the Senator from New Mexico our proposal that he take the amendment to conference and check up on the facts as we have alleged them to be.

Mr. CHAVEZ. Mr. President, I should like to agree with the two Senators from Oregon. There is nothing I dislike more than disagreeing with good people. However, I simply cannot do what they request. I care not what department of the Government it is, if we increase an authorization for any particular purpose $35,000,000, they will say, "Yes, we can use it." The Senator from New Mexico does not like to do business in that way.

If the Army engineers have made a mistake, they at least should have come to the chairman of the committee, or to some member of the committee, and have said, "Look here. We made a mistake. Please forgive us. We are doing some harm to the Willamette Valley in the State of Oregon." But there was not one word from them. Of course, whether it be the Army engineers or any other department of the Government, if we insert $30,000,000 more, they will say, "Yes, we can use it."

Mr. CORDON. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. CORDON. The Senator speakes of a mistake. If a mistake has been made, it has been made in the committee, because the information with reference to building schedules was available to the committee.

Mr. CHAVEZ. That is correct, and the Army engineers said they could take care of the matter with the amount they suggested. We did not suggest $40,000,000.

Mr. CORDON. The $40,000,000 will not meet next year's necessities for contracts now in existence. I hope my colleagues in the Senate will aid in sending the item to conference for determination on the facts when all of them can be presented.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Oregon [Mr. CORDON].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 16 to 18, inclusive.

Mr. DOUGLAS. Mr. President, this amendment would strike out the authorization of $76,000 for Lake Ogleton and Walnut Lake, in Maryland. I should like to point out that the Bureau of the Budget declared this authorization not to be in accord with the program of the President. These lakes are at present exclusively used for recreational craft. The benefits of the proposed improvements would be highly conjectural. The lakes are not necessary for harbor refuges, because there are two anchorage facilities within a distance of a mile and a half and two and a half miles,

respectively. Therefore, Mr. President, I hope very much that this provision may be eliminated.

Mr. TYDINGS. Mr. President, will the Senator let me have the budget statement just a moment?

Mr. DOUGLAS. Certainly.

Mr. TYDINGS. I shall make my remarks very brief.

Chesapeake Bay is one of the great inland bodies of water of the world. It is not a lake. It comes in from the ocean, and not long ago the greatest battleship owned by the Federal Government was sitting for a good long while on a sand bar because the channel in the bay——

Mr. DOUGLAS. Will my dear friend from Maryland yield to me at that point?

Mr. TYDINGS. Yes.

Mr. DOUGLAS. The Senator is not speaking of the great battleship to which he refers as being on Lake Ogleton or Walnut Lake, is he?

Mr. TYDINGS. I am coming to that. I suppose that in the State of Virginia, where this incident happened, people might assume, from the expanse of water there, it would be possible to do almost anything in a bay that is 10 miles wide and empties into the ocean. Ships are frequently grounded, from the entrance to the bay all the way up to the Chesapeake and Delaware Canal, sometimes with a great loss of life, because of grounding in storms such as are experienced there. It can be one of the most turbulent bodies of water to be found when there is a storm raging.

The Senator said he would give me the memorandum. I would rather have the official document and speak from the book than from an extemporaneous memorandum. I want to read what the report says.

In the testimony, I assume it is, because this is the printed part of the record—is this the testimony the Senator has handed me?

Mr. DOUGLAS. Yes.

Mr. TYDINGS. We find that this provision was not inserted by the Senate, but was put into the bill by the House of Representatives; that it has the approval of the United States Army engineers, and that it has the approval of the Bureau of the Budget.

Mr. DOUGLAS. Oh, no.

Mr. TYDINGS. Just a moment. It has a low priority, it is true, but a low priority means that perhaps very few people are using it in comparison with the city of Baltimore. But if one goes from Baltimore down the western shore of Chesapeake Bay, he finds the harbors are not numerous. After leaving Baltimore we come to the Severn River, on which the Naval Academy is located, a stream with a fairly good harbor at its mouth, but rather shallow a little way from its mouth.

Then we go for a considerable distance, 30 or 35 or 40 miles, until we come to the Patuxent River, and there is no harbor worthy of the name along that distance. The bay is pretty wide there. This is where oysters, crabs, fish, terrapin, and other sea foods are gathered and shipped all over the world, and particularly all over the United States. There are thousands of people engaged in gathering this sea food, and it is no joke to be caught in that area in a storm. There must be some place for one to go quickly, particularly if he is in a boat of very low speed and having little storm resistance.

According to the testimony, the estimated annual benefits from reduction of storm damage to vessels, and net annual savings from reduction of loss in time of the oyster fleet when Annapolis harbors are icebound, would total $6,125. Frequently during the winter the harbors are icebound and oystermen cannot get out to make a trip. There are many oystermen in this neighborhood, not 6 or 20, but in this general area there are hundreds of oystermen, and they work pretty hard in the cold winter to bring those delicious bivalves, the best in the world, to the tables of all the great hotels, which know good oysters when they see them.

The crabs which are taken from these same waters in the summertime when storms are frequent are the envy of all the other States in the Union, and I think are looked upon in an epicurean sense as being the best crabs that come from any waters.

I could go on with the other things that are mentioned here, but I will only say that this is the center of the food supply that comes from the Chesapeake Bay. I think that, while the numbers of people who will use this harbor will not be so great as those who use the Baltimore harbor, yet because of the hundreds of persons who are concerned and who rely upon it for their living, the proposal has true merit, and I hope the amendment of the Senator from Illinois will be voted down.

Mr. DOUGLAS. Mr. President, will my friend from Maryland yield for a question?

Mr. TYDINGS. Yes.

Mr. DOUGLAS. Is the Senator from Maryland aware of the fact that there are other refuge harbors within a distance of a mile and a half and two and a half miles?

Mr. TYDINGS. The Senator from Illinois does not know his Maryland geography. The only harbor near there of any consequence is the harbor of Annapolis, which as I said, is frequently frozen over, which ties up the oyster fleet sometimes for weeks at a time. There must be an alternative harbor to which to go.

Mr. DOUGLAS. The report of the Bureau of the Budget says that there are—

> Anchorage facilities for small craft in Back Creek at Eastport and Spa Creek at Annapolis, approximately 1.5 and 2.5 miles, respectively, distant by water from the entrance to Lake Ogleton.

I wanted to ask the Senator from Maryland if he has such a low opinion of the virility of Maryland fishermen as to hint that they must have another harbor for refuge when there are already two harbors at such close range? I have a much higher opinion of the sturdiness of the Maryland fisherman than apparently the very able Senator from Maryland has.

Mr. TYDINGS. Mr. President, I live up the bay about 40 miles from this location, and I love the water. It has been my fate to have had two very serious brushes with two very severe storms, in one of which I had my wife and my two small children with me in the boat. Our boat was the only boat on the Chesapeake Bay that I know of that was in that vicinity during that storm, and, believe me, a harbor would have been more than welcome, because it was touch and go for quite some time. On another occasion, in 1910, my father, mother, and two sisters and I were caught in a terrifically bad storm. I threw over a sea anchor when our engine went bad. We were picked up with great difficulty by a large boat. All of us nearly lost our lives.

Mr. President, we are not dealing with a little lake; we are dealing with real water when we deal with Chesapeake Bay. It is quite close to the ocean. What may seem to be inconsequential to the Senator from Illinois is quite consequential to one who is making his living on the water, when storms come up quickly and there must be harbors to which one can go.

The Chesapeake Bay sends millions and millions of dollars' worth of food all over the country. The men we are dealing with are those who gather that great wealth of food. They are entitled to a harbor to which to go in emergency, because they are engaged in one of the greatest industries in our State. When they are unemployed it hurts. They must dig oysters in the wintertime. Quite often the harbor to which the Senator from Illinois refers is frozen up for long periods of time.

My own test of the proposal is whether it will pay for itself. I say it will pay for itself hundreds of times over in the wealth taken from the bottom of the Chesapeake Bay and from the waters of Chesapeake Bay, and will contribute to the safety of those who follow what is very often an extremely hazardous calling. It will result in the protection of their lives.

Mr. DOUGLAS. Is the Senator from Maryland aware of the fact that the Annapolis harbor is frozen over only from 2 to 3 weeks each year? So the piteous plea the Senator is making for the Chesapeake oystermen and fishermen is to enable them to have an alternative harbor for 2 weeks during each year. One would think from the speech made by the Senator from Maryland that these fishermen were frozen up for at least 4 or 5 months each year. I must insist that the Senator from Maryland holds too low an opinion of the virility of the Maryland fishermen.

Mr. TYDINGS. So far as I know no Maryland fisherman has as yet been able to operate a boat on land. That is what the Senator from Illinois is advocating.

Mr. DOUGLAS. No, not at all. I do not want to take too much of the time of the Senate, but these things are interesting not merely in themselves, but as indicative of the type of projects contained in the rivers and harbors bill.

The Senator from Maryland is no doubt aware of the fact that one of the justifications which the House commit-

tee produced for this project was that it would—

> Restore the lake as a harbor of refuge for small craft, particularly sailboats, including those operated by midshipmen from the United States Naval Academy, unable to reach harbor at Annapolis through sudden summer squalls from the northwest.

I have a much higher opinion of the nautical ability of our future sailors than to believe they have to have a harbor every 2 miles in order to protect them from the sea. I suggest that the Senator from Maryland is unduly coddling both the fishermen and the midshipmen in trying to secure these alternative harbors for them.

The Senator refers to the project as having been approved by the Bureau of the Budget, but given low priority. I think on that point the Senator will wish to correct himself. It was the Governors Run project which was given a low priority, but the Bureau of the Budget on this Lake Ogleton project stated it was not in accord with the President's program. I believe the Bureau thus recommended its complete rejection.

Mr. TYDINGS. I should like to say that I had not used the case of the midshipmen as an argument, but since the Senator has put that statement into the RECORD, it, together with the arguments I have already presented, should make the case an overpowering one.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send to the desk another amendment which I offer and ask to have stated.

The LEGISLATIVE CLERK. On page 3, it is proposed to strike out lines 21 and 22.

Mr. DOUGLAS. Mr. President, this is the other Maryland project which I told the Senator from Maryland in advance I was going to move to strike out. It calls for provision of a jetty-protected channel and a basin at Governors Run, Md. The estimated cost to the United States is $59,450. This has been given a very low priority by the Bureau of the Budget. I should like to point out that the ratio of benefits to cost, according to the figures of the Army engineers, is only 1.03. The Army engineers are very conservative in estimating actual costs, and actual costs nearly always exceed authorized costs. The Corps of Engineers is also very liberal in estimating benefits, and the benefits which they claim are very often conjectural and occasionally nonexisting. Therefore, it seems to me that when the ratio of benefits to costs is one 1.03, that is reason for the rejection of the project.

Mr. TYDINGS. Mr. President, I am not going to take the time of the Senate except to say that this is a House provision. It was put in the bill in the House. It ran the gauntlet in the House. It remained in the bill when the Senate committee considered and reported the bill. I did not appear in its behalf. Others, however, did.

This is a harbor farther down in that stretch of land between the Severn River and the Patuxent River which as I recall is about 35 miles long. This is the part of Maryland on the western shore which is largely being settled by summer residents all the way along. There has been a tremendous increase in population, until the whole community is now filled up. There is no boat harbor in that section where boats can go. But fishermen do come out of the river from both sides of it, and go out from this particular area and dig for oysters and take crabs and fish, as I have stated. So I think, without going into any more detail, the provision put in the bill by the House and coming to the Senate from the committee, ought to be retained.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. WILLIAMS. Mr. President, I call up my amendment lettered "B" of 4–12–50, which I offer and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert the following:

> TITLE III—GENERAL
>
> SEC. 301. No work of improvement authorized by this act to be constructed or performed by the United States shall be commenced unless at the time of such commencement the Secretary of Defense shall determine that (1) the revenues of the Federal Government for the fiscal year in which such commencement occurs will, on the basis of estimated revenues and expenditures, exceed or equal its expenditures (including expenditures on such work or improvement) for such fiscal year; or (2) such commencement is essential to national defense. The Director of the Bureau of the Budget and other officers in the executive departments and agencies shall furnish the Secretary of Defense with such information as may be necessary to enable him to carry out the provisions of this section.

Mr. WILLIAMS. Mr. President, this is an amendment which should receive the enthusiastic approval of the Members of this body here this afternoon, because apparently the committee and the Members of the Senate, have adopted the proposal that we are not going to accept any amendment which the Bureau of the Budget will not approve. Surely no one will claim that the Director of the Bureau of the Budget will oppose a balanced budget.

Simply stated, the amendment merely says that construction work on any project which is authorized under this bill shall be suspended until the budget is balanced. The only exception which is made are those projects which the Secretary of Defense will certify must go forward in the interest of our national security. The junior Senator from Illinois has called attention to certain individual projects in Maryland and one or two other States which he has proposed to strike out.

This amendment goes much farther and includes all projects in practically all the 48 States which are not essential to our national defense.

I call particular attention to the fact that the amount proposed under this bill is $1,564,000,000. That represents approximately one-half of the total amount which it cost to run our Government as recently as 22 years ago, with all expenditures combined. It represents about one-fourth of the cost of running our Government in 1934. Practically every Member of the Senate has, during this session, made rather eloquent speeches advocating a balanced budget, but it seems that speeches do not help the American taxpayers. I think it is time for us to decide whether we mean what we say. If we want to balance the budget, the thing to do is to answer the roll call on this amendment and suspend all nonessential construction jobs until such time as we bring the budget into balance. It would save nearly $1,000,000,000.

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Delaware yield to the Senator from Nevada?

Mr. WILLIAMS. I yield.

Mr. MALONE. I should like to ask the distinguished Senator from Delaware whether in fact the total amount of flood control and navigation projects and whatever irrigation projects, among all the 48 States, are included in the bill, amounting to $1,500,000,000, represents a little less than one-third of the amount of money we are appropriating for Europe each year.

Mr. WILLIAMS. That is true. However, we cannot justify an unnecessary $1,000,000,000 today on the basis that we are going to waste so much money tomorrow.

If we wish to balance the budget, there is only one way by which it will ever be balanced, namely, by cutting the appropriations when the roll is called.

I may say that I have been advised that this amendment, if adopted, will strike out every project in my own State; I repeat, if the amendment is adopted, it will not leave in the bill a single project in Delaware. So this is not a case of my proposing that projects for other States be cut out, but leave untouched those projects for my own State.

The amendment, if adopted, will not strike out projects certified to be essential to the national defense.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. WILLIAMS. I yield.

Mr. MALONE. I ask the Senator whether he knows how long it has been since the budget was balanced.

Mr. WILLIAMS. The budget was balanced in 1947 and 1948, 2 years ago, during the Eightieth Congress. Aside from that, the budget has not been balanced during the last 20 years. We have had 18 years of virtually consecutive unbalanced budgets, beginning in 1930 and extending up to the present time, with the exception of the 2 years during the Eightieth Congress.

All of us know there is no indication that the budget will be balanced this year unless Congress begins to vote instead of merely talking economy. I know of no better time than now by which we can begin to work in that direction.

Only last month the Treasury announced that it expects to have to borrow another $8,000,000,000 in order to make up the deficit during the next 15

months. This will bring our total debt to well over $260,000,000,000.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. MALONE. I wish to ask the Senator a further question. We are now dividing our markets and our sources of income with the other nations of the world. We not only seem to intend to continue doing that, as in the past, but we also are scheduled to have a conference in September in England, relative to which today's news dispatches say that 2,400 additional products are under consideration for the cutting of tariffs, with the result of further dividing our markets and the opportunities for our own manufacturers and our own working people. If we continue that policy and if we have an even greater deficit this year than the $5,500,000,000 anticipated by the President—some of us think it will be $7,000,000,000, if the present trend continues—if we continue that free-trade policy how long does the Senator consider it would be before it would be possible to balance the budget, even without the flood-control projects?

Mr. WILLIAMS. Unfortunately, Mr. President, I am not an authority on tariffs, so I do not feel that I am qualified to answer the Senator's question. But I remind the Senator from Nevada that the only way we shall ever balance the budget will be by means of our answers on roll-call votes. We will not balance the budget by means of speeches, either on the floor of the Senate or elsewhere.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. MALONE. I call the attention of the Senator to the fact that the junior Senator from Nevada has voted each year against the $4,500,000,000 program, on the theory that what we are doing is simply building up our troubles, rather than ending them. A saving each year, for three and one-half consecutive years, of $1,500,000,000 would constitute a tremendous saving for the taxpayers of the local communities, and in addition would create further values which would increase the taxable property in the United States.

My further point is that there neither seem to be indications of balancing the budget within any foreseeable future nor any signs that, regardless of any local appropriations for building up our own taxable property and assisting somewhat in creating employment in this country, that situation will improve. To the contrary, the indications are that it will get worse.

Mr. WILLIAMS. Mr. President, I hope the Senator from Nevada will be convinced, after the vote on this amendment this afternoon, that the signs in this country have changed, and that the Members of the Senate of the United States have once again remembered the American taxpayer.

Mr. President, I ask for the yeas and nays on the question of agreeing to this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware.

Mr. WILLIAMS. I ask for the yeas and nays.

Mr. CHAVEZ. Mr. President, I have to oppose this amendment. If I believed in a military government, instead of a democracy, I would favor this amendment. But why should the Secretary of National Defense have the power to veto or have authority over the things which affect the people of the United States; and why should the Secretary of National Defense have power and authority over the Congress?

Not only that, but if we are considering national defense, I ask the Senator from Delaware whether rivers affect national defense, whether navigation affects national defense, whether flood control affects national defense.

Mr. President, I oppose the amendment.

Mr. WILLIAMS. Mr. President, I should like to say to the Senator from New Mexico that if that is the only objection he has to my amendment, I would agree to strike out all that part of the amendment, and thereby make all projects subject to a balanced budget.

I ask for the yeas and nays on the question of agreeing to my amendment.

ORDER FOR RECESS—PROGRAM FOR MONDAY

Mr. HILL. Mr. President, I ask unanimous consent that when the Senate concludes its business today, the Senate stand in recess until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Is there objection?

Mr. SALTONSTALL. Mr. President, reserving the right to object, let me ask the Senator what the program is when the Senate meets on Monday.

Mr. HILL. The proposal is to finish this bill today, make the ECA bill the unfinished business, and then ask unanimous consent that when the Senate meets on Monday it proceed to consider the unobjected-to bills on the calendar, beginning where the call of the calendar last was concluded. There are some 200 or more bills on the calendar which have never been called. The request will be to begin the call of the calendar where the last call ended, and to call the calendar of bills to which there is no objection, when the Senate convenes on Monday.

Mr. SALTONSTALL. I thank the Senator.

Mr. McCARRAN. Mr. President, I shall move, at the earliest possible moment, to bring up a privileged matter, namely, the conference report on Senate bill 1008, the basing-point bill.

Mr. HILL. Mr. President, as my distinguished friend the Senator from Nevada knows, that is a highly privileged matter, and of course, he has a right to move to have the conference report on that measure considered at any time, even after the ECA bill is made the unfinished business.

Mr. SALTONSTALL. Mr. President, reserving the right to object, let me ask the Senator from Nevada, in connection with the statement of the Senator from Alabama that it is desired to have the calendar called, by unanimous consent, on Monday, whether the Senator from Nevada proposes to try to bring up on Monday the conference report on the basing-point bill.

Mr. McCARRAN. I had hoped that the calendar would not be called on Monday, because there is to be a meeting of the Judiciary Committee on Monday afternoon, and some very important witnesses are coming from California to appear before the Appropriations Committee at that time. I had hoped that the call of the calendar would go over for a day following Monday, although I am anxious to have the calendar called.

Aside from that, I am anxious to have the conference report on the basing-point bill brought up at the earliest possible moment, notwithstanding the ECA bill or any other measure.

The PRESIDING OFFICER. The Senator from Alabama has requested unanimous consent that when the Senate completes its business for today, it take a recess until 12 o'clock noon on Monday next.

Mr. CHAVEZ. Mr. President, reserving the right to object, I wish to ask the Senator from Alabama a question.

Mr. HILL. I yield.

Mr. CHAVEZ. Of course it is understood, I assume, that we are to proceed today until we conclude the pending bill, and that following the conclusion of this bill, the request of the Senator from Alabama will be that when the Senate convenes on Monday, it proceed with a certain other matter.

Mr. HILL. That is entirely correct. It is the intent and the purpose to finish this bill today.

The PRESIDING OFFICER. Unanimous consent is requested by the Senator from Alabama that when the Senate completes its business for today, it take a recess until noon on Monday next. Is there objection?

Mr. SALTONSTALL. Mr. President, reserving the right to object, I would say most respectfully to the Senator from Alabama that I have just been told by the Senator from New Jersey [Mr. HENDRICKSON], who represents the minority in regard to the calendar and the consideration of bills on the calendar, that it would be a very great help to those on the minority side if the calendar were to be called on Tuesday, instead of on Monday. I merely make that suggestion.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HILL. Certainly, I yield to the Senator from Illinois.

Mr. LUCAS. Of course, Mr. President, calling the calendar has nothing to do with the request now pending, as made by the distinguished Senator from Alabama.

Mr. SALTONSTALL. I understand.

Mr. LUCAS. But Senators on both sides of the aisle have been insisting that the calendar be called as soon as possible. In fact, I have been somewhat criticized, and I think justifiably so, for not having the calendar called before now. The opening ball game is on Tuesday, and I am satisfied that there will not be many Senators around here on that day.

Mr. SALTONSTALL. Mr. President, if the Senator will yield, I state to him that we will be ready on Monday.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. McCARRAN. Mr. President, merely to clarify the situation, I am concerned in regard to the conference report on the basing-point bill. If consent is given to calling the calendar on Monday——

Mr. HILL. I may say to the Senator I have not requested that. All that my request embodies is that, when the Senate concludes its business today, it recess, to meet at 12 o'clock high noon on Monday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the demand sufficiently seconded?

The yeas and nays were not ordered.

Mr. WILLIAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Benton	Holland	Maybank
Butler	Johnson, Tex.	Neely
Cain	Johnston, S. C.	O'Conor
Chapman	Kem	O'Mahoney
Chavez	Kerr	Saltonstall
Connally	Langer	Schoeppel
Darby	Leahy	Sparkman
Douglas	Lodge	Stennis
Dworshak	Lucas	Taylor
Eastland	McCarran	Thomas, Okla.
Ellender	McClellan	Wiley
Ferguson	McFarland	Williams
George	McKellar	Withers
Hendrickson	Magnuson	
Hill	Malone	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The names of the absent Senators were called, and Mr. CORDON, Mr. DONNELL, Mr. HOEY, Mr. MORSE, and Mr. MUNDT answered to their names when called.

The PRESIDING OFFICER. A quorum is not present.

Mr. HILL. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

Mr. CONNALLY. Mr. President, the Senator from Wisconsin [Mr. WILEY] and I have a very important engagement tonight. I ask unanimous consent that we may be excused from attendance upon the remainder of today's session of the Senate.

The PRESIDING OFFICER. The Chair advises the Senator that, since a quorum is not present, the Senate is without power to give unanimous consent.

Mr. CONNALLY. The request relates to the very matter we have before us now. It has to do with our being here or not being here. I think it is pertinent. But, of course, the Chair is the last authority.

The PRESIDING OFFICER. The question is on the motion of the Senator from Alabama that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Mr. WILEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILEY. Am I correct in my understanding of the rule that there is at this time but one motion that is pertinent, namely, a motion either to adjourn or to recess?

The PRESIDING OFFICER. A motion to recess pursuant to the order heretofore ordered by unanimous consent would be in order.

Mr. WILEY. I feel that Senators have labored long in the Lord's vineyard here today. I feel that we are going to have difficulty——

Mr. HILL. Mr. President——

Mr. WILEY. I feel that we are going to have difficulty in getting a quorum. I ask the majority leader whether he will approve or disapprove one of those motions at this time. Let me state definitely——

The PRESIDING OFFICER. The Chair rules that no debate is in order.

Mr. WILEY. Mr. President, let me merely state that I am not debating.

At this point Mr. BYRD, Mr. HAYDEN, and Mr. KILGORE entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. CONNALLY. Mr. President, I renew my unanimous consent that the Senator from Wisconsin and the Senator from Texas be excused from attendance upon the remainder of today's session of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. HILL. Mr. President, reserving the right to object, I do not wish to object, but will the Chair advise us how many Senators had answered the roll call, including the last one? To grant the request might result in breaking the quorum.

The PRESIDING OFFICER. The Chair advises the acting majority leader that there are 51 Senators present.

Mr. HILL and Mr. WILEY addressed the Chair.

The PRESIDING OFFICER. The Chair has recognized the Senator from Alabama.

Mr. WILEY. I thought the Chair has recognized me. I merely wanted to state that the Senator from Texas [Mr. CONNALLY] and the Senator from Wisconsin are invited as guests to a dinner to be given by the visiting President of Chile, and that dinner is scheduled for 7:30. So far as the Senator from Wisconsin is concerned, he feels that he and the Senator from Texas should not be prevented from attending the dinner, particularly in view of the fact that they are guests of a foreign nation.

I wish to say also, Mr. President, that if there is to be a vote to recommit the bill, I shall vote in favor of recommitting it. I shall vote against the bill, because I feel that with a $7,000,000,000 deficit facing us, with the Federal Government $7,000,000,000 in the red, we could do nothing better, in order to show the country that we mean what we say than either to recommit the bill or to defeat it.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

Mr. HILL. Mr. President, I hope the Senator from Texas will not press his request at this time.

Mr. CONNALLY. I will not press it. I will just get my hat and go home. [Laughter.]

The PRESIDING OFFICER. The Senate will be in order.

Does the Senator from Texas wish the question to be put?

Mr. CONNALLY. I understand that there are 51 Senators on the floor, which is more than sufficient to constitute a quorum without the presence of the Senator from Wisconsin and the Senator from Texas.

Mr. HILL. Mr. President, if the Senator will bear with us, perhaps we may be able to vote on the amendment now.

Mr. CONNALLY. I shall wait a minute.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. WILLIAMS. I ask for a division.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. Will the Chair have the amendment stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk again stated the amendment of Mr. WILLIAMS.

The PRESIDING OFFICER. A division has been called for.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 7, it is proposed to strike out lines 6 and 7.

Mr. DOUGLAS. This is a proposal to strike out an authorization for $14,000 for harbor improvements on Fly Creek, at Fair Hope, Ala.

If Senators will turn to page 43 of the House report, they will find that this proposal has primarily a recreational aspect. It is for the benefit of 45 recreational craft, and to induce 15 more to leave their base at Mobile and base at Fly Creek.

Mr. President, this is merely a slice of baloney, but it is, nevertheless, baloney. While it is true that there is some

beef in baloney, baloney is mostly composed of pork.

Mr. MAYBANK and Mr. HILL addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. MAYBANK. I should like to ask the Senator from Illinois how many amendments he intends to offer.

Mr. DOUGLAS. I have individual amendments which I shall offer to strike out six more small projects. Then I shall propose two omnibus amendments to strike out some 50 projects, including two in my own State. Then I shall really get down to the business of this bill and go after the big appropriations for the lower river valleys, namely, the lower Mississippi, the lower Missouri, the Arkansas, and the Ohio.

Mr. MAYBANK. Mr. President, it is with extreme regret that I must, with the permission of the Senate, break the deliberations on amendments. In view of the fact that the Senator has perhaps some 40 additional amendments, and in view of the fact that since 11 o'clock this morning I have been waiting to make a few remarks, I shall now make the remarks which I had intended to make earlier, and I ask that they be printed following the discussion of the amendments which the Senator from Illinois is about to offer.

I had assured my friend, the chairman of the Committee on Public Works that I would not do it. I had assured him time after time that I would not do it unless the hour grew late.

Mr. DOUGLAS. I shall be glad to yield to the Senator from South Carolina for that purpose.

Mr. MAYBANK. I wish to make a few remarks which have no bearing on the discussion of the pending bill.

Mr. WILEY. May the Senator from Texas and I get unanimous consent, so that we may be excused?

The PRESIDING OFFICER. The Senator from Wisconsin requests that the Senator from Wisconsin and the Senator from Texas be excused for the rest of the day. Is there objection?

Mr. HILL. Mr. President, I do not like to object to the Senator's request. However, we are in the situation where we have been discussing the bill for a week. Senators are very much interested in passing the bill. It should be passed today. If we grant the request of the Senator from Texas, the Senate may be a party to breaking a quorum. The Senate may be a party to putting itself in the position where it cannot carry out its will. It must finish consideration of the bill today. Under the circumstances, I feel constrained to object.

The PRESIDING OFFICER. Objection is heard.

Mr. HILL. Mr. President, the pending amendment is the amendment offered by the Senator from Illinois [Mr. DOUGLAS] to strike out an item to provide $14,000 for the Fly Creek project. The Senator from Illinois spoke about baloney. If there was ever a case of a Don Quixote charging windmills, this is it. The request is to strike out this little $14,000 item. I shall not take the time of the Senate, except to say that it was approved by the Corps of Army Engineers, and it was approved by the House Committee on Public Works. It was also approved by the House of Representatives and by the Senate Committee on Public Works.

The Senator said it was only for recreational purposes. That is not correct. On page 41 of the House report we find that this work is for fishing vessels, which means for commercial business purposes. Vessels there engage in the oyster business, in the shrimp business, and in fishing business of all kinds. This is for commercial business, trade and commercial purposes, and I ask the Senate to vote the amendment down.

Mr. DOUGLAS. Mr. President, will the Senator read the statement of alleged benefits on page 43 of the House report?

Mr. HILL. The Senator is correct that the report refers to 15 recreational craft, but that is not all of the report. That is taking but one sentence. If the Senator will proceed on page 43, the very page he cites, he will find these words from the House report:

> The nearest other protected inlet on the east shore of Mobile Bay is at Weeks Bay, 16 miles south of Fly Creek. There is urgent need for a small-boat harbor on the east coast of Mobile Bay in the vicinity of Fairhope to provide suitable accommodations and a harbor of refuge for the numerous recreational craft and fishing vessels which will operate in that locality. The estimated tangible benefits are sufficient to justify expenditure of the necessary funds.

As I have said, it has been approved all down and all up the line, and I ask the Senate to vote the amendment down.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send another amendment to the desk, and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 5 it is proposed to strike out lines 18 to 20, inclusive.

Mr. DOUGLAS. Mr. President, this is an amendment to eliminate the proposal for $918,600 for improvement on St. Marys River, and I should like to read verbatim from the statement of benefits which is given in the justification of the House committee:

> The annual benefits are estimated at $149,400 and are composed of (a) a saving of $2 a ton on the receipt of 15,000 tons of Scandinavian pulp and 10,000 tons of chemicals, and on the shipment of 40,000 tons of paper, all by the St. Marys Kraft Corp.; (b) a saving of 5 cents a ton on the receipt by barge of 100,000 tons of pulpwood by the same company; and (c) a saving of 12 cents and 30 cents a ton on 50,700 tons and 27,600 tons, respectively, of pulpwood transported by the Union Bag & Paper Corp.

Mr. President, practically all of the direct benefits, 90 percent of the benefits, are to be gained by a single private concern, the St. Marys Kraft Corp. The other 10 percent of benefit goes to the Union Bag & Paper Corp. This is an expenditure of public moneys to benefit an individual company, which is not making any real contribution to the substantial construction costs which create the benefit which it is obtaining from the public purse.

There was a description of this and other projects in the bill in an article in the Wall Street Journal for April 5, which I now ask unanimous consent to have inserted at this point in my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

"PORK BARREL" PLANS—SENATE GETS 156 FLOOD, WATERWAY PROJECTS TO PLEASE HOME FOLKS—ESTIMATED AT $1,600,000,000 NOW; WOULD PROBABLY COST A THIRD MORE—VOTE GETTERS FOR ELECTION YEAR

(By Carl Thompson)

WASHINGTON.—About 80 miles southeast of here, where the Potomac flows into Chesapeake Bay, lies Smith Island, Md., population 1,020. The sea-food gathering residents of this marshy island go boating, through $210,433 of channels and canals dug by the Federal Government in Twitch Cove, Big Thoroughfare River, and Levering Creek. The Senate is now considering another $21,000 project for the Smith Islanders.

Just up St. Marys River, flowing into the Atlantic on the Georgia-Florida border, there's a good-sized paper mill—St. Marys Kraft Corp. If the Federal Government spends a proposed $918,600 to improve navigation on this river, the paper mill would save some $135,000 a year in transportation costs. It would cost the United States another $18,000 a year for channel maintenance. The Senate Public Works Committee thinks this is a worthy project.

These are just two or 156 "pork barrel" projects the Senate is now being asked to approve in an omnibus river and harbor and flood-control bill. Many of these projects already have an O. K. from the House.

ELECTION YEAR O. K.

In this election year, there isn't much doubt that most of the pending programs will be approved. They're good vote winners back home. These projects pour Federal dollars into particular localities, and though the improvements are supposedly intended for the public at large, they often benefit comparatively few. They're usually justified on the basis of benefits that will result, or long-term savings that will come from liberal spending now.

Pork-barrel projects, as they have been called for decades, are becoming more and more costly. Senators are told the batch they're now being asked to authorize would cost around $1,600,000,000. Judging from past experience, that figure would go up about one-third before the jobs were completed.

The House Appropriations Committee finds the Army's Corps of Engineers, which runs the program, isn't doing too well in its cost estimating. For instance, back in 1949 the corps told Congress the Wolf Creek Reservoir flood-control project in Kentucky would take $62,000,000. The engineers are back this year to get a little more for Wolf Creek. Seems they're going to need $82,000,000. Then there's the case of the Oklahoma City floodway that Congress O. K.'d originally at $3,265,000. The figure is now put at $10,460,000.

THE COST GROWS

House appropriations committeemen say they get the impression that once a project is approved, the cost grows and grows. This committee says the Corps of Engineers apparently is committing the Government to

expenditures "far in excess of amounts contemplated by Congress."

It accuses the engineers of wasting public funds by inadequate planning. Changes in plans, designs, and specifications after construction is begun, is to say the least, expensive, complains the group.

Nevertheless, even the most economy-minded lawmakers usually approve the projects. One of the most conservative Republicans in Congress, a constant economy advocate, was heard recently to boast how he got the Democrat-dominated Appropriations Committee to boost by several million dollars the money for a pet project in his district.

Some 1,300 river and harbor projects and 991 flood-control schemes have been authorized by past Congresses. Close to 1,000 are completed and some 700 haven't yet been started. The bill before the Senate would put another 156 projects on the list.

The House has already passed a somewhat less ambitious program calling for 105 new projects at a cost of $1,100,000,000. The Senate Public Works Committee, headed by Democratic Senator CHAVEZ, of New Mexico, accepted the House program and tacked on 51 extra projects.

HOW THE PROJECTS START

In simplified form, here's how such projects get on the Federal Government's spending list:

Businessmen, politicians, or ordinary townsfolk in some locality decide they want a river dredged or a reservoir built. Congressmen are urged to have the matter studied. So Congress authorizes the Corps of Engineers to look into it and make a report on its feasibility. The engineers submit their findings to Congress and the lawmakers authorize—or reject—the program.

But even when a project is authorized, it can't get under way until Congress actually approves the funds to start it. So the engineers, from year to year, go to Congress for appropriations to get authorized projects started or keep them going.

This constant agitation led the House Appropriations Committee this year to deplore the "tendency of the Corps of Engineers to request funds for the initiation and simultaneous construction of too many projects."

Nevertheless, the House money-providing group has approved $600,000,000 for existing public-works projects in 1950–51, nearly three times the amount appropriated 4 and 5 years ago.

Sometimes the engineers are a little hard-put to explain the "benefits" of these projects.

On Michigan's Upper Peninsula, for instance, some 125 fishermen and their families live around Grand Marais Harbor on Lake Superior, about 20 miles from their nearest neighbors. They have two 3,000-foot piers, a 6,000-foot dike and a dredged harbor channel, built with $355,885 in Federal funds and maintained over the years with another $467,552. Congress is now being asked to spend another $398,000 for them. The annual costs will run $18,000. The yearly "benefits" to the professional fishermen and to summer tourists who come for sports fishing can't be stretched over $10,000. That's $8,000 a year less than the yearly cost to Uncle Sam.

HELP FOR FLY CREEK

A $14,000 dredging job on Fly Creek, near Fairhope, Ala., would permit "15 recreational craft" to use the creek and would "to a large extent" eliminate some damages to the 45 craft that now harbor in the creek. It would cost an added $2,000 a year to maintain the project. The chief beneficiaries: 60 boat owners.

A $1,356,000 project proposed for the Detroit River in Michigan is justified on the basis of saving the Detroit Edison Co. $94,000 a year in transporting coal to a power-generating plant. This saving, the engineers assure Congress, would be "reflected in the rates paid by the general public" for electricity. It is noted, but not emphasized, that $54,000 of this saving would result from diverting coal shipments from railroads to water.

Then there is a proposal that the United States take over the $46,000-a-year job of maintaining a silt catch basin on the James River. The result: A saving of $46,000 for the city of Richmond, Va.

The bill for such projects climbs fairly steadily. The original estimated figure for public works already given the green light was $4,365,000,000. Today it would take an estimated $7,000,000,000 to complete them. Much of this climb has been in the past 2 years, when building costs have been relatively stationary.

These multi-billion-dollar public works are the main reason for the Corps of Engineers' hefty payroll. There is a widespread impression that this Army unit does a good share of the work and thus trains vast numbers of military personnel. Actually, the Corps' civilian personnel numbers 45,000—nearly 18 times its total military strength of 2,500, mostly officers. Further, the corps does only the planning. The actual work is done by private contractors who, like the home folks, like to see a good backlog of projects on hand.

THE SAVING IN LIVES

Sometimes costly flood-control programs are justified in terms of the saving in lives, homes, crops, and the like. There's little quarrel with these objectives, though there is frequent questioning whether many of the ambitious projects are essential.

The Corps of Engineers argues that its men surveyed 574 of the Nation's rivers and streams but recommended only 260 flood-control programs—most of which, however, call for several projects.

The approved flood-control programs, which reach into 45 States, range from plans to harness entire rivers—$240,000,000 for the upper Mississippi; $450,000,000 for the Missouri; $1,300,000,000 for the Ohio River Basin—to piddling thousand-dollar activities in isolated spots.

They're not all designed to protect the living, either. In the Senate bill there's a proposed $50,000 for Livingston Parish, La., to divert the Amite River from an old cemetery. The river's flow has been caving in the banks and has already cut away a 40-foot-wide section of the cemetery. Says the Corps of Engineers: "The benefits of this $50,000 job are largely intangible and not susceptible to monetary evaluation."

Mr. DOUGLAS. Mr. President, I should also like to point out that the Bureau of the Budget, in a report on April 13, 1948, declared that this project was not in conformity with the program of the President. I quote from the report of the Bureau of the Budget in which it is stated:

Practically all of the benefits from the recommended 28-foot channel would be gained by a single private concern. As you know, and as past reports of the Corps of Engineers have indicated, it has been the policy of the United States, where major benefits from a navigation project accrue principally to a restricted area or to a single organization, to require a proportionately greater local participation in the improvement. On this basis, the local cooperation requirements proposed in the report of the Chief of Engineers would be wholly inadequate.

I am, therefore, advising you that, while there would be no objection to submission of the report to Congress, authorization of the modification of the project to include a 28-foot channel in St. Marys and North Rivers should not be considered to be in accord with the program of the President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

Mr. GEORGE. Mr. President, I dislike to take a moment's time, but if the Senator from Illinois is exhausting his energy in fighting windmills of this kind, he is getting nowhere for the country, and is not advancing the public interest.

St. Marys River is one of the largest and deepest rivers on the Atlantic coast. It was surveyed under a direct order by President Washington. It was the chief port of entry in the United States south of Philadelphia back in the embargo days. On the Florida side and on the Georgia side there are manufacturing enterprises of considerable consequence.

Moreover, coming out of Cumberland Sound, and diagonally across St. Marys River at this point is the gateway of that portion of the whole Intracoastal Waterway system in the United States.

This provision was passed by the House, and was approved by the House committee, and certainly no one has appeared before the Senate committee to say anything about it. But here is a motion to eliminate a project relating to one of the oldest development programs on the southeastern coast.

Mr. President, I happen to be personally acquainted with this situation. A large fertilizer plant, operated to utilize the catch of fish and in making fish scrap for commercial purposes, on the one side. There is a tremendous kraft manufacturing plant on the other side of the river, and on the Florida side there are like enterprises of very great moment and consequence.

Mr. DONNELL. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield to the Senator from Missouri.

Mr. DONNELL. Will the Senator tell us the number of persons employed who would benefit by reason of these industries to which he refers?

Mr. GEORGE. There are several hundred. I may say to the Senator that from the mouth of St. Marys River to the village of St. Marys, 2 miles up the river, there is a considerable population. There is a considerable population in the city of Fernandina, one of the progressive cities of Florida, which is at the very mouth of the river on the Atlantic side. There are innumerable fishing boats and commercial boats which ply this river daily. There are innumerable ships which come down the Intracoastal Waterway, go on down around Florida and into the Gulf.

Mr. President, this is a most important project, and I am surprised that anyone has been misled into raising a question about it. If there were any economy in the amendment, if there were any lack of necessity for reasonable treatment of this river at this point, I should be one of the first to say so.

Mr. HOLLAND. Mr. President, I think it is unnecessary to add to the statement made by the senior Senator from Georgia, but there are three facts which I should like to place in the RECORD to add to the statement.

First, there is the fact that after the project was once turned down, it was considered again and was approved by the Rivers and Harbors Board, and, as

shown by the engineers' statement before the House committee and the Senate committee, the ratio of benefits to cost is 2.78 to 1, nearly 3 to 1, which is a rather high ratio of benefits to cost.

Second, this project, in addition to the benefits mentioned by the Senator from Georgia, serves about a million acres of timberland, and makes water available for handling the timber from those lands, not only to the mills at St. Marys, but two mills in Fernandina, and mills at Jacksonville, and Savannah, all served by the coastal waterway which was mentioned by the Senator from Georgia.

The third thing I should like to mention is the benefits which are stated in the engineers' report, which I read briefly:

> The annual benefits are estimated at $149,400 and are composed of (a) a saving of $2 a ton on the receipt of 15,000 tons of Scandinavian pulp and 10,000 tons of chemicals, and on the shipment of 40,000 tons of paper, all by the St. Marys Kraft Corp.; (b) a saving of 5 cents a ton on the receipt by barge of 100,000 tons of pulpwood by the same company; and (c) a saving of 12 cents and 30 cents a ton on 50,700 tons and 27,600 tons, respectively, of pulpwood transported by the Union Bag & Paper Corp. The benefit-cost ratio is 2.78.

Then the later statement. It was pointed out that the improvements would serve a tributary area of approximately 1,000,000 acres of timberlands, largely in small tracts, the many owners of which depend for their livelihood on the income from the pulpwood and timber cut from their lands; and that these products would be transported to various industries along the Atlantic Intracoastal Waterway as far as 100 miles north and south of the junction with the St. Marys River, in addition to the plants at St. Marys and Savannah.

Mr. DOUGLAS. Mr. President, I should like to point out that while there will be benefits, the benefits are given virtually entirely, according to the House report, to one company.

If that company were making an adequate contribution to the total cost of the project, I would not object to it. The project may well have certain values, as the Senator from Georgia and the Senator from Florida have pointed out. But the costs of the project are being borne by the taxpayers of the United States, though the benefits are given as 90 percent to one company and 10 percent to another company. I do not believe we should have an authorization of a million dollars of public funds to benefit such a narrowly restricted group.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. I send another amendment to the desk which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10 it is proposed to strike out lines 9 and 10.

Mr. DOUGLAS. Mr. President, this amendment calls for the rejection of the so-called Trenton Channel project in the Detroit River outside Detroit, Mich. The estimated cost of the project is $1,356,800. The annual charges will be $52,750 with maintenance of $1,100, so the annual cost will be $53,850. A reading of the justification for this proposal will disclose that it is almost solely designed so that the Detroit-Edison Co. can have 1,000,000 tons of coal shipped and unloaded at less expense each year.

This is another case of a general Federal appropriation for the specific benefit of a single corporation, which itself does not make any real contribution to the construction project. Therefore, I think it is against the public interest. I may say it was not recommended by the Bureau of the Budget, which stated it was not in accord with the President's program unless the local interests made an adequate cash contribution to its cost.

Mr. FERGUSON. Mr. President, I do not want to take much of the time of the Senate. I ask unanimous consent to have placed in the RECORD a portion of the report of the House Committee on Public Works, beginning with Detroit River, Mich., improvement of Trenton Channel over to Toledo Harbor in Ohio, on page 73.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

DETROIT RIVER, MICH., IMPROVEMENT OF TRENTON CHANNEL

(S. Doc. 30, 81st Cong., 1st sess.)

Location: Detroit River, an international boundary stream, extends from Windmill Point at the foot of Lake St. Clair to Detroit River Light in Lake Erie, a distance of about 32 miles. It constitutes the connecting channel of the Great Lakes system between Lakes St. Clair and Erie. The upper 13 miles of the river above Fighting Island consist generally of one channel having a minimum width of 800 feet and a minimum depth of 25 feet. The river is wide and contains many islands and shoals. Grosse Ile, about 1.5 miles wide and 9 miles long, is in the lower river with its southern end about 5 miles above the mouth of the river.

Report authorized by: Review resolution adopted by the Public Works Committee of the Senate, July 22, 1947.

Existing project: The existing project for Detroit River provides for improvement of several channels in the lower portion intended to provide a minimum depth of 26 feet and 21 feet for down-bound and up-bound traffic, respectively. The portion of the existing project pertinent to Trenton Channel provides for improving Trenton Channel (west of Grosse Ile), 21 feet deep and 250 feet wide, extending from deep water near the head of the island to a point 1,700 feet below the lower Grosse Ile bridge, ending in a turning basin of the same depth and 17 acres in area.

The project for Trenton Channel was completed in 1940 at a cost of $1,058,000. Very little maintenance has been required.

Plan of recommended modification of the existing project: That the existing project for Detroit River, Mich., be modified to provide for (a) extending the turning basin 600 feet to the southward, at a depth of 21 feet, to provide a basin 29 acres in area; (b) dredging a channel 21 feet deep, low-water datum, through the east draw opening of the lower Grosse Ile bridge; and (c) extending the 300-foot width of channel, north of lower Grosse Ile bridge, 500 feet northward by dredging to project depth an area 50 feet wide and 500 feet long adjacent to the west channel line.

Estimated cost to United States: $1,356,800.

Local cooperation: The modification is recommended provided that responsible local agencies give assurances satisfactory to the Secretary of the Army that they will furnish without cost to the United States all lands, easements, rights-of-way, and spoil-disposal areas necessary for the construction and subsequent maintenance of the project, when and as required; and hold and save the United States free from damages due to the construction and subsequent maintenance of the works.

Annual cost of maintenance to United States: $1,000 in addition to that now required.

Benefits: The maximum amount of coal which could be delivered annually under existing channel conditions is estimated at 800,000 tons. The remaining 200,000 tons of the estimated 1,000,000 tons required by 1950 would move by rail at a cost of 27 cents a ton in excess of the cost of transportation by water. The cost of transporting 800,000 tons of coal by water under present conditions is estimated at 5 cents a ton in excess of transportation costs after the proposed improvements are made. The annual benefits from the proposed modification of the project would therefore be a $54,000 saving in charges on 200,000 tons which otherwise would be transported by rail and a $40,000 saving in the cost of water transportation of 800,000 tons, a total of $94,000. The benefit-cost ratio is therefore 1.75.

Remarks: The Detroit Edison Co. is increasing the capacity of its power plant on Trenton Channel near the lower Grosse Ile bridge by the addition of two 100,000-kilowatt units. It is estimated that they will receive 640,000 tons of coal in 1949 and 1,000,000 tons in 1950. The average annual tonnage of coal received on the Trenton Channel from 1941 to 1946, inclusive, was about 377,800 tons. The prospective increase in the receipts of coal clearly indicates a need for additional improvement of Trenton Channel. The coal in question would be used by the Detroit Edison Co., a regulated public utility, for production of electrical energy. However, the benefits would be general in nature since saving in cost of production would be reflected in the rates paid by the general public for the energy.

Use of Trenton Channel is now limited to daytime operation of craft not exceeding 400 feet in length. Use of larger craft is impracticable and night operation is dangerous. The present trend is toward the use of craft having lengths up to about 600 feet. The proposed improvement would provide suitable accommodations for the larger craft. The resulting benefits would be mainly general in character which warrants Federal participation in the improvement.

Mr. FERGUSON. Mr. President, I call the attention of the Senate to the fact that the corporation that is intended to be benefited is a public utility. The report says, and it is true:

> The coal in question would be used by the Detroit Edison Co., a regulated public utility, for production of electric energy. However, the benefits would be general in nature since saving in cost of production would be reflected in the rates paid by the general public for the energy.

To this district, which includes the city of Detroit, the Detroit Edison Co. furnishes the electricity, and therefore is a regulated public utility, and the project will be of benefit to all the residents in that district, who number more than two million.

Mr. DOUGLAS. Mr. President, this project is not approved by the Bureau of the Budget. The Bureau letter also stated:

It has been the policy of the United States where major benefits from a navigation project accrue principally to a single organization, to require a proportionately greater local participation in the improvement. The fact that in this instance the benefits would accrue to a regulated public utility is not considered significant, since in the last analysis savings in the cost of doing business which accrue to any type of private enterprise, regulated or competitive in nature, as a result of public improvement should be considered as being passed on to the ultimate consumer. The important point is that the cost of improvements such as proposed in this report, when benefits accrue to only one establishment, are a proper charge against the production cost of the establishment. On this basis, the local cooperation requirements proposed in the report of the Chief of Engineers appear to be wholly inadequate.

I also think it is highly conjectural that savings in costs will necessarily be passed on to the public in reduced rates. We notice that when there are increased costs to a public utility, increased rates follow, but it does not always work out reciprocally that when savings are made to the company reduced rates result.

Mr. FERGUSON. I think the Senate can rely on the Public Utility Commission of Michigan. When the proposed saving is made that saving certainly will not be considered as justification for any increase. There will be only one justification, which will be a decrease in rates. I hope the item may be retained.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send to the desk another amendment which I ask to have stated.

The PRESIDING OFFICER The amendment will be stated.

The CHIEF CLERK. On page 3 it is proposed to strike out lines 1 and 2.

Mr. DOUGLAS. Mr. President, this amendment is to strike out an authorization for $228,000 at Fire Island Inlet in New York which has annual charges and maintenance of $93,860. The project provides for dredging a channel 250 feet wide and 10 feet deep between the Atlantic and Great South Bay.

The claimed benefits relate to the transportation of petroleum, now being hauled by truck, to Patchogue. Other benefits are supposed to accrue to oyster and shell fishermen, pleasure craft, sport fishing, and recreational boating. But this whole thing is in reality in large part to help the pleasure boats and yachts at the southern part of Long Island where the summer vacation business is an important one. I do not think we need public aid to this degree for those who are down to their last yacht.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 9, it is proposed to strike out lines 11 and 12.

Mr. DOUGLAS. Mr. President, this is a proposal to eliminate an authorization of $114,000 for improving Grand Marais Harbor in Minnesota. I should like to call attention to the fact that in this project the benefit-cost ratio estimated by the Army engineers is less than 1. It is only 0.73.

In view of the fact that the Army engineers consistently underestimate costs and tend to overestimate benefits, the fact that even their ratio shows smaller benefits than annual costs makes one believe that this is truly an uneconomical project. I ask therefore that it be rejected.

Mr. CHAVEZ. Mr. President, neither the junior Senator nor the senior Senator from Minnesota is present in the Chamber at the moment. The item is a House item. I hope the Senate will vote down the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. I send another amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 23 it is proposed to strike out lines 10 through 16.

Mr. DOUGLAS. Mr. President, this is a proposal to strike out the authorization of $20,000,000 for the central and southern Florida project. It was originally $10,000,000 as proposed by the House. It was raised to $20,000,000 by the Senate committee. I should like to point out that there has already been authorized for this project $16,300,000. Two-thirds of the benefits claimed are due to increased utilization of drained land, but local contributions to the total construction costs will be only about one-sixth of the total. Therefore it would seem to be a case where there is a large Federal contribution for local property holders which will not be met by any adequate local payment.

Mr. HOLLAND. Mr. President, I regret exceedingly that the Senator from Illinois in his zeal for economy has not gone far enough into this lifesaving project really to understand its fundamentals. Here is a flood-control project built upon a necessity developing from the fact that 2,500 American lives have been lost in the course of two storms there. There has been no such other loss from storm anywhere else in the Nation so far as I can now recall.

Mr. President, the people of Florida and its various subdivisions spent $29,000,000 of public money before the Federal Government came in there, and are now saddled with the necessity of paying 38 percent of the cost of this program, because that is the allocation of the cost of the program between those functions which are purely Federal, that is, flood control and navigation on the one hand, and those which are such that they accrue to the value of the property and to the service of the local people, such as better land use and better water use.

Mr. President, I do not know of any project of the sort in recent times in which 38 percent has been required. But the State of Florida and its subdivisions welcome the chance to cooperate with the Federal Government in this particular matter. We are not involving the Federal Government any further than the Federal Government is already involved. We have approved the first phase of this program involving about $70,000,000, that is including Federal, State, and local contributions. But we simply authorized an appropriation of $16,300,000 some time ago. If the Senator had taken the trouble to look at the budget, he would have found an item of $7,500,000. We are simply trying to build up the authorization so as to take care of the next 3 years. If it goes beyond that, it was not so intended. So far as the Senator from Florida is concerned he does not feel that his good friend the Senator from Illinois would want to stand in the way of necessary protection of threatened life and property, if he really understood the situation.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. DOUGLAS. Mr. President, I know that Senators are anxious that the Senate proceed with the bill and act upon it as soon as possible, but in view of certain statements made by the Senator from Florida I should like to make reply, if I may.

Mr. MALONE. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. Yes.

Mr. MALONE. I should like to ask the junior Senator from Illinois if at any time he appeared or asked to appear before before the Public Works Committee on any of the projects in which he is so deeply interested at this time.

Mr. DOUGLAS. No; I did not appear. I did not know when the hearings were being held. I had certain other work to do.

It does not seem to me that it is inappropriate for a Senator, even though he is not a member of the committee, and has not appeared before it, to act as a Member of the Senate when certain appropriations come up for consideration before that body. In other words, I think the Senate as a whole has the right to review authorizations made by committees, and that individual Senators are not estopped from making their proposals even though they have not appeared before the committee. We have our own pressing committee work and so must review the action of other committees when their work reaches the Senate floor.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MALONE. I have been listening very carefully to the Senator's remarks on each of the projects which he has been discussing. Some of the projects I myself, as chairman of the subcommittee in 1947 and 1948, examined, especially the one in Florida which has just been discussed, for example. I have heard no discussion from the distinguished junior Senator from Illinois which would lead me to believe that he is even remotely familiar with any of them.

Mr. DOUGLAS. I have tried to familiarize myself with them. If I am not

familiar with them, probably that will be made manifest, and I shall be properly rebuked. However, Mr. President, I have tried to study these carefully for the past few weeks. I have studied the vast number of projects in the bill, and while I will move to strike out about 55, I will only be moving against the most obviously unsound projects.

There is one point which I should like to make, following the reprimand just administered to me by the Senator from Nevada, namely, that Congress has already authorized $16,300,000 for this project by the Flood Control Act of 1948. However, no money has as yet been appropriated, according to the House report, even though an appropriation may be carried in the appropriation bill now before the House of Representatives. The report of the House Public Works Committee on page 90 states:

> Present authorization and status: Congress, in the Flood Control Act of 1948, authorized the appropriation of $16,300,000 for the partial accomplishment of the first phase of this comprehensive plan. Since funds have not been appropriated as yet, no construction has been started.

Therefore I hardly see the necessity for enacting a further authorization at this time.

Mr. HOLLAND. Mr. President, the Senator from Illinois is mistaken. An appropriation has been made, and the work has been going forward. The Senator simply has not familiarized himself with the program.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. SALTONSTALL. Mr. President, I have no amendment to offer, but I should like to have two documents printed in the body of the RECORD, following these brief remarks by me. On page 46, in lines 17 to 22, there is authorized a survey of the rivers in New England, for power and other purposes. That item was inserted by the committee as the result of a petition by my colleague and others.

I should like to have inserted at this point in the body of the RECORD a conclusion appearing on pages 67 and 68 of the report submitted by the New England Council, a group of businessmen from all the New England States, made in 1948, by the chairman of its power survey committee, E. H. Hunter. Having received a copy of that report, I sent it to the Federal Power Commission, and under date of February 28, 1949, I received a letter signed by Nelson Lee Smith, Chairman of the Federal Power Commission, giving the views of the Federal Power Commission with respect to that survey by the New England Council, and adding some ideas of their own. I wish to have this printed in the RECORD because all these matters are in connection with that survey. Therefore, I ask unanimous consent to have them printed in the RECORD following these remarks by me.

The PRESIDING OFFICER. Is there objection?

Mr. CHAVEZ. Mr. President, I am extremely sorry, but I have to object at this particular time.

The PRESIDING OFFICER. Objection is heard. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 30, it is proposed to strike out lines 1 through 7, inclusive.

Mr. DOUGLAS. Mr. President, this is a proposal to strike out an authorization for $36,220,000, on the Grand (Neosho) River in Oklahoma. I should like to read certain passages from a letter of the Bureau of the Budget under date of May 12, 1947.

Mr. KERR. Mr. President, will the Senator yield at this point for a question?

Mr. DOUGLAS. I yield.

Mr. KERR. Does not the bill in lines 2 and 3 also say: "and its tributaries, Oklahoma, Kansas, Missouri, and Arkansas," and so forth?

Mr. DOUGLAS. That is correct.

Mr. President, on page VIII of House Document 442, of the Eightieth Congress, second session, the Bureau of the Budget expressed itself as follows:

> It appears that since the benefit-cost ratio was only 1.04 at the time of the preparation of the basic estimates in 1944, the work could not be justified at current construction-cost levels.

Costs have risen. The benefits had not risen proportionately. The margin of benefits over costs was very slight in 1944.

Again I wish to point out that the Army engineers underestimate costs and tend to overestimate benefits. So the Bureau of the Budget did not think this project was justified. Furthermore, it did not think that certain irrigation problems were adequately met by the procedure proposed, and the Bureau of the Budget further said:

> On the basis of the information available to this office, authorization of the proposed improvements should not be considered to be in accord with the program of the President at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have inserted at this point in the body of the RECORD a tabular summary of the projects which I sought to have stricken from the bill by the series of amendments I have previously offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

TABLE I.—*House projects proposed to be eliminated by individual amendments offered by Senator Douglas to H. R. 5472*

Name	House report, page	Senate bill, page	Federal cost	Federal annual maintenance [1]	Claimed benefit-cost ratio	Remarks
Sandy Hook Bay, N. J.	17	3	$45,000	$7,500	1.46 (p. 4)	Bureau of Budget—not in accord with President's program. Harbor primarily for recreational craft (only 5 clam boats, p. 13). Benefits extremely speculative. Not needed for storm refuge—already 6 projects within 10 miles (House hearings, p. 75).
Lake Ogleton and Walnut Lake, Md.	18	3	76,000	1,000	1.42	Bureau of Budget—not in accord with President's program. Project purely for recreational craft—no Navy use (House hearings, pp. 93 ff.). Benefits highly speculative—availability of other anchorage facilities 1½ and 2½ miles away. Absolutely unnecessary.
Fly Creek, Ala.	43	7	14,000	2,000	1.25	Primarily recreational—for benefit of 45 recreational craft and to induce 15 more to move base from Mobile to Fly Creek.
Governors Run, Md.	20	3	59,450	2,000	1.03	Bureau of Budget—low priority. Low benefit-cost ratio. Benefits recreational boats. Only helps fishermen by eliminating awaiting favorable tides.
St. Marys River, Ga. and Fla.	33	5	918,000	18,000	2.78	Bureau of Budget—not in accord with President's program unless adequate contribution made by local interests. Practically all benefits (90 percent) gained by a single private concern (St. Marys Kraft Corp.). (See Wall Street Journal, Apr. 5, 1950, p. 1.) Other 10 percent of benefits go to Union Bag & Paper Corp. (House report, p. 34).
Detroit River, Mich.	72	10	1,356,800	1,000	1.75	Bureau of the Budget—not in accord with President's program unless adequate contribution made by local interests. All benefits to Detroit Edison Co.
Fire Island Inlet, N. Y.	13	3	228,000	85,000	2.09	Estimated future traffic is 60,500 tons. United States taxpayers would pay $1.50 per ton. Would also benefit commercial and sports fishing. This whole area is really a summer resort.
Grand Marais Harbor, Minn.	67	9	114,000	1,500	.73	Bureau of the Budget—low priority. Almost purely for benefit of recreational boating and fishing. Not economically justified.
Central and southern Florida	89	23	(2)	(3)	2.05	⅔ of benefits due to increased utilization of land, but local contribution to construction costs will be only ⅙ of first phase. $16,300,000 already authorized in 1948, but no funds yet expended. (House report, p. 90.)
Grand River, Okla.	68	30	36,220,000	74,000	1.1	Bureau of Budget—not in accord with President's program. Benefit ratio only 1.04 when basic data compiled. Unresolved conflict between Army and Interior. Work cannot be justified at current costs.
Approximate total			58,000,000			

[1] Annual maintenance figures do not include carrying charges (interest, obsolescence, depreciation). This normally amounts to about 4 percent of the Federal cost.
[2] $10,000,000 by House increased to $20,000,000 by Senate; total cost, $171,041,000.
[3] Not available.

Mr. DOUGLAS. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, strike out lines 10 through 12, and lines 15 through 24; on page 3, strike out lines 3 through 6, and lines 19 and 20; on page 4, strike out lines 3 and 4, and lines 12 through 16; on page 5, strike out lines 1 and 2, lines 5 through 7, lines 12 and 13, and lines 21 through 25; on page 6, strike lines 1 through 14, and lines 23 and 24; on page 7, strike lines 1 and 2; on page 8, strike lines 10 through 13, and lines 19 through 22; on page 9, strike lines 1 and 2, and lines 5 through 10; on page 10, strike lines 5 and 6, lines 11 and 12, and lines 21 through 24; on page 22, strike lines 1 through 6; on page 24, strike lines 3 through 9, and lines 18 through 23; on page 28, strike lines 3 through 9, and on page 34, strike lines 5 through 9.

Mr. DOUGLAS. Mr. President, this is a proposal to eliminate some 40 individual projects, which, for the sake of accelerating the procedure I have lumped together, rather than to present them one by one.

If the amendment were agreed to, in my judgment it would save approximately $61,000,000.

I may say that if we study each one of these projects and then try to get a general view of them, we find that the primary arguments for the harbor projects are confined roughly to two classes.

The first argument is that they would help recreation, help those who have sailboats and motorboats, a somewhat restricted class of the population. I do not believe we should extend the benefits of the welfare state as thoroughly as that.

In the second place, the argument runs that it is necessary to deepen channels so that fishing boats can move in and out of the harbors at all hours.

Mr. President, my ancestors were fishermen along the coast of Maine for somewhat over 200 years. I know something about the habits of fishermen. Fishermen are sturdy folk who do not need to get in and out of the harbors at all hours. They can adapt themselves in large degree to the tides, and generally it will be found, in the case of most of these harbors, that the depth of water for 3 hours on one side or the other of low tide will permit the boats to go in and out, and that the harbors are usable for not far from 18 hours in the day.

The life of a fisherman adapts itself to the tides. It is not necessary for him to work on factory hours; indeed, he does not know what factory time is.

It is said that such projects, if completed, would release the time of fishermen, so that they could do other things in the time thus saved. I think that is highly conjectural—knowing the life of a fisherman. They fish so many hours during the day; and when the fishing is over, they do other things. It does not matter very much at what time they do them.

So I would say that the benefits that are claimed for all those proposals are highly conjectural, and in many cases are fictitious.

In some of the other projects, the Bureau of the Budget has raised serious objections, has rated them low priority and in the last case has stated it is not in accord with the President's program. Inadequate local contributions to the cost of the construction are the cause of another basic objection.

The costs, however, are real, and here is an instance where we can save approximately $61,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a summary table of the various projects which were involved in the last amendment, together with comments. I think this table will point out to some extent the character of many of the projects in this bill which I have been trying to eliminate.

There being no objection, the summary and comments were ordered to be printed in the RECORD, as follows:

Individual projects proposed to be eliminated by omnibus amendment to H. R. 5472 offered by Senator Douglas

Name	House report page	Federal cost	Senate bill page	Claimed Federal annual maintenance[1]	Benefit cost ratio	Remarks
Scarboro River, Maine	7	$133,570	2	$3,600	3.12	Subsidizes fishing and recreation.
Winthrop Beach, Mass	8	216,000	2	None		Increases land value, helps recreation, improves beach (Bureau of the Budget, low priority).
Mystic River, Mass	10	2,908,000	2	4,000	1.19	Eliminates delays awaiting favorable tide.
Mattapoisett Harbor, Mass	10	33,000	2	1,500	1.32	Harbor for small boats, stimulate recreational activity.
Stonington Harbor, Conn	11	34,500	2	1,500	2.80	Additional anchorage for recreational craft, increase number of summer visitors with boats.
Eightmile River, Conn	12	18,000	2	1,000	1.0 to 1.76	Provides anchorage for recreational craft.
East Chester Creek, N. Y	14	664,000	3	4,800	3.29	Now often have to wait for tide; also let in bigger boats.
Jamaica Bay, N. Y	15	377,000	3	7,500	2.5	Eliminates delays awaiting tide and permit heavier loading.
Hellens Creek, Md	19	10,400	3	1,000	5.47	Increases fishing hours, increases property values.
St. Patricks Creek, Md	21	18,200	4	4,800	1.47	Eliminates awaiting favorable tide.
Kings Creek, Va	22	93,000	4	9,500	1.7	Subsidizes fishing, helps recreational boating and fishing.
Bowlers Harbor, Va	23	118,000	4	2,800	1.39	Provides suitable harbor for commercial and recreational craft.
Far Creek, N. C	26	80,000	5	6,000	1.06	Subsidize fishing and help lower shipping costs. Low benefit-cost ratio.
Waterway, Marshallberg, N. C	27	19,400	5	750	1.35	Induce more fishermen to visit—reduces fishing travel time.
Cape Fear River, N. C	29	1,331,000	5	None	1.21	Eliminates awaiting for tide; eliminates partial cargos.
Fernandina Harbor, Fla	34	242,000	5	5,000	1.0 to 1.46	Eliminates waiting for tide.
St. Augustine Harbor, Fla	35	1,892,000	5	36,600	1.41	Eliminates shrimp boats awaiting tide; helps beaches. (Benefit ratio is to carrying charges—total benefits are only $8,300).
Palm Beach, Fla	36	7,500	5	None	Good	Purely beach improvement for recreation.
Lake Worth Inlet, Fla	38	305,000	6	1,000	1.10	Reduces vessel operating time.
Charlotte Harbor, Fla	39	214,000	6	None	1.73	Saves vessel operation costs.
Horseshoe Cove, Fla	41	194,000	6	5,000	1.2	Eliminates lost fishing time, permit larger chartered sports fishing boats, permit operation of recreation craft.
La Grange Bayou, Fla	42	99,000	7	2,500	1.4	Helps navigation, eliminates awaiting for tide.
Little Bay, Tex	6	29,800	8	1,000	1.3	Helps fishing and recreation.
Trinity River, Tex	8	3,410,000	8	Zone	1.28	Protects lands subject to floods due to interior drainage—local contributions insufficient.
Mississippi River, Hannibal, Mo	59	50,419	8	1,416	1.12	Purely for recreational boating.
Mississippi River, Davenport, Iowa	60	91,200	8	100	1.71	Protect small boats; primarily recreational.
Mississippi River, Muscatine, Iowa	61	89,150	9	600	1.3	Small boat harbor; increase shipments of grain.
Mississippi River, Prairie du Chien, Wis.	64	120,100	9	1,000	2.35	Help commerce, but also small boats.
Mississippi River, Alma, Wis	65	29,500	9	100	1.47	Purely for recreational craft.
Hudson Harbor, Wis	66	58,100	9	100	1.46	Small boats only.
Grand Marais Harbor, Mich	71	398,000	10	None	Below 1.0	Summer visitors, recreational fishing.
Toledo Harbor, Ohio	73	329,000	10	4,000	1.12	Eliminates delays when backing out from railroad dock and turning toward the lake.
Westport Slough, Oreg	78	112,000	10	8,400	1.2	Eliminates awaiting for tide.
San Joaquin River and Stockton Channel, Calif.	76	4,214,000	10	None	1.5	Burns cut-off (first cost), $3,427,000; Bureau of Budget low priority—should be deferred.

See footnotes at end of table.

Individual projects proposed to be eliminated by omnibus amendment to H. R. 5472 offered by Senator Douglas—Continued

Name	House report page	Federal cost	Senate bill page	Claimed Federal annual maintenance[1]	Benefit-cost ratio	Remarks
Lackawaxen River Basin, Pa.	85	[2] $6,000,000	22	$18,000	0.33 (estimate)	Bureau of Budget questioned whether improvements were properly a Federal responsibility.
St. Francis River Basin, Mo. and Ark.	91	[20,000,000 [351,100,000	24	500,000	2.0	Bureau of Budget low priority. No local cooperation required although annual benefits from increased land utilization amount to $1,838,000.
Cache River Basin, Ark. and Mo. (Lower Mississippi Basin).	93	[10,000,000 [322,400,000	24	None	1.53	Bureau of Budget low priority.
Genesee River, N. Y.	95	609,000	28	None	[Wellsville, 1.9 [Caledonia, 2.0	Local contribution ($50,000 cash) inadequate.
Bradford, Pa.	115	6,467,000	31	None	1.02	Bureau of Budget not in accord: "Protection afforded * * * inadequate * * *."
Approximate total		61,000,000				

[1] Annual maintenance figures do not include carrying charges (interest, obsolescence, depreciation). This normally amounts to about 4 percent of the Federal cost.
[2] Additional.
[3] Total coost.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, I offer my amendment D which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 11, line 7, it is proposed to insert the following:

Shilshole Bay, Wash., in accordance with the report of the Chief of Engineers dated December 21, 1949.

Mr. MAGNUSON. Mr. President, I shall not burden the Senate for longer than 2 or 3 minutes in regard to this amendment.

I have been listening with great interest to what the Senator from Illinois has said regarding economy. I feel that this amendment is a real economy amendment.

The Senator from Illinois is familiar with the topography of the city of Seattle and the big Lake Washington and Lake Union and the locks which open to Puget Sound and to the salt water. This amendment calls for the participation by the Federal Government in the building of a breakwater beyond the locks. The whole project is estimated to cost approximately $4,000,000, of which the local participation would be $1,500,000.

The only reason we have been forced to suggest a breakwater is because of the following situation: The traffic through the locks, from the fresh water to the salt water—and these are the second largest locks, next to the locks of the Panama Canal, on this continent—is so great and has been so great, both by fishing boats, pleasure boats, and even cargo-carrying steamers, including lumber steamers, that either we shall have to come to Congress and request a substantially larger appropriation for the purpose of enlarging the locks—they are Federal projects, and were built by the Federal Government in 1914, or thereabouts—in order to accommodate the tremendous traffic in and out, and at all times of the day, or to build a relatively small breakwater in Puget Sound, so that when the boats come in they can stay behind the breakwater without difficulty and await their turn. Now, when they come in from the salt water there is absolutely no anchorage whatever, and sometimes, as in the case of Chesapeake Bay, Puget Sound kicks up quite a bit, and there is great congestion, and no harbor.

It was thought it would be wise economy to build a breakwater, so there would be a place where the ships could anchor to await their turn to go through the lock, rather than spend a huge sum to enlarge the locks.

As a matter of fact, this amendment would have been presented to the House of Representatives, but the Army engineers were making a survey of the traffic and of the situation there, in order that they might decide on one of three things: Whether to restrict the use of the locks during certain hours, whether to ask for an appropriation to enlarge the locks, which would involve many million dollars, or whether to follow the procedure of building a breakwater. They have come to a conclusion, a considered opinion, that a breakwater would be the most economical solution of the matter, and the Bureau of the Budget has cleared it and has given this project a high priority.

The project was approved by the Bureau of the Budget on March 20, because of the emergency involved, and was transmitted to Congress on April 6. The approval of the Budget Bureau is contained in House Document No. 536. I tried to get the document from the House Document room, but it is closed. I understand, however, that the chairman of the committee has information that the Budget Bureau approved highly of this project, and I think in the long run it would save a great deal of money, because we would have to do one thing or the other. I appreciate that it would add to the bill, but I do not think it would add to the cost of what we are going to have to do on this project in the next 2 or 3 years. I hope the committee will accept the amendment.

Mr. CHAVEZ. Mr. President, only today I have been informed that the Bureau of the Budget had cleared the report of the Army engineers; but we never did have hearings on this particular project. I should like to accommodate the Senator from Washington, but, carrying out the strict instructions of the committee to oppose any project on which hearings were not held, I must object to the amendment.

Mr. MAGNUSON. I appreciate the position of the chairman. I am wondering whether he will give me any assurance that, because of the emergency involved, we may be able to present the matter to the committee, in the hope that we may bring it out, even in a separate bill, other than a rivers and harbors bill.

Mr. CHAVEZ. I can give the Senator from Washington the assurance that if he introduces a bill, the chairman will get the Subcommittee on Flood Control and Rivers and Harbors busy immediately to consider it.

Mr. MAGNUSON. I thank the Senator.

Mr. President, I ask unanimous consent to place in the RECORD following my remarks, and prior to the vote, a short statement on this project.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

SHILSHOLE BREAKWATER—AMENDMENT TO H. R. 5472

Mr. President, I will now call up an amendment I introduced on March 13, calling for authorization of the Shilshole Bay breakwater Seattle, Wash. Since the amendment was introduced, Bureau of Budget has approved the project and the Chief of Engineers has transmitted a favorable report to the Congress.

This is a small project, estimated to cost about $5,000,000. The Federal share is about $3,500,000, local contribution $1,500,000.

This project has been under consideration for over 20 years. It contemplates a breakwater 4,200 feet long. The area behind this breakwater will be dredged to a depth of 10 to 15 feet. It will provide a small boat basin of about 72 acres in area. Chief benefits will accrue to fishing boats, pleasure boats, and other boating interests.

The breakwater is located just north of the ship canal and lock which connects Puget Sound with Lakes Union and Washington. Traffic through the lock is so heavy that the Army engineers held a conference with boating interests this fall to ascertain if some restrictions upon use of the lock could be worked out to reduce traffic. The alterna-

tives are to enlarge the lock, impose regulations on its use, or construct this breakwater. For the next few years a combination of restrictions, plus the breakwater, may eliminate the necessity for enlarging the lock.

Fishing boats and pleasure craft have no suitable place to anchor in the sound. On holidays and week ends, fishing craft are forced to "lay to" at the entrance of the channel leading to the lock for as much as half a day, awaiting their turn to enter. During a storm, this is a very dangerous procedure. The Shilshole breakwater will eliminate the danger involved in awaiting use of the lock and in many cases the necessity of going through the locks at all.

The project has the approval of Seattle City Planning Commission, all local interests involved, the Governor of the State, Army engineers, and Bureau of the Budget. Local participation will account for more than one-third of the total cost of the project. I hope the Senate will approve.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington [Mr. MAGNUSON].

The amendment was rejected.

Mr. MAGNUSON. Mr. President, I ask unanimous consent, out of order, to embody the proposed amendment in the form of a bill, to introduce the bill, and to have it appropriately referred.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (S. 3433) authorizing the Shilshole Bay Breakwater project, Seattle, Wash., introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Public Works.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to enter a motion to reconsider the votes by which the Senate agreed to certain amendments to the bill H. R. 5472. I will send the list to the desk and ask to have it read. I should like to have the privilege of making a brief explanatory statement. The amendments which I have offered thus far have been amendments to the provisions incorporated in the bill by the House. It is my understanding that, last October, the Senate adopted the amendments proposed by the Committee on Public Works, and therefore unanimous consent is necessary in order that they may be reconsidered. I should like the privilege of having this list read, and then of making a short explanatory statement.

The PRESIDING OFFICER. The clerk will read the list.

The LEGISLATIVE CLERK. Mr. DOUGLAS movcs to reconsider the votes whereby the Senate adopted the following amendments to H. R. 5472, namely:

On page 3, after line 22, "Twitch Cove, Big Thoroughfare River, and Levering Creek, Md.; House Document No. 340, Eighty-first Congress."

On page 4, after line 18, "Winter Harbor, Mathews County, Va.; House Document No. 319, Eighty-first Congress."

On page 7, after line 11, "Ouachita River and tributaries, Arkansas and Louisiana; in accordance with the report of the Chief of Engineers dated July 13, 1949."

On page 8, after line 15, "Mississippi River Boat Harbor opposite Hamburg, Ill.; House Document No. 254, Eighty-first Congress."

On page 8, after line 22, "Mississippi River at Rock Island, Ill.; House Document No. 257, Eighty-first Congress."

On page 9, after line 21, "Bayfield Harbor, Wis.; House Document No. 260, Eighty-first Congress."

On page 10, after line 12, "Port Bay, N. Y.; House Document No. 293, Eighty-first Congress."

On page 39, after line 23, items (g) and (i), "(g) Modification of Fern Ridge Dam, Long Tom River, Oreg., $133,000. (i) Williamette River supplemental levees, overflow channel closures, channel improvements, bank-protection works, and channel clearing and snagging, $16,000,000."

On page 45, after line 2, "Green-Duwamish River Basin. The project for the Eagle Gorge Reservoir on the Green River, Wash., is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers in House Document No. 271, Eighty-first Congress, first session, at an estimated cost of $16,300,000."

On page 48 between lines 16 and 17, "Lower Rio Grande Valley, including streams in Starr, Hidalgo, Cameron, and Willacy Counties, Tex., in the interest of flood control and major drainage improvements."

Mr. DOUGLAS. These amendments, if rejected, would save the Government $70,000,000. Lest it be thought that I am merely proposing reductions in authorizations for other States, I think it is proper for me to point out that in this instance I am proposing reductions on two projects for my own State of Illinois. One is for the Mississippi River, at Hamburg, where the present benefit ratio is 1.03, which I think is altogether too low. The other is for the Mississippi River, at Rock Island, where the authorization is $18,600, which seems to be purely for small motorboats on the Mississippi River, and which I think is not justified.

I mention this to show that I tried to apply to the projects of my own State the same pruning knife I applied to projects of other States. I should like, if I may, to make a brief comment on some of the specific projects.

I should like to mention Twitch Cove, Md., where one of the justifications advanced was that the project would prevent damage to crabs, due to roiling the water during low tides. This tender susceptibility for crustacean life is an extension of the welfare state to areas into which I think it should not go, and while I appreciate the humanitarianism of the Committee on Public Works in trying to protect crabs from being roiled by low water, it seems to me it is not a project upon which the Federal Government should spend any appreciable amount of money.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be very glad to yield to my good friend, the senior Senator from Arkansas, for a question.

Mr. McCLELLAN. May I ask the able Senator from Illinois whether there is included in his motion the project on page 31 of the amendment for flood protection at Beardstown, Ill., in the sum of $2,976,000? If the Senator wanted to get Illinois out of the picture, I wonder why he did not open up that project.

Mr. DOUGLAS. I should like to point out to my good friend from Arkansas that I used selection in this matter. I did not eliminate every project. I retained those projects which I thought were worthy, but I did not think the projects at Hamburg, Ill., and Rock Island, Ill., were worthy, and I moved to strike them out. If the Senator from Arkansas, with the flowing generosity which I am sure characterizes him would come forward and offer to strike out some Arkansas projects in return, that would be very welcome indeed.

Mr. NEELY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from West Virginia for a question?

Mr. DOUGLAS. I yield for a question.

Mr. NEELY. Mr. President, so far, I have voted against all the wrecking amendments the Senator from Illinois [Mr. DOUGLAS] has offered to the public works bill now before the Senate. But since he is an outstanding statesman, and has the undoubted right to speak for his State, I assure him that if he will amend his pending sweeping proposal so that it would, if adopted, exclude from the bill only the two Illinois projects he has specified, he may depend upon my helping him to reject what he does not want for the State which he most capably represents.

Mr. DOUGLAS. I am sure the desire of my good friend from West Virginia to cooperate with me in striking the two Illinois projects would be shared by my colleague, and in due time perhaps I will be willing to do it; but for the moment, I am trying to eliminate a variety of projects in order to save some $70,000,000.

One of the projects I am seeking to eliminate is the Ouachita project in Louisiana and Arkansas, which has the very low benefit ratio of 1.3, and which calls for an authorization of $36,950,000. Among other features, it calls for a 9-foot channel on the Ouachita River, up to mile 351 estimated to cost $13,900,000. It is contrary to the district engineer's recommendation. I believe he found that it is not supported by sufficient evidence of future boat traffic to justify it. There is an insufficient requirement of contributions by local interests in connection with the Murfreesboro Reservoir, which is another part of this total project, and this seems in general to me, like the Arkansas River projects which we will come to later, to be an excessive authorization of public funds for navigation, which will not be used, which is not needed, and which represents money down the drain pipe. The Bureau of the Budget concurred in these criticisms.

Mr. McCLELLAN. Mr. President, I do not desire to debate the issue. People who are more competent than either the Senator from Illinois or myself have passed on this project and given it their approval. I should like to tell the Senator that the project bears the name "Ouachita," pronounced "Washita," not "Wacheeta."

The PRESIDING OFFICER. The Chair will state the parliamentary

situation. The Senator from Illinois asked unanimous consent to enter a motion to reconsider the votes whereby the Senate adopted certain amendments.

Mr. CHAVEZ. Mr. President, to which unanimous-consent request, I object.

The PRESIDING OFFICER. Objection is heard. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an analysis of each project to further demonstrate the character of the many projects in this bill which I have sought to eliminate.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

TABLE III.—*Industrial projects proposed to be eliminated by reconsideration of Senate amendments to H. R. 5472*

Name	Senate report, page	Federal cost	Federal e aimed annual mainte-nance	Benefit-cost ratio	Remarks
Twitch Cove, Md	8-9	$21,000	$1,300	2.1	Benefits speculative; Vessel damages, damages to crabs.
Winter Harbor, Va	12-13	205,000	27,000	1.37	Benefits speculative: Elimination of damage to boats, eliminating delays awaiting favorable tides, etc.
Ouachita River, La.-Ark	22-25	36,950,000	381,000	1.3	Bureau of Budget objections: (1) Navigation plan (9-foot channel to mile 351, Camden—$13,900,000) is contrary to district engineer's recommendation ($400,000 improvement) and not supported by sufficient evidence of traffic to justify; (2) Murfreesboro Reservoir plan (at $2,683,000) with 60 percent of its benefit total in "land enhancement" (ratio of benefit to cost, 1.2) makes insufficient requirement of equitable contribution by local interests.
Mississippi River, Hamburg, Ill	26-7	50,400	400	1.03	Low ratio of benefits to costs; resumption of ferry traffic and "small boat activities" speculative.
Mississippi River, Rock Island, Ill	28	18,600	300	2.1	Small boat harbor, elimination of boat damage, speculative and not very necessary.
Bayfield Harbor, Wis	31	199,000	1,000	1.28	Speculative benefits: added fish catch, additional sport boats, savings in boat repairs, etc.
Port Bay, N. Y	33	466,600	10,400	1.15	Low and speculative benefits: profits on new boats; $13,500 for recreational value of boating; 255 boats based there.
Modification of Fern Ridge Dam, Long Tom River, Oreg.	57	133,000	----------	----------	Bureau of Budget reports not in accord with President's program because it has "economic ratio of unity or less." (See Columbia River Report, p. 33.)
Willamette River, supplemental levees, Oregon	67	16,000,000	----------	----------	Bureau of Budget: "Since the present economic ratio of the recommended work is considerably less than unity, this item is considered not in accord at this time" (Columbia River Report, p. 33).
Eagle Gorge Reservoir, Green River, Wash	69	16,300,000	80,000	1.07	Bureau of the Budget: Flood-flow data inadequate; flood damage estimates too high; land enhancement (45 percent of benefit) not matched by adequate local contribution; therefore program not in accord at this time.
Approximate total	----------	70,000,000			
Lower Rio Grande Valley, Tex	----------	----------	----------	----------	This is an amendment for a preliminary survey by the Corps of Engineers. Information from Departmentof Interior: Department has already completed plans for this project; most of basic legislation is already enacted; local people report Corps of Engineers inform them the drainage can be secured cheaper from a Corps project since 40 percent could be written off as nonreimbursable, thus also avoiding land limitations of authorized reclamation project; duplication of work; transfer of existing project.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. Mr. President, is it necessary for the Senator from Illinois to have unanimous consent for the consideration of his motion.

The PRESIDING OFFICER. The Chair will state that 2 days having expired since the amendments were adopted, last October, unanimous consent is necessary before such a motion can be entertained.

Mr. KERR. Mr. President, I send to the desk an amendment intended to be offered on behalf of my colleague [Mr. THOMAS] and myself. In view of the fact that it is the policy of the committee, with which I am in accord, to oppose amendments upon which hearings have not been held, I ask unanimous consent that the amendment may be offered in the form of a bill and appropriately referred.

There being no objection, the bill (S. 3432) to provide for the construction of the Markham's Ferry project on the Grand River in Oklahoma by the State of Oklahoma, introduced by Mr. KERR (for himself and Mr. THOMAS of Oklahoma), was read twice by its title, and referred to the Committee on Public Works.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, the amendments which I have offered thus far have been in the nature of skirminishes on minor projects, although in the aggregate they would amount to approximately $190,000,000.

Mr. KERR. Mr. President, will the Senator yield?

Mr. DOUGLAS. Not at this time. I would like to finish my statement.

Inasmuch as we are moving into serious issues, and because I intend to move to strike out authorizations totaling $200,000,000 for lower Mississippi, $250,000,000 for the lower Missouri, $100,000,000 for the Ohio, and certain authorizations for the Arkansas River in the amount of about $89,000,000, I think we should have a quorum present. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Benton	Hoey	Maybank
Butler	Holland	Morse
Cain	Johnson, Colo.	Mundt
Chapman	Johnson, Tex.	Neely
Chavez	Johnston, S. C.	O'Conor
Cordon	Kefauver	Russell
Darby	Kerr	Saltonstall
Donnell	Kilgore	Schoeppel
Douglas	Knowland	Sparkman
Dworshak	Langer	Stennis
Ellender	Leahy	Taylor
Ferguson	Lodge	Thomas, Okla.
Frear	McCarran	Tydings
Fulbright	McClellan	Watkins
George	McFarland	Wherry
Gurney	McKellar	Williams
Hayden	McMahon	Withers
Hendrickson	Magnuson	
Hill	Malone	

The PRESIDING OFFICER. A quorum is present.

The bill is open to amendment. If there be no further amendment to be offered, the question is on the third reading of the bill.

Mr. WHERRY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Did the distinguished occupant of the chair announce that a quorum was present?

The PRESIDING OFFICER. A quorum is present.

Mr. WHERRY. I thank the Chair.

Mr. BENTON obtained the floor.

Mr. CHAVEZ. Mr. President, the amendment of the Senator from Illinois was to be disposed of, was it not?

The PRESIDING OFFICER. The unanimous-consent request of the Senator from Illinois was objected to, and he had not offered another amendment. The Senator from Connecticut is recognized.

Mr. BENTON. Mr. President, I ask consideration of my amendment "E" dated February 2, 1950. I shall give only a brief summary of the provisions of the amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 2, after line 24, it is proposed to insert the following:

Ash Creek to Saugatuck River (area 1), Conn., beach erosion control; House Document No. 454, Eighty-first Congress.

Mr. BENTON. Mr. President, I ask unanimous consent that a statement I have prepared on the amendment be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BENTON

Mr. President, I ask consideration of the amendment which I have introduced to H. R. 5472, the rivers and harbors omnibus bill. This amendment would authorize the adoption by the United States of the projects set forth in House Document No. 454 of the Eighy-first Congress, second session. These projects were arrived at after a very careful study of beach erosion control of a portion of the shore of Connecticut, which study was made by the Corps of Engineers in cooperation with the State of Connecticut under the provisions of section 2 of the Rivers and Harbors Act approved July 3, 1930, as amended and supplemented.

The problem involved along the Connecticut shore line as a whole, and the area covered by this amendment in particular, results in part from storm damage but is more particularly that of gradual deterioration caused by ordinary wave attack. The problem is not of recent origin but has become increasingly important with increased use of the shore as a summer and permanent residence or resort and vacation area and has been aggravated by the deterioration and disappearance of protective beaches as a result of direct wave attack. Therefore, the problem is to stabilize and improve the shore line so that existing and future developments on the shore front may benefit from restored beach conditions and also to prevent future damage and losses which will otherwise inevitably result from the present deterioration.

Local interests throughout the State have become increasingly aware of the growing problem. As evidence of this widespread concern application for Federal studies at Compo Beach, Westport, in 1935, and at Hawkes Nest Beach, Old Lyme, in 1939. Studies by private engineering firms at Ocean Beach, New London, in 1938, and Shippan Point, Stamford, in 1941, further indicate this interest. In addition, preliminary discussions have been initiated in the past by many towns, beach associations, and other interests concerning the conducting of cooperative studies. These various local movements toward separate studies were unified as a result of the State-wide destruction experienced in the 1938 and 1944 hurricanes.

A formal application dated July 22, 1947, from the State of Connecticut, acting through the Connecticut State Flood Control and Water Policy Commission, for a cooperative study of the problems of beach erosion and shore protection along the entire coast of Connecticut by the United States and the Connecticut State Flood Control and Water Policy Commission was approved by the Chief of Engineers, Department of the Army, August 28, 1947, in accordance with the authority conferred by the provisions of section 2 of the River and Harbor Act approved July 3, 1930, and Public Law 166, Seventy-ninth Congress, approved July 31, 1945. This application, commonly referred to as the basic agreement was modified by the Chief of Engineers on October 20, 1947, upon the request of the State of Connecticut dated October 3, 1947. In accordance with this modification, the shore line of the State of Connecticut was divided into 11 physiographical areas, the first of which, Ash Creek to Saugatuck River (in the towns of Fairfield and Westport), is that referred to in the amendment I offered.

Connecticut is appropriately termed the gateway to New England and itself is among the most popular vacation and tourist areas of the country. Connecticut is approximately 100 miles long in an east-west direction and 50 miles broad in a north-south direction. The entire southern boundary of the State is the shore of Long Island Sound, a rather narrow, sheltered arm of the Atlantic Ocean. Only that part of the shore facing open water of Long Island Sound or tributary bays is concerned in the report on these projects. The bulk of the population of Connecticut is in close proximity to the shore. Over 40,000,000 of the country's population live within 300 miles of Connecticut's shore with the result that there is considerable use of the Connecticut shore. The fact that Connecticut is located in a temperate latitude and that the waters of Long Island Sound are generally calmer and warmer than along the exposed ocean shores of the neighboring States has further induced intensive development of waterfront activities. The Connecticut shore is also very irregular, dotted with bays, coves, promontories and near-lying islands, all adding variety to the area, and adding to its value for resort and other purposes. The extension of United States Route 1 along the site of the Old Kings Highway, following the shore entirely across the State, closely paralleled by the main line of the New York, New Haven & Hartford Railroad, has encouraged more intensive development of the Connecticut shore areas through the past generation than is the usual case.

The area of the Connecticut shore concerned in this report is an extension of some 9.2 miles from Ash Creek to Saugatuck River. This shore area is adjacent to and west of Bridgeport and is about 40 to 50 miles east of New York City. The entire Fairfield County in the southwestern part of Connecticut, in which this area is located, is strongly influenced by its proximity to metropolitan New York.

The benefits anticipated from the plans of improvement for the various shore areas are estimated solely on the recreational value of increased public-beach areas. The basis of benefit evaluations used is a careful estimate of the value of recreational use of the shore to those attending the beaches. This estimate includes actual expenditures now made by those using the beaches, and excludes additional values received. Beach attendance at public beaches existent in area I is at substandard levels of space requirements for such attendance. Established standards of recreational beach areas indicate 75 square feet per person as an optimum. Present operating standards of peak beach use in the area under consideration indicate recreational beach area on the town public beaches of about 25 square feet per person and on Sherwood Island State Park Beach of 60 square feet per person over the entire beach, or 37.5 square feet per person over the more desirable part of the beach. In a densely settled section of the country such as Connecticut, attainment of the established standards of recreational beach areas is very doubtful but the requested improvements will raise the standards more nearly to the optimum. The major benefits for town public beaches are from this raising of the beach space standards, and secondary benefits are from an expected 10-percent increase in attendance. The major benefits to Sherwood Island State Park are from expected increased attendance, and secondary benefits are from raising the beach-space standards. Indirect benefits or benefits not susceptible of direct evaluation, such as increased earning power of land and property not directly affected due to increased attendance at the beach areas, and the prevention of the loss of human life by removal of bathing hazards, have not been used. No benefits have been assumed for protection of property against direct damage, although such secondary benefits are unquestionably existent.

Close coordination has been maintained with the Connecticut State Flood Control and Water Policy Commission, the agency representing the State of Connecticut in this cooperative study; the Connecticut Beach Erosion Advisory Committee, appointed by the Governor to report to the State legislature, has in like manner been advised and consulted. The selectmen of the towns concerned have been contacted and their views sought. The Connecticut Development Commission, State park department, State highway department, and State board of fisheries and game have been contacted as to aspects of the study pertaining to their interests. In addition, widespread personal contact has been made with the shore residents to ascertain data concerning the problem. The State of Connecticut, through the Connecticut State Flood Control and Water Policy Commission, has furnished assurance that any requirement of local cooperation which may be imposed by Congress in authorizing this project will be met. Some of the local towns have already appropriated their share of the estimated costs. The foregoing, in substance, is the report of the Beach Erosion Board.

The Bureau of the Budget in a letter dated January 4, 1950, to the honorable Secretary of the Army, through the budget officer for the Department of the Army, states, and I quote, "since certain and definite tangible benefits will result from the prevention of further erosion of the beaches, and since property enhancement and safety benefits would probably result from the proposed improvements, it appears that the projects are economically justified and that the proposed Federal participation to the extent of one-third of the construction cost meets the requirements of Public Law 727, Seventy-ninth Congress."

The Chief of Engineers, Department of the Army, in his report dated June 14, 1949, states in part, "The total cost of the recommended work is estimated at $610,510 with the Federal share estimated at $203,500. It is indicated that the State of Connecticut or local authorities will, among other things, finance the required costs of and subsequently maintain the protective and improvement works. The projects would stabilize and improve the shore line and preserve the existing highways shoreward thereof. In my opinion, the direct and indirect public benefits justify the indicated contribution.

"Accordingly, after due consideration of its report, I concur in the views and recommendations of the Beach Erosion Board and I recommend adoption of the projects by the United States authorizing Federal participation in the amount of one-third of the first cost of the protective and improvement measures for Jennings, Sasco Hill, Westport, and Burial Hill Beaches, Sherwood Island State Park, and Compo Beach."

In my statement I have tried to give you as briefly as possible a description of the project for which I seek authorization. I have not touched on the technical phases or engineering aspects but have attempted to give you the background, the purpose, the description, the benefits, and the justifications.

Public Law 727, Seventy-ninth Congress, authorizing the Federal participation, states that "With the purpose of preventing damage to public property and promoting and encouraging the healthful recreation of the people, it is hereby determined to be the policy of the United States to assist in the construction, but not the maintenance, of works for the improvement and protection against erosion by waves and currents of the shores of the United States that are owned by States, municipalities, or other political subdivisions." In my opinion, Connecticut's problem fully meets that criteria.

As I earlier stated, the area covered by my amendment is the first of 11 areas along the Connecticut shore line. The improvement is sorely needed and all too long delayed. I respectfully ask that you favorably consider the amendment to H. R. 5472 now pending before you.

Mr. BENTON. Mr. President, this project involves the repair and control of storm damage and beach erosion along 9.2 miles of Connecticut shore line, and in this respect it is similar to the amendment offered by the senior Senator from Massachusetts [Mr. SALTONSTALL] and accepted earlier today by the Senator from New Mexico.

Moreover, the Connecticut shore area is adjacent to the important industrial city of Bridgeport, and includes several public parks for this densely populated industrial section of Connecticut, and in this respect it is also similar to the case presented by the Senator from Massachusetts. These beaches are deteriorating daily, and each day of delay on the project means further property damage and additional hazards to human life. The fact that human lives are at stake makes my amendment differ from many others which have been discussed today calling for the expenditure of public funds.

I understand that this project of mine would have been included in the committee bill except that the Army engineers report was not completed and received until January of this year. Further postponement now will only allow this shore line to wash away still more, and progressively increase the ultimate cost of restoring it.

The amendment is recommended by the Bureau of the Budget, as well as by the Army engineers. The cost of the amendment to the Federal Government would be $203,500. The State of Connecticut and local communities along the shoreline will each match this. The Federal Government will thus bear only one-third of the total cost. Here is again something which makes this amendment differ from many others which we have been discussing. Further, I understand that no appropriation of funds for the Federal Government's one-third share will be required this year.

The Bureau of the Budget reports that—

> Annual benefits are estimated at $297,530 with an annual benefit-cost ratio of 7.3.

The Senator from Illinois [Mr. DOUGLAS] has referred to a benefit-cost ratio of 1.3 as low. The distinguished Senator from Florida [Mr. HOLLAND] referred to a ratio of 3 as being well above average. I was told on the floor of the Senate this afternoon by a member of the staff of the committee who is very familiar with the bill that there is only one project in the entire bill with a cost ratio higher than that in the amendment which I am submitting. I think that if we are looking for a return for the money we spend, that is one of the important factors.

Adoption of this amendment at this time, however, will expedite the solution of a serious problem which has been the subject of increasing concern in Connecticut since the State-wide destruction we experienced in the 1938 and 1944 hurricanes.

The need is urgent, and I solicit favorable action.

Mr. CHAVEZ. Mr. President, I wish to make a short statement to the Senator from Connecticut, because in my opinion this is one of the finest projects which has been called to the attention of the chairman of the Committee on Public Works of the Senate.

There is no question as to the merits of the project, there is no question that the Bureau of the Budget has approved it, because the Senator has so stated, but it stands in the same position as the amendment submitted by the Senator from Washington [Mr. MAGNUSON] a little while ago, I say in the best of faith, in order to try to help out the Senator from Connecticut, and the State of Connecticut, because I know the project is meritorious, that if the Senator will introduce a separate bill, I assure him that I will get the committee busy so fast that a separate bill can be reported to this body in a very short time, because I know the project has merit. But keeping faith with the instructions of the Committee on Public Works, which have been definite about projects on which we have had no hearings, I shall have to object to the amendment.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield the floor?

Mr. CHAVEZ. No. I want it strictly understood that the Senate is supreme, not the Senator from New Mexico, and not the committee. I am merely trying to state the facts up to this particular moment.

Mr. HENDRICKSON. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield to the Senator from New Jersey.

Mr. HENDRICKSON. Would the Senator from New Mexico give the Senator from New Jersey the same assurance in respect to the Atlantic City project that he has given the distinguished Senator from Connecticut?

Mr. CHAVEZ. If the facts are similar to those stated by the Senator from Connecticut, I certainly would give the assurance. I want the Senator from New Jersey to understand, and I know he will, that I have tried since I was made chairman of the Committee on Public Works to make that a constructive committee, as I think the Senator from New Jersey realizes from what has happened this afternoon. We have tried to keep faith with the Senate, we have tried to maintain the dignity of the committee, we have tried to keep politics completely out of our considerations. I assure the Senator from New Jersey that if the facts are as they are in the case of the project in the State of Connecticut, I can give him the assurance that he will have the same kind of treatment.

Mr. HENDRICKSON. The facts are very similar. I thank the Senator.

Mr. MORSE. Mr. President, I wish to make a very brief comment on the situation as I see it at the present time. I point out that since 11 o'clock this morning the Senate has been in session. We have transacted a great deal of business today, a great many votes have been taken, and some of us feel that some very serious mistakes have been made today, and that if certain sound suggestions for economies, which could have been adopted by the Senate if proposed amendments had been agreed to and had been allowed to go to conference, the record of the Senate today would be much better than it is.

In view of what has apparently come to be the dominant attitude of the Senate for some time past of simply taking what I at least consider to be hasty action, without the careful consideration which I think should characterize the deliberation of the Senate, and in view of the fact that the distinguished Senator from Illinois has still to present, I am reliably advised, some very important amendments, on which I am sure the junior Senator from Oregon, if he understands those amendments correctly, will probably vote in the negative, nevertheless amendments which, in the opinion of the Senator from Illinois, are deserving of the most careful consideration and deliberation by this body, I think that, in keeping with the high standards heretofore set for deliberation on the part of this body, we should recess at this time until Monday. Then we will have the week end to reflect on the actions we have taken today, have available to us adequate time on Monday to move to reconsider some of the actions taken today which I think will, upon reflection, prove to be great mistakes, and call a halt to what I think is a tempo of debate which has characterized our deliberations in the past hour that is not up to the standards of the Senate or in keeping with the fairness to which I think any Member of this body is entitled from the entire body. I refer in this instance specifically to the situation in which the Senator from Illinois finds himself.

I therefore move, Mr. President, that the Senate recess at this time until Monday noon.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was rejected.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. BENTON. Mr. President, of course I want to be a good soldier, but I prefer, when the bullets are whizzing about me, to be in the company of other people in the same situation. I do not have the confidence in my capacity to handle what I am proposing as an individual bill that I have in the capacity of the Senator from New Mexico, if my amendment becomes a part of the pending bill, which carries within it the interest of so many Members of this body. At least it does not seem to me I have anything to lose if I ask for a vote on my amendment. Of course, I am very grateful to the Senator from New Mexico, because if the vote is adverse, I shall be in his office as soon as he is willing to receive me to pursue the matter further.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. BENTON].

Mr. MAYBANK. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Benton	Hoey	Maybank
Butler	Holland	Morse
Cain	Johnson, Colo.	Mundt
Chapman	Johnson, Tex.	Neely
Chavez	Johnston, S. C.	O'Conor
Cordon	Kefauver	Russell
Darby	Kerr	Saltonstall
Donnell	Kilgore	Schoeppel
Douglas	Knowland	Sparkman
Dworshak	Langer	Stennis
Ellender	Leahy	Taylor
Ferguson	Lodge	Thomas, Okla.
Frear	McCarran	Tydings
Fulbright	McClellan	Watkins
George	McFarland	Wherry
Gurney	McKellar	Williams
Hayden	McMahon	Withers
Hendrickson	Magnuson	
Hill	Malone	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. BENTON]. The amendment will again be stated.

The LEGISLATIVE CLERK. On page 2, after line 24, it is proposed to insert the following:

Ash Creek to Saugatuck River (area 1), Conn., beach erosion control; House Document No. 454, Eighty-first Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BENTON. Mr. President, I have one other amendment. In the absence of the senior Senator from Rhode Island [Mr. GREEN], who has offered on the amendment for himself, the Senator from New York [Mr. LEHMAN], the Senator from Connecticut [Mr. MCMAHON], the Senator from Rhode Island [Mr. LEAHY] and myself, I call up the amendment lettered "B," February 7, 1950. I ask unanimous consent that the reading of the amendment be waived, and that it be printed in the RECORD in lieu thereof. I will make a one paragraph statement about it which may be adequate.

The PRESIDING OFFICER. Is there objection to the waiving of the reading of the amendment and that in lieu thereof it be printed in the RECORD?

Mr. DONNELL. Mr. President, reserving the right to object, I think we are entitled to hear the amendment read. I want it read. I object.

The PRESIDING OFFICER. The Senator from Missouri objects.

Mr. BENTON. The amendment is a long one. Perhaps if I make my one paragraph statement the Senator can then decide whether he wants to have the entire amendment read.

Mr. DONNELL. Mr. President, I want it read.

The PRESIDING OFFICER. The amendment will be read.

The legislative clerk read as follows:

On page 46, beginning with line 17, strike out all down to and including line 22.

On page 67, between lines 6 and 7, insert the following new section:

"SEC. 220. (a) The purposes of this section are—

"(1) to provide for an integrated and cooperative investigation, study, and survey, by a commission created pursuant to this section, in connection with, and in promotion of, the conservation, utilization, and development of the land and water resources of the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, and New York, in order to formulate a comprehensive and coordinated plan for —

"(A) flood control and prevention;

"(B) pollution abatement and the protection of public health;

"(C) domestic and municipal water supplies;

"(D) improvement and safeguarding of navigation: *Provided*, That the New England-New York Resources Survey Commission shall not concern itself with the improvement and safeguarding of navigation on international waters;

"(E) hydroelectric power and industrial development and utilization;

"(F) soil conservation and utilization;

"(G) forest conservation and utilization;

"(H) preservation, protection, and enhancement of fish and wildlife resources;

"(I) development of recreation; and

"(J) other beneficial and useful purposes not herein enumerated.

The order of listing of the purposes hereinabove enumerated shall not be construed to reflect their relative importance;

"(2) to provide for the formulation, within a time fixed herein, of a basic, comprehensive, and integrated plan of development of the land and water resources within the area of such States for submission to, and consideration by, the President and the Congress, and to make recommendations after adequate study for executing such plan. The departments and agencies represented on the New England-New York Resources Survey Commission pursuant to subsection (c) (1) (B) of this section, together with their bureaus and offices, shall be, for the purpose of the work of such Commission, authorized to conduct such investigations and surveys in all portions of the area of such States, and to make such expenditures in connection therewith, as may be desirable to carry out the purposes of this section. It is not the purpose of this section to create any continuing or permanent instrumentality of the Federal Government or to take from, or reassign, the duties and powers of any department or agency of the United States represented on such Commission, except as herein provided.

"(b) In formulating such plan it is the policy of Congress to utilize the services, studies, surveys, and continuing investigational programs of the departments, bureaus, and agencies of the United States.

"(c) (1) In order to carry out the purposes of this section, there is hereby established a commission to be known as the New England-New York Resources Survey Commission (hereinafter referred to as the 'Commission'). The Commission shall be composed of seven members who shall be appointed by the President as follows:

"(A) Three members, at least two of whom shall be residents of such States, and who shall not, at the time of their appointment to the Commission, be officials or employees of the United States; and."

Mr. BENTON. Mr. President, I have consulted with two of the cosponsors——

The PRESIDING OFFICER. The Senator will suspend for a moment; it is impossible for the Chair to understand what is being stated.

The Senate will be in order.

The Senator from Connecticut may now proceed.

Mr. BENTON. Mr. President, I ask unanimous consent to withdraw the amendment.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Chair could not hear what was said by the Senator from Connecticut.

Mr. BENTON. Mr. President, I withdraw the amendment.

Mr. DONNELL. Mr. President, a parliamentary inquiry was pending, and I ask leave to propound it.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. Does a Senator have the right to withdraw an amendment while it is being read? If unanimous consent is required, I object.

The PRESIDING OFFICER. A Senator has a right to withdraw an amendment at that stage.

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. Is unanimous consent required for such withdrawal?

The PRESIDING OFFICER. Paragraph 2 of rule XXI provides that—

Any motion or resolution may be withdrawn or modified by the mover at any time before a decision, amendment, or ordering of the yeas and nays, except a motion to reconsider, which shall not be withdrawn without leave.

Mr. DONNELL. I thank the Chair.

The PRESIDING OFFICER. The amendment of the Senator from Connecticut has been withdrawn.

The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 32 it is proposed to strike out lines 2 through 7, inclusive.

Mr. DOUGLAS. Mr. President, this is a proposal to strike out the added authorization of $250,000,000 for the lower Missouri River Basin.

I may say that with the proposal of this amendment we are really moving into the heart of the river and harbor bill. Thus far we have been considering minor authorizations for the Atlantic coast, the Gulf, the Great Lakes, and for certain inland rivers. Those proposals have been numerous, but the individual authorizations have been relatively small. I think they have been inserted in the bill partly because of a belief on the part of the committee that the projects were worthy—and in that belief I do not join, in most instances—and perhaps also in the belief that if a number of the projects were distributed over the country, that might create wider support for the other features of the bill.

Mr. President, the main features of this bill are the authorizations of appropriations for the lower Mississippi, for the Arkansas River Basin, for the Missouri River Basin, and for the Ohio River Basin.

I have made a tabulation of the projects for the various river basins. If my summary is correct, the total authorization for the lower Mississippi and for the Ouachita River—I hope I am pronouncing it correctly—have been $291,400,000. If I am in error on the pronunciation of the name of that river,

I hope my good friends, the Senators from Arkansas, will correct me.

The total authorizations for the Arkansas River Basin have been $194,200,000; the total authorizations for the Missouri River Basin, $285,300,000; and the total authorizations for the Ohio Basin, $107,200,000. It will therefore be seen that these four great basins will include well over $870,000,000 of authorizations, or the major portion of the authorizations contained in this bill.

Mr. President, I am not proposing to strike out all of these authorizations; but in this particular instance I want to strike out the authorization for $250,000,000 for the lower Missouri River Basin.

I may say that in the remarks I shall make, I am speaking not only for myself, but also for the senior Senator from Montana [Mr. MURRAY], who is unavoidably absent; but if he were here, he would make the speech which I shall imperfectly make this evening.

Mr. President, this authorization of $250,000,000 for the lower Missouri River Basin is to carry out what, I believe, will prove to be primarily the Pick portion of the so-called Pick-Sloan plan. The Pick-Sloan plan was a shotgun marriage of the Corps of Army Engineers and the Bureau of Reclamation. General Pick, representing the Corps of Engineers, had a plan for the lower Missouri; and the Bureau of Reclamation had a plan for the upper Missouri. The two joined forces by the simple process of eliminating a few projects, but in the main merely adding one to the other.

If we authorize the $250,000,000 for the lower Missouri, we shall in effect be advancing primarily the Pick portion of the Pick-Sloan plan.

The essential feature of the so-called Pick plan is a 9-foot flowing navigation channel from Sioux City, Iowa, in the northwestern portion of Iowa, to the junction of the Missouri with the Mississippi, just above St. Louis—a 9-foot channel, with flood control on the banks, carried out by the method of levees.

Mr. President, this proposal requires a summer flow at Sioux City of 14,300,000 acre-feet, plus 1,400,000 acre-feet for the winter flow, plus 1,100,000 acre-feet allowed for evaporation in Army reservoirs—or an allowance, in all of 16,800,000 acre-feet.

The upper portion of the Sloan plan called for 6,800,000 acre-feet a year to be used for irrigation purposes in the upper valley, above Sioux City. If we add the two plans together we find that a total requirement is indicated for a flow at Sioux City of 23,600,000 acre-feet a year, of which approximately 70 percent is reserved for navigation—the plan of the Corps of Army Engineers—and about 30 percent for irrigation—the plan of the Bureau of Reclamation.

I wish to emphasize that both these plans can be satisfied only if a flow of 23,600,000 acre-feet is maintained. Let us see what chance there is for a flow of 23,600,000 acre-feet to be maintained.

The United States Geological Survey conducted, for 20 years, measurements of the Missouri River at Yankton, S. Dak., which is just a few miles north of Sioux City, Iowa; and they found that the average flow for 1928–48 was not 23,600,000 acre-feet a year, but was 17,900,000 acre-feet a year, or from 5,000,000 to 6,000,000 acre-feet a year less than the average needed under the Pick-Sloan plan.

I wish to emphasize that that was the average for the 20 years from 1928 to 1948, and that during periods of drought from 1931, let us say, to 1936, the flow at Yankton was appreciably less than 17,900,000 acre-feet a year.

In justice to the Army engineers, it should be said that although they rejected the 1928–48 average figure as a fair measure of the flow of the Missouri River, they went back to what they said was the flow for the 50-year period from 1898 to 1948, and they said that the average flow for that longer period was approximately 23.4 million acre-feet a year, or just about enough to meet the requirement of 23.6 million acre-feet a year.

But, Mr. President, it is somewhat uncertain what was the precise evidence the Army engineers had for the period prior to 1928, because the United States Geological Survey, as I am informed, did not conduct studies in this area at that time.

Therefore, the figures for the period prior to 1928 are not too firm, and we cannot implicitly take their average of 23,400,000 acre-feet a year for a 50-year period as necessarily correct. And this is a crucial requirement for the success of the plan. Mr. President, even if the figures of the Army engineers were correct, we should notice that we would have a balance only over an average period of 50 years. But there are cycles in rainfall and cycles in the flow of rivers. That would mean that in the periods of low rainfall and low flow of the rivers, the total flow in a given year would be very much less than the figures given by the Army engineers as an average for the 50-year period.

Yet, Mr. President, we are to be committed to a program which will call for a 9-foot channel south of Sioux City, together with reclamation projects north of that, which will need 23,600,000 acre-feet of water a year, not only on the average, but for each and every year in question. If we were to have a repetition in the future of the conditions of the period 1928 to 1948, there would be a deficit of from 5,000,000 to 6,000,000 acre-feet of water a year, and it would not be possible to satisfy both the program in the upper Missouri and the navigation program in the lower Missouri. The two would be working at cross purposes to each other, and yet we would have public works constructed for a volume of water which would not be there.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield to the Senator from Utah.

Mr. WATKINS. Does the plan which has been outlined and agreed to by the Bureau of Reclamation and the Army engineers contemplate hold-over storage of water in the reservoirs upstream to take care of the situation the Senator is now pointing out?

Mr. DOUGLAS. It calls for reservoirs, that is true; but there is some question I would think, whether it could meet a drought of several years' duration. As the Senator from Utah knows, because he is an expert on water, there is some indication we may now be moving into a low-rainfall stage of the rainfall cycle. Rainfall seems to move on a 16- to 18-year period. We had low periods of rainfall during the middle thirties. We have had high rainfall, with the exception of last year, during the forties. It is quite possible that we may be moving into a low-rainfall stage now, and there are some indications of that fact, because the dust is beginning to blow in the bowl of Texas and Oklahoma.

Mr. WATKINS. If I may inquire further of the Senator, I ask whether he has made a study of the report, so he could advise us now whether the drought periods about which he has been talking have been considered and taken into consideration in working out a plan for storage upstream, so that there will not be a shortage of water to supply the 9-foot channels he is speaking about, from Sioux City south?

Mr. DOUGLAS. I would say to the Senator from Utah, I am not an hydraulic engineer, nor am I the expert on water that the Senator from Utah is, but it would seem to me that if we had for a period of 20 years a deficit each year of five to six million acre-feet of water per year, we would therefore accumulate a total deficit of 100,000,000 acre-feet of water. It is inconceivable to me that the total reservoirs would be sufficient to hold that amount. I have not studied the capacity of Garrison Dam or other dams, but certainly it is only a fraction of that figure.

Mr. WATKINS. I may say to the Senator I am not acquainted with the details of the report to which the Senator has referred. I do not know about the water supply in that particular watershed, but I call the Senator's attention to the fact that, with respect to the States west of the ninetieth meridian——

The PRESIDING OFFICER. The Senate will be in order.

Mr. WATKINS. I am calling the Senator's attention to the fact that in the 1944 Flood Control Act there was a section which provided that there shall be a priority.

Mr. DOUGLAS. Yes, that is correct—the so-called O'Mahoney-Millikin provision.

Mr. WATKINS. That is correct, but that is obviously a priority for some place downstream, for irrigation.

Mr. DOUGLAS. It gives priority to the upstream States, compared to the downstream States.

Mr. WATKINS. Under those circumstances, if they had priority and needed it for irrigation, under the program, would it not work out so that the irrigation end of it would be taken care of in the hold-over reservoirs and the channel below would probably be dry?

Mr. DOUGLAS. That is just the point. If the O'Mahoney-Millikin Act were to hold, and the upstream States were given priority on an insufficient supply of water, there would not be enough water to maintain a 9-foot chan-

nel in the Missouri below Sioux City, and yet we are proposing to spend these enormous amounts of money to make it possible. The lower Missouri would be, so to speak, all dressed up, but there would not be any boats floating on it, because the sand would be sticking up its ribs through the water.

Mr. WATKINS. They could get along for a year or two in a pinch, could they not, without boats running up and down the river?

Mr. DOUGLAS. The point I am trying to make is that through the Pick-Sloan plan, or the Pick feature of the Pick-Sloan plan, we are being committed to a tremendous downstream development of the Missouri for which there may not be enough water.

Mr. WATKINS. How much of the $250,000,000 to which the Senator is calling attention is to be used for the lower river development?

Mr. DOUGLAS. I believe all of it.

Mr. WATKINS. It does not specify in the bill, though. It merely says the "Missouri River Valley."

Mr. DOUGLAS. I understand it is all mainly for the lower Missouri. The Army engineers have general supervision over the works that benefit the lower river; the Bureau of Reclamation, in the main, west of the 97° of longitude, would have irrigation.

Mr. WATKINS. I understand that. I am merely trying to find out whether the Senator can tell us how much of this money is to be spent in the lower part, and how much is to be spent in the upper part.

Mr. DOUGLAS. I think most all of it is to be used for the lower part, all of the $250,000,000, and in addition, there are some expenditures listed for the upper Missouri, but those are specific items outside the $250,000,000; for instance, the Yellowstone River, in Wyoming, Montana, and North Dakota, has an appropriation of $6,500,000; the South Platte River Basin in Colorado, $26,300,000, and the Elkhorn Basin in Nebraska, $2,400,000; but I am not trying to strike those authorization. I am merely proposing to strike the authorization for $250,000,000, which I believe is primarily for the purpose of the Pick-Sloan plan for the Missouri River south of Sioux City.

Mr. WATKINS. Does the Senator understand that there are now probably 103 projects in the course of construction, some of which probably have been finished, in the upper river basin of the Missouri?

Mr. DOUGLAS. In the upper basin, yes. I am not hitting the upper basin, I am hitting the lower basin, south of Sioux City.

Mr. WATKINS. I was pointing that out, for the purpose of showing that money probably has already been appropriated for the upper river development.

Mr. DOUGLAS. As a matter of fact, I am in much greater sympathy with the upper river development than I am with the lower river development.

Mr. WATKINS. What would be the Senator's program for the development of the river?

Mr. DOUGLAS. May I be permitted to continue a bit? I want to go on, to show that this estimated flow of 23,600,000 acre-feet is, in my judgment, an overstatement, even on the basis of a 50-year average, if it is projected into the future.

Mr. WATKINS. I thank the Senator.

Mr. DOUGLAS. Mr. President, what I have been trying to say thus far is that, even if we were getting an average flow of 23,600,000 acre-feet over a 50-year period, there would be periods of shortage which probably could not be met by the storage basins in the upper river, and there would be a conflict between the irrigation demands north of Sioux City and the navigation demands south of it. There would be a very bitter struggle. One or the other set of interests would lost out.

But, Mr. President, in practice, in my judgment, there may be, and should be, other diversions of water from the flow at Sioux City. I should like to point out what is familiar to everyone, particularly those from Mountain States, that the Missouri has a large flow of water, partially because we are not practising soil conservation on the upper reaches of the river, but are instead permitting the soil to be eroded by water to a tremendous degree. It would seem to me better to stop the water where it falls on hillsides and mountains and table land and plateau land, than to allow it to fall, wash away the land, go into the rivers, and increase the flow.

Mr. DONNELL. Mr. President, will the Senator yield for an inquiry?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Missouri for a question?

Mr. DOUGLAS. I yield.

Mr. DONNELL. I note in the language of the bill that the sum of $250,000,000 is specified to be "for the prosecution of the comprehensive plan for the Missouri River Basin to be undertaken by the Corps of Engineers, approved by the act of June 28, 1938, as amended and supplemented by subsequent acts of Congress." I do not observe in the bill anything to identify where this $250,000,000, if appropriated, is to be expended. I ask the Senator on what ground he bases his view that it is to be spent in the lower Missouri River Valley? I am neither denying that it is, nor am I asserting it. I am asking entirely for information.

Mr. DOUGLAS. Mr. President, that is the project of the Corps of Engineers, and it is well known that under the Pick-Sloan plan, the Corps of Engineers has primary responsibility for navigation and flood control on the Missouri River south of Sioux City, Iowa. They may have certain reservoirs and basins north of that. The primary responsibility for reclamation and power development is given to the Bureau of Reclamation. This is an appropriation, not for the Bureau of Reclamation but for the Corps of Engineers, and it is therefore for the lower river and the storage of water for the lower river.

Mr. DONNELL. Mr. President, will the Senator be kind enough to yield for a further question?

The PRESIDING OFFICER. Does the Senator from Illinois yield further?

Mr. DOUGLAS. I yield.

Mr. DONNELL. Is it not a fact that a large portion of the expenditure under the so-called Pick-Sloan plan is in the construction of reservoirs and various engineering facilities north and west of Sioux City, Iowa?

Mr. DOUGLAS. I think that is correct, and to that degree my statement should be modified, but the purpose of those reservoirs is primarily to provide a 9-foot navigation channel for the Missouri. Therefore they are in a sense merely tributaries for the lower Missouri River project.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. DOUGLAS. I yield.

Mr. DONNELL. I have great respect for the Senator's judgment, and his information may be entirely correct. I am not certain about it. I should like to know whether he has any official statement, by either the Senate committee or the House committee, or by the Corps of Engineers, that the $250,000,000 to which he refers is to be used in the lower Missouri River Valley, that is to say, south of Sioux City, Iowa.

Mr. DOUGLAS. I do not have an official statement, but I never heard anything to the contrary, and I have always assumed that the Pick plan is to maintain a 9-foot channel from Sioux City to the junction of the Missouri with the Mississippi, and that this is the portion to be maintained by the Corps of Engineers.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. Certainly.

Mr. DONNELL. So, is it not a fact that the construction of the dam and the reservoirs north and west of Sioux City, Iowa, would be under the supervision of the Corps of Engineers?

Mr. DOUGLAS. I think that is correct.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. I yield.

Mr. DONNELL. Then I ask, most respectfully, how does the Senator know that the $250,000,000 to which he refers is not going to be expended at least in large part north and west of Sioux City, Iowa?

Mr. DOUGLAS. I should say it is to be expended for the purpose of maintaining a 9-foot navigation channel from Sioux City, Iowa, to the mouth of the Missouri, just above St. Louis, together with the protection of adjacent lands from floods on the Missouri, and any storage north of that point is primarily for the purpose of trying to equalize the flow south.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. Certainly.

Mr. DONNELL. It is a fact, is it not, that the reservoir facilities to be provided north and west of Sioux City, Iowa, are in large part not particularly to insure a 9-foot channel but to insure against floods in the lower Missouri River?

Mr. DOUGLAS. Both purposes are present, and I tried to say that.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. I yield.

Mr. DONNELL. Am I incorrect in understanding the Senator to have indicated earlier that $250,000,000 was to be expended for the purpose of insuring or providing a 9-foot channel below Sioux City, Iowa?

Mr. DOUGLAS. I would say that was probably its primary purpose, although another purpose, as the Senator from Missouri says, is to prevent floods along the Missouri. That is correct. That is a secondary purpose. And in a case or two, there may be some irrigation diversion.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. Certainly.

Mr. DONNELL. Does not the Senator think that in order that we may properly evaluate his argument it is exceedingly important that we know, and not surmise, whether $250,000,000 is to be spent north and west of Sioux City, Iowa, or south and east of Sioux City, Iowa?

Mr. DOUGLAS. The bill does not state and the report does not state. If there is any ambiguity, it is not the fault of the Senator from Illinois. It is the fault of either the Corps of Engineers or the Committee on Public Works.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. I am always happy to yield.

Mr. DONNELL. Did not the Senator say, as best I could understand him from this distance, from which it is a little difficult at times to understand each other——

Mr. DOUGLAS. I would move toward the Senator, but we have been enjoined to keep our seats.

Mr. DONNELL. I believe that to be a very wholesome rule, and we should keep our places. I believe the Senator will agree that we have been doing so consistently.

Mr. DOUGLAS. It has pained me to be so distant from the Senator from Missouri, but I am compelled to obey the rule.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. Certainly.

Mr. DONNELL. Did not the Senator say, in response to a question propounded by the Senator from Utah, that the Senator from Illinois looks with more favor on the portion of the work to be done north and west of Sioux City, Iowa, than he does on the portion of the work to be done south and east of Sioux City, Iowa?

Mr. DOUGLAS. Yes; for reasons which the Senator from Illinois will later advance and defend.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. Certainly.

Mr. DONNELL. Was that the statement, in substance, which the Senator made?

Mr. DOUGLAS. That is correct.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. I am always glad to yield to the Senator from Missouri.

Mr. DONNELL. Is the Senator from Illinois able to tell the Senate how much, if any, of the $250,000,000 is to be expended for construction work south or east, or south and east, of Sioux City, Iowa?

Mr. DOUGLAS. I think the report of the Corps of Army Engineers is defective on that point, and the report of the Committee on Public Works is not adequately informative, but it is well known that the responsibility of the Corps of Army Engineers is primarily confined to two purposes, namely, the maintenance of a 9-foot channel from Sioux City, Iowa, to the mouth of the Missouri, and to the protection of the adjacent land from floods. Any reservoirs to be constructed north of that are intended primarily for that purpose. With the best of intentions in the world, I say to the distinguished Senator from Missouri, that he is somewhat missing the point of what I am trying to say. What I am trying to say is that the Pick-Sloan plan, toward which this authorization is one step further for us to take, may break apart, because it is based upon the belief that there will be more water in the Missouri River than actually there may be. And we may find ourselves committed to a program of public works under the Corps of Army Engineers, and a program of public works under the Bureau of Reclamation, both of which could not be satisfied at the same time in periods of low rainfall. That is what I am trying to say.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. Certainly.

Mr. DONNELL. It is a fact, is it not, that the Senator from Illinois does not know how much, if any, of the $250,000,000 is to be expended south or east, or south and east, of Sioux City, Iowa? Is that not correct?

Mr. DOUGLAS. I doubt that the Corps of Engineers itself knows the answer.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. Yes.

Mr. DONNELL. Did not the Senator understand my question to relate, not to the Corps of Army Engineers, but to the Senator from Illinois?

Mr. DOUGLAS. I do not pretend to have greater knowledge of engineering matters than the Corps of Engineers.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. DOUGLAS. Certainly.

Mr. DONNELL. The fact is, is it not, that the Senator from Illinois himself, although he is opposed to the $250,000,000 item, as being money to be expended in the Lower Missouri Basin south and east of Sioux City, does not know and cannot tell the Senate how much, if any, of the $250,000,000 is to be expended either south or east, or both, of Sioux City, Iowa?

Mr. DOUGLAS. I can only lament my inability to make myself clear.

Mr. DONNELL. Mr. President, I should like to have an answer to my question rather than a statement which wanders from the point. The question I propounded to the Senator from Illinois is susceptible of a direct answer, and I most respectfully ask the Senator to answer it directly, if he will. If he will not, I shall desist.

Mr. DOUGLAS. There is no one in the Senate for whom we have greater respect than the Senator from Missouri. He is meticulously honest in everything. He is extremely courteous. However, at times he requires a precision of statement to which the hard facts of life are not always susceptible. However, I say to the Senator from Missouri that under the Pick-Sloan plan the major part of the money expended in the Missouri River Basin is intended for the benefit of the areas south of Sioux City, on the Missouri, for a navigation channel, and for the protection of the adjacent territory from flood. That is the purpose. Even though there may be reservoirs north and west, that is the purpose. If the Senator from Missouri will be charitable toward me, as I have been toward him, and permit me to go on with certain further points, I shall be glad to yield to him again at a subsequent time.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. DOUGLAS. I am glad to yield.

Mr. DONNELL. I ask the same question which I have asked at least twice, and possibly three times, and to which I have not yet received an answer from the Senator. My question is, Is it not a fact that the Senator cannot tell the Senator this afternoon that a single dollar of the $250,000,000 is to be expended south and east, or south or east, of Sioux City, Iowa?

Mr. DOUGLAS. Mr. President, I do not know the schedule of priorities of the Corps of Army Engineers. I wish that they had taken us into their confidence. I wish that the actual schedule had been printed in the bill. It was not. That was not the fault of the Senator from Illinois. I think perhaps it was the fault of the Corps of Engineers. However, I do know that the greater part of the money, wherever it may be spent, will be for the benefit of navigation south of Sioux City and for the protection of adjacent territory from floods.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am happy to yield.

Mr. MUNDT. I wish to say to the Senator from Illinois that there are benefits involved in the comprehensive Pick-Sloan plan which accrue to the people north and west of Sioux City.

Mr. DOUGLAS. May I say that I think any benefits which may come to them are from the Sloan portion of the plan, rather than from the Pick portion.

Mr. MUNDT. But the Pick-Sloan plan consists of two plans which have been merged together. Is that not correct?

Mr. DOUGLAS. It was an unholy marriage. It was a welding together of two disparate and frequently contrary plans.

Mr. MUNDT. However, the marriage has been eminently successful to the people of the area.

Mr. DOUGLAS. The test of the marriage has not yet come. The test will come in a period of drought. Then we shall likely find that the commitment for navigation in the lower river cannot

be satisfied unless irrigation in the upper river is restricted. It may be found that the constitutionality of the O'Mahoney-Millikin bill will be attacked, and possibly it will go down on the ground that the vested interests, which have been built up along the Missouri River, will claim priority for navigation. So the Senator should not rest secure on the O'Mahoney-Millikin bill, excellent as it is.

Mr. MUNDT. May I suggest that the Senator is now basing his statements on conjectures, which include, not only drought, but an adverse decision by the Supreme Court? We can find benefits which are much more practicable than those which hinge on such an unlikely contingency as drought.

Mr. DOUGLAS. Is drought unlikely?

Mr. MUNDT. Unlikely.

Mr. DOUGLAS. It is unlikely?

Mr. MUNDT. Yes; to the extent that the Senator has described it. One evidence of the benefits to the area north and west of Sioux City is the great irrigation potentiality from the reservoirs being constructed by the Corps of Army Engineers. In the event of a drought, they would benefit from them.

Mr. DOUGLAS. Is it not true that the upper valley gets 30 percent, and navigation gets 70 percent?

Mr. MUNDT. Is the Senator referring to money?

Mr. DOUGLAS. No; to acre feet of water a year.

Mr. MUNDT. No; there is no such allocation. We cannot base our arguments on assumptions.

The PRESIDING OFFICER. The Senator having the floor may yield only for a question.

Mr. DONNELL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. DONNELL. May I ask the Senator if he will permit me to offer at this time to be printed in the RECORD that portion of page 70 of the report of the Committee on Public Works which, after referring to the four basins, one of which is the Missouri, uses the following language:

> The committee feels that the comprehensive plans in all of the river basins should be carried forward in an orderly manner without such limiting language as is presently included in the House report on H. R. 5472 with respect to the four river basins mentioned above. This would only be consistent with the stated objective of the House committee, in its report, to provide minimum authorizations to insure uninterrupted progress on these programs for the next 3 years. The committee recommends, therefore, that the monetary authorizations presently included in the bill remain unchanged and that the Secretary of the Army and Chief of Engineers be instructed to carry forward the approved plan of construction within the respective basins in an orderly manner within the limit of the monetary authorizations previously made by the Congress and included in this bill.

I thank the Senator.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, I can hardly yield to the Senator from Utah without first trying to answer the question propounded to me by the Senator from Missouri lest I seem discourteous to him, which is the last thing I would care to have happen.

I would say to the very able and distinguished Senator from Missouri that he has read correctly the statement which is in the report of the Senate committee on page 70, and I think that it is a grave defect in the bill that we are asked to make authorizations of $250,000,000 for the Missouri, $200,000,000 for the Mississippi, $100,000,000 for the Ohio, and certain other recommendations, without setting forth the specific projects which are to be carried out. Here are total authorizations of $550,000,000 which we are asked to vote en bloc without knowing the specific projects for which they are to be made. I think the criticism which the Senator from Missouri has been directing to the Senate should be more properly directed to the Corps of Engineers, and, I am sorry to say, to my good friends on the Committee on Public Works, than to the Senator from Illinois, who can work only with the material which is presented to him.

I can say that the main issue on the Missouri is not concerning the specific point where the money is spent. The question is whether we are not pledging by this plan a larger amount of water than will be in fact available, and whether as we go along on these projects we are not committing ourselves to a scale of public works which may be largely vacant and unused for a considerable portion of the time in the future. That is the issue. And until all the available facts as to water supply are more fully gathered and analyzed it seems inexcusable to me for Congress to pass such large authorizations.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Utah.

Mr. WATKINS. With respect to the matter which has just been under discussion, did the Senator see pages 106 and 107 of the House report on H. R. 5472, where there is a tabulation of the various projects? I note on page 107 there are "Projects under construction" which get a portion of the money. The Senator will notice there is the Oahe Reservoir in South Dakota and North Dakota, costing $221,000,000. That is the estimated over-all construction cost. There is the Garrison Reservoir, $188,000,000, and the Harlan County Reservoir, $48,000,000. The total cost of all these projects is $745,196,600. Then there are projects not yet started. It seems to me this money would be usable on the projects already started, as much as on those not started.

I understood the Senator to say that most of the $250,000,000 was to be used south of Sioux City, Iowa. I ask the Senator if his attention has been directed to these particular phases, and whether he has considered them in making his remarks?

Mr. DOUGLAS. In reply to the very able Senator from Utah, I will say that he has read correctly the House report which lists projects under construction, to cost $745,000,000. I do not know which of these have been singled out for priority under the authorization which is projected. We do not know which ones are. But we do know that wherever the projects are located, they are primarily for two purposes which I have stated over and over again, namely, the maintenance of a 9-foot channel south of Sioux City, and the protection of adjacent farmlands. It is my further point that those projects can be carried out only if there is a larger flow of water than we may expect in the future.

Mr. DONNELL. Mr. President——

Mr. DOUGLAS. I should like to throw in one other thing for the benefit of those who read the RECORD, and I am sure most Senator do. The Department of Agriculture is now proposing in a plan submitted to Congress to stop the flowing of water where it falls, by reforestation, by contour plowing, by planting grass on pasture lands, by putting the farms to stock raising with 400,000 stock-water ponds, and by the construction of 14,000 or more small dams, all of which will diminish the flow of water to Sioux City and to the reservoirs in South Dakota. The pressure for the available water is great. I question whether we should at this time pass an authorization which may result in the construction of works for which there is grave danger that there is not enough water.

Mr. DONNELL. Mr. President, will the Senator yield in order that I may make a unanimous-consent request?

Mr. DOUGLAS. I will yield with the understanding that I do not lose the floor.

Mr. DONNELL. Mr. President, if agreeable to the Senator from Illinois, I ask unanimous consent that there may be inserted at this point in his remarks that portion of page 106 of the report of the House committee which relates to the Missouri River Basin, all of page 107, and that part of page 108 which relates to the same subject, all in report No. 969. May I have the Senator's permission?

Mr. DOUGLAS. I am very glad to have that done.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

Mr. WHERRY. Mr. President, will the Senator from Illinois yield so that I may address a question to him?

The PRESIDING OFFICER. Does the Senator from Nebraska object?

Mr. WHERRY. I do not object.

The PRESIDING OFFICER. The Chair hears no objection, and the matter may be inserted in the RECORD.

The matter requested to be inserted in the RECORD by Mr. DONNELL is as follows:

MISSOURI RIVER BASIN

Location and description: The Missouri River is formed by the confluence of the Gallatin, Madison, and Jefferson Rivers at Three Forks, Mont., in the southwestern part of that State. It flows in a generally southeast direction to its junction with the Mississippi River about 17 miles above St. Louis, Mo. From the headwaters of the Missouri River to its mouth the drainage basin changes from precipitous mountain slopes to inclining terrace lands and finally to rolling plains near its mouth. The river has a total length of 2,460 miles and the drainage basin contains about 529,350 square miles, of which 9,715 square miles are in Canada. The population of the basin exceeds 7,000,000. Agriculture and allied industries provide the principal means of subsistence in the basin. Floods on the Missouri River are frequent, the portion of the basin below St. Joseph, Mo., being the most subject to destructive

floods. From 1900 to, but not including the floods of 1943, the direct property damage in the Missouri River Basin are estimated at over $160,000,000. Damage from the floods of 1943, 1944, 1945, and 1947 is estimated at $267,000,000. Sixty-five lives were lost during these floods from 1943 through 1947.

Existing comprehensive plan: The general comprehensive plan for flood control and other purposes in the Missouri River Basin provides for levees along the Missouri River between Sioux City, and the mouth, flood protection works at certain municipalities, and reservoirs located along the main stem of the Missouri River and on tributaries for control of flood flows. The following table shows pertinent data regarding the elements of the comprehensive plan.

Project and status	*Estimated cost*
Projects completed: Kanapolis Reservoir, Kans	$12,167,000
Projects under construction:	
Missouri River Agriculture levees	113,700,000
Omaha, Nebr	9,512,800
Council Bluffs, Iowa	2,450,000
Fort Randall Reservoir, S. Dak	160,000,000
Oahe Reservoir, S. Dak. and N. Dak	221,242,000
Garrison Reservoir	188,000,000
Harlan County Reservoir	48,578,000
Indianola, Nebr., local protection	98,000
Bartley, Nebr., local protection	111,000
Advance planning on additional projects	1,504,800
Total	745,196,600
Projects not yet started:	
Gavins Point Reservoir, S. Dak. and Nebr	23,300,000
Pomme de Terre Reservoir	17,815,000
Pioneer Reservoir	14,105,000
Sioux City, Iowa, local protection	900,000
Arlington Reservoir, Gasconade River, Mo	19,324,000
Richland Reservoir, Gasconade River, Mo	24,145,000
Osceola Reservoir, Osage River, Mo	79,212,000
Tuttle Creek Reservoir, Big Blue River, Kans	64,305,000
South Grand Reservoir, South Grand River, Mo	16,445,000
Chillicothe Reservoir, Grand River, Mo	44,781,000
Red Willow Reservoir, Red Willow Creek, Nebr	9,000,000
Big Bend Reservoir, S. Dak	40,400,000
Jamestown, N. Dak	13,440,000
Additional cost for Fort Randall Reservoir	18,360,000
Additional cost for Oahe Reservoir	21,000,000
Additional cost for Garrison Reservoir	42,000,000
Republican River Reservoir	55,569
Total	448,587,569

Local cooperation: None for reservoirs; the local cooperation for the local protection works is in accordance with parts a, b, and c of section 3, Flood Control Act of 1936.

Benefits: This plan of improvement is of the greatest importance to the Missouri River Basin. Even though large parts of the basin are thinly settled and have little industrial development, floods are very destructive throughout the basin and flood damages exceed $50,000,000 per year on the average. The plan now approved by Congress will, when complete, prevent over 60 percent of this average annual flood damage; and an even higher degree of protection will be provided when the plan is expanded to include additional projects which have been recommended or now being studied by the Corps of Engineers. The navigation feature of the comprehensive plan will provide 9-foot depths and a channel width of 300 feet from the mouth to Sioux City, Iowa, to serve the most heavily populated and industrialized section of the basin. The streams of the Missouri Basin have a hydroelectric power potential of about 5,000,000 kilowatts, of which only about 800,00 kilowatts have been developed. The demand for power in the area is very large and additional power will be required for further industrial development. Present projects for the Missouri River Basin, under the jurisdiction of the Corps of Engineers, include the installation of 1,175,000 kilowatts of power authorized by Congress, and plans will permit additional power installation when required and authorized. Considering these and other benefits which will accrue from the comprehensive plan of improvement, estimates show that the plan as a whole has a benefit-cost ratio of about 1.6.

Existing authorization and status: The existing project was authorized by the following flood control acts, with the amount of authorization as indicated:

Flood Control Act, June 28, 1938	$9,000,000
Flood Control Act, Aug. 18, 1941	7,000,000
Flood Control Act, Dec. 22, 1944	200,000,000
Flood Control Act, July 24, 1946	150,000,000
Total	366,000,000

The status of the comprehensive plan as indicated in a preceding table shows one dam completed at a cost of $12,167,000 and nine projects under way at a cost of $745,196,600, including $1,504,800 for advance planning.

Additional authorization: The committee notes that the cost of work completed and under way under the basin plan approval exceeds the monetary authorization for the approved basin plan by $391,363,600. Thus monetary authorizations are not sufficient to cover the completion of work now under way; and there is no backlog of authorizations for the initiation of new projects. In order that work may be planned and programed to insure the highest degree of efficiency at the most economical cost of construction, the committee recommends that a minimum additional authorization of $250,000,000 be made. This additional authorization would permit continuation but not completion of projects now under construction, but would not permit the initiation of new projects.

Mr. MAYBANK rose.

Mr. WHERRY. Mr. President, I should like to ask the Senator from Illinois a question.

Mr. DOUGLAS. The Senator from South Carolina asked me to yield, and I yield to him with the understanding that I do not lose the floor.

Mr. MAYBANK. The question I desire to ask can be delayed until the Senator from Nebraska, the minority leader, makes his suggestion. The Senator from Illinois has made an able speech, and there has been a great deal of discussion on the pending bill. I was going to suggest the absence of a quorum, but I withhold that until the Senator from Nebraska asks his question. If the Senator will permit me to suggest the absence of a quorum——

Mr. HILL. Mr. President, will the Senator withhold that? If the Senator yields for a quorum call, he is supposed to yield the floor.

Mr. DOUGLAS. I ask unanimous consent that I may yield to the Senator from South Carolina.

Mr. MAYBANK. I made the request.

Mr. DOUGLAS. I now ask unanimous consent that I may yield to the Senator from South Carolina with the understanding that I shall not lose my right to the floor.

The PRESIDING OFFICER. Is there objection?

Mr. HILL. Mr. President, I wonder if we might reach some agreement. I should like to ask the Senator from New Mexico if he would mind stating his feeling about whether we should remain in session longer.

Mr. CHAVEZ. My feeling is that we should proceed to get through with the bill.

Mr. HILL. I appreciate that. I know how anxious the Senator is to get through with the bill. I am sure, however, that the Senator from New Mexico recognizes what the situation is. Many Senators are not present, and some of them feel very definitely that there should not be a vote tonight. I think one distinguished Senator has practically said that he will not agree to a vote tonight.

Mr. CHAVEZ. Threats never did impress me.

Mr. HILL. I appreciate that, and I am not attempting to convey any threats to the Senator. I am trying to look at the situation as it is.

Mr. CHAVEZ. Very well. What is the matter with Saturday?

Mr. HILL. As the Senator knows, ordinarily we do not have Saturday sessions, and if we should decide to recess now, I do not think there would be any difficulty in finishing the bill Monday.

Mr. DOUGLAS. There is a unanimous-consent request pending that the Senator from South Carolina be permitted to suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator withheld his call.

Mr. MAYBANK. Under the unanimous-consent agreement, I withheld it.

Mr. CHAVEZ. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAVEZ. Has a unanimous-consent agreement been made to the effect that when the Senate recesses tonight it will recess until Monday?

The PRESIDING OFFICER. That is correct, that when it completes its business it will recess until 12 o'clock noon next Monday.

Mr. CHAVEZ. I do not think there would be any difficulty in finishing the bill tomorrow.

The PRESIDING OFFICER. Let the Chair state the parliamentary situation. There has already been a unanimous-consent agreement that when the business of the Senate is completed today, the recess will be until noon Monday.

Mr. CHAVEZ. Reserving the right to object——

Mr. HILL. That has already been ordered.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. HILL. The Senator from Illinois has the floor.

Mr. CAIN. Mr. President, will the Senator from Illinois permit me to ask one question?

Mr. HILL. If the Senator from Illinois will yield, I shall be glad to answer any question I can answer.

Mr. DOUGLAS. I should like to have one feature of the recess suggestion cleared up. Is it understood that if unanimous consent is given, I retain my right to the floor when the Senate reconvenes on Monday?

The PRESIDING OFFICER. That was not included in the consent.

Mr. DOUGLAS. If it was not included, I object.

Mr. MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAYBANK. The pending question before the Senate is a quorum call, is it not?

The PRESIDING OFFICER. The Senator from South Carolina withheld his suggestion of the absence of a quorum until the Senator from Alabama had made a statement. The Senator from Alabama was interrupted and has not had a chance to make his statement.

Mr. MAYBANK. That is correct. I withheld my suggestion of the absence of a quorum merely for the purpose stated by the Chair.

Mr. HILL. Mr. President, earlier in the afternoon the Senate unanimously agreed that when it concluded its business today it would recess until 12 o'clock noon Monday. So it has already been fixed that when the Senate concludes its business today it will take a recess until 12 o'clock noon Monday. I know that the distinguished Senator from New Mexico wishes to have action on his bill completed today. I not only sympathize with him, but I share very strongly his feeling in the matter. In view of the lateness of the hour and the present situation in the Senate, with which the Senator from New Mexico is just as familiar as I am, I wondered what his wishes were in the matter at this time.

Mr. CHAVEZ. I wonder if we can have read at this time the unanimous-consent agreement to which the Senator refers. I speak of the agreement that the Senate, when it concludes its business today, take a recess until 12 o'clock noon Monday.

The PRESIDING OFFICER. At about 6:30 this evening, while the present occupant of the chair was in the chair, a unanimous-consent request was made that when the Senate completed its business today it recess until noon on Monday next. That was stated by the Chair three times, there was some discussion about it on the floor, and no objection was heard, and it was so ordered.

Mr. CHAVEZ. I should like to make a suggestion to the acting majority leader. Can we enter into a unanimous-consent agreement as to when we are to vote on amendments to the bill on Monday or——

Mr. HILL. I will say to my distinguished friend, the Senator from New Mexico, that I would be delighted to propose such a unanimous-consent request except as the Senator knows, the rules require that before an agreement can be entered into respecting final vote on a bill a quorum call must be had. That would mean that if I were now to submit a request that the Senate vote at a certain hour, let us say on Monday, under the rules of the Senate, before action on such a request could be taken there would have to be a quorum call. I am not sure whether the Senator from New Mexico wants a quorum call at this time, to be frank with the Senator.

Mr. CHAVEZ. I do not know whether the Senator from New Mexico would want a quorum call or not. Possibly the acting majority leader might. Does the same rule apply with respect to obtaining unanimous consent to vote on amendments to the bill?

Mr. HILL. No; I would say not.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that it would not.

Mr. HILL. It would not. If it is agreeable to the Senator from Illinois and to other Senators as well, of course, we might enter into an agreement that there should be limitation of debate on each amendment. Would the Senator from Illinois be willing to limit debate, say, to 15 minutes in favor and 15 minutes against each amendment?

Mr. DOUGLAS. Yes.

Mr. HILL. Or would the Senator be willing to agree to a limitation of 5 minutes?

Mr. DOUGLAS. I think we are now considering such big figures, $250,000,000, $200,000,000, $89,000,000, and $100,000,000, that 5 minutes on each side is insufficient.

Mr. HILL. What would the Senator from Illinois think about splitting it and making it 10 minutes on each side?

Mr. DOUGLAS. Ten minutes on each side would be agreeable.

Mr. CAIN. Mr. President, will the Senator yield to me for one question?

Mr. HILL. Yes.

Mr. CAIN. The junior Senator from Washington is strongly of the opinion that several days ago the majority leader, the distinguished Senator from Illinois [Mr. LUCAS], served notice on this body that if the bill was not completed and voted upon earlier this week the Senate could expect to work not only Friday and Friday night but Saturday and Saturday night. I wonder if my memory is correct.

Mr. HILL. I cannot advise the Senator as to that. If the majority leader made any such statement as that I did not hear it. On the contrary, I do know that the Senate entered into an agreement this afternoon that when it concluded its business today it would recess until 12 o'clock noon on Monday.

Mr. CAIN. On the assumption, may I suggest, that the bill would have been completely disposed of before we quit tonight. That was the understanding all of us had.

Mr. HILL. I will say to my distinguished friend that there was no condition whatever imposed when the Senate made that order. So far as the assumption is concerned, we all wanted to finish the bill. We all hoped to finish the bill. We all intended to finish the bill. But the fact remains, I will say to my good friend, that it is now half-past 8 o'clock. We have been in session since 11 o'clock this morning, and we have not finished the bill.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. CHAVEZ. That is exactly what the Senator from New Mexico is complaining about. I have seen the majority leader, who is now absent, keep the Senate in session until far into the small hours of the morning. I heard him in this body, standing in the place where the acting majority leader is now standing, tell the Senate, when the unanimous-consent agreement was entered into to take up the calendar on Monday, that he was going to keep the Senate in session until we got through with the pending measure. So there is nothing unusual about that.

Mr. DOUGLAS. Mr. President, I do not quite understand the purport of the statement of the Senator from New Mexico. I am sure he did not mean to reflect on my colleague, the senior Senator from Illinois, who is not present. I want to say that in my judgment the senior Senator from Illinois is conspicuous for his fairness. So far as I am concerned, Mr. President, I am ready to remain here all night. I would like to go out to Chicago at 8 o'clock in the morning, but I am willing to stay here until 8 o'clock in the morning and fight out this rivers and harbors proposal, if necessary. For that matter, I would be glad if the Senate would remain in session all day tomorrow.

Mr. HILL. Let me say a word to the Senate. The distinguished majority leader can announce his plans. He can say what he wishes to do or what he would like to do. But in the final analysis it is up to the Senate itself to make the determinations. Unless a majority of the Senate will remain and do the job the leader has no power to make the Senate remain here and do it.

Mr. CHAVEZ. Of course not. But we can know what his state of mind is, and I will now read for the benefit of the Senate from page 5106 of the CONGRESSIONAL RECORD of April 13 as follows:

> Mr. LUCAS. I should like to find out from the Senators who are in charge of House bill 5472 how much time they think it will take to finish consideration of the bill and all the amendments which have been offered thereto. I should like to make an announcement—

Only an announcement. I know he cannot determine matters for the Senate. I found that out some time ago—

> regarding it, because we shall have to finish consideration of the bill this week, even if we have to hold night sessions and a Saturday session.

I am not accusing the Senator from Illinois of anything, or doubting his sincerity of purpose. I am trying to find what he had in mind at the time of the proposal for an agreement to take up the calendar on Monday.

Mr. HILL. I am sure it was the wish of the Senator from Illinois, the distinguished majority leader, to finish the bill

today. I know that he sought to do everything within his power to finish the bill today. But the fact seems to be evident that it is going to be extremely difficult, if not impossible, to finish the bill today. Therefore, I wonder if we cannot secure an agreement at this time that debate on all amendments to the bill from now on shall be limited to 10 minutes for an amendment and 10 minutes against an amendment, and that no amendment not germane to the bill shall be in order to be offered to the bill.

Mr. CHAVEZ. At what time is that to begin?

Mr. HILL. That 10-minute limitation would begin at 12 o'clock noon on Monday.

Mr. DOUGLAS. Mr. President, reserving the right to object—do I have the floor?

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. DOUGLAS. I should like to make a comment on the proposal of my good friend, the acting majority leader. In general, that proposal would be satisfactory so far as I am concerned, but the distinguished senior Senator from Montana [Mr. MURRAY], who is absent today, will in all probability be present on Monday. This is a matter upon which he feels very acutely, particularly on the authorizations for the lower Missouri Basin. On that particular amendment I would not like the Senate to bind us to a limitation of time of 10 minutes, because the Senator from Montana, I believe, has a great deal of very valuable information which he would like to share with the Senate, which could not be compressed into 10 minutes.

Mr. HILL. Can the Senator say how much time the Senator from Montana would want on that particular amendment?

Mr. DOUGLAS. I should say instead of the proposal to fix the time for voting at 4 o'clock on Monday, that the time from 12 to 4 be evenly divided, and then that after 4 o'clock on Monday there be a limitation of time of 5 minutes on each side on the amendments which are proposed.

Mr. HILL. I will say that the hour of 4 o'clock for voting is satisfactory. But I remind the distinguished Senator that before we could enter into an agreement for having the final vote on the bill, under the rules, it would be necessary to have a quorum call. That means that 49 Senators would have to come on the floor now to answer to the call of the roll. That is the difficulty about the Senator's proposal.

I will say, if we were to enter into an agreement, that 10 minutes be allowed each side on each amendment, that with respect to the particular amendment to which the Senator has adverted I might modify my request by providing more time on that amendment. I believe we could be able to agree to that.

Mr. DOUGLAS. May I ask the Senator from Alabama a question? It would not be necessary, would it, for us to have a quorum call tonight in order to reach unanimous agreement to vote merely on amendments?

Mr. HILL. We may have an agreement on them without a quorum call.

Mr. DOUGLAS. Could we not enter into a formal unanimous-consent agreement tonight to vote on amendments at a stated time, and then enter into a gentleman's agreement that the vote on the measure itself would take place at a certain time on Monday?

Mr. DONNELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. If we were to enter into a gentleman's agreement, would it not in effect be the same as entering into a formal agreement?

It would appear to me, if I may say so, that it is improper to attempt to achieve by indirection what we cannot achieve by direction. I should certainly object to entering into any kind of agreement with respect to a vote on the bill, without having a quorum present.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WHERRY. I should like to ask the distinguished Senator fron. Alabama a question. I wish to say that I do not claim to have the panacea to take care of all situations; but in view of the statements which have been made and in view of the fact that the Senator from Illinois feels there should be proper debate on the amendments he is to offer to the Senate, in addition to the amendment he is now discussing, it seems to me that the only thing left to do is either to continue or to call a quorum; and if a quorum is not present, then to take a recess until Monday.

Mr. HILL. Mr. President, if we cannot reach an agreement, that would seem to be the only course open.

The PRESIDING OFFICER. The Senator from South Carolina is recognized; that is the regular order.

Mr. DOUGLAS. Mr. President, I have asked unanimous consent to yield to the Senator from South Carolina, to permit him to make the point of no quorum, with the understanding that by so doing I would not lose the floor.

The PRESIDING OFFICER. That consent has been given.

Mr. MAYBANK. Mr. President, with the consent of the Senator from Illinois, I withdraw the suggestion of the absence of a quorum, and move that the Senate take a recess—if I may have the permission of the Senator from Illinois for that purpose.

The PRESIDING OFFICER. Does the Senator from Illinois yield for that purpose?

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may yield for that purpose, without losing my right to the floor.

Mr. HILL. Mr. President, it is ridiculous, if I may say so, for a Senator to yield, to permit a motion for recess to be made, and to request that he shall not thereby lose his right to the floor.

The PRESIDING OFFICER. Let the Chair observe that the Senator from Illinois can speak twice on any amendment which he may wish to offer.

Mr. DOUGLAS. I thank the Presiding Officer for reminding me of that fact. I withdraw the proviso that I continue to hold my right to the floor.

Mr. MAYBANK. Mr. President, I move that the Senate take a recess.

Mr. HILL. Mr. President, was the unanimous-consent request which I made with reference to the limitation of debate on the amendment ever put by the Chair?

The PRESIDING OFFICER. No; the Chair did not put the request.

Will the Senator from South Carolina withhold his motion for a recess?

Mr. MAYBANK. I am pleased to withhold the motion for a recess until the other question is put.

The PRESIDING OFFICER. Will the Senator from Alabama restate his request?

Mr. HILL. Mr. President, my request was that the debate on each amendment be limited to 10 minutes for the amendment and 10 minutes against the amendment, and that no amendment not germane be in order to be offered to the bill.

Mr. MORSE. Mr. President, reserving the right to object, I wish to make a few comments, namely——

Mr. DOUGLAS. Mr. President, I reserve the right to object.

The PRESIDING OFFICER. Very well.

Mr. MORSE. Mr. President, making my comments under the reserved right to object, let me say that I was one of those who thought it would be possible for the Senate to complete action on this bill within this day. I would that we could have completed the consideration of this bill before certain unforeseen conditions developed as they have developed in the course of this debate.

However, I wish to say that I think each one of us, as Members of this body, needs to do some thinking about another principle which I believe is involved which has come into being in recent hours in its application to this particular debate, because any one of us may find himself at some time in the future in exactly the same position in which I think the junior Senator from Illinois finds himself at the present time. Even when we disagree with a colleague on a particular point—as I disagree with the Senator from Illinois on the position he has taken, if I correctly understand his arguments on the amendments he has proposed and is proposing—nevertheless I think we owe a mutual obligation to each other to see to it that the procedures of the Senate are applied fairly and equitably to each one of us. I am expressing only my own opinion; but believing that I am right in this opinion, and thus following the course of action which I have been following in the past half-hour or three-quarters of an hour, and believing that in the past several hours the Senate of the United States has gotten itself into such an attitude that the fact is that the Senator from Illinois, in my judgment, is not in a position where he can get a fair hearing on a series of amendments, with which I find myself in disagreement, but in regard to which I am satisfied there are a

great many Americans who are in agreement with the Senator from Illinois——

Mr. MAYBANK. Mr. President, I have the floor. I yielded. Let me propound a parliamentary inquiry:

There is before the Senate a motion that the Senate take a recess.

The PRESIDING OFFICER. The Senator from South Carolina withheld his motion for the purpose of permitting the Senator from Alabama to propose a unanimous-consent request; and the Senator from Oregon is addressing himself, under the reservation of the right to object, to the unanimous-consent request.

Mr. MAYBANK. Mr. President, who has the floor?

The PRESIDING OFFICER. Subject to that limitation, the Senator from Oregon has the floor.

Mr. MAYBANK. Subject to what limitation?

The PRESIDING OFFICER. He is addressing himself, with reservations of objection, to the unanimous-consent request for which the Senator from South Carolina yielded.

The Senator from Oregon may proceed.

Mr. MORSE. Mr. President, continuing my reservation as to the possibility of objecting to the unanimous-consent request, I am expressing my personal opinion that the situation which has developed in the Senate is such that the Senator from Illinois does not, I believe, have much of a chance, if we continue, to get a thorough and fair consideration of the amendments he has offered. I think all of us will recognize the fact that the hour is late, that fatigue has manifested itself on the floor of the Senate, and that in keeping with our mutual obligations of fair play to each other, and in protecting the Senate of the United States as a great deliberative body in which each Member will have a full opportunity to have his "say" and to get fair consideration of the merits of his position on any issue, we should not keep the Senate in session further tonight.

I think the motion which the Senator from South Carolina has withheld momentarily is a motion which should be put, because I believe that, come Monday at 12 o'clock, we could obtain a unanimous-consent agreement such as the one the Senator from Alabama has proposed now, and could do so very quickly following a quorum call.

The Senator from Alabama puts the junior Senator from Oregon in this position, in respect to the unanimous-consent agreement which the Senator from Alabama has proposed, namely, that if I agreed to it, without having a quorum call, I would have to back-track on what I think is a very important parliamentary right which should be guaranteed to absent Members of the Senate, who may be within the precincts of the Senate but not on the floor of the Senate, namely, the right to have a quorum call had before a unanimous-consent agreement is entered into.

Thus, so that there may be no misunderstanding of at least the spirit and intent of the Senator from Oregon in the position he has taken, I have made these comments by way of reservations to the unanimous-consent agreement, because I simply think we have reached the point where, in the best interests of proper parliamentary procedure in the Senate, and full and fair debate, we should take a recess over the week end, and come back on Monday noon, and then proceed to give careful consideration to the amendments offered by the Senator from Illinois.

Therefore, Mr. President, I object to the unanimous-consent request.

The PRESIDING OFFICER. Objection is heard.

In order to clear the record as to the position of the senior Senator from Illinois in regard to a Saturday session, the senior Senator from Illinois yesterday, as shown on page 5145 of the RECORD, stated:

There will be no session on Saturday, but there could be one tomorrow evening.

TARIFF REDUCTIONS—TARIFF CONFERENCE IN ENGLAND

During the delivery of Mr. HOLLAND'S speech,

Mr. MAYBANK. Mr. President, it seems that our State Department is planning to take part in a 40-nation trade conference in England in September to discuss further tariff cuts.

In the light of facts and figures already available, these plans leave me with a grave concern for the future of our entire domestic economy.

Mr. President, I shall not read this long statement and the documents appended to it because I realize the Senate desires to finish consideration of the pending bill, and I shall stay here until we finish with it. Therefore, I ask unanimous consent that the remainder of my remarks and certain documents may be printed in the body of the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina that his remarks appear as an insertion in the RECORD at the end of the debate on the pending bill?

The Chair hears none, and it is so ordered.

STATEMENT OF SENATOR MAYBANK

Mr. President, it seems that our State Department is planning to take part in a 40-nation trade conference in England in September to discuss further tariff cuts.

In the light of facts and figures already available, these plans leave me with a grave concern for the future of our entire domestic economy.

Through the Bureau of the Census, the Department of Commerce recently issued a summary report on the export and import trade gap. Frankly, I am already alarmed over the trend as evidenced in this report.

I call the attention of the Senators to the decline of $199,300,000 in exports during the month of January. This compares with an increase of $17,600,000 in imports during the same period. On the surface these figures simply represent a closing gap between exports and imports during the first month of this year.

In an effort to determine the cause of this decline in exports and the increase in imports, I have obtained from the Department of Commerce more detailed information.

My findings with reference to imports and exports of textiles leave me with a grave concern over the probable disastrous effect on the textile industries of New England and the South. Our own textile industry suffered a decline of $37,700,000 in exports in the face of an increase of $13,000,000 in imports.

I have not forgotten, Mr. President, the disastrous effect of the exorbitant imports of Japanese textiles into this country during the years immediately before the war. I serve notice now that we must not again allow foreign textiles, produced with cheap labor, on machinery which we have exported, to be dumped on the American market. We cannot again afford to weaken our own textile industry to the point it had reached at the beginning of World War II.

Let me call the attention of the Senators to other products which will likewise be affected. The import figures of wool fabrics, for instance, are almost equally as alarming as those of cotton textiles.

In the past I have supported foreign aids in the belief that they were essential to the continued existence of our allies and friendly foreign countries. I supported and voted for the Commodity Credit amendments last year. I believe in the activation of a point-4-type program for the same reason. However, as I have said over and over, these programs must first be geared to our own domestic economy. It will gain us nothing but disaster if we carry on these aid programs in such a manner that the trend indicated by these figures is allowed to continue.

In the past I have cautioned against careless use of these aid programs. While we are saving the world with American dollars, we may well be on the verge of creating soup-lines at home.

While the present exports of our modern and efficient machinery may be a boon to our tool and die plants, it could well cause the machinery in our own manufacturing plants to stand idle when these lower-priced foreign-made products are brought back and dumped on the American market.

Let this report serve as a warning, Mr. President. The machinery we export today could well stop the wheels of our own machinery if indiscriminate imports of manufactured goods should infiltrate our domestic market.

In order that each Senator may have ready access to the latest information I ask unanimous consent that the report from which I have quoted may be printed at this point in the RECORD as a part of my remarks:

COTTON TEXTILES

Imports of cotton textiles in January 1950, 2,845,000 square yards. This is a rate higher than 1949, when a total of 19,743,000 yards were imported.

Imports in 1948 were 31,757,000. These figures are considerably lower than prewar imports.

Imports in—

1937	147,320,000
1938	58,282,000
1939	111,824,000

Although imports show an increase during the first month of 1950, they are low compared with prewar.

In 1939 exports were 367,000,000 square yards.

Reached peak in 1947, when exports were 1,470,000,000.

In 1948 this figure decreased to 940,000,000.

In 1949 it decreased again to 880,000,000.

In the first month of 1950 exports were 36,500,000. This is a rate of about one-half of January 1949.

WOOL FABRICS

Increase in imports over prewar:

Imports of wool fabrics

	Square yards
1937 (highest prewar year)	9,765,000
1938	6,174,000
1948	9,212,000
1949	8,881,000
January 1950	1,003,000

This indicates a jump in January 1950, and if imports continue at the same rate, they will be up around 12,000,000.

UNITED STATES DEPARTMENT OF COMMERCE, OFFICE OF INTERNATIONAL TRADE, MARCH 24, 1950

Exports of cotton cloth from the United States during January totaled 36,503,000 square yards, a decline of 19,415,000 square yards from the December 1949 shipments, and 64.5 percent less than our exports of this commodity during January of last year, the Office of International Trade, United States Department of Commerce, reported today.

An analysis of Bureau of the Census statistics shows that while our exports of cotton cloth to Canada and a few other countries increased slightly during January, shipments to all other countries declined below the December levels. Losses in exports to the Philippine Republic, Iran, the Union of South Africa, and Venezuela, were particularly heavy.

A comparison of January 1950 exports with those of the same month in 1949 shows that Cuba was the only country to which substantially larger shipments were made this year. Countries showing the greatest decline below January 1949 levels were (in thousands of square yards): Canada, 5,196; Philippine Republic, 9,605; Iran, 11,793; and Indonesia, 9,305.

No United States exports of cotton cloth were made during January 1950 to the United Kingdom, Ceylon, and Pakistan, which in January 1949 received 7,752,000 yards. French Morocco, British Malaya, French West Africa, and Saudi Arabia, which accounted for 8,780,000 yards in January 1949, received only negligible shipments during January of this year.

Details of United States exports of cotton cloth, by principal countries of destination, for January 1950, and for January and December 1949, are given in the following table:

United States exports of cotton cloth

[Thousands of square yards]

	January 1950	December 1949	January 1949
Total	36,503	55,918	102,321
Canada	14,594	14,497	19,790
Philippine Republic	2,044	11,952	11,649
Iran	635	2,192	12,428
Union of South Africa	463	2,314	3,187
Cuba	5,006	5,187	2,573
Indonesia	1,099	1,039	10,404
Venezuela	722	2,785	2,472
Ceylon		12	2,638
Thailand	1,270	1,470	3,247
Belgian Congo	751	317	2,112
Haiti	1,407	2,593	1,955
Dominican Republic	966	1,407	726
Honduras	394	723	1,479
Guatemala	902	1,164	461
Costa Rica	468	686	494
Iraq	141	133	183
Colombia	442	439	978
Bolivia	290	810	533
Salvador	424	455	440
Mexico	261	245	528
Panama Republic	175	161	289
French West Africa	20	20	1,623
Norway	40	41	596
Nicaragua	953	767	352
Ecuador	139	475	575
Hong Kong	514	570	252
Saudi Arabia	25	122	1,080
Turkey	33	8	112
Australia	106	17	458
Israel and Palestine	121	268	99
Chile	90	208	147
Paraguay	91	124	16
Surinam	314	181	422
Sweden	109	51	165
Belgium	221	200	225
Germany	147	158	
Japan	130	15	
Madagascar	95	170	8

Source: Bureau of the Census.

[From World Trade in Commodities, U. S. Department of Commerce, Office of International Trade, December 1949]

UNITED STATES EXPORTS OF COTTON YARN

(By Robert Skliar)

SUMMARY

Exports (table 1) of 92,112,000 pounds in 1947 dropped to 27,943,000 pounds in 1948, and those for the first half of 1949 indicate a 10- to 15-percent loss in 1949 from 1948. Nevertheless, shipments are still far above the 1935–39 average of 8,002,000 pounds.

Carded yarn and mercerized yarn were the principal export items. The outlook for United States exports hinges upon general economic and trade conditions as well as on the development of cotton spinning in other countries.

CARDED YARN MOST IMPORTANT ITEM

Carded yarn, gray and finished, accounted for over half of the prewar yarn exports. In 1947, carded yarn accounted for 52 percent of the total; in 1948, 59 percent; but in the first half of 1949 dropped to 49 percent. The major part of exports was in the gray.

Of the total gray and finished carded yarn exports, gray accounted for 63 percent in 1947, 62 percent in 1948, and 75 percent in the first half of 1949. Gray carded yarn was not separately itemized before 1939.

Mercerized yarn is the next largest item, shipments representing about 19 percent of the total in 1948 and the first half of 1949, 23 percent of the total in 1947, and 22 percent before 1939.

Before 1944 exports of combed finished yarn (except mercerized) were generally smaller than exports of combed gray yarns (not finished or mercerized), but in 1944 and succeeding years shipments of finished combed yarns exceeded those of combed gray.

On the basis of value (table 2), the proportion of carded yarn was relatively lower, ranging from 44 percent of the total prewar, to about 50 percent in the first 6 months of 1949. By the same token, the higher priced combed yarns, particularly mercerized, accounted for a relatively greater proportion of the total than on the basis of volume.

EXPORT PRICES DECLINE FROM PEAKS

The highest postwar export price for carded gray yarn was reached in 1947, when it averaged 83.1 cents per pound, compared with 23.2 cents in 1939 (table 3). That for finished carded yarn also was reached in 1947, averaging 91.2 cent against 29.1 cents in 1939. The highest postwar export price for mercerized yarn was recorded in the first half of 1949, when it averaged $1.51 per pound, compared with the 1935–39 average of 61.5 cents. That for combed yarn other than mercerized was reached in 1948.

It might be noted that average export prices for such relatively large groups of yarn as considered here are determined not only by the price trend but, to a very important degree, by the composition of the shipments for any particular year with respect to yarn count and other quality factors.

WESTERN HEMISPHERE STILL MAINSTAY OF EXPORT MARKET

While exports to the Western Hemisphere in recent years were much larger than prewar, their relative importance has declined because of larger shipments to other countries. Before the war, the Western Hemisphere absorbed as much as 96 percent of total United States cotton yarn exports; the proportion declined to 49 percent in 1948 and to 46 percent in the first half of 1949.

In recent years Canada has been the primary market, followed by Cuba, Argentina, Chile, Uruguay, and Colombia. Prewar, the primary market was Cuba, followed by Chile, Columbia, Canada, and Uruguay. Another factor to be noted in postwar exports is the increased importance of Newfoundland, Mexico, Guatemala, Dominican Republic, Venezuela, Ecuador, Bolivia, and Jamaica.

LARGE EXPORTS TO OTHER AREAS

Next in importance as markets for United States cotton yarn in recent years have been Asia, Europe, and Africa (table 4). Prewar exports to these areas were negligible, but, owing to war scarcities and disruption of former sources of supply, their takings of United States postwar exports have increased considerably. Shipments to Europe increased from 157,000 pounds in 1939 to 23,526,00 pounds in 1947, but declined to 4,113,000 pounds in 1948. Exports to Asia increased from 132,000 pounds in 1939 to 18,753,000 pounds in 1947 but declined to 6,592,000 pounds in 1948. Shipments to Africa, amounting to only 100,000 pounds in 1939, reached 5,994,000 pounds in 1947, but dropped to 2,963,000 in 1948.

Principal European markets have been the Scandinavian countries, the United Kingdom, Eire, Netherlands, and Belgium, but in the first half of 1949 a sharp decline in shipments was recorded except to Belgium and Sweden. The importance of European markets is likely to diminish further as production increases in the consuming countries and in the prewar sources of supply.

In the case of Asia and Africa, changes from prewar were caused mainly by disruption in former sources of supply, as local production is small. In Asia the principal countries of destination in 1947 and 1948 were Pakistan, Indonesia, the Philippines Republic, Indochina, and the Middle East. Exports to India in 1947 and 1948 were large but dropped drastically in the first half of 1949. Shipments to Indochina also dropped considerably in the first half of 1949.

Shipments increased to Indonesia; the Philippines; Iran (exports were much larger than for all of 1948); and Iraq. Exports to Turkey and other Middle East countries were close to 1948 levels.

The Union of South Africa, Algeria, and Tunisia were the only important markets in Africa. Exports to South Africa, which account for most of yarn exports to that continent, dropped sharply in the first half of 1949.

CARDED GRAY YARNS IN IMPORTANT MARKETS

Table 5, showing exports of the five classes of yarn to the more important countries in 1939 and postwar years, permits a ready review of trends. It will be noted that, while exports of carded gray yarn to Canada and the Union of South Africa were much larger in 1948 than 1939, exports to Cuba, Colombia, and Chile declined drastically from 1939 owing chiefly to the expansion of local spinning industries. Shipments to the Union of South Africa in the first half of 1949 were at much lower levels.

FINISHED CARDED YARN IN IMPORTANT MARKETS

In the carded finished group, exports in 1948 were larger than in 1939 to Canada, Cuba, and the Union of South Africa, but were smaller to Colombia, Chile, and Uruguay. Exports in the first half of 1949 were higher than in 1948 to Canada, but at the same or lower levels to other of the mentioned countries.

MERCERIZED YARN IN IMPORTANT MARKETS

Exports of mercerized yarn in 1948 were higher than in 1939 to Canada, Chile, Uruguay, and South Africa; also higher to Venezuela and Argentina, which were among the more important outlets. However, exports were lower than in 1939 to Cuba and Colombia. The level of exports in the first half of 1949 was lower than in 1948 for Uruguay, Argentina, and South Africa, but higher to the other prewar markets.

COMBED GRAY YARNS IN IMPORTANT MARKETS

In the unfinished combed yarn group, larger exports in 1948 than in 1939 were re-

corded for Canada and Chile, but smaller shipments to Cuba and Colombia. Exports to Uruguay in 1939 were negligible and to South Africa, nil. In 1948, however, substantial shipments were made to both countries. No unfinished combed yarn was exported to Chile in the first half of 1949 and exports to South Africa were negligible. Shipments to the other countries mentioned were running at higher levels than in 1948.

COMBED FINISHED YARN IN IMPORTANT MARKETS

Finished combed yarn (except mercerized) exports in 1948 were much higher than in 1939 to Canada, Cuba, and Uruguay, but smaller to Chile. No finished combed yarn, except mercerized, was shipped to South Africa in 1939, but exports in 1948 were considerable. The level of exports in the first half of 1949 was lower than in 1948 to all of these countries and no exports were recorded for Uruguay. Shipments to Colombia were relatively small.

OUTLOOK

The high postwar exports, which reached a peak in 1947, were brought about mainly by the war shortages and underproduction in a number of countries. With the rise in yarn production and the passing of the shortages, exports from the United States were bound to recede. Statistics for the first half of 1949 indicate a total export volume for the year of between 80 and 90 percent of the 1948 total. The effects of currency devaluations on the United States cotton yarn export trade have not yet fully appeared and at this time it is not possible to appraise them. From the long-term standpoint, the export trade will depend not only upon general economic and trade conditions and trade and exchange restrictions in importing countries but, in many cases, upon developments in local cotton-spinning industries.

TABLE 1.—*United States exports of cotton yarn, 1935–49*

[1,000 pounds]

Year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized	Total	Year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized	Total
1935	4,141	(1)	1,383	769	(2)	6,293	1943	9,645	3,193	1,322	1,231	1,000	16,391
1936	3,425	(1)	1,633	660	(2)	5,748	1944	8,075	1,659	1,610	1,067	1,105	13,516
1937	5,269	(1)	1,820	1,024	(2)	8,113	1945	6,046	1,830	2,484	1,339	1,482	13,595
1938	6,990	(1)	1,495	1,441	(2)	9,926	1946	9,043	2,480	3,059	1,059	1,508	17,149
1939	3,826	1,808	2,501	1,445	352	9,932	1947	30,141	17,450	21,316	10,430	12,775	92,112
1940	6,713	2,950	3,056	5,444	644	18,807	1948	10,328	6,144	5,378	2,530	3,563	27,943
1941	8,747	5,599	4,870	3,994	1,221	24,431	1948, January-June	6,098	4,083	3,423	1,377	2,273	17,254
1942	7,332	5,502	3,106	2,893	1,366	20,199	1949, January-June	6,317	2,094	2,486	1,107	1,482	13,486

[1] Included in carded, gray.
[2] Included in combed, not finished or mercerized.
Source: Bureau of the Census, U. S. Department of Commerce.

TABLE 2.—*United States exports of cotton yarn, 1935–49*

[Value, in $1,000]

Year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized	Total	Year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized	Total
1935	1,144	(1)	842	291	(2)	2,277	1943	4,166	1,811	1,315	928	667	8,887
1936	993	(1)	928	261	(2)	2,182	1944	3,799	986	1,880	695	716	8,082
1937	1,566	(1)	1,215	387	(2)	3,168	1945	3,291	1,073	2,806	960	1,023	9,153
1938	1,719	(1)	915	454	(2)	3,088	1946	5,677	1,816	3,951	916	1,178	13,538
1939	891	528	1,552	487	135	3,593	1947	25,049	15,915	24,759	11,399	12,568	89,690
1940	1,665	871	2,087	1,676	271	6,570	1948	8,245	5,408	8,135	2,769	3,957	28,514
1941	2,889	1,930	3,890	1,964	778	11,481	1948, January-June	4,992	3,632	4,983	1,463	2,624	17,694
1942	3,278	2,879	2,828	1,804	883	11,682	1949, January-June	4,468	1,531	3,763	1,117	1,417	12,296

[1] Included in carded, gray.
[2] Included in combed, not finished, or mercerized.
Source: Bureau of the Census, U. S. Department of Commerce.

TABLE 3.—*United States exports of cotton yarn, 1935–49*

[Price, dollars per pound]

Year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized	Average, all yarns	Year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized	Average, all yarns
1935	$0.276	(1)	$0.608	$0.378	(2)	$0.361	1943	$0.431	$0.567	$0.994	$0.753	$0.667	$0.542
1936	.289	(1)	.568	.377	(2)	.379	1944	.470	.594	1.171	.651	.648	.597
1937	.297	(1)	.667	.377	(2)	.390	1945	.509	.585	1.129	.717	.690	.673
1938	.245	(1)	.612	.314	(2)	.311	1946	.627	.732	1.291	.864	.781	.789
1939	.232	$0.291	.620	.337	$0.382	.361	1947	.831	.912	1.161	1.092	.983	.973
1940	.248	.295	.682	.307	.420	.349	1948	.798	.880	1.512	1.094	1.110	1.020
1941	.330	.344	.798	.499	.637	.469	1948, January-June	.818	.889	1.455	1.062	1.154	1.025
1942	.447	.523	.913	.623	.646	.578	1949, January-June	.707	.730	1.513	1.008	.956	.911

[1] Included in carded, gray.
[2] Included in combed, not finished or mercerized.
Source: Bureau of the Census, U. S. Department of Commerce.

TABLE 4.—*United States exports of cotton yarn, 1939, 1946–48, and 1949 (half year)*

[Pounds]

Country of destination	1939	1946	1947	1948	1949, 6 months
Canada	815,774	3,295,639	8,959,579	3,952,579	2,607,894
Greenland		224			
Newfoundland	44,931	6,055	241,300	299,458	227,104
Northern North America	860,705	3,301,918	9,201,060	4,522,037	2,834,998
Mexico	519	69,405	150,209	57,419	11,295
Guatemala	111,435	156,793	188,871	255,100	112,743
El Salvador	73,827	26,858	92,972	47,993	19,883
Honduras	20,391		12,799	14,659	20,104
Nicaragua	45,702	32,112	76,361	123,856	34,526
Costa Rica	45,372	16,854	50,695	19,973	20,609
Republic of Panama	2,111	3,401	8	7,412	2,617
Canal Zone	5,131	525	177	1,127	194
Bermuda			70	186	
Bahamas		764	60	330	
Cuba	3,207,001	3,395,513	3,635,325	3,155,115	1,129,494
Jamaica	1,025	142,694	258,012	285,917	124,676
Haiti	1,578		20	2,244	
Dominican Republic	1,997	13,174	38,631	85,254	32,911
Barbados	180				
Trinidad and Tobago	248		787		
Curaçao	101		2,284	268	310
French West Indies			847	125	
Southern North America	3,516,618	3,858,093	4,508,128	4,056,978	1,509,362
Colombia	1,311,675	217,188	848,604	490,913	274,624
Venezuela	86,468	134,433	258,898	204,324	138,309
British Guiana			133		
Surinam			3,036	508	180
Ecuador	16,742	7,694	49,454	92,224	55,641
Peru	59,310	95,344	86,989	25,350	25,930
Bolivia	14,747	3,530	72,885	110,169	114,696
Chile	2,559,820	2,376,069	2,358,542	1,251,167	780,561
Brazil	11,789	8,766	162,291	6,115	6,394
Paraguay			4,492	486	
Uruguay	770,532	555,251	1,680,976	602,087	197,366
Argentina	320,110	68,062	17,369,076	2,303,694	257,870
South America	5,151,193	3,466,337	22,895,376	5,087,037	1,851,571
Iceland		5,501	15,206		
Sweden	40,880	1,073,588	6,801,057	576,654	861,700
Norway	93,409	913,334	2,931,601	1,195,059	148,414
Denmark		11,134	1,291,907	473,455	12,347
United Kingdom	15,996	14	4,477,719	443,322	28,000
Eire		727,191	3,354,403	382,113	17,561
Netherlands	563	27,784	2,194,854	557,996	24,483
Belgium	5,927	49,664	1,838,250	228,528	595,410
France	208	1,395	108,037	72,182	14,905
Austria		4,742	368	112	174
Czechoslovakia	60		911		
Hungary		19	1,947		
Switzerland	80		144,947	24,781	
Finland			53,735	2,000	13,488
Poland		72,179	350		
U. S. S. R.		44,500			
Spain			6,292		
Portugal			505	633	
Malta, Gozo, and Cyprus			8,352	68,643	
Italy		350	261,608		
Yugoslavia		89,422			
Greece		12,306	34,212	87,288	27,852
Bulgaria		18			
Europe	157,123	3,033,141	23,526,261	4,112,766	1,744,334
Turkey	76,037	294,165	6,215,258	119,678	67,589
Syria	277	291,272	641,838	24,592	13,730
Lebanon	(1)	(1)	(1)	37,572	14,169
Iraq		12,850	169,114	64,818	62,160
Iran		4,442	78,323	58,555	154,631
Palestine	24,380	190,984	502,209	243,964	106,759
Saudi Arabia	40	100	5,223	16,057	
Arabia Peninsula States				1,106	
Aden			20,039		
Bahrein			975	465	
Afghanistan				6,280	
India		24,797	5,222,347	3,166,456	16,007
Pakistan	(2)	(2)	(2)	1,038,322	982,221
Ceylon		184,052	2,538,240	3,902	
Burma			80,777	1,322	
Thailand			11,660	6,581	
French Indochina			1,471,326	305,095	98,097
British Malaya	4,462		97,281	129,510	941
Indonesia	12,346	77,405	1,078,521	853,227	2,642,460
Philippine Republic	5,714	356,820	587,239	417,992	317,631
China	9,039	7,412	892		
Korea				94,503	3,778
Hong Kong			32,000	1,917	15,760
Taiwan (Formosa)					20,836
Asia	132,295	1,444,299	18,753,262	6,592,004	4,516,769
Australia	14,267	30,253	6,632,497	875,812	14,258
New Guinea	(3)			2,143	
New Zealand		277,751	602,111	626	
French Oceania				50	629
Oceania	14,267	308,004	7,234,608	878,631	14,887
French Morocco		99,781	6,728	375	5,170
Tangier			1,909	4,480	
Algeria		107,744	43,970	28,890	158,447
Tunisia		414,894	281,326	315,967	256,784
Libya		5,115	99,823	54,479	64,167
Egypt					23,700
French West Africa		34,455	543,117	36,108	23,299
Nigeria		35,158	226,427	10,037	
British West Africa		1,414	30,352		
Liberia		2,026	1,425	966	60
Belgian Congo			1,300	2,153	
Ethiopia			9,833		700
British East Africa			1,301		
Mozambique		990	25,483		296
Union of South Africa	99,785	915,339	4,446,363	2,499,573	481,487
Northern Rhodesia			20,494		
Southern Rhodesia		115,472	253,673	10,033	
Southern British Africa		5,001			
Africa	99,875	1,737,389	5,993,524	2,963,061	1,014,110
Grand total	9,931,986	17,149,181	92,112,219	27,942,514	13,486,031

[1] Included with Syria.
[2] Included with India.
[3] Included with Australia.

Source: Bureau of the Census, U. S. Department of Commerce.

TABLE 5.—*United States exports of cotton yarn to principal countries of destination, by classes, 1939, 1947–48, and 1949 (half year)*

[In thousands of pounds]

Country and year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized
Canada:					
1939	289	137	158	144	88
1947	4,623	1,783	726	889	939
1948	2,052	468	397	547	488
1949 [2]	1,119	507	295	507	180
Newfoundland:					
1939	20	5		20	
1947	50	191			
1948	164	107	6	22	
1949 [2]	147	21	12	25	22
Guatemala:					
1939	22	12	62	12	3
1947	38	20	65	8	58
1948	97	36	43	15	64
1949 [2]	52	6	36	13	6
Nicaragua:					
1939	21	1	4	17	3
1947	18	2	10	42	4
1948	41	21	8	50	4
1949 [2]	15	6		13	1
Jamaica:					
1939	1				
1947	59	17	64	11	107
1948	100	101	9		76
1949 [2]	109		16	(1)	
Cuba:					
1939	1,313	610	711	527	46
1947	940	710	613	416	956
1948	439	1,091	575	117	933
1949 [2]	198	162	330	134	305
Colombia:					
1939	684	106	307	197	18
1947	545	24	197	11	72
1948	151	7	288	3	42
1949 [2]	69	6	185	11	4
Bolivia:					
1939		15			
1947	3	10	39	1	20
1948	45	7	19	13	27
1949 [2]	19	17	22	6	51

[1] Less than 500 pounds.
[2] 6 months of 1949.

TABLE 5.—*United States exports of cotton yarn to principal countries of destination, by classes, 1939, 1947–48, and 1949 (half year)*—Con.

[In thousands of pounds]

Country and year	Carded, gray	Carded, bleached, colored, and novelty	Mercerized, all kinds	Combed, not finished or mercerized	Combed, finished, except mercerized
Venezuela:					
1939	1	2	83		
1947	13	61	174	5	6
1948	3	2	175	4	20
1949 [2]	1	18	114	1	4
Peru:					
1939	3	2	34	12	8
1947	4	(1)	74	5	4
1948	2		20	1	2
1949 [2]		7	16	3	
Chile:					
1939	1,106	233	586	486	149
1947	848	224	973	87	227
1948	91	77	970	850	113
1949 [2]	2	45	725		9
Uruguay:					
1939	186	516	61	(1)	7
1947	594	268	399	138	282
1948	51	115	322	40	74
1949 [2]	40	54	14	89	
Argentina:					
1939	4	(1)	309	7	
1947	3,641	4,181	4,413	1,872	3,262
1948	1,044	487	544	50	179
1949 [2]		28	226	4	
Sweden:					
1939	2		39		(1)
1947	1,801	1,444	1,099	1,807	650
1948	108	200	8		261
1949 [2]	390	42			430
Norway:					
1939	51	31	7		4
1947	612	1,023	184	93	1,020
1948	1,116	48	2	25	4
1949 [2]	134			14	(1)
Denmark:					
1939					
1947	838	157	79	140	78
1948	21		1	291	160
1949 [2]		12			
Eire:					
1939					
1947	1,434	298	411	793	418
1948	75	26	29	194	58
1949 [2]	13		4		1
Netherlands:					
1939			1		1
1947	587	489	802	149	168
1948	395	57	65	16	25
1949 [2]			24		
Belgium:					
1939	4			2	
1947	167	97	1,289	175	110
1948	35	132	47	7	8
1949 [2]	584		11		
Turkey:					
1939	40		18	5	13
1947	1,779	745	2,187	719	785
Turkey—Continued					
1948	46	15	22	3	34
1949 [2]	30		3	18	17
Iran:					
1939					
1947	10	11	39	12	6
1948		4	38	9	8
1949 [2]	2		129	19	5
Palestine:					
1939		2	22		
1947	225	59	139	34	45
1948	37	35	132	29	11
1949 [2]	31	3	47	13	13
India:					
1939					
1947	1,745	1,333	1,015	549	580
1948	1,222	867	592	215	270
1949 [2]	16				
Pakistan:					
1939					
1947					
1948	287	443	100	135	73
1949 [2]	420	346	80	97	39
Indochina:					
1939					
1947	260	182	840	129	60
1948	231	58		10	6
1949 [2]	57	11			30
Indonesia:					
1939	(1)	11	(1)	(1)	(1)
1947	335	97	647		
1948	303	110	131	244	65
1949 [2]	1,957	379	33	64	209
Philippine Republic:					
1939	2	1	2	(1)	1
1947	315	124	114	6	28
1948	57	112	123	32	94
1949 [2]	122	94	41	10	51
Australia:					
1939	4	1	8	1	
1947	1,673	1,062	1,606	1,195	1,096
1948	139	191	185	196	165
1949 [2]	13				1
Algeria:					
1939					
1947	25		19		
1948		18	5	6	
1949 [2]	130	8		20	
Tunisia:					
1939					
1947	195	28	10	11	37
1948	189	23	42	3	59
1949 [2]	190	43	4	11	9
Union of South Africa:					
1939	35	64	1		
1947	1,590	852	950	260	794
1948	1,321	858	103	159	59
1949 [2]	208	222	32	2	17

[1] Less than 500 pounds.
[2] 6 months of 1949.

Source: Bureau of the Census, U. S. Department of Commerce.

United States exports and imports of textile fibers and manufactures

Items	Quantity			Value		
	1949 monthly average	December 1949	January 1950	1949 monthly average	December 1949	January 1950
Exports:						
Textile fibers and manufactures				$128,918,000	$156,432,000	$118,427,000
Cotton, unmanufactured—bales	447,772	685,054	564,485	72,851,000	106,050,000	84,414,000
Cotton semimanufactures—1,000 pounds	17,275	16,654	11,983	3,430,000	2,702,000	2,370,000
Cotton manufactures, total				27,076,000	22,469,000	14,220,000
Cotton cloth, duck and tire fabric—1,000 square yards	73,355	55,918	36,503	18,647,000	14,745,000	9,154,000
Other cotton fabrics				2,309,000	2,159,000	1,222,000
Wearing apparel				2,445,000	2,133,000	1,457,000
House furnishings				768,000	801,000	597,000
Cotton bags—thousands	3,757	3,441	848	654,000	534,000	492,000
Other				2,253,000	2,097,000	1,298,000
Vegetable fibers and manufactures				1,005,000	1,179,000	720,000
Wool, unmanufactured—1,000 pounds	1,317	925	442	979,000	509,000	242,000
Wool semimanufactures—do	7,122	3,528	3,274	1,119,000	538,000	486,000
Wool manufactures				1,495,000	1,335,000	1,896,000
Wool cloth and dress goods—square yards	154,265	143,504	30,591	321,000	268,000	67,000
Wool wearing apparel				652,000	693,000	1,552,000
r and manufactures				433,000	337,000	295,000
Silk and manufactures				143,000	116,000	154,000
Synthetic textiles and manufactures				17,062,000	18,149,000	11,351,000
Yarns—1,000 pounds	1,795	2,764	1,482	2,017,000	2,820,000	1,502,000
Cord tire and fuel cell woven fabrics—1,000 square yards	2,999	3,795	2,813	1,505,000	1,655,000	1,373,000
Piece goods, woven, printed, and other—do	17,886	18,387	10,648	8,480,000	8,524,000	5,035,000
Wearing apparel, total				3,214,000	3,293,000	2,500,000
Hosiery—1,000 dozen pairs	304	327	256	2,209,000	2,400,000	1,880,000
Other				1,846,000	1,857,000	941,000
Miscellaneous textile products				3,323,000	3,049,000	2,278,000

United States exports and imports of textile fibers and manufactures—Continued

Items	Quantity			Value		
	1949 monthly average	December 1949	January 1950	1949 monthly average	December 1949	January 1950
Imports:						
Textile fibers and manufactures, 1,000 pounds				$57,438,000	$71,194,000	$78,254,000
Cotton, unmanufactured, do	11,425	12,789	13,029	1,904,000	1,706,000	1,666,000
Cotton semimanufactures				557,000	1,282,000	1,252,000
Cotton manufactures				3,597,000	3,756,000	4,463,000
Cotton cloth, 1,000 square yards	1,645	2,290	2,845	781,000	1,012,000	1,080,000
Gloves and mittens, dozen pairs	15,037	11,417	16,015	45,000	44,000	55,000
Wearing apparel from the Philippine Islands				616,000	285,000	514,000
Embroidered or lace handkerchiefs, thousands	1,739	1,797	2,540	368,000	328,000	434,000
Laces, embroideries, etc				851,000	1,184,000	1,134,000
Jute and manufactures				11,833,000	12,179,000	7,869,000
Jute, unmanufactured, tons	5,083	4,222	4,816	1,960,000	1,086,000	1,185,000
Jute burlaps, 1,000 pounds	37,224	51,248	26,224	8,595,000	10,319,000	5,493,000
Flax, hemp, ramie, and manufactures				2,808,000	2,581,000	3,279,000
Flax, unmanufactured, tons	232	198	297	121,000	121,000	140,000
Manufactures of flax, hemp, and ramie				2,620,000	2,398,000	3,066,000
Woven fabrics, 1,000 pounds	628	758	1,191	1,236,000	1,318,000	1,940,000
Linen handkerchiefs, thousands	3,191	1,689	1,840	779,000	397,000	389,000
All other vegetable fibers and manufactures				6,145,000	6,040,000	6,815,000
Sisal and henequin, tons	10,521	14,721	16,017	3,043,000	3,045,000	3,819,000
Manila and abaca, do	3,599	3,843	3,111	1,869,000	1,935,000	1,549,000
Wool, unmanufactured [1], 1,000 pounds	36,744	57,517	77,890	18,519,000	26,053,000	37,061,000
Apparel wool [1], do	28,997	44,219	63,386	15,536,000	21,425,000	31,576,000
Wool semimanufactures				2,347,000	5,954,000	3,141,000
Wool noils, 1,000 pounds	1,651	1,927	2,144	1,255,000	4,297,000	1,365,000
Wool manufactures				3,900,000	3,975,000	3,860,000
Fabrics of wool and mohair, 1,000 pounds	354	487	476	1,525,000	1,649,000	1,635,000
Wearing apparel, pounds	137,466	183,079	113,402	948,000	949,000	634,000
Carpets and carpeting, 1,000 square feet	2,210	2,507	3,012	1,334,000	1,278,000	1,543,000
Hair and manufactures, n. e. s				709,000	808,000	713,000
Silk and manufactures				2,701,000	2,666,000	3,687,000
Raw silk, 1,000 pounds	231	95	459	606,000	251,000	1,219,000
Broad silk fabrics, 1,000 square yards	2,883	3,219	4,100	1,552,000	1,737,000	1,835,000
Synthetic fibers and manufactures				767,000	1,701,000	1,550,000
Rayon filaments, 1,000 pounds	1,300	4,309	4,002	403,000	1,231,000	1,089,000
Miscellaneous textile products				1,650,000	2,492,000	2,898,000
Hats of straw, grass, etc, thousands	1,812	2,653	2,836	804,000	1,240,000	1,317,000

[1] Actual weight.

Prepared in the Department of Commerce, by Special Programs Branch, Areas Division, Office of International Trade, from basic data of the Bureau of the Census, March 1950.

ADDITIONAL BILLS INTRODUCED

By unanimous consent, additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN:

S. 3431. A bill for the relief of Tatiana Moravec; to the Committee on the Judiciary.

(Mr. KERR (for himself and Mr. THOMAS of Oklahoma) introduced Senate bill 3432, to provide for the construction of the Markham's Ferry project on the Grand River in Oklahoma by the State of Oklahoma, which was referred to the Committee on Public Works, and appears under a separate heading.)

(Mr. MAGNUSON introduced Senate bill 3433, authorizing the Shilshole Bay Breakwater project, Seattle, Wash., which was referred to the Committee on Public Works, and appears under a separate heading.)

CONSTRUCTION AND REPAIR OF CERTAIN PUBLIC WORKS—AMENDMENT

Mr. MAYBANK submitted an amendment intended to be proposed by him to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Labor and Public Welfare:

Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board for the remainder of the term expiring February 1, 1952, vice Frank P. Douglass, resigned;

Josef J. Weisskopf, and sundry other candidates, for appointment and promotion in the Regular Corps of the Public Health Service; and

Hugh B. Cottrell, and sundry other candidates, for appointment in the Regular Corps of the Public Health Service.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS TO MONDAY

Mr. HILL. Mr. President, under the previous order of the Senate, I move that the Senate now stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 8 o'clock and 45 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Monday, April 17, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 14 (legislative day of March 29), 1950:

UNITED STATES ATTORNEY

Ray J. O'Donnell, of Ohio, to be United State attorney for the Southern district of Ohio. He is now serving in this office under an appointment which expires April 13, 1950.

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947. Those officers whose names are preceded by the symbol (×) are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be major, Chaplains

Fulkerson, Maurice Dale, 18764A.

To be captains, USAF

Aagaard, Emmert Mortensen, 13574A.
Aamodt, Duane Ardell, 13643A.
Abels, Erich Tommy, 13624A.
Aderholt, Harry Clay, 13592A.
Amundson, Lowell O'Dell, 13561A.
Armstrong, Jack Rutherford, 13529A.
Bailey, Joseph Aaron, 13505A.
Bailey, William Douglas, 13522A.
Barker, Havelock William, 13530A.
Barouch, Robert, 13628A.
Barr, Richard Eugene, 13657A.
Barr, Thomas Gilbert, 13631A.
Bell, David Harold, 13598A.
Blue, Fred Wayne, Jr., 13644A.
Bennett, Frenchy Dumont, 13538A.
Berg, Howard Lysle, 13503A.
Boggs, Wallace Milton, 13606A.
Bollard, Donald Wilbur, 13512A.
Border, Jean Stambach, 13539A.
Bradbury, Jack Edson, 13665A.
Brooks, James Gordon, 13497A.
Brown, Ben Russell, 13548A.
Buehler, Lloyd Patrick, 13553A.
Burk, Clarence Gordon, 13560A.
×Canestrari, Gisto, 13495A.
Carter, Norman Stapp, 13572A.
Cecil, Walter McKinley, Jr., 13621A.
Clark, James Kurns, 13673A.
Clark, William Thomas, Jr., 13611A.
Cloninger, Charles Reid, 13587A.
Collier, Milton, 13620A.
Conklin, Clifford Edward, 13602A.
Conklin, Edmund Holbrook, 13502A.
Crose, Leonard, 13513A.
Crozier, Roswell LaMont, Jr., 13521A.
Curtis, Ralph Russell, 13573A.
×Dague, Maxwell Horton, 13629A.
×Daniel, Garland Simon, 13591A.
×Daniel, Robert Edward, 13596A.
×Davis, Vincent Earl, 13650A.
Delosier, Bernard Clayton, 13664A.
Dietrich, Fred Herman, 13671A.
Donaldson, Glenn Hubert, 13589A.
Douglas, Louis Robert, 13506A.
Downing, Edgar Clarence, 13645A.
Duffus, John David, 13563A.

Dyer, Eugene Nicholas, 13590A.
Earll, Charles Frederick, 13500A.
Easley, Charles Delane, 13666A.
Egan, James Cronin, Jr., 13638A.
Fairbanks, Gerald Delmar, 13600A.
Ferguson, Richard Thomas, Jr., 13649A.
Fisher, James Robert, 13612A.
Forbragd, Maurice Harlin, 13583A.
Fowle, Herbert Lester, Jr., 13575A.
Framsted, Kenneth Gerald, 13536A.
Gallagher, James, 13582A.
Garvin, John Thomas, 13674A.
Geller, Ulrich Aloysius, 13670A.
Goodfellow, Alford Joseph, 13514A.
×Gray, George Elbert, 13642A.
Hammack, Charles Ray, 13669A.
Herman, Donald Luther, 13604A.
Hill, George William, Jr., 13585A.
Hillen, John William, Jr., 13537A.
Hodgins, Lawrence Judson, Jr., 13558A.
Holcomb, Robert Joseph, 13496A.
Hughes, Paul Addison, 13663A.
Hurley, John Robert, 13517A.
×Imhoff, Harold Louis, 13544A.
Ingram, Vernon John, 13570A.
×Jacobs, Michael Collins, 13518A.
Jarrett, David Duvall, 13636A.
Johnson, John Riley, Jr., 13656A.
Jones, Albert Wilson, 13603A.
×Jones, George Madison, 13556A.
Jones, Richard Francis, 13654A.
King, Paul Simpson, 13534A.
Kinny, Archer Warren, Jr., 13607A.
Knott, Clarence William, 13552A.
Lane, Joseph Anthony, 13597A.
×Lannon, James Joseph, 13653A.
Lehner, Albert Michael, 13554A.
Lighter, Homer Ernest, Jr., 13595A.
Lindsay, Robert Alfred, 13533A.
×Long, Carlton Henry, Jr., 13599A.
Long, Raymond Willis, 13541A.
MacDonald, Douglas Leo, 13660A.
McCain, Earl Schisler, 13510A.
McClure, William Clark, 13640A.
McFann, H. Miles, 13499A.
McKinney, Russell Morris, 13622A.
McKinzie, William Morgan, 13661A.
Mack, Rex Charles, 13525A.
Markham, Vernon Clayborn, 13633A.
Marohl, Hugh Phillip, 13584A.
Martin, Jack Talbert, 13634A.
Martin, Thomas Sutton, Jr., 13504A.
Meade, Elmer Charles, 13577A.
Milburn, Charles Albert, 13549A.
Miller, Nathan Wendell, 13511A.
Miller, Richard Franklin, 13542A.
Moorhead, Robert Blair, 13568A.
Morford, George Clayton, 13566A.
Morrison, Robert Edward, 13617A.
Neeshan, Herbert Sheldon, 13559A.
Newell, Jamieson Harper Bryden, 13501A.
Norman, Harry Edward, 13580A.
Overton, William Wesley, 13555A.
Palmer, Carl Goodwin, 13531A.
Paradise, Charles Howard, 13515A.
Park, Paul Leonard, 13662A.
Partridge, Charles Henry, 13508A.
Patton, Roderick Richard, 13625A.
Pierce, Milton Ralph, 13610A.
Plentl, Willard Gathings, 13659A.
Reagle, Robert Carroll, 13668A.
Reid, Alva Russell, 13571A.
Reynolds, Walker Russell, Jr., 13614A.
Robinson, Charles Joseph, 13562A.
Rogers, Odie Floyd, Jr., 13516A.
×Sabine, George Edward, 13641A.
Saltzman, Ernest Clifford, Jr., 13675A.
Schlueter, Edward Arthur, 13543A.
Schnabel, Robert Emmett, 13532A.
Schoonvel, John, 13546A.
Scurzi, Joseph Ralph, 13547A.
Sheetz, Maurice Saunders, 13637A.
Shero, Victor Kimball, 13578A.
Short, Leland Selvin, 13632A.
×Simon, John James, 13535A.
Smith, John Merle, 13567A.
Smith, Mance Clayton, 13639A.
Smith, Paul Allen, 13576A.
Smith, Robert Eugene, 13507A.
Smith, Vander Lee, 13615A.
Smith, Wayne Elwood, Jr., 13524A.
Spiva, Thurman, 13527A.
Sporer, Fred, Jr., 13564A.
Sproul, Matthew, Jr., 13528A.
Stacey, Walter, 13551A.
Stephens, Robert Luther, 13581A.
Stout, Robert Archibald, 13588A.
Stull, Grafton William, 13627A.
Stuyvesant, Ernest Derverd, 13586A.
Harr, Milton Fernando, 13658A.
Taylor, David Marvin, 13618A.
Thatcher, Charles Robert, 13540A.
Thomas, Leo Ernest, 13630A.
Townsend, George Erwin, 13545A.
×Ullmann, Gilbert, 13519A.
×Underwood, William Surel, 13651A.
Van Cleef, Paul LeRoy, 13647A.
Wagnon, Harry Tidwell, 13520A.
Waid, Elwood John, 13579A.
Weinmeister, Carl John 3d, 13655A.
Welden, Robert Dexter, 13550A.
Whitaker, Thompson Stout, Jr., 13616A.
Wilkerson, Sam Charles, Jr., 13652A.
Williams, Burl Ray, 13646A.
Williams, Herndon Fauntleroy, 13619A.
Williams, James Alfred, 13605A.
Williams, Ogg Lemuel, Jr., 13523A.
Woodyard, Jean Karl, Jr., 13676A.
Wright, Russell Edward, 13526A.
×Zuber, Richard Stanley, 13593A.

The following-named officers for promotion in the United States Air Force under the provisions of section 107 of the Army-Navy Nurses Act of 1947. The officers nominated for promotion to captain have been found professionally qualified for promotion as required by law. The officer whose name is preceded by the symbol (×) is subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be captains, Air Force nurse

Deege, Eloise Ruth, AN1119.
King, Julia Ann, AN1681.
×McLaughlin, Margaret F., AN766.
Murphy, Anne Martha, AN1594.

NOTE.—The officers nominated for promotion to major and captain will complete the required 14 and 7 years' service, respectively, for promotion purposes during the month of May. Dates of rank will be determined by the Secretary of the Air Force.

IN THE AIR FORCE

The following-named persons for appointment in the United States Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be major, USAF (Medical)

Lyman E. Ihle, AO474725.

To be captain, USAF (Dental)

William E. Schultz, AO1755386.

To be first lieutenants, USAF (Medical)

Ernest J. Clark, 492011, USNR.
John T. Martin, O977416.
Hendley A. McDonald, O976321.

To be first lieutenants, USAF (Dental)

Clarence P. Jaeger, AO803821.
John D. Louis, AO2092815.
Robert L. Ryan.

The following-named person for appointment in the United States Air Force, in the grade indicated, with date of rank to be determined by the Secretary of the Air Force, under the provisions of section 101, Public Law 36, Eightieth Congress (Army-Navy Nurses Act of 1947):

To be second lieutenant, USAF (Nurse)

Ada L. Selleck, N757940.

The following-named distinguished aviation cadets for appointment to the United States Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Richard L. Abbott.
James R. Beall.
James A. Beaman, Jr.
Duane K. Bryant.
Shelley L. Burks.
Melvin V. Corley, Jr.
Oliver C. Darden.
Martin O. Detlie.
Edward D. Eisele.
Bernard A. Gallaher.
Lawrence D. Goldsmith, O1340452.
John K. Hathaway.
Jay Heyboer.
Edgar H. Hill.
Norman F. Klein, AO788792.
Kenneth B. O'Connell.
Hiroshi Ohta.
Robert L. Rascoe.
Milton J. Uzelac.
Elton C. Williams.

Subject to physical qualification and subject to designation as distinguished military graduates, the following-named distinguished military students of the Senior Division, Reserve Officers' Training Corps, for appointment in the United States Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Dan E. Abbott.
Eugene L. Adamic.
John R. Addison.
Walter H. Albrecht.
Thomas Allen.
David O. Andersen.
Glen A. Anderson.
Joe Anderson.
Richard B. April.
James M. Ardoin.
Lonzo P. Armstrong.
Edward L. Bacot.
Jack N. Bardin.
Joseph H. Barlow.
Robert W. Barnett.
Williamson G. Bass.
Mark H. Baxter.
Morris D. Bedard.
John D. Beeson.
John E. Bell, Jr.
Donald G. Benoit.
Charles H. Benson.
Winston H. Bishop.
Harold H. Black.
Peter P. Blackley, AO1851759.
Robert A. Bley.
Stuart M. Bloss.
Frank M. Bobniz.
Maurice H. Brady.
Allan L. Brown.
David L. Brown.
Lawrence D. Bruesch.
Russell A. Bunn.
Robert A. Burd.
George E. Capps, Jr.
Charles D. Carey.
Kenneth W. Carrington.
Dale C. Casebier.
Richard D. Chapman.
Hobart T. Chard.
Virgil S. Clark.
William A. Clark.
Curtis S. Clauson.
James M. Clayton, Jr.
Roger D. Clendening.
Drexel B. Cochran.
Rene V. Cooper.
James L. Correll.
Richard C. Coupland, Jr.
Donald E. Coy.
Robert C. Coyle.
William M. Crabbe, Jr.
William E. Cummins II.

Plummer A. Daniel.
Tomp W. Decarsky, AO1904311.
Louis W. DeMoss.
John S. Denning.
Paul H. Detrick.
Kenneth J. Duncan, AO1852560.
Bryant W. C. Dunn.
Elmer C. Dykeman, Jr.
Robert D. Eccles.
Raymond O. Eck.
Hudson D. Edmundson, AO1904281.
Robert F. Ellzey.
James H. Ferguson.
Joseph Fernandez.
Harold G. Fleenor.
H. Bruce Fredrics.
Robert P. Frye.
James H. Gabhart.
Forrest W. Getzen.
Charles R. Giddings III.
John R. Gilliam.
Health T. Glass, Jr.
Robert M. Glover.
Max G. Gollaher.
Harry F. Graham, Jr.
Albert H. Green.
Edward J. Griffin, AO1878181.
Richard R. Gunter.
Samuel G. Haines, Jr.
Roy E. Hale, Jr.
Leon H. Handley.
Lucius A. Harrison, Jr.
Thomas M. Hartley.
William W. Hartsfield.
Duane L. Hatch.
Joseph B. Hawkins.
Richard D. Hayes, Jr.
George I. Haynes.
Andrew M. Herbert, Jr.
Charles W. Hilton.
Nelson C. Hinchee, Jr.
Ralph D. Hollman.
Harold W. Holtzclaw.
Vernon R. Huber.
Nolan S. Hughes.
Richard J. Hughes.
George R. Irvin.
Billy J. Jackson.
Bruce A. Jensen.
Paul T. Johns.
John E. Johnson.
Lewis E. Jones.
William B. Jones.
Joseph M. Joyner, Jr.
Paul A. Kaylor, Jr.
George M. Keadle.
Robert H. Keen.
Robert J. Keleher.
William W. Kelly.
Lloyd Kennedy.
Robert M. Kesler.
Thomas H. Kirk, Jr.
Beverly J. Kirkwood.
Donald L. Krekelberg.
Phillip N. Larsen.
Alfred J. Larsson, Jr.
John A. Lawrence.
William F. Lawson.
Frank A. Lechman.
Arthur I. Levin.
James L. Lockley.
Harold E. Logsdon.
Jimmie G. Magruder.
Gene L. Markle.
Hugh F. McCarley.
Massey D. McConnell.
Howard F. McKissick, Jr.
Malcolm G. McLaren.
Earl E. McMahon.
Robert M. Mebane.
Robert A. Meek.
Richard E. Merkling.
Clements B. Merritt.
Edward A. Miller, Jr.
Jarvis E. Miller.
Harry N. Mills.
Robert E. Millspaugh.
Robert F. Mitchell.
William R. Mook.
Clyde W. Moore.
Robert P. Morin.
Cecil R. Murphy.
George H. Musekamp.
Keith J. Nelson.
Will F. Nicholson, Jr.
Lawrence S. Nolan, AO1846757.
Max H. O'Connell, AO1905534.
John J. O'Donnell.
Quentin J. Ogle.
Seymour Page, Jr.
Edwin D. Palmgren, AO1847412.
Peter R. Pardo.
Jack H. Patton.
Bob M. Pennington.
Robert [illegible]. Peterson, Jr.
John W. Phelan.
Thomas B. Phillips, Jr.
Thomas J. Phillips.
Arthur R. Poor, AO1852666.
James M. Potter.
Robert L. Primrose.
Helmut G. Quiram, Jr., AO1904620.
Arthur S. Ragen.
Reginald C. Redhead.
Donald D. Reimann.
William G. Retallack, AO1905[illegible]8.
Edward M. Richardson, Jr.
Paul Riddle, AO1853634.
William F. Riehl.
Robert E. Ritter.
John W. P. Robertson.
Jake Rogers.
Roy R. Romer.
Alfred L. Roos, Jr.
Gordon W. Rose.
Jack E. Russell.
William C. Sankey, Jr.
Fred W. Schaumburg, Jr.
Wayne J. Schmidt.
Harold L. Schneider.
Jesse H. Scott, Jr.
John H. Scrivner, Jr.
Marvin E. Sehnert.
Frederick D. Severance.
Robert L. Seymour.
Harold J. Sharpe, Jr.
Allan C. Sharrett.
Vinson R. Simpson, Jr.
Richard R. Sinclair.
John H. Skehan, Jr.
Richard E. Skelton.
William B. Skiles.
Curtis N. Smith.
Peter W. Smith.
Robert T. Smith, Jr.
Ralph A. Snavely, AO1904435.
Robert N. Sorensen.
Donald E. Spears, AO1852641.
Leonidas K. Springer.
Ellis H. Stubenberg.
Hilton G. Styron.
James H. Taylor.
Richard N. Taylor.
Robert H. Tenneson.
Robert O. Thompson, AO1904348.
Richard N. Tobey.
William F. Tormey, Jr.
Thomas O. Townes, AO1853647.
Robert J. Trinkle, Jr.
Robert M. Trombold.
Curtis C. Truver.
Ralph L. Tyler.
Kenneth E. Uffman.
Lloyd C. Ulrich.
Thomas E. Urie.
Leonard P. Voight, AO1856732.
Alan M. Volk.
William H. Votaw.
Dan D. Wall, Jr.
Robert L. Waterman.
Clyde P. Watts.
Arthur D. Wead.
Thomas B. Webb.
George I. Welch.
Alan D. Wheeler.
Loris D. Whipple.
Irvin L. Williams.
Jack H. Wilson.
Harvey E. Wise.
Lester L. Wojcik.
Gene H. Woodworth.
John W. Yingling, AO1905197.

IN THE COAST AND GEODETIC SURVEY

The following-named employee of the Coast and Geodetic Survey to the position indicated:

To be ensign

Kenneth R. Pinckney, effective May 9, 1950.

SENATE

MONDAY, APRIL 17, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Dr. Joseph F. Thorning, pastor of St. Joseph's Church, Carrollton Manor, Md., offered the following prayer:

Infinite God, author of life and of love, look down with favor upon the President of the Senate and all the Members of the Congress.

Enlighten the minds and strengthen the wills of Thy followers that they may be true to Thy divine plan and work for righteousness.

Grant a special blessing for the architect of the "good neighbor" policy and enrich the noble pattern of inter-American friendship with the values of world order.

Lead us, dear Saviour, in the path of justice and peace.

This we pray in the name of Christ our Redeemer. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, April 14, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVES OF ABSENCE

On request of Mr. MCFARLAND, and by unanimous consent, Mr. JOHNSON of Colorado and Mr. LONG were excused from attendance on the sessions of the Senate for the remainder of the week.

On his own request, and by unanimous consent, Mr. FLANDERS was excused from the session of the Senate tomorrow.

Mr. MAYBANK. Mr. President, I ask unanimous consent that the Senator from New Hampshire [Mr. BRIDGES] and myself may be excused from attendance on the session of the Senate this afternoon between the hours of 2 and 5, in order that we may go to the Navy Yard to see a submarine and a destroyer which have been converted and which have been brought here for the inspection of the subcommittee of the Armed Services Appropriations Committee.

The VICE PRESIDENT. Without objection, consent is granted.

On his own request, and by unanimous consent, Mr. GILLETTE was excused from attendance on the sessions of the Senate next Wednesday and Thursday.

COMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. McFARLAND, and by unanimous consent, a subcommittee of the Interstate and Foreign Commerce Committee was authorized to sit during the sessions of the Senate for the remainder of this week and next week.

On request of Mr. NEELY, and by unanimous consent, the Subcommittee on Labor and Public Welfare of the Committee on the District of Columbia was authorized to sit this afternoon during the session of the Senate.

RECUPERATION OF SENATOR SMITH OF NEW JERSEY

Mr. HENDRICKSON. Mr. President, I am sure that the Members of the Senate will be delighted to hear that our distinguished colleague the senior Senator from New Jersey [Mr. SMITH] is now making a very rapid recovery from a serious operation for appendicitis which he underwent recently. He left the hospital yesterday and returned to his home in Princeton, where he is now recuperating. I am sure all the Members of the Senate are very happy to hear this news.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Hayden	Malone
Benton	Hendrickson	Martin
Brewster	Hickenlooper	Maybank
Bricker	Hill	Millikin
Bridges	Hoey	Morse
Butler	Holland	Mundt
Byrd	Humphrey	Neely
Capehart	Hunt	O'Conor
Chapman	Ives	O'Mahoney
Chavez	Jenner	Robertson
Connally	Johnson, Tex.	Russell
Cordon	Johnston, S. C.	Saltonstall
Darby	Kefauver	Schoeppel
Donnell	Kem	Smith, Maine
Douglas	Kerr	Stennis
Dworshak	Kilgore	Taylor
Eastland	Knowland	Thomas, Okla.
Ecton	Langer	Thomas, Utah
Ellender	Leahy	Thye
Ferguson	Lehman	Tydings
Flanders	Lodge	Watkins
Frear	McCarran	Wherry
Fulbright	McCarthy	Wiley
George	McClellan	Williams
Gillette	McFarland	Withers
Graham	McKellar	Young
Green	McMahon	

Mr. McFARLAND. I announce that the Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Washington [Mr. CAIN] is absent on official business.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators be permitted to present petitions and memorials, introduce bills and joint resolutions, and submit routine matters for the RECORD, without debate and without speeches.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

BOARD OF VISITORS TO NAVAL ACADEMY

The VICE PRESIDENT. The Chair appoints the Senator from Wyoming [Mr. HUNT] a member of the Board of Visitors to the Naval Academy in place of the Senator from South Carolina [Mr. MAYBANK], resigned.

PATRIOTS' DAY COMMITTEE

The VICE PRESIDENT. Pursuant to House Concurrent Resolution 190, the Chair appoints the senior and junior Senators from Massachusetts [Mr. SALTONSTALL and Mr. LODGE] and the Senator from Connecticut [Mr. BENTON] members on the part of the Senate of the Patriots' Day Committee.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF DEFENSE (S. DOC. NO. 162)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1951, amounting to $298,190,000, for the Department of Defense, in the form of amendments to the budget for said fiscal year, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the home and school association of the Calvin Coolidge High School, Washington, D. C., favoring the enactment of legislation providing for the construction of a floodlighted stadium and an indoor swimming pool at the Calvin Coolidge High School, Washington, D. C., which was referred to the Committee on the District of Columbia.

THE HOOVER COMMISSION REPORT—PETITION

Mr. WATKINS. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, with all the signatures attached, a petition signed by sundry members of the Big Cottonwood Ward Relief Society, of Salt Lake City, Utah, in support of the Hoover Commission Report.

There being no objection, the petition was referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, with the signatures attached, as follows:

PETITION IN SUPPORT OF THE HOOVER COMMISSION REPORT

Whereas I am convinced of the absolute necessity for economy in the operation of the Federal Government; and

Whereas the members of the Hoover Commission have made concrete recommendations after a thorough, complete and factual survey of the functions and departments in the Federal Government;

I therefore urge the Members of Congress to immediately enact the legislation embodying the recommendations of the Hoover Report.

I further pledge that, in signing this petition I will write a letter to my Senators and Congressmen, expressing my support of the Hoover Commission recommendations.

Big Cottonwood Ward Relief Society: Louise S. Fox, Mildred L. Going, Hilda W. Meadows, Amy G. Meadows, Ada C. Newman, Edna R. Victor, Eliza B. Quist, Amy Faulkner, Lovenna S. Cook, Lettie Quist, Marcella Van Orman, Ruth Faust, Marjorie Graham, Iva N. Balmer, Maud N. Hedman, Mary G. Sorensen, Helen W. Anderson, August J. Bullen, Gertrude Overlade, Beth Johansen, LaVerne F. Miller.

RESOLUTIONS OF FORT BELKNAP INDIAN COMMUNITY COUNCIL OF FORT BELKNAP INDIAN RESERVATION

Mr. HUMPHREY. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD two resolutions adopted by the Fort Belknap Indian Community Council of the Fort Belknap Indian Reservation, relating to House bill 4815, to authorize the Secretary of the Interior to transfer Indian hospital to non-Indian, and Senate bills 1564 and 1633, to give Indian tribes complete control over their current income.

There being no objection, the resolutions were referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Resolution 303

Whereas the Indian hospital bill (H. R. 4815) now pending in Senate Calendar would authorize the Secretary of the Interior to transfer Indian hospital to non-Indian in violation of solemn promises, and to the disadvantage of helpless Indian victims of accident and disease: Now, therefore, be it

Resolved by the Fort Belknap Community Council, That we solemnly protest against the passage of this bill in its present form, and commend Senators LANGER and HUMPHREY for their opposition to this measure and call upon the Senators from Montana to join them in their defense of Indian rights; and be it further

Resolved, That copies of this resolution be sent to Senators HUMPHREY, LANGER, MURRAY, and ECTON.

CERTIFICATION

I, the undersigned, as secretary of the Fort Belknap Indian Community Council of the Fort Belknap Indian Reservation hereby certify that the Fort Belknap Indian Community Council is composed of 12 members, of whom 9 were present at a meeting thereof, duly and regularly called, noticed, convened, and held this 16th day of March 1950; that the foregoing resolution was duly adopted at such meeting by unanimous vote, and that said resolution has not been rescinded or amended in any way.

BEN HORSEMAN,
Secretary-Treasurer, the Fort Belknap Indian Community, Harlem, Mont.

Attest:

GEORGE COCHRAN, *President.*

Resolution 304

Whereas Senators MURRAY, ECTON, and HUMPHREY have sponsored bills (S. 1564 and S. 1633) to give Indian tribes complete control over their current income and limited control over capital funds in the United States Treasury; and

Whereas the enactment of this bill is an essential step toward progress in enabling Indians to take over control of their own destinies: Now, therefore, be it.

Resolved by the Fort Belknap Community Council, That Senators MURRAY, ECTON, and HUMPHREY are hereby heartily thanked for their sponsorship of this progressive measure and that the chairman of the Senate Committee on Interior Affairs, JOSEPH C. O'MAHONEY is respectfully and urgently requested to call immediate hearings on this bill to report it favorably for Senate action, and to insist on the Senate bill rather than the weakened version of the bill passed by the House as H. R. 4025, which gives extended powers to the Bureau of Indian Affairs.

CERTIFICATION

I, the undersigned, as secretary of the Fort Belknap Indian Community Council of the Fort Belknap Indian Reservation hereby certify that the Fort Belknap Indian Community Council is composed of 12 members, of whom 9 were present at a meeting thereof, duly and regularly called, noticed, convened, and held this 16th day of March 1950; that the foregoing resolution was duly adopted at such meeting by unanimous vote, and that said resolution has not been rescinded or amended in any way.

BEN HORSEMAN,
Secretary-Treasurer, the Fort Belknap Indian Community, Harlem, Mont.

Attest:

GEORGE COCHRAN, *President.*

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 2874. A bill to amend titles 18 and 28, United States Code, with respect to the time of reporting to Congress rules of procedure adopted by the Supreme Court for criminal, civil, and admiralty cases and the time of their taking effect; without amendment (Rept. No. 1491);

S. 3093. A bill to amend section 82 of the Hawaiian Organic Act relating to the Supreme Court of the Territory of Hawaii and temporary vacancies therein; without amendment (Rept. No. 1492); and

H. R. 5166. A bill to extend the laws of the United States relating to civil acts or offenses consummated or committed on the high seas on board a vessel belonging to the United States, to the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, and Enderbury Island, and for other purposes, with an amendment (Rept. No. 1493).

By Mr. WILEY, from the Committee on the Judiciary:

S. 2513. A bill to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act; without amendment (Rept. No. 1495).

By Mr. FERGUSON, from the Committee on the Judiciary:

S. J. Res. 138. Joint resolution requesting the President to issue a proclamation designating May 30, Memorial Day, as a day for a Nation-wide prayer for peace; without amendment (Rept. No. 1496).

By Mr. HAYDEN, from the Committee on Rules and Administration:

S. Con. Res. 35. Concurrent resolution requiring committee reports to include estimates of the probable cost of proposed legislation; with amendments (Rept. No. 1494).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 1726. A bill to authorize the Secretary of the Interior to convey to the city of Hot Springs, Ark., a perpetual easement for the construction and operation of a watermain pipe line; without amendment (Rept. No. 1500);

H. R. 3494. A bill to authorize the Secretary of the Interior to transfer a building in Juneau, Alaska, to the Alaska Native Brotherhood and/or Sisterhood, Juneau (Alaska) Camp; without amendment (Rept. No. 1499);

H. R. 6406. A bill providing procedure for claimants of mining claims in the United States obtaining credit for assessment work performed during the year ending July 1, 1949, under the provisions of Public Law 107, Eighty-first Congress; without amendment (Rept. No. 1498); and

H. R. 7302. A bill to amend the act of July 14, 1943, relating to the establishment of the George Washington Carver National Monument, and for other purposes; with an amendment (Rept. No. 1497).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THYE:

S. 3434. A bill for the relief of Mikiko Anzai; to the Committee on the Judiciary.

By Mr. ECTON:

S. 3435. A bill authorizing the Secretary of the Interior to issue a patent in fee to Frederick Knows Gun; to the Committee on Interior and Insular Affairs.

By Mr. MUNDT:

S. 3436. A bill to provide for Government guarantee of loans made to Indians for the purchase or improvement of farms and farm equipment; to the Committee on Interior and Insular Affairs.

By Mr. McMAHON:

S. 3437. A bill to amend the Atomic Energy Act of 1946; to the Joint Committee on Economic Energy.

By Mr. HUMPHREY:

S. 3438. A bill to amend the act of July 6, 1945, as amended, with respect to automotive-equipment maintenance payments to special-delivery messengers in post offices of the first class, and for other purposes; to the Committee on Post Office and Civil Service.

REORGANIZATION PLAN NO. 5 OF 1950

Mr. WILEY. Mr. President, I submit for appropriate reference a resolution in relation to Reorganization Plan No. 5, and I ask unanimous consent that I may have 2 minutes in which to make a brief statement in relation to it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator is recognized for 2 minutes.

Mr. WILEY. The resolution reads as follows:

Resolved, That the Senate does not favor Reorganization Plan No. 5 of 1950 transmitted to Congress by the President on March 13, 1950.

Mr. President, this morning I submitted this resolution to the Committee on the Judiciary, and the members of the committee have authorized me to transmit it to the Senate with the committee's approval. I wish to say definitely that in my humble opinion the resolution should be agreed to, or the President should recall his Plan No. 5 and take from the scope of the plan the portion which would place the Patent Office, with all its functions, in the hands of the Secretary of Commerce.

Mr. President, on March 13, there was transmitted to the Congress by the President, Reorganization Plan No. 5, vesting practically all powers of the subordinate units of the Department of Commerce in the Office of the Secretary of Commerce. This plan, like the other plans, will go into effect automatically unless there is negative action on it by a majority of both the Senate and House of Representatives.

It is with extreme reluctance, but with a firm conviction that this plan must be rejected, that I am introducing today this resolution for the disapproval of Reorganization Plan No. 5. The reason for introduction of the resolution is that the United States Patent Office, which since the founding of the Republic has been entirely independent, would be subject to extreme political interference and domination if the Secretary of Commerce were to be given all inclusive authority over it, as well as over other units of the Department.

I feel, therefore, that Reorganization Plan No. 5 should be rejected, because unless we do so we shall be giving a blank check to some future Secretary of Commerce to reorganize the judicial and quasi-judicial duties of the Patent Office, with potentially grave harm resulting to American free enterprise system. I am indeed sorry that the President did not see fit to exempt the Patent Office from Plan No. 5 just as he wrote in specific exemptions for hearing examiners employed by the Department of Commerce, for the Civil Aeronautics Board, for the Inland Waterways Corporation, and for the Advisory Board of the Inland Waterways Corporation.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. WILEY. Mr. President, I ask that I may have two more minutes, in order to complete my statement.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator is recognized for two additional minutes.

Mr. WILEY. Mr. President, the American people have a right to ask: Why was not the Patent Office specifically excluded from the plan? Are not its functions equally independent, equally crucial, as those of the four units to which I have just referred?

The realization of the potentially grave consequences to the American patent system has been only slowly dawning on the American people. I do, however, have in my hand several expressions from leading patent groups.

I ask, therefore, Mr. President, unanimous consent at this time, that there be printed in the body of the CONGRESSIONAL RECORD, the text of a release issued from my office stating why I am seeking the rejection of plan No. 5; the text of a resolution adopted by the board of managers of the Chicago Bar Association, on the unanimous recommendation of its committee on patents, trademarks, and unfair competition, together with the text of a memorandum on the resolution and the text of a resolution adopted by the board of managers of the American Patent Law Association at its meeting on April 10, 1950.

From what I have been able to ascertain from those groups in the American

patent profession, which have already formed opinions on plan No. 5, they are unanimously opposed to its adoption.

Time is short, Mr. President, and I believe hearings should be promptly held so that the opponents of this plan will have time to testify and so that the Senate and House will have time to take specific action, lest the plan go into effect by default.

There being no objection, the release, resolutions, and memorandum were ordered to be printed in the RECORD, as follows:

Another governmental reorganization plan drew congressional fire today when Senator ALEXANDER WILEY, Republican, of Wisconsin, announced he would move to defeat Reorganization Plan No. 5 which would confer broad new powers on the Secretary of Commerce over the United States Patent Office.

The Wisconsin Senator will introduce today a resolution specifically rejecting the plan which he contends "could be the opening step in the crippling of the patent system of our country by laying it open to political domination of the worst sort by some unscrupulous Secretary of Commerce or subordinate in the future."

Senator WILEY stated that there is grave suspicion throughout America that plan No. 5 like other reorganization plans is "being used as a guise and as a cloak behind which the President and his cohorts are attempting to foist their notions of a huge centralization of power in big government.

REJECTION ACTION NOT CONTRARY TO HOOVER REPORT

Senator WILEY, ranking Republican on the Senate Judiciary Committee, pointed out that his action is in no sense in contrast to a Hoover Commission suggestion because (a) the Commission made no studies in the Patent Office; (b) it made no recommendations on the Patent Office even though former President Hoover, as an ex-Secretary of Commerce, was deeply familiar with Patent Office machinery."

EFFECT ON UNITED STATES LIVING STANDARD

Senator WILEY added: "The potentialities for harm to the American system of private invention are tremendous because some future unscrupulous Secretary of Commerce could establish rules and regulations over the conduct of the Patent Office which could in effect paralyze American industry by causing chaos in the patent system, threatening billions of dollars in private investments.

"I hope that no such situation will ever arise. But we have learned not to trust in the pious promises of bureaucrats, that they will not misuse a power rashly conferred on them by the Congress. America's entire standard of living is due in principal part to the patent system. Conferring these extraordinary powers on the Secretary of Commerce over the Patent Office can indeed therefore endanger our entire standard of living.

"The following factors should be borne in mind in appraising Reorganization Plan No. 5's effect on the Patent Office.

"REORGANIZATION PLAN WOULD SAVE NO MONEY

"1. No one contends that the present plan will result in economies insofar as its all-inclusive authority over the Patent Office is concerned. In other words, the Hoover Commission reports were designed to save money, but this particular plan is not scheduled to save a dime as it relates to the Patent Office.

"2. The present able Secretary of Commerce has already indicated that he personally doubts the wisdom of granting so much authority upon him insofar as the Patent Office is concerned. In fact, he has issued a directive to maintain the judicial and quasi-judicial independence of the machinery of the Patent Office, but this directive has no legal binding effect upon him or upon his successors.

"WHY WAS PATENT OFFICE OMITTED AS AN EXCEPTION TO PLAN?

"3. While there is no doubt that there is great room for reorganization of overlapping units of the Department of Commerce, there is grave apprehension over the significant omission of the Patent Office from the list of units which are specifically exempted from the reorganization plan. I invite attention to the fact that the Civil Aeronautics Board and the Inland Waterways Corporation specifically are exempted from Reorganization Plan No. 5, yet the Patent Office is not so exempted. Why was this vital unit not exempted specifically?

"POLITICAL TRICKERY POSSIBLE IN PATENT OFFICE

"4. What the Congress would be doing in effect, would be to give the Secretary of Commerce a blank check now or in the future to insert political considerations into what has always been the judicial and quasi-judicial functions of the Patent Office. There is almost unlimited possibility for political trickery in Patent Office machinery, if politicians ever got control of its works. For example, the Secretary of Commerce acting directly or through a subordinate could refuse to grant patents to individuals or corporations according to his own discretion or could exercise favoritism in the granting of patents.

"While the courts could still review adverse decisions by the Patent Office, the courts could be bogged down in literally hundreds of appeals. It should be noted that there is no judicial review of the granting of patents, but only in the final refusal by the Patent Office. And it should be noted, too, that there is no statutory obligation on the Commissioner of Patents to act upon an application within a given time. Thus, patents of politically disfavored individuals could be pigeonholed practically indefinitely and an applicant could not complete action by mandamus proceeding in the Federal court.

"In addition, there is tremendous potentiality for conditioning the granting of patents on the basis of compulsory licensing or royalty-free licensing according to the whims of a politician in control.

"From all the above, which may seem alarmist to some individuals but as realistic to the majority of observers, we note that there is no justification for transferring the quasi-judicial Patent Office to the Secretary of Commerce. It would be like transferring, let us say, the independent Court of Claims to the Attorney General's jurisdiction.

"CONCLUSION

"Ours is and must remain a Government of separation of powers.

"It is indeed unfortunate that the only way that Congress can protect the integrity of the Patent Office is by disapproving plan No. 5 in its entirety, for the Reorganization Act does not permit congressional amendments to any reorganization plans.

"If the President and his advisers intend however, the reorganization plan powers in good faith and with genuine limitations, then they can withdraw and resubmit plan No. 5. exempting the Patent Office by specific phraseology. The Patent Office has been independent since the founding of the Republic, and we must keep it so."

Whereas Reorganization Plan No. 5 submitted by the President to the Congress on March 13, 1950, pursuant to the Reorganization Act of 1949 pertains to the Department of Commerce in which the Patent Office is located; and

Whereas plan No. 5 has been submitted to the Congress as being in consonance with the intent of the Reorganization Act of 1949 to produce better, more efficient, and more economical administration of the executive branch of the Government; and

Whereas plan No. 5 transfers to the Secretary of Commerce all functions of the Commissioner of Patents; and

Whereas it is firmly believed that plan No. 5 will not produce better, more efficient, and more economical administration of the Patent Office and of the patent system and may, instead, have the opposite effect for the reasons set forth in the attached memorandum in support of resolution; and

Whereas section 1 (b) of plan No. 5 provides specific exceptions of certain agencies of the Department of Commerce from the provisions of section 1 of said plan but does not except the Patent Office: Be it therefore

Resolved, That the Chicago Bar Association disapproves Reorganization Plan No. 5 of 1950 pertaining to the Department of Commerce unless and until the Patent Office is specifically excepted from the provisions of said plan; be it further

Resolved, That copies of this resolution be transmitted immediately to appropriate Members of Congress and such other persons as the board of managers designates.

MEMORANDUM IN SUPPORT OF RESOLUTION

1. The Patent Office by law is headed by a Commissioner of Patents who is appointed by the President with the advice and consent of the Senate. Plan No. 5 will effectively remove the Senate's control of determining who will administer the patent laws. This is made possible for the following reasons:

Section 1 transfers to the Secretary of Commerce all functions of all other officers of the Department and all functions of all agencies and employees of the Department. By section 2 the Secretary may then, if he deems appropriate, authorize the performance by any other officer, or by any agency or employee, without regard to qualifications or rank, of any function acquired by the Secretary by section 1. The functions of the Commissioner of Patents are not specifically excluded from these provisions, although certain other agencies of the Department of Commerce are excluded by section 1 (b). Section 4 of the plan permits the Secretary to transfer within the Department any records, property, personnel, appropriations, and other funds of the Department as he deems necessary to carry out this reorganization plan.

By the foregoing provisions a Commissioner of Patents who is appointed by the President and approved by the Senate and who is acceptable to the public and profession can be subjected to direct political pressure by the Secretary of Commerce and the Secretary's superiors. If the Commissioner does not conform to the wishes of his political superiors, all functions, personnel, property, and appropriations can be transferred to a politically acceptable employee in the Department regardless of the qualifications or rank of such employee.

A system whose history of independence and success has been so great in furthering the physical development of this country should not be subjected to such a threat.

2. The examiners in the Patent Office are required to be highly trained and learned in various scientific fields. No other employees in the Department of Commerce are qualified to perform their functions. Any transfer of their functions to other employees would be destructive of sound administration of the patent system and would be economically wasteful.

3. By the records of the Department of Commerce[1] the Patent Office is one of the few Government agencies that not only pays its own way but which actually renders a

[1] The record here relied on is the publication entitled "The Story of the American Patent System, 1790–1940," issued by the U. S. Department of Commerce. (See bottom of p. IV and top of p. V.)

profit. There are, therefore, no reasons on grounds of economy for subjecting the Patent Office to the provisions of plan No. 5.

4. The Commissioner and the examiners of the Patent Office perform quasi-judicial functions in determining property rights of individuals and rights between private parties. These functions should not be subjected to political control any more than the functions of the United States courts.

5. The Patent Office is one of the few agencies of the Government granting monopoly rights. Plan No. 5 would permit administratively awarding the politically favored and punishing those politically in disfavor by the grant or withholding of patents, respectively. This is possible because there is no appeal to the courts from the Patent Office's decision to grant patents. An appeal to the courts lies only upon the final refusal to grant patents. Since the Commissioner is not compelled finally to refuse the grant of a patent, applications for patent filed by those in political disfavor could be delayed indefinitely.

6. President Washington in 1790 signed the first patent laws which were enacted pursuant to the constitutional provision which says:

"The Congress shall have the power * * * to promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

In 1802 the Patent Office was given the status of a distinct unit or division within the Department of State and in 1836 was established by law as a distinct and separate bureau in that Department.

7. In that Department and successively in the Departments of the Interior and Commerce the Patent Office has been independent and free of political control for the 148 years of its existence.

8. The administration of the patent system, free of political control, has promoted the progress of science and the useful arts to the point where the United States is the most scientifically developed country in the world and enjoys the highest standard of living.

RESOLUTION OF AMERICAN PATENT LAW ASSOCIATION BOARD OF MANAGERS, APRIL 10, 1950

Whereas the American Patent Law Association vigorously supports the objectives of the Reorganization Act of 1949 (Public Law 109, 81st Cong.) providing for the reorganization of governmental agencies to promote better execution of the laws, economy, and efficiency by regrouping governmental agencies and eliminating overlapping and duplication of effort; but is emphatically of the opinion that no one of these objectives will be promoted by the transfer to the Secretary of Commerce of the functions of the Commissioner of Patents or other officers or employees of the United States Patent Office, or the transfer out of the Patent Office of any of its records, property, personnel, or unexpended balances, or the transfer into the Patent Office of personnel other than as provided by law, as proposed in Reorganization Plan No. 5 of 1950, transmitted by the President to the Congress March 13, 1950; and

Whereas the American Patent Law Association is convinced that the ability of the Commissioner of Patents and other officers and employees of the Patent Office to efficiently function in the orderly issuance of patents to qualified inventors, and to issue certificates of registration of trade-marks to qualified applicants, will be seriously decreased if such plan should become law, thus resulting in injury to the people of the United States by retarding the progress of science and the useful arts: Therefore be it

Resolved, That the American Patent Law Association vigorously opposes Reorganization Plan No. 5 insofar as it applies to the Patent Office, and respectfully urges the Congress to disapprove that plan and to disapprove any other plan which may embody provisions purporting to transfer to the Secretary of Commerce or the head of any other department any of the functions of the Commissioner of Patents as now defined by law; and further

Resolved, That the president of this association be authorized to present copies of this resolution to appropriate committees of Congress and to request that representatives of the association be heard in support of the resolution, and to take such other steps in the premises as he may deem appropriate and fitting.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 259), submitted by Mr. WILEY, was referred to the Committee on Expenditures in the Executive Departments.

BIPARTISAN COMMISSION RELATING TO AMERICAN POLICY IN GERMANY

Mr. GILLETTE (for himself, Mr. PEPPER, Mr. HENDRICKSON, Mr. IVES, Mr. LEHMAN, Mr. KILGORE, Mr. DOUGLAS, and Mr. CHAVEZ) submitted the following resolution (S. Res. 260), which was referred to the Committee on Foreign Relations:

Whereas in common with the other free nations, the United States has a vital interest in the maintenance of democratic institutions in Germany; and

Whereas the United States has a vital interest in the development of such economic, social, and cultural conditions in Germany as will further the growth of democratic institutions; and

Whereas the United States has a vital interest in preventing any alliance between Nazi, militarist, or other antidemocratic elements in western Germany and the totalitarian communism of the East: Be it therefore

Resolved, That the President of the United States is requested to appoint at his earliest convenience a bipartisan commission composed of six (or eight) members and to direct such commission to conduct a study of all matters relating to the conduct and status of American policy in Germany and its coordination with American foreign policy, and to determine—

(a) Whether political parties or groups based on antidemocratic ideologies exist and are obstructing American objectives as stated above;

(b) Whether German cartels and trusts have reemerged contrary to allied policy and constitute a threat to German political democracy and world peace;

(c) Whether the present German educational system has successfully developed means to further the dissemination of democratic ideas and information about democratic institutions and practices;

(d) Whether there is significant evidence of militaristic, ultranationalist, anti-Semitic, or other antidemocratic propaganda in the present German press, periodicals, and cinema and over the German radio;

(e) Whether the German war potential is being restored to an unwarranted extent and whether German military or paramilitary organizations have appeared;

(f) Whether and to what extent persons with prior Nazi affiliation or antidemocratic convictions have penetrated into the political, judicial, economic, educational, and cultural life, and the civil service of Germany;

(g) Whether prodemocratic elements have been deterred or discouraged from active participuation in building postwar Germany;

(h) Whether the German people are being encouraged to look beyond purely nationalistic aims toward participation in a broader association of free nations;

(i) Whether economic power in Germany has shifted into new hands or is again gravitating to or has been regained by the same individuals, families, or groups who held that power before the outbreak of war.

(j) Whether Economic Cooperation Administration funds have been utilized to strengthen prodemocratic elements and tendencies in western Germany; and be it further

Resolved, That the President is requested to direct the commission to make a preliminary report to him, for transmittal to Congress, within 90 days of its appointment, and to report to him, for transmittal to Congress, on or before December 31, 1950, the final results of its study, together with specific recommendations for the future conduct of American policy in Germany.

Mr. GILLETTE subsequently said: Mr. President, I dislike very much to delay consideration of the pending measure by talking on an extraneous matter, but earlier in the session today, on behalf of seven of my distinguished colleagues and myself, I submitted a resolution which we deem of outstanding importance. I should like very much to make a statement of about 12 or 15 minutes' length in connection with it, but, out of consideration for the able chairman of the committee having the pending bill in charge, I prefer to place it in the RECORD. I ask unanimous consent that the statement, without being delivered, be printed in the RECORD, as a part of my remarks.

There being no objection, Mr. GILLETTE'S statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR GILLETTE

Mr. President, there is a deep and growing concern among our people over the course of events in Germany today. I have a strong impression, which I am sure is shared by many of my colleagues, that thoughtful Americans are increasingly apprehensive of an approaching crisis in Germany and are increasingly troubled by what they read and hear of developments in that country.

Ominous reports from eastern Germany tell of a revived German army under Communist command. Observers are warning of a gigantic Communist demonstration in Berlin, due on May 28, which could turn into a showdown between opposing German forces, one encouraged by the Soviet occupation authorities, the other supported by the western Allies.

From western Germany came stories that new demands on the occupying powers are being prepared in anticipation of the forthcoming Foreign Ministers Conference in London. There are intimations of political blackmail by Germans in the west who threaten to jump into the arms of Stalin if these new demands are not met.

And, leading up to all this, during the past year, and especially during the first few months of this year, there has been a mounting number of news stories reporting the resurgence of the same forces in German society against which the world has had to fight the two greatest wars in history. Woven like a black thread through these reports is repeated evidence that some of these elements, reemerging in western Germany have a program of collaboration with the Soviet Union, looking to the day when the Allies withdraw from their occupation of Germany and an independent German state, dominated by enemies of democracy—whether National Bolshevists, Strasser Black Front Nazis, followers of the Haushofer geopolitical school, or some other neo-Nazi movement—can proceed to ally itself in a new and fearsome totalitarian Axis with Soviet Russia.

At the same time, other antidemocratic elements in west Germany, which are neither Communist nor desirious of a pact with Moscow, are reported to be actively sabotaging Allied policy and preparing to seize power at the first favorable moment. On April 5, for example, the New York Times quotes the leader of the Bruederschaft, or Brotherhood of Former German Army Officers which is secretly operating in western Germany, as stating publicly his conviction that by 1952 the whole parliamentary system will have broken down utterly and the brotherhood will have taken over every post in the German Government.

How much truth is there in these reports? How grave is the threat of these various conspiratorial movements? On the basis of what facts can we in the Congress reach sound conclusions as to our country's future course in Germany? Are we once again to wait, as we have done so often in the past, until the crisis explodes before our eyes and we are confronted with the necessity of half blindly endorsing and voting funds for whatever plan may have been devised to meet the disaster? And should the approaching German crisis end in a more terrible loss for us than the loss of China to the Communists, will we have anyone to blame but ourselves if we have not taken steps to secure the fullest possible knowledge about Germany that we need in order to legislate with foresight and intelligence?

I am today submitting for appropriate reference a resolution designed to secure for the Congress, and through it, for the people of the United States, the facts on Germany which we must have. Associated with me in sponsoring this resolution are the senior Senator from Florida [Mr. PEPPER], the junior Senator from New Jersey [Mr. HENDRICKSON], the senior Senator from New York [Mr. IVES], the junior Senator from New York [Mr. LEHMAN], the senior Senator from West Virginia [Mr. KILGORE], the junior Senator from Illinois [Mr. DOUGLAS], and the senior Senator from New Mexico [Mr. CHAVEZ.]

We are requesting the President to appoint a bipartisan commission to conduct a study of all matters relating to American foreign policy in Germany and to report its findings and recommendations to the President for transmittal to the Congress.

Mr. President, in considering the German problem it is evident that there are at least three general attitudes or schools of thought on Germany which seem to be competing for our people's attention today.

One attitude can be summed up as follows: This group, in effect, says: "The Allies have not rebuilt a powerful enough Germany fast enough. Too many industrial plants have been dismantled. The Ruhr steel capacity is too low. German shipbuilding is being throttled. Denazification is preventing competent German managers from bringing about recovery. Decartelization is sapping the initiative and confidence of German industrialists. Our allies, Britain and France, are largely to blame, and certain American officials are helping them in these moves against the Germans."

This attitude assumes that the stronger Germany is and the more industrialized it becomes and the more freedom of action we give the present dominating elements in Germany, the better it will be. A powerful western Germany, it is said, will oppose the Soviet Union. A rearmed western Germany will fight on our side. An authoritarian western Germany will smash communism within its borders and take its stand against the world Communist movement.

But, say those who hold this view, because we have not rebuilt Germany, unemployment is spreading and the unemployed will go Communist, while the industrialists, unable to sell in western markets, will make a deal with the Soviet east. A weak Germany, according to this view, will hurry to make a pact with the Russians. Therefore, they say, we must encourage the resurgence of German power with every means at our command, rearm the Germans, forget about this insistence on democracy and get on with the preparations for the inevitable military show-down.

The second general attitude on Germany might be stated by its advocates as follows: "We have rebuilt Germany. We have done a magnificent job of it. Western Germany is now producing 11,000,000 tons of steel a year. Industrial recovery has been "rapid and dramatic." The new German Government believes in democracy and American-style free enterprise. We are urging it to join with its western neighbors. Because we are treating Germany so generously, she will be our ally against Russia. A strong Germany will defend our interests but we must not go too fast, lest the economies and political stability of our allies in the Atlantic Pact be damaged."

This view holds that we must encourage an economically integrated and politically unified western Europe, with Germany a part of it. We must not hurry German rearmament, lest our allies become terrified of it, but we must guide the German republic and furnish it with all possible aid until it can be successfully merged with its western neighbors, and its troops be joined with the western defense forces.

This second attitude assumes that our policy in Germany, by and large, has been right; that if mistakes have been made, it is unfortunate, but since the only real danger in Europe comes from the Communists, we should forget the past, close our eyes to much of the present, and work to rebuild Germany as rapidly as we safely can do so, along with our allies, so as to protect them and us against Russian attack. In this view, it will be up to the Germans themselves, if they wish to do so, to get rid of the sinister elements that are reemerging, since it would be "undemocratic" for us now to interfere in their internal affairs, even if we still had the authority and the power to do so.

The third basic approach to the German question might be stated sketchily by its supporters in the following terms: "We have not only rebuilt German industry at a 'rapid and dramatic' pace, but we have gone so far as to rebuild the very same type of German society that previously led the German nation again and again into industrial conquest and aggressive war. We are thereby creating a Frankenstein monster that will rise up and dominate its western neighbors industrially, politically and militarily. A united western Europe with this kind of Germany in it would be a united Europe under German control, a state of affairs which we have just fought a terrible war to prevent.

"The same elements that ruled the kaiser's Germany and the fuehrer's Germany are returning to power in postwar western Germany. The same men who directed the cartelized German economy under Hitler before the war and who operated German industry for Hitler during the war have moved back openly or secretly into control of German industry, German economy, and German politics since the war.

"The stronger this kind of Germany is, the more likely it will be to strike a bargain with the Russians. It will soon be strong enough to repudiate the western allies. It will soon be strong enough to arrange a Russo-German alliance without fear of an internal German Communist threat.

"It is already very late. The time may not be far off when the allies will yield full liberty of action to the west German government. Then it will be altogether too late to do anything about the internal character of this resurgent German power or to prevent the antidemocratic forces controlling it from signing a pact with the totalitarian Communists in the east. We will then see our whole postwar design in Europe tumble down around our heads. A German alliance with Russia will not only destroy the Atlantic defenses and obliterate the effects of the Marshall plan, but will threaten the whole edifice of American power in Europe and bring the world to the threshhold of unimaginable catastrophe.

"Such a German alliance with Russia does not and will not have to be arranged by Communists in western Germany, but can well be made by industrialists, militarists, and pro-Nazis of every stripe who, under our very eyes, are regaining power to direct the destinies of the German Republic.

"A powerful, reindustrialized, recartelized, rearmed—and renazified—Germany, with the Ruhr as its arsenal, is not likely to cooperate with either our western allies or with us. Such a German state is far more likely to take advantage of Russian offers of collaboration in eastern Europe, China, and the Soviet Union itself than it is to collaborate on a friendly basis with us. The Germans remember the Nazi-Soviet pact of 1939, the Rapallo agreement in the 1920's, and the pro-Russian orientation of the Iron Chancelor, Bismarck. We should remember these, too."

There may be other attitudes on Germany, Mr. President, and we hope to be informed about them if they exist. These are three which have recently begun to clarify themselves in my mind. They show such a wide divergence of opinion that they make a general debate on Germany by our people both inevitable and desirable.

Now, while there is still time, I urge as persuasively as I can, that the Congress and the people commence the long overdue public debate on Germany and our policy there. It may be that there is nothing we can do now to undo what has already been done. If this is so, we must know it, at once. We will make far different decisions as to our future course if the die is already irremediably cast than if there is still a possibility of making democratic society a reality instead of a myth in western Germany.

I hope, Mr. President, that the Foreign Relations Committee will take speedy action on this resolution. I hope that the State Department will welcome this resolution as a means of stirring public awareness of the approaching German crisis. I hope that we can have action by the President to appoint a commission of inquiry on Germany as soon as possible.

The Secretary of State, in his valuable speech at San Francisco a few weeks ago, called for the people to participate in total diplomacy. Total diplomacy requires, above all, public understanding of both the policies of the Government and of the realities and circumstances on which those policies are based.

We cannot secure the enthusiastic participation of our people in the Nation's diplomatic efforts, total or otherwise, without first securing the facts for them and, second, persuading them that the policy is correct in the light of those facts.

What we need most of all, it seems to me, is full knowledge of the deadliest menace in Europe today: The threat that a supernationalist, authoritarian, reindustrialized, and rearmed German state will ally itself with the Soviet Union to dominate the Eastern Hemisphere and even the world.

Without this knowledge, we will drift helplessly onward, incapable of thwarting disaster until we find, that as in Asia, so in Europe, all our efforts, all our sacrifices, all our expenditures of men and money may have been utterly and completely in vain.

Mr. President, I am informed that several Members of the House of Representatives of both parties have expressed interest in the subject matter of this resolution, including Representatives JAVITS, ROOSEVELT, and CELLER, of New York; CASE of New Jersey;

SABATH, of Illinois; and MANSFIELD, of Montana, several of whom intend to introduce similar resolutions in the House immediately after the recess.

ADDRESS BY SENATOR MARTIN AT LAFAYETTE COLLEGE, EASTON, PA.

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD the address delivered by Senator MARTIN before a student convocation at Lafayette College, Easton, Pa., on April 14, 1950, which appears in the Appendix.]

A TIMELY REVISED GETTYSBURG ADDRESS

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD a 1950 version of Lincoln's Gettysburg Address, which appears in the Appendix.]

METHOD OF ELECTION OF PRESIDENT AND VICE PRESIDENT—ARTICLE BY LUCIUS WILMERDING, JR.

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD an article relating to the proposed change in the method of electing the President and Vice President, written by Lucius Wilmerding, Jr., and published in the Washington Post of April 17, 1950, which appears in the Appendix.]

AMERICAN POLICY IN CHINA—EDITORIAL BY DANIEL A. POLING

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial with reference to American policy toward China, written by Daniel A. Poling, editor of the Christian Herald, which appears in the Appendix.]

THE WAY—BY JAMES T. SHOTWELL

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD a poem entitled "The Way," written by James T. Shotwell, and published in a recent issue of the Saturday Review of Literature, which appears in the Appendix.]

LOCAL CONTROL OF VALLEY PROJECTS—ARTICLE FROM THE SALT LAKE TELEGRAM

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an article entitled "Utah Senator Proposes a Plan for Local Control of Valley Projects," from the Salt Lake Telegram of April 13, 1950, which appears in the Appendix.]

TEXAS TECH STUDIES DUST STORMS

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD an article entitled "Tech Study Shows Tons of Dust Carried in More Intense Blows," written by Kenneth May, staff writer of the Lubbock Avalanche, and published in the April 10, 1950, issue of that newspaper, which appears in the Appendix.]

BLACK LAND EXPERIMENT STATION IN CENTRAL TEXAS

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD an Associated Press article dated April 8, 1950, dealing with the Black Land Experiment Station in central Texas, which appears in the Appendix.]

FRENCH ASK FUSION OF ATLANTIC AIMS IN A HIGH COUNCIL—ARTICLE BY HAROLD CALLENDER

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an article entitled "French Ask Fusion of Atlantic Aims in a High Council," written by Harold Callender, and published in the New York Times of April 16, 1950, which appears in the Appendix.]

THE MURDERS IN KANSAS CITY—EDITORIAL FROM THE ST. LOUIS STAR-TIMES

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "Fetters on the FBI," from the St. Louis Star-Times, which appears in the Appendix.]

SECRET OF THE CONTINUOUS VITALITY OF SENATOR FLANDERS—LETTER BY VREST ORTON

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a letter on the subject of the continuous vitality and eagerness of Senator FLANDERS, written by Vrest Orton, secretary of the Vermont Guild of Oldtime Crafts and Industries, Inc., of Weston, Vt., which appears in the Appendix.]

REPORTS FROM EUROPE—SERIES OF ARTICLES BY CARROLL BINDER

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD a series of articles entitled "Carroll Binder Reports From Europe," written by Carroll Binder, editorial editor of the Minneapolis (Minn.) Tribune, which appear in the Appendix.]

NEED FOR LEGISLATIVE REORGANIZATION—ARTICLE BY ALBERT L. WARNER

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "The Chaos of Congress," written by Albert L. Warner, and published in the March 1950 issue of Harper's magazine, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF CARROLL O. SWITZER TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF IOWA

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, April 25, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Carroll O. Switzer, of Iowa, to be United States district judge for the southern district of Iowa. Judge Switzer is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from North Dakota [Mr. LANGER].

COMMUNISTS IN HAWAII—NEWSPAPER COMMENT

Mr. BUTLER. Mr. President, I ask unanimous consent to insert in the body of the RECORD a clipping from the New York Times of Saturday, April 15, entitled "Sixth Man Refuses To Testify on Reds," in which the close tie-up is shown of the Hawaii Communist organization with the Communist organization of California, which is headed by Harry Bridges, the convicted perjurer.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIXTH MAN REFUSES TO TESTIFY ON REDS—D. J. FREEMAN ANSWERS AT HAWAII INQUIRY AS OTHERS LINK HIM TO COMMUNISM

HONOLULU, April 14.—The sixth witness in 5 days to refuse to answer questions put to him by the House Un-American Activities Committee at hearings on communism in Hawaii refused today to testify as to his alleged Communist affiliations, but was linked to party activities by committee testimony. He is Dwight James Freeman, who identified himself as an unemployed construction worker.

Mr. Freeman refused to answer key questions put to him by the committee counsel, Frank S. Tavenner, Jr., and, as a result, he faces the same contempt of Congress charges that the committee has recommended against five other witnesses here.

Mr. Freeman, who had been linked to Communist activities in Hawaii by previous witnesses, took the stand under the legal guidance of Mrs. Harriet Bouslog, who has appeared as counsel for previous reluctant witnesses. He refused to say whether he was now or ever had been a member of the Communist Party, this under the advice of his counsel that he might incriminate himself.

Mr. Freeman told the committee that he also was known as James Freeman and Jim Freeman. Most of his testimony, however, centered around the identification of his signature on photostatic copies of Government documents, including his Selective Service papers.

PHOTOSTATIC COPIES SHOWN

After he had identified signatures, Mr. Tavenner produced photostatic copies of four money orders addressed to a Felice Clark at 942 Market Street in San Francisco. These signatures Mr. Freeman refused to identify on the advice of counsel.

After he left the witness chair Mr. Tavenner called William A. Wheeler, committee investigator, to the stand. Mr. Wheeler said he had studied banking records of the Communist Party of California in San Francisco last July in an effort to establish a link between the Communist Party in Hawaii and that in California and also a link to national headquarters in New York.

Mr. Wheeler testified that he had found four entries in the California party's bank account which were traced by postal money order numbers to Honolulu and thence to Mr. Freeman.

Mr. Tavenner then read testimony presented by a Government handwriting expert, Harold J. E. Gessell in Washington last February 27 before the committee chairman, JOHN S. WOOD, acting as a subcommittee of one. Mr. Gessell then testified, according to a transcript read today by Mr. Tavenner, that handwriting on exhibits identified today by Mr. Freeman was the same as that on the money orders in question, later deposited in the account of the Communist Party of California.

STEVEDORE ON WITNESS STAND

Earlier in the day David Pahinaui, a husky Hawaiian who identified himself as a stevedore and a former executive board member of Local 136 of the International Longshoremen's and Warehousemen's Union, CIO, took the stand to testify that he had been a member of the Communist Party of Hawaii for 7 or 8 months in 1947.

Mr. Pahinaui told of attending meetings at which union members were present, and said that Henry Schmidt, convicted in the Harry Bridges perjury-conspiracy case, had been one of them. He testified that the rank and file of the union had been unaware that some of the leaders were in the Communist Party and that "if they knew they would have told them to go to Russia."

The witness said he had left the party because "I never got my money's worth, and on orders from my wife."

Representative FRANCIS E. WALTER, Democrat, of Pennsylvania, acting chairman of the committee for the hearings here, charged earlier today that Jack Hall, regional director of the longshore union, who refused to

testify on committee questions yesterday, had issued a public statement later designed "to influence persons in this community" not to testify.

Mr. Hall's long statement to the press said, among other things, that "yes, no, or don't know answers" before the committee could bring perjury charges against him.

Mr. WALTER declared to the contrary that no testimony before the committee could be used outside the hearing for the prosecution of witnesses.

At the same time a statement endorsing the motives of the current hearing was issued by Lawrence M. Shigeura, chairman of the legislative committee of the Central Labor Council of the American Federation of Labor, here.

Mr. BUTLER. Mr. President, I also ask to insert a story from the Honolulu Advertiser of April 13, entitled "Failure to Organize AFL Red Cell Told." In this article several former Communists in the islands have supported 100 percent the statements I made about communism in my report on statehood for Hawaii in 1948, and they have even named some of the same persons listed as Communists by me.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FAILURE TO ORGANIZE AFL RED CELL TOLD

An effort in 1946 to organize an AFL cell of the Communist Party in Hawaii failed, a witness told the House Un-American Activities Committee, Wednesday.

He was Harry A. Kuhia, Jr., 34-year-old Honolulu Gas Co. employee.

A meeting of AFL union members at the home of James Freeman in 1946 failed to approve organization of an AFL cell, Kuhia said, "because I objected."

"None of us knew enough about communism or what it meant," he added.

Kuhia, the tenth witness called in the current hearing on Communist activities in the islands, told the committee he was recruited by Koichi Imori, then an AFL teamsters union business agent, to join the Communist Party to get more education about the labor movement.

Kuhia said he left the party when AFL officials told him to quit the party or get out of the union.

At the same time, in 1947, Imori was forced to resign his position with Local 904, Gas and Oil Drivers Union, AFL, by Arthur A. Rutledge, teamster official, Kuhia said.

Kuhia was one of three witnesses called during the afternoon session who told similar tales about efforts to bring AFL union members into the Communist Party under an educational program.

Harold Yamashita, another gas company employee, told the committee Imori had approached him, also. Yamashita said he did not join the party, but he told the committee that Imori showed him a light blue card and said it was his Communist Party card, and he wasn't ashamed to show it.

"He told me I was a very militant labor leader, but I needed to know more about the labor movement."

Yamashita corroborated Kuhia's testimony about the ousting of Imori from the union.

Frank S. Tavenner, Jr., the committee counsel, called Ichiro Izuka, an earlier witness, back to the stand briefly and asked him what position Imori held after he left the AFL.

"After Imori resigned I was offered his job," Izuka said. "I definitely know that Imori took a job as an ILWU organizer. He was dispatched to Maui as an organizer. Before the 1949 longshore strike, he was sent to Kauai, and he was an organizer who actually agitated the longshoremen there to strike."

Donald Uesugi was the first witness of the afternoon session. He told the committee he joined the Communist Party about 1945 at the urging of his wife, Peggy.

"She worked for the ILWU," he said. "After we were married she talked to me about joining the party. I told her I would if she would assure me there wouldn't be any trouble."

Uesugi said he belonged to the Waikiki group and later went to meetings of the Makiki group. He said he attended one meeting near the Niumalu Hotel where Marshall McEuen, John Reinecke, and Robert Green showed up. He identified Green as connected with the Hawaii Civil Liberties Committee.

Uesugi told the committee he quit the party in 1948.

"I just walked out of Charley Fujimoto's house and said I didn't want no more part of it. I knew I'd been doing something wrong."

His wife, whom he said drove him to the first meeting of the party he ever attended, divorced him after his break with the Communist Party.

Uesugi said he had been an employee of Mutual Telephone Co. for 17 years.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of William Robert Wallace, of Oklahoma, to be United States district judge for the northern, eastern, and western districts of Oklahoma, vice Bower Broaddus, deceased, which was referred to the Committee on the Judiciary.

CONVENTION WITH GREECE RELATING TO TAXES ON ESTATES OF DECEASED PERSONS—REMOVAL OF INJUNCTION OF SECRECY

The VICE PRESIDENT. As in executive session, the Chair lays before the Senate Executive K, Eighty-first Congress, first session, a convention between the United States of America and Greece, signed at Athens on February 20, 1950, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons.

Mr. CONNALLY. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the convention just laid before the Senate; that the convention together with the President's message be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The VICE PRESIDENT. Without objection, the injunction of secrecy will be removed, and the convention, together with the President's message, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the convention between the United States of America and Greece, signed at Athens on February 20, 1950, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons.

I also transmit for the information of the Senate the report by the Secretary of State with respect to the convention.

The convention has the approval of the Department of State and the Treasury Department.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 17, 1950.*

(Enclosures: (1) Report of the Secretary of State; (2) estate-tax convention between the United States and Greece, signed February 20, 1950.)

CONVENTION WITH GREECE RELATING TO TAXES ON INCOME—REMOVAL OF INJUNCTION OF SECRECY

The VICE PRESIDENT. As in executive session, the Chair lays before the Senate Executive L, Eighty-first Congress, first session, a convention between the United States of America and Greece signed at Athens on February 20, 1950, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

Mr. CONNALLY. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the convention just laid before the Senate; that the convention together with the President's message be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The VICE PRESIDENT. Without objection, the injunction of secrecy will be removed, and the convention, together with the President's message, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

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HARRY S. TRUMAN.

THE WHITE HOUSE, *April 17, 1950.*

(Enclosures: (1) Report of the Secretary of State; (2) income-tax convention between the United States and Greece, signed February 20, 1950.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

Dillon S. Myer, of Ohio, to be Commissioner of Indian Affairs, vice John R. Nichols.

By Mr. McCARRAN, from the Committee on the Judiciary:

Ernest A. Tolin, of California, to be United States attorney for the southern district of California, vice James M. Carter, elevated.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WILLIAMS. Is a motion to reconsider the vote by which an amendment was adopted by the Senate last Friday in order at this time?

The VICE PRESIDENT. It would be in order.

Mr. WILLIAMS. I file a motion to reconsider the action of the Senate by which it agreed to an amendment offered by the Senator from Connecticut [Mr. BENTON], identified as amendment lettered "E," dated February 2, 1950.

The VICE PRESIDENT. The motion will be entered. At the moment it cannot be taken up.

LEGISLATIVE PROGRAM

Mr. SALTONSTALL. Mr. President, as the acting minority leader I would appreciate it very much if the acting majority leader would give us some idea of his plans; how long he intends the Senate to remain in session today, and, in view of the outside activities of tomorrow, whether any motions will be considered or any votes taken, or whether anything will be done respecting the calendar on that day.

Mr. McFARLAND. Mr. President, it is the intention to complete action today on the pending bill. If it is the pleasure of the distinguished Senator from New Mexico [Mr. CHAVEZ], who is in charge of the legislation, that the Senate have an evening session tonight so we may complete action on the bill, such a session should be held. The measure has been before the Senate for some time.

As to tomorrow's work, I will make an announcement later. However, it is not our expectation that there will be any votes taken tomorrow. The opening of the baseball season game is generally regarded as an important event in Washington. I do not want to see the distinguished minority leader deprived of the privilege of seeing that the baseball season is opened in proper fashion.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. SALTONSTALL. I appreciate the Senator's courtesy. If it is in order, may I seek to find out from the Senator from New Mexico if it is his judgment that, if the pending bill is not completed by late afternoon today, there will be an evening session?

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McFARLAND. I am most favorable to the idea of both the Senator from Arizona and the Senator from Massachusetts attending the ball game tomorrow. So far as the Senator from New Mexico, the chairman of the Committee on Public Works, is concerned, the sooner we get through with the pending bill this afternoon the better it will be, for then Senators will be more certain of being able to go to the ball game tomorrow.

Mr. SALTONSTALL. So, an evening session is contemplated if the bill is not passed this afternoon.

Mr. McFARLAND. I may say that before the Senator from New Mexico came into the Chamber I stated to the Senate that if it was the pleasure of the distinguished Senator from New Mexico, the Senate would proceed with and complete action on the pending bill, even if it would require an evening session to do so.

Mr. CHAVEZ. That is correct.

Mr. SALTONSTALL. I thank the Senator.

Mr. LANGER. Mr. President, will the acting majority leader yield for a question?

Mr. McFARLAND. I yield.

Mr. LANGER. When does he expect that the calendar will be called?

Mr. McFARLAND. We shall try to make an announcement on that matter some time today or tomorrow.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. KEFAUVER. I wish to inquire of the acting majority leader when it may be possible to bring up Senate Resolution 202, to investigate interstate crime. I had understood that the majority leader had said it would be brought up as soon as possible, perhaps following the disposition of the rivers and harbors and flood-control bill. Does the Senator believe that it might be brought up this evening, following the conclusion of action on that bill?

Mr. McFARLAND. The majority leader will be back later in the day, and I prefer to wait until he returns, so that he may answer the distinguished Senator's question.

TAXATION OF LIFE-INSURANCE COMPANIES

Mr. GEORGE. Mr. President, on Thursday last the Senate passed House Joint Resolution 371. Under an agreement, I withheld the motion for a conference and the appointment of conferees until the conclusion of business on Friday. Inasmuch as the Senate did not finish at a very early hour on Friday, I have delayed making the motion, which I now submit, namely, that the Senate insist upon its amendments to the joint resolution, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to; and the Vice President appointed Mr. GEORGE, Mr. CONNALLY, Mr. BYRD, Mr. MILLIKIN, and Mr. TAFT conferees on the part of the Senate.

FLOOD CONTROL AND RIVERS AND HARBORS

The Senate resumed the consideration of the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The VICE PRESIDENT. The question before the Senate is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, when the Senate was last in session, on Friday evening, I had offered, as Senators will remember, a series of amendments proposing to strike out provision for various projects in the so-called rivers and harbors bill. One series of amendments were individual in character, and called for total reductions in appropriations of $58,000,000. There was one omnibus amendment, covering approximately 40 projects, calling for a further reduction of $61,000,000. I also asked unanimous consent that committee amendments adopted by the Senate last fall, involving an expenditure of $70,000,000, be reconsidered.

All those amendments were rejected; and the request for the reconsideration of the amendments adopted by the Senate last fall was objected to.

We then proceeded to move into a discussion of my amendment proposing to strike out the authorization of $250,000,000 for the Missouri River Basin.

Senators have had a chance to read the RECORD, Mr. President, and they will see that this work is to be conducted under the auspices of the Corps of Army Engineers, and that the purpose of the projects, wherever they happen to be located, is primarily to carry out the functions of the Corps of Army Engineers, namely, flood control and navigation.

I pointed out that this comprehensive project was really the Pick feature of the so-called Pick-Sloan plan, a shotgun marriage of the Corps of Army Engineers and the Bureau of Reclamation, which called, in its navigation features, for a 9-foot flowing channel from the mouth of the Missouri River, near St. Louis—really, opposite Alton, Ill.—not only up to Kansas City, but up to Sioux City, Iowa, in virtually the northwestern corner of the State of Iowa.

DANGERS OF INADEQUATE WATER SUPPLY

I further pointed out that the navigation demands for summer flow would require 14,300,000 acre-feet of water; and I also pointed out that if there were a 1,400,000 acre-foot winter flow, and if 1,100,000 acre-feet were allowed for evaporation in the Army reservoirs located in South Dakota, and one, I believe, projected in North Dakota, there would be required, in all, 16,800,000 acre-feet of water to maintain navigation on the lower Missouri River.

I further pointed out that the upper portion of the Pick-Sloan plan—or the Sloan portion of the Pick-Sloan plan—called for the use of 6,800,000 acre-feet of water a year, to be used for irrigation purposes in the upper valley, above Sioux City. I also pointed out that adding the two plans together, there would be a flow at Sioux City of approximately 23,600,000 acre-feet of water needed each year, 70 percent of which was to be reserved for navigation under the Corps of Army Engineers, and 30 percent for irrigation under the plan of the Bureau of Reclamation.

I also pointed out that both these plans can be satisfied only if a flow of 23,600,000 acre-feet of water is maintained. I indicated that the United States Geological Survey had conducted measurements of the flow of the Missouri River for 20 years, at Yankton, which is just a few miles north of Sioux City. They found that the average flow for the 20-year period from 1928 to 1948 was not 23,600,000 acre-feet a year, but 17,900,000 acre-feet a year, or from 5,000,000 to 6,000,000 acre-feet a year less than the average amount needed under the Pick-Sloan plan.

So, Mr. President, if the conditions of the last 20 years were to be encountered in the future, there would be a deficit of from 5,000,000 to 6,000,000 acre-feet of water a year. The supply would to that extent be insufficient to support both of these plans.

WESTERN STATES' RIGHTS UNDER O'MAHONEY-MILLIKIN PROVISION

Furthermore, if the O'Mahoney-Millikin law of some years back were to hold and if the Western States were to have priority rights upon the water, the result would be insufficient water south of Sioux City to fulfill the requirements of the 9-foot flowing channel. I furthermore pointed out, however, that the States of the Northwest need not be too certain that their prior claim would necessarily be upheld, because there might be a constitutional attack upon the law.

Mr. President, this is a very important issue, because it goes to the heart of the question of how we are going to spend our money on all the rivers of the United States. The Corps of Army Engineers are given as their first task the maintenance of navigation, and then the secondary task of preventing floods; and it is only natural that they should be interested in the particular tasks assigned to them.

Of course, there is a demand, coming from various localities, for inland navigation. With the deepening of the draft of barges and other vessels, the old demands for 6-foot channels are giving place to demands for 9-foot and for 12-foot channels.

If the experience of the past 20 years were to carry over into the future and if we were to pursue the Pick features of the Pick-Sloan plan, we would find that we had made an enormous investment of capital for the benefit of the lower Missouri River for which there would likely be an insufficient amount of water.

Mr. MUNDT. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from Illinois yield to the Senator from South Dakota?

Mr. DOUGLAS. I yield.

Mr. MUNDT. Is it correct that the figures which the Senator from Illinois has been citing consistently relate to a 20-year cycle?

Mr. DOUGLAS. That is correct. I may point out that, as the Senator will remember, on Friday night I also quoted the figure which the Army engineers obtained by going back beyond 1928, to 1898. The Army engineers claimed that, over a 50-year period, the average annual flow was 23,400,000 acre-feet, or just about sufficient to satisfy the Pick-Sloan requirements. The Senator will remember that. He will find it on page 5218 of the RECORD.

Mr. MUNDT. Correct. Will the Senator not agree that the 50-year cycle is the largest possible cycle for which the figures are available, rather than the 15 or 20 years' period used by the Geological Survey.

Mr. DOUGLAS. I have great respect for the water measurements of the United States Geological Survey, and I should like to say that those figures are airtight. I would say that the figures prior to 1928 are not so firm as the figures since 1928, that the evidence is apparently more scanty. In the first place, we cannot be certain that the figure for the 50-year cycle is precisely 23,400,000 acre-feet; and secondly, even if it were, it would be exposed to the low rainfall cycles, during which the flow of water passing Yankton would in certain years, and, indeed, for long periods of years, be less than 23,400,000 acre-feet a year.

Mr. MUNDT. Mr. President, I ask unanimous consent that I may be permitted to interrogate the Senator from a point closer to him than my own seat.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. DOUGLAS. I shall be delighted to have the Senator from South Dakota interrogate me more closely. We shall provide him with water and with the hospitality of the Democratic side. We hope, indeed, that as the Senator becomes better acquainted with us, on the Democratic side, we shall find his votes more favorable in the future.

Mr. MUNDT. I thank the Senator. It is primarily on the question of water that I wish to interrogate the Senator.

Mr. DONNELL. Mr. President, will the Senators kindly speak loudly enough so that we on this side will be able to hear them?

Mr. MUNDT. Certainly. I ask unanimous consent further that, in this colloquy with my friend from Illinois, if I make a statement or two not in the nature of a question, it will not jeopardize his right to the floor.

Mr. DOUGLAS. I appreciate the courtesy of the Senator from South Dakota very much.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed with that understanding.

Mr. MUNDT. The question of water is of tremendous importance, as the Senator from Illinois has correctly emphasized. In connection with the use of the 20-year cycle, I desire to point out that the majority of the cycle, or virtually half of it, was in the period of almost unprecedented drought in that whole area.

Mr. DOUGLAS. But will the Senator permit me to point out a somewhat counterbalancing factor?

Mr. MUNDT. Certainly.

Mr. DOUGLAS. I may say to my friend from South Dakota that the past 8 years were in a period of high rainfall.

Mr. MUNDT. It is the kind of rainfall that we like to consider typical in that area.

Mr. DOUGLAS. It is always contended by many people that their best game is their average game. When I played golf I used to feel that way, too; but it is unsafe to make plans for the future on that basis.

Mr. MUNDT. I quite agree. So the logical thing today is to go back as far as to the original point where the figures are available, and then run them up to date.

Mr. DOUGLAS. But that is not so as to the Geological Survey figures. Am I not correct that their figures have been available in all sections of the country since 1928?

Mr. MUNDT. That is correct, but the Army engineers' figures extend back for a considerable period beyond that, to 1898. I may point out to the Senator that the figures of the United States Geological Survey and the figures of the Army engineers are not in complete agreement. That is, for many years the Geological Survey has had made available to it the full findings of the Corps of Army Engineers, and there is informal agreement as of this time between the Corps of Army Engineers and the Geological Survey as to the era of history at which theoretically the Geological Survey was examining the records in all the belts; so I think the thought should not get abroad that there is a constant running debate between these two statistical organizations as to the findings. They simply show that the Geological Survey was not operating in that field at that time.

I may further point out to the Senator that, by taking the full 50-year period, we find that the average at Yankton, which is the point the Senator usually uses, is 23,300,000 acre-feet. Do we agree about that?

Mr. DOUGLAS. That is the figure I gave.

Mr. MUNDT. We agree as to that. Now, I think the Senator will agree further——

Mr. DOUGLAS. But have the Army engineers collected figures as to the flow for each and every year in this period, or is the figure an estimate based upon measurements in certain years and estimates in other years?

Mr. MUNDT. It is my understanding that they keep very accurate records.

Mr. DOUGLAS. And have, since 1898?

Mr. MUNDT. Yes, at certain given points on the rivers. Further, I think the Senator will agree with me, the more logical figure to be used, from the standpoint of navigation, is the acre-feet flow at Sioux City, Iowa, the present contemplated head of navigation, rather than at Yankton.

Mr. DOUGLAS. Yankton is only how many miles from Sioux City—40 miles?

Mr. MUNDT. The distance is roughly 40 miles; yes.

Mr. DOUGLAS. That is correct.

Mr. MUNDT. We also have the figures at Sioux City, and I think they should be put in the RECORD, because obviously they are more applicable. At Sioux City, over the 50-year period, the average acre-feet is 20,400,000, or just 1,000,000 more than it was at Yankton. I wanted that point to appear in the RECORD.

I should like to interrogate the Senator further, if he will permit, as I know he will, because he is very courteous and is trying to be objective and to get at the facts in this situation. I should like to point out that his conclusion that this authorization of $250,000,000 is primarily for navigation purposes, and that the Pick-Sloan plan is primarily a navigation plan, is not borne out by the figures because, as a matter of fact, the cost of the Missouri River navigation project, when completed, will be only one-tenth of the Corps of Engineers' part in the Pick-Sloan plan, and less than 5 percent of the whole plan. So, what we are really discussing when we talk about navigation is the detail, rather than talking about the whole program, the comprehensive river-long, valley-wide program. In other words, it is navigation, to be sure, but at the very small fractional percentage I have indicated. It includes primarily flood control, so far as the area south and east of Sioux City is concerned, and it includes primarily, east and north and west of Sioux City, such things as irrigation.

Mr. DOUGLAS. May I ask if irrigation north and west of Sioux City is under the direction of the Corps of Army Engineers?

Mr. MUNDT. It is not, but it utilizes the water which is stored in the reservoirs built by the Corps of Engineers.

Mr. DOUGLAS. Is it not true that those are multiple-purpose reservoirs?

Mr. MUNDT. The agreement between the two services provides a plan which the Senator called a marriage of convenience, but which we consider to be a very happy marriage.

Mr. DOUGLAS. I actually used the barnyard vernacular and referred to it as a "shot-gun marriage."

Mr. MUNDT. I think it is a very happy marriage and will be blessed with very happy offspring. I may point out that in the upper sections of the river, and by that I mean, not the tributaries; I am talking about the upper reaches of the river, using Sioux City as a dividing point, because that is the city the Senator chose by which to divide the area——

Mr. DOUGLAS. That is where the 9-foot channel starts.

Mr. MUNDT. North and west of there, there accrue the benefits coming from irrigation and the benefits coming from recreation, by which I mean a great series of large lakes, which are also of tremendous value for conservation purposes. I am sure the Senator from Illinois will not discount the value of the series of dams, from the standpoint of conservation and irrigation. We have the benefits of cheap hydroelectricity, which are certainly dear to the heart of the Senator from Illinois.

Mr. DOUGLAS. The principal benefits of these projects would not be provided to any great extent in North and South Dakota. These are not primarily reservoirs for the production of hydroelectricity.

Mr. MUNDT. But, to be sure, that is where the cheap hydroelectricity will be utilized in the greatest degree. It will be utilized somewhat in Iowa and Nebraska; but the greatest benefits from the standpoint of cheap hydroelectricity will go to the people of North Dakota and South Dakota, because these huge reservoirs, as the Senator I am sure knows, are located within the boundaries of those two States—most of them, incidentally, in the State of South Dakota. I think we should place the whole picture before the Senate, because it is not simply a matter of navigation, as I have pointed out. When the project is completed, in all but one-tenth of the money appropriated for the Corps of Army Engineers for the entire project will be utilized for navigation. Less than 5 percent, or one-twentieth of the entire appropriation is for navigation purposes. I am sure the Senator will not dispute those figures, because they are in the RECORD.

Mr. DOUGLAS. But when the mainstem dams that are to serve navigation and flood-control needs primarily are taken into account, I am sure the Senator will find this percentage is much higher.

I do not know whether it is appropriate at this time, but I may ask my good friend from South Dakota whether he is aware of the Hoover Task Force report I refer particularly to the statement on page 20, about the Missouri River Basin water situation.

Mr. MUNDT. I have read the Hoover report. I am not sure what is on page 20.

Mr. DOUGLAS. I wonder whether the Senator from South Dakota would like to have it available at this time, and would like to have me to place it in the RECORD.

Mr. MUNDT. Certainly.

Mr. DOUGLAS. I should like to quote, if I may, from the report of the Hoover task force:

> Present estimates are that the construction of projects for the development of the Missouri River Basin will cost nearly $6,500,000,000.

Please listen to this:

> One of the unanswered questions concerning development plans is whether there will be sufficient dependable water for purposes of navigation, flood storage, irrigation, water supply, and power development. It is nothing short of a calamity that there should be grave uncertainties on this score at this late date.

And earlier on page 18:

> It would be foolhardy to undertake a further expenditure of billions of dollars without thorough revision of both policy and organizational arrangements; and unless and until such revision is forthcoming, the committee recommends to both Congress and the Executive at least a partial moratorium on further projects.

Let me remind the Senator that this report was submitted by a committee headed by Leslie A. Miller, former Governor of Wyoming, chairman, and, I believe, an eminent member of the political party to which the distinguished Senator from South Dakota belongs; Horace Albright, former director, National Park Service; John Dempsey, former Governor of New Mexico; Ralph Carr, former Governor of Colorado, also, I believe, a member of the party to which the distinguished Senator from South Dakota belongs; Donald H. McLaughlin, president, Homestake Mining Corporation, which has almost the largest gold mine in the world——

Mr. MUNDT. The Senator may eliminate the word "almost." It is the largest gold mine in the world.

Mr. DOUGLAS. Dr. Isaiah Bowman, president, Johns Hopkins University; Dr. Gilbert White, president, Haverford College; Prof. Samuel T. Dana, and so forth.

So that the doubts which I express about the adequacy of water are merely the doubts expressed by the task force of the Hoover Committee. Nevertheless, despite the report, it is proposed to go ahead with the Pick-Sloan plan. What I am asking the Senator to do is to take a look at the billions of dollars which are ultimately involved.

Mr. MUNDT. The Senate is not walking into this thing with its eyes shut. This is not some new adventure. It has been in the mill, so far as Congress is concerned, ever since 1944. Before the Pick-Sloan plan was formally adopted, which was in 1944, Congress had made a careful scrutiny of the entire situation, much more meticulous and detailed, certainly, than was the scrutiny which the Hoover task force devoted to it. It held elaborate and full hearings and approved it as being sound and feasible and reached the conclusion that there was an adequate amount of water. Not content with that, however, the governors of the basin States, more vitally concerned than was the Congress, decided to make an investigation.

Mr. DOUGLAS. Does the list include the Governor of Montana?

Mr. MUNDT. It included the then Governor of Montana.

Mr. DOUGLAS. The present Governor of Montana, the Hon. John Bonner, protested against the present plans in a statement which he made on Monday, April 3, 1950, stating:

> These facts (on possible water shortage) raise a grave question as to the feasibility of installing the lower river navigation channel and before further funds are expended on it, it would appear that a thorough investigation should be made by Congress.

Mr. MUNDT. Unfortunately that was not the Governor who was then a member of the interagency committee which made the elaborate study. That Governor approved of the program. The committee of 10 governors, with their engineers and technicians, studied the matter a long time before 1944 and also gave their approval to it. I do not know whether the Senator from Illinois has had either the time or the desire to check back as to how the task force happened to make its alarming statements. Someone had to make the investigation; someone had to gather together the original data. Has the Senator from Illinois had an opportunity to go back behind the task force's printed pages to determine who that someone was who analyzed the situation?

Mr. DOUGLAS. I assume it was primarily based upon the Geological Survey figures.

Mr. MUNDT. Does the Senator know how the report was made and who wrote it?

Mr. DOUGLAS. I am told that a man by the name of Ackerman had a leading share in its preparation.

Mr. MUNDT. Has the Senator had occasion to check up to see how carefully the author of the report went in his investigation, how many areas he visited in the Missouri River Valley, how many technical offices he discussed the situation in, and how long a time he spent with the engineers?

Mr. DOUGLAS. I do not know into how many localities he went; I do not know where he slept at night; I do not know what he had for breakfast or for tea. I know that the highly responsible task force approved the report.

Mr. MUNDT. It would not be too difficult to find out where he slept, what he had for breakfast, and what he had for tea, because he spent most of his time in the city of Chicago, where I imagine he ate in the restaurants with which the Senator from Illinois is doubtless familiar.

Mr. DOUGLAS. That is a very fine city, and when the Senator comes there I shall be happy to buy him the best meal in the world.

Mr. MUNDT. I thank the Senator, and I shall be happy to accept it. But that is not the best vantage point in the world from which to study the needs of the valley.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. CHAVEZ. I should like to ask a question of the Senator from Illinois. When he speaks of the task force being recorded as against the proposition, let me remind the Senator that, as the Senator from South Dakota has stated, this is not a new matter. It has not only been approved by the governors of all the States involved but it has been approved by the Army engineers. It was approved by the Bureau of Reclamation; it was approved by every agency involved. It was recommended by the late President Roosevelt. That is why there has been spent up to this time approximately $300,000,000.

Mr. DOUGLAS. May I hasten to say that the junior Senator from Illinois makes no pretense of knowing anything more about the subject than do the Senator from New Mexico and the Senator from South Dakota, but since the country as a whole will be asked to appropriate money to carry out the purposes of the plan, the junior Senator from Illinois did not think it inappropriate to bring the matters out into the open to see whether we would be committed for a program of expenditure for which there would be insufficient water. Later, if I may, I hope to develop the question in some greater detail, because of the fact that the figures on flow for the past 20 years, which I have given, and which the Senator from South Dakota states are accurate——

Mr. MUNDT. They are accurate, but not adequate.

Mr. DOUGLAS. They indicate that there will be an insufficiency of water.

DEFERMENT OF AGRICULTURE PLANS WOULD HOLD BACK ADDITIONAL WATER

At the end of the session on Friday night I was pointing out that all this has been based upon poor conservation practices in the past in which water has been allowed to fall on arid land and to rush on. If we were to adopt the program of the Department of Agriculture, which, to my mind, is a much more sensible program, that of contour plowing, the sowing of deep grasses on pasture land, the building of small dams in gulleys and on small streams, and the construction of farm ponds, a large portion of the water which now rushes on carrying silt with it would be arrested at its source and would seep into the soil. Therefore the water flowing to Yankton or to Sioux City would be less in quantity than it has been during the past 20 years, and there would be a still further deficit for navigation purposes.

Mr. MUNDT. Certainly I am not out of sympathy with the practices which the Senator has described. There is nothing at all in the Pick-Sloan plan which is contradictory to that kind of comprehensive development. That kind of program is anticipated as a coordinate part of the present harnessing of the river to provide the great reserves of water so essential to conservation practices.

Mr. DOUGLAS. May I say in reply to that, if those conservation practices are applied, as I hope they will be, of necessity more water will be held in the soil than has been the case for the past 20 years. Furthermore, the amount of water which will be delivered will be less than even the figures supplied by the Geological Survey. Therefore, a further deficit will be created so far as navigation is concerned.

We have the extraordinary situation of the Reclamation Bureau being primarily interested in water for irrigation and power. Therefore, it wants water in the streams. It tends not to want water to be held on the land. It wants water to come rushing down, so that it may have it for purposes of power and irrigation. However, when that water comes rushing down it carries with it the fertile soil of the uplands. In getting water, the Bureau of Reclamation is put in the position of taking soil from good land and using the water to reclaim poor land. That seems to me to be a rather foolish thing to do.

Secondly, the Corps of Army Engineers are interested in navigation and flood control, and they want water in order to have their 9-foot channel. They are all honorable gentlemen, both in the Corps of Engineers and in the Bureau of Reclamation. Naturally, they do not look with much favor upon the Department of Agriculture.

With respect to erosion, water comes from the uplands laden with dirt, sand, silt, and soil. When it comes down, it meets the dams which the Senator from South Dakota has described. The silt is deposited. Furthermore, the Senator will remember that there was a very grave question as to whether or not the Garrison Dam should be built, on the ground that it would become a silt deposit rather than a dam for water. The same situation may develop at some of these other dams.

Would it not be better if we devoted our resources to preventing erosion where the water falls, rather than insisting on having a 9-foot channel from Sioux City to the south?

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am happy to yield for a question.

Mr. MUNDT. Mr. President, I have unanimous consent that I may make a statement.

Mr. DOUGLAS. Yes.

Mr. MUNDT. I wish to commend the Senator from Illinois for the careful study which he has made and the time which he has devoted to studying the problem for the last 20 months, since he has been in the Senate and prior to his coming to the Senate. I think it is part of the duty of a Senator to study projects in other areas of the country, not only within his own State. He should be commended for making such a careful study of the problem, even though he may be criticized for making suggestions with reference to other areas of the country. He has contributed much to a discussion of the whole problem. I should like to assure the Senator from Illinois that persons who have devoted 20 years to a study of the question, not merely 20 months, and who have passed through the same stage of argument which the Senator is now exploring, have unanimously concluded that the Pick-Sloan plan is not primarily a navigation plan, but that it has had a tremendous backlog of support because of the serious flood control situation in the lower part of the valley. That great factor, the fact that in the upper reaches of the valley we need the cheap electricity which the project makes available, and the fact that large land areas are susceptible to irrigation, which in turn requires reservoirs for water, all form a part of the whole program. I say again that the 9-foot channel, of which the Senator from Illinois speaks so passionately and eloquently, represents less than one-twentieth of the entire program.

Mr. DOUGLAS. May I just say there——

Mr. MUNDT. I have not quite finished.

Mr. DOUGLAS. I should like to deal with these points as the Senator speaks of them. The Senator speaks of navigation as being less than 20 percent of the problem. I assume he refers to the list of projects which were mentioned in the report of the House Committee on Public Works. At page 107 of the report the total figures amount to about $1,200,000,000, of which only $113,000,000 are for levees.

Mr. MUNDT. No; other than levees. I am talking about the completed program.

Mr. DOUGLAS. One of the primary purposes of the big reservoirs in South Dakota and North Dakota which the Senator excludes in his 20 percent figure is to maintain navigation flow in the Missouri River in the summertime. That

is one of the primary purposes, if not the primary purpose, since 70 percent of the water involved in program is devoted to navigation, in order to maintain a summer flow of 9 feet.

Mr. MUNDT. It will be neither one of the primary costs in the proposed expenditures, nor one of the primary dividends, although it is a very happy dividend, and it forms a part of the whole pattern of dividends. However, let me point out that the Senator talks about water which is to be used for irrigation purposes as though we were to lose that water, or as though it were to sink into the soil and come down on the housetops of China. As a matter of fact, depending on the texture of the soil, the major percentage of the water is restored to the river and goes down to the mighty Missouri.

Mr. DOUGLAS. Does the Senator mean to say that moisture is not retained in the upper reaches of the valley by either irrigation, reforestation, or contour plowing, or that no moisture is added to the soil, but that it all moves to the sea?

Mr. MUNDT. The major percentage.

Mr. DOUGLAS. The question is, How much?

Mr. MUNDT. The Senator from Illinois has been talking in conclusive figures. He has been speaking of 70 percent and 30 percent.

Mr. DOUGLAS. That was merely a first estimate. If the Senator from South Dakota has listened—and I am sure he has listened—my second point was that conservation practices would diminish the flow and retain further water in the soil in addition to that devoted to irrigation.

Mr. MUNDT. It is established as a principle in conservation circles that the kind of conservation practices to which the Senator refers, especially those dealing with reforestation, and those which provide for smaller dams in the upper reaches of the valley, are processes by which the flow of water is regulated, rather than processes which reduce or exhaust the flow entirely. It is a matter of regulation. Of course, the process may have the temporary tendency of diminishing the flow of water. But once conservation practices are developed, a formula is developed whereby snow melts slowly and the water flows down slowly, instead of rushing off the first time a hot sun strikes the snow in early spring. Those who are familiar with the problem realize that it is a matter of regulation.

Mr. DOUGLAS. I have noticed that in cut-over areas the soil is much drier in the fall than in areas covered by trees. Therefore, I presume trees not merely retard the flow of melted snow and water, but that they retain a greater quantity of moisture in the soil itself.

Mr. MUNDT. A certain percentage. Soil will not become soluble. It retains the proper degree of moisture. After that degree of moisture has been retained, the soil becomes resistant to further moisture and the water flows down to the river. May I point out the devastating consequences of adopting the amendment which has been offered by the Senator from Illinois, under which he proposes to delete the $250,000,000 authorization. I am certain that the Senator from Illinois does not want to approach the matter in the role of an axman, but rather from the standpoint of getting the best financial dividends from the great investment involved in the whole program. Suppose we were to say: "The Senator from Illinois has made a very persuasive and convincing argument. Let us accept it." Let us see, Mr. President, what would happen. Three hundred and sixty-six million dollars have been authorized.

Mr. DOUGLAS. That is for the Army engineers. It is about $350,000,000 additional for the Bureau of Reclamation.

Mr. MUNDT. We are talking only about the Army engineers. Of that we have appropriated about $218,000,000, leaving a balance on July 1, 1950, of $148,000,000. The Bureau of the Budget's request for this fiscal year—and I think a larger appropriation will be approved by the Congress—is $112,000,000. That would leave $36,000,000 authorized for this tremendous project as of July 1. If $250,000,000 were put into the bill, what would it mean? We have these multi-million-dollar dams which have been constructed halfway across the stream of the Missouri River. Work on the construction would have to be stopped, because there would be no adequate authorization with which to continue the work. Additionally, we would lose the entire investment since 1944 in the construction of the dams, because it is not possible to keep a dam half way across a river or half way built, therefore, I would suggest to the Senator from Illinois that he withhold his $250,000,000 amendment, by which he proposes to knock out this authorization, and suggest amendments or addenda or new policies for bringing in conservation practices which he thinks are not now included in the plan.

Mr. DOUGLAS. May I reply?

Mr. MUNDT. Surely.

Mr. DOUGLAS. The Senator from South Dakota has correctly stated that an appropriation of only $366,000,000 has thus far been authorized by law.

As I understand, commitments have been made by the Army engineers for projects, completed and under construction, amounting to $757,000,000.

Mr. MUNDT. That is the point I am making, that these contracts have been made.

Mr. DOUGLAS. By what right do the Army engineers make commitments in excess of amounts authorized?

Mr. MUNDT. Those commitments were made with a definite understanding with the contractors.

Mr. DOUGLAS. They have no understanding with the Congress.

Mr. MUNDT. But in 1944 Congress authorized this entire program.

Mr. DOUGLAS. But authorization in these river basin programs is not specific unless it is accompanied by money terms, and what I am stressing is the fact that while Congress has authorized only $366,000,000 for the work, the Army engineers have made commitments for over twice this figure.

ENGINEERS' COMMITMENTS SHOULD NOT BE ALLOWED TO EXCEED CONGRESSIONAL AUTHORIZATIONS

I submit that, if we want to make the Corps of Army Engineers the Senate of the United States, well and good, but I have thought that their commitments were to be held within the levels of the authorizations of Congress. I remember hearing a great many eloquent speeches from the Senator's side of the aisle advocating that very point.

Mr. MUNDT. Of course, I do not want to make the Army Engineer Corps the Senate of the United States, nor the whipping boy.

Mr. DOUGLAS. I am not making them the whipping boy.

Mr. MUNDT. I think that is correct, but it is not accurate to say that they have gone beyond their authority by making commitments in excess of the authorizations.

Mr. DOUGLAS. It is not a commitment beyond the monetary authorization?

Mr. MUNDT. Let me say why they have done it and how they have done it. They have done it because Congress in its good judgment authorized these funds for the beginning of construction on the dam at Oahe, authorized so much for work on the Randall project, and so much for work on the Garrison project. When the Army engineers begin the operation of building a dam, they have to consider the entire structure. They have to make arrangements with the contractors for building, not one-third of a dam, not one halfway across the river, but for a whole dam. They have not made any particular commitments which are to obligate the Treasury of the United States until and unless Congress acts. I think the Congress will show good judgment in completing the projects.

Mr. DOUGLAS. Has the Senator from South Dakota concluded?

Mr. MUNDT. Temporarily.

Mr. DOUGLAS. We are right in the midst of the discussion of a very interesting point. The Senator from Illinois maintains that the Corps of Army Engineers should operate within the sphere of specific money authorizations granted by Congress, that it should not project its commitments with contractors or start numerous projects the total cost of which is in excess of those figures. Otherwise, we lose control, and they will make new starts and let the contracts at given figures, and, as we have seen in the figures I have indicated, in excess of the authorizations. Then, if a Senator rises and says, "Perhaps we are spending too much," he will be told, as the distinguished Senator from South Dakota is now telling us, "We cannot back out now. We are committed." I would furthermore like to call another matter to the attention of the distinguished Senator.

Mr. MUNDT. If the Senator will yield, we are committed to the extent that Congress acted in 1944, and by subsequent action has authorized the construction of dams, certainly with the idea in mind that we are going to throw the projected dam clear across the river,

and not just part way, when we begin construction.

Mr. DOUGLAS. The Senator from South Dakota is aware of the fact that the plans for dams, as for all public works, can be altered.

Mr. MUNDT. Certainly, at stages. There comes a time when they cannot be altered.

Mr. DOUGLAS. The Senator from South Dakota is aware of the fact that it is very frequently the habit of the Army Engineers, once a dam is authorized, to start on one plan, and then to make more elaborate and costly plans, and substitute the second set of plans for the first.

Mr. MUNDT. Like the Senator from Illinois and the Senator from South Dakota, the Army engineers believe in growth by experience, I suppose.

Mr. DOUGLAS. Expansion at the expense of the Treasury. The Senator from Illinois does not believe in that.

Now let me be permitted to quote from a report of the House of Representatives on the general appropriation bill submitted by the chairman of the Committee on Appropriations in the House, Representative CLARENCE CANNON, and I shall refer to pages 247 and 248. I think we all will admit that Representative CANNON knows as much about appropriation affairs and expenditures of the Government as possibly anyone does.

Mr. MUNDT. Speaking in terms of the whole picture, yes; but as to specific projects, perhaps not.

Mr. DOUGLAS. I read from page 247 of the report of the House:

> Another matter which might be mentioned in connection with the action of the committee on the accompanying bill is the tendency of the Corps of Engineers to request funds for the initiation and simultaneous construction of too many projects. Reductions in appropriations made by the Congress may, at times, make for uneconomical construction because of the fact that the money must, of necessity, be applied to a great number of construction projects. It would seem to the committee that a better approach is to limit construction to fewer projects and complete or nearly complete those projects in order that the anticipated benefits may be derived therefrom prior to embarking on construction of additional projects.

On page 248 the committee states, referring to the total rivers and harbors construction:

> While it is recognized that a portion of this cost is attributable to increased construction costs and to extensions and modifications subsequently expressly authorized for individual projects, the major portion of the increase is due to engineering and structural modifications permitted under authorizing legislation to be made by the Chief of Engineers. For example, in fiscal year 1949 the estimated total Federal cost of these projects was stated at $6,073,765,580. This total was increased to $6,465,299,990 in fiscal year 1950, and again, as above indicated to $7,034,408,070 in fiscal year 1951.

Then the committee proceeds to make this very significant statement and analysis:

> In attempting to analyze these increases in estimated total Federal costs, the committee obtained from the Corps of Engineers purported reasons for increased total costs on 63 of the major projects. In only three instances were the increased costs attributed to additional legislative authority. Engineering and construction modifications authorized by the Chief of Engineers seem to account for 58 percent or a major portion of the increased total Federal cost, and for some reason, not quite clear to the committee, over 33 percent of the increase is placed on higher construction cost. No construction-cost index known to the committee substantiates this percentage increase from November 1947 to November 1949 * * * The simple conclusion is that the Chief of Engineers has committed the Government and is continuing to commit the Government to the expenditure of funds far in excess of amounts contemplated by the Congress * * * Continued modifications in design and structure, once construction has been initiated is, to say the least, expensive. It borders on profligacy.

Here is a statement from perhaps the greatest authority on appropriations in the Congress saying that one reason why we get these continuous requests for additional authorizations is that the Army engineers go out, form more elaborate plans, and then come back to Congress for more money, and we are requested to appropriate. Then, when a humble freshman Senator from a prairie State rises and says, "This may be too much money to be spent," the Senator from South Dakota rebukes him for his presumption.

Mr. MUNDT. I beg the Senator's pardon; I did not rebuke him. I congratulated him on the point he had made.

Mr. DOUGLAS. I thought I detected a note of irony in the Senator's comment.

Mr. MUNDT. There was none.

Mr. DOUGLAS. There is no tone of anger or irony in the voice of the Senator from Illinois, I assure the Senator.

Mr. MUNDT. I appreciate the Senator's statement. I express my appreciation to the Senator for sharing his time, which I think is a better practice than ballyhooing from one end of the Chamber to the other. I know the Senator understands that it is not compatible with progressive principles——

Mr. DOUGLAS. I believe in progressive principles so long as they do not have a capital "P."

Mr. MUNDT. I am not trying to establish an affinity between the Senator and the recent candidate for Vice President. The Senator certainly believes in progressive principles, and he should believe in progressive engineering principles. He should not be too critical of the Army engineers if they learn something. I think the net result is that the taxpayers are much better off than if Congress is going to freeze the conception of a project at the time it first authorizes it, and say, "Don't change a single plan." Is that not true?

Mr. DOUGLAS. I would say that is all right, but does not the Senator agree that the bias of the Army engineers is always in the direction of larger and more costly plans?

Mr. MUNDT. In the inflationary times in which we live there is a considerable increase in construction cost.

Mr. DOUGLAS. It is not merely an increase in construction cost. It is actual change in procedure. The Senator used to teach public speaking and is familiar with American literature. He will remember the poem written by Oliver Wendell Holmes, Sr., The Chambered Nautilus, in which we find the line:

> Build thee more stately mansions, O my soul.

I would say that the motto of the Army engineers is:

> Build us ever higher and more costly dams, and more costly levees, O my Congress.

Mr. MUNDT. I should like to refer to the first words of the poem by the New England poet—

> Build thee more stately mansions—

Because I think the projection of the Pick-Sloan plan will be the addition of more stately mansions to the future of America, since it will bring into the heart of America the harnessing of the river and bring about a multiplicity of developments which I am sure even the Senator from Illinois will applaud when they have been accomplished.

May I say, Mr. President, in concluding, that I commend to the Senator a trip through our valley this summer——

Mr. DOUGLAS. I have been through the valley many times.

Mr. MUNDT. Preferably a nonpolitical trip, during which he may see for himself and study the conditions there. If the Senator will do so, he will see the development of the dams up to this point. Then he will realize the futility of stopping them at this stage of the game, and the tremendous waste that would accrue if we were to fail to authorize the proposed $250,000,000.

In conclusion, I say I believe that if the Senator will devote his great powers of perception to a continued study of the program, in the final analysis the Senator from Illinois will be in the choir singing the praises of the Pick-Sloan dams program. If he makes the visit I have suggested, he will realize that the benefits of the program will greatly outweigh the various aspects of cost and the various problems of construction.

Mr. DOUGLAS. I hope the Senator from South Dakota, having found the companionship on the Democratic side of the aisle so genial, will not immediately depart, because I want to make certain other comments, and I want to secure the Senator's judgment on them.

Mr. MUNDT. I shall not depart, Mr. President. The magnetism of this side would be greatly increased if the Senator would withdraw his amendment to strike out $250,000,000. If the amendment is not withdrawn, I hope the other Senators will join me in laying it on the table or defeating it.

Mr. DOUGLAS. Mr. President, I have greatly enjoyed the colloquy with the Senator from South Dakota, but we have not really come to the nub of the question, which is whether the United States of America needs a 9-foot channel from Sioux City south.

Mr. President, somewhat of a spell is cast over people by seeing things. The sight of a palm tree generally causes people to lose control over their senses and to think that wherever a palm tree grows there will be found great riches, and that if only the natives can be made

to work, the country which takes the territory possessing the palm tree will be very rich. That is a delusion which has caused countries in the past to sink both blood and treasure into colonial adventure.

But there is another delusion which causes America to sink large quantities of money into our American rivers, and that is the toot of a steamboat whistle. Somehow it is believed that if we can only have a steamboat-whistle tooting through the heart of the corn belt there will be enormous riches and tremendous possibilities from such navigation. I am sorry my good friend from South Dakota has left the Chamber, but I hope he will read the RECORD of what I have to say on this point.

NAVIGATION PROJECT HAS NO ECONOMIC JUSTIFICATION

Mr. President, I think it is a very serious question whether the United States needs a 9-foot channel on the Missouri River from Sioux City south. In fact, I would say that on the section of the river from Sioux City to Kansas City, the region which bounds the western part of Iowa, there is very little justification for a 9-foot channel. It is possible that a 9-foot channel might be justified from Kansas City to St. Louis, but for that section from Sioux City to Kansas City I can see very little justification for this venture.

I find that the Army engineers assumed that there will be 5,700,000 tons a year taken from the mouth of the Missouri River by boat to Kansas City, and 2,700,000 tons a year from Kansas City to Sioux City. But I should like to point out that in 1945 the total volume from the mouth to Kansas City was only 478,000 tons, or less than one-tenth of what was hoped for, and from Kansas City to Sioux City only 385,000 tons, or less than one-seventh of what was expected.

In 1947, there were 621,172 tons moved on the river between Kansas City and the mouth, but General Pick conceded last year in the hearings that the bulk of this traffic was sand and gravel used by the Corps of Engineers for its own work on the river.

The lines of transportation run in the main east and west, and not south. The lines of transportation from the wheat belt and the western portion of the corn belt run eastward. They do not run southward. To take products of the Midwest south to New Orleans would in turn mean that so far as European shipments are concerned they would have a much longer ocean voyage than if they went overland.

Mr. President, what are we doing in this respect? We are constructing a 9-foot channel at the cost of hundreds of millions of dollars at the expense of the taxpayer in order to subsidize competition against the railways. It is sometimes said that this is a net gain. But for the reduction in the freight rates it is necessary to balance the reduction in freight carried by the railroads, which will mean decreased revenues for them and decreased employment by them. In fact, I have seen figures which indicated that we could probably construct additional railway lines which would do the same thing at less cost.

I should like to read in this connection a statement by the late Senator Reed, of Kansas, which appears on page 97 of the civil functions of the Army appropriation bill for 1950. Our present Presiding Officer will recognize that his former colleague, Senator Reed, was a recognized expert on this subject. Senator Reed said, when a question came up about traffic on the Missouri:

> What is the use of talking about that? We have spent $100,000,000 on the lower Missouri River in an effort to make it navigable. We could have taken the money that we have appropriated and moved all of the traffic that moved on the lower Missouri River by air freight and paid the cost of moving it with a lesser amount than the amount we have appropriated and mostly wasted on the lower Missouri River for navigation purposes.

That was not a geographer in Chicago writing. That was an eminent Senator of the United States, formerly Governor of Kansas, who had studied this subject for a long period of years, and who reached the conclusion that navigation on the lower Missouri was uneconomical and that we should stop pouring money into it.

All I have been trying to do, and I know it is probably unavailing, is to have the Senate of the United States stop, look, and listen before we open the flood gates for another $250,000,000 primarily for a purpose which is not needed, for which in all probability there will not be enough water, and which, if carried through, will be a monument to the mistakes and errors of man.

Mr. President, I have now finished, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hayden	Malone
Benton	Hendrickson	Martin
Brewster	Hickenlooper	Maybank
Bricker	Hill	Millikin
Bridges	Hoey	Morse
Butler	Holland	Mundt
Byrd	Humphrey	Neely
Capehart	Hunt	O'Conor
Chapman	Ives	O'Mahoney
Chavez	Jenner	Robertson
Connally	Johnson, Tex.	Russell
Cordon	Johnston, S. C.	Saltonstall
Darby	Kefauver	Schoeppel
Donnell	Kem	Smith, Maine
Douglas	Kerr	Stennis
Dworshak	Kilgore	Taylor
Eastland	Knowland	Thomas, Ok'a.
Ecton	Langer	Thomas, Utah
Ellender	Leahy	Thye
Ferguson	Lehman	Tydings
Flanders	Lodge	Watkins
Frear	McCarran	Wherry
Fulbright	McCarthy	Wiley
George	McClellan	Williams
Gillette	McFarland	Withers
Graham	McKellar	Young
Green	McMahon	

The PRESIDING OFFICER. A quorum is present.

The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS], on page 32, to strike out lines 2 to 7, inclusive, the Missouri River Basin project authorization of $250,000,000.

Mr. CHAVEZ obtained the floor.

Mr. DONNELL. Mr. President, will the Senator be kind enough to yield, if I may have unanimous consent to ask him a few questions in regard to the amendment?

Mr. CHAVEZ. I will yield for that purpose.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DONNELL. Mr. President, I should like to invite the attention of the distinguished Senator to the fact that in numerous places in the RECORD last Friday evening, and in substance today, the distinguished Senator from Illinois based his argument against the $250,000,000 authorization on the theory that it is for the lower Missouri River Basin. Thus, at page 5217, in opening the discussion on this point, the Senator said:

> Mr. President, this is a proposal to strike out the added authorization of $250,000,000 for the lower Missouri River Basin.

Again, at page 5218, the distinguished Senator from Illinois said:

> If we authorize the $250,000,000 for the lower Missouri, we shall in effect be advancing primarily the Pick portion of the Pick-Sloan plan.
>
> The essential feature of the so-called Pick plan is a 9-foot flowing navigation channel from Sioux City, Iowa, in the northwestern portion of Iowa, to the junction of the Missouri with the Mississippi, just above St. Louis—a 9-foot channel, with flood control on the banks, carried out by the method of levees.

Again, after some colloquy, on page 5220, the Senator said:

> However, I do know that the greater part of the money, wherever it may be spent, will be for the benefit of navigation south of Sioux City and for the protection of adjacent territory from floods.

Mr. President, the questions I desire to address to the Senator from New Mexico are designed to ascertain the facts as to whether it is correct that the major part of the money embraced in the $250,000,000, wherever it may be spent, will be for the benefit of navigation south of Sioux City, and for the protection of adjacent territory from floods. I ask the Senator, first, whether the statement that the $250,000,000 additional authorization in the bill, H. R. 5472, for the Missouri Basin, is to be used for the benefit of the lower basin below Sioux City, is or is not correct?

Mr. CHAVEZ. I will answer it by saying that $250,000,000 is to be used for the Missouri River Valley, but not for any particular section of the valley.

Mr. DONNELL. Is the $250,000,000, or any major portion thereof, stated either in the bill, in the report, or elsewhere, so far as the Senator knows, to be intended for use in the lower Missouri River Valley south of Sioux City?

Mr. CHAVEZ. No.

Mr. DONNELL. I ask the Senator also if it is a fact that House Report No. 969, at page 107, shows that projects completed or under construction total $757,000,000?

Mr. CHAVEZ. There are itemized on that particular page projects aggregating $745,000,000.

Mr. DONNELL. And approximately $12,000,000 in addition, representing projects which I believe have already been completed, is that not correct?

Mr. CHAVEZ. That is correct.

Mr. DONNELL. Making a total of $757,000,000. Is that correct?

Mr. CHAVEZ. That is correct.

Mr. DONNELL. Is it a fact that of these projects more than $550,000,000 worth are located above Sioux City, and that the substantial portion of their benefits would be felt above Sioux City?

Mr. CHAVEZ. I find, for instance, Missouri River agricultural levees, $113,000,000.

Mr. DOUGLAS. They are below Sioux City, are they not?

Mr. CHAVEZ. Yes; they are below Sioux City.

Mr. DOUGLAS. That is correct. Furthermore, even the projects above Sioux City would be used to furnish water for navigation below Sioux City.

Mr. CHAVEZ. I find a project at Omaha, Nebr.

Mr. DOUGLAS. That is also below Sioux City.

Mr. CHAVEZ. That is correct; it is below Sioux City. But let us look at this one—Council Bluffs.

Mr. DOUGLAS. Council Bluffs, Iowa, is below Sioux City.

Mr. CHAVEZ. Very well. I know what is below Sioux City and what is above Sioux City.

Mr. DOUGLAS. Excuse me.

Mr. CHAVEZ. Fort Randall Reservoir, S. Dak., which is certainly above Sioux City, $160,000,000.

Mr. DOUGLAS. Mr. President, will the Senator yield further for a question?

Mr. CHAVEZ. No, not at the moment. The Senator has been discussing this question, and every Senator is wrong except the Senator from Illinois, and I want to show differently.

Garrison, which is certainly above Sioux City, $188,000,000. I must admit that I do not know where the next reservoir is located, except that it is in Nebraska. Fort Randall Reservoir involves $160,000,000 and Oahe Reservoir, in South Dakota $221,242,000. The total for items north of Sioux City is in excess of $660,000,000.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Missouri.

Mr. DONNELL. I should like to ask the Senator whether it is a fact that most of the additional authorization of $250,000,000 will be needed to complete the projects which are now under construction, above Sioux City, Iowa?

Mr. CHAVEZ. That is correct. There would have been no authorization of $250,000,000 if some construction had not already been started and completed.

Mr. DONNELL. In other words, am I correct in understanding that of the projects aggregating $757,000,000, more than $550,000,000 worth are located above Sioux City, and that most of the additional authorization of $250,000,000 will be needed to complete the projects now under construction?

Mr. CHAVEZ. That is correct.

Mr. DONNELL. Mr. President, will the Senator permit me to ask him whether there is any considerable amount of the $250,000,000 which will be used for new projects?

Mr. CHAVEZ. They are all old projects. Fort Randall is an old project; the Garrison project is an old project; the Oahe Reservoir is an old project. Those items are for a continuation of projects which were started some time ago.

Mr. DONNELL. It is a fact, is it not, that there are some new projects which will be aided by the expenditure of the $250,000,000?

Mr. CHAVEZ. A small number.

Mr. DONNELL. And some of those new projects will be located above Sioux City?

Mr. CHAVEZ. Yes.

Mr. DONNELL. I should like to ask the Senator, also, whether he knows it to be a fact that the projects now under construction by the Corps of Engineers, above Sioux City, will produce 1,000,000 kilowatts of hydroelectric power, and that these kilowatts will probably be of greater benefit to the upper basin than to the lower basin?

Mr. CHAVEZ. It is intended that the bulk of the benefit will be around where the projects are located.

Mr. DONNELL. So my statement is correct, is it not, as I have incorporated it in the question to the distinguished Senator?

Mr. CHAVEZ. Naturally, the bulk of the benefits will be around where the projects are located. I hope there will be sufficient power developed from those projects so that someone else outside the particular area may receive some benefits also.

Mr. DONNELL. The Senator has understood, has he not, from the statements by the distinguished Senator from Illinois, who I know speaks as he believes, that this $250,000,000 is in the greater part for the benefit of the portion of the river south of Sioux City? That is what the Senator has heard the Senator from Illinois declaring, is it not?

Mr. CHAVEZ. I heard the Senator make some statements, but I would say that the majority of the money under this bill is for projects north of Sioux City.

Mr. DONNELL. The larger part of the $250,000,000?

Mr. CHAVEZ. That is correct.

Mr. DONNELL. I ask the Senator, also, whether, in addition to its effect on navigation, in addition to its effect on power facilities, the projects which are now under construction north and west of Sioux City will not only provide storage for food control and navigation, but will include large amounts of storage for irrigation used north and west of Sioux City, Iowa?

Mr. CHAVEZ. That is correct. There is irrigation north of Sioux City, and there is irrigation between Sioux City and the southern portion of the river. There is irrigation from the tributaries, such as the Platte and the Republican Rivers. All those projects are south of Sioux City, but there is also a great deal of irrigation north of Sioux City.

Mr. DONNELL. So that the $250,000,000, even though some of it were expended south and west, along the Republican River and other rivers in that section of Kansas, is, as a matter of fact, being used in large part for irrigation in that section, and not for the 9-foot channel in the Missouri River. Is not that correct?

Mr. CHAVEZ. I may say to the Senator that the tributaries of the Missouri River rise on the east slope of the Rocky Mountains. There are tremendous drainage areas, hundreds of thousands of miles. It was only a short time ago that the Senate ratified an agreement as between Colorado, Nebraska, and Kansas as to the distribution of the water of the Republican River. The only use which can be made of the water that comes in flash floods, on many occasions, is to irrigate some land in Kansas, Colorado, and Nebraska.

Mr. DONNELL. Is it not a fact that a total of approximately $200,000,000 has already been spent on the Corps of Engineers' part of the Pick-Sloan comprehensive program?

Mr. CHAVEZ. The record shows that the money has been spent. The Senator can go to the Treasury Department, to the Appropriations Committees, or to the CONGRESSIONAL RECORD and find out that the money was appropriated and spent.

Mr. DONNELL. Is it not a fact that approximately three-fourths of that money has been expended above Sioux City, Iowa?

Mr. CHAVEZ. Most of the money appropriated for the Missouri has been spent north of Sioux City.

Mr. DONNELL. Does the Senator consider that it would be good business or good economy to stop work now on these projects with respect to which a large portion of $200,000,000 has been expended, most of which is for the benefit of the area north of Sioux City, and to abandon it by not making this appropriation?

Mr. CHAVEZ. Mr. President, both the House Committee on Public Works and the Senate Committee on Public Works held many hearings, long days of hearings, in order to do the right thing by the Senate. The Senate committee held hearings after the House had taken action. I do not want any more than does the Senator from Illinois to spend one unnecessary penny of the taxpayers' money. I know that it is taxpayers' money, but some of the money is not wasted as the Senator from Illinois would intimate. It may be that geographic location and other conditions may exist which might make it necessary to spend more money north of Sioux City, but, nevertheless, what actually is spent south of Sioux City is just as important. It might not require so much money, but it is just as important, and it would be a crime not to take care of the people who are affected through flood protection, power development, and irrigation. I feel deeply about flood protection, power development, and irrigation, but I do not want one penny to be unwisely spent.

With reference to navigation, why should not the Committee on Public Works of the United States Senate be as deeply interested in the navigation of the Missouri River as we are in contributing $27,000,000 for navigation in Greece, and for navigation elsewhere, outside of this country? I am interested in that question.

Mr. DONNELL. As I understand the argument of the distinguished Senator from Illinois, in part, it has been to the effect that the Sloan part of the Pick-Sloan plan is for the upper basin, and

that the Pick part of the plan is for the lower basin.

If we look at the Bureau of Reclamation figures which were given at the appropriation hearings, we find that the Bureau of Reclamation has started work on projects totaling $770,000,000 for the Bureau of Reclamation part of the comprehensive program, and that included in that figure of $770,000,000 is $450,000,000 for the portion of the program above Sioux City, and that $320,000,000 is actually being spent on the portion below Sioux City. So that, instead of saying that the Pick part of the plan applies below Sioux City and the Sloan part of the plan applies north and west of Sioux City, it is a fact that the Bureau of Reclamation is engaged in work both below and above Sioux City. Is that not correct?

Mr. CHAVEZ. What the Senator from Illinois [Mr. DOUGLAS] has stated is only his statement or conclusion. I know it is made in the best faith. Irrespective of where the money is spent, the point I wish to make is that whether $10 more is spent north of Sioux City, or $10 more is spent south of Sioux City, is immaterial so far as the projects are concerned. To get down to the figures, let us look at the Bureau of Reclamation figures as shown in the appropriation bill for the Interior Department. I believe the Senator has a copy of it before him. We find projects in their comprehensive program totaling $770,000,000.

Mr. DONNELL. The Bureau of Reclamation part?

Mr. CHAVEZ. Yes.

Mr. DOUGLAS. How far west?

Mr. CHAVEZ. Four hundred and fifty million dollars above Sioux City and as much as $320,000,000 below Sioux City.

Mr. DOUGLAS. How far west?

Mr. CHAVEZ. As far as the Rocky Mountains.

Mr. DOUGLAS. Is it not correct to say that the Bureau of Reclamation does not do any work east of 97° longitude?

Mr. CHAVEZ. I know where they are doing some work.

Mr. DOUGLAS. Considerably west of Sioux City, Iowa.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. CHAVEZ. I yield.

Mr. DONNELL. Does the Senator find in the bill itself anything other than the following language which pertains to the $250,000,000? I read from page 32:

> In addition to previous authorizations there is hereby authorized to be appropriated the sum of $250,000,000 for the prosecution of the comprehensive plan for the Missouri River Basin to be undertaken by the Corps of Engineers, approved by the act of June 28, 1938, as amended and supplemented by subsequent acts of Congress.

Mr. CHAVEZ. That is correct.

Mr. DONNELL. That is the only reference to the matter in the bill.

Mr. CHAVEZ. To that appropriation. That money must be distributed to or used by projects, whether the bulk of it goes to projects north of Sioux City, or south of Sioux City.

Mr. DONNELL. Am I correct in understanding the responses of the Senator to be, as a matter of fact, that the major portion of the $250,000,000 would be expended north and west of Sioux City, in large part for the benefit of the area north and west of Sioux City, and in part for the benefit of Kansas, Nebraska, and along the Republican River, with respect to irrigation.

Mr. CHAVEZ. Yes. I disagree with the Senator from Missouri only in one respect. I am not sectional in my thoughts. I think the Missouri River belongs to the United States of America.

Mr. DONNELL. I agree with the Senator.

Mr. CHAVEZ. And to the people of the United States. While it is true that most of the $250,000,000 would be spent on a certain area of the Missouri, benefits would flow to the entire Missouri Valley and the United States of America. That is the only justification for the expenditure.

Mr. DONNELL. I agree thoroughly with the Senator's philosophy along that line. My only point in asking the questions, to which the Senator has made his responses, was that the distinguished Senator from Illinois had based his opposition to the $250,000,000 item on the ground that it or the greater portion of it was to be used for the benefit of the portion of the river south and east of Sioux City.

Mr. CHAVEZ. I think the Senator from Illinois is incorrect in taking that view. Nevertheless, even if it were so, I think the appropriation would still be a good one.

Mr. DONNELL. I am not quarreling with the Senator from New Mexico. I merely wanted to point to the fact—and I believe his answers have clearly indicated his belief in the view—that the Senator from Illinois is incorrect in basing his argument on the premise that the larger part of the $250,000,000 is to be used for the portion of the river south and east of Sioux City. I thank the Senator for his responses.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield for a question.

Mr. DOUGLAS. Is it not correct to say that one of the four large dams to be constructed north of Sioux City is the so-called Garrison Dam, located in North Dakota?

Mr. CHAVEZ. To which dam is the Senator referring now?

Mr. DOUGLAS. The Garrison Dam.

Mr. CHAVEZ. That is correct.

Mr. DOUGLAS. Is it not also correct to say it is estimated the Garrison Dam will ultimately cost $188,000,000?

Mr. CHAVEZ. I believe that is the figure.

Mr. DOUGLAS. Is it not correct to say that the purpose of the Garrison Dam is almost entirely that of providing a reservoir to retain water coming from the upper Missouri, to hold the water, and to release it during the summer period, so that navigation may be conducted on the southern portion?

Mr. CHAVEZ. That is correct.

Mr. DOUGLAS. Is it not also correct to say that the primary and almost exclusive purpose of the Garrison Dam is to retain water and later to release it for the purpose of maintaining navigation.

Mr. CHAVEZ. That is not the only purpose.

Mr. DOUGLAS. Is it not the predominant purpose?

Mr. CHAVEZ. Some dams——

Mr. DOUGLAS. I am speaking of Garrison Dam.

Mr. CHAVEZ. It is correct to say it with respect to any dam.

Mr. DOUGLAS. Not any dam. I am speaking of the Garrison Dam.

Mr. CHAVEZ. Very well. The Garrison Dam. That is not the only purpose.

Mr. DOUGLAS. Is it not the overwhelming and predominant purpose?

Mr. CHAVEZ. Possibly so. However, what difference would that make?

Mr. DOUGLAS. I am asking the Senator a question.

Mr. CHAVEZ. It belongs to the comprehensive plan.

Mr. DOUGLAS. While these dams are located north of Sioux City, the primary purpose of the Garrison Dam is to maintain navigation south of Sioux City. May I now ask the Senator if it is not correct to say that another dam in the program is the Fort Randall Dam, upon which it is proposed to spend $160,000,000?

Mr. CHAVEZ. Is the Senator still speaking of the Garrison Dam?

Mr. DOUGLAS. No. I have left the Garrison Dam, and I am now speaking of the Fort Randall Dam.

Mr. CHAVEZ. The Garrison Dam involves power, irrigation, and flood control. It may also have something to do with navigation.

Mr. DOUGLAS. I have here a map in which the area to be irrigated is shown in yellow. The yellow portions attaching to the Garrison Dam are very slight, indicating that so far as permanent disposition of water is concerned, its purpose is navigation.

Mr. CHAVEZ. I do not know that.

Mr. DOUGLAS. Is it not also a fact that a second very important dam is the Fort Randall Dam, on which it is proposed to spend $160,000,000?

Mr. CHAVEZ. That is correct.

Mr. DOUGLAS. Is it not also correct to say that the amount of land to be irrigated from Fort Randall Dam would be relatively small, and that the major purpose of the Fort Randall Dam would be to hold water back and release it in the summertime in order to maintain a 9-foot navigation channel?

Mr. CHAVEZ. I suppose that is necessary. It comes under the comprehensive plan.

Mr. DOUGLAS. We are trying to get together on a basis of discussion, because the Senator from Missouri implied that the dams to be built north of Sioux City had no relationship to the Missouri River south of Sioux City. I say that their primary purpose is to maintain a flow of water south of Sioux City.

Mr. CHAVEZ. They have multiple purposes.

Mr. DOUGLAS. I refer to the Garrison Dam and the Fort Randall Dam.

Mr. CHAVEZ. Of the proposed authorization of $250,000,000, I did not understand the Senator from Missouri to say how much of it was to be applied to irrigation, how much to this, or how much to that. All he wanted to know

was whether the bulk of the money was to be spent north of Sioux City.

Mr. DOUGLAS. For what purpose is it designed? I say the purpose of Garrison Dam and Fort Randall Dam is primarily navigation.

Mr. CHAVEZ. It is designed under the plan. It may be that the major purpose is probably for the development of power. It might be that the major portion is for irrigation, it might be that the major portion is for flood control. Inasmuch as the plan also calls for navigation, which I think is important whether in Nebraska, Iowa, or even in the State of Michigan, it does not make any difference at all.

Mr. DOUGLAS. Mr. President, will the Senator further yield?

Mr. CHAVEZ. I yield.

Mr. DOUGLAS. Is it not true that of the projected $250,000,000, $80,000,000 will be spent on the Garrison Dam, $90,000,000 on the Fort Randall Dam, and that therefore the purpose is not connected primarily with irrigation?

Mr. CHAVEZ. I imagine that that is correct.

Mr. DOUGLAS. Is it true that in the case of the Oahe Dam, the project will have a dual purpose, namely, holding water back and regulating the flow, and also irrigating about three-quarters of a million acres? That is a multi-purpose dam. Is it not also true that the amount of money which has been and is to be devoted under this authorization to Oahe is relatively small compared with the amount to be devoted to Fort Randall and Garrison, namely, $20,000,000 as compared with $80,000,000 for Garrison and $90,000,000 for Fort Randall?

Mr. CHAVEZ. That is correct. But the reason for that is similar to the reason why we spend more money on the Columbia than on the Rio Grande. It is because of the nature of the river, the kind of location involved and the kind of dam proposed.

Mr. DOUGLAS. Does that not indicate that the irrigation features of this portion of the plan are relatively minor compared with the navigation features?

Mr. CHAVEZ. I do not know. The Oahe in South Dakota and North Dakota is to cost $221,00,000.

Mr. DOUGLAS. That is the ultimate authorization, but I have been informed by the Army engineers this morning that $20,000,000 is to be devoted to the Oahe dam. And in the hearings last year, they reported that only $4,000,000 had been appropriated for Oahe, as compared with $52,780,000 for Garrison and $30,800,000 for Fort Randall.

Mr. CHAVEZ. That may be correct.

Mr. DOUGLAS. If it is not correct, I hope the Senator will alter the figures.

Mr. DONNELL. Mr. President, will the Senator yield for a further question?

Mr. CHAVEZ. I yield to the Senator from Missouri.

Mr. DONNELL. I ask the Senator if he is familiar with a publication issued by the Corps of Army Engineers, Missouri River Division, entitled "The Development and Control of the Missouri River."

Mr. CHAVEZ. I am.

Mr. DONNELL. I will ask the Senator whether this language appears on page 7 of that report:

> Floods of the past have demonstrated that an enormous volume of water, amounting to many millions of acre-feet (1 acre-foot of water would cover one acre of land to a depth of 1 foot), can surge down the Missouri River Valley in a single flood. The dams selected for construction on the Missouri River in the reach between Sioux City, Iowa, and the Montana-North Dakota State line are well located to impound these waters. Supplemented by the Fort Peck Dam, they will control a vast drainage area, and the storage capacity available behind the dams will enable the projects to supply water to large areas of thirsty land and supply electrical energy to power markets within feasible transmission distance, in addition to capacity reserved for flood control and navigation. The location of these dams is shown on the map on the opposite page.
>
> The Garrison, Oahe, and Fort Randall Dams will be high head structures, with maximum heights of 210 feet, 227 feet, and 160 feet, respectively.
>
> Based on careful study of foundation conditions in the Missouri Valley, these dams will be constructed of compacted earth fill. Conduits through one of the valley walls at each of the dams will be utilized for diversion of the river during construction of the dam, and afterwards will be used for release of reservoir waters for navigation and irrigation, generation of power, and for other purposes.

Mr. CHAVEZ. "Other purposes."

Mr. DONNELL. Yes; other purposes.

Mr. CHAVEZ. Other purposes could mean navigation.

Mr. DONNELL. Navigation is one of the purposes. I am not denying that these dams are intended in part for navigation purposes, but I do deny that there is any showing before the Senate, up to this point, at any rate, that the Senator from Illinois is correct in his premise that the major part of the $250,000,000 is to be utilized for the benefit of the portion of the river south of Sioux City, Iowa.

Mr. CHAVEZ. I am acquainted with the document from which the Senator has been reading. I am acquainted with the factual information that brought about the conclusions enunciated in the document, and for the very reasons stated the committee recommended the authorization of the $250,000,000.

Mr. DONNELL. Will the Senator yield for one final question?

Mr. CHAVEZ. I yield.

Mr. DONNELL. I ask the Senator if in the hearings on the Interior Department appropriation bill for 1951, part 4, at page 847, this language does not appear:

> The Missouri River Basin project is a single, closely integrated project consisting of the structures and improvements necessary to conserve, regulate, and use the natural resources of the basin with particular emphasis on the water resources for the multiple purposes of irrigation, power generation, municipal supplies, navigation, flood control, fish and wildlife propagation, and recreational purposes. This comprehensive plan is three-staged: (1) Conservation of water, (2) control of water, and (3) utilization of water. The accomplishment of this plan must necessarily place emphasis, in the first instance, on the construction of dams and reservoirs for conservation purposes.

Mr. CHAVEZ. It said "utilization of water."

Mr. DONNELL. Yes. I ask the Senator if those dams include, among others, the Garrison Dam, the Fort Randall Dam, and the Oahe Dam.

Mr. CHAVEZ. Every one of those dams is included. When the Senator refers to the utilization of the water, I say that it can be utilized for power purposes, it can be utilized for irrigation, it can be utilized for navigation, it can be utilized for many purposes. It will be utilized to give drinking water to the municipalities and the people along the river.

Mr. DONNELL. I ask the Senator, in conclusion, if the following language is in the hearings on the Interior Department appropriation bill:

> Exceptions, however, to this general policy must be recognized in those cases where utilization of the water is of primary concern because constructed reservoirs make conservation an accomplished fact or because stream flows are adequate without storage. The accomplishment of this plan also necessitates the carrying forward of simultaneous programs of investigations, construction, operation and maintenance, and development.

Mr. CHAVEZ. Mr. President, that is why the Interior Department appropriation bill contains some money for irrigation.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield to the Senator from Illinois.

Mr. DOUGLAS. In view of the fact that the Senator from Missouri mentioned that these dams would be valuable for flood control as well as for navigation, is it not a fact that about the worst flood that ever occurred on the Missouri had a flow of only 9,000,000 acre-feet?

Mr. CHAVEZ. I do not recall the figures, but, anyway, it was quite a flood.

Mr. DOUGLAS. I believe it did not appreciably exceed 9,000,000 acre-feet. Is it not true that the amount of potential water to be stored by these dams is equal to about 70,000,000 acre-feet?

Mr. CHAVEZ. One hundred and ten million acre-feet, I understand.

Mr. DOUGLAS. I had understood it was 70,000,000. If it is 110,000,000, that would indicate that the portion of these reservoirs to be devoted to maximum flood control is relatively slight, not more than 8 to 10 percent.

Mr. CHAVEZ. Irrespective of how much it is, it should be conserved. That illustrates the difficulty with the country heretofore; because we thought we had so much, we neglected to do things we should have done for the benefit of mankind in general, and American citizens in particular.

Mr. President, I move that the amendment of the Senator from Illinois be laid on the table.

Mr. DOUGLAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Butler	Chavez
Brewster	Byrd	Connally
Bricker	Chapman	Cordon

Darby	Ives	Neely
Donnell	Jenner	O'Conor
Douglas	Johnson, Tex.	O'Mahoney
Dworshak	Johnston, S. C.	Robertson
Eastland	Kefauver	Russell
Ferguson	Kem	Schoeppel
Flanders	Kerr	Smith, Maine
Fulbright	Kilgore	Stennis
George	Langer	Taylor
Gillette	Lehman	Thomas, Okla.
Graham	Lodge	Thomas, Utah
Green	McCarran	Thye
Hayden	McClellan	Tydings
Hendrickson	McKellar	Watkins
Hickenlooper	McMahon	Wherry
Hill	Martin	Wiley
Holland	Millikin	Williams
Humphrey	Morse	Withers
Hunt	Mundt	Young

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the motion of the Senator from New Mexico [Mr. CHAVEZ] to lay on the table the amendment of the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. A vote " yea" will be a vote to table the amendment; and a vote "nay" will be a vote not to table the amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

The Secretary will call the roll.

The Chief Clerk called the roll.

Mr. HILL. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. HOEY], the Senator from Rhode Island [Mr. LEAHY], and the Senator from Arizona [Mr. MCFARLAND] are absent on official business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate on official business.

The Senator from Montana [Mr. MURRAY] is necessarily absent.

The Senator from Louisiana [Mr. LONG] is paired on this vote with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Montana would vote "nay."

If present and voting, the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Alabama [Mr. SPARKMAN] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from South Dakota [Mr. GURNEY] would vote "yea."

The Senator from Ohio [Mr. TAFT] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Washington [Mr. CAIN] is absent on official business. If present and voting, the Senator from Washington would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. CAPEHART], the Senator from Montana [Mr. ECTON], the Senator from California [Mr. KNOWLAND], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business. If present and voting, the Senator from Montana [Mr. ECTON] would vote "yea."

The Senator from Nevada [Mr. MALONE] is detained on official committee business.

The result was announced -yeas 50, nays 16, as follows:

YEAS—50

Anderson	Hill	Mundt
Butler	Holland	Neely
Chapman	Humphrey	O'Mahoney
Chavez	Hunt	Robertson
Connally	Johnson, Tex.	Russell
Cordon	Johnston, S. C.	Schoeppel
Darby	Kefauver	Smith, Maine
Donnell	Kem	Stennis
Dworshak	Kerr	Taylor
Eastland	Kilgore	Thomas, Okla.
Fulbright	Langer	Thomas, Utah
George	Lehman	Thye
Gillette	McCarran	Watkins
Graham	McClellan	Wherry
Green	McKellar	Withers
Hayden	Martin	Young
Hickenlooper	Millikin	

NAYS—16

Brewster	Hendrickson	O'Conor
Bricker	Ives	Tydings
Byrd	Jenner	Wiley
Douglas	Lodge	Williams
Ferguson	McMahon	
Flanders	Morse	

NOT VOTING—30

Aiken	Hoey	Maybank
Benton	Johnson, Colo.	Murray
Bridges	Knowland	Myers
Cain	Leahy	Pepper
Capehart	Long	Saltonstall
Downey	Lucas	Smith, N. J.
Ecton	McCarthy	Sparkman
Ellender	McFarland	Taft
Frear	Magnuson	Tobey
Gurney	Malone	Vandenberg

So Mr. CHAVEZ' motion to lay on the table was agreed to.

Mr. WILLIAMS. Mr. President, on last Friday, the Senate took favorable action on an amendment offered by the Senator from Connecticut [Mr. BENTON], to authorize construction of Ash Creek project 4. I do not intend to discuss the amendment on the basis of its merits, because no doubt that amendment, along with many other amendments to the bill which have been offered or which will be offered later, are equally meritorious. But as the chairman of the committee has pointed out, if we are to break the line on this bill, and accept one amendment, then I do not see how the committee can reject all other amendments offered by the various individual Senators. Therefore, I think we made a serious mistake last Friday when the Senate accepted the amendment offered by the Senator from Connecticut.

The pending bill already calls for appropriations in excess of $1,500,000,000, and if we leave this amendment in the bill, thereby establishing a precedent, we shall be confronted automatically with several additional amendments at the cost of additional millions. If that happens, no one will be able to say where it will stop. Therefore, Mr. President, with the idea of bringing the amendment up for reconsideration, and then defeating it, I move that the Senate reconsider the vote it took last Friday, as shown at page 5217 of the RECORD, on the amendment offered by the Senator from Connecticut, known as amendment "E," dated February 2, 1950.

The PRESIDING OFFICER (Mr. HUNT in the chair). The Chair will state to the distinguished Senator from Delaware that the motion having previously been entered, the first step would be to move to take up the motion.

Mr. WILLIAMS. Mr. President, I move that the Senate take up the motion to reconsider the vote by which the Senate adopted the amendment.

Mr. CHAVEZ. Mr. President, I dislike to take the position I am about to take. I objected to the amendment offered by the Senator from Connecticut, and opposed it. I stated why I did so. Nevertheless, the Senate agreed to the amendment. The action was not as I should have liked to have it; nevertheless, the Senate agreed to the amendment. Therefore, Mr. President, I am going to object to the reconsideration of any action taken by the Senate on last Friday, on any item. I, therefore, move that the motion of the Senator from Delaware [Mr. WILLIAMS] be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Mexico that the motion of the Senator from Delaware [Mr. WILLIAMS] be laid on the table.

Mr. WILLIAMS and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. Those who are in favor of reconsidering the amendment should vote nay on the motion to table. Is that correct?

The PRESIDING OFFICER. The Senator is correct. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCFARLAND. I announce that the Senator from Illinois [Mr. DOUGLAS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. HOEY], the Senator from Rhode Island [Mr. LEAHY], the Senator from New York [Mr. LEHMAN], and the Senator from Maryland [Mr. TYDINGS] are absent on official business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from

Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate on official business.

The Senator from Montana [Mr. MURRAY] is necessarily absent.

The Senator from Louisiana [Mr. LONG] is paired on this vote with the Senator from Washington [Mr. CAIN]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Washington would vote "nay."

If present and voting, the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Alabama [Mr. SPARKMAN] would vote "yea."

Mr. WHERRY. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Washington [Mr. CAIN] is absent on official business, and is paired with the Senator from Louisiana [Mr. LONG]. If present and voting, the Senator from Washington would vote "nay" and the Senator from Louisiana would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Montana [Mr. ECTON], the Senator from California [Mr. KNOWLAND], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from South Dakota [Mr. MUNDT], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

The Senator from Nevada [Mr. MALONE] is detained on official committee business.

The result was announced—yeas 37, nays 28, as follows:

YEAS—37

Anderson	Holland	McMahon
Benton	Humphrey	Millikin
Chapman	Hunt	Neely
Chavez	Johnson, Tex.	O'Conor
Connally	Johnston, S. C.	O'Mahoney
Eastland	Kefauver	Robertson
Fulbright	Kerr	Russell
George	Kilgore	Stennis
Gillette	Langer	Taylor
Graham	McCarran	Thomas, Okla.
Green	McClellan	Thomas, Utah
Hayden	McFarland	
Hill	McKellar	

NAYS—28

Brewster	Flanders	Smith, Maine
Bricker	Hendrickson	Thye
Butler	Hickenlooper	Watkins
Byrd	Ives	Wherry
Capehart	Jenner	Wiley
Cordon	Kem	Williams
Darby	Lodge	Withers
Donnell	Martin	Young
Dworshak	Morse	
Ferguson	Schoeppel	

NOT VOTING—31

Aiken	Gurney	McCarthy
Bridges	Hoey	Magnuson
Cain	Johnson, Colo.	Malone
Douglas	Knowland	Maybank
Downey	Leahy	Mundt
Ecton	Lehman	Murray
Ellender	Long	Myers
Frear	Lucas	Pepper
Saltonstall	Taft	Vandenberg
Smith, N. J.	Tobey	
Sparkman	Tydings	

So the motion of Mr. CHAVEZ to lay Mr. WILLIAMS' motion on the table was agreed to.

Mr. HENDRICKSON. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Jersey.

The CHIEF CLERK. On page 3, between lines 12 and 13, it is proposed to insert the following:

Atlantic City, N. J., beach-erosion control; House Document No. 538, Eighty-first Congress.

Mr. HENDRICKSON. Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey. All those in favor signify by saying "aye"; contrary, "no."

Mr. CHAVEZ. Mr. President——

Mr. HENDRICKSON. I ask for the yeas and nays.

The PRESIDING OFFICER. The ayes appear to have it; the ayes have it. Does the Senator from New Jersey still insist on the yeas and nays?

Mr. HENDRICKSON. No.

Mr. CHAVEZ. Mr. President, I have been trying to get the attention of the Chair. I ask for the yeas and nays. I was on my feet, trying to get the attention of the Chair. The Chair was looking elsewhere.

The PRESIDING OFFICER. Is the demand for the yeas and nays sufficiently seconded?

Mr. WILLIAMS. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. Did not the Chair announce the result?

The PRESIDING OFFICER. The Chair announced the result while the Senator from New Mexico was on his feet.

Mr. WILLIAMS. My inquiry is, Did not the Chair announce the result?

The PRESIDING OFFICER. The rule is that when a Senator is attempting to get recognition he is entitled to recognition, even though a vote may have been announced.

Mr. HENDRICKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HENDRICKSON. Is the question not debatable?

The PRESIDING OFFICER. Yes. The yeas and nays have been called for.

Mr. DONNELL. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. DONNELL. Is not the motion of the Senator from New Jersey debatable?

The PRESIDING OFFICER. The motion is debatable.

Mr. DONNELL. I may be in error, but I thought I understood the Chair to imply that it was not debatable.

The PRESIDING OFFICER. If so, the Chair was in error.

Mr. DONNELL. I did not mean to infer that the Chair was in error. It may be that I had misunderstood the statement by the Chair.

Mr. CHAVEZ. The Senator from New Mexico is asking for the yeas and nays.

Mr. HICKENLOOPFR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HICKENLOOPER. In order to keep the record straight, my distinct recollection and observation of the situation is that the Chair had actually announced, deliberately and slowly, "The 'ayes' appear to have it." No one objected. The Chair waited before proceeding with his announcement.

Mr. CHAVEZ. Certainly, I was trying to get the attention of the Chair.

Mr. HICKENLOOPER. Then the Chair said, "The 'ayes' have it." Prior to that time the Senator from New Mexico had risen to his feet, but had taken his seat and was sitting during the subsequent period of time. The Chair went forward and actually announced the vote, and declared that the amendment had been adopted. My parliamentary inquiry is, After such a formal announcement, by what authority does the Chair reverse himself?

The PRESIDING OFFICER. The Chair feels that the Senator from Iowa is in error. The Senator from New Mexico was on his feet as the Chair was announcing the result and, being on his feet, he was entitled to recognition.

Mr. CHAVEZ. I was addressing the Chair. If the Senator from Iowa did not see me, it may be that he was sitting down.

Mr. ROBERTSON. Mr. President, a parliamentary inquiry.

Mr. HICKENLOOPER. The Chair has not answered my parliamentary inquiry. My inquiry was, By what authority does the Chair now expunge a positive announcement which the Chair had made of the result of the vote?

The PRESIDING OFFICER. By authority of a long line of precedents which has been established by the Senate over a long period of years.

Mr. HICKENLOOPER. Mr. President, a further parliamentary inquiry.

Mr. ROBERTSON. A parliamentary inquiry.

The PRESIDING OFFICER. The Chair recognizes the Senator from Virginia.

Mr. ROBERTSON. I should like to know what the pending motion is.

The PRESIDING OFFICER. The pending motion is for the yeas and nays on the amendment offered by the Senator from New Jersey.

Mr. DONNELL. Mr. President, a parliamentary inquiry. Did I not correctly understand that the motion to adopt the amendment presented by the Senator from New Jersey is debatable?

The PRESIDING OFFICER. The motion is debatable.

Mr. DONNELL. I note that the Senator from New Jersey is on his feet and I believe he has been trying to obtain recognition.

Mr. HENDRICKSON. That is correct.

The PRESIDING OFFICER. The Chair will recognize the Senator from New Jersey, if he wishes to speak on the amendment.

Mr. HENDRICKSON. I do.

Mr. President, I have watched very carefully every step of the debate on H. R. 5472. Indeed, I have scrutinized more closely the authorizations in the measure than in any bill which has come before us since I have been a Member of the Senate. I had a twofold purpose in doing this, Mr. President. One was to better familiarize myself with the problems of the Committee on Public Works; the other was to determine whether the charges that the rivers and harbors bill is fundamentally a pork-barrell manipulation are correct or not.

Having listened intently to most of the debate and having read the portion thereof which other business of the Senate compelled me to miss, I can now say that the Senate Committee on Public Works not only has a tremendously important function to perform, but it has an unenviable responsibility because whether fairly or unfairly, it is constantly under suspicion.

It was, as I have indicated, this suspicion which prompted my close observations at this session and in this connection, and I want to declare here and now on the floor of the Senate of the United States that up until last Friday all suspicion which I may have had, had been completely removed. I feel that the Senate Committee on Public Works has rendered singular service to the Senate and to the country.

It was because of the high regard which I had for the work of the committee chairman and his fellow members that I resolved early in the debates to lend the committee my full cooperation, particularly in respect to matters of policy. One of those policies, and it is a very sound policy, has to do with amendments which propose to add new authorizations which had not been fully processed.

In the use of this term "fully processed" I am sure that the distinguished committee chairman meant that any given project must have passed through all steps of the rivers and harbors procedure, that it must have had the approval of the Bureau of the Budget, and that it must have had public hearings before the appropriate committees of Congress. With this procedure, and the policy which the committee insisted upon following in respect thereto, I agree wholeheartedly.

The best proof of my sincerity in this connection is a matter of congressional record. On Wednesday, April 12, as a result of two conversations with the committee chairman, I formally withdrew an amendment which would have provided authorization for the dredging and widening of Compton Creek in New Jersey.

On the same date, I agreed to withhold another amendment which would have provided Federal contribution for a very badly needed beach erosion control project in Atlantic City. In both instances, my course of action was prompted by my respect for a very sound rule and the committee's apparent integrity in relation thereto. Then, suddenly, by what to me was obviously a quick political maneuver, the rule of the committee and its entire policy in regard to new authorizations, was completely ignored and a project which had not had committee hearings and a project which falls precisely in the same category as the Atlantic City beach control project, was approved by the Senate.

Mr. President, I do not wish to seem either provincial or petty in the matter, but neither do I expect to stand by without raising my voice while the Senate of the United States plays either partisan politics or unfairly discriminates between its Members, because one sits on one side of the aisle and the other one sits on the other side of the aisle. We are dealing with a question of merit.

The entire purpose of the policy of the distinguished committee, so wisely adopted at the outset, is proved by the very situation which now confronts us. Since the committee has had no hearings on either the Connecticut project or the Atlantic City project, how can they tell or how can we tell in which case there exists a greater emergency, or in which case the greatest amount of damage is likely to ensue by our refusal to act on either one or the other of these projects, or both?

Mr. President, as I see the situation, there is one of two courses for us to follow on this floor. One was to reconsider the vote by which the Benton amendment was adopted last Friday. This has just been done with negative results. The other is to allow the adoption of my amendment on the merits of the amendment itself.

Since I know nothing of the problem which prompted the distinguished Senator from Connecticut to offer his amendment, I think that under the circumstances the fair and proper thing to do is adopt my amendment, and any other amendments which fall in the same category as that in which the amendment of the Senator from Connecticut fell, or at least have the assurance of the committee that my amendment, and such other amendments in the same category, will go to conference and have serious consideration by the conferees.

Mr. CHAVEZ. Mr. President, when the Senator from Connecticut offered his amendment, the chairman of the Committee on Public Works advised him that under the rule which has been so correctly stated by the Senator from New Jersey the committee would have to oppose his amendment. When the amendment was called up for consideration, that was still the position of the chairman of the committee, and of the committee, and if the Senator from New Jersey will look on page 5216 of the RECORD of April 14 he will find what I shall now read. After the reading of the amendment of the Senator from Connecticut, and after he made his argument in behalf of his amendment, I find that this occurred:

> Mr. CHAVEZ. Mr. President, I wish to make a short statement to the Senator from Connecticut, because in my opinion this is one of the finest projects which has been called to the attention of the chairman of the Committee on Public Works of the Senate.

I could say just as much about the amendment of the Senator from New Jersey.

> There is no question as to the merits of the project—

I can say that to the Senator from New Jersey, there is no question as to the merits of his amendment——

Mr. HENDRICKSON. Mr. President, will the Senator yield for a question?

Mr. CHAVEZ. Wait until I get through with this particular paragraph. I read further:

> There is no question that the Bureau of the Budget has approved it, because the Senator has so stated—

I do not know whether the amendment of the Senator from New Jersey is in the same situation—

> but it stands in the same position as the amendment submitted by the Senator from Washington [Mr. MAGNUSON] a little while ago, I say in the best of faith, in order to try to help out the Senator from Connecticut, and the State of Connecticut, because I know the project is meritorious, that if the Senator will introduce a separate bill, I assure him that I will get the committee busy so fast that a separate bill can be reported to this body in a very short time, because I know the project has merit. But keeping faith with the instructions of the Committee on Public Works, which have been definite about projects on which we have had no hearings, I shall have to object to the amendment.

I did object. The situation of the Senator from New Jersey in my opinion is identical, and there is nothing for the Committee on Public Works to do other than to oppose the amendment. If the Senator from New Jersey can persuade the Senate to approve his amendment, the Senate is supreme, but, so far as my not keeping faith is concerned, I resent the Senator from New Jersey saying that I played politics. I leave my standing to the Senator from Pennsylvania [Mr. MARTIN], the Senator from Nevada [Mr. MALONE], the Senator from Washington [Mr. CAIN], the Senator from Utah [Mr. WATKINS] or the other Republican Senators. Let them point to one case in which I have played politics in the committee.

Mr. President, the Committee on Public Works is a construction committee, and no matter how meritorious a project may be, if the committee has not acted on it, not as a partisan committee, not by the Democrats on the committee only, but by the committee members, including the Republican members, I shall oppose it.

Mr. HENDRICKSON. Mr. President, it was on that basis that I withheld my amendment. It was on that basis that I finally withdrew another amendment. I cannot understand the inconsistency of the Senator.

Mr. CHAVEZ. Senators can be inconsistent any time they desire to be. I voted "No" on the amendment of the Senator from Connecticut, but if this body, in its wisdom, or otherwise, wants to act contrary to the ideas of the chairman of the Committee on Public Works, I submit to the majority of the Senate. That is one of the reasons why now I have asked for the yeas and nays. I wish I had asked for the yeas and nays on the other amendment.

Mr. HENDRICKSON. I too wish the Senator had asked for the yeas and nays.

Mr. CHAVEZ. Those who said "aye" yelled a little louder; that is what happened. Nevertheless, the result was announced in accordance with the rules.

Mr. HENDRICKSON. Mr. President, will the Senator submit to a question?

Mr. CHAVEZ. Yes.

Mr. HENDRICKSON. Is it not true that the distinguished chairman had an opportunity to vote according to his convictions, on the matter of committee review, on the motion of the Senator from Delaware [Mr. WILLIAMS] to reconsider the vote on the Benton amendment?

Mr. CHAVEZ. Yes, but I am also submitting to what the Senate wishes to do about the dignity and integrity of the Senate. The Senate had acted, possibly unwisely, but nevertheless it had acted. While it did act contrary to my ideas, it had acted, and I still submit to the will of the Senate.

Mr. HENDRICKSON. Is it not true that the Senate had acted by a voice vote?

Mr. CHAVEZ. Yes.

Mr. HENDRICKSON. Is it not true also that on the Williams motion every Senator could express his conviction on a record vote?

Mr. CHAVEZ. Does not the Senator remember that directly after that we had to quit work for the day because we could not get a quorum? Some Senators were going to parties, and some left for other reasons.

Mr. HENDRICKSON. Mr. President, I shall never forget the incidents of the session on Friday last.

Mr. ROBERTSON. Mr. President, I have not had the advantage of the distinguished Senator from New Jersey in reading 800 pages of the hearings on the bill, and of being more familiar with it than any other bill before the Senate. I have been very busy in recent weeks in the Committee on Banking and Currency and in the Committee on Appropriations. Frankly, I have only a general and somewhat hazy idea of what the bill contains. But when the bill was reported in the Senate, I said to the distinguished chairman of the committee that I thought his committee had gone pretty far in adding $400,000,000 to a $1,100,000,000 appropriation which had come to us from the House. He told me that he would resist all other amendments carrying authorizations. I said, "I will be happy to support you in that position." So, whenever I got a chance, I supported the chairman in his opposition to all amendments carrying authorizations.

To explain my apparent inconsistency today, it appeared that Friday, by a very overwhelming vote, the Senate voted to add just one authorization, for Connecticut. It was a project which had a ratio of benefits to cost of 7 to 4, and there was only one other in this billion and a half dollars' worth of projects which had a higher ratio than that, and that was my little project in Accomac County, called the Quinby project, which is a small dredging operation.

Mr. WILEY. In what State is that?

Mr. ROBERTSON. That is in the Old Dominion. So when the chairman of the committee said today on the motion to reconsider that he had opposed the inclusion of the amendment, but now that it had been included he would oppose a reconsideration of that vote, I went along with the chairman, considering that the project was only a $200,000 project, and that the State of Connecticut would put up $2 for each $1 the Federal Government put up. With that higher ratio of benefits to costs, I am satisfied that if the committee had had an opportunity to consider the amendment, it would have been included in the bill before it was reported.

Mr. President, I made a parliamentary inquiry of the Chair. I wanted to know what was the pending question. The Chair informed me that the pending question was on ordering the yeas and nays. Of course, the real issue is, What are the yeas and nays being ordered for? I have since learned they are being ordered on a new project for New Jersey which was not in the committee bill. So, at least to be as consistent as I have tried to be throughout, I shall vote against it.

Mr. WATKINS. Mr. President, will the Senator from New Jersey yield?

Mr. HENDRICKSON. I yield.

Mr. WATKINS. I am a member of the Committee on Public Works which has been considering the bill. I was present in the Chamber on Friday when the amendment of the Senator from Connecticut [Mr. BENTON] was before the Senate. I remember the stand taken by the chairman of the Public Works Committee, the Senator from New Mexico [Mr. CHAVEZ]. I voted with him. The question was decided on a voice vote. I noticed where the voices came from that supported the amendment. They did not come from this side of the aisle. They came from the other side of the aisle. I heard Senators on the other side of the aisle voting who had voted against other amendments, but who turned around and voted for this one. To me it had the familiar ring of politics; to do what they could for the junior Senator from Connecticut in an election which is coming up. So far as I know, up to that moment there had not been any politics in the Public Works Committee on these measures. We considered them on their merits; it did not make any difference from which State they came. It so happens that my State does not have any of this type of projects in the bill. I resented that complete change on the part of Members on the other side of the aisle when the Connecticut project came up. It indicated favoritism. The Connecticut amendment had no more merit than any other amendment which was proposed which was promptly voted down by the shouting from the other side of the aisle.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I yield.

Mr. CHAVEZ. At the time the voice vote was had, as I recall there were only three or four members—three members, as a matter of fact, of the Committee on Public Works on this side of the aisle present. Not a single one of them voted for the amendment.

Mr. HENDRICKSON. Mr. President, I yielded only for a question. The Senator is making a general observation.

Mr. CHAVEZ. Mr. President, I ask unanimous consent that I may discuss this point for half a minute.

Mr. HENDRICKSON. With the understanding, Mr. President, that I do not lose the floor thereby. I ask unanimous consent that I do not lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAVEZ. Mr. President, the Senator from Florida [Mr. HOLLAND] was on the floor. The Senator from Arkansas [Mr. MCCLELLAN] was on the floor. As I recall, the Senator from Mississippi was on the floor.

Mr. STENNIS. I was in the chair.

Mr. CHAVEZ. The Senator from Mississippi was presiding. I do not think he voted either "aye" or "no." I do not recall what he said. That was on Friday last. So far as I remember, not once has a member of the Committee on Public Works gone back on any of the committee's rules or regulations. Of course, we would not and we could not tell any Senator how to vote. We would not even question any Senator's motives. If all Senators on the other side of the aisle were to vote contrary to what I urge, I still would not question their motives.

Mr. HENDRICKSON. Mr. President, I should like it to appear in the RECORD that on Friday last there was a voice vote on the adoption of the Benton amendment. Today there was a vote to reconsider that action. That was not a voice vote. That was a record vote. The yeas and nays were asked for and ordered. Any Member of the Senate who believed that the rule and the policy of the commmittee, as laid down by the committee, is sound, had the opportunity on the Williams motion to vote "yea" or "nay." Any such Senator had the opportunity to vote in support of that motion. Yet the distinguished chairman of the committee in effect voted against that motion, and by a negative process, of course, voted against the very principle for which he is now declaring. Let me say that the only thing for which I am asking respecting my amendment, is that I be given the same fair opportunity in the Senate of the United States that any other Member of the Senate is given. The issues are exactly the same as those involved in the previous case.

Mr. CHAVEZ. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from New Mexico?

Mr. HENDRICKSON. I shall yield in a moment. The processing of these two projects has reached exactly the same stage. They have both been approved by the district engineers. They have both been approved by the Corps of Engineers, and by the officials charged with erosion control. They have both been approved by the Bureau of the Budget. There is not one single iota of difference between the Benton project and my project, so far as the principle involved is concerned. How any Senator could consciously vote against the Williams motion to reconsider, and then vote against this simple, just amendment, which is designed to protect property of great value, and a community of great value to the whole Nation, I simply cannot understand. I cannot reconcile any such differences.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. HENDRICKSON. I yield.

Mr. LANGER. How do the amounts involved compare?

Mr. HENDRICKSON. The amounts are quite different. The so-called Benton amendment calls for an expenditure of something more than $200,000. My amendment calls for the expenditure of considerably more money, because of the very nature of the beach erosion at Atlantic City, since the beach erosion in the New Jersey situation is much more severe than in the Connecticut situation, and the property affected is much more valuable. My amendment calls for an authorization of about $1,500,000. But, Mr. President, in both cases the same principle is involved.

In the New Jersey situation the local community is meeting one-third of the cost. The State of New Jersey is meeting one-third of the cost. The total cost of the project is $4,737,000. In the New Jersey situation the Federal Government would be meeting the same one-third share of the cost the Federal Government would meet in the State of Connecticut. I appeal to my colleagues of the Senate to approve my amendment on the basis of fair play, decency, and sound principle.

Mr. CHAVEZ. Mr. President, will the Senator yield for a question?

Mr. HENDRICKSON. I yield for a question.

Mr. CHAVEZ. Referring to the inference that the chairman of the committee agreed to the amendment of the Senator from Connecticut after the Senate took action, did the Senator from New Jersey know that the chairman of the committee had approved the amendment offered by the Senators from Massachusetts, which was adopted by the Senate? Did I approve it or disapprove it?

Mr. HENDRICKSON. I am not aware of that fact, Mr. President. The only two issues involved in this discussion, so far as I am concerned, are the amendment of the distinguished Senator from Connecticut [Mr. BENTON] and the amendment of the junior Senator from New Jersey.

Mr. CHAVEZ. Mr. President——

Mr. HENDRICKSON. I yield.

Mr. CHAVEZ. I thought the Senator was through.

Mr. HENDRICKSON. I yield the floor.

Mr. CHAVEZ. Mr. President, I wish to make one brief observation. I will state again that this body has the right to do as it pleases, to vote for any amendment for which it desires to vote. I opposed the amendment of the Senator from Connecticut because I wanted to be consistent with the rules of the committee. It was not a question of $200,000. It was a question of the fact that we had not had any hearings on the project. We had a definite rule in the committee that unless hearings had been held on an amendment, we would oppose it. However, the Senate thought otherwise, and adopted the amendment, by the method provided under the rule.

As to whether the Senator from New Mexico should have asked for the yeas and nays, let me say that I was so surprised by the action of the Senate that I scarcely knew what to do at the moment, for I thought the amendment would be rejected by the Senate. However, to the contrary, the Senate adopted the amendment.

Moreover, let me say that, consistent with the attitude I have taken throughout in regard to the handling of the bill by the Senate, any time the Senate takes action on an amendment or any other matter in regard to the bill, I do not seek to have the action of the Senate reconsidered.

As to the amendment now is question, regardless of whether it called for an authorization of $24,000 or of $250,000, we would still have opposed it, under the circumstances. In this particular instance we feel even more opposed than ever, because the amendment involves an authorization of more than $1,000,000, and we have not had a word about the proposal, other than the statement made just now by the Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from New Mexico yield to the Senator from New Jersey?

Mr. CHAVEZ. I yield for a question.

Mr. HENDRICKSON. Did the distinguished Senator from New Mexico or his committee have one word about the amendment of the Senator from Connecticut?

Mr. CHAVEZ. No, and that is why the committee opposed it. We have not heard one word about either of the amendments.

Mr. HENDRICKSON. Mr. President, will the Senator yield further?

Mr. CHAVEZ. Certainly.

Mr. HENDRICKSON. On Friday the Senator, in his colloquy, said it was a very meritorious project.

Mr. CHAVEZ. That is correct.

Mr. HENDRICKSON. How can the Senator arrive at that conclusion without having had the benefit of any testimony before the committee?

Mr. CHAVEZ. I arrived at that conclusion because long after the hearings were closed I obtained information from the Senator about it. I think it is meritorious, just as I think the amendment of the Senator from New Jersey is meritorious, because the Senator has so stated.

However, so far as the committee is concerned, we have had no factual information whatsoever.

Mr. HENDRICKSON. Mr. President, will the Senator yield for a further question?

Mr. CHAVEZ. Certainly.

Mr. HENDRICKSON. It is true, is it not, that the distinguished Senator from New Mexico voted against the motion of the Senator from Delaware [Mr. WILLIAMS] to reconsider the vote by which the amendment of the Senator from Connecticut was adopted?

Mr. CHAVEZ. That is true. I always stand by the vote I cast the first time a matter is considered; I do not seek an opportunity to reconsider a vote.

Mr. HENDRICKSON. Mr. President, I rest my case on that vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey [Mr. HENDRICKSON].

Mr. MILLIKIN. Mr. President, I should like to ask the Senator from New Jersey whether this is an emergency matter.

Mr. HENDRICKSON. It is indeed an emergency matter, or else the State of New Jersey, which has been conserving every asset it could on the fiscal side of its affairs, would not be willing and ready to appropriate the sum of money which this item requires from the State of New Jersey; and, on the other hand, neither would Atlantic City, in its straitened circumstances of the moment, be willing to appropriate such a vast sum of money.

As every Member of the Senate knows, Atlantic City is one of the greatest resorts in the United States, if not in the world; and the investment in that city, in great hotels and in all sorts of expensive and valuable property of other kinds, should be known to all Members of the Senate.

So, I shall not belabor the Senate with a description of Atlantic City; but I know that if this authorization and appropriation are not made soon, along the beaches at Atlantic City there will be trouble which will cost the Nation tremendously more than will this authorization and appropriation.

Mr. MILLIKIN. Why was not the matter brought before the committee in time?

Mr. HENDRICKSON. It did not come to my attention until very recently. I understand that the senior Senator from New Jersey [Mr. SMITH] had had some conversations with the Representative from this particular district; and the senior Senator from New Jersey was in the process, as I understand, of developing the matter for presentation, when he was taken ill.

It came to my attention for the first time last Monday. Immediately I assembled the information which was needed, and I found that this project had all the authorizations which are required by the Senate and the House committees, except that of actual hearing before the committees.

Mr. MILLIKIN. Have the engineers approved the project?

Mr. HENDRICKSON. The engineers have approved the project.

Mr. MILLIKIN. Are the authorities in New Jersey ready to go ahead?

Mr. HENDRICKSON. The authorities will be ready to go ahead as soon as the money is available.

Mr. MILLIKIN. I mean, have they done their part in making ready?

Mr. HENDRICKSON. I have the entire file before me, including the reports. I am informed that everything is in readiness, awaiting the Federal appropriation.

Mr. CHAVEZ. Mr. President, will the Senator answer a question?

Mr. HENDRICKSON. I shall be glad to.

Mr. CHAVEZ. I take it that Atlantic City is on the alert in trying to take care of its business, including the hazards of the sea. Is that correct?

Mr. HENDRICKSON. I am sure of that.

Mr. CHAVEZ. Very well. That being the case, why did not some Senator or some Representative from New Jersey present this matter to the House committee or to the Senate committee, if the danger is such as is claimed?

Mr. HENDRICKSON. The committees are not in the habit of even hearing these matters until the engineers have disposed of their part in connection with them. The information was not available until sometime last week, as I have said, when it was turned over from the office of the senior Senator from New Jersey [Mr. SMITH] to my office.

The senior Senator from New Jersey has no knowledge at all of this present development, because he has been sick in the meantime.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey [Mr. HENDRICKSON].

Mr. CHAVEZ. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HOLLAND. This is a vote upon the amendment offered by the Senator from New Jersey. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HOLLAND. The pending question is the direct question of either agreeing to or rejecting the amendment of the Senator from New Jersey. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HOLLAND. A vote "yea" will be a vote in favor of the amendment, and a vote "nay" will be a vote against the amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. McFARLAND. I announce that the Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. GRAHAM], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate on official business.

The Senator from Montana [Mr. MURRAY] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. SMITH] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Washington [Mr. CAIN] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Montana [Mr. ECTON], the Senator from Vermont [Mr. FLANDERS], the Senator from Wisconsin [Mr. MCCARTHY] and the Senator from South Dakota [Mr. MUNDT] are detained on official business.

The Senator from Maine [Mrs. SMITH] is detained on official business and is paired with the Senator from Wisconsin [Mr. WILEY] who is also detained on official business. If present and voting, the Senator from Maine would vote "nay" and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 31, nays 37, as follows:

YEAS—31

Brewster	Kem	Neely
Butler	Kilgore	Saltonstall
Capehart	Knowland	Schoeppel
Chapman	Langer	Taylor
Cordon	Lodge	Thye
Darby	McKellar	Watkins
Dworshak	McMahon	Wherry
Eastland	Malone	Withers
Hendrickson	Martin	Young
Ives	Millikin	
Kefauver	Morse	

NAYS—37

Anderson	Hayden	McCarran
Benton	Hickenlooper	McClellan
Bricker	Hill	McFarland
Byrd	Hoey	O'Conor
Chavez	Holland	O'Mahoney
Connally	Humphrey	Robertson
Donnell	Hunt	Stennis
Douglas	Jenner	Thomas, Okla.
Ferguson	Johnson, Tex.	Thomas, Utah
Fulbright	Johnston, S. C.	Tydings
George	Kerr	Williams
Gillette	Leahy	
Green	Lehman	

NOT VOTING—28

Aiken	Johnson, Colo.	Russell
Bridges	Long	Smith, Maine
Cain	Lucas	Smith, N. J.
Downey	McCarthy	Sparkman
Ecton	Magnuson	Taft
Ellender	Maybank	Tobey
Flanders	Mundt	Vandenberg
Frear	Murray	Wiley
Graham	Myers	
Gurney	Pepper	

So Mr. HENDRICKSON'S amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. O'MAHONEY. Mr. President, on the 5th of April, on behalf of the senior Senator from Oregon [Mr. CORDON] and myself, I offered an amendment, which was ordered to lie on the table and be printed, adding a new title to the pending bill, to be known as title III, to set up a Board of Analysis for Engineering Projects.

At the time I offered the amendment, I was under the impression that the Senate would accept the amendment which had been reported favorably by the Committee on Interior and Insular Affairs, and that therefore the measure would be carrying projects for construction by the Bureau of Reclamation and also by the Army engineers.

That amendment from the Committee on Interior and Insular Affairs was rejected, and therefore it would not be my purpose—I think it would not be proper for me—to offer this amendment dealing only with the Army engineers' projects. I am well aware of the very difficult time the Senator from New Mexico has had, first, in getting his bill before the Senate for consideration, and, secondly, in obtaining action on the various amendments. I therefore say it is not my purpose—and the Senator from Oregon agrees with me in this—to ask the Senate to pass upon the amendment at this time. I feel, however, that it is of some importance that there appear in the RECORD a brief statement indicating some of the reasons why this amendment was presented in the first place. I therefore begin by asking unanimous consent that the text of the amendment be printed at this point in my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

TITLE III—BOARD OF ANALYSIS FOR ENGINEERING PROJECTS

SEC. 301. No budget estimate shall be transmitted to the Congress with respect to any project or modification of a project, or any preliminary examination and survey with respect to any project or modification of a project herein or hereafter adopted or authorized, until such project, modification, or examination and survey shall have been approved by the Board of Analysis for Engineering Projects established under section 302.

SEC. 302. (a) There is hereby created in the Executive Office of the President a Board of Analysis for Engineering Projects. The Board shall be composed of five members who shall be appointed by the President from among persons of outstanding ability, experience, and attainments in the engineering fields. The members of the Board shall receive compensation at the rate of $15,000 per annum.

(b) It shall be the duty of the Board, under the direction and control of the President, to make investigations, analyze and report with recommendations on all contemplated major public projects involving flood control, water supply and development, irrigation, reclamation, rivers, harbors, and canals, and on all contemplated major public, quasi-public, and mixed hydroelectric power development projects. Such investigations, analyses, and reports shall include, in addition to the engineering aspects of the projects, consideration of the public and economic value of the projects, particularly in relation to their ultimate costs, and of the order of their construction.

(c) The various departments, agencies, and establishments of the Government are directed to cooperate with the Board in the performance of its duties under this section.

(d) There is hereby authorized to be appropriated the sum of $150,000 annually to carry out the provisions of this title.

Mr. O'MAHONEY. Mr. President, the amendment provides, in the first section, that no budget estimate shall be transmitted to Congress with respect to any project or modification of a project, heretofore or hereafter authorized, until it has been passed upon, as to feasibility and timing particularly, by a Board of Analysis for Engineering Projects. This Board is proposed to be established by section 302 (a), (b), and (c). The Board of Analysis was recommended by the Hoover Commission.

Mr. President, all the great engineering projects dealing with the river development of the United States are of

such great importance that I feel some attention should be paid to them, even at this time, though I do not intend to offer the amendment. It is probable, in fact, I am quite sure, that consideration will be given to this proposal by the Hoover Commission in the Committee on Expenditures in the Executive Departments, and probably in the executive branch itself. I would not be surprised if a future Executive order, authorized by existing law, by which the President may reorganize the Government establishments, may perhaps have something to say about it. In the report of the Hoover Commission on the reorganization of the Department of the Interior, the first recommendation was presented in this form:

> We therefore recommend the creation of a Board of Impartial Analysis for Engineering and Architectural Projects which shall review and report to the President and the Congress on the public and economic value of project proposals by the Department. The Board should also periodically review authorized projects and advise as to progress or discontinuance. The Board should comprise five members of outstanding abilities in this field and should be appointed by the President, and included in the President's office.

That, Mr. President, was the recommendation of the majority of the Hoover Commission in its report upon the reorganization of the Department of the Interior. It was also the recommendation of Dean Acheson, vice chairman of the Hoover Commission, James J. Pollock, and James H. Rowe, Jr., two additional members of the Hoover Commission, who signed a minority report. They dealt with the proposal in this manner, and the paragraph appears on page 75 of the Hoover Commission report, under the title "Coordinating Device for Resources Programs, the Board of Review":

> Coordination is a Presidential responsibility. If the machinery for reviewing resource development programs is elsewhere than on the President's staff, it will fail in its purpose. If located in one department, it could not successfully coordinate the programs of other agencies.
>
> Natural resource programs and public works, as a whole, must be assessed in terms of the general impact on the domestic economy, fiscal program, and major Government-wide concerns. These coordinating functions are a part of the President's executive responsibility and must be exercised by the President with the assistance of appropriate staff. That involves a view of the over-all picture of governmental programs and appropriate allocation of emphasis and resources. The President's office requires some technical staff to help him evaluate the implications of technical recommendations.
>
> No review and coordination machinery for resources programs will be effective unless it can bring together the work of regional authorities, the resource programs of the Department of Natural Resources, and the views and participation of other agencies, such as Agriculture on irrigation development and Commerce on transportation.

In the pending bill, Mr. President, there are various items which show the great need of a board of impartial analysis of this kind. The bill carries a provision for Army engineer work on the Snake River in the State of Wyoming, with reference to flood control. All the engineering information which comes to me indicates that the completion of the Palisades irrigation project on the Snake River, in the State of Idaho, will make unnecessary the flood control work above the Palisades Dam. Thus there is a clear indication of how the work of these two agencies could be coordinated at a saving of a large amount of money which may be expended upon the building of flood-control projects on the upper Snake River.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the distinguished Senator from Oregon.

Mr. CORDON. I may say, Mr. President, to the distinguished Senator from Wyoming that I join with him, both in his decision as to the wisdom of not calling up the amendment at this time, also in his views as to the necessity for most careful consideration of the proposal at the appropriate time by all committees of both Houses having to do with public projects of any kind or character.

I should like to add, Mr. President, that there are at this time already authorized and either partially completed or ready for work to be commenced, projects of the Corps of Engineers, if we are to include the projects in the pending bill, of an estimated cost, in round figures, of $12,450,000,000, of which amount there is at present a monetary authorization, or will be when this bill is passed, as it will be, of $8,700,000,000, and an amount appropriated of $4,000,000,000 in round figures, leaving for appropriation some $8,300,000,000, and that there are completed at the present time, of Bureau of Reclamation projects, $125,300,000 worth. That money has been spent.

Under construction at the present time there are projects of the estimated cost, in round figures, of $5,300,000,000, of which the balance needed for completion is, in round figures, $4,000,000,000. There are authorized, in addition, projects amounting to $216,000,000, and there has been appropriated with reference to them, for planning and otherwise, the amount of $1,300,000,000. There remains yet to be appropriated $215,000,000, or a total of $5,600,000,000 of reclamation projects, with $3,800,000,000 yet to be appropriated.

It would appear to me that it would need no argument to indicate the absolute necessity for the creation of a body of experts wholly unattached to any of the agencies of construction or any of the agencies interested in the result, to investigate these authorizations and help Congress at least to the extent of indicating the relative necessity and importance of giving to us a timetable.

It is perfectly clear that all the work cannot be done this year, the year after, or within a decade. Therefore, expert information, which would guide us toward a wise expenditure of funds, which are or can be made available, where necessity is greatest, is absolutely essential if we are to do the job we are called upon to do.

Mr. O'MAHONEY. I think the Senator could not possibly be more right. With the Army engineers building one series of river-development projects, the Bureau of Reclamation developing another series of projects, and the Federal Power Commission having authority with respect to construction of power projects by private capital, we have responsibility on Nation-wide development distributed among three agencies. They try to work together; but it is only necessary to read the bill to realize that they do not succeed in obtaining that objective. In one of the projects which was added by the Senate the bill contains a provision which would set up the Army engineers in the business of irrigation and reclamation. Another section of the bill gives the Army engineers authority, which they never had before, of undertaking river development in the Territory of Alaska, which is completely under the jurisdiction of the Department of the Interior.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I should like to ask two or three questions of the Senator from Wyoming. First I wish to say that I find myself enthusiastically supporting the resolution for a survey and review, which the Senator from Wyoming and my distinguished senior colleague from Oregon [Mr. CORDON] have introduced. I believe the statistics and figures which the Senator from Oregon has put into the RECORD, along with data presented by the Senator from Wyoming, make perfectly clear the need for the passage of legislation providing for such a survey and review.

One of the things, however, which has disturbed me is that during the course of the debate on the pending bill I have developed the feeling that a great many of my colleagues are both disturbed and confused as to where we are going in the West and the Pacific Northwest in respect to great public works. It seems to me that we need to be careful that the impression is not created—or if a basis exists for any such impression, that it be eliminated—that there is a jurisdictional problem developing between the committee headed by the distinguished Senator from New Mexico [Mr. CHAVEZ] and the committee headed by the Senator from Wyoming [Mr. O'MAHONEY]. Comment has been made to the effect that underlying discussion of the pending bill is jurisdictional strife between the Army engineers and the Bureau of Reclamation.

Our interest should be the interest of the American taxpayer in respect to the work which is to be performed by both of these agencies. So I ask the Senator from Wyoming whether the experience which we have had with the pending bill on the floor of the Senate does not itself show the need for greater coordination of activities among Federal departments such as the Bureau of Reclamation, the Corps of Army Engineers, and the Federal Power Commission, as such activities relate to river and harbor development in the field of public works.

Mr. O'MAHONEY. It seems to me that is clearly indicated, and that it is highly desirable.

Mr. MORSE. The Senator from Wyoming and the junior Senator from Oregon, if I understand correctly the position of the Senator from Wyoming, are

on opposite sides of the fence when it comes to the Columbia Valley Authority proposal for bringing about coordination through the establishment of a Federal board which would give any such power as the pending CVA proposal would give to three directors. Therefore, the question I now ask may be interpreted by the Senator from Wyoming as not exactly fair. However, I mean it to be fair from the standpoint of the premise which I wish to establish.

Is the Senator from Wyoming willing to say whether or not he agrees with the junior Senator from Oregon that the type of review legislation which he and the senior Senator from Oregon are now asking for at least would bring out the purpose and show the need for coordination of the activities of the various agencies? Would we not then be in a better position to find out on the floor of the Senate the particular pattern for cooperation, leaving it to the Senator from Wyoming, if he wishes, to support a CVA, and to the junior Senator from Oregon to continue, as he can assure the Senator he will, to oppose the type of coordination which is offered by the opposition through the pending CVA bill.

Mr. O'MAHONEY. Mr. President, I have never hesitated to express my opinion on any pending legislation, or any suggestion for legislation, upon which I have had an opportunity to make up my mind. I will say to the Senator from Oregon that my mind is perfectly clear. I do not believe that the valley authority approach is the proper approach in the arid land States of the West. It may be, and I think it is, a perfectly sound, excellent, and efficient approach in the Tennessee Valley, where there is a great supply of water, where farmers and other residents are not dependent upon a very short supply of water, and where there has been no long history of water legislation built up.

The situation in the Tennessee Valley is completely different from that in the Missouri Valley, and in Wyoming, Colorado, Montana, Idaho, or in any of the other arid Western States. My State of Wyoming was admitted into the Union under an act of Congress which conveyed to the State jurisdiction over its water supply. Ever since the State has become a part of the Union the State courts have adjudicated water rights. I have no desire to transfer that local State authority over water rights to a valley authority or whatever name it may be called. That was one of the reasons why, I may say to the Senator from Oregon, I supported the basin account in the amendment which the Committee on Interior and Insular Affairs offered to the bill, because I believe that the establishment of a basin account would make unnecessary in the Columbia Valley the establishment later of a Columbia Valley Authority. May I ask the Senator how we are on opposite sides of the fence?

Mr. MORSE. I hasten to correct the RECORD, if the Senator will permit me to do so. The Senator's statement for the first time clears up a misunderstanding under which the junior Senator from Oregon has been laboring apparently for many months. He had taken it for granted that he and the Senator from Wyoming did not agree on the question of opposition to the CVA proposal. He wants to say now that he has not had better news for a long time than the statement which the Senator from Wyoming has just made on the floor of the Senate, because he has always had very high respect for the record and views of the Senator from Wyoming on great issues affecting public works. I completely agree with the premise he has laid down with regard to the dangers of a CVA. I wish to say to him that I think he has made very clear the need for the type of survey called for by the resolution offered by himself and the senior Senator from Oregon.

I close with one further comment. I wish to say to all my colleagues from the West that I think debate on the pending bill shows that Senators from the West should get together on the whole question of public works, because I think the type of split which has occurred among us during the course of this debate is going to set back needed self-liquidating public works in the West for a considerable period of time, unless an end is put to it.

I sincerely hope that at the earliest possible date the bill which I understand has already been introduced, and another bill which will be introduced by another group of western Senators for consideration by the Committee on Public Works, will receive a hearing and subsequently favorable consideration of the Senate.

Mr. THYE rose.

Mr. O'MAHONEY. Mr. President, before I yield to the Senator from Minnesota, I should like to make one additional comment. I am not aware of any conflict of jurisdiction between the Committee on Public Works and the Committee on Interior and Insular Affairs. Certainly the Committee on Interior and Insular Affairs has not attempted and does not attempt to seek any of the jurisdiction which under the Reorganization Act was placed in the Committee on Public Works. For that reason, although there were sent to the Vice President of the United States at the beginning of this session numerous amendments dealing with this particular bill, the Committee on Interior and Insular Affairs did not take up any one of them except the one which had to do with the irrigation of the Columbia Basin, the building of reclamation and irrigation projects, and the establishment of the basin account.

Mr. President, I am just as desirous of coordination, cooperation, and unification in the Senate as I am among the executive bureaus of the Government.

I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I should like to ask the distinguished Senator from Wyoming whether he entertains the same convictions about the Missouri Valley Authority as those expressed about the CVA.

Mr. O'MAHONEY. My feelings are the same with respect to the Missouri Valley Authority.

Mr. THYE. In other words, is it the Senator's conviction that CVA would in effect take away some sovereignty of both the State of Oregon and the State of Washington?

Mr. O'MAHONEY. That is my feeling; yes.

Mr. THYE. If we were to authorize a Missouri Valley Authority, we could well expect that the States which adjoin the Missouri River would give up their sovereignty to a great extent, because MVA would extend up the valley and involve the Dakotas and Montana, and all the States on which the Missouri River borders or which it traverses. So, the States in reality would give up their sovereignty. Eventually there would be up the Missouri, on to the Columbia, a CVA which would split the United States right down from the northwest to the southeast. Is that not true?

Mr. O'MAHONEY. I do not care to become diverted into a discussion of the details of the valley authority systems. I have already made it clear, as they have been presently proposed for Western States, that I believe they would invade the rights which belong to the people in local communities. I have yet to see a Missouri Valley Authority bill or a Columbia Valley Authority bill which to my mind adequately protects the self-governing rights of the people living in those valleys.

I realize, however, how strong the drift is toward the establishment of authorities of that kind, and I cannot refrain from pointing out that so long as we continue to permit the concentration of economic power in the hands of great corporations, the stronger do we make the drive for the establishment of Government authority over the rights and economic welfare of the people.

Mr. THYE. Mr. President, I thank the Senator for his explanation, and for the time given me to enable me to make my comment about the proposals for the Columbia River Valley and the Missouri River Valley.

Mr. O'MAHONEY. Mr. President, I rose this afternoon merely for the purpose of pointing out that there is not only an overlapping of authority and a conflict of jurisdiction, but also a tremendous expenditure of public funds for the same purposes by two different agencies, and I have no doubt in the world that the record shows there is great waste, that many projects are built which need not be built because in the past there has been competition between these agencies.

The Senator from Minnesota spoke about the Missouri Valley development. I was very much interested in bringing about the establishment of the irrigation, reclamation, and power development of the Missouri Valley.

I found, when the time was approaching for that to be done, that the Army engineers and the Bureau of Reclamation were vying with one another, each trying to beat the other to the design and construction of projects. That was making it impossible to get anything done. There was the Sloan plan, designed by the Bureau of Reclamation, and there was the Pick plan, devised by the Army engineers. Finally it became necessary for me to urge President Roosevelt to exercise his influence to bring those two agencies together so that

they would stop their conflict and divide the projects between them so that there could be some progress. That finally was done, and the Pick-Sloan plan was the outcome. Under that plan we are now getting much needed power and reclamation and flood-control development in the Western States.

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Wyoming yield to the Senator from West Virginia?

Mr. O'MAHONEY. I yield.

Mr. KILGORE. I take it, then, that the Senator does not desire to have removed from the Corps of Engineers authority over rivers and harbors and flood control, which they have always had, and put everything in one agency, but that he would like, as I feel I would, to have an agency which would decide which of them should do a particular work, based upon the appropriations and the needs.

Mr. O'MAHONEY. Precisely; and that is the purpose of the amendment I am now discussing, but which, because of the legislative situation, I do not intend to offer. I realize that at this time in the discussion of the bill the Senate is much more anxious to get the measure behind it than it is to consider such things. I am discussing the subject, but I want public attention to be focused upon the necessity of the reform I propose, in the interest of intelligent development of our resources, and the economic administration of public works.

Mr. KILGORE. And the elimination of wasteful competition between agencies.

Mr. O'MAHONEY. Precisely. In order to illustrate what I mean about these conflicts, I call the attention of the Senate to page 30 of the pending bill. Beginning in line 8 there is a project for Grand Prairie region and Bayou Meto Basin, Ark. This project is hereby authorized substantially in accordance with the recommendations of the Chief of Engineers. An appropriation of $6,000,000 is authorized. Then we find this proviso:

Provided, That the project will be constructed with such modifications as in the discretion of the Secretary of the Army and the Chief of Engineers may be advisable: *Provided further*, That payments made by local interests to the United States shall not be made in agricultural products, but shall be made in cash.

Mr. President, this is an indication that the Army engineers in this recommendation have been given authority to engage in reclamation in that valley.

The letter which was addressed to the Vice President by the Secretary of the Interior on February 3, 1950, together with the supporting letter from Frank C. Pace, Jr., Director of the Bureau of the Budget, addressed to the Secretary of the Interior, under date of February 1, 1950, asked for the elimination of that proviso from the bill. The Director of the Bureau of the Budget said:

The amendments which you suggest with respect to Grand Prairie-Bayou Meto, the study commission for the Arkansas-White and Red River Basins, and the study commission for the New England river basins would be in accord with the program of the President.

The Secretary of the Interior, Oscar L. Chapman, in his letter to the Vice President said:

The President's recommendation is, that in the public interest, H. R. 5472 should be amended so as to eliminate, at this time, the authorization for undertaking the irrigation portion of this project. I believe it to be far more desirable that legislation be enacted after full consideration of various policy questions so as to provide needed assistance to the farmers of the Grand Prairie area in a way that will not create inequities between two parts of the country, or foster tendencies to competitive positions among the Federal agencies by the institution of multiple-Federal policies for Federal assistance to irrigation.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Yes, indeed.

Mr. DOUGLAS. Is it not true that this project for the Grand Prairie region, the Bayou Meto Basin, involves irrigation?

Mr. O'MAHONEY. Yes; that is what I have just been saying. At a time when we all know that the budget is out of balance, when most Members of the Senate are assuring their constituents that they want to balance the budget and to eliminate waste and overlapping, here we are setting up a second agency of Government to engage in irrigation and reclamation.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Yes, indeed.

Mr. DOUGLAS. Is it not possible that one of the reasons why the local interests wanted to have this irrigation project in Arkansas put under the Board of Army engineers rather than the Bureau of Reclamation, was the fact that if it were put under the Bureau of Reclamation the cost of the project would have to be repaid by the land which is benefited, whereas if the improvements were conducted by the Corps of Army Engineers, no such repayment would be required?

Mr. O'MAHONEY. I am glad the Senator asked that question, because it is my understanding that the local interests will repay. This project is not going to be constructed without repayment upon the part of the beneficiaries of the reclamation. But I may say to the Senator that the system of repayment is one which I understand has been set up by the Army engineers without the benefit of any legislation. The Bureau of Reclamation operates under a law which defines its responsibilities and its duties. Here the Army engineers——

Mr. DOUGLAS. They become the Congress of the United States.

Mr. O'MAHONEY. They become the legislative body.

Mr. DOUGLAS. Mr. President, will the Senator yield for a further question?

Mr. O'MAHONEY. Certainly.

Mr. DOUGLAS. Is it not true that if the project were under the Bureau of Reclamation it would be subject to the 160-acre limitation, whereas no such acreage limitation is imposed on a project under the Corps of Engineers?

Mr. O'MAHONEY. I think that is true. But I believe the time has come in the development of our country when we must modify the 160-acre limitation. That is another question.

Mr. McCLELLAN. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I am very happy to yield.

Mr. McCLELLAN. I should like to say to the Senator from Illinois that the provision respecting limitation of 160 acres would not work in the rice fields in Arkansas. It may operate very well where vegetables and fruits are grown, but it would not operate in the rice fields. In rice cultivation a part of the land must be worked this year and that land must be allowed to lie idle the next year, and the operation then must be shifted over to another piece of land. A 160-acre farm is not sufficient area to bring sufficient production to make the farm even self-supporting for a family.

With reference to the entire project I will say that my colleague and I some 3 or 4 years ago introduced a bill in the Senate to bring the State of Arkansas under the reclamation laws, with the idea of trying to deal with this particular section and area in the State which is, in a sense, a comparatively small area, known as the prairie section of the State. Some years ago development of that region was begun. The region was developed to the point where it is highly productive in respect to rice in particular. In the course of that operation the farmers were using water from wells. The water level has been continually lowering, and it is becoming uneconomical to pump the water. Some farms have had to be abandoned for that reason.

In that region we have water in abundance which we are trying to control. We have a flood-control problem associated with our other problem which would be generally under the Corps of Engineers. The major problem in the whole area is that of flood control. At the request of the proper committee a resolution was submitted to provide for the making of a survey of the whole area, which the Corps of Engineers made, and submitted a report. This was the best plan they could work out, and it seems feasible. It is not submitted in a spirit of trying to take away from the Reclamation Service any function it has at all.

Mr. O'MAHONEY. I am sure the Senator is quite right, because I have discussed the matter with him in times past. The reclamation law confines the operations of the Bureau of Reclamation to the arid-land States. Arkansas is not one of them. The Senator has sought to have the jurisdiction of the Bureau of Reclamation expanded. It was not expanded. The Senator is very desirous, and the people of Arkansas are very desirous to have this reclamation project constructed. I am not dealing with the merits of the project. I am merely illustrating the point that we are now vesting the Army engineers with the authority to engage in reclamation construction, a function which heretofore has been carried out solely by the Bureau of Reclamation.

Mr. McCLELLAN. That is correct. May I ask the able Senator, Is it not true that some of the dams which are now constructed by reclamation are multiple-purpose dams and serve for flood-control purposes to some extent as well as for irrigation purposes?

Mr. O'MAHONEY. Of course, that is true; certainly.

Mr. McCLELLAN. So I do not care how it is gone about. We will never completely separate the purposes, so there will be no overlapping. The projects themselves are multiple-purpose projects in many instances, and, of course, a part of their benefits provide one service and a part provide another.

I may say I very much appreciate the Senator's attitude. I am sure he is not opposed to us having this development in Arkansas.

Mr. O'MAHONEY. Not at all.

Mr. McCLELLAN. Not at all. In this particular instance the problem is a peculiar one. Perhaps there may not be found another just like it in the United States. We have an area in Arkansas which is subject to irrigation, and yet we cannot come within existing reclamation laws without destroying the whole industry.

Mr. O'MAHONEY. The Senator is an expert in flood control. I am impressed by the analogy between the action which has been taken upon this project and the action which an unrestrained flood of water takes. The flood roaring down the Mississippi will find the outlet that will serve its purpose of securing relief. So here there is a desire upon the part of the people in this area to have certain lands reclaimed. They sought to have them reclaimed by the Bureau of Reclamation. They were not reclaimed by the Bureau of Reclamation. So the people seized the first outlet, just like a flood does. But floods are disruptive. If we continue to permit competitive agencies to operate in the same field, two or more agencies doing exactly the same type of work, then we are bound to create the conditions which result in waste.

The same considerations apply with respect to the amendment on page 50. The President's program, as submitted by the Bureau of the Budget, calls for the elimination of section 208 of the bill. The section reads as follows:

SEC. 208. Section 204 of the Flood Control Act of 1948 is hereby amended by adding to the item therein for harbors and rivers in Alaska the following: "and that Federal investigations and improvements of rivers and other waterways in Alaska, for navigation, flood control, hydroelectric power, and allied purposes shall be continued under the jurisdiction of and shall be prosecuted by the Department of the Army under the direction of the Secretary of the Army and the supervision of the Chief of Engineers."

It happens that Alaska is a Territory and is under the jurisdiction and direction of the Secretary of the Interior. The Secretary of the Interior and the Bureau of Reclamation have been investigating hydroelectric development on the rivers of Alaska, and now we have another indication of conflict. However, Mr. President, it is not my intention to devote more time to a discussion of this matter, except that I should like to call specific attention to divers other amendments which have been recommended with the support of the Bureau of the Budget.

I have called attention to the amendment on page 37 and to the amendment on page 50. There is an amendment on page 46. The program of the President would strike out lines 17 to 22, inclusive, on page 46. On page 56, there is an amendment proposed in line 16. One is proposed in line 22: one is proposed in line 11 on page 57; and it is proposed to strike out lines 16 to 19, inclusive, on page 57. There is also an amendment on page 63, in line 21: on page 65, an amendment is proposed to strike out certain language in lines 9 to 11; and likewise there are amendments on pages 66 and 67.

All these amendments were sent to the Senate of the United States in a letter addressed to the Vice President. They were supported by a letter from the Director of the Bureau of the Budget. They represent the fiscal program of the President of the United States. Because they had nothing to do with reclamation, we did not touch them in the Committee on Interior and Insular Affairs. However, the record now before us, it seems to me, makes it essential for me to call attention to them, because they are plain illustrations of the desirability of establishing at the soonest possible time, in accordance with the recommendations of the Hoover Commission, in the interest of economy and efficiency, a Board of Impartial Engineering Analysis in the Office of the President.

Mr. SALTONSTALL. Mr. President, on Friday last I asked unanimous consent to have printed in the body of the RECORD, following my brief remarks, two documents. At that time, and for a special reason, the distinguished Senator from New Mexico [Mr. CHAVEZ] objected to my request.

I now renew my request.

Mr. President, I have no amendment to offer, but I should like to have these two documents printed in the body of the RECORD following these brief remarks by me.

On page 46 of the bill, in lines 17 to 22, there is authorization for the survey of the rivers of New England for power and other purposes. That item was inserted by the committee, as a result of a petition by my colleague the junior Senator from Massachusetts [Mr. LODGE] and by other Senators.

I should like to have inserted at this point in the RECORD the conclusion appearing on pages 67 and 68 of the report of the power-survey committee of the New England Council, a group of businessmen from all over the New England States, made in 1948 by the chairman of the power-survey committee, E. H. Hunter.

Having received a copy of the report, I sent it to the Federal Power Commission; and under date of February 28, 1949, I received a letter signed by Nelson Lee Smith, Chairman of the Federal Power Commission, giving the views of the Federal Power Commission in respect to that survey by the New England Council, and adding some ideas of their own in regard to the problems facing us in New England.

I wish to have this material printed in the RECORD because all of these matters are in connection with that survey, and, I hope, will be helpful to those who made that survey.

Therefore, I ask unanimous consent to have the material printed at this point in the RECORD, following these brief remarks by me.

There being no objection, the excerpt from the report of the power-survey committee of the New England Council and the letter and the attached papers from the Federal Power Commission were ordered to be printed in the RECORD, as follows:

[From Report of the Federal Survey Committee of the New England Council, 1948.]

CHAPTER X

CONCLUSIONS

Existing power capacity and present output in New England

Power generating capacity installed in New England, as it will be at the end of 1948, is approximately as follows:

[In kilowatts]

	Utility	Industrial	Total
Steam	2,617,000	1,079,000	3,696,000
Hydro	921,000	315,000	1,236,000
Internal combustion	53,000	12,000	65,000
Total	3,591,000	1,406,000	4,997,000

The energy generated and peak demand in 1947 were as follows:

	Kilowatt-hours
Generated energy—utilities	13,350,000,000
Generated energy — industrial	3,300,000,000
Total	16,650,000,000
	Kilowatts
Peak load—utilities	2,833,000

New England area, exclusive of Maine

New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut use about 89 percent of the utility power produced in New England and constitute an integrated system. This area is dependent on steam power for the major part of its power needs because at present about 80 percent of the generating capacity is steam. Even if all the undeveloped hydro power in this area were built, regardless of whether it is economically feasible or not, it would not take care of half the expected increase in load during the next 10 years. Therefore, it is obvious that a large addition to the steam capacity will be required.

Maine

Maine constitutes an integrated power system within itself and uses about 11 percent of the total utility power produced in New England. There is sufficient economically feasible undeveloped hydroelectric power in Maine to more than cover the expected increase in demand over the next 10 years. Whether all the increase in load should be taken care of by building new hydro plants and storage reservoirs, or partly by steam power, is a matter to be determined by a study of conditions existing in the area when new capacity is required.

Peak load

It is estimated that the utility peak load for New England in 1957 will be approximately 4,000,000 kilowatts, 360,000 kilowatts in Maine and 3,640,000 in the other New England States. Allowing for a dependable reserve capacity to cover outages for maintenance, repairs, and emergency breakdowns, it is estimated that the total dependable capacity for New England in 1957 should be about 4,566,000 kilowatts, 330,000 kilowatts in Maine, and 4,166,000 kilowatts in the other New England States.

Power shortages

The power shortages which have occurred in 1947 in certain areas of Maine and northern New Hampshire and Vermont subsequent to World War II were in locations where hydropower predominated and were a result of a combination of a record dry period and the effect of wartime restrictions on new

construction, which presented the addition of new generating facilities during the war. Government restrictions on the addition of new generating facilities were made during the war in order to concentrate all effort on the essentials of winning the war, and the possibility of a postwar power shortage was considered to be of comparatively minor importance. It should be noted in this connection that the principal industrial centers in southern New England relying mainly on steam power have suffered no actual power shortage and have found it possible to transmit some power to Vermont and New Hampshire even under these conditions, but reserve capacity was taxed to the limit.

Low water limitations of hydroelectric power

Minimum monthly average natural stream flows of rivers in New England unregulated by storage reservoirs vary from 4 to 12 percent of average flow but most of the larger and important rivers have storage of varying amounts which serves to increase this flow up to as much as 50 percent of the average in some cases. The dependable capacity of a hydroelectric plant is determined by the amount of power furnished by the minimum stream flow. This power is generally used for short hours on the peak of the load curve, thus obtaining the maximum dependable capacity from the water available. During the 1947–48 drought in northern New England, which was one of the worst on record, practically all the hydroelectric plants in that area were down to their dependable capacity.

Postwar program

The New England utilities are fully aware of the power shortage brought about by the war restrictions and a postwar building program which totals over a million kilowatts of new generating capacity, all of which will be installed before 1951, is proof that definite action has already been taken. In fact, a large proportion of this new capacity is already installed, and there is little possibility of a future shortage.

Cost of power in manufacturing

The importance of the cost of power in manufacturing has been greatly overemphasized. Except in a few industries the cost of power averages less than 2 percent of the total value of manufactured products in New England industries. It is, therefore, obvious that the question of cheap power is not a determining factor in management decisions regarding location of manufacturing plants except for certain heavy industries. Other factors such as labor, markets, and materials are the principal ones which govern these decisions. A change in power rates which affects such a small part of the value of a product has an extremely minor effect on its total cost but the importance of having a source available which provides reliable power when it is required cannot be overemphasized.

Interconnections

New England is now very well interconnected by transmission lines in two systems, one covering the State of Maine and one covering the remainder of New England. It appears that the desirability of an interconnection between Maine and New Hampshire which would integrate all of New England should be given consideration and the connections in northern Vermont should be strengthened.

Feasible undeveloped water power

Feasible undeveloped hydroelectric power and storage projects should be built whenever load conditions are suitable. Such feasible projects are summarized as follows:

Power projects

	Kilowatts
Maine	263,000
Other New England States	157,000
Total	420,000

Storage for power projects

	Acre-feet
Maine	391,000
New Hampshire	436,000
Vermont	38,000
Total	865,000

The St. Lawrence River development

The development of hydroelectric power on the St. Lawrence River would be of doubtful benefit to New England. The amount of dependable power to be developed there is no more than would be required in upper New York State within a very short period after it became available. However, it could not be made available in less than 7 to 10 years. It would require a construction period of at least 6 years after our Congress and Canada approve the development and appropriate money for this purpose. This is too far in the future for serious consideration as a source of power for New England at this time, even if we should assume some of it might be made available.

Dual-purpose projects

In connection with the flood-control projects planned by the Corps of Engineers, United States Army, there are some dual-purpose projects located in New Hampshire, Vermont, and Connecticut where power could be developed. It is estimated that the total of this byproduct power would amount to 80,000 kilowatts. The amount of such power which may become available some time in the undetermined future is not significant as a major source of power for New England.

River valley authorities

A study of the principal New England river profiles shows how completely these rivers have been developed and how little undeveloped head remains. Most of the remaining undeveloped head is not subject to economical development under present conditions. The main river valleys in New England are too thickly settled and industrialized to make dual-purpose projects practicable. River valley authorities similar to the Tennessee Valley Authority are, therefore, not justified for New England rivers or even practicable without destroying values far in excess of possible values added by increased development.

Passamaquoddy

Existing engineering information on the Passamaquoddy power project discloses no substantial ground for faith in its feasibility. Investigations of the various American schemes indicate that the cost of power would be far too high to compete with other available sources of power.

While full information regarding the international project is not available, no evidence has been found to indicate that the international scheme would produce power cheaper than the American scheme. In any event, no money should be spent on construction at Passamaquoddy until the wisdom of such expenditures is demonstrated by a thorough engineering study.

FEDERAL POWER COMMISSION,
Washington, February 28, 1949.

The Honorable LEVERETT SALTONSTALL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR SALTONSTALL: In response to your letter of January 18, 1949, I am sending you herewith a memorandum prepared by the Commission's staff commenting on the following reports, and on certain related questions which you raised during my later conversation with you:

1. Power in New England—A report of the Power Survey Committee of the New England Council—1948.

2. Report of a special unpaid commission relative to development of inland waterways of the Commonwealth, House No. 1765, Commonwealth of Massachusetts—1948.

I trust that this material will be helpful to you and that you will not hesitate to call upon us should further information be desired.

Sincerely yours,

NELSON LEE SMITH,
Chairman.

FEBRUARY 17, 1949.

MEMORANDUM ON INFORMATION REQUESTED BY SENATOR LEVERETT SALTONSTALL

Senator SALTONSTALL requested in his letter of January 18, 1949, comments of the Federal Power Commission on the following reports:

1. Power in New England—A report of the power survey committee of the New England Council, 1948.

2. Report of a special unpaid commission relative to development of inland waterways of the Commonwealth, House No. 1765, Commonwealth of Massachusetts, 1948.

In paragraph 2 of Senator SALTONSTALL'S letter he expressed particular interest in the undeveloped water power aspects of these reports, and during a later conversation with Chairman Smith he also expressed interest in having our comments on the future power requirements of New England and on the possibility of the New England States receiving a portion of the St. Lawrence project power.

With respect to the undeveloped water power resources of New England, the New England Council report concludes that "the total potential capacity of undeveloped water power in New England that would be practical to develop under suitable load conditions is about 420,000 kilowatts." Recognition is also given to a possible 80,000 kilowatts additional capacity from "dual-purpose" projects planned by the Corps of Engineers. It thus appears that the New England Council report concludes that the aggregate undeveloped water power practicable of development in the region is about 500,000 kilowatts.

The Federal Power Commission staff estimates the undeveloped water-power resources of New England at more than 3,000,000 kilowatts, capable of producing in an average year over 10,000,000,000 kilowatt-hours. This estimate is made on the basis of preliminary studies and includes projects which seem to merit further investigation and detailed study.

There are fundamental differences in the approach to a consideration of undeveloped water powers as between the New England Council report and the studies of the agencies of the Federal Government:

1. The NEC estimate appears to have been determined principally as the summation of the potential power development at individual projects considered independently, rather than an approach which looks upon the entire river as the unit of development.

2. The NEC estimate is based solely on consideration of projects for the single-purpose power development, whereas Commission staff estimates are based upon multiple-purpose development wherever possible.

3. The NEC estimate includes those projects that would be economically feasible with annual charges against the cost of the project of 8 to 10 percent—about twice the annual charges that would be incurred under Federal financing.

Federal Government agencies approach the problem of river basin development on the basis that the general objective of a coordinated basin program is the full use of water resources through an economically sound, comprehensive, and integrated development. The achievement of this objective involves more than just a better use of individual resources of a particular site; it

involves the balanced use of all of the water resources in a plan of development which will result in maximum power availability, flood control, navigation, pollution abatement, recreation, improved domestic and industrial water supply and other useful purposes. The provision of upstream and tributary water storage, correlated with main stream improvements permits repeated use of water resources.

Under this concept hydroelectric power may be developed to serve all classes of power needs while preserving irreplaceable supplies of coal, oil, and gas; loss of life and property damage resulting from floods reduced or prevented; navigable waterways provided; improved water supplies for domestic and industrial uses provided; low river flows augmented during dry periods and pollution hazards abated; and lakes and ponds suitable for recreation established.

With respect to item (1) above (independent consideration of single projects as contrasted to consideration of an entire river basin) an illustration is a comparison of the NEC and FPC staff estimates for the Tilton (Franklin) project on the Winnepesaukee River, which is included in the New England Council report with an installation of about 5,000 kilowatts. The Commission staff considers that this project should be planned with a view to coordinated operation with other developments within the Merrimack Basin, namely, (1) the Livermore Falls storage and power project on the Pemigewasset; (2) the redevelopment of Eastman Falls on the Pemigewasset; (3) the Blackwater storage and power project in the Contoocook Basin; (4) Bennington storage and Long Falls power plant in the Contoocook Basin; (5) the Penacook pondage and power plant at the confluence of the Contocook and Merrimack Rivers; and (6) the redevelopment of Garvins Falls on the Merrimack. This plan of basin-wide development provides more pondage for reregulation of Tilton discharges than is now available, and thus permits the installation of 10,000 kilowatts at Tilton, or twice that shown in the NEC report. The NEC report also shows a total of only 43,000 kilowatts of undeveloped water power in the Merrimack River Basin. The FPC staff studies indicate that, with basin-wide, coordinated development of the basin, the aggregate ultimate installation of potential projects should be about 256,000 kilowatts.

Regarding item (2) above (the single-purpose development of a project as contrasted to multiple-purpose development) the single-purpose approach treats a project solely from the standpoint of its development for that particular purpose. The multiple-purpose project is considered from the standpoint of its design and operation for the fullest possible use of the potentialities of the site. Important in the development of water resources in the New England area are power, flood control, navigation, improvement of water supplies, pollution abatement and recreation.

Multiple-purpose development results in lower costs for each individual purpose through the sharing of joint costs. Projects which are infeasible when considered for a single-purpose may be found to be feasible when developed in conjunction with other water uses. The economies effected frequently permit the provision of additional amounts of storage over and above those amounts possible under development for single-purpose use.

The amounts of storage provided for regulation of stream flow has an important bearing on the magnitude of estimates of undeveloped water power. The NEC report includes new regulatory storage in the amount of only 865,000 acre-feet as contrasted to the estimates by the Commission staff which include about 4,500,000 acre-feet of new power storage. The Commission staff includes in its estimate, for example, the Upper 15 Mile Falls project for power, flood control, and storage for regulation. The NEC report includes 114,000 acre-feet for regulatory storage at this site, whereas the project as envisioned by the Commission staff would have 225,000 acre-feet of regulatory storage plus 200,000 acre-feet of flood-control storage. Additional regulatory storage, such as this, is of course beneficial not only to power that might be developed at the site, but also to all existing and potential power plants on the river below. The New England council report includes Upper 15 Mile Falls project with about 40,000 kilowatts. Commission staff estimates provide for an ultimate installation of 104,000 kilowatts.

With respect to the different assumptions as to annual charges for power, the effect of any reduction in annual charges upon the economic feasibility of power developments is obvious. The annual charges currently used by the Corps of Engineers in its studies of economic feasibility of a project amount to about one-half the annual charges included in the New England council report. The question as to whether or not feasibility is to be determined upon the basis of private financing or Federal financing is extremely important. A project analyzed on the basis of private financing and found uneconomical may become economical when considered upon the basis of Federal financing. This differential in annual charges must be considered in comparing NEC and FPC staff estimates of undeveloped water power. For example, analysis of the Enfield power and navigation project shows that the total cost of the project, including navigation facilities, could be repaid and amortized by power revenues if Federal financing is considered. The ratio of annual power value to the total annual cost, including maintenance and operation, would be about 1.7. On the other hand, the Enfield project considered on the basis of 9 percent annual charges (the average figure for private financing considered in the NEC report) would have a corresponding benefit-cost ratio of about 0.8 and, upon that basis, would not be considered economically feasible.

Another point of importance is that the power capacities for the plants considered in the NEC report have been computed upon the basis of the stream flow available 20 percent of the time. This arbitrary approach does not consider the needs for peaking power in the area from the standpoint of electric loads and the best use of the hydro resource in conjunction with steam-electric plants. Although not giving effect to these considerations in its estimate of 420,000 kilowatts of potential water power, the NEC report nevertheless recognizes this as is indicated by the following paragraph quoted from page 44 of the report:

"The amount of power available at a given site is the product of the available head and the flow through the water wheels, with proper allowance for the losses resulting from the conversion of the power to mechanical and electrical energy. The amount of flow to be put through the water wheels on a particular stream is determined by the use to which the power is to be put. In the past when water was the only source of power, the capacity of the water wheels was frequently limited to the flow available for a substantial part of an average year. On the other hand a modern peak load plant in a large utility system may be developed to a capacity equal to the flow of the river available only 10 percent of the time, provided pondage is available to permit operation as a peak load plant, at times of lower flows."

The preceding paragraphs have dealt primarily with differences in approach in estimating undeveloped water powers. Two important items which have not been included fully, or at all, in the NEC report are:

(a) Water power that could be developed on international streams. The Commission staff estimate of about 3,000,000 kilowatts of undeveloped water power includes 258,000 kilowatts in the St. John River Basin and about 10,000 kilowatts (constituting one-half of the capacity of the Milltown project) in the St. Croix River Basin. The Commission staff estimates also include 220,000 kilowatts as the potential of the American Passamaquoddy tidal project. If the international Passamaquoddy tidal project is developed and considered as assigned one-half to the United States, the Passamaquoddy potential would be about 400,000 kilowatts.

(b) Redevelopment of existing power plants. The FPC staff estimates include more potential power from this source than is indicated in the New England Council report. This has been possible because the development of the New England rivers as considered by the staff contemplates the addition of considerably more regulatory storage than considered in the NEC report. Under these circumstances more redevelopments would be found economically feasible.

With respect to projects included in the NEC estimate the FPC staff estimated that initial installation in these projects should aggregate about 700,000 kilowatts, with provision for ultimate installation of about 1,000,000 kilowatts, as compared to the 420,000 kilowatts in the NEC report.

The distribution of the potential power by States is shown in the tabulation below:

State	Installed capacity, kilowatts	Average annual generation, kilowatt-hours
Maine	1,807,000	6,800,000,000
New Hampshire	566,000	1,600,000,000
Vermont	476,000	1,390,000,000
Massachusetts	160,000	360,000,000
Connecticut	110,000	410,000,000
Total	3,119,000	10,560,000,000

The information on potential water power is also summarized by river basins in the tabulation below:

River basin	Installed capacity, kilowatts	Average annual energy, kilowatt-hours
St. John	258,000	1,095,000,000
St. Croix	10,000	40,000,000
Penobscot	435,000	1,825,000,000
Kennebec	521,000	1,490,000,000
Saco	98,000	200,000,000
Androscoggin	381,000	1,250,000,000
Merrimack	256,000	541,000,000
Connecticut	749,000	2,216,000,000
Hoosatonic	62,000	198,000,000
Winooski	59,000	211,000,000
Lamoille	19,000	58,000,000
Missisquoi	14,000	70,000,000
Otter Creek	34,000	105,000,000
Poultney	3,000	11,000,000
	2,899,000	9,310,000,000
Passamaquoddy	220,000	1,250,000,000
Total	3,119,000	10,560,000,000

The attached table and map show 54 potential hydroelectric projects or project redevelopments totaling about 2,000,000 kilowatts. These 54 projects could be made the basis for a detailed investigation and selection of projects for an initial program of development for flood control, navigation, power, and other purposes. In addition to the listed projects which include power, the staff estimates of potential water power have been made upon the basis that storage projects, which would not have power included at the site and which therefore are not listed in the tabulations, would necessarily also be constructed.

The Passamaquoddy project has been included in the above table since it is feasible from an engineering standpoint and should therefore be considered as a potential source of power. The possibilities for developing this power on the United States side of

Passamaquoddy Bay have been investigated in great detail over a long period of years by both public and private agencies. A report prepared by the Chief Engineer of the Federal Power Commission pursuant to Senate Resolution 62, Seventy-sixth Congress, first session, and completed in March 1941 concluded with respect to the project in the United States as follows:

"Passamaquoddy tidal power cannot compete successfully at this time with river hydroelectric power potentially available in the State of Maine, or with power from modern, efficient steam-electric plants.

"Tidal power, while not economically feasible of development at this time, possesses certain distinct advantages over other sources of power, the water supply being thoroughly dependable and always definitely predictable, with head limitations definitely known. Unaffected by droughts, floods, or ice jams the tides provide the most dependable and most permanent known source of power. As high-grade fuel prices increase concurrently with expanding power markets in the Northeastern States and contiguous Canadian territory, the development of tidal power will, at some time in the future, become economically feasible and desirable.

"The fact that the development and utilization of tidal power is contra-indicated at this time should not preclude thorough exploration of the possibilities of a large international tidal power project at Passamaquoddy by the Government of the United States and Canada.

"The undeveloped water powers of Maine are clearly indicated as the source within that State from which large blocks of additional power should be obtained, as needed, in the immediate future. The cost of steam-electric power does not compare favorably with the estimated cost of power obtainable from the more desirable undeveloped water-power sites in the basins of the Penobscot and Kennebec Rivers."

In 1941 the cost of power at the switchboard on the basis of public financing with interest at 3 percent and with no allowance for taxes or insurance, was estimated at 6.65 mills per kilowatt-hour. The cost of such power delivered to the Boston load center on the basis of 3 percent money, and no allowance for taxes or insurance was estimated at 8.87 mills per kilowatt-hour in 1941. Since that time construction costs have increased and the present costs of such power would be larger.

Recently, the International Joint Commission has been requested by the United States and Canada to review existing plans for a tidal power development and the scope and estimated cost of an investigation to determine whether any of these, or other plans, for using these waters is practicable and desirable from the point of view of public convenience and necessity. The International Joint Commission has created a Passamaquoddy Engineering Board consisting of two American and two Canadian engineer members to report on this limited reference.

Attention is invited to the fact, as pointed out on page 1 of this memorandum, that the staff estimates of the undeveloped water powers of New England are, in general, based upon preliminary investigations and much additional detailed study is required, although the principal features of some of the better undeveloped projects have been fairly well determined. Comprehensive basin-wide investigations should be made for all of the major river systems of New England to determine more fully and definitely the possibilities for their further development for production of hydroelectric power, flood control, navigation, and other purposes. It is suggested that this can be accomplished through the present cooperative procedures of the Corps of Engineers and the Federal Power Commission in river basin investigations, as provided for by the various Flood Control Acts and River and Harbor Acts since 1938. Legislation and appropriations specifically authorizing the necessary investigations in New England are, however, needed before this work can be undertaken.

Since the preceding discussion of the undeveloped water-power potentialities of New England suggests that a substantial part of this energy resource may be developed with Federal financing and in conjunction with multiple-purpose storage reservoirs, it seems appropriate to quote here the following paragraphs from a memorandum furnished Senator CHARLES W. TOBEY under date of October 20, 1948, in response to questions concerning New England power problems considered at the Textron hearings conducted by the Tobey subcommittee of the Senate Committee on Interstate and Foreign Commerce:

"During the past 10 years the Corps of Engineers of the Department of the Army and the Federal Power Commission have given considerable study to the possibilities for developing at multiple-purpose reservoir projects the power potentialities of streams throughout the country, including those in New England. In spite of the fact that very considerable undeveloped water-power resources have been found to exist in many projects located in New England, no projects that include the development of hydroelectric power have yet been authorized by the Congress within that region. This is in marked contrast to most other sections of the United States having potentialities for the development of water power, as can be readily seen from inspection of the attached map which shows a concentration of constructed and authorized Federal hydroelectric plants in the Southeast, the southwest Gulf area, and the Western States. None are shown in New England.

"With respect to the development of the Connecticut River Basin by the Federal Government, opposition has been encountered in the case of projects at which power potentialities were found to exist. Reference may be made, for example, to the Williamsville (West Dummerston) project on the West River in Vermont, which has been considered by the Corps of Engineers and the Commission's staff as a key project for flood control, regulation of stream flow, and the development of hydroelectric power. The project was opposed by various interests in New England and as a result the improvement of the West River has been authorized with the specific provision that the Williamsville project should not be constructed and, further, that dams constructed in the basin should be for the single purpose of flood control.

"Another desirable project in the Connecticut Basin is that at the proposed Enfield Rapids navigation dam, where considerable power potentialities exist. This project has been studied thoroughly over a period of several years, including the consideration of Congress, but authorization for its construction has not been given. The Commission's staff has also given attention to the possibilities for the development of power at many of the flood-control projects authorized for construction by the Corps of Engineers in the Connecticut and Merrimack River Basins, and in other rivers of New England on which flood-control reservoirs have been authorized by the Congress. Upon the recommendation of the Commission, facilities for the possible future generation of power have been incorporated in the Knightville and Union Village flood-control dams on the Connecticut River. Provisions for the future development of power have also been incorporated in the Franklin Falls Dam on the Pemigewasset River and in the Blackwater Dam on the Contoocook River, both in the Merrimack River Basin. However, the construction of power plants has not yet been authorized at any of these projects.

"It seems evident from the above discussion that there is nothing the Federal Government can do toward further development of the potential water power of New England until the people in the region are willing to permit development of the power potentialities of Federal multiple-purpose reservoir projects. As stated above, opposition within the region has thus far prevented development of the blocks of hydroelectric power potentially available at the Williamsville and Enfield Rapids sites.

"Another factor worth mentioning, which constitutes an obstacle to the widespread distribution and use of the potential water powers of New England, is the present law of the State of Maine which prevents the export of power from that State. When it is noted that about 65 percent of the total undeveloped water-power resources of New England are located in Maine, as previously mentioned, the importance of this point is readily seen.

"Full development of the water-power potentialities of the New England region would not in itself serve to answer the problem of power costs, pointed out in Senator TOBEY'S letter, but such development would tend to lower the over-all costs of producing power in the region. As is the case in other areas, hydroelectric power in New England has its greatest value when used in conjunction with steam-electric power and even though all of the undeveloped water power were developed, large amounts of additional steam-electric power would also have to be provided."

A copy of the map referred to in paragraph 1 of the above quotation is attached to this memorandum.

FUTURE POWER REQUIREMENTS AND SUPPLY

With respect to the future power requirements of New England and additional generating capacity required to supply them, the New England Council report concludes "This study foresees the need for an increase in New England's generating capacity of about 1,100,000 kilowatts during the next 10 years." It appears that the next 10 years mean the 10-year period 1948 through 1957, since load estimates are given only through 1957. The Federal Power Commission staff estimates that the need for additional generating capacity for this period will be nearly double the New England Council figure or 2,135,000 kilowatts. The staff estimate of the additional dependable capacity required by 1957 is developed as follows:

	Kilowatts
1. Estimated peak load, 1957	4,330,000
2. Estimated required reserves, 1957	630,000
3. Total dependable capacity required by 1957	4,960,000
4. Dependable capacity of existing plants (1947)	3,125,000
5. Estimated retirements by 1957	300,000
6. Net dependable capacity for for 1957 load	2,825,000
7. Additional dependable capacity required for 1957	2,135,000

A substantial part of the 1,035,000 difference between the staff estimate and the New England Council estimate results from three factors (1) the FPC estimate of peak load for 1957 is 330,000 kilowatts greater than the NEC estimate of 4,000,000 kilowatts shown on page 26 of their report, (2) the FPC estimate assumes the retirement of approximately 300,000 kilowatts of old and obsolete fuel-electric generating capacity during the 10-year period, whereas the NEC report makes no provision for retirements, and (3) the FPC estimate of reserve capacity required in 1957 (630,000 kilowatts) is 64,000 kilowatts greater than the NEC estimate (566,000 kilowatts). The Commission staff customarily assumes that fuel-electric plants 40 years of age and over will be retired and replaced by new plants. Required reserves are estimated to be approximately 15 percent of the peak load. These three items account for

694,000 kilowatts of the 1,035,000 kilowatts difference between the two estimates of additional capacity required. The remaining 341,000 kilowatts cannot be accounted for because of insufficient details in the New England Council report. It is noted, however, that data on dependable capacity requirements given on page 26 of the New England Council report and the data on dependable capacity of existing plants in New England (page 14 of the report) do not support the conclusion in the foreword that only 1,100,000 kilowatts additional capacity will be needed during the next 10 years. The figure shown on these two pages would indicate the need for about 1,600,000 kilowatts, instead of 1,100,000 kilowatts.

Although the New England Council estimate of the 1957 peak load is only about 8 percent less than the Commission staff estimate, it is not considered that the methods used by the New England Council, as described on page 27, are reliable for long-range load forecasting. It is FPC staff practice to base estimates of future loads, 15 to 20 years ahead, on a careful study of the basic resources of the region, their present and prospective development, and other factors that may influence growth of power loads; i. e., an attempt is made to determine the economic development and population that the region can support, and then translate the findings into future power requirements. The statistical method adopted in the NEC report is at best used only as a rough check.

In this connection the staff has nearly finished a complete power market survey of New England which will include estimates of future power requirements to the year 1970 based on the methods described in the preceding paragraph. This report is expected to be published sometime this spring.

COMMENTS ON MASSACHUSETTS REPORT

Senator SALTONSTALL also requested comments on the report of the Special Unpaid Commission Relative to the Development of Inland Waterways of the Commonwealth of Massachusetts, the first 24 pages of which deal largely with the undeveloped water-power resources of that State—the subject on which the Sentaor particularly desired the Commission's comments.

Since the Massachusetts report takes a position similar to the NEC report with respect to undeveloped water power, i. e., the remaining water-power resources of the State are small and, therefore, of minor importance in its future power supply, there seems to be no need to repeat here the points just brought out in the preceding pages. They are equally applicable to both reports. It is pertinent, however, to point out further that, according to our estimates, Massachusetts does have substantial undeveloped water power—160,000 kilowatts capable of generating in an average year 360,000,000 kilowatt-hours—which in the long run should be developed, even though it may seem to be small in comparison with the total power requirements of the State. This is a substantial energy resource that is of great value to any State, particularly one such as Massachusetts which has no fuel resources, and should be fully developed. Using a conversion factor of 1.3 pounds of coal per kilowatt-hour of electric power produced by steam-electric plants, the State's 360,000,000 kilowatt-hours of undeveloped water power would be equivalent to the use of 234,000 tons of coal annually.

The Massachusetts Commission seems to base its conclusions with respect to the undeveloped water-power reources of the State largely on a report made in 1918—31 years ago—which showed that only about 65,000 kilowatts of undeveloped hydroelectric power appeared to be economically feasible of development. The Massachusetts Commission then observes on page 19 "Since that date some portions of this power have been developed and it is apparent that the remainder must be uneconomical of development or unsuitable for present day power requirements." This conclusion does not recognize the fact that further studies and modern concepts of river basin development have revealed a far greater potential water power yet to be developed in the State. It also gives no recognition whatever to possibilities for such redevelopment of existing projects as is now definitely planned at Holyoke, with resulting large increases in the amount of hydroelectric power production.

Looking at the Massachusetts report as a whole, the staff agrees with the statement made by Mr. Thomas T. Gray in the minority report, beginning on page 51, that "every possibility for development of the natural resources of the State (should be) thoroughly explored." This thorough exploration should be provided for by specific congressional authorization and direction, as suggested above at the end of the discussion of the New England Council report.

ST. LAWRENCE POWER

Senator SALTONSTALL expressed an interest in having comments on the possibilities of the New England States receiving a portion of the St. Lawrence project power. Since this subject was discussed in a letter to Senator ALEXANDER WILEY, under date of December 30, 1948, a copy of that letter is attached hereto, with the thought that it will be helpful in answering the Senator's question. Attention is invited particularly to the first three paragraphs on page 8 of that letter, which are quoted below for convenience:

"Inherent in the problem of working out plans for the equitable sharing of St. Lawrence power among the different interested States is the fact that the project power cannot be considered by itself but must be viewed in relation to other existing and potential sources of power to serve the area.

"In the first place the 6,500,000,000 kilowatt-hours, which will constitute the United States share of energy from the St. Lawrence project must be considered in relation to the anticipated growth in the region's energy requirements from 30,500,000,000 kilowatt-hours in 1947 to 51,000,000,000 kilowatt-hours in 1960. Similarly the installation of 940,000 kilowatts of capacity on the United States side of the project, of which about 700,000 kilowatts will be dependable capacity, must be viewed in relation to a prospective increase from 6,292,000 kilowatts of assured capacity serving the region in 1947 to an estimated 10,190,000 kilowatts of assured capacity required to meet the demands of 1960.

"Thus, while the St. Lawrence project will be one of the largest single developments in the East, it can supply less than one-fifth of the additional capacity which our estimates show will be required by this market area by 1960. At that time its capacity would represent less than 7 percent of the total capacity required to serve the area."

The market region referred to in the above quotation includes all of New England and New York and a small part of Pennsylvania. If the comparison is limited to the New England region, it will be noted that the entire 700,000 kilowatts of dependable capacity available from the St. Lawrence project represents only about one-third the 2,135,000 kilowatts additional dependable capacity estimated to be required in that region by the year 1957, as developed on page 10 of this memorandum. The amount of St. Lawrence power that may eventually be made available to New England is not known, but if it is arbitrarily assumed that 100,000 kilowatts will be allotted to the New England States, even this substantial proportion would represent only about 5 percent of New England's estimated requirements for additional generating capacity during the next 10 years.

With respect to the cost of St. Lawrence power, estimates of the Commission's staff show that power from this project could be delivered to strategic points in New England at costs ranging from 3 to 5 mills per kilowatt-hour, depending on the location and load factor at which the power is delivered. These costs would run, roughly, one-half to two-thirds the cost of power produced at steam-electric plants in New England. Although this shows a substantial cost margin in favor of the St. Lawrence project, it is observed from the above comparison of the magnitude of the project's power supply with the additional power supply needed in New England by 1957, that the effect of the region's over-all power costs would be negligible.

Although not intended to be a suggestion, it should be noted that possibilities would exist for furnishing St. Lawrence power at low rates to selected industries in New England. The practicability of such a course is questionable, since the relative amounts of power available from St. Lawrence as compared to industrial needs would be very small, and the selection of industries to receive preferential treatment would be a major difficulty. Also there would be involved a problem of distribution of power under such a plan which, as a practical matter, would probably involve use of existing transmission networks as common carriers, or some equivalent arrangement.

A further possibility which should be mentioned is the use of the St. Lawrence power for base load in conjunction with economical undeveloped water-power sites, say, in the Connecticut Valley or in Maine. The resulting costs for such a planned block of power would be cheaper than present power costs. However, the amounts of power which could be made available in this manner would not be sufficient to satisfy all the requirements of the New England load.

Potential hydroelectric projects in New England which could be made the basis for a detailed investigation and selection of projects for an initial program of development

Project	River basin	State	Installed capacity (kilowatts)	Average annual energy (million kilowatt-hours)
1. Milltown	St. Croix	Maine	10,000	40
2. Ripogenus	Penobscot	do		
3. Sourdnahunk	do	do		
4. Pockwockamus	do	do		
5. Whetstone	do	do		
6. Grindstone	do	do		
7. Gordon Falls	do	do	361,000	1,554
8. Winn (Lincoln)	do	do		
9. Howland	do	do		
10. Stanford	do	do		
11. Bangor	do	do		
12. Hurricane Mountain	Kennebec	do		
13. Poplar Falls	do	do		
14. Indian Pond	do	do	420,000	1,160
15. Caratunk	do	do		
16. Augusta	do	do		
17. Hiram Falls	Saco	do		
18. Steep Falls	do	do	88,000	160
19. Bonny Eagle	do	do		

Potential hydroelectric projects in New England which could be made the basis for a detailed investigation and selection of projects for an initial program of development—Con.

Project	River basin	State	Installed capacity (kilowatts)	Average annual energy (million kilowatt-hours)
20. Aziscoos	Androscoggin	Maine		
21. Errol	do	New Hampshire		
22. Pontook	do	do		
23. Hays Mt. (Berlin)	do	do		
24. Philbrook	do	Maine	319,000	938
25. Rumford	do	do		
26. Ram Island	do	do		
27. Lewiston	do	do		
28. Brunswick	do	do		
29. Tilton (Franklin)	Merrimack	New Hampshire		
30. Livermore Falls	do	do		
31. Blackwater	do	do		
32. Eastman Falls	do	do	214,000	427
33. Long Falls	do	do		
34. Penacook	do	do		
35. Garvins Falls	do	do		
36. Upper 15 Mile Falls	Connecticut	New Hampshire-Vermont		
37. Wilder	do	do		
38. Hart Island	do	do		
39. Zoar	do	Massachusetts		
40. Bardwell	do	do		
41. Meadow	do	do	506,000	1,504
42. Gaysville	do	Vermont		
43. Enfield	do	Connecticut		
44. Williamsville	do	Vermont		
45. Turners Falls	do	Massachusetts		
46. Holyoke	do	do		
47. Knightville	do	do		
48. Kent Furnace	Housatonic	Connecticut		
49. Boardman	do	do	48,000	178
50. Shepaug	do	do		
51. Waterbury	Winooski	Vermont		
52. Bolton Gorge	do	do	24,000	120
53. Burlington	do	do		
54. East Georgia	Lamoille	do	7,000	33
Total			1,997,000	6,114

FEDERAL POWER COMMISSION,
Washington, December 30, 1948.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: Reference is made to your letter dated July 14, 1948, and the conference held in your office on July 15, 1948, to discuss the St. Lawrence seaway power development. At the conference representatives of the Commission were handed a list of 16 questions and asked specifically to prepare discussion concerning questions Nos. 14, 15, and 16.

Question No. 14 requests "An analysis of alternative arrangements for construction of the power project separately by the Federal Government, or otherwise, and the estimates of the cost of construction on the basis of each alternative."

There are three possible combinations for arrangement of construction:

(a) Construction of the seaway and power project concurrently;

(b) Construction initially of a power project with the seaway to be constructed later;

(c) Construction initially of a navigation project with a power project to be constructed later.

The first two alternatives are feasible. The third alternative is infeasible since in any scheme for the development of power the power house itself would be an integral part of the main dam and must be included in the initial construction.

The Chief of Engineers in letter dated December 7, 1946, to you has included detailed estimates of the cost of a combined seaway and power project which he shows in inclosure No. 1a to his letter. Copy of this inclosure is attached hereto for convenience of reference. There is also attached copy of inclosure No. 4 to the Chief of Engineers' letter which gives detailed estimates of cost for a separate power project.

In his estimate for the combined project the Chief of Engineers has divided the cost of the project in three parts: (1) the cost of works solely for navigation; (2) cost of works primarily for power; and (3) cost of works common to navigation and power. The cost of works solely for navigation varies in accordance with the assumed project depth of waterway being $77,200,000 for a 27-foot project depth, $79,551,000 for a 30-foot project depth and $94,387,000 for a project of 35-foot depth. The cost of works primarily for power is estimated at $269,591,000, and is the same regardless of navigation project depth. The cost of works common to power and navigation varies in the Chief of Engineers' estimates in accordance with the assumed depth of the project being $241,822,000 for the 27-foot project depth, $250,557,000 for the 30-foot project depth, and $264,224,000 for the 35-foot project depth.

The total cost of the combined project is estimated by the Chief of Engineers at $588,613,000 for a 27-foot project depth, $599,709,000 for a 30-foot project depth, and $623,202,000 for a 35-foot project depth.

For the comparisons which follow the 27-foot project depth, which has previously been before Congress, has been chosen. Similar comparisons can be made readily for the 30-foot or 35-foot depth. However, it should be noted that the operation of the power plant does not require specific depth of navigation channel. Therefore, in any allocation, the joint costs considered should not exceed the 27-foot project channel with respect to allocation to project of joint costs.

The Chief of Engineers estimates the cost for a separate power project at $451,615,000 and the combined project at $588,613,000 (27-foot project depth). The separate power project could be constructed initially with the navigation facilities constructed at a later date without any physical difficulty whatsoever, and at practically the same total cost as would be incurred should the project be built as a combined project initially, assuming no change in price level.

From a cost standpoint there are two important differences in the estimate of the Chief of Engineers for the combined project and the separate power project. In the combined project there has been included a figure of approximately $30,000,000 for construction of the so-called Iroquois Dam and dikes and approximately $10,000,000 for the Massena Canal intake and attached dike. In the cost estimate for the separate power project no allowance is included for the cost of the Iroquois Dam and dikes, and the cost of the Massena Canal intake and dike is taken at a little over $4,000,000.

The Iroquois Dam and dikes are not required for the operation of the power plant—their need in the navigation project is a matter for decision by the Chief of Engineers in event that the reservoir level at Barnhart Island is to be operated initially for navigation purposes at less than the ultimate project depth. The difference in estimated cost of the Massena intake is due to the inclusion in the higher figure of intake capacity sufficient to permit operation of the Aluminum Co. Massena power plant. In the hearings before the Federal Power Commission, held in connection with the application by the power authority of the State of New York for construction of a separate power project, the chief hydraulic engineer for the Aluminum Co. testified that provision could be made for the operation of the Massena power plant at a figure of approximately $1,000,000. It would appear that the estimates of cost of the Massena Canal and intake might be reduced in either case. No attempt is made here to settle the question as to who should bear the cost of the Massena Canal intake.

Previous proposals which have been considered by the Congress have included allocations for power for the combined project on the basis of including all of the cost of works primarily for power plus half of the cost of works common to both navigation and power. In terms of the United States share of the cost this would mean half of the cost of the works primarily for power, or approximately $135,000,000, plus one-fourth of the cost of works common to navigation and power, or approximately $60,000,000, resulting in a total allocation to power on the United States side of $195,000,000. Since it is the view of the Commission's staff that the Iroquois Dam and dikes are not essential to the power project, and, further, that the Massena Canal intake could be reduced to approximately $1,000,000, it is considered that there should be deducted from the allocation for power on the United States side one-fourth of the $30,000,000 approximate cost of the Iroquois Dam and dikes, and one-fourth of the difference between the approximately $10,000,000 estimate for the Massena Canal intake and $1,000,000 estimate by the Aluminum Co., or a total of about $10,000,000. Thus there would be allocated to power about $185,000,000. Previous proposals have considered that the power features of the project would be turned over to the State of New York at the allocated cost, which in this estimate, would be indicated at $185,000,000.

As previously mentioned the cost of the total seaway and power project would be about the same regardless of whether the power project were built separately with navigation added later, or the seaway and power project was built initially. Thus, the cost of providing navigation facilities after construction of a separate power project would be $588,613,000 less $451,615,000, or about $137,000,000. If the Iroquois Dam is omitted and the cost of the Massena intake taken at $1,000,000, the additional cost for navigation would be reduced to about $100,000,000.

If a power project is built separately the power project would bear the costs of works built primarily for power plus all of the joint costs for navigation and power, unless an adjustment were made later when facilities for navigation were constructed. If no adjustment were made the cost allocated to power to the United States would be one-half of $451,615,000 or about $226,000,000, in round numbers. This figure is higher than the costs which would be allocated to power

($185,000,000) in the combined project, where navigation would bear a share of the joint costs for works common to navigation and power. If appropriate adjustment were made the costs ultimately allocated to power under either alternative of construction would be the same, i. e., $185,000,000.

The Power Authority of the State of New York submitted an application for license to construct a hydroelectric project at Barnhart Island on July 16, 1948. The project as proposed would be constructed for the production of electric power and would not include facilities to be used solely for navigation. Remedial work was proposed where necessary to continue the existing Canadian 14-foot navigation which might be affected by construction of the hydroelectric project. The Bureau of Power of the Federal Power Commission prepared an engineering report on the project proposed by the State of New York, and presented it in testimony at the hearing held in connection with the application. This report is dated September 1948 and a copy is enclosed.

Development as proposed by the Power Authority of the State of New York would include the following major features: the Barnhart Island powerhouse, half in the United State and half in Canada; the Long Sault Dam; extensive dikes; and certain river-channel improvements to improve hydraulic conditions through the reservoir pool and tailrace. The initial and ultimate maximum normal operating pool level would be at elevation 242 feet at the dam and powerhouse.

The Bureau of Power report shows an estimate of the cost of the proposed power project as of July 1, 1948. This cost includes the cost of the aforementioned facilities, the cost of step-up transformers and associated equipment, and the high-tension leads to the switchyard, but not the switchyard. It is estimated that as of July 1948 the total international power project, as proposed, including the portion in Canada, would cost $452,827,000, of which the New York Power Authority's portion would be $226,259,000.

As mentioned above the Chief of Engineers estimated the cost of a separate power project at $451,615,000. This figure is in substantial agreement with the Bureau of Power estimate of $452,827,000 considering the magnitude of the figures.

In estimating the annual costs of power to the Authority, there has been included interest on the investment, amortization of the debt, an annuity sufficient to replace those items of plant which probably will have a life span shorter than the amortization period, insurance, and operating and maintenance expenses. The Authority should now be able to finance construction of the project by the sale of bonds bearing an effective rate of interest of 3 to 3.5 percent of the capital cost. On the foregoing 3-percent basis it is estimated that the annual costs will be $11,630,000, equivalent to 1.85 mills per average year kilowatt-hour at the project site. If the cost of money to the Authority should be 3.5 percent, the annual costs would be $12,470,000 equivalent to 1.98 mills per average year kilowatt-hour at the project site. Taxes, or payments in lieu of taxes, are not included since it appears that the act creating the Power Authority exempts it from payment of all State and local taxes; and since the project would be constructed and operated by a governmental organization, payment of Federal taxes would not be required.

If the Federal Government constructed a separate power project and made no payment in lieu of taxes, and if payments for the project should be divided on the same basis as has been set up between the State of New York and the Ontario Hydro-Electric Power Commission, it is estimated that the annual costs for power would be $10,815,000, equivalent to 1.72 mills per kilowatt-hour at the project site with interest at 2.5 percent. Should the Federal Government construct the project and make payments in lieu of the State and local taxes equivalent to 1 percent of capital cost, the annual costs would be $13,078,000, equivalent to 2.08 mills per kilowatt-hour at the project site.

If the hydroelectric-only project were constructed by a private company, it is estimated that the annual cost would be $21,065,000, equivalent to 3.34 mills per kilowatt-hour at the project site. This assumes 5 percent cost of money and 1 percent of capital cost for State and local taxes and 1.47 percent of capital cost for Federal taxes.

The project when operating at full capacity will produce 940,000 kilowatts. The dependable capacity (that which is available under the most adverse water-supply conditions under "Operation Method No. 5" at the time of system peak) would be 700,000 kilowatts at the project site. After reduction for transmission losses the equivalent capacity at load centers would be 643,000 kilowatts. The average-year energy production would be 6,300,000,000 kilowatt-hours and, after allowance for transmission losses, 5,790,000,000 kilowatt-hours at load center. The costs per kilowatt-hour at the project site and at load centers are shown in table No. 1, attached.

A transmission system, capable of delivering the project output, less losses, to selected load centers is estimated by the Commission's staff to cost $67,000,000. This assumed transmission system would consist of 220-kilovolt lines, with some 110-kilovolt lines, plus necessary terminal and synchronous condenser facilities.

The load centers selected in the Commission's staff study, including also localities near the project, are as follows: Utica, Schenectady, Poughkeepsie, Binghamton, and New York, all in New York State; and Springfield, Mass., and Burlington, Vt. It is not intended to imply that this selection of load centers is a suggested or recommended marketing plan. It is taken as a reasonable basis for layout of transmission facilities in connection with testing the economic feasibilty of the project.

Since it is not known what agency will market the St. Lawrence power, the cost of transmission has been estimated on several bases. One possibility, should the Federal Government construct the project and market the power therefrom, is that the Government would also construct the transmission lines for delivery to the load centers. Other possibilities are that either the State of New York or privately owned utilities might construct the transmission facilities. If the power authority of the State of New York constructs the United States portion of the project as it proposes, it may build transmission facilities to carry the power to load centers or it may sell the power at the bus bar to privately owned utilities.

Although it appears unlikely that a private utility will construct the St. Lawrence project, the construction by a private company of the project and transmission facilities is considered for comparative purposes.

Table No. 2 shows the cost of transmission on a basis comparable to that for the cost of the project power in Table No. 1. Table No. 3 shows the cost of delivered energy from the project on the United States side (estimated cost $226,259,000 with transmission lines costing $67,000,000).

Question No. 15 asks for the potential power output of the plant proposed to be constructed, the areas that could be served by such power plant, and the market for, and need for, power in such areas.

The potential power output of the plant proposed to be constructed would be the same regardless of which agency undertook its construction. The total installed capacity at the plant, including that in Canada and the United States, would be 2,200,000 horsepower, and would be divided equally between Canada and the United States. As pointed out hereinbefore that portion of the project within the United States would have a dependable capacity of 700,000 kilowatts under operation method No. 5 and an average output of about 6,300,000,000 kilowatt-hours per year.

Load estimates were based on a study of the probable requirements of the various classes of electric energy customers. In making the load estimates, no consideration was given to special loads nor to accelerated load growth which may take place because of the availability of relatively low-cost energy from the St. Lawrence project.

As a step in arriving at the market for project output, a study was made to determine what portion of the existing and presently scheduled new generating capacity would be available for serving estimated future power requirements. In making the analysis, consideration was given to the probable retirement of generating capacity, and to the gain in dependable hydroelectric capacity from existing plants which would result from a more favorable position on the load curve, as a consequence of load growth within the area.

This comparison of the anticipated market and of the available supply indicates a need for 1,480,000 kilowatts of new generating equipment by 1955 and of 3,250,000 kilowatts by 1960 with allowance for reserves. An analysis of the rate of load growth as set forth in the Bureau of Power's engineering report of September 1948 shows that the 700,000 kilowatts of dependable capacity from the St. Lawrence project on the United States side could be utilized as rapidly as it would be feasible to install generating units in the project. The study also indicates that there will be sufficient space on the load curve to permit utilizing all of the project energy effectively as rapidly as it becomes available.

The market area for the power output of the St. Lawrence project, assumed by the Commission staff for the purposes of its study, includes the State of New York, exclusive of the area west of Rochester, and New England, exclusive of the State of Maine. The New England area was included because several of the States have expressed interest in receiving St. Lawrence power and previous market studies have included these States. Other areas, such as western New York and portions of Pennsylvania and New Jersey, could also have been included but the area selected is shown to provide a sufficient market for the entire project output. In any case the present delimitation of the market area should not be understood as precluding subsequent consideration of other market areas within feasible transmission distance.

Question No. 16, "an analysis of equitable plans for distribution of power generated at such plants throughout the entire area which could be served by such plants and with particular emphasis on safeguarding the interests of all States included in such area."

Inherent in the problem of working out plans for the equitable sharing of St. Lawrence power among the different interested States is the fact that the project power cannot be considered by itself but must be viewed in relation to other existing and potential sources of power to serve the area.

In the first place the 6,500,000,000 kilowatt-hours which will constitute the United States share of energy from the St. Lawrence project must be considered in relation to the anticipated growth in the region's energy requirements from 30,500,000,000 kilowatt-hours in 1947 to 51,000,000,000 kilowatt-hours in 1960. Similarly the installation of 940,000 kilowatts of capacity on the United States side of the project, of which about 700,000 kilowatts will be dependable capacity, must

be viewed in relation to a prospective increase from 6,292,000 kilowatts of assured capacity serving the region in 1947 to an estimated 10,190,000 kilowatts of assured capacity required to meet the demands of 1960.

Thus, while the St. Lawrence project will be one of the largest single developments in the East, it can supply less than one-fifth of the additional capacity which our estimates show will be required by this market area by 1960. At that time its capacity would represent less than 7 percent of the total capacity required to serve the area.

In any plan for distribution of the power output of the St. Lawrence project on a regional basis, therefore, careful consideration must be given to the other undeveloped water-power resources of the region. In this connection it may be noted that there are many undeveloped hydroelectric power sites in the New England States which could be economically developed on a peak basis to fit in with the base load power characteristics of the St. Lawrence project. In other words, the working out of an equitable plan for the sharing of St. Lawrence power by several States must involve consideration of the coordinated development of all available water-power sites with the object of securing the best and most economical power supply possible for all concerned.

Approaching the problem from this viewpoint, the development of equitable plans for distribution of the power must vary in accordance with the assumptions as to the ways in which the various component parts of the regional power program are undertaken. These assumptions may ultimately appear in any one of a number of combinations.

For instance, St. Lawrence power as well as the power available at many sites in New England streams may be developed by the Federal Government in connection with the broad Federal river basin program, and the power marketed by the Department of the Interior under the provisions of section 5 of the Flood Control Act of 1944. On this assumption there should be no more problem involved in assuring the several States an equitable share of the power than has been involved in connection with the marketing of power developed as part of the Columbia or Tennessee Basin programs. St. Lawrence power, as well as the power developed from other streams in the region, would be sold by the Federal agency wherever economically feasible to public bodies, cooperatives, and persons without regard to State lines.

An alternative possibility would involve the marketing of St. Lawrence power by the power authority of the State of New York, either under agreement with the Federal Government should Congress authorize the Federal undertaking of the entire seaway and power project, or as a licensee of the Federal Government in accordance with applications now pending. On this assumption further assumptions would have to be made as to the agency or agencies which would represent the other interested States in working out the desired coordination of power supply in terms of which they would share in the advantages of low cost St. Lawrence power.

In other words, the other interested States might find it necessary to authorize an agency or agencies to arrange with the New York power authority for the transmission interconnections and marketing undertakings necessary to assure the desirable coordination of power supply and the carrying out of the public purposes involved in the plans for development of St. Lawrence power. Such arrangements would, of course, take into account the interests of public bodies, cooperatives, and private power undertakings in the area.

In this connection it may be noted that the Federal Power Commission might assist in working out the plans for interconnection and coordination of power supply under the provisions of the Federal Power Act. Thus, under part I of the act the Commission is directed to study the comprehensive development of water power resources on a regional basis; while, under part II, it is directed to study the interconnection and coordination of facilities for the generation, transmission, and sale of electric energy "for the purpose of insuring an abundant supply of electric energy throughout the United States with the greatest possible economy and with regard to the proper utilization and conservation of natural resources."

The above alternatives rest on the assumption that the agency responsible for marketing St. Lawrence power would have authority to build transmission lines and to market the power on a transmitted basis. If we were to assume that either the Federal or State agency was to be limited to marketing the power at the bus bar of the generating station, it would be difficult to work out a plan for the equitable distribution of the power in such a way as to bring its advantages to the several interested States. This is so because St. Lawrence power would thereafter become part of the power supply pool of a single great private power system serving a large part of New York State. It is true that this system has interconnections with other companies distributing power in Vermont and Connecticut, but the contract arrangements involved in interchange over these interconnections could hardly relate to St. Lawrence power as such and the advantages of its low cost would hardly be detectable as a factor in the average cost of the system's total power supply.

Regardless of the distributing agency, however, it is apparent from the above analysis that arrangements for marketing St. Lawrence power cannot be fixed either initially of subsequently by the establishment of rigid allocations predicated upon State boundaries. Rather, with the principle of regional sharing without respect to such boundaries accepted, the arrangements must be sufficiently flexible to permit consideration of the many economic factors which invariably influence the utilization of important power resources.

The Department of the Interior for its part in connection with question No. 16 has suggested in its letter dated November 30, 1948, and supplemental letter dated December 13, 1948, that:

"As to any portions of St. Lawrence power which are turned over to the States, the States should give assurance that it will be disposed of in accordance with the Federal power policy which has been hammered out by the Congress during the past four decades. The core of that Federal policy is that the benefits of development of our water-power resources at Federal projects shall not be monopolized by limited groups but that those benefits shall be widely distributed. That policy makes it mandatory that such power and energy shall be disposed of in such manner as to encourage the most widespread use thereof at the lowest possible rates to consumers consistent with sound business principles, with preference being given to facilities owned by the Federal Government, public bodies, and cooperatives. Consideration should be given to the effectuation, in this case, of this long-established power policy."

Sincerely yours,

HARRINGTON WIMBERLY,
Acting Chairman.

TABLE 1.—*Cost of energy—Barnhart Island projects, St. Lawrence River*

	Federal financing		State financing		Private financing
	No taxes	With taxes	3 percent money	3½ percent money	
A. Capital cost	$226,259,000	$226,259,000	$226,259,000	$226,259,000	$226,259,000
B. Annual costs:					
1. Fixed charge rates:	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
(a) Interest	2.50	2.50	3.00	3.50	5.00
(b) Amortization	1.03	1.03	.89	.76	
(c) Interim replacements	.30	.30	.30	.30	
(d) Depreciation					.89
(e) Insurance (or in lieu of)	.12	.12	.12	.12	.12
(f) Taxes (or in lieu of):					
State and local	0	1.00	0	0	1.00
Federal	0	0	0	0	1.47
Total fixed charge rates	3.95	4.95	4.31	4.68	8.48
2. Operating expense:					
(a) Power plant operation and maintenance	.52	.52	.52	.52	.52
(b) Control dam operation and maintenance	.14	.14	.14	.14	.14
(c) Administration and general expense	.17	.17	.17	.17	.17
Total operating expense	.83	.83	.83	.83	.83
Total annual cost rate	4.78	5.78	5.14	5.51	9.31
3. Annual cost	$10,815,000	$13,078,000	$11,630,000	$12,470,000	$21,065,000
C. Average annual at-site cost mills per kilowatt-hour	1.72	2.08	1.85	1.98	3.34
D. Average annual at-load-center cost mills per kilowatt-hour [1]	1.87	2.26	2.01	2.15	3.64

[1] At-site cost corrected for transmission losses to load center but without transmission costs.

TABLE 3.—*Cost of power at load centers from Barnhart Island project, St. Lawrence River*

	Federal financing		State financing		Private financing
	No taxes	With taxes	3 percent money	3½ percent money	
A. Capital cost	$67,000,000	$67,000,000	$67,000,000	$67,000,000	$67,000,000
B. Annual cost:					
1. Fixed charge rates:	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
(a) Interest	2.50	2.50	3.00	3.50	5.00
(b) Amortization	1.03	1.03	.89	.76	
(c) Interim replacements	1.80	1.80	1.80	1.80	
(d) Depreciation					1.31
(e) Insurance (or in lieu of)	.12	.12	.12	.12	.12
(f) Taxes (or in lieu of):					
State and local	0	1.00	0	0	1.00
Federal	0	0	0	0	1.47
Total fixed charge rates	5.45	6.45	5.81	6.18	8.90
2. Operating expense: Operation and maintenance and administrative and general	1.47	1.47	1.47	1.47	1.47
Total annual cost rate	6.92	7.92	7.28	7.65	10.37
3. Annual cost	$4,636,000	$5,306,000	$4,878,000	$5,126,000	$6,948,000
C. Average annual cost of transmission to load centers in mills/kilowatt-hour	.80	.92	.84	.89	1.20

TABLE NO. 3.—*Cost of power at load centers from Barnhart Island project, St. Lawrence River*

Energy production cost at load centers [1]	Mills per kilowatt-hour	Mills per kilowatt-hour, transmission cost [2]					Total cost at load center, mills per kilowatt-hour
		Federal financing		State financing		Private financing	
		No taxes	With taxes	3-percent money	3½-percent money		
		0.80					2.67
Federal financing, no taxes	1.87			0.84			2.71
					0.89		2.76
						1.20	3.07
			0.92				3.18
Federal financing with taxes	2.26			.84			3.10
					.89		3.15
						1.20	3.46
State financing, 3-percent money	2.01			.84			2.85
						1.20	3.21
State financing, 3½-percent money	2.15				.89		3.04
						1.20	3.35
Private financing	3.64						
						1.20	4.84

[1] At-site cost corrected for transmission losses to load centers but without transmission costs. (Figures taken from line D, table 1.)
[2] Transmission costs taken from line C, table 2.

Estimate of cost of combined navigation-power development, International Rapids section, St. Lawrence River (July 1948 cost levels)

Item	For 27-foot project channel			For 30-foot project channel			For 35-foot project channel		
	Canada [1]	United States [1]	Total	Canada [1]	United States [1]	Total	Canada [1]	United States [1]	Total
A. Works solely for navigation:									
1. Upper pool		$12,944,000			$13,506,000			$16,413,000	
2. Lower pool		64,256,000			66,055,000			77,974,000	
Subtotal A works			$77,200,000			$79,561,000			$94,387,000
B. Works primarily for power:									
1. Structures, headrace and tailrace excavation		119,244,000			119,244,000			119,244,000	
2. Machinery and equipment	$75,438,000	74,909,000		$75,438,000	74,909,000		$75,438,000	74,909,000	
Subtotal B works			269,591,000			269,591,000			269,591,000
C. Works common to navigation and power:									
1. Channel excavation		84,903,000			92,839,000			104,623,000	
2. Ice cribs		924,000			924,000			924,000	
3. Iroquois Dam and dikes		28,852,000			29,651,000			31,534,000	
4. Dikes (detached dikes)		1,636,000			1,636,000			1,636,000	
5. Massena canal intake and attached dike		9,762,000			9,762,000			9,762,000	
6. Long Sault Dam, diversion cuts and attached dikes		33,670,000			33,670,000			33,670,000	
7. New Cornwall canal		20,107,000			20,107,000			20,107,000	
8. Work at lock 25		1,086,000			1,086,000			1,086,000	
9. Railroad relocation		[2] 5,749,000			[2] 5,749,000			[2] 5,749,000	
10. Clearing pool		898,000			898,000			898,000	

See footnotes at end of table.

Estimate of cost of combined navigation-power development, International Rapids section, St. Lawrence River (July 1948 cost levels).—Con.

Item	For 27-foot project channel			For 30-foot project channel			For 35-foot project channel		
	Canada [1]	United States [1]	Total	Canada [1]	United States [1]	Total	Canada [1]	United States [1]	Total
C. Works common to navigation and power—Continued									
11. Rehabilitation of Morrisburg	[2] $6,430,000			[2] $6,430,000			[2] $6,430,000		
12. Rehabilitation of Iroquois	[2] 4,325,000			[2] 4,325,000			[2] 4,325,000		
13. Acquisition of lands	[3] 19,214,000	$11,141,000		[3] 19,214,000	$11,141,000		[3] 19,214,000	$11,141,000	
14. Highway relocation		[2] 4,790,000			[2] 4,790,000			[2] 4,790,000	
15. Raising lock 21 and dikes		224,000			224,000			224,000	
16. Seaway Village		7,427,000			7,427,000			7,427,000	
17. Power-distribution facilities for construction		390,000			390,000			390,000	
18. Relocation of transmission lines		294,000			294,000			294,000	
Subtotal C works	29,969,000	211,853,000	$241,822,000	29,969,000	220,588,000	$250,557,000	29,969,000	234,255,000	$264,224,000
Grand total	105,407,000	483,206,000	588,613,000	105,407,000	494,302,000	599,709,000	105,407,000	522,795,000	628,202,000

[1] Division of cost by work items between Canada and the United States as shown conforms to that used in connection with consideration of previously proposed legislation to approve the 1941 executive agreement and to ratify the Treaty of 1932.
[2] For portion of work on this item located in Canada, estimate furnished by Department of Transport, Ottawa, Canada.
[3] Estimate furnished by the Department of Transport, Ottawa, Canada.

ENCLOSURE 4

Estimate of cost for separate power project, International Rapids section, St. Lawrence River

[July 1948 cost levels]

A. Works solely for navigation:	
1. Upper pool	0
2. Lower pool	0
	0
B. Works primarily for power:	
1. Structure, headrace and tailrace excavation	$119,244,000
2. Machinery and equipment:	
In powerhouse in Canada	74,909,000
In powerhouse in United States	74,909,000
	269,062,000
C. Works common to navigation and power:	
1. Channel excavation	58,727,000
2. Ice cribs	924,000
3. Iroquois Dam and dikes	0
Ice cribs and booms at Iroquois Point	472,000
4. Dikes (detached dikes)	1,635,000
5. Massena canal intake and dikes [1]	4,275,000
6. Long Sault Dam, diversion cuts and attached dikes	33,670,000
Long Sault dikes 1 and 2 and connecting dike	2,896,000
7. New Cornwall canal	20,106,000
8. Work at lock 25	1,085,000
9. Railroad relocation:	
Canadian National Railway, Canada	[2] 5,281,000
Norwood & St. Lawrence Railroad, United States	468,000
10. Clearing pool	898,000
11. Rehabilitation of Morrisburg, Canada	[2] 6,430,000
12. Rehabilitation of Iroquois, Canada	[2] 4,325,000
13. Acquisition of lands:	
In Canada	[3] 19,214,000
In United States	10,748,000
14. Highway relocation:	
Kings Highway No. 2, Canada	[2] 3,264,000
New York highways, Massena to Waddington	1,526,000
15. Raising lock 21 and dikes	224,000
C. Works common to navigation and power—Con.	
16. Seaway Village	$5,843,000
17. Power-distribution facilities for construction	318,000
18. Relocation of transmission lines	224,000
Total	182,553,000
Grand total	451,615,000

[1] Provides for dike with intake for water supply only.
[2] Estimate furnished by Department of Transport, Ottawa, Canada.

(Office, Chief of Engineers, U. S. Army, December 1948.)

Mr. TAYLOR. Mr. President, on page 44 of the bill, in lines 17 and 18, there is provision for an authorization of $750,000 for a flood-protection project at Bonners Ferry, on the Kootenai River, Idaho. When Libby Dam—for which an authorization also appears on the same page of the bill, in line 10—is built in Montana, it will not be necessary to have the flood protection at Bonners Ferry. Some emergency work has been done at Bonners Ferry, to be sure, but the town may be flooded this year. There is a great deal of snow; and if the run-off is quick, the town probably will be flooded. However, it will be a matter of only a few years until Libby Dam is constructed, if the authorization for it, as now carried in the bill, goes through.

I have talked to the people of Bonners Ferry. They say that with the circumstances as they are and with the budget strained as it is, they are willing to risk the possibility of damage during the interim period between now and the time when Libby Dam can be constructed.

Mr. President, I understand that I have to obtain unanimous consent to have the Senate return to the consideration of this amendment. Therefore, I ask such unanimous consent, in order that we may delete this item of $750,000 from the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho?

Mr. CHAVEZ. Mr. President, the item in lines 17 and 18, on page 44, to which the Senator from Idaho has referred, was approved by the Senate last October, when all the committee amendments then in the bill were agreed to. Can the Senate, by giving unanimous consent at this time, reconsider the vote had then by the Senate?

The PRESIDING OFFICER. It can be considered by unanimous consent, and the Chair understood the Senator from Idaho to make that request.

Mr. CHAVEZ. We have no objection. If the Senator from Idaho desires that item deleted from the bill, that will be satisfactory to us.

Mr. SALTONSTALL. Mr. President, reserving the right to object, let me say that I do not see in the Chamber at the moment the junior Senator from Idaho [Mr. DWORSHAK]. Will the senior Senator from Idaho tell me whether his colleague approves of the deletion of this item, as now proposed?

Mr. TAYLOR. I do not know; I have not talked with him. I have talked to the people at Bonners Ferry.

Mr. SALTONSTALL. I believe it will be only fair to try to give the junior Senator from Idaho an opportunity to express his views regarding this matter, if the senior Senator from Idaho will agree to let us wait until his colleague is in the Chamber.

Mr. TAYLOR. I am happy to wait.

The PRESIDING OFFICER. The Chair understands that the Senator from Idaho withholds his request.

Are there further amendments to be offered to the bill?

Mr. WILLIAMS. Mr. President, this bill has been on the Senate Calendar for over 7 months. There are now at the desk, awaiting consideration, approximately 40 amendments; and I understand that various Senators have other amendments prepared, although not yet printed, which, if offered, will increase that number.

It is perfectly evident that we cannot properly legislate on such an important matter as this here on the floor of the Senate.

Unfortunately, the line has already been broken in one instance, for the committee has accepted an amendment which has not previously been considered by the committee as a whole. Therefore, every Member of the Senate feels that he has the same right to offer amendments which have not been con-

sidered by the committee. The Senator from New Jersey pointed that out when he offered his amendment, and I agree with him. I am familiar to a certain extent with both of the New Jersey and Connecticut projects, for I was on the Public Works Committee for several years. As the Senator from New Mexico the chairman of the committee admitted, there is no difference between them on their merits. The Senate saw fit to accept the amendment of the Senator from Connecticut, but saw fit to reject the amendment of the Senator from New Jersey, I do not question either vote; but if one Senator is to get an amendment through under such circumstances, I think we must extend an equal right in regard to all other amendments; and if that is done, we cannot tell now how large the bill will be when it is finally acted on by the Senate. I think all the pending amendments should be considered by the committee as a whole before they are brought to the Senate. Therefore, Mr. President, I move that the bill be sent back to the committee, with instructions to reconsider the bill and strike out all projects which are not essential to national defense.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Delaware to recommit the bill.

Mr. CHAVEZ. I move that the motion be laid on the table.

Mr. WILLIAMS. Mr. President, will the Senator withhold that motion for a question?

Mr. CHAVEZ. No; I will not.

Mr. WILLIAMS. I suggest the absence of a quorum.

Mr. DOUGLAS. Mr. President, will the Senator from Delaware withhold his motion for a time?

The PRESIDING OFFICER. The motion of the Senator from New Mexico is not debatable.

Mr. SALTONSTALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hayden	McMahon
Benton	Hendrickson	Malone
Brewster	Hickenlooper	Martin
Bricker	Hill	Maybank
Butler	Hoey	Millikin
Byrd	Holland	Morse
Capehart	Humphrey	Neely
Chapman	Ives	O'Conor
Chavez	Jenner	Robertson
Connally	Johnson, Tex.	Russell
Cordon	Johnston, S. C.	Saltonstall
Darby	Kefauver	Schoeppel
Donnell	Kem	Stennis
Douglas	Kerr	Taylor
Dworshak	Kilgore	Thomas, Okla.
Eastland	Knowland	Thomas, Utah
Ellender	Langer	Thye
Ferguson	Leahy	Tydings
Frear	Lehman	Watkins
Fulbright	Lodge	Wherry
George	McCarran	Wiley
Gillette	McClellan	Williams
Graham	McFarland	Withers
Green	McKellar	Young

The PRESIDING OFFICER. A quorum is present.

Mr. McFARLAND rose.

The PRESIDING OFFICER. The motion is not subject to debate. Does the Senator from Arizona desire to make a parliamentary inquiry?

Mr. McFARLAND. I rose to ask unanimous consent and to see whether we could not get an order fixing the time for voting on the pending bill and the amendments.

The PRESIDING OFFICER. That is not in order at this time. The Senator from Delaware moved to recommit the bill H. R. 5472, to the committee. The Senator from New Mexico moved to lay the motion of the Senator from Delaware on the table. The question is on agreeing to the motion of the Senator from New Mexico, to lay on the table.

Mr. WILLIAMS. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. KEM (when his name was called). On this vote, I have a pair with the junior Senator from South Dakota [Mr. MUNDT]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The roll call was concluded.

Mr. McFARLAND. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Wyoming [Mr. HUNT] are absent because of illness.

The Senator from Wyoming [Mr. O'MAHONEY] is detained on official business.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

The Senator from Montana [Mr. MURRAY] is necessarily absent.

The Senator from Louisiana [Mr. LONG] is paired on this vote with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Montana would vote "nay."

If present and voting, the Senator from California [Mr. DOWNEY], the Senator from Wyoming [Mr. HUNT], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Vermont [Mr. AIKEN] is paired with the Senator from South Dakota [Mr. GURNEY]. If present and voting, the Senator from Vermont would vote "nay," and the Senator from South Dakota would vote "yea."

The Senator from Ohio [Mr. TAFT] is paired with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Ohio would vote "nay," and the Senator from New Hampshire would vote "yea."

The Senator from Washington [Mr. CAIN] is absent on official business and is paired with the Senator from New Hampshire [Mr. BRIDGES], who is detained on official business. If present and voting, the Senator from Washington would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from Montana [Mr. ECTON] and the Senator from Wisconsin [Mr. McCARTHY] are detained on official business.

The Senator from South Dakota [Mr. MUNDT] is detained on official business and his pair has been announced previously.

The Senator from Vermont [Mr. FLANDERS] is detained on official business, and is paired with the Senator from Maine [Mrs. SMITH], who is also detained on official business. If present and voting, the Senator from Vermont would vote "nay," and the Senator from Maine would vote "yea."

The result was announced—yeas 48, nays 23, as follows:

YEAS—48

Anderson	Green	McClellan
Benton	Hayden	McFarland
Butler	Hickenlooper	McKellar
Chapman	Hill	Malone
Chavez	Hoey	Maybank
Connally	Holland	Millikin
Cordon	Humphrey	Morse
Darby	Johnson, Tex.	Neely
Donnell	Johnston, S. C.	Russell
Dworshak	Kefauver	Stennis
Eastland	Kerr	Taylor
Ellender	Kilgore	Thomas, Okla.
Fulbright	Langer	Thomas, Utah
George	Leahy	Thye
Gillette	Lehman	Watkins
Graham	McCarran	Young

NAYS—23

Brewster	Ives	Saltonstall
Bricker	Jenner	Schoeppel
Byrd	Knowland	Tydings
Capehart	Lodge	Wherry
Douglas	McMahon	Wiley
Ferguson	Martin	Williams
Frear	O'Conor	Withers
Hendrickson	Robertson	

NOT VOTING—25

Aiken	Kem	Pepper
Bridges	Long	Smith, Maine
Cain	Lucas	Smith, N. J.
Downey	McCarthy	Sparkman
Ecton	Magnuson	Taft
Flanders	Mundt	Tobey
Gurney	Murray	Vandenberg
Hunt	Myers	
Johnson, Colo.	O'Mahoney	

So Mr. CHAVEZ' motion to lay on the table the motion of Mr. WILLIAMS was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and is open to further amendment.

Mr. McFARLAND. Mr. President, in order to expedite the consideration of the pending bill, I ask unanimous consent that as to future amendments the debate be limited to 5 minutes to those proposing the amendment, and 5 minutes to those opposing it.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. McFARLAND. I ask unanimous consent that the time be limited to 10 minutes to those proposing amendments.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Arizona?

Mr. MORSE. I object.

The PRESIDING OFFICER. Objection is heard. The bill is open to further amendment.

Mr. BYRD. Mr. President, the pending bill authorizes appropriations for rivers, harbors, and flood-control projects totaling more than $1,500,000,000; of this a quarter of a billion dollars is in rivers and harbors projects, and $1,337,000,000 in reclamation projects.

Of this total the Bureau of the Budget has fully approved projects amounting to approximately $1,100,000,000. The bill contains also projects totaling about $150,000,000 which have not been approved by the Bureau of the Budget. In addition to those which have been given outright approval by the Bureau of the Budget, the pending bill includes also projects totaling more than a quarter of a billion dollars which have been given only qualified approval by the Bureau of the Budget, and it further includes projects totaling $35,000,000 which have been given a low priority by the Bureau of the Budget.

The Senate has added $400,000,000 to the bill as passed by the House. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point a list of projects which have not been approved by the Bureau of the Budget. The list has been furnished to me by the Bureau of the Budget. The items total $147,847,000.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. ROBERTSON. I was furnished information today, and I should like to know if the senior Senator from Virginia has received any similar information, to the effect that four of the power projects which the Senate committee added, starting, as I recall, at $56,000,000, will require a total of nearly $1,250,000,000 to complete. Has the Senator received similar information?

Mr. BYRD. I will say I have not received such information. The information which I have received simply relates to the authorizations which are included in the pending bill.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. HOLLAND. The Senator from Virginia is aware of the fact, I am sure, that the items added by the Senate committee have all been approved by the Bureau of the Budget. Is that not correct?

Mr. BYRD. There were two items which had not been approved. One was the Sandy Hook project, in New Jersey, for $45,000, and the other was the Lake Ogleton project in Maryland, for $76,000. The other items, comprising 17 in all, which were not approved by the Bureau of the Budget, aggregate a total of $147,847,000.

I ask unanimous consent to have the list inserted in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

I. Rivers and harbors projects not approved by the Bureau of the Budget, included in the bill as passed by the House

Name	Estimated cost	Status of budget action
Sandy Hook Bay at Leonardo, N. J.	$45,000	Not in accord.
Lake Ogleton, Walnut Lake, Anne Arundel County, Md.	76,000	Do.
Subtotal	121,000	

II. Flood-control projects not approved by the Bureau of the Budget, included in the bill as passed by the House

Name	Estimated cost	Status of budget action
Savannah River Basin (act of Dec. 22, 1944).	$40,000,000	Hartwell project not in accord.
Calion, Ark. (act of Aug. 18, 1941).	430,000	No report received on proposed modification.
Grand (Neosho) River, Okla., Kans., Mo., Ark.	15,000,000	Not in accord.
Bradford, Pa	6,467,000	Do.
Wabash River Basin, Ill., Ind.	500,000	No report on proposed modification.
Subtotal	62,397,000	

III. Flood-control projects added by Senate committee not approved by the Bureau of the Budget, included in the bill as reported to the Senate

Name	Estimated cost	Status of budget action
Hartford, Conn	$239,000	No report received on proposed modification.
Grants Canal, Lake Providence, La.	11,000	No report submitted.
Amite River, La. (bank protection).	50,000	Do.
Oklahoma City floodway	10,460,000	No report on proposed modifications.
Humboldt River, Nev	7,679,000	Received; not yet cleared.
Keystone River Reservoir	37,273,000	Subject to revaluation of benefits.
Russian River, Calif	11,552,000	Received; not yet cleared.
Barbourville, Ky	1,765,000	Subject to revaluation of benefits.

III. Flood-control projects added by Senate committee not approved by the Bureau of the Budget, included in the bill as reported to the Senate—Continued

Name	Estimated cost	Status of budget action
Eagle Gorge Reservoir, Green River, Wash.	$16,300,000	Not in accord.
Subtotal	85,329,000	
Grand total rivers and harbors and reclamation projects not approved by Budget Bureau.	147,847,000	

Mr. BYRD. I have another list which shows projects given low priority by the Bureau of the Budget. They total $34,603,450. I ask unanimous consent that the list be inserted in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

I. Rivers and harbors projects given low priority by Bureau of the Budget, included in the bill as passed by the House

	Estimated cost
Winthrop Beach erosion control, Massachusetts	$216,000
Governors Run, Calvert County Md	59,450
San Joaquin River, Calif	4,214,000
Grand Marais Harbor, Minn	114,000
Subtotal	4,603,450

II. Flood-control projects given low priority by Bureau of Budget, included in the bill as passed by the House

	Estimated cost
St. Francis River Basin, Mo. and Ark	$20,000,000
Cache River Basin, Ark. and Mo	10,000,000
Subtotal	30,000,000
Grand total projects given low priority	34,603,450

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. HOLLAND. I should like to invite the attention of the Senator from Virginia to the fact that the two items which he mentioned; namely, the Sandy Hook project and the Lake Ogleton project, were in the House bill, and were not added by the Senate. He will find them listed at page 4 of the Senate committee's report. There was no item added by the Senate committee which had not been approved by the budget.

Mr. BYRD. But the two items were not approved by the Bureau of the Budget?

Mr. HOLLAND. That is correct.

Mr. BYRD. Mr. President, I have another list, which comprises nine projects which have not been given unqualified approval by the Bureau of the Budget.

They amount to $233,782,400. I ask unanimous consent that they be included in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

I. Rivers and harbors projects which have not been given unqualified approval by the Bureau of the Budget, included in the bill as passed by the House

Name	Estimated cost	Status of budget action
St. Marys River, Ga. and Fla., and North River, Ga.	$918,600	Not in accord unless local interests make adequate cash contribution.
Detroit River, Mich., Trenton Channel	1,356,800	Do.
Subtotal	2,275,400	

II. Rivers and harbors projects as reported by the Senate committee, which have not been given unqualified approval by the Bureau of the Budget

Name	Estimated cost	Status of budget action
Masonboro Inlet to Ocean, Cape Fear River, N. C.	$1,980,000	Pending economic reevaluation of jetties.
Ouachita River, Ark. and La.	36,950,000	Murfreesboro Reservoir excepted and modification of locks not in accord.
Subtotal	38,930,000	

III. Flood-control projects which have not been given unqualified approval by the Bureau of the Budget, included in the bill as passed by the House

Name	Estimated cost	Status of budget action
Lake Pontchartrain, La.	$4,050,000	Pending increase in local contribution.
Grand Prairie Region and Bayou, Meto Basin, Ark.	6,000,000	Water supply features not in accord.
Yellowstone River Basin, Wyo., Mont., N. Dak.	6,524,000	Pending reexamination of costs.
Rio Grande Basin	34,000,000	Chaflo Dam not in accord.
Subtotal	50,574,000	

IV. Flood-control projects added by the Senate committee, which have not been given unqualified approval by the Bureau of the Budget

Name	Estimated cost	Status of budget action
Willamette River Basin	$48,975,000	Fern Ridge Dam, Willamette River supplemental, levies and overflow channel closures not in accord.
Columbia River Basin	93,028,000	Local protection at Bonners Ferry, Hepner Dam and 21 harbors, and other features not in accord.
Subtotal	142,003,000	
Grand total projects not given unqualified approval.	233,782,400	

Mr. BYRD. Mr. President, I ask to have included in the RECORD a list of projects which had the full approval of the Bureau of the Budget.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

I. Rivers and harbors projects with approval of the Bureau of the Budget, included in the bill as passed by the House

	Estimated cost
Scarboro River, Maine	$133,570
Wood Island Harbor, Maine	68,700
Mystic River, Mass.	2,908,000
Mattapoisett Harbor, Mass.	33,000
Stonington Harbor, Conn.	34,500
Eightmile River, Conn.	18,000
Fire Island Inlet, N. Y.	228,000
East Chester Creek, N. Y.	664,000
Jamaica Bay, N. Y.	377,000
Arthur Kill, N. Y. and N. J.	11,561,000
Hellens Creek, Calvert County, Md	10,400
St. Patricks Creek, Md.	18,200
Potomac River, Washington, D. C.	[1]
Kings Creek, Va.	$93,000
Rappahannock River, Bowlers Wharf, Va.	118,000
James River, Va.	[1]
Inland Waterway, N. C.	112,400
Far Creek, N. C.	80,600
Waterway, Pamlico Sound—Beaufort Harbor, N. C.	19,400
Taylors Creek, N. C.	82,200
Cape Fear River, N. C.	1,331,000
Savannah River, Ga. and S. C.	3,137,000
Brunswick Harbor, Ga.	1,532,000
Fernandina Harbor, Fla.	242,000
St. Augustine Harbor, Fla.	1,892,200
Palm Beach erosion control, Fla. (without condition 2)	7,500
Lake Worth Inlet, Fla.	305,000
Charlotte Harbor, Fla.	214,000
St. Petersburg, Fla.	208,300
Horseshoe Cove, Fla.	194,000
La Grange Bayou, Fla.	99,000
Fly Creek, Ala.	14,000
Pascagoula Harbor, Miss.	41,000
Arkansas River, Ark. and Okla.	70,000,000
Sabine-Neches waterway, Texas	609,270
Galveston Harbor, Tex.	5,550,000
Gulf Intracoastal Waterway, Texas	$300,000
Chocolate and Bastrop Bayous, Tex.	[2]
Freeport Harbor, Tex.	356,000
Little Bay, Tex.	29,800
Trinity River, Tex.	3,410,000
Brazos Island Harbor, Tex.	3,050,000
Mississippi River, Mo.	50,420
Mississippi River, Iowa.	91,200
Mississippi River, Iowa.	129,495
Mississippi River, Iowa.	257,770
Mississippi River, Wis.	131,100
Mississippi River, Wis.	29,500
Hudson Harbor, Wis.	58,100
Winona, Minn.	[2]
Kenosha Harbor, Wis.	4,500
Manistique Harbor, Mich.	308,000
Grand Marais Harbor, Mich.	398,000
Toledo Harbor, Ohio.	329,900
Redwood City Harbor, Calif.	322,000
Westport slough, Oregon.	112,000
Columbia slough, Oregon.	905,100
Christiansted Harbor, V. I.	261,000
Subtotal	112,470,125

[1] Maintenance.

[2] Modification.

II. Rivers and harbors projects with approval of the Bureau of the Budget, added by the Senate committee

	Estimated cost
Shrewsbury River, N. J.	$363,000
Waterway, Indian River Inlet, Del.	85,000
Twitch Cove, Md.	21,000
Colonial Beach, Va., erosion	35,000
Quinby Creek, Va.	116,000
Davis Creek, Va.	85,000
Winter Harbor, Va.	205,000
Manteo-Oregon Inlet Channel, N. C.	860,500
Tampa Harbor, Fla.	7,787,000
Hudson River, Fla.	258,700
Ozona Turning Basin, Fla.	70,100
Intracoastal Waterway, Big Lagoon-Pensacola Bay, Fla.	88,000
Arkansas River, Ark. and La.	19,000,000
Mississippi River, Ill.	50,400
Mississippi River, Ill.	18,600
Monongahela River, Pa. and W. Va.	29,238,000
Bayfield Harbor, Wis.	119,000
Cheboygan River and Harbor, Mich.	163,000
Port Bay, N. Y.	466,600
Redondo Beach Harbor, Calif.	3,456,000
San Francisco Harbor and Bay, Calif.	850,000
Baker Bay, Wash.	442,000
Columbia River, Oreg.	416,250
Kawaihae Harbor, T. H.	5,525,500
Hampton Roads, Va.	50,000
Subtotal	69,769,650

III. Flood-control projects with approval of the Bureau of the Budget, included in the bill as passed by the House

	Estimated cost
Lackawaxen River Basin, Pa.	$6,000,000
Anacostia River, D. C.	4,531,200
Central and southern Florida	10,000,000
Lower Mississippi River	15,000,000
Emergency fund (sec. 9, Public Law 678, 74th Cong.)	5,000,000
Lower Mississippi River	200,000,000
Genesee River, N. Y.	609,000
Arkansas River Basin	15,000,000
White River Basin	35,000,000
Upper Mississippi Basin	15,000,000
Mississippi River, Canton, Mo.	1,086,000
Cape Girardeau, Mo.	4,756,000
Missouri River Basin	250,000,000

	Estimated cost
South Platte River Basin, Colo	$26,300,000
Elkhorn River Basin, Nebr	2,428,000
Mandan, N. Dak	76,000
Ohio River Basin	75,000,000
Orleans, Ind., Lost River	202,000
Red River of the North Basin	4,000,000
Santa Ana River Basin, Calif	15,092,000
Los Angeles-San Gabriel River Basin, Calif	40,000,000
Willamette River Basin	40,000,000
Johnson Creek, Portland, Oreg	332,000
Willamette River, Portland, Oreg	14,000,000
Pend Oreille River, Idaho	31,070,000
Lower Columbia River, bank protection	4,900,000
Lower Columbia River Basin	14,722,000
Levies, lower Columbia River	2,973,000
Kawainui Swamp, Wahoo, T. H	848,000
Subtotal	783,925,200

IV. Flood-control projects with approval of the Bureau of the Budget, included in the bill, as reported to the Senate

	Estimated Cost
Monkey Run, N. Y	$2,370,000
Pasquotank River, N. C	110,000
Central and southern, Florida	10,000,000
Pueblo, Colo	209,000
Illinois River, Ill	2,976,000
Ohio River Basin	25,000,000
Cumberland, Ky	67,000
Red River of the North Basin	4,000,000
Rio Grande Basin	35,179,000
Meadow Valley Wash Basin, Nev	1,986,000
Painted Rock Reservoir, Ariz	25,800,000
Sacramento River Basin	3,500,000
Subtotal	111,970,000
Grand total projects approved by the Bureau of the Budget	1,077,361,975

Mr. BYRD. So, Mr. President, approximately $500,000,000 included in the bill has not received the full and unqualified approval of the Bureau of the Budget, or about one-third of the total.

It is true this is an authorization bill, and some Senators will argue that an authorization does not necessarily mean that an appropriation will follow. It is true that this bill itself does not finally commit Congress to implement these projects with appropriations. Experience and practice, however, show that once public works authorizations are enacted appropriations follow for 99 out of every 100 projects.

In the pending bill, totaling more than $1,500,000,000, with only a little more than $1,000,000,000 being unqualifiedly approved by the Budget Bureau, Congress is committing the Federal Government to many projects which will cost vastly more than the initial authorizations contained in the proposed legislation. It is conservatively estimated that long-time public works projects already planned and authorized will commit the Federal Government ultimately to an expenditure of more $30,000,000,000. It is, of course, true that this would cover a term of years, but nevertheless the fact remains that sooner or later appropriations will be made to carry out the commitments, either legal or implied, by authorizations such as those contained in the pending bill.

Mr. President, our debt is now approaching $260,000,000. We have entered another era of deficit spending, which is likely to last for many years, unless Congress succeeds in balancing the budget for the fiscal year beginning July 1, 1950. As to whether or not the budget will be balanced for the next fiscal year is a question which will be answered between now and July 1. The House Appropriations Committee reports that it has succeeded, thus far, in reducing the budget estimates by $1,000,000,000, not considering possible reductions in foreign-aid programs, on which it has not yet acted. It is, therefore, still necessary to reduce the budget by $5,000,000,000 if we are to balance the budget on a basis of current revenue. On the revenue side of the budget, it is also possible that excise taxes will be reduced. This would add to the deficit, unless new taxes from some other source are provided by Congress.

If Congress, in the light of all the facts, and with warning beforehand, deliberately adopts a budget which is billions of dollars in excess of revenue, it is my considered judgment that we may never balance the budget until we go over the precipice of financial disaster. Only a day or so ago, President Truman boasted of the fact that the country is enjoying the greatest prosperity in its history, and said he intended to claim credit for this situation. If, as the President states, we are enjoying the greatest prosperity in our existence, why is it that we cannot balance the budget? Every prudent person knows that he should not increase his indebtedness at a time of high income. On the contrary, during favorable periods we should accumulate savings for days of adversity.

Let me ask the Senate: If we cannot balance the budget now, when can we balance it? What more favorable conditions will exist a year from now, 2 years from now or 5 years from now? If even a minor recession occurs, if the business activity of the country declines by 10 percent, and it is reflected in the national income, then the Federal Government will lose, in tax revenue, approximately $5,000,000,000, and this will increase any existing deficit to that extent. At a time like this, when we have been in the red for most of 20 years, when we are already facing more deficit years, I think we are treading on dangerous ground when we undertake to pass new authorizations which are not urgently needed. Less than 75 percent of the authorization proposed in this bill have been given unqualified approval of the Bureau of the Budget. I, myself, have made up my mind, Mr. President, that I do not intend to vote for a single new project, unless such project is urgently needed and is in an emergency class. There are many things which the Government could do that are desirable, but not necessary. The Budget Bureau points this out when they have refused to give full approval to many of the projects, because delay in their construction would not cause any serious loss. We must get on a pay-as-you-go basis before we embark on any but urgent projects. It is the height of folly to authorize new projects not immediately necessary when we are facing a deficit of $6,000,000,000 in the next fiscal year, and perhaps for an indefinite period thereafter.

Under existing circumstances, it is no exaggeration to say that there is literally nothing on earth more important than the preservation of the fiscal integrity of the Government of the United States and the financial stability of our free-enterprise system. We have built up a stupendous national debt, much of which, I admit, was necessary for the prosecution of the war, but much of which has been added recklessly and could have been avoided. The very fact that unexpectedly we were compelled to finance the greatest war in all history should impress upon us the necessity for retrenchment in order to safeguard the future solvency of our Republic. Let us not overlook the fact that in fiscal year 1948 we spent $6,900,000,000 for domestic-civilian expenditures, exclusive of defense, foreign aid, veterans, and interest, and now the President proposes an expenditure of $12,200,000,000 for the same domestic-civilian purposes, exclusive of defense, foreign aid, veterans, and interest, an increase in these domestic-civilian expenditures of nearly 100 percent in 2 years. Nearly every State in the Union has projects in the bill, including the State of Virginia, but I feel impelled to cast my vote against the proposed legislation for the reasons I have stated.

Mr. DOUGLAS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. Will the Senator yield in order that the Senator from Idaho may propound a unanimous-consent request which he sought to offer some time ago?

Mr. CHAVEZ. Mr. President, may we first have the amendment of the Senator from Illinois read?

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 26, it is proposed to strike out lines 19 to 24, inclusive.

Mr. TAYLOR. Mr. President, a few moments ago I asked unanimous consent to return to page 44, lines 17 and 18, an item of $750,000 for flood-control work at Bonners Ferry, Idaho. I pointed out at that time, and I repeat myself for the benefit of those Senators who were not present at the time, that on the same page there is an authorization for Libby Dam, Mont. If the Libby Dam is constructed, the permanent flood-control works at Bonners Ferry will not be necessary. Of course, if the Libby Dam is not authorized, then the flood-control works will be absolutely necessary, because the town of Bonners Ferry has been flooded in the past, and is in danger of being flooded in the future.

Under the circumstances, with Libby Dam being authorized, I have conferred with those of the representatives of the residents of Bonners Ferry who have

been most active for the project, and they feel it would be unfair to press for the permanent flood-control work at Bonners Ferry at this time, inasmuch as the Libby Dam is being authorized, and if it is constructed, the flood menace will be controlled.

I therefore ask unanimous consent, Mr. President, that the vote by which the amendment on page 44, line 3, to line 2 on page 45, was agreed to, be reconsidered, and I ask that the item in lines 17 and 18, page 44, be stricken out.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Idaho?

Mr. CHAVEZ. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHAVEZ. I have stated heretofore that this item in lines 17 and 18 on page 44 is one which was approved last October. Can a Senator now by unanimous consent set aside action taken by the Senate last October?

The PRESIDING OFFICER. In the opinion of the Chair, unanimous consent may be given to reconsider the vote by which the amendment was agreed to, and if that request submitted by the senior Senator from Idaho is not granted, a motion for that purpose could be made.

Mr. TAYLOR. Mr. President, I ask unanimous consent that the vote be reconsidered.

The PRESIDING OFFICER. The request is that the vote by which the amendment on page 44, line 3, to line 2, page 45, was agreed to, be reconsidered. Is there objection? The Chair hears none, and the vote is reconsidered.

The request now submitted by the Senator from Idaho is that lines 17 and 18 on page 44 be stricken out. Is there objection to the request? The Chair hears none, and the lines are stricken out and, without objection, the committee amendment, as amended, is agreed to.

Mr. DOUGLAS. Mr. President, the amendment offered by me which has just been stated proposes to eliminate the authorization for a further $200,000,000 expenditure on the lower Mississippi. I should like to point out that to date the Congress has authorized for the Mississippi, for flood-control purposes, $1,038,300,000 plus. It has appropriated $676,089,000. There is therefore left an authorization of $362,200,000 which has not yet been appropriated. The appropriation bill for this year as presented to the House of Representatives by the Committee on Appropriations of that body recommends that appropriations for the Mississippi River for fiscal 1951 be $65,000,000.

Mr. President, we therefore have authorized already a total of nearly six times what the annual appropriation will be for the coming year, and I may say nearly six times what the average appropriation has been for the past 3 years. We therefore already have a very large backlog built up sufficient to take care of any necessary construction work which is likely to be done in the near future.

However, the pending bill heaps on another $200,000,000 authorization, or three times the annual expenditure, so that we will have an authorization in excess of appropriations of nearly $600,000,000, and even after making appropriations, let us say, of $65,000,000 for 1951, we will have $500,000,000 of authorizations not expended, or a sum equivalent to 8 years of appropriations.

Mr. President, I see no reason for this. I see no reason why in this period of financial difficulty we should still further pledge the resources of the United States for a venture of this kind. I am very glad, indeed, that the senior Senator from Virginia has called attention to this situation.

Mr. ROBERTSON. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield for a question.

Mr. ROBERTSON. The question is predicated upon my premise that I am just as much interested in economy as is the distinguished Senator from Illinois. I wish to ask him, with all deference, if he thinks it is a good way to legislate to take a billion-and-a-half-dollar bill and move to strike out everything in the bill that would be for the benefit of four Western States and then move to strike out everything in the bill that would be for the benefit of seven Southern States? In the opinion of the distinguished Senator from Illinois, is that a logical and sound and proper way to legislate, to put his colleagues on record presumably for or against economy in that manner?

Mr. DOUGLAS. Mr. President, I am not attempting to put anyone on record, I am trying to take up one by one the items which seem to me to be wasteful. I appreciate very much the fact that the senior Senator from Virginia pointed out that some $116,000,000 worth of projects have been put into the bill over the protest of the Bureau of the Budget. If the Members of the Senate will look over the CONGRESSIONAL RECORD for Friday last, they will find that I submitted individual amendments knocking out each and every project against which the Bureau of the Budget protested. I also submitted individual amendments knocking out every project to which the Bureau of the Budget gave a low priority, and in one or another of my amendments sought to strike out those concerning which the Bureau raised serious questions or qualified its approval.

I am sorry to say that when the proposals came up for vote, on one occasion I heard but one other voice than my own voting in support of my proposal. But the opposition was overwhelming, almost unanimous, and I might say stentorian. And it would seem to me may I say in reply to the junior Senator from Virginia, that this is the way in which we should proceed in dealing with an authorization bill. We should proceed item by item, and not deal with general shotgun charges covering a wide variety of matters.

I regret to say that my good friends from south of Mason and Dixon's line frequently feel that when we offer an amendment which knocks out an authorization for their particular States, we are indulging in a personal vendetta. I assure Senators that is not the case. I wanted to knock out certain appropriations for the Missouri River, which is certainly not south of Mason and Dixon's line. I wanted to knock out certain appropriations for Idaho dealing with the Mountain Home project, and I tried to knock out projects for the Atlantic coast, as well. In fact, I tried to knock out two projects for my own State, and I welcome the Senator from Idaho [Mr. TAYLOR] to the ranks of those who would eliminate projects designed for their own particular States.

So, Mr. President, the Senator from Virginia will, I hope, rid himself of the idea that this is a continuation of what we in the North call the Civil War, and what in the South is called the War Between the States. This is not a sectional vendetta whatsoever, but it is an attempt to maintain the financial solvency of our country.

Mr. President, I think it is extremely doubtful, indeed, more than doubtful, whether we should further plunge ahead in authorizing enormous amounts for the lower Mississippi River, in view of certain developments in that area. For one thing, one who goes along the Mississippi notices how the water is laden with sediment, and how that sediment sinks to the bottom of the river, so that as the years go by the same flow of water creates a greater danger for the communities which are adjacent to the river. I have seen data on measurements made on the Missouri, and we find that in the Missouri the same flow of water caused the water to rise more feet than it did 15 years earlier. The reason for that is that the bed of the river was rising as the sediment falls to the bottom and other works tended to narrow the width. The bed of the river is, in many cases, constantly rising. Therefore, in order to protect the countryside, the Army engineers have to build ever-higher levees.

Cairo, in my State, in the extreme southern portion of the State, where the Ohio and the Mississippi join, is below the level of the Mississippi and below the level of the Ohio, and in order to protect that town it is necessary to raise the levees higher and higher. In fact, the Mississippi is rapidly becoming, in some stretches, a river that is on a viaduct, moving through the territory above the level of the adjacent countryside, all because we have been building greater and greater levees, and have not been trying to stop the water of the upper reaches of the river, to hold it back, and retain it where it falls.

This afternoon I said that I thought the slogan of the engineers was "Build thee ever higher levees, oh, my Congress."

I said I thought that was the purpose of this measure. The higher and higher the bed of the river rises, the more the surrounding country is placed in jeopardy. I would suggest, instead of devoting the authorization of $200,000,000 for the lower Mississippi, that we devote it to the upper Mississippi where the water

falls, to reforestation, to encourage contour plowing of the land and the planting of grasses on pasture land, to damming gulleys, to helping build stock ponds, and so forth. That is the way ultimately to protect the United States. We must reduce the flow of the water, not merely wall it in in higher channels.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CHAVEZ. The Senator has stated that the dams should be built where the water falls.

Mr. DOUGLAS. I say that the water should be retained where it falls as much as possible.

Mr. CHAVEZ. I agree with the Senator from Illinois. That being the case, what reason was there, then, for the Senator to offer an amendment against an item whose purpose was the building of some dams on the Missouri which would keep the water away from the lower Mississippi?

Mr. DOUGLAS. Is the Senator refighting the Missouri River battle now?

Mr. CHAVEZ. No; I am not refighting the Missouri River battle now. I simply want the Senator from Illinois to be consistent about the matter.

Mr. DOUGLAS. I try to be consistent.

Mr. CHAVEZ. That was one of the purposes of the dams on the Missouri.

Mr. DOUGLAS. One of the objections to the Garrison Dam is the very fact that a great many engineers believe that the Missouri, as it comes down to Garrison, is so heavily laden with silt that the Garrison Dam is nothing more than a storage for silt. In a few years from now the silt will absorb the water capacity and what will be left there will be a prize collection of sand and silt on the site of what is the present Garrison Dam.

What I am suggesting is to go farther upstream, into Montana, into western Nebraska, into Wyoming, into Idaho, and, furthermore, into the little tributaries, and to carry into effect better methods of agriculture and soil conservation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield.

Mr. CHAVEZ. We are still holding that water where it falls. The appropriation bill for the Interior Department carries some money to build dams in western Nebraska, which will be used for two purposes. One is to irrigate and put the land under cultivation so people can make a living.

Mr. DOUGLAS. I think that is a very good policy, but, in view of the fact that we have nearly 6 years' backlog already accumulated in authorizations for the Mississippi, why authorize $200,000,000 more?

Mr. CHAVEZ. But the Senator from Illinois was objecting to spending some money south of Sioux City, Iowa.

Mr. DOUGLAS. I was objecting to building costly upstream works to develop a 9-foot channel south of Sioux City, Iowa, which is no more needed by the people in that area than a cannibal needs a silk hat and a white tie.

Mr. CHAVEZ. Will the Senator from Illinois mention two people in that area who are objecting to the 9-foot channel on the Missouri—just two of them?

Mr. DOUGLAS. One would not expect people in that area to object. But I am told that the editor of the newspaper at Council Bluffs, Iowa, objects to it, and he is a good Republican, too.

Mr. CHAVEZ. Both Republicans and Democrats favor river and harbor development and navigation development.

Mr. DOUGLAS. The Senator will remember that this afternoon I read from a statement made by former Senator Reed, our beloved colleague from Kansas, who died last fall. He said:

> What is the use of talking about that? We have spent $100,000,000 on the lower Missouri River in an effort to make it navigable. We could have taken the money that we have appropriated and moved all of the traffic that moved on the lower Missouri River by air freight and paid the cost of moving it with a lesser amount than the amount we have appropriated and mostly wasted on the lower Missouri River for navigation purposes.

I also called attention to the task force report of the Hoover Commission on natural resources, headed by Governor Miller, of Wyoming, and numbering other leading citizens among its members. I also quoted the recent statement of the Governor of Montana, and on Friday I advised the Senate that the senior Senator from Montana joined me in opposing this authorization. So I feel I am in a fairly good company in this matter, and I am not isolated in the judgment which I am trying to express.

But, Mr. President, I was voted down on the Missouri. Now I want to return to the Mississippi.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield for a question.

Mr. HUMPHREY. I should like to say that at the time I was listening to the Senator's remarks about the Missouri I was interrupted from my attendance on the floor by a committee meeting, and I came back to cast a vote. I must confess that while that vote is recorded, I believe that the argument about the navigation of the Missouri made by the Senator from Illinois is very persuasive, and the only thing I can say is that he was right and that on the issue of navigation my vote was wrong. I want to commend him for the statement he has made recently in reference to the navigation on the Missouri River and to the observations he has been making. I think my vote was wrong and that the Senator is right.

Mr. DOUGLAS. I appreciate what the Senator from Minnesota has just said, which is characteristic of his honesty and candor. I hope many other Senators will hit the sawdust trail when they vote on the Mississippi.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. HUMPHREY. I am delighted to be the first.

Mr. DOUGLAS. The Congress could not be led by a better person than my good friend the Senator from Minnesota. It is my hope that other Senators will join my friend from Minnesota, when the Senate comes to vote on the Mississippi River proposal.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. STENNIS. I wish to ask the Senator from Illinois, in connection with his comment on the sediment in the Mississippi River, if he is familiar with the Fisk report which was filed by an eminent geologist in 1946?

Mr. DOUGLAS. No, I do not have that report, I regret to say.

Mr. STENNIS. The Senator has not read that report?

Mr. DOUGLAS. I have not; no.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. Mr. President, having had some delightful passages at arms with the Senator from Oklahoma in the immediate past, from which he has my assurance that I have had to sleep for 3 days to recover, I shall nevertheless be glad to yield to my good friend from Oklahoma.

Mr. KERR. Mr. President, before I ask the question, I should like to remark that I hope there is no thought of identity on the part of the Senator from Illinois, who fell into the embraces of sleep for 3 days, with an experience of some 2,000 years ago when another, after a crucial experience, was slumbering, or otherwise interred, for 3 days.

Mr. DOUGLAS. By analogy, I may say that the cause which seemed to sleep in the earth for 3 days has been gloriously resurrected since last Saturday.

Mr. KERR. I am sure the Senator from Illinois is quite certain that his identity in that regard should be recognized.

Mr. DOUGLAS. No, certainly not my own identity, but merely the cause.

Mr. KERR. If I may ask the Senator a question about the matter at hand. I wonder if he thinks that the fact that a 9-foot channel has already been finished up the Mississippi to the Twin Cities in Minnesota would have anything to do with the death-bed confession of the junior Senator from Minnesota in now saying that he ought to oppose a similar channel up the Missouri to some of the cities on that river?

Mr. DOUGLAS. The junior Senator from Minnesota can speak for himself, but in my judgment he made his decision on the merits of the case, so far as the Missouri River is concerned. I shall be glad to ask unanimous consent that the Senator from Minnesota, like John Alden, may speak for himself.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. Mr. President, the 9-foot channel up the Mississippi was made many years ago. Anyone who is a student of navigation knows that the flow of the river is entirely different from that of the Missouri, and also knows that the amount of silt carried down the Missouri, and the depth of the channel, and the weight of the sand shift, is entirely different from that on the Mississippi.

I happened to have lived near the Missouri River for 25 years of my life. I think I know something about the dust storms, and the shifting of the sands by the Missouri River. It should also be known that the plan now being used to develop the Missouri River is the most wasteful plan conceived by government, the Pick-Sloan plan. We ought to put the "pick" in the Pick-Sloan plan instead of trying to attach further provisions to it.

Mr. DOUGLAS. Is not the Missouri River known as "The Big Muddy"?

Mr. HUMPHREY. It is known as "The Big Muddy."

Mr. KERR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. KERR. Does not the Senator have in his mind that the Mississippi is "The Big Clear," or that the water in the Mississippi is much different than the water in the Missouri?

Mr. DOUGLAS. I will not pass on that question. Since I have tried to eliminate $250,000,000 authorization for the Missouri, I think it is appropriate to try to eliminate $200,000,000 for the Mississippi.

What I was trying to say, very imperfectly, I am afraid, is that we have been putting altogether too much emphasis on building levees on the lower portions of rivers instead of devoting a much larger share of our energies to preventing a run-off of water in the upper reaches of the streams and rivers. In view of the fact that we already have enough money to take care of the Mississippi for five and a half years at present rates of appropriation, why pour another $200,000,000 down the drain pipe?

There is one final point I am going to mention, and that is with reference to an amendment which later I intend to submit. I think, however, it will be well to be thinking it over. It is an interesting thing that while flood-control projects benefit property, and that while navigation projects benefit property, they are nonreimbursable. In the case of power projects, the Federal Government is repaid for its investment, with interest. Yet, for some curious reason, the power projects, the most completely solvent of all public projects, seem to excite the special ire of certain Members of this body. The irrigation projects are reimbursable so far as principal is concerned, but not so far as interest is concerned, although there is, I think, an unfortunate tendency growing up to load larger portions of the principal upon power. But when we come to levees, which also benefit property and take water off land, then the Government is expected to pay the full bill without any comparable repayment.

Mr. President, I think it is true that the Army engineers are probably reclaiming as much land from water as the Bureau of Reclamation has reclaimed from lack of water. Yet the interesting thing is that levees redeem what otherwise would be almost worthless alluvial swamp land and make that land extremely valuable. In that connection we have had testimony that on the Ouachita River. For example, land without the levees is worth only $5 an acre, but when the levees are erected the land is worth $25 to $30 an acre, and after it is cleared the land is worth up to $100 an acre. Yet all the costs of the levees are borne by the Federal Government, except as to the rights-of-way.

Mr. President, in view of the fact that we already have a margin of safety in present authorizations and do not need to construct new projects for some years; in view of the fact that the emphasis should be upon upstream development, rather than downstream development; and in view of the fact that we have not yet adopted a satisfactory method of levying the costs of the improvements against the receivers of the substantial benefits from them, I believe the Senate should strike out these items.

Mr. President, I ask unanimous consent to have inserted at this point in the RECORD a table from the House hearings on Civil Functions Appropriations, Department of the Army, for 1951, part 1, at page 321, which is a table of the authorizations which have been made.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT I

Flood control, Mississippi River and tributaries, appropriations made to date from the $1,038,309,500 authorized by the Flood Control Act of May 15, 1928, as amended by the acts of June 15, 1936, June 28, 1938, Aug. 18, 1941, Dec. 22, 1944, July 24, 1946, and June 30, 1948

	Total appropriation	Maintenance expenditures
May 29, 1928 (Second Deficiency Appropriation Act)	$14,000,000	(1)
Feb. 28, 1929 (War Department Appropriation Act, fiscal year 1930)	30,000,000	----------
May 28, 1930 (War Department Appropriation Act, fiscal year 1931)	35,000,000	----------
Dec. 20, 1930 (Emergency Construction Act)	3,000,000	----------
Feb. 23, 1931 (War Department Appropriation Act, fiscal year 1932)	35,000,000	----------
July 14, 1932 (War Department Appropriation Act, fiscal year 1933)	32,000,000	----------
July 21, 1932 (Emergency Relief and Construction Act)	15,500,000	----------
Mar. 4, 1933 (War Department Appropriation Act, fiscal year 1934)	19,653,424	----------
NRA (amounts allotted by PWA, fiscal year 1934)	44,000,000	----------
Apr. 26, 1934 (War Department Appropriation Act, fiscal year 1935)	29,000,000	----------
Apr. 9, 1935 (War Department Appropriation Act, fiscal year 1936)	15,000,000	----------
May 15, 1936 (War Department Appropriation Act, fiscal year 1937)	15,000,000	----------
May 28, 1937 (Second Deficiency Act)	1,000,000	----------
July 19, 1937 (Emergency Relief Appropriation Act of 1937)	2,000,000	----------
July 19, 1937 (Civil Appropriation Act, fiscal year 1938)	30,000,000	----------
June 11, 1938 (Civil Appropriation Act, fiscal year 1939)	31,000,000	----------
June 28, 1939 (Civil Appropriation Act, fiscal year 1940)	39,000,000	----------
June 24, 1940 (Civil Appropriation Act, fiscal year 1941)	30,000,000	----------
May 23, 1941 (Civil Appropriation Act, fiscal year 1942)	22,000,000	$6,646,854
Apr. 28, 1942 (Civil Appropriation Act, fiscal year 1943)	29,954,000	13,044,694
June 2, 1943 (Civil Appropriation Act, fiscal year 1944)	$14,000,000	$10,253,888
Dec. 23, 1943 (First Supplemental National Defense Act)	5,000,000	
June 26, 1944 (Civil Appropriation Act, fiscal year 1945)	26,000,000	9,782,780
Mar. 31, 1945 (Civil Appropriation Act, fiscal year 1946)	30,000,000	10,534,342
First Deficiency Appropriation Act, 1946	15,000,000	
May 2, 1946 (Civil Appropriation Act, fiscal year 1947)	46,000,000	14,311,685
July 31, 1947 (Civil Appropriation Act, fiscal year 1948)	50,000,000	13,507,653
June 25, 1948 (Civil Appropriation Act, fiscal year 1949)	61,000,000	16,935,558
Oct. 13, 1949 (Civil Appropriation Act, fiscal year 1950)	67,000,000	15,000,000
	786,107,424	110,017,454

Flood control, Mississippi River and tributaries, appropriations made to date from the $1,038,309,500 authorized by the Flood Control Act of May 15, 1928, as amended by the acts of June 15, 1936, June 23, 1938, Aug. 18, 1941, Dec. 22, 1944, July 24, 1946, and June 30, 1948—Continued

[1] The Flood Control Act approved Aug. 18, 1941, contained in subparagraph (g) under the title "Lower Mississippi River" the following proviso: "*Provided*, That funds hereafter expended for maintenance shall not be considered as reducing present remaining balances of authorizations."

Total authorizations	$1,038,309,500
Appropriations minus maintenance	676,089,970
Remaining to be appropriated	362,219,530

Mr. STENNIS. Mr. President, I shall take only 3 or 4 minutes of the time of the Senate, largely to present the facts and figures in connection with this matter.

The $250,000,000 authorization which the Senator from Illinois proposes to strike from the bill is covered by the report of the House Public Works Committee, on page 94, reading in part as follows:

LOWER MISSISSIPPI RIVER—SECOND PARAGRAPH FOLLOWING SUBPARAGRAPH (D)

The committee recommends that in addition to the adoption of the above improvements within the project for "Flood control, Mississippi River and tributaries" as provided in subparagraphs (a) to (d) there be included an additional increased authorization of $200,000,000—

I ask Senators to note this portion of the report particularly—

to provide for increased construction costs of work previously authorized.

So it is very clear that all this item has already been approved by the Bureau of the Budget.

This authorization item is absolutely needed to take care of the increased construction costs of projects which already have been authorized and previously have been approved by the Bureau of the Budget.

The remainder of that paragraph of the report reads as follows:

Some of the estimates on which the total authorization is based were prepared years ago and do not reflect the true cost under present-day conditions. From time to time since the adoption of the original project,

works on tributaries in the alluvial valley were made parts of the adopted project and the estimated cost of the authorized project was thereby increased.

With further reference to the $362,000,000 which the Senator from Illinois says is authorized but unexpended, let me say that the major part of that authorization is to take care of items on the tributaries, not on the main stem of the Mississippi River. The great part of the $200,000,000 is to take care of what are called revetments, which in great measure are merely for preserving and maintaining levees which already have been constructed; but the movement of the river is such that it is eternally trying to tear down the revetments or wash them away. That is nature's process, and there must be this year-to-year revetment work. It is on that work that the major portion of the $200,000,000 will be expended.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Arkansas.

Mr. McCLELLAN. We have heard the statement made by the Senator from Illinois that the local interests have made no contribution to the effort toward developing flood control in this great valley. Is it not true that in the beginning, in their efforts to construct levees to prevent floods, the people in those areas, particularly in the lower Mississippi, and even on many of the tributaries, organized levee districts and mortgaged or bonded their property and spent their own resources in this very enterprise, up until the year 1927, when the major flood destroyed not only thousands of lives but hundreds of millions of dollars worth of property in that area? Is not that correct?

Mr. STENNIS. The Senator is absolutely correct.

Mr. McCLELLAN. Mr. President, will the Senator yield to permit me to ask a further question?

Mr. STENNIS. I am glad to yield further.

Mr. McCLELLAN. Is it not also true that the Mississippi River drains approximately 41 percent of the area of the United States, and that the water which falls in the upper regions of the country is drained through the lower Mississippi valley?

Mr. STENNIS. That is entirely correct; and that drainage area includes portions of 31 States.

Mr. McCLELLAN. Is it not also true that that water is not a local problem, but is an interstate problem? If Illinois would keep her water off of Mississippi and Arkansas and Tennessee, and if the other States in that region would build the frog ponds which the Senator from Illinois has mentioned, and would keep their water in their States, we could build our own levees and could take care of them, could we not?

However, when we are faced with the necessity of having money spent in our region to take care of a national problem—for the waters which cause that problem are not local, but are interstate waters, and are developed in that way by the very geography of the Nation and by the nature of the land itself—and when we undertake to keep that water off the land and to develop that valley, which is a great resource of the entire Nation, we find that objection is made. However, I do not think there was any particular objection from Illinois when the Government spent $350,000,000 to develop harbors on the Great Lakes. No representative from Illinois appeared here and objected to that proposal.

Mr. STENNIS. Mr. President, the Senator from Arkansas is eminently correct in his remarks in regard to the local contributions. In Mississippi the local interests built and financed miles and miles and miles of levees prior to 1928, at a cost of millions of dollars, taxes for which I think the people in that area are still having to pay. However, nearly all those levees were swept away in 1927, because they were inadequate in the great flood of 1927.

Further, with reference to the matter of harbors, which the Senator has mentioned, let me say that a great deal of the $362,000,000 authorized but remaining unexpended, as mentioned by the Senator from Illinois, goes not only for the tributary projects, but also for harbor projects, including harbors at places such as Memphis. Such harbor projects have nothing to do with real flood control on the Mississippi River.

Mr. President, with reference to what was said about sediment and the filling up of the river bed, let me say that a very eminent geologist by the name of H. N. Fisk filed a geological report with the Mississippi River Commission in 1946. His report is the only really scientific, extensive investigation report ever prepared with reference to the sediment problem. In thumbnail sketch, his conclusion was that this mighty river is in what he calls a poised condition; that it is neither degrading nor aggrading; that through the great processes of nature—and I think the Mississippi River is the world's greatest natural engineering feat—this body of water, in places a mile wide and several hundred feet deep, with all its tremendous pressure—pressure caused by water, which, for instance, when winding its way from Memphis, Tenn., to New Orleans has an average drop of less than 6 inches a mile—is picking up dirt in one place, it is true, but it is putting it down in another. It took that gentleman and his staff 5 years to make this study.

His conclusion, based upon and proved by the scientific data in his report, is that the Mississippi River is in what is termed a poised condition, that it is neither degrading nor aggrading.

Incidentally, Mr. President, the first American report on a flood on the Mississippi River was made and recorded by De Soto, when he discovered the river. At that time there occurred, evidently, what was one of the greatest floods ever experienced on the Mississippi. That was during the virgin period of America, when no soil had been torn up by man and no trees had been cut down. Yet at that time and at that place the river was some 50 miles wide.

However, the report to which I have been referring is a modern, scientific report, filed by the eminent geologist whose name I have mentioned. It is the only available report of its nature, based on an extensive study of the subject.

With reference to the geography of the lower Mississippi valley, this authorization, subsequently to be followed by an appropriation, includes all the main stem of the Mississippi River from Cairo, Ill., to New Orleans, La., a distance of more than 1,000 miles, embraces parts of 7 States, namely, Illinois, Missouri, Kentucky, Tennessee, Mississippi, Arkansas, and Louisiana, and affects an area of more than 28,000 square miles. Behind those levees reside more than 3,000,000 people, who are living on the land. I am not referring to the people who live in the cities, including Memphis and Vicksburg; but to people who are living on the land in that protected area, and they number more than 3,000,000 rural persons.

Mr. President, I have just a few more figures to present, and I shall be brief in presenting them. For instance, I have a few figures relative to the volume of water.

In the great flood of 1927, at Cairo, Ill., the volume of flow there was 1,800,000 cubic feet a second. That means, as, of course, you know, Mr. President, that many cubic feet of water pass a given point every second.

In 1937 there were approximately 2,000,000 cubic feet a second passing at the same given point.

In 1950, this year, there were 1,800,000 cubic feet of water flowing past that same point every second.

In other words, as compared with the havoc and destruction and the loss of hundreds and hundreds of lives and millions and millions of dollars worth of property in 1927, this year, 1950, within this protected area, not a single life was lost, and no damage was done, even though the volume of water was almost as much this year as it was in 1927.

There is the pay-off. Of course, there had been damage in the Mississippi Valley, particularly on the tributaries where water backed up; but where the levees were supposed to protect, they did protect. This year, without any particular notice in the newspapers of it, there has been the third largest volume of water moving down to the Gulf of Mexico we have had at any time in recent history. Little has been said about it, and no damage has been done.

The Army engineers estimate that along the main stem of this river the dollars-and-cents saving, leaving out human values with respect to the lives lost from 1928 to 1948, has been $4,900,000,000. During that same period of time, we spent only $650,000,000 in building up those levees, to bring about this estimated saving—a ratio of something like 7 to 1. The estimated savings for this year as the result of protection afforded from the great body of water which has been moving down the river to the gulf for the past few months, amount to $700,000,000, which is more than the cost of the project from 1928, when the Federal Government really took hold of it, until the present time.

So, Mr. President, in view of all these simple facts, which are supported by fig-

ures and other evidence, I submit to the Senate, particularly, as this item of increase merely allows for increased costs of construction, that it would be a great error to strike the provision from the bill. The effect of failing to provide a means of taking care of the investment we have already made, which is paying off, would be seriously detrimental, and this project is absolutely indispensable and necessary, as part of the completed scheme. I hope the Senate will defeat the amendment of the Senator from Illinois.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send to the desk another amendment, and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 33, it is proposed to strike out lines 13 through 23, inclusive.

Mr. DOUGLAS. Mr. President, this is a proposal to eliminate the authorization of $100,000,000 which is contained in the bill for the prosecution of the comprehensive plan for the Ohio River Basin, There is a substantial margin of authorization which is still remaining from past acts of the Congress. The total monetary authorization to date, on the Ohio, has been $430,440,000, and there has been appropriated approximately $329,000,000, according to the House committee report on H. R. 5472 leaving $101,000,000 authorized but not appropriated. There is therefore no pressing need for additional authorizations at this time.

The House, however, proposed $75,000,000 more. The Senate raised that to $100,000,000, which would make the unspent authorizations slightly in excess of $200,000,000, were the proposal of the Senate committee to be adopted. I submit that one of the reasons why the additional authorization is sought is that while the total monetary authorization for the Ohio River Basin to date is approximately $430,000,000, the Corps of Engineers' commitments on projects completed or under way, total $506,000,000, leaving a deficit of $76,000,000.

I think this is a further illustration of the point which has been developed several times in the course of the debate, that it is frequently the practice of the Corps of Engineers to make commitments in excess of the authorizations which have been made by Congress, and then to use the commitments as a reason for getting additional authorization. The result is that the initiative and finally the control in such matters is being rapidly transferred from the Congress of the United States to the Corps of Engineers.

As proof of what I have said, I should like to read from the House testimony on this bill, page 192, where the chairman asked:

> What additional ceiling, Colonel, if I may ask, with Mr. MCGREGOR'S permission, would we need in order to authorize the money to complete the projects that have been constructed and under way at present, as Mr. Little has brought to our attention?

To which the colonel replied:

> You would need $75,914,900 to bring the monetary authorization into agreement with the total cost of projects now under construction or completion.

In other words, the Corps of Engineers comes forward with what the French call a fait accompli, an accomplished fact, with commitments which they have made. They say this is a reason for further authorization, and then when we make a little authorization they raise the commitment, and Congress moves along. So, in effect, Congress is being asked to ratify decisions made, not by a legislative body but by an administrative body.

There is great uncertainty as to what the correct river policy should be, as to whether emphasis should be placed on projects downstream or upstream. I think there is no doubt it should be placed on improvements upstream, and, as a matter of fact, the work on some of the tributaries of the Ohio, within the State of Ohio, through conservancy districts and otherwise, indicates the great value of upstream work. Also, in view of the policy and program of the Army engineers, in exceeding their authority, I hope the Senate will not authorize a further appropriation of $100,000,000 at this time.

Mr. NEELY. Mr. President, I ask unanimous consent that debate be limited to 5 minutes to a side on each additional amendment offered by the able Senator from Illinois [Mr. DOUGLAS]. We have voted down 14 of the Senator's proposals. He has presented his case at great length. Certainly no one could add anything persuasive to what the eminent Senator has said. As surely as Tabor is among the mountains and Carmel by the sea, so surely will all the Senator's remaining amendments be rejected. In the circumstances it should not be necessary for us to remain here until midnight in order to continue this worn-out debate.

Mr. President, I repeat my unanimous-consent request that all debate from now on be limited to 5 minutes to a side on each amendment.

Mr. MCFARLAND. Mr. President, that would require a quorum call.

Mr. NEELY. Mr. President, for the purpose of my request, a quorum call would not be necessary.

Mr. SALTONSTALL. In view of an objection made by one of the Members of the minority a few moments ago, if the Senator insists on making the request, I shall have to suggest the absence of a quorum. I hope he will not do so. From the talk I have had with the Senator from Illinois, it will not be long now until we are through.

The PRESIDING OFFICER. Is there objection to the request?

Mr. MCKELLAR. Let us vote on the bill.

Mr. CHAVEZ. Let us vote on the amendment.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS. I send to the desk another amendment, and ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 7, it is proposed to strike out lines 15 through 20, inclusive.

Mr. DOUGLAS. Mr. President, this is a proposal to eliminate projects totaling $89,000,000 for the Arkansas Basin. This would eliminate the authorization of $15,000,000 for the Eufala project, for which a previous authorization of $55,000,000 has been made, but upon which work has not yet started. It would also eliminate the first authorization of $39,000,000 for the Dardanelle Dam, which, if it is begun, will ultimately cost $69,000,000; and an appropriation of $39,000,000 for bank stabilization. The last project and the Dardanelle project are primarily for navigation.

We have already authorized $273,891,000 for the Arkansas River Basin, and $80,000,000 of this authorized amount is not yet appropriated. Title II adds another $104,953,000 of authorizations for the Arkansas, so that we are authorizing enormous amounts of money for this project, for which the economic justification is extremely doubtful. With the passage of this amendment, there would still remain $184,000,000 of authorizations for work in the Arkansas Basin. Surely that is sufficient at this time.

Let me call the attention of the Senate to the fact that the cost estimates of the Corps of Engineers for this general development have been revised from time to time, and always upward; that the original estimate was that the basin plan would cost $435,000,000; but in 1948, the estimate went upward to $843,000,000, or nearly twice as much. This can be found from the House committee report at page 48. That refers to the original and revised cost estimates, of course.

Mr. President, the benefit items which are claimed lean heavily on savings in shipping costs. Originally it was said that the transportation benefits would amount to $19,600,000 a year, or 74 percent of the total benefits. On the basis of 1948 costs, it was said annual transportation savings would amount to $40,470,000, or 80 percent of total benefits.

Mr. President, what the Corps of Engineers did and the committee apparently agreed was to estimate that since the cost of construction had doubled, the shipping savings would double also. As a matter of fact, freight rates up to last year had increased by only 45 percent, although construction costs had increased by 100 percent.

I believe that the senior Senator from Arkansas [Mr. MCCLELLAN] pointed out that there had been an increase in freight rates since 1949. I have information to the effect that the total increase has been no more than 4 percent since that time. Therefore, it would mean the increase in freight rates over the original figure had been 51 percent. Therefore,

any estimate that freight costs had doubled because construction costs had doubled, misses the point. The predicted savings are, therefore, highly speculative and the Budget Bureau refused clearance on specific phases of this project on that account.

Mr. President, even at the time of the original estimates, the ratio of benefits to cost was only 1.08. That is, the benefits claimed were only 8 percent above cost. At this time when benefits which would actually be received per ton of freight are very much lower than the committee thought they would be, because there has not been the increase in freight rates which they assumed, it can be seen that the real ratio of benefits to cost is less than unity, even assuming that we could have the volume of freight carried on the Arkansas River which the committee assumed would be carried. The evidence in the record shows that there is no real economic justification, therefore, for the navigation features of this project which will be authorized by the passage of this bill without my amendment.

The plan of development here is a proposal to have a 9-foot channel 480 miles up the Arkansas River to Catoosa. I should like to point out that the Board Engineers for Rivers and Harbors submitted a report on September 11, 1945, signed by Brig. Gen. John J. Kingman, in which it was stated:

> The Board was not convinced of the advisability of the United States undertaking all of the improvements recommended. * * * The Board is not convinced that the benefits to be derived from the navigation project warrant its construction at this time. Accordingly, the Board recommends * * * that construction of the navigation features be deferred until there is more definite assurance that the benefits will justify the expenditure.

I remind the Senate that the Dardanelle project and bank stabilization plans provided for in this bill are primarily associated with the navigation purposes of the basin.

That was in 1945. There is less reason for approving the expenditure today than there was at that time, because even with the same volume of freight, savings per ton would be less, proportionately to cost, than at that time. Apparently it is assumed that there will be 9,000,000 tons of commerce moving up the Arkansas River.

I wish to read some figures of the actual volume of tonnage which was moved in 1940. The estimate of 9,000,000 tons a year excludes local shipments of sand and gravel. In 1940 the total volume of traffic moved was 256,000 tons, including sand and gravel. In 1941, it was 310,000. In 1942, 621,000 tons. In 1947, 490,000 tons. I think it is utterly ridiculous to assume that the quantity of traffic on the Arkansas River will multiply twenty-fold.

Mr. President, this is another case of the potential sound of the steamboat whistle taking away the sanity of men, and asking them to authorize the expenditure by the Federal Government of millions of dollars on a project which in my judgment and in the opinion of engineers will never pay out.

When Mr. Roy P. Hart testified before the House Committee on Public Works he said it would be cheaper to construct a double-track railroad paralleling the Arkansas River than to lay out this amount of money. He testified:

> It should also be pointed out that the $650,000,000, which would now be required to provide the 480-mile navigation channel under the plan here being considered, is about five times the cost to provide a double track, fully signaled and fully equipped modern railroad from the vicinity of Catoosa, Okla., to the mouth of the Arkansas River. If such a railroad were built and fully equipped at the estimated cost of $125,000,000, the difference between the first cost for the railroad and the estimated $650,000,000 for the navigation channel could be loaned at Government interest rates and the amount of interest thus obtained would pay for the maintenance and operation of the railroad, so that the shippers using it would have no freight or passenger charges to pay; in other words, the railroad could be operated free of charge to its users.

It would be cheaper to construct a railroad at public expense and carry all freight free than to pour $650,000,000 into the Arkansas River.

Lest anyone weep tears that I am trying to take something away from the Southwest, I quote the following from Mr. Hart's testimony:

> The $650,000,000 required to build this waterway would also be sufficient to provide some 10,000 miles of improved highways in the States of Arkansas and Oklahoma, distributed so as to serve every community in these States, or it would provide funds for the construction of a 4-lane express highway entirely across the United States from the Atlantic to the Pacific.

I have read the statement made by Mr. Roy P. Hart, representing the Committee on Waterway Projects of the Association of American Railroads, at page 63 of the hearings on the Arkansas River and Tributaries, H. R. 5472, May 10 and 11, 1949.

Mr. President, I think we should know what we are doing. There is already in the proposal a plan to authorize certain reclamation features which will be under the supervision of the Army engineers, with the probable result that there will be no necessity for repayment. The Bureau of the Budget has also criticized these features, as the Senator from Wyoming [Mr. O'MAHONEY] has pointed out. This would move us into commitments which are vastly in excess of the capacity of the country to afford and which are not needed at this time. I hope very much that we shall defeat the authorization of this $89,000,000, and I hope that my amendment may be adopted.

Mr. NEELY. Mr. President, I ask unanimous consent that on the Democratic side of the aisle debate be limited to 5 minutes on each amendment. There was objection on the Republican side to my request for a general limitation. It is my hope that our Republican friends will not object to a limitation that is restricted to Democratic Members.

Mr. McKELLAR. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. McKELLAR. I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Illinois. [Putting the question.]

Mr. DOUGLAS. Mr. President, I ask for a division.

On a division, the amendment was rejected.

Mr. DOUGLAS. For the relief of my colleagues, I may say that I am about to offer my last amendment. [Applause.] I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill, it is proposed to insert the following:

TITLE III—GENERAL

SEC. 301. The Secretary of the Army shall not commence or proceed with any feature of any flood-control or drainage project if he determines that such feature will be of direct and substantial benefit to any lands or area definable with reasonable certainty, unless the owners of such lands or a State, municipality, conservancy district, or other responsible party shall, by contract with the Secretary, have agreed to repay or to advance to the Secretary one-half of the cost of constructing such feature. All moneys received from such contracts shall be deposited in the Treasury of the United States as miscellaneous receipts.

Mr. DOUGLAS. Mr. President, this is a proposal that at least half of the cost of levee and drainage projects shall be assessed against adjoining real estate which is directly and substantially benefited. I think it would eliminate a big vacuum in our public-works policy.

As I have said, appropriations for public power projects are reimbursed with interest. I think that is a wise provision. Irrigation projects are reimbursed, so far as principal is concerned, but interest is not paid. There is an increasing tendency, which I regard as dangerous, to charge a large portion of the cost of irrigation projects to the power features of multiple-purpose projects where power as well as irrigation is involved.

Mr. President, when a levee is built, the alluvial swampland, which is almost worthless, is transformed into highly valuable real estate, because water is taken off the land. I think it may be said that the Army engineers reclaim as much land as the Bureau of Reclamation, except that it is a reclamation of land by taking water off the land, whereas the Bureau of Reclamation reclaims land by putting water on the land.

So far as irrigation is concerned, while the principal, at least, is returned, the costs of levee projects in general—and I emphasize "in general"—are not reimbursed. I know that prior to 1928 localities did provide most of the funds for the levees which were constructed, and I am well aware of the fact that it is quite probable that here and there localities now make contributions.

Certainly, so far as the general policy is concerned, the cash capital outlay is made by the Federal Government itself, but the benefits are not confined to the Federal Government. They also go to

the adjoining landowners. It is an accepted policy in local city finance that the costs of sewers, sidewalks, and sometimes of roads, will be assessed against the adjoining property which is benefited. One of the first examples of that was the laying out of Riverside Drive in New York.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield for a question.

Mr. FERGUSON. Who would determine what lands would be benefited?

Mr. DOUGLAS. In this case, it would be put in charge of the Corps of Engineers, and the benefit must not merely be an indirect benefit, it must be a direct benefit, and must be a substantial benefit.

Mr. FERGUSON. Then would the assessment be in proportion to the benefit, assessing the amount on each acre benefited?

Mr. DOUGLAS. Yes; but this should be worked out by the local government or conservancy district.

Mr. FERGUSON. As I understand, it would not exceed over half of the cost of the land?

Mr. DOUGLAS. The amendment says "at least half" the cost of the project. I would be willing to strike out the words "at least" and make it half. I was trying to provide a flexible formula.

Mr. FERGUSON. Does not the Senator feel that the statute itself should place a limit on the assessment, that it shall not be to exceed one-half?

Mr. DOUGLAS. I do not know that that is advisable, because then it might go down to zero. I would prefer, if any alteration is made, simply to have a flat half.

Mr. FERGUSON. Under the present wording it would be possible for the Engineers to assess the entire cost against those benefited.

Mr. DOUGLAS. With the permission of the Senate, I ask leave to alter the amendment.

The PRESIDING OFFICER. The Senator may modify his amendment.

Mr. DOUGLAS. I strike out the words "at least," and provide that one-half of the cost shall be repaid or advanced under contract and then locally assessed. I thank the Senator from Michigan.

Mr. President, in view of the fact that my amendments to date have received something less than overwhelming approval, and in view of the obvious temper of the Senate at this hour, I do not expect the amendment to be adopted. But I do believe it lays down a sound policy. We are at present in a highly inconsistent situation, in which property which is benefited from irrigation is supposed to pay all the cost of the improvement, whereas property which is benefited because of the construction of levees for the prevention of floods pays none or very little of the cost. If I had wanted to be tough, I would have said all the costs, but I wanted to lean over backward in dealing with my southern friends, and I provided that half the cost should be met. In Chicago, when we laid out sewers or roads, we assessed all the costs of the public improvements upon the real estate which was benefited. But since I do not want to let our southern friends feel that we are trying to be rough on them in the slightest, I merely say that half the costs shall be met; and I hope I do not have impassioned protest that this is another attempt to fight the Civil War over.

Mr. KERR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Oklahoma.

Mr. KERR. Did I understand the Senator to say that he always tried to lean over backward in dealing with his Southern friends?

Mr. DOUGLAS. Yes.

Mr. KERR. Was that a suggestion that the Senator might deal from the bottom of the deck? [Laughter.]

Mr. DOUGLAS. Mr. President, I am surprised that a man so used to analogies from the Bible as is the Senator from Oklahoma, should suggest such a thought.

Mr. KERR. I was asking the Senator what he had in mind when he referred to dealing with his Southern friends.

Mr. DOUGLAS. I do not recognize the analogy, but when I heard the word "deck," I thought of cards, and that is the analogy to which I thought the Senator from Oklahoma referred.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Wisconsin.

Mr. WILEY. I am very much interested in what the Senator has to say, and I should like to make a brief comment. I feel that he has entered upon a line of thinking which would mean much to this country if we could follow out the policy suggested. There is a $7,000,000,000 deficit this year, and the question arises in my mind, in connection with the pending bill, whether it is opportune to go ahead with all the proposed expenditures. But, more than that, because the great work the Federal Government has to do is connected with defense, if we keep on dipping into the Federal Treasury without any corresponding responsibility upon the localities, we will not have the funds with which to provide for national defense.

I should like to see the time come when any money going out of the Treasury would be in the form of loans, with provision made that the Federal interests would be taken care of by the Federal Government and local benefits by the local communities, or by those who received the benefits. That is what we are doing in State matters. But we are now letting the Federal Government carry the whole burden.

It has been suggested that the pending bill, with an appropriation of a $1,500,000,000 is merely the beginning, and someone has said that before all the improvements are made the outlay will be $30,000,000,000. I believe that if we do not adopt a new policy soon we will not only find ourselves bankrupt, but we will be depleting the Treasury, which we must use in this world of today, to protect ourselves against any emergency or another war.

I should like to see the functions which have come to the National Government by virtue of the developments of the last World War, which are largely local and State, be transferred back to the local communities. If there is a Federal interest, let the Federal Government pay, but where a local community gets the benefit, let it pay.

Mr. DOUGLAS. Mr. President, I thank the Senator from Wisconsin for his remarks, which I think are very appropriate. He has stated precisely the purpose of my amendment, that the Federal Government should bear half the cost but secure the balance from local interests benefited. We want it to say, as I think it should say, that a large portion of the responsibility for floods is due to the fact that we have not taken methods upstream to check the waters, and certainly for an intervening period the localities downstream should be given protection.

Mr. ELLENDER. Mr. President, is it intended that cities should also pay?

Mr. DOUGLAS. It is intended that the property benefited should pay, and the Federal Government could either deal with the property owners directly or through conservancy districts, or other State or local government agencies.

Mr. ELLENDER. Take the city of Cairo, for instance. How would the assessment be made?

Mr. DOUGLAS. I think the real estate in the city of Cairo, to the degree that it is benefited from flood control, should pay. I hope I can convince the Senate that I am not trying to gain exemption of any region in Illinois from rules which I think should be universal. I assure the Senator that is not my purpose.

Mr. President, I do not care to prolong the matter. I have said all I wish to say. I hope this amendment may be adopted.

Mr. LANGER. Mr. President, I ask unanimous consent that there be printed in the RECORD a statement whose tenor is the direct opposite of what the distinguished junior Senator from Illinois has said. A statement of the senior Senator from Illinois [Mr. LUCAS] which he inserted in the RECORD on the 10th day of May 1948.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RECONSTRUCTION AND REPAIR OF CERTAIN PUBLIC FACILITIES IN ILLINOIS

Mr. LUCAS. Mr. President, I introduce for appropriate reference a bill to provide an appropriation for the reconstruction and repair of public facilities in the State of Illinois which were destroyed or damaged by a recent tornado. On March 19, 1948, the towns of Bunker Hill, Gillespie, and Fosterburg, in Illinois, were devastated by a windstorm which reached the proportions of a cyclone. Practically everything in those towns was destroyed, including the schools and churches. The streets were virtually torn asunder. The result was that the people in those communities were left in a very critical financial condition. So I am asking for relief by the Federal Government for the very unusual conditions which these people are facing at the moment.

I ask unanimous consent to have a copy of this bill printed at this point in the RECORD, and also a short statement I have prepared on the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill, together with the statement presented by the Senator from Illinois, will be printed in the RECORD.

There being no objection, the bill (S. 2637) to provide an appropriation for the reconstruction and repair of public facilities in the State of Illinois which were destroyed or damaged by a recent tornado, introduced by Mr. LUCAS, was read twice by its title, referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

"Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $4,700,000, which shall be available for expenditure by the Federal Works Administrator in cooperation with the appropriate local officials of the State of Illinois for the reconstruction and repair of public facilities which are located in the State of Illinois and which were destroyed or damaged as a result of a tornado on March 19, 1948."

The statement presented by Mr. LUCAS was ordered to be printed in the RECORD, as follows:

"STATEMENT BY SENATOR LUCAS

"I am today introducing a bill in the Senate of the United States for the relief of those areas in Illinois which were stricken by the recent tornado.

"This bill appropriates $4,700,000 for the repair and reconstruction of public facilities (such as schools, streets, and waterworks) which were destroyed. The Federal Works Administrator, with the cooperation of the local officials, is to have charge of the expenditure of the money made available under the bill.

"On March 19, 1948, the towns of Bunker Hill, Gillespie, and Fosterburg, in Illinois, were devastated by a windstorm which reached the proportions of a cyclone. Other areas in the vicinity also suffered enormously from the effect of the storm. Immediately after receiving word of the storm, I requested the Reconstruction Finance Corporation to declare the area a disaster area so as to make it possible for the Disaster Loan Corporation, an RFC subsidiary, to make loans to residents of the area. I received word that same day that the RFC had declared the area eligible for disaster loans. As a result victims of the disaster were enabled to make loans promptly for the repair of damaged property and to replace losses to personal property, such as machinery, equipment, and household furniture.

"I also got in touch with the Federal Works Agency for the purpose of having that Agency lend such assistance as it could to the tornado victims. The day following the disaster a representative of the Federal Works Agency came into the area to study the damage and decide what war-surplus equipment could be used for the relief of the storm sufferers. Materials and equipment of all kinds, chiefly from the engineer depot at Granite City, were swiftly moved into place to start the job of clearing away the debris and attending to the acute housing needs of the people.

"Through the cooperation of the War Assets Administration and the RFC, priorities for the purchase of building and materials were made available to the tornado victims.

"The time has now come to restore to the people who suffered from this disaster the public facilities which were damaged and destroyed. With so much of their towns laid waste, they obviously do not have the financial means, through taxation or otherwise, to do this job themselves. Prompt action is necessary if these communities are to have once again the public buildings and municipal service which are absolutely essential.

"I shall press for an early hearing on the bill introduced today and work for its passage by the Congress."

Mr. HOLLAND. Mr. President, I merely wish to remark briefly, first, that the law requires the Corps of Engineers to report when special benefit accrues to any land, and to assess the benefits. When a Senate committee approves a program, that feature is embodied in it. The only flood-control project we have in our State is under the specific requirement that 38 percent of the cost shall be paid by the State and local governments, notwithstanding the fact that the State and local governments advanced and put into the project some $29,000,000 before the Federal Government came in.

The only purpose of my mentioning this at this time is that the program advanced in the amendment is wholly unrealistic, because it requires a fixed proportion of the entire expense, without any reference at all to the amount of benefits accruing or found to accrue to the land.

In the case of erosion provisions, of which there are two in the bill, already under existing law the local governments are required to pay two-thirds of the benefit. So, there is good law and sound law requiring the assessment and payment of benefits where benefits result. Apparently the distinguished junior Senator from Illinois did not know, when he drew the amendment, that that was the case.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert at the end of the bill the following:

TITLE III—GENERAL

SEC. 301. No work of improvement specifically authorized by this act to be constructed or performed by the United States shall be commenced and no contract shall be let with respect to such work, unless at the time of such commencement or letting (1) the cost of such work will not, in the opinion of the Secretary of the Army, exceed the last estimate therefor submitted to, and approved by, Congress, or (2) such work shall have been theretofore commenced and the Secretary of the Army shall determine that delay in letting such contract until a corrected estimate can be approved by Congress would result in substantial detriment to the interests of the United States.

Mr. WILLIAMS. Mr. President, for many years the procedure has been for the Army engineers to submit to the Congress along with their favorable recommendations, low estimates of the cost of the projects being considered.

Following receipt of these cost estimates, Congress and the Bureau of the Budget, after weighing the benefits to be derived from the completed project against the proposed cost, either approve or disapprove the construction.

Later, in many instances, we find that these first estimates of the cost submitted by the engineers were nothing more than a down payment and that after the construction work has begun, with the first appropriation spent, we are then advised by these same engineers that they will need many times more than the original estimate in order to complete the project. We are also advised by the engineers that failure to authorize the additional appropriations would result in the loss of our original investment.

A substantial percentage of the authorization in the bill before us—H. R. 5472—represents amounts which are needed to complete projects which Congress in many instances would never have started had they had any idea as to the ultimate cost.

In order to correct this situation I am at this time offering an amendment which proposes that notwithstanding the fact that appropriations might have been authorized and made, construction work on any project is prohibited when the bids received by the Government exceed the original estimate submitted to Congress.

The adoption of this amendment will enable Congress to have an accurate price tag on each project which is authorized and will stop this procedure of submitting a low-cost estimate as an opening wedge in prying open the door of the Federal Treasury.

As examples of how this procedure has been followed in the past, I ask unanimous consent to have inserted a list of a few of the projects in which the cost to date has far exceeded the original authorization. The Senate will note that in many instances these projects are still far from completed.

The PRESIDING OFFICER. Without objection it is so ordered.

The list is as follows:

BUREAU OF RECLAMATION PROJECTS—ORIGINAL VERSUS LATEST ESTIMATES [1]

Missouri River Basin projects: Original estimated cost, $529,152,800. Latest revised estimate, $2,834,427,848. (Started in 1946; completion date, 1956).

Hungry Horse project (Montana): Original estimate, $38,648,000. Latest revised estimate, 105,500,000. (Started in 1946; completion date, 1954.)

Colorado-Big Thompson project (Colorado): Original estimate, $44,000,000. Latest revised estimate, $150,503,000. (Started in 1935; completion date, 1953.)

Central Valley project (California): Original estimate, $170,000,000. Latest revised estimate, $581,886,000. (Started in 1936; completion date, after 1956.)

Davis Dam (Arizona-Nevada): Original estimate, $41,200,000. Latest revised estimate, $114,438,000. (Started in 1942; completion date, 1954.)

Fort Peck project (Montana): Original estimate, $5,732,554. Latest revised estimate, $16,250,000. (Started in 1943; completion date, after 1956.)

Lewiston Orchards project (Idaho): Original estimate, $997,000. Latest revised estimate, $2,500,000. (Started in 1948; completion date, December 1950.)

Paonia irrigation project (Colorado): Original estimate, $1,071,260. Latest revised estimate, $4,747,000. (Started in 1940; completion date, 1953.)

[1] The figures which follow were taken from a table on p. 662 of the 1951 House Appropriation Committee hearings on Interior Department, pt. 4.

CORPS OF ENGINEERS PROJECTS—ORIGINAL VERSUS LATEST ESTIMATES [2]

Whitney Reservoir (Texas): Original estimate (1939), $8,350,000. 1951 estimate, $41,794,000.

Buggs Island (North Carolina and Virginia): Original estimate (1942), $30,900,000. 1951 estimate, $76,870,000.

Blakely Mountain Reservoir (Arkansas): Original estimate (1944), $11,080,000. 1951 estimate, $31,000,000.

Oahe Reservoir (South Dakota and North Dakota): Original estimate (1940), $72,800,000. 1951 estimate, $234,400,000.

Kansas City (Missouri and Kansas): Original estimate (1940), $15,645,000. 1951 estimate, $41,389,000.

Jim Woodruff Lock and Dam (Florida): Original estimate (1941), $24,139,000. 1951 estimate, $42,206,000.

Buford Dam (Georgia): Original estimate (1941), $17,631,000. 1951 estimate, $40,225,000.

Chief Joseph Dam (Washington): Original estimate (1945), $104,050,000. 1951 estimate, $206,000,000.

Mr. WILLIAMS. Mr. President, for the information of the Senate I call attention to just a few of the projects in which the estimated cost was grossly understated.

Missouri River Basin projects were originally authorized at an estimated cost of $529,000,000. The latest revised estimate is $2,834,000,000.

Hungry Horse project in Montana. The original estimate was $38,000,000 plus. The latest revised estimate is $108,000,000.

The Colorado-Big Thompson project in Colorado. The original estimate was $44,000,000. The latest revised estimate is $150,000,000.

The Central Valley project in California. The original estimate was $170,000,000. The latest revised estimate is $581,000,000.

Davis Dam, Arizona and Nevada. The original estimate was $41,000,000. The latest revised estimate is $114,000,000.

Fort Peck project in Montana. The original estimate was $5,000,000 plus. The latest revised estimate is more than $16,000,000.

Lewiston Orchards project in Idaho. The original estimate was $997,000. The latest revised estimate is $2,500,000.

The Paonia irrigation project in Colorado. The original estimate was $1,000,000 plus. The latest revised estimate is more than $4,700,000.

The Whitney Reservoir in Texas. The original estimate was $8,350,000. The 1951 estimate is $41,794,000.

Buggs Island, in North Carolina and Virginia. The original estimate in 1942 was $30,900,000. The 1951 estimate is $78,000,000.

Blakely Mountain Reservoir in Arkansas. The original estimate in 1944 was $11,000,000. The 1951 estimate is $31,000,000.

Mr. President, I will not take the time of the Senate to continue reading all the projects, but the ones I have read are fair examples of the way the projects have been described at a low-cost figure in order that they might secure congressional approval. Adoption of my amendment would stop all the construction work on this procedure by stating that if the bids received by the Army Engineers exceed the original estimate as approved by Congress then they must withhold all work until further authorization is secured.

Mr. President, on my amendment I ask for the yeas and nays.

Mr. MALONE. Mr. President, I have listened very carefully to the statement made by the Senator from Delaware. I ask the Senator if he is familiar with the fact that since the $41,000,000 estimate on the Davis Dam we have signed a treaty with Old Mexico which increased the cost by increasing the capacity and by provision for various other uses which were not contemplated in the original estimate?

Mr. WILLIAMS. I am aware of that, but I point out to the Senator that there was nothing which would have prevented the engineers from coming back to Congress and finding out from Congress whether or not we wish to go ahead on the basis of the revised estimate or whether we did not. That should have been done. I think it is entirely too much power to put in the hands of the engineers to do otherwise. I might say that the Davis Dam project is only one of many projects and the others do not involve treaties with Mexico.

Mr. MALONE. Mr. President, I wish to ask one more question of the Senator from Delaware. Is the Senator aware that with respect to the Davis Dam the new cost was authorized through the treaty? In other words, that there was a treaty made with Old Mexico, and then part of the cost is supposed to be charged to the treaty? If the Senator from Delaware will please reply I shall appreciate it.

Mr. WILLIAMS. I point out again that notwithstanding the fact that there was a treaty entered into later, after the original authorization, we still should not give the Army Engineers the right to raise the original estimate which had been approved by Congress, from $41,200,000 to $214,438,000, without first resubmitting the question to Congress.

Mr. MALONE. Mr. President, will the Senator yield for one more question?

Mr. WILLIAMS. I yield.

Mr. MALONE. Is the Senator aware that when the original estimates were made on Davis Dam the dollar was worth more than it is today; that in comparison to the dollar of that day, it is now worth about 45 cents?

Mr. WILLIAMS. I point out to the Senator from Nevada that the amendment which I am offering relates only to those projects which we are authorizing in the bill before us. These projects are being authorized on the basis of the dollar as of today's value. Surely you are not proposing that we give the Army engineers the right to double and triple the expenditures on these projects, merely on the assumption we are going to depreciate the dollar. I would be seriously alarmed if that suggestion is even remotely considered as an argument against my amendment.

Mr. MALONE. Mr. President, the Senator has no reason for and no idea of explaining what the administration is going to do to the dollar.

Mr. WILLIAMS. The Senator from Delaware could not do it.

Mr. MALONE. I merely wish to say that the increased cost of the projects with which I am personally familiar is probably justified.

Mr. WILLIAMS. Mr. President, I repeat that all the amendment does is to state that if the bids exceed the cost which has been approved by Congress, then the engineers must come back for more authority before they spend the first authorization for what we described as a down payment.

Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Anderson	Hendrickson	Martin
Benton	Hickenlooper	Maybank
Brewster	Hill	Millikin
Bricker	Hoey	Morse
Bridges	Holland	Neely
Butler	Humphrey	O'Conor
Byrd	Ives	O'Mahoney
Capehart	Jenner	Robertson
Chapman	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Connally	Kefauver	Schoeppel
Cordon	Kerr	Stennis
Darby	Kilgore	Taylor
Donnell	Knowland	Thomas, Okla.
Douglas	Langer	Thomas, Utah
Dworshak	Leahy	Thye
Eastland	Lehman	Tydings
Ellender	Lodge	Watkins
Ferguson	Lucas	Wherry
Frear	McCarran	Wiley
Fulbright	McClellan	Williams
George	McFarland	Withers
Graham	McKellar	Young
Green	McMahon	
Hayden	Malone	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is the request sufficiently seconded?

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware. [Putting the question.]

The amendment was rejected.

The PRESIDING OFFICER. Are there further amendments to be offered to the bill?

Mr. LANGER. Mr. President, in view of the fact that the senior Senator from Illinois [Mr. LUCAS] and the junior Senator from Illinois [Mr. DOUGLAS] apparently do not agree on economy, I desire to read a paragraph from a speech delivered in the Senate by the senior Senator from Illinois [Mr. LUCAS] on the 19th day of May 1948, at the time when an

[2] Figures taken from House Appropriations Committee hearings on Army civil functions, pt. 1 (1951 appropriations).

appropriation bill was before the Senate. At that time the senior Senator from Illinois said:

I think the Senator has touched the nerve center of the matter, so far as the argument is concerned, when he says that no project has been identified as being unworthy. It seems to me, after the committee has given the matter serious consideration, that the minority ought to point out, if they expect to receive my vote, why the appropriations should be reduced $200,000,000 and what projects are affected. It seems to me there is a weakness in their argument.

A little later the senior Senator from Illinois said:

I am sympathetic with those on the other side of the aisle who are constantly talking about economy, but who are always seeking to give the notion to the country that they are the ones who are going to save the country through economy. Of course, they claim they are going to accomplish economy by the proposed reduction of $200,000,000; but a reduction in appropriations without any explanation is just as bad in principle as an increase in appropriations by $200,000,000 without any explanation.

Mr. President, when an attempt is made to reduce by $200,000,000 the authorizations for the Missouri River Basin, that is directly opposite to what the senior Senator from Illinois was contending for at the time when he made the speech to which I have just referred.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. SALTONSTALL. Mr. President, on the question of the final passage of the bill, I wish to ask for the yeas and nays.

Mr. FERGUSON. Mr. President, I should like to say only a few words in regard to why I am opposing this bill and why I shall vote against its passage.

As to the projects for the Corps of Engineers, I find that they may be summarized as follows:

A. Projects complete or essentially complete at end of fiscal year 1949. Total estimated Federal cost, $1,206,000,000.

B. Projects under way in fiscal year 1950. Total estimated Federal cost, $6,652,400,000.

C. Projects authorized but not under way. Total estimated Federal cost, $5,265,000,000—toward which $41,000,000 has been appropriated for planning.

Total monetary ceiling for B and C combined is $7,805,000,000.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CAPEHART. I should like to ask the able Senator from Michigan to point out any projects in Indiana included in the bill, inasmuch as the Senator said that projects in every State in the Union are included in this omnibus authorization bill. Will the Senator show me where, in the bill, the State of Indiana is to get one red penny of authorizations for any project?

Mr. FERGUSON. Very well, I make an exception in the case of Indiana, namely, that the bill does not include an authorization for the State of Indiana.

Mr. CAPEHART. That is correct; not one red cent is to be authorized by this bill for the State of Indiana.

Mr. CAPEHART subsequently said: Mr. President, I wish to correct the statement I made a moment ago for the RECORD, namely, that Indiana was not included in the list. I now find that it was included, and I desire to correct the statement I made previously.

The PRESIDING OFFICER. The correction will be made.

Mr. SALTONSTALL. Mr. President, will the Senator from Michigan yield for a question and a brief statement?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. The Senator is a member of the Appropriations Committee, as I am. When General Dwight Eisenhower testified before us the other day, he spoke of the need for a modern 48-group Air Force.

Does the Senator agree that I am correct in stating that in the budget today there is an item for contract authority for the procurement of planes of $1,350,000,000 for the Air Force and $650,000,000 for naval aviation, or a total of $2,100,000,000—but, if we are to provide a modern 48-group Air Force, the contract authority must be gradually increased from $1,350,000,000 over the next 6 years to a leveling-off figure of $2,000,000,000 in 1955?

Mr. FERGUSON. Yes, that is what the record shows, because as we go along, from year to year, the depreciation of the present planes, even those we acquire now, will be so great that the figure which has been stated will be required for the maintenance of the Air Force on the basis of 48 groups, plus 11 groups for the National Guard.

Mr. SALTONSTALL. Does the Senator also agree that I am correct in saying that for the Atomic Energy Commission there is an item $626,000,000 in cash and an item of $333,000,000 in contract authority, which do not include any recommendations for H bomb expenditures which may be presented to us?

Mr. FERGUSON. Yes; those are correct figures.

Mr. SALTONSTALL. So, if we do not take the steps the Senator suggests in the interest of national security, we shall run the risk of receiving no value from the projects now proposed to be authorized. Is not that correct?

Mr. FERGUSON. That is correct.

Mr. President, as I consider these projects as a whole, they are not in the interest of national defense. I do not mean to say that some of them are not; but certainly the projects which are necessary should be authorized as they are needed. This is an omnibus bill. We find included in it, I believe, one or more projects in every State of the Union.

Mr. President, I believe that when this country is in the serious financial straits it is in today; when we are in a cold war; when, in the opinion of some persons, we are even on the verge of or are approaching a hot war; when before our committee we heard the testimony of Gen. Dwight Eisenhower as to the necessity for the expenditure of more than half a billion dollars more on armaments; and when all these projects have already been begun, I think we should not authorize further projects, as carried in this omnibus authorization bill. To the contrary, Mr. President, we should wait and see as we go along.

When worthy projects which are very vital are presented, we should authorize them, instead of seeking to make authorization in an omnibus bill, under which, as in this case, some billion and a half dollars' worth of projects would be authorized, although there is no need for some of them.

Mr. SALTONSTALL. Does the Senator also agree that I am correct, as a member of the Appropriations Committee, in saying that, so far as we can see, there will be a deficit of at least $5,000,000,000 this year?

Mr. FERGUSON. Yes; the deficit will be upward of $5,000,000,000.

Mr. SALTONSTALL. Does the Senator also agree that, quite correctly, there will be increased demands for social security?

Mr. FERGUSON. That is correct.

Mr. SALTONSTALL. And also a demand for lower taxes?

Mr. FERGUSON. That is always in existence, and particularly now.

Mr. SALTONSTALL. So our great problem is to provide for the security of the country without increasing the deficit to too great an extent. Does not the Senator agree?

Mr. FERGUSON. I agree with the Senator from Massachusetts that that is our No. 1 problem at the present time, and should be our No. 1 problem.

Mr. CHAVEZ. Mr. President, all the amendments coming from the floor have been submitted, with the exception of some survey amendments which have been offered by the Senator from California [Mr. KNOWLAND] and several other Senators. The amendments simply provide for surveys. I send them to the desk and ask that they may be considered en bloc.

The PRESIDING OFFICER. Is there objection to the consideration of the amendments en bloc? The Chair hears none, and it is so ordered.

The amendments will be stated.

The LEGISLATIVE CLERK. On page 47, after line 4, it is proposed to insert "Filberts Creek at Edenton, N. C."

On page 49, after line 2, it is proposed to insert "Reclamation District No. 768, Humboldt County, Calif."

On page 17, after line 19, it is proposed to insert "Channel from the Gulf of Mexico into Fort Myers Beach, Estero Island, Fla."

On page 16, after line 21, it is proposed to insert "channel from Turkey Point to Havre de Grace, Harford County, Md."

On page 47, after line 5, it is proposed to insert "Johns Island and vicinity."

On page 48, after line 16, it is proposed to insert "Salt River, Ky."

The PRESIDING OFFICER. The question is on agreeing to the amendments, en bloc.

The amendments were agreed to.

Mr. SALTONSTALL. Mr. President, when the question occurs on the final passage of the bill, I wish to ask for the yeas and nays.

The PRESIDING OFFICER. If there are no further amendments to be proposed, the question is on the engrossment

of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. SALTONSTALL, Mr. WILLIAMS, and other Senators asked for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WITHERS (when his name was called). On this vote, I have a pair with the junior Senator from Louisiana [Mr. LONG]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. O'MAHONEY. On behalf of my colleague from the State of Wyoming [Mr. HUNT], I desire to note that he is detained from the Senate because of illness. If present and voting, he would vote "yea."

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Washington [Mr. MAGNUSON], the Senator from Pennsylvania [Mr. MYERS], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] are absent on public business.

The Senator from Iowa [Mr. GILLETTE] and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The Senator from Pennsylvania [Mr. MYERS] is paired on this vote with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Montana would vote "nay."

I announce further that if present and voting, the Senator from California [Mr. DOWNEY], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], and the Senator from Alabama [Mr. SPARKMAN] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Vermont [Mr. AIKEN] is paired with the Senator from South Dakota [Mr. GURNEY]. If present and voting, the Senator from Vermont would vote "nay" and the Senator from South Dakota would vote "yea."

The Senator from Ohio [Mr. TAFT] is paired with the Senator from New Hampshire [Mr. TOBEY]. If present and voting, the Senator from Ohio would vote "nay" and the Senator from New Hampshire would vote "yea."

The Senator from Wisconsin [Mr. MCCARTHY] is detained on official business.

The Senator from South Dakota [Mr. MUNDT] is detained on official business and is paired with the Senator from Missouri [Mr. KEM], who is also detained on official business. If present and voting, the Senator from South Dakota would vote "yea" and the Senator from Missouri would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is detained on official business and is paired with the Senator from Maine [Mrs. SMITH], who is also detained on official business. If present and voting, the Senator from Vermont would vote "nay" and the Senator from Maine would vote "yea."

The Senator from Washington [Mr. CAIN] is absent on official business and is paired with the Senator from Montana [Mr. ECTON], who is detained on official business. If present and voting, the Senator from Washington would vote "yea" and the Senator from Montana would vote "nay."

The result was announced—yeas 53, nays 19, as follows:

YEAS—53

Anderson	Hayden	McFarland
Benton	Hendrickson	McKellar
Brewster	Hickenlooper	Malone
Butler	Hill	Maybank
Capehart	Hoey	Millikin
Chapman	Holland	Morse
Chavez	Humphrey	Neely
Connally	Johnson, Tex.	O'Mahoney
Cordon	Johnston, S. C.	Russell
Darby	Kefauver	Stennis
Donnell	Kerr	Taylor
Dworshak	Kilgore	Thomas, Okla.
Eastland	Langer	Thomas, Utah
Ellender	Leahy	Thye
Fulbright	Lehman	Watkins
George	Lucas	Wherry
Graham	McCarran	Young
Green	McClellan	

NAYS—19

Bricker	Jenner	Saltonstall
Bridges	Knowland	Schoeppel
Byrd	Lodge	Tydings
Douglas	McMahon	Wiley
Ferguson	Martin	Williams
Frear	O'Conor	
Ives	Robertson	

NOT VOTING—24

Aiken	Johnson, Colo.	Pepper
Cain	Kem	Smith, Maine
Downey	Long	Smith, N. J.
Ecton	McCarthy	Sparkman
Flanders	Magnuson	Taft
Gillette	Mundt	Tobey
Gurney	Murray	Vandenberg
Hunt	Myers	Withers

So the bill (H. R. 5472) was passed.

Mr. CHAVEZ. Mr. President, I move that the bill as passed by the Senate be printed with the amendments numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAVEZ. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. MCCLELLAN, Mr. HOLLAND, Mr. CAIN, and Mr. MALONE conferees on the part of the Senate.

COMMITTEE MEETINGS DURING SENATE SESSIONS

Mr. TYDINGS. Mr. President, one of the hearings which the subcommittee of the Committee on Foreign Relations will be having will occur on next Thursday. The witness who is appearing has been requested to come before the committee by the Senator from Wisconsin [Mr. MCCARTHY]. It is quite likely that we shall want to continue at some length with this witness. It is also a fact that the witness himself is engaged in a lecture tour, and we have had some difficulty arranging a date so that he could attend the hearing. I therefore ask unanimous consent that the committee may sit Thursday and Friday while the Senate is in session, in order that we may dispose of business now before the committee.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, has the distinguished Senator from Maryland taken this up with the Senator from Wisconsin [Mr. MCCARTHY]?

Mr. TYDINGS. No, I have not; because it is the Senator's witness, and I am trying to accommodate him. I take it for granted he would be in favor of having all the time necessary.

Mr. WHERRY. I did not mean to imply that the Senator from Maryland had not considered that angle of it. I was merely trying to make sure that the arrangement made would be satisfactory to the Senator from Wisconsin.

Mr. TYDINGS. I am sure the Senator from Wisconsin would like this witness to have all the time necessary. We may not be able to finish by the time the Senate convenes. We may have to go over until Friday. Therefore I have made the request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948—ORDER OF BUSINESS

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3304, Calendar 1379.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

Mr. KEFAUVER. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. LUCAS. No. I have moved that the Senate proceed to the consideration of S. 3304.

Mr. KEFAUVER. Mr. President, will the Senator yield for an inquiry?

Mr. LUCAS. I yield.

Mr. KEFAUVER. I had hoped, and I had understood from the majority leader the hope would be realized, that, shortly after the conclusion of the river and harbor bill, the Senate would proceed to the consideration of Senate Resolution 202. I hope the discussion of the resolution would not take long. It provides for an investigation which, if

worth-while results are to be accomplished, should be begun as soon as possible. The matter has been in the Senate quite a while, and I am trying to obtain consideration of the resolution.

Mr. LUCAS. Does the Senator from Tennessee think it is more important than the ECA bill?

Mr. KEFAUVER. I may say to the Senator I think it is a subject of great importance. I do not think it would take very long to dispose of the resolution. Debate on the ECA bill will continue for several weeks, I understand, or at least for several days.

Mr. DONNELL. Will the Senator yield?

Mr. LUCAS. I yield to the Senator.

Mr. DONNELL. I should like to state, so the Senator from Tennessee may be advised, that there will be opposition to an amendment in the nature of a substitute which I understand he is expecting to present.

Mr. LUCAS. I understood from the newspapers today in St. Louis that there would be opposition.

Mr. DONNELL. There will be. The newspapers are entirely correct.

Mr. KEFAUVER. Mr. President, if the Senator will yield further, I hope the Senator from Missouri will indicate what the opposition will be, so that we may get an idea of how long the resolution will take. The matter is pretty well understood, I think.

Mr. DONNELL. I may say I cannot give an assurance that it will be particularly brief. There will be very strong opposition, I may say, to the amendment which I understand will be presented by the Senator from Tennessee, and I make no promises as to the length of time the debate will consume.

Mr. LUCAS. The Senator from Missouri, I understand, is going to speak when the matter comes up.

Mr. DONNELL. The Senator has understood correctly.

Mr. LUCAS. Therefore, the Senator from Tennessee can govern himself accordingly.

Mr. KEFAUVER. Mr. President, if the Senator from Illinois will yield further, I may say the difficulty, as I see it, is that when the ECA bill is out of the way, there will be something else just as important. The way matters are going now, it looks as if we may never have time to take up the resolution providing for the investigation. I may say to the majority leader that while he was out of the city, there was worked out an arrangement with the acting majority leader, the Senator from Pennsylvania, so that I was given to understand that he would try to see that the resolution was brought up in a few days. He wanted to wait until the majority leader returned, before granting unanimous consent for its consideration.

Mr. LUCAS. Mr. President, let me say to the distinguished Senator from Tennessee that I am just as eager as he is to have the resolution come before the Senate, have it debated, and a decision made one way or the other. However, the Senator from Tennessee certainly will not advise the Senate and the country that the so-called crime probe is more important than is the bill to amend the Economic Cooperation Act, as amended, which I am trying to get before the Senate. The crime probe can go on and on. ECA is an emergency proposition. The Senator from Tennessee will have all summer long and all fall, so far as I am concerned, to investigate every crook in America, and he can have all the money he wants so far as I am concerned to do that. Certainly the Senator from Tennessee will not insist that the resolution to investigate organized crime is more important than ECA legislation.

Mr. KEFAUVER. I did not say it was more important.

Mr. LUCAS. What is the Senator saying?

Mr. KEFAUVER. What I said was that I thought it should not take a very long time.

Mr. LUCAS. The Senator has heard the distinguished Senator from Missouri say that it will take some time. I know that if the Senator from Missouri speaks on the measure it will take some time. I say that most respectfully.

Mr. KEFAUVER. I have heard the Senator from Missouri make rather brief speeches and my thought was that if we could have the resolution considered tonight perhaps the Senator from Missouri, by the time we adjourned, would have spoken fully on the matter. I do not know that many Members of the Senate wish to discuss it. I do not believe the resolution will take a very long time. It has to do with a matter of great importance.

Mr. LUCAS. There is no question about the importance of the resolution, but I know the Senator from Tennessee will wish to speak on it at great length, because he will be compelled to answer many arguments. I shall wish to take some time on it, because, according to the press I have been charged with some sort of trickery in trying to have appointed a committee which I thought could do a job, and certainly I want a little time to debate it. I know that several other Senators will wish to take some time. It cannot be done tonight. It cannot be done in a day's time.

Mr. KEFAUVER. Will the Senator yield?

Mr. LUCAS. I yield.

Mr. KEFAUVER. I had a feeling that after the issues had been presented, the question would resolve itself rather quickly. I believe almost every Senator is in favor of the resolution, in one form or another. After the opposing positions are stated, it does not seem to me it would take a very long time to dispose of the resolution. Perhaps the Senator from Illinois can give us some idea as to when the resolution may come up for consideration and determination.

Mr. LUCAS. I should like to have the resolution considered as soon as possible. I am not trying to delay its consideration. However, there are matters before the Senate which are more important than the proposed crime probe. The Senator knows that to be so. There will be time between now and November 5 to investigate anything which the Senator wishes to investigate, anywhere in the country. Surely, on an important measure such as the ECA bill, which the President of the United States himself has said is the most important measure before us today, the Senate ought to go along with the President. I cannot understand why the Senator from Tennessee insists on bringing up the resolution. If he does insist, I shall suggest that he move to bring it up in place of consideration of ECA and get a vote on the motion, so that we may see what the Senate has to say about it.

Mr. KEFAUVER. Very well. Mr. President, I move that the Senate——

The PRESIDING OFFICER. The motion is not in order. The question is on agreeing to the motion of the Senator from Illinois to proceed to the consideration of S. 3304.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KEFAUVER. The distinguished majority leader suggested that the Senate decide which matter we should take up at this time.

The PRESIDING OFFICER. The substitute motion is not in order. The power is in the Senate to vote the motion up or down. In either event, whatever the action of the Senate, the Senator from Tennessee may move to consider his motion.

Mr. KEFAUVER. May I inquire how the majority leader expected to have the Senate vote on the question.

Mr. LUCAS. I do not wish to become involved in a technical discussion with the Senator from Tennessee. I have simply moved to take up the ECA bill. If it is taken up, the Senator may move to lay it aside.

The PRESIDING OFFICER. If the motion were agreed to it would be in order to proceed with another matter. If the pending motion were defeated, the Senator from Tennessee could move to proceed to the consideration of the resolution. The question is on agreeing to the motion of the Senator from Illinois.

Mr. WHERRY. There is another matter which the Senate has been unable to take up and act upon. I do not know whether the majority leader read anything about it in St. Louis. If he did not, I should like to refresh his memory.

Mr. LUCAS. I did not have to read about the measure which I presume the Senator from Nebraska has in mind.

Mr. WHERRY. I refer to the conference report on the basing-point bill, which has not yet been brought up for consideration. I should like to say that I shall not oppose the motion to take up the ECA bill. I feel it is an important measure and should receive the consideration of the Senate. However, I feel that the conference report is in a little different category than a matter on which a choice may be made as to which measure should be considered. I am not certain as to who will speak on the conference report. I know, as does the majority leader, that several Senators wish to debate the issue. I doubt very much that its consideration would take as much time as the consideration of the ECA bill. However, I suggest to the distinguished majority leader that if he can see his way clear to do so, after the ECA bill has been disposed of, he try to make the conference report the order of

business, so that it may be considered at that time. We could take it up then, if not before. I have in mind that perhaps we could get a unanimous-consent agreement to consider the report on an afternoon during debate on the ECA bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

INVESTIGATION OF CERTAIN CRIMINAL ACTIVITIES

Mr. KEFAUVER. Mr. President, I move that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate Resolution 202.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate Resolution 202, which the clerk will state by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 202) to investigate gambling and racketeering activities.

The PRESIDING OFFICER. The motion is debatable.

Mr. LUCAS. Mr. President, I hope the Senate will not consider the resolution at this time. I want the Senator from Tennessee to understand, and I want the country and the Senate to understand, that insofar as the majority leader is concerned, he is in favor of the investigation. I do not care how far the investigators go, whom they investigate, or what they investigate, so long as they stay within the scope of the resolution. I think something ought to be done to investigate criminal activities. However, it seems to me ridiculous, when we have such a program as the ECA, which not only affects the Nation but the world as well, which the President of the United States has asked to be brought up at the earliest possible time, to have a motion made to set it aside and take up a resolution providing for a probe of this kind, in connection with which there exists no emergency. The Senator from Tennessee and the committee which would ultimately be appointed under the resolution, could probe from now until the end of time, so far as I am concerned; but certainly no emergency is involved. In my opinion, the Senate should reject the motion.

Mr. KEFAUVER. Mr. President, the majority leader has been very cooperative, and I know he is considering the matter in the light of what he believes to be more important. However, I do not think consideration of the resolution should take any great length of time. Insofar as I am able to make any kind of agreement, I would agree with the majority leader that if it should take more than a day, consideration of the resolution should be deferred until after the ECA bill is out of the way. However, I fear that if the resolution is not taken up at this time, it will be deferred, and later on the conference report on the basing-point bill will be considered more important. After that, the appropriation bill will be considered more important. Therefore I do not know when the resolution will be brought up for consideration.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. KEFAUVER. Yes.

Mr. LUCAS. The Senator by his motion has practically told the country and the Senate that he believes the proposed probe is more important than the European recovery program. Candidly, I am a little surprised at my friend, the Senator from Tennessee, that he would attempt to say to the country and to the world at large that the probe is more important than the pending bill dealing with ECA. The Senator, in my judgment, puts himself in an improper light before the country. I may be wrong about it, but that is the way I feel.

Mr. KEFAUVER. I am disappointed that the distinguished majority leader should thoroughly misunderstand my position. I thought it was understood that the debate on the ECA bill would take several weeks. It semed to the junior Senator from Tennessee that before we got into that debate, the resolution, which is also of great importance, could be taken up. Many Senators would be willing to forego attending the ball game tomorrow and stay here and debate the resolution and listen to the eloquence of the distinguished Senator from Missouri. It seems to me that to many of us consideration of the resolution is more important than going to a ball game tomorrow, which I had understood would be the order of business. That is a very important order of business, too, but I was not comparing the importance of the resolution with the ECA bill. However, in making any comparison, it looks to the junior Senator from Tennessee that if the resolution were to be given consideration, now would be the time to present it to the Senate and let the Senate decide which question should be brought up at this time.

Mr. McFARLAND. Mr. President, I should like to state that the question was asked the junior Senator from Arizona when he was acting in the capacity of majority leader, whether they would be any votes taken tomorrow, and I gave assurance that there would not be. Whether that was a proper assurance I do not know.

So far as going to the ball game is concerned, the Senate was in session until 8:45 o'clock Friday night, and we are in session now at 7:15. A little recreation now and then is of benefit to anyone. I have no hesitancy in saying that I think it is a good thing for Senators to go to a ball game once in a while. I think we will make more progress than by working day and night all the time.

Mr. BRIDGES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRIDGES. Has the resolution which the Senator from Tennessee is now attempting to have made the order of business ever been referred to a committee of the Senate and acted upon by the committee?

The PRESIDING OFFICER. The resolution was referred to the Committee on the Judiciary and reported to the Senate, and then was referred to the Committee on Rules and Administration.

Mr. KEFAUVER. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. KEFAUVER. Senate Resolution 202 has been reported by the Committee on the Judiciary and by the Committee on Rules and Administration with two amendments, and it is on the calendar.

Mr. BRIDGES. In its present form?

Mr. KEFAUVER. The junior Senator from Tennessee will offer his substitute resolution, which does not change in any important particular the nature or scope of the investigation. It does authorize a larger amount of money to conduct the investigation. It strikes out the July 31 report provision and substitutes the date January 31 as the time for making the report. It establishes a special committee to be composed of five members of the Committee on the Judiciary and the Committee on Interstate and Foreign Commerce.

Mr. BRIDGES. Then the proposal upon which the Senate will be called upon to pass, which is the substitute, was never referred to a committee or passed on by a committee?

Mr. KEFAUVER. The original resolution, Senate Resolution 202, has been.

Mr. BRIDGES. I understand that.

Mr. KEFAUVER. The substitute has not been.

Mr. BRIDGES. I understand there has been a lot of shenanigans about this matter in the Democratic Policy Committee, and so on. Why is it not the proper procedure for the whole thing to be heard by a committee and reported to the Senate?

Mr. LUCAS. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. LUCAS. I do not like that word "shenanigans." Nobody knows the meaning of it better than does the Senator from New Hampshire.

Mr. BRIDGES. I thank the Senator from Illinois. I think perhaps he is right.

Mr. KEFAUVER. Mr. President, I may say to the Senator from New Hampshire that there is no shenanigans. There is nothing but an honest desire to have an impartial investigation, without regard to trying to be of benefit or damage to any political party, or without any regard to political considerations.

Mr. BRIDGES. Can the Senator tell the Senate why he did not accept the report of the Committee on the Judiciary and the report of the Committee on Rules and Administration, and why he is now attempting to put forward a substitute?

Mr. KEFAUVER. I think a brief statement about that would be of some clarifying benefit.

Mr. BRIDGES. I do not want to say there was shenanigans if it offends the Senator from Illinois, but something went on.

Mr. KEFAUVER. I am certain that after thinking about the matter twice, the Senator will withdraw any reference to shenanigans, because there has not been any.

The facts are, Mr. President, that on January 5 I submitted a resolution which

was referred to the Committee on the Judiciary. After certain necessary delays in drafting the resolution and the report, the resolution was reported by the Committee on the Judiciary on February 27. Then it was referred to the Committee on Rules and Administration, at which time the senior Senator from Colorado [Mr. JOHNSON], the chairman of the Committee on Interstate and Foreign Commerce, opposed the granting of funds to carry out the resolution reported by the Committee on the Judiciary.

The reason for the opposition was that in the meantime the Attorney General had called what was a very useful crime conference, consisting of mayors, city and county officials, and district attorneys, which met in Washington during February. The legislative committee of that crime conference drafted, with the assistance of the Attorney General, two bills, one having to do with the use of wire services in connection with betting operations, particularly horseracing, the other having to do with the transportation of gambling devices in interstate commerce.

Those two bills, which were sent to the President of the Senate, I examined before they were laid down, hoping that there might be some justification for raising a question, so that they could be sent to the Committee on the Judiciary. But from the way the bills were drafted, in my opinion, they went properly to the Committee on Interstate and Foreign Commerce.

Thereafter the Senator from Colorado [Mr. JOHNSON] presented a resolution to the Committee on Interstate and Foreign Commerce which is substantially the same as the resolution which had been approved by the Committee on the Judiciary, asking for money to carry on almost the identical investigation.

The Committee on Interstate and Foreign Commerce, without this resolution, has been holding hearings on the two bills which have been referred to that committee, and one of them has been reported. The hearings are of course necessary, as they deal with the technical and legal aspects of the so-called wire-service bill.

It seemed in the first place that it was not a very good thing to have two competing investigations going on at the same time.

Mr. BRIDGES. Will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. BRIDGES. What the Senator is proposing is the creation of a special committee, which is exactly contrary to the whole theory of the Reorganization Act of Congress. Is that not correct?

Mr. KEFAUVER. The creation of the special committee, and of special committees under such circumstances, is not in contravention, I think, of the intention of the Reorganization Act. The Reorganization Act puts a great deal of stress upon eliminating duplicating hearings, and not having public officials and witnesses going from one hearing to another, but trying to arrange examinations so that one hearing can suffice for the two.

In this case it will be necessary to bring witnesses here from California, and many distant points, such as Chicago, Miami, New Orleans, and Kansas City. There is a great deal of technical work to be done, long study to be made in connection with the ramifications of alleged organized crime; and it seemed to the junior Senator from Tennessee, first, that it would be well to consolidate the inquiries; and, in the second place, that the July 31 deadline date for the report of the Committee on the Judiciary should be stricken out. Manifestly, it would be impossible to get started very well by July 31. The next point was that we should have a sufficient amount of money really to make a proper investigation. So, it seemed that the compromise substitute, which had been recommended by the majority leader and the Democratic Policy Committee, provided the best basis on which to conduct the investigation.

I wish to say that, insofar as the junior Senator from Tennesee is concerned, if I have anything to do with the investigation—and I am certain this is true of every other Member of the Senate—the committee will do the best job it can, and try to get at the facts. Politics is not going to be brought into the investigation one way or another; we are going to let the chips fall where they may. The investigation is not for the purpose of protecting any particular political party or any politician, and it is not for the purpose of harming any particular political party or politician. I think it is a very important matter, and that the Senate should let the committee get started as soon as possible.

The majority leader, in suggesting a method of consolidating the investigation so that the Senate would not look ridiculous before the people in carrying on a two-pronged investigation, I think, has done a very good service.

Mr. KERR. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. KERR. Did I understand the Senator from Tennessee ccrrectly to say that it was the purpose of those sponsoring his resolution to prevent bringing any politics into the investigation?

Mr. KEFAUVER. I can only say that so far as the Senator from Tennessee is concerned, the purpose is to do exactly what is stated in the resolution, and that there i. not going to be any politics in it, so far as I am concerned.

Mr. KERR. If the Senator has no idea of bringing in politics, would it not be just as well to leave the matter to the States, where the crimes are committed?

Mr. KEFAUVER. There have been a great many crime commission reports, by the crime commissions of Miami, of Chicago, of California, and the Citizens Committee of Massachusetts, in which they aver, and they have very substantial basis for saying, that in spite of the very best work law-enforcement officers in a local community may put forth, by virtue of the fact that the vehicle of interstate commerce is used, they find that often when they make their best efforts they cannot actively cope with the problem, and that it is time for the Federal Government to consider, not the merits or demerits of local State laws, but to give assistance to the various States in seeing that the vehicle of interstate commerce is not used for carrying on activities which are illegal in the respective States.

Mr. KERR. Mr. President, will the Senator yield for one more question?

Mr. KEFAUVER. Yes.

Mr. KERR. If in the development of a situation of that kind a little politics is discovered, the Senator would not feel that it was too bad, would he?

Mr. KEFAUVER. I do not know what the Senator has in mind. I can only say that the investigation should be objective. I certainly have no intention of remaining on any investigating committee unless the investigation can be carried on in an objective manner. I do not think the Nation is of the frame of mind to want an investigation which is going to deal with politics to any extent. They want to find out what the facts are and what the Federal Government can do to assist.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. Mr. President, there is before the Senate Committee on Interstate and Foreign Commerce a bill to make it illegal to send certain information with respect to horseracing and gambling over the radio or telephone, Today we held hearings on that bill. My question to the able Senator from Tennessee is this: What makes him believe that a better job can be done by a special committee investigating crime in the United States than the Interstate and Foreign Commerce Committee of the Senate can do, which has already begun, and has a 1-day start?

Mr. KEFAUVER. I will say to the Senator that I am certain the members of the Committee on Interstate and Foreign Commerce could do as good or a better job than could the Senator from Tennessee. But there are matters pertaining to the whole question, some of which are under the jurisdiction of the Committee on Interstate and Foreign Commerce, and some of which are under the jurisdiction of the Committee on the Judiciary. It is the whole picture which I think must be viewed. Some of the laws whose operation will have to be investigated originate with the Committee on the Judiciary. Others originate with the Committee on Interstate and Foreign Commerce.

Mr. CAPEHART. I have no objection to the investigation. I am simply wondering why the Committee on Interstate and Foreign Commerce cannot do as good a job as a special committee. It might interest the able Senator to know that today we had before our committee the able Attorney General, Mr. McGrath. I asked him the direct question if there was any organized crime in the United States. He said he did not know. We had the mayor of Denver before us today. I asked him if there was any gambling or if there were any bookies in Denver, and he said "No." He said he thought there might be a few in the county, but

that there were none in the city. We are calling before our committee on Thursday a number of mayors from the large cities. I understand we also intend to call the head of the so-called syndicate which handles all bookie information. In fact it is my understanding that the Committee on Interstate and Foreign Commerce is going into this question very, very thoroughly.

Mr. KEFAUVER. I will say to the distinguished Senator from Indiana that I discussed the matter with the Senator from Arizona [Mr. McFARLAND]. We had talked about whether those hearings should be deferred until the special committee begins to function. I told him I thought his idea of going on with the study of these matters now would be very helpful. Certainly the Committee on Interstate and Foreign Commerce will have a great deal of information which will be of value to the special committee when it gets started.

Over the question of organized crime both the Committee on Interstate and Foreign Commerce and the Committee on the Judiciary have jurisdiction in part. I think my proposal is the best way of conducting an investigation, in which members of both committees can participate, so that one committee will not feel that the other has invaded its province of investigating something which properly comes under the jurisdiction of that committee.

Mr. CAPEHART. Would the Senator have any objection to increasing the membership of the special committee from 5 to 11, taking 6 from the Committee on Interstate and Foreign Commerce and 5 from the Committee on the Judiciary, to be appointed by the chairman of each committee?

Mr. KEFAUVER. Personally I am not concerned about the numbers or about the membership of the committee. The substitute resolution I was going to present is what was agreed upon in the policy committee, and that is what I expect to present.

Mr. CAPEHART. Would the Senator accept an amendment to his resolution to that effect, when it is before the Senate?

Mr. KEFAUVER. In my opinion it would be better to have a smaller committee. It is going to have to do a tremendous amount of digging. It will work with a competent staff. We hope to get the very best men available, who are proficient in this kind of work. I believe it will be much more effective to have a small committee working with a staff of that kind, which can go to various places to hold hearings. In my opinion, it would be better to have a small committee than to have a larger one.

Answering the Senator's question directly, and keeping faith with the majority leader and the policy committee, I would not accept the amendment he suggested. But, of course, the Senator can submit his amendment.

Mr. CAPEHART. I assure the Senator I shall do so. Will the Senator yield for one more question?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. I agree that the investigation is an important one. I am in favor of investigating crime in America. It would seem to me as though it would be much better to have a committee of 11, because there would then be a greater number of Senators taking an interest in a big subject. As the able Senator from Tennessee knows, this is an election year and Senators are going to be busy. If there are only five members on the committee the committee will be lucky if two Senators attend its meetings. I cannot see how anyone can object to having a committee of 11.

Mr. KEFAUVER. I will say to the Senator from Indiana that since it is an election year I think it would be highly difficult to keep 11 members of a committee present in an investigation of this kind.

As to other members of the Committee on Interstate and Foreign Commerce and the Committee on the Judiciary, and of the Senate otherwise, of course the special committee would welcome suggestions and ideas and proposals for methods of proceeding to get at the facts. I would try to make use of the suggestions offered by other Senators if they fitted in with the program of the committee.

Mr. CAPEHART. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I yield.

Mr. CAPEHART. A subcommittee of the Committee on Interstate and Foreign Commerce consisting, I believe, of five members, has held 1 day's hearing. I do not know how long the hearings will continue, but I suspect they will continue for perhaps 2 or 3 weeks. It would seem to me that that committee would be very valuable as a part of the Senator's special committee, because that subcommittee certainly ought to pick up a little information in 3 or 4 weeks' time.

Mr. KEFAUVER. The information certainly would be very valuable. But the Senator has hit upon the reason why there should be a consolidation of this hearing. If the original Senate Resolution 202 had been adopted when I asked unanimous consent for its consideration several times a few weeks ago, the Committee on the Judiciary would be holding hearings just about like the Committee on Interstate and Foreign Commerce is holding hearings, first beginning with all the witnesses here in Washington, the Attorney General, the FCC, and then after we go out into the field we would be duplicating over and over again what the other committee was doing.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. McFARLAND. I wish the Senator from Tennessee would withdraw his motion. It is very evident that we are not going to conclude action on the matter this evening. The Senate has been in session now for more than 7½ hours. Whether I should have done so or not, I did make the promise that the Senate would not have any votes tomorrow. If that promise is fulfilled we are not going to have a vote on this matter tomorrow. I hope the Senator will withdraw his motion this evening. If he wants to renew it on some other day when there is a fuller attendance I think it would be better. All Senators are tired now. I do not think this is the time or the place to thrash out the matter. So I hope the Senator will withdraw his motion.

Mr. KEFAUVER. Is the Senate going to meet at 11 o'clock tomorrow, and what will be up for consideration tomorrow?

Mr. McFARLAND. I do not know what the majority leader stated, but if the majority leader carries out the promise the junior Senator from Arizona made there will be no vote on any measure tomorrow. The minority leader asked me a question respecting what would be done tomorrow. He told me that Members of the Senate wanted to know. I made the promise that no votes would be taken tomorrow. I have no apologies for having made that promise. I believe it is a good thing to take a little time off for recreation. I think in that way the Senate will make more progress than by working the long hours we frequently do work.

Mr. WHERRY. Mr. President, let us vote.

Mr. KEFAUVER. The Senate will be in session a part of the time tomorrow. I wonder if there would be objection to a unanimous-consent request that the subject be discussed tomorrow while the Senate is in session, and voted on at 1 o'clock on Wednesday.

Mr. DONNELL. Mr. President, I object to the suggestion, because I think it would be very unfortunate to start a matter of this importance on a day when it is conceded that there will be very few Senators present. I refer to tomorrow afternoon.

The PRESIDING OFFICER. Objection is heard.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the motion made by the Senator from Tennessee. [Putting the question.]

The motion was rejected.

REFUTATION OF CHARGE OF CERTAIN EXPENDITURES BEING USED FOR POLITICAL PURPOSES

Mr. HUMPHREY. Mr. President, I recognize the lateness of the hour, but it is important that at this time I make a few remarks in reference to a matter which I read in the CONGRESSIONAL RECORD last week.

Mr. President, during my absence last week the senior Senator from Vermont [Mr. AIKEN] called the attention of the Senate to an agricultural meeting in Minnesota, which was addressed by the Secretary of Agriculture and myself. I mention my absence from the Senate only to explain why I did not rise at that time to reply to the distinguished Senator's comments. I wish to make it perfectly clear that he was entirely within the bounds of propriety in mentioning it to the Senate when he did. The senior Senator from Vermont is without exception a proper Senator and one whom I deeply and sincerely believe to be honest, courageous, and one of the most liberal Members of the United States Senate. I have a great respect and a deep admiration for him. I regard him as the worthy heir to a niche in the Republican Party and in the

United States Senate held by one of the greatest Senators in our history—the late George W. Norris.

I do feel constrained, however, in view of the Senator's remarks and in view of the editorial comments which have followed his remarks, to bring the complete facts to the attention of the Senate.

First, with regard to the meeting itself: In my opinion, one of the healthiest developments in American agriculture has been the growing debate within the farm community, within the farm organizations, and within the country as a whole on the respective merits of different agricultural legislative programs. This discussion of the issues is desirable, as it results in people becoming informed, which is the essence of democracy. I wish, for example, that Secretary Brannan could speak to every farmer in the Nation, and that the Senator from Vermont or someone with his viewpoint could reply in kind.

The St. Paul meeting on April 3 and 4, sponsored by the production and marketing administration for the State of Minnesota, was arranged with that principle in mind. My distinguished colleague, the senior Senator from Minnesota, a Republican, and one who is not an advocate of the Brannan plan, was invited to address the meeting. I, as the junior Senator from Minnesota and as a Democrat, was invited to address the same meeting. I was able to accept and did accept that invitation. I regret that my colleague found it necessary to absent himself from it. As a member of the Senate Committee on Agriculture and Forestry and as a prominent participant in the Republican Party council on agriculture, he would have presented to the farmers who attended the St. Paul meeting the point of view of those opposed to the Brannan farm program.

American agriculture faces critical problems which are growing to serious proportions. In our own State of Minnesota, farm income in 1948 was $1,332,000,000. In 1949, farm income declined to $1,145,000,000, a decline of roughly 14 percent. With this in mind, interest in agricultural legislation within the State runs high. I believe that the Production and Marketing Administration, in inviting a full attendance at the annual State PMA conference, therefore, performed a fine servive. Such a meeting, I might add, is not new to our State or, I believe, to other States.

Mr. President, I wish to repeat and to emphasize the point that such a meeting is not new to our State or, I believe, to other States.

We have had similar meetings in the past, since 1933, I believe—all well attended and all enthusiastically received. On two other occasions it has been my privilege to address those meetings. I believe that the sponsors of the meeting this year, in inviting the Secretary of Agriculture and the two Senators from Minnesota to address the meeting, acted in the public interest. In making those invitations, they desired a variety of viewpoints to be heard. I fail to see any impropriety in arranging such a meeting so that the farm people all the way down to the township level, who are responsible for the administration of our farm programs, could hear in person the legislation proposed for agriculture.

It was unfortunate that my colleague the senior Senator from Minnesota could not attend and did not speak. I know there must have been compelling reasons for his absence. I can understand the enthusiasm of those who sponsored the Minnesota meeting in obtaining agreement with the Secretary of Agriculture, a member of the President's Cabinet, to attend and to speak. Mr. President, a member of the President's Cabinet is looked upon very highly and with great respect in the State of Minnesota; and the presence of the Secretary of Agriculture to address a farm meeting is considered a singular honor. I can understand, too, why the Production and Marketing Administration conference invited township committeemen to the meeting to hear such a distinguished official. I certainly know, judging from the response of the audience, that those who attended were very pleased at the opportunity to attend.

In view of the fact that the senior Senator from Minnesota was invited and encouraged to attend, there is in my opinion no basis for accusations of partisanship in the sponsorship and running of the meeting. So much for the meeting.

Now I wish briefly to address myself to my speech at that meeting. I want to make clear at the outset that at no time have I consciously or deliberately desired to offend the senior Senator from Vermont. If I have at any time inadvertently offended him, I publicly apologize. I have differed with him on agricultural policy. I have made my differences clear in the course of my campaign for election to the United State Senate. I want to emphasize, however, that during that campaign, and since then on the floor of the Senate, in connection with the Hope-Aiken Act passed by the Eightieth Congress, I have made it abundantly clear that one of its better provisions, and one which I support, is the provision for compensatory payments sponsored by the Senator from Vermont. I have also made it clear, in the course of my remarks in the Senate, that in my opinion one of the most undesirable features of the legislation passed by the Eighty-first Congress was that part of the legislation which repealed compensatory payments.

I should like my friend the distinguished senior Senator from Vermont to know that in the course of my remarks at the St. Paul meeting, I paid tribute to the principle of compensatory payments, as sponsored by the Senator from Vermont—and this, may I say, Mr. President, despite the reports in the press, which were only a few paragraphs in length, concerning a speech which was some 40 minutes in duration.

I have read with care the remarks of the senior Senator from Vermont. I regretfully conclude that his critical remarks were based upon newspaper accounts and editorial comment, not upon an examination of the text of my speech. I regret that the senior Senator from Vermont did not see fit or did not find time to telephone me or my office for an outline or a copy of my speech.

In the course of my speech I made it quite clear that there is a distinction between the agricultural legislation of the Eightieth Congress, known as the Hope-Aiken Act, and the agricultural legislation of the Eighty-first Congress, which repealed the Hope-Aiken Act. The senior Senator from Vermont knows that I disagreed with both legislative steps and opposed the flexibility provisions of both. I made that very clear in my speech at St. Paul, as I have made it very clear on the floor of the United States Senate. Let me say, further, that I made that principle very clear in numerous addresses which I made during the period of my campaign for election to the United States Senate.

I realize that the senior Senator from Vermont, in bringing this matter to the attention of the Senate, did so because he felt it was in the public interest. I realize that he did not act out of partisan, political motivations. I have been greatly interested, however, in the reaction of his remarks on the part of his Republican colleagues and on the part of a great many newspapers. I look upon this incident as an example of what I shall call "selective sensitivity." I do not believe that public funds should be used for partisan, political purposes. However, I would urge those who have raised their voices against the recent Minnesota meeting because of mistaken notion that its intent was partisan and political, to look at another set of facts which in my opinion unmistakably represents a most serious and continuing misuse of public funds for partisan, political purposes. I would urge those who expressed "selective sensitivity" with regard to our recent Minnesota meeting to be less selective in their sensitivity and to respond with equal fervor in behalf of Senate bill 1083, introduced by the distinguished chairman of the Agriculture Committee, the Senator from Oklahoma [Mr. THOMAS] to separate the Farm Bureau from the Agricultural Extension Service. This objective is endorsed by the Association of Land Grant Colleges, and has been endorsed by scores of educators, eminent citizens, and agricultural leaders. In fact, a joint committee, appointed jointly by the Secretary of Agriculture in 1947, now the distinguished Senator from New Mexico [Mr. ANDERSON] and by the Association of Land Grant Colleges and Universities, recommended in August 1948 that—

> This committee expresses its conviction that it is not sound public policy for extension to give preferred service to any farm organization or to be in a position of being charged with such actions. The committee is further convinced that it would be in the public interest for any formal operating relationships between the extension service and any general farm organization such as the Farm Bureau to be discontinued at the earliest possible moment.

Suffice it to say in many areas of the country, county agents, even while they perform services as public employees, also represent the viewpoint of the Farm Bureau Federation. Attempts have been made, beginning with the Smith-Lever Act, and the agreement of 1922, to cor-

rect this misuse of public funds. They have all failed, however, if the evidence coming into my office is any indication.

I have great respect and admiration for the Farm Bureau Federation, as the farmers of Minnesota well know. I believe every farmer should be free to join the organization of his own choice, whether it be the Farm Bureau, the National Grange, or the Farmers Union. Every farmer, however, will agree that no one of these organizations should have the free services of county agents paid for by the United States Government, to solicit membership or enlist support for the program of that one organization. I know that in my own State, farmers who belong to the Farm Bureau Federation are ready to support legislation to separate the Farm Bureau from the Agricultural Extension Service. In fact, I pride myself in maintaining very harmonious and close relations with the membership of the Farm Bureau. I like to believe that I received the support of thousands of Farm Bureau members in my election as United States Senator. I have tried to maintain an objectivity and an impartiality as regards the various farm organizations which represent the farmers of our State. I hope to continue to maintain that impartial attitude and to strengthen my friendship with the members of all farm organizations in Minnesota.

An indication of the fact that the farmers, including members of the Farm Bureau, believe that this practice should cease is a study of the Federal Agricultural Extension Service itself. I have in my hand an article from Fortune magazine dated June 5, 1944, describing the county agent-Farm Bureau relationship. The article states:

> The citizen who believes that lobbies are too strong cannot, therefore, hope to abolish them. He can properly object to the quasi-public sponsorship that the Farm Bureau enjoys. Certainly nothing in the Bill of Rights suggests that the petitioners should be aided by public funds; plain common sense recommends against it.

I also refer to a book, Inside U. S. A., by John Gunther, page 336, which describes the Farm Bureau in these words:

> Mostly it exerts influence through the "county agent" * * * he is an official of both the Extension Service of the Department of Agriculture and the Farm Bureau.

I stand ready, Mr. President, to join those who are sensitive about the use of public funds for what they consider to be partisan politics, to end those practices once and for all. I would do so, however, not on a basis of selective sensitivity. I therefore offer to join with the senior Senator from Vermont and others who have expressed themselves on this issue in a move to support the bill, S. 1083, to separate the Farm Bureau from the Extension Service.

I know of only one time in this Nation's history when the urgency of farm policy matters was so great as it is today. That was during the depression, when the farmers were going bankrupt by the tens of thousands.

I happened to be in South Dakota, where the depression and the drought combined to play havoc with farm folk. I learned a great deal about agricultural problems from first-hand experience—as much as some men learn in the ivory towers of State colleges. I have lived with farm problems all my life. I have attempted at all times in my private life and in my public life to act in such a way as to further the interests of the agricultural community, because I believe that the welfare of our country depends upon the health and welfare of our agricultural community. I know that the senior Senator from Vermont operates on the same premise. If he and I differ on agricultural measures, I know we do so out of honest motivations but with the same objectives in mind. I trust that whatever differences we have do not interfere with the mutual respect and friendship which has been ours. I know that those differences do not in any way lessen the respect and high regard I have for him.

Mr. President, at this time I should like to have incorporated in the body of my remarks—and I ask unanimous consent for that privilege—a copy of the program of the annual conference of the Minnesota Production and Marketing Administration county and community farm committeemen, held at St. Paul, Minn., April 3 and 4, 1950, and I ask that all the parts of that program pertaining to the number of speakers and the office or the background of the speaker be included.

The PRESIDING OFFICER. Is there objection?

There being no objection, the program was ordered to be printed in the RECORD, as follows:

PROGRAM—ANNUAL CONFERENCE MINNESOTA PRODUCTION AND MARKETING ADMINISTRATION COUNTY AND COMMUNITY FARMER COMMITTEEMEN, ST. PAUL, MINN., APRIL 3 AND 4, 1950

As the shelter belt protects the farmstead, our three programs of agricultural conservation, crop insurance, and price support provide shelter against economic storms.

If there is one keyword for farmers in 1950, it is "cooperation." Now, as never before, we need a unified farm front as we go into this production year.

With the war over, the farm economic picture has changed completely. We are no longer asked to produce for an ever-growing demand. Instead, we are faced with what appears to be surpluses of many farm products.

Our task now is to gage our production so as to produce abundantly enough to fulfill all needs but to avoid the waste of overproduction. I am confident we can achieve this balanced production through acreage allotments, but this will require the full cooperation of all producers.

As we shift our acres from the soil-depleting allotment crops, we have an opportunity to take care of the conservation needs of the land we overtaxed during the past few years—years when heavy production was necessary to win the war and aid in the reconstruction necessary after that war. We have a chance now to restore fertility through our grass crops and sodded acres and by planting trees and adopting other conservation practices. We must not delay the building of soil reserves that will be needed in future years.

My faith in the capabilities of farmers working together has been built up in the past 17 years, during which we came through a depression and a war. I firmly believe we farmers can achieve whatever adjustments are necessary now.

I hope this conference will give us all a broader understanding of the problems we face and a clearer insight into present agricultural conditions. I hope we leave St. Paul with a common goal fixed in mind and a determination to reach it together.

CHAS. W. STICKNEY,
Chairman, Minnesota PMA Committee.

The conference program—Continental ballroom, St. Paul Hotel, Monday, April 3, 1950

(Morning)

9:30 a. m.: Registration.

10 a. m.: Opening of meeting by Charles W. Stickney, chairman, Minnesota PMA Committee.

10:30 a. m.: The PMA soil-conservation program, Alvin V. McCormack, director, agricultural conservation program branch.

11:05 a. m.: Minnesota's commodity-loan program, William Simpson, member, Minnesota PMA Committee.

11:20 a. m.: Price supports for dairy products, Don S. Anderson, assistant director, PMA dairy branch.

12 noon: Recess.

(Afternoon)

1:30 p. m.: The 1950 Crop Insurance Program, Gus F. Geissler, manager, Federal Crop Insurance Corporation.

2 p. m.: Address by Loren Crane, member, Minnesota PMA Committee.

2:15 p. m.: Operation of the Grain Branch, Leroy K. Smith, director, PMA grain branch.

2:45 p. m.: Report on the 1949 National PMA Conference held at Memphis, Tenn., Alfred L. Johnson, PMA Administrator's fieldman.

3:15 p. m.: Functioning of the Commodity Credit Corporation, Frank K. Woolley, member, Board of Directors of Commodity Credit Coporation, and Deputy Administrator, PMA.

4:04 p. m.: Recess.

4:30 p. m.: Board busses outside Hotel St. Paul to go to Farmers Union Grain Terminal Association headquarters for tour of largest co-op grain marketing association in the United States.

6:30 p. m.: Dinner in GTA cafeteria.

The program—Arena, St. Paul Municipal Auditorium, Tuesday, April 4, 1950

(Morning)

10:30 a. m.: Opening of meeting by Charles W. Stickney, chairman, Minnesota PMA Committee.

10:50 a. m.: Address of welcome, Hon. Edward K. Delaney, mayor of St. Paul.

11 a. m.: Address of Ralph Trigg, Administrator of Production and Marketing Administration.

12 noon: Recess.

(Afternoon)

1:30 p. m.: A Bold New Program in International Relations, Dr. Dewey Anderson, director, Public Affairs Institute, Washington, D. C.

2:30 p. m.: Address of Hon. Charles F. Brannan, Secretary of Agriculture.

3:15 p. m.: Address of Hon. HUBERT H. HUMPHREY, United States Senator.

4:10 p. m.: Adjourn.

Mr. HUMPHREY. Mr. President, I have placed the program in the RECORD because some of the editorial comments and the newspaper comments about this meeting, which were referred to in the RECORD, would have us believe that there was but one afternoon of the whole meeting of Tuesday, April 4, when the Honorable Secretary of Agriculture, Charles F. Brannan, and the junior Senator from Minnesota were the two speakers. In fact, Mr. President, prior to that there were at least 12 speakers.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Massachusetts for a question?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. Were any of them Republicans?

Mr. HUMPHREY. I may say they were from the Government, from the Department of Agriculture. I should be glad to read the names of the people who attended the meeting. I do not know what the politics of Mr. Frank Woolley are. I have no idea of what the politics of Mr. Loren Crane, member of the Minnesota Production and Marketing Committee are, or, let me say, of Don S. Anderson, assistant director of the PMA Dairy Branch, or Ralph Trigg, Administrator of PMA, who seems to have been very well received by both sides of the aisle. I do not know what his politics are. I may say that insofar as any people involved as elected political officers were concerned, both the senior and junior Senators from Minnesota were invited, and as I said, I think it is too bad my colleague could not attend, because I know he would have enjoyed it. I am sure he has attended other meetings of similar nature. For example, both the senior Senator and the junior Senator have attended Soil Conservation Service meetings, which is a Federal Government sponsored activity. I have watched and witnessed in my State full-page bulletins, card bulletins on buildings and billboards, saying "Come, hear the Governor of the State of Minnesota," and the Governor would address the meeting, or "Come, hear a Senator," or a Congressman. No one ever raised the issue of partisan politics, despite the fact that this was all paid for by the Federal Government.

Mr. President, I ask also at this point in my remarks to have an editorial included, an editorial entitled "Choosing Sides." This editorial was printed in the April 10 issue of the Farmers Union Herald. This happens to be a farm publication, and I may say with all charity, but with as much candor, that I am quite confident that the Farmers Union Herald represents the Minnesota farmer, the Midwest farmer, as well as the Minneapolis Star, which has seen fit to make this quite a crusade in its editorial columns. I point out that the Minneapolis Star was not a bit averse to having Mr. Brannan come to address the Minneapolis Farm Forum, sponsored by the chamber of commerce. That was a very appropriate thing, as was, I may say, the address of the junior Senator from Minnesota, who was invited to address the Farm Forum.

The PRESIDING OFFICER. Is there objection to the request with respect to the editorial?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CHOOSING SIDES

It does not take an earthquake detector to know that the reverberations of that big farm meeting in St. Paul on Tuesday, April 4, are being felt all over the Northwest. You can detect the tremors everywhere. Leaders of the Minnesota Farm Bureau are disturbed. Farm policy makers of the Minneapolis papers are furious. You cannot laugh off a meeting of nearly 10,000 farmers. The huge arena floor of the St. Paul Auditorium was jammed. There would have been more if the weather had been better. The turn-out was the biggest thing the Northwest had seen since 1941. That was the year when more than 20,000 farmers turned out for a big meeting in St. Paul to save their farm program—and they did.

The farmers who turned out for that St. Paul meeting last Tuesday are leaders in their communities. Many of them are AAA committeemen. They are farmers who were picked for that job by their friends and neighbors. They have the job of administering the farm programs down at the grassroots. They command the respect of their neighbors. Their judgment carries weight, otherwise they would not be picked by their neighbors and friends to supervise farm programs. Those are the men that the Minneapolis Star pooh-poohs in its editorials—calls a captive audience hog-tied and brought in by ukase to hear Secretary of Agriculture Brannan.

Now the thing for farmers to ask is this: Why the sudden display of indignation by the Minneapolis Star of the Cowles newspaper empire? What's behind it? Is the Minneapolis Star trying to step into the breach to save the Farm Bureau leaders—because the Farm Bureau leaders are out to put over a price-flexing program on farmers? We don't know, but we know that the leaders of the Minnesota Farm Bureau are upset.

In Chicago, the National Farm Bureau leaders held a board meeting. One of the main items of business was to decide whether to push for lower farm price laws now or after elections. (For further details, read the Chicago Journal of Commerce for March 30.) But, at the same time, the Farm Bureau leaders in Minnesota made an about-face. They say they're for parity income, too, now. They say it after the big meeting in St. Paul. But, while the Farm Bureau leadership worries, the Minneapolis Star becomes ill-tempered—almost indignant that farmers should meet to hear talks and make up their own mind about farm programs. Is that heresy on the part of farmers, or just good common sense?

You farmers ought to read the editorial we're talking about. It showed up in the April 6 Minneapolis Star. It accuses Secretary Brannan of being a political propagandist. It says the farmers at the meeting were a captive audience. We've often wondered what a captive audience is—especially when a newspaper that has a monopoly on all the readers in a town of a half million talks about captive audiences.

How did the farmers react to the meeting?

Well, the Minneapolis Star says, to quote its writers, you farmers were mesmerized by an oratorical flood. Mesmerized is just a $64 word for hypnotized. The Star says you were hypnotized and then drowned. How were you farmers hypnotized and drowned? The Minneapolis Star's farm policy writers say, and we quote their own oratory, you were drowned "with all the oratorical and political tricks known to make up the farmers' minds for them."

What is the real problem that faces farmers? Is it prices and production and distribution? No. According to the Minneapolis Star and its farm-policy makers, the problem is inefficient farmers. The Star's farm policy is this: "Farmers should make operations as efficient and economical as possible to help compensate for the loss in total income." That is the Minneapolis Star's farm plan. How do you put that kind of a plan into operation? First of all, the Minneapolis Star's farm policy writers scolded Senator HUMPHREY, of Minnesota. They said HUMPHREY neglected to give a full account of the farm problem—if he knows what it is—which now appears doubtful.

Then the Star offers its plan. It says when an automobile maker or a newspaper owner has produced enough of its product to satisfy the market, he necessarily holds his output to that demand—which is another way of saying industry holds down production by plowing under labor. Production goes down, but unemployment goes up. The Minneapolis Star apparently wants farmers to do some plowing under, too. But then that gets the farmer all tangled up with the first bit of advice by the Minneapolis Star farm policy makers "to make operations as efficient and economical as possible. It would seem that the Minneapolis Star's farm policy writers are a bit fuzzy, too.

Now the whole thing starts to make sense. See if you don't get the connection with what we've told you and what Lee Hannify, the UP farm editor wires from Washington: "With election time drawing nigh, Congressmen are keeping an eye on the home front. Republicans from rural districts are particularly concerned over the thinking of farmers." They well remember that they lost ground in those areas 2 years ago. Representative ED JENISON, Illinois Republican, is an example. He's at home sampling the feeling of his neighbors. Before leaving Washington, JENISON said that his party must develop a strong farm program if it expects to win next fall's congressional elections. JENISON said: "There is no question about it." The Republican Party took no definite stand on the farm price-support issue, and as a result farmers were left in doubt.

That's the whole story. The chips are down. Farmers won't swap something for nothing. They want a sound farm program, not a price-flexing farm program. Is the pl n offered by Secretary of Agriculture Brannan the answer? Not necessarily. The Secretary himself told the newspapermen if something better comes along, he'll be the first to go for it. But, right now, it's about the only thing on the horizon. Political? Sure. But, that's not what bothers the Minneapolis Star farm-policy makers. What bothers them is that the chips are down. Farmers are choosing sides. They'll decide that what they want is farmers to make farm policy—want farmers to administer farm programs. And they want a program that is for the good of the Nation.

Mr. HUMPHREY. In reference to my participation in the meeting, I want to say that I have here with me an outline of my remarks, as well as a copy of my remarks, and I merely want briefly, because of the nature of the discussion, to cite what those brief points were. I first made note of the discouraging picture in American agriculture with its lack of unity among farm groups for support of any particular farm program.

My second point was that it was desirable that whatever farm legislation was finally enacted by the Congress of the United States, should have the wholehearted support of all the major farm organizations.

My third point was that the farm program of the war years was no longer adaptable to the farm needs of the postwar years. I pointed out that the consumers' interests had to be taken into consideration. I mentioned what I considered to be the mistake of the potato program and of the economic malpractices of that program. I pointed out to the farmers of my State that those things would not be condoned by the American

public. I said it was imperative that there be some good sound thinking on the part of the people who are the producers, not the editors alone, but the producers, not of Congressmen and Senators alone, but the people out on the farm, as to the kind of program that they wanted. I recall distinctly saying, Mr. President, that I did not believe that the farmers of any State ought to accept the program of the Secretary of Agriculture or the program of their own State Senator. I thought what the Secretary of Agriculture ought to do and what the Senators ought to do was to find out what the farmers need as a program, and what they want. Rather than have a farm program handed down from on high, it was healthier for the program to come from the people who are going to be vitally concerned with its operation and its effect.

Mr. President, I further pointed out that there was a constant decrease in agricultural income, and at the same time that agricultural income was going down, corporation income was going up. I am quite confident that is one of the things that stirred the ire of some of the press, because I mentioned very frankly, and I mention it here again, that while the farmers of America have been receiving a subsidy through loans, grants, and their price-support programs, on a per capita basis the $200,000,000 postal subsidy that went to newspaper publishers and papers was a much more extravagant subsidy than the subsidy that went to the American farmers, who represent one-fifth of the population of this country. I said that to the farmers of Minnesota, but I said to them with equal candor that two wrongs do not make a right.

I pointed out to them that I believed one of the features we ought to have in agriculture legislation, from my point of view, was the compensatory-payment system, the production-payment system, particularly as it pertains to perishable commodities—perishable commodities which are not adequately protected under existing farm legislation.

Mr. President, I also mention that one of our chief interests today should be the preservation of the family-sized farm. It was my point of view that the flexible price-support program did not support the family-sized farm, and that it made possible, the dissolution or the dissolving of the family-sized farm. As these family-sized farms are dissolved and as they are lost, the bigger farm, the farm corporation, or what I call factory farming, gains more momentum. It appeared to me, and I said to the farmers of my State, that there was no reason why the Government of the United States ought to underwrite by a subsidy the exploitation of the soil, and underwrite by a subsidy commercial corporation farming.

Mr. President, I cited five proposals or five objectives of what I considered to be a sound farm program. I mention this because I gathered from the remarks of the Senator from Vermont that he felt possibly I did not have any objectives, and I hope that was not his intention. I mentioned, for example, that a farm program should provide a modern basis for setting a farm income goal, and use that objective to determine price-support levels.

The second objective was to extend support to products which are high contributors to farm income, even though some of those products are not storable. Third, to authorize production payments as an added method of support, in order to permit price supports sufficiently to handle perishable commodities and better serve the consumers.

Fourth, to qualify price support by an observance of sound soil-conservation practices and production-adjustment programs when necessary. I want to underline that, to qualify price support by observance of sound soil-conservation practices and production-adjustment programs when necessary. In other words, production quotas, acreage allotments, and, fifth, to regulate the amount of money to be used in support of crops from any one farm to the family-sized farm objective. Those are the five objectives that were listed by the junior Senator from Minnesota. They were likewise listed by the Secretary of Agriculture.

Mr. President, men disagree on items of legislation. It is inevitable that they will. I want to make this quite clear, though. I did not go to St. Paul to hold hands. I went to make a speech. I went to make a speech and to present my point of view. I was asked to do that. It is quite important to know that the farmers of my State found it in their good judgment to support me in the recent election. I like to represent those farmers to the best of my ability. I found out that at the conclusion of the meeting the farmers were most enthusiastic about what they had heard. May I point out that these farmers were elected farmers. They were elected by the people in their own community. Some 5,000 of them had been so elected. Another three and a half to four thousand attended as guests. They were people who were interested in finding out what a farm program could be and should be. The junior Senator from Minnesota did not endorse the Brannan plan unequivocally and without reservations, because he felt that the plan, like any plan, must be worked over. Hearings should be held, and some alterations made.

I did say, however, that we should experiment. Our present plan on the so-called perishable commodities is entirely unsatisfactory. The American people will not long tolerate conditions under which we store up butter, milk, eggs, potatoes, and let them go to waste, while people have to pay high prices in the market place, and the average consumer is incapable of purchasing commodities, while surpluses are lying around and not being used. I believe it is up to the top men in public office to speak not only about matters which may be well received, but to speak honestly and clearly their convictions on other matters. I am happy to say that the response was good. In fact, Mr. President, I may say parenthetically that I believe the only reason some editorials were written, which finally got into the CONGRESSIONAL RECORD, was that the meeting was too good a success. The fact is that the agricultural policy of the leading newspaper of the State of Minnesota has never been accepted by the farmers of the State. I recall that in the most recent election their agricultural policy was one which was repudiated at the polls, and overwhelmingly repudiated. The agricultural policy which the junior Senator from Minnesota spoke about was the one which was supported at the polls. It represented a continuation of building up farm cooperatives and marketing cooperatives, a continuation and expansion of sound soil-conservation programs, a continuation of Farm Credit Administration activities, and the development of a policy which takes into account added agricultural products to be included. I refer to beef, hogs, chickens, butterfat, and eggs. Those commodities are not adequately covered under existing legislation.

I ask unanimous consent to have incorporated in the RECORD at this point some sample telegrams which I received from April 7 to April 17. They come from representatives of the country press. They know about farmers. They live with farmers. They are not sidewalk farmers from Hennepin Avenue, Minneapolis. They are farmers themselves. Here is one which I should like to read. It is from a man who put a "P. S." on his telegram. He says:

> P. S.—I attended above meeting without receiving any compensation. I am a farmer in Urness Township, Douglas County.

I believe the telegrams will be quite informative to the Senate. Here is one from Shakopee, Minn. It is from the editor of the Shakopee Valley News. Most country editors are not very enthusiastic about the Democratic Party, but I have found that there are a few country editors who can be enthusiastic about a sound farm program. This editor says:

> Enthusiastic response here in Minnesota Valley region to your nonpartisan speech in St. Paul, Tuesday, April 4. Your continued efforts in behalf of equitable adequate farm program appreciated.

I have another telegram which comes from Bertha, Minn. I have another one from Alexandria, Minn., from the associate editor of the Park Region Echo, the largest weekly newspaper in the State of Minnesota. The telegram reads as follows:

> Farmers here greatly resent charges that PMA meeting in St. Paul, April 4, was a political gathering. They look upon charges as being propaganda to kill legislation that guarantees real farm security. They say that the attackers can expect to reap consequences at the polls.

I want to make it clear, Mr. President, that I did not say that. That is what the associate editor of the Park Region Echo said. The Park Region Echo is the largest weekly newspaper in the State of Minnesota. Another telegram was received from Elk River, Minn., where they raise more flax than in any other county in the Midwest. I will submit these telegrams for the RECORD and ask that they be returned to my office, because they are the only copies I have.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ALEXANDRIA, MINN., *April 7, 1950.*
Hon. HUBERT H. HUMPHREY,
Senate Office Building:

Congratulations on your presentation and discussion of farm problem and Brannan farm plan at meeting on April 4, 1950, at St. Paul auditorium. Trust you can continue your support and keep up clear insight into our farm problems of today.

P. S.—I attended above meeting without receiving any compensation. Am a farmer in Urness Township, Douglas County.

DORSEY BLEHR.

EVANSVILLE, MINN.

SHAKOPEE, MINN., *April 14, 1950.*
Hon. HUBERT H. HUMPHREY,
Senate Office Building:

Enthusiastic response here in Minnesota Valley region to your nonpartisan speech in St. Paul Tuesday, April 4. Your continued efforts in behalf of equitable adequate farm program appreciated.

CORMAC M. SUEL,
Editor, Shakopee Valley News.

EAGLEBEND, MINN., *April 10, 1950.*
Senator HUBERT H. HUMPHREY,
Senate Office Building:

Honorable Senator HUBERT H. HUMPHREY, as chairman of board of directors of the Eagle Bend Produce Co-op, representing 682 farmer members, I urge you to continue firm stand in favor of Brannan farm plan. We were well satisfied with your attitude in this regard at April 4 meeting at St. Paul, Minn.

G. E. MESSENGER.

BERTHA, MINN.

ALEXANDRIA, MINN., *April 17, 1950.*
Senator HUBERT HUMPHREY,
United States Senate:

Farmers here greatly resent charges that PMA meeting in St. Paul April 4 was a political gathering. They look upon charges as being propaganda to kill legislation that guarantees real farm security. They say the attackers can expect to reap consequences at the polls.

J. H. ULVAN,
Associate Editor, Park Region Echo.

BERTHA, MINN., *April 7, 1950.*
Hon. H. HUMPHREY,
Senate Building:

We are backing your stand on April 4 St. Paul meeting.

WALTER WEGNER.

ELK RIVER, MINN., *April 8, 1950.*
Hon. HUBERT HUMPHREY,
United States Senator,
Senate Office Building:

I want to thank you for the wonderful talk you gave in St. Paul on April 4. You done a swell job explaining the farm program. Hope to be hearing you again.

WILLIAM A. WALKER.

ZIMMERMAN, MINN.

MINNEAPOLIS, MINN., *April 7, 1950.*
Hon. HUBERT H. HUMPHREY,
Senate Office Building:

Healthy cross section of farmers and ultra conservatives rural Hennepin are commenting most favorably on your St. Paul speech of Tuesday, April 14. Keep up the good work on your constructive and thoroughly objective approach to the farm problem.

HENNEPIN COUNTY REVIEW,
GENE O'BRIEN.

CAMBRIDGE, MINN., *April 15, 1950.*
Hon. HUBERT H. HUMPHREY,
United States Senator from Minnesota,
Senate Office Building:

On behalf of myself and neighbors we want to thank you for taking the time to come to the State PMA meeting at St. Paul and we also want to congratulate you for the splendid way in which you explained the operation of our farm program.

ARVID T. ANDERSON.

STANCHFIELD, MINN.

NORTH BRANCH, MINN., *April 8, 1950.*
Honorable Senator HUBERT H. HUMPHREY,
Senate Office Building:

Kindly accept my expression of appreciation for the splendid talk you gave at PMA Conference at St. Paul, April 4, 1950. Explanation of the agricultural situation to farmers was considered of great value to the entire agricultural economy.

ROY F. OLSON.

RUSH CITY, MINN.

KASSON, MINN., *April 7, 1950.*
Senator HUBERT HUMPHREY:

Congratulations on your St. Paul PMA talk. Farmers here tell me your address and Brannan's well received; that they are interested in Secretary Brannan's proposals.

PHIL DUFF,
Editor, Dodge County Independent.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. The Senator has mentioned a nonpartisan meeting. I do not know whether it was nonpartisan. However, I am confident that the Senator will agree with me that his colleague from Minnesota is a farmer in his own right, and that there is no one who is more solicitous of farm interests in this country than the senior Senator from Minnesota. I am wondering whether the distinguished junior Senator from Minnesota agrees with me on that.

Mr. HUMPHREY. I wish to say to the distinguished senior Senator from Massachusetts that I hold the senior Senator from Minnesota in high regard. He was a fine governor of our State, and he has been a fine United States Senator. He has represented to the best of his ability, which is good ability, the farmers and all the people in the State. We may disagree. I am sure the senior Senator and I may disagree on agricultural matters but, regardless of that, his sincerity and his integrity are beyond question. I merely mentioned the senior Senator earlier to indicate that the people who managed the meeting had extended an invitation to him. I know they were after him to attend the meeting, because they were after me, and insisted that I attend the meeting. When I accepted originally I understood that the meeting would be attended by both the junior and the senior Senators from Minnesota .

Mr. President, I yield the floor.

CONFIRMATION OF NOMINATIONS

Mr. McFARLAND. Mr. President, I ask unanimous consent that the Senate, as in executive session, consider the nominations on the Executive Calendar.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the legislative clerk will state the nominations on the Executive Calendar.

POST OFFICE DEPARTMENT

The legislative clerk read the nomination of Osborne A. Pearson, of California, to be Assistant Postmaster General.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

NATIONAL MEDIATION BOARD

The legislative clerk read the nomination of Leverett Edwards, of Oklahoma, to be a member of the National Mediation Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

The PRESIDING OFFICER. Without objection, the nominations in the Public Health Service are confirmed en bloc, and without objection, the President will be immediately notified of all confirmations of today.

RECESS

Mr. McFARLAND. Mr. President, I should like to call attention to the fact that it is now after 8 o'clock. The Senate has been in continuous session for more than 8 hours. Most of the Senators went to work at least by 9 o'clock this morning. That makes a day of over 11 hours. I do not believe anyone should begrudge any Senator's attending the ball game for a short time tomorrow.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Is the Senator from Arizona extending an invitation?

Mr. McFARLAND. I hope everyone will be able to attend the ball game. I should like to call attention to the long hours which have been put in by those who serve the Senate.

Mr. President, in my opinion Senators do not give enough thought to the long hours those who work for the Senate are called upon to labor. I call attention to the fact that the pages of the Senate started school this morning at 6:15 o'clock, and as soon as they got through with their school they come to work in the Senate. So these boys who have served the Senate today have put in 14 hours. In my opinion few people realize what long hours are spent by those engaged in the work of the Senate.

I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 8 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 18, 1950, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 17 (legislative day of March 29), 1950:

UNITED STATES DISTRICT JUDGE

William Robert Wallace, of Oklahoma, to be United States district judge for the northern, eastern, and western districts of Oklahoma, vice Hon. Bower Broaddus, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 17 (legislative day of March 29), 1950.

POST OFFICE DEPARTMENT

Osborne A. Pearson to be Assistant Postmaster General.

NATIONAL MEDIATION BOARD

Leverett Edwards to be a member of the National Mediation Board for the remainder of the term expiring February 1, 1952.

PUBLIC HEALTH SERVICE

APPOINTMENTS AND PROMOTIONS IN THE REGULAR CORPS

To be surgeon (equivalent to the Army rank of major), effective date of acceptance

Josef J. Weisskopf

To be senior assistant surgeon (equivalent to the Army rank of captain), effective date of acceptance

Wayne S. DeWald

To be sanitary engineer (equivalent to the Army rank of major), effective date of acceptance

Sylvan C. Martin

To be junior assistant sanitary engineers (equivalent to the Army rank of second lieutenant), effective date of acceptance

Roy O. McCaldin — Walter L. Dunn
Charles V. Wright, Jr.

To be senior assistant sanitarians (equivalent to the Army rank of captain), effective date of acceptance

Loyal C. Peckham — Joseph F. O'Brien

To be nurse officer (equivalent to the Army rank of major), effective date of acceptance

Lois E. Gordner

To be senior surgeons (equivalent to the Army rank of lieutenant colonel)

Dorland J. Davis — Robert L. Griffith

To be senior assistant surgeons (equivalent to the Army rank of captain)

Merlan E. DeBolt — John M. Bishop, Jr.
Victor E. Archer — Robert H. Aronstam
Jerold E. Phelps — Lee A. Craig, Jr.
Charles J. Buhrow — James W. Osberg, Jr.
Ernest G. Hanowell — John A. Pierce
James K. Conn — Robert L. Brutsche
William H. Sage III — Robert D. Sullivan
Charles A. Jarvis — John C. Stirling
David Carson — Francis Chanatry
Ben Fisher — James S. Hawthorne
Ed G. Hopkins, Jr. — Norman Tarr
Julian J. Platt — James R. Lewis
Charles H. Lithgow — Carl F. T. Mattern
William E. Ganss — Clifford H. Cole

To be sanitary engineer (equivalent to the Army rank of major), effective December 7, 1949

Ray Raneri

To be senior assistant sanitary engineers (equivalent to the Army rank of captain)

Ronald E. Bales — Gerald N. McDermott

To be senior assistant pharmacist (equivalent to the Army rank of captain)

Joseph J. Hackett

To be senior scientists (equivalent to the Army rank of lieutenant colonel)

John C. Eberhart — Jerry W. Carter, Jr.

To be senior assistant nurse officers (equivalent to the Army rank of captain)

Dorothy G. Young — Albina A. Kozym

APPOINTMENTS IN THE REGULAR CORPS OF THE PUBLIC HEALTH SERVICE

To be senior surgeon (equivalent to the Army rank of lieutenant colonel), effective date of acceptance

Hugh B. Cottrell

To be surgeons (equivalent to the Army rank of major) effective date of acceptance

James A. Finger — Sidney Olansky
William A. Miller

To be senior assistant surgeons (equivalent to Army rank of captain), effective date of acceptance

Robert C. Partenheimer
Alexandra Symonds

To be scientist (equivalent to the Army rank of major), effective date of acceptance

Simon Kinsman

To be senior assistant veterinarians (equivalent to the Army rank of captain), effective date of acceptance

Herbert G. Stoenner — Lauri Luoto
Ernest S. Tierkel — John F. Winn

To be assistant veterinarian (equivalent to the Army rank of first lieutenant), effective date of acceptance

Harry Rubin

POSTMASTERS

ALABAMA

Barney O. Sauls, Alabama City.
Mary G. Lawler, Gurley.
James B. Brazelton, Madison.
Andrew J. Peacock, Sr., Opelika.

ARIZONA

Robert H. Marsch, Eloy.
Flossy A. Johnson, Lakeside.
Raymond F. Lane, Stanfield.

ARKANSAS

Charles Beauclair Ward, Emmet.
Lucille A. Day, Hazen
Clifton A. Morehart, Mabelvale.

CONNECTICUT

Joseph P. Ruske, Cromwell.
Elizabeth M. Deck, Glenville.

DELAWARE

Morris W. King, Hartly.

GEORGIA

Ruth M. Hamilton, Arabi.
James Luther McBath, Carnesville.
Herbert P. Kimberly, Chauncey.
James Marion Peacock, Dublin.
Robert L. Wilson, Franklin.
James A. Brown, Hinesville.

ILLINOIS

Mae Meyer, Carlock.
Hazel M. Schanuel, Caseyville.
Arnold J. Accola, East Dubuque.
Harland S. Pankey, Elkhart.
Paul A. Brickey, Hillview.
Edward J. Ambacher, Ingleside.
Ralph E. Holtslaw, Iuka.
Raymond C. Letourneau, Matteson.
Otis B. Dunn, Oaklawn.
Oscar H. Thielen, Red Bud.
Estel Dale Miner, Ridgway.

INDIANA

Buster L. Hetrick, Auburn.
Donald M. Zartman, Fulton.

IOWA

Lewis F. Matthews, Brayton.
Joseph L. McDevitt, Jamaica.
Aaron Sutter, Manson.
Marion E. Euritt, Mount Ayr.
Wilma M. Close, Mystic.
Lowell B. Lund, Rake.
Donald J. Spencer, Rolfe.
Archie O. Nelson, Jr., Soldier.
Ralph E. Martens, Wheatland.

KANSAS

Elsie M. Danford, Burdett.
Joseph E. Gaitskill, Girard.
Hazel W. Houser, Green.
John W. McManigal, Horton.

MAINE

Roger T. Gilbert, Dexter.

MASSACHUSETTS

Philip F. Ryan, Holyoke.
Marguerite A. Bjurling, Morningdale.
John G. Kelly, Townsend.

MICHIGAN

Merwin O. Baker, Hanover.

MISSISSIPPI

Russell S. Lyle, Maud.

MONTANA

Martha M. Debus, Plains.

NEBRASKA

Margaret T. Cooper, Chambers.
Edwin D. Lipps, Cook.
Francis C. Green, Dorchester.
Wayne C. Springer, Elba.
Hubert C. Brown, Enders.
Belle L. MacGregor, Haigler.
Elmer A. H. Grummert, Jansen.
Norman M. Windeshausen, Osmond.
William R. Byam, Ulysses.
Elmer O. Boettcher, Unadilla.

NEW MEXICO

James A. Kent, Capitan.
Santiago Romero, Maxwell.
Pedro T. Lucero, Ojo Caliente.

NEW YORK

John F. Mahoney, Elizabethtown.
Mary P. Van de Wal, Schodack Landing.

NORTH CAROLINA

Aileen C. Doyle, Denton.
Muriel C. Baldwin, Fletcher.
James B. Cox, Franklinville.
Charlie V. Cross, Jr., Gates.
Joe E. Ray, Murphy.
Jay T. Leggett, Pinetown.
Frank E. Williams, Spring Lake.
T. Walter Ashe, Sylva.

NORTH DAKOTA

Rose A. Eagon, Barney.

OKLAHOMA

Edward Charles Pyle, Marshall.

OREGON

Frithjof G. Tollefsen, Aloha.
Celia M. Norton, Mitchell.
Milton V. Schroeder, Myrtle Point.
Charles E. Hedrick, Stanfield.
Paula J. Burt, Winston.

SOUTH DAKOTA

George W. Chitty, Huron.
Mons B. Anker, Murdo.

TENNESSEE

Mable A. Moore, Arlington.
Eric Walter Robinson, Flintville.
Edwin F. Pharris, Harrogate.

TEXAS

Leona G. Cleveland, Cactus.
Thomas L. Westmoreland, De Berry.
Mazia M. Sneed, Deer Park.
Margaret S. Walters, Dickinson.
Glenn H. Mills, Goliad.
Amos C. McClure, Palo Pinto.
Lee A. Krause, Jr., Round Top.
Miles E. Trice, Rule.
Walker M. Hammett, Santa Rosa.
Frances C. Stubenthal, Skidmore.

UTAH

Joseph A. Manzione, Beaver.

VERMONT

Agnes C. O'Neill, Castleton.
James K. Lovett, Chester.
Warren R. Pearl, Grand Isle.
Adelaide J. Sweeney, Waterville.

VIRGINIA

Earl B. Denoff, Amonate.
Marjorie H. Truby, Chester.
Irene J. Fleming, Clinchco.
Myrtle L. Davis, Collinsville.
Howard G. Gentry, Danville.
William R. Doggett, Doswell.
Maude L. Sheffield, Lovingston.
Eva M. Bennick, New Market.
James W. Ohmer, New Castle.
Marjorie C. Stanley, Stanleytown.
Carlisle L. Nottingham, Wachapreague.
Faye F. Carter, Whitetop.

WEST VIRGINIA

William O. Starcher, Cowen.
John S. Knight, Glen Ferris.
Curtis Crotty, Mullens.

WISCONSIN

Lloyd R. Helgeson, Baldwin.
Russell C. Toepke, Fremont.

WYOMING

Patrick J. O'Dea, Laramie.
Clyde D. Elledge, Powell.

SENATE

TUESDAY, APRIL 18, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Henry W. Snyder, D. D., pastor, St. Paul's Lutheran Church, Washington, D. C., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Let us pray:

Heavenly Father, it is a wonderful privilege to have a place in these halls; but a tremendous responsibility too; a sacred stewardship; a God-given trust. The wisest of men, when facing the heavy tasks of his new kingdom, humbly stood before Thee and confessed that he was but a little child, not knowing how to go out or to come in. So he prayed for an understanding heart.

Today we make that same request; grant unto these Thy servants, yea, unto all of us, an understanding heart. Grant it to us vertically that we may rightly know our relationship to Thee, for we acknowledge our first duty to love Thee with our whole being. Then grant it to us horizontally, that we may know our right relationship to our fellow men, for our second duty is to love them as ourselves. So may there radiate from these halls, and from every life, influences and activities that shall be a blessing to our own land and Nation, and to the nations of the world. So may we glorify Thy holy cause and kingdom. We ask this in the name of the Christ. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 17, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 17, 1950, the President had approved and signed the following acts:

S. 44. An act for the relief of Arthur O. Fisher;

S. 1305. An act for the relief of Theodore Constantin Trancu and his wife; and

S. 2559. An act to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action.

LEAVES OF ABSENCE

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to be absent from the session of the Senate tomorrow to attend the ceremonies in connection with the one hundred and seventy-fifth anniversary of the Battles of Lexington and Concord.

The VICE PRESIDENT. Without objection, the leave is granted.

At his own request, and by unanimous consent, Mr. MAYBANK was excused from attendance on the sessions of the Senate for the next 3 days.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to present petitions and memorials, introduce bills and joint resolutions, and submit routine matters for the RECORD without debate and without speeches.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

REPORT OF MOTOR CARRIER CLAIMS COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman and members of the United States Motor Carrier Claims Commission, Kansas City, Mo., transmitting, pursuant to law, the first report of the progress of the Commission, covering the period from September 19, 1949, to April 12, 1950, which, with the accompanying report, was referred to the Committee on the Judiciary.

REDUCTION OF FLOW OF PETROLEUM IMPORTATIONS—CONCURRENT RESOLUTION OF MISSISSIPPI LEGISLATURE

Mr. STENNIS. Mr. President, the Mississippi Legislature has adopted a concurrent resolution memorializing the Congress of the United States to take appropriate action to reduce the flow of imported petroleum into the United States to an amount which will bring to an end the injury being suffered by the petroleum-producing industry of Mississippi and the United States generally and thereby promote the security and welfare of the Nation.

I am sure this problem is of vital interest to the entire country and I therefore ask unanimous consent to have printed in the RECORD the resolution, and that it be appropriately referred.

The resolution was referred to the Committee on Finance, and, under the rules, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 35

Concurrent resolution memorializing the Congress of the United States to take appropriate action to reduce the flow of imported petroleum into the United States to an amount which will bring to an end the injury being suffered by the petroleum-producing industry of Mississippi and the United States and thereby promote the security and welfare of this Nation

Whereas there has been a large increase in the importation of crude petroleum and products into the United States, against which no effective restriction exists in the laws of this country; and

Whereas the production of petroleum in the State of Mississippi has been decreased to an injurious extent as the result of foreign petroleum usurpation of the markets normally supplied from the resources of Mississippi, such decrease in the year 1949 being more than 16 percent from the level of the previous year; and

Whereas the petroleum-producing industry has increasingly for years added greatly to the industrial and business development of Mississippi and gives great promise through discovery and development of becoming a large factor in the economy of the South and Southeast States of the Union; and

Whereas the development and production of crude petroleum and the refining thereof is an industry whose benefits are widespread, affording employment, distribution of royalty, rental and bonus moneys to landowners, increases in State and local revenues for the maintenance of government and the support of schools and other public institutions; and

Whereas the enforced curtailment of the production of crude petroleum in Mississippi and the substantial decline in drilling activities for the development of existing oil fields and the exploration for new ones has seriously impaired the State's revenues and has markedly injured the economy of the State; and

Whereas the State of Mississippi has through its enacted laws established a program of conservation to prevent the waste of oil and gas and has thus provided for the use of sound engineering methods in the production of these resources, which program is disturbed and threatened with demoralization by the loss of markets for oil produced under efficient and orderly conditions; and

Whereas the geological conditions in Mississippi are such as to encourage the belief that many millions of barrels of petroleum will be discovered provided there is reasonable assurance that the discoverers and developers will be able to revover their investments through the sale of the petroleum they may produce, thus raising the general economic standards of Mississippi and the geographical region closely related to Mississippi; and

Whereas the full development of oil and gas resources are in the national interest, providing a dependable supply for defense and stimulating the business and commercial life of the Nation: Be it

Resolved by the Legislature of the State of Mississippi, That the Congress be and hereby is importuned to give immediate attention to proposals now before it and to others which may be introduced for the limitation of imported oil to such amount as will cause no further injury to the oil producing industry of the State of Mississippi and to the United States; and be it further

Resolved, That copies of this resolution be presented to the Senators and Representatives in Congress elected by the people of Mississippi, to the members of the Committee on Finance of the United States Senate and the Committee on Ways and Means of the United States House of Representatives.

Adopted by the house of representatives February 9, 1950.

WALTER SILLERS,
Speaker of the House of Representatives.

Adopted by the senate March 29, 1950.

SAM LUMPKIN,
President of the Senate.

RESOLUTIONS OF NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, resolutions adopted by delegates at the eighth annual meeting of the National Rural Electric Cooperative Association in Chicago, Ill., on March 9,

1950, relating to REA loans, administrative funds, and so forth.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

THE PRESIDENT AND CONGRESS

Be it resolved, That National Rural Electric Cooperative Association does express appreciation to the President of the United States and to those Members of Congress who have, through sound and forward-looking legislation, in the form of loans, made possible the construction of electric-power lines to give service to over 3,000,000 rural homes, and thereby renewed the faith, stimulated the hope and increased the force of rural America.

REA LOAN AND ADMINISTRATIVE FUNDS

Be it resolved, That the National Rural Electric Cooperative Association urge the Congress to authorize $400,000,000 for loan funds for the rural-electrification program for the fiscal year 1951, as requested by the Bureau of the Budget; and be it further

Resolved, That said association urge the Congress to approve $7,425,000 for administrative purposes for the Rural Electrification Administration for the fiscal year 1951 as requested by the Bureau of the Budget.

FARM-ELECTRIFICATION RESEARCH

Be it resolved, That this association urge the Congress to make available to the Farm Electrification Division of the Agricultural Research Administration the amount of $500,000 for farm-electrification research.

ACQUISITION OF EXISTING FACILITIES

Be it resolved, That this association urge the Congress to amend the Rural Electrification Administration Act to provide for loans for acquisitions, provided the Administrator of the Rural Electrification Administration shall find the following circumstances to exist:

1. That the security of existing loans made by the Administrator shall not be impaired.
2. That the borrower will be benefited, either financially or by improved operating conditions.
3. That the service to the acquired systems will not be impaired.
4. That the existing facilities are so located as to permit effective integration of the system to be acquired.
5. That the sale is voluntary on the part of the seller.

CHANGE IN RURAL ELECTRIFICATION ACT

Be it resolved, That in order to permit the extension of the rural electrification program to the more thinly populated areas of the country and in order to permit our systems to generate and transmit more power where same is found to be advisable, we urge the Congress to authorize the Administrator of the Rural Electrification Administration, in his discretion, to extend the amortization period of REA loans from 35 years to 50 years.

TELEPHONE LOAN AND ADMINISTRATIVE FUNDS

Be it resolved; That NRECA urge the Congress to authorize $50,000,000 for the rural telephone program for the fiscal year of 1951, as requested by the Bureau of the Budget; and be it further

Resolved, That the Congress be urged to appropriate $2,100,000 for the administration of the rural telephone program by the Rural Electrification Administration, as requested by the Bureau of the Budget.

LOAN POLICY LIBERALIZATIONS

Whereas there are pending in the Congress certain legislative proposals, among which are H. R. 6782 and S. 2882, which seek to restrict and limit the power and authority of the Administrator of the Rural Electrification Administration to make loans for generation and transmission purposes; and

Whereas it is the opinion of this association that legislation of that type will adversely affect the expansion of the rural electrification program of the electric cooperatives, as well as jeopardize the existing system and those now under construction, and increase the critical power shortages in all areas of the Nation; and

Whereas the electric cooperatives in various parts of the Nation, being unable to obtain a dependable and adequate source of low-cost power, have found it necessary to obtain loans from REA for these purposes; and

Whereas it has been demonstrated that generation and transmission cooperatives can supply a dependable source of power to be delivered at the load centers of the member cooperatives with improved service to farm members and that generation and transmission cooperatives have secured a reduction in power costs enabling the extension of rural electric service to more thinly settled areas and thus provided complete area coverage and have eliminated restrictive and prohibitive power-use clauses contained in power contracts of many utilities, thus providing unrestricted power use for members of rural power cooperatives: Now, therefore, be it

Resolved, That this association hereby voices its determined opposition to any limitation or restriction by legislation, such as H. R. 6782 or S. 2882, or otherwise, upon the power and authority of the Administrator of the Rural Electrification Administration to make loans beneficial to eligible borrowers in the development of the rural electrification program; be it further

Resolved, That Congress is urged to appropriate additional funds for financing of cooperatives, generating plants, and transmission facilities; and that Congress be urged—

(1) to empower the Administrator of REA to liberalize the policy of making loans to REA borrowers for generation and transmission purposes;

(2) to authorize him to make such loans whenever in his judgment they are justified under good business principles; and

(3) that a copy of this resolution be sent to each Member of the Congress.

CO-OP GENERATION RIGHTS

Be it resolved, That we vigorously reaffirm our right to generate and transmit our own electricity and our right to integrate our generation facilities with Federal hydro projects when necessary and feasible in order to obtain the great economies that result therefrom.

In each area where cooperatives have a generation plant the power companies have failed or refused to meet cooperative requirements for an adequate supply of wholesale power at reasonable rates without restrictions, otherwise the plant would not have been financed by REA in the first place. We call the attention of the Congress to the fact that, as of last year, cooperatives were generating only 6 percent of the power used, and that issue raised by the power companies is unwarranted in fact, and that many of the statements which have been made to congressional committees and to the general public through the press are unfounded and designed to mislead.

CO-OP TAXATION

Whereas certain people, led by large corporate interests, including combinations of power companies, have been spreading vicious propaganda against rural power cooperatives, charging the cooperatives with tax dodging and with the socialization of electric industry; and

Whereas the specific proposal of such interests is that patronage refunds or capital credits of cooperatives be subjected to Federal income taxes; and

Whereas said patronage refunds or capital credits of the rural power cooperatives are not profits or income to the cooperative, but are in fact contributions to the capital of the cooperatives; and

Whereas cooperatives are upon the same basis taxwise as partnerships or individually owned businesses, and their members pay income taxes on said refunds or credits on the same basis as those paid by the individuals, or partners in a partnership; and

Whereas the loans to the rural power cooperatives by the Rural Electrification Administration were made, and the obligations assumed by the cooperatives, upon the basis of their nonprofit character, and that it would be unjust for the Congress to alter or change the tax status of the cooperatives, and impair the ability of the cooperatives to repay said loans: Now, therefore, be it

Resolved, That this association urge the Congress to preserve the present income-tax status of the rural power cooperatives, and the exemption of patronage refunds or capital credits from Federal income tax.

CONDEMNATION OF POWER COMPANY ATTACKS

Whereas representatives of 38 of our generation and transmission cooperatives met in emergency session March 8, 1950, to discuss attempts of commercial power companies to prejudice the members of the joint Agriculture Subcommittee and Interior Subcommittee of the Senate Appropriations Committee and other Members of Congress; and

Whereas the attacks of commercial power companies would destroy the rights of the rural electric cooperatives to generate and transmit electric power and to integrate their facilities with hydro development or commercial power company facilities; and

Whereas representatives of commercial power companies have deliberately attempted, through letters and personal contacts, to misrepresent to Members of Congress the benefits that have already accrued and will continue to accrue through generation and transmission loans; and

Whereas the generation and transmission loans that are being criticized by the commercial power companies were applied for by the farmers and are absolutely essential to the life and continued growth of rural electrification: Now, therefore, be it

Resolved, That we, the more than 4,000 representatives of the rural electric cooperatives and power districts throughout the United States here assembled—and which are now serving more than 3,000,000 farm families—severely condemn the misrepresentations of commercial power companies that are trying to perpetuate their power supply monopoly; and be it further

Resolved, That copies of this resolution be sent to each Member of the Congress, and that we urge the Members of Congress to support the present generation program, and to be on guard against the malicious and vicious attacks of the power companies on this phase of the rural electrification program—which has the overwhelming support of our 3,000,000 farm families—and further urge their active support of the necessary REA loan funds without restrictions.

DEVELOPMENT OF NATURAL POWER RESOURCES

Whereas the United States, in its numerous great rivers and river basins, is possessed of the assets and resources that will, upon maximum development, retain, enrich our soil, provide navigation in many instances, and retard disastrous floods, provide unlimited recreation for the people of the country and insure adequate electrical power supply to meet the long-range demand of all individuals and industries alike, resulting in such a combination of facilities for progress that America can achieve its highest potential standard of progress and prosperity; and

Whereas it is to the personal interest of all the more than 12,000,000 farm people now served by rural power cooperatives that the development of all of these phases of the river and river basin resources be expedited

with emphasis on the pressing need of the power cooperatives for additional dependable, low-cost power sources, without which the rural power cooperatives cannot attain their maximum service; and

Whereas it is recognized that much work has been done, and progress made, in planning the development of this resource by the Department of the Interior, Corps of Engineers, and other assisting agencies in this Government, and progress has been made toward the consummation of some of this planning, which clearly shows the wisdom of the undertaking by the achievements already attained; and

Whereas the projects under plan and which should be planned are so numerous that no attempt should be made to enumerate them here, yet each and all are of the greatest importance to the area of their location and taken in the aggregate of the highest national interest: Therefore, be it

Resolved, That we urge the development of all of the country's potential hydroelectric power as rapidly as practicable; and be it further

Resolved, That the Congress of the United States is petitioned to provide funds and loan authorizations for river basin and water power developments, and for the generation of electricity in connection therewith; and be it further

Resolved, That the Congress of the United States is petitioned to provide funds and loan authorization for the construction of transmission lines to distribute the electric power so generated to cooperatives and municipal consumers, at their load centers, and to integrate various generation projects; and be it further

Resolved, That the Congress of the United States is petitioned to provide funds and loan authorizations for the construction of steam and Diesel generating capacity where necessary to firm up hydrogeneration and to impove the efficiency of such generation; and be it further

Resolved, That the Congress of the United States is petitioned to continue the established power policy of the United States, thus providing for development of potential hydropower and the sale and delivery to load centers of the consumer of this power wholesale, over self-liquidating transmission lines—first, to public bodies and cooperatives, and then to private companies in that order—and to the accomplishment of this end, it should provide adequate appropriations for construction and administration.

REPEAL OF FEDERAL ADMISSIONS TAX—RESOLUTION OF WISCONSIN PARK AND RECREATION SOCIETY

Mr. WILEY. Mr. President, I present for appropriate reference a resolution adopted by the Wisconsin Park and Recreation Society, and ask unanimous consent that I may be permitted to make a statement of 1 minute on the subject of repeal of certain nuisance taxes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator is recognized for 1 minute.

Mr. WILEY. Mr. President, I have commented previously on the urgent necessity of repealing the current nuisance tax on admissions affecting recreation facilities and activities conducted by Uncle Sam, by the State governments, and by municipal or county governments. I feel that it is ridiculous that there should be continued the present high wartime rate of admissions taxes on units of governments which are trying to meet the needs of the people within their respective jurisdictions. I have stated also that it is absurd to continue, for example, to tax county agricultural fairs and similar public service enterprises.

I am indeed sorry that the Democratic majority of the House Ways and Means Committee has refused to allow this issue of excise-tax repeal to come up immediately, but has instead insisted that excise-tax repeal wait for the preparation of an over-all tax-revision plan, a matter which is expected to take many more months. The people of the United States are sick and tired of these nuisance taxes, and the taxes on city recreation facilities are a particular pain in the neck.

Mr. President, I have in my hand a message just received from the Wisconsin Park and Recreation Society whose secretary is a Mr. Warner Bartram. This society met last month and adopted a resolution for repeal of admissions taxes. The society is a section of a league of Wisconsin municipalities, and has as members those interested in recreation from all over Wisconsin as well as Minnesota and Illinois.

I ask unanimous consent that there be printed at this point in the body of the CONGRESSIONAL RECORD, the text of the resolution sent to me by the society as prepared by its president and resolutions committee.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas bills H. R. 271 and H. R. 7253 have been introduced in the Congress of the United States and said bills propose to exempt from admissions tax admissions to recreation facilities and activities operated or conducted by the Federal Government, the several State governments or the political subdivisions thereof; and

Whereas admissions taxes as such were imposed mainly as a wartime necessity and were never intended to be levied beyond the actual war years; and

Whereas taxes imposed on admissions to recreational facilities and activities administered or operated by schools, park and recreation agencies and departments tend to decrease and discourage participation in wholesome and healthful recreational pursuits which mainly serve children, youth, and adults who depend upon and require such activities for their well-being; and

Whereas Federal regulations require a system of collecting, recording, and reporting taxes derived from fees in operations for public recreation, fees, which for the most part, are very nominal and seldom cover the cost of operation. Taxes on this type of admission can well be classified as nuisance taxes: Be it

Resolved by the Wisconsin Park and Recreation Society, assembled in annual meeting at Madison, Wis., That the Congress of the United States be and the same is hereby requested to enact H. R. 271 and H. R. 7258 and thereby remove the burden of taxes presently imposed on activities and on facilities operated by the Federal Government, its State governments, the political subdivisions thereof;

Resolved further, That copy of this resolution be forwarded to each Senator and Congressman representing the State of Wisconsin in the Congress of the United States and to each member of the Ways and Means Committee, which committee is now considering the bills herein referred to.

Adopted by the Wisconsin Park and Recreation Society at Madison, Wis., this 3d day of March 1950.

GEORGE SIMMONS,
President.
WARNER E. BARTRAM,
Secretary.
JEROME C. DRETZKA,
DR. T. O. GOERES,
GEORGE SPEIDEL,
Resolutions Committee.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs:

S. 2510. A bill to authorize and direct the Secretary of the Interior to issue to Anson Harold Pease, a Crow allottee, a patent in fee to certain lands; with an amendment (Rept. No. 1501).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

S. 2551. A bill to authorize and direct the Secretary of the Interior to issue to Julia Two Crow a patent in fee to certain land; with amendments (Rept. No. 1505);

S. 2552. A bill to authorize and direct the Secretary of the Interior to issue to Betty Little White Man a patent in fee to certain land; with amendments (Rept. No. 1506); and

S. Con. Res. 64. Concurrent resolution requesting burial in Arlington National Cemetery of the last surviving member of the Grand Army of the Republic upon his death; with amendments (Rept. No. 1508).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs:

H. R. 5556. A bill to make available for Indian use certain surplus property at the Wingate Ordnance Depot, N. Mex.; without amendment (Rept. No. 1507).

By Mr. HOLLAND, from the Committee on Agriculture and Forestry:

S. 2980. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cigar-wrapper type 61 tobacco and cigar-wrapper type 62 tobacco; with amendments (Rept. No. 1502).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

H. R. 87. A bill relating to the promotion of veterans of World War II in the field service of the Post Office Department; without amendment (Rept. No. 1503); and

H. R. 6552. A bill to correct a clerical error in section 2 of the act of January 16, 1883, an act to regulate and improve the civil service of the United States, as amended by Public Law 425, Eighty-first Congress; without amendment (Rept. No. 1504).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, April 18, 1950, he presented to the President of the United States the enrolled bill (S. 2911) to authorize the President to appoint Lt. Col. Charles H. Bonesteel as Executive Director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3439. A bill for the relief of Jan Urdal; to the Committee on the Judiciary.

By Mr. MAYBANK:

S. 3440. A bill authorizing the construction of certain public works on rivers and harbors; to the Committee on Public Works.

By Mr. BUTLER:

S. 3441. A bill to authorize the sale of certain land of Charles and Clyde Greyhair and Alice Greyhair Armell under jurisdiction of the Winnebago Indian Agency, Nebr.; to the Committee on Interior and Insular Affairs.

By Mr. LUCAS (for Mr. LONG):

S. 3442. A bill for the relief of Alice de Bony de Lavergne; to the Committee on the Judiciary.

By Mr. THYE:

S. 3443. A bill for the relief of Wallace Hsing-hwa Liu; to the Committee on the Judiciary.

By Mr. DONNELL:

S. 3444. A bill for the relief of Victor Francis Oberschall; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 3445. A bill for the relief of Roton Point Corp.; to the Committee on the Judiciary.

THE FINANCIAL SOLVENCY OF THE GOVERNMENT—ADDRESS BY HON. JOSEPH W. MARTIN, JR.

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address by Hon. JOSEPH W. MARTIN, JR., minority leader of the House of Representatives, at the annual banquet of the Amen Corner Club, at the William Penn Hotel in Pittsburgh, Pa., April 15, 1950, which appears in the Appendix.]

HOW TO REGAIN LOST WATER RIGHTS—ARTICLE FROM THE LOS ANGELES TIMES

[Mr. WATKINS asked and obtained leave to have inserted in the RECORD an editorial entitled "How To Regain Lost Water Rights," published in the Los Angeles Times of April 12, 1950, which appears in the Appendix.]

CHINESE REPRESENTATION IN THE UNITED NATIONS

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an editorial entitled "The Views of Dr. Lattimore," published in the New York Times of April 17, 1950, which appears in the Appendix.]

THE LAND-GRANT COLLEGES—ADDRESS BY JOHN A. HANNAH

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an address delivered by President John A. Hannah, of Michigan State College, at the sixty-third annual convention of the Association of Land-Grant Colleges and Universities, at Kansas City, Mo., October 25, 1949, which appears in the Appendix.]

THE ATLANTIC COMMUNITY LOOKS AHEAD—ARTICLE BY WALTER LIPPMANN

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD an article entitled "The Atlantic Community Looks Ahead," by Walter Lippmann, published in the Washington Post of April 18, 1950, which appears in the Appendix.]

THE BASING-POINT BILL—EDITORIAL FROM THE NATIONAL INDEPENDENT

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an editorial entitled "The Basing-Point Bill Must Be Killed," from the April issue of the National Independent, which appears in the Appendix.]

FARM RULE OF REASON

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an article entitled "Farm Rule of Reason," written by Alfred D. Stedman, and published in the St. Paul Pioneer-Press, which appears in the Appendix.]

SOVIET POLICIES—EDITORIAL FROM THE SANTA FE NEW MEXICAN

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an editorial entitled "Bigger Than the H-Bomb," published in the Santa Fe New Mexican of March 5, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of John C. McQueen for temporary appointment to the grade of brigadier general of the Marine Corps, which was referred to the Committee on Armed Services.

NOTICE OF CALL OF THE CALENDAR ON WEDNESDAY

Mr. LUCAS. Mr. President, I think I should make an announcement for the benefit of all Senators. A great number of the Members of the Senate on both sides of the aisle have been talking to me about a call of the calendar. At the present time there are on the calendar more than 250 measures which have not been considered since the last time the calendar was called. Therefore, tomorrow I shall move that the Senate proceed to the consideration of all measures on the calendar, and the ECA bill will follow the call of the calendar, on Thursday.

Mr. LANGER. Mr. President, when the Senator says "all measures," does he mean those which have been placed on the calendar since the 1st of February?

Mr. LUCAS. Yes, from February 1 on.

The VICE PRESIDENT. The Senator means measures on the calendar to which there is no objection, does he not?

Mr. LUCAS. Yes, those to which there is no objection.

Mr. McKELLAR. Mr. President, if the Senator will yield, are we to begin at the beginning of the calendar?

Mr. LUCAS. No; we will begin with measures which have been placed on the calendar beginning with the 1st of February. We have not had a call of the calendar since that time. The measures now on the calendar which were placed there before February 1 will not be called tomorrow.

AMENDMENT OF ECONOMIC COOPERATION ACT

The VICE PRESIDENT. The Senate has before it the unfinished business, which is the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

BIPARTISAN FOREIGN POLICY

Mr. FERGUSON. Mr. President, I have no intention of detaining the Senate for more than a few minutes this afternoon. Because we have before us as the unfinished business consideration of expansion of the European Recovery Act, I believe it to be appropriate that I speak on the subject of a bipartisan foreign policy.

Mr. President, over the week end the distinguished Senator from Texas [Mr. CONNALLY], chairman of the Senate Foreign Relations Committee, publicly announced that he was considering a new arrangement of his subcommittees for the purpose of achieving closer cooperation between the State Department and the Congress on matters of foreign policy.

Moved by a similar spirit, the distinguished Senator from Illinois [Mr. LUCAS], the Senate majority leader, made the observation in a recent address that perhaps some way could be found by which Republicans could be given better opportunities to participate in foreign policy matters in the interests of a genuine bipartisan policy.

I am greatly pleased to see these attempts being made toward closer party cooperation on matters high in the national interest. They come at a time when there has been much public debate about the conduct of our foreign affairs. I am sure our people will deeply appreciate the encouragement these Senators give to the hope that we may place the conduct of our foreign policy on a high plane. The idea of bringing unity into our councils, that America may speak to the world with a single voice, is an inspiring ideal. It is an ideal worthy of leaving no stone unturned in an effort to turn the ideal into reality.

I, too, have always held the hope that by proper arrangements between the parties our country could speak with a single voice in foreign affairs. Together, our two great political parties represent the overwhelming majority of our people. If by some arrangement the leaders of our parties can reach a common understanding on foreign problems and how to deal with them, American leadership in world affairs will be greatly strengthened.

In the past we have tried to realize this ideal. We have tried to bring the parties into closer cooperation, and we have had some remarkable successes with what came to be known as the bipartisan foreign policy. But we have also had some disappointments, which were so severe as to raise the question whether a genuine bipartisan policy can be formed and operated.

I think it is fair to say that anyone who follows the course of current opinion will admit that today there is considerable confusion over this idea of bipartisan foreign policy. Much of the critical debate in Congress stems from this confusion. The meaning of bipartisan policy has never been wholly clear in the past.

An ideal may be ever so noble and praiseworthy, but if the object is not clearly understood, and if the methods of achieving it are not commonly agreed upon, the ideal has little chance of becoming a reality. That is the most elementary principle of human relations in a democratic society.

I thought I knew what bipartisan foreign policy was. At times I felt that I could see it in operation, and I made every effort to give it my cooperation.

But I confess there were other occasions when I was not so sure. Experience with these occasions left me with the impression that either we had no bipartisan foreign policy, or, if we had had one, it was lost from sight. Others, both in official circles and elsewhere in public life, must have gained a similar impression, because there was much confusion and debate on the subject. In fact, that is the position in which we now find ourselves, because there is widespread question today about bipartisan policy in every forum. The very effort in high quarters to do something about it is recognition of the confusion and of a desire to correct difficulties that have arisen.

It seems to me that if we are to give renewed vigor to a policy we believe to be desirable, we ought to cut clear through to the roots of the problem. We ought to clarify beyond a shadow of doubt what we mean by bipartisan foreign policy, and exactly how we propose to work it. I am completely out of patience with all the speculation about what the policy is. Why is it that it covers one subject but not another? Why is it that the policy is invoked at one time and not at other times? Is it fair to ask any Senator to cooperate on a bipartisan foreign policy when it is not made crystal clear what that policy is, or what the ground rules are by which we are to carry on our cooperation? We ought to know from the highest sources what is expected of us.

I have no desire to embarrass anybody in this matter, but I think this confusion and constant bickering show a growing demand that the air be cleared.

With that in view I have formulated a series of questions which seem to me to go to the root of our difficulties. If bipartisan policy is in trouble, it is because we do not have the answers to these questions. If the policy is desirable, and if it is to succeed, I believe we must have the answers to questions like these rather than the vague generalities which have created so much misunderstanding.

The questions which I believe the whole country would like to have answered are these:

First. What is the State Department's conception of a bipartisan or unpartisan foreign policy?

Second. What does the State Department expect of our major political parties?

Third. Is bipartisan foreign policy supposed to restrain the political parties from making political capital out of American foreign relations?

Fourth. How is the policy expected to work, with reference particularly to the President's prerogatives in foreign affairs, the constitutional provisions bearing on the subject, notably the role of the Senate and the Congress at large in implementing foreign policy, and the realities of our two-party political system with its responsiveness to the public?

Fifth. Through what arrangements, devices, and techniques between the parties is the policy to be operated?

Sixth. Are the party leaderships in Congress to participate actively in the formulation of foreign policy as well as in its expression in the form of legislative acts?

Seventh. Since the State Department and the President execute policy, and since administration of policy may lead to controversy, does the conception of bipartisan policy admit of criticism in this area?

Eighth. If it does admit of criticism, how is such criticism expected to operate? Is it expected to operate in bipartisan councils, on the floors of Congress, or by framing and taking issues to the people?

Ninth. If fundamental differences develop in framing the objectives of foreign policy and especially in selecting and placing in operation the methods of executing policy, how are these differences to be resolved in the conception of a bipartisan foreign policy?

Tenth. Domestic issues often are so closely related to matters of foreign policy as to be the other side of the same coin, as, for example, in the relationship of foreign expenditures and budgetary economy, in the question of tariffs, and so forth. The parties sometimes differ sharply on these matters. Does the bipartisan foreign policy leave room for creating issues on these domestic matters when foreign policies must indirectly be drawn into public debate upon them?

Eleventh. I believe it is fair to say that heretofore the President and the State Department have, in effect, chosen the subjects they have considered appropriate for bipartisan foreign policy, including, as examples, the United Nations and the inter-American treaties, and excluding, as examples, other subjects or phases, such as Yalta, Potsdam, and the China policy. Does the bipartisan policy contemplate a continuance of this practice, and what criteria is applied? Can bipartisan policy be deemed consistent or capable of clarity and definition if the practice is to be followed?

Twelfth. How should the personnel from both parties who are to serve in bipartisan arrangements be selected?

These questions are designed to clarify what is meant by bipartisan foreign policy. They are drawn up to bring out what the ground rules are to be for the conduct of bipartisan cooperation.

Experience has shown that in the absence of these ground rules we have not achieved the ends of foreign policy which bipartisan action is designed to secure.

The question remains as to how we may go about this much-needed clarification. After considered thought on the problem I respectfully suggest that the distinguished chairman of the Senate Foreign Relations Committee ask his committee to devote 1 or 2 days to exploring the fundamental basis of a bipartisan policy as suggested by the questions I have presented. I am sure he would receive wholehearted cooperation on every hand. In the spirit of sincere inquiry I am sure he could draw upon many sources for authoritative opinions. Among these might be the Secretary of State, representatives from the party policy committees in Senate and House, prominent persons in public life who are well informed on international affairs, and any others the committee may wish to hear.

With the information gathered from sources which are counted upon to make bipartisan policy work in spirit and substance, the meaning of the policy could be clarified. What is equally important, the committee could suggest the ground rules which both parties may reasonably be asked to respect in order to achieve harmony and cooperation in American foreign policy.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I am glad to yield.

Mr. SALTONSTALL. I believe I heard all but one of the questions which the Senator suggested. All his questions concern substance. As I heard them, they do not go in any way into the matter of personalities. Are there not two very fundamental foundations on which to base a bipartisan or an unpartisan foreign policy? Is not one permission to a member of the minority party to partake of the conception of the policy? Is not another that, even though such person is well selected from the Congress or elsewhere, he must have such a personality and such prestige as to lend weight to the ideas he offers of what a given foreign policy means, and to his part in making it up? Is that not fundamental?

Mr. FERGUSON. I think that is true. One of the questions I suggested I believe would cover that point. That is the one as to how the persons are to be chosen, who they would be, how they would be expected to cooperate. If they are not from among the membership of Congress, they must be such as to understand the position of the Senate and of the House of Representatives on this important subject, so that when they are looking over the policy in advance, prior to the making of the policy, they may sense what is intended by the Senate and by the House. I think the problem goes much further than that, however. Not only is personality involved, but the substance, as to how the policy is to be made to work is involved.

Mr. SALTONSTALL. I agree with the Senator. My question went to the point that, in order to make it work the Republican, or member of the minority party for the time being, who participates in the making of the policy, must have prestige and knowledge and personality.

Mr. FERGUSON. There is no doubt about that. If a policy is to be made in connection with which we are not in on the take-off but only on the crash landing, we are not going to have a successful bipartisan arrangement.

Mr. SALTONSTALL. I have thought about this matter a good deal lately. Does not the success of a bipartisan or an unpartisan policy depend largely on personalities rather than on anything else?

Mr. FERGUSON. I would not say so. I think we have to consider the personalities of the 96 Senators and the personalities of the 435 Representatives and, let us say, the personality of the executive, plus even the personality of the American citizenry, in making up the foreign policy. But I think there must be more than personality. In my opinion, there must be ground rules by which can be determined what shall be bipartisan

foreign policy, and what shall not be bipartisan foreign policy. If the executive is to be the one who chooses we confront a road block and cannot have an over-all foreign policy. I am asking these questions sincerely, because I believe they should be discussed. I believe we should arrive at some ground rules, as I have expressed it, in order that a bipartisan foreign policy may be a success.

Mr. SALTONSTALL. I agree with the Senator. My only purpose in rising and asking any questions was to indicate my view that emphasis should be placed as much on personalities as on ground rules.

Mr. FERGUSON. Of course, if what the Senator calls "personalities" are capable and responsible persons, then the Senator and I agree.

Mr. SALTONSTALL. I have in mind the Senator's colleague from Michigan.

Mr. FERGUSON. I realize that.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. Yes; I yield to the Senator from Maine.

Mr. BREWSTER. I think the Senator has in measure answered the Senator from Massachusetts. But I think any suggestion that we can recreate in this body a VANDENBERG is not a thing to which we should address ourselves. For better or worse, through the period of the war, the senior Senator from Michigan occupied a unique position which, in my judgment, is not likely to be reconstituted. There is nothing more fundamental—and I gather the Senator from Michigan agrees—than that the 96 responsible Members of this body, with their responsibilities in foreign relations, should be measurably represented. Not that the President can discuss the subject, or that the Secretary of State can do so, with all 96 Senators, but that he can discuss the subject with the responsible leadership on each side of the aisle, and in foreign policy unpartisanship involves as much the other side as it does ours.

In view of certain developments of recent days it is clear there are fully as marked divisions on the other side as on this side. Is it not true that two of the episodes which might be calculated to create most doubt regarding our united position on foreign policy are speeches recently delivered by two of the members of the Committee on Foreign Relations, one of whom, a member of the committee from the other side of the aisle, suggested a $50,000,000,000 advance to appease Russia, and the other of whom suggested a disarmament conference? I speak of this in no criticism, but only as calculated to throw doubt upon whether or not even on the other side of the aisle there is unity.

Mr. FERGUSON. I appreciate that. There has been much evidence of a lack of a cohesive pattern on the other side as to our foreign relations. That is why I ask how we are going to attain the objective we have in mind.

Mr. BREWSTER. Would the Senator from Michigan not want—and I trust the Senator from Massachusetts will agree—to substitute for the single personality implicit in his questions, that the responsible leadership of both the minority and the majority should be consulted; that it cannot be the matter of an individual, however wise or farseeing?

Mr. SALTONSTALL. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. I will say to the Senator from Maine that, of course, I did not mean to limit the participation necessarily to one person. There might be three persons or five persons. Perhaps there could not be a greater number than that, but in the persons selected all groups of the minority party must have confidence. They may not agree with them, they may differ with them, but they must have confidence in their judgment.

Mr. FERGUSON. I agree with that.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. I should like to ask the Senator from Michigan if he feels there can be any harmonious foreign policy, whether it is called bipartisan or whatever it may be called, unless those who represent the two parties are called into the consultation? Does the Senator from Michigan wish to answer that question?

Mr. FERGUSON. I asked that question among the interrogatories suggested in my remarks. My judgment is that they must be called in consultation. If a bipartisan foreign policy is to be established, they must know the facts. They must be consulted as to what the policy shall be.

Mr. WHERRY. I agree with that completely. But the Senator has not given a complete answer to my question.

Mr. FERGUSON. Then, I do not understand the question.

Mr. WHERRY. My question is this: Can someone outside the group of those who actually are here in the Senate debating the issues on the floor of the Senate, represent that group, unless such person works through the leadership of the party?

Mr. FERGUSON. If the persons from the outside will cooperate with the leadership of the Senate and House, in the case of both parties, then I think we can get a bipartisan foreign policy.

Mr. WHERRY. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. LEAHY in the chair). Does the Senator from Michigan yield to the Senator from Nebraska?

Mr. FERGUSON. I am glad to yield.

Mr. WHERRY. Then the outside participator must have access to all the conferences of the policy committees, where the policies are determined. Is not that true?

Mr. FERGUSON. I think that is true.

Mr. WHERRY. So I return to my first question: If a harmonious policy is to be developed by either party, certainly it must be done through the procedure which has been recognized as the party system for years. Is not that true?

Mr. FERGUSON. If we are to have party harmony, I believe the party must work through the leadership and must establish a policy which will represent the over-all thinking of the party.

Mr. WHERRY. So, those who represent us in foreign policy matters must have access to all the various procedures we use and the various set-ups we have, in order to be properly informed and to know what is the cross section of opinion of the party. Is that not true?

Mr. FERGUSON. That is always true. Any person who lacks a knowledge of all the facts, no matter what his decision may be, can only guess as to whether he is right or wrong in his decision.

Mr. WHERRY. Have we had that kind of policy since the Senator has been a Member of the Senate of the United States?

Mr. FERGUSON. I stated earlier today that at times it worked and at times it did not work.

Mr. WHERRY. Generally speaking, have we had that kind of policy?

Mr. FERGUSON. At times I think we have had it, and at times we have not.

Mr. WHERRY. I wish the Senator would list the times we have had it, because in my opinion we have not had such a policy, for we have not been consulted. We have not been consulted with respect to foreign policy; and we have not been represented by leadership which would fairly represent a cross-section of opinion in the party, in connection with the debating of foreign policy issues. Until we get that, it seems to me we cannot have a harmonious policy, whether it be called a bipartisan policy, a nonpartisan policy, or anything else.

Mr. FERGUSON. Mr. President, I expected that my remarks would incite some questions, for I made them in the sincere desire to see whether we could accomplish something in connection with this question, and to provide machinery and ground rules, so to speak, for a very sincere bipartisan foreign policy whereby we would be enabled to speak as a unit to the people of the country.

FAIR EMPLOYMENT PRACTICES ACT

Mr. LEHMAN. Mr. President, on February 21 the Assembly of the State of New York concurred in a resolution, previously approved by the New York State senate, which memorialized the United States Congress to enact House bill 4453, known as the Fair Employment Practices Act. This memorial was inserted in the RECORD of February 22 on the motion of the senior Senator from New York.

Mr. President, I should like to point out, for the information of the Members of the Senate and the country at large, that this resolution was approved by the New York Assembly and also by the New York Senate before the House of Representatives had taken up and completely diluted and emasculated House bill 4453. Hence it would be my judgment that this resolution of the New York State legislature did not in any sense apply to the House bill 4453, which was sent to the Senate a week or two ago.

The United States Senate has before it now both the watered-down version of H. R. 4453 and S. 1728, introduced in the last session by the then Senator Howard McGrath, who now is Attorney General of the United States. S. 1728 is practically the same as H. R. 4453 was before the House took its recent

action. S. 1728 was favorably reported by the Senate Labor Committee last session. Hence I did not have an opportunity to vote on it. Had I been a member of the committee at that time, I certainly would have voted for S. 1728. I certainly expect to vote for it, if given the opportunity, at this session of Congress.

Mr. President, I understand that the Senate will shortly take up S. 1728. I trust and hope that we shall have a chance to vote on this bill and to correct the regrettable action taken by the House. I certainly shall do everything in my power to see that this happens.

ESTIMATES OF FEDERAL RECEIPTS FOR FISCAL YEARS 1950 AND 1951

Mr. GEORGE. Mr. President, the staff of the Joint Committee on Internal Revenue Taxation each April submits its own estimates of Federal receipts for the current fiscal year and for the next fiscal year.

The Joint Committee on Internal Revenue Taxation, under the direction of the chairman of that committee, has prepared its estimates of Federal receipts for the fiscal years 1950 and 1951. As chairman of the committee, I am releasing the statement today.

The staff of the joint committee does not have, of course, all the facilities which are available to the Treasury Department, and it has never undertaken to put its estimates and judgments against Treasury estimates and Treasury judgments. However, the joint committee submits its staff estimates for whatever benefit they may be to the Members of the Senate and of the House of Representatives.

Mr. President, the report accompanying the estimates is quite interesting, although very brief. The joint committee staff estimates that Federal net budget receipts under present law will be $36,600,000,000 for the fiscal year 1950 and $35,100,000,000 for the fiscal year 1951. If expenditures are at the levels estimated in the President's January budget, the staff's estimates of receipts will result in deficits of $6,700,000,000 in the fiscal year 1950 and $7,300,000,000 in the fiscal year 1951. This compares with the estimated deficits in the budget message of $5,500,000,000 in the fiscal year 1950 and $5,100,000,000 in the fiscal year 1951.

Attached to the statement is a table on which the statement is based and, of course, certain assumptions are made. I think the Senate will find it most interesting. I take this occasion to say that, based upon past experience, the joint committee staff, under the direction of the Joint Committee on Internal Revenue Taxation, has not missed the mark greatly in its estimates through the war years and the postwar years.

Therefore, I am releasing this statement today, and I ask unanimous consent that it may be incorporated in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ESTIMATE OF FEDERAL RECEIPTS FOR FISCAL YEARS 1950 AND 1951

The staff of the Joint Committee on Internal Revenue Taxation estimates that Federal net budget receipts under present law will be $36,600,000,000 for the fiscal year 1950 and $35,100,000,000 for the fiscal year 1951. If expenditures are at the levels estimated in the President's January budget, the staff's estimate of receipts will result in deficits of $6,700,000,000 in the fiscal year 1950 and $7,300,000,000 in the fiscal year 1951. This compares with the estimated deficits in the budget message of $5,500,000,000 in the fiscal year 1950 and $5,100,000,000 in the fiscal year 1951. These data are shown in table I.

Table II compares the staff estimates of receipts with those appearing in the January budget and shows the actual receipts in the fiscal year 1949. It will be noted that the staff estimates for the fiscal year 1950 are $1,200,000,000, and those for 1951, $2,200,000,000 below the estimates contained in the January budget. It is believed that this difference is due primarily to the fact that the staff estimates take account of the disappointing collections, especially from the individual income tax, since January of this year.

The staff in preparing these estimates assumed an average personal income of $212,000,000,000 in the calendar year 1950 and $207,000,000,000 in the first 6 months of the calendar year 1951. These figures do not include the national service life-insurance refunds, since they are not taxable income. However, these refunds are included in the estimates of personal income reported by the Commerce Department. If they are taken into account the average personal income assumed by the staff would be $215,000,000,000 in the calendar year 1950 and $208,000,000,000 in the first 6 months of the calendar year 1951. The Director of the Budget reported that the Treasury had used a personal income level of $212,000,000,000 for the entire 18-month period January 1950 through June 1951, in preparing the revenue estimates contained in the budget message. Apparently the Treasury assumption also does not include the insurance refunds.

The level of business activity assumed by the staff was arrived at after consultation with a number of outstanding economic analysts, both in private industry and in the Government.

The staff estimates do not take into consideration the effects of any changes in Government expenditures from the levels forecast in the January budget. The estimated receipts are based on the tax laws existing on April 12, 1950.

TABLE I.—*Receipts, expenditures, and the deficit of the Federal Government: Actual, fiscal year 1949, and estimates for the fiscal years 1950 and 1951*

[In billions of dollars]

	Actual 1949	Estimated 1950			Estimated 1951		
		Staff	Budget	Staff estimates compared with budget estimates	Staff	Budget	Staff estimates compared with budget estimates
Receipts	38.2	36.6	37.8	−1.2	35.1	37.3	−2.2
Expenditures (budget estimate)	40.1	43.3	43.3	----------	42.4	42.4	----------
Deficit	1.8	6.7	5.5	+1.2	7.3	5.1	+2.2

TABLE II.—*Receipts of the Federal Government: Actual, fiscal year 1949, and estimates for the fiscal years 1950 and 1951*

[In billions of dollars]

	Actual 1949	Estimated 1950		Estimated 1951	
		Staff	Budget	Staff	Budget
Direct taxes on individuals	18.7	17.8	18.7	17.5	18.9
Direct taxes on corporations	11.6	11.0	11.2	9.9	10.5
Excise taxes	7.6	7.6	7.6	7.5	7.6
Net employment taxes	.8	.8	.8	.8	.8
Customs	.4	.4	.4	.4	.4
Miscellaneous receipts	2.1	[1] 1.3	1.3	[1] 1.1	1.1
Refunds of receipts: Deduct	2.8	[1] 2.2	2.2	[1] 2.2	2.2
Total	38.2	36.6	37.8	35.1	37.3

[1] Budget estimates.

NOTE.—Figures are rounded and may not add to totals.

INVESTIGATION OF INTERSTATE CRIME—THE SLAUGHTER CASE

Mr. BREWSTER. Mr. President, some 2 weeks ago I addressed myself to the resolution, which then had been for some time on the Senate Calendar, dealing with a proposed investigation of crime.

Following the apparent determination yesterday that consideration of the revised resolution would be further deferred, I wish to express my very great concern over that action, particularly in the light of what I think may justly be termed "the slaughter of the innocent." In that connection I do not refer to the slaying of Mr. Binaggio, inasmuch as I think it may be agreed that there is some doubt as to whether he may have been innocent. Rather, I refer to a case which finally reached its rather dramatic conclusion in the courts yesterday—the case of Mr. Roger C. Slaughter, of Missouri.

I believe the Senate's records should contain some reference to this matter, in connection with other current developments bearing on the question of the wisdom of having the Senate of the United States now examine the crime situation. I have hitherto addressed myself to that subject, and I expect to continue to address myself to it until some adequate provision is made for an exploration of this situation, which ramifies not merely into the question of the crime of which we talk, but, as I pointed out in my former address, to the question of the pressure of the crime groups into more and more legitimate

businesses, where similar racketeering methods are used in order to destroy the future of honest, earnest, able businessmen and businesswomen.

The presentation by the Slaughter case of what suddenly, upon the records, must appear to be a possible perversion of Federal authority and the prosecution of a man who, upon the records, as presented yesterday in court, was not guilty of any offense, and the fact that the threat of prosecution for the past 2 years, which finally developed into a Federal indictment, culminated yesterday in almost a travesty in the Federal court when the case was dismissed promptly after the Government had presented what apparently was the only evidence it had available, I think, require us to look somewhat further into the question of what is behind this situation.

Mr. President, I now ask unanimous consent that the reports of those proceedings, as published in the New York Times, the Washington Times-Herald, and the Washington Post, of this morning, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BREWSTER. Mr. President, I wish briefly to summarize how this case arose. Mr. Slaughter was a Member of the House of Representatives and a member of its Rules Committee some 4 years ago. At that time, as a member of the all-powerful Rules Committee, he did not "play ball" with the administration. There were numerous episodes in which he declined to vote in accordance with what were the expressed wishes of the administration and, I think it is proper to say, the wishes of the White House and the President.

Following that, the President indicated his extreme displeasure. There were conferences with the then political power in Kansas City, Mr. James M. Pendergast, who was the successor of the so-called Pendergast machine; and it was determined—and the President so announced—that his displeasure with Mr. Slaughter and his performance as a Member of the House led him, the President, to support Mr. Enos Axtel as the Democratic nominee. A rather bitter primary resulted, in which, on the face of the returns, Mr. Axtel was nominated as the Democratic nominee. In the subsequent election he was defeated by a Republican. However, that is beside our present problem.

There developed, following that, grave questions as to the legality of that election. As a result of investigations by newspapers in Kansas City, there were widespread allegations of fraud. Overwhelming evidence was presented. The result was that 76 election officials were indicted for election frauds in that Democratic primary. The ballots were impounded and were placed in the courthouse in Kansas City.

The primary had been held in August 1946. Thereafter, namely, on May 27, 1947, by a curious coincidence, the President was at the time in Kansas City. This is not to imply that the President was associated with the crime to which I shall refer, but the significance of it was that the crime occurred within a few blocks of where the President was then located. Undoubtedly, under the protection which is accorded to the President, very properly wherever he travels—and certainly it would not be out of order in Kansas City, where 26 crimes are today unexplained—he probably was protected by an overwhelming group of United States Secret Service men; and yet, in the very shadow of that Presidential party, the safe was blown and the ballots were stolen which constituted, apparently, evidence indispensable to the conviction of the 76 officials theretofore indicted for election frauds. Following that an FBI investigation took place.

Forty-five days from now, any possibility of prosecution for those frauds would expire under the statute of limitations. In spite of the powers of the FBI, in spite of the concern, certainly of the President which one would expect over such conditions in what is very near to his native city, the matter has never been cleared up. Meanwhile, there is about to take place another primary as to which, curiously enough, the President, violating his Nation-wide practice, once again has elected to determine, so far as he may, who shall be nominated in the primary. Whether he will be more successful in this essay in giving advice to his constituency, time alone will tell.

But the significance of the situation is that, following all these episodes, Mr. Slaughter has been relentlessly pursued. Whether it is persecution in the use of Federal power must remain for any citizen to determine in the light of all the facts. But Mr. Slaughter was pursued first in Kansas City and then here in Washington. When he took legitimate employment, he was threatened with prosecution under the Lobbying Act.

A rather curious episode then ensued. In September 1948, on the eve of the momentous presidential election, this case was taken before a grand jury. A Federal grand jury in the District of Columbia heard the charges concerning lobbying, and at that time refused to return an indictment. Here again there is a curious coincidence in that, following the presidential election in November 1948, namely, on November 23, 1948, 3 weeks after the election, Mr. Slaughter was indicted by a grand jury in the District of Columbia. Whether there is any significance in the fact that in September he was not indicted, and that on November 23, 1948, he was indicted, must be left again to the conclusion of all honest and intelligent citizens. The facts remain.

Thereafter, in March 1949, Mr. Slaughter, in the exercise of his judicial rights, through his counsel presented arguments on a motion to dismiss the indictment. That brings us to March 1949. The argument was held under advisement for a solid year before there was any decision. I think most attorneys will agree that that was a somewhat unusual length of time for such a motion to be held under advisement, to determine whether the indictment was adequate and should be prosecuted, or whether it should be dismissed. However, in March 1950, it was finally decided by the court that the motion should be overruled, and that the case should proceed to trial. Mr. Slaughter was still trying in March 1950, to obtain a disposition of the case. It finally culminated yesterday.

Although the agents of the Government have not been able to solve all the problems of crime in Kansas City or in other sections, and do not as yet find any reason why the murder of two witnesses before the grand jury in Kansas City is not obstructing the presentation of their case—although one would infer that murdering a man was a rather effective means of preventing his appearance before the grand jury, yet apparently, the Federal Government has not yet been able to determine that it is an obstruction—the Government, through its representatives was able finally, after four long years, to bring Mr. Slaughter to trial.

We thus see the travesty which was presented in the Federal court yesterday, when Judge Holtzoff heard and decided the case, after a very cursory presentation by the Government. It was shown that Mr. Slaughter had been employed under a contract which at all times had been in the possession of the Government, and which clearly and explicity excluded him from any activity not in accordance with the terms of the statute; that the contract was drawn for the very purpose of providing that he should not do things which could be construed as lobbying, and that his appearance before committees of the House and Senate was not lobbying, but was in the exercise of a legitimate activity as a lawyer. The contract was in the hands of the Government all the time. The Government presented evidence through the Clerk of the House, that Mr. Slaughter was not registered as a lobbyist. That is a very mysterious fact, because it had been a matter of record for four long years. It was finally put in evidence, and the Government rested, whereupon Judge Holtzoff said, "Case dismissed for lack of evidence."

What sort of administration of justice does this present? In the light of the facts, does it not possibly warrant an investigation by a competent committee of the Senate or of the House, or both, to determine whether there is a proper administration of our Federal and local laws? Under the Constitution the Congress has certain responsibilities of that character, since the Constitution guarantees a republican form of government. I am not entirely sure what a republican form of government means, but I hope we shall be able very shortly to carry out the constitutional requirement and assure a republican form of government; in which event I hope that some of the travesties and tragedies of recent days, coupled with the murder of witnesses who were to appear before the grand jury will be eliminated.

Whether or not one agreed with Mr. Binaggio, I think the statement of Mr. Pendergast, as quoted in the press, must be considered rather naive. I hope that perhaps he will clarify it, but the press reported Mr. Pendergast as saying that the Binaggio murder would help to clear

things up in Kansas City, that with Mr. Binaggio out of the way they could have political harmony, the implication being that that was apparently the only way of solving a political problem.

However, I return to what I started with, namely, that here is presented a case which I think might well be termed a "slaughter of the innocents," or rather, an attempted slaughter, because if there was ever a man who was entitled to sympathy, in the light of all the persecution he has undergone from different agencies, it is Roger C. Slaughter, whose only crime was apparently that he refused to accept the dictation of the administration as to how he should cast his vote as a member of the Rules Committee of the House of Representatives. Meanwhile the possibility of a crime investigation by the Senate has been pending hear since last January, more and more abounding evidence is accumulating as to the imperative necessity of such an investigation, and still the Senate is not even permitted thus far to consider whether it will vote to adopt the original resolution, the substitute resolution, or the alternative proposal, which have been presented.

I do want to urge a program upon the majority leader, who frankly controls the measures which come before the Senate, since he makes it an issue of protocol and procedure that he shall, and I think there is much to be said for that procedure. But he does accept the very overwhelming responsibility of determining, under that procedure, what it is important the Senate should consider first. I hope that in the very near future the majority leader may feel warranted in permitting the Senate to consider whether there should be an investigation of the crime situation, and investigation covering the entire scope of it, and not confined to Kansas City, but not excluding Kansas City, in all its ramifications.

EXHIBIT 1

[From the New York Times of April 18, 1950]

SLAUGHTER FREED IN LOBBYING TRIAL—UNITED STATES JUDGE HOLDS GOVERNMENT FAILED TO PROVE EX-MISSOURI REPRESENTATIVE BROKE LAW

(By W. H. Lawrence)

WASHINGTON, April 17.—Former Representative Roger C. Slaughter, Kansas City Democrat, who was "purged" from Congress by President Truman in 1946, won quick acquittal today on a Federal charge that he had violated the Federal Lobbying Act.

United States District Judge Alexander Holtzoff, who was appointed to the court by Mr. Truman in 1945, heard the case without a jury, by agreement of the prosecution and defense, and returned the verdict of innocent after a trial lasting only slightly more than an hour.

Representative Slaughter, who had been a member of the controlling House Rules Committee, was marked for defeat by the President in July 1946, on the ground that he had opposed every administration measure.

The President announced that he had asked James M. Pendergast, nephew of the late Tom Pendergast, boss of the Missouri Democratic machine, to support Enos Axtell against Representative Slaughter.

Mr. Axtell's victory in that primary led to charges of vote fraud in behalf of Mr. Axtell in Kansas City which still are echoing in the Capitol. Mr. Axtell subsequently was beaten by Representative Albert L. Reeves, Jr., a Republican, in the November election. Mr. Reeves was defeated for reelection in 1948.

INDICTED BY FEDERAL JURY

The indictment on which Mr. Slaughter was tried today was based on his activities after he left Congress. On November 23, 1948, a Federal grand jury here returned an indictment charging that the former Representative had violated Federal law by failing to register as a lobbyist.

Mr. Slaughter contended that his work in Washington for the Kansas City, Chicago, and Minneapolis grain exchanges, including representing them before congressional committees, had been as a lawyer and counsel, and not as a lobbyist.

Ironically enough, one of the laws that Mr. Slaughter was credited with changing probably played an important role in Mr. Truman's surprising election to a full term in his own right in 1948.

As counsel for the grain exchanges, Mr. Slaughter argued successfully before the Republican-controlled Eightieth Congress for limitations upon the power of the Commodity Credit Corporation to buy or lease grain elevators in which crops could be stored in order to receive Federal loans.

In 1948, with a bumper corn crop, there was insufficient storage space, and, in mid-October, the price of corn broke below the Federal support level. In November, rural districts that had been counted as safely Republican turned Democratic in large numbers with the result that Mr. Truman won unexpected victories in Iowa, Wisconsin, Illinois and Ohio, and, with them, the election.

DECIDED ON LEGAL POINT

The issue before Judge Holtzoff today was a narrow legalistic point—whether Mr. Slaughter had acted as a lobbyist or as a lawyer.

The Government presented only two witnesses. One was Raymond J. Barnes, president of the North American Grain Associations of New York, who identified Government exhibits showing that the association had paid $7,500 as a fee and additional sums as expense money to the defendant.

Dillard Rogers, a clerk in the House of Representatives, who receives registrations by lobbyists, testified that Mr. Slaughter had not registered. The defense admitted that this was true.

The defense offered no witnesses, relying entirely upon the argument that former Representative Slaughter had acted as a lawyer and not as a lobbyist in contacting Members of Congress and appearing before committees.

Judge Holtzoff insisted that the Government confine itself to pertinent, and not circumstantial, evidence demonstrating that Mr. Slaughter specifically had tried to influence votes on pending legislation. The judge held that the Government had not proved its case.

[From the Washington Times-Herald of April 18, 1950]

JUDGE HOLTZOFF FREES SLAUGHTER IN LOBBYING CASE

(By Frank Holeman)

Former Representative Slaughter, Democrat, of Missouri, victim of President Truman's 1946 purge, yesterday was acquitted by Judge Holtzoff on charges of illegal lobbying in a trial that lasted but a few hours.

Slaughter promptly claimed a smashing victory over Mr. Truman, and hailed the quick verdict as proof that the indictment was nothing but a spite action, growing out of bitter Kansas City politics.

A POLITICAL FIGHT

"At the time of the indictment I said that the charges were false, fraudulent, and politically inspired," Slaughter recalled. "Today's events are one more chapter in a political fight," he went on. The verdict demonstrated "the Government never had a case, all of which the Government knew or could have known had it been interested in the truth or falsity of their charges."

Holtzoff ruled that the ex-Representative, who was purged by the President in the 1946 primaries, did not do anything in Washington for his clients which would have required him to register under the Federal Lobbying Act.

Special Prosecutor Frank H. Patton, carrying the ball for the Justice Department, had charged that Slaughter was trying to influence votes for several grain exchanges, without registering as a congressional lobbyist.

WAIVES JURY TRIAL

Slaughter waived a jury, and the trial only lasted a few hours. Holtzoff rendered his finding of not guilty immediately.

In one instance, Patton charged, Slaughter used his privileges as a former Member of the House to appear on the floor during debate in which his clients were interested, and talk to Congressmen. Holtzoff said that wasn't proof that Slaughter was actually trying to influence votes.

In another case, the prosecutor declared, Slaughter made several telephone calls and charged them to a client. The judge said that should be ignored unless the Government could show something pertinent in the content of the conversations.

ACTS ONLY AS COUNSEL

Defense Attorney William E. Leahy admitted that Slaughter was a Washington representative for the Kansas City and Chicago Boards of Trade, the Minneapolis Grain Exchange, and the American Grain Export Association of New York. But his contracts specifically provided that he would act only as counsel and not make any personal contacts with Congressmen, Leahy said.

Holtzoff ruled that no evidence had been introduced to prove that Slaughter did anything for his clients except appear before congressional committees, or prepare statements for others. The Lobby Act does not require registration by a person who only does that.

[From the Washington Post of April 18, 1950]

ROGER SLAUGHTER, FOE OF TRUMAN, CLEARED OF LOBBYING CHARGES—SAYS HE HAD ACTED ONLY AS ATTORNEY—NO WITNESSES CALLED BY THE DEFENSE

In less than 2 hours yesterday District Judge Alexander Holtzoff cleared former Missouri Congressman Roger C. Slaughter of charges that he violated the Lobbying Act.

Slaughter waived a jury trial in district court here. The Government presented only two witnesses, Slaughter none.

The former House Member was indicted in 1948. The Government charged that he got $25,000 salary and $18,599.13 expenses for trying to influence legislation in the Eightieth Congress in behalf of the Chicago and Kansas City Boards of Trade and the Minneapolis Grain Exchange; and $7,500 salary and $2,258.41 expenses from the North American Export Grain Association, of New York, for similar work.

Slaughter maintained that his services were those of an attorney, and did not include lobbying. His counsel conceded he had not registered as a lobbyist.

William E. Leahy, Slaughter's counsel, said that his client operated only as an attorney in helping grain exchange witnesses present their testimony to congressional committees.

Holtzoff held that a person is not required to register as a lobbyist for appearing before a committee or gathering material and helping prepare statements for witnesses who testify before such committees.

Slaughter, a Democrat, served in Congress from a Kansas City district. President Truman set out to "purge" him in 1946. Enos

Axtell, the candidate Mr. Truman indorsed, defeated Slaughter in the primary, but Axtell in turn lost to a Republican.

Slaughter, who maintains law offices in Kansas City, commented after the judge's decision that "today's events are one more chapter in a political fight." He said he was happy to be able to demonstrate that "the Government never had a case."

Judge Holtzoff asked Government attorneys at the end of their opening argument whether they intended to show Slaughter performed any acts of lobbying by contacting Congressmen outside of committees.

Frank H. Patton, Assistant Attorney General, replied that the Government proposed to prove that Slaughter made long-distance calls to Congressmen and sent the bills to his clients. In reply to a question from the judge he said he did not know what was said during the calls.

Judge Holtzoff then indicated he would not permit the testimony unless there was proof of the nature of the conversation.

Similarly Patton said the Government expected to show Slaughter was on the House floor—a privilege given former Congressmen—when one of the bills in which he was interested was being considered. But he said he did not know what Slaughter might have said to the Congressmen.

[In one case Slaughter was accused of seeking defeat of the International Wheat Agreement.]

[The International Wheat Agreement sets sale terms for about half the wheat moved in world trade. It went into effect August 1, 1949, and embraced 41 big wheat-producing and importing nations, including the United States.—Editor's note.]

Mr. LUCAS. Mr. President, it is amazing what one hears in a political year.

Mr. BREWSTER. And also what one does.

Mr. LUCAS. I know very little about the Slaughter case. I assume that those responsible for the indictment of Mr. Slaughter were members of a Federal grand jury, who heard all the evidence presented, and who at least believed there was a case against him. The court held yesterday there was not a case, and dismissed it.

I presume if one wanted to look into the records of the Federal courts it would be possible to discover every year a case in which an indictment had been returned, which the court had dismissed for lack of evidence. It certainly is not an unusual situation, either in the Federal courts or in the State courts.

Insofar as the resolution is concerned, which is the subject of the present discussion, and which seeks to investigate the interstate crime situation, I think I have made myself clear, to those who desire clarity, that the Senator from Illinois will desire in no way to thwart the efforts of the investigating committee, which will be appointed ultimately, to go fully into the question of interstate criminal activities.

As I said yesterday, members of such committee may go as far as they desire; they may look into any crime interstate in character they desire to investigate; they may go into any State they desire, or to any place, so far as I am concerned. I have no hesitancy in saying that certainly I shall have no disposition to thwart the efforts of the committee.

However, I am sure the Senator from Maine, who, most of the time, has gone along with the foreign policy of the United States, would not say to the Senate or to the country that the consideration of this resolution, which we know would require at least 2 days for debate, is more important to the Senate and to the country than is the consideration of the European recovery program, which the Senate took up last night. The Senate, by a voice vote, said overwhelmingly—and I think the votes came from both the Republican and Democratic sides of the aisle—that the ECA authorization bill which is now pending before the Senate was far more important than consideration of a resolution dealing with the existence of crime syndicates throughout the Nation.

Mr. President, that is about all I care to say. I repeat what I said in the beginning: This is a political year, a year in which Senators are to be reelected, and we may expect to hear the Senator from Maine and other Senators denouncing and criticizing the administration from practically every conceivable angle. We expect that, Mr. President, in an election year. If the time were a year ago the Senator probably would not have taken the floor and defended Mr. Slaughter in such glowing and eloquent terms.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2911. An act to authorize the President to appoint Lt. Col. Charles H. Bonesteel as executive director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites; and

H. R. 6656. An act for the relief of Peter Michael El-Hini.

RECESS

Mr. LUCAS. Mr. President, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock p. m.) the Senate took a recess until tomorrow, Wednesday, April 19, 1950, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 18 (legislative day of March 29), 1950:

IN THE MARINE CORPS

The following-named officer of the Marine Corps for temporary appointment to the grade of brigadier general:

John C. McQueen

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 18, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, whose heart always responds to those who truly seek to worship and serve Thee, may this moment of prayer be one of insight and of inspiration.

We pray that Thy servants may be blessed with a clear vision of the high and helpful things they may do together as they again assemble to take counsel with one another.

Thou knowest how deeply concerned they are about the welfare of our own beloved country and all mankind. Inspire them with those noble impulses and desires which are the progenitors of achievement in building a better world.

May we feel the compelling constraint to labor more earnestly as we look forward to the coming of that glorious day of peace which Thou dost will and sanction.

Hear us, in Christ's name. Amen.

The Journal of the proceedings of Thursday, April 6, 1950, was read and approved.

MESSAGE FROM THE SENATE AFTER ADJOURNMENT

Pursuant to a special order agreed to on April 5, 1950, the Clerk of the House of Representatives received on April 14, 1950, a message from the Senate announcing that the Senate had passed without amendment the concurrent resolution of the House of Representatives of the following title:

H. Con. Res. 190. A concurrent resolution to provide for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriots' Day for the commemoration of the events that took place on April 19, 1775.

APPOINTMENT OF COMMISSIONERS ON THE PATRIOTS' DAY CELEBRATION COMMISSION AFTER ADJOURNMENT

The SPEAKER, pursuant to the authority conferred upon him by House Concurrent Resolution 190, Eighty-first Congress, and the order of the House of April 5, 1950, empowering him to appoint commissions, boards, and committees authorized by law or by the House, did on April 14, 1950, appoint as Commissioners on the Patriots' Day Celebration Commission the following Members on the part of the House: Mr. LANE, Mr. PHILBIN, Mr. KENNEDY, Mrs. ROGERS of Massachusetts, Mr. GOODWIN.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5472. An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHAVEZ, Mr. MCCLELLAN, Mr. HOLLAND, Mr. CAIN, and Mr. MALONE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in

which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 371. Joint resolution to correct the formula used in computing the income taxes of life-insurance companies for 1947, 1948, and 1949.

The message also announced that the Senate insists upon its amendments to the foregoing joint resolution, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GEORGE, Mr. CONNALLY, Mr. BYRD, Mr. MILLIKIN, and Mr. TAFT to be the conferees on the part of the Senate.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

APRIL 17, 1950.

The honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to the authority granted on April 5, 1950, the Clerk received on the following dates, from the Secretary of the Senate, the following messages:

On April 11, 1950:

That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2246) entitled "An act to amend the National Housing Act, as amended, and for other purposes"; and

That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2734) entitled "An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes"; and

That the Senate agree to the amendment of the House of Representatives to the bill (S. 2559) entitled "An act to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action"; and

That the Senate had passed without amendment the concurrent resolutions of the House of Representatives of the following titles:

H. Con. Res. 125. A concurrent resolution authorizing the Committee on the Judiciary of the House of Representatives to have printed 5,000 copies of the hearings, held before said committee, on the resolutions entitled "Study of Monopoly Power"; and

H. Con. Res. 192. A concurrent resolution providing for the printing of 1,000 additional copies of hearings relative to revenue revision held before the Committee on Ways and Means during the current session, including an index; and

On April 12, 1950:

That the Senate had passed without amendment the bill H. R. 6656, for the relief of Peter Michael El-Hini; and

On April 13, 1950:

That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5839) entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes"; and

That the Senate agree to the amendment of the House of Representatives to the bill (S. 2911) entitled "An act to authorize the President to appoint Lt. Col. Charles H. Bonesteel as executive director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites"; and

That the Senate had passed without amendment the concurrent resolution, House Concurrent Resolution 190, to provide for the observance and celebration of the one hundred and seventy-fifth anniversary of Patriot's Day for the commemoration of the events that took place on April 19, 1775; and

That the Senate had passed with amendments the concurrent resolutions of the House of Representatives of the following titles:

H. Con. Res. 184. A concurrent resolution authorizing the holding of ceremonies in the rotunda in connection with the presentation of a statue of the late Brigham Young; and

H. Con. Res. 186. A concurrent resolution authorizing a statue of the late Brigham Young, of Utah, to be placed in Statuary Hall.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title:

H. R. 5839. An act to facilitate and simplify the work of the Forest Service, and for other purposes.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on April 5, 1950, he signed enrolled bills as follows:

On April 12, 1950:

S. 2246. An act to amend the National Housing Act, as amended, and for other purposes;

S. 2559. An act to authorize the extension of officers' retirement benefits to certain persons who while serving as enlisted men in the Army of the United States during World War II were given battlefield promotions to officer grade and were incapacitated for active service as a result of enemy action; and

S. 2734. An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

On April 14, 1950:

H. R. 5839. An act to facilitate and simplify the work of the Forest Service, and for other purposes.

PATRIOTS' DAY CELEBRATION COMMISSION

The SPEAKER. The Chair desires to announce that pursuant to the authority conferred upon him by House Concurrent Resolution 190, Eighty-first Congress, and the order of the House of April 5, 1950, empowering him to appoint commissions, boards, and committees authorized by law or by the House, he did on April 14, 1950, appoint as commissioners on the Patriots' Day Celebration Commission the following members on the part of the House: Mr. LANE, Mr. PHILBIN, Mr. KENNEDY, Mrs. ROGERS of Massachusetts, Mr. GOODWIN.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

APRIL 18, 1950.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope from the President of the United States, addressed to the Speaker of the House of Representatives, received in the office of the Clerk on April 15, 1950.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

NATURAL GAS ACT—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 555)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1758, a bill to amend the Natural Gas Act approved June 21, 1938, as amended.

This bill would preclude the Federal Power Commission from regulating sales of natural gas to interstate pipe-line companies; for resale in interstate commerce, by producers and gatherers who are not affiliated with the buyers. After careful analysis and full consideration, I believe that such an action would not be in the national interest.

I believe that authority to regulate such sales is necessary in the public interest because of the inherent characteristics of the process of moving gas from the field to the consumer. Unlike purchasers of coal and oil, purchasers of natural gas cannot easily move from one producer to another in search of lower prices. Natural gas is transported to consumers by pipe lines, and is distributed in a given consuming market by a single company. The pipe-line companies, and in turn the consumers of natural gas, are bound to the producers and gatherers in a given field by the physical location of their pipe lines, which represent large investments of funds, and cannot readily be moved to other fields in search of a better price.

These characteristics of the natural-gas business impose natural limitations upon effective competition among sellers. Competition is further limited by the degree of concentration of ownership of natural-gas reserves. While there are a large number of producers and gatherers, a relatively small number of them own a substantial majority of the gas reserves. Furthermore, the demand for natural gas has been growing phenomenally in recent years, and its natural advantages as a fuel, coupled with its present price advantage, indicate that demand may soon be pressing hard upon total supplies.

Under these circumstances, there is a clear possibility that competition will not be effective, at least in some cases, in holding prices to reasonable levels. Accordingly, to remove the authority to regulate, as this bill would do, does not seem to me to be wise public policy.

It is argued that regulation of sales of natural gas to pipe-line companies would discourage producers and gatherers from selling their gas in interstate commerce, and would discourage exploration and development of new wells. This claim rests primarily on the assumption that the Federal Power Commission would apply standards of regulation which did not take account of the peculiar circumstances of natural-gas production—such as the cost of exploration and develop-

ment, including the drilling of dry holes. I do not believe this assumption is well-founded. On the contrary, I am confident that the Commission will apply standards properly suited to the special risks and circumstances of independent natural-gas producers and gatherers.

My confidence in this outcome is supported by the fact that, until recently, the Commission has not found it necessary to undertake to regulate the prices charged by independent gas producers and gatherers, although those prices have been advancing. It is only natural that prices have risen, since the interstate lines built during and since the war have offered a far wider market than existed previously and have resulted in more competition among buyers. This process of price adjustment will probably continue, and it is right that it should if held within reasonable limits.

Accordingly, producers and gatherers are finding, and I am sure will continue to find, strong incentives to search out new sources of natural gas and to sell their gas in interstate commerce. I believe the production and sale of natural gas will continue to grow rapidly, to the benefit of consumers and of all the businessmen concerned with serving them. I see no danger to that growth in the continuance of the authority of the Federal Power Commission to regulate sales of gas to interstate pipe lines.

The continuance of that authority will adequately protect the public interest by permitting the Commission to prevent unreasonable and excessive prices, which would give large windfall profits to gas producers, at the expense of consumers, with no benefit to the Nation in terms of additional exploration and production. Such cases are few, if any, at the present time, but the authority to deal with them in the future clearly should not be dissipated.

Experience may demonstrate that some improvement of the existing statute may be desirable. I have no doubt that the Commission will operate reasonably and in the public interest in carrying out the present law, but I would have no objection to reasonable amendments if they are found to be needed.

To withdraw entirely from this field of regulation, however, impelled only by imaginary fears, and in the face of a record of accomplishment under the present law which is successful from the standpoint of consumer, distributor, carrier, and producer alike, would not be in the public interest. Accordingly, I am compelled to return this bill without my approval.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 15, 1950.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and the message and bill referred to the Committee on Interstate and Foreign Commerce and ordered printed.

A REGRETTABLE VETO

Mr. LUCAS. Mr. Speaker, under permission granted me, I include at this point the following editorial from the Fort Worth Star-Telegram of April 16, 1950:

A REGRETTABLE VETO

Mistakenly, we strongly believe, from the standpoint of the interests of the gas industry and gas consumers, President Truman has vetoed the Kerr amendment to the 1938 Natural Gas Act. In view of the favorable attitude he is understood to have held toward the measure in the amended form it was passed by both Houses of Congress, Mr. Truman's surprising veto can be attributed only to the intense and powerful pressure that has been built up against the bill. We think it safe to predict that many of those who have helped to bring this pressure to bear will live to see that they were acting against their own interests.

A large part of the tremendous pressure for veto of the bill has come from misguided representatives of the consuming public who have an erroneous understanding of the measure and its effect. This misunderstanding has produced widespread (although baseless) fear in natural-gas consuming States that if the bill became law it would mean an increase in the price they pay for gas. It is a misrepresentation which has been deliberately fostered by some and innocently accepted by many. Opponents of the measure have represented it falsely as "removing" gas producers from Federal control, as "killing" Federal regulation of the price charged for gas by producers, and as thus paving the way for a gigantic "grab."

BILL ONLY DEFINED INTENT OF LAW

The measure, of course, does nothing of the kind. It does not remove Federal control of natural-gas prices at the well, for no such control ever existed. Nor, until recently, has the power of the Federal Government to exercise that control ever been claimed. The Kerr bill was intended merely to make clear the intent of Congress that the Government should have no such authority. It would have preserved the policy that has been in force for the last 12 years, and under which a marked decline in the cost of gas to the consumer has occurred.

Defeat of the measure—and it seems unlikely that Congress will be able to override the President's veto—may well bring about just what opponents were seeking to forestall. Instead of holding down the price of gas, it may mean less gas at a higher price.

For the independent producers of gas—those who have no connection with interstate pipe lines—now are left in fear that they will be brought under the price-fixing controls of the Federal Power Commission. Already, under the ambiguous language of a Supreme Court decision, moves have been made in that direction. The FPC has indicated that in such case its policy would be to permit independent producers a return of only 6 percent on their investment in producing wells, with no allowance to offset even the cost of drilling wells which fail to produce.

Gas wells often are brought in incidental to the drilling of an oil well. In such instances, producers might elect to shut in the well rather than subject themselves to FPC regulation, realizing that from the control of gas it would be only a short step to the control of oil, and thence to nationalization of the entire energy-producing industry—coal and water power as well as gas and oil. Thus might be started a chain of price fixing by Government edict would mean the death of the whole principle of free enterprise upon which the economy of this country has been built.

The certain result of the regulation foreshadowed by the Kerr bill veto will be the production of less gas. Texas Railroad Commissioner Ernest Thompson has reported that 3,504 completed gas wells in the State already are shut in because of the fear of their owners that selling gas in interstate commerce will bring them under utility regulation. The owners of these wells cannot be blamed if they keep them out of production. More gas may be withdrawn from interstate commerce, in this and other producing States. Unwillingness to subject themselves to rigid Federal controls will have the effect of discouraging many producers from drilling new gas wells.

WOULD MEAN GAS SUPPLY CURTAILMENT

This not only would mean less gas for areas in consuming States now receiving this fuel, but a halt to the extension of pipe lines to supply areas which want but do not have natural gas. It is pertinent to mention that the lessening of gas supply and the halt in extension of gas service to new areas would follow closely another boost in the price of coal due to the recent $105,000,000 annual increase in wages won by the mine workers. The fact that coal prices have been steadily on the increase, while gas prices have been declining, no doubt is the reason for some of the powerful opposition to the Kerr gas bill.

While the coal industry may be protected, plainly the coal consumer is not going to be benefited by being cut off from an alternate type of fuel whose price is not at the mercy of Czar John L. Lewis' whim. Neither are those consumers who, now using gas, may be thrown back by curtailed supply upon dependence on coal for heating their homes and operating their industries.

CONTRACTS WOULD BE MEANINGLESS

That the apprehension of producers over lost freedom of action is real is evidenced by the views of some power commissioners that, under Federal control, wells delivering gas to an interstate pipe line would have to continue to do so, regardless of contract expiration. This not only would rob producers of freedom to sell their product in a competitive market but it would make them extremely reluctant to contract for interstate sale of gas. At first blush such a requirement might seem to protect consumers against shrinkage in the gas supply. But gas wells give out, and connections with new ones would be necessary to maintain supply. Producers might be far more inclined to sell their gas at home for what it would bring in a competitive market, rather than deliver it at a rigidly controlled price into interstate commerce.

Texas, as a principal gas producing State, stands to lose heavily by veto of the Kerr bill. Nobody, except a few interests which have shown scant regard in the past for the public welfare, stands to gain by it. We believe the national interest and national defense have not been served, but have been seriously damaged, by the veto action.

WHOLESALE TARIFF CUTTING

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I note in the newspapers that we are going to be requested to allow the State Department to monkey with the tariff again, and that they have some 2,500 items on which they wish to reduce the tariff. Let me say to the Members of Congress and to the American people who want to work, and to American industry which wants to operate, that if you are going to permit these tariffs to be cut by the State Department, a body that has no right to monkey with the tariff, you are going to have a lot of unemployment in this country and a lot of mills and factories closed down, with our people walking around

looking for jobs. But there will be no jobs; the foreign countries are going to import all the things necessary to take care of the American people. If that is the way the State Department expects to handle the situation, it is wrong. I beg of the Congress to diligently watch the reciprocal trade agreements. It is time, high time, for us to stop looking after other people, all over the world. Let us keep in mind it is our duty to look after the American people. The New Deal and the Fair Deal will be a raw deal for America.

PATRIOTS' DAY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I thank the Speaker of the House and the President of the Senate for passing Concurrent Resolution 190, which commemorates the celebration of the Battles of Lexington and Concord. Tommorrow is the one hundred and seventy-fifth anniversary of these battles and it forcefully commands our attention again to the notable fact that freedom is the most valuable asset of mankind and that once gained and experienced death is preferable to its loss. This was the spirit in the heart of every patriot of Concord and Lexington and the nearby villages and towns on the morning of the 19th of April 1775. Forever since then this spirit has been alive and burning in the mortal heart of every patriotic American. As darkness merged into dawn of that momentous Wednesday the fate and destiny of a great nation smouldered within their rugged breasts. Nobly and courageously they dared to be free and their valor breathed life into the Nation which has twice saved the world from oppression and slavery and which stands at this threatening moment as the champion of freedom. In rightful tribute forever and always never have so many owed so much to so few. In this fateful hour our solemn duty orders us to hold fast to all they gained and to measure every act and deed for we cannot fail to successfully meet the test of our times. This spot of earth on which freedom was born is immortal and I am proud, so deeply proud to represent it in the Congress of the United States.

THE NEED FOR REMOVING EXCISE TAXES

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I have just returned from visiting my constituents, as have most of the Members of this House. I was very much impressed with the worry that is in the minds of most of the people in the great State of New York. First of all, the people are harassed by taxes. They cannot understand why this, the Eighty-first Congress, has done nothing about removing the excise taxes that are plaguing the people. They are putting this responsibility squarely at our door. It is a very hard question to answer.

There is literally a buyers' strike in New York State; department stores are very empty; their sales are down. I see by the newspapers this morning that last month's sales were off from 7 to 10 percent. Unemployment is on the increase and, besides that, people are disturbed by rumors that all is not well in Washington in Government departments, notably in the Department of State. They are saying, "What is the Congress doing?" It is waxing late; we must act now.

The SPEAKER. The time of the gentlewoman from New York has expired.

CONTINUANCE ON PAY ROLL OF CERTAIN EMPLOYEES OF HOUSE OF REPRESENTATIVES

Mr. PRIEST. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 454.

The Clerk read the resolution, as follows:

Resolved, etc., That the first section of the joint resolution entitled "Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners," approved August 21, 1935, is hereby amended to read as follows: "That notwithstanding the provisions of the third paragraph under the heading 'Clerical assistance to Senators' of section 1 of the Legislative Appropriation Act for the fiscal year ending June 30, 1923 (U. S. C., Supp. V, title 2, sec. 92a), in case of the death or resignation of a Member of the House during his term of office, the clerical assistants designated by him and borne upon the clerk-hire pay rolls of the House of Representatives on the date of such death or resignation shall be continued upon such pay rolls at their respective salaries until the successor to such Member of the House is elected to fill the vacancy."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. RICH. Mr. Speaker, reserving the right to object, how does that differ from the present law?

Mr. PRIEST. Mr. Speaker, this differs from the present law to the extent that there is a 6-month limitation in the present law, and this will permit clerical employees designated by a Member who may have resigned or who may have been removed by death to remain on until a successor is chosen.

I may say to the gentleman that this resolution comes up at this time because of a particular situation existing in the case of our late colleague from Illinois, Mr. Gorski. No special election is to be held to fill his place and that constituency will be without a contact in Washington until after the next election. That is the purpose of the present resolution.

Mr. RICH. It keeps the office force intact for the handling of the affairs of that district until an election is held?

Mr. PRIEST. That is correct, and I understand that it will apply also in the case of our late colleague, Mr. Church, of Illinois.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGISLATION

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I am having more of my usual trouble about being confused and uncertain as to just what to do.

Last week when the Kerr bill was up for consideration I listened very carefully, very attentively, to the eloquent speech made by our distinguished Speaker. I would have been almost persuaded to vote the way he recommended had I not already been persuaded to vote that way because of what I thought and the bill was a meritorious bill.

However, it would be extremely helpful to Members on the minority side—at least I know it would be to me—if in the future, before urging us to vote for any particular piece of legislation, our distinguished Speaker would learn whether or not if we voted as he recommended and the bill was passed by the Congress, it will be vetoed or signed by the President.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. BIEMILLER asked and was given permission to extend his remarks in three instances and include newspaper articles.

Mr. CROSSER. Mr. Speaker, I ask unanimous consent to extend my remarks by printing a copy of the veto message of the President in the RECORD.

The SPEAKER. The veto message has already been printed in the RECORD as it was read in the House.

Mr. LANHAM asked and was given permission to extend his remarks and include an editorial.

Mr. BARING asked and was given permission to extend his remarks.

Mr. MULTER asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. MULTER. Mr. Speaker, on February 23 I was given permission to extend my remarks in the Appendix of the RECORD. I am advised that the cost exceeds the amount allowed in the sum of $225.50. Notwithstanding, I ask unanimous consent that the matter may be printed.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. LUCAS asked and was given permission to extend his remarks in the body of the RECORD immediately following the veto message of the President of the United States on the bill H. R. 1758, and include an editorial from the Fort Worth Star-Telegram.

Mr. TEAGUE asked and was given permission to extend his remarks and include extraneous material.

Mr. THORNBERRY asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. STEED asked and was given permission to extend his remarks in two instances and include editorials.

Mr. REED of New York asked and was given permission to extend his remarks and include a speech by Mr. Rockwell, which is estimated by the Public Printer to cost $270.34.

Mr. REED of New York asked and was given permission to extend his remarks in three instances and to include in each case extraneous matter.

Mr. BURDICK asked and was given permission to extend his remarks and include a short quotation from Professor Monk, of the University of North Dakota, on peace.

Mr. WOODRUFF asked and was given permission to extend his remarks and include a speech by Mr. John B. Trevor.

Mr. WOODRUFF asked and was given permission to extend his remarks and include a newspaper editorial.

Mr. RICH asked and was given permission to extend his remarks and include an article, Mr. Truman Takes the Credit.

Mr. RICH asked and was given permission to extend his remarks and include an article, How Your Tax Bill Grew.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in three instances and in each to include extraneous matter.

Mr. GOODWIN asked and was given permission to extend his remarks in three instances and in each to include extraneous matter.

Mr. POULSON asked and was given permission to extend his remarks and include a general letter he wrote to his constituents.

Mr. DOLLIVER asked and was given permission to extend his remarks and include certain statistical material.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in two instances and in each to include an editorial.

Mr. MACY asked and was given permission to extend his remarks and include an address by William H. McIntyre, national vice president of the Society of American Legion Founders.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an article by William Henry Chamberlin which appeared in the Wall Street Journal.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks and include two letters and a newspaper article.

Mr. CRAWFORD asked and was given permission to extend his remarks on the commemoration of the fiftieth anniversary of Flag Day raising in American Samoa and include a statement by Peter Tali Coleman, of American Samoa.

Mr. PHILBIN asked and was given permission to extend his remarks in three instances and include certain excerpts and newspaper articles.

Mr. MADDEN asked and was given permission to extend his remarks and include an editorial.

GENERAL APPROPRIATION BILL, 1951

Mr. CANNON. Mr. Speaker, I ask unanimous consent that in the consideration of the general appropriation bill in the Committee of the Whole today all debate be confined to general debate, that general debate on chapter No. 2 close when the Committee rises, and that we take up the bill for amendment, beginning with chapter 1, tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. RANKIN. Mr. Speaker, reserving the right to object, are we going to have general debate on each chapter later?

Mr. CANNON. Later, as we come to each chapter in sequence, there will be 2 hours of general debate, and the chapter will then be read for amendment under the 5-minute rule.

Mr. RICH. Mr. Speaker, further reserving the right to object, are you going to cut that bill down about a billion dollars?

Mr. CANNON. We would like to have the gentleman's assistance in at least holding it to the present figure.

Mr. RICH. I will be here helping to cut it down.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. McGRATH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7786, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. McGRATH. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this chapter of the bill deals with appropriations for the House of Representatives, Architect of the Capitol, Botanic Garden, Library of Congress, and the Government Printing Office. Following established custom, the committee has excluded from consideration all items set up under the Senate. No amounts are included in the bill for those items. The other body will therefore have to insert its own amounts when the bill is before it.

SUMMARY AMOUNTS

For purposes embraced by this chapter, total appropriations of $56,822,450 are recommended, a substantial reduction of $8,473,946 below the budgetary requests. While the committee recommends substantial reductions affecting numerous items throughout the chapter, we have had little choice but to allow some increase above 1950 appropriations. The amounts recommended exceed 1950 appropriations to date by $3,379,306, and while this involves numerous increases and decreases as explained in more detail in the report, it comes about largely from two items, namely, $1,244,000 for mandatory Pay Act costs, within-grade salary promotions, and lapse adjustments, and $3,050,000 increase for liquidation of contractual obligations in connection with modernization of the Capitol power plant.

HOUSE OF REPRESENTATIVES

A total of $21,574,735 is recommended for all items under this heading, a net increase of $503,260 above 1950. This net increase is attributable to the general pay raise granted legislative employees last fall and to increased salaries and new positions established by specific House resolutions in the past several months.

ARCHITECT OF THE CAPITOL

The Architect of the Capitol is charged with the structural and mechanical care of the various buildings here on the Hill and with maintenance of the surrounding grounds. Total appropriations of $7,530,900 are recommended. This reflects a $6,000,000 decrease below requests for the liquidation appropriation for improvements to the power plant, occasioned by the fact that only $4,000,000 will be needed next year instead of the $10,000,000 originally estimated. The work has not progressed as rapidly as had originally been anticipated.

For maintenance, repair, and operation of the Capitol building, the Committee recommends $582,000 which is somewhat below last year and defers or disallows all increases except for a $6,000 item for urgently needed repairs to a portion of the roof of the dome.

Two hundred and sixteen thousand dollars is recommended for maintaining the Capitol Grounds. The item for reconstruction of the Capitol Plaza and surrounding driveways has been deferred. The committee is not unmindful of the need for this work but felt that it should be postponed until other construction work on the Capitol Building which will involve heavy trucking has been completed.

For maintaining the two House Office Buildings, the budget estimate of $875,000 is recommended, a net decrease of about $3,000 below 1950. Eight thousand dollars is allocated for replacement of a revolving door in the old building which at present represents a dangerous and hazardous condition. Another small item of $8,000 is required and has been allowed to replace some of the obsolete desk lamps in various offices.

LIBRARY OF CONGRESS

For all items under the Library, $8,551,000 is recommended. This is an increase of $469,000 above 1950 appropriations and is attributable almost entirely to Pay Act costs, within-grade promotions, and lapse adjustments, to maintain services at the present level. The

Committee has denied most of the requests for additional personnel but has allowed $64,600 for approximately 27 additional positions all except 5 of which are for the Copyright Office and the catalog card operation. The Copyright Office is an old-established activity and returns a net profit to the general treasury and thus the additional positions for that office will not be a burden on the taxpayers. The catalog card operation is to a large extent self-supporting, the cost of the additional positions allowed for that activity will be recaptured through increased card sales revenue. Three positions costing about $12,000 have been allowed to enable the Library to continue to compile monthly lists of Russian publications.

To enable the Reference Service to continue rendering services to Members and Committees of Congress, $790,000 is recommended. This will maintain the present staff which was increased by about 40 employees with a large increase in appropriation granted last year. In view of the fact that a number of additional personnel provided for last year will not actually have been on the pay roll for the entire fiscal year 1950, the effective level of service rendered in 1951 when the staff will be on a full-year basis should exceed that for the current year.

GOVERNMENT PRINTING OFFICE

For all purposes of the Government Printing Office, including the Superintendent of Documents, the committee recommends $18,699,800. This includes the usual $7,500,000 reimbursable working capital fund for the Printing Office and also the funds for all congressional printing and binding. We made a reduction of $250,000 in the Public Printer's estimate of the cost of furnishing printing and binding for Congress, feeling that the estimate might be a little on the high side although it is somewhat of a guess at this point as to just what are the requirements.

In making the report on this chapter, the subcommittee was unanimous in its decisions, and I wish to express my sincere thanks to the minority members as well as to my colleagues on the Democratic side for their whole-hearted cooperation and the thoroughness with which they discharged the task of writing this chapter of the bill.

Mr. Chairman, I have tried to touch briefly on the main features of this chapter of the bill and if there are any questions which Members may have, we shall do our best to try to answer them.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. McGRATH. I yield.

Mr. REES. I would like to inquire about two or three items which I know are comparatively small, but I notice you have an increase of $31,095 for the office of the Doorkeeper. That is in addition, is it not, to the ordinary increases which were allowed in the Eightieth Congress and the first session of the Eighty-first Congress? Thirty-one thousand dollars seems to be quite an increase for a comparatively small office in the Capitol.

Mr. McGRATH. As I outlined in the beginning, some increases are mandatory because of the action of the House in adopting these various resolutions and of the Congress in enacting the pay raise. The pay increase under this item amounted to $26,974. Of the $31,095, to which the gentleman refers, by House Resolution, $4,121 was mandatory on the committee.

Mr. REES. The same employees in the Doorkeeper's office, but you have increased them by $31,000 in salary?

Mr. McGRATH. The committee did not. The Congress, by the Pay Increase Act, did.

Mr. REES. How much is the appropriation increased in addition to those provided by the Pay Increase Act?

Mr. McGRATH. Four thousand one hundred and twenty-one dollars. There was $31,095, and of that amount $26,000 was in accordance with the Pay Act—$26,974, to be exact. The Pay Act was the act of Congress, not of the committee. Then increases by House resolutions amounted to $4,121.

Mr. REES. It was suggested by the Committee on Appropriations of the House at the first session of this Congress that insofar as possible they might absorb some of the additional costs of these offices. Was that looked into by this subcommittee? I thought it might be possible there could be some reductions in force in order to take care of these additional costs.

Mr. McGRATH. Of course, the distinguished gentleman from Kansas knows that these are statutory positions, created specifically by the House.

The CHAIRMAN. The time of the gentleman from New York [Mr. McGRATH] has again expired.

Mr. McGRATH. Mr. Chairman, I yield myself two additional minutes.

Mr. REES. I would like to make one other inquiry, and that is with respect to the office of the Sergeant at Arms. There is an increase of $15,000. Is that the same situation? That is to say, the increases were allowed by the Congress?

Mr. McGRATH. The item was $15,505, and every cent of that is due to the pay raise.

Mr. REES. The same thing is true with respect to these other increases for employees; is that correct?

Mr. McGRATH. That is correct.

Mr. REES. There are no additional employees?

Mr. McGRATH. You are speaking of what now?

Mr. REES. I am speaking of appropriations for the salaries of officers and employees under the House of Representatives.

Mr. McGRATH. No additional positions under these particular items. The only additional positions I referred to were the 27 in the Library of Congress, 22 of which are for self-sustaining activities and their cost will be returned through additional revenue coming into the Treasury. There are five positions, working on special publications, which are really additional positions.

Mr. REES. The gentleman means that we will recover a part of the funds that are being expended for additional employees' salaries in the Library of Congress under this bill?

Mr. McGRATH. Not only that, but I call attention to the fact that in the copyright office and in the catalog card index operation they have shown a net profit which was returned to the Treasury.

Mr. REES. As I understand, you have increased the cost of copyrights. A copyright used to cost $1 and now it costs $4.

Mr. McGRATH. The gentleman refers to some amendments to the basic law adopted about 2 years ago.

Mr. REES. Perhaps so. That is the reason you have additional revenue?

Mr. McGRATH. It is one of the contributing reasons.

The CHAIRMAN. The time of the gentleman from New York [Mr. McGRATH] has again expired.

Mr. SCRIVNER. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, it can be easily seen at the outset that there was not a great deal of operating, as far as costs are concerned, that this committee could do upon this particular chapter of the budget. The greatest item of all, as shown by the hearings and report, is the matter of salaries and mileage for the Members of the House of Representatives. That is just purely mathematical. There are 435 Members, multiply their salaries, plus the mileage each one gets, and that is all there is to it. As long as the House remains the size that it is, the cost of this particular item will remain as it is.

It is somewhat strange at times, though, Mr. Chairman, to sit as a member of the Subcommittee on Legislative Appropriations and see some of the items that are charged up against the cost of doing business by the House of Representatives and the Senate. For instance, in this budget is the item for the Botanical Gardens. By the greatest stretch of the imagination one cannot conceive of the Botanical Gardens being necessary to the operation of the House of Represetnatives or the Senate, yet that is one of the items in this legislative bill. Of course, whenever stories go out as to how much Congress is costing, this is one of the items that is always included in the story, for it is in the legislative budget. It certainly serves a wonderful educational purpose; it is, in effect, a living adjunct to the Library of Congress. But I say again we are charged up with that as part of the expense of doing business in the House and the Senate.

A comparatively small part of the business of the Library of Congress has anything to do with our legislative activities whatsoever. The Library of Congress is the biggest and finest library in all the world. It is truly a national library; it is almost an international library, if you please. Its services are used by people throughout the country, and many requests come to it from many parts of the world, for in the Library we have millions of documents dealing with facts and figures from every nation in the world, facts and figures which, prior to the war, assisted us in many ways and, should another emergency arise, will serve to assist us in the future.

And so it goes. In this budget we have to consider the Government Printing Office. Only a small portion of the Government Printing Office business relates

to the Congress, so that actually, although they come before us and submit their facts and figures as to the volume of business, their method and costs of doing business, which amounts to some $60,000,000 a year with 7,000 employees. That makes it the biggest printing office in all the world, yet the only thing over which this committee has any control as far as expenditures are concerned is the cost of congressional printing, the cost of the CONGRESSIONAL RECORD, the cost of legislative calendars, the printing of digests, the printing of reports, the printing of bills and regulations. So there is not a great deal that we were able to do in that respect. There is one item of $7,500,000, as the gentleman from New York [Mr. MCGRATH] has pointed out, which is an annual appropriation and amounts to nothing more than providing a sinking fund so that each year the Government Printing Office has this $7,500,000 to start doing business, buy supplies, pay their help until they get funds from the various departments of the Government for which they do printing. It is returned to the Treasury later.

The House and the Senate could bring about some economies if they would. It may be a little difficult to do so in some instances, but when you stop to figure the cost of printing each page of the RECORD, if there were fewer words spoken, if there were fewer pages printed, of course, the cost of printing the RECORD could be reduced. Each Member of the House could take it upon himself to ration himself, if you want to call it that, upon the number of articles and items that he places in the Appendix of the RECORD, and especially those items which so often so far exceed the authorized limit, in which cases special permission must be had to print the matter notwithstanding the cost. So some economies can be practiced here by each of us which might in a small way reduce some of the expenditures.

I do not recall that the gentleman from New York mentioned the Capitol Police. They have retained the number that they had last year. It will be recalled that a year ago the Sergeant-at-Arms came in and made a request for an additional number of members for the Capitol Police force, which was denied by this committee. I want to say on behalf of Mr. Callahan that when he came to the hearings this year he pointed that fact out and he stated that he now realized our judgment had been better than his and that there had been no real need for the additional number of Capitol Police and that this year for that reason he was asking for no increase in that force.

Another item over which this committee has absolutely no control and unable to do anything about, is the item of telephone service for the Capitol, including the House and Senate. The other body, of course, works a little differently than we do. Along about the 1st of March, after hearings had started and after the estimates had been submitted to us, we found that the Public Utilities Commission of the District of Columbia had granted the Chesapeake & Potomac Telephone Co. an increase in rates. That was not only on the private users of telephones in the District of Columbia and the surrounding territory but it also affected the Congress of the United States. Here again our hands are absolutely tied. As a result of that increase the taxpayers of America will be called upon to pay approximately $155,000 more for their Capitol telephone service this year than they paid last year. That in itself is another item of increase that must be faced.

Another situation with which the committee is confronted and again it is powerless to do anything about, is that the House of Representatives, through its Committee on House Administration, brings in resolutions providing for another employee or additional employees. Sometimes that committee brings in a resolution providing for an increase in pay for employees of the House, whether it be for the Clerk or any of the rest of them from the Speaker's office on down. The House passes a resolution and there is nothing that this Subcommittee on Appropriations can do except submit to the dictates of the House and allow that pay or that number of employees for your respective services.

As the gentleman from New York, Chairman MCGRATH, has pointed out while this bill does indicate some decreases, it would be no less than honest and no less than fair if the House were not told that some of these reductions are merely delaying actions, as it were, because all we are doing is putting off until a later date some of the things that must eventually be done on the Capitol Grounds and in the Capitol Building itself. When it is realized that parts of this Capitol are 150 years old, when it is realized other parts which we refer to sometimes as "new" are almost 100 years old, it is immediately appreciated the problem that is now being faced in connection with the maintenance of this structure.

There is an item in here which we hope will complete repairs to the roof of the dome which has been leaking. Of course, that must be stopped. The Architect proposed that we rebuild the west terrace, which is one of those places that is over 100 years old. It must eventually be rebuilt. But as we looked it over and studied the entire situation, it seemed to us that that was one thing that could be delayed without any real serious effect upon the structure itself. But some day in the next 2, 3, or 5 years, that job must be done.

As the gentleman from New York, Chairman MCGRATH, pointed out, there was a pretty large request for repaving the streets of the Capitol and repaving the plaza, restoring some of the sidewalks and renewing some the drains. Some of those drains have been in here for unaccountable years. They are full of rust, choked with tree roots and fibers, so that the drainage is not as it should be. These streets around the Capitol were built for what used to be called the carriage trade. We all know that a carriage and a team of horses was not a very great load, it did not make much stress on the surface; but in this day and age of large and heavy automobiles, particularly the heavy busses used by the tourist guides here in Washington, that load is each year becoming heavier and heavier, and eventually some of these streets are going to give way and then, of course, repairs must be made.

In view of the fact that it was deemed necessary in the comparatively near future to rebuild the terrace, in view of the fact we have at least six more months of heavy hauling and heavy use of the streets by the trucks of the contractors that will resume work on the repairs to the House Chamber and the Senate Chamber, it seemed absolutely false economy on our part to now start rebuilding these streets only to have them torn up by these trucks this fall, and by the heavy trucks and machinery which will be necessary when we undertake to rebuild the terraces. It was our opinion that this was not the time to repave and rebuild our streets or rebuild our sidewalks and drainage system. While that did bring about a reduction in the number of dollars to be spent this year for the Capitol Grounds and the Capitol itself, it has not honestly effected a real saving.

Then again, another item, and a sizable one of $6,000,000, is not a real economy move, and we must be frank about it. As you will recall, a program is under way to transform the lighting system throughout the Capitol, cutting out many of our boilers where we generate our own electricity, cutting out many of the old transformers we have over in the Old House Office Building and the Senate Office Building as well, and eventually bring to the Capitol electricity, power, and heat generated by and purchased from Pepco, finding, as we have through our studies, that that will save a great bit of money and bring about a reduction in the number of employees, plus increased improvement in the service. It was anticipated that the cost for the fiscal year 1951 would be about $10,000,000, but further checking with the Architect discloses the fact that $10,000,000 would not be necessary this year. We could not even spend that much this year, so that that figure was reduced to $4,000,000, effecting a paper saving of $6,000,000, but that merely means that next year, when this program gets going at a little more rapid gait, we will be faced with the necessity of increasing this appropriation for this particular item at least that much.

As the gentleman from New York, Chairman MCGRATH, pointed out in discussing the Library of Congress, which does call for an item of almost $9,500,000, they came in to us with a request for quite a few new and additional employees. We looked over all their activities, studied their requests diligently, and we did allow some new employees, as the gentleman from New York, Chairman MCGRATH, pointed out, in what we call the self-sustaining activities. One is an activity calling for the printing, preparing, and issuance and sale of library catalog cards which go to all the libraries throughout the country. These libraries pay for those cards, and the receipts from the sales of those cards go into the General Treasury. Those receipts are adequate to pay for all of the employees in the library which are doing that particular kind of work, having anything to do with it, either in the preparation or

sale or distribution. We felt, inasmuch as the Nation's libraries were spending their money to get this service, that they were entitled to as adequate and speedy a service as the Government could give them. Inasmuch as there is no desire on our part and no purpose, surely, to put the Government in the business of selling library cards for the purpose of making a profit, we did allow them some additional employees so that they could more efficiently and adequately care for the demands being made. The only actual new employees outside of those mentioned were three employees to be allowed solely for use in what is called the Russian section of the Library so that these three employees could continue to compile and interpret and collate and publish monthly lists of Russian papers, magazines, and documents so that they might be available if any occasion is had to refer thereto.

The only other place we added any other employees is another self-sustaining operation; namely, the Copyright Office. As has been mentioned, the rates for copyrights were increased last year. Therefore, we thought it was incumbent on us as a duty to those persons who make use of the Copyright Office to give them efficient, speedy, and effective service, so that there should be no occasion for any great delay in the issuance of these copyrights since these persons are paying higher rates for them now. We did allow a few more employees—not as many as they would like to have had—but a number that we thought would be sufficient to bring into efficient operation the Copyright Office work of filing, accrediting, and selling their services to the American public.

If you will turn in your hearings to page 131, which I assume you all have in your office—at least, they arrived there some time ago—you will find that upon my request Mr. Brockwell, the manager of the House restaurant, gives a full and complete history of the House restaurant, when it started, how it started, why it is necessary, and what the problems are that they face each day; the whole story. Therefore, from now on, in case anyone asks you or makes any comment, as is sometimes done in our daily press, about the operation of this facility, the whole story is here.

We roughly estimated that surely the time of a Member of the House of Representatives ought to be as valuable or worth as much as the time of one of the carpenters who works on the building here, $2.50 an hour. We figured that if only 300 of the Members use the restaurant each day and it would save them an hour, there is $750 saved every day of the year that the House is in session. For we must be close to the floor of the House, if we are to properly carry on the Nation's business.

Another thing you Members of the House may have noticed in recent days or weeks is the new experimental traffic lights over across the street between the Capitol and the New and Old House Office Buildings. Traffic is becoming one of the biggest problems we have to solve not only in the District of Columbia and throughout the Nation but particularly here on Capitol Hill.

Under the Federal Employees Compensation Act if one of your clerks should be critically injured in crossing a street in this traffic, without proper direction, that one injury to one clerk would cost far more than the cost of installation of these new traffic lights with which we are now experimenting. Therefore, we felt it was a good expenditure of the taxpayers' funds to install one of these lights at one of these corners to see how it works. If it does what the proponents for it say it will do, another light will be installed in the next street. Thus we may be able to have better control of traffic and less hazard to our employees, as well as to Members of the House.

The chairman, the gentleman from New York [Mr. MCGRATH], did mention to you that in our deliberations following the precedent established last year, possibly at my suggestion, we did not look at or listen to any testimony relating to items of expenditure by the other body. We did not touch those items. Not that they are any better than we are, but we felt unless we could hear all of the facts relating to proposed expenditures by the other body, we would not be legislating wisely or properly. Hence, if the other body desires economy and if they want to practice economy in their own expenditures, of course, they, in their wisdom, can work their will on their own requests for appropriations. We are hopeful that they will do as good a job in economizing in the expenditure of the taxpayers' money as we have done for you in the House of Representatives. There is a substantial saving here.

An item of approximately $180,000 will revert to the Treasury because it was not spent by the House committees, particularly by the Committee on Appropriations. While that in itself may reflect a savings to the taxpayers, my personal opinion is that we could have saved the taxpayers much more than that if the minority on each subcommittee could have a clerk or an employee or an investigator at their own disposal to use any time they saw fit.

Mr. Chairman, I would like to refer to the committee report as a whole and call your attention to some language which was inserted under the guiding aegis of the chairman of the committee, the gentleman from Missouri [Mr. CANNON]. I think it might well be considered not only here, but throughout the Nation and particularly in the vicinity of 1600 Pennsylvania Avenue, Washington, D. C.

The report says this:

> Economy neither begins nor ends in the Halls of Congress.

It points out there is a responsibility upon the executive branch of the Government to submit annually to the Congress the estimates of the amount that the Government is going to spend through each one of its agencies. Of course, the President having done that, it comes to us in the form of his budget message. We found not only this year, but in previous years, as the various heads of agencies, bureaus, and departments came to us they had but one thought, namely, that it was their duty to support only the President's budget. That meant they were bound not to ask for any increase over that which the President told them their agency could have, and by the same token they were bound not to suggest any way or place that cuts could be made.

We tried as best we could, under the new performance budget with the lack of detailed information, to find some place where some economies might possibly be made. But without that necessary detailed information formerly contained in the estimates and without the assistance, on our side, of some detailed searching, it was difficult to find any place where these funds were being expended.

But today, with all of the talk of economy, with our mail filled with letters demanding that Federal expenditures be cut so that there can be an eventual reduction of taxes, so that the load will not be so great upon the 60,000,000 workers in America—because they are the ones who eventually pay the greatest share of the taxes, either directly or indirectly—it does seem possible and probable and proper that the Executive himself should issue to each of his agency and department heads an order, if you please—because they are his appointees; he names them—issue an order directing them to bring about economy in their own departments to whatever extent the President thinks it should be, whether 5 percent or 10 percent or 15 percent, and expect them to accomplish that purpose. If they cannot, now that they have raised the salaries of all these men, in order, so they said, to get better men in the Federal service, let them get out, and let the President put in somebody who will effect some economies. Then perhaps we will start getting some place. But that is the President's responsibility. He could and he should do that very thing.

Yet there is some responsibility that comes right back to the House and Senate—not on the members of the Appropriations Committee particularly, but on the members of the legislative committees—because, no matter what bill it is, any new law costs the taxpayers some additional money. Perhaps it is only a few dollars, but it may run into hundreds of millions. On several occasions during the past few weeks, when members of the subcommittees on appropriations would come from their little cubbyhole hearing rooms where they had been trying to bring about some reduction in Federal expenditures, we came into this Chamber only to find that the legislative committees and this body itself had just approved some legislation that wiped out not only what savings we had been able to make but sometimes costing hundreds of times more. We realized then our work had been completely for nought. That is one of the reasons why I introduced a resolution asking that until this one-package appropriation bill was out of the way, and until the Ways and Means Committee had determined what the new revenue tax bill was going to be, we should call a moratorium on all new legislation or resolutions calling for increased spending, or new spending, until we found out where we were going. Of course, I know

where that resolution is. I cannot tell you the exact pigeonhole, but I can come close to it. Until some action like that is taken, I can see no hope for any great economy, if we continue to pass new laws calling for more spending than we can bring about through cuts by the Appropriations Committee.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

That CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman has consumed 31 minutes.

Mr. SCRIVNER. Mr. Chairman, I yield myself 15 additional minutes so that I may answer any questions which may be asked.

Mr. REES. I first want to express my appreciation for the splendid manner in which the gentleman from Kansas has explained this particular portion of the bill. In line with the interrogatories I directed to the gentleman from New York a while ago, I am in favor, of course, of providing all of the assistance and all of the help that is necessary to run our Government. I realize that in this chapter we are talking about only one comparatively small segment of our Government. I would, however, like to inquire whether or not this committee made any exploration or examination with regard to the need of all of the employees now on the Federal pay roll. It has been stated here that funds were recommended for a similar number of employees as last year or, in some cases it recommended one or two additional; but did the gentleman's committee explore or examine into that question at all with respect to need?

I ask that question because last year it was suggested on the floor of the House a number of times that even though salary increases were provided it should be possible to work economies through the employment of a less number of employees. I am just wondering whether this committee had a chance to or did examine into that question?

Mr. SCRIVNER. In answer to the gentleman's question, I may state that to my recollection the number of legislative employees, their designation, their duties, and their salaries are fixed by action of this House through recommendation of the Committee on House Administration. When they have spoken our hands are tied.

The remedy, the thing that the gentleman from Kansas is pointing out, a reduction of the number, whether it be in the office of the Sergeant at Arms, the Doorkeeper's office, or the Speaker's office, wherever it may be, must initiate with the Committee on House Administration. If a reduction is to be made the action has to be accomplished through action taken by the Committee on House Administration. Unless they act, our hands are tied.

Mr. REES. One more question. I have had mail from people complaining about the excessive cost of securing copyrights. That subject matter has been discussed by both the chairman of this subcommittee and the gentlemen from Kansas who now has the floor. The cost of a copyright used to be $1. All at once it was increased to $4. Did this committee examine into the question of whether the increase was justified?

Mr. SCRIVNER. No; we did not, because that was not our province. Our Subcommittee on Appropriations has nothing whatsoever to do with any of the charges made by any department or bureau whether it is the Government Printing Office, the Library of Congress, or the Copyright Office. My recollection is that the fee for a copyright was fixed by statute through action of the House and the Senate. If it is to be revised, there again is the place that the action must be taken. We as a subcommittee of the Committee on Appropriations have no power to go into the cost of copyrights and by our edict fix that charge, any more than we have power arbitrarily to say that the price of the copyright should be reduced.

Mr. REES. The gentleman a few minutes ago suggested that one of the difficulties faced by his subcommittee and the entire Appropriations Committee is that the recommendations made by these departments with respect to the expenditure of funds is never a recommendation of reduction.

Mr. SCRIVNER. For nearly 4 years I have asked of nearly every witness: "Is there any place in this item where a reduction can be made, as much as a single dollar?" The answer is always the same: "This is the irreducible minimum."

Mr. REES. The gentleman has spent many hours and days listening to witnesses who come before his committee in respect to these expenditures. Has anyone ever testified that there ought to be reductions in expenditures as far as the gentleman knows?

Mr. SCRIVNER. If there was I do not recall it, and I feel that if such recommendation had been made I would have remembered it because it would be such an outstanding event. It would be so outstanding we could not help but remember it. I cannot recall of any single one.

Mr. REES. In other words, it is the gentleman's experience as a member of this great Appropriations Committee of the House that when witnesses come before the committee requesting funds for the various departments of Government, and throughout the whole of the Government, the circumstance is very rare where witnesses recommend that there be reductions in expenses or reductions in the number of employees in any department of the Government?

Mr. SCRIVNER. I have heard of none myself, and I know of no other member of the Appropriations Committee making the remark that he heard any such request or suggestion. As a matter of fact, every reduction that has been made has been made over the opposition of the heads of particular departments, bureaus, or agencies, and almost always with the contention on their part that it will cripple the work of their department.

Mr. REES. I make this inquiry in particular for the reason that we are hearing from various sources, including Members of Congress at both ends of the Capitol, that there should be a great reduction in the number of employees of the Government. So I make the inquiry to find out whether there have been witnesses or anyone come before the committee recommending such reductions, and if so, where such reductions could be made.

Mr. SCRIVNER. I assume the gentleman is talking about the heads of these various bureaus.

Mr. REES. I am talking about employees of the Government, and especially heads of agencies who testify before this committee.

Mr. SCRIVNER. We question them and say, "Well, of course, I assume that you know there is a demand for economy in Federal expenditures. I assume that you surely must be for economy in Federal spending." Of course, all of them "are for economy, but." They say, "We cannot make any reduction in spending in my particular department."

Mr. REES. I am simply calling attention to some of the difficulties facing the Appropriations Committee.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Iowa.

Mr. JENSEN. Like every other Member of the House, I have enjoyed very much the fine explanation the gentleman has given of this section of the bill. There is a little matter that has been brought to my attention on several occasions. It is not a world-shocking item. For some time down here in the House restaurant, in order to get bread, the staff of life, put on your table, it is necessary to order it.

Mr. SCRIVNER. Not only order it but you must pay for it.

Mr. JENSEN. And pay for it; yes. Everybody is willing to pay for it. However, since every other restaurant puts bread and butter on the table, why is not the same custom followed here in the restaurant in the Capitol of the United States? The gentleman comes from a wheat State and I thought possibly he might be interested in knowing why bread, most of which is made from wheat, is not put on the table in the restaurant in the Capitol of the United States.

Mr. SCRIVNER. Bread is the staff of life. It should be on the table—charged for, if necessary.

May I recall to the memory of the gentleman from Iowa and other Members of the House that just a couple of weeks ago through the courtesy of the gentleman from Kansas [Mr. HOPE] and Mr. Morris Coover, one of his wheat growers and bakers out in Kinsley, Kans., the Members were given without any extra charge bread containing 16 percent more wheat than present-day bread contains. The report I get, which is unanimous, is that Members of Congress wished that that kind of bread were served in the House and Senate restaurants every day.

Mr. JENSEN. It was wonderful bread. I enjoyed every slice.

Mr. SCRIVNER. I thank the gentleman from Iowa, another great farm State, for his commendation.

It might be observed that not only is this bread better, more palatable, but if

all bread were to be made with 16 percent more wheat flour, a great part of the surplus wheat problem would be solved, and our people better fed. The wheat growers and millers of Kansas would be quite happy should this be done. We will do our best to bring that kind of bread in, for I understand a baker here is going to start putting in more flour and less chemicals and compounds. The charge for bread though was just another step showing to the rest of the country at large that we can begin to economize at home. In order to make our deficit a little smaller in the restaurants, we are paying extra for that particular portion of food.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I want to inquire more about the Federal employees. Can the gentleman tell us what the turn-over is in Federal employees in the course of a year? I have heard statements that some four to five hundred thousand Federal employees quit the Federal service each year.

Mr. SCRIVNER. There was nothing brought before this subcommittee regarding that matter, but possibly the gentleman from New York [Mr. TABER] can answer that inquiry for us.

Mr. TABER. The turn-over runs from 30,000 to 50,000 a month.

Mr. MILLER of Nebraska. That would be about 25 percent a year then?

Mr. TABER. Twenty to twenty-five percent, somewhere in there.

Mr. MILLER of Nebraska. Then to reduce the Federal employees, one might tell some of these departments just to stop hiring them for maybe 4, 5, or 6 months and you could get quite a reduction in some of these departments.

Mr. TABER. Well, you could accomplish a very substantial reduction if they did not fill vacancies.

Mr. MILLER of Nebraska. Is not the turn-over in the Federal Government higher than in private industry, and why is the turn-over so large in the Federal Government?

Mr. TABER. Well, it is higher than in private industry, and part of it is due to the fact that there is a very large percentage of young people who go into the service who do not stay there but a little while, and never have, and it is partly due to the fact that they are never satisfied, and they always want to get into something else.

Mr. MILLER of Nebraska. I wondered whether it was due to the pay or conditions of work.

Mr. TABER. The pay rates are generally higher than they are for comparable work outside.

Mr. McGRATH. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Chairman, I asked for these 5 minutes to say a few words with reference to a problem that I noticed existing in the Southwest. I just came back from home, and I found that the price of eggs there has fallen to the point where it is far below the cost of production. For instance, in the area that I traversed in north Louisiana eggs are selling at retail in large quantities at 25 cents a dozen. I ran across one locality where eggs were selling at retail at 20 cents a dozen. The best eggs, candled and graded, packaged and everything else, are selling around 30 to 35 cents a dozen. I talked to Mrs. Brooks when I got back this morning, and I find she is paying 69 cents a dozen for eggs here in Washington. That impressed me as being entirely out of line. I talked with Secretary of Agriculture Brannan this morning in reference to this problem. The problem seems to be one of merchandising and distribution. It seems that here in the United States we are running a horse-and-buggy distribution system in an atomic age. We cannot get Louisiana eggs, or eggs from the Southwest, which could be bought for from 20 to 25 cents a dozen easily, and deliver them here in Washington for less than 70 cents a dozen, which, to me, does not make sense.

The retailer is selling his eggs for 20 or 25 cents a dozen, which means that the farmer is not getting that amount. He is getting something like 10 or 15 cents a dozen for the eggs down home at the present time.

The matter has been mentioned to me that the cost is in candling the eggs, grading the eggs, crating the eggs, shipping the eggs, handling the eggs, and middlemaning the eggs, and pretty soon the incidental and other costs that arise from the time the eggs leave the farm to the time they reach the home for consumption are almost prohibitive.

It occurs to me that something can and should be done to cut all these intervening costs and give us a streamlined merchandising system in this country. We are not going to get anywhere when we continue on the basis of the farmer's getting nothing for his product and the consumers paying everything to consume the product.

Mr. SCRIVNER. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. GOODWIN].

Mr. GOODWIN. Mr. Chairman, we are now approaching the end of general debate on the biggest appropriation bill ever considered by the legislative body of any people anywhere in peacetime. It proposes a spending program of over $41,000,000,000. The Committee on Appropriations advise that the bill represents a saving of one and a third billion dollars over the original budget estimates. It appears that estimated revenue will be between four and five billion dollars less than the amount proposed to be spent.

Furthermore, experience has shown that estimated revenue is likely to fall short rather than overrun. If that is so, then if this bill is passed without further cuts we will be adding between five and six billion dollars to our staggering national debt of nearly two hundred sixty billions.

If the deficit should prove to be $6,000,000,000 then it will mean that we will be spending every day $16,000,000 more than we are taking in.

Keeping on running the Government in the red to that extent presents a truly alarming picture and I am satisfied that our people will not be content unless we can come nearer to bringing the budget into balance. We will certainly not be doing our duty in representing our constituents who are demanding substantial cuts in the cost of government unless we effect still greater savings than are contemplated in the report of the Appropriations Committee.

I realize the difficulty of knowing where cuts ought to be made. We all know that there are many duplications and overlappings in the administration of government and we all know that waste and extravagance is ever present. We also know that practically every governmental department and agency is overstaffed. There are many places where an excess of personnel may be reduced without taking away from our people any essential service.

It is unfortunate that we, the legislative body fixing the amount of appropriations, cannot have the cooperation of the executive branch of the Government. Every department head and division head must know full well where savings may be made without any loss of efficiency in the conduct of Government business. Since they will not cooperate to the extent of disclosing their knowledge, then I see no other way than to curtail proportionately and leave it to the various governmental departments and agencies to cut the coat according to the cloth.

My mail contains two classes of letters—one from constituents who ask me when we may ever expect to balance the budget unless we do it now in a period of prosperity and full production. The second class is from constituents who ask me to vote to restore to the appropriation bill some item which has been eliminated by the Committee on Appropriations. Many of these deleted items are undoubtedly desirable, but these constituents must be reminded that such improvements must await a more favorable time when we can better afford it.

I know of no way to economize except to economize. I know of no way to cut expenses except to cut. I feel that the temper of my own people is such that they will not be satisfied with my representation of them in Congress if I preach economy and fail to practice it.

I have never felt that I had to apologize for being one of the so-called economy bloc in Congress and when the votes come on this appropriation bill I propose to be consistent and vote for every reasonable saving which can be made. I know of no other way in which I can demonstrate that I have been sincere when I have warned my people back home that we are headed for national financial disaster unless we can call a halt in reckless Government spending and do it now.

Mr. McGRATH. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. MILLS having assumed the chair as Speaker pro tempore, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7786, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. KEOGH (at the request of Mr. MCGRATH) was given permission to extend his remarks and include two statements, which are estimated by the Public Printer to cost $205.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. SMITH of Kansas (at the request of Mr. REES), for an indefinite period, on account of illness in the family.

To Mr. MANSFIELD (at the request of Mr. JACKSON of Washington), for the balance of the week, on account of illness.

To Mr. MILES (at the request of Mr. FERNANDEZ), for an indefinite period, on account of illness.

To Mr. QUINN (at the request of Mr. DELANEY), for 2 weeks, on account of illness.

To Mr. WAGNER (at the request of Mr. HAYS of Ohio), for an indefinite period, on account of serious illness in the family.

To Mr. HUGH D. SCOTT, JR. (at the request of Mr. GRAHAM), on account of active duty in the Navy.

To Mr. ALLEN of California (at the request of Mr. MARTIN of Massachusetts), until April 21, on account of official business.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6656. An act for the relief of Peter Michael El-Hini.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2911. An act to authorize the President to appoint Lt. Col. Charles H. Bonesteel as Executive Director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on April 14, 1950, present to the President, for his approval, a bill of the House of the following title:

H. R. 5839. An act to facilitate and simplify the work of the Forest Service, and for other purposes.

ADJOURNMENT

Mr. MCGRATH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 19, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1369. A letter from the Assistant Secretary of Agriculture, transmitting a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of February 1950; to the Committee on Agriculture.

1370. A letter from the Assistant Secretary of the Navy, transmitting a letter proposing the transfer to the Department of Police, Los Angeles, Calif., two 38-foot picket boats, hull Nos. C–105172 and C–105173, for harbor police protection of the city of Los Angeles; to the Committee on Armed Services.

1371. A letter from the Secretary of Defense, transmitting a draft of legislation entitled "A bill to authorize the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to reproduce and to sell copies of official records of their respective Departments"; to the Committee on Armed Services.

1372. A letter from the Secretary of Defense, transmitting a draft of legislation entitled "A bill to amend the act of August 1, 1947, providing appropriate lapel buttons for widows, parents, and next of kin of members of the armed forces who lost their lives in the armed services of the United States in World War II, and for other purposes"; to the Committee on Armed Services.

1373. A letter from the Secretary of Defense, transmitting a draft of legislation entitled "A bill to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official registers for their respective services"; to the Committee on Armed Services.

1374. A letter from the Chairman, United States Advisory Commission on Educational Exchange, Department of State, transmitting the third semiannual report on the educational exchange activities conducted under the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.) from July 1, 1949, to December 31, 1949 (H. Doc. No. 556); to the Committee on Foreign Affairs and ordered to be printed.

1375. A letter from the national shipswriter, Navy Club of the United States of America, transmitting the annual report of the receipts and expenditures of the Navy Club of the United States of America for the calendar year ending December 31, 1949; to the Committee on the Judiciary.

1376. A letter from the Attorney General, transmitting copies of the orders of the Commissioner of the Immigration and Naturalization Service granting the status of permanent residence to the subjects of such orders; to the Committee on the Judiciary.

1377. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of persons involved, pursuant to the act of Congress approved July 1, 1943 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1378. A letter from the Secretary of the Interior transmitting copies of legislation passed by the Municipal Council of St. Thomas, and St. John, V. I., pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Public Lands.

1379. A letter from the Administrator, Federal Security Agency, transmitting the Annual Report of the Federal Security Agency, for the fiscal year 1949; to the Committee on Ways and Means.

1380. A communication from the President of the United States, transmitting a supplemental estimate of appropriations for the fiscal year 1950 in the amount of $291,000 for the Department of State (H. Doc. No. 557); to the Committee on Appropriations and ordered to be printed.

1381. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $240,000, and a draft of a propcsed provision for the Treasury Department (H. Doc. No. 558); to the Committee on Appropriations and ordered to be printed.

1382. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1950 in the amount of $49,200 for the District of Columbia (H. Doc. No. 559); to the Committee on Appropriations and ordered to be printed.

1383. A communication from the President of the United States, transmitting a revised supplemental estimate of appropriation for the fiscal year 1950 involving an increase of $7,000,000 for the Post Office Department, together with proposed provisions relating to appropriations for that Department for said fiscal year (H. Doc. No. 560); to the Committee on Appropriations and ordered to be printed.

1384. A letter from the Acting Secretary of the Navy, transmitting a report of a proposed loan of the bell of the U. S. S. *San Francisco* to the city of San Francisco, Calif., pursuant to provisions of Public Law 649, Seventy-ninth Congress, second session; to the Committee on Armed Services.

1385. A letter from the Secretary of State, transmitting a report on the appointment of Members of the United States Congress in the United Nations Educational, Scientific, and Cultural Organization (UNESCO); to the Committee on Foreign Affairs.

1386. A letter from the acting chairman, United States Atomic Energy Commission, transmitting a report of claims paid by the United States Atomic Energy Commission during the calendar year 1949, pursuant to the Federal Tort Claims Act, section 404; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILES: Committee on Public Lands. H. R. 6247. A bill authorizing transfer of land and improvements thereon by the Secretary of the Interior to New Mexico State Fair; without amendment (Rept. No. 1908). Referred to the Committee of the Whole House on the State of the Union.

Mr. PETERSON: Committee on Public Lands. H. R. 7984. A bill to authorize the conveyance to the city of Miles City, State of Montana, certain lands in Custer County, Mont., and for other purposes; without amendment (Rept. No. 1909). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CROOK:

H. R. 8074. A bill to increase from $5,000 to $10,000 the maximum amount of deposits insurable by the Federal Deposit Insurance Corporation; to the Committee on Banking and Currency.

By Mr. KEARNEY:

H. R. 8075. A bill to amend section 304 of the World War Veterans' Act, 1924, relating

to reinstatement of war-risk yearly renewable term insurance and United States Government life insurance by service-connected disabled World War I veterans; to the Committee on Veterans' Affairs.

By Mr. REED of New York:

H. R. 8076. A bill to amend Veterans Regulation No. 2 (a) so as to extend the period during which applications for review on appeal to the Administrator of Veterans' Affairs may be filed; to the Committee on Veterans' Affairs.

By Mr. TEAGUE:

H. R. 8077. A bill to provide reimbursement of expenses incurred in connection with the burial of those who served in the military forces of the Commonwealth of the Philippines while such forces were in the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941; to the Committee on Veterans' Affairs.

By Mr. HAGEN:

H. R. 8078. A bill to provide for the modification of certain recommendations relating to flood control on Red Lake River, Minn., to include the construction of drainage canals along the western boundary of the Red Lake Indian Reservation, Minn.; to the Committee on Public Works.

H. R. 8079. A bill to provide for a determination by the Board of Engineers for Rivers and Harbors as to the feasibility of constructing certain drainage canals along the western boundary of the Red Lake Indian Reservation, Minn.; to the Committee on Public Works.

By Mr. MITCHELL:

H. R. 8080. A bill to permit Chinese students to remain in this country for a period of 3 years; to the Committee on the Judiciary.

H. R. 8081. A bill to apply unemployment compensation to Federal workers; to the Committee on Ways and Means.

By Mr. REED of New York:

H. R. 8082. A bill to provide for the erection of appropriate memorial stones in certain cemetery plots in memory of certain members of the armed forces in World War II who are missing, missing in action, or buried at sea; to the Committee on Veterans' Affairs.

By Mr. SPENCE:

H. R. 8083. A bill to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666; 61 Stat. 130), to vest in the Export-Import Bank of Washington the power to guarantee United States investments abroad; to the Committee on Banking and Currency.

By Mr. WHITE of Idaho:

H. R. 8084. A bill to advance knowledge on the history and culture of the American Indian through the acquisition and preservation of irreplaceable artifacts and relics; to the Committee on Public Lands.

By Mr. MILLER of California:

H. R. 8085. A bill to provide a minimum rate of pay for employees of the Veterans' Canteen Service in the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. REED of New York:

H. R. 8086. A bill to decrease the debt limit of the United States from $275,000,000,000 to $257,000,000,000; to the Committee on Ways and Means.

By Mr. VINSON:

H. R. 8087. A bill to authorize the Secretaries of the Army, the Navy, and the Air Force, with the approval of the Secretary of Defense, to cause to be published official registers for their respective services; to the Committee on Armed Services.

H. R. 8088. A bill to provide for a maximum of funds that may accrue to the Soldiers' Home permanent fund (trust fund), and for other purposes; to the Committee on Armed Services.

H. R. 8089. A bill to amend the act of August 1, 1947, providing appropriate lapel buttons for widows, parents, and next of kin of members of the armed forces who lost their lives in the armed services of the United States in World War II, and for other purposes; to the Committee on Armed Services.

H. R. 8090. A bill to authorize the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to reproduce and to sell copies of official records of their respective Departments; to the Committee on Armed Services.

By Mr. CROSSER:

H. Res. 545. Resolution declaring that the House of Representatives does not favor the Reorganization Plan No. 7 transmitted to the Congress by the President on March 13, 1950; to the Committee on Expenditures in the Executive Departments.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California relative to location of the Air Force Academy in California; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of California, relative to proposed Federal regulation of size and weight of motor vehicles; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of California, relative to withdrawing the application to Congress made by Assembly Joint Resolution 26 of the 1949 regular session, to propose a constitutional amendment for American participation in a world federal government; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of California, relative to taking whatever action is necessary to prevent the reduction of tariffs on Italian lemons imported into the United States; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, relative to exempting motion pictures and all types of theatrical entertainment from the Federal admissions tax; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of New York, relative to the earmarking of funds collected under the Federal Unemployment Tax Act to each State to be used in the administration of the unemployment-insurance law; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 8091. A bill for the relief of Mrs. Selma Cecelia Gahl; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 8092. A bill for the relief of George W. Colwell; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 8093. A bill for the relief of Regolo Gagliacco and his wife, Gina; to the Committee on the Judiciary.

H. R. 8094. A bill for the relief of Yi Fu Chen and his wife, Betty Yi Fu Chen; to the Committee on the Judiciary.

By Mr. MARSHALL:

H. R. 8095. A bill for the relief of Arthur E. Hackett; to the Committee on the Judiciary.

By Mr. McGRATH:

H. R. 8096. A bill for the relief of Dr. Isac Goldstein; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 8097. A bill for the relief of Mrs. Julia Adele Vence; to the Committee on the Judiciary.

H. R. 8098. A bill for the relief of Teruko Ishikawa; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 8099. A bill for the relief of Dr. Manuel J. Casas and Mrs. Julia Nakpil Casas; to the Committee on the Judiciary.

By Mr. THOMAS:

H. R. 8100. A bill for the relief of Sabat Joseph; to the Committee on the Judiciary.

By Mr. WHITE of Idaho:

H. R. 8101. A bill for the relief of Joseph MacGuffie and Eugene Rohrer; to the Committee on the Judiciary.

By Mr. WILLIAMS:

H. R. 8102. A bill conferring jurisdiction upon the United States District Court for the Southern District of Mississippi to hear, determine, and render judgment upon certain claims of L. Shelby Pitts; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred, as follows:

2063. By Mr. FORAND: Resolution passed by the General Assembly of Rhode Island, relating to the consolidation of all torpedo activities in order to restore to Newport, R. I., its normal economic life in the centralizing of all manufacture, overhaul, and ranging of torpedoes at the naval ordnance plant, Newport, R. I.; to the Committee on Armed Services.

2064. By Mr. HAGEN: Resolutions adopted by the Becker County Farm Bureau, of Detroit Lakes, Minn., in opposition to any form of compulsory health insurance or any system of political medicine; to the Committee on Interstate and Foreign Commerce.

2065. By Mr. MARSHALL: Petition of Mrs. A. Posthumus and other citizens of Buffalo, Minn., requesting the passage of a bill to prohibit the advertising of alcoholic beverages in interstate commerce through the radio and newspapers; to the Committee on Interstate and Foreign Commerce.

2066. By Mr. RICH: Petition of Wellsboro chapter, Daughters of the American Revolution, against any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

2067. By the SPEAKER: Petition of the secretary, Hawaii State Constitutional Convention, Honolulu, T. H., expressing and conveying their sincere gratitude and deep appreciation for consistent support of the great cause of statehood for Hawaii; to the Committee on Public Lands.

2068. Also, petition of Mrs. B. W. Kellogg and others, St. Cloud, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

2069. Also, petition of Bertha Miller and others, Orlando, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

2070. Also, petition of Mrs. Minnie F. Barber and others, St. Cloud, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

WEDNESDAY, APRIL 19, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. E. Felix Kloman, rector, St. Albans Protestant Episcopal Church, Washington, D. C., offered the following prayer:

O God, grant to this, the Senate of the United States, the vision of the new world as Thou wouldst have it. Then in the knowledge of the greatness of their present opportunity may they know their own impotence to rise to the height of the opportunity save as they put their trust completely in Thee. May they know themselves to be pledged to but one thing, the establishment of Thy kingdom on earth by the method of sacrifice, and the application of brotherhood as lived and taught by Jesus Christ their Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, April 18, 1950, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 454) relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners, in which it requested the concurrence of the Senate.

LEAVE OF AESENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. CHAVEZ was excused from attendance on the sessions of the Senate Thursday and Friday of this week.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Ecton	Kilgore
Anderson	Ellender	Langer
Benton	Ferguson	Leahy
Brewster	Flanders	Lehman
Bricker	Fulbright	Lodge
Bridges	Green	Lucas
Butler	Hayden	McCarran
Byrd	Hendrickson	McCarthy
Cain	Hickenlooper	McClellan
Capehart	Hill	McFarland
Connally	Holland	McKellar
Cordon	Hunt	McMahon
Darby	Ives	Malone
Donnell	Jenner	Martin
Douglas	Johnson, Tex.	Millikin
Dworshak	Kem	Morse
Eastland	Kerr	Mundt
Neely	Stennis	Wherry
O'Conor	Taft	Wiley
Robertson	Thomas, Okla.	Williams
Russell	Thomas, Utah	Withers
Schoeppel	Thye	Young
Smith, Maine	Tydings	
Sparkman	Watkins	

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. CHAPMAN] and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Iowa [Mr. GILLETTE], the Senators from North Carolina [Mr. GRAHAM and Mr. HOEY], the Senator from Minnesota [Mr. HUMPHREY], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. PEPPER], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

Mr. SCHOEPPEL. I announce that the Senator from South Dakota [Mr. GURNEY], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent.

The Senator from California [Mr. KNOWLAND] is absent on official business.

The VICE PRESIDENT. A quorum is present.

PATRIOTS' DAY

Mr. LODGE. Mr. President, this being Patriots' Day, I ask unanimous consent that I may speak on it for 2 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator is recognized for 2 minutes.

Mr. LODGE. Mr. President, 175 years ago this morning, Sam Adams heard the sounds of guns firing at Concord Bridge and was moved to exclaim: "What a glorious morning is this!"

Sam Adams' exclamation was prompted by the sound of the "shot heard round the world." He knew that the minutemen were making a stand and that the American Colonies were committed to a struggle, the outcome of which could result in only one of two destinies for America: utter defeat or independence.

The country, whose strength 175 years ago was that handful of Middlesex County farmers, now is the most powerful democracy, as well as the most powerful Nation, of history. Our strength, our ideals, our instinctive devotion to freedom trace back to that "glorious morning," when simple men, standing firm in the April sun, turned the course of history.

The echo of the shot heard round the world is not yet still. Faint though it may be over the span of years, it still evokes in us all a profound and grateful pride. Fortified by conviction of mind and spirit, the men of Lexington and Concord acted boldly and decisively to preserve for themselves and their children the blessings of freedom. Some might think it was only a skirmish on a country road in the Bay State Colony, but we know it today as an act of courage and fearless honesty. The "glorious morning" that dawned 175 years ago today has not as yet reached its sunset.

The ideals of courage and devotion to human dignity and freedom which inspired these Massachusetts men in their little farming community later gave birth to the United States of America. These same ideals subsequently carried us through the dangers of wars, civil and foreign. It is these very ideals which, now that we are a mighty world power, will guide us safely through the valley of the shadow. As long as we remain true to the ideals of Concord and Lexington, we can face the future without fear.

Mr. BENTON. Mr. President, I ask unanimous consent that I may be recognized for 2 minutes to speak on the same subject on which the Senator from Massachusetts has just spoken.

Mr. NEELY. Mr. President, I shall not object to the request of the able Senator from Connecticut. But I now give notice that I shall object to all additional unanimous-consent requests to make speeches under the present order of business.

It was agreed that the calendar should be considered today. If a speech-making marathon such as daily prolongs the submission of requests for printing in the RECORD is now tolerated, the calling of the calendar will be indefinitely postponed.

The VICE PRESIDENT. The Chair will state that he appointed the senior Senator from Massachusetts [Mr. SALTONSTALL], the junior Senator from Massachusetts [Mr. LODGE], and the junior Senator from Connecticut [Mr. BENTON] to attend the celebration of Patriots' Day in Masschusetts. The Senator from Massachusetts, who has just spoken, and the Senator from Connecticut were unable to go to Massachusetts for that purpose, and they now desire to make brief remarks.

Mr. BENTON. I thank the Senator from West Virginia for excluding me from the general statement which he has just enunciated, because my comments on the floor of the Senate have been few and far between.

Mr. President, it is an honor for me to have been appointed by our beloved Vice President as one of the three Senate Members of the Patriots' Day Celebration Commission. Further, it is a pleasure as well as an honor for me to be so associated with the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], who is speaking today at

Lexington and Concord, and with the distinguished junior Senator from Massachusetts [Mr. LODGE], who has just spoken, in observance of the celebration of the one hundred and seventy-fifth anniversary of Patriots' Day. For both Senators from Massachusetts I developed affection as well as deep respect during my service as Assistant Secretary of State.

Mr. President, the junior Senator from Massachusetts [Mr. LODGE], who has just spoken, is held in high regard by his colleagues in this Chamber for many reasons, not the least of which is his constructive and farsighted leadership in fashioning a united and unpartisan approach to the great issues of foreign policy which confront us in this critical hour of our history.

On this day, which commemorates the beginning of this Nation's unity in the cause of independence and freedom, it is altogether fitting that all of us in the Senate and the House of Representatives should join together in tribute to the events that took place on April 19, 1775.

The spirit of Lexington and Concord is indeed the symbol of the resolution and determination of the American people to stand as one against all threats to liberty, at home or abroad. Once again today it is incumbent upon us to stand shoulder to shoulder, on a minute's notice if need be, in defense of our principles.

The shot heard round the world 175 years ago today has echoed and reechoed in the subsequent struggles for the democratic survival of mankind. The high sense of patriotism demonstrated on that occasion by the Minute Men of Massachusetts—and this is a most suitable day to remember it—is worth remembering in these times, and worth measuring against alternatives which divide and weaken our ranks.

The unity cradled at Lexington and Concord eventually spanned a continent and matured under fire at the far ends of the globe.

Today we, the people of the United States, must stand before the world as an example of strength. As a free Nation our strength is in the vitality and integrity of our institutions.

Therefore, Mr. President, on this one hundred and seventy-fifth Patriots' Day let us stand strong and united and firm in our resolve to emulate the unselfish example of those early defenders of the American Commonwealth. Let us here in Congress remind ourselves again today that united we can stand, and divided we shall fall.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to present petitions and memorials, introduce bills and joint resolutions, and submit routine matters for the RECORD and Appendix, without debate and without speeches.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

AMERICAN SHIPPING INDUSTRY—RESOLUTION OF HOUSE OF DELEGATES OF MARYLAND

Mr. O'CONOR. Mr. President, through the great port of Baltimore, the State of Maryland is directly and intensely concerned in the condition both of American shipping and of the American ship-construction industry.

Taking official cognizance of the chaotic conditions now existing throughout the United States merchant marine and its related industries, the Maryland House of Delegates has formally expressed its concern in conditions in this field and has adopted a resolution asking the Congress to support and expedite S. 2786, introduced by the junior Senator from Maryland for himself and the distinguished senior Senator from Washington [Mr. MAGNUSON], to provide assistance to the shipping industry toward rehabilitation of the United States merchant marine.

I ask unanimous consent that it be printed in the body of the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee in Interstate and Foreign Commerce, and, under the rule, ordered to be printed in the RECORD, as follows:

House Resolution 4

Resolution requesting Congress to assist and support the American shipping industry

Whereas the maritime industries of this Nation are integrated in the economy of the Nation directly leading to the employment of approximately 10 percent of this Nation's people either in those industries or allied and supporting industries; and

Whereas this Nation's experience after World War I in permitting the Nation's merchant marine to decline to an alarming point proved to be a costly error when the Nation was confronted with the need for a bridge of ships in waging war for survival in World War II; and

Whereas a permanent shipbuilding and replacement program for obsolete ships is generally conceded as being an absolute necessity to provide this Nation with a merchant marine ever ready for the defense of this Nation; and

Whereas the State of Maryland and the port of Baltimore particularly are largely dependent upon all phases of the Nation's maritime industries as the economic keystone of the well-being of the citizens and Government; and

Whereas the present decline in shipbuilding and ship repairs, with the resulting serious effect on the Nation's merchant marine, within the State of Maryland portends a grave economic crisis for thousands of citizens of the State of Maryland; and

Whereas it has been authoritatively estimated that 250,000 persons are either affected directly or indirectly by the maritime industries in the port of Baltimore, using the usual average of four persons per family (figures supplied by former Congressman Hugh A. Meade, now deceased): Therefore be it

Resolved, That the United States Congress be requested to support and expedite bill No. S. 2786 presented by Maryland Senator HERBERT R. O'CONOR which is designed to provide direct assistance to the American shipping industry to bring the Nation's merchant marine to a point to properly uphold America's foreign trade and to maintain America's merchant marine at a sensible point of preparedness in event of a national emergency; and be it further

Resolved, That the chief clerk of the house of delegates is hereby instructed to send copies of this resolution to the President of the United States Senate, the Speaker of the House of Representatives, the Maritime Commission, and to all Representatives from Maryland in the United States Congress.

By the house of delegates, February 10, 1950.

C. FERDINAND SYBERT,
Speaker of the House of Delegates.
RAYMOND H. MILLER,
Chief Clerk of the House of Delegates.

PROTECTION AGAINST CERTAIN UN-AMERICAN AND SUBVERSIVE ACTIVITIES

Mr. MUNDT. Mr. President, on April 16, 1950, in Lansing, Mich., under the leadership of the Wolverine All-American Conference, representing 35 patriotic, business, and professional organizations, a resolution was adopted paying tribute to our colleague the junior Senator from Michigan [Mr. FERGUSON] for his good work in advancing the approval of the so-called Mundt-Ferguson-Johnston-Nixon bill, and urging the Senate of the United States to act promptly on this subversive control measure.

I ask unanimous consent that the resolution be appropriately referred and printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

We are meeting here today as citizens representing several organizations from every nook and corner of our great State of Michigan for the purpose of fighting an insidious foe that has as its aim the destruction of our way of life.

This group realizes that in order to accomplish this program we are mindful of the fight being carried on by our elected representatives in Washington. Our own great Senator FERGUSON in cooperation with Senators MUNDT and JOHNSTON have introduced a bill in the United States Senate known as Senate bill 2311 which will assist greatly the curbing of subversive activities. An outstanding feature of the bill is the registration of persons who seek to overthrow our American way of life.

Let us here today resolve to give moral support and backing to those courageous men in Washington by endorsing unanimously the Mundt-Ferguson-Johnston Senate bill 2311, and I so move you, Mr. Chairman. And I further move that a copy of this be sent to each of the three Senators sponsoring the bill.

Does the conference go on record an endorsing the Mundt-Ferguson-Johnston bill? All in favor say "Aye."

This endorsement was passed unanimously by the Wolverine All-American Conference, representing 35 organizations, at the Olds Hotel, Lansing, Mich., on April 16, 1950.

JOHN L. DENMAN,
Chairman, All-American Conference.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

S. 3049. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; with amendments (Rept. No. 1509).

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

S. 2996. A bill to authorize loans to make available in any area or region credit formerly made available in such area or region by the Regional Agricultural Credit Corporation; without amendment (Rept. No. 1510);

H. R. 829. A bill to authorize the Secretary of Agriculture to accept buildings and improvements constructed and affected by the Buffalo Rapids Farms Association on project lands in the Buffalo Rapids water conservation and utilization project and canceling certain indebtedness of the association, and for other purposes; without amendment (Rept. No. 1511); and

H. R. 4641. A bill to authorize the Secretary of Agriculture to accept title to certain land owned or to be acquired by the county of Plumas, State of California, and in exchange therefor to convey to Plumas County certain land owned by the United States in said county; without amendment (Rept. No. 1512).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HICKENLOOPER:

S. 3446. A bill to authorize the restoration of Edwin M. Rosenberg, lieutenant commander, retired, to the active list of the United States Navy; to the Committee on Armed Services.

(Mr. YOUNG introduced Senate bill 3447, to provide an appropriation for the reconstruction and repair of roads and other public facilities in the State of North Dakota which were destroyed or damaged by recent floods, which was referred to the Committee on Public Works, and appears under a separate heading.)

(Mr. LUCAS introduced Senate Joint Resolution 166, to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of their duty, which was passed, and appears under a separate heading.)

RECONSTRUCTION AND REPAIR OF ROADS AND PUBLIC FACILITIES DESTROYED BY FLOODS IN NORTH DAKOTA

Mr. YOUNG. Mr. President, I introduce for appropriate reference a bill and ask unanimous consent that I be allowed 1 minute to explain it.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and the Senator may proceed.

Mr. YOUNG. Mr. President, North Dakota is presently experiencing its worst flood in the history of the State. There are thousands of people driven from their homes. The service on the main lines of the railroads is interrupted at the present time because of wash-outs.

It is estimated nearly 100 bridges will be lost completely on Federal, State, and county highways. The damage will be extremely heavy to all property. Shields, a small town, is almost completely under water. Many other towns and cities have large sections partially or completely inundated. Millions of acres of rich farmland are flooded. The loss to buildings and livestock on these farms will be terrific.

No flood in the history of our State has covered such a vast area. Presently the worst situation is in the Red River Valley from Grand Forks north, the James River Valley, Jamestown and north, and in the valleys of the Heart and Cannon Ball Rivers. This bill would provide assistance to all political subdivisions for roads, bridges, and other facilities.

The bill (S. 3447) to provide an appropriation for the reconstruction and repair of roads and other public facilities in the State of North Dakota, which were destroyed or damaged by recent floods, was received, read twice by its title, and referred to the Committee on Public Works.

AMENDMENT OF VETERANS' REGULATIONS AND WORLD WAR VETERANS' ACT OF 1924—AMENDMENTS

Mr. DOUGLAS submitted amendments intended to be proposed by him to the bill (H. R. 6562) to amend the Veterans' Regulations and the World War Veterans' Act, 1924, as amended, to provide additional compensation for the loss or loss of the use of a creative organ, which was referred to the Committee on Finance, and ordered to be printed.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948—AMENDMENT

Mr. McCARRAN (for himself and Mr. BREWSTER) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended, which was ordered to lie on the table and to be printed.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. BYRD, from the Committee on Finance:

Nan Wood Honeyman, of Portland, Oreg., to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg. (reappointment).

CURTAILMENT OF POSTAL SERVICES—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him relative to the order issued by the Postmaster General curtailing mail deliveries, and so forth, which appears in the Appendix.]

ADDRESS BY MRS. ELEANOR ROOSEVELT TO AMERICANS FOR DEMOCRATIC ACTION

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an address delivered by Mrs. Eleanor Roosevelt at the convention banquet of Americans for Democratic Action in Washington, D. C., April 1, 1950, which appears in the Appendix.]

TRIBUTE TO SENATOR WILEY IN THE WISCONSIN JEWISH CHRONICLE

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an editorial entitled "For Enlightened Statesmanship," paying tribute to Senator WILEY, published in the March 25, 1950, issue of the Wisconsin Jewish Chronicle, which appears in the Appendix.]

A REVIEW AND A WARNING—ARTICLE FROM THE BULLETIN OF THE METAL TRADES DEPARTMENT, A. F. OF L.

[Mr. MORSE asked and obtained leave to have printed in the RECORD an article entitled "A Review and a Warning," published in the Bulletin of the metal trades department, American Federation of Labor, of March 19, 1950, which appears in the Appendix.]

BONNIE MAY MATHEWS—STATEMENT BY RADIO STATION WWL IN RESPONSE TO RED CROSS APPEAL

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD a statement by radio station WWL, in New Orleans, La., in response to the appeal of the Red Cross to save the life of Bonnie May Mathews, of Coushatta, La., which appears in the Appendix.]

THE INTERNATIONAL TRADE ORGANIZATION—ARTICLE FROM BUSINESS WEEK

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "The ITO Charter Should Be Ratified," from Business Week for February 25, 1950, which appears in the Appendix.]

GOVERNMENT FINANCING—EDITORIAL FROM THE PHILADELPHIA INQUIRER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Deficit Grows—And Still Congress Votes Spending," from the Philadelphia Inquirer of April 19, 1950, which appears in the Appendix.]

A SALUTE TO THE GLORY THAT IS GREECE — ARTICLE BY HARRY H. SCHLACHT

[Mr. IVES asked and obtained leave to have printed in the RECORD an article entitled "A Salute to the Glory That Is Greece," written by Harry H. Schlacht, and published in the New York Journal-American of March 24, 1950, which appears in the Appendix.]

CARROLL BINDER REPORTS FROM EUROPE

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD two additional articles in the series of reports on conditions in Europe, written by Carroll Binder, editorial writer of the Minneapolis Tribune, which appear in the Appendix.]

A VOTE FOR INTEGRITY—EDITORIAL FROM THE WILMINGTON JOURNAL

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial entitled "A Vote for Integrity," published in the Wilmington (Del.) Journal of April 18, 1950, which appears in the Appendix.]

MY DEAR MR. TRUMAN—EDITORIAL FROM SUSSEX COUNTIAN, OF GEORGETOWN, DEL.

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial entitled "My Dear Mr. Truman," published in the Sussex Countian, of Georgetown, Del., on April 13, 1950, which appears in the Appendix.]

EXPENDITURE OF GOVERNMENT FUNDS FOR PURPOSE OF HEARING DISCUSSION OF BRANNAN PLAN

[Mr. BYRD asked and obtained leave to have printed in the RECORD an editorial from the April 15, 1950, issue of the Richmond News-Leader, entitled "Eight Dollars a Day To Listen to Mr. Brannan," which appears in the Appendix.]

TEXAS CITY BOOMS AGAIN—ARTICLE FROM BUSINESS WEEK MAGAZINE

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD an article from Business Week magazine of April 15, 1950, concerning the progress made in rebuilding Texas City, Tex., which appears in the Appendix.]

M. D. ANDERSON HOSPITAL FOR CANCER RESEARCH

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD a University of Texas news-service release on an article by Dr. R. Lee Clark, Jr., on the status of today's cancer treatment, which appears in the Appendix.]

ADDRESS BY T. RUSS HILL BEFORE THE NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

[Mr. DWORSHAK asked and obtained leave to have printed in the RECORD, an address entitled "Bulwarks," delivered by T. Russ Hill, of Detroit, Mich., at the opening of the Fifty-ninth Continental Congress, National Society, Daughters of the American Revolution, which appears in the Appendix.]

ACCESS ROADS TO GOVERNMENT TIMBER

Mr. MORSE. Mr. President, there is pending in the House of Representatives a bill providing for construction of access roads into Government timber. The bill was introduced by the junior Senator from Oregon, and was passed by the Senate last year.

There appeared in the issue of the Washington Daily News of April 7, 1950, an excellent article entitled "Timber Access Battle," written by Peter Edson. I ask to have this article published in the body of the RECORD, as a part of my remarks, adding this additional sentence, that this access-road bill is needed in connection with American defense, because, as I have been advised by our Defense Establishment, in case of war access roads into Government timber would be of essential importance to the security of the Nation in the prosecution of the war.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TIMBER ACCESS BATTLE

(By Peter Edson)

Forty percent of all remaining United States virgin timber is in the Northwest. Twenty-five percent is in Oregon. This is the last big area in which there is a chance to practice sustained yield forestry—cutting timber no faster than it grows. But there are complications. The big fight now is over road rights-of-way to timberlands.

Oregon Senator WAYNE MORSE has a bill in Congress to provide $25,000,000 worth of public-access roads in big timber areas. The Morse bill has passed the Senate and is now before the House. And the Interior Department has just issued new regulations on the use of roads through Bureau of Land Management acreage.

What happens on the public lands may set a precedent for what happens on United States Forest Service preserves. So the whole business is coming to an important head.

Representatives of the Lumber Manufacturers' Associations, West Coast Lumbermen's Association, and the Western Pine Association have been much in Washington to tell their side of this story. It is the big lumbermen's position that the Government shouldn't build or manage these forest roads. They say private industry can do it better and cheaper, and save the Government money.

About one-sixth of the Northwest's virgin timber is on 2,500,000 acres of what is known as the O. & C. land in the Douglas fir belt. This land originally was given as a grant by the Government to the old Oregon & California Co. It consists of every odd section of land, checkerboarded in a 30-mile-wide strip on either side of a right-of-way over which a road was supposed to be built.

The road was never built, so in 1915 the Supreme Court gave title back to the Government. It was assigned to Bureau of Land Management to administer. Under a 1937 law, the Bureau was directed to manage this land so as to sustain the region's economy. In a way, this was an original full employment act for this area.

The Forest Service timberlands in this area are mostly beyond the O. & C. sections, on the higher slopes. So whoever controls the roads across the O. & C. land also controls access to the larger Forest Service preserves.

Because of this checkerboarding of O. & C. land, private owners of the intermingling sections saw a chance to control all these rights. Only a big operator can afford to build an access road.

The situation that developed was something of a monopoly in which the smaller operators were frozen out. They found it impossible to bid for Government timber, because they couldn't get at it. There are now roughly 30 big timber cutters in the Northwest, as against 1,200 smaller operators.

Interior Department regulations now give every bidder access to timber rights over public roads or private roads on public lands.

The big lumber companies are protesting this move. They maintain that the builders of the roads should have absolute control over the roads, and that the Government should accommodate its program of opening up public timberlands to the private operators.

SHIPMENT OF WAR MATERIALS TO RUSSIA AND ITS SATELLITES BY MARSHALL PLAN COUNTRIES—STATEMENT BY SENATOR KEM

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me regarding the shipment of war materials to Russia and its satellites by Marshall-plan countries.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KEM REGARDING SHIPMENT OF WAR MATERIALS TO RUSSIA AND SATELLITES BY MARSHALL-PLAN COUNTRIES

There has come to me hitherto undisclosed evidence regarding shipments of war materials, including arms, to Russia and her satellites by Marshall-plan countries. These facts come to me as a shock and a surprise. In view of the tense international situation, I shall not delay in bringing this information to the attention of the Senate and the country.

With heavy hearts we have followed the search for the American plane and its crew, recently shot down in the Baltic. The question now arises whether this plane may not have been shot down with materials provided by us.

During World War II our ships and planes were blasted with scrap iron furnished by us to the Japs. Millions of American men risked their lives facing it. Tens of thousands were killed or maimed for life.

We are again supplying, indirectly, materials of war to an unfriendly nation. The figures which I now present indicate that we are repeating again our errors of the past. They show that Marshall-plan nations in Europe are making substantial shipments of war materials—to Russia and the Russian satellites—materials which we ourselves have refused to ship to those countries. At the very same time that we are making gigantic efforts to rearm the countries of western Europe, some of these nations are furnishing materials for the Russian rearmament program.

Let's take a look at the picture. It won't be a complete look for I have been unable to obtain figures on shipments from Sweden which is perhaps more involved than any other beneficiary of our generosity. My information covers shipments from Belgium-Luxemburg, France, and England to Soviet Russia and the satellite countries.

It was furnished to me yesterday by the Office of International Trade, Department of Commerce. The compilation shows that during the year 1949 Belgium-Luxemburg, the United Kingdom, and France shipped the following items to Russia and the satellite countries:

Partial list of exports from Belgium-Luxemburg during 1949 to Russia and satellite nations [1]

Item	Amount in dollars [2]	Amount in thousands of francs	Metric tons [3]
Arms (to Czechoslovakia)	6,040	302	-------
Iron, cast iron, and steel	19,782,840	989,142	151,749
Copper	11,028,820	551,441	23,523
Lead	1,583,160	79,158	4,836
Zinc	3,003,780	150,189	10,413
Tin	941,060	47,053	485
Other base metals and alloys	1,387,360	69,368	623
Boilers, machinery, mechanical apparatus and appliances, and parts	7,937,880	396,894	6,273
Electrical machinery and apparatus, and articles for electrotechnical use, and parts	5,840,660	292,033	-------
Railway and tramway rolling stock and material	430,600	21,530	872
Optical, measuring, precision, and other instruments and apparatus	2,480	124	-------
Chemical products	1,709,540	85,477	8,573
Explosives, fireworks, matches and other inflammable materials	1,447,960	72,398	2,014
Rubber and manufactures	942,600	47,130	1,355

[1] Complete list available in my office, including a break-down of exports by importing country.
[2] Computation based on current exchange rate of 50 francs to the dollar.
[3] 1 metric ton is equal to 2,204.6 pounds.

Partial list of exports from United Kingdom during 1949 to Russia and satellite nations

Item	Amount in dollars [1]	Amount in thousands of pounds sterling	Quantity
Ball and roller bearings and parts	243,600	87	[2] 2,000
Iron, steel, and manufactures (total)	12,140,800	4,336	[2] 88,000
Steel bars and rods, not alloy	1,736,000	620	[2] 20,000
Bars and rods of alloy steel	504,000	180	[2] 1,000
Hoop and strip	422,800	151	[2] 3,000
Railway and tramway construction material	708,400	253	[2] 10,000
Barbed wire	420,000	150	[2] 3,000

See footnotes at end of table.

Partial list of exports from United Kingdom during 1949 to Russia and satellite nations—Continued

Item	Amount in dollars [1]	Amount in thousands of pounds sterling	Quantity
Iron, steel, and manufactures (total)—Con.			
Cable and rope (except insulated telegraph and telephone cable)	425,600	152	[3] 1,000
Nonferrous metals and manufactures (total)	4,062,800	1,451	
Aluminum and alloys	618,800	221	[2] 21,000
Brass and other alloys of copper, other than nickel alloys	1,142,400	408	[2] 63,000
Copper	694,400	248	[3] 1,000
Electrical goods and apparatus	6,806,800	2,431	
Machinery (total, excluding ball and roller bearings and parts)	45,172,400	16,133	[2] 867,000
Electric generators	11,986,800	4,281	[2] 181,000
Electrical machinery, other than motors and generators	2,864,400	1,023	[2] 46,000
Machine tools (metal-working) other than portable power tools	5,138,000	1,835	[2] 129,000
Vehicles (total, including locomotives, ships, and aircraft)	13,361,600	4,772	
Rubber tires for motor vehicles, other then motorcycles and tricars)	229,600	82	9,000
Chassis for motor vehicles, with engines	1,660,400	593	1,000

[1] Computation based on present exchange rate of $2.80 to the pound sterling.
[2] Hundredweight (112 pounds).
[3] Long tons.

Partial list of exports from France during 1949 to Russia and satellite nations

Item	Amount in dollars [1]	Amount in thousands of francs	Metric tons
Chemicals:			
Inorganic	1,546,759	533,365	23,425
Organic	983,283	339,063	610
Rubber and rubber products	1,678,616	578,833	1,426
Steel-mill products, hot-rolled, sheets and plates	4,198,881	1,447,890	41,096
Steel-mill products, cold-rolled, tubular products and wire	3,087,703	1,064,725	19,283
Aluminum, crude and semi-manufactures	369,245	127,326	815
Aluminum alloys	408,688	140,927	833
Lead and lead alloys	316,349	109,085	1,115
Metal manufactures	2,046,376	705,647	3,985
Machinery and apparatus	10,272,238	3,542,151	6,771
Machinery, electrical and apparatus	2,015,239	694,910	525
Transportation equipment	8,281,011	2,855,521	7,913
Optical, surgical, scientific, and photographic instruments and apparatus	1,113,145	383,843	115

[1] Computation based on current exchange rate of 350 francs to the dollar.

It will be remembered that these figures cover shipments from only three of the Marshall plan areas: Belgium-Luxemburg, France, and Great Britain. I am endeavoring to obtain similar information for other countries, including Sweden, which in 1948 was the second largest western European exporter to countries behind the iron curtain. (Great Britain has the dubious distinction of being first.) However, so far, the Administration is unable or unwilling—to make this further information available to me.

Last year, in accordance with policy laid down by the Congress, the United States Office of International Trade placed drastic restrictions on exports from the United State to Russia. As a result, according to the Department of Commerce, "domestic merchandise exported to Russia during the year amounted to only $6,434,000, the lowest annual figure since 1923, and only about one-fourth of 1948 exports."

Since March 1, 1948, the United States has placed stringent restrictions on the export to eastern Europe of commodities regarded as having direct or indirect military significance.

It is essential to our national security that this country continue to ban shipments of war material to the Soviet Union. It is tragically absurd for us to pour into western Europe vast quantities of war materials under the Marshall plan and the arms-aid program, only to have our friends export the same materials to Russia and other countries behind the iron curtain.

Apologists for these shipments should be reminded that it takes only one bullet, only one piece of shrapnel, to kill a man. It takes only one shell to bring down a plane.

RURAL REHABILITATION CORPORATION TRUST LIQUIDATION — CONFERENCE REPORT

Mr. ELLENDER. Mr. President, I ask that the Vice President lay before the Senate for immediate consideration the conference report on Senate bill 930. There is no opposition to it. The conferees have agreed to it unanimously.

The VICE PRESIDENT laid before the Senate the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 930), to provide for the liquidation trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes, which was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the "Rural Rehabilitation Corporation Trust Liquidation Act".

"SEC. 2. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") is hereby authorized and directed to take such action as may be appropriate and necessary to liquidate, as expeditiously as possible but within three years from the effective date of this Act, trusts under the transfer agreements with the several State rural rehabilitation corporations, and is hereby authorized and directed to negotiate with responsible officials to that end.

"(b) The Secretary, insofar as is necessary to protect the interests of the United States and the corporation shall proceed forthwith to the conversion to cash of investments constituting the trust assets by sale of real and personal properties, and by collection of loans and accounts receivable according to the tenor of such obligations.

"(c) An application for the return of such properties may be made to the Secretary by the State rural rehabilitation corporation pursuant to appropriate resolution of its board of directors. The application shall contain a covenant, binding upon the applicant when accepted by the Secretary on behalf of the United States, that the applicant will abide by the determinations and apportionments of the Secretary provided for in this Act and the payments made by the Secretary pursuant to this Act, that the returned assets and the income therefrom will be used only for such of the rural rehabilitation purposes permissible under the corporation's charter as may from time to time be agreed upon by the applicant and the Secretary; and that not to exceed 3 per centum of the book value of the corporation's assets will be expended by the applicant for administrative purposes during any year, without the approval of the Secretary of Agriculture. If the rural rehabilitation corporation of any State has been dissolved and is not revived or reincorporated or, for any other reason, is unable to make such application or to accept and administer such properties, the application and subsequent agreements (conforming to the second sentence of this subsection) may be made by such other agency or official of that State as may be designated by the State legislature. The Secretary may transfer the trust funds of properties of such corporation to such successor agency or official if adequate provisions are made by the State legislature for holding the United States and the Secretary free from liability by virtue of the transfer to such successor agency or official.

"(d) Except as hereinafter provided, upon receipt of appropriate application meeting the requirements of this Act, the Secretary shall do all things necessary to return to each such applicant all right, title, and interest of the United States in and to all cash, real and personal property, or the proceeds thereof, held on the date of the approval of this Act by the Secretary as trustee for the account of such State corporation, except that the Secretary may deduct from the funds of each such State corporation the expenses incident to completion of such transfer: *Provided*, That such transfer shall, insofar as possible, be accomplished in a manner consistent with the provisions of the trust agreement with each State rural rehabilitation corporation.

"(e) In the event no application is made, as provided for in this Act, within three years from the effective date hereof or upon receipt of a disclaimer or release of interest under the trust transfer agreement by any State through its legislature, the Secretary shall cause all proceeds from assets held under or for the account of the transfer agreement with that State to be covered into miscellaneous receipts in the United States Treasury.

"(f) The Secretary is authorized to enter into agreements with any State rural rehabilitation corporation or other State agency or official having jurisdiction of the trust assets which have been returned pursuant to application made therefor under section 2 (c) hereof, and upon such terms and conditions and for such periods of time as may be mutually agreeable, to accept, administer, expend and use in such State all or any part of such trust assets or any other funds of such State rural rehabilitation corporation or State agency, which are transferred to the Secretary for carrying out the purposes of titles I and II of the Bankhead-Jones Farm Tenant Act and in accordance with the applicable provisions of title IV thereof as now or hereafter amended. Funds appropriated for the administration of said Act shall also be available for carrying out such agreements.

"SEC. 3. The provisions of this Act shall apply also to all properties and assets of State rural rehabilitation corporations held by Federal agencies other than the Department of Agriculture under the provisions of Executive Order Numbered 9070, or otherwise. For the purposes of this Act the assets of other corporations, derived through the use of Federal Emergency Relief Administration funds, and made available to them through State rural rehabilitation corporations or otherwise acquired by them for rural rehabilitation purposes, shall be considered as a part of the trust property of the State rural rehabilitation corporations in their respective States.

"SEC. 4. For the purposes of this Act, the Secretary shall have the power to—

"(a) employ on a contract basis (without regard to the provisions of the civil-service

laws or the Classification Act of 1923, as amended, but the contract shall in each case specify what civil service and related laws, if any, shall be applicable to the employment after it has been made) such appraisers, accountants, attorneys, and other personnel as he may deem necessary, in the District of Columbia and elsewhere, to aid in the liquidation and transfer of the properties and assets pursuant to this Act, and in the entering into of agreements with the corporations, or other agencies or officials designated pursuant to section 2 (c) hereof, regarding the rural rehabilitation purposes for which the property and assets shall thereafter be used by them, and in determining that such agreed purposes are being carried out. The fees, salaries, and expenses of such appraisers, accountants, attorneys, and other personnel shall be equitably apportioned by the Secretary among the respective corporations and the amount so determined to be applicable to each such corporation shall be paid by the Secretary from the trust fund of such corporation until the trust is liquidated, and thereafter by the corporation or other agency or official designated pursuant to section 2 (c) hereof. Attorneys so employed, and their fees and expenses, shall be subject to the approval and under the supervision of the Solicitor of the Department of Agriculture;

"(b) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision;

"(c) make such rules and regulations and such delegations of authority as he deems necessary to carry out the purposes of this Act.

"SEC. 5. None of the properties or assets held on the date of the approval of this Act by the Secretary as trustee pursuant to trust agreements with the various State rural rehabilitation corporations may be used by the Secretary for any purpose after the effective date of this Act, except for the purposes authorized under section 2 (d) of this Act, and for loans made prior to July 1, 1949, and to be repaid in full no later than May 1, 1952, but otherwise consistent with the provisions of title II of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. A. 1007), where necessary to supplement credit already extended to borrowers from corporation trust funds.

"SEC. 6. (a) The determination of the Secretary with respect to the assets to be returned to each State rural rehabilitation corporation or other agency or official designated pursuant to section 2 (c) hereof including, but not limited to interests in properties held jointly for such corporation and the United States, the partition of real property, the expenses incident to each transfer, the liabilities applicable to such properties, and all other phases of the transfer shall be final and conclusive upon each State rural rehabilitation corporation or such successor agency or official designated pursuant to section 2 (c) hereof, and upon all officers and agencies of the United States.

"(b) The Secretary shall be saved harmless against any personal liability he may incur in carrying out the provisions of this Act.

"SEC. 7. Section 2 (f) of the Act of August 14, 1946 (60 Stat. 1062), is hereby repealed."

And the House agree to the same.

ALLEN J. ELLENDER,
CLYDE R. HOEY,
CLINTON P. ANDERSON,
GEORGE D. AIKEN,
MILTON R. YOUNG,
Managers on the Part of the Senate.

HAROLD D. COOLEY,
STEPHEN PACE,
W. R. POAGE,
CLIFFORD R. HOPE,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the consideration of the conference report?

Mr. WHERRY. Reserving the right to object, of course the distingished Senator from Louisiana will explain what the conference report does.

Mr. ELLENDER. Yes.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. ELLENDER. As I have just stated the conferees were unanimous in their findings. The bill seeks to settle a trust of $50,000,000 which is now in the hands of the Department of Agriculture. Each State is permitted to make application for its share of this trust. I can go further into the matter if the Senator desires.

Mr. WHERRY. No; I believe the statement made by the Senator is completely satisfactory. The conferees were unanimous in their decision, were they?

Mr. ELLENDER. They were.

The VICE PRESIDENT. The question is on agreeing to the conference report.

The report was agreed to.

AUTHORIZATION OF POSTHUMOUS AWARD OF APPROPRIATE DECORATION TO MEMBERS OF THE CREW OF THE UNITED STATES NAVY PRIVATEER

Mr. LUCAS. Mr. President, I send to the desk a very important joint resolution, and I ask for its immediate consideration. I ask that the resolution be read.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The joint resolution (S. J. Res. 166), to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of duty, was read the first time by title and the second time at length, as follows:

Resolved, etc., That the Secretary of the Navy is authorized and directed to award posthumously to the officers and crew of the United States Navy Privateer who lost their lives while on a flight between Wiesbaden, Germany, and Copenhagen, Denmark, in or over the Baltic Sea on April 8, 1950, an appropriate decoration in recognition of their outstanding and heroic services in the performance of duty.

SEC. 2. The Congress hereby tenders its condolences to the families of the deceased and expresses its gratitude for their gallantry and devotion to duty.

SEC. 3. The Secretary of the Navy is authorized and directed to transmit a copy of this resolution to the family of each of the deceased.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. LUCAS. Mr. President, it has become very clear that the Government of Soviet Russia is responsible for the disappearance of an American Navy plane which vanished after a flight over the Baltic Sea near a region occupied by Soviet military forces.

This barbaric action by the ruthless forces controlled by the totalitarian government in Moscow has shocked the decent people of the world. Soviet military aircraft fired upon an unarmed American plane over the open sea, and the American plane was lost. Such an attack upon a plane which carried no arms cannot be justified. The provocative statement issued by the Soviet government, which declared that this American plane had invaded Soviet territory, cannot be accepted in the light of the statement issued by our own Government.

Mr. President, this criminal action by the Soviet Union is a warning to the free world. It is a warning to all Americans that the time has come to place the interests of our country above the interests of any political party. It is a warning to Members of Congress that we cannot afford the luxury of partisan wrangling at this grave hour in history.

In defending the free world, we must stand together upon fundamental principles. We must support the bipartisan foreign policy which is designed to meet the terrible threat of aggressive communism.

Mr. President, we cannot bring back the lives of the brave men who were shot down in that Navy plane; but we can express, through this joint resolution, to their families and to their fellow citizens the deep feeling of the Congress of the United States for the gallant and devoted service they have rendered to their beloved country.

Mr. President, I hope every Senator will vote in the affirmative upon a yea-and-nay vote upon this resolution. Such a vote will advise the Kremlin that we here in the Senate of the United States stand united behind these men, who gave their all for their country.

The VICE PRESIDENT. Is there objection to the request for the present consideration of the joint resolution?

Mr. WHERRY. Mr. President, I wish the RECORD to show that there is no objection to the present consideration of this joint resolution, so far as the minority leader is concerned. Any other Senator can object if he chooses to do so.

I think it is a fine thing to grant these awards to the families whose husbands or other relatives lost their lives in this plane.

At a later date I should like to make some comment about the responsibility in this matter of the bipartisan foreign policy. I think it has been a lack of bipartisan policy that has gotten us into the difficulty we are in now. I should like to make that statement, in connection with the expression of condolences at this time, so far as the junior Senator from Nebraska is concerned.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. MUNDT. Mr. President, reserving the right to object—and of course I shall not object—I wonder whether the majority leader has in mind doing something a little more objective, far reaching, and significant than simply taking the proposed action of awarding posthumously the proposed citations. I have in mind, for example, representations through the United Nations against this kind of action, because if the official statement made in the remarks of the

Senator from Illinois is accurate—and I assume it is—then we have every reason to believe that Russia is responsible for the destruction of the Navy plane. Then, should not we do something more than pass the joint resolution conferring the awards posthumously upon the men who lost their lives?

Mr. LUCAS. Mr. President, I think there is something to what the Senator from South Dakota says, but he knows that the State Department has protested in vigorous and rather vehement terms against this deplorable incident. The Senator from Illinois thought, for the moment, at least that might be sufficient, and that any additional protestations on the part of the Senate might be inadvisable at this time.

However, it seemed to me we could do this one thing, which would demonstrate to the free world, and especially to those who operate out of the Kremlin, that the Senate of the United States is unanimously behind these boys and what they represented. By doing this I think we shall have done indirectly what the Senator from South Dakota seeks to have us do directly.

If the Senator from South Dakota desires later to offer such a resolution, I certainly would go along with him on it 100 percent.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. ROBERTSON. Does the Senator agree with me that a declaration of war would be more far reaching, but not necessarily more effective?

Mr. LUCAS. A declaration of what?

Mr. ROBERTSON. Does the Senator agree with me that a declaration of war would be more far reaching than this joint resolution, but not necessarily more effective?

Mr. LUCAS. Mr. President, I do not think it is necessary to talk about a declaration of war, in connection with this joint resolution. I do not think war is inevitable as a result of this situation. I would not wish to discuss that phase of the matter at this time with my friend the Senator from Virginia.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. MORSE. Mr. President, reserving the right to object—and I shall not object—I wish to make a brief comment. I am very much pleased that both the Senator from Illinois, the majority leader, and the Senator from Nebraska, the minority leader, already have expressed themselves on the floor of the Senate in support of the objectives of this particular joint resolution. It is a symbol of the sadness which exists in the hearts of all patriotic Americans today. These men have died in the service of their Nation in the midst of a cold war. I believe it would be very wise to have a careful discussion of the joint resolution. I think the situation which has developed over this particular incident ought to cause every thinking American to recognize that not only is war not inevitable, but likewise this incident shows how true it is that peace is not inevitable, either. Mr. President, today all of us are sitting on a tinder box, because some incident such as this, on many fronts in this cold war, might very well suddenly plunge this Nation and other nations into a war. Some spark in the form of a violation of international law taking the life or lives of innocent people might start the fires of war unless we keep calm and urge the use of all peaceful procedures available to us, first.

I happen to be one who believes that this incident is of such magnitude and seriousness that it is incumbent on the Government of the United States to make perfectly clear to the rest of the world that one of the great historic principles of the United States, namely, that American lives are going to be protected from violations of international law, wherever such violations take place, will be maintained. We must make clear that we are ready to stand now, as our forefathers have always stood throughout our history, for the protection of American lives from loss due to violations of international laws by any nation including Russia.

I therefore agree with the suggestion contained in the remarks of the Senator from South Dakota [Mr. MUNDT], that, sound as the resolution is, it also behooves our Government today to use all the existing machinery of international organization, including the United Nations, and including, if jurisdiction can be established within it, the World Court, itself, which is an agency of the United Nations, in finding the facts about this incident. We must calmly but persistently call upon existing international law tribunals and agencies to investigate this matter in order to find out whether we are confronted with a powerful nation which intends from time to time to take American life in violation of international law. We must find out if Russia thinks that because the cold war is going on, we shall not do anything to protect American lives on the cold-war front if that might precipitate us into a hot war.

No lover of peace in the Senate more ardently loves it more than I do, Mr. President, but, after all, we must make clear to Russia that if incidents like this are going to arise, American honor will be protected. We must make clear that we do not intend to stand by to see American lives sacrificed in a cold war, only to be followed by a diplomatic protest. I do not want that protest to be an empty one. I want to see exhausted in this incident all the existing machinery for the settlement of international disputes by peaceful procedures under the United Nations Charter. I believe that when American boys start dying in this cold war, we as a people, must make clear to Russia that she will either conform to the peaceful procedures for settling international disputes, or we shall have to take such course of action as may be necessary in order to protect American citizens the world around, when they are where they have a right to be, from violations of international law by Russia or any other nation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. CAIN. Mr. President, reserving the right to object, the junior Senator from Washington obviously will vote for the joint resolution, because it simply says that decorations shall be given to those Americans who have lost their lives while in the performance of duty. Every American will approve of this intention. But I am by no means prepared to associate myself with some of the views expressed by the majority leader, the senior Senator from Illinois [Mr. LUCAS]. My reason is a very deep-seated one: Has it been established that this aircraft was actually shot down and destroyed by the Russians? Where did the act of destruction take place? I think if it has been established as an undeniable fact that the Russians shot down this American aircraft, then there should accompany the statement just made by the senior Senator from Illinois a complete and detailed explanation of every factor involved in the incident; which, in itself, if not properly understood and explained, can be of tremendous potential disaster, not alone for the Russians, but for ourselves and for the world.

If the senior Senator from Illinois will permit a question, Is he absolutely certain that the Russians are completely and solely responsible for the destruction of the American aircraft, which, according to the press—and that is our prime source of information—was following a normal routine training course? And can the Senator from Illinois tell us how that American aircraft came to be so far off its course, as it presumably was, if we accept as a fact the statement that the Russians destroyed it while on this routine flight? I know the Senator from Illinois will answer me factually if he can.

Mr. LUCAS. Mr. President, in answer to the question raised by the Senator from Washington, I may say I presume the Senator has read, as I did, what the State Department had to say about the incident. I rely upon, and this joint resolution is based upon, the vigorous protest the State Department has made to Russia. I cannot give the Senator any further information than that. I think we have to rely upon the State Department, which took some little time before finally making a statement. In fact, the State Department was criticized by certain Members of Congress for failing to speak up sooner. All I can say to my friend from Washington is that I am sure the State Department made a very thorough search and a very careful examination and went as far as it could go with respect to this incident.

Linking all the factors together, the State Department made a very serious protest to Russia about the entire situation. On that basis, the Senator from Illinois thought that perhaps a joint resolution of this kind was in order, in view of the fact that the Russians for propaganda reasons decorated their men for shooting down the defenseless men who were in our Navy plane.

Mr. CAIN. I should like to ask one other question, if I may. Does the Senator from Illinois think the statement of the State Department answered the several questions just raised by the junior Senator from Washington, as to where the incident occurred, how it happened

that our aircraft was where it is presumed to have been when shot down, and as to all the other circumstances?

Mr. LUCAS. If the Senator wants to be technical as to the very point at which the plane was shot down or the very minute it was shot down, I do not suppose anyone can answer such questions.

Mr. CAIN. Mr. President, I do not hold against the Senator from Illinois the statement he has just made, but he will, I believe, permit me to say that the junior Senator from Washington does not seek to be technical; he merely seeks to be careful and cautious in this matter of accusing others, out of which accusations there might come a war which could result in the total destruction of mankind. All the junior Senator from Washington seeks is information. I think that any statement offered before all the facts are available is not in the public interest. The majority leader, by his own admission, has been unable to provide answers to these simple questions which are in the minds of all Americans.

Mr. LUCAS. I am satisfied they are very simple questions, in the opinion of the Senator from Washington. All the questions he asks are very simple, of course. But I have given the Senator from Washington all the information I have. I am relying upon the State Department. Some Senators do not care to rely upon the State Department in this particular crisis, since they probably have better information as to what happened than has the State Department. I am depending upon the report made by the State Department, and the resolution is based upon its statement. I do not see why there should be all this quibbling about a joint resolution to give honor and to render devotion to the heroic men who went down in the Baltic—without doubt in my mind, as the result of shell fire by Russian gunners.

Mr. CAIN. There is nothing in the joint resolution but what will cause every American in this Chamber to vote affirmatively and enthusiastically for it. It says only that brave men have died in line of duty. I was referring to the uncertainty included in the comments of the Senator from Illinois which he made in offering the resolution for which I shall vote, even though the Navy can award appropriate decorations without seeking congressional approval.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. DONNELL rose.

The VICE PRESIDENT. Is the Senator from Missouri reserving the right to object?

Mr. DONNELL. No, Mr. President; I do not reserve the right to object. I ask unanimous consent that I may address a question to the Senator from Illinois.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. DONNELL. I am not reserving the right to object, as I have said, because I shall not object. But the Senator from Illinois has referred very appropriately to the note which has gone forward from the State Department to Moscow relating to this incident. I respectfully ask the Senator from Illinois if he does not agree with me that it would be appropriate at this point in the RECORD, prior to the passage of the joint resolution which the Senator has presented, that the text of the note of the State Department be inserted in the RECORD.

Mr. LUCAS. I should be delighted to cooperate with the Senator from Missouri along that line. I think it is highly proper and appropriate.

The VICE PRESIDENT. Without objection, the text of the note of protest of the State Department will be included at this point in the RECORD.

The protest of the State Department is as follows:

The Ambassador of the United States of America presents his compliments to the Minister for Foreign Affairs of the Union of Soviet Socialist Republics and, with reference to the note of the Ministry of Foreign Affairs of April 11, 1950, has the honor to state that the only American military aircraft which was in the air in the Baltic area on April 8, 1950, was a United States Navy Privateer airplane which disappeared on that date and no trace of its crew has since been found.

The United States Navy airplane carried 10 persons. It was wholly unarmed. It left Wiesbaden at 10:31 a. m., Greenwich time, for a flight over the Baltic Sea, and 2½ hours later reported by radio crossing the coast line of the British zone of Germany. All American military aircraft operate under strict instructions to avoid flying over any foreign territory in the absence of express permission for such a flight from the appropriate foreign government. The investigation conducted by the United States Government has convinced it that the United States Navy airplane in question complied strictly with these instructions and did not fly over any Soviet or Soviet-occupied territory or territorial waters adjacent thereto.

"SOLEMN PROTEST" MADE

In the Ministry's communication under reference the Soviet Government acknowledges that one of its fighter aircraft fired upon an American plane on April 8, 1950, at 5:30 p. m., Moscow time. In view of the fact that the only American military airplane which was in the air in the Baltic area on that date was the unarmed United States Navy airplane mentioned above, and that this airplane was at no time after it crossed the coast line of Germany over any foreign territory or territorial waters, it must be concluded that Soviet military aircraft fired upon an unarmed American plane over the open sea, following which the American airplane was lost.

The Ambassador of the United States has been instructed to protest in the most solemn manner against this violation of international law and of the most elementary rules of peaceful conduct between nations. The United States Government demands that the Soviet Government institute a prompt and thorough investigation of this matter in order that the facts set forth above may be confirmed to its satisfaction. The United States Government further demands that the most strict and categorical instructions be issued to the Soviet Air Force that there be no repetition, under whatever pretext, of incidents of this kind which are so clearly calculated to magnify the difficulties of maintaining peaceful and correct international relationships.

The United States Government confidently expects that, when its investigation is completed, the Soviet Government will express its regret for the unlawful and provocative behavior of its aviators, will see to it that those responsible for this action are promptly and severely punished, and will, in accordance with established custom among peace-loving nations, pay appropriate indemnity for the unprovoked destruction of American lives and property.

Mr. CONNALLY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Texas reserve the right to object? We are not now considering the resolution.

Mr. CONNALLY. I ask unanimous consent that I may make an observation.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. CONNALLY. Is it not true, I ask the Senator from Illinois, that the Russian Government itself, in the first statement it made on this matter, admitted that Russian planes had fired on an American plane in that area?

Mr. LUCAS. The Senator is absolutely correct. That admission has been made by the Russians themselves, and heralded to the world.

Mr. CONNALLY. And the State Department advised us that there was no other American plane in that area, and the Russians have admitted firing on it.

Mr. LUCAS. I thank the Senator from Texas for his contribution.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. MARTIN. Mr. President, reserving the right to object, I should like to ask the majority leader a question.

Mr. LUCAS. Certainly.

Mr. MARTIN. Mr. President, I should like to have explained what the resolution contemplates in the way of award. Some of us were absent from the floor when the Senator presented his resolution.

Mr. LUCAS. The resolution merely authorizes the Secretary of the Navy to make an appropriate award.

Mr. MARTIN. The reason I am bringing this matter up is because I am very much interested that the award of the Navy, the Army, and the Air Corps may be in accordance with the long-established principles followed in awarding our various citations and medals.

Mr. DONNELL. I ask unanimous consent that I may address a further question to the distinguished majority leader and to make a brief observation.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. DONNELL. With respect to the colloquy between the Senator from Illinois and the Senator from Washington, I observe in the text of the note the fact that at one point the State Department has this to say:

It must be concluded that Soviet military aircraft fired upon an unarmed American plane over the open sea, following which the American airplane was lost.

It might be concluded from that statement that there is no direct allegation to the effect that the loss of the plane was the result of the firing. However, I observe a further statement, upon which, to my mind, if the Senator will permit me to make the observation, the Senate is amply justified in acting. I

refer to the concluding sentence in the note:

The United States Government confidently expects that, when its investigation is completed, the Soviet Government will express its regret for the unlawful and provocative behavior of its aviators, will see to it that those responsible for this action are promptly and severely punished and will—

I call attention particularly to these words of the note—

in accordance with established custom among peace-loving nations, pay appropriate indemnity for the unprovoked destruction of American lives and property.

I understand from that statement the State Department is making the unequivocal statement that there has been an unprovoked destruction of American lives and property, for which it is hoped the Soviet Government will pay appropriate indemnity.

Mr. LUCAS. Precisely so. Part of the language which the Senator read in the beginning was used by the State Department in their note of protestation to Russia, and I have used the same language in a part of my remarks.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. LODGE. Mr. President, reserving the right to object, I should like to ask the Senator from Illinois if I am correct in assuming that he is making the proposal officially in his capacity as majority leader of the Senate?

Mr. LUCAS. I am making it on my own individual responsibility, not as majority leader, and not in connection with the State Department. I merely thought that this was a very important and necessary thing to do. I have discussed it only briefly with the State Department, in order to make certain that there would be no question about the facts involved. However, the State Department did not ask me to do it. The President did not ask me to do it. I am doing it on my own initiative and responsibility, and I am very happy to do it.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The VICE PRESIDENT. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, and was read the third time.

The VICE PRESIDENT. The question now is, Shall the joint resolution pass?

Mr. LUCAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Kentucky [Mr. CHAPMAN], and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. FREAR], the Senator from Iowa [Mr. GILLETTE], the Senators from North Carolina [Mr. GRAHAM and Mr. HOEY], the Senator from Minnesota [Mr. HUMPHREY], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], the Senator from Tennessee [Mr. KEFAUVER], the Senator from New York [Mr. LEHMAN], the Senator from Florida [Mr. PEPPER], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from Georgia [Mr. GEORGE], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

I announce further that if present and voting, the Senator from Connecticut [Mr. BENTON], the Senator from Kentucky [Mr. CHAPMAN], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senators from North Carolina [Mr. GRAHAM and Mr. HOEY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Colorado [Mr. JOHNSON], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], the Senator from Tennessee [Mr. KEFAUVER], the Senator from New York [Mr. LEHMAN], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Florida [Mr. PEPPER], and the Senator from Idaho [Mr. TAYLOR] would vote "yea" on the passage of this joint resolution.

Mr. WHERRY. I announce that the Senator from South Dakota [Mr. GURNEY], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent.

The Senator from California [Mr. KNOWLAND] is absent on official business.

The Senator from Utah [Mr. WATKINS] and the Senator from Maine [Mr. BREWSTER] are detained on official business.

If present and voting, the Senator from Maine [Mr. BREWSTER], the Senator from South Dakota [Mr. GURNEY], the Senator from California [Mr. KNOWLAND], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH], the Senator from New Hampshire [Mr. TOBEY], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Utah [Mr. WATKINS] would each vote "yea."

The result was—yeas 66, nays 0, as follows:

YEAS—66

Aiken	Hendrickson	Martin
Anderson	Hickenlooper	Millikin
Bricker	Hill	Morse
Bridges	Holland	Mundt
Butler	Hunt	Neely
Byrd	Ives	O'Conor
Cain	Jenner	Robertson
Capehart	Johnson, Tex.	Russell
Connally	Kem	Schoeppel
Cordon	Kerr	Smith, Maine
Darby	Kilgore	Sparkman
Donnell	Langer	Stennis
Douglas	Leahy	Taft
Dworshak	Lodge	Thomas, Okla.
Eastland	Lucas	Thomas, Utah
Ecton	McCarran	Thye
Ellender	McCarthy	Tydings
Ferguson	McClellan	Wherry
Flanders	McFarland	Wiley
Fulbright	McKellar	Williams
Green	McMahon	Withers
Hayden	Malone	Young

NAYS—0

NOT VOTING—30

Benton	Hoey	Murray
Brewster	Humphrey	Myers
Chapman	Johnson, Colo.	O'Mahoney
Chavez	Johnston, S. C.	Pepper
Downey	Kefauver	Saltonstall
Frear	Knowland	Smith, N. J.
George	Lehman	Taylor
Gillette	Long	Tobey
Graham	Magnuson	Vandenberg
Gurney	Maybank	Watkins

The PRESIDING OFFICER (Mr. HOLLAND in the chair). On the question of agreeing to the joint resolution, the yeas are 66, the nays are none, and the resolution is unanimously agreed to by the votes of all Senators present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 371) to correct the formula used in computing the income taxes of life-insurance companies for 1947, 1948, and 1949; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LYNCH, Mr. GREGORY, Mr. CAMP, Mr. FORAND, Mr. REED of New York, Mr. SIMPSON of Pennsylvania, and Mr. KEAN were appointed managers on the part of the House at the conference.

THE CALENDAR

Mr. SPARKMAN. Mr. President, I believe the order of business is the call of the calendar.

The PRESIDING OFFICER. The Chair will say to the Senator from Alabama that an order for the call of the calendar has not been entered.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection, beginning at Calendar No. 1259, on page 13.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama for unanimous consent to proceed to the call of measures on the calendar to which no objection is entered, beginning with Calendar No. 1259?

Mr. SPARKMAN. Mr. President, with the understanding that no measures

prior to Calendar No. 1259 shall be considered.

Mr. McKELLAR. Mr. President, do I correctly understand that if there is objection we shall not be able to call up any bills on the calendar prior to No. 1259?

Mr. SPARKMAN. I should like to state that a great many Members of the Senate wanted the calendar to be called only from that point. Therefore, measures shown on the calendar prior to that point would not be called. That was the request which I submitted to the Chair.

Mr. McKELLAR. I merely want to say to the Senator that measures are listed on the calendar before No. 1259, and which have been on the calendar much longer than measures beginning with No. 1259. I reserve the right to call up one or two prior bills and I want to give notice of that fact now.

Mr. SPARKMAN. In view of the statement of the distinguished Senator from Tennessee, and so that we may have a clear understanding, let me limit the unanimous-consent request to the call of the calendar commencing with Calendar No. 1259.

Mr. McKELLAR. I thank the Senator very much. I am glad that he has modified his request.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, am I correct in understanding that in the announcement made by the majority leader, the distinguished Senator from Illinois [Mr. LUCAS], it was specifically pointed out that there would be no reference on the calendar call to measures previous to Calendar No. 1259, or preceding the call of the calendar on February 1, 1950?

Mr. SPARKMAN. In connection with the statement of the Senator from Kansas, I invite his attention to the fact that, of course, any unanimous-consent agreement may be modified by another unanimous-consent agreement. Furthermore, after we complete the call of the calendar any Senator would be free, regardless of any request which had been made prior to that time, to request consideration of any bill on the calendar which he desired to have considered. It is for that reason that I suggested the unanimous-consent request be limited to my later statement.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. TAFT. As I understand, after the calendar call is completed, and that order of business is concluded, the Senate will return to the consideration of the ECA bill. Am I not correct in stating that if any Senator desires to have considered bills other than those on the calendar following Calendar No. 1259, he must ask unanimous consent to have the unfinished business temporarily laid aside? Is that not the only way in which another bill may be brought up?

Mr. SPARKMAN. I suppose that is true. It would rest with whether or not unanimous consent was given.

Mr. TAFT. What concerns me is the growing practice, after the calendar has been called and when Senators have departed from the Chamber, to bring up bills of which no notice has been given, and which are considered, apparently, as a part of the calendar call. I do not understand that they can be considered as a part of the calendar call, but that when the last bill on the calendar has been called, the Senate must return to consideration of the ECA bill. Do I correctly understand the situation?

Mr. SPARKMAN. That is my understanding. However, it is also my understanding that the Senate may at any time proceed to the consideration of any matter by unanimous consent.

Mr. TAFT. But such a unanimous-consent proposal must include the request that the unfinished business be temporarily laid aside for that purpose.

Mr. SPARKMAN. I believe the Senator is correct.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and the clerk will state the first order of business on the calendar.

CHARLES G. McCORMACK, CAPTAIN, MEDICAL CORPS, UNITED STATES NAVY

The bill (H. R. 5361) for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy, was considered, ordered to a third reading, read the third time, and passed.

SALE OF SELECT BASE MATERIAL AT THE FORT BENNING MILITARY RESERVATION

The Senate proceeded to consider the bill (H. R. 2895) to authorize the sale of select base material at the Fort Benning Military Reservation to Muscogee County, Ga., for use on country roads, which had been reported from the Committee on Armed Services with an amendment, on page 1, line 8, after the words "rate of", to insert "not less than."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

EXTENDING TIME LIMITS FOR AWARD OF CERTAIN DECORATIONS

The Senate proceeded to consider the bill (S. 2855) to extend the time limits for the award of certain decorations, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment.

The PRESIDING OFFICER. There is an identical bill (H. R. 6825).

Is there objection to the immediate consideration of the House bill?

There being no objection, the bill (H. R. 6825) to extend the time limits for the award of certain decorations and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection the Senate bill 2855 will be indefinitely postponed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 73) favoring the suspension of deportation of certain aliens, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. HENDRICKSON. Mr. President, may I ask the distinguished chairman of the committee a question?

Mr. McCARRAN. I yield for a question.

Mr. HENDRICKSON. In connection with this concurrent resolution, has the committee investigated each one of these cases separately?

Mr. McCARRAN. Yes. Let me be specific in answering the Senator's question. The staff of the committee went meticulously into each case.

Mr. HENDRICKSON. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. HENDRICKSON. Was the report of the committee unanimous?

Mr. McCARRAN. It was.

Mr. HENDRICKSON. I withhold objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 73) favoring the suspension of the deportation of certain aliens, was considered and agreed to, as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A-6294779, Bertagni, Hugo or Ugo Bertagni.

A-2651565, Bochicchio, Cristino or Nick De Mario or Nick DiMario or Nicola De Maria.

A-6321689, Clarisse, Abraham Anthonie.

A-4568034, Dietl, Marta Maria or Martha Maria Dietl.

A-6570621, Dolan, Hilda Ena Louise (nee Phang), formerly Orinitcheff.

A-5661548, Ehlers, Mary Helen.

A-5324917, Harvey, Fredrick Herbert or Frederick (or Fredrick), Herbert Harvey or Fred Harvey.

A-1731581, Hriczo, Yanos Ferencz or John Frank Hriczo or Janos Hriczo or John Kriszo.

A-6989303, Latoff, Catherine Hage.

A-3448878, Lyras, George Nicholas or Georgios Nicholas Lyras.

A-5569906, Lyras, Angeliki George, or Angela Lyras (nee Angela Joan Lyras).

A-4638126, Kong, Leet Tung or Lee Chung Kwong.

A-5316626, Lee, Mary Anne or Kwan Chong Yen (maiden name).

A-6214506, Mercer, Clare Nelson.

A-6887754, Moran, Mary Joyce (nee Rooney).

A-6825230, Nowitsch, Silvia Marianna.

A-6799268, Prideaux, Charles Stephen Anstice.

A-1812178, Siiskonen, Evert.

A-6389051, Szefner, Feliks or Felix Shafner.

A-6389052, Szefner, Paulina or Pauline Shafner (nee Geszychter).

A-4324669, Tang, Doris or Chu Pui-Fong or Tang Pui Fong.

A-5995999, Tang, Harry, Tang Kim Man or Tang Kim-Man.

A-5995002, Tang, Ruth or Tang Wan Yin or Tang Wan-Yin.

A-4324670, Tang, Paul or Tang Sik-Pui or Tang Sik Pui.

A-5994998, Tang, Peggy or Tang Wan-Yon.

A-5995001, Tang, Helen or Tang Wan-Yim.

A-5995000, Tang, Andrew or Tang Sen-Man.

A-5903987, Tigeleiro, Jose.

A-6018586, Wojciechowska, Zofia Jadeiga.

A-6018587, Wojciechowska, Maria Teresa.

A-6018588, Wojciechowska, Christopher Richard.

FEES OF UNITED STATES MARSHALS

The bill (S. 1838) to amend title 28 of the United States Code relating to fees of United States marshals, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. McCARRAN. Mr. President, the purpose of this bill is to increase and equalize the fees for services by United States marshals, which are chargeable as costs in both civil and criminal cases.

This does not mean the marshals are to get more money, because under present law, the marshals and deputy marshals are paid fixed salaries, and all the fees they collect go into the general fund.

Payments to marshals for mileage traveled on official business was increased during the first session of this Congress, and the corresponding increases provided in this bill will help to more adequately reimburse the Government for the cost of services rendered by the marshals.

It is my understanding an amendment will be offered on behalf of the minority calendar committee, which amendment has been cleared by the Department of Justice. If such an amendment is offered, and the sponsor of the amendment can give assurance that it has been so cleared by the Department of Justice, I shall accept the amendment on behalf of the committee.

Mr. HENDRICKSON. Mr. President, the minority calendar committee has decided to withhold the amendment, but I ask unanimous consent to have incorporated in the RECORD at this point a statement in support of what the Senator has just said, prepared by Mr. George M. Miller, Assistant Chief, Accounts Branch, Administrative Division, Department of Justice.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The bill proposes to amend the marshals' fee bill which prescribes charges for services by marshals and their deputies. The amounts collected under the fee bill are deposited into the Treasury and do not benefit the marshal or his deputies in any respect.

For years it has been the feeling in the Department that the fee bill was in need of overhauling. Prior to September 1948 it had been in substantially the same form and with the same rates since enactment of section 829, Revised Statutes, which in turn was derived from acts passed in 1853 and 1855.

The reviser of title 28 of the United States Code, aside from dropping certain little-used provisions and without consulting this Department, made two changes as regards mileage, which are of extreme importance. Mileage is involved only in the service of process and previously was restricted to 6 cents per mile in going only. The new code removed the one-way restriction so now it is charged both ways. While this would seem to double the mileage receipts, and place the Government in a much better financial position, actually it does not have that ultimate result because previously there was a right of election to receive either the specified mileage or actual expenses of service. Hence, since the marshals were under instructions always to elect the greater, the mileage rate ordinarily was of little importance. Travel was charged on the basis which best protected the Government. The right of election having been eliminated, mileage only can now be charged.

Privately owned automobiles are the means of transportation in serving process. Since passage of the act of June 19, 1948 (Public Law 673, 80th Cong.), deputies are entitled to claim 7 cents per mile for official travel which they retain as a commuted expense allowance. Therefore, since they collect 7 cents from the Government and the private litigant pays only 6 cents per mile, there is an actual loss to the Government of 1 cent for each mile of travel in serving private process. In addition, the Government must pay certain other items of expense of service which are not collected from the litigant, such as bridge and ferry tolls and per diems in lieu of subsistence up to $8 per day. In certain types of cases, expenses of service need not be prepaid and if the plaintiff does not recover there may be no collection of the service charges, including mileage. All these factors build up hidden costs against the Government which are not now reflected in the mileage allowance.

Marshals coming to Washington were consulted relative to the mileage rates their sheriffs were allowed. Using the information thus obtained, it was concluded to request an amendment of the fee bill so as to allow a 10-cent mileage charge instead of the 6 cents. The attached tabulation shows that 41 States allow mileage rates ranging from 5 cents to 40 cents per mile, the average being about 10½ cents. In some States the rates vary by counties; e. g., in North Carolina they range from 5 cents to 10 cents.

In asking for a flat mileage rate, the Department had in mind the simplicity of computation and the elimination of the clerical effort that would be involved in computing the service charge on both a mileage and an actual expense basis to determine which should be claimed. The right of election is work producing and cumbersome since it delays computation of bills until after service is rendered, whereas it would be possible under present practice to make an accurate computation as to expenses prior to service if nothing but a flat mileage rate were involved. Decentralization of record keeping and the need for certain additional field reports have combined to place a clerical burden on the office help of the marshals which was never contemplated in the earlier years of the operation of the marshals' fee bill. Hence, anything that can streamline the office work is much to be preferred. The right to elect actual expenses creates an additional burden on the office force which the 10 cents per mile flat rate would void. Furthermore, the rate seems to be very much in line with the average rates of the States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1838) to amend title 28 of the United States Code relating to fees of United States marshals, was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

Be it enacted, etc., That the second, third, and fourth paragraphs of section 1921 of title 28, United States Code, are amended to read as follows:

"For serving a writ of possession, partition, execution, or any final process, the same mileage as is allowed for the service of any other writ, and for making the service, seizing or levying on property, advertising and disposing of same by set-off or otherwise according to law (except by sale) and receiving and paying over the money, the same fees and poundage as are or shall be allowed for similar services to the sheriffs of the States, respectively, in which the service is rendered;

"For sale of property and for receiving and paying over the money, 2½ percent on any sum under $500 and 1¼ percent on the excess of any sum over $500;

"In all cases in which property is sold by a public auctioneer or by some party other than the marshall or his deputy, the fee herein authorized to be paid to the marshall shall be reduced by the amount paid to said auctioneer or other party;".

SEC. 2. The last paragraph of the said section is amended to read as follows:

"For necessary travel in serving any process in civil or criminal cases, 10 cents a mile, to be computed from the place where the service is returned to the place of service or where more than one person is served to the place of service which is most remote, adding thereto any additional travel necessary to serve the others. When two or more writs of any kind required to be served in behalf of the same party on the same person may be served at the same time, compensation for travel on only one such writ shall be taxable. The clerk shall insert in each subpena the names of as many witnesses in each case as convenience of service will permit."

J. M. ARTHUR

The bill (2338) for the relief of J. M. Arthur was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, reserving the right to object I should like to ask the distinguished Senator, the chairman of the Committee on the Judiciary, a question. I note that in the report the Department of Justice opposes the passage of the bill, first on the ground that more than one and a half million dollars have already been paid on meat subsidy claims, and that the enactment of the bill would establish a precedent. I should like to ask the distinguished Senator if the committee went into that phase of the matter? If so, I should be glad to have the committee chairman make a statement.

Mr. McCARRAN. The Department of Justice objects to the bill on purely technical grounds. The first of these is that large sums have been paid as subsidies. The committee does not believe that objection is relevant to the issues in this case.

The second objection of the Department of Justice is that payment of this claim might establish a bad precedent. On this point the committee takes the view that, since there are equitable grounds for payment of this claim, it should be paid; and that if there are in fact other claimants with similar equitable grounds, they also should be paid. As a practical matter, the committee is informed that there are very few, if any, claimants similarly situated, and therefore the committee feels that the use of the word "precedent" is too broad under the circumstances.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2338) for the relief of J. M. Arthur was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. M. Arthur,

Ocoee, Tenn., the sum of $1,448.04. The payment of such sum shall be in full settlement of all claims of the said J. M. Arthur against the United States for losses which he sustained as a result of the failure of the Reconstruction Finance Corporation to make subsidy payments to him for the slaughter of cattle and hogs during July and August 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SGT. BLAINE W. HUGHES

The bill (S. 2807) for the relief of Sgt. Blaine W. Hughes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That Sgt. Blaine W. Hughes, AF 19086079, United States Air Force, be, and he is hereby, relieved of all liability to refund to the United States the sum of $203.28, representing the amount of pay received by him from the United States for work performed by him as a temporary civilian employee in the capacity of automotive mechanic, grade 12, between October 8, 1945, and November 11, 1945, both dates inclusive, at the Sierra Ordnance Depot, Herlong, Calif., while he was on furlough. In the settlement of the accounts of any disbursing officer of the United States full credit shall be given for all payments made to the said Sgt. Blaine W. Hughes for the services so performed by him.

SEC. 2. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sgt. Blaine W. Hughes, United States Air Force, the sum of $69.60 ($82.40 less $12.80, withholding tax), to be exempt from Federal income tax, which sum represents the net balance of the compensation due to the said Blaine W. Hughes for the services performed by him between October 8, 1945, and November 21, 1945, both dates inclusive, at the said Sierra Ordnance Depot, while he was on furlough: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

AUTHORIZATION OF CERTAIN ADMINISTRATIVE EXPENSES FOR DEPARTMENT OF JUSTICE

The bill (S. 2864) to authorize certain administrative expenses for the Department of Justice, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I should like to have an explanation of the bill by the distinguished Senator from Nevada.

Mr. McCARRAN. Mr. President, this bill contains certain authorizations with respect to administrative expenses of the Department of Justice. Heretofore, authorization for these expenditures has been carried in legislative language in successive appropriations bills. Under the Reorganization Act, it has become the policy to eliminate such legislative language from appropriations bills, and accordingly these provisions, respecting the Department of Justice, which falls within the jurisdiction of the Committee on the Judiciary, were referred to that committee. The committee has determined that these are all authorizations which have been repeatedly approved by the Committee on Appropriations; and in view of the fact that the approval of specific appropriations under any of this authorization language will still be subject to the scrutiny of the Committee on Appropriations, the Committee on the Judiciary recommends that this bill be enacted.

Mr. HENDRICKSON. Mr. President, I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2864) to authorize certain administrative expenses for the Department of Justice, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That appropriations now or hereafter provided for the Department of Justice shall be available for payment of (a) notarial fees, including such additional stenographic services as may be required in connection therewith in the taking of depositions, and compensation and expenses of witnesses and informants, all at such rates as may be authorized or approved by the Attorney General or his administrative assistant, and (b) when ordered by the court, actual expenses of meals and lodging for marshals, deputy marshals, or criers when acting as bailiffs in attendance upon juries.

SEC. 2. Appropriations now or hereafter provided for salaries and expenses of United States marshals shall be available for actual and necessary expenses incident to the transfer of prisoners in the custody of such marshals to narcotic farms.

SEC. 3. In the procurement of lawbooks, books of reference, and periodicals, the Department of Justice is authorized to exchange or sell similar items and apply the exchange allowances or proceeds of sales in such cases in whole or in part payment therefor.

SEC. 4. The Attorney General is empowered to investigate the official acts, records, and accounts of United States marshals, United States attorneys, clerks in the United States courts and of the district courts of Alaska, Canal Zone, and Virgin Islands, probation officers, referees, trustees and receivers in bankruptcy, United States commissioners and court reporters, for which purpose all the official papers, records, dockets, and accounts of said officers, without exception, shall be examined by agents of the Attorney General at any time. Appropriations now or hereafter provided for the examination of judicial offices shall be available for carrying out the provisions of this section.

SEC. 5. Appropriations now or hereafter provided for the Federal Bureau of Investigation shall be available for expenses of membership in the International Commission of Criminal Police and, when so specified in the appropriation concerned, for expenses of unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, who shall make a certificate of the amount of any such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended. None of the funds appropriated for the Federal Bureau of Investigation shall be used to pay the compensation of any civil-service employee.

SEC. 6. Appropriations now or hereafter provided for the Immigration and Naturalization Service shall be available for payment of (a) hire of privately owned horses for use on official business, under contract with officers or employees of the Service; (b) pay of interpreters and translators who are not citizens of the United States; (c) distribution of citizenship textbooks to aliens without cost to such aliens; (d) payment of allowances (at such rate as may be specified from time to time in the appropriation act involved) to aliens, while held in custody under the immigration laws, for work performed; and (e) when so specified in the appropriation concerned, expenses of unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, who shall make a certificate of the amount of any such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended.

SEC. 7. Appropriations now or hereafter provided for the support of United States prisoners shall be available for the payment of all expenses incurred in caring for any Federal prisoner who becomes insane during the period of his imprisonment, and if he had no relatives or friends to whom he can be sent, for continuing such care after the expiration of sentence until such prisoner is pronounced sane.

SEC. 8. When authorized in an appropriation or other law, the Attorney General may acquire land adjacent to any Federal penal or correctional institution if, in his opinion, the additional land is essential to the protection of the health or safety of the inmates of the institution.

SEC. 9. Collections in cash for meals, laundry, barber service, uniform equipment, and any other items for which payment is made originally from appropriations for the maintenance and operation of Federal penal and correctional institutions, may be deposited in the Treasury to the credit of the appropriation currently available for such items when the collection is made.

DORIS M. FAULKNER

The bill (H. R. 3769) for the relief of Doris M. Faulkner was considered, ordered to a third reading, read the third time, and passed.

MRS. ELIZABETH MARY C. MANGLE

The bill (H. R. 4411) for the relief of Mrs. Elizabeth Mary C. Mangle was considered, ordered to a third reading, read the third time, and passed.

MRS. NORA JOHNSON

The Senate proceeded to consider the bill (H. R. 3536) for the relief of Mrs. Nora Johnson, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the words "sum of", to strike out "$504", and insert "$388.88."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 1056) to confer jurisdiction on the Court of Claims to hear and determine the claim of Preston L.

Watson as administrator of the goods and chattels, rights, and credits which were of Robert A. Watson, deceased, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, reserving the right to object, will the distinguished Senator from Nevada submit to a question?

Mr. McCARRAN. Yes.

Mr. SCHOEPPEL. Is not the effect of the bill to waive the statute of limitations?

Mr. McCARRAN. That is correct.

Mr. SCHOEPPEL. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

CLAIM OF JAMES I. BARTLEY

The Senate proceeded to consider the bill (S. 1510) which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert in lieu thereof the following:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James I. Bartley, of Surry County, N. C., the sum of $3,500, in full settlement of all claims against the United States arising out of the personal injuries sustained by the said James I. Bartley on January 29, 1938, in an accident occurring on a bridge on the highway between Rush and Dobson, N. C., and involving a Civilian Conservation Corps truck: *Provided*, That the Secretary of the Treasury shall make such payment only after receipt of evidence satisfactory to him that the judgment in the sum of $3,500 entered in the Superior Court of Surry County, N. C., in favor of James I. Bartley and against Paul Flynn has been satisfied and discharged of record: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of James I. Bartley."

PROVISION FOR ADDITIONAL ARMY AND NAVY NURSES

The Senate proceeded to consider the bill (H. R. 5876) to amend the Army-Navy Nurses Act of 1947, to provide for additional appointments, and for other purposes, which had been reported from the Committee on Armed Services with amendments on page 9, line 18, after the word "thereof", to strike out "except that that portion of the amendment to subsection (a) of section 102 of the Army-Navy Nurses Act of 1947 set forth in section 3 (a) hereof relating to the minimum authorized officer strength of the Women's Medical Specialist Corps, Regular Army, shall, in the case of the comparable organization of the Air Force, be not less than fifty-three."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF ARMED FORCES LEAVE ACT OF 1946

The bill (S. 2724) to amend the Armed Forces Leave Act of 1946, as amended, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 (b) of the Armed Forces Leave Act of 1946 (Public Law 704, 79th Cong.), approved August 9, 1946 (60 Stat. 963), as amended, is amended as follows:

Change the period at the end thereof to a comma and insert: "except that leave actually taken during any fiscal year may be charged to leave accruing during such fiscal year without regard to such 60-day limitation: *Provided*, That no cash settlement shall be made for unused or accumulated leave in excess of 60 days upon discharge or retirement subsequent to August 31, 1946."

SEC. 2. This act shall be effective August 31, 1946.

PUBLIC AIRPORT IN THE VICINITY OF THE DISTRICT OF COLUMBIA—BILL PASSED OVER

The bill (S. 456) to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, reserving the right to object, I should like to ask the distinguished chairman of the Committee on Interstate and Foreign Commerce, or Senators acting for him, if the bill does not establish an additional airport, and if in fact the Washington National Airport is not presently operating under certain rules and regulations which will not apply to the airport proposed to be established under the bill, thereby leaving a great variance between the two exact types of installation?

Mr. McFARLAND. It was my understanding that both airports are to be operated in the same manner. The second airport is to be operated just as is the airport which is now in operation. That was the intent of the proposed legislation. If the Senator has any question about it and has an amendment to offer on the subject I shall be happy to accept the amendment, because it is the intent of the bill that the two airports shall be operated in the same manner.

Mr. SCHOEPPEL. I may mention one thing to the distinguished Senator in that regard. I do not believe the pending bill covers that point, and it has been brought to our attention that an amendment possibly should be offered to the measure.

Mr. McFARLAND. I have no objection to such an amendment, because it is the intent of the bill, I believe, to operate the new airport in the same manner as the present airport. The amendment would be acceptable.

Mr. SCHOEPPEL. Mr. President, will the Senator permit a question?

Mr. McFARLAND. Certainly.

Mr. SCHOEPPEL. Will the Senator have any objection to the bill going to the end of the calendar, so that during the interim of time we may submit to the Senator a proposed amendment for his consideration?

Mr. McFARLAND. I think I have the amendment here, if the Senator will offer it. I believe it is acceptable.

Mr. SCHOEPPEL. Very well. Do I correctly understand that the committee has an amendment which is to be offered first?

Mr. McFARLAND. Yes, on page 7, after the dollar mark in line 18. At that point I move to insert the sum "14,000,000."

The PRESIDING OFFICER. The Chair notes that the calendar shows that the bill was reported with amendments.

The Chair inquires of the Senator whether the amendment he stated is one of the committee amendments?

Mr. McFARLAND. No; it is not.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Yes, reserving the right to object, let me say that unless the amendments which I send to the desk are acceptable, I shall object.

The PRESIDING OFFICER. The Chair will advise the Senator that he has a right to state his objection at any time during the consideration of the bill and prior to its passage.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. TAFT. Is it proposed that we now have two commercial airports for the city of Washington, or is the new airport proposed to replace the existing one? What is the program, and how much money is proposed to be spent on the new airport?

Mr. McFARLAND. The proposal is to have two airports. Traffic at the present airport has become so saturated as to be dangerous. A second airport will take care of the larger-plane traffic, the traffic by four-engine planes, for instance, whereas the smaller planes would operate at the present airport.

Mr. TAFT. Is it considered to be efficient to operate two commercial airports for one city?

Mr. McFARLAND. I think such a policy is a great deal safer. Because of the saturation of traffic, it is a great deal safer to have the smaller aircraft, particularly the private planes, operate from a different airport than that used by the large commercial aircraft.

Mr. TAFT. Does the Senator think that perhaps the danger at the present airport arises from the operation of Army and Navy aircraft in that area, although certain such aircraft have no particular reason for being in the immediate vicinity of the city of Washington?

Mr. McFARLAND. That might be partially the difficulty, but it is not altogether the whole problem. The present

airport is simply too small to take care of the present and anticipated volume of traffic. It is expected that the traffic will increase some 40 percent in the near future.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. TAFT. Mr. President, will the Senator tell us how much the bill is likely to cost?

Mr. McFARLAND. The amendment I have just proposed provides for an expenditure of $14,000,000.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, I wish to offer an amendment to the committee amendment beginning on page 4, in line 17.

The PRESIDING OFFICER. The Chair advises the Senator that the committee amendments will be considered first.

Mr. SCHOEPPEL. Very well; I shall offer this one immediately thereafter.

The PRESIDING OFFICER. Is there objection to present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 456) to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

The PRESIDING OFFICER. The first committee amendment will be stated.

The first amendment was, on page 1, line 8, after the word therefor", to strike out "which, together with the Washington National Airport, will be adequate to meet the civil aviation needs, immediate and future, of the District of Columbia and surrounding area"; on page 2, line 11, after the word "airport", to insert a colon and the following proviso: "*Provided*, That before making commitments for the acquisition of land, or the transfer of any lands, the Administrator shall consult and advise with the National Capital Park and Planning Commission as to the conformity of the proposed location with the Commission's comprehensive plan for the National Capital and its environs, and said Commission shall, upon request, submit a report and recommendations thereon within 30 days."

The amendment was agreed to.

The next amendment was, on page 4, line 14, after the word "public", to strike out "No such contract shall extend for a period of longer than 10 years, and the provisions of section 3709 of the Revised Statutes shall not apply to such contracts or the leases authorized under section 5 hereof" and insert in lieu thereof the following: "No such contract, except contracts involving the construction of permanent buildings or facilities, shall extend for a period of longer than 10 years. The provisions of section 3709 of the Revised Statutes shall not apply to contracts authorized under this section, to leases authorized under section 5 hereof, or to contracts for architectural or engineering services necessary for the design and planning of the airport."

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the first amendment submitted by the Senator from Kansas is directed to the pending committee amendment.

The clerk will state at this time the amendment submitted by the Senator from Kansas [Mr. SCHOEPPEL] to the committee amendment.

The LEGISLATIVE CLERK. In the committee amendment on page 4, in line 17, it is proposed to delete the word "except", appearing as the last word in that line, and to insert in lieu thereof the words "not including"; on page 4, in line 19, it is proposed to delete the word "ten" appearing as the last word in that line, and to insert in lieu thereof the word "five"; and on page 4, in line 20, it is proposed to delete the period following the word "years" and to insert in lieu thereof a comma and to add the following: "except the restaurant."

The PRESIDING OFFICER. Does the Senator wish to have his amendments to the committee amendment considered en bloc or separately?

Mr. SCHOEPPEL. I wish them to be considered en bloc.

Mr. McFARLAND. Mr. President, I accept the amendments.

The PRESIDING OFFICER. Without objection, the amendments to the committee amendment are agreed to.

Without objection, the committee amendment as amended is agreed to.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. TAFT. I notice the following statement in the report of the committee:

> We have been advised by the Department of Defense that the military airport existing at Andrews Field will be exclusively required for military purposes within the foreseeable future. Thus it is concluded that an additional terminal airport for the Washington metropolitan area must be constructed.

Did the committee go into the question of whether it was really necessary for the Army to have a field in the middle of the city of Washington or whether Andrews Field itself might be used as a second commercial airport?

Mr. McFARLAND. It is my understanding that the hearings were very extensive and that the military authorities absolutely insisted that they require the use of all their fields, including Andrews Field, and that there simply seems to be no alternative other than the construction of the proposed field in order to assure the safety of the traffic for the District of Columbia.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. ELLENDER. To what extent does the District of Columbia contribute to the construction of this airport?

Mr. McFARLAND. The District of Columbia does not contribute to it.

Mr. ELLENDER. How does that differ from the policy in the States?

Mr. McFARLAND. This is a national airport at the Capital of the United States. It differs, just as the regular appropriations for the District of Columbia differ. A greater responsibility falls upon the Federal Government in regard to the construction of airports in this case than in the case of airports in the various States and municipalities throughout the United States.

Furthermore, the District of Columbia was not included in the Federal airport program, and therefore special legislation is required in this case.

Mr. ELLENDER. Was not the present National Airport built entirely with the use of Federal funds?

Mr. McFARLAND. That is my understanding.

Mr. ELLENDER. Does not the Senator think that is sufficient?

Mr. McFARLAND. The present airport is not sufficient.

Mr. ELLENDER. I mean does not the Senator think that was a sufficient contribution from the Federal Government?

Mr. McFARLAND. The present airport is too small, and it will not adequately take care of the traffic, and there is no existing provision permitting the construction of another airport here.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. McFARLAND. I yield.

Mr. MORSE. Is it not also true that the National Airport serves not only Washington, D. C., but Alexandria, Va., and Silver Spring, Md., Silver Spring now being the second largest city in the entire State of Maryland?

Mr. McFARLAND. Yes; it is true that it does serve them. However, there is no way by which the Federal Government could provide the machinery whereby those municipalities could contribute to the construction of the airport.

Mr. MORSE. They could volunteer to contribute, could they not?

Are not we in fact faced with the situation that some metropolitan areas outside Washington, D. C., in the States of Maryland and Virginia, are sponging on the taxpayers of all the rest of the United States for municipal services for which they should pay a part of the expenses themselves?

Mr. McFARLAND. From that standpoint, perhaps there may be some merit in the Senator's contention. On the other hand, some of the municipalities outside of Washington feel that they are furnishing to the people who are employed by the Federal Government schools and roads, for the employees of the Federal Government, and that they are, at least to that extent, being sponged upon.

Let me say this legislation is the only way by which an airport can be constructed here. The adjoining States have not requested one; they are satisfied with the situation which now exists.

There is no suitable ground area available in the District of Columbia, and we are faced with the necessity of either building this airport or of not having one.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. BYRD. If the Senator says that Virginia is sponging upon the Federal Government, I say that we do not have

need for the airport, and we have not asked for it. Washington is the Capital of the United States.

Mr. MORSE. Mr. President, if the Senator will yield to me further, I may say to the Senator from Arizona and to the Senator from Virginia that we know what we would hear from the Chambers of Commerce of Silver Spring, Md., and Alexandria, Va., if it were suggested that some of the Federal Government employees should be taken away from this area and placed in other parts of the country, where I think some of the departments of the Government should be located.

Mr. McFARLAND. I thank the Senator for his contribution.

Did the Senator from Kansas have another amendment to offer?

Mr. SCHOEPPEL. Yes, after the committee amendments have been disposed of.

The PRESIDING OFFICER. The amendment offered from the floor by the Senator from Arizona [Mr. McFARLAND] comes next, and it will be stated.

The LEGISLATIVE CLERK. On page 7, in line 18, after the dollar mark, it is proposed to insert the figures "14,000,000."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. SCHOEPPEL. Mr. President, I offer another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, in line 3, it is proposed to delete the parentheses and the phrase "not to exceed 10 years," which appears within such parentheses; and on page 4, line 5, immediately following the word "airport", it is proposed to strike out the period, substitute therefor a colon, and insert the following: "*Provided,* That no lease for the use of any hangar or space therein shall extend for a period exceeding 3 years."

The PRESIDING OFFICER. Is there objection to the amendment of the Senator from Kansas?

Mr. McFARLAND. Mr. President, I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas [Mr. SCHOEPPEL].

The amendment was agreed to.

Mr. SCHOEPPEL. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation of the amendment.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS BY SENATOR SCHOEPPEL TO S. 456, TO AUTHORIZE CONSTRUCTION OF ANOTHER DISTRICT OF COLUMBIA AIRPORT

The report of the Senate Committee on Interstate and Foreign Commerce sets forth on pages 7 and 8 thereof the comments of the Comptroller General concerning S. 456, in response to the Committee's request for views of the General Accounting Office on that legislation.

In those comments the Comptroller General directs attention to a limitation upon the authority of the Administrator of the Civil Aeronautics Administration to execute leases in connection with operation of the Washington National Airport. This limitation was imposed in the First Supplemental Civil Functions Appropriation Act for Fiscal 1941 and provided: "That in the operation of such airport no agreement shall be entered into for the use of any hangar or space therein for a period exceeding 3 years nor shall any agreement be entered into for the operation of any concession for a period of 5 years except the restaurant."

The Comptroller General stated with respect to this proviso, as follows: "Inasmuch as the proposed airport would operate under conditions similar to those under which the Washington National Airport operates, it would appear that the period which such leases and contracts would cover should be limited at least to the period provided for the similar contracts and leases contemplated by such prior legislation, unless it be shown to the satisfaction of the Congress that such contracts enumerated in section 6 should provide for a longer period of time. In this connection, attention is invited to section 3735, Revised Statutes (41 U. S. C. 13), making it unlawful for executive departments to execute contracts for a term longer than 1 year, except as otherwise provided by law."

Inasmuch as the bill as reported by the committee contains no such limitation and since the views of the Civil Aeronautics Administration with respect to the Comptroller General's comments noted above did not appear in the committee report dated February 10, 1950, request was thereafter made for such views.

In a letter to our staff member, dated March 30, the acting Administrator stated as follows:

"The Civil Aeronautics Administration has reviewed S. 456 in light of the limitation appearing in the First Supplemental Civil Functions Appropriation Act for fiscal 1941 (Public Law 812, 76th Cong.). While this Administration does not favor the limitations on its authority to lease space and grant concessions contained in the above-referred to appropriation act, nevertheless it agrees that it is undesirable to create a conflict between the law governing the administration of the Washington National Airport and the law proposed for the administration of the second terminal airport set forth in S. 456. Such a conflict would be created if S. 456 in its present form was passed by Congress. Consequently, in order to remove such conflict and to make the laws governing the administration of both airports uniform with respect to leases of space and grants of concessions, the Civil Aeronautics Administration would not object to the following amendments:

"Amend S. 456 in the following two respects:

"(1) On page 4, line 3, delete the parentheses and the phrase 'not to exceed 10 years' which appears within such parentheses; and

"(2) On page 4, line 5, immediately following the word 'airport', strike the period, substitute therefor a semicolon, and insert the following clause: '*Provided,* That no lease for the use of any hangar or space therein shall extend for a period exceeding 3 years.'

"Amend the first sentence of the amendment to S. 456 recommended by the Committee on Interstate and Foreign Commerce appearing on page 4, lines 17, 18, 19, and 20, in the following three respects:

"(1) On page 4, line 17, delete the word 'except' appearing as the last word of line 17, and insert in lieu thereof the words 'not including';

"(2) On page 4, line 19, delete the word 'ten' appearing as the last word of line 19, and insert in lieu thereof the word 'five'; and

"(3) On page 4, line 20, delete the period following the word 'years', insert in lieu thereof a comma, and add the following phrase: 'except the restaurant.'

"If the amendments indicated above are made, the provisions of S. 456 pertaining to the lease of space and the grant of concessions on the airport will be in all respects identical to the existing provisions of law governing the operation of Washington National Airport. I believe all of the amendments are self-explanatory when read in conjunction with the proviso clause appearing in the First Supplemental Civil Functions Appropriation Act, 1941 (Public Law 812, 76th Cong.), with the possible exception of the first suggested amendment to S. 456 which deletes the phrase 'not to exceed 10 years.' The reason for the deletion of this phrase is that no such limitation with respect to the lease of space appears in the legislation governing the operation of the Washington National Airport. That legislation authorizes the Administrator to lease 'upon such terms as he may deem proper, space of property within or upon the airport * * *.' It has been the policy of the Administration during the operation of Washington National Airport for the past 8 years to follow the practice of restricting leases of space to periods of 10 years or less. The Administration will continue to follow this policy, but in order to assure uniformity in the legislation governing the operation of both airports, it is deemed advisable to delete the specific legislative limitation which would put in statutory form the current administrative policy of the Civil Aeronautics Administration.

"Sincerely yours,

"DONALD W. NYROP,
"Acting Administrator of Civil Aeronautics."

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill. Without objection, the bill——

Mr. McCARRAN. Mr. President, the amendments which have gone into this bill in the past few minutes seem to me to have changed the tenor of the bill. To pass, during the Unanimous-Consent Calendar, a bill proposing the expenditure of $14,000,000 for the construction of an airport, seems to me to be a little hasty. Therefore, I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard, and the bill is passed over.

Mr. McCARRAN subsequently said: Mr. President, I ask unanimous consent that Calendar 1278, Senate bill 456, be printed with all amendments included.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 456) with the amendments which were adopted is as follows:

Be it enacted, etc., That the Administrator of Civil Aeronautics (hereinafter referred to as the "Administrator") is hereby authorized and directed to construct, protect, operate, improve, and maintain within or in the vicinity of the District of Columbia, a public airport (including all buildings and other structures necessary or desirable therefor).

SEC. 2. For the purpose of carrying out this act, the Administrator is authorized to acquire, by purchase, lease, condemnation, or otherwise (including transfer with or without compensation from Federal agencies or the District of Columbia, or any State or political subdivision thereof), such lands and interests in lands and appurtenances thereto, including navigation easements or air-space rights, as may be necessary or desirable for the construction, maintenance, improvement, operation, and protection of the airport: *Provided,* That before making commitments for the acquisition of land, or the transfer of any lands, the Administrator shall consult and advise with the National Capital Park and Planning Commission as to the conformity of the proposed location with the Commission's comprehensive plan for

the National Capital and its environs, and said Commission shall, upon request, submit a report and recommendations thereon within 30 days.

SEC. 3. For the purposes of this act, the Administrator is empowered to acquire, by purchase, lease, condemnation, or otherwise (including transfer with or without compensation from Federal agencies or the District of Columbia, or any State or political subdivision thereof), rights-of-way or easements for roads, trails, pipe lines, power lines, railroad spurs, and other similar facilities necessary or desirable for the construction or proper operation of the airport.

The Administrator is authorized to construct any streets, highways, or roadways (including bridges) as may be necessary to provide access to the airport from existing streets, highways, or roadways. Upon completion of construction of any street, highway, or roadway within the District of Columbia, such street, highway, or roadway shall be transferred to the District of Columbia without charge, and thereafter shall be maintained by the District of Columbia. Upon construction of any street, highway, or roadway within a State or political subdivision thereof, such street, highway, or roadway may be transferred to such State or political subdivision thereof, without charge, on the condition that such street, highway, or roadway thereafter be maintained as a public street, highway, or roadway by such State or political subdivision thereof.

SEC. 4. The Administrator shall have control over and responsibility for the care, operation, maintenance, improvement, and protection of the airport, together with the power to make and amend such rules and regulations as he may deem necessary to the proper exercise thereof: *Provided*, That the authority herein contained may be delegated by the Administrator to such official or officials of the Civil Aeronautics Administration as the Administrator may designate.

SEC. 5. The Administrator is empowered to lease under such conditions as he may deem proper and for such periods as may be desirable space or property within or upon the airport for purposes essential or appropriate to the operation of the airport: *Provided*, That no lease for the use of any hangar or space therein shall extend for a period exceeding 3 years.

SEC. 6. The Administrator is authorized to contract with any person for the furnishing of supplies or performance of services at or upon the airport necessary or desirable for the proper operation of the airport, including but not limited to, contracts for furnishing food and lodging, sale of aviation fuels, furnishing of aircraft repairs and other aeronautical services, and such other services and supplies as may be necessary or desirable for the traveling public. No such contract, not including contracts involving the construction of permanent buildings or facilities, shall extend for a period of longer than 5 years, except the restaurant. The provisions of section 3709 of the Revised Statutes shall not apply to contracts authorized under this section, to leases authorized under section 5 hereof, or to contracts for architectural or engineering services necessary for the design and planning of the airport.

SEC. 7. Any executive department, independent establishment, or agency of the Federal Government or the District of Columbia, for the purposes of carrying out this act, is authorized to transfer to the Administrator, without compensation, upon his request, any lands, interests in lands (including avigation easements or air-space rights), buildings, property, or equipment under its control and in excess of its own requirements, which the Administrator may consider necessary or desirable for the construction, care, operation, maintenance, improvement, or protection of the airport.

SEC. 8. (a) The Administrator, and any Civil Aeronautics Administration employee appointed to protect life and property on the airport, when designated by the Administrator, is hereby authorized and empowered (1) to arrest under a warrant within the limits of the airport any person accused of having committed within the boundaries of the airport any offense against the laws of the United States, or against any rule or regulation prescribed pursuant to this act; (2) to arrest without warrant any person committing any such offense within the limits of the airport in his presence; or (3) to arrest without warrant within the limits of the airport any person whom he has reasonable grounds to believe has committed a felony within the limits of the airport.

(b) Any individual having the power of arrest as provided in subsection (a) of this section may carry firearms or other weapons as the Administrator may direct or by regulation may prescribe.

(c) The United States Park Police, may, at the request of the Administrator, be assigned by the Director of the National Park Service in his discretion subject to the supervision and direction of the Secretary of the Interior, to patrol any area of the airport, and any member of the United States Park Police so assigned are hereby authorized and empowered to make arrests within the limits of the airport for the same offenses and in the same manner and circumstances as is provided in this section with respect to employees designated by the Administrator.

(d) The officer on duty in command of those employees designated by the Administrator as provided in subsection (a) of this section may accept deposit of collateral from any person charged with the violation of any rule or regulation prescribed under this act for appearance in court or before the appropriate United States Commissioner; and such collateral shall be deposited with such United States Commissioner.

SEC. 9. The Administrator may enter into agreements with the State, or any political subdivision thereof, in which the airport or any portion thereof is situated, for such State or municipal services as the Administrator shall deem necessary to the proper and efficient operation and protection of the airport, and he may from time to time agree to modifications in any such agreement: *Provided, however*, That where the charge for any such service is established by the laws of the State, the Administrator may not pay for such service in excess of the charge so established.

SEC. 10. Any person who knowingly and willfully violates any rule, regulation, or order issued by the Administrator under this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $500 or to imprisonment not exceeding 6 months, or to both such fine and imprisonment.

SEC. 11. Unless the context otherwise requires, the definitions of the words and phrases used in this act shall be the definitions assigned to such words and phrases by the Civil Aeronautics Act of 1938, as amended.

SEC. 12. There is hereby authorized to be appropriated the sum of $14,000,000 for the purpose of carrying out the provisions of this act, said appropriation to remain available until expended. There are hereby authorized to be appropriated from year to year such sums as may be necessary for the proper development, improvement, maintenance, protection, control, and operation of said airport or as may be otherwise necessary to carry out the purpose of this act.

REVISION OF SURVEY RULES FOR PUBLIC LANDS

The bill (H. R. 3150), to revise and repeal certain acts relating to rules of survey to permit departures from the system of rectangular survey when necessary on all public lands, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCARRAN. Mr. President, may we have an explanation of the bill?

Mr. McFARLAND. Mr. President, the enactment of this bill becomes necessary because of the surveys in some of the mountainous areas, including Alaska. In those areas, it is very difficult to make surveys by means of the present system.

Enactment of the bill was recommended by the Department of the Interior for that purpose. That is why it is necessary for the bill to be passed, but only for surveys where the present system cannot be used.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3150) was considered, ordered to a third reading, read the third time, and passed.

ARMED SERVICES CIVILIAN RECREATION PROGRAMS

The bill (S. 2859) to authorize the Secretary of Defense and the Secretaries of the military departments to provide for the promotion and maintenance of civilian recreation programs was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. HUNT. Mr. President, the Army would like very much——

Mr. HENDRICKSON. Mr. President, perhaps I can shorten the discussion by asking a question. As I see it, the purpose of the bill is to permit the Military Establishments, particularly the Department of Air, to employ personnel to provide civilian recreation programs in certain isolated locations. Is that substantially the purpose of the bill?

Mr. HUNT. Yes; that is substantially its purpose.

Mr. HENDRICKSON. Then I think the bill should clearly state that purpose; and I shall submit an amendment, to be considered after the committee amendments are considered.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with amendments on page 1, line 7, after the word "That", to strike out "personnel" and insert "not to exceed 10 persons"; in line 8, after the word "employed", to insert "within the Department of Defense at any one time"; in line 9, after the word "authorization", to strike out "only to promote and maintain civilian recreation programs," and insert "and such programs shall be promoted or maintained only", and on page 2, line 3, after the word "Defense" and the period, to insert "The Secretary of Defense shall report to the Congress, at the end of the year follow-

ing the effective date of this legislation, the number and cost of the full-time personnel employed under the authority of this act."

The amendments were agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. HENDRICKSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, in line 1, after the word "where", it is proposed to insert a comma and the following: "by virtue of their isolation."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretaries of the military departments are authorized to provide for the promotion and maintenance of civilian recreation programs within their respective departments by employing such personnel as may be deemed necessary for such purposes: *Provided*, That not to exceed 10 persons shall be employed within the Department of Defense at any one time under this authorization and such programs shall be promoted or maintained only in localities where, by virtue of their isolation, recreational facilities are unavailable or inadequate, as determined by the Secretary of Defense. The Secretary of Defense shall report to the Congress, at the end of the year following the effective date of this legislation, the number and cost of the full-time personnel employed under the authority of this act.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 153) for the authorization of a contribution by the United States to the United Nations Relief and Works Agency for Palestine Refugees in the Near East was announced as next in order.

Mr. SPARKMAN. I ask that the joint resolution be passed over.

The PRESIDING OFFICER. Objection being heard, the joint resolution will be passed over.

Mr. SPARKMAN. Mr. President, let me say that I have asked that the joint resolution be passed over because it is included in the pending ECA bill, not because I have any objection to this particular measure.

DECORATIONS FOR PARTICIPATION IN THE BERLIN AIRLIFT

The Senate proceeded to consider the bill (S. 2353) to authorize the acceptance of foreign decorations for participation in the Berlin airlift, which had been reported from the Committee on Armed Services with amendments on page 1, line 11, after the word "him", to strike out "by any foreign government", and on page 2, line 1, after the word "service", to insert "by any foreign government which was a cobelligerent with the United States in World War II and was a coparticipant in such airlift", so as to make the bill read:

Be it enacted, etc., That any member of the armed forces of the United States participating in the Berlin airlift, for the period during which a medal for participation therein is authorized to be awarded to such person by this Nation, and for a 2-year period thereafter, may accept and thereafter wear, subject to the approval of the head of the department of which he was a member at the time of his participation in the Berlin airlift, any decoration, order, medal, or emblem tendered him in recognition of such humane service by any foreign government which was a cobelligerent with the United States in World War II and was a coparticipant in such airlift.

SEC. 2. The express consent of the Congress, as required by clause 8 of section 9, article I, of the Constitution, is hereby granted to carry out the purposes of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ESTABLISHMENT OF GRADES OF CERTAIN RETIRED NONCOMMISSIONED OFFICERS

The Senate proceeded to consider the bill (H. R. 1151) to amend the act establishing grades of certain retired noncommissioned officers, which had been reported from the Committee on Armed Services with an amendment on page 1, beginning on line 3, to strike out:

That chapter 310 of the laws of the Sixty-ninth Congress, Public Law 713 of March 3, 1927 (title 10, 604a U. S. C.), is hereby amended by adding thereto the following:

"SEC. 2. The following noncommissioned officers on the retired list of the Regular Army are placed in the second grade (now sixth pay grade under Public Law 351, 81st Cong.): All other sergeants (first class) retired as such and all other sergeants (first class) who were changed to staff sergeants pursuant to the act of June 4, 1920, and who continued as such or who continued as staff sergeants or who became technical sergeants until retirement in either the second grade or the third grade before July 1, 1922."

And insert:

That the act entitled "An act placing certain noncommissioned officers in the first grade," approved March 3, 1927, is amended by adding at the end thereof the following new section:

"SEC. 2. Noncommissioned officers of the following groups whose names were placed on the retired list of the Regular Army prior to July 1, 1922, are placed in the sixth enlisted pay grade established by section 201 (a) of the Career Compensation Act of 1949 (Public Law 351, 81st Cong.)—

"(1) all sergeants (first class), other than those sergeants (first class) referred to in section 1, who were retired as such;

"(2) all sergeants (first class), other than those sergeants (first class) referred to in section 1, who were changed to staff sergeants pursuant to the act of June 4, 1920, and who continued as such staff sergeants, or who became technical sergeants prior to their retirement, and who were retired in the third pay grade established by subsection 4 (b) of the act of June 4, 1920 (41 Stat. 761)."

So as to make the bill read:

Be it enacted, etc., That the act entitled "An act placing certain noncommissioned officers in the first grade," approved March 3, 1927, is amended by adding at the end thereof the following new section:

"SEC. 2. Noncommissioned officers of the following groups whose names were placed on the retired list of the Regular Army prior to July 1, 1922, are placed in the sixth enlisted pay grade established by section 201 (a) of the Career Compensation Act of 1949 (Public Law 351, 81st Cong.)—

"(1) all sergeants (first class), other than those sergeants (first class) referred to in section 1, who were retired as such;

"(2) all sergeants (first class), other than those sergeants (first class) referred to in section 1, who were changed to staff sergeants pursuant to the act of June 4, 1920, and who continued as such staff sergeants, or who became technical sergeants prior to their retirement, and who were retired in the third pay grade established by subsection 4 (b) of the act of June 4, 1920 (41 Stat. 761)."

SEC. 2. The provisions of this act shall take effect on the first of the month following the date of its enactment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AUTHORIZATION TO DISPOSE OF EASEMENT NEAR FORT BELVOIR, VA.

The bill (H. R. 4502) to authorize the Secretary of the Army to dispose of a certain easement near Fort Belvoir, Va., in exchange for another easement elsewhere on the same property was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. May we have an explanation of the bill?

The PRESIDING OFFICER. The Senator from Oregon requests an explanation of the bill.

Mr. BYRD. Mr. President, this bill would permit the Secretary of the Army to exchange a road easement located on a parcel of land located immediately north of Fort Belvoir, Va., for a similar easement located a few feet to the west of the present one.

In acquiring the Fort Belvoir Military Reservation the Federal Government secured an easement for a right-of-way for a possible access road extending from the northern boundary of the reservation to the southern end of Bonniemill Lane. However, the Government has never utilized the easement because the contiguous area of the reservation has been selected as the site of the Engineers' Board testing area and an access road is not essential in that vicinity at this time.

Meanwhile, the joint owners of the three parcels of land through which this unused easement runs have planned to improve their property and expect to locate their own access road a few feet to the west of the original Government right-of-way.

The proposed bill will permit the Government to convey its easement to the joint owners. The right of the Government is protected by imposing the condition that the joint owners dedicate the new right-of-way to public use. This right-of-way is well situated so far as providing access to Fort Belvoir is concerned. The road to be built by the property owners terminates approximately 150 feet from the reservation boundary. To avoid a bottleneck in this area, the bill provides that the Government shall receive an easement from the owners across this portion of the property. There is no cost to the Government involved in this bill.

The Department of Defense and the Bureau of the Budget interpose no objection to its enactment.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. MORSE. The Senator from Virginia assures the Senator from Oregon, does he not, that this is a fair trade of property, whereby the Federal Government is in fact getting fair value in return for value given and in no way violates the principle for which the Senator from Virginia and the Senator from Oregon have stood for so many years in the Senate, namely, that Federal property shall not be given away?

Mr. BYRD. I may say the Committee on Armed Services, of which the Senator from Oregon and the Senator from Virginia are members, went very fully into that phase of the bill. Every member was convinced it was a fair trade, and that the State of Virginia would get no advantage whatever, as the road is entirely for public use, in any case.

Mr. MORSE. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

QUITCLAIM OF RIGHT-OF-WAY EASEMENT, LANGLEY AIR FORCE BASE, VA.

The bill (H. R. 5503) to authorize the Secretary of the Air Force to release and quitclaim a portion of a right-of-way easement to Langley Air Force Base, Va., was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, could we have an explanation of the bill?

Mr. BYRD. This is a bill somewhat similar to the one the Senate has just passed. The bill would authorize the Secretary of the Air Force to release to the Commonwealth of Virginia the westerly portion of a 70-foot right-of-way easement connecting Langley Air Force Base with the nearby State road leading to Hampton.

When Langley Field was acquired as a military reservation in 1917 the Federal Government secured a 70-foot easement for right of way for an access road and access railroad. The easement was obtained for a total cost of $3.

At the time Langley Field was established as a military reservation the surrounding property through which the easement runs was almost completely undeveloped. However, as Langley Field has developed into the important installation which it now is, this community has built up quite extensively. As a consequence what was originally simply an access road to the base is now as much a civilian thoroughfare as a military access road.

The Commonwealth has assumed the responsibility and borne the costs of maintaining the road and of policing it. However, obvious questions of legality and jurisdiction have arisen. The Commonwealth has, therefore, purchased the underlying fee and is willing to assume the highway easement. The Air Force is very anxious that this transfer of jurisdiction should be accomplished because it is no longer economical for the Federal Government to maintain the highway, and it is considered improper by the military authorities to assume police jurisdiction over the large volume of civilian traffic.

The bill, therefore, would authorize the Secretary of the Air Force to convey the westerly 43 feet of the easement and the road to the Commonwealth. The easterly 27 feet remaining in the original 70-foot easement remains with the Federal Government inasmuch as it is the railroad right-of-way.

The Department of Defense recommends enactment of the bill, and the Bureau of the Budget interposes no objection.

Mr. MORSE. I am sure the Senator will not object at all to my asking these questions, because he knows the position in which the junior Senator from Oregon finds himself.

Mr. BYRD. Oh, not at all. I do not recall that the Senator was present at the meeting of the Armed Services Committee, but the subject was thoroughly considered by the committee, and it comes within the scope of the resolution which the Senator from Oregon introduced and which the Senator from Virginia supported.

Mr. MORSE. I completely agree with the Senator from Virginia. I merely wanted to keep the record straight, so that no one in the future can say that I have ever violated the principle I have stood for of not permitting Federal property to be given away.

Mr. BYRD. It is being transferred in the public interest. It is being maintained by the State of Virginia and is being used as a thoroughfare for military purposes at Langley Field. I think the Federal Government received a much better deal than did the State of Virginia.

Mr. MORSE. I think it was a very good trade. The highway will be used for military purposes in connection with Langley Field.

Mr. BYRD. That is correct.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 5503) was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 4453) to establish a Fair Employment Practice Commission and to aid in eliminating discrimination in employment because of race, creed, or color was announced as next in order.

Mr. ELLENDER. Mr. President, I ask that the bill go over. I wish the RECORD to show that the junior Senator from South Carolina [Mr. JOHNSTON] is unavoidably detained, and he requested that I ask that this bill go over.

The PRESIDING OFFICER. The bill will be passed over.

TERMINATION OF LUMP-SUM BENEFITS PROVIDED BY LAW TO CERTAIN RESERVE OFFICERS

The bill (H. R. 5921) to terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF DISTRICT LIFE INSURANCE ACT—REGULATION OF LIFE INSURANCE BUSINESS

The bill (H. R. 4393) to amend the Life Insurance Act of the District of Columbia was announced as next in order.

Mr. LANGER. Mr. President, I ask that that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4394) to amend sections 10, 11, and 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia" was announced as next in order.

Mr. LANGER. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. TAFT. Mr. President, I wonder if the Senator from North Dakota [Mr. LANGER] will withhold for a moment his objection with reference to House bill 4394 in order that I may make a brief statement.

The PRESIDING OFFICER. Does the Senator withhold his objection?

Mr. LANGER. Temporarily.

Mr. TAFT. The bill simply provides for the writing of group life insurance in the District of Columbia. The bill is a uniform bill approved by all the bar associations and insurance companies in the United States. It is merely proposed that the same practice be extended to the District of Columbia.

The last law dealing with insurance in the District of Columbia was passed in 1934, and it is quite out of date, much more so than the laws of a great many States. This is a uniform law to which, so far as I know, there is no objection. I am wondering if the Senator will withdraw his objection.

Mr. HUNT. Mr. President, I should like to ask the Senator from North Dakota if he will withhold his objection to Calendar 1291, House bill 4393, until an explanation can be made.

Mr. LANGER. I withdraw it temporarily. But I should like to address a question to the distinguished Senator from Ohio. Is there a matter of reciprocity between the District of Columbia and the States?

Mr. TAFT. As to group life insurance, I do not think there is any question of reciprocity. The bill was drafted by a committee of the National Association of Insurance Commissioners, namely, State commissioners of insurance throughout the United States. So far as I know, there would be no question of reciprocity in connection with group life insurance. I do not think the Senator will find any real objection to House bill 4394.

Mr. LANGER. Was House bill 4393 also prepared by the insurance commissioners of the various States?

Mr. HUNT. It was. The bill provides a standard technical amendment adopted by the National Association of Insurance Commissioners, recommended by the District of Columbia Insurance Commissioner, and recommended by the District Commissioners. It simply brings the insurance laws of the District of Columbia into harmony with the insurance laws throughout the rest of the United States.

I am glad to say to the distinguished Senator from North Dakota that the amendments are to the advantage of the individual.

Mr. LANGER. I withdraw my objection to both bills.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 4393?

There being no objection, the bill (H. R. 4393) to amend the Life Insurance Act of the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 4394?

There being no objection, the bill (H. R. 4394) to amend sections 10, 11, and 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia" was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED TO FOOT OF CALENDAR

The bill (S. 2113) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers was announced as next in order.

Mr. SPARKMAN. Mr. President, I ask that that bill go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAYMON H. MASSEY—BILL PASSED OVER

The bill (H. R. 1025) for the relief of Waymon H. Massey was announced as next in order.

Mr. HENDRICKSON. Mr. President, I should like to ask a question of the distinguished chairman of the Judiciary Committee.

Mr. McCARRAN. I yield.

Mr. HENDRICKSON. Is it not true that but for the enactment of this bill relief would be barred by contract law?

Mr. McCARRAN. That is correct.

Mr. HENDRICKSON. Then I should like to ask the distinguished Senator why we should confer jurisdiction to grant a right barred by contract law?

Mr. McCARRAN. Mr. President, it involves a question of negligence which, in the judgment of the committee, could be tried in the Court of Claims.

Mr. HENDRICKSON. I object.

The PRESIDING OFFICER. The bill will be passed over.

ARTHUR HOLBERT AND OTHERS

The bill (H. R. 3138) for the relief of Arthur Holbert, the estate of Ernest L. Gass, deceased, and the estate of James L. Thomas, deceased, was considered, ordered to a third reading, read the third time, and passed.

ERVIN HAAS AND LENO VESCOVI

The bill (H. R. 6694) for the relief of Ervin Haas and Leno Vescovi was considered, ordered to a third reading, read the third time, and passed.

JOHN ROWLAND

The bill (S. 298) for the relief of John Rowland, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws John Rowland, presently residing with his nephew, Msgr. Charles E. Hagerty, in West Hartford, Conn., who entered the United States on a temporary visa on November 19, 1947, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of November 19, 1947, upon payment by him of the required head tax and visa fee.

SEC. 2. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Ireland.

MRS. JOHANNA DAGNALL

The bill (S. 915) for the relief of Mrs. Johanna Dagnall was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Mrs. Johanna Dagnall, of Berkeley, Calif., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon the payment by her of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Japan.

CHRISTINA SHALFEIEFF

The Senate proceeded to consider the bill (S. 1169) for the relief of Christina Shalfeieff.

Mr. SCHOEPPEL. Mr. President, I think it is stated in the report on this bill that there is very definite objection as to certain phases of it on the part of the Department of Justice. I am wondering if the distinguished chairman of the Judiciary Committee might have some explanation which takes this bill out of the ordinary category.

Mr. McCARRAN. Mr. President, this is the case of a woman past 60 years of age, who was born in Japan, of a Swedish father and a Japanese mother. She is the widow of a white Russian who died in Japan in 1943. She has six children, two of whom reside in the United States, one in Germany, and three in Japan. She is presently living with one of her daughters, who is married to a United States citizen. The son who is in Japan is employed there by the United States Army. He was formerly a major in the Australian Army, and is a citizen of Australia.

Because she is half Japanese, this woman cannot remain in the United States unless legislation of this nature is enacted.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws the alien Christina Shalfeieff shall be held and considered to have been lawfully admitted to the United States for permanent residence as of March 19, 1947, upon payment of the visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIE LOUISE ARDANS

The bill (S. 1261) for the relief of Marie Louise Ardans was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, the alien Marie Louise Ardans, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of February 17, 1948, the date on which she was admitted as a visitor, upon payment of head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JULIANA MENDIOLA ALASTRA

The bill (S. 1262) for the relief of Juliana Mendiola Alastra was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, the alien Juliana Mendiola Alastra, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 7, 1949, the date on which she was admitted as a visitor, upon payment of head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

AUGUSTINO MARLIA

The Senate proceeded to consider the bill (S. 1484) for the relief of Augustino Marlia.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The Senator from Nevada is recognized for 5 minutes.

Mr. McCARRAN. Mr. President, this is the case of a young man 19 years old who came to the United States in 1948. The boy's father is dead, and he is presently living with his uncle, who operates a laundry. The boy is working in the laundry during the daytime, without pay, in order to learn the laundry business, and is attending night school in order to learn the English language. He is of good moral character, and his uncle has stated his willingness to support him.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the immigration and naturalization laws, the alien Augustino Marlia shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 20, 1948, the date on which he

was admitted as a visitor, upon payment of head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

EDITH SCHEIBER

The bill (S. 1524) for the relief of Edith Scheiber was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, Edith Scheiber, of Pittsburgh, Pa., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of States is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Hungary.

SISTER EDELTRUDIS CLARA WESKAMP

The bill (S. 2156) for the relief of Sister Edeltrudis Clara Weskamp was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, the alien, Sister Edeltrudis Clara Weskamp, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 14, 1946, the date of her last entry into the United States, upon payment of the required visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SUMIKO KATO

The bill (S. 2431) for the relief of Sumiko Kato was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the immigration laws relating to exclusion of aliens inadmissible because of race shall not hereafter apply to Sumiko Kato, the Japanese fiancée of Thomas D. Jacobs, Jr., a citizen of the United States and an honorably discharged veteran of World War II, and that Sumiko Kato may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Sumiko Kato is coming to the United States with a bona fide intention of being married to said Thomas D. Jacobs, Jr., and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Sumiko Kato, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Sumiko Kato, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Sumiko Kato as of the date of her entry into the United States, upon the payment of the required fees and head taxes.

A. D. STRENGER AND CLAIRE STRENGER

The Senate proceeded to consider the bill (S. 2479) for the relief of A. D. Strenger and his wife Claire Strenger.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The Senator from Nevada is recognized for 5 minutes.

Mr. McCARRAN. Mr. President, the proposed beneficiaries of this bill are both natives of Germany. The man is 62 years old, and his wife is 46. The man is engaged in the import and export business, and in connection with that business has had to make numerous trips abroad.

Both these aliens filed their declaration of intention to become citizens in 1944. However, because their residence in this country has been broken by temporary absences, they are not eligible for naturalization.

During the war, this man worked as an expert consultant for the Office of Intelligence of the War Department, and the committee files show that he is a recognized authority on European affairs, and that his services have been of much value to this Government in the war efforts. The purpose of this bill is to let this man and his wife become naturalized citizens.

Mr. HENDRICKSON. Mr. President, I withhold objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the provisions of section 307 (b) of the Nationality Act of 1940 shall not be held to apply to A. D. Strenger and his wife Claire Strenger.

CARMEN E. LYON

The bill (S. 2568) for the relief of Carmen E. Lyon, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, the provisions of section 13 (c) of the Immigration Act of 1924, as amended (U. S. C., title 8, sec. 213 (c)), which excludes from admission to the United States persons who are ineligible to citizenship, shall not hereafter apply to Carmen E. Lyon, wife of Captain Charles A. Lyon, an American citizen, and that the said Carmen E. Lyon may be permitted to enter the United States as a nonquota immigrant for permanent residence if she is found to be otherwise admissible under the provisions of the immigration laws.

ROLAND ROGER ALFRED BOCCIA, ALSO KNOWN AS ROLAND BARBERA

The Senate proceeded to consider the bill (S. 2611) for the relief of Roland Roger Alfred Boccia, also known as Roland Barbera.

Mr. NEELY. Mr. President, will the distinguished Senator from Nevada inform us whether this bill and fifteen others he has reported were unanimously approved by his committee?

Mr. McCARRAN. Yes, they had the unanimous approval of the committee, and the careful and diligent study of the full staff of the committee.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Roland Roger Boccia, also known as Roland Barbera, of Buffalo, N. Y., shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 31, 1948, the date on which he last entered the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the proper immigration quota.

MRS. ALICE WILLMARTH

The bill (S. 2071) for the relief of Mrs. Alice Willmarth was considered, ordered to be engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the provision of section 13 (c) of the Immigration Act of 1924, as amended, which excludes from the United States persons who are ineligible to citizenship, shall not hereafter apply to Mrs. Alice Willmarth, a native and citizen of Japan, and who is the wife of Benjamin Willmarth, a citizen of the United States. If otherwise admissible under the immigration laws, said Mrs. Alice Willmarth shall be granted the status of a nonquota immigrant.

IMPORTATION OR TRANSPORTATION OF OBSCENE MATTERS

The bill (S. 2811) to amend section 1462 of title 18 of the United States Code, with respect to the importation or transportation of obscene matters was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1462 of title 18 of the United States Code is hereby amended to read as follows:

"SEC. 1462. Importation or transportation of obscene matters.

"Whoever brings into the United States, or any place subject to the jurisdiction thereof, or knowingly deposits with any express company or other common carrier, for carriage in interstate or foreign commerce—

"(a) any obscene, lewd, lascivious, or filthy book, pamphlet, picture, motion-picture film, paper, letter, writing, print, or other matter of indecent character; or

"(b) any obscene, lewd, lascivious, or filthy phonograph recording, electrical transcription, or other article or thing capable of producing sound; or

"(c) any drug, medicine, article, or thing designed, adapted, or intended for preventing conception, or producing abortion, or for any indecent or immoral use; or any written or printed card, letter, circular, book, pamphlet, advertisement, or notice of any kind giving information, directly or indirectly, where, how, or of whom, or by what means any of such mentioned articles, matters, or things, may be obtained or made; or

"Whoever knowingly takes from such express company or other common carrier any matter or thing the depositing of which for carriage is herein made unlawful—

"Shall be fined not more than $5,000 or imprisoned not more than 5 years, or both."

SEC. 2. The analysis of chapter 71 of such title, immediately preceding section 1461, is amended by striking out the item "1462. Importation or transportation of obscene litera-

ture.", as set out in such analysis, and inserting in lieu thereof the following: "1462. Importation or transportation of obscene matters."

TRANSPORTATION OF OBSCENE MATTER IN INTERSTATE OR FOREIGN COMMERCE

The Senate proceeded to consider the bill (S. 2812) to prohibit the transportation of obscene matter in interstate or foreign commerce, which was read, as follows:

Be it enacted, etc., That the analysis of chapter 71 of title 18 of the United States Code is amended by inserting, immediately after and underneath item 1464, as contained in such analysis, the following new item:

"1465. Transportation of obscene matters for sale or distribution."

SEC. 2. Chapter 71 of title 18 of the United States Code is amended by inserting, immediately following section 1464 of such chapter, a new section, to be designated as section 1465, and to read as follows:

"§ 1465. Transportation of obscene matters for sale or distribution.

"Whoever knowingly transports in interstate or foreign commerce for the purpose of sale or distribution, any obscene, lewd, lascivious, or filthy book, pamphlet, picture, film, paper, letter, writing, print, silhouette, drawing, figure, image, cast, phonograph recording, electrical transcription or other article capable of producing sound, or any other matter of indecent or immoral character, shall be fined not more than $5,000 or imprisoned not more than 5 years, or both.

"The transportation as aforesaid of two or more copies of any publication or two or more of any article of the character described above, or a combined total of five such publications and articles, shall be presumptive evidence that such publications or articles are intended for sale or distribution, but such presumption shall be rebuttable.

"When any person is convicted of a violation of this act, the court in its judgment of conviction may, in addition to the penalty prescribed, order the confiscation and disposal of such items described herein which were found in the possession or under the immediate control of such person at the time of his arrest."

Mr. SCHOEPPEL. Mr. President, I should like to have an explanation of this measure.

Mr. McCARRAN. Mr. President, this bill, like the bill next preceding it on the calendar, deals with the transportation of lewd or obscene matter. By existing law, the transportation of obscene matter through either the mails or by common carrier, or the importation of such matter, is prohibited. However, the present law does not make it a crime to transport obscene matter by private vehicle. Traffickers in obscene matter take advantage of this loophole in the law. Enactment of this bill would close the loophole.

The bill would make it a crime to knowingly transport in interstate commerce, for the purpose of sale or distribution, any obscene, lewd, lascivious, or filthy book, pamphlet, picture, film, paper, letter, writing, print, silhouette, drawing, figure, image, cast, phonograph recording, electrical transcription or other article capable of producing sound, or any other matter of indecent or immoral character. The bill also provides that transportation of two or more copies of any publication or two or more of any article of the character described above, or a combined total of five such publications and articles, shall be presumptive evidence that such publications or articles are intended for sale or distribution. However, the bill makes this a rebuttable presumption.

Creation of some such presumption was deemed necessary in order to facilitate enforcement of the proposed law. The question has been raised whether the creation of this presumption is constitutional. In the opinion of the senior Senator from Nevada, it is a constitutional provision; and I call the attention of the Senate to the fact that this is not a conclusive presumption, but one which can be overcome by showing extenuating circumstances, if such circumstances exist.

I am informed that the objection has been raised that this proposed law is a bad law because it would be possible to "frame" an innocent person by placing certain obscene matter in his possession without his knowledge, as for instance, putting such obscene matter in his luggage or slipping it into one of his pockets. Of course, it might be possible to do this. However, that is no argument against the proposed law, which has a very salutary purpose. There are many penal statutes under which innocent persons could be framed, but that is no reason for repealing such statutes. To cite just one example, which is, perhaps, a good illustration, it would be possible to frame an innocent person by placing counterfeit money or counterfeit coins or counterfeit revenue stamps in his pocket or in his luggage; but that is no reason to repeal the laws against counterfeiting.

Senators will note that the offense which would be constituted by this bill involves knowingly transporting obscene material. The transportation which constitutes presumptive evidence of intention to sell or distribute such material must be knowing transportation. If we are going to enact a law on this subject—and such a law should be enacted—I do not know how it can be made any clearer, or afford any more protection to innocent persons.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JULIUS ELZAS

The bill (S. 2934) for the relief of Julius Elzas was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Julius Elzas, of A 42 Kamerik, The Netherlands, the sum of $242.64, in full settlement of all claims against the United States for the damages sustained by him as the result of the taking of his automobile by American soldiers in Nice, France, on or about August 30, 1948: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 75) favoring the suspension of deportation of certain aliens, which was read, as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-4048507, Alvarez, Jose Gonzalez.
A-2095740, Arrighi, Arrigo.
A-4648315, Augustine, Albert Gustave.
A-6872585, Ballingall, William.
A-4582467, Barriero, Modesto, or Modesto Barriero Pereiras.
A-4761012, Baxter, Mary (nee Mary Ramsay or Mary Robertson).
A-6844274, Beaumont, Richard Louis.
A-1209360, Bernd, Karl Johan, or Carl Johan Bernd.
A-3220706, Bokwa, Josef.
A-5429061, Bouma, Anna (Anna Novak) (nee Anna Vojtova).
A-4238831, Bronk, Margaret Elizabeth (nee Blackwell).
A-5940317, Brown, David Emanuel.
A—6262197, Calengas, Leonardos Petros, or Leonardos Kalengas.
A-6052567, Chang Shou-Lien, or Sheldon Shou-Lien Chang.
A-6172679, Chiotelis, Anna, or Anna Hiotelis (nee Anna Hadjinicolaou).
A-4337869, Chow, David Ta Wei, or Chow Ta Wei or David T. W. Chow.
A—4587482, De Gonzalez, Carmen Pardo, or Carmen Pardo Vda De Vega.
A-5346987, De Putter, Theodule Joseph, or George De Putter.
A-3526012, De Regt, Leendert, or Leo De Reget or Leo De Regt.
A-3884367, Divitcoff, Petre George, or Petros Georgios Divitcoff.
A-5081920, Drechsler, Karl.
A-5724435, Espeneda, Nellie (nee Scholes aka Nellie Peterson or Nellie Perry or Nellie Churchill).
A-6788094, Fieber, George John.
A-5906975, Fong, Wone, or Fong Wone or Harry Wone or Rev. Harry Wone.
A-6960675, Gomez-Diaz, Parfirio, or Porfirio Gomez-Madina.
A-4709443, Grenoski, Joseph Frank, or Frank Stroda or Franzisek Grenowski or Frank Grenowski.
A-6083456, Herman, Josephine Moreno.
A-5164076, Jasnoch, Felix Bruno or Jassnoch.
A-5422397, Johansson, Nils Sigvard, or Nils Hohansson or "Nick" Johansson.
A-9618508, Johnson, John Moore.
A-9702404, Knutsen, Bernt Mathias.
A-6262159, Koufoudakis, Aristides Dimitrios.
A-6245684, Koufoudakis, Eftihia Aristides.
A-6843908, Larsen, Sigurd.
A-6743645, Lee, Anna Dorothy.
A-5924981, Lefert, Joseph Emil.
A-5829039, Lettsome, Ellen Rebecca, or Ellen Rebecca Jennings.
A-4769464, Lettsome, Hueroy Alpheous, or Hugh Roy Lettsome "Angel."
A-5931974, Lolax, Einar William, or Einar Lolax.
A-6261601, Lucas, Vaia Stamati (nee Asime).
A-4580115, Luzzi, Domenico.
A-4052215, Makritzky, Alexander Edward or Makritsky or Makrickits or Makricki or Mokricki or Makrickys.
A-3764722, Makritzky, Michalina Maria.

A–1074052, Mallis, Antonios Apostolis.
A–4869382, Marshall, George Falkner.
A–1793554, Migliore, Caterina (nee Dionigi or Catherine Migliore or Leonarda Savoiardo or Saviordo or Guiseppa Bagarella).
A–1783420, Migliore, Anthony, or Antionino or Antonino Migliore or Salvatore Migliore or Antonino Joseph Migliore.
A–2307727, Migliore Rose, or Rosa Migliore or Guiseppa Migliore or Rose Mary Migliore.
A—2155981, Min, Ng Yick, or Ng Yik Nin, or Eng Yick Min.
A–9190465, Morfessis, Telemachos (alias Telemachos Morfessis).
A–7118357, Muller, Carl Christian Frederick Vilhelm, or Carl Fred Lem or Carl Fred Muller Lem.
A–3993801, Nevarez-Alarcon, Ninfa.
A–1959816, Nigo-Gonzalez, Leonardo, or Leon Nigo.
A–6795961, Noakes, Romkje Anna.
A–6972143, Ojeda, Domingo.
A–6972142, Ojeda, Manuel.
A–4793221, Paraskevopulos, Peter Kostas (alias Peter Kostas Parras).
A–5967020, Patronas, Minas.
A–5678915, Peavey, Fred Washington, or Fred W. Peavey.
A–5648749, Perry, Amy Jane (nee Donaldson).
A–3316027, Petersen, Alice Marie.
A–6664488, Peterson, Dorothy (nee Arron or Dorothy Lewis).
A–3800060, Petrone, Domenico, or Dominick alias Leonardo Ricciardi.
A–5642085, Piovesan, Vittorio Giovanni.
A–4683822, Propst, Anna (nee Perrault or Ethel Georgeanna Perrault Propst).
A–6768116, Puhansky, Joseph.
A–6767390, Pustelnik, Stefan Pawel.
A–4996573, Rausch, Eva (nee Bieler or Evette Rausch or Chawa or Ewa Bieler).
A–3392003, Reyes, Jose Billegas.
A–4461206, Roland, Elizabeth Allen (nee Allen).
A–6138932, Rosario, Maximo.
A–7044243, Rose, Maria Alexandra.
A–6392231, Salgado, Jorge, or Jorge Salgado-Rodriguez.
A–6868037, Sandoval-Silva, Epitasio.
A–4721106, Schachter, Herman Max.
A–6344539, Schulhof, Bernard or Bernat.
A–4671903, Seeber, Eugene John.
A–6735481, Sikaras, Helen (nee Martoulas or Helen Stelios Martoulas).
A–5045298, Silver, Isidore aka Icko Iola, or Izzo or Izzi or Icek or Itcko Igla.
A–5970137, Simmonds, Delia Hortencia.
A–1170976, Simone, Tommaso (also Thomas Simone).
A–1904276, Skordas, Lambros.
A–6958757, Smith, Emma Maria Valdes (nee Valdes).
A–1701220, Stathapoulos, Stephanos, or Steve Stathes.
A–4640449, Stettler, Emma (nee Emma Sbaschnig).
A–6097430, Stevens, Peggy Joan (nee McCartney).
A4510827, Taberlet, Fred Romolo, or Romolo Taberlet.
A–6817646, Touliatos, John.
A–5138238, Tronrud, John, or John Wilhelm Tronrud.
A–1161491, Tschinkowitz, Valentin, or Walter Bayer.
A–4398037, Vaz, Manuel Viegas.
A–6921094, Warwick, William.
A–3263373, Weissgarber, Barbara (nee Spanier).
A–3263372, Weissgarber, Nikolaus.
A–4634372, Wolff, Hedwig Sadie (nee Schauer).
A–6172745, Zakos, Sophie Kretekos, or Sophie Kretekos (nee Perides).
A–6318230, Zachou, Theodota (nee Theodota Goussi).
A–5074052, Zaremsky, Isaac, or Zarebski or Zarembsky.
A–C905274, Just, Reinhard.

Mr. HENDRICKSON. Mr. President, may I ask the distinguished Senator from Nevada whether the individuals involved in this concurrent resolution, and those involved in the next one on the calendar, order of business 1315, were investigated separately and independently?

Mr. McCARRAN. Mr. President, to the best of its ability, the staff of the committee went into each individual case involved in these measures. I am not saying that that is as careful a screening as might be brought about, but let us remember that each of these cases is first screened by the Department of Justice, and then it comes to the committee. Under the law the cases must come to Congress if they are to be deferred from deportation. We do the very best we can with the cases we have to deal with. We take each individual case and go into it, assign members of the staff to make a study of it, and bring to our task everything in the way of proof that we can reach out and get. That is also carried out by the Department of Justice.

Mr. President, I do not like these measures, and I have so stated time and again on the floor of the Senate. I am sorry they are here, but the law puts them in our hands, and we are doing the best we can with them. I believe the persons are screened as carefully as they can be, under the circumstances.

Mr. HENDRICKSON. I presume that the individuals covered in these bulk concurrent resolutions, as I would describe them, receive exactly the same treatment as individuals provided for in private, individual bills, do they not?

Mr. McCARRAN. Yes, I think that can safely be said.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 76) favoring the suspension of deportation of certain aliens was considered and agreed to, as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months.

A–5291156, Becerra, Jose Guadalupe.
A–2960766, Bianco, Anthony Lo.
A–6336755, Cochran, Graham Rayman, or Graham Reginald Boske.
A–4600090, Colantonio, Michele.
A–6592617, Conran, Judy Lynne.
A–1265760, Cumelia, Raymond, or Raimondo Cumella.
A–9771239, Giatrakos, Elefterios.
A–4426384, Ginararis, Avgerinos George.
A–6721979, Klimenko-Gurewska, Helene (now Helen Kuntz).
A–4757164, Koesling, Grete Hedwig.
A–2246831, Lam, Carolina Han Fang Wang (alias Carolina Han Fang Wang Lim).
A–4088687, Liu, Len Hee (alias Len Hee Lee or Liu Hen Hee).
A–9776877, Loolam, August Reginald.
A–3894104, Mavrakis, Stratos Antoniou.
A–1536223, Merani, Giobatta Alessandro, or Emilio Giobatta Merani, or Emilio G. Merani.
A–5438346, Mitchell, Aurelia.
A–4751973, Oh, Sydney Bah, or Sydney Scott Bahoh.
A–4691270, Rodrigues, Jose.
A–1371419, Rupa, Amir Bin.
A–3171881, Schneider, Victor.
A–7145695, Squazza, Assunta, or Assunta Giungi.
A–7145696, Squazza, Fernanda, or Fernanda Giungi.
A–5242646, Teijeiro, Olegario, or Olegario Teijeiro Garcia.
A–6062104, Young, Virginia Josephine.
A–4490814, Cividanes, Jesus Vieiro.

ANNA SAMUDOVSKI

The Senate proceeded to consider the bill (S. 1929) for the relief of Anna Samudovski, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 7, after the word "the", to insert "alien", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Anna Samudovsky who is presently residing in Malcicebe, Czechoslovakia, and who has been adopted by Dr. and Mrs. John M. Rinda, of Bridgeport, Conn., shall be deemed to be the alien child of said Dr. and Mrs. John M. Rinda.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. MINDA MOORE

The Senate proceeded to consider the bill (S. 1798) for the relief of Mrs. Minda Moore, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the words "sum of", to insert "$4,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Minda Moore, of 578 Forrest Avenue, Rye, N. Y., the sum of $4,000, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her as the result of an accident which occurred when the United States Army bus in which she was riding was forced off the road by a United States Army truck in Nuremberg, Germany, on April 22, 1947: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM ALFRED BEVAN

The Senate proceeded to consider the bill (S. 2308) for the relief of William Alfred Bevan, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purpose of sections 4 (a) and 9 of the Immigration Act of 1924, William Alfred Bevan, minor adopted son of Frederick W. Bevan, a citizen of the United States and his wife, Margarita Llacer Bevan, shall be

deemed to be the alien natural-born child of said Frederick W. Bevan and his wife, Margarita Llacer Bevan.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARTIN ALBRECHT

The Senate proceeded to consider the bill (S. 2393) for the relief of Martin Albrecht, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That in the administration of the immigration and naturalization laws Martin Albrecht shall be held and considered to have been lawfully admitted into the United States for permanent residence on June 18, 1949, the date upon which he was temporarily admitted into the United States, upon the payment by him of the visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year in which such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. EVELYN M. HRYNIAK

The Senate proceeded to consider the bill (S. 2655) for the relief of Mrs. Evelyn M. Hryniak, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 5, after the word "of", to strike out "$10,000" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Mrs. Evelyn M. Hryniak, of Cleveland, Ohio, in full settlement of all claims against the United States for personal injuries, pain and suffering, permanent disability, and loss of earnings sustained by her and arising out of an accident which occurred at Gudensberg, Germany, on October 21, 1948, while she was riding in an Army reconnaissance car, and against all officers, agents, or employees of the United States whose acts or omissions caused or contributed to the personal injuries, pain and suffering, permanent disability, and loss of earnings, sustained by the said Mrs. Evelyn M. Hryniak: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. TAFT. Mr. President, I introduced this bill in behalf of Mrs. Evelyn M. Hryniak, a young lady from Cleveland, Ohio, who was injured in an accident in Germany. The claim which she made originally was for $10,000, and the committee has simply cut the amount in half, apparently on the recommendation of the Department of the Army. I quote from the report of the Army, as follows:

The Department of the Army, therefore, believes that Mrs. Hryniak should be compensated in a reasonable amount for the personal injuries sustained by her, the disfigurement resulting therefrom, and the medical, hospital and dental expenses incurred or that may be required as the result of her injury. The proposed award of $10,000 provided in S. 2655 appears to be somewhat excessive. Considering the age of the claimant at the time of her injury, the nature of the injuries sustained by her, which have left a marked degree of disfigurement and which may require plastic surgery, and the medical, hospital, and dental expenses incurred and to be incurred, it is the view of this Department that an award in an amount not exceeding the sum of $5,000 would constitute a fair and reasonable settlement for all of the damages sustained by the claimant as the result of this accident. The Department, accordingly, would have no objection to the enactment of this bill if it should be amended to provide for an award to the claimant in an amount not exceeding $5,000.

So far as I know, the committee simply took the recommendation of the Army. I have pictures which were taken of the girl before she was injured. They show her to have been an exceedingly pretty girl. The pictures which were taken after the accident show that her face has been permanently disfigured. Her nose was broken, and some teeth were broken. As the Secretary of the Army suggests, if anything like her former appearance is to be restored, she will require a series of operations to be performed by plastic surgery, which would not only be expensive, but extremely painful.

It seems to me that the committee has simply accepted the amount which the Army suggested, without any attempt to compromise the two points of view as to the amounts involved. Even on the report issued by the Department of the Army, it appears to me that the reduction which was made by the committee is somewhat excessive. I wonder if the distinguished chairman of the committee would consider increasing the amount of the award.

Mr. McCARRAN. This is another case of an accident which took place outside the United States, for which reason the claimant cannot bring suit under the Federal tort claims act. The amount of payment provided has been reduced from $10,000 to $5,000 in line with the recommendations of the Department of the Army. The Army admits liability and there is no question about the fact that the claimant has been permanently disfigured about the face as a result of the accident.

As to the question of the committee's considering the amount to be awarded, I am willing to confess that the committee took the figures suggested by the Army. The photographs which the Senator from Ohio now has on his desk were not before the committee, and we were not fully advised in the matter. Certainly, so far as I am concerned, I would not object to increasing the amount of the award.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. ROBERTSON. Does the report disclose whether the lady in question was riding on official business or was merely a licensee?

Mr. TAFT. The Army admits responsibility and that she was entitled to ride as a passenger. She was the wife of a serviceman and the Army undertook to see to it that she was transported. I do not know the exact circumstances.

Mr. ROBERTSON. She was not riding in the vehicle on official business?

Mr. TAFT. She is the wife of a serviceman.

Mr. President, I suggest that a reasonable compromise figure of $7,500 would be entirely satisfactory to me, if it is to the Senator from Nevada.

Mr. McCARRAN. I am willing to accept such an amendment, if the Senator is willing to offer it.

The PRESIDING OFFICER (Mr. STENNIS in the Chair). The Chair did not understand the statement of the Senator.

Mr. TAFT. I offer an amendment to the amendment reported by the committee, providing that the figure of $5,000 be amended to read "$7,500."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Ohio, an amendment to the amendment of the committee to increase the amount from $5,000 to $7,500.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTANTIN E. ARAMESCU

The bill (S. 274) for the relief of Constantin E. Aramescu was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the arrival of Constantin E. Aramescu at the port of New York on April 29, 1948, as a transit visitor, shall be taken, deemed, and regarded as an arrival under the immigration laws for permanent residence in the United States: *Provided,* That, upon the approval of this act, one number shall be deducted from the Rumanian quota when such quota shall be available.

GEORGE A. VOREGARETHSOS (GEORGE SPIRO CHATMOS)

The Senate proceeded to consider the bill (S. 2277) for the relief of George A. Voregarethsos (George Spiro Chatmos), which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert:

That, for the purpose of the immigration and naturalization laws, George A. Voregarethsos (George Spiro Chatmos), of Larsia Thiselia, Greece, the adopted son of Mr. and Mrs. George A. Voregarethsos, of Minot, N. Dak., shall be considered to be the alien child of Mr. and Mrs. George A. Voregarethsos, of Minot, N. Dak., citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MASAE MARUMOTO

The bill (S. 2427) for the relief of Masae Marumoto, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the immigration laws relating to exclusion of aliens inadmissible because of race shall not hereafter apply to Masae Marumoto, the Japanese fiancée of Captain Harry Ost, of Fredonia, N. Dak., and that the said Masae Marumoto may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Masae Marumoto is coming to the United States with a bona fide intention of being married to the said Captain Harry Ost, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Masae Marumoto, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Masae Marumoto, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Masae Marumoto as of the date of her entry into the United States upon the payment of the required head tax and visa fee.

JACOB BROWN

The Senate proceeded to consider the bill (H. R. 1024) for the relief of Jacob Brown, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 6, after the words "such sum", to strike out "and interest."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

COMPACT RELATING TO THE WATERS OF THE CANADIAN RIVER

The Senate proceeded to consider the bill (H. R. 3482), granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 1, line 9, after the word "States", to strike out "from the Department of the Interior."

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to insert a statement on the bill at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. JOHNSON of Texas. Mr. President, this bill is noncontroversial.

The bill affects only three States—New Mexico, Texas, and Oklahoma—and interested officials of these three States unanimously agree on the desirability of this legislation.

H. R. 3482 gives congressional consent to the States of Oklahoma, Texas, and New Mexico to negotiate a division of water of the Canadian River. This is necessary now because of the increased need for water conservation measures along the Texas portion of this stream.

The Canadian River is the only river of consequence in the whole vast area of the Texas Panhandle and south plains. Diminishing underground supplies of water have made it necessary for residents of the region to look to the Canadian River as their future salvation.

Naturally, Texans along the stream have no desire that any actions taken by them have an adverse effect upon the citizens of New Mexico on the west or Oklahoma on the east. We want to be able to meet together with our neighbors and negotiate a fair and just division of these precious waters. We are asking that Congress by giving its consent make it possible for us to enter into a compact.

The State officials of the affected States are strongly in favor of this compact.

The congressional representatives of the affected States are strongly in favor of this compact.

The compact has won the unanimous support of the House of Representatives. It has received the full support of our Committee on Interior and Insular Affairs in the Senate. It is entirely noncontroversial. I believe it should pass at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SALARIES OF CERTAIN EMPLOYEES OF THE DISTRICT OF COLUMBIA

The bill (H. R. 4408) to amend the act approved May 27, 1924, entitled "An act to fix salaries of officers and members of the Metropolitan Police force, United States Park Police force, and Fire Department of the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

SOLLY MANASSE

The bill (S. 593) for the relief of Solly Manasse was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Solly Manasse, of Las Cruces, N. Mex., the sum of $383, in full satisfaction of his claim against the United States for reimbursement of expenses incurred by him for necessary treatment of his teeth upon his release from 3½ years' incarceration by the Japanese as a prisoner of war: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

AMENDMENT OF WAR CLAIMS ACT OF 1948

The bill (S. 2872) to amend the War Claims Act of 1948, as amended, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I should very much appreciate an explanation of the purposes of the bill and the need for it.

Mr. McCARRAN. Mr. President, under existing law, the War Claims Commission is required to file a report with the President, for transmission to Congress, by March 31, 1950, covering the scope of the problem of war claims and recommendations as to the nature of claims which should be received. It was the intention of the Congress that this report should be the basis for possible future legislation.

Because the War Claims Commission was delayed in being activated, it is contended the deadline for this report comes too early. Members of the War Claims Commission appeared before the committee and urged an extension, and the committee felt that an extension of 3 months was reasonable. This bill provides that the report shall be filed not later than June 30, 1950.

Mr. HENDRICKSON. I thank the distinguished Senator from Nevada.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment on page 1, in line 6, after the word "thereof", to strike out "January 3, 1951" and insert "June 30, 1950.", so as to make the bill read:

Be it enacted, etc., That subsection (a) of section 8, Public Law 896, Eightieth Congress, approved July 3, 1948, as amended, be further amended by striking out the words "March 31, 1950" and inserting in lieu thereof "June 30, 1950".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. GEORGETTE PONSARD

The bill (S. 2443) for the relief of Mrs. Georgette Ponsard was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the immigration and naturalization laws which exclude from admission into the United States persons of the Japanese race, shall not be held to apply to Mrs. Georgette Ponsard, the wife of Paul Ponsard, who is residing in Mexico City, Mexico.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 78) favoring the suspension of deportation of certain aliens was considered and agreed to, as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-9573883, Albertsen, Erik Albertus, or Erik Albertus Albertson.

A-4769516, Amey, Herbert Augustus.

A-5884856, Andor, Frank, or Francisc Andor.

A-6007541, Avalos, Jesus Flores.

A-4874684, Bailey, William Nathaniel.

A-6447786, Balot, Francisco.

A-5067439, Barker, Ethel (nee Beesley).

A-4084313, Barton, Beatrice Ethel Gwendolyn (nee Linton, formerly Demarest).
A-6790371, Basarow, Eduard.
A-1670554, Boikos, Alexandros, or Aleck or Alex Boikos.
A-6920650, Borowicz, Jeannine, or Jeanine Borowiecz.
A-6200606, Bradley, Dominga (nee Hipolito).
A-4198712, Brodauf, Lina Agnes (nee Pohler).
A-4812080, Brokos, Georgios or George.
A-6354831, Burgess, Mary Fraser (nee Fraser).
A-6838464, Camarena-Limon, Pedro, or Jose or Pedro Kliman.
A-4545624, Campbell, Allan George.
A-5618539, Candela, Filippo, or Vincenzo Di Bella or Phillip Candela.
A-4668883, Candela, Providenza (nee Providenza Di Bella).
A-6268383, Caracostis, Evangelos.
A-6227082, Cardaris, Catherine or Katherine (nee Glavas).
A-6688784, Cazabon, John Charles.
A-6868119, Chavez-Perez, Venancio.
A-5959131, Christian, Hilda Juanita.
A-3134485, Christoff, Stoina.
A-7632246, Chung, Sylvia Ssu-Yi Liang, or Sylvia Chang nee Liang or Chang Liang Ssu-Yi or Ssu-Yi Liang or Chung.
A-6172766, Collios, Hariklia, or Hariklia Gallinis or Hariklia Pappanicolaou.
A-6489042, Connell Dalia Philomene, or Dalia or Dahlia Magetti.
A-3208736, Coray, Claudine Helene (nee Wiesmann).
A-6754556, Crisan, John George Julius, or Ioan Gheorghe Iuliu Crisan.
A-6700029, Cristobal, Juan Urbino, or Johnny or Chris Cristobal.
A-4034158, Crovetto, Andrea, or Andrew Crovetto.
A-6838471, Cruz, Guillermo.
A-6817782, Cruz-Ortega, Narcizo.
A—3919865, De Caballero, Luisa Guerra.
A-4988558, De Carpio, Teresa Torralva, or Teresa Falcon or Teresa Falcon Zamora or Teresa Torralva or Teresa Torralva De Zamora.
A-3016147, De Luca, Stanislao, or Stanley De Luca.
A-7626818, De McClure, Griselda Jaimes.
A-4518876, Discart, Marie Morren.
A-2530651, Dmitrasinovich, Stojan Bude, or Steve Dmitrich.
A-5735677, De Duarte, Adela Leon.
A-6768535, Duggan, Linda Jane Rosa.
A-3948402, Dunne, Hop Hee.
A-6688424, Ebanks; George Robert.
A—6455581, Eugenios, Markos.
A-6482570, Farkas, Armin.
A-6743248, Farnes, George Theodore, or George T. Farnes.
A-5532334, Finkel, Samuel Abraham.
A-6903401, Fisher, Josephine Thelma.
A-6742832, Frugone, Oretta Caterina, or Oretta Frugone Kuwana.
A-2680057, Gam, Moi Nguk, or Nguk Gam Moi.
A-6095599, Gee, Quan Dong, or Quan Yew Moon.
A-5501035, Gentile, Atanasio.
A-4126913, George, Eduardo, or Eppoletta Edward George.
A-4702644, Giankopoulos, Christos Lazarou or Yankopoulos.
A-6198514, Gladych, Boleslaw Michael, or Michael Gladych.
A-2896461, Gomez, Domingo Garcia, or Domingo Garcia.
A-6798463, Gonzales-Cardenas, Santana.
A-6877467, Gonzalez-Quintero, Inez.
A-5634981, Goranson, Carl Emil.
A—6425998, Grant, Herman Josiah.
A-4386180, Green, Sarah (nee Marshall or Edelstein).
A-3596701, Greenberg-Shaffer, Rachel, or Rachel Shaffer-Greenberg (nee Brott).
A-6921390, Guigli, Doriana Mary.
A-4980618, Guzman, Maria Modesta Cancholla, or Maria Cancholla Munoz or Modesta Maria Cancholla Silva.
A-4957912, Haberl, Max (alias Walter Schoen or Max Walter Schoen).
A-1854073, Heras, Vasilios John.
A-5505487, Herman, Pesia Gitkis.
A-6878607, Hong-Tuan, Dominique, Anne Marie.
A-5444715, Honig, Paul (alias Paul Hoenig, alias Hoenig, alias Hoenigue, alias Paul Montefiore).
A-6018692, Hudziec, Ernest Rudolph.
A-6018691, Hudziec Hedwig (nee Jadwiga Kumeczko).
A-6781685, Hughes, Desmond Connell.
A-6280991, Jahrblum, Beila, (nee Reichenthal, alias Beila Heart, alias Blanche Heart).
A-6280992, Jahrblum, Herz Naftali (alias Henry Norman Heart).
A-6860811, Jaquez, Manuel, or Manuel Jaquez Martinez.
A-5133204, Jorgensen, Peter Gunerius.
A-1129695, Joseph, Freidrich, or Josef Deutsch.
A-2679918, Kalomaris, Gerasimos Peter, or Jerry Kalomaris.
A-3650178, Karalis, Chresanthy or Chrisanthe (nee Chrysanthe John Kosmethes).
A-2127097, Katorsky, Hugo Ernest.
A-4042289, Kindness, Christina (nee Gunn).
A-5065236, Kontacostas, Kostas, or Gus Kontos.
A-6897613, Kudszus, Wolfgang Peter, or Peter Kudszus.
A-7577098, Kui, Ng.
A-6753353, Law, Fred, or Law Fook or Fook Law.
A-7589792, Lawrence, Percy James, or Cyril Lawrence.
A-3827794, Lee, Chin Shee, or Lee Fung Thin or Chin Leu Gay or Shin Wai King.
A-1492567, Lopez, Rafael Duarte, or Rafael Lopez-Duarte or Rafael Lopez or Raphael Lopez or Ralph Lopez.
A-6815956, Low, Phyllis Eva (nee Eng or Sue Yook Eng).
A-5623265, Luehr, Walter Adolph Georg.
A-6458411, Luppi, Enrico.
A-6458423, Luppi, Giovanni.
A-6498267, Lyden, Hazel Mae (nee Chunn).
A-2047098, Lyras, Stavros Aristides.
A-1545542, Maisus, Jewel.
A-6210531, Martinez-Rivera, Juvenal, or Juan Martinez.
A-7523598, Mau, Wei-Hui Huang, or Wei-Hui Huang.
A-5755020, Medovich, Ralph or Antonio or Anthony.
A-4720871, Mendez, Jesus Valdez.
A-4588008, Mithalopoulos, Nicholas, or Nicholas Michalopoulos.
A-2980169, Monasterio-Sagasti, Leon, or Leon Monasterio or Sagasti Leon Monasterio.
A-6868195, Montelongo-Gonzalez, Santiago.
A-6458231, Murillo, Manuel, or Manuel Sermeno.
A-9690675, Nagtegaal, Johannes Christianus.
A-2387838, Nahm, Alice.
A-5901303, Nahm, Doris.
A-2387837, Nahm, Jakob, or Jacob Nahm.
A-3478388, Neisloss, Jecheskilis, or Ezekiel Schloss or Ezekial or E. Schloss.
A-5520936, Nicholas, Demetrius, or James Nicholas Samaras.
A-5874844, Palero, Raffaele, or Ralph Polera (alias Frank Ciraco).
A-4382193, Papadopoulos, Stelios, or Stylianos or Papazoulos, Stanley, or Papas or Pappas, Steve.
A-2103213, Pashalis, Anthony Demetrios.
A-6083580, Pauly, Anabelle Jane.
A-6083578, Pauly, Catalina Aviles.
A-6083579, Pauly, Howard John.
A-6759939, Percel, Henry Oliver.
A-2105178, Petrecca, Giovanni (John), or Giovain Petric.
A-7005288, Pistolakis, Nicholas Stelianos.
A-6362653, Plasencia-Ortega, Ernesto (also Ernest Plasencia).
A-6286715, Porras, Reyes.
A-1666793, Puccioni, Otello, or Nino Gini or Adolfo Dovicchi.
A-4921273, Pulido-Estrada, Martin.
A-4528502, Quong, Rose, or Quong Ru-Ssu.
A-1298028, Reid, Joseph George Menzie.
A-5185918, Reid, Reginald Sinclair.
A-5453164, Rendon-Benavides, Olaya.
A-6435783, Rivas, Carmen Natalia.
A-6428426, Rivas, Josefina Elena.
A-6428425, Rivas, Jr., Victor Manuel.
A-4395138, Rod, Olaf, Martinson.
A-5151512, Ruppert, David, or Davidas Rapoportas or David Rapaport.
A-6827870, Rusciano, Constantino.
A-6774663, Salaney, Dorothy Augusta.
A-6924331, Salovardos, Stamatios Konstantinos.
A-4604542, Sapata, Alfredo De Pinho, or Alfredo Pinho Sapata.
A-9801198, Saul, Lembit.
A-5435509, Schanabel, August Josef.
A-5524716, Scopetani, Luigi.
A-6016388, Seleman, George.
A-1489980, Shultz, Charles, or Karls Alksne or Karlis Alksinis.
A-1552469, Silva, Leandro Tavares, or Leandro Tavares or Leandro Silva or Leandro Tavo.
A-6245223, Skias, Maria (nee Misigi or Maria G. Skias or Maria J. Missigi).
A-6716198, Simmonds, Claude Hubert.
A-5953790, Simmonds, Leona.
A-4343933, Stamatiou, Constantinos.
A-2823759, Stratis, John Stefanos.
A-6928185, Theofiles, Nicholas George, or Nick George Theofiles.
A-2252841, Torbarina, Sam, or Sime Torbarino.
A-3164059, Tountasakis, Nicolaos, or Nick or Nicholas Tountasakis or Nick Totisikis.
A-4506013, Tracy, George Courtenay.
A-6756001, Trujillo, Liliane Maria (nee Medina).
A-1996713, Tsagaris, Evangelos, or Angelo Twagris.
A-5047368, Tsolainos, Theodore Panaghiotis.
A-4492389, Ulfers, Frederick Adolf Emil (alias Frederick Ulfers alias Frederick Schaefer).
A-3309666, Ullah, Joban, or Abdul Aziz.
A-6324738, Urzua-Lopez, Manuel, or Miguel Urzua-Lopez.
A-2478333, Valino, Manuel Romay.
A-5244850, Varela, Roman Pardo, or Ramon Pardo Varela or Raymond Pardo Varela or Varella.
A-6990518, Velarde, Juana.
A-7787924, Viada, Angel Gabriel Patricio or Gimenez.
A-7787904, Viada, Pilar (nee Fernandez, also known as Berman and Ferrer).
A-3487602, Wagner, Eddie, or Andrzej Zielas or Andrew Zielas.
A-4961294, Wegner, Max John.
A-6855170, Zambrano-Serrano, Carlos.

CONVEYANCE OF CERTAIN MINERAL INTERESTS—BILL PASSED OVER

The bill (H. R. 4800) to direct the Secretary of Agriculture to convey certain mineral interests, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WILLIAMS. Mr. President, I ask that the bill go over at this time. I am not sure I have objection to it, but there is some information I should like to obtain.

Mr. ELLENDER. Mr. President, I have prepared a short statement in explanation of the bill. I headed the subcommittee which considered the matter and

went into it very thoroughly. There are quite a few Senators interested in the bill because it covers land in 38 different States. The bill seeks to establish a policy, which I shall explain. Will the Senator withhold his objection for a while?

Mr. WILLIAMS. Yes; I withhold my objection.

Mr. ELLENDER. Mr. President, House bill 4800 establishes a nationally sound, equitable, and uniform policy for transferring Government-reserved mineral rights to the present landowners. I desire to point out to Senators that the measure relates only to mineral rights retained by the Department of Agriculture and the Federal Farm Mortgage Corporation in the disposal of farm lands acquired pursuant to agricultural improvement and agricultural credit programs. Lands purchased under title 3 of the Bankhead-Jones Farm Tenancy Act and permanently retired from production, and lands acquired pursuant to the laws permitting the liquidation of wartime labor camps, are specifically excluded.

This proposed legislation has been prompted by the following history: Prior to 1946, certain agricultural lands were acquired by two Government agencies, the old Resettlement Administration and Farm Security Administration; these lands were acquired for resale to farmers. They were sold with all or a major part of the minerals reserved to the Government. Moreover, during this period a Government-owned corporation, the Federal Farm Mortgage Corporation, followed the same policy in disposing of agricultural lands which it had acquired in the course of its farm lending operations. With, however, the enactment of the Farmers Home Administration Act of 1946, the policy was changed by the Congress with respect to the disposal by the Agriculture Department of farm lands of the type I have mentioned.

In other words, in all Government sales after 1946 the persons who purchased the land acquired all the mineral rights. The purpose of the present measure is simply to put all farm owners, or people who purchase that land in the same category. That is all the bill seeks to do.

Mr. President, I ask unanimous consent that the entire statement I prepared on House bill 4800 be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MINERAL RIGHTS BILL, H. R. 4800

Mr. President, H. R. 4800, establishes a nationally sound, equitable and uniform policy for transferring Government-reserved mineral rights to the present landowners. I desire to point out to Senators that the measure relates only to mineral rights retained by the Department of Agriculture and the Federal Farm Mortgage Corporation in the disposal of farm lands acquired pursuant to agricultural improvement and agricultural credit programs. Lands purchased under title III of the Bankhead-Jones Farm Tenancy Act and permanently retired from production, and lands acquired pursuant to the laws permitting the liquidation of wartime labor camps, are specifically excluded.

This proposed legislation has been prompted by the following history: Prior to 1946, certain agricultural lands were acquired by two Government agencies, the old Resettlement Administration and Farm Security Administration; these lands were acquired for resale to farmers. They were sold with all or a major part of the minerals reserved to the Government. Also during this period a Government-owned corporation, the Federal Farm Mortgage Corporation, followed the same policy in disposing of agricultural lands which it had acquired in the course of its farm-lending operations. With, however, the enactment of the Farmers Home Administration Act of 1946, the policy was changed by the Congress with respect to the disposal by the Agriculture Department of farm lands of the type I have mentioned. In this latter connection, Mr. President, section 9 of the 1946 Farmers Home Administration Act provides that: "Any conveyance of real estate by the Government or any Government agency under this chapter shall include the mineral rights." Thus the Farmers Home Administration, successor to the old Resettlement Administration and Farm Security Administration, now follows the policy of divesting the Government's ownership in the minerals as well as the surface rights whenever farm lands acquired under certain agricultural programs are resold to farmers. Recently the Federal Farm Mortgage Corporation, in disposing of mineral interests reserved by it in the course of its farm-finance operations, has been following essentially the same policy as is incorporated in the bill now before us.

The pending legislation, Mr. President, seeks only to grant relief to those farmers who, under the agricultural programs I have just mentioned, purchased lands prior to 1946 from the Department of Agriculture and from the Federal Farm Mortgage Corporation. H. R. 4800 will enable these farmers to obtain ownership of all minerals under their lands, and thereby will put them in the same status as farmers who acquired lands after passage of the 1943 act. This bill does not give the mineral rights to the present landowners; it authorizes the Secretary of Agriculture to sell these rights to the landowners, upon receipt of their written applications. In areas where the Secretary of Agriculture determines that there is no active mineral development or leasing, the bill establishes a nominal sale price of $1 per application; in areas where there is active mineral development and leasing, the mineral interests shall be sold at "the fair market value thereof as determined by the Secretary after taking into consideration such appraisals as he deems necessary or appropriate." The bill further provides that in determining whether or not there is active mineral development in an area, the Secretary shall consult with the Department of the Interior and competent local authorities.

In this measure, Mr. President, the burden is placed on the present landowner to make application to the Secretary of Agriculture for conveyance of the mineral interests. Only private persons who, at the time of the application, are owners of the surface of the land may apply, and the landowner must establish title to the surface ownership at his own expense.

The Senate Committee on Agriculture and Forestry, in reporting this legislation favorably, has recommended that the bill be amended to provide that if any mineral interests covered by this measure have not been disposed of by the Secretary of Agriculture within 7 years from the effective date of the legislation, or within 7 years from the date of acquisition of the mineral interests by the United States, whichever date is the later, title to such mineral interests shall be transferred to the Secretary of the Interior for administration under the applicable Federal mineral statutes. This amendment was recommended by the Secretary of Agriculture, but with a 5-year time limitation; however, the Senate Committee on Agriculture and Forestry recommended the 7-year period in the bill now before the Senate.

All proceeds of mineral interests sales authorized under this bill are to be covered into the Treasury of the United States as miscellaneous receipts. An exception is made in the case of proceeds from sales of mineral interests which were a part of or derived from the assets transferred pursuant to the transfer agreements with State rural rehabilitation corporations. These receipts shall be credited to the appropriate corporation account. Likewise, proceeds from sales of mineral interests by the Federal Farm Mortgage Corporation are to remain in the Corporation. I might state that the Federal Farm Mortgage Corporation is wholly owned by the United States Government.

Section 8 of the bill authorizes the appropriation of such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the provisions of this act. The Secretary of Agriculture estimates that approximately $65,000 will be required to administer the provisions of the bill.

Mr. President, H. R. 4800 was approved by the House of Representatives on June 20, 1949. A Senate Agriculture and Forestry Subcommittee, of which I served as chairman, held open hearings on the bill last March. Representatives of the Departments of Agriculture, Interior, and Justice presented the views of their respective departments. The distinguished Senator from Indiana, Mr. CAPEHART, and a number of Congressmen also testified. All of the testimony received by the subcommittee was favorable to the enactment of the bill. The Bureau of the Budget advises that it has no objection to the measure's adoption. In a letter dated October 14, 1949, and addressed to the chairman of the Senate Committee on Agriculture and Forestry with respect to a similar bill (S. 2104), the Secretary of Agriculture states as follows:

"The disposal of existing mineral interests under the administration of the Farmers Home Administration and Federal Farm Mortgage Corporation to the best advantage of the United States is of major concern and it is urgent that this Department be given directions by the Congress for the disposal of the mineral interests. S. 2104 contains a consistent, uniform policy for the disposal of the mineral interests and would resolve the problems involved in the existing mineral interests held by these agencies. For these reasons, we recommend its immediate enactment provided the suggested amendment for transferring unsold minerals to the Department of the Interior is included."

I submit, Mr. President, that this is a worthy bill, one that is deserving of early and favorable action by the Senate. I hope that it can be approved today by unanimous consent.

Mr. WILLIAMS. Mr. President, I may say to the Senator from Louisiana I am inclined to think I shall agree to the bill at a later date.

Mr. ELLENDER. Will the Senator consent to let the bill go to the foot of the calendar?

Mr. WILLIAMS. I would not be able to obtain the information which I am seeking in time for that. The reason I objected to the bill at this time is that I have been given to understand that the Government acquired these mineral rights on the farm lands which it purchased, and that in selling the farm lands to the farmers again it withheld the mineral rights prior to 1946.

Mr. ELLENDER. Yes.

Mr. WILLIAMS. But it has been called to my attention that certain mineral rights in oil-producing areas which they did acquire have been sold privately, and I want to follow through those sales

to know how they were handled. In other words, while the Government sold the land to the farmers, a portion of the mineral rights have since been sold privately.

Mr. ELLENDER. By the Government.

Mr. WILLIAMS. By the Government to certain interests. I want to check that.

Mr. ELLENDER. I think the Senator is misinformed. The bill does not apply to that land at all.

Mr. WILLIAMS. I wish to carry it over at this time to obtain information about that matter.

The PRESIDING OFFICER. On objection, the bill will go over.

AMENDMENT OF SECTION 10 OF THE FEDERAL RESERVE ACT

The bill (S. 3105) to amend section 10 of the Federal Reserve Act, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCARRAN. I ask that the bill be passed over.

Mr. ROBERTSON. Will the Senator withhold his objection?

Mr. McCARRAN. Certainly.

Mr. ROBERTSON. This is a matter, Mr. President, in which I have no personal interest whatever. The Federal Reserve Board faces the necessity of building more new branches and improving some existing banking installations. We were informed that it was of very urgent necessity to increase the Board's building fund, because the Board had had no building program since before the war. The committee decided to reduce, by the substitute amendments or additional amendments reported from the Committee on Banking and Currency, which I ask to have called up, the authorization from $25,000,000 to $20,000,000, and the committee places the following restrictions:

That such construction shall be of simple design, shall be deferred unless urgently needed for the efficient and economical operation of the branch, and, in determining the time of construction, consideration shall be given to the matter of relieving local unemployment.

The amendment reducing the amount from $25,000,000 to $20,000,000 and the amendment respecting restrictions, I ask to be considered. I ask the Senate's attention to the fact that the board proposes to spend its own money in this construction program. Certainly the Federal Reserve bank is doing a very wonderful job, and if it does not have banking facilities it sems to me we should authorize an amount sufficient to provide them.

Mr. McCARRAN. Mr. President, if what the Senator from Virginia states is all that is in the additional amendments reported from the Committee on Banking and Currency then I certainly would have no objection to the bill. I will say I have not read it.

Mr. ROBERTSON. I assumed my colleague would not have any objection when he heard the statement. I can assure him that is everything that is in the bill. The amendments were proposed by our great economy advocate, the junior Senator from Illinois [Mr. DOUGLAS], who is on the floor, and who can give the Senator double assurance that that is all that is in the amendments.

Mr. McCARRAN. That is not necessary. The assurance of the Senator from Virginia is sufficient for me.

Mr. ROBERTSON. I thank the Senator.

Mr. McCARRAN. I withdraw my objection.

Mr. BRICKER. Mr. President, reserving the right to object, do I understand that the amendments referred to by the Senator from Virginia permit the expenditure of the money according to the needs of the Federal Reserve rather than according to the needs of the community for labor?

Mr. ROBERTSON. The purpose of the substitute amendments is to change the original committee amendment, which only permitted the Board to build in order to relieve unemployment. As now amended, if the construction is absolutely needed, the Board can proceed with it, but these additional matters must be borne in mind.

Mr. BRICKER. There is now before the Senate the substitute offered by the Senator from Virginia for the measure as reported by the committee.

Mr. ROBERTSON. The substitute was adopted by the committee. It is a committee substitute, and I accepted it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3105) to amend section 10 of the Federal Reserve Act, and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment, in line 7, after the figures "$25,000,000", to insert a semicolon and the following: "and by adding at the end of said paragraph the following: *'And provided further,* That such construction shall be of simple design, shall be deferred unless urgently needed for the efficient and economical operation of the branch, and shall be undertaken only when it will assist in relieving local unemployment' ", so as to make the bill read:

Be it enacted, etc., That the second proviso contained in the ninth paragraph of section 10 of the Federal Reserve Act, as amended (U. S. C., title 12, sec. 522), is hereby further amended by striking out "$10,000,000" and inserting in lieu thereof "$25,000,000"; and by adding at the end of said paragraph the following: *"And provided further,* That such construction shall be of simple design, shall be deferred unless urgently needed for the efficient and economical operation of the branch, and shall be undertaken only when it will assist in relieving local unemployment."

The PRESIDING OFFICER. The first additional amendment of the committee will be stated.

The LEGISLATIVE CLERK. In line 7 it is proposed to strike out "$25,000,000" and insert in lieu thereof "$20,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The second of the additional amendments will be stated.

THE LEGISLATIVE CLERK. In lieu of the matter proposed to be inserted by the committee amendment beginning with the semicolon in line 7, it is proposed to insert the following: "; and by adding at the end of said paragraph the following: *'And provided further,* That such construction shall be of simple design, shall be deferred unless urgently needed for the efficient and economical operation of the branch, and, in determining the time of construction, consideration shall be given to the matter of relieving local unemployment'."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (S. 3105) was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2943) to liberalize the lending policies of the Reconstruction Finance Corporation and of the Federal Reserve Banking System in favor of independent small-business enterprises; to adjust the registration provisions of the Securities Exchange Act, as amended, in order to enable independent small-business concerns to issue securities at a reasonable cost; to develop the productive facilities of the national economy; to further the interest of independent small-business enterprises; to provide for the appointment of a Small Business Coordinator; and for other purposes, was announced as next in order.

Mr. ROBERTSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

LEASE OF LANDS BY JOE GRAHAM POST, NO. 119, AMERICAN LEGION

The bill (H. R. 33) to authorize Joe Graham Post, No. 119, American Legion, upon certain conditions, to lease the land conveyed to it by the act of June 15, 1933, was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE TO GOODYEAR AIRCRAFT CORP. OF AN EASEMENT IN ARIZONA

The bill (S. 3122) to authorize the Secretary of the Navy to convey to the Goodyear Aircraft Corp., Akron, Ohio, an easement for sewer purposes in, over, and across certain Government-owned lands situated in Maricopa County, Ariz., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he hereby is, authorized to convey to the Goodyear Aircraft Corp., at such locations and under such terms and conditions as he may consider appropriate, a perpetual easement for sewage purposes in, over, and across a parcel of land constituting a portion of the naval air facility, Litchfield Park, Ariz., being located in Maricopa County, Ariz., acquired by the United States by deed from the Reconstruction Finance Corporation, acting by and through War Assets Administration, dated December 31, 1948, recorded in the land records of Maricopa

County, Ariz., in Docket No. 323 on pages 456 to 461, inclusive, which deed is on file in the Navy Department.

TRANSFER OF SURPLUS LAND IN FORT LEWIS MILITARY RESERVATION

The bill (H. R. 5101) to provide for the transfer to Pierce County, Wash., of certain surplus land in the Fort Lewis Military Reservation was announced as next in order.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. WILLIAMS. Mr. President, in the absence of the Senator from Washington, I wonder whether the Senator from Oregon would agree to have the bill placed at the foot of the calendar, until we can send word to the Senator from Washington.

Mr. MORSE. I have no objection.

The PRESIDING OFFICER. Without objection, the bill goes to the foot of the calendar.

ARMY INSTITUTE OF PATHOLOGY BUILDING

The bill (H. R. 6539) to amend Public Law 626, Eightieth Congress, relating to the Army Institute of Pathology Building was considered, ordered to a third reading, read the third time, and passed.

PROMOTION OF RURAL POST-OFFICE CARRIERS FOR LONGEVITY OF SERVICE

The bill (H. R. 6553), to provide for the promotion of carriers in the rural-delivery service in recognition of longevity of service was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, may we have an explanation, particularly as to the amounts involved?

Mr. SPARKMAN. Mr. President, the distinguished Senator from West Virginia [Mr. NEELY] is here, and is a member of that committee. I assume that he can explain the bill.

Mr. NEELY. Mr. President, this bill is, designed to afford protection against an adverse ruling of the Comptroller General regarding longevity benefits to certain postal employees under Public Law 428, Eighty-first Congress, first session.

It satisfies the Comptroller General's objections. It has the unconditional approval of the Post Office Department, the Bureau of the Budget, and the Civil Service Commission.

The measure, if enacted, would add only $165,000 to the estimated cost of the longevity provisions of the present law which have been invalidated by the Comptroller General's ruling.

The bill, which was unanimously approved by the committee, would preclude a fourth-class postmaster from receiving greater longevity pay than is now received by postmasters in first-, second- and third-class offices.

Mr. HENDRICKSON. Mr. President, will the Senator yield for a question?

Mr. NEELY. I gladly yield to the able Senator from New Jersey.

Mr. HENDRICKSON. Is it not a fact that the bill merely is a validation act?

Mr. NEELY. That is the truth, the whole truth and nothing but the truth.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment to strike out all after the enacting clause and insert:

That (a) in the case of postmasters and employees in the postal field service (except employees, other than charmen and charwomen, paid on an hourly basis and substitute and temporary rural carriers) for whom single salary or annual automatic salary grades are provided in the act of July 6, 1945, as amended (Public Law 134, 79th Cong.), there are hereby established longevity grades A, B, and C. The rate of basic compensation of each such postmaster and employee (except postmasters at post offices of the fourth class, and charmen and charwomen paid on an hourly basis) shall be increased by $100 per annum for each promotion to a longevity grade. The rate of basic compensation of each such postmaster at a post office of the fourth class shall be increased by 5 percent per annum for each promotion to a longevity grade. The rate of basic compensation of each such charman and charwoman shall be increased by 5 cents per hour for each promotion to a longevity grade.

(b) Each such postmaster or employee who is serving in a regular position on the date of enactment of this act or who is appointed to such a position at any time thereafter, shall be assigned to longevity grade A at the beginning of the quarter following the completion of 13 years of service, to longevity grade B at the beginning of the quarter following the completion of 18 years of service, and to longevity grade C at the beginning of the quarter following the completion of 25 years of service.

(c) All time on the rolls of the custodial service of the Post Office Department on and after October 1, 1933, and all time on the rolls of the mail equipment shops before or after July 1, 1945, shall be considered as postal field service. In determining longevity credit for the purposes of subsection (b), there shall be credited all time on the rolls (except time on the rolls as a substitute rural carrier) in the postal field service or in the Post Office Department before or after July 1, 1945; all time on the rolls in the custodial service of the Treasury Department continuous to the date of the transfer of the employee to the custodial service of the Post Office Department in accordance with Executive Order No. 6166, dated June 10, 1933; all time on the rolls as a special delivery messenger at a first-class post office before or after July 1, 1945; all time on the rolls as a clerk in a third-class post office before or after July 1, 1945, for which payment is made from authorized allowances. In the case of an officer or employee who was separated or is hereafter separated from the postal field service or from the departmental service of the Post Office Department for military duty, or to comply with a war transfer as defined by the Civil Service Commission, all time engaged in military service or service on war transfer shall be credited, and pro rata credit shall be given for the time engaged in military service and service on war transfer for each year of such service. Service specified in this subsection shall be credited on the basis of one-twelfth of a year for each whole calendar month the employee has been on the rolls. All such service shall be credited, whether continuous or intermittent, except that credit shall not be allowed for time on the rolls under a temporary appointment unless such time on the rolls is continuous for 1 year or more, or unless continuous to the date of appointment as a classified substitute or regular employee.

SEC. 2. Employees on the rolls on the date of enactment of this act, who are in the highest automatic grade of their position or who are in additional grades, shall retain promotion credit under the provisions of section 2 (e) of the act of October 28, 1949 (Public Law 428, 81st Cong.), and under those provisions of the act of July 6, 1945 (Public Law 134, 79th Cong.), which are repealed by section 4 of this act to the same extent as though such provisions had remained in effect, and thereafter shall be promoted to longevity grades A, B, and C at the beginning of the quarter following the completion of 3, 5, and 7 years of service, respectively, in the next lower grade, except that if prior thereto any such employee becomes eligible for promotion under subsection (b) of section 1 of this act, such employee shall be promoted in accordance with the provisions of such subsection.

SEC. 3. The amount of any increase under the provisions of this act in the compensation of any supervisory employee shall not be considered as part of the base salary of such employee for the purposes of the first and second provisions in section 3 of the act of July 6, 1945, as amended (Public Law 134, 79th Cong.).

SEC. 4. (a) The act of July 6, 1945, as amended (Public Law 134, 79th Cong.), is amended in the following respects:

(1) By striking out the first proviso in section 12 (a).

(2) By striking out the proviso in section 13 (b).

(3) By striking out the proviso in section 14 (b).

(4) By striking out the proviso in section 14 (c).

(5) By striking out the proviso in section 14 (d).

(6) By striking out the proviso in section 14 (e).

(7) By striking out the proviso in section 14 (f).

(8) By striking out the proviso in section 15 (d).

(9) By striking out the proviso in section 15 (e).

(10) By amending so much of section 16 (c) as precedes the proviso to read as follows:

"(c) Railway post-office lines shall be divided into two classes, class A and class B. Clerks assigned to class A lines shall be promoted successively to grade 9, and clerks assigned to class B lines shall be promoted successively to grade 11. Clerks in charge of class A lines shall be of grade 14. Clerks in charge of class B lines shall be of grade 16:".

(11) By amending the first sentence in section 16 (d) to read as follows: "Clerks assigned to terminal railway post offices and air mail field railway post offices shall be promoted successively to grade 9."

(12) By amending the first sentence in section 16 (e) to read as follows: "Clerks assigned to transfer offices shall be promoted successively to grade 11."

(13) By amending the first sentence in section 16 (g) to read as follows: "Clerks assigned to offices of division superintendents, regional superintendents Air Mail Service, and in Chief Clerks' offices shall be promoted successively to grade 9."

(14) By amending the proviso in section 16 (j) to read as follows: "*Provided*, That such operators shall be promoted successively to grade 9".

(15) By striking out the second sentence in section 16 (s).

(16) By striking out the proviso in section 17 (a).

(17) By striking out the proviso in section 18 (b).

(18) By striking out the matter relating to grades 10 and 11 in the table in section 19 (a), and by amending that part of section 19 (a) which follows such table to read as follows: "and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the ninth grade."

(b) Sections 1 and 2 (e) of the act approved October 28, 1949 (Public Law 428, 81st Cong.), are hereby repealed.

SEC. 5. None of the provisions of this act shall be so construed as to reduce the grade or compensation of any employee on the rolls on the date of enactment of this act.

SEC. 6. This act shall take effect as of November 1, 1949, except that retroactive payments for longevity promotions shall not be made to employees no longer on the rolls of the postal field service on the date of enactment of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide uniform longevity promotional grades for the postal field service."

BILL PASSED OVER

The bill (S. 2595) to provide for the establishment of a Commission on Human Rights in the government of the District of Columbia was announced as next in order.

Mr. McCLELLAN. Let the bill go over.

Mr. ELLENDER. Mr. President, at the request of the junior Senator from South Carolina [Mr. JOHNSTON], who is unavoidably detained, I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

ISSUANCE OF PATENT IN FEE TO EMMA PHELPS GLENN

The Senate proceeded to consider the bill (H. R. 5610) authorizing the Secretary of the Interior to issue a patent in fee to Emma Phelps Glenn, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 2, line 3, after the word "less", to strike out the following proviso: *"Provided,* That when the land herein described is offered for sale, the Crow Tribe, or any Indian who is a member of said tribe, shall have 90 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase"; and on page 2, after line 8, to insert a new section, as follows:

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser, other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the superintendent of the Crow agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the superintendent of the Crow agency.

(b) A certificate of the superintendent of the Crow agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

CHARLES M. PHELPS

The Senate proceeded to consider the bill (H. R. 5611), authorizing the Secretary of the Interior to issue a patent in fee to Charles M. Phelps, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 8, line 8, after the word "acres," to strike out the colon and the following proviso: *"Provided,* That when the land herein described is offered for sale, the Crow Tribe, or any Indian who is a member of said tribe, shall have 90 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase"; and after line 13, to insert a new section as follows:

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser, other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the superintendent of the Crow agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the superintendent of the Crow agency.

(b) A certificate of the Superintendent of the Crow agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

PAUL HIGH HORSE AND ANNA HIGH HORSE

The Senate proceeded to consider the bill (H. R. 2919), authorizing the issuance of a patent in fee to Paul High Horse and Anna High Horse, which had been reported from the Committee on Interior and Insular Affairs, with amendments on page 1, line 10, after the word "acres", to strike out the colon and the following proviso: *"Provided,* That when the land herein described is offered for sale, the Rosebud Sioux Tribe of Indians of the Rosebud Reservation of South Dakota, or any Indian who is a member of said tribe, shall have 90 days in which to execute preferential rights to purchase said tract at a price offered the seller by a prospective buyer willing and able to purchase"; and on page 2, after line 5, to insert a new section, as follows:

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser, other than the Rosebud Sioux Tribe of Indians of the Rosebud Reservation of South Dakota or a member thereof, unless (1) at least 60 days prior to such sale the Superintendent of the Rosebud Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the said Rosebud Sioux Tribe or any member thereof and a copy thereof served upon the Superintendent of the Rosebud Agency.

(b) A certificate of the Superintendent of the Rosebud Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the register of deeds of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

B. M. (BUD) PHELPS

The Senate proceeded to consider the bill (H. R. 5609), authorizing the Secretary of the Interior to issue a patent in fee to B. M. (Bud) Phelps, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 2, line 1, after the word "acres", to strike out the colon and the following proviso: *"Provided,* That when the land herein described is offered for sale, the Crow Tribe, or any Indian who is a member of said tribe, shall have 90

days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase"; and after line 6, to insert a new section, as follows:

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser, other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the Superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the Superintendent of the Crow Agency.

(b) A certificate of the Superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

SALE OF LAND OF FRANK PHELPS

The Senate proceeded to consider the bill (H. R. 5860), authorizing the Secretary of the Interior to sell the land of Frank Phelps under existing regulations, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 5, after the word "authorized", to insert "and directed"; in the same line, after the word "sell", to strike out "to a Crow Indian, or to the Crow Tribe"; on page 2, line 1, after the word "acres", to strike out the comma and "the status of such land with respect to taxability to remain unchanged", and after line 2, to insert a new section, as follows:

SEC. 2. (a) The lands herein described shall not be sold after the date of enactment of this act to any purchaser, other than the Crow Tribe or a member thereof, unless (1) at least 60 days prior to such sale the Superintendent of the Crow Agency shall have been served with notice of the terms thereof and a copy of such notice, together with a description of the lands, shall have been posted by the superintendent in a conspicuous public place at such agency and have remained posted for a period of 60 days, and (2) prior to the expiration of such 60 days no bona fide offer in writing to purchase such land upon the terms specified in such notice, or upon terms more favorable to the owner, shall have been made by the Crow Tribe or any member thereof and a copy thereof served upon the Superintendent of the Crow Agency.

(b) A certificate of the Superintendent of the Crow Agency stating that notice of the proposed sale was served upon him and was posted by him for a period of 60 days in accordance with the provisions of clause (1) of subsection (a) and that no offer was received in accordance with clause (2) of such subsection, when filed and recorded in the office of the county clerk and recorder of the county in which such lands are situated shall be conclusive evidence of compliance with this section. The superintendent shall furnish the certificate to the purchaser for filing and recording.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

PAYMENT FROM FUNDS TO THE CREDIT OF INDIANS OF CALIFORNIA

The bill (H. R. 1354) to provide for a per capita payment from funds in the Treasury of the United States to the credit of Indians in California, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. May we have an explanation of this measure from the distinguished Senator from Arizona?

Mr. McFARLAND. Mr. President, this is a bill to authorize distribution of certain tribal money which is due Indians of California. It amounts to about $150 per capita, and everyone has agreed that the payment should be made. There was no objection filed to the bill before the committee.

Mr. SCHOEPPEL. I ask the distinguished Senator, what happens to the balance of the fund that remains over, above the $150 per capita distribution?

Mr. McFARLAND. Some provision will have to be made in regard to that, after the roll is finally made up, which will have to be by another act of Congress. But it was thought necessary to go this far, as some of these Indians need the money, and they need it more now than they will later on. Until the roll is finally determined, it will not be known just how much can be distributed per capita.

Mr. SCHOEPPEL. It is the intention, however, is it not, to handle the remaining amounts by some appropriate legislation within the near future, without letting it drag on for years?

Mr. McFARLAND. That is my understanding.

Mr. SCHOEPPEL. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 1354) to provide for a per capita payment from funds in the Treasury of the United States to the credit of the Indians of California, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 8, after the words "alive on", to strike out "June 30, 1948" and insert "the date of the approval of this act"; in line 14, after the word "on", to strike out "June 30, 1948" and insert "the date of the approval of this act"; in line 18, after the word "and", to strike out "alive on June 30, 1948" and insert "living on the date of the approval of this act"; in line 23, after the word "dying", to strike out "before June 30, 1948" and insert "prior to the date of the approval of this act"; on page 3, line 2, after the word "on", to strike out "June 30, 1948" and insert "the date of the approval of this act"; in line 4, after the word "and", to strike out "before June 30, 1948" and insert "prior to the date of the approval of this act"; on page 4, line 11, after the word "on", to strike out "June 30, 1948," and insert "the date of the approval of this act", and on page 5, line 4, after the word "this", to strike out "section" and insert "act."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

INTERNAL SECURITY OF THE UNITED STATES—BILL PASSED OVER

The bill (H. R. 4703), relating to the internal security of the United States, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SPARKMAN. I object.

Mr. HENDRICKSON. Reserving the right to object——

The PRESIDING OFFICER. Objection has been heard. Does the Senator from New Jersey wish to be heard further?

Mr. HENDRICKSON. No.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF DISTRICT OF COLUMBIA CREDIT UNIONS ACT OF 1932

The bill (H. R. 2554), to amend the District of Columbia Credit Unions Act of 1932, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCARRAN. May we have an explanation of the bill?

Mr. NEELY. Mr. President, the purpose of this bill is to authorize an increase in the amount of any unsecured loan, which a credit union in the District of Columbia may make, from fifty dollars—the present limit—to three hundred dollars. The measure, if enacted, would harmonize the District of Columbia's Credit Unions Act with the Federal Credit Unions Act of 1946. The bill was unanimously passed by the House and unanimously approved by the District Commissioners and the Senate Committee on the District of Columbia.

Mr. McCARRAN. I have no objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF DISTRICT OF COLUMBIA ALCOHOLIC BEVERAGE CONTROL ACT

The bill (H. R. 4229), to amend section 17 of the District of Columbia Alcoholic Beverage Control Act, was considered, ordered to a third reading, read the third time, and passed.

DAYLIGHT-SAVING TIME IN THE DISTRICT OF COLUMBIA—BILL PASSED OVER

The bill (S. 3176), to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District of Columbia, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. LEAHY. Mr. President——

Mr. LUCAS. Mr. President, will the Senator from Arkansas withhold his objection?

Mr. McCLELLAN. I withhold it for the moment.

Mr. LEAHY. I should like to call the attention of the Senate to the fact that if the District of Columbia is to have daylight saving under the bill, immediate action must be taken, because there remain only about 10 days more before it would go into effect. This bill does not establish daylight saving in the District of Columbia. It simply permits the Commissioners of the District to make it effective if they so desire. It is the purpose, I understand, of the District Commissioners to hold a public hearing before making it effective. If we are to have daylight saving in accordance with the law and the ordinance of the District of Columbia as we have enjoyed it for several years, immediate action must be taken.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. I ask that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Is there objection to the bill's going to the foot of the calendar?

Mr. ROBERTSON. Mr. President, reserving the right to object, I desire to make a statement. As I understand, the purpose of daylight saving in the District of Columbia is primarily to give Government employees more recreational time in the afternoon, more time in which to play golf, more time in which to play tennis, more time to do whatever they want to do in the afternoon. The penalty for that is that all Virginia and Maryland farmers who bring produce into the Capital, and who rise before daylight, as it is, will have to get up another hour before daylight, in order to get the produce here.

Another penalty is that those in Maryland and Virginia who have business in the District will find that the airplanes and railroads run on one time, and other engagements are made on another time, and they never know for sure which is which.

The fact remains that some Government agencies now begin work at 8:15 in the morning and quit at 4:15, in order that the employees may have recreational opportunity. There is nothing at all to prevent any department from starting as early in the morning as it may want to start, in order to let employees out earlier in the afternoon. It seems to me that, considering the hardship it is going to work in surrounding areas, which do not have daylight saving, we are paying a considerable price for action that departments could take without any congressional action, and frankly I am glad the distinguished Senator from Arkansas objected.

The PRESIDING OFFICER. Is there objection to the bill going to the foot of the calendar?

Mr. ROBERTSON. I object.

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERTSON. I yield to the Senator from Nevada.

Mr. MALONE. I should like to ask the distinguished Senator from Virginia if there was any attempt when such a bill came before the committee, to establish a uniform time throughout the United States? Not only does the problem arise which the distinguished Senator has explained, that is, that there are two different standards of time within the District, transportation time and daylight-saving time, but there are throughout the United States areas that do not adopt daylight-saving time, and for them it would further complicate schedules in trying to arrange transportation, times of appearance, and so forth.

Mr. ROBERTSON. I may say to my distinguished colleague, I think it very desirable to have some universal and understood time, and not to have one standard of time here and another standard of time there.

Mr. MALONE. I agree.

The PRESIDING OFFICER. Objection was originally made to the present consideration of the bill; which objection was withheld. Request was then made that the bill be placed at the foot of the calendar, to which objection was made. Is there objection to the consideration of the bill?

Mr. McCLELLAN. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

Mr. LUCAS. Mr. President, I desire to address my remarks briefly to the bill to which objection has just been made, with respect to what my good friend from Virginia [Mr. ROBERTSON] has said. I do not object to the Senator defending the farmers of his State; I think he has a right to do so, and he did it very well.

Mr. ROBERTSON. I may say my friend from Illinois defends the farmers of his State as much as I defend those of my State.

Mr. LUCAS. The farmers of Virginia probably do not like daylight-saving time in the District; but I want to challenge the statement made by my distinguished friend that this is solely for the benefit of Government employees in connection with their recreational facilities in the afternoon. I do not think that squares with the facts at all. I believe it will be found that this proposal comes primarily from the business and professional people of Washington who desire daylight-saving time in the District.

I merely could not allow to pass unquestioned the statement of my friend that daylight-saving time in the District was being suggested for a particular class of Government employees, because I know of no Government employees who testified before the committee about this matter. As I recall, a similar law has been in effect year after year, and it has been passed primarily in the interest of the business and professional men of Washington, D. C.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBERTSON. In the interest of accuracy, I will accept the suggestion of the Senator from Illinois and change my remarks to say that I understood it was proposed primarily for Government employees, but I still contend that, whether they are Government employees or private employees, most of them can go to work as early in the day as they choose.

Mr. LUCAS. I certainly agree with that.

Mr. MALONE. Mr. President, will the Senator from Illinois yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Nevada for a question?

Mr. LUCAS. I yield for a question.

Mr. MALONE. While it becomes rather hopeless to object to this proposal, for, as the distinguished Senator from Illinois says, it has been adopted year by year; yet on April 6, 1948, as shown by the CONGRESSIONAL RECORD on page 4098, the junior Senator from Nevada submitted a petition from the Department of the Interior employees, signed by between 400 and 600 persons, objecting to daylight saving time, which shows that they are not all in accord with this great innovation, establishing at least three different standards of time throughout the United States which one must coordinate when he wants to go somewhere.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield for a question?

Mr. LUCAS. I yield the floor.

Mr. HOLLAND. I wanted to address a question to the Senator on this particular measure. Is it not true that the Senate of the United States has, in the present Congress, passed by an overwhelming vote a home rule bill for the District of Columbia, that this measure, if passed, would, simply in a limited way, give the right to the representatives of the District of Columbia for themselves, and pursuant to the decision of the people as it is brought to their attention, to claim the advantages of daylight saving?

Mr. LUCAS. The Senator is absolutely correct. I think they are really entitled to make this decision themselves. If the people of the District of Columbia want daylight saving time, it seems to me they ought to have it, and simply because I come from Illinois, or because someone else comes from Virginia, and I am being affected slightly in Illinois because of what is happening here in the District, is no reason why the people of the District should not have it. I may say it is possible to find many discriminations of that kind. It seems to me it is solely a question for the people of the District, and they ought to have an opportunity to decide whether or not they want daylight saving time, and we should as a matter of tolerance and fair play, give them the opportunity of making the

decision, rather than taking it upon ourselves to tell the people what is good and what is bad for them, with respect to it.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired. Under objection, the bill will be passed over.

ASSESSMENT OF BUILDINGS WITHIN THE LIMITS OF FORT MONROE MILITARY RESERVATION

The bill (H. R. 4316) to repeal the authority to assess certain owners of nonmilitary buildings situated within the limits of the Fort Monroe Military Reservation, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF CAREER COMPENSATION ACT OF 1949

The bill (S. 3255), to amend section 415 of the Career Compensation Act of 1949, to extend the effective date of that section to December 31, 1950, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 415 of the Career Compensation Act be amended to read as follows:

"SEC. 415. Any member who, on October 1, 1949, was a hospital patient and who, prior to January 1, 1951, is retired as a result of a physical disability growing out of the injury or disease for which he was hospitalized, may elect to receive retirement benefits computed under the laws in effect on September 30, 1949."

ADMINISTRATION OF CERTAIN OATHS

The Senate proceeded to consider the bill (H. R. 6171) to authorize commissioned officers of the Army, Navy, Air Force, and Marine Corps to administer certain oaths, and for other purposes, which had been reported from the Committee on Armed Services, with an amendment.

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill?

Mr. MORSE. Mr. President, this bill seeks to accomplish three minor improvements in administrative procedure applicable to the armed forces. Inasmuch as the three sections of the bill are somewhat independent of one another, I have indicated clearly on pages 2 and 3 of the committee report, in italics, precisely what each section of the bill proposes.

Section 1 addresses itself to the administering of the oath required of persons who enlist, or who are appointed, in the armed services. We are all aware of the fact that a great deal of effort is being directed toward joint utilization of recruiting facilities. Such joint utilization has been hampered by the fact that existing law prohibits any Army recruiting officer from administering the oath of naval personnel and vice versa. The same is true with respect to Air Force recruiting officers. Similarly, an Air Force sergeant attached to a naval mission at some overseas location could not be given his reenlistment oath by a naval officer. Such restrictive practices are obviously not in the interest of either efficiency and economy. Section 1 of the bill, therefore, proposes to authorize that the oath of enlistment or appointment be given by any commissioned officer, regardless of his component or service, and regardless of whether he is on extended or active duty. I would point out that this section addresses itself only to the oath of enlistment or appointment, and is not a general relaxation of present notarial authority.

Section 2 of the bill applies only to the Navy and deals with the renewal of the basic oath of office prescribed in section 1757 of the revised statutes. Under existing regulations which govern the naval service, an officer appointed to a higher grade is required to renew the basic oath of office which he originally took upon his first appointment. With regard to the Army and Air Force, however, officers have not been required to renew their basic oath upon promotion to a higher grade since 1942. This, of course, assumes that the individual's service has been continuous; otherwise he would be required to take the oath the same as he would upon original appointment. This section of the bill proposes to place the Navy and the Marine Corps on the same basis as the Army and Air Force by giving them language which is substantially identical with that contained in the act of October 14, 1942, dealing with the Army.

It should be specifically noted, however, as the committee report points out at the bottom of page 2, that—

It is not intended, however, that this section shall in any way relieve an individual naval officer from the necessity of taking the prescribed oath of office when assigned or reassigned to a specific position, such as chief of a department, bureau, or service, which the officer may occupy in addition to his actual filling of a designated naval rank.

Section 3 of the bill also deals with the Navy and the Marine Corps, and proposes to give to these services an authority comparable with what the Army and Air Force now have. The wartime authority whereby temporary promotions in the naval service were considered to be effective as of the date announced by the President was erroneously repealed by section 426 (a) of the Officer Personnel Act of 1947. Section 3 of the bill would reestablish this wartime authority, and place the naval service on the same basis as the Army and Air Force in this respect.

This bill is recommended by the Secretary of Defense with the concurrence of the Bureau of the Budget. The committee concurs in their recommendations. The amendment to section 1, recommended by the committee, is a purely technical clarification of wording.

Mr. HENDRICKSON. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. HENDRICKSON. Would the enactment of this bill prevent such a dispute as occurred in the Denfeld matter?

Mr. MORSE. It has no bearing on the Denfeld case.

Mr. HENDRICKSON. No, but would it prevent a dispute as to whether the oath was administered? There was such a dispute in the Denfeld case.

Mr. MORSE. I invite the Senator's attention to the committee report, page 2, in which it is stated:

It is not intended, however, that this section shall in any way relieve an individual naval officer from the necessity of taking the prescribed oath of office when assigned or reassigned to a specific position.

So it would not have relieved an officer, in that particular case, of the duty of taking the oath which is called for by the bill.

Mr. HENDRICKSON. That is precisely what I wanted to ascertain.

The PRESIDING OFFICER. The clerk will state the committee amendment.

The amendment was on page 1, line 3, after the word "component", to strike out "of the Army of the United States, the United States Navy, and Marine Corps (including the Reserve components thereof), or any component of the Air Force of the United States" and insert "(including the Reserve component) of any of the armed forces of the United States."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

EXTENSION OF TIME FOR MAKING APPLICATION FOR TERMINAL-LEAVE PAY

The Senate proceeded to consider the bill (H. R. 3205) to provide an extension of the time for making application for terminal-leave pay.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of this measure?

Mr. CAIN. Mr. President, I appreciate an opportunity to explain House bill 3205.

This bill proposes to extend until June 30, 1951, the time allowed personnel who were separated from the military service prior to September 1, 1946, to make application for terminal-leave pay.

The original version of the Armed Forces Leave Act of 1946, approved August 9, 1946, provided that personnel who had been separated from the service as of the date of enactment could receive their terminal-leave pay in the form of a 5-year bond. Under the terms of the act the individual was required to file a claim for these terminal-leave bonds, and was given until September 1, 1947, to submit this claim.

The following year the Armed Forces Leave Act was amended so as to authorize the immediate payment in cash of these 5-year bonds. Furthermore, the time for filing applications was extended 1 year to September 1, 1948.

Subsequent to this new expiration date of September 1, 1948, approximately 16,303 claims were filed, but were rejected because of the late filing. As is shown in the detailed discussion contained in the report, departmental witnesses estimate that there are an additional 5,000 persons who are eligible for payment but who failed to institute the necessary claim. In effect, therefore, the Department of Defense estimates that there are approximately 25,000 individuals, separated from the service prior to September 1, 1946, who will make claim for terminal-leave payment if this legislation is enacted.

The committee feels that perhaps most of these 25,000 cases have only them-

selves to blame for their failure to file the necessary claim. Notwithstanding this fact, however, there is a very substantial number among these veterans who, through no fault of their own, were unable to meet the deadline. The Senate report discusses this in some detail on page 2. Also, the committee examined a proposal whereby any individual who submits a further claim shall be required to show why his claim should be considered at this late date. Obviously this would be an expensive and time-consuming operation and would require a sort of adjudication of each claim.

In the face of all of these circumstances therefore, the committee concurred that it would be appropriate to provide one final opportunity to file for terminal-leave payments accrued prior to September 1, 1946. We feel that this should be the last time any extension to the cut-off date is granted.

We are informed by the departmental witnesses that funds for the payment of the actual claim are available. However, an administrative cost of approximately $69,000 will be incurred for which no funds are currently available. The Department of Defense and the Bureau of the Budget interpose no objection to this legislation. The Armed Services Committee concurs with the House action on the bill, and recommends its enactment.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

REVISIONS IN TITLES I AND III, OFFICER PERSONNEL ACT OF 1947, AS AMENDED

The Senate proceeded to consider the bill (S. 2335) to make certain revisions in titles I and III of the Officer Personnel Act of 1947, as amended, which had been reported from the Committee on Armed Services with an amendment to strike out all after the enacting clause, and insert:

That the Officer Personnel Act of 1947, as amended, is hereby further amended by—

(a) Deleting in the proviso to subsection (b) of section 114 the comma after the word "thirty-two" and substituting therefor a period and deleting the remainder of the said proviso.

(b) Deleting in subsection (r) of section 304 the words "four" and "thirty-four" and substituting therefor the words "five" and "thirty-five," respectively, and deleting the period at the end of the said subsection and substituting therefor a colon and adding the following proviso: *"Provided,* That those rear admirals of the line not restricted in the performance of duty who attained such status prior to the date of enactment of this amendatory act shall be continued on the active list only upon the recommendation of the first such board convened thereafter."

(c) Amending paragraph (1) of subsection (a) of section 307 to read as follows:

"(1) Rear admirals not restricted in the performance of duty who attain a status of having completed 5 years of service in grade and 35 years of total commissioned service as defined in subsection 102 (d) of this act shall be eligible for consideration for recommendation for continuation on the active list by a selection board convened in the fiscal year in which they first attain such status: *Provided,* That those rear admirals not restricted in the performance of duty who attained such status prior to the date of enactment of this amendatory act shall be eligible for such recommendation by the first such board convened thereafter: *Provided further,* That a rear admiral not restricted in the performance of duty who will attain the age of 62 years in the fiscal year in which he would otherwise be eligible for consideration for continuation on the active list shall not be eligible for such consideration: *Provided further,* That a rear admiral who shall have lost numbers or precedence at any time shall be eligible for such consideration in the fiscal year in which the most senior rear admiral junior to him who has not lost numbers or precedence is eligible therefor."

(d) Amending paragraph (8) of subsection (a) of section 308 to read as follows:

"(8) The number to be furnished the board in respect to rear admirals not restricted in the performance of duty to be continued on the active list shall be determined by the Secretary of the Navy as of the date of the convening of the board. Such number shall be based upon a consideration of the number of vacancies existing among rear admirals not restricted in the performance of duty, plus the number of vacancies estimated to occur during each of the ensuing 5 years in order to best assure to captains a flow of promotion to the grade of rear admiral and to best assure to rear admirals in succeeding years equality of opportunity for continuation on the active list. The number to be so furnished the board shall be not less than 50 percent nor greater than 75 percent of the number of rear admirals eligible for consideration by the board for continuation on the active list."

(e) Deleting in paragraph (2) of subsection (a) of section 309 the words "equal to" and substituting therefore the words "not exceeding."

(f) Amending subsection (a) of section 313 by inserting after the words "Rear Admirals" the words "of the line not restricted in the performance of duty" and deleting the words "two successive selection boards" and substituting therefor the words "a selection board."

(g) Amending subsection (b) of section 313 to read as follows:

"(b) (1) Except as otherwise provided in this subsection, each rear admiral designated for engineering duty, aeronautical engineering duty, and specialty duty, and each rear admiral in the Medical Corps, Supply Corps, Chaplain Corps, Civil Engineer Corps, and Dental Corps, who is not retired or separated from the active list at an earlier date under other provisions of law, shall be placed on the retired list on June 30 of the fiscal year in which he completes 7 years' service in the grade of rear admiral or 35 years' total commissioned service as defined in subsections 102 (d) and 202 (d) of this act, whichever is later: *Provided,* That any such officer shall, if recommended in the report of a board of not less than three naval officers convened for that purpose and approved by the Secretary of the Navy, be retained on the active list and if not retired under other provisions of law, shall be placed on the retired list on June 30 of any succeeding fiscal year in which he is not again so recommended for retention on the active list by such a board or in which no such board is convened: *And provided further,* That for the purposes of this subsection, service in grade for an officer promoted to the grade of rear admiral prior to August 7, 1947, and for an officer whose lineal position is adjusted in the grade of rear admiral or who is assigned a new running mate in that grade, in accordance with the provisions of this act, shall be computed from the date of temporay rank in the grade of rear admiral; and for each other officer promoted to the grade of rear admiral on or after August 7, 1947, from the date of the occurrence of the vacancy to which the officer is promoted to fill.

"(2) The board to consider rear admirals for retention on the active list pursuant to paragraph (1) of this subsection may be convened annually in the discretion of the Secretary of the Navy and shall be convened in any year when the Secretary of the Navy determines that one or more officers who would otherwise be subject to retirement under the provisions of paragraph (1) of this subsection should be retained on the active list. The number of such officers who may be recommended for such retention on the active list shall not exceed the number furnished the board by the Secretary of the Navy, which shall be the number of determined necessary by the Secretary of the Navy to meet the needs of the naval service.

"(3) Each officer, when retired pursuant to this subsection, shall receive retired pay at the rate of 2½ percent of his active-duty pay in the grade in which serving at the time of retirement multiplied by the number of years of service for which he is entitled to credit in the computation of pay on the active list, but retired pay so computed shall not exceed a total of 75 percent of said active-duty pay."

(h) Repealing subsections (c), (d), (e), (f), (g), (h), (i), and (j) of section 313 and redesignating subsection (1) of section 313 as subsection (c).

(i) Repealing subsection (k) of section 313, effective July 1, 1950, except as it applies to officers retired under its provisions prior to that date.

(j) Amending subsection (l) of section 314 to read as follows:

"(l) (1) Except as otherwise provided in this subsection, major generals who are not retired or separated from the active list at an earlier date under other provisions of law shall be placed on the retired list on June 30 of the fiscal year in which they complete 5 years' service in the grade of major general or 35 years' total commissioned service as defined in subsection 102 (d) of this act, whichever is later: *Provided,* That any such officer shall, if recommended in the report of a board of not less than three naval officers convened for that purpose and approved by the Secretary of the Navy, be retained on the active list and, if not retired under other provisions of law, shall be placed on the retired list on June 30 of any succeeding fiscal year in which he is not again so recommended for retention on the active list by such a board or in which no such board is convened: *Provided further,* That an officer serving as Commandant of the Marine Corps shall not, while so serving, be subject to retirement under the provisions of this subsection: *And provided further,* That for the purposes of this subsection, service in grade shall be computed from the date of appointment in the grade of major general for officers appointed in that grade prior to August 7, 1947, and from the date of the occurrence of the vacancy in the grade of major general to which the officer is promoted to fill for officers promoted to that grade on or after August 7, 1947.

"(2) Each officer, when retired pursuant to this subsection, shall receive retired pay at the rate of 2½ percent of his active-duty pay in the grade in which serving at the time of retirement multiplied by the number of years of service for which he is entitled to credit in the computation of pay on the active list, but retired pay so computed shall not exceed a total of 75 percent of said active-duty pay."

(k) Amending subsection (m) of section 314 to read as follows:

"(m) The board to consider major generals for retention on the active list may be convened annually in the discretion of the Secretary of the Navy and shall be convened in any year when three or more such officers would otherwise be subject to retirement under the provisions of subsection (1) of this section. The number of officers which may

be recommended for retention by each such board shall not exceed the number furnished it by the Secretary of the Navy. The number so furnished shall be that which the Secretary of the Navy shall determine to be necessary to meet the requirements of the Marine Corps and, in any year when the number of officers otherwise subject to retirement under the provisions of subsection (1) of this section is three or more, the number so furnished shall not be less than the number of such officers in excess of two."

(l) Amending subsection (q) of section 314 to read as follows:

"(q) (1) Except as otherwise provided in this subsection, brigadier generals designated for supply duty who are not retired or separated from the active list at an earlier date under other provisions of law shall be placed on the retired list on June 30 of the fiscal year in which they complete 5 years' service in grade or 35 years' total commissioned service as defined in subsection 102 (d) of this act, whichever is later: *Provided,* That any such officer shall, if recommended in the report of a board of not less than three officers serving in ranks above that of brigadier general convened for that purpose and approved by the Secretary of the Navy, be retained on the active list and if not retired under other provisions of law, shall be placed on the retired list on June 30 of any succeeding fiscal year in which he is not again so recommended for retention on the active list by such a board or in which no such board is convened: *Provided further,* That an officer serving as Quartermaster General of the Marine Corps shall not, while so serving, be subject to retirement under the provisions of this subsection: *And provided further,* That for the purposes of this subsection, service in grade shall be computed from date of appointment in the grade of brigadier general for officers appointed in that grade prior to August 7, 1947, and from the date of the occurrence of the vacancy in the grade of brigadier general to which the officer is promoted to fill for officers promoted to that grade on or after August 7, 1947.

"(2) Each officer, when retired pursuant to this subsection, shall receive retired pay at the rate of 2½ percent of his active-duty pay in the grade in which serving at the time of retirement multiplied by the number of years of service for which he is entitled to credit in the computation of pay on the active list but retired pay so computed shall not exceed a total of 75 percent of said active-duty pay."

(m) Amending subsection (r) of section 314 to read as follows:

"(r) The board to consider brigadier generals designated for supply duty for retention on the active list may be convened annually in the discretion of the Secretary of the Navy and shall be convened in any year when two or more such officers would otherwise be subject to retirement under the provisions of subsection (q) of this section. The number of officers which may be recommended for retention by each such board shall not exceed the number furnished it by the Secretary of the Navy. The number so furnished shall be that which the Secretary of the Navy shall determine to be necessary to meet the requirements of the Marine Corps and, in any year when the number of officers otherwise subject to retirement under the provisions of subsection (q) of this section is two or more, the number so furnished shall not be less than the number of such officers in excess of one."

(n) Repealing subsection (s) of section 314.

(o) Repealing subsections (t) and (y) of section 314, effective July 1, 1950, and repealing subsection (v) of section 314, effective July 1, 1950, except as it applies to officers heretofore retired under its provisions.

(p) Redesignating subsection (u) of section 314 as subsection (s); redesignating subsection (w) of section 314 as subsection (t) and deleting in the said subsection the words "equal to" and substituting therefor the words "not exceeding"; and redesignating subsection (x) of section 314 as subsection (u).

SEC. 2. The Officer Personnel Act of 1947, as amended, is further amended by deleting in subsections 114 (h) and 314 (h) the word "four" and substituting in lieu thereof the word "three."

SEC. 3. Section 305 (a) (2) of the Officer Personnel Act of 1947, as amended, is amended to read as follows:

"The officers composing the board for the recommendation of rear admirals for continuation on the active list shall be officers on the active or retired list of the Navy. The officers composing other boards shall be officers on the active list of the Navy. No officer may be a member of two successive boards for the consideration of officers for promotion to the same grade."

SEC. 4. No officer shall be retired pursuant to this amendatory act prior to the first day of the sixth month following the month of its enactment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OSAGE INDIANS OF OKLAHOMA

The bill (S. 1719) to amend section 3 of the act of Congress approved June 28, 1906, relating to the Osage Indians of Oklahoma, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3 of the act of Congress approved June 28, 1906 (34 Stat. 539, 543), is amended by striking out "President of the United States" and substituting in lieu thereof "Osage Tribal Council, subject to the approval of the Secretary of the Interior."

DESIGNATION OF RESERVOIR AS LAKE MOHAVE

The bill (S. 2117) to provide for the designation of the reservoir to be formed by the Davis Dam on the Colorado River as Lake Mohave, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the reservoir to be formed by the impounding of the waters of the Colorado River by the Davis Dam now under construction shall be known and designated on the public records as Lake Mohave.

CONVEYANCE OF LAND TO ALPENA, MICH.

The Senate proceeded to consider the bill (H. R. 2783) to authorize the Secretary of the Interior to convey a certain parcel of land with improvements to the city of Alpena, Mich.

Mr. MORSE. Mr. President, I have discussed this bill with the Senator from Michigan [Mr. FERGUSON] and he has no objection to the amendment which I shall now offer. It is an amendment in line with the policy I have tried consistently to follow, and which I think I have followed wherever I have found a bill which seeks to convey Federal property to some State or municipality without fair compensation therefor.

Therefore I offer an amendment, on line 4 of page 1 of the bill, to strike out the words "without consideration therefor", and insert in lieu thereof the words "*Provided,* The city of Alpena, Mich., in Alpena County, Mich., pays 50 percent of the appraised fair market value of the property."

Mr. HENDRICKSON. Mr. President, does the distinguished Senator from Oregon know what the value of the land is?

Mr. MORSE. It is the opinion of the Senator from Oregon that it will run to the value of several hundred dollars.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

SETTLEMENT OF CLAIMS TO LANDS IN ALASKA

The bill (H. R. 4289) to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

JIM WHITE AND THE CARLSBAD CAVERNS

The bill (S. 1959) to commemorate Jim White and his contribution to the early history of Carlsbad Caverns, in the State of New Mexico, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of commemorating the contribution of Jim White to the early history and public knowledge of Carlsbad Caverns, the Secretary of the Interior is authorized to erect a plaque or marker with an appropriate inscription thereon within Carlsbad Caverns National Park. Such plaque or marker shall be erected near the elevator in the elevator building in the park.

SEC. 2. There is authorized to be appropriated for the purposes of this act not to exceed $200.

EL MORRO NATIONAL MONUMENT, N. MEX.

The Senate proceeded to consider the bill (S. 2274) to provide for the addition of certain lands to El Morro National Monument, in the State of New Mexico, and for other purposes.

Mr. HENDRICKSON. Mr. President, may we have some information as to what the cost of the bill will be?

Mr. ANDERSON. Mr. President, there are approximately 1,038 acres of very much second-grade land involved, the total appraised value of which is $8,167, an average of about $6 or $7 an acre. The amount involved is rather small. The original act providing for the creation of the El Morro Monument was framed in such a fashion that there is not a satisfactory approach to it, and we have been trying for a long time to get an agreement which would permit a small addition to the monument.

Mr. MORSE. Mr. President, what is proposed is that there be added to an

already existing national monument additional Federal land, is it not?

Mr. ANDERSON. That is correct.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to procure, for the protection and preservation of El Morro National Monument, the following-described land and interests in land:

NEW MEXICO PRINCIPAL MERIDIAN

Township 9 north, range 14 west:

Section 5, lots 1, 2, 3, 4; south half northeast quarter; south half northwest quarter; southwest quarter; and southeast quarter, containing six hundred forty and eighty one-hundredths acres;

Section 6, lots 1, 2, 3, 4; north half northeast quarter; northeast quarter northwest quarter; south half southeast quarter and southeast quarter southwest quarter, containing three hundred ninety-seven and ninety-two one-hundredths acres.

Comprising in all an addition of one thousand thirty-eight and seventy-two one-hundredths acres.

SEC. 2. All property acquired pursuant to this act shall become a part of the national monument upon the issuance of an appropriate order, or orders, by the Secretary of the Interior setting forth the revised boundaries of the monument, such order or orders to be effective upon publication in the Federal Register. Lands so added to the monument shall thereafter be subject to all laws and regulations applicable to the monument.

ELECTION FEES AND CHARGES IN ALASKA

The Senate proceed to consider the bill (H. R. 2387) authorizing the Governor of Alaska to fix certain fees and charges with respect to elections, which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 11, after the word "the", to strike out "governor of Alaska" and insert "Alaska Territorial Legislature"; on page 2, line 5, after the word "the", to strike out "governor" and insert "legislature"; in line 8, after the word "the", to strike out "governor" and insert "legislature", and in line 15, after the word "the", to strike out "governor" and insert "legislature."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (S. 2311) to protect the United States against certain un-American and subversive activities, and for other purposes, was announced as next in order.

Mr. SCHOEPPEL. On behalf of the Senator from North Dakota [Mr. LANGER], I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

DEMURRAGE CHARGES ON UNDELIVERED COLLECT-ON-DELIVERY PARCELS

The bill (S. 3117) to amend the act entitled "An Act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels", approved May 23, 1930, as amended (39 U. S. C. 246c), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels," approved May 23, 1930, as amended (39 U. S. C. 246c), is hereby amended to read as follows: "Under such regulations as the Postmaster General may prescribe, any collect-on-delivery parcel which the addressee fails to remove from the post office within 15 days from the first attempt to deliver or the first notice of arrival at the office of address may be returned to the sender charged with the return postage, whether or not such parcel bears any specified time limit for delivery; and a demurrage charge of not exceeding 5 cents per day may be collected when delivery has not been made to either the addressee or the sender until after the expiration of the prescribed period. No demurrage shall be charged on collect-on-delivery parcels exchanged between post offices in the continental United States and post offices in the Territories and island possessions of the United States."

SEC. 2. The Postmaster General may direct the immediate return to the sender, charged with return postage, of any collect-on-delivery parcel which is found to be undeliverable.

CLAIMS FOR PAYMENT OF CERTAIN POSTAL NOTES

The Senate proceeded to consider the bill H. R. 6475.

Mr. HENDRICKSON. Mr. President, may we have a brief explanation of the bill?

Mr. NEELY. Mr. President, this bill which was passed by the House on the 6th of March 1950 is remedial in nature. It would permit the Postmaster General to honor postal notes more than a year old, provided the original note is presented and no duplicate has been issued. It would enable the Comptroller General to dispose of files of paid postal notes that are more than a year old, and allow the redemption of postal notes that have been issued more than a year, in cases in which the original is presented for payment. No cost is involved. The bill has the approval of the Bureau of the Budget, the Postmaster General, and the Comptroller General.

Mr. HENDRICKSON. I thank the distinguished Senator from West Virginia.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

SINGLE SUPPLY CATALOG SYSTEM

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 97) to provide for a single supply catalog system.

Mr. SCHOEPPEL. Mr. President, in connection with this concurrent resolution, I have no intention of objecting, but I ask unanimous consent to have printed in the RECORD the report which accompanies the concurrent resolution, because of the fact that so many requests have been made for it.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report (No. 1361) was ordered to be printed in the RECORD, as follows:

The Committee on Expenditures in the Executive Departments, to whom was referred the concurrent resolution (H. Con. Res. 97) to provide for a single supply catalog system for all agencies of the Government, having considered the same, report favorably thereon and recommend that the concurrent resolution do pass.

PURPOSE

The purpose of this resolution is to place the Congress on record as approving the development and establishment of a single supply catalog system for all agencies of the Government at the earliest possible date.

BACKGROUND

A subcommittee of the House Armed Services Committee held extensive hearings on a similar measure (H. R. 321) during the Eightieth Congress, and at the conclusion of such hearings it was agreed to introduce House Concurrent Resolution 97 to place Congress on record as favoring the establishment of a single supply catalog system that is usable by all agencies of the Government.

Section 206 (a) of the Federal Property and Administrative Services Act of 1949 authorizes the Administrator of General Services to establish and maintain a uniform Federal supply catalog system for the purpose of identifying and classifying personal property under the control of each agency. To augment that authority, and to remove any ambiguity regarding its application, the committee believes that a single supply catalog system that is readily usable by both the military and civilian agencies of the Government should be established and has, therefore, approved the subject resolution.

During the recent war there were almost as many catalog systems as there were procurement agencies throughout the Government, and as a result considerable waste and delay was entailed in the procurement, warehousing, and delivery of supplies and materials at home and abroad. It is difficult to determine the monetary loss which has been incurred because of the lack of a uniform system. Competent authorities have estimated that the losses ran into billions of dollars during the war period.

Classification of Government supplies, materials, and equipment for the purpose of establishing a uniform supply catalog system has been under way by the Munitions Board and the Bureau of Federal Supply—now Federal Supply Services of GSA—since June 3, 1948. Considerable progress has been made by the 168 employees engaged in this activity for the Munitions Board and about 1,400 employees of the military departments, with but a small number of civilians participating for the General Services Administration. It is now estimated that the military analysis will be completed by June 30, 1952, at an estimated cost of $28,000,000. No funds have been appropriated for GSA's portion of this project. The Administration has, however, requested an appropriation of $441,932 for fiscal year 1951 to cover the GSA's program of classifying and cataloging those items which are interchangeable between military and civilian agencies, as well as those which are solely used by civilian departments.

Rather than await the completion of a single catalog, the interested Government agencies are placing into use various phases of the project as they become completed. This minimizes conversion and will bring about complete use without disrupting the Government's supply system. The end result will be that by the time the new catalog is complete the change-over to the new usage will be practically complete.

It is difficult to visualize the savings which may be accomplished by central catalog procurement. Admiral Ring, Director of Military Supply, Munitions Board, has stated that he estimates the savings will be very substantial and that considerable increase in efficiency will result. Other anticipated benefits are that in time of peace it will result in a massive reduction of storage and purchase requirements, and in time of war it will provide a positive system of identification for the procurement of parts at a time when time will be of the essence. That value cannot be measured in dollars. An additional benefit will accrue in the disposal of surplus property. At the close of the war the War Assets Administration was confronted with the task of disposing of hundreds of millions of dollars in personal property, much of which property had either improper or no identification.

It is apparent that the next logical step in this process is to establish a central inventory system. However, this committee recognizes the magnitude of completing the first task and is of the opinion that no additional legislative action on this program should be taken until a uniform catalog system is complete and installed throughout the Government.

There is complete agreement among all interested agencies upon the value and need for a uniform cataloging system and the Munitions Board, through its representatives, has urged the adoption of this concurrent resolution as an action which will strengthen and endorse the efforts which are already being made in behalf of the program.

The resolution will neither add nor detract from the authority contained in the Federal Property and Administrative Services Act of 1949 (Public Law 152). Nor will it change in any way the existing authority of the Department of Defense to carry on its work of analyzing and classifying every item of supply which it procures. However, it is believed that this legislation may encourage and develop closer working relationship between the military and civilian agencies and make possible considerable savings in the supply programs of the Federal Government.

HOOVER COMMISSION RECOMMENDATIONS AND COMMENTS

The Hoover Commission stated that—

"There is no uniform system of cataloging which permits identification and classification of the materials used by all of the agencies. There have been 17 unrelated systems of property identification in use at one time. This situation has resulted in the development of costly duplicating inventories throughout the Government. Since the recent war, the National Military Establishment has made some progress toward a coordinated system of property identification, and the Bureau of Federal Supply (now GSA) is now cooperating in this endeavor. Nevertheless, a declaration of congressional policy insisting upon a Federal commodity catalog is necessary to insure conformity of some of the old-line civilian agencies and to insure continued military-civilian cooperation."

The task-force report of the Commission further stated:

"It is believed that the important function of development, adoption, use, and maintenance of the Federal Commodity Catalog will not be satisfactorily solved until the Congress issues a policy statement to that effect and implements such policy by providing statutory authority and the necessary funds."

This resolution is in accord with these recommendations.

The following communications were addressed to the chairman of this committee by Hon. CARL VINSON, chairman of the House Committee on Armed Services, and by Representative JACK ANDERSON, sponsor of House Concurrent Resolution 97, in behalf of its approval by the Senate:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D. C., February 22, 1950.

Senator JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate, Washington, D. C.

DEAR SENATOR MCCLELLAN: House Concurrent Resolution 97, relating to a single supply catalog system for the procurement agencies of the Government, recently was passed by the House. I am advised that your committee has jurisdiction over this matter in the Senate.

While it may appear that a concurrent resolution is not entitled to the same consideration as the usual type of legislative proposal, I feel certain that this particular resolution is not subject to such a characterization.

At the present time, and for many months in the past, all of the interested Government agencies, military as well as civilian, have been endeavoring to establish a single supply catalog system, and I have no doubt that it will become a reality at some date in the future. My interest in the concurrent resolution is predicated upon my belief that an expression of this type by the Congress will accelerate the present efforts and remove the lethargy which is usually attendant upon such an undertaking.

I am convinced of the desirability of having a single supply catalog system, and will appreciate your early consideration of House Concurrent Resolution 97.

Sincerely,

CARL VINSON, *Chairman.*

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 21, 1950.

Senator JOHN L. MCCLELLAN,
Chairman, Committee on Expenditures in the Executive Departments, United States Senate.

DEAR SENATOR MCCLELLAN: I am enclosing herewith a copy of House Concurrent Resolution 97 and the House Armed Services Committee report thereon. This resolution was approved unanimously by the committee and passed by the House recently on the Consent Calendar.

I have just recently conferred with members of your committee staff and I am hopeful that it will be possible for you to set a hearing on the resolution either before your full committee or a subcommittee thereof at an early date.

Rather extensive hearings on the measure were conducted by a subcommittee of the House Armed Services Committee, and we feel that the passage of the resolution is imperative in order to spur the efforts of the Department of Defense and the civilian agencies of the Government to establish a single supply catalog system.

You will note that complete agreement has been reached between the Department of Defense, the Bureau of the Budget, and the General Services Administration.

I am sure that hearings before your committee would not be lengthy and that probably it would only be necessary to have Admiral Ring, Jess Larson, and myself as witnesses.

Anything that you may do to expedite consideration of the resolution above referred to will be deeply appreciated.

Assuring you of my hearty cooperation and with every good wish, I am

Sincerely yours,

JACK ANDERSON.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

The preamble was agreed to.

WITHHOLDING OF COMPENSATION DUE GOVERNMENT PERSONNEL

The bill (S. 2357), to amend the act of May 26, 1936, authorizing the withholding of compensation due Government personnel, which had been reported from the Committee on Expenditures in the Executive Departments, with amendments, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. HENDRICKSON. Mr. President, I ask to have inserted in the RECORD a statement by me in connection with the bill, together with a letter from the General Accounting Office under date of April 14, 1950.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR HENDRICKSON WITH RESPECT TO S. 2357, A BILL TO AMEND THE ACT OF MAY 26, 1936, AUTHORIZING THE WITHHOLDING OF COMPENSATION DUE GOVERNMENT PERSONNEL

The Senate committee report accompanying this bill points out that, without statutory authority, current salary payments to Federal employees may not be withheld in order to liquidate indebtedness to the United States.

The act of May 26, 1936, authorized a disbursing officer of the Government to withhold compensation of a Federal employee whenever General Accounting Office shall have disallowed a credit to a disbursing officer based upon a payment to such person. There is no provision in the law for similar withholding in cases where General Accounting Office raises a charge against a certifying officer for improper payment. This bill remedies that situation.

As amended, this bill would provide for withholding of salaries of Federal employees, in whole or in part, until the entire indebtedness is liquidated, in cases where there has been either a disallowance of credit or a charge raised, to a disbursing officer or a certifying officer of the Government.

After a careful study of the bill, S. 2357, it was believed desirable to obtain a clarification of the meaning of terms used, particularly of the phrase, "charge raised," as it appears on page 1, line 9, of the bill. Accordingly, request was made for comment by the Comptroller General. In response to that request, a memorandum, dated April 14, 1950, has been made available. It was prepared for the Comptroller General's use by the general counsel of the General Accounting Office, with the understanding that it could be placed in the CONGRESSIONAL RECORD as bearing upon the legislative history of the bill. The memorandum is as follows:

GENERAL ACCOUNTING OFFICE,
Washington, April 14, 1950.

Mr. CHARLES E. JOHNSON,
Office of the Comptroller General:

Consideration has been given to the construction of the words "or a charge raised" in the bill S. 2357, Eighty-first Congress, as reported by the Senate Expenditures Committee.

The said bill would amend the act of May 26, 1936 (49 Stat. 1374), so that whenever upon the statement of the account of any disbursing or certifying officer of the United States in the General Accounting Office credit shall have been disallowed or a charge raised for any payment to any person in the executive branch of the Government, otherwise

entitled to compensation from the United States, such compensation of the payee shall be withheld in part or in whole, until full reimbursement has been accomplished under such regulations as may be prescribed by the head of the agency under which such payee is entitled to receive compensation.

The terms "settlement of account" and "disallowance," as used in the act of May 26, 1936, and as applied to disbursing officers, have well-defined and long-established meanings. The "settlement of account" represents a settlement of an officer's money account for a specific period, showing a list of items for which credit has not been allowed in the account, and the term "disallowance" constituting a formalization of exceptions taken to questionable payments in said accounts which have not been removed or cleared by proper explanation or refund. However, unlike disbursing officers, a certifying officer has no public funds in his possession and hence renders no "money account" against which "disallowances" might be issued. For this reason the phrase contained in the present bill "or a charge raised" was deemed required to provide a basis for applying the provisions of the bill to certifying officers and was intended for application only in connection with certifying officers as distinguished from disbursing officers. Also it may be stated that such phrase, as used in the bill, contemplates a staement of exceptions outstanding against a certifying officer and not cleared by satisfactory reply or payment of the same degree of formality and finality represented by the "statement of account" or "disallowance" as those terms relate to disbursing officers.

It is, therefore, to be understood that the proposed enactment contemplates withholding of compensation only where the certifying or disbursing officer involved, after reasonable opportunity to explain or clear an exception challenging the propriety of payment, has not been able to do so, or has not done so, and credit has been disallowed or a charge raised for the amount by the issuance by the General Accounting Office of a certificate of settlement of the responsibilities of the accountable officer. Also, the bill contemplates that compensation will be withheld only where the officer certifying such compensation for payment or the officer making the payment has actual knowledge, or has been advised, that credit has been disallowed or a charge raised in the settlement of an accountable officers' responsibilities for an apparently improper payment. The bill is intended as an added safeguard to the United States and to certifying and disbursing officers generally, and there is no intention that charges be raised against accountable officers for failure to withhold compensation unless it plainly appears that at the time of making such payment or certification they had actual knowledge of the improper payment to the payee and that this Office in settlement of the responsibility of the accountable officer concerned had raised a charge or disallowed credit therefor.

E. L. FISHER,
General Counsel.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. McCLELLAN. Mr. President, the purpose of the bill is to authorize the heads of the departments and agencies to withhold compensation due and payable to officers and employees who have received improper payments of Government funds for which a certifying officer is held responsible; that is, where they have been overpaid, or have received funds for which a certifying officer may be held responsible to the Federal Government, any moneys then due the recipients of such funds may be withheld until an adjustment is made.

Mr. MORSE. Suppose in many of these individual cases there are disputes as to whether or not moneys were wrongfully paid.

Mr. McCLELLAN. This bill would give the right to withhold the funds until such time as the dispute could be adjusted.

Mr. MORSE. I have not had time to read the bill or the report.

Mr. McCLELLAN. Let me read briefly from the report:

The act of May 26, 1936, authorized the withholding of compensation to any person in the executive branch of the Government whenever upon the statement of account of a disbursing officer in the General Accounting Office credit shall have been disallowed for any payment to such person. The statute makes no provision for cases in which the General Accounting Office raises a charge against a certifying officer for improper payment.

In other words, the disbursing officer can make a charge on the general accounting officer, and this bill gives the general accounting officer authority to withhold payment. I read further:

This amendment provides a remedy for this situation and will authorize the head of the agency to withhold compensation due Government personnel when they are indebted to the United States by reason of overpayment or from some other transaction under which the employee received an overpayment or improper receipt of public funds. Under decisions of the courts, statutory authority is necessary for the withholding of current salary payments to officers and employees of the Government to liquidate indebtedness to the United States.

Mr. MORSE. Mr. President, let me discuss this procedure with the Senator on a hypothetical case, and see if I understand the bill.

A Government employee, we will assume, puts in an expense account, and the account is paid. Then subsequently it is claimed by the General Accounting officer that he was paid, let us say, $200 in excess of what he should have been paid. Weeks and months elapse, correspondence takes place, and finally $200 is withheld from the employee's pay check on the claim that he owes that amount to the Federal Government. This bill would authorize the withholding of that $200, would it?

Mr. McCLELLAN. It would, if the payment were a final payment, and was so found to be by the Comptroller General.

Mr. MORSE. In other words, we put the Federal employee in a somewhat different position from the private employee, we will say an employee of a corporation.

Mr. McCLELLAN. I believe the bill also provides that the payments may be in installments, so as not to work undue hardship.

Mr. MORSE. What recourse does the employee have if he feels he has not been overpaid on his expense account?

Mr. McCLELLAN. He has the same recourse that he had before he was paid.

Mr. MORSE. Why does not the Government wait until it pursues its ordinary course? I think in individual cases some serious injustice could develop.

Mr. McCLELLAN. It is merely a question of whether when it has been developed by the agents of the Government, constituted such by the Congress, that an error has been made, or an illegal payment has, unfortunately, been made, the salary of the employee may be withheld until the account is adjusted, or withheld in installments until repayment is made. If we do not want to do that, if we do not want to protect the innocent Government employee——

Mr. MORSE. I do not think it is a question of protecting the innocent Government employee.

Mr. McCLELLAN. I may say to the able Senator that the disbursing agents already have the authority, and this relates only to a case where the matter has gotten by a disbursing agent and gotten to the Comptroller General.

Mr. MORSE. I object.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

DRAINAGE CHARGES ON UINTAH INDIAN IRRIGATION PROJECT

The bill (H. R. 4070) to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah, was considered, ordered to a third reading, read the third time, and passed.

TRAVEL EXPENSE ACT OF 1949

The bill (H. R. 5951) to amend section 3 of the Travel Expense Act of 1949, was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF AUTHORIZED CERTIFYING OFFICERS IN THE DEPARTMENT OF COMMERCE

The Senate proceeded to consider the bill (S. 2969) to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Commerce.

Mr. MORSE. Mr. President, I ask for an explanation of the bill.

Mr. McCLELLAN. The purpose of the proposed legislation is to authorize the Comptroller General of the United States to remove suspensions and disallowances issued against vouchers approved by authorized certifying officers during the war. The certifying officers covered by this bill were employed by the Foreign Economic Administration, Office of Price Administration, War Production Board, Civilian Production Administration, Office of War Mobilization and Reconversion, and the Office of Economic Stabilization, during the period these agencies were in existence. After the war they were abolished and the records, property, and facilities were transferred to the Department of Commerce for liquidation. This legislation will not require the appropriation of additional funds, nor will it relieve any payee who has received payment of Government funds to which he is not entitled, and does not contemplate the relief of any certifying officer where his fraudulent conduct contributed to or caused the erroneous payment.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to allow credit, in the accounts of authorized certifying officers of terminated war agencies in process of liquidation by the Department of Commerce at the time of the enactment of this act, for the amounts of suspensions and disallowances, which have been, or may be, raised by the General Accounting Office on account of payments made in accordance with vouchers certified by such certifying officers: *Provided*, That the Secretary of Commerce or his authorized representative shall certify that in his opinion there is no evidence of fraud or collusion on the part of the certifying officers in connection with the payments: *Provided further*, That nothing under this act shall operate to relieve from liability to the United States, any payee who has received any payment of Government funds to which he is not entitled.

RELIEF OF AUTHORIZED CERTIFYING OFFICERS IN THE DEPARTMENT OF THE INTERIOR

The Senate proceeded to consider the bill (S. 3226) to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of the Interior.

Mr. McCLELLAN. The purpose of the bill is the same as that of the previous bill, except that it applies to the Department of the Interior. The preceding bill applied to the Department of Commerce.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to allow credit in the accounts of authorized certifying officers of terminated war agencies, in process of liquidation by the Department of the Interior at the time of the enactment of this act, for the amounts of suspensions and disallowances, which have been, or may be, raised by the General Accounting Office on account of payments made in accordance with vouchers certified by such certifying officers: *Provided*, That the Secretary of the Interior or his authorized representatives shall certify that in his opinion there is no evidence of fraud or collusion on the part of the certifying officers in connection with the payments.

SEC. 2. The expression "terminated war agencies," as used in this act, means the Solid Fuels Administration for War, the Petroleum Administration for War, the War Relocation Authority, the Coal Mines Administration, the Office of the United States High Commissioner to the Philippine Islands, and that part of the functions of the Division of Territories and Island Possessions authorized under the head of "Emergency fund, Territories and island possessions (national defense)" by the joint resolution of December 23, 1941 (55 Stat. 855, 856).

INVESTIGATION OF GAMBLING AND RACKETEERING ACTIVITIES—RESOLUTION PASSED OVER

The resolution (S. Res. 202) to investigate gambling and racketeering activities was announced as next in order.

Mr. DONNELL. Mr. President, I consider it exceedingly important that action on this resolution be had at an early date. I earnestly hope that such early consideration shall be had. I favor the resolution, with certain amendments, which I think would be proper to have incorporated therein.

I invite the attention of the Senate to the fact that at page 5285 of the CONGRESSIONAL RECORD, on April 17, 1950, the Senate was advised by the junior Senator from Tennessee [Mr. KEFAUVER] that he would offer a substitute to the resolution which, among other things, would establish a special committee, to be composed of five members of the Committee on the Judiciary and the Committee on Interstate and Foreign Commerce. It is my intention to oppose the substitute to which the distinguished Senator from Tennessee alludes. In my opinion, the subject matter which will be involved in the discussion of the substitute and the arguments in favor of the resolution, cannot be adequately discussed under the 5-minute limitation applicable to each speech under the consent calendar. Therefore, Mr. President, I object to the present consideration of the resolution.

The PRESIDING OFFICER. Objection is heard, and the resolution will be passed over.

NUMBER OF MIDSHIPMEN AT UNITED STATES NAVAL ACADEMY ALLOWED THE DISTRICT OF COLUMBIA

The bill (S. 2209) to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia, was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have an explanation of the bill?

Mr. BYRD. Mr. President, the bill would increase the number of midshipmen to be appointed from the District of Columbia from 5, as at present, to 15. At the present time, the District of Columbia has much lower representation in appointments than some States. For example, Vermont, with a population of 364,000, is presently entitled to 15 appointments, and Delaware, with a population of 293,000, is allowed the same number. Under the general law, each Senator and each Representative is allowed five appointments to the Naval Academy. The purpose of the pending bill, which was approved by the Committee on Armed Services, is to give fair representation to the District of Columbia by increasing the number from 5 to 15, which is in proportion to the population of the District of Columbia as compared with States having equal representation.

Mr. SCHOEPPEL. Mr. President, will the Senator yield for a question?

Mr. BYRD. Yes.

Mr. SCHOEPPEL. Representations have been made to the senior Senator from Kansas with reference to the measure to the effect that many apopintments from the District of Columbia are now arranged for by reason of the fact that so many eligible individuals who live in the District of Columbia come from all over the United States, and have the benefit of obtaining some degree of consideration for appointment from those States, and that probably there should not be this larger number granted. I should like to have the distinguished Senator from Virginia make a statement as to that.

Mr. BYRD. As I said, five midshipmen are allotted to each Senator and Representative in Congress, including the Resident Commissioner from Puerto Rico. In addition to that, five are allotted at the present time from the District of Columbia, and fifteen are appointed each year at large. One hundred are appointed annually from among the enlisted men of the Navy. I assume the category which the Senator from Kansas mentions relates to the 15 appointed at large each year. But they would not necessarily come from the District of Columbia. Probably very few of them would come from the District. They are frequently taken, as I understand, from the sons of naval officers. They would not necessarily live here.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. THYE. Who would have the appointing authority for the District?

Mr. BYRD. The District Commissioners.

Mr. THYE. The District Commissioners have the same appointing authority as a Representative or a Senator?

Mr. BYRD. Yes. Under the bill the number from the District would be fifteen, which would give the District fair representation on the basis of population. The committee thought that would be proper, but felt that five was totally inadequate for the District of Columbia.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2209) to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia, which had been reported from the Committee on Armed Services with amendments in line 11, after the word "years", to strike out "1949" and insert "1951", and in the same line, after the word "and", to strike out "1950" and insert "1952", so as to make the bill read:

Be it enacted, etc., That section 1 of the act entitled "An act to increase the number of midshipmen at the United States Naval Academy", approved December 20, 1917 (40 Stat. 430), as amended, is hereby further amended by striking out the words "and five for the District of Columbia" and inserting in lieu thereof the words "and fifteen for the District of Columbia".

SEC. 2. The increase in appointments provided in this act shall be accomplished by the appointment of not more than five during each of the years 1951 and 1952.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

INCREASE OF THE NUMBER OF CADETS AT THE UNITED STATES MILITARY ACADEMY

The bill (S. 2210) to amend the act entitled "An act to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the Corps of Cadets at authorized strength," approved June

3, 1942 (56 Stat. 306), was announced as next in order.

Mr. BYRD. Mr. President, this bill makes the same adjustment for appointments to the Military Academy from the District as was provided with respect to the midshipmen at the Naval Academy in the preceding bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2210) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the Corps of Cadets at authorized strength," approved June 3, 1942 (56 Stat. 306), be, and the same is hereby, amended by striking the word "six" preceding the words "District of Columbia" and inserting in lieu thereof the word "twelve."

CONVEYANCE TO TOWN OF NAHANT, MASS., OF THE FORT RUCKMAN MILITARY RESERVATION

The bill (H. R. 7477) providing for the conveyance to the town of Nahant, Mass., of the Fort Ruckman Military Reservation was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, I ask for an explanation of the bill.

Mr. O'CONOR. Mr. President, this bill was reported unanimously from the Committee on Expenditures in the Executive Departments. It provides for the execution of a quitclaim deed to the town of Nahant, Mass., of certain lands for use by the municipality. There are involved approximately 50 acres, 45 of which were acquired some 40 years ago, and during which time the town, at considerable expense to itself, provided facilities which, of course, represented quite a loss to the community, and, in addition, suffered other losses, such as to the roads and other facilities, as a result of the use of this fort for military purposes.

It was the feeling of the committee, I may say to the Senator from Oregon, that the reservation now is surplus, is not in use. Therefore, it represents an expense to the Government.

The terms of the deed will provide that return of the property to the Federal Government will be required and will be made necessary in the event of any emergency. So we feel every purpose will be served to the Federal Government by having the land available for this very useful public purpose and, at the same time, without additional expense to the Government.

Mr. MORSE. Mr. President, reserving the right to object, I should like to have the bill go over, so I can study it, because it represents a type of bill which is very difficult to reconcile with a principle which I believe to be rather important, namely, that Federal property should not be given away.

I am very much impressed by the argument of the Senator from Maryland—and I have read the committee report—that over the years this little town in Massachusetts has expended a considerable sum of money on this particular property. On the other hand, we have had a great many other instances in which that argument has also been used in respect to Federal property, only to find that the location of the Federal activity in the particular community has been a great asset to the community, too, over the years.

It is just this simple with me as to the position which should be taken on this kind of legislation: Here is Federal property. It is owned by all the people of the United States. There are undoubtedly some equities in this property in behalf of the people of this particular Massachusetts town. But, as a matter of policy, I think it is a mistake to start giving away Federal property without at least some compensation to all the taxpayers of the country. So until I can have the time—and I have not had the time—to study the bill and the committee report, and to discuss it with the Senators from Massachusetts and the Senator from Maryland, I must object, because I am afraid I might find myself in a position of violating a principle and a policy which I am not consciously going to violate.

As the bill presently stands, I think this Federal property, which belongs to all the people of the United States, must be worth at least a dollar, and if it is worth a dollar, I think we ought to receive 50 cents for it.

Mr. LODGE rose.

Mr. O'CONOR. Mr. President, before I yield to the Senator from Massachusetts may I say that the committee is in agreement with the general principles laid down by the Senator from Oregon, which we think are very important and very well considered. However, we believe the Senator, upon study of this particular situation, will come to the conclusion that it is better for the Federal Government, for the State, and for the local governments, to have the property used as it is proposed that it will be used, rather than to have it remain out of service, under expense to the Federal Government, particularly when there are offsetting considerations which entitle the small town of 3,000 population to the use of the land. The town has really paid for it in a measure.

I now yield to the Senator from Massachusetts.

Mr. LODGE. Mr. President, I am in substantial agreement with the philosophy of the Senator from Oregon that we should not give away Federal property. I have just received a telegram, I will say to the Senator, signed by the chairman of the board of selectmen of the town of Nahant, telling me that last night they had a meeting and unanimously voted to raise $23,000. That small town has voted to raise $23,000 for the purchase, which will be 50 percent, or half, the cost of purchasing Fort Ruckman.

I have in my hand a letter from Jess Larson, Administrator of General Services Administration, in which he says that the fair value of the property is $45,866. The town is on record as having voted to raise $23,000.

Mr. President, I had prepared an amendment in the event the action which the town took were to take place. I did not know until just a little while ago whether it took place or not. However, I had the amendment prepared in case such action were taken. It would amend the bill to require that upon payment to the United States of the sum of $23,000 the Administrator of General Services is authorized and directed to convey by quitclaim deed, and so forth and so forth. I ask the Senator from Oregon, whether, if the amendment were agreed to, he would withdraw his objection to the bill?

Mr. MORSE. Mr. President, I always withdraw my objection if the Government can get 50 percent of the fair market value of the property, and if the property is to be devoted to the public use, as I understand this property is. So that no one may misunderstand me on the matter, my position is that all the people of the country have a 50-percent interest in the value of the property when it is turned over to local governmental agencies for a public use; but I do not think the local people should pay 100 percent for the property.

Mr. President, I am not at all surprised at the statesmanlike attitude of the Senator from Massachusetts in respect to this matter. It characterizes his attitude in regard to all matters. I am perfectly willing to accept his amendment, with the understanding that the twenty-three thousand and some dollars represent 50 percent of the fair value of the property.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LODGE. Mr. President, I offer the amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and to insert in lieu thereof the following:

That, upon payment to the United States of the sum of $23,000 the Administrator of General Services is authorized and directed to convey by quitclaim deed to the town of Nahant, Mass., all of the right, title, and interest of the United States in and to all lands constituting the Fort Ruckman Military Reservation, situated within the town of Nahant, together with the buildings and other importments thereon, *Provided, however,* That the instrument of conveyance shall reserve to the United States, for so long as it is necessary for governmental purposes, that certain 15-foot easement for the maintenance, repair, and replacement of a cable and its appurtenances, and at such time as it shall be no longer required for governmental use, said easement may be abandoned and upon such abandonment will automatically terminate, and that certain temporary easement, terminating June 30, 1954, covering one and one-tenths acres of land used in connection with the Turf drainage investigation program, with right of access thereto, both easements being more particularly described in WAA Form 1005, dated June 22, 1948, Reporting Agency No. WD 1299, as amended by WAA Form 1005, December 15, 1948, Reporting Agency Form WD-1229-B, which are filed in the office of the General Services Administration.

Mr. LODGE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Jess Larson, Administrator, General Services Administration, addressed to me, dated November 29, 1949, which shows that the value of the property is $45,866, together with a telegram which I received from the town of Nahant, expressing their agreement.

There being no objection, the letter and telegram were ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
November 2, 1949.

Hon. HENRY CABOT LODGE, Jr.,
United States Senate,
Washington, D. C.

DEAR SENATOR LODGE: This is in further reference to your letter of October 7, 1949, regarding Fort Ruckman, Nahant, Mass., and to reply of this office of November 8, 1949, on this subject.

A further field investigation and review of the appraisal by Sidney L. Simonds, forwarded with your letter of Octotber 7, have been made by our New York regional office. In order to reconcile the wide variance of opinions as to the fair value of this property as expressed by the estimate furnished by Mr. Simonds, and the estimates obtained from the independent appraiser and our own appraiser, a study was made of recent land transactions in the immediate area. This study also included the assessed valuations of lands bordering this property, and the recent sales of reasonably comparable buildings at locations possessing somewhat similar characteristics and environment.

Consideration was given by the reviewing appraiser to the information relating to recent transfers of property which Mr. Simonds furnished in his report, and which apparently were given considerable weight in arriving at his conclusion of the fair value of the property.

From the report submitted by our New York office, it appears that a thorough review of both the appraisals furnished to the town of Nahant and War Assets has been made, based upon a reinspection of the property and consideration of all available valuation data by the reviewing appraiser.

The result of this review and study is to reduce the fair value of the land and those buildings which are considered to have a value for use in place from $52,200, as stated in my letter dated November 8, to $45,866. The remaining buildings, which are appraised separately for off-site use, are estimated to have a fair value of $6,884. Based on the information furnished by the regional office, it is our belief that the fair value of $45,866 is a fair and reasonable valuation.

I will be glad to furnish any additional information in connection with this case which you may require.

Sincerely yours,

JESS LARSON,
Administrator.

NAHANT, MASS., *April 18, 1950.*

Sen. HENRY CABOT LODGE, Jr.:

Town of Nahant unanimously voted to raise $23,000 for purchase of Fort Ruckman at annual meeting.

WILLIAM F. ENGLISH,
Chairman.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. LODGE].

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 7477) was read the third time and passed.

PAYMENT FOR THE TRANSPORTATION OF HOUSEHOLD EFFECTS OF CERTAIN NAVAL PERSONNEL

The bill (S. 2860) to authorize payment for the transportation of household effects of certain naval personnel, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, may we have an explanation of the bill, with particular regard to the category of personnel affected?

Mr. CAIN. Mr. President, it has been the normal practice for all the military services, when ordering retired or Reserve personnel to extended active duty, to authorize and pay for the transportation of a limited weight of household effects from home of record to the duty station. Similarly, upon relief from active duty household effects are transported at Government expense from last duty station to home of record, or to any other point equally or less distant. Also, if to a greater distance, credit is allowed in an amount equal to the cost of shipment to home of record.

In the instances covered in this bill, retired or Reserve naval personnel when called to duty did not move their household effects to their duty station, nor did the Government move their household effects during their active-duty period. However, upon relief from active duty these individuals requested that their household effects be transported at Government expense to some point other than their home of record based upon the same restrictions as would be effective had the Government previously moved their household effects to their last duty station. The Judge Advocate General of the Navy, based on naval regulations then in effect, ruled that in such instances transportation of household effects could be authorized at Government expense. As a result of this ruling, the Navy Department authorized and paid approximately $63,000 to 233 such individuals for the transportation of their household effects.

On June 13, 1947, the Comptroller General ruled that shipments of household effects from homes of record to places selected by naval personnel upon release from active duty was unauthorized and disallowed the payments already made by the Navy Department for such transportation. As a result of this ruling the Navy Department has attempted to secure reimbursement for the unauthorized shipments of household effects and has succeeded in collecting approximately $6,200.

This bill would legalize the shipments of household effects which the Navy Department authorized and paid for prior to the decision of the Comptroller General on June 13, 1947, and which were disapproved as a result of that ruling. It would further authorize the Navy Department to pay out of current appropriations for those shipments of household effects which were authorized by the Navy prior to June 13, 1947, the date of the Comptroller General's ruling, and which were not paid as a result of that ruling. If this bill is enacted into law the Navy Department will take no further steps to collect the balance of the $63,000 and will return the $6,200 already collected. The Navy Department estimates that there will be less than 100 claims for reimbursement for shipments of household effects which were authorized prior to June 13, 1947, the cost of which will not exceed $30,000. Therefore, the total additional cost of this bill might involve approximately $36,200.

The committee considered all aspects of this problem, including the views of the Comptroller General, and concluded that in view of the small number of claims involved and that shipments were made in good faith, it is in the best interest of all concerned to recommend the favorable consideration of this bill.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceded to consider the bill (S. 2860) to authorize payment for the transportation of household effects of certain naval personnel, which had been reported from the Committee on Armed Services, with an amendment, on page 2, line 1, after the word "been", to strike out "effected" and insert "authorized", so as to make the bill read:

Be it enacted, etc., That payment of the cost of transportation (including packing, crating, drayage, and unpacking) of household effects of members of the naval forces, upon release from active duty, from their homes of record to places selected by such members is hereby authorized to be made from current appropriations as may be available for such services and any payments representing the cost of such transportation (including packing, crating, drayage, and unpacking) heretofore made, are ratified and approved: *Provided,* That such transportation shall have been authorized prior to June 13, 1947, pursuant to duly promulgated regulations of the Navy Department: *Provided further,* That the transportation costs authorized to be paid hereunder are limited to the constructive costs of transportation from the last duty stations to the homes of record.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended, was announced as next in order.

The PRESIDING OFFICER. This bill is the unfinished business, and it goes over automatically.

The bill (H. R. 6567) to increase the borrowing power of Commodity Credit Corporation was announced as next in order.

Mr. WILLIAMS. I ask that the bill go over.

The PRESIDING OFFICER. Objection being heard, the bill will be passed over.

The bill (H. R. 7797) to provide foreign economic assistance was announced as next in order.

Mr. HENDRICKSON. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LAWRENCE B. WILLIAMS AND VIVA CRAIG WILLIAMS

The bill (H. R. 6696) for the relief of Lawrence B. Williams and his wife, Viva Craig Williams, was considered, ordered to a third reading, read the third time, and passed.

EDGAR F. RUSSELL AND OTHERS

The bill (H. R. 6695) for the relief of Edgar F. Russell; Lillian V. Russell, his wife; and Bessie R. Ward, was considered ordered to a third reading, read the third time, and passed.

HUGO GEIGER

The bill (S. 356) for the relief of Hugo Geiger was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at port of entry of aliens as immigrants for permanent residence in the United States, that provision of section 3 of the Immigration Act of 1917, as amended (U. S. C., title 8, sec. 136 (e)), which excludes from admission into the United States persons who have been convicted of or admit having committed a felony or other crime or misdemeanor involving moral turpitude, shall not hereafter be held to apply to Hugo Geiger, the son of Otto and Karoline Geiger, who are American citizens, on account of the offense alleged to have been committed by him in connection with a theft of food in Germany. If he is found otherwise admissible under the immigration laws, an immigration visa may be issued and admission granted to the said Hugo Geiger under this act upon application hereafter filed.

SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota for nationals of Germany during the current year.

CLEMENTE SABIN DOPICO

The bill (S. 118) for the relief of Clemente Sabin Dopico was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Clemente Sabin Dopico, also known as Clementi Sabin Dopico, of Tampa, Fla. (file No. A-6279638), shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment by him of the required head tax and visa fee.

SEC. 2. The Attorney General is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued with respect to the said Clemente Sabin Dopico.

SEC. 3. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Spain.

MARIA FRANZIA

The bill (S. 290) for the relief of Maria Franzia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of section 401 (e) of the Nationality Act of 1940, as amended (U. S. C., title 8, sec. 801 (e)) (relating to loss of nationality through voting in a political election in a foreign state), shall not apply in the case of the participation of Maria Franzia, of the Province of Ligure, Italy, in the elections in Italy in 1946.

DOROTHEA SINGER

The bill (S. 395) for the relief of Dorothea Singer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Dorothea Singer (No. A-6524463 E & RAU), temporarily residing in New York, N. Y., shall be deemed to have been lawfully admitted into the United States for permanent residence, as of the date of her last actual entry into the United States, upon payment by her of the required visa fee and head tax.

SEC. 2. The Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond issue in the case of Dorothea Singer. From and after the date of enactment of this act the said Dorothea Singer shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or such warrants and order have issued.

SEC. 3. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available quota for nationals of Hungary.

EMMA L. JACKSON

The bill (S. 404) for the relief of Emma L. Jackson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to Emma L. Jackson, of Indianapolis, Ind., in full settlement of all claims against the United States on account of the death of her husband, Everett L. Jackson, who died as a result of injuries sustained while fighting a fire at Fort Benjamin Harrison, Ind., May 31, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with his claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

VIT KOMAREK

The bill (S. 1143) for the relief of Vit Komarek was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, the alien, Vit Komarek, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. MARIE GULBENKIAN

The bill (S. 1214) for the relief of Mrs. Marie Gulbenkian was announced as next in order.

The PRESIDING OFFICER. House bill 3771, Calendar 1442, is an identical House bill. Is there objection to the consideration of the House bill, instead of the Senate bill?

There being no objection, the bill (H. R. 3771) for the relief of Mrs. Marie Gulbenkian was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1214 will be indefinitely postponed.

Mr. SPARKMAN. Mr. President, in that connection let me say that I understood that the Senate bill was reported with an amendment. Does the Senate bill with the amendment correspond to the House bill?

Mr. McCARRAN. That matter is taken care of in the House bill.

WILHEMUS JOHANNES MARIE VAN DER KOOY

The bill (S. 1419) for the relief of Wilhemus Johannes Marie Van Der Kooy was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, the alien, Wilhemus Johannes Marie Van Der Kooy, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 6, 1948, the date on which he was admitted as a visitor, upon payment of head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANTON BOS

The bill (S. 1561) for the relief of Anton Bos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Anton Bos, of Oakland, Calif., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of the Netherlands.

KARIN MARGARETA HELLEN AND OLOF CHRISTER HELLEN

The bill (S. 1693) for the relief of Karin Margareta Hellen and Olof Christer Hellen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Karin Margareta Hellen and her minor son, Olof Christer Hellen, of Portland, Oreg.,

who were admitted into the United States on temporary visas, shall be deemed to have been lawfully admitted into the United States for permanent residence as of October 24, 1948, upon the payment of the required visa fees and head taxes.

SEC. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct two numbers from the nonpreference category of the first available immigration quota for nationals of Finland.

ZORA KRIZAN

The bill (S. 1753) for the relief of Zora Krizan, also known as Zorardo Krizanova, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, Zora Krizan, also known as Zorardo Krizanova, of Perrysville, Pa., shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 16, 1948, the date on which she entered the United States on a temporary visa, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Czechoslovakia.

MARINA GEORGE PAPADOPOULOS

The bill (S. 2265) for the relief of Marina George Papadopoulos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, the alien, Marina George Papadopoulos, Las Vegas, Nev., shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date she last entered the United States, upon payment of the head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. OSA J. PETTY

The bill (S. 3012) for the relief of Mrs. Osa J. Petty was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Osa J. Petty, of New Matamoras, Ohio, the sum of $78.37, in full satisfaction of her claim against the United States for compensation for performing the duties of lamplighter for the Wells Island Light in the Ohio River during the period from January 18, 1949, to May 28, 1949: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LT. (JG) CHARLES W. IRELAND, ETC.

The bill (S. 3090) for the relief of Lt. (jg) Charles W. Ireland, Supply Corps, United States Navy, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the payments made by Lt. (jg) Charles W. Ireland, Supply Corps, United States Navy, symbol No. 573180, to certain civilians employed by the Navy Department in the maintenance and operation of the Aiken Relay Calculator, for the cost of their travel and that of their dependents and for the cost of transportation of their household effects incident to the transfer of such personnel from Cambridge, Mass., to Dahlgren, Va., are hereby ratified and the Comptroller General of the United States is hereby authorized and directed to credit the accounts of the said Lt. (jg) Charles W. Ireland in the amounts of such payments.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert W. Rose the sum of $143.56, which sum represents reimbursement for expenses incurred by him in the transportation of his household effects to Dahlgren, Va.

SALOMON HENRI LAIFER

The Senate proceeded to consider the bill (S. 304) for the relief of Salomon Henri Laifer, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 1, after the word "the", to strike out "nonpreference category of the first available immigration quota for nationals of France" and insert "appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Salomon Henri Laifer, of Bridgeport, Conn. (file No. A-6965201), who entered the United States as a visitor on July 19, 1948, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of July 19, 1948, upon payment by him of the required head tax and visa fee.

SEC. 2. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LOW WAY HONG

The Senate proceeded to consider the bill (S. 331) for the relief of Low Way Hong, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert the following:

That, for the purposes of immigration and naturalization laws, Low Way Hong, the minor child of Low Wen Been, a citizen of the United States, shall be considered as eligible for admission to the United States under the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, if otherwise admissible under the immigration laws.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JURISDICTION IN CLAIMS OF ESTATE OF ARCHANGELO STRANERI—BILL PLACED AT FOOT OF CALENDAR

The bill (S. 583) conferring jurisdiction upon the United States District Court for the Eastern District of Pennsylvania to hear, determine, and render judgment upon the claims of the estate of Archangelo Straneri was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, if the sponsors of the bill will accept a substitute conferring jurisdiction on the Court of Claims, I shall withhold objection and shall favor the bill. However, I think the bill as it now stands, conferring jurisdiction upon the United States District Court for the Eastern District of Pennsylvania, violates a rather fixed principle which we have in respect to claims of this sort.

Mr. McCARRAN. Mr. President, I have no objection to the amendment, if the Senator wishes to offer it, to have jurisdiction conferred upon the Court of Claims.

Mr. HENDRICKSON. May the bill go to the foot of the calendar, Mr. President, until the amendment can be drafted?

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

JURISDICTION IN CLAIM OF FOREST LUMBER CO.

The Senate proceeded to consider the bill (S. 764) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co. which had been reported from the Committee on the Judiciary with an amendment on page 2, line 21, after the word "act.", to strike out "Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.", and insert "Upon the rendition of final judgments, the court shall certify the same to the Secretary of the Interior, who shall thereupon direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 2103 of the Revised Statutes (U. S. C., title 25, sec. 81) and notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of the Court of Claims with respect to claims upon any contract implied in law, jurisdiction is hereby conferred upon such court to hear, determine, and render judgment upon the claim of the Forest Lumber Co. against either the United States in a fiduciary capacity or the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians in connection with the contract construed by such court in its decision dated January 12, 1938, in the case of Forest Lumber Co., a corporation, against the United States (86 C. Cls. 188).

SEC. 2. The amount of any judgment awarded by the Court of Claims upon such claim shall not exceed the amount of the judgment heretofore awarded by such court in the case of Forest Lumber Co., a corporation, against the United States (86 C. Cls. 188, 225). Such judgment may be awarded against the United States in a

fiduciary capacity or as guardian, or against the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians, or in part against the United States in a fiduciary capacity or as guardian and in part against such tribe, as the facts and law require, except that as to timber cut from allotted lands any judgment may be against the United States as guardian of the allottees.

SEC. 3. Suit upon such claim may be instituted by or on behalf of the Forest Lumber Co. at any time within 1 year after the date of enactment of this act. Upon the rendition of final judgments, the court shall certify the same to the Secretary of Interior, who shall thereupon direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JURISDICTION IN CLAIM OF ALGOMA LUMBER CO. AND OTHERS

The Senate proceeded to consider the bill (S. 765) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust, which had been reported from the Committee on the Judiciary with an amendment on page 3, line 4, after the word "act.", to strike out "Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code, as amended.", and insert "Upon the rendition of final judgments, the court shall certify the same to the Secretary of Interior, who shall thereupon direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 2103 of the Revised Statutes (U. S. C., title 25, sec. 81) and notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of the Court of Claims with respect to claims upon any contract implied in law, jurisdiction is hereby conferred upon such court to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. (including the claim of George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust, successors by transfer, conveyance, and assignment thereof) against either the United States in a fiduciary capacity or the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians in connection with the contract construed by such court in its decision dated January 12, 1933, in the case of Algoma Lumber Co., a corporation, against the United States (86 C. Cls. 226).

SEC. 2. The amount of any judgment awarded by the Court of Claims upon such claim shall not exceed the amount of the judgment heretofore awarded by such court in the case of Algoma Lumber Co., a corporation, against the United States (86 C. Cls. 226, 271). Such judgment may be awarded against the United States in a fiduciary capacity or as guardian, or against the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians, or in part against the United States in a fiduciary capacity or as guardian and in part against such tribe, as the facts and law require, except that as to timber cut from allotted lands any judgment may be against the United States as guardian of the allottees.

SEC. 3. Suit upon such claim may be instituted by or on behalf of the Algoma Lumber Co. as by the said trustees as successors in interest thereto at any time within 1 year after the date of enactment of this act. Upon the rendition of final judgments, the court shall certify the same to the Secretary of Interior, who shall thereupon direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JURISDICTION IN CLAIM OF LAMM LUMBER CO.

The Senate proceeded to consider the bill (S. 766) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co., which had been reported from the Committee on the Judiciary with an amendment on page 2, line 20, after the word "Act", to strike out "Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 145 of the Judicial Code as amended.", and insert "Upon the rendition of final judgments, the court shall certify the same to the Secretary of the Interior, who shall thereupon direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 2103 of the Revised Statutes (U. S. C., title 25, sec. 81) and notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of the Court of Claims with respect to claims upon any contract implied in law, jurisdiction is hereby conferred upon such court, to hear, determine, and render judgment upon the claim of the Lamm Lumber Co. against either the United States in a fiduciary capacity or the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians in connection with the contract construed by such court in its decision dated January 12, 1938, in the case of Lamm Lumber Co. against the United States (86 C. Cls. 171).

SEC. 2. The amount of any judgment awarded by the Court of Claims upon such claim shall not exceed the amount of the judgment heretofore awarded by such court in the case of Lamm Lumber Co. against the United States (86 C. Cls. 171, 188). Such judgment may be awarded against the United States in a fiduciary capacity or as guardian, or against the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians, or in part against the United States in a fiduciary capacity or as guardian and in part against such tribe, as the facts and law require, except that as to timber cut from allotted lands any judgment may be against the United States as guardian of the allottees.

SEC. 3. Suit upon such claim may be instituted by or on behalf of the Lamm Lumber Co. at any time within 1 year after the date of enactment of this act.

Upon the rendition of final judgments, the court shall certify the same to the Secretary of the Interior, who shall thereupon direct the payment of said judgments out of any funds in the Treasury of the United States to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHEN-KYA HAHN

The Senate proceeded to consider the bill (S. 861) for the relief of Chen-Kya Hahn, which had been reported from the Committee on the Judiciary with an amendment in line 11, after the word "available", to strike out "immigration quota for China" and insert "Chinese racial immigration quota", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration laws, Chen-Kya Hahn, of San Francisco, Calif., shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 21, 1947, upon payment by him of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available Chinese racial immigration quota.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 891) for the relief of Ronald Clive Jack was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SPARKMAN. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

Mr. MCCARRAN subsequently said: Mr. President, reverting to Calendar 1405, Senate bill 891, did I correctly understand there was objection to its present consideration?

The PRESIDING OFFICER. Objection was made by the Senator from Alabama [Mr. SPARKMAN].

Mr. MCCARRAN. Mr. President, does the Senator from Alabama care to state his objection?

Mr. SPARKMAN. I desire to look over the report a little more carefully than I have had time to do thus far, and I ask that the bill go over.

The PRESIDING OFFICER. On objection, the bill will be passed over.

DR. JUAN A. QUERALT BALLESTE

The Senate proceeded to consider the bill (S. 1452) for the relief of Dr. Juan A. Queralt Balleste, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "of", to strike out "August 19, 1948", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Dr. Juan A. Queralt Balleste shall

be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Spain.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RUDOLF MEINHARD AND IRENE HALLINGER

The Senate proceeded to consider the bill (S. 1491) for the relief of Rudolf Meinhard and Irene Hallinger, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert the following:

That, for the purposes of the immigration and naturalization laws, Rudolf Meinhard and Irene Hallinger shall be considered to be the natural-born alien children of Mr. and Mrs. Gustav Stattner, United States citizens.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANDRE LAN

The Senate proceeded to consider the bill (S. 1506) for the relief of Andre Lan, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert the following:

That, in the administration of the laws relating to immigration and naturalization the alien, Andre Lan, a lawful resident of the United States, shall be held and considered to have resided in the United States for 5 years prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSE AUGUSTO PEREIRA

The Senate proceeded to consider the bill (S. 1551) for the relief of Jose Augusto Perira, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert the following:

That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond which may have been issued in the case of Jose Augusto Pereira, of Fall River, Mass. From and after the date of enactment of this act, the said Jose Augusto Pereira shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

SEC. 2. In the administration of the immigration and naturalization laws, the said Jose Augusto Pereira, who last entered the United States on October 31, 1939, shall be considered as having been lawfully admitted to the United States for permanent residence as of the date of his last entry, upon payment by him of the required visa fee and head tax.

SEC. 3. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Portugal.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANASTACIA ROSHANI

The Senate proceeded to consider the bill (S. 1573) for the relief of Anastacia Roshani, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 10, after the word "entry", to insert "upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, the alien Anastacia Roshani, a national of Iran, temporarily residing at 1203 Sheffield Street, Pittsburgh, Pa., who entered the United States on May 15, 1948, at New York, N. Y., for a temporary stay, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of such entry, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EFRONSINI ABAD

The Senate proceeded to consider the bill (S. 1672) for the relief of Efronsini Abad, which had been reported from the Committee on the Judiciary with an amendment, in line 4, after the word "the", to strike out "son" and insert "daughter", so as to make the bill read:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Efrosini Abad, of Istanbul, Turkey, who is the daughter of a citizen of the United States, shall be deemed to be a child under 21 years of age.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANASTASIOS KOLLIAS

The Senate proceeded to consider the bill (S. 1802) for the relief of Anastasios Kollias, which had been reported from the Committee on the Judiciary with an amendment, in line 6, after the word "of", to strike out "November 1, 1948,", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration laws, Anastasios Kollias shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date on which he entered the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Greece.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SISTERS MARIA RITA ROSSI, MARIA DOMENICA PAONE, RACHELE ORLANDO, ASSUNTA ROSELLI, ROSA INNOCENTI, AND MARIA MANCINELLI

The Senate proceeded to consider the bill (S. 1856) for the relief of Sisters Maria Rita Rossi, Maria Domenica Paone, Rachele Orlando, Assunta Roselli, Rosa Innocenti, and Maria Mancinelli, which had been reported from the Committee on the Judiciary with an amendment, at the top of page 2, to insert a new section, as follows:

SEC. 2. Upon the enactment of this Act, the Secretary of State is authorized and directed to deduct six numbers from the nonpreference category of the first available quota for nationals of Italy.

So as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Sisters Maria Rita Rossi, Maria Domenica Paone, Rachele Orlando, Assunta Roselli, Rosa Innocenti, and Maria Mancinelli, who were admitted to the United States on temporary visas, shall be deemed to have been lawfully admitted to the United States for permanent residence as of the dates of their last entries, on payment of the required visa fees and head taxes.

SEC. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to deduct six numbers from the nonpreference category of the first available quota for nationals of Italy.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARCANTONIO DORIA D'ANGRI AND WIFE, SONIA STAMPA DORIA D'ANGRI

The Senate proceeded to consider the bill (S. 1869) for the relief of Marcantonio Doria d'Angri and his wife, Sonia Stampa Doria d'Angri, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause, and insert:

That, in the administration of the immigration and naturalization laws, Marcantonio Doria d'Angri and his wife, Sonia Stampa Doria d'Angri, citizens of Italy, who last entered the United States at the port of New York, on May 29, 1948, as visitors, shall be deemed to have been lawfully admitted to the United States for permanent residence as of the date of their last entry, upon payment by them of the required visa fees and head taxes.

SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the nonpreference category of the first available quota for nationals of Italy.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ITALO VESPA DE CHELLIS

The Senate proceeded to consider the bill (S. 2108) for the relief of Italo Vespa de Chellis, which had been reported from

the Committee on the Judiciary with an amendment, on page 1, beginning with line 3, strike out to and through line 1, on page 2, as follows:

That the Secretary of State is authorized and directed to cause an immigration visa to be issued to Italo Vespa de Chellis, temporarily residing in Windsor, Ontario, Canada, permitting his immediate entry into the United States for permanent residence, if he is found to be otherwise admissible under the provisions of the immigration laws, other than those relating to quotas. Upon issuance of such visa, the Secretary shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of China.

And insert:

That, for the purposes of the immigration and naturalization laws, Italo Vespa de Chellis shall be held and considered to be the minor child of his mother, Mrs. Ninetta Vespa de Chellis, lawfully admitted legal resident of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THOMAS PFEIFFER

The Senate proceeded to consider the bill (S. 2714) for the relief of Thomas Pfeiffer, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Thomas Pfeiffer, who is presently residing in Montreal, Canada, and who is to be adopted by Mr. and Mrs. Ely Beaumont, of Burbank, Calif., shall be deemed to be the alien child of said Mr. and Mrs. Ely Beaumont, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LT. (SG) GIACONIA FALCO

The bill (H. R. 1487) for the relief of Lt. (sg) Giaconia Falco, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Reserving the right to object, may we have an explanation of the measure?

The PRESIDING OFFICER. An explanation is requested. The Senator from Nevada.

Mr. McCARRAN. Mr. President, the files of the Judiciary Committee contain a summary of the files of the Immigration and Naturalization Service with regard to this alien. Ordinarily, the granting of preexamination is not an indication of an exceptionally meritorious case. Under some circumstances, it may be such an indication; and this is a case in which it is.

The situation is this: This man came to the United States in February 1947, under a visitor's visa. In July of 1947, he applied for an extension of his temporary stay. During the investigation of that application for an extension, he expressed the desire to apply for preexamination so that he could proceed to Canada and obtain a visa for permanent residence. As soon as he had made that expression, the Bureau of Immigration and Naturalization took it that he desired to remain in the United States indefinitely, and therefore denied his application for an extension of stay. That meant that when his temporary visa expired, on August 5, 1947, he was immediately in the status of an alien illegally in the United States.

The Immigration and Naturalization Service then proceeded to consider this man's application for preexamination. Ordinarily, the regulations require a period of residence longer than this man had been in the country. There is, however, a provision of law which states that in a case of exceptional merit, preexamination may be granted without compliance with the residence requirement. Senators will find that provision in section 142.1 (c), title 8, Code of Federal Regulations.

This alien submitted to the Immigration and Naturalization Service a certificate signed by Capt. Michael P. Russillo, of the United States Navy, who was commander of Submarine Division 72, certifying to the service rendered by this alien from February 11, 1945, to October 1, 1945, aboard the Royal Italian submarine *Dandolo*, cooperating with United States naval units operating in North American waters under the operational control of the United States Navy. The alien also submitted a letter dated September 30, 1947, from Captain Russillo, in which it was stated that the alien "showed great qualities of cooperation and enthusiasm in our war effort." The alien also submitted to the Immigration and Naturalization Service copies of a letter, which is printed in the committee's report on this bill, from Admiral Nimitz, praising the work of the officers and men of the Italian submarines of which the *Dandolo* was one.

In consideration of all the circumstances, and after examining the evidence submitted by the alien, and questioning the alien himself, the Immigration and Naturalization Service granted preexamination on the ground that this was an exceptionally meritorious case.

The alien thereafter applied for his visa at the American consulate in Montreal, but was advised that a visa could not be granted, because he had entered the United States subsequent to September 10, 1946. That was the date on which a new regulation became effective, providing that an alien who is in the United States illegally may not file a registration form at an American consular office. Remember, this man came to the United States legally, on a temporary visa, and applied, in good time, for an extension of that visa; but at the time of his examination on that application, he told the Immigration and Naturalization Service that he wanted to stay in the United States permanently, if he could; and therefore, the extension of temporary stay was denied. That meant that the alien was, technically, illegally in the United States.

Let me simplify the picture. In order to apply for preexamination, this man had to state his desire to remain in the United States for permanent residence. When he stated that desire, he could not get a further extension of his temporary stay; and even though the Immigration and Naturalization Service granted preexamination, on the grounds that this was an exceptionally meritorious case, the procedure took so long that by the time the alien could apply to a consulate in Canada for registration, his temporary permit had expired and he had become, technically, an alien illegally in the United States, and therefore ineligible to register.

This may sound funny to Senators, but it is a very serious matter for this man whose case the Bureau of Immigration and Naturalization has found to be exceptionally meritorious, but who must nevertheless be deported unless special legislation in his behalf is enacted.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1487) for the relief of Lt. (sg) Giaconia Falco was considered, ordered to a third reading, read the third time, and passed.

GIOVANNA PARISI ET AL.

The bill (H. R. 2591) for the relief of Giovanna Parisi, Michelina Valletta, Yolanda Altieri, Generosa Tamburi, Carolina Picciano, and Giovanna Turtur, was considered, ordered to a third reading, read the third time, and passed.

WALTER E. PARKS

The bill (H. R. 3010) for the relief of Walter E. Parks, was considered, ordered to a third reading, read the third time, and passed.

WALTER J. O'TOOLE

The bill (H. R. 3462) for the relief of Walter J. O'Toole, was considered, ordered to a third reading, read the third time, and passed.

DR. T. F. HARRISON

The bill (H. R. 3924) for the relief of Dr. T. F. Harrison, was considered, ordered to a third reading, read the third time, and passed.

J. R. HOLDEN AND OTHERS

The bill (H. R. 4342) for the relief of J. R. Holden, R. C. Biggadike, and John Hoffman, was considered, ordered to a third reading, read the third time, and passed.

JOSEPH W. GREER

The bill (H. R. 5341) for the relief of Joseph W. Greer, was considered, ordered to a third reading, read the third time, and passed.

JANIS SHIMADA

The bill (H. R. 5704) for the relief of Janis Shimada was considered, ordered to a third reading, read the third time, and passed.

BEULAH L. WHITE, WIDOW OF JOHN E. WHITE

The bill (H. R. 6003) for the relief of Beulah L. White, widow of John E. White, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. SCHOEPPEL. Mr. President, may we have an explanation of this bill, especially with reference to the possible

application of the statute of limitations? I think the statute of limitations is involved in the measure, and I should like to have the distinguished chairman of the Judiciary Committee discuss that feature.

Mr. McCARRAN. Mr. President, the beneficiary of this bill is the widow of a former White House chauffeur. The amount involved is $7,009, and represents compensation to which this woman's late husband would have been entitled, for night work and for Sunday and holiday overtime.

The late husband of this claimant worked at all times as a White House chauffeur, until he was retired for age in 1945. He served 7 days a week, 52 weeks a year, except for one 2-week vacation each year. During the period from August 1935 to August 1940, he was on the Post Office Department pay roll, having been transferred in order to make a place on the White House pay roll for the late President Roosevelt's personal chauffeur. This man was not advised that he was entitled to be paid extra for his overtime and night work, until just before he retired. He was not a well-educated man, and was not familiar with paper work, and he tried ineffectually for more than 4 years to secure the extra pay which was due him; but he got something of a run around, and it was not until the year before his death that anyone told him he should file his claim with the General Accounting Office instead of with the Post Office Department. When he did file his claim with the General Accounting Office, the statute had run against him, and all but about $350 of his claim was denied for that reason. It was the view of the committee that in justice and equity, the widow of this faithful servant should be paid the amount to which he was justly entitled, but which he failed to receive not because of his own fault, but because of the callousness or negligence of officials superior to him.

The amount of the claim has been reduced in accordance with the recommendation of the Comptroller General.

Mr. SCHOEPPEL. Then the Senator feels that, owing to the extraordinary circumstances, the matter is taken out of a situation which might establish a dangerous precedent; is that correct?

Mr. McCARRAN. That was the view of the committee, after very careful consideration.

Mr. SCHOEPPEL. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill (H. R. 6003), for the relief of Beulah L. White, widow of John E. White, was considered, ordered to a third reading, read the third time, and passed.

MASAMI HIROYA AND AIKO HIRAYA

The bill (H. R. 6093) for the relief of Masami Hiroya and Aiko Hiraya was considered, ordered to a third reading, read the third time, and passed.

MRS. EIVOR ANNE-BRITT JEDLUND

The bill (H. R. 6282) for the relief of Mrs. Eivor Anne-Britt Jedlund was considered, ordered to a third reading, read the third time, and passed.

JOHNY NIELSEN

The bill (H. R. 6283) for the relief of Johny Nielsen was considered, ordered to a third reading, read the third time, and passed.

MRS. RAYMOND SCHAFFER, JR.

The bill (H. R. 6345) for the relief of Mrs. Raymond Schaffer, Jr., was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF SUSIE LEE SPENCER

The Senate proceeded to consider the bill (H. R. 1026), for the relief of the estate of Susie Lee Spencer, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 5, after the words "sum of", to strike out "$5,000" and insert "$7,500."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

AILEEN L. SHERWOOD

The Senate proceeded to consider the bill (H. R. 2351), for the relief of Aileen L. Sherwood, which had been reported from the Committee on the Judiciary, with an amendment in line 6, page 1, to strike out "$1,087.50" and to insert in lieu thereof "$58.50."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

WADE H. NOLAND

The Senate proceeded to consider the bill (H. R. 2854), for the relief of Wade H. Noland, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 6, after the words "sum of", to strike out "$145.50" and insert "$228.25."

Mr. HENDRICKSON. Mr. President, I should like to ask the distinguished sponsor of this measure a question, if I may. Is it not true that this bill is for the relief of a United States commissioner who is really in laches?

Mr. McCARRAN. I think the Senator is correct.

Mr. HENDRICKSON. Mr. President, I certainly object to a bill which would waive the statute of limitations for a United States commissioner who should know his rights.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

STELLA AVNER

The Senate proceeded to consider the bill (H. R. 4720) for the relief of Stella Avner, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 2, after the word "on", to strike out "October 16, 1946" and insert "October 13, 1946."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CLAIM OF J. T. MELSON

The Senate proceeded to consider the bill (H. R. 597), to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of J. T. Melson, against the United States, which had been reported from the Committee on the Judiciary with amendments on page 1, line 6, after the word "liability", to insert "if any,", and in line 7, after the word "recovery", to insert "if any,".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

MRS. WALTER K. MIYAMOTO

The Senate proceeded to consider the bill (H. R. 1862) for the relief of Mrs. Walter K. Miyamoto, which had been reported from the Committee on the Judiciary with amendments on page 2, line 1, after the word "be", to strike out "immediately issued an immigration visa upon application hereafter filed" and insert "granted the status of a nonquota immigrant", and after line 3, to strike out:

SEC. 2. Upon the issuance of the visa, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available quota for nationals of Japan.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 5511) to amend the provisions of the Perishable Agricultural Commodities Act of 1930 relating to practices in the marketing of perishable agricultural commodities was announced as next in order.

Mr. SPARKMAN. Mr. President, has not that bill already been passed?

Mr. McCARRAN. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. There is a corresponding Senate bill on the calendar, prior to the point where the call of the calendar was begun today.

Mr. McCARRAN. Then it must have been objected to at some previous time.

Mr. WILLIAMS. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

MRS. LYDIA L. SMITH

The Senate proceeded to consider the bill (S. 2079) for the relief of Mrs. Lydia L. Smith which had been reported from the Committee on the Judiciary, with an amendment in line 6, page 1, to strike out "$2,640" and to insert "$2,384.33."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Lydia L. Smith, of Aiken, S. C., the sum of $2,384.33, representing the amount of pension she

would have received for the period beginning on July 7, 1944, and ending on March 9, 1948, had her claim for a widow's pension been filed within 1 year after July 7, 1944, the date fixed by the War Department as the presumptive date of death of Capt. Lloyd B. Smith, who was reported missing in action on July 6, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

FISHER CONTRACTING CO.

The bill (H. R. 4959) to reimburse the Fisher Contracting Co. was announced as next in order.

Mr. SCHOEPPEL. Mr. President, may we have a brief explanation of this measure?

Mr. HAYDEN. This bill is identical with a bill favorably reported to the Senate heretofore. The only question which was raised at that time was whether the claim should be considered by the Court of Claims in Washington or by a United States district court in the area. The House having passed the bill, providing that the jurisdiction be in the United States district court in the area, it seemed to me that the Senate might well concur and pass the bill. That was the only issue involved.

Mr. SCHOEPPEL. I thank the Senator.

Mr. WILLIAMS. Mr. President, do I correctly understand that this bill is the same as Calendar 1257, Senate bill 1950?

The PRESIDING OFFICER. That is correct.

Mr. WILLIAMS. In view of the fact that the bill has been previously objected to——

Mr. HAYDEN. I have explained to the Senate why objection was made at that time.

Mr. WILLIAMS. Was the Senator from Kansas the only Senator who objected to it?

Mr. HAYDEN. That is correct.

Mr. McCARRAN. As I understand, the bill was passed over for further consideration. It was not objected to.

Mr. SCHOEPPEL. In fairness, I desire to make an explanation, since the question has arisen. I merely requested that the bill go over for further study and determination, and that is the reason I asked for an explanation. I have satisfied myself at this time.

Mr. WILLIAMS. In view of the fact that the Senator from Kansas is satisfied, I have no objection.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill H. R. 4959 was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 1950 will be indefinitely postponed.

RETROCESSION TO MASSACHUSETTS OF CERTAIN LAND IN SHIRLEY, MASS.

The Senate proceeded to consider the bill (H. R. 4433) to make retrocession to the Commonwealth of Massachusetts over certain land in Shirley, Mass., which had been reported from the Committee on Armed Services with amendments on page 2, line 2, after the word "Deeds", to strike out "of 1947," and in line 3, after the numerals "1600", to insert "of 1947."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

CONVEYANCE OF LANDS TO TWO ROCK UNION SCHOOL DISTRICT, IN CALIFORNIA

The Senate proceeded to consider the bill (H. R. 4732) to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California in Sonoma County, Calif., and to furnish said school district water free of charge which had been reported from the Committee on Armed Services, with an amendment on page 4, line 10, after the word "rate", to strike out "not to exceed" and insert "equivalent to."

The amendment was agreed to.

Mr. MORSE. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFER OF PART OF CAMP JOSEPH T. ROBINSON TO THE STATE OF ARKANSAS

The Senate proceeded to consider the bill (H. R. 3783), authorizing the transfer of part of Camp Joseph T. Robinson to the State of Arkansas, which had been reported from the Committee on Armed Services, with an amendment.

Mr. MORSE. Mr. President, I ask for an explanation of the bill.

Mr. McCLELLAN. Mr. President, I rise to make a statement.

This bill was introduced by Congressman BROOKS HAYS of Arkansas. It passed the House on April 3. The Department of the Army concurs in the legislation and the Bureau of the Budget interposes no objection. The letter setting forth the Department of the Army's views appear in the House report. The bill was amended in the House to meet the suggestions contained in the Army's letter.

The purpose of the bill is to convey approximately 33,467 acres of land located on Camp Joseph T. Robinson to the State of Arkansas for National Guard purposes.

Camp Robinson is located about 5 miles north of Little Rock. It originally was known as Camp Pike, during World War I, but during World War II was greatly expanded and was renamed.

The property is now surplus to the Department of the Army. Of the original acreage of 48,700, 15,000 has already been disposed of. Of the buildings which were on the reservation during the war, 8,800 have been declared surplus and removed. The remaining 33,000 acres, buildings and utilities which are under consideration in this bill, are now under a 5-year lease to the State of Arkansas, and are being used by the Arkansas National Guard as a training area. The facilities are adequate to take care of about 6,500 men. The State desires to continue the property as a permanent National Guard installation because of its size and its favorable location within the State. However, it is reluctant to make any expenditure of State funds on the property until it has acquired title. The Department of the Army interposes no objection to transferring the property for National Guard uses provided a suitable right of recapture is retained. That is the amendment which has been added to the bill. The Army's position is that this provides a good way of keeping this property on a stand-by, or "mothball," status until it is needed again.

Special legislation is necessary to accomplish this purpose because of the fact that the general legislation which would permit this has been permitted to lapse. Public Law 829 of the Eightieth Congress authorized the transfers to States of surplus property suitable for, and needed by, the civilian components. Public Law 829 was an amendment to the Surplus Property Act of 1944, which lapsed when the new Surplus Property Act, the Federal Property and Administrative Services Act of 1949, became effective.

The bill consists of three sections.

Section 1 authorizes the transfer to the State of Arkansas of the property in question, reserving to the United States all mineral rights.

Section 2 provides that the property must be used primarily for the training of the National Guard for military purposes and provides for a reversion to the United States should the State fail to use the property for the purpose intended. Such reversion would also include any improvements made by the State.

Section 3 gives to the United States the right of recapture in case of national emergency without any obligation to make payment of any kind.

Favorable consideration of this legislation is urged because of the fact that general legislation to meet the situation has lapsed. The Army concurs in the desirability of the transfer, as does the Bureau of the Budget. The legislation as drafted, therefore, seems to fulfill the requirements of all interested parties.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. MORSE. Mr. President, I will ask that the bill go over until the next call of the calendar.

The PRESIDING OFFICER. The bill will be passed over.

Mr. McCLELLAN subsequently said: Mr. President, I am advised that what is attempted to be done by this bill has been done under the general law to which I referred, which has expired, in five different instances heretofore. One was in connection with Camp Swift, Tex.; one at San Antonio, Tex., Arsenal; at Fort Huachuca, Ariz.; at the Naval Separation Center, Nashville, Tenn., and at the Ridgewood Forge Plant, Ohio.

I merely mention this because it seems that the purpose is to afford an advantage to national defense, an advantage to the national Government, in order that the areas concerned, which have

been used for camp sites, be not completely abandoned, but be used for military purposes by the National Guard, and placed on a standby basis, so that they would be available in all instances in case of a national emergency.

Mr. HAYDEN. Mr. President, that is exactly what was done in the case of Fort Huachuca, Ariz. Part of it used for military purposes was reserved for the National Guard. The part that was up in the mountains has been reserved for use of the Arizona Fish and Wildlife Service. It is all there available for use to the Nation at any time when there may be a threat of war.

Mr. McCLELLAN. That is all the bill seeks to accomplish. Of course, there has been a request that it go over, and that is all right, but there is nothing in the bill to provide any advantage for Arkansas, any more than it will actually be in the interest of the general welfare and in the interest of the national defense.

The PRESIDING OFFICER. Objection has been heard, and the bill has gone over.

SISTER STEFANIA CUPRYS

The Senate proceeded to consider the bill (S. 587) for the relief of Sister Stefania Cuprys, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause, and insert the following:

That for the purposes of the immigration and naturalization laws Sister Stefania Cuprys shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon payment of the required visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAMES GREENWOOD

The Senate proceeded to consider the bill (S. 615) for the relief of James Greenwood, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert the following:

That in the administration of the immigration and naturalization laws James Greenwood shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of the visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JACQUES YEDID AND OTHERS

The Senate proceeded to consider the bill (S. 977) for the relief of Jacques Yedid and others, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 4, after the name "Henriette Yedid", to strike out "Richard Emanuel Yedid,", and on page 2, line 2, after the name "Lebanon", to strike out "Palestine", so as to make the bill read:

Be it enacted, etc., That, in the administration of the immigration laws, Jacques Yedid, Henriette Yedid, and Ethel Danielle Yedid shall be considered as having been lawfully admitted for permanent residence as of the date of their last entries into the United States, on payment of the required visa fees and head taxes.

SEC. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct appropriate numbers from the nonpreference category of the first available immigration quota for nationals of Lebanon, Poland, and Egypt.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Jacques Yedid, Henriette Yedid, and Ethel Danielle Yedid."

JOHN SPLINGAERD AND OTHERS

The Senate proceeded to consider the bill (S. 1051) for the relief of John Splingaerd, his wife, and two children, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 4, after the word "laws", to strike out "John" and insert "Paul Joseph", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Paul Joseph Splingaerd, his wife, Helen Colette, and his two children, Renee and Christine, of Twenty-nine Palms, Calif., who were admitted into the United States on temporary visas, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of their actual entry into the United States, upon the payment by them of the required head taxes and visa fees.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct appropriate numbers from the nonpreference category of the proper immigration quota or quotas.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Paul Joseph Splingaerd, his wife, and two children."

STEVEN ETIENNE LASZLO AND OTHERS

The Senate proceeded to consider the bill (S. 1572) for the relief of Steven Laszlo, and others, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert the following:

That, in the administration of the immigration and naturalization laws, Mary Laszlo and her son, Ervin Laszlo, of New York, N. Y., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of their last entry into the United States, upon payment of the required visa fees and head taxes.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such numbers are available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mary Laszlo and her son, Ervin Laszlo."

VICTOR ALEXANDROVITCH MARTINUK

The bill (S. 2013) for the relief of Victor Alexandrovitch Martinuk, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any exclusion proceedings and to cancel any outstanding order of exclusion or warrant of deportation issued in the case of Victor Alexandrovitch Martinuk. From and after the date of enactment of this act, the said Victor Alexandrovitch Martinuk shall not again be subject to exclusion or deportation by reason of the same facts upon which any such exclusion proceedings were commenced or such orders of exclusion or deportation issued.

SEC. 2. In the administration of the immigration laws, the said Victor Alexandrovitch Martinuk shall be considered as having been lawfully admitted into the United States for permanent residence as of the date of his last actual entry into the United States, upon the payment of the required visa fee and head tax.

SEC. 3. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the proper immigration quota.

ADELE DE PAULI

The Senate proceeded to consider the bill (S. 2040) for the relief of Adele De Pauli, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 4, after "Adele De", to strike out "Pauli" and insert "Paoli", so as to make the bill read:

Be it enacted, etc., That, in the administration of the immigration laws, Adele De Paoli, of Denver, Colo, who was admitted into the United States on a diplomatic visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Italy.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Adele DePaoli."

MRS. JAMES A. VAUGHN

The Senate proceeded to consider the bill (S. 2053) for the relief of Mrs. James A. Vaughn, which had been reported from the Committee on the Judiciary

with an amendment to strike out all after the enacting clause, and insert the following:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Vivienne Joy Wilson, the Japanese fiancée of James A. Vaughn, a citizen of the United States and former civilian employee of the armed forces of the United States, and that Vivienne Joy Wilson may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Vivienne Joy Wilson is coming to the United States with a bona fide intention of being married to said James A. Vaughn, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Vivienne Joy Wilson, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur wthin 3 months after entry of said Vivienne Joy Wilson, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Vivienne Joy Wilson as of the date of her entry into the United States upon the payment by her of the required fees and head taxes.

SEC. 2. Notwithstanding the provision of section 13 (c) of the Immigration Act of 1924, Mary Ann Vaughn, the minor child of the said Vivienne Joy Wilson shall, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, be held and considered to be the natural-born alien child of James A. Vaughn, a citizen of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Vivienne Joy Wilson and minor daughter Mary Ann Vaughn."

EIVIND HOGNESTAD

The bill (S. 2175) for the relief of Eivind Hognestad, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Eivind Hognestad, of Chicago, Ill., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the proper immigration quota.

DR. BEI TSE CHAO AND HIS WIFE, MAY CHAO

The bill (S. 2176) for the relief of Dr. Bei Tse Chao and his wife, May Chao, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Dr. Bei Tse Chao and his wife, May Chao, of Chicago, Ill., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of October 18, 1948, the date of their last entry into the United States, upon payment of the required head taxes and visa fees.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct two numbers from the nonpreference category of the proper immigration quota.

PETER HEYDEN

The bill (S. 2232) for the relief of Peter Heyden, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Peter Heyden, of Oneida, Wis., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of the Netherlands.

TEVFIK KAMIL KUTAY

The Senate proceeded to consider the bill (S. 2243) for the relief of Tevfik Kamil Kutay, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 2, after the word "entry", to strike out "and shall not be debarred from becoming naturalized as a citizen of the United States," so as to make the bill read:

Be it enacted, etc., That notwithstanding the first proviso of section 3 (a) of the Selective Training and Service Act of 1940, as amended, and sections 13 (c) and 28 (c) of the Immigration Act of 1924, as amended, the alien Tevfik Kamil Kutay, of Los Angeles, Calif., a national of Turkey who entered the United States at New York, N. Y., on September 19, 1939, for a temporary stay as a student, and whose wife and minor daughter are residents and citizens of the United States, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of such date of entry. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Turkey for the first year such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

HYMAN WINTERMAN

The Senate proceeded to consider the bill (S. 2257), for the relief of Hyman Winterman, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert the following:

That for the purposes of the immigration and naturalization laws Hyman Winterman shall be deemed to be a native of Great Britain.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. APOSTOLOS A. KARTSONIS

The bill (S. 2258) for the relief of Dr. Apostolos A. Kartsonis, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Dr. Apostolos A. Kartsonis, of Ann Arbor, Mich., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Greece.

MARIANNE BRUCHNER

The Senate proceeded to consider the bill (S. 2629) for the relief of Marianne Bruchner, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, after line 2, to strike out:

The the Secretary of State is authorized and directed to cause a nonimmigrant temporary visa to be issued to Marianne Bruchner, German fiancée of World War II veteran Daniel Reule, of Edmunds, N. Dak., who was prevented, because of delay in processing her case, from entering the United States prior to the expiration of Public Law 51, Eighty-first Congress.

And in lieu thereof, to insert the following:

That in the administration of the immigration and naturalization laws, Marianne Bruchner, the fiancée of Daniel Reule, a United States citizen veteran of World War II, may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months if otherwise admissible under the immigration laws.

So as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Marianne Bruchner, the fiancée of Daniel Reule, a United States citizen veteran of World War II, may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months if otherwise admissible under the immigration laws: *Provided*, That the administrative authorities find that the said Marianne Bruchner is coming to the United States with a bona fide intention of being married to the said Daniel Reule. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Marianne Bruchner, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Marianne Bruchner, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Marianne Bruchner as of the date of her entry into the United States upon the payment of the required head tax and visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

GEORGES GREGORY ALPIAR

The bill (S. 2107), for the relief of Georges Gregory Alpiar, was considered,

ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, Georges Gregory Alpiar, of Cashmere, Wash., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Turkey.

DR. JOHN R. PORTARIA

The bill (S. 2511), for the relief of Dr. John R. Portaria, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Dr. John R. Portaria, of Portsmouth, Va., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of China (white).

MRS. BILLY J. KNIGHT AND DOROTHEA KNIGHT

The bill (S. 2556), for the relief of Mrs. Billy J. Knight and Dorothea Knight, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. JOHNSON of Texas subsequently said: Mr. President, I ask unanimous consent to have printed immediately prior to the consideration of Senate bill 2556, Calendar No. 1466, a statement relating to that bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSON OF TEXAS ON S. 2556

This is a matter of greatest importance to a 19-month-old baby girl in Munich, Germany, and to its grandparents in the small west Texas town of Littlefield. It concerns the child of an American boy who served in the army of occupation in Germany.

The boy, Pfc Billy J. Knight, went overseas 4 years ago, and some time later he wrote his parents in west Texas that he was married to a German girl. A baby, Dorothea, named in this bill, was born to Billy and Ellinor Knight in September 1948.

Billy returned to the United States on furlough last year and never again saw his wife and child. He was drowned in a lake near Amarillo.

His parents' first thought naturally was of their granddaughter. They contacted the child's mother, learned she was unable to support the baby and that the child was ill. Ellinor Knight was also unable to present documentary evidence of her marriage so that this American soldier's daughter might be deemed to be a United States citizen by birth and join her grandparents without further delay.

It was finally determined the baby could not enter the United States except under the immigration quota for Germany, which, as you no doubt know, would require several years delay.

Mr. and Mrs. Knight sold their home in Littlefield and moved to a less desirable place in order to have greater resources with which to assist their grandchild. They send money, food, and clothes to the mother, but still the mother is in destitute circumstances. The Knights are, naturally, afraid they will soon lose all trace of the baby unless something is done as soon as possible. Their whole hope lies in this bill.

This bill would confer United States citizenship upon the daughter of Pvt. Billy Knight. It would also entitle his wife to a nonquota immigration status.

The Department of Justice has satisfied itself as to the facts in the case, and has offered no objection to the passage of this bill.

The Judiciary Committee reported the bill favorably and unanimously. The committee's report summed up the purpose of the bill in pure and simple terms as to "preserve for the daughter of an American soldier her right to grow up in the country for which her father fought."

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed.

ARTICAIRE REFRIGERATION CO.

The bill (S. 2646) for the relief of Articaire Refrigeration Co. was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Articaire Refrigeration Co., of Kansas City, Mo., the sum of $1,500, representing the unpaid purchase price of air-conditioning equipment installed by the said company in an Army recruiting station in Kansas City, Mo., under unnumbered contract, purchase order No. 821, dated July 16, 1947, payment of such sum by the Department of the Army having been held to be unauthorized: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ADMISSION OF FOREIGN LABORERS TO PERFORM AGRICULTURAL WORK

The Senate proceeded to consider the bill (S. 272) to facilitate the admission of certain foreign workers desiring to perform agricultural work in the United States, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 4, after the word "the", to strike out "Secretary of Agriculture" and insert "Administrator of the Federal Security Agency"; on page 2, line 2, after the word "such", to insert "temporary"; in line 3, after the word "the", to strike out "Secretary of Agriculture" and insert "Administrator"; in line 4, after the word "certification", to insert a colon and the following proviso: "*Provided,* That the admission of such residents pursuant to this act shall be for a period not to exceed 6 months, subject to a renewal period not to exceed an additional 6 months"; in line 11, after the word "to", to strike out "contract laborers,"; after line 18, to insert "Determination of the admissibility of workers under this act who are contract laborers within the meaning of section 3 of the Immigration Act of 1917, as amended (39 Stat. 875; 8 U. S. C. 136), shall be made by the Attorney General as provided in said section 3, except that, in arriving at his decision, the Attorney General may base that decision upon the certification made by the Administrator of the Federal Security Agency concerning the need for such labor in this country."; on page 3, line 9, after the word "in", to strike out "accordance with section 20" and insert "the same manner as provided for by sections 19 and 20"; after line 18, to insert a new section, as follows:

SEC. 2. Any workers admitted under this act must be admissible to the United States under all provisions of the immigration laws, except as otherwise specified in this act.

On page 3, after line 21, to insert a new section, as follows:

SEC. 3. The Commissioner of Immigration and Naturalization, with the approval of the Attorney General, shall prescribe such regulations, not inconsistent with the terms of this act, as shall be deemed necessary for the enforcement of this act.

And on page 4, after line 3, to insert a new section, as follows:

SEC. 4. The provisions of this act shall terminate 2 years following the date of its enactment, except that those provisions relating to the deportation of aliens admitted under the act shall remain in effect against any alien so admitted.

So as to make the bill read:

Be it enacted, etc., That, notwithstanding any other provision of law, whenever the Administrator of the Federal Security Agency determines that the supply of domestic workers willing and able to perform agricultural work is inadequate, he shall so certify to the Commissioner of Immigration and Naturalization and such Commissioner shall, with the approval of the Attorney General, prescribe regulations permitting the admission of native-born residents of North America, South America, and Central America, and the islands adjacent thereto into the United States to meet such shortage in such numbers and for such temporary periods as the Administrator specifies in his certification: *Provided,* That the admission of such residents pursuant to this act shall be for a period not to exceed 6 months, subject to a renewal period not to exceed an additional 6 months. Workers so admitted shall be exempt from the payment of head tax required by section 2 of the Immigration Act of February 5, 1917, and from other admission charges, and shall be exempt from those excluding provisions of section 3 of such act which relate to the requirements of literacy, and the payment of passage by corporations, foreign governments, or others. Each such resident shall be provided with an identification card (with his photograph and fingerprints) to be prescribed under the said regulations, which shall be in lieu of all other doumentary requirements, including the registration at time of entry or after entry required by the Alien Registration Act of 1940. Determination of the admissibility of

workers under this act who are contract laborers within the meaning of section 3 of the Immigration Act of 1917, as amended (39 Stat. 875; 8 U. S. C. 136), shall be made by the Attorney General as provided in said section 3, except that, in arriving at his decision, the Attorney General may base that decision upon the certification made by the Administrator of the Federal Security Agency concerning the need for such labor in this country. Any such resident admitted under the foregoing provisions who fails to maintain the status for which he was admitted or to depart from the United States in accordance with the terms of his admission shall be taken into custody under a warrant issued by the Attorney General at any time after entry and deported in the same manner as provided for by sections 19 and 20 of the Immigration Act of February 5, 1917. Sections 5 and 6 of such act shall not apply to the importation of aliens under this act.

When used in this act, the term "agricultural work" includes any services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938 or section 1426 (h) of the Internal Revenue Code, as amended.

SEC. 2. Any worker admitted under this act must be admissible to the United States under all provisions of the immigration laws, except as otherwise specified in this act.

SEC. 3. The Commissioner of Immigration and Naturalization, with the approval of the Attorney General, shall prescribe such regulations, not inconsistent with the terms of this act, as shall be deemed necessary for the enforcement of this act.

SEC. 4. The provisions of this act shall terminate 2 years following the date of its enactment, except that those provisions relating to the deportation of aliens admitted under the act shall remain in effect against any alien so admitted.

Mr. HAYDEN. Mr. President, in the absence of the Senator from West Virginia [Mr. NEELY], who indicated that he would object to consideration of the bill because he wanted to give it further consideration, I intend to ask that the bill go over. There is an obvious error in the bill, and the amendment of the committee should be amended accordingly. I do not intend to ask that the bill be considered at the present time. I intend to ask that it go over. However, I wish to point out that at the time the bill was introduced, the text of the bill provided that the Secretary of Agriculture should determine whether workers were needed in this country. The committee amended the bill to provide that the Administrator of the Federal Security Agency should make the determination.

That was done because at the time the matter was under consideration the United States Employment Service was in the Federal Security Agency. In the meantime, by the adoption of an Executive order, that Service was transferred to the Department of Labor. What I wish to do is to perfect the bill. Perhaps the way to do it would be to disagree to the first committee amendment, strike out "Secretary of Agriculture," and substitute therefor "Secretary of Labor."

Mr. MCCARRAN. I shall be glad to accept such an amendment.

Mr. SCHOEPPEL. May I ask the distinguished Senator from Arizona what would be accomplished by the acceptance of his amendment to the committee amendment?

Mr. HAYDEN. It would provide that, instead of the Secretary of Agriculture or the Administrator of the Federal Security Agency passing on the question of whether or not foreign labor is needed, the Secretary of Labor would determine the question, because the United States Employment Service, by Executive order, has been transferred from the Federal Security Agency to the Department of Labor. Therefore, the proper agency to make the decision is the Department of Labor. I do not say that we should take up the bill for final passage at this time. I believe the amendment which I propose would have to be made in three places in the bill.

Mr. SCHOEPPEL. Mr. President, will the Senator yield for a further question?

Mr. HAYDEN. Yes.

Mr. SCHOEPPEL. Is it the Senator's thought that the bill as amended should be passed at this time?

Mr. HAYDEN. No; it should be passed over, because there are other considerations. I should like to perfect the bill so far as it can be perfected at this time, so that when it is taken up again its provisions will be understood.

Mr. SCHOEPPEL. I definitely concur with the distinguished Senator from Arizona with reference to that.

Mr. HAYDEN. Mr. President, the first committee amendment, on page 1, line 4, should be rejected so as to strike out "Secretary of Agriculture" and also "Administrator of the Federal Security Agency" and insert in lieu thereof "Secretary of Labor."

Mr. ANDERSON. Mr. President, all that we should like to do is to put the bill in proper shape so that when it is considered all of us may have a complete understanding of its provisions. I am very happy to hear that the distinguished chairman of the Judiciary Committee [Mr. MCCARRAN] is willing to accept the amendment proposed by the Senator from Arizona. If we accept the amendmen, all of us will understand just what the bill provides for. The Senator from Arizona will not ask to have it acted upon finally at this time. We are perfectly willing to have it go over, in order to give Senators an opportunity to consider the proposed change in the bill.

The PRESIDING OFFICER. Will the Senator restate his motion?

Mr. HAYDEN. My motion is to disagree to the committee amendment and to insert "Secretary of Labor." That is the first motion.

The PRESIDING OFFICER. The parliamentary situation, as the Parliamentarian states it to the Chair, is that the substance of the Senator's motion is to amend a committee amendment. Does the Senator so move?

Mr. HAYDEN. Yes; I am willing to do it in any way it can be done. I desire to strike out the words "Secretary of Agriculture" wherever they appear in the bill and substitute in lieu thereof "Secretary of Labor."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ANDERSON. Mr. President, would the Senator from Arizona be willing to submit his amendments en bloc?

Mr. HAYDEN. Yes. On page 2, line 3, strike out "Secretary of Agriculture" and insert in lieu thereof "Secretary of Labor."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona to the committee amendment.

The amendment to the amendment was agreed to.

Mr. HAYDEN. Mr. President, on page 3, lines 2 and 3, it is proposed to amend the committee amendment by striking out "Administrator of the Federal Security Agency," and inserting in lieu thereof "Secretary of Labor."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona to the committee amendment.

The amendment to the amendment was agreed to.

Mr. MCCARRAN. Mr. President, I should like to have the attention of the Senator from New Mexico and the Senator from Arizona. The bill has been delayed for a considerable length of time in its passage through the Committee on the Judiciary. I think it is quite essential that it should receive reasonably prompt consideration by this body and that it should be passed, because the time is fast approaching, if it has not already arrived, when the labor which we are seeking to bring into the country will be needed. The bill should be favorably considered, if not today, at least as promptly as possible.

Mr. ANDERSON. Mr. President, I fully agree with the distinguished Chairman of the Committee on the Judiciary in what he has just said. The bill has been reported and we hope to see it brought up for action as early as possible. We appreciate very much what the Committee on the Judiciary has done.

Mr. NEELY. Mr. President, at the request of the American Federation of Labor, I join in the objection which has been made to the passage of the bill.

The PRESIDING OFFICER. The bill has been amended. Objection is heard to its final passage, and it will go over.

MANUEL URIBE

The bill (H. R. 715) for the relief of Manuel Uribe, was considered, ordered to a third reading, read the third time, and passed.

GUSTAV SCHILBRED

The bill (H. R. 1600) for the relief of Gustav Schilbred, was considered, ordered to a third reading, read the third time, and passed.

HILDE FLINT

The bill (H. R. 1871) for the relief of Hilde Flint, was considered, ordered to a third reading, read the third time, and passed.

MRS. JULIA (IOLL) M. STEFANI LENCIONI

The bill (H. R. 5276) for the relief of Mrs. Julia (Ioll) M. Stefani Lencioni, was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH AND LAWRENCE WONG

The Senate proceeded to consider the bill (H. R. 1861) for the relief of Elizabeth and Lawrence Wong, which had been reported from the Committee on

the Judiciary with an amendment to strike out all after the enacting clause and to insert:

That, for the purposes of the immigration and naturalization laws, Elizabeth Wong and Lawrence Wong, stepchildren of Kwai Lun Wong, shall be held and considered to be the natural-born alien minor children of Kwai Lun Wong, a citizen of the United States, and shall be deemed to be nonquota immigrants within the purview of sections 4 (a) and 9 of the Immigration Act of 1924.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and pased.

MRS. KATSUKO NAAHARA HUNTLEY

The Senate proceeded to consider the bill (H. R. 4857) for the relief of Mrs. Katsuko Naahara Huntley, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 1, after the word "be", to strike out "granted admission to the United States for permanent residence upon application hereafter filed" and insert "granted the status of a nonquota immigrant."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

MRS. TSUNEKO SHIMOKAWA GUENTHER

The Senate proceeded to consider the bill (H. R. 5580) for the relief of Mrs. Tsuneko Shimokawa Guenther, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 8, after the word "shall", to strike out "be admitted to the United States for permanent residence upon application hereafter filed and without presenting an immigration visa or other travel documents, if she is otherwise admissible under immigration laws" and insert "be, for the purposes of the immigration and naturalization laws, deemed to be a nonquota immigrant."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ALCIDE RAYMOND

The bill (H. R. 6051) for the relief of Alcide Raymond was announced as next in order.

Mr. SCHOEPPEL. Mr. President, I should like to have an explanation of the bill.

The PRESIDING OFFICER. An explanation is requested.

Mr. McCARRAN. Mr. President, this is the case of the widow of a retired Army sergeant, now deceased. The dead soldier was discharged in 1935, lacking only 65 days of active duty to complete 30 years of service, which was the period then required for retirement, but he did not know he lacked any days of service, because he had actually been in the Army for 30 years and 14 days on the day he retired. The catch was that under Army regulations, the Army deducted from his service a period of 2 months and 19 days, during which the sergeant had been in confinement awaiting trial by general court martial. The court martial was in 1918, and the sergeant's record was perfectly clean from 1918 until the time of his retirement in 1935, a period of more than 17 years. The sentence of the court martial was to reduce him to the grade of private, and require him to forfeit two-thirds of his pay per month for a period of 6 months. That sentence was executed, but by merit he worked his way back up to the grade of sergeant, which he held at the time of his last discharge, which was an honorable discharge.

The Secretary of the Army has stated that his Department is sympathetic to this case, and the committee has been informed that the board for the correction of military records would correct the record in this case if that was permissible under the law, but that the only way to grant relief is by the enactment of special legislation.

Mr. SCHOEPPEL. I should like to ask the distinguished Senator from Nevada if this is not a case of such a nature that it would be taken out of the precedent establishing category?

Mr. McCARRAN. It does not establish a precedent.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6051) for the relief of Alcide Raymond, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert the following:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,965.67 to Maud E. Raymond, widow of Alcide Raymond, Army serial No. R-203028, formerly sergeant, Battery A, Thirteenth Coast Artillery, which amount is equivalent to full retired pay at the rate of 75 percent of active-duty pay of a sergeant from November 14, 1936, to and including January 31, 1948, the date of the death of Alcide Raymond: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act for the relief of Maud E. Raymond."

AMY LOUISA SHIER

The bill (S. 2990) for the relief of Amy Louisa Shier, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Amy Louisa Shier, of Clifton, Bristol, England, the sum of $3,360, in full settlement of all claims against the United States for personal injuries, pain and suffering, and loss of earnings sustained and medical and hospital expenses incurred by her as the result of an accident, involving a United States Army truck, which occurred on Highway Numbered 217 between Volksen and Steinkrug, Germany, on May 19, 1946: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MRS. HONORA REDMAN

The bill (S. 3163) for the relief of Mrs. Honora Redman, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Mrs. Honora Redman, of London, England, the sum of $1,566.04, in full settlement of all claims against the United States for property damage and personal injuries sustained by the said Mrs. Honora Redman and her infant daughter, Veronica Redman, and medical, hospital, and incidental expenses incurred, as the result of an accident occurring in Bremen, Germany, on April 30, 1947, and involving a United States Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MRS. VICTOR V. GREG

The bill (H. R. 633) for the relief of Mrs. Victor V. Greg was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF JULIUS ZAFFARENI

The bill (H. R. 1481) for the relief of the estate of Julius Zaffareni was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF WILLIAM KRAUS

The bill (H. R. 1699) for the relief of the estate of William Kraus was considered, order to a third reading, read the third time, and passed.

ANTONIO ROJAS VÉLEZ

The bill (H. R. 3306) for the relief of Antonio Rojas Vélez was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF OVIDIO VÁZQUEZ

The bill (H. R. 3309) for the relief of the estate of Ovidio Vázquez was con-

sidered, ordered to a third reading, read the third time, and passed.

ALEJO PADILLA

The bill (H. R. 3315) for the relief of Alejo Padilla was considered, ordered to a third reading, read the third time, and passed.

JUANA PAGÁN

The bill (H. R. 3319) for the relief of Juana Pagán was considered, ordered to a third reading, read the third time, and passed.

AGNES EMMA HAY

The bill (H. R. 4380) for the relief of Agnes Emma Hay was considered, ordered to a third reading, read the third time, and passed.

JEAN CLARK

The bill (H. R. 5753) for the relief of Jean Clark was considered, ordered to a third reading, read the third time, and passed.

MARIE HENRIETTE DE BRUYN

The Senate proceeded to consider the bill (S. 1637) for the relief of Marie Henriette de Bruyn, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That for the purposes of the immigration and naturalization laws the alien, Marie Henriette de Bruyn, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon payment of head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OSCAR (OSZKAR) NEMENYI, MARIANNA NEMENYI (WIFE), AND THOMAS JOHN NEMENYI (SON)

The Senate proceeded to consider the bill (S. 2309) for the relief of Oscar (Oszkar) Nemenyi, Marianna Nemenyi (wife), and Thomas John Nemenyi (son), which was read as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the Attorney General is authorized and directed to record Oscar (Oszkar) Nemenyi, Marianna Nemenyi (wife), and Thomas John Nemenyi (son), as having entered the United States on May 5, 1948, for permanent residence. The said Oscar (Oszkar) Nemenyi, Marianna Nemenyi (wife), and Thomas John Nemenyi (son), shall not be subject to deportation by reason of such entry.

Mr. HENDRICKSON. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add the following sentence:

Upon the enactment of this act the Secretary of State shall instruct the quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEGAL GUARDIAN OF I. D. COSSON, A MINOR

The Senate proceeded to consider the bill (H. R. 2719) for the relief of the legal guardian of I. D. Cosson, a minor, which had been reported from the Committee on the Judiciary with amendments on page 2, at the beginning of line 1, to strike out "$10,000" and insert "$15,000", and in line 4, after the word "sustained", to insert the following proviso:

Provided, That such payment to such guardian shall not be made unless such guardian has been authorized by a court of competent jurisdiction to enter into a final settlement, and give a final release in full, of all claims of said minor against the United States by reason of such accident:.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. McCARRAN subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD a statement relating to House bill 2719, Calendar No. 1490.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, this is the case of a Florida boy who, at the age of 12, was so severely injured by bombs dropped in the yard of his home, and nearby, from a United States Army plane, that he was expected to die. On the theory that he would die in a very short time, the Congress enacted a bill in the Seventy-ninth Congress, providing for the payment of $6,000.

Since then, it has become apparent that the boy may live to a ripe old age; but he is permanently paralyzed from the waist down, and has lost his right leg at the thigh.

Under the circumstances, it is obvious that the award already made to this boy is completely inadequate to compensate him for the injury, since he faces a whole lifetime in which he must have special care. The bill was introduced to provide for an additional award of $10,000, and the Department of the Army has approved this award as fair and reasonable under the circumstances.

In the Committee on the Judiciary, the senior Senator from Missouri [Mr. DONNELL] moved to amend the bill by increasing the amount from $10,000 to $15,000, on the theory that the award of $10,000 would not be adequate. The committee adopted this amendment, and the bill comes before the Senate with the committee's recommendation that the amount be so increased.

ELMER PIPPIN AND MRS. PANSY PIPPIN AND THE LEGAL GUARDIAN OF NORMAN OTIS PIPPIN, A MINOR

The Senate proceeded to consider the bill (H. R. 4164) for the relief of Elmer Pippin and Mrs. Pansy Pippin and the legal guardian of Norman Otis Pippin, a minor, which had been reported from the Committee on the Judiciary with amendments on page 1, line 10, after the words "sum of", to strike out "$5,183" and insert "$15,183", and on page 2, line 4, after the word "accident", to insert the following proviso:

Provided, That such payment to such guardian shall not be made unless such guardian has been authorized by a court of competent jurisdiction to enter into a final settlement, and give a final release in full, of all claims of said minor against the United States by reason of such accident:

The amendments were agreed to.

Mr. McCARRAN. Mr. President, this is a bill which came to the Senate from the House providing for the payment of $5,183, but which the Committee on the Judiciary recommends be increased to provide for the payment of $15,183.

It is an injury claim, the injured person being a boy then only 3 years old, and now ten, who lost his left arm in an accident involving a United States Army truck. The Department of the Army has reported that the accident resulted from the negligence of the driver of the Army truck, and that no contributory negligence can be attributed to the boy; and the Department approved the award of $5,000 for injuries to the child. In committee, the senior Senator from Missouri [Mr. DONNELL] argued that $5,000 was wholly inadequate compensation in the case of a child of such tender years who must go through an entire lifetime under the handicap of the loss of an arm; and the Senator from Missouri moved to amend the bill by increasing the amount to $15,183. The committee adopted the amendment.

In fairness to the Senator from Missouri, I believe it should be pointed out that neither the claimant here, nor the claimant under the next previous bill on the calendar, where the Senator from Missouri also offered an amendment to increase the amount of the award, is a constituent of the Senator from Missouri. In the former case, the claimant is a resident of Florida. In this case, the claimant is a resident of California.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. McCARRAN subsequently said:

Mr. President, I ask unanimous consent to revert to House bill 4164, Calendar No. 1491, for the purpose of having a typographical error corrected.

The PRESIDING OFFICER. The Senator from Nevada asks that the votes ordered to a third reading, read the third time, and passed, whereby the bill was passed be reconsidered so he may correct a typographical error. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCARRAN. Mr. President, this bill, as printed, contains a typographical error which should be corrected by amendment. The typographical error appears in line 10, on page 1, the first word in the line now being the word

"with", which should be changed to the word "the". I move amendment of the bill accordingly.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read the third time, and passed.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938 RELATING TO UNLAWFUL USE OF EXAMINATION PAPERS

The Senate proceeded to consider the bill (S. 451) to amend the Civil Aeronautics Act of 1938, as amended, by providing for certain penalties for unlawful use of examination papers, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment on page 1, after line 6, to strike out:

"902. (h) Any person who, without authorization from the Administrator, copies, reproduces, sells, or distributes any examination paper used by the Administrator in connection with the issuance of any certificate authorized to be issued by him under this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not exceeding $1,000 or to imprisonment of not exceeding 3 years, or to both such fine and imprisonment."

And in lieu thereof, to insert:

"902. (h) Any person who, without authorization from the Administrator, copies or reproduces, any portion of any examination paper used by the Administrator in connection with the issuance of any certificate or rating authorized to be issued by him under this act, or who sells or distributes any portion of any such examination paper or copy thereof, or who makes, copies, reproduces, sells, or distributes any key to the answers to any portion of any examination of the Administrator in connection with the issuance of any certificate or rating authorized to be issued by him under this act, and any person who uses any article or thing referred to in this subsection for the purpose of passing any such examination shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not exceeding $1,000 or to imprisonment of not exceeding 1 year, or to both such fine and imprisonment."

So as to make the bill read:

Be it enacted, etc., That section 902 of the Civil Aeronautics Act of 1938, as amended, is amended by adding thereto a new subsection as follows:

"UNLAWFUL USE OF EXAMINATION PAPERS

"902. (h) Any person who, without authorization from the Administrator, copies or reproduces, any portion of any examination paper used by the Administrator in connection with the issuance of any certificate or rating authorized to be issued by him under this act, or who sells or distributes any portion of any such examination paper or copy thereof, or who makes, copies, reproduces, sells, or distributes any key to the answers to any portion of any examination of the Administrator in connection with the issuance of any certificate or rating authorized to be issued by him under this act, and any person who uses any article or thing referred to in this subsection for the purpose of passing any such examination shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not exceeding $1,000 or to imprisonment of not exceeding 1 year, or both such fine and imprisonment."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938 TO MAKE ILLEGAL THE FALSE MARKING OF AIRCRAFT

The Senate proceeded to consider the bill (S. 3377) to amend the Civil Aeronautics Act of 1938, as amended, which was read as follows:

Be it enacted, etc., That section 902 (b) of the Civil Aeronautics Act of 1938, as amended, is amended to read as follows:

"(b) Any person who knowingly and willfully forges, counterfeits, alters, or falsely makes any certificate authorized to be issued under this Act, or knowingly uses or attempts to use any such fraudulent certificate, and any person who knowingly and willfully displays or causes to be displayed on any aircraft, any marks that are false or misleading as to the nationality or registration of the aircraft, shall be subject to a fine of not exceeding $1,000 or to imprisonment not exceeding 3 years, or to both such fine and imprisonment."

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SCHOEPPEL. Mr. President, reserving the right to object, may we have an explanation of the bill please?

Mr. McFARLAND. Mr. President, the bill would make it unlawful to change the markings or the numbers upon registered airplanes. An airplane may be grounded, and, if the number on it is changed, the Civil Aeronautics Administration has no way of checking up and knowing that that is the airplane which has been grounded. The purpose of the bill is to assist the Civil Aeronautics Administration in the enforcement of its rules and regulations. The bill would prohibit the changing of markings on airplanes just as the same provision is now in effect with respect to automobiles.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 3377), was considered, ordered to be engrossed for a third reading, read the third time, and passed.

PROHIBITION OF TRANSPORTATION OF GAMBLING DEVICES IN INTERSTATE AND FOREIGN COMMERCE

The bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That as used in this act the term "gambling device" means any machine or mechanical device, or parts thereof, designed or adapted for gambling or any use by which the user as a result of the application of any element of chance may become entitled to receive, directly or indirectly, any thing of value.

SEC. 2. It shall be unlawful knowingly to transport or cause to be transported in interstate or foreign commerce any gambling device, or knowingly to take, receive, possess, or dispose of any gambling device transported in violation of this act: *Provided*, That the provisions of this section shall not apply to the course of unbroken interstate transportation of any gambling device into any State where the use of such device is legal, as certified by the governor of the State to the Attorney General of the United States and published by the Attorney General in the Federal Register. In the absence of such certification and publication, the use of gambling devices in any State shall, for the purposes of this act, be presumed to be illegal; and all persons and officials affected by the provisions of this act shall be entitled to act in reliance upon the presumption.

Nothing in this act shall be construed to interfere with or reduce the authority, or the existing interpretations of the authority, of the Federal Trade Commission under the Federal Trade Commission Act, as amended (15 U. S. C. 41–58).

SEC. 3. Upon first engaging in business, and thereafter on or before the 1st day of July of each year, every manufacturer of and dealer in gambling devices shall register with the collector of internal revenue for each district in which such business is to be carried on, his name or trade name, the address of his principal place of business, and the addresses of his places of business in such district. On or before the last day of each month every manufacturer of and dealer in gambling devices shall file with the collector of internal revenue for each district in which he maintains a place or places of business an inventory and record of all sales and deliveries of gambling devices as of the close of the preceding calendar month for the place or places of business in the district. The monthly record of sales and deliveries of such gambling devices shall show the mark and number identifying each article together with the name and address of the buyer or consignee thereof and the name and address of the carrier. Duplicate bills or invoices, if complete in the foregoing respects, may be used in filing the record of sales and deliveries. For the purposes of this act, every manufacturer or dealer shall mark and number each gambling device so that it is individually identifiable. In cases of sale, delivery, or shipment of gambling devices in unassembled form, the manufacturer or dealer shall separately mark and number the components of each gambling device with a common mark and number as if it were an assembled gambling device. It shall be unlawful for any manufacturer or dealer to sell, deliver, or ship any gambling device which is not marked and numbered for identification as herein provided; and it shall be unlawful for any manufacturer or dealer to manufacture, recondition, repair, sell, deliver or ship any gambling device without having registered as required by this section, or without filing monthly the required inventories and records of sales and deliveries.

SEC. 4. All gambling devices, and all packages containing any such, when shipped or transported shall be plainly and clearly labeled or marked so that the name and address of the shipper and of the consignee, and the nature of the article or the contents of the package may be readily ascertained on an inspection of the outside of the article or package.

SEC. 5. It shall be unlawful to manufacture, recondition, repair, sell, transport, possess, or use any gambling device in the District of Columbia, the Territories and possessions of the United States, on any lands reserved or acquired for the use of the United States and under the exclusive or concurrent jurisdiction thereof or within Indian country as defined in Eighteenth United States Code Eleven Hundred and Fifty-one.

SEC. 6. Whoever violates any of the provisions of section 2 or 5 of this act shall be fined not more than $5,000 or imprisoned not more than 2 years, or both.

Whoever violates any of the provisions of section 3 or 4 of this act shall be fined not more than $2,000 or imprisoned not more than 1 year, or both.

SEC. 7. Any gambling device transported, delivered, shipped, manufactured, reconditioned, repaired, sold, disposed of, received, possessed, or used in violation of the provisions of this act shall be seized and forfeited to the United States. All provisions of law relating to the seizure, summary and judicial forfeiture, and condemnation of vessels, vehicles, merchandise, and baggage for violation of the customs laws; the disposition of such vessels, vehicles, merchandise, and baggage or the proceeds from the sale thereof; the remission or mitigation of such forfeitures; and the compromise of claims and the award of compensation to informers in respect of such forfeitures shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this act, insofar as applicable and not inconsistent with the provisions hereof: *Provided*, That such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels, vehicles, merchandise, and baggage under the customs laws shall be performed with respect to seizures and forfeitures of gambling devices under this act by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General.

SEC. 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

AMENDMENT OF TITLE VIII OF THE NATIONAL HOUSING ACT—BILL PASSED OVER

The bill (H. R. 7846) to amend title VIII of the National Housing Act as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations and for other purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCLELLAN. Mr. President, at the request and on behalf of the senior Senator from North Carolina [Mr. HOEY], I object.

The PRESIDING OFFICER. Objection is heard.

Mr. SPARKMAN. Mr. President, will the Senator withhold objection for a moment?

Mr. McCLELLAN. I shall be glad to withhold the objection. However, as I stated I was making the objection at the request of a Senator who cannot be present today and who asked that the bill go over until he can have an opportunity to make some inquiry about it and reach a decision upon it.

Mr. WHERRY. Mr. President, I should like to make a statement for the RECORD. Of course in view of the fact that the distinguished Senator from North Carolina is not present and the senior Senator from Arkansas insists upon the objection, he has a perfect right to do so. The amendment is to the Military Housing Act, and merely attempts to secure housing on military installations through the private enterprise system. The amendments which have been adopted by the Committee on Banking and Currency are practically the ones that were written in the House. The House amendments were rewritten in order to take in one other feature, which is very minor. In the main, however, in order properly to administer the act, what is needed is for the military authorities on any installation to set up, through their own architects, the kind of plan they feel the contractor should bid on. The way it has been administered, I may say to the distinguished Senator from Arkansas, is that different contractors have submitted all sorts of plans. There is considerable cost in drafting the plans, and in some cases as many as a score of contractors have submitted plans which differ in specifications, so there is a terrific expense. By the time they go through and try to select even 1, let alone 20 plans, it has resulted in a bottleneck in the administration of the act, and as a result the contractors have not been awarded the contract, and are not going forward with the installation.

This bill merely provides that in the case of a military installation or authority which has been declared permanent, there will be drawn up, under supervision of the architect, the plans and specifications; and then the contractors will be able to bid upon those plans and specifications.

There is one feature of the bill about which I myself would like to ask a question; but what I have stated is the purpose of the bill.

I should like to say to the distinguished Senator from Arkansas that there are many projects which simply are awaiting the relief proposed by this measure. I am satisfied that in the best interests of the country we should make it possible for such housing to be obtained. Unless there is serious objection, I would suggest to the Senator that he permit the bill to be passed.

I would associate myself with the Senator from Alabama in seeing to it that nothing be done in respect to a conference on the bill until the Senator from North Carolina returns; and when he returns, we would submit the bill to him. If it was not then satisfactory to him, we would move to have the vote by which the bill was passed reconsidered.

The PRESIDING OFFICER. Under the 5-minute rule, the Senator's time has expired.

Mr. WHERRY. Mr. President, I wonder whether I may speak on another amendment.

The PRESIDING OFFICER. By unanimous consent, the Senator may proceed further. Without objection, it is so ordered.

Mr. WHERRY. I deeply appreciate that courtesy, I say to the Chair.

So, Mr. President, I hope the distinguished Senator from Alabama will take up the amendment and will explain it further, and that the bill will be passed.

Again I say to the distinguished Senator from Arkansas that, if possible, it is most desirable that the bill be passed at this time; and then we can hold up the conference until the Senator from North Carolina returns.

If it is not then agreeable to the Senator from North Carolina, of course, a motion for the reconsideration of the vote by which the bill was passed can be made; certainly we would give him that right.

Mr. SPARKMAN. Mr. President, I certainly wish to join in the suggestion which has been made by the distinguished minority leader. Of course, I realize the position in which the Senator from Arkansas finds himself, for he is making the suggestion at the request of the distinguished Senator from North Carolina.

However, if we have to wait on this measure until the calendar is called again, that may mean a delay of 30 days or more. Enactment of this bill is needed now. Certainly I would join in the suggestion of the Senator from Nebraska that the bill be allowed to be passed, and then lie on the table; and if the Senator from North Carolina is not satisfied with the action thus taken, when he returns, I shall join him in a motion for reconsideration.

Mr. President, it has been nearly a year since the original law was passed. That law was sponsored by the senior Senator from Maryland [Mr. TYDINGS], the senior Senator from South Carolina [Mr. MAYBANK], and the Senator from Nebraska [Mr. WHERRY]. It is commonly known as the Wherry law. We have relied on it in order to obtain badly needed housing at many of the permanent military-defense posts throughout the country. However, to date only eight projects, with a total of 1,592 family units have been started. The delay has developed simply because it was found impractical to operate under the law, where the builder or bidder himself is required to submit plans for proposed houses. As a matter of fact, in one case 57 different plans for different types of housing were submitted. The Secretary of Defense soon found that he could not operate under that situation.

All that we propose in this bill is to require the Secretary of Defense to decide on the type of housing he wants, and then let the would-be builders bid competitively on that basis.

I think enactment of the bill is directly in line with the type of legislation which the committee, of which the able Senator from Arkansas is chairman, would advocate. I believe it is the kind of legislation which the Senator from Arkansas and the Senator from North Carolina would like to have enacted.

Mr. McCLELLAN. Mr. President, I wish to make my position clear. I am sure every Senator can understand that inasmuch as the able Senator from North Carolina had to be absent today, he requested of me that I ask that the bill be passed over.

Under circumstances, I would be strongly inclined to agree with the request which has been made on the floor, since the Senators who have spoken about this measure say they would be willing to have a motion to reconsider entertained.

However, inasmuch as I have agreed to object on behalf of the Senator from North Carolina, I now suggest that the bill be passed over at this time, and then brought up later.

Mr. WHERRY. Mr. President, I would be very happy if the Senator would permit the bill to be passed now, and a motion to reconsider entertained today. Then when the Senator from North Carolina returns, we could proceed with the motion to reconsider, if the Senator from North Carolina then wished to have that done. If he did not wish to have it done, the motion could then be withdrawn.

Mr. SPARKMAN. Mr. President, in that connection let me say that I do not want the Senator from Arkansas to do anything which in any way would be violative of the word he has given to our good friend the Senator from North Carolina. However, if the Senator from Arkansas would be willing to let the bill be passed now, I would join with him or with any other Senator in filing a motion immediately for reconsideration of the vote by which the bill was passed.

Mr. McCLELLAN. Mr. President, there is some question in my mind whether that would be keeping faith with the Senator from North Carolina, after I have assured him that request would be made to have the bill go over. If his objections are met, there is no reason why the bill could not be passed in 2 minutes after he returns.

So, Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LUCAS. Mr. President, this is one of the most important bills on the calendar. Last night, on the radio, I was fortunate enough to hear General Bradley talk about our defenses throughout the country. One of the places where he said we are weak at the present time, in the way of real military strength, is in Alaska. The basic reason why we are weak there is because of the lack of adequate housing for our soldiers. We simply cannot keep them there long, because of the severe weather.

Enactment of this measure is so important that I hope either the Senator from Nebraska or the Senator from Alabama will move, at the conclusion of the call of the calendar, to call up the bill, because in my opinion it is that important.

Because of the importance of this bill, I do not believe the bill should go over, with the result that it will not be acted upon today, and thus be put on the calendar for future consideration. To the contrary, I believe it should be considered today, because once it is placed on the calendar, there will be some delay before we can get to it again. Furthermore, if it is subject to a future call of the calendar, when the calendar is called the next time, if one objection is made, that will prevent consideration of the bill at that time.

I had hoped the Senator from Arkansas would agree to follow the course which has been suggested by other Senators.

Mr. McCLELLAN. Mr. President, I would be very happy to do so. If the bill is placed at the foot of the calendar, I shall find out in the meantime what I can do about it. Of course, I do not wish to break faith with the Senator with whom I have made the agreement to which I have referred.

Mr. LUCAS. I do not wish the Senator to break faith; but I do not think the Senator would be doing so if he permitted the bill to be passed and a motion to reconsider to be entered.

Mr. McCLELLAN. I shall inquire as to that.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

RETROACTIVE ADVANCES IN GRADE, TIME, AND COMPENSATION OF POSTAL EMPLOYEES, VETERANS OF WORLD WAR II

The bill (H. R. 4285) to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II, was announced as next in order.

Mr. HENDRICKSON. Mr. President, the junior Senator from New Jersey would appreciate it very much if we could have an explanation of the cost of the bill.

Mr. NEELY. Mr. President, this bill would amend what is known as the McCormack Act, Public Law 577, of the Seventy-ninth Congress. Under that measure, some postal field employees receive less compensation than they would have received if the law had not been enacted. Representative McCORMACK, in a praiseworthy effort to do justice to all concerned, introduced the bill, H. R. 4285, as an amendment to the law of which he was the author. The House unanimously passed, and the Senate committee has unanimously approved, this measure.

The sole purpose of the bill is to do justice to some war veterans, who are prejudiced by the law as it now stands. It is estimated that the total cost of this amendment to the act, if adopted, would be not less than $10,000 or more than $50,000. The benefits proposed will be enjoyed exclusively by World War veterans.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF LAND IN HARDIN AND JEFFERSON COUNTIES, KY.

The bill (S. 3396) authorizing the Secretary of the Army to convey to the State of Kentucky title to certain lands situated in Hardin and Jefferson Counties, Ky., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

Mr. JOHNSON of Texas. I wonder whether the Senator from Oregon will withhold his objection.

The PRESIDING OFFICER. Does the Senator from Oregon withhold his objection?

Mr. MORSE. I am glad to withhold it for the moment.

The PRESIDING OFFICER. The objection is withheld, and the junior Senator from Texas is recognized.

Mr. JOHNSON of Texas. Mr. President, the Senator from Oregon will remember, because I think he was present when the committee considered the bill, that the State of Kentucky had an agreement with the United States Government under which the State of Kentucky agreed to pay all costs of the condemnation proceedings on this land. The State complied with its part of the agreement, and paid some $27,000, and constructed the roads leading to the reservation at Fort Knox. When the Federal Government attempted to comply with its part of the agreement, it found it could not do so because of the expiration of the Second War Powers Act.

The able senior Senator from Kentucky [Mr. CHAPMAN] presented this matter to the Armed Services Committee, which, in turn, called upon the Defense Department. I thought the Senator from Oregon was present. I remember that several questions were asked the representatives of the Defense Department, who assured the committee that they had entered into this agreement, that the State had paid all the money, the State had built the road, the State had complied with everything it had agreed to do, and that it was only fair that the Federal Government should comply with its part of the agreement.

Mr. MORSE. The Senator from Oregon recalls the discussion of this case in committee. It is the case, I believe, in which the Defense officials testified that the State of Kentucky had already paid in more than 50 percent of the fair market value of the property, and I therefore withdraw my objection.

Mr. JOHNSON of Texas. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Army is hereby authorized and directed to convey to the State of Kentucky, by quit-claim deed, title to that land, comprising approximately 100 acres, acquired by the United States in the case entitled *"United States of America* v. *Certain Lands Situated in Hardin and Jefferson Counties, Ky., the West Point Brick Co., et al.,"* Civil No. 362, in the District Court of the United States for the Western District of Kentucky at Louisville.

COLLECTION OF POSTAGE DUE AT TIME OF DELIVERY

The bill (S. 3118) relating to the forwarding and return of second-, third-, and fourth-class mail, the collection of postage due at the time of delivery, and for other purposes, was considered, or-

dered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, under such regulations as the Postmaster General may prescribe, second-, third-, and fourth-class matter which is undeliverable as addressed may be forwarded to the addressee or returned to the sender and the postage for such service may be prepaid or collected on delivery of the matter in accordance with the instructions and pledge of the addressee or sender, as the case may be, to pay the forwarding or return postage, and such matter, including that of a perishable or urgent nature, for which payment of forwarding or return postage is not pledged, may be forwarded or returned under such conditions as the Postmaster General shall prescribe, but when the addressee or sender refuses to pay the required postage, the forwarding or return of further matter may be discontinued.

SEC. 2. (a) Under such regulations as the Postmaster General may prescribe, the addressee or sender of second-, third-, or fourth-class matter which is undeliverable as addressed may be so notified, and there shall be a charge for each such notice of not to exceed 5 cents.

(b) When copies of any publication of the second class mailed by a publisher or news agent at the pound rate or free-in-county of publication are undeliverable as addressed, such publisher or agent shall be notified of that fact in such manner and at such time as the Postmaster General may prescribe, for which service there shall be a charge of not to exceed 5 cents, and copies of the publication received subsequent to such notification shall be treated as provided by this act or as may otherwise be directed by the Postmaster General.

SEC. 3. All laws or parts of laws inconsistent with the provisions of this act are hereby repealed. Such repeal shall include, but shall not be limited to, the following laws and parts of laws: (1) Revised Statutes, section 3885 (39 U. S. C., sec. 253); (2) section 4 of the act of June 13, 1898 (30 Stat. 444), as amended by section 9 of the Act of March 3, 1903 (32 Stat. 1176); and the act of November 19, 1919 (41 Stat. 360), relative to forwarding or return of certain mail matter (39 U. S. C. 276, 278); (3) the next to the last paragraph of the act of March 12, 1910 (36 Stat. 366), as amended by the act of July 21, 1932 (47 Stat. 709), relating to second-class publications undeliverable at the address thereon (39 U. S. C. 277).

AMENDMENT OF LEGISLATIVE REORGANIZATION ACT OF 1946—RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 38) to amend section 138 of the Legislative Reorganization Act of 1946, relating to the legislative budget, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. HAYDEN. Mr. President, I have filed minority views on the resolution, but it was so recent that I am quite sure most of the Senators have not had time to read them. For that reason I ask that the resolution go over at this time.

The PRESIDING OFFICER. The resolution will be passed over.

AMENDMENT OF PUBLIC LAW 359, CHAPTER 287—BILL PASSED OVER

The bill (S. 3050) to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. NEELY. Mr. President, the Senator from Minnesota [Mr. HUMPHREY], who is necessarily absent, voted against this bill and stated that he would probably file a minority report in opposition to it. For the sole purpose of protecting the Senator's rights in this matter, I ask that action on the measure be postponed.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

Mr. SPARKMAN. Mr. President, in that connection, I should like to call attention to something that I believe was never intended when the bill was originally introduced, or when it was reported by the committee. As I understand the history of the proposed legislation, it was designed to meet a situation in the Government Printing Office and in the Bureau of Engraving and Printing. However, the way the bill is written, it applies to all Government agencies. In the Tennessee Valley Authority there has been in existence on the entire TVA a very fine apprenticeship program. This bill would completely upset that program of the TVA. I ask at this time to offer an amendment. I send to the desk an amendment that I desire to propose to the bill, which I ask may lie on the table and be printed.

The PRESIDING OFFICER. The amendment will lie on the table and be printed.

Mr. SPARKMAN. Mr. President, at this point in the RECORD I should like to have printed some brief comments on the effect of the bill on the TVA apprenticeship program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS WITH RESPECT TO THE EFFECT ON TVA IF S. 3050, TO AMEND PUBLIC LAW 359, CHAPTER 287, SEVENTY-EIGHTH CONGRESS, SECOND SESSION, WERE ADOPTED WITHOUT AMENDMENT

1. This bill, as we understand it, was designed to deal with a specific situation in the Bureau of Engraving and Printing. We doubt that it was intended to abolish, in effect, the highly successful apprenticeship program which TVA has been carrying on.

2. The TVA apprenticeship program has been under way for 14 years. During this time 608 apprentices have been graduated in 16 crafts. These apprentices have been not only valuable sources of recruitment for the TVA construction and operating programs, but in addition have contributed to the supply of skilled labor available to industry in the region.

3. The TVA apprenticeship program has been praised as an unusually successful program, in which labor has cooperated fully. The Department of Labor's Federal Bureau of Apprenticeship has stated that "TVA is the outstanding Federal agency engaged in the formal training of apprentices in the skilled crafts."

4. Requirement that TVA apprentices be recruited through the machinery of the Civil Service Commission would put the recruitment of apprentices on an entirely different basis from the recruitment of all other types of personnel in TVA, whereas apprentice recruitment clearly must be closely integrated with total recruitment. There would be serious danger of destroying the program completely.

5. Requirement that only veterans be hired for apprentice positions, though presenting no serious problems immediately, would become increasingly inconsistent with the general theory of apprenticeship as the veteran group becomes older, since most apprenticeship programs are designed to appeal to, and are intended to train the younger men entering the labor market.

ADMINISTRATION OF INDIAN LIVESTOCK LOANS

The bill (H. R. 5097) for the administration of Indian livestock loans, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, the committee report accompanying this bill fails to disclose or explain the purpose of the first amendment. I wish the sponsor of the bill would explain the amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 3, after the word "settlements" it is proposed to strike out "at prevailing market prices" and insert "by the Commissioner of Indian Affairs."

Mr. McFARLAND. Mr. President, in cases where livestock is loaned to Indians this bill would permit them, instead of returning the loan in kind, to pay the value of the livestock. The amendment merely gives them a voice in determining what the fair value is. The purpose of the amendment is to give those to whom the loan of the stock was made, the privilege of having some part in determining the fair value.

Mr. HENDRICKSON. I regret that I cannot reconcile the explanation with the amendment. The amendment, in lines 3 and 4, is to strike out "at prevailing market prices." I do not reconcile the explanation with the amendment.

Mr. McFARLAND. The amendment provides that, for arriving at the value of such livestock, the amendment contains the following proviso:

Provided, That hereafter the value of such livestock for the purposes of any cash settlement shall be based on prevailing market prices in the area and shall be ascertained by a committee composed of three members, one of whom shall be selected by the superintendent of the particular agency, one of whom shall be selected by the chairman of the tribal council, and one of whom shall be selected by the other two members.

In other words, it gives the tribal council a voice in selecting the members of the committee to determine the fair market price of the livestock.

Mr. HENDRICKSON. I now understand the purpose of the amendment.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5097) for the administration of Indian livestock loans, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 3, after the word "settlements", strike out "at prevailing market prices" and insert "by the Commissioner of Indian Affairs."

The amendment was agreed to.

In line 9, after the word "ratified", insert a colon and the following proviso: "*Provided*, That hereafter the value of such livestock for the purposes of any such cash settlement shall be based on prevailing market prices in the area and shall be ascertained by a committee composed of three members, one of whom shall be selected by the superintendent of the particular agency, one of whom shall be selected by the chairman of the tribal council, and one of whom shall be selected by the other two members."

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 332) providing for the establishment of a joint Senate and House recording facility, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. McFARLAND. Over.

The PRESIDING OFFICER. Objection is heard, and the joint resolution will be passed over.

AMENDMENT OF TITLES 18 AND 28, UNITED STATES CODE

The bill (S. 2874) to amend titles 18 and 28, United States Code, with respect to the time of reporting to Congress rules of procedure adopted by the Supreme Court for criminal, civil, and admiralty cases and the time of their taking effect, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second sentence of section 3771 of title 18, United States Code, is amended to read as follows: "Such rules shall not take effect until they have been reported to Congress by the Chief Justice at or after the beginning of a regular session thereof but not later than the first day of May, and until the expiration of 90 days after they have been thus reported. All laws in conflict with such rules shall be of no further force or effect after such rules have taken effect."

SEC. 2. The third paragraph of section 2072 of title 28, United States Code, is amended to read as follows:

"Such rules shall not take effect until they have been reported to Congress by the Chief Justice at or after the beginning of a regular session thereof but not later than the first day of May, and until the expiration of 90 days after they have been thus reported."

SEC. 3. The third paragraph of section 2073 of title 28, United States Code, is amended to read as follows:

"Such rules shall not take effect until they have been reported to Congress by the Chief Justice at or after the beginning of a regular session thereof but not later than the first day of May, and until the expiration of 90 days after they have been thus reported."

AMENDMENT OF HAWAIIAN ORGANIC ACT

The bill (S. 3093) to amend section 82 of the Hawaiian Organic Act relating to the Supreme Court of the Territory of Hawaii and temporary vacancies therein was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 82 of the Hawaiian Organic Act (act approved Apr. 30, 1900, ch. 339, 31 Stat. 157; 48 U. S. C., sec. 632), as amended, is amended to read as follows:

"SEC. 82. Supreme court: That the supreme court shall consist of a chief justice and two associate justices, who shall be citizens of the Territory of Hawaii and shall be appointed by the President of the United States, by and with the advice and consent of the Senate of the United States, and may be removed by the President: *Provided*, That any vacancy or vacancies occurring within the court, whether by reason of disqualification, disability, death, resignation, removal, absence from the Territory or inability to attend, or for any other reason, shall, for the hearing and determination of any cause, be temporarily filled as provided by the law of said Territory, and, if there be no such law, then by appointment from among the circuit judges of the Territory by the remaining justices or justice, and if there be no such justice, then by the Governor."

EXTENSION OF UNITED STATES LAWS TO OFFENSES ON THE HIGH SEAS

The Senate proceeded to consider the bill (H. R. 5166) to extend the laws of the United States relating to civil acts or offenses consummated or committed on the high seas on board a vessel belonging to the United States, to the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, and Enderbury Island, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment, on page 2, to strike out lines 21 through 23, as follows:

The situs for the trial of such civil and criminal cases shall be the situs of the United States District Court for the District of Hawaii.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ESTIMATES OF PROBABLE COST OF PROPOSED LEGISLATION—RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 35) requiring committee reports to include estimates of the probable cost of proposed legislation, was announced as next in order.

The PRESIDING OFFICER. Is there objection?

Mr. FERGUSON. Mr. President, I call the attention of the Senate to some minor amendments in this resolution, which I think should be made. I discussed the matter with the senior Senator from Arizona [Mr. HAYDEN], the chairman of the committee reporting the resolution.

On page 1, line 2, after the word "that" the words "on and after" should be inserted, so as to make it read, "That on and after January 3, 1951, section 133 of the Legislative Reorganization Act of 1946, as amended, is amended by adding the following language," and so forth. I offer the amendment.

The PRESIDING OFFICER. The Chair advises the Senator from Michigan that it will first be necessary to act upon the committee amendments.

Mr. HAYDEN. Mr. President, this is an amendment to a committee amendment.

Mr. FERGUSON. The second amendment I have to offer will also involve a committee amendment, and I should like to explain it if I may have unanimous consent.

Mr. HAYDEN. The amendment which the Senator from Michigan has is to a committee amendment, concerning the date January 3, 1951. He has a right to propose such an amendment, which is to insert the words "on and after."

Mr. FERGUSON. That is correct.

The PRESIDING OFFICER. The Senator from Michigan offers an amendment to the committee amendment, on page 1, line 2, after the word "that", to add the words "on and after." The question is on agreeing to the amendment of the Senator from Michigan to the committee amendment.

Mr. LUCAS. Mr. President, I am going to ask that this resolution be passed over until I can make a further examination of it.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. FERGUSON. Mr. President, I hope the Senate will not agree to the next committee amendment, which is in lines 6 and 7, but that it will adopt an amendment inserting after the word "committee" on line 7, page 1, the words "other than the Appropriations Committee."

I wish to make a few remarks with reference to the amendment, Mr. President.

I feel that this resolution is one of great importance in establishing orderly procedures directed at economy in Government.

The purpose of the resolution is to require that all proposed legislation which involves future Government expenditure shall have attached to it a statement of anticipated costs on a 5-year basis, when reported to the Congress.

The Legislative Reorganization Act of 1946 made a great step forward, in the interests of orderly legislation, by requiring the submission of written reports recommended to Congress by its committees.

This resolution pursues that objective one step further. It will require that the reports include a statement of cost. This is in the interest of sound fiscal policy, which is essential to sound legislation. Too often the Congress has approved an otherwise attractive and justifiable piece of legislation and then discovered at a later date the cost factors which could well have influenced consideration of the legislation had it been available at the time the legislation was adopted.

In reporting Senate Concurrent Resolution 35, the Senate Rules Committee made some invaluable additions to the resolution as I had introduced it.

One such addition was a requirement that the Appropriations Committees of both Houses shall maintain and publish compilations of the cost estimates required by this resolution. This should be quarterly and not semiannually.

The Rules Committee also sought to make a worthwhile contribution to the operation of the resolution, having in mind that the statement of costs has no meaning as applied to appropriation bills. Therefore the committee, in its third amendment, sought to exclude appropriation bills from the operation of the resolution.

The Rules Committee sought to achieve this by stating that the resolution would apply only to "all bills and joint resolutions authorizing appropriations." The last two words constitute the third committee amendment.

This provision would automatically exclude appropriation bills, but it goes somewhat further. That phrasing would operate to exclude also those bills and resolutions which do not authorize appropriations but nevertheless are of such a nature as to require some future expenditure.

Examples of legislation which does not authorize appropriations but which requires expenditures are those bills that bestow some new responsibility upon a department. As that new responsibility gets under way we invariably find that it has necessitated an increase in the budget request for the department or agency.

Obviously, the present resolution should cover cases such as these if it is to be effective at all.

I think that the purposes of the Rules Committee can be satisfied and the objectives of the resolution preserved by the amendment I offer, which excludes the appropriations committees from the necessity of submitting cost data on bills it reports by making the resolution simply applicable to all legislative committees.

Mr. LUCAS. I ask that the resolution be passed over.

The PRESIDING OFFICER. The resolution will be passed over.

SHORT TITLE TO ACT OF JULY 1, 1898

The bill (S. 2513) to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, is amended by inserting immediately after the enacting clause a new sentence as follows: "That this act may be cited as the 'Bankruptcy Act'."

DESIGNATION OF MAY 30, MEMORIAL DAY, AS A DAY FOR A NATION-WIDE PRAYER FOR PEACE

The joint resolution (S. J. Res. 138) requesting the President to issue a proclamation designating May 30, Memorial Day, as a day for a Nation-wide prayer for peace, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe each May 30, Memorial Day, by praying, each in accordance with his religious faith, for permanent peace; designating a period during such day in which all the people of the United States may unite in prayer for a permanent peace; calling upon all the people of the United States to unite in prayer at such time; and calling upon the newspapers, radio stations, and all other mediums of information to join in observing such day and period of prayer.

CONVEYANCE OF PERPETUAL EASEMENT TO THE CITY OF HOT SPRINGS, ARK.

The bill (H. R. 1726) to authorize the Secretary of the Interior to convey to the city of Hot Springs, Ark., a perpetual easement for the construction and operation of a water-main pipe line, was announced as next in order.

Mr. MORSE. Mr. President, I have examined the report on this bill and I find that the Federal Government will not only receive very definite benefits, but it also reserves the right to have this pipe line relocated if at any time it interferes with Federal operations.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF BUILDING IN JUNEAU, ALASKA

The bill (H. R. 3494) to authorize the Secretary of the Interior to transfer a building in Juneau, Alaska, to the Alaska Native Brotherhood and/or Sisterhood, Juneau (Alaska) Camp was announced as next in order.

Mr. MORSE. Mr. President, may we have an explanation of this bill?

Mr. McFARLAND. Mr. President, this bill would transfer a small building at Juneau, Alaska, to the Native Brotherhood and/or Sisterhood of Juneau. The building was purchased some years ago for $300. It is of small value. The organizations referred to have thousands of members. The building is no longer being used by the Federal Government, and it was thought that if it could be made of service to the organizations mentioned it would be in the public interest.

Mr. MORSE. Mr. President, I am confident that there must be someone in Alaska, because of the good use to which this building is to be put, who would be willing to help to raise 50 percent of the fair market value of this property. Therefore I wish to offer my usual amendment that the property be transferred, in return for which 50 percent of the appraised fair market value of the property be paid.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oregon.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

PUBLIC AIRPORT IN OR IN THE VICINITY OF THE DISTRICT OF COLUMBIA

Mr. McCARRAN. Mr. President, when Calendar 1278 was before the Senate this afternoon I objected. Since that time I have looked into this matter of the amendments which were offered, and I have also looked into the purpose of the bill. I now ask unanimous consent that the Senate may revert to Calendar No. 1278, Senate bill 456, and that I may withdraw my objection to its consideration.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 456) to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

The PRESIDING OFFICER. The amendments have been agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONSTRUCTION OF RENTAL HOUSING ADJACENT TO MILITARY AREAS

Mr. McCLELLAN. Mr. President, I ask unanimous consent to return to Order No. 1495.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 7846) to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment.

Mr. McCLELLAN. Mr. President, I should like to make a statement. I objected to the consideration of this bill at the request of the senior Senator from North Carolina [Mr. HOEY]. Because of the importance of the proposed legislation and the great interest in it, I have since gotten in touch with the administrative assistant of the senior Senator from North Carolina.

After conferring with him, it is agreeable that the bill may be passed, with the understanding that I shall move, immediately after it is passed, for reconsideration of the vote, so as to hold it until the Senator from North Carolina may return and be present in person. I understood that in that action I shall have the cooperation of the majority leaders and others.

The PRESIDING OFFICER. The Clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and to insert the following:

That title VIII of the National Housing Act, as amended, is hereby amended by adding the following new section at the end thereof:

"SEC. 809. Whenever the Secretary of the Army, Navy, or Air Force, or his duly designated representative, determines that it is desirable in order to effectuate the purposes of this title, the Secretary is authorized, without regard to the civil service and classition laws, to procure, by negotiation or otherwise, the services of architects and engineers, or organizations thereof, under such arrangements as he deems desirable, but at an expense not in excess of that permissible under the schedule of fees allowed from time to time by the Public Housing Administration in connection with projects assisted under the United States Housing Act of 1937, as amended. Such services may include the development of plans, drawings, and specifications for rental housing under this title and other services in connection therewith: *Provided*, That such plans, drawings, and specifications may include the use on any project to be constructed under this title of alternate materials or alternate types of construction, including prefabrication, that provide substantially equal value and conform to standards established by the Federal Housing Administration: *Provided further*, That the Secretary may designate certain sites or parts thereof for rental housing to be furnished from prefabricated houses or housing components. Such arrangements may include provision for advance or progress payments, for payment by third parties, for payment by the Government of any such compensation as is not paid for by third parties, and shall include provision for reimbursement by third parties to the Government of any compensation or other expenses paid by the Government pursuant to this section, and may include other provisions for compensation. The Secretary is further authorized to advance or pay to the Federal Housing Administration its 'Appraisal and Eligibility Statement' fees in connection with such rental housing. The Secretary is further authorized to procure options from private parties for the acquisition by third parties of off-installation sites intended for such rental housing. The Secretary is further authorized to enter into arrangements by contract or otherwise for eventual acquisition by the Government, without cost to the Government, of all right, title, and interest in sites on which housing is constructed pursuant to this title and improvements thereon. Any public-works appropriations now or hereafter available to the Departments of the Army, Navy, or Air Force may be obligated by the respective departments for these purposes. Reimbursements to the Government on account of payments made pursuant to this section shall be made to appropriations against which such payments were charged."

Mr. WILLIAMS. Mr. President, this afternoon when I was acting temporarily as the minority leader, I received a request to have this bill go over. I have since been trying to contact the Senator who objected, and I think we can get the objection withdrawn. I should like to have the bill held up temporarily until the Senator can be called to the floor.

Mr. McCLELLAN. Is the Senator speaking of House bill 7846?

Mr. WILLIAMS. Yes. I myself have no objection, and I think we can get the request withdrawn in a few minutes, if another bill can be taken up temporarily.

Mr. McCLELLAN. Does the Senator want it to go over?

Mr. WILLIAMS. I note that the Senator from Nebraska has now returned to the Chamber, and he can speak for himself.

Mr. WHERRY. Mr. President, I thank the distinguished Senator from Delaware for protecting my interests. There is no objection.

Mr. McCLELLAN. I may say to the able minority leader that I am withdrawing the objections which I interpose at the request of the senior Senator from North Carolina, with the understanding that when the bill passes I shall move to reconsider, and that I will have the cooperation of the able minority leader.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Alabama, a member of the Committee on Banking and Currency, one question. The amendment on page 4 provides:

That such plans, drawings, and specifications may include the use on any project to be constructed under this title of alternate materials or alternate types of construction, including prefabrication, that provide substantially equal value and conform to standards established by the Federal Housing Administration:

As I read the report on page 3, it states:

In this connection your committee considered, including provisions to require that some minimum fixed percentage of all housing under title VIII should be of this type. Your committee did not include such a provision in reliance upon a proper exercise of administrative discretion and assurance from officials of the Department of National Defense that full use would be made of prefabricated or factory manufactured houses, or housing components wherever feasible.

I ask the Senator from Alabama whether the bill as now written does not provide that the prefabricated houses might be used?

Mr. SPARKMAN. Does the Senator mean the original language, or the amendment?

Mr. WHERRY. No, I mean the original language of the bill. If the amendment is purely discretionary, I have no objection to it, because I think the Administrator has already the authority sought to be granted. I certainly would not want the legislative history to show that it is mandatory in any way, that he will be required to use prefabricated houses. I have no objection if it is discretionary, and I understand it is.

Mr. SPARKMAN. The Senator is correct. The principal difference between the language in the amendment and the language in the other bill was that we say here that the Secretary of Defense may designate certain sites for the use of prefabricated houses. So that when the plans are made for a site, or any part of a site, every bidder will know that the plans will provide for prefabricated housing for that particular area. If the Senator will read the amendment he will see that is the principal difference. There is nothing that makes it mandatory on the Secretary of Defense to build any particular number of prefabricated houses. When the representatives of the Department were before our committee we made it clear to them that we believed they should avail themselves of the use of prefabricated housing where it would fit the particular needs of the community.

Mr. WHERRY. Provided they could be used competitively with the other types.

Mr. SPARKMAN. That is correct.

Mr. WHERRY. In other words, we would not be shutting out anyone who might come in, and on the other hand, anyone who could come in should come in, in order to get the competition necessary to meet the requirements of the Administrator. Is that correct?

Mr. SPARKMAN. Of course, under the new amendment the Secretary of Defense will determine ahead of time the type of housing he will want for a particular area.

Mr. WHERRY. But it is not mandatory.

Mr. SPARKMAN. Not at all; it is discretionary with him.

Mr. WHERRY. Does the distinguished Senator recall that there was any discussion about the fees? On page 3 of the amendment, line 18, going back to the comma, it reads:

Under such arrangements as he deems desirable, but at an expense not in excess of that permissible under the schedule of fees allowed from time to time by the Public Housing Administration in connection with projects assisted under the United States Housing Act of 1937, as amended.

I do not disagree with that language, except that it is my understanding that the services of the architect here referred to would not be the services performed by the one provided for under the terms of the Housing Act. We want to get the housing as cheaply as possible for the enlisted personnel. Does the Senator know of any evidence introduced that would justify the particular fee specified for the architect in drawing the plans?

Mr. SPARKMAN. The bill as it came to us from the House contained no limitation whatsoever. Our committee was eager to put a ceiling on the fees. It so happens that in public housing we have set a standard. There are standards for different types of service, and it is my understanding that in no case shall the fees allowed for this type of housing exceed fees for similar work on other types.

Mr. WHERRY. I understand the fee runs up as high as 5 percent.

Mr. SPARKMAN. That is for the over-all services. I think I can safely say that it is the intention of the committee that if in this type of housing all the services could be rendered by an architect, he would be entitled to those fees, but if only half the service were rendered, he would be entitled to only half the fee.

Mr. WHERRY. I appreciate that statement, because while it is my feeling that the architect should be paid, certainly he should not be paid more than the services rendered warrant.

Mr. SPARKMAN. That is our feeling.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. McCLELLAN. Mr. President, I move that the vote by which the bill was passed be reconsidered.

The PRESIDING OFFICER. The motion will be entered.

CONTINUANCE ON ROLLS OF CERTAIN LEGISLATIVE EMPLOYEES

The PRESIDING OFFICER. The Chair lays before the Senate a joint resolution coming over from the House of Representatives.

The joint resolution (H. J. Res. 454) relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners, was read twice by its title.

Mr. HAYDEN. Mr. President, I move that the Senate proceed to the immediate consideration of the joint resolution.

The motion was agreed to, and the Senate proceeded to the consideration of the joint resolution.

Mr. HAYDEN. Mr. President, this joint resolution relates entirely to business of the House of Representatives.

Mr. WHERRY. Mr. President, the distinguished chairman of the Committee on Rules and Administration, the Senator from Arizona, just contacted the junior Senator from Nebraska. As I understand, this joint resolution affects only the House, has not anything to do with the Senate, and we are merely passing it so that the House can run its own affairs to suit itself.

Mr. HAYDEN. The Senator is correct.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 6406) providing procedure for claimants of mining claims in the United States obtaining credit for assessment work performed during the year ending July 1, 1949, under the provisions of Public Law 107, Eighty-first Congress, was announced as next in order.

Mr. McCARRAN. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

GEORGE WASHINGTON CARVER NATIONAL MONUMENT

The bill (H. R. 7302) to amend the act of July 14, 1943, relating to the establishment of the George Washington Carver National Monument, and for other purposes, was announced as next in order.

Mr. MORSE. Mr. President, I should like to have an explanation of the bill.

The PRESIDING OFFICER. An explanation of the bill is requested, and the Senator from Arizona is recognized.

Mr. McFARLAND. Mr. President, previously there was authorized the purchase as a memorial of the birthplace of George Washington Carver, a distinguished Negro scientist, located near Diamond, Mo. There was authorized to be appropriated an amount of money not to exceed $30,000. In the negotiations which developed, it was impossible to purchase the property for that amount of money.. The property was condemned, and judgment was entered in the sum of $78,895. The bill would increase the authorization from $30,000 to $80,000.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment on page 1, after line 6, to strike out section 4, as follows:

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act, including an amount not to exceed $80,000 to be used in payment for land to be acquired pursuant to this act.

And insert a new section 4 as follows:

SEC. 4. There are authorized to be appropriated such sums not to exceed $80,000 as may be necessary to carry out the provisions of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER

Mr. HENDRICKSON. Mr. President, with respect to Calendar Nos. 1513 through 1520, neither the bills nor the committee reports on them are before Members of the Senate. I have been unable to get copies of any of the bills or of the committee reports. I think it would be very bad legislative procedure to pass on any measure which none of us has had an opportunity to study. Therefore, Mr. President, I must object to consideration of the remaining bills on the calendar.

Mr. HOLLAND. Mr. President, of course, I do not wish to ask any Senator to approve any bill if he feels that it should not receive favorable consideration. I am thoroughly in agreement with that thought. However, I should like to make one brief statement with respect to Calendar No. 1513, Senate bill 2980.

The tobacco referred to in the bill is the wrapper leaf which goes on the outside of cigars. The tobacco can be produced in only two sections of the country, in Connecticut and Massachusetts, and in Florida and Georgia. The bill was introduced by the two Senators from Florida and both Senators from Georgia. Favoring testimony was received from the two Senators from Connecticut, as well as from several House Members from that State.

Growers of the small classification of tobacco involved in the bill have always asked that it be left out of the provisions of the Agricultural Adjustment Act. The tobacco was left out of the act by request of the growers. They now ask that it come under the provisions of the act. That request is made for only one reason, namely, that during the war, at a time when importation of Indonesian tobacco, which is used for this purpose, was cut off, the acreage of this tobacco in those areas in our country was greatly increased. Now that Indonesian tobacco is again being imported, necessity exists for cutting down the acreage in those sections.

Of course, cutting down of acreage can be done only after two-thirds of the growers have joined in approving a program for a quota, and the only way acreage can be cut fairly is by having legal machinery available for that purpose. Therefore, they now reluctantly ask to come under the program.

I may say to the Senator from New Jersey that after hearings were held the bill was fully approved by all growers in the Florida and Georgia area, and all growers in the Connecticut Valley, with the exception of two growers, who admitted that their companies were owned by an Indonesian producer who had come into the country during the war. An almost unanimous case was made on the bill. The Bureau of the Budget and the Secretary of Agriculture have approved it. I think it is a matter of right on the part of this one excluded group to come under the Agricultural Adjustment Act. It should be remembered that they had been left out wholly because of their own insistence.

Mr. President, I close by saying that if any Senator feels he should like to make a closer study of the provisions of the bill, I am quite agreeable to having the bill go over. However, it seems to me that we are having calendar calls rather infrequently. Furthermore, no objection to the measure was voiced before the committee. The subcommittee which heard testimony on the bill was composed of the Senator from North Carolina [Mr. HOEY], the Senator from Vermont [Mr. AIKEN], and the junior Senator from Florida. As I say, there was no objection raised by any of the growers affected except those growers who belong to offshore producing groups.

Mr. HENDRICKSON. Mr. President, I should be very happy to withhold my objection, but there are other bills in the same category, and if we open the door to this bill, we should, in justice, open the door to the other bills. We should not make fish of one and fowl of another. Although I wish to help the distinguished Senator from Florida very much, I feel constrained to object to all bills on the remainder of the calendar.

INTERMENT IN ARLINGTON CEMETERY OF LAST SURVIVOR OF GRAND ARMY OF THE REPUBLIC

Mr. LUCAS. I think the reports to which the Senator from New Jersey refers should be before Senators in advance of any action being taken on a bill. However, Mr. President, there is one measure to which I should like to invite the Senator's attention. It is Calendar No. 1520, Senate Concurrent Resolution 64. It concerns the burial in Arlington National Cemetery of the last surviving member of the Grand Army of the Republic, upon his own request. It seems

to me that we might pass the resolution without objection.

Mr. HENDRICKSON. I could not very well object to that measure, Mr. President.

The PRESIDING OFFICER. Is there objection to the consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution (S. Con. Res. 64), which had been reported from the Committee on Interior and Insular Affairs with amendments on page 1, line 3, after "Republic", to insert "and with the consent of his nearest living next of kin"; and in line 5, after the word "arrangements", to insert "with his relatives", so as to make the concurrent resolution read:

Resolved, etc., That, upon the death of the last surviving member of the Grand Army of the Republic, and with the consent of his nearest living next of kin, the Secretary of the Army is requested to make arrangements with his relatives for his burial, with fitting and appropriate ceremonies, in Arlington National Cemetery.

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

REQUEST THAT CALL OF CALENDAR STOP AT ORDER NO. 1512

Mr. SPARKMAN. Mr. President, may I suggest that, instead of objecting to consideration of further measures on the calendar, we simply stop consideration of the calendar after Calendar No. 1512, in order that the succeeding measures may be considered on the next call of the calendar. Therefore, Mr. President, I ask that the call of the calendar stop with No. 1512.

Mr. WHERRY. Mr. President, what is the reason for stopping with Calendar No. 1512?

Mr. LUCAS. Because no reports have been filed.

The PRESIDING OFFICER. Will the Senator from Alabama restate his request?

Mr. SPARKMAN. I request that the Senate stop the call of the calendar with No. 1512, subject to taking up measures that have been passed over which were carried to the foot of the calendar, rather than having the RECORD show that bills subsequent to order No. 1512 were objected to.

Mr. NEELY. Mr. President, will not the Senator omit from his request Calendar 1515, House bill 6552? It is my hope that the able Senator from New Jersey [Mr. HENDRICKSON] will exclude this measure from his omnibus objection. It merely proposes to insert the word "or" in an ancient law from which that word was inadvertently omitted.

Mr. HENDRICKSON. Mr. President, I am in exactly the same position respecting that measure as I am in respect to the bill of the Senator from Florida. If I make an exception, then another exception, and still another exception will have to be made. I feel I must stand by the original objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Alabama [Mr. SPARKMAN]? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS

Mr. CAIN. Mr. President, I ask unanimous consent to return to Calendar No. 1339, House bill 5101, concerning which the Senator from Oregon [Mr. MORSE] raised a question earlier this afternoon in my absence.

The PRESIDING OFFICER. Certain measures were carried to the foot of the calendar.

Mr. CAIN. I believe this bill is one of them.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. May I inquire if it has not been the custom when bills were carried to the foot of the calendar, to consider them in the order in which they had previously been reached on the call of the calendar?

The PRESIDING OFFICER. That is the practice. Bills which went to the foot of the calendar will be called in the order in which they were reached on the call of the calendar.

Mr. LUCAS. I do not know whether the bill to which the Senator from Washington [Mr. CAIN] refers is No. 1 on that list.

Mr. CAIN. Mr. President, that I do not know. I shall ask that my bill be considered as it is reached in its turn on the list of bills which went to the foot of the calendar.

The PRESIDING OFFICER. The first bill which went to the foot of the calendar will be stated.

BILLS PASSED OVER

The bill (S. 2113) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers, was announced as first in order at the foot of the calendar.

Mr. HENDRICKSON. Over.

The PRESIDING OFFICER. The bill will be passed over.

The next bill in order at the foot of the calendar will be stated.

TRANSFER TO PIERCE COUNTY, WASH., OF CERTAIN SURPLUS LAND

The bill (H. R. 5101) to provide for the transfer to Pierce County, Wash., of certain surplus land in the Fort Lewis Military Reservation was announced as the second bill in order at the foot of the calendar.

Mr. CAIN. Mr. President, this bill provides for the transfer of two small portions of the Fort Lewis Military Reservation back to the original donors of the land, Pierce County.

The Fort Lewis Military Reservation consists of some 71,000 acres and is located a few miles south of Tacoma, Wash. The land was deeded to the Federal Government, without any cost or consideration, by the people of Pierce County, Wash.

The deed of conveyance contains the normal reversionary clause which prescribes that in the event the property should not be maintained by the Federal Government as a military reservation, it will revert to Pierce County.

There are two small portions of this reservation which have become surplus, and of no further military use, and which are desired by the county. The two tracts are both located on the north boundary of the reservation and have lost their military usefulness because of the fact that they are small, triangular-shaped parcels which are now separated from the main reservation by a highway. The county desires the more northerly of these two parcels—approximately an acre—for road purposes. It desires the more southerly portion—approximately 63 acres—for school purposes. The Department of Defense and the Bureau of the Budget interpose no objection to releasing this property back to the original donors.

As a matter of fact, there is some legal question as to whether legislative authority is in fact necessary in this instance, because of the fact that the deed itself contains the reversionary provision. However, the Federal Government feels that there is some possibility that the title of the Federal Government to the remainder of the tract might be jeopardized if the reversionary clause of the deed were permitted to operate with respect to these two individual portions of the whole reservation. For that reason legislative authority is being requested, and section 2 of the bill specifically protects the title of the United States to the remainder of the reservation. The Committee on Armed Services felt that the wording in section 2 which made it mandatory that the State of Washington and Pierce County, Wash., should both be required to take certain action, is unduly restrictive. Neither the officials of the State of Washington nor of the Office of the Judge Advocate General are positive as to what action, if any, the State government would be required to take. For that reason the committee recommends amending the bill so as to substitute the words "in accordance with local law" for the words, "by the State of Washington and Pierce County, Wash."

This amendment is concurred in by the departmental witnesses and has been checked with the Office of the Legislative Counsel of the Senate as to its legal sufficiency.

I wonder if, by that explanation, the Senator from Oregon [Mr. MORSE] has either had his very legitimate interest satisfied, or if he cares to ask me any further questions.

Mr. MORSE. Mr. President, I want to thank the Senator from Washington for his explanation of the bill. I shall study it very carefully between now and the next calendar day, and I shall ask to have the bill go over until then.

The PRESIDING OFFICER. Objection is heard.

The next bill in order at the foot of the calendar will be stated.

DAYLIGHT-SAVING TIME IN THE DISTRICT

The bill (S. 3176) to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District was considered, ordered to be engrossed for a third read-

ing, read the third time, and passed, as follows:

Be it enacted, etc., That the Board of Commissioners of the District of Columbia is authorized to advance the standard time applicable to the District 1 hour for a period of each year commencing not earlier than the last Sunday of April and ending not later than the last Sunday of September. Any such time established by the Commissioners under the authority of this act shall, during the period of the year for which it is applicable, be the standard time for the District of Columbia.

The PRESIDING OFFICER subsequently said: The Chair wishes to announce that the bill providing for daylight-saving time for the District of Columbia was objected to when it was reached on the call of the calendar, and was not carried to the foot of the calendar by unanimous consent. Therefore, the calling of that bill a moment ago was an error. The bill has not been passed. It was objected to on the call of the calendar and is still on the calendar.

BILL PASSED OVER

The PRESIDING OFFICER. The next bill at the foot of the calendar will be stated.

The bill (S. 583), conferring jurisdiction upon the United States District Court for the Eastern District of Pennsylvania to hear, determine, and render judgment upon the claims of the estate of Archangelo Straneri, was announced as next in order.

Mr. HENDRICKSON. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF LANDS TO THE TWO ROCK UNION SCHOOL DISTRICT OF SONOMA COUNTY, CALIF.

The PRESIDING OFFICER. The next bill at the foot of the calendar will be stated.

The bill (H. R. 4732), to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California in Sonoma County, Calif., and to furnish said school district water free of charge, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KNOWLAND. Mr. President, this bill was held over during my absence, when I was at the Naval Academy as a member of the Board of Visitors. I think the bill went to the foot of the calendar at the request of the Senator from Oregon [Mr. MORSE].

The Two Rock Army Base consists of approximately 867 acres. It is a radio receiving station with a permanent garrison of 13 officers and 400 enlisted men. It is located approximately 10 miles east of Petaluma, Calif., and about 45 miles north of San Francisco.

The grammar-school facilities in the Two Rock School District are quite out of date. The present school building was built in 1885, and has no water or telephone. Its sanitary facilities are wholly inadequate. The California Commission on Redistricting of Rural Schools has recommended a consolidating of the three school districts in the area into one union district, so that one modern grammar school may be built to serve the whole area.

The consolidation has been effected, but the building program cannot get under way because of the lack of a suitable site for the new building.

H. R. 4732 proposes to give to the Two Rock Union School District a tract consisting of 5.36 acres located in the northeast portion of the Two Rock Army Base.

The value of this land is approximately $400. It contains no improvements. The Department of the Army interposes no objection to this transfer and the Bureau of the Budget concurs. The land is selected for two reasons: First, because of its accessability to the water supply of the Army base; second, this particular plot is centrally located in the union school district. Approximately half of the students in the Two Rock grammar-school are children of Army personnel.

The bill requires that water is to be supplied from the Army system, but paid for by the school district. The bill also requires that the school district relocate the security fence around the area. The bill provides a reversionary clause which will be effective should the land fail to be used for school purposes. The rights of the United States with respect to fissionable material are also reserved in the bill.

I recommend that the title of the bill be amended by striking out the words, "to furnish school district water free of charge," and substituting the words, "for other purposes."

The original bill contemplated that there should be no charge for the water. It was amended in the House to require payment but the title was erroneously let stand in its original form.

Mr. President, I believe the Federal Government would be amply compensated for the $400 worth of property because half the students will be students of the personnel on the Army base.

Mr. MORSE. Mr. President, since asking to have the bill go to the foot of the calendar, I have taken the time to study it. I find that the Government not only will receive on this transfer a sum equal to half the fair market value of the property—its total value is $400—but probably will receive in excess of that amount by reason of the fact that the school district will transfer and relocate the military fence. I have checked the matter with staff members of the committee and find that this particular bill in no way violates the principle of the Federal Government receiving at least half of the fair market value of the property.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The committee amendments have been heretofore agreed. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 4732) was read the third time and passed.

The title was amended so as to read: "An act to direct the Secretary of the Army to convey certain lands to the Two Rock union school district, a political subdivision of the State of California, in Sonoma County, Calif., and for other purposes."

CATHERINE A. GLESENER

Mr. MORSE. Mr. President, I wish to call attention to Senate bill 469, Calendar 1258, a bill which has received the attention of the two Senators from Washington [Mr. MAGNUSON and Mr. CAIN] and the two Senators from Oregon [Mr. CORDON] and myself, in recent months and weeks. Consideration of the bill was objected to during the last call of the calendar until the Senator from New Jersey [Mr. HENDRICKSON] could make further study as to the claims set forth in the bill.

I understand that the Senator from New Jersey and the chairman of the Judiciary Committee [Mr. MCCARRAN] have agreed upon an amendment to the bill. In the absence of the Senator from Washington [Mr. MAGNUSON], the author of the bill, I have been asked to read the following statement:

The Senator from Washington [Mr. MAGNUSON], who is unable to be on the floor at this moment, has requested me to ask unanimous consent that the Senate return to Calendar No. 1258. This is a bill for the relief of C. A. Glesener.

Senators will note the bill was reported by the committee and appeared on the calendar just 1 day before last calendar call. The bill was not objected to, but a request was made that the bill go over for further study. I understand that the junior Senator from New Jersey, who asked that the bill go over for further study, on the last calendar call, has an amendment he wishes to offer.

His amendment has been agreed to by the Senator from Washington [Mr. MAGNUSON], author of the bill, and by the chairman of the Judiciary Committee.

There should be no controversy over the bill, and in all fairness it should be considered at this time because of the circumstances I have already related.

Mr. President, I would only add that the woman involved in this particular bill has suffered great property damage, which has been admitted by the Government. For the past several years she has been working in an endeavor to iron out her difficulties with the Government. Now that the Government departments are in agreement with her, and, as I understand, now that the Senator from New Jersey and the Senator from Nevada are in agreement as to the final amount of the claim, I think in fairness to this poor woman we should dispose of this bill this afternoon.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent that the Senate proceed to the consideration of Senate bill 469, Calendar 1258, a bill not included in the part of the calendar ordered for consideration by the Senate today. Is there objection?

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. The ECA bill, as I understand, is the unfinished business?

The PRESIDING OFFICER. Yes, the call of the calendar has been completed, and the ECA bill is the unfinished business.

Mr. TAFT. Then I take it that the Senator's request should be that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate bill 469. Is that correct?

The PRESIDING OFFICER. That is correct. Of course, the transaction of any other business at this point, by unanimous consent, would not affect the status of the unfinished business, so far as resuming it is concerned.

Mr. TAFT. Mr. President, I object unless the request includes a request to have the unfinished business temporarily laid aside. What I object to is the practice, at the end of the calendar, of bringing up a number of bills as to which no notice has been given, other than the fact that they are on the first part of the calendar, and can be brought up, of course, after the Senate returns to the current order of business.

However, I do not think we should consider another bill while the ECA bill is before us pending the Senate, except by temporarily laying aside the ECA bill and proceeding to the consideration of another bill. So I object, but only as to the form in which the request is made.

Mr. MORSE. Mr. President, if the Senator will withhold his objection, in order to do what I think anyone who would go into the record of this case would agree is merely plain justice to this woman, who, at long last, has gotten all the departments of Government concerned to agree as to the damage which has been done to her, I ask unanimous consent that the unfinished business, the ECA bill, be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 469, Calendar 1258.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object—and let me say I did not hear all the colloquy—I understand that the request of the junior Senator from Oregon has nothing to do with arrangements made in regard to the calendar prior to this time; but I understand that the Senator is now asking that the ECA bill be temporarily laid aside and that, by unanimous consent, the bill he has mentioned be brought up. I have no objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 469) for the relief of Catherine A. Glesener, which had been reported from the Committee on the Judiciary with amendments.

The PRESIDING OFFICER. The first amendment of the committee will be stated.

The first amendment, was on page 1, line 5, after the word "to", to strike out "Catherine" and insert "Cathryn."

Mr. HENDRICKSON. Mr. President, I send to the desk two amendments, which I offer and ask to have stated. One of them is to a committee amendment, and the other is to the bill itself.

The PRESIDING OFFICER. It is the understanding of the Chair that the amendments of the Senator from New Jersey do not relate to the first committee amendment, which has been stated.

The question is on agreeing to the first committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment, was on page 1, in line 6, after the word "of", to strike out "$126,811" and insert "$84,792."

The PRESIDING OFFICER. The Senator from New Jersey has offered an amendment to this committee amendment. His amendment to the committee amendment will be stated.

The amendment to the committee amendment was on page 1, in line 6, in lieu of the amount proposed by the committee, to insert "$36,441, with interest at 4½ percent from January 1, 1938, to the date of enactment of this act."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

Mr. McCARRAN. Mr. President, I should like to hear from the Senator from Oregon [Mr. MORSE] as to whether that amendment to the committee amendment is agreeable to the Senator from Washington [Mr. MAGNUSON]. I have not heard from him.

Mr. MORSE. My understanding is—and he has authorized me to so state—that it is agreeable to the Senator from Washington.

Mr. McCARRAN. Very well.

Mr. HENDRICKSON. Mr. President, I am reliably informed that these amendments are satisfactory to the distinguished Senator from Washington.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey [Mr. HENDRICKSON] to the committee amendment on page 1, in line 6.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The next amendment was, on page 2, in line 6, after the word "said", to strike out the word "Catherine", and insert "Cathryn."

The amendment was agreed to.

The PRESIDING OFFICER. The amendment submitted by the Senator from New Jersey [Mr. HENDRICKSON] will be stated.

The LEGISLATIVE CLERK. On page 2, beginning in line 5, it is proposed to strike out "inability of the said Cathryn A. Glesener to further carry on her business by reason of the refusal of the War Department to grant her a permit which would have enabled her to reconstruct such log wharf and boom" and insert "loss of business from 1935 to 1937, inclusive, while the Bonneville Dam was under construction."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 469) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cathryn A. Glesener, of Underwood, Wash., the sum of $36,441, with interest at 4½ percent from January 1, 1938, to the date of enactment of this act, in full satisfaction of her claims against the United States for compensation for (1) the destruction of a log wharf and boom on the north side of, and extending into, the Columbia River, near Underwood, Wash., by the United States engineers in 1937 in connection with the construction of the Bonneville Dam; (2) losses incurred by reason of the depreciation in value of shore property, improvements, and facilities as a result of the destruction of such log wharf and boom; and (3) loss of earnings as a result of the destruction of such log wharf and boom and the loss of business from 1935 to 1937, inclusive, while the Bonneville Dam was under construction: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The title was amended, so as to read: "An act for the relief of Cathryn A. Glesener."

DIXIE MARGARINE CO.

Mr. McKELLAR. Mr. President, earlier in the day I gave notice that I would ask that Calendar No. 321, Senate bill 1086, a bill for the relief of the Dixie Margarine Co., a Tennessee corporation, of Memphis, Tenn., be taken up. I am not going to ask that it be taken up now, for the reason that, although two Senators who objected previously have told me that they no longer object, yet one of them is not on the floor at this time. So I merely give notice that I shall ask to have that bill taken up at a subsequent time, when more Senators are present. I shall do so at that time, rather than now, in order that no attempt will be made to take advantage in any way, manner, shape, or form, in regard to that bill.

TRANSFER OF FORT DES MOINES, IOWA, TO THE STATE OF IOWA

Mr. HICKENLOOPER. Mr. President, inasmuch as the Senator from Oregon has asked for the consideration of a bill on the calendar prior to the point on the calendar at which the calling of calendar bills was ordered for today, and inasmuch as the Senator from Oregon is the only Senator who objects to House bill 4569, so far as I know, I am prepared to ask unanimous consent that the unfinished business be temporarily

laid aside and that the Senate proceed to the consideration of House bill 4569, Calendar 1209, an act authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa.

Fort Des Moines was originally donated to the Government, but the Government has no longer any use for it; and the Government is spending tremendous sums of money there every day to maintain it. The State of Iowa is anxious to have that land for institutional purposes.

Under those circumstances, and inasmuch as there is no objection on the part of any Government agency, so far as I know, and no objection in either House of Congress, except by the Senator from Oregon, I now ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 4569, Calendar No. 1209.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4569) authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, if the Senator from Iowa does not wish to have me wait for further study of the bill, and if he is willing to accept an amendment that the city of Des Moines shall pay 50 percent of the appraised fair market value of the property, whatever it may be, I would accept the bill, under those circumstances.

The PRESIDING OFFICER. Does the Senator from Iowa wish the floor?

Mr. KILGORE. Mr. President——

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Iowa?

Mr. LUCAS. Mr. President, does the Senator from Iowa agree to the amendment proposed by the Senator from Oregon?

Mr. HICKENLOOPER. No. I have no comment on the Senator's suggestion.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Is the request to pass the bill, or to consider it?

The PRESIDING OFFICER. The request is for unanimous consent to consider the bill.

Mr. MORSE. I have no objection to considering it.

Mr. LUCAS. Reserving the right to object, we are getting right back where we agreed we would not go. We took up one bill, and I presume since we have taken up one, we might as well start at the beginning of the calendar and call it all. That would suit the Senator from Tennessee, because he has two bills he wanted to call up, and other Senators have bills they desire to call up.

Mr. McKELLAR. The two bills are at the top of the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. HICKENLOOPER. If the Senator will yield, I may say I would not have attempted to bring this bill up, except that a precedent was broken just a short time ago.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 4569) authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa, which had been reported from the Committee on Public Works, with an amendment, on page 2, line 1, after the word "meridian" to insert "subject to the continued use by the city of Des Moines, without payment to the State of Iowa of ground or other rental therefor, of the improvements and necessary land presently used for veterans' temporary housing projects Iowa–V–13140, V–13077, and VN–13115, for so long as they may be needed for veterans' temporary housing purposes pursuant to Public Law 849, Seventy-sixth Congress, as amended, and the contracts between the city of Des Moines and the United States, it being understood that the rights and obligations of the United States and the city of Des Moines under said contracts shall not be in any way affected by such transfer except that the projects shall not thereafter be subject to the removal requirements of section 313 of Public Law 849, Seventy-sixth Congress, as amended, or the contractual obligations of the city of Des Moines for their removal, and."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. At the proper place in the bill I ask to have inserted my usual amendment, that, in this case, the city of Des Moines shall pay 50 percent of the appraised fair market value of the property.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the appropriate place in the bill it is proposed to insert "the city of Des Moines shall pay 50 percent of the appraised fair market value of the property in question."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oregon.

Mr. HICKENLOOPER. Mr. President, I shall have to object to the adoption of the amendment.

Fort Des Moines, as shown by the reports of both houses, was donated to the Federal Government by the State of Iowa and the local citizens, without cost to the Government. It is now useless to the Government as a military reservation. It has a housing project there, operated in the temporary buildings which were erected during the war. The State of Iowa has agreed that if it is transferred to the State, it will take over the Government's obligations and contracts for the operation and for the completion of the housing project in its operating phases. It will eventually be abandoned. There is no objection that I know of. In fact, the reports show that there is no objection from either the housing authorities or the Defense Department, which has abandoned it as a military reservation. It is costing the Government much money every day to maintain these buildings, which originally were built on the property. The State has arrangements to use it for humanitarian purposes, and I see no excuse whatever for a 50 percent payment on this property, when no one is demanding it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. MORSE. I merely want to say that a pretty good test as to whether this property is worth anything to the American taxpayer would be to put it on the market tomorrow to see what would be offered for it. It does have value. It has considerable value. I think the equities the Senator from Iowa is now discussing could be worked out on somewhat the same basis as we worked out similar equities with the Senator from California last year in regard to the transfer of certain Federal military property in his State. I am sorry that the Senator from Iowa and I do not see eye to eye on this matter. But I am not going to permit the transfer, for nothing, of property which the taxpayers of the United States now own, and in regard to which in many instances I have discovered, as I have looked into other cases, there have been Federal improvements which have increased the value over the years.

The fact that the property was given to the Federal Government in the first place I do not think is a very weighty argument, because we find that the economic advantages to the community concerned increased many times over whatever the value of the property was in the first instance, because of certain Federal operations resulting from the transfer of the property to the Federal Government.

I realize that I find myself frequently in embarrassing positions, because of my insistence on a consistent, uniform application of this policy; but I am going to persist in it, and therefore I object.

Mr. LUCAS. Mr. President, it is with some reluctance that I make this statement. I am going to be constrained to object to any other unanimous-consent requests to return to any bill that is on the calendar previous to the order of business at which the call of the calendar began today.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

Mr. LUCAS rose.

Mr. HICKENLOOPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois wish the floor?

Mr. LUCAS. No, Mr. President, but the Senator from Oregon objected to consideration of the bill. I understood the Senator from Oregon objected to the consideration of the bill. Am I correct? A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LUCAS. Do I correctly understand that the Senator from Oregon objected to the present consideration of the bill?

Mr. MORSE. I understood that the Senator from Iowa objected to my amendment, and, without the acceptance of my amendment, I object to the bill.

Mr. LUCAS. That is what I thought.

The PRESIDING OFFICER. Unanimous consent was given to consider the

bill, and the Chair understands it is like any other bill in that situation. It is the business before the Senate.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. If the decision of the Chair stands, and there is no appeal, then the question is upon the amendment offered by the Senator from Oregon. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. McCARRAN. I ask for the regular order.

The PRESIDING OFFICER. The regular order is demanded. The Chair lays before the Senate the unfinished business, which is the ECA bill, which the clerk will state by title.

The LEGISLATIVE CLERK. A bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

AMENDMENT TO TITLE VIII OF THE NATIONAL HOUSING ACT—MOTION TO RECONSIDER WITHDRAWN

Mr. LUCAS. Mr. President, I ask unanimous consent, out of order, to return to Calendar 1495, the bill (H. R. 7846).

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 7846) to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations and for other purposes.

Mr. LUCAS. I intended to make the request before there was a demand for the regular order. The bill is one in which the Senator from Nebraska and other Senators are interested. At the request of the Senator from Arkansas [Mr. McCLELLAN], I withdraw the motion made by him to reconsider the vote by which the bill was passed.

The PRESIDING OFFICER. The Senate will be in order. Will the Senator restate his request?

Mr. LUCAS. The Senator from Arkansas entered a motion to reconsider the vote by which House bill 7846 was passed. The Senator from Arkansas has requested me to withdraw the motion to reconsider, and let the bill pass.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none; the motion to reconsider is withdrawn, and the bill stands passed.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 55) favoring the suspension of deportation of certain aliens, which were, on page 4, after line 19, insert:

A-5371149, Horngacker, Hedwig Magdalena, or Sister Mary Blanka Horngacker.

And on page 8, strike out lines 10 and 11.

Mr. McCARRAN. I move that the Senate concur in the House amendments.

Mr. WHERRY. Mr. President, will the distinguished Senator give us a brief explanation of the amendments?

Mr. McCARRAN. The House amended the concurrent resolution (S. Con. Res. 55) by striking out one name, which was withdrawn by the Attorney General, and by adding one name.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Without objection, the Senate concurs in the amendments.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution from the Senate (S. Con. Res. 58) favoring the suspension of deportation of certain aliens, which were, on page 2, strike out line 5.

On page 5, strike out lines 17, 18, and 19.

On page 5, after line 23, insert:

A-1364379, McLaughlin, Bridget.

On page 7, after line 20, insert:

A-6810463, Solan, Julius, or Julius Seidner.

On page 8, after line 6, insert:

A-6396120, Stefanini, Mario.

Mr. McCARRAN. I move that the Senate concur in the House amendments.

Mr. WHERRY. Mr. President, may we have an explanation?

Mr. McCARRAN. The House amended Senate concurrent resolution 58 by striking out two names which were withdrawn by the Attorney General, and by adding three names, which we have screened carefully.

The PRESIDING OFFICER. Without objection, the Senate concurs in the House amendments.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution from the Senate (S. Con. Res. 62) favoring the suspension of deportation of certain aliens, which were on page 9, strike out line 5. On page 9, strike out line 6.

Mr. McCARRAN. I move that the Senate concur in the House amendments.

Mr. WHERRY. May we have an explanation?

Mr. McCARRAN. The House amended the resolution by striking out two names which were withdrawn by the Attorney General.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Without objection, the motion is agreed to.

MRS. MERLE LEATHERBURY PYLE AND PATRICIA M. PYLE—CHANGE OF REFERENCE

Mr. McCARRAN. Mr. President, on February 22, 1950, House bill 1133, for the relief of Mrs. Merle Leatherbury Pyle and Patricia M. Pyle, was referred to the Committee on the Judiciary.

At a recent meeting the committee considered this bill, which would create a status so as to entitle a widow to an annuity provided under the Civil Service Retirement Act.

The bill involves a matter of policy and the committee determined that it is one which more properly comes within the jurisdiction of the Committee on Post Office and Civil Service, which handled the general legislation.

On behalf of the Committee on the Judiciary, I request that the committee be discharged from further consideration of House bill 1133, and that it be referred to the Commitee on Post Office and Civil Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERAGENCY RECREATION COMMITTEE—CHANGE OF REFERENCE

Mr. McCARRAN. Mr. President, on October 18, 1949, Senate bill 2731, to create a Government Interagency Recreation Committee from the present voluntary committee to plan, organize, and maintain a recreation program among Federal employees, to establish a Federal recreation center in the District of Columbia, and for other purposes, was referred to the Committee on the Judiciary.

Following consultation with the senior Senator from North Dakota [Mr. LANGER], author of the above-mentioned bill, the committee considered this measure at one of its meetings, and it was determined that the subject matter of the above-mentioned bill is one that more properly comes within the jurisdiction of the Committee on Post Office and Civil Service.

On behalf of the Committee on the Judiciary, I request that the committee be discharged from the further consideration of Senate bill 2731 and that it be referred to the Committee on Post Office and Civil Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS—PARLIAMENTARY PROCEDURE

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. While I have no objection to the consideration of this business, the distinguished Senator from Nevada [Mr. McCARRAN] took the Senator from Iowa off the floor by asking for the regular order. Does a unanimous-consent request always have a condition in it that a Senator may ask for the regular order after unanimous consent has been granted, and does it provide that when the regular order is asked for, a Senator may lose the right to have considered the business which the Senate had started to consider?

The PRESIDING OFFICER. The Chair observes, on advice of the Parliamentarian, that under the circumstances a few moments ago, with reference to the Senator from Iowa, the demand by a Senator for the regular order would automatically bring back for consideration the unfinished business.

Mr. WHERRY. I cannot see the use of a unanimous-consent request if at any time a Senator can ask for the regular order. I cannot, for the life of me, understand what the unanimous-consent request means unless it is that the unfinished business be temporarily set aside, and the bill for which consideration is requested is to be concluded.

The PRESIDING OFFICER. The Chair understands that the precedents are uniform on the point.

Mr. HOLLAND. Mr. President, it is my understanding that unless the unanimous-consent agreement comprises not only the request that the unfinished business be temporarily laid aside and the other business be taken up, and also that it be carried to a conclusion, without question the regular order can be asked at any time, whereupon the unfinished business again will be subject to consideration.

Mr. WHERRY. I submit to the distinguished occupant of the chair that the request of the Senator from Iowa that the unfinished business, the ECA bill, be temporarily set aside, was made in exactly the same terms in which the Senator from Oregon made a prior request.

It seems to me that when unanimous consent is granted that the unfinished business be temporarily laid aside, it automatically carries with it that some conclusion of the new business shall be reached, just as if it were a motion to consider a bill. I submit to the distinguished occupant of the chair that when the Senator from Iowa was taken off his feet by a call for the regular order he was deprived of an opportunity of finishing the matter which was then the order of business.

The PRESIDING OFFICER. The Chair was very much surprised, on examining the precedents, to find the situation as it is.

Mr. LUCAS. Mr. President, the Senator from Nebraska could have taken the Senator from Nevada off his feet by demanding the regular order, if he had wanted to do so.

The PRESIDING OFFICER. Yes; the rule would apply in the same manner.

Mr. WHERRY. Does it make any difference whether it is done by unanimous consent or by a motion to take up?

The PRESIDING OFFICER. The Chair advises the Senator from Nebraska that a motion to take up a bill, if agreed to, makes that matter the unfinished business of the Senate.

Mr. WHERRY. The Chair misunderstood my query.

The PRESIDING OFFICER. Let the Chair finish.

Mr. WHERRY. I am sorry I interrupted.

The PRESIDING OFFICER. If there is a unanimous-consent request that a matter be taken up, the precedents of the Senate are that a call for the regular order automatically operates as a return to the pending question.

Mr. WHERRY. So the rules provide that when a Senator has asked unanimous consent temporarily to lay aside the unfinished business, it does not carry with it the right to proceed to a conclusion of the business if a request is made for a return to the regular order?

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. But if some Senator makes a motion that the unfinished business be laid aside——

The PRESIDING OFFICER. The Chair is advised that the proper approach is not to make a motion to lay aside the pending matter; the approach would be a motion to take up the second matter without any strings attached to it.

Mr. WHERRY. My question was, If a motion is made which requires that the pending measure be temporarily set aside and that the Senate proceed to the consideration of a certain bill, does that mean that consideration has to continue until it is concluded?

The PRESIDING OFFICER. The precedents are that a motion to lay aside temporarily the unfinished business would not be in order.

Mr. WHERRY. So a motion would not be in order in that sort of a situation, but we are to understand that if there is a unanimous-consent agreement temporarily to lay aside the unfinished business and take up another matter, any Senator can ask for regular order.

The PRESIDING OFFICER. That is correct, if it is approached by a unanimous-consent request.

ANNUITANTS UNDER CIVIL SERVICE RETIREMENT ACT

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to consider order of business 294, Senate bill 878, to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948.

Mr. HOLLAND. Mr. President, I do not like to object, but the majority leader, who was called out of the Chamber a moment ago, had already stated he would object to taking up any measure which would disturb the parliamentary situation, so I must object on behalf of the majority leader.

Mr. WILLIAMS. Mr. President, I should like to point out that the majority leader himself has already agreed to go back on the old calendar for two other bills, and I assure the Senator this measure will not take over 15 minutes.

Mr. HOLLAND. I am sorry, but the majority leader made the statement I have just repeated, and unless the Senator can get him to retract the statement, I shall be obliged to stand by what I have said.

The PRESIDING OFFICER. The Senator from Florida objects.

Mr. WILLIAMS. Mr. President, I should like to make a brief statement relative to the bill.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. WILLIAMS. Mr. President, Senate bill 878 has been on the calendar over a year. It proposes to amend the Civil Service Retirement Act by extending additional benefits to those retiring prior to April 1, 1948.

The bill has much merit. No one disputes that fact. However, there are certain sections which some of us feel should be amended, and we have repeatedly requested the majority party to make the bill the regular order of business in order that the Senate might vote upon all the amendments and the bill itself.

As evidence of the administration's objection, I wish to read, for the information of the Senate, a statement contained in the report of the Committee on Civil Service:

> As heretofore stated, the benefits provided by this bill are purely a gift from the Government costing approximately $157,000,000. In view of the cost involved the Commission is constrained to recommend adverse action.

That statement was contained in a letter signed by Mr. Harry B. Mitchell, president of the Civil Service Commission, and reflects the views of the administration.

The amendment which I shall offer is very simple. It merely provides that all employees be treated on a basis of equality regardless of when they left the Government service. I have yet to hear anyone object to that principle.

This bill has not been made the regular order of business because the administration is opposed to the passage of the bill, and have indicated their disapproval of the bill through the Civil Service Commission, a copy of whose adverse report is contained in the committee report.

Every Member of the Senate knows how hard it is to pass a measure to which the administration is opposed. However, the members of the majority party, instead of assuming their responsibility, are continuously writing these retired employees placing the blame for the nonpassage of this bill on the Republican Party, basing such claims solely upon the fact that some of us have indicated that we will offer an amendment to the bill when it is given consideration.

In order that the responsibility for any lack of consideration being given to this measure might be placed exactly where it belongs, at this time I am making an effort to have the bill made the regular order of business. I assure Senators that if they will make the bill the regular order of business I will confine my remarks not to exceed 10 minutes. I merely want an opportunity to offer an amendment to the bill and state my reasons why such an amendment is important. I am perfectly willing to abide by the decision of the Senate both on the amendment and the bill itself if the majority leader will cooperate and allow the Senate to render its decision.

I appeal to the majority leader to withdraw his objection to the consideration of this bill and allow the Senate to vote both on my amendment and the bill itself. It is time that the majority party stops playing cheap politics on a measure so vital to the retired employees of our Government.

PROPOSED UNITED STATES OF EUROPE

Mr. MALONE. Mr. President, it is the opinion of the junior Senator of Nevada that a United States of Europe is the first step in the permanent solution of the European problem, including the problem of Germany.

A few days ago, our High Commissioner in Germany, John J. McCloy, was quoted as saying "no permanent solution of German problems seems possible without an effective European union."

A United States of Europe is not only the practical, but the ideal step. Because Europe has climbed upon our back and has looked to us to carry her, the

American Government is in position to take a leading part in bringing about European unification. As a condition of further assistance from us, we should insist upon the formation of a United States of Europe. However, our State Department seems dominated by British thinking, and Britain's anxiety regarding the position of the British pound is the chief obstacle to European unification.

In other words, any time the United States of Europe is formed, each one of the nations of Europe would take its place in the firmament, just as California and New York took their places in the United States of America, just as the small State of Nevada and the large State of California have equal rights in their voting power on the floor of the United States Senate.

Will it require another east-west crisis over Germany to clear away this obstacle? Would it not be better to let common sense direct us now than to wait for the Kremlin to do it?

To avoid chaos there must be a United States of Europe, of which Germany is one of the states. Only within the context of European unity is there the opportunity to direct the economic, political, and spiritual forces of Germany into healthy and peaceful channels. Prompt action is needed because, first, the west today has an opportunity to unite for defense; second, Germany is in a formative stage; third, the idea of unity has a strong hold on the mind of the people; and, lastly, the United States of America would give full assistance in the establishment of a United States of Europe, for it is to our advantage to do so.

They can then reach their maximum of development by trading with each other, instead of placing obstacles to trade between the nations, such as quotas and embargoes and specifications, and all the things which prevent trade, so that, as they think, we become the only market for their production.

When cartels are formed, and such things as the sterling bloc, they bring about trade wars. Some nations are surrounded by trade barriers, others are isolated, so that ultimately a war is the only logical result.

With a United States of Europe, Germany would no longer be the problem she is. We are now torn between two choices: Allowing Germany to become strong industrially, with the danger that she may join Russia, and through that union seek to dominate the world; or turning her into a harmless agrarian state, with our endless financial support, involving about a billion dollars a year, which some time we will have to stop, and with the always-present danger that a frustrated Germany would ultimately join Communist Russia anyway, since Russia is offering her industrial independence through purchase of her products, and furnishing manufactured and processed products to Communist China.

The present situation is not good. Despite the fact that we have pumped American taxpayers' money into Europe, almost without limit, no cure for Europe's economic ills has been effected. That was the effect of Mr. McCloy's statement. He understands that no cure has been effected. Our give-away program has been futile. America cannot continue to leech its resources forever, nor can we continue in a struggle wherein every gain by us is temporary and questionable, while every gain by the Russians is permanent.

Europe could become strong as one nation, no longer subject to rivalries, distrust, and suspicions.

In setting up a United States of Europe which would function, there would, of course, have to be provisions for the integrity of private investments and the free convertibility of foreign currencies. This would automatically end the manipulation of currencies for trade advantage, and end complaints of dollar trouble or dollar shortage, when the dollar shortage is caused by the overvaluing of the currencies. No one will give a dollar for what they say their currencies are worth.

In conclusion, there must be a consolidation into a federation of states of what is left of western Europe—the 16 ECA countries, formed into a structurally sound, free-economy unit, unburdened by monetary conspiracies, Marxist regulations, bilateral agreements, restricting licensing arrangements, or other barriers to manufacture and trade among themselves. It would be a United States of Europe in fact. Such a Europe could be as intimately linked with us as is Canada at the present time.

This step is necessary for the survival of the nations of Europe, and for the effectiveness of any help rendered by us. Let us condition any further assistance for a United States of Europe upon integrity of private investments, free converitibility of their currencies between the nations themselves and the dollar.

What is the object of point 4? It is to guarantee investments which are gone the moment they are made because of the socialization and nationalization plans of European countries.

There should be a United States of Europe, where all the nations would be equal in their representation, just as in the United States of America the States are equal. That would prevent any manipulation of currency for trade advantage purposes. Such manipulation is a form of piracy, however it is practiced or whatever nation practices it.

RECESS

Mr. HOLLAND. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 11 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 20, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 19 (legislative day of March 29), 1950:

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Dexter W. Adams, O1061599.
James J. Albertson, O1342356.
Don C. Ambrose, O2036527.
Richard C. Ames, O1560422.
Allen R. Anderson, O423186.
Kenneth S. Anderson, Jr., O1019830.
Lewis J. Ashley, O1342031.
Jack S. Bailey, O422048.
Doric W. J. Ball, O1081543.
Andrew M. Barr, O1341936.
George B. Barrett, O948288.
Marshall B. Bass, O1341208.
John P. Berres, O945844.
William R. Bierwirth, O945800.
Leslie M. Blake, O1056986.
Maurice H. Boutelle, O1284090.
Donn T. Boyd, O548159.
Robert K. Bradford, O445994.
Patrick J. Breen, O1574605.
Haldon D. Brown, O453806.
Jackson M. Bryant, O2032831.
Frank R. Burget, O423863.
Dalton O. Carpenter, Jr., O928592.
Kevin F. Carrigan, O2049499.
Michael J. Cerrone, Jr., O1308098.
Egbert B. Clark III, O1341947.
Richard W. Clark, O1322130.
Stanley P. Converse, O955774.
Robert F. Coveny, O2039556.
William H. Crane, O1599149.
Thomas H. Crowder, Jr., O1309525.
John D. Cunningham, O465285.
Wallace H. Currey, O1540856.
Vernon C. Devan, O1329334.
Jack L. Dinkel, O2019859.
Otis J. Doty, O954135.
James R. Duncan, O1311628.
Richard J. Eaton, O947243.
William W. Etchemendy, O529113.
David E. Etzold, O947389.
Harry E. Evans, O424864.
Ronald J. Fairfield, Jr., O1824002.
Rudolph A. Fallon, O1635858.
Donald P. Fink, O1800096.
Alvin E. Fort, O1041763.
Robert Francis, O1283574.
Robert M. Galloway, O1058011.
Orlando Garcia, O1553814.
Joseph M. Gay, Jr., O1341261.
Henry H. Gerecke, O1798784.
Freddie W. Gramling, O414332.
Benjamin L. Gunter, Jr., O1699966.
George M. Hamscher, O1060794.
Joseph S. Harrelson, Jr., O1283598.
Harry B. Harris, O2027761.
John L. Hart, O947609.
Carl W. Hartman, O1556437.
Elzie Hickerson, O1010505.
John H. Hoffman, O1053640.
John J. Hoffman, Jr., O1341008.
Robert P. Hotaling, O1319091.
Harmon Howard, O2001000.
James M. Hull, O1119070.
I. J. Irvin, Jr., O1081220.
Arthur Jackson, O1341976.
John E. Jessup, Jr., O959279.
Clayton E. Johnson, O955377.
Jasper R. Johnson, O1320995.
Paul E. Jones, O1186043.
Delbert A. Jurden, O954539.
Andrew J. Kapec, O1342336.
Kenneth F. Kast, Jr., O949843.
Daniel K. Kealalio, O1331741.
Bernard S. Kern, O2025145.
Howard W. Killam, O1647987.
William W. Kirchman, O1173676.
Eric Kobbe, O468707.
Kenneth W. Koch, O1019375.
Kendall W. Korems, O956501.
Constantine D. Kryzanowsky, O1326504.
George V. Labadie, Jr., O396041.
Wilfred G. Lalonde, O1338719.
Joe B. Lamb, O1314794.

James E. Lawson, O945705.
William F. Lawson, Jr., O1296395.
Robert H. Lehman, O1101913.
Bernard J. Leu, Jr., O2033085.
John W. Liddle, O2038789.
Leon H. Lockhart, O1576307.
John Lycas, O446927.
Paul D. MacGarvey, O1010491.
Robert T. Mailheau, O2027263.
Merritt P. Martin, O1583333.
Robert J. Martin, O2017423.
Billy M. M'Carver, O1541005.
Milton E. McCaig, O955486.
Leo C. McCarthy, O1291497.
Sam Meadow, O1578348.
Jack M. Meiss, O1081084.
Jack R. Metzdorf, O1030909.
Warren H. Metzner, O1326291.
Douglas A. Mollison, O1339556.
Keith L. Monroe, O1063042.
Fred S. Moore, O1109534.
William J. Morrisroe, O1062420.
Paul A. Morton, O425659.
Albert R. Moses, O1334610.
James J. Murnane, O1588194.
Francis J. Murphy, O1047696.
Irvin E. Nachman, O956241.
Marvin L. Nance, O1338116.
Orrin D. Neff, O1342344.
Louis J. North, O1329038.
Richard C. O'Connor, O1329152.
Wade H. Padgett, Jr., O449809.
David W. Passell, O2088676.
Arthur G. Pendleton, O451462.
Jack G. Penick, O2050601.
Edgar L. Petty, Jr., O955776.
Milton B. Phillips, O551528.
John J. Policastro, O1049307.
Gilbert Procter, Jr., O547892.
Nicholas G. Psaki, O413264.
George W. Pulliam, Jr., O552791.
George P. Ramsey, Jr., O959185.
James C. Ramsey, O956441.
Albert Redman, Jr., O1648811.
Daniel J. Renneisen, O1001217.
Oliver L. Robbins, O1296258.
Robert S. Robbins, O2006257.
John F. Rogan, O1282407.
Warren J. Rosengren, O2042889.
John P. Ruppert, O402057.
Gerald F. Ruschmeyer, O1165444.
Donald P. Rush, O1636575.
David C. Russell, O1341907.
Robert C. Russell, O1046633.
Hans G. Ruthe, O1117023.
Bernard B. Sapp, O1169721.
Edward W. Sargeant, O957444.
Louis T. Schaner, O1338134.
Wittmer I. Schleh, O1281336.
Edgar B. Sharpe, O1648490.
Charles J. Shoemaker, Jr., O1314964.
Paul L. Skogsberg, O407739.
Dillon Snell, O957411.
George Snipan, O949077.
Jack W. Stallings, Jr., O1341374.
James K. Stringer, O554215.
Leslie J. Swope, O926460.
Loren H. Sylvester, O953864.
Douglas B. Tucker, O1327588.
Joseph R. Ulatoski, O1340833.
William D. Van Buskirk, O885037.
Miles C. Vaughan, Jr., O1332443.
Homer L. Walker, O1341487.
Richard H. Ward, O1296303.
William B. Ware, O487923.
Milton D. Weeks, O455175.
Seymour T. Weisser, O1825656.
Thomas R. Westermann, O446550.
David D. Whiteside, O1000888.
Charles H. Whitledge, O1119594.
Kingston M. Winget, O1341060.
Sanford H. Winston, O442715.
Dean R. Woodward, O954294.
Robert D. Worthen, O1555932.
John D. Yarbrough, O948179.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 19, 1950

The House met at 12 o'clock noon.

Rev. Father C. E. Farrelly, of Emmetsburg, Iowa, offered the following prayer:

O Almighty and Eternal Father, master of the universe, creator of heaven and earth, giver of life and all things pertaining to it, look down, we beseech Thee, in benediction upon Thy children gathered here this afternoon.

We beg Thy blessing, O Lord, upon our beloved America. From the depths of our hearts we beseech Thee to grant that she may always enjoy peace, security, and freedom from harm. May she always be protected by Thy mighty arm from her enemies, both within and without her borders.

We pray Thee, O God, that the light of Thy divine wisdom may direct the deliberations of Congress, and shine forth in all the proceedings and laws framed for our rule and government; so that they may tend to the preservation of peace, the promotion of happiness, the increase of industry, and may perpetuate to us the blessings of equal liberty. Amen.

The Journal of the proceedings of yesterday was read and approved.

PROTECTION OF CANVAS AND WATERPROOF RUBBER FOOTWEAR

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GOODWIN. Mr. Speaker, as further indication of the alarm felt in my district over the current threat to the rubber-footwear industry, I have received the following letter from the Massachusetts Federation of Labor:

MASSACHUSETTS FEDERATION OF LABOR,
Boston, Mass., April 18, 1950.

Representative ANGIER L. GOODWIN,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE GOODWIN—

RESOLUTION UNANIMOUSLY ADOPTED BY EXECUTIVE COUNCIL, MASSACHUSETTS FEDERATION OF LABOR, APRIL 5, 1950

Whereas a bill is pending in Congress entitled "Bill to revise administrative procedures of the Bureau of Customs," which would eliminate what is known as the American selling-price principle, specifically as it applies to canvas and waterproof rubber footwear;

Whereas the State Department has under consideration negotiations which would result in reciprocal trade agreements lowering present tariffs on canvas and waterproof rubber footwear imported from foreign countries;

Whereas any further reduction in the tariff rates applying to imports of canvas and waterproof rubber footwear would constitute a serious threat to the major industry of our community and to other local business firms and would result in the loss of jobs, widespread distress, increase of relief rolls, and increase of the tax burden of our citizens: Therefore be it

Resolved, That the executive council of the Massachusetts Federation of Labor at its monthly meeting, held Wednesday, April 5, 1950, does hereby memorialize and petition the President of the United States, Harry S. Truman; and all Senators and Congressmen from the New England States, to take necessary action to prevent any reduction in the tariff on imports of canvas and waterproof footwear whether it be by legislative enactment abrogating the American selling-price principle, by negotiation under the general agreement on tariffs and trade, or otherwise; and be it further

Resolved, That copies of these resolutions be sent to the President of the United States, Harry S. Truman, and Senators and Congressmen from the New England States.

Respectfully yours,

HENRY J. BRIDES, *President.*
KENNETH J. KELLEY,
Secretary-Treasurer-Legislative Agent.

HIDDEN TAXES

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, we are now considering the omnibus appropriation bill. It is a big one. Big appropriations mean high taxes. To keep our country solvent, balance the budget, and reduce taxes we must cut appropriations to the bone. The following is a list of some of the hidden taxes which millions of Americans are paying every hour of the day:

Quart of milk, 13 cents; taxes, 8 cents.
Loaf of bread, 10 cents; taxes, 5 cents.
Pack of cigarettes, 8 cents; taxes, 11 cents.
Meat, 50 cents; taxes, 20 cents.
Cake of soap, 5 cents; taxes, 2 cents.
Can of baby powder, 29 cents; taxes, 18 cents.
Movies, 40 cents; taxes, 20 cents.
Telephone, $4; taxes, $2.
Television, $400; taxes, $70.
New house, $7,000; taxes, $3,000.
Rent, $40; taxes, $20.
Light, $3.25; taxes, $1.75.
Refrigerator, $150; taxes, $75.
Coal, $13; taxes, $7.
Clock, $2; taxes, $1.
Automobile, $1,400; taxes, $700.
Gasoline, 14 cents; taxes, 11 cents.
Tire, $15; taxes, $3.
Battery, $15.59; taxes, $2.36.
Lawn mower, $14; taxes, $7.
Railroad ticket, $12.75; taxes, $2.25.
Perfume, $9.75; taxes, $2.45.
Hosiery, $1; taxes, 50 cents.
Shoes, $6; taxes, $3.
Purse, $10; taxes, $5.
Camera, $11.23; taxes, $1.77.

If we are wise we will economize in government.

EXTENSION OF REMARKS

Mr. MARSALIS asked and was given permission to extend his remarks and include an article.

Mr. SECREST asked and was given permission to extend his remarks and include an address by Charles D. Fogle, general counsel for the Ohio Oil and Gas Association.

Mr. GOSSETT asked and was given permission to extend his remarks and include extraneous matter.

Mr. BOGGS of Delaware asked and was given permission to extend his remarks and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include extraneous matter.

Mr. MACK of Washington asked and was given permission to extend his remarks.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks and include newspaper articles.

Mr. ANGELL asked and was given permission to extend his remarks and include an article.

Mrs. BOLTON of Ohio asked and was given permission to extend her remarks and include a letter written by Mr. Gordon M. Jones, president of Row, Peterson & Co., of Evanston, Ill., to the Secretary of Labor.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. BATES of Kentucky. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 133]

Allen, Calif.	Harris	Pfeifer, Joseph L.
Allen, La.	Harrison	Poage
Barden	Hart	Powell
Barrett, Pa.	Harvey	Quinn
Battle	Havenner	Rains
Bennett, Fla.	Heffernan	Ribicoff
Blackney	Hill	Rivers
Boykin	Hobbs	Rogers, Mass.
Buckley, N. Y.	Hope	Roosevelt
Bulwinkle	Irving	Sabath
Byrne, N. Y.	Javits	Sasscer
Carroll	Jensen	Shelley
Case, S. Dak.	Jones, N. C.	Short
Cavalcante	Kelly, N. Y.	Smathers
Celler	Keogh	Smith, Kans.
Chatham	Kilday	Smith, Ohio
Chelf	Klein	Stanley
Christopher	Kunkel	Tackett
Cole, Kans.	McCulloch	Tauriello
Colmer	McDonough	Thompson
Cox	McGregor	Tollefson
Crosser	McKinnon	Towe
Davenport	McMillen, Ill.	Underwood
Davies, N. Y.	Macy	Velde
Dawson	Mansfield	Walter
DeGraffenried	Miles	Whitaker
Douglas	Miller, Md.	White, Calif.
Doyle	Monroney	White, Idaho
Engel, Mich.	Moulder	Wickersham
Engle, Calif.	Murdock	Wilson, Ind.
Fellows	Murphy	Wilson, Okla.
Gamble	Murray, Wis.	Wilson, Tex.
Gilmer	Nixon	Withrow
Granger	Norton	Wood
Grant	O'Brien, Mich.	Woodhouse
Green	O'Hara, Ill.	Young
Gwinn	O'Neill	
Hall, Leonard W.	Patten	

The SPEAKER. On this roll call 318 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TAXATION OF LIFE INSURANCE COMPANIES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the resolution (H. J. Res. 371) to correct the formula used in computing the income taxes of life insurance companies for 1947, 1948, and 1949, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. LYNCH, GREGORY, CAMP, FORAND, REED of New York, SIMPSON of Pennsylvania, and KEAN.

GENERAL APPROPRIATION BILL, 1951

Mr. BATES of Kentucky. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7786, the general appropriation bill, 1951, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the agreement entered into yesterday, general debate on chapters I and II has been concluded.

The Clerk will read the bill for amendment beginning with chapter I.

CHAPTER I—DISTRICT OF COLUMBIA

The Clerk read as follows:

CHAPTER I—DISTRICT OF COLUMBIA

For the general fund of the District of Columbia, $11,000,000, and for the water fund, established by law (D. C. Code, title 43, ch. 15), $1,000,000, both amounts to be advanced July 1, 1950.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 2, line 3, strike out "$11,000,000" and insert "$9,800,000."

Mr. TABER. Mr. Chairman, I have offered this amendment to cut down the amount that is paid by the Federal Government as a contribution to the District of Columbia. The legislative authorization is for $12,000,000. If this amendment be adopted they will receive $10,800,000.

In justification for a payment by the Federal Government toward the operating expenses of the District of Columbia, it is set forth that there is so much exempt property in the District of Columbia belonging to the Federal Government that it would place an undue burden upon the taxpayers of the District of Columbia unless there were a very substantial Federal contribution.

Let us see what the facts are. The tax rate on real estate in the District of Columbia runs $17, $18, $19 a thousand. I do not remember the exact figure. The tax rate in almost every community which the Members of the House of Representatives represent runs from $35 to $40 a thousand. We have at home also not only State income taxes, taxes of all other descriptions, but we also have at least double the amount of taxation on a thousand dollars of property that exists here in the District of Columbia. In addition to that we have all sorts of exemptions for public buildings, including Federal buildings, all sorts of colleges, State institutions for the insane, educational institutions, State penal institutions, and so forth. We also have in a great many communities Federal institutions on a very large scale. There is not very much more exempt property in proportion to the total here in the District than there is in most of our own districts. Under these circumstances it seems to me absolutely ridiculous that we should have a Federal contribution of $12,000,000 to the District.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. It seems to me that in 1948 we passed legislation that rather fixed the Federal contribution to the District of Columbia at $12,000,000.

Mr. TABER. It authorized an appropriation of that amount of money. We have had authorizations at various times and we have not at some times appropriated the full amount. We have had all sorts of authorizations, but we have to base the amount we shall carry and approach the authorization on the basis of what we are able to pay. At the present time we are in this situation: According to the announcement made by the Senator from Georgia on yesterday as the result of a study of the Joint Committee on Internal Revenue Taxation, we are facing a Federal deficit of upwards of $6,500,000,000 with a likelihood that it will run to a larger amount than that with a little more unemployment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Chairman, with the rising unemployment there are estimates in the paper this morning that the deficit might be seven and one-half billion and next year it might be $10,000,000,000. It does not seem to me that the people of the District of Columbia should be set off in an exempted class and not be treated the way we are obliged to treat other communities of the country and other agencies and activities of the Government. In order to try to cut down expenses in some way or other I have proposed here a very modest and a very moderate cut, not as big as we have made in some of the governmental agencies.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. MILLER of Nebraska. I believe also that the sales tax this Congress passed for the District brings in between $11,000,000 and $12,000,000 a year.

Mr. TABER. I believe it does.

Mr. MILLER of Nebraska. And if the Federal contribution stays the same, they will get $11,000,000 or $12,000,000 more than they ordinarily had.

Mr. TABER. On top of that the liquor taxes were increased, but they are still nowhere near so much as they are in most States.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. There is nothing sacrosanct about this $12,000,000 appropriation, is there? Is it not simply an authorization?

Mr. TABER. That is correct.

Mr. KEATING. Each year it has to be passed on by the Committee on Appropriations; is that not right?

Mr. TABER. That is correct.

Mr. KEATING. Now, would the gentleman tell us this? I share the gentleman's view about the assessed value in Washington being entirely out of proportion with what it is in most other communities, including my own.

Mr. TABER. I expect the gentleman's is at least 100 percent.

Mr. KEATING. Well, it is close to it.

Mr. TABER. Mine is.

Mr. KEATING. The rate is $30 or more, if you add everything in. Now, can the gentleman tell us how much is yielded to the District for each dollar increase in assessed value or, conversely, if the gentleman's amendment carries, how much of an increase in the assessed value of the District would be required to offset the $1,200,000 saving?

Mr. TABER. $1,200,000 would be approximately nine-tenths of 1 percent of the total District budget, and the increase in tax to cover that amount would probably be, I imagine—I am just guessing at it—perhaps 30 cents on the dollar.

Mr. KEATING. I thank the gentleman.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. REES. When was this amount increased to $12,000,000?

Mr. TABER. A couple of years ago.

Mr. REES. For a long while it was about five, six, or seven million dollars, was it not?

Mr. TABER. For a long time it was $5,500,000, and then for a time it was a little more. But, a couple of years ago it was increased to about $12,000,000.

Mr. REES. In other words, we are doubling the contribution as against what it was as many as 3 or 4 years ago.

Mr. TABER. Well, practically doubling it; yes.

Mr. JONAS. Mr. Chairman will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. JONAS. What, really, does this $12,000,000 represent? Is it a subsidy of some kind?

Mr. TABER. It is a subsidy to the District of Columbia.

Mr. KEATING. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. KEATING. Of course, it is significant that at the time it was increased our fiscal situation was quite different from what it is today.

Mr. TABER. That is correct. And, our fiscal situation is getting worse and worse, and there is not any reason why the people back home should carry the whole of that big burden. We should pass it around and pass our reductions around instead of making fish of one and fowl of another.

Mr. KEATING. I agree with the gentleman.

Mr. REES. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. REES. It was the understanding, I believe, of quite a number of Members of the House that when we passed the Sales Tax Act it would take care of approximately $12,000,000; is that correct?

Mr. TABER. I think that is correct. And, I think it has.

Mr. REES. And that would prevent the necessity of increasing this contribution.

Mr. TABER. Yes.

Mr. AUCHINCLOSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. AUCHINCLOSS. Will the gentleman tell me how his amendment would affect the contribution of $1,000,000 toward the water rate?

Mr. TABER. I made it to the $1,000,000, which is the out and out contribution to the District.

Mr. AUCHINCLOSS. So it would not affect the other item?

Mr. TABER. It would not affect the water item. I did not touch that because I thought we might just as well take it out of the large item. The whole cut is on that.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. H. CARL ANDERSEN. This is the first amendment that we have now to the over-all omnibus appropriation bill?

Mr. TABER. Yes.

Mr. H. CARL ANDERSEN. It would seem to me that as we go along and offer these amendments the House should certainly back up the gentleman from New York and others who offer them, if we are ever going to hope to economize to any degree whatsoever. I think the people of America want and need economy. At least, that is what I found out when I was back home this past week.

Mr. TABER. If the Congress of the United States has no sense of its own responsibility to the people and is not willing to take the responsibility of reducing those things that can be reduced and reduced fairly, not making fish of one and fowl of another, I fear for the solvency of the United States.

Mr. Chairman, I hope this amendment will be adopted.

Mr. SMITH of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I sympathize with the efforts of the gentleman from New York to attain as much economy as we can. I think I am as strong for it as he is, but I think we have to use some discretion about it and some discrimination.

I rise for the purpose of giving you a little of the background of this $12,000,000 authorization for the District of Columbia because I happen to know something about it. I was chairman of the subcommittee of the District Committee in charge of fiscal affairs. We found that the fiscal affairs of the District were in very bad shape, so we worked out a full program.

As you know, this matter of the Federal contribution has been one of dispute for many years. In the first place, the original law was that the Federal Government contribute 50 percent of the cost of running the District of Columbia. That was varied from time to time, and, finally, in recent years it got down, I think, as low as $8,000,000. I do not believe it ever got down to anything like $5,000,000.

Mr. TABER. If the gentleman will yield, for a long time it was $5,500,000.

Mr. SMITH of Virginia. I beg to differ with the gentleman.

As a part of this program of putting the District of Columbia on a sound fiscal basis, this authorization was made a part of the fiscal policy and written into permanent law in the 1948 Fiscal Act of the District of Columbia.

The gentleman says an authorization is just an authorization. Of course, any act of this Congress does not bind another Congress. Nobody is disputing that. But here was a program that was worked out with the greatest care. In that act of 1948 this language was contained:

> For the fiscal year ending June 30, 1948, and each fiscal year thereafter, there is hereby authorized to be appropriated as the annual payment of the United States toward defraying the expenses of the government of the District of Columbia the sum of $12,000,000.

That was for every year, not for that year.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MILLER of Nebraska. We passed the sales tax since we passed that bill. The sales tax brings in about $12,000,000 a year. Does not the gentleman feel that the situation might be altered just a little now, since we did give them an additional $12,000,000 through the sales tax?

Mr. SMITH of Virginia. Not one iota. The gentleman is a distinguished member of the District Committee and knows some of the problems we have had to deal with in the fiscal affairs of the District. That $12,000,000 annual contribution was a part of the program that went along with the sales tax. As the gentleman knows, Congressman DIRKSEN was chairman of the committee at the time the sales tax was proposed and defeated, and I was chairman of the subcommittee last year when this Congress, under

vigorous opposition, adopted the sales tax and adopted this program for the fiscal affairs of the District.

My good friend has said that when we adopted the sales tax that raised $12,000,000. Some of you gentlemen here ought to remember why it became so necessary to have a sales tax. This Congress raised the Federal employees all along the line at great cost to the Government. The following year the District employees who had not been included in that act were included. It became necessary to put them on the same basis as other Federal employees. That took $5,000,000 a year. Congress did that. The District of Columbia did not have anything to do with it. Congress fixed those wages. That is the fact—one of the reasons we had to adopt the sales tax was that we had to pay back $5,500,000 for the previous year and we had to pay for every year $5,500,000 for increases in wages, which were very just it is true, and this same Congress did it. Now it is suggested that we back up on the program that was definitely worked out and fixed by the District committees of both the other body and the House of Representatives.

Something has been said about the low taxes of the people in Washington. I happen to know something about that because we had a joint committee of the Senate and House on the fiscal affairs of the District of Columbia. We worked on that. We heard all of the evidence about whether the property was fairly assessed here or whether it was not.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. MILLER of California. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SMITH of Virginia. We worked on that matter for months. We held hearings to hear the testimony. It was said that District property was assessed lower and the taxes were lower than property in the surrounding areas. We did not just get up and say everything is wrong about these assessments. What we did was to send out in the field, both in Maryland and in Virginia, and we took identical houses which were erected in Maryland, Virginia, and the District of Columbia, and undertook to see what the taxes were. The taxes in every instance were higher on individual properties in the District of Columbia than they were in the surrounding territories. There just is not anything to this business about Washingtonians getting by without paying any taxes.

The point I want to make to the House is this: That those of us who have taken some interest in the District's affairs think that we have the budget of the District of Columbia on a sound basis so that they can go ahead with their schools and hospitals and other permanent improvements. Five million of that $10,000,000 which was raised as a result of the sales tax—it is $12,000,000 really—but five and onehalf million dollars of that has to go to pay the increased wages of the District employees that the Congress put on the District. The $5,000,000 has been by common consent allotted over a period of years to do the public-school business and to improve the hospitals and other public institutions here which are so sorely needed. I expect that many of you folks who do not come in contact with these things do not realize the great need here for improvement in some of your institutions in these hospitals, and children's homes, and places of that kind. They really are in a deplorable state. Some of you folks ought to go out and look at some of them. Then you will know why this committee decided, after studying this problem, why we reached the conclusions that we did and arranged this budget so that we could year by year appropriate a sufficient amount of money to take care of these very worth while and very necessary public improvements.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. JONAS. The distinguished gentleman made the statement that at one time the contribution to the District was 50 percent.

Mr. SMITH of Virginia. That was the law. That was the basic law.

Mr. JONAS. Then what brought about the downgrade? What made it necessary to reduce it? Was the $8,000,000 much less than the 50-percent contribution? That is what I would like to know.

Mr. SMITH of Virginia. Oh, yes; very much less. But the Congress did it because the Congress controls the District and passes the laws governing it.

Mr. JONAS. Then how was the deficit made up?

Mr. SMITH of Virginia. I cannot tell you over the past years how it was made up, but the District of Columbia does not owe any money.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. YATES. With reference to the percentages that have been requested by the gentleman from Illinois, and with reference to the statement of the $5,000,000 appropriation which was made by the gentleman from New York, I have here a statement of the percentages of the share of the United States of the appropriation over the past years. In 1938 there was an appropriation of $5,000,000 only, but that was 12.35 percent of the total cost of government for the District of Columbia. The present $11,000,000 appropriation will only be 10.66 percent of the total cost of government for the District of Columbia. It is a lower contribution than was made by the Federal Government at the time the appropriation was only $5,000,000.

Mr. SMITH of Virginia. I am glad the gentleman has given us that information. I did not have it immediately at hand. Will the gentleman say whether or not over a long period of years that appropriation was ever down as low as five and one-half million?

Mr. YATES. It was, during the depression years of 1935, 1936, 1937, and 1938. In subsequent years it remained fairly constant. As a result, the facilities and government of the District of Columbia have had to suffer as a result of not having had sufficient funds.

Mr. SMITH of Virginia. I thank the the gentleman, and I hope that you will defeat this amendment.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. SMITH] has again expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, it seems to me we are finally up against the gun. All of us who have written home stating we were for economy and that we believed in a strong financial foundation for this great Nation of ours have now reached the time when we can discharge this responsibility to our people. We can show our sincerity by helping to cut a little of the unnecessary funds out of the thousands of items throughout this big appropriation bill. We are not harming the District of Columbia by asking that the District help this move toward economy by contributing only 1 percent of their budget of about $120,000,000. That is all this proposed amendment will mean. In my opinion, the Government of the United States will be strengthened if we will cut 10 percent all the way through the entire personnel with one or two exceptions. If we are to economize, we will have to vote to reduce appropriations in which we have direct interest, as well as trying to only cut at the other fellow's expense. While we have a responsibility to our own districts, we must not forget the general over-all picture, and permit the trees to hide the forests in the distance.

Now, let us think it over. Why can we not take 1 percent off this $119,000,000 District of Columbia budget without doing any harm to this great city of Washington? We could rightfully point out that Washington, D. C., has the greatest influx of tourists of any city in the United States. This city has the greatest cash Federal pay roll in the United States. It has one of the lowest income-tax rates of any of our States. The real-estate tax is very small. Why can the District of Columbia not increase its level of taxation on real estate up somewhat near to what we have in Minneapolis or St. Paul or some of the great cities through the Midwest before they make demands on the other taxpayers of the Nation to pay at least $5,000,000 of what the local residents should pay?

As I stated, this is the first amendment that will show whether or not we mean business. I hope we will try to do something toward lessening this $7,000,000,000 deficit which is a threat to the financial stability of our great Nation.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has expired.

Mr. STOCKMAN. Mr. Chairman, I yield to no man on the floor of the House in my support of economy in the Federal budget. I do think, however, that we

should use an intelligent application of effort in where we cut this present enormous budget which is running us into deficit financing to a debt which in a few years will be beyond the ability and means of this country to pay. I say that we should cut this over-all appropriations bill, but no great saving can be made in a relatively small amount of $1,200,000 which will do so much good, and will mean so very little in the final figures.

As an example, specifically, I believe that this appropriation bill could be trimmed a sizable amount, but the place for intelligent trimming is in the multimillion dollar appropriations for the Army and the Navy. Hundreds of millions of dollars can be saved in these items; but certainly the $1,200,000 that we are trying to retain here now is poor economy.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield.

Mr. H. CARL ANDERSEN. If we could cut enough of these million-dollar items it would soon add up to an amount that looked impressive.

Mr. STOCKMAN. That is a good point except for the fact that this $1,200,000 is so vitally needed for the purposes for which it is earmarked, and will return so much for the money spent that it is just poor business to cut it.

Now, in regard to this item, this is an amount of money that is paid by the Federal Government to the District of Columbia in lieu of taxes on the Federal property in the District of Columbia. If the Federal Government paid its just share of taxation it would be over $16,000,000 instead of $12,000,000—and we are trying to cut one million off of the twelve.

Since 1936 the taxable area in the District of Columbia has gone down from 56.7 percent to 43.7 percent. This is Government-owned property which has been taken over for Government use, which procedure is entirely justified because the District of Columbia was created for that purpose. But this $12,000,000 item is only an item to compensate the District for the $16,000,000 in taxes it otherwise would derive from Government property.

Another reason is that Washington, D. C., is a boom town, just as much so in the last 10 years as any western city has ever been. Its population has increased by over 300,000 people in that time. This means that the District has to have a lot more streets, sidewalks, sewers, schools and the like, and you certainly cannot go ahead and service 300,000 people if you cut down the money that is needed to buy these services. I think this $12,000,000 item is a bargain in view of the fact the Federal Government would be paying $4,000,000 more, or a total of $16,000,000 if it were paying taxes on Government property in the District.

Mr. SCRIVNER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I realize the grounds of the views of my colleague from Oregon, but I also realize that this influx of 300,000 new people should mean 300,000 additional people to help pay the taxes of the District of Columbia. I do not know how many Members of Congress residing in the District of Columbia pay a personal-property or real-estate tax in the District of Columbia. I do not own real estate here but I do pay a personal-property tax. They did not come and look me up. I asked them to send me a blank so that I could pay the property tax because I was getting the benefits of the city and I therefore felt I should contribute to their costs.

Let me show you this picture. In the District of Columbia the personal-property-tax rate is $2 a hundred. You have a thousand-dollar exemption. On the same assessed value of personal property here in the District of Columbia on which I am called upon to pay the infinitesimal amount of $4, in my home town of Kansas City, Kans., on the same amount of personal property, the tax was $60. Why? Because I only have an exemption of $200 at home and our tax rate is $6.57. We pay more for schools in my home town of Kansas City, Kans., than you pay in the entire District here for all public services.

If the District of Columbia is running short of funds to furnish such things as public schools, fire protection, police protection, and all of those things that go to making up a fine municipality, the remedy is right here in the District of Columbia. There is no reason why the taxpayers of the State of Kansas, already burdened to the point where it is almost impossible to pay, should be called upon to pay more and more here until the District of Columbia brings its tax rate up somewhere close to the rate prevailing in the larger cities throughout the United States. When that is done I feel quite sure there will be ample funds in the District of Columbia to provide for themselves everything they need without asking for contributions from the taxpayers of the other 48 States.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Michigan.

Mr. DONDERO. How does the tax rate in the District of Columbia compare with the tax rate of the large cities of the Nation?

Mr. SCRIVNER. I do not have all of the details but as you can see from the example I have given of my home city the tax rate is over three times what it is here, plus the fact that here there is a thousand-dollar exemption while at home the exemption is only $200. That makes $800 more upon which we pay a tax than in the District of Columbia.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Illinois.

Mr. YATES. Does not the gentleman's argument essentially boil down to this: There should be no Federal contribution of any kind in the event the taxes are increased to a sufficient amount to pay the District's total expenses?

Mr. SCRIVNER. No; I would not necessarily go that far. I feel that there is a duty to make some contribution, but it should be held to the very lowest minimum possible so that it will be just that much lower on the folks at home.

Mr. YATES. What would be the basis of the gentleman's apportionment then?

Mr. SCRIVNER. What is the lowest we have ever contributed?

Mr. YATES. This is among the lowest we have ever contributed.

Mr. SCRIVNER. What is the lowest we have ever contributed?

Mr. YATES. Does the gentleman want it percentagewise or by dollars?

Mr. SCRIVNER. I am talking about dollars. The people at home do pay dollars and that is what they are interested in.

Mr. YATES. There have been appropriations of $5,000,000 and that was 12 percent of the budget.

Mr. SCRIVNER. When was that?

Mr. YATES. In 1935, in the heart of the depression. Now, with the $11,000,000 contribution, $1,000,000 going to the highway fund, it is a lesser percentage of the cost of the government of the District of Columbia than it was at the time when $5,000,000 was appropriated.

Mr. SCRIVNER. There has been a great influx of people into the District. While this may be what has been termed a boom town, they do not here have the depressions that we have in other parts of the country because you always have a large number, several thousand Federal employees, who get their pay day in and day out no matter what happens in any industrial city in the United States, such at the one I represent, where we have to depend upon the mills, foundries and packing plants for our income.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Indiana.

Mr. JACOBS. In response to the question that the gentleman from Michigan asked a moment ago, may I say that I made a study of that matter last year when we had the bill up to appropriate $3,000,000 for the fair that is to be held here next year. I calculated that the tax rate on property in the District of Columbia is about one-fifth what it is in my district.

There is another thing I recall too and that is we put on a sales tax last year which the transients help to pay.

Mr. SCRIVNER. And quite properly so.

Mr. JACOBS. I go along with the gentleman that we should make some contribution because of the property that the Government owns in the District of Columbia, but it does not seem to me that when the District of Columbia tax rate is as low as it is we should be too generous with the money of the folks back home.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. LANE. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. CANNON. Mr. Chairman, this is a very important bill and it is very essential that we dispose of it as rapidly as possible, and much to my regret I think

we ought to adhere to the bill before the House.

The CHAIRMAN. Does the gentleman object to the request?

Mr. CANNON. I do, Mr. Chairman.

Mr. REES. Mr. Chairman, I move to strike out the last word. I rise in support of the amendment of the gentleman from New York to reduce the appropriation for the District of Columbia by $1,200,000.

This is a matter to which I gave some attention on other occasions. I favor the proposed cut in this appropriation. I do not understand how Members of this Committee can oppose the amendment offered by the gentleman from New York when, in their own districts, in their own cities, almost anywhere in the country, taxpayers are required to pay a much higher rate of tax than in the District of Columbia. It may be said by some Members, that the tax valuation is a little different, but the small difference in valuation will not make up for the favoritism that is given to those who pay taxes in the District of Columbia. In our particular community we pay two and three times as high a tax rate as they do in the District of Columbia.

Now, I do not want the people of the District of Columbia to be penalized in any respect. I want to treat them just as fairly as the people in Massachusetts or Oregon, or anywhere else. There is an income tax in the District. But, it is the lowest income-tax rate that I know of in the whole country. If you know of any State that has an income tax at all, that has a lower rate, I would like to have you tell me about it. You have a sales tax, but you do not have a sales tax anywhere, where there is one at all, that is more favorable than the one in the District of Columbia. Not only that, but you have all of the preferences that are granted anywhere. You have only the one property tax. You do not have county taxes, city taxes, and State taxes, and school district taxes, and township taxes. You have just one property tax in the District of Columbia and that is all there is to it. And the tax rate here is lower than in any other city or community of comparative size. It is less than half of the total tax rate in the city of Wichita, Kans., or any other city in our district or our State. They tell you that they tax this property for full value. I made a little investigation with respect to that, and I found, in most cases, the tax valuation is quite moderate.

It has been suggested that contributions should be made percentagewise. I am not so much interested in that proposal. I want the people of the District to pay a fair share of taxes comparative with those paid by other people in the United States. I certainly do not want them to pay more. Incidentally, you will find that taxes on personal property are extremely mild because of the exemption of $1,000 allowed the taxpayer who is the head of a family before he pays any taxes. I can understand why a Representative of a State adjoining the District of Columbia may want to oppose this comparatively mild reduction. Someone mentioned the question of the liquor tax. I am not interested in liquor as such, but I call your attention to the fact that in New York, for example, where they sell a considerable amount of liquor, the tax rate is twice the rate charged in the District of Columbia. I am advised that to increase the tax rate on liquor compared with that of New York it would result in approximately a million dollars more money. So the District of Columbia even has a preference on liquor taxes, where more liquor is consumed annually than in any other city in the United States of comparative size.

This is a mild reduction. I should add that the Commissioners of the District of Columbia are charged with the responsibility of recommending the levying of sufficient taxes to run the government of the District of Columbia. If the rate of taxes on real and personal property were increased only 10 percent, it would more than offset the amount of this reduction. Even then the tax rate would be comparatively low. They could, as I have just suggested, increase liquor taxes and income taxes and still keep well under the average taxes paid by the residents in the cities in your States or elsewhere. All they need to do is raise the real-estate rate just a little bit and take care of this extra cost, or you could increase the liquor taxes a little or the income taxes, and still keep under the average and still pay less than you are paying in your city or I pay in mine.

This amendment is more than fair. The amount is comparatively small, but is more than a million dollars. Here is an opportunity to reduce the deficit to some degree and relieve the taxpayers of a burden that does not belong to them. The amendment should be approved.

Mr. YATES. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I should like to take vehement issue with the gentleman from Kansas that this is a mild and fair amendment. I think it is a very unfair amendment. Washington is a Federal city. It belongs to the Nation. We in this Congress who govern the allocation of the tax moneys, who govern the expenditures of this city, must determine how much should be the contribution of the Federal Government to the support of this Federal city, and we must be fair in our determination. We must make a fair contribution. The gentleman from Kansas would even eliminate the contribution entirely. I should like to ask all of those on the left side of the aisle who have talked about what a fair amendment this is, how many of them have signed the home-rule petition, which would entitle the people of this city to raise their own revenues and to pass upon their own costs of government. Very few, I am sure. Yet, giving the residents of this city no voice in the matter, you would, nevertheless, cut their funds.

Mr. REES. If the gentleman will yield, Does the gentleman think, then, that if we pass this home-rule amendment the Congress will not have to make any appropriations? Is that the point?

Mr. YATES. That is not my point at all. I am just trying to point out the unfairness of cutting the funds when you refuse to give the people of the city of Washington a voice in their own government.

Mr. REES. If they would take care of it at no expense to the Government, that would be all right.

Mr. YATES. I should like to point out one other fact. This is only a portion of the total appropriation for the District of Columbia. The total appropriation for the District of Columbia will be approximately $119,000,000, which will cover the entire cost for the government of the District of Columbia.

This section of the appropriations bill deals only with the contribution that shall be made by the Federal Government. Obviously it should make some contribution for the local services it receives. Who shall determine just exactly what the amount should be that the Federal Government should contribute? How should it be allocated? I think perhaps as good a formula as any is the amount of property owned by the Federal Government within the District of Columbia, a review of the amount of space it occupies, so that we may have a comparison, as an owner of property, with the other owners of property in the District of Columbia, whom you say are paying too low a tax.

I have here a statement showing the total acres occupied by Federal properties in the District of Columbia. The Federal Government occupies almost 31,000 acres of property in the District of Columbia, with a land value of over $1,000,000,000. Based upon the present tax rate for the residents of the District of Columbia, a fair Federal share should be in the neighborhood of $52,905,000.

Mr. REES. Mr. Chairman, will the gentleman yield for a question?

Mr. YATES. I yield.

Mr. REES. I do not believe the gentleman meant 31,000,000 acres.

Mr. YATES. I am sorry. I accept the correction. It is 30,909.5763 acres.

Mr. REES. Does the gentleman have the figures as to the present amount of taxable property in the District of Columbia?

Mr. YATES. Yes, I do. The total value of taxable property within the District of Columbia, based upon the assessments made against the home owners and against the commercial properties of the District is $2,645,282,928. The tax predicated upon that assessment, and it is as uniform as it is to the other properties within the District of Columbia, should be in excess of $52,000,000, or almost $53,000,000.

Mr. REES. How about the value of personal property?

Mr. YATES. There is no computation in the statistics that I have with respect to personal property.

Mr. REES. How much personal property is taxed in the District? The gentleman does not know what the amount of personal property is in the District which is taxed?

Mr. YATES. I do not have that before me. The figures I have before me are a comparison between the real estate owned by the Federal Government and the amount it should pay based upon the existing assessment, formulas, and tax rates.

Mr. REES. What was the valuation of the real property in the District 10 years ago?

Mr. YATES. I do not have that before me. Ten years ago, obviously, it was lower because the cost of government has gone up.

Mr. Chairman, I hope the amendment will be defeated.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, it so happens that I pay taxes in, I believe, four States. For 15 years I have been watching this situation here in the District of Columbia. Every chance I get on an amendment of this kind I am going to vote for the amendment in order to protect the taxpayers of my district. The people of the District of Columbia have so many blessings that they do not have to pay for in the way of beautiful streets and avenues and a clean city. Consider the approaches to the two bridges which are now being opened. Think of what I would call the decorations in the approaches to these bridges. Those things cost money. Somebody has to pay for them. The people in my district do not get the benefit of these things. The people who live in the District of Columbia get the benefits. The people here who are continually crying for home rule, if they ever get home rule, and if they ever have to pay the bills like the people in my State have to pay the bills for the improvements in our State, they are going to be pretty sick over home rule. I think this goes practically to the heart of the home rule issue which many of our people, through the States are being sold on, because they think that these are a group of poor little helpless people down here in the District who never have anybody to speak for them and never have anybody help them and who are taxed without representation and all that kind of philosophy which is being spread all over the country. I write to the people in my district and tell them very emphatically that if the people of the District of Columbia want home rule, they should assume all of the burdens and pay the bills of the District of Columbia just like the people out in my State have to pay the bills in our State. When they get the home rule issue down to a proposition like that, then maybe I will be a little more sympathetic to it than I am now. I am for this amendment. I hope the gentleman from New York will offer some similar amendments to other parts of the bill so I can vote for them, too, and cut these things down.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. H. CARL ANDERSEN. I think the gentleman will agree with me that the tremendous number of people who will be coming to the District in the next 2 years because of the Sesquicentennial celebration, will add a considerable sum to the money which is collected as a result of the sales tax.

Mr. CRAWFORD. Why, they are coming here so fast now that the streets and hotels and different places cannot take care of them. They are pouring money in here all the time. Just like going into a foreign country and putting dollar exchange in that country. I wish that in the States where I own property I could have a tax rate as reasonable as it is here in the District of Columbia. I would then be quite satisfied.

Mr. BATES of Kentucky. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BATES of Kentucky. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

In the first session of the Eightieth Congress the joint subcommittees on fiscal affairs of the Committee of the District of Columbia under the cochairmanship of the Senator from Washington, Mr. CAIN, and the late distinguished Congressman from Massachusetts, Mr. George Bates, held extensive hearings on the budget requirements of the District of Columbia. The outgrowth of these hearings was the District of Columbia Revenue Act of 1943. This act, Public Law 195 of the Eightieth Congress, authorized among other things an appropriation of $11,000,000 to go to the general fund of the District Government and $1,000,000 to the water fund as the Federal Government's share of the cost of the operation of the Government of the Nation's Capital.

At the time of the enactment of this law the Federal contribution of $11,000,000 comprised approximately 13½ percent of the cost of operation of the District Government. In the ensuing years this cost of operation has increased. A goodly portion of the cost has been the result of laws enacted by this Congress for the benefit of District workers and of Federal Government workers and agencies paid for from the funds of the District. This growth has become so pronounced that the budget, as submitted for the fiscal year 1951, totaled over $103,000,000 in general-fund requests. The percentage of the United States share has dropped to 10.6 percent. If the Nation's Capital is to be maintained by the people and the Commissioners of the District Government in a manner befitting its position as the Capital City of the greatest Nation this world has ever seen, it does not seem fitting or appropriate that a further reduction should be made in the Federal contribution.

There has been a good deal of talk that the installation of the sales tax, as a result of the act of the first session of this Congress, has resulted in such an increase in revenue that the Federal contribution can be reduced. Such is not the case. Of course, the sales tax has resulted in revenue for the District of Columbia, but it has resulted in much-needed revenue, not that of a surplus nature.

Despite this increase of over $12,000,000 in tax revenues, the construction programs and capital outlay needs, particularly in the realm of public schools and public welfare institutions, are still below the actual needs of the citizens of the District. The capital outlay program is going forward now at a substantial pace. This will be brought home more clearly to Congress when the regular appropriation bill for the District is considered at a later date. However, if this capital outlay program is to be maintained at its present rate and if the citizens of the District are to be equipped with the schools and institutions to which they are entitled, then this Federal contribution cannot be cut.

There has been a good deal of talk as to the advisability of increasing the real estate tax in the District. On the face of it, perhaps the tax appears to be a bit low, yet the true measure of revenues derived from real estate lies in a comparison of the assessments and of the actual taxes collected on comparable property in several areas. In the last study made of 38 cities of over 250,000 population, Washington ranked second to New York in the value of the per capita assessment. Since that time the assessed evaluation in the District of Columbia has been increased by over 30 percent, which is one of the largest increases in this Nation, an increase made when other cities such as Pittsburgh and Buffalo were showing actual deceases in per capita assessment.

A comparative study has been made of the revenues collected from comparable property in nearby Maryland and Virginia. Dollar for dollar, it has been found that the tax on comparable property in the District runs a little higher than that in Maryland and Virginia. I firmly believe that an additional increase in the real property tax in the District of Columbia would result in such a decentralization of business here that it would result in not an increase in revenue collections but rather an astounding decrease.

In connection with the Federal contribution, let us look for a moment at some of the things for which this money is spent. The National Zoological Park is under the sole control and supervision of the Smithsonian Institution. The District Commissioners have nothing whatsoever to say in regard to its operation, personnel selection, or anything about it and yet in the fiscal year 1949 the sum of $550,900 was appropriated for this work. In like manner, over $2,000,000 was appropriated from District funds to the National Capital Parks, an agency of the Department of the Interior, over which the District Commissioners exercise no control, even of an advisory nature. The same is true for an appropriation of almost $90,000 for the National Capital Park and Planning Commission. Why, the District Government is even called upon to support the National Guard to the tune of over $100,000 per year, and the District of Columbia National Guard is a strictly Federal organization under the exclusive control of the President of the United States. In addition to this the District is called upon to appropriate $200,000 annually for the maintenance and operation of the National Guard Armory, and the Commissioners of the District of Columbia have absolutely no control over either the armory or the National Guard. Why, if we were to have an emergency here in

Washington, the commissioners, believe me, would not have the power to call out the National Guard to enforce order. You know and I know that this is contrary to the situation prevailing in every State, and yet there are those here today who would cut the Federal contribution to the District of Columbia.

Why, I could go on and on and cite examples in the District government of their large contributions to Federal agencies. For example, the nearly $8,000,000 appropriated annually to the operation of St. Elizabeths, the Federal Security Agency's hospital here in the District. I could tell of the school operated in the Wilson Teacher's College building, a District institution maintained by District personnel for the use of the Department of State for the instruction of foreigners in this country for State Department purposes, and, mind you, the Federal Government has not contributed one red cent for the operation of this school.

Mr. Chairman, I could stand here for hours and talk on the relationship and the responsibilities of the Federal Government to the District of Columbia and vice versa. However, I shall not belabor the point or take up the valuable time of this legislative body with further discourse.

Washington is more than a city, more than a district, and, yes, perhaps more than a State, for it is a shrine in the hearts and minds of American people. It is the heart of the Government, of a nation, and of a people, dedicated to liberty, freedom, and peace. Every week finds hundreds and thousands of people from every section of America coming to Washington to see the seat of government, with its many institutions, museums, and buildings dedicated to telling the story of our country. These people come, not to see the glitter and bright lights such as we find in the other large cities of our Nation—New York and Chicago—but they come to see and to pay tribute to a city dedicated to serve as the capital of a nation, a city whose very foundation rests upon the principles which have made this Nation great, a city dedicated to serving this Nation of ours and its people. If this shrine of freedom is to be maintained as a fitting memorial to the thousands of men and women who have died that this Nation might have life, then I think that the cost of a mere $12,000,000 is a small, even paltry, sum to pay as the Federal Government's share of the operation of such a city.

The gentleman's amendment to reduce this share is not only a poor amendment—it is even an absurd one and should be voted down vigorously and by an overwhelming majority by the Members of this House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 61, noes 47.

Mr. BATES of Kentucky. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BATES of Kentucky and Mr. TABER.

The Committee again divided; and the tellers reported that there were—ayes 86, noes 82.

So the amendment was agreed to.

Mr. MARCANTONIO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARCANTONIO: Page 2, line 5, after the period, insert the following: "*Provided*, That no part of any appropriation contained in this chapter shall be used for any of the purposes therein mentioned by any agency, office or department of the District of Columbia which segregates the citizens of the District of Columbia in employment, facilities afforded, services performed, accommodations furnished, instructions or aid granted, on account of race, color, creed, or place of national origin of the citizens of the District of Columbia."

Mr. BATES of Kentucky. Mr. Chairman, I make a point of order against the amendment.

Mr. Chairman, I make the point of order that the amendment is not germane. It goes beyond the scope of the chapter that we have under consideration.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. MARCANTONIO. Yes. Mr. Chairman. The amendment is a negative limitation. It does not violate the Holman rule. It provides for a saving. We had the same situation on March 2, 1949, and on April 5, 1946, and the germaneness of the amendment was sustained by the Chairmen. I call the Chair's attention to the two precedents, the one on March 2, 1949, and the one on April 5, 1946.

The CHAIRMAN. Does the gentleman from Kentucky desire to be heard further on the point of order?

Mr. BATES of Kentucky. No, Mr. Chairman.

Mr. RANKIN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. RANKIN. Mr. Chairman, I just rise to say that this amendment is not in order. In the first place it is legislation on an appropriation bill. It attempts to change a law, to change the requirements, you might say, for the use of this money in the District of Columbia, and in that way attempts to write legislation into an appropriation bill, and is therefore not in order.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from New York has offered an amendment which has been reported. Of course, the decision of the Chair has to be in conformance with the precedents and the rules of the House, and it certainly does not reflect any individual views of the Chair.

The Chair invites attention to the fact that the identical amendment was offered on two previous occasions, on April 15, 1946, and on March 2, 1949. In both instances the point of order was overruled. Under the precedents here cited, the Chair is compelled to overrule the point of order.

Mr. MARCANTONIO. Mr. Chairman, this amendment was offered in the Seventy-ninth Congress, it was offered in the Eightieth Congress, and it is offered in this Congress.

This year it is offered against the background of a Congress composed of the two major political parties, both of which went before the country and professed love for civil rights and promised action on civil rights.

It is my best guess that this Congress will adjourn sometime around the middle of July, so we are really on our last legislative leg as far as the life of this Congress is concerned.

The record of this Congress is what on civil rights? We have done nothing. We have received double talk and we have also received the double cross on the issue of civil rights all the way down the line, from the White House to Capitol Hill. Action has been promised time and time again and action has been postponed time and time again. Whenever there has been an opportunity for action on civil rights, that opportunity has been destroyed either by surreptitious sabotage on the part of the President and his Democratic Party leadership on a Monday or sabotage open and avowed on the part of the Republican Party on a Wednesday. There has never been a more inglorious page written in the history of this country than the one on civil rights. It is a page of hypocrisy and double dealing by both the Republicans and the Democrats.

With this amendment we again have an opportunity to live up to the commitments we made in the last election. This year we again go before the electorate of this country. I suppose the Democrats will be blaming the Republicans and the Republicans will be blaming the Democrats, but the record speaks for itself. A Republican Congress, the Eightieth Congress, did nothing for civil rights. A Democratic Congress, the Eighty-first Congress, betrayed the promises and the campaign pledges the President and his party made on this issue.

What are we asking here by this amendment? We are simply asking that in the Capital of the Nation the practice of segregation cease on the part of the Government agencies connected with the operation of the government of the District of Columbia. Is that asking too much from a Congress, the majority of which was elected on a platform of civil rights?

Let me ask some of you gentlemen, by what right, legal, moral, or ethical, can you take the funds of a Negro taxpayer and use those very same dollars together with the dollars of a white taxpayer to perpetuate discrimination and segregation in the District of Columbia against the Negro? Just by what right do you do it? You assert that practice by violence, by the violence of white supremacy.

That is the only way you can assert that practice and carry it on. I repeat that. You assert it by the violence of

white supremacy. You violate every precept of decency and you subvert every principle of democracy. You violate every profession of democracy found in every great document of this Nation of ours. You violate every ethical and moral principle and you assert your white supremacy by violence so that you can keep alive this vile system of economic exploitation of 14,000,000 Negroes. Here Congress year in and year out has been placing its stamp of approval on this violence and oppression. What is worse, it has refused to lift a finger to put a stop to this abhorrent practice.

Mr. Chairman, it is regrettable, very regrettable indeed that the floor has so many present who are opposed to this kind of amendment. Where are the October friends of civil rights today? This amendment and the offering of it was no secret. It has been a yearly practice. Everybody knows that this amendment is offered to the District of Columbia appropriation bill. What is more, it was published in this morning's paper that it was going to be offered. Why the absence of these election-time friends of civil rights from the floor of the House? Where are they? Why are they not here? Is it because we are voting in the Committee of the Whole where there is no record vote on this matter? Is it because you can dodge behind this parliamentary device so that you can conceal your absenteeism and conceal your sabotage of this effort in the fight to establish equality in the District of Columbia? I do not think you are going to fool anybody. Let me tell you, you are not going to fool 14,000,000 Negro people in this country with this kind of conduct any more. You are not going to fool the other people—the white people who believe in the principle of equality and who want the Congress to act on it. You are not going to fool anybody, may I say to the leadership of the House by saying, "Well, the Dixie Democrats beat us." Well, the Dixie Democrats are not in the majority. They constitute a minority. Where are the Democrats from the big cities? Where are the Republicans who have been professing love for civil rights? Where are the leaderships of both parties? Why do they not support this amendment which is an integral part of their party platforms?

The Dixie Democrats are here, but they do not constitute a majority. Where is the majority which was elected by the American people on the basis of a promise to enact civil rights?

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, you have just listened to the gentleman from New York [Mr. MARCANTONIO] arguing in favor of his so-called civil-rights amendment.

It is really an amendment to persecute white Americans in the District of Columbia, using the Negro as a smoke screen to carry out a Communist program. If you will get hold of a magazine which the Communist Party issued a few years ago, called the Negro in Soviet-America, you will find that this amendment would simply carry out the Communist Party lines.

It should be called an amendment to stir up race riots in the District of Columbia. That is what it would mean. I never dreamed that I would live to see the white Americans in the District of Columbia persecuted as they are being persecuted today—even without the Marcantonio amendment. They are being driven from their homes by this so-called antisegregation movement, promulgated by a racial minority, whose real-estate agents are taking Negroes into the white residential sections, with the result that white Americans are moving across the river into Virginia or out into Maryland by the thousands.

White Americans in the District of Columbia are being driven from their apartments in the same way, and are being forced to seek refuge in Virginia or Maryland.

These white Americans are being driven from the restaurants and hotels in the District of Columbia in the same way. They are being driven from the Federal pay roll, to escape the humiliation that is being imposed upon them under the present regime.

These racial minorities that are always whining about civil rights have a hundred times as many of their own members on the Federal pay roll as they are numerically entitled to. The result is that the service has degenerated in every branch of the Government, from the Library of Congress to the Bureau of the Census. Never have I seen such a lack of efficiency in these departments as we are witnessing today, as a result of this communistic pressure that has literally forced white Americans out of their jobs.

But the craziest step that I have ever known to be taken in a civilized country was the Executive order wiping out segregation in our armed forces. That was the greatest victory Stalin has won since Yalta. It did more to cripple our national defense than anything else that has ever been done in all the history of this Government.

How much longer, I ask you Members of the House, are you going to tolerate these communistic movements that threaten the very life of the Nation?

This amendment may sound harmless to some of you; but if it is adopted, and written into the law, in my opinion, it will intensify the racial feeling now existing in the District of Columbia, and probably result in race riots and mob violence, the like of which this Capital has never seen.

You have just witnessed the most nauseating spectacle in all the history of this Capital, when a little woman, named Ruth Weyand, a member of a racial minority—and Communist if there ever was one—passing as a white woman, wormed her way into the position of attorney for the Labor Relations Board, and went before the Supreme Court of the United States, filed a brief, and probably made an argument, urging that Court to take it upon itself to legislate through a judicial fiat and outlaw segregation throughout the United States. It developed that this woman, of foreign extraction, had been living with a Negro man. The Negro's wife sued her for alienating her husband's affection. She came back and claimed that she was married to this Negro. The case became so nauseating that she was removed from her job as attorney for the Labor Relations Board. She now claims that this was discrimination because of race, creed, or color.

It is time that the white Americans in this country—who have built this Nation and made it great, who have fought its battles in times of war, and who have sustained its institutions in times of peace—it is time they are given the consideration to which they are entitled, and that these persecutions of them cease.

I hope that Mr. MARCANTONIO's amendment will be voted down by such an overwhelming majority that it will never again see the light of day.

Let us put a stop to these communistic movements, and save America for Americans.

Mr. HARE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. MARCANTONIO].

Before expressing my reasons for opposing this Communist amendment, I wish to call the attention of the membership to the definition of "Democratic Party" as given in an edition of Funk and Wagnall's dictionary. I am somewhat embarrassed for never having looked in the dictionary for a definition of "Democratic Party," and the matter was called to my attention by an editorial appearing in a weekly newspaper, the Easley (S. C.) Progress, in my district, which was published on April 13, 1950. According to the dictionary, "Democratic Party" is defined as "this party has always advocated a rigid adherence to the principles of the Constitution and the equality and autonomy of the States, while opposing the centralization of power in the Federal Government." Those few lines completely express the Democratic Party I believe in.

With that preface it is almost needless for me to enumerate specific reasons for opposing the proposed amendment, because, in my opinion, any public official who favors the enactment of the civil-rights program, including FEPC, or amendments designed for the same purpose, violates his oath of office to uphold and defend the Constitution.

It is absolutely a shame and disgrace and an insult to the intelligent thinking American to realize that such proposals are presented to this body for consideration. I shall consider my life as a success if I can contribute in any manner toward the defeat of such un-American proposals.

The average citizen of these United States, regardless of his race, creed, or color, holds no brief or favoritism for the amendment offered by the gentleman from New York. Apparently the gentleman from New York [Mr. MARCANTONIO] would have us follow a philosophy that segregation of the races is a discrimination only against the Negro. However, the abolition of segregation would actually be a discrimination against the white race, the yellow race, and the Negro race as well.

The gentleman from New York, whether he realizes it or not, is advocating communism by offering the proposed amendment. That is true because he seeks to compel an employer to hire individuals against his will and desire. In other words, he seeks to make a dictator of the Federal Government. In my opinion, in so doing he is seeking the overthrow of this Government, and it is high time that the membership and his constituents, as well as the people of the United States realize it. I do not intend to cast reflection upon his personal integrity, but wish to emphasize to the membership and the people the danger in his philosophy.

I have the privilege and honor of representing a district in which there are many Negro citizens. I know their nature and I know their attitude as all southerners do. There is no race in the United States which abhors or detests the abolition of segregation as does the colored race, and it is high time that the proponents of proposals as made by the gentleman from New York come to realize it.

One cannot compel another to work for him, because that would be involuntary servitude—slavery, and our Constitution specifically prohibits same. Yet, on the other hand, the enactment of the proposed amendment would subject the employer to involuntary servitude if he refused to hire an individual because of race, creed, color, or national origin. In other words, the gentleman from New York desires to make individual business and the Government slaves to a dictatorial Government. If that is not communism, I do not know what is.

I sincerely hope that the amendment is defeated.

Mr. BIEMILLER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Chairman, I support the amendment of the gentleman from New York [Mr. MARCANTONIO] while disassociating myself from many of the observations he has advanced.

He knows as well as I, and as well as the other Members of this House, why we have not approved a full civil-rights program in this session. He knows as well as I that the President and his supporters in Congress have done everything in their power to secure such legislation, and have been defeated by the backsliding of Republicans who did not respect their party platform. He undoubtedly knows as well as I that such speeches as he has just delivered do the supporters of civil rights in this House an injustice and the cause of civil rights considerable damage. In the light of such knowledge, the gentleman from New York is privileged to reexamine his statements. The other Members of the House understand them well.

The gentleman's purposes aside, the amendment should stand on its own merits. This is our National Capital. We have erected here monuments to the great men and great ideas which have guided us throughout our history. We have built a spacious and beautiful city to symbolize the ideals that have made us a nation.

Yet the practices of segregation and discrimination continue in the shadow of the monuments to the men who wrote that all men are created equal, in the Capital of a nation dedicated to equality of opportunity and the dignity of man.

We are engaged in a world struggle with Soviet Russia, a struggle that is as much in men's minds and hearts as it is in the maneuverings of the cold war. We are appealing to men of all nationalities, creeds, and colors throughout the world to recognize that only democracy such as ours can make all men free and equal before the law. These men of all nationalities, creeds and colors throughout the world look toward the source of that lofty appeal, to Washington. What they see makes a mockery of the words they hear.

I think we should adopt this amendment and end this double standard of political morality. The city of Washington is not so much a geographic entity as it is the political meeting place of all Americans, and America's place of business, both domestic and foreign. The mores and customs of this city should be the mores and customs of the whole people of this Nation, the mores and customs that we rightfully claim as American throughout the world.

We are all religious men here. I personally believe deeply in the Christian tradition, the fatherhood of God and the brotherhood of man. In Christian terms, discrimination and segregation are immoral, inexcusable lapses from grace and faith.

I ask Members of this House to put aside those prejudices and ideas which threaten our unity in a time of crisis for the Nation and the world. Let us approve this amendment and make Washington an American city in the fullest meaning of those words.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I have been frequently asked about the proceeding on the bill, as to whether the Committee will rise and report to the House at the conclusion of each chapter or wait until the entire bill has been completed before the Committee rises and reports the entire bill to the House with whatever amendments may be adopted.

The CHAIRMAN. In answer to the parliamentary inquiry of the gentleman from New York, the Chair will state that action will be completed on the entire bill which will then be reported to the House, unless the House orders a different procedure.

The question is on the amendment offered by the gentleman from New York [Mr. MARCANTONIO].

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 21, noes 67.

Mr. BIEMILLER. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment was rejected.

CHAPTER II. LEGISLATIVE BRANCH

The Clerk read as follows:

For compensation of Members of the House of Representatives, Delegates from Territories, and the Resident Commissioner from Puerto Rico, $5,492,500.

Mr. McGRATH. Mr. Chairman, I ask unanimous consent that the further reading of chapter II be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. TABER. Reserving the right to object, Mr. Chairman, will the gentleman include in his request that amendments and points of order may be reserved to any part of the chapter?

Mr. McGRATH. I make that as a part of my request, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Are there any points of order to be raised to chapter II? [After a pause.] If not, they are waived.

Mr. SCRIVNER. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SCRIVNER: On page 25, line 6, strike out "$8,500,000" and insert "$8,000,000".

Mr. SCRIVNER. Mr. Chairman, this amendment I have offered refers to the item of congressional printing and binding, which is the only actual appropriation item over which the legislative committee has any control as far as the Government Printing Office is concerned.

The testimony showed that their estimate was based on a figure of $8,750,000 for the coming fiscal year 1951 for printing and binding, which of course takes in the matter of printing the CONGRESSIONAL RECORD, the Legislative Digest, all bills, reports, hearings, and all of the business before the Congress.

You will also find from reading the hearings that last year the item was $8,000,000, and the Government Printer estimated that the $8,000,000 would be sufficient to cover all congressional printing for this fiscal year of 1950.

It should be recalled that last fall—and this was one of the reasons for a great deal of the Government printing—we returned into session in the fall and remained in session until almost the 1st of November. All of us realize, of course, that this is election year, and the elections will be about the 1st of November, so I think we can safely anticipate that we will not come back into session this fall after we once adjourn. Therefore, it should be reasonably assumed that

there will be less printing of the CONGRESSIONAL RECORD, and there will be fewer reports and there will be very few new bills introduced. Then, of course, we will come back into session the first of January, and the only printing we will have to pay for will be from the first of January until the end of the fiscal year, July 1. I would be less than frank with the House, however, if I did not say that should there be any greater demand for spending for congressional printing than we assume is likely to occur, the Government Printer would be perfectly justified in coming in late next spring and submitting to us a deficiency request, which of course would be proper. In this situation, however, our guess is surely as good as the Government Printer's.

Mr. McGRATH. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from New York, the chairman of the committee.

Mr. McGRATH. The gentleman from Kansas recognizes the fact that in the report we stated that this was purely an approximation.

Mr. SCRIVNER. That is true.

Mr. McGRATH. And the half-million-dollar increase was partially in recognition of the wage raises that were granted in the departments. I agree with the gentleman, however, that we should be as economically minded as we can, and the committee very gladly accepts the amendment; we have no objection to it.

Mr. SCRIVNER. I thank the gentleman from New York for that statement. At this time I think it is perfectly proper that I should point out to the Members of the House that in this Legislative Appropriations Subcommittee there has been the greatest degree of cooperation, friendship, and cordiality. The statement just made by the gentleman from New York demonstrates one of the reasons why it was possible for us to work together in such a fine spirit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The amendment was agreed to.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: Page 3, line 6, strike out "$5,492,500" and insert in lieu thereof "$7,135,000."

Mr. McGRATH. Mr. Chairman, I make the point of order against the amendment that there is no authority in law for this increase.

The CHAIRMAN. Does the gentleman from New York [Mr. MULTER] desire to be heard on the point of order?

Mr. MULTER. No; I do not care to be heard on the point of order.

The CHAIRMAN. Can the gentleman from New York [Mr. MULTER] cite any authorization of law for the increase proposed by his amendment?

Mr. MULTER. Only the fact that this body has the authority to fix the salary of its Members. I think it does not matter how or in what bill the House does it. It may do so as part of an appropriation bill. This item being the item appropriating for the pay of Members of Congress I think it is subject to amendment.

The CHAIRMAN. Does the gentleman from New York [Mr. McGRATH] desire to be heard on the point of order?

Mr. McGRATH. Mr. Chairman, while I recognize that the Members of the House are deserving of an increase in compensation, yet my position at this time is of a legislative capacity and I must support the rules of the House.

I respectfully submit that the point of order lies against the amendement.

Mr. TABER. Mr. Chairman, will the gentleman from New York yield for a question?

Mr. McGRATH. I yield.

Mr. TABER. As I understand, this is an amendment to the gross amount for salaries. It is not in order, of course, because the only authority we have is to appropriate an amount equivalent to the product of the fixed salary times the number of Members. The effect of the amendment would not even be to increase the salary.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from New York [Mr. MULTER] has offered an amendment which has been reported; the gentleman from New York [Mr. McGRATH] has made a point of order against the amendment on the ground that the amount sought to be included by the amendment is not authorized by law.

The Chair has examined the question to some extent, and it appears that the amount carried in the bill reflects the amount authorized by existing law. Therefore, the amendment offered by the gentleman from New York would be in excess of existing authority of law.

The point of order is sustained.

LABOR IS WORTHY OF ITS HIRE; IS NOT A CONGRESSMAN?

Mr. MULTER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Chairman, this amendment is intended to provide increased funds with which to pay salaries to the Members of the House of Representatives at the rate of $20,000 per annum for the second half of the fiscal year provided for by this appropriation bill, beginning with the first session of the Eighty-second Congress. There is no intent by the amendment to increase the salaries of the Members during the current session. We were elected on the basis of fixed salaries of $12,500 per annum. It is my opinion that even if there were not legal obstacles to increasing our own salaries during our own terms of office, it would be a breach of contract to say the least for us to change that. We do have the right to increase the salaries of those who may be elected to serve in successive Congresses, and that we should do.

In offering the amendment I appreciate the parliamentary difficulties which may make it impossible for the House to consider this matter at this time. Even if the amendment were considered and carried, it still could not be effective until the basic legislation authorizing the payment of the salaries was similarly amended so as to provide for the increase, I offer the amendment at this time, nevertheless, in order to direct attention to the fact that there is pending a bill for increased salaries, and although the chairman of the committee has promised this House action on it, he unfortunately has not yet called any hearings.

The overwhelming sentiment of this House and of the country is in favor of such increased salaries. Our President, Harry S. Truman, the Hoover Commission, and any number of independent sources have recommended that salaries of Members of Congress be increased to as much as $25,000 per year. My amendment and my bill call for an increase to only $20,000 per year.

I know that many of the Members feel that this being an election year, legislation of this kind should not be brought before the House at this time. I vigorously disagree with them on that score. I doubt whether a single Member of this House who will stand for reelection in the fall will lose a single vote by his support of this legislation. I dare say Members who voice opposition to the increase of their salaries may, on the other hand, find themselves confronted with the potent argument that their constituents do not want any man serving them in Congress who thinks he is worth less than $20,000 per year.

Service in Congress today is a full-time job, requiring diligent attention to the duties of the office day and night, 7 days a week, 52 weeks in the year.

Labor is worthy of its hire; is not a Congressman?

The Clerk read as follows:

Amendment offered by Mr. SCRIVNER: On page 24, line 18, strike out "$16,000,000" and insert "$15,500,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. SCRIVNER].

The amendment was agreed to.

Mr. KEATING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEATING: On page 29, after line 13, insert a new section reading, as follows:

"The total sums appropriated under this chapter shall be reduced to the extent of any separate and distinct item appropriating money which is disapproved by the President."

Mr. McGRATH. Mr. Chairman, I make the point of order that this is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from New York [Mr. KEATING] desire to be heard on the point of order?

Mr. KEATING. I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. KEATING. Mr. Chairman, the wording of this amendment is designed to be, and I believe is, a limitation on the appropriation. As I stated in general debate on the subject, I have introduced a bill which would have the effect of giving the President the power to veto any

single item in an appropriation bill which he does not now have. He is forced, therefore, to approve or disapprove the whole bill.

I appreciate that to endeavor to provide for that in this measure would be legislation on an appropriation bill. This, however, is not worded in that way. It provides that the sums appropriated here shall be reduced by the amount of any distinct item which the President feels should be disapproved; in other words, he will have the power under this amendment to join with us, if he is so disposed, in the battle for economy. I believe the amendment as worded, being a limitation, is in order.

Mr. McGRATH. Mr. Chairman, may I call the Chair's attention to the fact that this is a delegation of power from the legislative branch to the executive branch of the Government and is clearly legislative in character.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from New York [Mr. KEATING] has offered an amendment which has been reported by the Clerk. The gentleman from New York [Mr. McGRATH] has made a point of order against the amendment on the ground it is legislation on an appropriation bill.

The Chair has analyzed the amendment and it appears clearly that the purpose of it is to confer item veto power on the President, which would be legislation on an appropriation bill in that it confers authority and power on the President which he does not have. Under the rules of the House, being legislation on an appropriation bill, it is subject to the point of order, and, therefore, the Chair sustains the point of order.

Mr. KEATING. Mr. Chairman, I move to strike out the last word.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. TABER. The President under the budget law has the power to impound funds appropriated for any branch of the Government.

Mr. KEATING. I appreciate that fact and that the President has exercised that power at times in impounding funds.

I have two rejoinders to that. First, the President has failed to exercise the power in a number of instances where it might well have been exercised. In some cases he might have acted differently with advantage to the taxpayers if he had had before him a precise measure for approval or disapproval. In other words, he would be more likely to cut out appropriations lacking substantial merit if confronted with the duty of passing on each item separately, than he would to impound funds for specific purposes.

The second point is, it seems to me, that the orderly procedure for us to follow legislatively is to provide for such single item veto rather than to leave this power to the President which he now has and which he has exercised perhaps at times contrary to the will of the Congress.

It seems to me that the adoption of a measure such as this would go a long way toward enabling the President, if that is his disposition, to join with us in our endeavor to cut the budget.

When this appropriation bill reaches the President's desk, he will be compelled to sign it or disapprove it in its entirety. If there are items in it where he feels we have acted unwisely, there is nothing he can do about it. He should be given the authority to veto any single item in the appropriation bill which he feels is improper. The conferral of this power, if diligently and conscientiously exercised by the President, would be one of the most effective steps we could take to approach our goal of a balanced budget.

In our deliberations on this bill, it is imperative that we leave no stone unturned in our search for legitimate ways and means of effecting economies without impairment of essential services. The people back home expect this of us. They have a right to expect it.

I regret that the amendment has been ruled out on a point of order. I appreciate that the Chairman has rendered his ruling in a sincere effort to follow legislative precedents. Nothing further can be done at this point. I hope that the committee to which my bill has been referred, the Committee on Expenditures in the Executive Departments, will give early consideration to the suggestion I have made.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Iowa.

Mr. JENSEN. Does not the gentleman feel that the power that the President now has to impound funds is sufficient? In 1947, the day the Congress adjourned, I remember the President impounded about 50 percent of the funds Congress had appropriated for flood control and for irrigation and reclamation. He has pretty broad powers now, and I am wondering if the amendment that the gentleman has just offered, and which was ruled out of order, would not give the President possibly more power than he should have.

Mr. KEATING. My feeling is that it would approach this problem in an orderly way, and that if the President is going to rule out an item or items, the proper way to do it is by approving or disapproving specific items in the appropriation bill rather than by the exercise of his inherent impounding powers. That does not seem to me the proper way to approach the problem.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I would not want the gentleman from Iowa to leave the impression that the President has the right or authority under the Constitution to tie up funds appropriated by the Congress. It is true that he did impound irrigation and reclamation funds, but he violated the Constitution of the United States when he did that.

Mr. KEATING. Well, there are many of us who disagree with many of the actions of the President, I feel sure. Although I am not familiar with the legal implications of this particular action on his part, there are other steps he has taken of which I have been critical.

Mr. JENSEN. Mr. Chairman, if the gentleman will yield further, possibly I should have said that the President took the power to do that thing. I rather agree with the gentleman from Nebraska [Mr. MILLER] that under the Constitution he does not have that privilege. But, of course, in his new way of doing things, why the President sometimes takes some authority that some of us cannot quite understand.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SCRIVNER. Mr. Chairman, I offer another clarifying amendment.

The Clerk read as follows:

Amendment offered by Mr. SCRIVNER: Page 25, line 12, strike out "$3,500,000" and insert "$8,000,000."

The amendment was agreed to.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have not so far offered any amendments to this chapter. I do not believe I shall offer any.

Together with the amendment which has been offered by the gentleman from Kansas and accepted, the total cost of this particular chapter, the legislative housekeeping job, is reduced $9,000,000. That is about 14 percent of the $65,000,000 which was recommended in the budget. The subcommittee has made substantial cuts, so that with the cuts made by the Committee of the Whole on the President's budget it looks as though we had arrived at a reasonable figure. It will not be my purpose to offer amendments for additional cuts, where proper cuts have been made, but where I feel the proper cuts have not been made I shall be obliged to offer amendments for further cuts.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. SCRIVNER. The gentleman's statement is particularly true in a situation such as we find here, where many of these items are purely mathematical. For instance, one of the larger items is the salaries and expenses of Members of Congress, Commissioners, and Delegates. There is just nothing that can be done on an item like that.

Mr. TABER. Where the salaries are fixed and the employment is fixed, that is true.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kansas.

Mr. REES. When we allow funds in a lump sum, as in the item suggested by the gentleman from Kansas [Mr. SCRIVNER], and allow a certain amount to a department or agency, as a general rule it is expended by the end of the year. If you allow such an item to stay in the bill, it is more likely to be spent than not. Most of the time they have a way of spending the money if you once allocate the funds.

Mr. TABER. The departments have a bad habit of calling whatever is left in the middle of May "hot money." The

word will get out somehow or other for them to get busy and find some way of obligating that money before the end of the fiscal year.

Mr. REES. That is what I wanted to bring out.

Mr. TABER. That is a very, very bad practice all the way through the Government of the United States. You see men occasionally on a train, and without their knowing who you are, they will get to visiting with you and will tell you that because of the "hot money" they had to spend they were obliged to take a particular trip.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to take a brief moment to point out on page 13 of the hearings an item of increase with which I think all the Members of the House will be in accord. I am quite sure if they knew him as the Members of the House knew him, all the taxpayers of America would be in accord with it. It is the item of increase in the office of the Chaplain of the House of Representatives made necessary by the fact that our dearly beloved Rev. James Shera Montgomery was retired as Chaplain Emeritus, and, of course, under this action his pay carries on as a tribute to his long and faithful years of very fine service and spiritual guidance for the House of Representatives.

Mr. McGRATH. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from New York.

Mr. McGRATH. I join the gentleman from Kansas on behalf of the Democratic Members in expressing the same sentiments.

Mr. SCRIVNER. I thank the gentleman.

CHAPTER III. DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY

The CHAIRMAN. Under agreement entered into in the House, there being no further amendments to chapter II, general debate is now in order on chapter III of the bill for not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from New York [Mr. ROONEY] and the gentleman from Nebraska [Mr. STEFAN].

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the next chapter of the so-called package appropriation bill covers the appropriations for the coming fiscal year for the Departments of State, Justice, and Commerce, and for the Federal Judiciary.

At the outset, as chairman of the subcommittee, I wish to express my appreciation to my four distinguished colleagues on the subcommittee, the gentleman from Pennsylvania [Mr. FLOOD], the gentleman from Georgia [Mr. PRESTON], the gentleman from Nebraska [Mr. STEFAN], and the gentleman from Ohio [Mr. CLEVENGER], for their untiring work and splendid cooperation.

I could not pick four Members of this House with whom I would rather sit day after day and week after week listening to testimony in support of budget estimates than with these four gentlemen who are my close personal friends and for whom I have the highest regard and esteem.

The total requested by the Bureau of the Budget for the Departments of State, Justice and Commerce, and for the Federal Judiciary, was $1,184,035,897 in cash and $91,036,500 in contract authority. Taking the four subdivisions of this part, or this chapter of the package appropriation bill, the amount allowed by your committee for the four agencies is $1,110,870,462, in cash, as well as $65,786,500 in contract authority, making a total of $1,176,656,962 in both appropriations and contract authorizations.

The reductions recommended by the committee amount to $73,165,435 in direct appropriations and $25,250,000 in contract authority, making a total reduction in this chapter of the package bill of $98,415,435.

The total direct appropriation recommended for the coming fiscal year is $19,997,177 less than the amount appropriated for these four items in the current fiscal year.

The total contract authorization recommended is $2,413,500 less than the amount given as contract authority in the present fiscal year. The net amount recommended by your committee for fiscal year 1951 in direct appropriations and contract authorization is $22,410,677 less than the amount appropriated and authorized for the current fiscal year.

Included in this chapter is a new item for the Bureau of Roads which had heretofore been carried in the Independent Offices appropriation bill. The budget estimates for this Bureau alone amounted to $455,900,000, an increase of $48,400,000 over the amount appropriated for the current fiscal year.

The first of the subdivisions of this chapter to which I shall refer is that which provides funds for the fiscal year 1951 for the Department of State.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for an inquiry?

Mr. ROONEY. I yield.

Mr. DONDERO. Does the $455,000,000 for the Bureau of Roads have anything to do with road construction, or is it purely for administration?

Mr. ROONEY. Oh, no. That is money for the Federal-aid highway program in cooperation with the State highway departments, and the forest highway program. The bulk of it is for construction and is turned over to the States as grants. It is really part of the money that comes to the Treasury as the result of the Federal gasoline tax, and taxes on oil, tires, new automobiles, and so forth.

Mr. DONDERO. Well, what is the purpose of the use of this money? Does it go into the general funds of the Government or is it purely for administration?

Mr. ROONEY. Oh, no, not at all. It includes an amount for administration, but the bulk of it is for the construction of highways. Only about $12,000,000 of the half billion is for personal services.

Mr. DONDERO. The reason for the question is this: That the committee of which I happen to be a member, the Committee on Public Roads, is getting ready to report a bill to the House for a large sum of money, in fact, nearly a billion and a half dollars, for that very purpose. That is the reason I am asking whether this amount is to supplement that in any way.

Mr. ROONEY. Of course, if the gentleman's legislative committee reports out a bill with authority for expenditure of a billion and a half dollars in it, there is not too much that the Committee on Appropriations can do. The members of the Committee on Appropriations, sitting day after day, listen to the testimony with the realization in our minds that there is nothing much that we can do about it, because the legislative committee reports out a bill spending the money before it is appropriated.

Mr. DONDERO. I think perhaps what the gentleman is saying is that that money is really being appropriated under a bill passed by a previous Congress, for the construction of roads or for the matching of funds with the States.

Mr. ROONEY. Exactly so. There is a very unusual situation with reference to this particular item for the Bureau of Roads. There is not very much that the Appropriations Committee can do, except to write a blank check, because the money is already spent before they come to us for the appropriation.

Now with regard to the Department of State, the total amount recommended in this chapter for that Department is $217,651,297, which is a decrease of $12,426,100 in the amount requested by the Bureau of the Budget, and a decrease of $82,754,099 below the amount appropriated for the current fiscal year. The largest reduction is in the item, "Contributions to international organizations," and it amounts to $42,766,611, which is due to a decrease of over $45,000,000 in the amount requested for the International Refugee Organization. The committee has seen fit to reduce the amount requested for the buildings fund of the Department of State, to the extent of $5,000,000, and in the appropriation for international information and educational activities to the extent of $13,300,000.

Included in the State Department part of the chapter is an important item entitled "International Boundary and Water Commission, United States and Mexico." The committee has recommended an appropriation, and the bill now before you contains language which would expend the sum of $6,065,000 for this activity in the coming fiscal year. This is an increase of $4,030,000 over the current year appropriations and a decrease of $2,550,000 in the budget estimate.

The amount of $1,000,000 is allowed for the item, "Salaries and expenses" and $30,000 for the item, "Rio Grande emergency flood protection."

The amount of $5,035,000 is recommended for construction. One of the principal projects which comes within the jurisdiction of the International Boundary and Water Commission, United States and Mexico, is the construction of the highly important Falcon Dam. The plans and specifications for this dam have not as yet been completed; and a

reduction of $1,750,000 is made for this construction item. This will provide a total of $2,750,000 toward the cost of construction of the dam, to which must be added an estimated minimum of $4,500,000 balance which will be available from prior year appropriations. There is not any question, I say to the gentleman from Texas, about this reduction interfering in the slightest with the progress of the construction of Falcon Dam, because the amount allowed, $2,750,000 in cash when added to the unexpended balance of $4,500,000 amounts to $7,250,000, is ample to continue the progress toward completion of the plans and specifications and the start of construction of the dam and the letting of the contracts incidental thereto.

I will now refer to the Department of Justice part of the bill wherein the amount recommended is $144,230,000, a decrease of $3,195,800 in the budget estimates but an increase of $11,184,859 over the appropriations for the present fiscal year.

I trust that when you are called upon to vote on any across-the-board cuts that the membership may be called upon to consider you ask yourselves how such meat-ax cuts can be applied to an agency such as the Department of Justice, because included in this appropriation of $144,230,000 are funds for legal activities and general administration of the Attorney General's office, including the Criminal Division, the Tax Division, the Customs Division, the Lands Division, the Claims Division, the Antitrust Division, and the rest of the personnel which make up the Office of the Attorney General, the Federal Bureau of Investigation under J. Edgar Hoover, the Immigration and Naturalization Service, the Federal prison system, and the Office of Alien Property. In connection with the FBI which I mention may I say that the committee allowed the full amount of the budget estimate for this highly important arm of Government and has no intention of interfering in any respect with the activities of the FBI. Under the terms of this bill, as a matter of fact, there will be seven hundred and some more positions in the Federal Bureau of Investigation beginning with the new fiscal year on July 1, than there are at the present time. These include 325 more agents.

The third principal item in the bill is the Department of Commerce, wherein there is a total appropriation recommended of $725,429,000. This is an increase of $49,875,098 over appropriations for the current year and a reduction of $56,990,000 in the budget estimates.

The large increase over the amount allowed by the Congress for the current fiscal year relates to the substantial increases of appropriations for the Bureau of Public Roads and for the Civil Aeronautics Administration.

The increase for the Civil Aeronautics Administration amounts to $46,389,098 and for the Bureau of Public Roads it is $24,600,000. These increases are due principally to the necessity of providing funds for the liquidation of contract authorizations previously granted by the Congress. I am not too familiar with the other bills that make up this package appropriation bill but I am fairly familiar with this one, as are the members of my committee. We were really appalled when we learned of all the contract authorizations that are catching up with us and for which we must provide cash appropriations. You cannot fool the public. You cannot take an item of $40,000,000 requested for an agency, give them a million dollars in cash and $39,000,000 in a contract authorization without having to pay out that $39,000,000 in cash at some time. It is bound to catch up with you, and that is the situation with regard to a great deal of this money in the Department of Commerce part of the bill.

I shall conclude my brief general summary of the items in the bill by referring to the last part thereof which provides for the Federal judiciary, wherein the amount recommended, $23,560,156, is an increase of $1,764,465 over the appropriation for the current fiscal year and a reduction of $553,535 in the budget estimates.

It occurs to me that I might point out another matter which catches up with the Committee on Appropriations. That is the matter of mandatory pay increases. I voted for them as did most of the Members here. But let us not talk economy on the one hand and on the other hand vote these pay increases if you do not expect to pay for them because all these pay increases have had to be provided for in this year's bill. I do not recall when we first started debate on this package appropriation bill—it was weeks ago—but I believe the distinguished chairman of the full Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] mentioned the total amount involved in this package appropriation bill for pay raises granted by this very Congress. My point is: you should not vote for pay raises and not expect to have to pay them.

If there are any questions with regard to any of the items in the bill I shall be glad to answer them to the best of my knowledge and ability.

Mr. REES. Mr. Chairman, will the gentleman yield

Mr. ROONEY. I yield to the gentleman from Kansas.

Mr. REES. I notice in this report quite a number of international agencies, many more than we have had in recent years.

Mr. ROONEY. I do not think it is an accurate statement to say "many more than we have had in recent years."

Mr. REES. Maybe not in the last year, but in the last comparatively few years. In any event, there are quite a number of them.

Mr. ROONEY. They are listed on pages 35 and 36 of the report.

Mr. REES. That is correct. What consideration has been given with respect to combining these agencies or discontinuing them? What has the committee done?

Mr. ROONEY. The committee has given no consideration to combining them because it has no power or authority to do so.

Mr. REES. Or recommending anything of that kind.

Mr. ROONEY. It has no compelling authority to do so. As far as cutting down the amount of the share of the United States in these international organizations is concerned, the committee time and time again and once again this year in its report has pointed out that the share being paid by the United States for its participation in them is far too much. We are in the position where we can merely raise some cain about it. We do raise some cain, and if you read the hearings I say to the gentleman from Kansas, you will find that every member of this subcommittee, your colleague, the gentleman from Nebraska, the gentleman from Ohio [Mr. CLEVENGER], the gentleman from Pennsylvania [Mr. FLOOD], and the gentleman from Georgia [Mr. PRESTON] joined the gentleman from New York in denouncing some of these international organizations and people in our Department of State for the amount of the share that we have been called upon to pay.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. May I direct attention to page 35 of the report on the general bill, the first paragraph on that page, which reads as follows:

> The committee again stresses its concern over the large number of organizations to which we are required to contribute. Every effort must be made to reduce the unusually high percentage of contributions which in all too many instances this country is called upon to make. The high percentage of contribution of the United States should be reduced just as quickly as the economic conditions of other member countries make possible their assuming a more equitable share of the cost. The committee will examine carefully the Department's submission of this item next year to determine what accomplishments have been made by the Department in obtaining such reductions.

I might say to the gentleman that the Department itself has concurred with this subcommittee in expressing its concern over the number of these international agencies, and I believe it is the concern and the attitude of the State Department to agree with the chairman and with the attitude I believe, indicated by the gentleman from Kansas.

Mr. ROONEY. Is that reply satisfactory, may I ask the gentleman from Kansas?

Mr. REES. The statement of the gentleman from Pennsylvania is the thing that attracted my attention.

No. 2, with respect to this contract authority, I want to commend the gentleman for his explanation, for his calling our attention to the fact that when Congress once authorizes a project, such as flood control or whatever it is, then it is obligating the Government for the completion of that project. I also want to commend the gentleman for the very fine explanation he has made with respect to this proposed legislation.

Mr. ROONEY. I thank my distinguished friend from Kansas.

Mr. STEFAN. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, in presenting the bill making appropriations for the Departments of State, Justice, Commerce, and

the Federal Judiciary for the fiscal year 1951, I first want to pay a tribute and commend the efficient work of all members of the subcommittee and also our executive secretary. This committee has labored for several months on what, in my opinion, is a most complex appropriation bill dealing with some of the most important departments of the Government. The Honorable JOHN ROONEY, chairman of the subcommittee, who comes from the State of New York, was unusually considerate of all members of the committee, and I assure you he had the unanimous cooperation of the two members of the minority and the other members of the majority. Especially, I want to commend the Honorable DANIEL FLOOD, of Pennsylvania; the Honorable PRINCE PRESTON, of Georgia; and the Honorable CLIFF CLEVENGER, of Ohio. Every member of this committee is a world traveler and a majority have visited many of the American foreign posts and many of the installations and physical activities of all of the four departments for which this committee makes appropriations. Mr. Jay Howe, our executive secretary, has done a splendid service in aiding each member of the committee to better understand the bill, and because of his efficiency the work of the membership has been made lighter.

I wish it were possible for each Member of the House to read all four volumes of the hearings in connection with this requested appropriation. It deals with every phase of the State Department and our Foreign Service, which I have always considered should be our first line of defense; all of the sections of the Department of Justice, including that great investigatory division known as the Federal Bureau of Investigation; the gigantic Department of Commerce with its many, many sections of domestic activities plus the foreign and domestic commerce and this year dealing with the Bureau of Public Roads; and finally, our Federal Judiciary. The bill contains the salaries for nearly 96,000 permanent employees and also the salaries for the approximately 150,000 temporary census takers who will start their work this month.

You will find the report for this bill beginning on page 31 of the combined hearings and the break-down of items for all four departments beginning on page 54. You will note that every regular item in the bill shows a decrease under the President's budget request with the exception of the amount allowed for the Federal Bureau of Investigation, which is the full budget estimate; and in regard to this item, you will find an explanation in the hearing as to the importance of this agency. I will have more to say about this agency later as we start reading the bill for amendments. Suffice to say, however, that this bill shows a reduction of over $98,000,000 under the budget request, including contract authorizations and nearly $20,000,000 under the appropriations for the present fiscal year.

I feel that in presenting these figures and this bill, this committee has made some contribution to the demand of the public to economize, to approach the time when we can balance the budget and pay something on our public debt. In spite of this statement, I am sure there are items in this bill which could be reduced further, but as is always customary by compromise, we have come to an agreement that this is the best possible figure we can present to the House at this time, and we present it for your consideration and will be glad to discuss any question or amendment which may be asked or offered.

In presenting this bill and in spite of the large decrease made by the committee, I am not unmindful of the fact that the public debt of our Nation now has exceeded $260,000,000,000, that the one-package appropriations bill before you presently gives no hope to balance the budget. I am not unmindful of the fact also that the interest on our public debt has exceeded $5,000,000,000 annually, which is more than it used to cost not so long ago to run the entire Government of the United States, and that it costs $50,000,000 more a year to administer our public debt, and that the figures submitted in the omnibus bill indicate that if the bill would be passed by the House and eventually passed by the Senate and signed by the President, we will still be faced with a deficit for the coming fiscal year of more than $5,000,000,000.

I recommend the membership's attention to page 6 of the hearings which are in your possession and look at the figures headed "Recommended in bill." These totals indicate that while your full committee has reduced the President's budget request by $1,385,000,000, the expense of running all phases of Government during the next fiscal year will still be more than $41,000,000,000, with no prospect of balancing the budget or pay-on the public debt. Therefore, I hope that as each chapter of this bill is presented to the House, the membership will continue its attendance in the debates, and also when the bill is read for amendment; so if there is a possibility of further reductions without injuring the necessary functions of Government, some additional savings can be made. I tell you this because the revenues for our Government for the fiscal year 1951 are estimated at only $37,305,586,034, compared with over $40,000,000,000 expenditures. While this income estimate was made in late autumn and our committee has been advised that the agencies which make these estimates will not be able to make a closer one at present, I feel the estimates are rather high if the reports of some of the income tax collectors in my part of the country prove accurate. These predictions indicate that the income tax return in the agricultural part of our country will be much lower than they were a year ago. So the budget, as it was presented to us originally, contemplated a net deficit of $5,133,171,372. This gives you some idea why it is necessary for the membership to study this entire bill and why it is necessary to make additional reductions wherever possible.

The chairman, the gentleman from New York [Mr. ROONEY], has gone into the figures on our section of the bill at great length, and in order to save time, I will not go into them except when questions are asked and during the time permitted under the 5-minute rule. I will eliminate my usual discussion of each item in order to give other Members of the House an opportunity to speak on the bill because the time is limited to 2 hours divided between the chairman and myself as ranking minority member; so I shall yield as much of the 1 hour of time allotted to me to other Members because I know there are many items in the bill in which they are interested, and upon which they want to speak.

However, there have been several questions asked and I am prepared to answer them at this time. The first question was asked me a little while ago as to the authority for a statement I made in connection with criminal aliens who are presently in the United States. You will find most of that information documented in our hearings and the statement I made came from the documented hearing.

When the Immigration Service was before the committee, the item of deportable aliens was a matter of much discussion. During the fiscal year, it was stated that 2,000 aliens were deported, and it is estimated that the same number will be deported during the next fiscal year. The number of deportable aliens required to be deported during the present fiscal year was a little over 276,000 required to depart this year, and it is estimated 300,000 will be required to depart next year.

The committee was told that there are 3,000,000 to 3,500,000 aliens in the United States legally.

In the testimony, the matter of aliens who are in the United States from iron-curtain countries came up in the questioning of witnesses and it was stated by the Commissioner of Immigration that among those aliens who have been sentenced to be deported are 3,500 to 4,000 who must some time go back to the iron-curtain countries. These were sentenced to go back mostly to Poland, Russia, some to Czechoslovakia, Hungary, and the Baltic States. The immigration people told the committee that they cannot deport these iron-curtain-country aliens because they cannot get a travel order to get them into the iron-curtain country; so they are left in the United States and are mixed with our citizens. There is not a careful check made of them; and among the 3,500, there are approximately 100 who are classed as subversive and members of the Communist Party. It is stated that the Immigration Section has no way of sending them back without travel documents and no steamship company will accept them as passengers if they cannot land them. So the United States is confronted with at least 100 of these subversives and Communist aliens who are either out on bond or parole and are allowed to roam the United States as they wish.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. STEFAN. I yield.

Mr. TABER. Why are these people who are Communists allowed to be out on

bail? That hardly sounds like good practice on the part of the Government.

Mr. STEFAN. I was going to say that it was stated by Mr. Miller, the Immigration Commissioner, that many of these hundred alien Communists and subversives seem to be well fixed with money and he knows of no way of getting rid of them. However, there is some legislation before the House that is designed to correct this situation. This would authorize the Immigration Commissioner to keep these people under surveillance or detain them. At the present time, the Immigration people do not know where all of them are located.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. GROSS. Does the gentleman mean to say that testimony was given to his committee to the effect that these aliens are buying their way?

Mr. STEFAN. I do not know anything about that. These 100 aliens who have been found guilty of some criminal act come from behind the iron curtain and are Communists and subversives. They are out on bond or parole and because a travel order cannot be obtained for them, they cannot land in the iron-curtain countries, and they are traveling over our country at will. What I meant by "well supplied with money" was that testimony was given to us by the Commissioner of Immigration indicating that they appeared to be well supplied with money. Where all of them are, we do not know, but they are running all over the United States.

You will recall when this bill was brought up I took the floor and gave you detailed information as to other sources of entry by subversives and aliens who are in our country presently illegally.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. CANFIELD. I am sure the gentleman from Nebraska read the speech made in Chicago last Friday by Gen. Omar Bradley when he said, in speaking of undercover agents in our country, "Never before has our country been threatened so much from within."

Mr. STEFAN. It was for that reason I took the floor the other day and went into detail, giving documented evidence as to the entry of these aliens into our country, who are running around the country without surveillance at the present time.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. REES. I want to commend the gentleman from Nebraska for bringing us the information that he did some days ago with respect to this alarming problem. He has called our attention to the fact that we do have thousands of alien Communists in this country, that we do not even know presently where they are. As I understand it, our officers would have difficulty in even attempting to try to locate them.

Mr. STEFAN. It was for that reason, I may say, that this committee strengthened the arm of the FBI, which is our only method of keeping in contact with those people.

Mr. REES. I commend the gentleman.

Mr. STEFAN. The gentleman wanted to know something about the international organizations?

Mr. REES. Will the gentleman explain that, please?

INTERNATIONAL ORGANIZATIONS

Mr. STEFAN. Mr. Chairman, the hearings on appropriations for the Department of State will disclose the fact that our participation in various international organizations are growing by leaps and bounds and it is absolutely necessary to eliminate some duplication and cut down the number of these organizations for the sake of economy. The budget officers for the Department of State who come before our committee each year indicate that they are practically powerless to cut down appropriations for these activities because the organizations are set up through authorizations or treaties, and your committee finds it rather difficult to make any reductions in appropriations because of the commitments made before the appropriations are requested.

During the fiscal year 1949, the United States participated in 47 organizations involving a total outlay of $144,629,262. Of this amount, over $128,000,000 represented actual contributions to the permanent and temporary organizations; over $3,000,000 represented the cost of the United States missions at the seat of international organizations and the cost of the United States participation in meetings of international organizations; more than $1,000,000 was expended for entertainment or representation at occasional meetings of miscellaneous international groups and special assignments; over $11,000,000 represented an advance to the United Nations toward a $65,000,000 loan.

During that same fiscal year, the United States participated in approximately 258 conferences involving some 6,000 meetings. Of this number, 52 were concerned with the United Nations, 105 with specialized agencies, 13 with the Inter-American Organization, 14 with other international organizations, and 11 with temporary organizations. In addition, there were 63 miscellaneous conferences. Of the 6,000 meetings attended by representatives of this Government, more than 3,000 grew out of conferences of the United Nations and the specialized agencies built in New York, Geneva, Paris, London, Montreal, Shanghai, and other places throughout the world. These proceedings involved 8,000 official documents with operations conducted in five authorized languages.

The United States is paying the biggest percentage of cost for activities of these various international organizations, and instead of increasing our cost, some study should be made toward a further reduction. It has been found that the assessed United States percentage share in the international organizations has been considerable and range from about 2 percent in some cases to approximately 70 percent in other cases, and that if the total amount of the United States dollar contributions to the 45 organizations to which it contributed during 1949 is equated with the total amount of assessments against all members of the organizations, the United States' contribution percentage amounts to over 47 percent. The United States contribution percentage in the case of the International Childrens Emergency Fund amounts to 72 percent of the total; in case of IRO, 45 percent; in case of United Nations Relief for Palestine Arab Refugees, our percentage was 54 percent; and when you take the three together, it is found the United States' percentage amounted to 50.77 percent. Furthermore, the United States' contributions to these three programs in combination amounted to about 80 percent of the dollar cost of our contributions to all international organizations during fiscal year 1949, although our assessments to the 10 Inter-American organizations to which the United States contributed are at a higher figure of over 65 percent.

I call your attention to Report No. 1275 entitled "The United States Relations with International Organizations," which is a report of the Committe on Expenditures in the Executive Departments pursuant to Public Law 609 in the Seventy-ninth Congress. I recommend close reading of the report because it indicates to me that we should hesitate in passing any new legislation to increase our percentage cost to international organizations, and we should go rather slow in increasing the number of organizations instead of combining present ones with necessary new ones in order to effect some economy and also some efficiency.

Mr. REES. Mr. Chairman, will the gentleman yield further?

Mr. STEFAN. I yield.

Mr. REES. I will say to the gentleman that I would deeply appreciate having a copy of that document. May I ask the gentleman one further question?

Mr. STEFAN. Yes.

Mr. REES. The gentleman just referred to the amount of the expenditure for representations. I would appreciate having that figure once more.

Mr. STEFAN. Of course, we will go into item after item when we read the bill for amendment. It is approximately $1,300,000, and it is scattered throughout the bill.

Mr. REES. Does the gentleman care to comment about that? Does he not think it is a little too high?

Mr. STEFAN. Our committee cut it down some. I hope the gentleman will be satisfied with reductions we have made.

Mr. REES. I am afraid I will not be quite satisfied. Somewhere along the line there will be an amendment offered to reduce it further.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield.

Mr. PLUMLEY. I take advantage of this opportunity to pay my respects to the gentleman from Nebraska [Mr. STEFAN]. I wish to pay him a compliment he deserves and which he will modestly, I hope, accept, that the committee and the House are very fortunate in having him to represent them, a man who understands and can speak different lan-

guages. Those who talk in whispers on the outside at his hearings do not get by old KARL.

We understand each other in four different languages, principally when he talks in English, when as always he forcefully represents a farm district as do I. To it and to its welfare he has devoted his entire career in the House in an effort to help the farmers of the Nation, particularly those of his Nebraska district and their wives and children. Such service as he has so faithfully rendered is not too often the payoff for those who support such a man as KARL STEFAN is, as in his case. I believe he has done more for the farmers of Nebraska and his district than could have been done by anybody else.

Mr. STEFAN. I thank the gentleman for his compliment and deeply appreciate it.

There is one item in this bill that I think will be scattered throughout the entire omnibus bill carrying appropriations for the Government for the fiscal year 1951, and that is the matter of annual leave which is bothering so many Government employees and Members of the House.

Some time ago I made a statement regarding the alarming growth in the accumulation of annual leave and sick leave among Federal employees. I do not advocate a decrease in the number of leave days allowed to Government employees. I merely call your attention to the fact that something will have to be done about paying up this annual leave in order that we can start each fiscal year at a more reasonable basis and eliminate the tremendous accumulation.

In the bill we present to you today making appropriations for the Departments of State, Justice, Commerce, and the Federal judiciary there have been accumulated 7,356,968 days of annual leave and sick leave, and the cost of that when reckoned in dollars is around $116,814,804. This is in these four departments alone, and I predict that if all of the annual leave and sick leave of all the other departments of Government were totaled today, it would run into many more millions of days and the total cost will run to more than $1,000,000,000.

Federal employees are allowed 15 days sick leave every year, but in this case they are not paid for sick leave but must take it or eventually lose it. But in the matter of annual leave, it is accumulated and represents cash outlay. Employees are allowed 26 days a year annual leave. In these four departments, the accumulated annual leave represents 3,573,163 days, and this represents approximately $60,000,000 which the Government owes these employees today. The accumulated sick leave in the four departments amounts to 3,783,805 days and also represents approximately $60,000,000. If the committees who come before you with other appropriation bills for other departments have secured a break-down on accumulated leave and the cost of liquidation, we would be able to get an accurate figure of the tremendous amount of sick leave and annual leave and the tremendous amount of money represented in the cost of such liquidation. I feel the problem is important enough to call your attention to it.

The accumulated leave in the four departments in this bill is divided as follows:

	Accumulated annual leave	Accumulated sick leave	Cost of liquidation
	Days	*Days*	
Justice Department	992,160	1,222,520	$15,428,088 19,010,186
Commerce Department	1,380,661	1,617,966	25,249,859 30,016,765
State Department	1,127,945	848,197	13,947,293 10,104,887
Federal judiciary	72,397	95,122	1,291,607 1,766,119
Total	3,573,163	3,783,805	116,814,804

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield briefly?

Mr. STEFAN. I yield.

Mr. PHILLIPS of California. In speaking of accumulated leave the gentleman referred to it as "days of leave." I believe, however, that it is generally thought of not as days of leave, but as accumulated in cash and that the time which accumulated during the employment of a Federal employee at a lower rate of pay is paid for in the higher rate of pay at the time the employee finally takes his leave, which makes quite a difference.

Mr. STEFAN. There is no question about that. I have got this down to days and to cash also. I have this down to 3,573,163 days of annual leave and 3,783,805 days of sick leave. I have got it down to cash of over $116,000,000 in these four departments alone.

Mr. PHILLIPS of California. But the point I am making and the real question is that in effect the employee has, intentionally or unintentionally, actually raised his own salary without action of the Congress or of his superiors when he takes the leave at the higher rate of pay which he gets at the end of the time.

Mr. STEFAN. I thank the gentleman for his contribution.

Mr. KEEFE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise, and on that I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. STEFAN.

The Committee divided; and the tellers reported that there were—ayes 8, noes 36.

So the motion was rejected.

The CHAIRMAN. The Chair will count on the point of order made by the gentleman from Wisconsin [Mr. KEEFE] that a quorum is not present. [After counting.] Sixty-nine members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 134]

Allen, Calif.	Barrett, Pa.	Bentsen
Allen, La.	Battle	Blackney
Barden	Bennett, Fla.	Boykin
Buckley, N. Y.	Hill	Powell
Bulwinkle	Holifield	Quinn
Burdick	Hope	Ramsay
Byrne, N. Y.	Irving	Rivers
Carroll	Johnson	Rogers, Mass.
Case, S. Dak.	Jones, N. C.	Roosevelt
Cavalcante	Kelly, N. Y.	Sabath
Celler	Keogh	Sadowski
Chelf	Kilday	Sasscer
Cole, Kan.	Klein	Scott, Hugh, D., Jr.
Colmer	Kunkel	Shelley
Cooley	Lichtenwalter	Sheppard
Crosser	McConnell	Short
Davenport	McKinnon	Simpson, Pa.
Davies, N. Y.	McMillen, Ill.	Smathers
Dawson	Macy	Smith, Kan.
DeGraffenried	Mansfield	Smith, Ohio
Dingell	Miles	Stanley
Douglas	Miller, Md.	Steed
Doyle	Monroney	Tauriello
Fellows	Morrison	Thompson
Fogarty	Moulder	Tollefson
Gamble	Multer	Towe
Gilmer	Murphy	Underwood
Gorski	Murray, Wis.	Velde
Granger	Nelson	Walter
Grant	Nixon	Whitaker
Green	Norton	White, Idaho
Gwinn	O'Brien, Mich.	Wickersham
Harris	O'Hara, Ill.	Wilson, Ind.
Harrison	O'Neill	Withrow
Hart	Pace	Wood
Havenner	Patten	Woodhouse
Hébert	Pfeifer, Joseph L.	
Heffernan	Phillips, Calif.	
Herter		

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7786, and finding itself without a quorum, he had directed the roll to be called, when 317 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. STEFAN. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, among the other items in this bill there is the item for the tentative Federal airport extension program for the fiscal year 1951. It will be recalled that last year when we brought this bill up for consideration many of you asked the membership of this committee where the airport money is to be allocated in your various districts. This year we again have funds requested for continuing the Federal airport program. There is an airport program in every one of your States and perhaps your districts. A list of the airports to be improved are contained in a volume which the committee has for your information at this time. It shows the name of every State and community and if any of you are interested in it you may look it over.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Louisiana.

Mr. BROOKS. May I ask the gentleman if he intends to put that list in the RECORD?

Mr. STEFAN. No, it is too voluminous. I suggest that the gentleman take it and look it over because it is here and it is set up by States and by communities, also it shows the amount of the tentative local contribution and the Federal contribution. I am sure every Member of the House will be interested in looking it over in order to inform his community as to what the tentative program is for the

next fiscal year, 1951, so far as Federal airports are concerned.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from New York.

Mr. ROONEY. This list of airports was released to the press some weeks ago, was it not?

Mr. STEFAN. I understand so, yes.

Mr. REES. Mr Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Kansas.

Mr. REES. There has been considerable discussion with reference to the employees abroad. I do not recall the number of employees we have abroad for these various agencies but I am sure there are several thousand. In any event, can the gentleman give us that figure and will he tell us whether or not in his judgment these employees are reasonably well paid? Also tell us something about the allowances that are given to these employees in addition to their salaries.

Mr. STEFAN. In answer to the question of the gentleman from Kansas, let me say that I intended to take up that subject when we have the bill up for amendment under the 5-minute rule, but I may as well discuss it now as a reply to the gentleman from Kansas.

Mr. Chairman, in considering the many features of the proposed appropriation to provide funds to cover the expenditures of various branches of our Government for the fiscal year 1951, I believe it would be of interest to the Members of the Congress to invite special attention to the cost of maintaining our Foreign Service which is charged with the duties of carrying on our negotiations with foreign governments in all their political and economic aspects.

It is frequently stated in the press, by commentators and even by some Members of Congress, that the inadequate compensation of members of our diplomatic service makes it necessary for many of them in key posts to possess private fortunes to enable them to serve our Government, or that the compensation offered does not attract persons of the highest caliber for rendering good service in protecting our interests in foreign affairs.

It is believed that a comparison of the total compensation received by members of our Foreign Service will disclose that members of no other branch of our Government services is as highly paid as members of the Foreign Service, and that the Congress has been most liberal in agreeing to requests for the conduct of our foreign affairs.

Let us examine the annual amounts being paid to the members of our Foreign Service at the present time in order that the Members of Congress and other interested persons may compare them with the annual compensation and other benefits received by other employees of our Government.

I am told that a Foreign Service officer of class 1—not chief of mission, who is paid much more in most instances—at one of the most important posts, receives a salary of from $12,000 to $13,500 annually. In addition, if he has a family, he receives allowances of $3,500 annually for quarters, and a post allowance of from $1,980 to $2,040. A total of about $19,000 annually, of which $5,500 is free of United States income tax. He is given a liberal allowance for entertainment that in most cases fully covers all out-of-pocket expenses for any entertainment essential to his position. It must be remembered that the principal items of entertainment in foreign countries are beverages, which our officers obtain without taxes or import duties, enabling them to obtain a bottle of alcoholic beverage at about one-fourth the cost to others who do not enjoy diplomatic privileges. This same ratio of costs applies to cigarettes, gasoline, and other items purchased through tax-free privileges. Moreover, they have the privilege of purchasing many staple foods through Government commissaries; none of these privileges are enjoyed by other of our Government employees.

This same officer, with his family and household furniture and effects, is transported to his post at Government expense, and he is allowed a liberal per diem for himself and family to cover hotel expenses up to 30 days after arrival at his post. He is permitted to return to the United States with his family at Government expense every 2 years for 2 months' home leave, which accrues during his 2 years at his post. He also is permitted to take the usual annual leave or what is termed "post leave" while at his post, so that he is granted twice the amount of annual leave as other Government employees.

Hospital and medical services are provided to the officer and members of his family at Government expense.

Payments received for quarters and post allowances are exempt from United States income taxes.

If this officer is transferred to a post where the climate is the extreme "either hot or cold" from his previous assignment, he is paid a fixed amount for the purchase of clothing suitable for the exigencies of the climate. If he is transferred to a country whose currency based on the gold standard, is at a premium, as compared with United States currency, this differential amounting to as much in some countries as 60 percent, is added to his salary and allowances.

If he is assigned to what is classified as a hardship or unhealthy post, a further special allowance is granted.

So it will be observed that when the sum total of compensation, allowances, and the various benefits and privileges granted to members of our Foreign Service are taken into full consideration, it cannot be charged that the Congress has not been extremely liberal in making funds available for the Service, but on the other hand, employees in other branches of our Government service may, with justification, charge us with discriminatory treatment. Moreover, few persons with equal experience and qualifications employed in industry are so well paid.

However, the apparently excessive cost of our Foreign Service might be justified if the taxpayers were receiving full value in services rendered rather than have the prestige of our great Nation impaired vis-à-vis other powers as has been the case during the past several years, as a result of some obvious inefficient and ineffective plans and policies devised and executed by our Foreign Service.

Mr. ROONEY. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, when I addressed the Committee of the Whole a while ago and commended my fellow Members of this subcommittee, I failed to mention in that commendation a very, very important individual, a very, very important man insofar as the arduous work of this subcommittee is concerned. He is the executive secretary of the subcommittee, Mr. Jay Howe, who is here sitting at my right. Were it not for the long and splendid work of Mr. Howe we would never have been able to get together the committee report which is now before you. We are indeed indebted to him.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Nebraska.

Mr. STEFAN. Mr. Chairman, I, too, inadvertently neglected to mention our executive secretary, Mr. Howe, and I want to join the chairman and other members of the committee in paying tribute and my gratitude for the excellent and most efficient work rendered to our committee by Mr. Howe, our executive secretary.

Mr. ROONEY. I know that that expresses the thoughts of all members of this subcommittee.

A while ago the gentleman from Nebraska [Mr. STEFAN] made a statement about subversive aliens who were loose in this country without any information on the part of the Immigration and Naturalization Service as to their present whereabouts. In that connection, I wish to read into the RECORD the testimony in regard thereto given by Mr. Watson Miller, the capable Commissioner of Immigration and Naturalization and by Mr. W. F. Kelly, assistant commissioner. This testimony is to be found beginning on page 298 of the committee hearings dealing with the Department of Justice:

Mr. STEFAN. Now, Mr. Commissioner, as regards to deportation of aliens, those to be deported back to their place of origin, those originated in countries behind the iron curtain?

Mr. MILLER. We almost universally fail to get travel documents from their respective countries.

Mr. STEFAN. How many do you have in the United States you cannot deport because they cannot have any place to go?

Mr. KELLY. I think we have between 3,500 and 4,000 total.

Mr. STEFAN. What country are they sentenced to be deported to?

Mr. KELLY. Well, the iron-curtain countries, Poland. The majority of cases are Russian cases.

Mr. STEFAN. Russia, Poland.

Mr. KELLY. Czechoslovakia, the Baltic states, Hungary, Poland, and so forth.

Mr. STEFAN. And you do not deport them because they cannot get a travel order to get into those countries, is that right?

Mr. KELLY. That is right.

Mr. STEFAN. They are left here on bond?

Mr. KELLY. No.

Mr. STEFAN. Are they mixed up with our citizens?

Mr. KELLY. They are at large.

Mr. STEFAN. You do not know where they are, do you?

Mr. KELLY. Well, we do our best to keep them located.

Mr. STEFAN. What were they charged with?

Mr. KELLY. I think approximately a hundred cases were deportable under the act of 1918 as amended.

Mr. STEFAN. What is that?

Mr. KELLY. Former membership in proscribed organizations, subversive activities.

Mr. STEFAN. Communists and people with surversive ideas who believe in overthrowing government by force and violence, and you have no check on them, and they are scattered in society in the United States, is that true?

Mr. KELLY. We have them all under bond.

Mr. STEFAN. They are loose under bond?

Mr. KELLY. Yes, sir.

Mr. STEFAN. How many?

Mr. KELLY. Approximately 100 in the group, and I cannot give you the breakdown as to causes of deportation as to the remainder, but many of these are criminals.

Mr. STEFAN. Here we have 3,500 aliens who have been sentenced to be deported back to where they came from, 100 of whom are people with subversive ideas. Why can you not send them back to Russia?

Mr. KELLY. We have no way of getting them back without travel documents, no steamship company will accept them as passengers if they cannot land them.

Mr. STEFAN. So we are helpless here in the United States and they are running at large. They believe in overthrowing our Government by force and violence.

Mr. MILLER. There are other types, like those hundred or more Hungarians that seem to be well fixed with money and that sort of thing. There is no way that I know of of getting rid of them.

Mr. KELLY. There is legislation before the House that is designed to correct them.

Mr. STEFAN. What does that do?

Mr. KELLY. It would authorize us to keep them under surveillance or detain them.

Mr. STEFAN. You do not know where these 3,500 people are, do you?

Mr. KELLY. Not all of them.

Mr. STEFAN. They are scattered all over the United States, are they not?

Mr. KELLY. As to those who have complied with the alien registration law, we do have a record on them and I suppose we have a record on a substantial number; as to the subversives we have a record on each one of them.

There will then be found, beginning at page 300 of the hearings on the Department of Justice appropriations for 1951, a list containing the file number, name, country ordered deported to, amount of bond, and address of each of these aliens of the so-called subversive classes under orders of deportation unenforceable due to inability to procure travel documents.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Does the gentleman perchance know the status of the so-called remedial legislation? What committee has jurisdiction of it?

Mr. ROONEY. I would assume it would be the Committee on the Judiciary. As to the exact present status of the legislation mentioned by Mr. Kelly in his testimony I cannot report at this moment.

It might be well at this point to call to the attention of the members of the legislative committee that the hands of the Immigration and Naturalization Service are tied unless they have some such legislation. I do not believe these subversives should be permitted to roam around the country, even though under bond.

Mr. CANFIELD. I agree, and I commend the gentleman and his committee on bringing out these facts.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the majority leader, the gentleman from Massachusetts.

Mr. McCORMACK. I think it should be emphasized that the Immigration and Naturalization Service is not to blame.

Mr. ROONEY. They are not to blame. That is the point I make. You cannot hold them responsible if they do not have the jurisdiction or the funds, and have no legal right to hold these people.

Mr. McCORMACK. If additional legislation is necessary, that is the responsibility of the Congress.

Mr. ROONEY. It most certainly is.

Mr. STEFAN. Mr. Chairman, I yield myself 2 minutes.

The chairman of our subcommittee read the statistics a little while ago and referred to a table in the hearings in which he stated the Immigration Service had the address of those who are out on bond. If the gentleman will read further, he will find they are not all on bond, and that the hearings and table would indicate that some of them are on parole.

Mr. ROONEY. The table will indicate the exact situation with regard to each of these people by name.

Mr. STEFAN. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, you have just heard from the chairman of the subcommittee and the ranking minority member about the concern we have had with the subversive and dangerous people whom we can do nothing with, even after we have convicted them. The five men on this subcommittee have certainly been assiduously applying themselves to routing out so far as lies in their power from the State and Commerce Departments these subversive people. Many of you may have lost sight of the fact that it was this subcommittee a couple of years ago which kicked some of these people out of the brush where the Committee on Un-American Activities could get action on them. There has been no partisanship in this committee in going after these subversive people.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield.

Mr. DONDERO. Was there any evidence or testimony before the gentleman's committee with respect to the number of people who were separated from the service in the Department of State who had later acquired positions in other departments of Government? I refer to those whose employment was considered a security risk. Was anything said before your committee on that subject?

Mr. CLEVENGER. I will say to the gentleman, I brought that question up a year ago, as to whether the other departments would be alerted so that they might not hire these—we can name them now—these homosexuals. Until the Assistant Secretary of State, Mr. Peurifoy, made that word public over in the other body, we had insufficient information so far as the committee was concerned and could not tell you. In reply to my question we were informed they were not, and unofficially we were told, or at least I was told, that they have been employed in other sections of the Government, at least most of them were.

Mr. DONDERO. The reason I asked that question is that I made inquiry by letter to find out where these people went and whether they are now employed by our Government and I have not yet received a reply giving me any information on the subject.

Mr. CLEVENGER. If the gentleman will look at the report he will find some information on that subject.

I am going to address myself now to conditions we have discovered in the Department of Commerce. When I asked the security officer if he would flag them, he said he would. I told him I was very much afraid he could not, because of an Executive order which was issued restricting the information being given on these people.

The air is full of stories. The press is full of stories. I am not passing on that.

In discussing the constitutionality of the so-called loyalty program, John Edgar Hoover, Director of the FBI, had occasion to cite a decision of the circuit court of appeals rendered on August 11, 1949, involving the Joint Anti-Fascist Committee. A portion of that decision is worthy of repetition here:

> Contrary to the contentions of the committee, nothing in the Hatch Act or the loyalty program deprives the committee or its members of any property rights. Freedom of speech and assembly is denied no one. Freedom of though and belief is not impaired. Anyone is free to join the committee and give it his support and encouragement. Everyone has the constitutional right to do these things, but no one has a constitutional right to be a Government employee.

For emphasis permit me to repeat the last phrase, "but no one has a constitutional right to be a Government employee."

It seems to me that the crux of our entire security program lies in that phrase. It is indeed a privilege and certainly not a right to work for the Government and it is time we cleared the air on the misconceptions of a good many well-intentioned people who have been misled by the propaganda of the Communist and the fellow traveler into the belief that the burden of "proof of qualification" lies on the employer in this case, the Government, rather than on the employee. Nothing could be further from the truth. The Government has the right, nay the obligation, to set up standards for performance of duty not only for prospective employees but for those already on the rolls. This sacred obligation to the taxpayer implies the summary removal of any employee who does not measure up to these standards, the wails and crocodile tears of the fuzzy-minded to the contrary

notwithstanding. It is tragically true that our present administration has been sadly lacking in the courage or capacity necessary to carry out these obligations but this does not excuse, or in no way alter or mitigate these obligations.

We have heard a great deal in recent weeks concerning the security risks within the Department of State and I would like to say that while I am not familiar with the charges being bandied about I think the basic issue has been somewhat obscured in the unfortunate partisanship that has developed in this inquiry that is of prime importance to every American, Republican or Democrat.

The sob sisters and thumb-sucking liberals are crying for proof of disloyalty in the form of overt acts, on any security risks who are being removed from the Government rolls, but shed no tears for the lives lost as a result of the activities of the Hiss', Coplon's, and the Wadleigh's, all of whom would or did pass the loyalty standards with flying colors.

I wish the American people would keep in mind the fact that a security risk does not have to be a member of the Communist Party or even of a Communist-front organization. It is not only conceivable but highly probable that many security risks are loyal Americans; however, there is something in their background that represents a potential possibility that they might succumb to conflicting emotions to the detriment of the national security. Perhaps they have relatives behind the iron curtain and thus would be subject to pressure. Perhaps they are addicted to an overindulgence in alcohol or maybe they are just plain garrulous. The most flagrant example is the homosexual who is subject to the most effective blackmail. It is an established fact that Russia makes a practice of keeping a list of sex perverts in enemy countries and the core of Hitler's espionage was based on the intimidation of these unfortunate people.

Despite this fact however, the Under Secretary of State recently testified that 91 sex perverts had been located and fired from the Department of State. For this the Department must be commended. But have they gone far enough? Newspaper accounts quote Senate testimony indicating there are 400 more in the State Department and 4,000 in Government. Where are they? Who hired them? Do we have a cell of these perverts hiding around Government? Why are they not ferreted out and dismissed? Does the Department of State have access to information in the files of the Washington Police Department? Are we to assume that the State Department has a monopoly on this problem? What are the other Departments of Government doing about this?

For years we had a public prejudice against mentioning in public such loathsome diseases as gonorrhea and cancer. In effecting cures for these maladies the medical people recognized the first step was in public education. These matters were brought before the public and frankly discussed and it was not until then that progress was really made. It is time to bring this homosexual problem into the open and recognize the problem for what it is.

The Commerce Department hearings are somewhat enlightening in regard to the entire security problem and I would suggest that interested Members read them in detail beginning on page 2260.

Here we find that the Commerce Department has not located any homosexuals in their organization. Are we to believe that in the face of the testimony of the District of Columbia police that 75 percent of the 4,000 perverts in the District of Columbia are employed by the Government, that the Department of Commerce has none?

What is wrong with this loyalty program that does not uncover these matters, and when it does, adopts an attitude of looking for proof of disloyalty in the form of overt acts rather than elements of security risk? Is it not possible for the Government to refuse employment on the grounds of lack of qualifications where risk is apparent? This is not necessarily an indictment or conviction; it is merely the exercise of caution for the common welfare.

Our Commerce hearings detail one case in the Bureau of Standards where the chief of an important group was not cleared for 15 months and was in the ridiculous position of being denied access to certain areas, where classified work was being performed, while at the same time his subordinate employees enjoyed full access. I do not know the reason for the 15-month delay and what security risks were involved, but I do know that if serious matters of this type are not more quickly resolved, I for one, lack confidence in this system.

Note further, in these hearings that 369 loyalty investigations acquitted 273 but despite this action of the Loyalty Board the Commerce Department still considers 26 of these individuals to be security risks and must keep them under some kind of surveillance to insure that they will not yield to their temptations and turn over State secrets to emissaries of the Communist horde. This is a horrible example of the inability of the administration to deal with probably our most pressing problem.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield.

Mr. CANFIELD. I wish to repeat a statement made in Chicago last Friday by Gen. Omar Bradley. He said: "Never before has our country been threatened so much from within"; and he was speaking then of the under-cover spies in our country.

Mr. CLEVENGER. I agree with the gentleman's statement.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield.

Mr. ROONEY. Has the gentleman called attention to the fact that there is included in this bill insofar as the Department of Commerce is concerned a rider which would permit the Secretary of Commerce to summarily dismiss anyone who might be connected with subversive activity?

Mr. CLEVENGER. I just mentioned that.

Mr. ROONEY. And will the gentleman kindly explain to the House that this rider is legislation on an appropriation bill, that it is subject to a point of order, but that the Committee unanimously hopes that no Member of this House will rise as the bill is being read for amendment to make a point of order against it.

Mr. CLEVENGER. I agree with my Chairman; and I should dislike to be the individual who had the temerity to move to strike it out of this bill.

In this bill we are providing almost $15,000,000,000 for national defense yet we lack the capacity to separate from the service individuals whose combined machinations could well negate this entire expenditure.

I am happy to say that our committee has, in this bill, provided the means for the Department of Commerce to terminate these security risks without further ado, embarrassment, or red tape and if this provision is adopted by the House, I hope to see some forthright action in this regard.

I could perhaps do more than read to the House one portion of the testimony of Mr. Gladieux, of the Department of Commerce, to illustrate the lack of competence of the loyalty review system—page 2243:

> The investigation has been completed and the adjudication of the case has been completed in varying terms; some only a month ago and some perhaps as long as 2 years ago. But they have been completed and for loyalty purposes the employees in question have been adjudged not disloyal. But we, in our own discretion in the Department of Commerce, have determined that notwithstanding the clearance as to loyalty, they are security risks.
>
> I might say that we are probably on very dubious grounds in this whole security business. It has bothered a lot of us because we have no authority to designate someone as a security risk. For example, when the Loyalty Review Board clears an individual on appeal and does not find reasonable grounds for believing he is disloyal—in some cases we then say, "All right, we have to accept that position as to loyalty, but in our own discretion we are going to designate the employee as a security risk even so." We have no authority to do that and I always feared that it could be challenged successfully. This unclear situation does lead us into all kinds of complications when it comes to reductions in force, transferring people off security work, and other personnel actions.

Quotations of this type are scattered throughout the testimony indicating the lack of confidence that is prevalent in the efficiency of the loyalty system.

It sometimes appears to me that in our zeal to protect the rights of the individual we neglect the welfare of the Nation. No individual is bigger than our broad objectives. I am not suggesting a lessening of individuals' rights but I am suggesting that history has shown that great nations lost their freedom by an unrealistic interpretation of the rights of those who achieved their ends by an abuse of privilege and thereafter destroyed the rights that permitted them to achieve their nefarious ends. Let us not overemphasize tolerance.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. STEFAN. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I am pleased to note that the committee is going to put a rider on this bill similar to the McCarran amendment. I think it should be put on some of the other bills.

A few weeks ago I spoke on the subject of homosexuality. Within the last 10 days a gentleman from CIA told me that Mr. Goering of Germany and others had a complete list of all the homosexuals in the State Department, the Department of Commerce, and the Department of Defense and that they knew who to contact when they came over here on espionage missions. The danger of spies, the danger of blackmail, their fear of blackmail, has caused those people to sabotage our Government. It was an interesting angle to me. I do know from very extensive reading the last few weeks that the Russians rather glory in the accomplishments resulting from homosexuality and they undoubtedly have the same list of homosexuals who were in key positions in Government in this country, so they knew who to contact when they came here. They are like birds of a feather, they flock together. I hope that the amendment will stay in and I think a similar amendment should be in all the bills that deal with these sensitive Government positions. As a physician I recognize that some of these people are more to be pitied than censored. They are pathological cases, like the kleptomaniac or the pyromaniac, but certainly they have no business being in sensitive positions of the Government where foreign agents seeking out our secrets can contact them and use them as a weapon to destroy our form of Government.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from New York.

Mr. ROONEY. I wonder if the gentleman from Nebraska [Mr. MILLER] who just spoke, realizes that this rider is already in the bill now before the House and is to be found at page 84, section 305. It reads as follows:

SEC. 305. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Secretary of Commerce may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Commerce whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. MILLER of Nebraska. Yes; I knew the amendment was in there and I hope the Secretary makes full use of it. I think he should. I think the same amendment ought to be in other bills that come before this Congress.

Mr. CLEVENGER. Mr. Chairman, perhaps some Members may have wondered sometimes when I have voted in the negative so far as expenditure bills are concerned; however, it has gotten to the point with me that I am against anything that we can do without but which, if agreed to, will add to the deficit that faces our country. I do want to say, though, that for 3 years this subcommittee has restored various cuts of the Federal Bureau of Investigation. We have restored to that agency cuts made by the Bureau of the Budget and have given it the full request. I believe with all my heart that the greatest national defense this country has in this hour is the Federal Bureau of Investigation that can lay its hands on thousands of these dangerous people on a moment's notice.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. ROONEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would like to call to the particular attention of the gentleman from Michigan [Mr. DONDERO], and to the attention of the gentleman from Nebraska [Mr. STEFAN] that in the testimony of Mr. Boykin, of the Department of State, at page 672 of the committee hearings, part 1, Department of State appropriation for 1951, eleventh line from the bottom of the page, there is this answer:

Mr. BOYKIN. Yes, sir.

As a matter of fact, that answer of Mr. Boykin was "No, sir." This is a typographical error, is that not so, may I ask the distinguished gentleman from Nebraska?

Mr. STEFAN. In answer to the gentleman from New York [Mr. ROONEY], I will say that the answer should have been printed "No, sir." The error was typographical.

Mr. ROONEY. Mr. Chairman, I yield 1 minute to the gentleman from Vermont [Mr. PLUMLEY].

Mr. PLUMLEY. Mr. Chairman, I wish I had more time in which to get together all of the things I think about to talk about a lot of things that have been discussed the last few days. Fortunately for myself, but probably unfortunately for those who served under me or lived with me, for 14 years while I was president of a university. In that group we had homosexuals, but we did not advertise the fact. We did not make it known to the world at large that there were such extroverts and such people as would divert and so divorce themselves from natural laws as to indulge in these unnatural practices to which allusion has been made. I regret very much that it has become so common to discuss to attract the attention of those of high senses, not intellectuals, but of ordinary capacity to the end that they are induced to know what all is going on among those who divert their attention to the base passions of human nature about which the less said the better. It all sets down to the impossibility of changing human nature, which is not a matter to be accomplished by legislation, if ever.

Mr. ROONEY. Mr. Chairman, I yield 7 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I would like to say a word about the manner in which the members of this subcommittee worked during the months, day and night, that we spent in listening to the testimony that produced about 3,000 pages of records of these three great departments of this Government, the State Department, the Justice Department and the Federal Judiciary, and the Department of Commerce. Of course, the record for appropriations for the judiciary itself is largely appropriating money pro forma because of the action of the various legislative committees. There is not a great deal except in detail that this committee can do as far as our jurisdiction goes.

I should like to make this observation as the result of one I made a year ago when this bill was before the House. Many of my colleagues on the subcommittees and the legislative committees concurred with me. We noticed this year that the department heads and the bureau chiefs have finally taken our instructions and have not meddled with and have not changed and have not inserted contradictions or entirely different versions in their testimony. As a lawyer, there was nothing that used to offend me more than to see testimony come back from a department head or a bureau chief in such a condition that you would never recognize it. That offends the soul of a trial lawyer. I think that under the insistence of the chairman of this committee and our members we may have finally driven into the heads of the people downtown that when you make a statement before a committee up here you are supposed to leave it alone. "That is what you said, and you do no second guessing and sending us back something else." This year I think I can say that they have pretty generally complied.

I should like to point this out. This subcommittee have labored long and well to cut down, to lower the appropriations set up in budget requests under the jurisdiction of this committee. On both sides of the aisle this subcommittee have been unanimous. They worked together well and they concurred in these things. I think this committee and this House should know how well these able men did this job, and I can speak for them.

I want you to know that there is a reduction in the cash appropriations of $19,997,177 in this subcommittee's bill below the appropriations for these departments for the current fiscal year. In addition, this subcommittee has reduced the budget estimates. We have cut the budget estimates $73,000,000. We are recommending $73,000,000 less than the budget recommended to the Appropriations Committee. That is a milestone in this kind of work. The action of this committee is second to none. These are important Government departments, State, Justice, and Commerce, of great importance. Long and well we have analyzed these requests, and we have cut them. In many cases we may have cut too deeply, perhaps. In other cases perhaps more could have been cut. But the over-all effort of this committee is sound, well reasoned, and to the best interests of the Government and the taxpayers.

It is not the purpose of the members of this subcommittee, as you may have noticed, at this time, to dwell upon the

various subdivisions of this long and important bill. We will devote ourselves, as we understand it, to these matters as they arise for amendment or during the reading of the bill from now on.

There has been a lot of inquiry, I have received a lot of mail about it, and I understand from the secretary of our subcommittee that there seems to be the impression that we have cut the United Nations appropriation. That is not so. Wherever they got that idea I have not the faintest idea. We did not cut the United Nations appropriation. This subcommittee has recommended every penny that has been asked for the United Nations.

There is a small reduction of $36,000 only with reference to the Commissions to International Organizations, but that can be well absorbed. It deals not only with the United Nations Commissions, but with a series of others. Any cuts they may have in mind, and this may be the source of the confusion, are the cuts that have to do with international contingencies. These are appropriations for our delegations to international conferences and to provide for commissions, or are contributions to what may happen in future, in the field of international conferences or delegations.

But we have not cut the appropriation to the United Nations and I would like to cure at this time that error. And I purposefully want to close my remarks with the statement that the employees of the State Department are as loyal, and as hard working and as devoted to the best interest of this Nation and its form of government, as any group of employees in any department in the Federal or any other service. America and the world is fortunate that Dean Acheson is now our Secretary of State and that John Puerifoy, his Deputy Undersecretary of State, is serving in that vital and important capacity. These are patriotic Americans the equal of any man in the House.

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. KEEFE. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise, and I ask for tellers on the motion.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. CANFIELD.

The Committee divided; and the tellers reported there were—ayes 28, noes 49.

So the motion was rejected.

The CHAIRMAN. The gentleman from Wisconsin [Mr. KEEFE] makes the point of order that a quorum is not present. The Chair will count. [After counting.] Eighty-four Members are present; not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 135]

Allen, Calif.	Andresen, August H.	Bates, Ky.
Allen, La.	Barden	Battle
Anderson, Calif.	Barrett, Pa.	Bennett, Fla.
		Blackney
Boggs, Del.	Green	Nelson
Boggs, La.	Gwinn	Nixon
Bolling	Hall, Leonard W.	Norton
Bosone	Hardy	O'Brien, Mich.
Boykin	Harris	O'Hara, Ill.
Breen	Harrison	O'Neill
Buchanan	Hart	Pace
Buckley, N. Y.	Havenner	Patten
Bulwinkle	Hays, Ark.	Powell
Burdick	Hébert	Quinn
Byrne, N. Y.	Heffernan	Rains
Carroll	Herter	Rivers
Case, N. J.	Heselton	Rogers, Mass.
Case, S. Dak.	Hill	Roosevelt
Cavalcante	Hoffman, Ill.	Sabath
Celler	Holifield	Sadowski
Chelf	Hope	Sasscer
Cole, Kans.	Irving	Scott, Hugh D., Jr.
Colmer	Jennings	Scudder
Cooley	Johnson	Shafer
Cox	Jones, N. C.	Shelley
Crosser	Kearns	Short
Dague	Kelly, N. Y.	Simpson, Pa.
Davenport	Keogh	Smathers
Davies, N. Y.	Kilday	Smith, Kans.
Dawson	Klein	Smith, Ohio
Deane	Kunkel	Stanley
DeGraffenried	Larcade	Tauriello
Dingell	Lichtenwalter	Thomas
Douglas	Linehan	Thompson
Doyle	McCarthy	Tollefson
Eaton	McConnell	Towe
Engle, Calif.	McKinnon	Underwood
Fallon	McMillen, Ill.	Velde
Fellows	Macy	Vinson
Fernandez	Mansfield	Walter
Fisher	Miles	Whitaker
Fogarty	Miller, Md.	White, Idaho
Fulton	Mills	Wickersham
Gamble	Monroney	Willis
Garmatz	Morrison	Wilson, Ind.
Gillette	Moulder	Withrow
Gilmer	Multer	Wood
Gorski	Murphy	Woodhouse
Granger	Murray, Wis.	
Grant		

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7786, and finding itself without a quorum, he had directed the roll to be called, when 285 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. STEFAN. Mr. Chairman, I have no further request for time and yield back the balance of my time.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. PRESTON].

Mr. PRESTON. Mr. Chairman, I have a few observations I would like to make about the chapter of the bill now under consideration. First, however, I would like to say that in the mind of the average Member of Congress who has not had an opportunity to serve on the Committee on Appropriations there might arise some question of doubt about the thoroughness with which the problem is approached. I have heard doubts expressed by various Members about the effectiveness of the Committee on Appropriations when it comes to the proposition of bringing about economy. Before I was privileged to serve on this committee, I entertained some doubt about the efficiency of the committee and also as to how thoroughly the field under the jurisdiction of the respective subcommittees was explored by each committee. Since serving on the committee all doubt has been completely dissipated. For the almost 3 months that this chapter was under consideration the chairman of our subcommittee, the gentleman from New York [Mr. ROONEY] subjected witness after witness to the most searching examinations in an effort to bring forth the truth about the departments being interrogated. Time and again he elicited information most valuable in nature which enabled us to apply effective cuts. I stand here today completely convinced as one who believes in economy that this bill has been intelligently cut to the bone by the subcommittee and any further reductions would endanger the effective operations of the departments under the jurisdiction of this subcommittee.

I would like to make some comment about the Department of State. The Department of State has been made the whipping boy of the Congress for many years and no doubt will in the future because it deals with foreign countries. It is constantly involved in international difficulties. It takes positions sometimes not consistent with the views of individual Members of the Congress. It has been recently severely criticized by many people on the ground that there were within the Department many people subversive in nature. Devastating and serious charges have been made. These charges are wide in scope. Our subcommittee has taken cognizance of these charges. Last year and this year we looked into these charges without fanfare or publicity but strictly behind closed doors. We have made no public utterances about our findings. We earnestly and seriously sought to ascertain the truth with respect to these charges. As one who believes himself to be reasonably conservative I do not accept or believe in the main the charges that have been made against the Department of State. First of all I want to say that the man responsible for the employees of the State Department is a man by the name of John E. Peurifoy. No finer or more loyal American is employed in the United States Government than Mr. Peurifoy. He was chosen by General Marshall to head up the personnel section of the State Department, knowing that it was a very difficult job. He requested this man and placed him in that position and gave him unlimited authority. As far as anyone has been able to ascertain, not a single instance has been established where the judgment of John E. Peurifoy proved to be faulty.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. HOFFMAN of Michigan. Has he passed upon the character of these other people, aside from Communists, who admittedly have been in the various departments?

Mr. PRESTON. To which group do you allude?

Mr. HOFFMAN of Michigan. I refer to the unmentionables.

Mr. PRESTON. Oh, you mean the people that Dr. MILLER has talked about so much on the floor?

Mr. HOFFMAN of Michigan. Yes.

Mr. PRESTON. Well, now, you know and I know and every Member knows

that nobody is going around snooping around trying to find homosexuals in any department in the United States Government. You know and I know that if one is discovered he is going to be discharged.

Mr. HOFFMAN of Michigan. Well, I do not know that. You said, "I know." I do not know that.

Mr. PRESTON. Well, I feel the gentleman has been around Washington long enough to know that.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. PRESTON] has expired.

Mr. ROONEY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. PRESTON. The gentleman from Michigan has been around Washington long enough to know that. The gentleman from Michigan knows, I am sure, that the percentage of homosexuals uncovered in the State Department is no higher than will be found in any other large organization in America.

Mr. HOFFMAN of Michigan. Oh, I cannot agree with that.

Mr. PRESTON. Well, you will find a certain percentage——

Mr. HOFFMAN of Michigan. But I do not believe the percentage is anything like that which you find here. I have been here long enough to know that these charges have been rumored around here for the last 10 years, and from time to time various committees have uncovered it, but they still continue on the pay roll. I cannot countenance that.

Mr. PRESTON. The thing we should be doing is commending Mr. Puerifoy for having initiative to tackle that problem and solve it within his own Department. It cannot be said that it has been tackled in any other department of the Government.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. ROONEY. Is it not a fact that this is no news at all to this committee? As far back as 3 years ago the State Department was being cleared of those people.

Mr. PRESTON. It is true. Mr. Peurifoy testified in closed session 3 years ago, if I remember correctly, and certainly last year, that this problem was being attacked and solved within the State Department.

Now, if you want to make capital of something, if you will refer to the hearings and read what was said about the Commerce Department, it might even be more startling than what has been said about the State Department.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. PRESTON. Yes; I yield.

Mr. HOFFMAN of Michigan. I have not been snooping around about the business, but when they begin to publish it in the newspapers my folks want to know who I am associating with down here and now long they are going to keep those fellows on the pay roll and use the taxpayers' money to pay them. That is bad business.

Mr. PRESTON. I agree it is bad business, and I do not think any Member of the House would condone that for a minute.

Now, let me say this about the State Department: Not in a single case since the war ended has the Congress of the United States failed to follow the recommendations and policies established by the State Department, even through the Eightieth Congress when the Republicans were in charge of the Congress. You would believe from what you read in the papers and what is so loosely said by some people in high position in Washington that nothing goes on in the State Department but a continuing conspiracy to undermine the United States Government. We found no such condition to prevail in the investigation that our subcommittee has made.

We have offered no criticism, but on the other hand we have complimented Mr. Peurifoy for the fine job he has done within the State Department. So long as he remains there as Under Secretary, I, for one, feel safe in the belief that the State Department will be as free from subversives as any other agency in the United States Government.

In the course of the hearings we developed many things of interest that we think at the proper time should be brought to the attention of the House. Time will not permit me this afternoon to go into many, but there is one I should like to mention. For the first time in our committee we considered public roads and had public roads under our jurisdiction. We ascertained upon close examination of Mr. MacDonald that although a survey has been made to establish a military highway encircling the United States and crossing it, nothing has been done to implement this plan for such a highway; we have no four-lane highways in this country on which to move our vast armies and military equipment in the event of an emergency. We have highways so narrow that two of our larger-type prime movers could not pass each other on the highways. We have done nothing about implementing the program that was wisely suggested and authorized at one time by Congress—that is to the extent that a survey should be begun. It is my personal opinion that we should give serious thought to implementing that program. We should give serious thought to implementing the recommendations that have been made on this subject of establishing a four-lane military highway that would enable us to move our military vehicles in the event of an emergency.

Another thing that was brought forcefully to my attention was the fact that the time had arrived when it is necessary to separate in all of our transportation agencies, the ICC and the CAB, the promotional functions from the rate-making functions. I believe that the time has come when we should establish within the Department of Commerce a division of transportation and take away completely from these other agencies that have under their jurisdiction transportation, all promotional functions and place them under the Secretary of Commerce.

Mr. ROONEY. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. If there is no further general debate the Clerk will read the bill for amendment.

The Clerk read down to and including line 24 on page 32.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, had come to no resolution thereon.

NOTE OF THE UNITED STATES TO RUSSIA ON THE SINKING OF AN AMERICAN PLANE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I wish to utilize this time to commend the Department of State for the temper and the quality of the note addressed to Soviet Russia with reference to the shooting down of an unarmed American plane over the open Baltic Sea. I believe I express the sentiments of this House when, I, with emphasis, repeat that I pay compliment to the distinguished Secretary of State, Dean Acheson, for the nature of that note and the quality of that note, its strength, force, and determination in making clear to the Soviet that the American position is clear and united.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 166. Joint resolution to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer, who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of duty.

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was given permission to extend his own remarks on the subject of wildlife management.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in two instances, in one to include an editorial and in the other a resolution by the executive council of the Massachusetts Federation of Labor.

Mr. LODGE (at the request of Mr. STEFAN) was given permission to extend his remarks in two separate instances and in each to include extraneous matter.

Mr. BARRETT of Wyoming (at the request of Mr. STEFAN) was given permission to extend his remarks and include an editorial.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. MULTER (at the request of Mr. ROONEY) was given permission to extend his remarks and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in two instances and include extraneous matter.

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CHRISTOPHER] is recognized for 1 hour.

AGRICULTURAL APPROPRIATIONS

Mr. CHRISTOPHER. Mr. Speaker, I want to assure the Members that the subject I intend to discuss merits the attention of every Member of this House. In the appropriation bill now before us we are being asked to contribute some $14,000,000,000 to the military defense of our country. I am going to vote for that appropriation. I know nothing else to do. The Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Bureau of the Budget, and the President of the United States say that this is the irreducible minimum with which the interests of the United States of America can be protected and safeguarded at home and abroad. Who am I to say that I know more about what it takes to protect the interests of the United States of America at home and abroad than do the distinguished gentlemen I have just mentioned and our President of the United States. I have got to vote for that appropriation.

Mr. Speaker, you know Napoleon found out years ago that an army marched on its stomach and when a nation reaches the place that it cannot feed an army, and many nations of the world have already reached that place, then is when the subject I want to discuss here this afternoon comes into focus.

What I wish to talk about is found on page 189, line 10, of the bill we have had so long under consideration and that we will probably have under consideration for some time to come. I refer to the $282,000,000 appropriated for the PMA, soil conservation in the United States. Considering the things that the Federal Government is doing in other directions and the amount of appropriations for other things the world over, that $282,000,000 is pitifully inadequate.

It is the one thing that is justified above all the other agricultural expenditures in the Nation at the present time, and I am thinking of offering an amendment when that section is considered before this House to raise the figure from two hundred and eighty-two to four hundred million dollars.

You know, we like to brag about our country; what a great Nation we are. We are the greatest Nation in the world at the present time, but we like to hook our thumbs in the armholes of our vests and say, "We did this. This is the result of American ingenuity; this greatness is due to the kind of Government we have; it is due to our superior knowledge." Now, that is only partly true. I think we have great ingenuity. We have the best form of Government in the world, but a government has to have something besides people to govern.

When you wake up in the morning, what do you want? You want your toast, and bacon and eggs, and orange juice; that is what you want. Where does it come from? Why, the corner grocery store; they have got it down there. That is only part of the story.

It comes from the soil of the United States, and there never has been a nation of people since the dawn of history that has destroyed their natural resources and depleted their soil at the rate we have been doing and are doing in the United States. One hundred and seventy-five years ago, which is a very short time in the history of lost nations, the Thirteen Colonies had just won their independence and had started to form a nation, and everything from Pittsburgh, Pa., west, and part of the country east of Pittsburgh was nothing but a jungle, a wilderness, peopled with savages. We have taken over all of that country now and populated it out to the Pacific.

We say we are the greatest country in the world, which is true, but let me recall something to your minds. India, Korea, China, Manchuria, Formosa, Burma, Indochina, with their teeming populations, have only four-tenths of 1 acre of land that is fit to grow food per capita. We say that is Asia; those are the backward countries of the world, the countries that we need to help. And, I voted on the floor of this House for appropriations to help them. How do we stand in the United States from the standpoint of something to eat? We have 3½ acres of good agricultural land for every man, woman, and child in the United States, figuring that we have a population of 150,000,000. What would we have in the United States if we were crowded like Asia is crowded? Instead of having 150,000,000 people in the United States to live off of our soil we would then have more than 1,300,000,000 people in the United States to live off of our soil. If we should double our population and add 1,000,000,000 people to it, then we would be in the condition that Asia is in today, and today in the United States we have some unemployment even with only 150,000,000. Today in the United States we do not have enough houses with only 150,000,000 people. What in God's name would we have if we had 1,300,000,000 people in the United States to live off our soil instead of the 150,000,000 that we do have? Why are we the greatest Nation in the world? Because God almighty gave us so many natural resources in the beginning that with all of our profligacy, with all of our waste, with all of our disregard for our natural resources, we have not been able to dissipate all of it yet. That is the reason we are the greatest Nation in the world today. Providence just gave this United States of America so much that in 175 years we have not been able to tear it all up and throw it all away, but we are doing a pretty good job of it. We have lost half of our topsoil already, that little black film of topsoil from 8 to 18 inches thick spread over this United States, that carries less than 10 percent of the relationship to the solid content of this earth that the varnish carries to the solid content of a globe. When it is gone, we are gone.

China saw the day when they had no idea that 50,000,000 people would starve in 1 year in that country. India saw the time when they said, "We have lots of soil. Our river valleys are fertile. There is no reason why we should ever be hungry." But we are following the very same road that has been followed by every nation of antiquity.

I have heard men say on the floor of this House that the soil is the problem of the American farmer, that it does not concern anybody else; why does not the farmer himself take care of his own soil? I wish it were that simple.

We do have farm prosperity in the United States compared with some of the conditions we have had in the past, but I want you to remember this, and these figures are fresh. They came from the Department of Agriculture yesterday:

In 1949, with approximately 6,000,000 farm families in the United States, 1⅕ million of those farm families had a cash income for last year of less than $225 per family. The next one and one-fifth million families had a cash income of $705 per family. The third group of one and one-fifth million families had a cash income of $1,425 per family. The fourth group of one and one-fifth million families had an income per family of $2,775, and the highest bracket group, the highest income group of families engaged in agriculture, one and one-fifth million of them, had an income per family of five, of $9,870, and that just about reaches the average nonfarm income of the United States.

That is one of the reasons the farmer cannot stand the entire burden of soil conservation if it is going to be done in time to save the soil of the United States. We are doing the job but we are not doing it fast enough. I can tell you how fast we are doing it. I have checked the figures. That is one thing I do know about.

We have terraced, in God knows how many years, 20,000,000 acres of land in the United States. That is all the Soil Conservation Service has terraced plus what PMA has terraced, plus what individual farmers like myself have terraced, all working together. We have built terraces to protect 20,000,000 acres of land in the United States, and there are another 100,000,000 acres that need that protection and need it now. Yet we appropriate $282,000,000 a year to do the job, and we send $100,000,000 to Korea, we send $100,000,000 to China, and we send enough money to implement the Marshall plan in Europe to build every mile of terrace that needs to be built in the United States. Then we come down to $282,000,000 for the one thing this Nation needs most of all, soil conservation.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I am very much interested in the speech the distinguished gentleman from Missouri is making, because he is talking along a line which I am sure he knows I have a very deep interest in. As a matter of fact the gentleman knows that these vast deficits we are incurring go on the national debt. Is that not true?

Mr. CHRISTOPHER. Yes, sir.

Mr. KEEFE. Does not the gentleman feel that any program which involves agriculture should do something for future generations who are going to be called upon to pay that obligation?

Mr. CHRISTOPHER. Unless we do something for the soil of the United States—soil which we do not own—we just have a life tenure on it—no farmer owns the farm he lives on. When he dies it falls into the lap of the nearest probate judge—he just has a life tenure on it. If we are not careful the father will not leave anything to the son but a sheet of subsoil covered by nothing but a mortgage.

Mr. KEEFE. Mr. Speaker, will the gentleman yield further?

Mr. CHRISTOPHER. I yield.

Mr. KEEFE. I thoroughly agree with the gentleman in what he says, but it seems to me when we are contemplating drawing out of the Treasury of the United States billions of dollars to finance this farm plan or that farm plan by way of the Brannan route or by way of the present route, the fact remains, unless we are able to step up and amplify tremendously the soil conservation, tree planting, and reforestation programs in this country we are going to leave a legacy to the people who come after you and me and their great-grandchildren which will be an obligation for them to pay with no corresponding benefit to them—benefits which would result if we stepped up this soil conservation, tree planting and reforestation program. Does not the gentleman agree with that?

Mr. CHRISTOPHER. I thank the gentleman from Wisconsin for his contribution. Let me also state to him we are not trying to discuss the Brannan plan this evening because I am talking about soil conservation. I have a statement I want to make if the gentleman will permit me and I will proceed with that statement now. At some future time we will discuss the Brannan plan at great length probably.

As I was saying a few minutes ago, farming is not a corporate enterprise. Farming is a means of sustenance. It is a way of life. Perhaps a dozen corporations could take over the agriculture of the United States and conserve the soil and operate more efficiently than the 6,000,000 farmers who are living on that soil today, but I do not want to live to see the day when that happens. I believe in the family-sized farm and the people who live on those farms because they love the soil and they love the livestock and love the work they do. They would not stay out there if they did not.

Let me tell you a few of the things that go on on the farm. First I want you folks to visit a field with me. Maybe in this House where we talk about foreign countries—where we talk about armies and where we talk about navies and where we talk about the Air Force and our State Department and our great banking institutions and the tariff and such things as that that really amount to something—maybe a field is an anticlimax. But we live out of those fields and any time we do not live out of those fields we will not live at all. So I want to ask you folks to visit a field with me, if you can, in your mind, I would like for you to go back to 1895—5 years before the turn of this century. Go with me and my old father to visit a field. There are only 25 acres in this particular field. Its only importance lies in the fact that its prototypes are in every community in this country. Oh, in 1895 the soil in that field was 2 feet deep. It was nice black, sand loam and the leaf mold was laying over that field so that you could walk with no more noise than you make on this rug as your footsteps passed over those rotten leaves on top of the ground.

The first time I saw that field was in late June, and the mulberries were ripe. The young squirrels were ripe, too. My father was an old squirrel hunter. He learned to hunt squirrels in southern Indiana, not long after the Civil War. I went with him to that Missouri field. It was a flat 10 acres, and then a hill that covered about 15 acres. The hickory trees stood there, the black walnut, and the mulberry trees full of mulberries that the squirrels were eating in late June. I walked around the tree while father stood still. The squirrel went around the other side of the tree and he would motion me to stop when the squirrel came around and he would shoot the squirrel. I pulled the grape vines that ran up to their nests that were made with green leaves, and I carried the squirrels. That field was like God had laid it down there. But that farm changed hands. Father and I went down there a few years later to that field, and a sawmill had been set in there. Every tree that would make a few boards had been felled, and the logs taken out and sawed up. There was a pile of sawdust on the creek bank, and the mill was gone. The owner of that field said to the folks who lived out on the prairies, "I have got wood down here. If you will come down here and clean it up, I will give it to you." So the neighbors came and cleaned it up, and he went in there with what we called a jumping shovel plow. You pushed down on the handles to make it go into the ground. He dug up a little loose dirt in there and he planted corn and pumpkins. Then in the fall he cut that corn up and shocked it. You could almost step from one yellow pumpkin to another. The corn made 50 bushels to the acre and a wagonload of pumpkins or more on every acre in addition. That shows you what kind of soil it was.

Well, it was farmed in corn a few years, and then they sawed the stumps off level and sowed it to wheat, and it made 35 bushels to the acre without fertilizer. I helped thresh it.

Go look at that field today. I can carry in one of my hands all of the black soil that is left on that 25 acres. There are gashes down the side of that hill 6 feet deep into the red clay. It will never raise another bushel of corn. Never in the memory of any man living today or any child living today will it ever grow another bushel of corn. It cannot even be seeded to grass. It is absolutely ruined for all time.

It is only 25 acres. What is the difference? Just this difference. It is part of the United States of America, and today that 25 acres, properly handled, could have been producing beef and pork, milk, eggs, or wheat; but it is ruined. The man that owned it did not know enough to take care of it. The name of such men today is legion. Some men can take care of their farms and do not do it. Others can and do, and others absolutely cannot do it.

Let us go out into the country. Here is a young farmer. We will say he is a GI. He has saved up a thousand dollars, and he makes a down payment on a little piece of land. He has to buy the cheapest piece of land in the neighborhood so as to have enough money to make the down payment on it, and he borrows the rest. He has to pay a little insurance. He has to pay a little taxes, and he has to meet the payments on his home. He goes out to these fields that ought to be terraced. They ought to be limed. They ought to be fertilized. They ought to be sown in clover. But what can he do? He has not got the money to do it. He has to go out to those fields and say, "I have got to deplete you still more in order that I may ever own you."

That is one case. Here is another man. He owns 160 acres of good land that has been taken care of. He has two sons and two daughters. One of his sons is already in the city. The two daughters are married and moved away. There is one boy left at home with dad. That one boy would like to have the farm. Dad lays down and dies; the two girls come home and the son comes home; they are interested in the estate. The boy who wants to stay on that farm does what? What little money he has saved up he spends to buy dad's tractor and some of the cows that sell at the sale. Two or three days later he goes into town, goes down to the loan company, and mortgages that farm for 75 or 80 percent of its value to pay Susie and Jean and Bob in order that he may stay on that farm. Then he goes out to those fields, and he says to them: "I cannot take care of you any longer; I have got to mine you to the uttermost. I want to own you some day, and in order to do that I have got to abuse you." And suppose about the time he gets it paid for that the work has disgusted him with farming and he goes to town and he says to the real-estate man: "Sell my farm; I am not going to stay on it any more." Another man comes along with 25 percent of the price of that farm and mortgages it for the rest. He goes out to the land and says: "You have paid Joe; now pay me." Do you see the reason that the farm land of the United States is being destroyed? The time has got to come in these United States—and now you may choose to call me a Communist if you want to, and if you do, just crack away; I have been called everything but a gentleman anyhow, so you cannot insult me. The time has got to come in this Nation when a deed to a tract of land will not carry with it the right to destroy that tract of land. Now, I do not know what you are going to make out of that statement, but it has got to come.

Take the case of a man who lives on 160 acres of land but is no longer able to operate it; his children are gone, there is nobody there at home any more, and he moves to town and rents a little house;

he gets out to the farm only twice a year, and the only interest he has in the farm is the number of dollars it will bring him every year in order that he and his wife may live. That farm is going down and being depleted.

Then there is the last proposition that I am going to take up with you in this part of this program, and that is the man who buys a farm for an investment. There are still plenty of people in the United States who think that if you want to get rich just buy yourself a farm, rent it out, and live off the rent. That is very disappointing to the landlord and it is very bad on the farm. Now I want to talk about this little graph here.

Mr. PRESTON. Mr. Speaker, will the gentleman yield before he discusses that graph?

Mr. CHRISTOPHER. I yield.

Mr. PRESTON. I was interested a moment ago when the gentleman stated that the time is coming when an owner of land or the holder of a deed would not be permitted to do as he wished with his land. What solution does the gentleman have to offer? What sort of control or regulation does the gentleman propose whereby the owner would be compelled to practice good soil conservation policies in connection with his land?

Mr. CHRISTOPHER. I think the time will have to come in these United States when the farmer will have to be required to terrace the land that needs terracing, to spread lime on land that needs to be limed, and when he will not be allowed to plant it all to corn, to plant it all to cotton, or to plant it all to tobacco; he will have to observe good farming practices. I realize it will raise the devil whenever it is proposed, but we have either got to do that or the time is going to come in these United States when the production of our farms will not feed half of our population. I believe it.

Mr. PRESTON. Mr. Speaker, will the gentleman yield further?

Mr. CHRISTOPHER. I yield.

Mr. PRESTON. The gentleman is making a very interesting speech here this evening, and I am sure that every Member present is thoroughly enjoying it. Is it not true that at this time, while the regulation is not compulsory, we do have regulations which require farmers to comply with certain practices in order to obtain soil-conservation payments and benefits? This is an effort to induce him to follow good farming practices. So what the gentleman is suggesting now is that ultimately the time will have to come when he will be obliged to do that.

Mr. CHRISTOPHER. The only thing that will keep him from being compelled to do that is the chance that he will do it without compulsion, and that is what I am hoping for.

Mr. PRESTON. I quite agree that it is an educational program that we must follow up vigorously if we are ever to get put into effect the things the gentleman so strongly recommends.

Mr. CHRISTOPHER. That is right, and I want to say that the PMA program in the United States is the program that has gotten more soil conservation for the money than any program we have ever had in the United States. It makes soil conservation semicompulsory. It says: We make the payments if you do these things; if you do not, we will not.

Mr. Speaker, I want to take up this graph. A man comes into a town, let us say, and he buys a hardware store. He has money to pay for the building and a stock of goods. His shelves are full. Let us say he has enough money in addition to buy a residence in town for him and his family. He has had business experience. He knows where to buy advantageously. He can mix with the public well. His wife and children get along well with all the folks in town. He and his wife are social successes. He gets along all right. Let us give him every break.

Well, he has to make enough money to pay his help, he has to make enough money to pay his taxes, he has to make enough money to pay for his water and lights, he has to make enough money to support his family, he has to make enough money to help support the institutions that are in his town because if he is going to be a businessman there he has to be one of them, he is going to act like one of them, he is going to spend money like one of them. Let us say he makes enough money to do all of those things.

But when he takes inventory on the first day of January after he has owned that store 10 months, he finds his stock of goods lacks $5,000 of invoicing as much as when he bought the store. He has made enough money to do everything else, but he has not made enough money to replenish the goods on his shelf. Now, if he continues to do that, is it not a fact that at the end of a certain number of years he will either sell a depleted stock at a sacrifice, for whatever he can get, or he will be forced into bankruptcy? One of those two things await him. Now we are going to bring a farmer into that community and let him buy 160 acres of land or a half section if that suits you better. Let us give him every break. Let us let him pay cash down for his farm and let him have $3,000 or $4,000 over and above his stock and implements to buy fuel, oil, and food and fertilizer until he can harvest his first crop. Let him make enough money to pay all of his expenses excepting to put that calcium, nitrogen, phosphorous, and potash back into his soil. If he does not make enough money to do that, or if he fails to do that and continues to crop that ground year after year, his end is the same as the merchant's.

He does not know it; maybe his neighbors do not know it; maybe they will say that the man is making a success. He is meeting all of his obligations; he is educating his children; he is keeping his home in repair. But what is happening out in those fields? There is where he will succeed or fail out in those fields. Look at the graph. Note the mineral content of 40 bushels of corn. Note these figures represent the mineral content of 40 bushels of corn. These figures do not take into consideration the plant food lost by leaching or erosion on the acre of land during the year in which that acre was producing that 40 bushels of corn. In many cases an acre of land producing 40 bushels of corn loses twice as much plant food by leaching and erosion as the 40 bushels of corn contain. The mineral content of the 40 bushels of corn is 45 pounds of calcium, 60 pounds of nitrogen, 20 pounds of phosphorus, and 50 pounds of potash. Again notice the graph, 20 bushels of wheat contain 48 pounds of calcium, 36 pounds of nitrogen, 15 pounds of phosphorus, and 20 pounds of potash; and 2½ tons of alfalfa contain 73 pounds of calcium, 70 pounds of nitrogen, 23 pounds of phosphorus, and 113 pounds of potash. Many farmers say that alfalfa improves land; that is not true. Note the minerals that a crop of alfalfa removes from the soil; unless they are replaced the alfalfa will fail. It will simply starve to death.

The oil driller receives a depletion allowance because he is depleting his natural resources; that allowance is often as great as 27½ percent. The same is true of the mining industry. But some folks consider the soil as eternal and the farmer is allowed no deduction for depletion. I tell you that the people of these United States have got to wake up.

Mr. Bennett, of the Soil Conservation Service, says that we are losing enough of our topsoil every day to put topsoil 12 inches deep on 8,000 acres of land every day, and that 1,000 acres of land goes out of the mouth of the Mississippi, in the Delta down there, when the Mississippi is at full flood, every 24 hours. How long can we stand that with our soil going down and our population going up? It is time and high time that the people of the United States and the Government of the United States woke up to the fact that soil conservation is the greatest need of the country at the present time and that our loss of topsoil is our greatest misfortune. The PMA program has taught the American farmer and helped him financially in a program of terracing and liming and has done more for actual soil conservation accomplished in the fields than all other programs combined. Every dollar of taxpayers' money that has been spent by PMA has already returned to the Federal Treasury in income taxes paid by farmers who would never have made enough money to pay an income tax had it not been for the PMA program. The appropriation for the PMA program should be raised to $400,000,000 per year. The two greatest needs today are lime and terraces. Terraces to protect the body of the soil itself and lime to increase the growth of legumes. Money spent for soil conservation is not an expense but the best investment the taxpayers of the United States have ever made or ever will make because it helps guarantee food, clothing, and shelter not only for themselves but for their children and grandchildren.

PATRIOTS' DAY

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, this is Patriots' Day in Massachusetts. We

from the old Bay State are grateful to the Congress for the concurrent resolution commemorating the one hundred and seventy-fifth anniversary of the battles of Lexington and Concord.

"By the rude bridge that arched the flood" the farmers and townfolk stood up to the professional soldiers of Britain and gave such a good account of themselves that the spirit of revolt was sparked throughout the Thirteen Colonies.

They fought against taxation without representation and it might be well for us in 1950 to remember that excessive taxation stirred the colonists to rebellion in 1775. It is not beyond the realm of possibility that many of our citizens might consider themselves as long-suffering colonists today and rise up—in political protest—if we do not give them a dollar's worth for every one of the billions of dollars which this Congress will appropriate.

As we honor the patriots of Concord and Lexington let us be mindful of the fact that the spirit which motivated them is not absent from their descendants of today.

Although the functions of Government have increased in order to balance the social and economic tensions in modern society, there is a limit to the extension of such powers.

The colonist of 1775 put his home or his farm first—of a value far more important than the Government he and his fellow citizens established to maintain law and order.

There are vast differences between the agricultural—almost pastoral quality of life in 1775—and the feverish tempo of our complex times.

But people were human beings then, as they are now. They have individual needs and wants and aspirations that require a climate in which there will be some opportunity for realization.

It is necessary for us to provide them with some protection against the economic hazards of modern life. But there is some danger in our preoccupation with security that may lead us to neglect opportunity. Our approach may become negative, rather than positive.

That is why the events that we commemorate this day are of such value to us. They remind us of the courage and self-reliance which made this Nation great. This is no time for us to rest upon the efforts of those who preceded us. This Nation has not reached the age of retirement. The worth of any people is measured less by its material achievements than by the growth of its intelligence and its character.

We cannot go back to those stirring days when men first tasted the fresh air of freedom. We would not want to go back. There are more of the good things of life to enjoy today.

But we of today need the spiritual fulfillment which was theirs.

It will not be found in complete dependence upon others.

When we finally complete the job of providing basic economic security for our people, I hope that we will then concentrate on bending every effort to encourage them with incentives.

This is the miracle ingredient in our way of life: the one that inspires extra effort and extra satisfaction.

The men and women of Concord and Lexington had it in abundance. We, in the years ahead that will test us as never before, will need this self-reliance at its best. For the whole is only the sum of the individual parts of which it is made. So, too, with a nation.

I pray that our people on this Patriot's Day and on every holiday that calls to mind our glorious past, will determine not only to emulate but to excel in the sturdy virtues of courage and individual effort for which there is no substitute.

That is the lesson to be learned from Concord and Lexington.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CARROLL (at the request of Mr. MARSALIS), for this week, on account of official business.

To Mr. SHELLEY (at the request of Mr. SHEPPARD), for 10 days, on account of illness.

To Mr. MILLER of Maryland (at the request of Mr. BEALL), for today and tomorrow, on account of official business as a member of the Board of Visitors to the Naval Academy.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on April 18, 1950, present to the President, for his approval, a bill of the House of the following title:

H. R. 6656. An act for the relief of Peter Michael El-Hini.

ADJOURNMENT

Mr. LANE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Thursday, April 20, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1387. Under clause 2 of rule XXIV, a letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated May 4, 1949, submitting a report, together with accompanying papers and illustrations, on a review of report on, and a preliminary examination and survey of, Chariton River and tributaries, Iowa and Missouri, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on July 16, 1945, and also authorized by the Flood Control Act approved on July 24, 1946 (H. Doc. No. 561), was taken from the Speaker's table, referred to the Committee on Public Works, and ordered to be printed, with three illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 4969. A bill to direct the Secretary of Agriculture and the Secretary of the Army to transfer and convey certain lands and thereby facilitate administration and give proper cognizance to the highest use of United States lands; with amendment (Rept. No. 1915). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 5913. A bill to authorize the exchange of certain lands of the United States situated in Ross County, Ohio, for lands within the Symmes Creek purchase unit in Lawrence County, Ohio, and for other purposes; without amendment (Rept. No. 1916). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 3169. A bill for the relief of Agustín Cortés Martínez, his wife Guillermina Díaz de Cortés, his children Santiago Cortés Díaz, Agustina Guillermina Cortés Díaz, and Guellermo Augustín Cortés Díaz; with amendment (Rept. No. 1910). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 6169. A bill for the relief of Mary Mitsuye Nishihama Yabe; with amendment (Rept. No. 1911). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 6652. A bill for the relief of Mrs. Fujiko Chichie Imbert, wife, and Robert Imbert, Jr., son of an American soldier; with amendment (Rept. No. 1912). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 7065. A bill for the relief of Kazuko Miyama Akana and Chang King Akana; with amendment (Rept. No. 1913). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 7066. A bill for the relief of Setsuko Amano; with amendment (Rept. No. 1914). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DURHAM:

H. R. 8103. A bill to amend the Atomic Energy Act of 1946; to the Joint Committee on Atomic Energy.

By Mr. KEARNEY:

H. R. 8104. A bill to provide reimbursement of expenses incurred in connection with the burial of those who served in the military forces of the Commonwealth of the Philippines while such forces were in the armed forces of the United States pursuant to the military order of the President of the United States dated July 26, 1941; to the Committee on Veterans' Affairs.

By Mr. MILLS:

H. R. 8105. A bill to extend until July 1, 1951, import control powers with respect to fats and oils and rice and rice products; to the Committee on Banking and Currency.

By Mr. SMITH of Virginia:

H. R. 8106. A bill to amend the District of Columbia Teachers' Salary Act of 1947; to the Committee on the District of Columbia.

By Mr. SPENCE:

H. R. 8107. A bill to amend the International Wheat Agreement Act of 1949; to the Committee on Banking and Currency.

By Mr. TRIMBLE:

H. R. 8108. A bill to amend the Civil Service Retirement Act of May 29, 1930, to provide

minimum annuity payments for certain officers, employees, and widows; to the Committee on Post Office and Civil Service.

By Mr. KENNEDY:

H. R. 8109. A bill to extend for 1 year the Housing and Rent Act of 1947; to the Committee on Banking and Currency.

By Mr. LEMKE:

H. R. 8110. A bill to amend Public Law 351, Eighty-first Congress, chapter 681, first session; to the Committee on Armed Services.

H. R. 8111. A bill to amend Public Law 351, Eighty-first Congress, chapter 681, first session; to the Committee on Armed Services.

By Mr. TRIMBLE:

H. R. 8112. A bill to provide for the transfer to the States of the replicas of the State seals removed from the Chamber of the House of Representatives of the United States; to the Committee on House Administration.

By Mr. BAILEY:

H. R. 8113. A bill relating to the construction of school facilities in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. ELLIOTT (by request):

H. R. 8114. A bill to amend the act of July 8, 1937 (ch. 443, 50 Stat. 478), and to provide for the retirement of certain noncitizen employees of the Panama Canal and the Panama Railroad Co. on the Isthmus of Panama; to the Committee on Post Office and Civil Service.

By Mrs. BOLTON of Ohio:

H. J. Res. 455. Joint resolution authorizing the designation of American Student Nurse Days, 1950; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS of Delaware:

H. R. 8115. A bill for the relief of Dr. C. A. Schenck; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H. R. 8116. A bill for the relief of Arthur N. Forsmark; to the Committee on the Judiciary.

By Mr. CORBETT:

H. R. 8117. A bill for the relief of Yoshiko Emory; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 8118. A bill for the relief of the estate of the late Ismael Miranda; to the Committee on the Judiciary.

By Mr. LOVRE:

H. R. 8119. A bill for the relief of Midori Ohta (also known as Mary Stephen); to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 8120. A bill for the relief of Anite Clara Taube; to the Committee on the Judiciary.

By Mr. NICHOLSON:

H. R. 8121. A bill providing for the payment of $810.50 to George W. Purdy, of Oak Bluffs, Mass., in settlement of claims against the United States; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H. R. 8122. A bill providing for the extension of patent No. 2,094,279, issued September 28, 1937, relating to rubber rail seats; to the Committee on the Judiciary.

By Mr. SANBORN:

H. R. 8123. A bill for the relief of Lee Yee Yen; to the Committee on the Judiciary.

By Mr. SMITH of Virginia (by request):

H. R. 8124. A bill for the relief of Arthur C. Thompson; to the Committee on the Judiciary.

By Mr. WILSON of Texas:

H. R. 8125. A bill for the relief of Mrs. Hisae Kawauchi Kelly; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2071. By Mr. MILLER of Maryland: Resolution of the Cambridge Woman's Club, Cambridge, Md., in opposition to compulsory health insurance legislation; to the Committee on Interstate and Foreign Commerce.

2072. Also, resolution of the Cambridge Rotary Club, Cambridge, Md., in opposition to compulsory health insurance legislation; to the Committee on Interstate and Foreign Commerce.

2073. By Mr. RICH: Petition of American Legion Auxiliary Post No. 519, Westfield, Pa., in opposition to any form of compulsory health insurance; to the Committee on Interstate and Foreign Commerce.

2074. By Mr. SMITH of Wisconsin: Resolution of the members of the Twentieth Century Study Club, of Beloit, Wis., opposing any form of socialized medicine; to the Committee on Interstate and Foreign Commerce.

SENATE

THURSDAY, APRIL 20, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Edward L. R. Elson, D. D., pastor, National Presbyterian Church, Washington, D. C., offered the following prayer:

Create in us clean hearts, O Lord, and renew right spirits within us. Make sacred this day and all its duties that it may be lived as unto Thee.

Judge us in the secret places of the soul and in the public ordering of our lives. Make us wise enough and strong enough and great enough and good enough to be fit stewards of the devices and the destinies which, by Thy providence, now rest in our hands. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 19, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On April 19, 1950:

S. 46. An act for the relief of Primitivo Urcelay-Ruiz;

S. 2911. An act to authorize the President to appoint Lt. Col. Charles H. Bonesteel as executive director of the European Coordinating Committee under the Mutual Defense Assistance Act of 1949, without affecting his military status and perquisites; and

S. 2734. An act to promote the rehabilitation of the Navajo and Hopi Tribes of Indians and a better utilization of the resources of the Navajo and Hopi Indian Reservations, and for other purposes.

On April 20, 1950:

S. 2246. An act to amend the National Housing Act, as amended, and for other purposes.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. KILGORE was excused from attendance on the sessions of the Senate, Friday and Saturday of this week.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	Malone
Anderson	Hendrickson	Martin
Benton	Hickenlooper	Millikin
Brewster	Hill	Morse
Bricker	Hoey	Mundt
Bridges	Holland	Neely
Butler	Hunt	O'Conor
Byrd	Ives	Robertson
Cain	Jenner	Saltonstall
Capehart	Johnson, Tex.	Schoeppel
Chapman	Kem	Smith, Maine
Connally	Kerr	Sparkman
Cordon	Kilgore	Stennis
Darby	Knowland	Taft
Donnell	Langer	Thomas, Okla.
Douglas	Leahy	Thye
Dworshak	Lehman	Tydings
Eastland	Lodge	Watkins
Ecton	Lucas	Wherry
Ellender	McCarran	Wiley
Ferguson	McCarthy	Williams
Flanders	McFarland	Withers
Frear	McKellar	Young
Fulbright	McMahon	
Green	Magnuson	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Colorado [Mr. JOHNSON], and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senators from Georgia [Mr. GEORGE and Mr. RUSSELL], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina [Mr. GRAHAM], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], the Senator from Florida [Mr. PEPPER], the Senator from Idaho [Mr. TAYLOR], and the Senator from Utah [Mr. THOMAS] are absent on public business.

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. GURNEY], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948

The VICE PRESIDENT. The Senate has before it the unfinished business, which is the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended. The bill is open to amendment.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators be permitted to present petitions and memorials, introduce bills and joint resolu-

tions, and submit routine matters for the RECORD, without debate and without speeches.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON EDUCATIONAL EXCHANGE ACTIVITIES

A letter from the Chairman of the United States Advisory Commission on Educational Exchange, Department of State, transmitting, pursuant to law, the third semiannual report of the Commission on educational exchange activities conducted under the United States Information and Exchange Act of 1948 (with an accompanying report); to the Committee on Foreign Relations.

REPORT OF CLAIMS PAID BY UNITED STATES ATOMIC ENERGY COMMISSION

A letter from the Acting Chairman of the United States Atomic Energy Commission, transmitting, pursuant to law, a report of claims paid by the Commission during the calendar year 1949 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"Senate Joint Resolution 4

"Joint resolution relative to the reduction of tariffs on Italian lemons

"Whereas a 50-percent tariff reduction on Italian lemons has been included in the trade treaty recently proposed to the Italian Government by the United States State Department; and

"Whereas Italian lemon growers already enjoy a retail selling advantage of more than $1 per box in eastern markets of the United States; and

"Whereas the Department of Agriculture and the House Agricultural Committee oppose the inclusion of the tariff reduction on Italian lemons in the trade treaty; and

"Whereas the State Department action has resulted in large shipments of Italian lemons to the United States at a time when there already exists in California a surplus crop of lemons which is more than 30 percent larger than usual; and

"Whereas the tariff reduction will encourage further shipments of Italian lemons into United States markets, and, thereby, increase the surplus which exists in such markets; and

"Whereas the influx of Italian lemons to be anticipated from this tariff reduction will inevitably produce hardship among packing-house workers, grove owners, shippers, processors, field workers, box factories, and all other persons and industries dependent upon California lemon production for their business and livelihood; and

"Whereas it is feared that this trade treaty by the State Department might be followed by similar trade treaties likely to produce similar hardship in the orange, lime, grapefruit, and other citrus markets: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President of the United States, the Secretary of State of the United States, and the Congress of the United States to take whatever action is necessary to prevent the reduction of tariffs on Italian lemons imported into the United States; and be it further

"Resolved, That the secretary of the senate be directed to transmit copies of this resolution to the President and Vice President of the United States, the Secretary of State, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interstate and Foreign Commerce:

"Senate Joint Resolution 6

"Joint resolution relative to proposed Federal regulation of size and weight of motor vehicles

"Whereas on March 9, 1950, a bill, numbered H. R. 7637, was introduced in the House of Representatives of the Congress of the United States, proposing to amend section 226 of the Interstate Commerce Act, as amended, to confer jurisdiction upon the Interstate Commerce Commission to supersede State laws, rules, or regulations of any State or any political subdivision therein which said Commission finds obstructs or hinders interstate or foreign commerce, and to confer jurisdiction on the district courts of the United States by injunction or other process to restrain interference with the operation of motor vehicles in interstate or foreign commerce, in compliance with any regulations prescribed by the Interstate Commerce Commission; and

"Whereas the regulation of the size and weight of vehicles operated on the public highways of the several States has always heretofore been considered a subject properly regulated under laws enacted by the legislatures of the several States for the protection of the public highways of the State, and the lives and safety of the citizens of the respective States; and

"Whereas notwithstanding the grants of Federal aid for highway construction, the State highways, county highways, city streets, and other public highways in and of the several States have largely been financed by the proceeds of taxes levied under the laws of the respective States; and

"Whereas the ability of any State to pay for increased highway facilities required for large or heavy vehicles or for increased maintenance costs resulting from the operation thereof is a matter resting solely with the legislature of said State; and

"Whereas it is most impracticable and an unnecessary expenditure of public moneys for any Federal commission sitting at Washington, D. C., to attempt to judge the safety of bridges, roadway surfaces, or other highway facilities, or to foresee emergency conditions which may develop therein and thereon; and

"Whereas the legislatures of the several States have substantially achieved uniformity in the regulation of size and weight of motor vehicles through adoption of the recommended standards of size and weight adopted by the American Association of State Highway Officials, as a result of widespread studies conducted jointly with the Bureau of Public Roads of the Department of Commerce of the United States of America; and

"Whereas dual control and regulation of the size and weight of motor vehicles will inevitably cause confusion in police enforcement and in the collection of weight fees and other licenses or taxes, and discrimination between intrastate operators and those engaged in interstate or foreign commerce; and

"Whereas legislation such as H. R. 7637 will be an opening wedge for Federal invasion of a field heretofore regulated and controlled by the legislatures of the several States, so that the next step would be Federal regulation of permissible speeds of motor vehicles operating in interstate commerce, and Federal interference in the matter of taxes or fees levied or imposed by the several States for the privilege of using the public highways thereof, further usurping the right of the legislature of each State to pass such laws as it considers necessary and proper for the protection of the safety of its citizens and its investment in its streets and highways, and to provide for the continued maintenance and improvement thereof: Now, therefore, be it

"Resolved by the Senate of the State of California (the Assembly thereof concurring), That the Legislature of the State of California considers H. R. 7637 an unwise and unnecessary attempt to invade the rights reserved to the several States by the Constitution of the United States of America, and memorializes the Congress of the United States of America to refuse enactment to H. R. 7637, or any other similar legislation, and to leave the matter of regulation of sizes, weights, and operation of motor vehicles on the public highways of the several States to the legislatures thereof.

"The secretary of the senate is instructed to mail a copy of this resolution to the President of the United States, the Vice President of the United States, and to each Senator and Representative in the Congress of the United States of America from the State of California."

A resolution adopted by the House of Delegates of the Legislature of the State of Maryland, favoring the enactment of Senate bill 2786, to provide direct assistance to the American shipping industry; to the Committee on Interstate and Foreign Commerce.

(See resolution printed in full, when presented by Mr. O'CONOR, p. 5316, CONGRESSIONAL RECORD, Apr. 19, 1950.)

The petition of Flossie Lemon, of Parkersburg, W. Va., praying for the enactment of House bill 6000, to extend and improve the Federal old-age and survivors insurance system; to the Committee on Finance.

A letter in the nature of a petition from the Lexington Advisory Committee on National Defense, Lexington, Ky., signed by Rev. George J. O'Bryan, chairman, endorsing General Eisenhower's views on strengthening the national defense; to the Committee on Armed Services.

Resolutions adopted by delegates at the eighth annual meeting of the National Rural Electric Cooperative Association, Chicago, Ill., relating to REA loans and administrative funds, and so forth; to the Committee on Agriculture and Forestry.

A resolution adopted by the Dale-Oakland Young Republican Club, Johnstown, Pa., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the American Public Power Association, Washington, D. C., relating to House bill 6000, to extend and improve the Federal old-age and survivors insurance system, etc.; to the Committee on Finance.

A resolution adopted by the American Public Power Association, Washington, D. C., relating to the President's Water Resources Policy Commission; to the Committee on Interior and Insular Affairs.

A resolution adopted by the American Public Power Association, Washington, D. C., favoring the enactment of legislation providing construction of the St. Lawrence power project; to the Committee on Foreign Relations.

A resolution adopted by the American Public Power Association, Washington, D. C., relating to nonreimbursable allocations on local power projects; to the Committee on Public Works.

A resolution adopted by the American Public Power Association, Washington, D. C., relating to the transmission of Federal power; to the Committee on Public Works.

A resolution adopted by the American Public Power Association, Washington, D. C., favoring continuation of the REA policy of making loans for the establishment of generating and transmission cooperatives; to the Committee on Agriculture and Forestry.

A memorial signed by Joseph Kres, representative of local 735, U. E. R. & M. W. A., Cleveland, Ohio, and sundry other labor leaders in the State of Ohio, remonstrating against the enactment of the so-called Mundt-Ferguson-Nixon bill to protect the United States against un-American and subversive activities; ordered to lie on the table.

A letter in the nature of a memorial from the conference committee of the Progressive Party in the Thirteenth Congressional District of Massachusetts, signed by Harold O. Brackett, secretary pro tempore., Brockton, Mass., remonstrating against the enactment of the so-called Mundt-Ferguson-Nixon bill, to protect the United States against certain un-American and subversive activities; ordered to lie on the table.

A telegram in the nature of a memorial from branch 136, Jewish People Fraternal Organization, Arlington, Va., signed by A. Magid, remonstrating against the so-called Mundt bill, to protect the United States against certain un-American and subversive activities; ordered to lie on the table.

Telegrams in the nature of petitions from the Stockton Council for Civic Unity, Stockton, Calif., signed by Andrew Juvinall, chairman, and District Council of American Citizens League, of San Francisco Airport, Calif., signed by Bob Takahashi, chairman, praying for the enactment of House Joint Resolution 238, to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; ordered to lie on the table.

A telegram in the nature of a memorial from the Chicago (Ill.) Retail Druggists Association, signed by John M. Myers, executive secretary, remonstrating against the enactment of Senate bill 1008, to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices; ordered to lie on the table.

By Mr. SALTONSTALL (for himself and Mr. LODGE):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"Resolutions memorializing the President of the United States and the Congress and certain departments of the Federal Government in opposition to further tariff reductions on imports of waterproof and canvas rubber footwear

"Whereas members of the rubber footwear industry are greatly concerned and disturbed, based upon information which is considered authoritative, over the possibility that the Federal Government may put into effect further tariff reductions on imports of waterproof and canvas rubber footwear; and

"Whereas any further reductions in the tariffs on these items would produce an effect upon the American rubber footwear industry little short of disastrous, and it would be impossible for said industry to produce articles which could compete in price with the products of the nationalized industry of Czechoslovakia or with those of Japan with its debased oriental standard of living; and

"Whereas the rubber footwear industry is an American enterprise about 100 years old and at one time it supplied most of the world, but since the early 1930's the American industry has been confined to the domestic market because of its inability to meet foreign low-wage competition; and

"Whereas at present such imports from these countries are priced at from 20 to 40 percent under the usual American prices, and the presence of even a small amount of low-priced goods in an industry as seasonal as rubber footwear can be a most upsetting influence on the market; and

"Whereas in the decade of the 1930's, the threat to the American industry by the influx of rubber footwear imports was so great that both President Hoover and President Roosevelt issued proclamations making duties on these products applicable on the American selling price basis, and the rates of duty which were 25 percent on waterproof and 35 percent on canvas remained unchanged, but they applied to the domestic selling price of American-made footwear similar to the imported articles rather than to the selling price of the foreign product; and

"Whereas in 1937, when the Czechoslovakian Trade Treaty was under consideration, this policy was sustained by President Roosevelt, and in 1947, at the Reciprocal Trade Conference in Geneva, the American delegation granted concessions to Czechoslovakia on waterproof rubber footwear which, in effect, cut the American duty in half, which means that the duty on Czechoslovakian footwear was reduced to 12½ percent; and

"Whereas this industry is one in which the labor cost, in proportion to the total cost of the product, is very high, namely, 47 percent, and an attack upon the price structure becomes therefore an attack upon the wage structure of the American worker in this field and is also a direct threat to his job; and

"Whereas this industry at present is doing a business of about $100,000,000 annually, and employs more than 20,000 men and women, and this is of vital importance to New England and especially to Massachusetts, inasmuch as over 75 percent of this industry is located in southern New England, a small area already hard-pressed economically and struggling to maintain its position in the American scene, and a very substantial portion of this 75 percent, much more than half, is located in Massachusetts, which becomes, therefore, a matter of vital significance for this area, and some particular communities in it would suffer extreme hardship were this industry to become blighted; and

"Whereas in view of the aforesaid facts, a vital New England industry, with a long history, is faced with a situation which would make sheer survival difficult and certainly make any prosperity impossible: Therefore be it

"*Resolved*, That the General Court of Massachusetts hereby expresses its opposition to any further tariff reductions on imports of waterproof and canvas rubber footwear; and be it therefore further

"*Resolved*, That a copy of these resolutions be sent forthwith by the secretary of the Commonwealth, to the President of the United States, Members of Congress from Massachusetts, and the Secretary of State, the Secretary of Labor, and the Secretary of the Treasury of the United States.

"In house of representatives, adopted, April 6, 1950.

"LAWRENCE R. GROVE,
"*Clerk.*

"In senate, adopted, in concurrence, April 11, 1950.

"IRVING N. HAYDEN,
"*Clerk.*"

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. McKELLAR (for Mr. JOHNSTON of South Carolina), from the Committee on Post Office and Civil Service:

S. 3330. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, so as to provide an order of precedence for lump-sum death payments, and other purposes; without amendment (Rept. No. 1513); and

S. 3413. A bill to amend the Classification Act of 1949 to make it inapplicable to postal employees of the Panama Canal; without amendment (Rept. No. 1514).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3448. A bill to provide that aliens who have arrived in the United States shall not be excluded without a hearing; to the Committee on the Judiciary.

S. 3449. A bill to amend the act of July 6, 1945, as amended, with respect to automotive-equipment-maintenance payments to special-delivery messengers in post offices of the first class, and for other purposes; and

S. 3450. A bill to rescind the order of the Postmaster General curtailing certain postal services; to the Committee on Post Office and Civil Service.

(Mr. DOUGLAS introduced Senate bill 3451, to provide for the importation free from tariff and customs duties of articles for exhibition at international trade fairs which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. SALTONSTALL:

S. 3452. A bill for the relief of George W. Purdy; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3453. A bill to amend the act of July 8, 1937 (ch. 443, 50 Stat. 478), and to provide for the retirement of certain noncitizen employees of the Panama Canal and the Panama Railroad Company on the Isthmus of Panama; to the Committee on Armed Services.

By Mr. McCARRAN:

S. 3454. A bill for the relief of Janier Ochoa Luna; to the Committee on the Judiciary.

(Mr. McCARRAN introduced Senate bill 3455, to revise the laws relating to immigration, naturalization, and nationality, and for other purposes, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

IMPORTATION OF ARTICLES FOR EXHIBITION AT INTERNATIONAL TRADE FAIRS

Mr. DOUGLAS. Mr. President, I introduce for appropriate reference a bill to facilitate the importation and exhibition of goods from abroad at international trade fairs in the United States, and I ask unanimous consent that an explanatory statement of the bill by me be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the explanatory statement presented by the Senator from Illinois will be printed in the RECORD. The Chair hears no objection.

The bill (S. 3451) to provide for the importation free from tariff and customs duties of articles for exhibition at international trade fairs, was read twice by its title and referred to the Committee on Finance.

The explanatory statement presented by Mr. DOUGLAS is as follows:

STATEMENT OF SENATOR DOUGLAS ON INTRODUCTION OF BILL FOR INTERNATIONAL TRADE FAIRS, APRIL 20, 1950

I have today introduced in the Senate a bill to facilitate the importation and exhibition of goods from abroad at international trade fairs in the United States.

Its primary objective is the promotion of international trade by permitting the importation of articles for exhibition at such fairs free from tariff and customs duties. It is intended that such articles may be used as a basis for taking orders for merchandise, and the bill contains provisions for their

prompt appraisal and classification to fix the applicable duties when such articles are imported for sale. It is also provided that duties thus assessed on such samples shall be subject to no administrative tariff increases for a 2-year period.

I believe this measure, if adopted, will be a real stimulus to our trade with our sister nations. The commercial interchange this will encourage is a vital factor in stabilizing international relations. For the continued economic reconstruction of other nations and for the security of our own foreign commerce, the United States must buy more of these goods from abroad, under reasonable safeguards, of course, and we expect a reciprocal improvement of the foreign markets for American goods.

The proposed bill for international trade fairs is one step in this important direction.

I understand that the general plan has the approval of the Economic Cooperation Administration and the Department of Commerce as well as numerous other interested citizens. I hope the Senate can consider it at an early date and enact it into law in time to assist the fairs planned for the summer of 1950, including the one to be held in Chicago.

RESCISSION OF ORDER CURTAILING CERTAIN POSTAL SERVICES

Mr. LANGER. Mr. President, I submit for appropriate reference a resolution favoring rescission of the order of the Postmaster General curtailing certain postal services, and I ask that it be read.

The VICE PRESIDENT. The resolution will be read.

The clerk read the resolution (S. Res. 261), as follows:

Resolved, That it is the sense of the Senate that the order of the Postmaster General, dated April 18, 1950, curtailing delivery and other essential postal services is inconsistent with the public interest, and that such order should be immediately rescinded.

The VICE PRESIDENT. The resolution will be referred to the Committee on Post Office and Civil Service.

ADDRESS BY THE PRESIDENT BEFORE THE AMERICAN SOCIETY OF NEWSPAPER EDITORS

[Mr. BENTON asked and obtained leave to have printed in the RECORD an address by the President before the American Society of Newspaper Editors, at Hotel Statler, Washington, D. C., April 20, 1950, which appears in the Appendix.]

ADDRESS BY SENATOR MARTIN AT ANNUAL DINNER OF THE AMEN CORNER

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD the address delivered by Senator MARTIN at the annual dinner of the Amen Corner, at Pittsburgh, Pa., on April 15, 1950, which appears in the Appendix.]

HIDDEN BILLIONS—UNITED STATES IGNORES ASSETS OF ERP NATIONS—ARTICLE BY HERMAN A. LOWE

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "Hidden Billions—United States Ignores Assets of ERP Nations," by Herman A. Lowe, published in the Philadelphia Inquirer of March 30, 1950, which appears in the Appendix.]

RENEWAL OF RADIO STATION LICENSES—STATEMENT BY SENATOR BRIDGES

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a statement prepared by him regarding FCC hearings on renewal of radio station licenses, which appears in the Appendix.]

PROGRAM FOR PROMOTING DEMOCRACY ABROAD—EDITORIAL COMMENT ON SENATOR BENTON'S PROPOSAL

[Mr. FLANDERS asked and obtained leave to have printed in the RECORD an editorial entitled "Promoting Democracy Abroad," published in the St. Louis Post-Dispatch of March 24, 1950; an editorial entitled "On Selling Freedom," published in the Kansas City (Mo.) Star of March 24, 1950; an editorial entitled "Global Sales Campaign," published in the Meriden (Conn.) Journal of March 24, 1950; and an editorial entitled "A Constructive Plan," published in the Hamden (Conn.) Chronicle, of March 30, 1950, which appear in the Appendix.]

A LEGAL ANALYSIS OF UNCONSTITUTIONALITY OF PROPOSED LICENSING OF MOTION PICTURES

[Mr. WILEY asked and obtained leave to have printed in the RECORD a memorandum prepared by him opposing the bill proposing to license motion pictures, an analysis prepared by him relative to the unconstitutionality of the bill, and several newspaper editorials, which appear in the Appendix.]

CONTRIBUTION OF IMPORTS TO BUSINESS ACTIVITY AND FULL EMPLOYMENT—ARTICLE BY MAURICE HEYNE

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an article entitled, "Contribution of Imports to Business Activity and Full Employment," written by Maurice Heyne, and published in the Commercial and Financial Chronicle, which appears in the Appendix.]

PROTEST AGAINST FEDERAL HANDOUTS—EDITORIAL FROM THE OIL CITY DERRICK

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Hero Rebels at Hand-Outs" published in the Oil City (Pa.) Derrick, on April 11, 1950, which appears in the Appendix.]

PRESIDENTIAL VISITS TO GETTYSBURG—ARTICLE BY JOHN M. CUMMINGS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "No Gettysburg Address? Mr. Truman Just Too Busy," written by John M. Cummings, and published in the Philadelphia Inquirer on April 20, 1950, which appears in the Appendix.]

INVESTIGATION OF INTERSTATE CRIME—THE SLAUGHTER CASE

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "A Political Prosecution," published in the Washington Evening Star of April 19, 1950, and an editorial entitled "The Lobby Fraud," published in the Washington Times-Herald of April 20, 1950, which appear in the Appendix.]

CARROLL BINDER REPORTS FROM EUROPE

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an additional article in the series of reports of conditions in Europe, written by Carroll Binder, editorial editor of the Minneapolis Tribune, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF GUS J. SOLOMON TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF OREGON

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, May 4, 1950, at 10 a. m., in the Federal Building, Salt Lake City, Utah, upon the nomination of Hon. Gus J. Solomon, of Oregon, to be United States district judge for the district of Oregon. Judge Solomon is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Kentucky [Mr. WITHERS], and the Senator from North Dakota [Mr. LANGER]. The hearing has been scheduled in this way because members of the subcommittee named will be in Salt Lake City on May 4 in connection with another hearing scheduled to open 3 days earlier, and Senators interested in the nomination of Mr. Solomon have stated it would be more convenient for any residents of Oregon who might wish to appear at the hearing to come to Salt Lake City than to come to Washington.

AMENDMENT OF DISTRICT LIFE INSURANCE ACT—REGULATION OF LIFE INSURANCE BUSINESS—MOTION TO RECONSIDER

Mr. LANGER. Mr. President, yesterday, on the call of the calendar, the Senate passed the bill (H. R. 4393) to amend the Life Insurance Act of the District of Columbia, and also the bill (H. R. 4394) to amend sections 10, 11, and 12 of chapter V of the act of June 19, 1934, as amended, entitled "An act to regulate the business of life insurance in the District of Columbia." At this time I move that the votes by which the bills were passed be reconsidered.

The VICE PRESIDENT. The motion will be entered.

Mr. LANGER. I ask that the bills H. R. 4393 and H. R. 4394, be placed back on the calendar.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Dakota?

Mr. SCHOEPPEL. Mr. President, Senators who were on the floor yesterday at the time the calendar was called may not be here now, and therefore I object.

The VICE PRESIDENT. Objection is heard. The motion to reconsider will be entered.

DIGEST OF STATEMENT OF REPUBLICAN PRINCIPLES AND OBJECTIVES

Mr. BREWSTER. Mr. President, on April 3 of this year, I placed in the Appendix of the RECORD a 10-point digest, in 99 words, of the statement of Republican principles and objectives, supplementing the 1948 Republican platform adopted February 6, 1950.

That digest appeared in the majority of the press of the United States. Since that time, the Republican National Committee, as well as the offices of Senators and Representatives, have been deluged with requests for copies of the digest.

Many persons have made inquiry as to how they could obtain quantities for distribution to their friends and acquaintances. I want those who read the RECORD to know that they can obtain them from the Republican National Committee, 1337

Connecticut Avenue, or through the office of any Republican Senator or Member of the House of Representatives.

TRIBUTE TO LEWIS L. STRAUSS BY SENATOR SMITH OF NEW JERSEY

Mr. HENDRICKSON. Mr. President, my colleague, the senior Senator from New Jersey [Mr. SMITH], who is convalescing from a recent emergency appendix operation, had intended to address the Senate briefly on or about April 15 in a tribute to Admiral Lewis L. Strauss, who on that date retired as a member of the Atomic Energy Commission. Because of the inability of the senior Senator from New Jersey to present this tribute in person, he has asked me to present it for him. I ask unanimous consent to read to the Senate this brief tribute to a great American. I am happy to identify myself with my colleague in this tribute.

The VICE PRESIDENT. Without objection, the Senator from New Jersey may proceed.

Mr. HENDRICKSON. Mr. President, I now read the brief address prepared by my colleague, the senior Senator from New Jersey [Mr. SMITH]:

Mr. President, on the 15th of April the resignation of the Honorable Lewis L. Strauss as a member of the Atomic Energy Commission became effective. As it has been my great privilege to have had an intimate acquaintance with Mr. Strauss over a period of many years, I want to take this opportunity to pay a personal tribute to him for the outstanding services that he has rendered to his country and to the world.

Lewis Strauss began his public service during World War I as secretary to Herbert Hoover in the United States Food Administration. At Mr. Hoover's request and President Wilson's order he remained with the Food Administration throughout the war. After the war he had the distinction of attending the final armistice convention in Brussels in 1919 as one of the five United States delegates.

In 1940, when war again seemed to be threatening the United States, Mr. Strauss left his work in private banking and philanthropy in New York, and entered active service as a lieutenant commander in the United States Naval Reserve. This was the beginning of a period of nearly 10 years of almost uninterrupted and uniformly distinguished service to the United States.

Mr. Strauss' naval record during the recent war was marked by a series of highly important achievements. He originated a new and more efficient inspection service for the entire Navy, at considerable savings in money and manpower. He developed a number of fruitful innovations in naval ordnance matériél, and helped in the development of the proximity fuze, one of the outstanding inventions of the war. In the field of war production it was he who first proposed the famous Army-Navy E awards for outstanding production achievements.

As time went on Mr. Strauss was given increasingly heavy responsibilities. He wrote the contract termination legislation and procedures for the Navy. He became the Navy's representative on the Munitions Board, and later on the Interdepartmental Committee on Atomic Energy. As coauthor of the Strauss-Draper report on integration of design and procurement activities of the Army, Navy, and Air Force, he was instrumental in saving hundreds of millions of dollars, and helped to lay the foundation for the eventual unification of the armed services. Finally, he was the author of the proposal for creation of an Office of Naval Research, which is today a most important Federal agency in the field of basic scientific research.

These outstanding services brought Mr. Strauss numerous decorations and rapid promotion in the Navy to the rank of rear admiral. I understand that he was the first Naval Reserve officer ever to achieve this rank. The Navy awarded him the Legion of Merit and the Silver Star in lieu of a second award, and the Army has decorated him with the Oak Leaf Cluster in lieu of a third Legion of Merit.

In May 1946 Admiral Strauss was finally able to return to his long-neglected private affairs, but only 2 months later he was called again to public service by President Truman, who asked him to serve as a member of the Atomic Energy Commission. He thereupon severed all his business connections and entered on this vitally important work which was to keep him in the public service for another 3½ years.

Mr. President, I think we Americans have been particulary fortunate in having on the Atomic Energy Commission, during its crucial first years, a man of the imagination and breadth of view of Lewis Strauss. He has been clearly aware of the stern responsibility for our national security entrusted to the Commission, and has been a tireless advocate of strong and adequate security measures in atomic-development work. At the same time he has sought in every way to emphasize the more hopeful and positive possibilities of atomic energy. Especially in the field of medicine he has taken a tireless personal interest in the use of radioactive isotopes as a research tool and a possible cure for cancer.

A few weeks ago I wrote to former President Hoover advising him that it was my purpose to make a public tribute to Lewis Strauss about the time of the termination of his work with the Atomic Energy Commission. Mr. Hoover wrote to me warmly approving the proposal and added:

"He became—then only about 20—my secretary in 1917 and continued through the food administration and the reconstruction of Europe until after the peace in 1919. Then he went into business most successfully.

"He is the president of the Congregation Emanuel. He was long a member and, I believe later the head of the Jewish Joint Distribution Committee, which has ministered to millions of gentiles as well as Jews during all the years from 1919 to date.

"He was an ensign in the Naval Reserve and was called to service in the Second World War in 1940, or so. By sheer merit he rose to the rank of admiral in 1945.

"You know his extraordinary intelligence and his sterling character for integrity."

These were the words of former President Hoover, and the following are the words of President Truman in his letter acquiescing in Mr. Strauss' desire to retire from his post. President Truman wrote, in part:

"Your personal concern and your diligence are reflected especially in the medical and military phases of the program and in the security policies and practices developed by the Commission.

"The sound policies which today guide the national atomic-energy program bear in large measure the impress of your efforts in support of civilian direction which will serve the military needs of the Nation and at the same time foster the service which science and technology can render to the general welfare."

Mr. President, Lewis Strauss has been a warm personal friend of mine for over 30 years. We have been closely associated in the humanitarian and educational enterprises inaugurated by former President Hoover following World War I. To me it is a great personal privilege to make this simple tribute to a great American.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Mauer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITTINGTON, Mr. LARCADE, Mr. DAVIS of Tennessee, Mr. DONDERO, and Mr. ANGELL were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 715. An act for the relief of Manuel Uribe;

H. R. 1481. An act for the relief of the estate of Julius Zaffareni;

H. R. 1487. An act for the relief of Lt. (sg) Giacomo Falco;

H. R. 2554. An act to amend the District of Columbia Credit Union Act of 1932;

H. R. 3306. An act for the relief of Antonio Rojas Velez;

H. R. 3315. An act for the relief of Alejo Padilla;

H. R. 3769. An act for the relief of Doris M. Faulkner;

H. R. 3924. An act for the relief of Dr. T. F. Harrison;

H. R. 4070. An act to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah;

H. R. 4285. An act to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II;

H. R. 4289. An act to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes;

H. R. 4380. An act for the relief of Mrs. Agnes Emma Hay;

H. R. 5753. An act for the relief of Jean Clark;

H. R. 5921. An act to terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force;

H. R. 5951. An act to amend section 3 of the Travel Expense Act of 1949;

H. R. 6093. An act for the relief of Masami Hiroya and Aiko Hiroya;

H. R. 6282. An act for the relief of Mrs. Elinor Anne-Britt Jedlund; and

H. R. 6475. An act to amend the Postal Rate Revision and Federal Employees Salary Act of 1948 to provide for the consideration of claims for the payment of certain postal notes filed later than 1 year from the last day of the month of issue.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948

The Senate resumed the consideration of the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

Mr. CONNALLY. Mr. President, the European recovery program has been the most stupendous and generous contribution by a great country to free nations in behalf of democracy and world peace in all recorded history.

It has been said that the United States can no longer choose whether we will or

will not play a great part in the world. By the very nature of things we must play a great part. The only decision left for us is whether we shall play that part wisely and well or whether we shall play it poorly.

That we must play our role exceptionally well is obvious when we review the brazenly hostile tactics of Soviet communism. So serious has this breach between the East and the West become that the decisions we make today may determine the destiny of the free world for generations to come.

However much we deplore the tactics of the Soviet Government its persistently diabolical efforts have met with some major successes. Perhaps as a result of these successes it is pursuing its objective of world dominion with increasing boldness. We must continue to counter this new threat with imagination and vigor.

Meanwhile we know that the free world has not been asleep at the switch. While the Soviets have been building their satellite system we have encouraged the independence of countries like the Philippines, Indonesia, India, and Pakistan.

They have welded their puppet states into an economic bondage designed to further the interests of the Kremlin and the Soviet hierarchy. We have stirred the imagination of free men everywhere by the Marshall plan and the program of technical cooperation for the undeveloped areas, both of which are designed to enable free nations to achieve independence and economic stability.

They, through force and intimidation, have compelled their satellites to join with them in a network of mutual-defense treaties. We have freely negotiated the North Atlantic Treaty by which the states of the North Atlantic community have voluntarily agreed to take collective defense measures in the event of an armed attack.

Their world, Mr. President, is based upon the totalitarian concepts of slavery, intolerance, compulsion, and blind obedience to the Politburo. Ours is based upon the Christian concept of the dignity of the human being, the independence of the sovereign state, and the principles of freedom and voluntary cooperation.

Our present task is to make the world understand clearly the basic differences between the two systems. This we can best do by practical demonstration. Let us show the world how successful a society of free nations can be in solving their mutual problems. Clearly the first step in this direction is the successful completion of the programs we have already undertaken.

The pending measure—which is substantially that approved by a heavy majority in the House of Representatives some 2 weeks ago—will do much to enable us to play our part wisely and well. It will enable us to bolster the progress of European recovery for another year. It will permit us to continue our programs of aid to the peoples of Korea, to the general area of China and to the Palestine refugees. Finally it will authorize our Government to enlarge and expand the technical assistance we are giving the underdeveloped areas of the world. I would like to address myself briefly to these five separate parts of the omnibus bill before us.

TITLE I. EUROPEAN RECOVERY PROGRAM

We stand today at the halfway mark of the European recovery program. As one of those who participated in its creation, I am glad to report that it has been a powerful force in restoring western Europe to economic stability. Its accomplishments have far exceeded the expectations of those who debated its objectives in 1948. It has brought hope and encouragement to millions who 2 years ago were resigned to an era of despair, hunger and fear of Communist subversion.

It is sometimes too easy for us to forget the past—especially when the past is unpleasant. But I want to remind Members of the Senate of the conditions in western Europe when this program was launched three short years ago. The situation there was so charged with potential danger that the President called the Congress into special session to deal with the impending crisis. Congress immediately recognized the urgency and validity of that request and quickly provided funds for interim aid to France, Italy, and Austria. That was the winter when France was nearly prostrate, facing starvation, Communist-led strikes, sabotage, and riots.

At this point, Mr. President, I want to pay tribute to the remarkable speech which Secretary George Marshall delivered at Harvard in June 1947. That speech showed courage. It showed imagination. It showed vision. It is the kind of stuff American leadership is made of.

When the Congress met in January 1948, the Senate Committee on Foreign Relations began hearings immediately on the Marshall plan. Nearly 100 witnesses were heard. Practically no one opposed it. The report of the committee called attention to the economic break-down in Europe caused by war devastation, political tensions and uncertainty, prolonged interruption of international trade and shortage of supplies. It pointed out that subversive elements were hampering recovery and engineering social chaos. Those were the days when every election report from Europe indicated an increase in the number of Communists in office. Those were the days when coalition governments were but an interlude to Communist control. That was the spring we all feared Italy might go Communist. Against that background, the Senate of the United States by a resounding bipartisan vote of 69 to 17, approved the European recovery program.

For my part I believe that if we had not acted then with firmness and foresight, the cold war would now be perhaps lost. But for our resolute action then we might now be facing in Europe the same difficult situation we face today in China.

When we compare the chaos-ridden Europe of pre-Marshall-plan days with the much more orderly continent of today, it is clear that our sacrifices have been productive of great and good results. In spite of all Communist efforts to vilify our undertaking, it is a great credit both to those who have assisted and to those who have been helped.

It is my considered opinion that, given the shortcomings of the European recovery program—and it has shortcomings as do all human enterprises—rarely have American dollars done so much work so many times and so well. In my judgment the ERP appropriations are among the wisest and most economical we have made in our modern history. I am proud to have voted for them.

Now that the program has settled down, we are in a position to assess its accomplishments and costs, its strengths and weaknesses. We all recall that in 1947 the participating countries made seven specific commitments. They promised the following things: First, to reach certain production goals, especially in coal and steel; second, to make the fullest possible use of available productive capacity and manpower; third, to modernize equipment and transportation facilities; fourth, to achieve financial stability; fifth, to reduce tariffs and expand trade; sixth, to remove obstacles to the free movement of persons within Europe; and, seventh, to organize means for the development of common resources. Where does western Europe stand today with regard to these objectives? Let us look at the record.

The production targets envisioned in 1947 have been exceeded in almost all sectors of the economy. By the end of 1949 the total industrial production of western Europe was 20 percent above that of 1938. Steel production was up 52 percent, electric power 21 percent, and hard coal 17 percent. It is expected that agricultural production, too, will reach the prewar level during the current crop year.

This remarkable recovery in industrial and agricultural production, which is described in greater detail in the committee report—and I hope all Senators will read the committee report—has been brought about in large part as the result of purchases that western Europe has been able to make in the United States because of Marshall-plan aid. Raw materials and industrial machinery available only in the United States have assisted western Europe in rebuilding and modernizing industrial plants, mining facilities, transport, power plants, and other productive facilities. Gradually it has been possible, with the cooperation of the participating governments, the hard work of the people, and the sacrifices of the American taxpayers, to increase the standard of living in western Europe. By the end of the program, if present progress is maintained, the prewar standard of living which Europe enjoyed before the war may once again become a reality.

The people of western Europe now have a future of democratic promise and hope, rather than one of Communist chaos and despair.

After a slow beginning the participating countries have taken strong financial measures to prevent inflation which threatened because of scarcities of consumers goods and full employment. In

France, where inflation seriously threatened a year ago, it has been stopped in its tracks. Throughout most of western Euruope, as a consequence of vigorous financial measures, prices and wages have remained constant for the past year.

The recovery achievements in 2 years have been remarkable. Mr. Hoffman testified as follows:

> Remember that it took western Europe 7 years to gain just the prewar level of industrial production after World War I. Today, after 2 years of the ECA program, and less than 5 years after the end of World War II, in which the devastation was far greater than in 1914–19, industrial production has not merely been lifted to the prewar level, but stands 20 percent above it.

I have no doubt that some people will ask why, in view of this encouraging increased production, we should not cut European recovery funds drastically or stop them altogether. The fact is—as I remarked last year—

> That Europe will not, during the period of our aid, enjoy a higher standard of living than in 1938. Production will have to be increased far above the prewar level before the people can once again live as well as they did. * * * During the war the participating countries lost many billions of dollars when their homes, their factories, and their transportation systems were destroyed. They also were forced to liquidate much of their overseas investments which had been a profitable source of income. They must now make up that lost ground. Moreover, we must not forget that the population of western Europe has increased by 20,000,000 since 1938 and production must be correspondingly increased.

We are greatly encouraged by the fact that the participating countries have met the production goals they set for themselves 2 years ago. It remains true, however, that western Europe simply does not have the dollars it needs to purchase goods in the United States. Obviously we cannot go on indefinitely furnishing several billion dollars worth of aid every year. It follows that the big task which confronts us during the next 2 years is to increase the dollar earning capacity of the western European economy so that purchases can be made in the United States without continued American assistance.

We are strongly moving in the right direction—in the direction of making western Europe capable of a satisfactory existence by 1952 without dependence on outside aid. The committee report points out that in fiscal 1947 Europe was short of dollars by the amount of $7,400,000,000. A year later it had reduced that shortage to $5,500,000,000. For this year the figure will be $4,900,000,000, and ECA estimates the dollar gap will be closed to $3,100,000,000 in 1951.

Mr. MILLIKIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Texas yield to the Senator from Colorado?

Mr. CONNALLY. I yield.

Mr. MILLIKIN. I wish to make some suggestions with reference to the technical-assistance amendment. When does the Senator estimate the amendment stage will be reached?

Mr. CONNALLY. Any amendments to the bill will be pending and may be offered and discussed when we take up the various sections of the bill.

Mr. MILLIKIN. The Senator does not anticipate that that stage will be reached today or tomorrow, does he?

Mr. CONNALLY. I think not.

Mr. ROBERTSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Virginia?

Mr. CONNALLY. I yield.

Mr. ROBERTSON. While I listen with great interest to this splendid discussion by the distinguished Senator from Texas of a program which was initiated to stem the tide of communism in western Europe, and which the Senator from Texas has told us has been so effective in doing so, I wish to take this opportunity to call attention to the fact that in the gallery today, to our left, is a group of students from a fine colored university in Richmond. Those students have pledged among themselves to fight communism in Virginia and wherever else they can exert their influence throughout the Nation. I am very happy that they have an opportunity to hear my distinguished friend from Texas discuss this problem today.

Mr. CONNALLY. I thank the Senator from Virginia very warmly, and I am pleased to have the students here. I feel sure that, imbued, as they no doubt are, with the American theories of government and freedom and democracy, they will be a vital influence in the future affairs of the Nation.

Our goal is ever before us; this gap should be closed or reduced to manageable proportions by the end of the program. The President is to be commended for his selection of Mr. Gordon Gray to give careful consideration to this matter now.

If Europe is to close the dollar gap by 1952 and attain self-sufficiency, it must move firmly in the direction of integrating its economy and removing the many barriers to European trade which now exist. During the past few months the ECA has taken vigorous action to encourage the reduction of European trade barriers and to stimulate European integration. It proposes during the next year to withhold some $600,000,000 from funds which would normally be allocated to the participating countries to encourage those countries to take the cooperative action necessary. Part of this money will be made available to those countries which, by bold action to reduce import restrictions and remove quotas, may suffer temporarily by increased competition. Part of the money will be used to establish the new European Payments Union. Creation of the Payments Union will constitute a long step forward toward freeing European trade, and integrating the economy of western Europe. The ECA proposes that the money put into the Payments Union go eventually to those countries which, upon the basis of their trade with each other in Europe, are entitled to final settlements in dollars. Each of the participating countries will also make payments in their own currencies into the Union.

Fifty years ago the American and European worker produced on about the same scale. Since that time our industrial development has proceeded at a much more rapid rate largely because we have enjoyed free competition across State boundary lines.

During that same time European countries have gone down the other road. They have choked free competition by the imposition of tariffs, import quotas, exchange controls, and other trade restrictions. Like tourniquets applied to various parts of the body, these barriers to trade have made mass production impossible because there has been no large market area in Europe.

Now it is relatively easy for an American to diagnose Europe's economic ills. It is much more difficult for us to persuade the patient to take the medicine we think is good for him. Even so, we must use methods of persuasion that are at hand. Accordingly, the committee recommends another amendment expressing the sense of the Congress, that as much of the local currency counterpart funds as possible should be used to promote the liberalization of trade and transferability of currencies.

I would be less than candid if I did not admit that we have been disappointed in some aspects of the European recovery program.

In the first place, I believe I speak for the full committee when I say that western Europe has not made the prompt and vigorous progress toward integration which its serious condition requires. The ECA properly felt that production should come first and that integration and reduction of trade restrictions had to wait until some recovery in the individual countries had taken place. My observation has been that when a man is sick, he is more likely to take advice on how to improve his health than he is when he is feeling well. I want to urge the ECA to spare no efforts this year in getting the participating countries to face up to the necessity of integration. I want to urge the participating countries, individually and collectively, to plan fully and well for 1952 when they must get along without Marshall-plan aid. The American people have made heavy sacrifices to help western Europe. Western Europe must do its full share.

In the second place, we have all been disappointed at the slowness with which some of our European friends have met the serious problems of tax evasion in their countries. I realize this is not a simple problem, but I do not see how a country can command the respect of its own people, how it can respect itself, or how it can make a real contribution to the stability of the west, unless it has an eminently fair system of taxation and an effective system of tax collection.

In the third place, I have been disappointed at the relative ineffectiveness of our information program in some countries, particularly in France. Obviously our desire to bring the nature and extent of American aid to the attention of the people must be tempered somewhat by the political situation that prevails in each country. Nevertheless, reports from returning Americans indicate that we

have not always made the most of our opportunities.

In the fourth place, certain of the participating countries, under the guise of saving dollars, have imposed restrictions which discriminate unfairly against American businessmen. In view of our generosity, this is a kind of gratitude which the American people simply cannot understand. No stone must be left unturned in preventing such discrimination and giving effect to the amendment on this point which the committee has inserted in the bill now before the Senate.

Mr. President, these shortcomings which I have listed are small, indeed, when compared to the splendid achievements of the ECA. The Administrator is doing everything he can to eliminate them. I am confident of his ability to do so.

In considering the ECA requests for this year, the committee heard the testimony of a number of administration witnesses, including several mission chiefs, who returned from their posts in Europe to give the committee a first-hand account of conditions in their countries. The witnesses were carefully examined. A number of public witnesses were also heard. After careful consideration of the legislation and after amending the bill in several respects, the committee asks the Senate to approve the pending bill which authorizes the appropriation of $2,950,000,000 for the fiscal year ahead. The bill also authorizes the continued use of some $149,000,000 which will be saved out of funds appropriated last year.

I should make it clear, in connection with the discussion of these amounts, that members of the committee have reserved their right to reconsider the authorization figures after the Committee on Appropriations has considered the matter.

It should be a source of great satisfaction to us all that ECA appropriations have decreased steadily from year to year. It was originally contemplated that the 4-year program would cost in the neighborhood of $17,000,000,000. It now seems likely that the total amount required will be less than $15,000,000,000. This year the authorization requested is only slightly more than half the amount the United States spent for aid to western Europe during the first year of the program. Next year I expect a similar substantial reduction.

I know the dangers that beset a nation if it squanders its wealth. I also know the dangers that beset a nation that hoards its wealth. We know that the spendthrift ends his days in the poorhouse and that the miser ends his days in the prison he has built for himself. The United States must go the way of the responsible citizen who is a leader in his community; it must neither squander its wealth, nor hoard it from a free community that stands in need. Leadership and responsibility go hand in hand. Neither are cheap.

The European recovery program has been administered by men who understand this principle. The Administrator has been able to keep the cost of operations below the levels that were envisaged when the program began. He has requested substantially reduced amounts each year. More than that, he has been able to save a large sum from the funds the Congress appropriated for ECA last year. To say this is an unusual experience for the Congress is putting it mildly.

Last year I said:

> Our European partners remain in the ranks of the democracies with growing vitality and faithful to free institutions and the goal of peace. They have resisted the corrosive, but cheap and ugly, doctrine of communism that destroys and corrupts, the doctrine that assails both the dignity of man and the morality of God.

That statement is still true. I am confident that, with the Marshall plan in operation, it will still be true in 1951.

I sometimes wonder whether those few who oppose the Marshall plan can seriously have considered whether the United States is stronger and is more secure, when surrounded by a free world which has remained free because of our help, or would be stronger if surrounded by states which have fallen under the control of a world united by Communist imperialism.

KOREAN AID

I should like to turn for a few minutes to the other provisions of the bill before the Senate.

Title II is the Korean Aid Act of 1950. With the fall of China to the Communists, the Republic of Korea is flanked to the west by Communist China and to the north by the puppet Communist government that controls the northern part of Korea. It is one of the critical areas in the cold war. As long as Korea remains free, it is one of the areas to which the unconquered people of the Orient can look for encouragement. It can become a symbol, as has the Philippine Republic, of the freedom which the people of the United States can offer to the people of Asia who choose democracy rather than totalitarianism.

The United States has taken the lead in the United Nations in bringing the international community to the assistance of the Korean people in their fight for an independent nation, united and free from foreign domination. Since our troops occupied Korea in 1945, the Korean people have looked to the United States for strength to resist the constant Communist threat of expansion from the north.

Last year the Senate, as part of a contemplated 3-year program, authorized the appropriation of $150,000,000 to give the Republic of Korea essential relief and help it to establish a sound economy and maintain its democratic form of government. As will be seen from the committee report, substantial progress has been made in Korea during the past year. Although the country still remains divided at the thirty-eighth parallel, its industrial production during 1949 was 50 percent above that of 1948. Korea has developed exportable surpluses of rice and wheat. These are an industrious people. They are helping themselves to the maximum possible extent, but they need a helping hand to enable them to overcome a balance of payments deficit that will run over $100,000,000 during the next year.

The program for 1950–51 calls for an authorization of $100,000,000. The committee believes this program, which has been carefully planned and administered, deserves the full support of the Congress. This money will be spent in one of the areas of the world where it will bolster resistance to communism, where it will help a free people who in time of trial must look to their friends.

AID TO THE GENERAL AREA OF CHINA

Title III of this bill is the China Area Aid Act of 1950.

This title does not call for the appropriation of new funds. It merely extends the availability of funds heretofore appropriated for use in China and the general area of China until June 30, 1951. Out of $275,000,000, which was first appropriated in 1948 for economic assistance to China, it is estimated that as of June 30 this year there will remain about $94,000,000. The committee believed that conditions in China and the Far East are so fluid that it would be inadvisable at this time to do more than continue the availability of these funds for another year. In making these funds available, however, we have specified that not less than $50,000,000 should be held available for assistance in China, including Formosa and Hainan—as distinguished from the general area of China—for as long as the President deems it practicable. These funds would, of course, be used only in areas not under Communist control.

The Senate Committee on Foreign Relations recently had a full report on the situation in the Far East from the Secretary of State and Ambassador Jessup. There is no doubt that these men are alive to the danger which further Communist advances in that area would hold for our civilization. I can assure the Senate that they will keep in close touch with the Foreign Relations Committee as plans are evolved for any further action the United States might take with respect to the Far East.

PALESTINE REFUGEES

Title IV of the bill authorizes the appropriation of not to exceed $27,450,000 as a contribution by the United States to the United Nations to give effect to a General Assembly resolution designed to alleviate the critical refugee situation in the Near East. Last year the Congress contributed $16,000,000 for the relief of refugees from the Arab-Israeli fighting in the Near East. Other members of the United Nations made contributions which in total equalled the help the United States gave.

This year the contribution of the United States, along with those of other members of the United Nations, will be used to provide work relief for these refugees and to get under way a number of works projects that will make it possible in time for the refugees to be permanently absorbed by the countries of the Near East.

Apart from the humanitarian considerations involved in the program, the committee strongly believes that it is in the interest of American foreign policy to approve this legislation. American petroleum, aviation, shipping, and educational interests are interwoven in

the economies of the Near East. Moreover, there are real dangers to peace and security so long as the refugee problem remains unsolved. Even with the settlement of the refugee problem the political tensions which will arise as that area seeks to make room for a new state will be great. An affirmative foreign policy requires our support for the United Nations as it seeks to relieve tensions in that part of the world.

TECHNICAL ASSISTANCE

This deals with the so-called point 4. As the United States has assumed new and greater world responsibilities, we have learned that the progress of mankind in general and the well-being of our own country in particular are directly bound up with the conditions under which people live in other lands. Since the end of the Second World War we have become increasingly aware that communism thrives where poverty, want, and misery abound.

It is, therefore, of the highest significance to recognize that two-thirds of the people of this globe now living in the Far East, the Latin-American Republics, the Near East, and Africa are unable to achieve full production and the full use of their natural resources because of deficiencies in technical skills and inadequate productive machinery. Primitive agriculture, inadequate transportation, insufficient food and attendant malnutrition, prevalence of preventable disease, lack of essential public-health programs, and absence of needed medicines and drugs make infant mortality high, the average span of life less than 30 years, as in contrast with our own of sixty-odd years, and man's period of productivity pitifully short. People in these areas are subject to frequent starvation, illness, and inability to produce those things which are required for a satisfactory and productive way of life.

As religious groups and missionaries, who have long engaged in trying to help the less fortunate of the world would argue, we, who live in plenty, have some duty to help those less fortunate than ourselves. In addition to moral considerations, cold figures show that it may be desirable for us economically to help less favored people to a higher standard of living. Statistics demonstrate that the greater and the more profitable part of our trade as a nation is with the more highly developed countries as in contrast with the people of the underdeveloped areas.

For the last 10 years the United States Government has been helping the people of the American Republics, of China, and of other underdeveloped areas with technical assistance, but the work has not been correlated and coordinated. Title V provides the basis for the needed coordination of existing technical assistance programs, and it authorizes a sum not to exceed $45,000,000 to continue and to expand this work. Ten million dollars will go to the continuation of such existing programs as that of the Institute of Inter-American Affairs. The remaining $35,000,000 will be used to expand the work to other parts of the world and to help those areas develop economically stable and balanced economies. In a sense, this will help to round out the work of the United Nations and its agencies, for the President is authorized to make contributions to the United Nations for this purpose out of the appropriated funds. In this way it will now be possible for a world program to be undertaken in the magnitude of $85,000,000 to which the United States, the United Nations, other international agencies, private groups, and individuals will contribute, and in which they will share.

It will be a program of exchanging technical skill and expert advice on all kinds of problems confronting the underdeveloped areas. Needed help will be supplied through basic surveys, advice on potential lines of development, expert information on governments, on-the-job training, instruction in the use of materials, consultation on production problems, technical advice to schools and universities, and the exchange of students and teachers.

The program is not large. Nor can it ever be. One should not expect it to accomplish wonders in a short time. It is the beginning of a long, perhaps even slow and laborious process. Some results will be immediate and spectacular; most, however, will take time, patience, and great effort. It is not another ECA for the world nor a program of capital investment. The recipients must eventually shoulder the major financial burden.

The committee recommends title V for favorable Senate action because it is convinced that not only do we have a moral responsibility to lend the less fortunate peoples of the world a helping hand by mobilizing our expert and technical knowledge with which to help them; but that in doing so we shall help ourselves politically and economically.

CONCLUDING COMMENTS

In concluding my remarks, I want to emphasize that the position of leadership and responsibility which the United States occupies in the world today requires a strong, affirmative foreign policy. The Secretary of State a few weeks ago said:

> The only way to deal with the Soviet Union, we have found from hard experience, is to create situations of strength. Wherever the Soviet detects weakness or disunity—and it is quick to detect them—it exploits them to the full.

The bill which we have before us today presents in its five titles five specific ways in which the United States can create situations of strength in the world at points where the Soviet Union is doing its best to create weakness and disunity.

Communists in western Europe have exploited to the full the confusion and chaos which came as a result of the devastation of war. Daily they seek to discover in the United States signs that we are not sincere in our policy to strengthen western Europe. Daily they seek to sow the seeds of disunity, uncertainty, and fear.

Communists in North Korea infiltrate the Republic of South Korea constantly searching for mortal weaknesses which may give the Soviet system an opportunity to bring another satellite within its orbit.

In most of China, the people are now sampling the mean and ugly life which one finds in the police state. Every hour of the day and night communistic imperialism threatens the independence of millions of other peoples in the Far East.

In the Near East, the Soviet Union, like a hawk hovering over its prey, awaits those signs of weakness that may offer opportunity to create disunity and antagonisms among states that have always been strongly anticommunistic.

In all the underdeveloped areas Communist propaganda and intrigue go on increasingly, working for the day when yet another victim can be added to the list.

For those Members of the Senate who are looking for an opportunity to help the free world in its struggle with the forces of totalitarianism, for those Members who are asking that the United States assert strong affirmative leadership in making the world a place where people can live and work in peace, I say to them that there is no better way for us to put our shoulders to the wheel than by voting for this bill.

President Monroe, in his annual message to the Congress in 1822, made the following statement:

> It has often been charged against free governments that they have neither the foresight nor the virtue to provide at the proper season for great emergencies; that their course is improvident and expensive; that war will always find them unprepared, and whatever may be its calamities, that its terrible warnings will be disregarded and forgotten as soon as peace returns. I have full confidence that this charge so far as relates to the United States will be shown to be utterly destitute of truth.

Mr. President, we are engaged in a great cold war that may bring in its wake cataclysmic changes for us all. If this Nation is to endure as a Nation of free people, blessed as it is with the principles of justice and liberty, then it is imperative for us to win the cold war just as it was to win World War II. We must win it just as convincingly. We must win it just as thoroughly.

We must never let it be said that we in the United States lack either the foresight or the virtue to provide at the proper time for great emergencies.

NONPARTISAN FOREIGN POLICY

The pending bill and the appropriations already made in behalf of the Marshall plan are a fundamental part of the foreign policy of the United States. It is an instrumentality by which we hope to restore the economy of western Europe. It is far more than that. It is a symbol of the desire of the United States to assure people who aspire to democracy and freedom and peace that they may attain these goals by following the teachings of democracy and free government rather than the odious and alien doctrines of totalitarianism and tyranny.

The foreign policy of the United States must be one of firmness. It must convey to the peoples of the world the idea of a united America. Any indication that there is substantial division in the United States with regard to our

foreign policy robs us of our influence and weakens and debilitates our efforts in the world.

It is therefore of the highest importance that in our foreign relations we should be united and devoted to the same ideals and objectives. We may not agree upon domestic problems. They can be fought out in legislative forums and in debates among the people. However, in the field of foreign relations our differences and divisions should stop at the water's edge. When the United States speaks in the Council of the Nations it must speak with one voice. That voice must carry the authority if the Government and people of the United States.

There should be no partisan politics involved in our foreign relations. That field should not be invaded by demagogic appeals to gain personal popularity at home. That field should be a hallowed area in which world peace and the national interests of the United States and all its peoples are paramount and the sole concern of Americans who love their country. If the United States is to be a leader in the affairs of the world, and destiny has already called us to that role, it must rise above petty political issues; it must reflect confidence and unity and strength.

In the Senate and outside the Senate, there has recently been considerable discussion of nonpartisan foreign policy. That kind of foreign policy is a truly American policy. We may appropriately discuss it and consider it among ourselves, but when a decision shall have been made, it ought to be the decision of the people of the United States.

The President of the United States, under the Constitution, is responsible for the conduct of our foreign relations. The President will not nor cannot evade that responsibility. He cannot delegate to any other person or official or agency the high duty involved in the exercise of that power. However, the President is free to consult with and to receive the advice of Senators, Members of Congress, and other citizens of the United States, as to the formulation of a foreign policy and to propose action thereunder. Such a course is in entire harmony with our conception of representative government under the Constitution.

President Truman has made it plain that he is in agreement with that policy. Quite recently, the President appointed a distinguished former Member of the Senate, Hon. John Sherman Cooper, as a consultant to the Secretary of State to advise with him on high policy matters. Senator Cooper is a member of the Republican Party. Still more recently, the President appointed a distinguished private citizen, Hon. John Foster Dulles, as a special assistant to the Secretary. Senator Dulles was formerly a Member of the Senate and is a Republican. These two former Members of the Senate are men of the highest character and integrity. They are able and patriotic Americans and can be relied upon to render a high quality of service in our foreign relations as advisers to the Secretary of State and the President. Their appointments should do much to encourage further teamwork between the two parties and to enable us to present a united front to the world with respect to foreign policy.

The action of the President in making these appointments is in harmony with the history of the nonpartisan foreign policy of the United States, as exemplified by Senate Resolution 192 of the Seventy-eighth Congress—the so-called Connnally resolution. The drafting of this resolution and its adoption were the work of both Democrats and Republicans who were Members of the Committee on Foreign Relations.

There was not a single note of partisanship in the deliberations of the committee nor in the voting by which the resolution was adopted. Its action was entirely nonpartisan. Senators will recall that the resolution urged the establishment of a general international organization for the maintenance of international peace and security, and for the participation of the United States in such an organization. It formed the basis for the development of our postwar foreign policy.

During this period, Secretary of State Cordell Hull inaugurated a series of conferences with distinguished private citizens and Members of Congress with regard to the structure of an international organization for the maintenance of peace, thereafter to be erected. These conferences antedated Dumbarton Oaks.

The Secretary of State suggested to the then chairman of the Committee on Foreign Relations, the Senator from Texas, that representatives of the Committee on Foreign Relations be designated to attend such conferences. The Senator from Texas readily agreed to the suggestion and with the consent of the Committee appointed a subcommittee to take part in the deliberations. Disregarding partisan considerations, and the precedents of majority control of committees, the chairman appointed four Democrats and four Republicans to attend these discussions. The Members appointed were Senators La Follette, Vandenberg, White, and Austin, Republicans, and George, Barkley, Gillette, and later Thomas of Utah and Connally, Democrats. They attended all the meetings with the Secretary of State, and each member of the group had a free voice to express his opinion on a basis of equality with all other representatives. Here was nonpartisanship in foreign relations vividly and eloquently expressed. Never was there any partisan suggestion or any effort to secure an advantage of a partisan political character.

At a later date, when the San Francisco Conference was called to consider the formation of an international organization for peace, the President appointed both Republicans and Democrats as delegates. They were as follows: Senators Connally and Vandenberg; Representatives Sol Bloom and Dr. Eaton; Dean Gildersleeve, of Barnard College; and Commander Harold E. Stassen. Mr. Stettinius, then Secretary of State, was chairman of the United States delegation, and former Secretary of State Cordell Hull was named senior adviser. John Foster Dulles was also an adviser.

This delegation, without any partisan political bias and acting individually as the conscience of each delegate dictated, performed its duties in a most industrious and able fashion. At the end of that Conference, the entire delegation, Republicans and Democrats alike, voted for the adoption of the Charter of the United Nations. That Charter was submitted to the Senate of the United States and it was ratified by the overwhelming vote of 89 to 2. That vote clearly reveals that it was not considered on a partisan political basis.

After the adoption of the Charter and the organization of the United Nations, delegates and representatives to the United Nations were appointed by the President without partisan political consideration. The first representatives and delegates to the United Nations General Assembly were James F. Byrnes, Secretary of State; Edward R. Stettinius, Jr., United States Representative to the United Nations; Tom Connally and Arthur H. Vandenberg, United States Senators; and Mrs. Eleanor Roosevelt. Alternate representatives were Sol Bloom and Charles A. Eaton, Members of the House of Representatives; Frank Walker; John G. Townsend, Jr.; and John Foster Dulles.

At a later date Senator Warren R. Austin, a distinguished Republican, was appointed by President Truman as our permanent representative on the Security Council, Interim Committee, Atomic Energy Commission, and the Commission for Conventional Armaments. Senator Austin still retains these important posts.

At the Paris Peace Conference, which was convened to negotiate treaties of peace with Italy, Bulgaria, Rumania, Hungary, and Finland, senatorial advisers from both sides of the aisle sat with Secretary Byrnes all through the negotiations. This was also true of the Second Council of Foreign Ministers which met in Paris in the spring of 1946, and the Third Council of Foreign Ministers which convened in New York in November and December of 1946. Among others of those advisers were the Senator from Michigan [Mr. VANDENBERG] and the Senator from Texas who is now speaking.

Mr. President, these are but a few of the many instances of the nonpartisanship that has characterized the conduct of our foreign policy during the past decade. I did not mention numerous international conferences during this period that were attended by Republican as well as Democratic Members of the House and Senate. Let me again remind the Senate, by way of summary, that such basic policies as those involved in the United Nations Charter; the Rio Treaty; the European recovery program; Senate Resolution 239, the so-called Vandenberg resolution; the North Atlantic Treaty; and, to a certain extent, the military assistance program, all emerged as the result of bipartisan cooperation.

This remarkable and harmonious association of representatives of both parties, not as partisans, but as servants of the American people, is a bright chapter in the history of American diplomacy. It was largely responsible for

the evolution of a sound and firm policy at a very critical time in world affairs.

There is some complaint in the press that Republican Senators are not consulted as much as they should be with respect to our foreign relations. There are five able, industrious, and patriotic Republican Members of the Committee on Foreign Relations. They are Senators VANDENBERG, WILEY, SMITH, HICKENLOOPER, and LODGE. These Members take part in all of the deliberations of the committee, except when they are unavoidably absent.

They have rendered useful and distinguished service both to the committee and to the Senate. They are experienced and trained in foreign relations, and are amply able to present to the committee questions and points of view with respect to problems in that field. Moreover, discussion and debate in the committee are full and complete. Any question that is raised by a Senator has the careful attention and consideration of all the members.

From time to time the committee requests the Secretary of State to come before it to discuss important matters in which the members may have a particular concern. Frequently the Secretary, on his own initiative, requests permission to appear. I do not recall any time when the Secretary refused to appear or refused to discuss any foreign policy question raised by committee members.

Allow me to suggest that Secretary of State Dean Acheson is a man of great ability who has many qualities and intellectual attainments that are very helpful to the committee and its members. He is always thoroughly cooperative with the committee, and in addition, he is always willing to confer with individual members. I am sure he does not withhold any information which would be helpful to us in our deliberations. Of course, there are occasions when he has had to ask permission to speak off the record, where the disclosure of the information involved would be prejudicial to the interests of the United States. There can be no valid ground for complaint that the Senate cannot obtain information with respect to any question of foreign policy. Other Republican Members of the Senate should consult with the Republican members of the Committee on Foreign Relations, and they will have no difficulty in knowing exactly the situation there obtaining.

As I have already pointed out, President Truman has publicly announced that he will continue to conduct our foreign relations upon a nonpartisan basis. Even in the extremely busy life of a President he freely grants interviews and conferences with Senators of both parties upon any important question relating to the foreign situation. This cooperative attitude deserves the admiration of the Senate and the public. As a former Senator, he has confidence in the integrity of the Senate. He does not desire to suppress any information upon vital questions that affect the interests of the United States.

Today, when we face so many international problems, when we are in need of unity and firmness in meeting the difficulties which confront us, why should we not pursue the same course we have pursued in the past? Why should there be an injection of partisan, political issues; why should ambition or hunger for office move men to intrude such matters into our deliberations in the foreign field? Why should not the principle of nonpartisanship guide us as we move into the uncharted seas that lie ahead? I earnestly appeal to Senators, to Members of Congress, to the executive branch, and to all citizens of the United States to stand together in solid support of the foreign policies of the United States which shall be the symbols of our progress toward the goals of freedom, of security, and of peace.

On the battleground, United States commanders do not order forward to the attack Republicans as a group or Democrats as a group. All are Americans. All owe to their country the same responsibility and the same allegiance. All are willing to make the supreme sacrifice in behalf of their country, its citizens, and its people.

Similarly, in time of peace, when we are undertaking to solve the grave issues which beset the world, there should be no call upon Republicans alone or Democrats alone, but upon all of the people of the United States. They should all respond. They should all serve. They should all sacrifice in the common cause for which we stand and in the development and advancement of the noble objectives of the people of the United States.

The people of the world, people in distant lands, people in great nations and in small nations look to the United States for leadership. They look to us to champion those causes that may eventually rescue the earth from the miseries and suffering under which it is staggering. How can we impress them with that leadership unless we are united—unless we stand as one man in behalf of the lofty principles which we advocate and which we proclaim to the rest of the world? Let us highly resolve that the welfare, the security, and the interests of the United States and of world peace must rise above the mists and fogs of party politics.

The United States of America has been and can continue to be a symbol to those who love free government and democracy. To be the ideal leader, it must continue to stir the hopes and aspirations of such peoples the world over.

The history of the United States is a stirring one. It enthralls the imagination and admiration of the free nations of the world. Settled as colonies along the bleak and rugged Atlantic coast, pioneers suffered and struggled to establish new homes in a wilderness. For 150 years the colonists, hardy pioneers, endured hardships, fought for their lives against the savage and gradually conquered the wilderness. Finally growing in strength, and the victims of tyrannical abuses by the mother country, they rose in arms in 1775–76 and for 7 years maintained their cause by force of arms. They declared their independence and attained it at the point of the sword.

Finally after years of confusion and difficulty, they wrote the Constitution of the United States and created a new nation—a nation of freedom, a nation of democracy, a nation of the people.

The powerful influence of the United States upon the world and upon the minds of men cannot be overestimated. Reaching across the Atlantic to the shores of Europe, the American example kindled in the hearts of men the spirit of revolution against their sufferings and hardships under tyrannical governments. Assailed by the greatest European power, by force of arms in the War of 1812, the United States vindicated its existence. strengthened its powers and humiliated the Mistress of the Seas. The spirit of independence and freedom swept southward in the Western Hemisphere, thus stimulating and strengthening the aspirations of the people of the New World for liberty and independence. Revolutions against the power of Spain brought on a long and bitter contest. It resulted in freedom and independence for most of the nations of South and Central America.

When the Holy Alliance, seeking to extend its power to the Western Hemisphere, undertook to restore South and Central American countries to the rule of Spain, the United States, through that eloquent message of President Monroe, December 2, 1823, arrested the ambitions of the Holy Alliance and struck from its hand the sword of conquest. Through that message was established and preserved the freedom of the Western World.

The United States thus became in the eyes of nations everywhere the symbol of independence and freedom and democracy. We must preserve that symbol. We must carry it to all of the nations of the earth. We can carry it only as the American people in their foreign relations maintain unity, maintain the lofty purposes which have guided and directed it throughout its glorious and heroic history.

Mr. HOLLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Texas yield to the Senator from Florida?

Mr. CONNALLY. I yield.

Mr. HOLLAND. I should like to have the Senator from Texas state for the RECORD whether the recommendation contained in the report of his distinguished committee with reference to the pending bill, the extension of ECA, was unanimous.

Mr. CONNALLY. It was a unanimous recommendation, except that one Senator favored reducing the amount.

Mr. HOLLAND. But as to recommending the extension of the program——

Mr. CONNALLY. It was unanimous.

Mr. HOLLAND. And as to the necessity for continued nonpartisan and bipartisan handling of the program, the committee stood together on solid ground. Is that correct?

Mr. CONNALLY. The Senator is correct.

Mr. HOLLAND. Mr. President, I think it appropriate to say I feel that all Members of the Senate, on both sides of the aisle, would want to have expressed to the distinguished chairman of this im-

portant committee congratulations and grateful thanks for his leadership, for his report, and particularly for his having accentuated the need for a continuance of the nonpartisan and bipartisan handling of this most vital subject, vital not only to our Nation but to our friendly allies throughout the world and to all freedom-loving peoples. I may say before taking my seat that I am particularly happy to note that, in consonance with that nonpartisan and bipartisan approach, the next speaker who will address himself to this subject comes from the other side of the aisle. He, too, is entitled to the affection, gratitude, and appreciation of Senators, whether they have their seats upon this side of the aisle or upon the other side. I think there is very strong need of a continuance of this method of handling this vital business of our Nation and of the world.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. WILEY. Mr. President, in view of the fact that many Senators are busy in committees and that many of them wish to attend the hearing at which Mr. Budenz is testifying, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Without objection, it is so ordered.

Mr. WILEY. Mr. President, I desire to address myself to the pending bill. At the outset of the debate, I should like to say a few words regarding a very humble but a very great man, a Member of this body, the distinguished senior Senator from Michigan [Mr. VANDENBERG], the ranking minority member of the Senate Foreign Relations Committee, whose absence we have so deeply missed, not only in the Senate but in the committee. It has been my privilege to serve with him and with the distinguished chairman of that committee [Mr. CONNALLY] in committee work for a number of years. Literally speaking, I have sat at their feet and learned from them in the exchange of ideas in the give-and-take which must occur in every major debate and in committee meetings. On the Senate floor, since the end of the war, the Senator from Michigan has lent his fine mind, his tireless energy, and his devoted services to implement what has been called the bipartisan foreign policy of the United States. While we prayerfully hope today for guidance in determining the problem which is before us, we also utter a silent prayer for his complete recovery.

Mr. President, this is an uneasy world; we are in a period of world readjustment, confusion, and uncertainty, coupled with a partial sense of disappointment and futility because of what have been called our failures fully to remedy the maladjustments of political, economic, and international life.

I have in my hand a magazine, which was handed to me a few moments ago, which contains an article entitled "Leaves from a Diplomat's Notebook." The first heading calls attention to Dr. Klaus Fuchs, a once distinguished British scientist, who has confessed to having passed atomic secrets to Moscow.

The next heading is:

A London paper headlines the story atomic secrets sold for 100 pounds.

Other headings are as follows:

Congress debates the future of the Marshall plan. Suggestions multiply for emergency economic assistance to southeast Asia.

Pandit Nehru says he will not join a Washington bloc or a Moscow bloc.

Tito says, "We will go naked rather than trade in principles."

Another heading:

President Truman directs production to proceed on hydrogen bomb. Chairman of senatorial Atomic Energy Commission proposes new Marshall plan as answer to destructive armament race. Churchill suggests meeting with Stalin.

Mr. President, these are merely headings.

Then I read the statement:

But while the western world seethes with excitement over the prospect of hydrogen bomb warfare a highly revealing leakage shows that Vishinsky said privately to east German Communist leaders in Berlin recently: "We shall conquer the world, not with atomic bombs, but with something which the Americans can't produce—with our brains, our ideas, and our doctrines." Press reports say that hydrogen bomb production may call for expenditure of several billion dollars over 3 years. How much are the democracies spending on ideological development?

Wherever we look we see uncertainty, fear, and threats to the peace. Who would have thought five short years ago that the peace and happiness that came to the free world with the victory of democracy over fascism would have been so short lived? It was perhaps to be expected that the unity which bound wartime allies together would not flower in the postwar years as it flourished in war. It was not to be expected, however, that nations so recently allies would be locked in struggle in a cold war. Instead of a world of peace, security, and opportunity, we face a world where there is much suspicion, distrust, and a cynical lack of morality. Yet in spite of all these things, Mr. President, we have hope and faith, and, contrary to Vishinsky, we have the brains, we have the ideas, and I believe we have the moral stamina. So our hope and faith are strong that we will be adequate to contribute to a rebirth of prosperity, peace, and freedom of the race.

President "Teddy" Roosevelt once said that "the laws of morality which should govern individuals in their dealings one with the other, are just as binding concerning nations in their dealings one with the other." He was right. I know the people of the world—the little people, you and I—want to live and let live; we want states to live by the moral precepts that ought to guide the actions of honorable men. Why is not this so?

For the past several weeks I have heard many representatives of a cross-section of the American people ask that their Government do something constructive to reverse the ominous trend in the relations between the free world and the Soviet Union. Our subcommittee which has been considering resolutions on strengthening the United Nations and on world government has been tremendously impressed by the earnest pleas from the heart for bold action, for a goal toward which men can strive. I am sure every Senator has received letter after letter asking him to do something. There is the rub, Mr. President. What shall we do? We are really looking for the answer. Today I am talking, not about a cure-all, but a palliative. I think it is a necessary palliative. There is a goal toward which men can strive. We were bidden long ago to strive for the goal of "Peace on earth, good will toward men." Thank God, that goal is still before us. At least it is before us Americans. We are not downhearted. Who wants to live in an age in which there are no problems? However, sometimes we wish some of the problems would let up coming. We have reached toward that goal in the United States. We, and the nations of the earth, must achieve that objective before the millennium arrives. I am not one of those who think the millennium is just around the corner.

While the goal is before us like a glittering star in the heavens, the problem of man is to find a way of getting there. Just as we have inventors who can tell us how to build rockets to reach the moon, who can draw pictures of their space ships, we have people who can tell us how to reach the millennium of peace on earth. The great difficulty in reaching the stars, in reaching the millennium, is in building the machine, and getting humanity to love, not hate; work together, not at sixes and sevens or at odds. The United States must with every force at its command, with every bit of ingenuity it can muster, with every idea its people can offer, strive to build a world of peace and freedom.

We know that in this age of material splendor and achievement, we must not forget the spiritual wisdom which constitutes the real framework of our national life. We must fight decadence at every turn. The world needs spiritual splendor, spiritual ideas of honesty, purity, unselfishness, and love more than it needs our goods. Without these ideas goods will only be a palliative. Material remedies for moral ills are ineffective. Many nations are at the ebb-tide of spiritual vitality. Our age will determine which of the rival revolutionary philosophies shall sweep the generations of men. You and I cannot stand idly by. There must be no feeling of "What's the use," or a resignation to the impact of communism.

We are called to a great purpose to serve God, humanity, and country, by seeing to it that there is a spiritual rebirth, and an appreciation of the American way of life. It is a momentous hour in history, and we ordinary folk can be truly great if we do the job before us.

In endeavoring to do my small part toward building such a world, I try to be practical, recognizing that the problem is primarily one of changing the minds of men. We are concerned with the conquest of the minds of men. That is right, Mr. President. Anyone who heard

the testimony this morning by Mr. Budenz in the committee, showing how the Commies work, how they seek by propaganda, education, infiltration, and penetration to affect the minds of men, and how they worked in the past in America, could not fail to understand how necessary it is for us and for our great Nation to modify, perhaps, some of the tactics heretofore employed and to adopt the technique which makes for the conquest of the minds of men.

I try to build my part of the peace machinery so it will work. Since I believe that the Marshall plan is a part of the machinery that may move us in the direction of our great goal, I have supported it from the beginning.

I never dreamed, nor did I believe, that mere material help could accomplish our objective. But when people are starving, when men's minds are cracking, when the economic structure is going to pieces, when pressures from the outside, which deteriorate the morals, the opportunities, and the spirituality of a nation are at work, coupled with hungry stomachs, then material help is necessary, so that men can be in a condition to reason and to think.

When General Marshall first proposed the Marshall plan 3 years ago, I believe he made a proposal that was not only unique in history, but contained a rare combination of virtues.

First, it was humanitarian in the best sense of that term. It was an offer to the victims of a devastating war who had suffered not only by the sacrifice of their soldiers, but by the sacrifice of their homes, their families, their industry.

Secondly, General Marshall's proposal for aid gave the people of western Europe—the people to whom we owe much of our heritage—a chance to build their countries in the pattern of democracy and free enterprise instead of the pattern of totalitarian communism. They did not have that chance when the program began. So-called "free elections," before the days of the Marshall plan were in fact opportunities for Communist minorities in western Europe to coerce a hungry, depressed, fearful people to vote Communist. Our aid has shown the people of western Europe the way, and the rewards of the free way. On their part, they have not failed us. Every election since the beginning of the Marshall plan has been an opportunity for the people to show freely that they do not want communism. They have done so. In Norway, the Communists last fall lost all 11 seats they had formerly held in the Parliament. Election results in Belgium, Austria, and Great Britain were much the same.

Thirdly, the plan has in it a factor not always recognized. It is this: There are men operating it who are salesmen of the American idea. We know that material aid is needed, but more needed is the distribution of these quickening truths of the spirit where freedom abideth.

Fourthly, the program proposed by General Marshall has been of tremendous value to the United States. It has buttressed our security, contributed to our leadership among the the free nations of the world, and promoted the prosperity of the United States.

What is the general consensus as to what has been accomplished up to date?

The Marshall plan has undoubtedly stopped the march of the Russian to the Atlantic coast. It has for the time being saved France and Italy from going communistic. It has given the other nations a breathing spell so that today all our associates in the Atlantic Pact have renewed hope, and have to a large extent reconstructed their economy. It of course has not assured total victory against the onslaught of the communistic philosophy and the communistic political domination. We know there have been mistakes in the administration of the fund, not due to intentional wrongdoing but because of the complexity of the problem and because of the factors inherent in human nature.

We realize also that probably one of our great mistakes has been that we have not appreciated the significance of putting into operation great spiritual and moral forces. But it is not a time for condemnation. It is a time for renewed action. Italy, with her tremendous overpopulation, which is brought out so well in Senator McCARRAN's article in the Saturday Evening Post, presents a continuing challenge. On the economic front, we know that Europe's thousand years of hate and internecine strife and rivalry still persist and create barriers against a real federation. Then there are the old systems of taxation, the outmoded methods of production in agriculture and industry, their bureaucratic, obsolete methods in government, their underprivileged classes, and in many places their inability to produce what they need to eat, the need for redistribution of large estates, vicious tax laws, whereby those who have do not carry their equitable share of the tax burden, the constant impact of communistic propaganda, moral and spiritual deterioration as the result of the Fascist, communistic, and war experiences.

Yet, Mr. President, with all these conditions, the line has been held, due to our efforts together with efforts of millions in Europe who are striving to see the light and get somewhere. And the conclusion seems to be this—that if we fail to carry on, communism will take over.

We all know from past history that where poverty persists, where great dislocations, political, economic and moral, continue, there is fertile ground for the Fascists and Communists.

In the field of the economic, we know that there are some 16 different economies and currencies in the 16 countries. We know that most of the countries are at present importing more than they export, and that they are all reaching for the dollar, because it is still the best money in the world. They need the dollar to further build up their factories and their production plants. Because of the war, the physical needs of these countries are so great that it will be years before they are fully met.

Others have described the problems of Europe far more clearly than I have. Mountains of criticism have been heaped not only upon the job we have been doing, but upon the job that the European nations and peoples also have been doing to rebuild themselves.

But I ask, where do we go from here? How are we to answer that question? I will reach my conclusion, but first I should like to linger a moment on the point of what the value of this program is to the people of the United States.

Too often we measure value in terms of how much a program costs. We have already authorized the expenditure of nearly $10,000,000,000 for Marshall aid. Now we are asked to authorize an additional $3,000,000,000 for Europe. This is a lot of money. What are we getting for it in terms of specific benefits for the United States?

In one sense the money we spend comes back to the United States. American dollars must come back here to be spent. If I trace the path of a single American dollar from the time it leaves the American taxpayer's pocket until it returns to his pay envelope, I believe this will be clear.

When Congress gives an American dollar to the ECA, the ECA in turn gives it to Norway, let us say. The Norwegian government finds that one of its farmers needs a condenser—or a valve of a certain type—to make his tractor run. This condenser is not manufactured in Norway or in any other European country. It can be bought only in the United States. The Norwegian farmer has enough Norwegian kroner—the Norwegian unit of currency—to buy the condenser. He does not want charity. He will gladly pay kroner for the condenser. But the American manufacturer does not want kroner. This manufacturer in, let us say Racine, Wis., wants to get paid with an American dollar.

In effect, this is what happens: The Norwegian pays his kroner to the Norwegian government, which in turn sends the dollar the ECA gave it back to the United States, where our friend in Racine gets his dollar and sends the condenser to the farmer in Norway.

Now, please note this. This transaction would not have been possible without the Marshall plan. If the Norwegian Government had not had the dollar the ECA made available to it, the farmer in Norway would have had to get along without his tractor. And, note carefully, that the manufacturer in Racine would not have sold his condenser. When transactions of this kind are multiplied by the hundreds of thousands, it can easily be seen why the prosperity of western Europe depends on our aid, and why the prosperity of the United States is closely related to the ability of the western Europe to buy essential goods in the United States.

Let us see how thousands of such transactions add up. Let us see what the Marshall plan means to industrial and agricultural America. I wish all my associates in the Senate would give a little study to that subject. I have done considerable thinking about it, especially in view of the fact that letters I receive from home are from persons on both sides of the fence. Many say, "Cut out the aid." Others say, "No, we cannot cut out the aid." Still others say,

"What will happen in relation to the Communists? Will they be able to extend communism to the Atlantic? Will they take over all of Europe?" But practically none of them follow up the chain of the dollar, what it means for employment in this country, what it means to industrial health in America. That is why I shall carry on.

I repeat: Let us see how thousands of such transactions add up. Let us see what the Marshall plan means to industrial and agricultural America. Since the beginning of the program more than two and one-half billion dollars of the money we appropriated has been spent by the Marshall-plan countries in the United States for agricultural products. More than $2,000,000,000 has been spent for industrial products. I am not talking about total western European purchases in the United States. I am only talking about the purchases those countries made in the United States which would not have been possible but for our dollar aid. I am not talking about Marshall-plan money which these countries spent elsewhere—in South America, for example—even though the dollars spent in South America will in turn be spent in the United States for our goods.

Let us break these figures down. Since the program began $1,153,000,000 has been spent for bread grains; $308,900,000 for fats and oils; $254,000,000 for coarse grains; $120,700,000 for meats; $111,200,000 for dairy products. I could go on. More than $850,000,000 has been spent for cotton; nearly the same amount for petroleum; $900,000,000 for machinery and equipment. Let me stress again that these dollars are spent in the United States. They go into the cash earnings of our farmers and into the salary checks of our working people. These dollars are all spent twice. They buy recovery for western Europe, and they buy the products of our great land.

Mr. President, I want my colleagues to weigh carefully any proposals to cut this program. When this program in the form of authorization was before the Senate last year, in view of the fact that the appropriations would come some 4 or 5 months later on, I made the statement then, and I have no objection to repeating it now, that authorization does not mean appropriation. Many times certain imponderables enter into the equation between the time the authorization is made and the time the appropriation is made. By that I mean certain facts develop which change the need. That may occur again. I know not whether it will. But I say that, in view of the changing situation in Europe, in the Far East, and in the Near East, we want to think the problem through carefully and look at all its facets, so that we may not simply see one angle and disregard all the others. After that we will arrive at our conclusion as to what the amount should be.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. CONNALLY. I wish to congratulate the Senator from Wisconsin for the fine service he has rendered in connection with the pending bill, and with respect to many other measures pending before the Committee on Foreign Relations. I know the Senator from Wisconsin approaches these problems with a particularly patriotic spirit, ability, zeal, and understanding.

I thank the Senator for stressing the difference between authorization and appropriation. Congress cannot appropriate any more than is authorized. If we were to cut down the authorization below the danger point, we would be denying to all who now favor an increased amount any opportunity of securing it, because of the lack of authorization. With the authorization undiminished, we would still have a chance to get any amount within the authorization which the committee might see fit to recommend. So the system of having a sufficient authorization, with the possibility of reducing it when the appropriation is made, affords an elasticity which will meet the point the Senator was proceeding to develop.

Mr. WILEY. I thank the distinguished chairman of the committee. I believe a sort of cooperative responsibility exists. When we vote an authorization we must have the facts to justify the authorization. I agree fully with what the distinguished Senator from Texas just said, that so far as the appropriation is concerned, the top limit is the authorization. But I am one who feels—and I repeat—that we must have the facts before us to justify voting an authorization. Between the time the authorization is made and the time comes for appropriation to be made new facts may develop which the appropriate committee dealing with the appropriation has the obligation to consider. If the facts are such as to prove that a smaller sum should be appropriated, it is the obligation of the Appropriations Committee to recommend an appropriation in the smaller sum. That has always been my understanding.

I said when we discussed the bill last year that it is the common-sense approach, because we are living in a fast-changing world. Conditions change overnight. By the time appropriations are to be made in connection with the authorization we are now considering, conditions may have changed so much as to make it necessary to consider and act upon an entirely new bill providing for an additional sum. With respect to the pending bill, the amount that can be appropriated is established and limited by it.

I repeat, Mr. President, I want my colleagues very carefully to weigh any proposals to cut the program. I want to trim away the fat if we can do so without injuring this important enterprise.

If the trade of the free world is not to suffer tremendously after this program ends in 1952, Europe must be able by that time to purchase with its own earned dollars large amounts of goods in the United States. The whole ECA program during the next 2 years is to be geared toward putting western Europe in a position so it can earn enough American dollars to continue purchases here.

If we were to end this program before Europe is ready to buy in the United States with American dollars she has earned herself, we could expect a serious decline in our exports. The manufacturer in Racine could not sell many of his condensers. The farmer could not sell part of his cotton, his grain, his dairy products. If, however, we carry the Marshall plan through to its logical conclusion, if the ECA produces the results we can legitimately expect of it, it should be possible after 1952 to establish a balance of trade with western Europe at a level where the United States and the free countries of Europe can continue to prosper and grow strong.

Mr. President, the Communists will not like this. They do not like to see a strong and independent Europe. They much prefer a Europe unable to purchase from the United States, unable to solve its economic problems. That is why the Communists have tried from the very beginning to sabotage the Marshall plan. I, for one, Mr. President, do not propose to assist them.

I have tried to show how the dollars we spend for the Marshall plan come back to the United States and contribute to our prosperity. Of course, I do not wish to be understood as believing that the United States can spend its way to prosperity, especially by spending its money to help foreign nations. There is a limit to the amount we can contribute to the foreign-aid program. We have very nearly reached that limit. However, as to the expenditures authorized by this bill, I think we must make them, not only for our own prosperity but for our national security.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LUCAS. A moment ago the Senator from Wisconsin made a statement which I think should be emphasized over and over again; namely, that the Communists of Moscow in the first instance refused to join or have anything to do with the Marshall plan; and from that time on, up to this very moment, they have done everything within their power to sabotage and destroy the Marshall plan because of its effectiveness in the European countries we now are helping.

The Senator from Wisconsin has said—and rightly so—as I recall, "I do not propose to aid the Communists in any way whatsoever."

I think that statement should be repeated over and over again, so far as the entire United States is concerned, so that all of the people of the country will understand that those who seek to destroy the Marshall plan are the Communists of America and the Communists throughout the world, because they know, that the Marshall plan and kindred programs are helping to destroy their communistic program of advancement and expansion throughout the world.

Mr. WILEY. Mr. President, I thank the distinguished majority leader. Of course, I have stated that I do not intend to do anything to help Communists.

I think the problem is a difficult one. I have reached my conclusion after a great deal of almost prayerful consideration, in view of what might be called the conflict of authority on the subject. I feel that we have to do what is before us

and attend to the job that is before us if we wish to maintain the position of leadership into which we have been precipitated.

The other day I saw a phrase "the chosen people." I remember that as a boy we looked upon that phrase, as it was used in our Sunday schools, as meaning that the Lord reached out and selected the Israelites as the chosen people. The new interpretation is one which I like; namely, that a chosen people are chosen to do a job; and if they are adequate in the performance of that duty, they remain the chosen people.

Mr. President, whether we like it or not, it seems that we have been precipitated to the top among the nations of the world, and we are chosen to lead. In past centuries, other nations have been chosen to lead, and for awhile they led, but then they failed because they forgot some of the primary functions of leadership. They became materially minded, and thought that leadership simply consisted of getting hold of things material, of dominating the minds of men, instead of educating the minds of men. So they lost their leadership.

All of us stem from European countries. We have formed a new nation, a new breed, rather a mixture of all the bloodstreams of Europe. There are 153,000,000 or 154,000,000 of us. We have been called to a higher purpose, that of rejuvenating, so far as humanly possible, the parent roots, so that they will have a rebirth of confidence and hope. We also have been called, as the chosen people, to stem the onslaught of the Marxist-Communist dynamic movement, and it is dynamic, which seems to be sweeping over a large part of the globe. We have been called as a chosen people to keep on our shores a lighthouse whose lamp sends forth rays of liberty, freedom, courage, and hope to the downtrodden people of the earth.

We have been chosen for a wonderful job. I believe we shall be adequate. The little job which we are called upon to do today is merely a symbol of the larger job which is before us.

Mr. President, I have tried to show that the dollars we spend for the Marshall plan will come back to the United States, to contribute to our economic health and prosperity, to help create jobs, and so forth. As I have said before, I do not wish to be understood as being one who believes that the United States can spend its way to prosperity, nor do I think the mere spending of money or giving away of money to foreign nations, of and by itself, is the job we seek to do or the job we should do. I agree that there is a limit to the amount of money the United States can give away. Many a son of a rich parent has been ruined because he thought he could rely on dad. He thought the golden spoon would always feed him, and he lost his initiative.

We have told Europe that this job will be over in 1952. We Americans keep faith. Once we have given our word, we keep it. To us, the giving of our word is something more than a writing on a scrap of paper which can be torn up. The scrap-of-paper doctrine is not the American way, nor does it represent the leadership the world needs so badly, the type of leadership which I have said is a moral responsibility.

Mr. President, we are doing the job of a Good Samaritan. The Samaritan did not set up in business the wounded man he helped. He simply saw to it that his wounds were washed, and that he had enough food to restore his strength, so that when he had recovered he could resume his job. It seems to me that that is what we must do in the world today, namely recreate in men the hope and energy to build for themselves. We hope the countries of Europe will develop, in addition, a sense of unity and a purpose to collaborate, such as they have never had before—yes, a union of European states into one great group which will collaborate with us. We hope the years of suffering those peoples have undergone will have served to burn out the dross and to bring to the surface the gold, so that they can realize that all of us have the objective of living as free people and joining together to meet the onslaught of the Marxist philosophy.

Mr. President, the money we are spending under the Marshall plan is purchasing for Europe strength which would be used on our side in the event—God forbid that it ever occurs—that the holocaust of war descends upon us again.

I believe the United States is stronger and more secure today than ever before, with strong and true friends in western Europe. Through two terrible wars the countries of western Europe have stood with us, and we have stood with them, shoulder to shoulder. In both wars they bore the first furious onslaught of a strong enemy. The billions of dollars we spend today represent a small amount compared to the cost of a war, yet these billions of dollars spent for the economic recovery of western Europe are enabling the beneficiaries of the program to build up their strength, a strength which will deter suggestion, a strength which, if aggression shall come, will give us strength and will be on our side.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LUCAS. I wish to commend the Senator in what he said last.

Mr. WILEY. Does the Senator restrict his commendation to what I said last?

Mr. LUCAS. No; I commend the Senator for what he has said from the beginning. He is speaking my language, so to speak, so far as the Marshall plan and kindred programs are concerned. What the Senator said a moment ago with respect to the amount of money we are spending on the Marshall plan is true; it is a large sum of money, though it is but a drop in the bucket to what would have to be spent if we should fail to find peace in some way through what we are spending, and if war should come.

We find people throughout America interested in economy in Government. That is the way it should be and certainly the Senator from Illinois is in favor of economy in Government. But in the event we do not attain peace through the Marshall plan and kindred programs, which we are operating at the present time, and should an atomic war come—and God forbid that such should happen—I remind those who are now in a critical mood about saving money that they will not be worrying about balancing the budget; they will not be worrying about the national debt; they will not be worrying about their hard-earned dollars. If atomic war should come to this country, they will be struggling and fighting for survival.

So far as the Senator from Illinois is concerned, he is willing to take the gamble, the calculated risk of spending a few billion dollars now in connection with the Marshall plan and related programs, in order to keep war from engulfing our shores. The Marshall plan is the only program which has been developed here in the Congress of the United States which offers the slightest semblance of hope that we may find the road to peace in this world. I shall continue to support it. I commend the Senator from Wisconsin for what he has said, and for the expression of his feelings on this subject. I commend the Committee on Foreign Relations for reporting unanimously an authorization of this kind.

Mr. WILEY. Mr. President, apropos of what the distinguished Senator has said, I should like to remind the Senate that in the 4 years from December 1941 to September 1945, not counting the cost in blood, in misery, and in dislocated lives, we poured into the conflict against fascism more than $350,000,000,000, an average of $7,500,000,000 a month for 45 months. The amount we are now being requested to appropriate for a full year of foreign aid was used up every 15 days while the conflict raged. Of course, should we be so unfortunate as to become involved in another conflict, with money depreciated as it is, the $7,500,000,000 we spent every month would probably be trebled.

So, Mr. President, it will be seen, as suggested by the Senator from Illinois, that what we are trying to do is, so far as the human mind will allow us to conceive, to buy an insurance policy. We are paying for it to the extent of about $250,000,000 a month, instead of $7,500,000,000 a month. I think my figures are reliable. During the war years, we devoted almost $90,000,000,000 a year to war, more than half our national income. The foreign-aid program, as I say, now amounts to but little more than 3 percent of that huge sum.

Mr. LUCAS. Mr. President, will the Senator yield for another observation?

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Does the Senator from Wisconsin yield to the Senator from Illinois?

Mr. WILEY. I yield.

Mr. LUCAS. I think the Senator will agree with me that in the event war should come tomorrow, the Congress of the United States would not hesitate to appropriate whatever might be necessary in order to win the war, as we did during World Wars I and II. My good friend from Tennessee [Mr. MCKELLAR], the distinguished chairman of the Committee on Appropriations, who sits here by my side, came in one afternoon, during the war, as I recall, with an appropria-

tion of $55,000,000,000 or $57,000,000,000 for war. The Senate passed the bill within an hour, without a yea-and-nay vote.

While there are those who quibble about appropriating a few billion dollars now in an effort to obtain peace on the earth, yet if war should come tomorrow, and the representatives of the executive department should say to the Senator from Tennessee, the distinguished chairman of the Appropriations Committee, "We need $50,000,000,000, overnight," the Congress would grant it. If they said they needed $75,000,000,000 or $100,000,000,000 for war, the Congress would grant it; and no taxpayer in America would groan one bit about appropriating such an amount of money for war. Our boys would be on the way, and the parents of those boys would want that war to end as soon as possible, in order to have their boys return.

What we are trying to do through the Marshall plan is to keep American boys from going to war in the first instance, to keep them at home. Therefore, so far as I am concerned, I do not propose to cut the Marshall plan one iota by any vote of mine on the floor of the Senate, unless I am told by those in the executive department, who are totally familiar with this program, that it is proper and in the best interests of America to do so. I firmly believe and conscientiously feel that this is the only program in existence in the world which, as I said before, has the semblance of hope of bringing peace to the world.

Mr. WILEY. Mr. President, compared to the cost of war, as indicated by the distinguished Senator from Illinois, the cost of this peace program—and I think we can call it a peace program, because we feel it has in it the elements that make for peace—is comparatively small. On the other hand, I would not accept everything the Senator from Illinois said, if it was said with the idea that the ECA program will guarantee peace.

Mr. LUCAS. No. Mr. President——

Mr. WILEY. I think, as the Senator suggested, if we may compare it to anything, we may say it is in the nature of the best kind of insurance policy we could buy. But I believe it would be a serious mistake to give the impression to the world or to our country that the mere materialistic aid which is also added to our military aid for the Atlantic Pact countries, in and by itself, can guarantee peace. Of course, we know it cannot. We know that the very purpose of it is, so far as possible, to build a barrier against the berserk group who are running the affairs of Russia. The only language they know is the language of force. If we were to show a weakening of our stand, we might not only tear down what we have already constructed in Europe, but we might, as I believe the Senator intended to intimate, be welcoming a move on the part of Joe Stalin and his gang to reach the Atlantic.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. LUCAS. I do not want to be understood in that way, and I do not believe my remarks can be so construed. I have said all along, and I repeat, the Marshall plan, aid to Turkey and Greece, the Atlantic Pact, the implementation thereof, and all other programs devised as a means of carrying forward our foreign policy, represented calculated risks. I do not say these programs guarantee to keep war from our shores. What I am saying is, the over-all European program is the only one so far laid down which I believe will do that very thing. I believe, if anything will do it, that program will. I think the Senator will agree with me as to that.

Mr. WILEY. Yes; I agree it is the program which, if strengthened, as I believe it will be, by utilizing more of the spiritual and moral forces which are and will become available, is the best program of which we have knowledge today.

That is why I am supporting it, Mr. President. I shall support it, because I believe we are strengthening the free nations of western Europe and we are strengthening ourselves. In strengthening ourselves, we are performing the obligation which we owe to ourselves and, I believe, to the world, because we are still the lighthouse of freedom. Here liberty prevails. If I remember correctly, scripture tells us that where the spirit of the Lord is, there is liberty. So we must have some of the spirit of the Lord, because here liberty prevails. It is that which other peoples of the earth lack. I, for one, feel that that is one real reason we must prove ourselves adequate, by strengthening ourselves as the leaders of the free world.

Yes; we are engaged in a great enterprise, to strengthen others so that they can stand on their own feet. These others are our own flesh and blood because we of this continent have stemmed from them. I realize that what I am talking today is a sort of a mixture of economics and international morality, coupled with the matter of foreign relations and world politics. We cannot take one of these items out without dislocating the others. I am not an economist, but I suppose there are those who would have no trouble in showing that if we fail to continue to strengthen the economic policy and the moral fiber of our European associates with this $3,000,000,000, it can be demonstrated economically that our national income will be reduced and that the corresponding charge upon our Government to meet unemployment and other contingencies would practically equal the expenditure.

Because of modern invention, we are geographically one world, but because of the conflict of ideas, we are two worlds. Whether we like it or not, we are called to high responsibility, as the leader of one of two worlds, and that responsibility is to protect and preserve all those things which are embodied in what we call the American way. It must be apparent that if the aid that goes to western Germany should cease, the people who have suffered so much would just automatically be thrown into the Russian orbit.

Mr. President, I come from a State in which probably 30 percent of the people are of German extraction. The people of Wisconsin, in two world wars, exhibited a loyalty beyond reproach. They love the old land, but they are America. They own great factories and farms. They have contributed to the economic, moral, and spiritual wealth of the State. There are approximately 50,000,000 such persons in the western zone. Suppose they should become amalgamated with the Russians. The Russians have taken over approximately 6,000,000 of them. But supposing, through the impact of the war of ideas, that great, virile people whose kindred have meant so much to this Nation should become a part of Russia and should accept the ideology of communism. If those two peoples, under the domination of Stalin and his cohorts, should get together, the German people with their great vitality, with their great ability to do things—and they are working in Germany today—I need say nothing further. It would indeed mean a real clash of two worlds.

In everything I have said, I want it clearly understood that I am not unaware of the challenge that is presented to us Americans with this constantly growing deficit, with the inability of our Government to meet that issue head on, by cutting corners where they should be cut, whether it be in procurement, in overstaffed bureaus, or in appropriations for public works that might be deferred. I am aware of all this. I am hoping that that there will be a realization by those in Government who have the responsibility to see to it that something is done about it.

However, that is another problem. What we are talking about today—seeking to maintain a world at peace; seeking to aid those in poverty and in distress, seeking to contain the Russian from overrunning the world—cannot be neglected. I personally feel the two can be worked out together.

The hearts and the minds of the peoples of the earth are ready for peace. The common people behind the iron curtain want peace as much as we do. The people of the borderland countries want peace as we do. The peoples of the backward, undeveloped areas of this world, want peace as we do. And yet peace, if we are to achieve it, must be accompanied by freedom. The United States today stands as a symbol to the peoples of the world who aspire to peace and freedom under God. We must lead the way.

That is why I support the bill.

THE NONPARTISAN LEAGUE OF NORTH DAKOTA

Mr. LANGER. Mr. President, I have before me some dispatches from the news ticker in the Senate lobby. I refer particularly to one item which refers to the fact that at a hearing this morning of the subcommittee of the Committee on Foreign Relations investigating charges made by the Senator from Wisconsin [Mr. MCCARTHY] the name of the North Dakota Nonpartisan League was used. Our distinguished colleague the Senator from Wisconsin had said he would prove that Mr. Lattimore was a Communist, and that he had a witness who would swear that Lattimore was a Communist.

The witness whom the Senator from Wisconsin produced at today's hearing before the subcommittee was Mr. Budenz. According to the ticker report—

> Budenz gave a careful description of the 1937 meeting at which, he said, the party laid down the line that the Chinese Communists were to be pictured as agrarian reformers. He said that Earl Browder opened the session. "It was then when we got the message that the Chinese Communists, whom we had always considered the spearhead of the revolution, were nothing but North Dakota Nonpartisan Leaguers—agrarian reformers, so to speak," he said.

Another press dispatch reads as follows:

> At this meeting, Budenz said, it was agreed that Lattimore should be given the assignment of representing Chinese Communists as "agrarian reformers" or "North Dakota Nonpartisan Leaguers."

Mr. President, there is a very strange coincidence in this. Last week the League, which is the official organ of the Nonpartisan League in North Dakota, contained an editorial entitled "Mud-Slinging McCARTHY." Under the rules of the Senate, of course, I am not going to put the editorial into the RECORD, but to me it is somewhat significant that within less than a week after the editorial appeared a man who, so far as I know, never has been in North Dakota, should take the name of the North Dakota Nonpartisan League in vain, and even by innuendo or insinuation try to mix it up with Russian Communists.

The truth of the matter is that the Nonpartisan League has been opposed to Russian communism first, last, and all the time. As early as a few years ago—I think about 10—it threw out of its convention six alleged Russian Communists. I might say further that when the Nonpartisan League ran candidates for office in North Dakota they were opposed by candidates running on the Communist ticket.

I believe it is due the people of this country to know exactly what the Nonpartisan League is, how far it is removed from Russian communism.

Mr. BREWSTER. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I decline to yield at this time.

Mr. BREWSTER. I wanted to clear up something.

Mr. LANGER. I yield to the Senator for that purpose.

Mr. BREWSTER. I think the question the Senator from North Dakota has raised is a very interesting one. I was present at the hearing this morning when this question was brought up. I believe there was no implication or suggestion that the North Dakota Nonpartisan League was composed of Communists. The idea conveyed was, rather, that the Communists were seeking to give to Communist operations a cloak of respectability by calling Communists, as the witness said, "agrarian reformers" or "North Dakota Nonpartisan Leaguers," with the idea that that would give them respectability, not that it would damn them. The Communists were not trying to call their own comrades bad names, they were trying to call them good names. They were trying to dress the wolf up in sheep's clothing, and that was the whole implication. I am quite sure that if the Senator had heard the testimony, he would have realized that there was certainly no implication or reflection on the organization of which he is speaking.

Mr. LANGER. I thank the distinguished Senator from Maine; I am very grateful to him. I am not a member of the committee, and therefore was not at the meeting and was otherwise engaged. The press dispatches I have mentioned were called to my attention by a member of the press.

Mr. LUCAS. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Illinois.

Mr. LUCAS. Will the Senator read the press dispatch again? I got the impression that they were attempting to slander the Nonpartisan League in North Dakota, and I think the implication is there, notwithstanding what the Senator from Maine may have understood as to what happened in the committee this morning. This illustrates the trouble arising from some so-called investigations. By implication and innuendo the Senator from North Dakota, at least, and all his friends in North Dakota, are now going to understand, whether it is true or not, that they have been charged with being Communists, of being at least in favor of following the Communist line. I should like to have the news dispatch read again. I think the Senator from North Dakota is proceeding along the right line, so far as the smear against his organization is concerned.

Mr. LANGER. Mr. President, one press dispatch says—and I read it:

> Budenz gave a careful description of the 1937 meeting at which, he said, the party laid down the line that the Chinese Communists were to be pictured as agrarian reformers. He said that Earl Browder opened the session.

Then I quote what he said:

> It was then when we got the message that the Chinese Communists whom we had always considered the spearhead of the revolution were nothing but North Dakota Nonpartisan Leaguers—agrarian reformers, so to speak, he said.

Mr. BREWSTER. Well——

Mr. LANGER. The other bears out what the distinguished Senator from Maine said:

> At this meeting, Budenz said, it was agreed that Lattimore should be given the assignment of representing Chinese Communists as agrarian reformers, or North Dakota Nonpartisan Leaguers.

Mr. BREWSTER. In other words, the Communist Party in Russia, or wherever these instructions originated—I read the previous paragraph:

> Budenz gave a careful description of the 1937 meeting at which, he said, the party laid down the line that the Chinese Communists were to be pictured as agrarian reformers.

As I have said, that certainly was to put the wolf in sheep's clothing. We were always told they were agrarian reformers. We never heard of this other characterization.

Then he said that Earl Browder opened the session, then said:

> It was then when we got the message that the Chinese Communists whom we had always considered the spearhead of the revolution were nothing but North Dakota Nonpartisan Leaguers—agrarian reformers, so to speak.

He said that the work of carrying out the new line was assigned "to Mr. Lattimore to be contacted by Mr. Field."

I can appreciate why the Senator from Illinois might very much like to persuade the Senator from North Dakota that there was an attempt to associate the Nonpartisan League with the Communists. I am equally sure that if the Senator from Illinois or the Senator from North Dakota had been present and had heard the testimony, he would have gained exactly the opposite impression, and I think the text of the testimony will fully bear that out.

Mr. LUCAS. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield to the Senator from Illinois.

Mr. LUCAS. I did not start the argument, but I say, in reply to the distinguished Senator from Maine, that the Senator from North Dakota had a perfect right to interpret as he did the communiqué which he found on the ticker. It is very strange that the Senator from Maine should say that I was very anxious to have a certain interpretation put upon those lines. I have a right to my own ideas as to what the implication is. It is also very strange that we find the Senator from Maine striving to get out from under the implication of the statement of Budenz. I undertake to say that there was only one implication justified, namely, that when Browder opened the meeting, wherever it was, of the Communists, he definitely said, if the report is true, that the so-called Communist Party in China could be considered alongside the Nonpartisan League of North Dakota. We cannot make anything else out of it, regardless of how much the Senator from Maine may wish to get out from under.

Mr. BREWSTER subsequently said: Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. BREWSTER. Mr. President, I ask unanimous consent that the colloquy which may now occur and any other colloquy concerning this matter may appear at the conclusion of the prior discussion, inasmuch as I think it very desirable to clear up this matter.

Mr. LUCAS. Mr. President, I do not know why that should be done.

Mr. BREWSTER. I thought the Senator from Illinois might like to have it done.

Mr. LUCAS. I desire to have my remarks appear in the RECORD.

Mr. BREWSTER. My request is that anything which I may say now may appear in the RECORD following the former colloquy.

Mr. LUCAS. I thought the Senator from Maine was attempting to clear up what he previously said.

Mr. BREWSTER. No; I simply wish to have all the colloquy appear together, along with any further comment by the

Senator from Illinois, if he cares to make any.

The PRESIDING OFFICER. Without objection, the further colloquy will appear in the RECORD, as requested.

Mr. BREWSTER. Mr. President, I thought it desirable to clear up this matter. I now have before me the Associated Press dispatch, as well as the United Press dispatch, printed in white and in green, respectively. I think these dispatches make the point very clear.

I read now from the Associated Press report:

> Budenz went on to say, however, that he thought he had "indicated very well" that Lattimore and Barnes were involved in the campaign to make Chinese Reds appear as agrarian farmers.

In that case the word "farmers" is used.

A previous dispatch had read as follows:

> Budenz said it was at this meeting that we "got the word that the Communist Reds were just North Dakota Nonpartisan Leaguers—agrarian farmers."

The United Press dispatch uses the language to which the Senator from North Dakota referred, namely:

> It was then when we got the message that the Chinese Communists whom we had always considered the spearhead of the revolution were nothing but North Dakota Nonpartisan Leaguers—"agrarian reformers—so to speak," he said.

I should like to ask the Senator from North Dakota about this matter, because I think he is performing a very useful service in clarifying it, for when any gentleman of the intelligence of the Senator from Illinois considers that there is such an implication, I have no doubt that there is ample justification for the assumption that many other persons might infer, similarly, that there was an implication of identification.

That is why I want to ask the Senator from North Dakota, and also the Senator from Illinois, if he cares to comment, whether, when the words "nothing but" are used, they constitute a clear implication that an attempt was being made, not to identify the Communists as Communists, not to use that term as a term of derogation or as a term of reflection, but to say, "Why, they are just honest Nonpartisan Leaguers or agrarian reformers," such as we are very familiar with.

An attempt was being made to give the appearance that those fellows were not Communists, but were something else—something very honest. For instance, he might have said they were nothing but Republicans or nothing but Democrats, but he said they were nothing but Nonpartisan Leaguers.

I am very sure that if the Senator from Illinois or the Senator from North Dakota have time to contemplate this matter further they will realize that it is abundantly clear that the making of any implication or the casting of any reflection upon the Senator from North Dakota was the last thing in their thought, and I am sure the Senator from North Dakota will also appreciate that, so far as the approach of the Senator from Maine is concerned, it has somewhat less of the possibility of a suggestion of either personal or political antagonism than has the approach made by the Senator from Illinois, across the aisle.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. Mr. President, of course, I did not commence this argument at all. The Senator from North Dakota took the floor in his own right, as a result of what he saw in the press dispatch. I did not interrupt the Senator from North Dakota, and I did not have any intention of doing so.

However, when the Senator from Maine charges that the Senator from Illinois has more political interest in this matter than does the Senator from Maine, I shall let the newspaper reporters in the press gallery here make the decision as to whether I have more interest in politics than the Senator from Maine has.

It was the Senator from Maine who interrogated the Senator from North Dakota in the first instance, trying to convince the Senator from North Dakota that the Nonpartisan League had not been slandered as a result of what Browder had said. The Senator from Maine is still trying to do that.

However, Mr. President, assuming that the Associated Press and United Press dispatches are correct, I say the Senator from North Dakota is on the right track and he should continue on it.

Mr. BREWSTER. Mr. President, I think I shall let the Senator from North Dakota determine who is the more disinterested in respect to the advice, either regarding the history of our relations or the situation we now face.

Mr. LUCAS. Mr. President, the Senator from Maine and the country know who it was who, in the first instance, attempted to get the Senator from North Dakota off the track on which he had started. It was not the Senator from Illinois who interrupted the Senator from North Dakota, but it was the Senator from Maine, who did so in the very persuasive and fantastic way he has of weaving statements on the floor of the Senate. The Senator from Maine was trying to get the Senator from North Dakota to cease and desist from what he has been trying to do.

Of course the Senator from Maine is a very brilliant man, and all of us understand him. He has these very devious and deep ways of trying to convince people that he has the panacea for practically everything.

He tried to get the Senator from North Dakota away from what he was discussing, because the Senator from Maine realized that what the Senator from North Dakota was saying was detrimental to Senators on the Republican side of the aisle, whereas the Senator from North Dakota was elected on the Republican ticket in North Dakota.

Mr. President, I do not blame the Senator from North Dakota for what he is doing. He has said that Browder, in making that statement—now seconded by Budenz, and perhaps to be supported in the third instance by someone else tomorrow—has smeared the Nonpartisan League. Of course, the Senator from North Dakota feels that way about the matter, or he would never have taken the floor and have done what he has done.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr. LANGER. I yield.

Mr. BREWSTER. Mr. President, I assure the Senator from North Dakota that I shall not undertake to argue the interpretation of the language, inasmuch as undoubtedly that will develop.

I would say that I made it very clear that I thought the Senator from North Dakota was performing a very useful service in clarifying this situation, since, as I said, when the Senator from Illinois interprets it as he does, I am sure many other persons might be calculated to do the same.

However, I would say that if the Senator from Illinois had had his way, the Senator from North Dakota would not be able to speak on this floor at all.

Mr. LUCAS. Mr. President, if the Senator will yield further——

Mr. LANGER. I yield.

Mr. LUCAS. The Senator from Maine is attempting to avoid the issue now. Of course, when the Senator from Maine is caught in a trap, he attempts to refer to some matter far, far back; and now he attempts to prejudice the Senator from North Dakota against the Senator from Illinois for something which happened a long, long time ago.

However, the Senator from North Dakota is not so naive as not to understand what the Senator from Maine is attempting to do. Certainly it ill behooves the Senator from Maine to try to get the Senator from North Dakota on an entirely different subject from the one he has been discussing, by referring to what the Senator from Illinois did many years ago.

The Senator from North Dakota and I are fairly good friends; we get along faily well together here on the floor of the Senate; and of course that is what is worrying the Senator from Maine at this particular moment.

Mr. LANGER. Mr. President, the senior Senator from North Dakota finds himself in the position of the justice of the peace who had just been elected to office. When he tried his first case, the attorney for the plaintiff rose and made a very smooth, fine, suave speech. The Justice said "You know, I think you are right." Then the lawyer for the defense got up and gave almost as good a speech, if not a better one. The justice of the peace said, "By George, I believe you are right." So I am in a position where I believe we may leave it that they are both right, and I will proceed with the platform of the Nonpartisan League. [Laughter.]

Mr. President, I desire to make it unequivocally clear that there is not one single iota or taint of Russian communism among the membership or leaders of the Nonpartisan League in North Dakota.

I think it is due the Members of the Senate and due the people of the country to know exactly what the Non-Partisan League is. I hold in my hand a book entitled "The Nonpartisan League in North Dakota," dated the 7th day of

April 1948, prepared as an undergraduate honor thesis by Ray Goldberg, a student of the Department of Government of Harvard University. I ask unanimous consent that the preface of this book may be printed in full at this point in my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the preface was ordered to be printed in the RECORD, as follows:

PREFACE

"In practice our major political parties are primarily concerned not with framing issues and drawing up distinctive programs, but in trying to discover some way of bringing together into a reasonably harmonious relationship as large a proportion of the voters as possible. The methods employed to this end are dictated by the times, circumstances, and the kind of men in control of the organization. Principles and issues remain relative to these conditions." [1]

The Nonpartisan League (NPL) in North Dakota stands as a testimonial to the perceptiveness and validity of Herring's statement. On the whole, the course of development of the Nonpartisan League shows the conditions of this definition to be not only descriptive but also determining.

There is in the annals of American political parties probably no other movement which more strikingly illustrates the complexity of political action in the United States than the Nonpartisan League. Over the course of its history it answered the description of major party, minor party, pressure group, political-action group, farm bloc, third party, faction, etc.

Surprisingly, however, the league has received slight attention from students of American politics, and almost none since 1921, at which date most writers considered the league extinct. Having seen, therefore, that reliance would have to be placed in original sources, the writer undertook a field trip in North Dakota during the summer of 1947. While on this 5,000-mile trip the writer was able to interview some 50 leading representatives of every faction in every county of the State, as well as to gather opinions from various individuals along the route. The representatives of the different factions were chosen after consultation with Senator LANGER and Mr. Frank Vogel, leaders of the Nonpartisan League, and with Mr. William Stern, former North Dakota Republican national committeeman. A questionnaire was prepared to serve as a basis of comparison in interviewing the various people.

The purpose of the trip was not to gather information for a complete history of the league, or to examine one specific aspect of the movement; instead, the object was to get a realistic over-all picture of the bases, interests, internal structure, and tactics of the Nonpartisan League in North Dakota.

Mr. LANGER. Mr. President, I wish to read one paragraph from the preface:

There is in the annals of American political parties probably no other movement which more strikingly illustrates the complexity of political action in the United States than the Nonpartisan League. Over the course of its history it answered the description of major party, minor party, pressure group, political-action group, farm bloc, third party, factions, etc.

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I might add that Mr. Frank Vogel is today endorsed by the Nonpartisan League for Governor of North Dakota. He is today an outstanding, honest, capable candidate for that position, and we hope he will be elected so that North Dakota will again have good, honest, efficient government in behalf of the common people, and not a stooge who represents the large corporations from outside North Dakota.

Representatives of the different factions were chosen after consultation with Senator LANGER and Mr. Frank Vogel, leaders of the Nonpartisan League, and with Mr. William Stern, former North Dakota Republican National Committeeman. A questionnaire was prepared to serve as a basis of comparison in interviewing the various people.

Mr. President, I desire to read a portion of the introduction. Remember the article was written by Mr. Ray Goldberg as his thesis, and is printed by the department of government of Harvard University.

INTRODUCTION: BRIEF HISTORY

Agrarian movements are nothing new in American history. They date from at least the time of Shays' rebellion, when the farmers from the poor hill country of western Massachusetts demanded cheap paper money to pay off their debts, to the later days of the farm bloc. The Nonpartisan League reflected the background of all these organizations.

The most important of these movements preceding the Nonpartisan League were the National Grange of the Patrons of Husbandry in 1867, the National Greenback Party of 1874, the National Farmers' Alliance of the 1880's and the People's Party of 1892.

During the Granger period, the farmer attempted to increase his narrow margin of profit, or to turn a deficit into a profit, by decreasing the cost of transportation and eliminating the middleman. The program consisted of laws regulating the railroads and the trusts, better taxing laws, and the stressing of cooperative movements such as grain elevators. This same tendency and program was carried on into the Nonpartisan League ideology. The Granger movement did not succeed, partly because the organizers failed to do follow-up work on the newly organized men, but chiefly because of the failure the farmers had at attempts of business cooperation. Though the Nonpartisan League sought similar ends and policies, it remembered these mistakes and tried to correct them when the league was formed in 1916.

Mr. President, I say that today no man in America is better qualified to talk about the Nonpartisan League than the senior Senator from the State of North Dakota, because the senior Senator from North Dakota helped to organize it. He was there at the time of the first meeting of the 300 farmers who appealed to the State legislature for the adoption of remedial laws for the poor people of the State. He was elected as attorney general of North Dakota with the endorsement of the Nonpartisan League. He was reelected as attorney general of North Dakota with the endorsement of the Nonpartisan League. Twice the senior Senator from North Dakota was elected governor of the State of North Dakota with the endorsement of the Nonpartisan League, once on the Republican ticket and another time running as an independent, at a time when Mr. Roosevelt was running on the Democratic ticket and Mr. Landon on the Republican ticket. The name "William Langer" appeared far off to one side of the ballot. Yet the feeling of the people of North Dakota was so strong that I was elected, in spite of the fact that I ran neither on the Democratic ticket nor on the Republican ticket.

Mr. President, I was sent to the Senate by the Nonpartisan League. I was reelected to the Senate and carried every one of the 53 counties in the last election, with the endorsement of the Nonpartisan League. I say that during all its existence there has never been any connection of the Nonpartisan League, directly or indirectly in any way, shape, form, or manner with Russian communism, or with any man who preached communism, or with any woman who preached communism. The farmers, the laboring men, and the small-business men who compose the Nonpartisan League are opposed to Russian communism in every way, shape, form, or manner. I helped organize the league.

In his thesis Mr. Goldberg writes that the Nonpartisan League was organized to help the farmers, the small-business men, and the laboring men. When the league was overwhelmingly swept into office in 1916 whom did it elect as governor of the State? It elected my own predecessor, who for 18 years, with credit to the State and honor to himself, occupied a seat in the United States Senate, Senator Lynn J. Frazier, a farmer, a man who had lived in North Dakota all his life, who had made a good record in the State. What did the league do when it came into power in North Dakota? This is what is said in the Harvard Government book from which I am quoting:

Though possessing absolute control of the State, the league was cautious in its proposals, since it knew that it alone was responsible for every act.

What did the league do? It was in absolute control.

Nevertheless, all the important changes brought about by the league were accomplished in this one legislature of 1919. The most important of the laws passed by the league legislature included the following:

1. A graduated State income-tax law.

Is that communism, Mr. President?

2. Laws setting up a home building association to encourage the owning of one's own home by the use of State loans, materials, and labor.

3. Establishment of a dairy industry commission to provide information and assistance to farmers in the establishment and running of their herds.

4. Creation of a Bank of North Dakota to handle all State funds (making North Dakota the only State in the United States to operate its own bank as a State institution. The league wanted this bank to finance the State projects; furthermore, they wanted to avoid

[1] Pendleton Herring, The Politics of Democracy, p. 102.

the political patronage that sometimes occurs when a State government divides its funds and deposits them in private banks).

Mr. President, as attorney general of the State, as a very, very young man, I was one of the three men, by virtue of my office, who established the Bank of North Dakota. It opened for business on the 19th day of August 1919, more than 30 years ago, and it has been so successful that it is the envy of every intelligent banker and economist in any State who knows anything about State finances. Not only has it made a profit of an average of one-half a million dollars a year for the benefit of the taxpayers of North Dakota, but it has prevented the brokers in the Twin Cities and in Chicago and in New York and other places from coming, for example, into a county which is destitute, in which there has been a grasshopper scourge or which has suffered from a drought, and needs some money, and lending money at high rates of interest. Instead of charging high rates of interest the Bank of North Dakota finances such a county or finances a municipality which is in need, with money at interest as low as 1 percent. Of course, the Bank of North Dakota is hated by all those who used to make enormous profits whenever the people in a county were poor or whenever a county had had misfortune.

Mr. President, as stated in the list, the fifth achievement of the Nonpartisan League of North Dakota was the creation of a State bonding fund to bond all public officials.

Only a few days ago upon this very floor I read an Associated Press dispatch, coming from the Fargo Forum, a newspaper unfriendly to the Nonpartisan League, a newspaper which always has fought the Nonpartisan League and, so far as I know, always has fought anyone endorsed by the Nonpartisan League. What was said in that dispatch? We learned from that dispatch that there is so much money in the State bonding fund of North Dakota that the legislature has passed a law saying, in effect, "Do not call for any more money from municipalities until you have used all the money you have, until only $1,000,000 is left." We are further told that in the year 1948, instead of collecting $176,000, which otherwise it would have been necessary for the municipalities in the State to pay to outside bonding companies, to bond public officials all of that amount, except the sum of $292 was waived, thus making a saving of more than $175,000 to the taxpayers of the State of North Dakota in that one year.

The sixth plank, which was adopted at a time when the Nonpartisan League possessed absolute control of the State, as stated in this book by Ray Goldberg, Undergraduate Honors Thesis, Department of Government, Harvard University, was a proposed constitutional amendment to make it possible for the State of North Dakota to provide hail insurance for various crops. I may say that that constitutional amendment was adopted by the vote of the people of the State by an overwhelming majority. If anyone is interested in knowing how much money was saved to the farmers of North Dakota through the adoption of that amendment, I may say that as of today it amounts to a sum in excess of $100,000,000. Most of that would have gone outside North Dakota, had the Nonpartisan League not been organized.

The seventh plank in the league program—at a time, I repeat, when the league had absolute control—was another proposed constitutional amendment providing the initiative and referendum, and the recall for all State officers. There have been only four recall elections of State officials in the United States. One of those was in Oklahoma; the other three, in the State of North Dakota; showing that the people of that State exercised their right of recall under this constitutional amendment. I may add that the people initiate laws, and we have a referendum or two at nearly every general election.

The eighth plank called for a grain-grading act. We enacted such a law. It became so important that, before we got through, the senior Senator from Ohio [Mr. TAFT] came to North Dakota at the behest of Herbert Hoover, then Food Commissioner of the United States, who was at that time the boss of the present senior Senator from Ohio. By the time the senior Senator got through, he assisted in getting the Secretary of Agriculture to adopt the larger part of the grain-grading system of the State of North Dakota for the United States of America.

The Nonpartisan League is an organization which believes that when a political party makes a promise, and when the people trust the party and elect its candidates to office, the platform promises should be kept. That is why, during the time I have been in the Senate, I have on numerous occasions protested because the Democrats failed to carry out their platform promises of 1932, and it is why I protested because the Republicans failed to carry out the promises of their platform in 1944.

The ninth thing the Nonpartisan League did was to adopt an insurance act, making it possible for the State to go into the insurance business. The State of North Dakota has been in the insurance business for approximately 30 years. It has been so successful that it has cost the farmers and businessmen of our State roughly only one-third of what similar service has cost the farmers and businessmen of other States.

In addition to that, all our schoolhouses, some 8,000 in number, are insured against fire and tornado, as are all the county courthouses, all the public buildings of the State and of its municipalities. Not only have we had this cheap rate, but, year after year, it has not been necessary to pay anything. My recollection is we have a fund of $4,000,000 lying idle in the Bank of North Dakota, to the credit of the fund.

Tenth, the formation of the industrial commission, composed of the attorney general, the secretary of agriculture, and the Governor, to look after important State businesses, such as the mill-and-elevator.

Mr. President, I think everyone in Washington is familiar with the name of Herbert E. Gaston, who, for nearly two decades has been one of the leaders of the Democratic Party in Washington. I hold in my hand the Congressional Directory of 1950, which, on page 428, shows that Herbert E. Gaston is at the present time Chairman and President of the Export-Import Bank of Washington, an institution which handles billions of dollars, and which enjoys the confidence of both Democrats and Republicans to such an extent that in the Eightieth Congress, and possibly before that, as I remember, Republican leaders rose to ask that the capital of the Export-Import Bank be increased by several billion dollars.

Mr. Gaston wrote a book. He is the same man who today is at the head of the Export-Import Bank. I hold in my hand the book which he wrote. He was editor of the Courier News, a daily newspaper owned by the Nonpartisan League in North Dakota, published at Fargo. Almost from its inception, Mr. Gaston was at Fargo. He knows all about this organization. What does he say about the necessity of having an industrial commission to look after the principal State businesses, such as the mill-and-elevator? I shall read from his book, to show what the farmers were up against before the Nonpartisan League came along; but before doing that, let me once and forever, upon this floor, scotch the cry that the Nonpartisan League is socialistic. When I say "socialistic," I use the term as it is used commonly by some of the Members on this floor. In his book, entitled "The Nonpartisan League," Herbert E. Gaston, now President and Chairman of the Export-Import Bank of the United States, at page 54, says:

> Thus it happened that Townley was experimentally a Socialist, and thus he ceased to be a Socialist. Later efforts to prove that the league was a Socialist enterprise in disguise convinced many, but they never convinced the old-line Socialists in North Dakota. They knew better.

Mr. President, I want to read an excerpt from another book, which is entitled "The Story of the Nonpartisan League," by Charles Edward Russell. It is hard to believe some of these things, Mr. President, but they are true. If I had not lived in North Dakota myself, if I had not personally seen what farmers, small-business men, and laboring men were up against in those days, I would not believe it myself.

I turn to page 34 of this book and read as follows:

> THE MAGIC OF THE MIXING HOUSE—WITH OTHER STRANGE MATTERS
>
> If he continued in after years to follow this subject, he must have much to enlighten him as to why he was reduced to be a ranch hand and his wife to be a waitress in a country hotel. For instance, he would have found that in 1913 a bill was introduced in the North Dakota Legislature to bring down the legal rate of interest from 12 percent, which it had been for many years, to the modest figure of 10 percent. This bill was referred (with rare wisdom) to a committee composed of bankers, lawyers, and merchants. They killed it. There was an outcry and at the next session the reduction was actually made—on paper. The legal rate became 10 percent, but the law was so adroitly worded that loans were still made at 12, 14, and even higher rates.

I might say, Mr. President, that I have abstracts of title on land I own which prove that the interest rate was 12 percent.

The redress of a borrower that paid more than 10 percent was, according to this masterpiece of law making, a suit to recover. But the suit must be brought usually against the local bank to whose favor the farmer must look for his other money advances and to which he must go to get his cash when he had sold his wheat. It was about the last institution in the world with which he would wish to have a legal fight.

There were also other subterfuges. The new law was a jest. I have much understated the facts about it. In 1916, after it had been in operation a full year, Mr. John Skelton Williams, National Comptroller of the Currency and therefore an unquestionable authority, reported that he found 69 of the 100 national banks in North Dakota to be charging 12 percent or more on their farm loans.

"About a dozen banks in North Dakota," he said, "reported loans aggregating from $1,000 to $8,000 at rates ranging from 15 to 24 percent," and it appeared from his report that in some instances from 28 to 48 percent was charged for small loans.

Think of it, Mr. President, the best security in the world, a first mortgage on a good piece of land. According to the Comptroller of the Currency, 69 of the 150 national banks of the State were charging 12 percent or more interest.

John Evans might also have read with profit the case of Adolf Sundahl, of Jamestown, N. Dak., and learned much from that as to laws and their administration when the Government is possessed in behalf of interlocked corporations.

Mr. Sundahl was a farmer like Evans. He borrowed $300 on which he must pay a annual interest charge of $40.90. He figured that this was not 10 percent, as the new law said, nor 12, as the old law allowed, but between 13 and 14, and clearly illegal. He sued, therefore, taking advantage of the blessed privilege allowed him by the legislature, and recovered in the lower court.

The money lender appealed and the supreme court reversed the finding below and gave judgment to the money lender on this ground:

Interest on $300 at 12 percent is $36, and since the law would allow the bank to deduct this in advance, the bank could be construed as lending him (Sundahl) this much more ($36) simply because it did not take interest in advance.

Interest on $36 at 12 percent is $4.32; interest on this at 12 percent is 52 cents, and interest on 52 cents is 6 cents, and the court sustained the banker in extorting this interest.

He would also learn with interest, but probably without surprise, that in these conditions farm mortgages in North Dakota totaled $310,000,000, and were increasing so rapidly that wise men were uneasy about the figures; and he would have read with especial interest the testimony of Olaf Knutson that under the law reducing interest to 10 percent he went to his banker with a first mortgage on his farm, and the terms the banker allowed were 10 percent interest and 10 percent discount on the face of the loan; also, that when he tried to borrow $60 on his four horses, two wagons, and harness, the loan agent demurred on the ground that the security was not enough, so to raise the money he had to sell one of his teams for $400.

Also, if in that first year Evans had followed all of his wheat from the sidetrack at his station to the mill that made flour of it he would have found still more enlightenment.

Take, for instance, the grain that he sent to Minneapolis to be sold on commission. It traveled thither by rail and the first charge that was made against it was the freightage. The railroad company that hauled it had received from the people of the United States such rich land grants that their value more than paid for the building of the road, which became then virtually free gifts from the Nation. Next, the company had issued stocks and bonds upon this gift, and on these stocks and bonds, which represented no investment and were constantly increasing in volume, it was paying dividends and interest. To secure the money to pay these dividends and interest on a capitalization that for the most part represented no investment, but only the people's gifts, the company arranged its freight rates so as to obtain the largest possible returns and without the least regard to the service rendered or to its cost. Utterly unjust, untruthful, and sometimes illegal or criminal devices were used to augment this revenue; the pressure of the always-increasing capitalization left no other course open to the managers, no matter how good men they otherwise might be. They, too, had inherited a system and a machine to which they were as much the appendages as the whistle is the appendage of a locomotive and with which they could do nothing except go along and move up the rates as the capitalization soared.

Mr. President, I ask unanimous consent that the remainder of page 38, and pages 39, 40, 41, 42, 43, 44, 45, 46, and the first two lines on page 47 may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

For these reasons the freight charges on that shipment of wheat were exorbitant and absurd. From Jason to Minneapolis, they were, roughly speaking, something like 5 cents [1] a bushel more than a Canadian graingrower would have paid for wheat hauled the same distance.

But the wheat arrived in Minneapolis and stood one morning on a sidetrack. An inspector of the Minnesota State warehouse comission now came to examine and grade it. He carried with him an implement resembling a big tin dart. This he stuck into a corner of one car, clicked a spring, and brought up some wheat. He thought he saw moisture in the grain and decided it to be "No grade on account of moisture." [2] He had a great many cars to inspect that morning, and less than half enough time in which to inspect them.

Doe & Co., the commission firm to which the wheat had been sent, now took samples of it, put them into neat little tin pans, and the next morning early sent them to the chamber of commerce to be displayed.

At 10 a. m. the gong sounds for the beginning of trading on the chamber. Five minutes before 10 an able young man representing the Tidewater Elevator Co. had been along the tables, taking note of the good wheat displayed there, and the instant the gong went he bought the Evans shipment on sample at 5 cents below the market.

One cent a bushel was now assessed against the wheat for this sale. For a reason that Evans never knew and few suspected, the able young man that represented Doe & Co. on the floor was quite willing to sell the wheat below the market. It was because Doe & Co. were also the owners of the Tidewater Elevator Co. The sale, therefore, was made from themselves to themselves, but the cent-a-bushel commission was assessed, nevertheless.

The Tidewater Elevator Co. now sold the wheat at an advance of 1½ cents a bushel to the Basota Grain Co., performing no other service to society than what might be involved in making three marks with a lead pencil.

The Basota Grain Co. sold it to the Medicus Terminal Elevator Co. at an advance of 2 cents a bushel. Same service, same value, same result.

The Medicus Terminal Elevator Co. sent it to its mixing-house, where it presently underwent strange transformations.

If Evans could have pursued the matter far enough he would have found that the Basota Grain Co. and the Medicus Terminal Elevator Co. were likewise owned by Doe & Co., and that each of these sales also had been from themselves to themselves, the right hand of the institution not knowing what the left was doing, but meanwhile making sure of the 1 cent a bushel commission added to the price.

Lest I shall be thought extravagant or unfair about this I will refer to the proceedings before the Committee on Agriculture of the House of Representatives, Sixty-third Congress, a hearing on House bill 14493, providing for the uniform grading of grain; testimony of F. B. Wells, a grain operator of great repute on the Minneapolis chamber; connected also with one of the greatest of the houses there.

"Question. You are the vice president of the F. H. Peavey Co.?

"Answer. Yes, sir.

"Question. That is a line [3] elevator company?

"Answer. They are not engaged in the grain business in any way, shape, or form.

"Question. What is it?

"Answer. It is a holding company.

"Question. Holding what?

"Answer. Holding stocks of various grain companies in Canada.

"Question. What companies do they hold stock in?

"Answer. A controlling interest in the Globe Elevator Co. of Duluth, all the stock

[1] Taking as a basis the average wheat production of a North Dakota farm, a toll of 5 cents a bushel on its produce would amount, in 21 years, at compound interest, to $20,000.

[2] No grade is good wheat, except that it is said to have a little too much moisture. It is often as good as No. 1 or No. 2, and would so grade if it were drier. Being graded "No grade" means it must go (by sample) on the table at the chamber of commerce and be sold for whatever is bid for it. If there were nothing else, this manifest injustice would be enough to breed revolt in any American community.

Rejected grade means "dirty or smutty or moldy, or having other grains in it to the extent that it cannot be graded No. 3 or No. 4," and so it is rejected altogether. As noted elsewhere, the other grains when extracted are almost as valuable as wheat.

It may not be necessary, but can do no harm to explain to the uninitiated the basis for and importance of these gradings. As we have seen, the farmer's price is determined upon them. "No. 1 hard" means wheat of a rarely fine quality, hard and clear, of a certain flintlike appearance and definite color, standing at the top of the market. Next below is No. 1 northern, No. 2, No. 3, No. 4, according to the appearance and weight of the bushel; followed by rejected and no grade. These were the grades in use in the wheat market for more than a generation, though discarded now. Between each grade there was ordinarily a difference in price of from 3 to 15 cents a bushel.

[3] A "line" elevator is one in a series or chain of elevators having the same owners and stretched through station after station along some railroad. A company owning such a chain is called, as here, a "line" company.

of the Duluth Elevator Co., and hold 95 percent of the Monarch Elevator Co.

"Question. What is that?

"Answer. Country line on the Northern Pacific and Milwaukee. The Duluth is a country line; the houses are principally on the Great Northern and the Monarch on the Northern Pacific.

"Question. Any other line elevator companies?

"Answer. Not in that territory. They have a few elevators in Nebraska. Then there is the Belt Line Elevator Co., a terminal located in Superior, and the Globe Elevator operates terminals in West Superior, the Peavey Duluth Terminal Elevator Co. operating in Duluth.

"Question. Have you any terminals in Minneapolis?

"Answer. The Monarch Elevator has a terminal; the Republic Elevator.

"Question. How many terminal elevators have you in Duluth?

"Answer. Three. Not in Duluth, but at the head of the lakes, two in Wisconsin and one in Minnesota.

"Question. How many country elevators are owned or controlled by these different companies, in the aggregate?

"Answer. Do I understand you mean Nebraska also?

"Question. All of them.

"Answer. In Minnesota we have 64 elevators owned by the Monarch and Duluth Elevator Companies.

"Question. How many in North Dakota?

"Answer. About 110—no, I would say about 104; about 6 in South Dakota.

"Question. Nebraska?

"Answer. Fifty-five, I think.

"Question. Any in Iowa?

"Answer. Yes, one.

"Question. In the aggregate, about how many country elevators have you?

"Answer. About 225 or 230." [4]

It appeared also that this same company had many elevators in Canada, and the leases and intertwinings between its American subsidiary companies and those in Canada were so intricate that even Mr. Wells could hardly explain them.[5]

Or we will listen next to the indubitable testimony of G. F. Ewe, connected with the great Minneapolis grain-house called the Van Dusen-Harrington Co.[6]

"Question. The capital stock of the other companies is owned by the Van Dusen-Harrington Co.?

"Answer. Yes, sir.

"Question. Then the National Elevator Co., the Atlas Elevator Co., Van Dusen & Co., the Star Elevator Co., the Pioneer Steel Elevator Co., and the Crescent Elevator Co. are subsidiary companies of the Van Dusen?

"Answer. Yes, sir."

Later the witness added to this list the name of the Interstate Elevator Co. as similarly owned.

He said that the thus owned National Elevator Co. owned in turn 75 or 80 country elevators (each at a station), in various parts of the Northwest; the Atlas Co. owned 75 or 80; Van Dusen Co. owned 50 or 60. In a sentence or two this witness acknowledged the ownership of more than 200 of these line elevators, but there were other concerns that exceeded even this number. Incidentally, it was this kind of ownership that explained Evans' identical experience at Jason and Brownsville, and would seem to justify some of his suspicion concerning the man at the telephone. Both of these elevators were owned (under different names) by the same parent company in Minneapolis, and of course both had, and conscientiously worked for, the same object of getting wheat as cheaply as possible.

[4] Hearing on House bill 14493, Sixty-third Congress, testimony, pp. 432–433.

[5] Ibid., p. 594.

[6] Ibid., pp. 338, 340.

Mr. Ewe's testimony revealed some, at least, of the processes of making money on the Minneapolis Chamber of Commerce to be a delightful simplicity.

"Question. Suppose you had an opportunity right that day to buy that wheat on the floor from a man who had consigned it to you from the West and for whom you had the right to sell it on commission. You would make the turn and get the commission for the sale and purchase both?

"Answer. Yes, sir." [7]

Mr. Wells made this a little clearer.

"Question. Mr. Wells, do you think it is proper for a commission house in the commission business to own subsidiary companies, terminal elevators, and sell to themselves grain consigned to them (on commission)?

"Answer. I think so, unless it has absolute instructions to the contrary. I can see no difference." [8]

Later he repeated that he could see no impropriety in these practices.

Mr. Ewe's testimony showed that on a certain day (October 28, to wit) the Van Dusen-Harrington Co. had sold 9 cars to its subsidiary companies, and on another day had sold 12 cars to the Star Elevator Co., then 5 more to the same concern, and then 3 cars to the Pioneer Steel Elevator Co., making 18 cars sold that day from itself to itself, or about one-half of its total sales.[9]

James Manahan, at that time a Congressman-at-large of the State of Minnesota, testified that the Minnesota House of Representatives had not long before investigated the subject of grain exchanges and he had been counsel for the committee conducting the investigation. He said that while acting in that capacity he got the sales cards of the Van Dusen-Harrington Co. for one day only, and found upon them a sale of 5 cars to the Pioneer Steel Elevator Co. He continued:

"The next day at the hearing I questioned the manager and he testified that the Pioneer Steel Elevator was a subsidiary company which they themselves were operating under a different name. I showed also by compelling the production on that day of the exact range of prices, minute by minute, for which that grade was selling in the pit—I showed that according to that record these five cars were sold at a fraction of a cent—about half a cent a bushel—less than it ought to have been sold for to start with. Because each of these five cars were of the finest wheat that could get to Minneapolis, No. 1 Northern, and was sold by this company to its subsidiary company within 7 minutes after the exchange opened—before anybody else had time to get away from their tables to see what they could purchase for their people and to bid for this choice wheat."

A little later the point arose as to the effect of these proceedings upon outside millers, and Mr. Manahan said:

"Do the mills down the river get the virgin wheat from North Dakota for which they are paying a commission to this Van Dusen-Harrington Co., or to similar concerns to purchase? No, indeed. When the mills down in the country want to buy wheat, the seller for the Van Dusen-Harrington Co. sells wheat—or, to put it in the other form, the purchaser from the Van Dusen-Harrington Co., representing the country miller, another man on the floor of the exchange, goes to the selling agent of the Pioner Steel Elevator, the terminal elevator company, the subsidiary, and buys 5 carloads of wheat for the miller down the river, and charges the miller, of course, the regular commission for so doing.

[7] Ibid., p. 350.

[8] Ibid., p. 595.

[9] Ibid., pp. 462 and 532.

"Mr. HAUGEN, Member of Congress. In that way they get a double commission, do they not?

"Mr. MANAHAN. Yes, and that wheat that comes out of the terminal elevator, that goes from the terminal elevator to the miller down the river, is not the kind of wheat that goes into the elevator from North Dakota. It is depreciated and doctored wheat."

Mr. LANGER. I wonder how many Senators on the floor have ever heard of doctored wheat. The Nonpartisan League put doctored wheat out of business in North Dakota, Mr. President. Not only that, but it put out of business doctored wheat all over the country. How does that sound to my friends on the Senate floor? I am quoting from page 47:

"Doctored wheat"—it sounds strange, does it not? So we turn to the records of the terminal elevators or mixing houses of Minneapolis in search of possible information, and this is what we find:

In 2 years these elevators received 15,571,575 bushels of No. 1 Northern wheat, and shipped out in the same 2 years 19,978,777 bushels of that same grade. That is to say, they shipped 4,407,202 bushels more of No. 1 Northern than they received.

Mr. President, is it any wonder that the American farmers organized? Is it any wonder that the Nonpartisan League came into existence?

I continue to read at page 47:

At the beginning of the 2 years they had no No. 1 Northern, so the excess cannot be accounted for on the theory that it was wheat left over. Where did it come from? Wheat is not ordinarily planted and reaped in elevator bins. What then was this mysterious source of production? And we find that in the same period the same elevators received of No. 2 wheat 20,413,584 bushels, and shipped out of that same grade 22,242,410 bushels, or 1,828,826 bushels more than they received. Where did all that wheat come from?

And again a record of 12 months of grain inspections in Minnesota terminal elevators revealed this astonishing productivity, in such institutions.

Mr. President, I ask unanimous consent that the table be published at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Grade of wheat	Received	Shipped
	Bushels	*Bushels*
No. 1 Hard	341, 567	1, 000, 438
No. 1 Northern	10, 070, 414	16, 900, 917
No. 2 Northern	7, 341, 594	3, 978, 311
No. 3 Spring	1, 335, 830	444, 041
Rejected	256, 063	134, 471
No grade	1, 335, 531	344, 823

Mr. LANGER. I repeat the bottom line of the table: The elevators received during that time 1,335,531 bushels of no-grade wheat, and they shipped out only 344,823 bushels.

I read from page 48:

This seems to throw some light upon the wand-waving, spell-weaving, incantation, or whatever it is that makes the high grade multiply so marvelously after their kind, for it shows that 5,466,372 bushels of wheat went into these elevators as low grade, and came out as high.

That is not all, Mr. President.

In the course of this transformation, there was added to their value from 8 to 12 cents a bushel. If the farmer could have had this

value, it would have changed for him the raising of wheat from an unprofitable to a profitable business. But the farmer did not get this value. The owners of the elevators got it, and the spreading knowledge of that fact could result only in added bitterness in the farmer's mind. For he had raised that wheat, it was the product of his toil and his hard-won acres; and no sophistries could obscure the fact that if it was No. 1 when it came out of the elevator, it was No. 1 when it went in. Yet he had not been paid for No. 1; he had been paid for rejected or no grade, away down at the foot of the market list.

Concerning these facts and the wide prevalence of the system, there can be no doubt. It has been testified to many times in many investigations; it has never been denied. We have for it witnesses of unimpeachable veracity: including bankers.

If there be one league or society of businessmen more conservative and careful than another, it is the Bankers' Association. Yet in 1906 the North Dakota Bankers' Association, impressed with the growing discontent of the farmers and aware that the prosperity of the State was the prosperity of its farms, appointed a committee of five to investigate the farmers' complaints. The course of its investigations led the committee to Duluth, where it found the magic of the mixing house or terminal elevator rather more highly developed than even at Minneapolis. It discovered one elevator that in 3 months had made this record.

I hope every Senator on the floor will listen carefully, Mr. President. This is what one elevator in Duluth, Minn., did in 3 months. Is it any wonder why the Nonpartisan League was organized? Now we find some people, the Grain Trust and eastern bankers' crowd, calling the Nonpartisan League all kinds of names, and by innuendo still trying to wreck it.

Here is what one elevator man did in 3 months:

He shipped in No. 1 Northern wheat, 99,711.40 bushels, and he shipped out 196,228.30 bushels. He took in 141,455.10 bushels of No. 2, and he shipped out 467,764 bushels. He took in 272,047.20 bushels of No. 3 wheat, and he shipped out 213,549.30 bushels. He shipped in 201,267.20 bushels of No. 4 wheat. He shipped out none. He brought in 116,021.10 bushels of no-grade wheat. He sold no wheat of that grade. He brought in 59,742.30 bushels of rejected wheat. He did not sell a bushel of that grade.

According to the market prices current at the time, the value of this wheat as it was received at the elevator was $875,405.66, and its value when shipped out was $959,126.35. The elevator's profits by the changes in the grades were $83,720.69—in 3 months.

There was also the matter of screenings to be accounted for. Screenings of the so-called dirt, the impurities, and foreign substances in the wheat for which the farmer has already suffered dockage at his local elevator. On this subject the committee reported the following.

I ask unanimous consent that the remainder of that page, and pages 51, 52, and 53 be printed in the RECORD at this point in my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

"The screenings actually taken out of the grain [in this one instance] averaged three-fourths of a pound to the bushel. From our knowledge of the dockage taken at country elevators, and also of that fixed by inspectors at terminal points during the period named, we believe this dockage of three-quarters of a pound actually taken from the wheat to have been very much less than that taken from the shipper or farmer. These screenings sold for about $8 a ton. After the dockage of three-quarters of a pound per bushel was taken out the grain was shipped [from the elevator] as clean grain without any dockage. What an eloquent story is told by the above figures." [1]

This, you will remember, is the testimony of grave and sagacious bankers and not the assertions of demagogues or reckless agitators. The eloquence of the story to which they referred is partly contained in the fact that whereas the farmer that raised this wheat was docked 2 or 3 pounds a bushel for these screenings, they proved, when actually taken out and weighed, to amount to no more than three-quarters of a pound. Also in the other fact that, although these screenings properly belonged to him, they were calmly seized by the elevator men and sold for $8 a ton. The committee further reported on this:

"We find that all of the dockage or screenings taken from the grain has an actual value and believe the shipper should receive this value. This matter of dockage is one that could so easily be remedied, and the shipper given the benefit of the screenings actually taken from his grain, that the wonder is the present unjust custom of not only confiscating the screenings, but in addition compelling the shipper to pay the freight on them to the terminal point [such as Minneapolis or Duluth] has been allowed to prevail so long."

And as to the point made by Mr. Manahan in his testimony, the committee said:

"We find that the eastern millers want the grain as it comes from the farmer, and it is an injustice to the shipper as to the miller to prevent this, as is now done. The shipper must accept the inspection rules and customs which have been forced upon him by the powerful combination of elevator and railway interests, and the miller (meaning eastern miller) must take the grain that is offered to him by the Grain Trust so-called, and not in the condition as to mixing that he wants it."

Coming from such a source, this testimony as to the "powerful combination" to which we have before referred may be regarded as conclusive.

Besides the profits on the changing grain grades and profits from the sales of screenings, the elevator had still another source of revenue in these transactions. The committee noted that there were also "the charges for handling the grain and the proceeds of the sale of wheat and other grain taken from the screenings. For we found that all screenings are carefully cleaned over and all good grain taken out, and that the good grain taken from the screenings is shipped out as screenings in order to avoid inspection and appearing in the amount of grain shipped out of the elevator."

We can now begin to glimpse the profits involved and to understand the power they bred.

In 1 year the terminal elevators of Duluth made this record:

[1] Before the Interstate Commerce Commission in the Matter of the Relations of Common Carriers to the Grain Trade, pp. 1061–1062. The testimony at this hearing was made a public document: Document 278 (59th Cong., 2d sess.).

Grade of wheat	Received	Shipped
	Bushels	*Bushels*
No. 1 Hard	599,602	648,607
No. 1 Northern	15,187,012	19,886,137
No. 2	19,693,454	15,178,999
No. 3	7,035,133	1,971,355
Rejected	892,241	94,626
No grade	2,561,505	468,922

They shipped out 4,748,130 more bushels of the high grades than they received, and the source of this addition is counterbalanced by the loss of the low grades. The loss to the farmers (and profit to the elevators) on these transformations was more than $400,000.

And I pause to point to the fact that the great world of bread eaters derived not a cent's worth of value or of service from these tricks. In not one particular was the wheat speeded to the consumer, bettered for the consumer, cheapened to the consumer. Only the trick player and never the community had gain from these jugglings.

Approximately 10,000,000 bushels of wheat in Minneapolis and Duluth every year were raised from inferior grades two, three, or four grades to No. 1 or No. 2.

The farmer was paid for rejected or no grade; the eastern miller paid for No. 1 or No. 2. Yet it was largely the same grain. The farmers still insisted that if the grain was No. 1 when it went out of that elevator it was No. 1 when it went in, and of this I have never been able to learn of any valid denial.

In yet another year the same elevators at Duluth made this record:

Grade of wheat	Received	Shipped
	Bushels	*Bushels*
No. 1 Hard	90,543	199,528
No. 1 Northern	12,401,897	18,217,789
No. 2	10,295,172	6,723,732
No. 3	2,616,065	283,299
Rejected	2,350,302	314,139
No grade	2,586,843	256,943

Mr. LANGER. Mr. President, I find an example at the bottom of the page.

Let me refer to the table at page 52.

In one year the terminal elevators of Duluth made this record. There was shipped in 2,561,505 bushels of no-grade wheat. Believe it or not, they shipped out only 468,922 bushels. They bought 892,241 bushels of rejected wheat, and shipped out only a little more than 94,000 bushels.

Mr. President, I ask unanimous consent that pages 54 through 63 may be printed at this point in the RECORD, as part of my remarks.

There being no objection, pages 54 through 63 were ordered to be printed in the RECORD, as follows:

It is evident that 2,000,000 bushels of rejected and 2,000,000 bushels of no grade and 2,000,000 bushels of No. 3 were transformed into 6,000,000 bushels of No. 1. Did the elevator do anything to it to change its quality? Nothing except to dry it, if it was wet, and to blow the screenings out of it. Neither of these processes could change its intrinsic quality. If it was No. 1 when it went out it was No. 1 when it went in and the farmers were defrauded on these 6,000,000 bushels of close to $500,000. If it was No. 3 and rejected when it went in it was No. 3 and rejected when it went out and the purchasers were defrauded of a like amount. It was no wonder that in a spirit of biting irony a witness before the House

committee cited these facts and then read into the proceedings an account in a Minneapolis newspaper of a grocer's boy in that city that had been sentenced to 60 days in jail for selling a short-weight peck of apples.

The report of W. E. Thompson, chief clerk of the Minnesota Railroad and Warehouse Commission, contains a table showing the amounts of grain received by all the public terminal elevators in Minneapolis for the year ending August 31, 1911. From this it appears that of No. 1 Hard these elevators had received in the year 586,500 bushels, had shipped out 276,484 bushels, and had nothing left on hand. Of No. 1 Northern they had received 15,571,575 bushels, had shipped out 19,976,777 bushels, and had 114,454 bushels on hand. Of No. 2 they had received 20,413,584 bushels, had shipped out 22,242,410 bushels, and had 51,864 bushels on hand. The report showed a total transformation of 6,091,129 bushels of low-grade wheat into wheat of higher gradings. It did not explain the secret of this magic, and had no need to explain it; affidavits could not have made it clearer or more certain. The elevator operators took certain quantities of No. 1 Hard, and mixed it with 4,000,000 bushels of low-grade wheat and called the mixture No. 1 Northern; and certain other quantities of No. 1 Hard,[1] and mixed that with about 1,500,000 of still lower grades and called that hash No. 2.

By this hocus-pocus not only was its value raised to the great profit of the mixers, but all this wheat was now made available for the filling of contracts in future tradings, a matter of vital importance to those carrying heavy speculations on the gambling side of the market.

As to which was the chief loser, the farmer or the buyer, in these extraordinary transactions at the elevators, we have plain enough testimony in the fact that under certain conditions appeals were possible from the gradings made by the State inspectors at Minneapolis. Observe then that all of these appeals were on the ground that the gradings had been too low, and the great majority resulted in the gradings being raised. That seems to tell the story. But appeals were cumbersome, slow, and tedious. Moreover, they availed nothing in the case of the wheat sold at the country elevator, and, practically speaking, they were of little advantage to the farmer.

If we go back now to the adventures of John Evans' wheat on the Chamber of Commerce and connect it with the mystic transformations of the terminal elevators, we shall see the grain industry as it really is in America.

Suppose Evans to have sent five cars of wheat direct to a Chamber of Commerce commission house, Roe & Co., and when the railroad company has had its turn at it and has charged for hauling it far more than the service is worth, the five cars go the usual way. They are inspected and graded, one car, let us say, No. 1 Northern, one No. 2, one No. 3, one rejected, one no grade. Roe & Co., as before described, get a sample of each car and before the gong sounds on the exchange that morning one of their agents has sold all five cars to another of their agents operating under another name and charged the usual 1-cent-a-bushel commission. The second agent sells the five cars to a third, and the third, maybe, represents a terminal elevator owned by Roe & Co., and sends the wheat to that elevator, whither it might as easily have been sent in the first place.

There the contents of all five cars are poured into one bin, whence, in the course of time, it emerges graded as No. 1 Northern, and is sold for such at the top of the market. This makes the balance sheet of Roe & Co. look like this: [2]

Bought 5 cars of wheat at 85½ cents, average	$4,275
First commission	50
Sold same wheat, after mixing, as No. 1, at 91	4,550
Profit on mixing trick	375
Second commission	50
Profit by buying under real market say	25
Total profit	500
Less legitimate brokerage if sale had been made for farmer direct to miller at price the miller paid	50
Total illegitimate profit, called by the farmer "gouge"	450

Or $90 a car, with $8 a ton for screenings to be added.

Meantime the farmer's account would look like this:

1 car No. 1 Northern at 90½ cents	$905.00
1 car No. 2 at 88	880.00
1 car No. 3 at 85	850.00
1 car rejected at 79	790.00
1 car no grade at 75	750.00
Total	4,175.00
Less commission	50.00
	4,125.00
Less freight at 16 cents a hundredweight	480.00
	3,645.00
Less switching charges, whether any were actually paid or not	7.50
Net receipts	3,638.50

If the wheat when he sold it had been graded as it was when it passed out of the terminal elevator he would have received $4,550, less commission and switching charge.

After the Great War began wheat prices rose, particularly in the seasons when the farmers had disposed of their grain; but labor and the prices of necessaries rose likewise, so that the margin for the farmer, except at rare intervals, remained about the same. In 1917 a group of representative farmers in North Dakota worked out the acre cost of raising wheat as follows:

Seed (1½ bushels at $3)	$4.50
Disking	1.00
Plowing	3.00
Harrowing twice	.70
Drilling	1.00
Twine	.33
Cutting and shocking	3.00
Threshing	1.05
Hauling	.25
Taxes	.32
Insurance	.80
Fertilizer	4.00
Interest (8 percent on $50)	4.00
Total	23.95

This was presently shown to be too low for the run of farms in the State. About that time the Government fixed the price of No. 1 Northern at $2.20½ a bushel on the Minneapolis market. The commissioner of agriculture of North Dakota estimated $26.56 an acre as the average cost of producing wheat. In times of drought or unfavorable weather, such as North Dakota had in 1917 and 1915, 10 bushels averaged to the acre would be a big yield. On that basis the farmers were losing 40 cents a bushel on the Minneapolis price for No. 1 Northern. But at the local elevator they never received the Minneapolis price, because there must be deducted freight charges, commissions, and all the rest, and, under the grading system that existed, if they raised No. 1 Northern they could not hope to have it graded better than No. 2, whereas the cost of raising No. 2 was the same as the cost of raising No. 1.

The farmers pocketed their losses and raised the wheat, but it is not remarkable if they felt no burning joy over their balance sheets. They knew well enough that of every dollar paid by the retail purchaser for farm products not 40 cents went to the farmer that grew the products, and when he found the whole burden of the increased cost of living was (in some quarters) laid at his door he knew how huge was that injustice.

Dr. E. F. Ladd of the North Dakota Agricultural College, whose researches in these subjects have made him an international authority, and to whom we shall often have occasion to refer, ascertained that a barrel of flour would make 300 loaves of 14-ounce bread. Supposing a North Dakota farmer to receive an average of $2 a bushel for his wheat in 1917 and 1918, his part in the retail price of such a loaf was 3 cents, while the purchaser paid 8 to 10 cents. Even if the farmer should get as much as $3 a bushel for his wheat and bread remain at the same price, his share in price would be less than 4½ cents.

There is, besides, the item of wheat offal, for which the farmer gets nothing, although it is a source of golden revenue to the miller.

If we put the price of wheat as high as $2.75, consider only what are called "mill feeds" (a byproduct of milling) and going to the limit, say that four and a half bushels of wheat are required to make 300 loaves of bread. We shall then have this showing:

300 loaves of bread at 10 cents	$30.00
Mill feeds in four and a half bushels of wheat	1.50
Total	31.50
Four and a half bushels of wheat at $2.75 cost	12.37
Margin	19.13

It is manifest that here is a huge discrepancy. The bread eaters are paying far too much; the wheat growers getting far too little.

It was not the wheat growers alone that suffered from the abnormal conditions brought about by the system that custom had imposed upon farming. In the darkest days of the Northwest, inspired preachers of the doctrine of patient submission to organized greed were in the habit of urging upon the lowly agriculturist a variation of crops as the real panacea for all this. Investigation has shown that in the regions where there was this blessing in full blast, where the soil was peculiarly fertile, and where all things ought to smile upon the husbandman, the net product of his toil for a year was less than that of a ditch-digger. If this be doubted, I take the actual records and invite comment thereon from sanguine souls that still cling to the notion that the farmers are wading knee deep in legal tender. The two counties are in the State of Minnesota; the line "labor income" means what the farmer had left after all deductions.

[1] Not more than 310,110 bushels of No. 1 Hard could have been involved in both of these transaction; a comparatively insignificant amount.

[2] It should be noted that these prices are calculated on the market as it was at about the time of Evans' collapse.

	Clay County, average of 56 farms at Hawley, 1915	Otter Tail County, average of 52 farms, Pelican Rapids and Erhard, 1915
Receipts:		
Potatoes	$476	
Wheat	557	$742
Oats and barley	268	
Hay and other crops	132	193
Increase feed-supplies	218	41
Cream and butter	192	330
Cattle	207	335
Hogs	167	334
Other stock	119	125
Miscellaneous income	147	51
Total	2,483	2,151
Expenses:		
Labor	353	270
Machinery, buildings, and fences	147	121
Feed and seed grain bought	94	86
Threshing, silo filling, twine	118	87
Taxes and insurance	116	78
All other farm expenses	116	70
Total	944	712
Net income of farm	1,539	1,439
Capital:		
Real estate	13,468	10,866
Live stock	1,614	1,790
Machinery, feed, etc	1,016	924
Total	16,098	13,580
Interest on total capital at 5 percent	805	679
Labor income	734	760

In these conditions it is easy to understand why the farmers regarded with always growing disgust the various efforts of philanthropists and others to inculcate thrift or start movements of "back to the land." When a single elevator could in 3 months, by merely shifting the grades of the wheat it housed, clear a profit thereon of $83,000, and when commission men could easily make $90 a car of illegitimate proceeds at the farmer's expense, it was evident that what was needed was not more thrift, but less larceny. It was also evident that farming would never be anything but hopeless drudgery so long as this system existed. Senator McCumber's estimate of $70,000,000 a year of loss to the Northwestern grain grower by false grading alone seemed in the light of these facts to be much too conservative. An authority at the North Dakota Agricultural College figured the annual loss to the farmers of that State through the unjustifiable seizure of his screenings at $2,000,000. It was but one item in a long list. On every side he was the prey and sport of powerful forces that stripped him, as he bitterly phrased it, to his shirt and his socks. From dockage for dirt that did not exist to charges for switching cars that were never switched, the system, to his mind, was organized against him.

Mr. LANGER. Mr. President, I particularly resent any insinuation or innuendo about the Nonpartisan League members not being good citizens because the Nonpartisan League members stand for honest American patriotism. Only a short time ago I stated on the floor of the Senate what the Nonpartisan League and the farmers of my State did during the World War.

I have that record here in my hand. Mind you, Mr. President, this was at a very time when the Nonpartisan League was at the very height of its power. I said at that time, and I desire to repeat now, that I pointed proudly to the fact that "in the last World War a total of 58,500 young men marched away from our farms, towns, and cities to join the Nation's armed forces."

Again I said:

I point proudly to the fact that of those 58,500 men, almost one-third of them went into the service by enlistment, without waiting to be drafted. There were 42,380 North Dakota men in the Army, 14,069 in the Navy, 1,785 in the Marine Corps, and 275 in the Coast Guard. There were 607 North Dakota women in the WAVES, and several hundred more enlisted in the Women's Corps of the Army and Marine forces.

Many North Dakota men made outstanding records while in the service. Many have been awarded medals and have been cited for bravery beyond the call of duty. Of the thousands who flocked to the colors at the Nation's call, 1,938 of them marched away never to return.

Mr. President, that is the kind of a State North Dakota is.

They laid down their lives on the shell-torn beaches of Normandy and the steaming jungles of the far Pacific. I pray, with you, Mr. President, that they may not have died in vain, that the supreme sacrifice which they have made in the cause of freedom will help to bring a secure and lasting peace for all the world.

Mr. President, that is not all. I read further:

I should like also to mention at this time another outstanding accomplishment of the people of North Dakota of which I am inordinately proud. I refer to the State's record in the various Victory loan and war bond drives.

Not another State in the Union can match that record. North Dakota led the Nation in oversubscribing its quota of war bonds in three of the six drives. North Dakota ranked No. 1 among all the States in the third and fourth war bond drives and in the Victory loan drive. It ranked second among all the States in the fifth and sixth war bond drives.

In the sixth war bond drive, the people of North Dakota bought more war bonds per person than the people of any other State. They ranked second in per capita purchases during the Victory loan and the fourth war bond drives. They exceeded the national average of per capita purchases in every single one of the six drives in which there were State quotas.

North Dakota's quota in the Victory loan drive was $10,000,000. The people oversubscribed that quota by $9,000,000, almost double the goal and 189 percent of the State quota. In the fourth and sixth war bond drives, E bond purchases in the State were 181 percent of quota. Its quota in each of these drives was $11,000,000; sales mounted to more than $20,000,000. It was 123 percent of quota in the third, 143 percent of quota in the fifth, and 114 percent in the seventh.

Altogether, the people of North Dakota bought more than $128,000,000 worth of war bonds, and that figure represents the issue-prices of the bonds, not the maturity value.

Fine people—and good soil. Those are the two biggest factors which have contributed to North Dakota's progress. Our black prairie loam is the richest and most fertile soil to be found anywhere in the country.

Mr. President, I ask unanimous consent that the remainder of what I said at that time upon the Senate floor, on the 16th day of December 1947, be printed at this point in my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Give our farmers plenty of rain, and we will match our grain production with that of any other part of the globe. At the North Dakota Agricultural College, in Fargo, we have a little experimental plot on wheat research. On that piece of ground they have raised a crop of wheat every year for 65 years, without using 1 pound of commercial fertilizer.

I expect that our gross farm income in North Dakota this year will approach the billion-dollar mark. I have heard some complaining about that fact, from people who think that farmers are getting rich, from newspaper columnists and radio commentators who blame the farmers for the high cost of living. Let me say a word or two about that. It is true that the farmers are making more money than they ever did before. But so, it seems, is everybody else. The salaries of newspaper editors and radio commentators are up. The workingman's wages are up. The doctors' and the lawyers' charges are up. The profits of the businessman are up. Senators' salaries are up. Everything is up. The other day I saw some figures on 1947 profits of American corporations. They were fantastic, almost unbelievable, up 200 or 300 percent in some cases. If the farmers were making as much money as some of these corporations are, Mr. President, perhaps those who criticize the farmers would have something to be critical about. But to say that the farmer is more to blame for the high cost of living than anyone else simply is not true. It does not jibe with the facts.

First let me say that it is not the farmers' fault that you have to pay 90 cents a pound for butter, 85 cents for a dozen eggs, 89 cents a pound for beefsteak, 12 cents for a pound loaf of bread, 60 cents for a pint of cream, 90 cents a pound for bacon. In the first place, the farmer did not have anything to do with setting these prices. In the second place, he does not get prices like that when he sells his products. No; the farmer does not set the prices he gets for his products. If he did he certainly would not have let the price of wheat drop to 19 cents a bushel at Bismarck, N. Dak., in 1933. The farmer has to take what he can get.

But in between the farmer and the consumer is a whole row of middlemen—commission men, transportation men, processors, jobbers, wholesalers, retailers—and obviously they are not there for the fun of it. They are there to make a profit. They render a legitimate service, and they get paid for what they do. Some of them, in my opinion, get too much.

At any rate, by the time they get through tacking on a few cents here and a few cents there, the relationship between what the farmer got and what the consumer paid is a rather distant one. Generally speaking, the price to the consumer is almost twice what the farmer got. Many people, when they start complaining about high food prices, forget that fact. The farmer gets all the blame but only half of the consumers' food dollar. The middlemen in between get the other half, without any of the blame, the latter probably due to the fact that they hire lobbyists and fancy propagandists to point out the poor farmer as the culprit.

I have here some interesting figures from the National City Bank of New York. They throw some additional light on this question of who is to blame for the high cost of living.

The net profits of the 23 largest baking companies in the United States jumped from $29,000,000 in 1945 to almost $61,000,000 in 1946—an increase of more than 100 percent in a single year.

Last year the Nation's 16 leading companies handling dairy products made a net profit of $65,454,000, as compared with $38,989,000 profit the year before—1945—a profit gain of 68 percent.

Remember that the figures I am giving you are for net income, after deducting taxes, depreciation, interest, and reserves.

The year 1946 was the year of the meat shortage and the year when the National Association of Manufacturers sounded taps over the dead body of OPA. I remember well the scene at the grave, the solemn vows and the pious promises that prices were going to be kept down.

Let us see what the big meat packers did that year, when Government price controls went off. In 1945, the net profit of 17 leading meat packers was $34,825,000. In 1946 that profit jumped to $70,461,000—another gain of more than 100 percent. I do not think I can be accused of jumping to conclusions when I say that that gain might have had just a little to do with the high price of beefsteak.

Here are the figures on chain-store profits: The 19 leading food chains chalked up a net profit of $20,898,000 for their stockholders in 1945. But in 1946, after OPA had died a lingering death, the stockholders were able to split a profit melon of $45,446,000. That is a profit gain of 117 percent in a single year. It is just possible that that, too, might account for part of the rise in the cost of living.

Remember, Mr. President, these are the profit figures for just one set of middlemen, the processors. In addition, the farmers' products pass through four or five other handlers before they reach the consumer, and each one of them has to get paid and make a profit, too.

To those who think the farmer is largely to blame for the high cost of living, and think that the farmer is making an exorbitant profit, I want to point out this fact, taken from a report of the Bureau of Agricultural Economics: Out of the average dollar that the consumer spent for food in 1947, the farmer got only 53 cents. The other 47 cents went to somebody else—to processors and distributing agencies.

All right; the farmer gets just a little better than half the price the consumer pays for food. Let us consider for a moment what the farmer has to do with the 53 cents he gets out of each food dollar. Like anyone else who works, he is entitled to a fair wage. Nobody should expect him to put in 12 to 14 hours a day just for the fun of it, or to get up at 5 o'clock on a frosty morning to milk the cows just for the pure joy of it. So out of his 53 cents the farmer has to get his own wages and pay the wages of his help. He finds that the hired man will not work today for what he would a few years ago. His wages are three times what they were a few years ago.

The farmer wants to buy a tractor. The tractor that he could have bought for around $1,100 back in 1939 now costs $1,600 or more. A two-bottom tractor plow that used to cost $120 now costs $170. He pays $350 for a corn binder that he used to buy for $230. He pays $253 for a grain drill, instead of $163.

A 10-gallon milk can costs $7.43, although it used to cost $4.75. If the rope on his hay sling wears out, he pays 51 cents a pound for it, instead of 25 cents a pound. His hardware dealer now charges $8.80 for a leather horse collar that used to cost $4.85. If his well goes dry and he needs new pipe, he cannot get it. But if he could, he would pay 30 cents a foot for it, instead of 18 cents. A spool of barbwire now costs $6.50, compared to $3.40 a few years ago.

The farmer's wife also finds out that she needs a lot more money to run the house and keep the children clothed and fed. She pays $5 for a pair of shoes that used to cost $2.50. A 9 by 12 rug for the living room that used to cost $31.60 now costs $67. The same mattress that she paid $9.92 for in 1939 now costs her $22.80. A dining-room set costs $184 now, instead of $56. A 10-pound bag of sugar is $1.04, instead of 55 cents.

Work socks are priced at 27 cents a pair compared to 13 cents a few years ago. Bedsheets which she used to buy for 97 cents now cost $2.78. A pair of overalls today costs $2 more than they did in 1939. Seventy-cent work shirts are now $1.85. A washing machine costs $129 compared to $59 a few years ago. Paint is $5.20 a gallon instead of $2.92.

So it goes, all down the line. Farm prices are up, but so is everything the farmer has to buy. He pays more taxes, more for upkeep and repairs, more for operating expenses generally.

It cost the North Dakota farmer $10.50 to raise an acre of wheat in 1940.

In 1945 his production cost per acre was $18, and for 1947 it probably amounted to around $20 per acre.

Translating that into production costs per bushel of wheat, in 1939 it cost the farmer 84 cents a bushel, but in 1945 the cost had jumped to an average of 95 cents a bushel.

So it can be seen that when we take everything into consideration, the farmer is not the bloated profiteer he has been painted. As I pointed out, he has nothing whatever to say about the price he gets for his product. He has to take just what he can get, come depression or boom, supposedly in accordance with the old law of supply and demand. When that law operates to ship thousands upon thousands of tons of food out of the country, when it operates to triple our exports of wheat in a single year, obviously the prices are going up, just as the price of any other commodity would rise in a comparable situation.

A word now to the ladies and gentlemen of the press and radio corps before I leave this particular phase of my subject. I hope I have not bored them with my facts and figures. I hope they will join me in righting the grave injustice that has been done to the American farmer in trying to saddle him with most of the blame for the high cost of living. I hope they will use the facts and figures I have given them in their news and radio dispatches, to counteract the misrepresentations and the distortions that have gone out, and to give the American people the true picture of the situation as it actually exists.

In this connection, Mr. President, I may say that every Senator on this floor, I am sure, is aware of the fact that my distinguished colleague, the junior Senator from North Dakota [Mr. YOUNG], time and time again has risen in the Senate and has called the attention of his colleagues to the fact that as a member of the Committee on Agriculture and Forestry he has made investigations abroad. He has made visits to other countries investigating the conditions in those lands, so that as a result of what he learned on his trips opportunities for farmers in the United States might be better. It can readily be seen that one who is a farmer himself, and is intimately acquainted with the conditions existing in this country, can go abroad and make a more thorough examination of agricultural conditions in the countries he happens to visit than could a man who had not had that hard personal experience.

I desire now to give the facts behind the story of prices, and also to point up the fact that the man who is shouldering the greatest responsibility in our current program for aiding Europe is the American farmer.

The people of North Dakota have every right to be proud of the record they have made of the food, men, and money they contributed toward the winning of the war, and the help they have given since the war in feeding the hungry people of the world.

I want to emphasize, however, that North Dakota is not living in the glories of the past. Her people are looking forward to an even greater future. They are looking forward to the day when they will play an even larger part in contributing strength and greatness to our country.

A moment ago I mentioned North Dakota's incomparably rich soil as the State's greatest natural resource. I now wish to call attention briefly to two other State resources which are of vital importance in our long-range planning for a better America.

The first of these resources is our tremendous deposits of lignite coal, more than 600,000,000,000 tons.

Our second great natural resource is a mighty river, the Missouri.

North Dakota has lagged behind other western States in the development of her water resources, due partly to the reluctance of Congress in granting the necessary funds required for such development. We North Dakotans have realized for a long time the possibilities of developing the Missouri and other rivers in the State. We never gave up hope that some day others would see the value of such development. I remember, for example, that when I was Governor of North Dakota, back in the early 1930's, I appointed the State's first water conservation commission, and got the State legislature to make an appropriation to start work on the survey and construction of small irrigation projects. At that time, as I remember, my distinguished colleague was a member of the Senate of North Dakota, and of its committee on appropriations.

Before 1941, when I came to the Senate, not one single dollar of Federal money had been appropriated to build a major dam in North Dakota. The only Federal funds we got for that purpose came from the WPA to build small dams for stock-watering ponds. Up to that time, 1941, not one large dam had been built in the entire State of North Dakota.

I am very happy to say that that situation has changed. Today there are four major dams under construction, or on which work is about to start. One of these dams, the Garrison Dam, will be the biggest dam ever built anywhere in the world. The others are smaller dams—Baldhill Dam, Park River Dam, and Heart River Dam.

We are grateful that the "go ahead" sign has been posted on these four projects, and on behalf of the people of North Dakota I wish to thank the Members of the Senate and the House who have made it possible to undertake these developments.

Garrison Dam, in addition to providing the water for ultimate irrigation of more than a million acres of land in North Dakota, will speed the industrial development of the State through the generation of low-cost power. It will also do much to eliminate the disastrous floods which have ravaged the lower valley, with losses running into millions of dollars.

From the standpoint of future industrial development, however, our most valuable natural resource is coal. Imagine, if you can, 600,000,000,000 tons of coal. That is more than one-fifth of our total coal reserve in the whole United States. It is more coal than can be found within the borders of any other State.

It is enough coal to take care of the coal requirements of the United States for 1,000 years.

At the present time we have barely scratched the surface in developing this big coal deposit. But I make a prediction here this afternoon that the day is coming when that coal will be more precious to the people of the United States than gold. That it will become the foundation for the establishment of a great many new industries, and help this country to maintain its position as the greatest power on earth. That development will not come about in my lifetime, and probably not in the lifetime of

anyone else in this Chamber. But I am certain it will come eventually.

Already the experts are becoming alarmed at the rapid rate at which our reserves of petroleum, gas, and hard coal are being depleted. There is a shortage of gasoline and fuel oil in several parts of the country. We may have to go back to a rationing system for these commodities. In some sections of the country there is also a shortage of electric power to meet the expanding needs of industry and farm electrification.

That is where our North Dakota lignite coal comes into the picture, and why some day it is going to be of such vital importance to the Nation's economy. From lignite coal we can make gasoline, we can make fuel oil, we can make power alcohol.

C. Girard Davidson, Assistant Secretary of the Interior, tells me that our lignite is one of the most promising sources for synthetic liquid fuels that we have in this country. He said that the coal fields of North Dakota, South Dakota, and Montana could be converted so as to yield more than 500,000,000,000 barrels of gasoline. We get a better idea of what that means when we remember that our present total proved reserves of petroleum in the United States amount to only about 21,000,000,000 barrels.

I can foresee the day when western North Dakota will be dotted with giant extraction plants over our big coal beds, converting lignite into gasoline, fuel oil, power alcohol, and other products. I can foresee the day when another big-inch pipe line will tap this buried treasure in North Dakota to bring oil and gasoline into the heart of industrial America.

The products we can get from lignite coal are almost endless. It can be converted into gas for use in firing huge furnaces. It can be used to make plastics of all kinds. It can be made into nylon, into activated carbon and hydrogen gas. It will be used in developing sponge iron from the low-grade ores in the Minnesota iron range. It can be pulverized and made into briquettes that have just about the same heating value as eastern hard coal. From lignite coal we can manufacture synthetic ammonia for fertilizers. Lignite can also be processed into a whole series of coal tars for use in making paints, creosote, disinfectants, dyes, and many other products.

Scientists at the University of North Dakota have done a great deal in lignite research, aided by the United States Bureau of Mines, which has several laboratories and experimental plants working out various processes for the development of our lignite resources.

No one realizes better than the American petroleum industry that we are rapidly reaching the bottom of our oil barrel in this country, and that our coal reserves will become increasingly important as a source of synthetic liquid fuels. Just last spring, the Standard Oil Co. of New Jersey announced tentative plans for the construction of a $120,000,000 plant for the conversion of bituminous coal. An experimental pilot plant is also going to be built near Pittsburgh.

So Senators can see why North Dakota, with 600,000,000,000 tons of coal in the bank, looks forward to the future with such confidence. It will continue to be "the breadbasket of the Nation," but it is also destined to become of tremendous importance in sustaining the Nation's industrial economy.

As I have said, North Dakota is a young State. We have been so busy plowing up our prairies that we have not had much time to think about industrial development. Neither have we had the capital required. And it has been only in recent years that the country has come to realize the importance or the need for industrial expansion in the West.

Some who have never been out to North Dakota may be thinking to themselves that I should not be promising all this coal for industrial development. From the various stories they have read in the newspapers, they may be thinking that we are going to need all that coal ourselves, to keep us warm during the winter months. I should like to say a few words about that.

Many persons, particularly here in the East, have a great many simply fantastic ideas about North Dakota weather. Most of them get those ideas from the fact that it sometimes gets a little cold there. The newspapers carry a story once or twice a year that the temperature at some North Dakota point dropped to 25 or 30 degrees below. People say "B-r-r-r-r," and jump to the conclusion that it is that way all the time, that from November through May North Dakota is just one big ice box, with snow drifts 20 feet high.

Personally, I believe that many persons in the East nurse along such ideas because they want to, because they want to think that we are worse off in North Dakota, because it is the only way they can reconcile themselves to the lousy winter weather that Washington, Philadelphia, New York, and Boston have to put up with.

It is going to come as something of a shock to these persons when I reveal that we really have some lovely winters in North Dakota. Our cold is a dry, crisp cold that sets the blood tingling. It is not the damp, soggy, bone-chilling cold that is experienced on the Atlantic Coast. I have seen many a winter day out in North Dakota with the temperature in the forties, a gentle chinook wind blowing and the sun brightly shining, when a jacket or light topcoat was plenty warm enough.

To be sure, there are generally 3 or 4 days of freak weather every winter, when it gets cold enough to get into the papers. And every once in a while a rip-snorting blizzard comes whipping in off the prairies. These extremely cold days and occasional winter storms are, however, the exception rather than the rule. But unfortunately, like the man who bit the dog, it is these exceptions that make the news. We publicize divorces in boxcar letters, but the only way a happily married couple ever gets any publicity is by winning a quiz program.

Weather records kept at Bismarck, the State capital, for a 71-year period show that the average snowfall per winter amounts to only about 31 inches. The average January temperature varies from 14 above in the southwestern part of the State to 2 below in the extreme northeast corner. At Bismarck, on the average, the temperature is above zero on all but 17 days in January, all but 13 days in February, 5 days in March, 3 days in November, 11 days in December.

One thing we can always count on in North Dakota is plenty of sunshine—winter, summer, spring, and fall. We practically have a guaranteed delivery of sunshine at the rate of about 2,800 hours a year. Other States which compare very favorably with North Dakota on that score are California, Florida, and Texas. The average annual hours of sunshine in most parts of these States is about the same as that we get in North Dakota.

The people for whom I feel sorry are those who feel sorry for us. We North Dakotans marvel at the strength of character and the endurance of the people of New York, Philadelphia, and Washington. We marvel at how well they have managed to survive all their dreary, dark, and drizzly winter days, and how stoically they accept their fate of living in a land of wet feet and perpetual sniffles. For our part, we will take clean white snow and a dazzling sun, thank you.

The fact is—and the record proves it beyond the slightest shadow of a doubt—that North Dakota has one of the most zestful, healthful climates of any State in the Union. Anyone who is lucky enough to be born in North Dakota and live there has a pretty good chance of living to ripe old age. Our death rate and infant mortality rate are among the lowest in the Nation.

North Dakota is a grand State, a State of wide horizons. Our people live close to nature. They are not too busy to enjoy the beauties of nature and the simple things of life. And let me say that there is no more beautiful sight in all this world than a North Dakota sunset, or the moon coming up over a waving field of grain on a quiet, peaceful summer night.

I think that James W. Foley, our North Dakota poet, has come closer than anyone else to putting into words the spirit of our people and the love they have for their State. Here is the way he expressed it in his poem A Letter Home, telling the story of a young man in North Dakota who writes back home to his father in the East:

"A LETTER HOME

"Like to come and see you, daddy, and perhaps I will some day;
Like to come back East and visit, but I wouldn't care to stay.
Glad you're doing well, and happy; glad you like your country best,
But, for me, I always hunger for the freedom of the West.
There's a wholesomeness about it that I couldn't quite explain;
Once you breathe this air you love it and you long for it again;
There's a tie you can't dissever in the splendor of its sky—
It's just home to you forever and I can't just tell you why.

It's so big and broad and boundless and its heaven is so blue;
And the metal of its people always rings so clear and true;
All its billowed acres quiver like the shudder of the sea
And its waves roll, rich and golden, in upon the shore for me.
Why, your farm and all the others that we used to think so fine
Wouldn't—lump 'em all together—make a corner lot of mine;
And your old red clover pasture, with its gate of fence rails barred,
Why, it wouldn't make a grass plot in our district schoolhouse yard.

"Not a foot has touched its prairies but is longing to return,
Not an eye has seen the sunset on its western heavens burn
But looks back in hungry yearning, with the memory grown dim,
And the zephyr of its prairies breathes the cadence of a hymn
That is sweet and full of promise as the 'Beulah Land' we knew
When we used to sit together in the queer, old-fashioned pew,
And at eventide the glory of the sun and sky and sod
Bids me bare my head in homage and in gratitude to God.

"Yes, I love you, daddy, love you with a heart that's true as steel,
But there's something in Dakota makes you live and breathe and feel;
Makes you bigger, broader, better; makes you know the worth of toil;
Makes you free as are her prairies and as noble as her soil.
Makes you kingly as a man is; makes you manly as a king;
And there's something in the grandeur of her seasons' sweep and swing
That casts off the fretting fetters of your East and marks you blest
With the vigor of the prairies—with the freedom of the West!"

Mr. President, I hope that in the 45 minutes I have taken this morning I have been able to emphasize once more the great State whose people I have tried faithfully to de-

scribe. I believe Senators will know them better, as the result of what I have said about them. I hope my remarks will make every Senator zealous in seeing to it that 1 State out of the 48 States is not discriminated against in the matter of appointments. I hope it will be conceded, in view of the fine record North Dakota has made during 57 years of statehood, that certainly the people of that State are entitled to recognition by the executive department.

In conclusion, I simply repeat what I said on a former occasion, that no matter what the future may bring forth in this great Nation, the people of the State of North Dakota may always be counted upon by the President, whether or not they ever get a Federal appointment.

Mr. LANGER. Mr. President, the Nonpartisan League stands for clean government. There was plain, honest, efficient government in North Dakota during Nonpartisan League control. Its efficiency and good government has never been equaled.

It is a terrible thing that if the editor of even one large newspaper sets his mind to it, he can almost wreck the reputation of any man, if he lies about him often enough and long enough. People read that kind of stuff and finally many of them get to believe it.

I merely wish to say in passing that in the 35 years of its existence in North Dakota, no man elected to public office with the endorsement of the Nonpartisan League, either State office or United States office, has ever been convicted of any crime of any kind or character. I say that is a record of which to be proud. The opponents of the league can smear all they desire, print all they wish about this organization, but farmers and the laboring men and the small-business men out there know the truth, they know the facts.

Mr. President, the Nonpartisan League was organized to help the farmers, the laborers and the small-business men. They proceeded to keep their promise.

I now desire to go back to No. 10 of the Harvard book list. In North Dakota we organized a State-owned mill and elevator. It issued bonds. The senior Senator from North Dakota had the privilege of appearing before the Supreme Court of the United States to argue whether or not those bonds were valid, and by unanimous decision of the Supreme Court of the State the validity of the bonds was sustained. So you see I know all about the preliminaries.

The mill and elevator business is a success. It costs the State of North Dakota perhaps $3,000,000, today it is worth perhaps $10,000,000. But that is not all. Two years ago the profit was over $865,000, last year about half a million dollars.

Oh, it is said, the States cannot go into business. Mr. President, I say that when private enterprise does not take care of the common people, when private enterprise will not give the people that to which they are entitled, and what their votes show they want, it is the duty of the State to see that the common people are protected.

When the big bankers of the East were charging North Dakota, as was proved here a few minutes ago, all the way from 12 to 24 percent on first mortgages on farms, and on small loans, why was it not the duty of the State of North Dakota and the people of the State to organize the Bank of North Dakota and get the loans down to 5 percent? We got them down to 5 percent. That is one reason why the big financial system has been fighting some of us from the day we organized the Bank of North Dakota down to the present time. And we relish the fight and will keep on whipping them.

Only day before yesterday there was an article in the Daily News of Washington stating that the senior Senator from North Dakota had given his mailing frank to an alleged subversive group, and that the alleged subversive group was mailing out literature under the frank of the senior Senator from North Dakota. There was not one single iota of truth to it. Not a frank has ever gone out of my office to be used by anyone else anywhere. The frank is used either in my own office in Washington or in my branch office in the State of North Dakota. The statement was absolutely untrue. Yet hundreds of thousands of people read it. People would be led to believe that the senior Senator from North Dakota handed out thousands of his franked envelopes to be used by an organization which is alleged to be subversive but which I understand has never been so proven in any court.

Mr. President, referring again to the thesis written by Ray Goldberg, as the eleventh point, he says that at the time the Nonpartisan League was in full control of the State of North Dakota Legislature, the legislature established a board of administration to administer all State institutions not under the jurisdiction of the industrial commission.

Twelfth. The legislature, while the Nonpartisan League was in full control, established an 8-hour law for women. Before that law was passed, little girls 14 years old worked in restaurants from early morn until late at night. They were worked 7 days a week. They were paid what the employers chose to give them. There was no provision for minimum wage at all. The Nonpartisan League said that little girls could not begin to work until they were at least 16 years of age. It said they should not work more than 8 hours a day nor more than 48 hours a week. As attorney general, I had the pleasure of enforcing that law. I found a large department store in which, before the enactment of the law to which I referred, young girls were paid $2 a week, and they had to board, clothe, and feed themselves out of that $2 a week. The Nonpartisan League wiped that kind of thing out in North Dakota. I am proud of the record the league made in wiping it out. I am proud of having had a part in doing it.

Thirteenth. We passed a law insuring full crews on trains going through North Dakota. At that time trains of over 100 cars would be made up, or two engines would be hooked onto it if it was desired to haul more cars, and only three men composed the train crew. When ice and snow came, it was natural that some of the members of the crews would lose limbs or their lives. We provided that if a train was composed of more than 70 cars, that is, 70 cars or more, at least 5 crew members should operate the train.

Mr. President, we took care of the laboring men. There has not been a single law passed, to my knowledge, in North Dakota for the benefit of the laboring men which was not passed by the Nonpartisan League when it was in power in the State of North Dakota.

Fourteenth. According to the thesis written by Ray Goldberg, we passed a law making it possible for the State to establish a light, heat, and power plant in the State of North Dakota. That is a story by itself, and I could speak for hours and hours and hours on the subject. I can accomplish the same result, Mr. President, by placing in the RECORD a chapter which appears in the book entitled "The Land of the Dacotahs," written by Mr. Bruce Nelson, who received a scholarship from the University of Minnesota. It is printed by the University of Minnesota Press. In it there is a chapter entitled "The Revolt of the Farmers." I ask unanimous consent that the entire chapter may be printed at this point in my remarks.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. What was the title of the chapter to which the Senator just referred?

Mr. LANGER. The title of the chapter is "The Revolt of the Farmers."

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

The chapter is as follows:

CHAPTER 17

THE REVOLT OF THE FARMERS

During the 1880's a young Englishman traveling in the American Northwest boarded a train which was to take him through Montana to Yellowstone Park. He was dowered with a quick eye and a gift of vigorous expression that have preserved for us a revealing glimpse of the western scene of that day. But let the youthful Rudyard Kipling tell it in his own words:

"We were a merry crew. One gentleman announced his intention of paying no fare and grappled the conductor, who neatly cross-buttocked him through a double plate-glass window. His head was cut open in four or five places. A doctor on the train hastily stitched up the biggest gash, and he was dropped at a wayside station, spurting blood at every hair, a scarlet-headed and ghastly sight. The conductor guessed that he would die, and volunteered the information that there was no profit in monkeying with the Northern Pacific Railway."

Had Kipling known it, he was witnessing an allegorical illustration of the railroads' treatment of all the citizens of the Upper Missouri Valley in the days when the railroads were kings. Protest as they might against discriminatory freight rates, threaten as they might not to pay, the men of the Northwest usually learned in the end what Kipling's gentleman learned: That it didn't pay to monkey with the Northern Pacific Railway or any of its colleagues.

But while their heads were often bloodied, they remained unbowed. And they found, in time, a means of curbing to some extent the arrogant dominance of their corporate masters: The railroads, the chain elevator companies, and the grain trust. It is a story with undertones of tragedy and overtones of comedy; and it should perhaps begin with some account of the problems Northwest

farmers found themselves facing as a result of the growth in their number and the rich increase in their harvests.

As early as the 1870's, Ignatius Donnelly, of Minnesota, first of a distinguished succession of middle western liberals, was pointing out the inequities of the grain exchange: "When a thousand men are found at work producing results for the common good, there will be found a score of fellows sitting on the fence devising schemes to steal the reward of their efforts, and they generally succeed. * * * In Minnesota the wheat ring has got the market monopolized in this way. Twenty-five years ago when a farmer took his load of wheat to market he was beset by a dozen buyers competing for it. Now he will generally find one and sometimes two elevators at each station. The price is the same at both places, and if you inquire they will tell you that they have received a telegram from the Minneapolis fellows telling them what to pay."

Concluding with a rural illustration shrewdly aimed at his farmer listeners, Donnelly likened the practices of the grain exchange to that of a farmer who, when gathering eggs, leaves one in the nest to encourage the hen to lay again. The parallel was not entirely accurate. Northwest farmers often found that the market manipulators did not leave them even enough profit to enable them to plant again the following year.

It was in North Dakota that the hand of the railroad and milling interests lay heaviest, for it is more completely dependent upon agriculture than any other State in the Union. It was only natural that the farmers of that State should be among the first to organize in the fight against exploitation; it was there the fight was most successful; and it was there the Nonpartisan League arose, to spread to 14 surrounding States before World War I broke the back of the organization.

From earliest days North Dakota, like neighboring Montana and South Dakota, had been governed from the East. With the coming of statehood in 1889 conditions were scarcely altered, for the State's legislatures and its executive machinery continued to be dominated by eastern interests. Peopled as the State was by large numbers of foreign-born immigrants who were not yet familiar with American political ways, it was ripe for outside domination of the boss type.

Without capital for the most part, North Dakota's farmers were dependent on the cities of St. Paul, Minneapolis, Duluth, and Chicago for markets for their grain. They were dependent on the railroads for the transportation of their products to the distant terminals. And in the matter of fair treatment they were at the mercy of both. Prices for North Dakota wheat were arbitrarily fixed by the chambers of commerce or boards of trade of the big milling centers; and the farmer, faced with the necessity of selling his grain if he was to exist, had to learn to take it—even if he never learned to like it.

The actual seat of North Dakota's government was for many years among a little group of industrialists and political bosses who met at the Merchants Hotel in St. Paul. True, a set of State officials and a legislature existed in North Dakota, but they took their orders from their bosses, chief of whom was Alexander McKenzie of Bismarck, New York, Seattle, and a number of other places—the boss of North Dakota, of whose activities we have heard before.

McKenzie, since his capital-city intrigues in the eighties, had grown in power and political influence. He represented not only the railroads, but the banking and insurance companies, the milling and elevator companies, and the large lumber firms which conducted business in the State. It was his job to see that legislation curbing the exploitative activities of these companies was defeated in the North Dakota legislatures—and he performed the task with consummate skill for a quarter of a century.

For decades the farmers of North Dakota were powerless in the grip of the McKenzie ring and the invisible government behind it. Even such enemies of the Nonpartisan League movement as Andrew Bruce admitted freely that the farmers of the upper river valley were pitilessly exploited. The league had ousted Bruce from his position as chief justice of North Dakota's supreme court, so he could hardly be considered biased in its favor; yet he testified in his book, Nonpartisan League, that not even a postmaster could be named in North Dakota without the approval of the powers in St. Paul.

The economic injustices the farmers suffered were numerous and unbearable. From the early days of the valley's settlement farmers had been aware that the market prices for their grains were arbitrarily fixed by the elevators in their communities. It was not long before they learned too that the elevators were members of great chain systems, owned and controlled by interests in the cities to the east. The solution seemed simple. A group of farmers would band together and construct their own cooperative elevator, store their grain, and later sell it in the terminal markets where reasonably fair prices might be assured. The scheme was partly successful. Under the stress of competition, the company elevators were forced to raise their local prices and to discontinue the more flagrant of their thefts.

But the old-line companies were more than a match for farmers unused to the cutthroat game of high finance. In those towns where a farmers' elevator existed, the companies offered prices well above the market. Farmers living from hand to mouth were naturally tempted away from their own cooperatives to the companies' elevators, where they could get several cents a bushel more for their grain. They did not realize, of course, that their good fortune was being paid for by their neighbors in those towns where no cooperatives existed. In those places the chain companies made up their deficits by paying prices ruinously below actual market values. And the farmers were helpless, for they were unorganized and without capital to combat the ruthless practices which were impoverishing them.

The human element was a factor, too. Many of the cooperatives which started out with high hopes soon fell into the hands of a few individuals or a single individual—as a result of hard times, lack of interest, or dissatisfaction with the firm's management. Often the cooperative came finally into the possession of one of the chain companies, which blithely continued using the name "Farmers' Cooperative Elevator."

Aside from the local price problem, it was not long before the grain growers of the Northwest began to observe that the great terminal markets were not open marts in which the law of supply and demand produced a price equitable alike to seller and buyer. Instead, the markets were in the hands of chambers of commerce or boards of trade which were in effect close corporations. The price of grain was willfully and efficiently depressed during the period of harvest when the farmer must sell, and was skyrocketed upward once the harvest was in the terminal elevators of the big grain buyers.

The tide of liberalism that swept the Northwest from the time of Ignatius Donnelly to that of Arthur C. Townley in the second decade of this century, cast up a multitude of liberal leaders and an equal multitude of agrarian panaceas. From Bryan to La Follette, from Weaver to Loftus, men who were helping the common man and the farmer and the laborer in the fight for social betterment proselytized vigorously, each for his own particular form of Utopia, as if only it could usher in the new day.

The Grange, one of the earliest of the great farm movements, failed because it did not believe in political action; Greenbackism, with all its odd variations, proved a will-o'-the-wisp; the Farmers' Alliance, which preceded the wave of populism, proved no more effective than its predecessors. But Northwest farmers climbed eagerly aboard all these band wagons. They had nothing to lose but their red flannels, and they had the frontiersman's love of adventure and change and new horizons. One of the Populist national conventions was held at Sioux Falls, S. Dak., and in North Dakota the year 1892 ushered in a Populist administration, with Eli C. Shortridge for Governor.

Shortridge's single term produced much progressive legislation. As early as 1892 these Populists were toying with the idea of establishing a terminal elevator of their own, where farmers might receive fair prices for their grain. Maximum freight rates on coal mined within the State were fixed despite the protests of the railroads. Public scales were ordered established by county commissioners at convenient locations, and farmers no longer had to depend on the dubious integrity of the chain elevators' own weighing system. Laws fixing the responsibility of railroads for prairie and grain fires caused by their locomotives were passed, usury was outlawed, and an extension of time for the payment of personal property taxes was granted in certain cases. But the Populists' reign was brief; the panic of 1893 toppled them from power after a single 2-year term, and opened the way for another 20 years of rule by the McKenzie forces.

The Populist idea of a State-owned grain terminal did not die. But the McKenzie ring effectively blocked any legislation toward that end, and the farmers were defeated in their attempt to obtain a seat on the Minneapolis grain exchange.

The Minneapolis chamber, which had been authorized by the Minnesota Legislature to make its own rules and regulations with the force of law, had set up some almost insurmountable obstacles to be hurdled before a seat could be obtained on the chamber. A fee which might be as high as $25,000 was required, the applicant's credit rating must be approved by the board, and he must charge the regular commissions as well as abide by all the rules and regulations of the chamber.

In the face of this ironclad means of keeping out any member who might be inclined to give the farmer a square deal, the growers of North Dakota naturally found themselves unable to obtain a seat. They were thus prevented from offering their samples on the floor of the exchange. Only one course remained open to them: The establishment of their own terminal elevator. And in 1911 the Equity Cooperative Exchange was formed for that purpose.

Although the farmers did not yet have sufficient capital to achieve this major end, the work of the equity exchange in educating the Northwest grain growers to the abuses of the grain trust was not without a salutary effect. They learned, for example, of the infamous "switching fee"—a fee of a dollar and a half for each car of grain that was switched on the tracks. Equity members discovered that while the fee was real the switching was nonexistent.

The huge spread between the price which the grower received for his grain and the price of finished flour or bread was sufficient to open the eyes of Northwest farmers to the fact that middlemen and speculators were extorting huge profits from both producer and consumer. As men who toiled on the farms throughout the upper river States perceived these things, there gradually arose among them a belief that State-owned terminal elevators where their produce would be fairly graded and priced would solve their problems.

Largely responsible for the growth of this belief in North Dakota was the work of a

little group of college professors at the North Dakota Agricultural College in Fargo. President J. H. Worst, of the college, and Edwin F. Ladd, head of its chemistry department, were two of the leading men in making North Dakota farmers aware that they were the victims of a vicious and costly system of grain grading and dockage. An interesting table was circulated among grain growers showing the amounts of various grades of wheat received and shipped out during a single season by one Duluth elevator:

Grade of wheat	Bushels received	Bushels shipped
No. 1 Northern	99,711	196,288
No. 2	141,455	467,764
No. 3	272,047	213,549
No. 4	201,267	None
No grade	116,021	None
Rejected	59,742	None
Total	890,245	877,512
On hand, estimated		12,733
Grand total		890,245

That which was rejected had become the cornerstone of the temple, so to speak. Hundreds of thousands of bushels which the elevator had graded as No. 4, No Grade, and Rejected and bought for ruinously low prices had miraculously become No. 1, No. 2, and No. 3—top grades of the finest wheat produced in America. It did not take an overly intelligent farmer to see that the company was shamelessly robbing him of his just grades and the higher prices he should have been paid for those grades.

Experiments at the agricultural college had also revealed that the low prices paid for lightweight wheat were not often justified. Loaves baked from the lighter weights often made just as high quality bread, and the high protein content of the lighter weight grain was sometimes as great as that of heavier wheat.

This work of the Fargo professors furnished the grain growers of the State with some of their more cogent arguments for reform in the methods of grain grading and price fixing, but it was primarily the work of George S. Loftus of the Equity Exchange which brought about a practical program aimed at correcting the abuses.

Loftus was a forceful and dynamic individual, an effective platform speaker who could talk to his farmer-stockmen audiences in their own language. His experience at Minneapolis in the grain and commission businesses had given him a shrewd insight into the methods of the Grain Trust. His forceful, pithy addresses before enthusiastic North Dakota audiences soon earned him the hatred of the established operators, who at once put pressure on their North Dakota underlings—the bankers, merchants, and elevator operators—to oppose Loftus' dangerous doctrines. He was denounced as a radical and an agitator who would set class against class, and halls were closed to him in many towns; but the farmers of the State knew what they wanted and they listened to George Loftus.

At last the growers had a program. And in 1912 an amendment to the North Dakota Constitution was adopted by the people of the State—an amendment empowering the State to purchase its own terminal elevator in one of the eastern cities where the grain exchanges were located. A McKenzie-dominated legislature did nothing to put the measure into effect. Two years later a second amendment, empowering North Dakota to construct its own terminal elevator within the State boundaries, was adopted, and a legislative committe was named to investigate the best method of carrying the mandate into effect.

The will of the people apparently meant nothing to the committee, for it committed a breach of duty unparallaled in the State's history. Instead of reporting on ways and means of accomplishing the project as it had been ordered to do, the committee after long procrastination brought in a report opposing the entire scheme—which had just been overwhelmingly adopted by the people of the State. It developed that the committee had talked to such men as James J. Hill, E. P. Wells of the Russell-Miller Milling Co., and Julius Barnes, a large exporter, before coming to their astounding conclusion This was all the people of the State needed to convince them that the project was a good one.

North Dakotans were angry and embittered. The Equity Exchange shortly afterward called a convention in Bismarck while the legislature was in session there. The timing was deliberate. It was hoped that delegations from the convention might put pressure on the legislature to enact the people's will. Instead, the farmers met with a rebuff that has become famous in North Dakota's political history.

Treadwell Twichell, a member of the legislature from Cass County, politely inquired of a delegation by what right "a bunch of farmers come down here to browbeat the legislature." Then he advised them contemptuously: "Go home and slop the hogs."

Twichell ever after denied having said any such thing, but the farmers were convinced that he did say it, and the phrase became a potent rallying cry on the lonely prairie farms and ranches, where hard-working men and women who felt they were being cheated did not relish the suggestion that they were fit only to slop the hogs while their betters ran the affairs of the State. The farmers were ready for action.

In the crowd that witnessed the farmers' rebuff at Bismarck early in 1915 was a lean, intense young man of 35. Arthur C. Townley was born on a farm in northwestern Minnesota in 1880. Like other farm lads he attended country school and later enrolled in the high school at the little town of Alexandria. There was nothing about his youthful career to indicate that he was one day to become the leader of the most controversial political movement in the history of the Northwest. "I was a Sunday-school boy," he said later.

His only trait that might have pointed the way he was later to follow was an interest in debating and forensics, an interest encouraged by an elderly friend he had made in the town. This was a tailor young Townley had met when he went to have a suit pressed for an oratorical contest in which he was to appear. The old man took an interest in the quiet lad and introduced him to two of his cronies, a carpenter and a jeweler of the town, who shared the tailor's interest in philosophy, religion, and mysticism.

Young Townley spent fascinating evenings listening to these three humble philosophers discuss the works of Herbert Spencer and the essays of Ralph Waldo Emerson. In their company he learned to think and question, and to discuss the meanings of life and the foundations of society. Almost without realizing it the young high-school student was becoming a rebel against the conventional and accepted forms of social and economic thought. Spurred by the ambition these teachers had awakened in him, he began to read omnivorously during the 2 years following his graduation from high school—years spent in teaching a country school near his farm home.

"Finally I grew of sick of books," he said later. "I had read until I felt I never wanted to see another book. I was tired of writing and theory. I wanted action. I was then as impractical as a man could be. I didn't know anything about business. I didn't know anything about dealing with men. I was a hopeless bookworm."

Dissatisfied with his sedentary life, Townley determined to go out into the world and make a place for himself. Westward he went into North Dakota and took up farming in Golden Valley near the Montana-Dakota border. His unorthodox and progressive ideas began to assert themselves almost at once, and it was not long before he had talked a number of his neighbors into pooling their resources and forming a farming syndicate. With the capital acquired by this merger, the group purchased steam tractors and plows and began extensive operations.

But the weather, the unpredictable factor in their rosy dream, upset the whole plan. When it began to appear that there would be little or no crop, the group agreed to break up and go their individual ways, each man trying to salvage what he could. Bitterly disappointed, Townley returned to Minnesota. It was an untimely departure, as it turned out, for after he had gone the long-awaited rains came, and the other members of the syndicate had a fairly successful season.

The next year young Townley became an itinerant plasterer's helper, traveling throughout the entire West, but the call of the soil was too strong for him and he came back again to Golden Valley, afire with plans for a new venture. A new wilt-resistant flax had been developed at the agricultural college and the linseed-oil industry was calling for all it could get. With characteristic energy Townley plunged into the business of flax-growing, and within 2 years had vastly increased his holdings. He did things in a large way, acquiring the most modern machinery and constantly expanding his operations by the purchase or the rental of additional acreage.

In 1912 the empire of the young farmer, who had become known as the Flax King, disintegrated under a series of misfortunes. Rainfall was scant, his yield was small, and most important of all, the price of flax fell off disastrously as a result of market manipulations by speculators. Townley, under contract to pay for expensive machinery and heavy land purchases, found himself bankrupt and facing liabilities of nearly $100,000. It was at this time, judging from his later remarks, that his hatred for the market manipulators and speculators crystallized.

"A few months before I had been a good fellow and an able farmer," he said, "but after the failure nobody in town wanted to speak to me or see me. I was a fool, a dub, and a crook, and everybody had always known that I was going to blow sooner or later. All because somebody in Chicago or Minneapolis sought to break somebody else who was buying flax."

The next few years were difficult ones. Townley toyed for a time with North Dakota's minuscule Socialist Party, making speeches and doing organization work, but he soon became impatient with the debating-society methods of the timid liberals who made up the party. "In method they were as conservative as the old parties," he declared afterward. "Offer them a plan by which they could really accomplish something instead of merely talking, and they were afraid of it." He broke with the Socialists and went to Bismarck, where he witnessed, early in 1915, the rebuff of the farmers of the Equity Exchange by the State legislature. He saw that the grain growers were ripe for revolt. And in February of that year he conceived the idea of the farmers' organization that later became known as the Nonpartisan League.

It was a bold conception. Coming as it did from a man who had nothing but the clothes on his back, it might have seemed laughable. But Arthur Townley had something else too: he had a vision, and the force of speech and conviction to awaken other men to that vision. He began by sounding out leading men at the Equity convention on their reactions to his hastily sketched plan. From several he got an enthusiastic response. One of them was Fred B. Wood, a

prosperous farmer who was able to offer the bankrupt Townley the financial assistance he would need. In a speech years later, describing the beginning of the league, Wood said: "I had told Townley that he could come to our farm when spring broke and I would help him get started. But the snow wasn't off the ground when one day he showed up. He told me he couldn't wait."

Townley's organizational plans were perfected in a series of talks with Wood and his sons. The program of the organization was written out in five brief planks by Townley himself. Simple and terse, they struck at the very heart of the farmers' grievances: State ownership of terminal elevators, flour mills, packing houses, and cold-storage plants; State inspection of grain and grain dockage; exemption of farm improvements from taxation; State hail insurance on the acreage tax basis; and rural credit banks operated at cost.

In his book, the Nonpartisan League, Herbert Gaston has shrewdly pointed out wherein Townley's program differed from other plans which had preceded it. It was not that Townley's ideas were new; it was that his approach was different. "Practical salesmanship, a program of immediate and forceful action, and the use of the Ford automobile," wrote Gaston, "are the factors principally explaining the rise of the Nonpartisan League."

It remained only to begin the actual work of organization, and Townley and Wood set about the task at once. Wood took Townley to meet several neighbors of his in the community, introduced him to the farmers, and then sat back while Townley did the talking. Results were gratifying during the first few days of their trial work; farmers were eager to join a group which promised them the things they had been fighting for for a quarter of a century. On the spot they paid their dues of $2.50 each into the treasury—which was nothing more than in Townley's pocket at the time—and hoped for the best. Things went so well, indeed, that several of the first members, meeting at Wood's home a few days later, signed notes that enabled Townley to purchase an automobile and set up State headquarters at Minot, N. Dak.

With the success of the organization seemingly assured, Townley set about developing his staff of organizers, which was to cover the entire State and spread the nonpartisan program throughout the grass roots. The technique to be followed was essentially the one Townley had already worked out with Wood. A prominent farmer would be approached, sold on the league idea, and would then act as an introductory wedge in the organizer's visits to surrounding neighbors.

The league's first organizers were recruited from the ranks of farmers who showed unusual ability in speaking and organizing, and from Townley's old friends of the Socialist Party. These latter were especially able advocates of the league's cause, for they had at their fingertips the economic and social abuses of the day, and many of them had been burning with a desire to do something practical, instead of merely holding weekly meetings.

As the organizers spread the gospel of the league over the State and the group began to grow by leaps and bounds, Townley found that he had achieved a success beyond his wildest expectations. By summer's end he had enrolled 26,000 North Dakota farmers in his mushrooming organization. Dues had been increased to $6 a year to support the huge headquarters staff necessary to keep up with correspondence, the training of new organizers, and the direction of the large force already in the field.

But looming dark on the horizon were the first faint clouds of opposition to the new militant farmers' organization. Townley had carried on his work with a minimum of publicity. The approach had been direct and personal; organizers had even been instructed to avoid towns and cities. But inevitably the word got about, and soon the press of the State was commenting on the new organization.

North Dakotans were warned agains "slick young outsiders" who were swindling farmers with promises of better days to come. Several papers commented on the fact that no persons living in towns had been approached—a sure sign, according to these journals, that the scheme was a swindle. Here is a fair sample of these editorial comments in the country weeklies:

"Recently the Ozone referred to the presence in the State of a number of solicitors for membership in some kind of party which was to be of special advantage to farmers, and who also offered a year's subscription to some paper or magazine as material inducement for joining. A fee of $6 was collected from each subscriber. It is more than ever evident that the farmers who took stock in the smooth strangers were too easy victims of a confidence gang. In no case have the strangers sought to interest anybody in towns where they have stopped, and it has been noticed that in making even a trifling purchase they always tender $6 checks, cashing them in that way. They never go to a bank. As before stated, the Ozone believes, with the Fargo newspapers, that this is only a scheme for fleecing the unwary. Our belief is that they are operating a questionable scheme, as there is no public knowledge of such a farmers' protective party as they affect to represent, and their avoidance of association or contact with townspeople, and advance dating of checks are suspicious."

The implication that townsmen were not approached because they were sharp enough to see through such a crooked affair was not a particularly fortunate one. Indeed, the real reason was that the farmers were often forced to operate on credit advanced by the local banker—who in turn was controlled by his eastern creditors—and cases had arisen where local bankers had refused to honor checks made out to the league. This pressure was something Townley wanted to avoid. If possible, dues were paid in cash; in other cases they were made out by check in the name of the individual organizer, instead of the league, so that the local banker could not recognize what the check was for and consequently applied pressure to his farm debtors. Even postdated checks were accepted, and the amount of defaults was surprisingly small—about 12 percent.

The subscriptions referred to in the editorial quoted were for Pearson's magazine, and were offered with each membership the first year, during which the magazine published several favorable articles by Charles Edward Russell, the well-known Socialist. But by the fall of 1915 the league had successfully founded its own newspaper, the Nonpartisan Leader, and Pearson's was no longer offered, although Russell and Walter Thomas Mills, another Socialist leader, continued to aid the movement and did much work on early editions of the new Leader.

"You have launched in a just and honest way a just and honest cause," wrote Russell. "Do not believe anything you read about it unless you read it in your own journal or in journals that you know are absolutely with you."

That policy has been quite faithfully followed by Nonpartisan Leaguers ever since; and at various periods in North Dakota history the Leader has reduced the opposition press of the State to virtual impotence. More than once league candidates have been elected to office despite the bitter and united opposition of almost the entire North Dakota press—a direct result of the Leader's constant campaign against the "kept" and "venal" newspapers that opposed it.

As the league's membership grew toward the 50,000 mark, the daily papers of the larger cities began to take alarm and attack the organization and its methods. J. D. Bacon, of the Grand Forks Herald, and L. T. Guild, of the Fargo Courier-News, were particularly venomous foes, charging that the whole plan was a swindle and that Townley was a dictator who had never been elected to head the party. Later the newspapers of the State made such ridiculous charges as that the leaders of the league were "Socialists," "atheists," "free lovers," "pro-Germans" (during World War I), and "Reds."

"Who elected Townley president?" queried the Grand Forks Herald. Townley had his answer ready, and in a 1917 address he replied to his critics in typical fashion:

"I want to be very frank with you this afternoon. The Grand Forks Herald * * * and all the fellows that oppose this organization, say that I was not elected president of the league.

"They want to know by what right I call myself president of the Nonpartisan League. I am going to be very frank with you and explain what right I have. When Howard Wood and his father and two or three more of us found that this thing would go * * * we saw that it would be necessary to have some kind of committee to take care of it.

"We didn't have automobiles and gasoline enough to go to all the farmers in the State, and to Jerry Bacon and the Grand Forks Herald, to ask them who this committee should be.

"So we got busy and picked out a committee. The old gentleman [Mr. Wood] named five men that we knew, and asked this little group of farmers if they thought these men would be all right. * * * Mr. Wood was suggested as treasurer and vice president. So we took a piece of paper and wrote the league program on it; and wrote the names of this committee up at the top; and because I had the idea, they named me chairman of the committee and wrote my name on there as president. * * *

"And this fellow and that fellow [pointing] and every one who joined the league read the program and those names and signed up and paid his money. And I have got a kind of foolish idea that all of those men who signed that paper voted for me at that time. I don't know of anyone that voted against me.

"And we have got the names of 40,000 farmers, in their own handwriting, on this paper, subscribing to this program and to these men to carry out this program. I think that was a pretty fair election.

"About as good as we could accomplish at that time, with the machinery we had. Of course it might have been better to have got 4,000 or 5,000 farmers to come down to Grand Forks and hold a convention; but we could not have convinced them at that time that they ought to come.

"I will tell you who would have been there if we had tried to do that. There would have been about half a dozen politicians and corporation lawyers and a newspaperman or two. But you farmers would not have come. We had to show you first that something could be done before you would come. Now that is how I came to be president of the committee and how these other men came to be members of the committee."

Townley's position on this point was doubtless well taken. True, he was vulnerable to the charge of dictatorship, but he well knew that an election would disrupt the league before it was fairly begun. It would have been easy for league opponents to find a defaulter in the ranks of the organization and then sponsor an election to defeat Townley—and this development would have split the party hopelessly.

It was inevitable that the growth of a movement like the league should attract innumerable quacks, crackpots, and opportunists as well as sincere liberals and honest farmers. Opponents of the organization charged that it was socialism in disguise, and

the charge was not without a certain credibility, since many of the party's early speakers and organizers were Socialists or had been affiliated with that group in the past. Full-page advertisements appeared in the opposition newspapers asserting that the league meant to make "occupancy and use" the only standard of land ownership in North Dakota.

The State-owned mill and elevator plank in the party's program was certainly socialistic, but the league was far from espousing any program that a real Socialist would recognize as similar to his own. Many leaguers were restless reformers or progressives who welcomed the chance to throw their energies into a fight which promised real results, but the great mass of the membership was made up of ordinary hard-working farmers and ranchers.

As the movement grew, though, there came into being a sort of lunatic fringe recruited from all over the Nation. From New York, from Washington, from every State in the Union, men of varying degrees of chicanery, liberalism, honesty, and dishonesty came to plague or assist the new revolt against the old order. North Dakota herself furnished numerous examples of many kinds. But in the beginning their influence was little felt; it was only later that such remarkable schemes as fish hatcheries in the Bering Sea, sisal plants in Florida, real-estate ventures in Mexico, and other equally fantastic enterprises began to be advanced as league programs. The party was founded on a strong and sensible basis; its aims were the aims of the great mass of North Dakota's farmers, most of whom had nothing to do with the hodgepodge of crackpot schemes which later made the league a temporary laughingstock in the eyes of the voters and caused its partial eclipse for a number of years.

The league organization, in the beginning, brought for the first time the processes of actual democracy to the voters. It advanced a plan that was admirably devised to strip of their opportunity for control the politicians and others who dominate the machinery of conventions and elections. Even today the principle that the office must seek the man and not the man the office is a cardinal tenet of league political philosophy. Ways have been found to circumvent this principle in the past, but on the whole its effect has been salutary.

At the time the idea was first advanced, it was a revolutionary step in political methods. Politicians who incautiously announced their candidacy for office found themselves repudiated by the party, and usually turned in anger to the opposition. The system was simple. In each of the State's 1,800 precincts a local caucus of league members was held to elect delegates to the 49 district conventions. And Townley advised his followers:

"Avoid the politician who seeks office, for he usually, though he may not admit it, seeks it for himself and not for the good that he may do for all the people. Avoid also the men who may be too friendly with bankers, middlemen, and big business, for they may betray you."

This was demagogery and an appeal to class hatred, but Townley knew who he wanted—the solidarity of North Dakota's farmers. And he was shrewd enough to see that one means of achieving that solidarity was to give the farmers a personalized enemy against which to fight. This vague opponent of human rights and justice became widely known as "big biz" during the early days of the league. If Townley angered a few bankers, businessmen, politicians, and lawyers, he cared little. More than three-fifths of North Dakota's voters were farmers; they were the men Townley wished to reach, and he knew precisely how best to reach them.

Hear him: "If you put a lawyer, a banker, and an industrialist in a barrel and roll it downhill, there'll always be a —— —— on top!" The average farmer was delighted at this attack upon bankers, businessmen, and lawyers, for he was usually indebted to all three of them. The quip expressed in a striking way something he had always felt vaguely to be true but had never quite known how to say.

I talked to Arthur Townley in 1946. He is aging now, in his late sixties, and the aims of his movement have long since been achieved, while his organization has fallen into other hands. But he is not bitter, nor has he lost his sense of humor. When I asked him about his famous barrel statement, which had been repeated to me by an old North Dakotan, he mused for a while. "It's hard to remember everything you said 30 years ago," he told me finally. Then, with a sudden smile: "But put it in your book anyway; if I didn't say it, I wish I had."

Such statements were scarcely calculated to endear Townley to the gentlemen named in his indictment. Opposition to the league was fanned to an even higher pitch. But the results of the farmers' caucuses were at once apparent. In virtually every precinct in the 1916 election delegates were selected from the rank and file of the working farmers. Many had never before attended a political meeting or held any public position. The same condition prevailed at the district meetings. The professional politicians were not only terrified, they were helpless; and their yelps of anguish could be heard even in the throne room at St. Paul.

It was not Townley's intention originally to sponsor a third party. He welcomed members from all established political parties and from the ranks of independents. The league leaders chose, rather, to operate within the framework of the Republican organization and attempt to capture the party by nominating their candidates in the primary elections.

It was a shrewd political device, and as the league district and State conventions began to arouse tremendous enthusiasm the opposition became thoroughly frightened. They charged Townley with "bossism" (this from the McKenzie ring!), with "handpicking" the candidates, and with attempting to foist a Socialist regime upon the unsuspecting voters of North Dakota.

The first charge was undoubtedly well founded, for Townley did exercise a considerable measure of influence and control over the party tactics and program; but the two latter accusations were completely without foundation. Indeed, it is doubtful whether a less controlled selection of delegates had ever before occurred in the State. As for the charge of socialism, not a single member of the league ticket endorsed at the State convention belonged to that party.

The ticket was headed by a Pembina County farmer named Lynn J. Frazier, who later served for many years as United States Senator from North Dakota and achieved some measure of national fame for his cosponsorship of the Frazier-Lemke farm moratorium bill. Frazier was a graduate of the University of North Dakota and was 41 years old at the time of his nomination. He was almost unknown outside his own immediate community, had never held a public office of other than local significance, and was completely unversed in political tactics.

His farming interests had absorbed his life since his graduation from college. He was plain, blunt, honest—all in all, a quite average substantial and solid citizen. Despite the fact that he was chosen almost unanimously at the State convention—which he did not even attend—he was loath to serve; he had not made a public address since his debating-team days as an undergraduate.

Among the other league candidates—of whom only four had been active in politics before—WILLIAM LANGER, the candidate for attorney general, was by far the most colorful. He was just 28 years old. Recently elected State's attorney of Morton County, he had dedicated his first day in office with such a burst of energy as the county had never seen. One hundred and sixty-seven warrants for the arrest of vice operators and bootleggers were issued from his office before his job was 24 hours old. Then, with the petty racketeers out of the way, LANGER turned toward bigger game.

He brought suit against the Standard Oil Co., the Northern Pacific Railway, the Occident Elevator Co., and several large lumber firms in an attempt to put on the tax rolls some $30,000,000 worth of property which those companies had placed on railroad right-of-way lands in order to escape State and county taxes.

Arrayed against the boy prosecutor was some of the finest legal talent in the land, but LANGER was successful in his suits. The property went on the tax rolls and the supreme court ordered the companies to pay back taxes to the extent of $1,250,000. His sensational victory over the enemies the farmers had been fighting unsuccessfully for years assured him a place at once on the league ticket.

League candidates campaigned that spring of 1916 to enthusiastic audiences of farmers at rallies, picnics, and crossroads gatherings of every description. Toward the close of the campaign a special train was chartered to carry the candidates and the league program into every corner of the State. But the day of the primary election proved to be scarcely an auspicious one for the league's hopes.

Heavy rains fell throughout the day, turning the dirt roads of the countryside into rivers of mud. It seemed scarcely possible that rural voters would be able to get to the polling places in country schoolhouses and farmhouses scattered over the storm-lashed prairies. Faces grew long at Townley's campaign headquarters when the first returns, principally from the cities, indicated heavy majorities for the opposition candidates. But broader returns the next day swept away all doubts. The entire league slate had been nominated.

In North Dakota, Republican endorsement is tantamount to election, and the primary returns were sufficient to guarantee a victory at the general elections in the fall. It was a smashing victory for the new militant farmers' group of amateur politicians. Their opponents, temporarily confounded, were unable to make a convincing summer campaign, and in the fall the entire slate of candidates, with one exception, were elected by substantial majorities.

The league's rejoicing did not last long. They had a majority in the house of representatives, but in the senate, where the terms were staggered, the opposition still held control. They found their program effectively blocked, despite a clear mandate from the electorate, by this opposition majority in the senate, as well as by several recent decisions of the outgoing supreme court concerning the method of amending the constitution. The initiative process for amending the document, which had been adopted by the people, was held to be inoperative until made otherwise by the legislature. Other methods of amendment meant a delay of at least 3 years. It began to appear that the party's program would be successfully blocked by the minority for so long a time that there was danger of the organization's falling apart for lack of interest and achievement.

League leaders then came forward with a daring proposal—that the legislature draft a new constitution for the State and present it to the people for immediate popular approval. The screams of their opponents rose to a new high pitch at this "anarchistic" suggestion. Competent legal opinion was not lacking, however, that the process suggested by the league was quite proper,

if a bit unusual, and the new constitution was accordingly introduced as House bill 44.

Actually, the new constitution was not dissimilar to the old one except for changes which would enable the legislature to finance the program just approved by the people. It provided that the State could engage in business for public purposes and that it could issue bonds to finance the proposed State-owned industries. It made provision for a tax to support the State hail-insurance program. Means of amending the constitution were simplified, the terms of State officials were increased from 2 to 4 years, and all State offices aside from governor and lieutenant governor were made appointive instead of elective—just as they are in the Federal system.

The attacks on the proposed constitution in the legislature were of a peculiarly vitriolic nature, despite the fact that they often dealt with trivialities. Not wishing to attack openly the important changes in the constitution which the people had approved, opponents of the bill had to limit themselves, often with amusing results, to scarifying certain minor changes that had little to do with the matter in hand.

A change in a paragraph concerning education evoked an especially bitter attack from Representative A. G. Divet, of Wahpeton. The text of the original constitution read: "A high degree of intelligence, patriotism, integrity, and morality on the part of every voter in a government by the people being necessary to insure the continuance of that government and the prosperity and happiness of the people, the legislative assembly shall make provision for the establishment and maintenance of a system of public schools which shall be open to all the people of North Dakota and free from sectarian control. This legislative requirement shall be irrevocable without the consent of the United States and the people of North Dakota."

Under the new constitution this article had been amended to read: "The legislative assembly shall make provision for the establishment and maintenance of a system of public schools which shall be open to all the children of North Dakota and free from sectarian control."

The Honorable Mr. Divet was horrified at this underhanded attack upon intelligence, patriotism, integrity, morality, and obscurity. Or perhaps it was because Mr. Divet was fond of excess verbiage that he objected to this simplification. His speech might lead one to believe so:

"I say this change in this section was made designedly, and I cannot pass it by without making the statement that to my mind these changes represent the malicious cut of a poisoned dagger of treason and licentiousness held in the secret hand of disloyalty and hate; that the hand that penned these lines and deliberately made that change would put poison in the wells in front of the country's armies, or would lead a little sister to the brothel."

Such outbursts came not only from enchanted orators in the legislature; they were repeated by soberer and more authoritative observers. Andrew Bruce, former chief justice of the Supreme Court of North Dakota and professor of law at the University of Minnesota, made the same charge in somewhat more restrained language in his book Nonpartisan League. Mr. Bruce gave it as his considered opinion that the Socialist leaders of the league had deliberately changed this passage because they did not believe in patriotism. Mr. Bruce was doubtless smarting under his recent defeat for chief justice by the league forces, but his legal training should have made it clear to him that the reduction of a clumsy and involved paragraph to a simple statement of law scarcely constituted an attack on American institutions.

Despite the violent opposition encountered in the legislature by the proposed constitution, an overwhelming majority of the lower house voted for the bill. The count was 81 to 28. Some of those favoring it were opponents of the league. But in the senate, where the hold-over members had the whip hand, the measure was beaten by nine votes. Under the existing constitution it was impossible to carry the party program into effect. The terminal elevator project was feasible, since the people had approved that by a previous amendment, but the constitution prevented the issuance of bonds to provide for its construction. The league was temporarily baffled.

Yet there were many progressive measures enacted under the party's sponsorship. An amendment providing for woman suffrage was passed; rural school appropriations were increased by 300 percent; a law guaranteeing bank deposits was enacted; a Torrens title registration act was passed; laws aimed at reducing freight rates were made; a State highway commission was created; and most important of all, a State grain-grading law was enacted. This law produced immediate beneficial effects, not only in the more honest grading which resulted, but in the prices paid for the farmer's produce.

WILLIAM LANGER, the youthful attorney general, was meanwhile continuing his attacks on the McKenzie gang and the chain elevators that operated in the State. The capital city of Bismarck had been suffering periodic outbreaks of typhoid fever, and the source of the infection was traced to the privately owned waterworks controlled by McKenzie. LANGER promptly brought suit to force McKenzie to install a filtering system; McKenzie protested that the cost of such an improvement would amount to virtual confiscation of his plant. Too bad, said the attorney general, and went ahead with the suit until the condition was remedied.

To combat the chain elevators' system of offering prices below market value in towns where there was no cooperative elevator and prices above the market where there was such a cooperative, LANGER one day sent out 20 trucks loaded with wheat of the same weight and grade. Sale of the grain to various chain elevators scattered throughout the State proved that the companies' prices varied by as much as 20 cents a bushel—depending upon the amount of local competition. LANGER immediately brought suits against the companies, which were still pending when he went out of office in 1920.

That was the extent of the reforms achieved by the league. Hamstrung by the old guard minority, the legislative session of 1917 ended in an impasse. But the league was not beaten. On the contrary, its leaders were more determined than ever to carry the fight into the enemy's territory. They set their eyes on the elections and the legislative session 2 years hence.

Early in 1917 the league announced that it had opened a national headquarters in St. Paul and that organizers were already at work in the neighboring States of Montana, South Dakota, and Minnesota. By the end of the year the movement had spread also to Washington, Idaho, Nebraska, Kansas, Texas, Oklahoma, Iowa, Wisconsin and Colorado. Without the peculiar conditions that had made the farmers of North Dakota ripe for the league movement the party organization progressed more slowly in those States.

In Montana, particularly, the league found strong influences at work against it. The Anaconda Copper Mining Co., which dominated the State, fought with every weapon at its command to prevent the dissemination of the league's propaganda. Burton K. Wheeler, long a United States Senator from Montana, and Jeanette Rankin, first woman Member elected to the National House, were supported by the league in their early races for office. Senator Wheeler, indeed, was dubbed Bolshevik Burt and was smeared so freely and unfairly by the copper company's kept press that he has had a hatred of trusts and corporate power ever since—despite the fact that his natural bent is toward the conservative side.

Another avenue of attack against the league was opened with the rapid growth of the party's membership. When more than 100,000 members were paying $8 a year each in dues, the opponents of the organization began to circulate charges that Townley and other league leaders were lining their pockets at the expense of gullible farmers. Actually, there was never a surplus in the league treasury. The staff of organizers and other necessary employees made the financing of the party a source of continual worry. Townley, in petitioning the courts for a discharge from the bankruptcy into which he had been forced by his failure as a flax king some years before, was given a clean bill financially by Federal Judge Amidon:

"The trustee has been permitted to go through the record of all these concerns as with a lighted candle. He has found no trace of any grant of any of the funds or property of the Nonpartisan League or its subordinate agencies to Mr. Townley, except a salary of $300 per month. On the contrary, the record shows clearly and affirmatively that the Nonpartisan League and its subordinate agencies have never granted to Mr. Townley any part of their funds or property as his personal estate and that he has never used them for any purpose except that of a political leader, devoting them honestly to the achievement of the objects of his party. The record is full and has been honestly kept and it shows an honest purpose to give an account of an honest stewardship."

As the year 1917 moved toward the day in April when the United States would enter World War I, the league in North Dakota had endorsed its first candidate for a national office. Thirty-year-old John Baer, cartoonist for the Leader, was chosen to run as a congressional candidate for the unexpired term of W. T. Helgesen, who had died in office. Baer made the race successfully, and the league had its first representative in Washington. But opponents of the farmers' movement saw now, in the emotional tension produced by America's entry into the war, an opportunity to strike a lethal blow at the organization that was threatening their established dominance. They began, first guardedly, then openly to attack the league as an anti-American movement.

Their tactics were simple and unscrupulous. The league had seen that the war was providing opportunities for certain interests to make unconscionable profits, and it had come out forthrightly for heavy taxes on war profits and for Government control of railroads and Federal fixing of prices. This was, in simple terms, a suggestion for an office of price administration such as experience has since taught the Nation is necessary, but to opponents of the league it offered a heaven-sent opportunity. The league opposed the Government's current program. Hence, said the league's enemies, the league must be a friend of Germany's.

This was illogic at its worst, but it had serious effects in the States where the league was not yet well known. Townley's speeches calling for the National Government to take the profits out of war were not only misquoted by the daily press, but served as a peg on which to hang charges that the league was "disloyal and pro-German." League members were referred to as "kaiserites" and "the Hun in our midst." That they were also called Bolshevists and Reds did not seem illogical to the gentlemen making the charges. A quotation from the Fargo Forum, referring to a contemporary speech of Townley's, will serve to illustrate the sort of incitement to riot engaged in by the press:

"The Forum hopes that when Mr. Townley comes to Fargo the members of the Home Defense League, 100 or 150 strong, will march into the hall, stand at attention during his address, and give him a chance to repeat those remarks or others in the same vein. If there isn't a public officer in the State with backbone enough to put the speaker behind the bars, there is enough spirit in the Home Defense League to prevent him from repeating the offense."

Not even Townley's worst enemies ever accused him of lack of courage, however, and the Fargo speech was duly delivered despite the presence of the Home Defense League. It was simply too difficult to convince North Dakotans that 50,000 of their friends and neighbors—men whom they knew personally and whose lives were as open to scrutiny as are all rural lives—were traitors and pro-Germans.

But in other States, where the movement was not as well established or as well known the "patrioteers" of the day committed acts of almost unbelievable ferocity and unparalleled ignorance. In North Dakota the sniping was confined to such petty acts as refusing contributions to the Red Cross from league groups, or refusing league speakers the right of access to halls and other forums. Elsewhere it was a different story.

In Winlock, Wash., two league organizers, Alfred Knutson and M. L. Edwards, were dragged from their rooms, severely beaten, and tarred and feathered. They recognized and identified their captors, but could get no action from the local authorities. In Glencoe, Minn., N. S. Randall, another league speaker, was mobbed and beaten, as was Nels Hokstad, near Hinckley. Hokstad was afterward tarred and feathered.

J. A. McGlynn, a Montana organizer who attempted to speak at Miles City, was abducted and forcibly held in the Commercial Club, then forced to take the next train out of town. Other Montana speakers were attacked by mobs armed with shotguns and forbidden to carry out their meeting plans. In South Dakota, league meetings were broken up by armed hoodlums concealed behind the famous last refuge of a scoundrel—patriotism.

And in Texas, where league speakers were attempting to organize the farmers against the brutal exploitation of the Ginners' Association, H. L. Higdon, A. R. Cother, and H. F. Hoover were kidnaped near Quitman and after being stripped naked, were horsewhipped. Salt was then applied to their bleeding backs and they were driven out onto the prairie while the mob fired over their heads. Two of these men were native Texans; the third was an elderly minister. Yet the Greenville, Tex., Banner gloated: "The three organizers learned by bitter experience and to an extremely painful degree that pro-German propaganda will not go in Texas."

The Montana Loyalist, a newspaper sponsored by antileague elements in the State, explained in a brilliant flash of economic inspiration why the league movement promised a false utopia. "There will always be riches—there will always be poverty," declared this organ of the Copper Trust magnates—as if a multimillionaire were somehow an elemental force of nature, rather than a taxable individual, subject to whatever laws society may see fit to pass.

League organizers in virtually every State where the party was operating were arrested, indicted, and otherwise harried by local authorities, who charged them with everything from vagrancy to draft dodging and spying for Germany. Townley himself was indicted and convicted in Minnesota for discouraging enlistments in a pamphlet setting forth the party's aims. He was later acquitted by the supreme court of the State in a decision overruling the action of the lower court.

Said the high court, in part: "The resolutions taken as a whole appear to be nothing more serious than a rhetorical and somewhat flamboyant platform upon which a certain class of citizens are solicited to join an organization whose avowed purpose is the amelioration of the alleged evils of present economic conditions, and to bring about a more equitable distribution of the wealth of the world among all classes of mankind. The pursuit of this object does not violate the statute in question."

Local groups who wished to use the war as a club with which to crush the league appealed to national authorities to scotch the serpent in their midst. George Creel, chairman of the Federal Committee on Public Information, brought down the wrath of league opponents on his head when he made a public statement on the question. Said Creel, in a letter to a national farm group:

"It is not true that the Federal Government is pressing the Nonpartisan League in any manner, or that the Federal Government considers it an act of disloyalty to be a member of the league.

"The Federal Government is not concerned with the political, economic, or industrial beliefs of any organization at a time like this, insisting only that every individual stand behnd this war, believing absolutely in the justice of America's position.

"The Nonpartisan League, by resolution and organized effort, has given this pledge of loyalty. North Dakota, controlled by this organization politically, has as fine a record of war support as any other Commonwealth in the Union. Mr. Baer, its representative in the lower House, has never even been criticized for a single utterance that might be termed disloyal.

"Mr. Townley is under indictment in Minnesota, and there is a very bitter fight being made on the league in that State by certain groups. With this the Government has nothing to do, refusing absolutely to take part in these local differences."

The wartime speeches of league leaders, castigating the huge profits that were being made by certain groups, at length awakened eastern corporations to the fact that the spreading philosophy of the league might be dangerous to them. They began to take action by bringing pressure to bear on their smaller allies in the Northwest.

In the State of Montana a special group known as the Loyalty League was organized by a representative of the Anaconda Copper Mining Co. to combat the Farmers' Party. Chambers of commerce and employers' groups were urged to destroy the league before its "socialism" destroyed the Nation. Townley's speeches, it is true, were sufficient to scare the britches off conservatives. When he began to urge the confiscation of war profits and advocate Government control of food distribution and transportation, the howls of the industrialists could be heard even above the jingle of their wartime cash registers.

It is noteworthy that the Federal Government later adopted several of Townley's suggestions during World War I—Federal control of prices and of the railroads, for example. History has borne out in a large measure certain other views expressed in his speeches.

Townley pulled no punches. He was a master of sarcasm and of the "homey" platform manner. His tall, thin, angular figure, hunched over as if he were peering into the face of each individual member of the audience—with perhaps a thumb thrust through one suspender—might seem amusing at first, but he was a master of crowd psychology and a shrewd judge of farmer nature in particular.

His methods and phrases were sometimes demagogery at its most flagrant, but the speeches were only too often fundamentally true, and his enemies winced under his attacks. Here are a few extracts from one of the "seditious" addresses which he delivered throughout the Northwest in the year 1917. After citing figures showing the huge increases in profits made by Swift & Co., United States Steel, du Pont, and other large corporations, he proceeded to the attack:

"I want to say to you that this Nation can never succeed in war unless this, your Government, instead of serving the interests of the United States Steel Corp. and the Sugar Trust and the Beef Trust—this Nation can never succeed in war until it governs the business of transporting your products and wipes off the face of the earth the gamblers in food products and the necessaries of life.

"Now here is the seditious and treasonable and unpatriotic part of my discussion. We respectfully suggest, and then we demand, that this Nation, instead of serving the interests of the gentleman it must be serving now—or it would not permit these gigantic corporations to rob you of so many millions a year—I am afraid it must be serving them, because I can't figure out from these reports how they are serving us—and so as a war measure we respectfully suggest and demand that the United States Government shall do the one thing first of all necessary, and take over, before they send one single boy to Europe, take over the railroads and the distribution of food into their hands, and kick the gamblers into the sea or send them to war.

"Last Tuesday about 10,000,000 young men—I see them in the crowd here, and here, and here—about 10,000,000 young men went to the registration booths and there pledged their lives in the defense of their country's honor, went to the registration booths and there said in effect: 'I will serve my country in any capacity that she may demand. I pledge you here my life. Take it and use it as you will * * *' That is what these young men said in effect.

"This is the acme of patriotism * * * And it is right that they should have done it. I believe in the conscription of life in time of war, because it is not right that the burden should be shouldered upon those few who have the courage in their blood to go and fight * * *.

"But the Steel Trust makes two or three hundred million dollars of profit; the Sugar Trust makes profits; the Harvester Trust makes profits; the Railroad Trust makes profits; the Lumber Trust makes profits; the Shoe Trust—the Whisky Trust—the Grain Trust—the Beef Trust—every trust makes an enormous profit * * *.

"And I say to you that the first thing this Government should do is take the profits that they are making today to pay the expense of the war.

"Is this treason?

"Is this anarchy?

"More than that, if by the duration of this war, those war profits are not enough to pay the cost of the war—if we must go so far as to exhaust these profits, and need more money, there is still another reservoir; and that is the millions that they piled up before the war. We will take that, too."

One can readily conceive the effect these words had upon the farmer-worker groups to which they were addressed—to say nothing of their effect upon the corporations named in Townley's indictment. But Townley's words here were not idle demagogery. In 1916, in Minneapolis alone, the Grain Trust which Townley excoriated had made a profit of $7.19 a barrel on the staggering total of 18,000,000 barrels of flour. Herbert Hoover has never been charged with being a radical, yet in a 1917 address, while he was Secretary of Commerce, he delivered an attack against

the Grain Trust that amply backed up Townley's assertions:

"With righteous manufacturers' and distributors' prices, the price of flour should not have been over $9 a barrel, yet it averages $14. In the last 5 months, on the item of flour alone, $250,000,000 has been extracted from the American consumer in excess of normal profits."

But despite the words of Hoover, Creel, and others, the campaign of vilification and abuse triumphed, and almost before the war was ended, the back of the movement was broken in every State except North Dakota and Minnesota. No charge was too vicious or fantastic for the league's enemies to make against the party leaders. But even charges that they were "free lovers" who were about to corrupt the morals of the Nation and debauch its womanhood could not break the party's power in North Dakota. In the elections of 1918 the league candidates again swept the State ticket and elected at last a majority of the members in both houses of the legislature. Now the last barrier to the enactment of their program was removed.

Nor was the organization entirely powerless in other States. During the years of its greatest strength, the league endorsed and helped to elect such officials as the late famous Senator Borah, of Idaho; Congresswoman Jeanette Rankin, of Montana, foe of the Anaconda Copper Co.; Senator Wheeler of Montana; Senator Nugent, of Idaho; and many other men who have since become well known nationally. Congressman Lemke of North Dakota as well as Senators Frazier, Langer, and Nye were all originally elected with league endorsement, although Nye was later repudiated by the party. Congressman Lindbergh, of Minnesota, father of the famous flyer, also benefited from league support.

When the 1919 legislature met in Bismarck to enact the league program into law, national attention was focused upon the farmers' revolutionary party, and newspapers and magazines of the day were filled with comment and prophecy—much of it dark and gloomy. The files of such magazines as the Literary Digest, the Nation, and the World's Work contain numerous articles about the mysterious A. C. Townley—the Digest was unable even to obtain a photograph of him—and his new radical movement in the agricultural Northwest.

Townley himself was in great demand as a speaker all over the United States. He visited the President in Washington and addressed a large crowd in famous Cooper Union in New York, where he was apparently something of an enigma to the citizens of the State that was even then the home of Franklin Roosevelt. They did not seem to understand what Townley was talking about, although they understood well enough when Roosevelt addressed them on the same general subject a few years later.

Townley's program, as amended by the league throughout the years, was, in simple terms, a New Deal two decades before Roosevelt. It advocated, in 1919, such dangerous innovations as a workmen's compensation law, regulation of working conditions and hours of employment for women, a State-hail insurance law, a plan of distance tariffs to eliminate railroad rate discrimination, a home-building program, a graduated income tax, a mine inspection law to provide safe working conditions for miners, exemption of farm improvements from taxation (designed to penalize speculators who allowed land to lie idle), and most important of all, its three cardinal points: the creation of a State bank, the establishment of a State-owned elevator and flour mill, and the creation of an industrial commission made up of the governor, the attorney general, and the secretary of agriculture to administer the State-owned institutions.

In North Dakota a bond issue of $5,000,000 was provided to establish working capital for these enterprises. The farmers' program was on its way. The funds, at long last, were provided. But now, with the party firmly in the saddle, the gentlemen who were to bring about the organization's downfall and temporary eclipse began to creep from their hiding places, each with his own particular bag of tricks. Some were political mountebanks, some were plain crooks, others were cranks. But they all seemed to have one thing in common: they wanted to use the league's name and power and prestige to develop their utopian schemes.

The league was to suffer now from a weakness inherent in all revolutionary parties: liberals, farmers, workingmen, and intellectuals are not always good businessmen or administrators. Most of the league officials had had little or no experience either in politics or business; they were easy marks for every glib-tongued promoter with a plausible scheme to offer.

For a time it was a three-ring circus whose fantastic performances tended to overshadow the party's real accomplishments. Besides sisal enterprises in Florida and fish hatcheries in the Bering Sea, North Dakota farmers were persuaded to invest their money (a postdated check was usually good) in Mexican lands, consumers' cooperative stores, league banks and exchanges, and almost every other activity that offered an opportunity of separating a farmer from his money.

The league leaders and the promoters were not entirely to blame. The farmers had the bit in their teeth; they were ready to try anything. It was partly their own attitude which made it easy for shrewd and fast talkers, masquerading under the name of the league, or through some vague league affiliation, to bring about a period of buffoonery and high comedy such as North Dakota and the Nation had not seen for many a day. But there was a less amusing side to the matter: The frenzied financing infected even the regular league projects and brought about a financial debacle that discredited the farmers' movement and forced it temporarily out of power under particularly humiliating conditions.

Banks crammed to the eaves with postdated checks and similarly inert paper were commonplace. North Dakota farmers who owned stock in any of the dubious corporations which mushroomed overnight were resentful of any suggestion that some of these crackpot enterprises might be unsound. They were only too ready to characterize as a villain anyone who tried to warn them, suspecting, perhaps, that he was an agent of Wall Street or the ogre "big biz," against whom they had been repeatedly warned.

And then entered the villain, in the person of WILLIAM LANGER, young attorney general for the league and later United States Senator from North Dakota. Not that LANGER was actually a villain in the matter. He merely suggested that some of the so-called farmers' banks, notably the Scandinavian-American Bank of Fargo, were tottering institutions in which no farmer who wanted to save his red flannels should place his money. LANGER was bitterly attacked by league leaders and officials of the bank, who were using the institution as a reservoir from which to finance many of their doubtful enterprises.

Governor Frazier, a member of the State banking board, refused to believe the charges, and LANGER was unable to have a satisfactory audit of the bank taken. But LANGER was a resourceful character. He arranged that the chief auditor of the State should be called out of North Dakota on business; then, with two deputy auditors, armed with the proper credentials, he descended on the bank to examine its books and assets.

"Mr. LANGER emerged," wrote Walter Davenport in Collier's, "crying at the top of his voice that the bank was so crammed with such collateral as postdated checks and uncollectible notes that the doors of the vaults could scarcely be shut."

There was little if any exaggeration in LANGER's charges. Officials of the league and the bank attempted to reorganize the institution, but their efforts were futile. The bank collapsed; shortages of $216,378.09 were discovered before the investigation was completed; Townley and LEMKE, along with several officials of the bank, were charged with embezzlement and indicted. Says Mr. Davenport: "The indictments seemed to include everybody of importance and everything that can happen to a bank short of arson—indictments for false reports to the bank examiners, for receiving deposits while insolvent, for false statements to the depositors and false entries, for perjury * * *."

A number of the bank's officials were sent to prison, but the indictments against Townley and LEMKE were later dismissed on the ground that they were improperly executed. "Anyway," as Mr. Davenport concludes, "there was no evidence that Messrs. Townley and LEMKE had the $216,378.09."

The unsound financing which marked some of the league's projects—such as the Scandinavian-American Bank, for example—was not a result of improper practices in all cases. If the league was sometimes forced to embark upon dubious financial schemes, it was in large part because regular loaning and credit agencies boycotted the league projects in the hope of wrecking the organization. Said the Nation on October 19, 1921: "The pith of the whole contest in North Dakota is financial. The carrying out of the Nonpartisan League industrial program has depended upon money, which for the past 2 years it has been impossible to obtain."

North Dakota's State bonds were being rejected by investment firms and banking circles in the hope of smashing the Socialist regime which was threatening their dominance of the Northwest. The program of the league's opposition in smearing its leaders never abated. WILLIAM LEMKE, the league's attorney, became known as Commissar LEMKE. New York newspapers sent reporters to the fastnesses of North Dakota to report on the activities of the "free lovers" who desired to divide up all the women of America among themselves and establish seraglios on the plains.

When league legislatures met, breathless reporters were present to flash to the Nation the break-down of the American way of life and the triumph of bolshevism. Needless to say, they went home disgusted upon discovering that the legislatures were made up for the most part of stanch Lutherans and Roman Catholics, who would as soon have thought of founding a harem as of cursing Martin Luther or the Pope.

While native North Dakotans did not believe the more extreme charges made against the league, there nevertheless arose in time a storm of such bitter feeling that the thunder of it echoes in the State to this day. There was no longer a question of political parties; there was only the question whether one was league or antileague.

"It is doubtful," wrote the North Dakota historian, Lewis Crawford, "whether any society has experienced a more bitter partisan strife since the days of slavery than North Dakota passed through in the period of about 10 years following the legislative session of 1917. Almost our whole social and business life was influenced by the continuous turmoil into which all were drawn. The league and its doings formed the chief topic of conversation wherever men gathered: On the street corner, in the cross roads, in the barber shop, or business office. We had league picnics, women's auxiliaries, public debates, newspaper controversies, independ-

ent voters' associations, special legislative sessions, house bill 44, farmer-owned banks, newspapers, stores, and what-nots, injunctions, initiatives, referendums, and recalls that consumed the energy and disturbed the peace and quiet of every citizen, from the mere voter to the Supreme Court. This controversy was not confined to officials, candidates for office, or professional politicians. The daily life of even the common citizen was a round of bitter political acrimony in which each freely backed up his beliefs, however ill-founded many of them were, with his time and money."

The bitterness and political acrimony extended to even lower levels than the mere voter. Children barely able to talk—but quite able to hear—knew which side of the fence they were on in North Dakota's political revolution. In 1920, when Townley traveled over the State by airplane, he attracted great crowds, not only because of the intense interest in league affairs, but because of the then novel means of transportation he employed. Says Walter Davenport: "From round-up to round-up he flew, swooping from the skies upon startled audiences, who, properly coached by livelier imaginations, hailed Mr. Townley as a winged messenger from heaven. Gabriel over the wheat fields. Michael putting Wall Street to the sword."

Even children of six or seven, despite the awe and admiration they felt for these daring aviators, spat fiercely on the wings of the plane when they learned that it carried A. C. Townley, of whom they had heard so much. I can verify this, for I was one of those children. It is not to be wondered at, either; there is an old story that North Dakota mothers sometimes frightened their errant offspring into decorous behavior with a paraphrase of the old bogeyman story: "Townley will get you if you don't watch out."

Postwar deflation struck devastating blows at the northwest farming country just at the period when the league was getting its start. In the 1920 elections the opposition had a strong, if invalid, talking point in the increase of the cost of government, which had risen to $20,000,000 during the 1918–20 biennium. The increase was a direct result of wartime inflation rather than of league squandering; in the single year 1918–19 property valuations in North Dakota had leaped from four hundred million dollars to one and a half billion dollars.

The league was nevertheless successful once more in its campaign to return its candidates to office. But as the first months of its third consecutive term passed, drought, deflation, and mismanagement of league affairs provided potent ammunition for its enemies. Legislative committees appointed to investigate the party's State-sponsored projects—as well as opposition auditors—brought charges that the affairs of the State were hopelessly muddled and mismanaged. Huge deficits were alleged to exist in the affairs of several State enterprises.

The leaders of the league were ousted from State office under most humiliating conditions, and under the terms of a law which they themselves had initiated. Liberals all over the Nation had praised their enactment of a Recall Act which provided that any elective official could be removed from office by vote of the people in a special election. Now, by a curious quirk of fate, league leaders were the first officials against whom the law was directed. It was, indeed, the first time in the history of the United States that a recall election had been successfully brought against a governor of a State.

It is almost impossible, even today, to estimate how much of the people's antipathy was founded on actual fact, how much on distorted propaganda of the opposition, and how much on unavoidable economic conditions for which nobody could properly be held responsible. The disastrous deflation of the postwar years was bringing hard times to the northern plains, and it is a political truism that the party in power invariably suffers—or benefits—from current economic conditions, regardless of what influence it may have had in bringing about those conditions.

It is beyond doubt, however, that the political inexperience and confused administration of the league's leaders had a great deal to do with their own downfall. The projects of the party, however laudable they might have been in theory, were badly administered; but this was not always the fault of the league officials. They were hamstrung and opposed at every turn by a particularly violent opposition whose only interest was to smash the league—even if it had to smash the State's economy and credit at the same time.

In the special election called to attempt the ouster of the Industrial Commission, the opposition sought also to repeal the entire league program of State-owned industries. But the people of the State indicated that they still knew what they wanted. Two hundred thousand voters expressed their will in this bitter contest, which ended with the peculiar result of the people voting to continue the league program, while ousting the league officials and placing opposition officials in their places to conduct that program. The results were quite naturally not notable for their success.

That the people of the State later felt they had erred in the action is indicated by their subsequent treatment of the men they had ousted. Governor Frazier was later nominated by the party for United States Senator and elected for three successive terms; WILLIAM LEMKE, the ousted attorney general, has been repeatedly returned to the United States Congress by the people of the State; and John Hagan, the ousted commissioner of agriculture and labor, was later given a league endorsement for governor of the State.

But at the time, the issues were so clouded and the feeling so bitter that the Independent Voters' Association, as the league opposition was called, was able to reelect its gubernatorial candidate, R. A. Nestos, in 1922. In 1924 the league made a partial return to power with the election of Governor Sorlie; but from the session of 1919, when the league completely dominated the government and began its program, to the 1930 session, when the IVA forces completely dominated the legislature and the State offices, there ensued a seesaw for power between the two forces.

As the decade of the 1920's progressed, political differences began to seem less threatening and political activity less important. Men discovered more frightening enemies than their political opponents, as the prophetic words of John Wesley Powell began to come true on the northern plains. The thousands of settlers whom Jim Hill had induced to come into the northwest prairies found themselves embroiled in a desperate fight for existence that left them little time or energy for political struggles. The battle of the farmers against economic spoliation resolved itself now into a war against the implacable forces of nature.

Mr. LANGER. Mr. President, in further reference to the fourteenth point, as to the law which was passed by the North Dakota Legislature, when the Nonpartisan League was in absolute control of the State, making it possible for the State to establish a light, heat, and power plant, I ask unanimous consent, in order to show exactly what was done under that law, to have printed at this point in the RECORD, as a part of my remarks, chapter VII of the book entitled "The Fighting Governor."

There being no objection, the chapter was ordered to be printed in the RECORD, as follows:

CHAPTER VII

BILL LANGER'S story moves toward a climax now.

For years he had battled the forces of special privilege and graft. Since he first held public office in Morton County and stepped on the toes of the railways and milling corporations in the tax suits, BILL LANGER had been making enemies among the highly placed.

Those enemies, growing through the years as he lambasted one set of plunderers after another, had one burning ambition—to "get" BILL LANGER. They hoped primarily to remove him as a constant menace to their schemes for shady profits and exploitation of the North Dakota public. They hoped in accomplishing his downfall to discredit the Nonpartisan League, which represented true democracy and threatened their old rule by an oligarchy of grain barons, milling kings, and railway princes.

The farmers had seized power, through the league, in the 1916 elections. They had not maintained power long. But by 1932 conditions under the political bosses had become so flagrant that the farmers again revolted and sent BILL LANGER to the Governor's chair.

After his successful attack on the corrupt capitol building commission, all the forces of special privilege in North Dakota joined hands to encompass the downfall of the fighting Governor who wrecked their most potent schemes for profit at the expense of the State.

Before their conspiracy could function, BILL LANGER had given them another reason for wrath. Balked in his efforts to obtain an investigation of power rates in 1917 when the United States entered the war and everything was sublimated to the military needs of the day, BILL LANGER remembered his unfinished chore. His hands free after cleaning up the capitol mess, BILL LANGER moved against the Electric Light and Power Trust.

He was convinced these companies were evading their fair share of taxes. He believed their rate structures were based on unfair valuations. Most of the power companies in North Dakota were subsidiaries of the powerful national holding companies, lately the target of Federal legislation. In taking them on for a finish fight, BILL LANGER was again adding to his list of powerful enemies.

Swiftly LANGER marshaled his attacking forces. The power companies had for years been escaping taxes by paying taxes on an ad valorem base, enabling them to conceal assets and turning in valuations of their own fixing. The new taxation law abolished the ad valorem base and substituted a flat 12 percent levy on the gross operating income of the utilities. Governor LANGER backed the measure through to passage. LANGER was approached by a power company executive before he was to sign the measure. The man attempted to persuade LANGER to veto the measure. BILL refused, and was bluntly told that the power companies would institute recall proceedings unless he changed his mind. The measure became law over LANGER'S signature.

Another Langer-backed law was the statute empowering the State railway commission to investigate the books of the utility companies, and to revaluate their properties, the better to fix a fair rate base.

Finally, neglecting no angle to attack the utilities monopoly, LANGER opened fire on the rates charged the State for electric power and light in State buildings. Three experts were named by LANGER to report on the State's electric power purchases. The committee found that the State was paying 5 to 9 cents per kilowatt-hour for power in

the penitentiary, the State training school, Statehouse, and other State buildings. LANGER held these charges were grossly excessive, and at his insistence, the legislature authorized expenditure of $350,000 for construction of a State-owned power plant to furnish electricity to the State buildings.

The mere announcement that BILL LANGER was preparing to build a power plant brought the power companies into line. The corporations had learned by this time that BILL LANGER doesn't bluff. Hat in hand, the utilities companies agreed to a drastic reduction in rates charged for power supplied the State. They agreed to furnish all power required by the State at a flat rate of 1 cent per kilowatt-hour.

Governor LANGER'S initial victory over the Power Trust saved the State $40,000 annually. He insisted that the power firms contract to supply power at the 1-cent figure for 10 years, and today the North Dakota taxpayer continues to enjoy the savings engineered by LANGER'S first-round knockout of the Power Trust. The $400,000 saving, over the 10-year period, was an important contribution to his economy plan.

The effort to force the power companies to pay a 12 percent gross revenue tax went into the courts. Six power companies, representing the major power interests in the State, joined in the suit against the law.

The fight to make the power companies pay an increased share of State taxes was based on an official report of the State tax commissioner which showed that the six companies, in 1932, paid out more money in interest and dividends than it cost to run the whole State government. The league legislators argued that any firms able to pay such handsome returns could afford to pay a larger share of the cost of government in the State where they made their profits.

A three-judge Federal court in November 1934 ruled that the 12-percent tax was unconstitutional, on the technical ground that the State board of equalization and not the legislature had the sole right to determine tax rates, and also that the rates must be computed and based on ad valorem methods.

The State at first planned to appeal the decision to the United States Supreme Court, but abandoned the move when it was decided it would be easier to amend the offending law. The legislature of 1935 ratified a State constitutional amendment designed to overcome the legal objections to the move, and the Langer-inspired drive on excess profits seems likely to come to fruition.

LANGER'S administration continued to carry the fight to the utilities. The Northern States Power Co., after a costly court battle, was forced to pay $83,000 in additional taxes after revaluation by the State board of equalization had increased its tax load.

The law passed by the 1935 legislature empowering the State railway commission to investigate utility values on which rates were based also began to bear fruit.

The railway commission moved into Grand Forks, largest city in the State, to appraise and evaluate the properties of the Red River Power Co. Henry G. Owen, fighting city attorney, cooperated with the railway commission investigators to disclose that Red River Power valuations were heavily padded to serve as a basis for excessive rates. The board, after a thorough probe, slashed valuations by more than $500,000. The board also ordered sharp reductions in power rates, netting Grand Forks residents annual savings of more than $72,000.

Savings to residents of Fargo, largest city in North Dakota, were estimated at $200,000 a year in lowered rates after the railway commission investigators struck "water" in their drilling into the valuations set on their properties by the Union Light, Heat & Power Co., a subsidiary of the Northern States Power Co. The citizens of Minot, third largest city in the State, benefited by an estimated $60,000 a year in electric bill savings after the administration was through wringing the "dampness" out of their valuations.

Likewise, residents of 60 towns in southwestern North Dakota, including the capital city of Bismarck, derived important savings when the railway commission ordered a flat 25 percent reduction in rates after the company refused a suggestion to slash rates by 15 percent.

The "direct action" clauses empowering the railway commission to regulate utility rates, which Governor LANGER signed into law after the 1933 legislature, has proved an effective club to bring power rates down to a fair level.

The State moves against excessive rate structures brought reductions not only from the investigated concerns, but other utilities came forward with voluntary reductions when the LANGER administration made it clear that the day of excessive rates was over in North Dakota.

Besides the power utilities, Governor LANGER opened fire on the three major railway lines traversing the State, the Great Northern, the Northern Pacific and the Soo Line.

In 1933 the State board of equalization fixed their combined taxes at $3,139,391. The railways immediately took the valuation case to court, and upheld payment of all taxes pending adjudication of the issue. The companies asked a combined reduction in taxes totaling $1,250,232. When the legal battle was over, the taxpayers of the State had another reason for patting the LANGER administration on the back. The railways were ordered to pay more than $1,000,000 of the amount they sought to have canceled.

The LANGER administration continued the sharpshooting at the utilities by instituting a move to obtain lowered freight rates on intrastate shipments. Later the railways sought freight increases which would have added $4,000,000 annually to the State's freight bill, a payment which would have come out of the profits of the farmer on his grain to a large degree.

Ben C. Larkin, president of the State board of railway commissioners, and F. P. Aughnay, commission rate expert, represented the State before the Interstate Commerce Commission, and the people of North Dakota won another smashing victory. The ICC rejected the grain rate increase and also a proposed boost in the dairy produce freight rate. It was simply another interest where the "divine right to profit" at the expense of the farmer and common man was denied the big corporations by the Langer administration.

Illustrative of the need for an alert State administration, always vigilant to detect corporate efforts to secure unfair advantages, is the fact that the total valuation of the railways, for tax purposes, was set at $171,633,448. Governor LANGER was chairman of the tax equalization board which set this figure. The next year, under the administration of Acting Gov. Ole Olson, after BILL LANGER had been harried temporarily out of office by trumped-up charges, the railways obtained a $34,000,000 reduction in assessed valuation, their 1934 taxable valuation being set at $137,296,862. The common man's millage rate went up that year, because there was no BILL LANGER around to keep that $34,000,000 on the State tax rolls.

These constantly reiterated attacks on the power companies, the railways, the moneylenders, and securities companies specializing in livestock loans were bitter enemies of BILL LANGER. Old guard politicians, who had enjoyed soft pickings as the pets of the corporations were enlisted in the ranks of his to-the-death foes. The milling companies had long memories, and LANGER'S battle against them, as a spearhead of the 1916 league fight, alined them in the enemy camp.

They were to become even more bitterly inimical to the battling governor when, in 1933, he invoked his wheat embargo, a move destined to perpetuate his name in history along with his mortgage moratorium as two of the greatest and most humane moves ever made by a governor in defense of a stricken people.

Mr. LANGER. I ask unanimous consent to print at this point in my remarks chapter 18 of the Land of the Dacotahs, by Bruce Nelson, published by the University of Minnesota Press.

There being no objection, the chapter was ordered to be printed in the RECORD, as follows:

CHAPTER 18

THE GRAPES OF WRATH

In the days following World War I, when crops were so hard hit by drought and black stem rust that they were scarcely worth harvesting, a Dakota farmer was visiting friends in Minneapolis in the hope of finding a city job to tide him over the winter. One day he received a telegram from his wife announcing the birth of a child—a prematurely born infant who weighed only 3 pounds and was being kept alive in an incubator.

Since it was his first-born, the farmer was very proud and passed out the cigars as expansively as his meager means permitted. A couple of his friends, however, kidded him a bit for being so thrilled over the birth of this tiny mite of humanity.

"Listen, fellows," the farmer told them, with a weariness born of grim experience. "Out in Dakota these days we're thankful if we even get our seed back."

There is scarcely less of truth than earthiness in this Dust Bowl tale which gave Northwest farmers one of the few chuckles of an otherwise humorless period. There actually were times when the harvest was less than the grain they had seeded; in other cases, where the yield was moderately high, prices in the eastern markets were so ruinously low that the check the farmer received for a grain shipment was less than the freight charges he had paid to the terminal market.

During the early years of World War I the men who had come west on Jim Hill's trains in the decade of the 1900's saw bumper crops come up on the trans-Missouri prairies. In 1915 North Dakota raised the staggering total of 151,000,000 bushels of wheat—a record that was not to be attained again until the wet and successful years of the middle 1940's.

Then disaster struck. In 1916 the yield dropped to 37,000,000 bushels; in 1917 it was 50,000,000 bushels, only a third of the 1915 crop. Drought such as had never before been seen by most of the homesteaders, coupled with a disastrous black rust epidemic, found the State's farmers losing money even at the price-pegged figure of $2.20 a bushel, as the average per acre yield dropped from 18.2 bushels to less than 5 bushels.

South Dakota farmers who had settled on the west-river benches suffered in like measure with their northern neighbors, while in Montana conditions were even worse than in the Dakotas. Montana's dry-land farms, which had produced an average yield of 25 bushels to the acre in the early years of the century, dropped in 1919 to a low of 2.4 bushels. All over the upper river valley there was a series of disastrous failures as the drought persisted through 1918–20.

But despite all this, Northwest farmers continued to expand their holdings under the war-inspired program of increased acreage and greater food production. Much submarginal land that should never have been broken was torn up and planted to wheat in answer to the Government's plea for more wheat production. Credit was easy to obtain, because men remembered the bumper yields of the preceding decade, and specula-

tive capital was flowing into the country. A few wet years with big yields and high prices could make a man moderately wealthy if he had sufficiently large holdings. Land values soared to inflationary heights as northern plains farmers reached out to purchase additional acres and began to mechanize their farms for extensive operations. Like the new lands they bought, most of the new machinery was purchased on credit at war-inflated prices, while they waited for the rains to come.

And instead of the rains came the first of the dust storms. The wind lifted the loose, powdery top soil and blew it in choking clouds over the parched fields. Northwest homesteaders gaped at the unprecedented phenomenon. This year they would not even need to harvest their crops, for the wind scoured deep into the soil and blew away the very seed they had sown.

Land that they had summer-fallowed and plowed deeply, as Jim Hill's scientists had advised them to do, drifted away now before the ceaseless urging of the wind, leaving gaping holes in the sun-dried fields; the exposed edges of the holes wore outward under the constant erosion until entire quarter sections were stripped of inches of precious and irreplaceable topsoil. Land fertility that had been created through countless centuries of growth and slow building was being ripped away by the fist of the wind in minutes and hours. Exhausted lands where reckless soil mining had been practiced were among the first to wear away under the continual drilling of the wind. Then neighboring fields exposed to the wind's abrasive action began to suffer. Once begun, the terrible denuding continued despite everything the desperate farmers were able to contrive.

Out on the range lands of the cattle country years of drought brought destructive prairie fires, and what growth the fires did not destroy, the fierce rays of the sun parched and stunted until western cattlemen were forced to sell their herds or ship them eastward where feed was available. Special freight rates to enable them to import hay were finally inaugurated, but speculators who saw an opportunity to profit from their desperation sent the price of hay to $50 a ton. Boxcars loaded with moldy grass were shipped as hay at these prohibitive prices. The cattle industry, like the wheat industry, was rapidly disintegrating.

In 1920 railroad rates went up 17 percent throughout the Northwest; the price of farm machinery doubled between 1916 and the early twenties; and the cost of clothing and other necessaries which stockmen and farmers must buy increased sharply. But the prices of wheat and livestock slid steadily downward after the war years, until by 1921 wheat had reached a low of 92 cents a bushel, instead of the $2.25 of the war period. The farmer, who had bought on credit more land and machinery to produce the war abundance which the Government asked of him, found himself heavily in debt, with the cost of living rising and his market steadily falling.

In effect, the farmer's debt had doubled as a result of the changed conditions: at current prices it took two bushels of wheat to pay the debt that one bushel would have paid a year or two before. And his credit, which had been advanced so liberally during the war years, was now to be taken from him.

The large banks of the Northwest, pursuing the stated policy of the Federal Reserve System, commenced a program intended to deflate the wartime boom in land values, a boom that had been caused largely by their own previous program of reckless extension of credit. This was supplemented by a policy whose purpose was to drive down the too high prices of Northwest agricultural commodities. Northern plains farmers, scourged by drought and crop failure, who were actually losing money even at war-inflated prices, could only shake their heads at this curious reasoning.

The Government's banking policies, which during the war years had encouraged Northwest bankers to advance credit beyond normal limits in an effort to induce farmers to buy more land, produce more food, and, incidentally, buy more Liberty bonds, were turned now toward curbing inflationary borrowing by forcing the Liberty bonds out of the banks. This the Federal Reserve System achieved in masterly fashion by a drastic curtailment of credit throughout the farming country. The Liberty bonds came out of the banks all right, at 80 cents on the dollar. Not only had the Government broken faith with the purchasers of war bonds; it had, by this same gesture, deprived the Northwest of its only remaining liquid assets.

Northern plains farmers, many of them with unpaid notes for 1, 2, and 3 years in arrears as a result of drought and crop failure, were utterly unable to meet their obligations. Thousands of them, despairing of ever being able to pay their debts, gave up and let their farms and homes revert to the mortgagees. In the decade from 1920 to 1930 there was an exodus from the upper Missouri States of 72,000 persons from North Dakota, 71,000 from Montana, and 42,000 from South Dakota. One-half of Montana's farmers lost their homes through mortgage foreclosure before 1925, and one-fifth of the State's farm acreage, which had been settled so hopefully by Jim Hill's drylanders, was left lying idle. The price of farm lands through the Northwest dropped 50 percent.

But the Federal Reserve System had not done yet with Northwest's tottering economic structure. The rediscount rate of its banks were raised from 4½ percent to as high as 7 percent in some cases. Agricultural paper was forced out of the country's banks until the institutions ceased to be of service to the communities in which they had been designed to function. And next came the additional collateral policy, under which Northwest bankers were arbitrarily driven to put up additional security for previous loans.

The system sought to justify this astonishing plan with the statement that the value of agricultural paper was rapidly dropping under current market conditions. Northwest bankers were well aware of this fact themselves, but they also knew that a farmer's note which may be worth little in a drought year will be perfectly good a short time later. Bankers who sent in notes for rediscount to the Twin City banks found, in certain cases, that the notes were being held as additional collateral for previously discounted notes. At last the Reserve banks refused altogether to rediscount individual notes, and the banker was forced to make a direct loan—submitting a number of notes as security, of which the Reserve bank coolly took its pick in an amount sometimes equaling three times the amount of the banker's loan.

Now, with the sources of credit dried up, the farmer and the livestock producer were forced to sell their grain and cattle to keep alive and to pay up notes which the Reserve banks were calling in. The smashing of high commodity prices which the Federal Reserve System had set out to achieve in the Northwest was accomplished. But in the process it had smashed, too, the economy and the banking system of the States on the northern plains.

By the middle twenties banks were bursting like popcorn throughout the Northwest. Montana lost one-third of her banks by 1924; in 1926, North Dakota lost 59 national banks and South Dakota 115, wiping out millions of dollars of the meager savings of stockmen, farmers, and small-business men.

There is a considerable body of evidence to indicate that the brutal policies of the Federal Reserve system in the Northwest were not entirely the result of shortsightedness or stupidity. Congressman USHER L. BURDICK, of North Dakota, charged in the National House of Representatives that the Twin City bank gang had controlled the administration of the War Finance Corporation in violation of the purposes and intent of the laws under which the Corporation was established. Under the management of the Twin City crowd, BURDICK asserted, "not a cent of the money lent went to aid agriculture as the act intended." The loans, he said, were made "to country banks holding farmers' paper, but which paper the First National Bank of Minneapolis and the First National of St. Paul were holding as collateral to loans secured by the country banks to which this money was loaned."

The loans, in short, were made only to those country banks which could be forced to endorse the check and return it to the correspondent bank in the East. "When it became apparent that the Twin City bankers were milking the Government and that the losses of this Corporation would be amazing," BURDICK continued, "this same group secured a set-up known as the Agricultural Credit Corporation, established in February 1924, to rediscount paper of the War Finance Corporation, and it worked overtime * * * but was soon taken over by the Federal Reserve Bank of Minneapolis. It was not intended that any cash should be sent to small banks to keep them from closing."

In the tragic case of one North Dakota banker, BURDICK's assertions proved to be quite accurate. This man was able to obtain from the War Finance Corporation a loan of $25,000, which would have tided his bank over the depression period. But the Minneapolis bankers who held the man's collateral learned of the loan and brought pressure upon him to turn the check over to them. If he refused, they would crack down and close his bank. The banker had to accede to their wishes. Later, when his bank was forced to close, he was given the appointment of deputy receiver and managed to support his family for several years, until some 60 percent of the bank's losses had been repaid. Then the receivership was terminated. Unable to rebuild his life, with a wife and six children to support, his only assets being the insurance he had kept through the years, he took his own life in order to provide for the future of his family.

So, under the cold and ruthless treatment meted out to the smaller banks and the men who depended on those banks for credit, the economy of the Northern Plains States crumpled in bankruptcy and disaster, while the rest of the Nation was busily engaged in an economic joy ride.

Most Americans—unless they happened to live in the Northwest during the years following World War I—will scarcely recognize the foregoing as a picture of the postwar years. Montana and the Dakotas have had little time or leisure to develop writers who make an impact on the national consciousness. The Northwest and its affairs do not loom large on the national horizon. And newspapers and magazines of the day had stories aplenty that were better circulation builders than the dreary affairs of poverty-stricken farmers and ranchers.

For this was the decade of the Roaring Twenties, the decade of Al Capone and Insull, of sheiks and flappers and bathtub gin and jazz, of bulls and bears and "normalcy" and the big money. When New York City brokers were gleefully hailing Andrew Mellon as the greatest Secretary of the Treasury since Alexander Hamilton and were extolling the virtues of capitalism triumphant, nobody troubled to look at the Northwest, where a miniature preview of the coming national debacle was being enacted.

In the Upper Missouri Valley men had another name for the greatest Secretary of the Treasury since Alexander Hamilton, as they

saw their farms and the fruits of lifetimes of toil stripped from them for want of a little sound financial foresight on the part of national leaders. Elsewhere in America it was still a time of Coolidge and Hoover prosperity, of well-filled pockets and minature golf, of mahjong and gang murders and millionaire bootleggers; in the Northwest—although one can find scant mention of it in the newspapers of the day—it was a time of exodus and desperation, of broken banks and broken hopes and broken lives.

Then, as the roaring twenties merged into the threadbare thirties, something more than a credit drought struck at the northern plains. There began in 1930 a cycle of dry years that were the worst in the experience of the oldest residents. Blinding dust storms that made those of the early twenties seem trifles by comparison swept over the upper Missouri States. Automobiles drove with headlights turned on even at midday to pierce the darkened atmosphere. Dust sifted through the frames of tight-shut windows until it lay drifted a half-inch deep on the sills. Whole farms were carried bodily eastward and dumped into the streets of far-off cities. It is estimated that 12,000,000 tons of rich topsoil fell on the city of Chicago alone in one of the great storms. Soil from the distant farms of Montana and the Dakotas enveloped cities of the Atlantic seaboard with great dark clouds, and ships far out at sea found a dust film settling on their decks. It began to look as if the warnings of John Wesley Powell had not been grave enough; it seemed, to red-eyed farmers who scanned the skies in vain for rain clouds, that their land was in danger of becoming a second Sahara—for wind erosion carries away only the precious and fertile humus, leaving the sand to lie in heaped and furrowed desert windrows.

And it was not only the drought the farmers had to contend with. Even where they were able to produce scanty yields, it benefited them little, for the price of wheat dropped to 40 cents a bushel and lower. Once again the stage was set for agrarian revolt. And once again the revolt came about most effectively in North Dakota, where a resurgent Nonpartisan League returned to power in 1933, during the most trying period in the Northwest's history.

Gov. WILLIAM LANGER, who had taken Arthur Townley's place as the league's recognized head, was largely responsible for the organization's new dominance. For the first time since the famous 1919 legislature the league had complete control of the executive and legislative branches of the State government. Its officials had, too, a decade and a half of political experience to draw upon. But even so, the party's task was no simple one.

The outgoing administration of Governor Shafer had left a bonded indebtedness of $40,000,000. (It is perhaps pertinent to add that only $10,000,000 of this amount had been incurred under league administrations; the remaining legacy of $30,000,000 had been left by antileague governors.) The Bank of North Dakota was carrying $2,225,000 in interest coupons on these bonds which the State could not meet. The State's bonds were selling at 84 cents on the dollar, and its people were suffering, in many cases, from actual hunger and want. Thousands were leaving for other parts of the Nation in hopes of finding employment. There were $25,000,000 in unpaid taxes outstanding, school teachers were being paid by warrant; insurance companies and other mortgagees were gathering in North Dakota farms by the score as a result of foreclosures; banks were closing right and left as they had closed in the middle twenties; there had been three successive years of drought and crop failure. And into this seemingly hopeless situation came the league and its new governor on January 1, 1933.

Governor LANGER—later elected to the United States Senate—was soon to occupy a unique position in North Dakota political affairs. In the early days of the league, men were classified as leaguers or antileaguers; under Governor LANGER's regime they came to be known as pro-LANGER or anti-LANGER; there was scarcely any other political designation of importance. That situation obtains even today.

LANGER has been called every known variety of scoundrel by his enemies, who number roughly one-half of North Dakota's 640,000 people. But this situation has its compensations, for his followers are as fanatical in their devotion to him as his enemies are in their opposition.

For a clear understanding of WILLIAM LANGER and his career, it is necessary to go back to his early associations and personal history. Born on a farm in North Dakota, he learned early the problems of an agricultural State from first-hand observation and experience. His flair for politics was perhaps acquired from his father, Frank Langer, who was a member of the State's first legislature.

Young LANGER whizzed through high school and the University of North Dakota's law school at such a dizzy pace that he found himself a full-fledged lawyer at 18—3 years too young to practice legally. So the gangling farmer boy packed his bag, dusted off his yellow shoes, and set out for Columbia University in New York City. His political talents were beginning to show themselves even then. Before he was through at Columbia he was elected class president, won the Roelker award for outstanding scholarship, and—for the third time in his life—was graduated as valedictorian of his class. Incidentally, he was chosen by his classmates as the man most likely to succeed.

His brilliant work as the youthful State's attorney of Morton County and his subsequent affiliation with the league as its attorney general have already been told. During the desperate days of the late twenties and early thirties, it was chiefly his work in reorganizing the party that brought him into the governor's chair in January of 1933.

"We must balance the State budget," declared Governor LANGER in his inaugural address. "North Dakota goes into the coming year with unpaid borrowings of $2,500,000. We have arrived at a point where expenditures of taxpayers' money consume approximately 50 percent of the cash farm income of the State. Continuation of these policies can mean only one thing: bankruptcy. Unless some immediate drastic remedy is adopted to equalize taxation with income, complete ruin faces the farmers of North Dakota."

Such words are often heard from politicians in times of stress, particularly just before an election, but the Governor and the league legislature soon demonstrated that they were not engaging in mere campaign oratory. The biennial budget of the previous administration had been approximately $10,000,000. Under the league's economy program this was slashed to less than $5,000,000—and as a result North Dakota led every State in the Union in reduction of the cost of State government in 1933.

With the exception of the elementary schools, every department received such a paring and pruning as had not been seen since statehood. The squawks of jobholding politicians were loud and prolonged, but they were not the only ones to suffer. The State's underpaid college professors suffered further reductions of pay as well; yet there were few complaints from them. The spectacle of an administration which was really balancing the budget—after an election—was too refreshing to cause much criticism except among professional politicians who were being nudged away from the public trough.

When the legislature failed to pare appropriations sufficiently, Governor LANGER seized his red pencil and vetoed an additional $500,000. This was, very likely, an illegal use of the veto power, for North Dakota law prohibits the vetoing of appropriations bills in part; but LANGER had always been an advocate of the direct approach. Constitutional limitations did not mean much to him or to the desperate people of the State at the time, as will be seen. At any rate, nobody objected to the further reduction, whether it was legal or not.

Before the 1933 administration the State had been paying from 5 to 9 cents a kilowatt-hour for power furnished its public buildings by private companies. Governor LANGER called in rate experts and had them do a bit of figuring. Their report was illuminating, and a few days later the league legislature approved an expenditure of $350,000 for the construction of a State-owned power plant. The mere threat was enough. The power companies capitulated and signed a 10-year contract to furnish the State power at 1 cent per kilowatt-hour—a saving of some $400,000.

Next, with a fine disregard for the United States Constitution which specifically prohibits any embargo, the legislature enacted into law a bill empowering the governor to declare an embargo on the State's produce whenever, in the Governor's opinion, prices became "confiscatory." This astonishing measure was a result of the fact that the Grain Trust had reverted to its old ways in the years of the league's impotence. Arrogant and powerful, it again depressed prices at will, and poverty-stricken farmers, forced to sell their grain if they were to exist, had to dispose of it at any price the syndicate saw fit to offer. But the new administration had a trick or two up its sleeve.

North Dakota produces some 85 percent of all the durum wheat grown in the United States—a fact which gives it a practical monopoly on the product. But an uncontrolled monopoly is as ineffective as none at all. It was this situation that LANGER set about remedying under his embargo powers. The milling and grain interests, which had chuckled at the farmers' unconstitutional law and predicted that it would never be invoked, were startled when LANGER abruptly ordered the cessation of all wheat shipments from the State. Aside from the effect on the supply of durum wheat, which could be obtained nowhere else, the milling terminals found that the withholding of North Dakota's huge hard spring wheat crop—largest of any State in the Nation—had completely upset their plans and schedules.

The price of wheat on the Minneapolis exchange jumped 5 cents the day the embargo was announced and another 5 cents the following day—while the Grain Trust howled bloody murder and brought legal proceedings against the State. LANGER, however, had foreseen what would happen: the processes of the law were slow but the rules of supply and demand were quick and constant. While the case dragged through the Federal courts the price of wheat continued to rise until it had reached a point where Canadian growers could afford to pay the high duty and still ship to the United States at a profit. At this point the Governor lifted the embargo. He would have had to do so soon anyway, for the millers shortly afterward obtained a permanent injunction preventing the State from engaging in any such unconstitutional shenanigans in the future.

"What if it was unconstitutional?" said Governor LANGER. "It worked, didn't it?"

And North Dakota's farmers, who had themselves been trimmed frequently by the grain trade, were more than glad to see the tables turned for once. A hundred Sargent County farmers telegraphed the Governor: "Your action in placing an embargo on wheat is the best thing that has been done in this State in 40 years. We are with you until hell freezes over."

Two days before the embargo took effect, No. 1 dark northern spring wheat was selling at 49 cents a bushel; 5 weeks later the price had gone to 72 cents—a rise that put millions of dollars into the pockets, not only of North Dakota farmers, but of the growers of the entire Northwest. Durum wheat, because of North Dakota's near monopoly, rose to 92 cents a bushel.

There were indirect benefits, too. The league administration's courageous and unprecedented action, even though it was unconstitutional, dramatized for the whole Nation the desperate plight of the farmer and hastened the passage of national legislation for agrarian reform. The Governors of Minnesota, Montana, South Dakota, Iowa, Nebraska, and Kansas wire their commendation of LANGER's stand—though none of them found the courage to emulate his action.

The league turned its attention next to the problem of mortgage foreclosures and evictions, and in April 1933 Governor LANGER issued his famous moratorium edicts. Despite bitter criticism and heavy pressure from certain groups the Governor called a halt to farm foreclosures and evictions, thus keeping thousands of honest but unlucky farmers from being dispossessed for the crime of poverty. His action, labeled by many a travesty of the sacred rights of property, was supplemented by the calling out of the National Guard to enforce the edicts.

"The big-business interests know," declared LANGER, "that as long as I am Governor, until we have good crops and fair prices, the moratoria are going to remain in effect, even though I have to keep on calling out National Guard men three times a day, as I did last Saturday. As Governor I am not going to permit eviction or oppression of debtors, whether they be farmers or small-business men; and if the only way the big business interests figure they can get rid of the moratoria is to remove me, they are right. I knew the penalty that would be inflicted when I declared the moratoria, and I am fully prepared to pay it."

North Dakota farmers breathed easier now. Had some such moratorium on debts been given them in the 1920's, it would have saved thousands of them from losing their homes and farms—for good years always come sooner or later on the northern plains. As a result of the moratorium measures hundreds of farm families were able to keep their homes and farms and pay off their indebtedness soon afterward; there were no savage mortgage riots such as occurred in other States when harried and desperate farmers blasted away at sheriffs with shotguns in a vain effort to stave off eviction; and, largely because of the moratoriums, North Dakota produced but few of that miserable clan that was to become known as Okies.

With the success of their suits to restrain North Dakota from declaring an embargo on wheat, the milling interests had again grown confident. During LANGER's second term they attempted to return once more to their old methods, but this time they found the league men ready. They now had powerful weapons with which to fight for their rights. The work of the 1919 legislature, with its program of State-owned credit facilities and a State mill and elevator, bore rich fruit in the hard years of the middle 1930's.

Black-stem rust ravaged North Dakota's wheat crops in the year 1937. While the scourge did not always ruin the grain it attacked, it invariably resulted in a harvest of lightweight wheat. The work of Dr. Ladd of the State agricultural college 20 years before had shown northwest farmers that lightweight wheat often had a high protein content and was of excellent quality for milling purposes.

Farmers had forgotten these lessons in the years that had passed, and they were totally unprepared for the action of the Grain Trust when, on the evening of July 22, 1937, the price of 37-pound wheat was suddenly reduced from 89 to 37 cents a bushel—a drop of 52 cents in a single night. Millions of bushels of the State's crop were of lightweight quality that year, and the action of the grain trade meant a loss of millions of dollars to farmers of North Dakota and the whole upper-river valley.

But the men of the Nonpartisan League had not forgotten the early days of the party's organization. Governor LANGER at once called a meeting of prominent State and farm leaders at Fargo, and men were dispatched throughout the State to secure two-pound samples of wheat, which were rushed to the State Mill & Elevator at Grand Forks, where the grain was threshed, milled, and baked into bread. Three days after the trust's reduction of the price of lightweight wheat, the governor had his answer: the wheat was ideal for the making of high-quality flour.

Through the Industrial Commission, which the league had originally established to conduct the State-owned enterprises, the State Mill & Elevator at once offered 37 cents a bushel above market price for the lightweight wheat. A day later the price on the Minneapolis market zoomed upward to meet the mill's offer and in some cases went even higher, a tacit admission that the milling interests had been planning a gigantic robbery.

Now if ever the league's long and bitter fight for a State-owned grain elevator and mill was justifying itself. For 60 days the price was kept up, with the grain trade meeting the State's prices, and this brought to the farmers of North Dakota alone an estimated $10,000,000 which would otherwise have found its way into the pockets of market speculators. The total amount invested by the State was $12,000, the sum expended in buying wheat before the grain trade raised its price to correspond with that of the State Mill & Elevator.

In 1938 the State's leaders, recalling the attempt of the previous year, watched carefully for a repetition of the grain trade's tactics. But the syndicate cagily refrained from quoting any price at all on 37-pound wheat. Instead, it drove the price of durum wheat down to 48 cents in a minor variation of its former procedure. Governor LANGER, recalling the Federal court injunction of several years before, again turned to the State Mill & Elevator to rescue the price from these unprofitable depths. The mill announced that it would pay 65 cents a bushel instead of the quoted market price of 48 cents.

"I am not going to monkey with any embargo," LANGER declared. "We will buy the wheat outright. We have the money and the credit, and the wheat is worth twice what we will pay for it." It was worth at least 65 cents a bushel, at any rate, for the Minneapolis market at once rose to meet the mill's offer, and again northwest farmers benefited to the extent of millions of dollars.

Good times were coming back to the northern plains as Governor LANGER and the league administration went out of office on January 1, 1939. Eighteen million dollars of the bonded indebtedness of forty million which LANGER had inherited was paid off by the close of his second term. North Dakota bonds, which had been selling at 84 cents on the dollar when the league administration took over in the bleak days of 1933, were selling at a dollar and a quarter on the dollar when the league went out of power in 1939.

An unbiased observer will discern a curious paradox here. He will be inclined to wonder why an administration with such an excellent record as the league established during the 1930's should be voted out of office to be replaced by its opponents. The question is puzzling even to North Dakotans.

It is axiomatic in the State's politics that the league prospers in times of agrarian adversity and invariably loses ground in times of prosperity. Beginning in 1940, North Dakota had an unbroken cycle of wet years with high prices which brought to the State the greatest prosperity it had ever known. The years 1940 to 1946 yielded the longest straight succession of bumper crops since the white man first sank his plow into the earth's cover. The average gross income per farm in North Dakota in 1945 was almost eight thousand dollars. And since the league thrives on adversity and agrarian discontent, there was little fertile ground for it to exploit.

But John Wesley Powell's "years of disaster" will come again. When they do, if history is a true teacher, the farmers of the State will turn again to the Nonpartisan League as they have done in the past. Whether or not this condition is a healthy one politically, it would be idle to debate. The State's administrations are usually about equally divided between leaguers and nonleaguers, and the government suffers from the factional pulling and hauling that results. This is unfortunate, of course, but the benefits the league has brought to North Dakota in the way of progressive legislation far outweigh any inconveniences which have resulted from a divided political system.

Today in North Dakota the league is just another party. The extreme bitterness and violence of early days is gone, although the State's political fights are still heated and strongly contested. Farmers no longer look upon every businessman, lawyer, and banker as a tool of Wall Street and a greedy agent of Big Biz. Nor do reactionary businessmen, bankers, and lawyers any longer refer to Leaguers as "free lovers," Bolshevists, anarchists, and Reds. Not even an archconservative would dare advocate today the abolition of the State-owned mill and elevator or the Bank of North Dakota. The men who fought these projects as socialism 20 years ago are today forced to approve of them publicly if they wish to be elected.

Antipathy between leaguers and nonleaguers is today largely based upon force of habit. There is no longer anything radical about the Nonpartisan League—for with the passage of the years the radicalism of yesterday has become the accepted governmental philosophy of today. Nonetheless league opponents maintain their opposition, which is no longer without valid foundation, while on the other hand, the league continues to arrogate to itself a liberalism which it is no longer alone in possessing. There are many men in the league today who could be classified as conservatives, although they were progressives when they became leaguers 30 years ago. They have not moved forward since that time, while the world has—but they are unaware of this fact and still think of themselves as progressives.

The Bank of North Dakota has been a consistent success, despite gloomy predictions that it would fail; it turns over a neat half million dollars a year in profits. The State Mill & Elevator was for many years, under both league and antileague administrations, mismanaged and packed with faithful payrollers. But since it has been taken out of politics and efficiently managed, it too has been steadily profitable; it likewise made a profit of half a million dollars in 1945. And its intangible savings to the State's farmers have been inestimably greater than that.

The most important work, perhaps, that is being done by the league today is its attempt to maintain the family-sized and self-owned farm against the rising threat of huge estates operated by hired hands. The Farmers Union, the most powerful farm group in the upper Missouri Valley, is a leader in the fight for the family sized farm union. Upon the efforts of these twin groups in North Dakota rests the social and agricultural future of the State. Vast mechanized farms run by skilled personnel are admittedly more efficient; whether they are socially more desirable is the question at issue. Until recent

years tenant farming had increased alarmingly in the Northwest; today, with good crops and high prices, it is again on the wane.

But the issue must be met in the near future. Whether the northern plains will be a land of self-owned farms operated by independent and free men, or whether it will be, in Sinclair Lewis' phrase, a land of "placid châteaux ringed by sullen huts"—that is the question. The league and the Farmers Union are willing to sacrifice a modicum of efficiency for an economy of free and independent growers. Tenant farmer is only the northern term for sharecropper, and the lot of the northern serf is little better than that of his Dixie counterpart.

Strong and practical steps have been taken under the Nonpartisan League and the Farmers Union to see that it does not happen in North Dakota. An anti-corporation-farming law, which prohibits any corporation of any kind from engaging in farming activities in the State, has been passed and upheld by the Supreme Court of the United States. A graduated land-tax measure, which would discourage the accumulation of huge holdings by wealthy exploiters, has been sponsored by both organizations. It will be interesting to see where the struggle ends: Whether, as in unluckier industries than agriculture, efficiency triumphs over independence.

Not only in political matters did the Northwest wake up to the threats it was facing during the terrible twenties and early thirties. Out of the struggle of man against the elements during the drought and the dust storms grew a hard-won and specialized body of knowledge that will make future periods of agricultural depression infinitely less difficult to bear.

The policies of the United States Soil Conservation Service and the work of the Reclamation Bureau, which were considered revolutionary 15 years ago, are eagerly accepted today by farmers who didn't want anybody telling them how to farm in the days before the agrarian tragedy of the thirties. Conservation of rainfall and the control of wind and water erosion, measures urgently needed in the upper river valley, are now being carried out on an extensive scale. The methods are many and varied: the replenishing of organic matter in the soil; balanced livestock and farming operations; the use of protective vegetation in the form of grass, legumes, stubble mulch, and windbreaks; stock-water ponds; proper distribution, rotation, and deferment of grazing; and adjustment of the animal population to the capacity of the land.

Strip and contour farming—two inestimable boons to the Great Plains—also grew out of the desperation of the drought days. Contour farming, the process by which the natural formation of the land is followed in cultivation, not only has proved easier on men and machinery in working the soil, but has had valuable effects in conserving moisture and arresting erosion. It is strip farming, though, an agricultural device as old as agricultural man, that has provided at least a partial answer to the problem of wind erosion on the dryland plains of the Northwest.

In strip cropping, the land is plowed in narrow strips, with a band of unbroken soil left between each two cultivated strips to bind down the earth. Set broadside to the wind, the breaks serve as an effective check to its insistent gnawing. As the ancient terraces of China's rice fields serve to prevent water erosion, so do the protective bands of strip cropping prevent erosion by the wind through offering a series of successive checks as it sweeps westward over the plains.

Never again, even in case of drought as severe and protracted as that of the thirties, can the disaster to the economy of the northern plains be as appalling as was that of the Dust Bowl days. New methods, intelligent planning, and bitter experience have left the farmers of the Northwest in a far better position to meet any future dry and barren periods which may come—as they surely will come sooner or later. And most important of all, the harnessing of the mighty Missouri which is even now taking place in the upper river valley will transform the land and mold its future as nothing has done since Thomas Jefferson purchased it from Napoleon almost a century and a half ago.

Mr. LANGER. Mr. President, we come now to the last law which was passed by the Nonpartisan League when it was in full control of the State of North Dakota, law No. 15, a law against immoral teachings in the schools. All of the proposals proved to be politically, if not always economically, successful except for the home-building association.

I now ask unanimous consent to have printed in the RECORD an article which appeared in the CONGRESSIONAL RECORD on March 4, 1950, entitled "Bonding Unit Makes Money While Giving Services Free."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BONDING UNIT MAKES MONEY WHILE GIVING SERVICES FREE

BISMARCK, N. DAK.—The North Dakota State Bonding Department is making money while giving its services away.

For the past 2 years the department has written bonds for State, county, and municipal officials which called for fees of more than $176,000.

All but $292 of the fees were waived, but the department fund still has more money now than at the beginning of 1948.

During the 2 years the department's fund has gained more than $55,000, almost all of it from interest on investments.

The 1947 legislature passed a law providing that premiums for bonding State and local government officials could be waived as long as there was more than $1,000,000 in the fund.

State Insurance Commissioner Otto Krueger points out that last year's operations cost only about 24 percent of the interest earned from the department's investments.

The department now carries bonds, he said, totaling more than $33,470,000, with its assets at the end of 1949 amounting to $1,424,863.

Mr. LANGER. Mr. President, I also want to call the attention of the Senate to the fact that under the Nonpartisan League, the first old-age-pension law in the entire United States was passed in 1933, this was before the Townsend plan or any other old-age-pension plan had ever been heard of. Likewise, Mr. President, North Dakota, under the Nonpartisan League, was the first State in the Union, so far as I know, to give free education to high-school graduates wanting to go to college, letting them borrow from the Bank of North Dakota, at 1 percent interest, $300 for each of the 4 years of their education, a total of $1,200. All we did was to take the note signed by the minor, sometimes also signed by the parents, relying upon the honesty and integrity of the boy or girl. One thousand two hundred of those young boys and girls became dentists, lawyers, farmers, graduates of agricultural college, and school teachers, or have graduated to enter other professions, by reason of the fact that the Nonpartisan League organized the Bank of North Dakota, which made it possible for them to get the money at 1 percent interest, to be paid following graduation, at some time in the dim and distant future. I remember the cry that went up all over the State. It was said that the money would never, never be paid back. Yet the record today shows that following graduation, 96 percent of those young men and women have repaid the loans to the Bank of North Dakota, showing that the young men and women are honest. Also, when we consider the 1 percent interest, it shows the Bank of North Dakota had no loss at all.

Mr. President, from its inception, the Nonpartisan League has fought monopolies and cartels of all kinds and descriptions. It has been the best friend the small-business man in the State of North Dakota has had.

In conclusion, I want to say I regret that at the hearing today, an opportunity was given to the enemies of the Nonpartisan League again to sneak around and tie up, if they possibly could by false innuendo, the Nonpartisan League and Russian communism. In the old days, we heard the cry about being bolsheviks, and I remember many other names which were applied to the farmer-labor movement in North Dakota and to small-business men. I only hope that if any of the Senators become aware of any attempts to blacken the name of the State of North Dakota, or of the Nonpartisan League, they will get the speech I have given them today, which truly represents the facts as they honestly and truly are, and that they will do the best they can to overcome the testimony, if we may call it that, by Mr. Budenz, before the Committee on Foreign Relations. If it was done to scare the people of North Dakota in the election on June 27, it will not succeed. You see, Senators, our people are too smart politically—we have had our eye teeth cut.

LEGISLATIVE PROGRAM—ORDER OF BUSINESS

During the delivery of Mr. LANGER'S speech,

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. When the Senator from North Dakota concludes the interesting address he is delivering now, the Senate probably will take a recess until tomorrow at 12 o'clock.

Today we have had two speeches upon the ECA bill. Apparently no other Senator is ready to speak today on this important measure. I hope all Senators who plan to make speeches on the European recovery program bill will be ready to deliver their speeches in the near future, so that at least some of them will be ready to speak on that bill tomorrow, in order that we may move forward as rapidly as possible to the point where we shall have a vote upon some of the amendments to the bill.

In other words, Mr. President, if no speeches are to be made tomorrow on the bill, then I shall propose that we begin the reading of the bill and begin to take action on the committee amendments; and if we do not do that tomorrow, then on Saturday,

It is my understanding that some Senators plan to leave the city tomorrow. I hope that Senators on both sides of the aisle who are to make speeches on the bill will be prompt in making them. Certainly we should conclude action on the bill next week, at the very latest.

As I have said before, much important business is awaiting action by the Senate. The calendar is heavy with important measures. So I should like to have the Senate conclude action on the ECA bill by the end of next week, if not before.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. BREWSTER. Has the majority leader as yet formed any conclusion as to what measure might follow the ECA bill?

Mr. LUCAS. When we conclude action on the ECA bill, I may say to my friend the Senator from Maine that a motion will be made to take up the fair employment practices bill.

Mr. BREWSTER. Period?

Mr. LUCAS. Period.

Mr. WILLIAMS. Mr. President, will the Senator yield to permit a question?

Mr. LANGER. I yield.

Mr. WILLIAMS. I understand that tomorrow the business of the Senate will be confined to the ECA bill. Is that correct?

Mr. LUCAS. No; I would not say that. For instance, there is awaiting action a bill involving daylight saving for the District of Columbia. That is an emergency measure; but the consideration of that bill was objected to yesterday, during the call of the calendar, by the distinguished Senator from Virginia and the distinguished Senator from Arkansas. We should be able to dispose of that measure in several hours. I know of very little objection to it. We might take it up tomorrow.

I had hoped we might take up the bill for the extension of the Commodity Credit Corporation Act, which is on the calendar. I know that the Senator from Delaware [Mr. WILLIAMS] has told the Senate that he wishes to be away tomorrow; and I know that the Senator from Massachusetts [Mr. SALTONSTALL], who is interested in that measure, cannot be here then. Therefore, certainly I shall not insist that it be taken up when those two Senators are away, because both of them are interested in it.

Mr. WILLIAMS. I thank the Senator from Illinois very much.

Mr. LUCAS. I hope the Senator from Delaware has a good time while he is away, and I hope he will make a good speech, and will return to the Senate next week in a cooperative spirit, so that we can expedite action on the Commodity Credit Corporation bill, because I wish to do what I can in that respect.

Mr. WILLIAMS. I assure the Senator from Illinois that it will be a good speech, and I wish the Senator from Illinois could accompany me, so that he could enjoy it.

Mr. LUCAS. If I did not have another engagement, I would be happy to accompany the Senator from Delaware and to listen to the kind of speech he makes when he goes home.

Mr. President, I should also like to announce that if we run out of something to do tomorrow afternoon in the way of making speeches on the pending measure, the so-called Kefauver resolution is on the calendar awaiting action, and it is very possible we shall take that up. In other words, the Senator from Illinois is not going to take a recess in the middle of the afternoon, if Senators run out of words with respect to the pending measure.

COMMUNIST PROBLEM IN HAWAII

Mr. BUTLER. Mr. President, the statement regarding the Communist problem in Hawaii, attributed to Representative VELDE, of Illinois, a member of the House Un-American Activities Committee, now in Hawaii, seems almost unbelievable to me. According to this morning's newspaper, Mr. VELDE said that the hearing had so far demonstrated that the Communist problem in Hawaii was no more serious than elsewhere in the United States.

To the contrary, evidence already collected by the committee bears out conclusively every statement I made regarding the danger of communism there in my report on statehood of last year.

Already 39 witnesses before the House committee have chosen to hide behind their constitutional immunities rather than answer the committee's questions on communism in a forthright manner. Numerous Hawaiian Communists have been definitely identified as such by testimony that is thoroughly convincing. The charges against specific Communists which I made in my report have been backed up repeatedly by the evidence presented to the House committee.

Testimony before the committee has indicated strongly that the entire top leadership of the one big union in Hawaii, the International Longshoremen's and Warehousemen's Union, is Communist. Certainly in none of the United States is there any such situation where virtually all labor-union activity is under Communist control.

The House committee has already exposed as Communists or former Communists two members of the Hawaii constitutional convention, and there may be others to come. Each day brings new testimony about high Territorial officials and other influential persons who are or who have been Communists. Communism is the extreme exception "elsewhere in the United States," but it seems to be almost the rule in Hawaii.

REVISION OF LAWS RELATING TO IMMIGRATION (REPT. NO. 1515)

Mr. McCARRAN. Mr. President, on July 26, 1947, the Senate passed Senate Resolution 137 which directed the Senate Committee on the Judiciary, or any duly authorized subcommittee thereof, to make a full and complete investigation of our entire immigration system. Pursuant to this resolution which was subsequently amended and extended, a subcommittee of the Senate Committee on the Judiciary has, over the course of the last 2½ years, been engaged in an intensive investigation and study and is today submitting to the Senate its report and recommendations.

I feel that this is a most thorough study. In the development of this study literally tens of thousands of pages of testimony have been taken from our immigration officials, consular officers, and representatives of various organizations interested in our immigration system. The report not only gives a clear picture of the problems of immigration but goes further in pointing out the leaks in our present system.

As chairman of the subcommittee, I am also introducing an omnibus bill which constitutes a complete revision of our immigration and naturalization laws.

In the preparation of this omnibus bill the subcommittee has been materially assisted by the experts of the Immigration and Naturalization Service and of the Visa Division of the Department of State. This bill has not been hastily conceived. It has evolved only after careful study of the many complicated facets of our immigration and naturalization system and after thorough study of the hundreds of enactments which constitute the body of our present immigration and naturalization law.

I sincerely feel that this proposed legislation, prepared from the findings of the subcommittee, is designed to eliminate the weaknesses in our immigration and naturalization laws and will put our immigration and naturalization policy on a sound basis.

While the new bill embodies many of the provisions of the previous laws it also presents several major changes in policy which are:

First. Simplification of the quota system, but maintenance of approximately the same basic formula for determining the number of people allowed to enter the United States.

Second. Establishment of a principle of selection, within the quota system, that is geared to the economic needs of the United States.

Third. Removal of racial discrimination by permitting quota immigration from Asiatic Pacific areas from which persons of certain races were previously excluded.

Fourth. Tightening of the screening procedure for applicants for admission and clarification of deportation proceedings under which undesirable aliens may be deported.

Fifth. Plugging of the loopholes in the present law through which subversive elements have been gaining admission into the United States.

The bill further provides many important changes in naturalization, among which are:

First. Provision for more thorough investigations of applicants for citizenship.

Second. Tightening the requirements for citizenship.

Third. Provisions which would give greater assurances that citizenship shall not be promiscuously endowed on subversives and other undesirables.

Mr. President, the last general investigation of our immigration system was made by the Congress beginning in 1907 and continuing until 1911. As a result of this investigation there evolved a series of enactments which were designed to

meet the problems of that era. It is my sincere hope that the fruit of the labors of the subcommittee will meet with the approval of the Senate. I trust that every Senator will study the report and the provisions of the omnibus bill, to the end that we may shortly establish a fair, just, and sound immigration and naturalization system, designed to meet the problems of this era.

Mr. President, I offer the resolution which I send to the desk, and I also submit the report. The resolution would provide for the printing of the report. I should like to have the resolution considered by the Senate at this time, if that is agreeable to the majority leader. If it is not agreeable, I shall gladly postpone the request for its consideration.

Mr. LUCAS. Mr. President, I should like to know what the resolution provides. I assume that it will be perfectly satisfactory, but I should like to know what it contains.

The PRESIDING OFFICER. The resolution will be read, for the information of the Senate.

The resolution (S. Res. 262) was read, as follows:

Resolved, That the Committee on the Judiciary be authorized to have printed for its use 1,100 copies of Senate Report No. 1515, a report pursuant to Senate Resolution 137, Eightieth Congress, first session, as amended, relative to an investigation of the immigration system.

Mr. LUCAS. Mr. President, let me inquire of the Senator about the cost.

Mr. McCARRAN. The cost is within the rule and within the regulation prescribed. Another rule would require that the resolution be referred to the Joint Committee on Printing if the cost and the number of copies proposed to be printed exceeded the other limitation. However, as I understand, the resolution need only be referred to the Committee on Rules and Administration, for approval.

Mr. LUCAS. Has it been approved by the Joint Committee on Printing?

Mr. McCARRAN. Not as yet, but it has been approved by the subcommittee of the Judiciary Committee.

Mr. BREWSTER. Is the resolution the subject of the Senator's recent remarks in the Senate?

Mr. McCARRAN. I have been reporting on Senate Resolution 137, adopted in the Eightieth Congress, providing for an investigation of the immigration and naturalization laws of the United States. This is a report of the committee, pursuant to that resolution.

Mr. BREWSTER. How extensive is the report? Is it what the Senator from Nevada has just been reading?

Mr. McCARRAN. No; I just submitted the report and sent it to the desk. We are asking to have the report printed.

Mr. BREWSTER. As I understand the Senator, he says it is within the rule. Is that correct?

Mr. McCARRAN. Yes; the number of copies we are asking to have printed comes within the rule.

I wish Senators to understand that this resolution must be referred to the Committee on Rules and Administration, and we must receive from it authority to have the copies printed. If request were made for the printing of a greater number of copies than the number now being requested, the resolution would have to go to the Joint Committee on Printing.

Mr. BREWSTER. Will the Committee on Rules and Administration report the resolution to the Senate?

Mr. McCARRAN. The Committee on Rules and Administration will report it to the Senate, if I am correctly informed.

The PRESIDING OFFICER. The Chair understands that the Committee on Rules and Administration would report the resolution to the Senate.

Mr. McCARRAN. Yes.

Mr. BREWSTER. At that time the Senate would have an opportunity to consider the resolution further. Is that correct?

The PRESIDING OFFICER. The resolution would have to be adopted by the Senate before the permission sought could be granted.

Mr. BREWSTER. Would that be after the Committee on Rules and Administration had reported or after the Joint Committee on Printing had reported?

Mr. McCARRAN. After the Committee on Rules and Administration had reported.

Mr. BREWSTER. Very well; I have no objection.

The PRESIDING OFFICER. Of course the Committee on Rules and Administration would act upon the resolution and would report to the Senate, as in the case of all similar matters. The resolution will be received and referred to the Committee on Rules and Administration.

The report will be received and printed.

The resolution (S. Res. 262) was referred to the Committee on Rules and Administration.

Mr. McCARRAN. Mr. President, I now ask unanimous consent to introduce for appropriate reference a bill relating to revision of the laws relating to immigration, naturalization, and nationality.

There being no objection the bill (S. 3455) to revise the laws relating to immigration, naturalization, and nationality; and for other purposes, introduced by Mr. McCARRAN, was received, read twice by its title, and referred to the Committee on the Judiciary.

TREND OF EMPLOYER OPINION ON TAFT-HARTLEY LAW—ARTICLE BY LUIS A. IRELAND

Mr. MORSE. Mr. President, there are just a few words I want to say in regard to certain trends of employer opinion in America in respect to the Taft-Hartley law, as a basis for asking unanimous consent to have published in the body of the RECORD an article by the manager of the industrial relations conference at San Francisco, Mr. Luis A. Ireland, on the subject Whence Came the Taft-Hartley Law, and Whither Are We Going?

It has been interesting to me as one who was among those who led the fight against the passage of the Taft-Hartley law in 1947, to notice the shift of opinion which has occurred among American employers generally in respect to that law. It is interesting to note that, while in 1947 a great many employers thought that the Taft-Hartley law was the great panacea to meet the employer's need for protection from labor abuses—and they had such need in 1947, and they still have it—many of them have now come to recognize that the Taft-Hartley law is in need of great revision. In fact, I have been reading the writings of a good many employers during the last 2 years and I have had discussions with them in regard to what they now recognize to be the shortcomings of the Taft-Hartley law. It is interesting, and somewhat satisfying, too, to note that many employers now are saying some of the very things some of us who opposed the Taft-Hartley law in 1947 said on the floor of the Senate before that final and most unfortunate vote was cast.

Mr. Luis A. Ireland is a representative of that type of employer opinion. He is a man who for a good many years has worked in very close relationship with employer groups in handling industrial relations in behalf of employers. I should like to read a paragraph or two from his article. He says:

None but a blind partisan would deny that it was public resentment toward the extremists in organized labor that resulted in the passage of the Taft-Hartley law with its mixture of good, bad, and uncertain provisions. Just as all employers in interstate industry were brought under the good, bad, and uncertain provisions of the Wagner Act, which became law because of the extremists among employers ignoring a liberal-minded public's desire for a new deal for the masses, so all of labor came under the rain which fell on the just and unjust alike from the storm their own extremists created.

Mr. President, quite a few of us during the debate in 1947 and during the Senate committee hearings which preceded that debate forewarned American labor leaders that they were getting outside the framework of public opinion, and urged them in the hearings in the caucus room in the Senate Office Building that unless they sat down and cooperatively worked with the members of the committee in the development of a labor law which would be fair to both sides, they were bound to wake up some morning and discover that the Congress of the United States had passed extreme legislation. They would not listen to our advice, Mr. President. Their answer to every question we asked them as to what proposals they thought ought to be adopted to check what the record showed very clearly were labor excesses and abuses was a dogmatic "No"—no legislation at all.

So, Mr. President, Mr. Ireland is quite right when he points out in this article that the Taft-Hartley law was the product of extremists in the field of labor. I should like to say, Mr. President, that I think it was also the product of extremists in industry as well.

Mr. Ireland is also quite right when he points out in his article that the Wagner Act was as extreme from the standpoint of its broad labor tendencies as the junior Senator from Oregon is satisfied the Taft-Hartley law is extreme from the standpoint of its discriminatory features in favor of employers. There is a tend-

ency in the law which places the Government on the employers' side of the table.

Thus the junior Senator from Oregon, in agreeing with at least the objectives of Mr. Ireland, once more, for the RECORD, says that we still have a great job to do in the Congress of the United States with respect to passing labor legislation which will meet what I think is the basic test, namely, to have a law which will be equally fair to employers and to labor, which will give to each the same procedural rights and safeguards, which will protect the public by seeing to it that the same rules of the game are applied to both teams, and which will also minimize, to the extent possible in the public interest, Government interference in the field of labor relations. I hold firmly to the view that we cannot have a sound system of voluntary, good-faith collective bargaining unless it is recognized that Government interference through any provision in a statute which is unnecessary limits and handicaps voluntary collective bargaining, because such legislation causes one party or the other to come to rely upon the legislation if he thinks that through it he can gain some advantage over the other party.

One of the serious charges against the Taft-Hartley law—and I think there is much evidence to support the charge—is that the employers believe, or are coming to believe, that in certain types of cases, at least, it gives them an advantage over labor. Thus I believe we need to reexamine the law—would that we could do it at this session of Congress, as I think we should—to the end of seeing to it that there is eliminated from it any and all procedures which any factual study will show discriminate in favor of one side or the other, and then try to write a law which really makes the public interest paramount.

I agree with Mr. Ireland's statement that the Wagner Act violated the same principle of fairness and nondiscrimination for which I am now pleading. For example, the Wagner Act did not give to the employers the same procedural rights and protections which it gave to labor. They could not even protest and have a hearing on a complaint against the unfair labor practices of unions.

There is another paragraph in Mr. Ireland's article which I think is worthy of reading, because in this article he gives a brief survey of some of the conditions which existed in the beginning, between 1900 and the 1920's, showing the need for a fair attitude on the part of employers. He points out that there were extremists in the period from 1900 to 1920 whose actions gave rise to some of the demands on the part of unions which, in turn, developed into excesses. He says:

It was only as far back as on July 31, 1919, that the Portland Oregonian, a Republican paper, said in an editorial:

"The report of the Inter-Church World Movement on the steel strike contains a lesson for both the steel corporation and its employees * * * Public opinion does not approve of shifts 11 to 14 hours long, nor of arbitrary power of bosses, nor of absolute denial of the right to organize."

Then the article goes on to say:

The churchmen had reported, "If the 12-hour day is bad for the country, the Government is to blame and as long as it fails to tackle the 12-hour day it imposes upon the trade-unions alone the humane task of moving the steel corporation in the direction of reform. Moreover, the conclusion is inescapable that a real cause of the persistence of the 12-hour day and the 7-day week is the defenselessness of the unorganized immigrant worker. Again the Government, as much as the steel corporation, is to blame, and again the Government has seen fit to leave the field of reform to the trade-unions."

Of course we have gone a long way, Mr. President, since those days of exploiting labor, since those days when American workers were considered as commodities to be bought and sold on the labor market of America. Yet it is well, as Mr. Ireland does in his article, to reflect every now and then upon some of the abuses in the American labor scene which gave rise to some of the demands on the part of the workers of the country for legislation, such as the Norris-LaGuardia Act, which is one of the great pieces of legislation passed by my party. In my opinion is is one of the greatest pieces of labor legislation, so far as protecting the rights and freedoms of workers is concerned, ever passed by the Congress. I include legislation such as the Wagner Act, which, in my opinion, as I have said so many times, was defective because it did not provide for equality of treatment and a fair and equal application of the rules to both the employers and the unions.

I should like to read one other paragraph from this article:

On June 26, 1947, Prentice-Hall in their Labor Report on the passage of the Taft-Hartley bill under the headline "The morning after," asked: "Feeling happy about the new law? Or do you think labor-management relations have been set back 20 years?"

Then Prentice-Hall went on to say:

Every single right given to management is a potential headache.

I digress from the quotation, Mr. President, to say that both management and labor should never overlook the fact that when they permit conditions to arise in the field of labor relations because of which the public says, as it has a right to say to its elected Representatives, "These abuses must now be corrected to the extent that they can be corrected by legislation, since the parties have evaded their responsibilities to correct them by way of voluntary, good-faith action through collective bargaining and voluntary procedures for peaceful settlement of disputes." Thus there is caused a public demand for legislation. Let both American employers and workers always remember that whatever legislation may be enacted, they buy some headaches for themselves, too, because legislation necessarily means some restriction upon voluntary action, which was privileged, had they wisely used it prior to the passage of the legislation.

I think it is unfortunate that it became necessary, because, as Mr. Ireland points out in his article, some extremists within the employing class of America became so guilty of abuses that legislation such as the Wagner Act, which turned out, in my opinion, to be unfair in some respects to employers, was passed. Likewise, I think it is equally unfortunate that some extremists in the ranks of labor became guilty of abuses which put all of American labor in January, February, and March of 1947, or by those dates, outside the framework of public opinion, resulting in the passage of the Taft-Hartley law.

Many restrictions were placed on the freedom and the privilege of voluntary action on the part of both employers and workers by the Taft-Hartley Act. The Taft-Hartley Act is not all one-sided, Mr. President. It has some restrictions in it on employers, too, which I wish American employers and American labor leaders had been able to avoid by their own voluntary action prior to the arousing of public opinion which demanded action in the field of labor legislation, as that opinion had become aroused by January 1947, when we convened in that session of Congress.

I go back to the reference in the Prentice-Hall articles:

Then Prentice-Hall went on to say: "Every single right given to management is a potential headache. The law is riddled with ifs, ands, buts, whereases, and provideds. It will be years before these are cleared up." To this Prentice-Hall added: "Long-established shop practices will have to be changed right away. Many smoothly working contract provisions—the result of years of collective bargaining—are now outlawed. A well-meaning employer—trying to get along with the union—may find he has unwittingly committed a crime."

Mr. Ireland says:

Congress could not have written the ban on the closed shop; the ban on the freedom of the labor press; the affidavit provision; the political-contribution provision; the ban on foremen being part and parcel of a collective-bargaining agency, even though some line should be drawn in this case; nor would they have written the union-shop provision or the provision regarding elections, had the one and only thought been to promote peace in Nation-wide industries, or industries affecting interstate commerce.

At another point in his article Mr. Ireland says:

Statutory law is a poor substitute for decent human behavior.

Frequently many of us have argued on the floor of the Senate, when labor-legislation proposals have been pending, that good-faith behavior cannot be legislated. Nor can legislation change the human factors involved in labor relations.

Mr. Ireland says:

There are some industries where behavior on both sides of the bargaining table has been anything but rational for a very long time. That is largely because the legal representatives (who ought to know better) of both employers and employees have had so little confidence in their cause that they have indulged in name-calling and other tactics not conducive to promoting harmonious relations.

Then, referring to certain articles which appeared in both Life and Business Week, Mr. Ireland says:

Life is a conservative publication, yet it had a full-page editorial (November 29, 1948) headed "The Taft-Hartley Act—It is no 'slave-labor law'—but there are good reasons for changing it."

In my opinion, that editorial is one of the first pieces of writing in any great periodical, Mr. President, which started to show the shift in attitude among many groups in this country to the effect that there was a need for revision of the Taft-Hartley law.

Then Mr. Ireland quotes that now well-known editorial in Business Week, as follows:

Business Week, voice of big business organization, December 18, 1948, said in an editorial: "The Taft-Hartley law has failed * * * it went too far. It crossed the narrow line separating a law which aims only to regulate from one which could destroy."

Mr. President, before closing my remarks, I ask unanimous consent to have printed at this point in the RECORD the complete article by Mr. Ireland entitled "Whence Came the Taft-Hartley Law—and Whither Are We Going?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHENCE CAME THE TAFT-HARTLEY LAW—AND WHITHER ARE WE GOING?

(By Luis A. Ireland, manager, Industrial Relations Conference, San Francisco, Calif.)

Luis A. Ireland, for more than a score of years secretary of the Printers' Board of Trade in San Francisco, which organization disbanded just before the war, has since been operating as a labor-relations consultant chiefly for firms in the Graphic Arts Industry. He still acts as secretary of the Employing Printers' Association of San Francisco, to whose individual members he renders service.

Between 1939 and 1944 Mr. Ireland was chairman of the industrial relations section of the Commonwealth Club, during which time the section made reports on What Is Happening to the White Collar Workers and on Labor Relations in Peace and War, following 2 years or more of study in each case by the section, which was addressed by many prominent representatives from business and labor organizations in the United States and from several foreign countries.

Mr. Ireland was asked by the Allied Printing Trades Council to address the business agents of the A. F. of L. union. About 100 representatives of San Francisco unions were present. Mr. Jack Goldberger, president of the San Francisco Labor Council presided, and William S. Hogan, secretary of Bookbinders' and Bindery Women's Union No. 31–125 was chairman of the day. Mr. Hogan, in introducing the speaker, said:

"The gentleman we have asked to address you today is well known to many present, some of you not in the printing trades have met him in contract negotiations. He is an employer representative in labor matters and represents a group of firms that employs the majority of the membership of the printing trades unions forming the Allied Printing Trades Council, your host council today. Our relations with that group have been friendly for so many years that it taxes the memory of our oldest members to recall the time when it has been otherwise, my own particular union, the Bookbinders' and Bindery Women's Union has not had a strike affecting any member firm of this association, or its predecessors, since 1903 and the record of the other constituent unions of the Allied Printing Trades Council has been an amicable one for most of the same period. A record such as this could only be established when there is a sensible approach made to common problems by both sides. Our guest speaker today has been in no small way responsible for this record. He has been fair, honest, and forthright in all of his dealings with us. He has never hesitated to tell either employee or employer representatives that they were wrong when he thought they were wrong. He has had the courage of his convictions at all times, even to the extent of taking a stand contrary to that of employers in general, on public issues such as the State Hot Cargo Act and the Taft-Hartley law. While we have disagreed with him many times in negotiation, during which he has never failed to do a thorough job for those he represents, we have respected and admired him. We have not suggested any particular topic for him today, but we believe his subject will be both interesting and entertaining. Brothers and sisters, may I present to you Mr. Luis A. Ireland, secretary of the Employing Printers' Association of San Francisco."—William Hogan, secretary, Bookbinders' Local, San Francisco.

(We are privileged to present to our readers Mr. Ireland's address as given before the Industrial Relations Section of the Commonwealth Club recently, and sent us by Brother Clyde Bowen, secretary of San Francisco Newspaper Pressmen's Union.—Editor.)

None but a blind partisan would deny that it was public resentment toward the extremists in organized labor that resulted in the passage of the Taft-Hartley law with its mixture of good, bad, and uncertain provisions. Just as all employers in interstate industry were brought under the good, bad, and uncertain provisions of the Wagner Act, which became law because of the extremists among employers ignoring a liberal-minded public's desire for a new deal for the masses, so all of labor came under the rain which fell on the just and the unjust alike from the storm their own extremists created.

In the fall of 1946 I arrived in New York City one Sunday morning. There were no newspapers to be had, the hotel was picketed, stores and restaurants were bare. Let me quote from Dorothy Thompson's description of what was happening then:

"Hitler and Mussolini had been defeated and dead for more than a year. Japan unconditionally surrendered in August 1945. The United Nations has been established. A peace conference is in progress. Everything for which the entire wealth, resources, and manpower of the Allied world was mobilized; everything which had become their sole objectives and fondest hope has thus been realized. And where are we now?

"As I write, our greatest metropolis is as paralyzed as though blockaded by a foreign army. A few thousand truck drivers, who their own leaders admit are out of control, are closing down the working places of tens of thousands of other workers. Construction is at a standstill; offices are closing; the garment trades are strangled; the food shops are empty; and the city's determination to run the blockade—for that is exactly what it is—anticipates clashes, possibly armed clashes. Armed clashes in the roads and streets are civil war.

"Trade-unions have become, in effect, private armies, which can be mobilized against the population at will. Congress has adjourned without doing one thing to bring labor-employer relations within the framework of law. Organized labor, like organized capital before it, has fought and succeeded in keeping itself outside and above law. Now the workingman himself is helplessly caught in the resultant chaos.

"In chaos the scum rises. The agitator replaces the statesman; the honest merchant gives way to the black-market peddler; the speculator replaces the enterpriser; the propagandist-hireling succeeds the poet and philosopher; the people sit helpless while the mob shrieks in their name.

"America, America. God send His grace o'er thee."

No friend of labor could endorse the hotheaded bungling which not long before the Taft-Hartley law was enacted brought to Oakland and other East Bay cities the general strike which tied up all transportation, retail business and industry, and which ignored no-work-stoppage provisions of a number of mutually satisfactory wage agreements. Certainly the public welfare was forgotten by East Bay labor.

Neither domestic tranquillity, the blessings of liberty, or the general welfare will be insured, secured, or promoted if the people of the United States and their Government, acting for them, permit selfish, organized interests, financially powerful or numerically strong, to resort to coercion or to force to gain their ends. Even the War Labor Board, with all of its behind-the-scenes horse-trading methods, would be an improvement on any system which allows selfish interests to upset domestic tranquillity and ignore the public welfare. Neither the Wagner Act nor the Taft-Hartley Act provided for peaceful means of settling lock-outs or strikes, or clashes between the Averys, the Rands, and their admirers on the one hand, or the Bridges, the Lewises, the Randolphs, and their like on the other. These men with their violently differing views should be encouraged to present and argue their cases before a public tribunal, but they should not be allowed to close down services to the public or be granted the veto powers of a Molotov. If we are to have domestic peace and good will we must provide the machinery to insure it. When we have done that we are more likely to find ways and means of meeting and mastering arrogance from abroad. However, all is not black, for when we look at labor relations throughout past ages we all ought to be much more grateful than we are for the exceptional progress which has been made in our lifetime and for all that we enjoy here in the United States of America. Instead of realizing and appreciating the present greatly improved standards of the relationship between the great majority of employers and the employees, all too many representatives of employers and employed would have us turn toward discord and strife rather than to peace and good will.

A glance at the past history of man's relations with man may give us a better perspective from which to view the Taft-Hartley Act.

We have all read the Bible's story of Pharaoh's troubles with the chief of his butlers and the foreman of his bakers; how in his autocratic anger he threw them into jail; how a wise young Hebrew lad was sent to the same jail with the butler and the baker; soon after came the dreams, and as interpreted by the young Hebrew lad, the foreman of the butlers was reinstated in his job and the foreman of the bakers was beheaded. Then came the fascinating account of how the young Hebrew lad again won the ruler's favor; how he became the world's first national recovery administrator; how he established the first planned national economy; how, setting a pattern for more recent administrators, he looked after those near and dear to him, granting them special privileges, and later persuading Pharoah to permit a mass migration of a whole people into the land as refugees. So it would seem that even today we behave very much as the ancients behaved, and even though theirs was not the age of industrialism and capitalism. Then, too, the late Franklin D. Roosevelt may have gotten some of his ideas from ancient Athens, where, according to the Encyclopedia Britannica, came the first attempt in the fifth century, B. C., to fuse the principles of imperialism and democracy. Pericles, the article says, "was being sorely hampered by his adversaries. The orthodox conservatives and some democrats were jealous of his influence, while afraid to beard the great statesman himself, combined to assail his nearest friends." The Britannica continues, "There were in Athens political parties, oligarchs and democrats, conservatives and radicals, a peace party and a war party, according to the burning

questions of the day. The first 'labor member' proper is a lyre maker (411–404 B. C.). They belonged, however, not to the landowning but to the industrial classes; they were distinguished from the older race of party leaders by a vulgar accent and by a violent gesture in public speaking, and they found their support among the population of the city and its port rather than among the farmers of the country districts. In the fourth century the demagogs, though under another name, that of orators, have acquired entire control of the ecclesia," an assembly in which every free citizen had a right to vote. However, the Britannica adds: "The evils incident to the ancient form of democracy do not include the 'boss,' the caucus, and the spoils system."

At this time there were curious differences in Greece in the earning power of freemen. The common laborer who carried dirt received about 9 cents a day; agricultural laborers and gardeners, 11 cents a day; a carpenter, 13 cents a day. Boeckh's Public Economy of the Athenians says: "Persons in higher stations who labored with the pen, were according to genuine democratic principles not better paid. The architect received no more than the carpenter. The under secretary of public buildings received 14 cents daily. Judges and those who attended the assemblies were paid at least 9 cents a day. The pay of senators and ambassadors was higher. Persons engaged in the liberal arts and sciences, and prostitutes, were paid the highest prices." Compensation of musicians and theatrical performers was very high. One singer received $1,000 every time he sang in public. Flute players demanded high prices for their services. It would appear that Mr. Petrillo had his counterpart in the Athens of 410 B. C.

England throughout her history, and long before she was industrialized, has had her labor troubles. In a pamphlet published in 1669 quoted by Webb in his History of Trade-Unions we read: "The general conspiracy amongst artificers and laborers is so apparent that within these 25 years the wages of joiners, bricklayers, carpenters, etc., are increased (against all reason and good government) from 18 and 20 pence a day 2/6 and 3/–. Nor has the increase of wages amongst us been occasioned by quickness of trade and want of hands (as some do suppose) which are indeed justifiable reasons, but through an exciting and evil disposition in our people * * * that so they may live the better above their station, and work so much the fewer days by how so much the more they exact in their wages."

In another pamphlet dated 1681 we read: "We cannot make our English cloth so cheap as they do in other countries because of the strange idleness and stubbornness of our poor, who insist on excessive wages," and this state of mind, said the author, was due chiefly to relief measures and the prevalence of almsgiving. Shades of WPA.

An anonymous lover of his country in a pamphlet dated 1741 described the closed shop that prevailed in the woolen trade, wrote: "These wool combers decreed: 'That no man should comb wool under 2/– per dozen; that no master should employ any comber that was not of their club; if he did they agreed one and all not to work for him * * * and oftentimes were not satisfied with that, but would abuse the honest man that would labor, and in a riotous manner beat him, break his comb pots, and destroy his working tools.'"

In eighteenth century London our own great Benjamin Franklin, the printer, was compelled to make his peace with the typographical closed shop. He had worked in the plant as a pressman, being duly initiated, but when transferred to the composing room another initiation fee was demanded of Franklin. Of this he writes in his autobiography: "I thought it an imposition as I had paid below; the master thought so too, and forbade my paying it. I stood out 2 or 3 weeks, was accordingly considered an excommunicate, and had so many little pieces of private mischief done me by mixing my sorts, transposing my pages, breaking my matter, etc., if I were ever so little out of the room, and all ascribed to the chapel ghost which they said ever haunted those not regularly admitted, that notwithstanding the master's protection, I found myself obliged to comply and pay the money, convinced of the folly of being on ill terms with those one is to live with continually. I was now on a fair footing with them and soon acquired considerable influence. I proposed some reasonable alterations to their chapel laws and carried them against all opposition."

Well do I recall the passionate discussions resulting from the passage of the factory acts in England in the nineteenth century which continued to be fought with much bitterness through Queen Victoria's reign. Good men and true argued with much heat about fundamental principles, the right of contract, freedom to run one's business in his own way, the right to take children from the poorhouses and work them without limitation of hours. This was not the period of financed capitalism. Nevertheless, the essentials of the struggle for and against change seem to be much the same as those of today.

Lord Hinchingbrooke, a conservative M. P., addressing the Commonwealth Club of California recently, said: "The conservatives in the nineteenth century were in favor of state interference while the Liberals or Whigs, the manufacturers and commercial men were for a free economic order. Both parties made the mistake of neglecting the needs of the rising masses."

The great John Bright, free-trader, reformer, statesman, Quaker, and cotton-mill owner, an admirer of these United States and of Lincoln, was no heartless wretch. Bright found against the corn laws, appealing for a free breakfast table for the people; declared force is not a remedy for dealing with the Irish problem, said of Lincoln: "If there be on earth and among men any divine right to govern, surely it rests with the ruler so chosen and so appointed." Speaking in Rochdale, November 1861, Bright said of America: "I should say that if a man had a great heart within him, he would rather look forward to the day when, from that point of land which is habitable nearest to the Pole, to the shores of the great Gulf, the whole of the vast continent might become one great confederation of states, without a great army and without a great navy, not mixing itself up with the entanglements of European politics, without a customhouse inside through the whole length and breadth of its territory and with freedom everywhere, equality everywhere, peace everywhere, such a confederation would afford at least some hope of heaven and that the future of our race may be better than the past."

Yet that great John Bright, Quaker, reformer, humanist, could challenge the attempt to enact the first factory acts dealing with child labor on the ground that to do so violated a political principle, the right of every man to do exactly what he pleased with himself and his own.

Writing of these conditions existing in the English factory system before 1870, H. B. DeGibbons in Industrial History of England, says: "Wages of workmen were reduced to a starvation level, forcing them to consent to their children and wives being employed by the mills; children were often worked 16 hours a day, by day and by night, and this in stench, in heated rooms amidst constant whirling of a thousand wheels, where little fingers and little feet were kept in ceaseless action, forced into unnatural activity by blows from the heavy hands and feet of the merciless overlooker and the infliction of bodily pain by instruments of punishment invented by the sharpened ingenuity of insatiable selfishness."

And what did the seventh Earl of Shaftesbury—Tory, landowner, economic royalist, if you please—a lord by inheritance, a south-of-England gentleman from Dorsetshire—say of this sort of thing in the House of Lords in the year 1873? Here are his words: "Well can I recollect, in the earlier periods of the factory movement, waiting at the factory gates to see the children come out, and a set of sad, dejected, cadaverous creatures they were. In Bradford, especially, the proofs of long and cruel toil were most remarkable. A friend of mine collected a vast number together for me; the sight was most piteous, the deformities were incredible. They seemed to me, such were their crooked shapes, like a mass of crooked alphabets."

Nevertheless, any change by action of the Government was met by the loud cry that "freedom of contract must be protected."

We see then that the progress man has made in our industrial relations has not always been due to the dreams and the power of organized labor. Many reforms have first been brought about by statesmen having a vision of a better world. Many of the measures being advocated by unions today are but practices and policies which have been established by forward-looking and very hard-headed, intelligent employers in manufacturing and mercantile establishments where no labor organization existed or was threatened. Many employers have been anxious to improve all standards and some of them have done far more in advancing the standard of living for employees by their methods than can be expected to result from extreme and untimely pressures inspired by mere theorists in some sections of labor.

Men, and nations, and the people of this world, regardless of their affiliations, have yielded but slowly to the Christian philosophy—expounded some 2,000 years ago—that the laborer is worthy of his hire. But there is satisfaction to all Americans that we were the first people to declare that "We hold these truths to be self-evident; that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness." Yet progress is so slow and compromises are so necessary that the framers of our Constitution had to include in the very first article this provision: "The migration or importation of such persons as any of the States now existing shall think proper to admit, shall not be prohibited by the Congress prior to the year one thousand eight hundred and eight (1808) but a tax or duty may be imposed on such importation, not exceeding ten dollars per person." It took more than half a century and a bloody civil war before article XIII could be incorporated into the fundamental labor laws of the Republic to the effect that "neither slavery nor involuntary servitude except as a punishment for crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction" and to provide that "Congress shall have the power to enforce this article by appropriate legislation."

Another century passed before Congress was willing to give to those who labor the right to seek life, liberty, and happiness through the process of collective bargaining—a right which perhaps most present-day employers recognize as desirable.

We may be less troubled about present-day problems if we look at what was happening in San Francisco nearly a hundred years ago, as told by B. E. Lloyd in Lights and Shades in San Francisco, published by A. L. Bancroft & Co. in 1876.

In the chapter on foundries we read: "The workmen (of the Union Iron Works) rely on merit alone for promotion, and discipline is

maintained with a firm hand, the rules being thoroughly understood. * * * In these works the idlers and loafers are closely looked after and weeded out as soon as possible. * * * The firm receives boys at the age of 17. * * * The boy learns a respectable trade and obtains the means of earning a good living, while the advantage to the community is that every boy who labors faithfully in the establishment has inducements to become a respected citizen, for while it is the aim of the proprietors to make a first-class mechanic, they also seek to train an intelligent and peaceful member of the community."

In a chapter dealing with San Francisco of the 1870's, Lloyd writes: "Corporations, generally are said to be 'soulless' and as street railway companies are, as a rule, incorporated societies, the natural conclusion would follow, that they are unsympathetic, as well as soulless institutions. This conclusion has some foundation in fact. * * * There is, perhaps, no class of intelligent laborers subjected to more continual abuse, both from their employers and the public, than the employees of the street railroad companies. The drivers and the conductors are the more unfortunate victims. They work under the most rigid rules. A penalty or fine is attached to the most trivial violation of any regulation. * * * They are insulted and cursed by every person who feels that his dignity is not respected, if the car starts before he is seated, or does not stop the exact moment he jerks the bell strap. They are constantly under the ban of, in many cases, unjust suspicion, and numerous crafty tricks are practiced upon them to expose their supposed dishonesty. * * * They are compelled to remain on duty, from 15 to 18 hours a day, and are allowed only 20 to 30 minutes for dinner and supper; and for all this they receive the paltry sum of two and a half dollars. Lost time is also always deducted. A cruel and barbarous rule prevails with all street railways, that of compelling the driver and conductor to stand while on duty—even the privilege of reclining against the dashboard being a forbidden luxury. The conductor is the 'standing' fraud of the directors, and various ingenious strategems are employed, to detect him in his peculations. A spy, in the person of a beautiful and fashionably dressed lady, boards the car and when the unsuspecting conductor requests her fare, he is blandly informed in the sweetest tones, that she has already paid the requisite amount. To dispute this information from such a source would certainly be a breach of gallantry, unpardonable under any circumstances, so he accepts the lady's statement as correct, and the next morning finds that his place is vacant or filled by another."

In the chapter on the San Francisco Chronicle, Lloyd writes: "Mr. Charles De Young, one of the brothers who owns the Chronicle, came to California in 1854 when 9 years of age, and 2 years afterward obtained employment in a wire factory at $4 a week. His next move was to make cigar boxes, but disliking this trade apprenticed himself to a job-printing office. So quick was he with the art preservative and so soon did he become proficient, that it was not long before he was foreman of the typesetting room itself. * * * His first venture on his own account was the printing of the School Circle, a miniature journal containing contributions from the public schools. The venture was a success, in a small way, but Mr. De Young had an uncongenial partner, and after something of a dispute, was forced to sell, he having no money to buy. He then worked at job printing again, but in less than 2 years came in conflict with the restrictions of the Typographical Union. Although he was a first-class printer, he was too young to become a member, being then but 16 years of age. The union allowed but one apprentice to five compositors, and as the office had its allotted number, he was compelled to quit."

Lloyd's description of the press of San Francisco may not be quite as true today as it was when he wrote this in the 1870's.

"The California public look upon the press as a power, whose strength it were better not to test; with a sort of reverential awe. * * * Did the power of the press consist in the number of public journals and periodicals that are regularly issued, San Francisco would present a most formidable front. * * It would therefore follow, as a natural sequence, that the individuals composing the community in which these publications most do circulate, would be, and are, the nearest approach to perfect, intelligent mortals that claim a habitation on this terrestrial sphere. * * * However, San Franciscans are still prone to err. * * * Yet in face of this dreaded power and independence (of the press) wealthy corporations," Lloyd continues, "have grown thrifty, and today, threaten to rise in their strength and dictate to the masses what they shall or shall not do. There has been no country more prolific of monopolies than California, and unless they are held in check by legislation, the oppression that results from their tyrannical power when given unbridled sway, will become intolerable. The spirit of communism, that is occasionally manifest among the laboring classes, is enkindled and fed by the blighting influence the monopolies exert, and will develop into a power that will, by sheer force, establish an equilibrium, even though a period of anarchy would result, unless some protection be extended to the working men. * * * The press of California therefore has much to contend with. It is essential that the leading journals possess and maintain a true independence, such as gold will not neutralize nor influence bend, for the masses accept them as leaders, and have faith that they will lead right."

From pioneer days until the First World War American employers and employees had their ins and outs. Employers resorted to lock-outs, spies, special policemen, yellow-dog contracts, and propaganda; labor to strikes, riots, coercion, and even dynamiting. There was all too often violence and even murder by extremists on both sides. Yet by and large, for native Americans and for thousands of those who came to these shores, that period meant opportunity, contentment, and confidence. The trouble spots were days instead of hours away from most of us. Even the costly periodical warfare between the United Mine Workers, the Amalgamated Clothing Workers, the steel workers, the shipping industry unions and their employers, over hours of work, wages, and other conditions and the right to organize were not as important to the average American as strikes in the same industries are today.

Dr. Frank Tracy Carlton, professor of economics of De Pauw University, in Organized Labor in American History, tells us that a Philadelphia publisher, one Matthew Carey, in 1830 estimated that there were between 18,000 and 20,000 workingwomen in the four cities of New York, Boston, Philadelphia, and Baltimore, and that at least 12,000 of them by constant employment for 16 hours out of 24 could not earn more than $1.25 a week.

The writer of the staid Lynn Record (1836) stated the case of the young women employed by paternalistic mill owners thus: "These ladies have been imposed upon agregariously by the aristocratic and offensive employers, assuming to be their lords and masters and dictating to them not only what they shall eat and drink and wherewithal they shall be clothed but when they shall eat, drink, and sleep, and how much they shall pay for it."

It was only as far back as on July 31, 1919, that the Portland Oregonian, a Republican paper, said in an editorial: "The report of the Interchurch World Movement on the steel strike contains a lesson for both the steel corporation and its employees. * * * Public opinion does not approve of shifts 11 to 14 hours long, nor of arbitrary power of bosses, nor of absolute denial of the right to organize."

The churchmen had reported, "If the 12-hour day is bad for the country, the Government is to blame and as long as it fails to tackle the 12-hour day it imposes upon the trade-unions alone the humane task of moving the steel corporation in the direction of reform. Moreover, the conclusion is inescapable that a real cause of the persistence of the 12-hour day and the 7-day week is the defenselessness of the unorganized immigrant worker. Again the Government, as much as the steel corporation, is to blame, and again the corporations and the Government have seen fit to leave the field of reform to the trade-unions."

Following the collapse of our economy in 1929 the Government did do something, for many pots were chickenless and garages were a luxury; Americans sold apples on street corners; banks closed their doors; businesses failed; men over 40 years were has-beens; men, women, and children lived in sewer pipes, subways, and in tunnels; unions lost members and recognized for a while that you cannot put chickens in pots or cars in the garages unless all the forces which make up our economy do teamwork—cooperate—and that happiness can only be won where men recognize and obey the spiritual law of good will among men.

Some of us will never forget the uplift that came in the midst of the depression from the President's reemployment agreement when in response men were voluntarily restored to former jobs, hours of labor were reduced (voluntarily), wages were increased (voluntarily), in a great united effort to destroy the pessimism that was then rampant among the people of all classes in this country.

Some may remember the Senate's passage of the 30-hour-workweek bill, but before the act could be passed on by the House, the dream of President Henry I. Harriman of the United States Chamber of Commerce, the National Recovery Act, was made the law of the land and was acclaimed by the public generally, except for the few who objected to section 7 (a) which, incidentally, was not part of Mr. Harriman's dream. Writing of this law in the United States News after it had been declared unconstitutional, David Lawrence said: "The essence of the NRA was that each industry could work out its own problems, while the measures that have been adopted since are so general that exceptions are not permitted to take care of special conditions. There were many excellent features in the NRA and many which were impractical, but the chief trouble was that the whole administrative plan did not conform to constitutional principles. Many of us at the time urged that the administration rewrite the law so as to meet the objections raised by Supreme Court opinion. If the New Deal had kept the code system and developed it, maybe by today American would have been a better organized democracy and maybe within the industrial system there would have been democratic and fair controls by this time, exercised by employers and employees with the cooperation of Government."

It was before the war that David Lawrence wrote that while we were still involved with the unemployment problem. We failed to solve that problem. The war did temporarily. But in the light of what we are spending today to keep others from going communistic, it might be interesting to recall the prophesies made in some quarters to the effect that the Nation would be bankrupted if we continued to pour dollars into an effort to deal with the unemployment of several million, including those not wanted be-

cause they were beyond the 40 age limit. In that atmosphere the Wagner Act was passed and was promptly declared unconstitutional by some prominent lawyers. Few industrialists or their representatives were bold enough then, as was President Almon Roth, of the Employers Council of San Francisco, not long ago, to proclaim that today employers were sold on the theory of collective bargaining. After a while the Supreme Court decided that the Wagner Act was constitutional and more and more it became recognized as the law of the land. But like so many of our laws, it was written by men who had a blind eye and who therefore could not see—no more than those who wrote the Taft-Hartley law could see—that employers as well as employees had rights—among which were freedom of speech, the right of petition, the right of equality before the law, the right to boycott those who had been judged by Government to be guilty of engaging in violence, threats of violence, and intimidation, and the right to refuse to bargain with such, and finally, the right to have decisions rendered promptly. The administrators of the Wagner Act in those days also had blind eyes and deaf ears at times and some of those industries where the law was most needed found themselves involved in industrial strife which interferes with the normal flow of commerce. The Wagner Act was passed to guarantee to labor the right to organize and to bargain collectively, and to eliminate the causes of certain substantial obstructions to the free flow of commerce. Had it stopped with bringing labor and management to the conference table for the purpose of bargaining with each other, and had the Taft-Hartley law done no more than that, the law would have put the job of reaching agreement where it belongs and perhaps have brought about the kind of agreements that will serve individual industries. In such circumstances if the parties then fail in their responsibilities, the Government of the people should step in and say to them "You cannot have all of these rights for collective action unless you keep the peace, and if you will not think more of the public interest than you do of your own selfish interests, the people's Government will not allow you to fight it out by disrupting the free flow of commerce, but will require you to submit your difference to an impartial board which you can agree on between yourselves, or failing which, the Government will appoint it." But until we, the public, are willing to vote for those to represent us in our Government who place the public welfare ahead of service to special interests, whether of labor or of capital, laws will continue to be passed that will not achieve their expressed purpose. Selfish, self-willed, and arrogant minds do not accept peace on equal terms willingly, any more than a horse will necessarily drink when led to water. And really there is not a great difference between a horse that will not drink water when led to it and an Avery who is carried out of his office by soldiers or a John L. Lewis who takes a walk.

On June 26, 1947, Prentice-Hall in their Labor Report on the passage of the Taft-Hartley bill under the headline "The Morning After" asked: "Feeling happy about the new law? Or do you think labor-management relations have been set back 20 years?" Then Prentice-Hall went on to say: "Every single right given to management is a potential headache. The law is riddled with if's, and's, but's, whereas'es, and provided's. It will be years before these are cleared up." To this Prentice-Hall added: "Long established shop practices will have to be changed right away. Many smoothly working contract provisions—the result of years of collective bargaining—are now outlawed. A well-meaning employer—trying to get along with the union, may find he has unwittingly committed a crime." Congress could not have written the ban on the closed shop; the ban on the freedom of the labor press; the affidavit provision; the political contribution provision; the ban on foremen being part and parcel of a collective bargaining agency even though some line should be drawn in this case; nor would they have written the union-shop provision or the provision regarding elections had the one and only thought been to promote peace in Nation-wide industries, or industries affecting interstate commerce.

It has been said by labor representatives that the Taft-Hartley law is designed to destroy the unions; that it is a slave labor law and that it is an attempt by organized large employers to put over a wage-cutting program in order to weaken unions; that it is a full employment bill for lawyers. Employer spokesmen have said that the law, depending on conditions, has no effect on practical personnel problems; that the public demanded unions stay out of partisan politics; that the bill was the result of reaction by the people of this country against production stoppages and slow-downs caused by strikes; that the primary benefit of the act is to decrease the participation of Government in collective bargaining; that the law constitutes our first real attempt to establish a national labor policy; that labor's political power has been curtailed but labor's economic power is unchanged.

As a Republican candidate for President, Stassen told a big press association that it should fight the Taft-Hartley provision depriving the labor press of its freedom to say what it likes. Republican representatives investigating the ITU strike in Chicago declared it was not the intention of Congress to ban closed shops such as provided by agreements with publishers and printers. Senator TAFT also a candidate for President, is said to have suggested that under some circumstances the closed shop should be maintained—but as a good lawyer would he agree that graduation from a seaman's school in the shipping industry or from a bakery school in the baking industry as provided in agreements in San Francisco were proper and legal clauses as a substitute for the closed shop? It may be assumed that Mr. Hartley—a farmer expert in industrial relations—very positively would agree that such clauses do not comply with his concept of the law any more than other clauses do which he has frowned on and which appear in agreements made by some of our big national industries. At least it may be said for Farmer Hartley—he is not hypocritical, nor does he attempt to make anything labeled black he voted for in Congress appear to be lily-white when he goes traveling.

The union-shop clause is something of a humbug. It is another case of trying to force people to be good by law—just like we tried to stop people drinking hard liquor which they liked. Now they want to make union men like to work alongside those they do not like and who are just as objectionable to them as it would be for any of us to have Joe Stalin or an Adolf Hitler for a boss.

Statutory law is a poor substitute for decent human behavior. There are some industries where behavior on both sides of the bargaining table has been anything but rational for a very long time. That largely because the legal representatives (who ought to know better) of both employers and employees have had so little confidence in their cause that they have indulged in name calling and other tactics not conducive to promoting harmonious relations. In San Francisco we have all suffered as a result of that sort of industrial relations.

Those who seek refuge in laws have far too little confidence in the fundamentals of the Golden Rule. Most of us have learned that a bad settlement is far better than a good lawsuit. A bad settlement may be corrected, but you may have to live a very long time under legalistic and unsatisfactory 5-to-4 rulings by the courts, and with the feeling of bitterness which opposing lawyers often arouse in getting a decision. That sort of thing does not result in good relations, especially in the field of industrial relations, nor does it serve the public interest. Another deterrent to good relations is the trying of false issues in the public press instead of doing some real collective bargaining.

The controversial anti-Communist affidavit provision of the Taft-Hartley Act has been condemned by saints as well as by sinners. That provision, of course, has nothing whatever to do with the right to bargain. Yet in San Francisco, undoubtedly with legal advice, the Waterfront Employers used it. They insisted that before they would negotiate, the union officials must sign the affidavit. By doing so, they cost the public, who pays all the bills in the final analysis, according to an editorial in the San Francisco Commercial News, "between $300,000,000 and $600,000,000," and the editorial adds: "All casualties have not yet been counted and probably won't for some time to come. However, there have been plenty of injuries—far more than we will ever hear about." The conservative Portland Oregonian, under the heading, "Costly, Phony Strike" editorialized: "The Waterfront Employers Association went out on a limb when it demanded that Mr. Bridges and other union officials sign non-Communist affidavits, which the Taft-Hartley Act does not require unless unions desire to use the services of the National Labor Relations Board. This demand was dropped when the votes were tallied in the national election. The issues in the waterfront strike were not sufficiently important to either side to justify the economic blow to the West. The agreement at San Francisco could have been reached in August." So said the conservative Portland Oregonian.

Life is a conservative publication, yet it had a full-page editorial (Nov. 29, 1948) headed "The Taft-Hartley Act—It is no slave labor law—but there are good reasons for changing it."

Business Week, voice of a big business organization, December 18, 1948, said in an editorial: "The Taft-Hartley law has failed * * * it went too far. It crossed the narrow line separating a law which aims only to regulate from one which could destroy."

All can decide for themselves the meaning of the votes cast on November 2 by citizens who were free to make a choice.

Some of the beneficial changes in the law it seems to me would be:

(1) Acceptance of the union shop without an election where approved by the employer, just as an employer can now recognize a union without an election or certification by the NLRB. The 30-day waiting period before union membership is required also should be abolished where agreed to by union and management.

(2) In a union-shop election require only a majority of those voting to qualify for certification.

(3) Provide for discharge for good cause at union request if the employer consents, or if determined to be good cause through the grievance procedure or by arbitration.

(4) Recognize that publication of political information in union newspapers and other regular union organs of communication is legal.

(5) Require affidavits affirming support of the Constitution by employer officials as well as union officials, or, as an alternative, the present affidavit requirement should be discontinued.

(6) Provide that it shall be an unfair labor practice for unions to require by unilateral action limitation of the number of apprentices, payment for services which are not performed, and compliance with work rules, manning of equipment, or the performance of unnecessary work. These should be decided by collective bargaining.

(7) Encourage unions and management to accept the principle of voluntary arbitration as a corollary to the privilege of free collective bargaining.

(8) Require fact-finding boards to make recommendations to the President.

Had Congress followed the recommendations of the Commonwealth Club of California made in 1939 and 1944 and on other occasions, our industrial relations might have been in better shape today. There would have been no ITU strike in Chicago; no need for the expenditure of thousands upon thousands of dollars by both sides to give employment to lawyers who formerly held jobs in the National Labor Relations Board or Labor Department bureaus; and there would have been no need to resurrect the class warfare indulged in all too recently. Slogans and epithets will not make the Taft-Hartley law a slave-labor law because no individual as such is required by it to render involuntary service; nor will refusal to sign an affidavit make John L. Lewis or Philip Murray Communists. Even an oath to support and defend the Constitution of the United States of America, which has been taken by many of our friends in the past—by some of them before 1918—did not mean that when their appetites for strong drinks or their selfish interests were involved that they would comply with that solemn obligation. We were recently told by an eminent lawyer, a former chairman of the section on industrial relations of the Commonwealth Club of California, that even oath-taking Congressmen who vote for laws involving corrupt practices sometimes forget some of their expenses incurred while running for office—or even where the money comes from. Perhaps if we were all a little less hypocritical and a little more willing to practice what we teach in Sunday School or were taught there or in church, or by a good mother, maybe we would pass fewer laws and rely more on common sense rather than bureaucratic and legalistic interference in problems we should solve between ourselves. Yet as long as this Government of ours is our Government—and if we want to keep it that—employers and employed and the Government should be one team, indivisible, working cooperatively in the public interest. Perhaps, after all, what we really need is a code system such as that suggested by David Lawrence and others. It should not take another apple-selling period to bring into being such cooperation as the system requires if our industrial machine is really to work in and serve the public interest. Had President Franklin Roosevelt not allowed his resentment toward certain sections of business—who never represented the main stream—to bias him against all business, we could have had what Lawrence and others suggested—a general law instead of another piecemeal attempt to deal with the problems of industrial relations. Then employers and employed by now could have been cooperating in a united peacetime effort to limit inflation, prevent unemployment, avoid depression, and by good example help to banish all thought of another world war. Many of the world's wars and revolutions have been caused by strains imposed upon the social structure by an economy that failed to meet the needs of the masses. It is no coincidence that the period when Mussolini in Italy, Hitler in Germany, John L. Lewis in Pennsylvania, and Harry Bridges in San Francisco came into power was the moment when great masses of discontented humanity were looking for a panacea as a way out of their suffering. The conditions in each case had called for a remedy which both the industrial and social systems had failed to provide. Whenever society remains callously indifferent to the consequences of its own shortcomings and fails to remove the temptation, the discontented may be expected to turn to the programs of visionary idealists, on the one hand, or follow self-seeking opportunists—intoxicated with a desire for power—on the other hand.

If we are ever to win the peace at home or abroad, it will require of all of us the same sinking of selfish interest, the same teamwork, the same solid front against common perils as we all put into the winning of the recent war when we astonished the world—and ourselves even more so—by our astounding achievements. If we are to make this world safe for workers, for industry, for investors, widows and orphans, and for democracy, we must change our mental attitude just as we did after the bombs were dropped on Pearl Harbor. As Dorothy Thompson would say, "America. America. God send His grace o'er thee."

Mr. MORSE. The distinguished Senator from Ohio [Mr. TAFT] introduced a bill, which was passed by the Senate, providing certain revisions in the Taft-Hartley law. I agreed in principle with many of those provisions, and I shall always be exceedingly fair in respect of them. I think the Taft-Hartley law would be better with most of those provisions in it. I disagree with some of them. I voted against the bill because I did not feel the Taft bill of the first session went far enough. I could not agree with my good friend from Ohio in regard to the provisions which he had in the bill concerning injunctions. Yet in fairness to him I desire to point out that many of the principles embodied in the amendment to the Taft-Hartley law which he offered in the form of a bill in the first session of the Eighty-first Congress are identical in fundamentals with many of the principles which the senior Senator from New York [Mr. IVES] and I urged in 1947, in what became known as the Ives-Morse bill, which was the committee report bill which came out of the committee in 1947.

Mr. President, in the first session of the Eighty-first Congress I think we came pretty close to reaching agreement at least on the skeleton outline of modifications which should be made in the revision of the Taft-Hartley law. I refused to go along with the report which produced the Taft bill in the first session of the Eighty-first Congress, because of the differences I expressed at that time in committee concerning the proposals which were left out of the bill, and concerning certain differences which I had with certain provisions contained within the bill.

I do not like unfair criticism, and I have read in recent weeks what I think are some very unfair criticisms of the motivation of the Taft bill of the first session of the Eighty-first Congress. The Senator from Ohio does not need me as a witness to testify in his behalf, and whenever I testify in behalf of anyone I do it on a completely volunteer basis, but I wish to say to those who are criticizing the motivation of the Taft bill of the first session of the Eighty-first Congress that along with the senior Senator from New York [Mr. IVES] I held a series of conferences with the Senator from Ohio in the early weeks of the first session of the Eighty-first Congress to see to what extent we could at least narrow the differences which developed among us in 1947 in respect to various provisions of the Taft-Hartley law. As a result of those conferences, as the Senator from Ohio himself stated, in effect, on the floor of the Senate when he offered his bill in the first session of the Eighty-first Congress, those differences were narrowed, and I hope that in due course of time we can narrow them further.

This is not the appropriate time or occasion to discuss in detail the differences and the particular issues involved. It is well known that one of our great differences was over the matter of injunction procedure. I have felt that in this session of Congress we are getting a little closer together in regard to that. I felt that our recent discussion over the coal case showed that there was a possible area of compromise.

Mr. President, I make these remarks this afternoon for three reasons. First, once again I want the RECORD to show that I believe opinion is shifting very rapidly among American employers themselves about the need for some drastic revision of the Taft-Hartley law. Second, I wish to pay what I think is a deserved compliment to a well-known employer representative in the field of labor relations, Mr. Ireland, of San Francisco, for his article on the Taft-Hartley law. Third, I desire to let the RECORD show that I do not join in any criticism of the Senator from Ohio [Mr. TAFT] in regard to the motivation which led to his offering the so-called Taft bill in the first session of the Eighty-first Congress, because I know, as the result of my conferences with him and the senior Senator from New York at the time, that he was acting in good faith, and out of a sincere motivation to make modifications in the Taft-Hartley law on the basis of what he thought the facts showed as a result of some 2 years' experience in the administration of the Taft-Hartley law.

The Senator from Ohio and I do not agree in our interpretation of some of the facts, and we do not agree in regard to certain amendments which I think ought to be put into the Taft-Hartley law in order to make it a law which will meet the standards I laid down in the beginning of my remarks, namely, that we should have a law about which there could be no question as to the equality of application of procedures to both sides in a labor dispute.

I repeat, in closing, that I am still of the opinion that the best way to meet the Taft-Hartley issue is to repeal the law and write a new one, and write it along the general outlines and principles and provisions of the Ives-Morse bill of 1947.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

CONFIRMATION OF NOMINATIONS

Mr. McFARLAND. Mr. President, I ask unanimous consent that the last two nominations of the Executive Calendar be confirmed as in executive session.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will state the nominations.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Ernest A. Tolin to be United States attorney for the southern district of California.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Nan Wood Honeyman, of Portland, Oreg., to be collector of customs, customs collection district No. 29.

The PRESIDING OFFICER. Without objection, the nomination is confirmed. and without objection, the President will be immediately notified of both confirmations of today.

RECESS

Mr. McFARLAND. I move that the Senate take a recess until noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 18 minutes p. m.) the Senate took a recess until tomorrow, Friday, April 21, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 20 (legislative day of March 29), 1950:

EUROPEAN COORDINATING COMMITTEE

Lt. Col. Charles H. Bonesteel, United States Army, to be executive director of the European Coordinating Committee, pursuant to the authority of section 406 (e) of the Mutual Defense Assistance Act of 1949 and Private Law 412, Eighty-first Congress.

TAX COURT OF THE UNITED STATES

The following-named persons to be judges of the Tax Court of the United States for terms of 12 years from June 2, 1950 (reappointments):

Charles R. Arundell, of Oregon.
John W. Kern, of Indiana.
Clarence V. Opper, of New York.

IN THE NAVY

The following-named officers of the Navy for permanent or temporary appointment to the grades and corps indicated, subject to qualification therefor as provided by law:

FOR TEMPORARY APPOINTMENT TO THE GRADE OF CAPTAIN

Medical Corps

Robert B. Brown
Bishop L. Malpass
Charles M. Parker

Supply Corps

Robert M. Bowstrom
John F. Castree
Paul W. Clarke
Marshall H. Cox
John W. Crumpacker
Jesse S. McAfee
Stanley Mumford
Joseph F. Tenney
Ignatius N. Tripi

Chaplain Corps

George A. Rosso

Dental Corps

Hubert F. Delmore
Alvin H. Grunewald
George D. Odiorne
Robert W. Wheelock
Wilbur N. VanZile

Civil Engineer Corps

George K. Brodie
Ralph N. Ernest
William A. Zobel

FOR TEMPORARY APPOINTMENT TO THE GRADE OF COMMANDER

Medical Corps

James A. Addison
James H. Boyers
Robert H. Bradshaw
James A. Brimson
William C. Cantrell
John F. Chace
Joseph R. Connelly
William A. Dinsmore, Jr.
James D. Hague
William G. Lawson
Leo S. Madlem, Jr.
Jack C. McCurdy
Charles S. Mullin, Jr.
Clyde W. Norman
John A. O'Donoghue
James W. Packard, Jr.
Arthur G. Rink
William A. Robie
Ralph D. Ross
James A. Turner
Haskell Wertheimer
Karl R. Whitney
William A. Wulfman

Supply Corps

Herbert C. Borne
Forrest P. Brown
Charles J. Hawkins
Donald J. W. Hos
William C. Humphrey
Raymond E. Johnson
George S. Lofink
William L. Thorpe, Jr.
James E. Tinling
Chester W. Utterback
Roy O. Yockey

Chaplain Corps

Charles D. Beatty
Joseph C. Canty
Robert W. Coe, Jr.
Charles J. Covert
Otto D. Herrmann
James W. Kelly
Raymond F. McManus
Henry J. Rotrige
David A. Sharp, Jr.
Edward A. Slattery
Marion O. Stephenson
James A. Whitman

Dental Corps

Clayton L. Bohn
John H. Cathcart
Joseph M. Clements
Silas D. Cunningham
Frank D. Dobyns
William T. Faulconer
Walter F. Hanley
George E. Madden
Von Rue McAtee
Gordon L. Miller
George T. Moore, Jr.
Paul A. Moore
Kenneth L. Morgan
Walter H. Peat
Louis J. Rhen
Duane R. Shiffert
Albert L. Vogel, Jr.
John E. Wiseman
Frank S. Wozniak, Jr.
Robert B. Young

Civil Engineer Corps

William J. Byrnes
Thomas J. Doyle
Chester J. Kurzawa

Medical Service Corps

Chester S. Fay
Fay O. Huntsinger
Daniel J. O'Brien
Clarence J. Owen
Max E. Zimmerman

Nurse Corps

Margaret C. Jensen
Gladys Smith
Anna L. Welsko

FOR PERMANENT APPOINTMENT TO THE GRADE OF COMMANDER

Medical Corps

Frances L. Willoughby

Medical Service Corps

Margaret M. Diehm
Mary T. Sproul

The following-named officers of the Naval Reserve on active duty to the grades and corps indicated subject to qualification therefor as provided by law:

FOR TEMPORARY APPOINTMENT TO THE GRADE OF CAPTAIN IN THE NAVAL RESERVE

Supply Corps

Joseph F. Deegan
Casper T. Fredrickson
William E. Max

FOR TEMPORARY APPOINTMENT TO THE GRADE OF COMMANDER IN THE NAVAL RESERVE

Medical Corps

Arthur V. Miller, Jr.
Lewis D. Williams

Supply Corps

Robert S. Davison
John A. Johnson, Jr.
Francis T. Mullin

Dental Corps

Ronald C. Dove
Nighbert W. Sutphin

Chaplain Corps

William L. McBlain

CONFIRMATIONS

Executive nominations confirmed by the Senate April 20 (legislative day of March 29), 1950:

UNITED STATES ATTORNEY

Ernest A. Tolin to be United States attorney for the southern district of California.

COLLECTOR OF CUSTOMS

Nan Wood Honeyman to be collector of customs for customs collection district No. 29, with headquarters at Portland, Oreg. (Reappointment.)

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 20, 1950

The House met at 12 o'clock noon.

Rev. John H. Hanger, Park Temple Methodist Church, Fort Lauderdale, Fla., offered the following prayer:

Almighty God, our Father, illuminate our minds, give courage to our convictions, and tenderness to our hearts. Help us to discover for ourselves how blessed is the "man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful, but his delight is in the law of the Lord, and in that law doth he meditate day and night."

May the law of our lives and the law of our land express the love of Thy law. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 33. An act to authorize Joe Graham Post, No. 119, American Legion, upon certain conditions, to lease the lands conveyed to it by the act of June 15, 1933;

H. R. 633. An act for the relief of Mrs. Victor V. Greg;

H. R. 715. An act for the relief of Manuel Uribe;

H. R. 1481. An act for the relief of the estate of Julius Zaffareni;

H. R. 1487. An act for the relief of Lt. (sg) Giacomo Falco;

H. R. 1600. An act for the relief of Gustav Schilbred;

H. R. 1699. An act for the relief of the estate of William Kraus;

H. R. 1726. An act to authorize the Secretary of the Interior to convey to the city of Hot Springs, Ark., a perpetual easement for the construction and operation of a water-main pipe line;

H. R. 1871. An act for the relief of Hilde Flint;

H. R. 2554. An act to amend the District of Columbia Credit Unions Act of 1932;

H. R. 2591. An act for the relief of Giovanna Parisi, Michelina Valletta, Yolanda Altieri, Generossa Tamburi, Carolina Picciano, and Giovanna Turtur;

H. R. 3010. An act for the relief of Walter E. Parks;

H. R. 3138. An act for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased;

H. R. 3150. An act to revise and repeal certain acts relating to rules of survey to permit departures from the system of rectangular surveys when necessary on all public lands, and for other purposes;

H. R. 3205. An act to provide an extension of the time for making application for terminal-leave pay;

H. R. 3306. An act for the relief of Antonio Rojas Vélez;

H. R. 3309. An act for the relief of the estate of Ovidio Vázquez;

H. R. 3315. An act for the relief of Alejo Padilla;

H. R. 3319. An act for the relief of Juana Pagán;

H. R. 3462. An act for the relief of Walter J. O'Toole;

H. R. 3769. An act for the relief of Doris M. Faulkner;

H. R. 3771. An act for the relief of Mrs. Marie Gulbenkian;

H. R. 3924. An act for the relief of Dr. T. F. Harrison;

H. R. 4070. An act to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah;

H. R. 4229. An act to amend section 17 of the District of Columbia Alcoholic Beverage Control Act;

H. R. 4285. An act to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II;

H. R. 4289. An act to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes;

H. R. 4316. An act to repeal the authority to assess certain owners of nonmilitary buildings situated within the limits of the Fort Monroe Military Reservation, and for other purposes;

H. R. 4342. An act for the relief of J. R. Holden, R. C. Biggadike, and John Hoffman;

H. R. 4380. An act for the relief of Mrs. Agnes Emma Hay;

H. R. 4408. An act to amend the act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty;

H. R. 4411. An act for the relief of Mrs. Elizabeth Mary C. Mangle;

H. R. 4502. An act to authorize the Secretary of the Army to dispose of a certain easement near Fort Belvoir, Va., in exchange for another easement elsewhere on the same property;

H. R. 4959. An act to reimburse the Fisher Contracting Co.;

H. R. 5276. An act for the relief of Mrs. Julia (Iole) M. Stefani Lencioni;

H. R. 5341. An act for the relief of Joseph W. Greer;

H. R. 5361. An act for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy;

H. R. 5503. An act to authorize the Secretary of the Air Force to release and quitclaim a portion of a right-of-way easement to Langley Air Force Base, Va.;

H. R. 5704. An act for the relief of Janis Shimada;

H. R. 5753. An act for the relief of Jean Clark;

H. R. 5921. An act to terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force;

H. R. 5951. An act to amend section 3 of the Travel Expense Act of 1949;

H. R. 6003. An act for the relief of Beulah L. White, widow of John E. White;

H. R. 6093. An act for the relief of Masami Hiroya and Aiko Hiroya;

H. R. 6282. An act for the relief of Mrs. Eivor Anne-Britt Jedlund;

H. R. 6283. An act for the relief of Johny Nielsen;

H. R. 6345. An act for the relief of Mrs. Raymond Schaffer, Jr.;

H. R. 6475. An act to amend the Postal Rate Revision and Federal Employees Salary Act of 1948 to provide for the consideration of claims for the payment of certain postal notes filed later than 1 year from the last day of the month of issue;

H. R. 6539. An act to amend Public Law 626, Eightieth Congress, relating to the Army Institute of Pathology Building;

H. R. 6694. An act for the relief of Ervin Haas and Leno Vescovi;

H. R. 6695. An act for the relief of Edgar F. Russell; Lillian V. Russell, his wife; and Bessie R. Ward;

H. R. 6696. An act for the relief of Lawrence B. Williams and his wife, Viva Craig Williams;

H. R. 6825. An act to extend the time limits for the award of certain decorations, and for other purposes;

H. J. Res. 454. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners; and

H. Con. Res. 97. Concurrent resolution to provide for a single supply catalog system.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 597. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of J. T. Melson against the United States;

H. R. 1024. An act for the relief of Jacob Brown;

H. R. 1026. An act for the relief of the estate of Susie Lee Spencer;

H. R. 1151. An act to amend the act establishing grades of certain retired noncommissioned officers;

H. R. 1354. An act to provide for a per capita payment from funds in the Treasury of the United States to the credit of the Indians of California;

H. R. 1861. An act for the relief of Elizabeth and Lawrence Wong;

H. R. 1862. An act for the relief of Mrs. Walter K. Miyamoto (formerly Miyoko Takahashi);

H. R. 2351. An act for the relief of Aileen L. Sherwood;

H. R. 2387. An act authorizing the Governor of Alaska to fix certain fees and charges with respect to elections;

H. R. 2719. An act for the relief of the legal guardian of I. D. Cosson, a minor;

H. R. 2783. An act to authorize the Secretary of the Interior to convey a certain parcel of land, with improvements, to the city of Alpena, Mich.;

H. R. 2895. An act to authorize the sale of select base material, at the Fort Benning Military Reservation, to Muscogee County, State of Georgia, for use on county roads;

H. R. 2919. An act authorizing the issuance of a patent in fee to Paul High Horse and Anna High Horse;

H. R. 3482. An act granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico;

H. R. 3494. An act to authorize the Secretary of the Interior to transfer a building in Juneau, Alaska, to the Alaska Native Brotherhood and/or Sisterhood, Juneau (Alaska) Camp;

H. R. 3536. An act for the relief of Mrs. Nora Johnson;

H. R. 4164. An act for the relief of Elmer Pippin and Mrs. Pansy Pippin and the legal guardian of Norman Otis Pippin, a minor;

H. R. 4433. An act to make retrocession to the Commonwealth of Massachusetts over certain land in Shirley, Mass.;

H. R. 4720. An act for the relief of Stella Avner;

H. R. 4732. An act to direct the Secretary of the Army to convey certain lands to the Two Rock Union School District, a political subdivision of the State of California, in Sonoma County, Calif., and to furnish said school district water free of charge;

H. R. 4857. An act for the relief of Mrs. Katsuko Nakahara Huntley;

H. R. 5097. An act for the administration of Indian livestock loans, and for other purposes;

H. R. 5166. An act to extend the laws of the United States relating to civil acts or offenses consummated or committed on the high seas on board a vessel belonging to the United States, to the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, and Enderbury Island, and for other purposes;

H. R. 5580. An act for the relief of Mrs. Tsuneko Shimokawa Guenther;

H. R. 5609. An act authorizing the Secretary of the Interior to issue a patent in fee to B. M. (Bud) Phelps;

H. R. 5610. An act authorizing the Secretary of the Interior to issue a patent in fee to Emma Phelps Glenn;

H. R. 5611. An act authorizing the Secretary of the Interior to issue a patent in fee to Charles M. Phelps;

H. R. 5860. An act authorizing the Secretary of the Interior to sell the land of Frank Phelps under existing regulations;

H. R. 5876. An act to amend the Army-Navy Nurses Act of 1947, to provide for additional appointments, and for other purposes;

H. R. 6051. An act for the relief of Alcide Raymond;

H. R. 6171. An act to authorize commissioned officers of the Army, Navy, Air Force, and Marine Corps to administer certain oaths, and for other purposes;

H. R. 6553. An act to provide for the promotion of carriers in the rural delivery service in recognition of longevity of service;

H. R. 7302. An act to amend the act of July 14, 1943, relating to the establishment of the George Washington Carver National Monument, and for other purposes; and

H. R. 7477. An act providing for the conveyance to the town of Nahant, Mass., of the Fort Ruckman Military Reservation.

The message also announced that the Senate had passed bills, a joint resolution, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 118. An act for the relief of Clemente Sabin Dopico;

S. 274. An act for the relief of Constantin E. Aramescu;

S. 290. An act for the relief of Maria Franzia;

S. 298. An act for the relief of John Rowland;

S. 304. An act for the relief of Salomon Henri Laifer;

S. 356. An act for the relief of Hugo Geiger;

S. 381. An act for the relief of Low Way Hong;

S. 395. An act for the relief of Dorothea Singer;

S. 404. An act for the relief of Emma L. Jackson;

S. 451. An act to amend the Civil Aeronautics Act of 1938, as amended, by providing for certain penalties for unlawful use of examination papers, and for other purposes;

S. 456. An act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia;

S. 459. An act for the relief of Cathryn A. Glesener;

S. 503. An act for the relief of Solly Manasse;

S. 587. An act for the relief of Sister Stefania Cuprys;

S. 615. An act for the relief of James Greenwood;

S. 764. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.;

S. 765. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust;

S. 766. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.;

S. 861. An act for the relief of Chen-Kya Hahn;

S. 915. An act for the relief of Mrs. Johanna Dagnall;

S. 977. An act for the relief of Jacques Yedid, Henriette Yedid, and Ethel Danielle Yedid;

S. 1051. An act for the relief of Paul Joseph Splingaerd, his wife, and two children;

S. 1143. An act for the relief of Vit Komarek;

S. 1169. An act for the relief of Christina Shalfeieff;

S. 1261. An act for the relief of Marie Louise Ardans;

S. 1262. An act for the relief of Juliana Mendiola Alastra;

S. 1419. An act for the relief of Wilhemus Johannes Marie Van Der Kooy;

S. 1452. An act for the relief of Dr. Juan A. Queralt Balleste;

S. 1484. An act for the relief of Augustino Marlia;

S. 1491. An act for the relief of Rudolf Meinhard and Irene Hallinger;

S. 1506. An act for the relief of Andre Lan;

S. 1510. An act for the relief of James I. Bartley;

S. 1524. An act for the relief of Edith Scheiber;

S. 1551. An act for the relief of Jose Augusto Pereira;

S. 1561. An act for the relief of Anton Bos;

S. 1572. An act for the relief of Mary Laszlo and her son, Ervin Laszlo;

S. 1573. An act for the relief of Anastacia Roshani;

S. 1637. An act for the relief of Marie Henriette de Bruyn;

S. 1672. An act for the relief of Efrosini Abad;

S. 1693. An act for the relief of Karin Margareta Hellen and Olof Christer Hellen;

S. 1719. An act to amend section 3 of the act of Congress approved June 28, 1906, relating to the Osage Indians of Oklahoma;

S. 1753. An act for the relief of Zora Krizan, also known as Zorardo Krizanova;

S. 1798. An act for the relief of Mrs. Minda Moore;

S. 1802. An act for the relief of Anastasios Kollias;

S. 1838. An act to amend title 28 of the United States Code relating to fees of United States marshals;

S. 1856. An act for the relief of Sisters Maria Rita Rossi, Maria Domenica Paone, Rachele Orlando, Assunta Roselli, Rosa Innocenti, and Maria Mancinelli;

S. 1869. An act for the relief of Marcantonio Doria d'Angri and his wife, Sonia Stampa Doria d'Angri;

S. 1929. An act for the relief of Anna Samudovsky;

S. 1959. An act to commemorate Jim White and his contribution to the early history of Carlsbad Caverns, in the State of New Mexico, and for other purposes;

S. 2013. An act for the relief of Victor Alexandrovitch Martinuk;

S. 2040. An act for the relief of Adele De Paoli;

S. 2053. An act for the relief of Vivienne Joy Wilson and minor daughter Mary Ann Vaughn;

S. 2071. An act for the relief of Mrs. Alice Willmarth;

S. 2079. An act for the relief of Mrs. Lydia L. Smith;

S. 2107. An act for the relief of Georges Gregory Alpiar;

S. 2108. An act for the relief of Vespa de Challis;

S. 2117. An act to provide for the designation of the reservoir to be formed by the Davis Dam on the Colorado River as Lake Mohave;

S. 2156. An act for the relief of Sister Edeltrudis Clara Weskamp;

S. 2175. An act for the relief of Eivind Hognestad;

S. 2176. An act for the relief of Dr. Bei Tse Chao and his wife, May Chao;

S. 2209. An act to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia;

S. 2210. An act to amend the act entitled "An act to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the Corps of Cadets at authorized strength," approved June 3, 1942 (56 Stat. 306);

S. 2232. An act for the relief of Peter Heyden;

S. 2243. An act for the relief of Tevfik Kamil Kutay;

S. 2257. An act for the relief of Hyman Winterman;

S. 2258. An act for the relief of Dr. Apostolos A. Kartsonis;

S. 2265. An act for the relief of Marina George Papadopulous;

S. 2274. An act to provide for the addition of certain lands to El Morro National Monument, in the State of New Mexico, and for other purposes;

S. 2277. An act for the relief of George A. Voregarethsos (George Spiro Chatmos);

S. 2308. An act for the relief of William Alfred Bevan;

S. 2309. An act for the relief of Oscar (Oszkar) Nemenyi, Marianna Nemenyi (wife), and Thomas John Nemenyi (son);

S. 2335. An act to make certain revisions in titles I and III of the Officer Personnel Act of 1947, as amended;

S. 2338. An act for the relief of J. M. Arthur;

S. 2393. An act for the relief of Martin Albrecht;

S. 2427. An act for the relief of Masae Marumoto;

S. 2431. An act for the relief of Sumiko Kato;

S. 2443. An act for the relief of Mrs. Georgette Ponsard;

S. 2479. An act for the relief of A. D. Strenger and his wife Claire Strenger;

S. 2511. An act for the relief of Dr. John R. Portaria;

S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act;

S. 2556. An act for the relief of Mrs. Billy J. Knight and Dorothea Knight;

S. 2568. An act for the relief of Carmen E. Lyon;

S. 2611. An act for the relief of Roland Roger Alfred Boccia, also known as Roland Barbera;

S. 2629. An act for the relief of Marianne Druchner;

S. 2646. An act for the relief of the Articaire Refrigeration Co.;

S. 2655. An act for the relief of Mrs. Evelyn M. Hryniak;

S. 2714. An act for the relief of Thomas Pfeiffer;

S. 2724. An act to amend the Armed Forces Leave Act of 1946, as amended, and for other purposes;

S. 2807. An act for the relief of Sgt. Blaine W. Hughes;

S. 2811. An act to amend section 1462 of title 18 of the United States Code, with respect to the importation of obscene matters;

S. 2812. An act to prohibit the transportation of obscene matters in interstate or foreign commerce;

S. 2853. An act to authorize the acceptance of foreign decorations for participation in the Berlin airlift;

S. 2859. An act to authorize the Secretary of Defense and the Secretaries of the military departments to provide for the promotion and maintenance of civilian recreation programs;

S. 2860. An act to authorize payment for the transportation of household effects of certain naval personnel;

S. 2864. An act to authorize certain administrative expenses for the Department of Justice, and for other purposes;

S. 2872. An act to amend the War Claims Act of 1948, as amended;

S. 2874. An act to amend titles 18 and 28, United States Code, with respect to the time of reporting to Congress rules of procedure adopted by the Supreme Court for criminal, civil, and admiralty cases and the time of their taking effect;

S. 2934. An act for the relief of Julius Elzas;

S. 2969. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Commerce;

S. 2990. An act for the relief of Amy Louisa Shier;

S. 3012. An act for the relief of Mrs. Osa J. Petty;

S. 3090. An act for the relief of Lt. (jg) Charles W. Ireland, Supply Corps, United States Navy, and for other purposes;

S. 3093. An act to amend section 82 of the Hawaiian Organic Act relating to the Supreme Court of the Territory of Hawaii and temporary vacancies therein;

S. 3105. An act to amend section 10 of the Federal Reserve Act, and for other purposes;

S. 3117. An act to amend the act entitled "An act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels," approved May 23, 1930, as amended (39 U. S. C. 246c);

S. 3118. An act relating to the forwarding and return of second-, third-, and fourth-class mail, the collection of postage due at the time of delivery, and for other purposes;

S. 3122. An act to authorize the Secretary of the Navy to convey to the Goodyear Aircraft Corp., Akron, Ohio, an easement for sewer purposes in, over, and across certain Government-owned lands situated in Maricopa County, Ariz.;

S. 3163. An act for the relief of Mrs. Honora Redman;

S. 3226. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of the Interior;

S. 3255. An act to amend section 415 of the Career Compensation Act of 1949, to extend the effective date of that section to December 31, 1950, and for other purposes;

S. 3357. An act to prohibit transportation of gambling devices in interstate and foreign commerce;

S. 3377. An act to amend the Civil Aeronautics Act of 1938, as amended;

S. 3396. An act authorizing the Secretary of the Army to convey to the State of Kentucky title to certain lands situated in Hardin and Jefferson Counties, Ky.;

S. J. Res. 138. Joint resolution requesting the President to issue a proclamation designating May 30, Memorial Day, as a day for a Nation-wide prayer for peace;

S. Con. Res. 64. Concurrent resolution requesting burial in Arlington National Cemetery of the last surviving member of the Grand Army of the Republic upon his death;

S. Con. Res. 73. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 75. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 76. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 78. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate agrees to the amendments of the House to concurrent resolutions of the Senate of the following titles:

S. Con. Res. 55. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 58. Concurrent resolution favoring the suspension of deportation of certain aliens; and

S. Con. Res. 62. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 930) entitled "An act to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 50–20.

SPECIAL ORDER GRANTED

Mr. PLUMLEY asked and was given permission to address the House for 20 minutes today following the legislative program and any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. ROGERS of Florida asked and was given permission to extend his remarks and include an editorial.

Mr. KEOGH (at the request of Mr. PRIEST) was given permission to extend his remarks and include an address by Robert P. Patterson.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the passing of Dr. John C. Ball, who died last night at the age of 87.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LANE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks and include an address delivered by her at Lexington in commemoration of the one hundred and seventy-fifth anniversary of the Battle of Lexington and Concord.

Mr. RICH asked and was given permission to extend his remarks and include an editorial from the Times-Herald of Friday, April 14, entitled "Four Billions Not Saved."

Mr. ARENDS asked and was given permission to extend his remarks and include an editorial.

Mr. GAVIN asked and was given permission to extend his remarks with reference to the closing of Army and Navy medical facilities.

Mr. DOLLINGER asked and was given permission to extend his remarks in two instances and include extraneous matter.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 136]

Barden	Havenner	Pfeifer, Joseph L.
Barrett, Pa.	Hays, Ohio	Powell
Battle	Hébert	Quinn
Bennett, Fla.	Heffernan	Ramsay
Blackney	Hope	Reed, N. Y.
Bolton, Md.	Irving	Rivers
Boykin	Jones, N. C.	Roosevelt
Buckley, Ill.	Keogh	Sabath
Buckley, N. Y.	Klein	Sadowski
Bulwinkle	Kunkel	Sasscer
Byrne, N. Y.	Lichtenwalter	Scott, Hugh D., Jr.
Carroll	McMillen, Ill.	Shelley
Case, S. Dak.	Macy	Short
Cavalcante	Mansfield	Simpson, Pa.
Celler	Meyer	Smathers
Colmer	Miles	Smith, Kans.
Cooley	Miller, Md.	Smith, Ohio
Crosser	Monroney	Tollefson
Dague	Morrison	Towe
Davenport	Morton	Underwood
Davies, N. Y.	Moulder	Velde
DeGraffenried	Murphy	Walter
Douglas	Nelson	Whitaker
Engle, Calif.	Nixon	White, Idaho
Gilmer	Norton	Wickersham
Grant	O'Brien, Mich.	Wolcott
Green	O'Hara, Ill.	Woodhouse
Gwinn	O'Hara, Minn.	
Hare	O'Neill	
Harrison	Pace	

The SPEAKER. On this roll call 343 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RIVERS AND HARBORS AND FLOOD CONTROL ACTS OF 1949

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is their objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. WHITTINGTON, LARCADE, DAVIS of Tennessee, DONDERO, and ANGELL.

SPECIAL ORDER GRANTED

Mr. KENNEDY asked and was given permission to address the House for 20 minutes today following the legislative program and any special orders heretofore entered.

MEMORIAL STONES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from the further consideration of the bill (H. R. 8082) to provide for the erection of appropriate memorial stones in certain cemetery plots in memory of certain members of the armed forces in World War II who are missing, missing in action, or buried at sea; and that the bill be referred to the Committee on Armed Services.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

INVESTIGATION OF POST OFFICE DEPARTMENT

Mr. WALSH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WALSH. Mr. Speaker, I wish to serve notice that I will introduce a House resolution tomorrow having as its purpose a sweeping investigation of the scandalous situation presently existing in the Post Office Department. The resolution would prevent the Postmaster General from putting into effect the orders contained in the Postal Bulletin of April 18. Briefly stated, public service is being cut to the very bone as a result of the Postmaster General's orders.

I have definite knowledge that the postal service is the only institution in the United States—in government or in private industry—which pays double transportation charges. The Postmaster General has testified before congressional committees to the effect that railway mail cars utilized in the transportation of the United States mails must be paid for out of postal appropriations, and that the railroads take advantage of this postal subsidy. As an example, if a carload of mail leaves New York City for Los Angeles, an exorbitant charge is made by the railroads. To add insult to injury, the railroads then charge the postal service for the return trip of that particular railway mail car, whether or not it contains mail. I also have positive proof that the postal service spends up-

ward of $100,000,000 each year for the use of mail cars that are absolutely empty. Surely the Congress holds an obligation to the people of America to give good public service. This one item alone would permit the continuation of good service by eliminating this scandalous hidden subsidy. Similar subsidies are given to the air lines and to the merchant marine.

In addition to the element of postal subsidies, there is another even more important reason why it is dangerous to curtail mail service during this critical period in the Nation's history. All of us know that Stalin's technique in those countries behind the iron curtain was the immobilization of the civilian population through the freezing of transportation and communications. I charge the Postmaster General with unwittingly freezing the most direct line of communication in the United States—our beloved postal service. The service curtailments called for in the Postal Bulletin of April 18 are utterly ridiculous and unnecessary. This Congress owes an obligation to the people of America to stop these drastic orders and conduct a sweeping investigation of the entire postal system.

SPECIAL ORDER GRANTED

Mr. BRYSON asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. GARY asked and was given permission to extend his remarks and include an editorial from the Richmond Times-Dispatch, entitled "A Notable Virginian," which pays a well-merited tribute to Admiral Lewis L. Strauss, who recently resigned as a member of the United States Atomic Energy Commission.

Mr. McGUIRE asked and was given permission to extend his remarks.

Mr. JACKSON of Washington (at the request of Mr. TRIMBLE) was given permission to extend his remarks and include an editorial.

Mr. DOYLE asked and was given permission to extend his remarks in two instances and accompany the same with appropriate printed material.

Mr. TAURIELLO (at the request of Mr. RODINO) was given permission to extend his remarks and include a letter addressed to him together with a resolution pertaining thereto.

Mr. GATHINGS asked and was given permission to extend his remarks and include an editorial from the Helena, (Ark.) World.

Mr. COUDERT asked and was given permission to extend his remarks and include a newspaper article.

Mr. KEATING asked and was given permission to extend his remarks and include extraneous material.

The SPEAKER. The Chair desires to announce that hereafter, when important business is pending in the House, and Members do not rise to ask unanimous consent to extend their remarks in the RECORD when the House first convenes and everybody is given an opportunity, the Chair will recognize no other Members after a roll call, except to recognize the chairman of the committee presenting the legislation before the House. Members should be here at the convening of the House if they want to extend their remarks in the RECORD.

GENERAL APPROPRIATION BILL, 1951

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7786, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

CHAPTER III. STATE, JUSTICE, COMMERCE, AND THE JUDICIARY

The CHAIRMAN. Permit the Chair to announce that when the Committee rose on Wednesday the Clerk had read the first paragraph of title I, chapter III, ending on line 24, page 32 of the bill.

Are there any further amendments to this paragraph?

Mr. VURSELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VURSELL: On page 32, line 11, strike out "$77,300,000" and insert "$70,858,000."

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes in support of his amendment.

Mr. VURSELL. Mr. Chairman, the purpose of this amendment is to attempt to reduce this portion of the bill by about 10 percent of the budget estimate.

Mr. Chairman, in offering the amendment that I have drafted this morning on this first item, I am merely trying to be consistent with the admirable action of the House yesterday in reducing the Federal contribution to the District by approximately 10 percent.

The House was told yesterday that if we are to achieve any degree of economy, everyone must stand their fair share. And we would be remiss, indeed, if we did not follow through on this action.

While I was in my district over the Easter recess, I was reminded of the tremendous concern of my constituents, and I am sure they represent the cross-thinking of the Nation, at the mounting deficits and the existing and impending tax load they are being asked to bear.

I was completely flabbergasted to learn after I returned that the Joint Committee on Internal Revenue had issued a statement indicating that the changing economic picture indicated a prospective drop in tax receipts for the fiscal year 1950, indicating a prospective deficit of $6,700,000,000 by this June 30, as compared with $5,500,000,000 as estimated by the President. This very admirable staff which represents the best authority in the land likewise took issue with the President's estimate for the fiscal year 1951, and forecast a deficit of $7,300,000,000, instead of $5,100,000,000 as estimated by the President.

Thus, in the 2-year period our national debt is being increased $14,000,000,000. This money must be raised by increased borrowing and inflation. The interest alone on this $14,000,000,000 is well over a quarter of a billion dollars for one fiscal year. I think this makes it self-evident that the responsibility is on this body to do something about this startling picture.

The Department of State, for this particular item, is being provided with $77,300,000 for the fiscal year 1951, and I merely ask that we make a modest reduction to $70,000,000 and let the Department of State readjust their program, eliminate the waste and extravagance, and do a better job with less money by removing the inefficient, the undesirable, and scaling down their overhead expenses which approximate $20,000,000 of the total request for this item.

I feel certain such a reduction will not harm the foreign policy. But I maintain that this will actually strengthen the Department by making them utilize their personnel to better advantage.

Mr. STEFAN, the ranking minority member of the committee acting on this bill, told the House yesterday in response to the inquiry of the gentleman from Kansas [Mr. REES] that a class 1 Foreign Service officer receives in total compensation approximately $19,000 a year, which is more than a general in the Army, and this extravagant practice is prevalent throughout the Foreign Service, which practices I maintain are not necessary, despite the fact that I may shortly be reminded that they are being paid a wage scale consistent with existing legislation. However, by careful administration there is sufficient flexibility to permit substantial savings.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. They still have an overabundance of units, sections, branches, divisions, and offices.

A review of the hearings of the past 3 or 4 years of the Department of State indicate that they are top heavy from a supervisory standpoint and the actual working forces represent only a very small percentage of the individuals working on a given problem. One or a few individuals may actually perform the work on a particular problem, but it is cogitated upon and prayed over by a veritable army of theorists who may justify their existence by duplication of activity.

While I am cognizant of the fact that the Department has advised that reorganizations have been effected that allegedly will improve the operations of the service, I fail to find dollar savings consistent with these organization

changes. They still have an overabundance of units, sections, branches, divisions, and offices, and there is a tendency throughout the Department to constantly upgrade employees, even though their duties and responsibilities have not materially changed.

Only a few short years ago the total appropriations for the Department of State were under $20,000,000, and they are currently well over 10 times that figure. I say this also knowing that I may be reminded of the fact that the responsibilities of the Department have increased, but I do not feel that they have increased commensurate with the vast increases in sums provided.

I realize that in some areas amendments of this type may mean a tightening of the belt, but I maintain that such action is as healthy for the Department of State as it is for an individual who becomes concerned with increasing girth.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentlewoman from Ohio.

Mrs. BOLTON of Ohio. May I ask the gentleman whether he is suggesting that there be an increased cut in the personnel of the Foreign Service?

Mr. VURSELL. I am not well enough advised to answer the question with an expert's opinion, but it is important that there be drastic cuts made in the personnel of every department of Government from the top to the bottom.

Mrs. BOLTON of Ohio. I am willing to agree with the general statement that the gentleman has made, but I wonder if he has had experience with the piling up of back work due to the limitation of personnel in many of our consulates. That is one of the things that has to be taken into consideration.

Mr. VURSELL. There are many places that cuts can be made in this bill. There are extravagances carried on in every department of our Government.

Mrs. BOLTON of Ohio. I am willing to admit that.

Mr. VURSELL. There are many people taken for joy rides overseas at Government expense, secretaries and others who are friends. This is at great cost to the Government. At the same time, there are thousands of personnel overseas who can do the work without entailing the great expense of taking extra people over on these trips.

Mrs. BOLTON of Ohio. May I suggest at this time that when Members of Congress go over they expect everything in the world to be done for them. I feel sure that the gentleman will agree that by and large they receive exceedingly good service from those men. The load of work they carry in the more central posts piles up all along the line. This I know of my own personal knowledge. I do not feel it is fair to generalize, as the gentleman is doing, covering in this particular chapter of the bill all the other departments of Government and what these various departments could and should do to cut down expense and become more efficient.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. ROONEY. Mr. Chairman, reserving the right to object, may I inquire if the gentleman from Illinois is going to answer the question of the gentlewoman from Ohio with regard to the Foreign Service and what this proposed cut does?

Mr. VURSELL. I think I have very substantially answered the question.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Chairman, I think I have very substantially answered the question. I asked of the members of this committee who are supposed to be well informed, and this is a splendid committee, as to how much the total traveling expense in the budget estimate was. I was unable to get an answer from the committee week before last. I employed a research man who has been on this job for 6 days studying the matter and he comes up with the best approximate believable figure that the budget has provided for $300,000,000 or more for travel expense alone. I also asked the committee for the telephone cost or appropriation in this bill, also communications, generally, and I was unable to get an answer. However, I have had research done on that too, and the best approximate figure I can come up with, after contacting the Budget and the various departments of the Government, is that it runs to the enormous and colossal sum of sixty or sixty-five million dollars.

Everyone knows that even if Members of Congress were in the State Department or in any of these departments there is a tendency for easy spending of the public money. Department employees pick up a telephone and run up a bill against the taxpayers of $10 to $50 when you could mail cut a letter that would give the information you want to give and it would reach any place in the United States in 24 hours. I am sincere about the matter. When you get ready to vote on the amendment think how this Government has overgrown. Think of the $256,000,000,000 debt hanging over the people of the United States. Think of the $14,000,000,000 that will be the extra deficit financing at the end of 2 years and think, if you please, that it is the responsibility, written into the Constitution of the United States, that the Members of Congress, and particularly the House of Representatives to keep control of the purse strings of this Government and effect every possible economy. Let us carry this amendment and save $7,000,000.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. CANNON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it has been apparent for some weeks that the estimates of receipts carried in the budget submitted to Congress in January were too optimistic. At the request of the committee the Bureau of the Budget has submitted revised estimates of receipts and expenditures for the fiscal years 1950 and 1951, and the staff of the Joint Committee on Internal Revenue Taxation has independently submitted a forecast of receipts which was published in the CONGRESSIONAL RECORD of Monday, April 17.

The following table shows in comparative columns the amounts of receipts and expenditures, by major categories, as submitted in the budget in January and as currently revised by the Bureau of the Budget and the staff of the Joint Committee on Internal Revenue Taxation.

It will be noted that in view of greatly reduced expenditures the situation is slightly improved for the current fiscal year, and the deficit will be about $100,000,000 less than January forecasts indicated. For the fiscal year 1951 if the Bureau of the Budget's latest estimates of receipts are accurate and the reductions in expenditures proposed by the Committee on Appropriations are realized, the deficit for 1951 will be only slightly more than was contemplated in the original budget. On the other hand if the more pessimistic view taken by the joint committee staff is correct, then the deficit will be at least a billion dollars more than has been in prospect even if expenditure reductions estimated by the Committee on Appropriations are maintained.

Mr. Chairman, I ask unanimous consent to include in the RECORD at this point the tabulation I have referred to.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. The statement is as follows:

Budget receipts and expenditures, fiscal years 1950 and 1951 revised estimates, Apr. 19, 1950

[In billions]

	Estimated 1950			Estimated 1951		
	January budget	Revised budget	Joint committee staff	January budget	Revised budget	Joint committee staff
RECEIPTS						
Direct taxes on individuals	$18.7	$17.7	$17.7	$18.9	$17.9	$17.5
Direct taxes on corporations	11.2	11.0	11.0	10.5	10.5	9.9
Excise taxes	7.6	7.6	7.6	7.6	7.6	7.5
Net employment taxes	.8	.8	.8	.8	.8	.8
Customs	.4	.4	.4	.4	.4	.4
Miscellaneous receipts	1.3	1.3	1.3	1.2	1.2	1.1
Less: Refunds of receipts	−2.2	−2.2	−2.2	−2.2	−2.2	−2.2
Total	37.8	36.6	36.6	37.3	36.2	35.1
EXPENDITURES						
National defense	$13.1	$12.6	-----	$13.5	$13.5	-----
International	6.0	5.7	-----	4.7	4.6	-----
Veterans	6.9	7.0	-----	6.1	6.1	-----
Interest	5.7	5.7	-----	5.6	5.6	-----
Agriculture	2.7	2.7	-----	2.2	2.7	-----
Other	8.9	8.3	-----	10.3	9.9	-----
Less: Reduction estimated by House Appropriations Committee	-----	-----	-----	-----	−1.0	-----
Total	43.3	42.0	$42.0	42.4	41.4	$41.4
Deficit	5.5	5.4	5.4	5.1	5.2	6.3

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Nebraska.

Mr. STEFAN. Would the gentleman tell us now what the estimated receipts are for 1951? Is the gentleman in a position to tell us what the estimated receipts for 1951 are going to be? Can he tell us that now?

Mr. CANNON. According to the report of the Bureau of the Budget, the estimated receipts for 1951, last January, are $37,300,000,000. The revised estimate up to date, as of April 19, 1950, is $36,200,000,000. The Joint Committee on Internal Revenue Taxation estimate for 1951, as of April 17, is $35,100,000,000.

Mr. STEFAN. What were the deficit estimates? Can the gentleman give us that?

Mr. CANNON. For 1950 the January estimate by the Bureau of the Budget indicates a deficit of $5,500,000,000. Under the revision just submitted as of April 19, 1950, the deficit is $5,400,000,000—$100,000,000 less than anticipated last January.

It is interesting to note, too, that the Joint Committee on Internal Revenue Taxation, making an independent estimate, reached precisely the same figure, that is, $5,400,000,000.

Mr. STEFAN. Now, 1951, if you please.

Mr. CANNON. For 1951 the January estimate indicates a deficit of $5,100,000,000, but, under the revision by the Bureau of the Budget it is $100,000,000 more, or $5,200,000,000. The estimate of the Joint Committee on Internal Revenue Taxation is more pessimistic. It estimates a deficit of $6,300,000,000.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. If the gentleman will yield, I wonder if in arriving at these estimates they assumed that the budget estimate would be enacted into law, or whether they took into consideration such reductions as the Committee on Appropriations has already recommended to the House?

Mr. CANNON. The reductions made by the committee are taken fully into account in revising estimates of expenditures for 1951.

Mr. TABER. They did estimate expenditures at a lower rate for 1951 than they did in January?

Mr. CANNON. In January they estimated total expenditures as $42,400,000,000, and under the revised estimate, $41,400,000,00—$1,000,000,000 less. That reduction is entirely on account of reductions made by the Committee on Appropriations.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to speak out of order.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to speak out of order. Is there objection? The Chair hears none.

Mr. RANKIN. Mr. Chairman——

Mr. CANNON. Reserving the right to object, Mr. Chairman, I regret that we must object to any debate not pertaining to the bill.

Mr. RANKIN. The gentleman is too late. I am not going to stand for that. If he was going to object, he ought to have objected before I started speaking. He was here and did not object.

The CHAIRMAN. Objection is heard.

Mr. RANKIN. I appeal from the ruling of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the Committee?

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 45, noes 51.

So the decision of the Chair did not stand as the judgment of the Committee.

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

LIFE OF THE NATION MAY BE AT STAKE

Mr. RANKIN. Mr. Chairman, the reason I asked for this time is that we are faced with the most serious international danger. The unjustified shooting down of one of our airplanes, killing a large number of American servicemen, sounds a warning that we cannot afford to ignore.

If war should come, our greatest defense arsenal would be the atomic bomb plant at Oak Ridge, Tenn. We know, and every other intelligent man knows, that if we should have another war it would be an atomic war, fought with airplanes and atomic bombs.

We should do everything possible to facilitate ingress and egress to that great plant. It might mean the savings of hundreds of thousands of American lives, and could mean the life of the Republic.

In order to facilitate access to Oak Ridge, we are going to offer an amendment to this bill at the proper time for funds with which to construct the missing link in our great internal waterway system, known as the Tennessee-Tombigbee, which will not only give us a slack-water route from the Gulf of Mexico to the Great Lakes, but it will provide what will amount to a slack-water route from the Gulf of Mexico to Oak Ridge, and cut the water distance between the Gulf and Oak Ridge by more than 800 miles.

It is the missing link in our national defense program; and we cannot afford to postpone its speedy construction any longer. It will mean more to our national defense than any other project of its kind that has ever been proposed.

It must be constructed as speedily as possible.

From the standpoint of transportation, it will mean more to the American people along the Mississippi River, the Ohio, the Missouri, the Illinois, and the Great Lakes, as well as along the Gulf of Mexico, than any other project of its kind that has ever been proposed.

It has already been authorized by Congress. The money for the planning has already been appropriated. The planning has been completed, and the construction of the first dam at Demopolis, as well as the drilling for the foundation of the second dam at Gainesville, Ala., has already been begun.

If any of you have any doubt about what I am saying, step out in the hall and look at the map, examine the data which has been prepared by the Army engineers, and you will see just what this project will mean, not only to the people of your State, but to the entire Nation.

It has been found that our iron ore in the Mesabi Range is being rapidly depleted. In a few years it will be exhausted. But fortunately they have recently discovered the greatest high-grade iron-ore deposit the world has ever known down in Venezuela. There is a hill, or a mountain, in Venezuela that is 2,000 feet high, a mile wide, and 11 miles long, that contains the greatest deposit of high-grade iron ore the world has ever seen. These steel mills in Lousiville, Cincinnati, Chicago, St. Louis, Cleveland, Pittsburgh, and other cities in that area, are going to have to depend on that iron ore in order to keep their mills going.

This slack-water route will cut the cost of transporting a 14,000-ton barge, or tow of barges, of that iron ore from Mobile to the Ohio River by more than $22,000. It will cut the cost of all other upbound transportation proportionately. It will never freeze, but will be open for transportation the year round.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MICHENER. I have been just going through the hearings on this very subject. The gentleman is right about the deposits of iron ore. There is another deposit in Labrador.

Mr. RANKIN. Yes. I am coming to that—it is 350 miles north of the mouth of the St. Lawrence.

Mr. MICHENER. And there is another deposit in Liberia. But so far as the transportation is concerned, at this very minute the railroads are building shipping docks at Mobile, Philadelphia, and Baltimore to take care of all of this iron as it comes in.

Mr. RANKIN. I understand that. If it comes by Mobile it would have to come through the Tennessee-Tombigee Inland Waterway to reach Louisville, St. Louis, Chicago, Cincinnati, Pittsburgh, Detroit, Cleveland, and other cities in that area.

Mr. MICHENER. No, it would come from Philadelphia and Baltimore.

Mr. RANKIN. I know what the gentleman is talking about. A man from Detroit writes me that he ships 15,000 automobiles down the Ohio and the Mississippi every month by barge and he needs this slack-water route for his returning traffic. They would have to build a 350-mile railroad from the mouth of the St. Lawrence River to Labrador. Then they would have to have the St. Lawrence Inland Waterway developed, which they have failed to get approved by the other body. Besides, it would be frozen up about 5 months of each year.

The Liberia field in Africa is merely a guess.

This is the only way you can get any relief from this iron ore scarcity at least within the next few years.

As I said, this project has not only been authorized, but it has already been begun. It we should fail to complete

this project as rapidly as possible, it would not only cripple our national defense, but it would simply mean shutting the door of hope in the faces of the people who are engaged in the processing of iron ore in the areas mentioned, and would mean that they would have to move their plants out of Pittsburgh, St. Louis, Chicago, Cincinnati, Cleveland, and other cities in the Middle West, and take them to the Gulf coast, or to some other place where they would have water transportation.

In addition to that, it will provide a slack-water route for the transportation of all other upbound traffic.

And, who is opposing it? The railroad lobbyists. They would abolish the Great Lakes, if they could do it.

The would wipe transportation off the Gulf of Mexico, if they could do it, and even destroy the Panama Canal.

I hope that when this amendment is presented it will be unanimously adopted.

It will not only mean the continued successful operation of America's steel industries, but it may mean the life of the Nation.

The CHAIRMAN. The time of the gentelman from Mississippi [Mr. RANKIN] has expired.

Mr. JAVITS. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Chairman, I rise in support of the position taken by my colleague on the Foreign Affairs Committee [Mrs. BOLTON] in opposition to this particular amendment to cut the appropriation for the State Department including the Foreign Service by 10 percent. I know of no one in this House who has been more solicitous about the Foreign Service of the United States than the ranking Republican member on the subcommittee for this particular appropriation.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. JENSEN. I do not believe the gentleman meant to say that this would particularly affect the Foreign Service.

Mr. JAVITS. Well, it will affect the Foreign Service, will it not?

Mr. JENSEN. It is a 10 percent straight-across-the-board cut if the Department wants to make it so.

Mr. JAVITS. I would like to ask the ranking Republican member on the subcommittee about the extent to which this will affect the Foreign Service, in common with everything else which is contained in the State Department figure of $77,300,000. Is it not a fact that the Foreign Service is included under this particular section which is sought to be cut?

Mr. STEFAN. This amendment seeks to reduce the item of $77,300,000 to the amount of $70,858,000. It includes not only the Foreign Service but the entire Department of State.

Mr. JAVITS. But it does include the Foreign Service.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. ROONEY. Of the total amount over $50,000,000 is for the Foreign Service. This proposed amendment would not cut the Foreign Service; but it would wreck the Foreign Service?

Mr. JAVITS. Will the gentleman tell us what proportion, based upon the estimates given by the Bureau of the Budget, and then what the subcommittee cut and what the committee itself accepted, is attributable to the Foreign Service?

Mr. ROONEY. Of the amount requested by the Bureau of the Budget, the sum of $54,275,582 was for the Foreign Service.

Mr. JAVITS. Is that of this $77,000,000?

Mr. ROONEY. Instead of taking the figure $77,000,000, I will have to get the Budget estimate for the gentleman. Pardon me for a second.

Mr. JAVITS. Will the gentleman interrupt me later when he finds that figure? I would like to finish my main point.

We are hoping and praying that we will be able to win the "cold war" without a hot war. In this, equally with our defense forces, the State Department is a first line of defense. We are all citizens of the United States. This is the State Department, under the direction of the Secretary of State, the legally empowered officer of the United States, whom we are trusting with a critically important part in winning the "cold war." I believe that it is not in the best interest of economy to try to cut his establishment at a time like this. I think if you asked most every taxpayer in the United States personally, "What do you consider to be the most sensitive thing about the policy of the United States, foreign and domestic, what is closest to your heart and what do you want us to achieve most," I think almost without exception you would get the answer, "I hope that we can prevail in this difficult situation with the Soviet Union without going to war." Yet here we are proposing to cut this very item; and why? Because there is a general idea that if the cut is 10 percent across the board nobody is going to get hurt too much. I do not think that is the way to do our business.

I hope I shall be able to vote for some of these cuts, but I do not intend to vote for indiscriminate cuts, and certainly not in as sensitive an area as this one of the foreign affairs of the United States.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. H. CARL ANDERSEN. In view of the financial situation of the Government, what is so sacrosanct as far as the Foreign Service is concerned?

Mr. JAVITS. The thing that is sacrosanct is that some fifty-odd-million dollars is recommended for Foreign Service personnel, and they are the people who are in the first line of defense in fighting in the field what we hope to win, the cold war, and to avoid a hot war. Even if it is a little too much—and there is no proof of that and the findings of the subcommittee are to the contrary—I believe that the people of the United States, the great bulk of them, would rather give it to them now when this is the really sensitive area in the whole picture than withhold it.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. ROONEY. As I understood the gentleman's inquiry a while ago, I will say that approximately 70 percent of this item, entitled "Salaries and Expenses", at the present time is for the Foreign Service.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. PHILLIPS of California. There might be, I think, some question about the gentleman's statement that they are the front line of defense in the sense that they have also been the front line of defense for the last 5 years, although I do not know that I can say that they have done this job of holding the line very well, but I would like to ask the gentleman a specific question about money, and that is what we are talking about.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILLIPS of California. This is what is troubling me—the increase in personnel and decrease in output since the prewar years; take France, we have had about 200 people on the staff; today we have about 500 people. In talking with the people at the Embassy they told me that no more work was being done by a section of 21 people now than used to be done by a section of 6. In addition to that, they are not having anything to do with the Marshall plan; there are 500 people more; and then they cannot do anything about giving it to France; there are another 90 people determining that question. Does not the gentleman think that it is possible without endangering this front-line group to make economies in the Foreign Service?

Mr. JAVITS. I say that in an area as sensitive as foreign policy at as critical a time in our foreign affairs as the present that it is on a parity with defense. The gentleman knows that when we come to the provisions in the last part of this bill—the appropriations for defense—there will be a bitter battle on every single item which is attempted to be increased or to be cut, because that is a particularly sensitive area and the subcommittee on that chapter will say—and I think justifiably—that they have gone through this very carefully and are convinced that this is the very minimum necessary to security.

Let me say that I favor economy, but not upon a basis that endangers the se-

curity of the United States. The money contained in this item for the Foreign Service and the State Department, is supported for appropriation by thinking men on both sides of the aisle, men in whom we have confidence.

Mr. PHILLIPS of California. In a question of actual defense, should this cold war become a hot war would the gentleman rather have airplanes or more people in the State Department?

Mr. JAVITS. If it were a question solely of war I would rather have airplanes, but if we support the hand of the State Department today we may be able to avoid using airplanes for war tomorrow.

Mr. PHILLIPS of California. The gentleman just said we were going to have more airplanes.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. JUDD. Mr. Chairman, I want to associate myself with everything that the gentleman from New York has said. Nobody in this House has been more critical of the State Department than I, and I shall continue to be critical of its unwarranted and inexcusable blunders which have got us into the situation we now are in. But this is not the way to cure it, by depriving the State Department of funds. Until the President makes some changes in personnel I do not know that much is going to be accomplished, but for us to get up here and ruthlessly cut their funds will not correct that situation but will work harm against ourselves.

I hope that somehow or other we are going to get a workable bipartisan foreign policy that we can support on this side of the aisle, but to come in here with a meat knife and cut 10 percent off these figures does not correct the situation. We are complaining about what the State Department does, and I agree that corrections should be made, but we are not going to cure it this way. I hope therefore that this amendment to cut by 10 percent will not be adopted.

The most important business before our country is to win the cold war, the only way to prevent a shooting war. The State Department is in charge of the cold war. I think there must be some changes in policy and personnel for it to win. Certainly to weaken the Department itself is not the way to win it.

Mr. JAVITS. I thank the gentleman from Minnesota very much.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I feel that if we had proceeded to a vote on the pending amendment introduced by the gentleman from Illinois [Mr. VURSELL] at the time he was questioned by the gentlewoman from Ohio [Mrs. BOLTON] there would be no question but what the proposed amendment would be out the window by now. The gentleman from Illinois in answer to the gentlewoman's question as to how this would affect the Foreign Service of the United States said that he was not qualified to answer the gentlewoman with an expert opinion.

The fact is that the committee—and I think it is a fair statement to say that the committee is unanimous with regard to the item in this chapter of the bill—made a reduction of $1,431,000 in the budget estimates. The amount recommended is $852,100 below the amount that the Department has for expenditure for this same purpose in the current fiscal year.

There is no increase in employment provided under the appropriation recommended by the committee, and no vacancies in personnel now existing will be filled.

Need I point out once again that of the amount requested by the Bureau of the Budget under the title "Salaries and Expenses—State Department," $54,275,582 was for the functioning of the Foreign Service? Need I tell you what the Foreign Service is? The Foreign Service is the eye and the ear of Uncle Sam in the present cold war. We cannot afford to cut personnel in the various countries throughout the world who gather information for us. For what purpose? For the protection of the sovereignty of the United States of America.

I do not feel that this amendment—this meat-ax approach to cutting appropriations—needs to be opposed any further. You cannot cut a service such as the Foreign Service or the FBI or the Department of Justice or the Federal prison system and other such items in this bill by talking about a 10 percent across-the-board cut.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentlewoman from Ohio.

Mrs. BOLTON of Ohio. Before the budget amounts were submitted to the committee was the request of the State Department in excess of what came to the gentleman's committee?

Mr. ROONEY. Yes, it was. It always is. The request made by the Department of the Bureau of the Budget was in excess of the amount sent to the committee by the President's Bureau of the Budget.

Mrs. BOLTON of Ohio. Will the gentleman tell me whether the Budget justified to the committee its cuts?

Mr. ROONEY. No. The Bureau of the Budget is in a much more fortunate position than the Appropriations Committee because it does not have to make an explanation of its reductions whereas we have to come before you and explain why we make a cut.

Mrs. BOLTON of Ohio. Then it is possible for the Bureau of the Budget to cut the State Department or any other department of Government without having a real understanding of what it is cutting?

Mr. ROONEY. That is possible, but improbable, I may say to the gentlewoman; we must understand that the Bureau of the Budget has on its staff experts who I presume are familiar with the various departments.

Mrs. BOLTON of Ohio. Expert in figures, perhaps, but my contention is that the legislative committees, including the Appropriations Committee, are responsible to this Congress for what eventually happens here and now. If we had given us the full picture of what the department sees as its responsibility, then that department would not come before our committees with a limping picture which they perhaps cannot heartily support. They would rather see cut more out of here and less out of there.

Mr. ROONEY. I am not sure I can agree thoroughly with the gentlewoman in that regard for the reason that the Appropriations Committee very often is far better able to analyze appropriations than is the Bureau of the Budget.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FLOOD. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mrs. BOLTON of Ohio. I want to know if the Bureau of the Budget advises the gentleman's committee what the original request was of the Department?

Mr. ROONEY. Oh, yes.

Mrs. BOLTON of Ohio. Why should they cut it?

Mr. ROONEY. It is the practice of all the subcommittees of the Committee on Appropriations to demand that information, and all the Members quite naturally inquire into the amount originally asked for, in the first instance, by the Department, of the Bureau of the Budget.

Mr. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. I would like to ask the gentleman whether or not he feels that it is more dangerous to carry a deficit of $6,000,000,000 in a prosperous year like today, or cut some of these appropriations by 10 percent? I do not see how we can go on carrying a deficit every year. I should think it would be much more preferable to cut some of these appropriations by that figure.

Mr. ROONEY. I do not believe in further cutting this appropriation, which is for a vital service, in one of our most important departments, the Department of State.

Mr. KENNEDY. How are we going to bring that deficit of $6,000,000,000 down to a reasonable figure unless we make some of these cuts?

Mr. ROONEY. The committee has already made a cut as great as it can possibly do without wrecking the organization of our Government. One of the items most important in the present cold war, insofar as this Government is concerned, is the item for the Department of State and for the Foreign Service. To me that item is just as important as the item for national defense.

Mr. KENNEDY. Does not the gentleman think that a very important item in the cold war is the economic stability of our country so that we will have resources in case of war?

Mr. ROONEY. To an extent that is so.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Michigan.

Mr. DINGELL. The gentleman from New York, for whom I have a very high regard, both as to his fine character and ability and outstanding service to the people, said in response to a question by the gentlewoman from Ohio that the Budget is consulted, and I presume by that he meant their figures are not only scrutinized, but you count on them as experts. I am concerned about one phase that I think we are drifting farther and farther apart from all the time, and that is the affinity and the contact and the consultation as between the Subcommittee on Appropriations and the real experts who live with the problem every day of the year, the members of the Committee on Foreign Affairs. Do you call them in? Do you consult them as to some of these proposals to cut or to increase? I think there is an inexhaustible source of unimpeachable information that you get directly from your own source right here in the country.

Mr. ROONEY. No member of the Committee on Appropriations will agree to that or admit that that is so. The members of the Committee on Appropriations feel that they have a pretty good knowledge of all the matters that are contained in their appropriation bills.

Mr. DINGELL. But you do consult the Bureau of the Budget for accountants and experts.

Mr. ROONEY. We call upon the Departments, beginning with the Cabinet officers and the heads of the various departments and subdivisions of the agencies and talk to everybody with whom we wish to discuss the matter. A persual of the printed hearings will prove this.

Mr. DINGELL. Just one final question. Would it not support your position, when you come here before the Committee of the Whole House to discuss these cuts or proposals, if you had the support of such people as the gentlewoman from Ohio on that side, and certain individuals on this side?

Mr. ROONEY. Well, we expect the support of the gentlewoman from Ohio and the support of the gentleman from New York [Mr. JAVITS]. They are members of the Committee on Foreign Affairs, and they understand a great deal about this picture. This is not the first time that the gentlewoman from Ohio [Mrs. BOLTON] has risen to defend the Foreign Service and to protect it from a cut which would wreck it.

Mr. DINGELL. But your position would be stronger if you could say that this matter has been under consideration and that you consulted with the members of the Committee on Foreign Affairs.

Mr. ROONEY. I do not think that that would be practical. The Committee on Appropriations meets beginning with the first week in January and holds hearings beginning at 10 o'clock in the morning for 5 and 6 days a week until 4:30, 5, and 5:30 o'clock in the afternoon. We just do not have the time for that. We do the best we know how in accordance with accepted procedure.

Mr. DINGELL. I am mindful of the load you carry, but I think you might advance your own position and make it stronger if you did consult the real experts, who are right here in the family, the members of the Committee on Foreign Affairs.

Mr. ROONEY. As a member of the Committee on Appropriations, I cannot make such a concession.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think this is an important amendment, so I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Chairman, I think that in approaching this problem we should not be going off half-cocked. We should have in front of us the facts that actually exist. We should approach this problem honestly, with the idea of meeting our responsibility for providing for the real needs of the service, and not for something else.

To begin with, I think I should call your attention to a break-down of this picture. This item for salaries and expenses, insofar as the $78,000,000 submitted by the budget is concerned, does not represent fifty million dollars-odd for the Foreign Service; it represents $30,000,000 for the Foreign Service, it represents $20,868,000 for the departmental set-up, and it represents $1,176,000 for field employees.

I have here the green sheets that were finally brought up to the committee after the demand of the members of the Committee on Appropriations. This year the Budget made a practice, in violation of the law, of not submitting with the budget the information contained in these green sheets. When these agencies came to the Committee on Appropriations, they did not bring those things with them. We had no opportunity to cross-examine the witnesses who came before us with reference to their operations on those sheets, as we have always had in the past. As a result, it has been impossible to approach these things with much more than a meat-ax proposition.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. ROONEY. May I say to the gentleman that in connection with this particular chapter of the bill and the work of this subcommittee the green sheets were not refused to any member of the committee on either side. In some instances both the gentleman from Nebraska and I joined in demanding the green sheets. So we had no such difficulty as the gentleman talks about.

Mr. TABER. They had to be demanded, and they were not there when you began to cross-examine the witnesses and get at the facts. The committees were additionally handicapped in this regard.

Mr. ROONEY. I will say to the gentleman that we had no such trouble in this subcommittee.

Mr. TABER. That picture has been very serious all the way through, on every single item. I have served on a couple of subcommittees, and in every single case it was impossible to get the green sheets in any kind of shape so that you could cross-examine the witnesses with an intelligent and satisfactory result.

Mr. ROONEY. Is it not the fact that the fault complained of by the gentleman should lie with the Hoover Commission, which recommended a performance budget, and as a result thereof you were not in the first instance supplied with the green sheets? Is it not the fact that the gentleman's trouble rests with the Hoover Commission?

Mr. TABER. No one is justified in violating the law because the Hoover Commission voted for a cover-up job instead of an honest, open, aboveboard job on the budget. I do not believe it is possible for the administration and the Budget to avoid the responsibility for trying this cover-up job to prevent the Congress from finding out what they ought to have and what they ought to know.

Mr. ROONEY. Does the gentleman contend that the Hoover Commission violated the law?

Mr. TABER. No. They had the right to recommend it, but the Budget did not have the right to omit the information because the Hoover Commission had no right to amend the law.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. JENSEN. The recommendations of the Hoover Commission do not take precedence over the law of the land, do they?

Mr. TABER. Not yet.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. STEFAN. I may be wrong, but I do not think I am, but I believe the Hoover Commission recommended that the Department should be ready to present the green sheets at any time they were requested.

Mr. TABER. Yes; but most of them have not been doing that.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mrs. BOLTON of Ohio. I would like to keep the record clear. I have not said at any time, nor do I think this cut would wreck the Foreign Service. I do think, however, it should be most carefully applied if the cut is voted.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROONEY. I am the one who used the word "wreck" when I made the statement as to what this cut would do. But I would ask the gentleman from New York to inquire of the gentleman from Nebraska [Mr. STEFAN] if there was ever any question about getting the green sheets insofar as this committee was concerned. If not, then this is just an academic proposition.

Mr. TABER. He has answered that question.

Mr. Chairman, I want to get into the meat of this question. I know from personal observation and contacts with the State Department in Washington that the Department is overstaffed here beyond all endurance. I know a 10-percent cut down there would improve their morale instead of wrecking it. I have talked with and visited with a number of Members who have been overseas during the last summer. I was overseas myself in 1947. I would say in my opinion every embassy that I ran into was overstaffed. Ten percent would be a marker as to how they were overstaffed, but 10 percent would not be a marker as to how they are overstaffed here in the Department of State. Anybody who goes to these places and checks up on them or has any contact with them in a business way in looking after the interests of his constituents knows that this situation exists. The only way the Congress has of helping to put the State Department on its feet is to reduce this appropriation in an intelligent way, as has been proposed in the amendment offered by the gentleman from Illinois [Mr. VURSELL].

I understand these people said that there would be no vacancies filled. If that is the case, we all know that the average vacancies throughout the governmental departments are 20 percent. On that basis, they can absorb this 10 percent cut in the easiest possible way, taking advantage of those separations from the service which are voluntary.

There has been a little cut here recommended by the committee of $1,430,000. Frankly, I do not believe it is anywhere near enough. What the State Department needs is to be placed upon a business basis in its business operations. Its business operations cover 95 percent of its employees. Its diplomatic activities amount to about 5 percent, that is, activities by those who are engaged primarily in such activities as requires the exercise of discretion. We should realize that these administrative operations if put on a business basis can be handled much more satisfactorily and much more efficiently if there is some life put into them and they are asked to perform services and they are asked to go full sway. Everyone who has contacted them knows that. We all know it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mrs. ROGERS of Massachusetts. Is the gentleman satisfied with the screening that is done before persons are taken into the Foreign Service? We did not hear those criticisms of the Foreign Service a few years ago, before the war, but it seems to me a great many were blanketed in at one time who should not be there.

Mr. TABER. Well, it is not the way I would like to have it. On the other hand, I do not believe that the Foreign Service itself is as bad as the administrative end of it.

I hope this amendment will be agreed to.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 25 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to join with my friend from Massachusetts [Mr. KENNEDY] in placing some importance on the fiscal policy of this Government and in cutting down the deficits, and getting ourselves back to a degree of sanity.

Certainly I want to say that I am not at all surprised that the members of the Foreign Affairs Committee would stand here and refuse to cut one single penny. That is a perfectly normal reaction of the committee to this proposal. Why should the Foreign Affairs Committee ever agree to any kind of a cut in the State Department?

Third, I want to say that personally I feel the State Department has in fact become the Government of the United States. It needs to have its breeches cut down a little bit, in my humble opinion.

Fourth, when the Secretary of State gets up and calls upon us for total diplomacy, in my part of the alley that means total regimentation of the people of the United States back of the policies of the State Department, regardless of what the cost may be.

I think that is the exact line of approach that the Secretary of State is taking. Then, when ex-Secretary Marshall comes along and follows that, and takes the position that all the chips are now down and this is the last call, in my humble opinion that backs up the proposition of total diplomacy or total regimentation.

Then, when the President of the United States comes to us, and assisted by Mr. John Foster Dulles and takes the position that there should be read from the Congress of the United States every man or woman Member who does not support that policy 100 percent, that is some more of the total diplomacy and total regimentation.

Of course, you can cut the State Department 10 percent and increase the efficiency of the Department, as the gentleman from New York has said; you can cut the State Department 10 percent and in no way create a great tragedy for the people of the United States, and in no way interfere with the so-called cold war. Any department of the Government or any big corporatoin that is run loosely and extravagantly and which over a period of 12 years has been run as the State Department has, can be cut anywhere from 10 to 20 percent and always increase the efficiency.

The State Department has too much influence today. Every prayer the Department makes is a prayer in the name of national defense on the assumption that no man or woman in the country will dare to get up and question the State Department's prayer.

I maintain that this cut can be made without damage and I hope that it will prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, it has been said on the floor of the House today that the Foreign Service, or, in fact, anything having to do with the State Department, is the first line of our defense, that our first line of defense is in the State Department. I wonder if our first line of defense is not the ability of the American people to pay and to carry on in our domestic affairs as well as our foreign affairs. It might be well to have a few dimes left to spend on national defense, and on other things that we have to have, in the event that some of these fellows in the State Department, who, I believe, are anxious to get us involved in a little hotter war, I think it is very important that we try to save a few dollars here and there.

I want to remind the House of the fact that during the Eightieth Congress, in the last session of that Congress, we reduced the appropriations and limited the personnel for the Bureau of Reclamation. A great hue and cry went up that we were trying to ruin that department, that we were going to wreck the reclamation and the development of the West. But, 11 months and 13 days after that bill went into effect the Commissioner of Reclamation, Mr. Straus, in testimony before the Senate committee said this:

> Greater progress has been made in actually building the new dams, powerhouses, canals, and transmission lines than at any time in like period.

The facts are that the Bureau of Reclamation went forward and did a better job with less employees, because they did not have a lot of money to waste. If this amendment is adopted, and I hope it is, they are going to have 10 percent fewer dollars to waste and less personnel to sit around twiddling their thumbs and doing a lot of silly nasty stuff that has been going on in the State Department.

Mr. Chairman, the time has come when we must save a dollar here and a dollar there, wherever we can. This is one place where $7,800,000 can be saved and used to better advantage in other parts of our country by just not taking the money out of the pockets of the American people.

The taxpayers of America are getting sick and tired of this whole spending program. The national income is going down. The farm income is down now about 20 percent below what it was a year ago.

Unemployment rolls are going up. Let us do our duty and make cuts in this bill where cuts should be made, and we all know there is lots of room for cuts.

The CHAIRMAN. The chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, we Americans are a curious

people. We believe what we want to believe when we look at something. Sometimes we do not believe what we actually see. We have another curious custom and that is to think anything can be cured by voting an appropriation and that the larger the appropriation the more sure the cure.

We are facing a reality here. Any of you who have spoken to your utility commissioners in the various States, who have constant records of utility incomes and similar incomes, will know that there has been a gradual reduction in income of some of the principal industries of the United States. This is a barometer for all industry.

We have here a practical question. We must cut. The gentleman from New York [Mr. JAVITS] says we must maintain the Foreign Service at its present status and that there will be a move to increase the appropriations for the armed defense of the United States. We must have money for the defense of the United States, but certainly on the basis of anything that has happened in the last 5 years why does the Foreign Service deserve any particular defense of its appropriation at its present level. We certainly can cut 10 percent.

Mr. Chairman, I requested this time that I might ask the gentleman from Massachusetts [Mr. WIGGLESWORTH], who was abroad last summer, whether he feels the suggestion of a reduction of 10 percent in the Foreign Service as he saw it in France, and as I saw it in France and Italy or other countries, would in any way damage the Foreign Service?

Mr. WIGGLESWORTH. Mr. Chairman, there is no one in the House who attaches more importance to the work of our Foreign Service than I do. Its work is vital and I want it to have all of the personnel and all of the money that it needs.

Having visited some eight different countries in the last 2½ years and our embassies in those countries, several of them on two occasions, and having had the opportunity to go into the figures very carefully with division heads in connection with several of them, I cannot escape the conclusion that generally speaking our foreign embassies are overstaffed.

I recall last summer within some 200 yards in Paris finding over 1,100 Americans engaged in our Foreign Service in one way or the other. I found in that same 200 yards three ambassadors and two ministers.

If that is a fair criterion of our Foreign Service, certainly it is not going to cripple the State Department as a whole, in my judgment, to absorb the suggested reduction of 10 percent.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I would like to direct my first remarks to the colloquy which took place with reference to Congressmen inspecting embassies and legations and consulate generals in our organizations overseas. I, too, have been in many of these embassies and legations and I have seen my colleagues at them, and if the gentleman from Massachusetts was as assiduous as says he was in his examination, he is a rare bird, indeed, because it is my opinion that there are very few of my distinguished and beloved colleagues that make the extensive and minute and detailed examination of personnel at our embassies and legations when they are in Paris or London or Rome or anywhere else. If they did, I never saw them, and for the record, out of an abundance of caution, I doubt it very much. They come in and shake hands with a few people, and walk around and go to some luncheon, but I certainly doubt very much the detailed and extensive examination that Members of this House make when they are overseas on these inspection tours and I, certainly, as a member of this subcommittee, after sitting 3 months examining these witnesses from these departments and these bureaus of the State Department, cannot at this time accept the cursory hit-and-miss examination of congressional committees at our embassies and legations overseas last year or any other year proper evidence to reduce this appropriation.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New York.

Mr. TABER. I was in London, among other places, in 1947, and at half past 2 there was only about 5 percent of the 400 employees in the office building on the job.

Mr. FLOOD. I think the gentleman, if he went overseas more often, would realize that in foreign countries we should follow to some extent their customs and the lunch hour which is practiced. In London and Paris, and in these foreign countries it is that kind of a lunch hour. Whether they want to make it 2 or 3 o'clock is all right. They take a late lunch hour in those countries, and that is the custom and the practice, and we should not flaunt too much of this American efficiency in the face of people everywhere contrary to the custom of the land.

The gentleman from New York [Mr. TABER] told this committee that $30,000,000 of this cut was in Foreign Service. That may be true insofar as payments to the personnel themselves are concerned, but the gentleman did not tell you that as a result of transportation and the many items that go to make up the appropriation items, digit by digit, for the Foreign Service, that if you cut this, you are cutting over 70 percent of the Foreign Service. The gentlewoman from Ohio inquired about that, and may I give here that information now? This 10-percent cut will result in a 70-percent cut to the Foreign Service, including all of the items in the Foreign Service.

Mrs. BOLTON of Ohio. Mr. Chairman, if the gentleman yield, will the gentleman explain that?

Mr. FLOOD. The gentleman from New York told us that $30,000,000 would be the cut for the Foreign Service. He restricted that statement to only the one item, which might be the item of just personnel, but there is transport and there are at least seven or eight separate and distinct digits in the Foreign Service which will amount to 70 percent altogether. Do I make myself clear? The $30,000,000 is only one digit. There are a dozen others which, if added together, applying to the Foreign Service, will amount to 70 percent cut.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New York.

Mr. ROONEY. Is it not the fact that when the gentleman from New York [Mr. TABER] mentions the figure $30,000,000, he is utterly misinformed, because the figure for personal services alone, without taking into consideration travel, transportation, communications, rents, utility service, equipment, and so on and so on, amounts to $37,688,086.

Mr. FLOOD. There is no doubt about that. I just took the gentleman's own statement.

Mr. TABER. The statement shows thirty.

Mr. FLOOD. My friend from New York merely repeats misinformation—or at least not all of the information.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Michigan.

Mr. DINGELL. May I make the observation that in my travels I have found the personnel of the embassies available any time, day or night. They do not confine their work merely to the daytime. You will find them on the job at all times of the day and night.

Mr. FLOOD. That is part of the next statement I want to make. Here is another example of this meat-ax cut. Here is a subcommittee and a full committee made up, at least in your judgment, I hope, of some of the hardest-working and best-informed Members of this House. They have sat for 3 months. I see dozens of them here. Certainly nobody in any legislative committee of this House works any harder than these men, and you know it. It is the well-considered judgment of these committee people that this appropriation stand for the best interest of the Foreign Service, the State Department, and the United States of America.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to yield the time allotted to me to the gentleman from Wisconsin [Mr. KEEFE].

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. KEEFE. Mr. Chairman, the debate thus far on this amendment, it seems to me, has generated a lot of confusion of thought, as debate very frequently does on this floor. It seems to me we should have certain basic information clear in our minds before we vote upon the amendment offered by the gentleman from Illinois [Mr. VURSELL].

Whether we, in the Appropriations Committee, got the green sheets or whether we did not, the facts of the matter are that here are the green sheets relating to the item under consideration. These green sheets relate to three specific parts: First, the break-down of appropriations for departmental person-

nel; second, another item of $1,151,325, all other personal services; and finally, the break-down of the item for the Foreign Service.

Having these green sheets before me, I find that the Foreign Service provision as requested by the Bureau of the Budget before the committee made any cut was $31,495,680. The other item, of personal service, was $1,151,325. The items for personnel in the Department were $20,667,472. That is a total of $61,459,654.

In addition, there was about $18,000,000 of other items, including travel, communications, transportation, equipment, and so on, relating to the departmental personnel and to the Foreign Service personnel.

The fact of the matter is that the amendment offered by the gentleman from Illinois [Mr. VURSELL] proposes to cut this entire item, amounting to $77,300,000, by 10 percent. The argument on the other side has been that if you do that you will kill the Foreign Service of the United States. I do not want to kill the Foreign Service any more than does the gentleman from New York, and he has stated that the Foreign Service item in this appropriation estimate amounts to 70 percent of the total amount of $77,300,000.

I take issue—vigorous issue on the plain statement of the facts, and the gentleman cannot prove that statement as relating to expenditures involved in the Foreign Service. The fact of the matter is if you take the whole $18,000,000 which is provided here for travel communications, transportation and equipment, and add it to the Foreign Service item of $31,000,000, you still would not have have 70 percent of this total amount which is allocable to the Foreign Service.

I just want to say this to my friends of the House, the gentleman from Massachusetts [Mr. KENNEDY] put his finger exactly upon the situation. The President has just indicated an upward revision of the deficit for fiscal year 1950, greatly in excess of $7,000,000,000. The Committee on Ways and Means of the House indicates a seven and a half billion dollar deficit for 1951. Why, if you cannot cut a measly little 10 percent off this item the country then is hopelessly headed ultimately for a complete collapse. No one wants that, least of all the State Department.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY], to close debate on the pending amendment.

Mr. ROONEY. Mr. Chairman, we have had so many inaccurate statements with regard to the figures pertaining to this item, that I shall have to call your attention to the correct figures. The gentleman from New York [Mr. TABER], made the statement that 20 percent of the positions in the Department of State were unfilled. That statement is utterly ridiculous.

Mr. TABER. Mr. Chairman, if the gentleman will yield, the gentleman misquoted me. I said that the vacancies out of this would be 20 percent—that is the annual turn-over.

Mr. ROONEY. I will say to the gentleman that in the Foreign Service there is not a single vacancy and I will further say that in the entire Department of State, out of 15,555 employees, there were only 303 vacancies as of the 1st of December 1949.

With regard to the figures mentioned by my distinguished friend, the gentleman from Wisconsin [Mr. KEEFE], I wish to point out to him that the total budget request for the salaries and expenses item, which is the item now before the House, was $78,731,000. Of this sum of $78,731,000, $37,688,086 was for personal services; $5,301,286 was for travel and $3,055,271 was for transportation; $2,517,967 for communication service; $1,495,201, rents and utilities services; $138,530 for printing and reproduction; $1,835,465 for other contractual services; $1,220,324 for supplies and materials; $990,452 for equipment; and $32,000 for grants, subsidies and contributions; and $1,000 for refunds, awards, and indemnities.

The total of all these figures, $37,688,086 for personal services, together with all these other items which I have recited, which cover travel, transportation, and so forth, amount to $54,275,582—the total sum requested for the Foreign Service of the United States of America.

If you are going to approach this in a meat-axe proposition way, then it is all very well and good to misquote figures. If you are going to throw figures around and not understand them and have not the slightest idea that approximately 70 percent of the salaries and expenses item, if for the Foreign Service, then that's all right with me, too. But, I do not think you can get away with it. I think you have been kidding the American people about economy for too long.

Do you not remember the Eightieth Congress? Do you not remember when the gentleman from New York was going to cut the budget $5,000,000,000 and $6,000,000,000 and $7,000,000,000?

Mr. TABER. And we did.

Mr. ROONEY. Perhaps in dreams. Do you not remember the many meetings of the Legislative Budget Committee of 102 or 104, of which all the gentlemen now on their feet were members? You do not forget those days, do you, gentlemen? Do you not remember how the mountain labored and brought forth a mouse because you were afraid to go to the people in the 1948 elections if you cut the budget to the extent that you originally claimed you could?

Now let us vote.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

All time has expired on this amendment.

The question is on the amendment offered by the gentleman from Illinois [Mr. VURSELL].

The question was taken; and the Chair being in doubt, the Committee divided; and there were—ayes 87, noes 91.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. TABER.

The Committee again divided; and the tellers reported that there were—ayes 107, noes 113.

So the amendment was rejected.

The Clerk read as follows:

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 901 (3) of the Foreign Service Act of 1946 (22 U. S. C. 1131), $675,000.

Mr. REES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES: On page 33, line 4, strike out "$675,000" and insert "$500,000."

Mr. REES. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

Mr. ROONEY. Mr. Chairman, reserving the right to object, is it on this matter of representation allowances that the gentleman wants an additional 3 minutes?

Mr. REES. Yes. The gentleman from New York is quite familiar with it.

Mr. ROONEY. Mr. Chairman, I have no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Chairman, before I begin a discussion of my amendment to reduce this appropriation by $175,000, I want to pay tribute to the distinguished chairman of this subcommittee the gentleman from New York for the very fair manner in which he has presented this title of the appropriation bill that deals with the agencies, including the Departments of State, Justice, Commerce, and Judiciary. He and I do not always agree with respect to certain items of legislation but may I say that he has always been eminently fair.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. REES. I shall be glad to yield to the distinguished gentleman from New York.

Mr. ROONEY. I thank the gentleman and assure him that my feelings as far as he is concerned are mutual.

Mr. REES. I appreciate the gentleman's statement.

Mr. Chairman, I regret this committee did not see fit to support the Vursell amendment that was considered a little while ago. In view of the condition of our Treasury, I think that amendment should have been approved. We could have saved several million dollars without any injury. This amendment is a comparatively small one, but $175,000 is a considerable amount of money when you realize that it is being spent for what I regard as an unnecessary luxury.

My amendment relates to the item of representation. Let me call attention to the manner in which this particular item has been increased during recent years. Do you know that back in 1941 the amount allocated for this service was $150,000? In 1943 it grew up to $200,000 and in 1945 it was $300,000, and in 1947 was $500,000. Now you are jumping it in

this bill to $675,000 for this one item. The total amount in the bill for representation is $1,200,000, you are using. In other words, you are using $1,200,000 of the taxpayers' money, almost all of which goes for the expenditure of liquor to entertain foreigners abroad. Out of this item of $1,200,000, $117,000 goes to ECA officials for entertainment. Other items making up the total are scattered throughout the bill. The distinguished ranking minority member of the subcommittee, Mr. STEFAN, placed in the RECORD the total amount of representation allowance and the departments to whom it is allocated. We have the Department of State, the ECA and other departments making a total request of something like $1,200,000.

All I am asking the committee to do on this $675,000 item is to cut it back to $500,000. Show that you want to cut out at least a part of this extravagance and save on an item that is really unnecessary. If I had my way about it, of course, I would cut it a whole lot more. I hope on this particular occasion you will go along on this comparatively small reduction and say to the State Department: We are going to call a halt to the amount of money you are spending for this sort of thing, which of course is almost all for liquor.

I realize there has been pressure on this item.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from New York.

Mr. KEATING. Will the gentleman enlighten us on what is encompassed in the phrase "representation allowances"?

Mr. REES. Well, the main thing encompassed in this item, as has been disclosed a good many times, is the various kinds of hard liquor. Much of it is champagne. I understand from the connoisseurs that it is for highest quality of liquor.

Mr. KEATING. The gentleman does not see any reason why we should not cut down on the liquor bill if we are going to cut down on other things?

Mr. REES. If you are going to cut other items in this legislation, you should at least be willing to reduce this item, as provided in my amendment. In fact, it should be considerably more, but I thought you might be willing to save as much as $175,000 on an item, as I have said, that is unnecessary.

I am advised that this liquor is purchased abroad at a much lower price than the ordinary individual pays, because it is free from taxes that are imposed in this country.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Michigan, who has always supported me with respect to this proposal.

Mr. DONDERO. I think if there is any one thing that the American people are being resentful about it is waste in their Government. This could be considered waste.

Mr. REES. Well, the whole item of $675,000 is waste, as far as that is concerned, but there are some Members who seem to think that in order to get along with these foreign people and make deals with them, that they have to use this method of doing so. Of course, my position is regard to such proposal is that our diplomacy has fallen to a pretty low ebb when we yield to this sort of thing in order to carry on important business with foreign nations.

Mr. BRYSON. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from South Carolina.

Mr. BRYSON. Is it not a matter of fact that seldom, if ever, are negotiations started between diplomats representing our country and other countries before they get pretty well soused with booze?

Mr. REES. I am informed by those who are familiar with the situation that the use of liquor is terribly overdone and in many cases to the detriment of our own country. It is a pretty poor way to handle our very important foreign problems.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Does this include expense allowance for the roving ambassador and his 17 deputy roving ambassadors?

Mr. REES. I am not familiar with what those expenses are, but I should like to call your attention to some very important information. The gentleman from Nebraska also placed in the RECORD yesterday, in regard to the various of other expenses that are allowed to these officials. I hope the membership of the House will take time to read it. Do not misunderstand me; I want them to be paid just as well as anybody else, I want them to have their legitimate expenses paid, but let me call attention to a colloquy between the gentleman from Nebraska [Mr. STEFAN] and a witness from the State Department as appears in the hearings. Mr. STEFAN inquired of Mr. Martin about an item of $414,000. Mr. STEFAN asked him these questions, speaking of household expenses:

Mr. STEFAN. This is in addition to living allowances which amount to $2,272,000.

Mr. MARTIN. That is correct.

Mr. STEFAN. Is this item in addition to post allowances which amount to $84,000?

Mr. MARTIN. Correct, sir.

Mr. STEFAN. This is in addition to the transfer allowance of $115,000?

Mr. MARTIN. Yes, sir.

Mr. STEFAN. This is in addition to living quarters which amount to $2,821,000?

Mr. MARTIN. That is right, sir.

Mr. STEFAN. And it is in addition to an allowance which amounts to $280,000?

Mr. MARTIN. Yes, sir.

Mr. STEFAN. That is in addition to temporary lodging allowances which amount to $348,000? These various allowances amount to $6,340,000, and in addition to the representation, living, and rent allowances for information services?

Mr. MARTIN. Yes, sir.

Mr. Chairman, I trust you will be willing to support my amendment and save just a little bit; only a few thousand dollars in this item.

I want to commend the efforts of the distinguished minority ranking member of this committee [Mr. STEFAN] for the efforts he has made in reducing the amount of the request of the State Department for this item. I also want to express my appreciation to him for the information he has submitted in the RECORD and in the hearings dealing with this entire problem.

Mr. PRESTON. Mr. Chairman, I move to strike out the last word.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, following the remarks of the gentleman from Georgia [Mr. PRESTON].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PRESTON. Mr. Chairman, I think the House would really be disappointed if every year about the time we took up an appropriation bill the gentleman from Kansas did not offer this amendment. The amendment has become somewhat of a fixture and an institution down through the years, and he has offered it again this year. However, I do not recall that the House, at least since I have been here, has reduced this sum by amendment.

The gentleman from Kansas is a most lovable character and has the respect of every Member of the House, I am sure.

May I point out that this is not a sum of money to provide liquor. Of course, a portion of it is authorized to furnish refreshments of various types, but this is a representation allowance.

May I also point out that this amount has been reduced. We are not raising this sum. In 1947 the amount as passed by the House was $800,000. In 1948 it was $700,000. Now we have the figure of $675,000. So you see we have been doing our best in the committee to bring this sum down each year, and we have done it again this year.

This sum is necessary to enable men of modest means to serve in the Foreign Service. So often only men of great wealth and means can accept positions in the Foreign Service. Men of modest means cannot afford the entertainment incident to holding their positions. It has been found to be absolutely necessary to implement their incomes to this extent because of the heavy social obligations.

According to a very accurate survey made in the Foreign Service, every Foreign Service officer spends out of his pocket $300 for every $600 spent by the United States Government. There is no reason why a member of the Foreign Service should have to spend any money out of his pocket. His salary is not above normal to begin with. We know that many important decisions have been reached around the festive board. It is absolutely essential to entertain to some extent. No one would have our Foreign Service people less equipped than those from other nations. I may say that the money we give them does not compare unfavorably with the amounts given by other nations to their foreign-service officials. It is a sum of money which is absolutely necessary to keep our people on a par and have them not at a disadvantage but on an equal

footing with the representatives of other nations when it comes to the social obligations the people in the diplomatic service feel they must fulfill.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Kansas.

Mr. REES. The gentleman suggested that his committee was cutting this item down. As I understand, this amount is higher than in any other appropriation we have had for this Service.

Mr. PRESTON. This is for the Foreign Service.

Mr. REES. Yes; the Foreign Service. Six hundred and seventy-five thousand dollars is the highest figure I have ever seen advocated by this committee.

Mr. PRESTON. It was $800,000 in 1947 and $700,000 in 1948.

Mr. REES. But we have in addition the amounts that go to ECA and "XYZ," and are not included here.

Mr. JACKSON of California. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. JACKSON of California. I should like to associate myself with the position taken by the gentleman. I have been on occasion a severe critic of the State Department, but I feel that in the case of the Foreign Service those men out in the field, most of them, as far as I know, good, honest Americans, should not be required to reach down into their pockets to pay the costs which are necessary to the operation of their offices.

Mr. PRESTON. I thank the gentleman for his very timely observation.

This is not a prohibition amendment, this is something vital to our Foreign Service. We should approach it in that manner. We should vote this amendment down, and give these people a reasonable sum so they may properly represent the United States wherever they may be in the world.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, of course I was a little disappointed, but not much surprised to note that we lost the recent vote in an effort to save about $7,000,000 in the Department of State. I hope that will not be the continuing policy of those members of the party in power, however, I am fearful it will be.

Now we come to the pending amendment where we can save $175,000. It is a small matter, but when you stop to consider that this bill carries over $1,300,000 in representation service, most of which will be used for liquor in entertaining in foreign embassies, and when you take into consideration that you can purchase it there for about half what you can here, it would mean something like $2,600,000 compared with the cost here in the United States. That is a lot of entertainment for our State Department which must handle serious and important matters.

I want to reduce that amount. I am one who believes we should effect economies in every department of Government, beginning with the Congress of the United States and extending to the absolute top. I am one who believes the first line of defense of America is the financial solvency of our Government and not the Department of State, as was claimed by one of the Members in the recent debate on the other amendment. The Rees amendment would reduce this item by $175,000. We had better reduce it by this amount, or as much more as we can.

I think it is a bad and expensive policy, that may be abused if the Congress appropriates sufficient funds so that our representatives have too much opportunity to use liquor in their foreign entertainment and foreign service.

Their work is too important to the defense of the Nation. I am supporting the amendment offered by the gentleman from Kansas. I hope the amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, there has been considerable debate regarding representation allowance for United States Government employees overseas. This item is increasing in proportion to increases sought in other categories. However, the bill presently before you may be somewhat misleading unless the membership reads the hearings for appropriation for the Department of State now available. I call your attention to page 1075 of these hearings where you will find a break-down on the items of representation. You will find there that the estimate for the Foreign Service runs to over $1,000,000 when the total estimates of the state missions to international organizations, international contingencies, USIE, are taken into consideration. This, however, does not include the representation allowance for the ECA or Marshall-plan activities where during the present fiscal year $117,763 was appropriated. Other allowances can be found on page 1074. The Foreign Service continually complains that the allowances are not sufficient. Of course, the representation allowances do not tell the entire story, because there are a large number of other allowances available to the people in the Foreign Service of our Government, and these are detailed in the hearings to which I referred.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY] to close debate on the pending amendment.

Mr. ROONEY. Mr. Chairman, I am not going to take very much time in further opposition to this amendment. As was pointed out by the distinguished gentleman from Georgia, it is an annual gesture. The question of representation allowances for the Department of State is one that commands the attention of every member of this subcommittee, so much so that when the committee was requested to appropriate the amount of $979,200, it saw fit unanimously to cut this amount over 30 percent, to the amount of $675,000. I do not believe that in any previous year there was a percentage cut to the extent of the cut made by the committee this year.

So, Mr. Chairman, I ask that this amendment be soundly defeated.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to my distinguished friend, the gentleman from Kansas.

Mr. REES. The gentleman speaks about a percentage cut, but nevertheless the gentleman realizes the increases that have been allowed by the House through the years, beginning with $150,000 in 1941 clear down to the proposal which is now before us, will mean that after we get through with it we are not cutting these figures almost a million dollars.

Mr. ROONEY. The gentleman always assumes that the item entitled "Representation Allowances" is strictly for liquor. I am sure he does not have any objection to the giving of a diplomatic dinner and accompanying it with a cocktail of some kind, whether it be a martini or an old-fashioned or a daiquiri. I assure the gentleman that there are not too many old-fashioneds, daiquiris, or martinis in this amount of $675,000. The committee is not going to permit the situation to prevail where an American diplomat called upon to entertain diplomats of other countries is going to be in the background when it comes to the amount he is allowed for that purpose. It is a necessary evil.

Mr. REES. The gentleman says this proposal is a gesture. I want to assure him that this is not a gesture. I hope the gentleman does not think it is a gesture to try to save a few thousand dollars on this item.

Mr. ROONEY. Does the gentleman object to the serving of a martini at a diplomatic dinner?

Mr. REES. I am not in favor of martinis at all.

Mr. ROONEY. That is what I suspected.

Mr. Chairman, I ask that this amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. REES) there were—ayes 26, noes 61.

So the amendment was rejected.

The Clerk read as follows:

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses necessary to meet annual obligations to international organizations, the Government of Panama, and Gorgas Memorial Institute, pursuant to treaties, conventions, or specific acts of Congress, $55,178,297, together with such additional sums due to increase in rates of exchange as the Secretary of State may determine and certify to the Secretary of the Treasury to be necessary to pay, in foreign currencies, the quotas and contributions required by the several treaties, conventions, or laws establishing the amount of the obligation: *Provided*, That the Department of State, when requested by the United Nations, is authorized to acquire surplus property for the United Nations in accordance with existing surplus property disposal laws and regulations, and the contribution of the United States to the United Nations shall be reduced by the value of the surplus property and necessary expenses, including transportation costs, incidental to the aquisition thereof.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. LODGE. Will the gentleman yield?

Mr. TABER. I yield.

Mr. LODGE. I would like to ask my distinguished friend from New York about this item of $8,000,000 in the building fund, because it was my idea that under the surplus-property agreements there was a substantial amount of money available in those countries for just such purposes, and that therefore there would be no need to appropriate any of the taxpayers' money for this kind of thing.

Mr. TABER. That understanding is not correct. Very largely the buildings have been procured by the use of lend-lease obligation or counterpart funds; but the reconstruction of those buildings into offices and residence quarters, and that sort of thing, and the rehabilitation of those buildings has been a charge upon the appropriation funds to a large extent, with the exception of those places where counterpart funds may be available in sufficient quantities to provide for it.

Mr. LODGE. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. LODGE. Before the Marshall plan was passed and before there were any counterpart funds, my recollection is that surplus-property funds, pursuant to the agreements reached with those countries, were used to purchase buildings for our embassies and staff. Is that correct?

Mr. TABER. That is correct, and a very large number of them have been so purchased. As I understand it, a big building in Rome that was once a residence was purchased for the Embassy.

Mr. LODGE. Have those surplus property funds been exhausted?

Mr. TABER. I do not understand so, but they have been exhausted, as I understand it, in some places. In other places, like France, they were required to rehabilitate a lot of other buildings, to fix them up so they could get along.

Mr. LODGE. Why can they not use this surplus property fund to pay for it?

Mr. TABER. They can for the purchase of the sites, and they can use counterpart funds for the labor and such materials as they are able to procure there. I believe the gentleman from Nebraska [Mr. STEFAN] can give us a little better picture of the details of this than I. I know that the budget estimate for this was $12,000,000 and that the amount allowed by the committee was $8,000,000. Frankly, after I looked it over as best I could I thought there might be a little greater cut; on the other hand I was not as sure of that as I have been of some other things in the bill, and I did not feel that I wanted to tackle it.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROONEY. I should like to point out to the gentleman from New York and the gentleman from Connecticut that as of the 31st of December of last year this buildings fund had an unexpended balance of $18,141,738; and obligated during the first 6 months of the present fiscal year only the amount of $6,914,742, so that with the $8,000,000 which the committee inserted in this bill we figure there will be a total for use by the buildings fund of $19,226,996 in the coming fiscal year.

This does not actually represent cash money; the gentleman from Connecticut is correct in that regard. But, as a matter of bookkeeping we must appropriate out of the Treasury in dollars in order to get from the Treasury the currency, whether it be francs, lira, or what-have-you, to purchase the properties in the foreign countries. Actually, when we take title to these properties in foreign countries we are paying with credits which we have obtained as the result of the disposition of American surplus property.

Mr. LODGE. In other words, if I may ask the gentleman who has been kind enough to explain this, actually, surplus property funds are being used.

Mr. ROONEY. That is correct.

Mr. LODGE. And this is merely a bookkeeping transaction in order that the various departments of the Government may keep their records straight.

Mr. ROONEY. That is correct, and may I say further that I am confident that the Department has no objection of any consequence to the amount allowed by this committee; it will amply cover their needs in the coming fiscal year.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LODGE. In other words, this $8,000,000 represents surplus-property funds and also counterpart funds?

Mr. ROONEY. No; this has nothing to do with ECA counterpart funds. These are credits derived solely from the disposition of Government surplus property. Surplus-property funds are used for two purposes: For the foreign buildings fund, acquisition of buildings, and also for the student-exchange program.

Mr. LODGE. What happens to this $8,000,000 once we have appropriated it? Where does it go?

Mr. ROONEY. It goes out of the Treasury to the credit of the State Department, which, in turn, buys from the Treasury the francs, lira, or currency of the country in which the acquisition is to be made.

Mr. LODGE. That is not my original understanding; my original understanding of the gentleman's statement was that we were spending surplus-property funds which remained in these countries and that this was just a bookkeeping transaction in that connection.

Mr. ROONEY. Yes; there are credits in francs or lira or some other foreign currency which are in the United States Treasury as the result of the Government having arrived at a certain figure to be paid for American surplus property that has been disposed of. I will ask the gentleman from Nebraska [Mr. STEFAN] if I am not correct in my explanation of the situation with regard to the building funds.

Mr. STEFAN. The gentleman is correct except in this regard: The ECA acquisition of buildings is done through the Division of Foreign Buildings Operations, Department of State, for the ECA. All of the property we have been acquiring and are acquiring presently is actually from block currency, block funds, and counterpart funds through surplus property, through credits that we have. For instance, the Director of the Division of Foreign Buildings Operations makes a deal with a foreign government, with payment being made through credits we have against that government or through exchange. The origination of that is surplus, and even some UNRRA.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. Is the statement correct that this unobligated balance of $11,200,000 includes the proposed appropriation here of $8,000,000? I thought it was in addition to the appropriation here of $8,000,000.

Mr. STEFAN. No, it is not in addition. The fact of the matter is when the balances are made we are not out anything at all because these all represent credits on lend-lease and surplus property.

Mr. KEATING. I understand from the gentleman from New York that the $8,000,000 is in addition.

Mr. ROONEY. That is correct.

Mr. KEATING. So there is a total of $20,000,000.

Mr. ROONEY. There is expected an unexpended balance at the end of this fiscal year of $11,226,996 and to that should be added the $8,000,000 contained in this paragraph of the bill.

Mr. KEATING. Which makes a total of $20,000,000; whereas in the last 6 months we have only obligated some $4,000,000.

Mr. ROONEY. Yes, but there are many explanations for that. Certainly the gentleman does not propose that we should let these credits of ours in foreign countries die a peaceful death. We certainly should utilize them. We are better off having a piece of real estate on the main street in a capital city of the world than we are with the credits.

Mr. KEATING. My point is, I do not understand the necessity of our oppropriating a sum of $8,000,000 when we already have in this fund an unexpended balance of $11,000,000.

Mr. ROONEY. We appropriated $8,000,000 in this bill for the reason that the $11,000,000 is not enough to carry on the program. If I recall correctly, and the gentleman from Nebraska may correct me if I am in error, this is a $110,000,000 program.

Mr. STEFAN. It would not make any difference how much it is. It would go back to the Treasury or become property in a foreign country.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusets.

Mr. NICHOLSON. Would we ever get any cash out of these people?

Mr. TABER. No; we never would, and we might just as well realize that. They could not pay it even if they tried.

Mr. KEATING. I do not want to be too persistent, but this appropriation, plus the unexpended balance, makes a total of $20,000,000 available for this fund, or nearly that.

Mr. TABER. Yes.

Mr. KEATING. We have only been spending out of this fund at the rate of about $8,000,000 a year. For that reason I do not see the necessity for this appropriation of $8,000,000. If we do not appropriate a dime we would still have considerably more than the rate at which we have been spending during the last year.

Mr. ROONEY. The gentleman from New York, my distinguished colleague, must realize that this buildings fund appropriation is a part of an extensive program. The acquisition of real estate, as he well knows, being an able lawyer from Rochester, N. Y., is not the same as buying a bag of groceries in the corner grocery store. The program has been laid out. We now come to the point where certain plans which have been thought over for some time and have been in existence for some time are ready to come to fruition and we want to take title to certain pieces of foreign real estate. That is the reason for the total amount allowed in this paragraph.

Mr. KEATING. The effect of what the gentleman says, whether we talk about real estate or groceries, it is anticipated there will be expended in the next fiscal year a considerably larger amount than was expended in the last fiscal year?

Mr. ROONEY. Exactly, and this amount, may I say to the gentleman, is far below the amount that has been expended each year in the past number of years for this purpose.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Connecticut.

Mr. LODGE. I would like to ask the gentleman from New York how much money is available at the present time from the surplus-property settlements all over the world for building purposes.

Mr. ROONEY. I will say to the gentleman from Connecticut that if he looks at the printed hearings he will find a list containing the amounts due from all the countries all over the world. Of course, I cannot at the moment quote it to you extemporaneously, but if he looks at that list he will find that our old friend, Great Britain, is the one nation with whom we have had the greatest trouble in arriving at some sort of an amount due for the surplus property she has long ago received. If the gentleman will permit me, I will twist the lion's tail a little further. He will find further information on this matter at page 784 of the hearings.

Mr. STEFAN. Also on pages 807 and 808, net balances on lend-lease and settlements with Great Britain.

Mr. LODGE. Why is it necessary, since that money exists, to make this appropriation until that money has been obligated for building?

Mr. ROONEY. Because it is a bookkeeping transaction.

Mr. LODGE. Being a bookkeeping transaction, it would seem to me that it appropriately comes after the money has been spent.

Mr. ROONEY. May I say to the gentleman from Connecticut that I cannot hope to convince him of the intricacies of this financial transaction here on the floor in 5 or 10 minutes, because this subcommittee had to spend weeks trying to convince the conferees on this bill last year as to what actually happens with regard to this fund.

Mr. LODGE. I am glad the gentleman recognizes that it is a complicated problem.

Mr. ROONEY. It is a complicated problem, but I make the flat statement that it has to be appropriated in order for the money to come out of the Treasury.

Mr. TABER. As I understand, there is presently outstanding against foreign countries claims totaling $822,000,000. I think that is about the figure; is that right?

Mr. ROONEY. Yes; that is the total of the table contained on page 784 of the hearings.

Mr. STEFAN. Mr. Chairman, if the gentleman will yield, I think this whole thing can be explained in just a sentence or two. We have presently approximately 300 missions scattered over the world. It is the objective of the Department of State and the Foreign Service to buy and own all the property in which we house our Foreign Service, wherever it is cheaper to own and to maintain it than to lease and rent it. All the property we are acquiring at this particular time is not costing the taxpayers any money in American dollars. We are taking this property over and giving these foreign governments credit on this approximately $800,000,000 of credits that they have with us. It represents lend-lease, surplus property, and other credits to the United States. As far as this $800,000,000 is concerned, it goes back into the Treasury to trade for these counterpart funds; in other words, when the whole books are balanced we do not put out any American dollars for the acquisition of this property but merely credit to these foreign governments who owe us on surplus and other credits that they have.

Now, mention was made of the British debt, which I will refer to. I have here the figures on the lend-lease and surplus-property settlement with the United Kingdom.

Lend-Lease furnished the United Kingdom, at procurement costs, $31,611,000,000.

Surplus property transferred to Great Britain only, at procurement costs, $531,319,000.

Due from Great Britain for the above under the mutual-aid settlement of July 12, 1948, $622,446,911.

Available for buildings and educational exchange programs under mutual-aid settlement, $50,000,000.

Utilized by Department of State as of December 31, 1949, $14,601,174.

In other words, we settled that $32,000,000,000 obligation on the part of the United Kingdom for about $50,000,000 of which only $14,000,000 has been paid.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Iowa.

Mr. GROSS. Is it not true we are proposing to build an embassy in Poland?

Mr. STEFAN. Yes.

Mr. GROSS. Will not that cost us money?

Mr. STEFAN. No, I think it will be built with Polish zlotys.

Mr. ROONEY. Mr. Chairman, may I suggest that the gentleman from New York [Mr. TABER] is apparently conducting this debate by remote control. He has been on his feet and has had the floor for 20 minutes and has not yet had an opportunity to say more than a word.

Mr. STEFAN. I believe I have explained the situation, and have no further statement.

Mr. GROSS. What money does Poland owe us?

Mr. TABER. I will tell the gentleman in a moment.

Mr. GROSS. I did not know we had any credits back of the iron curtain.

Mr. TABER. I do not know whether or not they owe us anything. Here it is: Poland, $36,341,305.

Mr. GROSS. And we can collect on it?

Mr. TABER. How?

Mr. GROSS. I do not know how, but we are proposing to build an embassy over there that will not cost us any money.

Mr. TABER. I do not know. This idea that these buildings cost us nothing is sort of silly, because if you get a bigger building than you really need you have to have more employees than you need to fill it. That is why this item of salaries and expenses is so big. That is perfectly apparent.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. I know a little bit about this situation. At the time I was in Europe just as the war was over, I noticed every place we went that there was a great amount of surplus war material owned by the United States and protected in a way by the American flag that was flying overhead, with no personnel around it. So I had a conference with the committee I was with when we were in Paris, and we decided that they would send two of us to London to see the Secretary of State.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for five additional minutes, so I can tell my story.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. We went to see the then Secretary of State, Mr. Byrnes, and we told him the story. There were stories in the paper about how jeeps were being stolen, and so on. We said, "They cannot steal real estate, Mr. Secretary, and I think it would be a very good idea if we would seek to have something done to transfer war-surplus material for real estate in the different countries of the world." That was the beginning of this program. I think it is a praiseworthy program, because we would have nothing otherwise for a great deal of that material.

I saw some fine tubs there that cost us in the vicinity of half a million dollars. They had never been used, but they were being offered for $20,000. I thought that was just a crime. Being an old-fashioned real-estate lawyer like my friend, JOHN TABER, I figured if we could get our hands on some real estate it would be a pretty good deal.

Mr. KEATING. Would the gentleman who has studied this matter so thoroughly just carry that one step further and explain to us why it is necessary, if the transaction is to exchange real estate for jeeps, and so on, to make an appropriation in this bill?

Mr. RABAUT. I will tell you that. It is very simple. You do not get a building in the condition so that you can use it for the purpose for which you want it. You immediately have to do something with it. You have to put it in shape. Some of this money is to put these buildings in shape.

Mr. KEATING. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. TABER. I yield.

Mr. KEATING. Mr. Chairman, my understanding of this building-fund paragraph was the same as that of the gentleman from Connecticut, with whom I conferred. My question is, Is it now too late to offer an amendment to the section relating to the building fund?

Mr. ROONEY. Mr. Chairman, I raise the point of order that the Clerk has already read down to and beyond the figures "$55,178,297", on line 16 of page 34 of the bill.

Mr. TABER. Well, the gentleman from New York is simply making a parliamentary inquiry.

Mr. RABAUT. Mr. Chairman, I would like to commend the gentleman from New York for the wonderful way in which he has been conducting the debate.

The CHAIRMAN. The Clerk has read down to and including line 4 on page 35, which is beyond the paragraph mentioned by the gentleman from New York [Mr. KEATING].

Mr. TABER. Mr. Chairman, I rose to speak about these international organizations. I want to call the attention of the chairman of the committee to page 813 of the hearings where it appears that the total for these purposes would be $52,275,703. I am wondering why it is that the amount carried here is not cut down to that figure.

Mr. ROONEY. For the reason that there was a supplemental estimate in House Document No. 457, Eighty-first Congress, second session, amounting to $2,902,594, entitled "State Department—Contributions to International Organizations."

Mr. TABER. It seems to me these contributions to international organizations are at a tremendous figure. The United Nations figure is $13,926,500. Some other United Nations organization is $2,898,105, and the International Refugee Organization is $25,000,000. On top of that there are a very large number of them at the million-dollar figure, or better, and a very large number of smaller items.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Chairman, we have had bills before the House which have uniformly been rejected during the last 4 months of the session to increase allotments to international organizations and to take more of them on. According to the hearings, there has been $1,559,641 added in the last year according to the statements on page 551.

I want to call attention to the enormous sums that they cost, and to say to the House that in my opinion it is very important that we cease, either by treaty or otherwise, adding to these international obligations which run into enormous amounts. I do not believe we can afford to go into that kind of a picture any further.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. STEFAN. The gentleman's statement of our contributions to international organizations is a valuable one, because this committee has been very much concerned with it. The other body is very much concerned with it. On yesterday I took the floor and developed in a detailed manner the whole program. The gentleman is absolutely right. Our contributions are too high, but as long as we have treaties and as long as we pass laws on this floor setting up these international organizations in which we have to participate, we have to pay our share of them. We have treaties and we have laws, and there is no other thing that we can do but appropriate the money to carry them out. Notwithstanding that fact, however, you will notice in this particular item there is nothing for the International Refugee Organization. The IRO was $70,000,000 last year. We have been assured that this IRO is going to be liquidated during this next fiscal year. We put the State Department on notice that we will probably not appropriate money for that organization next year.

There are other organizations which members of the State Department have assured us that they will eliminate if they possibly can. They are doing the best they can to cut these organizations out, because they are costing the taxpayers too much money. Our percentage of expense is very, very high and out of proportion. For instance, Mr. Warren Austin, our Ambassador at the United Nations, representing us there, has been able to cut our participation expense quite a bit.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROONEY. I think the best answer to the contention of the gentleman from New York [Mr. TABER]—and I agree with his contention in this instance—is the language in the committee report, at page 35. It was read into the RECORD yesterday by the gentleman from Pennsylvania [Mr. FLOOD]. I shall read it again:

> The committee again stresses its concern over the large number of organizations to which we are required to contribute. Every effort must be made to reduce the unusually high percentage of contributions which in all too many instances this country is called upon to make. The high percentage of contribution of the United States should be reduced just as quickly as the economic conditions of other member countries make possible their assuming a more equitable share of the cost. The committee will examine carefully the Department's submission of this item next year to determine what accomplishments have been made by the Department in obtaining such reductions.

Mr. TABER. I think the gentleman from Pennsylvania [Mr. FLOOD], the gentleman from New York [Mr. ROONEY], and the gentleman from Nebraska [Mr. STEFAN] have performed a real public service in going into the detail of these things. I took the floor because I wanted to call attention to it a little further, and I hope that gradually we can get to the point where we can eliminate a great many of these international organization contributions, and that the House will be on its guard against the creation of other obligations of this sort.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. GAMBLE. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise; and on that motion I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. TABER and Mr. ROONEY.

The Committee divided; and the tellers reported that there were—ayes 20, noes 66.

So the motion was rejected.

Mr. ROONEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROONEY. Is it possible to count the members of the minority who are out in the Speaker's lobby, who just left?

The CHAIRMAN. The Chair will count on the point of order made by the gentleman from New York.

Mr. GAMBLE. I made the point of order because I thought that on a $29,000,000,000 bill we should have more than two Members present for each billion appropriated.

The CHAIRMAN. The point of order is not debatable. The Chair will count. [After counting.] One hundred and nine Members are present, a quorum.

Mr. STEFAN. Mr. Chairman I move to strike out the last word.

Mr. Chairman, just before the teller vote we were discussing on page 34 our contributions to various international organizations. I stated that the appropriation for the International Refugee Organization last year was $70,000,000. This item appears before you today at approximately $25,000,000 for the next fiscal year due to the fact that the International Refugee Organization is liquidating. I wonder how many Members of the House know what the International Refugee Organization has been doing, how many displaced persons are presently in the camps in the various parts of Europe, who are being moved to other parts of the world, some of them coming to the United States.

My purpose in taking up this matter at the present time is to state that I have been informed that an effort is being made to extend the International Refugee Organization program after the proposed liquidation date and that some legislation may be offered in either the House or Senate for its extension. We were assured by the American representatives of the International Refugee Organization that they were going to liquidate, that the camps are going to be closed and that no further appropriation would be needed for the International Refugee Organization after the fiscal year 1951.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I shall be glad to yield to the gentleman when I have finished my brief statement. The gentleman knows more about the International Refugee Organization than I do because he was sponsor of the bill which passed the House and Senate and became law resulting in our participation in that international organization.

There are approximately 300,000 displaced persons left in the displaced-persons camps. But very few people seem to have the courage to face the real issue involved in this refugee matter. There are presently approximately 15,000,000 refugees in Austria and Germany who have been driven from their homes and who must live on the economy of the country in which they now live because they are people of German ethnic origin. They are expellees who are not given any help by the IRO. Many of those people were as well off as you and I; highly educated; they were financially well off. Most of them never lived in Germany or Austria. Their parents or their ancestors many years ago came from Germany, and under some international program they were removed, body and soul, out of their homes. They had to leave behind their homes, their possessions, their money, their livestock if they were farmers, their merchandise if they were merchants, and told to take 50 kilos of baggage with them, report at the railroad station, and they were sent to Germany or Austria, because they were of German ethnic origin. Many cannot talk German and have never been in Germany. They are coming by hundreds today into various parts of Austria and Germany, and the United Nations officials do not know how to cope with that problem. That is the problem of refugees that we have to cope with very soon.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. I talked to General Clay when he was in Germany, and Colonel Stanley Andrews, his Food Administrator, and Tracy Vorhees, who recently resigned as Undersecretary of the Army, and they told me that if the Congress of the United States wants to discuss refugees, they better start discussing these approximately 15,000,000 expellees who are presently a burden on the countries on whose economy they are now living, and indirectly, through ECA and through GARIOA, which is Government and Relief in Occupied Areas, becomes an additional burden on the American taxpayers. But, it is an economic question, gentlemen, which we will have to face and face right away, and I wish to get this information into the RECORD in order that it will be there when and if there is an attempt to expand or continue IRO.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Ohio.

Mr. VORYS. As the gentleman says, I have been somewhat interested in this because I was the author of the original IRO legislation, and it was presented as a temporary measure. I have seen the initials "DP" extend from those who were displaced persons in the Nazi concentration camps to include vast new categories. I was present at the United Nations last November when the Security Council adopted a new set-up for the United Nations for refugees. Mrs. Roosevelt was there and presented very vigorously the American position, which was that our participation was to end when IRO ended in 1951, and she therefore urged that there should be no resolution adopted by the United Nations looking forward to further participation by the United States in this matter of refugees. In spite of the position she took the United Nations committee voted to continue not only to have a United Nations refugee organization but to ask for participation by other countries.

Now, I wondered whether this United Nations action which may result as the gentleman says, in either additional requests for appropriations or for legislation, was presented to the gentleman's subcommittee.

Mr. STEFAN. It was not. I always thought IRO was a temporary activity.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from New York.

Mr. ROONEY. Now that the gentleman from Ohio [Mr. VORYS] has made that statement I call to the attention of the House, as I did yesterday, one of the problems of our Committee on Appropriations, and that is the matter of legislative committees writing legislation as the result of which the Appropriations Committee is subsequently presented with a blank check which it must necessarily sign.

In connection with IRO the legislative committee, the House Committee on Foreign Affairs, wrote no limitation on the amount of funds for them as the United States share in supporting that organization, with the result that we appropriated $70,000,000 last year, a similar sum the year before, and now have to appropriate $25,000,000 because of the fact that no limitation upon the amount of funds to be paid as the United States share was contained in the IRO bill which passed this Congress.

Mr. STEFAN. That indicates the helplessness of the Appropriations Committee, when laws are passed and treaties are made, and we are helpless and must make the appropriations.

Mr. ROONEY. That is exactly the point I make.

Mr. STEFAN. That is why I took this time to discuss the IRO, and also to call to the attention of the House the really serious refugee problem which is facing the world today in Europe.

Mr. VORYS. If the gentleman will yield further, we have already authorized $27,000,000 for Arab refugees. This was done just a few weeks ago. We are still turning our backs and closing our eyes to the approximately 15,000,000 refugees who, while they were not displaced during the war, have become displaced since. We will some day have to face up to this total problem.

The Clerk read as follows:

For expenses necessary to enable the Department of State to carry out international information and educational activities as authorized by the United States Information and Educational Exchange Act of 1948 (22 U. S. C. 1431–1479) and the act of August 9, 1939 (22 U. S. C. 501), and to administer the program authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b)) and the program authorized by the act of August 24, 1949 (Public Law 265), including personal services in the District of Columbia; employment, without regard to the civil-service and classification laws, of persons on a temporary basis (not to exceed $60,000) and

aliens within the United States; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946 (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation (not to exceed $11,000); printing and binding; entertainment within the United States (not to exceed $5,000); hire of passenger motor vehicles; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); advance of funds notwithstanding section 3648 of the Revised Statutes as amended; actual expenses of preparing and transporting to their former homes the remains of persons, not United States Government employees, who may die away from their homes while participating in activities authorized under this appropriation; establishment and operation of agricultural and other experiment and demonstration stations in other American countries, on land acquired by gift or lease, and construction of necessary buildings thereon; radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration and script-writing, by contract or otherwise; and purchase of objects for presentation to foreign governments, schools, or organizations; $34,000,000, of which not to exceed $3,000,000 may be transferred to other appropriations of the Department of State: *Provided*, That, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U. S. C. 665), the Department of State is authorized in making contracts for the use of the international short-wave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That in the acquisition of leasehold interests payments may be made in advance for the entire term or any part thereof: *Provided further*, That funds herein appropriated shall not be used to purchase more than 75 percent of the effective daily broadcasting time from any person or corporation holding an international short-wave broadcasting license from the Federal Communications Commission without the consent of such licensee: *Provided further*, That funds appropriated herein shall be available for payment to private organizations abroad in pursuance of contracts entered into for the processing and distribution of motion-picture films.

EFFECTIVENESS OF THE VOICE OF AMERICA

Mr. STEFAN. Mr. Chairman, although I feel that the Voice of America is doing effective work, there is considerable room for improvement. It is my belief that presently there is too much duplication and perhaps a lack of proper supervision and evaluation. The committee should know that the Voice of America through its radio program is not its entire job. This information service, which has as its objective the dissemination of the true story of the United States, is in the field of exchange students, conducting large libraries, dissemination of motion pictures, magazines and newspapers, and carries on a press service. It is an all-inclusive information service through the medium of the spoken, printed word and picture and visual information. We are hopeful that the evaluation of this service in countries which are almost inaccessible will soon be available to the new director. However, similar service is carried on by the ECA or Marshall plan, and it is also being carried on by the Army in occupied areas. It may be that it would be impossible to combine all of these services, especially the Army service which carries on its independent information program. However, I feel that the information service carried on by the ECA or Marshall plan could well be combined with the State Department's information service. There have been some arguments against this on the part of the ECA people, but for the sake of effectiveness, I feel that the State Department is better qualified and better equipped to carry on this information service than is the ECA. I personally feel the two services could be combined for the sake of economy, efficiency, and effectiveness.

As an argument for better supervision, I call attention of the committee to page 1084 of our hearings which has in detail an explanation of the lack of supervision in some cases. I call your attention to the following article contained in a magazine called Plain Talk which is self-explanatory and will give you some idea, as it did to the members of the committee, that proper supervision over individuals in putting out the true story of the United States is so necessary. I now quote from the article:

"[From Plain Talk magazine]

"FREE ECONOMY IN U. S. A. 'FAIRY TALE,' VOICE OF AMERICA TELLS GERMANS

"(From a special correspondent)

"FRANKFURT, *October*.

"The German elections of August 14, giving a strong majority to the adherents of economic freedom, shook the hopes of those who believe that British-style laborism is called upon to head the third force between capitalism and communism.

"There was considerable bewilderment among German voters, however, when shortly after the elections they heard the Voice of America. I am still looking for the German who does not switch off his radio in a hurry every day at 7 p. m. when that Voice starts lecturing him. When it appeared as a known personality, however, curiosity was aroused and people listened. The speaker was Ernest Hoffmeister, chief of the Voice's German division, broadcasting from the Frankfurt station. The American taxpayer would probably like to know what he is getting for his money. The Voice of America, speaking through Mr. Hoffmeister—and I am translating the verbatim report of the Munich Suddeutsche Zeitung—broadcast the following information:

" 'My attention was attracted in the streets of Frankfurt by the many people standing in front of the shop windows and unable to tear themselves away from all the lovely things. I was also struck by the prices, expressed by a mark which, unlike 1946, has a value again. These faces, which were directed to all these magnificent things with astonishment but also with scorn, impressed me more than the fact that there are again places in Frankfurt where you can eat better than in New York if you have enough money. I asked these people about their average wages, I compared them with the prices in the windows and was told that instead of shortages there is again an oversupply, because people are unable to pay those prices.

" 'Then I read the newspapers and the speeches of German politicians and economists. There I found the explanation that the elections to the Federal Parliament had been dominated by a contest between the principles of a free-market economy and a program of socialization, and that the voters had given preference to a free adjustment of prices. Time and again I have been told by Germans with whom I conversed that the principle of the free-market economy, as it now prevails in western Germany, is nothing else than the principle of free and private initiative in the United States.

" 'That is, let me state it clearly, a fairy tale. The so-called principle of a completely free private enterprise, allegedly in vogue in the United States and a model to the world, does not exist or, at least, ceased to exist a long time ago. Take the adjustment of prices, rents for housing, railroad rates, minimum wages of workers, minimum returns to the farmer: the state, the Government is always obliged to intervene with a regulating hand where private initiative is unable to harmonize with the interests of the population. That is generally recognized. Certainly, violent discussions often take place in the United States as to how far the Government may go, but time and again the principle has prevailed that our social conscience requires more than laissez faire, more than a free play of economic forces.

" 'You must not take it amiss when I tell you that every German economist and every German government is entitled to tackle these questions as it wants to, but that they should not point to the United States as an example and as a model when pleading for an economic theory which, if applied to the most decisive fields of popular welfare, even most conservatives in America would reject.'

"Thus spoke the Voice of America, just when the struggle between Konrad Adenauer and Kurt Schumacher reached its peak, when the elected representatives of the German people were still wavering at the crossroads, undecided whether they ought to march with America to freedom and prosperity or with Laborite Britain to economic planning and stagnation."

Mr. STEFAN. It goes on to say that—

"The German elections of August 14, giving a strong majority to the adherents of economic freedom, shook the hopes of those who believe that British-style laborism is called upon to head the third force between capitalism and communism.

"There was considerable bewilderment among German voters, however, when shortly after the elections they heard the Voice of America. I am still looking for the German who does not switch off his radio in a hurry every day at 7 p. m. when the Voice starts lecturing him. When it appeared as a known personality, however, curiosity was aroused and people listened. The speaker was Ernest Hoffmeister, chief of the Voice's German division, broadcasting from the Frankfurt station. The American taxpayer would probably like to know what he is getting for his money."

I might interject, of course the committee is trying to find out what we are getting for our money.

Mr. KOHLER. That is why I am here.

Mr. STEFAN. He further states that—"the Voice of America, speaking through Mr. Hoffmeister"—and I am translating the verbatim report of the Munich Süddeutsche Zeitung—"broadcast the following information"—and he quotes Mr. Hoffmeister, the chief of the Voice of America.

Mr. KOHLER. I would correct that particular statement. He is not the chief of our German unit, sir. He is a member.

Mr. STEFAN. This article states that he is. We have here—he quotes this American, speaking on the Voice of America to the German people. This is the Voice of America:

"My attention was attracted in the streets of Frankfurt by the many people standing in front of the shop windows and unable to tear themselves away from all the lovely things. I was also struck by the prices, expressed by a mark which, unlike 1946, has a value again. These faces, which were directed to all these magnificent things with

astonishment but also with scorn, impressed me more than the fact that there are again places in Frankfurt where you can eat better than in New York if you have enough money. I asked these people about their average wages, I compared them with the prices in the windows and was told that instead of shortages there is again an oversupply, because people are unable to pay those prices.

"Then I read the newspapers"—

Now he is still quoting. He is still talking to these German people on the Voice of America.

"Then I read the newspapers and the speeches of German politicians and economists. There I found the explanation that the elections to the federal parliament had been dominated by a contest between the principles of a free market economy and a program of socialization, and that the voters had given preference to a free adjustment of prices. Time and again I have been told by Germans with whom I conversed that the principle of the free market economy, as it now prevails in western Germany, is nothing else than the principle of free and private initiative in the United States.

"That is, let me state it clearly, a fairy tale. The so-called principle of a completely free private enterprise, allegedly in vogue in the United States and a model to the world, does not exist or, at least, ceased to exist a long time ago. Take the adjustment of prices, rents for housing, railroad rates, minimum wages of workers, minimum returns to the farmer: The State, the Government is always obliged to intervene with a regulating hand where private initiative is unable to harmonize with the interests of the population. That is generally recognized. Certainly, violent discussions often take place in the United States as to how far the Government may go, but time and again the principle has prevailed that our social conscience requires more than laissez faire, more than a free play of economic forces."

And it continues to talk to the German people, the Voice of America:

"You must not take it amiss when I tell you that every German economist and every German government is entitled to tackle these questions as it wants to, but that they should not point to the United States as an example and as a model when pleading for an economic theory which, if applied to the most decisive fields of popular welfare, even most conservatives in America would reject."

Unquote the Voice of America to the German people.

This writer adds:

"Thus spoke the Voice of America, just when the struggle between Konrad Adenauer and Kurt Schumacher reached its peak, when the elected representatives of the German people were still wavering at the crossroads, undecided whether they ought to march with America to freedom and prosperity or with Laborite Britain to economic planning and stagnation."

COMMENT ON ARTICLE

You indicated you knew of that article. Would you care to comment on it?

Mr. KOHLER. Yes, I would be glad to comment on it. First of all I would like to correct some mistakes in it.

Mr. ROONEY. Was the language read into the record as being the Voice of America actually and truly a picture of the words broadcast over the Voice of America?

Mr. KOHLER. I will accept it as being so. There might be minor differences because of the way it was translated back into English.

Mr. ROONEY. Furnish the committee both the English and German scripts, please.

Mr. KOHLER. Yes, sir.

Mr. STEFAN. I have merely called your attention to this to indicate that sometimes we wonder whether or not you are telling the truth about America, as explained by Mr. Sargeant.

Mr. KOHLER. I want to say with reference to the question of people turning it off and that sort of thing, that this happens to be one of the areas where this Program Evaluations Branch is able to operate in terms with really getting surveys. We have a survey conducted by the Opinion Survey Branch, the Office of Military Government of the United States, July 1949, which revealed that 40 percent of all residents of the United States occupied areas in Germany report listening fairly regularly to the Voice of America.

Mr. STEFAN. I am not so interested about this writer's own statement about who listens and who does not listen; what I am interested in is the Voice of America.

Mr. KOHLER. That is on the record, sir, and I wanted to correct it.

Mr. STEFAN. You are entitled to do that and I want you to do it, but I think the committee is more interested in what was really said about the matter, by the Voice of America.

Mr. KOHLER. The author of this particular broadcast is Mr. Hoffmeister, who is a member of our unit, but not chief of the German unit.

I will accept the text as written, as representing what was said in this broadcast.

Mr. STEFAN. Do you approve of it?

Mr. KOHLER. Well, sir, may I approach that in another way, with your permission, rather than saying yes or no. I would like to say first that this is a good example, I think, of the vigilance of everyone about the Voice of America. We operate absolutely on public record and thousands and millions of people are listening to us and the slightest deviation from what is regarded as the right line is certainly brought to our attention and to the attention of the public, and that is certainly a protection for all of us.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise for the purpose of asking the chairman of the subcommittee or the ranking member on the Republican side if either one can say something about these two American seamen who are still held in China since October 1948.

There has been rising interest in that subject among Americans for some time, and I was questioned about it when I was home during the Easter recess.

I have in my hand an editorial from a local paper, which I think was in yesterday's paper. I read in part:

HOW ONE WIFE FEELS

The Chinese Communists are still holding prisoner, without explanation, two American servicemen, permitting them no communication with their wives or their countrymen, official or otherwise.

I interrupt to say that I think both men live in my State, although not in my district. That is why there is such a great interest at home.

I quote:

They are Chief Petty Officer William C. Smith of the United States Navy and Sgt. Elmer C. Bender of the Marine Corps. They have been detained since October 18, 1948, when their plane went down on a routine flight over Communist territory in Shantung.

A month has passed since Secretary of State Acheson, making a west coast speaking trip, personally assured the wife of Chief Petty Officer Smith that the State Department was doing everything it could, and even asking the British to help, to gain release of the two men.

Mr. Chairman, I again interrupt to call attention to the fact that we are now so weak in the East that we have to ask the British to secure the release of two American seamen who are illegally held over there by the Chinese Communists. I continue reading:

If Mrs. Smith got any satisfaction from the Secretary's words, evidently it did not last long.

Then it quotes a letter from her in which she says that it has been 18 months since her husband's imprisonment.

There has been a growing feeling that the strength and the standing of the United States, through the State Department, is the lowest in our history; and I would like specifically to ask the chairman or the ranking minority member of the committee, or any Member of the House if he can do so, to tell us why it is that an American seaman and an American marine have been held for over a year and a half over there and that we, once a strong Nation, are now compelled to go and ask other nations to help us get our own nationals out of such a situation?

Mr. ROONEY. May I ask the gentleman from California whether or not he has directed this case to the attention of the Department of State?

Mr. PHILLIPS of California. No; I have not yet had the opportunity.

Mr. ROONEY. Has the gentleman made any inquiry regarding it?

Mr. PHILLIPS of California. No; I have not, as yet.

Mr. ROONEY. I believe I can say on behalf of the gentleman from Nebraska and myself that if he will give us the particulars we shall be glad to get some sort of reply from the Department, possibly tomorrow. That is, if he wishes us to do so.

Mr. PHILLIPS of California. I thank the gentleman, but I am somewhat surprised. Does the gentleman mean that this is the first time this Appropriations Subcommittee has known anything about this or has done anything about it?

Mr. ROONEY. I take it that the gentleman wants up-to-date information, does he not?

Mr. PHILLIPS of California. Yes. I think the latest on it was when Secretary of State Acheson made his famous seven-point, or whatever number of points it was, speech on the west coast.

Mr. ROONEY. The gentleman from California, of course, with all the prestige and authority that goes with his membership on the Committee on Appropriations, could communicate with the Department of State and get a reply directly from them.

Mr. PHILLIPS of California. I am perfectly willing to ask the State Department; do not think I am not, but I thought perhaps the subcommittee had some information, and I would like to know it. I am quite serious about this; I am not trying to needle you.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. STEFAN. The gentleman should know we have read of these cases in the newspapers. The gentleman knows that

the United States Government has not recognized the Chinese Communist Government diplomatically. He knows, perhaps, that Great Britain has recognized the Chinese Communist Government, but up to this time I do not know whether the Chinese Communist Government has recognized the United Kingdom or not. Naturally, in a case like that, there would be long delays, a case where we are not represented diplomatically in a country; we must do our diplomatic business and representation through another government which apparently at this time is Great Britain. The gentleman could get as much information from the State Department as we could give him. All I know personally about this matter is what I have read in the newspapers.

Mr. PHILLIPS of California. I thank the gentleman. I also remember when President Theodore Roosevelt sent the telegram: "Perdicaris alive or Raisuli dead," under similar circumstances. Perhaps we need another President like the one we had then.

Mr. SCRIVNER. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise, and on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. STEFAN.

The Committee divided; and the tellers reported that there were—ayes 7, noes 69.

So the motion was rejected.

The CHAIRMAN. The Chair will count on the point of order that a quorum is not present. [After counting.] One hundred and fourteen Members are present, a quorum.

The Clerk will read.

The Clerk read as follows:

THE INSTITUTE OF INTER-AMERICAN AFFAIRS

For necessary expenses in carrying out the provisions of the Institute of Inter-American Affairs Act of August 5, 1947 (22 U. S. C. 281–2811), as amended by the act of September 3, 1949 (Public Law 283), including purchase (not to exceed 18 for replacement only) and hire of passenger motor vehicles, $5,500,000, to remain available until expended; and in addition, the Institute is authorized, prior to June 30, 1953, to enter into contracts for the purposes of such act, as amended, in an amount not to exceed $7,000,000.

Mr. TABER. Mr. Chairman, I make the point of order against the language beginning on line 1, page 46, "and in addition, the Institute is authorized, prior to June 30, 1953, to enter into contracts for the purposes of such act, as amended, in an amount not to exceed $7,000,000," on the ground that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from New York [Mr. ROONEY] desire to be heard on the point of order?

Mr. ROONEY. Mr. Chairman, I regret that the gentleman from New York [Mr. TABER] made the point of order against the language beginning in line 1, page 46. However, there is nothing that the Committee can do about it, because I feel that the Chair must sustain his point of order. However, there will be nothing gained insofar as economy is concerned, because this amount will be added to the bill either in cash or in contract authority when it gets to the Senate.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from New York [Mr. TABER] makes the point of order against the language quoted by him, and the gentleman from New York [Mr. ROONEY] concedes the point of order; therefore, the Chair sustains the point of order.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I made the point of order because I have been getting reports from American citizens who have traveled through South America that feeling down there is running against the United States because of the manner in which this program is conducted. I did not offer an amendment to reduce the item that is carried in cash because it will be required very largely to meet contract obligations which have already been entered into.

Propaganda and publicity are being carried on, as the gentleman from Nebraska mentioned the other day, by the Voice of America, the item which has just been passed, by this organization, the Institute of Inter-American Affairs, and by still another organization, so that there are three sets of publicity agencies promoted by the Government of the United States.

One of our citizens of very considerable prominence in the United States who has just returned from a trip around South America reported that he was annoyed to death by different ones of these publicity agents and the representatives of the organizations, and that the way they were performing and the way they were operating was bringing discredit upon the United States.

I think it is about time we began to have better service in both the Voice of America and such institutions as this. That such a person as Dillon Myer should have been the head of it for so long, after his record in the Japanese relocation camps and in the Housing Administration, in both of which he was a total failure, and who has followed it up by being a total failure in this set-up, is something that is a little bit difficult for ordinary citizens to take.

PUBLICITY IN LATIN AMERICA

Mr. STEFAN. Mr. Chairman, I have been asked to give some information to the House as to just how much publicity and public relations are being carried on in Latin America under the program for which appropriations are being asked for the next fiscal year.

In reply to that inquiry, I can state that their programs are carried out in Latin America under these appropriations: One is under the heading of Institute of American Affairs, which is presently operating under an appropriation of $5,922,000. I am informed that this organization has two full-time and four part-time publicity men in Washington and two in the field. Another program is under USIES, or the Voice of America, and is presently operating under an appropriation of $2,010,528. This organization has one publicity officer in each of 29 posts. The third organization is known as Cooperation with American Republics and is operating under an appropriation of $2,612,000. This organization has 170 employees, and I am informed that none of them are specifically employed in the field of publicity.

The Clerk read as follows:

SEC. 104. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Secretary of State may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of State or of the Foreign Service of the United States whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to extend my remarks following the item on international information and educational activities.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, a point of order. The language of section 104 gives to the Secretary of State—and I quote from the section—"in his absolute discretion" power to terminate the employment of any employee. I do not believe we have ever had legislation in the entire history of this Nation which contained this language "absolute discretion." I am not concerned with the protection of the guilty but I am very much concerned with safeguarding the innocent. As it is the loyalty order has stripped away the constitutional rights of Government employees. This language smashes any shred of protection that a Government employee might have under the loyalty procedures. The right to trial or the right to a fair hearing have become something of the past. Even the worst criminal is entitled to a fair trial. It is my opinion that this language "absolute discretion" is a piece of very undemocratic legislation on an appropriation bill and I make the point of order against it. It should be stricken from the bill.

The CHAIRMAN. Does the gentleman from New York [Mr. ROONEY] desire to be heard on the point of order?

Mr. ROONEY. Mr. Chairman, this provision is familiarly known as the McCarran rider and has been in the State Department appropriation bill since 1947. I deplore the fact that with conditions such as they are today and as they have been for the past 3 or 4 years during which time Deputy Under Secretary of State Peurifoy has been ferreting out these rats of Communists in the State Department, and it was as the result of the authority contained in the McCarran rider that the Secretary of State had the power to summarily dismiss these Communists, that a point of order should be made against the language. I oppose the point of order, Mr. Chairman. I feel that having been in this bill since 1947 and because it is so necessary that our State Department be what the public of America wants it to be, the language should be continued in the bill.

The CHAIRMAN. Does the gentleman from New York [Mr. ROONEY] concede that it is legislation?

Mr. ROONEY. Mr. Chairman, may I most respectfully state that on this subject I will not concede anything.

Mr. TABER. Mr. Chairman, in my opinion this will result in a saving. It is in accordance with the provisions of the Holman rule. When the power authorized in this language is exercised and the Secretary terminates the employment of any officer or employee in his absolute discretion that will result in a saving. That will save money and is in order.

The CHAIRMAN (Mr. COOPER). The Chair is prepared to rule.

The gentleman from New York [Mr. MARCANTONIO] has made a point of order against the language appearing in section 104 on page 46 of the bill on the ground that it is legislation on an appropriation bill. The Chair has examined the language. The Chair invites attention to the fact that the language does confer definite authority and requires certain acts on the part of the Secretary of State. In response to the argument offered by the gentleman from New York [Mr. TABER] as to the application of the Holman rule it is clearly shown by the precedents and decisions of the House that the saving must be apparent and definite on its face in the language of the bill in order for the Holman rule to apply. Certainly an examination of the language in question clearly shows that any saving would be speculative. In view of the long line of precedents and decisions dealing with the question of legislation on an appropriation bill, which is clearly prohibited under the rules of the House, the Chair has no alternative other than to sustain the point of order.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to extend my remarks following the remarks of the gentleman from New York [Mr. TABER] on the subject of inter-American affairs.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 105. The exchange of funds for payment of expenses in connection with the operation of diplomatic and consular establishments abroad shall not be subject to the provisions of section 3651 of the Revised Statutes (31 U. S. C. 543).

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, with regard to the point of order of the gentleman from New York [Mr. MARCANTONIO] which was sustained as to the so-called McCarran rider, at page 46 of the bill, I say to the House that I am confident that when this committee meets with the other body in conference on this bill, we shall come back here with the same provision in the bill. I do not believe such a provision should apply in all Government departments, but I think that in any department such as the Department of State or any agency such as the National Bureau of Standards, the Coast and Geodetic Survey, which are doing highly secret Government work, the Secretary of the Department should have authority to summarily dismiss people who are connected with subversive activities. In that connection, if the Members will read the testimony which appears toward the end of the Commerce Department hearings on this very subject, I am sure they will be quite impressed with the fact that the rider is just as much needed in the Department of Commerce as it is in the Department of State.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. STEFAN. And it is for that reason that we put the McCarran rider after the Department of Commerce, in order to protect the people.

Mr. ROONEY. Exactly.

Mr. STEFAN. Because we know definitely the conditions that exist, and unless the McCarran rider is in there we have great danger of keeping people on the pay roll who are absolutely subversive.

Mr. ROONEY. Exactly.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARCANTONIO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think that with the loyalty order we have gone a long way in destroying a Government employee's civil-service rights. This legislation to which I have objected goes further than the loyalty order. It gives absolute discretion to one man. There is no intention of protecting any person who is guilty. I believe that the existing regulations are more than sufficient to deal with the guilty. I do not believe that any person who is not affected by hysteria would at any time, as a responsible Member of this body, discharging his obligation to his constituency, put this kind of language in any bill: "The Secretary of State may in his absolute discretion."

Now, just for the sake of appeasing those who are brazenly making dishonest charges, you are hysterically taking this kind of power and putting it into the hands of one man. I submit that that power is something which no good man should ask and which certainly should not be given to any bad man.

If the gentleman from New York [Mr. ROONEY] would like to promote this type of legislation, as it is in keeping with the beating of the drums and the red-baiting fanfare that is going on in the press, it is perfectly all right with me. However, if to remain here I must kneel down and abjectly accept this kind of dictatorship legislation in a democracy, language which specifically states that the Secretary of State "may in his absolute discretion" fire anybody, stripping civil-service employees of all rights they have earned, then I do not want to remain here. I will not be frightened by any distortions of my position that may appear in the press.

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I take the floor for the specific purpose of interrogating some members of the Committee on Appropriations in connection with this proposal.

I would like to ask the gentleman from New York [Mr. TABER] if in his opinion under the present procedure the Secretary of State can be held absolutely responsible for maintaining on the pay rolls of the Department of State those who are participating in subversive activities, when the Secretary of State has no authority to discharge them?

Mr. TABER. This McCarran amendment has been in the law for 4 years at least, and during that period the Secretary of State has had the authority absolutely to discharge anyone whenever in his discretion he thought it was necessary, and there has been no comeback against him. He undoubtedly, when this provision is in the law, is charged with a special responsibility to see to it that no one remains in the Department who is not trustworthy. Frankly, in my opinion, if we are going to hold him responsible for operating a lot of things, he should have that responsibility. If he fails to exercise it he is to blame.

Mr. CRAWFORD. I thank the gentleman for that information, and that is exactly the point I wish to develop. I will go back to the proposition submitted earlier in the day; we have had handed to us the package "total diplomacy." The State Department continually comes to this body, and I should say the White House, or the State Department and the Chief Executive together, and ask for additional billions, and more billions, and more billions of dollars to make the path of the State Department easy; and the Secretary acts as spokesman for us with the other governments of the world.

This Committee today is substantially making provision for the demands of the State Department made after approving some 20 or more international agreements which the State Department has proposed during the past 10 or 12 years and some which are now coming up over the horizon and which will, if approved, cost billions of dollars, and goodness only knows what the total is to be; yet we sit here today under a situation, as I understand the gentleman from New York, where direct and absolute responsibility cannot be placed on the Secretary of State; and the good people of this country have to submit to such conditions because somebody is afraid that some other fellow might be questioned. I think it is a downright shame that the Congress and the people of this country have to submit to such procedure. So far as I am concerned I want to go on record as giving the Secretary of State absolute discretion so that we can place upon him absolute responsibility to clean the rats out of the State Department, rats who are continually double-crossing the people of the United States and imposing burdens upon us and depreciating the standing of the United States in every country on the face of the globe. I sincerely believe that we are losing friends everywhere rapidly, and that these billions and these sacrifices on the part of our people are getting us nowhere fast.

Mr. CLEVENGER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CLEVENGER. I wish to recall to the gentleman's mind the statement I made yesterday concerning the Commerce Department where 32 of the people that had been cleared by the so-called Loyalty Board are presently employed and the Secretary of Commerce is helpless to throw them out although the Department regards them as security risks. It is not something that might happen; it is something that I think the Chairman will agree has happened, because we uncovered it. If we place the responsibility on my friend from Ohio, the Secretary of Commerce, we ought to give him power to clean out the nest of vipers.

Mr. TABER. We should give him the power.

Mr. MILLER of Nebraska. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and six Members are present, a quorum.

The Clerk read as follows:

SEC. 107. Notwithstanding the provisions of section 16a of the act of August 2, 1946 (5 U. S. C. 78 (a)), Government-owned vehicles may be used in foreign countries for transportation of United States Government employees from their residence to the office and return when public transportation facilities are unsafe or are not available: *Provided*, That each Chief of Mission shall have prior authority from the Secretary of State to approve such transportation.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a matter of information, I would like to direct an inquiry to the chairman of the subcommittee to see if I can get some enlightenment about a situation that has arisen frequently and which bothers me somewhat. The question was raised by the language in the section read just a moment ago relating to the amounts of money allowed for the transportation of dependents, household furnishings, and motor vehicles. It has been called to my attention that there have been several occasions arise when some of the employees going from this country to another country have taken with them their automobile at the expense of the Federal Government, then after they have been in that country for a while, possibly just before they expect to return or maybe some long period before they expect to return, the automobile has been disposed of, as near as I can find out according to what I have been told, sometimes at a fairly good profit. Yet the taxpayers of America are faced with the burden of paying the freight on the automobile over there.

Mr. ROONEY. I may say to the gentleman that if he knows of an instance where an automobile was illegally taken overseas it should be reported to the Department of Justice and the Department of State.

Mr. SCRIVNER. Let us go back behind that. What is the provision relating to the transportation of personal property, not only automobiles but other furnishings? Are the employees required to make any oath or affirmation that it will be brought back to the United States with them or is there any condition under the law whereby they may dispose of that property?

Mr. ROONEY. Momentarily I will have to refer the gentleman to the Government travel regulations in that regard.

Mr. SCRIVNER. I thought possibly the chairman, or possibly some member of the committee might have that available in connection with this section.

Mr. STEFAN. The gentleman from Kansas is absolutely right, inasmuch as there have been abuses some time ago regarding the transportation of automobiles to foreign countries and sold there at great profit. However, that has been stopped a long time ago, and there is a law against that. I can assure the gentleman that if there is any such violation of the law we would like to know about it and certainly the Department of Justice would like to know about it. The gentleman realizes, of course, that when a Foreign Service officer is transferred from one post to another, he is allowed to take along his household goods.

Mr. SCRIVNER. And quite properly so.

Mr. STEFAN. Reasonable household goods and other personal effects. It is the purpose of the Department of State to move as little furniture as possible and make it almost a home, practically ready for a Foreign Service officer to go to housekeeping when he arrives at a foreign post, and it was for that reason we extended the acquisition of buildings and property in the various posts scattered all over the world. However, the matter that the gentleman is bringing before the House at this time is one that has been of great concern some years ago, but I am pretty sure we have corrected that. It has been a very bad evil.

Mr. SCRIVNER. I am glad to have that information, because the situations to which I referred occurred some time ago.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from New York.

Mr. ROONEY. The present regulations of the State Department prohibit the disposition of a motor vehicle brought overseas until a period of 2 years has gone by.

Mr. SCRIVNER. In other words, then if an individual is assigned to another country and takes his car with him and stays longer than 2 years, then after that period he could dispose of his car?

Mr. ROONEY. Yes.

Mr. SCRIVNER. But even so, the taxpayers are paying the freight bill on transporting that car over there for him, is that not true?

Mr. ROONEY. As I understand it, the Foreign Service officer is allowed so much space and he selects what item or items shall make up the space in travel from the United States.

Mr. SCRIVNER. That is, cubic area?

Mr. ROONEY. Yes.

Mr. STEFAN. He is given a certain poundage, and after that poundage he pays for it himself.

Mr. SCRIVNER. I am glad to have this information, because it has cleared up a question which has been rather disturbing to me and many people have discussed it with me.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from California.

Mr. HOLIFIELD. I have some direct information of an individual that just left last week for Germany, a civilian employee in the occupied territory, and the regulations that were handed to him were as the chairman of the subcommittee has said; that he could not dispose of his car after it was taken over there until after 2 years. Now I point out that most of the civilian employees go overseas for 2-year terms, and if they do not sell their car, then it would be up to the Government to pay their passage back.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: Page 47, line 22, insert a new section: "SEC. 108. Notwithstanding the provisions of this act no funds herein appropriated shall be used for the publication of testimony given before a committee of Congress involving the State Department or any of the Department's employees."

Mr. SMITH of Wisconsin. Mr. Chairman, all Members of the House within the last day or two have received the Department of State Bulletin. I refer now to the Bulletin issued on the 10th of April. On page 574 of this Bulletin the State Department has consumed approximately nine and one-half pages in defense of certain charges made by Senator MCCARTHY, in a statement by Esther Caukin Brunauer.

On page 577 a footnote states:

This testimony was made before a subcommittee of the Senate Committee on Foreign Relations on March 28, 1950, and released to the press on the same date.

Mr. Chairman, it seems to me this is further evidence of the recklessness on the part of the State Department in spending the taxpayers' money. The testimony is already before the Congress. Of course, this particular article is in self-defense of the charges that have been made in the other body. My amendment is merely to prevent a repetition of what has occurred in this instance. No funds are to be used the way they have been used to build up a case against the charges made in the other body.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Is it not a fact that the testimony taken in hearings before the Senate or House committees is generally, if not always, published and made available to the public and those interested?

Mr. SMITH of Wisconsin. Yes, indeed.

Mr. AUGUST H. ANDRESEN. Is it not further a fact that the 10 pages published on the McCarthy case are fully covered in those hearings, and their

publication in this State Department document is a plain waste of the taxpayers' money and should be stopped? I am supporting the gentleman's amendment.

Mr. SMITH of Wisconsin. I thank the gentleman for his contribution.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. MILLER of Nebraska. There are two sides to a pancake, of course. Perhaps they will publish the testimony given today by one Mr. Budenz pinning the Communist label on Mr. Lattimore. Maybe the gentleman ought to give them time. Perhaps the next issue of their bulletin will contain that important information. Does the gentleman think that might be?

Mr. SMITH of Wisconsin. You can never tell, but the fact is that whatever has been said today will have been covered pretty well in the public press and in the official records of the other body.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe that under the language of the pending amendment this committee would be prohibited from printing any of the testimony of the witnesses who appeared before it.

With regard to this Department of State bulletin, a copy of which I receive regularly, as I am sure every Member of the House does, there is nothing secret about it. A great deal of publicity has been given in recent weeks to the unproved allegations of a Member of the other body. I do not see why the Department should not be permitted to print and disseminate testimony given before a congressional committee. The question is, Is the testimony accurate or is it not? Apparently, since no question has been raised in that regard, it is conceded to be accurate. Mr. Chairman, I ask that this amendment be voted down.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New York.

Mr. TABER. Has the gentleman heard that the charges have been pretty well proven this morning before the committee?

Mr. ROONEY. No; I have not heard that. I have been quite busy here all day, as the gentleman knows.

Mr. TABER. The newspapers are carrying that.

Mr. ROONEY. I have not yet seen the newspapers today. I have been fairly busy.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it not true that sensational charges are carried in the press quite frequently without any regard to their verification? It is certainly a little bit strange that the gentleman who proposes the amendment should object to any department of the Government or any individual utilizing the material at his command to clear itself of such charges as have been made.

Mr. SMITH of Wisconsin. What purpose does this particular article prove or what purpose does it serve?

Mr. HOLIFIELD. Certainly it seems to me if the State Department is charged with some treasonable crime it has a perfect right to defend itself in its own publications. I think the gentleman would want both sides of any subject. If he were charged with something he would want a medium by which to answer those charges and he would probably use the Appendix of the RECORD.

Mr. SMITH of Wisconsin. The records are available.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. ROONEY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If I understood the gentleman correctly, I think he said the issue here is something other than the question of having respect for the taxpayers and the saving of their money. As I understand, this is the issue in this amendment and the only issue—if the gentleman will yield.

Mr. ROONEY. I have yielded to the gentleman, but he has not as yet shed any light on the subject. I did not make such a statement.

Mr. CRAWFORD. If the gentleman does not think that the taxpayers' money is of interest to this country you go ahead and make your case. I will accept your challenge on that.

Mr. ROONEY. May I say to my distinguished friend from Michigan that I never made such a statement, and he is far too intelligent to think that I would ever make such a statement.

Mr. CRAWFORD. The gentleman said that I added nothing to the case and that is the point that I was making.

Mr. ROONEY. The gentleman is correct.

Mr. PHILLIPS of California. May I get 2 cents' worth in edgewise?

Mr. ROONEY. Yes. Two cents' worth.

Mr. PHILLIPS of California. I think that is only part of the issue. If it is printed and already paid for by the taxpayers' money in an official document why do we have to have it printed again?

Mr. ROONEY. Does the gentleman not feel that members of the Foreign Service all over the world should know the truth of testimony taken in the other body?

Mr. PHILLIPS of California. Does the gentleman believe in publishing only one side?

Mr. ROONEY. The point was made a while ago that the same testimony is printed by the congressional committee. That is so, but very often months pass before the testimony before the congressional committee is printed and distributed.

Mr. PHILLIPS of California. Yes; but I think the gentleman is defeating his own argument if he will think carefully.

Mr. ROONEY. The gentleman always thinks that way. That is a favorite expression of his.

Mr. PHILLIPS of California. No. This is the first time I have used it this session.

Mr. ROONEY. Oh, we have used these expressions before, I will say to the gentleman.

Mr. PHILLIPS of California. Let us then say that these cases do appear in that document and these people all over the world who are so much interested only get one side of the case. I thought the gentleman from Wisconsin thought that they ought to get both sides of the argument. Before you jump on that one let me ask another question. Did you say that everybody received a copy of that—every Member of Congress?

Mr. ROONEY. Yes; every Member of Congress, I believe

Mr. PHILLIPS of California. Would you be kind enough to ask your friends from the State Department to check over their mailing list?

Mr. ROONEY. Are there any other Members who have not received a copy?

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to call the attention of the Members of the fact that this Department of State bulletin is published for a specific purpose. I would like to quote from the foreword of this bulletin:

> The Deartment of State Bulletin. A weekly publication compiled and edited in the Division of Publications, Office of Public Affairs, providing the public and interested agencies of the Government with information in the field of foreign relations and the work of the Department of State and foreign services. The bulletin includes press releases on foreign policy issued by the White House and the Department and statements and addresses made by the President and by the Secretary of State, and other officers of the Department as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest. Publications of the Department as well as legislative material in the field of international relations are listed currently.

Those are the purposes of this publication. There is not a word in these printed purposes of the publication which could by the most remote interpretation include the material which is included in this particular issue.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I do not yield.

The material which has been criticized by my colleague from Wisconsin comprises two statements, exact quotations, and copies of statements made by Esther Caukin Brunauer and Haldor Hanson before a committee in the other body, which has been investigating charges of subversive activities and communism in the State Department. Those two people made self-serving declarations before that committee, and here they are, very violent self-serving declarations and statements made by those two witnesses who testified before that committee. Those statements were printed in the public press. No statement that was made over there contained such wide publicity as the almost complete verbatim statement made by Haldor Hanson. The same also holds true of the

statement made by Esther Brunauer. Those were answers to charges made by them in connection with the investigation by this committee and are a part of the committee's files and will no doubt be printed in the hearings of that committee.

Why, then, is the publication money that this Congress has given to the Department of State for the purpose of printing this bulletin, for the purposes which are stated right in the bulletin publication, why include those statements in this bulletin, which statements are put in here for no purpose at all except to carry on a propaganda of smear against the junior Senator from Wisconsin, who has been brave enough to produce evidence that was produced before that committee today? Some of the people of this country and in this Congress who have been shedding tears over the fate of the junior Senator from Wisconsin are going to have to change their tactics when they read the testimony that was given today and will be given in the days that are to come.

I do not wonder that the State Department is utilizing every avenue of propaganda, every avenue of publicity that is available to it, taking the money of the taxpayers of America, not to publish the facts with respect to foreign policy, but in an attempt to create an impression in the minds of the people that the facts which are now established before that committee are false and untrue. If you can use public funds for this purpose, God help the people of America who seek to ascertain the truth. The truth will come out, and the truth in this matter will ultimately triumph, you can rest assured of that.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. KEEFE] has expired.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had not intended to take the time of the Committee, and that is why I asked the gentleman from Wisconsin [Mr. KEEFE] to yield to me briefly. I think that the part of the purpose of the State Department bulletin which referred to the "functions" of the State Department, clearly is broad enough to embrace that part of the functions which pertain to having members of the State Department called before a Senate committee and questioned as to their loyalty. This questioning of employees on charges of disloyalty, whether it is right, certainly reflects upon the prestige of the State Department. When we in the Congress start to censoring so closely a bulletin such as the Department of State bulletin, I wonder if the gentleman from Wisconsin [Mr. SMITH] who offered the amendment, would be willing to vouch for the worth of everything that is put in the Appendix of the CONGRESSIONAL RECORD.

If we are so interested in economy let us reconsider the rules pertaining to CONGRESSIONAL RECORD insertions. Of this fact, I am sure, we would not relish any attempt on the part of the executive branch to censor our bulletin—CONGRESSIONAL RECORD.

Mr. KEEFE. Is the gentleman asking me that?

Mr. HOLIFIELD. No. I do not yield to the gentleman.

Mr. KEEFE. No! The gentleman asked me a question.

Mr. HOLIFIELD. Take your own time, please.

Mr. KEEFE. I can give you an answer to the question.

Mr. HOLIFIELD. Mr. Chairman, I decline to yield. I realize that the gentleman from Wisconsin speaks very emphatically and firmly whether he has anything to say or not. We all have our own opinion of the gentleman's ability to speak and the emphasis he places on his remarks.

Mr. KEEFE rose.

Mr. HOLIFIELD. Mr. Chairman, I decline to yield. And I might say that I have never declined to yield on this floor to any person who has shown me the equal courtesy, and I have been here 8 years.

This hysteria of trying to smear the State Department—and it is all part of the general plot to deny them funds for the proper operation of their department—is a little bit sickening. We have had a great many exhibitions lately of congressional hysteria. For instance, we have the Smith amendment, which was offered to some legislation just recently which would have required the FBI to become not only a fact-finding body, but an evaluating body, a body to sit in evaluation of its own material and to decide among themselves as to whether the material they have collected convicts or clears the investigated party. I submit that the McCarran rider is part of this wave of hysteria that causes us to act unwisely. It gives the head of the Department of State absolute discretion to judge whether any employee of the State Department is subversive, whatever that happens to mean. As far as I am concerned, I would much rather leave the determination of loyalty or disloyalty to a board than to any one man, whether it be the Secretary of State or the Attorney General, or any other one man in the United States. I say that when we get to the point of deciding on the loyalty or the subversiveness, whatever that happens to mean—and Congress has never yet had the courage to define the word "subversive"—I say it is better that such decisions be left to the collective judgment of a board than to any individual.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in support of the amendment.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. KEEFE. I have the justice to say in reply to the rather vitriolic remarks of our distinguished friend from California who has been here for 8 years and who has never failed to yield to anyone: The fact of the matter is I did not want to injure the feelings of my friend from California by refusing to yield; but, knowing him as I do and having observed him during the 8 years that he has been here, I knew that he had nothing whatsoever to contribute to the argument that was being made by the gentleman from Wisconsin. The demonstration which he made in the 5 minutes of reply clearly ought to emphasize that in the minds of everyone who is assembled here this afternoon.

I have just this further to say to my distinguished friend from California: The gentleman very frequently likes to refer to the hysteria that is involved in matters of this kind. I wonder if he means "Hiss-teria"—"H-i-s-s-"? Maybe the people in California whom he represents will like to ask that question at a suitable and proper time.

I want to say to you, my friend from California, and to my colleagues here, that I know the techniques that are frequently adopted by people who think as does the gentleman from California; and when he asks me to yield and I have but 5 minutes at my disposal, it is a familiar technique, to ask a man to yield in order to utilize his time so that he cannot make a connected statement. One of the faults here in this House, as I have seen it, is the inability of Members to make a connected statement so that their statement will mean something when he is finished talking, rather than these little tidbits that are thrown in here from time to time. Now, may I say in conclusion that if the gentleman feels offended because I failed to yield to him, he has had his 5 minutes. He abused me. I know how he feels about me. I shall not reply in kind. You know, sometimes it is just as well to leave unsaid some of the things that are passing through your mind because the rules of the House would not permit me to say what I have been thinking as I listened to the gentleman from California.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield back the balance of my time.

Mr. FLOOD. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, notwithstanding the theatrics we have enjoyed for the last several minutes with reference to this matter, can we return to the amendment and may I ask unanimous consent, Mr. Chairman, that the Clerk read again the amendment offered by the gentleman from Wisconsin?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk reread the amendment offered by Mr. SMITH of Wisconsin.

Mr. FLOOD. Mr. Chairman, I have listened to and seen enough amateur theatrics for 1 day; this is not the time for town crier exhibitions, instead of jumping on a white horse and riding off in five or six directions at once or instead of talking about something that has nothing to do with the case tra la, suppose we talk about this amendment.

As I read the amendment, if you pass it, this is what you are going to do: You are going to prevent the Congress of the United States from using any funds appropriated in this act to publish any testimony about this section of the act or any other section of it. If there ever was a star chamber amendment this is it. You are being asked to vote upon an amendment to silence information being given to the public of the United States, these taxpayers for whom you are weeping copious tears. You want to appropriate money to pay

your salaries for what you are doing here but you do not want to publish a word of what you are doing under this amendment.

Mr. Chairman, this is an omnibus bill. The amendment starts out: "Notwithstanding the provisions of this act." This is a single bill we have here, this is an omnibus bill, and the amendment offered by the gentleman from Wisconsin is an amendment to this act. Under the amendment it is stated:

Notwithstanding the provisions of this act no funds herein appropriated shall be used for the publication of testimony given before a committee of Congress involving the State Department or any of the departments or employees.

So the passage of this amendment as an amendment to the Omnibus Appropriation Act will prevent the publication by this body or the other body or by any committee or subcommittee thereof of any testimony given before any subcommittee, this subcommittee in particular, having to do with evidence or testimony by employees, bureau chiefs, or department heads.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Ohio.

Mr. VORYS. Has the gentleman examined this bulletin of the Department of State?

Mr. FLOOD. No, certainly not. I am talking about the amendment.

Mr. VORYS. This is what the amendment is aimed at. Can the gentleman tell us whether he thinks this sort of material is proper to be published in an official bulletin of the United States?

Mr. FLOOD. When that situation arises, I will say to my friend from Ohio, I shall endeavor to deal with it. That is not the question before me and it is not the question before this Committee. If you do not like what is in that bulletin, as a member of the Committee on Foreign Affairs, I say to my friend that you should call up that section of the State Department that publishes that bulletin and take it up with them. This is an appropriation bill and I am talking about an amendment to the appropriation bill which will prevent your committee or my committee or any subcommittee thereof from publishing any testimony that you or my subcommittee takes. I hold no brief for that bulletin or what is contained in it, and when the time comes to discuss that bulletin and its contents, I will discuss it and read it.

Mr. Chairman, I am talking about an amendment and I submit that a vote in support of this amendment will emasculate the publication by any bureau or any agency of this Government, the Bureau of Printing, the Bureau of Engraving, or any other agency, and prohibit the printing of a word of testimony. It is ridiculous.

Mr. TABER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER to the amendment offered by the gentleman from Wisconsin, Mr. SMITH: Before the word "appropriated" insert "in this title."

Mr. TABER. Mr. Chairman, the amendment that I have offered would confine the prohibition to the funds that are appropriated for the purposes of the State Department. This would prevent them from printing any such ridiculous statements as they have printed in this bulletin which has been published. Frankly, I think it one of the worst outrages that any of these departments have pulled in a long time. They do not seem to be prepared and do not seem to have faith in the publication of the statements that they might make before a Senate investigating committee or any place else in the public press. We should stop such propaganda as this, and I have offered this amendment to the Smith amendment so that the prohibition will be confined entirely to the funds that are carried in this title for the State Department.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. With the gentleman's amendment to the amendment, certainly this is not very drastic. As the gentleman from Pennsylvania has suggested, this is a job for the Committee on Foreign Affairs or somebody to prevent these official bulletins from becoming propaganda house organs. But, at least this amendment now will prevent a repetition of this particular piece of business.

Mr. TABER. That is correct, and it will clear the air and it will be notice to all of the agencies of the Government that they must observe some propriety in the statements that they are to get out, if they intend to get them out, in the future.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Vermont.

Mr. PLUMLEY. Is it not true, in fact, of all that has been said on this floor, the inadequacy of necessity for the expenditure is disposed of by what has been said right here?

Mr. TABER. Well, there is absolutely no necessity for appropriating money to print any such junk as that.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Someone on the other side put up the argument a while ago to the effect that the State Department should be permitted to go out across the face of the earth and from time to time propagandize its way through the affairs of the Nation at the cost of the taxpayers of this country. May I ask the gentleman this question? Is there any way that any department of Government can possibly justify itself in taking such a position and publishing from time to time material which builds itself up in the minds of the public through such propaganda as has been exposed here this afternoon?

Mr. TABER. The appearance of this magazine is a complete justification of the efforts that were made to reduce the expenses here in this title.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I did not think so soon I would be called upon to reply to my distinguished friend from New York, now appearing in the role of "Doctor Taber," who was trying to put a crutch under that wreck which appeared a few minutes ago as an amendment, but which was not a proper amendment.

This is the situation: You all seem to be carried away here for the nonce—I hope it is for the nonce. It is a good word. I will use it again sometime—by something that seems to be going on some place, else as a matter of fact in the other body. This should not be a party issue, this should not be a political battle. Look what you are doing.

Mr. TABER. Why should the gentleman make it a party issue?

Mr. FLOOD. I may in a minute. Since that seems to be what everybody wants to do, I may try some of that in a minute.

This is the situation. This is not the forum today where you are called upon to act as a board of motion-picture censors or of magazine censors or any other censorial body. I have great admiration and complete regard and respect for the Committee on Foreign Affairs of this House. If there is anything the matter with that State Department Journal—and I am not defending the State Department in these remarks, and not defending the State Department Journal. Maybe it is as bad as you say it is. I did not read it. I have too much to do with appropriations hearings and testimony. I have not read it yet. Maybe I will and maybe I will not. I do not think you have, either.

You are called upon here to vote a vote of censorship. I will say this to you men from the agricultural States, that I will bet you the Department of Agriculture publishes hundreds of thousands of words to the farmers. Maybe that is right and maybe it is not. Being from a mining district, I do not know. I am for the farmers because I eat the great food they provide, but this is not the place to pass censorship on the State Department Bulletin, in an action of the Committee of the Whole of this House upon an appropriation bill.

What are you doing? I appeal to my distinguished colleagues on this side of the aisle. I cannot believe that today, just because you are sitting on this side of the aisle, you will vote for an amendment like that. You who bare your breasts and wave the white plume of Navarre for all kinds of sacred rights, you are destroying one here through the family entrance—the back door.

You have a great Committee on Foreign Affairs. The gentleman from New Jersey, Dr. EATON, is one of the most revered, respected, and beloved Members of this House on either side of the aisle. Let the gentleman from New York and the gentleman from Wisconsin meet with the good doctor tonight and say, "We do not like this bulletin. Bring

Acheson or somebody up here and we will tell you what we do not like about it." But you know this is not the place. This is an appropriation bill.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Georgia.

Mr. PRESTON. Does not the gentleman from Pennsylvania feel that we should leave the McCarthy show over on the other side of the Capitol, rather than transfer it to the House side?

Mr. FLOOD. One thing that concerns me about the McCarthy show is that my mother's name was McCarthy, and I have a lot of explaining to do. But this is not the place, this is not the forum. When the situation arises we can deal with it in the proper forum.

I served on the great Committee on Foreign Affairs with the gentleman from Ohio [Mr. VORYS] during the war years. If the Committee on Foreign Affairs should bring us a statement like that in their legislative capacity then I would agree with the gentleman. My good friend, the gentleman from Wisconsin [Mr. SMITH] sat next to me in the Committee on Foreign Affairs for 2 years during the Seventy-ninth Congress. If he would take this back to his committee, and I am sure the gentleman from New York would gladly do so and discuss this in the committee, then possibly I would agree with the gentleman. But this is not the time and it is not the place in a hit-and-miss manner to strike at something like that. I appeal to you to defeat both amendments.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER] to the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

Mr. KEATING. Mr. Chairman, I ask unanimous consent that the amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER] to the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The question was taken; and the Chair being in doubt, the Committee divided; and there were—ayes 59, noes 58.

Mr. ROONEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. TABER.

The Committee again divided; and the tellers reported there were—ayes 59, noes 71.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The amendment was rejected.

The Clerk read as follows:

This title may be cited as the "Department of State Appropriation Act, 1951."

TITLE II, CHAPTER III, DEPARTMENT OF JUSTICE

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that title II of this chapter of the omnibus bill, entitled "Department of Justice," be considered as read and open to amendment at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. TABER. Reserving the right to object, Mr. Chairman, we should also have the right to reserve points of order.

Mr. ROONEY. Yes; I include that, reservation of points of order.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Are there any points of order on title II of chapter III? If not, the Chair will consider them as waived.

Are there any amendments to title II of chapter III?

Mr. TABER. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 54, line 2, strike out "$31,400,000" and insert "$30,000,000."

Mr. TABER. Mr. Chairman, I have offered this amendment to reduce the item for the Commissioner of Immigration by $1,400,000. There has been no cut on the part of this committee on this item. There is a large item of travel expense. These people are not spending their time following up the Communists the way they should; they are spending their time running around after people who are over here, who came in here legitimately and are here legitimately, running them down to hearings and all that sort of thing in a way that is clearly a waste of the people's money. I feel that under the circumstances we ought to reduce this to an even figure of $30,000,000.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. McCORMACK. In connection with the gentleman's statement that they are chasing people who are here legally, has the gentleman any evidence?

Mr. TABER. Oh, I have been running into that myself.

Mr. McCORMACK. Cases of people who are here legally. They come in on a visa.

Mr. TABER. That is correct.

Mr. McCORMACK. And you do not have to chase them.

Mr. TABER. They came in here legally.

Mr. McCORMACK. Why should they chase people who are here legally?

Mr. TABER. That is it.

Mr. McCORMACK. Has the gentleman any evidence?

Mr. TABER. Yes.

Mr. McCORMACK. What is the evidence?

Mr. TABER. Oh, I have had cases come up in my congressional work from day to day.

Mr. McCORMACK. Visitors' visas are issued for a certain length of time.

Mr. TABER. When they run out they look them up; that is true.

Mr. McCORMACK. But I mean the case of a person who came in on a permanent visa. I never knew of their going after them.

Mr. TABER. On visitors' visas they have been doing it, and in other cases where they are not supposed to; they have been doing it in connection with the operations of a lot of people. There are many private bills pending before the Committee, and the Committee is awaiting a report for action. They have been spending a lot of their time and money on that.

Mr. McCORMACK. That is different in case they are not here legally. In the other case they are visitors. Of course, if they overstay——

Mr. TABER. If they overstay they should be followed up; that is right, but they have gone beyond that.

Mr. McCORMACK. The only purpose of my inquiry was to learn that they are bothering people who are here legally.

Mr. TABER. Perhaps they are here legally when they are here on visitors' visas, of course; but they are not here on a permanent basis.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. RICH. Is it not a fact that after people get into this country, practically all of them want to stay? And when they are supposed to return they do not, but ask for and are given an extension of time. We have hundreds and thousands of them on the list now, and this administration is not trying to make them go back where they belong but is encouraging them to stay over here. Members have been trying to pass bills to let them stay here. It is all wrong. The first thing you know you will have all the people in the world wanting to come to America, and then you will want us to find jobs for them and keep them.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. McCORMACK. The gentleman from New York [Mr. TABER] did separate those here on permanent visas from those here under visitors' visas. They are not here illegally. But my friend from Pennsylvania made a very general statement which the circumstances and the facts, which I am sure the facts upon inquiry will not support.

Mr. RICH. Mr. Chairman, will the gentleman from New York yield that I may answer the gentleman from Massachusetts?

Mr. TABER. I yield.

Mr. RICH. You are getting hundreds and hundreds of people here on visitors' visas, and they are asking for extensions of time, and they are asking to stay here permanently. All you have to do is to go through the CONGRESSIONAL RECORD and see the long list of names of these people trying to get permission to stay here permanently. The next thing is you will want us to find jobs for those fellows and take them away from our own American citizens.

Mr. McCORMACK. Was the gentleman asking me a question?

Mr. RICH. I was making a statement.

Mr. McCORMACK. Where did the gentleman's forebears come from? Did they come from Europe?

Mr. RICH. All right, but we are not going back that far.

Mr. McCORMACK. Did they come from Europe?

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TABER. Mr. Chairman, my folks came over here from Europe. I have not any Indian blood in my veins. But I feel that these people can get along on $30,000,000, which is about what they had last year. They have in here, as I understand it, a very large amount for travel.

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a question?

Mr. TABER. I yield to the gentleman from New York.

Mr. ROONEY. Would the gentleman be satisfied if the amount was amended to read in the same amount as allowed for the current year?

Mr. TABER. No, I do not think I would. I think they should get along with less.

Mr. ROONEY. Understand I am just trying to feel the gentleman out because I am confident I can justify every dollar in here beyond the amount allowed for the current fiscal year.

Mr. TABER. Well, I think they have got too much in here for travel and I feel the amount should be reduced by $1,400,000.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, a while ago the gentleman from New York [Mr. TABER] saw fit to criticize a certain distinguished gentleman who is the administrator of an agency in the Department of State. He mentioned this man by name. I am sure neither the gentleman from New York [Mr. TABER] nor any Member of this House would venture to criticize to the slightest extent the sterling American and fine administrator who is head of the Immigration and Naturalization Service, a man who served with great distinction for many years with the National American Legion. I refer to Commissioner Watson B. Miller.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New York.

Mr. TABER. I had no intention of criticizing Mr. Miller.

Mr. ROONEY. That is exactly the statement I am making. But the gentleman did not see fit to mention another man by name in connection with a certain institute in the Department of State a while ago. No one will venture to criticize the ability and the integrity of the man who is the Commissioner of Immigration and Naturalization.

Mr. Chairman, this bill calls for $31,400,000 for the Immigration and Naturalization Service. This is an admitted increase of $900,000 over the current year's appropriation, but it is a decrease of $528,000 in the budget estimates.

Let us refer to this increase of $900,000 for a moment. As to $330,000 of it I should hand to everyone here present a check to sign in that amount because we voted for the mandatory periodic salary adjustments; also a check to the extent of $403,000 for increases in rates of compensation pursuant to Public Laws 359 and 429, for which most of the Members of the House voted; increased travel allowances under the Travel Expenses Act of 1949, which adds to the Immigration and Naturalization Service budget the amount of $110,000, and $56,000 of this total of $899,400—your committee merely rounded the figure—is for repairs to immigration stations which were described during the course of the hearings. The small sum of $56,000 was appropriated to keep these immigration stations, which are in dire need of repair, in the shape they should be in.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. These are the stations where persons are detained, aliens, who are not subject to bail bond or who cannot get bond?

Mr. ROONEY. That is correct.

Mr. Chairman, there is the story, $900,000 over the current fiscal year, but a decrease of $528,000 in the budget estimates. The clear reasons for the $900,000 increase, which does not permit the addition of a single new employee in the Immigration and Naturalization Service, are the items which I just described to you; they are mandatory, and the committee must write a check to pay for the previous legislative action of the Congress.

Mr. Chairman, I ask that this amendment, without further ado, be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

The CHAIRMAN. Are there any further amendments to this title of chapter 3?

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while the largest increase in the present budget for the next fiscal year of the Department of Justice is for the FBI, there is an item of the Japanese claims which is going to cost the taxpayers many millions of dollars. The committee has been told, and I call your attention to the hearings on that subject—that our Government kept no books when they moved the Japanese citizens from the western coast inland. They kept no books insofar as what the Japanese left behind, with the result that thousands of Japanese are making claims against the Government for recovery for their alleged losses. Who was responsible for the failure of keeping records of what these Japanese left behind when they were moved from their homes is not known to this committee, but it requires several millions of dollars of expense to taxpayers to set up an organization to receive the claims of these American citizens of Japanese ancestry who are called upon now to render invoices and make claims for payment of what was lost when the American Government moved them from the various places on the western coast to camps inland for safety purposes during the war.

LAND ACQUISITION

The Land Section of the Department of Justice told the committee that they are now at work on the proposition to acquire 26,000 tracts of land, totaling 9,968,000 acres. The cost will be close to $30,000. Twenty parcels of that land are in the State of Nebraska and the others are scattered all over the United States. Every effort on the part of members of the committee to secure the total amount of land owned presently by the United States was met with failure. There have been some guesses that the Government owns as much land as would be represented by the entire area of New England. However, in the last 12 years the Department of Justice has completed the purchase of 32,000,000 acres of land, costing over $750,000,000. However, many of the agencies of the Government may direct purchases, and there is no agency of Government which can tell the Congress today the total amount the United States owns in the United States. The committee was told that there is not a complete record of all the Government-owned property in one master index. We are told that perhaps some commission or committee is being set up to get this information. Any Member of Congress desiring to know how much land the Government actually owns today would have to go to each of the departments of Government to get their totals in order to get an approximate amount of land owned by the Federal Government, according to witnesses appearing before the Federal committee.

FBI APPROPRIATIONS

I want to bring to the attention of the Congress the appropriation request covering the activities of the Federal Bureau of Investigation under the able leadership of its Director, J. Edgar Hoover.

I feel that every Congressman should carefully review Mr. Hoover's testimony before your Appropriations Committee, since it contains many incontrovertible facts of potential dangers continually facing our country. It has been reassuring to me to know that every effort of the FBI is continually utilized to combat these dangers.

Briefly, I want to point out to the Congress that crime conditions throughout the country have remained at a very high level. From reports received by the FBI from local law enforcement officers throughout the country, it has been ascertained that more than a million and a half serious crimes were committed during 1948, the highest full year on record; yet the first 9 months of 1949 reflect over a 4-percent increase over the same period in 1948, A review of the testimony on this matter will reveal the shocking fact that much of this crime is committed by youths under 21 years of age.

The over-all crime trend is reflected in the general criminal investigative work of the FBI. During the past fiscal

year over 200,000 general criminal matters were referred to the FBI for handling, an increase of more than 4 percent over the fiscal year 1948.

During the past fiscal year, violations of the bank robbery, kidnaping, extortion, and other statutes have continued to be heavy. Many criminal fugitives were apprehended; thousands of deserters from the armed services were returned to military control; and investigative work in other criminal categories received constant attention. Even though much investigative effort and time is necessarily spent on internal security matters, criminal matters such as those above mentioned must also be given attention, otherwise, a crime wave of even more serious proportions would result.

Mr. Hoover further advised your committee of the continued heavy concentration of work in the atomic energy field. With knowledge of recent developments in this field, this work will not in any way decrease during the next fiscal year.

This Bureau also continues to receive a heavy volume of work under the loyalty-of-Government-employees program.

I do want to bring to the attention of every Member of the Congress the fact that the FBI continues to have the responsibility for the maintenance of our domestic internal security and intelligence coverage over any individual or any organization who aims at the subversion or overthrow of the United States Government.

We can all recall that during the past war, when the FBI was given the responsibility for the coordination of investigations relating to our domestic internal security, not one act of foreign-inspired sabotage was accomplished; espionage agents were promptly identified and their efforts rendered ineffective. Due to the foresight of Mr. Hoover, thousands of potential saboteurs and espionage agents were taken into custody immediately after the sneak attack on Pearl Harbor.

The FBI, under Mr. Hoover's guidance, is bending every effort today to keep abreast of our present potential saboteurs and espionage agents who are striving to defeat our present democratic way of life.

Mr. Hoover has advised your committee that the Communist Party has as its aim the bringing about of the forcible overthrow of the United States Government. Allied with the Communist Party are a number of infiltrated Communist front organizations. In addition, your committee has been advised that there are certain foreign nationality groups that participate in this operation. The Communist of today is utilizing every method at his disposal to create doubt, to bore from within, to utilize his fifth column to overcome our Government, since our country is the greatest remaining bulwark against a world-wide Communist state.

Mr. Hoover has advised our committee that he has utilized the best resources of the FBI to meet this menace and will continue to do so in the future. He has pointed out that the infiltration tactics of the Communist do not happen over night and if we are to cope with this menace, it must be given continuous attention.

I feel that the amount allowed by the budget for the FBI for the next fiscal year, totaling $54,000,000, should be approved. The membership of the House should know that this $54,000,000 is less than what Mr. Hoover indicated he needed to operate his Bureau. He asked the President's Budget Bureau for $58,530,651, but the Bureau cut this request by $1,130,651. I asked Mr. Hoover at the time of his appearance before our committee if he could get along with the budget estimate. He told me, however, in spite of the budget cut, he would be able to make his Bureau effective; and he is willing to take this reduction along with cuts in other departments in view of the financial condition of our country. Through the years it has been the policy of the FBI to return to the Treasury any funds appropriated which were not needed to defray essential costs. I am sure this policy will be continued by Mr. Hoover in the future. I personally feel, and I know I express the sentiments of ccuntless law-abiding citizens throughout the country, that this appropriation represents a small cost for the continued protection of the internal security of the country. Mr. Hoover, during the shooting war and now during the cold war, has been ever vigilant to protect our internal security against our enemies from within—it is our responsibility to provide, through adequate appropriations, the necessary ammunition to continue this fight. I earnestly recommend to my colleagues the approval of the FBI request as approved by your committee.

SALARY OF J. EDGAR HOOVER

Under the executive pay bill—Public Law 359, Eightieth Congress—approved October 15, 1949, the salary of the Director of the Federal Bureau of Investigation was set at $16,000 per annum.

Previous to the passage of this act, the salary of the Director of the FBI was set at $14,000 per annum under phraseology contained in the annual appropriations acts covering that agency. The wording was as follows:

Provided, That the compensation of the Director of the Bureau shall be $14,000 per annum so long as the position is filled by the present incumbent.

This phraseology is not contained in the present pending appropriation act due to the passage of Public Law 359, above-mentioned.

It is recommended that the present pending appropriation be amended to include the following phraseology which, if approved, would increase Mr. Hoover's salary to $20,000 per annum:

Provided, That the compensation of the Director of the Bureau shall be $20,000 so long as the position is occupied by the present incumbent.

I make this recommendation being fully acquainted with the responsibilities which fall upon the shoulders of Mr. Hoover as Director of the FBI.

He is a public servant who has given a lifetime of effort to unselfish public service. He has not been lured by attractive business offers made to him. He has dedicated his every effort to unrelenting war upon the criminal underworld and against those whose ideologies are contrary to our precept of life. Those whose wish it has been, and is, to overthrow our Government are his sworn enemies. They leave no stone unturned in their efforts to hamper his effective work. Their criticisms and their efforts are a high compliment to Mr. Hoover's patriotism.

All of us here can recall the many services this man has rendered to his country.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Iowa.

Mr. JENSEN. We are informed by the Department of the Interior that the land now owned by the Federal Government is somewhere between 170,000,000 acres and 180,000,000 acres.

Mr. STEFAN. Nobody knows. It is usually said that the amount of land owned by the Federal Government equals the area of all of New England, but we do not know, and I understand this commission is being set up to get that information for you.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. When the gentleman referred to the Japanese, did he have reference to Japanese being permitted to come into this country?

Mr. STEFAN. No, these are Americans of Japanese ancestry who were moved from the Pacific coast for safety purposes during the war. They were moved from their homes and places of business. No invoice of what was left behind was kept, with the result that we are now up against paying these claims. They are filing claims by the thousands, and it is going to cost the taxpayers a lot of money because they did not keep books.

Mr. RICH. Whose fault was that?

Mr. STEFAN. Those who moved these Japanese-Americans away from their homes in the first instance. I believe it was the Army. It was done for safety purposes.

Mr. RICH. I realize that, but somebody ought to be responsible.

Mr. STEFAN. First, it was done on the floor of this House and in the other body when you passed that law. Then the Army went in there and moved these people away from their homes. Afterward a Commission was set up.

Mr. RICH. Were they not supposed to keep books?

Mr. STEFAN. I suppose so. I am calling attention to the fact that they did not.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Illinois.

Mr. YATES. As it stands now, I think there are two offices that are set up for the administration of claims.

Mr. STEFAN. They are going to set up offices in many places, not only two but many. We are making appropriations in this bill in this item for that purpose.

Mr. YATES. Is not the item $250,000?

Mr. STEFAN. It is going to be more than that.

Mr. YATES. It is $250,000 for the administrative expense, but it is $4,000,000 in total for the payment of claims?

Mr. STEFAN. That is right.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Nebraska.

Mr. CURTIS. In reference to the removal of the Japanese from the west coast, I believe the record will show that that was not done by an act of Congress but by Executive order, and that the Army removed them. Later on a civilian head was set over them. At that time an investigating committee was sent to the west coast headed by the late John Tolan. Hearings were held on the west coast about the problem of moving these Japanese out. One of the recommendations the Tolan committee made, and it was offered by the chairman himself, was that a property custodian be appointed so that the property of these people could not only be accounted for but could be preserved and protected.

Mr. STEFAN. All I know is, they did not keep books in the first instance.

Mr. CURTIS. They did not do it.

Mr. STEFAN. They just took these American citizens away from their homes without keeping books on what was left behind. They lost that property, and now these Japanese-Americans are coming in with claims to recover.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from California.

Mr. HINSHAW. I believe the person who was in charge of the so-called relocation was a gentleman by the name of Dillon Myer.

Mr. STEFAN. He had nothing to do with it in the first instance. He came into the picture later.

Mr. HINSHAW. He came in later, in charge of the relocation.

Mr. STEFAN. That was afterward.

Mr. RICH. When the President issued that Executive order, should he not have made the order such that somebody would have assumed the responsibility for taking charge of those men and taking an inventory of what they had?

Mr. STEFAN. Yes.

Mr. RICH. Was it not the fault, then, of the President of the United States at that time? Who was the President of the United States then?

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from New York.

Mr. ROONEY. Was it not a general of the Army who became panic-stricken and moved these people overnight?

Mr. STEFAN. The gentleman is absolutely right.

Mr. ROONEY. General DeWitt is responsible for the fact that there were no records in regard to the property of these Japanese.

Mr. STEFAN. That is right.

Mr. ROONEY. Mr. Chairman, may I point out that the distinguished gentleman from Nebraska [Mr. STEFAN] has always expressed great interest in the appropriations for the Federal Bureau of Investigation? It has come to the point where his fellow committee members depend upon the gentleman from Nebraska to write the ticket when it comes to the Federal Bureau of Investigation.

Mr. STEFAN. I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk read the bill down to and including line 4 on page 60.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7846. An act to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

PERMISSION TO ADDRESS THE HOUSE

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. HINSHAW addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. MULTER. Mr. Speaker, I ask unanimous consent that on Monday next, following the legislative business of the day, I may address the House for 1 hour, and I invite Members to participate in that special order, if it is granted, in recognition of the second anniversary of the independence of the Republic of Israel.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Vermont [Mr. PLUMLEY] is recognized for 20 minutes.

POLIOMYELITIS

Mr. PLUMLEY. Mr. Speaker, as a member of the Board of Visitors to the Naval Academy, I inspected with particular interest the infirmary and hospital facilities for the health of the corps and opportunities to conserve it are essential fundamentally.

I was very much interested to read the following memorandum relative to the precautions to be taken to avoid the dread poliomyelitis.

It is not only indicative of the care and caution exercised by those in command of and responsible for the midshipmen, but is so good as to deserve more general distribution for the benefit of all concerned. Here it is stripped of its officialdom.

This order or memorandum might well be published by every college and preparatory school executive as well as by local boards of health throughout the land:

GENERAL PRECAUTIONS AGAINST POLIOMYELITIS

1. The following summary of current information and general precautions against poliomyelitis is published for guidance.

2. Poliomyelitis is a common virus disease which usually runs a mild course characterized by upper respiratory or gastrointestinal symptoms but occasionally the picture is complicated by involvement of the central nervous system with resulting paralysis of various voluntary muscles. Some of the known facts regarding polio are that it is primarily a summer disease affecting adults as well as children. Flies have been incriminated in its spread but it is believed that the most common mode of transmission is by direct contact with cases or carriers of the virus. The interval between contact and illness is 5 to 30 days, usually 7 to 14 days. The onset may simulate a mild sore throat, or it may appear as a simple gastrointestinal disturbance with nausea and vomiting. Diarrhea may occur but constipation is more frequent. Fever is invariably present.

3. Factors which are believed to increase susceptibility to the disease are fatigue, excessive exposure to the sun, excessive chilling, high vitamin intake, tooth extraction, and removal of tonsils. The presence of flies and swimming in polluted waters are also factors which may serve to spread the disease.

4. Recommendations to lessen chances of contracting the disease:

(1) That excessive exposure to sunlight be avoided.

(2) That excessive fatigue be avoided.

(3) That severe chilling be avoided (prolonged cold baths, cold children's wading pools, etc.).

(4) That vitamin tablets be taken only upon the advice of a physician.

(5) That swimming be restricted to chlorinated pools.

(6) That contacts with known or suspected cases or with epidemic area be strictly avoided.

(7) That an intensive fly-control campaign be inaugurated and continued throughout the summer and that all food be protected from flies at all times.

(8) That children and adults suffering from summer colds be kept quiet and under medical observation.

(9) Since the severe and fatal type of polio occurs more frequently after tonsillectomy, tooth extraction, and other oral surgery, these procedures should not be performed during the summer months if they can be deferred with safety.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. KENNEDY] is recognized for 15 minutes.

EXTENSION OF RENT CONTROL

Mr. KENNEDY. Mr. Speaker, yesterday I introduced in the House a bill providing for the extension of the present rent-control act until June 30, 1951. I did this because I have been increasingly concerned with published conjectures that this Congress will allow Federal rent control to expire this year.

State after State has shown its concern. As a consequence we have some States enacting stand-by legislation—some which, in accordance with the existing Rent Act, have removed housing accommodations from any form of control—some legislative bodies memorializing Congress to continue rent control—and in the case of the Empire State, we have the recent enactment of a State rent-control law to supersede and supplant Federal rent control. At lesser levels we have cities, towns, and incorporated villages expressing their opinion with respect to rent control. In some cases they have voted decontrol of their communities. Many of these actions are born of apprehensions that this Congress will walk away from its responsibility on or before June 30 next. It is to that responsibility that I would address myself.

In the crisis of a war, the Federal Government, with excellent judgment, and through agencies then created, exercised its prerogative, and controlled certain basic items affecting the living of the consuming public. Control of rental housing was one of these items. The Federal Government recognized that scarce materials, migratory workers, and the terrific impact of stimulated industry and war activities required real measures to secure some degree of stability for the worker and his family. Control of capricious evictions also was ordered by the Federal Government. By and large, Federal rent control has been successful and eviction excesses have been kept in bounds. However, those war years had prevented the building of new housing, even though the postwar years have seen some encouraging increases in building activity. No figures, however, no matter how optimistically prepared, justify any assumption that new building has kept pace with the demand created during those intervening years. Reference may be made to the report on housing rendered to the Eightieth Congress over the signature of the junior Senator from Vermont. In that report he stated that for about a half century housing development had provided barely enough new homes to accommodate our population increase. That report made a finding that there was a shortage of reasonably priced rental units. In this year of 1950, with a census which will show perhaps 150,000,000 people, which includes a 19,000,000 population increase in this past decade, we cannot be unaware of this deficient building record over the past 50 years. Furthermore, we must correlate that record not merely with population increases but with the economic improvement of our citizens and with the extremely important factor that a domicile which may have been regarded as adequate in 1900 properly may be regarded today as quite unfit for habitation under our present living standards. In the first 20 years of this century we averaged annually some 400,000 new dwelling units. In the following 10 years—the roaring twenties—we averaged some 500,000 new units a year over that period of 30 years. The Nation's production record for the next decade and one-half, which included the years of World War II, dropped to something slightly in excess of an average 300,000 units per year, excluding housing publicly financed or of a temporary war nature. In conjunction with increases of population over the whole half century, any study of housing inadequacies must further consider the standards by which one must appraise demand. Certainly the item of most controlling import is the increase in the number of social families. In the short period of but 15 years from 1930 to 1945 two experts in this field at Duke University have stated that the increase in social families in that time amounted to 10,000,000—which is more than twice the amount of new housing units credited to supply in that similar period. Basically, it is overwhelmingly demonstrable that the demand for rental housing in America has not been reasonably met. The great increases in marriages, the extremely high rate of births of some 3,500,000 a year alone produces, under present conditions, a sharp acceleration in that category of social families. Young couples now living doubled up, upon the advent of a child or two, definitely are forced to abandon doubled-up living with in-laws and must seek a dwelling unit for their own occupancy.

The pattern of rental housing shortages obviously is not uniform. Conceivably certain communities may find no severe problems. The Congress recognizing such a possibility, permitted such communities in enacting the present law to free themselves of Federal rent control. The Housing Expediter, in the past 9 months, has decontrolled over 500 separate areas with a population in excess of 5,000,000. The action of the Housing Expediter in decontrolling certain areas on his own initiative had to be followed in certain cases by a recontrolling order which was based on a local demand communicated to him after survey and hearings. The basic issue confronting our country, and most certainly now before this Congress, is whether the Federal Government properly may withdraw the protection of rent control from every one of our densely populated areas. The situation in city after city should be known to this Congress before it takes such a step—which would be no less than a retreat from an inherent and an assumed responsibility. There are over 1,000 communities of 5,000 or more population presently under Federal control. There are approximately 70 cities under Federal rent control now, every one of which has a population in excess of 100,000 persons. This Congress ought to know the situation with respect to rental housing in those communities before it lifts rent controls.

Take for example the situation in the State of Massachusetts which is typical of many other areas in the country. The congressional district which I represent contains the monument to the Battle on Bunker Hill which helped launch this Nation's independence. Across Boston Harbor in the district represented by the majority leader, there is an annual commemoration of the evacuation from those parts of our then wartime opponent. Such facts demonstrate that such areas were relatively populous even 150 years ago. As a consequence housing and housing conditions in those areas may not be compared with the housing of the more modern midwest and western communities. Naturally, the figures will show that the age of domicile structures in those areas, and in a large part of the entire metropolitan Boston area, is extremely high. In the State it has been authoritatively stated that nearly one-half of the dwelling units are more than 50 years old.

In the eastern sections of Massachusetts and particularly in the area referred to as greater Boston, the structures bear the imprint of an even far greater average age. In terms of realistic housing supply, however, such housing, while recorded as being existent, inevitably must progressively dwindle through the inexorable forces of obsolescence, condemnation, demolition, and the continuing encroachment of commercial and business enterprise. The majority of the peoples of those areas historically are of the tenant category. Under present conditions, new construction has not, and will not soon replace for them the structures which have upon them 6 or 7 decades of age. Existing economic facts preclude any dependence for those people upon new construction. Reproduction values are high. Sales prices have been extremely high. The preponderance of building has been for single homes and owner occupancy. By their very nature, too, such new homes are on the fringe of our cities. Land values, space, and many other considerations necessitate such suburban selection. The Flanders' report to the Eightieth Congress stated that selling prices for homes showed an acceleration of more than 100 percent in the 8 years ending in 1947. With sales prices high and with reproduction values as indicated, should the rental market be permitted to reflect such basic and primary economic factors? If such must be the case, and it is so argued, then this Nation must recognize the fact that those present reproduction values and those present sales prices permit, encourage, and require rents which would practically double existing rent schedules. Obviously, the Nation could not stand a doubling of the rent bill. Obviously, too, economic laws never will permit such a development without a most extraordinary readjustment in all markets, but primarily in the labor market. Inflation truly will have been upon us with all its dire consequences.

Within a mere 15 miles of Boston there are some 7 dozen cities and towns which have an aggregate population of about 2,500,000 people. Any dividing lines between many of those municipalities cannot be discerned. Their general character is quite repetitive. One of those adjoining cities, for example, within 5 miles of Boston, has a population of over 100,000, yet has an area of less than 5 square miles. That area is predominantly of a 2-family house nature, in which an extraordinarily large, if not a preponderant part, are 60 and 70 years of age. That situation revealed in a contiguous city is merely a sample of a picture repeated in varying degree throughout that whole area within the

15-mile radius of Boston. This Congress, moreover, must recognize that Boston, and its contiguous cities and towns, cannot be just an isolated case. Situations of somewhat similar nature exist in many other communities in this Nation.

Too many of our people have been forced by necessity alone to live in rental accommodations which are entirely inadequate under any ordinary and justifiable standards. Thinking America regards, of course, the family as being an all-important part—the very keystone—of our democracy. We must think in terms of the family and its import in connection with national morals, national wealth, national prosperity—the survival of present national strengths. Determinations for the family upbringing and its living conditions, which are forced solely through desperation, never can be sound nor constructive. Today, in many communities of which I have knowledge, desperation alone determines why mothers, fathers, and several children are living in domiciles barely fit for human habitation. Sorely as a measure of the rental housing stringencies, throughout New England parents are rearing their families in many cases in all sorts of makeshift habitations, including garages. In the areas as to which I have most intimate knowledge, loss of the protection of rent controls would be a major catastrophe. It would immediately reach into all areas of family living and thinking. However, the impact upon industry and the great reduction in expenditures for other necessities of life and of consumer goods would be of tremendous magnitude—but they in themselves are not controlling either. What could be controlling, however, is the fact that rent control now extends to tenants, a secure coverage in connection with capricious evictions. Tenant-landlord relations inevitably have been strained over the war years and the postwar years. Selectivity of tenants on the part of the landlord is an understandable goal. Such selectivity, certainly to the callous landlord, would be in favor of the no-children or the adult family. Arguments that control of rents and of evictions unduly encourage nonutilization of available space are absolutely untenable. In the absence of controls and with existing supply and demand forces, the parade of evictions in our cities would be lengthy. In no time at all, action bidding for inadequate supply, selectivity on the part of the landlords, and mounting despair on the part of the tenanting families, would produce situations of great peril to our whole basic social structure.

To give an illustration of rent control at the grass roots, the Expediter at my request has furnished me with some figures as related to rent control in the State of Massachusetts alone:

In the 12 months of 1949, 62 percent of the landlords' petitions were granted in whole or in part; 38 percent were denied. In that time rent orders affecting 43,112 individual dwelling units were issued by the directors who are in charge of the eight principal rent offices. Analysis discloses that on the basis of hardship and fair net operating income small landlord petitions averaged by monthly averages, produced increases of 17.4 percent. Landlords of larger structures for the same grounds appeared to have received authorization of about two-thirds of such percentage increases.

This Congress included a provision to guarantee to landlords a fair net operating income. That provision produced in Massachusetts for example, relief as indicated. Similarly situated landlords, small and large, have had that relief hatch open to them for more than a year. It is open to them now. That provision, together with other provisions of the rent regulations, gives to landlords relief for all situations which in more normal times would have induced increases in rents.

However, the rent-control provisions do not recognize the right to increase rent purely because inadequate supply fails to meet tremendous demand. In addition, Federal rent control, while recognizing eviction for just cause, does not permit evictions for caprice or whim, nor as a devious means of evading the basic purposes of control.

No argument as to the plight of landlords can be persuasive as compared to the certain plight of tenants if this Congress should fail to meet its present responsibility. Supply and demand are not technical phrases for use by economists—they are tragedy itself to people—workmen, their wives and children—office workers, professional people. Supply is not there and demand is.

Housing conditions must be recognized. Scarcity of rental housing in populated communities is factual and cannot be disregarded. Cure of these situations lies in more housing—a great deal more housing—a great deal more of rental housing—available to families who require three, four, and five rooms. It would be disastrous to write a rent-control law that would not assure full protection for those citizens who need it and want it.

In the whole of New England, only one municipality has indicated its desire for decontrol by formal hearing and approval of the governor. May not that record be an evidence that all the other places in New England feel that they are not ready for decontrol? If the matter of control or decontrol is to be left to the States or local governing bodies, I contend that such procedure is a thoroughly American way to accomplish that result.

Though I have spoken chiefly of Massachusetts and New England, similar situations prevail in most of the industrialized areas of this country. Only six States in the Union have taken advantage of the provisions of the 1949 act and decontrolled themselves. And of those six, two have substituted State rent control.

Out of 90 cities having a 1940 population of more than 100,000, which were under Federal control on April 1, 1949, only 8 have exercised the right of decontrol, excluding 7 large cities which were decontrolled by State action and decontrolled by the Housing Expediter. This leaves 74 of these large cities which have taken no action to remove Federal control.

Of 1,577 incorporated places having a 1940 population of more than 5,000, only 151 had voted local decontrol up to March 7 of this year. While a number of these small communities have been decontrolled either by State action or by the Housing Expediter, there are still over 1,000 incorporated villages, towns, and cities of 5,000 population and up which have not exercised that privilege.

Certainly this is clear evidence to the pressing need for a continuance of rent control, and to the broad support it has among the people as a whole.

The SPEAKER. Under previous order of the House, the gentleman from South Carolina [Mr. BRYSON] is recognized for 15 minutes.

REORGANIZATION PLAN NO. 5

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a statement from the American Patent Law Association.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, I am offering a House resolution disapproving of Reorganization Plan No. 5 of 1950 which was messaged to the Congress by the President of the United States on March 13, 1950. As the Members realize, the Reorganization Act of 1949 provides that the reorganization plan becomes effective 60 days after its presentation to Congress, unless either body of the Congress by majority resolution disapproves the plan within the stated time. Reorganization Plan No. 5 will become effective at midnight, May 24, unless either body of the Congress takes such negative action.

I am chairman of Subcommittee No. 4 of the House Judiciary Committee. My subcommittee has initial jurisdiction, as delegated by the Judiciary Committee, over legislation concerning patents, trade-marks, and copyrights. The subcommittee was recently approached by a delegation of eminent patent attorneys representing the American Patent Law Association and other substantial organizations in that field, with seemingly sound arguments in opposition to Reorganization Plan No. 5 because of its transfer of functions of the Commissioner of Patents to the Secretary of Commerce. As represented by them, the plan would convey to the Secretary of Commerce all of the discretionary functions now residing in the Commissioner of Patents. Because of the fact that the Patent Office is an institution of the Government exercising quasi-judicial functions, it was the unanimous judgment of the subcommittee that the result would be very harmful to the American patent system. Moreover, the subcommittee has been assured by responsible people that the reorganization plan would create no new efficiencies nor would it effect any economies in the operation of the Patent Office.

The Reorganization Act of 1949 provides that any Member opposing a plan of reorganization recommended by the President can offer a resolution disapproving the plan. Such resolution is referred to the appropriate committee of the House, which is given 10 days within

which to consider and take action upon it. In absence of such action, provision is made in the act for bringing the resolution up on the floor of the House as a privileged matter for debate.

A few days ago Senator WILEY introduced such a resolution in the Senate disapproving Reorganization Plan No. 5, which he did with the consent and approval of the full Judiciary Committee. The reasons for this action on the part of Senator WILEY were described in full in a statement which he inserted in the RECORD at the time he introduced the resolution. I heartily endorse the sentiments he described in that statement.

As I see it, it was never the plan of the Hoover group to substantially interfere with agencies of the Government exercising judicial functions. However, it has been apparently overlooked that the Patent Office is such an agency, and I am more than fearful that the transfer of discretionary functions from the Commissioner of Patents to the Secretary of Commerce might, at some future time when an incumbent of the latter office may be of different stamp from the present incumbent, cause the basic theory and purposes of our patent system to be substantially impeded or altogether thwarted by an unwise exercise of discretion on the part of the Cabinet officer who may lack the professional qualifications requisite to a proper appreciation of the patent system. It is significant to note that the plan in question specifically exempts, among others, the functions of the Civil Aeronautics Board, presumably on the theory that it is an agency exercising judicial functions. If that be the case, then I see no logical distinction between the Civil Aeronautics Board on the one hand and the Patent Office on the other. Indeed, the Patent Office represents an ancient and time-honored institution in this country, and a body no less authoritative than the Supreme Court of the United States has gone on record to describe in detail their view of the importance that the functions of the Patent Office be discharged by experts who are professionally qualified in that field, without interference by offices in higher echelons of the executive branch of the Government.

I am mindful of the fact that, in order to gain maximum benefit from the over-all scheme of governmental reorganization proposed by the Hoover Commission, it is essential that the plans pursuant thereto be not whittled away by one exception after another. However, I am convinced that the Hoover Committee committed error in proposing a plan on the reorganization of the Commerce Department which does violence to such an important quasi-judicial agency as the Patent Office, while it offers no efficiencies in return. In this view I am supported abundantly by patent groups and individual patent attorneys who have written me from all over the country.

I have seen fit, prior to introduction of this resolution, to take up the matter of its introduction with the full Judiciary Committee meeting in executive session. Out of respect for the preservation of the process provided in the Reorganization Act of 1949, which provides for consideration of such resolutions by the appropriate committee in Congress, the Judiciary Committee withheld any official view upon the soundness of Reorganization Plan No. 5, but did unanimously authorize me to introduce this resolution so that it may be amply considered in due course in proper quarters. In introducing it, I am sincerely hopeful that the Expenditures Committee of this body will see fit to hold hearings within the 10-day period provided by law so that the equities and inequities of the reorganization plan can be thoroughly aired and Congress be given an opportunity to consider the impact of the plan upon the Patent Office. In support of the resolution, I submit at this time for inclusion in the CONGRESSIONAL RECORD a memorandum of the American Patent Law Association describing in greater detail the grounds of their opposition:

MEMORANDUM OF THE AMERICAN PATENT LAW ASSOCIATION IN OPPOSITION TO REORGANIZATION PLAN NO. 5 OF 1950 PROVIDING FOR REORGANIZATION IN THE DEPARTMENT OF COMMERCE

The American Patent Law Association vigorously opposes Reorganization Plan No. 5 insofar as it applies to the Patent Office for the reasons:

1. That the transfer to the Secretary of Commerce or to the head of any other department of any of the functions of the Commissioner of Patents is unsound and undesirable, and would not further any of the stated objectives of the Reorganization Act of 1949, and

2. That Reorganization Plan No. 5 is not actually a reorganization plan with respect to the Patent Office but is an unrestricted continuing authorization to the Secretary of Commerce to reorganize the Patent Office and to reassign the functions of its legally established officers and tribunals without any reference to the Congress whatsoever.

I. The proposal to transfer to the Secretary of Commerce all functions assigned by law to the Commissioner of Patents is unsound and would seriously impede the Commissioner of Patents and the other officers and employees of the Patent Office in the performance of their duties in the issuance of patents and the registration of trademarks; it would seriously impair the present high public confidence in the integrity of the officers and employees of the Patent Office; and it would effectively nullify the long-continued close surveillance and control which the Congress has rightfully always maintained over this organization which is so important to the American economy.

The Congress has assigned by law to the Commissioner of Patents certain important functions. These functions, a number of which are set forth below, would be transferred to the Secretary of Commerce under Reorganization Plan No. 5:

1. Quasi-judicial functions over which the Secretary has now no control or veto power.

PATENTS

A. Deciding cases as member of board of appeals (35 U. S. C. 7).

B. Disbarment of attorneys (35 U. S. C. 11).

C. Determining who shall receive patents (35 U. S. C. 36).

D. Deciding which inventions shall be kept secret (35 U. S. C. 42).

E. Deciding whether or not interferences should be declared (35 U. S. C. 52).

F. Deciding petitions.

TRADE-MARKS

A. Deciding who shall receive certificates (15 U. S. C. 1051).

B. Deciding inter partes controversies (15 U. S. C. 1068).

C. Deciding all controversies on appeal (15 U. S. C. 1070).

D. Prescribing rules and regulations governing trade-mark registration procedures (15 U. S. C. 1051).

2. Supervisory functions over which the Secretary has now no control or veto power.

A. Report to the Congress (35 U. S. C. 20).

3. Supervisory functions of the Commissioner over which the Secretary has only a veto power.

A. Selection of employees (35 U. S. C. 2).

B. Making of rules (35 U. S. C. 6).

C. Performance of duties relating to lawful issue of patents (35 U. S. C. 6).

The Patent Office, in very much its present form, was created by the Congress by the act of 1836 (ch. 357, 5 Stat. 117). This act provided for a chief officer of the Patent Office to be known as the Commissioner of Patents, and the act declared it to be the duty of the Commissioner to issue patents on inventions which he deemed to be "sufficiently useful and important." The act provided for an appeal from the rejection of a patent application to a board of three examiners. Provisions for a suit in equity against the Commissioner for refusal to issue a patent (compare 35 U. S. C. 63; R. S. 4915) and for an appeal to the Circuit Court of the United States for the District of Columbia (compare 35 U. S. C. 59a; R. S. 4911) were made by the act of 1839 (ch. 88, 5 Stat. 354).

The early legislation with respect to the granting of patents was reviewed in the opinion of the Supreme Court in *Butterworth* v. *Hoe* (112 U. S. 50 (1884)), a case in which the nature of the function of the Commissioner of Patents and the relation of the Secretary of Interior (the Patent Office was then a part of the Department of Interior for administrative purposes) thereto were fully considered and determined. Speaking of the duties and functions of the Commissioner of Patents, the Supreme Court said, in the cited case:

"The conclusion cannot be resisted that, to whatever else supervision and direction on the part of the head of the department may extend, in respect to matters purely administrative and executive, they do not extend to a review of the action of the Commissioner of Patents in those cases in which, by law, he is appointed to exercise his discretion judicially. It is not consistent with the idea of judicial action that it should be subject to the direction of a superior, in the sense in which that authority is conferred upon the head of an executive department in reference to his subordinates. Such a subjection takes from it the quality of a judicial act. That it was intended that the Commissioner of Patents in issuing or withholding patents, in reissues, interferences and extensions, should exercise quasi-judicial functions, is apparent from the nature of the examinations and decisions he is required to make, and the modes provided by law, according to which, exclusively, they may be reviewed."

The wisdom of the policy of the Congress, uniformly adhered to for over a century, in confiding such judicial functions to a specially designated official who could be, and uniformly has been, selected for his acquaintance with and devotion to the patent system, is obvious. The shelves of bound volumes of decisions of the Commissioners of Patents in our law libraries are a monument to that wisdom, and to the integrity and intelligence of a long line of highly respected Commissioners.

Anyone seeking to divert from the Commissioner of Patents the judicial function imposed on him by the Congress over this great length of time surely should be required to make some showing of benefits commensurate with the disadvantages inherent in the proposal. No such showing has been made

and no such showing can be made. Transfer of the functions of the Commissioner of Patents to the Secretary of Commerce would not promote better execution of the law, economy, or efficiency and would not eliminate any overlapping of functions as no such overlapping now exists. True, under the proposed plan the Secretary of Commerce could redelegate the judicial functions now exercised by the Commissioner of Patents to that official, but this would be contrary to the principle laid down by the Supreme Court in the Butterworth case, cited.

Inevitably, under the proposed plan the functions of the Commissioner of Patents would have to be exercised by some one other than the Secretary of Commerce, as some of those functions are now in fact exercised by Assistant Commissioners and other officers responsible to the Commissioner of Patents. But the vice of the situation proposed by plan 5 which does not exist today, is that the official responsible for the judicial decisions would not be, as is the case today, an official selected for his special qualifications to make those decisions.

The Secretary of Commerce should not be responsible for judicial decisions in the highly specialized field of patents and trademarks, which we must presume he would not be competent to make, for it is not believed that it would be rational to expect that heads of the Commerce Department would generally be experienced in the technical legal problems involved in the granting of patents, the registration of trademarks, the resolving of interferences, and the like, no matter how competent they might be in general administrative and executive duties.

The interests of the patent system, of the American economy, and of the country at large demand that the functions of the Commissioner of Patents be continued to be exercised by him directly and responsibly, as the wisdom of the Congress has provided since 1836.

II. A second, and possibly a more fundamental objection to plan No. 5 is that it is essentially not a reorganization plan at all but a request for a blanket authorization for any reorganization the Executive may hereafter see fit to make. It may be termed a plan not to have any plan. It is submitted that plan No. 5 is not within the spirit, even if it is within the letter of the Reorganization Act of 1949. Surely the Congress contemplated that plans for reorganization submitted under that act would be something tangible and definite, which the Congress could examine and evaluate, and approve or disapprove as the Congress saw fit. Plan No. 5 is not such a definite and tangible plan, but merely a request for authority to reorganize without further reference to the Congress.

Under plan No. 5 the Secretary of Commerce may, at any time, make any such rearrangement and reassignment of the functions which the Congress has assigned to the Commissioner of Patents and his staff, as the Secretary sees fit. This proposal is inconsistent and incompatible with the careful scrutiny and control which the Congress has always exercised over the Patent Office, in obvious recognition of the vital role which the Patent Office plays in the American economy.

A very recent example of this close scrutiny and control is to be found in Public Law 452 of the present Congress, approved March 4, 1950, in which the Commissioner is authorized, in his discretion, to designate primary examiners to serve on the board of appeals, under carefully worded conditions and restrictions. This law is worded as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 482 of the revised statutes (35 U. S. C. 7) is amended by adding the following paragraph:

"'The Commissioner, when in his discretion considered necessary to maintain the work of the board of appeals current, may designate any examiner of the primary examiner grade or higher, having the requisite ability, to serve as examiner in chief for periods not exceeding 6 months each, and any examiner so designated shall be qualified to act as a member of the board of appeals. Not more than one primary examiner shall be among the members of the board of appeals hearing an appeal.'"

It is impossible to believe that the Congress will now wish to abdicate entirely its long and consistent close control of the functioning of the Commissioner of Patents and the Patent Office to the unlimited discretion of the Secretary of Commerce.

It is earnestly submitted that the Congress should reject plan No. 5 and that it should not at any time approve any plan of reorganization which does not clearly and definitely reserve to the Commissioner of Patents and the officials and tribunals of the Patent Office those functions which have been committed to them by the Congress ever since 1836.

Respectfully,

AMERICAN PATENT LAW ASSOCIATION.

INTERNAL SECURITY OF THE UNITED STATES

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks with reference to the bill H. R. 4703 and include a clipping from the United States News.

The SPEAKER. Is there objection?

There was no objection.

Mr. BRYSON. Mr. Speaker, under date of March 15, the House passed H. R. 4703, a bill I introduced to further provide for the internal security of our country. Although I spoke on the measure while it was under consideration by this body, I cannot refrain from speaking again because of the increasing importance of the subject matter.

At the end of my remarks, I am attaching an excerpt from the United States News of April 21, 1950, to which I respectfully call your attention.

The continuing events of the so-called cold war and the still fresh memories of our experiences during World War II furnish, I am sure you will all agree, ample justification for the continuing and most serious consideration of new measures such as the bill about which I speak.

H. R. 4703, now pending in the Eighty-first Congress, is a bill relating to the internal security of the United States. That title itself is self-evident of the importance of this measure. Well aware that such security necessitates constant strengthening and that vicissitudes and treacheries may beset us at any time in these hazardous days, the House of Representatives passed this measure on March 15, 1950, by the overwhelming vote of 368 to 2. The gentlemen from New York, Messrs. VITO MARCANTONIO and ADAM POWELL, voted against it. The measure is now pending in the Senate where it has been placed on the Senate Calendar and where a companion bill, S. 595, has been reported favorably by the Senate Committee on the Judiciary—Report No. 427—and also awaits Senate action. Hence, we may reasonably hope for and anticipate final action on the bill before the termination of the Eighty-first Congress. I believe there is no measure now before Congress more deserving of speedy enactment.

Before I discuss the provisions of the bill itself, let me give you a little of its background. The bill in its original form was drafted by the Interdepartmental Intelligence Committee, a joint group consisting of representatives of the Department of Justice, the Military Intelligence Division of the Department of the Army, the Office of Naval Intelligence of the Department of the Navy, and the Central Intelligence Agency. It was requested by the Attorney General of the United States. The recommendations embodied in the bill reflect conclusions which were unanimously reached by the Interdepartmental Intelligence Committee after a thorough study of the provisions and inadequacies of existing law, beginning in 1945, and are based on the needs and experiences of the investigative agencies during both World War II and peacetime. I was privileged to introduce the bill in the House in its original form as H. R. 3776 and it was referred to the Committee on the Judiciary of which I am a member. The committee held hearings on H. R. 3776 and ample notice was given to a large number of organizations active in the field of civil liberties to express themselves on the bill. Although invitations were extended to these organizations to testify at the hearings, none appeared. Certain of these organizations, however, submitted written statements which were considered by the committee. As a result of the hearings and after due deliberation the committee saw fit to amend the original bill in a number of technical aspects. Consequently I introduced a new bill, H. R. 4703, which incorporated the amendments referred to and which was favorably reported.

As stated in its report on the measure, the Committee on the Judiciary strongly advocated passage because the members of the committee felt that serious gaps in our present laws permit people, both citizens and aliens alike, opportunities to acquire information vital to our national security and to use that information to the disadvantage and danger of the United States without fear of prosecution in our courts. Numerous cases have come to light in recent years pointing to the weakness of these laws when they are subjected to attack. There now exists in our midst a threat to our form of government and to the liberties guaranteed to all of us by our Constitution. The magnitude and strength of this threat is something new and strange to America. It is a threat which is most difficult to counteract, particularly when our law-enforcement agencies are hampered by lack of effective laws. In answer to those loyal Americans who say in all sincerity that they fear such a bill encroaches on the rights of Americans, we of the Judiciary Committee took the position that the rights of Americans are fruitless if they are to be destroyed through lack of adequate protection from subversive forces. This bill does not restrict the rights or liberties of any citizen to whom the interests of the United States are paramount. A sovereign

state has the right and duty of self-preservation, and this extends to defending itself against enemies from within as well as those from without.

Fears have also been expressed, which I believe unfounded, that a measure such as H. R. 4703 would make practically every newspaper in the United States and all publishers, editors, and reporters criminals without their doing any wrongful act and that the provisions of the bill are stated too broadly to inform persons of the crimes with which they might be charged thereunder. In addition to the analysis of the bill which I shall give you in a moment, I should like to urge that those of my listeners who are interested refer to pages 9746–9750 of the July 20, 1949, CONGRESSIONAL RECORD, where the Honorable PAT MCCARRAN, chairman of the Senate Committee on the Judiciary, fully examined and answered objections of this nature.

Our armed forces are the primary targets of the agents of espionage, sabotage, and subversion. In their counter-intelligence work they are often frustrated by the impossibility of establishing a case under the limitations of present law. I believe, and my fellow Congressmen believed, that the mere existence of improved security legislation may be sufficient to discourage and prevent a certain amount of espionage. The power of the law can be invoked to control the rest. While military law is adequate to deal with military personnel, most of the troublesome cases of military security violations are by persons not subject to military law. Again, in some cases it may be undesirable for reasons of policy to resort to military law even where the violator is subject to military law, if adequate civil law is available.

H. R. 4703, or any measure of a similar character, will not solve all the problems of security, but we of the Judiciary Committee believe it would be of inestimable assistance to the agencies of the Government charged with the responsibility of maintaining national security. Because we in this glorious country are the recipients of countless blessings, let us be admonished that under whom much is given, much in like manner is required. You may rest assured that there is nothing in this bill which will operate adversely against any honest, upright, law-abiding citizen. It is high time for us to stop the foolish leniency we have displayed in the past toward those who would destroy us.

Now let me take up and explain briefly the principal features of the bill in its present form.

First, the bill provides that those having lawful possession of information relating to the national defense or concerning any military facilities or other specified matters or items relating to our national defense, who willfully transmit or communicate or attempt to transmit or communicate them to an unauthorized person or who willfully fail to deliver them on demand to an authorized person, shall be guilty of a crime. No showing of a criminal intent is necessary as an element of the offense, provided the possessor has reason to believe that the material communicated or withheld could be used to the detriment of the United States or to the advantage of a foreign nation. The absence of a requirement of intent is justified, we believe, in view of the fact that this crime deals with persons presumably in close relationship to the government which they seek to betray.

The bill also provides separately for those who, having unauthorized possession of certain enumerated classes of items, refuse to surrender them to authorized officials regardless of a demand being made. Existing law provides no penalty for the unauthorized possession of such items unless a demand for them is made by a person entitled to receive them.

With respect to both of the provisions which I have just mentioned, the phrase "or information relating to the national defense" is added as an additional category to the enumerated items to which the prohibitions of the bill extend. In answer to the possible objection that this category is too broad and vague, I should like to point out again that the phrase is further qualified by words describing such information as that which "could be used to the injury of the United States or to the advantage of any foreign nation," which are words of limitation subject to definition by the courts in each particular instance. No other terminology, I believe, would be sufficient to protect the security of matters which the bill might fail to particularize. I should like to point out also that a statute now on the books, which makes criminal certain limited activities directed against our national defense and helpful to foreign governments, has been upheld by the Supreme Court as constitutional and as not so vague as to deprive a person of the ability to predetermine whether or not his contemplated action will be criminal—see *Gorin* v. *United States* ((1941) 312 U. S. 19).

The bill also amends the existing law which presently provides for the punishment of those who are entrusted with items relating to the national defense and negligently permit their unauthorized removal, by applying the penalty also to such persons who know the item entrusted to them has been illegally removed, or lost, stolen, abstracted, or destroyed, and fail to report it promptly to a superior officer. The danger of such an item as a code book or plan of operation being lost, stolen, or compromised by an enemy or prospective enemy needs no emphasis. For example, it is now public knowledge that our compromise of an enemy coding system was an important factor in our defense and operations against the enemy in the early and vital stages of the recent war. Contemplate the drastic potential consequences to the safety of the Nation were such circumstances reversed and it is clear how vital it is to require the prompt reporting of such knowledge to responsible officials.

The bill also in effect increases the punishment for conspiracy to commit the forbidden acts dealt with in the bill from $10,000 or 5 years, or both, as is now the case under the general conspiracy statute, to $10,000 or 10 years, or both, thereby making a conspiracy to commit the offense as grave as the crime itself.

The bill also increases the statute of limitations with respect to prosecution of violations of certain provisions of the Criminal Code from 3 years to 10 years, except as to prosecutions already barred. These provisions relate to the gathering, transmitting or losing of information concerning the national defense as strengthened by the bill here under discussion, the gathering or delivering of information concerning the national defense to aid foreign governments, commonly called the Espionage Act, and the harboring or concealing of persons involved in such prohibited activities. Originally the Department of Justice requested that the bar of the statute of limitations be entirely removed, but in its judgment the Committee on the Judiciary fixed the period at 10 years, and with this the House of Representatives agreed. The Committee was mindful on the one hand that a complete removal of the statute of limitations in such cases would work a hardship on defendants whom the passage of time has served to deprive of memory, of witnesses, or of defensive material available at times more proximate to the commission of the alleged offense, but it was also sensible that the prosecution of offenses so fraught with the possibility of evil consequences to the country should not be hampered by a period too short to apprehend and punish the violators.

Let me explain a little further why the limiting of the statute of limitations in these cases is so necessary. In view of the fact that a violation of the provisions in question during either peace or war may not be indicated or the identity of the violator discovered until more than 3 years after the violation was committed, for example, until hostilities cease and the records of the enemy are accessible, it is essential to lengthen the period during which the prosecution of such an espionage violation may be instituted. The longer statute would also permit the prosecution and consequent public disclosures of such offenses to be held in abeyance, for strategical purposes, pending the detection and apprehension of other offenders who may also be involved in the same or affiliated espionage ring. The amendment, of course, because of the constitutional bar against ex post facto criminal laws, would not authorize the prosecution or punishment of an offense which is already barred by existing law.

H. R. 4703 also amends the Foreign Agents Registration Act so as, first, to make the failure to register a continuing offense in order to postpone the commencement of the statutory period of limitation for prosecution, and, second, to require registration of persons who have knowledge of or have received instruction in the espionage, counterespionage, or sabotage tactics of a foreign country or a foreign political party, subject to certain stated exceptions. These exceptions include persons whose knowledge of that kind was derived from service with the civilian, military, or police authorities of the United States Govern-

ment, the State governments, or other enumerated political entities; or whose knowledge was obtained by reason of academic studies pursued independently and without connection with a foreign government or foreign political party; or those whose knowledge is derived from foreign sources but who are engaged in intelligence activity for the Department of Justice or the Central Intelligence Agency and make full written disclosure of their knowledge to those agencies. This last exception is based upon sound reasons of national security so that those persons who were formerly in the hire of foreign espionage services and have severed their former connections can be engaged by our Government for intelligence purposes without impairing their usefulness by a public disclosure of their current employment.

Under existing law, a person trained by a foreign government for purpose of espionage or sabotage is immune to prosecution provided there is no substantial evidence of his having violated the espionage laws, and he is in no way obliged to divulge either his intentions or the very useful information which is peculiarly within his knowledge, information which, if acquired by our counterintelligence agencies, could spell the difference between success and catastrophe in counteracting the plans and tactics of an enemy. Examples of those who would come within this category are those whose operations may defy detection and those who may be dispatched to this country for purposes of espionage or sabotage and who either postpone their operations until an opportune time or, for fear of apprehension or other reason, abandoned their mission. The amendment would serve a threefold purpose, namely, to discourage further the unknown presence of potential spies and saboteurs; to provide a basis for the prosecution of unregistered potential spies and saboteurs before they commit an act of espionage or sabotage; and to assist this Government in its counterintelligence work by acquiring information regarding foreign espionage and sabotage systems and tactics that would be disclosed by those who elected to register rather than run the risk of prosecution for not so registering. Neither the Committee on the Judiciary nor the House of Representatives could find any fault with any of these objectives, and I think all of us should be in full accord and sympathy with them.

As a further and final measure to strengthen our internal security, H. R. 4703 proposes to delegate to the Secretary of Defense the power to promulgate orders and regulations, violations of which are made punishable by fine and imprisonment provided in the bill, for the security of enumerated military installations. During the recent war Congress enacted a statute giving the Secretary of the Navy equivalent powers, and the law expired on June 30, 1947—act of July 9, 1943. This section of the bill would extend this power to apply in peacetime as well as in war or national emergency to the entire National Military Establishment. Moreover, by special provision, during war or national emergency, the President is given power by proclamation to extend the provisions of the section to include such property and places as the President may designate in the interest of national security.

The House Committee on the Judiciary gave considerable thought to the ramifications of such a delegation of legislative power, and studied its validity from a standpoint of constitutionality. As to the latter, many precedents exist for the delegation by Congress to executive agencies of its legislative power to promulgate security regulations of a criminal nature, and the Supreme Court has sustained such delegations on numerous occasions, the only criterion being the clarity of the statute in describing the limits and objects of the grant. This section satisfies those requirements. The committee believed that the power can and will be exercised wisely and with discretion, and that the objects are completely meritorious. During times of stress sudden emergencies arise which require the adoption of protective measures without awaiting the delays which necessarily affect the passage of legislation through the intricate maze of Congress. Lack of power to adopt such regulations instantaneously could serve to cripple the security of the country, for in these troubled, uncertain days of sudden change the security forces of this country must be equipped to respond quickly to emergencies. As is always the case, abuse of a power bestowed can always be corrected by remedial legislation restricting or withdrawing the grant, but we have no fear that either the National Military Establishment or the President will use this power unwisely or without cause.

The entire bill, as amended by the Committee on the Judiciary and as passed by the House of Representatives, has been drafted to serve the needs of the Department of Justice, the Army, the Air Force, and the Navy in the successful discharge of their responsibilitie to protect and improve the internal security of the Nation. The swift and more devastating weapons of modern warfare, coupled with the treacherous operations of those who would weaken our country internally, preliminary to and in conjunction with external attack, have made it imperative that we strengthen and maintain an alert and effective vigilance. This bill is not the product of hysteria but represents the considered judgment of your elected representatives as to what is necessary further to protect us from within against some fifth column whose aim is our destruction.

[From the United States News and World Report of April 21, 1950]

SPYING ON THE UNITED STATES IS EASY FOR RUSSIA—MAPS, PHOTOS, BASIC DATA ARE OUT IN THE OPEN

(Spy hunt in Washington overlooks the real, big spies. Spy business is in the open, mostly, not under cover. It's information gathering, sizing up of facts, of people. Russians, with free play for intelligence workers, get most of what they want without secret agents, without using hidden Communists in Government. It's different for United States.)

Spies for Russia are enjoying far more success here than spies for United States are having in Russia and other countries back of the iron curtain.

A hunt for Communists within this country is overlooking Russia's actual spying setup. To the average person in the United States, a spy is a secret agent, hiding in some key spot, seeking gems of information valuable to an enemy. While attention in United States is focused on the search for supersecret Russian agents of that type, Russia is getting a constant flow of highly valuable information from the United States, without any check.

The spy business, as explained by intelligence experts, is 95 to 99 percent brain and leg work, while 5 percent or less consists of snooping for deep-dyed secrets with cloak-and-dagger methods. For Russia, spies and intelligence workers operate freely, out in the open, gathering information that enables them to size up United States strength and United States intentions with precision.

Piles of facts and figures about this country are easily assembled by the Russians. They have no trouble in obtaining vast amounts of data that in Russia would be labeled as the deepest of secrets.

No such opportunity is available to United States spies in Russia and the satellite countries. Their every move is restricted. Facts and figures are published by the Russians in garbled form. Secrecy surrounds the thinking, movements, decisions of every important Soviet official. To Soviet leaders a spy is anybody who can learn anything about Russia that might help an outsider to appraise Soviet strength. What Russian spies in the United States can learn with exactness American spies are able only to guess at in Russia.

Russians in the United States get almost all the information they want without working under cover and without difficulty.

Just to show how Russia obtains facts about what goes on in the United States:

Tass Telegraph Agency, official Soviet news-gathering organization in the United States, is represented at every press conference of President Truman. Usually Mikhail Fedorov, a Russian, who heads the Washington bureau of Tass, is the one who attends. Either he or one of the four American employees of Tass attends the press conferences of Secretary of Defense Louis Johnson. Tass reporters cover press conferences held by Secretary of State Dean Acheson, by members of the Atomic Energy Commission, and by many other Government officials.

As accredited correspondents, the reporters for Tass can eat in a State Department dining room where United States newspapermen and diplomats meet. They have access to Governments hand-outs and reports and the printed transcripts of congressional committee hearings, including the hearings of those committees that deal with defense.

The same privileges are extended to the representatives of Russia's news service as to any other foreign newspapermen in the United States.

Under United States laws, the Tass reporters and Soviet diplomats can travel freely over the country, if they want to travel. Actually, however, under instructions from their home Government, they spend most of their time in Washington or New York, where the information they want can be had in published form.

Photographs and maps: The Russians are able to buy, from Government agencies or private sources, aerial photographs covering almost every part of the United States. These photographs show rivers, lakes, bridges, cities, towns, farms, factories, dams, public buildings, even houses and streets, in the greatest detail. Only restricted military areas are withheld.

Besides these, the Russians can easily obtain Coast and Geodetic Survey maps, contour maps, weather maps. They can collect economic reports and journals, corporation statements, statistical data of many

kinds. From one report on industrial mobilization, they can learn what factories are making arms for the Government, where those factories are located, and what is being turned out—the caliber of guns produced, the amount of money put into each plant, the condition of the machinery.

Keeping close watch on United States newspapers and magazines, the Russians can collect much information that is useful to their government. They can size up President Truman and his aides at close range, follow the public-opinion polls, listen to the debates in Congress, appraise what the columnists say, make notes on the conjecture and gossip that float through Washington.

Altogether, Russia has more than 600 people legally in the United States—most of them connected with the Soviet Embassy, Tass, the United Nations, or the trading agency, Amtorg. Many of these people are pouring material by mail, wire, and radio back to Moscow, where it is analyzed and interpreted.

Only to obtain the most highly secret details about United States weapons, fortifications, and strategy do the Russians need secret agents. Most of what they want to know about the United States is out in the open.

Russians in the United States simply buy up bundles of material, probably covering most of the 36,000 informational documents printed each year by Federal Government units, and send the whole lot to Moscow for analysis. Available material includes United States congressional hearings on defense and statistical information on trade, industry, labor, and countless other subjects useful to a rival power.

Americans in Russia, by contrast, find that nearly everything is considered a military secret there. Every foreign newspaper reporter and every foreign businessman back of the iron curtain is looked upon as a spy by the Russians. Military attachés at the embassies in Moscow also are regarded as spies, though their open and above-board spying is an accepted part of diplomacy in most of the capitals of the world.

To prevent foreign residents from learning what goes on, the Russian Government places many obstacles in their way. From Moscow, a foreigner can travel freely only in a restricted zone extending 30 or 40 miles. A permit for a vacation trip to the Crimea is not hard to obtain, but visits to other points are seldom allowed.

Russians are forbidden to talk with foreigners any more than is necessary. To disclose economic information is a crime. Until recently, Russian newspapers and magazines were a fertile source of information for Americans in Moscow, and copies could be shipped back to the United States. But publications originating in centers away from Moscow are no longer available. Americans were told, when subscriptions to those publications expired, that they could not be renewed.

A gauntlet of censorship must be run by foreign correspondents in Moscow before their news stories can be cabled to the United States. Important facts are often deleted. Besides, correspondents must rely largely on official releases. Statistics on production are published, but usually as percentages of some previous base—and the base often shifts. High officials of the Russian Government, such as Premier Joseph Stalin, Deputy Premier V. M. Molotov, and Foreign Minister Andrei Vishinsky, are almost never available for questioning in person.

Only 116 United States citizens now are in Russia, and the number tends to grow smaller, rather than larger, as the Russians erect ever higher barriers.

With conditions made so difficult for Americans working in the open in Russia, this country is forced to rely largely on other sources, in order to know what is happening there. Some facts are available in the satellite countries, but there, too, the number of Americans is steadily being reduced. Other facts are extracted from the interior of Russia, despite Soviet vigilance, by means that cannot be disclosed. Also, Russian refugees slipping through the iron curtain are questioned.

At best, however, the United States runs into far more trouble in learning about Russia than Russia encounters in learning about the United States.

Vulnerability of this country to Russian spying is largely the result of a democratic form of government. Shutting off information to Russia would involve shutting off information to the American people as well. Russia, fast becoming a hermit nation, is able to use strong methods in preventing contact with foreigners. But this the United States cannot do, without running the risk of turning herself into a hermit nation, dictator ruled.

EXTENSION OF REMARKS

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in three instances.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD and include a chart.

Mr. BEALL (at the request of Mr. STEFAN) was given permission to extend his remarks in the RECORD and include a speech.

Mr. STEFAN asked and was given permission to revise and extend the remarks he made in Committee of the Whole on the chapter of the appropriation bill making appropriations for the Departments of State, Justice, Commerce, and the Federal Judiciary, and include certain excerpts from the hearings.

Mr. MULTER asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and include extraneous matter.

Mr. DONOHUE asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. FLOOD asked and was given permission to extend his remarks in the RECORD and include an article.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the Appendix of the RECORD and include a letter from a National Association of Letter Carriers.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEOGH (at the request of Mr. HART), for 2 weeks, on account of official business, conducting hearings for committee.

To Mr. GARMATZ, for Friday, April 21, on account of official business.

SENATE BILLS AND RESOLUTIONS REFERRED

Bills, a joint resolution, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 118. An act for the relief of Clemente Sabin Dopico; to the Committee on the Judiciary.

S. 274. An act for the relief of Constantin E. Aramescu; to the Committee on the Judiciary.

S. 290. An act for the relief of Maria Franzia; to the Committee on the Judiciary.

S. 298. An act for the relief of John Rowland; to the Committee on the Judiciary.

S. 304. An act for the relief of Salomon Henri Laifer; to the Committee on the Judiciary.

S. 356. An act for the relief of Hugo Geiger; to the Committee on the Judiciary.

S. 381. An act for the relief of Low Way Hong; to the Committee on the Judiciary.

S. 395. An act for the relief of Dorothea Singer; to the Committee on the Judiciary.

S. 404. An act for the relief of Emma L. Jackson; to the Committee on the Judiciary.

S. 451. An act to amend the Civil Aeronautics Act of 1938, as amended, by providing for certain penalties for unlawful use of examination papers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 456. An act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia; to the Committee on Interstate and Foreign Commerce.

S. 469. An act for the relief of Cathryn A. Glesener; to the Committee on the Judiciary.

S. 503. An act for the relief of Solly Manasse; to the Committee on the Judiciary.

S. 587. An act for the relief of Sister Stefania Cuprys; to the Committee on the Judiciary.

S. 615. An act for the relief of James Greenwood; to the Committee on the Judiciary.

S. 764. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.; to the Committee on the Judiciary.

S. 765. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust; to the Committee on the Judiciary.

S. 766. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.; to the Committee on the Judiciary.

S. 861. An act for the relief of Chen-Kya Hahn; to the Committee on the Judiciary.

S. 915. An act for the relief of Mrs. Johanna Dagnall; to the Committee on the Judiciary.

S. 977. An act for the relief of Jacques Yedid, Henriette Yedid, and Ethel Danielle Yedid; to the Committee on the Judiciary.

S. 1051. An act for the relief of Paul Joseph Splingaerd, his wife, and two children; to the Committee on the Judiciary.

S. 1143. An act for the relief of Vit Komarek; to the Committee on the Judiciary.

S. 1169. An act for the relief of Christina Shalfeiff; to the Committee on the Judiciary.

S. 1261. An act for the relief of Marie Louise Ardans; to the Committee on the Judiciary.

S. 1262. An act for the relief of Juliana Mendiola Alastra; to the Committee on the Judiciary.

S. 1419. An act for the relief of Wilhemus Johannes Marie Van Der Kooy; to the Committee on the Judiciary.

S. 1452. An act for the relief of Dr. Juan A. Queralt Balleste; to the Committee on the Judiciary.

S. 1484. An act for the relief of Augustino Marlia; to the Committee on the Judiciary.

S. 1491. An act for the relief of Rudolf Meinhard and Irene Hallinger; to the Committee on the Judiciary.

S. 1506. An act for the relief of Andre Lan; to the Committee on the Judiciary.

S. 1510. An act for the relief of James I. Bartley; to the Committee on the Judiciary.

S. 1524. An act for the relief of Edith Scheiber; to the Committee on the Judiciary.

S. 1551. An act for the relief of Jose Augusto Pereira; to the Committee on the Judiciary.

S. 1561. An act for the relief of Anton Bos; to the Committee on the Judiciary.

S. 1572. An act for the relief of Mary Laszlo and her son, Ervin Laszlo; to the Committee on the Judiciary.

S. 1573. An act for the relief of Anastacia Roshani; to the Committee on the Judiciary.

S. 1637. An act for the relief of Marie Henriette de Bruyn; to the Committee on the Judiciary.

S. 1672. An act for the relief of Efrosini Abad; to the Committee on the Judiciary.

S. 1693. An act for the relief of Karin Margareta Hellen and Olof Christer Hellen; to the Committee on the Judiciary.

S. 1719. An act to amend section 3 of the act of Congress approved June 28, 1906, relating to the Osage Indians of Oklahoma; to the Committee on Public Lands.

S. 1753. An act for the relief of Zora Krizan, also known as Zorardo Krizanova; to the Committee on the Judiciary.

S. 1798. An act for the relief of Mrs. Minda Moore; to the Committee on the Judiciary.

S. 1802. An act for the relief of Anastasios Kollias; to the Committee on the Judiciary.

S. 1838. An act to amend title 28 of the United States Code relating to fees of United States marshals; to the Committee on the Judiciary.

S. 1856. An act for the relief of Sisters Maria Rita Rossi, Maria Domenica Paone, Rachele Orlando, Assunta Roselli, Rosa Innocenti, and Maria Mancinelli; to the Committee on the Judiciary.

S. 1869. An act for the relief of Marcantonio Doria d'Angri and his wife, Sonia Stampa Doria d'Angri; to the Committee on the Judiciary.

S. 1929. An act for the relief of Anna Samudovsky; to the Committee on the Judiciary.

S. 1959. An act to commemorate Jim White and his contribution to the early history of Carlsbad Caverns, in the State of New Mexico, and for other purposes; to the Committee on Public Lands.

S. 2013. An act for the relief of Victor Alexandrovitch Martinuk; to the Committee on the Judiciary.

S. 2040. An act for the relief of Adele De Paoli; to the Committee on the Judiciary.

S. 2053. An act for the relief of Vivienne Joy Wilson and minor daughter, Mary Ann Vaughn; to the Committee on the Judiciary.

S. 2071. An act for the relief of Mrs. Alice Willmarth; to the Committee on the Judiciary.

S. 2079. An act for the relief of Mrs. Lydia L. Smith; to the Committee on the Judiciary.

S. 2107. An act for the relief of Georges Gregory Alpiar; to the Committee on the Judiciary.

S. 2108. An act for the relief of Vespa de Chellis; to the Committee on the Judiciary.

S. 2117. An act to provide for the designation of the reservoir to be formed by the Davis Dam on the Colorado River as Lake Mojave; to the Committee on Public Lands.

S. 2156. An act for the relief of Sister Edeltrudis Clara Weskamp; to the Committee on the Judiciary.

S. 2175. An act for the relief of Eivind Hognestad; to the Committee on the Judiciary.

S. 2176. An act for the relief of Dr. Bei Tse Chao and his wife, May Chao; to the Committee on the Judiciary.

S. 2209. An act to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia; to the Committee on Armed Services.

S. 2210. An act to amend the act entitled "An act to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the corps of cadets at authorized strength," approved June 3, 1942 (56 Stat. 306); to the Committee on Armed Services.

S. 2232. An act for the relief of Peter Heyden; to the Committee on the Judiciary.

S. 2243. An act for the relief of Tevfik Kamil Kutay; to the Committee on the Judiciary.

S. 2257. An act for the relief of Hyman Winterman; to the Committee on the Judiciary.

S. 2258. An act for the relief of Dr. Apostolos A. Kartsonis; to the Committee on the Judiciary.

S. 2265. An act for the relief of Marina George Papadopulous; to the Committee on the Judiciary.

S. 2274. An act to provide for the addition of certain lands to El Morro National Monument, in the State of New Mexico, and for other purposes; to the Committee on Public Lands.

S. 2277. An act for the relief of George A. Voregarethsos (George Spiro Chatmos); to the Committee on the Judiciary.

S. 2308. An act for the relief of William Alfred Bevan; to the Committee on the Judiciary.

S. 2309. An act for the relief of Oscar (Oszkar) Nemenyi, Marianna Nemenyi (wife), and Thomas John Nemenyi (son); to the Committee on the Judiciary.

S. 2335. An act to make certain revisions in titles I and III of the Officer Personnel Act of 1947, as amended; to the Committee on Armed Services.

S. 2338. An act for the relief of J. M. Arthur; to the Committee on the Judiciary.

S. 2393. An act for the relief of Martin Albrecht; to the Committee on the Judiciary.

S. 2427. An act for the relief of Masae Marumoto; to the Committee on the Judiciary.

S. 2431. An act for the relief of Sumiko Kato; to the Committee on the Judiciary.

S. 2443. An act for the relief of Mrs. Georgette Ponsard; to the Committee on the Judiciary.

S. 2479. An act for the relief of A. D. Strenger and his wife Claire Strenger; to the Committee on the Judiciary.

S. 2511. An act for the relief of Dr. John R. Portaria; to the Committee on the Judiciary.

S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act; to the Committee on the Judiciary.

S. 2556. An act for the relief of Mrs. Billy J. Knight and Dorothea Knight; to the Committee on the Judiciary.

S. 2568. An act for the relief of Carmen E. Lyon; to the Committee on the Judiciary.

S. 2611. An act for the relief of Roland Roger Alfred Boccia, also known as Roland Barbera; to the Committee on the Judiciary.

S. 2629. An act for the relief of Marianne Bruchner; to the Committee on the Judiciary.

S. 2646. An act for the relief of the Articaire Refrigeration Co.; to the Committee on the Judiciary.

S. 2655. An act for the relief of Mrs. Evelyn M. Hryniak; to the Committee on the Judiciary.

S. 2714. An act for the relief of Thomas Pfeiffer; to the Committee on the Judiciary.

S. 2724. An act to amend the Armed Forces Leave Act of 1946, as amended, and for other purposes; to the Committee on Armed Services.

S. 2807. An act for the relief of Sgt. Blaine W. Hughes; to the Committee on the Judiciary.

S. 2811. An act to amend section 1462 of title 18 of the United States Code, with respect to the importation of obscene matters; to the Committee on the Judiciary.

S. 2812. An act to prohibit the transportation of obscene matters in interstate or foreign commerce; to the Committee on the Judiciary.

S. 2859. An act to authorize the Secretary of Defense and the Secretaries of the military departments to provide for the promotion and maintenance of civilian recreation programs; to the Committee on Armed Services.

S. 2860. An act to authorize payment for the transportation of household effects of certain naval personnel; to the Committee on Armed Services.

S. 2864. An act to authorize certain administrative expenses for the Department of Justice, and for other purposes; to the Committee on the Judiciary.

S. 2872. An act to amend the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

S. 2934. An act for the relief of Julius Elzas; to the Committee on the Judiciary.

S. 2969. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Commerce; to the Committee on Expenditures in the Executive Departments.

S. 2990. An act for the relief of Amy Louisa Shier; to the Committee on the Judiciary.

S. 3012. An act for the relief of Mrs. Osa J. Petty; to the Committee on the Judiciary.

S. 3090. An act for the relief of Lt. (jg) Charles W. Ireland, Supply Corps, United States Navy, and for other purposes; to the Committee on the Judiciary.

S. 3093. An act to amend section 82 of the Hawaiian Organic Act relating to the Supreme Court of the Territory of Hawaii and temporary vacancies therein; to the Committee on Public Lands.

S. 3105. An act to amend section 10 of the Federal Reserve Act, and for other purposes; to the Committee on Banking and Currency.

S. 3117. An act to amend the act entitled "An act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels," approved May 23, 1930, as amended (39 U. S. C. 246c); to the Committee on Post Office and Civil Service.

S. 3118. An act relating to the forwarding and return of second-, third-, and fourth-class mail, the collection of postage due at the time of delivery, and for other purposes; to the Committee on Post Office and Civil Service.

S. 3122. An act to authorize the Secretary of the Navy to convey to the Goodyear Aircraft Corp., Akron, Ohio, an easement for sewer purposes in, over, and across certain Government-owned lands situated in Maricopa County, Ariz.; to the Committee on Armed Services.

S. 3163. An act for the relief of Mrs. Honora Redman; to the Committee on the Judiciary.

S. 3226. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of the Interior; to the Committee on Expenditures in the Executive Departments.

S. 3255. An act to amend section 415 of the Career Compensation Act of 1949, to extend the effective date of that section to December 31, 1950, and for other purposes; to the Committee on Armed Services.

S. 3357. An act to prohibit transportation of gambling devices in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

S. 3377. An act to amend the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

S. 3396. An act authorizing the Secretary of the Army to convey to the State of Kentucky title to certain lands situated in Hardin and Jefferson Counties, Ky.; to the Committee on Armed Services.

S. J. Res. 138. Joint resolution requesting the President to issue a proclamation designating May 30, Memorial Day, as a day for a Nation-wide prayer for peace; to the Committee on the Judiciary.

S. Con. Res. 64. Concurrent resolution requesting burial in Arlington National Cemetery of the last surviving member of the Grand Army of the Republic upon his death; to the Committee on Public Lands.

S. Con. Res. 73. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 75. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 76. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

S. Con. Res. 78. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 33. An act to authorize Joe Graham Post, No. 119, American Legion, upon certain conditions, to lease the lands conveyed to it by the act of June 15, 1933;

H. R. 633. An act for the relief of Mrs. Victor V. Greg;

H. R. 715. An act for the relief of Manuel Uribe;

H. R. 1481. An act for the relief of the estate of Julius Zaffareni;

H. R. 1487. An act for the relief of Lt. (sg) Giacomo Falco;

H. R. 1600. An act for the relief of Gustav Schilbred;

H. R. 1699. An act for the relief of the estate of William Kraus;

H. R. 1726. An act to authorize the Secretary of the Interior to convey to the city of Hot Springs, Ark., a perpetual easement for the construction and operation of a water-main pipe line;

H. R. 1871. An act for the relief of Hilde Flint;

H. R. 2554. An act to amend the District of Columbia Credit Union Act of 1932;

H. R. 2591. An act for the relief of Giovanna Parisi, Michelina Valletta, Yolanda Altieri, Generosa Tamburi, Carolina Picciano, and Giovanna Turtur;

H. R. 3010. An act for the relief of Walter E. Parks;

H. R. 3138. An act for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased;

H. R. 3150. An act to revise and repeal certain acts relating to rules of survey to permit departures from the system of rectangular survey when necessary on all public lands, and for other purposes;

H. R. 3205. An act to provide an extension of the time for making application for terminal-leave pay;

H. R. 3306. An act for the relief of Antonio Rojas Velez;

H. R. 3309. An act for the relief of the estate of Ovidio Vazquez;

H. R. 3315. An act for the relief of Alejo Padilla;

H. R. 3319. An act for the relief of Juana Pagán;

H. R. 3462. An act for the relief of Walter J. O'Toole;

H. R. 3769. An act for the relief of Doris M. Faulkner;

H. R. 3771. An act for the relief of Mrs. Marie Gulbenkian;

H. R. 3924. An act for the relief of Dr. T. F. Harrison;

H. R. 4070. An act to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah;

H. R. 4229. An act to amend section 17 of the District of Columbia Alcoholic Beverage Control Act;

H. R. 4285. An act to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II;

H. R. 4289. An act to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes;

H. R. 4316. An act to repeal the authority to assess certain owners of nonmilitary buildings situated within the limits of the Fort Monroe Military Reservation, and for other purposes;

H. R. 4342. An act for the relief of J. R. Holden, R. C. Biggadike, and John Hoffman;

H. R. 4380. An act for the relief of Mrs. Agnes Emma Hay;

H. R. 4408. An act to amend the act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty;

H. R. 4411. An act for the relief of Mrs. Elizabeth Mary C. Mangle;

H. R. 4502. An act to authorize the Secretary of the Army to dispose of a certain easement near Fort Belvoir, Va., in exchange for another easement elsewhere on the same property;

H. R. 4959. An act to reimburse the Fisher Contracting Co.;

H. R. 5276. An act for the relief of Mrs. Julia (Iole) Mr. Stefani Lencioni;

H. R. 5341. An act for the relief of Joseph W. Greer;

H. R. 5361. An act for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy;

H. R. 5503. An act to authorize the Secretary of the Air Force to release and quitclaim a portion of a right-of-way easement to Langley Air Force Base, Va.;

H. R. 5704. An act for the relief of Janis Shimada;

H. R. 5753. An act for the relief of Jean Clark;

H. R. 5921. An act to terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force;

H. R. 5951. An act to amend section 3 of the Travel Expense Act of 1949;

H. R. 6003. An act for the relief of Beulah L. White, widow of John E. White;

H. R. 6093. An act for the relief of Masami Hiroya and Aiko Hiroya;

H. R. 6282. An act for the relief of Mrs. Elinor Anne-Britt Jedlund;

H. R. 6283. An act for the relief of Johny Nielsen;

H. R. 6345. An act for the relief of Mrs. Raymond Schaffer, Jr.;

H. R. 6475. An act to amend the Postal Rate Revision and Federal Employees Salary Act of 1948 to provide for the consideration of claims for the payment of certain postal notes filed later than 1 year from the last day of the month of issue;

H. R. 6539. An act to amend Public Law 626, Eightieth Congress, relating to the Army Institute of Pathology Building;

H. R. 6694. An act for the relief of Ervin Hass and Leno Vescovi;

H. R. 6695. An act for the relief of Edgar F. Russell; Lillian V. Russell, his wife; and Bessie R. Ward;

H. R. 6696. An act for the relief of Lawrence B. Williams and his wife, Viva Craig Williams;

H. R. 6825. An act to extend the time limits for the award of certain decorations, and for other purposes; and

H. J. Res. 454. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Friday, April 21, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1388. A communication from the President of the United States, transmitting an estimate of appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $8,627,922.79, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. No. 564); to the Committee on Appropriations and ordered to be printed.

1389. A letter from the Administrator, Philippine Alien Property Administration of the United States, transmitting a draft of legislation entitled "A bill to amend the Philippine Property Act of 1946"; to the Committee on Foreign Affairs.

1390. A letter from the Chairman, United States Motor Carrier Claims Commission, transmitting the first report of the progress of the Commission, covering the period from September 19, 1949, to April 12, 1950 (pursuant to the Motor Carrier Claims Commission Act of 1948; as amended); to the Committee on the Judiciary.

1391. A letter from the Assistant Secretary of the Navy, transmitting a report of the proposed transfer to the Boston Council of Girl Scouts, Inc., Boston, Mass., of one 26-foot motor whaleboat with engine, or craft of similar type, for use in operation of an island camp, pursuant to section 1 of the act of August 7, 1946, chapter 804 (60 Stat. 897); to the Committee on Armed Services.

1392. A letter from the Comptroller General of the United States, transmitting a report on the audit of Veterans Canteen Service for the fiscal year ended June 30, 1949, pursuant to section 7 of the act of August 7, 1946 (38 U. S. C. 13f) (H. Doc. No. 565); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1393. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

1394. A letter from the Acting Secretary of Commerce, transmitting certifications by the Administrator of Civil Aeronautics of the cost of rehabilitation and repair of damages caused by Federal agencies at certain public airports, pursuant to section 17 (b) of the Federal Airport Act, as amended; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 7888. A

bill to amend the Classification Act of 1949 to make it inapplicable to postal employees of the Panama Canal; without amendment (Rept. No. 1929). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 7889. A bill to postpone the application of the Classification Act of 1949 to certain employees of the Selective Service System; without amendment (Rept. No. 1930). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. H. R. 7662. A bill to amend the act entitled "An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes," approved December 20, 1944; without amendment (Rept. No. 1931). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. H. R. 6354. A bill to authorize the Board of Commissioners of the District of Columbia to establish daylight saving time in the District; with amendment (Rept. No. 1932). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. H. R. 702. A bill for the relief of Mrs. Ethel N. Plunkett; with amendment (Rept. No. 1917). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 2464. A bill for the relief of Charlie Sylvester Correll; with amendment (Rept. No. 1918). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 3305. A bill for the relief of the estate of José Salgado Santos; without amendment (Rept. No. 1919). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 3675. A bill for the relief of Erik H. Lindman; without amendment (Rept. No. 1920). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6489. A bill for the relief of the United Transformer Corp.; with amendment (Rept. No. 1921). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 6053. A bill for the relief of Continental Insurance Co., Federal Insurance Co., and National Fire Insurance Co., of Hartford, Conn.; without amendment (Rept. No. 1922). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H.R. 5639. A bill for the relief of Ivan E. Townsend; without amendment (Rept. No. 1923). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 5150. A bill for the relief of Ira D. Doyal and Clyde Doyal; with amendment (Rept. No. 1924). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 4628. A bill for the relief of John G. Essenberg; with amendment (Rept. No. 1925). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4371. A bill for the relief of Shiro Takemura; without amendment (Rept. No. 1926). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 4163. A bill for the relief of Mr. and Mrs. C. S. Walker; with amendment (Rept. No. 1927). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 3994. A bill for the relief of John D. Lange; with amendment (Rept. No. 1928). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McGUIRE:

H. R. 8126. A bill to amend the Civil Aeronautics Act of 1938, as amended, to require the owners of civil aircraft to be financially responsible for damages arising out of the operation of such aircraft; to the Committee on Interstate and Foreign Commerce.

By Mr. BURDICK:

H. R. 8127. A bill to authorize an appropriation for the construction of a water and sewage-disposal system for the village of Sanish, N. Dak., or the joint new town site of the combined villages of Sanish and Van Hook, N. Dak.; to the Committee on Public Works.

By Mr. PHILLIPS of California:

H. R. 8128. A bill to grant to persons serving under the command of Gen. Emilio Aguinaldo in the campaign against the city of Manila, P. I., the right to wear the Spanish Campaign Ribbon and Badge; to the Committee on Armed Services.

By Mr. RANKIN:

H. R. 8129. A bill to extend rural mail delivery service; to the Committee on Post Office and Civil Service.

By Mr. WHITE of California:

H. R. 8130. A bill to provide that United States funds shall not be used to furnish assistance to foreign employers paying wages lower in terms of purchasing power of food and clothing than those paid in the United States by similar industries; to the Committee on Education and Labor.

By Mr. GRANAHAN:

H. J. Res. 456. Joint resolution designating the third Sunday in June of each year as Father's Day; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. Con. Res. 194. Concurrent resolution to direct the Veterans' Administration to take over from the Department of Defense the Valley Forge Hospital and operate it as a facility for the care and treatment of disabled veterans; to the Committee on Veterans' Affairs.

By Mr. SAYLOR:

H. Con. Res. 195. Concurrent resolution to provide for the acceptance and utilization of Valley Forge Hospital, Valley Forge, Pa., by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. BRYSON:

H. Res. 546. Resolution disapproving Reorganization Plan No. 5; to the Committee on Expenditures in the Executive Departments.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maryland, memorializing the President and the Congress of the United States to support and expedite S. 2786, which is designed to provide direct assistance to the American shipping industry to bring the Nation's merchant marine to a point to properly uphold America's foreign trade and to maintain America's merchant marine at a sensible point of preparedness in event of a national emergency; to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 8131. A bill for the relief of certain individuals who rendered overtime services in the Atlanta finance office, United States Army, in 1942; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 8132. A bill for the relief of Vaino Hakanaki; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 8133. A bill to provide for the release and termination of certain royalty-free licenses granted to the Government by private holders of patents; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. R. 8134. A bill for the relief of Elona Schwietza; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 8135. A bill for the relief of Pasquale Bommarito; to the Committee on the Judiciary.

By Mr. MITCHELL:

H. R. 8136. A bill for the relief of Joseph Umberto Montalban-Troy; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2075. By Mr. MARTIN of Massachusetts: Memorial of the General Court of Massachusetts, opposing further tariff reductions on imports of waterproof and canvas footwear; to the Committee on Ways and Means.

2076. By Mr. SMITH of Wisconsin: Resolution of the North End Club, of Beloit, Wis., going on record against Government control of health services which would jeopardize free enterprise, establish heavy new tax burdens and unprecedented national deficits, and infringe upon the powers of the individual States; to the Committee on Interstate and Foreign Commerce.

2077. By the SPEAKER: Petition of Jeannette Kellogg and others, St. Cloud, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

FRIDAY, APRIL 21, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Edward H. Pruden, D. D., pastor, First Baptist Church, Washington, D. C., offered the following prayer:

Our God and Father, we thank Thee today not only for those experiences in life which bring joy and comfort, but also for the difficult and painful experiences as well through which we discover our human frailties and our absolute dependence upon Thee. We are grateful that Thou hast put us in significant and influential places, and we pray for

all needed wisdom with which to make the most of those opportunities which Thou hast given us.

Bless these, Thy servants, as they begin this day's activities, and continue to lead us as a nation in the establishment of peace and brotherhood throughout all the earth. Through Jesus Christ, our Lord. Amen.

THE JOURNAL—CORRECTION OF THE RECORD—NOMINATION OF DILLON S. MYER

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the reading of the Journal be dispensed with.

Mr. WHERRY. Mr. President, I shall not oppose dispensing with the reading of the Journal, but I desire to point out that in the CONGRESSIONAL RECORD of yesterday on page 5526 there appears, through an error no doubt, the statement that the nomination of Dillon S. Myer, of Ohio, to be Commissioner of Indian Affairs was confirmed. As a matter of fact, that nomination was passed over and not confirmed.

The VICE PRESIDENT. The Chair will state to the Senator that the RECORD itself has nothing to do with the Journal.

Mr. WHERRY. I understand that, but at the time the request was made to dispense with the reading of the Journal I merely wanted to ask that the RECORD where it recounts the confirmation of the nomination of Mr. Myer be corrected to show that the nomination was passed over and will be brought up for confirmation at a later time.

The VICE PRESIDENT. The RECORD will be corrected accordingly, and, without objection, the reading of the Journal is dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 33. An act to authorize Joe Graham Post, No. 119, American Legion, upon certain conditions, to lease the lands conveyed to it by the act of June 15, 1933;

H. R. 633. An act for the relief of Mrs. Victor V. Greg;

H. R. 1600. An act for the relief of Gustav Schilbred;

H. R. 1699. An act for the relief of the estate of William Kraus;

H. R. 1726. An act to authorize the Secretary of the Interior to convey to the city of Hot Springs, Ark., a perpetual easement for the construction and operation of a water-main pipe line;

H. R. 1871. An act for the relief of Hilde Flint;

H. R. 2591. An act for the relief of Giovanna Parisi, Michelina Valletta, Yolanda Altieri, Generosa Tamburi, Carolina Picciano, and Giovanna Turtur;

H. R. 3010. An act for the relief of Walter E. Parks;

H. R. 3138. An act for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased;

H. R. 3150. An act to revise and repeal certain acts relating to rules of survey to permit departures from the system of rectangular survey when necessary on all public lands, and for other purposes;

H. R. 3205. An act to provide an extension of the time for making application for terminal-leave pay;

H. R 3309. An act for the relief of the estate of Ovidio Vazquez;

H. R. 3319. An act for the relief of Juana Pagan;

H. R. 3462. An act for the relief of Walter J. O'Toole;

H. R. 3771. An act for the relief of Mrs. Marie Gulbenkian;

H. R. 4229. An act to amend section 17 of the District of Columbia Alcoholic Beverage Control Act;

H. R. 4316. An act to repeal the authority to assess certain owners of nonmilitary buildings situated within the limits of the Fort Monroe Military Reservation, and for other purposes;

H. R. 4342. An act for the relief of J. R. Holden, R. C. Biggadike, and John Hoffman;

H. R. 4408. An act to amend the act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force, and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of Metropolitan Police force as to time off from duty;

H. R. 4411. An act for the relief of Mrs. Elizabeth Mary C. Mangle;

H. R. 4502. An act to authorize the Secretary of the Army to dispose of a certain easement near Fort Belvoir, Va., in exchange for another easement elsewhere on the same property;

H. R. 4959. An act to reimburse the Fisher Contracting Co.;

H. R. 5276. An act for the relief of Mrs. Julia (Iole) M. Stefani Lencioni;

H. R. 5341. An act for the relief of Joseph W. Greer;

H. R. 5361. An act for the relief of Charles G. McCormack, captain, Medical Corps, United States Navy;

H. R. 5503. An act to authorize the Secretary of the Air Force to release and quitclaim a portion of a right-of-way easement to Langley Air Force Base, Va.;

H. R. 5704. An act for the relief of Janis Shimada;

H. R. 6003. An act for the relief of Beulah L. White, widow of John E. White;

H. R. 6283. An act for the relief of Johny Nielsen;

H. R. 6345. An act for the relief of Mrs. Raymond Schaffer, Jr.;

H. R. 6539. An act to amend Public Law 620, Eightieth Congress, relating to the Army Institute of Pathology Building;

H. R. 6694. An act for the relief of Ervin Haas and Leno Vescovi;

H. R. 6695. An act for the relief of Edgar F. Russell; Lillian V. Russell, his wife; and Bessie R. Ward;

H. R. 6696. An act for the relief of Lawrence B. Williams and his wife, Viva Craig Williams;

H. R. 6825. An act to extend the time limits for the award of certain decorations, and for other purposes; and

H. J. Res. 454. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. MALONE was excused from attendance on the session of the Senate today.

On his own request, and by unanimous consent, Mr. HICKENLOOPER was excused from attendance on the session of the Senate on Monday, April 24.

CALL OF THE ROLL

Mr. SPARKMAN. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Martin
Anderson	Hoey	Millikin
Brewster	Holland	Morse
Bricker	Humphrey	Mundt
Butler	Hunt	Myers
Byrd	Ives	O'Conor
Capehart	Jenner	Robertson
Chapman	Johnson, Colo.	Saltonstall
Connally	Johnson, Tex.	Schoeppel
Cordon	Kefauver	Smith, Maine
Darby	Kem	Sparkman
Donnell	Knowland	Stennis
Douglas	Langer	Taft
Dworshak	Leahy	Taylor
Eastland	Lehman	Thomas, Okla.
Ecton	Lodge	Thomas, Utah
Ellender	Lucas	Thye
Flanders	McCarran	Tydings
Frear	McCarthy	Watkins
Fulbright	McFarland	Wherry
Gillette	McKellar	Williams
Hayden	McMahon	Withers
Hendrickson	Magnuson	Young

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from North Carolina [Mr. GRAHAM], the Senator from Rhode Island [Mr. GREEN], the Senator from Alabama [Mr. HILL], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. PEPPER], and the Senator from Georgia [Mr. RUSSELL] are absent on public business.

The Senator from Oklahoma [Mr. KERR] is absent on official business.

The Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from Georgia [Mr. GEORGE], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from West Virginia [Mr. KILGORE], and the Senator from Louisiana [Mr. LONG] are absent by leave of the Senate.

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES], the Senator from Washington [Mr. CAIN], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Michigan [Mr. FERGUSON] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from South Dakota [Mr. GURNEY], the Senator from Nevada [Mr. MALONE], the Senator from New Jersey [Mr. SMITH], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

EXTENSION OF RENT CONTROL—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 566)

The VICE PRESIDENT laid before the Senate a message from the President of

the United States, which was read and referred to the Committee on Banking and Currency.

(For President's message, see today's proceedings of the House of Representatives on pp. 5523–5524.)

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Without objection, the Chair will recognize Senators for routine matters without speeches or debate.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF JUSTICE (S. DOC. NO. 163)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriation for the Department of Justice, amounting to $1,577,000, fiscal year 1951, in the form of amendments to the budget for said fiscal year, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the Common Council of the City of Milwaukee relating to Senate bill 2166, providing for reimbursement to purchasers of joint-stock land-bank bonds issued under Federal Farm Loan Authority, which was referred to the Committee on Agriculture and Forestry.

HIRING PRACTICES OF MARITIME UNIONS UNDER TAFT-HARTLEY LAW—RESOLUTION OF LOCAL 116, UNITED AUTO WORKERS, CIO, BROOKLYN, N. Y.

Mr. LEHMAN. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by the Brooklyn (N. Y.) Local 116 of the United Auto Workers of the CIO endorsing legislation to amend the Taft-Hartley Act and legalize the maritime union hiring hall.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare and ordered to be printed in the RECORD, as follows:

Whereas the maritime union hiring hall is the basic foundation and the life center of the maritime unions; and

Whereas the maritime union hiring hall assures seamen employment on a nondiscriminatory basis, distributing available employment equitably, that is, employment is first offered to the seaman who has been without work the longest; and

Whereas the present hiring practices of the maritime unions under the Taft-Hartley law are deemed to be illegal: Therefore be it

Resolved, That we go on record endorsing necessary legislation amending the Taft-Hartley law which will legalize the maritime union hiring practices prevailing in the maritime industry prior to June 15, 1947.

REA LOANS AND ADMINISTRATIVE FUNDS, ETC.—RESOLUTIONS OF DELEGATES OF NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

Mr. HUMPHREY. Mr. President, I present for appropriate reference a set of resolutions adopted by the members of the National Rural Electric Cooperative Association at its eighth annual meeting in Chicago, March 6 to 9. I ask unanimous consent to have the resolutions printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

THE PRESIDENT AND CONGRESS

Be it resolved, That National Rural Electric Cooperative Association does express appreciation to the President of the United States and to those Members of Congress who have, through sound and forward-looking legislation, in the form of loans, made possible the construction of electric-power lines to give service to over 3,000,000 rural homes, and thereby renewed the faith, stimulated the hope, and increased the force of rural America.

REA LOAN AND ADMINISTRATIVE FUNDS

Be it resolved, That the National Rural Electric Cooperative Association urge the Congress to authorize $400,000,000 for loan funds for the rural-electrification program for the fiscal year 1951, as requested by the Bureau of the Budget; and be it further

Resolved, That said association urge the Congress to approve $7,425,000 for administrative purposes for the Rural Electrification Administration for the fiscal year 1951 as requested by the Bureau of the Budget.

FARM-ELECTRIFICATION RESEARCH

Be it resolved, That this association urge the Congress to make available to the Farm Electrification Division of the Agricultural Research Administration the amount of $500,000 for farm-electrification research.

ACQUISITION OF EXISTING FACILITIES

Be it resolved, That this association urge the Congress to amend the Rural Electrification Administration Act to provide for loans for acquisitions, provided the Administrator of the Rural Electrification Administration shall find the following circumstances to exist:

1. That the security of existing loans made by the Administrator shall not be impaired.

2. That the borrower will be benefited, either financially or by improved operating conditions.

3. That the service to the acquired systems will not be impaired.

4. That the existing facilities are so located as to permit effective integration of the system to be acquired.

5. That the sale is voluntary on the part of the seller.

CHANGE IN RURAL ELECTRIFICATION ACT

Be it resolved, That in order to permit the extension of the rural electrification program to the more thinly populated areas of the country and in order to permit our systems to generate and transmit more power where same is found to be advisable, we urge the Congress to authorize the Administrator of the Rural Electrification Administration, in his discretion, to extend the amortization period of REA loans from 35 years to 50 years.

TELEPHONE LOAN AND ADMINISTRATIVE FUNDS

Be it resolved, That NRECA urge the Congress to authorize $50,000,000 for the rural-telephone program for the fiscal year of 1951, as requested by the Bureau of the Budget; and be it further

Resolved, That the Congress be urged to appropriate $2,100,000 for the administration of the rural-telephone program by the Rural Electrification Administration, as requested by the Bureau of the Budget.

LOAN POLICY LIBERALIZATIONS

Whereas there are pending in the Congress certain legislative proposals, among which are H. R. 6782 and S. 2882, which seek to restrict and limit the power and authority of the Administrator of the Rural Electrification Administration to make loans for generation and transmission purposes; and

Whereas it is the opinion of this association that legislation of that type will adversely affect the expansion of the rural-electrification program of the electric cooperatives, as well as jeopardize the existing system and those now under construction, and increase the critical power shortages in all areas of the Nation; and

Whereas the electric cooperatives in various parts of the Nation, being unable to obtain a dependable and adequate source of low-cost power, have found it necessary to obtain loans from REA for these purposes; and

Whereas it has been demonstrated that generation and transmission cooperatives can supply a dependable source of power to be delivered at the load centers of the member cooperatives with improved service to farm members and that generation and transmission cooperatives have secured a reduction in power costs enabling the extension of rural-electric service to more thinly settled areas and thus provided complete area coverage and have eliminated restrictive and prohibitive power-use clauses contained in power contracts of many utilities, thus providing unrestricted power use for members of rural power cooperatives: Now, therefore, be it

Resolved, That this association hereby voices its determined opposition to any limitation or restriction by legislation, such as H. R. 6782 or S. 2882, or otherwise, upon the power and authority of the Administrator of the Rural Electrification Administration to make loans beneficial to eligible borrowers in the development of the rural-electrification program; be it further

Resolved, That Congress is urged to appropriate additional funds for financing of cooperatives, generating plants, and transmission facilities; and that Congress be urged—

(1) to empower the Administrator of REA to liberalize the policy of making loans to REA borrowers for generation and transmission purposes;

(2) to authorize him to make such loans whenever in his judgment they are justified under good business principles; and

(3) that a copy of this resolution be sent to each Member of the Congress.

CO-OP GENERATING RIGHTS

Be it resolved, That we vigorously reaffirm our right to generate and transmit our own electricity and our right to integrate our generation facilities with Federal hydro projects when necessary and feasible in order to obtain the great economies that result therefrom.

In each area where cooperatives have a generating plant the power companies have failed or refused to meet cooperative requirements for an adequate supply of wholesale power at reasonable rates without restrictions, otherwise the plant would not have been financed by REA in the first place. We call the attention of the Congress to the fact that, as of last year, cooperatives were generating only 6 percent of the power used, and that issue raised by the power companies is unwarranted in fact, and that many of the statements which have been made to congressional committees and to the general public through the press are unfounded and designed to mislead.

CO-OP TAXATION

Whereas certain people, led by large corporate interests, including combinations of power companies, have been spreading vicious propaganda against rural power cooperatives, charging the cooperatives with tax dodging and with the socialization of electric industry; and

Whereas the specific proposal of such interests is that patronage refunds or capital credits of cooperatives be subjected to Federal income taxes; and

Whereas said patronage refunds or capital credits of the rural power cooperatives are not profits or income to the cooperative, but are in fact contributions to the capital of the cooperatives; and

Whereas cooperatives are upon the same basis taxwise as partnerships or individually owned businesses, and their members pay incomes taxes on said refunds or credits on the same basis as those paid by the individual, or partners in a partnership; and

Whereas the loans to the rural power cooperatives by the Rural Electrification Administration were made, and the obligations assumed by the cooperatives, upon the basis of their nonprofit character, and that it would be unjust for the Congress to alter or change the tax status of the cooperatives, and impair the ability of the cooperatives to repay said loans: Now, therefore, be it

Resolved, That this association urge the Congress to preserve the present income-tax status of the rural power cooperatives, and the exemption of patronage refunds or capital credits from Federal income tax.

CONDEMNATION OF POWER COMPANY ATTACKS

Whereas representatives of 38 of our generation and transmission cooperatives met in emergency session March 8, 1950, to discuss attempts of commercial power companies to prejudice the members of the joint Agriculture Subcommittee and Interior Subcommittee of the Senate Appropriations Committee and other Members of Congress; and

Whereas the attacks of commercial power companies would destroy the rights of the rural electric cooperatives to generate and transmit electric power and to integrate their facilities with hydro development or commercial power company facilities; and

Whereas representatives of commercial power companies have deliberately attempted, through letters and personal contacts, to misrepresent to Members of Congress the benefits that have already accrued and will continue to accrue through generation and transmission loans; and

Whereas the generation and transmission loans that are being criticized by the commercial power companies were applied for by the farmers and are absolutely essential to the life and continued growth of rural electrification: Now, therefore, be it

Resolved, That we, the more than 4,000 representatives of the rural electric cooperatives and power districts throughout the United States here assembled—and which are now serving more than 3,000,000 farm families—severely condemn the misrepresentations of commercial power companies that are trying to perpetuate their power-supply monopoly; and be it further

Resolved, That copies of this resolution be sent to each Member of the Congress, and that we urge the Members of Congress to support the present generation program, and to be on guard against the malicious and vicious attacks of the power companies on this phase of the rural electrification program—which has the overwhelming support of our 3,000,000 farm families—and further urge their active support of the necessary REA loan funds without restrictions.

DEVELOPMENT OF NATURAL POWER RESOURCES

Whereas the United States, in its numerous great rivers and river basins, is possessed of the assets and resources that will, upon maximum development, retain, enrich our soil, provide navigation in many instances, and retard disastrous floods, provide unlimited recreation for the people of the country and insure adequate electrical power supply to meet the long-range demand of all individuals and industries alike, resulting in such a combination of facilities for progress that America can achieve its highest potential standard of progress and prosperity; and

Whereas it is to the personal interest of all the more than 12,000,000 farm people now served by rural power cooperatives that the development of all of these phases of the river and river basin resources be expedited with emphasis on the pressing need of the power cooperatives for additional dependable, low-cost power sources, without which the rural power cooperatives cannot attain their maximum service; and

Whereas it is recognized that much work has been done, and progress made, in planning the development of this resource by the Department of the Interior, Corps of Engineers, and other assisting agencies in this Government, and progress has been made toward the consummation of some of this planning, which clearly shows the wisdom of the undertaking by the achievements already attained; and

Whereas the projects under plan and which should be planned are so numerous that no attempt should be made to enumerate them here, yet each and all are of the greatest importance to the area of their location and taken in the aggregate of the highest national interest: Therefore be it

Resolved, That we urge the development of all of the country's potential hydroelectric power as rapidly as practicable; and be it further

Resolved, That the Congress of the United States is petitioned to provide funds and loan authorizations for river basin and water power developments, and for the generation of electricity in connection therewith; and be it further

Resolved, That the Congress of the United States is petitioned to provide funds and loan authorization for the construction of transmission lines to distribute the electric power so generated to cooperatives and municipal consumers, at their load centers, and to integrate various generation projects; and be it further

Resolved, That the Congress of the United States is petitioned to provide funds and loan authorizations for the construction of steam and Diesel generating capacity where necessary to firm up hydrogeneration and to improve the efficiency of such generation; and be it further

Resolved, That the Congress of the United States is petitioned to continue the established power policy of the United States, thus providing for development of potential hydropower and the sale and delivery to load centers of the consumer of this power wholesale, over self-liquidating transmission lines—first, to public bodies and cooperatives, and then to private companies in that order—and to the accomplishment of this end, it should provide adequate appropriations for construction and administration.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KNOWLAND:

S. 3456. A bill for the relief of Davis Min Lee; to the Committee on the Judiciary.

By Mr. MARTIN:

S. 3457. A bill for the relief of Mrs. Irene Proios; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3458. A bill for the relief of Lou Hongning; and

S. 3459. A bill for the relief of Carmencita von Plettenberg; to the Committee on the Judiciary.

By Mr. EASTLAND (for himself and Mr. STENNIS):

S. 3460. A bill to authorize the attendance of the United States Marine Band at the sixtieth annual reunion of the Confederate Veterans, to be held in Biloxi, Miss., September 27 through September 29, 1950; to the Committee on Armed Services.

By Mr. CAPEHART:

S. 3461. A bill for the relief of Hideko Tanaka and minor children, Claudia Belle Tanaka and Janet Tanaka; and

S. 3462. A bill for the relief of William E. Koerting; to the Committee on the Judiciary.

By Mr. DONNELL:

S. 3463. A bill to amend the Railway Labor Act, as amended, so as to prevent interference with the movement of interstate commerce, and for other purposes; to the Committee on Labor and Public Welfare.

(Mr. LEHMAN introduced Senate bill 3464, to extend certain provisions of the Housing and Rent Act of 1947, as amended, and for other purposes, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. THOMAS of Utah introduced Senate bill 3465, to provide maximum employment opportunities for handicapped persons through adequate placement, training, employment counseling, medical and educational services, and for other purposes, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. TYDINGS:

S. 3466. A bill to ratify the organization and operations of the Island Trading Co. of Micronesia and to provide for its incorporation; to the Committee on Armed Services.

By Mr. BREWSTER:

S. J. Res. 167. Joint resolution to repeal the enhancement clause of section 902 (a) of the Merchant Marine Act of 1936; to the Committee on Interstate and Foreign Commerce.

(Mr. MORSE introduced Senate Joint Resolution 168, to provide for placing a suitable plaque on the base of the statue of Edward Dickinson Baker in the rotunda of the Capitol, which was referred to the Committee on Rules and Administration, and appears under a separate heading.)

EXTENSION OF RENT CONTROL

Mr. LEHMAN. Mr. President, I send to the desk for appropriate reference a bill to extend Federal rent controls. I also send to the desk a statement which I had hoped to be able to deliver on the floor, explaining the bill and urging its favorable consideration. I ask unanimous consent of the Senate to have the statement printed in the body of the RECORD, together with the text of the bill, and an analysis of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement of the Senator from New York, together with the text of the bill and analysis, will be printed in the RECORD. The Chair hears no objection.

The statement presented by Mr. LEHMAN is as follows:

STATEMENT BY SENATOR LEHMAN ON INTRODUCTION OF RENT CONTROL BILL

On Monday, April 24, the Senate Banking and Currency Committee will begin hearings on Federal rent control. I am today introducing a bill to extend those controls for 2 years. I shall ask the Senate Banking and Currency Committee to consider this bill along with the measure introduced by the distinguished majority leader, the senior Senator from Illinois, and by the able junior Senator from Pennsylvania.

My bill is what might be called a strong rent control bill in the sense that it would apply strict yet flexible controls in the areas where rent control is needed. At the same time it would encourage, by its very strength, the decontrol of areas where rent control is no longer needed. My bill provides a yardstick for the removal of rent controls by action of the Housing Expediter. In areas where there are 10 percent vacancies—which is the generally accepted standard of a normal rental situation—the Housing Expediter may decontrol.

I am impelled to ask for a 2-year extension in order to prevent a repetition of what happened in the Senate some weeks ago when

the fact that the law had been extended for only 1 year led some Members to assert that Federal controls were intended to expire at the end of the fiscal year, and that consequently the Office of the Housing Expediter ought to be liquidated immediately. I believe that Federal rent controls ought to be liquidated as soon as possible, but not until the need for such controls has passed away. That need is still pressing today, and will be for some time in the future. Liquidation ought to be on the basis of the liquidation of the housing shortage and not on the basis of liquidating the agency authorized to deal with the housing shortage.

My bill would continue the authority whereby States may decontrol or may themselves assume control, if the State governments, in their judgment, either believe controls no longer necessary or wish to assume the responsibility for exercising controls, as my own State of New York has recently done.

As a citizen of New York I do not feel that the New York law is as good or as sound a law as it might be. There are too many loopholes in it. Too much is left to administrative discretion. The way is left open, at least, to wholesale rent increases at a future time which, perhaps by coincidence, happens to be after the November elections. There are other inadequacies in that law. But the general idea of passing a State rent-control law is a good one.

This does not, however, in my judgment, minimize or reduce the necessity for enacting a Federal rent-control law. On the contrary, I think the necessity of having a Federal law is enhanced. The Federal law should set the standards and the pattern. The Federal law should provide stand-by rent-control machinery for those States which may assume jurisdiction over rent control and which may wish, at a future time, to decontrol. The machinery for enforcing rent control is expensive. In my own State, the amount appropriated for this purpose was large but is still, I am told, inadequate.

I must also point out that there are pending in the courts at the moment several suits testing the constitutionality of the State rent control law in New York. I shall not, of course, comment on these. But they do show the necessity of having a Federal rent-control law on the statute books. Should the New York law or any State rent-control law be found invalid, chaos and catastrophe would result. The Federal Housing Expediter has taken cognizance of this situation and has issued an announcement declaring that rent control, either Federal or State, would continue to be applied in New York, as long as the authority for rent control remained on the statute books. (The text of the Housing Expediter's announcement of April 20, 1950, follows:)

"Housing Expediter Tighe E. Woods said today that so long as there is a Federal rent-control act, either Federal or State rent control will remain operative in the State of New York until a decision on the validity of the State law is reached by the courts.

"The Housing Expediter made a statement on the matter because of 'uncertainty and anxiety' he said have arisen from the existence of suits contesting the legality of the recently enacted State rent-control law. At the same time he announced receipt of a letter from Gov. Thomas E. Dewey, of New York, advising the Expediter of the action by the New York State Legislature in establishing State rent controls, effective May 1. Public announcement by the Expediter of such State action is required by the present Federal rent law.

"Housing Expediter Woods issued the following statement:

" 'I have received a letter from Thomas E. Dewey, Governor of the State of New York, dated March 31, 1950, which reads as follows:

" ' "Pursuant to paragraph (1) of subdivision (j) of section 204 of the Housing and Rent Act of 1947, as amended, I hereby advise you that the Legislature of the State of New York had adequately provided for the establishment and maintenance of maximum rents and has specifically expressed its intent that State rent control shall be in lieu of Federal rent control with respect to housing accommodations within defense rental areas in such State, and that such State rent control will become effective on May 1, 1950."

" 'I am making this announcement under the Federal rent-control law of 1949, which provides that when the Governor of a State advises the Housing Expediter that the legislature of a State has adequately provided for its own rent controls, or that State rent controls shall take the place of Federal rent controls, he is required to make a public announcement to that effect.

" 'Federal rent control will come to an end in New York State at midnight, April 30, 1950, and State rent controls go into effect immediately thereafter.

" 'However, because widespread publicity has been given to suits now pending in the highest court of the State of New York and in the Federal courts challenging the constitutionality of the State law, I wish to make clear the position of the Office of the Housing Expediter in reference to these suits and some of the questions raised by them.

" 'First, while the validity of the New York State Rent Control Act may properly be challenged in the courts by interested parties, it is not within the province of the Office of the Housing Expediter or the scope of my duty as Housing Expediter to question or challenge the validity of the New York law in court or out. Thus, the Office of the Housing Expediter did not initiate any of these suits and, indeed, has not and will not participate in them except when named as a party or when called upon by the courts.

" 'Secondly, the pendency of these suits attacking the validity of the State act has created considerable uncertainty and anxiety on the part of both landlord and tenant as to whether Federal rent controls will be continued in effect in New York, in the event the State Rent Control Act is found to be invalid.

" 'In my opinion, if the State Rent Control Act is declared a nullity by the courts, Federal rent controls would not have ended at any time in New York State, regardless of this public announcement, because such State act to end Federal control must be effective and could never be deemed to have been effective if declared a nullity. Thus, so long as there is a Federal Rent Control Act, either State or Federal rent control will remain operative in New York State until a decision on the validity of the State law is ultimately reached by the courts.' "

Mr. President, I have no patience with Federal controls or any kind of controls where such controls are not urgently needed. But in areas of concentrated population, where the housing needs of the people have not yet been met by new construction, the Government must protect the people and protect the national economy. We have seen examples of what happens in areas which have been decontrolled, and where rents have shot up most steeply for units renting at the lowest rates. People with the lowest income, who most need rent controls, have been the worst victimized by the removal of rent controls.

My bill would especially protect people in cities of 500,000 or more by making decontrol by State action subject to the positive approval of the people of those cities through referendum or the action of their local governing bodies. Thus the State could decontrol and still leave the large cities, if the cities so desired, under Federal rent control. I believe that this greatly increases the flexibility of rent control, in general, and would encourage States to exercise their option to decontrol.

The law would also be made more flexible by permitting recontrol of any city, county, municipality, or other local area which has been previously decontrolled by Federal action. This is a power which is not now vested in the Housing Expediter. This recontrol would be on the basis of a request by the local entity involved, or on a finding of hardship by the Housing Expediter. The recontrol would be limited to those rental units which are in especially critical supply, those renting for $40 per room or less in large cities, and for $30 per room or less in the other localities. The objective of this provision is to limit the recontrol to nonluxury apartments and rental units.

My bill would roll rents back, in general, to the level of March 1, 1949, although permitting adjustments on the basis of decreased net operating income or on the basis of increased services or improvements in the rental property. My bill would also authorize decreases to be ordered where the property has deteriorated or where increases had been granted or established through misrepresentation.

My bill would also provide sanctions, in the form of treble damages, for violations of the law. I think sanctions are absolutely necessary to make rent control more effective and less subject to evasion than is now the case.

And, finally, the proposed bill would meet one situation which is probably the worst aspect of the present rental picture. That aspect is the difficulty faced by persons with children in finding rental accommodations. It is proposed in this bill that no applicant for unoccupied and controlled housing accommodations shall be denied the right to occupy these accommodations solely on the ground that the applicant has children. Thus, we would strike directly at the natural tendency of landlords who, as long as there are more applicants than there are rental units, bar children from their premises. This is a serious and antisocial factor in our economy. It is a true threat to family life and normal population growth in our metropolitan centers.

There is ample precedent for this latter provision in the present National Housing Act. I hope that this provision along with the other meritorious provisions of the proposed legislation will be adopted not only by the Banking and Currency Committee but by the Senate and the Congress.

Mr. President, this proposed legislation is my contribution to the general consideration which the Senate is giving and will give to the problem of rent control. I have no special patent or pride of authorship in the details of this bill. I am in the process of consulting interested groups and experts in the field. If any improvements or changes need to be made in my bill, and if it can be shown that there are further features which need to be incorporated, I shall urge such changes on the Banking and Currency Committee.

My purpose is to get a good rent-control law, an effective rent-control law. I wish to be perfectly fair to the landlords. If there are any aspects of my bill which are unjust or arbitrary, I hope the committee will hear the arguments which can be made, and I will gladly support constructive improvements.

But I also wish to be fair to the tenants in the housing-shortage areas. They must be protected at all costs. To fail in this would be to expose our already delicately balanced national economy to disruptive influences which would have grave consequences. The whole wage structure of the Nation, for instance, would be endangered, and industrial strife might well result. Our country cannot afford that. The world cannot afford that. I ask that the Banking and Currency Committee give this measure its sympathetic study.

The analysis presented by Mr. LEHMAN is as follows:

A rent control bill, S. 3464, introduced by Senator LEHMAN today has the following features:

1. Extends rent control until June 30, 1952 (2-year extension).

2. Controls housing units completed on or before the date of enactment of the act. Maximum controls for these units, if never before controlled, will be equal to rents on comparable controlled accommodations in the area plus adjustments, giving consideration to increased costs of construction.

3. Establishes rents at March 1, 1949 level (which eliminates fair net operating income increases provided by 1949 act).

4. Rent increases authorized for new services, facilities, modifications and improvements sought by tenant. Individual and general increases in rents may be granted by housing expediter to remove hardship or inequity. In all increases landlord must certify to maintain all services and facilities upon which increase was granted.

5. No rent shall be increased more than 20 percent above March 1, 1949 level except one may in extraordinary circumstances make an exception.

6. Housing Expediter may decrease rents where there is—

(1) A decrease in services or facilities.

(2) Substantial deterioration in quality.

(3) Fraud, coercion or gross inequity.

7. Hearings to be attended by both landlord and tenant will be held in all increase and decrease actions by OHE.

8. Housing Expediter may remove rent control in areas where he finds 10 percent or more vacancies, but within such areas he may retain control over units renting for $20 per room per month or less in units of 3 rooms or more or $25 per room per month in 2 room units or $40 per month for 1 room units.

9. Housing Expediter may recontrol areas removed from Federal rent control by—

(1) Enactment of a State law.

(2) Announcement from a State that rent control is unnecessary.

10. OHE may reestablish controls only for units which immediately prior to decontrol had rents of—

Forty dollars per month (2 rooms or more), ($70 per room in 1 room units) in cities of 500,000 or more.

Thirty dollars per month (2 rooms or more), ($60 per room in 1 room units) in cities of less than 500,000.

11. Prohibits decontrol in cities of 500,000 or more unless local governing body adopts resolution after a public hearing that a rental shortage no longer exists.

12. Directs Housing Expediter to recontrol any city, village or county decontrolled by its governing body when—

(1) Chief executive officer advises that housing shortage exists.

(2) Popular referendum vote or vote of local governing body finds existence of a housing shortage.

13. Provides criminal sanctions for violations.

14. Prohibits eviction of tenants for conversion of unit to commercial use except where no housing shortage exists.

15. Prohibits denial of unoccupied controlled housing accommodations on the ground that applicant has children.

The bill (S. 3464) to extend certain provisions of the Housing and Rent Act of 1947, as amended, and for other purposes, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Housing and Rent Act of 1950."

TITLE I—AMENDMENT TO TITLE I OF HOUSING AND RENT ACT OF 1947, AS AMENDED

SEC. 2. Section 4 (e) of the Housing and Rent Act of 1947, as amended, is amended by striking out "June 30, 1950" and inserting in lieu thereof "June 30, 1952."

TITLE II—MAXIMUM RENTS

SEC. 201. Section 202 (c) of the Housing and Rent Act of 1947, as amended, is amended by amending paragraph (3) thereof to read as follows:

"(3) any housing accommodations (A) the construction of which was completed on or after the effective date of the Housing and Rent Act of 1950, or which are housing accommodations created by a change from a nonhousing to a housing use on or after the effective date of the Housing and Rent Act of 1950, or which are additional housing accommodations created by conversion on or after the effective date of the Housing and Rent Act of 1950: *Provided, however*, That any housing accommodations resulting from any conversion created on or after the effective date of the Housing and Rent Act of 1950 shall continue to be controlled housing accommodations unless the Housing Expediter issues an order decontrolling them, which he shall issue if he finds that the conversion resulted in additional self-contained family units as defined by regulations issued by him: *And provided further*, That contracts for the rental of housing accommodations to veterans of World War II and their immediate families, the construction of which was assisted by allocations or priorities under Public Law 386, Seventy-ninth Congress, approved May 22, 1946, shall remain in full force and effect."

SEC. 202. Section 204 (a) of the Housing and Rent Act of 1947, as amended, is amended by striking out "June 30, 1950" and inserting in lieu thereof "June 30, 1952."

SEC. 203. Section 204 (b) of the Housing and Rent Act of 1947, as amended, is amended by amending paragraph (1) thereof to read as follows:

"(b) (1) Subject to the provisions of paragraphs (2) and (3) of this subsection, and subsections (h) and (i), during the period beginning on the effective date of this title and ending on the date this title ceases to be in effect, no person shall demand, accept, or receive any rent for the use and occupancy of any controlled housing accommodations greater than the maximum rent in effect with respect thereto on March 1, 1949, except that where the maximum rent for such accommodations was adjusted after March 1, 1949, because of the provision by the landlord of new or additional services or facilities sought by the tenant, the maximum rent shall include such adjustment or where the maximum rent for such accommodations was adjusted after March 1, 1949, because of the provision by the landlord of modifications and improvements sought by the tenant, the maximum rent shall include such adjustment. The Housing Expediter shall by regulation or order, make such individual and general adjustments in such maximum rents in any defense-rental area or any portion thereof, or with respect to any housing accommodations or any class of housing accommodations within any such area or any portion thereof, as may be necessary to remove hardships or to correct other inequities, or further to carry out the purposes and provisions of this title: *Provided, however*, That the landlord certifies that he is maintaining all services furnished as of the date determining the maximum rent and that he will continue to maintain such services so long as the adjustment in such maximum rent which may be granted continues in effect. In making and recommending general and individual adjustments to remove hardships or to correct other inequities, the Housing Expediter and the local boards shall give due consideration to changes in net operating income after March 1, 1949. No maximum rent shall reflect an increase of more than 15 percent above the maximum rent in effect on March 1, 1949: *Provided, however*, That the Housing Expediter may make appropriate allowances in excess of such limitation for changes, modifications, or alterations to the housing accommodations involved. The Housing Expediter may by order decrease the maximum rent where he finds (1) that the landlord has decreased the services or facilities to which the tenant is otherwise legally entitled; or (2) that the maximum rent has become inequitable by reason of substantial deterioration in the quality of the housing accommodations; or (3) that there was fraud, coercion, misrepresentation, illegality, or gross inequity in any prior order increasing the maximum rent. In granting individual adjustments, the Housing Expediter shall increase or decrease the maximum rent only by an order. No such order shall be effective for any period prior to the date of the issuance thereof. No such order shall be made, except on notice of the application for adjustment to all affected parties and, in the event of opposition, except after hearing before the Housing Expediter or a duly appointed hearing officer at which such parties are offered an opportunity to present any relevant evidence, to examine evidence adduced by the opposing party, to examine and cross-examine witnesses under oath and be represented by counsel."

SEC. 204. Section 204 (c) of the Housing and Rent Act of 1947, as amended, is amended by deleting the period at the end of the first sentence and adding the following: "*Provided, however*, That the Housing Expediter shall not remove any such maximum rents unless he finds that the percentage of rental vacancies in such defense-rental area or portion thereof is 10 percent or more: *And provided further*, That the Housing Expediter is authorized to retain maximum rents in housing accommodations with a maximum rent of $20 per room per month or less in units of three rooms or more or $25 per room per month or less in units of two rooms or $40 per month for one-room units in any such defense-rental area or portion thereof."

SEC. 205. Section 204 (f) of the Housing and Rent Act of 1947, as amended, is amended by striking out "June 30, 1950" and inserting in lieu thereof "June 30, 1952."

SEC. 206. Section 204 (h) of the Housing and Rent Act of 1947, as amended, is amended by striking out all of the language immediately preceding the proviso clause and inserting in lieu thereof the following: "For controlled housing accommodations which were not included within the definition of 'controlled housing accommodations' as such definition read prior to the effective date of the Housing and Rent Act of 1950, the maximum rent shall be the maximum rent last in effect for such housing accommodations under Federal rent control, plus or minus applicable adjustments giving due consideration to increases in the cost of construction; or, if no maximum rent was ever in effect for such housing accommodations, the maximum rent shall be the rent generally prevailing in the defense-rental areas for comparable controlled housing accommodations within such area, plus or minus applicable adjustments giving due consideration to increases in the cost of construction."

SEC. 207. Section 204 (i) of the Housing and Rent Act of 1947, as amended, is amended by adding at the end of paragraph (4) thereof the following:

"The Housing Expediter, whenever in his judgment such action is necessary or proper in order to eliminate hardship may by regulation or order reestablish maximum rents for any or all controlled housing accommodations in any defense-rental area or portion thereof which are or were decontrolled

in accordance with the provisions of section 204 (j). The Housing Expediter may reestablish maximum rents only for such housing accommodations which immediately prior to such decontrol had in effect maximum rent of $40 per room or less per month in units of two rooms or more or $70 per month for one-room units in cities of 500,000 population or more according to the 1940 decennial census and $30 per room or less per month in units of two rooms or more or $60 per month in one-room units in cities of less than 500,000 population according to the 1940 decennial census: *Provided, however,* That the Housing Expediter shall give due consideration to such recommendations pertaining to such reestablishment of maximum rents as may be made by the governing body of the State, city, town, village, or county, in which such housing accommodations are located."

SEC. 208. Section 204 (i) of the Housing and Rent Act of 1947, as amended, is amended by adding at the end of paragraph (6) thereof the following: "except as provided in paragraph (4) of this section 204 (i) and in paragraphs (1) and (4) of section 204 (j)."

SEC. 209. Section 204 (j) (1) of the Housing and Rent Act of 1947, as amended, is amended by adding the following at the end thereof: "Any incorporated city, town, village, or any county which is decontrolled subsequent to the effective date of State rent control under this paragraph may be recontrolled in accordance with section 204 (i) (4) of this act."

SEC. 210. Section 204 (j) (2) of the Housing and Rent Act of 1947, as amended, is amended by adding the following at the end thereof:

"On and after the effective date of the Housing and Rent Act of 1950, no city of 500,000 population or more according to the 1940 Decennial Census shall be decontrolled under this paragraph unless the local governing body of such city has adopted a resolution in accordance with applicable local law and based upon a finding by such governing body reached as the result of a public hearing held after ten days' notice, that there no longer exists such a shortage in rental housing accommodations as to require rent control in such city."

SEC. 211. Section 204 (j) of the Housing and Rent Act of 1947, as amended, is amended by adding at the end thereof the following new paragraph:

"(4) Whenever the chief executive officer of any State or incorporated city, town, or village or any county which is decontrolled on or after the date of the enactment of the Housing and Rent Act of 1949 by action taken under this section 204 (j), advises the Housing Expediter that a housing shortage exists therein requiring the reestablishment of maximum rents therein or in a portion thereof, or when such chief executive officer advises the Housing Expediter that a popular referendum vote or a vote of the local governing body of such State, city, town, village, or county has found that a housing shortage exists therein requiring the reestablishment of maximum rents therein or in a portion thereof, the Housing Expediter shall by regulation or order accordingly reestablish maximum rents in such applicable State, city, town, village, or county or portion thereof."

SEC. 212. Section 206 of the Housing and Rent Act of 1947, as amended, is amended by striking out paragraph (c) thereof and inserting in lieu thereof the following:

"(c) Any person who willfully violates any provision of this act, or any regulation or order issued thereunder, and any person who makes any statement or entry false in any material respect in any document or report required to be kept or filed under this act, shall, upon conviction thereof, be subject to a fine of not more than $5,000 to imprisonment for not more than 1 year or to both such fine and imprisonment. Whenever the Housing Expediter has reason to believe that any person is liable for punishment under this subsection, he may certify the facts to the Attorney General, who may, in his discretion, cause appropriate proceedings to be brought. The District courts shall have jurisdiction of criminal proceedings for violations of this act, or any regulation or order issued thereunder, and concurrently with State and Territorial courts, of all other proceedings under section 205, and subsection (b) of this section. Such criminal proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred. Such other proceedings may be brought in any district in which any part of any act or transaction constituting the violation occurred, or may be brought in the district in which the defendant resides or transacts business, and process in such cases may be served in any district wherein the defendant resides or transacts business or wherever the defendant may be found. Any such court shall advance on the docket and expedite the disposition of any criminal or other proceedings brought before it under this section. No costs shall be assessed against the Housing Expediter or the United States Government in any proceeding under this act."

SEC. 213. Section 209 of the Housing and Rent Act of 1947, as amended, is amended by adding the following at the end thereof: "*Provided, however,* That the Housing Expediter shall not authorize the eviction of tenants from any such housing accommodations for the purpose of converting such accommodations to commercial use, except when in the defense-rental area or portion thereof involved, the Housing Expediter believes that such conversion would not unduly aggravate the shortage of available rental dwelling units therein."

TITLE III—MISCELLANEOUS

SEC. 301. Nothing in this act or in the Housing and Rent Act of 1947, as amended, shall be construed to require any person to offer any housing accommodations for rent.

SEC. 302. No applicant for unoccupied controlled housing accommodations shall be denied the right to occupy said accommodations solely on the ground that the applicant has children. Any person who willfully violates this provision, shall, upon conviction thereof, be subject to a fine of not more than $500 or to imprisonment for not more than 60 days, or to both such fine and imprisonment. The Housing Expediter is authorized to issue such regulations and orders as he may deem necessary to carry out the provisions of this section.

SEC. 303. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the act, and and applicability of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 304. This act shall become effective on the first day of the first calendar month following the month in which it is enacted.

EMPLOYMENT OPPORTUNITIES FOR HANDICAPPED PERSONS

Mr. THOMAS of Utah. Mr. President, I send to the desk for appropriate reference a bill to provide maximum employment opportunities for handicapped persons through adequate placement, training, employment counseling, medical and educational services, and for other purposes, and an amendment in the nature of a substitute intended to be proposed by me to the bill (S. 2273) to assure the provision of all necessary services to prepare disabled persons for and establish them in remunerative employment, to provide for grants-in-aid to the States for adjustment training services for the blind, and for establishing employment opportunities for the severely disabled, to amend the Vocational Rehabilitation Act, as amended—United States Code, 1946 edition, title 29, chapter 4—to amend the Randolph-Sheppard Act—United States Code, 1946 edition, title 20, chapter 6A—and for other purposes.

I ask unanimous consent to have printed in the RECORD in connection with these remarks a statement explaining the reasons for the introduction of the bill and amendment.

The VICE PRESIDENT. The bill and amendment will be received and appropriately referred, and, without objection, the statement presented by the Senator from Utah will be printed in the RECORD. The Chair hears no objection.

The bill (S. 3465) to provide maximum employment opportunities for handicapped persons through adequate placement, training, employment counseling, medical and educational services, and for other purposes, was read twice by its title, and referred to the Committee on Labor and Public Welfare.

The amendment in the nature of a substitute intended to be proposed by Mr. THOMAS of Utah to Senate bill 2273, was referred to the Committee on Labor and Public Welfare, and ordered to be printed.

The statement presented by Mr. THOMAS of Utah is as follows:

STATEMENT BY SENATOR THOMAS OF UTAH

Mr. President, a subcommittee of the Committee on Labor and Public Welfare will begin hearings on May 3, under the chairmanship of Senator DOUGLAS, on several proposals bearing on one of the most important subjects before this Congress. I refer to Federal aid for the vocational rehabilitation of the physically handicapped.

Because I am chairman of the committee which has jurisdiction and because of an abiding interest in rehabilitation problems, I was approached to become a cosponsor of the first measure and I cheerfully consented to do so. This is Senator SPARKMAN'S bill, S. 1066. Because of my position, I was sought out by the Federal Security Agency when it had its bill prepared, and, because of the Agency's request, I submitted this proposal which became S. 2273.

Next in order was the transmittal to me by the Bureau of the Budget of a number of proposed amendments to S. 2273, the Federal Security Agency bill. At this time, I offer the amendments to S. 2273. I shall not at this time discuss these amendments, except to say that they are adapted to the philosophy of S. 2273. The Budget Bureau's letter of transmittal also made it evident that the several interested departments and agencies would present their views to the subcommittee when the time should come.

Finally, pursuant to the Budget Bureau's advice that the interested departments and agencies would present their views to the subcommittee, the Honorable Maurice J. Tobin, Secretary of Labor, has submitted to me the proposals of the Department of Labor for an effective program to aid the physically handicapped. He has requested me to offer this proposal in order that it may be before the subcommittee during its consideration of this legislation. I offer this proposal at this time.

I have discussed these matters with Senator DOUGLAS and he shares my view that the subcommittee truly should have before it all of the views and all of the information

bearing upon this important issue, and, of course, in advance of the actual hearings.

A chairman of a committee must be completely responsive to requests the denial of which would appear to be the denial of the constitutional right of petition to the Congress. The department heads in particular do and must reply upon the chairman of a committee responding unfailingly to give the greatest dignity and the greatest standing to their proposals. I do not know the details of the merits of these proposals, but prima facie they must be accepted as being worthy of the utmost consideration and comparison.

PLACING OF PLAQUE ON BASE OF STATUE OF EDWARD DICKINSON BAKER

Mr. MORSE. Mr. President, I send to the desk for appropriate reference a joint resolution providing for the placing of a suitable plaque on the base of the statue of Edward Dickinson Baker, which is in the rotunda of the Capitol, containing appropriate references to the life and achievements of this great man who served with distinction in the Senate of the United States, during the War Between the States, as a Senator from the State of Oregon. I also ask that the resolution be printed at this point in the RECORD, together with a statement I have prepared on the subject.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred, and, without objection, the joint resolution and statement of the Senator from Oregon will be printed in the RECORD. The Chair hears no objection.

The joint resolution (S. J. Res. 168) to provide for placing a suitable plaque on the base of the statue of Edward Dickinson Baker in the rotunda of the Capitol, was read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That the Architect of the Capitol, with the approval of the Joint Committee on the Library, is hereby authorized and directed to procure and cause to be affixed to the base of the statue of Edward Dickinson Baker, located in the rotunda of the Capitol, a suitable plaque bearing appropriate references to the life and achievements of the said Edward Dickinson Baker.

SEC. 2. There is hereby authorized to be appropriated such sum as may be necessary to carry out the provisions of this joint resolution.

The statement presented by Mr. MORSE is as follows:

STATEMENT BY SENATOR MORSE

The joint resolution I have introduced today proposes that appropriate steps be taken to record the esteem in which the Members of this body—some fourscore years ago—held the memory of their then recently departed colleague, Senator Edward Dickinson Baker, of Oregon. The resolution provides that a plaque, bearing appropriate references to Senator Baker's life and achievements, be placed on the base of his statue in the rotunda of the Capitol.

It seems to me altogether fitting that this be done, so that future visitors to these halls may know that Senator Baker was so highly regarded by his colleagues that, in 1873, 12 years after he was killed in the Battle of Ball's Bluff, the Forty-second Congress honored his memory by appropriating funds for a life-size statue of him, which now stands between those of Washington and Jefferson in the Capitol rotunda.

Edward Dickinson Baker was born in London, England, February 24, 1811, the eldest of five children. When he was about 4 years of age his father brought his family to America. Coming to Philadelphia, the father engaged in teaching, and Edward D., as soon as he was old enough, was apprenticed to a weaver.

In 1825 they moved west to the valley of the Wabash, and a little later went on to Belleville, Ill. Young Edward was the first of the family to reach Belleville, having made the journey afoot from Indiana. Here again the father taught school and young Edward gained much of his education informally by extensive reading, especially of biography, history, and poetry. His thirst for knowledge and his natural friendliness led Gov. Ninian Edwards to invite him to use his extensive library freely.

After working for a brief period in St. Louis, Mo., he returned to Illinois, this time to Carrollton, Green County, and studied law in the office of Judge Caverly. Soon after he began the practice of law, he married a widow with two children, April 1831. To this happy union were born two sons and two daughters. Baker joined the Christian Church, of which his wife was a member, and in its meetings developed his speaking ability, even thinking for a while of entering the Christian ministry.

In the spring of 1832 he volunteered for the Black Hawk war and served until its close.

In 1835 Mr. Baker moved to Springfield, Ill., and became associated in legal practice successively and successfully with various well-known lawyers of that city. He developed his powers in association and competition with such men as Lincoln, Douglas, McDougall, Shields, Logan, Trumbull, Stuart, and McClernand. He found detailed preparation irksome and was inclined to depend on his general reading, prodigious memory, and the inspiration of the moment.

From 1837 to 1840 Mr. Baker served in the Illinois General Assembly and then entered the State senate, leaving it for the United States Congress, where he took his seat in 1845. He was the only Whig Representative from his State. Throughout much of his career he was a Whig or a Republican among Democrats, and when he won an election it was largely on his personal popularity, integrity of character, and all-persuasive oratory.

At the outbreak of the war with Mexico, Baker raised the Fourth Illinois Infantry and went to the Rio Grande to help General Taylor. Later he was sent to Washington with dispatches from the War Department; and, still a Member of Congress, he thrilled the House with a plea for support of the war. Then he resigned his seat in the House and soon was transferred to Vera Cruz and went with General Scott into the interior of Mexico. In the sharp and costly fight at the heights of Cerro Gordo, when General Shields fell seriously wounded, Colonel Baker took command of the brigade, charged the enemy's works, and drove out the defenders.

In 1848 Baker moved to Galena, Ill., and in about 3 months was sent to Congress from there. In 1851 he spent some time with his brother, Dr. Alfred Baker, aiding in the construction of the Panama Railroad. In 1852 he took his family to California where he quickly became one of the west coast's foremost lawyers. Still a Whig or Republican among Democrats, he was consistently active in politics and consistently unsuccessful in winning elections. He promoted the free-soil movement in California, and probably did as much as anyone to save that great Western State to the Union when secession threatened. His funeral oration on Senator Broderick, September 1859, added not a little to his repute as a speaker.

In 1860 Baker moved to Oregon, and was quickly chosen by a coalition for the United States Senate for the term commencing March 4, 1859. However, he did not present his credentials until December 5, 1860.

Senator Baker is remembered for two memorable addresses in the Senate, one in reply to Senator Judah P. Benjamin in January 1861, and later in the year another given impromptu in reply to Senator John C. Breckenridge, of Kentucky. Of the former speech Senator Charles Sumner said: "That speech passed at once into the permanent literature of the country, while it gave to its author an assured position in this body." On April 20, 1861, Senator Baker addressed a vast open-air assemblage in New York City, and dedicated himself to battle for freedom:

"And if, from the far Pacific, a voice, feebler than the feeblest murmur on its shore, may be heard to give you courage and hope in this contest, that voice is yours today. And if a man, whose hair is gray, who is well nigh worn out in the battle and toil of life, may pledge himself on such an occasion, and to such an audience, let me say, as my last word: that as when, amid sheeted fire and flame, I saw and led the hosts of New York, as they charged in contest upon a foreign soil for the honor of your flag; so, again, if Providence shall will it, this feeble hand shall draw a sword, never yet dishonored—not to fight for distant honor in a foreign land—but to fight for country, for Government, for Constitution, for law, for right, for freedom, for humanity; and in the hope that the banner of our country may advance, and wheresoever that banner waves, there may glory pursue and freedom be established."

Senator Baker then recruited a regiment in Philadelphia and New York and led it to the field of battle. President Lincoln offered him a commission as brigadier general, but he preferred to remain a colonel and not resign his Senate seat. When, after the special session of Congress in the summer of 1861, Colonel Baker returned to his regiment, he indicated in many ways and to various persons a strong presentiment of approaching death. While leading his troops against impossible odds he was killed instantly, pierced by eight bullets, at the Battle of Ball's Bluff, Va., October 21, 1861. The next day the Washington Evening Star commented:

"The announcement of the death of this gallant officer has caused the deepest sorrow in this city, where he was so well known and was held in such general esteem.

"At the White House the intelligence had additional poignance from the warm, personal regard existing between the President and the deceased. President Lincoln, in fact, seems to have felt the loss as if of a brother, and walked the floor of his room through the night in the greatest grief."

EDUCATIONAL FUNCTIONS OF THE FEDERAL GOVERNMENT—ADDITIONAL SPONSORS OF BILL

Mr. MORSE. Mr. President, on January 27, 1949, I introduced a bill, S. 656, to coordinate the educational functions of the Federal Government in a single agency and creating a National Board of Education. On October 19, 1949, I submitted amendments in the nature of a complete substitute. Recently, several Senators agreed to join in sponsoring the substitute measure. Therefore, I request the names of the following Senators be added as sponsors of the October 19, 1949, substitute: Mr. THOMAS of Utah, Mr. HUNT, Mr. KEFAUVER, and Mr. MUNDT.

The VICE PRESIDENT. Without objection, the names will be added.

ADMISSION OF ALASKA INTO THE UNION—AMENDMENTS

Mr. BUTLER submitted amendments intended to be proposed by him to the bill (H. R. 331) to provide for the admission of Alaska into the Union, which was referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

NATIONAL CAPITAL SESQUICENTENNIAL CELEBRATION—ADDRESS BY THE VICE PRESIDENT

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an address by Hon. ALBEN W. BARKLEY, Vice President of the United States, at ceremonies marking the official opening of the Sesquicentennial Celebration on the Capitol Plaza, April 15, 1950, which appears in the Appendix.]

WASHINGTON'S 150 YEARS—EDITORIAL FROM THE NEW YORK TIMES

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an editorial entitled "Washington's 150 Years," published in the New York Times of April 17, 1950, which appears in the Appendix.]

THE FAIR DEAL IN VIRGINIA—ADDRESS BY SENATOR HUMPHREY

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an address entitled "The Fair Deal in Virginia," delivered by Senator HUMPHREY at Richmond, Va., on April 18, 1950, which appears in the Appendix.]

JEFFERSON, JACKSON, AND POLITICS—ADDRESS BY SENATOR JOHNSON OF COLORADO

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an address on the subject, Jefferson, Jackson and Politics, delivered by him in Denver, Colo., April 20, 1950, at the annual Colorado Jackson-Jefferson Day banquet, which appears in the Appendix.]

ADDRESS BY REPRESENTATIVE CHATHAM BEFORE THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS

[Mr. HOEY asked and obtained leave to have printed in the RECORD an address delivered by Representative CHATHAM, of North Carolina, before the National Association of Wool Manufacturers in New York City, on April 12, 1950, which appears in the Appendix.]

ADDRESS BY HON. JAMES M. MEAD BEFORE THE BALTIMORE ORGANIZATION OF THE BETTER BUSINESS BUREAU

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD the address delivered on March 31, 1950, by Hon. James M. Mead, former Senator from New York and now member of the Federal Trade Commission, to the Baltimore organization of the Better Business Bureau, which appears in the Appendix.]

THE PORT OF BALTIMORE AND THE SHIP SUBSIDY BILL

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an editorial entitled "The Port of Baltimore and the Ship Subsidy Bill," published in the Baltimore Sun of April 21, 1950, which appears in the Appendix.]

EDUCATIONAL PROBLEMS—ADDRESS BY GOVERNOR J. STROM THURMOND

[Mr. BYRD asked and obtained leave to have printed in the RECORD an address by Hon. J. Strom Thurmond, Governor of South Carolina, at the annual convention of the South Carolina Education Association, March 31, 1950, which appears in the Appendix.]

RENDITION IN RICHMOND, VA., OF DIXIE BY TOSCANINI'S ORCHESTRA

[Mr. BYRD asked and obtained leave to have printed in the RECORD an Associated Press dispatch relating to the rendition at Richmond, Va., of Dixie by the NBC symphony orchestra conducted by Toscanini, which appears in the Appendix.]

THE FARMER PAYS FOR HIS OWN PRICE SUPPORT

[Mr. EASTLAND asked and obtained leave to have printed in the RECORD a statement addressed by Mr. O. F. Bledsoe, of Greenwood, Miss., president, Staple Cotton Cooperative Association, to the members of the association on the subject The Farmer Pays for His Own Price Support, which appears in the Appendix.]

WHY OKLAHOMA SHOULD REELECT SENATOR THOMAS—STATEMENT BY OSCAR V. ROSE, SUPERINTENDENT OF SCHOOLS, MIDWEST CITY, OKLA.

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a statement entitled, "Why Oklahoma Should Reelect ELMER THOMAS to the United States Senate," by Oscar V. Rose, superintendent of schools, Midwest City, Okla., which appears in the Appendix.]

THE FACTS ON MINNESOTA FARM MEETING

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "PMA Facts Distorted by Star," dealing with the State production and marketing conference held at St. Paul, Minn., on April 3 and 4, which appears in the Appendix.]

CARROLL BINDER REPORTS FROM EUROPE

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD two additional articles in the series of reports on conditions in Europe, written by Carroll Binder, editorial writer of the Minneapolis Tribune, which appear in the Appendix.]

TAKING CREDIT FOR PROSPERITY—ARTICLE BY DAN KIDNEY

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an article entitled "Taking Credit for Prosperity," written by Dan Kidney, and published in the Indianapolis Times of April 16, 1950, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF WILLIS W. RITTER TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF UTAH

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled, beginning Monday, May 1, 1950, at 9:30 a. m., in the Federal Building, Salt Lake City, Utah, and for Friday, May 5, 1950, at 2 p. m., in the United States Post Office Building, Denver, Colo., upon the nomination of Hon. Willis W. Ritter, of Utah, to be United States district judge for the district of Utah. He is now serving under a recess appointment. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman; the Senator from Kentucky [Mr. WITHERS]; and the Senator from North Dakota [Mr. LANGER].

THE PRESIDENT'S ADDRESS BEFORE THE AMERICAN SOCIETY OF NEWSPAPER EDITORS

Mr. O'CONOR. Mr. President, the President of the United States, in a forthright address to the American Society of Newspaper Editors yesterday, pointed out the tremendous responsibility resting upon the free press of this country as a link between the American people and world affairs.

It was an address of the highest order, emphasizing the good that can be achieved in fighting the challenge of imperialistic communism by the presentation to the people of the word, "in plain, simple, unvarnished truth," of the facts about American life and institutions to counter the falsehoods and misrepresentations about this country which are the Communist stock in trade.

Because the President's presentation of this vital matter is of such importance, it is worthy of the attention of our people, and it is to be hoped that its message will be followed for the benefit of our institutions.

I am glad to note that the President's address before the American Society of Newspaper Editors appears in the Appendix of the RECORD at page A2824.

SECOND ANNIVERSARY OF THE INDEPENDENCE OF ISRAEL

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to speak for a few seconds.

The VICE PRESIDENT. Without objection, the Chair recognizes the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, there is both real pleasure and a very genuine pride in being able to extend to the citizens of the state of Israel and to our people in America of Jewish faith my heartfelt regards and my congratulations upon their celebration of the second anniversary of the independence of Israel on the coming Sunday, April 23.

Despite the fact that the heat and burden of the day have not yet vanished from the new nation of Israel, the prophecy of Moses has today perhaps a deeper meaning than ever before in Jewish history: "And it shall come to pass, when ye be come to the land which the Lord will give you, according as He hath promised, that ye shall keep this service." The people of Israel have, magnificently, come to the land that was promised them, and the felicitations and good wishes of millions are with them on this second anniversary of independence.

I congratulate the Republic of Israel on this historic occasion, and wish it Godspeed to ever greater achievement in the name of freedom and peace.

Mr. LODGE. Mr. President, I should like to speak briefly on the same subject to which my colleague [Mr. SALTONSTALL] has just addressed himself.

The VICE PRESIDENT. Without objection, the Senator from Massachusetts may proceed.

Mr. LODGE. Mr. President, in 2 days the Republic of Israel will officially celebrate the second anniversary of the proclamation of its independence, and the friends of Israel in the United

States will celebrate this second anniversary of Israel's reemergence as a democratic state during the entire week beginning with April 23.

A great historian has stated that the birth of Israel was a millennial event to be measured by the temporal values of thousands of years.

Every school child knows of the antiquity of Jewish civilization and of the unique contribution which it has made to human culture. It is impossible for us to conceive of any culture, non-Jewish or otherwise, if there never had been any Jews. But the Jewish people were not only great in the days of antiquity; they have proven themselves to be a great people in this dangerous and rapidly evolving modern world. In their struggle for independence their leaders stood firm against an overwhelming invasion. They carried the war to the enemy. They sustained the crushing burdens of mobilization. They established the organs and institutions of democratic administration within the sound of the guns. They brought hundreds of thousands of fugitives and wanderers into Israel. They revived one of mankind's oldest cultures. They made an international judgment of the United Nations into a reality.

Was there ever in history a more convincing demonstration of vigorous courage, far-seeing intelligence, and lofty idealism?

The celebration of Israel's second anniversary finds this noble country contemplating more schemes of industrial and agricultural development. To this end, the Jewish people will inevitably bring, through their industry and intelligence, a raising of the standards of health and the standards of well-being in that part of the world. The performance of the past guarantees the promise of the future.

All people, wherever they may be, who believe in the value of human courage, will welcome this second anniversary of the Republic of Israel and will hail the Jewish achievement as an inspiration and as an example to all of humanity.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. LODGE. I yield the floor.

Mr. HENDRICKSON. Mr. President, I should like very much to associate myself with the remarks of the distinguished Senator from Massachusetts.

Mr. LODGE. I thank the Senator from New Jersey.

Mr. LUCAS subsequently said: Mr. President, I desire to take some of the time of the Senate to discuss a most important matter to which reference has been made by the two Senators from Massachusetts.

I feel that it is highly fitting on this day to pay tribute to the progress that has been made in two short years by one of the world's newest and most courageous free nations.

This Sunday, April 23, the Republic of Israel will officially celebrate the second anniversary of the proclamation of its independence. The Congress of the United States played its part in facilitating the emergence of this new, free nation. I believe all Americans can feel proud of the manner in which Israel has earned the trust which we placed in it when we upheld its drive for complete independence.

Israel's most spectacular feat has been the manner in which it has lived up to its promise to become the homeland for Jews from all over the world. Israel, with a population 2 years ago of 660,000 Jews, has welcomed 400,000 more during that period.

The vast majority of these people were drawn from the wreckage of Europe. They had suffered agonizing years of torture under the Nazi Gestapo. Many had seen all their friends and relatives exterminated. They themselves were tottering from disease and starvation.

Many thousands of these people came from eastern European countries. They had fought for survival in the hope that destruction of the Nazi war machine would ultimately bring them peace and tranquillity in their homelands. But that was not to be. A new wave of oppression swept over them, this time from the steppes of Communist Russia. They found little more hope for freedom under the commissars than they had known under the gauleiters.

Their only hope was Israel, a refuge that their ancestors had dreamed of through centuries of oppression. Israel did not fail them. The people of Israel, who had fought so valiantly for their independence, realized that their national destiny lay in converting the eternal dream of the homeland into actual reality.

They opened wide their doors to the Jews in the displaced-persons camps of Germany and the ravaged cities of eastern Europe. The great migration began. Meanwhile the United States and other countries associated in the United Nations, through their mediators, brought about peace and quiet in troubled Palestine.

The people of Israel have worked hard. In the year 1948 more than 31,000 housing units were built as a start on the tremendous job of getting the immigrants out of their temporary shanties and tent camps. Nearly 175 new settlements have been established. Schools and hospitals have been opened. New land was broken to help provide food for all these new, hungry mouths. Planning for vast reclamation projects has been launched.

Today less than 40,000 Jews remain in the displaced-persons camps of Germany. Mr. President, I feel sure that all my colleagues here in the Senate of the United States will agree that the example of the tiny, new nation of Israel in taking such vast numbers of displaced persons played an important part in influencing the people of America to press for the acceptance here of a greater number of the homeless of Europe.

The great flow of immigration into Israel still goes on. The immigrants continue to arrive at the rate of 12,000 a month, and Israel has promised to take as many more as possible.

Mr. President, I submit that this is one of the great chapters in the saga of the growth of democracy in the world. The example of Israel in holding open its doors to all the oppressed, so that they might breathe the air of freedom and liberty, will go down in history as one of the great epics of our times.

I am proud to have been able, along with many others, to have played a small part in the fulfillment of this dream. I joined with others of my colleagues in this Chamber in urging the action which this Nation took to help guarantee the independence of Israel. I had the pleasure of conferring with the President of the United States a number of times on this question. Finally I was a member of the platform committee of the Democratic Party which drafted the policy which this Nation has followed in supporting the firm establishment of the Republic of Israel. Therefore no one is more anxious to see the country of Israel grow and develop in a peaceful atmosphere than is the senior Senator from Illinois.

Many of my constituents in Illinois have expressed concern about arms which Great Britain has transferred to Egypt, Transjordan, and Iraq under terms of mutual-defense agreements.

It will be recalled that, in view of the termination of the hostilities in the Near East, the Security Council of the United Nations determined last August that the embargo on arms shipments to the area was no longer necessary. In those discussions both the United States and Great Britain made it clear that they wanted no arms race to take place in the Near East. Mr. President, that is the way it should be.

However, that is an extremely sensitive part of the globe. With the world as troubled as it is today, in addition to the relations between Israel and the Arab nations, there are other problems involving the Middle East with which the United States and its allies must concern themselves.

The United States, under its over-all program of national defense, has established a policy for the exportation of military equipment from this country to the Near East. Under that policy, the United States has permitted shipments to be made both to Israel and to the Arab states. The equipment which has been shipped has been only that which has been determined to be necessary for the maintenance of internal order and for the reasonable requirements of self-defense. This policy should be adhered to; the arms which thus are shipped should be strictly limited to those necessary for security requirements.

Those who have expressed concern about the British shipments to the Arab nations undoubtedly feel that in some way such shipments may upset the balance in that area. I can assure all who are interested in this matter that this situation is being carefully watched, and the President of the United States himself is very alive to the issues involved in this matter. As late as yesterday, I was in touch with the office of the Secretary of State, to gain reassurance that the question is under the closest observation.

I have been informed that our Secretary of State plans to discuss all aspects of this situation with the British Foreign Minister at their meeting in London next month. I have today written

the Secretary a letter commending him for that decision.

I feel confident that I can assure the friends of Israel that the United States will continue to follow the course it has resolutely set for itself in working to minimize all possibilities of the recurrence of conflict in the Middle East. The United States policy is specifically aimed at discouraging any nation from attempting to incite trouble in that area.

On the second anniversary of its independence, I can assure the people of Israel that the steady hand of friendship will always be extended to them from America to aid them in solving their great problems.

Mr. President, the spirit which enabled the Jewish people to survive the terrible sufferings of recent years will, on the free soil of Israel, strengthen and expand and blend with the other democratic forces of the world. It will add power to the voice of freedom and truth which eventually will shatter the walls of totalitarianism, wherever they may be found. I salute the free nation of Israel.

Mr. DONNELL. Mr. President, will the Senator permit a brief observation?

The PRESIDING OFFICER (Mr. O'CONOR in the chair). Does the Senator from Illinois yield to the Senator from Missouri?

Mr. LUCAS. I am delighted to yield.

Mr. DONNELL. Mr. President, I take great pleasure not only in congratulating the distinguished Senator from Illinois, but also in commending him for his very fine tribute to the heroic and determined effort put forth by those in the Republic of Israel in the establishment, maintenance, and growth of that infant nation. I join with him in the utmost of congratulations to that body of people for their fine spirit of determination and patriotism; and I extend, along with him, if I may be permitted to do so, the heartiest of best wishes for the continued growth and prosperity of their country.

Mr. LUCAS. Mr. President, I am very grateful to the Senator from Missouri for those kind remarks, and I appreciate them.

SUGGESTION AS TO ATTENDANCE ON FIRST QUORUM CALL

Mr. FLANDERS. Mr. President, I desire the floor for a few minutes if the morning business has been concluded.

The VICE PRESIDENT. The Senator from Missouri [Mr. DONNELL] has asked to be recognized.

Mr. DONNELL. I shall not insist upon recognition, Mr. President, if the Senator from Vermont desires to speak.

Mr. FLANDERS. I wish to speak for about 10 minutes.

Mr. DONNELL. If I may, Mr. President, I should like to have unanimous consent that following the conclusion of the remarks of the Senator from Vermont I may be recognized.

The VICE PRESIDENT. The Chair assumes the Senator from Missouri will be recognized without securing unanimous consent.

The Senator from Vermont is recognized.

Mr. FLANDERS. Mr. President, I wish first to make a suggestion to this House, which is, that as many of us as are able to, do their best to appear on the Senate floor at the first quorum call. We are simply wasting the time of the Senate when we make our appearance during the second roll call, which should be unnecessary. We know there are going to be a sufficient number of us here anyway, and why not be here on the first roll call? That is the end of my suggestion.

The VICE PRESIDENT. The Senator from Vermont has been recognized to make a short address.

WINNING THE COLD WAR

Mr. FLANDERS. Mr. President, I now proceed with the talk I wish to give, which is again on the subject of winning the cold war.

Mr. President, in the past few days the administration, the Congress, and the country have had very serious matters brought to their attention.

The hearings being held on the charges brought by the junior Senator from Wisconsin have taken, for the moment at least, a more serious turn. We are properly disturbed by the testimony of a former Communist high in the councils of the party whose testimony shows the development of the Moscow party line, so far as it concerns our relations with the Nationalist Government of China. That party line most unfortunately was exactly the line taken by our Government. By implication certain links seemed to be established between the Moscow party line and those of our own Government. Those of us who were disturbed at our policy then and continue to be disturbed now at the results of that policy have been given serious concern by the implications of this new testimony. They remain at this moment implications only, but there is nothing in them to calm our fears or to give us any reassurance as to the wisdom of our past course.

In addition to this and prior to this, we were faced with the news of the shooting down over the Baltic of one of our planes which we are assured was unarmed and engaged in a peaceful mission. The results of this action on the part of the government of Moscow, the interpretation of the reasons for that action, and the decoration of those who brought this mission to a fatal end, are portentous indeed. We cannot see at this moment what they may portend, but we do know that the effects may be serious.

It seems to me, Mr. President, that there are other dangers involved in these two situations. The greatest of these dangers is that the Russian Government and our own proper investigations into the past may keep us in a permanent state of alarm and emotional tension. Should that be the result, the effect would be calamitous, since we would become diverted from the long and difficult task of winning the cold war, and would be putting all our thought and exhausting all our emotion on the daily events incident to it. That is the way, Mr. President, by which we may be persuaded to lose the cold war, and I have no doubt in my own mind but that situations of this sort not only are favorable to the purposes of the Russian Government but in some instances are designed for that very purpose. In the cases in which we generate our own distrust and our own unreasoning and paralyzing emotions, our friends behind the iron curtain will find justifiable occasion for rejoicing.

We must not be diverted from the long-run job of winning the cold war. We must neither allow ourselves to be precipitated into a hot one, on the one hand, nor, on the other, allow ourselves to be seduced into a neglect of positive, effective action such as is required by the world situation in which we find ourselves.

I would again call the attention of the Senate, the administration, and the American people to the constructive possibilities which are to be found in Senate Resolution 243, submitted by the junior Senator from Connecticut [Mr. BENTON], and sponsored by a bipartisan group, of which I am proud to be a member. This resolution calls for the stepping up of pressure in behalf of worldwide freedom of information, for the acceleration of the education and cultural work done by the United Nations, and for stronger support of the office in the Department of State concerned with educating the rest of the world to the benefits of freedom as against slavery. There are a number of other items in the resolution, as well, with which the Members of this body are, or should be, conversant.

The President of the United States, in his recent talk before the Society of Newspaper Editors, gave this undertaking his hearty support. He said:

> One vital function of a free press is to present the facts on which the citizens of a democracy can base their decisions. You are a link between the American people and world affairs. If you inform the people well and completely, their decisions will be good. If you misinform them, their decisions will be bad; our country will suffer and the world will suffer.
>
> You cannot make up people's minds for them. What you can do is to give them the facts they need to make up their own minds. That is a tremendous responsibility.

Mr. President, in the interest of short speeches, of which I am a devotee, I ask that the remainder of the quotation from the President's address be printed at this point in the RECORD as a part of my remarks. The text of the address is available to the Senate in the public press, and doubtless most of the Senators, or many of them, have read it.

There being no objection, the remainder of the quotation from the President's address was ordered to be printed in the RECORD, as follows:

> From every standpoint our free way of life is vastly superior to the system of oppression which the Communists seek to impose upon mankind. In many parts of the world, however, where men must choose between freedom and communism, the true story is going untold.
>
> We cannot run the risk that nations may be lost to the cause of freedom because their people do not know the facts.
>
> I am convinced that we should greatly extend and strengthen our efforts for making the truth known to people in all the world.
>
> Most of us have recognized for years, of course, how important it is to spread the truth about freedom and democracy. We are already doing some very good work—through the Voice of America and the

United States information offices and libraries in many parts of the world, through the exchange of students, through the United Nations and its affiliated organizations, and in other ways. But events have shown, I believe, that we need to do much more, both ourselves and in collaboration with the other free nations. We must use every means at our command, private as well as governmental, to get the truth to other peoples. * * *

Because of the pressing need to increase our efforts along this line, I have directed the Secretary of State to plan a strengthened and more effective national effort to use the great power of truth in working for peace. This effort will require the imagination and energies of private individuals and groups throughout the country. We shall need to use fully all the private and governmental means that have proved successful so far—and to discover and employ new ones.

Mr. FLANDERS. The administration and the Congress of the United States are jointly responsible for the slowness with which we have awakened to the fact that the cold war is a war for the minds and hearts of men. Because we have been blind to this fact the Politburo has made its tremendous advances, preparing the ground in which its threat of armed force could take root and bear its evil fruit. At last, the administration is awake. I believe that Congress is awake. I know that the American people themselves have been far more awake in the past than either Congress or the administration. I sincerely hope that the Foreign Relations Committee will report this resolution favorably and that the majority leadership will bring it before the Senate at an early date.

Now, Mr. President, I continue my self-appointed task of offering suggestions to the Department of State. It has been most gratifying to learn from the daily press that a general staff has been set up in the State Department to advise on the conduct of the cold war. I hope that this is a major undertaking. I hope that its possibilities and its necessities are fully realized. This general staff is more important than the general staff of the armed forces. Let me repeat, this general staff is more important than the general staff of our armed forces.

The reasons for such a statement should be obvious. Our military preparations do nothing toward winning the cold war. All they are capable of doing is possibly, not surely, to delay its degeneration into a hot one. We are in an armament race. We are in a tangled nest of military alliances. These things contribute nothing at all to the winning of the cold war. That war is being fought for the minds and hearts of men.

If we go on the offensive in this matter, we, at comparatively small cost, can start rolling back the tide of falsehood which is engulfing the world and drowning free peoples in misery and slavery.

The implementing of Senate Resolution 243 has in it little of the glamour that goes with enormous bombers, self-guided missiles, radar-controlled planes, and all the intricate scientific paraphernalia of a pushbutton war. But may I invite the thought of my fellow Members of this body to the experience of the prophet, Elijah? God said to him, "Go forth, and stand upon the mount before the Lord. And, behold, the Lord passed by, and a great and strong wind rent the mountains, and brake in pieces the rocks before the Lord; but the Lord was not in the wind: and after the wind an earthquake; but the Lord was not in the earthquake: and after the earthquake a fire; but the Lord was not in the fire: and after the fire a still small voice."

The Lord speaks to us in that still small voice. We shall do well to listen and obey.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6553) to provide for the promotion of carriers in the rural delivery service in recognition of longevity of service.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7846) to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CELLER, Mr. WALTER, Mr. FEIGHAN, Mr. GRAHAM, and Mr. FELLOWS were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes, and it was signed by the Vice President.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, April 21, 1950, he presented to the President of the United States the enrolled bill (S. 930) to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes.

PREVENTION OF RAILWAY STRIKES

Mr. DONNELL. Mr. President, a few moments ago I sent to the desk for appropriate reference a bill to amend the Railway Labor Act, as amended, so as to prevent interference with the movement of interstate commerce and for other purposes.

As indicated, Mr. President, the bill amends the existing Railway Labor Act. The bill makes unlawful any strike, including any concerted stoppage of work by employees, or any concerted slowdown, sit-down, walk-out, or other concerted interruption of operations by employees, or any lock-out by a carrier, arising out of or in connection with any dispute falling within the purview of the Railway Labor Act.

Mr. President, I ask the indulgence of the Senate to repeat my statement on this particular phase of the bill, so that there may be no misunderstanding as to what the bill makes unlawful. The bill which I have introduced today makes unlawful any strike, including any concerted stoppage of work by employees, or any concerted slow-down, sit-down, walk-out, or other concerted interruption of operations by employees, or any lock-out by a carrier, arising out of or in connection with any dispute falling within the purview of the Railway Labor Act.

The bill also makes it unlawful for any person, including any carrier or labor organization, (1) to coerce, instigate, induce, or conspire with, any other such person, to interfere by any such unlawful strike or lock-out with the operation of any carrier subject to the Railway Labor Act; or (2) to participate in, or to aid any such strike, interfering with the operation of any such carrier, or to give direction or guidance in the conduct thereof or to further the same by the payment of strike, unemployment or other benefits to those participating therein; or (3) to aid in any such lock-out interfering with the operation of any such carrier by giving direction or guidance to such lock-out or by providing funds for the conduct or direction thereof.

Violation of any of the previously mentioned provisions of the bill is declared by the bill to constitute a misdemeanor punishable by the penalties prescribed in paragraph 10 of section 2 of the Railway Labor Act in the case of carriers or their officers or agents for violation of the provisions of that section.

Any United States district court within the territorial jurisdiction of which shall have been committed or shall be threatened any violation of the section which makes unlawful the strikes and lockouts previously mentioned shall have jurisdiction, at the instance of the Attorney General of the United States, or the Attorney General of any State affected by such a violation or a threatened violation of that section, or of any interested carrier or aggrieved party, to grant the remedy of injunction, prohibitive or mandatory, as may be appropriate in the premises.

The bill grants to any party in interest aggrieved by an award or order, including a negative order, of a division of the National Railroad Adjustment Board which is created by the Railway Labor Act, where no proceeding is pending under the existing paragraph (p) of section 3 of said act, the right to bring an action against said Adjustment Board to review such award or order. Power to enjoin, set aside, annul, or suspend, in whole or in part, such award or order, is granted to the court if certain matters specified in the bill shall appear to the satisfaction of the court.

The bill provides also that if a dispute between a carrier and its employees, other than a dispute within the jurisdiction of the Adjustment Board—and, Mr. President, I emphasize by my voice the fact that this provision relates to disputes other than disputes within the jurisdiction of the Adjustment Board—shall not have been adjusted, or arbitra-

tion agreed to within 15 days after the National Mediation Board shall have requested the parties to submit such dispute to arbitration, said Mediation Board shall immediately so notify the President. On receipt of such notice, the President shall create a Presidential Board to investigate and decide such dispute. The Presidential Board shall promptly hold a public hearing of the parties with reference to the dispute and shall make and publish a report in writing with respect to the dispute which shall state the findings, conclusions, and decision of the Board on each of the issues involved.

The report of the Presidential Board, filed with the President and with the National Mediation Board, shall, unless set aside in judicial proceedings as provided in the bill, be conclusive and binding on the parties and enforceable by appropriate proceedings in the United States District Court for the District of Columbia or the United States district court for any district in which proceedings of the Presidential Board were held. The bill permits the filing in the United States District Court for the District of Columbia or other such United States district court, within 30 days after the filing of such report, of a petition to impeach the report on any one or more of certain grounds set out in the bill.

The court shall, if it shall determine that the entire report is invalid on some ground or grounds designated in section 10 of the Railway Labor Act as hitherto amended and as amended by the bill as a ground of invalidity, set aside the entire report; but if the court shall find that only a part of the report is invalid and if such invalid part is separable from the valid part the court may, in its discretion, set aside the entire report or set aside only the invalid part.

Provision is made in the bill for appeal to the United States Court of Appeals from the judgment of the district court.

Mr. President, I return for the moment to the initial part of my remarks, in which I pointed out that the bill makes unlawful any strike or any lock-out arising out of or in connection with any dispute falling within the purview of the Railway Labor Act. There is no equivocation in this bill. It is an outright provision that any such strike or lock-out as shall arise out of or in connection with any dispute falling within the purview of the Railway Labor Act is made unlawful.

The bill proceeds on the basis that, to quote a telegram from Calvin Coolidge to Samuel Gompers, sent on September 14, 1919:

> There is no right to strike against the public safety by anybody, at any time, anywhere.

The Supreme Court of the United States, in *Dorchy* v. *Kansas* (272 U. S. 306), local citation, page 311, said:

> Neither the common law, nor the fourteenth amendment, confers the absolute right to strike.

So we have a declaration to the effect, in the exact words used, that "There is no right to strike against the public safety by anybody, at any time, anywhere," by a man who was later Vice President and subsequently President of the United States, in a telegram sent on the 14th day of September 1919. Then we have this significant remark which I quoted from the Supreme Court of the United States itself, that—

> Neither the common law, nor the fourteenth amendment, confers the absolute right to strike.

Mr. President, Congress itself, in section 13 of the Taft-Hartley Act, on June 23, 1947, mentioned and recognized the existence of—and I quote from that act of Congress—"limitations or qualifications on" the right to strike.

Strikes in the great industry covered by the Railway Labor Act constitute an outstanding illustration of the fact that in some instances the interest of the public requires restriction to be imposed on acts both of employers and of employees. In the case of that industry the interest of the public supersedes any private interests of either the carriers or the employees of such carriers.

The St. Louis Post-Dispatch, in an editorial of September 7, 1949, said:

> It is hard to condone a railroad strike even on the gravest of issues. * * * The shut-down of a large railroad is an act of national folly. Folly, that is, for everyone but the truck and bus lines that have already eaten so deep into railroad traffic.

There have occurred in recent years numerous instances which have demonstrated that the present Railway Labor Act badly needs amendment in order to protect the interest of the public in the grave situation resulting from strikes upon the transportation facilities which are under the purview of that act.

Although many peaceful settlements have occurred through mediation or arbitration, under the terms of the Railway Labor Act, the strike record of recent years has not been reassuring from the standpoint of the welfare of the public.

The Fourteenth Annual Report of the National Mediation Board, which Board was created by the self-same Railway Labor Act, submitted to the Senate and House of Representatives on November 1, 1948, contains the following quoted significant language:

> To place this strike record in proper perspective it should be pointed out that it is matched by 172 peaceful settlements effected through mediation or arbitration.

Continuing, the National Mediation Board's report says:

> The peaceful settlements do not, however, make up for the instances in which stoppages occurred.

The Board's official report continues:

> It is not a good record and it does not bode well for the future effectiveness of the Railway Labor Act.

Mr. President, the National Mediation Board, in the report from which I have just quoted, referring to the lack of compulsion on either party to settle a dispute, said, and I quote further from the official report:

> This lack of compulsion in the law is at one time its strength and its weakness. Its strength is measured by the effectiveness of the law in facilitating amicable settlements in thousands of disputes since its enactment in 1926. Its weakness is that too often in recent years emergency board recommendations have been circumvented in one way or another. Such action weakens the law and strikes at the very spirit which led to its enactment and effective application for so many years.

Mr. President, in 1949, just last year, the Wabash Railway system, which, as appears from the National Mediation Board report submitted to the Senate and House of Representatives on November 1, 1949, "operates some 2,700 miles of road serving eight of the more populous Midwest and Eastern States," was "completely immobilized for a period of 8 days from March 15 to 23, 1949."

The somewhat euphonious term "completely immobilized" is used, but it would have been equally clear, I should say, or perhaps somewhat clearer, if instead of the term "completely immobilized" there had been used the term "shut-down," or the term "closed up," or the term "not operating," or the term "closed by strike of its employees." So, that railroad, serving eight of the more populous of the Midwest and Eastern States, was closed down, with its doors shut, and no operation, for a period of 8 days, from March 15 to the 23d of last year.

Other strikes, Mr. President, are also listed by the National Mediation Board as having occurred during the fiscal year ended June 30, 1949.

On September 9 of last year, 1949, employees represented by the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, and Brotherhood of Railroad Trainmen, withdrew from service of the Missouri Pacific Railroad Co., and were continuously out from September 9 until October 24, 1949, when the strike was ended. Thus, Mr. President, for approximately 6½ weeks this great railroad system, the Missouri Pacific Railroad Co., serving 11 States, and operating more than 10,000 miles of railroad was, if I may so term it, "completely immobilized," or perhaps more clearly stated, "closed down," to the detriment of many thousands of persons.

A fact-finding board to investigate and adjust the Missouri Pacific dispute, appointed by the President of the United States, reported in part as follows:

> It is with a deep sense of regret that we are obliged to report the failure of our mission. It seems inconceivable to us that a coercive strike should occur on one of the Nation's major transportation systems, with all of the losses and hardships that would follow, in view of the fact that the Railway Labor Act provides an orderly, efficient, and complete remedy for the fair and just settlement of the matters in dispute. Grievances of the character here under discussion are so numerous and of such frequent occurrence on all railroads that the general adoption of the policy pursued by the organizations in this case would soon result in the complete nullification of the Railway Labor Act.

Yet, Mr. President, so far as I know, there was nothing illegal in the action of the strikers who for about 6½ weeks tied up completely the operations of this great railroad system serving 11 States over 10,000 miles of railroad.

The bill I have introduced today, Mr. President, would remedy a situation such

as that. It would make the strike unlawful. It would make it punishable. It would make it subject to the orders of a court of equity by way of injunction.

Returning again to the Missouri Pacific strike, an editorial in the St. Louis Globe-Democrat of September 7, 1949, said of the then impending Missouri Pacific strike:

Superlatives are rarely accurate, but it can be said that the impending walk-out is unnecessary and a brazen disregard of the public interest.

Mr. President, many Members of the Senate will vividly recall the appalling shock to the Nation, yes, to the Senate and the entire Congress, which occurred in 1946 by a strike called by the Brotherhood of Locomotive Engineers and the Brotherhood of Railroad Trainmen, which strike, to quote the National Mediation Board, "affected virtually all of the Nation's railroads."

Who is there, Mr. President, among us that does not remember the consternation, almost the terror, which assailed this country on the occasion of the strike which "affected virtually all of the Nation's railroads"?

This was a strike, Mr. President, not in the remote recesses of antiquity, but less than 4 years before the moment at which we are gathered here today. The National Mediation Board in its official report to the two Houses of Congress, referring to the strike in 1946, said:

By far the most disruptive tie-up in the history of American railroads occurred at 4 p. m. on May 23, 1946, when locomotive engineers, trainmen, and yardmen left their jobs and operation of our giant networks of railways came to a halt.

Then, Mr. President, let me read these thrilling and appalling words from the official report of the National Mediation Board:

The effect was immediate, paralyzing, and Nation-wide. The strike was terminated after 48 hours, and the men started back to work at 4 p. m. May 25, 1946.

But, Mr. President, may I call to the attention of the Senate an even more modern illustration of the consternation which was experienced not only by the man on the street, but by the officials of the Nation in the face of a great impending railroad strike. I bring the Senate's attention down to 1948. In its official report the National Mediation Board called attention to the fact that, in 1948, to forestall a strike set for May 11, "extraordinary measures were invoked to prevent a Nation-wide tie-up in rail transportation." Continuing, the Board said:

The President issued an executive order whereby operation of the railroads was taken over by the Secretary of the Army. In taking this action the President called upon every railroad worker to cooperate with the Government by remaining on duty.

Mr. President, I point to the fact that not merely did the President invoke this remedy of taking possession of the operation of the railroads by the Secretary of the Army under an Executive order issued by the President, but that the Chief Executive of our Nation appealed, in addition, to the patriotic instincts of those who were threatening to strike, and called upon, as the National Mediation Board says in what I have read, "every railroad worker to cooperate with the Government by remaining on duty."

The President said—and I continue to quote from the report of the National Mediation Board, which quoted the President's statement:

It is essential to the public health and to the public welfare generally that every possible step be taken by the Government to assure to the fullest possible extent continuous and uninterrupted transportation service. A strike on our railroads would be a Nation-wide tragedy, with world-wide repercussions.

Notwithstanding the Executive order and notwithstanding the call so issued by the President, appealing to the patriotic sentiments of the employees—and they are patriotic, Mr. President—the threatened strike order was not canceled. What stopped it? We are told by the report of the National Mediation Board that, as a result of a temporary order granted on May 10 by the United States District Court for the District of Columbia, the 1948 strike was called off. Mr. President, I am glad our courts still function and our people have respect for the dignity of our courts.

No attempt is made in this statement to the Senate by me to give an exhaustive history of transportation strikes in the United States. Suffice it to say—to quote again the previously mentioned statement by the National Mediation Board in its special report submitted on November 1, 1948—

The peaceful settlements do not, however, make up for the instances in which stoppages occurred. It is not a good record, and it does not bode well for the future effectiveness of the Railway Labor Act.

Mr. President, today is April 21, 1950. What are the conditions confronting us today—confronting you and me and everyone else in the United States—within certain large territories of our country? On April 19, which was Wednesday of this week, the Associated Press announced that—

Railroad firemen and enginemen today called a strike for 6 a. m. (local time) next Wednesday against four vast railroad systems. It would cut off vital segments of the Nation's rail transportation.

The strike is directed against these roads: The Pennsylvania system west of Harrisburg, New York Central west of Buffalo, Michigan Central West of the Detroit River, the CCC & St. Louis (Big Four), the Ohio Central lines, Santa Fe (proper) and Santa Fe (coast lines), and the Southern Railway System.

That statement appeared 2 days ago. Yesterday an Associated Press dispatch said:

The strike will be against the Pennsylvania system west of Harrisburg, Pa.; the entire Atchison, Topeka & Santa Fe system; the Southern Railway, and the New York Central west of Buffalo and three of its divisions, the Michigan Central west of the Detroit River, the Big Four and the Ohio Central Lines.

Mr. President, someone may say these are mere local disturbances. In a moment I shall make some reference to the effect of the strikes against these four systems, which are termed by the Associated Press as being vast railroad systems. In that connection I emphasize the word "vast."

Mr. SCHOEPPEL. Mr. President, does the Senator from Missouri care to yield at this point?

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Missouri yield to the Senator From Kansas?

Mr. DONNELL. Mr. President, I really prefer to continue without being interrupted. However, if the Senator from Kansas wishes to ask me a question now, I shall yield.

Mr. SCHOEPPEL. Very well; I shall wait until the Senator concludes his remarks.

Mr. DONNELL. I shall be happy to yield at the conclusion of my remarks, and at that time I shall endeavor to answer any questions I can. Of course, I do not claim to know all the answers in connection with this difficult and complicated problem; and it may well be that I shall not be able to answer every question which is asked.

Mr. President, I have referred to the condition as of today, April 21.

Let me read this very significant statement appearing in the New York Times of yesterday, April 20, referring to an announcement made by David B. Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen:

Mr. Robertson's announcement described the prospective walkout as the beginning of a strike against all railroads of the United States.

Is there any Member of the Senate who does not remember the feeling of this body and the feeling of the United States in 1946 and again in 1948, when, in the first instance, a Nation-wide paralyzing effect was brought about by the most disruptive tie-up, as the National Mediation Board has referred to it, in the history of American railroads; and does anyone of us forget that in 1948 the President declared that—

A strike on our railroads would be a Nation-wide tragedy, with world-wide repercussions.

Therefore, Mr. President, can we with equanimity and equilibrium receive the announcement of the head of the Brotherhood of Locomotive Firemen and Enginemen, who describes the prospective walk-out as—to quote from the New York Times—

The beginning of a strike against all railroads of the United States.

True it is that this morning's Washington Post contains an article reporting an announcement by Mr. Alvanley Johnston, head of the rival union, the Brotherhood of Locomotive Engineers, that his union will not respect the firemen's picket line, but will report to their jobs as usual. I quote from the article appearing in the Washington Post for today:

Johnston made it clear that the engineers—who are promoted from the firemen's ranks—will not be permitted to take over any of the firemen's duties, but will be permitted to work along supervisory help should any of the struck lines attempt to operate despite the strike.

Mr. President, I take it that it is not particularly reassuring to the Nation that Mr. Johnston does not propose to recognize the picket lines of the Brotherhood of Locomotive Firemen and Enginemen, when at the same time he makes it clear that the engineers who formerly were firemen will not be permitted to take over any of the firemen's duties. I make no imputation or implication against Mr. Johnston's entire sincerity. I have no doubt that he means what he says and says what he means.

However, I desire to call attention to the fact that there is good reason to believe that, regardless of whether Mr. Johnston's somewhat optimistic statement, to which I have referred, will be justified, there is a more critical question involved, and that is whether the Brotherhood of Railroad Trainmen—that is to say, the brakemen, the flagmen, the yardmen, the switchmen—will take the same position as that which Mr. Johnston now takes. It is possible that upon the Diesel engines, if the Brotherhood of Railroad Trainmen should take the same position as that taken by Mr. Johnston, the effect of the strike might be very materially alleviated. And yet, what assurance—what possible assurance—do we have that the Brotherhood of Railroad Trainmen will not adhere to the picket line of the firemen, who will have established it if this strike should go into effect? And, without any imputation against Mr. Johnston, what assurance has the Nation that, as conditions develop, if the strike shall begin, Mr. Johnston may find either that his men will not obey him, or that perhaps there will come about a pressure upon him so great that he himself will not be able to withstand it?

Certainly, with Mr. Robertson describing the prospective walk-out on these four vast railroad systems as the beginning of a strike against all railroads of the United States, I cannot, and I doubt whether any other Member of the Senate can, draw very great reassurance against the grave danger confronting the Nation, in view of the present situation.

I referred to the Pennsylvania system. The threatened strike of the firemen on the lines of the Pennsylvania Railroad west of Harrisburg will affect 7,500 miles of railroad—nearly three times as great a mileage as was affected in the Wabash strike, and three-fourths of the mileage affected by the Missouri Pacific strike. Those 7,500 miles of railroad are located in the States of Pennsylvania, Ohio, Michigan, Indiana, and Illinois, and include also the gateway of the company into Missouri at St. Louis, and that into Kentucky, at Louisville.

But, Mr. President, not only will the numerous cities along the 7,500 miles of rail be affected directly by the strike, if it occurs, but shippers and consignees on other parts of the Pennsylvania Railroad will be affected also, including most of the great cities of the East, which, while the strike continues, will be unable to ship by way of the Pennsylvania Railroad to cities on the lines west of Harrisburg, or receive freight therefrom. The freight traffic handled on the lines of the Pennsylvania Railroad west of Harrisburg amounted last month to 79 percent of the entire volume of freight of the Pennsylvania Railroad. That railroad, incidentally, handles about 11 percent of the total freight traffic of the country.

But what about the Santa Fe, the entire system of which is, according to this notice, to be struck on next Wednesday morning? The strike on the Santa Fe system would tie up approximately 13,000 miles of railroad between Chicago, the Gulf of Mexico, and the Pacific coast, serving areas in the States of Illinois, Iowa, Missouri, Nebraska, Kansas, Oklahoma, Colorado, New Mexico, Arizona, Louisiana, Texas, and California. Crippling the Santa Fe would affect service to many national defense projects served exclusively by that railroad, the major ones being the Los Alamos and Sandia bases of New Mexico, the Boeing aircraft plant at Wichita, the Argonne National Laboratory of Illinois, the Fort Wingate and Belmont ammunitions depots of Arizona and New Mexico, and the aircraft industry and naval installations in the city of San Diego. The Santa Fe is one of the four principal transcontinental routes to California for military traffic in times of national emergency.

What will be the effect of the strike upon the Southern Railway System if the strike occurs? The Southern Railway System operates 7,753 miles of railroad throughout the southeastern part of the United States. It serves every State south of the Ohio and Potomac Rivers except West Virginia. The Government's atomic plant at Oak Ridge, Tenn., is served by the Southern Railway. Among the cities served by it are the important ports of Norfolk, Savannah, Charleston, Brunswick, and Mobile.

What about the New York Central System? What will the effect of a strike on the segments of it be? The threatened strike on portions of the New York Central System it is expected would paralyze its rail operations over an extensive area. The main line between the Niagara frontier and Chicago would be affected, as would also the main line of the Michigan Central from Buffalo, through the Province of Ontario, to Detroit and Chicago.

Furthermore, operations on the Big Four lines from Cleveland to Cincinnati and from Cleveland to St. Louis would be affected, as would also the operations on the Ohio Central lines leading into the coal-mine regions of West Virginia. Operations of the New York Central in the States of Illinois, Indiana, Michigan, Ohio, and Pennsylvania would be crippled. All the operations of the New York Central along the Great Lakes would be included. Approximately 5,000 miles of railroad would be affected by the strike on the New York Central segments. The operations of all connecting carriers would be seriously affected also.

So, Mr. President, we find here a threatened strike against segments of railroads—and in two cases, those of the Santa Fe and the Southern, against entire systems—which involve 7,500 miles, plus 13,000 miles, plus 7,753 miles, plus approximately 5,000 miles of railroad. By a hasty computation, I think this amounts to approximately 32,000 miles.

Mr. SPARKMAN. Thirty-three thousand.

Mr. DONNELL. I have been assisted in the computation by my good friend, the Senator from Alabama [Mr. SPARKMAN]. I may be slightly in error, but, judging by his accuracy, I have no doubt I am approximately correct.

The bill which I have introduced would not deprive either the carrier or labor of the opportunity to have their respective claims which may be involved in disputes fully and thoroughly considered and decided. The Railway Labor Act, if amended as proposed in this bill, would provide full and adequate facilities for adjustment, mediation, arbitration, and ultimate adjudication of the claims of every interest. The bill does, however, recognize as predominant and outstanding the welfare of the people of the United States of America.

The bill, by making unlawful as it does, strikes and walkouts arising out of or in connection with any dispute falling within the purview of the Railway Labor Act and by making likewise unlawful lockouts falling within such purview, does not deprive anyone of the right to a just determination of his asserted claims. The bill does, however, protect the people of the United States whose interest supersedes those of the disputants in controversies between themselves.

Mr. President, I now yield to the Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, the question I wanted to ask the distinguished Senator from Missouri is this: Is it not a fact that even though the strike would not embrace all railroad lines in the United States, many of the railroads serve exclusively certain areas, and it would amount to an absolute tying up of all rail transportation of all types, kinds, and character?

Mr. DONNELL. I have no doubt that that is correct. I want to say that that question, asked by a distinguished former governor of Kansas, former head of the public service commission of the State of Kansas, and now an eminent Member of this body, comes, I think, with especial force in connection with any statement he may make, express or implied, as to the effect upon industries and localities, and I think his statement is entitled to most respectful consideration by all Members of this body.

Mr. SCHOEPPEL. I thank the Senator from Missouri for his kind remarks. I should like to say that I am deeply concerned with reference to the destructive effect which might follow the calling of this type of strike, which would tie up, as has been indicated by the distinguished Senator from Missouri, only certain of the railroads serving this great country.

Mr. President, I should like to ask the Senator another question.

The PRESIDING OFFICER. Does the Senator from Missouri yield further to the Senator from Kansas?

Mr. DONNELL. I yield.

Mr. SCHOEPPEL. Does the Senator know how many men would be actually involved in the strike on the systems which would be tied up?

Mr. DONNELL. Mr. President, I am sure that I could not answer that question with any degree of accuracy. I do have some information along those lines, and if I may have permission to do so, I should like later to incorporate in the RECORD a statement with reference to the subject.

The PRESIDING OFFICER. Without objection, the Senator from Missouri will be permitted to incorporate such statement in connection with this question.

Mr. DONNELL subsequently provided the following information:

On my best information, the approximate number of railroad employees who would lose employment during the strike if the strike occurs, is, on the following railroads, as follows, respectively:

1. On the Southern Railway System	35,000
2. On the New York Central	50,000
3. On the Santa Fe	55,000
4. On the Pennsylvania	100,000
Total	240,000

Mr. SCHOEPPEL. Does the Senator know whether this type of strike against certain of the railroads heretofore named by him would affect the truck transportation whiich some of the railroads maintain as a sort of separate entity or which is tied into their actual rail operations?

Mr. DONNELL. I think it is obvious that it would. It seems to me that it is perfectly clear. May I ask the Senator if he will be kind enough to give us his own idea on that point?

Mr. SCHOEPPEL. Mr. President, that is one thing which gives me most serious concern, because, obviously, if certain motor-carrier transportation is owned by certain of the railroads involved in the strike, by reason of their participating in a number of other group relations, such as labor unions and otherwise, it would necessarily follow, I am sure, that truck transportation serving thousands of communities throughout this great country would be tied up completely to an extent that would involve irreparable damage and injury.

I want to say most kindly to the Senator from Missouri that I appreciate his forthright statement in connection with this most important field. It is most important to the general public and to the Nation in providing the Senate of the United States an opportunity carefully to review and discuss the situation and perhaps arrive at some kind of remedial legislation in the public interest.

Mr. DONNELL. I deeply appreciate the comment made by the distinguished Senator from Kansas.

Mr. President, I yield the floor.

CALL OF THE ROLL

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Byrd	Darby
Anderson	Capehart	Donnell
Brewster	Chapman	Douglas
Bricker	Connally	Dworshak
Butler	Cordon	Eastland
Ecton	Kem	O'Conor
Ellender	Knowland	Robertson
Flanders	Langer	Saltonstall
Frear	Leahy	Schoeppel
Fulbright	Lehman	Smith, Maine
Gillette	Lodge	Sparkman
Hayden	Lucas	Stennis
Hendrickson	McCarran	Taft
Hickenlooper	McCarthy	Taylor
Hoey	McFarland	Thomas, Okla.
Holland	McKellar	Thomas, Utah
Humphrey	McMahon	Thye
Hunt	Magnuson	Tydings
Ives	Martin	Watkins
Jenner	Millikin	Wherry
Johnson, Colo.	Morse	Williams
Johnson, Tex.	Mundt	Withers
Kefauver	Myers	Young

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 166) to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of duty.

DAYLIGHT SAVING IN THE DISTRICT OF COLUMBIA

Mr. LUCAS. Mr. President, it is apparent from a canvass of the Senators on the floor that no other addresses will be made this afternoon on the unfinished business, dealing with the European recovery program. There is on the calendar a bill which is of an emergency nature, and which has to do with daylight saving in the District of Columbia. I ask unanimous consent that the unfinished business, Senate bill 3304, be temporarily laid aside, and that the Senate proceed to the consideration of Senate bill 3176, the District of Columbia daylight-saving-time bill, and that Senate bill 3176 be the business of the Senate until disposed of.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERTSON. Mr. President, I shall not object. I merely wish to say that when the calendar was called for the consideration of measures to which there was no objection, I was not willing to let this bill go by without expressing my personal views concerning it. I do not agree with the distinguished editor of the Washington Evening Star that it concerns only the District of Columbia, and that, therefore, the District of Columbia should have the exclusive say-so as to what should be done. The bill affects a good many people in the State of Virginia and a good many in the State of Maryland, and especially farmers, who have to work by the sun. They cannot work by some arbitrary time rule. The daylight-saving rule causes a great many people inconvenience. For these reasons I felt fully justified in expressing my personal viewpoint. However, Mr. President, I have no objection to the Senate voting on the bill, and I shall not object to its consideration.

Mr. LUCAS. I am very grateful to the distinguished Senator from Virginia for the position he takes. I thoroughly understand his position.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DONNELL. Reserving the right to object; I may say I shall not object. I understand this is the bill by which the Board of Commissioners of the District of Columbia would be authorized to advance the standard time applicable to the District 1 hour for a period of each year commencing not earlier than the last Sunday of April and ending not later than the last Sunday of September. Is that correct?

Mr. LUCAS. That is the exact reading of the measure which is before us.

Mr. DONNELL. Mr. President, will the Senator yield for a further inquiry?

Mr. LUCAS. I yield to the Senator from Missouri.

Mr. DONNELL. The bill does not refer merely to this one year, as I read it. It refers to each year. Is that correct?

Mr. LUCAS. The Senator is correct.

Mr. DONNELL. There is no objection, so far as I know, on our side.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HOLLAND. Reserving the right to object, I desire to express my very great appreciation to the Senator from Virginia [Mr. ROBERTSON]. It seems to me that since we have expressed ourselves in the Senate during the present session to the effect that we approve the general principle of home rule, by, I think, a vote of about 4 to 1, it would be highly inconsistent for us to go backward instead of forward in this matter by denying to the residents of the District who have shown by a great majority that they wanted the benefits of daylight saving the opportunity to get it through the action of their own governing authority. I appreciate the action of the Senator from Virginia. While, like himself, I know there are some who object, I think we both know that the great majority of people here want daylight saving. I hope the Senate will speedily enact the bill into law.

Mr. LUCAS. Mr. President, I wholeheartedly concur in the remarks just made by the distinguished Senator from Florida and I now ask for present consideration of the measure.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 3176) to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District, which was read, as follows:

Be it enacted, etc., That the Board of Commissioners of the District of Columbia is authorized to advance the standard time applicable to the District 1 hour for a period of each year commencing not earlier than the last Sunday of April and ending not later than the last Sunday of September. Any such time established by the Commissioners under the authority of this act shall, during the period of the year for which it is applicable, be the standard time for the District of Columbia.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. O'CONOR. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. O'CONOR. I, too, wish to express appreciation to the Senator from Virginia and approval of his action. In his comments he referred to the fact that the citizens of nearby States are affected, and he mentioned the State of Maryland, which I have the honor in part to represent. I may say that the Senator's statement is entirely correct. But I feel that the measure is a meritorious one, not only because, as the Senator from Florida has correctly stated, we are adhering to home-rule principles in granting the opportunity to the authorities of the District of Columbia to determine this matter which is principally of local concern, but I submit that on its merits in general the principle should be adopted.

If daylight saving is not adopted the Nation's capital will be out of step, as it were, with large municipalities of the Northern States and elsewhere. I think it would certainly be in keeping with the times if the measure were promptly passed, with the hope that the District Commissioners will put daylight saving into effect.

I thank the Senator from Illinois for his promptness in bringing this matter before the Senate.

Mr. LUCAS. Mr. President, I now ask for a vote on the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and read the third time.

Mr. ROBERTSON. Mr. President, on the passage of the bill I ask for a voice vote.

The PRESIDING OFFICER. The question is, Shall the bill pass? [Putting the question.] The "ayes" seem to have it; the "ayes" have it, and the bill is passed.

Mr. ROBERTSON. Mr. President, I should like the RECORD to show that 6 Senators voted for and 1 Senator voted against the passage of the bill.

POSTHUMOUS AWARDS FOR THE CREW OF THE NAVY PRIVATEER SHOT DOWN IN THE BALTIC

Mr. WHERRY. Mr. President, I have been asked to read into the RECORD a telegram sent to me by the Senator from Washington [Mr. CAIN]. It comes from Spokane, Wash., dated today, and is as follows:

SPOKANE, WASH., *April 21, 1950.*

Senator KENNETH WHERRY,
Senate Office Building,

DEAR KEN: A small favor please.

In the New York Times of Thursday April 20 under page one story titled "Senate Proposes Awards for Fliers Downed in Baltic" by Harold B. Hinton, the majority leader, SCOTT LUCAS is quoted as saying in part to the junior Senator from Washington "If the Senator wants to make a defense of Russia on that score, he is welcome to do so." As I recall, LUCAS said substantially this during the debate on his resolution last Wednesday but no such reference appears in the CONGRESSIONAL RECORD of that date. SCOTT LUCAS was advised by himself and friends to strike the comment as being unfair and unwise and he did so. SCOTT LUCAS advised me personnally of why he wanted to strike the comment. I appreciated his desire to withdraw an ill considered comment and after thanking him the incident was closed as far as I was concerned. To keep the record straight however, I hope that you will read this wire statement to the Senate today. In addition I ask that you join with it my letter of yesterday to the Secretary of State in which I submitted a number of questions about the Baltic episode which puzzle Americans generally. If the Secretary of State can answer the questions and I trust that he can all of us will be much better prepared to understand what has really taken place in the Baltic area—my office will provide you with a copy of the letter.

Gratefully and with cordial regards,

HARRY P. CAIN.

Mr. President, at this point in my remarks I ask unanimous consent to have printed in the RECORD a letter written by the Senator from Washington to the Secretary of State under date of April 20, 1950.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 20, 1950.

Hon. DEAN G. ACHESON,
Secretary of State,
Washington, D. C.

MY DEAR MR. SECRETARY: As you know, the Senate majority leader, Mr. LUCAS, offered a joint resolution (S. J. Res. 166) yesterday to authorize the award posthumously of an appropriate decoration to the members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea while in the performance of duty. The result of the vote on the resolution was yeas 66, nays 0.

This resolution was apparently offered because it was designed to focus public attention, both at home and abroad, on the protest note which the State Department had presented very recently by our Ambassador to the Minister of Foreign Affairs of the Union of Soviet Socialist Republics. In speaking in support of the resolution, which in itself made no reference to the manner in which the United States Navy Privateer was destroyed, Mr. LUCAS and other Senators seemed to take for granted that the aircraft had been shot down by Russian airmen. In answer to questions these gentlemen said that all they knew was what they had read in the State Department's note of protest to the Soviet Government.

I read this protest note as it appeared in the press yesterday with deep interest and concern. It did not satisfy my desire to understand fully how and where and when the unfortunate tragedy took place. Your protest note left unanswered many a reasonable and legitimate question which must be in the minds of most Americans.

I hope that you will be able to fully answer the several questions which are carried in this letter. Unless the questions are answered in clear and understandable fashion there will and must remain a serious doubt concerning what actually happened. If the United States Navy Privateer was actually destroyed by the Russians, the Congress and the Nation will support, in my judgment, any steps which are taken by the State Department and others in authority to secure appropriate indemnity. If, however, there is any possible doubt concerning how our aircraft met its fate many an American, in my judgment, will insist on pursuing an investigation to determine all of the facts before supporting a demand for indemnity from a nation which is said to have committed an unprovoked act of destruction against American lives and property.

1. Can you advise me of the destination of the United States Navy Privateer after it left Wiesbaden at 10:31 a.m. Greenwich time, April 8, 1950? Is a flight plan available to show an estimated mileage and time schedule?

2. Was any of this route over foreign territory and if it was were the necessary clearances secured from the appropriate foreign government?

3. Your protest note states that the United States Navy airplane did not fly over any Soviet or Soviet-occupied territory or territorial waters adjacent thereto. Will you provide your explanation as to how the Russian aircraft, which is presumed to have destroyed our American aircraft, was flying over territory or waters beyond its jurisdiction?

4. Will you state the precise location of where you think our aircraft was shot down?

5. If you think that our aircraft was shot down over friendly territory or waters will you state the nature of our own or friendly air defense measures in the area where the incident is thought to have taken place? If our aircraft was destroyed over territory or waters which are within our jurisdiction the Nation will want to know what steps are being taken to avoid future incidents of the kind in question.

6. Your protest note tells us that the United States Navy Privateer reported by radio as it crossed the coast line of the British zone of Germany two and a half hours after taking off from Wiesbaden. Was this the last radio report which the aircraft made to its headquarters? If there were other radio reports will you state the number and the hour times when the messages were dispatched? Will you state the practice which governs reporting to headquarters by aircraft which fly in the European theater? I am interested in knowing if our aircraft was heard from after its first radio report at 1:01 p. m. This question is of importance, at least to me, because of the comment in your protest note that the Soviet Government acknowledged that one of its fighter aircraft had fired upon an American plane on April 8, 1950, at 5:30 p. m., Moscow time.

7. Can you completely disprove the possibility that our aircraft might have blown up or disintegrated in flight as a result of mechanical failures?

8. Are American aircraft, other than military aircraft, now in service in the Baltic area? Your protest note said that the United States Navy Privateer was the only American military aircraft in the air on April 8, but it likewise states that the Soviet Government acknowledged firing on an American plane.

I think that you will do a fine service for America and for all of the nations in Europe if it is possible for you to concretely answer each of these questions. These answers will clear away the wide range of uncertainty which is included in your protest note and they will provide everybody with a factual analysis of when, where, and how a regrettable and unfortunate mishap occurred. Until concrete answers are available to everybody the State Department will not benefit from the confidence it ought to receive from the American people.

Anything short of the complete truth about any of our relationships with foreign nations in days like the present constitutes an inadequate understanding of the problems which beset you and your Department. The American people will face up to any responsibility providing they know what it is in every detail.

Most sincerely,

HARRY P. CAIN.

NATURALIZATION OF IMMIGRANTS HAVING LEGAL RIGHT TO PERMANENT RESIDENCE

Mr. THOMAS of Utah. Mr. President, since the majority leader has called up a bill on the calendar, after having made the announcement that no Senators were ready to speak on the unfinished business, I wonder if he would object to the

Senate returning to House Joint Resolution 239, Calendar No. 1179, and considering that measure.

Mr. LUCAS. Mr. President, will the Senator advise the Senate of the subject of the measure?

Mr. THOMAS of Utah. Mr. President, it is a joint resolution to provide for the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence. It is a measure definitely in behalf of the Japanese, who have gained permanent residence, whose sons and daughters served in the armed forces of the United States and who are American citizens.

On the call of the calendar there was objection to the measure. If I remember correctly the junior Senator from Georgia [Mr. RUSSELL] objected to it, but I have been informed that he has withdrawn his objection, and that he would not object to the joint resolution when the calendar is called.

I want to say to the Senate at this time that very few persons will be affected by the measure. Only such persons as have gained permanent residence in the United States will be affected by it. It will not affect in any way or in any sense the laws now in effect with respect to persons becoming citizens of the United States. Probably very few persons would apply for citizenship under terms of the joint resolution. It would merely extend to persons having a legal right to permanent residence, who live with us, who are part of our political life, and whose sons and daughters have defended the United States in war and are citizens of the United States, the privilege of becoming citizens of the United States.

Mr. LUCAS. Mr. President, I am grateful to the Senator from Utah for bringing up the subject at this time before the Senate. I am in total sympathy with the views expressed by him with respect to this particular measure. However, in talking with the junior Senator from Georgia, who objected to consideration of the joint resolution when it was reached on the call of the calendar, he advised me that he has an amendment to offer to it when it comes up for consideration. Under those circumstances I cannot agree to have it considered at this time. The junior Senator from Georgia is unavoidably absent from the Senate. Therefore, I think it would be unwise to take up the joint resolution in his absence.

Let me say to the Senator from Utah that I am just as much interested in the measure as he is, because a number of persons who live in Illinois are affected by it.

I guarantee to the Senator that before we conclude the session action will be taken on the joint resolution.

Mr. THOMAS of Utah. Mr. President, let me say further that, of course, I would not have made the request if it were not for the fact that the joint resolution has passed the House of Representatives and has been reported unanimously by the Senate Committee on the Judiciary. However, of course, I shall not make the request if the Senator from Georgia wishes to be present during the consideration of the joint resolution.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948

The Senate resumed the consideration of the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

Mr. LUCAS. Mr. President, before the Senate takes a recess, I wish to make known to the Senate, especially for the RECORD, in the hope that Senators will read it between now and Monday, that it is the hope of the Senator from Illinois and of the majority, those on this side of the aisle, that on Monday next, when the Senate convenes we can arrive at a unanimous-consent agreement whereby we can dispose of the pending bill perhaps sometime next week. We have now spent 2 days on the European Recovery Program, and I doubt whether, if we computed the exact time spent discussing this basic and fundamental and all-important world issue, we would find that more than 2½ hours of actual debate had been addressed to this particular question.

Mr. President, it seems to me that Senators who are concerned with this measure, and who have addresses to make on it, ought to get busy on Monday of next week and be here with the speeches they desire to deliver to the Senate and to the country. Let us get along with the business of ECA. It is important. The Senator from Illinois would like to conclude it not later than the latter part of next week, certainly not later than a week from Monday.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I concur in the observation made by the majority leader that we should expedite the pending legislation, that we should hurry on with it in order that we may then take up FEPC, as the majority leader has announced, and get it out of the way. There is also plenty of other proposed legislation which should be considered. But I wish to assure the majority leader that we shall do everything in our power to bring about a unanimous-consent agreement Monday, or at least at the beginning of the week, to vote upon the different amendments and, finally, on the passage of the ECA bill.

Mr. LUCAS. I thank the Senator from Nebraska.

INCREASE IN BORROWING POWER OF COMMODITY CREDIT CORPORATION

Mr. THYE. Mr. President, I should like to ask the distinguished majority leader whether it will be possible on Monday to take up for consideration Calendar 1380, House bill 6567, which proposes to increase the borrowing power of the Commodity Credit Corporation. I believe action should be had on it as early as possible, because the program of the Secretary of Agriculture in relation to the price support of perishable commodities is held up somewhat pending action of the Congress on the Commodity Credit Corporation bill.

Mr. LUCAS. I am entirely familiar with the subject matter mentioned by the Senator from Minnesota. I agree with him that some action should be taken on the bill. We have not been able to consider it yet. I should have liked to take it up this afternoon, but the Senator from Delaware [Mr. WILLIAMS] said he would be absent today, and I did not want to take it up in his absence. Whether the Senate can consider it on Monday I would not want to say at this time, but perhaps after we obtain the unanimous-consent agreement to vote on the ECA measure we may find a lull during which the bill can be acted upon. The Senator is obviously correct in saying to the Senate and to the country that it is a very important piece of legislation.

Mr. THYE. I thank the Senator.

DESIRABILITY OF EXPEDITING THE WORK OF THE SENATE

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Connecticut.

Mr. McMAHON. Mr. President, I should like to observe that in about 8 weeks there will be in the Senate a great hue and cry about going home. Senators will be coming to the majority leader asking, "When are we going to be able to go home?" The answer to that question is being written now in the Senate. The longer we delay action on important measures as they come up, the longer we shall have to remain here, because, as I understand, the attitude of the majority leader is that we have a program of bills the consideration of which must be finished, no matter how long we may be required to remain here. If that is the case, the sooner we get to work on them in earnest and get through with them, the sooner we shall be going home. Those who want to delay the votes on these measures should take that into consideration, if they do not want to be here long past Labor Day.

Mr. LUCAS. Mr. President, in reply to the Senator from Connecticut, I should like to say that I hope very much we can finish this session by July 31, in keeping with the letter and spirit of the Legislative Reorganization Act of 1946. However, if we cannot do it, we shall have to remain longer. Certainly I do not want to continue in session until the middle of October. I happen to be a candidate for reelection this year, as do other Senators, including my friend from Missouri [Mr. DONNELL], the Senator from Connecticut [Mr. MCMAHON], and other Senators. I feel sure that those who are candidates will agree with me that we should like to dispose of all the business of the Senate as expeditiously as possible, so that we may return to the hustings and at least preach a little Democratic and Republican gospel to the folks back home, who do not see us very often. Does the Senator from Missouri agree with that?

Mr. DONNELL. Will the Senator from Illinois allow me to inquire whether he will preach a little Republican doctrine as he goes along?

Mr. LUCAS. I may say to the Senator it will be Republican doctrine in reverse.

Mr. DONNELL. It will be in muted tones, will it not?

Mr. LUCAS. Very much so.

Mr. DONNELL. I concur with the Senator, however, as to the desirability of expediting the work of the Senate as much as possible, consistent with the proper performance of our duties.

MESSAGE FROM THE HOUSE OF REPRESENTATIVES—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 166) to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, and it was signed by the Vice President.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 21, 1950, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 166) to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of duty.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 2 o'clock and 45 minutes p. m.) the Senate took a recess until Monday, April 24, 1950, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 21, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Infinite and eternal God, who art found by all who sincerely seek Thee and art seen by all whose hearts are pure, may we begin, continue, and end each day with the glad assurance of Thy guiding and sustaining presence.

Grant that the Members of this legislative body may daily come to the high vocation of public service, with which Thou hast entrusted them, richly endowed with clear judgment and wise decision.

May the Master's principles of righteousness and justice be the foundation on which we are striving to build a nobler civilization.

Show us how we may lift humanity out of the lowlands of fear and bondage into the lofty heights of faith and freedom through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 11, 1950:

H. R. 3946. An act to promote the national defense and to contribute to more effective aeronautical research by authorizing professional personnel of the National Advisory Committee for Aeronautics to attend accredited graduate schools for research and study.

On April 19, 1950:

H. R. 6656. An act for the relief of Peter Michael El-Hini.

SPECIAL ORDER GRANTED

Mr. JAVITS asked and was given permission to address the House on Wednesday next, April 26, for 20 minutes following disposition of the legislative business of the day and at the conclusion of any special orders heretofore entered.

DISPLACED PERSONS BILL

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CELLER, WALTER, FEIGHAN, GRAHAM, and FELLOWS.

NATIONAL HOUSING ACT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 7846, an act to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That title VIII of the National Housing Act, as amended, is hereby amended by adding the following new section at the end thereof

"'SEC. 809. Whenever the Secretary of the Army, Navy, or Air Force, or his duly designated representative, determines that it is desirable in order to effectuate the purposes of this title, the Secretary is authorized, without regard to the civil service and classification laws, to procure, by negotiation or otherwise, the services of architects and engineers, or organizations thereof, under such arrangements as he deems desirable, but at an expense not in excess of that permissible under the schedule of fees allowed from time to time by the Public Housing Administration in connection with projects assisted under the United States Housing Act of 1937, as amended. Such services may include the development of plans, drawings, and specifications for rental housing under this title and other services in connection therewith: *Provided*, That such plans, drawings, and specifications may include the use on any project to be constructed under this title of alternate materials or alternate types of construction, including prefabrication, that provide substantially equal value and conform to standards established by the Federal Housing Administration: *Provided further*, That the Secretary may designate certain sites or parts thereof for rental housing to be furnished from prefabricated houses or housing components. Such arrangements may include provision for advance or progress payments, for payment by third parties, for payment by the Government of any such compensation as is not paid for by third parties, and shall include provision for reimbursement by third parties to the Government of any compensation or other expenses paid by the Government pursuant to this section, and may include other provisions for compensation. The Secretary is further authorized to advance or pay to the Federal Housing Administration its "Appraisal and Eligibility Statement" fees in connection with such rental housing. The Secretary is further authorized to procure options from private parties for the acquisition by third parties of off-installation sites intended for such rental housing. The Secretary is further authorized to enter into arrangements by contract or otherwise for eventual acquisition by the Government, without cost to the Government, of all right, title, and interest in sites on which housing is constructed pursuant to this title and improvements thereon. Any public-works appropriations now or hereafter available to the Departments of the Army, Navy, or Air Force may be obligated by the respective departments for these purposes. Reimbursements to the Government on account of payments made pursuant to this section shall be made to appropriations against which such payments were charged.'"

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the gentleman please explain the amendment?

Mr. SPENCE. Mr. Speaker, there are no substantial changes in the bill as passed by the House. The Senate amendment merely clarifies and makes certain some of the provisions of the House bill. It provides that there shall be a limitation upon the fees paid to architects and engineers, and they shall conform to the provisions of the bill providing for public housing. It provides that there may be sites selected for the prefabricated houses, and that there may be contracts made for reimbursement for the temporary expenditures of architects and engineers, which will be recovered from the promoters of the project. The Government may also contract for the acquisition of the property after the period of amortization of the mortgage.

Mr. HINSHAW. Mr. Speaker, further reserving the right to object, I am glad that the gentleman and his group have taken out of that bill the stated amount of architects' and engineers' commissions or fees, as in these houses which are produced in multiple there is no need for a large fee. The architectural and engineering work can be accomplished for a very small fee by using four or five plans for these installations.

Mr. SPENCE. I may say that there is a great emergency existing for the immediate passage of this bill. The armed services are very anxious that it shall go into effect immediately. There is a very great shortage of housing in Alaska where the need must be met, and the housing has been so poor in the armed services that many men refuse to reenlist because of inadequate housing facilities.

Mr. RICH. Mr. Speaker, further reserving the right to object, the Government has now invested over $20,000,000,000 in housing. How much will this bill add to that enormous amount of money that we are spending for housing?

Mr. SPENCE. The Government does not appropriate any money for construction. This is done by private enterprise.

Mr. RICH. We are not appropriating any money now, but you are authorizing it, and then you come back and ask for appropriations.

Mr. SPENCE. This is merely rental property. It provides for the building of rental property by private enterprise.

Mr. RICH. But the Government has already invested over $20,000,000,000 in that.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Tennessee.

Mr. EVINS. This proposition is approved by the Secretary of the Air Force, is it not?

Mr. SPENCE. It is advocated by all the armed services. They are very, very anxious that it go into effect immediately.

Mr. EVINS. In order that we may facilitate the provision of needed houses at military and air installations throughout the country?

Mr. SPENCE. Absolutely. General Bradley broadcast the other night in favor of the bill.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Florida.

Mr. SIKES. I am fully in sympathy with all the gentleman has attempted to accomplish. I was very anxious to see the Wherry Act passed last summer, but now that that bill has been in effect since last summer practically no use has been made of it by the armed services. Have we any assurance that they now will "get on the ball" and start using this program?

Mr. SPENCE. The interest and agitation they show about the immediate passage of this bill would indicate they intend to act on it promptly.

Mr. SIKES. They had plenty of legislative authority to proceed under the other bill, I thought.

Mr. SPENCE. This legislation implements the other bill and creates authority which is essential to carry out its provisions.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PROMOTION OF CARRIERS IN RURAL DELIVERY SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6553) to provide for the promotion of carriers in the rural delivery service in recognition of longevity of service, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That (a) in the case of postmasters and employees in the postal field service (except employees, other than charmen and charwomen, paid on an hourly basis and substitute and temporary rural carriers) for whom single salary or annual automatic salary grades are provided in the act of July 6, 1945, as amended (Public Law 134, 79th Cong.), there are hereby established longevity grades A, B, and C. The rate of basic compensation of each such postmaster and employee (except postmasters at post offices of the fourth class, and charmen and charwomen paid on an hourly basis) shall be increased by $100 per annum for each promotion to a longevity grade. The rate of basic compensation of each such postmaster at a post office of the fourth class shall be increased by 5 percent per annum for each promotion to a longevity grade. The rate of basic compensation of each such charman and charwoman shall be increased by 5 cents per hour for each promotion to a longevity grade.

"(b) Each such postmaster or employee who is serving in a regular position on the date of enactment of this act or who is appointed to such a position at any time thereafter, shall be assigned to longevity grade A at the beginning of the quarter following the completion of 13 years of service, to longevity grade B at the beginning of the quarter following the completion of 18 years of service, and to longevity grade C at the beginning of the quarter following the completion of 25 years of service.

"(c) All time on the rolls of the custodial service of the Post Office Department on and after October 1, 1933, and all time on the rolls of the mail equipment shops before or after July 1, 1945, shall be considered as postal field service. In determining longevity credit for the purposes of subsection (b), there shall be credited all time on the rolls (except time on the rolls as a substitute rural carrier) in the postal field service or in the Post Office Department before or after July 1, 1945; all time on the rolls in the custodial service of the Treasury Department continues to the date of the transfer of the employee to the custodial service of the Post Office Department in accordance with Executive Order No. 6166, dated June 10, 1933; all time on the rolls as special-delivery messenger at a first-class post office before or after July 1, 1945; all time on the rolls as a clerk in a third-class post office before or after July 1, 1945, for which payment is made from authorized allowances. In the case of an officer or employee who was separated or is hereafter separated from the postal field service or from the departmental service of the Post Office Department for military duty, or to comply with a war transfer as defined by the Civil Service Commission, all time engaged in military service or service on war transfer shall be credited, and pro rata credit shall be given for the time engaged in military service and service on war transfer for each year of such service. Service specified in this subsection shall be credited on the basis of one-twelfth of a year for each whole calendar month the employee has been on the rolls. All such service shall be credited, whether continuous or intermittent, except that credit shall not be allowed for time on the rolls under a temporary appointment unless such time on the rolls is continuous for 1 year or more, or unless continuous to the date of appointment as a classified substitute or regular employee.

"SEC. 2. Employees on the rolls on the date of enactment of this act, who are in the highest automatic grade of their position or who are in additional grades, shall retain promotion credit under the provisions of section 2 (e) of the act of October 28, 1949 (Public Law 428, 81st Cong.), and under those provisions of the act of July 6, 1945 (Public Law 134, 79th Cong.), which are repealed by section 4 of this act to the same extent as though such provisions had remained in effect, and thereafter shall be promoted to longevity grades A, B, and C at the beginning of the quarter following the completion of 3, 5, and 7 years of service, respectively, in the next lower grade, except that if prior thereto any such employee becomes eligible for promotion under subsection (b) of section 1 of this act, such employee shall be promoted in accordance with the provisions of such subsection.

"SEC. 3. The amount of any increase under the provisions of this act in the compensation of any supervisory employee shall not be considered as part of the base salary of such employee for the purposes of the first and second provisos in section 3 of the act of July 6, 1945, as amended (Public Law 134, 79th Cong.).

"SEC. 4. (a) The act of July 6, 1945, as amended (Public Law 134, 79th Cong.), is amended in the following respects:

"(1) By striking out the first proviso in section 12 (a).

"(2) By striking out the proviso in section 13 (b).

"(3) By striking out the proviso in section 14 (b).

"(4) By striking out the proviso in section 14 (c).

"(5) By striking out the proviso in section 14 (d).

"(6) By striking out the proviso in section 14 (e).

"(7) By striking out the proviso in section 14 (f).

"(8) By striking out the proviso in section 15 (d).

"(9) By striking out the proviso in section 15 (e).

"(10) By amending so much of section 16 (c) as precedes the proviso to read as follows:

"'(c) Railway post-office lines shall be divided into two classes, class A and class B. Clerks assigned to class A lines shall be promoted successively to grade 9, and clerks assigned to class B lines shall be promoted successively to grade 11. Clerks in charge of class A lines shall be of grade 14. Clerks in charge of class B lines shall be of grade 16.'

"(11) By amending the first sentence in section 16 (d) to read as follows: 'Clerks assigned to terminal railway post offices and air mail field railway post offices shall be promoted successively to grade 9.'

"(12) By amending the first sentence in section 16 (e) to read as follows: 'Clerks assigned to transfer offices shall be promoted successively to grade 11.'

"(13) By amending the first sentence in section 16 (g) to read as follows: 'Clerks assigned to offices of division superintendents, regional superintendents Air Mail Service, and in chief clerks' offices shall be promoted successively to grade 9.'

"(14) By amending the proviso in section 16 (j) to read as follows: '*Provided*, That such operators shall be promoted successively to grade 9.'

"(15) By striking out the second sentence in section 16 (s).

"(16) By striking out the proviso in section 17 (a).

"(17) By striking out the proviso in section 18 (b).

"(18) By striking out the matter relating to grades 10 and 11 in the table in section 19 (a), and by amending that part of section 19 (a) which follows such table to read as follows: 'and shall be promoted successively

at the beginning of the quarter following 1 year's satisfactory service in each grade to the next higher grade until they reach the ninth grade.'

"(b) Sections 1 and 2 (e) of the act approved October 28, 1949 (Public Law 428, Eighty-first Congress), are hereby repealed.

"SEC. 5. None of the provisions of this Act shall be so construed as to reduce the grade or compensation of any employee on the rolls on the date of enactment of this act.

"SEC. 6. This act shall take effect as of November 1, 1949, except that retroactive payments for longevity promotions shall not be made to employees no longer on the rolls of the postal field service on the date of enactment of this act."

Amend the title so as to read: "An act to provide uniform longevity promotional grades for the postal field service."

Mr. REES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, during the last session of this Congress, the House Post Office and Civil Service Committee approved H. R. 4495, which became Public Law 428. When this legislation passed the House it was generally thought by all the Members that all credit in the postal service would be granted postal employees toward longevity grades. Subsequent rulings against certain categories of postal employees regarding these benefits have demonstrated the necessity of additional legislation which is now under consideration.

The House has approved H. R. 6554, which provides uniform longevity promotional grades in the postal field service, and subsequently the Senate amended this legislation by including additional postal employees.

The distinguished chairman of the Post Office and Civil Service Committee has asked the House to agree to the provisions of H. R. 6553, as amended by the Senate, and I am pleased to support him in his desire.

In my judgment, it is simple justice to provide an equitable and uniform basis for granting longevity increases for all postal employees in the field service of the Post Office Department. The bill, as amended, establishes three longevity grades to which employees will be entitled after 13, 18, and 25 years of service. In qualifying for these grades which represent annual increases of $100, employees may count all years of postal service and custodial employees may count years of service both with the Treasury Department and the Post Office Department. Special-delivery messengers may count the time they were paid on a fee basis and clerks in third-class post offices may count the time they worked in post offices as employees of postmasters prior to the enactment of Public Law 134, Seventy-ninth Congress.

The cost of this legislation is moderate in comparison to the benefits which will be received by the postal employees and to which they are justly entitled.

I am pleased to support this legislation, which I believe is only fair and equitable.

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY of Tennessee. Mr. Speaker, it is the purpose of this legislation to clarify the intent of Congress when it passed H. R. 4495, now Public Law 428. As this bill passed the House, it concerned only one phase of this problem which was that relating to rural carriers. The House has also passed a bill (H. R. 6603) which would allow credit toward longevity grades for custodial employees. Many other bills have been introduced dealing with different phases of the problem and, in light of the many differences of opinion when this bill was considered in the Senate, it was the suggestion of the Postmaster General and the Comptroller General that all of these differences be resolved in one piece of legislation. Accordingly, the Senate, after public hearings and in cooperation with the Postmaster General, drafted legislation which would clarify the views of Congress as it related to the various issues raised by the Comptroller General's decision on Public Law 428.

The bill, as it was amended by the Senate, establishes three longevity grades to which employees will be entitled after 13, 18, and 25 years of service. These longevity increases are of $100 per annum for regular employees, except that fourth-class postmasters will be paid 5 percent of their base pay rather than the $100. In qualifying for these grades, employees may count all years of postal service and custodial employees may count their years of service both with the Treasury Department and the Post Office Department. Special-delivery messengers may count their time when they were paid on a fee basis. Clerks in third-class post offices may count the time they were working in the post office as employees of the postmasters prior to their classification under Public Law 134, Seventy-ninth Congress. Temporary employment may be counted where it is for a period of more than 1 year or where it is continuous to the date of appointment as a classified employee.

Some employees may find it advantageous to remain under the present system of longevity promotions. This bill will permit them to select either the present system or the new longevity grades. However, gradually there will be a conversion to the new longevity grades system of 13, 18, and 25 years for all employees. This will simplify the law with respect to longevity promotions and is a definite improvement.

The Senate amendment provides that longevity increases granted supervisors will not be counted in determining whether such supervisors salary exceeds $4,170, which is the top limit permitted to supervisors who are granted overtime compensation on Sundays, holidays, or during the month of December.

In my opinion the Senate amendment is in accord with the views of the House and Senate when they approved H. R. 4495—Public Law 428—and by agreeing to the Senate amendment we will correct these misunderstandings and inequities in one piece of legislation and it will save the necessity of acting upon this legislation piecemeal.

The Postmaster General, the Comptroller General, and the Bureau of the Budget do not object to H. R. 6553, as amended. The cost is about $6,500,000 annually, but most of this cost appeared in the cost estimates for H. R. 4495, passed last session.

At a meeting yesterday, the House Post Office and Civil Service Committee unanimously agreed to request the House to concur in the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD asked and was given permission to address the House for 20 minutes today following the legislative program and any special orders heretofore entered.

BIPARTISAN COMMISSION TO FORMULATE SOUND AGRICULTURAL PROGRAM

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I shall file later this afternoon a resolution which is being prepared for me by our legislative counsel which would provide for the establishment of a commission to study the agricultural situation and to recommend adequate farm legislation. It is patterned after the resolution which was enacted into law and resulted in the creation of the so-called Hoover Commission. I am sure that it will be recalled that the report of that Commission concerned itself primarily with a number of important recommendations for reorganization of the Department, rather than with adequate and basic legislation covering agriculture in the United States. In one sense the recommendations of the so-called Hoover Commission constitute an approach which would be prerequisite to the development of such legislation and it is to be hoped that we will have such a reorganization plan submitted in the very near future by the President under the authority given to him by this Congress. Nevertheless, that will not meet the situation which still confronts us in this field. It is regrettable, indeed, that at least during the last year and a half this important and challenging problem has been thrown into the realm of partisan politics to the point where it seems perfectly clear no sound solution can be developed unless we divorce the consideration of the problem from

such partisan politics. The primary duty of any such commission, as I see it, would be to study and investigate the over-all organization and methods of operation of all activities related to our American agriculture with the responsibility of determining what changes therein and in the basic law are necessary to prevent serious subnormal agricultural income without placing an undue burden on the consumers and taxpayers of the country.

I do hope that all who are concerned with the existing situation, and within recent days by reason of public statements which have been made by responsible Members of Congress, it is clear that constitutes every single Member of Congress, will take the time to study this proposal and formulate an individual opinion as to its merits. In this connection, I am placing in the Appendix of the RECORD certain material which has been sent to me covering the resolutions of the Agriculture Committee of the Conference of American Small Business Organizations held here at its eleventh national session on March 27–29, 1950. I am also placing in the RECORD, for convenient reference, the brief press release of the so-called Hoover Commission, covering its recommendations as to the basic organizational changes contained in its report. That report was transmitted to the President of the Senate and the Speaker of the House by the chairman of the Commission on February 18, 1949. The accompanying task force report was transmitted to those officers of Congress by the chairman on January 13, 1949. I am confident that each Member has that material in his office files.

AWARDING POSTHUMOUS DECORATIONS TO CREW OF UNITED STATES NAVY PRIVATEER

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 166) to authorize the award posthumously of appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of duty.

The Clerk read the joint resolution, as follows:

Resolved, etc., That the Secretary of the Navy is authorized and directed to award posthumously to the officers and crew of the United States Navy Privateer who lost their lives while on a flight between Wiesbaden, Germany, and Copenhagen, Denmark, in or over the Baltic Sea on April 8, 1950, an appropriate decoration in recognition of their outstanding and heroic services in the performance of duty.

SEC. 2. The Congress hereby tenders its condolences to the families of the deceased and expresses its gratitude for their gallantry and devotion to duty.

SEC. 3. The Secretary of the Navy is authorized and directed to transmit a copy of this joint resolution to the family of each of the deceased.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that the Clerk may read the protest of the Department of State.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read as follows:

The Ambassador of the United States of America presents his compliments to the Minister for Foreign Affairs of the Union of Soviet Socialist Republics and, with reference to the note of the Ministry of Foreign Affairs of April 11, 1950, has the honor to state that the only American military aircraft which was in the air in the Baltic area on April 8, 1950, was a United States Navy Privateer airplane which disappeared on that date and no trace of its crew has since been found.

The United States Navy airplane carried 10 persons. It was wholly unarmed. It left Wiesbaden at 10:31 a. m., Greenwich time, for a flight over the Baltic Sea, and 2½ hours later reported by radio crossing the coast line of the British zone of Germany. All American military aircraft operate under strict instructions to avoid flying over any foreign territory in the absence of express permission for such a flight from the appropriate foreign government. The investigation conducted by the United States Government has convinced it that the United States Navy airplane in question complied strictly with these instructions and did not fly over any Soviet or Soviet-occupied territory or territorial waters adjacent thereto.

"SOLEMN PROTEST" MADE

In the Ministry's communication under reference the Soviet Government acknowledges that one of its fighter aircraft fired upon an American plane on April 8, 1950, at 5:30 p. m., Moscow time. In view of the fact that the only American military airplane which was in the air in the Baltic area on that date was the unarmed United States Navy airplane mentioned above, and that this airplane was at no time after it crossed the coast line of Germany over any foreign treritory or territorial waters, it must be concluded that Soviet military aircraft fired upon an unarmed American plane over the open sea, following which the American airplane was lost.

The Ambassador of the United States has been instructed to protest in the most solemn manner against this violation of international law and of the most elementary rules of peaceful conduct between nations. The United States Government demands that the Soviet Government institute a prompt and thorough investigation of this matter in order that the facts set forth above may be confirmed to its satisfaction. The United States Government further demands that the most strict and categorical instructions be issued to the Coviet Air Force that there be no repetition, under whatever pretext, of incidents of this kind which are so clearly calculated to magnify the difficulties of maintaining peaceful and correct international relationships.

The United States Government confidently expects that, when its investigation is completed, the Soviet Government will express its regret for the unlawful and provocative behavior of its aviators, will see to it that those responsible for this action are promptly and severely punished, and will, in accordance with established custom among peace-loving nations, pay appropriate indemnity for the unprovoked destruction of American lives and property.

Mr. VINSON. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, 2 weeks ago, on the morning of April 8, 10 fine American young men, members of the United States Navy, were winging their way in an unarmed American aircraft on a routine flight over international waters.

On the afternoon of that day, these members of the American Navy lost their lives in their Nation's service.

And how did these Navy men lose their lives?

The aircraft of a foreign nation—military aircraft of the Soviet Union—deliberately, savagely, brutally shot our Navy aircraft out of the air. No evidence has since been found of the aircraft or of the Navy crew whose lives were sacrificed in such wanton disregard of human decency, of principles of international law, of the most elementary rules of peaceful conduct between nations.

Mr. Speaker, in reaction to this act of aggression by Russia, our Government has sent a strong, forceful protest to the Government of the Soviet Union. It demands an investigation. It demands instructions to the Soviet Air Force that such incidents not be repeated. It requests punishment of the Russian airmen who are guilty of cold murder of defenseless Americans. And it requests the payment of appropriate indemnity for the unprovoked destruction of American lives and property.

And now, we have this congressional resolution.

It authorizes appropriate posthumous decorations of the officers and crew of the American plane deliberately destroyed by the Soviet Union.

It tenders the condolence of the American people, through their Congress, to the families of the deceased.

It directs the Secretary of the Navy to transmit a copy of the resolution to the families.

I know, Mr. Speaker, that this resolution will be unanimously approved, and I shall ask for a record vote.

I know that the Members of the House of Representatives are quite as horrified and as angered as I am by this murderous, dastardly, despicable act which has been officially condoned by the Russian Government.

But where does this leave the Congress?

Is this resolution adequate answer to cold-blooded murder of Americans by a foreign power?

History has a way of repeating itself, Mr. Speaker.

I look back 13 years. I look back to the American gunboat, the *Panay*. Then an increasingly truculent, an increasingly aggressive nation deliberately bombed and sank this American vessel in Chinese waters.

It was only 4 years later, Mr. Speaker, that our great Nation reaped the reward of our peacetime unpreparedness.

It was only 4 years after unprovoked attack on an American naval vessel that we learned at Pearl Harbor, and in the early, dark days of the terrible conflict that followed, the price of national weakness.

And now it is 13 years after the *Panay* incident. It is but 5 years after the cessation of hostilities in World War II.

And here, in the same pattern, in the same manner, for the same purpose, with the same ruthlessness, with the same contempt for life, for democratic institutions, for international law, for decency, a barbaric attack is made on an unarmed, defenseless American aircraft.

And we are passing a resolution. And our Government is officially protesting.

I say that while the resolution is fitting and proper, it is not the fully adequate answer, Mr. Speaker.

I say that Secretary Acheson is clearly and evidently sound in his judgment that Russia respects only force in international relations.

And I say to you that if the Congress and the United States Government generally do not look beyond this dastardly incident to its ultimate meaning and move appropriately to counteract the ultimate design there will be again a succession of similar tragedies, a procession of comparable similar insults to American honor and prestige, a continuation of probing and pressing to test American strength and determination, until that final, terrible hour of reckoning arrives. I say again that history has a way of repeating itself.

So, I say, Mr. Speaker, that this resolution, tremendously important though it is, is not enough.

We must hark to the counsel of our Secretary of State. It is clearly true that Russia respects only force.

Our reaction must therefore be reflected in American determination to maintain that force. Otherwise, we will race pell-mell into another war—a war fomented by our own military weakness.

That proper reaction of the American people to the shooting of this American airplane out of the air will be reflected by this House when the national-defense appropriation comes up for debate in the next few days.

When that appropriation is before the House, Mr. Speaker, we will knowingly select our highway.

There are, in that appropriation, two roads we can travel.

Will it be the road of weakness?

Will it be the road to the supremacy of dollars over adequate national defense?

Will it be the road of reducing our air power as called for in the defense budget?

Or will it be the road to an adequate military defense—military preparedness of such size and character as will cause Russia to stop, look, and listen?

I am confident, Mr. Speaker, that after adopting this resolution, this House will, by its action on the defense budget, let the world know that America will stand firm, that America will stay prepared, that America does have the determination to maintain the required armed forces to deter an aggressor.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. VINSON. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. It is with a sad and heavy heart I take the floor upon this occasion, because one of the men in this Navy airplane was a friend of mine and the son of close personal friends, who have our heartfelt sympathy in these hours of sorrow. Ensign Tom Burgess, of Osawatomie, Kans., was one of the finest youngsters I ever knew. It was only a few short months ago that he was on his way to this new assignment. He stopped in to visit with me. He was full of pride of his service; he was looking forward with anticipation to this duty for which he had been selected. I know that if he could he would tell us now that there is no regret in his heart that he was so called for this duty, and just as any man did during active service, he performed his duty with the patriotic zeal of American youth, a man serving his country in his uniform under his flag.

Mr. Speaker, I will support the resolution.

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, the distinguished chairman of the Armed Services Committee [Mr. VINSON], in presenting this resolution, seems to attribute the occurrence of the shooting wholly because of our alleged military unpreparedness. I do not agree with that deduction without qualifying it and shall endeavor to tell the House why.

How many lessons must this Nation suffer to learn that the unchanging pattern of totalitarianism leads inevitably away from the universal hope of peace. How many ignominious diplomatic setbacks can we absorb and still retain our self-respect and the respect of the world at large—a world that looks to us for reassurance and strength. When is the abandonment of a wishy-washy, vacillating, dawdling, and sprawling foreign policy to take place and be supplanted by genuine American firmness which spells out conclusively the course we are to follow in our relations with other countries. How soon can we anticipate that a program of our State Department will no longer lead to confusion involving our Nation and the rest of the world—a policy that will not unnecessarily snuff out the lives of our boys in the manner of the Baltic Sea incident.

How simple, at a time like this, to accuse the Russians? Perhaps there is every justification. Certainly this latest and most reprehensible deed by the Soviets cannot be condoned by any stretch of the imagination. If any doubt existed as to the authenticity of the actual happening—the actual shooting down of our plane—it was dispelled by the Russian maneuver in conferring decorations upon their men responsible for the most dastardly and culpable act in recent international affairs. But let us for the moment search the souls of those who set the stage for this tragedy with a policy that permitted the Russian Bear to make a clown of Uncle Sam at every turn in our relations with our former, beloved ally. Would it not be better for those who embraced unquestionably the palsy-walsy relationship with Russia to now, even at this late date, acknowledge the error of their ways and vow to rectify the grievous condition to which they so greatly contributed. Would it be inappropriate, in bad taste, to recognize the fact that the tragic deaths of the ten is directly attributable to the fallacious, stumbling policymakers of our State Department dating back to the absurdities of the Yalta and Potsdam Agreements. Ah, yes, it is far easier to lay the blame entirely upon the Russians. There is no better way to cover the mistakes that were born in the Department of State.

Today we are again face to face with a situation that we had previously encountered. We should have all the answers to questions pertaining to this most unhappy dilemma which brings up in the minds of the people the dreaded specter of war.

A nation whose intentions are honorable takes all precautions to avoid any and all provocative action. If peace is the aim, then efforts directed toward that desirable situation do not take on the shape of violence against the helpless and unarmed. We are impelled by the weight of Russia's long list of questionable activities to assume that she places an entirely different meaning upon the word peace. Obviously we must seek a different attitude toward the Soviets than we have been pursuing to date. Our Nation has a right to know whether our attitude will help eliminate complete disregard for international law or help put an end to bestiality such as Russia seems to recommend. The State Department is the answer department for this problem.

Let us mark this day as one of dedication to the heroic service of the members of the crew of the United States Navy Privateer who paid the full price in the performance of their duty. Let us be guided henceforth by a constant reminder that such tragedies need not occur if we maintain an all-around alertness in our Government departments responsible for our policies affecting international relations.

Mr. LUCAS. Mr. Speaker, let no one believe that the Congress of the United States is treating lightly this provocation. This resolution proves that we are deeply concerned.

Let those who committed this crime take care. Americans are slow to wrath, but once aroused, no power under God's heaven can stand against them. We do not want war—the thought is abhorrent to peace-loving Americans—but such acts as this can bring it.

It is to the credit of the people of this country that they have not permitted this crime to arouse them to active arms. Less than this, in the past, has provoked actual conflict.

Mr. Speaker, shall we look upon this assault as another *Panay* incident? We shall wait and see. I must say this, that if the Russian leaders do not take extraordinary precautions, it is a precursor to war.

We will pass this resolution, Mr. Speaker, to do deserved honor to the victims of this attack that the world may know that their sacrifice shall not be in vain.

Mr. PRICE. Mr. Speaker, as we prepare to unanimously adopt this resolution, the Soviet Union has announced it has rejected the State Department's protest.

It is no surprise that Russia has rejected the American note charging that a Soviet fighter shot down an unarmed United States Navy plane, flying over international waters.

This is consistent with the general Russian attitude.

An attitude based on stubbornness and a total lack of common, decent courtesy.

An attitude which places an almost unsurmountable barrier in the way of any international unity.

In fact, the Russians are so stubborn they refuse to even acknowledge what type of plane was involved in the incident.

The facts, as we have established them, are that there was only one American plane in the area. Our records show that plane was a Navy Privateer.

The Russians say the plane was a B–29.

Any Navy airman can tell you there can be no mistaking a Privateer for a B–29. The Privateer is a much smaller plane; actually, it is a B–24 with a single tail.

This one distortion in the Russian story of what happened is enough to cast discredit on other statements the Kremlin may offer in connection with this incident—a cold-blooded murder.

Also the Privateer was not armed.

Yet the Russians continue to charge this unarmed plane with opening fire on Russian fighters first.

How simple-minded do the Russians think the American people—and the people of the world—can be?

One conclusion I draw is this: Although as a nation Russia has now established herself as a major power, its rulers still act with an immaturity that ill befits the heads of a leading world power.

Mr. PHILBIN. Mr. Speaker, the eminent chairman of the Armed Services Committee has admirably and eloquently emphasized the reasons for this measure. It is meritorious and I intend to vote for it.

But how inadequate it is to meet the outrage perpetrated against our Nation. This measure will not restore the lives of the five noble young Americans who were so brutally slaughtered. Russian airmen who committed these mass murders have already been decorated by the Soviet for their dastardly acts. Apologies, explanations, indemnities, have not been forthcoming, but would not suffice to settle the issue created by this willful, unspeakable, and inexcusable carnage.

This episode, like many others emanating from the same source, calls for the gravest action by this Government. We cannot afford to delay immediate demands for full redress any more than we can afford to defer longer the settlement of the underlying basic conflict with Russia.

We shall strive, I hope, for peaceful settlement of this most portentous and ominous conflict exemplified by the cold war and world-wide conspiracy against the free democratic way of life.

There are risks whatever course we follow. But in my judgment the greatest risk to this Nation and its freedom lies in further delaying a diplomatic show-down with the Soviet on the great issues between us which relate to the very existence of our democratic Government, our national sovereignty, our security, and safety.

These questions must be fearlessly and courageously met now. They must be brought to a head now regardless of the attitude of Russia. If there is no response, in the name of security and justice this Government should consider withdrawing recognition of all Communist governments and be willing to take other steps as may be necessary to defend our democracy and Nation.

Mr. VINSON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the pending resolution.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. VINSON. Mr. Speaker, I move the previous question on the joint resolution.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. VINSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 333, nays 0, not voting 97, as follows:

[Roll No. 137]

YEAS—333

Abbitt	Bonner	Cooper
Abernethy	Bosone	Corbett
Albert	Bramblett	Cotton
Allen, Calif.	Breen	Coudert
Allen, Ill.	Brehm	Cox
Allen, La.	Brown, Ga.	Crawford
Andersen, H. Carl	Bryson	Crook
	Buchanan	Cunningham
Anderson, Calif.	Burdick	Curtis
Andresen, August H.	Burke	Dague
	Burleson	Davies, N. Y.
Andrews	Burnside	Davis, Ga.
Angell	Byrnes, Wis.	Davis, Tenn.
Arends	Camp	Davis, Wis.
Aspinall	Canfield	Deane
Auchincloss	Cannon	DeGraffenried
Bailey	Carlyle	Delaney
Barden	Carnahan	Denton
Baring	Case, N. J.	D'Ewart
Barrett, Wyo.	Celler	Dingell
Bates, Ky.	Chatham	Dolliver
Beall	Chelf	Dondero
Beckworth	Chesney	Donohue
Bennett, Mich.	Chiperfield	Doughton
Bentsen	Clemente	Doyle
Biemiller	Clevenger	Durham
Bishop	Cole, Kans.	Eaton
Blatnik	Cole, N. Y.	Eberharter
Bolling	Colmer	Elliott
Bolton, Ohio	Combs	Ellsworth
Elston	Kerr	Rabaut
Engel, Mich.	Kilburn	Rains
Engle, Calif.	Kilday	Ramsay
Evins	King	Rankin
Feighan	Kirwan	Redden
Fellows	Kruse	Reed, Ill.
Fenton	Lane	Reed, N. Y.
Fernandez	Lanham	Rees
Fisher	Larcade	Regan
Flood	Latham	Rhodes
Fogarty	LeCompte	Ribicoff
Forand	LeFevre	Richards
Ford	Lemke	Riehlman
Frazier	Lesinski	Rodino
Fugate	Lind	Rogers, Fla.
Fulton	Linehan	Rogers, Mass.
Furcolo	Lodge	Rooney
Gary	Lovre	Sadlak
Gathings	Lucas	Sadowski
Gavin	Lyle	St. George
Gillette	Lynch	Sanborn
Golden	McCarthy	Sasscer
Goodwin	McConnell	Saylor
Gordon	McCormack	Scott, Hardie
Gore	McCulloch	Scrivner
Gossett	McDonough	Scudder
Graham	McGrath	Secrest
Granger	McGregor	Shafer
Green	McKinnon	Sheppard
Gregory	McMillan, S. C.	Sikes
Gross	McSweeney	Simpson, Ill.
Gwinn	Mack, Ill.	Simpson, Pa.
Hagen	Mack, Wash.	Sims
Hale	Madden	Smith, Wis.
Hall, Edwin Arthur	Magee	Spence
	Mahon	Staggers
Hall, Leonard W.	Mansfield	Steed
	Marcantonio	Stefan
Halleck	Marsalis	Stigler
Hand	Marshall	Stockman
Harden	Martin, Iowa	Sullivan
Hardy	Martin, Mass.	Sutton
Hare	Mason	Taber
Harris	Merrow	Tackett
Hart	Meyer	Talle
Harvey	Michener	Taylor
Hays, Ark.	Miller, Calif.	Teague
Hedrick	Miller, Md.	Thomas
Herlong	Miller, Nebr.	Thompson
Heselton	Mills	Thornberry
Hill	Mitchell	Trimble
Hinshaw	Morris	Van Zandt
Hobbs	Morrison	Vinson
Hoeven	Multer	Vorys
Hoffman, Ill.	Murdock	Vursell
Hoffman, Mich.	Murray, Tenn.	Wadsworth
Holifield	Murray, Wis.	Wagner
Holmes	Nicholson	Walsh
Horan	Noland	Weichel
Howell	Norblad	Welch
Huber	O'Brien, Ill.	Werdel
Hull	O'Hara, Ill.	Wheeler
Jackson, Calif.	O'Konski	White, Idaho
Jackson, Wash.	O'Sullivan	Whitten
Jacobs	Passman	Whittington
Javits	Patman	Widnall
Jenison	Patten	Wier
Jenkins	Patterson	Wigglesworth
Jensen	Perkins	Williams
Johnson	Peterson	Willis
Jones, Ala.	Pfeiffer, William L.	Wilson, Ind.
Jones, Mo.		Wilson, Okla.
Judd	Philbin	Wilson, Tex.
Karst	Phillips, Calif.	Winstead
Karsten	Pickett	Withrow
Kean	Plumley	Wolcott
Kearney	Poage	Wolverton
Keating	Polk	Wood
Kee	Potter	Woodhouse
Keefe	Poulson	Yates
Kelley, Pa.	Preston	Young
Kelly, N. Y.	Price	Zablocki
Kennedy	Priest	

NAYS—0

NOT VOTING—97

Addonizio	Case, S. Dak.	Havenner
Barrett, Pa.	Cavalcante	Hays, Ohio
Bates, Mass.	Christopher	Hébert
Battle	Chudoff	Heffernan
Bennett, Fla.	Cooley	Heller
Blackney	Crosser	Herter
Boggs, Del.	Davenport	Hope
Boggs, La.	Dawson	Irving
Bolton, Md.	Dollinger	James
Boykin	Douglas	Jennings
Brooks	Fallon	Jonas
Brown, Ohio	Gamble	Jones, N. C.
Buckley, Ill.	Garmatz	Kearns
Buckley, N. Y.	Gilmer	Keogh
Bulwinkle	Gorski	Klein
Burton	Granahan	Kunkel
Byrne, N. Y.	Grant	Lichtenwalter
Carroll	Harrison	McGuire

McMillen, Ill.	O'Toole	Smathers
Macy	Pace	Smith, Kans.
Miles	Pfeifer,	Smith, Ohio
Monroney	Joseph L.	Smith, Va.
Morgan	Phillips, Tenn.	Stanley
Morton	Powell	Tauriello
Moulder	Quinn	Tollefson
Murphy	Rich	Towe
Nelson	Rivers	Underwood
Nixon	Roosevelt	Velde
Norrell	Sabath	Walter
Norton	Scott,	Whitaker
O'Brien, Mich.	Hugh D., Jr.	White, Calif.
O'Hara, Minn.	Shelley	Wickersham
O'Neill	Short	Woodruff

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONTINUATION OF RENT CONTROL PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 566)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency and ordered to be printed:

To the Congress of the United States:

In my state of the Union message in January, I recommended extension of rent control for another year beyond the present expiration date of June 30. Developments since that time have made it even clearer that a Federal program of rent control is still required in many localities. I wish, therefore, to reemphasize the urgency of congressional action to extend the rent-control program.

I strongly advocate extension of rent control because I am convinced that the public interest requires it. Housing is the one area of acute shortage remaining from wartime. Removal of controls would mean serious hardship for millions of tenants who are caught in a seller's market and cannot obtain lower rents by shopping around. Until supply is near enough to demand so that the forces of competition will again operate effectively to protect the tenant, rent control should continue.

At the same time, we should continue the present policy of granting the landlord all justifiable increases in rent. The basis of our policy has been fairness to both the landlord and the tenant.

Since the end of the war, our aim has consistently been to overcome the housing shortage. With this objective, we have vigorously pressed programs to expand the volume of housing. At the same time, we have decontrolled rents in a gradual and orderly manner, community by community, as soon as the supply of housing in each community achieved reasonable balance with the demand. Extension of rent control for another year will be consistent with this policy. It will also contribute substantially to the stability of the national economy as a whole.

The policy of orderly decontrol has resulted in a steady reduction of the number of units under control. At its peak in 1946, Federal rent control covered over 16,000,000 dwelling units. It now covers 11,000,000. Within the last year, the Housing Expediter has decontrolled 1,300,000 rental units while State and local governments have decontrolled 1,800,000 units. However, in many cases State and local decontral actions were premature and resulted in excessive increases in rents.

Actions taken by four States will remove Federal rent control from an additional 2,600,000 rental units by July 1, 1950. The bulk of these units will not actually be decontrolled but instead will be shifted from Federal to State rent control. Even taking into account these latest State actions, over 8,000,000 rental units will still be under Federal control.

In areas where Federal control has remained in effect, the Housing Expediter has followed a fair policy in granting rent increases to landlords. During the last year alone, increases have been authorized covering over 900,000 units. The average increase authorized was 18 percent.

But while we have made progress in reducing the coverage of rent control and can look forward to further progress, the time has not yet come for the final elimination of Federal rent control.

The 8,000,000 rental units which will still be under Federal control on June 30 are located in 40 States of the Union. Federal control will still be in effect in 63 of the 92 cities with populations over 100,000 in the last census, as well as in thousands of our smaller cities, towns, and localities. Rent control will still be a national problem. The housing shortage will still be acute.

Despite the record volume of housing production in recent years, only in the past year or two have we begun to catch up on the accumulated shortage. But even the recent gains have been mainly in certain areas and for certain types of housing—not equally for all. The bulk of new construction since the war has been priced to meet the needs of the higher-income families. In large cities, new units suitable for families with children generally rent for $85 a month or more. Housing at rentals that families with incomes of less than $300 a month can afford is still extremely scarce in most urban areas and in thousands of smaller communities. In many of the larger urban areas there are virtually no rental vacancies in livable dwellings. The situation is also particularly severe in smaller communities near military installations where the families of many married servicemen live.

The housing legislation enacted by the Eighty-first Congress will help to meet these urgent housing needs. The act passed in 1949 initiated a broad, new program of low-rent public housing. The Housing Act of 1950 provides new incentives for privately financed homes for families of moderate income. Much of the additional housing made possible by these measures, however, will not be available for some time. Nor will these measures be as fully effective in meeting the needs of all our people as would have been the case if the Congress had adopted the cooperative middle-income housing program which I proposed. Therefore, while there is every reason to expect steady progress in expanding the supply of housing, it will be some time before supply comes into reasonable balance with demand on a national basis.

It is highly significant that every one of the 63 large cities still under Federal rent control on June 30, as well as each of the thousands of smaller communities covered, has had the option to remove controls but has chosen to retain them. The reason for their decision—and the wisdom of it—is clearly evident in the results of a Bureau of Labor Statistics survey of rent increases in 14 cities where Federal rent controls were removed during 1949. Of these 14, all but 1 were decontrolled through State or local action; in two cases, State controls were substituted. This survey shows that of those units whose rents were free to rise—excluding those whose rents were controlled by lease and those which had been earlier decontrolled individually—the proportion of units having increases ranged from 17 to 74 percent, with 60 percent or more in such large cities as Milwaukee, Dallas, Omaha, and Knoxville. Among units having increases, the average rise in rents ranged from 12 percent in Madison, where State law limited the amounts of increase permitted, to 41 percent in Houston. In 8 of the 14 cities, the average increase was over 25 percent.

The survey also shows that the impact was heaviest on low-income groups. Among units renting for under $30 a month, the proportion having increases was greater than among higher-rent units. The average percentage increases were also markedly higher ranging up to 46 percent in Houston, 52 percent in Wichita, and 56 percent in Dallas. In seven cities, the average increase was 35 percent or higher.

These increases, I want to emphasize, occurred in cities where it was believed the housing shortage had been reduced enough to permit decontrol. There is every reason to assume that in other cities, and particularly the largest ones, the effects of decontrol at this time would be even more drastic. Chicago landlords, for example, argued in court last fall that they were entitled to a 71.5 percent rent increase.

It is clear, therefore, that a sudden and simultaneous removal of rent controls on a national scale would precipitate a wave of exorbitant rent increases. Such increases would seriously reduce the purchasing power of millions of families. Since there are very few vacant livable housing quarters available for rent within the means of low and middle-income families, they would have no choice but to pay the rent increases demanded. These families are already living on tight budgets. The money to pay high rents would have to come out of their purchases of food, clothing, and other necessities. The burden would be most serious for the one-fourth of our families with income of less than $40 a week.

A sudden and rapid increase in rents would affect adversely sales and employment in many industries and trades. In addition, public assistance costs would rise, increasing Federal, State and local budgets. Public and private pensions for the aged would become more inadequate.

In contrast to the hardships and economic dislocations which would follow a

sudden and premature termination of rent control, we have the sound alternative of continuing a policy which protects the tenant and at the same time is fair to the landlord. The welfare of our citizens as well as the stability of our national economy require that this policy be continued. I therefore urge that the Congress extend Federal rent control to June 30, 1951.

HARRY S. TRUMAN,
THE WHITE HOUSE, *April 21, 1950.*

EXTENSION OF REMARKS

Mr. HINSHAW asked and was given permission to extend the remarks he made yesterday and to include two press releases from the Department of Defense.

Mr. HINSHAW asked and was given permission to extend his remarks in two instances and include certain articles.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks and include extraneous matter.

Mr. JAVITS asked and was given permission to extend his remarks in four instances and include extraneous material.

Mr. DAGUE asked and was given permission to extend his remarks and include an article from the Pathfinder magazine.

Mr. LYNCH asked and was given permission to extend his remarks and include an address.

Mr. YATES asked and was given permission to extend his remarks and include an editorial from the Chicago Sun-Times of April 19, 1950.

Mr. SULLIVAN asked and was given permission to extend his remarks and include an editorial from the St. Louis Star-Times of April 19, 1950, entitled "New Low in Crime."

Mr. PHILBIN asked and was given permission to extend his remarks.

Mr. WALSH and Mr. GOODWIN asked and were given permission to extend their remarks.

Mr. LARCADE asked and was given permission to extend his remarks and include a newspaper article entitled "Know Your Waterways."

Mr. LANE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. ROONEY asked and was given permission to revise and extend the remarks he will make in Committee of the Whole today and include extraneous matter including testimony and magazine articles.

Mr. SIKES asked and was given permission to extend his remarks and include an editorial by John McMullen.

Mr. COUDERT asked and was given permission to extend his remarks in two instances and include newspaper articles.

Mr. LOVRE asked and was given permission to extend his remarks and include an editorial.

Mr. HESELTON asked and was given permission to extend his remarks in two instances and include extraneous matter in each.

Mr. GWINN asked and was given permission to extend his remarks.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in two instances and include newspaper articles.

SPECIAL ORDER GRANTED

Mr. PATTERSON asked and was given permission to address the House today for 10 minutes following disposition of the legislative business of the day and at the conclusion of any special orders heretofore entered.

LEGISLATIVE PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to inquire of the majority leader as to the program for the balance of this week and next week.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I may say that on tomorrow there will be general debate on the appropriation bill. Is that correct?

Mr. CANNON. That is correct.

Mr. CANFIELD. Do I understand, then, we will not reach the amending stage of the Treasury-Post Office chapter of this bill?

Mr. CANNON. We hope to complete the Treasury-Post Office chapter this afternoon; we will then take up general debate on the Labor-Federal Security chapter tomorrow and begin reading that chapter for amendment on Monday morning.

Mr. McCORMACK. There will be only general debate on tomorrow?

Mr. CANNON. Consideration of the bill will be confined to general debate tomorrow.

Mr. McCORMACK. On Monday, under the 21-day rule, H. R. 5965, the Veterans' Administration hospital bill, will be taken up. I may make the statement, so that the Members will be advised as to my opinion, that there will be a roll call on this bill. After that consideration of the general appropriation bill will proceed and that bill will be considered for the rest of the week.

I want to call attention to the fact that on Friday and Saturday of next week there is the journey of Members to New York City. That has been planned for some weeks and I am very hopeful that the House will cooperate in allowing a situation to exist in the House where that can take place on Friday and Saturday of next week.

Mr. HARRIS. Is it anticipated then that if consideration of the appropriation bill is not concluded by Friday of next week some arrangement probably will be made so that the Members can go ahead as previously arranged?

Mr. McCORMACK. That is what I said. Of course, we shall approach that a little later next week. I am hopeful that the House will go along so that arrangements can be made and so that it can be carried out.

Mr. HARRIS. I am sure the gentleman understands that many Members have to make arrangements several days in advance.

Mr. McCORMACK. I appreciate that, and the gentleman from Massachusetts is trying to cooperate.

Mr. HARRIS. I appreciate that, too, but I was trying to get a little better understanding of it.

Mr. HALLECK. I wonder if I could make one other observation to the gentleman from Massachusetts. Possibly I should make it privately. We are coming now to the time when in many States we are having primary elections. It so happens that on May 2 a number of States, including my own, are having primary elections. Heretofore, it is my recollection, we have tried to arrange it, if possible, so that Members could go home to participate in those elections and vote. I am not undertaking to get any commitment or any suggestion from the majority leader at the moment, but I thought it might be appropriate at this time to suggest that situation. Possibly something can be worked out.

Mr. McCORMACK. I would like to have any Members let me know when their primaries are. Of course, it is only right that extreme consideration should be given Members in connection with the primaries. Heretofore the leadership on both sides have had extreme consideration for that, and we will again this year. The gentleman said May 2?

Mr. HALLECK. I know that Indiana, Ohio, and I think Florida, have primaries on May 2.

Mr. GRAHAM. Mr. Speaker, if the gentleman will yield, may I suggest to the leaders that on Tuesday, May 16, the primaries will be held in Pennsylvania.

Mr. McCORMACK. I am glad the gentleman from Indiana called that to my attention.

PARLIAMENTARY INQUIRY

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. As to the 21 reorganization plans that came down some time ago, can we be advised when the time for action on those will expire?

The SPEAKER. The Chair is not informed at this moment as to that.

PERSONAL ANNOUNCEMENT

Mr. BOGGS of Louisiana. Mr. Speaker, a few moments ago, when the House voted on the resolution to decorate our American heroes, I was, unfortunately, detained downtown. Had I been present, I would have voted "yea."

GENERAL APPROPRIATION BILL, 1951

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7786, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read the first paragraph of title III, chapter 3, ending at line 4, on page 60 of the bill.

Are there any amendments to this paragraph?

Mr. BURDICK. Mr. Chairman, I want to call the attention of this Appropriations Committee, now debating the general appropriations bill in the Committee of the Whole, to some disastrous floods now raging in North Dakota. One of them could have been greatly lessened had we proceeded with the construction of the dam on the James River north of Jamestown. This dam, canals, and ditches were authorized by Congress at an expense of $10,800,000 but at the present time this project is in the investigation stage or class B of projects. It should be moved up to class A when contracts could be let for the actual construction. The dam alone was authorized at $6,500,000. This appropriation was not included in the budget estimate, and coming at this late date, it would not be an opportune time to offer an amendment to this committee report, for the reason that it has not been considered.

I want this Committee and the Members of the House to have the facts of this flood so that the actual construction of the dam may proceed. As a part of my statement to this Committee of the Whole House, I desire to include a message received today from the City Council of the City of Jamestown:

JAMESTOWN, N. DAK., *April 21, 1950.*
Hon. USHER L. BURDICK,
Representative,
Washington, D. C.:

Resolution passed by the City Council of Jamestown, N. Dak., in special session, April 20, 1950:

"Whereas the city of Jamestown is now in great part inundated by the flood of waters coming from the James River and the crest of the flood has not yet been reached, with 500 families already forced from their homes, and the probability that another 300 families will be forced to move before it is over: Be it

"*Resolved,* That we earnestly request of the United States Congress and all officers in charge of the Missouri-Souris division and flood-control project move to place the proposed Jamestown Dam into the construction stage as early as possible; which resolution was duly adopted by the unanimous vote of all members of this council this 20th day of April 1950, and declared duly adopted by the mayor."

WILLIAM F. SHARP, *Mayor.*

This flood is caused by waters coming down the James River and its branch the Pipestem. The James River, or Dakota River, as it is officially named, rises in the northern part of central North Dakota and flows south by southeast, and finally joins the Missouri at Yankton, S. Dak. The Pipestem rises in the Hawk's Nest, a high elevation of hills about 65 miles northwest of Jamestown, and is the main western branch of the James River.

Grand Forks and its surrounding area are also inundated by the Red River of the North, that rises on the border between North Dakota and Minnesota about 100 miles south of Fargo, and flows north through an almost perfectly flat country—the bed of old Lake Agassiz—into Hudson's Bay. There is such a slight fall to the river that it spreads and winds in its course, covering about two miles by river to one actual mile of distance. At Grand Forks, the Red Lake River joins the Red River, and whenever this great area has an unusual amount of snow—as was the case this year—the volume of water cannot be moved by this slow moving river and hence it leaves its banks and flows over thousands of acres of the richest agricultural lands along the Red River, known as the "Bread Basket of the World." The damage this year amounts to a disaster, and I submit with my statement to you a copy of a telegram just received from the County Commissioners of Grand Forks County:

GRAND FORKS, N. DAK., *April 20, 1950.*
Representative BURDICK,
Washington, D. C.:

On motion by Mr. Block, seconded by Mr. Cummings, the following resolution was adopted by the Board:

"Whereas disastrous flash floods have engulfed and inundated hundreds of thousands of acres of rich agricultural land in Grand Forks County; and

"Whereas every stream in this county has left its banks during the past few days, causing very extensive damage to bridges, culverts, and roads, the exact amount of which damage cannot at this time be determined; and

"Whereas the net result of these disastrous circumstances is reflected in grievous human suffering plus untold loss of livestock, grain, and real estate: Now therefore be it

"*Resolved,* That this board assembled in Grand Forks, N. Dak., do hereby declare that a state of emergency exists in Grand Forks County; and be it further

"*Resolved,* That in view of the straitened financial condition existing in Grand Forks County, the assistance of the Federal Government is requested in the tremendous reconstruction and rehabilitation program which must be started at once.

"Dated at Grand Forks, N. Dak., this 20th day of April 1950."

E. O. BRY, *Chairman, Grand Forks County Board of Commissioners.*

Mr. Chairman, I cannot offer an amendment to this bill asking for a flood disaster because the damage is not now known and because it has not been considered by any committee. I have, however, introduced in the House today a bill providing an appropriation of $10,000,000, or as much thereof as may be necessary, to defray in part the damage done by these floods. I am sure that this move will have the favorable action of Congress as Congress is familiar with flood disasters in various parts of the United States. The people in these disaster areas have always found Congress ready to act promptly to do its part to alleviate the suffering of the people.

Here in North Dakota, at this time, we have an unusual situation. Two rivers rising within a few miles of each other, but on different sides of the Continental Divide, one flowing to the Gulf of Mexico and the other to Hudson Bay, both on the rampage, bringing destruction to the people of those areas.

Mr. REES. Mr. Chairman, I move to strike out the last two words in order to get the floor so that I may call attention to tremendous cost of printing in our Government, a great deal of which is unnecessary and extravagant.

Mr. Chairman, in the first paragraph of title III, relating to the Department of Commerce, there appears an item of $1,300,000 for printing, binding, and other expenses. Of course, this is only one of the comparatively small items in the bill.

Mr. ROONEY. If the gentleman will yield, that item is not entirely for printing and binding. Printing and binding is included, but this item generally is for the entire personal services and expenses of the office of the Secretary of Commerce in directing the responsibilities of his office.

Mr. REES. The gentleman is correct. What I am doing now is calling attention to the terrific expenditure by the Government for printing, most of which is unnecessary, expensive, and to a great extent wasteful.

I realize that a great amount of printing and publishing is required, but our Government spends millions of dollars more than it should because of duplication and multiplication of effort, and furthermore, because it prints a tremendous amount of material that is unnecessary and wasteful.

Very little effort has been made to coordinate or work out a plan to prevent this unnecessary waste to which I am directing your attention. This problem is one with which I have been concerned for some time and to which I have given a considerable amount of consideration. I conducted an independent investigation on this subject matter a few years ago and submitted legislation to reorganize the printing business in the Government, so that the entire Government printing job would be under central control. The House, however, did not see fit to consider my proposal.

The Federal Government operates the biggest printing and publishing business in the world. The waste involved in its operation is great but incalculable.

The following excerpts from studies in 1948 by the House and Senate Appropriations Committees point to some of this waste:

PRINTING PLANTS

There is widespread overlapping in federally owned printing plants and facilities, not only among departments but within cities throughout the country. There are 61 separate Government printing and duplicating plants in Washington; there are 23 in San Francisco, 25 in Philadelphia, 16 in Chicago, 6 in Kansas City, 6 in Denver, 16 in New York, and so on. The Army and Air Force have 140 printing and duplicating plants, the Navy has 87, Commerce Department has 26, and Interior Department 15.

PRINTING COSTS

The annual cost of Government printing alone—that is, not including original research, writing, typing, editing, reviewing, and checking—is over $50,000,000. Experience of one large Government agency indicates that editing and preparing copy for the printer costs three times as much as the actual printing. On that basis the cost of Government publishing would run about $200,000,000 annually. This still excludes the cost of research and writing on which cost figures are not available.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from New York.

Mr. TABER. I have an item from the budget which indicates that the total estimate for next year is $58,000,000.

Mr. REES. The figure I gave was approximately $50,000,000. I appreciate the gentleman's correction, which is even more than the figure I submitted.

ARMY PRINTING

The Army printing bill alone was $8,600,000 in 1948, which was about one-third more than the entire printing bill for the Congress. An indication of why it is so big is found in the List and Index of Department of the Army Publications which lists the more recent publications of the Army. This list runs over 500 pages, two columns to a page, and it is printed quarterly.

INCALCULABLE WASTE

Tons and tons of undistributed Government publications are sold as waste paper each year to clear storage space for new publications. In 1947 and 1948 the Government Printing Office condemned over 10,000,000 copies of publications. How many millions more were condemned by the agencies themselves is not known. Senate Appropriations Committee investigators found as many as 500,000 copies of some publications on hand, and 200,000 to 300,000 copies of others. They had all lain there for several years, untouched and unwanted, taking up valuable storage space.

BARGAIN BOOKS

The Interior Department published, at a total cost of $61,242, a 23-volume series on the Columbia River Basin. The printing cost per set was $36.06, but the publications were put on sale for $6.90 per set. Many sets were distributed free.

WASTE OF FORMS

A House Appropriations Committee study disclosed that in one year the Bureau of Internal Revenue printed 500,000,000 tax forms and 115,000,000 instruction sheets to supply 47,000,000 taxpayers. Hundreds of millions of such obsolete forms were found stored in a leased building.

Many publications of the Federal Government are, of course, necessary and required by law, or serve such useful purpose to so many people that their publication is to the national good. On the other hand, numerous publications relate to subjects which can be of interest to only a few and which have their main utility in providing work for researchers and writers.

When the various Federal agencies were requested by the Senate Appropriations Committee in 1948 to submit one copy of each of their publications issued during the past year, the response was overwhelming. The committee actually received 83,723 different publications before giving up for lack of room. One bureau was ready to send a stack of publications, of one copy each, estimated to be 52 feet high. Another would have needed seven four-drawer file cabinets for its sample copies.

The titles of many Government publications serve to illustrate the wide range of subjects covered and indicate why tens and hundreds of thousands of copies of many publications lie in storage for lack of demand.

Following are some examples: Deer Mortality From Gunshot Wounds; Tales From Korea; Recipes for Cooking Muskrat Meat; Eliminating Bats From Buildings; Fish for Breakfast—And Why Not?; Estimating Muskrat Populations by House Counts; Mist Netting for Birds in Japan; Habits, Food, and Economic Status of the Bang-Tailed Pigeon; the Sponge Industry in Turkey; Japanese Ornithology and Mammalogy During World War II; Two Home-Made Traps for English Sparrows; Fleas of North America; Attracting Birds.

I would not be misunderstood. There are hundreds and thousands of publications and pamphlets that are most valuable, but there ought to be some way to weed out and eliminate the ones that do not have any real value.

In the next place, if we had central control, we could do away with a tremendous amount of duplication of equipment and machinery, and we could do away with the printing of thousands of unnecessary forms and blanks and documents of various kinds. Central control would also prevent the stock piling of millions of copies of excess printed material that has cost so much and has no value.

Mr. TABER. Mr. Chairman, I move to strike out the last word. I do so for the purpose of asking the chairman of the subcommittee a question. I have a report from the budget indicating that in the Department of Commerce there was appropriated for 1950 for equipment $36,000,000 and the estimates for 1951 are $31,000,000. I am wondering what equipment there could be in the Commerce Department which would run into those figures.

Mr. ROONEY. Just the item for equipment insofar as the Civil Aeronautics Administration is concerned would make up a huge part of an item such as the one to which the gentleman refers. When you add the cost of control towers all over the country, the cost being something like $50,000 apiece for equipment alone you can readily see that it would run up to such a substantial sum.

Mr. TABER. How many of those would we have?

Mr. STEFAN. There are 163 and it is now proposed to expand them and to put in 10 in the next fiscal year.

Mr. ROONEY. The learned gentleman from Nebraska is correct on this and I thank him for his kind assistance.

Mr. TABER. That would not run over $1,500,000; $31,000,000 is about 20 times that.

Mr. ROONEY. May I say in answer to the gentleman that insofar as merely one item in the Department of Commerce appropriation is concerned, establishment of air navigation facilities the amount for equipment alone is $29,172,051.

Mr. STEFAN. There was one item for control towers for relocating 33 control towers costing approximately a half million dollars. I think the correct figure is $439,000 for the relocation of just 33 towers.

Mr. ROONEY. I do want to say that the figures for equipment insofar as the Civil Aeronautics Administration is concerned are just as appalling to the members of this committee as they are to the gentleman from New York.

Mr. TABER. I got this report and just could not understand how it could run to such figures. I am glad to have the information.

The Clerk read as follows:

Seventeenth decennial census: For expenses necessary for taking, compiling, and publishing the seventeenth decennial census including the census of housing as authorized by law (13 U. S. C. 201–219; Public Law 171, approved July 15, 1949), including personal services at the seat of government and elsewhere at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949 and the Federal Employees Pay Act of 1945, as amended; printing and binding; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); health service program as authorized by law (5 U. S. C. 150); and compensation of employees of the Department of Commerce and other departments and independent establishments of the Government who may be detailed for field work; $29,500,000, to remain available until December 31, 1952, and to be merged with the appropriation made under this head in the Department of Commerce Appropriation Act, 1950.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 62, line 20, strike out the period, insert semicolon, and the following: *"Provided, however,* That none of the funds appropriated in this paragraph shall be used for the purpose of paying the salary or compensation of any person engaged in gathering information as to the income of any person or the financial worth of any person or the value of the real property of any person nor for the purpose of compiling statistics with reference to said income or the value of said property."

Mr. TABER. Mr. Chairman, I have offered this amendment to bring the attention of the House and the country to the fact that these census enumerators are running all over the country asking people what their income is and the value of the property that they live in, and all sorts of questions which were not contemplated by the Congress.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. Yes, I yield.

Mr. ROONEY. In the interest of saving time, I might explain to the distinguished gentleman from New York that none of the money contained in the paragraph to which he addresses his amendment, is for the purpose of paying enumerators. The pay of the census enumerators was included in a bill last year, and no part of the money contained in this paragraph is for that purpose.

Mr. TABER. Let me call the gentleman's attention to the language beginning at line 17, "to remain available until December 31, 1952, and to be merged with the appropriation made under this head in the Department of Commerce Appropriation Act, 1950."

That clearly establishes that the situation is affected by this language, if it shall be adopted.

Mr. ROONEY. Does not the gentleman realize that the collection of these census statistics is coming to a speedy conclusion and that the money to pay

the enumerators has already been appropriated? Does he not realize that his amendment would serve no purpose? Incidentally, I do not agree with him in the purpose of his amendment; I am opposed to it. What I am now trying to do is to point out the futility of his amendment at this time.

Mr. TABER. I believe that this census enumeration is not proceeding as rapidly as was expected; reports are coming in to that effect. I believe that this foolish operations which is annoying the people of the United States should be stopped; I believe that if the Congress today should adopt this amendment it would stop this foolish operation and that we would get rid of a great lot of activity in connection with the whole census, not only the activity of enumeration but the activity of compiling statistics.

Mr. ROONEY. Does not the gentleman realize that by the time this bill becomes law there is no question but what the collection of decennial census statistics will have been completed?

Mr. TABER. I realize that probably that is so to a large extent. But the calculation will not have been completed, nor will the enumeration have been completed when we get through with today's operations in the House of Representatives, and I believe that foolishness will be stopped if we only adopt this amendment.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS of California. The gentleman has pointed out what I first wanted to call attention to, that is the fact that the compilation begins after the gathering of figures ceases; and that this idea of violating the law as it exists and asking for this information was not thought up by the enumerators, but by somebody higher up. As I understand, the amendment goes to and would reach that category. I think, therefore, the amendment is perfectly in order and should be adopted.

Mr. TABER. It would, and it is very important that we stand by the people of the United States and not permit the funds to be used for a purpose that was not intended at the time the census bill was passed.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROONEY. Is it the intent of the gentleman to prevent the disclosure to census enumerators of information with regard to a taxpayer's income? Is that the purpose of his amendment?

Mr. TABER. The purpose is to prevent the enumerators from asking for it, and to do away with that operation which, in my opinion, is in violation of the law and beyond the law.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Does the gentleman realize that no taxpayer has to divulge to the census enumerator the amount of his income? That he may get a form from the enumerator and mail it directly to the Bureau of the Census?

Mr. TABER. I realize that in the first place he does not have to answer the question at all, but the taxpayer has been deluded by the operations of the Bureau of Census into believing that he must do it. That is one of the reasons why I think we should adopt this amendment so that we will put a stop to that kind of operation on the part of the Bureau of the Census.

Mr. ROONEY. Does the gentleman further realize that only one out of every five persons interviewed by the census enumerator is asked the income questions?

Mr. TABER. Surely, I realize that; but that does not help any, because it is a violation of the law and a violation of the intent of Congress; and we should stand up and be heard on it.

Mr. SHAFER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SHAFER. I have seen several census blanks; in fact, I have had to fill out two of my own, and in every one of the blanks the question is asked: "Your income?"

Mr. TABER. I think that is true; I believe the enumerators have been instructed to ask only every fifth person.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MICHENER. I live at the Wardman Park Hotel. When I went home the other night I found they were taking the census. They told me they were taking the census of every hotel in Washington the same day. When I got home about 9 o'clock there in my box was one of the blanks. I got it and the census enumerator came right up to me and said: "You will have to fill this all in." They did not say anything about every fifth person to me or anybody else. Everybody there, and there were hundreds of them, filled in the blanks with their income, and all of the information was put in.

It so happened that on the same day I had some high-school students visiting here and staying at a hotel downtown. When those high-school students came in about 9:30 at night, and there were about 108 of them, with their instructors, they were told they had to fill out the blanks and that they had to fill them out before they went to bed that night. All of them came from Ann Arbor, Mich. It took them until after midnight to get these forms filled out.

Mr. PRESTON. May I say in response to the question raised by the gentleman from Michigan that the form to which he refers covers only those persons who are temporarily residing away from their home county and they only have to fill them out. We who spend part of the time here have to fill that form out. Then it is sent back to our home city or county to be double checked. That form does not have to be filled out by everybody who spends the normal length of time in his home town.

Mr. MICHENER. They explained to me that they were taking the census all over the United States, or at least in this city on a certain date in all the hotels where any people were commercial guests. When you come to taking high school children who are visiting in Washington and making them fill out a census return here in Washington, it seems to me it is, to say the least, clumsy.

Mr. PRESTON. I think it reflects a credit on the Bureau that they are endeavoring to get everybody in the country.

Mr. SHAFER. It is easy for us to understand why they take the census of students and others visiting here, including commercial travelers and so forth. They get 7 cents a head.

Mr. TABER. I am frank to admit that they asked my wife and she did not answer. She did it because I told her that she was not obliged to, that the law did not require it, that they had no authority to ask any such foolish questions. The people of the United States should know that they do not have to answer those questions. It is a racket that is put in there by the Census Bureau and if some of it were out there would be no trouble at all.

Mr. ROONEY. Does the gentleman realize when he makes the statement that this is a racket that these economic questions have been asked for the past hundred years in connection with the taking of the census?

Mr. TABER. I never heard of such a thing being asked before.

Mr. ROONEY. Well, that is a fact.

Mr. TABER. I doubt it.

Mr. ROONEY. Does the gentleman know who it is that desires the Census Bureau to put in the very questions which are in the Seventh Decennial Census?

Mr. TABER. I do not care who it is. Whoever is responsible is going beyond the pale of reason. It does not make any difference to me who it was.

I hope my amendment will be adopted and that we will be able to restrain some of the efforts of the Bureau of the Census.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the committee went into great detail with Dr. Hauser, Acting Director of the Census Bureau, on the income or financial feature of the census report and he assured us that only one in every five persons would be asked for this income information.

That it was to be merely a spot census on income.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Michigan.

Mr. RABAUT. The gentleman is using the phrase "income tax." He does not mean income tax.

Mr. STEFAN. No; income information, financial information. He assured us also that anyone who did not care to answer the question would be given a blank which the enumerator would hand him or her.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Rhode Island.

Mr. FORAND. Is it not a fact also that when that question is asked regarding income, all they want to know is whether you are above the $10,000 bracket or below.

Mr. STEFAN. Well, I was not going to go into those details.

Mr. FORAND. But that is a fact, is it not?

Mr. STEFAN. Yes. If it is over $10,000, just say so, mail in the blank, and that is all there is to it.

Mr. FORAND. And the same thing applies to mortgages.

Mr. STEFAN. My purpose in talking on this subject was to tell you that no one, who does not wish to divulge financial information to the census enumerators, needs to do that. All he has to do is to tell the enumerator to give him a blank. This blank he fills out himself, without having to sign his name or identify himself. The blank is self-sealing, and he or she can mail it to Washington directly, without anyone knowing anything about what the blank contains. We were told definitely, however, that only every fifth person was going to be asked to send in that blank or to divulge financial information. However, to my dismay, on visiting a distant city recently and being visited by the census enumerator, I was told that every transient in that community would have to give financial information, whether he gave it directly to the enumerator or whether he filled out his blank himself. The Census Bureau assured our committee that only one out of every five was going to be asked that financial question. Why it is that every transient, without exception, is being required to answer that financial question, puzzles me. I feel that perhaps the enumerators have not been given correct information nor minute information which they should have been given, because this inquiry into financial status of individuals is worrying the public.

Mr. RCONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, the gentleman from Nebraska [Mr. STEFAN] described the situation as it exists in the areas in which the census is being taken and not as we discuss it here on the floor. My friend from New York would probably say we are discussing it academically, but the people in the districts are facing it practically. They are very much perturbed about it. I found that when I went home.

After a statement to a newspaper in which I said that this was not legally required, I found that I was questioned very often upon that point.

It is a fact, as several gentlemen have pointed out, that in these questionnaires which are distributed in the hotels, every person is being asked this question.

We have had previous experience with such invasions of our privacy. It is not very long ago that the Department of Agriculture came into a rural area of my State and conducted a personal-inquiry questionnaire which asked very personal questions. They asked where you went to church, if you had changed your religion, the names of your friends and how many times you visited them every week, and a long list of personal questions. This was stopped by the publicity given it, which then developed into such a protest that the Department hastily withdrew the questionnaire. People do not like this. People do not want it. People are not legally required to answer such questions.

The best thing we could do today would be to indicate that we are still on the side of free government and not on the side of some sort of police state which goes into your homes and requires a lot of information which we do not need to give, and the Government does not have any right to ask. I think this amendment should be adopted, and that we should through it reach the levels where control rests, as well as the enumerators.

In my district, which I think is a good average district, the enumerators are apparently very rarely saying anything about the fact that you can send in the information confidentially if you wish. The people do not know that.

I say again that I support the amendment, and I hope it will be passed.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mrs. ROGERS of Massachusetts. Does not this sort of thing seem like the sort of thing they do in Russia? Our Government is running that way. We have no privacy. We are beginning to have no rights at all. Everything is Government-controlled.

Mr. PHILLIPS of California. I think a list could be made up of the invasions of our privacy, of which this would be only one. As the distinguished gentlewoman from Massachusetts says, it begins to show a strong suspicion of Russian technique.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I should like to ask a member of the subcommittee this question: When is this enumeration supposed to be finished?

Mr. FLOOD. The best information we had in the hearings was that it would be approximately 2 to 3 weeks.

Mr. HINSHAW. This appropriation bill is for the fiscal year 1951, is it not?

Mr. FLOOD. That is right.

Mr. HINSHAW. Therefore, any amendment such as the one offered here could have no effect upon the enumeration.

Mr. FLOOD. That is probably right.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. TABER. If the gentleman will read the language of this paragraph he would see that the amendment applies. He would see it would not only have a moral effect but would affect the compilation of these statistics.

Mr. HINSHAW. I can understand the moral effect all right but most of the people have already been enumerated. I know that is true of many. I was home during the recess. I reside at a hotel there. I was enumerated there and likewise here in Washington during my absence. I do not know just how they expect to add up the figures to find out who was where and why and subtract those who were away from home.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. PHILLIPS of California. It is very clear. The language of the bill on page 62 says that this shall be merged with the appropriation of the present money. So that this amendment would apply to the present expenditure of money.

Mr. HINSHAW. That might all be except, of course, if the enumeration is finished in 3 weeks as the gentleman here said——

Mr. PHILLIPS of California. But there is the compilation to follow.

Mr. HINSHAW. Well, the compilation to follow will not stop them from having asked the questions. The compilation is supposed to be the sum total of all these things. I do not see how you can stop the asking of these questions by putting in this kind of an amendment. I think the questions ought to be stopped. I think it is an invasion of the privacy of the individuals of this country. It is beyond my understanding. But I do not see how this can help that at all.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. GROSS. I am glad the gentleman made a point of the duplication. I wonder how they are going to straighten it out if they are enumerating 108 high school students here who have obviously been enumerated with their families.

Mr. HINSHAW. They are doing that with college students who are away from home. As a matter of fact, I suppose in the United States, certainly my own State, where cities depend upon subventions and grants from the State on the basis of population, all of these thousands of youths who are in college away from home are listed in the other communities, not being at home. Perhaps they are listed twice, I do not know.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. PRESTON. I would like to explain that the form P–2 that you and I have to fill out here in Washington is not necessarily used. If you are enumerated when you are at home the local supervisor checks the return, if your residence is given in California as having already been enumerated and if so the form is discarded and none of the information on it is used. That is why if you are one of the persons who are supposed to be asked that income question, and if you are a transient here you can see they have to enumerate you here so as to maintain the continuity of the figures as to every fifth person.

Mr. HINSHAW. I do not see why Members of Congress have to be enume-

rated here when they are enumerated and living somewhere else.

Mr. PRESTON. The enumeration here is not counted if you have been enumerated back home.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Chairman, when I was home during the recess I stayed with one of my good friends in Madison County in the northerly reaches of my district. He is a dairyman there. While I was staying at his home he was wrestling with the problem of having to answer 300 questions concerning the agricultural information which was requested in the 1950 census. He started out in the early morning and labored through the day and when I came back that evening to go to bed he was still working by electric light—yes, I said electric light, because we have electric lights up in rural New York State. My district runs roughtly from the Pennsylvania line to the shores of Oneida Lake which is nearly 100 miles in the interior of upstate New York. There are some of the finest family-sized farms in the entire Nation, in the counties of Broome, Chenango and Madison. There are dairy farms and the herds range from 10 to 30 cows. The farmers are entirely dependent upon the income from those dairy herds. They find it difficult to have many waking hours away from their work. Certainly a project of this kind is going to take many more hours out of their working time and I question whether many of them will be able to compile the information to answer these questions without having a great deal of the statistical information such as the gentleman I am referring to found it necessary to get. He answered about half the questions in one day, taking only time out to do his milking. It will take another day to compile them and it will take still another day to get information of a technical character which is necessary to answer all of the questionnaire. I think some of it at least is a waste of time. I am not criticizing the enumerators who are flocking out by the hundreds of thousands in the Nation. They are earning money. They are doing as they are told. They are doing as the directors in Washington tell them to do. They are doing the job as they have been directed. Any criticism ought to be directed at the heads of this census operation, and should not find its way to the enumerators.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. HOFFMAN of Michigan. I want to congratulate the people of the gentleman's district in having in Congress a Representative who not only has the ability but the courage to fight subversive elements in his district, and to assure them that as long as the gentleman remains here they need have no fear about being persecuted for violation of their privacy.

Mr. EDWIN ARTHUR HALL. I appreciate that, coming from my distinguished friend from Michigan. I can tell him that insofar as this one question goes, we ought to look into it a little more thoroughly, and I think the amendment which has been offered by the gentleman from New York [Mr. TABER] should be adopted.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, I rise in support of the amendment. I introduced a bill in the House on this subject some time ago. My bill would prevent the census enumerator from making inquiry with regard to the individual income of those whom he enumerated. It was referred to the Committee on Post Office and Civil Service, of which I am a member. The Census Bureau objected to it so strenuously that it was not even considered.

This matter of securing information with respect to the income of individuals has created a great deal of unnecessary irritation. They tell you that the individual does not have to answer the question with respect to his income. That is to say, the enumerator can ask the question, but if the enumerator does not tell the person that he can reply in a confidential envelope the average person does not know about it.

Of course, we are supposed to know the law. Incidentally, this is not a law. It is a regulation under the law, issued by the Census Bureau, just as many bureaus issue various kinds of rules and regulations.

Now if the Government needs this information for some important purpose it can be very conveniently obtained from the Bureau of Internal Revenue. The information from the Bureau of Internal Revenue will, incidentally, be much more accurate. As the distinguished chairman stated, they ask every fifth person. This alone makes the information quite inaccurate. For example, in our district there is a case where an enumerator thought you just asked each fifth person, so he went to a family that happened to have five people. The fifth one happened to be a 4-year-old child. So the enumerator marked that person down as, "Unemployed; no income."

In that particular case the head of the family has a pretty fair income.

I realize this proposal comes rather late, but the inquiry is unnecessary and uncalled for.

It will be said various groups interested in securing business want the information. They do not represent the general public any more than do various concerns who make a business of selling lists of different kinds to their customers.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield for a question?

Mr. REES. In just a moment I shall be glad to yield to the distinguished Member from Michigan.

Now, let us not blame the census enumerators. It is not their fault. They are carrying out their duties. But this matter of taking the census of individual incomes should have been prevented long ago. It would have saved irritation and unnecessary discussion. Furthermore, the information is not completely accurate nor can it be too dependable. It is also an unnecessary expense against the Government.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. FLOOD].

(Mr. FLOOD asked and was given permission to yield his time to the gentleman from New York [Mr. ROONEY].)

Mr. ROONEY. Mr. Chairman, has this amendment as yet been withdrawn?

Mr. TABER. The gentleman would submit that the amendment was offered in good faith, because the bill needs to be amended in just this way.

Mr. ROONEY. I may say to the distinguished gentleman from New York that things surely have bogged down on the minority side. What has happened to the phony economy drive? You spent the last 2 days talking about economy.

Mr. TABER. And on your side you are trying to increase expenditures.

Mr. ROONEY. And here you are today talking about an academic proposition. Everybody knows that the census enumerators will have completed their job long before the beginning of the fiscal year, July 1. It is, therefore, just an academic question.

The gentleman says that this matter of taking economic data in connection with the decennial census is a "racket." Let me show you who is interested in this "racket." I am going to refer to and read into the RECORD from page 1384 of the committee hearings certain testimony of the Acting Director of the Census at that time, Dr. Hauser:

Mr. Chairman, we included the income questions because of the fact that the business community has been particularly persistent in asking for such information. The income questions afford the best single measurement that there is in conjunction with population figures of potential markets, because markets are people with money. The population census measures the number of people and in measuring family income, also measures their purchasing power.

Mr. ROONEY. Which business organizations requested such information?

Mr. HAUSER. I have a long list of such business organizations of which I will be glad to just name a sample. A list of over a thousand was inserted in the hearings several years ago and I have some more recent lists here for examination. For example, A. J. Wood & Co. Do you want the business ones first?

Mr. ROONEY. Yes.

Mr. HAUSER. Columbia Broadcasting System, National Broadcasting Co., Paducah Broadcasting Co., Pan American Broadcasting Co., National Newspaper Service, Bayonne Times, Los Angeles Times, New York Herald Tribune, New York Journal-American—a Hearst newspaper—New York Post, New York Times.

Mr. ROONEY. And that in the face of editorials in some of these newspapers.

Mr. HAUSER. Yes; in spite of the editorials in some of these newspapers, the business offices have been asking for some of this information.

I have a whole list of publishers.

Mr. ROONEY. Let us have the names of those newspapers.

Mr. HAUSER. The Washington Times-Herald, Vineland Times-Journal, New Jersey; the Washington Post, and the Washington Star.

They have used income data since the 1940 census.

Mr. ROONEY. How did they indicate to you that they were interested in these income questions?

Mr. HAUSER. Through correspondence taking a number of forms, expressly asking for such information on the schedule as well as asking us for such information for specific business uses or other uses. In many cases these papers have republished the information in accordance with the kinds of tables that have significance for their own advertising and commercial purposes.

Perhaps I might desist now in pointing out how ridiculous is the contention of the minority in this regard, but I feel I should go a little further.

Dr. Hauser further testified:

Mr. HAUSER. Mr. Chairman, economic questions have been asked in the census of population for the last 100 years. Back in 1850, under President Taylor, of the Whig Party, all persons in the United States were asked to report the value of all real property owned. In every census since then, quite irrespective of administration, questions relating to the economic status of families and persons have been included. The first census conducted under the act under which we operate at present, for example—a bill passed by the Seventy-first Congress and signed by President Hoover—that was the first census with which I was connected—had questions relating to the value of homes owned and the monthly rental paid for tenant-occupied units. So, from the standpoint of innovation, I would say that any student of the census can clearly see that questions relating to economic status have been asked for a full 100 years now in census history, and most of these questions have been placed on the census schedule by action of the Congress itself. In placing the income query on the schedule I feel that we have been following the intent of Congress as evidenced by the actions of Congress itself.

I do not think we need to reply any further to the amendment offered by the gentleman from New York.

Mr. Chairman, I ask for a vote on the pending amendment and request that it be voted down.

Mr. CRAWFORD. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CRAWFORD moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. CRAWFORD. Mr. Chairman, I offer this motion for the purpose of getting the floor to discuss this bill and the pending amendment. The good people in my district asked me on numerous occasions last week and before, when home, why these questions have been submitted to them. I told them that the Constitution of the United States provides that a census be taken, that many of the details are left to the executive branch of the Government operating through the Census Bureau but if I did get the opportunity I would do my best to have some change made in the detailed procedure. That is why I am supporting the amendment offered by the gentleman from New York and that is why I offer this preferential motion to give me a chance in debate.

Naturally, as the gentleman from New York [Mr. ROONEY] has pointed out, commercial people and those who think only in terms of promoting the sale of their particular product would like to get lists which some people might term "sucker lists." I do not term them "sucker lists" because I do not believe the people of this country are suckers. But commercial firms and those who sell commercial services and goods want lists and they want information on which to base sales campaigns. I have operated in sales departments and I know how valuable that information is, but I do not consider such information more valuable than the private constitutional rights of our people.

The gentleman from New York takes great delight in attempting to persecute the minority. That occurred yesterday and it occurred just a few moments ago. Insofar as I am concerned, that just energizes me to put up opposition to a greater extent on things I believe in. It is quite natural that some people would not want any kind of opposition.

Here is a case where people all over the United States are not fully informed on why census information is picked up in the first place. In the second place, the enumerators do not give them the details of the law, and in the third place this amendment deals with the compilation and the publishing of the information already picked up and to be gathered from the people between now and the time the full enumeration is taken.

So when the gentleman from New York states that enumeration is to end at the conclusion of the fiscal year, and therefore this is academic, it is the usual attack he makes to the effect that the protection of the people of this country, of course, is always academic. The rights and privileges of the citizens of the United States involve an academic question which, in my opinion, should be discussed more and more in schoolrooms, around the family table, on the floor of this House, and in other places. So I am not afraid to discuss academic questions from time to time when the rights of the people and the burdens of the taxpayers of the country are involved, and I do not have too much respect for a man or a woman who always takes the position that the rights of the people are of little consequence, therefore we should not discuss those rights.

This amendment has to do with the rights of the people and in view of all the other information that is compiled, I see no reason why these census enumerators should ask me what my income is when I file a return with the income tax unit and pay taxes accordingly.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Last week one of those blanks was submitted to me, and I filled in the answers, and, as I recall, one of the questions inquired as to what I was doing last week or last year, or something like that. This morning we heard from the gentleman from Georgia [Mr. VINSON] about the danger of a war coming on. It is going to be very embarrassing—and we also heard something about the State Department and how we should stand back of the State Department—it is going to be very embarrassing to some people in the State Department if they have to answer that question as to what they were doing last week or last year, while our policy toward Russia was in the making. I think they ought to be thinking of that, because we do not want to go along anywhere with that incompetent State Department.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending motion.

Mr. Chairman, since the gentleman from Michigan [Mr. CRAWFORD] did not see fit to yield to me during the period of his discourse, I have taken advantage of this time to point out, one, that when he talks of lists, sucker lists, he is so far from the facts that it is not even funny. The census figures are taken for the purpose of getting together statistics and not for the purpose of divulging information contained in those census returns, because it would be against the law to do so.

Secondly, when he refers to my having persecuted the minority, I assure him that he has made an overstatement. I have not attempted to do so. Perhaps if he had used the word "harass" I might have agreed with him.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. In connection with the asking of a question about income, I think, after the little flurry of politics, as we consider it rationally, that there is not much criticism that can be addressed to that. It is absolutely secret. Only one out of five is asked the financial question, and that is of importance to our business interests. Census statistics are very important in determining the allocation of seats in this body, as we all know, but they have many, many other important purposes. If a person does not want to give the financial information to the enumerator, he can send it in himself. But, it is absolutely secret and anyone who makes any disclosure is violating the law, as I understand it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New York.

Mr. TABER. Information that would be of any value to any business in connection with income is given out by the collector's office of each collector of internal revenue; the number of incomes in each class or grade, almost immediately after they are filed. This would not be available for 2 years.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from California.

Mr. MILLER of California. For the information of the gentleman I would like to say that the questions that are propounded by the census enumerators have been worked over for over a year by the business organizations of this country invited to sit in with the Census Bureau in determining the type of questionnaire and the type of information that goes on that questionnaire and the type of questions that are asked, and right now the business interests in this

country are pressing, in the interest of business and in the interest of sound statistics, in having the census taken every 5 years instead of every 2 years.

Mr. McCORMACK. There are many, many persons who do not file income-tax returns. It is important to ascertain information from that field for our business interests.

Further, 20 years ago when a similar inquiry was made by the census, the Government then being under the control of the Republican Party, we Democrats, viewing broadly and tolerantly and from an understanding angle the problems of the majority party and those in control, recognized that it was intended for good. You did not hear the criticizing 20 years ago that we hear now.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Ohio.

Mr. HUBER. If the minority Members had as much confidence in this poll being taken by our Government as they had in the Gallup poll a few years ago, we would be all right.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Kansas.

Mr. REES. With respect to the question of the business census, we have taken that census just recently.

The CHAIRMAN. The question is on the motion offered by the gentleman from Michigan [Mr. CRAWFORD].

The motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

Mr. NICHOLSON. Mr. Chairman, I ask unanimous consent that the amendment be read.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk again read the Taber amendment.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 68, noes 93.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. TABER.

The Committee again divided, and the tellers reported that there were—ayes 78, noes 92.

So the amendment was rejected.

Mr. CANNON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, after consultation on both sides of the aisle and with the ranking minority member of the Committee on Appropriations and the chairman and ranking minority member of the Subcommittee on Labor and Federal Security Administration, I am authorized to say that a request will be made before we adjourn tonight that general debate on Chapter V, Labor and Federal Security, will be reduced from 2 hours to 1 hour, one-half to be controlled by the chairman, the gentleman from Rhode Island [Mr. FOGARTY], and one-half by the ranking minority member, the gentleman from Wisconsin [Mr. KEEFE]; that the House will adjourn when it adjourns tonight to meet on Monday next at 11 o'clock; that immediately following disposition of the bill, H. R. 5965, to be brought up by the gentleman from Mississippi [Mr. RANKIN], 1 hour of general debate will be had on the Federal Security bill, and following that we will read the Labor and Federal Security bill for amendment.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Does the statement of the gentleman from Missouri, chairman of the Committee on Appropriations, interfere in any way with the earlier announcement concerning action on the Treasury-Post Office Department chapter of the bill?

Mr. CANNON. It is to be hoped that we will conclude that chapter tonight. I might ask the gentleman from New York [Mr. TABER] if that is his understanding of our agreement.

Mr. TABER. I hoped that probably we would get through tonight with the Treasury Department chapter. I do not know whether we will or not. I cannot agree that we will. While I personally have no amendments to offer to the Treasury-Post Office Department portion of the bill, I know that other Members have amendments to offer. I do not know within what time we could get through, but I hope that we might.

Of course, that portion of the agreement is contingent on disposition of chapter IV this afternoon.

Mr. CANNON. But the gentleman does agree that time for general debate will be reduced by one-half, and that we will meet 1 hour earlier on Monday?

Mr. TABER. Oh, yes, yes.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

Establishment of air-navigation facilities: For the acquisition and establishment by contract or purchase and hire of air-navigation facilities, including the equipment of additional civil airways for day and night flying; the construction of additional necessary lighting, radio, and other signaling and communicating structures and apparatus; the alteration and modernization of existing air-navigation facilities; the acquisition of the necessary sites by lease, condemnation or grant; the construction and furnishing of quarters and related accommodations for officers and employees of the Civil Aeronautics Administration and the Weather Bureau stationed at remote localities not on foreign soil where such accommodations are not otherwise available; personal services in the District of Columbia; hire of passenger motor vehicles; printing and binding; and not to exceed $200,000 for emergency repairs and replacement of facilities damaged by fire, flood, or storm; $32,000,000, of which $26,500,000 is for liquidation of obligations incurred under authority heretofore granted to enter into contracts for the foregoing purposes; and, in addition, the Civil Aeronautics Administration is authorized to enter into contracts and incur obligations for purposes contained in this paragraph in an amount not exceeding $13,461,500: *Provided*, That authority heretofore granted under this head to enter into contracts for such purposes may be exercised until June 30, 1951: *Provided further*, That the consolidated appropriation under this head for the next preceding fiscal year is hereby consolidated with and made a part of this appropriation to be disbursed and accounted for as one fund: *Provided further*, That transfers may be made from this appropriation to the appropriation "Salaries and expenses, Civil Aeronautics Administration," for costs of maintenance and operation of aircraft for initial flight checking of facilities established under this appropriation (not to exceed $171,000); for necessary expenses in connection with the transportation by air to and from and within the Territories of the United States of materials and equipment secured under this appropriation (not to exceed $115,000); and for necessary administrative costs (not to exceed $389,000): *Provided further*, That the Departments of the Army, Navy, and Air Force are authorized during the current fiscal year to transfer without charge, subject to the approval of the Bureau of the Budget, air-navigation and communication facilities, including appurtenances thereto, to the Civil Aeronautics Administration.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are considering appropriations for the Department of Commerce now, a Department intimately connected with the business of this country. Some of the things that are transpiring are anything but good for the business interests of America. I had called to my attention recently a number of cases of the evil effects flowing from reduced tariffs under the reciprocal trade agreements, a bad thing for our country, many goods coming into this country to the detriment of American workers causing them to lose their jobs. Do you not realize that when you cut down the tariff on merchandise from abroad that is competitive with merchandise manufactured in this country you are only ruining the jobs of American workmen? American workers are now receiving wages, 3, 4, and even as much as 10 times the wages being paid in some of these foreign countries. If we are to protect the interests of the American worker and continue paying these high wages it is necessary that we protect the manufacturer in order to permit him to get more for his product, because if you pay high wages your merchandise costs a great deal more than if you pay low wages, for the cost of manufacturing merchandise increases exactly in proportion to the increase of wages and other costs.

The administration presently in power, under the Reciprocal Trade Agreements policy is now transferring the power of the tariff away from the Ways and Means Committee and the Tariff Commission and placing it in the hands of what we call the State Department. I sometimes wonder whether our State Department knows what they are doing. I know of many instances where they do not know what they are doing; for instance, I know they are injuring and hurting the jobs of American workmen. Let me read a letter I just received, dated April 18, from a steel company in my district:

While this foreign competition is being felt by all mills, it is particularly destructive to small mills like our company. It has forced us to curtail our operation to such an extent that it is impossible to operate on a regular schedule. This foreign competition has deprived us of substantial tonnage of

reinforcement-bar orders from Puerto Rico. Foreign steel has taken over this market, and bars are being delivered in the islands in lots from 100,000 to 500,000 tons at prices that range as high as $30 per ton below our prices.

What is the reason that foreign steel is coming into Puerto Rico at $30 a ton less than it can be manufactured for by the steel mills in my district and sent down to Puerto Rico? The whole thing revolves about high wages, high cost of operation, and high taxes. Who is responsible for these high taxes? Why, High Tax Harry. High Tax Harry wants the taxes you have got, and he wants to increase them a lot more; and the more you increase taxes the greater the cost is on the American manufacturer and American labor, and the higher the prices for American goods. So you are now sending the business to foreign countries that our own country ought to receive on an island that has been directed by this country for half a century. If that is the way you Democrats are going to run this country you will find out that it will be but a short time before you will not have any jobs in this country. The tariff on steel, textiles, watches, glassware, and many other items will close down many of our industries unless we do protect them with tariffs, or else they will have to pay lower wages and will need to have lower taxes. With 5,000,000 men out of work, and the possibility of a great many more being thrown out of employment as time goes on, when you permit tariff reductions to take the jobs of the American worker the situation is getting very serious. It will get worse and worse.

Mr. Chairman, I think sometimes that Members on the right of me should realize what is happening. The quicker they realize it the better it is going to be for the American workmen. I have had industries write and ask me what they could do and what I could do to help them from being undersold by foreign manufacturers. I told them I could not help them, that the only way they could get help would be to go to their workmen, their labor unions, and tell them to go to High Tax Harry and ask that something be done by increasing tariffs. That is the only way they can do it unless Members of Congress will do it. It is up to you Democrats, and I ask immediate action.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have received numerous letters from people in my district regarding competition from Japan, Czechoslovakia, and other countries insofar as it affects the cotton textile industry in the State of Massachusetts, in New England, and, in fact, all over the country, and insofar as it affects the manufacture of shoes all over the country. I have also received requests from certain newspapers asking me if I had any suggestions to make so as to insure that the administration will see that imports are not allowed to come in as they are coming in at the present time. As you all know, this matter can be taken care of administratively. If something is not done, we will have ghost towns all over New England and all over the country. At a later time I shall ask to have inserted in the RECORD certain communications from various departments of the Government, including the State Department, the Treasury Department and the Tariff Commission. This is a very serious matter. There will be real suffering among the masses of the country and neither industry nor the country will prosper.

People are thoroughly aroused all over the country over it. I was in a parade the other day and the people called to me on the side lines what should be done in connection with the expenditures of the Government and lack of employment by the Government.

Mr. Chairman, I am extremely sorry that the amendment offered by the gentleman from New York [Mr. TABER] did not carry, regarding the impertinence and some of the gestapo methods employed in reference to the investigation of people's business, their private means, their compensation, and so forth. It is very unfair. And so long as the amendment did not carry I should like to have a provision inserted that census takers who divulge secret information shall receive some punishment. I have known in the case of veterans receiving compensation and Federal workers receiving retirement where an effort has been made by neighbors to have that compensation cut.

Mr. ROONEY. Mr. Chairman, will the distinguished gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from New York.

Mr. ROONEY. Permit me to explain to the gentlewoman that a census taker who divulges any information contained in an individual's return is subject to fine and a term in a Federal prison. That is the present law.

Mrs. ROGERS of Massachusetts. May I say to the gentleman that is being done and I think it should be exposed.

Mr. ROONEY. May I suggest that the gentlewoman call to the attention of the Attorney General any instance where the law is being violated.

Mrs. ROGERS of Massachusetts. I think the gentleman will find all over the country that is being done in various districts.

Mr. ROONEY. I cannot agree with the gentlewoman on that because I know of no such instance and if I did I feel it would be my duty as a public official to call it to the attention of the proper authorities.

Mrs. ROGERS of Massachusetts. If the gentleman will investigate his own district, he may find some of that going on.

Mr. Chairman, I would like to bring to the attention of the House a telegram I received from my district stating:

Henry J. Jubinville, Contact Division, Veterans' Administration, Lowell, Mass., received termination notice effective May 21. Under replacement coming from hospital.

I would like to tell the Members of the House a little of the history of Henry Jubinville. Henry Jubinville was an arm amputee. He was at the Walter Reed Hospital. He was approached by the Veterans' Administration and asked if he would not go about the country and tell the men in the hospitals and elsewhere what the Veterans' Administration could do for the veterans, and was doing. Henry Jubinville was the first World War II veteran to be employed by the Veterans' Administration, and when I took the Veterans' Administration to task because they were not employing World War II veterans, the answer came back "Well, Henry Jubinville, in your own district of Lowell, Mass., is being employed." He was the only veteran of World War II employed by the VA, and that was used to me as an argument that they were employing veterans, over and over again. He has been doing a superlatively good job for the Veterans' Administration, and yet only a few days ago he received his notice of termination of employment by the Veterans' Administration. If that is not the most base ingratitude and injustice then I do not know what ingratitude and injustice is. I believe the man should be restored and I shall fight to see that is done.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the gentleman from Pennsylvania [Mr. RICH] is unduly worried about this question of unemployment. That is not the real thing we need fear. I think the gentlewoman from Massachusetts is just borrowing trouble when she said that there will be no market for shoes or rubbers, clothing, things made in her district. If what the gentleman from Georgia [Mr. VINSON] said this morning is true, and I think it is, we are in very, very grave danger of becoming involved in another war. This slack in employment may be taken up by war activities, and the need for shoes and clothing for fighting may grow and grow. In addition to that, I would like to mention the fact that undoubtedly, beyond any question, the market for caskets will be building up. You may be worried about unemployment, you may be worried about a hundred things, but I am worried about the lives of our young men who will be killed in this war that they tell us is coming that threatens us. I am not worrying about things. I am worrying about the suffering and the death which may come to our youth. The one point and the only point I want to make now is that if we are to have another war, that instead of asking that we support Secretary of State Acheson and his aides, the gentleman from Georgia [Mr. VINSON] in my judgment, should have asked that we kick him and his crew out. Now, there is no use, at least in my opinion, there is no use in letting a war to recover China and stop communism be directed by those who caused us to lose China, who have acted as though Russia was a friendly nation. What is the sense of permitting the people who got us into the ditch to direct us how to get out? They may not even now recognize the folly of their past foreign policy. Those people were all in sympathy, apparently, with the Commu-

nists, or the policy that gave China to the Communists. Now, when the young men and the young women—because you put them in the armed services, too—are to be drafted to fight another war, are you going to let the same incompetent—I cannot say un-American—but the same incompetent outfit direct the carrying on of that war? I think the first thing we should do for the good of our national defense, for our future welfare, the most necessary thing we should do if we are to have a war, is to get rid of all those who made these miserable mistakes and got us into the position we are now in.

Mr. SCUDDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in this particular section there is provision for the construction and maintenance of plants for the development of landing aid and experimental stations for aviation safety. Some years ago the Congress appropriated many millions of dollars for the construction of a visual landing-aid station on the Pacific coast. Only last week an order came down to close that station. I have made inquiry and find that men who have been there to investigate the effectiveness of that station have found that they have been doing a wonderful job. Now, this station is the only one of its kind in the United States. There is contemplated now the proving of experiments made in France and England and in the United States in that particular place. The order comes out now to close the station and disperse the great number of people, who are now working there on work that is highly technical in every way.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from New York.

Mr. ROONEY. Does the gentleman advocate that money be added to this bill?

Mr. SCUDDER. No; as I understand, it has been included, but the station is being ordered closed.

Mr. ROONEY. That is not the fact. There is no money in this bill in connection with the Arcata project.

Mr. SCUDDER. This money is being supplied by the Navy, the Air Force, and the Civil Aeronautics Administration.

Mr. ROONEY. We have previously supplied in this bill a certain sum of money in connection with the landing aids experiments but there is no money in this bill for CAA for the Arcata project.

Mr. SCUDDER. That is the visual-aids program.

Mr. ROONEY. There is nothing in that regard in this bill. Is the gentleman advocating that the bill be increased?

Mr. SCUDDER. It is my understanding that the subcommittee did report and that moneys were made available by the CAA for this work.

Mr. ROONEY. Not this subcommittee.

Mr. SCUDDER. Through some mysterious maneuver it has been abandoned.

Mr. ROONEY. I can assure the gentleman, and he can check with the gentleman from Nebraska [Mr. STEFAN] if he wishes, that there were no mysterious maneuvers in connection with this bill.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from Nebraska.

Mr. STEFAN. Just where is this station that is to be abandoned?

Mr. SCUDDER. In Arcata, Calif. It is a visual-landing-aid experiment station. The order came out only a week ago last Monday to close it.

Mr. STEFAN. I think the members of the committee are very familiar with the situation at Arcata in connection with the experimental work on visual-landing aids. I understand they are going to continue experiments there. I do not know how far they are going to go. However, we have given the CAA practically every cent of money that they want for research on landing aids, including lighting. I understand the final operation has been concluded. That is a matter of administration. There is nothing the committee could do about that.

Mr. SCUDDER. The money included in this bill for experimental purposes should be expended at Arcata, because they have the technicians that have been gathered there during the past 5 years on this particular work. If this station is closed and the people are dispersed, they will never be able to get them back together again. I understand it is intended to continue the work at Indianapolis; this seems ridiculous when the technicians are all gathered at Arcata for this important experimental work.

Mr. STEFAN. The gentleman will realize that the Indianapolis station of CAA is the only experimental station the Civil Aeronautics Administration has. Practically all research and experimental work is being done there. I would suggest the gentleman take this up as an administrative matter with the Director of the CAA.

Mr. SCUDDER. I assure the gentleman I have taken it up with him. I want to have the record show that money has been provided for experimental work, but by executive order no money is being allocated for the continuance of the plant at Arcata.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that debate on the paragraph headed Technical Development and Evaluation, and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, we have heard many remarks in high places which indicate our public relations with foreign countries are in a considerably chaotic condition at the present time. Of course we all hope ultimately the questions will be resolved so that the country can go on to years of peace and, we hope, prosperity.

I think as I have said before on the floor of the House it behooves the Congress in our deliberations first to try to keep our economic condition such on the home front that we will continue to develop our strength and get the country in a sound financial condition. In order to do that we need better relations between capital and labor. If we are to produce wealth in this country it can only be produced by greater production. It seems to me that makes it imperative on the part of the executive department and the Congress, as well as the big business interests and the small business interests and the big labor leaders, to stop these strikes as much as possible and to counsel with a little more tolerance and to encourage greater cooperation for greater production to build America up so that it will be in a much stronger position than it is in today.

Nothing could develop us along that line more rapidly than to stop the temporizing and playing of politics by those in high places. We should urge those who are contesting their differences to get together in a conciliatory manner and try to bring about greater production, greater strength, and greater power, because greater power and financial strength may help to prevent a threat from any foreign nation against our form of government.

A great deal has been said about our security. I think there should be a renovation of these departments with the cooperation of the Chief Executive and the cooperation of the Congress, to remove security risks as far as possible in every department of the Government.

We have heard much talk about security risks in the State Department. Now we come to the Commerce Department, which we are now considering. I should like to ask any member of the committee here if every precaution has been taken to remove this threat to our security which has been alleged to have developed now in the State Department through the employment of these homosexuals. I think they should be driven out. They endanger our security. Let us clean the stables in our own departments in our own Government. Can anyone give me the answer to that question?

Mr. STEFAN. Mr. Chairman, is the gentleman interrogating me?

Mr. VURSELL. I yield to the gentleman from Nebraska.

Mr. STEFAN. In answer to your inquiry as to whether some effort has been made by the committee to secure ourselves against these individuals you are talking about, the committee wrote into the bill the McCarran proviso which would give the Secretary of Commerce the same power to remove undesirables and subversives from the payroll. However, when we came to the State Department item, you will recall the gentleman from New York [Mr. MARCANTONIO] raised a point of order, and that provision went out on a point of order. That was sustained by the Chair. The same proviso is in the chapter presently before us.

As to the situation as to whether the committee did anything about this situation or not, if you will look at page 2335 of the hearings, you will see the testimony there given.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. McCORMACK. Of course, the Chair could do nothing else but sustain the point of order.

Mr. STEFAN. Of course. There was no alternative on the part of the Chair but to rule that way.

Now, whether the committee did anything in the Department of Commerce regarding the matter of loyalty, I suggest that you read the full hearings beginning on page 2335 and also on page 2338. I might state that the status of the loyalty program in the Department of Commerce indicates that since 1947 a total of 369 loyalty cases were investigated. Two hundred and seventy-three of those have been acquitted. Seventy-one individuals were separated from the service, and 25 cases are pending. There are 26 security-risk cases of the 273 acquitted who are still on the pay roll, and we have a list in the hearings where they are presently.

As to the social question to which the gentleman referred, you will find it on page 2338. There are none in that department, I understand. If there were, I understand if the Department will be informed that they are there, they will be discharged. However, the Department of Commerce say they do not have any.

Mr. VURSELL. Mr. Chairman, from the best information many of us are able to obtain, there is the belief that hundreds of homosexuals are now employed in the various departments of Government. There is no doubt but that many leftwingers and doubtless Communists, all dangerous to the security of our country, are still employed.

It is the responsibility of the Congress and the Chief Executive to drive out of the departments of Government all employees who are moral degenerates, and who are security risks who endanger our national defense. Let us cooperate together and clean out these departments, and raise the moral standard in the departments of Government.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. VURSELL] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I, too, feel that undesirables in the Department of State and the Department of Commerce, and all of our departments, should be eliminated. The only answer to that is "Yea." They should be eliminated.

I also rose to state that I think those who are loyal in the Department of State and the Department of Commerce and the Foreign Service should be helped in every way by adequate salaries and confidence. They should be told what the foreign policy of our country is.

In 1944 I spoke to various officials in the Foreign Service in foreign countries where the war was in progress, and I was shocked to find out that they did not know what the foreign policy of the United States was. I think you will find that is true today. The representatives of our Foreign Service, both in the Commerce Department and the State Department, do not know today what our foreign policy is. They are doing the best they can, and they should be backed up with appropriations and with confidence.

But as for the subversives and Communists in the Government departments and outside, they should be sent from our shores. They should not be tolerated in this country a minute.

I should like to make another point. There is an appropriation in this omnibus appropriations bill for the armed services, for the protection of our country.

Mr. STEFAN. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield for a brief question.

Mr. STEFAN. For the information of the gentlewoman, I suggest she read the hearings in connection with the State Department appropriation, in which I interrogated a number of witnesses in the Department of State regarding what our foreign policy really is. There is a good résumé by Assistant Secretary Sargeant. In the RECORD 2 weeks ago there is an excellent résumé by Mr. Johnson. I put that in the RECORD for the information of the membership, and I hope the gentlewoman will take time to read it.

Mrs. ROGERS of Massachusetts. The gentleman is sure that we have a good, settled foreign policy today?

Mr. STEFAN. As to that I am still very much confused.

Mrs. ROGERS of Massachusetts. I understand that the chairman of the Committee on Armed Services [Mr. VINSON] stated this morning on the floor that we were approaching war. I do not know his words, for at that time I was seeing some blind and disabled veterans. Let me state to him and also to the House that if we are approaching war we should not eliminate our Army and Navy hospitals. There are not enough available beds for the elimination of those hospitals. I see the gentleman from Massachusetts [Mr. DONOHUE] nodding his head. They are closing the Murphy General Hospital at Waltham; they are closing various Army and Navy hospitals all over the country. They are trying to eliminate 16,000 beds from the Veterans' Administration program. To do that in time of imminent national danger, with a shortage of beds in the civilian hospitals, our service people, and our disabled, the ones who need our protection and our greatest help, are entirely disregarded.

This is supposed to be an economy bill. It certainly is not economy to close down Army and Navy hospitals and Veterans' Administration hospitals all over the country and then within 6 months or a year have to reopen these hospitals. Anybody who has followed the course of the closing of service hospitals or Veterans' Administration hospitals knows there is a tremendous loss of equipment involved. Expensive hospital equipment is sold for almost nothing, or given away. Then when of necessity the hospitals must be reopened expensive equipment must again be bought. So there will be no economy whatsoever in the closing of Veterans' Administration hospitals or Army and Navy hospitals.

(By unanimous consent, the pro forma amendments were withdrawn.)

Mr. TABER. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman of the committee a question.

This appropriation for the Washington National Airport is not wholly outgo, is it? Is there any way in which any of the funds appropriated for the Washington National Airport are recovered from the air lines through rentals and so forth?

Mr. ROONEY. Oh, yes.

Mr. TABER. I should like to have the gentleman tell the House about it.

Mr. ROONEY. I shall be pleased to. The recovery from the commercial airlines is not as great as the gentleman from New York now speaking would desire. I should say that of all the items in this appropriation bill for the Department of Commerce to which members of the committee on both the minority and majority sides can point with satisfaction, it is the operation of the Washington National Airport under Mr. Ben Griffin.

The gentleman from New York should note that the amount provided in this bill, $1,300,000 for maintenance and operation of the Washington National Airport is offset in the present fiscal year to the estimated amount of $1,280,100 as the result of revenues not only from the air lines for the use of hangar space, landing fees, and so forth, but also from all the facilities which are out there at the airport terminal, a list of which will be found on page 1770 of the committee hearings.

For instance, the item collected under "type of activities," sales and service of aircraft, is $266,000; rentals of hangars, $384,000; rental of space in the terminal, $65,000; miscellaneous, $15,000; landing fees, $177,000; parking rent service, $40,000; pleasure and sightseeing, $5,000. And then under "miscellaneous activities" we have collections of $10,000 from advertising as well as incomes from the airport barber shop, book store, flower shop, food sales, and so on and so on, making an anticipated total in the coming fiscal year 1951 of $1,564,200 to offset the amount of $1,300,000 being appropriated for current maintenance operation of the airport.

There is in the next paragraph of the bill an item for construction at the Washington National Airport in the amount of $540,000. Perhaps the gentleman would like me to explain that item. I think he will agree that it is a good investment on the part of the Government.

The manager of the airport proposes to take over the gasoline servicing facilities from the present company; I believe it is the Gulf Oil Co. The Gulf Oil Co. installed, a number of years ago, a certain fuel system and other related facilities, tanks, and so forth, in connection with the sale of gasoline for aircraft. We now propose to buy that system and have the airport management itself control the sale of gasoline to the airplanes. The result will be that the Government's income will be much greater.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Nebraska.

Mr. STEFAN. The Washington National Airport, outside of a few airports in Alaska and national parks is the only civilian airport operated by the Government of the United States. It cost approximately $25,000,000 from the time we got the land, and so forth; in other words, we have invested in that airport a little over $25,000,000. It is true that it is approximately self-sustaining now, but when you talk about whether or not it is self-sustaining, there is not taken into consideration the matter of full investment and full depreciation. What should be done with the Washington National Airport is to put it in private industry in one way or another. I believe the administration favors that and I hope they will reach that objective very soon, because we are going too far into Government operation of airports.

Mr. ROONEY. I wish to correct an impression that might have been gained a few moments ago when I said that the operators of the airport were going to take control of the sale of aviation gasoline. I meant by way of ownership of the facilities, the tanks, and so forth, then by renting the gasoline concession to some independent company, as a result of which the CAA would be able to dictate the terms which they are not now in position to dictate and as a result of which there will be greater revenue from the airport.

Mr. TABER. The gentleman means there will be a little competition among the oil dealers?

Mr. ROONEY. Yes.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while we are on the subject of aviation, and the Washington National Airport, I take the floor at this time to caution the membership of the House as to how far we are going into the matter of Government operation of civilian airports. You may soon have a piece of legislation to construct an additional civilian airport in the vicinity of the District of Columbia because it is badly needed. There is no question about that. But my purpose at this time is to tell you that civil aviation is costing the taxpayers of the United States many millions of dollars. There is a philosophy existing in the administration that we should get out of the management and the operating of civilian airports.

A question was asked a little while ago about the number of control towers in operation in the United States. There are approximately 163 at the present time, and as now contemplated we will have in operation at the end of the fiscal year 1951, 191 control towers operated and equipped by the taxpayers of the United States.

To construct and equip a control tower costs approximately $50,000 apiece, without the cost of operation. The cost of operation will run around $40,000 a year. We have a tremendous amount of money invested in those control towers. It never was the function of the Government of the United States to operate them or equip them. They were operated before the war by the local people and during the war by the Government as a defense measure. Immediately after the war the Congress was high pressured to appropriate funds to operate these control towers. Considerable opposition was voiced by the gentleman from Virginia [Mr. GARY], and others, but we are now in a position where we are in the business of paying the entire cost of the control towers, which once was the responsibility of the municipalities, or the local operators of the airports.

A question was asked of the gentleman from New York [Mr. TABER] by the gentleman from New York [Mr. ROONEY] regarding the expense of the Washington National Airport and the amount of money contributed by the private commercial carriers. We have many millions invested in our airways, our airports, and our air facilities and the commercial carriers contribute nothing outside of landing fees and the tax on aviation gasoline, to which they are opposed today. This committee has continually endeavored to get the commercial air lines to contribute just a little bit more toward the operation of the airports and our airways. You are going to be faced soon on the question as to how far we can expand the Government operation and maintenance and operation of civilian airports.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Iowa.

Mr. GROSS. If we are to build another airport, or if one is to be built in the District of Columbia, are we justified now in spending money to expand at the National Airport?

Mr. STEFAN. Well, my opinion is that we will have to until other plans for it are formulated.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. The Chairman told you a little while ago that the Washington National Airport is the best revenue money maker of any civilian airport in the United States. I do not know of any commercial airport in the United States that is paying money with the exception of two outside of the National Airport here. It is my idea that it should be incorporated and put under some private operation rather than be operated by the Government of the United States, and in that philosophy I am backed up by quite a few people in the Department of Commerce.

Mr. POTTER. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Michigan.

Mr. POTTER. Is it not true that the majority of our air lines are in a very good financial condition due to their mail subsidy contracts?

Mr. STEFAN. Oh, yes.

Mr. POTTER. And those contracts pay for their operational costs in a majority of cases. Their passenger service is also great. I know of one line, the Wisconsin Central, that last year made $1,200,000, and out of that $800,000 was on Government contracts.

Mr. STEFAN. I am glad the commercial air lines are making money, I want them to make profits but I want them to pay their fair share of expense of running the airports and the airways. The taxpayers should be given some consideration.

Mr. ROONEY. Mr. Chairman, the remarks of the distinguished gentleman from Nebraska with regard to the commercial airlines bring to my mind a situation which has been called to my attention by the Air Transport Division of the Transport Workers Union of America. Are we permitting the commercial airlines, subsidized by taxpayers' money as they are and insured by Federal funds against bankruptcy, to transfer their airplane repair work overseas with a resultant lay-off of thousands of American airplane mechanics?

Under permission previously granted me today by the House, I include the following letter addressed to me by Mr. Francis J. Dooley, international representative of that organization:

AIR TRANSPORT DIVISION,
TRANSPORT WORKERS UNION OF AMERICA,
Jackson Heights, N. Y., April 17, 1950.

Hon. JOHN J. ROONEY,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: This organization which represents about 10,000 air-line workers, of which about 2,000 are people living in the New York area, would like to bring a serious problem to your attention.

Over the past 1½ years, approximately 1,400 airline workers have been laid off in Pan American World Airways with whom we have a contract. Last October, about 100 were laid off in New York and immediately thereafter Pan American constructed a hangar in London to perform their maintenance work—this was done with subsidy funds. The air line increased their staff of British nationals to do this work and laid off large numbers of skilled American mechanics.

We don't believe it was ever the purpose or the intent of the Civil Aeronautics Act of 1938 to provide subsidies to the air carriers while they depleted their force of skilled American air-line workers.

We contend that forcing the American worker out of the air-line industry does not support our national defense plans and further that the American subsidy was never meant to be dispersed to foreign nationals in the form of wages. Subsidy, as we understand it, was designed to aid in the national defense, promote American commerce and protect Americans in the air-line industry.

We appeal to you to attempt to correct this abuse by providing in a legislative way for the protection and security of the American worker similar to the protection afforded to the American workers in the subsidized merchant marine industry.

I would like to thank you in advance for any help you can give us.

Sincerely yours,

FRANCIS J. DOOLEY,
International Representative.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have appreciated the remarks made by both the chairman and the ranking minority member of this subcommittee concerning the Washington National Airport. It is, indeed, a paying proposition, and there is certainly great need for an additional airport in this area, as the airport and the air entrances to Washington are becoming tremendously overcrowded, and hence quite hazardous.

I want to speak of control towers generally. It was the recommendation of the Nichols committee back in the Seventy-sixth or Seventy-seventh Congress that control towers be taken over by the Federal Government for many important reasons. Among those reasons was the fact that when control towers are operated by municipalities the controller jobs generally become patronage jobs. The employees are as a rule either overpaid or underpaid, and they generally were underpaid. They frequently were not qualified to handle traffic, and a number of accidents resulted to commercial, to private, and to military aircraft, partly because of the inexpertness in the handling of air traffic, and partly because of the poor radio and electronic facilities provided by some of the municipalities owning the airports.

It is felt that control towers are, and should be, a part of the general traffic control scheme. When it comes to aircraft, there are approximately 100,000 private aircraft in the United States, about 9,000 commercial aircraft of various kinds, and about 15,000 or 20,000 military aircraft flying around. In any war period, of course, the traffic over the airways is almost 100 percent military, or operating exclusively under military priorities. The airway system is not set up for the benefit of the private air lines, it is set up for the benefit of all fliers, including our 916,000 private pilots, just as are the roads and highways over the United States and also the waterways and the rivers and harbors for their respective purposes. Something in the neighborhood of $3,000,000,000 has been spent by the Federal Government in the development of inland waterways, and a similar amount for rivers and harbors, in past times, and large sums of money are expended annually without any question of recompense whatsoever raised here for the maintenance of Coast Guard stations, search and rescue units, the operation of lighthouses, and all of the aids to navigation that are concerned in the public waterways. A similar situation exists, of course, so far as the airways are concerned, because they are indeed public ways.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. Is it not a fact that the national airways system is the responsibility, and so accepted, of the Federal Government?

Mr. HINSHAW. It can only be so.

Mr. HARRIS. Is it a fact that in order to have proper control and jurisdiction over the national airways these control systems must be maintained?

Mr. HINSHAW. They must be maintained. They are maintained as much for the armed services as for any other purpose in peacetime, and in wartime it is 100 percent for the armed services.

It was very fortunate, indeed, that we had any kind of a system of air navigation in the United States when the last war came upon us. If we had not had such a system established and operating, I do not know how military aircraft would have gotten around over the United States. As a matter of fact, they indeed uprooted a good many of the electronic air-navigation facilities that were established prior to the war and took them elsewhere in the world and established them there so that our Air Force and Navy might be able to find their way around in thick weather in far places. The armed services likewise took over trained personnel and then used them to train many more.

I think that while the Appropriations Committee and each of us has reason to be concerned about the budget, the Interstate and Foreign Commerce Committee of the House has a very good understanding of this question, along with understanding of the questions in relation to the inland waterways and rivers and harbors and the railroads and the other transportation systems of the United States. I think you will find that our committee, certainly as far as I know, is unanimous in its feeling that the operation of the airways system of the United States is a Federal responsibility and that we should continue in support of every aspect of safety in the taking off and landing of aircraft and the conduct of flights through the air.

The air itself is just as much a public way as any waterway or highway there is in the United States or on its borders or in its vicinity. Consequently, we would have to disagree to that extent with the Appropriations Committee of the House.

Insofar as taxing the airlines for the use of airways is concerned, if you do that, then I say that you should also tax the private flyers and charge the military for their share of the use of the facilities, particularly in view of the fact that the Federal Airways Service is an adjunct of the national defense and will be subject to being taken over by the national defense in time of war and operated as an adjunct directly by either the Air Force or the Navy or the General Staff or such other organization to operate it as they may choose. The same thing is true of the Weather Bureau. The Weather Bureau costs us a considerable amount of money, but it is available for the use of, and is used profitably by, every person in the United States, including the armed services and other branches of the Government. We perform many functions in the Federal Government for which we make no direct charge to the individuals who use the facilities. If the members of the Committee on Appropriations would care to examine the hearings held by, and the conclusions of, the Committee on Interstate and Foreign Commerce on these various subjects, I am sure we will be glad to present them to them.

Mr. Chairman, I yield back the balance of my time.

The Clerk read as follows:

BUREAU OF PUBLIC ROADS

General administrative expenses: For the employment of persons and means, including rent, advertising (including advertising in the city of Washington for work to be performed in areas adjacent thereto), printing and binding, purchase of periodicals, purchase of 100 passenger motor vehicles for replacement only, health service program as authorized by law (5 U. S. C. 150), and the preparation, distribution, and display of exhibits, in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of street and highway traffic control; investigations and experiments in the best methods of road making especially by the use of local materials; studies of types of mechanical plants and appliances used for road building and maintenance, and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the act of July 11, 1916, as amended (23 U. S. C. 21), or as otherwise provided.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on pages 73 and 74 there is no limitation as to the amount. In other words, an old bill which was passed 34 years ago governs by a percentage figure the amount of administrative expenses. It seems to me that such a thing with reference to any bureau, no matter what we may think of it, is a mistake. The amount of the highway expenditures are very much larger and we ought to have a limitation here on the administrative expenses when the highway expenditures are $400,000,000. They should not be as large percentagewise as when they were $25,000,000 and $30,000,000, as they were in the old days after the act of 1916 was passed.

I recognize that Mr. MacDonald is probably as capable an administrator as there is in the Government. Nevertheless, it seems to me a kind of bad practice.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROONEY. I would like to call attention to the fact that the law is not 34 years old, but that under Public Law 834, second session of the Eightieth Congress, the amount for administrative expenses in connection with the Bureau of Public Roads was, and is, limited to 3¾ percent. They do not use nearly that amount for administrative expenses.

Mr. TABER. Even so, it would seem as if we should have a limitation here on the amount.

Mr. ROONEY. May I read this to the gentleman?

Mr. TABER. Certainly.

Mr. ROONEY. Section 6 of Public Law 834, Eightieth Congress, chapter 732, second section:

SEC. 6. The first paragraph of section 21 of the Federal Highway Act, approved November

9, 1921 (23 U. S. C. 21), is hereby amended to read as follows:

"That so much, not to exceed 3¾ percent, of all moneys appropriated or authorized to be appropriated for expenditure under the provisions of this act, as the Federal Works Administrator may deem necessary for administering the provisions of this act and for carrying on necessary highway research and investigational studies independently or in cooperation with the State highway departments and other research agencies, and for publishing the results thereof, shall be deducted therefrom for such purposes when the appropriation is made and the amount so deducted shall be available until expended from appropriations made under the provisions of this act."

It seems to me, I must say to the gentleman, that this is legislation which is quite definite, and the fact remains that the Administrator, Mr. MacDonald, for whom the committee has similar regard as the gentleman from New York [Mr. TABER], has not expended nearly the 3¾ percent which is permitted under the terms of the law which I have just read into the RECORD.

Mr. TABER. I still feel that as this is the only agency in the Government, as far as I can find, including Government corporations, and everything else where there is no definite limitation on administrative expenses, that some limitation should be placed in the bill. I am not going to do anything about it today, but I hope that in another year it will be placed in the bill.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

The Clerk read as follows:

SEC. 304. Appropriations of the Department of Commerce available for salaries and expenses shall be available, in accordance with regulations prescribed by the Secretary, for attendance at meetings of organizations concerned with the activities for which the appropriations are made.

Mr. KEATING. Mr. Chairman, I make a point of order against section 304 on the ground that it is legislation on an appropriation bill and requires additional duties of the Secretary of Commerce.

The CHAIRMAN. Does the gentleman from New York [Mr. ROONEY] desire to be heard on the point of order?

Mr. ROONEY. Yes, Mr. Chairman.

The CHAIRMAN. The Chair will be pleased to hear the gentleman.

Mr. ROONEY. Mr. Chairman, it is the contention of the committee that the language contained in section 304 of the proposed bill, page 84, is required by the provisions of five United States Code, section 83.

The CHAIRMAN. Does the gentleman from New York [Mr. KEATING] desire to be heard on the point of order?

Mr. KEATING. Yes, Mr. Chairman.

The CHAIRMAN. The Chair will be pleased to hear the gentleman.

Mr. KEATING. Either this section 304 is necessary or it is not necessary. If it is not necessary and adds nothing, then there is no reason for it; if it does add something, in the way of duties conferred on the Secretary of Commerce, then it is necessarily legislation in an appropriation bill. All of line 14 of section 304 requires additional duties on the part of the Secretary of Commerce. The entire section is legislation in this bill.

My attention has been called to this section of the United States Code, referred to by the gentleman from New York [Mr. ROONEY], which is general in its terms but does not cover the duties set forth in section 304, which are in addition to those provided in the code. They are discretionary duties.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from New York [Mr. KEATING] has made a point of order against section 304, appearing on page 84 of the bill on the ground that it is legislation on an appropriation bill.

The Chair has examined the section, and also has examined the provisions of the law found in section 83, title V of the United States Code, which appear to the Chair to be ample authority for the provision included in this section.

However, the Chair does invite attention to the language appearing in line 14 which reads: "in accordance with regulations prescribed by the Secretary." It would appear from that language that this would impose additional duties and confer additional authority on the Secretary. It would to that extent constitute legislation on an appropriation bill.

For the reason stated, the Chair sustains the point of order.

Mr. ROONEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROONEY, of New York: On page 84, line 12, insert the following:

"SEC. 304. Appropriations of the Department of Commerce available for salaries and expenses shall be available for attendance at meetings of organizations concerned with the activities for which the appropriations are made."

Mr. ROONEY. Mr. Chairman, the proposed amendment contains exactly the same language as the section to which the gentleman from New York [Mr. KEATING] made the point of order except that the words on line 14 "in accordance with regulations prescribed by the Secretary" are omitted. The section as amended would now read:

Appropriations of the Department of Commerce available for salaries and expenses shall be available for attendance at meetings of organizations concerned with the activities for which the appropriations are made.

It would appear that as a result of the point of order raised by the gentleman from New York the language of the section is now very clear that there is authority in the Department of Commerce to provide for attendance at meetings of certain organizations.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New York.

Mr. KEATING. The purpose of making the point of order was in the hope that this entire section would be stricken and under the ruling of the Chair I assume that the amendment now offered by the gentleman is not subject to a point of order. However, my reason for feeling that this section 304 is something of a caveat to all of us was because of the fact it has come to my attention that representatives of various Government departments are running all over this country attending meetings, making speeches, and so forth, which is all part of a propaganda campaign.

I agree this is not particularly true of the Department of Commerce. My attention has been called to it more with regard to certain other departments of Government, but I would like to take any step that we can in Congress to put a stop to that sort of thing because I do not think the taxpayers of this country expect to be paying a lot of people to run around attending meetings and making speeches on matters that they may want to advance in order to increase their own power and authority.

Mr. ROONEY. I may say to the gentleman from New York that he might have consulted the committee before making his point of order with reference to this language in section 304 of the bill.

Mr. KEATING. I consulted with the minority members of the committee on this point. I regret that I did not also consult with the gentleman from New York. It does not matter whether this clause is in there or not. Of course he will lay down his own regulations. And I am not particularly critical of this Secretary. But I would like to ask the gentleman from New York what kind of investigation the Appropriations Committee makes as to how much money is being spent for attending these meetings and specifically how much is envisioned in this paragraph for employees of the Department of Commerce to be attending meetings all over the country? Could the gentleman enlighten us on that point?

Mr. ROONEY. We do not have the exact figure at this very moment.

Mr. KEATING. Does the gentleman have it for the Department of Agriculture?

Mr. ROONEY. That language was put in this bill for the purpose of giving the Secretary authority to make studies, determine policies, and prescribe uniform regulations for attendance at meetings. Meetings of certain legitimate organizations have been attended by representatives of the Government for many, many years. Your committee has been critical of a number of the agencies which are included in this bill for having expended too much money and too much time on a number of these meetings, most of which are with businessmen.

Mr. KEATING. Mr. Chairman, will the gentleman yield further?

Mr. ROONEY. I yield.

Mr. KEATING. Is the gentleman able to give us how much was spent last year for this activity?

Mr. ROONEY. Not at this moment.

Mr. KEATING. Can the gentleman tell us how much is intended to be spent for the coming year or how much was spent last year by the Department of Agriculture for this activity?

Mr. ROONEY. I am not familiar with the operations of the Department of Agriculture in that regard. As the gentleman knows, the Bureau of Foreign

and Domestic Commerce in the Department of Commerce sends representatives continually to legitimate business meetings where they are requested, and furnishes information on international situations to business, which the businessman feel is of great benefit to them in their industry.

Mr. KEATING. Mr. Chairman, I move to strike out the last word.

Can the gentleman from New York [Mr. ROONEY] give us the information I have been seeking about the amount spent last year or the amount intended to be spent next year for this activity of attending meetings of various organizations on the part of any department of the Federal Government?

Mr. ROONEY. I shall be glad to get the information in regard to this particular department for the gentleman.

Mr. KEATING. Would the gentleman be kind enough to furnish the same information with regard to the other Government departments which are included in this bill?

Mr. ROONEY. The gentleman requests me to do something which he can just as well do himself. He has the right to telephone down to the Department of Commerce and get the answer to his question.

Mr. KEATING. I call the attention of the gentleman to the fact that, when an appropriation bill is brought before us by this distinguished committee, most of us look to them to furnish us the information which is necessary, namely, the amounts which are intended to be expended for these activities that are set forth in the appropriation bill. As I say, I am not making my remarks particularly applicable to this department, but I do contend that when the Committee on Appropriations brings in a bill relating to any Government department that authorizes them to expend funds for running all over the country making speeches, the Committee should at least have available to us the estimated amount that activity is going to cost the taxpayers who have to foot the bill for it.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. TABER. The information furnished to me by the budget is that the travel expense in 1950, the current fiscal year, for the Department of Commerce, was $10,000,000; that the estimate for 1951 is $9,000,000, and that the over-all estimate for all the agencies of the Government is $356,000,000 for next year, and $361,000,000 for this year.

Mr. KEATING. In other words, the various Government departments are planning to spend well over a third of a billion dollars for traveling expense this coming year.

Mr. TABER. The Department of Agriculture, for instance this year is spending $14,000,000 and next year $15,000,000, and there is a terrific amount there for attending meetings.

Mr. KEATING. Of course, we all know what the Department of Agriculture is doing. It is a public scandal and an open violation of law. They are running all over the country trying to sell the Brannan farm plan to the farmers of this country, and to the consumers of this country, all at taxpayers' expense.

Mr. TABER. And they are using Government money to promote those meetings.

Mr. KEATING. Exactly; and that is the precise thing that I am objecting to. I think that when the Committee on Appropriations comes in here with a bill they ought to furnish us these figures so that at least the public will know what this dissemination of political propaganda is costing them. I am very grateful to the ranking minority member of this committee for making this information available. These figures are shocking.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Minnesota.

Mr. JUDD. I assume you have been given the facts about a recent meeting in St. Paul to which the Department of Agriculture brought all of the county agents and county and township committeemen—and they got in close to 1,000 of them and paid all their expenses—to be instructed by Mr. Brannan and others on how to run their affairs so as to put over the Department's program.

Mr. KEATING. And I suppose the AAA committeemen also.

Mr. JUDD. Yes. They all came in at Government expense to be indoctrinated.

Mr. KEATING. In other words, the taxpayers, out of their pay envelopes, not only paid the expenses of the Government officials to dish out their propaganda but also for a lot of other people to be brought in to the meetings to listen to them. In other words, John Q. Public paid not only the speaker, but also the audience.

Mr. JUDD. Sure, to vote for the Brannan plan.

Mr. KEATING. I wonder if this amount that is being paid to people to become the victims of these political harangues by the Agriculture Department representatives is included in the $15,000,000 that is called traveling expenses, or is that on top of the figures we have been given as the traveling expenses of these Government officials?

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. ROONEY. I wonder why the gentleman continually refuses to yield to me. He asks questions but apparently wants no answers. Is he more interested in politics than in getting information?

Mr. KEATING. I will be glad to give the gentleman all the time he needs after I yield to the gentleman from New York. The gentleman is in control of that side and he can take all the time he wants. When I asked the gentleman for information the last time, he was unable to furnish it and I was forced to turn to the ranking minority Member for it. The gentleman will pardon me, I feel sure, for yielding first to the minority Members.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WADSWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, referring to the incident that occurred in Minnesota the other day, I may remind my colleague from New York and my colleagues of the House that there is a provision in the criminal code which definitely states that it is a crime for any agency of the Federal Government to spend Federal funds in an attempt to influence legislation pending in the Congress.

I have had occasion upon more than one occasion, Mr. Chairman, to stumble across, as it were, instances of that sort, when Federal officials were paid their traveling allowances and their hotel bills out of Federal funds to go to certain places to organize meetings and coach the speakers who were to address those meetings before the meetings actually took place, and they then distributed literature at the meetings, all at Federal expense, each instance having to do with pending legislation in the Congress.

The committee on which I served as a member, the Committee on Expenditures, cited an instance of this sort which occurred with respect to the campaign for gaining public support for compulsory health insurance. It was incontrovertible that Federal funds had been spent illegally. We submitted all the testimony to the Attorney General for his appropriate action, and never heard another word; and you will not hear another word from this Minnesota incident, either.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I might say in commenting upon this matter that is now before the Congress, raised by the distinguished gentleman from New York, that within the past 2 weeks the newspapers in my State carried the announcement of what they call the DOC meetings—Democratic Organization Committee meetings—which were being conducted, the first one at Wisconsin Rapids, Wis., which was a school for Democratic campaign speakers and orators who were going to be instructed by an Under Secretary of Agriculture who was out there conducting this school for the purpose, and sole purpose, of indoctrinating campaign speakers so that they could go out and more intelligently discuss the Brannan plan as a campaign issue. In my humble opinion that constitutes a plain criminal violation of law and the person guilty of this violation of the law ought to be prosecuted. But I doubt they will be by this administration.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. TABER. What does the gentleman think of certain representatives of the Department of Justice being invited or being ordered by the Department to come to Washington on the day of the Jackson Day Dinner?

Mr. WADSWORTH. I suppose it cost them a hundred dollars apiece.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. JUDD. It is estimated that this big to-do in St. Paul cost about $70,000. I am advised that the money comes out

of funds appropriated for soil conservation.

Mr. WADSWORTH. That is perfectly true.

Mr. JUDD. Frequently we are told here that we must appropriate huge sums of money to preserve our topsoil, our greatest natural resource. That is true, and such appropriations are justified—but not when the money is used to bring people in to hear Secretary Brannan denounce the Farm Bureau because the Farm Bureau is opposing the Brannan plan.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. ROONEY. * * *.

Mr. KEEFE. Mr. Chairman, I demand that those words be taken down.

Mr. ROONEY. Mr. Chairman, in an effort to save time——

Mr. MILLER of Nebraska. Mr. Chairman, a point of order. The gentleman must take his seat when words are taken down, and I refer to the rules of the House.

The CHAIRMAN. The Chair will recognize the gentleman from New York to present a unanimous-consent request.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that I may withdraw the words and strike them from the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. MILLER of Nebraska. I object.

The CHAIRMAN. The Clerk will report the words objected to.

The Clerk read the words objected to.

The CHAIRMAN. The Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7786, certain words used in debate were objected to, which, on request, were taken down and read at the Clerk's desk, and that he reported the same herewith to the House.

The SPEAKER. The Clerk will report the words objected to in Committee of the Whole House on the State of the Union.

The Clerk read the words objected to.

The SPEAKER. The Chair could say a great many things about these words, and might wonder why they were uttered, and might wonder why they were objected to, but the Chair must hold that those words could be interpreted as indulging in personalities which are not in accordance with the rules of the House.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROONEY] may be permitted to proceed in order for the remainder of the day.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that the words objected to be stricken from the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Committee will resume its session.

The Committee resumed consideration of the bill H. R. 7786, with Mr. COOPER in the chair.

The CHAIRMAN. The gentleman from New York [Mr. ROONEY] is recognized.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

May I say to my distinguished friend the gentleman from Wisconsin [Mr. KEEFE] that he knows I had no particular animus in directing my remarks toward him. We have been together on this floor now for a number of years. Admittedly, we have been a bit acrimonious at times; sometimes it has been hot and heavy, particularly during the Eightieth Congress, but when we leave the floor of the House we are the best of friends.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. KEEFE. I think I could agree with what the distinguished gentleman from New York has said, but at least the gentleman from Wisconsin feels that he has some responsibility to protect the record of this Congress and to see to it that clear unparliamentary language is not indulged in. I am glad to know that the distinguished gentleman will have the privilege of the floor for the balance of the afternoon, and I did not object to the unanimous-consent request which was made.

Mr. ROONEY. Since he is so magnanimous, I will say to the gentleman it is apparent that he is at least physically big. He is a former district attorney; and he is from Oshkosh. If I were he, I would not have objected to the words. They are not uncomplimentary.

However, the point I previously wanted to make refers to the statement of the gentleman from Wisconsin in the well of the House a while ago, wherein he said he had certain information that Government money was being spent to conduct meetings and for attendance at meetings in violation of the law. I say to him, as a former district attorney, he should know that it is his responsibility to bring to the attention of the proper authorities the information he has in this regard, so that those who violated the law may be prosecuted.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I gladly yield.

Mr. KEEFE. The gentleman covers a great deal of ground in his remarks. Does the gentleman from New York know whether or not the gentleman from Wisconsin has not already brought that to the attention of the proper authorities?

Mr. ROONEY. No; I do not. I am pleased to learn he did so.

Mr. KEEFE. Then why does the gentleman ask that question, with the intimation that the gentleman from Wisconsin is derelict in his responsibility as a Member of Congress? The gentleman is just as wild in that assertion as he is in many others.

Mr. ROONEY. I will say to the kindly gentleman that I am glad he has uncovered violations of the law and that he has brought them to the attention of the proper authorities. He should be complimented. It is exactly what I would expect a man who was district attorney from Oshkosh to do.

Mr. KEEFE. I would expect the gentleman, who was an assistant district attorney in Brooklyn to do the same thing too.

Mr. ROONEY. I assure the gentleman that I would.

Mr. KEEFE. The only difference is one of size, that is all.

Mr. ROONEY. Not exactly. Mr. Chairman, I yield back the balance of my time and we shall now proceed, if we may, to the pending amendment which would restore all the language of section 304 on page 84 of the bill with the exception of line 14.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 38, noes 48.

Mr. ROONEY. Mr. Chairman, I ask for tellers.

Tellers were ordered.

The Committee again divided; and the tellers reported that there were—ayes 52, noes 52.

The CHAIRMAN. The Chair votes "aye."

So the amendment was agreed to.

The Clerk read as follows:

SEC. 305. Notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Secretary of Commerce may, in his absolute discretion, during the current fiscal year, terminate the employment of any officer or employee of the Department of Commerce whenever he shall deem such termination necessary or advisable in the interests of the United States.

Mr. MARCANTONIO. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MARCANTONIO. Mr. Chairman, I make a point of order against section 305 for the same reasons as I did yesterday. I do not want to be repetitious. It is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from New York [Mr. ROONEY] desire to be heard?

Mr. ROONEY. Mr. Chairman, this is the exact language of the so-called McCarran rider which was stricken yesterday by the Chair on a point of order raised by the gentleman from New York [Mr. MARCANTONIO] to the provisions of the Department of State portion of the pending bill. Under the circumstances and as much as I dislike to do so, I must concede that the language is exactly the same and further concede that the Chair is expected to rule today as it did yesterday. But I do hope that when we come back to the House with this bill after a conference with the other body that the provisions of this rider will be

again contained therein because the Department of Commerce has been shown to need the provisions of the McCarran rider even more so than the Department of State so that the Secretary of Commerce can summarily dismiss any employee who is connected with subversive activities.

The CHAIRMAN. The gentleman from New York [Mr. MARCANTONIO] makes the point of order against section 305, page 84, on the ground it contains legislation on an appropriation bill which is in violation of the rules of the House. The gentleman from New York [Mr. ROONEY] concedes that this is the same language as contained in the provision of the pending bill relating to the State Department on which a similar point of order was made on yesterday.

The Chair has examined the language. It appears clearly that there is legislation included in this section of the pending bill. The rules of the House clearly provide it is not in order for legislation to be included in an appropriation bill and, as stated on the same question presented yesterday, the Chair has no alternative other than to sustain the point of order.

The Chair sustains the point of order.

The Clerk read as follows:

For the Chief Justice and eight Associate Justices, and all other officers and employees, whose compensation shall be fixed by the Court, except as otherwise provided by law, and who may be employed and assigned by the Chief Justice to any office or work of the Court, $915,000.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that the remainder of title 4, which is the balance of chapter 3 of the pending bill, be considered as read, and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. PHILLIPS of California. Reserving the right to object, Mr. Chairman, I just remark that the distinguished gentleman from New York did not seem to be very much in a hurry a few moments ago, and just as a courtesy to him I thought we should ask to have this read so that he could continue his practice.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. PHILLIPS of California. Yes, temporarily, at least, Mr. Chairman, until I find out what that covers.

The Clerk read as follows:

SALARIES OF CLERKS OF COURTS

For salaries of clerks of United States courts of appeals and United States district courts, their deputies, and other assistants, $4,500,000.

Mr. ELLSWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, today I have introduced a bill which may be called the Federal Pay Roll Control Act of 1950. The bill is in the nature of an exploratory suggestion to meet serious deficiencies in our present fiscal and personnel problems in the Federal Government. At a time when the Federal Government is incurring a deficit of more than $5,000,000,000 during the current fiscal year and faces a similar deficit for the coming fiscal year, a reduction in the cost of government is recognized as a necessary objective. We are obliged, I think, to do something to help the executive branch solve the problems imposed and provide every authority required for the promotion of efficiency in Government agencies.

This piece of legislation has been in the course of preparation for many months. The idea which it would spell out into law is a sound one. Many hours of conference with people who could qualify as experts on the subject of government employment, plus considerable time spent in study and research, convice me of that.

What the bill aims to do is permit the reduction of Government pay rolls with least possible loss of trained and skilled personnel. Without some such legislation as this, the practice of releasing experienced people in one department or agency as the result of a reduction-in-force while at the same time another agency of the Government recruits green help in expansion, will continue. However, the problem of translating a sound, though slightly revolutionary, idea into law to accomplish this beneficial objective is extremely difficult. About the best that can be done is for Congress to express its intent on the subject, give the Director of the Bureau of the Budget the authority necessary and from there on leave the job to good administrative judgment and practices.

The popular appeal of the Hoover Commission recommendations arises largely from the excessive costs of the Federal Government and the desire to achieve all possible economies without impairing the existing functions of government. The Federal Pay Roll Control Act is designed to supplement and to aid in the achievement of government economy and the expeditious approval and placing into effect of Hoover Commission and other reorganization proposals.

The bill proposes that methods which have been used successfully on a limited scale within some agencies of the government shall be applied on a government-wide basis. It directs the Director of the Bureau of the Budget to exercise certain powers under the Federal Employees Pay Act of 1945. This act granted to the Director of the Bureau of the Budget the power to establish manpower ceilings throughout the various agencies of the Federal Government.

The basic principle of the bill is not complicated. It provides that whenever the Federal Government has, or is likely to have, more employees than are needed, the Government will discontinue hiring new personnel inexperienced in government and fill all vacancies created by resignation, retirement, or death by transferring employees within the various agencies and departments of the Federal Government.

This system has been used to a very limited extent, but with very considerable success, in some Government agencies. It is commonly called the attrition system. The rate of attrition in the Federal Government, that is the percentage of resignations, retirements, and deaths among Federal employees, ranges as high as 2 percent per month, but on the average is possibly about half of that figure.

Under the Federal Payroll Control Act, when the Director of the Bureau of Budget determines that by reason of reorganization proposals or other potential economies in Government, the number of employees would exceed the number necessary, he would institute a Government-wide attrition period, during which no new employees would be taken on the Government pay roll. He would be authorized to continue this attrition period until such time as it became apparent that the personnel requirements for the operation of the Government could no longer be anticipated from transfers within and between Government departments and agencies. At the end of the attrition period normal processes of recruitment and hiring would begin again.

It appears possible that by the use of such system the total number of Government employees might conceivably be reduced from 6 to 10 percent over a period of 6 or 8 months without the necessity of firing large numbers of skilled Government employees with many years service to their credit. Provision is made in the bill whereby in critical or very urgent situations the Director of the Bureau of Budget may meet extraordinary situations as to personnel needs during an attrition period.

It is an obvious and well known fact that heads of departments, chiefs of subdivisions and minor personnel, almost without exception, object to reorganization measures and improvements which bring about economies under the present system of hiring through the front door and firing through the back door. The Government employee realizes that at the present time security of tenure on the basis of skill and merit are his in name only and not in reality. It is a normal, human reaction for an employee to oppose changes when he may be juggled out of his job because of reorganization measures or efficiency improvements.

For several years there have been, throughout the Government, awards programs and suggestion systems providing some incentive for Government employees to submit proposals for improvement in procedures which will effect economies in Government operation. Contrary to expectations, these programs have not met with enthusiastic response among Government employees. Under the present system, an employee knows that any good suggestion may result in the loss of a job by some close friend, even his own job, or possibly in the abolition of his entire unit. He is careful not to make any such suggestion in the interest of efficiency. Such a condition should not be the result of any program which pretends to offer incentives for Government efficiency. A suggestion or award program cannot yield substantial results under such circumstances. A good personnel policy in the Federal Government would largely or entirely prevent such a situation.

The result is that from the bottom to the top Government workers are put in the position of defending and justifying their present policies and procedures. In fact, the present system encourages

employees to expand functions and make a particular position appear increasingly important. The skill and ability with which unit or agency chiefs are able to accomplish this is oftentimes the mark of their success in Government. A supervisor's rating and pay is commonly based upon the number of employees under him. His success in expanding the importance of his particular function becomes, in a substantial way, the measure of his job security.

Budget requests for funds for such operations are so skillfully prepared and so carefully justified that it is impossible for the Bureau of Budget or the Appropriations Committees of the Congress to discover the genuine needs for funds to conduct the necessary functions of agencies.

It appears to me to be logical and important that steps be taken to present a greatly improved job security based on efficiency and the use of employee skills in promoting efficient operation of Government functions, rather than diverting these skills to justify labyrinths of detail which are devised for the purpose of job protection.

It is not an uncommon criticism to hear statements that Government employees are inefficient. I do not believe that this can be shown to be the case with a great majority of Government workers. Their skills, training, and ability, I believe, are equal to or better than the average in non-Government employment. It is the basic system which causes inefficiency and not the inefficiency of the personnel. Given the right circumstances and the right incentives, Government employees would show striking improvements in the efficiency of their methods and in savings to the Government. There are instances where this has been accomplished under very special circumstances.

The records are full of instances where consolidations, reorganizations, and other attempts at economies in Government have been made. Except for outright liquidations or specific curtailment of Government functions, the number of such instances which resulted in the return of a single dollar of appropriated funds to the Treasury is almost nonexistent.

To be really successful, in any program for the improvement of Government efficiency and the reduction of the cost of Government, there must be provided a Government-wide atmosphere within which the results can be achieved. It calls for cooperation and teamwork everywhere. Neither Congress, nor the department heads, nor agency or bureau heads can within themselves achieve the maximum result. There are approximately 150,000 employees in the Government who are employed in more or less supervisory capacities. The interest and desire must be secured, the incentives given, and the atmosphere created under which each of this large number of supervisory employees participates in the securing of maximum results with the minimum use of manpower. The sincere and effective use of Government-wide attrition can remove many of the road blocks to efficient Government and, for the first time, open the way for Government employees to realize and take pride in the contribution of their skills toward efficient achievement.

I am not competent to estimate, and I doubt that anyone can estimate with reasonable accuracy, the possible savings which might accrue to the Government by the proper use of pay-roll controls to promote Government efficiency. I am firmly convinced, however, that by conserving skilled and experienced personnel in Government and by creating a psychology and an atmosphere, coupled with real incentives for efficiency, very substantial savings in manpower can be achieved. The reduction in the cost to the Government of office space, heat, light, and equipment will represent large additional savings over and above the savings on manpower.

I have heard estimates that as much as 40 percent savings in manpower could be realized in the Federal Government over a period of time without affecting continuation of Government functions. I make no predictions in this regard, but I am confident that a sincere and effective use of the attrition system will gradually bring about manpower savings and increases in efficiency difficult, if not impossible, to accomplish otherwise. The use of the attrition system is not a dramatic and quick road to reduced Government costs. It is a sound, long-range method which enlists the cooperation of Federal employees.

Effort has been made to provide the greatest possible flexibility and still make possible the operation of a Government-wide attrition system. The bill is not designed to alter in any way the merit system or existing laws governing Government employees. Certain procedures are suspended during an attrition period to make the system effective and practicable.

Many of our proposals for improving efficiency and reducing cost of Government deal with the effects and not the causes of inefficiency. It is the object of this bill to provide an effective tool to get at one of the basic causes of inefficiency in the Federal Government. It is my sincere hope that the Members of Congress may give this proposal careful study and consideration. I hope the committee to which this bill is referred will secure as promptly as possible detailed reports on the various agencies of the Government and will proceed with hearings to take testimony from Government and non-Government witnesses for the purpose of evaluating its merit, looking toward the possibility of favorably reporting some such measure to the House for action.

The Clerk concluded the reading of chapter 3.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to extend my remarks at the point in the RECORD immediately following the remarks of the gentleman from Nebraska [Mr. STEFAN] on the Civil Aeronautics Administration.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise, and on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. TABER.

The Committee divided, and the tellers reported that there were—ayes 8, noes 56.

So the motion was rejected.

The CHAIRMAN. The gentleman from Wisconsin [Mr. SMITH] makes the point of order that a quorum is not present. The Chair will count. [After counting.] Sixty-nine Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 138]

Abbitt	Green	Norrell
Addonizio	Gwinn	Norton
Barrett, Pa.	Hand	O'Brien, Mich.
Battle	Harris	O'Hara, Minn.
Beall	Harrison	O'Neill
Bennett, Fla.	Havenner	O'Toole
Bentsen	Hays, Ark.	Pace
Blackney	Hays, Ohio	Patten
Blatnik	Hébert	Pfeifer,
Boggs, Del.	Heffernan	Joseph L.
Boykin	Heller	Phillips, Tenn.
Breen	Herlong	Powell
Brooks	Herter	Quinn
Brown, Ohio	Hoffman,	Ramsay
Buckley, Ill.	Mich.	Regan
Buckley, N. Y.	Hope	Rivers
Bulwinkle	Irving	Roosevelt
Burdick	Jackson,	Sabath
Burton	Calif.	Sadowski
Byrne, N. Y.	Jacobs	St. George
Carnahan	James	Scott,
Carroll	Jenison	Hugh D., Jr.
Case, S. Dak.	Jennings	Shelley
Cavalcante	Johnson	Short
Celler	Jonas	Simpson, Pa.
Chesney	Jones, Mo.	Smathers
Christopher	Jones, N. C.	Smith, Kans.
Chudoff	Kearns	Smith, Ohio
Cole, N. Y.	Kennedy	Spence
Cooley	Keogh	Staggers
Corbett	King	Stanley
Coudert	Klein	Steed
Crosser	Kunkel	Tauriello
Davenport	Lane	Thomas
Davies, N. Y.	Lichtenwalter	Tollefson
Davis, Tenn.	McGuire	Towe
Dawson	McMillen, Ill.	Underwood
Dingell	Mack, Ill.	Velde
Dollinger	Macy	Vinson
Douglas	Magee	Walsh
Eaton	Merrow	Walter
Elston	Meyer	Wheeler
Engle, Calif.	Miles	Whitaker
Fallon	Monroney	White, Calif.
Ford	Morgan	Wickersham
Fulton	Morrison	Widnall
Garmatz	Morton	Williams
Gilmer	Moulder	Wilson, Ind.
Gorski	Murphy	Winstead
Gossett	Nelson	Woodruff
Granahan	Nixon	
Grant	Norblad	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786), and finding itself without a quorum, he had directed the roll to be called, when 280 Members responded to their names, a quorum, and he submitted

herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

CHAPTER IV. TREASURY-POST OFFICE

The CHAIRMAN. Under the unanimous-consent agreement heretofore entered into, there will now be not to exceed 2 hours of general debate on chapter IV of the pending bill.

The Chair recognizes the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, during WPA days, in driving along the road, we frequently came across a beneficiary of WPA leaning on his shovel.

But in all the history of WPA we never saw so fine a job of leaning on the shovel as our Republican friends have been giving us on this bill.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the distinguished minority leader of the House.

Mr. MARTIN of Massachusetts. What were the Democrats doing when they were stalling on that vote for several minutes but leaning on the shovel?

Mr. CANNON. The stalling was all on the other side of the aisle as I shall show the gentleman.

Mr. Chairman, this bill was reported to the House on March 21, a month ago. Never before in the history of the American Congress has an appropriation bill been on the calendar as long as this bill has been on the calendar, from March 21 to April 21.

This unwarranted delay is due entirely to the obstructive tactics employed by the Republican Members of the House.

We reported this bill on March 21. We were due to go on the floor on the 27th. We yielded for the consideration of the ECA bill, with the assurance that this bill would come up on the next Tuesday. That would have permitted us to send the bill to the Senate before the holidays.

One of the gentlemen on that side made repeated points of no quorum. I went over and sat beside him and said, "What is the idea? Why this filibuster?" He said, "Oh, we are not after this bill, we are after the appropriation bill. If we can delay this bill we can delay the appropriation bill. We have determined to delay it beyond the Easter recess. We want people to go home and then come back here again after the Easter recess."

I did not protest so much about that. I thought it might be a good idea for people to go home and see their constituents and get their views on this bill and especially on increases which certain Members wanted to make in it.

But I thought after a long and luxurious recess from which they could be expected to return, benefited not only physically but spiritually during the holy Easter season, they would come back feeling refreshed enough to come on the floor and stay on the floor and willing to work on this long-delayed bill.

But they have come back to delay and obstruct and, to our surprise, we have had as many as four and five points of order of no quorum in one afternoon.

Now, of course, they will rise in righteous indignation and say "Certainly, you do not expect us to conduct the business of the House of Representatives without a quorum." That sounds pretty logical, but as anybody knows we hardly ever have a quorum on the floor of the House during general debate. The Members of the House have important business in their committees and their offices. We rarely have a quorum on the floor during general debate. But they have continued to make repeated points of no quorum with the obvious intention of obstructing consideration of the omnibus bill.

It was our intention to work on tomorrow. But the ranking minority member of the Subcommittee on Federal Security Appropriations came over to see me. He appealed to me. He went to the chairman of the subcommittee and appealed to him that he did not want to work on Saturday. So finally in our desire to be as accommodating and as agreeable as possible we entered into an agreement under which we agreed not to work tomorrow.

Mr. KEEFE. Mr. Chairman, will the gentleman yield to me, since he referred to me?

Mr. CANNON. If the gentleman will permit me to complete my statement, I shall be glad to yield to him.

Mr. FELLOWS. Will the gentleman yield?

Mr. CANNON. In turn. I will take on the gentleman from Wisconsin first.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. GARY. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, in a desire to be as agreeable and cooperative as possible we agreed not to work tomorrow. Just a little while ago you heard the ranking minority member of the committee say that he hoped we could dispose of this chapter this afternoon. Of course, as he said, he could not promise it definitely. As you know you never can tell definitely what turn debate will take. But this is one of the shortest chapters in the bill. If it were not for this deliberate filibuster we would have finished it by this time.

We had quite a number of gentlemen on the other side of the aisle here a few minutes ago. But they passed word around for their members to leave the floor and everybody went back to the cloakroom so that they could make the point of order of no quorum. Everybody got up and walked out over there and the point of order was made.

The last time a point of order or no quorum was made on yesterday I happened to walk through the corridor on my way to my office across the hall and there were the Republicans, sitting out there in the corridor refusing to be counted, and am advised that the Republican cloakroom was full of members on that side of the aisle while a quorum was being counted—leaning on their shovels.

The only thing which prevents us from meeting and remaining in session all day tomorrow in order to make up the time lost by their obstructive tactics is the fact that I gave my word to the House just now that we would not meet tomorrow, and of course I am going to keep it. But we are going to stay here tonight until we finish this chapter. They passed the word around over their on that side when they got up and went out to the cloakroom to break the quorum that they would not take up this chapter tonight. We propose to take it up and finish it tonight as it was originally understood we would do.

Let me appeal to those interested in doing an honest day's work to cooperate with the committee and stay here until we finish this chapter of the bill. As I have said, it is one of the shortest chapters and will take very little time after we conclude general debate. I hope there will be no further leaning on the shovel this afternoon.

Now I yield to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Was I correct in my understanding that the gentleman stated that the gentleman from Wisconsin came to him as ranking minority member of the Subcommittee on Labor and Federal Security, and said that he did not want to work on Saturday? Did the gentleman make that statement?

Mr. CANNON. Here is exactly what happened.

Mr. KEEFE. Well, I want the gentleman to state what happened, because that statement, if he made it is absolutely untrue, and the gentleman knows it.

Mr. CANNON. The gentleman from Wisconsin certainly is acquainted with those things that are untrue. But this is not one of them. The gentleman came to me and protested against working on Saturday. He said: "I want to say that you are going to have to have a quorum here every 5 minutes if you do it." Then he went to the chairman of the subcommittee [Mr. FOGARTY], and they both came to the table to see me to ask if I would agree not to meet tomorrow. I was telephoning on a very important family matter, and as soon as I heard about it I sent word, and Mr. FOGARTY came and I said if they did not want to work tomorrow I did not want to insist on it; if they would agree to cut the general debate on chapter V in half and meet Monday morning at 11 o'clock that would be all right with me. He called Mr. KEEFE and Mr. KEEFE said that would be agreeable. So I saw Mr. TABER and Mr. MARTIN. I consulted with the Speaker, of course, and the majority leader and the whip, and the chairman of the subcommittee, and we all agreed to that. But now the gentlemen on that side of the aisle practically vitiate the agreement by delaying proceedings to prevent our taking up chapter V this afternoon.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has again expired.

Mr. GARY. I yield the gentleman five additional minutes.

Mr. CANNON. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I think it is only fair to say that I came to the gentleman from Missouri yesterday when I heard that he was proposing to have general debate on the Labor and Federal Security Agency

bill on Saturday. I did say to him that that bill has in it some very controversial material relating to public-health matters that the Members of this House are extremely interested in. I felt it would be unwise to force us to a debate on that bill on Saturday, when I had already been advised that a large number of Members of this House who are interested in it would be away. I suggested to the gentleman that we would save time if we did not meet tomorrow, in view of the known absence of almost half the Members of this House, if it went over until Monday. I stated to the gentleman that I had been in conversation with the chairman of the committee, who shared my views, the gentleman from Rhode Island [Mr. FOGARTY]. I stated to the gentleman that if he insisted that we proceed Saturday, when there was no assurance there would be more than a bare quorum here, that I would insist that there be a quorum present to hear the discussion on the matter which most of the people on the floor are vitally interested in.

Mr. CANNON. In other words, you did not want to work tomorrow, did you?

Mr. KEEFE. That is what happened.

Mr. CANNON. You did not want to meet tomorrow, did you?

Mr. KEEFE. I did not want to meet tomorrow because——

Mr. CANNON. Of course not.

Mr. KEEFE. Because I know that the membership of the House will not be here. That is true, is it not? I told the gentleman I would be here.

Mr. CANNON. The gentleman mentioned no word about saving time.

Mr. KEEFE. I have been here every day during the debate on this bill.

Mr. CANNON. The gentleman had no desire to save time. Did not the gentleman tell me, in response to my inquiry as to why he was making continual points of no quorum on the ECA bill, that the purpose was to get at the appropriation bill behind it?

Mr. KEEFE. I told the gentleman, and I make no bones about it, that I wanted this appropriation bill taken up and discussed after the Easter recess that had been agreed upon.

Mr. CANNON. Then why not discuss it now, after the Easter recess is over?

Mr. KEEFE. If the gentleman wants to keep a quorum here, he has enough Members on his side any time to have a quorum in Committee of the Whole. All the Republicans could walk off the floor, and if your Democrats were here you would have a quorum, but, when I made the point of order yesterday, there were only 20 Members on the floor of this House to hear the discussion.

Mr. CANNON. Did they not just now walk off the floor deliberately to break a quorum? There has been a concerted, organized, methodical obstruction against the consideration of this bill from the day it was reported. They do not like the way this bill is made up. But the country likes it and I trust we shall have the attendance of all gentleman on this side of the aisle while we complete this chapter this afternoon.

Mr. CANFIELD. Mr. Chairman, I yield 12 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. We have heard, Mr. Chairman, a lot of talk about filibuster. There has been no filibuster against this bill; it has been allowed to be considered in an orderly way; no amendments have been offered except those that were sincere and that should have been adopted.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON. Was not word passed along just now on the Republican side that they should walk out? And did they not walk out of the room?

Mr. TABER. I heard nothing of the kind.

Mr. CANNON. Word was passed over there to walk out.

Mr. TABER. I never heard anything of the kind.

Mr. CANNON. And they did walk out, did they not?

Mr. TABER. I do not know. I was here all the time, but I do know that there must have been just as many walk out from the Democratic side as on the Republican side; otherwise there might have been a quorum present.

This is one of the outstanding items that occurs to me: I can remember as far back as yesterday—I do not know whether anyone else can or not—but I can remember when the Speaker reached that point in the legislative program when it was time for somebody to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the appropriation bill, and there was no one present in the House on the majority or Democratic side to make that motion. Whether or not that was the cause of some of the delay I do not know. I have made every effort to secure the attendance of the Members. I have offered amendments only when I felt they were absolutely meritorious. I have opposed amendments only that I thought were wrong. I have tried as far as I could to have this bill proceed in an orderly way, and I hope that it may be allowed to proceed in an orderly way from this time forward. I have not indulged in any filibuster; there have been no more amendments offered to this bill than there have been to any other appropriation bill in times past. It has taken no longer to proceed with the various chapters of this bill than it ordinarily has taken in days gone by to dispose of the corresponding appropriation bills. I do not believe we can expect to pass an appropriation bill involving $27,000,000,000 without any consideration whatever. I do not believe that anyone in the House of Representatives expected that we would take it as rubber stamps. For my own part, I refuse to be a rubber stamp. I propose, wherever I can, to offer amendments which will save a dollar for the taxpayers of the United States. I would hope that the gentleman from Missouri might join with me in some of these efforts to cut down some of the items in this bill so we could get to a point where we could face the taxpayers of the United States. I do not want to be ashamed of the fact that I am a Member of Congress. I want to be able to face my constituents proudly and with the thought that I have done the best I could in this crisis in America to keep down the expenses of the Government of the United States.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. CANNON. The gentleman says that he trusts I will join with him in saving any dollars that can be saved. I may say to him that if Members of his party on the subcommittee had joined with me we would have saved a great deal of money that is reported in this bill. In only one subcommittee do I know of any Republican making any proposition to cut that was not agreed to. On the other hand, in most of the subcommittes some of the most vigorous obstructionists to economy and to cutting the bill were on the Republican side, and I can give the names and the items if the gentleman desires.

Mr. TABER. As I understand it, in the Interior subcommittee the chairman of the full committee voted for a large amount when the gentleman from Iowa [Mr. JENSEN] was trying to reduce it. The result of that was that the Interior bill, which is on the same level with the civil functions bill, was brought in here with less proportionate cuts under the budget estimates than the civil functions bill. Is that not correct?

Mr. JENSEN. The gentleman is exactly right. I kept a record on the gentleman when he came to the Interior subcommittee. I am talking about the chairman of the full committee, the gentleman from Missouri [Mr. CANNON]. I kept a record on him. He finally got sick of that kind of business and left. Then we reduced the budget request by $47,000,000. He voted against every amendment to cut down in that committee. But we got rid of him, then we started saving money.

Mr. TABER. That is the history and that is the situation that we are presented with here on the floor.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. CANNON. In my statement a while ago to the House, I said with the exception of one committee—and that one committee was the Interior Committee—where an attempt was being made to get through a cut which would have interfered with power for REA, that organization which furnishes cheap electricity to the farmers of the country, one of the most needed facilities in agriculture—on that I opposed the cut. The gentleman says he got rid of me. Now, how could the gentleman get rid of me, I ask? I had to leave that afternoon for Missouri and I left during consideration in order to catch my train for Missouri, but the gentleman from Iowa certainly had nothing to do with my leaving.

Mr. JENSEN. The amendment the gentleman speaks of was offered by the gentleman from Arkansas [Mr. NORRELL] of the gentleman's own party, a

wonderful Representative and a fine patriotic American.

Mr. CANNON. I agree with the gentleman, Mr. NORRELL is one of the ablest Members of the House, but he was opposed to providing funds for this power for RE..

Mr. JENSEN. That is not a true statement. That was an amendment against the Southwest Power Administration.

Mr. CANNON. To provide power for REA, of course.

Mr. TABER. Mr. Chairman, I decline to yield further.

Mr. Chairman, we might just as well get down to facts. The majority party has a majority of 90. There were 278 present a few minutes ago when we finished the roll call. Whatever we have to do, whatever it is up to us to do tonight, whatever the majority forces us to do, I shall be here. I hope, however, that we will see the gentleman from Missouri go through the tellers some time in behalf of the country.

Mr. GARY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I realize that the hour is getting late, and I am not going to take any more time than I think the importance of this chapter requires. I do want to call attention, however, to the fact that, although it is one of the shortest chapters in the bill, it carries appropriations totaling $12,575,705,433, the second largest amount in the bill.

Of this total, $5,645,000,000 are permanent indefinite appropriations and $4,177,000,000 are trust funds, which makes a total of $9,822,000,000 over which the committee has no control. In the permanent indefinite appropriations is the item of $5,625,000,000 for interest on the public debt. Obviously, the committee cannot reduce that appropriation one penny. That is also true of the other permanent indefinite and trust funds items. That leaves $2,812,000,000 that is subject to review by our subcommittee.

Although the hour is getting late, I certainly want to say to this body that I am proud of the subcommittee of which I have the privilege of acting as chairman. They are a hard-working group. We not only conducted exhaustive hearings, but we made several visits to various parts of the country to check on the necessity for the expenditures that are authorized in this bill. In the gentleman from New Mexico [Mr. FERNANDEZ], the gentleman from Louisiana [Mr. PASSMAN], and the gentleman from New York [Mr. COUDERT] we have able and interested men who have devoted their time and attention to the perfection of this chapter. As for my good friend, the ranking minority member of this committee, the gentleman from New Jersey [Mr. CANFIELD], it has been our privilege to work together on this committee for a number of years. There has rarely been any difference of opinion between us. As a matter of fact, this is, I think, the first time that we have had any differences in our committee.

There is one item in the bill which I shall discuss a little later, on which the gentleman from New Jersey [Mr. CANFIELD] and I were united and the rest of the committee voted us down. But it has always been a pleasure and a privilege to work with him. At one time he was chairman and I served as the ranking minority member under him. Now the team has been reversed, and he has given me the same cooperation that I endeavored to give him.

We have had as clerk of this committee Mr. Kenneth Sprankle, whom I consider to be one of the ablest clerks connected with the Appropriations staff. He has been invaluable not only in working with the committee but also in securing data that was necessary for our deliberations and our conclusions.

The first title of this chapter is that of the Treasury Department. The appropriations of the Treasury Department for the year 1950 were $508,506,000. The Department requested for the fiscal year 1951 $576,548,000. The committee allowed them $545,605,000. In other words, we allowed the Treasury Department $37,000,000 more than their appropriation for 1950, but $31,000,000 less than they requested.

Except in the case of the Bureau of Internal Revenue, practically all of the increases over the 1950 appropriations are due to legislation passed in the first session of the Eighty-first Congress for increased rates of pay covering civilian employees in the Department and the military personnel of the Coast Guard.

The committee has endeavored to hold employment at a figure not to exceed the number estimated to be on the rolls as of the end of the fiscal year 1950, and in some cases has been able to make reductions in that figure. Pay legislation enacted since consideration of the 1950 estimates has resulted in increased costs estimated at approximately $25,000,000 for the Treasury Department.

Mr. Chairman, I do not believe any substantial reductions can be made on the floor of the House by simply offering amendments to slash various items of the bill which has been reported. Substantial reductions can be accomplished in the various departments only by reorganization, better management, and the installation of modern methods and machinery. That is just what our subcommittee has attempted to do in connection with both the Treasury and the Post Office Departments.

I want to give a part of the credit for that job to the former chairman of this committee, the gentleman from New Jersey [Mr. CANFIELD] because when he was chairman of the committee we started certain surveys within the Treasury Department which have accomplished gratifying results.

In our efforts to improve management we have had the wholehearted cooperation of the Secretary of the Treasury, Hon. John W. Snyder. He has done a magnificent job.

In the first place, our committee realized that there were two sore spots within the Department. One was the Coast Guard and the other was Customs. We suggested to the Secretary that outside firms be called in to make a fair and impartial survey of these two departments. He readily agreed and the firms were selected by him in conjunction with the chairman and the ranking minority member of the Committee on Appropriations.

As a result of these surveys, these two departments have been completely reorganized. The Coast Guard is installing a modern accounting system, one of the first to be installed in a governmental agency. It is hoped and expected that the system which is being installed will become a model for the other departments and agencies in establishing a scientific and adequate auditing system for the entire Government of the United States.

But we did not stop there. That only related to two departments. Of course, we had the Hoover Commission report. We inquired of the Secretary of the Treasury which of the recommendations of the Hoover Commission have been adopted, which have been rejected, and which are still under study. If you will look in the reports of the hearings, you will find a very complete and most satisfactory report on his actions with respect to the recommendations of the Hoover Commission.

But the good work did not stop there. The Secretary himself set up within the Department a permanent management committee to keep constant watch on the management of the Department.

In addition to that, the Department has gone a long way in the installation of modern machinery and equipment. They have a machine in the Bureau of Internal Revenue that they call "The Brain." It is an electronic calculator.

They only have a few of them in use at the present. Our committee went to New York to see one of them in operation and to inspect phases of the operations of the Department. By a system of punch cards they furnish to this machine the data appearing on the income returns which are filed with the Department. The machine adds, subtracts, multiplies, and divides. It will multiply a figure, set it aside in a storage cell and go on with another calculation, and then pull that figure out of the storage cell and work it back into its calculations. With that machine they are able to calculate the proper tax on 6,000 returns an hour.

I suggested to the Secretary of the Treasury that if he would just get one additional feature to the machine and provide an attachment which would also pay the tax the country would be very grateful to him. But so far that attachment has not been worked out.

The Secretary reported to our committee that, as a result of management improvement and the installation of modern machinery and equipment, they have saved 1,000,000 man-hours per annum. That is the way to reduce the cost of government, in my judgment.

I think there are only two bureaus in this Department that need discussion. One of them is the Bureau of Internal Revenue. We cut the personnel of the Bureau rather substantially several years ago in an economy drive, and complaint was made to us that by reason of that cut they were unable to properly ferret out those who are dodging their taxes. Certainly, no one has more contempt for a man who is not willing to pay his just share of the cost of government

than I. We have been working with the Department since then in an effort to give them the necessary personnel to take care of reasonable requirements with reference to investigating income-tax returns.

The Bureau of Internal Revenue requested 2,956 additional employees for the fiscal year 1951. As of December 31, 1949, the Bureau had 54,239 employees, which was approximately 250 percent above the 22,462 which it had on December 31, 1939. For the fiscal year 1949 the Congress allowed 2,000 additional employees, and for the fiscal year 1950 a further increase of slightly over 4,000 was approved. In view of those increases, our committee did not feel that we should grant the entire request of the Department, but in this bill we have allowed 1,000 additional employees. With the 1,000 recommended in this bill, in 3 years approximately 7,000 employees will have been added to the Bureau of Internal Revenue. Our committee believes this will give the Bureau ample personnel to collect the taxes, and to see that all in the United States pay their fair share of the tax burden.

I might say that those employees are in addition to the 1,000,000 man-hours that they have saved by reason of the better management practices.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. PRESTON. I wonder if the chairman of the committee looked into the proposition of the long delay occasioned in connection with people who were investigated by agents of the Bureau who were found to owe income taxes. So often it requires 3 or 4 years before the matter is finally adjudicated. Several cases of this nature have come to my attention. For some reason they do not seem to get the thing brought to a head and all the time interest is running on the money. Has the gentleman looked into that matter?

Mr. GARY. I think a good many of those cases are cases where there is some question as to whether there will be a criminal prosecution. When an investigation is made and there is possibility of a criminal prosecution, the case has to be cleared through the criminal department to determine whether there will be a criminal prosecution. Frankly, I think the Bureau made out a case for 1,000 additional employees, but with this thousand that we have allowed I believe that delays will be shortened, and that the Bureau will be able to proceed expeditiously in the handling of all cases.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. TABER. Would the gentleman be able to give us a picture of the additional revenue realized from the addition of more agents?

Mr. GARY. The committee was told last year that for every dollar we spent for additional agents $20 would be brought into the Treasury in the taxes that they discovered. When we gave them the additional force last year we impressed upon them that we were going to require an accounting at the end of this year and call for information as to the actual results of the work of those agents. When they appeared before the committee this year they admitted that it had not worked out 20 to 1. Let me say it had worked out in the past about 20 to 1, but instead of showing a return of 20 to 1 the new agents showed a return of only 8 to 1, according to their figures. There are several reasons for this. In the first place, a large part of the work of these agents had been in the field of excess war taxes, but that field is being gradually eliminated. In the second place, the Department is now examining all of the large returns with the force they have, so the additional agents are being employed largely to examine the smaller returns; and, naturally, the additional revenue resulting from a review of the smaller returns is less than it would be on the larger ones.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. CURTIS. In the studies the gentleman has made in his committee has he found any relative costs as to tax collections of the various types of tax, such as the individual income tax, the manufacturers' tax, retail excise taxes, and so forth?

Mr. GARY. No; we have not. The committee has not gone into that refinement. There are some figures in the reports on general costs.

Mr. CURTIS. I think that would be very helpful to the Congress.

In regard to these machines, how many hours a week are the machines worked?

Mr. GARY. Those are IBM machines and the IBM Corp. does not sell the machines but rents them. The machines are used about 4 months in the year, not the entire year; they are used in the peak of business when large numbers of returns are coming in to the offices, and thus far they are using only about 15 of the machines in the larger offices, Los Angeles, San Francisco, Chicago, and New York. I believe that New York is the closest one to Washington. These machines operate on the principle of electronics. It is an entirely new machine and they are installing them cautiously, because if they attempted to use them in all offices it might prove more expensive than the old method in some instances because of the small work load.

This Congress should give the Secretary credit for the work that he has done in trying to improve the management of his Department.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. CANFIELD. Is it not true that the Bureau of Internal Revenue through reform and reorientation and mechanization has during the last year saved 1,000,000 man-hours?

Mr. GARY. I gave that figure. I believe that refers to the entire Treasury Department rather than to the Bureau of Internal Revenue; that is my understanding.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. HINSHAW. It seems to me that in the matter of counting tickets for excise taxes on motion-picture admissions that there is a tremendous waste of time and man-hours. As I understand it, you obtain these little short tickets off a long reel of tickets. As you go in the door the man tears off half of it, gives you half and throws the other one in the box. In due course those boxes are emptied into sacks and many sacks full are collected by each motion-picture theater. When they have a whole bin full of them a man is sent down from the Internal Revenue Bureau who sits either in the basement or in some little back room of the theater and proceeds to count every one of those half stubs. It seems to me a tremendous waste of time and a very difficult operation and no doubt one that is quite inaccurate in the long run. That is, to have a man sitting around counting half stubs. It seems to me some better way could be found for collecting the excise tax on motion-picture theater tickets, for example.

Mr. GARY. I may say to the gentleman we have been assured by the Secretary of the Treasury that they are just beginning in this project of management reform. They have a permanent committee that is studying such matters continuously. They have greatly improved their procedure, and we have every hope that they will continue to improve it. I am certain that the Bureau would be delighted to have any suggestions.

Mr. HINSHAW. It takes days and days to count the tickets for just one theater. It seems to me that is a ridiculous way of doing business.

Mr. GARY. It is always difficult to check completely on excise taxes. In my judgment, that is one of the great difficulties about an excise tax where it is imposed upon the individual.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from California.

Mr. HOLIFIELD. Can the gentleman give me the information as to how many years' lag there is at the present time in the checking of income-tax returns?

Mr. GARY. That cannot be answered accurately for the simple reason that they check certain returns each year. They do not check all of the returns each year. The Bureau each year takes a certain portion of the returns, but when they do they usually go back for 3 years; therefore, by taking approximately one-third of the returns each year they are enabled in a 3-year period to check practically all of them. To say that there is a general lag would be speaking erroneously because certain of the larger returns are checked each year. In the main, the Bureau does not attempt to check all of the returns each year, but only a portion. They check different returns for the various years which in the long run gives them a check on all of the returns.

Mr. HOLIFIELD. The thing that prompted my question was that I have been informed they are checking about 3 years behind on these income-tax reports; therefore, there is quite a bit of loss because they have to go back 3 years to collect overdue taxes on 3-year arrears.

Mr. GARY. If you attempted to check every return each year, and instead of increasing the force 1,000 as we have done, you would probably have to increase it 10,000 to 12,000. The cost would be far greater than the results you would obtain.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not also true that with the addition of this help the Bureau expects to handle most of the cases, at least the large cases, that would be affected by the statute of limitations?

Mr. GARY. Exactly. This increase will enable them to handle the larger returns annually and practically cover all of the returns in a 3-year period.

The only other department that I think needs any discussion is that of the Coast Guard. I referred to the fact that the ranking minority member of our committee and the chairman of the committee found themselves in disagreement with the rest of the committee on one item. That is a reserve for the Coast Guard. The Coast Guard asked for $4,000,000 to establish a reserve force.

The Coast Guard is a vital part of our defense in time of war. They have very definite duties to perform, and I thought that, since it was a vital link in our national defense, the weakness of one link might be reflected in the strength of the entire chain. I did not feel that we should give them the full $4,000,000 that they requested, but I did think that we should make a start on the establishment of a reserve at this time. However, I was voted down on this proposition. A majority of the committee felt otherwise, and I think that their attitude was not that the reserve was not needed, but since we had gotten along thus far without a reserve, possibly now was not the time to start a new enterprise. With that point of view in most instances I am in thorough accord. Frankness compels me to say that I think we ought to have a Coast Guard reserve, but being a good Democrat, since the majority was against it, I bow to the majority of the committee.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. The gentleman from Virginia has been making an excellent statement in behalf of the Coast Guard. Is there any question in his mind or in the minds of the rest of the members of the subcommittee of the important part that the Reserve played during the past war?

Mr. GARY. I do not think so. I am not speaking for the committee because, as I say, I was on the other side, and some of the other Members will speak for themselves. I certainly am not going to attempt to say what influenced them, but I am sure they were actuated by the best of motives. It was an honest difference of opinion, and I am going to let them state their opinions. All I can say is that I did not agree with them, and I think we ought to have a Coast Guard Reserve. I do not think we ought to appropriate $4,000,000 for it at this time, but I think we ought to give them a start, and I think it is worth while, even if we have to take the money from the funds provided for the Reserve forces of the Army, the Navy, and the Air Force. I am perfectly willing to take part of the funds provided in the bill for the other defense Reserve forces and switch them over to the Coast Guard.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think my distinguished chairman is aware of the fact that when we struck this item from the bill I made a reservation, and I will offer an amendment to restore $1,000,000 of this fund, and I think that my Chairman is ready to state that he is going to support that amendment, at least by his vote.

Mr. GARY. I will say to the gentleman that it is my purpose to vote for the amendment, because my conscience would not permit me to do otherwise. I have very definite convictions on the subject. I have been defeated by my own subcommittee, and I certainly have no intention of attempting to influence the Members of the House, but in order to carry out my honest convictions, I must vote for a reasonable amendment if it is offered.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Florida.

Mr. SIKES. May I ask if there has been testimony from the Coast Guard itself as to what kind of a start could be made on a reserve program with a $1,000,000 appropriation? I am in thorough accord with what has been said about the need of this program.

Mr. CANFIELD. Mr. Chairman, if the gentleman will yield, inasmuch as I sponsored this amendment, I will say to the gentleman from Florida that I do have that information and I will present it to the House later on.

Mr. GARY. May I say this, since I am in a neutral position on this question and there are some other things I want to say and my time is getting short, I am going to ask that any further questions with reference to the Coast Guard reserve be addressed to the gentleman from New Jersey [Mr. CANFIELD] who is going to offer an amendment to that section, and to the other members of the committee who voted against it in the committee. I think I have said just about all that I should say on it. I have tried to state my position very frankly.

Appropriations for the Post Office Department for the year 1950 were $2,102,000,000. They asked for $2,135,000,000 for the fiscal year 1951. That was an increase of $105,309,000 for the fiscal year. Our committee allowed $2,207,000,000, which was a reduction of $28,000,000.

The pay legislation enacted since consideration of the 1950 estimates, that is, the pay increases of last year, have resulted in increased costs estimated at approximately $109,000,000 for the Post Office Department. As a matter of fact, the pay increases in the Post Office Department since July 1, 1945, total $740,000,000, which is approximately the amount of the total revenue of the Department for the year 1939.

It should be said in justification of the Department and of the workers that there had not been an increase previous to 1945 for approximately 20 years, but you cannot increase salaries without increasing postal rates and avoid a deficit.

The Post Office Department is in a very peculiar position. It has control over only about 4 percent of its expenditures. Their costs of transporting mail by railroad are fixed by the Interstate Commerce Commission. Their costs of transportation by air are fixed by the Civil Aeronautics Board. The salaries in the Department are fixed by Congress. Therefore, the Department has no control over those expenditures.

This committee cut the actual expenditures of the Post Office Department only $28,000,000, which is just about 1 percent.

This House several weeks ago passed a postal rate increase bill which it is estimated will increase the revenues of the Post Office Department approximately $125,000,000. That bill is still pending in the other body. In the Post Office Department most of the expenditures are paid from receipts. The Congress only appropriates out of the Treasury the difference between expenditures and receipts. The deficit is estimated at approximately $555,000,000 for next year, but it will be reduced $125,000,000 if the other body passes the bill it now has before it. So we took into consideration the fact that the bill had passed the House and we reduced the amount to be paid out of the general fund $125,000,000 on that account. This means that the total cut in funds to be paid from the general revenue is $153,000,000, but only $28,000,000 of that amount is an actual reduction in expenditures.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. CANFIELD. That $28,000,000 actual cut is just a little more than 1 percent of the over-all figure, is it not?

Mr. GARY. Yes. In my judgment that cut could be absorbed without any reduction in the services of the Post Office Department.

I extend my congratulations to the Postmaster General for the very courageous stand he has taken in reducing the expenditures of the Department in curtailing nonessential services. You are receiving a great deal of mail with reference to the order of the Postmaster General curtailing postal services. Have you read a copy of that order? If not, I ask you to do so. I have a copy of it here which I will include at the end of my remarks. In part this is what the Postmaster General says:

> The readjustment which will be outlined in special orders issued by the operating bureaus are calculated to meet the reasonable requirements of business and the reasonable requirements of every citizen for service to their homes. Every effort should be made to maintain to the fullest extent possible the existing high-speed service in the handling of air mail, first class mail and daily newspapers and to restrict the expenditures for the handling of low-revenue-producing mail

and service to daylight hours and to shorter periods. In many instances this will eliminate premium payments to employees for night work.

In view of the present fiscal situation, I submit we should not attempt at the present time to give the public more than reasonable services. This order provides for every reasonable service. It is true there will be reduction of one mail delivery in some of the residential sections where they now have two deliveries. But the vast majority of the people of the country only receive one mail delivery a day. In the rural areas no attempt is made to make two deliveries. The same holds true in the suburban sections of our cities. I think it entirely reasonable to require that all families in the Nation receive equal treatment in the service rendered by the Post Office Department.

With reference to the wholesale dismissal of employees which have been predicted by some of the newspapers I want to say this. The facts are that according to the latest figures available there were approximately 517,000 employees in the Post Office Department in 1948. Among those 517,000 employees there was an annual turn-over of 34,563. In other words, there were 34,000 voluntary separations from the service. This order is not going to reduce the force anything like 34,000. The Postmaster General has insisted that the changes be effected gradually. They will not be put into effect overnight, and certainly they can be accomplished by simply refusing to fill the vacancies caused by voluntary separations. I say "voluntary separations." Of course, I refer to separations from death, retirement, and other causes. By refusing to replace those employees with new employees, it will be possible to effect great economies in the service without dismissing a single regular employee.

Let me give you the picture in the city of Washington, D. C., which are the only figures I have available. There are on the rolls in the city of Washington 4,680 employees. Last year they had a turnover of 625, which is 13.3 percent. It is estimated that this order will affect 200 employees. Those 200 can easily be absorbed in the city of Washington in the regular annual turn-over within the Department.

I wish I had a longer time to talk about this, but my time has about expired. I think there is great opportunity in the Post Office Department for the installation of more modern methods and machinery.

READJUSTMENTS OF SERVICE

(Order No. 42946; dated April 17, 1950)

The postal service of today has become a complex enterprise serving an ever-increasing population. In 1930 the population of the country was 123,000,000, and the revenues of the postal service were $705,500,000. By 1940 the population had increased to 131,600,000, and the revenues were $767,000,000. In 1950 the population has increased to more than 150,000,000 and the postal revenues are approximately $1,600,000,000. This shows a constantly expanding use of the postal services by business and by people in all walks of life.

This Department is exerting every effort to provide for the public the best possible postal service at the least possible cost. We are taking advantage of every known device or program that is suitable in the operation of the postal service, to improve the service, better the working conditions of the postal people, and reduce the operating costs.

For years the Post Office Department has carried on what is known today as management-improvement programs. Its post offices have been inspected annually and surveys have been made from time to time as the need thereof developed in both departmental and field activities. These surveys and studies have been made on a Nationwide basis as well as for the purpose of solving the problems in specific postal units. Mechanical equipment has been installed to the extent that its use today in post offices and transportation terminals probably exceeds that of commercial enterprises such as the railway express and other transportation agencies.

Splendid progress has been made and the productive effort of the employees has been increased as indicated by the accomplishments in the fiscal year 1949, compared with the fiscal year 1939. During that period, the revenues increased more than 110.72 percent, the number of pieces handled increased 64.70 percent, the weight of the mails increased more than 104.73 percent while the increase in the number of employees was less than 48.43 percent.

About 96 percent of all expenditures in the operation of the postal service is for salaries and transportation costs. We in the Department have no control over either. Salaries are fixed by the Congress, and transportation rates are fixed by the Interstate Commerce Commission and the Civil Aeronautics Board. The remaining 4 percent of expenditures covers rentals, equipment, supplies, and miscellaneous costs.

The additional cost for increased salaries provided for by law since July 1, 1945 approximates $740,000,000. Additional costs for transportation of mail by rail and by air since July 1, 1945, approximate $125,000,000. These and other increased costs in rental for post-office quarters and cost for equipment and supplies have brought our total additional annual expenses since July 1, 1945, to the amazing sum of approximately $900,000,000.

There has been a great increase in the mailing of newspapers and magazines, generally referred to as second-class mail, and of advertising matter, generally referred to as third-class mail. There has also been a great increase in the volume of fourth-class mail (parcel post) due to increases in express rates.

Our paramount problem today lies in the handling of this great volume of mail with a lack of proper facilities. In all of the large centers of the country, and, to a lesser extent, in the smaller cities, there is a lack of workroom space, of platform space, of railroad terminal facilities, and of adequate transportation facilities.

Briefly stated, the revenues, expenditures, and operating deficit expressed in even dollars and stated on an accrual basis for the fiscal year 1949 are as follows:

Audited revenues	$1,571,851,202
Audited expenditures	2,149,322,128
Less payments for prior years	147,013,101
Payments for 1949	2,002,309,027
Add unpaid obligations for 1949	120,671,703
Payments and unpaid obligations for 1949	2,122,980,730
Operating deficit	551,129,528

The revenues derived from postage on first-class matter have been sufficient to pay the cost of handling, and the income from the postal-savings system has been sufficient to pay for its maintenance. On all other classes of mail and on all other services rendered by the Department, the revenues fall far short of the cost of handling.

I have repeatedly recommended an upward revision of the rate structure. Legislation providing for limited increases in rates is now before the Congress. However, the increases established in the legislation now pending, if approved, will be wholly insufficient to make up a deficit of $551,000,000.

Regardless of the causes of the deficiency and the suggested remedies for eliminating the major portion of such loss, the Bureau of the Budget and the Congress are naturally influenced by this factor when determining the amounts to be appropriated each year for the operation of the postal service. This item is a part of the over-all deficit in the national budget, and when it amounts to more than one-half billion dollars it represents a substantial part of that deficit.

The Committee on Appropriations in the House of Representatives in its report of March 21, 1950 (Rept. No. 1797), on the general appropriation bill for 1951, with particular reference to the appropriation for the Post Office Department, stated:

"The volume of mail handled has continued to rise through the year 1950, and the Department estimates a continued rise in 1951. However, the committee feels that the amount allowed in this bill should suffice to operate the Department through the fiscal year 1951 except in cases where increased costs may subsequently occur due to legislative or regulatory action beyond the control of the Post Office Department, and in those cases the committee must insist that every possible effort be made by the Department to absorb additional costs of this nature.

"The Post Office Department has made some progress in the past year in handling additional work load with fewer employees. It should be pointed out for the first time in modern history the Post Office Department contemplates a reduction in the number of employees on its rolls. At the end of the fiscal year 1950 the Department anticipates having 504,755 employees as compared with 517,690 at the close of the fiscal year 1949. The committee believes that there is considerable room for further improvement in the operations of the postal service from a budgetary standpoint, even though there may still be a slight increase in the volume of postal operations.

"The committee has discussed with the Postmaster General certain proposals for effecting economies, and realizes that probably all of the suggestions made will provoke some complaints from one source or another. Nevertheless the financial condition of the United States Treasury is such that every step possible must be taken to save money.

"The committee believes that sizable savings could be made by a reduction of the number of deliveries per day to many areas, particularly on those routes serving residential areas exclusively. Residential areas receive from one to three deliveries a day; rural patrons receive one delivery a day. The committee urges the Postmaster General to provide for the rearrangement of city delivery service so as to reduce the number of deliveries wherever possible."

The Committee on Appropriations recommended the following amounts for the postal service for the fiscal year 1951:

General administration	$16,000,000
Postal operations	1,786,000,000
Transportation of mails	400,000,000
Claims	5,500,000
Total—fiscal year 1951	2,207,500,000

The actual expenditures for the fiscal year 1950 will be more than $2,240,000,000.

With respect to postal operations, the Committee on Appropriations stated:

"The committee recommends an appropriation of $1,786,000,000, a reduction of $24,921,000 in the amount of the estimate. This amount should suffice to render adequate service without requiring the Department to come in later for deficiency requests. This appropriation contains items that were formerly scattered through 31 other titles, and its adoption should considerably lessen the administrative work of the Department. It covers the operations of all local post offices including salaries, rent, supplies, equipment, and local transportation and delivery of mail."

There is constant pressure from many sources for reductions in the cost of the postal service in order to grant relief to the taxpayers who are called upon to make up from general taxation the difference between our revenues and our expenses. Therefore, in view of the fact that the funds available for the remainder of the current fiscal year, and the anticipated appropriations for the next fiscal year, are not sufficient to permit the continuance of our present service standards, it is necessary to direct a readjustment of our services.

The readjustments, which will be outlined in special orders issued by the operating bureaus, are calculated to meet the reasonable requirements of business and the reasonable requirements of our citizens for service to their homes. Every effort should be made to maintain to the fullest extent possible the existing high-speed service in the handling of air mail, first-class mail, and daily newspapers and to restrict the expenditures for the handling of the low-revenue-producing mails and service to daylight hours and to shorter periods. In many instances, this will eliminate premium payments to employees for night work.

General notice should be given to the public immediately that steps will be taken to readjust the delivery schedules providing service to their homes. Postmasters should be careful to explain that while the Department appreciates that all citizens would prefer to have deliveries of mail made to their places of residence during the early morning hours, the necessity to prescribe one delivery to all strictly residential areas makes it impossible to grant this convenience. A large percentage of the patrons will receive mail at their homes in the afternoon under the one-trip delivery arrangement.

Postmasters should also give ample notice to the public, particularly to the large users of the mails, of changes in service schedules affecting window service and the hours during which low-revenue-producing mails will be accepted in the post office. Thirty days' notice should be given of such changes in order that the citizens generally and business organizations may arrange to accommodate their operations to the new post-office schedules.

INSTRUCTIONS OF DEPUTY POSTMASTER GENERAL

Pursuant to instructions of the Postmaster General appearing in this Postal Bulletin, postmasters are instructed as follows:

1. Immediately proceed with the readjustment of city delivery routes in residential areas so as to provide one delivery each weekday, Monday through Saturday. These routes are to be readjusted on a permanent one-trip basis as rapidly as possible, and should be completed not later than July 1, 1950. On Saturdays, in the business area, normal three-trip routes should be given not more than two deliveries, and normal two-trip business routes, not more than one delivery. Considerable economies should be effected during the period of readjustment.

2. Collection of mail from street letter boxes should be scheduled for a minimum number of collections to provide for the essential needs of the community. Complete collections should be made in the morning in connection with relay service in order that mail deposited during the previous night may be delivered that day in the business area. The last collection of the day should be completed so that mail will reach the post office not later than 8:30 p. m.

3. It should be understood that neighborhood stores and professional offices do not require more than the one delivery each day. In mixed business and residential territory, where a second delivery is necessary to provide for other businesses and factories dependent upon the mail service, efforts should be made to consolidate delivery to these areas to the minimum number of carriers required to make a second trip.

4. In rearranging the routes incident to one-trip delivery service, they should be arranged on an 8-hour basis on the heaviest day of the week, exclusive of the lunch period. One-trip carriers should be required to report as early as practicable so that deliveries may be completed in the early afternoon. Care should be exercised, however, to connect heavy important receipts of mail arriving during the early morning hours. Lunch periods should be arranged to grant the carriers approximately one-half hour for lunch. During the lunch period the mail should be properly protected either in the custody of the carrier or securely locked in a relay box or vehicle.

5. Where two-trip mounted service is involved and additional territory is added to make 8 hours' work for the mounted carrier, if any part of the territory added now receives door delivery, such service will be continued by having the carrier dismount and make deliveries to the door. Relays to carriers should be increased where necessary and relay boxes relocated where required to provide the greatest benefit. Where the number of relay boxes on hand is insufficient, postmasters are authorized to make relays to business places, well-protected porches of residences, and to other points when such action is agreeable to the occupant and when the mail is enclosed in locked sacks, using letter-carrier box padlock for the purpose.

6. All errors in distribution, and local changes of address affecting one-trip routes within the delivery unit must be handled before the carriers leave the office, in order to insure delivery that day.

7. The reduction in the number of trips will result in considerable saving in carfare. Where the agreements for carfare now in effect require the transportation companies to be advised in advance of any change, postmasters should give such notification promptly as to the estimated reduction in carfare and will conduct necessary negotiations with the transportation company for change in agreements. In submitting estimates for the fiscal year commencing July 1, 1950, postmasters should take this reduction into account.

8. Deliveries of parcel post should be restricted to one delivery each weekday, Monday through Saturday, in both business and residential areas. Exceptions may be made in business areas only in those instances where the volume of parcel-post mail is so great that it exceeds the storage capacity of the post office.

9. Where experience has shown that the majority of business houses are closed or their receiving rooms are not open on Saturday, and a large number of parcels which could not be delivered are returned to the post office, consideration should be given to the discontinuing of Saturday delivery of parcels.

10. Window service at the main office shall be provided between the hours of 8 a. m. and 6 p. m., and at the classified stations and branches between the hours of 8 a. m. and 5:30 p. m. In all instances where the main-office windows have been operated on shorter hours, existing schedules should be continued, and, at stations and branches where postmasters determine that the windows may be closed at 5 o'clock, no objection will be interposed by the Department.

11. At the main office and stations where mail matter is received from the public in large quantities over loading docks and platforms, the acceptance of such mail matter will be restricted to the hours of 8 a. m. to 6 p. m., except for first-class mail, air mail, including air parcel post, daily newspapers, and weekly newspapers of local origin having the characteristics ordinarily recognized as those of a publication devoted to the dissemination of current news of general interest.

12. First-class mail, air mail, including air parcel post, and newspapers, will be accepted in the post office at any time that employees are on duty. Exceptions may also be made for emergency mailings of medicinal supplies, serums, eyeglasses, dentures, and like matter at any reasonable hour. The postmaster is expected to see that good judgment is exercised and that these emergency privileges are not abused.

13. All bulk mailings of second-, third-, and fourth-class matter, other than that previously mentioned, will be accepted for mailing only between the hours of 8 a. m. and 6 p. m.

14. Discontinue preferential treatment of so-called time-limit third-class matter. Mailers desiring such handling of their circulars should be courteously informed that in order to secure immediate service, it will be necessary to prepay the mail at the first-class postage rate.

15. Discontinue newspaper treatment for publications of the second-class other than the regular daily and weekly newspapers as previously mentioned.

16. Discontinue during the hours of 6 p. m. to 6 a. m. the distribution of all mail, both incoming and outgoing, other than air mail, first-class mail, daily newspapers as described in the previous paragraphs, and parcel post.

17. All mailers should be urged to present mail of the low-revenue-producing classes to the post office during the morning and early afternoon hours to insure distribution and dispatch on the day of mailing.

18. Outgoing parcel post received up to 6 p. m. will be distributed and dispatched promptly. Incoming parcel post shall be distributed during the hours of 6 p. m. to 6 a. m. in order to be prepared for delivery the day following receipt. Bulk mailings of circulars, if made up into direct packages by the mailer and received in the post office by 6 p. m., may be distributed and dispatched on date of mailing. Distribution of miscellaneous third-class matter shall not be performed after 6 p. m.

19. Postmasters are directed to rigidly enforce the requirements that bulk mailings, second- and third-class matter prepaid at special rates, be separated by mailers into direct packages as prescribed by the regulations governing acceptance of such matter. There should be no deviation from this requirement.

20. Postmasters will immediately discontinue directory service on ordinary mail other than perishable matter and parcels of obvious value. Directory service will be continued on special delivery, registered, insured, and c. o. d. mail. In providing this limited service, postmasters will discontinue the maintenance of specially prepared interleaved directories.

21. All mail matter which has heretofore been accorded directory service in accordance with the Manual of Instructions, chapter VIII, article 99, and for which directory service is not provided herein, if not deliverable as addressed, shall be promptly returned to the sender with appropriate endorsement as to the reason for nondelivery, or otherwise disposed of in accordance with the regulations. No mail matter of such

character shall be held in the directory section nor shall it be placed in the general delivery unless it is known that delivery can be effected through the general delivery. Instructions in article 101, chapter VIII, will remain in effect.

22. In the large offices where remittance sections are maintained as a part of the Finance Division, postmasters are directed to give careful consideration to the closing of such units on Saturdays. All district offices, stations, and branches, should be given advance notice and arrangements made to handle emergency requisitions.

23. Saturday window service should be restricted at stations and branches to the hours of 8 a. m. to 12 noon. Saturday window service at the main post office should be limited to the time necessary to meet the essential needs of the public, but in no instance should such service exceed that afforded on other weekdays or that presently accorded. In some cities it may be possible to discontinue Saturday service altogether at some classified finance units. Where that action seems proper, due notice should be given to the patrons, indicating the nearest station or the main office where service is available.

24. At carrier stations, it may be necessary for some employees to remain on duty after service windows have been closed on Saturday to await the return of carriers from their delivery trips.

25. Postmasters are advised to give wide publicity to the readjustments provided for in this order and to effect savings in operating costs at the earliest date practicable.

26. The readjustments authorized herein will result in the reassignment and surplusing of some employees. All temporary and war-service employees should be separated from the rolls before action is taken to reduce the hours of service of classified substitutes.

27. At the larger offices where it will be necessary to separate temporary and war-service substitutes periodically as adjustments progress, separations should be effected in the following order:

(a) Nonveterans appointed outside of civil-service registers whose names do not appear on a current register.

(b) Veterans appointed outside of civil-service registers whose names do not appear on a current register.

(c) Nonveterans selected from a civil-service register in the inverse order in which appointed.

(d) Veterans selected from a civil-service register in the inverse order in which appointed.

28. All war-service and temporary substitutes who are veterans and are serving under indefinite appointments must be given 30 days' advance notice, in writing, that they will be separated and furnished the reasons therefor.

29. In readjusting carrier deliveries to a one-trip basis in residential areas, surplus regular carriers will result. Postmasters will assign these surplus regular carriers in the order as follows:

(a) One regular carrier for each five regular carriers assigned to residential routes for the purpose of granting compensatory time.

(b) Assign the number of surplus carriers required to fill any regular vacancies after adjustments have been made. Assign as many surplus carriers as can profitably be used for the granting of annual and sick leave, and absence without pay, and other auxiliary, where carriers can be used on an 8-in-10-hour basis (preferably on an 8-in-9-hour basis).

30. After assignments have been made as above, further surplus regular carriers should be transferred to the clerical roles, either to fill vacancies as may be necessary or as additional clerks in lieu of auxiliary. Such transfers should be made of the junior carriers in the inverse order of their appointment to regular positions, or upon application from individual carriers in such manner as postmasters may determine.

31. In cases where surplus clerks result and no surplus carriers are available, clerks may be transferred to fill vacancies in carrier service.

32. Employees arbitrarily transferred will not lose seniority, and will be retransferred to their former service as vacancies occur.

33. All clerical and carrier auxiliary remaining to be covered after the reassignment and transfer of surplus regular employees shall be pooled and divided as equally as practicable among all classified substitutes.

34. All vacancies in the regular clerk and carrier forces, except those filled as heretofore indicated, will be held until further notice from the Department.

35. At offices where there may be surplus classified employees, postmasters are authorized to grant extended leave without pay to regular and classified substitute clerks, carriers, mail handlers, and special delivery messengers upon request of such employees and without prior departmental approval if such action does not require replacement by new appointments.

36. The appointment of additional classified substitutes from eligible registers should be deferred until careful consideration is given to the earnings of those on the rolls after these readjustments have been completed.

CHANGES IN VEHICLE SERVICE

The changes outlined in the order of the Postmaster General and the instructions of the Deputy Postmaster General will have a definite bearing upon the vehicular requirements for parcel post delivery, collection, relay and transportation service. It is, therefore, requested that you render a detailed report, in duplicate, to the Division of Motor Vehicle Service setting out the hours of vehicle service curtailed (Government-owned and contract) in each class of city delivery service, including interstation service where performed with Government-owned trucks manned by letter carriers and the resultant savings based upon the average hourly cost of operation, without driver, as shown by the records of the motor vehicle service for the quarter ended March 31, 1950. A definite statement is desired regarding the effect the changes in the service will have upon the allowance for temporary vehicle hire for the current quarter, bearing in mind that extra vehicle time of Government-owned trucks and contract equipment created through the adjustments in the service is to be used to the fullest possible extent in lieu of equipment secured at higher rates, in order that maximum savings may be realized.

In like manner, a detailed report, in duplicate, should be prepared and submitted to the Division of Motor Vehicle Service, showing the reduction in the hours of interstation transportation service by Government-owned trucks and motor-vehicle-service personnel, but computing the savings at the average hourly rate, with driver, for the quarter ended March 31, 1950. All trucks schedules affected should be revised immediately to realize maximum economies. This applies to both 8-within-10-hour and auxiliary transportation schedules.

The curtailment of truck time may in some instances make it possible to reduce the number of vehicles, and in such an eventuality a full statement of the facts must be furnished. Moreover, the curtailment of Government-owned operations will reduce the manpower requirements with respect to the maintenance of the fleet, particularly repairs and lubrication; it will also result in reduced gasoline and oil consumption, less tire wear, and less wear and tear in the equipment generally.

ECONOMY TO BE EXERCISED IN OPERATION AND MAINTENANCE OF GOVERNMENT-OWNED POST OFFICE BUILDINGS

Due to the proposed changes in the postal service, postmasters at Government-owned post office buildings under the administration of this Department are requested to survey conditions very carefully to effect such economies in custodial services as may be possible and practicable.

The schedules of the custodial employees should be examined to eliminate all night differential, overtime or auxiliary char service which is not absolutely essential. The possibilities of reduction or abolishment of any custodial manpower not considered vital to the operation and maintenance of the structures should be explored. Study should be given to the feasibility of closing the lobby at such times as postal employees are not on duty which will avoid the necessity of custodial employees being on duty when not otherwise required. This will also result in economy in heat and light. Adjustments should be made where possible to discontinue all unnecessary heat incident to any reduction in the hours of occupancy.

Constant vigilance should be maintained to avoid waste of electricity by having lights extinguished when not absolutely required. When electric equipment and office appliances are not in actual use the current should be turned off.

Requisitions for cleaning supplies should be scrutinized before submission to the Department to insure that only essential items are included and to avoid excessive stock piling. Inspections should be instituted by supervisors in the issuance and use of cleaning supplies so that there will be no waste.

When any item of furniture, particularly city carrier cases and stools, becomes available for transfer to other post office buildings due to reduction in service or any other reason, such items should be reported promptly. Before transmitting requisitions to the Department for any furniture items, the actual necessity should be fully investigated and established to eliminate any nonessential items.

When necessary to assure the fulfillment of any economies along the lines suggested, the postmaster should submit his views and recommendations to the Division of Federal Building Operations.

WALTER MYERS,
Assistant Postmaster General.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GARY] has expired.

Mr. FELLOWS. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion.

The question was taken; and on a division (demanded by Mr. CANNON and Mr. GARY) there were—ayes 64, noes 46.

Mr. GARY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GARY and Mr. CANFIELD.

The Committee again divided; and the tellers reported that there were—ayes 68, noes 52.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and

for other purposes, had come to no resolution thereon.

HOUR OF MEETING MONDAY, APRIL 24

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next at 11 o'clock a. m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

RENT CONTROL

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may extend her remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mrs. KELLY of New York. Mr. Speaker, I want to call the attention of my colleagues to the bill which I have introduced today to extend certain provisions of the Housing and Rent Act of 1947, as amended, and for other purposes.

Under the Housing and Rent Act of 1949 which will expire on June 30, 1950, the Housing Expediter is decontrolling rents in every area where the demand for housing is being met. He is decontrolling rents in an orderly manner as opposed to disorderly decontrol which is being recommended by those who would end rent control immediately. He is proceeding in the democratic manner and it is the only way by which we can hope to liquidate the entire rent-control law without creating a condition of chaos.

It is interesting to note that cities and towns have had ample opportunity to get rid of Federal rent control if they so desired or if they felt that Federal rent controls were no longer necessary, but I want to point out that despite constant and persistent pressure from many real-estate interests, these cities and towns have refused to decontrol under the local-option provision of the present act. The reason is simple—the housing demand has not yet been met in their communities.

Confusion in domestic issues must be prevented at this time of increasing unemployment and unsettled world conditions. Confusion would be augmented by the necessity for local authorities to establish control machinery on short notice. Many State legislatures are not in session. It would be a serious mistake not to extend Federal rent control at this time.

GENERAL DEBATE ON CHAPTER V OF THE GENERAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that general debate on the next chapter of the appropriation bill, chapter V, be reduced from not to exceed 2 hours to not to exceed 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House on Monday next, April 24, for 5 minutes, following disposition of the legislative business of the day and at the conclusion of other special orders heretofore entered.

Mr. O'SULLIVAN asked and was given permission to address the House on Monday next, April 24, for 45 minutes following disposition of the legislative business of the day and at the conclusion of any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. GARY asked and was given permission to revise and extend the remarks he made in the Committee of the Whole this afternoon and include therein the order of the Postmaster General of the United States No. 42946, dated April 17, 1950.

Mr. TEAGUE (at the request of Mr. PRIEST) was given permission to extend his remarks in three separate instances and in each to include extraneous matter.

Mr. KEE asked and was given permission to extend his remarks and include the text of an address delivered by the President of the United States at a luncheon of the American Society of Newspaper Editors.

Mrs. BOLTON of Ohio asked and was given permission to extend her remarks.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in two instances and include various articles and letters.

Mr. JUDD (at the request of Mr. PHILLIPS of California) was given permission to extend his remarks in two instances and include editorials and extraneous matter.

Mr. JENSEN asked and was given permission to extend his remarks and include an address by Mr. HORAN, of Washington, as a part of the salute to freedom pageant held in the State of Washington.

Mr. GORE asked and was given permission to extend his remarks and include excerpts from a letter he received.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 20 minutes.

DIGNITY OF CONGRESS IMPAIRED BY ATTACKS ON SECRETARY OF STATE

Mr. HOLIFIELD. Mr. Speaker, everyone who loves this country and respects this Government must be concerned over the sordid attempt to impugn the loyalty and integrity of the Secretary of State, Dean Acheson, and other eminent persons in public and private life.

The Members of this body must be especially concerned. For not only are the reputations of loyal citizens damaged; not only are their families subject to ugly anonymous threats of bodily harm; not only is this Nation lowered in prestige and influence before the world; not only are competent citizens discouraged from serving their country in public office. To all that we must add another grievous fact: the dignity of the Congress itself is called into question when one of its Members loses all sense of self-discipline and responsibility.

We Members of Congress carry a special kind of responsibility because we enjoy a unique privilege in the American system of government. As legislators, we enjoy parliamentary immunity for what we say and do, with certain defined exceptions, under the Constitution. There is imposed upon us an obligation to use this privilege with care, to refrain from abusing people and smearing their reputations. A man's reputation is his livelihood and his career; in these times of tension and fear, it may be his very life.

We pass the Nation's laws; we appropriate the funds for the conduct of the Federal Government; we exercise general supervision over the spending of those funds and the administrative operations of the Government. In exercising our congressional duties, frequently we are called upon to make legitimate criticisms concerning the performance of particular officials in the executive branch. In making these criticisms, sometimes we are apt to forget that our own conduct in committee and in the legislative halls, too, must be called to account, and while we hold office the only immediate accounting is to ourselves; in other words, to our sense of self-discipline guided by the rules that we have laid down in each House.

This is not the first time that I have spoken here on this matter. The dignity of Congress has been impaired before, and much damage inflicted upon innocent persons, by undisciplined committee investigations and hearings. On the very first day of the first session of this Congress, I proposed the establishment of a select committee to investigate congressional committee procedures, with a view to instituting fair and sensible changes. I pointed out that many people had felt the whiplash of vicious newspaper releases. Many people were victims of unfounded and irresponsible testimony before certain committees.

Persons prominent in our public life had suffered character assassination without recourse. They would read in the papers with a feeling of horror that their patriotism, their loyalty to their Nation, their integrity as citizens had been attacked.

Often they tried to fight back. They asked for the right to answer malicious charges. They wanted an opportunity to cross-question their accusers. As I said on this floor, accused persons were denied the simple American rights we give a chicken thief before a police court.

Generally, may I observe that the committees of this Congress have conducted themselves with a commendable self-discipline. Although a few silly and futile attempts at headline hunting and sensationalism were made during the past session—like the textbook snooping project—in general the people have had a welcome respite from the reprehensible and irresponsible committee tactics sometimes employed in the past.

More disciplined committee investigations, however, have not prevented some Members from running on a rampage and splattering mud in the hope that political advantage would come to them. Fresh in our minds is the charge of "incredible mismanagement" directed at the Atomic Energy Commission because Mr. David Lilienthal, then chairman of

the Commission, did not sit well with a certain Senator. Apparently on the half-baked advice of some disgruntled persons formerly employed by the Atomic Energy Commission, a Member of another body was inspired to make serious charges.

The agency that is entrusted with atomic energy development, controlling a force that can mean life or death to the whole universe, naturally had to give a public accounting in the face of the charge of "incredible mismanagement" by a Senator of the United States. For days and days our joint congressional committee held hearings, some public, some private—45 meetings in all—to get at the truth of the matter. The foremost atomic experts in the country were called in as witnesses.

In the end, we found nothing of importance wrong with the Atomic Energy Commission. Its administration was sound; its accomplishments large. But days and days were consumed and large sums expended to lay to rest the public anxiety and agitation caused by the unfounded accusations of a single Member of Congress. Now another melodramatic spectacle is before us. Wild charges are being made, creating a general disturbance, and setting in motion another long and costly investigation. Already this investigation has taken more than a month, and we have yet to find any good grounds for the charges made. The klieg lights flash in the committee rooms; the newspaper headlines scream; the persons accused are forced to parade in public, the grim comedy goes on and on. What advantage accrues to the public?

The Senate committee making the investigation is to be commended for its objective approach and its scrupulous regard for the facts, but I predict that the time, effort, and money expended will in the end show little or nothing of positive value, even while suffering has been brought to many people and their families, and the standing of our Government becomes lower in the eyes of the world.

Not for one moment do I question the importance of committee investigations as such; they are an integral part of the Congress' work. Not for one moment do I question the importance of the matters investigated. What I do say, Mr. Speaker, is that with our heavy workload in Congress, with all the crucial problems demanding solution and crying for attention, we should not dissipate our time, energies, and funds in running down unfounded and irresponsible accusations. There are administrative, investigative, and law-enforcement agencies of the executive branch set up to do the exacting work of protecting our country from subversive and disloyal elements.

To me it seems a sinister and unwholesome thing when congressional privilege and parliamentary immunity can be stretched so far as to allow any Member to become a "little FBI" all by himself, hiring investigators, soliciting informers, and engaging in all the cloak-and-dagger stuff we associate with the business of espionage. This type of "one man police state" is doing harm to our country, for it operates without the training, professional techniques, and legal safeguards that must necessarily surround the matter of internal security.

Several times on the floor of the other body a Member has disavowed the cloak of parliamentary immunity in his evident zeal to protect this country from its own State Department; he has announced his willingness to say outside the Halls of Congress what he has said inside, regarding the individuals he has accused. The Nation has heard the bold words; it awaits the deed. No doubt the wait will be endless.

There is another aspect of this matter which deserves very serious thought. The accuser has demanded a congressional scrutiny of the FBI files, presumably in the hope that further scraps of derogatory information will be gleaned to give some substance to the skimpy charges. The President had refused to allow access to these files for reasons that are well known; the investigative work of the FBI would be impaired; informants would be discouraged and even endangered; innocent persons would suffer. The Attorney General and the FBI Director in their testimony have left no doubt on this score.

To these reasons I add the following observation: If a committee or Member of Congress were to have access to the FBI files every time a charge was leveled at someone, then the whole scrap barrel of facts, gossip, rumor, hearsay, and whatnot collected by the FBI in each careful and comprehensive investigation would become a feeding trough for the less principled and the less scrupulous among us. They might dip into the barrel and come up with more and more scraps to hurl at people and to befoul the atmosphere. The whole investigative apparatus of the FBI might conceivably become a means for providing political campaign publicity rather than providing information to determine the loyalty of persons.

If this warning sounds harsh, Mr. Speaker, it is justified by the shameful episode we witness today in the charges flung at officials of the State Department. I speak with full respect and affection for the Members of Congress, but I am mindful that it takes only one or two amongst us to tear down the prestige and dignity of the Congress in the eyes of the public.

Let me say, too, that I am not at this point criticizing the investigative techniques of the FBI. Gossip and rumor used by that agency as leads to run down facts are one thing; gossip and rumor used under the cloak of congressional immunity to smear individuals, are quite another. In the matter of loyalty investigations, the FBI is an information-gathering agency. It does not interpret what it finds but turns over the collected information to the agencies of Government, with their appeal machinery, to use in passing judgment on the loyalty of Government employees or applicants. Whatever defects we may see in the loyalty procedures, at least we can be sure that the information will not be spread upon the front pages of a newspaper every time a case is being considered.

Therefore, I say, let the FBI files be used in the executive agencies where they belong, and not abused in Congress, where they do not belong.

When I say also that this senatorial accuser is doing harm to our country, I am not engaging in mere rhetoric; this is the considered judgment of disinterested persons who have given long years of service to their country. It is my earnest wish that the Members read and reread the communication sent to the New York Times on March 27 by the Honorable Henry L. Stimson, and published in the CONGRESSIONAL RECORD of that date, at page 4078, concerning the matter of loyalty in Washington. This distinguished elder statesman speaks with the seasoned judgment and authority of one who has been for many years a Secretary of State, who was at the helm of the War Department when civilization itself was in the balance, who covets no office and has no ax to grind. When he says that the noisy antics of a few are doing harm to this Government in the difficult and momentous tasks that face it, I am quite prepared to accept the testimony for its full worth.

Mr. Stimson says flatly and without equivocation that—

> The real motive of the accuser in this case is to cast discredit upon the Secretary of State of the United States. This man is not trying to get rid of known Communists in the State Department; he is hoping against all hope that he will find some.

Mr. Stimson goes on to say:

> The man who seeks to gain political advantage from personal attack on a Secretary of State is a man who seeks political advantage from damage to his country.

Mr. Stimson's indictment is stern and to the point. We will do well to consider it carefully for the sake of the Nation, for the sake of the individuals drawn into the investigation, and for the sake of our own deportment as a legislative body which cherishes the respect and devotion of the American people.

The SPEAKER. Under previous order of the House, the gentleman from Connecticut [Mr. PATTERSON] is recognized for 10 minutes.

THE UNITED STATES AS AN INTERNATIONAL SUCKER

Mr. PATTERSON. Mr. Speaker, perhaps the greatest benefit which was derived from the Easter recess of the House was the opportunity Members had to return to their districts and thus determine the desires and needs of the people. Never had I been made aware of the problems facing our citizens to such an extensive degree before. For 3 years I have been warning of the danger facing our country economically if revisions were not made in our international trade program. It seemed almost a hopeless task as I gathered support in this fight from only the industries that were directly concerned. Never heretofore had there been evidence that the bulk of our people were in the least concerned.

Last week, however, I found that there was general consternation and disgust at the trade policies of the administration. One very vital reason for this

feeling was the announcement of the Naugatuck footwear plant of the United States Rubber Co. that 400 employees would be laid off shortly because of production cut-backs. This is serious, but only an omen of what is to come if common sense does not prevail.

Let us examine the situation step by step. In March 1948 it was announced that our State Department would effect a trade agreement with Czechoslovakia wherein import duties on rubber footwear would be lowered. Remember that this agreement was to be concluded with a Russian satellite nation—completely dominated by a Communist government. On March 24, 1948, I wrote to the President protesting such action. Under unanimous consent, I ask that a copy of the letter to the President be inserted at this point in my address.

MARCH 24, 1948.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: I am very much disturbed by action which might possibly be taken by the Department of State with regard to approval of the Czechoslovakian portion of the Geneva trade agreement.

It is my understanding that when this agreement was previously arrived at, its effectiveness would be based upon both the Government of the United States and the then freely chosen Government of Czechoslovakia becoming signatories to the act.

I wish now to express to you my protest against affirmative action by this country in becoming a signatory to this plan. The recent Communist coup in Czechoslovakia should preclude our maintaining commitments previously advanced. It is a well-accepted fact that the Government of Czechoslovakia is now dominated by the Soviet Union, and is not of the people's choosing. Any trade agreement in the name of reciprocity would serve only to aid that nation and its satellites, who now seek world domination. The consummation of this agreement would also retard seriously the production of rubber footwear in this country, by placing domestic goods on an unfavorable cost basis.

There is located in my home town of Naugatuck, Conn., the largest rubber footwear plant in the United States. This plant, at full capacity, employs between five and six thousand citizens. Any agreement, at this time, which would place their products on an unfair basis in a competitive market, would seriously affect the employment of great numbers of people.

For the reasons stated above, I protest very vigorously any affirmative action that might be taken by the Department of State in this regard.

Respectfully yours,
JAMES T. PATTERSON,
Member of Congress.

Mr. Speaker, a vague and nebulous reply was received on April 22, and I issued a press statement, which I ask to have inserted at this point:

The action of President Truman in signing the articles of trade agreement with Czechoslovakia demonstrates the inherent weakness in our policy with other nations of the world. While we, on the one hand, enact measures of enormous scope to aid in the maintenance of free governmental systems throughout the world, at the same time, our becoming a signatory to this agreement grants favorable trade concessions to a country now dominated by a foreign power.

Reciprocal trade agreements will foster a free flow of commerce, and aid in the attainment of international peace and good will, only so long as there is true reciprocity.

We are, in this instance, encouraging competition to American labor, not from free labor but from slave labor. The workers of Czechoslovakia are not now any more free to bargain upon conditions of employment then are the political prisoners in the salt mines of Siberia. Trade concessions to products manufactured through forced labor performs a disservice to the American worker. He must compete with those held in involuntary servitude, as contrasted with substantially high wages and satisfactory working conditions presently existent in this country.

I shall scrutinize closely the effect of this agreement upon the American rubber footwear industry in particular, and at the first instance of lessened production and employment, shall make every effort to bring about negation of our obligations under this agreement. I earnestly hope that the principle of reciprocal trade will not be injured by the action taken today. I feel, however, that it is not in the best interests of this Nation to not only tolerate but, in this case, to foster the principles of a totalitarian state in the granting of concessions to its exports. Agreements honorably reached with the free government of Czechoslovakia should not have been considered binding under the conditions now existent in their Communist-dominated country.

Mr. Speaker, the statement refers to the agreement which had been signed, my protests to the contrary. One sentence contained in that statement is particularly pertinent to our present situation. It reads:

I feel that it is not in the best interests of this Nation to not only tolerate but, in this case, to foster the principles of a totalitarian state in the granting of concessions to its exports.

Much water has flowed under the bridge since March 1948, and it is interesting to note that unemployment in this country has climbed from a negligible number at that time to 5,000,000 who are now without jobs. Can anyone deny that at least a great portion of this increase is due to the importation of goods from abroad? Do you dare to face the jobless in your home districts and tell them that you favor the importation of goods made by slave labor in a Communist country over their handiwork? That is exactly what the Members of this Congress must do if we continue along the road to self-destruction. We, in our enlightened manner, have enacted an increase in the standard minimum wage to 75 cents an hour. The Czechoslovakian worker receives 67 cents a day, in contrast to the average hourly wage of $1.27 paid to rubber workers in Naugatuck. Will the increased minimum wage bring about the doom of other American industries? I do not think so; but shortsightedness by the administration in foreign-trade policies will accomplish what Stalin has been trying, unsuccessfully, to do—undermine our economy and bring about a depression.

This problem is not peculiar to the rubber-footwear industry, although the people employed there are now feeling the effects. Let us not forget that American watch firms have been pushed to the wall; hat manufacturers are notifying employees of short workweeks and lay-offs; the paper-pulp, wire-cloth, and textile industries are losing domestic markets because of imports.

I ask not that high tariff barriers be erected shutting off this country from foreign trade—but that we use common sense for our self-preservation. Does it make sense to grant trade favors to iron-curtain countries? Does it make sense to make available to Russian satellites more American dollars? Does it make sense to deprive American workers of a job to help slave-labor countries? Does it make sense to tell American workmen that they should either learn new trades or accept unemployment compensation? Does it make sense to put veterans out of the jobs they fought to protect?

Since Congress relinquished control of tariff legislation this country has suffered one defeat after another in trade negotiations. The striped-pants set at the State Department has been outmaneuvered time and time again as we grant new concessions to foreign nations. The beneficiaries of ECA money are producing finished goods for export in direct competition with this country. Their people are deprived of necessities so that American dollars can be made by the sale of products here. We are rapidly bankrupting our people through the double-barrelled process of foreign aid and foreign competition. We are not raising the standard of living abroad—but lowering the American standard of living instead.

Abandonment of the American selling principle in footwear trade will make it impossible for American industries employing American citizens to compete with Czechoslovakian and Japanese firms. Legislation of this type is now being prepared for consideration by Congress. I, for one, will never support it. Those who favor the selling out of American workers had better prepare to stand up and be counted—as our people will not countenance neglect of their welfare much longer. If the State Department of this Government is truly concerned about this Nation's survival as a potent force for world peace, it had better make no plans for further concessions which cut the throat of American industry.

Public officials, labor groups, veterans' organizations, and individual citizens of the Fifth Connecticut District are up in arms at the prospect of increased joblessness through trade concessions, and I am pleased to have their support in this endeavor. Hundreds upon hundreds of letters and post cards have been received in my office protesting the continuance of this policy. I intend to stay in this fight until sanity and common sense prevail and American jobs are made safe.

Under unanimous consent, I insert at the conclusion of my remarks various resolutions, letters, news stories, and editorials relating to this subject:

UNITED RUBBER, CORK, LINOLEUM AND PLASTIC WORKERS OF AMERICA, CIO,
Naugatuck, Conn., April 15, 1950.

The Honorable JAMES T. PATTERSON,
House of Representatives,
Washington, D. C.

DEAR HON. JAMES T. PATTERSON: The enclosed resolution dealing with the importation of rubber footwear and tennis shoes from slave-labor countries was unanimously adopted by our membership.

We are very much concerned about it for the reason that between these importations

and the open winters of the past 2 years it means extensive lay-offs in our plants.

Hoping you will see our way and help us to protect our prosperity.

Very truly yours,

GEORGE FROEHLICH,
President, Local No. 45, URCLPWA-CIO.

"Whereas the importation of rubber footwear, tennis shoes, and allied products from Japan and Czechoslovakia is rapidly increasing in volume; and

"Whereas this influx of these low-priced products is undermining the rubber-footwear industry in the United States, causing extensive lay-offs and loss of jobs of our union members, with the resulting loss of income and purchasing power; and

"Whereas the present tariffs are inadequate to protect the jobs, incomes, and purchasing power of our American workers and union members: Therefore be it

"Resolved that Local No. 45, United Rubber, Cork, Linoleum and Plastic Workers of America-CIO, representing 4,000 employees in the United States rubber-footwear plant in Naugatuck, Conn., go on record as being unalterably opposed to any further reduction in tariff on rubber footwear and allied products which would inevitably result in widespread unemployment and great distress among the employees in the rubber footwear industry in the United States; be it further

"Resolved, That Local No. 45, United Rubber, Cork, Linoleum and Plastic Workers of America-CIO, go on record as favoring immediate and firm action by the Government to provide full employment for all of the more than 20,000 people (men and women) in the rubber-footwear industry in the United States including the immediate restitution of the protective tariff laws of 1932–1947; be it further

"Resolved, That copies of this resolution be immediately forwarded to the House of Representatives, the United States Senate, and individual copies sent to all Congressmen and Senators from the State of Connecticut, to the Secretary of Labor, the Secretary of Commerce, and the President of the United States; be it further

"Resolved, That the international union be requested to take necessary steps looking toward the fulfillment of these objectives."

THE NAUGATUCK VALLEY
INDUSTRIAL COUNCIL, INC.,
Waterbury, Conn., April 18, 1950.

Hon. JAMES T. PATTERSON,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN PATTERSON: If ever an industry needed the help of the Connecticut delegation in Congress, Democrats and Republicans alike, it is now, and the industry is the rubber-footwear industry.

The kind of help that is needed is an increase in the import tariff rates on rubber footwear and the retention of American valuation.

The present rate is far too low to equalize the difference in wage scales (e. g., $1.25 per hour average in Naugatuck, Conn., and 67 cents a day average in Czechoslovakia). The rate therefore, ought to be at least 50 percent higher. Under section 1351, title 19, U. S. C. (1946), as you know, the President can raise the rate to a competitive level and as you also know, American valuation can be retained.

In the interest of 20,000 workers in 13 domestic plants upon whom at least 40,000 additional persons are dependent for their livelihood the President can follow logically, the action of President Roosevelt who refused in 1937 to negotiate with other countries on rubber footwear and with President Hoover who, in 1932, put rubber footwear on an American valuation basis. President Hoover's action in this regard was sustained by President Roosevelt.

Both Presidents knew what was happening in the domestic rubber-footwear industry. They had before them the following figures, showing percentages of total world export of waterproof and rubber-soled canvas footwear:

	United States	Japan	Czechoslovakia
1919	58.87	0	0
1924	26.31	2.93	0
1929	17.24	29.15	.26
1934	1.35	63.72	8.23
1936	1.11	62.83	7.80

But then came the reciprocal tariff conference in Geneva in 1947, and our Government negotiators handed over the footwear business both foreign and domestic, to Czechoslovakia, and consequently to other countries. These competitive countries are now getting underway and are quoting prices on our domestic market which are from 20 percent to 40 percent under our prices. When they get going full tilt, then there just won't be any rubber footwear industry in this country. Our workers can't compete with 67-cents-a-day help, and our Government ought to see to it that they are not forced into that sort of competition.

I should think that your blood would boil when you read of Paul Hoffman's plea that he "is aware that many in America will lose their jobs but that the Government should take care of such jobless employees and rehabilitate them to new types of work." Mine does, and when I hear workers talk in Naugatuck stores, restaurants, and on the streets and in front of the church as I did last Sunday morning, I know that they and their families and their unions are looking to the President and his negotiators and to the Congress to save their jobs for them.

These workers and their managements understand what is going on, what ought to be done, and what might be done in Torquay, England, in September, better than most people in Government realize.

I know, of course, that you are alive to the consequences of any further reductions in the rate on rubber footwear, and that you believe in American valuation in this case because I have followed your efforts closely and with appreciation. Do you think that there is any possibility in inducing the present administration to put these rates up where they ought to be? If you could get any top member of the administration to say that waterproof and rubber-soled canvas footwear would not be negotiated at Torquay, and there will be no tampering with American valuation, you will have rendered a great service to your constituents. I make this suggestion because it is note quite clear to me whether or not they have made up their minds to negotiate these rates and whether they intend to fiddle with American valuation. Certainly if they do anything, they ought to raise the rates.

Yours very truly,

C. L. EYANSON,
President.

THE COLE-ROSCOE MANUFACTURING CO.,
South Norwalk, Conn., April 18, 1950.

Representative JAMES T. PATTERSON,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE PATTERSON: In the Connecticut's Observer in Washington, we notice you have been bringing the serious situation of the hat industry, due to the effect of the growing volume of imports, to the attention of the administration.

It is about time someone tried to put some common sense into the State Department. One does not have to be an economist to see that the policy which they are following will result in this situation. It is not only the hat but the rubber industry, and it is also affecting our wire-cloth industry. As time progresses it will include more and more industries.

Importations of fine-mesh wire cloth is on the increase from Germany and the Netherlands, to say nothing of that from Japan. Japan is offering one grade of brass wire cloth delivered in New York, duty paid, at a price that covers the cost of the wire involved only without the cost of manufacturing. There is no such a thing as competition.

The brilliant remarks made by some Members of Congress, such as "the American worker is fortunate in that he may receive unemployment-compensation benefits" and that "he can learn another trade," are about as inane as one could imagine. Will the worker live on compensation the rest of his life, and, if so, who will be paying for it?

The administration's foreign policies are the worst in the history of the country, and it makes one shudder to think what is ahead of us.

Helping Europe is an admirable deed up to a certain point, but when it begins to affect our way of life then there should be some protection for the American people.

Russia is biding her time until Europe is rebuilt and our internal conditions are in a turmoil. Then it will be an easy push-over.

Isn't it about time the members of our Government thought about America and put their efforts together to maintain the freedom and standard of living we have enjoyed for so many years.

It is gratifying to know there are at least a few, such as yourself, who are seeing the light, and will fight for the welfare of Americans. You are to be praised for your stand, and deserve the full support of the American people.

Keep up the good work, and we pray your valued efforts will be successful.

Yours very truly,

B. G. BENNETT.

IMPORT COMMITTEE OF THE
AMERICAN PAPER INDUSTRY,
New York, N. Y., April 4, 1950.

Hon. JAMES T. PATTERSON,
House Office Building,
Washington, D. C.

DEAR MR. PATTERSON: The domestic paper industry has noted with interest your recent interview in the Stamford Advocate in which you so clearly pointed out the danger to Connecticut labor from the administration's so-called reciprocal trade agreement program. You listed a number of vital Connecticut industries, and you may be interested in the picture from the standpoint of the paper industry.

In your interview you pointed out the extent to which prosperity of Connecticut communities is dependent on their industries affected by tariff reduction. The paper industry has compiled some specific dependency studies for Connecticut, although Connecticut is not predominately a paper-producing State.

There are 16 communities in Connecticut with paper or paperboard mills, not including companies engaged in the conversion of paper or paperboard into merchantable articles. A tabulation of the community dependency on the prosperity of these mills follows:

Ninety to one hundred percent dependent, Goodyear and Northwestchester.

Seventy to ninety percent dependent, Burnside and Versailles.

Twenty-five to fifty percent dependent, Andover, Eagleville, Montville.

Up to 25 percent dependent, Manchester, New Haven, Oneco, Seymour, South Coventry, Unionville, Westport, Windsor, and Windsor Locks.

The paper industry has been the outstanding victim of the administration's reciprocal trade agreement program, with heavier reductions in protective duty rates than any

other major industry. The industry has always taken the position that it seeks sufficient protection to enable it to compete on even terms with foreign producers in its own market, and no more than this minimum. We wish that more of our representatives in Congress would view this problem from the standpoint of the prosperity of their home constituencies, as you have done.

Very truly yours,

WARREN B. BULLOCK,
Manager.

GOODYEAR RUBBER CO.,
Middletown, Conn., March 17, 1950.

Hon. JAMES T. PATTERSON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN PATTERSON: We deeply appreciate your very active interest in the proposed legislation affecting import duties on waterproof and rubber-soled canvas shoes and the possibility of the abolishing of the American-selling-price principle.

It may be of interest to you to know that the citizens of this community are very favorably impressed with your action and are grateful to you for your efforts.

Very truly yours,

THE GOODYEAR RUBBER CO.,
ALBERT A. LAPPIN,
President.

THE STANDARD CARD CLOTHING CO.,
Stafford Springs, Conn., April 17, 1950.

Re hearings on tariff revision.

The Honorable JOHN T. PATTERSON,
House of Representatives Office Building, Washington, D. C.

MY DEAR MR. PATTERSON: As manufacturers of card clothing, we are seriously alarmed as to what may happen at the hearings on tariff revision as far as pertains to the importation of card clothing. This is vitally important to us, and to the whole card clothing industry.

We are enclosing herewith a copy of some notes which cover the salient facts of our industry and its relation to imports. We believe these clearly indicate the position we are in, and trust you will give the situation your valued consideration.

The average square-foot value of card clothing imported the latter part of 1949 was $1.76. This price is below the cost of the raw materials we use in making card clothing in the United States. We cannot meet such competition, and the ultimate results would be the extinction of the card clothing industry in our country.

Yarns for textiles cannot be made without the use of card clothing during the process. Eliminate us as an industry, and the mills would be forced to use imported card clothing to produce textiles. Steps are being taken in Washington to keep our Nation more and more on a war-preparedness basis. With imports of card clothing shut off by war, and with no card clothing manufacturers operating in the United States, how could uniforms, underwear, socks, blankets, tents, and other canvas items, be obtained? Certainly it would be a most serious predicament.

During the last World War our industry was furnished with a very high priority rating because of our importance in the manufacture of the essentials for waging war. If we as a country are again involved in a life-and-death conflict, our card clothing industry would be expected to do its part as heretofore.

We sincerely hope that you will give this matter your most earnest attention, feeling most deeply that our survival is of essential importance, not only to ourselves, but also to our Nation.

Very truly yours,

P. C. PATTEN.

"TARIFF ON CARD CLOTHING—CARD CLOTHING MANUFACTURERS ASSOCIATION

"LIST OF MANUFACTURERS REPRESENTING 95 PERCENT OF INDUSTRY IN UNITED STATES

"Ashworth Bros., Inc., Fall River, Worcester, Philadelphia, Greenville.

"Benjamin Booth Co., Philadelphia, Pa.

"Charlotte Manufacturing Co., Charlotte, N. C.

"Davis & Furber Machine Co., North Andover, Mass.

"Howard Bros. Manufacturing Co., Worcester, Mass.

"Methuen Napper Clothing Co., Methuen, Mass.

"Merrimack Card Clothing Co., Andover, Mass.

"Standard Card Clothing Co., Stafford Springs, Conn.

"Wickwire Spencer Steel, division of Colorado Fuel & Iron Corp., Clinton, Mass.

"Of these companies, all but two (Davis & Furber Machine Co. and Wickwire Spencer Steel) are engaged wholly in the production of card clothing.

"Card clothing

"Used in processing all cotton, wool, and most rayon, silk, and asbestos fibers preparatory to spinning and weaving.

"Rates of duty

"Tariff Act of 1930, paragraph 337:	*Percent*
Tempered steel	45
Iron wire	20
"Modified rates under most-favored-nations tariff:	
"Reduced in 1939:	*Percent*
Tempered steel	35
Iron wire	15
"Reduced in 1947:	
Tempered steel	25
Iron wire	10

"Further reductions proposed in third round of trade agreements negotiations with foreign countries. (Hearings to be held after publication of list by State Department in April or early May.)

"Industry employs 750 to 800 people directly.

"Industry employs 350 to 400 people indirectly processing raw materials.

"Six hundred and sixty employees located in New England.

"One hundred and fifty to two hundred in Pennsylvania, North Carolina, South Carolina, and Georgia.

"Volume of sales for industry:	
1948	$7,821,500
1949	7,238,615
"Average value per square foot, card clothing made in United States:	
1948	$3.98
1949	4.07
"Average value per square foot, card clothing imported:	
1948	[1] $2.67
1949	[2] 2.32
"Average value per square foot, card clothing imported:	
1949	[2] $1.76

"[1] Figures based on 'Rept. No. Ft. 110, United States Imports for Consumption of Merchandise' published by Bureau of Census, Department of Commerce.

"[2] Last 3 months of 1949 showing how depreciated pound has cut value of imported product.

"The above figures are proof that our industry is unable to meet competition in domestic or world markets due to lower production costs of imported product.

"Industry committee is preparing brief in consultation with Gibbs L. Baker and George P. Lamb, (Kittelle & Lamb) Shoreham Building, Fifteenth and H Streets, Washington, D. C., to be filed with the proper committee."

[From the Naugatuck (Conn.) News of April 11, 1950]

TIME FOR REAPPRAISAL

Just how far is the United States Government prepared to go in the effort to reestablish friendly Europe? And where do we draw the lines of friendship and logic?

Whether we're talking about rubber footwear, watches, or hats, or if the study takes in any industry that means a decent living for Americans, our allegiance is to America first.

Competition from friendly countries, through the medium of reciprocal trade pacts, might be classified as a necessary evil by the Nation's industrialists. But when that competition reaches major and damaging proportions, and the beneficiaries are iron curtain satellites whose output is the production of slave-labor, the shoe becomes more uncomfortable on a blistered foot.

Since 1947, Czechoslovakia has enjoyed the privilege of reduced import duties on waterproof footwear, permitting products now turned out by Communist slaves to undersell by 100 percent in America the footwear produced in Naugatuck and other American cities, by Americans, paid at American rates, and enjoying the American standard of living.

Apparently not content with this unhealthy condition of competition, by American standards, supporters of complete capitulation to the European recovery program, with no holds barred, are now reportedly striving for further reduction of the duties on imports of canvas and waterproof footwear.

Naugatuck, and every other American community engaged in production of these marketables, would do well to be on guard to fight such a development. It might sound the death-knell of industry as we know it.

Perhaps it's too late to do much for the American watch industry. The hat industry is up in arms. The Tariff Commission has set a hearing for May 9 on the question of foreign competition with the domestic women's fur felt hat industry. Hat bodies imported from Czechoslovakia and other European countries are causing Connecticut workmen great concern, particularly in Norwalk and Danbury.

Warning has come, in time we hope, to avoid further disruption of the American rubber and canvass footwear business by the application of special favor to unfriendly European nations.

We favor reciprocal trade agreements as a ladder to better international relations and commerce. But when they strike at the core of American industry and threaten the American wage scale it's time to reconsider in the light of American standards.

There's nothing reciprocal about trade agreements that would put the skids to hometown jobs and pay scales.

UNION JOINS IN CAMPAIGN ON TARIFFS

[From the Naugatuck (Conn.) News, April 8, 1950]

Local 45, United Rubber Workers, CIO, will work with the United States Rubber Co. in its extensive campaign to warn local rubber workers of the danger to their jobs in the event Congress lowers duties on imported rubber and canvas footwear, Willard E. Bittle, factory manager, said in his second letter to plant employees received by the workers today.

Mr. Bittle warned of the dangers to American manufacturers of large inventories in the event Congress passes bills to reduce duties on foreign-made footwear. He repeated his charge that footwear imported from Japan and Czechoslovakia is manufactured under cheap and slave labor conditions

and is therefore able to be sold at a price far below those charged by American employers who pay a far greater wage scale.

He pointed out that the average hourly rate paid employees of the local footwear plant is $1.28 whereas an employee of a Czech factory receives only 67 cents a day. He added that men's canvas oxfords made in Naugatuck and selling for $1.80 can be made to sell by the Japanese for 58 cents in the event import duties are reduced again by Congress.

Mr. Bittle concluded his second letter to 4,500 employees by stating "All concerned can plainly see that if American manufacturers are forced by such competition to cut prices below what sound business demands," the difference must come out of the manufacturer's pocket or out of the workman's wages, or both." He continued, "We certainly don't want that to happen in Naugatuck. If anything, we would like to better our living standards."

[From the Naugatuck (Conn.) News of April 12, 1950]

BITTLE URGES EMPLOYEES WRITE CONGRESSMEN ON TARIFF ISSUE

Only through a concentrated effort of all rubber workers in the country can "the proposed suicidal tariff changes" be prevented, Willard E. Bittle, factory manager of the U. S. Rubber Co., footwear plant, told employees of the factory today.

In a statement, Mr. Bittle urged employees to write their Senators and Representatives in Congress stating, "I am strongly opposed to any lowering in the present tariff on canvas and waterproof footwear which would result in an influx of these commodities from the iron curtain countries such as Czechoslovakia. I request that you do everything possible to maintain the current rates and the present pricing system under which these rates apply against the selling price of comparable American-made items of footwear."

Mr. Bittle in two previous letters to employees outlined the serious problem facing all who work in Naugatuck, as concerns the importing of rubber and rubber and canvas footwear from Czechoslovakia and Japan.

LOCAL PAY ROLL

He pointed out in his letter today that there are 13 companies engaged in the manufacture of standard line rubber footwear. He said, "These 13 have given steady employment to more than 20,000 people. In Naugatuck during the past year we provided gainful employment to 4,392 people who were paid a total of $12,485,774 from the sale of our footwear."

Local 45, United Cork, Linoleum, Plastic and Rubber Workers of America, CIO, are working closely with management of the footwear plant in opposing any reduction in the present tariff on rubber and rubber and canvas footwear.

Naugatuck American Legion post, No. 17, also has joined the fight, and is expected to pass a resolution at its April 19 meeting concerning the matter.

[From the Naugatuck (Conn.) News of April 17, 1950]

CARTER RECOMMENDS LOCAL ACTION AGAINST EFFORT TO REDUCE TARIFFS—SAYS EXISTENCE OF NAUGATUCK'S INDUSTRY AT STAKE; URGES LETTER CAMPAIGN

Warden Harry L. Carter today united with other local groups in the battle against proposed legislation to reduce tariffs on rubber footwear and allied products.

In a message to the citizens of Naugatuck, Warden Carter posed the question, "Do you realize what proposed legislation in Washington, if enacted, will do to Naugatuck's rubber footwear industry, and consequently, our town?"

In answer to the query, he asked the borough's residents to write United States Senators and Representatives protesting against the proposed legislation.

The warden in his statement pointed out the proposed measure, if enacted, embodies a new method for computing import duty on rubber footwear, which would drastically reduce the present tariff duty. He also stated that the bill, if passed, would mean "possible reduction of the present tariff rate on rubber footwear by direct action of the President."

Warden Carter continued, "If either of the above proposals are enacted it seems certain that the local rubber footwear industry will have seen its best days. It will increase the importation of rubber footwear produced by workmen whose wage level is far below American wage rates.

"It will mean that our rubber footwear industries will not be able to compete with foreign goods made by cheap labor. The very existence of our local industry is at stake."

The warden concluded by stating, "The least you can do is to write our United States Senators and Representatives and protest against any such proposed legislation. You owe it to Naugatuck."

Willard E. Bittle, factory manager of the United States Rubber Co. footwear plant, in three letters to employees of the factory, has requested they write Congressmen protesting the proposed lowering of tariffs.

Local 45, United Rubber, Cork, Linoleum, and Plastic Workers of America, CIO, has passed a resolution protesting the proposed legislation, as has Crusader Post, Veterans of Foreign Wars. Naugatuck American Legion Post, No. 17, is expected to take similar action at a meeting Wednesday night.

[From the Waterbury (Conn.) American of April 18, 1950]

SNYDER JOINS PROTEST OVER LOWER TARIFF

Protest against the proposed reduction in the present tariff on rubber footwear was urged today by Mayor Raymond E. Snyder. After a conference yesterday with representatives of the United States Rubber Co.'s Naugatuck plant he agreed to visit the Governor and write the State's Senators and Representatives in Washington urging maintenance of the present tariff or an increase in it.

Even the present tariff, he said, has permitted the import of rubber goods from slave labor of Europe which has so undersold Naugatuck Valley products that there has been extensive lay-offs of employees.

In an appeal to the public to back up his stand, he said today:

"My attention has been directed to the immediate and continually growing threat to our Nation's rubber industry, because of unrestrained importation of rubber footwear from Europe, notably Czechoslovakia and Japan.

"The Naugatuck footwear plant of the United States Rubber Co., feeling the impact of this cheap-labor competition has found it necessary to lay off some 400 workers. This action, in many cases, will invoke severe hardship on the families of workers who reside in Naugatuck, Waterbury, and nearby towns.

"The problem is one which not only strikes at the very existence of residents of the Naugatuck Valley but may well have an economic effect upon the Nation. The American people can no longer compete with cheap European labor, with Czechoslovakia slave labor.

"I urge everyone to register their protest against any reduction of the present tariff rate on rubber footwear. Please write our Connecticut Senators and Congressmen urging them to employ every possible means to maintain current rates and the present pricing system under which these rates apply against the selling price of comparable American-made items of waterproof footwear. Write today, send a card or telegram and urge our representatives in Washington to protest and to vote against any lowering of the tariff on rubber footwear."

[From the Ansonia (Conn.) Sentinel of April 15, 1950]

TARIFF REPERCUSSIONS

The Truman administration is backing new tariff cuts in many commodities. Import duties may be slashed further on hats, automobiles, sewing machines, candy, oil, paint, paper, fabrics, clothing, textiles, bicycles, machinery, cigars, meat, lead, zinc, iron and steel, clocks, toys, wool, fish, and more than 2,500 other items slated for consideration by the Tariff Commission when it starts dickering with representatives of some 17 foreign countries at Torquay, England, next September.

The law whereby the President may cut 50 percent off the tariffs on any duty that was in effect in 1945 does not expire until a year from next June. By that time the administration hopes to have boosted United States imports by another billion dollars.

Those industries which feel that they may be affected adversely by further cuts are given deadlines to follow. Before May 10 they must write their protest to the reciprocity commission at Washington, and within a week must supply that body with 10 copies of whatever evidence they have to support their claim and one of those copies must be sworn to. And those who have complied with these formalities will then be eligible for a hearing in person during the fortnight commencing May 24.

While America was catching up on its backlog of needs built up during wartime curtailments on American production, and was exporting heavily to Marshall-plan countries which were spending our tax dollars in this country, one heard few complaints regarding the operation of the Reciprocal Tariff Act. But now that foreign markets are drying up, as foreign countries get into production themselves, foreign competition for the American market, the world's richest, is beginning to hit American industry and American labor where it hurts directly—in the form of diminished orders and lay-offs. Some industries are hit harder than others.

The extent to which the President and his tariff advisers have taken into consideration the relationship between living standards of labor in this country and the countries on the importation of whose goods tariffs may be cut is questionable. But this time, insistence on such consideration is likely to be more articulate than before.

As long as the theory that reciprocal-trade agreements bring prosperity remained academic, there wasn't much noise. But there is increasing evidence in many industries—hats, rubber goods, watches, shoes, textiles, to mention just a few—that foreign competition is bringing lay-offs. This brings the reciprocal-trade program out of the realm of the academic into the arena of practical politics. When Congressmen begin getting letters from constituents who are alarmed by some of the effects of this program on their own livelihoods, we may expect that the time is near when the program will have to become more realistic or end up on the rocks altogether.

Perhaps this explains why it is bruited abroad that the forthcoming reductions in tariff will not be as generous as those which were given to goods of 22 countries at Geneva in 1947 or those which were given to 10 other countries at Annecy in 1948.

[From the Waterbury (Conn.) American]

TARIFF CUTS POSSIBLE ON CLOCK ITEMS

WASHINGTON, April 19.—Clocks and timing instruments are among the 2,000 to 3,000 items imported by this country for which tariff rates may be reduced at the International Trade Conference in England this fall.

Specifically, the State Department lists these Connecticut-made items for possible tariff cuts: Clocks, clock movements, including lever movements, time-keeping, time-measuring, or time-indicating mechanisms, devices, and instruments.

Also listed for consideration are hats and bonnets composed wholly or chiefly of straw, chip, paper, grass, palm leaf, willow, osier, rattan, real horsehair, cuba bark, ramie, or manila hemp.

Machine tools of many types, shoes, fish, potatoes, textiles, and jewelry are among the many important New England-made or grown items that may be affected by the proposed cuts.

Manufacturers in the Waterbury area who want to protest and anyone who wishes to supply information on items listed for renegotiation will have an opportunity at hearings before the Committee for Reciprocity Information here starting May 24. These hearings at times in the past have resulted in the dropping of many items from the original list prior to actual renegotiation work with other countries.

[From Nauganotes of March-April 1950]

IT CONCERNS YOU

Frankly, we are very much worried. We are worried because we see our industry here in Naugatuck seriously imperiled by the tariff reductions proposed by our Federal Government which would allow canvas and waterproof footwear, made in Czechoslovakia and Japan, to flow into this country at a cost with which we cannot compete without lowering our standard of living. It might even cost us the jobs by which we earn our living.

This is not a new problem. It is only recently that it has become a serious one, however. In the thirties, the threat to the American industry by the flow of canvas and waterproof footwear imports was so great that both President Hoover and President Roosevelt issued proclamations making duties on these products applicable on the American selling-price basis. That is to say, the rates of duty which were 25 percent on waterproof and 35 percent on canvas remained unchanged, but they applied to the domestic selling price of American-made footwear, similar to the imported articles, rather than to the selling price of the foreign product.

In 1947, at the reciprocal trade conference in Geneva, the American delegation granted concessions to Czechoslovakia on waterproof rubber footwear which, in effect, cut the American duty in half—from 25 to 12½ percent.

Our industry is one in which the labor cost in proportion to the total cost of the product is very high, namely, 47 percent. By contrast, the labor cost is very small in Japan and Czechoslovakia. Therefore, an attack upon the American price structure becomes an attack upon the wage structure of the American worker and is a direct threat to 4,500 of us working here in Naugatuck Footwear.

Here is an example of how this thing works out with respect to a canvas oxford coming from Japan at an invoice price when landed here of $0.49. This shoe can be compared to our canvas oxford that sells at $1.80. The tariff at the present rate of 35 percent of the American selling price is $0.62 which makes the total price of this shoe $1.11. The American shoe, you remember, is $1.80. Now, with the tariff reduced by half, it would become 17½ percent of the American selling price. This is $0.31, making a total price of the Japanese shoe $0.80. With the tariff remaining at 35 percent but applied to the Japanese price, the tariff becomes $0.17 which makes the price of the Japanese shoe $0.66.

Precisely the same situation prevails in the field of waterproof footwear which comes from Czechoslovakia and on which the tariff rate is 12½ percent.

Those are the facts. Our vital industry in Naugatuck, with a history extending back over 100 years, is faced with a situation which would make sheer survival difficult and certainly make any prosperity impossible.

What can you do about it? Simply tear this page out of Nauganotes, write your name and address in the margin, and state that you strongly protest any action or legislation which will lower the present tariff duties on canvas and waterproof footwear. Then place the page in an envelope, address, and mail it to the Honorable BRIEN MCMAHON, the United States Senate, Washington, D. C., or to the Honorable JAMES T. PATTERSON, the House of Representatives, Washington, D. C.

[From the United States News and World Report of April 21, 1950]

CZECHOSLOVAKS WEEP BUT OBEY

(There's no new Tito in sight for Czechoslovakia. Czechoslovaks, 2 years after Communists took over, are hard at work, unhappy but in no mood to revolt. Russia gets an industrial base for her new empire. A highly competent United States observer, just out of Prague, gives us this memo on how Communists are using Czechoslovakia.)

People waiting for the Czechs and Slovaks to revolt against their Communist government had better forget it. There is no sign of revolt there now. The Czechs and Slovaks had their chance to stop the Communists 2 years ago and they muffed it.

Today, resistance to the Communists in Czechoslovakia is virtually nil. People do what the Communists tell them to do. And the Czechoslovak Communists do what Moscow tells them to do. In fact, Czechoslovakia has become almost a model satellite for Russia. The country is to be the cornerstone of a new ruble bloc which Moscow hopes will one day rival the western dollar bloc.

Mind you, this does not mean that Czechs and Slovaks like communism. They don't. If given their own way of life by someone else's efforts they would still choose free democracy. But they won't fight for it. In effect, they have waved goodby to freedom, They regret its loss; they weep for it. That's all.

Individually, the Czechs and Slovaks are fine people, our kind of people. But, in their own country today, they lack something. Call it national fiber. You find it in the Yugoslavs and Poles today, but not in Czechoslovakia.

The people, most of them, are taking the Communist rule docilely. More than 15,000 political prisoners are packed into jails and work camps, but few of them were arrested for active resistance to the Communists. Most of the prisoners are businessmen, shopkeepers, farmers, factory foremen, Catholic priests, and civil servants arrested by the government as possible sources of passive resistance to the Communist program.

Communists and fellow travelers still are a minority in Czechoslovakia, less than a tenth of the population. They have turned the country into a police state. It used to be easy for a Czechoslovak with money to slip across the border into the United States zone of Germany, but it's not easy now. Police are everywhere.

In cities like Prague, the capital, and Bratislava, the main city of Slovakia, secret policemen walk from table to table in the cafes checking people's identity papers. They stop pedestrians on the street; they knock on the door of your home. Nobody resists.

Prague itself still is a beautiful city, physically. There was little war damage. Prague, from a plane, looks much the same as it did before. But down in the streets it is a dead city, a drab, depressing and spiritless city. Everybody works; everybody obeys orders; everybody looks sad; few people laugh loud.

The Czechoslovak Army is weak and obedient now. Just after February 1948, when the Communists seized the government, there was a lot of plotting in the army, but nothing came of it. The generals and colonels sat around and conspired and wept, but the Communists calmly weeded them out, one by one, and the plots never turned into revolts.

Some officers escaped to the west. About 30 Czechoslovak planes, some military, some commercial, have flown out to the west in the last 2 years. That sort of thing, the escaping by air and by land, gives people in the west the wrong impression about Czechoslovakia. They get the idea that the country is seething with revolt. It isn't. If it were, some of these people who have escaped would stay to work in the underground, to fight the Communists. But the people of Czechoslovakia are not fighting the Communists.

The purge of the armed forces by the Communists is so thorough that the Czechoslovak Army has an acute shortage of trained officers. Most Czechoslovak officers before the Communists took over were trained in France or Britain; most Czechoslovak pilots were trained by Britain's Royal Air Force. All these officers have been weeded out; planes are grounded for lack of pilots acceptable to the Communist Government.

The workers, Czech industrial workers and Slovak farm workers, all are busy. Most industry is run by the Government now, but the people who used to own the industries, the farms, and shops still are there, working hard, making no trouble for the Communists. Recently in Prague the Government published statistics on production showing that the country never worked harder, never produced more than under the German occupation. "When you're not free," a Czech businessman said, "all you can do is work."

The Communists of Czechoslovakia, the Czechs and Slovaks who are running the country, are loyal to Moscow. Like the rest of the people, the local Communists appear to lack the spirit of resistance that brought about Yugoslavia's revolt from Moscow. There is no sign of a Marshal Tito in Czechoslovakia.

Klement Gottwald, the President of Czechoslovakia and the Communist leader, might be called a former Communist nationalist. He once tried to get a better deal for Czechoslovakia from Russia, but now gets along very well personally with Josef Stalin. There was a lot of wishful thinking about him in London and Washington. There never was any sign that he had either the will or the means to break with Moscow as Tito broke.

How it happened, how a country that made democracy work well between world wars happened to slide into such a state of weakness and submission, is a story that has its roots in Munich. Back in 1938 Czechoslovakia was a free country with a good army. People counted on the democracies to help them resist the demands of Nazi Germany. Instead, Britain and France signed Czechoslovakia away to Hitler in the Munich agreement. Czechs and Slovaks today call this agreement "the great betrayal." They say it destroyed the fighting spirit of their people for generations. Certainly this spirit is lacking now.

The fact is that the Russians understood Czechoslovakia a lot better than the western nations did at the war's end. Russian troops liberated Prague in 1945 by agreement with the western allies. Then they gave the Communists a chance to win the country in free elections, but the Communists got less than 40 percent of the vote. The western countries hailed this election as a great triumph for freedom. Moscow decided that the

Czechs and Slovaks might vote for free democracy, but would not fight for it. Moscow was right; the West was wrong.

The showdown, when it came in February 1948, was a revelation to westerners in Czechoslovakia. The Communist "action squads" who seized the government and took over all the main factories were few in number and lightly armed. Most of the Czechoslovak Army at that time was anti-Communist. The people knew what the Communists were doing; there was no secret about that. Crowds gathered, crowds that vastly out-numbered the Communists. The Communists were nervous, fearful of trouble. But there was no trouble, none at all. People in Prague and elsewhere just stood and watched and wept openly. They did nothing.

Remember, the Russians weren't directly involved in this. It wasn't like what happened at the time of Munich, 10 years earlier. There was no great army on the Czechoslovak border; there was no sign that the Russians were prepared to risk war with the West by marching into the country if the revolt failed. It was an inside job, done by a determined few against the will of a people who lacked the spirit to resist.

Czechoslovakia's future now is in the hands of Moscow, not Prague. A look at Czechoslovakia's trade agreements shows how the wind is blowing.

Last summer, on Moscow's orders, the Czechoslovak Government agreed to a three-way trade agreement with Finland and Russia. Czechoslovakia sent locomotives and other capital goods to Finland; Finland sent wood pulp and similar exports to Russia, and Russia sent Czechoslovakia wheat, so much wheat that the Czechoslovaks had to reexport 100,000 tons of it, taking a big loss. Such losses are nothing new in Czechoslovak trade with Russia. What was new about the June agreement was that the ruble, not the dollar, was made the basis of value for the three-way trade.

As the Czechoslovaks see it, they are being drawn, willy-nilly, into a ruble bloc that will have its central bank in Moscow. Under this scheme, Moscow will finance and handle Czechoslovakia's exports abroad—locomotives, electrical equipment, shoes, and the rest. But Russia, as the banker, will take most of the profits to balance her purchases from Czechoslovakia.

The Russians are running Czechoslovakia's uranium mines, taking all the output. New fields have been found; production is increasing; Czechoslovak political prisoners are used for labor. In addition, Russia is taking tanks from the Skoda works, steel and chemicals, even consumer goods such as cheap cloth and glassware.

This Moscow-managed trade is not popular in Czechoslovakia. The people know what is happening to them and to their country. They regret it; they weep about it. They hope that, one day, they will be liberated. Until that day comes, however, the Czechs and Slovaks aren't likely to cause much trouble for their Communists or for Moscow.

PERMISSION TO ADDRESS THE HOUSE

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. O'TOOLE (at the request of Mr. ROONEY), indefinitely, on account of illness.

To Mr. RIEHLMAN (at the request of Mr. MARTIN of Massachusetts), for 1 week, starting April 24, 1950, on account of official business.

To Mr. HERTER (at the request of Mr. HESELTON), on account of illness.

To Mr. TOLLEFSON (at the request of Mr. MACK of Washington), on account of official business.

To Mr. BUCKLEY of Illinois (at the request of Mr. WAGNER), for Friday, April 21, on account of illness.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 930. An act to provide for the liquidation of the trusts under the transfer agreements with State rural rehabilitation corporations, and for other purposes; and

S. J. Res. 166. Joint resolution to authorize the award posthumously of an appropriate decoration to members of the crew of the United States Navy Privateer who lost their lives in or over the Baltic Sea on April 8, 1950, while in the performance of duty.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 33. An act to authorize Joe Graham Post, No. 119, American Legion, upon certain conditions, to lease the lands conveyed to it by the act of June 15, 1933;

H. R. 633. An act for the relief of Mrs. Victor V. Greg;

H. R. 715. An act for the relief of Manuel Uribe;

H. R. 1481. An act for the relief of the estate of Julius Zaffarani;

H. R. 1487. An act for the relief of Lt. (sg) Giacomo Falco;

H. R. 1600. An act for the relief of Gustav Schilbred;

H. R. 1699. An act for the relief of the estate of William Kraus;

H. R. 1726. An act to authorize the Secretary of the Interior to convey to the city of Hot Springs, Ark., a perpetual easement for the construction and operation of a water-main pipe line;

H. R. 1871. An act for the relief of Hilde Flint;

H. R. 2554. An act to amend the District of Columbia Credit Union Act of 1932;

H. R. 2591. An act for the relief of Giovanna Parisi, Michelina Valletta, Yolanda Altieri, Generosa Tamburi, Carolina Picciano, and Giovanna Turtur;

H. R. 3010. An act for the relief of Walter E. Parks;

H. R. 3138. An act for the relief of Arthur Holbert; the estate of Ernest L. Gass, deceased; and the estate of James L. Thomas, deceased;

H. R. 3150. An act to revise and repeal certain acts relating to rules of survey to permit departures from the system of rectangular survey when necessary on all public lands, and for other purposes;

H. R. 3205. An act to provide an extension of the time for making application for terminal-leave pay;

H. R. 3306. An act for the relief of Antonio Rojas Velez;

H. R. 3309. An act for the relief of the estate of Ovidio Vazquez;

H. R. 3315. An act for the relief of Alejo Padilla;

H. R. 3319. An act for the relief of Juana Pagan;

H. R. 3462. An act for the relief of Walter J. O'Toole;

H. R. 3769. An act for the relief of Doris M. Faulkner;

H. R. 3771. An act for the relief of Mrs. Marie Gulbenkian;

H. R. 3924. An act for the relief of Dr. T. F. Harrison;

H. R. 4070. An act to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah;

H. R. 4229. An act to amend section 17 of the District of Columbia Alcoholic Beverage Control Act;

H. R. 4285. An act to amend the act of July 31, 1946, in order retroactively to advance in grade, time in grade, and compensation certain employees in the postal field service who are veterans of World War II;

H. R. 4289. An act to require settlers on public lands in Alaska to record notice of their settlement claims in the land office for the district in which the lands are situated, and for other purposes;

H. R. 4316. An act to repeal the authority to assess certain owners of nonmilitary buildings situated within the limits of the Fort Monroe Military Reservation, and for other purposes;

H. R. 4342. An act for the relief of J. R. Holden, R. C. Biggadike, and John Hoffman;

H. R. 4380. An act for the relief of Mrs. Agnes Emma Hay;

H. R. 4408. An act to amend the act, approved May 27, 1924, entitled "An act to fix the salaries of officers and members of the Metropolitan Police force, United States Park Police force and the Fire Department of the District of Columbia," so as to grant rights to members of the United States Park Police force commensurate with the rights granted to members of the Metropolitan Police force as to time off from duty;

H. R. 4411. An act for the relief of Mrs. Elizabeth Mary C. Mangle;

H. R. 4502. An act to authorize the Secretary of the Army to dispose of a certain easement near Fort Belvoir, Va., in exchange for another easement elsewhere on the same property;

H. R. 4959. An act to reimburse the Fisher Contracting Co.;

H. R. 5276. An act for the relief of Mrs. Julia (Iole) M. Stefani Lencioni;

H. R. 5341. An act for the relief of Joseph W. Greer;

H. R. 5361. An act for the relief of Charles G. McCormack; captain, Medical Corps, United States Navy;

H. R. 5503. An act to authorize the Secretary of the Air Force to release and quitclaim a portion of a right-of-way easement to Langley Air Force Base, Va.;

H. R. 5704. An act for the relief of Janis Shimada;

H. R. 5753. An act for the relief of Jean Clark;

H. R. 5921. An act to terminate lump-sum benefits provided by law to certain Reserve officers of the Navy and Air Force;

H. R. 5951. An act to amend section 3 of the Travel Expense Act of 1949;

H. R. 6003. An act for the relief of Beulah L. White, widow of John E. White;

H. R. 6093. An act for the relief of Masami Hiroya and Aiko Hiroya;

H. R. 6282. An act for the relief of Mrs. Eivor Anne-Britt Jedlund;

H. R. 6283. An act for the relief of Johny Nielsen;

H. R. 6345. An act for the relief of Mrs. Raymond Schaffer, Jr.;

H. R. 6475. An act to amend the Postal Rate Revision and Federal Employees Salary Act of 1948 to provide for the consideration of claims for the payment of certain postal notes filed later than 1 year from the last day of the month of issue;

H. R. 6539. An act to amend Public Law 626, Eightieth Congress, relating to the Army Institute of Pathology Building;

H. R. 6694. An act for the relief of Ervin Haas and Leno Vescovi;

H. R. 6695. An act for the relief of Edgar F. Russell; Lillian V. Russell, his wife; and Bessie R. Ward;

H. R. 6696. An act for the relief of Lawrence B. Williams, and his wife, Viva Craig Williams;

H. R. 6825. An act to extend the time limits for the award of certain decorations and for other purposes; and

H. J. Res. 454. Joint resolution relating to the continuance on the pay rolls of certain employees in cases of death or resignation of Members of the House of Representatives, Delegates, and Resident Commissioners.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 6 minutes p. m.), under its previous order, the House adjourned until Monday, April 24, 1950, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1395. A letter from the Secretary of Defense, transmitting the Semiannual Report of the Secretary of Defense, together with the reports of the Secretaries of the Army, the Navy, and the Air Force, for the period from July 1 to December 31, 1949, pursuant to section 202 (d) of the National Security Act amendments of 1949; to the Committee on Armed Services.

1396. A letter from the Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to ratify the organization and operations of the Island Trading Co. of Micronesia and to provide for its incorporation"; to the Committee on Public Lands.

1397. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 9, 1950, submitting a report, together with accompanying papers and an illustration, on a review of reports on Hillsboro River, Fla., with a view to modification in the interest of flood control and allied purposes, and particularly with a view to extending the channel to the city waterworks dam, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on December 4, 1946, and also by a resolution of the Committee on Commerce, United States Senate, adopted on March 18, 1946 (H. Doc. No. 567); to the Committee on Public Works and ordered to be printed, with one illustration.

1398. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 1, 1950, submitting a report, together with accompanying papers and an illustration, on a review of reports on and a preliminary examination and survey of Lynn Harbor, Mass., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on March 19, 1946, and authorized by the River and Harbor Act approved on July 24, 1946 (H. Doc. No. 568); to the Committee on Public Works and ordered to be printed, with one illustration.

1399. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 8, 1950, submitting a report, together with accompanying papers and illustrations, on a review of reports on Everett Harbor and Snohomish River, Wash., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 8, 1938 (H. Doc. No. 569); to the Committee on Public Works and ordered to be printed, with two illustrations.

1400. A letter from the Acting Attorney General, transmitting copies of the orders of the Commissioner of the Immigration and Naturalization Service granting the status of permanent residence to the subjects of such orders, pursuant to section 4 of the act of Congress approved June 25, 1948 (Public Law 774); to the Committee on the Judiciary.

1401. A letter from the Acting Attorney General, transmitting copies of orders of the Commissioner of Immigration and Naturalization Service suspending deportation as well as a list of the persons involved, pursuant to the act of Congress approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1402. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1950 in the amount of $800,000 for the Office of the Housing Expediter (H. Doc. No. 570); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CROOK: Committee on Post Office and Civil Service. H. R. 5103. A bill to provide for clerical assistance at post offices, branches, or stations serving military and naval personnel, and for other purposes; with amendment (Rept. No. 1933). Referred to the Committee of the Whole House on the State of the Union.

Mr. RHODES: Committee on Post Office and Civil Service. S. 3117. An act to amend the act entitled "An act to authorize the Postmaster General to impose demurrage charges on undelivered collect-on-delivery parcels," approved May 23, 1930, as amended (39 U. S. C. 246c); without amendment (Rept. No. 1934). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WALTER:

H. R. 8137. A bill to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the Continental Shelf lying outside of State boundaries; to the Committee on the Judiciary.

By Mr. BARING:

H. R. 8138. A bill to amend the Stock Pile Act of 1946, Public Law 520, Seventy-ninth Congress, chapter 590, second session; to the Committee on Armed Services.

By Mr. CAMP:

H. R. 8139. A bill to authorize the attendance of the United States Marine Band at the annual reunion of the United Confederate Veterans to be held in Biloxi, Miss., September 27 through September 30, 1950; to the Committee on Armed Services.

By Mr. ELLSWORTH:

H. R. 8140. A bill to provide for economy of manpower requirements in the operation of the Government and to expedite the application of proposals of the Hoover Commission through pay-roll controls during determined periods, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'HARA of Illinois:

H. R. 8141. A bill to provide for the readjustment of taxes on distilled spirits and on rectified spirits and wines; to the Committee on Ways and Means.

By Mr. WILLIAMS:

H. R. 8142. A bill to extend rural mail delivery service; to the Committee on Post Office and Civil Service.

H. R. 8143. A bill to provide automatic annual pay increases for postmasters; to the Committee on Post Office and Civil Service.

By Mr. D'EWART:

H. R. 8144. A bill to authorize the sale of a small tract of land at Great Falls, Mont.; to the Committee on Public Lands.

By Mrs. KELLY of New York:

H. R. 8145. A bill to extend certain provisions of the Housing and Rent Act of 1947, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. STAGGERS:

H. R. 8146. A bill to authorize the apportionment of officers' retirement pay in certain cases; to the Committee on Armed Services.

By Mr. MITCHELL:

H. R. 8147. A bill to provide for designation of the United States Veterans' Administration hospital now being constructed at Seattle, Wash., as the Hiram R. Gale Memorial Hospital; to the Committee on Veterans' Affairs.

By Mr. BURDICK:

H. R. 8148. A bill to provide an appropriation for the reconstruction and repair of roads and other public facilities in the State of North Dakota which were destroyed or damaged by recent flood; to the Committee on Appropriations

By Mr. HESELTON:

H. R. 8149. A bill for the establishment of a commission to study the agriculture situation and to recommend adequate farm legislation; to the Committee on Agriculture.

By Mr. D'EWART:

H. J. Res. 457. Joint resolution to authorize and direct the Secretary of the Interior to study the respective tribes, bands, and groups of Indians under his jurisdiction to determine their qualifications to manage their own affairs without supervision and control by the Federal Government; to the Committee on Public Lands

By Mr. WILLIAMS (by request):

H. J. Res. 458. Joint resolution to fix the date of termination of World War II for purposes of section 2 of the Veterans' Preference Act of 1944, as amended; to the Committee on Post Office and Civil Service

By Mrs. BOSONE:

H. J. Res. 459. Joint resolution to authorize and direct the Secretary of the Interior to study the respective tribes, bands, and groups of Indians under his jurisdiction to determine their qualifications to manage their own affairs without supervision and control by the Federal Government; to the Committee on Public Lands

By Mr. WALSH:

H. Res. 547. Resolution creating a select committee to investigate the curtailment of postal services; to the Committee on Rules.

H. Res. 548. Resolution to provide funds for the expenses of the investigation authorized by House Resolution 547; to the Committee on House Administration.

By Mr. MARCANTONIO:

H. Res. 549. Resolution favoring rescission of the order of the Postmaster General curtailing certain postal services; to the Committee on Post Office and Civil Service.

By Mr. WHITTINGTON:

H. Res. 550. Resolution providing for the consideration of H. R. 7941, a bill to amend and supplement the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize ap-

propriations for continuing the construction of highways, and for other purpose; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BOLTON of Ohio:

H. R. 8150. A bill for the relief of Mrs. Evelyn M. Hryniak; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 8151. A bill for the relief of Claude Foranda; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 8152. A bill for the relief of Warren Thomas and others; to the Committee on the Judiciary.

H. R. 8153. A bill for the relief of Chiyoko Akashi; to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. R. 8154. A bill for the relief of Anita Clara Taube; to the Committee on the Judiciary.

By Mr. JOHNSON:

H. R. 8155. A bill for the relief of Chiyo Furumura Yoshida; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 8156. A bill for the relief of Rosario Garcia Jimeno; to the Committee on the Judiciary.

By Mr. REED of Illinois:

H. R. 8157. A bill for the relief of Henry A. Hornbeck; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2078. By Mr. HAGEN: Resolution of the Minnesota Holstein Breeders Association, petitioning Congress to appropriate sufficient funds to continue the program of the Bureau of Animal Industry and its advisory committee in the control and eradication of the foot-and-mouth disease in Mexico, which constitutes one of the greatest dangers that the livestock industry of the United States and the North American Continent has ever faced; to the Committee on Agriculture.

2079. By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts, memorializing the President of the United States and Congress and certain departments of the Federal Government in opposition to further tariff reductions on imports of waterproof and canvas rubber footwear; to the Committee on Ways and Means.

2080. By Mr. RICH: Resolution of the Business and Professional Women's Club of Wellsboro, Pa., opposing any system of political medicine designed for national bureaucratic control; to the Committee on Interstate and Foreign Commerce.

2081. By Mr. WIGGLESWORTH: Petition of the employees of the Randolph Manufacturing Co., Randolph, Mass., protesting the importation of Czechoslovak- and Japanese-made canvas footwear; to the Committee on Ways and Means.

2082. By Mr. HAGEN: Resolution of the Minnesota Holstein Breeders Association, in opposition to certain bills presently pending before the Congress which if enacted into law would destroy rights accorded farmers under the provisions of section 117 (j) of the Internal Revenue Code and Federal court decisions in the Albright, Emerson, and Hazard cases; to the Committee on Ways and Means.

2083. By Mrs. ROGERS of Massachusetts: Petition of the Ancient Order of Hibernians of Massachusetts in favor of the passage of House bill 270; to the Committee on Foreign Affairs.

2084. Also, memorial of the General Court of Massachusetts, in opposition to further tariff reductions on imports of waterproof and canvas rubber footwear; to the Committee on Ways and Means.

SENATE

MONDAY, APRIL 24, 1950

(Legislative day of Wednesday, March 29, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace, in the darkness of our limited knowledge in our deep need we turn to Thee whose dwelling place is light, without the shadow of our earth-borne clouds. To all the phantoms of brutal hatred which devastate our world we would close our eyes for this hallowed moment and still our souls in the calm assurance that at the heart of the universe goodness reigns. Thou hast declared that there is no permanent power based on a refuge of lies and that when men know the truth, the truth shall make them free. In that faith send us forth without fear or favor to do the right as Thou dost give us to see the right, firm in our conviction that these clouds are lies and that the blue sky is the truth. At last, may we be counted by grateful generations who shall inherit a kindly earth, among the architects of that final parliament of peace and plenty in which every kindred and tongue shall have its rightful place. We ask in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, April 21, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 6553. An act to provide uniform longevity promotional grades for the postal field service; and

H. R. 7846. An act to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

LEAVES OF ABSENCE

On request of Mr. MCFARLAND, and by unanimous consent, Mr. LONG was excused from attendance on the sessions of the Senate during the current week.

Mr. WHERRY. Mr. President, the senior Senator from Minnesota [Mr. THYE] has been asked to go to his State to bear witness to the serious damage that is now being caused by floods in the northwestern section of Minnesota. He is accompanied by Army engineers in order to get first-hand information of the damage that is being sustained there because of serious flood conditions, and he will be there today and tomorrow. He is on official business, and I ask unanimous consent that he be granted leave of absence from the sessions of the Senate today and tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WHERRY. The senior Senator from Missouri [Mr. DONNELL] was called home Saturday night because of the death of an uncle. I ask unanimous consent that he be excused from attendance on the sessions of the Senate today, tomorrow, and Wednesday.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. MCFARLAND, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to sit during the sessions of the Senate for the current week.

On request of Mr. MCFARLAND, and by unanimous consent, the Committee on Interstate and Foreign Commerce was authorized to sit during the sessions of the Senate next week.

Mr. MCCLELLAN. Mr. President, I ask unanimous consent that the Committee on Expenditures in the Executive Departments may hold hearings while the Senate is in session at any time this week or next week, inasmuch as a number of reorganization plans are now before that committee.

The VICE PRESIDENT. Without objection, consent is granted.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I shall suggest the absence of a quorum in a moment. In the meantime I ask unanimous consent that, after a quorum call is had, Senators be permitted to present petitions and memorials, introduce bills and joint resolutions, and submit other routine matters for the RECORD without debate. I make that request at this time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948—SUGGESTED UNANIMOUS-CONSENT AGREEMENT

Mr. MCFARLAND. Mr. President, I should like to have the attention of the distinguished minority leader. I was hopeful that we could work out a unanimous-consent agreement on Senate bill 3304, which is the unfinished business before the Senate. The distinguished minority leader informs me that he is not ready to enter into such an agreement at this time. I hope that he and other Senators who are interested in the bill will give consideration to entering into a unanimous-consent agreement

sometime during the day. I understand the minority leader will have to leave the floor for a while, and, therefore, I have made this reference to the matter.

Mr. WHERRY. I deeply appreciate the observations of the acting majority leader. There is no disposition on my part to delay entering into a unanimous-consent agreement on the pending measure. However, I have asked the acting majority leader to wait at least until we have a quorum call. I understand that some very important amendments are to be offered to the bill, and I should like to ascertain from the sponsors of the amendments how much time they believe it will take to consider them. When I have that information I shall be very glad to discuss a possible time when the Senate might vote on the pending bill and all amendments thereto.

I might add, Mr. President, that there is no one who is more eager to dispose of the pending bill than I am, and take up consideration of FEPC legislation, especially before May 2, which I understand is a very important date in connection with one of our State primaries.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Gurney	Martin
Anderson	Hayden	Maybank
Benton	Hendrickson	Millikin
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Jenner	Russell
Capehart	Johnson, Colo.	Saltonstall
Chapman	Johnston, S. C.	Schoeppel
Chavez	Kefauver	Smith, Maine
Connally	Kem	Stennis
Cordon	Kerr	Taft
Darby	Kilgore	Taylor
Douglas	Langer	Thomas, Okla.
Dworshak	Leahy	Thomas, Utah
Eastland	Lehman	Tobey
Ecton	Lodge	Tydings
Ellender	McCarran	Watkins
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	McFarland	Williams
Fulbright	McKellar	Withers
George	McMahon	Young
Gillette	Magnuson	
Green	Malone	

Mr. McFARLAND. I announce that the Senator from California [Mr. DOWNEY] is absent because of illness.

The Senator from North Carolina [Mr. GRAHAM], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY], the Senator from Texas [Mr. JOHNSON], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

The Senator from Illinois [Mr. LUCAS] and the Senator from Wyoming [Mr. O'MAHONEY] are necessarily absent.

The Senator from Louisiana [Mr. LONG] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent because of illness in his family.

Mr. SALTONSTALL. I announce that the Senator from Iowa [Mr. HICKENLOOPER], the Senator from New Jersey [Mr. SMITH], and the Senator from Minnesota [Mr. THYE] are absent by leave of the Senate.

The Senator from Washington [Mr. CAIN], the Senator from California [Mr. KNOWLAND], and the Senator from Michigan [Mr. VANDENBERG] are necessarily absent.

The Senator from Missouri [Mr. DONNELL] is absent by leave of the Senate because of a death in his family.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. Under the unanimous-consent order entered prior to the roll call, routine matters, as is customary, may be presented now.

FREE AND COMPETITIVE ENTERPRISE—RESOLUTION OF AMERICAN NATIONAL LIVE STOCK ASSOCIATION

Mr. MORSE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a special resolution adopted by the American National Live Stock Association, at Miami, Fla., relating to the reestablishment and maintenance of free and competitive enterprise.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

AMERICAN NATIONAL LIVE STOCK ASSOCIATION AT MIAMI, FLA., ON JANUARY 5, 1950

SPECIAL RESOLUTION

There impends today a threat to our country and the freedom of its citizens which so menacingly overshadows the future that we, American cattlemen of all shades of political belief, feel it our duty to speak out in unmistakable terms.

This threat lies in the fact that our country—without conscious choice on the part of its people—is rapidly and unmistakably drifting toward the consummation of a false concept—the socialized state.

Tokens of this danger are everywhere and undeniable. The growing power and expansion of wasteful government; the colossal public debt; the heavy burden of taxation; the malicious attempt to substitute an artificial economy for the natural economy which alone can function in freedom; the gradual assumption by the state of financial responsibility for every hazard incident to life, hazards which should be personally met and borne by every human being who has the instinctive will to survive and the inherent impulse to be free; the arraignment of economic and social groups, one against the other, and numerous other conditions and proposals similarly inspired and equally false.

Government produces nothing and has no means by which to support these false and destructive theories except by exacting from its citizens the fruits of their labors.

The course the Government is now taking, unless it is promptly reversed, must inevitably lead to national bankruptcy. In a vain effort to prolong a spacious sense of security, more similar expedients will be applied until we become mere numbers in a completely socialized state: Therefore be it

Resolved, That we, the members of the American National Live Stock Association in convention assembled at Miami, Fla., January 5, 1950, reaffirm our solemn conviction that the future health, strength, and prosperity of our country depends on the reestablishment and maintenance of free and competitive enterprise and hereby pledge ourselves as individuals and as an association to diligently and actively work toward this objective and toward the defeat of the fallacious philosophies that are beguiling our country into socialism.

REORGANIZATION PLAN NO. 12 OF 1950—REPORT OF A COMMITTEE

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, reported favorably, without amendment, the resolution (S. Res. 248) disapproving Reorganization Plan No. 12 of 1950, submitted a report (No. 1516), including the views of the minority, which was ordered to be printed.

INVESTIGATION OF IMMIGRATION AND NATURALIZATION SYSTEM—APPROVAL BY JUDICIARY COMMITTEE OF REPORT NO. 1515

Mr. McCARRAN. Mr. President, on Thursday, April 20, 1950, I filed Senate Report No. 1515 on behalf of a special subcommittee of the Senate Committee on the Judiciary to investigate the immigration and naturalization system.

On the same day I submitted Senate Resolution 262, which authorizes the printing of additional copies of Senate Report No. 1515. It was immediately brought to my attention that as a prerequisite to the printing of Senate Report No. 1515, it is necessary for the report to be approved by the Senate Committee on the Judiciary.

I now report to the Senate that the Senate Committee on the Judiciary has this morning approved Senate Report No. 1515, which is a report on the immigration and naturalization system of the United States pursuant to Senate Resolution 137 of the Eightieth Congress, first session, as amended.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

S. 3467. A bill authorizing the appointment of an additional district judge for the middle district of Tennessee; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 3468. A bill for the relief of Raief Neahem, Iffef Neahem, and Ihsen Neahem; to the Committee on the Judiciary.

By Mr. THOMAS of Oklahoma:

S. 3469. A bill to amend the Agricultural Adjustment Act of 1933, as amended; to the Committee on Agriculture and Forestry.

By Mr. TOBEY:

S. 2470. A bill for the relief of Rosano Francesco Saverio; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. J. Res. 169. Joint resolution to continue the authority of the Commandant, United States Coast Guard, to waive compliance with certain navigation laws applicable to Great Lakes vessels; to the Committee on Interstate and Foreign Commerce.

REORGANIZATION PLAN NO. 4 OF 1950

Mr. HOLLAND (for himself, Mr. SCHOEPPEL, Mr. JOHNSTON of South Caro-

lina, and Mr. THYE) submitted the following resolution (S. Res. 263), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Senate does not favor the Reorganization Plan No. 4 of 1950 transmitted to Congress by the President on March 13, 1950.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948—AMENDMENTS

Mr. TAFT (for himself, Mr. DOUGLAS, Mr. BENTON, Mr. SMITH of New Jersey, Mr. SALTONSTALL, Mr. TOBEY, Mr. WILEY, Mr. MARTIN, Mr. HENDRICKSON, Mr. BREWSTER, Mr. SPARKMAN, Mr. MCMAHON, Mr. LEHMAN, Mr. THOMAS of Oklahoma, Mr. MYERS, Mr. PEPPER, Mr. GILLETTE, Mr. HUMPHREY, and Mr. THOMAS of Utah) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended, which was ordered to lie on the table and to be printed.

Mr. KEM submitted three amendments intended to be proposed by him to Senate bill 3304, supra, which were ordered to lie on the table and to be printed.

Mr. MCCLELLAN submitted an amendment intended to be proposed by him to Senate bill 3304, supra, which was ordered to lie on the table and to be printed.

Mr. THOMAS of Oklahoma (for himself and Mr. YOUNG) submitted amendments intended to be proposed by them, jointly, to Senate bill 3304, supra, which were ordered to lie on the table and to be printed.

Mr. MILLIKIN (for himself and Mr. SALTONSTALL) submitted an amendment intended to be proposed by them, jointly, to Senate bill 3304, supra, which was ordered to lie on the table and to be printed.

GENERAL APPROPRIATIONS—AMENDMENTS

Mr LANGER submitted amendments intended to be proposed by him to the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, which were referred to the Committee on Appropriations and ordered to be printed.

EXTENSION OF BENEFITS OF CERTAIN ACTS TO ALASKA—AMENDMENT

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the bill (H. R. 133) to amend section 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes," which was ordered to lie on the table and to be printed.

AMENDMENT OF PUBLIC LAW 359, SEVENTY-EIGHTH CONGRESS, RELATING TO VETERANS' PREFERENCE—AMENDMENT

Mr. JOHNSTON of South Carolina submitted an amendment intended to be proposed by him to the bill (S. 3050) to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, which was ordered to lie on the table and to be printed.

THE SITUATION IN GERMANY—STATEMENT BY SENATOR LEHMAN

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD a radio statement on the situation in Germany, made on April 20, 1950, by Senator LEHMAN, which appears in the Appendix.]

AMERICAN POLICY IN GERMANY—ADDRESS BY SENATOR GILLETTE

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an address on the subject of American policy in Germany, delivered by him at the American Jewish Congress meeting, Town Hall, New York, on April 18, 1950, which appears in the Appendix.]

AFTER 1952—WEST EUROPE FACES UP TO A DILEMMA—ARTICLE BY HAROLD CALLENDER

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an article entitled "After 1952—West Europe Faces Up to a Dilemma," written by Harold Callender, and published in the New York Times, April 23, 1950, which appears in the Appendix.]

ADDRESSES BY THE SECRETARY OF STATE BEFORE THE AMERICAN SOCIETY OF NEWSPAPER EDITORS

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD two addresses, one on the record, the other off the record, delivered at a dinner meeting of the American Society of Newspaper Editors by the Honorable Dean Acheson, Secretary of State, Saturday, April 22, 1950, which appear in the Appendix.]

THE CURRENT WORLD SITUATION—ADDRESS BY AMBASSADOR AVERELL HARRIMAN

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an address on the current world situation, delivered by Ambassador Averell Harriman at the annual dinner of the New York Democratic State Committee, New York City, April 19, 1950, which appears in the Appendix.]

CONTINUATION OF UNITED NATIONS CHILDREN'S FUND

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an editorial entitled "Children's Fund Saga," published in the New York Times of April 18, 1950, which appears in the Appendix.]

RAINFALL IN WISCONSIN—STATEMENT BY SENATOR WILEY AND ARTICLE BY JERRY WOLLAN

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement by him entitled "Wisconsin Rainfall Situation Satisfactory," together with a letter from Robert Taylor, director of the University News Service, and an article by Jerry Wollan, which appear in the Appendix.]

ADDRESS BY HON. WAYNE COY AT NATIONAL ASSOCIATION OF BROADCASTERS' ANNUAL CONVENTION

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD excerpts relative to freedom of speech, from an address delivered at the twentieth annual convention of the National Association of Broadcasters, Chicago, April 18, 1950, by Hon. Wayne Coy, Chairman of the Federal Communications Commission, which appears in the Appendix.]

MARSHALL PLAN OF IDEAS—ARTICLE FROM THE CHRISTIAN CENTURY

[Mr. BENTON asked and obtained leave to have printed in the RECORD an article entitled "Marshall Plan of Ideas," published in the Christian Century, April 19, 1950, which appears in the Appendix.]

FALSE PICTURE OF UNITED STATES ABROAD HELD TO ANTEDATE RED EFFORTS—ARTICLE BY HAROLD CALLENDER

[Mr. BENTON asked and obtained leave to have printed in the RECORD an article entitled "False Picture of United States Abroad Held to Antedate Red Efforts," written by Harold Callender and published in the New York Times of April 24, 1950, which appears in the Appendix.]

VETO OF THE NATURAL-GAS BILL—EDITORIALS AND LETTER TO THE PRESS

[Mr. KERR asked and obtained leave to have printed in the RECORD an editorial entitled "Political Veto," published in the Chicago Daily News of April 18, 1950; an editorial entitled "Kerr Bill Veto," published in the Cleveland Plain Dealer of April 17, 1950; and a letter written by Paul G. Benedum to the Pittsburgh Post-Gazette, and published in the April 4, 1950, issue of that newspaper, which appear in the Appendix.]

HELLS CANYON PROJECT IN OREGON

[Mr. MORSE asked and obtained leave to have printed in the RECORD a memorandum on the Hells Canyon project in Oregon, prepared by Mr. Albert C. Ullman, president of Hells Canyon Development Association, which appears in the Appendix.]

REORGANIZATION PLANS NOS. 4 AND 5—NOTICE OF HEARINGS

Mr. MCCLELLAN. I desire to make an announcement. I am advised that a resolution of disapproval to Reorganization Plan No. 4 has been submitted today in the Senate. In view of the dead line for consideration of these matters, the committee is undertaking to hold hearings whenever the resolutions are presented. I announce that we will begin hearings on the resolution of disapproval to plan No. 4 next Tuesday, May 2.

Mr. WILEY. Mr. President, will the Senator yield for a question?

Mr. MCCLELLAN. I yield to the Senator from Wisconsin.

Mr. WILEY. I desire to inquire of the Senator from Arkansas whether he has made an announcement concerning the resolution which applies to Reorganization Plan No. 5, as to the date and place of hearing?

Mr. MCCLELLAN. I may announce, Mr. President that hearings have been set on that resolution for Thursday of this week.

Mr. WILEY. At 10 o'clock a. m.?

Mr. MCCLELLAN. At 10 o'clock Thursday.

TAXPAYERS' STUBBORNNESS

Mr. LODGE. Mr. President, in the Massachusetts State Senate a week or so ago the senate chaplain, Rt. Rev. Francis A. Burke, in his opening prayer, made a declaration which enunciated certain truths which not only were good for the State senate to hear but would, I believe, also be good for the ears of the

United States Senate. I therefore ask unanimous consent to have printed at this point in the RECORD an article from the Boston Traveler of Monday, April 17, which contains the text of Monsignor Burke's prayer.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE CHAPLAIN WARNS TAXPAYERS MAY BE STUBBORN

Taxpayers are like mules—they'll take just so much and no more, the State senate was warned today by its chaplain, the Right Reverend Francis A. Burke, of Jamaica Plain.

Monsignor Burke told the legislators that the public would gamely worry along with Government so long as the burden was bearable, but beyond a certain point they go muleish and resent taking more.

The monsignor, in his prayer opening today's senate session, at which the $220,000,000 State budget bill was taken up, declared:

"You cannot without undermining public confidence pyramid taxes; talk brotherhood and practice prejudice; have so many on public pay rolls as to create too great a burden on the taxpayers; or contend that in differences between the worker and the employer one side is always right and the other wrong.

"You cannot reduce the work hours per week beyond the ability of those who pay to absorb that additional economic responsibility. You cannot have too much social security without begetting too much national insecurity. Seeing one cannot spend what one doesn't possess, it follows that an unbalanced budget eventually leads to the cleaners.

"Take away man's initiative and you destroy his independence. In all things there must be a happy medium—a sensible balance if the principal aims of popular government are to be realized. The Latins had words for it: 'Est modus in rebus'—There is a medium in all things."

SECOND ANNIVERSARY OF INDEPENDENCE OF ISRAEL

Mr. IVES. Mr. President, yesterday, April 23, the Republic of Israel, as is generally known, celebrated the second anniversary of the proclamation of its independence. This week the friends of Israel in the United States are celebrating this anniversary. At this point in my remarks I ask to have incorporated in the body of the RECORD a statement I have prepared in reference to this notable occasion.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR IVES ON THE OCCASION OF THE SECOND ANNIVERSARY OF THE PROCLAMATION OF THE INDEPENDENCE OF THE STATE OF ISRAEL

April 23 marked an occasion of historic significance—the second anniversary of the proclamation of the independence of the Republic of Israel. This occasion has been hailed by all the liberty-loving peoples of the world as a major milestone in man's progress toward freedom and independence.

For the rebirth of Israel as a free and sovereign state represents a brilliant and resounding triumph over the evil forces of feudalism and imperialism by a nation inspired with an indomitable will and magnificent courage. This remarkable victory by the Jewish people is recognized and saluted by the oppressed millions of the world as striking and heartening proof that a people sufficiently determined to win the independence to which they aspire can do so. At the same time it is viewed with the utmost misgiving and foreboding by those totalitarian leaders who would extend their modern version of imperialism over the free world.

Equally encouraging to those nations dedicated to the proposition that, as a form of government, democracy is superior to any other are the notable accomplishments of the Israeli people and their leaders during the last 2 years.

In the face of obstacles as formidable as any which ever confronted a fledgling state—including the defense of the homeland against invasion and the incredible absorption of nearly 400,000 immigrants—Israel's democratic institutions have guaranteed to all its citizens equality of opportunity and freedom from any kind of religious or racial discrimination. It is particularly noteworthy that even the Arab residents of Israel—kith and kin of Israel's sworn enemies—are allowed the privileges of educating their children in their own schools, worshiping in their own churches, and maintaining their own social and cultural institutions. No more impressive show place of democracy is to be found anywhere in the world than is provided by Israel.

Yet today the very survival of this stronghold of democracy in the critical Middle East is jeopardized by the inexcusable rearmament of its Arab neighbors, openly engaged in all-out preparation for a second round. Already staggering under financial burdens nearly too onerous to bear, Israel is compelled to enter into an armaments race which even further drains her sorely needed resources.

This is a situation which is of especial concern to us in this Nation. For the reemergence of the Third Israel Commonwealth was in large measure the result of the efforts of the United States and its citizens.

As we commemorate the second anniversary of the independence of Israel, therefore, let us pledge ourselves to the continuing support of this new nation. As we join the other free peoples of the world in extending warm greetings and hearty congratulations to the brave Israeli people, let us reaffirm our conviction that a free, independent, and prosperous Israel is a powerful force in preserving world peace.

Mr. IVES. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD, at the conclusion of my remarks, the text of a proclamation by the Governor of the State of New York, proclaiming April 23 as Israel Independence Day in the State of New York.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

STATE OF NEW YORK
EXECUTIVE CHAMBER, ALBANY
PROCLAMATION

Two years ago the establishment of the independence of Israel created a new member of the family of the free nations of the world. This was the consummation of decades of struggle and heartache and of centuries of aspiration which too long appeared to be futile. It was of tremendous importance to people of the Jewish race and faith throughout the world. It was a historic achievement.

The rebirth of Israel signified the end of the dispersion, a new status for Jewish people throughout the earth. It is also of great and valued significance to people who are not of the Jewish faith since the stability of Israel offers the possibility of permanent peace in the Near East, so long a center of potential conflict. This great event deserves to be commemorated by men and women of good will throughout our State.

Now, therefore, I, Thomas E. Dewey, Governor of the State of New York, do hereby proclaim April 23 as Israel Independence Day in the State of New York, and I bespeak the cooperation of the people of the entire State in this observance.

Given under my hand and the privy seal of the State at the capital in the city of Albany this 20th day of April in the year of our Lord 1950.

By the Governor,

THOMAS E. DEWEY,
JAMES C. HAGERTY,
[SEAL] *Secretary to the Governor.*

Mr. MORSE. Mr. President, I ask unanimous consent to read a statement less than a page long, in regard to the founding of the State of Israel.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. MORSE. Mr. President, it is with a feeling of deep inner gratification over something worthwhile and fine having come into being and having succeeded beyond reasonable expectation, that I congratulate the people of Israel on their second anniversary as a free and independent nation.

Through the turmoil, confusion, and conflict that seems to characterize human progress, we find, although sometimes buried deeply, the thread of a divine plan manifesting itself throughout history. The birth of our own Nation came at a time when the principles of freedom and the brotherhood of man required expression. We have prospered and thrived through devotion to those principles.

So will Israel, a homeland for oppressed peoples, thrive and prosper, because I am convinced that the people of Israel are devoted to the concept of the dignity of the individual, as opposed to the slave state, and will stand with us and other freedom-loving peoples in guarding and keeping that sacred trust.

Mr. FERGUSON. Mr. President, yesterday, April 23, marked the second anniversary of the State of Israel. In recognition of that occasion, I ask unanimous consent that there be printed in the RECORD an article by Peter Lisagor, of the Chicago Daily News Service, which summarizes the present status, problems, and aspirations of the infant member of the family of nations. The article states that the new nation looks ahead with hope, despite its difficulties. I join in that hope.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ISRAEL'S SECOND BIRTHDAY

(By Peter Lisagor)

Israel moves into its third year tomorrow, with a pockmarked road ahead, but grimly determined to avoid political and economic pitfalls.

Fulfillment of its 2,000-year-old dream hasn't yet produced a milk-and-honey land. Israel is saddled with an uneasy peace with

the Arabs, a budget-breaking immigration program and other formidable problems. But, reviewing the infant nation's accomplishments in the past 2 years, Israeli officials face up to the future hopefully.

They are satisfied that the Jewish state has clung to its major aim of providing an asylum for the persecuted and homeless, even at a hazardous cost to its economy.

The state had 650,000 Jews at its start 2 years ago. Since then it had admitted about 380,000 from DP camps in Europe and from Moslem countries, like Yemen in the Middle East.

"If for no other reason, this alone justifies our existence," one official said, emphasizing the fact that unrestricted immigration is the paramount and overriding factor in Israeli affairs.

To feed, clothe, and house these immigrants, Israel has had to reorganize its economy. Its austerity program—meat allowed per person per month is 1.7 pounds, and the daily calorie count is 2,600—would make wartime Britain appear to have been on a picnic.

The Israeli economy has been sustained largely, thus far, by contributions through the United Jewish Appeal, which has collected more than $260,000,000 in the United States in 2 years.

But its crying need now, officials stress, is to create productive jobs for its people. The state has received a $100,000,000 loan from the Export-Import Bank. A number of large American private investments have been made, particularly in rubber and automobile assembly plants.

To encourage foreign investments, the Israeli Knesset (parliament) has passed a law granting concessions to investors.

One imposing obstacle to the Israeli economy has been the trade boycott of the Arab States. The state could get much-needed foodstuffs from the Arabs and export textiles, pharmaceutical supplies, chemicals, diamonds, and other articles.

But for its greatest import needs—heavy farm machinery and building materials and equipment—the United States is its most likely supplier. From the United States, too, it requires entrepreneurs and know-how—and is getting both in small supply now.

In the political arena, the state has managed to maintain an armistice with the Arabs. That has been beclouded by the British shipment of arms to the Arab world, and the inability of Israel to obtain like supplies.

Britain, supported by the United States in large part, insists that these arms are for the defense of that region against possible war, and are shipped under old treaty obligations. The Israeli are suspicious and feel the Arabs may use the arms to revive the Palestinian war.

There is also the matter of the internationalization of Jerusalem. Israel now occupies the new city, while Jordan holds the old city. Both appear contented with this arrangement, but a United Nations commission has voted, under strong religious pressures, to internationalize the city and thus assure preservation of religious shrines.

Israel, in 2 years, has achieved recognition from 59 other nations and a seat in the United Nations. Recognition by Turkey and Iran, two middle-eastern neighbors, has enhanced its position in that area.

Although far from self-supporting and beset by its fear of the Arabs, the new state looks ahead with hope.

Whether Israel will bog down under the burden of immigration, which continues to grow as more states in eastern Europe as well as the Moslem world release their Jews, is a question Israeli officials decline to see as a problem.

"We have no moral right to restrict immigration," one official said. "We will work out our problems, as we must."

Mr. LEHMAN. Mr. President, Sunday, April 23, was the second anniversary of the independence of the State of Israel. I issued a statement hailing this memorable occasion. I ask unanimous consent of the Senate to insert this statement in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

Two years ago today a new nation joined the society of freedom-loving democracies. The independence of the Republic of Israel is a testimony to the unending efforts of a people whose devotion to the cause of liberty and justice has never wavered through the centuries.

In these 2 years of existence the people of Israel have achieved much. However, their achievements have not been without suffering and great sacrifice. The physical ravages and human heartache which is always a result of war has left its mark on the land and on the people.

Here is a nation whose beginnings are very similar to those of our own great Nation. Both were born as a result of a heroic struggle for freedom. Both were weaned on a diet of individual initiative and cooperative efforts. Both were nurtured on hard physical toil, courageous decisions, and personal fortitude.

The people of Israel on this independence day look forward to years of prosperity and happiness for their new nation. They would like to use their national income solely to rehabilitate their land and to bring security and well-being to their people. They will do that if they are permitted to live in peace.

We in the United States who can justifiably claim much credit for the independence of Israel send a message to these courageous people. We should say that this Nation does not intend to permit a new outbreak of the terrible conflict in that area which disturbed the world 3 and 4 years ago. We can say to them that it is indeed in our national interest that a strong, vigorous, democratic Israel be maintained and encouraged in every possible way as a living answer to communism in the Middle East.

Mr. McMAHON. Mr. President, I have issued a statement upon the birthday of Israeli, and I should like to have it printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MCMAHON

The Bible tells us that more than 3,000 years ago the Israelites were delivered from destruction by the hand of God. Today, all of mankind awaits deliverance.

Israel's lot seemed hard and hopeless in the days of Egyptian bondage. Yet her people never lost faith, never ceased to believe that some day justice would triumph and they would be free. Today, as in biblical times, the future seems bleak indeed. Millions of unfortunates are trapped in a web of tyranny abroad. Millions more, appalled by atomic forces undreamed of in past centuries, search for a new Sinai whence will come wisdom to lead us out of the moral wilderness in which we find ourselves.

But beneath this fear of the future there is a persistent faith which assures us, as it did the people of the Old Testament, that man cannot be kept in bondage forever; that the day of freedom must come. This spirit, this faith in human destiny, keeps us moving forward today. It impels us to reassert continually our belief in the brotherhood of man, to strengthen and expand human rights both at home and throughout the world.

This urge is reflected in the Nation-wide movement for FEPC and other measures aimed at broadening the horizon of opportunity for all Americans. The same impulse is behind our efforts to bolster freedom in Europe through the Marshall plan. It is also the generating force behind all the endeavors of the United Nations, notably the convention against genocide, which is the latest expression of man's determination to escape the age-old threat of persecution and annihilation.

One must believe in the possibility of a better world in order to strive for it. Ancient Israel did believe, and from this faith came the strength to struggle on, even though brushed by the very wings of the angel of death. So we, menaced by the modern angel of death—the H-bomb—find in Israel's history the inspiration and hope we need in these dangerous times.

Mr. MARTIN. Mr. President, yesterday, April 23, was a day of historic significance to all who rejoice in the advance of liberty in the world.

It marked the second anniversary of the proclamation of the independence of Israel.

Born of struggle, sacrifice, and heroism, Israel has earned an honored place among the free nations of the earth as a force for peace and brotherhood.

I am happy to congratulate the Republic of Israel and to join all friends of the new nation in hope and prayer for the happiness of its people.

Mr. WILEY. Mr. President, the week which began on April 23 is being celebrated as the second birthday of the independence of the valiant Republic of Israel. In this connection, I am happy to place in the RECORD a statement which I have prepared on this inspiring subject. I ask unanimous consent that it be printed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TRIBUTE TO ISRAEL ON HER SECOND BIRTHDAY

I know that I speak for all men of good will—of all religious faiths—throughout the world in saying that the accomplishments of Israel within these two brief years have been an inspiration to all freedom-loving peoples of the world.

Never in human history has a nation born so recently out of the storm of a David-Goliath battle against overwhelming forces accomplished so much in so short a time. Never has a land—so tiny in size—only 7,200 square miles in all—thrown open its doors as has Israel to welcome oppressed coreligionists of all nations in order to help build a brave new land.

While the achievements of this bastion of Democracy are naturally of particular significance to members of the Jewish faith throughout the world, I have been delighted to see the tremendous interest manifested by men and women of all creeds in furthering the development of Israel. All of us, I believe, appreciate the fact that the peace and prosperity of the troubled Near East are crucial to the peace and prosperity of the globe.

ISRAEL CAN HELP RAISE WORLD STANDARDS

It is most fitting, Mr. President, that the region which saw the birth and development of mankind's three great religions—the region which is so dear to the hearts of all spiritually-minded individuals, should be the

scene of economic advances—scientific experiments in industry and agriculture—which may well mean ultimately a higher standard of living for all the peoples of the world. In the Technion Yearbook of December, 1949—"A Journal for Close Ties Between America and Israel Through Science and Industry"—there is an article by the Honorable William O. Douglas, Justice of the United States Supreme Court over which there is this heading: "Israel a new ground for new ideas can guide all humanity to a higher standard of living through science."

In this article, Justice Douglas stated that he felt that man's real enemies are (1) poverty, (2) illiteracy, (3) disease, (4) misgovernment, and that heroic solutions toward all of these problems are now being made in the young republic on behalf of all peoples.

It has been well stated that no man is unto himself an island, and that when the bell tolls, it tolls for us. Yes, the bell of distaster tolls not for just one man but for all men. So, too, the bells of joy, the bells of increasing prosperity, the bells sounding mankind's conquest of environment, these bells ring for all men and they have certainly rung in Tel Aviv and elsewhere, heralding splendid triumphs of peace.

I am hoping and expecting that by the time the third anniversary of this new state arrives, we will be able to report on many new significant advances in mankind's age-old search for peace, freedom, and prosperity.

I am glad to say that 59 states have now recognized Israel, including two powerful Moslem States, Turkey and Iran. Israel has taken her full place in the family of nations and already she is contributing tremendously to a solution of the grave economic, political, and military problems facing the world.

UNITED JEWISH APPEAL

Right now, there is a tremendous drive on in the United States among both Gentiles and their Jewish brothers in order to mobilize funds for the United Jewish Appeal for the purposes of furthering the immigration to Israel of those individuals of the Jewish faith unwanted in their own lands who desire to start a new life in the ancient soil of their forefathers. I know that my fellow citizens will give generously in response to this appeal.

PROBLEMS STILL FACING ISRAEL

There are obviously many grave problems still facing the new nation—the still unsettled problem of the Holy City—Jersualem—which is inevitably first in the heart of every inhabitant of the new Republic, the problem of the need for expanded exports, the still unsettled problem of the continued rearmament of the Arab nations, the continuing problem of the need for foreign investments (which have already begun on a splendidly sound basis) and many other problems which would stagger the imagination of any people except one which is bent on an epic, historic task.

LET THERE BE NO NEW CONFLICT IN NEAR EAST

On the issue of Near East arms, we have been deeply concerned in recent months by the continued flood of arms into the neighboring Arab states. It seems, Mr. President, most unfortunate that in an area which desperately needs peaceful development, more perhaps than any other area in the world, so much of the budgets of the Arab states are devoted to armed might, and Israel as a consequence, must necessarily devote a tremendous proportion of her limited budget for purposes of defense against the dreaded possibility of renewed aggression against her borders. Therefore, I have urged the State Department to utilize all diplomatic channels in order to help make absolutely certain that conflict definitely does not again break out in the Near East. I have urged this not only on behalf of the infant Republic of Israel, but because I do not want to see Arab boys and men, or for that matter any other boys and men, die in needless warfare. Surely, in the Near East, the swords of Islam and of Israel should be beaten into plowshares, to the greatest possible extent.

I know that peace—shalom—is the wish of every Israelite and of the masses of the Arab peoples.

And speaking of peoples, Mr. President, on May 15, 1948, the population of Israel was 660,000. By the beginning of 1950, it was 1,160,000—an increase of nearly 60 percent. This involved a herculean effort which has drawn the admiration of the world. It was as if the United States had admitted over 80,000,000 immigrants within 18 months.

THE AUSTERITY CONDITIONS IN ISRAEL

According to all reports, the people are bearing up nobly and heroically in the face of the very severe austerity program which confronts them. The housing shortage has been aggravated by the continued influx of immigrants. There is strict food rationing and price controls, heavy taxation. In spite of all these problems, there is the spectacular fact that the new state can boast the establishment of 174 new settlements on heretofore uncultivated land, a remarkable tribute to the magnificent pioneering qualities of this people who have literally made the desert bloom.

CONCLUSION

Yes, out of the chemical deposits of the Dead Sea are coming many important raw materials. Out of the desert are coming forth flowers and trees. Out of the pain of the ghettoes, the horrors of the crematoria is coming a new civilization at the ancient Jordan—a new Zion.

Good luck and Godspeed.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that a statement I have prepared extending my good wishes to the State of Israel on the second anniversary of its rebirth be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KEFAUVER

Mr. President, the rebirth of Israel as an independent state is a source of gratification and encouragement to all people who believe in freedom and democracy. In the 2 years of its existence, Israel has already made distinct and unique contributions to the progress of the human spirit and the enrichment of life all over the world. I am certain that, if given a reasonable time of peace and the proper opportunity Israel will become an ideal example of a happy community and an instrument for progress in an area which, for many centuries, has remained undeveloped and neglected by modern civilization.

The present armament race certainly is no incentive to peace or to a peaceful development of Israel and its Arab neighbors. Unless this armament race is checked and the United States intervenes with Great Britain to persuade her to stop the flow of arms to the Arab countries, there is bound to be renewed trouble and hostilities which will lead only to chaos and disaster for the entire Near East, as well as for the interests in that area of the western democracies. I trust that our Government will take the necessary steps to avoid a renewal of bloodshed and conflict.

I take this opportunity, on the occasion of the second anniversary of Israel's independence, to extend my sincerest wishes to the Jewish state, to its leaders, and to all its inhabitants for many years of peace and prosperity.

COMMUNISM IN HAWAII

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the RECORD a clipping entitled "Eighty-six Names Brought Into Open in Communist Probe," from the Honolulu Star-Bulletin of April 17, 1950. This clipping gives a convenient summary of the first week's work of the House Un-American Activities Committee's investigation in Hawaii, listing the names of all those who have admitted communism, been charged with communism or Communist activities, attended Communist meetings, or refused to testify.

I also ask consent to have printed in the RECORD a clipping from the Honolulu Star-Bulletin which gives a listing of the delegates to the Territorial constitutional convention.

I further ask consent to have printed in the RECORD an editorial entitled "Patriotism Needs No Lawyer," from the Honolulu Advertiser of April 18, 1950.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the Honolulu Star-Bulletin of April 17, 1950]

EIGHTY-SIX NAMES BROUGHT INTO OPEN IN COMMUNIST PROBE

The first week of Un-American Activities hearings in Honolulu produced the names of about 86 persons said to have had connection of some sort with the Communist movement in the islands.

Ichiro Izuka, ex-Red, said he believed there were about 130 Communists here in 1946, but this many names have not come out.

Ten persons have admitted being members of the party here, sometime between 1938 and the present.

Fifty others were accused by one or more witnesses of having been Communist Party members at one time.

Those named most often—by five or more different witnesses—included Ernest Arena, Dwight James Freeman, Charles K. Fujimoto, Jack W. Hall, Koichi Imori, Ben Kaahawinui, Jack H. Kawano, Adele Kensinger, Jack Denichi Kimoto, Robert McElrath, Dr. John E. Reinecke, and Ralph Tokunaga.

There were 24 others who either admitted being duped into attending Communist meetings or were alleged to have attended such meetings.

Two other witnesses, though not accused of Communist membership by any other witness, face contempt citations for declining to testify.

HOW CONTEMPT WORKS

The contempt proceedings begin here, as the committee records the refusal of witnesses to testify.

The witnesses are cited to the lower House of Congress for such reported contempt.

The lower House then takes a vote. A majority vote is sufficient to impose on the recalcitrant witness both a jail sentence and a fine.

Here are the names, according to an unofficial summary compiled by the Star-Bulletin:

The asterisk after the name signifies that initial steps have been taken to cite the witness for contempt of Congress:

COMMUNISTS OR FORMER COMMUNISTS

Admitted former Communists

Easter J. Doyle, Ichiro Izuka, Richard M. Kageyama, David K. Kamaka, William K. Kamaka, Harry Kuhia, Jr., Emil M. Mueller, Jr.,

Tsuruo Ogoshi, David Pahinui, Donald Uesugi.

Alleged Communists or former Communists

Yukio Abe, Mrs. Yukio Abe, Ernest Arena,* Yasuki Arakaki, Francis Bartlett, Joe Blurr, Elizabeth Bristow, Sampson Chang, John Elias, Jr., Dwight James Freeman,* Mrs. Pearl Freeman,* Charles K. Fujimoto,* Mrs. Eileen Fujimoto, Jack W. Hall,* Mrs. Jack W. Hall, Wallace Ho, Alice Hyun, Koichi Imori, Herman Ing, Benjamin Kaahawinui, Harry L. Kamoku, Paul Kanemaru, Mrs. Alice Kenemaru, Jack H. Kawano, Joseph Kealalio, Adele Kensinger, Jack Denichi Kimoto, Robert Kunamura, Robert McMirath, Mrs. Robert McElrath, Bert Nakano, Julian Napuunoa, Tadashi Ogawa, Wilfred Oka,* Mrs. Wilfred Oka, Hideo (Major) Okada, Ruth Ozaki, Dr. John E. Reinecke, Mrs. Aiko T. Reinecke, Jeanette Nakama Rohrbough,* Rachel Saiki,* Richard Shigemitsu, Frank G. Silva,* David Thompson, Frank Thompson, Ralph Tokunaga,* Peggy Uesugi, Ralph Vossbrink, Mrs. Ralph Vossbrink, Willis Wong.

Attended Communist meetings

Admitted

Frank Chow, Masao Mori, Lloyd Stebbings.

Alleged

John Akana, Saturino Cablay, Robert Greene, Eunice Hamano, Edward Hong,* David Hyun, Peter Hyun, Paul Hyun, Dougles Inouye, Fred K. Kamahoahoa, Frank Kalua, Levi Kealoha, George Mayenscheim, Yoshito Marumo,* Marshall McEuen,* Doris Ozaki, Peter Racela, Henry Schmidt, Louis E. Welch, Robert Wenkam, Bessie Wenkam.

Others cited for contempt

Esther Bristow,* Stephen Murin.*

HERE ARE DELEGATES WHO WILL FRAME CONSTITUTION

Sixty-three delegates from all islands are starting work today on a document variously nicknamed Hawaii's hope chest or shotgun constitution.

The framers hope their product will either persuade or force Yankee Doodle to wed Hawaii and give it the equal status it deserves in the American family.

Here are the 63 men and women chosen to draw up the historic document:

OAHU DELEGATES (36)

Trude M. Akau, J. Garner Anthony, Dr. Sam K. Apoliona, Ed Bryan, Alex Castro, Nancy Corbett, George Dowson, Hiram L. Fong, Yasutaka Fukushima, James F. Gilliland, Flora K. Hayes, William H. Heen, Edward B. Holroyde, Frank Y. Kam, Richard M. Kageyama, Dr. Masso Kanemaru, Charles E. Kauhane, Elizabeth R. Kellerman, Samuel Wilder King, Dr. Katsumi Kometani, John K. Lai, Nils P. Larsen, Herbert K. H. Lee, W. Harold Loper, Chuck Mau, Fred Ohrt, Steere G. Noda, Hebden Porteus, Herbert M. Richards, Harold S. Roberts, Clarence Y. Shimamura, C. Nils Tavares, Arthur K. Trask, James K. Trask, Henry A. White, Benjamin O. Wist.

HAWAII DELEGATES (12)

Nelson K. Doi, Teruo Ihara, Peter Kawahara, Richard Lyman, Jr., Frank C. Luiz, Earl A. Nielsen, Tom T. Okino, Sakuichi Sakai, Thomas T. Sakakihara, Charles A. Silva, James K. Yamamoto, Joe Takao Yamauchi.

MAUI DELEGATES (9)

Marguerite K. Ashford, J. Pia Cockett, Kazuo Kage, Harold T. Kido, Harold W. Rice, Richard St. Sure, W. O. Smith, Cable A. Wirtz, Arthur Woolaway.

KAUAI DELEGATES (6)

Randolph Crossley, H. S. Kawakami, Jack H. Mizuha, Charles A. Rice, Frank Silva, Toshio Serizawa.

Oahu delegates predominate in the convention, 36 to 27, a fact that reflects population statistics.

Delegates ran without party labels, but 29 are Republicans, 21 are Democrats and 13 are nonpartisans.

Racially, the convention reflects the cosmopolitan population of the islands. There are 27 Caucasians, 20 Japanese, 11 Hawaiians and 5 Chinese.

[From the Honolulu Advertiser of April 18, 1950]

PATRIOTISM NEEDS NO LAWYER

Patriotic loyalty to the American Government needs no technical legal defense in this country. It is a principle in which Americans have had high pride ever since they founded their republic of free people. It had been with them always a quality of which to boast, not to hide behind a quibble over a constitutional right stretched into meaning that its existence can be left to the guesswork of their fellow Americans.

So it is with disappointment that Americans recently have seen groups of their fellow citizens appear before congressional committees, elected by the people to represent them in government, and refuse to declare their American loyalty on oath. Even more amazing has been their explanation that they did so because their lawyers advised them that to swear that they are not now Communists and have not been for 5 years might tend to incriminate them.

Since when has loyalty to this country and its form of government been an incriminating factor?

Since when has an American needed a lawyer to tell him whether he is incriminating himself when he says he is not an enemy of his country?

The answer is that it never has been incriminating to be loyal to the United States and its Government. It has never been incriminating to be critical of the manner in which the American Government is conducted by the administration in power. It has never been incriminating to advocate lawful changes in the administration and regulations of the American Government.

It is incriminating to advocate the overthrow of the American Government by force and violence. It is incriminating to conspire to that end. It is incriminating to serve another country in its effort to overthrow the Government of this country.

But it is not incriminating to be a patriotic and loyal American. And it is not incriminating to say that you are exactly that. Americans need no lawyer to protect their patriotism.

EXTENSION AND IMPROVEMENT OF SOCIAL INSURANCE SYSTEM—RECOMMENDATIONS BY AMERICAN PUBLIC HEALTH ASSOCIATION

Mr. NEELY. Mr. President, on behalf of the senior Senator from Montana [Mr. MURRAY], who is absent because of his wife's illness, I ask unanimous consent to have printed in the RECORD at this point a brief statement prepared by the Senator from Montana, together with certain accompanying statements of the American Public Health Association, relative to House bill 6000.

There being no objection, the remarks of Senator MURRAY, together with the recommendations of the American Public Health Association, were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MURRAY

THE AMERICAN PUBLIC HEALTH ASSOCIATION ON H. R. 6000

I know that the entire membership of the Senate has a distinct interest in the proposals to extend and improve our social insurance system which are embodied in H. R. 6000. In that connection, I have been greatly impressed by the particularly well-informed and well-considered opinions of the American Public Health Association especially inasmuch as they incorporate recommendations of the American Hospital Association, the American Medical Association, and the American Public Welfare Association.

In the belief that those recommendations will be of interest to the Congress, I set forth in the RECORD at this point the recommendations of the American Public Health Association.

The American Public Health Association, as the professional society of 12,000 public health workers, has a broad interest in this legislation because of the values for health which derive from (a) increased coverage and more adequate benefits to assure maintenance of income when earnings are lost or cut off, and (b) the feeling of security which such changes will bring to people. Furthermore, public-health people have a special interest in income maintenance during periods of disability in (a) improving opportunity for the care of the disabled and chronic sick, and (b) making health services more effective.

The association believes that many features of H. R. 6000 are sound and wishes to go on record as follows:

1. The association supports the provisions in H. R. 6000 allowing the utilization of Federal public-assistance funds in payments to recipients residing in public medical institutions meeting State standards.

2. The association supports the provisions of H. R. 6000 for permanent and total-disability insurance.

This implements the following recommendation in a joint statement "Planning for the chronically ill," made by the American Hospital Association, American Medical Association, American Public Welfare Association, and the American Public Health Association:

"Other measures which enable chronically ill persons to be cared for at home include improved housing, supervised boarding homes, medical social service, recreational and occupational therapy, and vocational rehabilitation. Social-security measures to maintain income such as disability insurance, old-age insurance, and public assistance are likewise of vital importance."

3. The association supports the following provisions of H. R. 6000 relating to extension of coverage of old-age and survivors insurance:

(a) Inclusion of employees of State and local government by voluntary compact of the State with the Federal Security Agency. If such employees are under an existing retirement system they can be included only if they elect to do so by a two-thirds majority.

(b) Inclusion of employees of nonprofit institutions; if the employer does not elect voluntarily to pay the employer's tax, the employee would receive credit with respect to only one-half his wages for the employee's tax which he must pay.

4. The association supports the provisions in H. R. 6000 permitting the States to utilize Federal public-assistance funds in making direct payments for medical care to practitioners and institutions.

In this connection the association wishes to express its position with respect to medical care of the needy by the following statement:

It is recognized that public-welfare departments are now handicapped in carrying out their existing responsibility to assure medical care,[1] when needed and not otherwise available, to recipients of federally aided public

[1] Wherever the term "medical care" is used in this statement it is understood to include dental, nursing, hospital, and other health care as well as physicians' services.

assistance by the inadequate financial provisions of the Social Security Act and its requirement that all aid be extended in the form of cash payments to the recipient. It is therefore recommended that the latter restriction be eliminated and that the agency administering assistance be authorized to finance the purchase of medical care in behalf of assistance recipients. In order to assure the quality of medical care thus purchased for assistance recipients and relate it to their individual needs, it is also recommended that its financing be accomplished through funds earmarked for that purpose rather than charged against the funds available for cash payments to individuals. The further view is expressed that any provision to finance medical care for assistance recipients should permit the administration of the medical aspects of such care by public-health departments.

5. The association recommends as amendments to H. R. 6000 the following provisions which were included in the report of the Advisory Council on Social Security to the Senate Finance Committee (Social Security Bulletin, October 1948, p. 8):

(a) "The Federal Government should pay one-half the medical-care costs incurred by the States above the regular maximums of $50 a month for a recipient ($15 for the third and succeeding persons in a family receiving aid to dependent children) but should not participate in the medical costs above the regular maximums which exceed a monthly average of $6 per person receiving old-age assistance or aid to the blind and a monthly average of $3 per person receiving aid to dependent children."

(b) "Federal grants-in-aid should be made available to the States for general assistance payments to needy persons not now eligible for assistance under the existing State-Federal public-assistance programs."

In further reference to our statement under (4), above, with respect to medical care of the needy, the association hopes that the committee report will make it clear that the provisions of the Federal bill intend to leave the States latitude for the welfare departments to contract with or otherwise utilize the services of the State or local health departments in providing or in effecting and operating arrangements for medical services to needy persons, when this is in the interest of economy, efficiency, and quality of care in this part of the State's program. This is especially important since in Maryland, Richmond, Va., the District of Columbia, and in a number of other localities, health departments are now responsible for providing medial care for public-assistance recipients. There is a growing interest of health departments in this field. We believe that the greatest possible encouragement should be given to this sound development which will help achieve integrity and unified administration of all health and medical-care services. We consider it important that nothing in the bill hinder such developments.

Respectfully yours,

HUGH R. LEAVELL, M. D., Dr. P. H.,
Chairman, Executive Board.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948

The Senate resumed the consideration of the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

Mr. FERGUSON. Mr. President, at this time I ask unanimous consent to have printed in the body of the RECORD an article by the distinguished Senator from Nevada [Mr. MCCARRAN] on the Marshall plan, appearing in the April 8, 1950, issue of the Saturday Evening Post. I think it is very appropriate to have the article printed in the body of the RECORD, inasmuch as we are now debating Senate bill 3304. In submitting it for the RECORD, I do not necessarily submit it as my argument in favor of or against the Marshall plan, but I believe the article should be read by all Senators.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DON'T JUNK THE MARSHALL PLAN YET

(By PAT MCCARRAN, United States Senator from Nevada)

Late in the afternoon of April 2, 1948, the Senate walked out of a session that had lasted 5 hours and a debate that had lasted 5 weeks. My colleague, Senator ARTHUR VANDENBERG, who had led the fight for the "ayes," fell in step as we left the Chamber and didn't speak until we reached his door. When he did, it was the single remark, "Well, it's cheaper than war." The Senate had just finished the vote that gave Europe $5,000,000,000 and created the Marshall plan.

A majority of both Houses voted "yes" because they had become convinced that Russia, which had already overrun 10 nations—the tenth, Czechoslovakia, fell 5 weeks before the vote—would sweep all of Europe if something wasn't done to save it. That was 2 years ago. Since then we have invaded Europe with a small army of Americans spread over 16 countries, directing the battle for the survival of the countries outside of the iron curtain.

Last autumn 164 Members of Congress journeyed to Europe to watch the battle lines of the cold war, and this congressional force added one more puzzle to the many that surround the Marshall plan. For the startling result is that there is little agreement on what is going on in Europe. In London I heard a Senator label it the "greatest boondoggle in the history of time." In Rome a Member of Congress said it was such a magnificent success that it could be ended now without spending another dollar. Congress is split into violent differences as to what goes on in Europe, and this means that the battle over the appropriation for the Marshall plan's third year will produce some strange disclosures. The fight will be rough because it involves some $3,000,000,000 at a time when we are facing an enormous home deficit. The public is going to be awfully confused when it hears one bloc of Congressmen claim that the Marshall plan has already won world war III, and another reply that it is the monster that set Europe back 2 years.

For 3 months last fall I toured the front, and my own discoveries may sound as startling. I have a privileged position, as chairman of the "watchdog committee," to get the reports of investigators who have been circulating in Europe from the day Congress set up the ECA—Economic Cooperation Administration—to run the Marshall plan. Thus I am afraid that Italy may go Communist in 5 years despite anything ECA has done or can do. I see no solution to that permanent crisis in England which threatens to reduce that nation to permanent second-class status, helpless as an ally against the Communist sweep in the Orient, helpless to head up the battle for Europe. I can see no leadership in France, the country that could set the pace for European recovery, and better than a 50-50 chance that the discouragement of Frenchmen will give us bigger Communist scares than any we've seen there yet.

But when the current debate is over and we are asked to vote more money for Europe, my own vote—tendered with hope and many reservations—will be "Yes."

I believe that the Marshall plan was oversold, that it promised more than it can deliver. But what it has delivered has been worth the price. It tilted the scales and stopped two nations, France and Italy, from going Communist, and that performance is indelibly on the record of Mr. Paul Hoffman, the embattled Administrator of ECA. It delivered more solid benefits to Europe than can be cataloged. Much of the attack which Mr. Hoffman will receive in Congress stems from the fact that in deepest sincerity he held out hope that this would be a once-and-for-all solution, instead of a partial solution. Holding the line was a great achievement and there should be no recrimination. In the remaining 2 years the ECA will be up against vicious forces which will be too powerful to allow the victory we hoped for. Nevertheless, we should play it out, on a reduced scale, because without ECA we shall simply hasten the European explosion which may come anyway.

This vote to carry on, coming from one who believes that America is spending itself into trouble, is simple recognition that the continental fires are not out, that they have only been reduced to a smolder. Despite the odds, I concede that it makes sense to give Fire Chief Hoffman's firemen hell, and a little more time.

The "watchdog committee" has come up with an incredible list of things wrong with the Marshall plan. American salvage teams are spread from Norway to Italy and from Portugal to Turkey, in 16 countries, and in this operation you can tabulate thousands of cases of wasted money, insane delays, European sabotage and mismanagement, and perhaps 10,000 honest mistakes. It would be strange if this were not so, because in size and objective the Marshall plan can be surpassed only by wartime movements. It is possibly as big, in terms of planning and headaches, as the Allied Normandy landing.

If we grasp this vastness we must adopt the military thinking that goes with it. Fifty wasted tanks, occasional shelling of our own troops, supply trains lost by stupidity or bad luck—these are grimly noted, if not condoned, in the hope that the generals can report eventual victory. If there be losses, conflicts, and failures in an organization just 2 years old, we might recall that Eisenhower had a few when he set up the Normandy landing.

My own job is dual, to spot the loss of a supply dump or a black market in K rations, but more important, to pick out a hill from which the whole front can be seen.

There are a number of crises ripening in Marshall plan Europe that should interest the American taxpayer, who has paid the bill for 2 years and who is now asked to pay a smaller one for 2 years more. They are disclosed here in admiration of everything that Fire Chief Hoffman's fire fighters have tried to do, and with grave doubts that they can do much more in the incredible mess of Europe.

The best examples of Europe's crises occur in Italy, the land that has made the fastest recovery since the death of Hitler—and which has the farthest to go to avoid Stalin. Italy is a baffler, and that trinity of Americans, Dave Zellerbach, Lee Dayton, and Andy Berding, who head up our 70-man team there, is performing miracles. But miracles aren't enough.

Their combined talents are directed at a strange country, a land where per capita income hasn't increased much since the Renaissance, a nation trying to be an industrial power with virtually no raw materials, where business credit carries 10 to 40 percent interest, where industries use workshop techniques of 1910 to produce jet turbines, and where office procedures, government bureaucracy, banking, and workroom methods read like a page out of Dickens.

The American outfit took over buildings, drafted a crew, found apartments, set up liaison with the cabinet, parliament, and factories, a PX for American coffee, and addressed the chaos of postwar Italy.

The shopping list of Italian needs in the race with bankruptcy runs to many thousand pages and weighs a quarter of a ton. The lists call for rails, engines, and bridges; for farms, fertilizer, tractors, and hybrid corn; for factories, several hundred cargoes of machinery that read, in their variety, like yellow pages of the phone books of Pittsburgh and Bridgeport. But the blueprint is not limited to physical things—it calls for heroic financial and industrial reforms on the part of the chaotic government of Premier de Gasperi, the first democracy in the history of the peninsula. The mission and government have put tractors on land-reclamation projects, used 200 boatloads of wheat, 700 boatloads of coal, 300 of petroleum, made hundreds of loans to business, but the master blueprint calls for continuation by the Italian Government after ECA goes home. All these monster projects, costing billions, are only pump-primers, and pump-priming presupposes there is water in the well. In Italy, there isn't any.

Italy is as big as New Mexico, jammed with a population a third that of the United States, growing by half a million every year. As the Allied soldiers discovered, it is mountainous. Subtract the Alps and Apennines and you have the area of Kansas. Its abysmal poverty-population problem, called the evil twins, has floored, in its time, a dozen premiers, Mussolini, Hitler's generals and, we fear, will floor ECA's Zellerbach.

We can start the poverty index with the 60,000 people in Lucania who live in caves, Southern Italy's 1 house in 20 with running water, the 4,000,000 who taste meat twice a year, the 6,000,000—the figure is always millions—who live in rags of the movie set variety. The short cut to getting the medieval picture is the average income of each human being—$230 a year. Since living costs are just a little cheaper than American prices, $230 a year buys just about what it would in the States.

But this is only a side view. ECA got a worse slant when it took a look at factories, farms, and business. It is hard to catch the meaning of the desperation of management, the dearth of trucks, telephones, lathes, the lack of graders, tractors, typewriters, furnaces, cranes—the preliminary things you need to get something else started. The industrial world was as poor as the individual. And the government world—those Federal bureaus handling public utilities, agriculture and the hundreds of mortgaged corporations—has the tawdriest physical equipment.

This pageant of poverty is explainable in one massive fact. This Kansas with 46,000,000 dwellers has very few raw materials. The few exceptions are so pathetic as to clinch the point that the only important metals ever found beneath the surface were Roman coins. Practically every rail, girder, and bolt has to be bought as imported ore or steel. Nearly every lump of coal that goes into a power station is bought outside of Italy. ECA has brought in 700 shiploads free, but after ECA the coal problem will be where it was at the time of the Cro-Magnon man. The figure "zero" also describes the peninsula's oil, gold, silver, copper, magnesium—the list of what textbooks call raw materials.

The land has three principal sources of income—tourist spending, things that grow from the soil, and conversion. This last names Italy's valiant try at being an industrial nation. It buys all raw materials, adds the work of its factories, makes finished articles, and tries to sell abroad. But this cycle is ridden with so many paralyses as to make an American wonder if he is reading a report about another planet. The following are some of the bizarre byproducts of poverty which many believe will bring revolution unless ECA pulls a miracle.

The great Italian hope is, briefly, to make things cheaply, export in volume, and bring in money to pay for things they haven't got. This calls for close figuring to match foreign competitive prices. Now watch the population problem wreck the figuring.

Virtually every big industry is carrying a 5- to 30-percent surplus of employees who can't be discharged. In the wake of the German retreat starvation prompted a government decree forcing most employers to take on fixed quotas of labor. The law is gone. But so menacing is the poverty and so powerful the Red unions that no employer dares face the sabotage that would result from firing. In Italy's mighty Fiat structure excess hands cost 5 percent of the production bill. In the huge Ansaldo Steelworks 2,000 out of 10,000 are deadwood. In all the maritime trades political employees are 25 percent of the total. The pattern holds for all Italy. This excess labor, coupled with the tax travesty which we will discuss later, has lifted costs to a point where manufacturers cannot compete with foreign products—the export hope is out of sight. If 15,000,000 people could be moved out of Italy many problems would be solved. But since emigration is a closed book, our mission must see what can be done with 46,000,000 people churning up a land that might support 30,000,000.

The official figure of 2,500,000 jobless doesn't mean much. It covers those registered as having no job of any sort at any time. But there are millions featherbedded in agriculture, possibly a half million in industry, and an unknown number of drones on the government pay roll. The entire structure of industry, agriculture, and government is a dole to surplus people—an assessment against exports that mean survival.

Can ECA do anything about it? It cannot give the nation raw materials indefinitely. It cannot reduce the population. To cut the parasitic weight on the industrial and farming pay rolls, it must create new jobs in industries that can't expand. This goes for the riders in government bureaus who eat up as a dole the money that should go into investment. The solution might call for billions and more time, but no nation can provide aid in such magnitude. Failing to break the vicious circle, Italy is slated to wallow in its poverty.

What happens when Americans step into Europe's morass can be shown by Italy's tax mess, a story so embarrassing that ECA has worried for months that some red-hot reporter might tell it in the wrong light. Italy must deliver on a score of projects aimed at higher production—agricultural reforms, the cleaning up of bureaucracy, the replacing of old machinery with new, and so on—or go Communist. To deliver, the government needs big money, which means big tax income.

But virtually every Italian defrauds the government with its helpless concurrence—from the Milanese cartel to the Sicilian share cropper whose assessment may be the price of 20 cabbages. Business keeps two sets of books; one for the tax office.

The earlier description of povery fits perhaps 35 percent of the people. But there are thousands of old-line fortunes based on inheritance, thousands who salted away black-market fortunes in the chaos of fascism and war. Half of the land is held by 4 percent of the population. The great textile, steel, and chemical cartels of Lombardy and Piedmont are held by a few shareholders. All are careful to betray few signs of wealth, to avoid rousing the Communists, and to dodge taxes. The total of hidden earnings defies investigation.

Before this the government stands helpless, victim of an insane system that has more tax laws on the books than any other nation on earth. There is a stamp tax on every bill, receipt, invoice—every commercial document—a tax of several hundred percent on tobacco and salt, a tax on summer vacations, household pets, and windows facing the main street. A commission discovered that if all tax laws were enforced, the assessment would be 165 percent of the national income.

Marshall planners raged on discovery of the evasion, but calmed down after a look at the causes. From the days of the Borgias, the sovereigns have explored hundreds of devices for extracting money from the land. Governments passed tax laws, but generations of collectors collided with the iron fact that the majority could not pay. Sovereigns necessarily took a tolerant attitude. But forgiveness did not net money, so new systems were adopted, covering still more fields of human action. No law was shelved that was even 10 percent effective, so all laws remained formally in effect and are in force today.

The result is a mountain of tax law so monstrous that enforcement would mean confiscation of earnings, past, present, and future. Since the tax machinery can't work, it absolves, with beautiful impartiality, the peasant who can't pay and the corporation director who won't. ECA knows that enormous revenues are lost to the lifesaving projects on the blueprint, but can't scold the government because a reform would take 10 years and millions of dollars.

Nevertheless, the government does collect taxes—a wonderful irony because most of them are wrecking the economy and chances of survival. They are the so-called "cannibal" taxes. The worst but not the only culprit is the transactions tax. Tracing a bale of cotton from the dock to its sale as sweaters, there are nine manufacturing phases, each of which sets a new price on the merchandise. Each transaction is taxed 3 to 6 percent, leading to a total government tax take of 20 to 40 percent. The result: manufacturers are taxed into high cost and out of the export market, which is Italy's big card against bankruptcy and communism. And ECA cannot be helpful because it can't produce a substitute source of income.

On April 19, 1948, an election installed the infant democracy that took over after 85 years of monarchy, 23 years of fascism, 10 years of war, 3 years of occupation by assorted foreign armies, and 5 years of wild political skirmishing among the parties wanting to run Italy. The close vote was split among Communists, Monarchists, Righ Socialists, Left Socialists, Republicans, and Christian Democrats.

From this caldron the present government pulled out a slim majority. That harried tight-rope walker, Dr. Gasperi, was able to get a coalition. But he has nothing that looks like agreemnt on the big issues. The tax situation is only one. Something has been done, and a tax bill is now before parliament which attacks the problem, but no one law can swing the revolution required. Our ECA veterans in Italy are harried men because there are things that an eventual billion dollars and 4 years' time can't solve. Italy's tax tragedies are evasion, which might be cured, given a decade of reform, and cannibalism, which can't be cured until prosperity arrives.

In that long list of projects aimed at making Italy walk by itself, tax overhaul is just one. The job is too big for a government faced with 20 others as urgent. Desperate for money, the government must tax production and Italy's exports out of the market.

ECA is in Italy because of communism—get that one straight, so as to know where

to hold the tape to measure progress. Our task forces have been there 24 months. Why are so many sure that when ECA goes home communism will take over?

We begin with the finding that Italy has more card-carrying Communists than any other nation outside of Russia. In the 1948 elections the Reds polled 8,000,000 votes out of 26,000,000. Premier de Gasperi's party got only 48.7 percent of the vote.

Our relief over the democratic victory clouded the fact that the same election put 183 Red deputies in the parliament, and Communist mayors in almost half of the big cities and 35 percent of the middle cities. Red administrations now run the two industrial centers of Turin and Genoa, plus Venice, Bologna, Ferrara, Leghorn, Alessandria, Parma, Modena, Reggio Emilia, and Lucca. We could yawn at these facts if it were true that Italian communism is on the wane. But there is little to back that claim.

Fascism, communism, nazism—any movements which sway great numbers of people—always exploit gripes that are bona fide. The fact that the cure is worse than the illness is beside the point. These tides become popular because they attack conditions that are deplorable. This holds for the current strategy by the Italian Communists. There are horrible dislocations in Italy, and the Communists are not necessarily stupid when they shout about them. They don't have to prove that millions have been jobless 15 years out of 30 years of adult life; that pain is endured until it goes away or the patient dies because medical care costs too much; that a child born in a family of illiterates has slight statistical chance of learning to read.

Apart from Red strength as revealed by ballot, ECA discovered that 95 percent of all organized labor was in Communist unions. One group, CGIL—controlling the maritime workers of Genoa, Leghorn, and Naples, government clerks, school teachers, police, office workers, even members of the armed services—spoke for 6,000,000 out of 20,000,000 workers. During the chaotic years between the Anzio and the ECA landings, Communists corraled every union into this one central organization. A very few were headed by men who didn't believe the Communist stuff, but they were kept mute and powerless.

The week after ECA arrived, an Italian youth of non-Communist persuasion shot and wounded Palmiro Togliatti, leader of Italian communism and generally rated the most brilliant Communist in western Europe. CGIL's reply was a Nation-wide strike, possibly the most airtight shut-down of national activity in history. At the height of the shut-down CGIL's ultimatum demanded the premier's resignation and a new cabinet to include Communist ministers.

Togliatti's plan to use labor as a personal army to reverse the election was obvious. The moment called for a rebellion of labor if the elected democracy was to survive. The revolt occurred, led by a lone non-Communist with a following of nearly 1,000,000 men. It set up LCGIL, Italy's first non-Communist labor organization, with the blessing of our anxious ECA. With the break-away began the fight to woo Italy's workers away from the Communist spellbinders with an offer of something else.

The job of reaching laborers is expensive. The anti-Communists needed offices, bulletins, and secretaries. Most of all they needed instruction on what unions can be, what legitimate aspirations are, how you negotiate wages without trying to socialize the factory.

To carry the story to the villages, farms, and factories, LCGIL set up thousands of regional committees. ECA provided guidance and a great deal of literature on the American system. Let no one infer that Zellerbach is doing a John L. Lewis. The extent of his unioneering shouldn't bother the most unreconstructed tory in America. Each regional committee became a seminar; workers met after hours to hear how wage, hour, safety, and pension problems are handled in non-Communist unions. Incessantly, the committees explain that the American worker has achieved the world's highest standard of living while repudiating everything connected with the Kremlin.

It has cost money, but ECA necessarily has limited its help to small figures. The $300,000 tab for expenses was picked up by American unions. This is about 5 percent of what Communists spend yearly to finance their side of the battle.

The answer on how it is working is "fair," in terms of the present climate. It will be hopeless after ECA. The teachers of the Western way are up against a tougher job than the Communists, for they must stick to the truth. They can promise only slow change. They can't promise factory ownership to machinists or land to the farm workers. They can't promise home ownership or higher wages.

All they can do is point to the American laborer, his home, his radio, modern kitchen and car, earned in a capitalistic country.

The story carries some conviction for the laborer, who admires all things American, but when the lecture is over he looks around, views the squalor of centuries, his wretched pay and low estate, and sees no hope of a change in his lifetime. Explaining American unionism is a little like teaching him how to operate a high-priced automobile when he can't afford a bicycle.

The question, as we approach 1952 and the end of ECA, concerns the next recession in Italy. That is the pay-off hour. When factories start heavy lay-offs, when the jobless mass swells still more, when production shrinks and inflation sets in, the protest from labor is going to be a terrible force. No one knows what will happen. But there are a lot of people poised to clear out when it does.

Conclusions on Italy are simple and grim. The crisis is permanent, the danger of a Communist coup remains. This is not to say that 26,000,000 voters are possible converts. But with any worsening of poverty, they could reach 40 percent, or 10,400,000 voters. Such a Communist vote in Italy could prod the Atlantic Pact into action, and to me that sounds too much like the drone of bombers.

I do not believe ECA's remaining years will swing a miracle, but they will bring a little improvement, they will prevent any backslide, and will buy more time at a moment when Russian advances in China and in 10 curtain countries do not look like a retreat.

Italy has no more claim to our help than any other country within or outside the Marshall plan. It is simply the spot where the embers smolder the deepest. There is a case for carrying on the Marshall plan there, and this from one who is terrified by our national deficit.

There are those who say that the only solution for Italy lies in a vast plan called the federalization of Europe. We will get to that in a moment.

We know the Marshall plan is vast—how vast was discovered by a Paris reporter. His editor kept reading about million-dollar projects, slum clearance in Italy, steel plants in France, port installations in Holland—dispatches that looked like the rebuilding of a continent. He got the chilling thought that everything might be multiplied by 16, the number of Marshall-plan nations. He ordered the reporter to type up a list of every project started by ECA, to list them by countries, and to paste them up as a wall chart. Within a few weeks he was really into it, and one day called his boss' attention to the fact that, using typewriter lettering, the lists would run five to eight feet up and down and would take 20 linear feet of wall space. Did the boss really want a chart? Project Panorama was dropped.

Before we attack Mr. Hoffman or hint ECA is a bust, let's see how we spread the blame, beginning with the fact that Congress has blown hot and cold on the Marshall plan. We asked Mr. Hoffman to stabilize currencies, to wade through financial mysteries of 16 dissimilar economies, and to come back with answers when we ourselves are not agreed on how to lick inflation at home. This wasn't enough. We asked him to make each currency interchangeable with all the others—to see that hard-money countries honor the weak, a system that ended before World War I.

We asked ECA to rebuild several hundred factories, and, to make it harder, to see that their products had a guaranteed market. We asked that Europe's wasteful factories learn the secrets of mass output despite the fact that Europe's physical plant is 50 years behind ours. We wanted lower factory costs, innocently forgetting that the continental businessman thinks only in terms of monopolies and doesn't know what we mean by price competition.

We asked Hoffman to set up branches in 16 capitals and to see that each proud, touchy parliament adopt our blueprints, but to see also that the pride, independence, and sovereignty of each government be kept in a glass case. And we asked this for countries such as France, Italy, and others, where governments fall if the price index fluctuates 10 percent.

We are bound to record one more item complicating Mr. Hoffman's day—the congressional third degree. Congress has offered more advice and criticism to him than to any other field general within memory. This for a variety of reasons. For one, the amount of money is staggering, and this bell keeps tolling in every office on Capitol Hill, on days when ECA looks good and on blue days when it looks depressing. There is the further reason that this is America's first try at kibitzing the management of foreign nations, and Congress is restive under the role.

Paul Hoffman personally and many of his general staff have spent almost as much time explaining to Congress as directing the job. This is regrettable, but perhaps unavoidable. The doctor's bill is tremendous and the Congress wants the patient's pulse every hour.

With this bow in the direction of the embattled Mr. Hoffman, we can try for a few answers.

The total of targets is overwhelming, and each Member of Congress must be his own Solomon in judging the results. Hoffman's orders were to achieve European recovery, and the phrase hides orders to change human habits, to prod a glacier. Because of its vastness, Hoffman faces the danger that his campaign may be judged by single incidents, a lost platoon, bad liaison, any of the inevitable wastes in large operations.

It is going to be hard to boil down the Marshall-plan offensive to simple propositions, yet each Congressman must do it by the time he gives his own "yes" or "no." The Marshall plan is not 1 but 16 volumes on how it goes in Western Germany, Italy, Portugal—in the total Marshall-plan membership—and any attempt to form conclusions on so vast a show may be arrant presumption. If we spread out each volume's concluding page, there are certain facts that look like a summary.

Certain countries of Europe, thanks to the Marshall plan, will be in pretty fair shape by 1952, if Europe is in fair shape by 1952. Belgium shows marks on the measuring tape which, in a sound Europe, read suspiciously like prosperity. Sweden's 1952 outlook is

one of the cheering things. Holland has reached a production level which, in a neighborhood of sound countries, should hold up. Denmark, in a basket of sound apples, would retain its health.

But that is Europe—an essay on the sound and the unsound and chances of infection. Italy is in desperate condition and a load on whoever wants it this side of the curtain. Greece, left to itself, will not survive. Austria's economy would die without help.

If we dare summarize with big brush strokes, we can visualize Europe of 1952 as a map in three gradations, where some nations, colored black, will not make it; others colored gray, not immediately in Communist throes, which may survive with rigid austerity; a third group in passable economic health. As of today not a single one could avoid a crisis if Marshall-plan help were ended. None of the stronger nations dares help weaker ones, for fear of its own collapse, even when threatened by the collapse of all Europe.

Most American surveys of hopeless Europe contain one strident verdict—that all its countries must unite or sink. This announces a plan which will be explosive in this year's congressional debate because it is proposed as ECA's marching order from now on in. It is the proposal that ECA bring about Europe's economic unification. Its short title is "integration," and the argument runs about like this:

Europe's physical needs are so great that satisfying them could occupy every European factory and farm for 20 years. No nation is buying enough from the others because each is an economic citadel protecting its own subsidized, artificial industries. A comparison would have Alabama trying to make automobiles, Michigan trying to raise its own cotton, and every State trying to run a self-sufficient island. Every nation has dug in behind tariff walls and import-export and currency restrictions. The tariff walls fatten the home monopolies, which set high prices, stop the little man from getting into business, perpetuate inefficient production, and stifle needed foreign sales. There are countless results—fewer jobs, low wages, labor revolt, high taxes, and low living standards. Each nation suffers individually. Europe suffers as a unit.

So, with "integration," we pile another job on the ECA list. This one so enormous that all others are dwarfed. Integration is the old dream of Aristide Briand and of a thousand economists who have been raging for half a century at the absurdity of an area a little larger than the United States being divided into twenty-odd warring economies. But asking Europe to integrate is asking for things so jolting to its structure as to make its older statesmen smile at America's brash hope.

Complete integration would mean that each nation repeal every law that gives its producers a break over foreign competitors; that every factory in western Europe compete with every other factory in the same line without protection, the efficient to outsell the inefficient in the latter's home market and kill them off; that each factory and farm find its own level—prosper or go out of business. If Italian woolens and German steel outmaneuvered corresponding products of England and France, the losers would fold up and take their licking for the sake of the greater benefit to all Europe. In big strokes the theory is that real competition will end cartels and the tax costs that hold them up, giving Europe more goods at better prices.

It is a grand design, if utopian, and to speak of complete integration is to burlesque a great concept. No one is advocating complete integration, for the obvious reason that it might take 50 years. ECA's objective for the next 2 years is to get the ball rolling on limited objectives, not to abolish, but to lower tariff barriers, not abolish quotas, but liberalize them, not a common currency, but more interchangeable moneys. But even that is a massive job, and we've got to balance it against another massive fact. Standing before Europe's permanent crises, some degree of unification is the only answer. We therefore face a time in history when the only remedy on the horizon looks gargantuan.

Mr. Hoffman has not produced much integration in the first 2 years, and will have some uncomfortable sessions before Congress as a result. However, it verges on the comic to snipe at him for not having gone far on that one. The first 2 years were the emergency run, and I don't believe that it should have been complicated even more with integration's land mines.

Each step in integration will be a political Everest best described with home parallels, like asking our lumbermen to accept unrestricted lumber imports, our wool people to take unlimited wool, our farmers to smile off any amount of tariff-free farm imports, our miners to compete with any foreign mineral, whatever its price. Need anything more be said to describe Europe's machine guns aimed at Hoffman? You can argue that Europe is not the same, that it is dying and in the doctor's office getting the word that life hangs on an operation. True, integration has a different urgency. But the industries, owners, cartels and even small-business men will fight it as savagely as American manufacturers would in the same circumstances.

I, myself, do not believe ECA can swing integration by 1952 or 1962. But there is a beginning of a feeling among many of Europe's statesmen that they must start the long climb or prepare for the end. And that is why, facing the long road that is Europe's only road, we may as well try to get started.

We have just been through an episode that killed 22,000,000 of the world's people, 325,464 of them Americans, a war that cost something described as a trillion dollars, of which $330,000,000,000 were American. The caskets for the war dead were still coming back when we faced the possibility of still another war.

I have colleagues on Capitol Hill whose memory goes back to 1933 with guilt because they believe the catastrophe of World War II might have been averted if an obscure meeting, the London Economic Conference of 1933, had been a success. You find older men in many countries who pin-point that conference as the one where the tone of peace could have been set—where, had it been set, the insanity of Hitler would have been impossible.

In the same way, 2 years ago, when Russian advances looked ominous, a number of men stared into the future, trying to identify the forces which were edging us into another war. The diagnosis, 2 years ago this April, was that something had to stop the crawl of communism over Europe or we would be guilty, as in the years before Hitler, of sitting on our hands. Some 2,000 men, organized into 15 committees in the United States and in Europe, came up with the Marshall plan as the first preventive step against world war III. Today we are taking stock, trying to see whether this plan was well thought out, whether it is succeeding or whether we are still up against the same dreads which prompted us to start it 2 years ago.

This report has tried to list just a few of the incredible number of European internal problems you face when you start something conceived like the Marshall plan. A hostile advocate could slash it to pieces, could draw up an indictment on a thousand counts of delay, friction, error, and waste. The results might tally only 55 percent against an objective of 100. But that 55 percent—since 1948—gave us years without war and gave Europe some time in which to try licking communism by peacetime methods.

I will vote for the Marshall plan for one overriding reason—as a notification to Europe that we are still there, we are still back of them—but as a notification, by cutting the amount, that Europe must produce leaders, must produce some statesmanship in the next 2 years, must deliver by 1952 something that looks like hope for the Continent. In the meantime we shall see a little more about Russia's intentions. We shall have held the line and perhaps pushed it back a little by 1952. After that, if Russia means to make it a contest as to who has the best atomic bomb, we enter a phase in human history which I don't care to write about even if I could.

Mr. McFARLAND. Mr. President, before the quorum call, I suggested the advisability of endeavoring to obtain a unanimous-consent agreement as to fixing a time at which to vote on the pending measure. I should like to state now that unless we can enter into some kind of unanimous-consent agreement today, we are going to have to insist on proceeding to a vote. The Senate began consideration of the pending bill last week. The bill was made the unfinished business last Monday evening. It is true we did not work on it either Tuesday or Wednesday, but we did on Thursday and Friday. There is no reason why we should not start voting tomorrow. There is no reason why we should not vote on some of the amendments today, and, unless there are speakers who are ready to proceed with the debate, we shall have to insist that voting be proceeded with.

The VICE PRESIDENT. The bill S. 3304 is before the Senate, and it is open to amendment. No amendment is pending. The question is on the passage of the bill.

Mr. SALTONSTALL. I suggest the absence of a quorum.

Mr. McFARLAND. Mr. President, very little business has been transacted since the last quorum call. I hope we may proceed with the consideration of the pending bill.

The VICE PRESIDENT. The Chair disagrees with the statement of the Senator from Arizona. A good deal of business has been transacted since the last quorum call.

Mr. McFARLAND. Very well.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be suspended.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PRESS RELATIONS OF STATE DEPARTMENT—INVESTIGATION OF SUBVERSIVE ACTIVITIES

Mr. BREWSTER. Mr. President, since there seems to be no other pressing matter, I believe there is an aspect of the current discussion regarding our foreign relations that may be appropriately

brought to the attention of the Senate, and this concerns particularly the question of the reports which have appeared in the press, on the radio, and in the weekly news magazines. As I think it has a very important bearing on the appeal of the President for full and factual reports regarding the proceedings before the Senate and before Senate committees, I should like to read from the Washington Star of April 20, 1950, a statement regarding the State Department's attitude. The headline reads, "The State Department Has Improved Press Relations." The letters ASNE, I think, refer to the American Society of Newspaper Editors. The subhead reads, "McCarthy attack has helped tighten link, committee reports as convention opens." The story reads:

The State Department's attitude toward the press has improved greatly in recent months, especially since the controversy aroused by Senator MCCARTHY, Republican, of Wisconsin the American Society of Newspaper Editors was told here today.

A special committee created last year to study the Department's method of furnishing information to the press reported at the opening of the ASNE annual convention that "at one time the Department thought it was getting a better break from the press than from some administration people in Congress."

I do not know to whom the reference is in that comment.

The committee was referring to the reaction it obtained after talking with Washington reporters and State Department officials particularly concerning press coverage of charges by Senator MCCARTHY that the Department harbors Communists and fellow travelers. * * *

"The McCarthy incident," said George Cornish, of the New York Herald Tribune, chairman of the special committee on State Department information methods, "has given top State Department officials a greater respect for the objectivity of the press. They were impressed by the fact that the State Department's side of the controversy got fair play in newspapers."

In another column on the front page of the Washington Star there is an account of President Truman's speech to the editors, which is headlined "Truman asks truth campaign by editors to stop Red advance; criticizes Russians' method." The story, in part, says:

President Truman today told the American Society of Newspaper Editors that "we must make ourselves heard 'round the world in a great campaign of truth" to halt the advance of communism. He said:

"In a democracy foreign policy is based on the decisions of the people.

"One vital function of a free press is to present the facts on which the citizens of a democracy can base their decisions. You are a link between the American people and world affairs. If you inform the people well and completely their decisions will be good. If you misinform them their decisions will be bad; our country will suffer and the world will suffer.

"You cannot make up people's minds for them. What you can do is to give them the facts they need to make up their own minds. That is a tremendous responsibility.

"Most of you are meeting that responsibility well—but I am sorry to say a few are meeting it badly. Foreign policy is not a matter for partisan presentation. The facts about Europe or Asia should not be twisted to conform to one side or the other of a political dispute. Twisting the facts might change the course of an election at home, but it would certainly damage our country's program abroad.

"In many other countries today, the papers print about foreign affairs only what their governments tell them to print. They can't add anything, or cut anything. In the democracies, the papers have a free hand. Only in a democracy is there such mutual trust and confidence among citizens that a private group is given such an all-important role in determining what the Nation as a whole shall do. There is too much nonsense about striped trousers in foreign affairs. Far more influence is exerted by the baggy pants of the managing editor.

"There has never been a time in our history when there was so great a need for our citizens to be informed and to understand what is happening in the world."

I am sure we all agree with the wisdom and the force of what the President stated. Those statements—and I invite attention to the initial sentence with reference to the State Department's attitude in recent months, and the President's statement that newspapers in foreign countries print only what their governments tell them to print and that they cannot add anything or cut anything, but that in democracies newspapers have a free hand—lead me to invite attention to the following facts which seemingly relate very directly to the situation now current in the popular mind dealing with the investigation which is under way.

In the March 20, 1950, issue of Newsweek magazine which appeared on the newsstands on Thursday, March 16, there appeared the following item in a section of the magazine known as The Periscope:

STATE DEPARTMENT "LEAKS"

Although they probably won't get into the investigating committee's record, some strange stories of State Department leaks are being turned up by Senator JOSEPH MCCARTHY's inquiries. On one occasion a supposedly secret document was left on the desk of a high official and copied by an inside Washington columnist's leg man while the official loitered in the men's room. It turned up later in a syndicated column quoted word-for-word. Investigation later disclosed that the leak had been contrived to serve the publicity purposes of one side in a bitter department feud over policy toward Russia.

This item becomes of major significance in the events that follow. It happens that of the major publications in the country Newsweek was strenuously attempting to give the same treatment to the charges of the Senator from Wisconsin [Mr. MCCARTHY] that was being given to the State Department's replies and campaign of vilification. Thus, Newsweek at the moment was not particularly popular among the State Department sycophants.

In the State Department is a man named Edward Barrett, who is Assistant Secretary of State for Public Affairs. Mr. Barrett is an Alabama New Dealer whose previous connections consist of two periods of employment on Newsweek magazine. For approximately 8 years before the war he was a minor editor, and like many young men in the newspaper profession, joined OWI when the war broke out. In OWI, Mr. Barrett rose rapidly to become head of its overseas division.

During the crucial China years toward the end of the war, Mr. Barrett was Owen Lattimore's boss.

At the end of the war, Mr. Barrett returned to Newsweek as one of its top editors, a job of importance and responsibility.

In December of last year Mr. Barrett was named Assistant Secretary of State for Public Affairs. He was confirmed by the Senate in January and took office in February 1950.

When the charges of the Senator from Wisconsin [Mr. MCCARTHY] against Owen Lattimore were made public, Mr. Barrett was particularly active in organizing the State Department's counterattack.

Using his former relations with Newsweek as a fulcrum he began sending memoranda to Kenneth G. Crawford, Newsweek's national affairs editor, accusing Newsweek of not giving the State Department a fair break.

On the morning of Thursday, March 16, when the issue of Newsweek to which I referred earlier appeared on the newsstands, Mr. Crawford had already been the recipient of these memoranda from Mr. Barrett and therefore was in nowise surprised when Lincoln White, executive assistant to the special assistant to the secretary for press relations, held a press conference in which he denounced Newsweek and castigated the Periscope item concerning State Department leaks as untrue.

Mr. Crawford, informed of Mr. White's unusual press conference, picked up the telephone in New York and called Mr. White in Washington. He offered to supply names and affidavits to confirm the veracity of the item.

Later in the same day Mr. Barrett telephoned Mr. Crawford from Washington. He said he was making the call "as a friend and former associate." He told Mr. Crawford that he did not believe Mr. Crawford wanted to proceed in such fashion. His approximate words were, "You don't want to do that." Mr. Barrett also at one point in the conversation introduced a note that obviously was intended as a warning, asking, "What if X gave us an affidavit?"

On Thursday night Mr. White called Mr. Crawford on the telephone and told Mr. Crawford that the State Department wanted the names the next day.

On the next day, Friday, Mr. Barrett made a trip to New York and told Mr. Crawford that the whole thing had been a mistake and that the State Department wished to let the matter drop.

We now come down to the rather curious procedure which followed, with all the foregoing as a preface.

On the following Tuesday, March 12, there was a knock on the door of Mr. Crawford's apartment. Mrs. Crawford answered the door. There stood a man who handed her his card and said that he was a representative of the State Department's Intelligence Division.

I hold in my hand a photograph of that card which was left with Mrs. Crawford. It identified the caller as Edwin D. Lennerts, Division of Security, United States Department of State, and the location of his office as room 5012, General Post Office, Thirty-third Street and Eighth Avenue, New York, N. Y. Telephone Pennsylvania 6-7700, extension 747.

What follows is either the most stupid act in history or one of the boldest attempts to intimidate one of the editors of this country that I have ever known.

Mr. Lennerts said that the State Department understood that early in 1942 Mr. Crawford, then a correspondent for the New York leftish tabloid PM, had written a series of articles that were unfriendly to Senator TYDINGS. Mr. Lennerts told Mrs. Crawford that he had been unable to find back volumes of PM and he wondered if the Crawfords had files which might contain the articles.

Now note this: Back files of PM exist in numerous places in this country. They are certainly in the Library of Congress, and I assume they are in the New York Public Library. Mrs. Crawford, assuming the same thing, asked Mr. Lennerts why he did not go to the library and get them. He said he had done so but had been unable to find them.

At this point Mrs. Crawford said, "Why don't you talk to Mr. Crawford? He is here."

Mr. Crawford talked to Mr. Lennerts briefly, told him he had no files, and suggested that any real investigator would know enough to visit the libraries or the newspaper files in New York. Mr. Lennerts left.

I can reach only one conclusion from this incident.

Either Mr. Lennerts is one of the stupidest investigators who ever worked for the Government and is totally unqualified for his job, or this call was made for the deliberate purpose of intimidating an editor of our free press.

Mr. Crawford was outraged. He picked up the telephone and called Mr. Barrett in Washington, protesting vigorously. Mr. Barrett feigned disbelief, saying that some terrible mistake must have been made. Mr. Barrett attempted to assure Mr. Crawford that the whole matter had been a mistake. Mr. Crawford, still unbelieving, but not inclined to have open warfare with the State Department, decided to let the matter rest until he could personally make a trip to Washington. One week later, on Tuesday, March 28, Mr. Crawford went to Washington and called on John E. Peurifoy, Deputy Under Secretary of State for Administration.

He found Mr. Peurifoy very polite and sympathetic. Mr. Peurifoy said that he was sorry the incident had happened; that he was unaware such an investigation was being conducted by his men; and that somebody had gotten overzealous. Mr. Peurifoy assured Mr. Crawford that the whole thing had been called off.

Mr Crawford returned to New York believing the matter had been closed and willing to give the State Department whatever splinter of doubt it was entitled to.

Two days later, on Thursday, March 30, a man called on the wife of Max Lerner, former columnist for PM and a member of PM's staff in the years when Mr. Crawford was associated with the newspaper. The man told Mrs. Lerner that he was an agent of the Government—she was under the impression that he said he was an FBI agent—and he also asked for the files that might reveal Mr. Crawford's writings concerning Senator TYDINGS.

What in the name of heaven Mr. Crawford's writings about Senator TYDINGS had to do with any current investigation of the State Department is extremely difficult to understand, unless we put a rather sinister construction upon the episode. Here we have a continued pursuit of this matter.

Mrs. Lerner, unaware of any of the previous proceedings in this case, nevertheless, thought that she should get word to Mr. Crawford about the incident affecting her.

When Mr. Crawford was informed, he was dumbfounded. He promptly picked up the telephone and called a high official of the FBI in Washington. The FBI official told Mr. Crawford that he was "positive—absolutely positive" that no agent of the FBI had made such a call and that no investigation of any kind of Mr. Crawford was under way by the FBI. The FBI official said, however, that he would make a thorough check and let Mr. Crawford know the answer. The FBI official remarked that he had a double interest in the matter—Mr. Crawford's own rights as a private citizen and as a magazine editor and the fact that the FBI had had several reports in the past that State Department agents were passing themselves off as FBI agents. The FBI official remarked that they had so far not been able to prove false impersonation, but their interest in that possibility would not lag in this instance.

Several days later the FBI official telephoned Mr. Crawford from Washington and told him that the FBI had sent no agent to see anybody concerning Mr. Crawford, that they were making no investigation of him or his writings, and that they had not been able to determine who the person was that had called on Mrs. Lerner.

Mr. President, unless the State Department can give a rational explanation why they should proceed at this time with an investigation of the writings of Kenneth Crawford, a Newsweek editor, some 7 years ago regarding Senator TYDINGS, the episode is extremely illuminating, in view of the fact, as clearly indicated, Newsweek was apparently not publishing material which the State Department thought it appropriate should be published. The newspaper editors of the country, who last week held their convention in Washington, expressed their view as to the absolute necessity for objective reporting of the very vital affairs in Washington.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MUNDT. It seems to me that the distinguished Senator from Maine has put his finger on a very curious situation concerning what reports to be a State Department gestapo operating in this country as a corollary to the FBI, or as a substitute for the FBI. It all sounds highly incredible.

I was a member of the House Foreign Affairs Committee at the time legislation was being written to reorganize the State Department, and I recall specifically that the intelligence service of the State Department was intended to be used primarily abroad, not at home. If it were used in any way at home, it certainly was not intended to be used as a sort of gestapo.

I believe the Senator from Maine has rendered a great service in calling the affair to the attention of the public and of Congress. Unless Mr. Lennerts is a complete phony, operating without any authority at all from the State Department, I think Congress should ask the State Department for a complete report on his activities, and whether the State Department is trying to establish a gestapo or Nazi-type local State police force in an attempt to intimidate private American citizens. If so, it is an indefensible procedure.

Mr. BREWSTER. I have before me the official card presented to Mrs. Crawford. I assume it is accurate, because the State Department thus far has not denied that he was its authorized representative. It has simply relied on the excuse that some terrible mistake had been made.

Mr. MUNDT. Is the Senator from Maine inclined to agree with the Senator from South Dakota that in all events the situation is sufficiently serious for the State Department to make a full, frank, and complete report on it to Congress and the country?

Mr. BREWSTER. I think it would be most appropriate.

Mr. LODGE. Mr. President, may I say to my friend from Maine that the subject which he has discussed this morning is of intense interest to the subcommittee of the Committee on Foreign Relations of which I am a member. I shall take it upon myself to seek to secure a prompt and full explanation from the State Department regarding the matters to which the Senator from Maine makes reference. However, I am not sure that I can agree with the statement of the Senator from South Dakota, to the effect that the State Department must not have is own loyalty staff, because I do not see how the State Department could be expected to police its operations, with an employment of something like 20,000 people, unless it has its own agents with which to do it. So I am not sure that I can agree with the Senator from South Dakota. Nevertheless, I think it is very important to investigate any attempt on the part of anyone connected with a government department to intimidate members of

the press, and I wish to assure the Senator from Maine that I shall undertake to get a most complete explanation of the facts involved.

Mr. MUNDT. Mr. President, I should like to correct a misapprehension on the part of the Senator from Massachusetts. Of course the State Department should have its own loyalty staff and its intelligence section for the purpose of screening those in its employ. However, it was never intended, certainly, by the House Committee on Foreign Afairs, which initiated legislation providing for the reorganization of the State Department, that the Department should create a counter-intelligence force to operate in this country for the purpose of checking upon the loyalty of Americans generally. It was intended that such activity should be conducted by the highly efficient FBI, and should not be taken over by the State Department. Investigating Mr. Crawford to determine whether or not he is loyal, certainly does not come within the purview of the Intelligence Section of the State Department, as intended by Congress.

Mr. LODGE. In the light of the Senator's statement, I do not believe there is any conflict between us. The loyalty staff of the State Department should confine its activities to State Department personnel matters. I agree with the Senator on that.

Mr. MUNDT. If the Senator from Maine will yield further on another point, I should like to say that the Senator mentioned the addresses which the President and the Secretary of State delivered at the recent convention of American editors, held in this city. In that connection in this morning's New York newspapers I read a statement attributed to the Secretary of State, Mr. Acheson, which I should like to quote. This was apparently a speech which Secretary Acheson delivered at the Statler Hotel banquet of the Newspaper Editors Association, in which he was endeavoring to defend the Department against charges made by Senator McCARTHY. He is quoted as saying:

> The Department is manned today, as it has been in past, by able, by honorable, by loyal, and by clean-living men and women.

It occurs to the Senator from South Dakota that in Mr. Acheson's enthusiasm and zeal he took in entirely too much territory. It seems to me he could have found a better criterion by which to measure the clean living and the loyalty of the members of the State Department than their activities in the past, because, if we consider that criterion side by side with the report of his very able deputy Under Secretary of State, Mr. John Peurifoy, who is in charge of security, and who reported to the Congress recently that the State Department had been forced to remove more than 200 questionable employees, 91 of whom were removed because they were sex perverts and moral degenerates, it would appear that Mr. Acheson could find a better criterion by which to judge those now in his department than to say that they conform in clean living with those who were in the Department earlier.

I hope, further, that Mr. Acheson can also find a better criterion by which to measure the loyalty of the people now under his charge than by saying that it measures up to the loyalty of those who have been there in the past, because we are compelled to recall something which Mr. Acheson apparently forgot or failed to mention when he was talking to the newspaper editors on Saturday last; Mr. Acheson conveniently overlooked the fact that included in the State Department personnel in the past was notorious Alger Hiss, now convicted of disloyalty, and Mr. Julian Wadleigh, who not only confessed to the fact that he was disloyal, but is earning a reasonably good living syndicating his confessions of espionage in the Government of the United States. If, in measuring those now being charged, we are to use the criterion that they are fully as loyal as State Department employees of the past, that compels us also to associate them with such men as Carl Marzani, who is now in the Federal penitentiary for his disloyalty, and who was a member of the State Department in the immediate past. In fact incidents like these in the unsavory past cause many to have concern about some of the Department's present personnel.

I hope Mr. Acheson and the State Department will start looking into the future, and find some means for either providing or permitting a loyalty investigation so thorough and complete that when it is concluded, the country can be assured of the loyalty of the members of the State Department, measured by their patriotism and service to America, and not by the fact that they conform to some of the shoddy practices and questionable characters of past periods in the State Department's existence. The Congress and the country must be assured that associates and coconspirators, dupes, agents, and mental partners of men like Hiss, Wadleigh, Marzani, Field, and others are no longer in the State Department.

Mr. BREWSTER. Mr. President, I thank the Senator very much for his contribution. I certainly think everyone will agree with the propriety and the forcefulness of what he has said. One can understand why the Secretary of State should want to defend the present personnel of the Department, but it is difficult to understand why a gentleman of his very broad experience and remarkable talents should include in his vindication all of the former members of the Department, 200 of whom he has been obliged himself to dismiss, either because they were security risks or because, as the Senator from South Dakota pointed out, they were sex perverts and moral degenerates. Moreover, there is question why men who have already been convicted because of their activities should be included within the very sweeping generalization the Secretary made regarding the matter.

There was a rather curious incident before a committee the other day, when a witness appeared to establish, I assume, the reputation of Mr. Lattimore, and he said he was sure he was not a Communist since he had investigated him three times because everybody in the Orient said he was a Communist. His reputation in the Orient would seem to be a good deal more conclusive evidence as to character than the vindication of the one who investigated in a negative sort of way.

Mr. MUNDT. Mr. President, I wonder if the Senator from Maine would agree with the junior Senator from South Dakota in his observation that time is richly here now when the attitude of the State Department toward espionage and sexual perversion within its own ranks should sharply change from one of automatically trying to defend everybody who has been charged, to one in which it would encourage a thorough and complete investigation by the Senate committee now charged with that duty. It would be much more wholesome and better serve the public interest if the Secretary of State, in his impassioned defense against the McCarthy charges, had told the editors last Saturday night, and would now tell the country, that the State Department would cooperate with the Tydings committee in trying to get at the facts in the situation, and try to enable the committee to bring back a unanimous report so reassuring that when we read it we can know that the loyalty of the people still remaining in the State Department is at least as good as the loyalty of the FBI agents who are charged with catching kidnapers, or those charged with taking stolen automobiles across State lines. Would not the Senator agree that the attitude of the State Department should be not to try to defeat, destroy, and resist an investigation, but to try to cooperate to get the facts, letting the chips fall where they might?

Mr. BREWSTER. It would seem to me that was the self-evident responsibility of the committee concerned, and I feel highly hopeful that as the situation unfolds, there will be the same zeal exhibited.

Mr. LODGE. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield to the Senator from Massachusetts.

Mr. LODGE. I should like to say to the Senator from Maine and the Senator from South Dakota that at an executive session of the subcommittee this morning it was voted specifically to go into the matter of the day-to-day operations of the loyalty program, the policing of the program, the follow-through of it. We have already taken some testimony on the loyalty procedures which have to be met before persons are admitted into the State Department. Of course, that is a relatively small fraction of the loyalty investigation. Now we are going into the matter of the day-to-day operations of the loyalty program, and I certainly hope that we will get cooperation from the State Department, so that we can bring in a report which will be reassuring to the country.

Mr. MUNDT. Mr. President, if the Senator from Maine will further yield, I should like to say that the junior Senator from South Dakota does not pretend to know whether there is a single Communist in the State Department who has not been discovered and removed, or whether the Department has broken up the ring of sexual perverts completely and effectively. But this the Senator from South Dakota does know very definitely, that at a time when a committee of the House of Representatives was investigating similar charges against men like Alger Hiss and Julian Wadleigh, we had identically the same kind of resistance from the State Department. There was the same great chorus of calamity howlers saying, "You cannot check into something as sacrosanct as the State Department." We then heard the same disclaimers from the same men now making them. Even the White House tried to curtail that investigation, saying it was nothing but a red herring and a smoke screen.

In spite of that opposition, which is, strangely enough, coming from the same sources in the present investigation, the House committee, feeling it had a duty to perform, stayed with the problem until it was convincingly answered, and the cases have been closed by action of the courts, and by public confessions.

I certainly hope that the committee of our great body will be no less diligent and courageous, and will not be frightened away from trails which they have been discovering simply because the State Department says those charged are loyal. We must consult more objective and accurate witnesses. Those sources said the same thing about Alger Hiss; they said the same thing about Julian Wadleigh, and about those previously in the State Department, more than 200 of whom Deputy Under Secretary of State Peurifoy now rightly claims credit for having removed as serious and immediate security risks. Since the apologists for the State Department were so completely wrong before—since even the courts have held them wrong—it is more than a reasonable conjecture to suggest that they may again be wrong today, or as late, at least, as last Saturday night. Only a thorough and courageous and nonpartisan investigation can determine that issue.

Mr. TYDINGS. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield to the Senator from Maryland.

Mr. TYDINGS. I should like to say to the able Senator that the investigating body is a five-man subcommittee, composed of three Democrats and two Republicans. I do not believe there has been a more harmonious committee, on the whole, with which I have ever served or have been associated, than this one. Whatever disagreement we may have had has been minor. The five members of the subcommittee are just as intent on finding out anything of a communistic or disloyal nature in the State Department as any other single person in America could be. There is no piece of information or evidence that has come to us touching on disloyalty in the State Department which is not being pursued and investigated with whatever facilities we have.

I should like further to say to the Senator that if we find any communism any place in the State Department I am sure we will say so, and the chairman makes a solemn pledge that he will say so.

I am not here to shield the State Department, nor to prosecute the State Department, nor to make political capital out of the State Department. I have only one objective, and I think I speak for the members of the subcommittee, namely, to find out what the truth is, good or bad, and tell the country about it.

I think it is also fair to say that there have been a good many prosecutions of alleged Communists who were proved to be Communists by the people with whom we are working. Mr. Harry Bridges is one of them who was not uncovered by our subcommittee. He was uncovered by the executive branch of the Government. Mr. Bridges has been prosecuted and convicted.

There were 11 or 12 Communists recently convicted in New York City, who were prosecuted by the Department of Justice.

Miss Judith Coplon and Gubitchev were convicted as a result of prosecution by the Department of Justice.

So in fairness I will say that I have not yet had any resistance brought to bear on me—and I can only speak for myself—by the President, by the State Department or by anybody else connected with the Government. Everything I have asked for that they are permitted to give me has been given. I have done, I may say to the Senator from South Dakota [Mr. MUNDT], a great deal of personal investigative work which I have not yet fully completed. I am not relying entirely upon the staff of the committee, because sometimes I can get access to things to which, perhaps, a staff investigator could not get access to. I have put in an enormous amount of time on this matter, 6 or 7 hours every day. My sole desire is to find out whether any charge made on the floor of the Senate, or any place else, can be supported by any fact we can get hold of. And whatever the facts show, so far as I am concerned, will be laid on the line with as little bias as a human being is capable of showing.

Mr. BREWSTER. Mr. President, I am sure the Senator from Maryland appreciates what a thankless task it is to conduct these investigations. The investigation has been imposed on him by the unanimous action of the Senate, and by the action of the chairman of the Senate Foreign Relations Committee because of his confidence in the Senator from Maryland. I think it does not quite follow the pattern which the Senator from Maryland laid down in a rather historic case as to the conduct of investigations, when some 2 years ago he insisted, in a very forceful speech on the Senate floor, that future investigations should be absolutely bipartisan, by having an equal membership. The Senate has never adopted that rule, but the Senator will recall that he did lay that down very forcefully.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. TYDINGS. I did not appoint the subcommittee. I had nothing to do with the appointment of the subcommittee.

Mr. BREWSTER. No. I did not say so. But I say it does not quite follow the pattern which the Senator from Maryland indicated was very desirable in these investigations. I am not even prepared to say that the Senator was correct in that instance. I think he went somewhat beyond the bounds of what certainly has been historic senatorial precedent. The only illustration of such a rule was when the subcommittee of the Foreign Relations Committee of eight members was set up, four being Democrats and four being Republicans, which subcommittee formulated the United Nations. But that aside, we have now a conventional pattern of a partisan committee, partisan in the sense that three members are of the majority party and two of the other party.

In connection with the Bridges affair, to which the Senator has referred, I think it should also appear in the RECORD that, while the administration was responsible for his conviction, they were also responsible for his acquittal in the case of the famous Landis investigation. At the request of the administration, he spent about a year studying the Bridges case and arrived at the conclusion that Bridges was an entirely innocent and honest man. So it took some time for the administration to run him to ground. but the task has finally been done, for which we may all thank God.

Mr. TYDINGS. By the present administration.

Mr. BREWSTER. That is correct.

Mr. TYDINGS. Yes.

Mr. BREWSTER. In the case of the 11 men who were convicted, I think it is very pertinent to point out that probably one of the most conspicuous witnesses in that conviction was the one who appeared before the subcommittee last Thursday, Mr. Louis Budenz, who, I think, was before the jury for some 10 days testifying regarding the case involving the 11 men. I do not say that as disparaging in any way the activity of the FBI or the administration in securing the conviction of these men, but rather on the point of the extent to which it would seem perhaps to have qualified Mr. Budenz as a witness to whom the Government did attach some respect and credit.

It was unfortunate, it seemed to me, that there was quite so determined an attack upon his credibility or reliability in connection with the investigation, although I am happy to say that the Senator from Maryland was not in any way a party to that, and that his treatment of the witness was certainly all that could be desired. But on the part of the

counsel and on the part of one other member of the committee, apparently it was very astonishing to them that Mr. Budenz was considered as a witness, and very determined efforts were made to discredit and disqualify him, which, it seemed to me, in view of Mr. Budenz's history of the past 2 or 3 years, at least, conveyed an unfortunate impression.

Mr. TYDINGS. Mr. President, will the Senator yield at that point?

Mr. BREWSTER. Yes.

Mr. TYDINGS. First of all, the hearings as to the Communists in New York were brought about and their indictment was brought about by the undercover work of the FBI.

Mr. BREWSTER. I am not quarreling about that at all.

Mr. TYDINGS. I am informed it was done by the undercover work of the FBI. The FBI secured the indictment. I do not doubt that Mr. Budenz was helpful. I do not want to detract from any service he rendered. But the truth of the matter is that it was the FBI operation, and Mr. Budenz was used as a witness in that case.

Mr. BREWSTER. He was careful to state that, I thought.

Mr. TYDINGS. Will the Senator permit me to finish?

Mr. BREWSTER. Yes.

Mr. TYDINGS. In fairness to the examination of Mr. Budenz, I will say there were only about 25 or 30 questions asked him by counsel, and none by the Senator from Connecticut [Mr. MCMAHON] and myself, other than what was the date of occurrence. A great many questions were asked of him by the Senator from Iowa [Mr. HICKENLOOPER], who, properly—I am not saying this in criticism—did most of the interrogation. In my opinion, none of the questions the counsel asked were in the nature of anything but proper and restrained cross examination of the witness. If the Senator will read the record—I believe he has not done so, because I do not think he has had any opportunity to read it—he will find that three-quarters of the interrogation of Mr. Budenz was done by the Senator from Iowa; that the counsel asked only 20 or 25 very proper and restrained questions in a very calm way without any idea of stampeding Mr. Budenz, and Mr. Budenz has told me himself—not me, I will say, but told others, that he had no complaint. I think he said that on television last night. So the assumption that Mr. Budenz was given rough treatment is not, I am sure, supported by anyone who attended the hearing.

As I said, most of the questioning was done, and quite properly, by the Senator from Iowa, who sits on the other side of the aisle. About one-fifth of the questioning was done by those who might be associated in a different category. Mr. Budenz was at all times treated with respect, and there was nothing that I could see in all the questions which was improper in any case at all. I think the Senator from Iowa had a right to go into the matters in which he was interested. I do not subscribe to the doctrine that those who are sitting on the other side of the table have to be mute. I think they can ask any questions they want to and which they think are pertinent, and should not be subjected to criticism for so doing.

Mr. BREWSTER. I hope the very keen mind of the Senator from Maryland fully appreciates that most of what he said did not relate to the point which I made, but I appreciate his contribution with respect to the situation. I certainly have no quarrel with his statement of the facts. I did hear Mr. Budenz on the television yesterday afternoon. It was a continuation of his plain, factual approach to the situation, with the utmost circumspection as regards his evidence before the committee. I do not recall that he went quite to the extent the Senator has indicated, as expressing an opinion, because he was quite careful not to express any opinion regarding the committee or its procedure—feeling, no doubt, that it would be a violation of the proprieties.

Mr. TYDINGS. However, I think someone asked him if the method was a good one, or something of that sort; and he said he thought it should be a bipartisan method, and he had no adverse comment to cast upon the committee, as I believe the Senator from Maine will recall.

Mr. BREWSTER. I think he said something of that character, which was very gracious and very generous.

He did say, however—and I venture to bring this to the attention of the Senator from Maryland and to the attention of the Senate, inasmuch as I understand that the Senator from Maryland did not hear it—that he was prepared to furnish to the committee the names of 400 persons in the Government——

Mr. TYDINGS. Oh, no; I beg the Senator's pardon.

Mr. BREWSTER. I stand corrected.

Mr. TYDINGS. Let me interrupt the Senator, because I do not want him to labor under a delusion. I saw and heard the television and broadcast. I also attended the hearings while Mr. Budenz was on the witness stand.

What Mr. Budenz said—let us get it right—was that he had the names of some 400 Communists in America.

Mr. BREWSTER. That is correct.

Mr. TYDINGS. And he said he was turning those names over to the FBI. In response to a question of mine, I believe, "Are they in the State Department?" he said, "No, they are not in Government. These 400 are not people who are in the Government."

Mr. BREWSTER. I am quite sure——

Mr. TYDINGS. If the Senator from Maine would like me to get the record and bring it here in half an hour, I shall do so, and shall turn to the specific page, and shall show the Senator the answer.

Mr. MUNDT. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Maine yield?

Mr. BREWSTER. In a moment, Mr. President.

Let me say that I am sure that both the Senator from Maryland and I will be very happy to stand on the record. I appreciate the comment. I am glad to know that the Senator from Maryland listened to the broadcast, as I did. I think the Senator from Maryland is quite correct in saying that Mr. Budenz did not charge that the 400 were in the Government. However, I think he did say that he had several names of persons who were in the Government. I am not sure whether he said they were in the State Department; I think he said "in the Government."

Mr. TYDINGS. The Senator is correct. Mr. Budenz stated before our committee that he was going to look up and see if he could ascertain the names of persons, first, in the Government; and, next, in the State Department, whom he would denominate—I will not use the exact term; I forget whether it was Communists or left-wingers, or whatever it was.

He also said in his broadcast that he was preparing a list of names of some persons who were in Government, who he thought ought to be investigated. The Senator is correct about that.

Mr. BREWSTER. Mr. President, does the Senator consider that the cases testified to by Mr. Peurifoy, of 91 sexual perverts or moral degenerates, are bad security risks?

Mr. TYDINGS. I assume they would be. However, I should like to ask the Senator whether or not, if no disloyalty charges are brought against them, such cases come within the jurisdiction of the committee. What should be the jurisdiction of the committee?

Mr. BREWSTER. Mr. President, I had thought the resolution was broad enough to cover all bad security risks.

Mr. TYDINGS. The resolution instructs the committee to make a thorough investigation of persons now employed or who have been employed in the State Department, against whom charges of disloyalty have been made. In order that I may read the exact language, I ask to be furnished a copy of Senate Resolution 231.

Suppose a man has an unfortunate physical disease—I use that term for want of a better one—but has never been charged with being disloyal. What should we do about that?

Mr. BREWSTER. I am a little startled at the reply the Senator has given, because the State Department had apparently accepted that as a criterion, and did dismiss such persons for reasons which the State Department certainly thought were good and sufficient; and until this moment I had always supposed it was because they were bad security risks, which certainly implies that the State Department is afraid their loyalty might be subject to undue influence.

Mr. TYDINGS. I should think it would be, and I should also think that a man in the State Department who had a liaison with one of the opposite sex might, for the same reason, be subject to disloyalty charges, if that is the criterion, because the history of spy work

has largely been based upon a beautiful woman's extracting secrets from men in government service. The case of Mata Hari is one of the most pronounced and renowned in all the world; and I think that is the general pattern in Europe, at least.

I read now the specific instructions to the committee from this body:

> In the conduct of this study and investigation, the committee is directed to procure, by subpena, and examine the complete loyalty and employment files and records of all the Government employees in the Department of State and such other agencies against whom charges have been heard.

I should like to ask the Senator what he would do if he were on the committee, when a charge of the character he has denominated is made, but when it has no connotation of or connection with disloyalty. Would the Senator assume, then, that such a case came within the purview of the inquiry conducted under the resolution?

Before the Senator answers that question, let me tell him in advance that any matter of this kind which comes to my attention will immediately be transmitted to the proper investigative agencies.

Mr. BREWSTER. Mr. President, this is the first time in all the discussions in the past few weeks, since the disclosure was made by Mr. Peurifoy, that I have heard anyone, either privately or publicly, raise any question as to the desirability of eliminating——

Mr. TYDINGS. Mr. President, if I may interrupt, let me say that I am not raising any question about the desirability of eliminating such persons from the Government service. The Senator should not attempt to put words in my mouth. I have not raised any question as to the desirability of eliminating such persons from the Government service, and I am not going to be maneuvered into such a position.

I would eliminate them.

Mr. BREWSTER. I would, too.

Mr. TYDINGS. But I am asking whether or not that question is within the scope of the resolution.

Mr. BREWSTER. So far as I am concerned, it is; and I would be very happy to give the Senator from Maryland one of the reasons why I believe it is, because in a case of this character which was brought to my attention by Mr. J. Edgar Hoover, of the FBI, he said that he considered that it was the most vulnerable aspect of our relationships, because it was widely used by foreign embassies as a means of extracting improper information. That was some time ago, and I have never had any question about it.

Mr. TYDINGS. I agree with the Senator.

Mr. BREWSTER. But when the Senator goes a step further, in regard to the liaison, I am sure he does not mean to indicate that he would disregard things of that character.

Without going too much into the details of such matters, as the Senator very well points out, that is another method which frequently is used, but it is not quite so susceptible to blackmail as are the cases of the other sort.

What I was leading up to is this: It has been widely reported in the past, and it has not been denied—it has been common gossip on this floor—that responsible agencies of the Federal Government in the District of Columbia have reported to another Senate committee that there are 3,500 cases of this character in the Government service at this time. I call that to the attention of the Senator because it has seemed to me that the extent to which that situation might have an impact upon our entire loyalty program is a matter which the committee at least would wish to consider.

Mr. TYDINGS. I should like to say to the Senator from Maine, as I said previously, that when the resolution was before the Committee on Foreign Relations, and when I was appointed chairman of the subcommittee, I advised and requested the chairman of the committee to come on the floor of the Senate and read the scope of the resolution and get what I might call a town-meeting atmosphere in regard to the perimeter of the resolution. At that time the able Senator from Michigan [Mr. FERGUSON] asked me whether I would be confined to the strict wording of the resolution. I told him then, as I think he will remember, that I would not; that as to anything which was within the general scope of the investigation, even though it was not technically within it, I would feel duty-bound, within reasonable limitations, to explore in the interest of having a Government which would be completely free of any influence which any of us might not like, and I would likewise include in that the general position of the Senator from Maine. My point is, however, that that would be collateral, more or less.

Mr. BREWSTER. Yes.

Mr. TYDINGS. It would be more or less collateral to the communistic or spy business, or whatever the particular denomination might be, which the committee was primarily charged to investigate. However, if such a case should arise, though not involving disloyalty, I should feel called upon, within the limits of reason, and considering the State Department as our primary field of operations, to report it to the proper authorities for investigation, to do what investigating we could, and, in due time, to report to the Senate.

Mr. BREWSTER. I thank the Senator very much for his statement.

Mr. TYDINGS. I should like to say, if the Senator will permit—because I must leave—that I am very grateful for two or three things he said in his remarks. It is not a very pleasant duty, as he himself has said, to be on one of these committees. In the nature of things, human beings being what they are, there is always some sort of pressure from the two sides of a controversy—often honest pressure. People want to say that a certain thing is so, and others want to say it is not so. The Senator from Maryland is no wizard. He has no monopoly on virtues, and he probably has his full share of faults. But I want to say to the Senator from Maine that, within my chemical and fleshy composition——

Mr. BREWSTER. And intellectual, I may say.

Mr. TYDINGS. Intellectual, I hope; but I shall leave that for others to say—I have only one desire in this matter. That is, to be fair to the accused and fair to the accuser, to find the facts, and let the chips fall where they may. If there is anything that can be established to exist in this Government that should not be there, I tell the Senator from Maine that the Senator from Maryland is going to say so. If, on the other hand, I do not find such facts, I shall feel equally duty-bound to say that. I am not approaching it with the idea of shielding anyone or of hurting anyone. What I want is the truth. The door is wide open to anyone who will give us some truth in this important matter.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MUNDT. I am sure everyone in this body admits that the Senator from Maryland is carrying out exactly that kind of procedure. Unfortunately, I know, and I am sure the Senator from Maryland knows, that there are going to be cases in which it will be impossible to say, "We know that this person is guilty," or "We know that this person is not guilty." There are going to be some unhappy twilight cases.

Mr. TYDINGS. That is true.

Mr. MUNDT. It would be the hope of the junior Senator from South Dakota that in cases involving loyalty and security, in such a situation, if there is doubt, the benefit of the doubt will be given to the Government rather than to the individual.

Mr. TYDINGS. I am sure we shall, and I think that is the better procedure, that it is better to injure in the slightest and smallest way, a person about whom there is any question respecting the conduct of such an important office as the State Department. One of the witnesses before our committee, who is engaged in screening State Department employees, General Snow, as I recall, who is head of the Loyalty Review Board of the State Department, said that when it did get into the twilight zone of cases, they always resolved the case in favor of the Government and against the individual, even though it might entail some injustice. I do not think we are in a court of law, where a decision must be made whether a man stole a horse or owes a bill. It is a matter in which we cannot take a chance, and, when there is a twilight zone, where it cannot be said affirmatively one way or the other, within reason—of course, there will always be some little evidence that is bad, and a little evidence that is good; but within reason—then I think the committee should say so, and I think the Government should not continue the employment of such a man, at least in any place where he could be of any harm.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to ask the distinguished Senator from Maryland a question, if I may have unanimous consent to do so. I came on the Senate floor as the Senator from Maryland, in reference to the 91 alleged homosexuals who were discharged, or rather who were permitted to resign by the State Department, asked whether it was the job of the committee to look into those cases as to whether or not the persons involved were disloyal? Was I correct?

Mr. TYDINGS. It would be, if we had any charges.

Mr. WHERRY. I should like to ask the distinguished Senator a further question. I made a statement on the floor of the Senate as to what I thought the resolution meant. I should like to ask the Senator whether I am correct in my interpretation. I will read the language, and will then ask the question. I read:

That the Senate Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to conduct a full and complete study and investigation as to whether persons who are disloyal to the United States—

That is in the present tense, "persons who are disloyal to the United States"—

are or have been employed by the Department of State.

The point I desire to make is this: The Subcommittee on District Appropriations of the Senate Appropriations Committee has worked rather quietly along the lines of making recommendations to the Senate relative to the bad security risks of homosexuals in Government. I am not prepared today to give that report, but I hope to do so this week. I think the findings of fact that will be in that report will be a revelation. But I ask, Do not the provisions I have read mean that if in the opinion of the chairman of the committee, these 91 persons, who I claim are bad security risks, are still with the Government, it would be within the province of the committee to ferret out those 91 persons and make recommendations accordingly?

Mr. TYDINGS. Are these men proved to be in the category delineated by the Senator from Nebraska?

Mr. WHERRY. Mr. President, if the Senator from Maine will yield further——

Mr. BREWSTER. I yield.

Mr. WHERRY. I should like to say for the information of the distinguished Senator that, on the testimony of Mr. Peurifoy before the subcommittee consisting of the Senator from Alabama [Mr. HILL] and the Senator from Nebraska [Mr. WHERRY], that question was asked. Mr. Peurifoy does not know what has become of those 91 men.

Mr. TYDINGS. Does the Senator mean they are in the Department now?

Mr. WHERRY. They were asked to resign.

Mr. TYDINGS. How long ago?

Mr. WHERRY. It has been over a period of time. I was led to believe that it had just happened, but the facts are that these 91 persons have been requested to resign over a period extending back to January 1, 1947.

Mr. TYDINGS. Cannot the Senator from Nebraska ascertain from the personnel records of the Department of State whether these men are still there? The records are available.

Mr. WHERRY. Mr. President, will the Senator from Maine yield further?

Mr. BREWSTER. I yield.

Mr. WHERRY. I have just stated to the distinguished Senator from Maryland that Mr. Peurifoy does not know where the men are. They were asked to resign, or they voluntarily resigned, during that period of time. The point I want to make is——

Mr. TYDINGS. If the Senator will allow me to interrupt—because he and I, I think, are talking about two different things, and I want to follow him, and I am only seeking guidance——

Mr. WHERRY. Very well.

Mr. TYDINGS. Every employee of the State Department has a personnel record. If the Senator has the name of, we will say, John Smith, who is in this category, he can immediately go to the personnel record and find out when the man was employed, how long he was employed, and what he did, and whether he is still employed. I assume the Senator has asked Mr. Peurifoy whether these people are still employed, and Mr. Peurifoy has said he does not know. Is that correct?

Mr. WHERRY. No.

Mr. TYDINGS. Oh.

Mr. WHERRY. What I asked Mr. Peurifoy was whether he could tell us now whether any of the 91 were employed by any Government agency; and he said he could not. I will enlighten the Senator a little bit on the record.

Mr. TYDINGS. Mr. President, will the Senator yield at that point?

Mr. WHERRY. Let me complete my statement first; I have a great admiration, of course, for the work which the committee has set out to do, and I hope it will comply with what I thought was the interpretation of the resolution. After all, there is not a man on the Senate floor but who wants to terminate the services of a bad security risk in high places in Government. We are all together certainly on the thing about which we are talking.

I should like to say to the distinguished Senator that my investigation reveals that the persons who were permitted to resign do not have a tag on their record as to this particular disloyalty charge, and that unless one is discharged for other cause, unless one has been discharged for some criminal action, we cannot find out the answer to the question which the distinguished Senator has raised.

I wanted to make that explanation, because I think my question becomes obvious.

Mr. TYDINGS. I come back to my original question: Did Mr. Peurifoy say that the 91 men to whom the Senator has referred are still in the State Department?

Mr. WHERRY. He was not asked that question. I assumed that he would have at least enough knowledge of his loyalty board not to reemploy a person who had been asked voluntarily to resign. But I may say to the distinguished Senator that if one of those 91 persons has been employed in any other branch of the Government in a high position, he is just as bad a loyalty risk in the other department as he was in the position from which he was requested to resign.

So, Mr. President, should there not be a complete and exhaustive investigation with reference to those 91 persons so that Government agencies may establish a proper liaison and so that we may know that once a disloyal person has been separated from one branch of the Government he cannot be employed by another branch?

Mr. TYDINGS. I have two things to say to the Senator from Nebraska.

Mr. WHERRY. If the Senator will let me finish——

Mr. TYDINGS. The Senator has asked me so many questions that I am afraid I shall lose three or four of them.

Mr. WHERRY. Very well. Please go ahead and answer.

Mr. TYDINGS. When the report is submitted——

Mr. WHERRY. Which report?

Mr. TYDINGS. The report of our committee—I believe it will contain a great many recommendations which I hope will be constructive in character and which I hope will make the machinery effective not only in the instance which the Senator has already brought out, in which it may or may not be effective, because we have not examined all other lines connected with it—but, to get back to my question, does the Senator say that Mr. Peurifoy stated that those 91 men are still in the State Department?

Mr. WHERRY. Mr. President, let me answer that question. To me that is immaterial.

Mr. TYDINGS. I should like the Senator——

Mr. WHERRY. The Senator asked me a question, and I want to answer it. It is immaterial to me. The point I am raising——

Mr. TYDINGS. It is not immaterial to me.

Mr. WHERRY. Just a moment. I have the floor, and I shall be glad to yield to my courteous friend from Maryland.

The PRESIDING OFFICER. The Senator from Maine [Mr. BREWSTER] has the floor.

Mr. WHERRY. I shall be glad to ask the distinguished Senator from Maine, then, if he will yield so that I can answer the Senator from Maryland.

Mr. BREWSTER. I shall be happy to do so, without losing my rights.

Mr. WHERRY. The question the Senator asked does not lead to the basic difficulty which I am trying to convey to the Members of the Senate, nor would the obligations imposed upon the committee. Is it not a fact that if the committee is to make a complete and full investigation of persons who are dis-

loyal to the United States, it is highly important that the 91 persons who were asked by the State Department to resign because they were homosexuals should be subject to investigation as well as any other persons who may be mentioned, such as the 57 persons mentioned by the Senator from Wisconsin [Mr. McCARTHY]?

Mr. TYDINGS. The answer, of course, is that anything which touches on disloyalty in the State Department or anything related to it is important. I am sorry the Senator said it was immaterial to him whether these men were in the State Department now or had gotten out.

Mr. WHERRY. Oh, no.

Mr. TYDINGS. That is what he said when I asked him that question. If he wants the State Department cleaned out, in my opinion, it is very material as to whether these 91 men have been let out or whether they are still there. I should like to have the Senator's observation as to whether he says they are there or whether they are not there.

Mr. WHERRY. The Senator from Maryland is trying to put words into my mouth indicating that I do not want the State Department cleaned out. The point I made was that whether they work for the State Department or for some other department is immaterial. Is it the intention of the committee to focus its attention only on some of the names submitted by the Senator from Wisconsin, or is the committee going to give the Senate of the United States and the American people a full-dress, complete investigation of disloyal persons? If it is, the 91 persons as to whose whereabouts Mr. Peurifoy does not know should be brought before the committee. I am willing to guarantee that if the committee brings in those 91 persons and takes their testimony, it will get leads which will help the committee in its activities.

Mr. TYDINGS. If the Senator will read the CONGRESSIONAL RECORD tomorrow he will see that the Senator from Maryland stated substantially this:

Is it the contention of the Senator from Nebraska that the 91 persons to whom he has referred are now employed in the State Department?

The Senator will find his response was as follows:

I do not think that is material.

I think it is very material. If those 91 men are there, I want to know it. Are they there, or are they not there? If Mr. Peurifoy says he does not know where they have gone, it seems to me to be quite obvious that there is no record of their current and present employment in the State Department. Let us be fair about this.

Mr. BREWSTER. Mr. President, I do not like to arbitrate between the two Senators, but I think it is quite clear from the discussion I have heard that the Senator from Nebraska was concerned about their possible employment in other agencies.

Mr. TYDINGS. That is all I wanted the Senator to say.

Mr. BREWSTER. He further made it perfectly clear to me that he took it for granted they had retired from the State Department. I think he actually said that.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. FERGUSON. I should like to ask the able Senator a question concerning the 91 persons to whom reference has been made. The Senator from Michigan was present at the Appropriations Committee hearing where this evidence was disclosed. It was apparent from the testimony that 91 persons were allowed to resign from the State Department.

Mr. WHERRY. That is correct.

Mr. FERGUSON. Which indicated clearly that they were in some other department.

Mr. WHERRY. That is correct.

Mr. FERGUSON. Therefore I think the resolution itself speaks of the duty of the committee, because on page 2, line 1, of the resolution, it is provided as follows:

In the conduct of this study and investigation the committee is directed to procure by subpena and examine the complete loyalty and employment files and records of all Government employees in the Department of State and such other agencies against whom charges have been made.

That indicates that if those 91 persons went to some other department, it was the duty of the committee to follow them into the other department and get their loyalty files and their employment files. Would not the Senator say that is correct?

Mr. TYDINGS. I think the Senator has a point there. I do not want to run away, but in order to do what the Senate wants me to do I have to attend a very important meeting very shortly. Let me say to the able Senator from Maine and to the able Senator from Michigan that there are on the subcommittee five members. I would say, as to the other four, that I believe they are all diligent in their duties. They are busy men. I have a great deal of trouble, quite often, as Senators know, with reference to having as many committee meetings to outline and suggest things as I would like to have, because all these things have ramifications into legislation. But I think the members of the subcommittee can say, with complete candor and truth, that from the very start, when any procedure has been proposed, we have acted as a unit. There have been very few disagreements about what we should or should not do.

The reason I have made this preliminary statement is because when we meet I do not look on it as my investigation; I looked on it as our investigation. I am not trying to do anything which the committee as a whole does not want me to do. I shall, insofar as I can, comply with its wishes. Therefore, I do not wish to be maneuvered into a position of speaking for the whole committee without the committee's authority.

I did so once, after another member of the committee had made a statement. I did not initiate the practice, and I do not wish to do it again. However, after another member of the committee had seen fit to make a statement, it appeared to me that I also might make a statement. However, we are a five-man committee, and I am only the chairman of the committee. It is a pretty good committee—outside of myself—and I would vouch for the other members of it. Whatever the committee believes to be the proper and right thing to do will be done to the very best of our ability.

In conclusion, anything which is related to the security of this country, without making any categorical statements about one phase or another phase—but as to all phases—which have any relevancy to the subject, will receive our attention.

Mr. FERGUSON. Mr. President, will the Senator permit me to ask him a question?

Mr. TYDINGS. Yes; but I must attend the meeting of the committee.

Mr. FERGUSON. I appreciate that. I merely wanted to state that the Senator from Michigan requested information of Mr. Peurifoy, almost a month ago, as to whether any of the 91 persons had returned to any Government job, and I understand that up to now the committee has not received information on that subject. I believe the chairman of the committee ought to go into that question.

Mr. TYDINGS. I believe that to be a very reasonable request.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Maine yield to the Senator from Oregon?

Mr. BREWSTER. I yield.

Mr. MORSE. I appreciate the work which the Senator from Maryland and his committee have been doing, and I am sure that the committee appreciates the work being done by its very able general counsel, Mr. Edward Morgan, who is in charge of its investigations. I am sure that everyone who knows him knows that a fair, impartial investigation will be conducted by him as general counsel for the committee. I have one great concern, and I believe that if the question which I am about to ask the chairman of the committee could be answered in the affirmative—and if the administration could do the things necessary to make it possible for the distinguished Senator from Maryland to answer it in the affirmative—it would be one of the healthiest things that could happen to public opinion in America today. I say that because of the doubts and fears which have arisen in connection with this entire investigation.

My question is this: Does the Senator from Maryland have any hope at all that the administration will permit the members of his committee as representatives of all the people of the country to sit down with the Federal Bureau of Investigation and just read the files, about which there has been so much talk in the newspapers? Is there any chance,

in the opinion of the Senator from Maryland, that the administration will relax its previously held opinion against letting the committee read the files and permit the people's elected representatives to look into the files? After all, the files do not belong to the Bureau of Investigation. They do not belong to the administration. They belong to all the people of the United States. I think the people are entitled to have their elected representatives sit down with the Federal Bureau of Investigation and look into those files.

Mr. TYDINGS. Mr. President, I shall reply to the Senator by disclosing for the first time—and I have not even disclosed it to the members of my committee—what the Senator from Maryland has been trying to do along the line projected by the Senator from Oregon. When the Chairman of the Foreign Relations Committee, the able Senator from Texas [Mr. CONNALLY] asked me to accept the chairmanship of the subcommittee, I turned his request down twice. Serving jointly with him on some committees the Senator knows that I have a very heavy load of committee work to carry already.

Mr. MORSE. And the Senator from Maryland is doing it very ably.

Mr. TYDINGS. I serve on the Committee on Armed Services, the Joint Committee on Atomic Energy, the Committee on Appropriations, and the Committee on Foreign Relations, all of which meet simultaneously sometimes. In wanting to get to the heart of the whole matter as quickly as possible, and without any fanfare, I went to see the President of the United States in an attempt to get the files. I think the President was impressed by my plea for making the files available to the committee. I think I may say in complete honesty that I do not believe there is a man in America who wanted to make these files available more than did the President of the United States, because he told me that in so many words. We talked over some procedures as to how it could be done without interfering with the very efficient and fine work which the FBI is constantly doing.

The Senator from Oregon knows that in many of the files in the various departments there are memoranda that come from the FBI. Therefore, if we got files which contained memoranda which had been put in by the FBI, we were in a sense disclosing, even though not to the public, some information which the FBI had told informers would never be disclosed to anybody in Christendom except to themselves. The President and I discussed the subject for some time, and I went back to see him a second time and talked it over with him again. I found him still ready, willing, and anxious to try to give us the files.

Our next experience was in the office of the Attorney General, Mr. McGrath, in the presence of Mr. J. Edgar Hoover. At that time we did not have the file in one particular case, but Mr. Hoover was in the office and he said he had personally prepared the summary of the file in that case and that it was a true account, made up without fear or favor of what was in the file. The summary was about 14 pages long, as I recall. Each member of the subcommittee was given a copy of the summary, and the summary was read while each of us held a copy of it in our hands. We did not have the original files. I do not attempt to quote Mr. Hoover verbatim, but in effect he said that it had never been the policy of the FBI to turn files over to anyone, but he would give us a summary in that particular case.

I asked Mr. Hoover, since he was opposed to disclosing what was in the FBI files, for the reason he stated, if he would not come before our committee and give an explanation, so that the committee would not be left in the position of not having done all it could do, first, to get the files by request, second, by subpena, and third, by appeal to Mr. Hoover himself. As the Senator from Oregon knows, Mr. Hoover came before the committee and testified concerning his position with respect to the files.

I think Mr. Hoover is one of the most patriotic men and one of the best administrators of any branch of our Government, and the organization which he heads, the FBI, is without a peer and is superior to any investigative organizations I have ever heard of in the whole world. Mr. Hoover said that if the files were turned over to our committee it would in part destroy the investigative system of the FBI. He said he was opposed to it. He is an emphatic man. He gave us his reason for it, which was carried in the press of the country.

I went back to see the President the third time. The President said, "What am I to do? I do not want to go back on the advice of Mr. Hoover, who is unalterably opposed to furnishing these files, because he says 'people in the past have given the FBI statements because the agents have told them, "You are perfectly safe in telling us what you know, because what you tell us is never going to be used except by us to further our investigation." If this information were to be disclosed, persons from whom agents would normally get information would "clam up," as the saying goes, and more harm would be done by disclosing information in the files, and breaking down a rule which I have rigidly adhered to ever since I have been in office, than could possibly come out of this single investigation, because we have espionage suspects, criminal suspects, who have violated criminal laws, and all sorts of operations in our Bureau, and we cannot get evidence unless we can assure people beyond a peradventure of doubt that what they tell us in talking freely to me or my agents will never be made public and will never be used publicly.' If you are going into that," he said, "you are going to strike down the FBI."

I was afraid Mr. Hoover would resign, he was so intense, and I think with a great deal of reason, in his thought that this would do the Government harm, that a policy he had been following for about 15 years, and adhered to religiously, was going to be torn down. I was afraid, as I said to some of my colleagues, that if we should force him to do what was indicated, he might, out of protest, conceivably resign his position. He did not say he would, but he was very emphatic about it, and in my opinion he left a little suggestion that the FBI in the future would not be what it was in the past if we did what was proposed.

I have for the first time told just what occurred. I have not told even my committee that I visited the President three times. The President told me, the first time, in so many words, that I could have the files if we could work out a procedure. I went back the second time to try to work out a procedure, and it was only when suggestions came that this would do the country more harm than good that the President said, "I do not see how I can comply with your request, and I would give anything if I could make these files available."

I merely wish to say to my colleague the junior Senator from Oregon, in conclusion, that if anyone thinks the Senator from Maryland has not been diligent, away beyond his committee jurisdiction, in trying to get the information which everybody wants to get, he is mistaken. I have done some very hard work on it, and gotten very little credit for it.

Mr. MORSE. Mr. President, I am very glad I ask the Senator the question, because I think that in all fairness the statement and explanation the Senator has just made is due himself, as well as due the country. I wish to make a very brief comment on it.

Mr. TYDINGS. I hope the Senator will make it brief. I am half an hour late for an important investigative meeting.

Mr. MORSE. It is going to be very brief. I shall hold the watch on myself.

I wish to say that no one on the floor of the Senate stands as a more staunch defender of the FBI and its great Director than does the junior Senator from Oregon. However, in this particular regard there are a couple of very basic, elemental, but precious principles of government at stake.

First, I seriously question whether it is wise in a democracy for any agency of Government ever to get itself into such a position that it can collect information about individual citizens and keep it secret not subject to that good old principle of checks and balances inherent in our constitutional form of government. I seriously question the wisdom of allowing any agency of Government to collect evidence and information about fellow citizens which cannot under any circumstances be made available to the elected representatives of the people in a democracy. Unchecked, unreviewable secrecy can develop into a threat to freedom.

Mr. TYDINGS. Mr. President, will the Senator permit a question?

Mr. MORSE. Certainly.

Mr. TYDINGS. I think the Senator has a good point. Let me say, however, that the procedure of the FBI is, briefly,

as follows: They get a mass of information, let us assume, in a criminal case, and they start to weave it together. There comes a time when there appear other indications that the man against whom they are weaving the charges is guilty, but they do not have the evidence to support it in a court of law.

Mr. MORSE. That is correct.

Mr. TYDINGS. What they have to do is to see whether, in the whole area, the probabilities are that the man is either guilty or at least suspect. Much of the evidence is hearsay, of course, and would not be admissible, but it all adds up and dovetails, a little bit here and a little there, and fits into a pattern.

When they are reasonably sure that they have a fair case in the making, their problem is to get the kind of evidence that will prove it. When they get that, they immediately go into a court of law and start prosecution. Or they go to the State Department and say, "Bill Jones is a Communist." Or they go to the Department of Agriculture and say, "John Smith is a Communist," and the man goes out.

But in these files there is a tremendous mass of hearsay stuff that is of no value at all except that it does quite often give a point of view or clue which will lead to something of value.

Mr. MORSE. Mr. President, it is at that point that I want to make a suggestion, because I think we must place some check into this investigation, so that we will put the Senate into a position by which those who think that bad security risks exist in the State Department will have what I think is their strongest point taken away from them unless they can produce the evidence.

They say, "Let us look at the files, and we will prove we are right." I think the check we have to get into the picture has to do with what Mr. Hoover must do; if we cannot see the files. If the President is going to agree with Mr. Hoover that the files should not be opened to the committee—and, after all, the decision is up to the President, because the President does have the power to reverse Mr. Hoover if he desires to do so—then I think Mr. Hoover should come forward and advise the committee as to whether or not Mr. X, Y, or Z is a bad security risk, as shown by the evidence he does not want to disclose to the committee. I think the committee is entitled to receive from him leads so that it can proceed to get the evidence itself, and still protect the informers of the FBI. I think it is entitled to have him tell the committee whether or not in his opinion there is information in the FBI files which support Senator McCARTHY's very serious charges.

I am worried, as I think millions of other Americans are, about the danger growing up in this country of government by secrecy. Government by secrecy can lead to another kind of government that cannot be reconciled with democratic principles.

Mr. TYDINGS. Mr. President, I should, of course, like to continue the discussion with the able Senator from Oregon and others, but I am half an hour late now, and while my colleagues who are not on the committee have a rare privilege, being Senators, of discussing matters on the floor, I have to set about doing what I know my colleagues want me to do, attend a committee meeting.

Mr. FERGUSON. Mr. President, will the Senator yield for one question?

Mr. TYDINGS. I yield for one question?

Mr. FERGUSON. Is it not true that the Senator might obtain a summary of the other files, as he already has obtained a summary of the one file? I assume that in that summary informants' names were not used.

Mr. TYDINGS. Of course not. When we saw the summary in the Lattimore case—and I am not saying this by way of criticism of the FBI—the able seatmate of the Senator from Michigan, the Senator from Iowa [Mr. HICKENLOOPER], said he was not satisfied with the summary, and said he wanted to see the raw file. Therefore, if one sees a summary, and it does not prove this, that or the other, he wants to see the raw file. I would like to see the raw files myself; I am not myself in a position different from that of the Senator from Iowa. But after all five of us had read the summary, the Senator from Iowa in a statement to the press—though I am not quoting him verbatim—said he was not satisfied with the summary; that he wanted the raw file. I say, and the Senator knows, that if we see the summaries in all these cases, and the summaries do not do this, that, or the other thing, there will be a demand to see the raw files. If we are not going to see them in the end, but see only a summary, it is not going to satisfy anyone.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. TYDINGS. I am likely to let two suspects get loose while I am debating on the Senate floor, and I do not want to do that.

Mr. BREWSTER. Mr. President——

The PRESIDING OFFICER. The Senator from Maine has the floor.

Mr. BREWSTER. Mr. President, I think I am entitled to one question.

Mr. TYDINGS. The Senator certainly is. He has been very courteous.

Mr. BREWSTER. Has the Senator from Maryland considered, and would he at this time care to express an opinion, as to whether, after the developments in the matter of investigations over the past century, the time is not rapidly approaching when it would be well to have a determination by the Supreme Court of the relative functions, responsibilities, and powers of the departments of Government, if it can be done without detriment to other considerations?

Mr. TYDINGS. I may say to the Senator that I am not speaking of whether it would be advisable or inadvisable. I want to make that plain. My answer is again made in a purely legal sense. When the question came up as to whether or not we might eventually have to subpena the files, while I had some slight idea respecting what the law was, I wanted to inform myself very fully. So I had a brief prepared, which I studied, and it is my opinion, and I think the courts have abundantly sustained it, that it is impossible by subpena from a legislative body to compel secret papers of the Executive to be turned over to it. Therefore if we had a case which would take some little time to prepare and argue, I doubt very much whether under our present laws and Constitution we could achieve the results the Senator has in mind.

The Executive could no more subpena the documents of the legislative than we could subpena the documents of the Executive. The same statement applies to the judiciary. I would even go so far as to say the Senate could not subpena the documents of the House of Representatives nor could the House of Representatives subpena Senate documents. In other words, the executive, legislative, and judicial branches of the Government are three independent branches. They are coordinate, but each is a king in its own country within its constitutional sphere. Therefore, when I had come to realize, after I made the study, that I was not going to obtain secret documents by subpena, that a subpena probably would be turned down, it occurred to the Senator from Maryland that entreaty was better than a club, and that was the reason I visited the President on three occasions to get, by diplomacy and courtesy, what I felt sure I would not secure by force and insult.

Mr. BREWSTER. Mr. President, I very much appreciate the Senator's expression. The Senator will recall that in the tidelands matter we were told there were 50 cases in which the Supreme Court had fully decided this matter; yet when the decision came the Court decided exactly opposite to the alleged import of those decisions. Since the question has come more to a focus, I think it might well be considered whether we could secure a determination. I know the Senator from Maryland recognizes the dangers of secrecy, as pointed out by the Senator from Oregon, and I hope that at the proper time we can secure a final determination.

I thank the Senator from Maryland.

Mr. TYDINGS. I am obliged to leave. But before I leave I wish to say to the Senators from Maine and Michigan that, quite aside from the present investigation, it has occurred to me that we might give consideration to how in the future, in the public interest, we might deal better and more efficiently with a situation like the present. I have had some ideas about it which have not completely congealed. My able colleague on the other side, the Senator from Massachusetts [Mr. LODGE], is likewise thinking in the same direction. He has been a very valuable member of the subcommittee and has made many fine contributions to our progress, many of which have not been disclosed to the public.

I am hoping that all of us together, not as Democrats or not as Republicans,

but as United States Senators and good Americans who love their country, can at least devise something better than the procedure we have had to make use of up to now to handle this matter. Perhaps we can. I am not making any promises. But I believe it is the desire of every one of us, including my friend and colleague from Connecticut [Mr. McMAHON], who has been most diligent on this very phase of the matter, and who has contributed mightily to the progress we have made, to come forward as a composite unit with at least some recommendations, and I hope they will be quite far-reaching—I cannot say that they will—which will in the future make it possible to handle matters with more dispatch and less of political connotation—even though there be none in the present instance—than can be done under the present procedure.

Mr. BREWSTER. I am sure the Senator from Maryland in his concern for the legislative branch, of which he is a distinguished Member, will remember that the Congress possesses the inalienable power of the purse so that in the final analysis if the question really comes to a show-down the legislative body can be supreme.

Mr. TYDINGS. The power of the purse is the strongest power in human relationship. After having delivered myself of that great proverb I shall now leave the Senate to debate this matter further while I go to investigate.

Mr. FERGUSON. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. FERGUSON. The last answer by the distinguished Senator from Maryland would indicate that he feels there is a weakness at the present time so far as obtaining the files is concerned. I think it is clear from what has been said here that in the opinion of the Senator from Maryland the matter of determining the question of loyalty or of security risk is entirely in the executive branch; that the legislative branch has no means whatever, either by investigation or in any other way, of acting as a check or a balance in deciding the question of the loyalty of an employee or the security risk of an employee in the United States Government, except insofar as employees of the legislative branch itself are concerned.

Mr. BREWSTER. That is the inevitable conclusion to be drawn from the Senator's statement.

Mr. FERGUSON. Yes. Therefore, we find that the Executive is today absolute when it comes to determining the question of loyalty or security risk in the United States Government. When the President finds that a Government employee is disloyal he can discharge him, and when he decides that a Government employee is loyal or a good security risk he retains him, and the legislative branch must be satisfied, and the public, which has paid for the collection of the material to ascertain the facts, must be satisfied.

I hope the distinguished Senator will continue to endeavor to find some method by which, in cases involving alleged disloyalty, the Congress of the United States, representing all the people as their elected Representatives, may exercise the use of the check and balance power, as it was originally intended it should be used. Today we find ourselves in the position that we cannot exercise the power of check and balance.

When the FBI investigates the qualification of persons to be United States marshals, Federal judges, or of a person to be Attorney General, the FBI will allow a Senate committee to see its files. Not only will the FBI permit the files to be seen, but will give the names of the persons who were interviewed.

I may say that when the President himself found that in the Kansas City case he was, in a way, being investigated, Mr. Edgar Hoover brought to the Senate Committee on the Judiciary the original file of the FBI in relation to what went on in that particular case. That file was brought to the committee at the time of the preliminary examination.

It is my feeling that if the President of the United States wants to cooperate, not only with the Senate but the people of the United States, once and for all to satisfy the people as to whether persons employed in the State Department and other Government departments are loyal and they are not bad security risks, the President can do exactly what he did in the Kansas City case; he can do as he has done not only in dozens but in hundreds of cases involving Federal judges and others. The sources of the information were not given out by the committees making the investigations. Therefore, if the President discloses to the subcommittee of the Foreign Relations Committee the facts, he can satisfy the people of the United States on this important question.

What is the Senator's thought about that?

Mr. BREWSTER. Is it not clear that under the theory on which the Senator from Maryland is proceeding and on which the executive branch is proceeding, even they agree that the President may release these files or allow their examination, at the President's discretion?

Mr. FERGUSON. That is correct.

Mr. BREWSTER. In other words, as the Senator from Michigan points out, in the case of many judicial appointments examination of the files by Senate committees has been permitted. So it is not a matter of a permanent or continuing inhibition. The matter rests in the discretion of the Executive. When he wants to release files, he can do so. When he does not want to release files he does not do so. That gives to the Executive a very extraordinary power. Whether that power in any instance is abused is, of course, a matter of individual opinion.

Mr. FERGUSON. Mr. President, will the Senator yield for a further question?

Mr. BREWSTER. I yield.

Mr. FERGUSON. If the President of the United States may use his discretion in regard to giving to the Senate, first, the files, or, second, a summary of the files, does not the Senator from Maine believe that if the President is not going to permit the committee to have either one, he should satisfy the people of the country that he is wholeheartedly in favor of the investigation?

Does not the Senator also believe that the President should, from now on, give the aid and assistance of the Department of Justice and of the FBI to the committee, so that the FBI would not be bound by its rule of not disclosing what had been told to it by a particular person?

Does not the Senator also believe that from now on the President should give that aid and should tell the people of the country that those agencies of the Government will do their best to provide the committee with all the evidence—although not giving the source of it—so that the committee could satisfy the public that a real investigation is to be made, such an investigation as the distinguished Senator from Maryland said he was going to conduct? I am very happy he made that declaration again on the floor of the Senate, because I believe the people of the United States must be satisfied in this case that an absolutely thorough investigation is going to be made. They are not going to be satisfied if the committee uses only five investigators, whereas the entire Department of Justice should be helping in the investigation.

Mr. BREWSTER. Mr. President, I think it is extremely unfortunate that in the case of Alger Hiss the President disparaged the investigation by a congressional committee by the comment that it was only a red herring. I think that fortifies the statement by the Senator from Michigan that the President might well lean over backward now in making it clear to the people of the country that that remark, whether made inadvertently or without full consideration, did not indicate a desire on his part to suppress or prevent a full and thorough investigation. I think the more liberally he can exercise what all of us agree is his discretion in regard to the exploration of this matter, the more that will tend to restore the confidence which certainly has been undermined. As the situation now stands, it is easy to receive the impression that the files are produced only when their production would discredit the one who has made the charges.

In any event, in some cases the files are produced, and in other cases they are not produced; but the impression which is received is that the decision as to whether or not to produce the files is made according to the President's discretion, based on certain other considerations, but not with the purpose of being best calculated to serve the Congress in carrying out the investigation.

Mr. FERGUSON. In other words, we receive the impression that in one case Congress can receive the summary of the files, but in another case it cannot receive even a summary of the files.

Mr. BREWSTER. Yes; that is what the President has said.

Mr. FERGUSON. And in another case—the Kansas City case—the mem-

bers of the committee are permitted to see the files.

Mr. BREWSTER. Yes.

Mr. FERGUSON. So today we have three types of procedure in such matters: First, the President in his discretion has allowed the committee to see the files; second, the President has allowed a committee to see a summary of the files; third, in the case of a man of equal standing, let us say, his file cannot be disclosed to the members of the committee. The last type of procedure casts upon that man, so far as the public is concerned, the suspicion that in the file there is some evidence against him, and that it is for that reason that there is a refusal to disclose or produce the files. At least, the public could very well reach such a conclusion as a result of that type of procedure.

Mr. BREWSTER. It has been our understanding that in connection with the Loyalty Board which has been set up in this country, some 600 persons, occupying positions of varying degrees of importance in the Government service, have access to the files. I have not seen that statement disputed.

Mr. FERGUSON. Oh, I think that is a fact.

Mr. BREWSTER. Of course, that bears on the question of whether five Senators, Members of this body, might be permitted to see information which is available to so many other persons.

Mr. President, I am sorry to have used so much of the time of the Senate, although, while it is charged to me, it has involved colloquy between a considerable number of other Senators.

I only express the continued hope that this matter will be very thoroughly and very impartially explored.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHERRY. I have asked that the Senator yield; and I also ask that he shall not lose the floor as a result of yielding to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, I wish to make only a brief observation in view of the colloquy into which I entered with the Senator from Maryland [Mr. TYDINGS] prior to the conclusion of the remarks of the Senator from Maine.

In answer to a question by the Senator from Maryland as to what the Senate expected the committee to do with the 91 persons who already have been requested to resign or who have resigned voluntarily since January 1, 1947, from the State Department, let me say that certainly it is my opinion, as I read the resolution, that it is the job of the committee to conduct a full and complete study and investigation as to whether persons who are disloyal to the United States are or have been employed by the Department of State.

That the provisions of the resolution are sufficiently broad not only to cover an investigation as to whether disloyal persons are now in the State Department—and as I said before, it is perfectly obvious that some of them are not in the State Department now, inasmuch as they have been discharged—but also to cover an investigation of those who have been disloyal. Certainly the resolution provides that the committee should search out all who have been disloyal.

Now we find that 91 persons have either voluntarily resigned or have been caused to resign, through the efforts of the State Department. It seems to me that it would not be very difficult to establish the fact of their resignation if they were brought before the committee. The fact that they are now out of the Government service does not mean that the committee is no longer interested in them, for the resolution provides that the committee shall investigate those who are or who have been employed by the State Department and who are disloyal to the United States. Certainly in the case of the 91 persons who have been caused to be discharged during the period from January 1, 1947, up to the present time, there would be all sorts of links which should be investigated by the subcommittee in order to ferret out those who are disloyal to the United States Government. There may be some question as to their disloyalty, but there is no question about their resignation.

There is some question, of course, about the production of the files.

My belief is that if the 91 persons referred to by the State Department were investigated, the subcommittee would report to the Senate a great deal of valuable information along the line of disloyalty on the part of certain persons who have been employed by the State Department.

I should like to make one other observation, which will take me only a few minutes, and then I shall be through.

So far as the production of the records is concerned, let me say that it is peculiar that the moment the Senate seeks to inquire into the loyalty of certain persons, all sorts of barriers are interposed and all sorts of precedents are cited, in some cases precedents which are alleged to have applied for more than 100 years. Precedents are all very well, Mr. President; but an emergency of this sort involves most important considerations. So far as the junior Senator from Nebraska is concerned, it is my absolute judgment and honest opinion that until the subcommittee has exhausted every remedy available to it, it should attempt to get the files in the case of persons who are charged with disloyalty to the United States Government.

A study of most of the precedents which have been cited reveals that they had to do with correspondence of a private nature between the President of the United States and a Cabinet member, or similar matters. However, this investigation involves the very security and national defense of the United States of America. Certainly we should go the extra mile; we should do everything we possibly can do in connection with such an important matter. We should be resourceful enough to take every step necessary to enable our committee to get the files, so as to be able to prove or disprove disloyalty, if allegations are made, which satisfy the committee, regarding whether there is in a high position in the Government service a person who is a menace to our national defense.

I should like to see such a determination made, because I think there is no precedent upon which the withholding of these files or immunity from furnishing them can be based, that is applicable to the present situation. In the interest of the public good, in the interest of the security and defense of the United States of America, I should like to see the President turn the files over for examination.

I thank the Senator from Oklahoma for yielding. I appreciate the observations of the Senator from Maryland and his assurance that the cases of the 91 persons referred to will be considered seriously by the committee. In this instance, in the absence of the files, there may be 91 persons whom the State Department either required to resign, or permitted to resign voluntarily, because they were subversive risks to the United States Government.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3482) granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948

The Senate resumed the consideration of the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. WILEY. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WILEY. Mr. President, I received a long-distance telephone call this morning from the senior Senator from New Jersey [Mr. SMITH]. I was very glad to hear his voice on the telephone. As Senators know, he has been ill. He informed me he was feeling fine and hoped to return to the Senate within a few days. He requested me to place in the RECORD a speech which he had expected to deliver on the pending bill. I desire to read merely the concluding paragraph, which, I think, in a way pours oil on the troubled waters. He says:

> The United States has always been able to achieve unity in times of danger, and we can achieve it now. Let us not deceive ourselves. The Communist successes in China, on the other side of the globe, have put us all in danger, Republicans and Democrats alike. It must be the solemn duty of statesmen of both parties to exchange and debate their ideas in an atmosphere of mutual confidence—and then, having reached a conclusion, to take positive, united action in the name of the whole American people.

I think the sentiments expressed in that one paragraph express the real heart and soul of the issue that is involved at this time before the American people. ALEXANDER SMITH, a grand man, a fine Senator, a gentleman, through me, requests that his speech be incorporated in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the speech prepared by Mr. SMITH of New Jersey was ordered to be printed in the RECORD, as follows:

Mr. President, the statements of the distinguished chairman of the Foreign Relations Committee and the distinguished senior Senator from Wisconsin [Mr. WILEY] have touched upon all parts of the important bill we have before us. I endorse fully what they have said. I do not intend to present such a comprehensive statement myself, but there are several points I should like to develop with respect both to the European recovery program and to those parts dealing with the Far East, in which I have taken a particular interest.

THE EUROPEAN RECOVERY PROGRAM

First, let me comment briefly on the program for Europe. I should like to remind the Senate of the words of our honored colleague, the senior Senator from Michigan [Mr. VANDENBERG], in his recent letter to ECA Administrator Hoffman. In that eloquent letter, the Senator from Michigan asked:

"In all candor can it be successfully denied that the ECA has been substantially responsible for reversing the corroding gloom which threatened Western civilization 2 years ago and which might have brought the iron curtain to the very rims of the Atlantic but for this brave adventure? How much is that worth in liberties, in lives, and in dollars to our own United States? How much?"

Mr. President, every one of us should ask himself that searching question: "How much?"

I am fully aware that the financing of the Marshall plan has called for extraordinary sums of money. We have already appropriated some $10,000,000,000 for its operation, and now we are considering a third appropriation. Each annual request has been smaller than its predecessor, and yet the present request is still for a very large sum—nearly three billions. These billions come out of the pockets of American taxpayers. They constitute a heavy burden which all of us would like to see reduced.

Yet, Mr. President, can any of us honestly ignore the vast importance to every American of this continuing program? At the very outset it was clearly understood that the Marshall plan was designed to last 4 years. The dramatic successes of the first 2 years in restoring confidence and reviving production in western Europe are well known. Now, in this third year which lies before us, we seek to build on that sound foundation an edifice of free and vigorous trade in Europe—an edifice in which that Continent of free peoples can find enduring prosperity and self-support.

This great cooperative venture stands today at the half-way mark. If we in the Senate should refuse to do our part in bringing it to a successful end, in my judgment we would be faced with one of two tragic results. Either we would have to maintain western Europe indefinitely on a kind of charity-relief basis, or we would see the whole of that free Continent fall under Communist rule.

Mr. President, I am sure that both of these results would be repugnant to the American people, as they would be to me. As to the first, let me remind the Senate of the note on which Mr. Paul Hoffman concluded a letter of his to me dated March 21, in which he said:

"Europe wants to pay her own way and we should help her to do so. We in ECA administering this program have constantly kept in mind that the only charity of enduring value is that charity which lifts people above the need of charity."

I cannot too strongly emphasize my agreement with that statement. If we should allow our dynamic ECA program to give way to a long and sterile period of charity handouts to Europe, the whole purpose of the Marshall plan would be destroyed. It would be grossly unfair both to the peoples of Europe and to the people of the United States. Ultimately I feel certain it would bring disaster.

But let me ask Senators to consider the second alternative—that of abandoning Europe completely to the onslaught of communism. I need not elaborate on this thought, because it is unthinkable to us all. It would mean the immediate extinction of the free way of life among over 200,000,000 people who share our common western heritage. And soon after it would mean that we ourselves would face a threat to our security so terrible that even our great Nation might not be able to withstand it.

Mr. President, these are the dire alternatives which the last 2 years of the Marshall plan are designed to prevent. The price we Americans are asked to pay this year is not quite $3,000,000. The objective is peace and freedom for the world we Americans live in. Let me again ask in the words of Senator VANDENBERG:

"How much is that worth in liberties, in lives, and in dollars to our own United States?"

UNPARTISAN FOREIGN POLICY

I should like to digress for a moment, Mr. President, to comment briefly on the principle of unpartisanship in our foreign policy. I think that is appropriate here, because, as Senator VANDENBERG has pointed out, the European recovery program which we are considering now "was launched as an unpartisan enterprise, * * * established by a Republican Congress in full cooperation with a Democratic Executive." Senator VANDENBERG went on to say: "This working unity typifies the finest American tradition and is our greatest safety in the presence of external hazards to all Americans."

With this sentiment I emphatically agree. The European recovery program, along with the United Nations Charter and the North Atlantic Pact, stands as a splendid monument to the unpartisan spirit. I have been happy to give my considered support to all of those bold measures. In so doing I felt I was acting both as a Republican and, above all, as an American.

We all know that unfortunately during the recent tragic years there was never any such unpartisan foreign policy with respect to the Far East. Indeed, until very recently it appeared to me that there was no United States policy at all for that critical area, unless a hands-off attitude at a time of tragic upheaval can be called a policy.

But now I am happy to note that we seem at long last to be moving into a period of constructive action in the Far East. I have strong hopes that, as our policies in that area are further developed, they will be the product of genuine unpartisan cooperation. I firmly believe that only in this way can our policies reflect the best-informed views available, and that only in this way can they gain the indispensable support of a united American people. It may therefore be appropriate to consider briefly just what an unpartisan foreign policy is.

An unpartisan foreign policy does not mean an executive policy rubber-stamped by the opposition party before it is put into effect. It does mean a foreign policy arrived at after serious and thorough consultation with the opposition. It means that there should be no partisan attacks on such a policy arrived at after proper consultation. And it means that unpartisan consultation must be continued while the policy is being given effect. Policy formation is a continuous process, and unpartisan consultation must therefore also be continuous.

Let me add my firm belief that worthwhile unpartisan consultation cannot be carried out simply within the executive branch. As I have stated publicly, I welcomed with enthusiasm the recent appointments of two eminent Republicans, former Senators John Sherman Cooper and John Foster Dulles, as consultants to the Secretary of State. Their advice and counsel will unquestionably be of great service in the development of our American policies. But I do not suppose for a minute that their presence in the State Department is intended as a substitute for continuing consultation with Republican leaders in Congress. On the contrary, I look to the appointment of Messrs. Cooper and Dulles as an augury for an increasingly useful relationship of mutual confidence between the State Department and congressional leaders of both parties.

Mr. President, my confidence in the merits of the legislation we are now considering stems in large measure from the fact that it is the product of the very sort of continuing unpartisan consultation of which I have been speaking. My Republican colleagues and I on the Foreign Relations Committee have shared on a basis of genuine equality in the discussion of these foreign-assistance programs with the ECA and the Department of State. We have taken an important part in the actual drafting of this legislation.

I make that observation not only as an additional mark in favor of the pending measure, but also because in my judgment this method of cooperation in policy making should be a model for all our future approaches to foreign policy problems. It is a method which assures for our policies that firmness and that united public support without which the United States cannot maintain its position of leadership among the free nations of the world.

General Marshall said a few days ago, in referring to the cold war: "Make no mistake about it, the chips are down. Winning this struggle is as vital to the peace and prosperity of the world as any military campaign in history." In such a situation, any quest for partisan advantage from any source whatever can benefit no party except the Communist Party. To every Senator I make this plea, whether he be a Republican or Democrat: Let us close our ranks as we did at Pearl Harbor, and work together as free Americans in the cold struggle that lies before us.

ERP REVEALED SOVIET DESIGNS

Just where do we stand today in this cold struggle? Before discussing further the parts of this legislation dealing with the Far East, let me review briefly some of the history of the Marshall plan in Europe. I think it gives us a valuable perspective on our present situation, and on the role which this brave adventure has played in the cold war.

In the years just after World War II the world strategy of the Soviets was not yet entirely clear to us. We still entertained hopes of genuine cooperation with the Russians in the building of peace.

Ironically, Mr. President, it was the announcement of the Marshall plan which "smoked out" the sinister truth about Russian intentions. I say "ironically" because

General Marshall's famous proposal in his Harvard speech in June 1947 was not conceived with any such intent. As he said at the time:

"Our policy is not directed against any country or doctrine but against hunger, poverty, desperation and chaos."

General Marshall left the door open to any nation—Russia included—to participate in the program he was proposing. He said:

"Any government that is willing to assist in the task of recovery will find full cooperation on the part of the United States."

This proposal came as a shock to the Soviets. Just how great a shock was revealed in their furious refusal to participate in the new program, or to permit any of their satellites to participate.

In the light of what has since developed, it is not hard to fathom the reason for this refusal. The situation in Europe was shaping up exactly to Russia's taste. The "hunger, poverty, desperation and chaos" of which General Marshall had spoken were doing the work of a hundred Russian military divisions. Up to the moment of the Marshall speech it must have seemed certain to the Politburo that all of Europe would soon fall into their hands without the firing of a single shot.

That was the background of Molotov's famous "walk-out" from the Paris meeting in 1947—one of the most self-incriminating acts in history. After that there were few of us indeed who remained blind to the true purpose of the Communists. Whatever doubts remained were quickly dispelled by the establishment of the "Cominform" and the all-out campaign which Moscow immediately launched against European recovery. By the time the Foreign Assistance Act of 1948 was passed—some 11 months after the Marshall proposal was offered to the world—the Congress could say with deep conviction, in the language of that act itself—"the existing situation in Europe endangers the establishment of a lasting peace."

The fog had been dispelled, not only in the United States but also in western Europe. The true purpose of the Soviets had been revealed in all its terrible reality.

Mr. President, the cold war in which we are engaged is in truth a hot struggle for men's minds and loyalties. The minds and loyalties of the people of western Europe are with us in that struggle today. In the first 2 years of the Marshall plan they have regained their will to work and, if need be, to fight for their liberties. In election after election they have talked back to Moscow and answered the threats and blandishments of their own Communist parties with a resounding "No!"

Yet it is no secret that the Russians still regard western Europe as a vital battleground between the free world and the totalitarian world. As General Bradley said recently, "In the studied opinion of any aggressor, the industrial, commercial, and cultural prize of the world is western Europe."

Mr. President, in my considered judgment the greatest barrier that stands today between Russia and that prize is the continued success of the Marshall plan as a cooperative venture of free nations. It is unthinkable that we should not continue to support this notable advance with positive vigor.

IMPORTANCE OF FAR EAST IN THE COLD WAR

Now I should like to turn to a consideration of American action in the Far East. I sincerely hope that nothing I have said about our European program will diminish in the slightest degree the emphasis which I have long felt we must place on far-eastern affairs. In my view the fall of the entire Far East to communism would be no less disastrous to the United States than the fall of western Europe. In the struggle with communism our problem is world-wide and our thinking must be world-wide.

I therefore propose to devote the remaining portion of this statement to those parts of the pending bill that relate to the Far East.

In many respects our struggle for the minds and loyalties of men is much more difficult in the Far East than it has been in Europe, and thus far it has been waged with little success. The reasons for this greater difficulty are not hard to grasp. Our common ancestry with the peoples of western Europe makes it easier to establish mutual understanding with them. We in the United States have never developed what I have called Far East-mindedness. This we must do without delay. If we are to help the peoples of that vast area to understand such western concepts as democracy, personal freedom, and national self-determination, then we in turn must learn to understand the minds and aspirations of these peoples whose civilization is older than our own and whose recent history is one of poverty and subjugation.

Our shortcomings in this respect are tragically illustrated in the collapse of Nationalist China. I am convinced that one of the central reasons for that collapse was that the leadership in China did not really understand western democracy. But this, Mr. President, is as much a reflection on us as it is on them. In my judgment our representatives in China never effectively tried to promote the understanding and practice of democratic principles, which might well have turned the tide in that great ideological struggle. Instead, our officials seem to have made the disastrous error of concluding that the only alternative to further military aid was complete or temporary abandonment of the Nationalist Government. It was not a matter of dollars—we had the God-given opportunity to help the Chinese leaders and their people to understand what democracy could give in the way of a full life, in contrast to the fulsome and cynical promises of the Communists. And in this crisis we, their friends and advisers for over half a century, failed them utterly.

It is not too late for us to remedy these shortcomings. The pending measure provides for economic and technical assistance which can serve, as it has in Europe, as a powerful weapon in the ideological struggle. The areas for which this assistance is destined are all areas where our ideals of national independence, personal freedom, and democratic self-government have a magnificent fighting chance to survive and prosper. But those ideals cannot long survive without the material and moral backing of the United States.

KOREAN AID

Title II of the pending bill authorizes the appropriation of $100,000,000 for aid to the new Republic of Korea. Last year we authorized $150,000,000 for aid to that Republic, a nation torn asunder by the creation of the puppet Communist regime in the north.

Let me say frankly to the Senate that during my voyage from the west coast to Japan last summer I heard comments from some individuals familiar with the situation in Korea to the effect that that country could not be expected to hold out long against the Communist tide, and that further American aid would therefore not be justified. But in my conversations with General MacArthur and others and during my personal visit to Korea I definitely received the opposite impression. I was able to see how the funds we had appropriated last year were being put to work. I was favorably impressed by the ability of our own personnel there—and at this point let me pay a special tribute to Ambassador John J. Muccio and to Dr. A. C. Bunce, head of our ECA mission in Korea. The devotion, vision, and energy of these two men and their organizations have had much to do with the splendid progress made.

I was also favorably impressed by the essential promise of the new Korean Government. On the basis of this experience I came to the conclusion that further ECA aid to Korea was not only a justifiable calculated risk but an absolute necessity if that country was to remain free and increase its strength.

The problems of the Korean Republic are tremendous. During the 40 years of Japanese control, it is true, many important industries were started which gave promise of making Korea an important industrial area. But unfortunately while the Japanese were in control all the higher positions went to Japanese industrial experts. It is, therefore, necessary for Koreans who are now taking over to have special training to qualify them for executive leadership. This means that the United States has had to furnish technical experts to train Korean managers for these plants.

A year or so ago this situation looked difficult. In addition, there was the threat that northern Korea, dominated by Russia, might take over the entire peninsula. In the face of these problems there is no doubt that we took a real risk in giving Korea our initial ECA aid.

However, developments during this past year have justified our confidence. As is well known the new Korean Republic has been recognized by the United Nations and is therefore in a sense under United Nations care as well as that of the United States. Since the withdrawal of United States troops the Koreans have developed a well-trained army of their own, numbering some 100,000, which is considered thoroughly capable of taking care of Southern Korea in any possible conflict with the North, unless of course the Chinese Communists or Russia inject themselves into the situation. On the best advice that I could obtain there appears to be no immediate danger on this score so long as Korea continues to have our moral support. Economic problems still admittedly present great difficulties, but there is good reason to believe that these problems will be effectively dealt with.

Mr. President, I believe that the Republic of Korea can, like the Philippine Republic, become a living symbol throughout the Far East of the freedom and increasing prosperity that go hand in hand with the choice of a republican form of government. The will to success is there. In our own national interest we must not fail the people of Korea.

CHINA AID

Title III of this bill is the China Aid Act of 1950.

This title does not require any new appropriations. It merely continues until June 30, 1951, the availability of funds already appropriated for China aid, which under present law cannot be spent after June 30 of this year. By the end of this fiscal year these remaining funds are expected to amount to about $94,000,000. These funds can be used in what remains of non-Communist China and in the general area of China.

Let me remind the Senate that, in addition to this $94,000,000 which the Executive will have available for economic assistance under this bill, we appropriated last year, pursuant to the Mutual Defense Assistance Act, the sum of $75,000,000 to provide an emergency fund for the President to use in non-Communist China, and in the general area of China, primarily for military purposes.

The availability of these funds may well be the means of redirecting the whole present trend in the Far East. We have purposely earmarked not less than $50,000,000 of the available ECA funds for non-Communist China, including Hainan and Formosa. I am hopefully confident that we are turning away from the negative and mistaken policy of the past, and that we are moving toward a positive, all-American, unpartisan approach to the acute far-eastern problems of today. In my judgment, as in that of the committee, it is vitally important that we make available the funds to carry that positive policy through.

On my return from the Far East last fall I stated the view that "our attitude must remain flexible because of the constant day-to-day changes in the picture." That is essentially the position which the committee took in reporting this title. The conditions in China and the Far East are so fluid that it might well be disastrous not to continue the availability of these funds for another year. The very fact that the situation is fluid gives us the greater opportunity. We now have an opportunity in non-Communist China and in the perimeter around China to halt the advancing fires of communism by building some democratic backfires of our own.

It is vitally necessary that we seize that opportunity by offering a positive program in the Far East in terms which the peoples of that area can clearly understand. I have often remarked on the great urge in that part of the world for national independence, personal freedom, and economic development. It is a painful fact that the Chinese Communists sensed this urge and by their promises have for the time being captured the imagination and support of large elements of the Chinese population. If this advancing tide of communism is ever to be reversed, it must be our policy not only to expose Communist falsehoods but also to show the peoples of the Far East that their aspirations can be realized only in a free society. But to do this we must live with them and learn what they are thinking.

This is the purpose of our ECA program and part V of the bill, the technical-assistance program. It is a small beginning, Mr. President, but it is a beginning. When Ambassador Jessup recently reported to the committee on his trip to the Far East, he stressed the fact that the peoples of southeast Asia understand what technical assistance from the United States can mean to them. They have seen the activities of the Rockefeller Foundation and other American institutions, and they know from this experience what the West has to offer them in the way of increased agricultural production, prevention of disease, and industrial techniques. These peoples, who have lived amid hunger and disease for generations, are eager for this kind of help. After centuries of colonial subjection, they are demanding these things which they consider their birthright as human beings. If they cannot get help from the West, the danger is that they will seek help from the Communists, whose promises they hear every day.

Much as I believe in the spreading of the story of our great western political tradition, I feel certain that we will never capture the imaginations of the peoples of Asia simply by expounding the philosophy of democracy. We can win the friendship and loyalty of these people only if we also provide positive, productive assistance to meet the harsh problems of life in that area of the world—the problems of low living standards, hunger, malnutrition, and disease. These are technical matters in which the United States far surpasses Russia. This advantage of ours gives us an unparalleled opportunity which we cannot afford to miss.

Mr. President, as I said a moment ago, I have the feeling that our far-eastern policy is definitely making progress. I am happy to note that Secretary Acheson has drawn the line in the Far East. At San Francisco he warned that if the people of China "are led by their rulers into aggressive or subversive adventures beyond their borders," these adventures "would violate * * * the traditions and interests of their Asian neighbors, of the American people, and—indeed—of all free peoples."

I feel that this attitude, combined with a continued refusal to recognize the Chinese Communist government and with the positive programs of economic and military aid and technical assistance which I have been discussing, can definitely turn the tide in those areas. I hope that Mr. Acheson, during the forthcoming meetings in London, will be able to reinforce these American policies by welding the interests of our friends, including the free countries of the Pacific, into a unified policy for southeast Asia in which all free nations can cooperate.

I also hope that the Department of State in handling these far-eastern matters from now on will show the imagination and aggressiveness we need to meet the tremendous challenge that confronts us there. It is especially important in my judgment that we give full consideration to the points of view of so many of our representatives who are living or have lived in the Far East. I have reference especially to our military and naval experts such as General MacArthur, General Wedemeyer, and Admiral Badger.

CONCLUSION

In conclusion, let me high light the main issues presented to us by the proposed extension of our ECA legislation this year.

As the program in Europe has developed in the first 2 years of its operation we can see that its objectives and purposes as originally outlined by Secretary Marshall are being amazingly accomplished from the standpoint of the stepping up of production throughout the cooperating countries. One could almost say that a miracle has happened. A study of the tables in the committee report shows the advances made in each of the participating countries and in the production of essential commodities looking toward the restoration of economic stability.

It is true that we are all disappointed with the lack of progress in the direction of the economic and political integration of the countries concerned, and it will be necessary for much more progress to be made in these directions if Europe is to be substantially on its own feet and freed from the dollar-shortage embarrassments by the end of the program in 1952.

Except for this vitally important integration problem, however, the progress has been as originally contemplated, and has been indicated by the progressively smaller annual appropriations. In fiscal 1948–49 the over-all ECA appropriation was something over $5,000,000,000. In fiscal 1949–50 the over-all ECA appropriation was slightly under $4,000,000,000. The authorization that Mr. Hoffman and his organization are asking for fiscal 1950–51 is something under $3,000,000,000. It is clear from these over-all figures that the appropriations made each year have been reduced annually by about $1,000,000,000, and the anticipated request for 1951–52 looks forward to another reduction of $1,000,000,000 or more. This is expected to leave the so-called dollar gap within manageable proportions so that the Marshall plan as such can be definitely terminated at the end of 1952 as originally contemplated.

This does not mean that in 1952 all the problems of Europe will be solved, nor does it mean that there will be no further need for considering the over-all situation at that time. It does mean, however, that the Marshall plan as such will be definitely terminated and that any new program will then be considered on its own merits and with such modifications as may be necessary in light of conditions as they then exist.

A vote for the pending measure with the amendments as added by the committee and with the full authorization requested by Mr. Hoffman and his wonderfully effective organization will be a vote of confidence and approval by the Congress for what has been so splendidly accomplished. Furthermore it will be an expression of our determination to put a stop to the creeping paralysis of communism throughout the world by effective economic and psychological aid to the non-Communist areas to help themselves in their yearnings for independence and freedom.

Mr. President, as I close, I want to stress again the urgent need for an unpartisan approach to these foreign-policy problems. As I stated in my report of December 1, 1949:

"America united on a far-eastern policy can and must definitely halt this creeping paralysis of communism which today threatens every freedom that our forefathers fought, bled and died for on this continent."

The United States has always been able to achieve unity in times of danger, and we can achieve it now. Let us not deceive ourselves. The Communist successes in China, on the other side of the globe, have put us all in danger, Republicans and Democrats alike. It must be the solemn duty of statesmen of both parties to exchange and debate their ideas in an atmosphere of mutual confidence—and then, having reached a conclusion, to take positive, united action in the name of the whole American people.

REPORT OF SENATOR THOMAS OF OKLAHOMA ON A MISSION TO EUROPE

Mr. THOMAS of Oklahoma. Mr. President, what I shall have to say at this time will be in the nature of a report for the RECORD. The report is being submitted by myself, as chairman of the Senate subcommittee which has charge of the recommendations for appropriations for the Military Establishment. This committee has the largest single bill before the Senate. Last year, the bill carried approximately $15,000,000,000 for the support of our Military Establishment. This year it remains to be seen just how much the bill will carry, because to date neither the House nor the Senate has acted upon the requests of the military authorities.

Mr. President, what I shall have to say will be my own report. It will not be a report for the full committee, for the obvious reason that the committee of seven Senators appointed to make a trip to western Europe made the trip and came back early in December. All the members were anxious to get back to their homes, so we had no opportunity at that time to confer on the nature of a report. My report, as chairman, was prepared on the ship returning from Europe, and that is the report I desire to make at this time.

The first session of the Eighty-first Congress made appropriations for aid and assistance to foreign nations and peoples, under laws authorizing such appropriations.

The authorizing legislation and the appropriations made thereunder were passed by the Congress upon representations and recommendations submitted by agents of our Government.

For the want of time the Senate Committee on Appropriations was forced to act upon such data and statements as were presented to the committee.

In connection with the hearings and consideration of the foreign aid assistance items, it was decided by the Senate Appropriations Committee to send subcommittees to the various areas receiving such aid and assistance—first, for the expressed purpose of ascertaining the need for such aid and assistance and, second, to secure and report upon the manner of the expenditure of such aid and assistance appropriations.

As chairman of the Subcommittee on Armed Services Appropriations, I was selected to organize and make the trip of investigation into the so-called Marshall-aid countries, located in western Europe.

The several members of the committee assembled at Paris and started on their mission on October 22, 1949.

The map which is displayed in the rear of the Senate Chamber was not placed there by myself, but at this time, in order that the Senate may know where the committee went, I shall use the map to illustrate. The committee assembled at Paris on October 22. A plane was assigned to us by the Air Force. From Paris we flew to Brussels, Belgium. From there we flew to The Hague, in the Netherlands; from The Hague, we flew to Oslo, Norway; from Norway we flew to Stockholm, Sweden. When we reach Sweden I shall have some comments to make about how the committee was treated when we reached the capital of the Swedish nation. From Stockholm we flew back south to Copenhagen, Denmark; from Copenhagen, we flew to Frankfort, Germany; from Frankfort we went to Heidelberg and other cities in the western zone of Germany. We also went to Berlin. From Berlin we flew to Luxemburg; from Luxemburg we flew to Geneva, Switzerland, and from Geneva we flew to Vienna, Austria; from Vienna we flew to Athens, Greece; from Athens we flew to Rome; from Rome we flew across to Madrid, Spain; from Madrid we flew to Paris. From Paris we flew to London, and from London we embarked upon our various means of transportation back to the United States.

The work of the committee was completed by December 2, when the members of the committee left London for their homes in the States.

Because of the approaching holiday season the subcommittee was not able to prepare and submit a joint report but, as chairman of the committee, I have prepared a report giving my individual reaction to what I saw in the countries visited.

I have furnished a copy of my report to the Senator from Tennessee [Mr. McKELLAR], chairman of the Senate Committee on Appropriations.

Also, I have furnished a copy to the President, to the Secretary of Defense, and to the Secretaries of Army, Navy, and Air Force.

Today the interests of the United States cover the entire world, and we are making appropriations for expenditure in many parts of the world.

Further, inasmuch as the trips of investigation are being designated by some editors, columnists, and cartoonists as congressional junkets, I deem it proper that a copy of my report be carried at this point in the RECORD. I therefore ask permission to have printed in connection with this report, a copy of the formal report made to the chairman of the Senate Committee on Appropriations and to the other officials of the Government.

I shall not take the time of the Senate to read the report in detail. It will appear, of course, in the RECORD tomorrow.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Report to: KENNETH MCKELLAR, chairman of the Senate Committee on Appropriations.

By: ELMER THOMAS, chairman of the Subcommittee on Appropriations for the Armed Services, appointed to visit the Marshall aid and United States occupied areas in Europe.

MR. CHAIRMAN MCKELLAR: We have just returned from an official visit to the Marshall aid and United States occupied areas in Europe.

The following Senators accompanied me on this trip: Senators CHAVEZ, of New Mexico, MAYBANK, of South Carolina, MCCLELLAN, of Arkansas, ROBERTSON, of Virginia, STENNIS, of Mississippi, and THYE, of Minnesota.

For the record, let me say that the Committee on Appropriations is the committee which receives requests for money, investigates the needs, holds hearings on such requests and then recommends to the Senate the amount of money, if any, which shall be appropriated for any stated purpose.

The Congress, which adjourned in October, appropriated a total sum of about forty-six and one-half billion dollars.

That sum, or any other comparable sum, is entirely too much money to be appropriated in any one year during times of peace.

However, theoretically we are still at war with both Germany and Japan as no treaties of peace have been made with either of such countries.

The reason—no stable government exists in either country with which we might confer with respect to a treaty of peace.

Hence, this report is in the nature of an explanation.

Of the total appropriations made, some seven billion dollars were for aid and assistance to countries and peoples located and residing in the Eastern Hemisphere.

It was because of the vast appropriations made and the additional requests for money to be expended outside the United States that my committee made the trip to Europe.

A break-down of the foreign-aid funds is as follows:

The sum of over $4,700,000,000 was appropriated to aid and assist the Marshall-plan countries.

The sum of over $900,000,000 was appropriated for civil government and rehabilitation of peoples in the occupied areas of Europe.

The sum of over $1,300,000,000 was appropriated to organize, equip, and arm troops in the countries which are members of the Atlantic Pact.

The sum of $45,000,000 was appropriated for aid and assistance to Greece and Turkey.

And the sum of $76,000,000 was appropriated for aid and assistance to Palestine refugees and to Korea.

These vast appropriations were recommended by the administration and, without respect to political parties, were voted by the Congress.

Why were such appropriations made?

The reason and basis for such vast expenditures is fear of war with Russia.

At this time the peoples of the world are dividing into two groups:

One group known as Communists are being organized by Russia, and the other group composed of free peoples who want to be and remain free, are being organized and assisted by our own United States.

World War No. 1 placed our country among the few great nations of the earth, and World War No. 2 forced upon us the leadership of the free peoples of the world.

Without either planning or striving, destiny has placed world leadership in our hands.

No nation, other than our own, is able either economically or financially, to organize, equip, and lead the peoples who want to be and remain free in this titanic struggle to check the spread of communism throughout the world.

In this dark hour of the world's history, our own country—the richest, the strongest, and the most influential of all—cannot escape its responsibilities.

Should we fail, or even hesitate, Russia stands ready to take over.

The fall of free governments and free peoples into the communistic state is too horrible to contemplate.

Communists are atheists—they do not believe in God.

Communist leaders, disregarding the existance of a divine power, disregarding truth, disregarding treaties, and even disregarding their own laws, follow the principle that the end justifies the means.

Communists, in dealing with other nations, do not hesitate to commit perjury.

In taking over a country and its peoples, Communists confiscate the property they want and then burn and destroy the things they cannot use.

Their universal policy is to reduce the citizen to abject poverty so that he will have to take orders and obey.

In Russia, as well as in those countries conquered, those who fail or even hesitate to obey orders are either exiled or liquidated.

Our people cannot begin to realize what would happen to us if we should fall in the communistic system.

It was because of this ever-present communistic threat and fear that the recent Congress appropriated such vast sums to try to check and stop the spread of this ungodly economic and political way of life.

The Congress believes that it is better to try to prevent another world-wide war than to await the development of hostilities and then be forced to prepare for and wage another terrible contest.

Many believe that we cannot endure another world-wide conflict, for if war does come again it will be fought to the end and either our country or Russia will be destroyed and annihilated.

In such event the victor would dominate and rule the world.

We do not want war and one outstanding reason is that we do not want the responsibility of having to rehabilitate and rule the peoples of the earth.

It was to prevent such a possible calamity that the Congress made such lavish appropriations.

Prior to voting the foreign aid and relief money, our Appropriations Committees had

neither the time nor the facilities for securing the full and true facts respecting the need for money and the manner of its expenditure.

As the basis for our acts the Congress had to rely upon the statements and recommendations of our foreign representatives.

This meant that we did not have first hand and completely satisfying information with respect to either the need for money or the manner of its expenditure.

At this point I digress to say that we have a high type of American representatives at the courts and capitals of Europe.

Our Ambassadors and Ministers and their staffs are looking after our foreign interests everywhere.

American products and manufactured goods cover the world.

American merchandise is on every shelf, and American cotton clothes and American wheat feeds the people of the earth.

To reach Europe, Senator THYE and I flew the Atlantic.

The other Senators went across on an Army transport.

After reaching Europe our Military Establishment furnished us a plane equipped with regular military personnel.

The Air Force pilots and crew members are required to spend a certain amount of time in the air as a part of their regular training program; hence, we secured our transportation at no additional cost to the Government.

Our committee visited countries receiving Marshall-plan aid.

Also, we visited Berlin and Western Germany, now under military occupation, and some of the countries which are members of the Atlantic Pact.

In all, we visited 14 capitals and countries, as follows: Brussels, in Belgium; The Hague, in Holland; Oslo, in Norway; Stockholm, in Sweden; Copenhagen, in Denmark; Frankfurt, Heidelberg, and Berlin, in Germany; Luxemburg, in Luxemburg; Geneva, in Switzerland; Vienna, in Austria; Athens, in Greece; Rome, in Italy; Madrid and Toledo, in Spain; Paris, in France; and London and the countryside in England.

Our trip was thoroughly organized in advance.

The State Department had charge of all diplomatic arrangements.

The Military Department had charge of our transportation.

Upon reaching a capital we conferred first with our Ambassadors or Ministers and their staffs.

Second, we had conferences with the heads of the nation's government.

Then we met and conferred with citizens and groups of citizens interested in the welfare of their respective countries.

We made it plain to the heads of the several governments that we were not there to meddle in their local affairs.

Our instructions from the Senate committee were to secure first-hand information in each country with respect to the need for aid and assistance, and then to ascertain just how the money already appropriated is being expended.

We found conditions in Europe much different from what we expected.

Some countries did not suffer materially in the recent wars and I refer to Sweden and Switzerland.

Instead of suffering, those two countries profited from the misfortune and destruction of their neighbors.

Some of the countries and areas visited are still suffering beyond description.

I refer to the city of Berlin, and the countries of Austria and Greece.

Berlin, once a proud city of 4,000,000 people, is now a desert waste of broken brick, stone, and rubble.

Austria, in eastern Europe, and immediately adjacent to Russia, is under joint military occupation by Russia, England, France, and the United States.

Vienna, the capital, once famed for its culture, music, and art, now has the appearance of rapidly approaching a ghost city.

Greece, torn by civil war, is in a bad condition; however, the Communist invaders from the east have been defeated and Greece is now again free.

Through the aid, assistance and leadership of the United States, a corridor has been built through central Europe, extending from Norway on the north through Denmark, Western Germany, Austria, Italy, and Greece and Turkey on the south.

If Russia tries to extend her present possessions either west or south, the countries forming the corridor or wall must be pierced, and any attempt at aggression by Russia will, in my opinion, mean certain war.

To protect and defend this corridor wall the nations adjacent to Russia must have help, and such help is being furnished by the Marshall plan and Atlantic Pact appropriations.

This Russian threat and menace now confronts the Allied Powers, the Congress and the people of America.

The world leadership now in our hands is devoted to the task of organizing the countries of western Europe for their own self-defense and for mutual cooperation and helpfulness.

Not one of such countries, acting alone, is able to offer any substantial resistance to an attack by Russia.

They realize that unless they pool their forces they may be taken over one by one.

It was our country that suggested the Marshall plan.

It was our country that suggested the Atlantic Pact.

The Marshall plan calls for the unification and consolidation of the manpower, the economy and the military to the end that an attack upon any one of the countries will be considered an attack upon all such countries, including the United States.

The Atlantic Pact calls for the arming of the youth of western Europe so that if war comes they can fight on their own soil, rather than to have to train our own boys, arm and equip them, and then send them to Europe again to fight a foreign war.

If Russia can be made to understand that any further aggression on her part against any of the countries of Europe will be considered as an act of aggression against all such countries, then we hope and believe that the Russian leaders will stop, look, and listen.

The Russian leaders know what happened to the German and Japanese war lords who planned World War II.

They know, or should know, that if they provoke war with the free people of the world and lose, as they surely will, that the same punishment awaits them that they helped prescribe and administer against the followers of Hitler at Nuremberg.

If such a war should come and if we should lose, we know what punishment awaits the leaders here in the United States.

It is this certain punishment of our leaders, as well as the slavery of our people, that we are trying to avert.

To prevent war with Russia is the supreme task in which we are now engaged.

Personally, I can see no alternative to the program that has been developed and agreed upon, and if such program fails, then war to the end is inevitable.

During the last session of the Congress I voted to reduce the Marshall-plan aid by some half billion dollars and such estimates were reduced accordingly.

In the coming session I shall point out where American money is being expended in Europe unnecessarily and I shall recommend and vote to eliminate some countries entirely from the program and, also, I shall recommend and vote to cut appropriations to other countries.

Some of these European countries have nationalized many of their major industries.

For example, England has nationalized her coal, railway, electric, cement, and insurance industries and now is trying to force the House of Lords to join the House of Commons in nationalizing the steel industry.

When an industry is nationalized as a rule it ceases to pay taxes but this is not the worst or the whole story.

The English nationalized industries are all being operated at a loss—so that the English treasury is not only losing the taxes formerly collected, but in addition is being compelled to meet the deficits and losses incurred by the inefficient operation and management of such nationalized industries.

Today our American taxpayers are being called upon, first, to rehabilitate the war-devastated areas of Europe; second, to assist in developing and equipping a military establishment in western Europe as a protection against Russian aggression, and, third, to pay deficits caused by the loss of taxes from nationalized industries.

Speaking as a United States Senator in the 14 capitals of Europe, I made it plain that the American people are tired of having to finance and fight foreign wars and then after such wars are over of having to rebuild their cities, their industries, and to assist in the rehabilitation of their peoples.

There must be a possible plan for the prevention of war.

Our own country has tried to develop such a plan.

After World War No. 1, our own President Woodrow Wilson suggested the League of Nations as a plan for the settlement of international problems and disputes without resort to war.

Unfortunately the plan became a political issue and was defeated in the 1920 general election.

Later, President Harding assembled the nations in a war disarmament conference where an agreement was reached to stop developing armies and to stop building navies, but such agreement did not last for long.

Still later, President Coolidge, acting through his Secretary of State, developed the Briand-Kellogg Peace Pact wherein more than 40 nations solemnly resolved that war shall be and was renounced as an element of national policy.

World War No. 2 proved that such pacts were only scraps of paper.

Now, again, our own country has suggested and is trying to develop the United Nations into a world tribunal of such influence and power that it may be able to hear, consider, and adjust international issues and problems without either the excuse or the necessity for war.

Civilization, as we know it today, hangs in the balance.

If communism engulfs the world, then a repetition of the Dark Ages confronts our people.

If we can check the spread of communism and confine this obnoxious economic and political system to Russia, then our American free-enterprise system will continue to operate as an example and model for other liberty-loving peoples everywhere.

We tried to make our mission clear that we were not in Europe to meddle in the local affairs of any nation.

In every country visited, I stated positively that we did not covet an acre of their land, and that we were not there to suggest any changes in their form of government or any changes in their way of life.

Our delegation was received by the prime ministers and heads of the various governments, and where their parliaments were in session we were accorded special honors.

The Parliaments of Belgium, Italy, and England admitted our delegation to their chambers.

We were received and entertained by the Kings of Norway and Greece.

In Norway, King Haakon gave us a luncheon in the palace.

The King speaks English fluently and asked about America and was interested in Oklahoma.

As I was taking my leave I said:

"Your Majesty, I extend to you an invitation to visit me in Oklahoma."

"Oh," said the King, "I am too old to take such a trip."

I happened to know that he was just under 80, so I replied:

"Your Majesty, in Oklahoma life begins at 80."

To which the King replied:

"In that event, I shall think it over."

In Italy we were given a special audience by Pope Pius the Twelfth at his summer residence near Rome.

For the Pope, let me say that he has the dignity of a king of kings—yet, at the same time, he is as democratic as the humblest citizen of our country.

He had prepared a special address for our delegation.

He spoke in English and approved of our mission to Europe.

In his address he paid his respects to Russia in the following language:

"A sage old Roman philosopher has said, not altogether without reason, the very fear of war is worse than war itself. Yet that fear will never be absent so long as within the great family of nations there is even one member which, rejecting the moral sense of inalienable human rights, uses sheer force to reduce its citizens to a condition of chattels dependent on a state that recognizes no power above or beyond itself."

The Pope knows of the aid and assistance we are providing western Europe and he recognized the benefits thus obtained in the following words:

"In your travels through Europe you have no doubt been pleased and proud to witness the strides made toward the restoration of normal life in countries devastated by a long and pitiless war."

The Pope has thrown his vast influence and power on the side of the peoples who want to be free.

He is our most valuable and powerful ally in this contest with godless Russia.

If war should come he and his hundreds of millions of followers throughout the world will be on our side.

The administration, the Congress, all religions, all groups and our people universally are against war.

However, at the same time they are as strongly against the communistic economic and political systems.

To keep communism away from our country we are willing to appropriate such sums as our people will sanction and approve.

After the hearings on the various items of appropriations involving assistance and aid to foreign peoples, and after personal visits to the 14 Marshall aid and Atlantic Pact countries, I have come to the following conclusions:

First, in the American and Allied program for checking the spread of communism, the most important point to receive consideration is the city of Berlin.

Berlin, from my viewpoint, is the keystone of the arch of the program for stopping the spread of communism in Europe.

If we should, for any reason, move out of the picture in Berlin, then both England and France would have to follow because they are without power to remain in Berlin if we should decide to evacuate that city.

If we should move out of Berlin, Russia would move in on the same day that we move out, and the same is true of Western Germany.

If we should decide to withdraw our military and civilian personnel from Western Germany, then England and France would have to withdraw their forces.

Such an event would give Russia complete possession and control of all of Germany. If we should show such weakness and start to withdraw our forces from Berlin and Germany, we had just as well decide to withdraw our forces entirely from Europe.

In my opinion a voluntary withdrawal from Berlin and Germany would mean a forced withdrawal from all of Europe, because Russia has designs on taking over the entire continent of Europe.

If this should happen, then Russia would dominate both Asia and Europe.

The next area to have consideration by Russia would be Africa and there is no nation in Africa able to withstand the aggression and advances of communistic Russia.

With the Eastern Hemisphere under the domination and control of Russia, that country would not be satisfied and would immediately move across the Atlantic to certain countries in South America.

The countries in South America with the greatest number of communistic sympathizers would be the first ones to be invaded by the Russians.

There is no country in South America able to withstand an attack by Russia; hence, in time, and it would not be long, all of South America would likewise be dominated and controlled by Russia.

With all these countries under the control of Russia, we should naturally see Central America attacked next and there is no country there, save Mexico, which has any military force to speak of.

Mexico could not successfully defend against an attack by Russia.

If all this should happen, then we in the United States would find our country surrounded by a communistic world.

There can exist no doubt but that our country, of all countries in the entire world, is the prize of prizes; hence, with the balance of the world under control, Russia would not hesitate to make demands upon us which would lead to either a surrender or a fight and then I am afraid it would be too late to fight.

To date we have not lost this contest.

On this issue our people are unified and not divided.

The free peoples of the world are following our leadership.

The American leadership belongs to no one political party.

America and peoples who want to be free, when unified and working in a common cause and to a common end, cannot lose and suffer defeat.

Our trip, from the beginning to the end, was most successful.

We were received by most of the nations visited with almost pathetic gratitude.

In Athens, Greece, the streets from the airport to the hotel were lined with thankful and appreciative people.

In that country the United States is universally conceded to be their savior.

Other European countries gave unmistakable evidence of their friendship for America.

Some editors, columnists, and cartoonists have referred to our trip of investigation into the need for aid and relief in western Europe as a congressional junket.

A congressional junket is defined as "an outing at public expense."

The rigid schedule prescribed and adhered to made our trip anything but an outing.

There were no special assistants employed and the Senators and the staff were regular employees of the Government.

Those who criticize the committee for seeking information about the need for aid and assistance abroad and the manner in which funds already appropriated are being expended, obviously would have the Congress do one of two things:

First, not even consider requests for funds to be spent abroad; or,

Second, make the appropriations totaling multiplied billions upon the testimony and recommendations of those of our agents who are to spend the money.

The total expense of the trip to the Government, aside from the cost of the gas and oil for the plane, was an amount equal to about 1 year's salary for a Congressman.

The information received by the committee may result in reduced appropriations running into hundreds of millions of dollars.

I make no apology for, and instead I commend, the action of the Senate committee in demanding first-hand information with respect to requests for appropriations of the taxpayers' money.

In conclusion:

Our policy of waging war against Communists and communism is based upon precedents which convince us that if we lose this contest with Russia we will see our larger cities destroyed;

We will lose hundreds of thousands, if not millions, of our people;

We will lose our Governments—Federal, State, and city;

We will lose all our property and see it taken over by the communistic state;

We will see our churches, lodges, and civic organizations destroyed;

We will see our responsible political and civil leaders exiled or liquidated, and we will see what is left of our 150,000,000 people reduced to chattel slavery.

Such is not a pleasant picture to contemplate, but such a situation confronts us today.

This cold war with Russia has been, and will continue to be, expensive, but when we win—and with God's help we will win—whatever we have left after the victory will be just that much saved.

Mr. THOMAS of Oklahoma. Mr. President, in connection with this report I desire to refer to two additional incidents.

In Rome our committee and our entire staff were permitted to have an audience with Pope Pius XII. The audience was arranged by the Honorable Franklin C. Gowen, special assistant to our Ambassador to the Vatican City.

An account of our conference was printed in the publication giving a record of the daily activities of the Holy Father.

For the record I ask permission to have printed at this point a copy of the news account of our conference as same appeared in the Vatican publication.

There being no objection, the news account was ordered to be printed in the RECORD, as follows:

[From L'Osservatore Romano of November 18, 1949]

[A translation]

This morning, Thursday, the Holy Father received in private audience a group of United States Senators, members of a Senate Armed Forces Committee who are finishing a trip in Europe made for the purpose of examining the activities of the American armed

forces and the execution of certain programs of their Government regarding some activities of the State Department and the Marshall plan.

Those present were the Honorable Senators Elmer Thomas, chairman; Dennis Chavez, Burnet R. Maybank, A. Willis Robertson, John C. Stennis, Edward J. Thye, John L. McClellan; Messrs. Harold E. Merrick and Francis Hewitt, Miss Beth Gage, Miss Mary Yanick and Dr. Wm. R. Lovelace, also with the committee; Mr. John Holcombe, representative from the Ministry of Defense; Col. Robert Moore and Maj. A. A. Stiefel, representatives of the Army; Lt. Col. Albert Cox and Maj. Mary E. Elrod, representatives of aviation; Mr. Victor Purse, representative from the State Department, and the officers and crew of the airplane in which the committee was traveling.

His Holiness, after having accepted the devout homage of the illustrious parliamentarians, some of whom were accompanied by members of their families, and who were presented by Mr. Franklin C. Gowen, special assistant to Ambassador Myron C. Taylor, made the following speech to them:

[Speech was delivered in English]

"We are pleased to note that lawgiver and soldier move in friendly companionship. That is as it should be. Law, however wise, can hardly hope to prevail—so weak or perverse is human nature—unless it has the backing of a reasonable force. But the true function of that force will be to protect and defend the rights given to man by God and just law, not to whittle them down and crush them.

"A sage, old Roman philosopher has said, not altogether without reason, the very fear of war is worse than war itself. Yet that fear will never be absent so long as within the great family of nations there is even one member, which rejecting the moral sense of inalienable human rights, uses sheer force to reduce its citizens to a condition of chattels dependent on a state that recognizes no power above or beyond itself.

"Even within a nation, as you honorable Members of the Senate need not be told, the only genuine guarantee of peace is to be sought not in force, but in the soul of a nation; that is to say, in the inner life of its people, which will be exerted perseveringly in the defense of the family, of the children, of the worker, and his employer; so that all, guided by the Christian principles of justice and charity, may enjoy the blessed fruits of brotherly love and make, each, his due contribution to the common good.

"The Christian principles of justice and charity—how indispensable they are to a world seeking peace. Founded as they are and must be on religion, they are two strong pillars upholding civil society. Let it be wrenched from them, and what a sorry mess a state makes of its noble function. Who then is not alert to the paramount importance of providing that these principles be instilled into the minds of the little ones at home, and be developed in them through their school years?

"In your travels through Europe you have no doubt been pleased and proud to witness the strides made toward the restoration of normal life in countries devastated by a long and pitiless war. God grant that this rehabilitation may reach down to the soul of these and all peoples, yes of those too who in their tragic blindness are persecuting the Church of God, and bring them all under the benign headship of Christ, where alone they will find peace and security.

"While we hope your brief stay in the eternal city will be very enjoyable, we pray that in all places and at all times the blessing of God may descend on you and your dear ones."

After the speech, the august Pope mingled with the distinguished group and asked about the activities of each and all their families.

Mr. THOMAS of Oklahoma. The second incident I desire to call to the attention of the Senate was in connection with our visit to Stockholm, Sweden.

Before starting on our mission the entire trip was outlined and the agenda for each country and capital was made by our Ambassador, Minister or agent-in-charge of our interests in such country.

In each of the 14 countries visited we were welcomed and received by our United States representatives and in all countries save one—Sweden—we were welcomed and received by the representatives of the national governments.

The agenda or schedule of engagements arranged by our United States representatives, in cooperation with the representatives of the local national governments, show the degree of cooperation of such local officials with the representatives of our Government.

At this point I ask permission to have printed as a part of my remarks the agenda prepared by our American representatives in Oslo, Norway, in conjunction with the national officials of such country. The Norway agenda is a fair sample of the programs arranged in the other countries except Sweden. The Swedish agenda will be printed also as a part of my remarks.

There being no objection, the agenda was ordered to be printed in the RECORD, as follows:

AGENDA—MEMBERS OF ARMED SERVICES SUBCOMMITTEE, SENATE APPROPRIATIONS COMMITTEE, OSLO, OCTOBER 26–28

WEDNESDAY, OCTOBER 26

12:50 p. m.: Arrival at Gardermoen Airport.

1:15 p. m.: Lunch at Officers' Club as guests of Royal Norwegian Air Force.

2:30 p. m.: Air show by Royal Norwegian Air Force.

4 p. m.: Departure for Oslo.

5:15 p. m.: Arrival at Grand Hotel.

6 p. m.: Press conference, Rococco Salon, Grand Hotel.

7:45 p. m.: Departure by auto for Embassy residence.

8 p. m.: Ambassador's dinner.

THURSDAY, OCTOBER 27

9 a. m.: Discussion with ECA officials in office of chief of ECA mission, Mr. John Gross. An opportunity to confer with Embassy section chiefs will be accorded if desired.

9:45 a. m.: The gentlemen of the group will be guided from the Embassy chancery to a round table conference arranged by the Norwegian Foreign Office at the Eidsvold Gallery of the Storting (Parliament).

10 a. m.: Round table conference. Present will be the following Norwegian officials:

Ministry of Foreign Affairs (Mr. Skylstad, Mr. Hans Olav).

Ministry of Defense (probably Defense Minister Hague).

Ministry of Commerce (Mr. Getz Wold).

Ministry of Industry (Mr. Drogseth, two directors of division, and two specialists).

Ministry of Finance (Director Nissen and one assistant).

Ministry of Communications (probably Mr. Langhelle).

Norwegian Federation of Labor (Mr. Konrad Nordahl, chairman).

Norwegian Labor Party, Mr. Haakon Lie, political secretary, if available).

Employers' association (Mr. Erlandsen or alternate).

Immediately following the conference, members of the group will be received briefly by the President of the Storting or his representative.

12:30 p. m.: Assemble in lounge of Grand Hotel.

12:40 p. m.: Departure for Palace (promptness essential).

1 p. m.: Invitation luncheon given by His Majesty King Haakon VII.

Special luncheon for Mr. Merrick, Mr. Hewitt, Dr. Lovelace, and Major Stiefel, Grand Hotel.

2:15 p. m.: Departure from Palace.

2:30 p. m.: Opportunity for sightseeing and shopping or such other individual activities as may be desired. Members of Embassy staff will be available in the special lounge to render assistance.

3:45 p. m.: Cars will leave hotel for theater.

4 p. m.: Showing of film Heavy Water in nearby special theater.

5:30 p. m.: Return to Grand Hotel.

7:40 p. m.: Departure for Akershus.

8 p. m.: Norwegian state dinner at Akershus.

FRIDAY, OCTOBER 28

8:30 a. m.: Departure from Grand Hotel if plane is to take off from Gardermoeen Airport.

9:30 a. m.: Departure from hotel if plane is to take off from Fornebu Airport.

10 a. m.: Take off for Stockholm.

Mr. THOMAS of Oklahoma. In Oslo at the round-table conference in the Parliament Building the Prime Minister delivered a speech to the members of our committee.

Mr. President, I ask permission at this point to insert a copy of the address delivered to our committee in the Storting on October 27, 1949.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PRIME MINISTER'S SPEECH TO THE AMERICAN SENATORS IN THE STORTING, OCTOBER 27, 1949

Dear Senators and friends, I should like to wish you heartily welcome to Norway, and I do so not only in the name of the Norwegian Government but also in the name of the Norwegian people. I am glad that representatives of the Norwegian authorities and of Norway's industrial and working life have received this opportunity to meet you and talk with you. I think the place where this conference is taking place is also particularly suitable. We are here in Norway's Storting where the chosen representatives of the people meet.

(It is especially pleasant for us to know that one of you Senators comes from Fretheim in Sogn, and that his parents were born and grew up there.)

Norway is a small country. Our total population is only three million. The United States is a large country. There is a great difference between the resources of the two countries and it may be that on some matters our points of view differ, but there is one thing we have in common—we believe in and pay homage to free democracy. We want the people to govern itself. We both mean that freedom, rule of law, and respect for the dignity and integrity of the human being is more than just a political system. Both of us hate war and we are both peace-loving people in the true sense of the word.

Norway and America have always been friends. During the last war we were allies. Today we stand together in the labor for peace, freedom, and democracy in the world.

No one can be in doubt—at least there is no doubt in our minds—that it was of the utmost importance for the peace of the world and for free democracy that the American people with its great and clear-sighted leaders has taken upon itself heavy tasks outside the borders of its own country, and not the least in Europe.

The war caused dire destruction in many countries. The Old World was badly devastated. Norway lost almost one-fifth of her real capital and the national income was terribly reduced. We have never been rich, and we became much poorer than we were. There was only one way we could go: we had to work ourselves up again. I believe I can say that we have done that. We are proud of the Norwegian work of reconstruction and of what the Norwegian people have achieved. On the whole we have all joined forces in the solution of our problems, with the exception of the Communists. We have all worked, and, practically speaking, we have lost almost nothing through strikes or cessation of labor. We have tried to carry out a program of austerity in order to be able to build as much as possible. We have had, and still have a very strict national household.

We are deeply grateful for the helping hand America has offered us. The whole Norwegian people feel this gratitude. Thanks to your help we have been able to build quicker and we have been able to keep our standard of living from sinking too far during the building period. We have always considered and continue to consider the Marshall program as help to self-help. Our aim is to lay a solid economic foundation for a satisfactory and specious standard of living for the whole Norwegian people. Furthermore our aim is to achieve economic independency. No country either can or will continue to support other countries indefinitely. No country with respect for herself either can or will in the long run continue to be dependent on the gifts of other countries. We in Norway long for the day when the reconstruction period is over and we can take up normal and regular economic contacts with you with rich trade both ways.

The reconstruction of Europe has advanced with leaps and bounds. But we know that all European countries are faced by enormous problems. We must achieve higher productivity and greater competing capacity. Let me quote what the Administrator of the Marshall program, Paul Hoffman, said so justly not long ago. I think what he said was so correct: "Higher productivity demands better machines, better methods, and a better bearing both of laborers and employers. What is needed first of all is more horsepower. It is not the fault of European laborers that productivity is so low. You must remember that every single American laborer is backed by seven units of horsepower, whereas a European laborer is only back by two and one-half." Hoffman added: "The ECA helps us to obtain more horsepower and better machines, it places better methods at our disposal and it tries to create a better spirit."

I hope, and I know that the whole of Europe hopes, that the ECA will have the opportunity to bring its work of aid to a satisfactory conclusion. I am aware of the fact that that will place great burdens on the shoulders of the American people, but I am convinced that it is for our common good and in both our interests. We are also aware of what claims that will make on the European peoples.

I should like to add that we in Norway are also deeply grateful for the program of aid newly adopted by the Congress in the military field. We are convinced that also that aid is in our common interest and that it will help to strengthen the work for peace and security which has found its ultimate expression in the Atlantic Pact and the solidarity between the democracies of the world.

You have perhaps heard that there is a small group of people in Europe which calls you dollar imperialists. I should like to conclude by saying that you must not take that too seriously. These people have called us dollar imperialists too. The vast majority in our country and in other European countries know that you are not imperialists. You have never been imperialists and you will never be imperialists. You have always maintained that the European countries must work together and try and conquer their traditional individualism. You point proudly to the example of your own country where 48 States have succeeded in joining together in one great state. The British Labour Party expressed it very nicely in its pamphlet Keep Your Feet On the Ground: "If this is imperialism, then it is the first time in the history of the world that an imperialistic power does its best to make its victims join together." Perhaps I may add: That kind of imperialism the United States of America must continue to practice. America's continual call to all the other peoples to work together for unity and solidarity has a historic mission in the world.

Let me once more wish you heartily welcome to Norway, and let me express the hope that your stay here, though short, will be both pleasant and fruitful.

Mr. THOMAS of Oklahoma. Mr. President, from Oslo, Norway, our committee proceeded to Stockholm, Sweden, and arrived at the airport at about 11:30 a. m. on October 28.

For the record I ask permission to have printed at this point and as a part of my remarks a copy of the program arranged for our committee in Stockholm, for October 28 to 30, 1949.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

PROGRAM OF THE APPROPRIATIONS COMMITTEE OF THE UNITED STATES SENATE, STOCKHOLM, SWEDEN, OCTOBER 28–30, 1949

OCTOBER 28

11:30 a. m.: Arrive Stockholm via MATS plane.

1 p. m.: Lunch for Senators and male members of the group given by Mr. Hugh S. Cumming, Jr., counselor of the American Embassy at the Grand Hotel.

Lunch for the ladies accompanying the group given by Mrs. Hugh S. Cumming, Jr., at home, Strandvägen 63.

3 p. m.: Meeting with Ambassador H. Freeman Matthews at the American Embassy, Strandvägen 63.

5 p. m.: Press conference, Grand Hotel.

8 p. m.: Buffet supper at the Ambassador's residence, Nobelgatan 2. (Black tie.)

OCTOBER 29 (ALL SUGGESTED TOURS ARE OPTIONAL)

Suggestion No. 1: To Uppsala (approximately 48 miles) foremost Swedish university town, castle from the fifteenth century and cathedral from the thirteenth century. Lunch at will in Uppsala. On return trip short stop in Sigtuna, religious center in the twelfth century and early capital of Sweden—in quaint surroundings. Departure from the Grand Hotel, 9:30 a. m.; return about 4:30 p. m.

Suggestion No. 2: To Gripsholm Castle, Mariefred (approximately 45 miles). This castle is located on the southern shore of Lake Mäler and dates from the fourteenth century. Departure from the Grand Hotel, 9:30 a. m.; return about 4 p. m.

Suggestion No. 3: Sightseeing in Stockholm and environs and/or shopping to be arranged as desired. (It is suggested that those having similar interests get together in order to ease the making of the necessary arrangements.)

5 p. m.: Reception given by the Royal Swedish Ministry of Foreign Affairs at the Grand Hotel.

OCTOBER 30

10 a. m.: Departure via MATS plane for Copenhagen.

Mr. THOMAS of Oklahoma. It will be noted that the program arranged for October 28 was for luncheon for the members of the committee and staff by Mr. Hugh S. Cumming, Jr., Counselor of the American Embassy, and luncheon for the ladies accompanying the group by Mrs. Hugh S. Cumming, Jr., at her home.

No conference of any kind was arranged between the officials of the Swedish Government and the committee of Senators.

The program shows that instead of having conferences with Swedish officials on the 29th, some optional trips were arranged to take our group into the country. Such trips were suggested by our American representatives in Stockholm and were not sponsored by the officials of the Swedish Government.

However, the program shows that at 5 p. m. on Saturday, October 29, a reception was given by the Royal Swedish Ministry of Foreign Affairs at the Grand Hotel.

This reception, in the nature of a cocktail party, was the only meeting arranged by the Swedish Government for the committee representing the Appropriations Committee of the United States.

Before commenting further upon the so-called Swedish incident, and to the end that the record may be more complete with respect to how other countries received and treated the American Committee of Senators, I ask permission at this point to have printed a copy of the tentative agenda for a visit of the Armed Forces Subcommittee of the Senate Appropriations Committee to Copenhagen, October 30–November 1, 1949.

There being no objection, the tentative agenda was ordered to be printed in the RECORD, as follows:

TENTATIVE AGENDA FOR VISIT TO COPENHAGEN OCTOBER 30–NOVEMBER 1, 1949, OF THE ARMED FORCES SUBCOMMITTEE OF THE SENATE APPROPRIATIONS COMMITTEE

OCTOBER 30

Met on arrival and taken to Palace Hotel.
Informal luncheon.
Briefing session.
Downtown sightseeing.
7:30 p. m.—Dinner at Mr. Sparks. (Black tie.)

OCTOBER 31

Morning: Choice of visits to ammunition arsenal, Navy Yard, Royal Copenhagen Porcelain Factory, Burmeister & Wain Shipyard, or Danish Experimental Farm.

1 p. m.: Luncheon at Christiansborg Palace.

NOTE.—Shopping tours will be arranged for the ladies in the morning, with luncheon in town followed by motor trip to Frederiksborg Castle in the afternoon.

5 to 7 p. m.: Reception at home of Captain and Mrs. Groff.

Dinner with various Embassy officers.

NOVEMBER 1

Morning free until departure.

Mr. THOMAS of Oklahoma. Mr. President, as stated, the only opportunity we had to confer with the Swedish officials was at a cocktail party; and, of course, everyone who has attended cocktail parties knows that they are not held for the purpose of transacting serious business.

From the tentative agenda it will be noted that the Danish Government gave our group, together with the staff members, a luncheon at Christiansborg Palace—the capital or parliament building.

In each capital visited and at some of the conferences provided the various members of our group were permitted to make statements, at such length as they desired, with respect to the nature and reasons for our visit to western Europe.

At the luncheon in Copenhagen I responded to the address of welcome and at this point, in connection with my remarks, I ask permission to have the complete text of such remarks printed.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Mr. Minister and distinguished guests, on behalf of our delegation from America, I thank you for this expression of your friendship for our country and our people.

I assure you that this long and most satisfactory status of friendship and cooperation is mutual.

Today we are here on a mission of good will and mutual helpfulness.

Ours is a subcommittee of the United States Senate Committee on Appropriations, and I shall introduce the members to you at this time.

(Each Senator was introduced.)

Everywhere we go, we are asked by the press the question: "Why are you here?"

As chairman of the delegation, I shall give you my answer as to why we are here.

Our Government, representing the taxpayers of America, is spending vast sums of money in a cooperative effort to reestablish world peace and to assist in rehabilitating the peoples of the war-injured and devastated nations of the world.

We are now engaged in that effort.

The administration at Washington recommends policies, but it is the Congress that not only makes the policies but levies the taxes and appropriates the money to carry such policies into effect.

Today we are assisting with our treasure the peoples who have been injured by wars but who have not been responsible for such wars.

The American Congress, now in temporary adjournment, has authorized its committee to consider the effects of the policy of assistance now being carried out in many of the countries of the world.

This is the mission of our committee here today.

As chairman of our committee, and after having witnessed the results of war in Europe, I have chosen this occasion to submit some observations as the result of wars not started by ourselves.

Our people now stagger under a national debt of over $256,000,000,000.

In the money of Denmark this would be almost two trillion kroner.

Mainly because of wars the annual budget of our country is now well over forty billion dollars annually, and such a budget in your country would be some 280,000,000,000 kroner.

As the chairman of the Senate committee which considers and recommends funds for the preparation and conduct of wars, I have recommended and piloted through the United States Senate appropriations totaling almost $500,000,000,000.

This sum in your money would amount to almost 3,500,000,000,000 kroner.

This tremendous financial burden is entirely too heavy for any single nation to endure.

Our American people make up a peace-loving nation.

We loathe war and the results of war.

We do not covet a single acre of any nation's land and we renounce the policy of seeking to rule any people without their approval and consent.

On this policy we have a record.

As a result of the Spanish-American War we had to protect both Cuba and the Philippines.

After the end of that war and as soon as agreeable we were glad to give both countries their full and complete freedom and independence.

As a further evidence of our efforts to promote peace, William Jennings Bryan, as our Secretary of State, negotiated more than 40 treaties with the major nations of the earth proposing to establish and maintain an abiding peace.

When World War No. 1 broke upon the world we were attacked and we entered that war in the hope of ending wars.

After that war was over we suggested another plan for the prevention of future wars.

Such plan was the late League of Nations.

Then, as our great President, Woodrow Wilson, stated, "a small group of willful men" prevented our adherence to and participation in that noble venture.

Not only do we advocate peace, but we have tried to do something to establish and maintain peace.

Briefly, let me observe that immediately after the end of World War No. 1 we called the Harding-Hughes Disarmament Conference, wherein we agreed to stop all preparation for war, and conforming to such agreement we sank the most of our Navy, and almost completely disbanded our Army.

Thereafter for 20 years we did not build a battleship, we did not make a cannon and did not produce a single rifle for war purposes.

Our program of disarmament was carried out to such an extent that shortly before World War No. 2 broke upon the world we had less than 120,000 men in our Regular Military Establishment.

Continuing our program for peace we initiated the Kellogg-Briand Peace Pact, wherein most of the nations of the earth solemnly renounced war as an element of national policy.

We have been consistent in our policy to try to adhere to a program of promoting world-wide peace.

When we were attacked at Pearl Harbor we were wholly unprepared for our own defense, much less were we prepared to enter a second world-wide war.

Had we been an aggressor nation certainly such would not have been our status of unpreparedness at that time.

We are now engaged in an all-out effort to recover from the effects of that most recent world-wide conflict.

In order to accomplish this greatly desired and absolutely necessary end we have adopted and are carrying out the policy now in force in the nations which are willing to cooperate in an effort to prevent a third world-wide conflict.

In concluding let me state that the American people are tired of having to finance and fight foreign wars, and then after such wars are over of having to rebuild their cities, their industries, and to assist in the rehabilitation of their peoples.

There must be a possible plan for the prevention of wars.

History records that wars are planned by ambitious dictators rather than by the masses of the common people.

In the past, wars have been declared against peoples when they should, in fact, have been declared against the individuals responsible for planning and initiating such wars.

Already a precedent has been set for dealing with the planners of wars.

After the recent conflict the leaders responsible for planning and initiating such war were apprehended, tried, convicted, and punished.

In my considered opinion civilization cannot endure another world-wide war, and as an alternative to the annihilation of mankind, let me observe that it would have been much cheaper had such planners of war been apprehended before the contest, rather than after the damage had been done.

Such a suggested policy would have saved countless lives, the destruction of cities and industries, along with the countless billions which were expended in the prosecution and waging of such contest.

This plan for the prevention of future wars is herein suggested for the consideration of the United Nations and the peace-loving peoples of the earth.

Mr. THOMAS of Oklahoma. Mr. President, I also ask permission to have printed at this point in connection with my remarks a list of the Danish guests invited to the luncheon, as mentioned herein.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

DANISH GUESTS INVITED TO LUNCHEON AT THE MINISTRY FOR FOREIGN AFFAIRS ON MONDAY, OCTOBER 31, 1949

H. C. Hansen, Minister of Finance (host).
J. O. Krag, Minister of Commerce.
Hartvig Frisch, Minister of Education.

The Ministry for Foreign Affairs: J. R. Dahl, secretary general; C. A. C. Brun, head of the political-juridical department; E. Bartels, head of section, economic department; Hans Bertelsen, head of section; A. Kønigsfeldt, secretary to Foreign Minister; G. Bech, consul general; R. Baumann, consul general; E. Schram-Nielsen, assistant head of section.

Ministries of Finance and Commerce: E. Dige, head of department, Ministry of Finance; V. Kampmann, head of secretariate, Economic Secretariate; J. V. Thygesen, head of division, Ministry of Commerce; V. Brorson, adviser, Ministry of Agriculture.

Ministries of War and Marine: Col. T. K. Thygesen, director, Ministry of War; Maj. Gen. E. C. V. Møller, chief of General Staff; Capt. P. M. V. B. Digmann, general staff; Capt. S. B. R. Helsø, Ministry of War; Maj. Gen. A. Falking, director general of ordnance; Col. E. C. V. Tiemroth, director of ordnance, construction department; Col. R. Nielsen, director of ordnance, ammunition arsenal; Lt. Col. N. K. Kristiansen, arms arsenal; Capt. H. J. Rasmussen, Royal Danish Navy, naval gunnery department; Capt. S. W. Frandsen, Royal Danish Navy, department of mines; N. K. Nielsen, director, naval yard; Capt. P. C. Weilbach, Royal Danish Navy, Ministry of Marine; Capt. S. Pontoppidan, Royal Danish Navy, coast defense; Capt. O. Petersen, naval staff.

Parliament: Chairman of the finance committee of the Folketing; chairman of the foreign affairs board of the Danish Rigsdag; Ole Bjørn Kraft, member of the Folketing;

Thorkil Kristensen, member of the Folketing; Bertel Dahlgaard, member of the Folketing; Viggo Starcke, member of the Folketing; K. K. Steincke, chairman of the Landsting; Ernst Christiansen, member of the Folketing; Poul Hansen (Kalundborg), member of the Folketing; Frode Jakobsen, member of the Folketing; Harald Petersen, member of the Folketing; Viggo Hauch, member of the Folketing; O. Himmelstrup, member of the Folketing; Johannes Christiansen, member of the Folketing; Einar Foss, member of the Landsting.

Mr. THOMAS of Oklahoma. Mr. President, the programs arranged by the other capitals visited compare favorably with the programs arranged by Norway and Denmark.

The program at Stockholm, Sweden, and as shown above, is significant not for what it contained, but for what it failed to contain.

The Swedish Government limited its notice of the presence of our committee to a reception given by the Royal Swedish Ministry of Foreign Affairs at the Grand Hotel.

As stated, such reception took the form of a cocktail party at which no serious business of any kind was or could be transacted.

In order that the record of our visit to Stockholm, Sweden, may be more complete, I desire to make the following statement:

Sweden is the largest of the Scandinavian states. It is about twice as large as Minnesota and contains about 7,000,000 people.

In a recent publication entitled "Facts About Sweden," sponsored by the Swedish Institute, we find the following statement on page 10:

Traditional neutrality has kept Sweden aloof from two World Wars. And since war's end, a unanimous Parliament has made possible a continued policy of nonassociation with any great power bloc.

On page 18 of the same publication we find the following statement:

SWEDEN IN ERP

Participation in the European recovery program has made Sweden a borrower for the first time since the First World War. Compared to other countries ECA aid to Sweden is, however, small though important and is in the form of loans, not grants. Most other "Marshall" countries combine both.

* * * * *

Asking OEEC for dollars to cover a deficit of $108,800,000 Sweden was allotted $46,600,000 ECA gross aid for fiscal 1948–49.

Mr. President, from Swedish publications, as well as from our own reports giving details of Foreign Transactions of the United States Government, it is admitted that Sweden has participated in the ERP to the extent at least of securing sizable loans from the United States loaning agencies.

It was because of Swedish participation in this foreign-aid program that the Senate subcommittee included Sweden among the countries to be visited in our recent mission to western Europe.

In Stockholm, notwithstanding the fact that our committee was scheduled to be there during the entire day of Saturday, October 29, as stated, the only meeting scheduled was a cocktail party at 5 p. m. at the Grand Hotel.

To date no reason has been given for the failure to schedule conferences between the representatives of the Swedish Government and our committee.

Speaking for one member of the subcommittee which visited Sweden, I am free to say that I have no criticism of the Swedish people.

Every person whom I met in Stockholm was most friendly, hospitable, and cooperative; hence, the trouble was that I met only private Swedish citizens and, save for one official, my contacts were limited entirely to private citizens.

We depended upon our Ambassador and the members of his staff to arrange conferences with the responsible officials of the Swedish Government to the end, first, that we might secure at first hand, information with respect to the need for aid and assistance, and second, with respect to how the aid and assistance made available was being expended and used.

Sweden was the only country visited where such conferences were not arranged, and the failure to meet with the Swedish officials was neither the oversight nor the fault of our representatives at Stockholm.

The Swedish officials, for reasons known to themselves, obviously were not interested in conferring with our Senatorial committee.

However, editorials in some of the local newspapers published in Stockholm may throw some light upon the matter.

Our committee left Oslo, Norway, and arrived at the Stockholm airport at about 11:30 a. m. on Friday, October 28, 1949.

Upon our arrival the members of our committee were provided with a translation of a front-page news item printed in one of the morning papers—Ny Dag.

In addition to the article being printed on the front page of the paper, the street posters advertising the publication contained the headlines of the news item in prominent type.

Mr. President, we arrived at the airport at 11:30 a. m. The paper was published some time during the night or early morning. The paper, therefore, was on the streets prior to our arrival in Stockholm. In addition to the paper being on the streets, publishers in Sweden have a system of taking extracts of important parts of a paper and publishing those bulletins in glaring letters throughout the city. Therefore, when we arrived in Stockholm the paper had been printed, the translation was placed in our hands, and we saw on the billboards the flaming notices quoting the headlines in the publication.

At this point I ask permission to have the entire item printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Is there objection?

There being no objection, the newspaper article was ordered to be printed in the RECORD, as follows:

OCTOBER 28, 1949.

The Communist Ny Dag this morning spreads over its street posters and front page the following headlines: "What business has U. S. A.'s Armed Services Committee in Sweden? Already regards our country as a pact state."

The story in the Communist paper reads:

"Seven American Senators will land at Bromma 11:30 o'clock Friday. They have visited Norway to discuss the American arms aid under the military assistance program for the Atlantic Pact countries. Four of the seven Senators openly support Spanish fascism. They declare that they place Sweden in the same position as the Nordic Atlantic Pact countries.

"These seven American Senators are now coming to Sweden equipped with power to control and direct our country's policy, powers due them under the Marshall agreement. For they do not only pose as an Armed Services Committee but also as an Appropriations Committee, with the Marshall plan as their specialty. That their mission in Sweden is of a military nature is clearly seen from their statements at the press conference in Oslo on Wednesday.

"They come to Sweden in order to speed up Sweden's continuous glide into the Atlantic bloc, in conformity with their view that Sweden must be rated as equal to the Atlantic Pact countries.

"They have reason to believe that, in reality, the Government will raise no objections. The Government permits the Supreme Commander to declare publicly that Sweden's military policy adheres to that of the Atlantic bloc. The seven Senators naturally draw the conclusion that the Government's talk about 'freedom from alliances' is merely designed to deceive Sweden's peace-loving people. They can refer to the fact that through her adherence to the Marshall plan Sweden has undertaken to 'promote the strength and security of the United States.'

"The arrival of the Franco-loving military Senators in Sweden is a very serious thing. All those Swedes who do not wish to see their country drawn into the American war bloc, openly or by a back door, must keep their eyes open and watch carefully the activities of these foreign control officers. It is equally necessary carefully to watch the Government and judge its reaction to the Senators' visit, not by its words but by its actions."

Mr. THOMAS of Oklahoma. Mr. President, the Stockholm publication is self-explanatory, yet it will be noted that the headlines of the article contain the following:

What business has U. S. A.'s Armed Services Committee in Sweden? Already regards our country as a pact state.

In the last paragraph of the item it is stated that—

The arrival of the Franco-loving military Senators in Sweden is a very serious thing. All those Swedes who do not wish to see their country drawn into the American war bloc, openly or by a back door, must keep their eyes open and watch carefully the activities of these foreign control officers. It is equally necessary carefully to watch the Government and judge its reaction to the Senators' visit, not by its words but by its actions.

In the news article published before we even arrived in Sweden our committee learned that we were described as "foreign-control officers."

In addition to condemning the Senate subcommittee the publication served public notice that the Swedish officials would be carefully watched and that they would be judged not by their words but by their actions.

With such a warning and threat it is not too strange that the Swedish national officials followed the path of least resistance and said nothing and did nothing about taking notice of our visit to their country and capital.

The agenda prepared by our representatives in Stockholm called for a press conference to be held at the Grand Hotel at 5 p. m. on the date of our arrival. The press conference was held after the flaming editorial from the Ny Dag had been printed and circulated throughout Stockholm and Sweden. At the press conference, as reported by the Dagens Nyheter, a liberal newspaper, I was quoted as follows:

We have not come to Europe to make proposals of any sort, nor have we come to exercise any kind of control. We have come simply on behalf of American taxpayers to investigate how the billions of dollars which the United States year after year has been placing at the disposal of the western European governments are being used.

At this point, Mr. President, I wish to state that last year the Congress appropriated upward of $7,000,000,000 to be used for aid and assistance in western European countries, including Germany, Austria, and Greece, in Japan, Korea and other countries of the world.

In order that the record may be more complete I ask permission to have printed at this point in connection with my remarks a copy of an editorial printed in the Ny Dag on October 29, 1949.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

The temporary American Control Commission arrived in Stockholm yesterday. A permanent American Control Commission is, of course, already established at Strandvägen 7A, in the offices of the American Embassy. The six gentlemen who have now arrived on a short visit are members of the United States Senate Appropriations Committee. They constitute a special subcommittee handling the equipment of certain European countries with arms from the arsenals of the dollar imperialists.

The six control officers claim officially that their errand in Sweden is to study how so-called Marshall funds are being used. They are to investigate whether the devaluation has been carried out in conformity with American instructions and whether the Government is resolutely pursuing its policy to press down the living standard for the working people.

The mission of the American Senators is also another one, however. They are here to investigate how tightly the imperialists may turn the thumbscrews in the next round and whether they should demand direct adherence to the Atlantic Pact or continue along the course of Scandinavian cooperation.

The American Control Commission is here to drag Sweden still further into the imperialist war bloc. Their visit signals disaster for the Swedish people.

During their visit here the six Senators will meet a number of direct agents of dollar capitalism and a still greater number of cowardly collaborationists, who bend to might. They will meet people who are pro-Franco, like they are themselves, and people who claim that they are opposed to Franco but who are nevertheless willing to succumb to the orders of dollar imperialism.

The American control officers should be told, however, that these traitors who sell Sweden's independence do not represent the Swedish people and public opinion. It is true that the majority of Sweden's people do not yet grasp the full implication of the policy pursued by the Marshall agents in this country. They still think well of the leaders of the Social Democratic aid bourgeois parties and cannot believe them guilty of high treason.

This is of a passing nature, however, and temporary. More and more people are gradually beginning to realize the whole disgraceful implication of the policy of the Marshall parties. The Swedish people will come to realize that Erlander, Ohlin, and Domo have traded away large portions of Swedish independence. When this becomes clear there will be a storm among the Swedish people which will sweep away the American traitors and quislings.

The American control officers should not feel any too certain of the influence of their agents in Sweden. The Swedish people love peace and freedom. They will fight for their cause.

Mr. THOMAS of Oklahoma. Mr. President, from the editorials it will be noted that the following charges were made:

(a) That our subcommittee representing the Senate Committee on Appropriations was "a special subcommittee handling the equipment of certain European countries with arms from the arsenals of the imperialists";

(b) That our subcommittee was designated as "the American Control Commission," and that our mission to Sweden was "to drag Sweden still further into the imperialist war bloc";

(c) That our subcommittee represented "dollar capitalism" and "dollar imperialism"; and

(d) That the Marshall-aid program was "disgraceful."

While our subcommittee was in Europe performing the services assigned to us by the Senate Committee on Appropriations, a number of American newspapers, magazines, columnists, and cartoonists, in our absence, accepted at face value the statements and criticisms of a portion of the Swedish press, and on such ex parte statements commented accordingly.

It is my personal policy to ignore completely and to pay no attention whatever to criticisms of my statements, acts, and votes made by persons residing outside the United States.

However, in the case of the so-called Swedish incident, the criticisms were not in the first instance directed toward me personally, but instead they were leveled, first, at the entire subcommittee, which was on its way to Stockholm; second, at the Senate Committee on Appropriations for having sent the subcommittee to Europe; third, at the United States policy as outlined in the Marshall-aid program; and, fourth, at the United States policy as set forth in the Atlantic-Pact program.

Personally, I construed the criticisms to be leveled against the United States, and as one member of the committee I took exception to such criticism. Had the Swedish national officials not acted in accord with the demands of the Communist newspaper Ny Dag, I would have paid no attention to the charges made against us.

The record shows that from the beginning of the so-called Marshall-plan aid to the countries of western Europe, to and through December 31, 1949, Sweden received amounts which total almost $100,000,000 in grants, loans, credits, surplus property, Red Cross allotments, UNRRA assistance, and European recovery aid.

As one member of the Senate subcommittee which visited Sweden, I was not convinced that Sweden was or is in need of either loans or other financial assistance from the United States.

Mr. President, the record relating to the so-called Swedish incident is outlined herein to the end that editors, columnists, cartoonists, and others interested may have some of the facts with respect to the visit of the Senate subcommittee to Stockholm, Sweden.

Mr. President, I desire at this point, in addition to what I have just said, to refer to one or two other instances which I think should be made a part of the CONGRESSIONAL RECORD.

In connection with the criticism leveled at me I read one extract from a Swedish newspaper to the effect that the chairman of the subcommittee hailed from Oklahoma, "a State that must be somewhat dark." Even if Oklahoma were "somewhat dark," I would much rather hail from a State that is somewhat dark than from a nation that is somewhat red.

Mr. President, I next wish to call attention to a news story which appeared in the New York Times of February 7. It is under the authority of Mr. William S. White. It refers to a statement made by the distinguished junior Senator from Nevada [Mr. MALONE]. I shall read that part of the New York Times' statement which I have underscored:

Senator GEORGE W. MALONE, Republican, of Nevada, issued a statement asserting that secret information and secret inventions absolutely vital to our existence have been turned over to other powers over whose security measures we have no control.

"During the war," he added, "we invented the proximity fuse, an instrument so delicate that it explodes a projectile as if by magic when an airplane comes within range.

"We sold it to Sweden. Sweden sold it to Russia. Today, if war comes, American pilots will be required to fly bombers into bursting shells set off by our own lethal weapon."

Mr. President, in addition to the statement made by the distinguished Senator from Nevada, I have a quotation from a Nation-wide broadcast which came over Station WRC, here in Washington, at 6:45 p. m. on February 6, 1950. It is noted as "Three Star Extra, National Broadcasting Co." I read the statement as it came over the radio:

STOCKHOLM.—Soviet Russia military planes, according to information received from behind the iron curtain, now are equipped with precious American inventions used with great effect by the United States in the last war.

The invention is known as the radar airplane contact projectile.

It is fired from combat planes at another plane and automatically goes for the target at certain ranges.

Here is why Russian planes are equipped with this mechanism to shoot down our bombers.

We gave Britain the invention in the last war. After the war Britain sold it to the Swedes and the Swedes sold it to the Russians.

Mr. President, I desire at this point to read into the RECORD a news item coming from Stockholm, Sweden, itself. The item is dated February 10, and was printed in the New York Times. It accuses a Swedish citizen of having done the thing which I have just read as reported by the Senator from Nevada, in the broadcast just referred to. The Swedish item refers to a trial wherein one Goesta Mottag Leffler was indicted, and the article states, "He is charged with having offered to a foreign country bomb-chart data on Swedish power plants for the equivalent of $800."

In order that there may appear in the RECORD a statement of the nature of the newspapers from which I have been quoting, I call attention to the newspaper Dagens Nyheter, a publication issued in Stockholm, Sweden. In yesterday's Washington Post I find an article which quotes this publication, so it must be a paper of sufficiently high standing to be quoted not only in other parts of the world, but quoted by our own Washington newspaper, the Washington Post. I ask that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BULLET-RIDDLED RAFT REPORTED FOUND IN BALTIC

STOCKHOLM, April 23.—The newspaper Dagens Nyheter today quoted a Swedish police officer at Visby, on Gotland Island, as having said a second rubber life raft picked up in the Baltic last Thursday appeared to have been hit by bullets.

American naval officials are examining it and another found in the Baltic last Sunday to see if they belonged to a United States Navy patrol bomber plane missing since April 8.

The United States has accused Russian fighter planes of shooting down the unarmed Privateer, with a crew of 10, and has demanded damages.

In addition to a large hole in the middle of the raft, apparently caused by fire, the policeman said he noted several other holes of a type that caused him to remark the raft "appeared to have been hit by bullets."

Earlier the official Swedish News Agency quoted Fred Nordgren, captain of a Swedish fishing vessel which picked up the second raft, also as having said the center hole appeared to have been caused by fire.

Mr. THOMAS of Oklahoma. Mr. President, I desire to place just one or two other statements in the RECORD. When we arrived in Sweden we were given material in the form of what might be termed a brief. Every place we went our Government officials—Ambassadors, Ministers, or Chargé d'Affaires, as the case might be—had compiled data with respect to the local country, and gave us copies of their agenda and the information they thought might be helpful in our trip around the country.

The PRESIDING OFFICER. The Chair desires to ask the Senator from Oklahoma a question. How much in grants have the Swedes received?

Mr. THOMAS of Oklahoma. I shall put that information in the RECORD in a moment. If the Chair will bear with me he will get the information in the last paragraph of my statement.

I quote from the data prepared and furnished us by our representative in Sweden:

Sweden remained neutral throughout the war and presently has one of the highest standards of living in Europe. The fact that she requested and is now receiving aid is inevitably, therefore, a cause for surprise.

It certainly was a surprise to me, Mr. President, that the leading country, from the standpoint of domestic economy, would accept grants or even loans from the United States, but the fact is that she did, as the next paragraph will show:

In 1948–49, the first year of ERP, Sweden was allotted $45,400,000 by ECA, of which $22,000,000 were loan and the remainder, so-called, conditional aid—i. e., dollars paid to Sweden in the form of procurement authorizations in return for aid of an equivalent amount granted by her to other participating countries. For 1949–50 Sweden requested $58,000,000, all to be in the form of conditional aid, but under the division of aid agreed to by the OEEC was allocated only $45,000,000.

Those two items, together with loans made by the Export-Import Bank, make a total amount of American dollars, taxpayers' money, made available to Sweden, in a sum of practically $100,000,000.

PROPOSED PRESIDENTIAL COMMISSION OF INQUIRY INTO AMERICAN POLICY IN GERMANY

Mr. HENDRICKSON. Mr. President, I wish to invite the attention of the Senate to a dispatch to the New York Herald Tribune by its correspondent in Frankfurt, Germany, Don Cook, printed in the April 20 edition of that newspaper, concerning the resolution submitted by the junior Senator from Iowa [Mr. GILLETTE], six other Senators and myself, on Monday of this week. The resolution calls for a Presidential Commission of Inquiry Into American Policy in Germany, and Don Cook says it has "received a warm welcome * * * from high Commission officials and the German press."

This news is most encouraging to me, Mr. President, as it must be to the other Senators who are sponsoring Senate Resolution 260 with me. It is especially encouraging to find that the resolution has been received in Germany by both the American officials and German editors in the same spirit in which it was submitted to the Senate here this week.

Mr. Cook's article goes on to say:

There was real enthusiasm among a number of senior high Commission officials for the idea of a Commission of high caliber who would look beyond the mere facts of how American money is spent and prepare an authoritative public report on the political and psychological state of Western Germany.

I call the attention of members of the Senate Foreign Relations Committee to this news report. I feel they will be extremely interested in learning of the favorable reaction which our proposal has received in that part of the world which will be most affected by the appointment of a Presidential Commission such as we are urging.

If the reaction as described by this news story reflects the attitude that we may expect from the Department of State, I am confident that the Senate can expect favorable action on Senate Resolution 260 in the near future. The sponsors of this resolution believe action of this sort must be taken before the present session ends, so that the next Congress will have before it the full report of the findings and recommendations of the Presidential Commission which we are requesting be established.

I ask unanimous consent that the article from the Herald Tribune to which I have referred be placed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES ZONE AIDES GREET PROPOSAL FOR AN INQUIRY—WEST GERMAN PRESS ALSO WELCOMES IDEA FOR SENATE INVESTIGATION

(By Don Cook)

FRANKFURT, April 19.—The proposal of eight United States Senators for a bipartisan investigation of democratic developments and occupation policies in western Germany received a warm welcome today from high commission officials and the German press.

Western Germany, like every other country in Europe, has been subject to its full share of congressional quick looks. But perhaps despite this, there was real enthusiasm among a number of senior high commission officials for the idea of a commission of men of high caliber who would look beyond the mere facts of how American money is spent and prepare an authoritative public report on the political and psychological state of Western Germany.

GLAD TO HAVE A STUDY

"We are always glad to have Members of Congress come to Germany and observe and study conditions," Robert M. Hanes, high commission economic chief, said. "We have nothing to hide and are always delighted to receive the assistance of Congress in solving the many complex problems facing us here."

High Commissioner John J. McCloy was away from Frankfurt and not available for comment, but other officials echoed Mr. Manes's reaction. The positive reaction was without much doubt due in large part to the standing of the eight Senators who are sponsoring the Senate resolution for such a commission.

Today's Frankfurter Allgemeine Zeitung remarked editorially that it would welcome such a commission because it is about time the United States obtained a true picture of German conditions.

CLAIMS EXAGGERATIONS

The paper continued: No doubt there are many unpleasant symptoms and tendencies in Germany, but reports have been exaggerated to a point where it is justified to talk of falsification. If we knew that honest and experienced men would come to Germany to find out nothing but the truth, we would greatly welcome this. We still have got nationalism and there is a lack of foreign political instinct. But this is just a very small part of the total thinking of Germans.

The greatest fear for Senator GILLETTE (GUY M. GILLETTE, Democrat, of Iowa), appears to be the possibility of a German alliance with Soviet Russia. Knowing the

troubles and concerns with which Germany is faced, one is tempted to feel somewhat amused, though this would certainly be unjust. But for an American it should be possible to understand what a people thinks about the idea of joining with another power which has taken away from it valuable territory and ousted 12,000,000 people. No, Rapallo is dead.

CALL OF THE ROLL

Mr. McFARLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Martin
Anderson	Hayden	Maybank
Benton	Hendrickson	Millikin
Brewster	Hoey	Morse
Bricker	Holland	Mundt
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Jenner	Russell
Capehart	Johnson, Colo.	Saltonstall
Chapman	Johnston, S. C.	Schoeppel
Chavez	Kefauver	Smith, Maine
Connally	Kem	Stennis
Cordon	Kerr	Taft
Darby	Kilgore	Taylor
Douglas	Langer	Thomas, Okla.
Dworshak	Leahy	Thomas, Utah
Eastland	Lehman	Tobey
Ecton	Lodge	Tydings
Ellender	McCarran	Watkins
Ferguson	McCarthy	Wherry
Flanders	McClellan	Wiley
Frear	McFarland	Williams
Fulbright	McKellar	Withers
George	McMahon	Young
Gillette	Magnuson	
Green	Malone	

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). A quorum is present.

Mr. MORSE obtained the floor.

AMERICAN SOCIETY OF NEWPAPER EDITORS—EXTEMPORANEOUS REMARKS BY THE SECRETARY OF STATE

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from New York, provided I do not lose the floor.

Mr. LEHMAN. Mr. President, on Saturday, April 22, Secretary of State Dean Acheson spoke before the American Society of Newspaper Editors in Washington. In addition to some prepared remarks, Secretary Acheson made some extemporaneous statements addressed to the current attacks against the State Department, attacks which, as many informed persons believe, are seriously hamstringing our conduct of foreign relations in many major respects.

Yesterday the text of Secretary Acheson's extemporaneous remarks were made public by the State Department at the request of the newspaper editors. These remarks merit, I believe, being read by every Senator and every citizen as they constitute the best comment I have yet seen on the hysteria which is today occupying the attention of the country. I ask the unanimous consent of the Senate to insert these statements into the body of the RECORD at this point in my remarks.

The PRESIDING OFFICER. The Chair will state for the information of the Senator from New York that the extemporaneous remarks by the Secretary of State to which he refers were placed in the RECORD by the Senator from Texas [Mr. CONNALLY] earlier today.

The Senator from Oregon has the floor.

Mr. KEFAUVER. Mr. President, will the Senator from Oregon yield for the purpose of presenting a conference report on the military justice bill?

Mr. MORSE. Mr. President, I cannot yield for that purpose. It may arouse some discussion, and I want to complete my remarks, which will not take very long.

The PRESIDING OFFICER. The Senator from Oregon declines to yield.

CONSTITUTIONAL PRINCIPLES SHOULD BE SAFEGUARDED IN SENATE INVESTIGATIONS

Mr. MORSE. Mr. President, earlier this afternoon in a colloquy with the Senator from Maryland [Mr. TYDINGS], I raised the question of whether he could hold out to the Senate any hope that there might be a reversal of policy on the part of the administration, whereby the members of the subcommittee of the Foreign Relations Committee, acting under a resolution to investigate charges in respect to security risks in the State Department are denied the opportunity to check Senator McCARTHY'S charges against the FBI files. There is much which can be said in support of a procedure whereby the members of that subcommittee, in executive session, would consult with Mr. John Edgar Hoover of the Federal Bureau of Investigation about the information contained in those files. The American people are entitled to know whether there is contained therein any evidence which would cause reasonable men to believe that the charges brought by one of our distinguished colleagues in the Senate, the Senator from Wisconsin [Mr. McCARTHY], are substantiated by those files. The record will speak for itself as to that colloquy, but it has been a matter of interest to the junior Senator from Oregon that in the past hour and a half he has received a series of interesting telephone calls and several questions from newspaper correspondents as to the import and implications of the question which the junior Senator from Oregon asked the Senator from Maryland [Mr. TYDINGS].

Mr. President, the questions which have been asked me in the past hour and a half are about all the proof I need that there is prevalent in America today a form of hysteria, fear, doubt, and perplexity among our people which, from the standpoint of the health of American public opinion, ought to be eliminated at the earliest possible hour for the good of our Nation.

I think the controversy which has been raging and which has been waged in America in recent weeks over the whole question of security from the standpoint of Government personnel is a controversy which ought to be ended at the earliest possible date, on the basis of the facts, whatever those facts may be. My experience in the past hour and a half with those who appear to be very excited about this whole matter satisfies me, Mr. President, that calm, reasoned judgment apparently does not characterize the thinking of many Americans today. Therefore, I want to repeat and enlarge upon the question I asked the Senator from Maryland a couple of hours ago, because I am satisfied that that question is one of the vital questions which go to the crux of the whole problem of this investigation.

I repeat the question in this form: Is there any hope that the elected representatives of the American people, in a subcommittee of the Senate of the United States, charged by the Senate, through a resolution, to make inquiry and investigation into charges as to security risks on the pay roll of the Government of the United States, are going to be able to look into the facts and information in the FBI files? If I understand the Senator from Wisconsin correctly, he has placed great emphasis by way of his allegation of proof on his claim that those files will prove his charges.

Mr. President, I call myself a constitutional liberal in American politics. By that I simply mean that one of the fundamental and basic principles of the Republican Party should always be practiced, namely, that we live up to the check-and-balance system of the Constitution whereby our founding fathers made clear that at all times, under our form of self-government, under our written Constitution, the executive should be checked by the legislative, the legislative by the executive, the judiciary by both the executive and the legislative, within the powers vested in them in the Constitution, with, likewise, the judiciary checking the powers of the legislative and the executive. To what end? To the end, Mr. President, that in this land of ours we shall have truly a government by law rather than by the arbitrary discretion and caprice of mere men.

Mr. President, to carry out that basic tenet of freedom—and I underline it, because there can be no freedom for the individual in America if officials in any one of the three branches of government ever come to exercise arbitrary and capricious power not checked by the other branches of government—to have that freedom in America, we must also be true not only to the letter of the Constitution, not only to a literal interpretation of that great document of freedom, but we must be true to its spirit and its intent. To understand my viewpoint of constitutional liberalism, Mr. President, it must also be understood that I look upon that document as the great, dynamic franchise of freedom for freemen in America. It is not a static document, not a document the sentences of which operate as dead hands of the past, but it is a great living document, adjustable, as I believe the founding fathers intended it to be, to the crises of each generation. How true it has been throughout our history, Mr. President, that each generation of Americans has had to rise to meet the

crisis of their time. There is a great crisis in America and in the world today. Our generation is going to have to meet it. It is a crisis as to whether freedom is going to survive in the world, as to whether protecting the dignity of the individual is going to continue to characterize the great objective of democracies the world around.

A part of that crisis is in our land today, Mr. President. I would plead, as I pray so frequently these days, that our people keep faith with the spirit and the intent of the Constitution of the United States, with its great system of checks and balances, to the end, Mr. President, that in these days of great concern throughout our land about the security of our Nation, we ourselves do not adopt totalitarian methods in practice. We must be on guard that we ourselves do not follow procedures which jeopardize or endanger the freedom of the individual. We must keep faith with what the founding fathers intended. Therefore I would have not only the Senate of the United States but the people of America reread the Constitution of the United States. As I would have them turn to the Scriptures today, so also would I have them turn to this great document, from which stems our freedom and which itself was born of the minds of men who recognized the spiritual foundation of self government. Men who recognized that, after all, our Government cannot survive unless it forever remains true to the great teaching that it is the individual person, made in the image of God himself, whom we seek to protect when we speak of freedom. It is recognition of the spiritual value of the person, it is the sacredness of human life, Mr. President, which I believe motivated our founding fathers when they penned what I consider to be the greatest document on self-government ever penned by man. I would that our people always, without hesitation or faltering, be true to these great guaranties of freedom encased in this great dynamic and living document. So I would have the American people take another look at article I of the Constitution. I would have them ponder anew the significance of section 8, article I of the document, which enumerates the powers of Congress. I would have them consider again the implied meanings of that paragraph, which, in speaking of the powers of Congress, reads:

> To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

I think the broad powers contained in that paragraph make perfectly clear the intention of the founding fathers that in the legislative branch of the Government rests and is entrusted the duty of taking those legislative steps which are necessary in order to pass whatever laws are needed to carry out the guaranties of freedom and protection of the individual intended by the founding fathers.

In connection with this controversy I would have the American people again renew their acquaintance with the meaning of the fourth amendment, which reads:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Mr. President, that statement may not be literally applicable to the controversy at hand, but it is a clear statement, Mr. President, of the intention of the founding fathers to protect the individual, and it is a clear recognition that it is the individual person who counts in a system of self-government such as ours. There are many ways, Mr. President, of transgressing against an individual without being guilty of an illegal search or seizure. I think we should interpret the Constitution as setting forth not only specific literal mandates and protections, but also as a document which sets forth a particular philosophy of government.

I cannot read amendment IV without feeling that in the controversy now at hand the motivations and objectives of amendment IV have application, because it is possible, Mr. President, to do great damage to individual men and women, no matter how fine the motivation of those who make the accusations may be, unless everything possible is done by the Government of the United States to make available to the people of the United States the facts and evidence in connection with those accusations. After all, when a great public controversy has started, we must deal with it for what it is. We have a controversy which, if the proof exists, as alleged, involves charges about which the Congress of the United States, through its legislative power already quoted by me in this address, must take action. No Senator can pass judicial judgment, as he should, upon legislation, unless he knows the facts, whatever they may be, which would justify legislation. We do not know yet what legislation we may be called upon to pass, under section 8, article I of the Constitution of the United States in respect to this controversy. However, Mr. President, when I sit in judgment on any proposed legislation I want to know that all the facts have been made available which gave cause to the proposal for that legislation. Before great damage is done to perhaps innocent people I believe that we, as elected representatives of the people of the United States, have a right to know the facts. We have the duty to see to it that they are protected from transgressions upon their individual rights which the founding fathers, I believe, clearly had in mind when amendment IV became a part of our organic law. I want the people of my country to be secure in their persons. I want the people of my country to be secure in their houses. I want them to be secure in their reputations, from any accusation which cannot be substantiated by facts. If our Government has information which will clear the innocent and convict the guilty as to Senator McCarthy's charges then I think it is within the spirit and intent of our Constitution that it should be made available to the Senate committee.

Likewise, Mr. President, I want those who in good faith bring accusations to have available to them such proof as it is within the official capacity of the Government of the United States to make available to them, under proper safeguards and protections. I think such protections and safeguards can be set up which will give the country the type of protection which the Senator from Maryland discussed in his colloquy with me earlier this afternoon. I do not want any course of action followed which will make my country insecure, or which will jeopardize the defenses of the country. Nor do I want an excuse made for denying adequate protection to the individual accused on any ground that elected representatives of the people of the United States should not be allowed to sit down either with the head of a department, or with the President of the United States, if necessary, to check the facts, whatever the record may show the facts to be.

Mr. President, in my opinion the spirit and the intent of the fourth amendment will be violated if we do not protect the people of the United States in their reputations from attack by officials of Government when those attacks cannot be substantiated by the evidence. I think a similar spirit and intent characterizes the fifth amendment:

> No person shall be held to answer for capital, or otherwise infamous crime, unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

Mr. President, those are great liberties, those are great personal freedoms, those guaranties are the principles out of which American freedom is made. They have applications far above their legal and literal meaning as applied in the fifth amendment. They enunciate a great attitude of democracy. They illustrate a great objective of a free people that once again the individual is the master, not the servant, nor should he be the victim of his government.

Mr. President, I think it has application to the present controversy because to charge a fellow citizen with what amounts to being a traitor, disloyal to his government, an enemy of our people from within, is about as infamous a crime as can be charged against one, because it is also a murderous charge. A traitor, or one who seeks to destroy the liberty of the American people and our form of government, has the qualities of a murderer because the end result of his program is murder.

When charges of treason are brought, I think the Congress of the United States

and the executive branch of Government, and the judicial branch, as well, have a duty within their power to make available to the American people, with proper safeguards, whatever evidence or facts may exist within the Government to support such charges.

Mr. President, I think that is the spirit and intent of the fifth amendment to the Constitution. I think the implications of that intent need to be considered very carefully by government officials these days, both in the executive branch of the Government and in the legislative.

I recognize the problem the distinguished Senator from Maryland [Mr. TYDINGS] has as chairman of the subcommittee. I recognize the doctrine of separation of powers under our Constitution, and I comment on it briefly now so that no newspaper editor who might deign to comment on anything I might say here this afternoon could say with justification that I made no mention of the separation-of-powers doctrine. But that doctrine, under our Constitution, was never intended, nor has it ever been so interpreted, within my knowledge of the cases, to mean that it vested in any one of the three branches of the Government what amounts to arbitrary power in connection with a specific issue. Rather the separation-of-powers doctrine, as I understand my constitutional law and history, was designed as one of the types of checks against arbitrary power, one of the guaranties that we would have a government by law instead of by men. It was never as a shield behind which officials of government in any one of the branches could hide, or which they could use as a rationalization for the exercise of arbitrary discretion.

I would have my colleagues and the American people keep in mind the spirit and the intent, as well as the letter, of the sixth amendment of the Constitution:

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defense.

Oh, what precious rights of freedom and liberty are encompassed by those glorious words of the Constitution. We should be true to the spirit and intent of that amendment, even as we, the Congress, and those in the executive branch of the Government, carry out what we and they consider to be their duties and prerogatives and privileges.

We should make certain that in carrying them out we are true to the spirit and the intent of the founding fathers when they emblazoned in our organic law those protections of the individual person as set out in the sixth amendment.

It is true that the investigation of Senator MCCARTHY's charges do not constitute a criminal prosecution within the literal meaning of the sixth amendment. However, it is very true that this Senate investigation, like so many Senate investigations, has come to have a great many implications of a criminal prosecution insofar as the individuals accused are concerned. What real protection is there to a citizen in the United States today under the sixth amendment of the Constitution if the executive and legislative branches of our Government proceed in the guise of a Senate investigation to do irreparable damage to the reputation of individual citizens.

It is my view that the spirit and intent of the sixth amendment should carry over into congressional investigations when individual citizens are accused of high crime such as has been done in respect to those involved in the investigation under consideration. If the administration now denies to the Senate committee a chance to inspect the information in the FBI files it may become guilty of denying to perfectly innocent individuals their best chance of proving their innocence and protecting their reputations. I feel that the spirit and intent of the sixth amendment is not being followed by the administration in this investigation.

Thus, Mr. President, we can go through section after section of the Constitution of the United States and find that its basic dynamics are, after all, the protection of the individual so that he can live in a society of freedom, under God, whereby he enjoys the privilege and the right and the opportunity to be the master and not the victim of his government.

Mr. President, I think these basic tenets of freedom which I am discussing have direct application to the controversy which now rages in this country over the whole question of security risks in Government employment. So, in the hope that these statements will clear up any doubt as to the meaning of the junior Senator from Oregon when he expressed himself earlier this afternoon in a colloquy with the Senator from Maryland [Mr. TYDINGS], and also in the hope that at least something I may say will cause one or more Americans to think anew about the implications of the raging controversy to the basic rights and freedoms of the American people, I wish to add these further comments.

In this controversy it is alleged by Senator MCCARTHY that if the contents of the FBI files were made known to the committee, then the allegations which have been made in regard to security risks in the Government would be substantiated. The charges are serious, Mr. President. The charges should clearly be substantiated by at least a preponderance of the evidence. The charges ought to be substantiated beyond any reasonable doubt or they should never have been made in the first place, because they challenge the patriotism of various individuals. I think at least the same test of evidence in substantiating those charges ought to be met that would be met if one in a court of law alleged that someone was a traitor and sought to prove it by judicial process. But I am willing to say that the charges ought to be substantiated by at least a preponderance of the evidence. The rights of innocent people in America are entitled to at least that protection from their Government.

Therefore I think the American people are entitled to have their elected representatives serving on an appropriate committee of the United States Senate, charged by resolution with an investigation of security risks in the Government of the United States, sit down with the head of the FBI and have a discussion with him at least as to whether or not there is in the files any evidence that substantiates the charges made against individuals.

As I said earlier this afternoon, and as I have said over the telephone this afternoon in three telephone conversations, there is no intention or desire on the part of the junior Senator from Oregon to weaken the security of our Nation by weakening in any way the effectiveness of the FBI. But when a great controversy such as this in a free society has been raised, I deny that, in order to protect the security of my Nation, or the effectiveness of the FBI, it is necessary that the elected representatives of the American people shall be estopped from looking into whatever facts the government of a free people may have for or against the loyalty of a citizen of that free society.

Mr. President, my record is a record of not only great respect for the head of the FBI but of great support of him for the good work of law enforcement he has done. But whenever I am confronted with a basic principle of government, then personal factors are of no consequence, when it comes to determining the question as to whether or not a procedure administered by any Government official has within it an inherent danger to the freedom of the individual.

I do not want the contents of the FBI reports to become public property in the sense that I would have them broadcast throughout the land. I have not even suggested in my colloquy with the Senator from Maryland that they should become the common property of all the Members of the Congress of the United States, although I think a very strong argument could be made in support of that, if circumstances develop so that in order to carry out our duties under the sections of the Constitution I have read in respect to our legislative duties, we, as a total Congress, ought to have all the facts available to the Government of the United States.

But I do mean, Mr. President, that I seriously question whether in a society of freemen, under our Constitution, any agency of Government should be given the right or should have a right recognized in it, to secure information in the name of Government with the guaranty to the informer that that information can never be made available under any circumstances to the elected representatives of the American people. If those representatives are carrying out

what is clearly their legislative function as the Tydings committee is carrying out its legislative function under the resolution adopted by the Senate of the United States then I think the information in the FBI files should be made available under appropriate safeguards and restrictions.

To hold that any agency of Government should be given any power to deny the use of official information or that any such power by implication should be recognized in any agency of Government, I say has very dangerous implications to the freedom of men and women living under our system of government.

I wish to hasten to add that I do not believe there is anyone in America who is a more staunch defender of the freedom of American citizens than the head of the FBI. But I also hasten to add that it happens, in my judgment, to be the constitutional duty of the Congress of the United States to review the procedures of all the departments of Government when a question is raised as to whether or not any of those departments is following procedures which might endanger the liberty and freedom of the individual citizen, as clearly encompassed within the spirit and the intent of the sections of the Constitution from which I read this afternoon.

Let me go one step further. I can understand from the comments made by the Senator from Maryland exactly why Mr. Hoover feels as he apparently expressed himself to the Senator from Maryland to be his feelings about this matter.

However, Mr. President, I cannot get away from the conclusion—and it is an ugly conclusion which will persist unless the facts to dispell it are produced—that information which is on file and is available to the executive branch of this Government would substantiate the charges which have been made by the Senator from Wisconsin. Mr. President, if that is true, the American people are entitled to know it—not by assertions made by anyone, but by a disclosure of the facts in the file.

There are a variety of ways of proceeding to do so, Mr. President, which, in my judgment, will protect every objective which the great J. Edgar Hoover has in mind. After all, the President of the United States is an elected official of the people of the United States. I fully appreciate the position he has taken in regard to a disclosure of the contents of the files, even in executive session, to Members of the Senate of the United States. I think I am a good enough lawyer to know that a rather strong case from the standpoint of precedent, as the President has made it out, can be advanced in support of the administrative action he has taken and the discretion which he has exercised. However, it should be perfectly understood by the American people that there is nothing in American law, nothing in the Constitution, not a single word in a statute of the United States, to prevent the President of the United States, in connection with a controversy as serious as this one has become, from exercising Executive authority over the files, at least to the point where he himself will investigate them. Surely, Mr. President, any policy to the effect that the contents of those files will not be made known to anyone except the FBI, does not include the superiors of the Federal Bureau of Investigation. Certainly it cannot be interpreted to prevent the President of the United States himself from seeing them.

Therefore, it would be a little reassuring to the American people, and I think the issue which has been raised is sufficiently serious to justify having the President of the United States give special attention to it, if the President himself—who made a distinguished and great record in the Senate of the United States, as an investigator in his own right—would say to the American people, "I personally have investigated these files; and on the basis of that personal investigation of my own, I make the following report to the American people." I think that would help a little to calm the fears of the people of the United States.

However, Mr. President, I think there are other procedures which could be followed. I think it would help calm the fears of the American people if the President and the head of the FBI and the members of the committee were to sit down together at the White House and have a discussion of what may or may not be in those files. We need to keep in mind that although we are satisfied that J. Edgar Hoover himself, so long as he is head of the FBI, would never follow a course of action knowingly or willfully or intentionally jeopardizing the individual freedom of a single American, yet he is not immortal; he is not going to be there forever. On the other hand, Mr. President, there is great danger that the principles and precedents which we lay down in this case will be with us for many years to come. That is what gives me cause for concern this afternoon; that is what I am worrying about; because as a constitutional liberal, I am concerned about principles of government more than I am about men who administer the Government. After all, Mr. President, they are not so important. They come and go on the stage of governmental administration and American politics; but the principles they help establish, while they are officials of Government, either in the executive branch or on the floor of Congress, live a long time after they are gone from the stage. So I am concerned about the growing attitude of this country, even as evidenced by some of the questions which have been asked of me this afternoon over the telephone in respect to personal rights. For instance, one party said to me this afternoon that we are justified in fighting fire with fire, meaning that we are justified in resorting to concealment of the facts, to the great injury of individuals in handling suspected security risks who may be on Government pay rolls.

It is such principles of government as that, Mr. President, in respect to which I am pleading for careful consideration this afternoon. I hold to the opinion that our founding fathers would be shocked, were they alive, to discover that the spirit and the intent of the sections of the Constitution and its Bill of Rights which I have read this afternoon would have become so distorted in the year 1950 that those charged with being bad security risks can be convicted on secret information not made available to the committee. The American people should be assured, either by their elected representatives in the Congress of the United States or, at least, by the President of the United States, that they have looked at the alleged evidence and they find it to be of this or that nature, and subject to this or that probative value.

Mr. President, in closing I wish to repeat what I said earlier this afternoon: I think some assurance ought to be given the American people that the Tydings committee is going to be given the opportunity to check the allegations of the Senator from Wisconsin in respect to his claim as to what the FBI files show. Further, I hope the President—and I understand he is going to make a speech tonight on the loyalty issue, though I know nothing of its contents—I hope that when the President of the United States speaks he will at least give the American people the assurance, as their elected representative and therefore responsible to them at the ballot boxes of America, that he personally has studied the FBI files. I hope in the near future he will make a report to the country on the basis of a personal study and investigation of his own—and I think the situation is serious enough to justify his doing that as President of the United States—in which report he will evaluate those files in accordance with whatever findings he thinks they support. All the American people want an answer to this controversy quickly, on the basis of the evidence and the facts. I think we need to get it behind us, as quickly as we can, in accordance with fairness to all concerned, including those who bring the allegations as well as those against whom allegations are made. It is not good for our country to have our people so perplexed, so suspicious, so fearful concerning our internal security. Knowing full well as I speak this afternoon on this issue, which has become characterized by so much emotionalism throughout America, that I of course run the risk of being misunderstood and misinterpreted, I could sit here no longer in silence as a Member of this body without raising my voice and urge that we put into effect the spirit and intent of the personal guaranties of freedom set up by our Constitution. In my judgment this investigation calls upon both the committee, the FBI, and the Chief Executive of this country to get together quickly for a frank discussion of whatever may be within the files insofar as it may be related to the allegations brought by the Senator from Wisconsin.

AMENDMENT OF ECONOMIC COOPERATION ACT OF 1948

The Senate resumed the consideration of the bill (S. 3304) to amend the Economic Cooperation Act of 1948, as amended.

Mr. THOMAS of Utah. Mr. President, I rise to speak in favor of the bill which is the unfinished business before the Senate, and I assure my colleagues who are present that at this hour I shall not detain them very long. I appreciate greatly the words of the Senator from Oregon. I enjoyed fully his discussion of the Constitution of the United States and of what it means.

Mr. President, our Government will not be destroyed by war; it will not be destroyed by improper laws enacted by the Congress. There is too much vitality in the Government and the economics of the people to prevent such a happening. But any government of the people, and especially our own Governmen under the Constitution, rests upon the thin thread of common consent and the notion of fairness one to another. When those two things go out the window, no government can survive. Trust is the basis of all democratic action. Our fathers instituted a government wherein the power was vested in the people. They instituted a form of government of which the world had been frightened up to the time the Government of the United States came into being, of which most of the fathers themselves were fearful, and of which such a great thinker as Benjamin Franklin was not quite sure, when he voted for the Constitution, whether he was doing the right thing.

Mr. President, we ought to reiterate to one another and to the whole world that our Constitution in the final analysis rests upon faith—faith that the people know what they are doing; faith that the people, in their judgment, will understand what is best for the Government and for the people; faith in one another.

We are in one of those periods that follow war. This is not the first time the country has been jittery. It is not the first time we have felt that those within our midst were not entirely true to the basic ideals of America, and that we were in danger. It is not the first time we have been frightened, but it is the first time I know of when men, failing to remember the history of the United States, have apparently forgotten what is basically good and basically fine and basically stable in the American system, and have lost sight of the fact that we have come through various crises without doing violence or injury to our fundamental law. As Vergil mentioned in one of his great couplets in the Aeneid, we seem to be living by the latest rumor that comes our way. No nation can survive under such circumstances. So far as those who reflect the opinion of the people, the economists of our country, are concerned, on the same day, in the same newspaper, almost in two columns close together, by two different columnists, I read this statement by one:

> For we have sunk to such depths of moral defeatism and stubborn sterility and intellectual impotence that we are riddled with unbelief and distrust of our own minds and our own souls and our own capacity to be masters of our fate.

And this statement by the other:

> Our bulky morality is in a downward spiral that would seem to be plummeting to zero. The machine gun and the spear are supplanting the orderly and reasonable discussion of issues and men.

I turn to one of our great weeklies, and discover its editor pointing out that our country is suffering from the growing pains of a nation, and that our Constitution is not what it ought to be.

When people speak that way of our Constitution they are echoing some of the sentences used by the irresponsible Mussolini, who said, "The time has come to drag the flag of liberty through the mud." But still our Nation survived, still our ideals survived, and still the notion of liberty survived. Mr. Mussolini is no longer among the living.

Then we heard Mr. Hitler expressing himself along the same line. And now there are other friends of ours who imagine that our Constitution is outmoded and outdated, and here we have a great man, who has written for a long time, telling us plainly that our Constitution is not worthwhile, that it does not change as the constitution of Great Britain changes, through the will of the people. He wants to have a parliamentary form of government instead of the kind which the Senator from Oregon [Mr. MORSE] has been speaking about. This man points out that in the choosing of our executive, the Democrats made a mistake and the Republicans made a mistake, because their conventions were controlled, one by officeholders and the other by political machines. He is, in general, very unhappy about our constitutional form of government, and he thinks we are in the position in which we find ourselves because constitutionally we are not able to take care of ourselves and meet the world responsibilities which rest upon us today.

Mr. President, I think the eyes of these writers have been fixed upon the writings of one another and not upon what is taking place in this country. I think the eyes of one writer should have gone so far as to see that, because of the teachings and the ideals set forth in the Constitution of the United States, a great people in India, very much older and very much larger in population and area, than our country who call themselves two peoples now, met together and tried to iron out difficulties by negotiation and by agreement. They drew up a pact. Whom are they following? They are following us, in America. We taught them how to bring about agreement so that they could act in unity and in accordance with ideals. It was the practice as worked out by our constitutional fathers which has become a part of the constitutional processes of the world.

Let us look at little Israel. There, indeed, has one desire of the nations of the world come true. Hardly has there been time in the past 2,000 years, hardly has there been a day when prayers have not gone forth that once again Israel would be restored. The events I have mentioned have happened in the past few years. Why do we not sometimes rejoice about constructive things which have taken place, instead of everlastingly looking at the destructive things?

What the pending bill provides for, Mr. President, is one of the constructive things going on in the world. I ask anyone anywhere to point to a time in the history of the world when a vanquished nation looked to its conqueror for reestablishment and to be put on its feet so that it could take its place again as it stood before the war started. When, before, in the history of mankind, has a nation caught the spirit of Abraham Lincoln in his second inaugural address in which he suggested that it was time to heal the wounds of the Nation? When, before, has a nation started out almost entirely by itself to attempt to heal the wounds of the world? When in history has a nation responded to the requests of other nations to cooperate in an attempt to make the waste places of the earth fruitful, to raise the standards of peoples throughout the world, and to bring stability into the world?

Is it because we are against something? Are we frightened of the thing which we call communism to such an extent that we will accept any kind of philosophy to defeat it, that we will even make people strong because we have been told that it is in misery, in poverty, in disorder, in anarchy that communism thrives? Are we acting only because we are full of fear? I say we are not. I think we are acting as a result of the 175 years of experience in the growth and development of our own Nation, and in the faith on our part that we are responsible, in a way, for other nations, because we are interdependent. I think we are justified in what we are doing out of the experiences of our very nature.

Much has been said, Mr. President, about bipartisan approach. Much has been said about unity in all our foreign affairs. Much has been said about always being united regarding anything which takes place outside our borders.

Mr. President, read the history of the United States, read the history of the Congress, consider the committees which are doing the most constructive work in the Congress of the United States today, and we will find that time after time they present unanimous reports.

Bipartisanship? How else could we be bipartisan? Generally speaking, the representatives of the American people come to a unity of faith and present their program as the program of the Foreign Relations Committee of the Senate is presented to the Senate at this time. Unity after discussion; unity after debate; unity after settling disagreements; unity after deliberation—that is the American way. The American way is beginning to take root in places in the world in which we never dreamed it would take root.

Who, in his most prayerful attitude toward the restoration of Palestine, would have thought that when the Jews returned to what they called their promised land they would establish a government in imitation of the Government of the United States, that there would be

a government functioning in much the same way in which the Government of the United States functions?

Who would have thought that the defeated Japanese Nation would ever adopt the kind of constitution which it has adopted? Who would have imagined that a people could be converted almost overnight because they realized they were wrong? When I say that, I am not referring only to the defeated Japanese Nation, which was convinced that it was wrong by the war, by the bomb, and by the failure of its own leaders, but I turn to the complete and absolute evidence of the situation on the part of three or four million Japanese troops, who were fully armed, never shot a bullet at an enemy, who had learned how to live on the land, who were, to use our own phrase, entirely and completely expendable, who were commanded by officers who did not have to pay any respect at all to the home Government, because the old Japanese constitution laid down absolutely the principle that a general in the field was absolute and did not have to respond to any order of the war department or of the Government at home. How did we obtain the surrender of those 4,000,000 soldiers? We convinced them by the same sort of appeal which is made here, and they changed their minds about fighting. They were convinced that they should surrender, because of what their Government had done with them.

That type of thing had never happened in the history of the world. Cannot someone notice that? Will not someone pay attention to the strength of the logic—call it psychological warfare, if you will—of the messages which convinced those people that they were wrong? That is a process of democracy. That is something which we sometimes think could be accomplished by the Voice of America, if it were conducted properly and if the appeal came from those who believed that what we were doing could bring salvation to men the world over in their political and economic lives.

Much has been said today about the Constitution. The Constitution of the United States is probably best if it is never defined, because it is something bigger than any of us realizes. It is something more splendid than the founding fathers ever dreamed of. It is something which is almost beyond definition. But in its final aspects it is the companion of the American people in the accomplishment of their economic, political, and social objectives. That is what the Constitution of the United States is. It is a leader and a guide. It says to the American people: "Go forward in any way you yourself decide to go forward, but make your steps in accordance with this plan." That is what the Supreme Court does. That is the type of thing that has gone on in our country. Instead of imagining that we must have a parliamentary government like that of England, or that we must have a government like that of some other nation, it should be realized that in this great country of ours and in this Constitution, probably we ourselves—and our history justifies it—established what makes possible a government even greater than ours.

I refer to two techniques worked out by the founding fathers. Have they been forgotten by those who say that we should abolish the Constitution and start all over again? It was America which gave the world the federal system, and the federal system was born of two simple ideas. One was that all local concerns should be controlled locally by the people. That is the way to get liberty for people within their own community. Another simple proposition was that those things which were common to all groups, or to all States, should be controlled by a government common to all. That is what we do in our Union. Under the Articles of Confederation we had only a form of union. We did not have a political entity in the ordinary sense.

There was wisdom in the State of Maryland, and the leaders of that great State said, "We will not accept the Articles of Confederation, we will not join this union, unless Virginia gives up her claim to the Northwest Territory and Massachusetts gives up her conflicting claim." Thus a nation was born. Under the Articles of Confederation we had a people, we had a government organized, and we had a land to administer; but we did not have a real union of 13 States.

One word about the American process. Could not the people of the Thirteen Colonies have said to themselves, "We have a great amount of land. Let us take it. Let us exploit it. Let us use it. If we do, we can always live without taxation in our 13 States. We can live on that." It would have been legal, it would have been lawful, and it would have been in accordance with what some people probably thought. But that was not the way we did it. Why? Because the American people decided that the land belonged to the people wherever they were. One may go through our history and see time after time where the things which we did became a part of that which has made us strong, and a part of that which has made us great. Those parts are going to other places.

By accident we discovered the second technique for making governments large and big, but, at the same time, preserving the full freedom of the people. That came after a long struggle, because, when the Constitution was framed, the founding fathers did not see any reason for defining citizenship of the United States. However, after the Civil War, it seemed essential, and then the next great stroke was made. It is an outgrowth of the development of the Constitution, and it is that which makes possible the dream of world government which we all have. We instituted the Federal system, and we defined citizenship in the United States.

We destroyed a concept which had been advanced by Webster, a concept which had been advanced by Hayes, and a concept which had been advanced by Calhoun—concepts which brought on the Civil War. Webster had said, "Sovereignty is indivisible; therefore it must vest in the National Government," Calhoun had said, "Sovereignty is indivisible; therefore it must vest in the State." We went to war about it. But sovereignty is not indivisible. Afterward we wrote into our Constitution that persons born in the United States and under its jurisdiction are citizens of the United States and of the State wherein they reside, and we instituted dual citizenship.

Those are the techniques; those are the things which give people faith in their Government and which should prevent them from saying, that because the right kind of President was not elected, or because the Republicans did not choose the right kind of leader, we should change our Constitution and turn our backs on all that we have done at a time when the world is beginning to look to us. What suggestion for world government has been offered anywhere, excepting the suggestions of conquest by a Hitler, which are not based on our constitutional scheme?

We might go on, as the Senator from Oregon has said he might go on, citing case after case in relation to the Constitution and how it might be harmed by the very things going on today. Thank goodness the one-hunderd-and-fifty-odd-million American people do not become worked up by headlines. They do not become worked up by paying attention to this little thing or that little thing, which may be very serious in itself but only comparatively serious in the life of a great Nation of 150,000,000 people.

We have an idea that we are accomplishing something by this European relief, or European economic cooperation, as we like to call it. Because we wanted to get away from relief, because we wanted nations to stand on their own feet, and because we wanted to emphasize the cooperation of other nations we have embarked on this course.

Mr. President, this statement will be found in a reading of American history:

> If the American dollar can aid suffering humanity and lift the burden of financial difficulty from States with which we live on terms of intimate intercourse and earnest friendship, and replace insecurity and devastation by stability and peaceful self-development, all I can say is that it would be hard to find a better way to employ the American dollar.

That is not something said by Mr. Hoffman; that is not something said by Mr. Harriman; that is not something said by the present President of the United States. It came from a former Senator of the United States, a man who became Secretary of State, and attempted to use American dollars in times past to accomplish some of the things we hope will be accomplished under what we call point 4. That sentence will always be recognized as a great sentence, although I never followed the philosophy of what came to be called dollar diplomacy, and all that was done under that slogan. The statement shows that what we are doing today had its germ in the past, and in the development of the American Government, and

is responsive to what America has thought before.

Mr. WILEY. Who said it?

Mr. THOMAS of Utah. Philander Knox, Secretary of State under President Taft.

Viscount Morley once remarked that "Those who would treat politics and morality apart will never understand the one or the other."

When one looks at the political morality of today—particularly international political morality—and thinks of the quotations I have read, one must surely question man's capacity to master his own fate. While man is moving upward in scientific achievement, in social relationships, in health, in his ability to create a good life for himself, his path is surely downward in terms of the relations which exist between sovereign states. Why is this? Why is it that the actions of states are so different from the expectations and needs of men? For hundreds of years men have been intrigued by the difference in morality between individuals and nations. Why should the moral standards that are generally accepted by men be so vastly different from the standards of conduct of those same men when they have organized themselves into nation states?

It was an American, Thomas Jefferson, who said—and we ought to quote him every time we have a chance to quote him—that he believed in the same morality for nations as for individuals. That stands out on the monument of Jefferson here in this city. Think what that philosophy would have wrought in Germany if it had become the basic philosophy of Hitler, or in Italy if it had become the basic philosophy of Mussolini.

I have heard men argue that there never could be anything like international law, because there is no law above the law of a sovereign state, the real law giver.

Do not Senators think there is such a thing as a community of nations in this world today, just as there is a community of people? Do they not believe that they make law, whether they consciously do it or not? What nation or international group, through what law and by what law, tried the men who were accused of having brought about the late war, and acted against the nations of the world? It was not an international tribunal that tried them, convicted them, and punished them. It was not a national tribunal. We probably did not have the justification which we tried to take by laying our hands on something like the Briand-Kellogg Pact to show that they were guilty of a violation of the law of nations. What they were guilty of was breaking the conscience of the people in the community of nations.

Mr. President, he who would like to bring destruction to the Government of the United States today is not only a traitor to his country, he is a traitor to all civilization and to the people of the whole earth, because it happens that the last bit of hope that is lodged in the minds of people of the world everywhere is the hope born of faith that the Constitution of the United States will survive, and that the people of the United States, with their ideals of carrying on government for the benefit of the people, will endure.

I mentioned Jefferson's name. Many Americans today act as did the great statesmen of Jefferson's time, as did Goethe, as did the men in other countries who did what Jefferson did, men who basically were revolutionaries because that which they started was based on revolution. Jefferson even went so far as to think it was all right to carry on revolutions everywhere, if that was the only way by which people could gain their freedom. But when the time came that the French Revolution slipped into a single-will control, of a man by the name of Napoleon, what was Jefferson's attitude then? It was an attitude of condemnation of the very revolution which brought forth Napoleon. That indicates what our attitude should be toward the nations of the world which are struggling. They are not going to be successful overnight. They are not going to be able to get control of their governments immediately; but we must never deviate one whit, as the Senator from Oregon has said, in the basic things which make our Constitution what it is today.

I ask, Why is the conduct of men different from that of nations? The answer, I believe, is to be found in part in the difference between political morality and individual morality. It has been said that "political morality differs from individual morality, because there is no power above the state." In other words, men in their relationships with each other operate under law. States very often do not do so.

If I go into the midst of the great American desert, where there is no sign of government as far as I can see, or if I go outside of the 3-mile limit on the ocean, am I free to do what I want to do? Is there no law in either place? Of course there is law.

Man found long ago that in order to survive he had to recognize his community of interest with other men. He regulated his relationships with other men by law. Today, as never before, the survival of man depends on a recognition by states of the community of interest among themselves.

One of the resolutions that has been adopted by a number of State legislatures on the subject of world federation states the following:

> There exists an international community, encompassing the entire world, which has no government and which is destined either to be ruthlessly dominated by totalitarianism or to be federated by democracy.

If this international community under law is to be democratic and not totalitarian, it must grow on order, not chaos; on freedom, not repression; on prosperity, not poverty.

Our foreign policy seeks throughout the world to encourage order, freedom, and prosperity. It recognizes our community of interest with the free world.

Franklin Roosevelt less than 6 months before his death said:

> The creed of our democracy is that liberty is acquired and kept by men and women who are strong and self-reliant and possessors of such wisdom as God gives them—men and women who are just, and understanding, and generous to others—men and women who are capable of disciplining themselves. For they are the rulers and they must rule themselves.

I go back to what I said before—common consent, coupled with restraint, is what assures democracy anywhere.

Mr. President, I have supported the European recovery program from the beginning because it creates the strength and self-reliance essential to democratic development. It creates the climate in which democracy can grow. I support the pending bill which, in all its titles, as the senior Senator from Texas has so ably pointed out, creates conditions under which the people can freely choose the governments they want. If people are well-informed and free to choose, I never fear their choice or their judgment.

The American people accept the truth of the general proposition that all mankind must prosper or perish together. Their support of the European recovery program, despite its heavy drain on the taxpayer, is evidence to me not only of their realization that the security of western Europe is essential to American security but also of their realization that all people are our brothers.

The Marshall plan is truly one of the most unselfish acts of all history. When the United States undertook this program a new high moral standard for the conduct of a great power was established. It is conduct of this type that gives the people of the world hope—hope that in time the morality of nations may rise to the level of the morality of honorable men.

The aid which we offered all of Europe was declined with vitriolic cynicism by the Soviet Union and the satellite states, largely, I believe, because those states could not envisage a nation motivated by humanitarian considerations as well as by its own national interests; that is, its people could not believe the unbelievable. If a nation is controlled by a government which works all the time for the benefit of the government only, and not for the benefit of anyone else, how can its people have anything but suspicion of another government? I have tried to show to people in different areas of the world that our Constitution is the only document in the world which devotes itself to something other than government, and that the Government of the United States operates for the benefit of its people. People throughout the world generally do not understand that. They cannot fathom it. Let us be generous and say they cannot believe the unbelievable. When has it ever happened in history that a man had rights as against his government?

Aid was accepted by the states of western Europe, not because they wanted something for nothing, but because sur-

vival of their freedoms depended upon assistance. I wish the states of western Europe which accepted, understood the basic principle of American democracy and the basic difference between it and other systems. Then they would have more faith in being able to put their own house in order.

Western Europeans are a proud and independent people. They want to rehabilitate their economies, devastated by war, as soon as possible so that they may be free of outside aid.

I recall in the days of the WPA it used to be said that no self-respecting man would accept work relief, or, if he did, that he would lose his self-respect and become a willing recipient of relief for the rest of his life. That was not true then. It is not true now with respect to western Europe.

The participating countries from the beginning have, with our help, by helping each other, and by sacrifices of their own, sought to recreate their independent, democratic economies. The report of the Senate Foreign Relations Committee points out in detail the extent to which production has been revived in western Europe. The battles of increasing production and controlling inflation have largely been won.

The next 2 years call for primary emphasis on integration of the economies of western Europe so that when the program ends trade between the European nations and their trade with the rest of the world will have developed to the point where ECA aid from the United States will no longer be needed.

Mr. President, I am grateful that the leaders in charge of ECA have at last seen what they did not see in the beginning, that integration can come only through political action, and that lasting integration can be held together only by political action. One may talk about economic union if one wishes to, but economic union controlled by two different sovereignties and controlled by two different ideas is a unity which may fall to pieces almost any time. Now integration is in the minds of all.

For my part, I should have liked to see the ECA place more emphasis upon political and economic integration in the early days of the program. The ECA felt, however, that primary emphasis during the early days of the program needed to be placed on increasing production. Be that as it may, the fact now is that economic and political integration must progress rapidly during the next 2 years if the recovery program is to be successful. Mr. Hoffman, the able ECA Administrator, has said that during the next 2 years the ECA will do its utmost to encourage integration. I hope that Mr. Hoffman will bear in mind that one of the characteristics of democratic governments is that the people are almost always ahead of their governments. I believe that is true in western Europe today. The people are willing to go faster and farther toward the political and economic integration of their countries than are their governments.

The Economic Cooperation Act, as amended, contains in its declaration of policy this language:

> Mindful of the advantages which the United States has enjoyed through the existence of a large domestic market with no internal trade barriers, and believing that similar advantages can accrue to the countries of Europe, it is declared to be the policy of the people of the United States to encourage these countries through their joint organization to exert sustained common efforts to achieve speedily that economic cooperation in Europe which is essential for lasting peace and prosperity. It is further declared to be the policy of the people of the United States to encourage the unification of Europe.

I urge the Economic Cooperation Administration and the countries of Europe to be bold in moving toward both economic and political unification. These are days that require boldness. These are days that require determination. These are days that call for a willingness to break from the shackles of the past in order to keep abreast of the changes that science has wrought.

Nevertheless, Mr. President, from the standpoint of Europe they need not blindly go into this type of unity. They have had an example of what has happened in the United States of America to guide them and assure them of what will happen in their countries if they want to follow that example.

It seems clear to me that by the end of the Marshall plan the countries of western Europe must have meshed their economies and developed a common European approach to their problems. Failure might well mean the states would fall apart into competing nationalisms. States have a tendency when confronted with economic difficulties to withdraw within themselves. They raise trade barriers, limit quantities of imports, clamp controls on their currency; they do the very things which increase their troubles.

When Marshall plan aid ends there will still be a dollar problem for western Europe; there will still be problems of markets, competition, production. It is absolutely essential that these difficulties be met with a strong, common European approach.

Mr. President, I can look back to the time when proposals were made about the American dollar, when we pointed out to those who were responsible in government, that the time would come when the American dollar would be the keystone to stability everywhere in the world, and that the quicker the American dollar found its proper level the sooner the world would unite around that keystone.

As chairman of the Military Affairs Committee, fighting for the rights of our men because of the amount of currency that was given them in foreign countries, I did not succeed in bringing about the procedure I hoped for. It was my desire that our boys wherever they were, and our contractors wherever they were engaged in working, should be paid in good American dollars, and allow the American dollars to gravitate around the world and seek the proper level so that when the war was over we would have had an international money. I wanted them to be paid, wherever they were, in American dollars, and thus to learn the value of the American dollar in comparison with the currencies of other nations of the world. Values must seek their natural level in the money of the world. If we had allowed the American dollar to seek its natural level while we were at war, we would now have an international money which would have been naturally recognized by all, instead of the dollar which all are obliged to recognize. Our boys in France complained that what they were receiving in francs compelled them to go to the blackmarket with our money, since so small a margin was allowed. The man who then was the head of the French state said, "Your cause is just, to a certain extent." Then, without the use of a stitch of legislation for that purpose or without referring to anyone else, he said, "We will pay each of you 15 francs more a month."

Mr. President, that was not action according to a constitutional right; it was not taking care of private property; it was not acting in accordance with the great fundamentals. We were not willing to correct then, when we had the power to correct it, what we had done.

In other words, Mr. President, western European economic and political organizations must be strong enough by 1952 to require individual countries to meet European economic and political problems on an international basis, rather than on a national basis.

While we can to some extent measure the success of the ERP in terms of increased production during the first 2 years of the program, the real success of the program can be measured only when it ends. The yardstick we use then may be marked off in terms of production or in terms of trade or in terms of political stability, but the real measure of the success of the program will be in terms of the ability of western Europe to act in unity for the benefit of all states, rather than individually for selfish benefits or in self-interest.

I think it may be useful to consider the steps the countries of western Europe already have taken, with the aid of the ECA, to break through their national shackles and grow toward each other.

The greatest achievement, of course, has been the formation of the Organization for European Economic Cooperation itself. This organization was projected as a permanent feature of European life, to continue after the ERP has ended. It is the start.

The OEEC has already made European history. It has reversed a 500-year-old trend toward economic nationalism. It has developed a competent European staff whose devotion is to the best interests of Europe. It is developing a European point of view toward the problems of each of the participating countries. Any country's economic problem or policy is in the OEEC a proper matter of concern to all. The OEEC was the first fruit of the Marshall plan.

Mr. President, I wonder whether those who are so discouraged about our national morality, about all that is wrong in America, and so forth, would look even that far and see that probably we have changed a trend which is at least 500 years old. That is worth accomplishing, Mr. President. I say to the chairman of the Foreign Relations Committee that to have done just that one thing, to have taken that one step toward bringing peace to Europe, may be more important than anything else which has happened in Europe during the last 500 years.

One of the problems that confronted the OEEC in the summer of 1948 was that of freeing trade among the participating countries from the many restrictions that were strangling it. Only through an increased trade could the Europeans use their own resources to greatest advantage in the common recovery effort. Each country had something to contribute to the other's need; but the exchange was, more often than not, prevented by artificial barriers, chiefly exchange and trade controls of various kinds. They were always competitive, never mutual, never interexchangeable, but always against something or in favor of something, instead of an attempt to work out mutually some problem.

The most severe restrictions on trade among the western European countries grew out of the dollar shortage. European countries, because of their trade deficits with the United States, were reluctant to pay out dollars in order to make purchases in Europe and in other soft-currency areas.

The first device, therefore, that was employed to help free the log jam of intra-European trade was to allow each participating country to use its ECA dollars to buy goods in other participating countries. Thus, United States aid extended under the Marshall plan was the key that began to unlock Europe's resources for Europe's needs.

Later, the intra-European payments plan was adopted. Under it, a part of the ECA dollar aid to each creditor country was given only on condition that the recipient extend grants-in-aid of the same amount in its own currency to the participating countries with which it had a trade surplus. This arrangement, while it made an important contribution toward the freeing of European trade, was defective in that it fostered bilateralism and tended to discourage the country from buying in the cheapest market.

The time now has come, in the opinion of most of the countries represented in the OEEC, and certainly in the opinion of the Economic Cooperation Administration, to set in motion a new plan which will make European currencies freely convertible into one another for current transactions, and thereby facilitate a further breaking down of restrictions on trade among the participating countries.

The new plan for a European Payments Union, which has been proposed by the ECA, and is now being considered by the OEEC, will enable a debtor country to cover the deficit in its trade with its neighbor without having to make full payment in gold or dollars. It is fully described in the committee report.

These are concrete steps toward the integration of the economies of western Europe. The ECA is to be commended for encouraging these steps. I hope it will press forward.

While I have devoted most of my time to a discussion of the problem of European integration in connection with the European recovery program, I do not want to be understood as slighting the other provisions of the bill. They are all part of a total foreign policy directed toward building up strength in the parts of the world where the people are threatened by Communist aggression.

There is one characteristic of this omnibus bill of which I would like to call attention. In three out of its five titles, American aid is being given in cooperation with other states. In the case of the European recovery program, we are cooperating with the states of western Europe to develop and rehabilitate their economies. In title IV we are cooperating with other members of the United Nations to provide assistance to States in the Middle East where refugees from the hostilities in Palestine have created a tremendous humanitarian problem. In title V we are cooperating with other members of the United Nations to provide technical assistance for underdeveloped areas of the world. Even in title III, which provides aid for Korea, we are supporting the position taken by the United Nations, which is seeking to encourage the development of a united and free Korea.

If this legislation is typical of American foreign policy, and I believe it is, one can only conclude that one of the basic aims of our foreign policy is to help peoples throughout the world to exercise their right of self-government and to live in freedom under God. Our foreign policy is directed toward helping people to move toward the good life—toward a world free from aggression and war.

The policy of the United States is in startling contrast to the policy of the Soviet Union. The Soviet Union has participated in few of the cooperative ventures of the United Nations. It does not participate in the program of relief and rehabilitation of Palestine refugees. It does not propose to participate in the projected program of technical assistance. The Soviet Union rejected the offer of the Marshall plan to assist in the rehabilitation of all Europe. Most of the specialized agencies of the United Nations have been created in the face of Soviet opposition. The Soviet Union has withdrawn from the World Health Organization. If there is a common meeting ground, I should think it would be in the field of health. In the International Labor Organization, the Soviet Union has not cooperated since before the beginning of the war.

My view is that the United States, recognizing that its security is now inevitably tied to the peace and security of the entire world, is setting a new moral tone in the conduct of its foreign relations. I recently had occasion to express my belief that—

> Our country is a link between the past and the future, between a past of slavery and isolation, and a future of freedom and world brotherhood. To use another figure, we constitute a bridge across which hundreds of millions of people may pass to new realizations of living, and these discoveries can help to unite the whole world, as its multitudes (including our own) pass across from old concepts to those that are new.

The bill before us is part of that link between the immorality of the conduct of nations in the past to the morality which must govern the conduct of nations in the future if mankind is to survive. I close with the words, again of Jefferson, that I recognize the same morality in nations that we demand in men.

Mr. McFARLAND. Mr. President, I desire to compliment the distinguished Senator from Utah on his wonderful presentation of this matter.

Mr. THOMAS of Utah. I thank the Senator.

Mr. CONNALLY. Mr. President, I desire publicly to suggest to the Senator from Utah that he has made a very able and very statesmanlike address on this subject. I only regret that there were not more Members of the Senate present to hear his address.

Mr. President, I desire to make a few observations regarding the Senate. We are transacting important business here whenever we meet, yet Senators do not perform their duty of being present to listen and to take part in the debate. It is a reflection on the Senate, it is a neglect of the public business which we are transacting, that there is not a greater number of Senators on the floor of the Senate.

I desire to say for the RECORD that tomorrow I intend to ask unanimous consent to fix the time for voting upon the amendments to the pending bill and upon the bill itself. It seems that perhaps some such action is necessary in order to assure that Senators will be present, attending to their duties in the Senate. Tomorrow I intend to press for such unanimous consent, in order that we may dispose of the business before the Senate and obtain yea-and-nay votes on the questions which are agitating Senators.

The idea of our acting on a great measure such as this with a group of Senators present that can be counted on one hand, is, to say the least, regrettable. The country ought to know about it. I hope the country will know about it. Sometimes the only way in the world by which the Senate or House can be whipped into doing its duty is to let the constituents know that Senators and Representatives are neglecting their duties.

Numerous Senators claim to be interested in amendments to the pending bill. They talk to me about them, but they are not here on the floor of the Senate now to present the amendments. They are not here to get votes on them. Beginning tomorrow, I shall press every

moment of the time—and I am sure I shall have the cooperation of the minority leader in that regard—to get votes in an effort to secure action on amendments to the bill, to have votes taken, and the bill finally passed.

I thought it was due to absent Senators—they may read the RECORD—to let them know what we propose to do from now on. It is unpleasant to have to call for a quorum every little while, and drag Senators into the Chamber, but, Mr. President, we have got to transact business, and I want to give warning now of what the prospect is.

Mr. WHERRY. Mr. President, I desire to state that I concur in the forceful remarks just made by the Senator from Texas, the chairman of the Foreign Relations Committee, about moving ahead with the business which is before the Senate. There is no reason why it should not be done. I suggest to the able acting majority leader, however, that tomorrow, when requests are made to permit committees to meet during the session of the Senate—and I think there are four such meetings this afternoon, besides the meetings of the subcommittees of the Committee on Appropriations—that will be the time to refuse consent, if it is desired to have the committee members on the floor.

Requests will no doubt be made to permit certain committees to sit and hear testimony. I do not concede that the work of a committee or of a subcommittee is more important than the pending bill. I certainly agree with the distinguished and able Senator from Texas that the Senate ought to proceed with the pending bill, that amendments ought to be voted on, and that we ought to conclude consideration of the measure as expeditiously as possible. I need not say anything in defense of Senators who are working diligently on committees, and I am not making a defense for them, because they obtained unanimous consent to meet and to hear testimony this afternoon. I know of four such committees. I know they feel that their work is important. But I suggest to the acting majority leader that tomorrow, if it is his purpose to carry out the suggestions of the distinguished and able Senator from Texas, we require Senators to be on the floor to consider the pending business, rather than attending to something else.

Mr. McFARLAND. Mr. President, certainly, so far as the junior Senator from Arizona is concerned, he will cooperate with the distinguished Senator from Texas in every way possible. I gave warning today that we would insist on voting upon amendments, and in going ahead. If Senators have speeches to make on the pending bill, it is up to them to be ready to deliver them. The pending bill was made the unfinished business last Monday evening. It is true that on Tuesday and Wednesday we did not debate it, but for a whole week, Senators have known that it was under consideration. They certainly ought to be ready. If not, we shall proceed to vote without the benefit of their speeches, because the bill has been delayed a sufficient time to enable everyone to be prepared.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER [Mr. LEHMAN in the chair] laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see end of Senate proceedings.)

CONVENTION WITH CANADA RELATING TO EXTENSION OF PORT PRIVILEGES TO HALIBUT FISHING VESSELS—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER. As in executive session, the Chair lays before the Senate Executive M, Eighty-first Congress, second session, a convention between the United States of America and Canada for the extension of port privileges to halibut fishing vessels on the Pacific coasts of the United States of America and Canada. Without objection, the injunction of secrecy will be removed, and the convention, together with the President's message, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a convention between the United States of America and Canada for the extension of port privileges to halibut fishing vessels on the Pacific coasts of the United States of America and Canada.

I transmit also, for the information of the Senate, the report which the Secretary of State has addressed to me in regard to this convention.

This convention has my complete and wholehearted approval, and I commend it to the early consideration of the Senate.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 24, 1950.*

(Enclosures: (1) Report by the Secretary of State; (2) convention for the extension of port privileges to halibut fishing vessels on the Pacific coasts of the United States of American and Canada, signed at Ottawa, March 24, 1950.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Gregory F. Noonan, of New York, to be United States district judge for the southern district of New York; and

Daniel N. McEniry, of Iowa, to be United States marshal for the southern district of Iowa, vice James J. Gillespie, term expired.

RECESS

Mr. McFARLAND. As in legislative session, I move that the Senate stand in recess until noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 47 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 25, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 24 (legislative day of March 29), 1950:

DEPARTMENT OF THE ARMY

Archibald Stevens Alexander, of New Jersey, to be Under Secretary of the Army.

UNITED STATES ATTORNEY

A. Garnett Thompson, of West Virginia, to be United States attorney for the southern district of West Virginia, vice Leslie E. Given, resigned.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eightieth Congress, subject to physical qualification:

To be captains

George T. Britton, MC, O417751.
Don E. Gibbin, DC.
Frank J. Glassy, MC, O1786793.
David S. Hamburg, DC.
Barrie M. Kato, MC, O932793.
James E. Lewis, MC, O410246.
Wendell V. Lyon, MC, O440382.
Ernest R. Seitz, MC, O1736217.
Richard R. Taylor, MC, O1756109.

To be first lieutenants

Clay F. Barritt, MC.
John H. Belser, DC, O966806.
Richard O. Bullis, Jr., MC.
Frederick R. Carriker, MC, O970165.
Andrew Christopher, DC, O964852.
John H. Dodson, JAGC, O388677.
Robert J. Gosling, MC, O981995.
James E. Hemann, ChC, O523776.
George A. Krikos, DC, O966303.
Wendell A. Meikle, DC, O965208.
Earl E. Schoeppner, DC, O975826.
Andrew F. Serio, DC, O1036021.
Charles M. Smith, DC, O966974.
Raymond W. Tomczak, DC, O966824.
Allan O. Wilson, DC, O962536.

To be second lieutenants

Geraldine V. Coxwell, ANC, N765141.
Elizabeth J. Fitzgerald, WMSC, R2534.
Goldia N. Harkness, ANC, N792199.
Bertha J. Hoehn, ANC, N779773.
Barbara L. Kennon, WMSC, R2526.
Martha M. McDevitt, ANC, N804226.
Petronila Mejias-Garcia, ANC, N792923.
Helen E. Moode, ANC, N802028.
Elizabeth A. Muth, ANC, N758314.
Shirley M. Neill, ANC, N804159.
Rosemary D. O'Regan, WMSC, R2541.
Marie A. Souza, ANC, N754620.
Mildred A. Wilcox, ANC, N753597.
June E. Williams, WMSC, R2532.
James B. Woodrum, MSC, O1057323.

The following-named persons for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Thomas P. Burke, O2204150.
William R. Veal.

The following-named distinguished military student for appointment in the Regular Army of the United States, effective June

15, 1950, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduate, and subject to physical qualification:

Donald J. Opitz.

IN THE MARINE CORPS

Maj. Gen. Lemuel C. Shepherd, Jr., to have the grade, rank, pay, and allowances of lieutenant general in the Marine Corps while serving as commanding general, Fleet Marine Force, Pacific.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 24, 1950

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we are again assembling in this Chamber as colleagues and coworkers engaged in a high and holy mission and conscious of facing tremendous tasks and responsibilities.

Humbly we are invoking Thy blessing, one in our need and longing, beseeching Thee that we may have the guiding and interpreting light of Thy spirit.

Grant that we may be calm and courageous as we find ourselves challenged by many difficult national and international problems.

May we seek to build a social order in which righteousness reigns supremely and love is the law of life.

In Christ's name we pray. Amen.

The Journal of the proceedings of Friday, April 21, 1950, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3176. An act to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District.

PROVIDING FOR THE CONSTRUCTION OF CERTAIN VETERANS' ADMINISTRATION HOSPITALS

Mr. RANKIN. Mr. Speaker, pursuant to the provisions of rule XI (2) (c), I call up House Resolution 348 which has remained in the Committee on Rules for more than 21 days without being reported.

CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 139]

Allen, Ill.	Bolton, Md.	Burdick
Bailey	Bonner	Burton
Battle	Boykin	Byrne, N. Y.
Carlyle	Havenner	Quinn
Case, N. J.	Hébert	Rains
Case, S. Dak.	Hedrick	Reed, Ill.
Cavalcante	Heffernan	Reed, N. Y.
Chatham	Heller	Rhodes
Chelf	Hope	Ribicoff
Chesney	Jacobs	Riehlman
Chiperfield	James	Roosevelt
Chudoff	Javits	Sabath
Corbett	Jenkins	Sadowski
Coudert	Johnson	Scott, Hardie
Crosser	Jones, N. C.	Scott,
Davenport	Judd	Hugh D., Jr.
Davies, N. Y.	Kelley, Pa.	Secrest
DeGraffenried	Kennedy	Shelley
Doughton	Keogh	Sims
Douglas	Kunkel	Smith, Kans.
Engle, Calif.	Lichtenwalter	Smith, Ohio
Fisher	Lodge	Staggers
Fulton	Macy	Steed
Gilmer	Martin, Iowa	Wagner
Gorski	Miles	Walsh
Grant	Morrison	Whitaker
Gwinn	Morton	White, Calif.
Hale	Murphy	Wickersham
Hall,	Nixon	Widnall
Leonard W.	Norton	Wolcott
Harden	Pace	Woodhouse
Hardy	Powell	Woodruff

The SPEAKER. On this roll call, 336 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR THE CONSTRUCTION OF CERTAIN VETERANS' ADMINISTRATION HOSPITALS

The SPEAKER. The Clerk will report the resolution (H. Res. 348).

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5965) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes.

That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Veterans' Affairs, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Veterans' Affairs may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. RANKIN. Mr. Speaker, I do not desire to take up the time of the House to discuss this rule, because I think the support of it is virtually unanimous.

I yield to the gentleman from Florida [Mr. SMATHERS] such time as he may desire.

Mr. SMATHERS. Mr. Speaker, I wish to take this opportunity to go on record in favor of the bill which is now pending on the floor and in particular that part of it which authorizes the erection of a neuropsychiatric hospital of 1,000 beds at Gainesville, Fla., and a general medical hospital of 100 beds at Tallahassee, Fla.

As you know, the State of Florida is rather uniquely located. It is the only State in the Union with water on three sides. The result of this location, while having many advantages, nevertheless has some disadvantages and one of those is the disadvantage to the veteran who needs and is seeking medical attention. In other words, if the veteran cannot find the attention which he needs in his State, he can ordinarily go a few miles across into another State. Such is not the case in Florida. In many instances veterans have to travel over 400 miles to receive any medical attention whatsoever. There are at the present time almost 2,000 veterans who are residenced in the State of Florida but who have had to go into another State in order to receive attention.

Due to the tremendous influx of veterans during the winter months to our State, the few Veterans' Administration facilities during those winter months are tremendously overtaxed. It means that the local veterans, in many instances, have to be refused medical attention and care because of the influx of transient veterans. The situation is indeed deplorable. There are today approximately 800 Florida veterans suffering from neuropsychiatric disorders. They have been hospitalized in seven hospitals in five Southern States. For the families of those veterans to be able to visit them they had to travel oftentimes as much as 1,500 miles, which entailed at least a 2-day trip.

In our State there is today only one State institution caring for mental cases. It was built to take care of 300 patients, but at the present time is caring for a little over 4,500 patients, and it has a long waiting list of veterans and nonveterans awaiting admission. There are many veterans that are at the moment in jail, having to be confined there for the safety of the area, awaiting admission to some mental hospital.

The acuteness of this situation was spotlighted when at a recent meeting of the county judges of the State of Florida they went on record with a statement that the Congress and the Veterans' Administration should immediately provide hospital facilities in the State for mentally ill war veterans.

Florida is the fastest growing State in the South. The census now being taken, I feel confident, will more than substantiate that statement. The national average for hospital beds for veterans is 1 bed for every 129 veterans; the Florida average at the moment is 1 bed for every 237 veterans, and this does not take into account the winter nonresidential veterans which we have flooding into the State every year.

Certainly there is a grave and urgent need for the adoption of this legislation by the House of Representatives.

Mr. RANKIN. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. LANE] such time as he may desire.

K. O. CUT FOR POST OFFICE DEPARTMENT

Mr. LANE. Mr. Speaker, "Do we have to go without regular mail service so that the Government may have more 'give-away' money for Europe?"

That is a typical reaction of the average American citizen after the drastic cut in postal services was announced to an unsuspecting public.

With one lightning thrust the morale of loyal and hard-working postal employees has been knocked down to an all-time low. Disabled vets, who took and passed the civil-service exams for clerk-carrier and have been working as "temps" and "subs" in the expectation that they would get permanent work sooner or later, now find themselves the victims of a sneak freeze-out with the prospect of no work at all.

Why? Why?

Because, in the face of a deficit, the House Appropriations Committee cut the funds and put the squeeze on post-office service. On the other hand, the Senate has failed to act on the House-approved rate-increase bill expected to add $131,000,000 in revenues, a measure which would have reduced the deficit and saved the country from a stab-in-the-back slash of a primary function of Government.

The Nation is expanding, both in its population and its communications. Millions of veterans, social-security recipients, and others depend upon the mail for their subsistence checks. Business and the Government itself are leaning more heavily on delivery by our postal system. The need is for more mail service, not less. In view of these facts, it does not make sense to cut post-office manpower and expect the Department to carry an increasing burden with decreasing service.

Slowing down operations is a step backward. It will delay business, cause hardship in many cases, and aggravate the anxiety of those who depend upon prompt delivery of mail from their loved ones in distant places.

Householders and business folk alike protest against this crippling economy.

This age of progress is no time to shove our postal service back into the past.

A sincere effort at economy, and one that would not penalize either the postal workers or the community at large, would lift the lid from the mystery of railroad, air line, and steamship line subsidies. There they would find many cases where it costs dollars to deliver one letter, with the blame for such costs passed on to the mail service as a whole.

The ordinary 3-cent letter pays its way. It should not and cannot be called upon to carry the burden of the chiselers or the industries which are subsidized at the expense of our Post Office Department.

Let us get this shell game out into the open.

If steamship lines, air lines, and railroads must be sibsidized by the Government in the interests of our national economy or security, we must recognize the problem as such. It is manifestly unfair to saddle the post office with these hidden costs and then call upon postal workers and the public to make sacrifices so that the secret of subsidies may be kept secret.

The American people want this strangulation order canceled, and soon.

Give the Post Office Department enough money in one way or another so that it can do the job we expect it to do.

Restore 1950 service to the public, save post office employee morale, and get on with the business of progress again.

Mr. RANKIN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. RANKIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5965) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5965, with Mr. STIGLER in the chair.

The Clerk read the title of the bill.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with. Every Member of the House knows what is in it.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Chairman, this bill directs the Veterans' Administration to proceed with the construction of approximately 16,000 additional beds previously approved by the President and authorization for which was dropped from the budget estimates for the fiscal year 1950.

Each one of the provisions enumerated in the bill was approved by the Federal Board of Hospitalization and the Bureau of the Budget after extensive study and recommendation by the Veterans' Administration.

The bill was reported unanimously by the Committee on Veterans' Affairs on August 23, 1949, and is endorsed and actively supported by the American Legion, Veterans of Foreign Wars, Disabled American Veterans, and American Veterans of World War II.

In Public Law 266, Eighty-first Congress, Independent Offices Appropriation Act of 1950, the Committees on Appropriations of the two Houses eliminated the rescission of $237,000,000 and thus provided for contract authority in that amount to begin the construction of these 16,000 beds. The House Committee on Appropriations, in commenting on this subject, stated that it was of the opinion that this reduction of program originated in the Bureau of the Budget and perhaps was not thoroughly considered.

This entire subject was thoroughly explored in extensive hearings conducted by the Labor and Public Welfare Committee in the Senate and, in addition, was studied by the Appropriations Committees of both Houses.

Passage of this bill will do much to relieve a real need, as shown by surveys conducted by service organizations.

I read from the report of the Senate hearings.

In response to questions, General Gray indicated that in his opinion determination as to the number of hospital beds and facilities is the responsibility of the Congress, and that the responsibility of the Veterans' Administration is to indicate what types of facilities are needed and to recommend where such needed facilities should be located.

I might say, Mr. Chairman, that we have about 25,000 veterans now needing hospitalization.

I reserve the remainder of my time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I am heartily in favor of the passage of this bill. As of the end of February 1950, there was a waiting list of 25,707 disabled veterans seeking hospitalization in Veterans' Administration hospitals. Of these, 34 were service-connected. However, many of the 25,663 who are now designated as nonservice connected will later establish the service-connection of their disabilities.

When the reduction is made in the Army and Navy hospitals, there will be no place for the disabled veterans to go, if this hospital program is not continued. In my mind it is a very cruel thing to prevent men who have fought for us and who were injured for us from having hospitalization. The country is thoroughly in favor of hospitalizing these veterans. We must also bear in mind the fact that the peak of hospitalization for World War I will not be reached until 1955, when it is expected there will be 59,700 patients of this war in Veterans' Administration hospitals. For World War II, the peak will be reached in 1975, at which time there should be 186,000 disabled veteran patients of that war alone.

Some of the veterans' hospitals have been closed. There have been some deaths after the men were sent home. The men are not receiving proper treatment. It would be a very cruel thing not to pass this legislation. The authorization for the building of these hospitals goes back to 1931. The Committee on Veterans' Affairs and the Congress authorized it. The Appropriations Committee and the last Congress appropriated the money. The Appropriations Committee in this Congress appropriated the money, so there will be no additional appropriation needed in addition to that which has already been made.

There never has been a more appropriate time for the consideration of this bill that is before us today.

Upon making inquiry at the Veterans' Administration this morning, I find that because of lack of space in the VA hospitals, 1,888 disabled veterans are hospitalized in Army hospitals and 2,572 are

in Navy hospitals, a total of 4,460 disabled veterans that the Veterans' Administration for one reason or another is unable to care for in their own facilities.

On the 15th of February the Secretary of Defense announced the imminent closing of a number of Army and Navy hospitals and medical facilities and the reduction of others. This, he has ordered, with a view toward economy, although it is exceedingly difficult to see where any money will be saved by such a drastic action.

It does not strain the imagination to foretell what will happen to many of the 4,460 disabled veterans now receiving medical care in these service hospitals when the retrenchment program of the Department of Defense goes into effect. They will be shunted about, some placed in civilian hospitals already overcrowded, and in many instances men and women who really require additional care and treatment will be discharged because of the lack of beds.

Decidedly, this is no time to curtail our ability to give proper medical care to disabled veterans. We all believe in real economy in the operation of our Government, and we will support any measure that will save money for the taxpayers. However, as I pointed out to this House last Friday in speaking upon this subject, it certainly is not economy to close down Army and Navy hospitals and Veterans' Administration hospitals all over the country and then 6 months or a year later have to reopen these hospitals. Anybody who has followed the course of the closing of service hospitals or Veterans' Administration hospitals knows there is a tremendous loss of equipment involved. Expensive hospital equipment is sold for almost nothing, or given away. Then when of necessity the hospitals must be reopened expensive equipment must again be bought.

I link this bill with the Department of Defense proposed hospital reduction because I do not believe you can separate consideration of the two matters. Any change in the existing hospital bed situation affects the Veterans' Administration whether it is governmental or civilian.

The Committee on Appropriations of the House and the Senate has repeatedly taken cognizance of the necessity of going ahead with the hospital-building program as recommended. Authorization of $237,000,000 for the projects enumerated in this bill has been included in the independent offices appropriation bill for the fiscal year 1950. The need for the hospitals has been well established and despite the action of the President through his Bureau of the Budget in cutting down these facilities we should in no uncertain manner tell him the desire of Congress in this regard.

Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. PHILLIPS].

Mr. PHILLIPS of Tennessee. Mr. Chairman, I rise in support of H. R. 5965, a bill to provide for the construction of Veteran's hospitals. The legislation under discussion does not call for an additional appropriation. The money has been authorized and the construction authorization has already been established.

By the provisions of this bill the Administrator of Veterans Affairs is directed to construct additional facilities to provide approximately 16,000 additional hospital beds which were previously approved by the President, but was dropped in the budget estimate for the fiscal year 1950 as presented to the Congress by the President to reduce the size of certain hospital projects.

More than 20 States would be recognized in this hospital construction program. A 500-bed general medical and surgical hospital at Chattanooga, Tenn., and a 1,000-bed neuropsychiatric hospital at Memphis, Tenn., have already been approved for construction, and are greatly needed.

The closing of Army hospitals, and orders to vacate in part the Veterans' Administration hospital construction program will have a disastrous effect on the Nation's obligation to care for its disabled veterans. It is my duty as a Member of Congress to take the necessary steps and assume the responsibility as an elected Representative to assist in carrying out the obligations of the Government to the disabled veterans of this country.

The situation is critical, and this matter needs immediate action. A huge number of World War II veterans make the enlargement of existing facilities essential. The Executive order reducing veterans' hospital building by 16,000 beds deprives thousands of needy veterans of essential medical care. Many of these veterans are service-connected and disabled. Some are not service-connected, but are emergency cases; others do not have the money to get medical assistance elsewhere although they served our country in time of need with great honor, and rendered a valuable service in defense of this country.

The recent Army reduction of some 10,000 beds in service hospitals has brought about a critical condition because many of these beds were under contract for the use of Veterans' Administration patients.

Service to the sick and wounded is a national problem. Seriously ill patients are moved out of the hospitals, many of whom are sent home to die. Many fine American boys are placed in jail because the State hospitals and mental hospitals are not available because of lack of facilities. Many of these veterans are now feeling the effect of their wartime experiences and are becoming mental patients with no adequate facilities to take care of them.

Within a few years' time the heavy burden of the medical requirements for veterans of all wars will reach a heavy load, and unless we take steps now to provide the necessary legislation we may not have the necessary hospitals in the future to take care of the veterans in all sections of our country. The DAV, American Legion, VFW, and AMVETS, and ladies auxiliaries have studied this question very seriously, and have gone on record in favor of restoring the 16,000 bed construction program.

I testified 2 years ago before the subcommittee in the Senate handling this legislation because it occurred to me at that time that the proposed legislation was needed. The situation has become more acute.

As a member of the Veterans' Affairs Committee I have received many communications from veterans throughout the entire Nation who desire hospitalization. Long waiting lists continue to increase in number in most of the States of this country. In the First Congressional District of Tennessee there are many who need hospitalization, but the veterans' facilities are not sufficient to take care of many worthy cases. Many veterans are released from the hospitals before they are permanently cured, or before their condition has reached a point to justify their release from the hospital. In many cases this is necessary in order to make a bed available for some other deserving veteran who is in need of medical care.

There are many old veterans of the Spanish-American War, and World War I, who are not getting into VA hospitals under the new order, many of whom are in great need of care. Some of these veterans who are in the institutions are being cast out to make room for others. The war for many of these veterans and their families is not over. A visit to our hospitals to look upon the expressions on the faces of thousands of young men who at one time were full of youth and hope is convincing evidence of our responsibility as a Nation to the returned veterans and their families.

Our Government and the people of this country are called upon annually to contribute millions of dollars to fight the spread of tuberculosis, but yet when there are not sufficient hospitals to take care of veterans affected with tuberculosis our Government then becomes an agency for the spread of that disease. In many cases the veteran is compelled to live with his family and circulate among his friends and thus continue to spread this dreadful disease. The situation is such that the Veterans' Administration should be given the encouragement to go out and get necessary personnel consisting of fine doctors, nurses, and technicians to insure reasonable care to the veterans of this country.

It is a real pleasure to support this much-needed legislation. In voting for this legislation it is my belief that I am promoting the general welfare of our Nation and helping to bring about in a realistic way the obligation of this Government to the Veterans of all wars who have worn the uniform with honor and discharged their duty on the battlefields of the world when the freedom of this country has been placed in jeopardy.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. WHEELER].

Mr. WHEELER. Mr. Chairman, since this Congress seems to be intent on spending this additional money I had

rather it be spent on hospital facilities than on a great many of the things it is being spent for. I wish, however, to call the attention of the House to a few figures, very pertinent in my estimation. This morning I called Dr. Press, of the Veterans' Administration, and asked him this question: "How many beds do you have available in your Veterans' Administration hospital facilities that you cannot use because of failure to get medical personnel with which to staff them?" His answer was that on February 28 last there were 3,712 beds available except for the staffing of those beds. Some other figures that I think should be called to your attention is that on February 28, 98,803 veterans were hospitalized. Of this number 32,287 were hospitalized for service-connected disability and 65,149 for non-service-connected disability.

Mr. Chairman, if we are to build 16,000 additional beds, we should insist that the beds now available be utilized. I know it probably is very unpopular for me to question the immediate unanimous passage of this bill. I have heard a great many Members talk about the number of veterans in their districts who are now languishing in the county jail. The answer to the jail question is simply this, in almost every instance those veterans who are incarcerated in county jails are mental cases. The service-connected nature of the case has not been established. I have a bill, H. R. 7534, pending before the committee which would grant automatic service connection to those mental cases and would automatically place them in Veterans' Administration hospital facilities with preference over non-service-connected cases. That is the answer to your jail-load question.

Before closing I wish to emphasize that we should in all wisdom, in the name of common sense, insist that these 3,712 beds be utilized before we build additional facilities. This bill should be amended in such way as to require the Veterans' Administration to utilize all the beds that are now at its disposal, in addition to all the facilities that can be made available to it by the armed services, before any new hospitals are built.

No one on this floor today is more interested than I am in seeing to it that all deserving veterans have provided for them adequate hospital facilities; however, I am not willing to vote for a measure calling for the construction of 16,000 new beds until I am assured that currently available facilities are utilized to the fullest extent possible.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman from Mississippi yield himself 1 minute that I may ask him a question?

Mr. RANKIN. Mr. Chairman, I take 1 minute in order to answer the question of the gentleman from Nebraska.

Mr. MILLER of Nebraska. As I understand, this bill is for the 16,000 beds that were canceled by the Budget Bureau and the President. What assurance can the gentleman give the Members of the House that the President and the Budget Bureau will not again cancel the authorization which is passed by the Congress?

Mr. RANKIN. If it becomes law, it is mandatory; it is a directive.

Mr. MILLER of Nebraska. The gentleman thinks this is mandatory law and that the other was not mandatory.

Mr. RANKIN. That is right.

Mr. MILLER of Nebraska. I thank the gentleman.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, I take this minute for the purpose of asking the chairman of the committee one or two questions.

Has there been taken into consideration the most recent veteran-bed-requirement census in the West, specifically in California, Oregon, and those Western States?

Mr. RANKIN. We have not caused any census to be taken, I may say to the gentleman from California, but we do provide for additional beds in those States.

Mr. SHEPPARD. At the time the bill was under consideration, was it part of the committee's consideration that all available facilities were to be used by the Veterans' Administration that had been surveyed out by the military forces?

Mr. RANKIN. Yes.

Mr. SHEPPARD. What was the answer of the Veterans' Administration?

Mr. RANKIN. We found that a great many of those hospitals were firetraps and some of them were spread over such vast areas they were not suitable for veterans' hospitals.

Mr. SHEPPARD. May I ask the chairman one additional question? Was that answer responsive to the Long Beach and Corona permanent hospitals?

Mr. RANKIN. Many of those questions arose and that was the reply of the Veterans' Administration.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. BURKE].

Mr. BURKE. Mr. Chairman, I appear in support of H. R. 5965. I have had some experience with this problem, particularly in my district which I think stands as a good example as to the need Nation-wide.

I come from a metropolitan area in the northwest corner of the State of Ohio which includes the city of Toledo, a city in excess of 300,000 population. In that area we have over 100,000 veterans, yet there is not a veterans' facility or a hospital anywhere nearer than the city of Cleveland, which is some 120 miles away.

May I point out, Mr. Chairman, that under the original program the hospital for the city of Toledo was approved and all of the factors, including the availability of medical personnel was looked into, as well as proximity to a medical school. We are very close to the University of Michigan, about 25 to 30 miles away. Under the original program, the land had all been acquired, the working plans for the hospital were completed and everything was laid out for the excavators to begin, when the program was stopped. I believe this same condition can apply in other sections of the country and in other hospitals provided for by this bill. That expenditure, in my opinion, in itself, if the program is not completed would be a waste of funds that the Government has already expended.

Several million dollars, so I am told by the Veterans' Administration, have already been expended on this program for acquisition of land and the preparation of working plans for the building of these hospitals. That will be money down the sink if this bill is not passed. Every indication points to the passage of this bill in all justice to our veterans.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 minute to point out that at the present time there are 1,888 disabled veterans hospitalized in Army hospitals. There are 2,572 disabled veterans in Navy hospitals, making a total of 4,460 veterans that the Veterans' Administration for one reason or another is unable to care for in their own facilities.

Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. KEARNEY].

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. KEARNEY. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The thing that has me puzzled is why they dismantled all of these Army and Navy hospitals and now we are called upon to build veterans hospitals. If the gentleman can explain that I would appreciate it.

Mr. KEARNEY. Mr. Chairman, I will say to the gentleman from Idaho that he is not the only one on the floor of this House that is puzzled by that action. I am taking this time to ask the chairman of the committee or the ranking minority member of the committee concerning bids to be submitted in the future, which call for the building of these hospitals, and I would like to get this information in the RECORD.

The Chicago, Ill., general medical and surgical hospital. Construction on that hospital has been started. There is reduction of 500 beds from the original proposal of 1,000 beds.

The Cincinnati, Ohio, hospital has been reduced from 750 beds to 500 beds.

The Cleveland, Ohio, general medical and surgical hospital has been reduced from 1,000 beds to 500 beds. Bids will be advertised for this hospital on June 30.

The neuropsychiatric hospital at Cleveland, Ohio, has been reduced from 1,250 beds to 1,000 beds, bids to be received in the spring of 1952 for this hospital.

The Louisville, Ky., general medical and surgical hospital has been reduced from 750 to 500 beds, which hospital is now under construction.

The Kansas City general medical and surgical hospital has been reduced from 750 beds to 500 beds, which hospital is now under construction.

The Oklahoma City hospital has been reduced from 1,000 beds to 500 beds. Bids will be advertised for on May 30.

The Philadelphia hospital had been reduced from 1,000 beds to 500 beds, and is now under construction.

The Pittsburgh, Pa., general medical and surgical hospital has been reduced from 1,200 beds to 750 beds, and bids were advertised for on April 20.

The neuropsychiatric hospital at Pittsburgh, Pa., has been reduced 250 beds from 1,250 to 1,000 beds, which hospital is now under construction.

The St. Louis, Mo., general medical and surgical hospital has been reduced 500 beds, and bids were advertised for on May 15.

The Syracuse, N. Y., hospital has been reduced 500 beds, and the contract has been awarded. The local hospital in Washington, D. C., will be advertised for this summer or fall.

My question is this: This provides for a total of 7,250 beds. Are these 7,250 beds to be deducted from the 16,000 beds requested for under this bill, or is that in addition?

Mr. RANKIN. No.

Mr. KEARNEY. Will the distinguished chairman of the committee inform the House in what particular the 7,250 beds will not be reduced under the appropriation in this particular bill for 16,000 beds?

Mr. RANKIN. I do not have that information at my fingertips. The gentleman was on the committee and heard the testimony.

Mr. KEARNEY. I do not believe that the gentleman from New York ever heard any testimony in our Committee on Veterans' Affairs relative to this particular question. There was some testimony taken in the other body.

I do not yield to anyone in my desire to adequately care for our disabled veterans. As I stated heretofore several new hospitals are under construction—bids on others have been received—and still others will be open for bids in the near future. What I am tremendously concerned about is the necessity for immediate care of veterans on the waiting lists of the various hospitals. We have had information in the past few weeks that several Army and Navy hospitals are to be abandoned—hospitals built at a tremendous cost to the taxpayers and hospitals which were designed and operated to give the finest of medical service to members of our armed forces. Most of these hospitals are only a few years old and are good for many years to come, according to the information I receive. I am also concerned about the staffing of the hospitals. My information is that other than the proposals for new hospitals as listed by the Veterans' Administration—additional beds could not be properly and adequately cared for. It does not make sense, at least to me, to build any additional beds unless proper medical service, including doctors, nurses, attendants, and so forth, can be provided. The Administrator himself says, and I quote:

> To continue with the construction of the full number of 90 authorized hospitals will result in a serious overbuilding in terms of beds needed to meet foreseeable requirements. A reduction in the program will still make it possible to provide for all service-connected patients in every geographical area and will provide an even more liberal allowance of beds for non-service-connected patients.

In some instances the cut-back is due to the fact that the President did approve an increase in the size of another hospital provided for the same area.

In my humble opinion, if the abandoned Army and Navy hospitals will be taken over by the Veterans' Administration where feasible and can be utilized—as they can—the veterans will have immediate hospitalization instead of having to wait months and years before new veterans hospitals are built. It will also result in the savings of millions and millions of dollars without decreasing the efficiency and sympathetic understanding and care of our disabled.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. RANKIN. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, of course I shall support this bill, as just about everybody else here will. But I want to tell the Committee one thing about the hospital situation in this country as its affects the military. The Department of Defense has cut back five hospitals or ordered them to be cut back beginning June 1. In these military hospitals there are some 3,000 veterans' beds authorized for the next fiscal year. The Veterans' Administration asked the military to give them 5,300 beds. They were cut down to 3,000, I believe. The Veterans' Administration is 2½ years behind in their program of construction. If the Veterans' Administration is not compelled to use these hospitals the veterans of this country will be out in the cold for 2½ years. It is the worst situation I have seen in the 10 years I have been in Congress.

Mr. KEARNEY. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from New York.

Mr. KEARNEY. Does the gentleman see any reason why the Veterans' Administration should not take over these Army and Navy hospitals?

Mr. RIVERS. There is no reason under the sun. We are here concerned with the taxpayers' money, remember you that. The veterans are getting the finest service in the world in the Army and Navy hospitals, and you know that it is cheaper than the Veterans' Administration can give it to them. The veterans have a right to be in these hospitals. In the early day of the Veterans' Administration they contributed $1,000,000,000 to the hospitals. They have a right to be in these hospitals. When we arbitrarily close the doors in the faces of these veterans it just is not humanity. There is no rhyme or reason to it.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. RIVERS. Mr. Chairman, will the gentlewoman yield me some time?

Mrs. ROGERS of Massachusetts. I would like very much to, but there are a great many requests for time.

Mr. RIVERS. But the gentlewoman has not given me any time yet.

Mrs. ROGERS of Massachusetts. Mr. Chairmain, I yield myself 1 minute to say that the hospital treatment and service in the Veterans' Administration is the finest in the country and the finest in the world. The Members should remember the year 1922 when the veterans' hospitals were closed and the men were put out in the streets and many of them died while being transferred to other hospitals. That is one reason why I accepted the appointment as the personal representative of the President in case of disabled veterans, a task which took me to hospitals all over the United States to ascertain whether or not the disabled veterans were receiving adequate treatment. At that time I found the care was inadequate.

Mr. RANKIN. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I want at a later and more opportune time to say something about the general administration of the veterans regime because I have had considerable experience with the Veterans' Administration. At this time I will confine myself to the hospital which is in Minneapolis, Minn., at Fort Snelling. There have been a number of occasions when I have had to go out there in behalf of veterans who were being thrown out of the hospitals, deliberately thrown out, or removed if you like that word better. Minnesota is a very long State and there are great distances which must be traveled. I expect that later in the debate the gentlemen representing the northern section of Minnesota will present the problems up there. I want to add my support to those who are in favor of this bill. I must support this bill as the result of the experience which, as I have just said, I have had. Minnesota is well represented in the medical field. We have one of the best medical universities in the United States at the University of Minnesota adjoining Fort Snelling. In addition to that as we all know we have the Mayo Institute at Rochester, Minn. Now here is the development concerning which I object and it is because of this that I am throwing my support in favor of this bill. I have had to go out on behalf of veterans who were being removed from the hospitals to make room for surgery cases. I can take two men to Dr. Rose, hospital manager, at Fort Snelling Hospital. One of them may need surgery and one of them may need domiciliary care or at least he has to go under observation and he may need care much more than the surgery case and perhaps may be entitled to it. But the surgery case enters the hospital immediately, let us say within 24 hours, but the other man will have to wait for a long period of time, maybe forever. That man will go at the end of a long waiting list. They have never caught up with the end of that waiting list yet. So the man is sent back to his domicile. That domicile may be a bach-

elor's quarters where he cannot get any care. He will begin to deteriorate and perhaps become an object of public charity. It has amazed me the number of veterans who have reached that point where they must have physical and medical care. Unless it is a surgery case the man goes at the end of a long waiting list but the man who is the surgery case will go into the hospital immediately regardless of whether or not his financial condition is such as to allow him to go to a private hospital. He is given immediate service. Therefore Minnesota is sadly in need of additional beds and services.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I cannot quite understand the discrepancy between the recommendations of the Veterans' Administration and the temper of the House of Representatives. I realize that all veterans with service-connected disabilities should be given hospitalization. I do not think there is anyone who would not want to see that happen to the fullest, but what puzzles me is the language of this report. Read the report by Carl R. Gray, Jr., Administrator, to the chairman of this committee, the gentleman from Mississippi [Mr. RANKIN]. He makes this statement:

I have reviewed the veterans' hospital and domiciliary construction program, and find that to continue construction of the full 90 authorized hospitals would result in a serious overbuilding in terms of beds needed to meet foreseeable requirements.

I insert his letter in full at this point:

VETERANS' ADMINISTRATION,
Washington, D. C., August 17, 1949.

Hon. JOHN E. RANKIN,
Chairman, Committee on Veterans' Affairs,
House of Representatives,
Washington, D. C.

DEAR MR. RANKIN: This is in response to your oral request of August 12, 1949, for a report on H. R. 5965, Eighty-first Congress, a bill to provide for the construction of certain Veterans' Administration hospitals, and for other purposes.

The purpose of the bill is to direct the Administrator of Veterans' Affairs to proceed with the construction of approximately 16,000 additional hospital beds which were originally approved by the President but authorization for which was dropped in the budget estimates for fiscal year 1950 as presented to the Congress by the President pursuant to his determination to cancel or reduce the size of certain hospital projects. The facilities directed to be constructed by the terms of the bill are specifically enumerated, and the size as well as the location of such projects are stated. The enumerations are identical with the eliminations involved in the cancellation of 24 hospital projects and the reduction in size of 14 other hospital projects as directed by the President.

The action taken by the President is explained by the following excerpt from his message to the Congress transmitting his recommendations for the 1950 fiscal year budget.

"Hospital and domiciliary construction: The construction program under which the Veterans' Administration has been proceeding was planned and authorized during and immediately after the war. Now that we have the benefit of a period of postwar experience, I have reviewed the veterans' hospital and domiciliary construction program and find that to continue with the construction of the full number of 90 authorized hospitals will result in a serious overbuilding, in terms of beds needed to meet foreseeable requirements. A reduction in the program will still make it possible to provide for all service-connected patients in every geographical area and will provide an even more liberal allowance of beds for non-service-connected patients than at present.

"I have therefore directed that the program which I have previously authorized be curtailed by approximately 16,000 beds and asked the Administrator of Veterans' Affairs to recommend specific adjustments in the program. I have approved his recommendations for the cancellation of 24 hospital projects, and the reduction in planned capacity of 14 additional hospitals. This will result in a reduction of $279,000,000 in the total of $1,200,000,000 of construction previously authorized, and will reduce expenditures in the fiscal year 1950 by $115,000,000. However, hospitals scheduled for completion will cost $42,000,000 more than originally estimated. Therefore, a net rescission of $237,000,000 in contract authorizations is recommended. Under this revised program, expenditures in the fiscal year 1950 for construction of hospital and domiciliary facilities are estimated at $260,000,000, an increase of $77,000,000 over the fiscal year 1949, due to the progress of construction already under way."

In addition to the considerations discussed in the President's message, there are for further consideration actions which have been taken since the mentioned curtailment of the hospital construction program.

In directing the construction of the 1,000-bed hospital at Houston, Tex., the bill fails to take into consideration that since the cancellation of this project the Veterans' Administration has acquired a naval hospital at Houston, Tex., having a constructed capacity of 1,000 beds, which was activated by the Veterans' Administration on April 15, 1949, as a 500-bed hospital.

The bill also provides for the construction of a 921-bed neuropsychiatric hospital at Salisbury, N. C. This fails to take into account the fact that on July 19, 1949, the Administrator determined that a 1,000-bed neuropsychiatric hospital which had been approved for North Carolina and which was not involved in the cancellation ordered by the President should be located at Salisbury on the same site.

The bill also calls for the construction of the 1,000-bed hospital in New York, N. Y., which was eliminated by direction of the President but does not make allowance for the fact that at the same time the President approved an increase in the size of another hospital planned for that area from 1,000 to 1,250 beds.

Also, bids have been received and are now being analyzed, preliminary to an early award of the contract for a general medical hospital of 500-bed capacity, in lieu of the 750-bed hospital at Louisville, Ky. Plans and specifications for the Chicago general medical and surgical hospital based upon the revised bed capacity of 500 beds in lieu of 1,000 beds have been completed and placed on the market for bids. These bids will be opened September 6, 1949. Plans and specifications based upon the reduced bed capacity of 500 beds for Syracuse, N. Y., are now being completed and will be placed on the market for bids September 15, 1949. The plans and specifications for the projects at Philadelphia, Cincinnati, Cleveland general medical and surgical, Atlanta, Oklahoma City, St. Louis, are from 40 percent to 50 percent complete on the basis of the revised bed capacity.

In the event your committee sees fit to recommend that the 16,000 hospital beds eliminated by Presidential action should be restored to the Veterans' Administration hospital program, it is strongly urged that no action be taken to direct particular locations, types, or numbers of hospital beds as is proposed by H. R. 5965. In locating hospital beds consideration should be given to problems of staffing beds in particular areas, the need for particular types of beds in certain localities and the desirability of affording equal opportunities for hospital care in reasonable proximity to their homes to all veterans in the United States. It is my belief that insofar as is possible the ratio of beds to veterans in individual States should parallel the ratio authorized on a national scale.

Our studies do not demonstrate that the Veterans' Administration hospital program as it was planned prior to the Presidential cut-back, would in the light of later events have been the most desirable distribution of the beds then authorized for construction. Your committee will be interested in the attached chart which indicates the distribution of the hospital beds by States together with the estimated number of veterans per hospital bed.

The Veterans' Administration has considerable concern whether any increased number of beds over 120,000 can be staffed in accordance with satisfactory medical standards in the foreseeable future. Currently there are approximately 4,000 beds unavailable due to inability to recruit personnel. There will be approximately 131,000 beds when the present construction program is completed, composed of 104,000 existing beds, plus 40,000 authorized, less 13,000 to be closed. The proposed restoration of the cut-back of 16,000 beds could not but aggravate the staffing problem.

It is clear from the above-quoted excerpt from the President's budget message that the proposed legislation would not be in accord with the program of the President.

Sincerely yours,

CARL R. GRAY, Jr.,
Administrator.

If the Veterans' Administration claims that they have enough beds to take care of the veterans, and if Mr. Johnson, who has charge of the armed-services forces, who have a lot of hospitals in this country which they are closing down—for instance, take the hospital in Valley Forge, Pa., where they are closing down 1,650 beds; it certainly seems as if the Members of Congress and the Veterans' Administration and the Armed Services Committee and those who have charge of it are not getting together in the right way. They show no business ability in this Administration. Oh, what a shame, how inefficient, how uncalled for.

Now, you have $279,000,000 in this bill. It seems to me that the Members of Congress have no right to waste $279,000,000. If you can get those organizations together and save that money, that is your duty. That is my duty. We want efficiency in government; this we do not have.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from South Carolina.

Mr. RIVERS. If they would take over the hospitals which they own, lock, stock, and barrel, they are assessed at $80,000,000; if they would take those, there is $80,000,000 that we would save at one clip; and they are not firetraps either.

Mr. RICH. That is the point I am trying to make. They are closing down these hospitals. It seems to me that the

Members of Congress are not doing a good job unless they coordinate these facilities. Give the veterans all the medical care they need, and give them the hospitals that you and I would desire them to have. But keep open those in armed forces and save $80,000,000. Eighty million dollars is a whale of a lot of money to me.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the most distinguished gentleman from Ohio.

Mr. MASON. The Members of Congress cannot coordinate the hospital facilities. That is up to the executive department, and they refuse to do it.

Mr. RICH. Why do they not do it? Then let the executive department of the Government keep open hospitals we have, and save millions of dollars, and yet give veterans the hospital facilities that are necessary. It is high time that we saw that they do it, or the people of this country ought to turn them out, lock, stock, and barrel. It is a shame we have not more sound business methods in this Congress. I want efficiency as well as economy. It could be had. Why not?

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RICH] has expired.

Mr. RANKIN. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I want to give this Congress a bird's-eye view of the problem that is now before the committee. This Congress, in its wisdom, after due consideration by the Veterans' Committee and the Appropriations Committee, made an appropriation for these hospital beds. The President in his Executive order said to this Congress, in substance, "You do not know what you did at that time. You did not have the information that I have. Therefore, in my Executive order I veto what the Congress in its judgment has done."

This bill is an assertion by the Congress that it knew what it was doing and that the President's order is going to be vetoed by this bill. Now, that is all there is to it. The question is, Is the President right in saying to us that we did not know what we were doing, or are we right in saying to him that he, in his Executive order, did not know what he was doing?

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield.

Mr. RANKIN. The President was getting his information from the Bureau of the Budget that did not even consult the Congress or the Veterans' Administration.

Mr. MASON. In substance, the President is trying to say, "You fellows are asking for economy. Here it is. How do you like it?" By doing so, he is putting us in a bad light with the people of this Nation. That is exactly the situation that is before us.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. MASON. I yield.

Mr. RIVERS. The five hospitals that they are closing down, plus the six that they are cutting back, are 11 hospitals, with 8,000 beds available, which the taxpayers of this country own and operate. If they would make the Veterans' Administration use those hospitals, the veterans would get 8,000 beds immediately.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. MASON] has expired.

Mr. RANKIN. Mr. Chairman, I yield myself 1 minute in order to answer the statement made by the gentleman from South Carolina [Mr. RIVERS].

I call attention to the fact that the head of the Veterans' Administration has said that many of those hospitals the gentleman is talking about are so badly scattered that they could not be operated economically, and that some of them are built out of materials that would make them regular firetraps.

Mr. RIVERS. I do not care what they said. That is not true.

Mr. RANKIN. Well, I value the gentleman's opinion, but that is what the Veterans' Administration said.

Mr. RIVERS. I have traveled 8,000 miles, and I have seen a lot of them that you have not seen.

Mr. RANKIN. But you have not seen them all.

Mr. RIVERS. I have seen more than you have.

Mr. RANKIN. Maybe so.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. What is this statement going around that many of the veterans are in jails because you do not have hospital facilities? There is no truth in that statement either.

Mr. RANKIN. I know of one veteran in a Northern State who was sent to a hospital and he could not get a bed. He went back home to enter a private hospital and he died on the way. We are trying to take care of these veterans.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself one-half minute for the purpose of saying that to my mind it is extremely foolish to close the service hospitals at the present time, the Army, Navy, and Marine Corps hospitals. The gentleman from Georgia [Mr. VINSON], made a very serious speech regarding possible war in the immediate future. If you close your hospitals, you have no equipment to take care of the men who may be killed or wounded in war. It is folly to close your hospitals. I speak with knowledge, because I saw what was done in the last two wars.

Mr. Chairman, I yield one-half minute to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Can the gentleman from Mississippi tell us where Members of Congress may get copies of hearings on this bill? I have looked, but I can find none.

Mrs. ROGERS of Massachusetts. The Committee on Veterans' Affairs is supposed to have them.

Mr. SCRIVNER. Will the gentleman from Mississippi inform the Members of the House where we can find copies of the hearings that were held on this bill?

Mr. RANKIN. On this bill? This bill was introduced after these beds were wiped out by the dictation of the Bureau of the Budget. You can get the hearings from the Committee on Labor and Public Welfare of the Senate.

Mr. SCRIVNER. In other words, this committee did not hold hearings on this bill?

Mrs. ROGERS of Massachusetts. Hearings were held on several phases of the hospital program.

Mr. SCRIVNER. I thank the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, before we rush headlong into the adoption of this bill, which seems to be what is about to happen, I think we ought to have some questions asked and answered. The first question is: Is there a lack at this time of Government hospital facilities? The answer to that obviously is no, because the Defense Department is closing down existing hospitals.

The second question is: Why cannot the President turn some of those hospitals over to the Veterans' Administration? The answer to that is: There is no reason why he cannot do it; he ought to do it, and this House ought to insist that he do it before we embark upon another huge new building program for the Veterans' Administration.

The third question is: What is our policy in regard to the entrance of veterans into these hospitals? The answer is that we have none. By this measure here today we are going into the back door and giving credence to the policy that the United States Government is to furnish veterans' hospitals for all veterans regardless of the nature and origin of their disability. The report of the Veterans' Administration shows that every service-connected disabled veteran is being cared far. Under the existing building program the provisions for non-service-connected cases would be greatly liberalized.

The fourth question is: Are we going to get the people to staff the new hospitals that we are going to build when we do not have enough people to staff the hospitals that are already in operation and would be built without this law?

And then one final question, if I have time: How are you going to get the President to put this law into effect when you could not get him to put into effect the appropriations that we have already made for the very things authorized by this bill? Anybody sitting in this Chamber knows that the President will veto this bill, because it is contrary to his program. The veto will not be overridden in this House.

The situation, then, boils itself down to this being a political gesture on the part of this body. It is no more than that. It smacks too much of attempting to show up the President of the United

States. I do not believe in a policy of that kind when the President's policy, according to the VA report, is justified the way it stands. It will not be good politics to vote against this bill, but those of you who have been talking about economy where economy can be practiced should vote against this bill. Failure to pass this bill will not deprive a single service-connected disabled veteran of his hospitalization.

Mr. Chairman, it is pertinent here to quote from a letter written by the Veterans' Administrator to the Chairman of the Veterans' Affairs Committee of the House, which is quoted in the committee report:

To continue with the construction of the full number of 90 authorized hospitals will result in a serious overbuilding, in terms of beds needed to meet forseeable requirements. A reduction in the program will still make it possible to provide for all service-connected patients in every geographical area and will provide an even more liberal allowance of beds for non-service-connected patients than at present—

And on the following page—

Currently there are approximately 4,000 beds unavailable due to inability to recruit personnel. There will be approximately 131,000 beds when the present construction program is completed, composed of 104,000 existing beds, plus 40,000 authorized, less 13,000 to be closed. The proposed restoration of the cut-back of 16,000 beds could but aggravate the staffing problem.

If you are for economy and if you want to avoid the position of just showing up the President when you have a chance to do so, I think in good conscience that the Members of this House ought to vote for the motion to recommit that will be offered by the distinguished gentleman from New York [Mr. KEARNEY]. This bill cannot be justified on the basis of a real service to the veterans of America.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. SHAFER].

Mr. SHAFER. There is no question but that new hospitals are greatly needed for our veterans. There are long waiting lists in every State of veterans needing hospitalization. Since the orders were issued by the Department of Defense to close several of our Army and Navy general hospitals, where veteran patients have been cared for, numerous fatalities have occurred because of lack of hospital beds in VA hospitals.

I could go into this question in detail, but time will not permit. I do believe, however, that this legislation should be amended to compel the VA to take over modern, equipped hospitals now being closed by the Department of Defense. Such action would not only save millions of dollars but would provide immediate hospital facilities for thousands of veterans who are now on the VA waiting lists.

There is no question but that this Congress will appear ridiculous to economy-minded taxpayers if we authorize the construction of new hospitals at this time within short distances of modern, fireproof, existing facilities that are being abandoned by the Department of Defense.

Here is what will happen in the State of Michigan if this bill is passed. Two new hospitals, costing millions of dollars, will be constructed within 80 miles of an existing facility, namely, Percy Jones General Hospital at Battle Creek. This bill provides for a VA surgical hospital at Grand Rapids, a distance of 63 miles, and a VA tubercular hospital at a distance of about 80 miles. These two hospitals will provide a total of 950 new beds, while a 1,200-bed institution that would cost $30,000,000 to replace would stand vacant or be given away.

I reiterate that I believe this legislation should carry a provision to compel the VA to take over the Percy Jones General Hospital instead of building new hospitals at Grand Rapids and near Detroit. I believe that a motion to recommit with instructions to report this bill forthwith with such provisions is in order.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORD. Mr. Chairman, I would like to indicate my support for the motion to recommit which I understand the gentleman from New York [Mr. KEARNEY] intends to offer. This motion to recommit would direct the Veterans' Administration to investigate the possibility of using as VA hospitals some of the Army hospitals which may be closed in the near future. This means that the 200-bed general medical hospital proposed for Grand Rapids under H. R. 5965 would be canceled in favor of a VA hospital in Battle Creek, Mich. If the Secretary of Defense does close the Percy Jones Hospital it would be wise for the VA to take over jurisdiction. Such a transfer would provide immediate veteran hospital facilities not now available and would save the cost of constructing a new hospital to meet the needs of veterans in Michigan.

If anyone has any doubts as to the need for additional VA beds in Michigan they should take a look at the chart on pages 5 and 6 of the committee report on H. R. 5965. Michigan and particularly western Michigan has been unfairly and inequitably treated in the past. Our veterans deserve far better treatment in the future.

Although I favor the Kearney motion to recommit, I wholeheartedly endorse H. R. 5965. It should be approved despite the cutback order of President Truman. Mr. Truman acted unwisely in removing from the VA hospital program those facilities badly needed in the State of Michigan.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. TEAGUE].

Mr. TEAGUE. Mr. Chairman, the gentleman from Wisconsin has implied that every person who votes for this bill is voting for it for political reasons. I intend to vote for the bill and it is not for political reasons.

Since World War I, the broad national policy as far as hospitalization of veterans is concerned, has been to provide hospitalization for all service-connected cases and for all non-service-connected cases who attest that they cannot afford to pay for hospitalization. The question before the Congress today is not necessarily 16,000 additional hospital beds, it is a question of whether or not we are to change the national policy as far as veterans hospitalization is concerned. Mr. Speaker, there is no doubt, that if this policy is to continue, that additional hospital facilities will be required to meet the need.

The Administrator of Veterans' Affairs has testified a number of times that it was the responsibility of Congress to determine the number of hospital beds. On July 31, 1945, the Veterans' Administration had 71,210 beds for 6,639,000 veterans, or 1 bed for every 93 veterans. As of January 5, 1949, the Veterans' Administration had 104,591 beds for 18,663,000 veterans, or 1 to each 178 veterans. The original hospital construction program authorized by Congress would, when completed, add another 55,106 authorized beds to the total of January 5, 1949, and bring the available number to 159,697. This would provide a ratio of 1 bed to every 117 veterans. Application of the curtailment order by the President would result in a revised total of 144,576 authorized beds, giving a ratio of 1 bed for every 129 veterans. Of this revised number of 144,576 beds, however, a total of 13,405 are in temporary facilities taken over from the armed forces which were to be abandoned upon completion of new hospitals. Elimination of these temporary facilities, some of which would be discontinued immediately, would reduce the available beds to 131,171, or a ratio of 1 bed to every 142 veterans.

The Administrator of Veterans' Affairs has testified that on the basis of present policy of hospitalization for veterans approximately 160,000 beds are estimated as the requirement to meet the present needs. Mr. Chairman, when this curtailment order was issued, the Administrator of Veterans' Affairs was on an inspection trip of the hospitals and knew nothing about it until he received a call. This curtailment order originated with the Bureau of the Budget, and although they had testified that it is not their intention to change the national policy, they are actually changing the national policy. The Congress of the United States should either reaffirm or clarify the policy of hospitalization for veterans, and, of course, this bill will be a step toward that end. Mr. Chairman. I intend to vote for this bill.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I cannot say very much in a minute. I did want to throw some light on this subject from an appropriations point of view but cannot in this limited time. I thank the gentleman. I realize he has had a lot of requests for time.

Mr. RANKIN. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, I will not attempt to describe the situation in other

parts of the country. I do want to testify to the fact that there is an immediate and a critical need for a tuberculosis hospital in our section of the country. There was a day when they sent tubercular cases to distant places in the West and up in North Carolina to be cured. These patients would come back and break down again. Today the medical profession advises that a tubercular patient be cured in the area of the country where he expects to live.

There are no adequate facilities down there today although there are many veterans afflicted with tuberculosis who are unable to get into a veterans' hospital. In my place as a Member of Congress I state to you that the veterans in my part of the country who are afflicted with tuberculosis are not able to get the hospitalization they need at the hands of the Veterans' Administration. The regional office in Atlanta, Ga., will tell you frankly that they cannot hospitalize these patients because they do not have the hospital facilities to take care of them; at least that is what they tell me.

Mr. Chairman, I repeat, there is an emergency, there is a critical need for tuberculosis hospitals as authorized in this bill. The land has been acquired, the plans have been drawn, funds have been appropriated and the veterans are asking the Congress of the United States to make the facilities available. I join in their request and urge the passage of this bill.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I am supporting this bill, H. R. 5965, because I believe that it is an obligation and responsibility of this Government to provide adequate hospital facilities and accommodations for our sick and disabled veterans. During war and while in good health they fought for us—now in time of peace it is no more than right and proper that in sickness we should provide and take care of them. I repeat here as I have said before on the floor of this House that "There is nothing too good for our veterans," and that is particularly true with reference to the sick and disabled veterans. Let's provide for them ample hospital facilities.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, like the gentleman from Texas [Mr. TEAGUE], I am standing in the well of this House, today, not for political reasons, but for the purpose of supporting the veterans of this country who carried the Stars and Stripes on the many frontiers of battle not only in the Spanish-American War, but in World War I and World War II. I challenge the statement that the American Legion, the Veterans of Foreign Wars, the AMVETS, the Disabled American Veterans, or the Members of this House are playing politics when they ask the Congress of the United States to restore the 16,000 hospital beds that the President of the United States arbitrarily cut from the Veterans' Administration Hospital program.

This subject is not a new one. It was discussed before the Committee on Veterans' Affairs; it was discussed on the floor of this House, and if you will read the CONGRESSIONAL RECORD during the first session of this Congress you will find that we spent some time in discussing the item of $237,000,000 which represented the cost of these 16,000 beds and which was part of the deficiency appropriation before the House at that time. Furthermore, if you read the hearings before the House Committee on Veterans' Affairs when the over-all Veterans' Administration Hospital program was discussed you will find that the Federal Board of Hospitalization approved these 16,000 beds, and that the Bureau of the Budget took similar action. At a later date, and after Congress had approved the 16,000 beds as part of the Veterans' Administration Hospital program President Truman arbitrarily and by Executive order, cancelled these 16,000 beds.

I want to say to the membership of this committee that I have known of mentally ill veterans of World War II being confined to jails because there were no Veterans' Administration hospital facilities available for them. I disagree with the statement of my colleague from Pennsylvania [Mr. RICH], when he says there are no long lists of veterans in Pennsylvania awaiting hospitalization. I want to emphasize that the Veterans' Administration hospital at Coatesville, Pa., today has 1,500 veterans on its waiting list; Canandaigua, N. Y., Perry Point, Md., and Chillicothe, Ohio, also have long waiting lists. Then we cannot forget the TB hospitals, for they too have long waiting lists.

Hearings were held in the Senate on this specific subject after the President had canceled these 16,000 beds. Upon reading those hearings you will find that there appeared before the Senate committee the representatives of the American Legion, the Disabled American Veterans, the AMVETS, the Veterans of Foreign Wars. Speaking for these great veterans' organizations were the department of adjutants of every single State in the United States, and they furnished the committee first-hand information. Yes, the committee was told just how many veterans had applied for hospitalization and how many veterans had been told that there were no facilities available. I say to you in all sincerity that the hospital problem of our veteran population is just beginning. The average age of the Spanish-American War veteran today is 78, the average of the World War I veteran is 58, and the average age of the World War II veteran is 32. As these veterans become older their need for hospitalization becomes greater.

Therefore, in addition to restoring these 16,000 beds I agree with the gentleman from South Carolina [Mr. RIVERS] that Congress should direct the President of the United States to transfer to the Veterans' Administration the military hospitals that the Department of National Defense have ordered to be closed on June 30, 1950. The 8,000 beds that would be made available from the military hospitals added to the 16,000 beds provided by this bill will go a long way in taking care of the long waiting lists of veterans who are in need of immediate hospitalization.

In conclusion, I hope that this House will approve this bill because it is needed legislation in view of the pressing problem in providing our veteran population with adequate hospital facilities.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Mississippi.

Mr. RANKIN. I want to say to the gentleman from Pennsylvania that today is the first time I ever heard politics mentioned with reference to this subject matter.

Mr. VAN ZANDT. In reply to the gentleman from Mississippi [Mr. RANKIN]. I fervently hope that the individual who made the statement that providing 16,000 beds in veterans' hospitals is playing politics will have an opportunity to give further study to the hospital situation as it affects our veteran population.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I shall support this legislation, H. R. 5965.

This bill (H. R. 5965) provides for the construction of 16,000 additional beds at Veterans' Administration hospitals and all information available indicates the need for this increased hospital bed capacity.

The bill provides for a 500-bed general medical hospital at Chattanooga, in my State, and a 1,000-bed neuropsychiatric hospital at Memphis, Tenn. These proposed facilities have heretofore been authorized and plans have been made for their construction. To abandon this program now would mean a false economy. And in addition, Mr. Chairman, on most all occasions when an effort has been made to assist veterans in gaining admittance to a hospital for needed care and treatment, the reports generally are that there are no beds available and the veteran is forced to take his place on the waiting list. Some exceptions, of course, have appeared in cases of extreme emergency.

The President and the Veterans' Administrator have indicated that these additional beds are not needed at this time. However, the Committee on Veterans' Affairs of the House unanimously reported this bill, recognizing the need for increased hospital bed capacity.

Although extensive hearings have not been held before the House committee on this subject, the members of the committee know from their own personal experiences in dealing with the veterans themselves and veterans' hospitals of the need in this instance. Hearings were held in this connection in the Veterans' Subcommittee of the Senate Committee on Public Welfare where it was demonstrated that there was need and necessity for additional hospital bed capacity.

While it is true that the so-called Hoover Commission report has also indicated the opinion that there is a lack of need for more hospitals, various veterans' organizations have heretofore exploded the fallacy of the Hoover Commission recommendations as they apply

to the Veterans' Administration, particularly the VA hospital program. Veterans' organizations and veterans themselves know the situation to be other than has been reported by the Hoover Commission.

The passage of this bill is urged. It will, in addition, focus the attention of the Veterans' Administrator on the need for a thorough study of hospital bed requirements. We know that the peak load and demand has not as yet been reached and we should plan now for the requirements which will come in the future.

In this connection, the proposition that has been advanced that the Army and Navy have certain hospitals that are not being used and that such hospitals could be transferred to the Veterans' Administrator should certainly be considered and investigated, looking toward the providing of adequate hospital facilities for the veterans of our Nation.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I am going to support this legislation because I cannot subscribe to the arguments made here that there is no shortage of hospitals. In the area in which I live there is a great shortage of hospitals. The hospitals in the city of Chicago are so crowded that we cannot take care of our patients. That applies to the county, the Vaughan and the Hines Hospitals.

In answer to the arguments in opposition to this legislation on economic grounds I say that argument does not appeal to me when $3,000,000,000 was voted to sustain economic conditions abroad, and where a substantial amount of that money is being spent on the health of people who brought about some of the wounds that our soldiers are suffering from and contributed to some of the diseases they are suffering from at the present time. This bill ought to be passed. It is good legislation. We need these hospitals and I am going to support the bill.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Chairman, I do not think there is much more that can be said on this bill which has not been said. Most of the Members undoubtedly have their minds made up. One thing is certain in my opinion—something is rotten in Denmark so far as the Administration's policy for hospital beds for veterans is concerned. There seems to be a complete misunderstanding with reference to the number of beds for regular veterans of the Army and the Navy and the number of beds needed by the Veterans' Administration for service-connected disabilities. If this bill will do no more than to bring forceably to the attention of the Administration the fact that the Congress has said that there should be more beds for veterans with service-connected disabilities it will have achieved its purpose. If a survey discloses that we do not need 16,000 additional beds the fact that we have passed this bill will not mean that those hospitals are going to be built, but we will be providing a means for building enough hospitals to meet the needs of veterans with service-connected disabilities. For that reason I think this bill ought to be passed.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PERKINS. Mr. Chairman, I wish to go on record in favor of H. R. 5965. This bill provides for an additional 16,000 hospital beds which were canceled in December 1948, at the direction of the President, pursuant to recommendations of the Bureau of the Budget.

The report which accompanies this bill states:

> All of the projects specified in this bill have previously been approved and a need has been demonstrated for the construction of these hospitals at the places indicated and for restoration of beds in the hospitals sought to be reduced in size.

This statement in the report is sufficient evidence for me to support this legislation; however, we find all of the veterans' organizations—American Legion, Veterans of Foreign Wars, Disabled American Veterans, and the AMVETS of World War II—heartily in favor of this bill.

I am supporting this bill in order that we may have available ample space for our disabled veterans without requiring them to take their turn on a waiting list, in many instances aggravating their condition while waiting, on account of the lack of beds in a veterans' hospital. There is nothing more disheartening than for a veteran in immediate need of hospitalization to be advised that he must wait his turn in order that a bed may be furnished him in some veterans' hospital. This condition has existed in my own State of Kentucky, and now exists.

Today the average age of Spanish-American War veterans is 78; veterans of World War I, 58; and veterans of World War II, 32 years of age. There is no good reason why these veterans should not be entitled to immediate hospitalization. The hospitals to be constructed are general medical, tuberculosis, rehabilitation, and neuropsychiatric.

The bill provides for altering the present general medical hospital now being constructed by the Veterans' Administration at Louisville, Ky., from 500 to 750 beds. There cannot be any sound argument advanced against the great need for the 250 extra beds in Louisville, Ky. It seems that all these hospitals to be constructed, as well as the buildings to be altered, under this legislation, are located in cities where adequate and suitable personnel can be obtained for staffing purposes.

If we fail to pass this legislation, Mr. Chairman, we will fail to recognize a legal duty that we owe to our disabled veterans.

Mr. DONOHUE. Mr. Chairman, the issue or question before us today, as we consider this bill, which would provide and make available 16,000 more beds in hospitals for our veterans of the Spanish-American War, World War I, and World War II, is whether there is need for them. In other words, are those veterans with service-connected disabilities being provided with adequate care and hospitalization that their conditions require and demand? And, are those veterans with non-service-connected disabilities, who are without means, being extended the treatment in hospitals, as provided by law?

We as Members of Congress know from actual experience in our respective districts with veterans that they are not being extended or are they receiving hospital care for the very reasons that the Veterans' Administration does not have enough hospitals to meet the great demand from those young men and women still suffering from wounds, injuries, and sickness directly attributable to their service for their country in time of war. The war for them is not yet over.

In my own district I have found that in many cases in each of the veterans' hospitals there is a waiting list particularly in neuropsychiatric cases, and in most instances the veteran has to wait months before he is admitted, during which time he is a burden to himself and his family.

Is this treating them fairly? Are we fulfilling the least of our obligations to him when we fail to provide the means to alleviate his pains and suffering? I say we are not.

The question has arisen that the Department of Defense is closing hospitals throughout the country which could be used by the Veterans' Administration. If that is so, I believe that it is our duty to see that our Secretary of Defense and the Administrator of the Veterans' Administration get together in view of the seriousness of this problem. Let them brush aside petty differences and unimportant technicalities and do something to relieve this situation. If the Secretary of Defense and the Administrator of the Veterans will coordinate their forces I am sure a solution will evolve which will permit the job to be done with efficiency and with great savings to our taxpayers.

Mr. PETERSON. Mr. Chairman, it is of the utmost importance that this bill be passed. In Florida veterans come from every State in the Union. Long waiting lists exist while veterans die or languish in jail. Many of the sick veterans come from your State. Mental ills are aggravated by long delays in treatment. This hospitalization can prevent added expense for hospitalization later.

Mr. MORGAN. Mr. Chairman, for some unknown reason ever since the creation of the Veterans' Bureau in 1920 Pennsylvania has been treated like an unwanted stepchild. In the 12 years following World War I, with a veteran population of over 375,000, Pennsylvania was awarded only two hospitals. One was constructed at Aspinwall, Pa., in 1925 and the other at Coatesville, Pa., in 1930. The total bed capacity of both of these hospitals was under 800 beds. This was but a small portion of the bed space provided for other States with a similar or smaller number of veterans.

Later, another hospital was constructed at Lebanon, Pa.

Then came World War II and Pennsylvania contributed over 1,200,000 men and women to the armed services, making a grand total of over 1,424,000 veterans for both wars. The only other State that has a larger veteran population is New York which has over 2,000,000 veterans.

The veterans' situation in Pennsylvania in 1945 was in a desperate condition with only four hospitals in operation. Then in that same year the veterans' hospital-construction program was passed and the Veterans' Administration began a study of the hospital situation in Pennsylvania. The critical situation and the lack of bed space was quickly recognized and the location of seven new hospitals was recommended. The sites of these hospitals were chosen according to the areas with large veteran population and the ability to staff the hospitals with competent and qualified physicians, technicians, and nurses. All seven of the locations chosen by the Veterans' Administration met these requirements. This program would have provided over 4,400 new beds for veterans and although this was a smaller number than the veterans' organization expected, it was felt that it would help to alleviate the acute situation in Pennsylvania.

In view of the careful and prolonged consideration which has been given to the actual needs of our veterans, we were astonished when the Administrator of Veterans' Affairs announced in January of this year that our State was to lose 1,400 beds of those already allocated. This was approximately 10 percent of the curtailment in the entire country.

For some reason or other there has been a delay in the construction program in Pennsylvania. Construction has not yet begun on four out of the seven hospitals allocated and all four were involved in the curtailment order. The veterans of Pennsylvania are not to blame for the lack of progress in the hospital-construction program in our State and they should certainly not be the victims of this dilatory action.

The additional hospital beds provided for in this measure will help us meet the hospital needs of our ailing and disabled veterans in Pennsylvania. I hope that H. R. 5965 will pass without opposition.

Mr. LANHAM. Mr. Chairman, in view of the proposed motion to recommit which would call for an immediate report from the Committee on Veterans Affairs with an amendment which requires the Veterans' Administration to take into consideration all armed services and other present hospital facilities available before embarking upon a new building program, I shall vote for the motion to recommit and then shall vote for the bill.

I am strongly in favor of providing complete and adequate hospital facilities for all veterans but I do know that in Georgia, as elsewhere, there are armed services' facilities available which the Veterans' Administration to date has refused to utilize.

While I am voting for H. R. 5965, nevertheless, I realize that the construction of new hospitals will not alone solve the problem of hospitalization for veterans. We must make possible by adequate appropriations and by encouragement to young men to enter into the medical profession, adequate staffs for the hospitals we now have and for the proposed new construction.

I am, therefore, voting for H. R. 5965 in the hope that all available hospital facilities in America will be consolidated into an over-all program of hospitalization. I do not mean by this that I favor the Hoover Commission Report which would set up a new medical service to take over the hospitals now conducted by the armed services, the Public Health Service and the Veterans' Administration. After careful hearings, a subcommittee of the Committee on Expenditures in the Executive Departments, of which I am a member, has come to the definite conclusion that the operation of the three hospital programs should not be placed under one medical administration. However, it was the concensus of opinion that there should be consolidation of the three services which now build hospitals and all available facilities used to the best advantage. This will mean better service for veterans at a lower cost to the taxpayers.

Mr. FRAZIER. Mr. Chairman, I am strongly in favor of this bill, H. R. 5965, and urge its passage.

Both Houses of Congress have heretofore acted favorably on this legislation, and the funds were appropriated for the construction of these hospitals. In fact, many of the hospitals included in the former legislation have been completed.

In the case of the hospital at Chattanooga, Tenn., the land has been acquired, plans drawn, and actual construction was about to commence when the order to discontinue was received.

The Veterans' Administration has already expended $441,000 on the proposed hospital at Chattanooga. The land was purchased for $27,000, plans were completed at the cost of $282,000, and $132,000 spent for other services. In view of this large expenditure already made on the hospital at Chattanooga, it seems very wasteful on the part of the Government to abandon its construction.

I do not profess to know the existing conditions throughout the United States, but I do know a 500-bed medical and surgical hospital at Chattanooga is badly needed for the veterans of this and adjoining territory. The proposed hospital at Chattanooga is centrally located and would serve Tennessee, Georgia, and Alabama, as the city of Chattanooga is located almost at the point of these three States.

There are in Tennessee 400,000 veterans, 320,000 in Georgia, and almost as many in Alabama. When the construction of this hospital was ordered discontinued, there were 1,008 veterans awaiting admission to a hospital in the Atlanta area, which included Tennessee. Seven hundred and fourteen of these veterans were required to wait from 1 to 60 days for admission. One hundred and sixty-eight were required to wait from 61 to 128 days for admission, and 65 waited over 180 days. Since that time conditions have not improved, but are rapidly becoming worse in our section.

Under the original hospital program, the State of Tennessee was allocated 2 hospitals—a 1,000-bed neuropsychiatric hospital at Memphis and a 500-bed general medical hospital at Chattanooga. When the cut-back came, Tennessee lost both of these proposed hospitals, with no additional beds provided in our State to relieve the present need.

In view of the proposed location of the Chattanooga hospital and the great need for its construction to serve the veterans of Tennessee, Alabama, and Georgia, I strongly urge the passage of this bill.

Mr. BRYSON. Mr. Chairman, I am satisfied it is the sense and purpose of this House to provide necessary hospital facilities for the honorable discharged veterans of our several wars. There is only one change in the hospital situation since we last considered this subject and that is, the need is even greater now than heretofore. As veterans grow older it is natural that more of them will need hospitalization. I am satisfied that the vast majority will vote favorably on this measure which carries mandatory powers.

The statement which was made this morning that veterans who honorably served our country in time of war are incarcerated in the common jails of the country is no exaggeration. It was never the intention of Congress to leave these gallant sons to whom we are so greatly indebted in neglect and misery.

The finest and most logical way to encourage young men to serve their country in its several branches of defense is to treat their fathers, who have served before them, like human beings.

There is a crying need to proceed with the erection of the hospitals as heretofore authorized. I cannot urge upon the Congress too strongly that we should go forward with this program; and I hope to see the enactment of H. R. 5965 without further delay.

Following is a previous statement which I have made:

The proposed hospital beds for South Carolina are greatly needed. Even with the additional beds, we will be far below the national average. Under present conditions, we have scarcely half the required beds. Hundreds of veterans have filed requests for hospitalization and have been approved, but many of them have to wait as long as 40 to 60 days before gaining admission. The large number of veterans who have been processed for hospitalization does not reflect the need for additional beds. Many veterans in need of hospitalization refrain from asking for the service because they know how difficult it is to get favorable action. There can be no question but that the need is great.

Since the contemplated additional beds for South Carolina are to be for general medical treatment, I should like to point out there appears to be no acute shortage of general medical doctors and nurses. Proof is evident that we can staff the hospitals.

I speak with special reference to the authorized veterans' general medical hospital for Greenville, S. C. This project was approved by the Federal Board of Hospitalization, the director of the Bureau of the Budget, the director of the Veterans' Administration, and the President of the United States.

As we seek to economize let it not be said that the ax of economy struck first at the disabled veterans. I sincerely hope that the veterans' hospitals heretofore provided for may be constructed without further delay.

As a part of my remarks, I herewith attach a statement I made before the special Senate committee:

"STATEMENT OF HON. JOSEPH R. BRYSON, OF SOUTH CAROLINA, ON VETERANS' HOSPITAL CUT-BACK, MARCH 24, 1949

"Mr. Chairman, I should like to make a statement concerning the cut-back in the veterans' hospital-construction program which was announced by the Administrator of Veterans' Affairs some time ago and which is currently under investigation by this committee. This program involves the complete elimination of 24 projects and an alteration downward of 14 others. The facilities for a total of approximately 16,000 hospital beds will thus be eliminated, including 11,000 in the projects completely abandoned and 5,000 in the projects which are scheduled for reduction.

"After a study of the available facts and data I am opposed to this cut-back. Neither the interests of the veterans nor the country as a whole will be served if this cancellation of the construction program is allowed to stand. In my own State of South Carolina there is at present only one veterans' hospital in operation. This hospital is located at Columbia and has a standard bed capacity of 606 beds. According to available figures there are 167,000 World War II veterans in the State and an additional 34,000 veterans from other wars, making a total of 201,000 veterans. With the standard bed capacity of this hospital being 606, that makes an average of 332 veterans for each bed. However, the hospital has made use of 94 emergency beds to expand the facilities to a total of 700 beds, 670 of which are currently in use, and the remaining 30 are being held in reserve for emergencies. Even with this use of emergency beds, there is still available an average of only 1 bed per 290 veterans. This figure shows that available facilities are only one-third those of 1945 and the ratio is even lower if the standard figure of 606 beds, which is the maximum available over a long period of time, is used. This situation was to be remedied considerably by the expansion of the hospital at Columbia to a standard operating capacity of 800 beds, an increase of 194 over the present facilities. There was also to be constructed at Greenville a new 200-bed hospital. Both of these projects are among those to be eliminated. Even with the addition of these 394 beds the ratio of veterans to beds in South Carolina would remain at 200 to 1. The national figures, which are considered far too high for the safety of our veterans' health, are in the vicinity of 178 veterans for each bed. It is obvious from these figures that the average in South Carolina would still be above the present national average even with the addition of the 394 beds. That these beds are sorely needed is evidenced by the waiting lists. As of January 21, 1949, there was a total of 964 veterans who had been cleared for admission through the former branch office at Atlanta, Ga. This office was headquarters for South Carolina and for other Southern States, so the figures as to how many were waiting for admission to the hospital at Columbia are not available. Nevertheless, the number was substantial, probably running into the hundreds. Of these 964 veterans awaiting admission to hospitals, 370 were forced to wait up to 20 days, 191 waited from 21 to 40 days, and 403 were waiting over 40 days. These are appalling figures. Almost two-thirds of these veterans had to wait over 20 days, and almost one-half had to wait over 40 days. As alarming as these figures are, they still do not tell the whole story. Often only veterans with emergency non-service-connected afflictions are being admitted because of the bed shortage, and when the veterans or their representatives learn this fact, they do not even apply for admission. These facts are incontrovertible evidence that more veterans' hospitals are urgently needed in South Carolina.

"In explaining the reduction of the hospital program the Veterans' Administration officials stated that, while more hospitals may be needed, there are not enough doctors to staff them. I am not prepared to discuss this aspect of the question as a whole for the country at large, but I am familiar with conditions in South Carolina. In Greenville the hospital under construction was to be of the general medical type. There does not appear to be a great shortage of general medical doctors in this area, at least not a sufficiently great shortage to warrant the cancellation of the project.

"An additional reason to continue building the hospital at Greenville is to prevent a large sum of money from being wasted with no benefits accruing to anyone. A total of $303,000 has been spent on the project so far. All of this money will be lost if the project is not finished. I am not one who believes in throwing good money after bad, but that analogy will not hold in this instance. This hospital is badly needed, and it is needed now. We owe it to the veterans on the waiting lists to see that it is completed. Nothing that Veterans' Administration officials say can change the following facts: First, that although the number of veterans has jumped from 66,000 to 201,000, the number of authorized hospital beds is being maintained at 606; the fact that 94 more beds have been temporarily made available by the use of porches and corridors is no argument at all, since the standard figure is still 606. Second, that hundreds of veterans are awaiting admission and the average number of beds available in this area is far below the national average, which is itself too low. Third, that plans have been laid, hundreds of thousands of dollars spent, and that facilities and personnel are available to run this hospital upon its completion. Any arguments against the completion of this hospital seem spurious if we are sincere in the belief that our veterans must be protected.

"Now let us examine the national picture concerning this cut-back. I do not pretend to have as much knowledge about the national situation as about my home State. However, many of the general facts have been made available to me, and it is not difficult to draw conclusions.

"It was the Veterans' Administration which originally recommended the construction of the hospital facilities which have now been ordered canceled. Before the cancellation, this recommendation had been approved by the Federal Board of Hospitalization, the Director of the Bureau of the Budget, and the President of the United States. The cancellation order affects construction in 18 States and the District of Columbia. While it is evident that certain sections of the country need additional hospitals more than others, available figures show that more hospitals are needed everywhere. On January 31 of this year there were 16,188 veterans who had had their applications approved and were awaiting hospitalization. The number who did not apply because of the long waiting lists is naturally not known, but such number is undoubtedly huge. From a moral standpoint, this is a sad state of affairs, but from the practical viewpoint, it seems even more foolish. Failure to hospitalize veterans promptly will in many cases result in aggravation of injuries, not to mention the suffering, and these injuries may some day result in added claims against the Government. If this program of reduction is being promoted in the interest of economy, its authors had better think twice. In the long run it will cost the Government far more than the cost of completing the hospitals.

"The national ratio of hospital beds per veteran is today 1 to 178. That figure is supposed to drop to 142 when the construction now under way is completed, but it would drop to 124 if the canceled projects are restored. In 1940, less than 10 years ago, the Federal Board of Hospitalization approved, and the President approved in principle, a construction program which would have made a ratio of 1 bed per 40 veterans available within 10 years. Any figure which is three times that amount seems high. Any figure more than three times as high seems entirely out of reason if the interests and the welfare of the veterans are to be protected.

"As I previously stated, I am not entirely familiar with all of the special problems concerning the veterans' hospitals in other sections of the country, but every section has a problem of some type. In certain sections of the far West hospitals are so far apart as to be almost inaccessible. In my own section of the country there is such a scarcity of available beds that veterans in direst need must often wait long periods of time before being admitted. Just when a partial solution to these problems was in sight, the solution suddenly vanished. We must not allow this to happen. In spite of the argument advanced that doctors are not available to staff these proposed hospitals, several of the cities in question have submitted evidence that the medical talent is available.

"In view of these facts and figures, I am of the firm opinion that the cancellation of the hospital program must not be allowed to stand. In the case of my own State a particular hardship will be visited upon the veterans, who have, and will continue to have, facilities so far below the national average that the situation is almost disgraceful. I sincerely believe that a restoration of the program for 16,000 additional beds is desirable and necessary for the veterans and that the whole country will be benefited by this program."

Mr. HARE. Mr. Chairman, I rise in support of H. R. 5965, a proposal that would direct the Administrator of Veterans' Affairs to proceed with the construction of veterans' hospitals which will provide approximately 16,000 additional beds.

If I recall correctly, this section of the Veterans' Administration hospital construction program was canceled last December at the direction of the President pursuant to the recommendations of the Bureau of the Budget. The matter had received the approval of both Houses of the Congress, and the appropriation bill, which we have been considering, and will continue to consider immediately following the consideration of this proposal, continues the authorization for the projects enumerated in the bill. Consequently, this is the second time the Committee on Appropriations has recommended to the House that it approve the necessary funds for construction, and we would certainly be breaking faith with that committee as well as the other legislative committees and above all the veterans of this country if we do not favorably enact this legislation.

I appreciate the fact the records show that there exists several thousand surplus beds in Veterans' Administration hospitals today. This is primarily due to the fact that the Veterans' Administration is unable to obtain a sufficient number of qualified doctors, nurses, pharmacists, and other technical personnel to properly staff the hospitals and adequately care for patients who would fill the vacant beds. However, the record does not show a fact with which you and

I are extremely familiar and that is—there are veterans with service-connected and non-service-connected disabilities far in excess of the existing vacant beds available, and therefore, are unable to obtain the necessary hospitalization which our Government is legally obligated to furnish. Each of us receives a number of letters every week soliciting aid in enabling a veteran to get admitted for hospitalization.

The measure does not provide for a construction of a hospital within my district but it does provide for the construction of one at Charlotte, N. C., Greenville, S. C., and additions to the hospital at Columbia, S. C., and Atlanta, Ga. These facilities would be located in areas which would be easily available to the veterans of my district and State.

We have heard quite a great deal of argument concerning the bill to the effect that it would increase the so-called surplus of beds which now exists. The argument sounds good, but in my opinion it is merely fiction. The fact that we cannot properly staff the existing facilities does not necessarily mean that we have a surplus. Furthermore, in these times of apparent unrest and threatened change, especially in view of the atom bomb, the fact that we have vacant beds at the present does not mean that we have a surplus today. We know not what we might have need for tomorrow. It is our constitutional duty and responsibility to see that there are sufficient and ample beds to care for any emergency. It is my opinion that we shall sadly neglect our duty if we fail to pass the measure before us.

I have heard the question raised, "Why are we constructing additional hospital facilities when the Secretary of Defense has directed the closing of a number of Army and Navy hospitals?" That is a pertinent question. But, first I wish to call your attention to the fact that the Army, the Navy, and the Veterans' Administration are three separate and distinct agencies of the executive branch of the Government, and each are charged with separate and distinct duties toward the defense and welfare of our Government. I question the wisdom of the order of Secretary Johnson in closing the hospitals because the subcommittee of the Committee on Armed Forces, which investigated the order, has stated and recommended that the order should be rescinded because it will cost more for the transportation of patients and administrative personnel than will be saved by the closing of the hospitals, and that is to say nothing of the inconvenience that will be involved.

If the order is not to be rescinded then I think it advisable and imperative in the interest of good government that the Veterans' Administration make the necessary arrangements with Departments of the Army and Navy for the acquisition of the hospitals concerned prior to engaging in the construction of all the hospitals listed in this bill. That is a problem for the executive department because it is charged with the administration of the law as economically and as efficiently as possible and it is not for the Congress to erect itself by determining the procedure by which the law shall be carried out.

The only way the Veterans' Administration can take over the hospitals to be closed by Secretary Johnson's order is by the enactment of this measure.

From the standpoint of national defense, from the standpoint of our legal and moral obligations to care for the veterans of this country, it is incumbent on the House of Representatives and the Senate to pass this bill.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, when I voted for the GI bill, I distinctly recall the expressed hope that adequate hospital and medical attention would be guaranteed our veterans for all time to come.

The hue and cry now being raised against this bill providing for more hospital beds is a sour note compared with what the country wanted to do for our boys during World War II.

I am voting for this measure because I am for every possible protection of our veterans. I want to see decent medical and hospital facilities offered to all of them.

For several years, I have tried to get Congress to authorize the construction of a veterans' hospital in Broome County, New York, my home district. Such an authorization should be in this bill today.

Situated equally distant from New York and Buffalo, the Triple Cities area is the most logical place for a veterans' hospital in up-State New York. It is the center of one of the largest industrial and farming communities in our State.

Thousands of veterans could find easy access to such a hospital and they and their visiting relatives would not be compelled to travel long distances to Bath, Utica, or other far-away points as they now do.

Yes, I am for expansion of the hospital-building program which from my observations has bogged down. It has certainly fallen far short of the high platitudes we preached at the time we passed the GI bill.

I regret to see the injection of politics brought into this fight. I sometimes wonder, if taking the veterans' part does not command more courage than to vote against him. It has come to the sad fact that a man takes his life in his hands if he talks for our veterans on the floor of this House.

Nevertheless, whatever the consequences, I intend to go to bat for the men who fought for America in all our wars just as long as I am in Congress.

DULUTH VETERANS' HOSPITAL

Mr. BLATNIK. Mr. Chairman, I want to go on record in support of this veterans' hospital bill, H. R. 5965, which directs the Veterans' Administration to construct those veterans' hospital projects which were canceled by executive order in January 1949. These 16,000 additional hospital beds are needed by our veterans, and passage of this bill is in the best interests of the Nation. For this reason, it has my active and enthusiastic support.

I should mention that one of the hospital projects involved in this proposal is the 200-bed Duluth Veterans' Hospital. This project was one of the casualties of the January 10, 1949, Executive order. Issuance of such an order was most unfortunate, and indicated a lack of understanding of our situation. I am convinced that had there been a more thorough investigation of local conditions and the obvious need for the Duluth project, the cancellation order would never have gone through.

I wish to discuss the need for the Duluth hospital, and in so doing, I will be presenting the justification for the passage of this bill. For the veterans' hospital situation in Duluth is not unique—the situation exists in many parts of the country, and what I say in support of the Duluth hospital is true with respect to those other canceled projects, be they located in Mississippi or California, in New York or Oregon.

What are the facts supporting the construction of the Duluth Veterans' Hospital?

First. The Duluth area is an isolated one as far as veterans' hospital facilities are concerned. The nearest veterans' hospital is located at Fort Snelling, Minneapolis, Minn., which is over 200 miles from the geographical center of the Duluth area, and is more than 300 miles from outlying parts of the area. This means that sick veterans and emergency cases are forced to travel from 200 to 300 miles, often over icy roads in blizzard conditions, to reach the Fort Snelling hospital. This is a 6- to 8-hour trip, which is most hazardous to emergency cases.

Second. The cost of transportation to the Fort Snelling hospital is heavy, amounts to $75 in ambulance service from my home town of Chisholm. In this connection I might add that the Veterans' Administration allows only $35 for such travel.

Third. Veterans' hospital facilities in the area are most inadequate and far below the national average. Duluth is the focal point for a wide trade area, including a population of more than 450,000, and an estimated World War I and World War II veteran population of more than 51,000. If you base the population served by the proposed Duluth Veterans' Hospital on transportation, time, and convenience, the area embraces a population of 1,000,000 persons and perhaps 100,000 veterans.

Even if the Duluth Veterans' Hospital is constructed, and taking the conservative estimate of 51,000 veterans served by said hospital, the ratio would still be only 1 hospital bed for every 275 veterans, as compared to the national ratio of 1 bed to every 132 veterans.

I will mention a significant fact regarding the contributions to the recent war effort made by this area which has been denied the benefit of a veterans' hospital. The northern section of the region—the Iron Range—contributed 20 percent of its male population to the armed forces during World War II, which is twice the national average of 10 percent. I will also mention that the battle casualties suffered by Iron Range servicemen was 4 percent of the total in the

armed forces as compared to the national average of 2 percent.

Fourth. There is not sufficient hospital beds to take care of the veterans of the area in either private hospitals or the nearest veterans' hospitals. Private hospitals in Duluth and the surrounding area are overcrowded and have long waiting lists. The Fort Snelling Veterans' Hospital has long waiting lists, and even near-emergency cases are often forced to wait 2 weeks before admittance.

Fifth. Duluth is admirably situated as the site of a veterans' hospital. It has an excellent reputation as a health center and is blessed with cool invigorating summer weather and a bracing dry winter climate. The city is served by a network of excellent Federal, State, and county road systems, and is readily accessible to all points in the area by eight trunk-line railroads, as well as summer lake passenger service. Air service connections link Duluth to all points in the country.

Sixth. Duluth has adequate medical and nursing personnel to staff a 200-bed veterans' hospital. Recent studies show that the Duluth medical community is well situated to serve such an institution. Plenty of medical talent is available within a few minutes driving distance of the proposed site.

Seventh. The city of Duluth has already made heavy advance expenditures in preparation for construction of the hospital. The hospital site was furnished at no cost to the Federal Government, and over $15,000 has already been spent for sewerage and water extensions alone.

Mr. Chairman, Duluth needs this veterans' hospital badly, just as the other parts of the country affected need their hospitals as proposed in this legislation.

The passage of this bill is necessary to provide better hospital and medical services for our ex-servicemen. They are not getting the services they need and deserve, and this bill is needed to provide proper facilities. H. R. 5965 has my unqualified endorsement, and I urge the House to vote its passage.

Mr. DOYLE. Mr. Chairman, I was privileged to be one of the members of a bipartisan special subcommittee of our House Armed Services Committee, of which the distinguished gentleman from Georgia, CARL VINSON, is chairman and of which subcommittee the distinguished gentleman from South Carolina was subcommittee chairman.

In our study and survey of military hospitals we journeyed to Michigan, California, Texas, Florida, Georgia, Pennsylvania, and Massachusetts. In all these States we held public hearings and surveyed and inspected military hospitals. But, of course, in connection with this valuable trip and gathering the important information we did about the relationship of hospitalization for the military and their dependents, we also learned much of great value as to the Nation-wide problem of hospitalization for the veterans of our wars. At an early date I hope to be able to give you pertinent remarks on the subject of hospitalization for the military and for their dependents.

But, I repeat, this trip for you, my colleagues of this Congress, I feel, was of great value and placed in possession of all the Members thereof, both Democrats and Republicans, a fund of factual information, as well as giving the benefit, for you if you please, of traveling with and listening to and learning from the distinguished Surgeons General of the Armed Forces, to say nothing of hearing the testimony of distinguished men in military medicine and also distinguished men in private medicine. Therefore, we obtained at first-hand and at the grassroots level a Nation-wide glimpse of the hospital problem.

Yes; and it should be crystal clear that the problem of military hospitals and veterans' hospitals is closely related. Very closely, in fact. For instance, both are paid for and both are operated by reason of the expenditure of taxpayers' money. Economy, therefore, as well as efficiency and availability must be a byword of both the military and veterans' hospitalization program.

And, in like manner, where military hospitals are available with spare beds it is just not common sense, in either administration or expenditure of tax money, for there to be duplication of hospital facilities. Questions of jurisdiction should be resolved in favor of standardization and unification of policies and programs, but in no case at the expense of veterans themselves. There must be no claimed economy on paper, in figures, which economy, when put into practice, is taken out of and comes as a result of increased suffering, either mental or physical.

As the sickness of members of the military or of veterans is not a political or partisan matter, so one conclusion I came to on this Nation-wide trip is that there is plenty of room for closer coordination between various departments charged in the field of the care of the military and of veterans and of dependents entitled to hospital care. And this closer coordination between the military and the Veterans' Administration in this important field of human endeavor and in the performance of responsibilities should come forthwith.

The physical and mental health and safety of veterans and military members needing hospitalization must not suffer by reason of untoward delays or adjustments of policy or questions of jurisdiction. The physical and mental needs of active or retired military personnel and their dependents, and the physical and mental needs of veterans are not subjects which tolerate untoward delays in administration.

Another conclusion I came to is that the present order of the Department of Defense closing or substantially closing several of the great military hospitals of our Nation removes the availability of hospital beds and treatment so far away from several centers of large population where those entitled thereto reside that it, in effect, removes hospital beds from being available.

Granting that the present congressional policy only makes hospitalization for military dependents available as a duty of government when and if beds are available, nevertheless it is clear to me that over a term of many, many years the people of the Nation have made it clear in actual practice that military dependents shall not be eliminated from reasonable care in military hospitals by making these hospitals so far removed from where these military dependents reside that they are deprived from finding beds which are available. I believe the records will show that hundreds of thousands of military dependents have purchased homes and set up for the last years of their lives by locating close enough to military hospitals throughout the Nation to find these military hospital beds available. If, therefore, these military hospitals are to remain closed; if, therefore, the Veterans' Administration is to take over any or all of these great military hospitals, then the military dependents should not be foreclosed from their reasonable medical care as military dependents. Provision should be made to carry out the representations and assurances which have been made to active military personnel in this connection beginning before the Civil War.

On this Nation-wide trip the evidence at all our public hearings clearly showed that the private hospitals in all these large centers of population were already overcrowded. The evidence showed in some of the large cities that patients who were ready, able, and willing to pay from $14 to $25 a day for a private room in many cities had to wait from 2 weeks to 2 months to get such rooms; and, in like cities, those who could not afford private rooms but could only afford hospitalization in wards, could, in some cases, not obtain services for as much as 3 months. In like manner, these private hospitals, generally speaking, were not only overcrowded but overfilled at present; but there were no adequate programs revealed to the subcommittee indicating that these communities were going to be able to meet their own hospitalization needs as to private hospitals.

The uncontroverted evidence clearly showed the testimony before us—from distinguished men in active practice of private medicine—proved that private medicine and private hospitals increasingly depended upon the military and veterans' hospitals in their communities continuing in full force and effect.

In some places the continuance of the military hospitals determined the future of the private hospitals to some extent; and in one State the question of whether or not the military hospital continued would determine the question of whether or not the college of medicine of the State university could function as a qualified college of medicine.

I am sorry to have to state that I believe I recognize in the remarks of some of the distinguished gentlemen who have spoken before me a sort of a partisan or political attack or criticism upon the President of the United States or upon the administration. But hospitalization of veterans and military personnel is certainly not a matter of partisanship or of campaign material to build up a record

for or against political parties or political candidates. As human suffering knows no party lines or political parties, so no mental thought nor spoken words should be put on so low a level as partisanship or party politics or campaign speeches. No doubt you of the opposite political party in this House have noted that I, a Democrat, do not hesitate to urge correction and improvement in hospital administration and policies.

I shall vote for H. R. 5965 which provides for the construction of 16,000 additional hospital beds to be under the jurisdiction of the Veterans' Administration, even though it only provides for an additional 200-bed general medical and surgical hospital in my native State of California. Noting that the bill provides for specific geographical locations and sites for these hospitals, I feel the bill should be amended so that the particular locations, types or numbers of hospitals to be constructed in any certain geographical area should be left up to the wise discretion of the Veterans' Administration itself. My very informative Nation-wide trip with the subcommittee of the Armed Services Committee, recently, constrains me to state that it is clear to me that location of hospital beds should be related to the problem of each geographic area; the need of types of beds in certain geographical areas; as well as the absolute need of locating these hospitals as nearly as may be adjacent to available expert consultation service by distinguished men practicing private medicine. In order to increase the hospital service with expert consultation, advice, and skills, these hospitals must be located within reasonable proximity to medical colleges, schools, universities, and where groups of these experts practice private medicine. In like manner, hospitals should be built within reasonable proximity to the homes and firesides of military personnel and of veterans throughout the United States. The uncontroverted testimony before our Armed Services Subcommittee on this Nation-wide trip proved conclusively that patients who were able to have visits from their wives and sweethearts and other members of their family recover more quickly than those who do not. This means, therefore, that over a term of years hundreds of millions of dollars are thus saved by patients recovering more quickly than otherwise because they are hospitalized where available to have the morale building of frequent visits from their loved ones. I am not offering this amendment at this time because I understand that such amendment is to be offered. I shall vote for such amendment. I urge you, my colleagues, to vote for it.

My native State is California; my home city is Long Beach, Los Angeles County, Calif. I am convinced from the records furnished me by distinguished hospital leaders amongst the veteran groups of the VFW, American Legion, AMVETS, especially, that the present veterans' hospital facilities in California are not adequate to meet the problem that even presently exists.

For instance, the California Department Commanders Council, sitting at Los Angeles, Calif., on January 21, 1950, sent me word, as follows:

Thousands of California veterans are today unable to gain admission to Veterans' Administration hospitals for treatment of tuberculosis, mental diseases, numerous medical and surgical ailments.

This commanders council is made up of the respective hospitalization chairmen of the Veterans of Foreign Wars, of the American Legion, of Disabled American Veterans, of the American Veterans of World War II—AMVETS—of the Military Order of the Purple Heart.

And just several months ago I received, from Alvin F. Kime, department commander, VFW, a statement, as follows:

We have 7 Veterans' Administration hospitals in the State with a capacity of 11,332 beds; also 8 Army and Navy and 4 private hospitals under contract to the Veterans' Administration with a capacity of 1,692 beds. Of the 11,332 beds, 3,388 are domiciliary beds. I find there is a waiting list of 735 non-service-connected cases at this time of which 29 are general medical, 174 are tubercular, and 539 are NP (mental). I also learned that we have over 1,900 NP patients who are veterans in the State mental hospitals. Simple analysis indicates a need of 3,500 beds over and above the Veterans' Administration's present capacity. We also find a large number of patients are out on furloughs from the hospitals, many of which may again need hospitalization. There are over 1,000 NP or mental patients being treated in Veterans' Administration clinics in addition to those hospitalized. The Veterans' Administration reports that there are no service-connected cases on any waiting list. New hospitals proposed in this State will provide 2,000 NP beds and 450 general medical beds plus 249 tubercular beds in addition to existing hospitals at Livermore and San Fernando. In my opinion we need at least 15,000 beds for all purposes in the State of California.

And a few months ago I also received from Lewis S. Sloneker, director of rehabilitation of the American Legion, Department of California, Los Angeles, Calif., a statement, in part, as follows:

This is true because the Federal Government is not assuming its responsibility of caring for the sick and disabled veteran. * * *

Some important people in Washington are advocating that the Federal Government curtail its responsibility to the veteran, while others order cut-backs in construction of badly needed hospitals previously approved by every branch of the Federal Government concerned. These same people at the same time of shirking their responsibility to the very men and women who made it possible for our Nation to remain free, are supporting expenditures of large amounts of our taxpayers' money for foreign relief throughout the world. Some of this money is going to our former enemies who caused so many of our own to be sick, disabled, and in need of hospital and medical care today. We do not intend to stand idly by and see our veterans suffering while our former enemies are cared for with our taxpayers' dollars.

In Los Angeles County alone, during the year 1948, there were a total of 953 veterans before the courts. Of this number, 248 were alcoholics. There were 110 dismissed, 418 committed to State hospitals, 235 committed to Veterans' Administration hospitals, and 117 to supervision. In other words, 24⅔ percent were committed to Veterans' Administration hospitals, 43⅘ percent committed to State hospitals, 18⅔ percent placed on supervision of the court, and 12⅗ percent dismissed.

And, now, a word as to the great naval hospital at Long Beach, Los Angeles County. This magnificent facility was also ordered closed by the Department of Defense. At the date of the order, there were 400 veterans contract beds and the Veterans' Administration had asked for 200 additional beds. Excepting for the establishment of naval clinics in the area, this order will force military personnel and military dependents in the Long Beach, Los Angeles County, area to travel at least 90 miles by automobile or bus to Oceanside, Calif., where, at present, is only a one-story, war-built, firetrap, wooden barracks-type hospital facility.

Several weeks ago Veterans' Administrator Gray, with engineers, personally inspected this great Long Beach Navy Hospital and have informed me that they found the fireproof part of this great hospital entirely satisfactory for veterans' use, but that they could not use the wooden wings. That is understandable. And I concluded from my Nation-wide trip, also, that it was too dangerous a risk to take with any man in the military or military dependents or veterans to place them in one-story, war-built, wooden shacks for hospitalization purposes. Yet one effect of this order of the Secretary of Defense will uncontrovertedly do this very thing.

As to the veterans in California, both present and to come in the future, the evidence clearly proves that the veterans population in California is increasing more rapidly than State veterans population in any other State. This being the case, it seems to me that, not only in California, but in every other State, due and adequate consideration must forthwith be given to the proposition that the military and the veterans must get their joint efforts together to the end that the maximum use of Federal hospital property and Federal money must be had in the interests of hospitalization of the earliest possible date.

Mr. RANKIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, I heartily favor the passage of this legislation. In fact, I have introduced a practically identical bill. These hospital beds are desperately needed. I know particularly of the great need for a hospital for mental cases for veterans in the area in which I reside. In this bill there is a provision for a mental hospital at Gainesville, Fla., which would relieve the present impossible situation in Florida. There is a long waiting list of mental cases in that area. Recently, I was able to secure hospitalization for a mental case which had been handled in the county jail for about 6 months. There are other cases almost as bad as that one and many on the waiting list for mental treatment and for treatment for other maladies. In order to solve the hospital situation in this area the Lake City hospital should be expanded, the proposed mental hospital at Gainesville should be built, and a new hospital should be established at Jacksonville for general medical and surgical treatment. Today in Florida we even have a waiting

list of emergency cases. It is impossible for a Congressman to explain to the people whom he represents why these hospitals have been turned down by the President. The people will certainly approve of this legislation, which represents a primary responsibility of the Nation to those who fought for their homeland in time of need. I sincerely hope that the bill will be passed unanimously.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, I believe this bill is very necessary for the care of the veterans of our country. There have been authorized for construction in California two neuropsychiatric hospitals, one at San Francisco and one in southern California. Construction on neither of those hospitals has so far begun. I have endeavored to get a favorable reply concerning this matter of construction of these hospitals, but so far no definite assurance has been made.

I believe that every military hospital not being currently used, or if partially used, should be made available for use of veterans and placed under the jurisdiction of the Veterans' Administration.

Our hospital situation in this country is lagging for some reason. Personally, I feel that if the bill could be amended to provide for more hospitals in States like California, it would be much more in keeping. However, California has hospital bed accommodations for 7.74 out of each 1,000 veteran population in the State of California. That is inadequate. We do need further hospitals in California. I feel there should be some discretion, as far as the Veterans' Administration is concerned, so that they could make changes in the location of some of the hospitals as to place and size. I believe that judgment will be exercised in the over-all program if left in the hands of the Administration to construct these hospitals. The bill is necessary. Thousands of men in my State are in need of hospitalization. I have endeavored to have a bill passed to establish a veterans' hospital which would take care of veterans in remote areas, where hospitalization is not accessible, thereby causing hardship to deserving veterans. Thus far I have been unsuccessful. I hope the Congress in its wisdom will some day recognize this inequality and provide further hospitalization.

The CHAIRMAN. The time of the gentleman from California [Mr. SCUDDER] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself one-half minute.

I would like to state that General Gray in his report to the Veterans' Affairs Committee had admitted to us that he had not authorized the cut-back of these hospitals; that it came from the White House. Both Admiral Booth and Surgeon General Bliss said that the Army and Navy hospitals were needed. I believe in taking the suggestions of the medical service.

Mr. Chairman, I yield the remainder of my time to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I want to take this opportunity to say a word about the Valley Forge General Hospital at Phoenixville, Pa. Pennsylvania today has 1,600,000 veterans who served in World Wars I and II. We have at Valley Forge a 1,900-bed hospital, 1,650 beds authorized built in 1943, at a cost of $10,500,000. To duplicate these facilities today would cost, I would estimate, between forty and sixty million dollars. The cost per hospital bed is around $22,000. We recently inspected this hospital. It is in excellent condition. It is greatly needed. To close it as anticipated would be a grave mistake. It is within 40 miles of Philadelphia, one of the great medical centers of the world, where specialists, consultants, and medical skill are available; yet in face of the desperate need for hospital beds with 2,700 veterans in Pennsylvania waiting hospitalization, the Veterans' Administration refused to take over this hospital built in 1943. It certainly is badly needed and the VA should be compelled to take it over. If this hospital and Murphy General Hospital at Boston are closed, the Walter Reed Hospital will be the only general hospital remaining open east of the Mississippi. Walter Reed Hospital is an 1,800-bed hospital with 2,000 patients and hundreds on the waiting list.

Now here are the facts concerning this much-needed institution: Valley Forge General Hospital:

Beds authorized	1,650
Designation of beds by specialty:	
(a) General medicine	425
(b) Hepatic-metabolic	70
(c) General and orthopedic surgery	700
(d) Plastic surgery	140
(e) Ophthalmologic surgery	100
(f) Closed-ward neuropsychiatric	165
(g) Open-ward neuropsychiatric	50

Valley Forge General Hospital has a threefold mission with respect to the furnishing of hospital care for military personnel, their dependents, and other personnel for whose medical care the Department of the Army is responsible. This threefold mission is:

Provision of station-type hospitalization—medical and surgical care for minor illnesses and injuries—for personnel on and in the immediate vicinity of the post of Valley Forge General Hospital.

Provision of regional-type hospital care—medical and surgical care for patients with complicated or obscure diagnoses for which station hospitals are not equipped and staffed—for post personnel and patients evacuated from station hospitals in the Second Army area.

Provision of highly specialized care for personnel including oversea evacuees with general medical conditions, hepatic-metabolic conditions, general and orthopedic surgical conditions, plastic-surgery conditions, opthalmologic-surgical conditions, and neuropsychiatric conditions. The work load of Valley Forge General Hospital, in connection with the provision of this specialized care, is related to the world-wide strength of the Army and the Air Force and the number of beds authorized for the specific specialty. For example, Valley Forge General Hospital is authorized 100 beds for opthalmologic surgery with a total of 150 beds authorized in the entire Department of the Army hospital system. Valley Forge General Hospital, therefore, in effect, provides opthalmologic surgery facilities for two-thirds of the entire strength of the Army and Air Force and receives two-thirds of all patients requiring opthalmologic surgery in the Army and the Air Force.

In addition to the above mission, hospital care is furnished Veterans' Administration beneficiaries to the extent of the Veterans' Administration bed authorization of 175.

Keeping in mind the threefold mission of Valley Forge General Hospital and the relationship of the three aspects of the mission to strength served the following indicates the number of personnel furnished medical care by this installation:

(a) Approximately 2,000 troops on or in the immediate vicinity of the post are provided station-type hospital care.

(b) Approximately 97,000 troops are provided regional type hospital care.

(c) Approximately 75,000 oversea troops are provided general medical and surgical care in addition to those being provided regional type care.

(d) Approximately 1,046,000 troops are provided hepatic-metabolic care.

(e) Approximately 890,000 troops are provided plastic surgery care.

(f) Approximately 700,000 troops are provided ophthalmologic surgical care.

(g) Approximately 110,000 troops are provided neuropsychiatric care.

So the need to maintain this hospital is evident.

I might also add that we have been sending to private hospitals in Pennsylvania, veterans requiring hospitalization and recently several of them were sent to a mental sanatorium in Pennsylvania, and two of them were burned to death. They were mental cases.

Yet we have this hospital available with 1,900 beds, with only 1,400 occupants, and they will not admit veterans needing hospitalization. Some action should be taken by the Congress to compel the Veterans' Administration to take over these hospitals which are so greatly needed.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I would like to state that some of the hospitals are not suitable for mental cases.

The CHAIRMAN. The gentlewoman has consumed all of her time.

The gentleman from Mississippi [Mr. RANKIN] has 3 minutes remaining.

Mr. RANKIN. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, the simple fact is that many States, including my own, have a much higher number of veterans per hospital bed than the national average. There the need for additional hospital facilities is an aggravated and a pressing one. The fact is that veterans have been detained in jails because of a lack of hospital facilities. Many Members of Congress, and I am

one of them, have first hand knowledge of this in our efforts to help sick veterans.

Correction of these conditions is long overdue. I think they may not be corrected unless the Congress takes the matter in its own hands. I strongly urge the passage of this act in order to secure that needed correction and assure more adequate care for veterans who need and are entitled to hospitalization.

Mr. RANKIN. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman. The veterans of Oklahoma took one of the largest, if not the largest cut in hospital beds allocated to any State in the Union in this 16,000 bed cut—which this resolution seeks to reinstate. One 750-bed neuropsychiatric hospital was completely canceled, and the 750-bed general medical hospital at Oklahoma City was reduced to 500 beds.

Its sorely needed 750-bed neuropsychiatric hospital, scheduled for construction at Norman was canceled by the order. Approximately $2,000,000 in the value of the site is available at Norman including all utilities, since the large site is a portion of the formal Naval Air Technical Training Center still owned by the Government but not now used.

Another $700,000 in plans and designs was lost by the Presidential directive holding up this hospital. Thus, although construction work had not actually started—a sum amounting to $2,700,000 is being lost through cancellation of this project.

The reason given in the directive for the cancellation of this hospital as in other cases, was that it could not be properly staffed and that additional beds were not needed.

This certainly does not apply to the Oklahoma hospitals—and particularly not to the Norman neuropsychiatric hospital. High officials of the Veterans' Administration now admit:

First. That the hospital can be properly staffed with skilled physicians, psychiatrists, technicians, and other hospital attendants. Since it is located adjacent to the University of Oklahoma and to the State's largest mental hospital, the Central State Hospital, the finest specialists in the Middle West are available to service this installation.

Second. There is an acute need for more beds for the mentally ill veterans of Oklahoma. Even the Budget Bureau admits this as well as the Veterans' Administration. There are only 39 emergency beds for the nonviolent cases in the general medical hospitals for veterans in the entire State. All Oklahoma veterans must be treated at Little Rock, Ark., 330 miles distant; or at Topeka, Kans., 280 miles distant; or at Waco, Tex., 375 miles distant. At present there are 580 Oklahoma veterans hospitalized in these out-of-State hospitals.

Thus, the claim that the hospitals cannot be staffed—and that additional beds are not needed—cannot be properly lodged against the Oklahoma projects.

This cancellation reduces the number of beds scheduled for Oklahoma from 1,500 to a mere 500. In fact, the net increase over present facilities will be only 280 beds, since the new 500-bed general medical hospital at Oklahoma City will close a temporary fire-trap veterans' hospital at Will Rogers Air Field of 220 beds.

This increase of 500 hospital beds will be expected to handle a gigantic increase in veteran population over World War I and World War II. The veteran population has increased from 57,000 to 297,000 or 214 percent. Our present bed ratio per veteran is 490; the fourth highest ratio in the Nation.

These two Oklahoma hospital projects are ideal sites, the need is great, and there are ample medical specialists ready and available to properly staff them. They should be reinstituted at the earliest possible time.

Mr. RANKIN. Mr. Chairman, I think that all the arguments in opposition to this measure have been answered. This measure should be passed without a dissenting vote.

So far as politics is concerned, I desire to say that I never heard the word "politics" mentioned with reference to this bill until I heard it on this floor today. It is not a political measure; it is a measure by which we are attempting to take care of our disabled veterans.

The CHAIRMAN. All time has expired. Under the rule the bill is considered as read, and no amendment is in order except amendments offered by the committee.

Has the committee any amendment to offer to the bill?

Mr. RANKIN. The committee has no amendment.

Mr. HINSHAW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HINSHAW. Are pro forma amendments in order to this bill?

The CHAIRMAN. No amendment is in order except those offered by the committee.

Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STIGLER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5905) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes, pursuant to House Resolution 348, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

Mr. COLE of New York. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-nine Members are present, a quorum.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KEARNEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. KEARNEY. In its present form, I am.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. KEARNEY moves to recommit the bill to the Committee on Veterans' Affairs with instructions to report the same back forthwith with the following amendment: Add a new section to read as follows:

"SEC. 2. The Veterans' Administration shall make a survey of abandoned Army and Navy hospitals and include in its program those it is possible to utilize."

Mr. RANKIN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was agreed to.

Mr. RANKIN. Mr. Speaker, pursuant to the motion just adopted, I report the bill back with the amendment and move the previous question.

The previous question was ordered.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Add a new section:

"SEC. 2. The Veterans' Administration shall make a survey of the abandoned Army and Navy hospitals and include in its program those that it is possible to utilize."

The SPEAKER. The question is on the amendment.

Mr. WADSWORTH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WADSWORTH. Mr. Speaker, is it possible that such a motion can be made by the gentleman from Mississippi in view of the fact that the committee has had no meeting?

The SPEAKER. This is a forthwith motion. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMPACT RELATING TO THE WATERS OF THE CANADIAN RIVER BY THE STATES OF OKLAHOMA, TEXAS, AND NEW MEXICO

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3482) granting the consent of the Congress to the negotiation of a compact relating to the waters of the Canadian River by the States of Oklahoma, Texas, and New Mexico, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, lines 9 and 10, strike out "from the Department of the Interior."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL APPROPRIATION BILL, 1951

Mr. GARY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7786, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday last the gentleman from New Jersey [Mr. CANFIELD] had 48 minutes of debate remaining on chapter IV.

Mr. STEFAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Chairman, it is indeed fitting that Americans should observe and take part in the inspirational activities which accompany Arbor Day. In the days of "wars and rumors of wars" we are too apt to give more attention to the days which remind us of destruction. Arbor Day is a mighty instrument of peace because it rightfully stresses "growth through God."

History records that Arbor Day was first given State-wide emphasis in Nebraska through the efforts of J. Sterling Morton—a Nebraskan—and one of the early Secretaries of Agriculture. As a Nebraskan, I am proud that this day of peace had its origin in my home State through the efforts of a fellow Nebraskan. But, I am also aware that the beauty and power of the message of Arbor Day is not confined to a single date—April 10, 1872—when the Nebraska State legislature made it a Nebraska official holiday. Every pioneer, every son of the soil, carried Arbor Day in his heart long before J. Sterling Morton gave it life. Johnny Appleseed and his nameless brethren believed in this day and labored ceaselessly that the wilderness should produce and that the desert should blossom.

In these days of the A- and H-bombs, in these days of the terrible threat of the antichrist of the Kremlin, it is well to remember that Arbor Day holds the full promise of peace. The planting of seeds and seedlings is a symbol of the story of the wrestling of Hiawatha and Mondamin—where Mondamin was buried only to rise again as life-giving corn. Arbor Day holds an even deeper significance. It is a repetition of the message of Good Friday and Easter.

By sharing in the observances of Arbor Day we place ourselves on the eternal record as patriots of peace who dare, even in these troublous times, to advocate national prosperity and international sanity by "growth through God."

Mr. CANFIELD. Mr. Chairman, I yield myself 35 minutes.

Mr. KEARNEY. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. GARY. Mr. Chairman, I move that the Committee do now rise, and on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GARY and Mr. STEFAN.

The Committee again divided; and the tellers reported that there were—ayes 5, noes 107.

So the motion was rejected.

The CHAIRMAN. One hundred and twelve Members are present, a quorum.

Mr. CANFIELD. Mr. Chairman, I am proud of my membership on the subcommittee on Treasury and Post Office appropriations handling this phase of the omnibus bill, proud of our chairman, proud of my colleagues on the subcommittee, and proud of our clerk, Mr. Sprankle. I am also proud of our handiwork. Last Friday, when the chairman of the subcommittee, the distinguished gentleman from Virginia [Mr. GARY] presented this phase of the bill to the House, I heard many fine compliments paid him from our side of the aisle. I know they were well merited. The chairman of our committee, a true southern gentleman, is courteous, refined, and tolerant, and brings to our committee many capabilities. I know of his devotion to his assignment. He inspires cooperation and teamwork and, as he said last Friday, it is rare in our committee that we experience any division.

Mr. Chairman, the New York Times said Wednesday that the resignation of John W. Snyder, Secretary of the Treasury, was imminent. I hope this is not so. And I say this because I believe him to be one of the best-equipped and most able members of the President's Cabinet. He is characterful and he is honest and he has proven to me that he is anxious to save our country from bankruptcy. I think that he has been a stabilizer in the councils of the President and I think it would be most unfortunate for those councils to lose his services at this time. However, if he does become president of the New York Stock Exchange or president of a large western banking enterprise as rumored, I wish him well.

I was chairman of this Subcommittee on Treasury-Post Office Appropriations in the Eightieth Congress when our committee effected certain cuts and instituted a real shake-up in various bureaus of the Treasury Department under Secretary Snyder—notably the Bureau of Internal Revenue, the Bureau of Customs, and the Coast Guard of the United States. The Secretary told our committee this year that these shake-ups were wholesome and in the interest of good government and the taxpayers of the United States. I was proud to hear him relate along with George J. Schoeneman, the able Commissioner of the Bureau of Internal Revenue, how that Bureau during the last year had saved 1,000,000 man-hours, and how further savings were to be expected as the result of our committee's work. The Secretary also told us that most of the recommendations of the management survey of customs instituted by our committee had been put into effect saving some few millions. He added that progress was continuing and that more modern procedures in rendering better service to the public were fast being carried out step by step. In 1947, our committee called upon the Ebasco Services, Inc., to review the deficiencies in the Coast Guard and as a result some 200 recommendations for improvement were made, 120 of which have been carried out up to this writing.

I like to tell the facts concerning the action of the Eightieth Congress respecting the Bureau of Customs budget because to me it is a Saturday Evening Post story and emphasizes more than any other story the difficulties that may be experienced by any Congress when it is determined to effect real economies in the interest of the taxpayers of the United States and runs up against a bureaucrat who is determined that the fat in his request shall not be touched. Our subcommittee in 1947 cut the Bureau of Customs' request for some $36,000,000 by less than 10 percent, whereupon the then Commissioner of Customs furloughed or fired 80 percent of all the guards along our borders and at our ports of entry. All up and down the land newspapers described the crime and governors and mayors wired their Congressmen to save America from dangerous smuggling. The Treasury-Post Office bill containing the cut, which was passed by the House by a record vote of 387 to 0, was pending before the Senate when the Commissioner of Customs did his job. Senator AIKEN, of Vermont, chairman of the Senate Committee on Executive Expenditures, went into action. In no time, most of the men furloughed or fired were back at their posts and one night, as I was working in my office here on Capitol Hill, I heard a knock on the door. Standing at the entrance was the Secretary of the Treasury, Mr. Snyder. He told me he had come to express regret over what had been done regarding the Customs cut. He said he believed the Bureau could live happily on the budget and he was removing the Commissioner of Customs from his post and giving him a minor assignment in the Bureau. I suggested that he see Senator AIKEN at once, because it was my understanding that the Senator was coming out with a report calling for the dismissal of the Commissioner of Customs. The Secretary did see Senator AIKEN. No action was taken looking toward dismissal, but Mr. Frank Dow, a career man in the service, was made Acting Commissioner.

A management survey was made of the Customs Service which reoriented and improved its services tremendously and the sequence of the story is this—in 1948, when the Secretary of the Treasury sent his new request for funds

to the committee, the amount was $500,000 below the amount allowed by our committee the prior year when all the trouble was caused. It is conceded everywhere that this, perhaps, was the most notorious attempt in American history to ruin the efforts of a Congress anxious to do a real job for the taxpayers of our country. It failed in part because of the determination of an honest Secretary of the Treasury to cooperate with our committee and the Congress.

Now a word about another very important bureau in the Treasury Department—the Bureau of Narcotics, captained by one of the most able and devoted public servants I know, Dr. Harry J. Anslinger.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. HAND. I was interested in what the gentleman said about the Customs Service, which it seemed to me at the time, and still does, was a piece of political trickery. I wonder if the gentleman sees any analogy between that and the recent order curtailing the postal service.

Mr. CANFIELD. If the gentleman will permit, I will come to that a little later in my presentation.

In 1948, I was concerned about an increase in heroin addiction in New Jersey, especially in the Newark and Camden areas. I discussed the situation with Dr. Anslinger, who informed me that he would like to send agents abroad to strike at the source of this murderous narcotic, particularly in Istanbul, which in the underworld is termed the "heroin capital of the world." I discovered that the Bureau of Narcotics was precluded by the Bureau of the Budget from asking additional funds for such a purpose and I moved to add $16,000 to the Bureau's appropriation to see what could be done. The results were startling dividends, which came not only to my State of New Jersey but to the whole United States and to other countries. Listen to what these alert and hard-working narcotic agents accomplished with $16,000:

An agent was sent to Istanbul. With the approval of the Turkish police, he went underground and worked his way into one of the principal gangs smuggling heroin into the United States, Canada, and Egypt. When he gave the signal for the police to close in, a clandestine heroin plant was seized and 30 tough gangsters went to Turkish prisons for long terms.

An agent was sent to Marseilles, France, and succeeded in working into the confidence of a vicious band of smugglers sending their poison to the United States and other countries. With the help of the French Surete, arrests followed and another gang went to French prisons.

An agent was sent to Iran, where overproduction of opium is rampant. This opium in the form of Iranian sticks is smuggled to many countries. He obtained a declaration from the Iran Government that they would no longer sell opium to the Far East, a principal point of diversion of Persian opium to the United States. He obtained valuable information which was used in concluding an interim agreement at Ankara in December 1949, whereby Turkey, Yugoslavia, Iran, and India agreed to limit opium producution to the medical needs of the world.

The United States had been rid of cocaine addiction for 20 years. Suddenly, about 1946, a flood of cocaine reached into every city in this country. Here in the Nation's Capital cocaine addiction mounted and crime rose parallel with its abuse. An agent was sent to Peru and found 18 cocaine factories operating and sending, through the underground, this crime-inciting and death-dealing narcotic to the United States and to other countries. The Peruvian Government closed the 18 factories and ir New York, the principal smuggler, Eduardo Balarezo, a prominent Peruvian revolutionary figure and his murderous gang were sent to long terms in the penitentiary. Thus was removed the threat of the worst crime wave ever to threaten this country and cocaine addiction has again virtually disappeared.

When Secretary Snyder was before our committee this year, I asked him what he thought about the Bureau's accomplishments with the $16,000 our committee gave it over and above the budget request. I said:

Mr. Secretary, did it not pay dividends?

And his answer was this:

Mr. CANFIELD, I will say it did. I can tell you that some of the captures never would have been made if Dr. Anslinger had not had that extra money. It could not have been done.

With Chairman GARY, I disagree with the action of our subcommittee on one very important item and that is the item dealing with the United States Coast Guard Reserve. The President and the Bureau of the Budget asked for $4,100,000 to activate the Reserve at this time, their request emphatically endorsed by Defense Secretary Louis Johnson. Our subcommittee did not approve. I have prepared an amendment, which the chairman will support, calling for an appropiration of $1,000,000 for this purpose, the Coast Guard having agreed with me that a real job can be done with this money. When I present the amendment, may I say humbly, I believe I will be able to present a case which will warrant the unanimous approval of the House as being in the best interests of our national defense.

Mr. THOMPSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Texas.

Mr. THOMPSON. Do I understand that the gentleman's amendment is in line with the needs of national defense as set out by the heads of the Defense Department?

Mr. CANFIELD. It is, and I am very glad to note that it is going to have the support of the gentleman from Texas, who has a background of experience in Reserve matters. It is distinctly in the interest of national defense.

Mr. THOMPSON. I thank the gentleman. If he will yield just a moment further, it is quite true that I can understand the benefits of it to the individual trainee under any Reserve program, having been a militiaman for a long, long time; but there is another angle which I wish to touch on. When the gentleman's amendment comes up I expect to speak in behalf of it and show a very striking example of the need for the amendment.

Mr. CANFIELD. I am aware of what the example is, and I look forward to the gentleman's presentation.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. HAND. I wish to say to the gentleman that for the last 4 or 5 years my service has been continuously on the subcommittee on the Coast Guard, and for a while I had the honor of being chairman of the Legislative Subcommittee of that committee. While I do not know all the answers to Coast Guard problems, at least I have made some study of them.

The gentleman's amendment is amply justified and I trust it will have the support of this committee. I shall join with the gentleman from Texas, my distinguished colleague on the committee, in supporting this amendment.

Mr. CANFIELD. The Members of the House know of the gentleman's services in behalf of the Coast Guard. I appreciate his contribution.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. JAVITS. I am glad to support the gentleman's Coast Guard amendment, but I would like to ask one question: Does the gentleman intend during the course of his remarks to touch upon the question of whether or not the cut in postal service was justified?

Mr. CANFIELD. I do.

Mr. MULTER. Is it not true that both the Secretary of Defense and the Office of the Chief of Naval Operations of the Navy Department urge that this appropriation be granted to meet Coast Guard requirements?

Mr. CANFIELD. That is true.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. BROOKS. This Coast Guard Reserve is a vital part of the national defense.

Mr. CANFIELD. That is true.

Mr. BROOKS. The question that arises in my mind and the minds of some others is whether this $1,000,000 is going to do the job.

Mr. CANFIELD. Let me say to the gentleman from Louisiana that I talked with the Assistant Commandant of the Coast Guard this morning. He is the one who suggested the million-dollar program; and I may add that the amendment was prepared by him and his advisers.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. BONNER. I wish to agree in the gentleman's statement about the necessity for the Coast Guard Reserve. It is most apparent and has been most apparent that it is necessary to protect and defend and keep strong the national

defense of this country. I wish to congratulate the gentleman on the statement he has made that he intends to offer the amendment. At the proper time I hope I may be permitted to speak on the amendment.

Mr. CANFIELD. I thank the gentleman from North Carolina. He is a true and tried friend of the Coast Guard.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Louisiana.

Mr. PASSMAN. The gentleman said that the Assistant Commandant of the Coast Guard had said that the $1,000,000 was adequate to start the program.

Mr. CANFIELD. That is true.

Mr. PASSMAN. Why, then, did they ask for $4,000,000 in the justification?

Mr. CANFIELD. I cannot answer that question, but I do know that the Guard is satisfied with $1,000,000.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. MULTER. I should like to answer the inquiry of the gentleman from Louisiana. The officials of the Coast Guard said that the $4,000,000 was necessary for the Reserve program to be carried on properly, but that rather than get nothing they were willing to take $1,000,000 to get the program started.

Mr. SASSCER. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. SASSCER. I wish to commend the gentleman for the position that he has taken and to state that in my opinion his action is in the interest of the security of America. It will mean an ultimate saving of many dollars.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. ROONEY. May I suggest to my distinguished friend the gentleman from New Jersey that to some extent he explain exactly what is expected to be done with the $4,100,000 requested to set up this Coast Guard Reserve program.

Mr. CANFIELD. May I say to my friend from New York I am prepared to go into that when I present the amendment, but because of my limited time and the many other things I wish to touch upon in this important bill I cannot devote further time to this now. Furthermore, there are some members of the subcommittee who wish to speak, and debate has been limited, under the 2-hour rule. I want to accommodate committee members with time under my control.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New York.

Mr. COUDERT. In the justification there was, as pointed out, a request for $4,000,000 to start the program. Was there an indication in the testimony or elsewhere as to what the annual cost of the program would be once it is launched?

Mr. CANFIELD. Yes.

Mr. COUDERT. What is the amount?

Mr. CANFIELD. The figure is $8,000,000.

Regarding the appropriations for the Post Office Department, I desire to read part of my examination of Postmaster General Jesse M. Donaldson:

Mr. CANFIELD. Mr. Donaldson, you tell us, in response to a question of the chairman, that the Bureau of the Budget cut your 1951 request by $42,000,000. In your statement you discuss expansions of service, and you indicate that they will be kept at a minimum.

However, you go on to say:

"The continuation of building activities results in increased service demand, and continuous adjustments of service are necessary to meet the changed conditions in urban areas and in the field of transportation."

Does the cut of the Bureau of the Budget prejudice in any way your plans for normal expansion?

Mr. DONALDSON. No, sir. I had particular reference to the fact that there is considerable building going on yet in large centers and in suburban areas, to which we will have to extend service.

I do not think the Post Office Department should refuse to extend service where it is absolutely essential, but I meant that we should not embark on some program that would cost additional money, which was not essential or necessary.

If the receipts that have been estimated for 1951 are as much as the estimate, then the deficit will remain in accordance with the estimate, provided costs are not cut.

I do not propose to curtail the service to the public in order to reduce the deficit. I do not think that is good or logical. But I do think that if there are some suggestions made for expanding the postal service, some new field, or something of that kind, that that ought to await a time when the financial condition of the postal service is in better balance.

I do not mean to infer, Mr. CANFIELD, that this is going to result in any curtailment of service to the public. I think I did infer that if it was further cut, that might happen, because this ties us down to a limitation upon what our receipts will be, plus the amount of deficit they set up.

This is the first time this has happened.

In other words, the receipts are estimated at a certain figure. The total expenditures are estimated by the total of these appropriation items. The total appropriation is the receipts plus the estimated deficit.

If the receipts fall below the figure set for receipts, and then we are still held to the amount of the deficit as set up in the budget, that will mean curtailment of service, unless, of course, we come before the Congress and ask for deficiency appropriations.

Then there would be an opportunity to do that.

Later in the hearings, I examined Mr. Vincent C. Burke, Deputy Postmaster General as follows:

Mr. CANFIELD. Mr. Donaldson said yesterday:

"Expansions of service will be kept at a minimum. However, the continuation of building activities results in increased service demands. Continuous adjustments of service are necessary to meet the changed conditions in the urban areas, and in the field of transportation."

I assume from that that when our colleagues on the floor are reviewing the bill and they ask questions pertaining to normal expansions in urban areas, we will be able to tell them that they were in contemplation when these requests were made?

Mr. BURKE. Definitely. We propose to take care of those normal expansions, Mr. CANFIELD. As a matter of fact it is a must. We just cannot leave people without postal service because they have built up a new residential suburb or a new group of apartment houses which has extended the city for miles beyond the previously existing limits. We follow through, and we propose to do that. You would expect us to do that, I am sure.

Mr. CANFIELD. If perchance during the year some unusual situation develops, you know that as in the past we are always ready to have you come down here and tell us your story and then the committee does what is right.

Mr. BURKE. You have always been very considerate and cooperative toward the Post Office Department in all cases.

Inasmuch as the actual cut effected by our committee was less than 1 percent, I am at a loss to understand why the Post Office Department now feels obliged to cut certain delivery service from 25 to 50 percent. I am mindful of the heroic efforts the Postmaster General has been making to get the Congress of the United States to revise upward the postal rate structure so as to remove unnecessary subsidies and I have been surprised that the Hoover Commission in reviewing the problems of the Post Office Department stayed clear of this No. 1 problem that has so much to do with the terrific postal deficit we face this year.

There is another very important fact that has not been developed so far in the presentation of this chapter of the bill and it is this: The President and the Bureau of the Budget, acting on the belief that the Post Office Department had overestimated its requirements for the fiscal year 1951, cut the Department's requests by $42,000,000. In other words, the President and the Bureau of the Budget felt that the Department's figures on anticipated volume were too high. In all the publicity incident to the cuts in service no mention has been made of this.

In our committee discussions I made it clear that I was opposed to any cuts that would reduce mail deliveries. Rapid communications in America is admittedly one of the reasons for our great progress. Surveys made in New Jersey over the week end indicate that housewives are resentful over reduction of residential delivery service and many are contending that they are due to foreign spending. Some point out that the British are proud of their mail delivery service which, they contend, is subsidized in part by American funds.

Frankly, I feel that if the Post Office Department insists on carrying out its program, the appropriations for foreign aid will be prejudiced.

I surmise that the Postmaster General hopes that the other body will soon pass the pending measure to increase postal rates and, this being done, will revise the order now causing so many complaints.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New York.

Mr. JAVITS. I just want to say to the gentleman that he will be joined in the conviction, which I gather is voiced from the gentleman's experience, that the responsibility for these cuts, which have been very distressing in my district, must be placed on the executive department, and apparently is not the responsibility here of what the Congress itself has done, which certainly has not been material enough, as the gentleman

so truly demonstrated, to bring about what the Citizens Advisory Committee of the Hoover Commission itself said was an unnecessarily drastic result.

Mr. CANFIELD. I thank the gentleman.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Following that comment by the gentleman from New York, as I understood the gentleman's statement, the cuts to which he is now referring relate to fiscal 1951.

Mr. CANFIELD. That is right.

Mr. SCRIVNER. That is, the financial cuts.

Mr. CANFIELD. That is right.

Mr. SCRIVNER. The service which the Postmaster General is curtailing is paid for from funds out of 1950 appropriations.

Mr. CANFIELD. That is right.

Mr. SCRIVNER. When the Postmaster General was before the gentleman's committee discussing the appropriation for 1951—and that was only a comparatively few days ago—did he then say anything about this proposed curtailment of service?

Mr. CANFIELD. He did not.

Mr. SCRIVNER. Has he yet made any complaint or asked for any deficiency in order to maintain the service?

Mr. CANFIELD. Insofar as I know, he has not, and he has not availed himself of the invitation repeatedly extended him by our committee to come down with his aides and take his hair down over any extraordinary need that develops, or to discuss with us any deficiency of funds in the Post Office Department.

Mr. SCRIVNER. I am glad to have that statement, in view of the fact that either Friday or Saturday night former Assistant Postmaster General Paul Aiken is reported to have made a statement in Denver that the reason the Postmaster General had to cut these deliveries was due to the fact that Congress had not given him enough money.

Mr. CANFIELD. May I ask the gentleman this question? Did Mr. Aiken, perchance, discuss the $42,000,000 cut imposed on the Department by the President of the United States and the Bureau of the Budget?

Mr. SCRIVNER. Probably not.

Mr. CANFIELD. No; he did not.

Mr. SCRIVNER. But I would like to have the gentleman from New Jersey make a direct statement as to whether or not these curtailed services are due to any lack on the part of the Congress.

Mr. CANFIELD. They are not.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. The Postmaster General did appear before the committee, however, and did point out to us that he was running into a tremendous deficit and that something drastic would have to be done unless this bill, raising some of these rates, was passed.

Mr. CANFIELD. That is true.

Mr. FERNANDEZ. That bill passed the House but did not pass the other body.

Mr. CANFIELD. That is true.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentelman from Massachusetts.

Mr. HESELTON. In view of what the gentleman just said, I would like to read to him and to the membership a feature story on the first page of a newspaper in Massachusetts, the Springfield News, of last Wednesday. The headline reads, "Mail service cut—Blame put squarely on Congress by high post-office official."

The subheadline is as follows: "Assistant Postmaster General Walter Myers, here for conference, warns Department cannot carry added expenses; says spending slashed."

The full text of the article reads:

A high postal official today placed the blame for the Post Office Department's curtailment of service squarely on the shoulders of Congress in explaining a new move to reduce operating costs.

The blast came from Walter Myers, Assistant Postmaster General, who is attending an all-day program at the Red Barn in Chicopee with western Massachusetts and Worcester postmasters.

Hitting sharply at the House and Senate, Mr. Myers pointed out that the Post Office budget has been so seriously sliced that the Department has had to adopt a program of very strict economy.

"Contrary to popular belief," he told the Daily News, "the Post Office Department has never overspent in any of its activities."

He pointed out that top officials have had to go in for very strict economy in spending, which means certain types of services must be reduced to a minimum.

Admitting that postal salaries have gone up during the past few years, the Assistant Postmaster General denied that it is the Department which is responsible.

"Congress had the power to raise salaries and not the Post Office Department," he flatly declared. "We are but an agency which must go along with the law as it is prescribed."

He predicted that the Department would work on a $400,000,000 to $500,000,000 deficit for 1951.

He said, as an example, that second classs mail is being handled by the Department at a terrific loss and added, "Congress has failed to raise the rates so we could realize a greater increase in revenue from such operations."

Mr. Myers doubted whether an increase in rates would clear away the huge deficit, but said, "Every little bit helps and there are many more instances where more revenue could be had if Congress would consider acting in the right direction."

"Rates on various mail services have not changed in the past 25 years," the Assistant Postmaster General stated. "We must pay for heat, lighting, and other maintenance costs of our thousands of buildings, many of which are housed by private companies." There again, he pointed out, the law specifically states that the Post Office Department shall shoulder the costs.

"The postal organization has conducted a curtailment program and not a spending program." Mr. Myers said, "Our budget was cut by $24,000,000 for this year by Congress and to offer the right type of service, the Department had to cut here and there to tighten up spending."

"There is a definite need for improvements in the department, but the lack of financial assistance has hampered us," he said. "We need trucks and we are replacing some on the long-range program."

He said the Department also lacked building facilities in larger cities, and again hit at Congress because no appropriations have been made to handle the problem. "There is absolutely no indication that Congress will give us any building program money," he said.

As for Springfield, Mr. Myers labeled the local post office as "inadequate" for the size of the city and the amount of work being handled locally.

I sent a message to Mr. Myers on Friday, calling his attention to the headlines and to the text, and quoted the first part of the article. I requested, if possible, to have the full text of his speech. Mr. Myers called my office today and quoted to my secretary from certain notes he had. He indicated that he would send the notes to me and has done so. I feel these notes should be placed in the RECORD at this point. They are as follows:

Reflecting the views of the country the Congress is interested in economy. You have doubtless seen in the newspapers today that mail deliveries in residential areas have been curtailed by the Postmaster General's order. If you read his order, you will note that he quotes from a report of the Committee on Appropriations of the House a recommendation that sizable savings might be made by reducing the number of deliveries, particularly in routes serving residential areas exclusively.

So the Postmaster General is making a good-faith effort to cooperate with the Congress in the interest of over-all economy. At the same time it is hoped that Congress will grant higher rates for second-, third-, and fourth-class matter so that the postal budget may more nearly be brought into balance.

Mr. Myers told my secretary that he did not really make a speech, but rather was speaking from these notes and quoting from the Postmaster General's order. He also said that it was not his intention that his remarks be considered a blast at Congress and that he was misquoted.

There is also a second news story in another Springfield, Mass., newspaper, the Union, in its issue of April 20. The headline reads as follows: "Avers Congress has asked cuts by post office—Assistant Postmaster General addresses western Massachusetts association."

The text is as follows:

Assistant Postmaster General Walter Myers of Washington told a gathering of 223 postmasters from western Massachusetts and Worcester County and their guests today at a meeting in the Red Barn that cut-back on personnel in post offices throughout the country is being effected as the result of a request from the House Committee on Appropriations to economize in the Post Office Department and to carry out the recommendations of the Hoover report.

INCLUDED ALL MEASURES

Mr. Myers explained that the Hoover Committee in its report included all the measures that have been under study in the Post Office Department for reducing expenses. He said that the proposal of the Hoover Committee to divide the Department into 10 to 12 postal districts is the only recommendation that will not be carried out.

In the past few years, the Assistant Postmaster General said, 50 postmasters of the largest post offices in the country have been

consulted on means of reducing mail handling costs. It was generally agreed, according to Myers, that deliveries to both homes and business places could be reduced in number without seriously curtailing mail-delivery service. He said that many firms reported that there were too many deliveries during a working day, often causing confusion in handling incoming goods. With many business offices closing on Saturday, it was found that fewer deliveries on Saturdays were needed.

DIFFICULT PROBLEM

The problem of reducing the forces in the local departments will be a difficult one, Myers reported. Under the present laws, many of the disabled veterans who have been hired recently will have precedence over personnel who have been in the Post Office service for 10 to 15 years when layoffs are made, he said. Postmasters received their postal bulletins today, Myers said, that will instruct them on procedure.

It will take a few months for each local department to study and work out the individual problems of reduction. The plan will be in full effect by July 1, the Assistant Postmaster General said.

Myers told the postmasters that the Department has been operating with a $400,000,000 to $550,000,000 annual deficit for the last few years. He said that at one time the deficit ran as high as 30 percent of the total Department budget, but it is less now.

In further commenting on the budget, Myers said that 96 percent of the Post Office operating expense is in salaries and transportation. By cutting deliveries it is expected that substantial savings can be made in the salary and transportation expenses.

I am not calling this to the attention of the gentleman and the membership in connection with the merit or lack of merit in the recent order issued by the Postmaster General. There certainly seems to be considerable confusion both here in Washington and among the public as to exactly what this order involves and as to the full reasons for or against the order or any parts of it. In that connection, however, I have seen a statement issued by the head of the Citizens Committee for the Hoover report. It was issued as a press release on April 23, 1950, and as it has a definite bearing on this whole matter I believe it should be included at this point. It is as follows:

Robert L. Johnson, national chairman of the Citizens Committee for the Hoover report, said today that the Nation-wide cut in postal services should have been preceded by congressional action on the recommendations of the Hoover Commission for postal reorganization and economy. The Post Office Department on Tuesday ordered service reduced to one delivery a day for most postal users.

"The bipartisan Hoover Commission clearly showed the way to substantial savings in postal operations," Dr. Johnson, who is president of Temple University, said. "All told, the Commission's recommendations, if fully adopted and installed, could mean a reduction of over $200,000,000 a year in the huge postal deficit of $500,000,000. Moreover, by streamlining and modernizing the Post Office structure and equipment, the efficiency of its services would actually be improved.

"Since last July, a series of bills based on the Hoover report and endorsed by President Truman and Postmaster General Donaldson, has been before the Congress. Yet absolutely no affirmative action has been taken.

"For example, the Senate Post Office and Civil Service Committee has made no move on a majority of the recommendations and has voted to postpone action indefinitely on the vital bill, S. 2213, to take the Post Office out of politics. The Hoover Commission distinctly pointed out that the lowered morale wrought by political appointment of postmasters was one of the basic causes of inefficiency in the Department.

"This measure was unanimously recommended by six Democrats and six Republicans of the Hoover Commission," Dr. Johnson said. "It has the support of President Truman and Postmaster General Donaldson, the National Association of Postal Supervisors, and the National League of District Postmasters. No witnesses appeared in opposition to the bill at subcommittee hearings. The committee members now have the opportunity to take statesmanlike action. The bill should be reconsidered and approved.

"I am at a loss to understand inactivity on this and other vital measures. Postmaster General Donaldson and the 400,000 hard-working postal employees will be constantly hampered by an obsolete organizational structure and by antiquated methods and equipment until the Congress acts. Meanwhile, Tuesday's action, causing hardship to thousands, highlights even more strongly the need for reform.

"In effect the Post Office is suffering from the chronic, wasting disease of inefficiency for which the Hoover Commission recommended concrete remedies and a healthful regimen. Sudden shock treatment is hardly the answer. Yet, inertia and reluctance to give up special privileges are keeping the patient from treatment."

Calling attention to other bills designed to modernize the Post Office Department, S. 2212, before the Senate Committee on Post Office and Civil Service (companion bill, H. R. 5775, before the House Committee on Post Office and Civil Service)—a bill to provide for improved financial control over the operations of the Post Office Department—and S. 1431, before the Senate Committee on Interstate and Foreign Commerce (companion bill, H. R. 2908, before the House Committee on Interstate and Foreign Commerce)—a bill for the separation of subsidies paid to the air lines by the Post Office Department—Dr. Johnson urged prompt action on these measures to help cure the Post Office's ills.

Further steps now pending require passage to complete the Hoover Commission's recommendations for Post Office reform, Dr. Johnson said; one, a bill to permit adjustment of postal rates on penny postcards and special services on which the Post Office is currently losing money; and another, several portions of which would permit reorganization of the Post Office Department on a businesslike and regional basis.

The following news dispatch with reference to this statement follows:

HOOVER REPORT GROUP SCORES POSTAL CUTS

(By John D. Morris)

WASHINGTON, April 22.—The citizens committee for the Hoover Report issued a statement today characterizing curtailment of postal services as sudden shock treatment that was hardly the answer to the Post Office Department's ills.

Tuesday's order to reduce most mail deliveries to one a day and otherwise cut expenses should have been preceded by congressional action on recommendations of the (Hoover) Commission on Organization of the Executive Branch of the Government, it was asserted.

The comments were made by Robert L. Johnson, national chairman of the citizens committee, in a statement distributed by committee headquarters here. Dr. Johnson is president of Temple University, Philadelphia.

"The bipartisan Hoover Commission clearly showed the way to substantial savings in postal operations," he said. "All told, the commission's recommendations, if fully adopted and installed, could mean a reduction of over $200,000,000 a year in the huge postal deficit of $500,000,000. Moreover, by streamlining and modernizing the post office structure and equipment, the efficiency of its services would actually be improved."

"Nevertheless," he said, "absolutely no affirmative action has yet been taken on any of a number of pending bills based on the Hoover report and indorsed by President Truman and Postmaster General Jesse M. Donaldson. The measures have been before Congress since July.

Mr. Chairman, certainly those of us who were in the Eightieth Congress recall quite vividly the circumstances surrounding the action of this subcommittee in connection with appropriations for the Bureau of Internal Revenue and for the Post Office Department. As the gentleman has so properly stated, both of those actions were finally revealed in their true colors. In view of what the gentleman has said with reference to the testimony of the Postmaster General and his assistant and with reference to the long-time understanding between the Department and the subcommittee that the door was always open for consultations about matters of administration, it is difficult not to associate this order with the same sort of attitude and purpose.

It is not difficult to foresee that the existing confusion will not and cannot be cleared up unless some responsible committee in Congress takes immediate action to develop the full facts, including the reasons for this failure to consult with this appropriation subcommittee and to determine the reasons for lack of action in connection with the recommendations of the Hoover Commission.

Mr. CANFIELD. May I ask the gentleman from Massachusetts, did Mr. Myers of the Post Office Department say anything about the cuts in the Department by the President of the United States and the Bureau of the Budget?

Mr. HESELTON. I have not been able to find any reference to that.

Mr. CANFIELD. He did not, of course. But in all fairness, may I say to the gentleman from Massachusetts there has been a suggestion made in our subcommitte report, a suggestion with which I do not agree, that certain economies can be effected through the curtailment of deliveries.

Mr. HESELTON. But not necessarily curtailing to the extent to which this order went.

Mr. CANFIELD. I want to emphasize that the Postmaster General was invited by the very fair and able chairman of our subcommittee and the members thereof to come down and discuss his difficulties before issuing the order. He did not avail himself of a long-time invitation to come before us. Heretofore our relationships have been most happy and we are very much surprised at this order.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. HAND. Is it then fair to say in summing this up that there is no reasonable relationship between this appropriation and the curtailment of services recently ordered by the Postmaster General? It is not because of this bill which is now pending, is it?

Mr. CANFIELD. I see no relationship except, may I say in frankness, the statement in the report indicating that some curtailment of deliveries would develop needed economies.

Mr. HAND. But the gentleman has said repeatedly that he did not come back to the committee.

Mr. CANFIELD. That is correct. There has been no coming back to our committee.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. JONAS. I understand from the remarks of the distinguished gentleman from New Jersey that he is vigorously opposed to this curtailment which is being contemplated in the Post Office Department.

Mr. CANFIELD. I am.

Mr. JONAS. I commend and congratulate the gentleman from New Jersey. I hope he is as conscious as we are in Chicago of the fact that if these regulations were put into practical effect they would be the ruination from a commercial standpoint of some of the outlying districts in the big cities. The regulation carries with it possible repercussions and potentialities that are presently beyond description. I hope the gentleman will keep up the vigorous fight against this kind of legislation.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. SADLAK. In view of the fine statement of the gentleman from New Jersey in which he has read from the testimony presented to his committee by the Postmaster General and his deputy, it seems to me we ought to undertake immediately an investigation of this matter with a view to having this order rescinded.

Mr. CANFIELD. I am in accord with that statement.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. BREHM. I am going to insert in the Appendix of the RECORD today an editorial from the Columbus (Ohio) Dispatch which definitely proves that if the recommendations of the Hoover Commission are carried out there will be no deficit in the Post Office Department and the services will not be impaired.

Mr. CANFIELD. I could not agree entirely with that editorial. Undoubtedly some savings can be effected but not enough to cover the deficit of $554,000,000.

Mr. BREHM. I wish the gentleman would read the editorial before definitely closing his mind on the subject.

Mr. CANFIELD. I will read it.

Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I wish to repeat the statement I made last year and that is that the most pleasant assignment I have had since becoming a Member of Congress is membership on the Post Office and Treasury Subcommittee of the House Appropriations Committee under the very able leadership of my Chairman, the gentleman from Virginia [Mr. GARY]. The distinguished Chairman has been fair, impartial and courteous to everyone, has permitted thorough consideration of the bill before you, and has handled the hearings with dispatch and order but certainly not in haste. The hearings on the bill lasted for several weeks and every phase was thoroughly considered. In my opinion this is one of the best bills ever reported out by the Treasury and Post Office Subcommittee.

Mr. Chairman, it is too early to make an accurate prediction as to what the reaction will be regarding Postmaster General Donaldson's order to curtail expenditures in the Post Office Department in favor of economy. Speaking for myself, I think it is a move in the right direction and I certainly hope that the move will prove to be contagious and other Departments will follow suit. I congratulate Mr. Donaldson on his effort to effect greater economy in the Post Office Department. The bill before the Committee calls for $2,207,500,000 to operate the Post Office Department for fiscal 1951. It was established in the hearings that the total estimated revenue for the Post Office Department for fiscal 1951 would be $1,681,000,000. This would leave an operating deficit of $526,500,000.

Mr. Chairman, I am somewhat confused. I have received thousands of letters from my constituents insisting that we curtail expenditures; that we insist the Departments cut back. In my opinion, this is a move in the right direction. We have one Department head who is attempting to cut back to save the taxpayers money, and the same constituents who insisted I do something about curtailing expenditures, are now complaining about the Postmaster General's order to effect greater economy in the Post Office Department.

It must not be a very pleasant assignment for Postmaster General Donaldson and his staff to be forced to operate the Post Office Department with an annual deficit amounting to as much as it cost to operate the entire Federal Government annually as late as 1906. The postal service has been so expanded, a greater part of which is in subsidies, until it will cost several hundred million dollars more to operate the Post Office Department in 1951 than it cost to operate the entire Federal Government as late as 1917.

There are many towns and cities in my district receiving two, three, and in some instances four, mail deliveries daily. I believe that the people throughout the Nation in residential sections will be satisfied with one mail delivery a day, especially when they realize that the reduced service is to effect greater economy. If the majority of the people insist on reinstatement of this super-duper service, then they should be willing for the Congress to increase postal rates so that the Post Office Department may operate on a self-sustaining basis. When discussing the one mail delivery daily for residential sections, should we not take into account that the average American works, and I should think in the majority of instances when he leaves his home in the morning he does not return until evening, at which time he picks up his mail from the mail box. Certainly it matters not to that individual whether the mail was delivered in the morning or afternoon. I repeat, in my candid opinion, our citizens will not complain when their mail delivery service has been reduced to one delivery daily.

It is just as well that the records show I advocated a postal-rate increase as far back as 1947, and the record will show that I voted for the postal-rate increase bill passed by the House early in February.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. PASSMAN] has expired.

Mr. CANFIELD. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. GROSS. How much is the Postmaster going to save with this reduction in service?

Mr. PASSMAN. In my opinion, when the directive is in full force, it will effect a saving of approximately $82,000,000 annually. In the first year I think it will effect a saving of $57,000,000.

Mr. GROSS. How much has the Postmaster General said it would be?

Mr. PASSMAN. I am not privileged to divulge the source of my information, but I think it is accurate. In the first year the savings will be approximately $57,000,000. May I say to the gentleman there will be no permanent postal employees discharged? Those discharged will be wartime appointees and substitute carriers. I might also state that the Post Office Department separates approximately 34,000 employees annually.

Mr. GROSS. Does the gentleman think that the various subsidies should be charged to the Post Office deficit?

Mr. PASSMAN. I do not, but the House passed a bill which increased the deficit by approximately half a million dollars.

Mr. GROSS. But the deficit of $550,000,000 includes those subsidies?

Mr. PASSMAN. That is absolutely correct. This bill appropriates $2,207,500,000. The estimated revenue will be $1,681,000,000, and a deficit of $554,500,000.

Mr. GROSS. How much of a curtailment of service, percentagewise, has the Postmaster General ordered?

Mr. PASSMAN. The gentleman can figure that out. However, if the Congress does not approve of his efforts I do not think it will encourage any of the other Departments to follow suit..

Mr. GROSS. I question whether there is any economy in this move.

Mr. PASSMAN. Of course, the gentleman has a right to his opinion. During an election year many Members will be against it. I am not.

The only disappointing thing about the bill we passed is that, in my opinion, it failed to increase rates as much as they should have been increased. Had the bill called for an increase of three times

the amount, I still would have voted for it. The people whom I have the honor to represent in the Congress are beginning to realize that you cannot have your cake and eat it too, and that nothing comes free. The majority of them are in accord with my views that a postal rate increase is in line.

Mr. Chairman, much has been said about increasing the personnel of the Bureau of Internal Revenue. On April 3, 1950, I inserted in the Appendix of the RECORD a break-down showing the number of employees in the Bureau of Internal Revenue from June 30, 1940, through June 30, 1950; also the amount appropriated for the Department during the same 10-year period. On June 30, 1940, there were 23,082 employees in the Bureau of Internal Revenue and the Congress appropriated for the Bureau in that year $59,877,500. By comparison, it is estimated on June 30, 1950, there will be 56,495 employees in the Bureau of Internal Revenue and the Congress appropriated for that year $226,300,000. If you will study the table that I inserted in the RECORD on April 3 you may find the information helpful in the event you are of the opinion the number of personnel for the Bureau should be increased.

Mr. Chairman, if we continue increasing the personnel of the Bureau of Internal Revenue, could it be that eventually we will all make our living by collecting taxes from each other? There are 19,409 revenue agents and collectors in the field and this number does not include those in the Alcohol Tax Division. The following statement shows the estimated position strength of the Bureau of Internal Revenue at the close of the fiscal year 1950:

	Position strength fiscal year 1950
Field collectors:	
Revenue agents (listed as deputy collectors)	10,178
Revenue agents (listed as revenue agents)	7,843
Revenue agents (listed as intelligence agents)	1,302
Revenue agents (listed as miscellaneous tax agents)	86
Total	19,409
Audit Department:	
Office auditor	3,016
Returns examiner	1,023
Total	4,039
Alcohol Division:	
Alcohol tax investigators	628
Alcohol tax investigators	912
Alcohol tax storekeeper-gagers	1,488
Total	3,028
Total	26,476
Technical, legal, and administrative	6,678
Clerks	11,532
Clerk-stenogarpher	1,840
Clerk-typist	3,860
Stenographer	1,483
Typist	252
Operator of office devices	3,865
Messenger	233
Laborer	60
Guard	16
Total	23,141
Grand total	56,295

The committee is recommending funds for an additional 1,000 employees for the Bureau of Internal Revenue. I am not too sure that the additional 1,000 employees are necessary and can be employed profitably. Should we not take into account that as a result of the 1948 Revenue Act there were an estimated 7,378,000 taxpayers dropped from the rolls? If you will refer to page 182 of the Treasury and Post Office hearings you will find testimony to the effect that the Bureau of Internal Revenue checked 14,000,000 files out of the estimated 54,000,000 individual returns filed, and that there was a tax change of only $2 or more either for or against the Government. The testimony reveals, on the basis of the preliminary checks, about 90 percent were against the Government and 10 percent of the 14,000,000 returns checked were against the taxpayer. This certainly was a very unprofitable procedure. At least it indicates that the Bureau of Internal Revenue had sufficient personnel because it required many thousands of man-hours to check 14,000,000 returns. In fact this was the first time the Department had conducted an audit control program of this nature.

Certainly it is the intent of the committee, and I am sure of the Congress, to furnish the Bureau of Internal Revenue with sufficient personnel to do the kind of job expected of them, but there should be a limit on the expansion of all departments, and I am wondering if we have not already passed that limit in the Bureau of Internal Revenue.

Mr. ALBERT. If the American people cannot get along with one mail delivery service daily in the residential districts, just what will they stand for in the name of economy?

Mr. PASSMAN. I thank the gentleman for his contribution. Those who reside in rural sections get but one mail delivery a day. I should remind the gentleman that business houses will still receive two deliveries daily.

Mr. GROSS. Under the Postmaster General's order if they get two a day they are cut to one.

Mr. PASSMAN. I think if the gentleman will check the directive, he will find that it applies to residential sections, not business sections.

Mr. GROSS. It applies to business sections also. If they get two deliveries they are cut to one; if they get three they are cut to two.

Mr. PASSMAN. I repeat, I think the directive curtails delivery only in residential areas. Business sections will continue to receive two deliveries daily.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. SADLAK. The gentleman states that by curtailing service and taking people off pay rolls we will save money.

Mr. PASSMAN. I would like to answer the gentleman by saying that if it is going to make for prosperity to put people on the pay rolls, let us start adding additional personnel right across the board.

Mr. SADLAK. If we follow that theory, it means the less service we render, the fewer people we have on the pay roll, then the more money we save. Carrying that argument to its ultimate conclusion, if we rendered no service and had no people on the pay roll we would save still more money.

Mr. PASSMAN. The directive is not going that far. With this country facing a $14,000,000,000 deficit for the fiscal year 1950–51 it is time we started to save wherever we can.

Mr. CARY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield.

Mr. GARY. There is a vast difference, is there not, between eliminating essential service and eliminating nonessential service?

Mr. PASSMAN. I thank the chairman for his contribution to my statement.

Mr. CANFIELD. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. COUDERT].

Mr. COUDERT. Mr. Chairman, it would not be a complete presentation by a subcommittee unless all of us were to take the floor and tell you how much we love each other. That I can do quite successfully, because I enjoyed very much working with my fellow members on the subcommittee. I enjoy very much less, however, working under this one-package bill. I think it is a snare and a delusion and that it will prove so before we get through. I trust that in another year and in another Congress we will have learned our lesson and not try to do this again. In my humble opinion, the one-package bill is the bill to end appropriation bills.

Mr. Chairman, I take the floor only to express myself on two points that have been raised in the debate today that seem to be somewhat controversial, points in regard to Post Office and Coast Guard matters.

As far as I can see, the steps taken by the Postmaster General are in the right direction. Whether they go too far I am not prepared to judge, because I am not the Administrator. I believe some economy can be made undoubtedly to a greater or less extent without any real inconvenience to anyone. But I do very seriously object to the timing of the Postmaster General in making this apparently drastic reduction in service. It certainly looks to me to be open to the suspicion of political motives. After all, there has been a great Post Office deficit for a number of years, but why did we not have this reduction of mail service 6 months ago or 3 months ago? I will tell you why we did not; it just happens to be appropriation time, and all these department heads would like a little more money, no matter what they do to get it.

One further point. Mr. Chairman, I understand that my distinguished and lovable colleague from New Jersey is going to offer an amendment to establish the Coast Guard Reserve training. He is going to offer a sugar-coated amendment calling for a million paltry dollars. Let us not delude ourselves; let us be frank. It is not one million it is going to cost; that is but the entering wedge, the camel's nose under the tent. You should consider $8,000,000 as the cost of the total program according to the admiral's estimate; and then add at least $2,000,000 more to arrive at what it will

actually cost. You are therefore dealing with the inauguration of a new $10,000,000 program.

Mr. Chairman, this is not time to begin new programs. There has never been a program in this field; it is not necessary. There are 850,000 men in training in all the reserves, the Army, Navy, and the Air Corps; and as far as wartime conditions and wartime emergency in our ports is concerned, no few thousand reservists are going to make any visible difference.

Mr. CANFIELD. If the gentleman will yield, I am sure that when I present my amendment to the House I can convince the gentleman that it is necessary at this time.

Mr. COUDERT. There are a great many things which the subcommittee chairman has referred to that I would like to see done. The fact remains, however, that we are subject to certain limitations, economic limitations of the United States.

The CHAIRMAN. All time for general debate on chapter IV has expired. The Clerk will read.

The Clerk read as follows:

For necessary expenses of the Office of the Treasurer, including printing and binding, $5,200,000: *Provided*, That with the approval of the Bureau of the Budget, there may be transferred or advanced to this appropriation, from Railroad Retirement Board, "Conservation and use of agricultural land resources, Department of Agriculture," and from available corporate funds of Government owned or controlled corporations, such sums as may be necessary to cover the expenses incurred in the clearing of checks, servicing of bonds, handling of collections, and rendering of accounts therefor.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word.

TAX-FREE TRANSPORTATION

Mr. Chairman, I take this time to interrogate the chairman and ranking minority member on the item of appropriations for the internal revenue. You will recall that some time ago I introduced a bill to set up a separate Office of Transportation. Also I have several times discussed here the matter of tax-free transportation. It has now come to my attention that our transportation tax has been evaded to such an extent that it was necessary last September for the Department to issue a ruling against the abuse of tax evasion by air and by ship. I have been reliably informed that certain transportation people encouraged and are alleged to have been in collusion with travelers to secure tax-free air-travel and ship-travel tickets outside the borders of the United States and thus evaded our 15-percent transportation tax. I am reliably informed that this unlawful evasion of transportation tax was so prolific that offices were set up in many foreign places near our borders; that American tourist and travel agencies lost tremendous revenues. The practice, I am told, is to purchase travel tickets in these foreign locations and American and foreign travelers thus were able to secure tax-free tickets and evade the transportation tax. In this way the taxpayers were not only deprived of the 15-percent transportation tax but the Treasury Department was deprived of the income tax which would have been made by the American agencies who lost this business to the foreign offices. I have asked the chairman of our subcommittee to study my suggestion regarding an investigation into this matter to determine whether or not it is possible to make some retroactive recovery to these evaded taxes. Back-dated or back-routed air and ship tickets and stubs are available and if it is possible to make some recovery for this alleged evasion I propose to press the request for a full investigation. Just how far this alleged collusion and encouragement to secure and evade transportation tax has been participated in by transportation people can easily be ascertained from such a proposed investigation. However, I now wish some statement from the membership of this committee on this subject. How much revenue have we lost as a result of this alleged tax evasion?

Mr. GARY. I cannot give the gentleman exact figures, but I can say that matter has been discussed by our committee with the proper officials of the department and we have been assured by representatives of the department that they are going to make a special drive to break up that practice.

Mr. STEFAN. It was and is a very bad practice. I do not know whether it is the fault of the commercial airlines who are alleged to have encouraged and show these people how to get this tax-free transportation or not. I do not know whether it is their fault or whether or not there has been some negligence on the part of the Civil Aeronautics Board or other agencies. Only last September an order went out to these people indicating that the practice was in operation. Why can we not go into the records and find out how much money we lost during the time that they neglected to collect the 15 percent tax so that we might recover that back into the Treasury? I am asking the chairman of my subcommittee to make some investigation where the fault lies and whether or not some retroactive action should be taken.

Mr. GARY. I think the gentleman is very wise in requesting an investigation by his committee. I think an investigation of that kind would more properly be the subject of his committee than ours. We have discussed the matter in our committee, and I will say that our committee will be delighted to cooperate with any other committees in the investigation of this particular subject.

Mr. STEFAN. I am informed that after the order of September last was issued that an estimate had been made, which indicated the Treasury lost many millions of dollars.

Mr. GARY. Certainly, any loophole of that kind should be closed, and if there has been a violation of the law, I agree with the gentleman thoroughly that some retroactive action should be taken.

Mr. STEFAN. I thank the gentleman.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. In regard to the purchase of tickets in cities outside of the territorial limits of the United States, do I understand that tickets purchased for a flight wholly within the United States can be secured and avoid taxes in that way?

Mr. STEFAN. Yes.

Mr. CUNNINGHAM. Like the purchase of a ticket in Cuba for a flight from Washington to San Francisco, for example.

Mr. STEFAN. Yes. They sent for tax-free tickets to these foreign places set up for this purpose. I do not know whether they are doing it now since the September order was issued.

Mr. CUNNINGHAM. Could that not be corrected by having the companies show on the ticket whether a tax was paid.

Mr. STEFAN. Well, that could be the work of the investigators if we set up the investigation. That fact can be easily found on stubs and duplicates.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from New York.

Mr. ROONEY. May I say to the distinguished gentleman from Nebraska that I commend him for his righteous interest in this matter of evasion of transportation taxes due to the United States Government as the result of the alleged encouragement by the commercial air lines in the purchase of tickets in foreign countries to avoid the payment of such taxes. I assure my friend from Nebraska that I shall cooperate with him to the fullest extent in ascertaining the true situation in regard thereto.

Mr. STEFAN. I thank the gentleman.

The Clerk read as follows:

For expenses necessary for collecting the revenue from customs, enforcement of navigation laws under section 102, Reorganization Plan No. III of 1946, and of other laws enforced by the Bureau of Customs, and the detection and prevention of frauds, including not to exceed $100,000 for the securing of information and evidence; transportation and transfer of customs receipts from points where there are no Government depositories; examination of estimates of appropriations in the field; expenses of attendance, under regulations prescribed by the Secretary of the Treasury, at meetings of organizations concerned with the purposes of this appropriation; not to exceed $12,000 for maintenance and improvement of buildings and sites, acquired under the act of June 26, 1930 (19 U. S. C. 68); printing and binding; purchase of 100 passenger motor vehicles for replacement only; expenses of seizure, custody, and disposal of property; arms and ammunition; not to exceed $1,070,000 for personal services in the District of Columbia exclusive of 10 persons from the field force authorized to be detailed under law (19 U. S. C. 1525); $36,500,000.

Mr. KEATING. Mr. Chairman, a point of order. I make the point of order against the portion of this section starting in the middle of line 7, page 101, reading as follows: "expenses of attendance, under regulations prescribed by the Secretary of the Treasury, at meetings of organizations concerned with the purposes of this appropriation."

I make the point of order on the ground that this involves additional duties on the part of the Secretary and

is subject to the same point of order which was made against a similar provision in the appropriation bill relating to the Commerce Department.

The CHAIRMAN. Does the gentleman from Virginia desire to be heard on the point of order?

Mr. GARY. Mr. Chairman, in accordance with the previous ruling on this bill, I think the point of order is well taken. I concede the point of order.

The CHAIRMAN. The gentleman from New York makes the point of order against the language quoted by him appearing in lines 7 to 10 on page 101. The gentleman from Virginia concedes the point of order; therefore the Chair sustains the point of order made by the gentleman from New York.

Mr. GARY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARY: Insert on page 101, line 7, after the semicolon, the following language: "expenses of attendance at meetings of organizations concerned with the purposes of this appropriation."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. GARY].

The question was taken; and on a division (demanded by Mr. KEATING) there were—ayes 33, noes 38.

Mr. GARY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GARY and Mr. CANFIELD.

The Committee again divided; and the tellers reported that there were—ayes 70, noes 55.

So the amendment was agreed to.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I avail myself of this time in order to ask a question of the chairman of the subcommittee in charge of this portion of the bill, the distinguished gentleman from Virginia [Mr. GARY]. Representing as I do a substantial part of the great port of New York I make inquiry with regard to the appropriation for salaries and expenses, Bureau of Customs, wherein there is a reduction of $473,300 from the amount of the budget estimate. Is any part of this reduction of $473,300 specifically directed by the committee to the personnel of the Customs Service in the port of New York?

Mr. GARY. Mr. Chairman, the answer is absolutely no. In fact, no part of this reduction is specifically directed to the port of New York, or the port of Boston or any other particular port. May I call the gentleman's attention to the fact that although the reduction here is $473,300 on an item of $36,500,000 the committee allowed the Bureau of Customs $1,350,000 more than the appropriation for 1950.

Mr. ROONEY. Mr. Chairman, I thank the distinguished gentleman, my friend from Virginia.

Mr. TABER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, in view of the fact that the House, on a teller vote, has just refused to cut down the item for travel, I want to call attention to the fact that in this abstract of "objects of expenditure" submitted by the budget, the amount allowed for travel in 1949 and 1950 was seven-tenths of 1 percent, over all; and in 1951 it is nine-tenths of 1 percent. It is gradually creeping up. Now, if you are going to vote for all of these increases as they come along, those things are going to be bad.

By unanimous consent the pro forma amendment was withdrawn.

The Clerk read as follows:

COAST GUARD

OPERATING EXPENSES

For expenses necessary for the operation and maintenance of the Coast Guard, not otherwise provided for, including personal services at the seat of government; pay and allowances, as authorized by law, for commissioned officers, cadets, warrant officers, and enlisted personnel, on active duty; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); printing and binding; purchase of not to exceed 66 passenger motor vehicles for replacement only; maintenance, operation, and repair of aircraft; not to exceed $190,000 for recreation, amusement, comfort, and contentment of enlisted personnel of the Coast Guard, to be expended pursuant to regulations prescribed by the Secretary; and examinations of estimates of appropriations in the field; $135,000,000: *Provided*, That the number of aircraft on hand at any one time shall not exceed 110 exclusive of planes and parts stored to meet future attrition: *Provided further*, That no part of this appropriation shall be used to pay any enlisted man of the Coast Guard while detailed for duty at Coast Guard headquarters if such detail increases above 30 the total number of enlisted men so detailed to duty at such time: *Provided further*, That (a) the unobligated balances of appropriations to the Coast Guard for the fiscal years 1949 and 1950 for "Salaries, Office of the Commandant," "Pay and allowances," "General expenses," and "Civilian employees" shall be transferred on July 1, 1950, to the account established by the Surplus Fund-Certified Claims Act of 1949 for payment of certified claims; (b) amounts equal to the unliquidated obligations against such prior year appropriations on July 1, 1950, shall be transferred to and merged with this appropriation, and such merged appropriation shall be available as one fund, except for accounting purposes of the Coast Guard, for the payment of obligations properly incurred against such prior year appropriations and against this appropriation, but on July 1, 1951, there shall be transferred from such merged appropriation to the appropriation for payment of certified claims (1) any remaining unexpended balance of the 1949 appropriations so transferred, and (2) any remaining unexpended balance of the 1950 appropriations so transferred which is in excess of the obligations then remaining unliquidated against such appropriations.

Mr. CANFIELD. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CANFIELD:

On page 109, line 1, strike out the amount "$135,000,000" and insert "$136,000,000."

And on page 109, line 4, insert the following after the colon: "*Provided further*, That not to exceed $1,000,000 shall be available for expenses of Reserve training, including pay and allowances of Regular and Reserve personnel on active duty engaged primarily in administration of the Reserve training program, and including drill pay at rates not to exceed those prescribed by or pursuant to law for the Naval Reserve."

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Chairman, I would not be proposing this increase did I not believe it was absolutely necessary for the proper defense of our Nation and as I project the amendment I am mindful of the expression used by Chairman CANNON, of the House Appropriations Committee, when he first addressed the House on the omnibus one-package appropriation bill. He said:

This is a war budget.

The Library of Congress recently issued a report on a national-defense study which states, among other things, that the Communists of our country had well-laid plans to sabotage ports and other installations. Last Wednesday, speaking in New York, W. Averell Harriman, Ambassador at Large, charged that the Kremlin plans to rule the world involved disruption and paralysis and the same night, speaking in the same city, J. Howard McGrath, Attorney General of the United States, said:

The Communists, with Moscow as their guiding genius, are determined through every available means—sabotage, espionage, civil war, and dissension—to destroy democracy throughout the world.

The President and the Bureau of the Budget this year requested $4,100,000 to activate the Reserve. Our committee rejected the request. However, the Coast Guard has now agreed with me that the program can be started properly on the $1,000,000 I now seek. I have the permission of the distinguished chairman of my subcommittee, Mr. GARY of Virginia, to say that he is in agreement with me that these funds should be provided.

Defense Secretary Louis Johnson, who has been active in enforcing a policy of economy in the armed forces, is most anxious that moneys be provided for the Coast Guard Reserve. Let me quote Secretary Johnson:

I desire to go on record as fully concurring in the requests for the necessary funds for this purpose.

Reminding Congress and the country of the invaluable services rendered by the Coast Guard in the late war, he continues:

I am particularly perturbed about the security of our ports in the event of an emergency.

It is vital to national defense that a modest but highly trained force be in being to detect sabotage, supervise explosives loading, prevent waterfront fires and explosions, control the identity of waterfront personnel, and so forth.

I wish to emphasize that in my opinion the maximum need for this function will be immediately upon the declaration of an emergency.

The Coast Guard is not only entitled to have an organized reserve sufficient for immediate mobilization in an emergency, but national interest most urgently requires it.

Admiral Forrest Sherman, Chief of Naval Operations, has endorsed Defense

Secretary Johnson's urgent appeal for an active Coast Guard Reserve and I have recently received letters from the national headquarters of the American Legion and the Veterans of Foreign Wars of the United States pointing out that their national conventions last year called for this action at once.

It was atom scientist Harold C. Urey who told the Senate last February that if the Russians wanted to "send atom bombs or H-bombs into New York Harbor on merchant ships and explode them there, they could do it without much trouble."

I hold in my hand a United Press dispatch appearing in this morning's issue of the New York Times under a Washington date line and captioned "Urey bids United States guard against atom mining." The article quotes Dr. Urey as saying that "our country should do much more to guard against the danger of submarines mining American harbors with atomic bombs." Dr. Urey was further quoted as saying that he understood that there had been some activity along this line. I can say that part of the activity he has in mind is embraced in the very amendment we are now considering.

George Fielding Eliot, military expert, made a 2-week survey of port security in New York Harbor early this year, and he reported that only one conclusion was possible—we are wide open to a sneak atom bomb attack and so are other United States seaports. He elaborated on the unhappy fact that the reservoir of trained personnel for port-security duties—the United States Coast Guard Reserve, with a wartime strength of 144,000 officers and men—exists today only on paper. He contended that this deficiency must be corrected promptly, for "it is the very foundation of security for our great seaports which today are sitting ducks for an A-bomb."

It did not take the Federal Bureau of Investigation and other agencies long to round up and intern suspected Germans and Japanese in our country when World War II broke out. It took very little time for our country to learn they apparently had no real plans for sabotage. However, it is agreed by our defense planners and all our protective agencies that should war come with Russia the situation will be entirely different. The Communist agent is the Trojan horse, the fifth columnist, dedicated to espionage and sabotage. He has been trained in the art of destruction. Privately our military leadership feels that potential sabotage is a greater danger to our country than is the threat of an atom- or H-bomb being dropped on our cities.

The gentleman from New Jersey [Mr. RODINO] recently inserted in the Appendix of the RECORD a newspaper report on port sabotage by Communists in Italy. The article stated the riots and sabotage which have gripped the ports of France and now spreading to Italy are being lavishly financed, carefully prepared actions, directed on a military basis by foreign military agents. It concluded that the spring offensive against Italy's docks would need outside help.

It will be recalled that in 1942 it was a young Coast Guardsman, John C. Cullen, seaman, second class, who discovered the Nazi saboteurs on a Long Island beach and sounded the alarm that led to their eventual capture.

I have in my possession editorials from our country's leading newspapers, letters from governors and mayors of coastal States and seaboard cities pleading for favorable approval of the action I now sponsor, but more important than anything else, perhaps, is an exceedingly strong letter to me from Maj. Gen. Lewis B. Hershey, Director of the Selective Service System, dated April 17, 1950, stressing the need of these funds and pointing out that if they are not allowed and M-day comes, it will be at least 60 days before the Selective Service System can give the Coast Guard any men whatever for port security purposes. Let me read:

In keeping with request made in your letter of April 7, 1950, I am pleased to furnish you with my views concerning the need for having an activated Coast Guard Reserve available in the event of a national emergency.

It is my understanding that the wartime missions assigned to the Coast Guard are an extension of their peacetime activities on a wartime basis, with an added port security duty, and that no other military service will perform these duties nor do they have any plans for performing them.

The defense of this country has always rested on the principle that we should constantly maintain a small regular force as a first line of defense. The Regulars, augmented by the Reserves, must present a sufficient force, adequately trained, to hold the line on the land, air, and sea for the time necessary to permit the mobilization of the citizens of the country through the selective-service process.

In keeping with this policy there is maintained by the Army, the Navy, the Marine Corps, and the Air Force, a trained Reserve. The Coast Guard, however, at the present time cannot, due to limitation of funds, maintain the trained Reserve so necessary to the accomplishment of their wartime mission. This, therefore, may represent the weak link in our chain of preparedness.

It will require a minmium of 60 days before the Selective Service System, even though it is in being and operating on M-day, can reach a sustainable induction rate of 300,000 men. Present plans by the regular armed forces call for numbers greatly in excess of those than can be delivered by the Selective Service System in the days immediately following an emergency.

It can be readily seen, therefore, that the Coast Guard cannot expect immediate augmentation through the delivery of men by the Selective Service System, and, even were this possible, the fact should not be overlooked that there would be months before these men could be adequately trained to perform the specialized duties assigned to the Coast Guard during wartime.

In light of these circumstances, I strongly endorse the amendment which you and Congressman VAUGHAN GARY, of Virginia, are sponsoring to appropriate funds for the training of the Coast Guard Reserve.

Sincerely yours,

LEWIS B. HERSHEY,
Director.

We did not have General Hershey's letter before us when we considered this item in the subcommittee and if there is any doubt in anybody's mind now, this letter should dispel it. General Hershey's testimony, summed up, means just this: Should an emergency come it will be more than 2 months before the Selective Service can give the Coast Guard one man. In other words we could only get them from a trained reserve provided by the funds sought in this amendment. It is in the best interests in the United States to pass it without delay.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Missouri.

Mr. SHORT. Mr. Chairman, I am wholeheartedly in support of the amendment offered by the distinguished gentleman from New Jersey. Every Member of this body knows that in the recent global conflict all the branches of our armed services rendered a magnificent performance.

Mr. CANFIELD. I thank the gentleman and I hope no Member of the House will offer an amendment to my amendment to appropriate larger funds, because this is the amount agreed upon by the Coast Guard. As a matter of fact, the amendment was written in a Coast Guard office.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Jersey.

Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Chairman, it may be that I have a wildcat by the tail in trying to oppose this amendment, but we shall see.

Mr. Chairman, in opposing the amendment offered by the gentleman from New Jersey [Mr. CANFIELD] I do not propose to say that the amendment is without merit. However, I should like to say to the committee that, in my opinion, this is not the appropriate time to initiate any new program or incur new expenses. Certainly that applies to programs which can be deferred without affecting our national defense.

The Committee on Appropriations, in the bill before you, has done everything possible to refrain from inaugurating new projects or functions and it seems to me that this is one of those programs which could be further deferred, especially in view of the present condition of the United States Treasury.

The Coast Guard has never operated an active reserve program in peacetime as have the Army, Navy, Air Force and Marine Corps. As you know, during peacetime the Coast Guard performs peacetime functions in much the same manner as do other Government agencies, business concerns, and individuals. During time of peace the Coast Guard is separated from other military establishments and placed under the Secretary of the Treasury. Only during war is it taken over for war functions in a manner not too different from that in which industrial plants are utilized. In wartime the Government takes over many activities which, for the duration of the war, must operate by Government directives.

Upon the declaration of war or when the President directs, the Coast Guard

shall operate as a service in the Navy and shall so continue until the President, by Executive order, transfers the Coast Guard back to the Treasury Department. While operating as a service in the Navy, the Coast Guard shall be subject to the orders of the Secretary of the Navy who may order changes in Coast Guard operations to render them uniform to wartime conditions, to the extent he deems advisable, with Navy operations.

Mention has been made of a letter from the Secretary of Defense supporting a Coast Guard Reserve. To my way of thinking Mr. Johnson's letter is not too significant. In fact, such a letter is to be expected, inasmuch as most bureaus and department heads work together, and in entirely too many instances, on a prearranged and reciprocal basis.

It is very noticeable that in many instances where a request is made for Federal funds for a new program, the proponent attemps to tie the program in with national defense. Of course it is a good argument and in many instances such a claim receives sympathetic consideration.

The amendment before you requests only a million dollars to start the Coast Guard Reserve. You know, as well as I do, that the purpose of the amendment and the small amount requested is only to get a foot in the door. In all probability, if this amendment is adopted, before the appropriation bill is passed by both bodies, the amount will be increased by many millions of dollars. It is to be expected that this is only a beginning of an expensive program because history will reveal that once a new program is started, it will expand. That is true of almost all departments, bureaus and programs.

Something has been said about the Coast Guard protecting our coasts and cities in time of war. With due deference to the Coast Guard and its splendid activity, I must say, in my candid opinion, if we ever permit the enemy to get that close to our shores, it will be too late for the Coast Guard to take over and protect our country.

I should like to repeat that the Coast Guard is not an arm of the National Defense Establishment in time of peace, but only in time of war is the Coast Guard considered a part of our defense establishment as such. Not until war is declared or when the President directs, is the Coast Guard taken over from the Treasury for war functions in a manner not too different from that in which industrial plants are utilized, and for that matter, almost every other operation, including people, that can help win a war.

As you know, the Regular Coast Guard is rendering a valuable service under the very able leadership of Vice Adm. Merlin O'Neill, Commandant of the Coast Guard. My opposition to the amendment must not be construed as a reflection on the Regular Coast Guard. I am making my plea in favor of economy and I am convinced that the defeat of this amendment will have no material effect upon the functions of the Regular Coast Guard.

Mr. Chairman, if the Committee will vote down the pending amendment in favor of economy, in my opinion, it will be a step in the right direction. At some future date, when our finances are in better shape, we can give consideration to this new program along with many other programs that have been rejected during this session of Congress.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Missouri.

Mr. CANNON. In view of the fact that the President has recommended that no new projects be begun; that we finish those already under way, does not the gentleman think this is a rather inopportune time to be starting on entirely new project which will result in large expenditures; that we should use the scant funds available for projects already under way and postpone new expenditures until the budget is nearer in balance?

Mr. PASSMAN. I thank the gentleman for his contributions and I am in complete accord with his views. It is my understanding, according to an agreement at the beginning of the Eighty-first Congress, that we would carry on our labors on appropriations according to a definite schedule, and that has been done up to this point, but if we start increasing the appropriations bill before you, there will be no stopping place.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I just want to quote the first paragraph of Public Law 207 of the Eighty-first Congress:

> The Coast Guard as established January 28, 1915, shall be a military service and a branch of the armed forces of the United States at all times. The Coast Guard shall be a service in the Treasury Department except when operating as a service of the Navy.

Mr. PASSMAN. Yes, but the Defense Establishment does not provide for running the Coast Guard.

Mr. Chairman, it is not very often that I come to the well of the House. I have had a rather difficult task today defending Postmaster General Donaldson in his efforts to effect economies in the Post Office Department, and I desire to follow through in favor of economy by opposing this amendment. No doubt it is very good, and there are many new projects we are desirous of inaugurating, but the condition of our economy demands that a halt be called.

I mentioned in my remarks earlier today that the combined deficit for the years 1950 and 1951 will be approximately $14,000,000,000. Now remember that our national revenue is at its highest, and if we continue building up this deficit in times of prosperity, what are we going to do when we return to what we consider a normal condition, and revenues drop? Of course, these projects will have been started, and it will be very difficult to abolish them. I hope you will oppose this amendment in favor of economy, and if we see our way clear next year, we can then give further thought to debating this type of program.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Ohio.

Mr. McSWEENEY. I feel however, that when wars are won they have to be won by the men of the National Guard and the men of what we call the Reserve group, and the volunteers, and I feel that it is not good economy not to encourage and inspire men who are in the Reserve Corps, who must become the nucleus of a large army in case of an emergency.

Mr. PASSMAN. We were able to get along in World Wars I and II without a Coast Guard reserve, and so far as numbers are concerned, percentagewise, it would be a very small part of the total military personnel, if the Coast Guard is to be construed as part of the military establishment in time of war.

Mr. McSWEENEY. I do not want to transgress further, but does the gentleman not feel that the type of warfare has changed, and the obligation developing on the Coast Guard is entirely different?

Mr. PASSMAN. I think I could justify certain large new projects this year if we had the money and I could get enough Members to listen to me, but I think we have gone too far and we should start cutting back and hold the line as per our agreement at the beginning of the session.

Mr. FERNANDEZ. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment to the amendment offered by Mr. CANFIELD offered by Mr. FERNANDEZ: Strike "$136,000,000" and insert in lieu thereof the figure "$139,100,000", and strike the figure "$1,000,000" and insert the figure "$4,100,000."

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. CANFIELD. I am at a loss to understand frankly the amendment offered by the gentleman in view of the fact that he voted to defeat the original request, holding any funds were unnecessary. He was totally opposed.

Mr. FERNANDEZ. Yes, my position is still the same.

Mr. CANFIELD. That was in the subcommittee.

Mr. FERNANDEZ. Yes. I will be very glad to explain to the gentleman, and he will see that my position has not changed.

My amendment simply raises the amount to the amount which the Coast Guard requested from the committee. My idea is that if we are going to embark on this program it ought to be done properly and adequately. My amendment has been submitted so that we may face the issue squarely and not fool ourselves by appropriating just $1,000,000 at a time.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield.

Mr. BROOKS. Will this put back the $4,100,000 into the bill?

Mr. FERNANDEZ. This will put back the $4,100,000 in the bill. I am going to say very frankly, however, if my amendment carries I will still vote against the amendment as amended.

Mr. Chairman, I think it would be well for the Members to have a little of the history of the Coast Guard Reserve. In 1939 there was no Coast Guard Reserve but one was organized which was called the Coast Guard Reserve, a volunteer organization of patriotic men connected with the Coast Guard who wanted to drill and keep in training, and be prepared to serve in the Coast Guard. In 1941 the Congress, taking cognizance of that spirit, passed a bill authorizing the organization of a Coast Guard Reserve. Thereupon the volunteer Coast Guard Reserve changed its name and called itself the Coast Guard Auxiliary. During the war, of course, there was no need for a Coast Guard Reserve. Everybody was in active service. After the war and until last year there were no requests for appropriations for the Coast Guard Reserves. However, the Coast Guard Auxiliary continued to act. It is well organized and is doing a very excellent job, a patriotic job. I do not blame my distinguished chairman and the ranking member the gentleman from New Jersey [Mr. CANFIELD] for being sympathetic toward the work that these men are doing.

What does this provide? This provides for the same work that the volunteer Coast Guard Auxiliary is doing. I will read from the record just what they will be doing.

The gentleman from Virginia [Mr. GARY] asked this queston in the committee:

> Mr. GARY. When these men join the reserve, they meet so many nights a month for training and drill, and you will pay them for the time that they actually put into the reserve at the same rate the Army and Navy pays? Is that right?
>
> Admiral O'NEILL. Yes; the same as in the Navy.

It may be, as it was in 1941 when the authorization bill was passed and the clouds of war were gathering, that today as the clouds of war seem to be gathering this may be a very necessary thing. Certainly I am sympathetic toward it. But if we are going to have this organization and if it is necessary for the defense of the country, and if our defenses are going to depend upon this, then let us do it right. Let us not do it piecemeal. Let us face the issue squarely and either give them what they need, the $4,100,000 which they say will provide for the training of 1,900 officers and 6,000 enlisted men, for this year, the ultimate goal being to train 2,469 officers and 26,645 men, the appropriations hereafter being estimated at $8,000,000 per year—as I was saying, let us either do the job right or let us put it off to another year and study the matter further. The condition of our economy is such that we should be very, very careful before embarking upon a new program. But if the conditions and the times require it then let us do the job right. I hope my amendment will be adopted. Then we shall face the issue squarely.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. FERNANDEZ. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Let us postpone the matter for another year and give it real, careful study. If our economic conditions then permit it, then let us give them a real job. But my recommendation at this time is that we face the issue squarely. In view of our tremendous deficit we feel it wise to postpone this program a while longer. We have been without it for 3 or 4 years now, since the war closed, and we do not believe great harm or great hardship would be imposed by carrying on as at present. This Coast Guard Auxiliary is doing an excellent job, and I take my hat off to them. They are doing a fine, patriotic job, and I do not like to ask them to continue to do it without pay. But our economic conditions are such that I think we ought not embark on it at this time. However, if we must do it, let us do it right. The Congress in 1941 authorized it and sooner or later the wishes of the Congress should be respected.

The CHAIRMAN. The time of the gentleman from New Mexico has again expired.

Mr. COUDERT. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. COUDERT]?

There was no objection.

Mr. COUDERT. Mr. Chairman, I listened with a great deal of interest to the flowing rhetoric of that carefully prepared statement which my colleague from New Jersey [Mr. CANFIELD] presented to the House. As I listened to him it seemed to me that he had found the formula for national security and peace, all at the expense of a few paltry dollars, to wit, $1,000,000.

The point seems to be that my friend from New Jersey [Mr. CANFIELD] would open the door just ever so little, just a little tiny crack to let in the light; and then along would come the lightning and the thunder storm, and instead of one million it would be a $12,000,000 program for the reserve.

Mr. GARY. Mr. Chairman, will the gentelman yield?

Mr. COUDERT. I yield.

Mr. GARY. Instead of in this manner let us have the actual statistics and figures.

Mr. COUDERT. I will be glad to have the actual statistics.

Mr. GARY. The Coast Guard last year requested three and one-half million to start this project, the Reserves. This year they ask for $4,100,000. The chairman asked them, and they said very frankly that that was not enough to support the program when it was in full swing. So the chairman asked them the question specifically as to how much they expected it ultimately would cost, and they said six million, and not twelve or fifteen million.

Mr. COUDERT. I beg the gentleman's pardon. I looked at the record a moment ago, and I wonder if the gentleman's recollection is accurate. The record says $8,000,000.

Mr. GARY. I stand corrected. It is eight million. I was quoting from memory. I knew it was not twelve million.

Mr. COUDERT. I will tell you why I think it is twelve. I have yet to see a department program that is not presented initially at the minimum cost; the minimum, to be greatly increased. I think the chairman will have to agree to that.

The problem is a very simple one, Mr. Chairman. This program is not going to determine the success or failure of war—victory or defeat. A small Coast Guard Reserve is not going to secure the ports of the great coasts of the United States in the event of atomic warfare or in the event of a foreign foe reaching these shores. Just imagine a few thousand Coast Guardmen providing security against sabotage, against atomic bombs, against attacks of any kind in the ports of New York, San Francisco, Boston, Baltimore, and all the rest of them. Only a great civilian-defense organization will be necessary.

Now, let us get down to real facts and statistics. The total of this Coast Guard Reserve, if the Coast Guard got what they wanted, would be a mere 26,000 officers and men. Mr. Chairman, if we are going to have a bomb dropped on the city of New York, the New York port area, you will need a million trained civilians, a trained civilian service, and you are going to need it from Maine to California, in case war is brought to our shores, and not a mere 26,000 Reserves in the Coast Guard.

Where are you going to stop this reserve business? Are you going to set up a reserve training program for the FBI, for the Secret Service? Are you going to set up a reserve training program for all of the police departments and the State police throughout the United States? Is there not some point at which we have to be realistic?

We have 1,600,000 men in the armed services; we have 850,000 active reservists in the Army, Air Force, and Navy. Do we have to add another $4,000,000 this year and another $8,000,000 next year for an insignificant minor program that will cost money and contribute very, very little? Let me say to the gentleman from Missouri, a member of the Committee on the Armed Services, who injected an observation earlier in the debate: If this proposal for a Coast Guard Reserve is so important to the national defense why does not your Committee provide that this function of the Coast Guard be taken over by the Defense Department? Why should not Secretary Johnson's budget bear the burden of this item if it is part of this unified, single whole? Let it be made part of it; do not let it be tossed around here like a vestigial appendix, a remains that belongs nowhere and has no place in the organized defense system. Why should we be called upon separately and apart from the armed services, the Defense Department, to have to reach a decision upon a technical matter of this sort? I think the military value of this one million is insignificant, because it adds nothing that is vital. It is only an entering wedge. If we are going to have it, let us follow the suggestion of the

courageous and realistic gentleman from New Mexico; let us accept his amendment; let us face the $4,000,000 and then vote for it or against it. I shall vote against it because I do not think the additional cost can be justified. May I add: That although opposed to appropriating additional funds at this time, I yield to no one in my respect for the Coast Guard and the fine men who compose it.

Mr. BROOKS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I prepared an amendment to the amendment offered by the gentleman from New Jersey [Mr. CANFIELD] to increase the amount of this particular item from $1,000,000 to $4,100,000, which is the amount that the Budget said was necessary, and which is the amount which Secretary of Defense Johnson says is necessary to do this job. Mr. Chairman, there has been a lot of idle talk in the Congress on this argument thus far, but I think it is fair to go back to the basic law, which is 14 United States Code 1226, section 1, which states specifically that the Coast Guard "shall be a military service and constitute a branch of the land and naval forces at all times." I think when we bear that in mind we realize the strength and importance of the functions of the Coast Guard in time of war. To my mind this is one organization, Mr. Chairman, which is perculiarly strong in that it has a useful function in time of peace and a vital function in time of war. It is vital in time of war to the defense of this country that we have a well-organized Coast Guard and a well-organized Coast Guard Reserve. I say out of the knowledge of my legislative experience on the Committee on the Armed Services that I think this is one of the weakest chains in our defense program. Secretary of Defense Louis Johnson said in the concluding sentence of his letter asking for $4,100,000 for the Coast Guard:

> I wish to emphasize that in my opinion the most important need for this protection will be immediately upon a declaration of emergency—

Not declaration of war, but declaration of emergency.

> With the Coast Guard Reserve especially we will have no time to organize or expand after the emergency comes. The vital problem there is going to be the problem of protecting the great ports of the Nation through which channel the supplies, men, and materials to our Allies and to our own troops overseas; and our organization which protects and guards those ports against sabotage must be in being and must be efficient at the time of the emergency.

You ask why the matter of ports is so vital. Through the ports of this Nation are going to move the supplies and explosives; and there it is that we find, even at the present time, much communism and sabotage. When the emergency comes, our Coast Guard Reserve will be called into active service immediately, it will be put on duty watching the movement of high explosives and vital war materials which will be channelled through these ports. It will try to stop the vast explosions which unfortunately occurred during the Frst World War in the great ports of the Nation and will stop the disruption of the shipment of these materials and men overseas.

We have the blitz type of war to face at the present time. No more, Mr. Chairman, can we have a full year, as we had in the Second World War, to prepare our men and to prepare our factories to face a shooting war. The next time it is going to hit us with lightning-like suddenness and our Coast Guard will be in fact our first line of defense of the Nation. Therefore, we cannot afford to take a chance in the defense of the Nation by refusing to appropriate a small $4,100,000 which the Secretary of Defense says is needed at the present time.

I am supporting with great earnestness and much seriousness this amendment to start the Coast Guard Reserve. Our reserve components constitute one of the least expensive parts of our defense program. We are not throwing away money, we are not wasting it unnecessarily, we are not starting a new program here with the Coast Guard Reserves; but we are carrying on a vital part of our training program which is to organize our reserve components and put them in a state of readiness for an emergency.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. SHORT. Mr. Chairman, I move to strike out the last word.

Mr. GARY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 1 hour, reserving the last 5 minutes to the committee and immediately preceding that reserving 5 minutes to the gentleman from New York [Mr. TABER] the ranking minority member.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. RIVERS. Mr. Chairman, I object.

Mr. GARY. Mr. Chairman, I move that all debate on the pending amendment and all amendments thereto close in 1 hour and 15 minutes.

The motion was agreed to.

Mr. CANNON. Mr. Chairman, I now ask unanimous consent that the last 5 minutes of the hour and 15 minutes be reserved for the committee and that the preceding 5 minutes be reserved for the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. CANFIELD. Mr. Chairman, reserving the right to object, may I ask the chairman of the full committee if he will agree, since I have been allotted time, that my time will be considered committee time; in other words, that it will be 8 minutes instead of 5, and that I shall have part of that time?

Mr. CANNON. That is perfectly agreeable.

Mr. HOFFMAN of Michigan. Mr. Chairman, further reserving the right to object, what is the request now, finally?

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that of the time fixed, the last 5 minutes be allotted to the committee, and the last 5 minutes preceding that be allotted to the gentleman from New York [Mr. TABER].

Mr. BONNER. Mr. Chairman, further reserving the right to object, I never have objected to any such request as this, but the committee has spoken for and against this amendment, and others of us have an interest, so therefore I object.

Mr. KEATING. Mr. Chairman, I ask unanimous consent that the time allotted to me be given to the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the time allotted to me be given to the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. HOFFMAN of Michigan. Mr. Chairman, reserving the right to object, that is just circumventing the objection made by the gentleman from North Carolina [Mr. BONNER]. Now, I object to both of them.

The CHAIRMAN. It is too late to object to the first one. The gentleman can object to the request made by the gentleman from Missouri.

Mr. HOFFMAN of Michigan. I have been on my feet all the time seeking recognition.

The CHAIRMAN. Does the gentleman object to the present request?

Mr. HOFFMAN of Michigan. How can I?

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BONNER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BONNER. I do not understand this standing up to get time in order to double one man's time so that another will have no time. Now, does that require unanimous consent?

The CHAIRMAN. The Chair asked whether there was objection, and there was none. It is entirely within the control of the Committee.

Mr. BARDEN. This is the first time I have seen an epidemic of that. I have seen unusual cases, but I think we should take notice when it becomes an epidemic. That is not very good sportsmanship.

The CHAIRMAN. It has to be done by unanimous consent, and it is within the control of every Member of the Committee.

Mr. GARY. Mr. Chairman, I ask unanimous consent that the time allotted me be given to the gentleman from New Jersey [Mr. CANFIELD].

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SHORT. Mr. Chairman, after considerable confusion and noise here, I hope that we can remain silent for the next 4 or 5 minutes and to think seriously and soberly about the issue that is before us.

I am sure that every Member of this body realizes that every branch of our armed services turned in a marvelous

performance in the last global conflict, and there is enough glory to go around to each one of them. But, too much praise and glory cannot be paid the Coast Guard which serves our country in both times of peace and of war.

Recall our landings in north Africa, at Oran, where the Coast Guard rendered such valorous and valuable assistance in the landing on that continent. I would not have you forget the tremendous service that the Coast Guard rendered in patrolling our shores and accompanying the convoys on their long journeys to Murmansk, around the North Cape; in fact, the Coast Guard everywhere wrote for itself a glorious chapter in the history of our country during the last war. It now serves the country just as valiantly and heroically in time of peace in rescue work and in disaster on land, as well as on sea.

The United States Coast Guard is comprised of men who are unselfish and unafraid. Many of them serve in the Reserves without pay. They are pure patriots whose loyalty is unquestioned and whose devotion is unlimited. Much of their work is highly technical and these men cannot be trained in a day. The men who serve in the Coast Guard Reserve deserve fair and equal treatment with those who serve in the Reserves of our Army, Navy, Marine, and Air Forces.

The Coast Guard is the one branch of our Services and the only Government agency which was and is charged with the sole responsibility for the protection and security of our rivers, harbors, and ports. I do not know just why it is but in time of war the Coast Guard is always considered an integral part of our armed services and is under the direction and control of the Secretary of National Defense, but in time of peace it reverts to the control of the Department of the Treasury.

I think anyone who is acquainted with its work will have to admit there is a very close affinity between the Coast Guard and the Navy in time of peace as well as in time of war.

One fact has not been pointed out here this afternoon. That is the Coast Guard already has a reserve. It is not a new thing but it has no funds. This money we are voting is simply to give some training, if not adequate training, at least to give them some semblance of training in time of peace in order to keep them efficient and helpful. They will not have time to train after the outbreak of hostilities. The sum that we are asking for is paltry in comparison with the billions of dollars that we have voted for other purposes.

I cannot speak with authority perhaps for every member of our Committee on Armed Services, but I have talked to practically every one of them, including the chairman, and everyone with whom I have spoken is wholeheartedly in favor of this appropriation for training reserves in the Coast Guard which has rendered such valuable and inestimable service.

Certainly I do not want to create new agencies. I hesitate to see the camel get its nose under the tent and build up a giant, sprawling, spawning bureaucracy. I do not want to see that. But I think the true criterion by which to judge the work and worth of any Government agency or the function of any branch of our Government is not whether it is new or old but whether it is necessary or unnecessary; whether it is essential or nonessential. I can think of no work more essential or indispensable than that performed by the Coast Guard today.

Of course the gentleman from New York unconsciously belittled and ridiculed the Coast Guard, saying that 26,000 men could not keep the enemy away. Anyone with a thimbleful of brains realizes that. We are not going to do away with our Army, Navy, and Marine Corps and Air Force simply by building up our Coast Guard. We know that the methods of Soviet Russia are the methods of psychological penetration and infiltration. We know that the Coast Guard is charged with the protection and safety of our harbors. That is the only Government agency today which can patrol and police these ports. The Coast Guard has a peculiar and indispensable function to perform. The Canfield amendment should be passed.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Chairman, my home district borders on the Pacific coast in Los Angeles County. Therefore, I have had reason during the war and during peacetime to observe the operations of the Coast Guard in the great Los Angeles and Long Beach area. I think it is of distinct benefit for me to have that intimate personal knowledge of what the Coast Guard did in wartime as compared to you busy Members who live inland and do not have the chance to realize by personal observation the importance of the Coast Guard. Of course, the Coast Guard is in a strategic position and must always be in a position to effect a rapid transformation and to expand almost immediately to many times its peacetime strength in order to fulfill its role as a specialized service in the Navy in time of war. The key to this rapid necessary expansion for wartime service is the Coast Guard Reserve. The fact is that the circumstances during World War II are an illustration of the importance of the Coast Guard Reserve in wartime. For instance, prior to our entrance into the war the Coast Guard numbered less than 20,000 officers and men, but by VJ-day the military strength of the Coast Guard exceeded 20,000 officers and exceeded 172,000 persons; 144,000 of them were Coast Guard reservists.

In short, it only requires about 20,000 or 25,000 officers and men as a maximum to perform the peacetime duty of the Coast Guard. But another 150,000 Coast Guard reservists can be trained by not more than 25,000 officers. So I urge that some reasonable appropriation be made at this time to make this reserve effective. A beginning must be made.

I have the pleasure of serving on the very important Reserve Components Subcommittee of the Committee on Armed Services. I am a member of the subcommittee, and the chairman of that committee is the distinguished gentleman from Missouri [Mr. SHORT], who has just given you such a vivid address. I urge some appropriation be made. I think it is wise and in the interest of our national security that it be done now.

Mr. McSWEENEY. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield.

Mr. McSWEENEY. I have visited in the gentleman's district, and I know the interest the gentleman has in the people and their well-being. Do you not think that even though their training could not be extensive, the building of an esprit de corps among these people is involved?

Mr. DOYLE. It is an absolute necessity. The assurance of immediate expansion is an important element in the Coast Guard. A reserve group is essential.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. DOYLE. I yield.

Mr. BROOKS. I am also a member of that subcommittee, and I want to pay tribute to the fine work which the gentleman from California is doing on that subcommittee of the Armed Forces Committee, as well as the gentleman from Missouri [Mr. SHORT], who is so sensitive to the needs of the armed services.

Mr. DOYLE. Mr. Chairman, today I speak to you but briefly of the tide and submerged lands measure relating to the tideland oil controversy as between the Federal Government and the respective States which the House Judiciary Committee recently voted favorably for and which is numbered H. R. 8137.

The distinguished chairman of the House Judiciary Committee, the gentleman from Pennsylvania, FRANCIS WALTER, introduced the measure—as I did in the Seventy-ninth session of Congress when there were only 11 votes in the House against the tide-lands bill—urging the State theory of title and interests in tide and submerged lands adjacent to the coast of California and other States. I shall again vigorously work for the passage of this bill, H. R. 8137.

I now again urge your favorable consideration thereof, and I urge that the Rules Committee grant the rule at the earliest possible date in order that this important measure shall come to the floor of Congress at the earliest possible date so that it may have adequate consideration and conclusive decision.

I know from inquiry that most of you have not had time to note that the decision of the Supreme Court of the United States expressly included a recital that the question of ownership and control of these tide and submerged lands and natural resources is within the congressional area of national power and the Supreme Court of the United States, in its historic and precedent-making decision, also stated in substance and effect that Congress would, of course, not exercise its powers in such way as to bring about injustice to the States or subdivisions or to persons acting pursuant to the permission of these States and legal subdivisions.

As just a slight indication of the continued determination of the people of

my native State of California that its rights to the tidelands and submerged lands adjacent should not be trespassed upon or converted to Federal use, I read you from a joint resolution, No. 8, passed by the Assembly of the State Legislature of the State of California on April 3, 1950, and by the Senate of the State Legislature of the State of California on April 12, 1950, and which was duly endorsed and filed in the office of the secretary of state of California on April 13, 1950, at 11 o'clock a. m. and certified to by Frank M. Jordan, secretary of state of the State of California, as follows:

Whereas the United States has recognized that all the States since July 4, 1776, or since their admission to the Union, have, with full recognition from the Federal Government, exercised full powers of ownership over all lands beneath navigable waters within their boundaries and of all natural resources within these lands and waters; and

Whereas each State has maintained full control of its natural resources with the acquiescence and approval of the United States and in accordance with numerous decisions of the Supreme Court of the United States and the executive departments of the United States that these lands and resources were vested in the respective States as an incident to State sovereignty and that the exercise of these powers of ownership and control did not and will not impair or interfere with the exercise by the Federal Government of its constitutional powers in relation to the control and regulation of commerce, navigation, national defense, and international relations; and

Whereas substantial sums of money have been expended by the several States, their subdivisions, and persons lawfully acting pursuant to State authority in improving and reclaiming lands, and in developing the natural resources in the lands and waters relying upon the recognized rule of State ownership; and

Whereas the Supreme Court of the United States has recently held that the Federal Government has certain paramount powers in respect to a portion of these lands and natural resources without reaffirming or settling the ultimate question of their ownership and control; and

Whereas this decision of the Supreme Court recognizes that the question of the ownership and control of these lands and natural resources is within the congressional area of national power and that Congress will not execute its powers in such way as to bring about injustices to the States, their subdivisions, or persons acting pursuant to their permission: Now therefore, be it

Resolved by the Assembly and the Senate of the State of California (jointly), That it is in public interest and in the furtherance of justice that title and ownership of the lands beneath navigable waters within the boundaries of the States be restored to and confirmed in these States by the Congress of the United States; and be it further

Resolved, That the Congress of the United States recognize, confirm and establish title to these lands in the States so concerned; and be it further

Resolved, That the Congress of the United States release and relinquish to these States all right, title and interest which the United States has in these lands; and be it further

Resolved, That the Chief Clerk of the Assembly is directed to transmit copies of this resolution to the President of the United States, the President of the Senate, the Speaker of the House of Representatives and to each Senator and Representative in the Congress of the United States.

And I ask that this very, very important resolution be included in my discussion.

The CHAIRMAN. The time of the gentleman from California [Mr. DOYLE] has expired.

The gentleman from New Jersey [Mr. HAND] is recognized.

Mr. HAND. Mr. Chairman, I strongly support the amendment offered by my able colleague the gentleman from New Jersey [Mr. CANFIELD]. We will be making a very serious blunder if we do not at least make a small start on the proper organization of the Coast Guard Reserve.

The need for this Reserve is well known and has been well and briefly stated by Lt. Walter K. Handy, Jr., in the following language:

In peacetime the Coast Guard, which is the smallest of the military services, operates under the Treasury Department as a law-enforcing, life-saving, life-protecting agency. It regulates and supervises the loading of dangerous cargoes, inspects vessels and enforces maritime safety regulations, and maintains search and rescue services, aids to navigation, weather stations, iceberg patrols and many other services for the safety of persons at sea and the protection of both lives and property in normal times and in time of disaster.

But the Coast Guard must always be prepared to undergo a rapid transformation, expanding to many times its peacetime size in order to fulfill its roles as a specialized service within the Navy in time of war. The key to this rapid expansion for wartime service is the Coast Guard Reserve. The experience during World War II is a vivid illustration of the importance of the reserve in wartime expansion. Prior to our entrance into the war the Coast Guard numbered less than 20,000 officers and men. By VJ-day the military strength of the Coast Guard exceeded 172,000 persons, of which about 144,000 were reservists. In short, it requires only about 20,000 to 25,000 officers and men to perform the peacetime duties of the Coast Guard, but another 150,000 are necessary to carry out its wartime functions. And for these the Coast Guard must rely on its Reserve.

He went on to say:

Any adequate program for the protection of our ports must also make provision for well trained and organized identification specialists to screen and control the personnel having access to vessels and waterfront facilities.

Our ports are the "bottlenecks" through which supplies and men must flow in time of war. The destruction or impairment of any of these ports, whether accidentally or by sabotage, would seriously disrupt the flow of essential men and material. Therefore it is obvious that all possible precautions must be taken to protect them and the ships which use them, from any damage, otherwise all of our other defense preparations may be jeopardized or to a great extent nullified.

In order to give our ports this protection, the Coast Guard must be prepared to place on duty within a matters of hours sufficient numbers of men, thoroughly trained in all of the aspects of port security, to assure the complete safety of all port facilities and vessels from sabotage or accidental damage by fire or explosion. The Coast Guard can meet this responsibility only if it has promptly available a well trained Reserve which is prepared to assume its role in fulfilling the Coast Guard's responsibility at a moment's notice.

Mr. Chairman, I have been familiar with the operations of the Coast Guard both in peace and in wartime during a lifetime. During the Eightieth Congress, I had the privilege of being chairman of the Subcommittee on Coast Guard, and as a result of that experience, I think I know something of the need of the Reserve.

This need is recognized by the Secretary of Defense who on January 11, 1950, said that the reactivation of the Coast Guard Reserve was a matter of strong concern to the Department of Defense. The Navy has assigned certain wartime missions to the Coast Guard, and this service in particular being a very small peacetime service must be in a position to expand rapidly and effectively. It can only do so by a proper organized reserve. Secretary Johnson said:

Accordingly, I desire to go on record as fully concurring with the request for the necessary funds for this purpose. While many of the wartime purposes of the Coast Guard are but large-scale expansions of its peacetime functions, such as aids to navigation, search and rescue, marine inspection and licensing, I am particularly perturbed about the security of our ports in the event of an emergency. It is vital to national defense that a modest but highly trained force be in being to detect sabotage, supervise explosives loading, prevent water-front fires and explosions, control the identity of water-front personnel, and so forth. I wish to emphasize that in my opinion the maximum need for this protection will be immediate upon a declaration of an emergency.

Mr. Chairman, I would hesitate to add one cent to this bill, which is overloaded with the grossest kind of extravagance. Indeed, I would not support this measure except that I know that the comparatively small amount required can be produced by savings in other sections of the bill many times over. I shall not support the bill on its final passage in any event, unless the total appropriations are drastically reduced, but I am acutely conscious of the need for this amendment, and it would be a great and vital mistake if it is not adopted.

The CHAIRMAN. The gentleman from South Carolina [Mr. RIVERS] is recognized.

Mr. RIVERS. Mr. Chairman, I want to emphasize to the members of the committee that the amendment that we want to pass is the Fernandez amendment, to give this Coast Guard the $4,000,000 to which they are entitled. Not the Canfield amendment, but the Fernandez amendment. If the Coast Guard is guilty of any sin—and all of us have sins—if the Coast Guard is guilty of any sin, it is the sin of not publicizing what it has done for this Nation.

I live on a seaport, the finest in the United States, as you know. During the war I saw what the Coast Guard did. They were in charge of the port security, and the gentleman from Missouri [Mr. SHORT] who so capably, and with that master hand which he alone possesses, has told you what that Coast Guard has done; the combatant role which it played in all theaters during the war—convoys to Murmansk and others. Wherever there were scars in war, the Coast Guard

was there. They were in charge of our ports.

The gentleman from New York [Mr. COUDERT] said 26,000 was not a drop in the bucket. Let me say that if one Russian tramp steamer laid one atomic egg in New York, the people of that city, no one would live there again for generations. The Coast Guard alone protects our port installations and they will again in this age of the atom and hydrogen bomb. The Coast Guard is neglected like no other branch of the service. They are neglected to our everlasting shame. I am not going to be a party to that, and I do not think you are. The Coast Guard has no spokesman in this Nation. It has only its achievements gloriously written in the pages of history to remind an apathetic Nation of her part in the recent conflict. I could speak for hours and hours and hours to you, but my friend from Missouri [Mr. SHORT] has told you the story.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. Certainly.

Mr. FERNANDEZ. I am rather curious; why is it that no request for this appropriation was made in 1945 and 1946 after the war? And no request made for it in 1947 when the budget was balanced? And no request in 1948?

Mr. RIVERS. There is an old piece of poetry that goes like this:

> God and the soldier we adore
> In time of danger, not before.
> Danger past and all things righted;
> God forgotten and the soldier slighted.

That is human nature, to forget our benefactors. I am not going to be placed in that position. I know what the Coast Guard has done. I am going to be on their side making their fight.

The CHAIRMAN. The gentleman from Maryland [Mr. MILLER] is recognized.

Mr. MILLER of Maryland. Mr. Chairman, I feel that it is rather important to get a few things clear. During the course of the debate here I think a few misstatements have been made, probably not intentionally. If this is a new project, it is new in name only. I take it that we do not at this time have to bring up the necessary and important role that has been played by the Reserve, civilian component of our armed forces and how important they are in our national defense program. If they are not important, many of us right here on this floor have wasted many years of our lives.

One thing we should bear in mind is that the Reserves are a wartime contingent. Primarily, their only function is to serve in war; and while it is true that the Coast Guard has a peacetime function and does it very well, its reserve would be a wartime increment and an essential part. If it is to function, it must have money. While I believe in economy as much as any man in this House, I think it would be false economy to let the fine officers and men of the Coast Guard Reserve with battle training, graduates of the best school who learned things the hard way—in combat—die on the vine. It would be too bad to let these veterans of the Coast Guard component, who served as Navy personnel in every sense of the word, except name, get rusty and deteriorate from lack of continued training. It would leave a blind spot in our national defense. If we need a naval reserve, we need a Coast Guard Reserve, and these veterans are the best men in the world to serve as the nucleus for it. My friend, the gentleman from New York [Mr. COUDERT], seems confused as to the mission of the Coast Guard and their accomplishments. He says that if the enemy ever gets as near our gates as to require harbor defenses to keep them off, that all will be lost in this atomic age. That was not the case in the last two wars. The people of my State of Maryland remember very well the role played by the Coast Guard in this last war, when they saw actions fought just off the mainland, and the Coast Guard did a great deal in defending the coast line.

The gentleman from New York speaks of the millions that will be necessary to defend against atomic and other warfare. Who does he think will be able to train them in an emergency? We have reserves in all the armed components. These reserves must be made up of well trained men and men of experience. I think this is an economy measure, and while I want to see the budget cut wherever possible, I do not see how we can afford to cut it here. I urge the adoption of the Canfield amendment.

The CHAIRMAN. The gentleman from North Carolina [Mr. BONNER] is recognized.

Mr. BONNER. Mr. Chairman, I shall support the Canfield amendment, and I am very glad and appreciative in behalf of the Coast Guard that the able gentleman from New Jersey has offered the amendment which is certainly in keeping with the effort of our country to prepare and to give the Nation the necessary things at the most economical price.

I have high respect and regard for the gentleman from Louisiana [Mr. PASSMAN]; he and I have talked this matter over. I know he is conscientious; I know he is striving to do the best thing for this country; I know he is a businessman of keen intellect and realizes that the national budget must be balanced and that economies must be practiced. Yet there are all sorts of economies that can be had. Recently I addressed an association of firemen down in North Carolina and I spoke on the subject of the parallel between the fire department and our national defense in time of war and firemen in time of strife and disaster, pointing out that the duty of the firemen was to put the fire out and that afterward the underwriters and the civic societies would come in and rehabilitate. Likewise that it was the function of the Army to destroy our opponents.

Then the Government and the societies of Government came in to rehabilitate. I was urging that our foreign-aid program be maintained. The paper that wrote an editorial on my speech heads it "Things do not add up." They agree with that much of the address. Then they come down to a question that was before the House this morning and they say:

> Now, Mr. BONNER, there is a condition existing that one agency of the Government has walked out and left fine handsome buildings and another agency of the Government desires to build similar buildings within an area of 10 miles.

It speaks of a general hospital at Waltham, Mass., costing about $15,000,000 and the Army and the National Defense having closed it down. Then the Veterans' Administration comes in and wants to build a new hospital within 10 miles of it, at a cost of ten million.

Mr. Chairman, that is the economy I want to practice. I am against any such procedure, and I am sorry this morning there was not a roll call on the veterans' hospital-construction bill. The Veterans' Administration should use available facilities, such as the hospital at Waltham and others that have been closed by the Army and Navy.

Mr. Chairman, I wish to call the attention of the Members to the fact that the Coast Guard in time of war protected all of our ports, and the Coast Guard Reserve is now functioning through the generosity of nationally public-minded citizens on behalf of the Nation. The Coast Guard should have this little drop in the bucket to train its personnel for future emergencies. I do hope that the Canfield amendment will be adopted.

Mr. Chairman, during World War II port security officers supervised the loading of about 29,000,000,000 pounds of explosives at American ports without a single explosion. These specially trained men were under the supervision of the Coast Guard. About 8,000 were required in Boston, 16,000 in New York, 4,000 in Philadelphia, 4,000 in Norfolk, 4,000 in Seattle, 1,200 in Chicago, and 8,000 in San Francisco.

The Coast Guard was scattered in spots all over the country and up and down our coasts. Therefore, they are in a strategic position to be the eyes and ears of our national defense. They are the first thought of the citizenry in peacetime disaster. They are on duty during both war and peacetime. I personally know members of the Coast Guard Reserve who drive 75 miles at their own expense to attend drills and training meetings. This amendment is just as essential as the dollars spent in the Marshall plan. Let us adopt it.

The CHAIRMAN. The gentleman from Maine [Mr. HALE] is recognized.

Mr. HALE. Mr. Chairman, the district which I have the honor to represent is stretched out over about 100 miles of coast line, much of which is heavily indented. It was visited on numerous occasions during the late war by German submarines. These came in very close to the shore, just how close we did not know at the time. It is not easy to identify the precise movements of a submarine. Our harbor mouth was closed by nets and entrances to Casco Bay were blocked by various obstacles. Indeed, I had to have a Coast Guard pass to go back and forth to my own home on an island in Portland Harbor.

The enemy submarines which visited us during the late war did not carry atomic bombs; they did not carry bombs of any kind, as far as I know. But if we are visited by enemy submarines in a future war, it is difficult to say what missiles they may carry.

The people in my district are very much interested in the Coast Guard. They rely on the protection which that organization can give them. They are very grateful for the protection which the Coast Guard has given them in the past and to my people at least a Coast Guard Reserve seems every bit as logical as a Naval Reserve. The amendment offered by the gentleman from New Jersey [Mr. CANFIELD] is a very modest, prudent commitment for the training of a body of this sort.

The gentleman from New York [Mr. COUDERT] sneered at training a Coast Guard Reserve as if it were taking a few men, 26,000 of them—I think he said—on a picnic during the summer. I regret this attitude. There is no more reason for considering the training of a Coast Guard Reserve a picnic than for considering the training of the National Guard or the training of the Army or the training of the Naval Reserve as a picnic.

I repeat that the appropriation suggested by the gentleman from New Jersey in his amendment is in every way appropriate and proper. I hope that the amendment will prevail.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. HALE. I yield to the gentleman from Vermont.

Mr. PLUMLEY. For 14 years I was the president of a military university which contested with the Coast Guard.

The CHAIRMAN. The gentleman from New York [Mr. MULTER] is recognized.

Mr. MULTER. Mr. Chairman, I hope the Members of this House when they approach items like this in the bill, will not vote in accordance with that definition of economy which says that economy is the practice of thrift by the elimination of governmental projects from the other Congressman's district.

I am one of those who served in the Coast Guard Reserve without compensation and without acquiring retirement or pension rights. I do not say that boastfully. I say it gratefully. It was my privilege, and I looked upon it as a privilege, to be able in that way to serve this country that has done so much for all of us.

Despite the fact that the gentleman from New York [Mr. COUDERT] has derided this proposed amendment, the port of New York needs this appropriation and every port in the country needs it; every city and town on every navigable lake and river in this country needs this appropriation. And it is not something new; it is not a new program.

You authorized the establishment of a Coast Guard Reserve in February 1941, and before we could get it going we were in the war, and the Coast Guard was integrated into the Navy and operated throughout the war, until the end of hostilities as part of the Navy. It then went back to the Treasury Department.

Last year they came forward and asked for an appropriation to the extent of $3,500,000. Unfortunately they did not clear it with the Bureau of the Budget and could not get it.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Vermont.

Mr. PLUMLEY. I would like to say this, in completion of what I said before, and I know what I am talking about, that no graduate of West Point or no graduate of Annapolis can ever pass an entrance examination to the Coast Guard Academy.

A graduate of the Coast Guard Academy would find the entrance examination for West Point or Annapolis equally puzzling. What I mean to imply is that a Coast Guardsman is suigeneris. He is not and cannot be made in a minute. He is an invaluable asset to this country, both in times of peace and when at war.

We need the Coast Guard Reserve at the fullest possible strength at which it may reasonably be maintained. As I started to say I was in close contact with the Coast Guard for 14 years, and have been in contact with it since I came to Congress.

I am for economy, but to deprive the Coast Guard of the necessary funds to sustain its activities and preserve its reserve strength is not real economy.

Mr. MULTER. Gentlemen, this is not a new program. You are just catching up with yourselves in appropriating for the program you initiated and authorized some time back. We have been told that the Secretary of Defense has recommended the program; the President has; the Secretary of the Navy has. In that connection I want to call your attention to the fact that the Navy Department says in so many words that this training program of the United States Coast Guard will not duplicate in any way the training now being given by the Naval Reserve.

I am not talking merely for New York. Let me tell you what Seattle thinks of this.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GREEN. Mr. Chairman, I ask unanimous consent that the time allotted to me be given to the gentleman from New York [Mr. MULTER].

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the distinguished gentleman from Pennsylvania, and thank him for so graciously granting me his time.

Mr. GREEN. Mr. Chairman, I just want to say that I am in wholehearted support of this appropriation of $4,100,000 for the Coast Guard Reserve. Much has been said here today about port security and the work the Coast Guard handles, and the tributes that have been paid to the Coast Guard by the gentleman from Missouri and other Members of the House. Coming from Philadelphia and representing the second largest port in the country, we are very much concerned about this strong link in our national defense, and I hope that the Members of this House do not neglect their duty and will give to the Coast Guard Reserve what they are entitled to and what the country is very much in need of.

Mr. MULTER. Mr. Chairman, the Seattle Times has this to say about this proposed appropriation:

> As a seaport city, Seattle is genuinely concerned over congressional neglect to provide any adequate training program for reservists of the United States Coast Guard. It is that service which is called on in an emergency to shoulder responsibility for the security of port facilities here and in every coastal city. * * *
>
> It makes little difference whether this training is carried out as part of the Navy Reserve program, since the Coast Guard becomes a part of the Navy in war, or by the Coast Guard itself. The point is that an adequate training program should be set up.

This is your opportunity to set it up, and I say set it up for $4,100,000 and not for $1,000,000, because the maximum you will use in any year for this training program is $8,000,000. Pay no attention to the argument about getting your foot into the door or your nose under the tent. This Congress controls these appropriations year in and year out, and if the department ever gets to the point of requesting more than $8,000,000 we can say, "You have enough."

It is intended to train a maximum of 2,400 officers and some twenty-six-thousand-odd men, a total of approximately 29,000 men to be able to make available a maximum wartime personnel of close to 200,000 men to do this work that no other facility, no other department of Government is doing or can do to secure our ports and our navigable rivers against invasion and against sabotage.

Let me point out to you the following:

Our national defense is quite adequately provided for except in one all-important area, the harbor and waterfront areas of the United States.

In this one area, necessarily the bottleneck in our chain of defense, we have made no provisions whatsoever for the training and maintaining of a port-security force that must be completely effective the instant an emergency arises.

With the high concentration of subversive elements known to exist in our harbor areas, it is a foregone conclusion that lacking adequate port security we could very well lose the struggle before we got started.

The Coast Guard Reserve is composed of all types of highly skilled specialists. Professional men whose daily work is very similar to the duties of port-security personnel, and if a training program is provided for, our harbor security could very well be effected by that organization.

Public Law 810 provides that military personnel be given an opportunity to

qualify for retirement by participation in reserve programs, and all reserve organizations are well provided for except the Coast Guard Reserve, where no provision has been made at all.

The Secretary of the Navy delegated to the Coast Guard at the outbreak of World War II, the responsibility of port security.

The skills required in maintaining security, and insuring full capacity operation of our ports throughout the Nation, are considerably different than those required for other military services.

Fire prevention, a very highly specialized type of duty, requiring the services of fire-prevention engineers.

Fire fighting, from both land side and water side, requires special technique, and the fighting of water-front fires is considered the most difficult type of such duty.

Explosive loading, another duty of port-security forces, is highly specialized, requiring the most careful selection and training of personnel to properly supervise this very hazardous duty. It might be well to note that no explosions occurred in any vessel supervised by the Coast Guard in loading 29,482,753,800 pounds of explosives.

The identification of all persons requesting access to water-front activities is a tremendous task, requiring the interrogation, fingerprinting, and photographing of hundreds of thousands of persons, and of course calls for specially trained personnel.

The control and licensing of the movement of vessels within the harbor, to insure maximum use of all port facilities, requires constant study and, as water-front activities develop, the planning must constantly change.

Supervision of the loading of tankers, still another duty of the port-security force, is required to be done by the Coast Guard.

Boarding, inspection, and sealing of radios on all merchant shipping expands the peacetime functions of the Coast Guard, and requires that a sizable force be constantly trained to take over these duties instantly and not days after an emergency is declared.

The very high concentration of communistic and subversive elements in and near water-front activities require that port-security forces be kept constantly aware of the situation so that when an emergency does exist we may be sure that our harbors will not be paralyzed.

Port-security training is, in effect, an insurance against sudden and immediate collapse of our shipping if war is declared.

The Coast Guard Reserve is composed of highly trained specialists in all these fields of endeavor. The errors, lost motion, and duplication of effort, all the result of inadequate advanced planning prior to World War II have been discovered and eliminated and presently the Coast Guard Reserve has over 100 training units, established and staffed entirely on a voluntary basis ready to do any and every thing possible to train port-security personnel capable of overnight securing the harbors and shipping against the violent attacks from subversive elements that will surely come at the outbreak of a war.

These reservists are largely persons who cannot give more than their time to this important defense work, and it is imperative that sufficient money be available to support the training program.

This training program will enable the Coast Guard to expand their normal peacetime functions, and utilize the Reserve HFDF, vessel augmentations, aids to navigation, and loran stations.

This $4,000,000 request was originally submitted by the President and was supported by both the Secretary of the Navy and Secretary of Defense.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, I believe the Committee should definitely understand we already have a Coast Guard Reserve. There are 5,000 officers and men who are members of the Coast Guard Reserve and who try to maintain their efficiency as specialists in particular fields by attending weekly drills on a volunteer basis. These Coast Guard reserves receive nothing in return for their drilling except the satisfaction they get out of it and the maintenance of their efficiency and retirement credits provided they have completed the required numbers of satisfactory years and receive an honorable discharge.

In addition to the Coast Guard reserves we have the reserves of the Army, the Navy, the Air Force and the Marines, the majority of whom are paid for drills. They are paid one-thirtieth of their monthly base pay for every drill that they attend. Therefore I think that you will agree it is unfair to pay reserves of the Army, the Navy, the Air Force, and the Marines for drills and ask the Coast Guard reserves to perform their drills without any pay.

Who are these 5,000 Reserve officers and enlisted men of the Coast Guard Reserve? They are specialists in port security, high frequency direction finding, aids to navigation, loran, communications, and search and rescue. In time of emergency these specialists would become part of the Navy. They would train groups of men in various fields who in turn would be distributed to naval units either at shore installations or on board ship. In other words, these Coast Guard specialists are today the nucleus of a part of tomorrow's Navy.

Let me stress the fact that any Reserve officer regardless of his branch of service cannot maintain his efficiency by merely attending drills.

In addition to drills he must take 15 days' active training duty during the summer. Unless the money provided for in this amendment is made available these Coast Guard reserves will not only drill without pay but they will be unable to take their training cruises in the summer. Thus they will be denied actual experience with modern military devices, and will not be adequately trained to take their places in the Coast Guard in time of war. I speak from experience because I command a brigade of Navy reserves consisting of 2,900 officers making up 59 divisions. Once every week these men attend drills for the purpose of maintaining their efficiency. Therefore we should provide the same incentive for the Coast Guard reserves if we expect them to maintain their efficiency.

The Coast Guard reserves are a part of our national defense. If you read the table of organization set up by the Civilian Components Policy Board for the Reserves of our country you will find the Coast Guard reserves mentioned. You will also find we have provided for the Coast Guard practically every benefit now enjoyed by the reserves in the Army, the Navy, the Marines, and the Air Force, except providing drill pay and training duty in the summer.

Mr. Chairman, I hope the Committee will approve the amendment offered by the gentleman from New Jersey.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I am rather surprised that in an appropriation of this size for a purpose so worthy and a service so necessary there should be such a controversy raised. I am usually on the side of cutting down the appropriations. But this is real, sound economy to my way of thinking. Wise national preparedness is sound economy when the money is wisely and honestly spent. The American people do not object to that. This money in my opinion certainly comes in that category.

Mr. Chairman, I am a little confused over this question of economy here when I see the gentleman from Missouri [Mr. CANNON], the Democratic chairman, yielding all his time to the gentleman from New York, the ranking Republican member—to be used against the amendment providing one million for the Coast Guard Reserve. That makes me wonder where the rest of us come in on this ship.

Let me say that at the beginning of this second war few people realized that every night the Germans were within gunshot of our shores. I have stood on the shore of North Carolina and listened to their guns, to the explosions which sounded like a front-line battle going on. They sank as many as 14 indispensable ships in a single week. I stood there on the coast when there was not a Navy ship within a hundred miles, and I saw as many as three big ships burning at one time. We did not have an active Coast Guard Reserve organization to start with. The Navy had taken the regular trained Coast Guard men and left the coast line in the hands of untrained, unequipped men. They did their best—but had an impossible task.

It does not make any sense to me to fuss over a million dollars to encourage and maintain a good Coast Guard Reserve. I fear some people are putting too much faith in the billions we are pouring overseas. I prefer the policy of

taking care of our own needs first, and then, if we have some to give away, we can give that consideration later. I am supporting the gentleman's amendment for $1,000,000. I think they can start with that and can encourage the program already in motion. Let us encourage this organization, which in my opinion will pay enriched dividends in the defense of America.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield.

Mr. FERNANDEZ. They requested $4,100,000——

Mr. BARDEN. Now, let me stop right there. That is your amendment. The gentleman is a very delightful Member of this House. He is very wise, and certainly everybody knows he is interested in this Government, but I do not want to yield very much time to a Member who offers an amendment and then says he is not going to support it.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. BARDEN] has expired.

THE COAST GUARD RESERVES

Mr. BOLTON of Maryland. Mr. Chairman, no member of this committee is more concerned with the increasing cost of Government and the necessity for relieving the now excessive tax burden on the people of this country which already is choking the life out of the incentive to do business in many instances, than I. But with the information coming from reliable sources relative to the possibility of war, it does seem to me that port security should receive most serious consideration immediately and the amendment now being offered to provide funds for furnishing necessarily trained personnel in this very important work receives my unqualified support because in the event of the outbreak of war, protection of our ports from damage or destruction by sabotage, explosion of munitions, or fire will be of primary importance; and to accomplish this the measures through which port security is achieved will include the continuous use of antisabotage patrols and inspection, supervision of the handling and loading of explosives from freight cars to pier and vessel, and the prevention and fighting of fires.

All of these are highly specialized and technical duties requiring extensive training and constant instruction in modern equipments, in weapons, munitions, techniques, and other factors affecting them. This training must be provided in advance of an emergency in order that the personnel responsible for port security will be prepared to assume their duties within the shortest possible number of minutes or hours in the event of an emergency. If the port-security specialists are not prepared to be on the job within a matter of minutes or hours, and if such an organization is not constantly alert, a crippling blow could be struck by the damaging or destruction of our ports in the earliest stages of any conflict.

During World War II we were fortunate in that there was no extensive and well organized enemy infiltration into our ports for sabotage. This, and the delay in getting our production and overseas movements of materials and men actively under way, provided time for the expansion and adequate training of the Coast Guard Reserve which has been created in 1941. We are not likely to be fortunate enough again to have so much time for organization and training at the last minute. Furthermore, those who were closest to the rush of last-minute preparations during World War II will tell you that it is anything but an effective, satisfactory or safe way to do the job. Our port security specialists must be highly trained in advance if they are to do us any good in any possible emergency. It is a matter of record that during World War II the Coast Guard, in addition to its participaiton in every major invasion, established port security organizations in over 75 ports in the United States, including every major port, and as the war progressed, assumed those functions in our advance base ports overseas. It required a minimum of approximately 16,000 officers and men for these duties in the port of New York, 8,000 in Boston, 4,000 in Philadelphia, 4,000 in Norfolk, 1,200 in Chicago, 8,000 in San Francisco, 4,000 in Seattle, and 2,900 in Baltimore, to cite but a few examples. These port security specialists supervised the loading of about 29,000,000,000 pounds of explosive without a single explosion. This involved the enforcement of specified safety measures in handling explosives, supervision and approval of stowage areas and methods, determination and enforcement of limitations as to type of explosives and other dangerous cargoes which could be stowed together, or which must be separated by specified distances, stowed in specified locations aboard ship, and so forth.

In addition, the port security specialists were successful in detecting and preventing various acts of sabotage, they also discovered and brought under control literally hundreds of fires in ports which might otherwise have been disastrous, and in at least one instance played an important part in preventing the demolition of port facilities by the spread of a raging pier fire to an ammunition-loading area. These few examples of their activities in the last war will give some idea of a few of the vital functions of the port security specialists.

It therefore seems to me that trained personnel for port security should be available upon a moment's notice and should be a must in our defense program, and I hope the pending amendment receives favorable consideration.

The CHAIRMAN. The gentleman from Maryland [Mr. FALLON] is recognized.

Mr. FALLON. Mr. Chairman, I rise in support of the Fernandez amendment for an adequate appropriation for the United States Coast Guard and its Reserve. It is an integral part of our Nation's reserve forces. The United States Coast Guard is responsible for the security of the ports in event of an emergency and the security of our ports is very vital. This means that we must have well organized and thoroughly trained personnel ready at any time to fulfill this responsibility within a matter of minutes, or hours at the most. For this the Coast Guard must rely on a highly trained and specialized Reserve because of its small peacetime size and the specialized and technical nature of its port security functions. This responsibility can only be fulfilled by providing adequate funds for training the Coast Guard Reserve.

The Coast Guard alone is being relied upon for port security and no other agency is preparing for it. Our ports are the "bottlenecks" through which men and supplies must be moved. Adequate provision for port security is especially important in view of the known Communist infiltration into water-front areas. The harbor and water-front areas of the United States are definitely very important areas and, unless there is adequate provision made for their security, a serious gap in our national defense will exist.

I understand that in accordance with the provisions of law by which the Coast Guard is to operate under the Navy during any future national emergency, the Navy has assigned certain vital wartime missions to the Coast Guard. It is therefore very apparent that the proposed amendment providing an appropriation for the maintenance of the United States Coast Guard and its Reserve is a matter of strong concern to the Department of Defense.

Accordingly, I desire to go on record as fully concurring with the request for the necessary funds to enable the Coast Guard Reserve to continue its work. Representing a section of Baltimore, I am particularly concerned about the security of our port, in the event of an emergency as well as other ports throughout the country, and strongly feel that these funds should be made available in order that this effective group can continue to function.

Although I have consistently urged economy in all phases of Government, there is such a thing as foolhardy reduction in the expenditures of our national defense. To fail to provide sufficiently for the Coast Guard and its Reserve would weaken the defense of our borders.

Mr. SASSCER. Mr. Chairman, will the gentleman yield?

Mr. FALLON. I yield.

Mr. SASSCER. Mr. Chairman, I merely want to join in the thoughts expressed by my colleague from Maryland [Mr. FALLON], and possibly to add another thought. In considering this legislation most of the debate has been directed to our ports being attacked from the side adjacent to the water. We all know that these ports are probably the most sensitive spots to sabotage. We know that the Coast Guard Reserve, in its training, has been geared to the protection of American ports and American shipping, and the safeguarding of our harbors. We know that the Coast Guard in the recent war came out of that war with a great record. I think the first man in my county who gave his life in that conflict was a member of the United States Coast Guard.

In the matter of economy we should look to what is the actual saving. We

know that in America we cannot keep an armed force to measure up with the ability to go immediately into war; that it must expand. The most inexpensive way to expand is through these reserves, the Naval Reserve, the Army Reserve, and the Coast Guard Reserve.

I hope that this $4,000,000 appropriation will be placed in the bill in order that this important reserve may be continued.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Texas [Mr. THOMPSON] is recognized.

Mr. THOMPSON. Mr. Chairman, I suppose that I am as typical a militiaman as anyone could be. Prior to joining the Marine Corps in 1917 I had had some training which was not exactly militia but still it provided the fundamentals of military knowledge sufficiently to give me a long head start when I first began my recruit training.

After the First World War I came into the Marine Corps Reserve and continued my military training. In 1936, just before the Second World War began, I took command of a Reserve battalion, and in 1940 we were called to active duty. We were the largest of any of the Marine Corps Reserve battalions excepting one. Personally, I spent 5½ years on active duty during World War II.

Our people were scattered throughout the Marine Corps, and some of them were in every major engagement. It is extremely significant that out of that battalion we lost only 13 men. The rest all came back.

There is no old soldier within the sound of my voice who would not agree with me that these men, to a great degree, are alive because of the early training they received. I have seen it work in two wars. The trained men are just not as apt to get hurt as the untrained. I do not think that anyone will disagree with that concept; and so we need not pursue it further.

I believe that the Coast Guard Reserve was eliminated from the appropriations bill because members of the committee did not realize that it is, in fact, an integral part of our national defense.

I believe that if you thought that national safety, or individual safety, would be served by members of the Coast Guard Reserve you would very promptly provide the extremely moderate sum which has been requested for their training.

Now, let me give you a very quick but very clear example of the sort of work that these men must do if it is to be done in the event one of our ports is subjected to an attack.

Just 3 years ago Sunday, the 16th, a ship exploded in Texas City Harbor, just 10 miles from my home. You may possibly be able to imagine the force of it when I tell you that the Army later estimated it to be about half of the force of the early atomic bombs. I started to Texas City in my car. After getting clear of the city of Galveston and upon reaching the open coastal plain that separates us from Texas City it was immediately apparent that there had been a major disaster. I could visualize the three highways leading to and from Texas City—each is a two-lane artery—and I knew that with fire and rescue apparatus trying to get into the area and the injured trying to get out congestion would be terrific.

Many others had followed my impulse and were on the way to Texas City and accordingly, I turned back, stopping at a radio station to ask them to broadcast an appeal for people to stay off those highways. My Marine Corps training prompted me then to go and report in to the community disaster headquarters in order to get some kind of an orderly assignment where I was needed the most.

It is well known to military men that one of the hardest tasks that confronts them is the handling of the civilian population which is displaced in the event of an attack. They are hard to regulate; they are not amenable to discipline; they add to the confusion; and they may very well be the turning point in the theater of operation. This proved to be the major hazard in Texas City. Fortunately, it was very soon after the end of the war. There were many well-trained ex-soldiers available. The veterans' organizations; the veterans' groups quickly organized; the Army sent troops from nearby stations; the major cities of Texas sent uniformed police; the National Guard had not yet reorganized, but members of the State guard were made available. However, all this could not be accomplished without a delay of many hours.

In that time, there was no way of estimating the number of people who died because they could not be brought out through the congested traffic and taken to the nearest hospitals. There is no way of telling how much property would have been saved in the fire that followed had more apparatus been rushed to the scene in the early stages. And so, there in that community of some 30,000 people, we had a striking object lesson of exactly what will happen on a much greater scale if someday a tramp steamer pulls into New York or Philadelphia or Boston or Baltimore harbor—ties up at a dock and then proceeds to set off an atomic bomb which has been hidden in the hold.

Again, there will be, as in Texas City, the need for immediate taking over of the waterfront and adjacent areas. Trained men to do the job must be available immediately to assume control of the stricken area; to get people out who must be removed; and to keep people away who have no business there. This is a mission assigned to the Coast Guard.

The difference between the future cases and the Texas City disaster will be that following the explosion there will be some kind of an attack. It may be through a landing of some sort from submarines or surface craft; it may be from the air; still more likely, it may be from subversive elements who right now are mingling with us and who seem so naturally to gravitate to our waterfronts.

It is to cope with this situation that we need a trained Coast Guard Reserve. This is their job. There is no more important function in any element of our national defense. To close our eyes to their importance in times like these may be the difference between success or failure of the initial attack on our country.

The CHAIRMAN. The gentleman from California [Mr. SHELLEY] is recognized.

Mr. SHELLEY. Mr. Chairman, I had never thought, as a new Member of this body, that I would be called upon to take the floor of the House at such an early date, but I am happy that it comes on this particular subject about which I have a slight background of experience, having served in the Coast Guard Reserve during the recent war in the capacity of an explosive-loading officer and security officer in my home city of San Francisco.

I have been a little fearful of the remarks of those Members who, while opposing the amendment, extend sympathy to the cause. It is not sympathy that the Coast Guard or its reserve components want; it is understanding. I believe that if the Members understood the purpose of this amendment and the use to which this organization was put, the amendment would receive the unanimous vote of the Committee and certainly would stand up when the bill reaches the House.

We all know that during peacetime the Coast Guard, though an essential component of our armed forces, functions as a part of the Treasury Department. Immediately upon the outbreak of war it is integrated with the Navy and its operations are enormously expanded. Such was the case in December of 1941. The small force of the Regular Coast Guard was assigned the responsibility for port security and harbor patrol—in itself a tremendous job in wartime. In addition it developed that the Coast Guard was the only force that had knowledge of, and effective training in, amphibious operations—destined to be a most crucial part of offensive phases of the war. Obviously, the Regular forces could not be sufficiently expanded with the speed required to effectively handle both types of activities. The Regular Coast Guard and its Regular Reserve men were more than soaked up by shore duty. In this emergency a temporary reserve was set up for security operations on shore and in the auxiliaries afloat. With all modesty as a member of that temporary reserve, they performed yeoman service throughout the war. Some of those men are still organized on a voluntary basis without pay. All of those who served during the war were unpaid and were released without official recognition fitting the services performed—recogition which they richly deserve and which should still be forthcoming, although extended discussion of that issue has no place here.

Fortunately the efficiency of organization was such that no catastrophes occurred in the operations under its supervision. The temporary reserve group was composed, as far as officers were concerned, mostly of civil engineers from the fire underwriters or large industrial plants and from the explosives manufacturing plants around the country, men of technical knowledge and skill in their fields. They were possessed of the special training required to supervise the dangerous loading operations performed. They had to be. It is easy to say, if

a fire breaks out on board a ship amongst dangerous material, "Put the fire out"; but what most people do not know is the great importance of a knowledge of just how to fight fire when it breaks out in specific dangerous materials, because some normally used fire-fighting materials, as water, only spread the fire and make it burn more fiercely. The officers were trained how to handle explosives, trained how to fight fires, trained how to supervise men, how to check crew members, how to identify various people who have a right to enter and leave docks, and to take over until trained intelligence men or the FBI come on the scene.

Such training was a difficult and necessarily hurried procedure during the last war. When we consider the much greater variety of scientifically developed fire and explosion hazards which must be met if we are again plunged into war the need for a carefully and foresightedly developed permanent program of training for a permanent reserve force becomes obvious. We need only think of the atomic and hydrogen bombs and their related developments to realize the truth of that statement. Equally as serious is the fact that in any likely future war the enemy will without question have forces, both within our borders and without, trained especially for the purpose of bringing the full force of those hazards to play in our ports and harbors, the very place where the proposed Coast Guard Reserve training program would prepare a trained defense force to cope with them.

In view of these considerations I say that we would be criminally derelict in our duty to provide for the effective defense of this country should we fail to take the necessary steps contemplated by the amendment under consideration, and I ask that the amendment be adopted.

The CHAIRMAN. The gentleman from New Jersey [Mr. CANFIELD] is recognized.

Mr. BEALL. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Maryland.

Mr. BEALL. I think the gentleman's amendment has considerable merit and I shall be glad to vote for it when the proper time comes.

Mr. PHILBIN. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. Mr. Chairman, I shall support the gentleman's amendment.

It is in my humble judgment neither sound economy nor wise national defense policy to cripple the Coast Guard at this critical time.

There is a volume of conclusive evidence concerning the splendid achievements of the Coast Guard and its many solid contributions to the national defense and civil safety which I will not now recite.

It is very difficult to appraise the real value of this most efficient and useful branch of the armed services. Its mettle has been tested and proved both in war and peace. It is at once an arm of the national defense and an invaluable adjunct of our merchant marine—guardian of our shores, protector of our sea lanes, insurer of our navigation, cultivator of our youth who aspire to maritime service. I cannot possibly praise too highly the record, service, and tradition of our unexcelled Coast Guard.

I would not question the motives of those who have sought to effect such sharp reductions in this appropriation. Unquestionably they intend to stand for economy and efficiency in conducting the affairs of the Government and I am wholeheartedly in favor of that objective. But I sincerely believe that it is a danger to the national security to weaken or impair the functions of this service, particularly at a time when the international situation is fraught with every element of crisis and gravity.

I hope this House will never in any instance be blind to that situation. I hope my able, patriotic colleagues will recognize that our Nation is already deeply enmeshed in a Marxist-spun web of intrigue, conspiracy, and peril that may ultimately, if not sooner than we think, entwine us from all sides and bring a repetition of the awsome days of not long ago.

That, I trust and pray, divine providence will enjoin. But I want this Nation to be adequately prepared.

I will vote to restore the cuts which have been made in the Coast Guard appropriation.

Mr. CANFIELD. Mr. Chairman, the gentleman from New York [Mr. COUDERT] who did not hear the testimony presented to the subcommittee on this item expresses wonder as to what the Coast Guard Reserve could do for his home city of New York. May I say in answer that in World War II a Coast Guardsman did a most heroic and important job for the city of New York when he discovered the Nazi saboteurs on Long Island.

The gentleman from New Mexico who is also a member of our subcommittee and who has now proposed an amendment to my amendment, his amendment calling for $4,100,000, surprises me because in committee he was wholly and totally opposed to this entire matter.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I am still opposed to starting that program now but I am dead serious when I say if we do it, let us do it properly and adequately. I think this is such an important matter it ought to be passed on by the committee and I think the gentleman and I have accomplished that purpose by bringing the matter to the floor today.

Mr. CANFIELD. I want to say, Mr. Chairman, that we tried to effect a compromise in the subcommittee. Yet the gentleman was opposed to it.

Mr. FERNANDEZ. And I am still opposing it.

Mr. CANFIELD. The gentleman opposed anything for a Coast Guard Reserve.

Mr. FERNANDEZ. I am still opposed to it.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. After spending 9½ years in the Navy, I recognize the vital importance of the amendment offered by the gentleman from New Jersey and I shall support it.

The Coast Guard, like its brothers in the armed services, must be prepared to undergo a rapid transformation in the event of war to fulfill the tasks to which it has been assigned. I consider it most unwise economy not to provide for the security of the country through the medium of the functions assigned to this great organization. I sincerely hope the amendment will be adopted.

Mr. CANFIELD. Mr. Chairman, let me say in closing that Admiral Richmond, Assistant Commandant of the Coast Guard, came to my office at my request regarding this appropriation. I suggested $1,500,000. He said, "Let us make it a million." He wrote the amendment.

Only a short time ago Admiral O'Neill, now Commandant of the Coast Guard, called my office to say he was supporting only one amendment on this floor and that amendment is known as the Canfield amendment calling for an appropriation of $1,000,000.

Mr. JACKSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Washington.

Mr. JACKSON of Washington. First, I would like to commend the gentleman from New Jersey for offering this amendment on the floor today. It seems to me that to leave the Coast Guard out of our over-all national defense program does not make sense. Russia's possession of the atomic bomb makes all of our coast lines vulnerable to attack and it only makes sense, it seems to me, if we go forward with this reserve program so that we can provide adequate port security.

Mr. CANFIELD. And the gentleman will support my amendment which will provide for the training of 900 officers and 4,000 men. I hope it will prevail for the best interests of the United States.

Mr. LATHAM. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New York.

Mr. LATHAM. I would like to associate myself with the remarks of the able gentleman from New Jersey and say that I know of the splendid work these Coast Guard Reserve men have done in the past and are doing today. I think they should be given every encouragement and I am for the gentleman's amendment.

Mr. CANFIELD. Let us not kill it by voting for the substitute amendment. If you want the Coast Guard to get these funds, vote for my amendment.

The CHAIRMAN. The gentleman from New York [Mr. TABER] is recognized to close debate.

Mr. TABER. Mr. Chairman, I feel that it is of the utmost importance for national defense that we keep our house in order and see just what we are doing every time we move. We ought to have a pretty good picture of this situation before we embark upon a program that is going to grow, and grow, and grow.

At the present time—and I am supporting it—there is an army reserve costing $115,000,000 a year. That item has been recommended for an increase in the bill that you have before you of $5,000,000 above the budget. The Navy has a reserve costing $67,000,000, and that item is contained in the bill that you have before you. The Air Force has a reserve costing $73,000,000 and that item is in the bill which you have before you.

In 1939 and 1940 we had a total personnel in the Coast Guard itself of 10,000. In 1940, because of the requirement for neutrality patrol, that figure was raised to 13,641. In 1941, after we passed the Lend-Lease bill and all of us realized that we were getting into war, it was increased to 19,036.

Presently we have in the Coast Guard, and I call your attention to page 73 of the committee report, 20,240 enlisted men, 2,020 commissioned officers, 794 warrant officers and 459 cadets. In the fiscal year 1940 the total appropriation for the Coast Guard was about $20,000,000 for pay and allowances. In this bill that we have before us the pay and allowances run into figures approaching $100,000,000. Just to indicate how we have progressed in other activities, in 1939—and frankly, every one who thinks seems to realize that our greatest danger would be from within rather than without—the FBI had 789. In 1941 they had 2,131. This year they have 4,109. Next year in the pending bill they are given 4,354.

Anyone who thinks can see we have not been unmindful of our obligations to build up the Coast Guard big enough to take care of our situation. As against the 1939 figure we have more than doubled. As against the 1941 figure we have 4,000 more than we had then, when we knew we were approaching war and were preparing for it. Actually there was shooting out on the high seas in front of our very shores in which our ships were shot at and our ships replied.

We are not in that kind of a situation. We are not in a situation where there is a demand to immediately take care of an increased activity of another organization which it is here proposed to start. I am not and never have been unmindful of my obligations to support proper appropriations for national defense. But let me say to you unless we use our heads and approach this thing from the standpoint of whether or not we absolutely need to start something like this we will be making an appropriation of the people's money which is not warranted.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON. If this million dollars should be added to the bill would that amount be paid out of revenues already available or would the adoption of the amendment mean that we would have to borrow another million dollars and add that amount to the national debt?

Mr. TABER. It would mean borrowing another million dollars which it is going to be hard to get unless the Congress realizes its responsibility and keeps the appropriations in this bill and in other bills as well as authorization bills down.

Mr. CANNON. In view of the fact that this bill is being cut in many places and being cut deeply for items which we need but forego because we cannot afford, does the gentleman think the million dollars involved here could be used for other purposes to greater advantage?

Mr. TABER. I think if there is to be any addition to this bill there are other places which are more urgent. Frankly, here is the situation. We have $67,000,000 in this bill for the Navy Reserve. If we have hostilities the Navy will take over the Coast Guard and those folks who are in the Naval Reserve can be used in the Coast Guard immediately and bring up their personnel immediately to do anything that is necessary.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. VAN ZANDT. I have been in the Naval Reserve for 33 years and I am not qualified to handle certain gadgets employed by the Coast Guard in time of peace.

Mr. TABER. Yes, but the gadgets employed by the Coast Guard in time of peace are not going to have to be amplified in any very marked degree in time of war. It is only those activities of the Coast Guard such as running down submarines and such extraordinary military functions which will be thrown on the Coast Guard. The activities are pretty well separated when you get down to action.

Mr. Chairman, I hope this amendment will not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. FERNANDEZ] to the amendment offered by the gentleman from New Jersey [Mr. CANFIELD].

The question was taken; and on a division (demanded by Mr. BROOKS) there were—ayes 18, noes 101.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from New Jersey [Mr. CANFIELD].

The question was taken; and on a division (demanded by Mr. CANFIELD and Mr. SHORT) there were—ayes 74, noes 62.

Mr. PASSMAN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. PASSMAN and Mr. CANFIELD to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 93, noes 83.

So the amendment was agreed to.

The Clerk read as follows:

POSTAL OPERATIONS

For expenses necessary for postal operations, not otherwise provided for, and for other activities conducted by the Post Office Department pursuant to law, including personal services in the District of Columbia and elsewhere; printing and binding; a health service program as authorized by law; $500,000 to be available exclusively for manufacture and procurement of improved devices for postal operations and other activities; $7,013,000 to be available exclusively for the purchase of trucks, tractors, and trailers; leasing of space, not exceeding a term of 10 years, for the storage and care of vehicles; and repair of vehicles owned by, or under control of, units of the National Guard and departments and agencies of the Federal Government where repairs are made necessary because of utilization of such vehicles in the postal service; $1,786,000,000.

Mr. LARCADE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LARCADE: On page 113, line 4, strike out "$1,786,000,000" and insert in lieu thereof "$1,808,000,000."

Mr. LARCADE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. GARY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, following the remarks of the gentleman from Louisiana [Mr. LARCADE], the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. The gentleman from Louisiana is recognized for 10 minutes.

Mr. LARCADE. Mr. Chairman, the purpose and effect of the amendment which I am offering is to make available to the Post Office Department $22,000,000 additional under the postal appropriations under title III—Post Office Department, to provide sufficient funds to avoid the discontinuance of mail deliveries and reduction in number of employees expected under the directive of the Postmaster General just issued, and which will become effective on July 1.

Mr. Chairman, without any criticism or reflection on the committee, and while I realize that the members of the committee have worked hard and arduously in considering not only this particular appropriation and all others in an effort to make economies in the operation of the governmental agencies, I think that you will agree with me that the reaction to the announcement of the directive of the Postmaster General has brought a deluge of protests and opposition to the curtailment of this important and necessary postal service.

From the information that I have at this time, the resentment is country-wide and protests are increasing to the Members of Congress with every mail.

While I know that in making the recommendation to economize by reducing the delivery of mail that the committee was sincere and that they will almost unanimously defend their position in this matter, the situation now takes the turn where pressure and demand for the continuation of mail delivery rests entirely upon the Members of Congress. The Postmaster General in issuing his directive for the curtailment of mail delivery and the reduction in force of mail carriers is simply carrying out a recommendation of the Appropriations Committee and the blame now rests directly upon the Congress, and in my opinion, can only be remedied by the

Congress returning the amount by increasing the appropriation to the amount of my amendment to continue this service to the people of this country.

If the Congress does not reinstate the amount suggested it will mean that there will be approximately 10,000 mail carriers who will lose their positions and mail deliveries will be reduced—a service which our people have had for many years, and which service they desire to be continued. I am advised that $22,000,000 is all that is required.

In this connection, Mr. Chairman, I would like to read from an editorial taken from the Southwest Citizen, published in Lake Charles, the principal city in my district, commenting on this proposal:

REAL ECONOMY ON THE WAY?

Our Government continues to move in a mystrious way its wonders to perform. Now we are advised that as of July 1, deliveries of mail will be reduced, in some cases, to once a day.

Those of you who have read this column regularly know that we are firmly in favor of Government economy. Repeatedly, here, we have mentioned the top-heavy character of our sprawling Federal bureaucracy and have wondered whether all the jobs and all the services are necessary.

We have discussed the famous Hoover Commission Report in which reorganization of various Federal departments and agencies was suggested with the purpose of increasing efficiency and saving money for taxpayers. Most of the Hoover recommendations we have favored.

We have consistently supported elimination of the frills in Government spending, of cutting back Federal expenses by abolishing duplications and services that are not essential to our way of life.

Yet, taken suddenly with the urge to economize, our Government orders reduction in the one department that performs an intimate service for all the people.

There are few citizens, indeed, who will not concede readily that the Post Office Department has done a remarkably fine job. It has been equal to even the most trying occasions—such as were prevalent during the war when the V-mail plan was an outstanding success. It has operated for years with outmoded equipment—some of its rolling stock is more than 20 years old—and in cramped space—witness our own situation in Lake Charles where space is scarcely adequate for a city half our size.

Periodically, criticism is leveled at the Department because it does not operate at a profit. The criticism is true—but in these days of bureaucratic freedom with a dollar, how many other departments are in the black? Why must the Post Office Department, which serves directly millions of Americans, be singled out in this regard?

Now, we are not saying that economy is not a fine thing. We are not contending that our way of life will collapse if mail service is cut in half. But we think it very odd indeed that the boom should be lowered on the Post Office Department, where the economy ax would be felt most quickly by all Americans.

And we submit further that if the Government is serious about economizing (and you can form your own opinion on that), why could not a dozen other services, far less valuable to the individual citizen, have been selected for the initial reduction?

If Congress is actually earnest about reducing Federal expenses, it would seem logical that slashes would be ordered in places and in ways that would not affect the average citizen in so drastic a manner. It would seem logical, too, that some coordination in the proposed reductions would be in evidence. So far, the existence of this sort of over-all economic plan is not apparent to the naked, unaided eye.

So, gentlemen, what gives? Is this a bona fide economy program or is it a devious stratagem to prompt the public to protest against economy, perhaps for use in some obscure way against other reductions of expense and on the theory that the one way to evade a real economy program is to prove in advance that it won't work? Is it to be expected that services of other departments also will be reduced by half or was the Post Office Department singled out simply for trial-balloon purposes?

One thing is sure. The master minds behind the order to reduce mail service had better be fast with a follow-through. Americans generally are watching and will be quick to resent it if the Post Office Department, which has given us all long and faithful service though often treated as a stepchild, proves to be the only victim of misguided economy.

If we are going to have economy, let's do it right. Let's avoid a hodgepodge, patchwork job that in the end will cost us even more money. If we are not going to economize, let's not single out the department that is performing a useful service for everyone; rather, if we are going to continue spending money we haven't got and won't get in our own lifetimes, let's not have only one mail delivery a day, let's have three.

We don't see why the people should have to put up with curtailed mail service if they are not assured of similar curtailments all down the line.

The Crowley Daily Signal had the following to say editorially about this matter:

TONS AND TONS AND TONS

In order to wipe out a postal deficit, the Post Office Department is cutting down on local deliveries and laying off employees. The post office is a basic public service and is not supposed to be a money-making proposition. But when the basic postal delivery and service itself is sacrificed in the name of economy, consideration must be given to problems which cause such drastic curtailment.

We maintain the annual postal deficit would be negligible if the post office confined its effort to the handling of mail and services for which there was a charge. But, when the Post Office Department has to carry the mail for the entire Government without cost, there is going to be a terrific deficit. Tons and tons and tons of mailing pieces daily flood the post offices of the country from Government bureaus, departments, and offices. The franking privileges of our legislators are a stupendous item in itself when it comes to figuring up mailing costs which have to be absorbed by the Post Office Department. Every one of the multifarious Federal agencies, and every one of their thousands of branch offices, who send mail free puts a tremendous expense upon the post office.

With all of this free Government mailing, the post office will continue to show a great deficit. It is not fair to charge all of this free service against the post office and then make the local offices cut down on service and employees in order to reduce the deficit. If all this free Government mailing would be charged for at regular postal rates and then charged against the department or person using the free service, the annual post office statement would not show such a deficit. It is odd at this time of deficit spending by the Government, that the post office is trying to show something of a profit statement. It is so unusual. If the post office charged this free service to the departments which used it at regular rates, there would be less need to cut down on postal service. It is all a matter of bookkeeping, but it would make the Post Office Department look much better and it would give a true picture of what the postal service is costing the Nation. We include, also, all the other services rendered that are not part of regular postal services.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. LARCADE. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Did the gentleman from Louisiana hear the presentation to the House by the chairman of the subcommittee and the ranking minority member on this matter?

Mr. LARCADE. I heard the very able presentation by my colleague the gentleman from Louisiana [Mr. PASSMAN].

Mr. CANFIELD. Does not the gentleman think the Post Office Department can pull in its belt and economize to the extent of 1 percent of its over-all requests?

Mr. LARCADE. Regardless of whether it can or not, the Postmaster General has issued this directive effective on July 1, and the recommendation of the Committee on Appropriations will be followed. On July 1 the mail deliveries in the United States will be curtailed. I agree that the matter could be probably adjusted.

Mr. CANFIELD. The matter could be studied more. Does the gentleman know that the President of the United States and the Bureau of the Budget recently held that the Post Office Department overestimated its requirements for the new fiscal year to the extent of $42,000,000? Does the gentleman know that?

Mr. LARCADE. There may be something to what the gentleman says, but the fact is that unless some action is taken by the House at this time it is certain the directive of the Postmaster General will be put into effect, because he claims he does not have sufficient funds to provide this service and unless the Congress appropriates the amount required, which is estimated at $22,000,000, the service will be discontinued. As a matter of fact, the Post Office Department has been operating under a deficit for many years. If my amendment is adopted and if this $22,000,000 can be saved, it will not be spent and the amount will not be lost, wasted, nor squandered.

Mr. CANFIELD. I am perfectly willing to see the handiwork of the committee thoroughly reappraised and studied, but I am not willing to succumb to the directive of the Postmaster General and vote for the gentleman's amendment. I do not believe the gentleman has gone into this thing thoroughly. He has taken the word of the Postmaster General that he has to have these funds immediately. The Postmaster General, I learned this afternoon, is to appear before our subcommittee on tomorrow or the next day regarding deficiencies for the first part of the year. He will be taken care of if he makes his case.

Mr. LARCADE. Will the gentleman agree to afford to the Post Office Department sufficient funds to reinstate this service if it is found that the appropriations made by the committee are not sufficient?

Mr. CANFIELD. The Post Office Department of the United States has never been let down by our subcommittee or the Congress of the United States. The committee has always provided that department with sufficient funds, but now we are trying to get the Post Office Department to pull in its belt just a little bit, 1 percent, and see if we cannot help effect some economies for the taxpayers of this country. One percent, that is.

Mr. LARCADE. I agree with that, but I think you are starting out in the wrong way.

Mr. CANFIELD. It is easy to get up here on the floor to pose an amendment appropriating extra millions, but it should not be done without a thorough study and knowledge of the facts.

Mr. LARCADE. Is the gentleman in favor of discontinuing this service even if the Post Office Department is provided additional money?

Mr. CANFIELD. I am not and I emphasized that in the committee, and that was one of the items that I tried to emphasize most this morning. I am in favor of appropriate deliveries for our people.

Mr. LARCADE. Does the gentleman believe that this matter can be adjusted before July 1 so that this service will not be discontinued?

Mr. CANFIELD. I believe it will be done.

Mr. LARCADE. If I were certain of that, I would withdraw my amendment. I think the Members of the House should be given an opportunity to vote on this amendment, because I believe there is doubt in the minds of many whether or not that will be done. I heard considerable discussion on this matter this morning, and several of the Members of the House advised me that they were going to speak on the matter.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, this is an effort to add $23,000,000 to this appropriation for the Post Office Department. The situation presently is that all through my territory they do not have any second delivery—in a great many districts throughout the country they do not have a second delivery—so that this so-called order of the Postmaster General has no affect on me. I do not believe in special privileges, or providing one thing for one part of the country and not for another. The need for economy at the present time is so great that we should not embark upon a $23,000,000 additional program which is going to run to $100,000,000 before we get through. An investigation of this item by the Post Office Department a couple of years ago resulted in a recommendation on their part that this service not be attempted.

I think this Congress must at this time assert itself and take some responsibility. We are going to be given the opportunity of voting for a tax-reduction bill on excise taxes. Frankly, I cannot conscientiously vote for that kind of bill and then vote for increased expenses in this instance. I do not believe any needed services will be curtailed in the slightest degree if this money is not added. I think the committee has provided ample funds for the entire service.

The total amount of this amendment is something like $23,000,000. The total amount here is $1,786,000,000. That is $92,000,000 above last year. I think the committee has been exceedingly generous with the Department for its postal operations. The cut is something like 1⅓ percent on that particular item. It is not enough so that it should not in the slightest degree interfere with the services of the Department. You know that the gentleman from New Jersey told us, while the gentleman from Louisiana was in the well of the House, that the President had found they had allowed $42,000,000 too much to take care of the regular operations of the Post Office Department. The over-all cut on the Post Office Department was only $28,000,000 or two-thirds of what the President found was overestimated. I do not know that there is any justification for asking for this additional money. It does not seem to me that it makes sense to add this amount of money.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. McDONOUGH. Do I understand the gentleman to say that the amount of money allowed by the committee does not justify the cut which has been recommended by the Postmaster General so as to allow one service a day in residential areas?

Mr. TABER. It may reduce the service in some places, but I do not think the cut that has been made by the committee justifies any reduction in service. There is no cut in this appropriation which has any bearing on the cut in service that the Postmaster General has ordered to be put into effect immediately.

Mr. McDONOUGH. Furthermore the money that he is operating on now is the money contained in last year's budget and not this year's; is that not correct?

Mr. TABER. That is certainly correct.

Mr. McDONOUGH. But he is putting the cut into effect immediately.

Mr. TABER. Yes; he is putting the cut into effect immediately. I do not understand that there will be any very substantial cut in the number of employees.

Mr. COMBS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COMBS. The gentleman will recall that during the last session the Congress raised the pay of postal employees to the amount of $130,000,000 for next year.

Mr. TABER. Yes; and the amount carried here is $93,000,000 more than last year.

Mr. GARY. That was $109,000,000.

Mr. TABER. Yes; $109,000,000. So that practically all of it is here already.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. GARY] to close debate on the pending amendment.

Mr. GARY. Mr. Chairman, I think our committee has been very generous to the Post Office Department. I hope the Members will listen very carefully to these figures.

There was appropriated for the Post Office Department last year $2,102,000,000. This year they requested $2,235,000,000. The committee allowed the $2,207,000,000, which was $105,000,000,000 more than last year, and a cut of only $28,000,000 of the amount requested, which is approximately 1 percent.

I think this cut of $28,000,000 could be absorbed without reducing the service in the Post Office Department one iota. Yet, I do want to make it perfectly plain that I think the Postmaster General should be commended for curtailing the service to the extent that he has, rather than be condemned for his action.

The situation is that we now have an annual deficit in the Post Office Department of $555,000,000. The total estimated budget deficit for this year has recently been raised to $6,700,000,000. And for 1951 to $7,300,000,000. I submit to this House that the time has come when we must eliminate all nonessential governmental services.

The order of the Postmaster General states that the proposed readjustments are calculated to meet the reasonable requirements of business and the reasonable requirements of our citizens for service to their homes. He instructs postmasters that in carrying out the order every effort should be made to maintain to the fullest extent possible the existing high-speed service in the handling of air mail, first-class mail, and daily newspapers, and to restrict the expenditures for the handling of low-revenue producing mails and service to daylight hours and to shorter periods. It is true that some residential sections now receiving two daily mail deliveries will be cut to one, but the vast majority of the residents throughout the United States have never received more than one daily mail delivery.

There is no reason why there should be any wholesale dismissals of postal employees by reason of these adjustments. The turn-over in personnel in the Post Office Department in 1948, by reason of deaths, resignations, and other causes, amounted to 34,563. This turnover should be ample to absorb all employees made surplus by the order, merely by discontinuing the filling of vacancies.

Let us consider the city of Washington, D. C.. There are 4,680 employees in the city postal service. In 1949 there was a turn-over of 625, which is 13.3 percent. It is estimated that 200 clerks and carriers will be affected by the order of the Postmaster General. Certainly in an annual turn-over of 625, these 200 employees can be easily absorbed. I checked on my own city of Richmond, this past week end when I was there, the Richmond postmaster advises me that although substantial savings will result in his office, he does not believe that it will be necessary to dismiss any regular employees.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Louisiana.

The amendment was rejected.

The Clerk read as follows:

SEC. 202. Appropriations made in this title for general administration and for postal operations shall be available for examination of estimates of appropriations in the field.

Mr. KEATING. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do this for the purpose of asking the chairman of the subcommittee, or some member of the subcommittee, just the meaning or significance of this section 202.

Mr. GARY. The purpose of that section is to permit the members of our committee and the members of the budget and other authorized persons to go into the field and make inspections so that we can see that the money we are appropriating is being properly spent. Our own committee made two trips this year to inspect post-office operations, one to New York and one to Chicago. As a result of those inspections we have found some items in which we think substantial savings can be effected.

Mr. KEATING. Was a similar provision in last year's appropriation bill?

Mr. GARY. Yes, sir; it was.

Mr. KEATING. Can the gentleman tell us how much was expended on that item?

Mr. GARY. I do not have the figures, but I know that members of our committee have taken two trips this year. This simply makes it possible for the members of our committee to make necessary investigation of the work of the Post Office Department. I can assure the gentleman that it is put in there not to spend money but to try to save money, because it is only by watching the expenditure of these funds that savings can be made. We went to Chicago to inspect a new distributing machine which, if put into operation in other offices throughout the country will probably save many thousands of dollars to the Department.

Mr. KEATING. I am glad to hear the gentleman's statement that he believes the effect of this provision will be a net saving. I would certainly not want to interfere with any legitimate investigation designed to foster increased economy and efficiency in operations. Is a similar provision to be found in the chapters relating to the other departments? Or is such a provision to be found only in the chapter relating to the Post Office Department?

Mr. GARY. Similar provisions are in practically every chapter of the bill, and have been for years.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. GROSS. I wish to ask the gentleman from Virginia if the expenditures for that purpose are charged to the Post Office Department deficit?

Mr. GARY. Yes; they are charged to the Post Office Department expenditures, and are reflected, of course, in the deficit. Since there is an annual deficit of $555,000,000, every penny added to expenditures is reflected in the deficit.

Mr. KEATING. Does the gentleman have the figures on that item for either past years or projected years for any other Government department?

Mr. GARY. I have no figures on it at all.

Mr. REES. Mr. Chairman, I wish to discuss briefly this matter of the cut in the postal service that we had in hand a moment ago. I think the Postmaster General might have helped the situation to some degree if he had given a little notice that he expected to curtail the delivery of mail as outlined in his order. I direct your attention to the fact that there are a number of places where savings could be made in the postal service. It is my view that the whole question of saving should be examined while the problem is at hand. Furthermore, if the Postmaster is making this move in order to save taxpayers money, he should say so. He should not use the excuse that there is a shortage of funds. I am informed the Post Office Department was allocated practically all funds requested from the Congress for this fiscal year.

This order, which was sprung upon the public totally without any preliminary preparation, has created a great deal of consternation among the users of the mails.

It has the appearance of turning back the clock from the standpoint of service and, if carried out, will disrupt delivery service in all first-class and most of the second-class post offices. The tone of the order, together with directions of the Deputy Postmaster General with respect to discharging of employees, has had a drastic effect on the morale of our postal workers. The Postmaster General has estimated approximately 10,000 employees will be released.

It is inconceivable that if reductions in force are carried on in a proper and orderly manner that this should necessarily affect any regular or substitute employees since there are many more than this number of temporary employees. Also, if the program were properly planned, normal attrition could be utilized for reduction-in-force procedures and no present postal employee needs to lose his job. This order, like so many others in the postal service, is made on a mass basis without preliminary experimental work. It is made before other economies with a lesser impact on the public or the postal employees have been instituted. These economies have been brought to the attention of the Postmaster General as a result of a study of the postal service made during the Eightieth Congress, also through the Hoover Commission and at appropriation hearings.

The postal deficit today is no greater than the postal deficit was last year and the prospects of its reduction are much brighter since the House has already passed a postal rate increase bill which, I am informed, under the last estimate of the Post Office Department and on current volume, will increase postal revenues by nearly $150,000,000 a year.

In the Eightieth Congress, the Post Office and Civil Service Committee suggested that the elimination of the individual recording of special delivery mail be eliminated as a savings, which was estimated at $1,000,000 a year. This particular recommendation was taken up by the Senate Appropriations Committee and the Department was requested to run a sample test in two cities. These sample tests worked out very well and then it was extended throughout the postal system. There was no disturbance to the public. Service was actually improved during the test period by the lessons that were learned. It would seem that this should have been the procedure followed if such a curtailment of service was to be ordered. In other words, we should know what the result would be from the standpoint of service to the public. The public should have been properly prepared for such a move and given an opportunity to express their views.

Another example of where economies might be placed in effect and service improved is in the adoption of mechanical sorting equipment in the larger post offices. The Postmaster General has stated this is a success with a machine at the Chicago post office which was rebuilt and improved after the recommendation was made by the House Post Office and Civil Service Committee during the Eightieth Congress. Such machinery should be placed in other larger post offices to effect economies.

Public Law 231 Eighty-first Congress, established for the first time in the postal service a research and development program. In the establishment of such a program the Post Office Department, in its official reports, merely left this idea up to Congress without making any recommendations. However, now that the law has been enacted, they have listed a whole succession of developments which they expect to make and improve under this program.

I have introduced a bill, H. R. 6395, which would place the accounting procedures of the Post Office Department on a businesslike basis.

This bill does not have the support of the Postmaster General, because in lieu of this bill, he prefers a measure that I believe will completely throw off any congressional control of expenditures of the Post Office Department. Furthermore, under what I regard the guise of Hoover Commission recommendations, the Department goes much further in recommending legislation than was ever intended by the Hoover Commission. I do not agree with the manner of the recommendations of the administration with respect to budgeting and accounting of the postal service. It would do the thing that has resulted here. It would fail to give the postal service a modern businesslike budgeting and accounting program.

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentlewoman from New York [Mrs. ST. GEORGE], a valued and hardworking member of the House Committee on Post Office and Civil Service.

Mrs. ST. GEORGE. Does not the gentleman also feel that the Postmaster General might have given more consideration to the recommendations of the Hoover report?

Mr. REES. I certainly do.

Mrs. ST. GEORGE. And does the gentleman feel that this in no way conforms to those recommendations?

Mr. REES. Those who propose this matter say that it does to some degree, but it is a small part of it. I think that the whole Hoover report on the Post Office Department should have been taken into consideration along with this proposal. That would have been fair to the people and fair to the Congress. The comparatively small reduction in this measure as against the request, I am advised, is less than 1 percent. And the reduction, mind you, is a recommendation of the majority of the membership of the Committee on Appropriations. I am also informed the Postmaster General did not heretofore make any complaint with respect to this reduction.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Iowa, an active member of the House Committee on Post Office and Civil Service.

Mr. GROSS. On this question of the item for the Appropriations Committee traveling over the country to inspect post offices, does not the gentleman believe that the Committee on Appropriations ought to ask for an appropriation separate and apart from this in order that it should not be charged up to the deficit of the Post Office Department? We are talking about the postal deficit this afternoon.

Mr. REES. I am not so sure whether it should be in separate appropriation, but the expenses should be accounted for. I believe this committee will do that. One of the very important things is to see that modern machinery and up-to-date equipment is used where practical. More consideration should be given to suggestions from employees with respect to improvements in the service. Much time and expense could be saved. The Department has not been as active as it should be in this regard. Here is a place where real savings could be made.

Mr. GARY. May I say that our committee has been working specifically on that. I agree with the gentleman that millions of dollars can be saved by putting in modern machines and methods.

Mr. REES. And that recommendation was made by our committee long ago. I commend the gentleman for his efforts with respect to this matter.

Mr. GARY. It was made by our committee, too. We not only made the recommendation but we are following it up.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. PRESTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, there is one matter in connection with this whole subject under debate that disturbs me somewhat and we in due time are going to be called on to answer for it. It may be the wise thing, I do not know. I am not on this subcommittee, therefore I hesitate to even speak on it. But $125,000,000 has been cut out of this bill. We are talking about a 1 percent cut. One hundred and twenty-five million dollars have been cut out of the bill on the basis that a bill to raise postal rates which we passed in the House would bring in that much revenue.

That puts us in this position: We are sending a bill over to the Senate that has been cut 1 percent plus $125,000,000. It puts the other body in the position of doing one or two things: First, it can restore this $125,000,000; or second, it can pass the rate raise bill that will bring in the additional $125,000,000 of revenue. Knowing the tendency of the other body in an election year, it will resort to the expediency of restoring this money rather than raising postage rates in an election year. So it puts us in the House in the position of having done what according to the Postmaster General amounts to a reduction in service by our action, and the other body restores it.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Virginia.

Mr. GARY. May I say to the gentleman that the cut in the bill of expenditures is only $28,000,000. The House only appropriates the amount of money that is necessary to meet the deficit of the Post Office Department, the receipts of the Department being used to pay expenditures. The House merely appropriates for the deficit.

This body has already passed a bill increasing the receipts by $125,000,000. What the committee did is to take that fact into account and simply provide that that $125,000,000 which will be added to the receipts by the bill which we have passed will not be paid out of the Treasury. In other words, we do not want to give it to the Post Office Department twice. It is no cut in the expenditures and, obviously, if the Senate does not pass that bill, then it must raise the amount to be paid out of the Treasury by $125,000,000.

Mr. PRESTON. That is right.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from New York.

Mr. TABER. As I understand it, there is no cut in the appropriation for activities. The only cut is in the estimate of what the committee believed the postal deficit will be.

Mr. GARY. That is exactly correct.

Mr. TABER. That is an automatic appropriation and is provided for under the postal laws. What the gentleman is talking about is the estimate of the committee of what the permanent appropriation is to be.

Mr. GARY. In making that estimate the committee had to take into consideration the bill that had been passed by the House; in other words, the action taken by the House.

Mr. PRESTON. It boils down to this, then: The Postmaster General says the Congress is at fault; the Congress says the Postmaster General is responsible for the reduction. Somewhere along the line the public is going to evaluate and determine responsibility. Whether there is a deficit or what we appropriate, it is still $125,000,000. The other body is going to have the credit of having saved the postal service and restoring this service to the people while we in the House of Representatives will get credit for having reduced the service.

Mr. TACKETT. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Arkansas.

Mr. TACKETT. Why has the Postmaster General sent out the order to the various post offices throughout the country curtailing the service to the people in the face of the fact that there is no cut by the Congress at this time until the Senate acts one way or the other on the bill that this House has already passed raising the revenue which will come to the Post Office Department?

Mr. PRESTON. The Postmaster General did what most any man would have done under the circumstances. Faced with a 1 percent plus $125,000,000 reduction, he had to anticipate what shape he would be on July 1, the beginning of the new fiscal year.

Mr. TACKETT. If the Senate did not pass that bill.

Mr. PRESTON. If the Senate did not pass that bill; yes. I think everyone in a Cabinet position has learned not to depend too strongly on what the Congress will act on.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from South Carolina.

Mr. RIVERS. Does the gentleman think this is a deliberate attempt to put us on the spot?

Mr. PRESTON. I am bringing it out so the public will be informed as to what has happened when they evaluate and place the responsibility.

Mr. PRIEST. Mr. Chairman will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Tennessee.

Mr. PRIEST. I think the gentleman has stated the situation pretty well. It seems to me that we can assume here today that the $125,000,000 will be available either through the passage of the rate increase bill or through a direct appropriation. May I ask the members of the subcommittee if that is a safe assumption?

Mr. TABER. No; that is not correct. All there is to this situation is that the committee in estimating what the permanent appropriations would be estimated $125,000,000 less than the budget figured the deficit would be. The permanent appropriation is in such shape that whatever the deficit is will be taken out of the Treasury without any action by either this body or the other body. There is nothing in the bill that relates to that at all.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The Clerk read as follows:

RECONSTRUCTION FINANCE CORPORATION

Not to exceed $26,000,000 (to be computed on an accrual basis) of the funds of the Reconstruction Finance Corporation shall be available during the current fiscal year for its administrative expenses and the administrative expenses of the Federal National Mortgage Association; purchase (not to exceed 20 for replacement only) and hire of passenger motor vehicles; health service pro-

gram as authorized by law (5 U. S. C. 150); use of the services and facilities of the Federal Reserve banks: *Provided*, That as used herein the term "administrative expenses" shall be construed to include all salaries and wages, services performed on a contract or fee basis, and travel and other expenses, including the purchases of equipment and supplies, of administrative offices: *Provided further*, That the limiting amount heretofore stated for administrative expenses shall be increased by an amount which does not exceed the aggregate cost of salaries, wages, travel, and other expenses of persons employed outside the continental United States; the expenses of services performed on a contract or fee basis in connection with termination of contracts or in the performance of legal services; and all administrative expenses reimbursable from other Government agencies: *Provided further*, That the distribution of administrative expenses to the accounts of the Corporation shall be made in accordance with generally recognized accounting principles and practices.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hold in my hand a copy of a newspaper article appearing in the Washington Evening Star dated April 19, 1950, captioned "Senate probing RFC's rehiring of head of firm that got loan" and I quote the leading paragraphs of this newspaper account:

HAGERTY REGAINED JOB AFTER WALTHAM COMPANY SHUT-DOWN

A Senate investigating group wants to know more about the case of a Reconstruction Finance Corporation official who quit the agency to head the Waltham Watch Co., which owed it money, and then was rehired after the firm shut down.

RFC officials said yesterday that John J. Hagerty had returned to the Government lending agency as a special assistant to the board of directors. His salary is $10,230 a year. This is approximately his former RFC salary. Waltham was reported paying him $30,000.

Mr. Hagerty quit as head of the RFC's Boston agency early last year to become president of Waltham. A Senate banking subcommittee found that the employment shift was made after the agency had agreed to make a $6,000,000 loan to Waltham on Mr. Hagerty's recommendation.

Chairman FULBRIGHT said today the subcommittee would be interested in hearing the agency's reasons for rehiring Mr. Hagerty.

"The rehiring of Mr. Hagerty calls to mind the fact that a bill passed last year by the Senate—and inspired to a great extent by the employment of Hagerty by the Waltham company—has not been passed by the House."

The bill Senator FULBRIGHT referred to, and which he sponsored in the Senate, would bar RFC employees from taking jobs with RFC borrowers for 2 years after a loan was granted. RFC has opposed the measure.

Waltham shut down February 3 when the RFC, after advancing $4,000,000 of the $6,000,000 credit, refused to release the other $2,000,000 for use as working capital. RFC contended its loan terms authorized the $2,000,000 for buying equipment, but not for working capital.

Now I wonder what the appropriate committee of the House, having jurisdiction, is doing with respect to this legislation.

I also hold in my hand a New York Times newspaper account in its issue of April 20, 1950, captioned "End of RFC Urged by Jesse Jones," and I am going to quote a few leading paragraphs from this illuminating article:

FORMER HEAD OF CORPORATION IN LETTER TO FULBRIGHT CALLS MANY LOANS UNJUSTIFIED

WASHINGTON, APRIL 19.—Jesse Jones, who for years headed the Reconstruction Finance Corporation, urged today that it receive "a decent burial, lock, stock, and barrel."

He said the conditions that prompted creation of the RFC back in depression days no longer existed and that continued activity in the field put the Government into competition with private lenders ready and able to handle all legitimate and justifiable loans.

SAYS MOTIVES HAVE CHANGED

Asserting that the RFC should have been put into liquidation at the end of the war, he declared it was "no credit to the Government" that this was not done "for the functions which have heretofore motivated the RFC do not appear to be those that now keep it in operation."

"Excuses are found to make loans, and in large amounts, that under no circumstances can be justified," he said. "The RFC should not be regarded as a source of easy money, a place where improvident loans may be made for personal or political reasons; a bank of issue for the socialization of the Nation's economy and a spigot where funds flow to those who are classed as acceptable risks because of political expediencies."

He left no doubt about the type of loans he referred to in this broadside, asserting that the RFC was being "prostituted when making such loans as the Kaiser-Frazer, the Lustron, the Tex-Mass and the Waltham Watch Co."

"I mention these foregoing loans," he said, "because they are the ones that have been greatly publicized. I am not familiar with loans by the Corporation generally, but have no doubt that many of them will work out. I did notice in one of the Corporation's reports, probably at the end of the year, an item carried as 'Loans for consolidation of debt.'

"That sounds very much like loans to pay creditors of the borrower which should not be a function of the Corporation and I am sure was never intended by the Congress."

Mr. Jones, a Director of RFC from 1932 to 1939 and its Chairman for the last eight of those years, stated his case for doing away with the Corporation in a letter to Senator J. WILLIAM FULBRIGHT, chairman of the Senate Banking Subcommittee on the RFC. Mr. FULBRIGHT had solicited his views.

SADDENED BY MISUSE

Confessing he gave answer with mixed feelings about an organization for which he had developed great affection, Mr. Jones said he still took pride in the confidence which the Congress repeatedly placed in the Corporation while it was under my direction." He said he now was "saddened by the way it is being misused."

Founded as a weapon against the depression, the RFC could have been abandoned in the late thirties but for war clouds then gathering, Mr. Jones said. With its experienced personnel, he said it was natural to take over war work, in which it did a Herculean task.

He then proceeded to recite abuses that he said had grown up in the Corporation's operation.

"If the Congress is not willing to liquidate the Corporation," he said, "then I suggest that it close its 32 branches and only make loans to business and industry in cooperation with banks and other financial institutions which would make and administer the loans and carry a participation in them of not less than 25 percent for their own account."

Mr. Jones specifically recommended that the Corporation's participation in any loan be limited to a few hundred thousand dollars.

URGES AN INVESTIGATION

"A thorough investigation of the Kaiser-Frazer loan, the Tex-Mass loan, the Waltham Watch loan, and the Lustron fiasco," he declared, "is clearly indicated, and this might be helpful to the committee in determining its recommendations for the future of the Corporation."

So long as the RFC remains in the lending business, Mr. Jones said, it would get applications for loans in spite of the belief he held that there was not "any lack of justifiable credit anywhere in the country."

"Some people would prefer to borrow from the RFC rather than from their local banks," he asserted. "Some may feel that they can go to their Congressman or their United States Senator or possibly to the White House and bring political pressure to bear on the Government-lending agent.

"The lending agent may feel that his job is a political one and that, to hold it, he must go along, or he might even feel that the judgment of men in high places in Government might be better than his, and accordingly approve a loan that should not be made without information on the subject, that must have been the situation with respect to the four loans mentioned."

Those are rather strong words from a former Chairman of the RFC. I wonder if it is not time for the appropriate committee of the House to take a little look-see into the operations of this Corporation.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 115, line 16, strike out "$26,000,000" and insert "$24,000,000."

Mr. GARY. Mr. Chairman, I ask unanimous consent that debate on the pending amendment close in 10 minutes, with 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. TABER. Mr. Chairman, this is an attempt to reduce the item for administrative expenses.

Mr. Chairman, I have offered this amendment believing that some contractions in the activities of the RFC should be made. You have heard the gentleman from New Jersey tell us some things. We have heard about the Lustron matter which the House has so very clearly gone on record against. They built a lot of these metal houses which are not satisfactory and have not worked out. They could not sell them for anything like what they cost. It is about time we stopped putting a great deal of money up for things like that which ought not to come out of the Treasury. There was something, as I remember it, like $100,000,000 in Lustron. For Kaiser-Frazer there was something like $50,000,000, although I cannot remember the exact figure. This Waltham Watch business ran to something like $67,000,000, and I do not know how much was involved in Tex-Mass, but I think it was several million dollars.

If they would concentrate their activities on really relieving distressed and legitimate going concerns and not get

mixed up in things of that kind and not spend the Federal Government's money for loans of that sort, they can get along with a great deal less money for their operating expenses. This will only reduce the amount to $1,755,000,000 below last year's appropriations. I believe that can be done and that they can get along without any trouble at all. This is one of the places where a cut can be made which will be a constructive cut and which will result in less dangerous activities so far as the Federal Treasury is concerned. Perhaps it might result in a very large saving if we can confine the activities of that Corporation to things which need to be done instead of having them engage in these highly speculative matters which have not worked out at all.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. KEATING. Does not the gentleman think if the amount allowed for administrative expenses were reduced it would result in some curtailment in the activities of the Corporation which would be all to the good by avoiding the situation where the Government goes into these ventures where the taxpayers lose a great deal more than even the $2,000,000 that are involved in this amendment?

Mr. TABER. It would be notice to them that they must quit these speculative ventures where there is no substantial private investment or interest. If they would confine themselves to real legitimate needs of legitimate business which is putting in something and taking some risk itself, we would not have any such big loans, and we would not have things to explain to the people back home for their delinquencies.

Mr. KEATING. Such activity as the gentleman has described as "other legitimate activities," is what was intended when this Corporation was set up?

Mr. TABER. Absolutely.

Mr. KEATING. We never anticipated, in setting up the Corporation, that they would go into these give-away programs to concerns that are on the verge of or had gone over the edge into bankruptcy?

Mr. TABER. We never did.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANFIELD. It is also an agency of Government that is quite touchy about being asked questions by committees of Congress.

Mr. TABER. It is, but they will have to get over that. We ought to save a couple of million dollars here and then they would probably save several million more.

Mr. GROSS. The taxpayers are getting touchy too, are they not?

Mr. TABER. They ought to be.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. REES. Mr. Chairman, I move to strike out the last word. I rise in support of the motion of the gentleman from New York [Mr. TABER] to reduce the item of $26,000,000 down to $24,000,000. This is a reduction of less than 10 percent. In fact, it is less than 8 percent.

Mr. Chairman, I think I realize that it is the sense of the majority of this membership not to support reductions in this appropriation bill, but I do think here is one place where reduction can be made without any injury to anybody. It is less than 10 percent reduction. This item of $26,000,000 for administration expenses, which is for salaries and expenses incidental thereto, is $225,000 more than this committee allocated for that purpose last year, so this is an increase over last year's appropriation, and the amendment would reduce your recommendation by less than 8 percent of last year's amount.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the able and distinguished gentleman from Virginia.

Mr. GARY. Does the gentleman know that the salary increases voted by the Congress last year amount to $675,000, so that the committee has allowed them a great deal less than the total amount of the salary increases which this Congress has authorized and directed us to pay?

Mr. REES. I am quite familiar with that. Also, that quite a number of presidential appointees received a substantial amount of this increase. The increase to those in the lower brackets was quite moderate.

As I understand it, the Reconstruction Finance Corporation was created principally to take care of loans of worthy concerns that were in distress because of depression conditions. It rendered a great service in that respect. Since that time it has also gone into the business of competing, to some degree, with private enterprise. I think, in recent years, it has taken on some unnecessary risks. Some loans that good judgment would not approve. Some loans in the past couple of years that were quite a risk in venture capital.

May I ask the distinguished chairman of our great Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], who made such a wonderful and effective plea a few days ago for saving money for the people of this country, and relieving them of a little of the responsibility of paying taxes, I am wondering if he does not think that here would be a good place to save $2,000,000 without any injury at all. The management of the RFC certainly can curtail their expenses to the extent of less than 10 percent. They can trim their personnel and expenses and absorb a little of this reduction. Now, the gentleman is a hard-headed, careful businessman himself. I know he believes in saving every penny and every dollar that he can. I wonder if he would not go along and help us save $2,000,000. I know the country will appreciate it. I know the people will applaud him if he will go along with us on this particular item. What is the gentleman's advice on that subject?

Mr. CANNON. If the gentleman's associates on the minority had made that proposition in the subcommittee, I would have supported it. Every proposition made by any member of the minority to cut appropriations, with the one exception noted yesterday, when the bill was under consideration in the subcommittee, I supported. Then and there was the time to make the cut if the minority really wanted to cut. Of course, today, here on the floor, when the proposal is obviously political, we have another situation. In the subcommittee, when the bill was being written, the gentleman's party opposed these cuts.

Mr. REES. Well, here is a wonderful opportunity to support the ranking minority member of his committee.

Mr. TABER. Mr. Chairman, to me that is a declaration that the amendment ought to be adopted.

Mr. REES. I do, too. I may say to the distinguished gentleman from Missouri that if he will lead the way we will save $2,000,000 before we are through this afternoon. It will be most effective if the gentleman will support this proposal. It will save $2,000,000 without injuring anybody. It will have a helpful and salutary effect upon the House and upon the country.

Mr. Chairman, I would not be misunderstood. The Reconstruction Finance Corporation, since its inception back in the twenties, has rendered a great service to the business interests and to the people of this country. Only on few occasions have I criticized the activities of this organization. I am informed that at present the balance sheet would show a profit. We hope it may show as well in a couple of years.

The thing we are discussing is whether the RFC will curtail its administrative expenses by less than 8 percent over last year. This would be in line with the policy laid down by this committee a couple of years ago when agencies were requested to absorb certain requested administrative expenses. Furthermore this agency, I am informed, is not supposed to expand its activities during the next fiscal year, at least.

The CHAIRMAN. The gentleman from Virginia [Mr. GARY] is recognized for 5 minutes to close the debate on this amendment.

Mr. GARY. Mr. Chairman, my good friend from New Jersey, the ranking minority member of the committee, has stated something about some Hagerty transactions of this Corporation. Frankly, I am not familiar with the Hagerty matter. I understand that it is under investigation at the present time by a Senate committee. If there is anything wrong, I hope it will be discovered and that the guilty will be properly punished. I wish, however, to call attention to the fact that one of the first presidents of RFC was Mr. Charles G. Dawes, of Chicago, and shortly after he left the organization the corporation lent to his bank in Chicago millions of dollars. I do not say that there was anything wrong in that transaction, but there was considerable criticism at the time, and I simply want to keep the record straight as to past transactions.

Mr. Chairman, let me say that this item is not an appropriation. It is merely an authorization for the RFC to use a portion of its receipts for operating expenses. The Corporation is making money—not a penny of the amount in question is paid out of the Treasury. As a matter of fact, the Corporation actually earned last year $3,100,000. It is

estimated that in 1950 it will earn $27,300,000; and it is estimated that in 1951 it will earn $39,100,000.

You will not cut one penny from the amount appropriated in this bill by adopting this amendment. Although, under the law, the Congress must authorize the expenditures of the Corporation, it does not appropriate funds for those expenditures out of the Treasury. We authorized for fiscal year 1950 the expenditure of $25,775,000. They requested $27,100,000 for 1951; we allowed $26,000,000. In other words, we cut the request $1,100,000. It is true this is $225,000 more than they spent last year, but the salary increases voted by the Congress last year for employees of the Corporation were $625,000.

Just one thing more. I have heard a lot of talk in this body about the desire to aid small business. This is the Corporation that is aiding small business; and the reason for these additional expenditures which they have requested is largely because of the small-business loans they are making at the present time in an effort to strengthen our economic condition. If we cut this Corporation's authorizations too drastically, we inevitably will affect its ability to help the small-business corporations of the country.

Mr. REES. Mr. Chairman, will the gentleman yield that I may ask a question or two?

Mr. GARY. I yield.

Mr. REES. The gentleman does not maintain that the Kaiser Co. and the Lustron Co. are small business, does he?

Mr. GARY. I would guess that they are not much larger than the Charles G. Dawes bank in Chicago; but I would say to the gentleman that the Kaiser loan is but one loan made by the Corporation and that loan has been carefully investigated. This Corporation has a very substantial reserve set aside for losses and it has had a very satisfactory loan experience; it has lost very little because of bad loans.

Mr. REES. I am just talking about the difference between small and large concerns.

Mr. GARY. They do make some large loans.

Mr. REES. That is what I mean.

Mr. GARY. Yes; they do make some large loans, but a great majority of their loans are small ones, because most of the big companies can go to the banks and borrow money, whereas many small-business men cannot; so most of the loans of this Corporation are for small business.

Mr. REES. The gentleman will agree that this $2,000,000 reduction we are talking about would to that degree reduce the cost to the Treasury and largely go back to the Treasury.

Mr. GARY. It is not paid out of the Treasury; none of the receipts of this Corporation——

Mr. REES. But it will reduce expenses that much.

Mr. GARY. Any savings would go into the reserves or other assets of the Corporation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 54, noes 63.

Mr. TABER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GARY and Mr. TABER.

The Committee again divided; and the tellers reported that there were—ayes 65, noes 69.

So the amendment was rejected.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wanted to take some time on the amendment upon which we just voted, but I felt it was futile to make any effort. I am a little discouraged with the fact that members of the subcommittee too often feel when they bring in a bill it cannot be cut. I undertake to say to you, Mr. Chairman, that one of the most important things this Congress can do is to reduce these several items where they will stand a reduction. The people throughout the Nation are demanding we reduce the cost of Government.

It is my judgment that had we reduced the RFC $2,000,000 it might have served as a warning for those in charge of the Reconstruction Finance Corporation to go a little slower in making marginal and reckless loans for which this organization was never intended.

There are men in this Congress who made their money before they came here, and men all over this Nation who have money to invest who cannot find investment. The banks are bulging with 43-cent dollars throughout this Nation, whose officers would like to loan their money in such a way that it would provide revenue that would come into the Treasury of the United States in the over-all business. But they are not permitted to do so under the free-enterprise system that made this country great, because of the easy-money pattern set by the Government. This organization has got down to the point where they make risk-capital loans, that the RFC know never should be made; they should not make, such as the Lustron Corp. loan, phony loans of that kind, which caused the Government to lose $37,500,000 on this one operation, and possibly various other loans like that; for instance, the Kaiser loan, going into competition with legitimate organizations that have served this country for years under our competitive system, is another example

We should have, in my judgment, reduced their appropriations, which would have caused them to stop, look, and listen. As was said, when the Reconstruction Finance Corporation was brought into being, it was for the purpose of making distress loans.

Reference has been made to the loan to the Dawes bank in Chicago. I think it was something like $87,000,000. They say, "Well, that loan was made." Yes, that loan was made, and that loan of something like $87,000,000 was a distress loan that prevented hundreds and hundreds of correspondent banks dependent upon the Dawes bank from going broke throughout the Mississippi Valley during the run on the banks. That loan was paid back with interest, and that was the purpose of setting up in the first place the Reconstruction Finance Corporation, which has been prostrated into the position now of investing Government capital as risk capital on loans that are causing a loss, on loans that are in competition with private industry.

I am sorry that it was seen fit to vote this amendment down, and I hope when other amendments are offered to reduce items in this bill at various places, as they will be offered in the future, that some of you Members of the administration will recant a little and give us an opportunity to reduce where reductions are justified.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Virginia.

Mr. GARY. I would like to ask the gentleman if, as a matter of fact, the reason the Dawes loan was paid back was not the fact that the Democrats brought prosperity to the country?

Mr. VURSELL. No, it was not the fact that the Democrats brought prosperity to the country, but it was because of the great ability of the former Vice President of the United States, the man who introduced the budget system in order to control Government expenses, and because of the confidence the people had in him as one of the outstanding financiers of the midwestern part of this Nation, that he was able to operate his bank successfully and pay back every dollar with interest.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the purpose of my taking these few minutes is to extend my congratulations to a very efficient Member of this House. I have reference to the gentleman from Tennessee [Mr. PRIEST] the majority whip. I have been very much interested in seeing the gentleman operate on the numerous teller votes. I think he is doing a good job for his side of the House, and that job is to bring in through the tellers just sufficient Democrats to barely override time after time the efforts of the Republicans who are trying to achieve a little economy in this House. I think that the gentleman from Tennessee is doing a good job for his party. That is his responsibility. I think he is efficient, but it does seem strange to me that I have not as yet seen more than three Members of the Democratic side at any one time during this past week going through the tellers on any amendment that called for a reduction. I want that in the RECORD. I think the people of the Nation are entitled to know the facts.

If I am wrong in this assertion that not over three Democrats have gone through the tellers on any one vote calling for reductions in appropriations, I will be glad to be corrected. Personally, I repeat, I have not observed any support given to the Republican economy amendments, other than from three Members of the controlling party, in any one instance.

I wonder if you Democrats view your duty as being first to the people of the Nation or is it absolutely essential for you to follow your whip, Mr. PRIEST, who after all is doing a splendid job of backing up the administration in this House. I leave that thought to your conscience. Also, cannot loyalty to one's party blind a person perhaps to the huge deficit faced by our Nation this year and next?

The Clerk read as follows:

This chapter may be cited as the "Treasury-Post Office Departments Appropriation Act, 1951."

The CHAIRMAN. Are there further amendments to the last paragraph of chapter IV? [After a pause.] The Chair hears none.

DEPARTMENT OF LABOR AND FEDERAL SECURITY AGENCY

General debate will now be had on chapter V, the same to be limited to 1 hour.

Mr. GARY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that Committee, having had under consideration the bill (H. R. 7786) making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes, had come to no resolution thereon.

SPECIAL ORDER GRANTED

Mr. O'HARA of Illinois asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

H. R. 3960

Mr. FULTON. Mr. Speaker, I ask unanimous consent to withdraw the bill H. R. 3960 which I introduced and which is a private bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HOUR OF MEETING DURING THIS WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow; that when the House adjourns tomorrow it adjourn to meet at 11 o'clock on Wednesday; that when the House adjourns on Wednesday it adjourn to meet at 11 o'clock on Thursday.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. MULTER] is recognized for 60 minutes.

CONGRESS SALUTES ISRAEL

Mr. MULTER. Mr. Speaker, it is my happy privilege to take this time to extend our heartfelt felicitations to the State of Israel, its officials, and its people, who are devoting this week to marking the second anniversary of the independence of this new republic.

Israel's celebration of the second anniversary of its independence is cause for rejoicing by all civilization. It signifies the realization of age-old dreams and hopes. Its very existence indicates that the Jews are no longer a homeless and aimless people. That they now have a haven for the homeless and the persecuted, to which they have been streaming in the hundreds of thousands in the last 2 years.

It was not easy for the people of Israel to reestablish their homeland. We all know the record of blood and tears, of toil and sorrow, before and since independence was attained. Even now, as we celebrate its second anniversary, we are told that their Arab neighbors are building up their armed strength as part of a plan for a renewal of their efforts to crush the new state and all that it stands for.

We have been getting reports from Cairo where the Arab League recently held an important conference. The major topic of discussion was Israel—not plans to reach lasting peace with Israel and throughout the Middle East, but plans to crush Israel economically, to isolate it as much as possible and to force Egypt and Jordan to break off peace negotiations with Israel.

Several days ago there was a debate in the British House of Commons on the question of British arms shipments to the Arab countries, while at the same time Britain maintains an embargo on the sale of arms to Israel. Members of parliament, of all parties, urged the government to stop sending arms to the Arab states because of the threats of a renewal of warfare against Israel or, in the alternative, lift its one-sided embargo and allow Israel to purchase arms in England. In reply to these requests, the Undersecretary for Foreign Affairs, Ernest Davies, pretended that—

The position is not quite the same as regards Israel and we have treaty obligations toward Egypt, Iraq and Jordan.

Under the pretext of treaty obligations Britain maintains she must ship arms to the Arab states, while refusing to enter into negotiations with Israel to help her defend herself. At the same time we learn that—

The Tel Aviv government has been told by London authorities that if it will reach full settlement with the Arab states it can also receive military supplies from Britain.

It is very queer that no such conditions have been imposed on the Arab countries. They are not required to enter into peace settlements with Israel before Britain assumes treaty obligations to supply them with arms. But Israel, which wants peace and needs peace in order to be able to devote its full attention and resources to integrate the hundreds of thousands of immigrants who have come into the country in the last 2 years, is told to reach a settlement with the Arab states who have not shown the least inclination to enter into such negotiations.

This is a most vicious circle, a buck-passing merry-go-round, for which Britain is solely to blame. All this means keeping the Middle East in constant turmoil and that, mind you, at a time when it is so imperative for the United States to have tranquillity and peaceful cooperation in this important area of the world. Is this to be regarded as Anglo-American cooperation and coordination of mutual interests? Or are we to regard it as the same old double talk that we always get from those stupidly selfish British, few but powerful, who refuse to face the truth.

It is gratefully remembered by the people of Israel and by Jews in this country and all over the world that the United States was the first nation to grant recognition to Israel. This fact will go down in Jewish history in bold—yes, in gold letters. To date, a total of 59 nations have granted recognition to the State of Israel, including three Moslem countries: Turkey, Iran, and Indonesia.

It is, likewise, gratefully remembered that the United States granted material aid to Israel in many ways, and more particularly by a $100,000,000 loan. All of this tremendously helped the infant Jewish state in its efforts to build up its economy and to utilize its resources to the full.

In the midst of our great jubilation, as Israel enters its third year of independence, our hearts and minds are filled with prayer that its people and all the world may soon know true peace. I further hope and trust that our own country, these great United States of America, will not only continue its policy of close friendship with Israel, but that it will take the necessary precautionary steps to assure Israel's continued existence as a free state. We must make crystal clear to all would-be aggressors in the Middle East that this country will not tolerate any aggression against the only state in the Middle East built on true democratic principles—the State of Israel.

By example, as well as by precept, that state is teaching that part of the world how to live as brothers. God gave us the privilege of holding high the torch of liberty in order to enlighten the world. To continue to earn the blessings of the Father of all mankind, we must keep burning the flame of freedom which we helped to light in the Near East.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. YATES. Mr. Speaker, I ask unanimous consent that I may extend my remarks to appear at the conclusion of the remarks of the gentleman from New York [Mr. MULTER].

The SPEAKER pro tempore (Mr. TRIMBLE). Is there objection?

There was no objection.

Mr. YATES. Mr. Speaker, the Republic of Israel is 2 years old today, a young nation in years but one which is adult in every other respect. In a period of weak and vacillating governments, she has established a stable regime that speaks and acts with authority because it truly represents its citizenry. She has been received as an adult nation in the councils of the United Nations.

Sprung phoenix-like from the pyre of 6,000,000 Jews recently massacred in Eu-

rope, Israel is building in a world of destruction. From the rocky, shrub-coated hills of Galilee, along the Lebanese and Syrian frontiers, through the Jordan Valley, down the Plain of Sharon and southward into the Negeb Desert, robust new communities are mushrooming. Over a barren land, sand dunes are being covered with the blossoms of fruit trees; malarial swamps are becoming pleasant dairy farms. Israel is not only making a home for those who have survived the horrors of concentration camps; she is raising the economic and social status of peoples who have come in great numbers from the Orient and Africa—and that of her native Arab population.

With a land that was said to be already overpopulated—a land without the unlimited natural resources of young America—but with the faith that man with God can do the impossible, she has opened her gates to unlimited immigration. She has had the courage of liberty, saying in the words emblazoned upon our own Statue of Liberty:

> Give me your tired, your poor, your huddled masses yearning to be free. Send them, the homeless, tempest-tossed to me. I lift my lamp.

Mr. Speaker, this bright new nation is entitled to her opportunity to live. Although born in combat and emerging victorious from a war in which it overcame overwhelming odds, Israel has no desire to continue as a warrior nation. It wants to live in peace so that it may develop its resources for the benefit of its people and the world. It cannot do so because of the threat of the recurrence of hostilities with the Arab nations whom she defeated and who are rearming, with the sustaining flow of war matériel from England. As long as that flow of arms is continued, peace in the Middle East will be a mirage. The Dove of Peace cannot alight in the midst of beating war drums. We must help still those drums.

As our Nation has displayed to the world the dynamism of growth, Israel is also proving the efficacy of determination and a dream. She is a bridgehead of democracy in the east. She is bringing a constructive, enlightened democracy to a vast area where age-old tyranny still reigns. We honor her, not just today, but for all time.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. McCORMACK. Mr. Speaker, I am glad to join with my friend from New York in the very sound and able remarks that he has made on this occasion.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is said that "life is not time; life is content; time is merely a vessel in which one deposits the jewels of one's achievements."

Measured by this concept, the 2 years of the existence of the free, sovereign, and democratic state of Israel constitute what historians call an epoch in the annals of the struggle of peoples for self expression and for the achievement of a status of equality and dignity in the family of nations.

This second anniversary of the proclamation of Israel's independence and the manner by which Israel's freedom has been obtained, serve as an inspiration and encouragement to all other peoples in every corner of the earth who are longing for national self fulfillment and for the achievement of complete national integrity.

In the light of this miraculous national rebirth of Israel, we need not despair of civilization and progress in spite of the terrific strain and manifold afflictions with which mankind is beset today.

Here we see a people who have been forcefully driven out from their homeland and for centuries were scattered and spread throughout the world, exposed to cruel oppressions of all kinds and humiliating persecution. Probably the climax of that terrible fate was reached in the crematoria and gas chambers of Hitler's Germany, where 6,000,000 Jews—men, women, and children, and infants even on their mothers' breasts—were exterminated. And yet, the power of faith has always proved itself to be all conquering. The miracle of recreation came to pass before our very eyes. The remnant of Israel is marching home to resume life in their national homeland, which was destroyed by Titus.

As Americans we may point with pride to the fact that, in the enactment of the epic of Israel reborn, our own country, in no small measure, contributed toward the hastening of this day of fulfillment.

The Republic of Israel naturally could not escape the ailments of infancy. However, it is gradually and, we hope, successfully overcoming them.

Indeed, Israel's achievements of organized, orderly statehood, in so brief a time, are as heroic as its military victories.

These accomplishments are the more remarkable when one recalls the confused conditions and disruptions of civil life which prevailed in Palestine after the exit of the British administration.

A new world was created by Israel out of chaos. I am persuaded that Israel's problems of today, both internal and external, will eventually be successfully solved in a spirit of amity and mutuality.

Israel needs peace even as one needs the oxygen of the air. Israel needs the good will of mankind. I am confident that Israel will do everything to deserve the continuous respect of the democratic nations of the world and make itself worthy of the confidence of mankind.

The social and economic problems of the nations of the Near East are overwhelming. There is need for the improvement of the lot of the common man in the Arab countries in order to enable him to live under elementary decent conditions of life to which a human being is entitled. The Arab countries and Israel can, therefore, ill afford to use their economic resources for the unproductive pursuit of an armament race, which should be used for the improvement of the standard of life.

The recent action of the Council of the Arab League in Cairo, Egypt, in coercing Transjordan to suspend its peace negotiations with Israel, is regrettable.

Intransigence against peace is never a virtue.

Our own Government, like Israel, is deeply concerned in the establishment of enduring peace between Israel and the Arab Nations, and the development of normal human relationships among all the countries in the Near East, including Israel.

I confidently look forward to the creation of new human values in Israel as well as among the Arab Nations. Mankind will be grateful for a new and inspiring message as a guide to a perplexed world.

These are my thoughts on this day when the second anniversary of Israel's independence is being celebrated, accompanied by my heartfelt felicitations and best wishes for prosperity, tranquillity, and peace—the watchword of God.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. MARTIN of Massachusetts. I am happy to join the gentleman from New York in this birthday celebration of Israel.

Mr. Speaker, we Americans, regardless of race, color, or creed, who love liberty, have cause to rejoice together today. For this is the day of the rebirth of Israel's independence. Two years ago a new light of democracy was kindled in the east on the day of Israel's proclamation of independence. The third Jewish Commonwealth has appeared on the arena of history as a concrete, potent, and living force, on the foundation of the ideals of liberty, equality, and justice—ideals so dearly cherished by us as Americans.

This event commands and should command the respectful attention of history.

It is inspiring to behold a people, separated from their homeland and fighting for 1,900 years for survival, find itself again in the land of its forefathers, as a free and sovereign people.

We recall with admiration the early days of Israel's struggle when it was faced with overwhelming forces of the armies of five Arab nations in a frantic attempt to crush Israel's life at its birth. Israel is a free nation today because of the determination and the sacrificial valor of its youth who shed their blood on the field of battle in defense of freedom. This was one of history's finest demonstrations of vigor, courage, and lofty idealism.

In this human drama of the rebirth of Israel, the United States was not a passive spectator.

I think it is not inappropriate on this occcasion, to call attention to the fact that it was the United States Congress in 1922 which gave its official approval to the aims and aspirations of Zionism through what was known then as the Palestine resolution, which was sponsored by Republican leadership. The official sanction by the United States Congress by a joint resolution, was the first act of any legislative body of the world to endorse and acknowledge the rights of the Jewish people to establish

their national home in Palestine. This was the foundation of our American policy which manifested itself in manifold benevolent ways, contributing much to the realization of the Jewish dream to reestablish their nation in the land of their ancestors.

I like to believe that this bond of friendship between Israel and the United States will continue and progressively grow stronger.

I am aware of the terrific struggle in which Israel is engaged today—the struggle of receiving and absorbing the hundreds and thousands of Jews who come to Israel in search for peace and security. I trust a way will be found to alleviate the existing restlessness in Israel because of the shipment of arms, particularly by Great Britain, to the Arab States. We must help to create conditions in the Near East which will eliminate the present tension between Israel and the Arab States and, above all, stop the armament race between Israel and its neighbors, which is the consequence of the lifting of the embargo for delivery of arms to the Arab nations and at the same time denying it to Israel. Indeed, the remnant of the Nazi victims who found refuge in Israel should not again be exposed even remotely to the possibility of a new slaughter.

As Americans, we extend our best wishes to one of the youngest of states and pray that permanent peace be speedily established between Israel and the Arab states so that they may live together as good neighbors, in harmony and freedom.

It is in this spirit of faith in the future of this new nation that I salute the Republic of Israel.

Mr. KEATING. Mr. Speaker, I am very happy to associate myself with the distinguished minority leader and the other members who are today expressing their felicitations to the courageous State of Israel over the celebration of the second year of its independence.

The struggles, privations, and sufferings which marked the establishment of their birthright by the Zionist patriots find a parallel in those attending the beginnings of our own great Nation. Militarily, the brave Israelis met with outstanding successes, although often hampered by the policies of those governments at whose side they had only recently fought for democracy and freedom against the forces of evil aggression.

On this second anniversary of the independence of the State of Israel, we naturally think especially of the brave men and women who fell in their courageous effort to establish a homeland for the homeless. They can most appropriately be honored by the assurance that their heroic sacrifice has not been in vain.

Therefore, on this auspicious day, we should not only rejoice and give thanks for the accomplishments to date, but also highly resolve that every legitimate step will be undertaken to insure the continued progress and growth in strength and stability of this newest member of the family of nations.

Mr. LANE. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. LANE. Mr. Speaker, I am happy that the gentleman from New York [Mr. MULTER] has asked for this time in order that we may be afforded an opportunity to speak on this momentous occasion. In a world beset by confusion, doubt, and fear, it is a refreshing change to contemplate the hopeful signs about us.

On the world stage, the observance of Israel's second birthday as a free and independent state is clearly one of the most promising developments.

At a time when older nations, with more experience and resources, have slept on their liberties and so have lost them, the brave and successful example of tiny Israel is a reproof and a challenge.

No people in all history have suffered so much and so long for the opportunity to be free. Because of this and the great spiritual strength which sustained them, the Jewish people fought for liberty instead of retreating from it.

They did not ask for guaranties of material security at the cost of self-respect and self-reliance.

They asked only for a restitution in part of the ancient homeland that was stolen from them so many centuries ago and from which they were evicted so heartlessly to become wanderers on the face of the earth.

A few did cling to the fair country in which they had imperishable roots. They endured every persecution as they watched successive conquerors despoil their native land and reduce it to a barren waste.

These few were the nucleus for the rebirth of Israel.

At last the troubled conscience of mankind began to listen to the moral fervor of their pleas, spoken with the ringing call for justice like the prophets of old. A slight concession was made, permitting a pathetically small number of Jews to return to Palestine. It was so little and almost too late. The persecution of the Jewish people reached a climax of agony during and after World War II. Even so-called civilized nations would not give them sanctuary. And so, on foot, and in frail boats, while many died of fatigue and hunger on the way, they struggled back to the homeland only to find the gates closed to them by strange faces who did not belong there.

Neither imperialism nor the designs of the pan-Arabic world could resist the pressure of such tragedy.

There was nothing more that the Jews could lose but life itself and so those in Palestine fought for their independence and for the opening of the gates to their brethren who desperately wanted the shelter of home.

It seemed such a hopeless fight against the power and duplicity of British imperialism and the intrigues of the Arab states surrounding little Palestine.

But they fought with a faith and the courage born of right which those with greater numbers and more material weight could not bring to this task.

Only the American Revolution and the later struggle of the Irish people to win their independence, can be compared with the valiant effort of the Jewish people in freedom's name.

Two years ago yesterday they won, and the new State of Israel was born.

We in the United States were happy, not only because we believed in and supported the claims of the Jewish people, but because we welcomed a new addition to the family of free nations.

In two short years, Israel has made tremendous progress, more than some of its larger neighbors have made in centuries. A new nation that stirs with the enterprise that only freedom can inspire. The genius of the Jewish people is coming to full flower again because they have won the opportunity to demonstrate their talents. Tel Aviv is perhaps the most modern city in this world. Industry, trade, ocean-going commerce and agriculture are booming with pioneer spirit and energy.

Two out of every five Jews in Palestine today have arrived since the declaration of independence.

They are building from the rocky ground up, and with the loving labor of muscle and mind they are reclaiming the deserts and transforming them into gardens of beauty and bountiful harvest.

With the reverence for culture which is their outstanding characteristic, they have already established a foundation of compulsory education for every child. It is one that will enrich each individual with the broad horizons of knowledge and develop the mature and responsible citizenship that will guarantee a great future for this heroic people.

The confidence of American investors in the ability of Israel to establish a sound and progressive society is proof of our faith in the new nation.

For too long, that area which is the birthplace of religion and civilization has been in the hands of those who took without giving in return.

But the Middle East is awakening, led by the bright young star of Israel. It could resolve the difference between man's spiritual ideals and his failure to translate them into everyday application.

From this cradle of life on earth, I have high hopes that the young democracy of Israel will help us to reconstitute a world where men may live again as brothers, obedient to the will of our Creator.

Mr. O'SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. O'SULLIVAN. Mr. Speaker, on this occasion I wish to join with the gentleman from New York [Mr. MULTER] in congratulating the State of Israel on this its splendid second anniversary, and I express the sincere hope that it may continue long as a nation and set a splendid governmental pattern for all other nations to follow in the future—the long years to come.

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. PHILBIN. Mr. Speaker, I am highly privileged to join with the gentleman from New York in extending congratulations and best wishes to the State

of Israel upon the second anniversary of its national independence.

Friends of Israel may lock with genuine pride upon the constructive achievements which have been recorded since the inception of this new and brilliant star in the firmament of free nations.

On the glorious day so fittingly set aside to celebrate the second year of its independence, I am pleased and honored to send my heartiest greetings and congratulations to those who sacrificed so much to insure the reality of a free Israel.

While we rejoice in the progress achieved thus far, we must be inspired to a constant vigilance and dynamic action, where necessary, to preserve the integrity and security of the new state which is still challenged by hostile forces.

The American Nation, mindful of its own heritage of freedom, will continue to manifest deep interest and wholehearted cooperation in protecting Israel against aggression, infiltration, and interference with its precious right of self-determination. That must be our unflagging purpose at this critical time.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. McDONOUGH. Mr. Speaker, I am happy to take this opportunity to extend my sincere congratulations on the second anniversary of the establishment of the State of Israel to the Jewish people, who by sheer courage and determination have taken their place among the nations of the world.

In the struggle for independence and freedom the State of Israel has demonstrated that the will and determination of a people to be free of oppression can be realized, regardless of the difficulties which have to be overcome.

My sympathetic efforts to help in the establishment of the State of Israel have been freely given both in my position as an official of Los Angeles County and as a Member of Congress from California. It is my hope that the State of Israel will continue to prosper and grow in importance among the other nations of the world.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. EBERHARTER. Mr. Speaker, I want to commend the gentleman from New York [Mr. MULTER], and all the other Members who have spoken and those who will speak hereafter, on the splendid remarks that have been made and will be made. It seems to me that this is a demonstration on the part of the membership of the House of real, heartfelt congratulations to the State of Israel. I am sure each and every one wishes for it the high place in world affairs which it deserves. Even though it is small in its population, I know it will be a shining example of real democracy to the rest of the world.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield.

Mr. FLOOD. Mr. Speaker, on the eve of the adjournment of this House for the Christmas recess in 1946, I had the pleasure of seeing a resolution that was introduced in this House by me passed by the House, calling upon the Congress to express its belief and hope that there would be a free civilian republic established in Israel. That was done, and I am pleased that by so doing and by my speaking today and by the words of my colleagues who are here today we give evidence to the world and to our brothers that this is not entirely a Jewish problem; the establishment of a free and sovereign state in Israel was a Christian problem as well and continues to be so. I am pleased that the United States of America on this, Israel's second birthday, extends again hands across the sea to this brave and courageous people in their brave and independent republic.

Mr. MULTER. I yield to the gentleman from New York [Mr. TAURIELLO].

Mr. TAURIELLO. Mr. Speaker, I am happy to join the gentleman from New York and the other Members of this House in extending felicitations to the new Republic of Israel. Certainly this new Republic that is celebrating its second anniversary should be extended every encouragement that we possibly can, especially when we consider that this new nation is the outpost of democracy in this part of the world.

This great country of ours that is contributing assistance to some of the nations of Europe to maintain democracy there certainly ought to lend every effort to maintain and help this nation take its place amongst the family of nations throughout the world, and I am happy to join my colleague from New York.

Mr. MULTER. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. We friends of the State of Israel in the United States Congress wish to congratulate the state upon its second anniversary and wish it every success in the future. The people of the United States want to progress with the State of Israel shoulder to shoulder in the years to come.

I want to join with the gentleman from New York in his views, and to congratulate him on his remarks of encouragement to this fine young Republic.

Mr. MULTER. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Speaker, I, too, salute the gentleman from New York on leading the House in this observance today. I was the first American Congressman to trod the sodden paths of Buchenwald in April 1945. When I returned I wrote the President of the United States stressing the urgency of the Palestine movement. I am pleased now to be able to join in the celebration of Israel's second birthday. A brave and long-suffering people have written history in Israel, and they appreciate the inspiration and encouragement accorded by the United States of America. We should continue to lend them this inspiration and encouragement.

Mr. MULTER. Mr. Speaker, I yield to the gentleman from New York [Mr. MCGRATH].

Mr. MCGRATH. Mr. Speaker, a year ago I was thrilled as I stood in this Chamber and paid tribute on the first anniversary of the founding of a new nation, a new nation that had conceived itself and dedicated itself to the principle of justice to all of its people, a nation that was young and yet was strong; a nation that recognized that it had its difficulties ahead, and yet it took into consideration not only the money consideration that every new nation must recognize when it opens its arms to the people of that race. Just like my own race, they had been persecuted down through the years.

Last year as we were in Europe we saw the aged Jewish people who recognized that their day of life was about ended, yet they wanted to live up to the Biblical injunction to return to the Promised Land and there to pass their declining days.

I was so impressed by the action of the government of Tel Aviv as they opened wide their arms to those people whom they knew could be of no benefit materially to their nation, yet they recognized the strong spiritual urge that prompted them to come again to that land. So today as we stand again and speak out in praise for the government of Tel Aviv, while we have hopes of that nation's becoming stronger, we must recognize that it faces a very serious problem, that of its national economy. Israel will keep on, but it may be necessary for them to receive help. I know that government will always find help here in America, for in this Congress are many men of heart and courage who will offer assistance to them. Israel will continue to become stronger, to become greater among the nations of the world, another nation in another part of the world added to the United Nations, without partition, and that the two of them will go forward a victorious, a grand and glorious nation just as has our beloved America.

Mr. KLEIN. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. KLEIN. Mr. Speaker, this is a historic occasion. It is a great thing we are doing here, it seems to me, when we extend felicitations to the newest democracy in the world. We all know how the people of this country and the Members of this body feel about this great country over there. Certainly many other Members who for one reason or another could not be here feel the same way.

Does not the gentleman from New York agree with me that there might be a better way for us to show how we feel about this democracy in the Middle East, which I have predicted, and will again, will some day be the greatest democracy in that part of the world. Would it not be more fitting if it were possible for this Government and for us as representatives here to to something more substantial than simply extend Israel felicitations? I mean by that, to

do something about stopping the flow of arms to the Arabs which will have one effect only. Mr. Speaker, I know the gentleman agrees with me. The effect will be to start what they call a second round in the Middle East. It will encourage the Arabs to think that possibly some countries, specifically and I refer now to Great Britain, and we in this country have some small part also in that, in the flow of arms to the Arabs must have the effect of starting another war. I wonder if it would be possible to bring some pressure—I do not like that word particularly—do something so that we can get our State Department to stop the flow of arms which is going from this country, and there is no question about that. It has never been denied. The statement is made that Great Britain is fulfilling its treaty agreements with the Arab states by sending them these arms. They have said very often that the only purpose of sending these arms is to maintain internal security. That is ridiculous when you note the type of arms that are being sent, such as jet planes, cannon, and all the implements of war. Yet the Labor Government of Great Britain has the gall to say they are sending these arms over to maintain internal security.

Mr. Speaker, I hope the action we are taking here today may culminate in some other form of concerted effort so that we may stop this flow of arms and permit the State of Israel to grow as it should. What we are doing in permitting this flow of arms is simply to make the Israelian Government use money for arms which it could use for more useful purposes. It has to defend itself. If we stop the flow of arms to the Arabs we would let these people use that money for other economic purposes, permit themselves to build up their state so that it would be able to take its place among the nations of the world.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, in reference to the same point the distinguished gentleman from New York who just left the floor referred to I hear lately it is being suggested that the reason given by the British Empire for the sale and transportation of arms to the Arab nations is because the Arab nations have pledged their allegiance in case of hostilities with Russia, and that Israel merely says it will be neutral. May I say to the gentleman, may I say to you, Mr. Speaker, I would certainly prefer any place any time anywhere, even neutral Israel, to a militant protestation of alliance by any or all of the Arab nations. If there must be a sale and transmission of arms to the Arab nations then under the circumstances the same rights and the same equal privilege of the transportation of arms should be given to Israel.

Israel is a free and independent, peace-loving nation, it has no aggressive instincts or desires against its neighbors. We do not feel that the same circumstance is true of the neighboring and allied Arabs.

Mr. MULTER. Mr. Speaker, I thank both gentlemen for their comments. Both are right as far as they go. I can assure the gentlemen that this expression of good will unanimously offered here on the floor today is an indication that we here are alive to these very vital issues and will do all within our power to see that there will not be any new outbreak of hostilities in the Near East. We can rely on Israel to carry on no acts of aggression and we hope that Britain is right in its statement that it is supplying arms to the Arabs only for the purpose of withstanding Soviet aggression.

I have my doubts as to what the Arabs intend to do with those arms, but I express the hope that the Arabs will carry out the British hope that they will only be used against aggression by Soviet Russia.

I yield to the gentleman from Massachusetts [Mr. DONOHUE].

Mr. DONOHUE. Mr. Speaker, I think it most appropriate that we as a freedom-loving legislative body pause here today to extend our congratulations to the leaders and the people of Israel, on the occasion of the second anniversary of their independence.

We all recognize that these 2 years have been a period, not only of great achievement but of real suffering and sacrifice for the citizens of this new state.

Truly Israel's independence was only acquired through a demonstration of the people's ability to undergo trial by fire. The recordings of modern history will, I know, extend full credit for creating the free State of Israel to the brave men and women who accepted fierce battle as the only means of gaining a rightful sovereign status. In meeting the challenge of their personal history this one small nation has given active expression to the conscience of all peoples of the world.

Having survived the battle, having reached independence, having provided haven for 400,000 souls in 2 years, Israel is, and will be, confronted with many more trials. However, one cannot believe for a moment that a country which could so quickly forge a victorious army, which could so rapidly take its place on the international diplomatic and political scene will fail to successfully overcome new challenges as they occur. In the months to come the statesmanship and the vision of her officials, the patience and persistent courage of her people will be recurrently, severely tested. I am confident she will continue successfully to carve out her destiny and justify our confidence in her substantial contribution to a peaceful democratic world.

Mr. MULTER. Mr. Speaker, I yield to the gentleman from Washington [Mr. MITCHELL].

Mr. MITCHELL. Mr. Speaker, I want to join my distinguished colleague, the gentleman from New York [Mr. MULTER] on this important anniversary.

A year ago I took note in this House of the first anniversary of the founding of the Republic of Israel. Another year has passed. The democratic state of Israel has sunk its roots a little deeper in the soil of that historic land. The free world will rejoice that the Republic of Israel flourishes and makes progress as a democratic nation.

Democracy is a precious plant. We in the United States should help it to grow wherever we can in a world where the noxious weeds of totalitarianism spring up so swiftly.

The 2-year-old State of Israel is not yet firmly rooted. Hostile Arabs have not yet put away their arms after an initial attempt to destroy this fledgling state. With the gentleman from New York [Mr. KLEIN], I deplore the fact that an armament race seems to be in the making. The contending peoples, Jew and Arab alike, could far better devote their resources and energy to peaceful pursuits and to building a better life.

The United States has demonstrated its concern for the people in the Middle East by giving technical and financial aid in preparing for the rebuilding of areas blighted by centuries of poverty and neglect. I sincerely hope that this aid will be extended and made more generous in the days to come.

To the people of Israel we should continue to offer a sympathetic and strong helping hand. They are beset with tasks of unbelievable magnitude in caring for newcomers by the hundreds of thousands, and in preparing these new arrivals for settled community life. The people of Israel are meeting these tasks with courage and enormous vitality. They seek peace, not war. They want to pursue the opportunity, so long denied, to live and prosper as a democratic nation. We wish them well on the second anniversary of their creation as a sovereign state.

Mr. MULTER. Mr. Speaker, I yield to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, I rejoice with my colleagues on the occasion of the second anniversary of Israel. This is a better world because to the family of nations two years ago there was added this new member, and the accomplishments during the two years of its existence of the young Republic of Israel have been a source of happiness and pride to all of us. A bond of understanding and of similar aspiration in attaining for all men through the instrumentality of free government an ever greater measure of human contentment unites the people of the United States and the people of Israel. On this anniversary occasion we in the Congress of the United States would wish to send to the government and the people of Israel renewed assurance of our affection and of our abiding friendship. I thank the distinguished gentleman from New York [Mr. MULTER], whose outstanding service in this body has been but another of the many contributions to the welfare of mankind by those of Jewish faith, for yielding to me on such a joyous occasion as the observance here of Israel's second birthday. During the long roll of the centuries when the Jews served in every land, in the building of the pillars of civilization, and for a land of their own had only a prayer and a dream, they had opportunity to study all the forms of government which man had devised and had tried. It is natural

that we in the United States should be pleased and complimented that when the centuries-long prayer and dream of a Jewish homeland came into reality it was the American form of government which was adopted. Truly, Mr. Speaker, the United States of America and Israel are firmly bound together.

Mr. GREEN. Mr. Speaker, it was on November 29, 1947, that the United Nations passed a resolution to establish a Jewish State in the British Mandate of Palestine. While this was a world-wide recognition of the 2,000-year struggle of the Jewish people to regain their homeland, it was not until May 14, 1948, that the Jewish State was proclaimed and the British mandate came to an end.

And on that memorable day—May 14, 1948—began the struggle of the world's newest democracy against the ravages of invasion and war. In a baptism of fire, as it were, the Republic of Israel has stood the test. Today the people of Israel are preparing for their second anniversary. They have every reason to be proud of their accomplishments. The world, and especially the United States, looks forward to a strengthening of democratic ties in the Middle East. The cultural achievements Jews have made in every country where they have settled in the past will now find fruition in the Middle East.

We, in the United States, are proud that we have helped play a role in the establishment of Israel. We know how much the Jews of eastern and central Europe yearned for Palestine. We know what the rise of Hitlerism did to their numbers and their hope. With the rise of Hitlerism, Palestine became a real land of promise. The opening of her gates would have been a real weapon in the war against nazism and fascism. But we know this was not done until 3 years after that most terrible of all wars. In the meantime, 6,000,000 Jews of Europe lost their lives.

I think we should pay tribute to the many Jews who have contributed to the development and progress of the United States. Did not a Jewish friend of George Washington go into poverty because he gave all his money to the cause of our freedom? Judah P. Benjamin was in the Confederate Cabinet. Samuel Gompers, who founded the American Federation of Labor, and Sidney Hillman are but two who fought valiantly to advance the cause of American labor. Irving Berlin and George Gershwin gave us memorable music. And what of the philanthropists? There are only a handful of really wealthy Jews in the United States, but they stand among our greatest philanthropists. To mention only a few, there are the Rosenwalds, Schiffs, the Warburgs, the Strauses, and the Guggenheims. Julius Rosenwald alone helped establish more than 5,000 Negro schools in the United States.

With the example of what Jews in other lands have accomplished, I feel certain that one of the great cultural and democratic centers of the world of tomorrow will be Israel. Its second anniversary is a cause for rejoicing throughout the democratic world.

I recently, with a number of Congressmen, called on the Secretary of State to protest the shipment of arms to the Arabs by the British in the hope that Israel would be able to spend its time and money building up the country for peacetime security rather than enter into an armament race. I considered it a privilege in the past to lend my services and assistance in the creation of the State of Israel, and I feel that it would be a great tragedy if the Government of Israel were forced to enter an armament race and divert manpower, capital, and energy into preparation for defense and away from the work of reconstruction and rehabilitation it is now conducting in Israel.

Mr. SABATH. Mr. Speaker, on this great historic occasion—the second anniversary of Israel's proclamation of independence—we Americans salute the establishment of the Third Jewish Commonwealth, founded on the eternal principles of freedom, liberty, and justice which cement our own system of government and way of life. It is my profound pleasure to participate on this memorable occasion.

Israel had its glorious days in the Holy Land. Great happenings and great events have transpired there. For centuries Israel was bleeding in exile, crying in pain, her soul aflame, recalling the glory of old in the promised land; and lifting her eyes while in awe proclaiming the Holy Name is stretching his hands to Jerusalem. For 20 centuries the yearning of the Jews for Palestine did not abate. In prophetic faith the Jews continued to believe that—I quote from the prophet Amos, chapter 9:

> The days come * * * that * * * I will bring again the captivity of my people of Israel, and they shall build the waste cities and inhabit them; and they shall plant vineyards, and drink the wine thereof * * * and I will plant them upon their land, and they shall no more be pulled up out of their land.

This prophecy has been fulfilled and is now an accomplished fact.

Mr. Speaker, the Christian world, and the United States in particular, faithful to their principles of idealism, truth, and justice, have contributed no small part in the struggle of the Jewish people against overwhelming odds and destructive forces. The United States Congress faithfully endorsed and acknowledged the historic right of the restoration of the Jews to their ancient homeland. Indeed, the American people take great pride in the fact that it was the President of the United States who was gloriously destined to be the first statesman of the world to recognize the establishment of the State of Israel and thus, because of this epoch-making event, President Truman and our beloved country and people found an everlasting place in the history of mankind.

Our President, our country, and our people associated themselves with a historic event which by comparison transcends many other great happenings: a great people scattered throughout the four corners of the earth have been liberated—restored to their nationhood, a God-intoxicated people who spread the God-idea like wildfire and wherever they went the Jews brought with them thoughts of liberty and freedom, of justice, truth, and mercy. The great religion of Christianity—the daughter of Judaism—and other profound religions influenced by Judaism spiritually and beautifully enriched the world.

We the people of the United States deplore, however, the chauvinism, intrigues, and manipulations of nefarious forces attempting to hinder, obstruct, nay, to destroy the infant State of Israel. And who are these nefarious groups: the perfidious Albions as distinguished from the Biblical Britons, are shipping arms to the spiritually blind Arab leaders who are misleading their people and are propagandizing and preparing with the assistance of the perfidious Bevins, a nefarious, ignoble war against the young State of Israel.

To the perfidious Bevins we say: The eternal principles of truth and justice are more powerful than arms, tanks, guns, powder, yea, even more powerful than atom bombs.

To the spiritually blind leaders of the Arabs we unqualifiedly state that the spirit of freedom and liberty is unconquerable. Just as the mischievous collaboration of the ex-Mufti with Hitlerism has ignobly and ingloriously failed, so any attempt on their part to make an attack upon the newly born State of Israel will fail and bloody efforts will be crushed and ground to pieces.

We know that a representative of the ex-Mufti of Jerusalem was given an official seat in the council of the Arab League in recent session in Cairo, Egypt—the very ex-Mufti who collaborated with Hitlerism in its war of destruction of the civilized world.

There is surely a way out of the useless struggle between the Arab people and the State of Israel. These Semitic peoples can and must unite in a common brotherhood and build a civilization based on freedom and liberty to the best interests of their people and, consequently, to the benefit of all mankind.

We the people of the United States favor a strong democratic republic in the State of Israel. With God's help and the heroism and self-sacrifice of the Jewish people all our prophecies for Israel can be fulfilled. On this historic occasion of the second anniversary of Israel's independence, we the people of the United States of every race, creed, and color, salute the State of Israel as when the golden sun salutes the morn.

Mr. KEOGH. Mr. Speaker, on the occasion of the second year of independence of the State of Israel, I want to take advantage of the opportunity to congratulate the President of Israel, Chaim Weizmann, the Premier-Minister, David Ben-Gurion, and all of the officials and people of Israel on the splendid progress and advancement which the new state has made in the past 2 years and to express the hope that the future will bring continued growth and prosperity. The rapid progress and development which Israel has made since its independence is an accomplishment of which the Jewish people all over the world might be justly

proud. To Israel well-wishers everywhere I should like to extend a sincerely heartfelt "shalom."

Mr. GRANAHAN. Mr. Speaker, it is fitting that the Government of the United States should extend the heartfelt felicitations of its citizens to the free and sovereign State of Israel on the occasion of its second anniversary as an independent nation. The glorious heritage which history has bequeathed to this newest of nations serves as an inspiration to the freedom-loving people of all lands.

The rebirth of Israel is a magnificent tribute to the loyalty, devotion, and determination of its twentieth century founding fathers. The reestablishment of Israel as an independent state in the community of nations affords a particular sense of joy to Americans, for the United States was privileged to have spearheaded this historic venture and give encouragement to all who participated in this inspiring movement.

As we are aware of the many obstacles which beset the colonial days of our own beloved country, so we should also be cognizant of the deliberate hindrances being placed in the path of Israel today. Mindful of these things, it is important that the United States continue to stand squarely behind its pledges to Israel and thus provide a full measure of assurance that it will continue to flourish and prosper as a new and strong link in the chain of democratic governments.

Mr. CELLER. Mr. Speaker, on this day of the celebration of the second year of Israel's independence, let the hand of the United States be held out in firm friendship to the new Republic of Israel.

Some short years ago, few would have predicted that the vision of a free and independent State of Israel would be translated into reality. The drama of the re-emergence of the land of Israel has left its impact on the world.

Democracy has its one defender in the Middle East, and that is the State of Israel. It is therefore, to the supreme interest of the United States that this democracy be maintained and strengthened. Any encouragement of forces tending to destroy Israel is a blow against democracy. In the interest of peace and in the interest of democracy, we must severely protest the shipment of arms by Britain to Egypt and Iraq—arms which include fighters and bombers. The refusal of Britain to sell arms to Israel and at the same time the selling of them to Iraq and Egypt is a breach of international faith, and not for a moment should the United States withhold its protest.

Mr. BARRETT of Pennsylvania. Mr. Speaker, it is only proper and fitting that the House of Representatives should pause in its deliberations today to take note of the second anniversary of the founding of the state of Israel.

For after all, the United States was the first Nation to give recognition to this new state, and it was the driving force of the power of moral suasion exerted by American public opinion which played a great part in its creation.

Today the infant nation is struggling through the pangs of growth to achieve its goals of security and economic stability. Surrounded, as it is, by hostile states, still unreconciled to its existence, Israel must devote a substantial portion of its revenues to arming for defense against potential renewal of the war it won in its first year of life.

Only the rivalries among the various Arab states keeps them from springing again into aggressive action against Israel.

But even in the midst of the uncertain peace in the Holy Land the people of Israel are going forward, like our own American pioneers, in the building of a nation of freemen.

From the day of their proclamation of independence their doors have stood open to Jews all over the world and particularly their homeless, wandering brethren of Europe—the victims of concentration camps, the survivors of Hitler's purge of millions.

In the first 2 years, in spite of all the tasks of organizing the new government, fighting a war, and maintaining the normal activity of farming and industry, 400,000 immigrants were admitted.

Returning to their Biblical homeland after more than 2,000 years these men, women, and children find an actual and a spiritual haven that could be theirs nowhere else in the world.

They labor in the fields, building irrigation systems, to make productive once more the land where milk and honey once flowed, to wrest a living from the eroded soil, to make flowers bloom in the desert. They are working in the cities to develop industry, commerce, and trade with other nations.

Political freedom was a fact in Israel when it was born. Economic freedom it is now struggling to achieve.

That it has progressed thus far in 2 years—against the opposition and the arms of the immediate neighbor foes—and against the indirect diplomatic obstacles imposed by powerful enemies such as Britain, who would make it the pawn of international power politics—is all to the credit of the valor of the fledgling state.

May it prosper and thrive. May this little island of democracy in the heart of the troubled Middle East continue to stand as a bulwark against the forces of totalitarianism that are reaching out to extend their influence in every direction.

On its second anniversary, Israel, we salute you.

Mrs. KELLY of New York. Mr. Speaker, April 22, 1950, was a day of great joy and celebration in Israel because it marked the second anniversary of its statehood. We in America rejoice with them on this happy occasion and are proud of the fact that our country was among the first in giving Israel its official blessing and recognition. We are proud, too, that they have patterned their government after our own Republic and we are anxious for it to take its place in the family of nations. We know, when fully organized, that it will emerge the strongest and most effective outpost of democracy in the Near East, and a vital force for peace in that region of the world.

In the two short years of its existence, Israel has made tremendous strides in its development. It is aiming to establish a higher standard of living for its people and it is vitally interested in the economic development of the Near East in order to benefit all the inhabitants of that region. The problem of consolidation, immigration, and absorption constituted a hard struggle. This was more than a new nation could accomplish alone. It received moral and political assistance from America. It has received magnificent assistance from their coreligious American brothers who are doing for them what Haym Salomon did for us in helping to establish our Republic.

Here on the second anniversary is the wonder of a dream cherished through 1,000 years—which has come into being—a nation built on sacrifice, on heroism, and on the recognition of the rights of man.

Must we not, then, men and women of all faiths and all nations, be aroused to help preserve a freedom-loving people as the people of Israel?

Must we not cry to them to hold on to their beliefs—to their dreams and their hopes? Let them never abandon their vision of the future, their promised land.

And must we not do all in our power to insure their existence so that Israel may grow to maturity in a family of peaceful nations? Let us help them to play their role in history. This is one of the hopes of our world.

America, the strongest country of the western democracies, can play a decisive role in bringing stability and peaceful development to Israel. This is the dominant object of American policy. In line with this reason, I communicated the following to our Secretary of State, the Honorable Mr. Acheson:

HON. DEAN ACHESON,
The Secretary of State,
Department of State,
Washington, D. C.

MY DEAR MR. SECRETARY: I was privileged to be a member of the congressional delegation which met with you on March 28 to discuss the armament situation in the Near East.

At that meeting, you disclosed to our delegation a number of interesting and confidential facts on the problem of armament. I was very much impressed by the information you gave us. At the time, you confided to us that the Foreign Ministers of Great Britain, France, and the United States will meet in London next month in order to reach an agreement on establishing a strong and unified western policy. Thank God you will meet in London with a unified American foreign policy.

It is with regret that the Foreign Minister of Soviet Russia will not attend. The leaders of that country alone are blocking our goal—peace.

High on the agenda of this meeting is a discussion of far eastern policy. You committed yourself to talk over with the Minister of Great Britain the problem of armament for the Near East. I am in disagreement with the policy of accepting England's arming of Egypt. I believe the unrest in this area can be overcome in three ways which I respectfully submit to you.

1. The United States and Great Britain should develop a coordinated course of action whereby limited quantities of arms would be made available to Israel in the same manner as they are being made available to the Arab states, in this way creating a balance of armament for security reasons in the Near East.

2. After this balance of armaments between Israel and the Arab states will have been established, both Great Britain and the United States cease all further shipments of arms to these countries.

3. Simultaneously, the United States and Great Britain should undertake immediate and earnest efforts to reach an understanding and obtain permanent peace treaties between Israel and the Arab states, in order to replace the present armistice agreements between these countries and thus afford the entire Near East a feeling of confidence and security and an opportunity to resolve their internal problems.

Respectfully yours,

EDNA F. KELLY.

Mr. BIEMILLER. Mr. Speaker, we have chosen this hour to celebrate the second anniversary of the independent nation of Israel. It is our proper purpose to honor the gallant people, living and dead, who re-created a free nation while still in mourning for the saddest years of a tragic history.

We ought also to take this opportunity to celebrate something more—the fact that this free state has in 2 years established a bastion of democracy at that middle eastern crossroads where two ideologies meet.

We in this country have often been thanked for our contributions to the establishment of Israel as a free and equal partner in the company of nations. It is now time that gratitude begin to flow from this country to Israel.

This is a restless and uneasy world. The shifting tides of political events make friends of enemies and enemies of friends, particularly in the Middle East. But, there, thank God, stands one firm, free nation whose friendship for us is rooted in a common heritage of democracy and the dignity of individual man.

In an area in which corruption has long been the political rule, in which poverty and ignorance have moved in an endless and worsening cycle, Israel has reversed the cycle. The government is a model of rectitude, the true instrument of a democratic citizenry. Education and the application of modern social principles and techniques are bringing a new wealth to the land, wealth of the mind and spirit as well as of the land.

To have one such example, not only in the Middle East, but in the world, to have watched its miracle take shape in two incredible years, is to restore our faith in ourselves and our ideals. For their ideals are our ideals and their future is our future.

We owe Israel gratitude for her unwavering strength in the ideological warfare which now rages in the Middle East, but we owe her even greater gratitude for the optimism which she has restored to those defending freedom against the onslaughts of tyranny.

Mr. HOLIFIELD. Mr. Speaker, the Republic of Israel celebrates the second year of its birth as a sovereign democratic nation.

An age-old dream of nationhood gradually changes into the reality of practical statesmanship. This new Republic has won prompt acceptance into the organized family of nations. It has held free elections and organized a working government. It is grappling with the momentous problems of daily living. It deserves all the sympathy and help which we can give.

The tasks of peace are almost overwhelming for this new Republic. Thousands of Jews sail to its shores or travel across the desert to its border each month, seeking new homes, seeking an opportunity to live out their lives free from persecution and fear. Every resource of Israel is strained to the utmost to take care of settlers and to integrate them into the economic and social life of the country.

It would be most unfortunate if the resources so desperately needed to provide food, shelter, and other basic living needs, and to develop the productive facilities of the country, must continue to be diverted to military uses. For Israel still stands in the shadow of armed conflict. Hostile leaders from the Arab nations have not accepted the verdict of history forged in the fire of a bitter war. These hostile nations are reported to be importing arms against the day when the battle will be renewed. For the sake of Arabs and Jews alike, and for the sake of world peace, I hope that arms will be put aside for the plough. Too many peoples of the middle east are suffering from hunger and disease and neglect. They need food. They need even the simple rudiments of an education. They need to share in the simple blessings of decent living, to be given the means to work their way out of utter poverty and degradation.

The democratic state of Israel stands out like an oasis in this desert of suffering humanity. The people of Israel suffer, too, but they do not take it lying down. They are attacking their problems with illimitable courage and resourcefulness. They are working, building, studying, and legislating to make for themselves a modern state. Let us rejoice that they have chosen the modern and democratic way in a world where feudal and totalitarian methods still have great sway.

Let us hold out to them the welcome hand of friendship and urge others to be at peace with them, so that the fragments of a shattered humanity can be welded together into a strong, free, and independent nation working out its destiny, and making its rightful contribution to the civilization of which it is a part.

Mr. TAURIELLO. Mr. Speaker, on this second anniversary of the rebirth of the State of Israel, I want to join with my colleagues in the House and with Americans throughout the Nation in saluting this tiny Republic.

Not only the Jewish people are celebrating this memorable event. They are joined by freedom-loving peoples everywhere in commemorating the reestablishment of the centuries-old dream of a Jewish national homeland and the outpost of democracy in the Middle East.

All religious faiths and all men of good will rejoice in the reestablishment of peace in the Holy Land, and wish for Israel and the entire Middle East peace and prosperity.

During the last World War, over 6,000,000 members of the Jewish faith were tortured and exterminated in the infamous gas chambers and prison camps of Europe. The new State of Israel has made splendid strides in welcoming and assimilating the shattered remnants of Jewish displaced persons from all over Europe.

The people of Israel are thinking in terms of an active peace policy, of mutual help and cooperation for the benefit of the entire Middle East. They are anxious to increase the economic development and to accomplish the social program designed to raise the standard of living in the Middle East. They are endeavoring to promote the stability and progress and independence of the entire Middle East area and are thus making an important contribution toward the strengthening of world peace.

For those of us who rejoice in the reestablishment of this historic state, there is more than we can do. We can give tangible evidence of our good will to help bolster this infant democracy. I refer to the problem of the arming of the Arab states by Great Britain. As everyone knows, the Arab states are still festering under their recent military defeat and are only awaiting another chance to rise again against the people of Israel.

Recently, along with a delegation of 32 Congressmen, I called upon Secretary of State Acheson to protest this action. Our delegation was concerned with the fact that tanks, planes, and military equipment are pouring into Egypt and the other Arab states, far beyond the normal requirements for self-defense. We urged that the State Department lodge a protest with the British Government, through the United Nations, so that a stop may be put to the excessive sale of arms to the Arab states. We pointed out that such a sale of arms might well make the Middle East the tinderbox of another war which would most surely engulf all nations in its wake.

Therefore, on this historic occasion I think it only fitting and proper to bring this vitally important matter to the attention of the Congress once again and to remind Secretary Acheson of our protest. I again urge that the United States take action through the United Nations for in my opinion such a step would do much to insure peace, not only in the Middle East, but throughout the world.

Mr. ROOSEVELT. Mr. Speaker, from President Truman on down, Americans of all races and creeds are today sending birthday greetings to our sister Republic of Israel. It is fitting that we do this because, in spite of many differences, our two countries share a common outlook—on the truly important things. More and more Americans who are not Jewish are recognizing this. As one of those who is active in the National Christian Committee of the United Jewish Appeal, I have had direct experience with this. The friendly cooperation which we are getting from so many fine people is proof enough that the meaning of this second anniversary of Israel's rebirth is plain to many, many Americans.

What is this second anniversary of the birth of Israel, if not a perfect testimony to the fact that dreams are not empty? There is an indomitability in the human spirit. There is reason to believe—to have faith in the ultimate achievement

of great objectives, no matter how remote they appear. "If you will it, it is no dream," said Theodore Herzl. Oliver Wendell Holmes said in words which have implicit in them the same meaning: "It is not important where you are at a given moment. What is important is the direction in which you are going." The people of Israel and their forefathers before them have always known where they were going. Their sacrifices through the centuries have been possible because of the courage and faith they have always had to strive for their ultimate goal. Each and every one of them has a share in the success which is Israel today. They have shown that ideals can even thwart the politics of empires; that those who cherish freedom can turn back the hordes of oppression and persecution. As laborers in the vineyards of peace through freedom and democracy, they deserve America's salute.

The early pioneers of Israel had many an object lesson around them. In Palestine itself, they saw the cruel exploitation of the Arab fellaheen, the sharecroppers who lived at almost an animal level, and they saw the extremely opulent life of the pashas and effendis to whom indeed the fellaheen were animals. They wanted none of that.

In neighboring Iraq they saw a population of which by far the vast majority was illiterate, diseased, and utterly without ambition. The life expectancy of the human male was little more than 30 years, and infant mortality was appallingly high. They wanted none of that.

In neighboring Egypt, a land where 1,500 pashas ruled more than 15,000,000 people, they saw the hideous poverty of the great masses—a poverty which can be underlined in one unemotional statistic—that today 1 out of every 10 Egyptians is blind because of trachoma, a disease of filth, ignorance, and poverty. They saw the incredibly wealthy Egyptian upper classes and the incredibly poor in the teeming slums of Cairo and Alexandria.

They wanted none of that.

And vivid in their minds was the memory of the society they had left—of the all-pervading antisemitism and vicious persecution; of the economic slavery; of the hopelessness of Jewish life in Russia and Poland and Hungary and Rumania.

And they wanted none of that.

They strengthened their hearts with hope; and with absolute faith in themselves and in the dream which had possessed them for so many centuries, they set out for Palestine and the holy soil of Israel. Physically and spiritually they went from bondage into freedom.

They were determined to build soundly and well. Chief among their tools, chief among the weapons with which they attacked this ancient, festering sore—the tragic social and economic structure of the Middle East—were courage and imagination.

The years that have passed bear witness to what they achieved.

What then do we see in Israel as a result of all this? We see a government in which labor and capital have been joined together so successfully and so harmoniously in a cooperative unity that it challenges all of us.

Each passing week, as Israel grows stronger and more stable, provides evidence of what is being done. Just a few weeks ago the government of Israel found it consistent with its basic policy to enact a statute providing special privileges for private investors in Israel.

This law, designed to encourage capital investments in undertakings calculated to help Israel's productive power, will at the same time increase its capacity to absorb large scale immigration.

Because of such actions—I believe it is not an overstatement to say that in Israel we see labor and capital working in an enlightened partnership. Here there may be a key to the problem of building up the depressed areas of the world, which is, after all, one of the prime objectives of our own free democracy. Several American companies have already taken advantage of the industrial and economic benefits granted through this statute. This is a gratifying development—and a bold and wise stroke—on their part. For the government of Israel today represents some of the most progressive political and economic thinking anywhere in the world. It is a thriving and forward-looking community of free people.

As I see it, democracy in our day is expressed by two major movements. One is the western European movement of social democracy. Ours is the American movement of liberal democracy. These movements both represent an essential respect for the dignity and freedom of the individual. Both rely upon democratic political forms, although they differ in their concepts of property relations.

Both accept the principles of our Bill of Rights—namely free speech, free press, freedom of worship, freedom of assembly, and all of the checks and balances necessary to a modern society to prevent abuse, persecution, or exploitation of the individual by the state.

All of this can only be to the good. Given a free exchange of ideas—that free exchange that allows political experimentation and correction—this generation and future generations will have the opportunity to judge the comparative meirts af social and liberal democracy.

I am a strong adherent of the liberal democracy that is America. I think it is the finest and most successful in the world. But we cannot object to other forms of democracy in the world so long as they are truly free, so long as the individual citizen has been given the absolute right and opportunity to shop in the free market place of ideas.

For example, in Israel today with its progressive-minded labor government, the world has the chance to see both types of democracy in action. The cooperatives—the publicly operated institutions, the collective settlements, the government's extensive security system—all these constitute the elements of a social democracy.

At the same time, the privately owned and operated enterprises represent a basis for a liberal democracy.

We must remember that Israel is today the bridgehead to the Eastern world. It is a country which presents a constructive, enlightened, democratic alternative opposed to communism and its inevitable totalitarian dictatorship.

Let us not forget the deep debt we all owe to the leadership of Harry S. Truman, because of his unfaltering conviction that the people of Israel could and would constitute a foundation for democracy in the entire Middle East. He knew, as we all do, that the people of Israel are furnishing a practical answer to the feudalism which enslaves that vast segment of mankind. It was no accident that Russia passed directly from the hands of an absolute czar into the hands of a political dictatorship. This was a transition from feudalism to dictatorship. It was no accident that the government of China, with its peoples still steeped in feudal living, has now passed from that feudalism into totalitarian dictatorship.

How fortunate it is for us, as Americans, that there is now in the Middle East an island of democracy which does offer an alternative to feudalism and communism, and one which recognizes the freedom of man and the inviolate dignity of the human being.

Today this outpost of freedom and democracy considers itself once again threatened by the sale of arms by Great Britain to Egypt, and to the Arab world. The sale of arms to those nations who talk of a second round against Israel. To those nations who flouted the expressed will of the United Nations and waged an aggressive, although unsuccessful, war against Israel. I suggest that we have put the cart before the horse. I suggest that it is imperative to the western world that the nations of the Middle East first establish a stable and lasting peace. I suggest that the Arab nations must prove their good faith and their sincerity to the United Nations by negotiating peace treaties with the State of Israel now. I can understand the nervous desire of the Western Powers to establish an area of strength in the Middle East, but I am convinced that strength will develop and flow from peace itself. If the nations of the Middle East can reach an understanding based on mutual trust and respect, they will then be better prepared to unite and defend themselves against an aggressor. But, as I have said, we now have the cart before the horse. We must stop shipping arms, we must direct all our efforts to secure peace.

Jet planes and tanks, radar and armored divisions are only incidents of strength. The defeat of communism in Western Europe has been achieved not by weapons, but by the restoration of faith in the freedom and dignity of the individual. This has come about by the revival of economic stability under the Marshall plan. The Atlantic Pact and the military aid program would have been useless had not Europe been helped to economic recovery through the success of the Marshall plan.

Lasting peace can best be achieved if mankind is both free and secure. By continuing the Marshall plan and through the point 4 program we can help the less fortunate seekers of freedom, to

raise their standards of living, develop their raw materials, increase their productivity. In short, to achieve that economic stability on which the freedom of the individual rests most securely. If we are to compete successfully with the Communist promise of bread, we must start now to put into effect our program of economic and technical assistance to southeastern Asia, to the great subcontinent of Asia, to Africa and to the Middle East.

But democracy is more than an economic program, it must be a crusade of peoples with faith in freedom. It is that kind of faith which, against all odds, has made possible the creation of Israel, which made possible the creation of our own great Nation.

We in America are revived and renewed by this example, which is Israel. We are inspired to live our faith, to practice our faith, to cherish our individual liberty and in so doing to fight together with other free people for the achievement of the dream of mankind—to bring peace to the world.

Mr. JAVITS. Mr. Speaker, it is in the great American tradition to encourage peoples to establish and secure their independence and freedom. In the case of Israel this general disposition on the part of the people of the United States is fortified by many factors. First, our Presidents since Woodrow Wilson at the time of the Balfour Declaration have affirmed and supported the aspirations of the Jewish people for a national home in Palestine. Second, the people of the United States through the Congress have by resolution tendered their support for these aspirations and this policy. Third, the United States supported the partition of Palestine according to the resolution of the United Nations General Assembly of November 27, 1947, and was the first state to recognize the new state of Israel on May 14, 1948. There are deep bonds of understanding and sympathy between the United States and Israel. These rest not alone on the presence in our country of almost 5,000,000 of the co-religionists of the harassed persecuted and martyred Jews of Europe, the remnants of whom have found sanctuary in Israel, but also upon the fact that Israel opens for the Near East a great new window for the admission of western opportunities and western freedoms.

Into this vast area of seriously and chronically depressed economic conditions for the Near East peoples, abnormally high disease and infant-mortality rates, high rates of illiteracy, erosion, and other deterioration of agricultural land and grave deficiencies of health, sanitation, and water supply, Israel has an enormous opportunity for bringing well-being, advancement, progress in every field, and badly needed consumer goods. Economic and social conditions in this area are so serious that it is one of the most susceptible to the dangers of misleading and incendiary Communist and other fanatical agitations. The tension introduced by the aggression of the Arab States against Israel and the subsequent Arab-Israeli war now in a state of armistice, has been exploited by irresponsible elements to avoid essentially needed reforms and improvements. It is critically necessary to the peace and security of this area and therefore to the peace and security of the world that improvements and reforms be undertaken instead of being suppressed, or avoided by fanatical appeals to the passions of the Arab peoples. In this, the United States has a great and pressing national interest.

The problems of Israel are overwhelming and would to any people less heroic be crushing, but to the Israeli people who showed their flaming courage, determination, and devotion during the Arab-Israeli war they are but a challenge to achievement. These grave problems include the arms race attributable to continued shipments of heavy arms and munitions of warlike jet fighter aircraft to the Arab States by Great Britain, the fulminations of Arab leaders promising a second round of the war against Israel, essential and complete mobilization of Israel due to the fact that she is in a dangerous situation of armistice, not peace, with the Arab States whose armies continue in Palestine right on the borders of Israel, the presence of 8 to 10 percent of the whole Israeli population in temporary refugee camps and the Arab boycott of Israel just reasserted by the Arab League.

This is a delicate moment in the Near East; a firm and wise policy on the part of the United States is the important key to a constructive solution for Arabs and Jews alike. The people of Israel can be relied on to perform heroically in economic and social rehabilitation and in the absorption of refugees. The Jewish people of the United States joined by millions of Americans of the Christian faith can be relied upon to perform heroically in making the necessary money available. The United Nations can be relied upon with generous American help to make progress in its task of caring for the unfortunate Arab refugees who left their homes under the urging of fanatical Arab leaders but who now do not undertake the commensurate responsibility to them. But to weld all this together into a pattern of peace, social and economic development in the Near East requires a high order of leadership in foreign policy in that area. Let us hope that the great gift which the American people will confer upon the heroic people of Israel on this their second anniversary will be such help and such leadership as will go far to transform the whole Near East of which Israel is now part and bring peace and well-being to all its people.

Mr. DAVENPORT. Mr. Speaker, on this occasion of the second anniversary of the proud nation of Israel, I should like to note that we who have watched the blossoming of this Republic have never doubted for a moment its stability. Neither have we doubted that Israel would take its place among the most progressive democracies on this globe. We look forward in the years ahead to endless other anniversaries, each portending a further strengthening of democratic ideals in the Middle East.

On May 14, 1948, when President Truman flashed word to the new nation that we had been the first to recognize Israel, it was a fitting climax to the 2,000-year struggle of these people to establish a world of their own. That they had to fight for every inch of their territory, at some places with their backs literally to the sea, is proof enough that they believed in their own destiny. After a decade of torture on the continent of Europe, they proved for all times that they are among the best of the earth's fighters. Since that historic day, May 14, 1948, this country and the other democracies of the world have reaped untold benefits from the establishment of Israel. Those brave people have earned our unlimited assistance in strengthening and adding to their well-being. They can count on Congress and the people of the United States to help them when they need our aid. We have taken the lead in winning for them world-wide recognition, recognition by the United Nations, and have extended to them a credit of $100,000,000. By these actions we have forged a bond of eternal friendship.

The Middle East, a long festering spot in an anxious world, is set to become a show place for mankind. With the ingenuity of the Israelis, the Middle East will also flourish economically. And the people of Israel who went on alone, ceaselessly, to convert Arab deserts to an abundant oasis will play a key role in raising man's sights in his search for higher standards of living, peace, and freedom.

Mr. DOLLINGER. Mr. Speaker, I am happy to have the opportunity to salute the State of Israel on the anniversary of her second year of independence. We rejoice in her freedom, and in the knowledge that she has earned the respect and acclaim of democracies the world over.

It is doubtful that any new state has ever been faced with the unsurmountable odds which Israel had to overcome. While her people and resources still suffered from the effects of a devastating war, she had to undertake the organization and establishment of her government, and assume her rightful place among the nations of the world. In addition to accomplishing the economic survival for those already within her borders, she became the haven for 400,000 homeless and oppressed human beings who looked to her for shelter. The influx of these persecuted souls taxed her economy and facilities to the limit, but she cheerfully accepted the burden. We know, therefore, that these 2 years have meant great achievement—but also much suffering and sacrifice for the people of Israel. Her one tremendous asset and most powerful weapon, was the undaunted faith and courage of her citizens. The slogan, "Vigilance, austerity, building," aptly describes the spirit of the people. Israel has emerged victorious—she has successfully coped with each and every problem, and she has met every challenge with fortitude. We know that she cannot fail.

While on this happy day, joy should be the keynote, nevertheless, in the heart of every Jew there is a humble prayer for the well-being of Israel. This struggling, new democracy is even now threatened and surrounded by those who would destroy her. Israel seeks peace, and

the opportunity to direct her energies along a constructive path—the building of her country, her economy, and the care of her people. Yet the arms race in the Middle East, resulting in the heavy rearmament of Israel's sworn enemies, the Arab states, seriously threatens her security. We must not minimize the power of those who would conquer her. To fail in vigilance or in rendering her the assistance she deserves as a peace-loving democracy, would be to betray her.

Therefore, we should recognize this as a day of rededication as well as one of gladness. Israel's burdens today are overwhelming. Even as she considers it her duty to care for the oppressed of the world—so should we consider it our duty to help her in the task, for the responsibility rests equally upon us. She is entitled to be assured that the United States respects her national integrity, and that we shall expect other nations to do the same.

Israel will need the concerted efforts of all those interested in her welfare to help her reach her goal—security and peace. In the light of her achievements and the strength and faith shown by her people, we cannot refuse her.

Mr. ADDONIZIO. Mr. Speaker, on April 23 Israel celebrated the second anniversary of its birth as a nation. Few events in our generation have aroused more sympathy among the peoples of the world than the emergence of Israel as an independent nation, after the 2,000 years that the Jews had been without a homeland. The Government of the United States was the pioneer in recognition of this state and the people of the United States have continually given it their support. Today Israel is a nation democratic in character and in action, and we express the sincere hope that it will continue to be democratic and maintain its rightful place among the nations of the world.

The State of Israel is the fulfillment of an age-old dream and hope of the Jewish people. Its establishment required many sacrifices and a long struggle. The American people have always felt a warm bond of friendship and sympathy with the hopes of downtrodden peoples to achieve their freedom and independence. In recent years they have extended this feeling to the Jewish people in their effort to establish a homeland in Palestine. They will continue to extend it to the new state of Israel.

A year ago many of us here in Congress expressed greetings and congratulations to Israel on its first anniversary. We said that they have every reason to be proud of their progress. Today we wish to repeat that statement. Israel has continued to give proof that it will promote peace and democracy in the world. It has demonstrated its ability to stand among the nations of the world as a free and sovereign state. Again we hail it as a member of the family of peace-loving and civilized nations. We wish it a future as rich as its historic past.

Mr. RODINO. Mr. Speaker, the State of Israel is a vital reality today.

Out of the ashes of chaos and despair the Republic of Israel has emerged, phoenixlike, to govern itself as a strong independent state. At the close of the second year of its brief but significant history I am honored to have the opportunity to congratulate the State of Israel upon its notable achievements. The dramatic history of one of the youngest republics has been a moral and spiritual inspiration to the world.

Recent visitors to Israel have lauded its Government for creating a new kind of democracy, a labor democracy which may very well serve as a pattern for the Middle East. Israel has been described as a bridgehead to the eastern world and a democratic force furnishing a practical answer to the feudalism which enslaves that segment of mankind. It is a country which presents a constructive, enlightened democratic alternative that is opposed to communism and its inevitable totalitarian dictatorship.

The people of Israel are passionately interested in peace. In fact, they believe the romantic dream of the next 10 years will become a reality if only peace can be obtained now. Under the able leadership of President Weizmann and Prime Minister David Ben-Gurion, the 1,200,000 people have magnificent plans for developing their land and resources. Some of these objectives are: the establishment of a policy of unlimited immigration; the development of agriculture and industry to provide more jobs; the irrigation of Negeb where oil is said to be; the development of chemical, textile, and metal industries including steel; and, above all, a determination to support a large population of 3,000,000 people. The United States and Great Britain, through their support, have contributed immensely to the progress of the Israeli's plans for economic development, but further success depends entirely on a formal peace with the Arabs.

Israel has demonstrated its ability to put real meaning into peaceful negotiations. Sitting down at a table together, the rival religious and political interests in Israel have achieved remarkable success in working out their mutual social and economic problems. One has only to glance at a chronology of the negotiations between the Arabs and the Jews during the past 2 years to see illustrated a deep spirit of cooperation, a tribute to any nation.

The State of Israel is an advance post in the pioneering efforts of humanity. It has drawn into its borders thousands of the homeless from Europe, North Africa, and the Middle East. For the first time these people have found freedom from fear, a haven of rest from persecution, and the ravages of a cruel war. They do not want a repetition of that disaster whose price in Israel alone, was 10,000 casualties and well over a billion dollars.

In the words of Premier Ben-Gurion:

> The Israeli have lived deeply in human brotherhood inside other nations. It has been our desire to create a nation based on the combination of ethics and science. The Israel of the future will be a state based upon democracy, on individual freedom and cooperation between man to man, not on competition.

Peace in the Holy Land is a forward step toward world peace.

Mr. HELLER. Mr. Speaker, one of the most unique and truly historic events of our day is the rebirth of the State of Israel, which is now celebrating the second anniversary of its existence as an independent and sovereign state. We, in this country, take note of this event with a great deal of pride and joy. We are proud because it was the United States which played such an important role in the creation of the Jewish state and in aiding it in many ways during the first years of its existence.

Israel's first year of independence was marked by bloodshed, by a struggle for its very life and for the security of its people. At the same time, Israel had to set up its governmental machinery, its parliament and army, its economy and foreign relations. In other words, its people were compelled to engage in a bloody struggle as they were trying to build a country.

In the second year, Israel experienced a period of growth and development, consolidation of its positions, the absorption of several hundred thousand immigrants who came to settle there, and the attainment of international recognition when it was admitted as the fifty-ninth member of the United Nations.

These have been 2 years of great and historic achievements, but they were also years of suffering for the people of Israel. It was not all victory and glory. Victory on the field of battle was costly in human and material resources. Then came the struggle for economic survival for the people of Israel, including the 400,000 new immigrants who were admitted into the Jewish state in the 2 years since it was established.

Faced with almost superhuman problems in the economic sphere, the people of Israel feel certain that they could overcome these problems in time if only they are given the opportunity to live in peace and build in peace. Unfortunately, strong forces of evil are working against them, giving them no respite, giving them no opportunity to build a peaceful haven for those who have been homeless these many years and have known nothing but misery.

Although Israel has been in existence now for two full years and hostilities with its Arab neighbors have ceased more than a year ago, no permanent peace agreements have been reached between Israel and the Arab states. Only a short while ago, the prospects were bright for an early peace between Israel and Jordan, and possibly also with other Arab states. The recent meeting of the Arab League in Cairo has banned all peace negotiations with Israel and has reasserted its old policy of open hostility toward the Jewish state.

Coupling this unmistakable threat to the future existence of Israel with the continuing shipments by Great Britain of arms to the Arab states, and at the same time denying such arms to Israel—it is easy to see why Israel feels that its security is threatened and why it must divert its meager funds to keep up with the arms race in the Near East, instead of using these funds for building homes for the immigrants, purchasing food and

machinery, and setting its economy on a solid foundation.

The United States is vitally interested in the maintenance of a lasting peace in the Near East. Feverish preparations by the Arab states to renew their hostilities against Israel and their sabotage of all peace efforts on the part of Israel constitute a serious threat not only to the future of the Jewish state, but also to the peace of this entire area which is of such strategic importance to our country.

On this day, when Israel celebrates its second anniversary, let us remember that the miracle which is known to us as the State of Israel did not come of itself. It required much suffering, struggle, sacrifice, and no small amount of support. On the occasion of this second anniversary of Israel's independence, it is my fervent wish that our own beloved country, the United States, will use its great prestige and utmost efforts to bring genuine peace to all the peoples of the Near East.

Mr. RIBICOFF. Mr. Speaker, I, too, take this opportunity of calling the attention of the House to the fact that the second anniversary of Israel's independence is being celebrated this week. The rebirth of the State of Israel is an historic event of great significance.

One of the oldest of nations became, in our own day, one of the newest of nations. The record of Israel during the first 2 years of its existence as a free and democratic state is indeed both an example and an inspiration. The proclamation of Israel's independence 2 years ago was sanctified by the blood of its youth in a war for its very life initiated by its Arab neighbors. The heroic achievements and self-sacrifice of Israel's sons and daughters constitute one of the great epics of modern times. The spirit of the Maccabees of old manifested itself in all its glory. However, what is equally important is Israel's achievement in peace. Under the most adverse conditions the gates of Israel were opened wide for the admission of the remnant of European Jewry—the survivors of the Nazi slaughter. Hundreds of thousands of them reached the shores of Israel and are being absorbed into the daily life of the country and are contributing toward the development of a civilization based upon the concepts of social justice, liberty, and peace—the ideals of the ancient prophets of Israel.

Tens of thousands of Jews are flocking to Israel from Arab countries where they found conditions for their existence to be unbearable. These hundreds of thousands of homeless Jews have created a superhuman burden on the infant state of Israel. About 90,000 of these immigrants are compelled to live in camps under unspeakable conditions because of lack of the necessary financial means of meeting the new problems.

It is unfortunate that, at this time, Israel is compelled to divert its funds for the purpose of buying bullets instead of using the funds for stablizing its economy on a solid foundation.

There is an armament race now in progress between Israel and the Arab states because of the supply of arms to the Arab states by Great Britain, while denying it at the same time to Israel. In spite of the existing armistice agreements, the Arab leaders are constantly proclaiming their intention of renewing the war against Israel—a war of revenge. It is understandable that under the circumstances Israel cannot expose itself to the mercy of its neighbors and it endeavors to make itself militarily prepared for defense in case of an Arab attack.

It is fitting and proper that we salute the State of Israel on its independence day. The United States of America has the right to claim a share in this celebration. It was our Government which made the largest contribution towards the realization of Israel's independence.

It is my sincere wish that conditions will be created in the Near East which will make possible the substitution of the present armistice agreements by permanent peace treaties for the good of Israel, for the good of the Arabs, as well as in the interest of world peace.

The security of Israel's freedom, like the security of all independent nations, is the security of the freedom of free men everywhere.

Mr. ROONEY. Mr. Speaker, I wish to take this opportunity to extend my felicitations and best wishes to the people of the sovereign State of Israel on the occasion of their celebration of the second anniversary of the proclamation of its independence. As we all know, a great many of the people of America have made a very substantial contribution to the final achievement of a free and independent Israeli state. The struggle for independence was won only after 2,000 years of broken dreams, strife, unkept promises and disappointments. I am happy to have had some small part in the struggle to establish a Jewish national home in Palestine and accordingly feel entitled to join my distinguished colleague the gentleman from New York [Mr. MULTER] in rejoicing and celebrating on this second anniversary.

The courage, perseverance and fortitude of the Jewish people during their many years of hardship and struggle is a glorious testimonial to their unswerving faith in finally achieving their goal of independence. The rebirth of the third Israel Commonwealth was an inspiration to free men everywhere and the occasion of a celebration on the second anniversary is an event in which all free and decent peoples should be happy to participate. I feel the occasion is one in which we should also extend congratulations and praise to the Jewish people of America who played such a vital part in the defense of freedom and the right of the Jewish people to independence in Israel, where there is now a friendly asylum for the persecuted and homeless.

Mr. HERTER. Mr. Speaker, the young nation of Israel is to be highly commended for the untiring energy and zeal demonstrated during her 2 years of independence in establishing and maintaining the high principles to which she dedicated herself.

During this 2-year period, Israel has been faced with grave problems, many of which she has coped with most admirably, but she is still confronted with many more, the solutions to which do not appear on the surface to be easy. Struggling against pioneering hardships, this new nation continues to strive toward freedom, liberty, and democracy, and she does so with the wisdom of a nation that is centuries old—not one that has only two short years of practical experience behind it. Her progressive spirit is demonstrated by the development of medical services that are setting the standard for the whole of the Middle East.

As of January 1950, Israel had opened her gates to over 345,000 displaced persons who sought refuge there, and has already been able to absorb more than two-thirds of them into the economy of the country.

One cannot help but admire the courageous way in which the people of Israel have attacked the tremendous problem of building their political state, and their well-defined planning for the physical rebuilding of the country in terms of both agriculture and industry. The organization of the state and its effect on the lives of the people are a demonstration to the rest of the world of the power of deep consecration to a desired goal and to a firm religious purpose.

We happily find, in the case of Israel, a strong identity of purpose which transcends the miles that lie between us and has brought about the fine cooperation which has been so evident to date in the relationship of our two nations.

Mr. O'BRIEN of Illinois. Mr. Speaker, this is an occasion when we cannot escape a feeling of happy satisfaction that a new land of opportunity, a new nation built on the model of our own, the homeland for which those of Jewish faith have hoped for and prayed for during many hard and at times cruel centuries, has reached its second birthday. The first 2 years of the young Republic of Israel have been years of constructive building and of brilliant achievement. I join in congratulating the Government and the people of Israel on the fine accomplishments of these first 2 years of national existence and in heartiest good wishes for all the years ahead.

Mr. GOODWIN. Mr. Speaker, it is a privilege to extend sincere felicitations to the Republic of Israel upon its second anniversary. While the 2 years just passed have not been easy ones for the Jewish people, they have been marked by achievements so epoch-making that they certainly furnish abundant guaranty for the future of this new nation.

It seems to me it is to the everlasting credit of the Jewish people that during all the troublous days gone by they never wavered in the firm faith that the goal for which they prayed would one day be reached. While centuries were being counted off on the limitless calendar of the universe, a renaissance was silently but surely in the process of fruition and then came the day 2 years ago when the miracle of the birth of Israel occurred and once more a Jewish state made its

appearance on the wondrous stage of history. We in America may justly claim a parallel betwen the fight of the people of Israel for independence and our own struggle for freedom. Peace-loving people everywhere will express the wish that the new republic may soon find its way into the paths of peace with its neighbors. I am sure that the relations of our own Republic with this new nation of Israel will always be of the most friendly nature and that the bond between us will grow stronger as the years go by.

Mr. MULTER. Mr. Speaker, I will be ever grateful to all of my colleagues who joined me this day in extending felicitations and good wishes to the little Republic of Israel on this, its second anniversary.

Mr. Speaker, I ask unanimous consent that all Members may be granted permission to extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

UNIFORM CODE OF MILITARY JUSTICE

Mr. BROOKS submitted a conference report and statement on the bill (H. R. 4080) to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Nebraska [Mr. O'SULLIVAN] is recognized for 45 minutes.

CONGRESSIONAL APPORTIONMENT

Mr. O'SULLIVAN. Mr. Speaker, I wish to address the House of Representatives today upon the question as to how its membership is now, and in the future should be, apportioned among the several States of the United States.

At the outset it might be well for me to trace generally the historical development of the constitutional provisions and statutory law pertaining to this most important subject.

The Constitution of the United States in article I, section 2, paragraph 3, provided originally the following in reference to the apportionment of Representatives in the United States Congress among the several States:

Representatives and direct taxes shall be apportioned among the several States which may be included within this Union, according to their respective numbers, which shall be determined by adding to the whole number of free persons, including those bound to service for a term of years, and excluding Indians not taxed, three-fifths of all other persons. The actual enumeration shall be made within 3 years after the first meeting of the Congress of the United States, and within every subsequent term of 10 years, in such manner as they shall by law direct. The number of Representatives shall not exceed 1 for every 30,000, but each State shall have at least 1 Representative; and until such enumeration shall be made, the State of New Hampshire shall be entitled to choose 3, Massachusetts 8, Rhode Island and Providence Plantations 1, Connecticut 5, New York 6, New Jersey 4, Pennsylvania 8, Delaware 1, Maryland 6, Virginia 10, North Carolina 5, South Carolina 5, and Georgia 3.

It is very well known by all of us that a terrific struggle has been going on almost constantly for many years seeking to extend to all capable and proper persons the privilege of exercising the elective franchise.

The problems as to what should be done in an effort to extend these voting privileges to the citizenry generally, however, was not of such great moment until the advent of the Civil War and afterward when section 2 of article XIV of the amendments of the United States Constitution was passed, same being as follows:

SEC. 2. Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof, is denied to any of the male inhabitants of such State, being 21 years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens 21 years of age in such State.

Later the adoption of article XV to the Constitution of the United States was brought about in an effort to guarantee that the privilege of voting would not be denied to any qualified person. This article is as follows:

SECTION 1. The rights of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

SEC. 2. The Congress shall have power to enforce this article by appropriate legislation.

I believe that the foregoing embraces all of the constitutional provisions on the subject, and I now wish to call attention to the following statutory enactments by Congress: Title 2, paragraphs 2a, b, and c, relate to the reapportionment of Representatives and other matters, but do not have any particular bearing upon the matter under discussion here.

However, title 2, paragraph 6, is pertinent, because it seeks to prevent a denial of the voting privilege by providing for a reduction in representation if the right to vote is denied. It is as follows:

Reduction of representation.—Should any State deny or abridge the right of any of the male inhabitants thereof, being 21 years of age and citizens of the United States, to vote at any election named in the amendment to the Constitution, article XIV, section 2, except for participation in the rebellion or other crime, the number of Representatives apportioned to such State shall be reduced in the proportion which the number of such male citizens shall have to the whole number of male citizens 21 years of age in such State.

This section has proved to be very ineffective. No way has yet been devised to make the fifteenth amendment to the United States Constitution really effective and because of that fact I have given the matter a great deal of thought and study, all of which has resulted in the introduction today, by me, of a joint resolution proposing a new amendment to the Constitution of the United States which provides a new basis for the apportionment of each State's membership in the House of Representatives of the United States, by ascertaining the average number of persons actually voting for certain national offices in any State during the previous 20 years and using that figure as the norm or standard of each State's representation therein, instead of making apportionments in accordance with the relationship which the total population of each State bears to the total population of the United States of America.

This joint resolution contemplates certain proposed changes in the Constitution of the United States, which I deem to be very necessary at this time. It is as follows:

SECTION 1. After 1 year from the ratification of this article and every 10 years thereafter, Representatives in the Congress of the United States shall be apportioned among the several States according to the general average of the number of qualified voters who actually cast their ballots during the previous 20 years, at national elections for presidential electors, or President if that mode of election be then prescribed by the Constitution, but in no event shall the total number of Representatives in the Congress of the United States from the various States exceed in number 435.

SEC. 2. Congress shall have power to enforce this article by appropriate legislation.

SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution of the United States by the legislatures of the several States, as provided in the Constitution, within 7 years from the date of the submission hereof to the States by the Congress.

Such a constitutional provision instead of restricting the privilege of voting would stimulate voting.

Every State which reduced, or kept its voting strength at a minimum, would decrease its representation in the House of Representatives.

And on the contrary, States which encouraged the use of the elective franchise would have its representation in the House of Representatives increased accordingly.

It has been stated by many writers and speakers having rare political wisdom that if our Government ever perishes it will be due to the fact that the people became so lazy and indifferent to governmental affairs that they will not take the time or go to the trouble of casting their votes. There is much real truth in this statement.

Every year in certain sections of our country, speakers, newspapers, and magazines clamor for the electors to register as voters, and go to the polls and vote, while in other sections of our land only the selected few are privileged to cast ballots and many are prevented from voting by accumulated poll-tax assessments, property and educational qualifications, and many other subter-

fuges, and sometimes by displays of physical force and fear campaigns.

I have heard the statement made that all these restrictions would in due time be removed if patience was exercised by the Congress, but I have a deep conviction that these statements are insincere and are just delaying actions and mere pretenses which will never become realities.

The apportioning of Representatives in Congress in accordance with average voting records is in my opinion far more preferable than to base it on total population.

Why should all the nonvoters, the persons in jails, prisons, insane asylums and correctional institutions, the persons who have forfeited their right to vote because of the conviction for crime, the half-wits, the aliens and all the minors be totaled so as to arrive at an apportionment of representation in the House of Representatives?

I ask what right has any State to gain a representative advantage in the House of Representatives when it refuses to permit people to vote?

If my proposed constitutional amendment is adopted you may rest assured that every State will endeavor to stimulate voting instead of restricting it.

Before drafting my joint resolution, I had Mr. Robert E. De Vaughn of my office staff make up a chart which tells the story graphically as no other document can, as to the numbers and percentages of the people in the various States of the Union who voted in the 1948 elections for President, Vice President, Senator, where one was running, and Representatives in Congress, as well as the numbers and percentages of people in the various States who did not vote.

This chart is as follows:

Percentages of persons who did vote and did not vote in 1948 election

(These figures were compiled through the use of the Estimated Population of States, including men in the armed forces; and "Statistics of the Presidential and Congressional Election of Nov. 2, 1948," which gives the votes cast for nominees for United States Senators, Representatives, and Delegates to the 81st Cong.)

State	Estimated population over 21	Votes for President and Vice President	Votes for Senator	Votes for Representative	Percentages					
					Did vote			Did not vote		
					President and Vice President	Senator	Representative	President and Vice President	Senator	Representative
New England States:										
Maine	570,000	264,787	223,256	213,894	46.4	39.1	37.5	53.6	60.9	62.5
New Hampshire	367,000	231,440	222,898	220,363	63.0	60.7	60.0	37.0	39.3	40.0
Massachusetts	3,236,000	2,155,347	2,155,347	2,155,346	66.6	66.6	66.6	33.4	33.4	33.4
Vermont	238,000	123,382		122,598	51.8		51.5	48.2		48.5
Rhode Island	507,000	326,098	320,420	318,577	64.4	63.3	62.9	35.6	36.7	37.1
Connecticut	1,378,000	883,518	872,988	929,610	60.4	63.3	66.8	39.6	36.7	33.2
Middle Atlantic States:										
New York	10,053,000	6,274,527		5,997,987	62.5		59.7	37.5		40.3
New Jersey	3,279,000	1,949,555	1,869,882	1,852,441	59.4	57.0	56.4	40.6	43.0	43.6
Pennsylvania	7,119,000	3,735,149		3,657,029	52.4		51.3	47.6		48.7
East North Central States:										
Ohio	5,196,000	2,936,071	2,798,360	2,808,530	56.5	53.8	54.0	43.5	46.2	46.0
Indiana	2,558,000	1,656,214		1,633,401	64.7		63.8	35.3		36.2
Illinois	5,927,000	3,984,046	3,900,285	3,848,640	67.2	65.9	64.9	32.8	34.1	35.1
Michigan	3,985,000	2,109,600	2,062,097	2,064,536	52.9	51.7	51.8	47.1	48.3	52.9
Wisconsin	2,148,000	1,276,800		1,211,341	59.4		56.3	40.6		43.7
West North Central States:										
Minnesota	1,907,000	1,212,226	1,220,250	1,181,726	63.5	63.9	61.9	36.5	40.1	38.1
Iowa	1,718,000	1,038,264	1,000,412	939,743	60.4	58.2	54.6	60.4	36.1	38.1
Missouri	2,624,000	1,578,628		1,565,102	60.1		59.6	39.9		40.4
North Dakota	332,000	220,716		190,803	66.5		57.0	33.5		57.0
South Dakota	388,000	250,105	242,833	240,720	64.4	62.5	62.0	35.6	37.5	38.0
Nebraska	849,000	488,939	471,895	460,451	57.7	55.5	54.2	42.3	44.5	45.8
Kansas	1,303,000	788,819	716,342	703,910	60.5	54.9	53.9	39.5	45.1	46.1
South Atlantic States:										
Delaware	196,000	139,073	141,362	140,535	70.9	72.1	71.7	29.1	27.9	28.3
Maryland	1,382,000	596,735		534,186	43.1		38.6	56.9		61.4
Virginia	1,807,000	419,256	386,168	383,160	23.2	21.3	21.2	76.8	78.7	78.8
West Virginia	1,104,000	748,750	763,888	758,631	67.8	69.1	68.8	32.2	30.9	31.2
North Carolina	2,074,000	791,209	764,559	763,513	38.1	36.9	36.8	61.9	63.1	63.2
South Carolina	1,049,000	142,571	141,006	140,654	13.5	13.4	13.4	86.5	86.6	86.6
Georgia	1,776,000	418,760	362,504	365,355	23.5	20.4	20.5	76.5	79.6	79.5
Florida	1,488,000	577,643		353,013	38.8		23.7	61.2		76.3
East South Central States:										
Kentucky	1,635,000	822,658	794,469	740,538	50.3	48.6	45.2	49.7	51.4	54.8
Tennessee	1,846,000	550,283	499,218	448,973	29.8	27.0	24.3	70.2	73.0	75.7
Alabama	1,570,000	214,980	220,875	197,084	13.6	14.0	12.4	86.4	86.0	87.6
Mississippi	1,161,000	192,190	151,478	152,537	16.5	13.0	13.1	83.5	87.0	86.9
West South Central States:										
Arkansas	1,101,000	242,475	216,401	229,403	22.2	19.6	20.8	77.8	80.4	79.2
Louisiana	1,502,000	416,326	330,124	321,576	27.7	21.9	21.4	72.3	80.4	78.6
Oklahoma	1,445,000	721,599	708,931	685,085	49.9	49.0	47.4	50.1	51.0	52.6
Texas	4,360,000	1,147,245	1,061,563	1,051,853	26.3	24.3	24.1	73.7	75.7	75.9
Mountain States:										
Montana	321,000	224,278	221,003	214,549	69.8	68.8	66.8	30.2	31.2	33.2
Idaho	318,000	214,816	214,188	211,869	67.5	67.3	66.6	32.5	32.7	33.4
Wyoming	172,000	101,425	101,480	97,464	58.9	59.0	56.6	41.1	41.0	43.4
Colorado	730,000	515,237	510,121	497,411	70.5	69.8	68.1	29.5	30.2	31.9
New Mexico	301,000	185,797	188,495	185,224	61.7	62.6	61.5	38.3	37.4	38.5
Arizona	380,000	177,065		158,975	46.5		41.8	53.5		58.2
Utah	371,000	276,305		274,333	74.4		73.9	25.6		26.1
Nevada	91,000	62,117		58,705	68.2		64.5	31.8		35.5
Pacific States:										
Washington	1,671,000	905,059		817,578	54.2		48.8	45.8		51.2
Oregon	1,109,000	524,080	498,570	491,142	47.2	44.9	44.2	52.8	55.1	55.8
California	6,802,000	4,021,538		3,561,390	59.1		52.3	40.9		47.7

TOTAL POPULATION OVER 21 IN THE UNITED STATES, AND TOTALS OF POPULATION OVER 21 WHO DID VOTE AND DID NOT VOTE IN THE 1948 ELECTIONS

	Population over 21	Total votes cast for President and Vice President	Total votes cast for Senators	Total votes cast for Representatives
Total	94,072,000	48,833,680	22,682,330	46,265,439
Total percentages:				
Voted		51.9	40.2	49.18
Did not vote		48.1	59.8	50.81

Legend: Reader will note the small total vote for Senator, as compared by the votes cast for President, Vice President and Representative. In the 1948 election 14 States did not hold senatorial elections. They are as follows: Vermont, New York, Pennsylvania, Indiana, Wisconsin, Missouri, North Dakota, Maryland, Florida, Arizona, Utah, Nevada, Washington, California. The total vote cast in the States that did hold senatorial elections is 56,185,000, and the percentage as compared with that total is listed above.

Mr. Speaker, a study of this chart shows that inevitably, if this constitutional amendment of mine is adopted, a great shift will be made of membership in the House of Representatives from States where the people have been denied the right to vote, to States where the voting privileges have been freely accorded and encouraged.

I hope that the membership of this House will give some thought and study to my constitutional amendment and give me such help as they feel is just, right and proper, which will enure to the ultimate good of this now great, but ever growing greater Republic.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. O'SULLIVAN. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Speaker, I rise to ask the gentleman this question: Does he recall the year in which we had the largest turn-out of eligible voters for the Presidency?

Mr. O'SULLIVAN. No; I do not, but I just wanted to bring it as nearly up to date as I could. I took the estimated 1948 voting record.

Mr. CANFIELD. I was wondering if there had been a downward trend over the period of a decade or two.

Mr. O'SULLIVAN. I could not answer as to that; I did not attempt to study that. All I wanted to do here was to show the Members of Congress that this idea of apportioned representation in this Congress according to the population of the State whether the citizens of the State voted or not is all wrong, and there is a great disadvantage to all of these northern, western, and eastern States. If this amendment were adopted, some of these States that allow only 15, 16, or 20 percent of the people to vote would lose representation in this Congress, and other States with large voting populations would gain representation. Perhaps Nebraska would get a few more Members and States where they allow a lot of voting, where there are very few restrictions on the right to vote, they would have increased representation.

My thought is that there is only one way that you are ever going to make some of these States eliminate their voting restrictions, and that is to cause them to lose representation in this Congress. If this provision were adopted, they would be rushing out trying to induce people to vote, trying to interest people in this country, trying to have their stockholders in these United States of America, these people who are citizens, vote their stock. That is the purpose of this.

I hope this chart will be studied. I do not believe there is another available any place. I know that I called up various departments of the Government and was told that they would be anxious to get such a chart, that they did not have such chart available. It is with that thought in mind that I have presented this joint resolution asking for a constitutional amendment. I commend it to every fair-thinking American who wants the people to be interested in their Government to vote their stock in the greatest institution in the world. I would like to have their help. I do not care for any honor or glory out of this, but I do think the time has come when every State in this Union should be interested, as many of the States are, Illinois, New Jersey, Nebraska, perhaps all of the States in the West, Middle West, central West, and in the East.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. O'SULLIVAN. I yield.

Mr. O'HARA of Illinois. I wish to compliment the distinguished gentleman from Nebraska on the fine presentation he has made here today of a matter of vital concern to our democracy here in America. I would have expected such a contribution from the distinguished gentleman from Nebraska knowing his long, brilliant, and outstanding career as a lawyer famous not only in Nebraska but throughout the country west of the Mississippi. I feel that today he has presented a matter that will receive the serious attention of the people of this Republic. I recall that during the first session when we were discussing the poll-tax bill I looked into the election figures and compared the vote in a district in Mississippi and the vote cast in the district that I represent in the State of Illinois; and on the basis of those figures I found that one prime Mississippi voter was the equivalent of 11 voters in my district in Illinois. I made up a list of the 11: the president of the University of Chicago, the superintendent of schools of Chicago, one of the leading doctors of Chicago—I make up a list of 11—and the voting strength of that group of 11 equaled 1 voter in Mississippi. Well, of course, that is not representative government, as the distinguished gentleman from Nebraska has so well and eloquently and powerfully said this afternoon. I do feel we deserve the thanks of the Republic for this fine work he has done.

Mr. O'SULLIVAN. I thank the gentleman for his words of praise which I am sure I do not merit. I thank him sincerely for his being in agreement with what I have said here today.

Mr. LARCADE. Mr. Speaker, will the gentleman yield?

Mr. O'SULLIVAN. I yield to the gentleman from Louisiana.

Mr. LARCADE. I would like to say to the gentleman from Nebraska in connection with his observation regarding the light vote as shown by the election returns in general elections for the State of Mississippi that that prevails generally in several other Southern States, as a matter of fact, in most of them, due to the fact that we have only one party in the State, the Democratic Party, and there are no candidates from any other party, therefore there is practically no interest in the general election. However, where the total vote is shown and is cast, is in the primaries, which really reflects the voting population and the voting strength of Mississippi, Louisiana or some of the other Southern States, practically most of the qualified voters come out and vote. But this is not shown and reflected in the returns which are promulgated for general elections, for instance in the national election. Our vote comes out in the Democratic primary. In my own congressional district we had probably 75,000 or 80,000 registered the first time I was a candidate for Congress who were entitled to vote. There were approximately 50,000 votes cast. Our vote comes out in the primary and is not shown in the figures which are tabulated with respect to the general election. In our gubernatorial campaigns in Louisiana the vote is in excess of 500,000 and when the general election is held there are few people who come to vote. There is no opposition. It is merely a form to elect the nominee of the one party in the respective States.

Mr. O'SULLIVAN. Of course, it is a rather unhealthy state of affairs to have one political party. According to my notion of the matter this is a republic and a republic contemplates two strong political parties which will vie with each other in trying to do good for the people. It does not contemplate one political party. That one political party idea is very closely allied with a sort of dictatorship. Perhaps it might be a good thing if we did have two vying political parties in the South, two parties that would struggle to give the people a government of and by and for the people instead of and by and for one political party. I do not say that does exist. I appreciate the fact that the gentleman has explained to me a reason why there is such a small vote in the Southern States in general elections. I can see now that might enter into it. But we still want to maintain a republic and we ought to have two strong political parties. If I had the power, if the power rested with me, to destroy the Republican Party I would not do it because I think it would be bad for the country, bad for the people and would take us out of the category of a republic to a dictatorship.

Mr. LARCADE. Of course, I do not care to get into a discussion on that subject, but I might say further that while we do not have two parties or more than one party, a full expression of the people is given in the primaries when the nominees for the various offices are nominated. In my State, for instance, we have two factions. The vote is generally very close and the fight is very bitter. So everybody has an opportunity to express his or her preference for the various candidates and the various issues that are presented. I for one am satisfied, and I think most of our people are satisfied, with the system down there. I am not trying to encourage any other party so long as that system exists.

Mr. O'SULLIVAN. I can understand that, but, after all, if a person is a stockholder in the United States of America, the greatest corporate institute in the world, and is not interested enough in voting his stock and casting a vote of approval at least that does not look hardly right to me.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. O'SULLIVAN. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. I was wondering if the gentleman from Nebraska, while he does not wish completely to

annihilate the Republican Party, would be quite content if it remained a major party but slightly in vote-casting strength under the Democratic Party?

Mr. O'SULLIVAN. I heard a man make a statement one day: "We need the Republican Party because we Democrats always have to have a scrub team to buck up against in order to get into practice." He characterized the present-day Republican Party as a scrub party. I do not believe that. I think it can do much toward keeping the Democratic Party in line, I think it can do a lot, as it did in the days of Abraham Lincoln, before it ran away from Abraham Lincoln, left him crying at the crossroads, I think it can do a lot if it gets back to its old moorings and really tries to give the people a government of and by and for the people, as Jefferson and Lincoln so well expressed it.

I think there is hope for the Republican Party, but there is no hope, of course, if it is going to be a party of big business, by big business, and for big business, and I do not believe it is going to be that way. I think I can see on the other side of the aisle here occasions when men who have the real interests of this country and its people at heart have done a tremendous job, and they are Republicans, too.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 15 minutes.

CHICAGO LOYALTY PARADE

Mr. O'HARA of Illinois. Mr. Speaker, I am sure the Members of the House, at a time when we are all gravely concerned over the international situation and possible repercussions from the unprovoked and tragical attack on an American plane engaged in a mission of peace, will be heartened by reports of the manner in which the people of Chicago are preparing to show their loyalty to our country and our democracy on this coming Saturday, April 29, by marching in family groups—men, women, and children—in what is expected to be the greatest, certainly the most impressive and significant, parade in the history of the inland metropolis of the Nation.

It will be a spontaneous outpouring of a quarter of a million Americans, giving up their Saturday half-holiday, to prove by marching down Michigan Boulevard in endless procession that this is a united America with loyalty to God, fellow men, and country the very core of its character.

This is not a parade to incite toward war, but one to strengthen the will to keep the peace. There will be no armed forces in the line of march, no guns, no tanks, none of the martial trappings. Veterans, of course, because none is more devoted to peace than one who has survived the horrors of war—the Veterans of Foreign Wars, the American Legion, the AMVETS, the Disabled War Veterans, the United Spanish War Veterans, the Jewish War Veterans, the Polish-American War Veterans, the Catholic War Veterans, all the veteran organizations. The Boy Scouts, of course, because they want to look ahead to lives in the vineyards of peace where the daily doing of good deeds is not interrupted by the carnage of Mars. But mostly the paraders will be just ordinary American families—mothers and fathers marching with their children—a quarter of a million of Americans of all ages and from all walks of life turning out spontaneously, unrehearsed and the only pressure upon them being the ardor of their own spirit of loyalty.

I do not pin my faith to loyalty oaths, because I believe that loyalty, like love, is written not in words on a scrap of paper but in the deeds of daily living. We do not encourage the affection of others by beginning with the premise that they hate us and holding doggedly to such presumption until they write it all out in pen and ink that they love us. That is why to me marching voluntarily in a loyalty parade—no one compelling you to, marching just because in your heart is deep loyalty and you wish all the world to know it as you would your love for a friend—is so vastly more potent an expression.

Mr. Speaker, if war is to be avoided—and God grant that against all provocation and crises that may arrive we may have His divine guidance in finding the way to peace—we must make it so perfectly clear to the calculating minds of alien leaders that the probability of success against us is so remote that they will not dare to do that which in their wildest moments they know would be the folly of suicide.

If the portends of war now are much more alarming than they were a year ago—we do not wish to believe that they are, but our common sense cannot permit us to overlook entirely the analogy of the attack upon the plane *Privateer* with the sinking of the *Maine* and the firing upon the *Panay*—then the blame in large part must be accepted by those who have given the world to believe that loyalty among Americans is a virtue so rare that all Americans must be suspected of disloyalty even by their own neighbors until proven otherwise. If that were the case, and the attribute of loyalty in the national character had fallen to such low estate that every American required police scrutiny to reveal him as anything but a traitor, we could not be surprised at a hostile and godless ideology timing us as ripe for a rich and easy picking.

It is unfortunate, Mr. Speaker, that the headlines in the newspapers and the comments over the radio give glaring and dramatic emphasis to the word "disloyalty" and seldom mention the simple and honest word "loyalty." It is unfortunate because it is used by the unfriendly government of the Soviets to divide through misunderstanding the people of our country and of their country, both of whom want peace and not war. We wish the people of Russia to know that we in America have tried democracy and found that it works in maintaining the dignity of man and in advancing human contentment. Their government tells them otherwise, tells them that we are disloyal because we are unhappy, and we are unhappy because our democracy does not work. This is not the truth, as all of us so well know, but it is made to appear as the truth to the people of Russia by their government's use of American "disloyalty" headlines and wild charges of disloyalty in apparent substantiation of what the Soviet Government is telling its citizenry. I think it would be wise for all in the Congress and in the country at large to give most serious and poised consideration to this phase. That which leads down the path toward war should be avoided. Words of passion and charges of wide disloyalty among any Americans can, when employed, as we know they are, by the Soviet leaders, become words the echo of which ends in the roar of cannon and the explosive thunder of atomic bombs.

Mr. Speaker, among the American people themselves there has never been any question about the loyalty of the American people as a whole. Perhaps no citizenry in all the history of mankind has attained such a full measure of loyalty. The plain truth is that loyalty to our country and our democracy is part of the very fiber of our character. That is why Americans resent question of their loyalty, and demand proof that at heart they are not traitors, as indignantly as a good woman would resent the demand for proof of her chastity because a neighborhood gossip, with a psychopathic twist, has wagged a slanderous tongue.

I respectfully but most earnestly suggest, Mr. Speaker, to all my colleagues on both sides of the aisle and at this time of concern, which our responsibility will not permit us lightly to shake off, that we set for the country the wholesome example of according to all Americans the presumption that they are true and loyal, leaving it to the regularly constituted policing agencies to detect and bring to justice the few who are not, this in the same sane and orderly manner that we accept all our neighbors as honest, and usually find that they live up to our faith, and the few who are not honest are separated from us by the police whom we have for our protection.

Because it is the best approach to the preservation of the peace, by convincing a potential enemy of the folly of starting trouble with a great people united in loyalty, I am happy that the city from which I come, Chicago, is preparing on such an elaborate scale to participate in the observance of Loyalty Day on this coming Saturday.

I think the House would be interested to know that 2 young women, both of whom I am happy and proud to say are my constituents in the Second District of Illinois, have spark-plugged this great tidal wave of the spirit of loyalty which is sweeping Chicago and which will have its climax in the record-breaking parade on Saturday down beautiful Michigan Boulevard on the shores of Lake Michigan—a parade of 250,000 Americans telling to all the world that loyalty, and not disloyalty, is the word which is the precious and treasured birthright of all Americans.

The patriotic and dynamic young women responsible for this magnificent contribution to the cause of loyalty and

who have worked in conjunction with the Cook County Council of the Veterans of Foreign Wars, sponsoring the parade for the veteran organizations, are Miss Betty McGuire and Miss Adele Whalen, daughter of the Honorable James M. Whalen, clerk of the Appellate Court of Illinois. When I was in Chicago I attended two of the preliminary dinners and conferences at the Chicago Athletic Club, participated in by practically all of the civic leaders of Chicago and the not inconsiderable expenses of which were borne personally by these young women. Commander David Caplow of the Cook County Council and Capelle Damrell, national aide-de-camp of the Veterans of Foreign Wars, told me that they in their wide experience with veteran encampments and activities had never witnessed a more complete job of firing the enthusiasm of so many important leaders than that undertaken and accomplished by Miss McGuire and Miss Whalen.

I might add that Commander Caplow, Aide-de-Camp Damrell, with the other officers and the rank and file of the Veterans of Foreign Wars, as well as of the American Legion and other organizations, including all of the labor groups of A. F. of L., CIO, and the railway brotherhoods, have put in countless and tireless hours of hard work in what all Chicago expects to be the loyalty parade "heard the world around".

A quarter of a million Americans—just ordinary folks on the Saturday half-holiday or laying off from work—marching in family groups, mothers and fathers arm in arm with their children, marching for loyalty to God, to fellow man, to country, and to the principles of a free and peaceful world cannot fail to have a profound influence in tempering the thoughts of those who had been misled into believing that America had lost the virtue of loyalty and so was ripe for picking.

PROVIDING PAYMENT TO BENEFICIARIES OF FOREST SERVICE EMPLOYEES KILLED WHILE COMBATING FOREST FIRES

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes, to revise and extend my remarks, and include a copy of a bill which I introduced today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, I am today introducing a bill to provide for a lump-sum payment to the beneficiaries of employees of the Forest Service killed while combating forest fires.

Thirteen forest-fire fighters in Montana lost their lives last August in the Mann Gulch Fire, Helena National Forest. Since that time I have had a personal conference with Mr. William McCauley, Director of the Bureau of Employees Compensation, and I have also been in contact with the Forest Service to see what could be done to alleviate the situation which has arisen in certain instances because of this tragedy. It is my understanding that a dependent widow of a smoke jumper gets a payment of $1,400 per year, and a dependent widow with one child receives a payment of $1,700 per year. I am interested in seeing to it that the parents of these boys, if this is at all possible, will be given every consideration as well. At the present time if the parents are not dependent, they are not eligible to receive payments. I am very much disturbed about this situation and after much effort and results, I have been able to compile the necessary facts by means of which a bill could be drawn up and I am today introducing this measure and urging that the committee hold hearings on it very shortly. A copy of the bill follows:

An act to provide a lump-sum death payment to beneficiaries of employees of the Forest Service killed while combating forest fires

Be it enacted, etc., That section 10 of the Federal Employees' Compensation Act, as amended, is amended (1) by inserting "(a)" after "SEC. 10." and (2) by adding at the end thereof the following subsection:

"(b) If death results from injury incurred while combating a forest fire as an employee of the Forest Service, the United States shall pay, in addition to the payments provided under subsection (a), the sum of $10,000 to any beneficiary designated (in the manner prescribed by the Secretary of Labor) by the deceased employee, except that where (1) no beneficiary is designated by the deceased employee, (2) the designated beneficiary does not survive the deceased employee, or (3) the designated beneficiary survives such employee, but dies before receiving payment, the payment of such sum shall be made to the estate of the deceased employee."

SEC. 2. The amendment made by this act to the Federal Employees' Compensation Act, as amended, shall be applicable to cases of death occurring on or after January 1, 1949, and the time limitations of such act, as amended, with respect to the filing of a claim for compensation under section 10 (b) shall not begin to run until the date of enactment of this act.

EXTENSION OF REMARKS

Mr. O'NEILL asked and was given permission to extend his remarks.

Mr. LANE asked and was given permission to extend his remarks in two instances, in one to include an article and in the other to include extraneous material.

Mr. PHILBIN asked and was given permission to extend his remarks in two instances.

Mr. PRIEST asked and was given permission to extend his remarks and include an address by the gentleman from Tennessee [Mr. EVINS].

Mr. BREHM asked and was given permission to extend his remarks in two instances.

Mr. HORAN asked and was given permission to extend his remarks and include an editorial.

Mr. VORYS asked and was given permission to extend his remarks and include an address.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. REES asked and was given permission to revise and extend his remarks.

Mr. HESELTON asked and was given permission to revise and extend the remarks he made in Committee of the Whole today and include two newspaper articles and a press release.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks and include a letter to the Postmaster General.

Mr. JENSEN asked and was given permission to extend his remarks and include a report from the Soil Conservation Service.

Mr. CLEVENGER asked and was given permission to extend his remarks and include an essay in the American Legion contest.

Mr. McCULLOCH asked and was given permission to extend his remarks and include a prize-winning essay.

Mr. GAMBLE asked and was given permission to extend his remarks in five instances and include news items and editorials.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in two instances, in one to include two newspaper editorials and in the other a resolution.

Mr. WOLVERTON asked and was given permission to extend his remarks.

Mr. McDONOUGH asked and was given permission to extend his remarks in opposition to the reduction in mail service.

Mr. WEICHEL asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. POULSON asked and was given permission to extend his remarks.

Mr. SHAFER asked and was given permision to extend his remarks in three instances and include extraneous matter.

Mr. SHORT asked and was given permission to extend his remarks and include two newspaper articles.

Mr. TAURIELLO asked and was given permission to extend his remarks and include a letter to the Postmaster General.

Mr. DEANE (at the request of Mr. McCORMACK) was given permission to extend his remarks in the RECORD and include an article.

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mr. LARCADE asked and was given permission to extend his remarks in two instances; to include in one, two editorials, and in the second, a newspaper article.

Mr. McGREGOR (at the request of Mr. CANFIELD) was given permission to extend his remarks and include an essay.

Mr. MULTER asked and was given permission to extend his remarks in three instances and include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HAGEN (at the request of Mr. ARENDS), on account of official business in his district.

To Mr. MILLER of Nebraska, from April 25 to May 4, on account of official business.

To Mr. WHITE of California (at the request of Mr. SHELLEY), for an indefinite period, on account of official business.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6553. An act to provide uniform longevity promotional grades for the postal field service; and

H. R. 7846. An act to amend title VIII of the National Housing Act, as amended, to encourage construction of rental housing on or in areas adjacent to Army, Navy, Marine Corps, and Air Force installations, and for other purposes.

ADJOURNMENT

Mr. O'HARA of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 28 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, April 25, 1950, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

1403. Under clause 2 of rule XXIV, a letter from the Acting Secretary of Agriculture, transmitting a letter relative to recommending amending paragraph (2) of Public Law 74, Seventy-seventh Congress, to read as follows: "The rate of the penalty shall be 50 percent of the parity price per bushel of the commodity as of August 1, in the case of corn, and as of May 1, in the case of wheat, of the calendar year in which such crop is produced," was taken from the Speaker's table and referred to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FALLON: Committee on Public Works. H. R. 5628. A bill to direct the Federal Works Administrator to convey certain land to the State of Rhode Island; with amendment (Rept. No. 1943). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTINGTON: Committee on Public Works. H. R. 6971. A bill to authorize the transfer of funds allocated for expenditure in cooperation with the New Jersey State Highway Department on State Highway Route No. 100 to State Parkway Route No. 4; without amendment (Rept. No. 1944). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 7700. A bill to amend the rice marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; with amendment (Rept. No. 1945). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee of conference. H. R. 4080. A bill to unify, consolidate, revise, and codify the Articles of War, the Articles for the Government of the Navy, and the disciplinary laws of the Coast Guard, and to enact and establish a Uniform Code of Military Justice (Rept. No. 1946). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GOSSETT: Committee on the Judiciary. H. R. 7073. A bill for the relief of Koto Kogami Kitsu and Jeannette Akemi Kitsu; with amendment (Rept. No. 1935). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 7199. A bill for the relief of Nobuko Maeda; with amendment (Rept. No. 1936). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7292. A bill for the relief of Erio Louis Tomita and Fumiko Tomita; without amendment (Rept. No. 1937). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 7362. A bill for the relief of Mrs. Willard Thulin (formerly Jutta Mainke); with amendment (Rept. No. 1938). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 7416. A bill for the relief of Suzuko Takanashi; with amendment (Rept. No. 1939). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 7614. A bill for the relief of Mrs. Ellen Knauff; with amendment (Rept. No. 1940). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 7682. A bill for the relief of Mrs. Akiko Osada Gustafson; with amendment (Rept. No. 1941). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 7658. A bill for the relief of Mitsuko Ito; without amendment (Rept. No. 1942). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 8158. A bill to repeal certain laws as they affect the Territory of Alaska; to the Committee on Public Lands.

By Mrs. DOUGLAS:

H. R. 8159. A bill to relieve distress of farm users of feed and to expand foreign markets for cereal products of the United States; to the Committee on Agriculture.

By Mr. JACKSON of Washington:

H. R. 8160. A bill to include certain lands in the Olympic National Forest, Wash., and for other purposes; to the Committee on Agriculture.

By Mr. KEARNS:

H. R. 8161. A bill to establish a Board of Education in the Federal Government and to define its organization, powers, and duties; and for other purposes; to the Committee on Education and Labor.

By Mr. MANSFIELD:

H. R. 8162. A bill to provide a lump-sum death payment to beneficiaries of employees of the Forest Service killed while combating forest fires; to the Committee on Post Office and Civil Service.

By Mr. MARSHALL:

H. R. 8163. A bill to amend the National Service Life Insurance Act of 1940 to provide for the payment of insurance benefits to certain persons not within a class of permitted beneficiaries; to the Committee on Veterans' Affairs.

By Mr. PETERSON:

H. R. 8164. A bill to ratify the organization and operations of the Island Trading Co. of Micronesia and to provide for its incorporation; to the Committee on Public Lands.

By Mr. THOMAS:

H. R. 8165. A bill to repeal paragraph 1752 (relating to patna rice) of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. BENNETT of Florida:

H. R. 8166. A bill to permit an individual who elected a joint and survivor annuity under the Railroad Retirement Act of 1937 to revoke such election after the death of the spouse; to the Committee on Interstate and Foreign Commerce.

By Mr. BOLTON of Maryland:

H. R. 8167. A bill to authorize the construction of a new post office at Manchester, Md.; to the Committee on Public Works.

H. R. 8168. A bill to authorize the construction of a post office at Taneytown, Md.; to the Committee on Public Works.

By Mr. EBERHARTER:

H. R. 8169. A bill to reimpose the excess-profits tax, and for other purposes; to the Committee on Ways and Means.

By Mr. PHILBIN:

H. R. 8170. A bill to amend the Armed Services Procurement Act of 1947 with respect to the procurement of supplies from small business concerns; to the Committee on Armed Services.

By Mr. SMITH of Wisconsin:

H. R. 8171. A bill to provide for the establishment of a United States Foreign Service Academy; to the Committee on Foreign Affairs.

By Mr. WALSH:

H. R. 8172. A bill to rescind the order of the Postmaster General curtailing certain postal services; to the Committee on Post Office and Civil Service.

By Mr. WIGGLESWORTH:

H. R. 8173. A bill to amend the Armed Services Procurement Act of 1947 with respect to the procurement of supplies from small business concerns; to the Committee on Armed Services.

By Mr. BENNETT of Florida:

H. R. 8174. A bill to authorize a preliminary examination and survey of the Callahan area, Nassau County, Fla., including tributaries of the Nassau River, for flood control, drainage, and related purposes; to the Committee on Public Lands.

By Mr. D'EWART (by request):

H. R. 8175. A bill to promote the economic recovery of the Blackfeet Indians and better utilization of the resources of the Blackfeet Reservation, and for other purposes; to the Committee on Public Lands.

By Mr. TAURIELLO:

H. R. 8176. A bill to rescind the order of the Postmaster General curtailing certain postal services; to the Committee on Post Office and Civil Service.

By Mr. MITCHELL:

H. R. 8177. A bill to authorize the Secretary of the Navy to review the records of commissioned naval officers who failed of advancement during the war, and for other purposes; to the Committee on Armed Services.

By Mr. O'SULLIVAN:

H. J. Res. 460. Joint resolution proposing an amendment to the Constitution of the United States which provides a new basis for the apportionment of each State's membership in the House of Representatives of the United States, by ascertaining the average number of persons actually voting for certain national offices in any State during the previous 20 years and using that figure as the norm or standard of each State's representation therein, instead of making apportionments in accordance with the relationship which the total population of each State bears to the total population of the United States of America; to the Committee on the Judiciary.

By Mr. BURNSIDE:

H. J. Res. 461. Joint resolution to provide that South Parkersburg, W. Va., shall for the purposes of the Seventeenth Decennial Census be treated as a part of Parkersburg, W. Va.; to the Committee on Post Office and Civil Service.

By Mr. VINSON:

H. Res. 551. Resolution authorizing the printing of the report entitled "Unification and Strategy" as a House document; to the Committee on House Administration.

By Mr. SADLAK:

H. Res. 552. Resolution to authorize an investigation by the Post Office and Civil Service Committee of the order of the Postmaster General curtailing certain postal services; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, relative to the tidelands and submerged lands adjacent to the coast of California; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BOSONE:

H. R. 8178. A bill for the relief of Nettie W. Capps; to the Committee on the Judiciary.

By Mr. JACKSON of California:

H. R. 8179. A bill for the relief of Mrs. Margit Helena Falk Raboff; to the Committee on the Judiciary.

By Mr. KEEFE:

H. R. 8180. A bill for the relief of Parue K. Tsugami; to the Committee on the Judiciary.

By Mr. MITCHELL:

H. R. 8181. A bill for the relief of Marian Ladre and Mrs. Illaria Obidenna Ladre; to the Committee on the Judiciary.

By Mr. RAMSAY:

H. R. 8182. A bill for the relief of Raymond D. Beckner; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 8183. A bill for the relief of Asako Tsuchida; to the Committee on the Judiciary.

By Mr. WHITE of California:

H. R. 8184. A bill for the relief of Michiyo Takada and her minor daughter, Michiko; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2085. By Mr. HAGEN: Resolution adopted by the board of directors, Minnesota Livestock Breeders' Association, St. Paul, Minn., petitioning Congress for the maximum continuation of the present satisfactory program under the control and direction of the Joint United States-Mexico Commission for the eradication of the Mexican foot-and-mouth epidemic until its total eradication can be officially certified; to the Committee on Agriculture.

2086. Also, resolution adopted by the Kiwanis Club of Moorhead, Minn., in opposition to any form of compulsory health insurance or any system of medicine dominated by politics; to the Committee on Interstate and Foreign Commerce.

2087. By the SPEAKER: Petition of Stanley J. Witkowski, office of the city clerk, Milwaukee, Wis., urging passage of Senate bill 2166, Eighty-first Congress, to the Committee on Agriculture.

2088. Also, petition of Herman Pressler, president, Houston Bar Association, Houston, Tex., urging defeat of House bills 7550 and 7585; to the Committee on the Judiciary.